

- **Board of Directors**

Water Planning, Quality and Resources Committee

February 14, 2006 Board Meeting

7-6

Subject

Authorize entering into a joint connections and water exchange agreement with the San Gabriel Valley Municipal Water District, Three Valleys Municipal Water District, Inland Empire Utilities Agency and the city of Sierra Madre

Description

San Gabriel Valley Municipal Water District is a State Water Contractor that serves the cities of Azusa, Monterey Park, Alhambra and Sierra Madre. SGVMWD owns and operates the Azusa Pipeline, which delivers its State Water Project supplies from the Devil Canyon turnout on the East Branch of the State Water Project to the San Gabriel Valley for groundwater replenishment purposes. The Azusa Pipeline parallels Metropolitan's Rialto Feeder pipeline for much of its right-of-way. There are three treatment plants that take delivery of Metropolitan's untreated State Water Project supplies from the Rialto Feeder. The Agua de Lejos Plant and the Lloyd Michaels Plant serve portions of the IEUA's service area. The Miramar Treatment Plant is owned and operated by Three Valleys Municipal Water District. Metropolitan's Upper Feeder Pipeline runs through the city of Sierra Madre. Sierra Madre desires an emergency service connection to the Upper Feeder for emergency supplies in the event that Sierra Madre's groundwater production is compromised.

The Joint Connections and Water Exchange Agreement would provide for a 5.5 cubic-foot-per second emergency service connection for Sierra Madre on Metropolitan's Upper Feeder and up to three connections on the Azusa Pipeline to provide service to the Lloyd Michaels, Miramar and Agua de Lejos plants in the event that the Rialto Feeder is out of service. The Rialto Feeder is constructed of pre-stressed concrete pipe and June 2004 emergency repairs required a significant local conservation effort. The proposed connections would provide back-up to IEUA and TVMWD in the event of unplanned Rialto Feeder shutdowns or a planned outage. In addition, Azusa Pipeline connections could be used for replenishment operations. SGVMWD would construct and pay for the Sierra Madre connection on the Upper Feeder, and TVMWD and IEUA would construct and pay for the Azusa Pipeline connections. **Attachment 1** illustrates the relative location of these connections within Metropolitan's system.

Metropolitan would use the Azusa Pipeline per the existing Cooperative Water Exchange Agreement to deliver Metropolitan's State Water Project supplies through the Azusa Pipeline to the three new service connections. To deliver water to Sierra Madre, SGVMWD would take delivery of treated Metropolitan water from the Upper Feeder and turn over a like quantity of SGVMWD's state project supplies to Metropolitan at Devil Canyon. SGVMWD would pay for power and conveyance on the state project through its State Water Project Charges. SGVMWD would pay Metropolitan the treatment surcharge and any other charges related to the delivery of treated water. IEUA and TVMWD would pay the applicable Metropolitan rates for deliveries taken through the Azusa Pipeline.

In summary, the proposed agreement improves the reliability of service to TVMWD and IEUA, increases the available capacity to make replenishment deliveries, and does not impose any additional cost on Metropolitan. **Attachment 2** summarizes the terms of the proposed agreement.

Policy

Metropolitan Water District Administrative Code Section 4209: Contracts

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is categorically exempt under the provisions of CEQA and the State CEQA Guidelines. The proposed project involves the funding and minor alterations of existing private or public facilities, along with the construction of minor appurtenant structures, with minor modifications in the condition of land, water, and/or vegetation that do not involve removal of healthy, mature, scenic trees. These activities would result in negligible expansion of use and no possibility of significantly impacting the physical environment. Accordingly, the proposed action qualifies under Class 1, Class 3, and Class 4 Categorical Exemptions (Sections 15301, 15303, and 15304 of the State CEQA Guidelines).

The CEQA determination is: Determine that pursuant to CEQA, the proposed action qualifies under three Categorical Exemptions (Class 1, Section 15301; Class 3, Section 15303; and Class 4, Section 15304 of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options/Fiscal Impacts

Option #1

Adopt the CEQA determination and authorize the CEO to enter into a joint connections and water exchange agreement with the San Gabriel Valley Municipal Water District, Three Valleys Municipal Water District, Inland Empire Utilities Agency and the city of Sierra Madre consistent with the draft terms outlined in [Attachment 2](#).

Fiscal Impact: None. Cost of connections paid by other agencies.


Option #2

Do not authorize the CEO to enter into a joint connections and exchange agreement.

Fiscal Impact: None

Staff Recommendation

Option #1



Brian G. Thomas
Chief Financial Officer

1/31/2006
Date



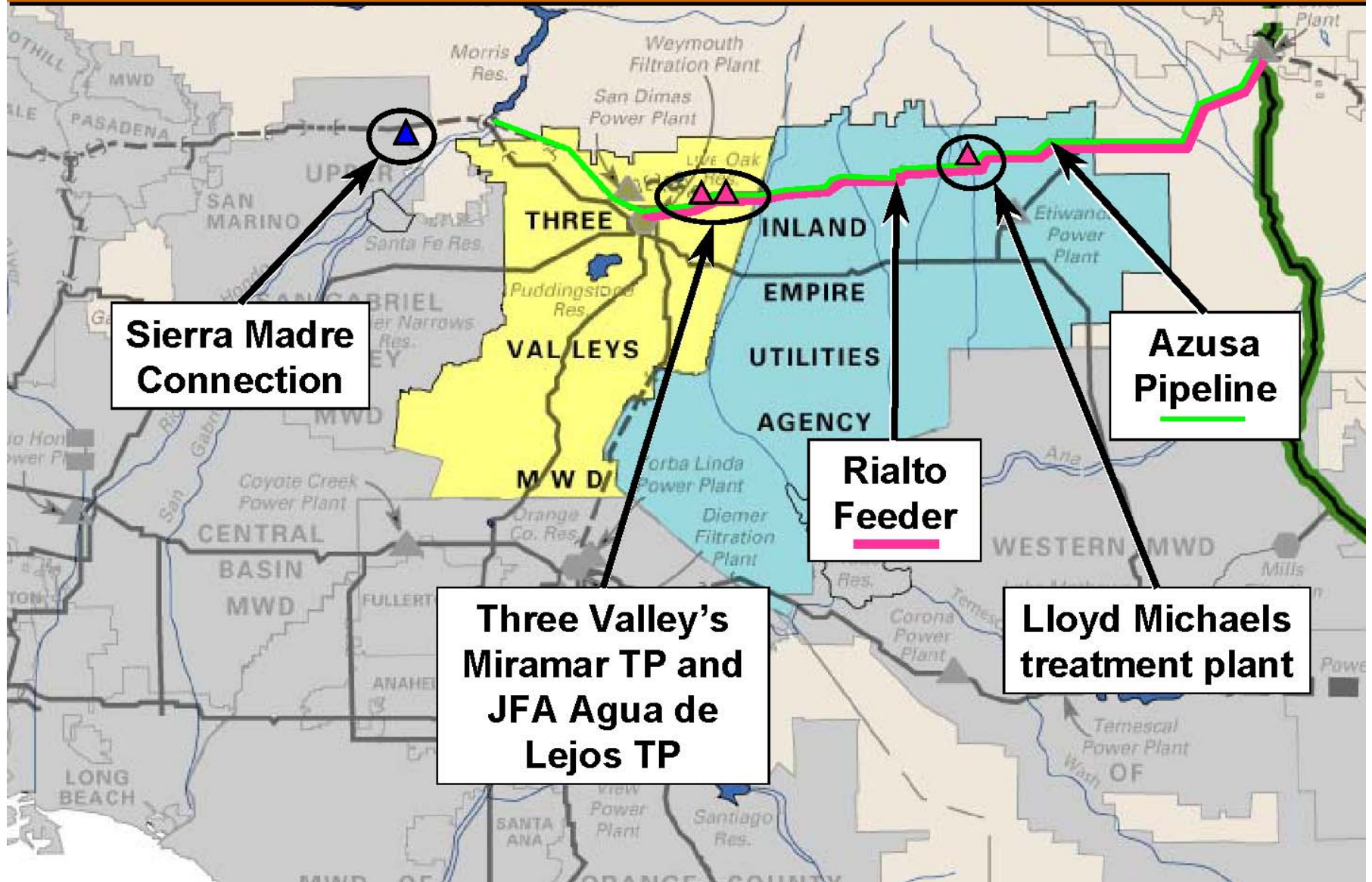
Debra C. Man
Interim CEO/General Manager

1/31/2006
Date

[Attachment 1 – Joint Connections and Exchange Agreement Facilities](#)

[Attachment 2 – Draft Terms](#)

Joint Connections and Exchange Agreement Facilities



Draft Terms

January 31, 2006

Joint Connections and Water Exchange Agreement with the San Gabriel Valley Municipal Water District, the Three Valleys Municipal Water District, the Inland Empire Utilities Agency and the City of Sierra Madre

Parties

The Agreement is between and among the Metropolitan Water District of Southern California, (Metropolitan), the San Gabriel Valley Municipal Water District (San Gabriel), the Three Valleys Municipal Water District (Three Valleys), the Inland Empire Utilities Agency (Inland Empire), and the City of Sierra Madre (Sierra Madre).

Three Valleys and Inland Empire are Metropolitan member agencies.

San Gabriel is a State Water Contractor that serves the cities of Alhambra, Azusa, Monterey Park and Sierra Madre.

Facilities

Metropolitan owns and operates the Rialto Feeder. The Rialto Feeder is a 611 cubic-foot-per-second (cfs) raw water pipeline that originates at Devil Canyon, is supplied by the East Branch of the State Water Project, and terminates at the Live Oak Reservoir.

Metropolitan owns and operates the Upper Feeder. The Upper Feeder is a 509 cfs treated water pipeline served from the Weymouth Treatment Plant. The Upper Feeder runs through the City of Sierra Madre.

San Gabriel owns and operates the Azusa Pipeline. The Azusa Pipeline is a 55 cfs raw water pipeline that parallels Metropolitan's Rialto Feeder for much of its right of way. The Azusa Pipeline originates at Devil Canyon and is supplied from the East Branch of the State Water Project.

Inland Empire serves the Agua de Lejos and Lloyd Michaels treatment plants with water from Metropolitan's Rialto Feeder. The Rialto Feeder is the only source of supply for these treatment plants.

Three Valleys owns and operates the Miramar Water Treatment Plant, which is served from Metropolitan's Rialto Feeder. The Rialto Feeder is the only source of supply for this treatment plant.

Term

The Agreement is in perpetuity and the Agreement may be terminated with one year's written notice by any of the parties.

Joint Connections

Sierra Madre desires a 5.5 cfs connection on Metropolitan's Upper Feeder to provide emergency backup service in the event Sierra Madre's groundwater supplies are compromised.

Inland Empire desires two 55 cfs connections to San Gabriel's Azusa Pipeline to provide emergency backup service to the Lloyd Michaels and Agua de Lejos treatment plants.

Three Valleys desires one 55 cfs connection to San Gabriel's Azusa Pipeline to provide emergency backup service to the Miramar Treatment Plant.

In consideration for San Gabriel granting Three Valleys and Inland Empire three connections to the Azusa Pipeline, Metropolitan will provide San Gabriel a connection to the Upper Feeder to provide emergency service to Sierra Madre.

Exchange Operations

To deliver Metropolitan State Water Project supplies to Three Valleys or Inland Empire through the Azusa Pipeline, Metropolitan will provide San Gabriel, at Devil Canyon, with the volume of water to be delivered to Three Valleys or Inland Empire.

To deliver San Gabriel State Water Project supplies to Sierra Madre through the Upper Feeder, San Gabriel will provide Metropolitan, at Devil Canyon, with the volume of water to be delivered to Sierra Madre.

Costs

San Gabriel will pay all costs for constructing a connection on the Upper Feeder.

Three Valleys and Inland Empire will pay all costs of constructing connections to the Azusa Pipeline.

Ownership

Metropolitan will own San Gabriel's connection to the Upper Feeder.

Three Valleys and Inland Empire will own the connections to the Azusa Pipeline.

Billing and Rates

Metropolitan will meter and bill Three Valleys and Inland Empire for water delivered through the Azusa Pipeline. Three Valleys and Inland Empire will pay Metropolitan's rates, as defined in the Administrative Code, for any and all water delivered through the Azusa Pipeline.

Metropolitan will meter and bill San Gabriel for water delivered to Sierra Madre through the Upper Feeder. As a State Water Contractor, San Gabriel will pay all State Water Contract costs associated with the conveyance of water to Devil Canyon. San Gabriel will pay Metropolitan's treatment surcharge, and all other charges applicable to treatment as defined in Metropolitan's Administrative Code.