TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER

DATE: MAY 12, 2008

SUBJECT: DECEMBER 2007 – MARCH 2008 REPORT ON PROGRESS OF NEGOTIATIONS FOR A NEW WATER AGREEMENT BETWEEN SAN FRANCISCO AND THE BAY AREA WATER SUPPLY AND CONSERVATION AGENCY (BAWSCA)

This is an informational report and no Council action is required.

BACKGROUND AND DISCUSSION
On September 11, 2006, Council authorized the Bay Area Water Supply and Conservation Agency (BAWSCA) to negotiate on behalf of the City for a water services agreement with the City and County of San Francisco[CMR:341:06]. BAWSCA prepares quarterly reports on the progress of the negotiations. The fourth such report, produced on April 17, 2008, is attached.

The attached report states that progress on the contract negotiations is expected to accelerate now that the San Francisco Public Utilities Commission (SFPUC) has its new General Manager in place. The attached letter from San Francisco Mayor Newsom advises that San Francisco supports Assembly Member Ira Ruskin’s bill extending the State’s oversight of the SFPUC’s Water System Improvement Program as well as expresses support proceeding expeditiously on the new water contract negotiations.

ATTACHMENTS
A. December 2007 – March 2008 Report on Progress of Negotiations for a New Water Agreement between the City and County of San Francisco and BAWSCA agencies
B. March 11, 2008 letter from San Francisco Mayor Newsom to Assemblyman Ira Ruskin

PREPARED BY: JANE RATCHYE, Assistant Director, Resource Management, Utilities

DEPARTMENT HEAD: VALERIE O. FONG
Director of Utilities

CITY MANAGER APPROVAL: STEVE ESMЛИ/E KELLY MORARIU
Deputy City Managers