



## **CITY COUNCIL STAFF REPORT**

**ITEM NO. 6.8**

**DATE:** July 13, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Carl Brown, Public Works Director

**SUBJECT:** A resolution approving a 30-year potable water supply agreement between the City of Livermore and Zone 7 Water Agency.

### **RECOMMENDED ACTION**

Staff recommends that the City Council adopt a resolution authorizing a 30-year Potable Water Supply Agreement with Zone 7 Water Agency for the continued wholesale supply of potable water to the City of Livermore.

### **SUMMARY**

Zone 7 Water Agency serves as the wholesale water provider for the City of Livermore and supplies treated potable water to the City's municipal water system. The existing agreement between the City and Zone 7 is approaching expiration, and a new long-term agreement has been negotiated to ensure the continued delivery of a reliable, high-quality water supply for Livermore residents and businesses. The proposed agreement establishes the terms and conditions under which Zone 7 will continue providing potable water to the City for a period of 30 years.

### **DISCUSSION**

The City of Livermore has relied on the Zone 7 Water Agency as its sole supplier of treated potable water since the inception of the Livermore Municipal Water system in the 1960s. Zone 7 develops, treats, and delivers potable water to retail water agencies throughout the Tri-Valley area, including the Livermore Municipal Water system. Zone 7 accomplishes this by managing a variety of water supply projects and facilities including groundwater wells in the Tri-Valley, imported surface water from the State Water Project, remote groundwater banks, and various other storage and supply projects.

The proposed 30-year agreement replaces and succeeds the existing water supply agreement and formalizes the continued partnership between the City and Zone 7. The agreement establishes responsibilities related to water delivery, water quality standards, availability of water, water conservation, operational coordination, and compliance with applicable state regulations.

## **FISCAL AND ADMINISTRATIVE IMPACTS**

The proposed agreement does not require the appropriation of additional funds beyond those already budgeted annually in the Water Enterprise Fund for wholesale water purchases. The cost of purchasing water is passed through to the City's municipal water customers as a separate charge on water bills. The purchase of water total cost for FY 2024-25 was \$11.6 million.

## **COMMUNITY PILLAR**

1: A Safe Community That Thrives

## **GOAL**

11: Operate and maintain municipal water systems that provide safe, efficient delivery of potable and recycled water, collect and treat wastewater, and comply with all federal, state, and local regulations

## **ATTACHMENTS**

- 1. [Resolution](#)
- 2. [Exhibit A - Zone 7 Agreement](#)

Prepared by: Jennifer James  
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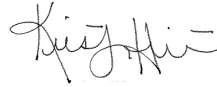
Approved by:



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Marianna A. Burch  
City Manager

Fiscal Review by:



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Kristen Hilton  
Acting Administrative Services Director