

8-2 Subject: Authorize amendment to Metropolitan's Cyclic Storage Agreement with Three Valleys Municipal Water District and the Main San Gabriel Basin Watermaster

Presented by: James D. Bodnar, Sr. Engineer, Imported Supply Unit

Motion: Adopt the CEQA determination that the program is not subject to CEQA and authorize the General Manager to enter into an amendment to Metropolitan's Cyclic Storage Agreement with Three Valleys Municipal Water District and the Main San Gabriel Basin Watermaster consistent with the terms in the board letter.

Motion Carried: Moved: Director Edwards Seconded: Director Dick
Abstained: Directors De Jesus, Lewinger, Steiner, and Touhey

Votes: 8 = Yes; 4 = Abstain

8-3 Subject: Authorize (1) agreement with the State Water Contractors, Inc. to pursue 2014 Sacramento Valley water transfer supplies; and (2) \$5 per acre-foot initial administrative deposit not to exceed \$500,000

Presented by: Demetri J. Polyzos, Engineer, Imported Supply Unit

Motion: Adopt the CEQA determination that the proposed action is not defined as a project and there is no possibility that it may have a significant effect on the environment and

- a. Authorize the General Manager to enter into an agreement with the State Water Contractors, Inc. to pursue 2014 Sacramento Valley water transfer supplies, in a form approved by the General Counsel; and
- b. Authorize making a \$5 per acre-foot initial administrative deposit and disbursements from that deposit consistent with the agreement not to exceed \$500,000.

Motion Carried: Moved: Director Record Seconded: Director Peterson

Votes: Unanimous

Mr. Upadhyay provided brief background information and referenced a letter related to this agenda item from the San Diego County Water Authority.

Mr. Polyzos gave a presentation on Metropolitan's potential need for Sacramento Valley water transfer supplies in 2014. Background information described the proposed acquisition of water supplies through the State Water Contractor Buyers Group.

Staff responded to comments regarding Delta River outflow, budget allocation for this item,

carriage loss credit to Metropolitan for Delta outflow, purchase price for actual water supplies and the net price for delivered water supplies.

5. BOARD INFORMATION ITEMS

None

6. COMMITTEE ITEMS

a. Oral report on Water Surplus and Drought Management Plan

Jennifer Nevills, Sr. Resource Specialist, gave an update on State Water Project supplies and hydrologic conditions, fisheries, Colorado River water supplies and hydrologic conditions, and the overall Water Surplus and Drought Management balance and storage projections.

Staff responded to comments regarding calendar year projections, water shortage levels, water sources included in the budget, highest water storage amount, shortage amounts, and dollar value of stored water purchases.

b. Update on State Water Contract extension negotiations

Deven N. Upadhyay, Manager, Water Resource Management, discussed background information on the State Water Contract Extension negotiations and he gave an update on recent discussions.

Staff responded to comments surrounding the ability to issue revised bills to contractors if projected costs change, take or pay contracts, financial implications and impacts of O&M, BDCP costs included in the negotiations, whether meetings are subject to Brown Act, contractor approval determination, contract expiration date, Metropolitan's involvement in recreation, update on Dos Amigos power plant rebuilding at Oroville and the cost of repair and replacement, the application of methods for agreement amendment for contractors, and role and interests of the Department of Water Resources.

7. MANAGEMENT REPORTS

a. Subject: Bay Delta Matters

Presented by Stephen N. Arakawa, Bay-Delta Initiatives Manager

Mr. Arakawa provided brief update reports on Bay Delta Conservation Plan schedule and statewide water action plan.

Director Record added that the ACWA board was involved in that process and adopted the final draft State Water Action Plan that has been sent to the governor's office.

- b. Subject: Colorado River Matters
Presented by: Bill Hasencamp, Manager of Colorado River Resources

Deferred to November.

- c. Subject: Water Resource Management Manager's Report
Presented by: Deven N. Upadhyay, Manager, Water Resource Management

Mr. Upadhyay introduced Mr. Jack Safely as the new Imported Supply Unit Manager in Water Resource Management.

Director Steiner inquired about Metropolitan's comments on the Environmental Impact Report on the Cadiz Project.

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

None

Next meeting will be held on November 18, 2013.

Meeting adjourned at 11:46 a.m.

David De Jesus
Chair