


MWD

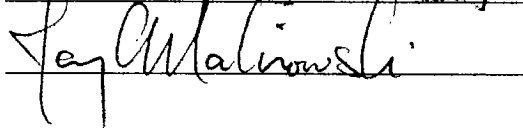
METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

8-3

September 12, 1997

To: Board of Directors (Water Planning and Resources Committee--Action)
 (Budget and Finance Committee--Information)
 (Engineering and Operations Committee--Information)

From: *for* General Manager 

Submitted by: Jay W. Malinowski
 Chief of Operations 

Subject: Notice of Potential Discontinuance of Service of Surplus Water in 1998

RECOMMENDATION(S)

It is recommended that the Board of Directors adopt (by two-thirds vote) the attached resolution giving notice of potential discontinuance of the service of surplus water pursuant to the procedural requirements of the Interim Agricultural Water Program under Section 132 of the Metropolitan Water District Act.

EXECUTIVE SUMMARY

In connection with the Interim Agricultural Water Program (Program), it is recommended that your Board renew its annual notice of potential discontinuance of service of surplus water. The Board letter of April 20, 1994, authorizing the Program, recognized that your Board should adopt a resolution under Section 132 of the Metropolitan Water District Act (MWD Act) providing notice of a potential whole or partial discontinuance of surplus water deliveries every year while the Program is in effect. The most recent such resolution was adopted by your Board on September 10, 1996. Because a year has elapsed since the last notice, it is necessary that your Board adopt the attached resolution.

DETAILED REPORT

Through the Interim Agricultural Water Service Program, Metropolitan offers lower water rates for agricultural users in exchange for the opportunity to interrupt service. Under the program, Metropolitan may reduce deliveries to agricultural water users up to 30

percent prior to any mandatory reduction to municipal and industrial users. In connection with adoption of the Program, your Board adopted a notice of a potential whole or partial discontinuance of surplus water deliveries pursuant to Section 132 of the MWD Act. As stated in the Board Letter of April 20, 1994, authorizing the Program, "A similar Resolution should be adopted every year thereafter while the Interim Agricultural Water Program is in effect." The most recent such resolution was adopted by your Board on September 10, 1996. Because a year has elapsed since the last such notice was given, it is necessary that a new notice be given.

Section 132 of MWD Act provides that Metropolitan may provide, sell, and deliver surplus water not needed or required for domestic or municipal uses within Metropolitan's service area for any beneficial use. Metropolitan sells water for agricultural purposes under this provision. Section 132 also provides that Metropolitan has the right to discontinue such service, in whole or in part, upon one year's written notice to the purchasers or users of the water. That notice shall be given when the Board determines by two-thirds vote that the water is needed for domestic or municipal purposes within Metropolitan.

For these reasons, it is recommended that the Board adopt the attached resolution providing notice of the potential discontinuance of surplus water deliveries in 1998.

NT/CM/ms

(G:\OPSEXEC\CONTRADM\BOARD\RESOLUTN.DOC)

Attachment

RESOLUTION _____

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
DIRECTING THE GIVING OF NOTICE OF POTENTIAL DISCONTINUANCE
OF SERVICE OF SURPLUS WATER IN 1997-98**

Whereas, an earthquake, other catastrophe, or unforeseen events could cause a shortage of water in Metropolitan's service area in the future; and

Whereas, the State's ability to reliably meet Metropolitan's annual requirements for State Water Project supplies requires continued resolution of long-standing Bay/Delta issues through the initiated State Federal (CalFED) environmental decision-making process; and

Whereas, until a long-term resolution of Bay/Delta issues is achieved, State Water Project operating requirements in the Bay/Delta could result in curtailed water deliveries and the potential for future water supply shortages; and

Whereas, if there is insufficient precipitation during the winter of any future year, the State Water Project water supply could be inadequate to meet the demands of contractors of the Project; and

Whereas, under Section 132 of the Metropolitan Water District Act, Metropolitan may serve surplus water if such water is in excess of the domestic and municipal needs or requirements within Metropolitan; and

Whereas, heretofore water for agriculture has been supplied on the condition that such supply can be discontinued subject to the giving of the notice required by said Section 132; and

Whereas, Section 132 of the Metropolitan Water District Act requires that Metropolitan give the purchaser or user of surplus water one year's written notice prior to the discontinuance of delivery of surplus water; and

Whereas, it is possible that Metropolitan will not have available for delivery water that is surplus to the municipal and domestic needs or requirements within Metropolitan; and

Whereas, pursuant to the Interim Agricultural Water Program approved by Metropolitan on May 10, 1994, in a water shortage agricultural water deliveries may be cut back up to 30 percent prior to imposition of mandatory targets for firm deliveries and up to 100 percent thereafter; and

Whereas, Metropolitan's Water Planning and Resources Committee has invited member public agencies and other interested parties to come before the Committee and present their views on a proposal to give the one year's notice called for by Section 132 of the Metropolitan Water District Act discontinuing in whole or in part the supply of surplus water from Metropolitan, and has considered those views.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of The Metropolitan Water District of Southern California, with two-thirds of the votes of its members concurring:

1. That this Board determines and declares that all or a portion of the water presently served as surplus water may be needed for domestic or municipal uses within Metropolitan between October 1998 and October 1999 and that Metropolitan may discontinue supplying surplus water in whole or in part at any time; and

2. That the General Manager is directed to give notice of such potential discontinuance to each member public agency presently receiving service of surplus water and to any user who has requested in writing to be notified by mailing a copy of this resolution forthwith; and

3. That this Board hereby delegates to the General Manager its authority to take action with respect to such discontinuance on the terms provided in the Interim Agricultural Water Program, and that any such discontinuance shall only take place upon further action of the General Manager, but without further notice to users of surplus water; and

4. That except pursuant to the Interim Agricultural Water Program, such discontinuance shall only take place upon further action of this Board but without further notice to users of surplus water.

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of a resolution adopted by a two-thirds vote of the Board of Directors of The Metropolitan Water District of Southern California at its meeting held on October 14, 1997.

Acting Executive Secretary
The Metropolitan Water District
of Southern California