

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

FROM: Patrick Thomas, Director of Public Works/City Engineer

DATE: August 22, 2023

SUBJECT: Approve Form of Rancho California Water District Recycled Water Agreements and Authorize the City Manager to Execute Said Agreements on Behalf of the City

PREPARED BY: Anissa Sharp, Management Assistant
Ron Moreno, Assistant Director of Public Works

RECOMMENDATION: That the City Council adopt a resolution entitled:

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
TEMECULA APPROVING THE FORM OF RECYCLED
WATER AGREEMENTS AND AUTHORIZING THE CITY
MANAGER TO EXECUTE SAID AGREEMENTS ON BEHALF
OF THE CITY

BACKGROUND: The Santa Rosa Regional Resources Authority (“SRRRA”), a Joint Powers Authority formed by several water districts including the Rancho California Water District (“RCWD”), owns and operates a Regional Water Reclamation System which is a sewage interceptor, transmission, treatment, disposal, and water reclamation facilities. Water that has been completely treated through RCWD’s Regional Water Reclamation System is considered recycled water. In accordance with RCWD’s policies, the recycled water, which results from the operation of the Regional Water Reclamation System, has been made available for approved uses. Given the availability, some projects could stand to benefit from utilizing recycled water while constructing improvements.

In order to facilitate the ability for sites to gain access to recycled water, RCWD developed their Recycled Water Agreement (“Agreement”). The Agreement was created for execution by RCWD for any projects located within the City where a recycled water system is operated. There are two versions of the Agreement. One version of the Agreement is used in cases where the User is a developer or private entity. The other version of the Agreement is used in cases where the User is a public entity. The Agreement specifies whether the Property on which the recycled water system will be operated is owned by a public entity or by another party.

An Agreement in which the City is the User or owner of the Property on which the recycled water system will be operated, would be reviewed and approved by the City Engineer and City Attorney prior to routing said Agreement for execution, with such changes as mutually agreed to between the Public Works Department and City Attorney.

All costs will be billed to the User on monthly basis. An Agreement in which the User of the recycled water system is a developer or private entity would result in no fiscal impact to the City. An Agreement in which the User is the City of Temecula would result in costs relating to the operation and use of the recycled water system. Such costs for the recycled water commodity and applicable service charges will be included in the current Fiscal Year Operating Budget.

RCWD will have the right to modify or adjust the rate schedule(s) for providing recycled water to reflect changes in the RCWD's operation costs, if any, as determined by RCWD. All of the costs will be based on actual quantities of recycled water deliveries made during the preceding month, based on meter reading at the Point of Delivery. The Recycled Water Agreement sets forth the obligations of all parties with respect to purchase price, quantity, and all terms and conditions.

City Staff recommends that the City Council authorize the City Manager to execute that certain agreement entitled "Recycled Water Agreement" on behalf of the City in the form attached to this Resolution, with such provisions that apply to the specific project, Property, or recycled water system that are the subject of the Agreement, and with any non-substantive changes and completed exhibits as may be approved by the Public Works Department and the City Attorney as necessary and convenient to implement the purposes of the Agreement.

FISCAL IMPACT: No fiscal impact for agreements where the User is a developer or private entity. For agreements where the User is the City of Temecula, costs of the recycled water commodity and applicable service charges will be included in the current Fiscal Year Operating Budget.

ATTACHMENTS:

1. Resolution
2. Agreement - City Version
3. Agreement - Private Version