

RESOLUTION NO. _____(N.C.S.)

**A RESOLUTION APPROVING AN AGREEMENT BETWEEN THE CITY OF
SALINAS AND DEEPWATER DESAL LLC WITH REGARD TO A WHOLESALE
POWER PURCHASE AGREEMENT**

WHEREAS, DeepWater Desal LLC (DWD) is developing the Monterey Bay Regional Water Project (MBRW Project) at Moss Landing, California;

WHEREAS, the MBRW Project will consist of a seawater reverse osmosis (SWRO) desalination facility, a co-located data center, power substation and intake and outfall facilities;

WHEREAS, the MBRW Project is intended to supply potable water to water agencies and water utilities operating in Monterey and Santa Cruz counties, and seeks to plan for any potential future demand for desalinated water by the City of Salinas;

WHEREAS, on December 18, 2012, the City and DWD entered into an Agreement to Explore the Purchase of Water and a Wholesale Power Purchase Agreement and pursuant to said agreement have explored the establishment of a wholesale power purchase agreement;

WHEREAS, on February 26, 2013, the City, DWD, and CWS first entered into a Wholesale Power Purchase Agreement which expired on February 26, 2018

WHEREAS, the City and DWD desire to restate their intent to establish a wholesale power purchase agreement (Agreement) and do so with their approval of the attached Agreement;

WHEREAS, execution of the Agreement by the City and by DWD is merely an agreement to collaboratively consider in good faith the objectives of the Agreement and it does not obligate the City or DWD to enter into any project agreement, water purchase agreement or power purchase agreement; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SALINAS, consistent with the authority granted to the City Council, the Agreement by and Between the City of Salinas and DeepWater Desal LLC to set forth the intention of the City of Salinas and DWD to establish a wholesale power purchase agreement with a wholesale power generator from which the City would purchase power and resell such power to DWD and selected other coastal dependent businesses operating within Monterey County, proximate to DWD's planned desalination facility, but outside the City, is hereby approved; and

BE IT FURTHER RESOLVED that the Mayor of Salinas is hereby authorized and directed, for and on behalf of the City of Salinas, and as its act and deed, to execute the attached Agreement.

BE IT FURTHER RESOLVED that the City Manager or his designee is authorized to execute extensions and/or non-substantive modifications to the Agreement, as necessary.

PASSED AND ADOPTED this 4th day of June 2019, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

Joe Gunter, Mayor

ATTEST:

Patricia M. Barajas, City Clerk