

RESOLUTION NO. 17-96

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,
CALIFORNIA, APPROVING: (1) THE THIRD AMENDMENT TO THE SERVICES
AGREEMENT WITH CALIFORNIA WATER COMPANY; AND (2) THE RELEASE OF
A REQUEST FOR PROPOSALS FOR LEASE OF REAL PROPERTY AND
IMPLEMENTATION OF THE COMMERCE WATER SYSTEM'S CAPITAL
IMPROVEMENT PROGRAM

WHEREAS, the City of Commerce and California Water Service Company (Cal Water) entered into a Lease of Real Property (Commerce Water System) on October 1, 2002, whereby Cal Water agreed to operate and maintain the municipally-owned Commerce Water System for a 15 year period. That Lease is due to expire on October 1, 2017; and

WHEREAS, the City and Cal Water entered into a separate agreement for design, permitting, and construction management services to construct a new well, effective November 15, 2016. The well will take approximately two to three years to complete; and

WHEREAS, because the original lease with Cal Water is set to expire, and due to the City's need to provide uninterrupted high quality water service to its residents, staff recommends extending the Lease with Cal Water through the City's fiscal year (to June 30, 2018);

WHEREASE, during the proposed lease extension, in order to develop a long-term solution, staff recommends the immediate release of a new Request for Proposals (RFP) for operation and maintenance and implementation of the Commerce Water System's Capital Improvement Program (CIP). The lease extension will allow the City sufficient time to award a new agreement to the successful bidder; and

WHEREAS, staff will return to Council with the results of the RFP process and a recommendation.

NOW, THEREFORE, THE CITY COUNCIL DOES HEREBY RESOLVE,
DECLARE AND DETERMINE AS FOLLOWS:

Section 1. The Third Amendment to the Services Agreement between the City of Commerce and California Water Services Company is hereby approved. The Mayor is authorized to execute the Third Amendment for and on behalf of the City.

Section 2. City staff is authorized to release an Request for Proposals for the lease of real property and implementation of the Commerce Water System's CIP.

PASSED, APPROVED AND ADOPTED this 5th day of September, 2017.

Oralia Rebollo
Mayor

ATTEST:

Lena Shumway
City Clerk