



Authorize entering into Local Resources Program Agreement with the City of Santa Monica for the Santa Monica Sustainable Water Supply Project

Water Planning and Stewardship Committee

Item 7-6

May 10, 2021

Local Resources Program

Provides incentives for Metropolitan's member agencies to develop new local projects to reduce demand on imported water deliveries.



Recycled
Water
(1982)



Groundwater
Recovery
(1991)



Seawater
Desalination
(2014)

Local Resources Program Benefits



Increases regional water supply reliability

Benefits
all member agencies
regardless of project
location



Reduces demand for imported water supplies

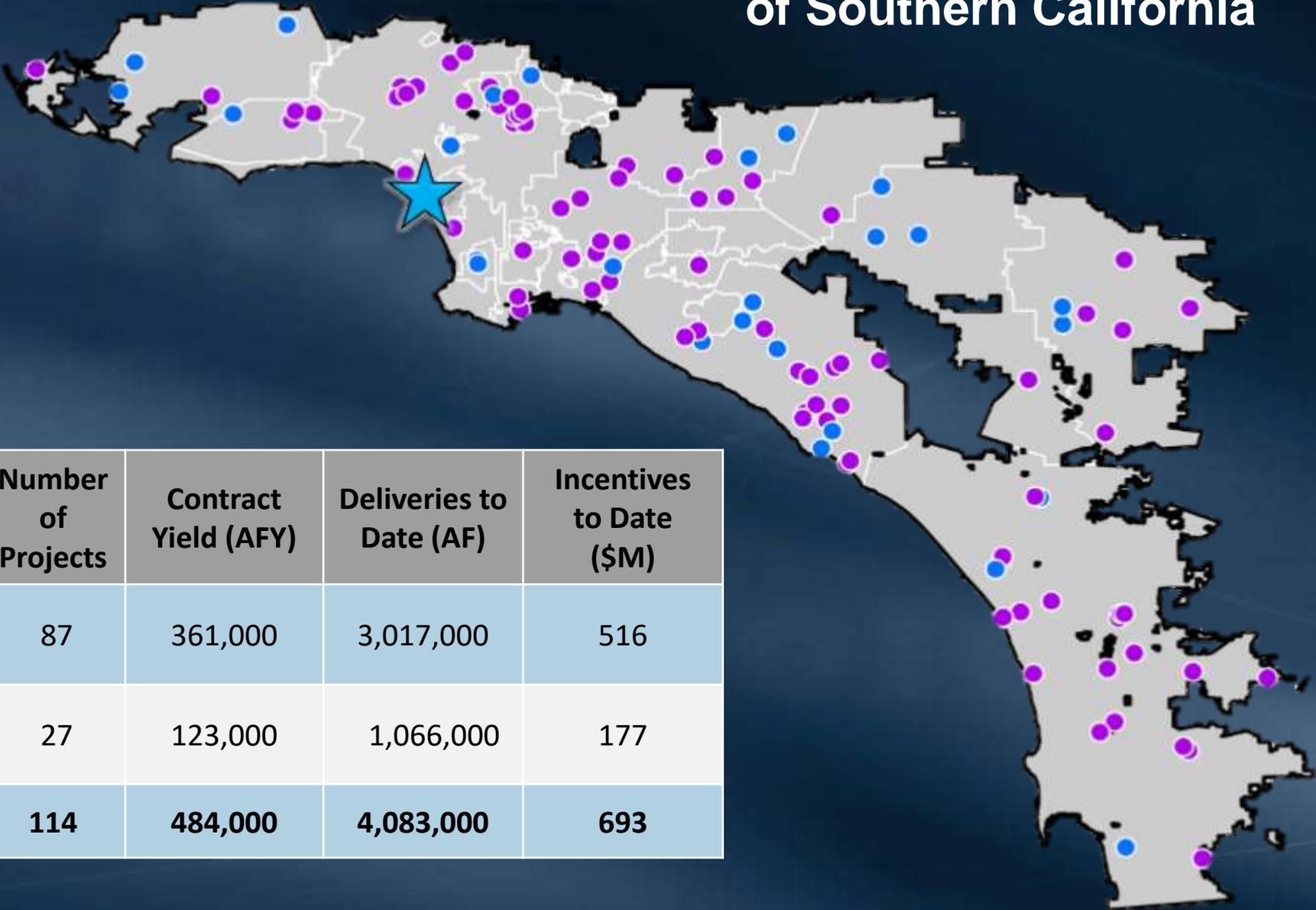


Decreases the burden on
Metropolitan's infrastructure



Legislative Mandate
(SB 60 - 1999)

Metropolitan Water District of Southern California



Type	Number of Projects	Contract Yield (AFY)	Deliveries to Date (AF)	Incentives to Date (\$M)
 Recycling	87	361,000	3,017,000	516
 Groundwater Recovery	27	123,000	1,066,000	177
Total	114	484,000	4,083,000	693

Incentive Payment Structures

Payment Structure Alternatives	Maximum* Incentive Amount	Payment Period
1 – Sliding Scale	\$340/AF	25 years
2 – Sliding Scale**	\$475/AF	15 years
3 – Fixed Incentive Rate	\$305/AF	25 years

* Pay for project water used

** Project must produce for 25 years



Santa Monica Sustainable Water Supply Project

- Advanced Water Treatment Facility
 - New 1 MGD treatment plant
 - Advanced treated recycled water to recharge the Santa Monica Groundwater Basin for potable use
- Arcadia Water Treatment Plant Improvements
 - New RO concentrate recovery system
 - Increase recovered groundwater for potable use
- 2,300 AFY capacity

Santa Monica Sustainable Water Supply Project



Santa Monica Sustainable Water Supply Project Agreement Terms



2,300 AFY over 25 years

Sliding scale incentives up to \$340/AF for 25 years



\$19.6 million maximum lifetime contract payment

58,000 AF maximum contract yield over 25 years



Performance Provisions

- Start of construction and operation
- Production targets every four years

Board Options

Option #1:

- Review and consider the city of Santa Monica's CEQA documents and take related CEQA actions; and
- Authorize the General Manager to enter into a Local Resources Program Agreement with the city of Santa Monica for the Santa Monica Sustainable Water Supply Project for up to 2,300 AFY of advanced treated recycled water under the terms included in this letter.

Option #2:

- Do not authorize execution of an agreement for the Project.

Staff Recommendation

Option #1

