

- **Board of Directors**
Water Planning, Quality and Resources Committee

August 20, 2001 Board Meeting

8-8

Subject

Authorize execution of Water Code Section 12562(b) Funding Agreement with the Department of Water Resources; and adopt a resolution for the Hayfield Groundwater Storage Project

Description

The California Water Code Sections 12560 through 12565 provide funding to implement elements of the California Plan for Colorado River. The Department of Water Resources (DWR) administers \$235 million from the General Fund for implementation of the Coachella and All American Canal lining projects (\$200 million) and \$35 million for Colorado River Aqueduct groundwater storage and conjunctive-use programs. The Board directed the Chief Executive Officer (CEO) to negotiate the terms of this contract at the June 2000 Board meeting. Metropolitan has negotiated a \$35 million reimbursement agreement for the Hayfield Groundwater Storage Project in accordance with these Water Code provisions.

Attachment 1 is the resolution requested by DWR to accompany the Funding Agreement (Agreement). The Agreement has been received by Metropolitan, and a Board resolution is a prerequisite to its execution by DWR. The Agreement will not become binding until the state Department of General Services approves it.

CEQA

The proposed resolution to accept the funds and authorize the CEO to execute the Funding Agreement is not defined as a project under the California Environmental Quality Act (CEQA) because the proposed action involves the creation of government funding mechanisms or other government fiscal activities (Section 15378(b)(4) of the State CEQA Guidelines). In addition, where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA (Section 15061(b)(3) of the State CEQA Guidelines).

The CEQA determination is: Determine that the resolution relating to execution of the DWR Funding Agreement is not subject to CEQA per Sections 15061(b)(3) and 15378(b)(4) of the State CEQA Guidelines.

Policy

By Minute Item 44059, dated June 13, 2000, the Board approved implementation of the Hayfield/Chuckwalla Storage Program (Program), the General Manager initiated the application for Water Code Section 12562(b) funding and appropriating partial Program funding.

Board Options/Fiscal Impacts

Option #1

Adopt the CEQA determination, authorize the CEO to execute Water Code Section 12562(b) Funding Agreement with DWR and adopt the attached resolution in support of the Project.

Fiscal Impact: Supports the receipt of \$35 million of Water Code Section 12562(b) reimbursement funding from DWR.

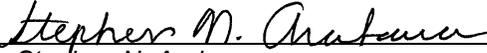
Option #2

Do not authorize the CEO to execute Water Code Section 12562(b) Funding Agreement with DWR and do not adopt the resolution in support of the Project.

Fiscal Impact: Could delay or cancel further consideration of grant proposals.

Staff Recommendation

Option #1


Stephen N. Arakawa
Manager, Water Resource Management

7/20/2001

Date


Ronald R. Gastelum
Chief Executive Officer

8/3/2001

Date

Attachment 1 –Resolution for the Hayfield Groundwater Storage Project

BLA #1216

RESOLUTION _____

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA ACCEPTING FUNDING PURSUANT
TO WATER CODE SECTION 12562(b)**

FOR

HAYFIELD GROUNDWATER STORAGE PROJECT

RESOLVED by the Board of Directors of the Metropolitan Water District of Southern California that pursuant and subject to all of the terms and provisions of the California Water Code Section 12562(b) to accept \$35 million in reimbursable funding from the California Department of Water Resources for the Hayfield Groundwater Storage Project.

BE IT FURTHER RESOLVED that the Chief Executive Officer of the Metropolitan Water District of Southern California is hereby authorized to sign contracts and designate a Project Director for the administration of the project and liaison to the California Department of Water Resources.

FURTHER RESOLVED that the Executive Secretary is hereby directed to file forthwith certified copies of this resolution with the Department of Water Resources.

FURTHER RESOLVED that this resolution is pursuant and subject to all of the terms and provisions of California Water Code Section 12562(b) and the Hayfield Groundwater Storage Project Funding Agreement.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Directors of the Metropolitan Water District of Southern California at its meeting held August 20, 2001.

Executive Secretary
The Metropolitan Water District
of Southern California