



Authorization to enter into member agency Cyclic Agreements to improve regional supply reliability

Water Planning and Stewardship Committee

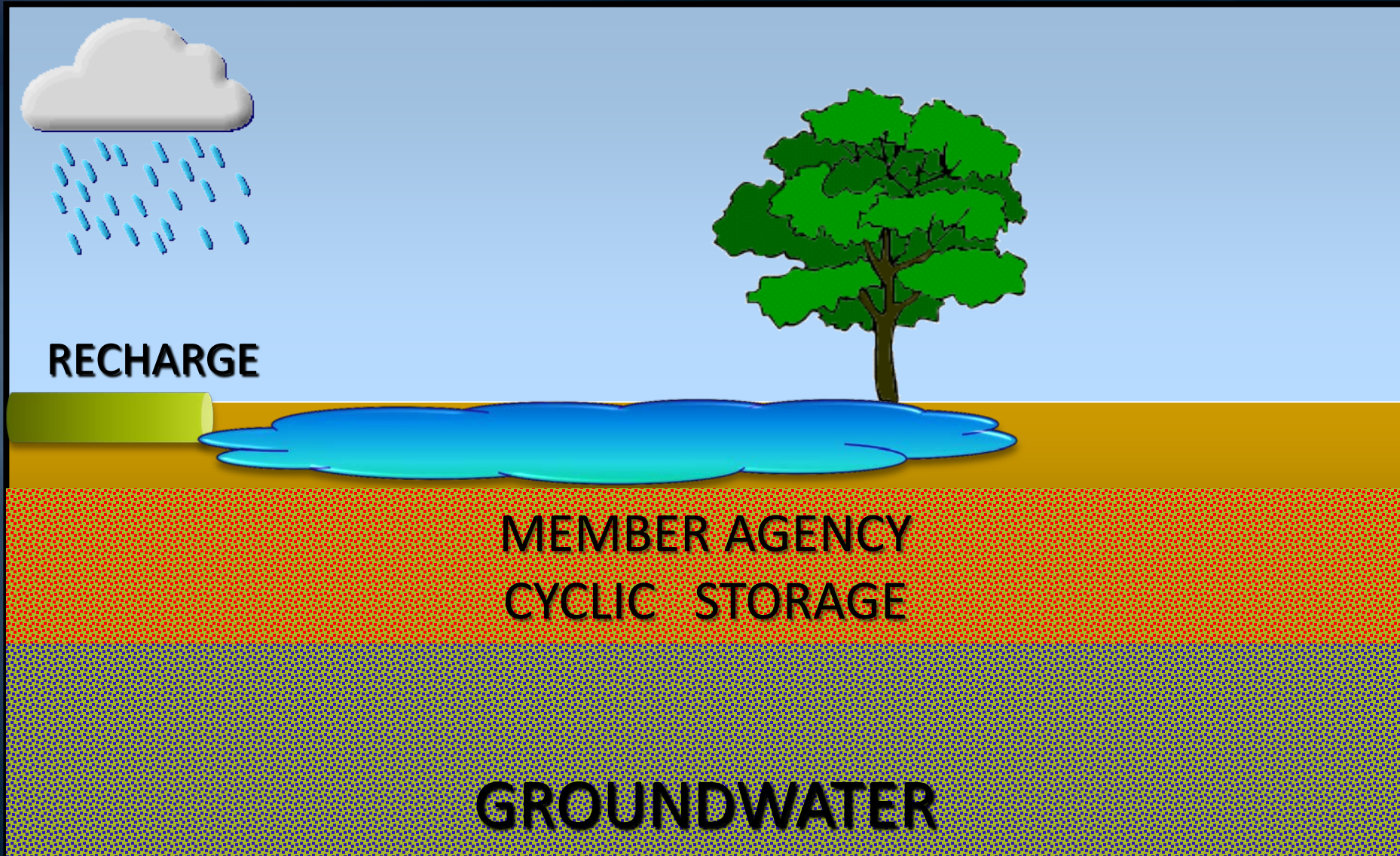
Item 8-4

April 10, 2017

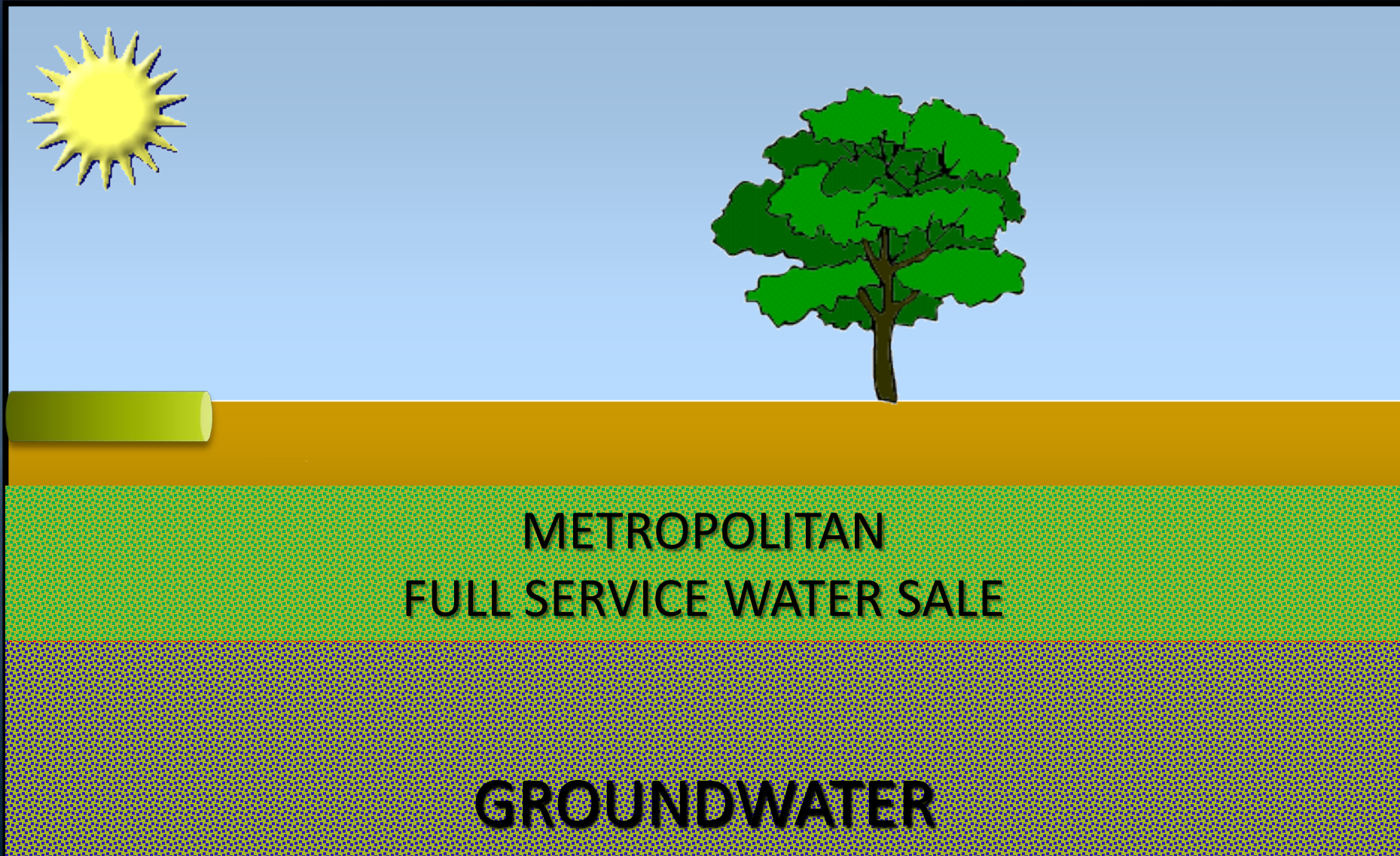
Cyclic Agreement History

- Objective – capture additional regional supplies for storage in the service area during wet conditions
- Proven track record
- First Cyclic Agreement authorized by Board in 1974 with Upper San Gabriel Valley MWD
- Current Cyclic Agreements with Upper San Gabriel Valley MWD and Three Valleys MWD

Cyclic Operation – Wet Year



Cyclic Operation – Future Year



Cyclic Agreement Operation Terms

- Surface water or groundwater storage
- Storage capacity up to 200,000 AF
- Subject to approval of managing agency
- Delivery by direct recharge or in-lieu
- Documentation of storage by managing agency
- Up to ten years with option for mutually agreed extensions

Cyclic Agreement Financial Terms

- No additional program charges or fees
- Allow for mutually agreed payment schedule
- Member agency pays the full service water rate at time of withdrawal
- Capacity Charge does not apply
 - Delivery at Metropolitan's discretion
- Readiness-to-Serve charge shall apply

Cyclic Program Benefits

- Cost competitive with other alternatives
- Located in Metropolitan's service area
 - Higher local storage balances
 - Local emergency supply
- Improves water supply reliability for the region

Board Options

Option 1:

- Adopt the CEQA determination, and authorize the General Manager to enter into Cyclic Agreements with Metropolitan member agencies consistent with the terms in Attachment 1.

Option 2:

- Take no action

Staff Recommendation

Option 1

