



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Authorize the City Manager to Fund Request from North San Joaquin Water Conservation District (NSJWCD) for Water Rights Activities (\$21,000)

MEETING DATE: November 15, 2000

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council authorize the City Manager to grant up to \$21,000 to the NSJWCD for financial support for water rights activities.

BACKGROUND INFORMATION: The State Water Resources Control Board will be considering a request from the NSJWCD to extend its water rights permit. NSJWCD is requesting financial support for preparation of the application.

The attached letter from the NSJWCD describes their request and contains an estimate of the legal fees for which they are requesting financial assistance. The reference to a treatment plant for the City of Lodi is a follow-up to the information presented at a recent Shirtsleeve Session regarding water supply issues. There is no "project" at this point, but the future possibility could help the permit request.

FUNDING: Water Fund

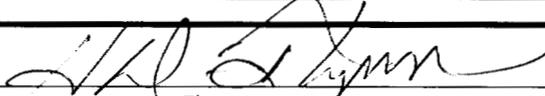
Richard C. Prima, Jr.
Public Works Director

RCP/lm

Attachment

cc: Fran Forkas, Water/Wastewater Superintendent
NSJWCD, Fred Weybret and Ed Steffani

APPROVED: _____


H. Dixon Flynn -- City Manager

DIRECTORS
George A. Gillespie
Thomas Hoffman
Jerry D. Mettler
Matthys Van Gaalen
Fred Weybret

NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT

221 W. Pine St., Lodi, CA 95240

GENERAL MANAGER
Edward M. Steffani

LEGAL COUNSEL
Stewart C. Adams, Jr.

October 4, 2000

Mr. Richard Prima, Jr.
Public Works Director
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

SUBJECT: Water Rights Permit

Dear Mr. Prima:

I am writing as directed by North San Joaquin Water Conservation District (NSJWCD) Board action of October 3, 2000.

As you know, the NSJWCD water rights permit for a 20,000 acre feet annual (AFA) supply of Mokelumne River water will expire on December 31, 2000, unless extended. The District intends to apply for an extension but is lacking financial resources to do so.

The District appeared before the Lodi City Council some months ago with a request for funds to help with its Bay/Delta efforts before the State Water Resources Control Board (SWRCB) and to begin preparing for the water rights application. The City Council did agree to fund those first efforts and to consider requests for additional funds when the District was ready to proceed with the water rights matter.

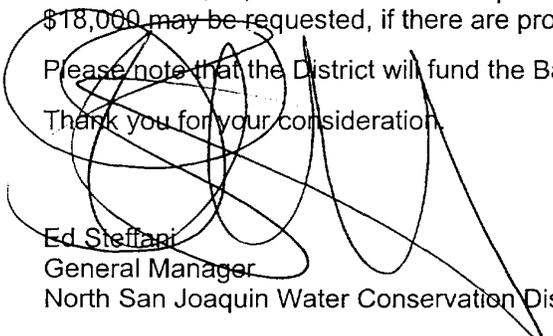
The District proposes that the City of Lodi and EBMUD support its application before the SWRCB, which will include the following elements for use of the 20,000 AFA:

- Increased surface water irrigation resulting from improvement and extension of the existing distribution system, and from a rate decrease made possible by a District-wide acreage change;
- Construction of injection-extraction wells;
- A water treatment plant for City of Lodi use of surface water; and
- Partnership with EBMUD with provision for EBMUD access to a portion of the recharged water, in exchange for EBMUD financing of all required improvements.

The enclosed copy of a letter from Counsel Harrigfeld estimates the next phase of legal costs at a maximum of \$21,000. The District requests this amount, with the understanding that up to an additional \$18,000 may be requested, if there are protests of the application.

Please note that the District will fund the Bay/Delta litigation estimated at \$5,500.

Thank you for your consideration.


Ed Steffani
General Manager
North San Joaquin Water Conservation District

ES/pmf

LPRIMA

Agenda 10/3/00
item 10

HERUM CRABTREE
BROWN DYER
ZOLEZZI TERPSTRA

Karna E. Harrigfeld
kharrigfeld@herumcrabtree.com

September 28, 2000

Mr. Edward Steffani
North San Joaquin Water Conservation District
c/o Public Works Department
City of Lodi
221 West Pine Street
Lodi, California 95240

Re: Estimate of Legal Expenses/Bay-Delta Litigation and Water Right Extension

Dear Ed:

You asked me to provide you with an estimate of the approximate cost that it would take to represent North San Joaquin Water Conservation District in the Bay-Delta litigation and to assist in facilitating an extension of the District's existing water right permit for Mokelumne River water. The following is a rough breakdown of the estimated time and associated expense:

Bay-Delta Litigation

- Draft answer
- Monitor pleadings
- Legal research/prepare written briefs on NSJWCD issues
- Appear at hearings (if necessary)

Estimate Hours: 20-30 hours
 Hourly Rate: \$180
 Total Estimate: \$3,500 to \$5,500

Extension of Water Right

The cost associated with the extension of the water right matter is highly variably depending on the manner in which we proceed and the amount of controversy generated by other interests, including the State Board. The costs can be divided into two phases.

25-C

Mr. Ed Steffani
September 28, 2000
Page 2 of 2

Phase 1:

- Legal research on extension of water right permit
- Assist with development of strategy for proceeding with extension of application
- Attend meetings with City of Lodi and EBMUD policy and legal staff
- Prepare and file petition and associated documentation
- Prepare for and appear at State Board hearing

Estimated Hours: 70-120 hours
 Hourly Rate: \$180
 Total Estimate: \$12,500 to \$21,000

If we have the support of the City of Lodi and EBMUD and no objections are raised by other interested parties or the State Board, then the State Board hearing should proceed smoothly and the above estimate should cover the costs. However, if we are not unified in our efforts or if there are protests filed to the extension, it will be more costly.

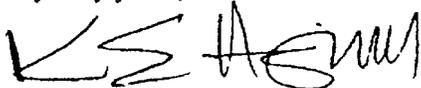
Phase 2:

- Research and prepare responses to protest or issues raised by State Board
- Meetings on protests and with State Board staff
- Written briefs and other necessary documents
- Appear at State Board hearings

Estimated Hours: 60-100 hours
 Hourly Rate: \$180
 Total Estimate: \$10,500 to \$18,000

As you know, these are rough estimates. Please let me know if you have any questions.

Very truly yours,



KARNA E. HARRIGFELD
Attorney-at-Law

KEH:rl

cc: Richard Prima

CITY COUNCIL

STEPHEN J. MANN, Mayor
ALAN S. NAKANISHI
Mayor Pro Tempore
SUSAN HITCHCOCK
KEITH LAND
PHILLIP A. PENNINGO

CITY OF LODI

PUBLIC WORKS DEPARTMENT

CITY HALL, 221 WEST PINE STREET
P.O. BOX 3006
LODI, CALIFORNIA 95241-1910
(209) 333-6706
FAX (209) 333-6710
EMAIL pwdept@lodi.gov
<http://www.lodi.gov>

November 8, 2000

H. DIXON FLYNN
City Manager
SUSAN J. BLACKSTON
City Clerk
RANDALL A. HAYS
City Attorney
RICHARD C. PRIMA, JR.
Public Works Director

Mr. Ed Steffani, General Manager
North San Joaquin Water Conservation Dist.
c/o City of Lodi Public Works Department
P. O. Box 3006
Lodi, CA 95241-1910

Mr. Fred Weybret, President
Board of Directors
North San Joaquin Water Conservation Dist.
c/o 125 North Church Street
Lodi, CA 95240

SUBJECT: Authorize the City Manager to Fund Request from North San Joaquin Water Conservation District (NSJWCD) for Water Rights Activities (\$21,000)

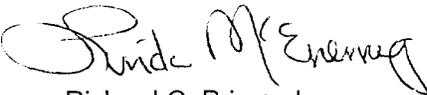
Enclosed is a copy of background information on an item on the City Council agenda of Wednesday, November 15, 2000. The meeting will be held at 7 p.m. in the City Council Chamber, Carnegie Forum, 305 West Pine Street.

This item is on the consent calendar and is usually not discussed unless a Council Member requests discussion. The public is given an opportunity to address items on the consent calendar at the appropriate time.

If you wish to write to the City Council, please address your letter to City Council, City of Lodi, P. O. Box 3006, Lodi, California, 95241-1910. Be sure to allow time for the mail. Or, you may hand-deliver the letter to City Hall, 221 West Pine Street.

If you wish to address the Council at the Council Meeting, be sure to fill out a speaker's card (available at the Carnegie Forum immediately prior to the start of the meeting) and give it to the City Clerk. If you have any questions about communicating with the Council, please contact Susan Blackston, City Clerk, at 333-6702.

If you have any questions about the item itself, please call me at 333-6759.



Richard C. Prima, Jr.
Public Works Director

RCP/lm
Enclosure
cc: City Clerk ✓

NNSJWCDFNDGREQST3