



# Board Agenda Item 51

DATE: February 26, 2019

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director  
Department of Public Works and Planning

SUBJECT: Water Transfer Agreement for County Service Area No. 34 and Zones A, C, and D

RECOMMENDED ACTION(S):

**Approve and authorize the Chairman to execute the annual Water Transfer Agreement with Arvin-Edison Water Storage District, for the transfer of 950 acre-feet of surface water for County Service Area 34 benefitting the residences and golf course in Zone A, the Brighton Crest Subdivision, residences in Zone C, the Bella Vista Subdivision, and residences in Zone D, Renaissance at Bella Vista Subdivision, effective during the 2019 water year of March 1, 2019 through February 29, 2020, for a total maximum cost of \$574,750.**

Arvin-Edison Water Storage District (AEWSD), the County's historic exchange partner for its Central Valley Project (CVP) water allocation, has made Millerton Lake water available to the County for purchase and delivery to all the developed or developing properties in Millerton New Town, County Service Area 34 (CSA 34). Water is delivered to the Brighton Crest Subdivision, Zone A (CSA 34A), the Bella Vista Subdivision, Zone C (CSA 34C), and the Renaissance at Bella Vista Subdivision, Zone D (CSA 34D) through Joint Water Management Exchange Agreement No. 08-392 (2008 Water Exchange Agreement) in the 2019 water year. The U.S. Bureau of Reclamation (USBR) requests that annual water transfer agreements be executed until receipt of formal USBR approval of the Joint Water Management Exchange Agreement. This item pertains to locations in District 5.

ALTERNATIVE ACTION(S):

There is no viable alternative action.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended action. All costs associated with the purchase and transfer of CVP water from Millerton Lake under the recommended agreement will be paid through user fees by the benefitting property owners or users in CSA 34A, CSA 34C, and CSA 34D, see Exhibit A. Through the proposed water transfer agreement, AEWSD authorizes USBR to deliver to the County up to 950 acre-feet of water during the 2019 water year, March 1, 2019 to February 29, 2020. The 2008 Water Exchange Agreement established the price of \$605 per acre-foot of actual water used, for an annual maximum of \$574,750. Sufficient appropriations and estimated revenues are included in the Department of Public Works and Planning - CSA 34 A/C SWTP (shared Surface Water Treatment Plant) Org 9322 for the purchase of water, and in CSA 34 Millerton (shared Water Contract Administration) Org 9174 for the administration of the contract in the FY 2018-19 Adopted Budgets and will be included in the budget requests for FY 2019-20.

DISCUSSION:

The County has an allotment of 3,000-acre feet of Federal CVP water from the Sacramento/San Joaquin Delta, which has historically been exchanged with AEWS, when available. On July 22, 2008, the Board executed Water Exchange Agreement No. 08-392 with AEWS, which established a long-term reliable source of water for CSA 34, which includes Brighton Crest (CSA 34A), Bella Vista (CSA 34C), and Renaissance at Bella Vista (CSA 34D), whereby AEWS takes delivery of the County's available CVP water and ensures that up to 1,520-acre feet of water is available for use by CSA 34, including Zones A, C, and D. Section 8 of the 2008 Water Exchange Agreement states that the County shall first meet the water supply needs of CSA 34 through AEWS. The three zones are located within the CSA 34 boundaries and permitted to use the water received under 2008 Water Exchange Agreement, which expires on February 28, 2026, see Exhibit B.

The proposed one-year water transfer agreement is necessary because the County and other CVP contractors have been negotiating long-term (25-year) agreements with USBR for use of CVP water since 1996, when the prior long-term agreements expired.

Since Congress passed the Water Infrastructure Improvements for the Nation Act (WIIN Act) in 2016, it affected negotiations with USBR for the use of the County's allocation of CVP water. Specifically, the act opened the opportunity for USBR to convert the negotiated long-term agreement into a permanent agreement.

In the absence of a long-term or permanent agreement, the County has annually or biannually approved interim renewal agreements with USBR for use of CVP water. Approval of a new permanent agreement is pending completion of the necessary environmental review by USBR, which is targeted for completion in 2019. Consequently, USBR will not recognize the County's 2008 Water Exchange Agreement with AEWS as authorization for AEWS to deliver water to CSA 34 until a permanent agreement between the County and USBR has been executed. However, USBR will accept the proposed one-year water transfer agreement as an interim means of authorizing water delivery while negotiation on the permanent agreement continues. This proposed water transfer agreement does not activate the public notification clause under the CVP guidelines, which is less than the 20% of the contract quantity that initiates the provision under section 3405 (a) of the Central Valley Project Improvement Act.

With your Board's approval, the annual water transfer agreement will allow CVP water to be exchanged for the USBR water that is to be delivered to CSA 34 Zones A, C, and D.

OTHER REVIEWING AGENCIES:

Arvin Edison Water Storage District has reviewed and approved the proposed water transfer agreement on January 4, 2019.

REFERENCE MATERIAL:

BAI #31, February 6, 2018  
BAI #71, July 22, 2008

ATTACHMENTS INCLUDED AND/OR ON FILE:

Exhibit A  
Exhibit B  
On file with Clerk - Agreement with Arvin-Edison Water Storage District

CAO ANALYST:

Sonia M. De La Rosa