

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

December 14, 2004 Board Meeting

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**10-2**

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**Subject**

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Proposed Water Management Pilot Project with Lower Tule River Irrigation District

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**Description**

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Metropolitan's Board authorized the Chief Executive Officer to pursue a water management partnership with the Friant Water Users Authority consistent with an amended Memorandum of Understanding approved at the Board's December 2002 meeting. The MOU included principles that guide partnership activities (**Attachment 1**). Metropolitan's primary interest in pursuing the partnership is to develop water management programs with Friant's members, including exchanging State Water Project water for higher-quality Sierra water, which would improve the quality of water supplies Metropolitan receives via the California Aqueduct. Other benefits would include: reduced treatment costs; cost savings resulting from reduced SWP water deliveries needed to meet blending targets; reduced salinity to the region; and reduced SWP power and delivery charges. Friant's primary interest in the partnership is to develop infrastructure improvements and/or programs that would improve surface water and groundwater supply reliability and affordability for its members.

The MOU includes developing specific pilot projects to achieve the above objectives. Metropolitan is currently investigating the feasibility of four pilot projects with Friant and its members. Feasibility analysis has been completed for one of those pilot projects, the Tule River Intertie, proposed by Lower Tule River Irrigation District. The proposed pilot project includes the following:

- LTRID developing infrastructure to enable Lower Tule to capture and use more of its Tule River supplies. LTRID estimates these improvements will cost nearly \$4 million, of which about 80 percent would be provided by the \$20 million of Proposition 13 funding identified for partnership activities.
- Proposition 13 funding a portion of LTRID's federal Central Valley Project water supply costs.
- LTRID and Metropolitan exchanging 100,000 acre-feet of Lower Tule's higher-quality Sierra water from the CVP for Metropolitan's SWP supplies.

The next steps include negotiating cost sharing arrangements and terms for the water exchange, and completing necessary environmental and permitting activities. Resolution of Friant water rights issues would be required prior to exchanging water. Staff will keep the Board informed on these activities and will seek board approval to enter into an agreement with LTRID to implement the proposed pilot project in the future.

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**Policy**

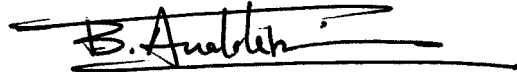
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On Dec. 10, 2002, (Minute Item 45108), the Board approved amending the MOU with the Authority.

**Fiscal Impact**

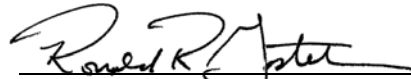
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Pursuing the proposed pilot project with LTRID will not result in direct fiscal impacts, since Proposition 13 monies would be used.

  
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B. Anatole Falagan  
for Stephen N. Arakawa  
Manager, Water Resource Management

11/18/2004

Date

  
\_\_\_\_\_  
Ronald R. Gastelum  
Chief Executive Officer

11/19/2004

Date

**Attachment 1 – Principles regarding a Proposed Water Management Partnership Between the Friant Water Users Authority, on behalf of its Members, and The Metropolitan Water District of Southern California**

BLA #3168

**PRINCIPLES REGARDING  
A PROPOSED WATER MANAGEMENT PARTNERSHIP BETWEEN THE  
FRIANT WATER USERS AUTHORITY, ON BEHALF OF ITS MEMBERS,  
AND THE METROPOLITAN WATER DISTRICT OF SOUTHERN  
CALIFORNIA**

**MUTUAL GOALS**

The attached "Partnership Principles" are agreed to in furtherance of developing a cooperative water management partnership (Partnership) between the Friant Water Users Authority (Authority), on behalf of its members, and the Metropolitan Water District of Southern California (Metropolitan) that will enhance and optimize their respective water supplies and water management capabilities. This mutually advantageous agricultural-urban Partnership will explore water management opportunities that have both short- and long-term benefits and address water supply management issues. Partnership activities will include, but are not necessarily limited to: sharing information; consulting on CALFED activities; preparing feasibility studies; conducting modeling and technical analyses; implementing pilot projects; and designing and constructing water management facilities. The Partnership will be pursued in an open process with full participation of interested parties.

Metropolitan's primary interest in pursuing the Partnership is to develop water management programs, including water quality exchanges, with the Authority's members, that will result in a net improvement to the quality of water supplies Metropolitan receives via the California Aqueduct. The Authority's primary interest in pursuing the Partnership is to develop infrastructure improvements and/or programs that will improve surface water and groundwater supply reliability and affordability for its members.

Nothing herein reduces the importance of pursuing improvements to water conveyance facilities or other improvements in the Sacramento-San Joaquin River Delta (Delta) that will improve the reliability of water supplies exported from the Delta and will provide higher quality water for Delta exporters. Further, it is the intent of both parties for the Partnership activities to be consistent with the current consensus-based efforts of the Authority to restore environmental values on the San Joaquin River.

By:



Richard M. Moss, General Manager  
Friant Water Users Authority

By:



Ronald R. Gastelum, General Manager  
Metropolitan Water District  
of Southern California

Date:

November 30, 2000

Date:

November 30, 2000

## **PARTNERSHIP PRINCIPLES**

1. The Partnership will enhance water management capabilities of the Authority's members and Metropolitan.
2. The Partnership may explore, evaluate, and develop infrastructure improvements and/or programs that will improve surface water and groundwater supply reliability and affordability for the Authority's members.
3. The Partnership will pursue water management actions, including water quality exchanges, which provide Metropolitan with water quality improvements at the Edmondston Pumping Plant at a cost acceptable to Metropolitan.
4. The Partnership will not negatively impact water supply, operations, or financial condition of the Authority, its members or Metropolitan.
5. The Partnership will not negatively impact the availability, quality or costs of water supplies to other San Joaquin Valley interests, fully recognizing the water rights of members of the Partnership.
6. The Partnership will ensure that any program implemented will result in water quality for each Authority member that is acceptable to that member.
7. The Partnership will sustain long-term groundwater management capabilities for all beneficial uses within the Friant Division service area specifically, and the San Joaquin Valley generally.
8. Metropolitan will assume all risks associated with its State Water Project supplies delivered from the Sacramento-San Joaquin Delta, including without limitation any shortages that may occur.
9. The Partnership will operate in a manner that will not jeopardize the water rights relied upon in order to make water available to the Authority's members, Metropolitan, or any other party in the San Joaquin Valley.
10. The Authority will act as a clearinghouse for all Partnership activities on behalf of its members including but not limited to distributing Partnership-related information received from Metropolitan to its members.
11. Metropolitan will coordinate all Partnership activities, including Partnership activities with individual Authority members, through the Authority, and will not undertake any activities within the scope of the Partnership with any party within the service area of the Friant Division other than as a part of the Partnership.

12. The Partnership's activities will be consistent with the Authority's current consensus-based effort to restore environmental values on the San Joaquin River.
13. The Partnership will not result in any significant unmitigated environmental impacts.
14. Neither the Authority nor Metropolitan will pursue or support groundwater banking or other water management programs that harm the interests of Metropolitan, the Authority or any of the Authority's members, with harm to the interests of Metropolitan determined by Metropolitan, harm to the interests of the Authority determined by the Authority in accordance with internal arrangements among its members and/or Authority board policies and harm to any Authority member determined by that member.
15. The Authority and/or its members, and Metropolitan have the right to terminate the Partnership at any time until such time as the parties enter into a long-term contract.
16. The Partnership will be carried out in an open process that provides for public participation from all interested parties.
17. All activities undertaken in furtherance of the Partnership will be by consensus of the parties and selected based on criteria to be developed by the parties that will include economic considerations, ability to proceed in a timely manner, and any other factors that might contribute to an activity's feasibility.