



# Agreement with State Water Contractors to Pursue 2018 Sacramento Valley Water Transfers

Water Planning and Stewardship Committee

Item 7-4

March 12, 2018

# Potential 2018 Water Transfers

- **Yuba Accord**
  - **Surface Water**
  - **Groundwater Substitution**
- **State Water Contractors (SWC) Buyers Group**



# Yuba Accord Surface Water Purchases

- 10/14/14 - MWD Board authorized surface water purchases between 2016 and 2020
- Price varies from \$50/AF-\$350/AF depending on hydrology
- Highest price in 2018 is \$300/AF
- Lower risk, since purchase amount is based on amount delivered

# Yuba Accord GW Substitution Purchases

- Purchases of groundwater substitution supplies are negotiated annually
- May Board action to purchase transfer supplies

# SWC Buyers Group

- Coordinated through SWC
- Proven performance

Year	Metropolitan's SWC Buyers Group Purchases
2008	26,600 AF
2010	88,100 AF
2015	12,358 AF

# 2018 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 2018

Based On Many Factors:

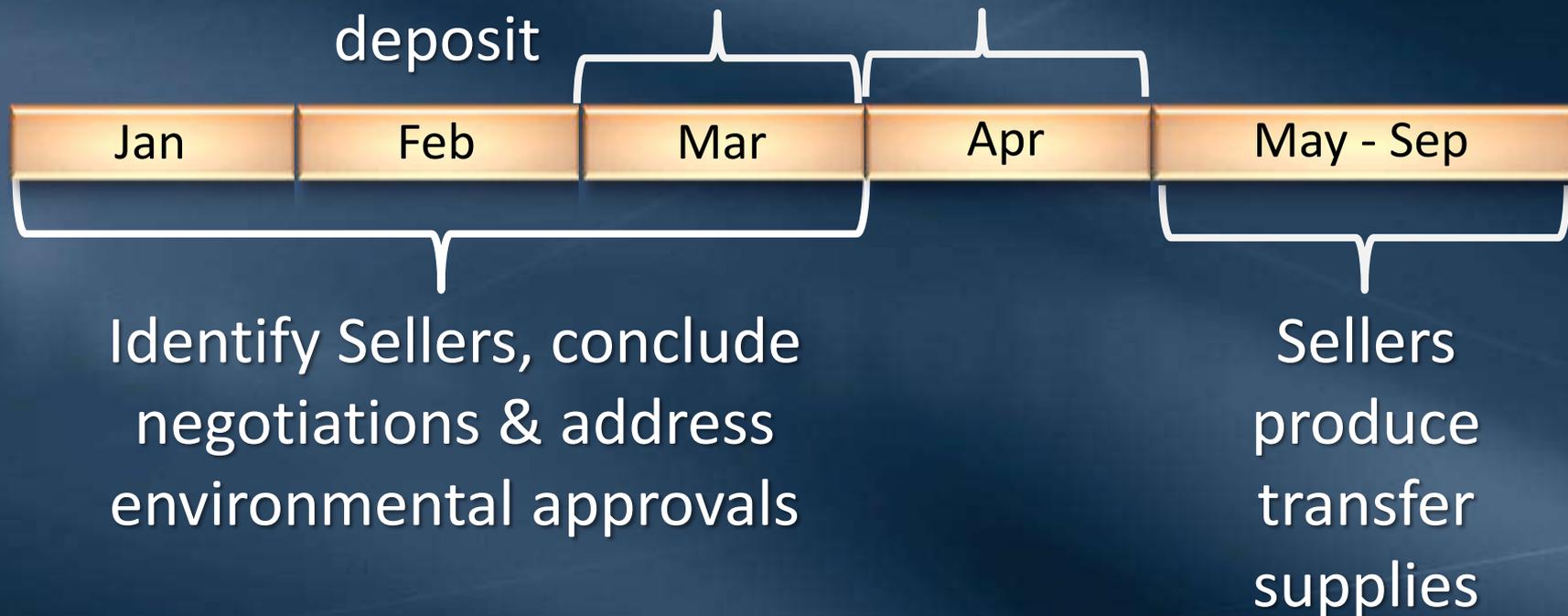
- Seller Participation
- Water Supply Conditions
- Ability to move supplies through Delta
- Prices

# Tentative Schedule

Seek Board authority to:

- Execute agreement with SWC
- Pay \$5/AF admin deposit

- Execute agreement with Sellers & DWR
- Purchase Transfers



# Summary

- Seek approval to participate in 2018 SWC Buyers Group
- Authorize payment not to exceed \$500,000
- Return to Board next month 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

