



Agreement with State Water Contractors to Pursue 2021 Sacramento Valley Water Transfers

Water Planning and Stewardship Committee

Item 7-5

February 8, 2021

SWC Buyers Group

- Water Transfer coordinated through State Water Contractors
- Improves negotiation strength
- Proven performance

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

2021 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
 - 100,000 AF admin deposit maximizes ability

Metropolitan's Decision to Purchase Water in 2021

Based on many factors:

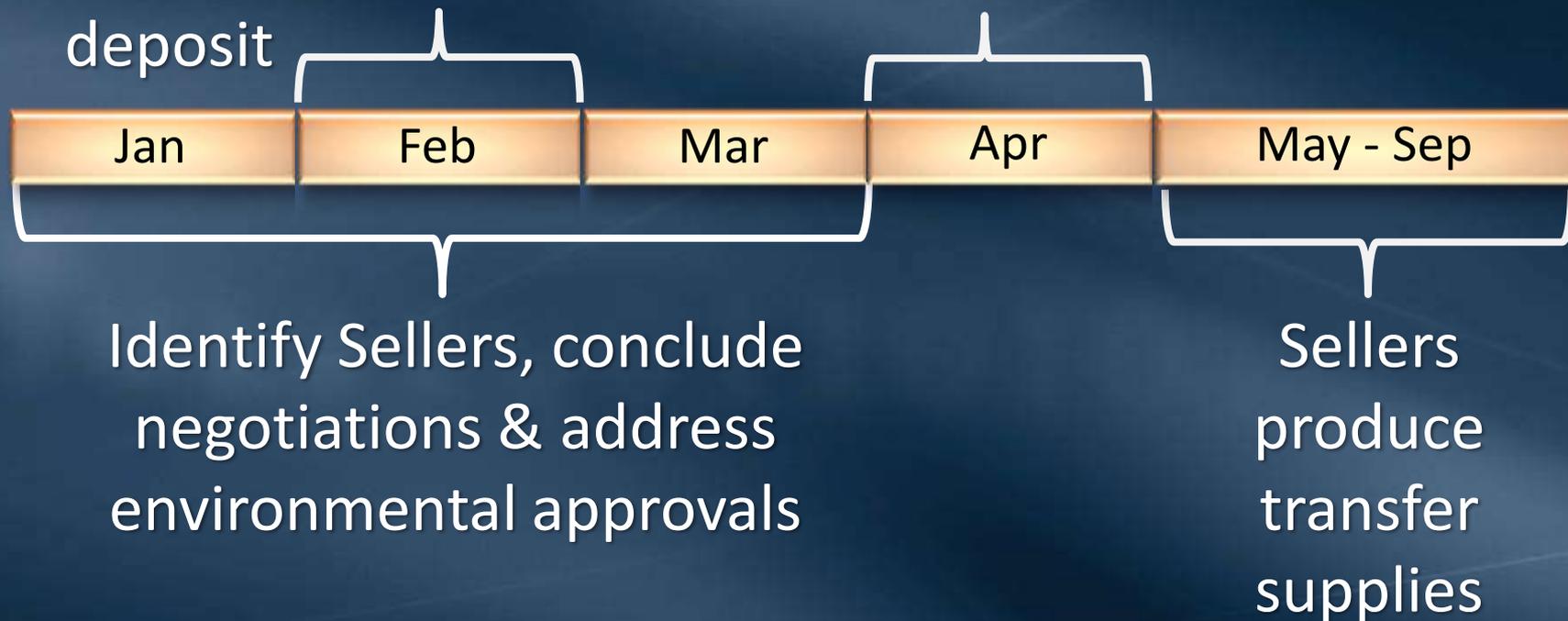
- Seller participation
- Water supply conditions
- SWP-only area demand
- Ability to move supplies through Delta
- Prices / Budget

Tentative Schedule

Seek Board authority to:

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

- Obtain additional Board authority for transfer
- Execute agreement with Sellers & DWR
- Purchase Transfers



Summary

- Seek approval to participate in 2021 SWC Buyers Group
- Authorize payment not to exceed \$500,000
- Admin deposit for up to 100,000 AF
- Unused funds returned
- Return to Board in March or April with transfer purchase recommendation

Board Options

- Option #1

- Authorize the General Manager to enter into an agreement with the State Water Contractors, Inc. to pursue 2021 Sacramento Valley water transfer supplies, in a form approved by the General Counsel
- Authorize making a \$5 per acre-foot initial administrative deposit and disbursements from that deposit consistent with the agreement not-to-exceed \$500,000

Board Options

- Option #2
 - Do not authorize entering into an agreement with the State Water Contractors, Inc.

Recommendation

- Option #1

