



CITY OF CLEARLAKE

City Council

STAFF REPORT

SUBJECT: Discussion and Consideration of a Clear Lake Watershed and Chi Memorandum of Understanding Co-Management Agreement

MEETING DATE:

August 6, 2026

SUBMITTED BY: Alan D. Flora, City Manager

PURPOSE OF REPORT: ☐ Information only ☒ Discussion ☒ Action Item

WHAT IS BEING ASKED OF THE CITY COUNCIL/BOARD:

Discussion regarding the Clear Lake Watershed Co-Management Agreement and authorize the City Manager to execute the agreement.

BACKGROUND AND DISCUSSION

Clear Lake is a vital environmental, cultural, recreational, and economic resource for the City of Clearlake and the greater Lake County community. The health of the lake directly affects local drinking-water systems, shoreline neighborhoods, public parks, recreation, tourism, businesses, and the overall quality of life of City residents.

Management responsibility for Clear Lake and its watershed is divided among numerous tribal governments, local agencies, state and federal agencies, water suppliers, and other organizations. No single entity has complete jurisdiction, authority, information, or resources to independently address the lake's complex and interconnected challenges.

Those challenges include harmful algal blooms, nutrient loading, water-quality impairments, invasive species, sedimentation, shoreline and wetland degradation, mercury contamination, drought, wildfire impacts, flooding, and declining habitat for native species such as the Clear Lake hitch.

The proposed Clear Lake Watershed Co-Management Agreement establishes a voluntary framework for participating governments and agencies to improve communication, share information, coordinate planning, identify common priorities, and pursue collaborative funding and restoration opportunities.

The agreement is intended to support cooperation rather than create a new regulatory agency. It does not transfer the City's legislative, regulatory, land-use, contractual, police, or proprietary authority to another entity. It also does not authorize another participant to act on behalf of the City or commit City funds without separate approval.

Participation in the agreement would help ensure that the City of Clearlake has a meaningful voice in regional discussions and decisions affecting the lake. The City has a substantial interest in watershed management because of its extensive shoreline, public parks and beaches, drinking-water needs, stormwater infrastructure, recreational opportunities, and economic dependence on the lake.

The agreement would also improve the City's ability to advocate for projects and funding that directly benefit Clearlake residents, including water-quality improvements, shoreline restoration, public access, habitat protection, infrastructure, recreation, and climate-resilience projects.

The agreement recognizes tribal governments as governmental partners and acknowledges their cultural, ecological, and historical connection to Clear Lake. Tribal participation brings important traditional ecological knowledge and technical expertise to the management of the watershed while preserving the sovereignty and independent authority of all participating governments.

Staff recommends that the City's approval remain conditioned on provisions confirming that the agreement is voluntary and nonbinding. The agreement should preserve each party's existing jurisdiction, legal rights, property rights, water rights, and regulatory authority; prohibit one party from binding another without written authorization; require separate approval for future financial commitments; and allow the City to withdraw in accordance with the agreement's terms.

Any future project, expenditure, contract, grant commitment, or regulatory action developed through the co-management process would be subject to separate City approval and all applicable environmental, permitting, contracting, and public-notice requirements.

OPTIONS:

1. Approve the Agreement and Authorize the City Manager to Execute.
2. Direction to Staff.

FISCAL IMPACT:

☒ None ☐ \$ Budgeted Item? ☐ Yes ☐ No

Budget Adjustment Needed? ☐ Yes ☒ No If yes, amount of appropriation increase: \$

Affected fund(s): ☐ General Fund ☐ Measure P Fund ☐ Measure V Fund ☐ Other:

STRATEGIC PLAN IMPACT:

- ☐ Goal #1: Economic Development
- ☒ Goal #2: Public Facilities and Infrastructure
- ☒ Goal #3: Celebrate Clearlake
- ☒ Goal #4: Clean
- ☐ Goal #5: Fiscal Sustainability
- ☒ Goal #6: Safe

☒ **Attachments:** 1. Draft Co-Management Agreement

