



# SARCCUP Update Planning & Operations Committee

Municipal Water District of Orange County

11.02.2020

## **DISCUSSION ITEMS**

**7. Discussion Regarding SARCCUP Agreements**

**8. Orange County Groundwater Basin Storage Discussion**

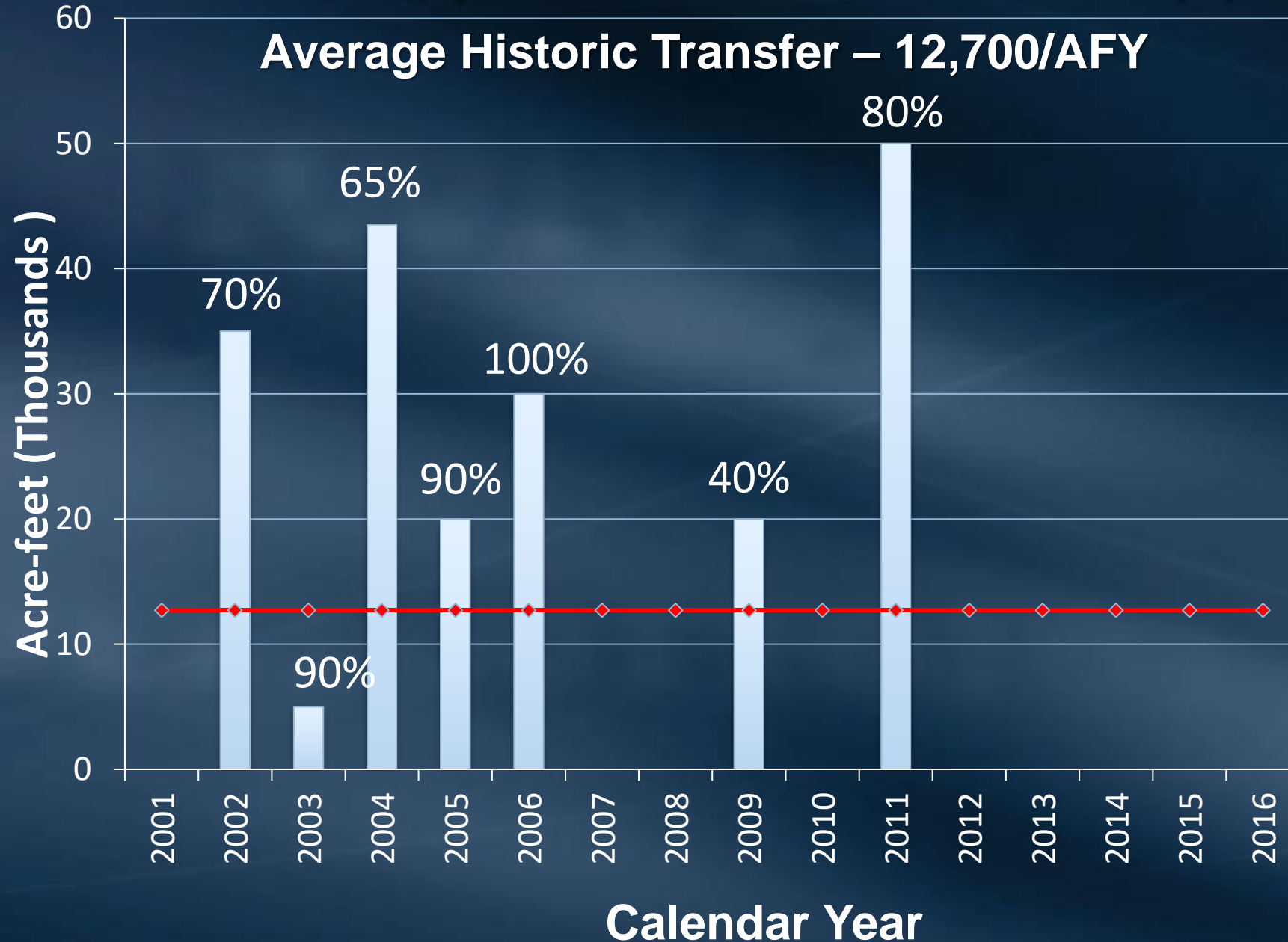
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# Valley District – Met Mutual Aid & Transfer

- **San Bernardino Valley Municipal Water District**
  - **State Water Contractor – 102,600 AF Table A**
  - **San Bernardino Basin Area**
  - **Santa Ana River Watershed**
- **Past Litigation**
- **2000 Coordinated Operating Agreement**
  - **Mutual Aid – Helped fill DVL with 600,000 AF**
  - **Water Transfer - 200,000 AF**
  - **Expired 2016**



# Historic Valley District Transfer Supplies



**7 Transfers  
16 Years  
(44%)**

**Period Avg.  
12.7 TAF**

**Transfer Avg.  
33.8 TAF  
(5-50 TAF)**

**Example  
Transfer  
32 TAF**

# SARCCUP Program Overview

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- Santa Ana River Conservation and Conjunctive Use Program
- Watershed-scale collaborative, multi-benefit program
- SARCCUP-Met Member Agencies:

- Eastern MWD
- IEUA
- MWDOC
- Western MWD

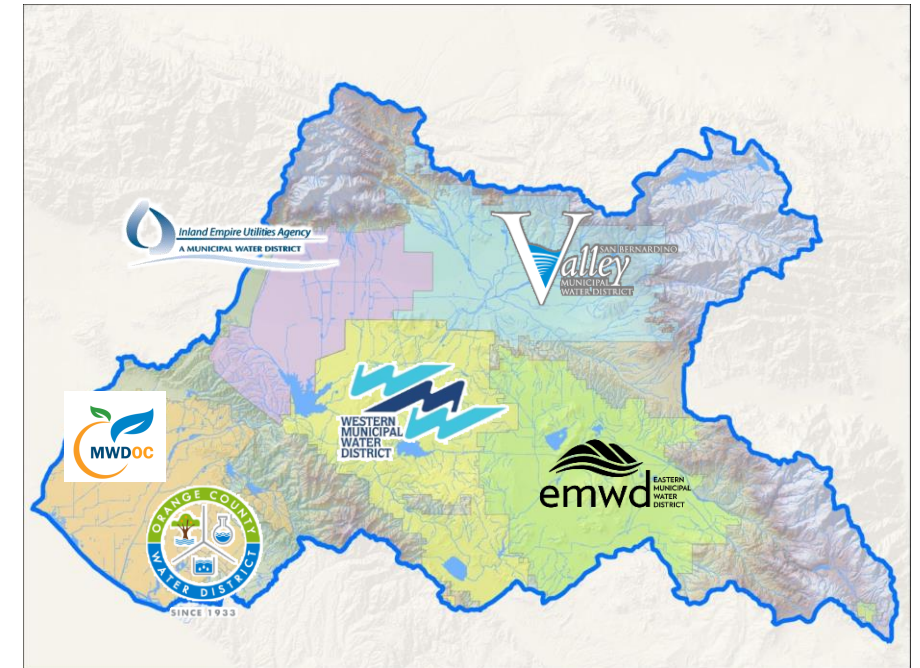
- SARCCUP Participants:
  - SARCCUP-Met Member Agencies
  - OCWD
  - Valley District





# History

- **2014-2015** - Concept discussions began and grant application for Prop. 84 submitted
- **2016** - DWR awarded grant in 2016 /grantee (SAWPA) and sub-agreements executed
- **2016** - Developed Decision Support Model for Water Banking Scenarios
- **2016** - Initiated Discussions with Met on Operational Term Sheet
- **2017** - Project implementation started
- **2017-2019** - Continued discussion with Met staff on Draft Operational Term Sheet

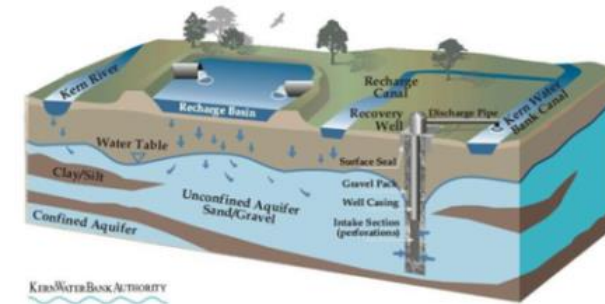


Santa Ana River Conservation & Conjunctive Use Program

# Multi-Benefit, Multi-Use Program

The Program includes 3 main elements:

- **Water Use Efficiency: Turf Removal & Conservation-Based Rates**
  - 7,439 AFY projected water savings
- **Watershed-Scale Cooperative Water Banking Program**
  - SARCCUP-Met Member Agency-Met agreement is focused on the groundwater banking component
- **Habitat Creation & Arundo Removal**
  - 800 acres of Arundo removal/3,000 AF of conserved water projected



# SARCCUP – Water Banking Program Component

## Objectives

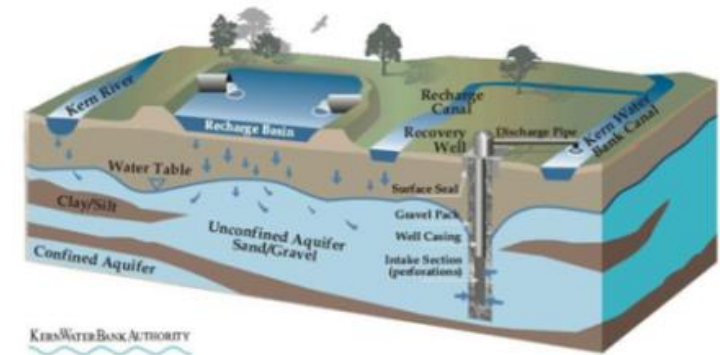
- Bank imported water in wet-years
- Enhance water supply reliability
- Increase available dry-year supplies in the Santa Ana River Watershed
- Provide an Extraordinary Supply benefit during MWD Allocation Plan

## Facilities

- Watershed-scale program; multiple locations
- Coordinated operations

## Funding

- \$150 million plus program (\$55 million in grant funding)





# SARCCUP 30,000 Foot View



- 💧 Valley Offers Water to MET
- 💧 Met Sets Purchase Amount
- 💧 50% Available to “SARCCUP Member Agencies”
  - 💧 Eastern
  - 💧 Western
  - 💧 IEUA
  - 💧 MWDOC (OCWD)
- 💧 Equal Allocation unless Unanimous Agreement
- 💧 Extraordinary Supply (or Not)
- 💧 Multiple Put & Take Scenarios

## EXAMPLE TRANSFER

- 💧 32,000 acre feet MET Purchase
- 💧 16,000 AF SARCCUP Member Agencies
  - 💧 Eastern – 4,000 AF
  - 💧 Western – 4,000 AF
  - 💧 IEUA – 4,000 AF
  - 💧 MWDOC (OCWD) – 4,000 AF

# SARCCUP Agreements

💧 Past

💧 Future

💧 Extraordinary Supply Benefit Allocation Agreement  
(Met, MWDOC, OCWD, Anaheim, Fullerton & Santa Ana)

💧 SARCCUP Operating Agreement  
(Valley, Eastern, Western, OCWD (the Operating Committee), IEUA & MWDOC)



# SARCCUP Agreements

## 💧 Present

### 💧 Met-Valley Agreement

(Coordinated Operating and Surplus Water Agreement between the Metropolitan Water District of Southern California and San Bernardino Valley Water District)

### 💧 Met-MA SARCCUP Agreement

(Agreement Among the Metropolitan Water District of Southern California, Eastern Municipal Water District, Inland Empire Utilities Agency, Municipal Water District of Orange County, and Western Municipal Water District Regarding the Santa Ana River Conservation and Conjunctive Use Program)



## WHAT ARE THE OUTSTANDING ISSUES?

# SARCCUP Issues

## Met-MA SARCCUP Agreement



**“The agreement among the Operating Committee members, MWD OC and IEUA shall also include provisions consistent with the terms of this Agreement for the potential purchase of SARCCUP Program Water by MWD OC or IEUA or both that is not purchased by the Operating Committee members.”**

# Excess Water Purchase

**“The agreement among the Operating Committee members, MWDIOC and IEUA shall also include provisions consistent with the terms of this Agreement for the potential purchase of SARCCUP Program Water by MWDIOC or IEUA or both that is not purchased by the Operating Committee members.”**



**“It is the request of the Municipal Water District of Orange County(MWDIOC) that the parties memorialize concepts and provisions that have been agreed to during the draft document development and commit to their inclusion in the final, future operating agreements.”**

- **Not looking for ownership of project assets or groundwater rights**
- **Understand that any use of system infrastructure will require compensation**
- **Understand that any Storage Agreement will require compensation**



# **“Terms of this Agreement”**

- **Use of SARCCUP Water**
  - **Santa Ana Watershed vs. MET Service Area**
- **Storage & Recovery of SARCCUP Water**
  - **Stored within Santa Ana Basin (including Valley)**
  - **Delivery by Exchange with MET or through local SARCCUP facilities**
- **Sale of SARCCUP Water is by MET to the SARCCUP Member Agencies**
- **Price of SARCCUP Water is “Metropolitan’s rate for full service untreated or full service treated water in effect at the time of the sale”**
- **MET Allocation of SARCCUP Water**
  - **MET will allocate equally to those SARCCUP Member Agencies requesting water at least 50% of the amount that MET purchases from Valley District during a calendar year**
  - **“provided that those SARCCUP Member Agencies requesting water may modify the allocation by unanimous written agreement among themselves.”**



# 32 TAF Example Transfer



💧 Valley offers 32 TAF & MET Purchases = 16 TAF SARCCUP Member Agencies

AGENCY	ALLOCATION	EXAMPLE #1		EXAMPLE #2	
		BUY	BALANCE	BUY	BALANCE
Eastern	4,000	4,000	0	4,000	0
Western	4,000	4,000	0	4,000	0
IEUA	4,000	4,000	0	3,500	500
MWDOC (OCWD)	4,000	4,000	0	4,000	0
Excess Water			0		500

# Summary Points

- Seeking documentation of previous agreed terms
- Not seeking free use of infrastructure or water rights
- Does require storage but not necessarily in the OC basin
- MWDOC may never exercise the option to purchase excess water
  - If Valley makes water available
  - If MET purchases water
  - If the other SARCCUP Member Agencies don't purchase their allocation
  - If MWDOC obtains storage
  - If these conditions yield a reasonable benefit for the costs and risks
  - If MWDOC South County MAs see value in the program
- MWDOC has an obligation to represent the interests of all our MAs
- Confident that we will reach agreement among the agencies





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