



One Water and Stewardship Committee

Colorado River System Conservation Agreements

Item 8-3

December 9, 2024

Item 8-3

Authorize Colorado River System Conservation Agreements

Subject

Authorize the General Manager to enter into agreements with the U.S. Bureau of Reclamation to implement phase two of Lower Colorado River Basin System Conservation and Efficiency Program; and adopt CEQA determination that the environmental effects of the Antelope Valley-East Kern High Desert Water Bank and the Turf Replacement Programs were previously addressed in various CEQA documents and related actions

Purpose

To obtain Board approval for agreements allowing water conserved by Metropolitan to be added to Lake Mead under Reclamation's LC Conservation Program.

Recommendation and Fiscal Impact

Authorize entering into agreements for Reclamation to provide funding for the AVEK HDWB and the Turf Replacement Program for commercial, industrial, and institutional properties and to use those programs to generation of up to 265,296 AF of conserved Colorado River system water.

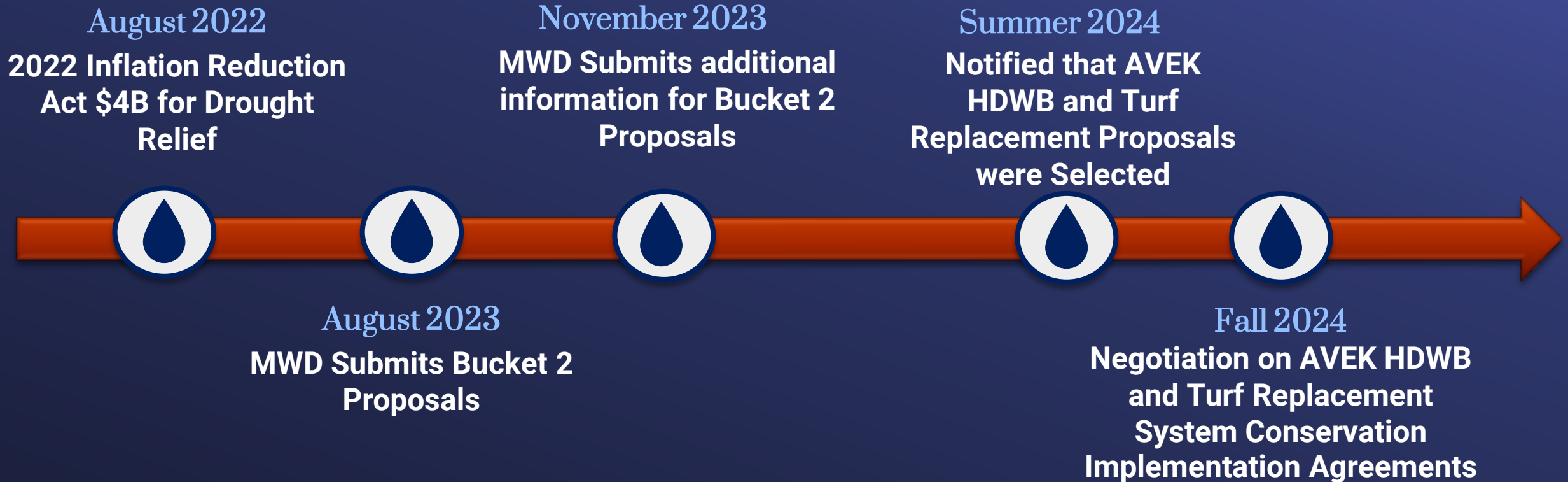
In addition to reduced budgeted expenditures, Metropolitan would receive up to \$178 million in federal funding over 7 years.

Budget

Not budgeted.

Metropolitan would benefit receipt of federal funding

Background



AVEK HDWB System Conservation Project

AVEK High Desert Water Bank



- ❖ Project: Design and construction of groundwater storage facilities
- ❖ Funding: Up to \$82 Million
- ❖ Duration: June 24, 2024 – September 30, 2031
- ❖ Volume: 168,000 acre-feet over 10 years
- ❖ Other:
 - Payment based on project activity
 - Pre-delivery through other existing conservation activities
 - Build America, Buy America

Turf Replacement



Turf Replacement System Conservation Project

- ❖ Project: Increase turf rebate for commercial, industrial, and institutional properties (\$3/sqft – USBR, \$1/sqft – MWD)
- ❖ Funding: Up to \$95.81 Million
- ❖ Duration: June 24, 2024 – September 30, 2031
- ❖ Volume: 30 million square feet of turf removed
97,296 AF system water created
over 10 years
- ❖ Other:
 - Payment based on issued rebates
 - Pre-delivery through other existing conservation activities

Additional Items Will Be Necessary



1

California Forbearance through the 2007 Interim Guidelines

2

Post-2026 California and Inter-State Forbearance

Summary



Federal Funding

Up to \$178 Million in Federal Funding



System Water Creation

Create 265,296 AF of System Water in
Lake Mead



Budget Benefit

Estimated \$58.3 Million to offset
budgeted expenditures in current budget
biennium

Next Steps,
Pending
Board
Approval

1

Execute agreements

2

Bring forbearance and other related agreements to the Board

3

Develop additional Bucket 2 Agreement for DAC Leak Detection and Repair

Next Steps, Continued

4

Implement projects

- Turf: advertise \$4/sqft incentive
- AVEK HDWB: additional Board items
 - Information on agreement term extension, update on water quality, and possible treatment options
 - Authorization for treatment costs and related agreement amendments
 - Authorization to debt finance capital costs

Board Options

- Option #1

Adopt CEQA determination that the environmental effects of the Antelope Valley-East Kern High Desert Water Bank and the Turf Replacement Programs were previously addressed in various CEQA documents and related actions, and authorize the General Manager to enter into agreements with the U.S. Bureau of Reclamation to implement phase two of the LC Conservation Program.

- Option #2

Direct the General Manager not to enter into agreements under the proposed terms.

Staff Recommendation

- Option #1





Benefits

1

Reducing long-term demand for Colorado River Water improves the ability to manage water post-2026 when there may be supply reductions

2

Securing federal investment in our service area

3

\$58.3 Million to offset budgeted expenditures in current budget biennium

Two Separate Requests for Proposals Funded by the Inflation Reduction Act

Bucket 1

- Short-term projects with short-term benefits
 - Immediate implementation
 - Elevation protection



Bucket 2

- Long-term projects with multi-year benefits
- Improving system efficiency
- Reducing long-term demand



Metropolitan's Bucket 2 Proposals – Two Agreements for Board Approval

AVEK High Desert
Water Bank

DAC Leak Detection
and Repair

New Local Supply
Program

Turf Replacement for
Commercial,
Industrial, and
Institutional
Properties

DAC Turf
Replacement – Direct
Install

New DAC Focused
Local Supply Program

Forbearance is Necessary and More Complicated

Forbearance agreements are the mechanism for ensuring conserved water stays in Lake Mead under the priority system

California Forbearance

Inter-State
Forbearance



Risks

1

Additional agreements necessary for full implementation of agreements

2

Carrying costs of increased turf replacement until a California Forbearance Agreement is signed

California Forbearance Agreement for Bucket 2 Projects

Bucket 2 California Forbearance Agreement

- AVEK HDWB System Conservation Project
- Turf Replacement System Conservation Project

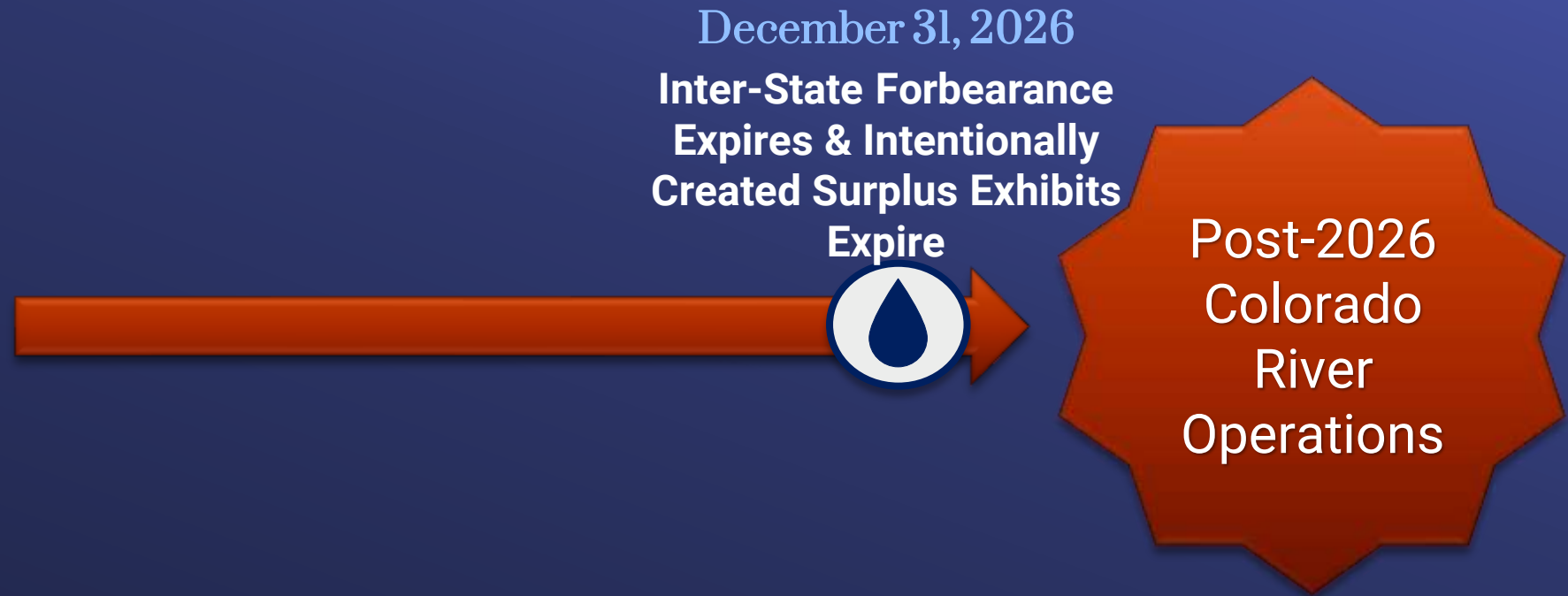
Current Action

- IID System Conservation Project
- CVWD System Conservation Project
- MWD DAC Leak Detection and Repair System Conservation Project

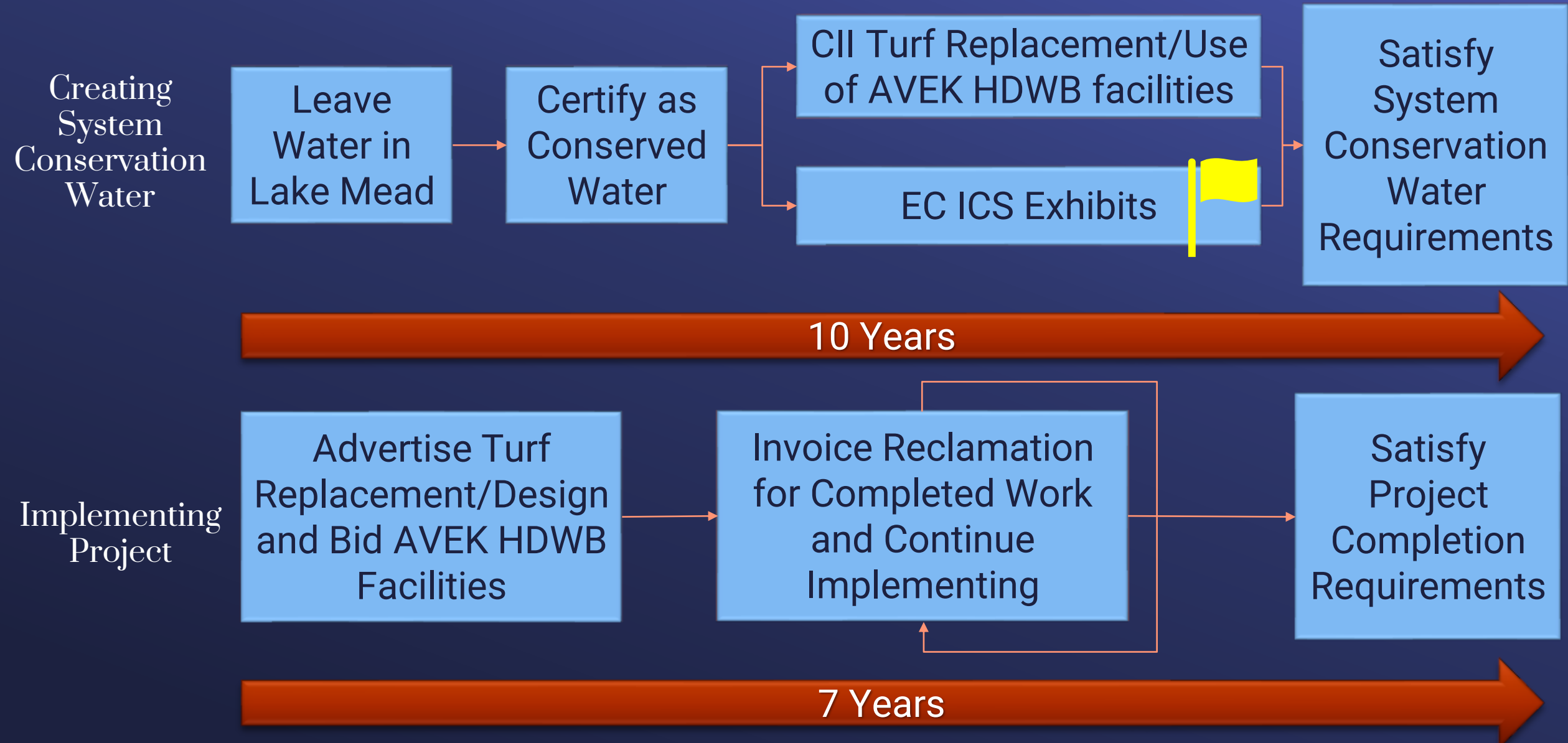
Future Actions

*Payments contingent on signing a California Forbearance Agreement

Inter-State Forbearance and EC ICS Forbearance Expiring



Predelivery of System Conservation Water



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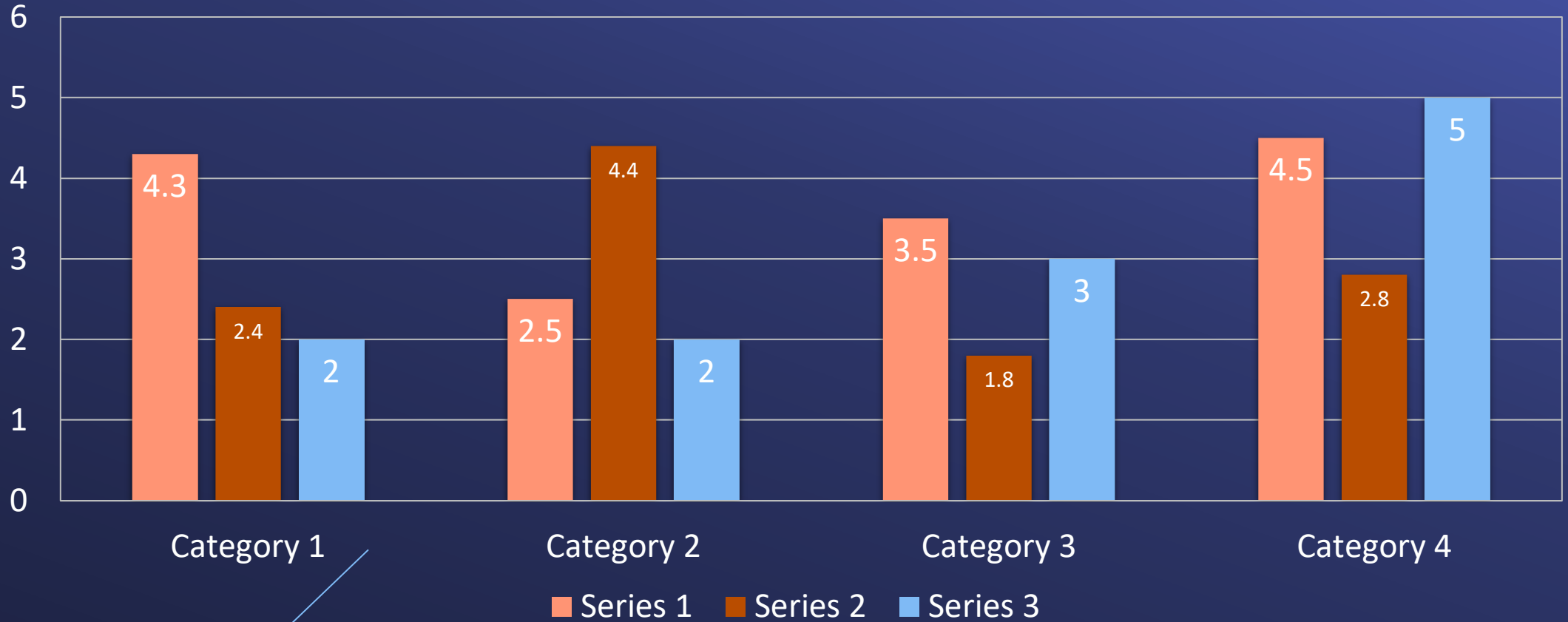
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- Second Bullet
 - Secondary Bullet
 - Tertiary Bullet

California

Map Slide

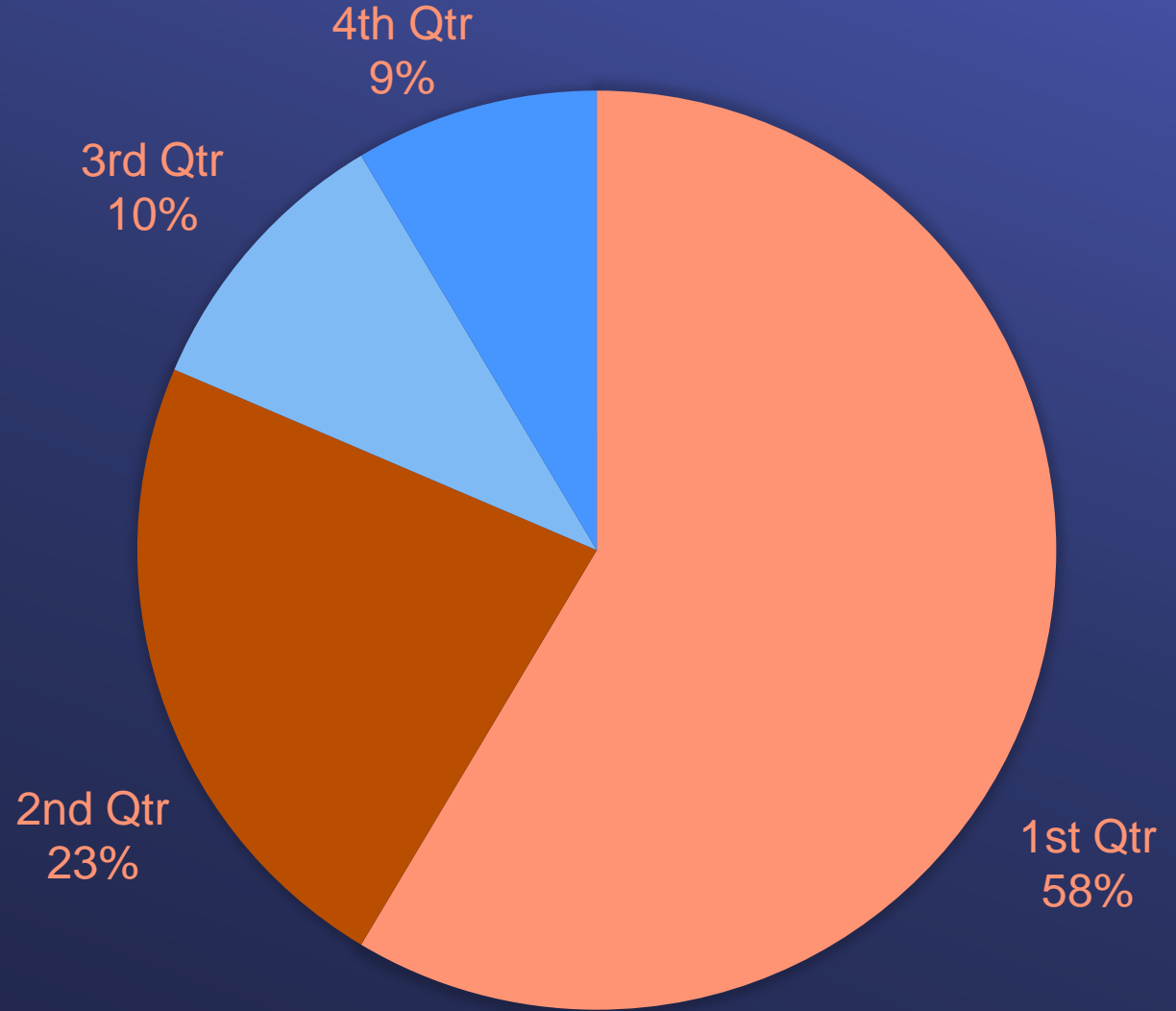
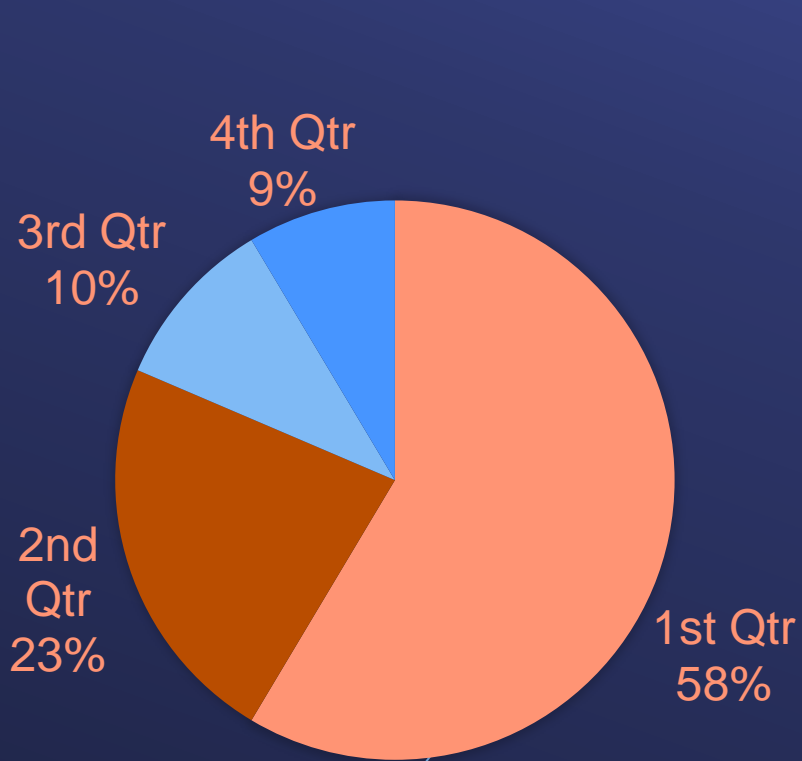


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DESIGN NOTES:
Graphs & Charts
Use theme color palette.

Key Points

Sample Layout



Point #1



Point #1



Point #1



Point #1



KEY FINDINGS

87% are concerned about drought conditions in California

72% say California's current drought has had an impact on their water usage

Residents under 30 are the most likely to increase their water efficiency



survey respondents aged **18-29** believe they can do more to be water efficient

People of color (66%) are likely to increase their water efficiency

Demographic of respondents who believe they can do more to be water efficient.



Telephone and online survey of 1,000 California residents July 15-22, 2021, conducted by Probolsky Research for State of California and ACWA

Sample Layout

Research, Findings & Key Points

Pipeline Retrofit

Board Options

- Option #1
Authorize agreements with Acme Engineers, Inc., in an amount not-to-exceed total of \$750,000 per year for a period of three years
- Option #2
Do not proceed with these agreements at this time.

Pipeline Retrofit

Staff Recommendation

- Option #1
Authorize agreements with Acme Engineers, Inc., in an amount not-to-exceed total of \$750,000 per year for a period of three years



Title of
Presentation

Photo slide

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Design Resources

Document Fonts.

This presentation uses two primary fonts. Both are open-source Google fonts. Find the font specifications and download locations below:

Prata

<https://fonts.google.com/specimen/Prata?query=prata>

Roboto

<https://fonts.google.com/specimen/Roboto>



PROGRAMS



PUMPING



EXCHANGES



POINTS



CONSERVATION



STRATEGY



GROUNDWATER



SUBSIDENCE



WATER RATES



PARTNERSHIP



SNOWPACK



HABITAT



WASTEWATER



EARTHQUAKE



DROUGHT



VETERAN



LOCATION



WILDLIFE



ECONOMY



INFRASTRUCTURE



STORAGE

Design Resources

Icon Suite.

Here is a complementary suite of custom icons that represent many of Metropolitan's common talking points and functions. Suggested applications are included, but feel free to use them in any context that makes sense in your presentation.

One Water & Stewardship Committee



PROGRAMS



PUMPING



EXCHANGES



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