

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

May 25, 1993

To: Board of Directors (Water Problems Committee--Information)  
From: General Manager  
Subject: Status of Water Supply Arrangements for San Luis Rey Indian Water Rights Settlement

Report

Title I of Public Law 100-675 provides for the settlement of water rights claims of the La Jolla, Rincon, San Pasqual, Pauma, and Pala Bands of Mission Indians (Bands) in San Diego County. The inadequacy of the San Luis Rey River to supply the needs of both the Bands, and the City of Escondido, the Escondido Mutual Water Company, and the Vista Irrigation District (local entities) had led to litigation to determine the rights of various parties to water from the river. To provide a supplemental water supply for the benefit of the Bands and the local entities (the settlement parties), the Secretary of the Interior (Secretary) was authorized and directed in Title I to:

- arrange for the development of not more than 16,000 acre-feet per year of supplemental water from public lands within the State outside the service area of the Central Valley Project; or
- arrange to obtain not more than a total of 16,000 acre-feet per year either from water conserved by the All American and Coachella Canal lining projects, or through contract with Metropolitan.

In September 1989 and May 1990, the Water Problems Committee was informed of the arrangements being considered to provide for the delivery of supplemental water to the San Luis Rey Indian Water Authority (Authority) which had been formed by the Bands. Also in September 1989, Metropolitan transmitted a draft agreement for the delivery and sale of water to the Authority's representatives for their consideration. Under the draft agreement, Metropolitan would sell up to 16,000 acre-feet per year to the United States for use by the Bands or the local entities in accordance with a settlement agreement being

negotiated. The water would be sold at the noninterruptible rate. Based on principles negotiated in August 1988 while Title II of Public Law 100-675 (authorizing the Secretary to line the All American Canal) was pending in Congress, a credit would be applied to the water rate charged if supplemental water became available to the Bands and the right to use the water was granted to Metropolitan. The credit would be based on the difference in the unit cost between the supplemental water supply and the All American Canal lining. In January 1993, the Indian Water Authority and the local entities suggested revisions to the draft water delivery agreement which are under consideration.

In November 1989, the Secretary submitted his recommendations for arranging for the supplemental water supply to the interested Congressional committees. Among the sources considered were:

- the Lower Colorado Water Supply Project (Project), consisting of the pumping of groundwater for users of Colorado River water who have insufficient present perfected rights,
- an East Mesa groundwater recharge and recovery program in Imperial County, and
- purchase of groundwater rights on the West Mesa of Imperial County or lease of agricultural land in the Palo Verde Valley.

The Secretary concluded that implementation would require negotiation of joint ventures with interested parties as there are institutional considerations associated with development of each of these sources.

#### Lower Colorado Water Supply Project

With respect to use of water from the Project, the City of Needles has expressed willingness to permit utilization temporarily of a portion of the capacity for which it will contract. In February 1992, Representative Ron Packard informed the Department of the Interior (Department) of his support for efforts to secure use of the Project as an interim water supply for the settlement. The Chairman of the Department's Working Group on Indian Water Right Settlements

informed Representative Packard in April 1992 that use of the Project involves technical issues which remain to be resolved. The Chairman assured Representative Packard that the Department was working to develop a strategy to meet its obligations under Title I. The Bureau of Reclamation (Reclamation), Imperial Irrigation District (Imperial), and Coachella Valley Water District (Coachella) executed a water exchange agreement in May 1992 to permit Project water to be discharged into the All American Canal. In exchange, Imperial and Coachella will reduce their diversions of Colorado River water by an equal amount.

In September 1992, Reclamation and Needles executed a contract for the repayment of Project costs and delivery of Project water. In the contract, Needles recognizes that the United States may construct the Project at its full capacity, even though Project users may not be entities defined in Public Law 99-655, the authorizing legislation. Such use of the Project would only be granted if the United States is satisfied that such use would not have negative impacts on Project users. No right to the recurrent use of Project water would accrue, and capacity would be withdrawn from users located outside the Project service area as users within the service area have need for additional water.

#### East Mesa Groundwater Recharge and Recovery

Further investigation is required to determine the feasibility of a recharge and recovery program on the East Mesa of Imperial County. Reclamation has proposed construction of four wells along the old unlined Coachella Canal to withdraw up to 1,000 acre-feet of the 17,000 acre-feet of water recharged in 1988-89. Reclamation wishes to test whether recharged water would be of acceptable quality upon recovery if left in the basin for an extended period of time. Recovered water of adequate quality would be discharged into the Coachella Canal permitting Coachella to reduce its diversion of Colorado River water by an equal amount. In April 1993, Reclamation distributed a proposal for the test for review by the settlement parties, the Bureau of Indian Affairs, Imperial, Coachella, the County of Imperial, and Metropolitan. The proposal, in the form of a draft funding agreement, provides for the United States and the Authority to advance monies for the conduct of the test and for Coachella to provide in-kind services. The funding agreement would be contingent upon Reclamation, the Authority, and Metropolitan entering into a contract to provide for Metropolitan diversion of the recovered water by exchange, or for storage of the recovered water by

exchange in a water management account in Lake Mead for Metropolitan. In return for acquiring such water, it has been proposed that Metropolitan pay the Authority a negotiated amount to partially reimburse the Authority for advancing funds to conduct the test. Your Board's approval would be sought should this proposal advance toward fruition. Comments have been submitted to Reclamation on its draft funding agreement for conducting the recovery test and to a representative of the Authority on its draft contract for acquisition of the recovered water.

#### Other Sources

Neither the proposal to purchase groundwater rights on the West Mesa of Imperial County nor the proposal to lease agricultural land in the Palo Verde Valley has advanced significantly since 1990. Finally, the settlement parties have viewed a supplemental supply developed through either the All American Canal or Coachella Canal lining projects as too expensive to meet their needs.

It is possible that more than 16,000 acre-feet per year could be developed from a combination of sources described above and made available to Metropolitan through funding of the projects.

#### Board Committee Assignment

This letter is referred to the Water Problems Committee for information because of its authority to study, advise, and make recommendations with regard to policies regarding the sale and delivery of water for various uses pursuant to Administrative Code Section 2481(d).

#### Recommendation

For information only.

  
General Manager