



Agreement with State Water Contractors to Pursue 2016 Sacramento Valley Water Transfers

Water Planning and Stewardship Committee

Item 8-2

February 8, 2016

Background

- State Water Contractor (SWC) Buyers Group
 - Coordination through SWC Inc.
 - Proven performance:

Year	Metropolitan's SWC Buyers Group Purchases
2008	26,600 AF
2010	88,100 AF
2015	12,400 AF

2016 SWC Buyers Group Highlights

- \$5/AF administrative deposit:
 - Secures participation
 - Unused funds refunded based on actual costs
 - Helps maximize transfer supply allocation
- Transfer supplies:
 - Allocated based on the lesser of proportional Table A amounts or administrative deposit amount

Movement of Transfer Supplies



Metropolitan's Decision to Purchase Water in 2016

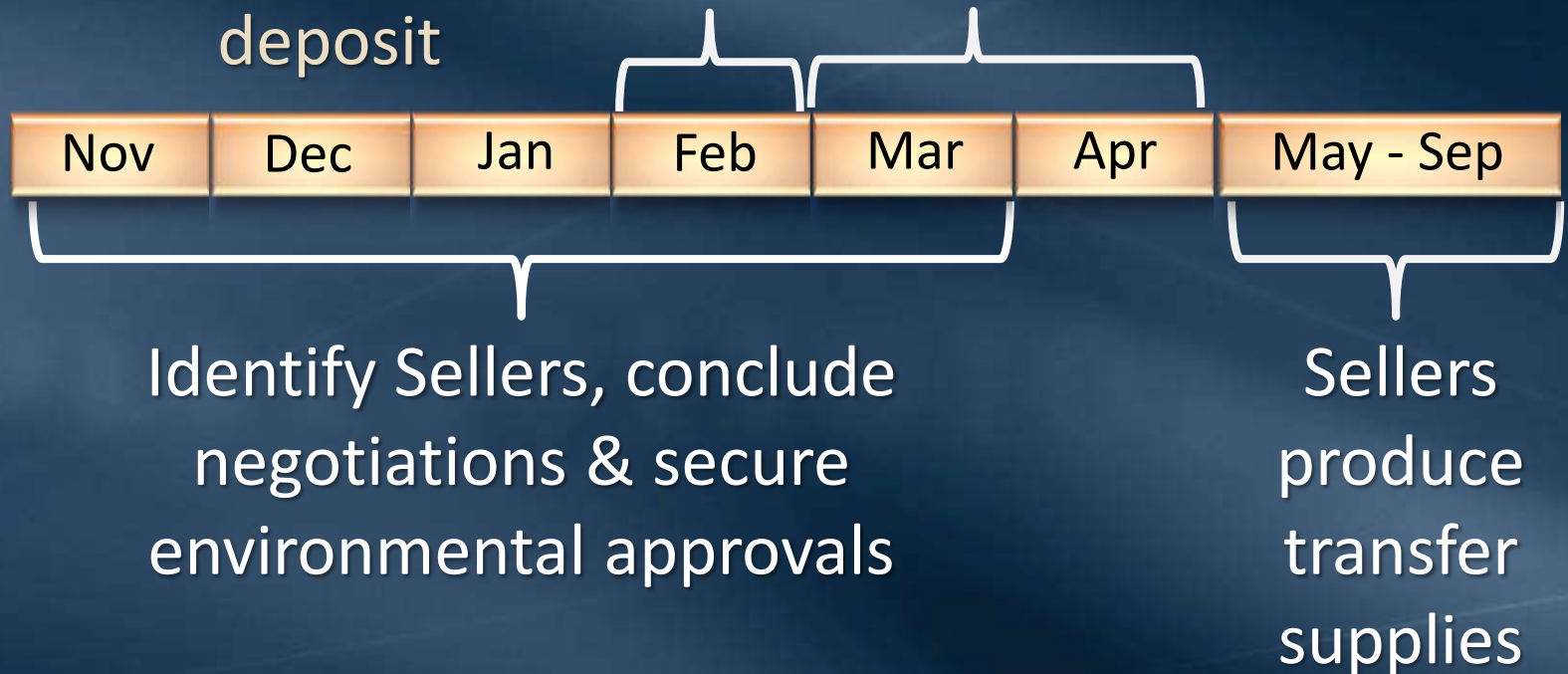
Based On Many Factors:

- Water Supply Conditions
- Potential Sellers
- Cost
- Ability to move supplies through Delta

Tentative Schedule

Seek Board authority to:

- Execute agreement with SWC
- Execute agreement with Sellers & DWR
- Pay \$5/AF admin deposit
- Purchase Transfers



Summary

- Seek approval to participate in 2016 SWC Buyers Group
- Authorize payment not to exceed \$500,000
- Return to Board in coming months with transfer purchase recommendation

Board Options

- Option #1

- Adopt CEQA determination
- Authorize entering into an agreement with the State Water Contractors, Inc. to pursue Sacramento Valley transfer supplies
- Authorize paying initial administrative deposit not to exceed \$500,000

- Option #2

- Do not authorize entering into an agreement with the State Water Contractors, Inc.

Recommendation

- Option #1

