



One Water and Adaptation Committee

Authorize Colorado River System Conservation Agreements

Item 8-6

July 13, 2026

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Authorize Colorado River System Conservation Agreements

Subject

Authorize the General Manager to enter into (1) an agreement with the U.S. Bureau of Reclamation to add water to Lake Mead conserved under Metropolitan's existing Intentionally Created Surplus Exhibits pursuant to Reclamation's Lower Colorado River Basin System Conservation and Efficiency Program, (2) agreements with Reclamation, the Quechan Tribe of the Fort Yuma Indian Reservation and Bard Water District for system conservation projects under Reclamation's Lower Colorado River Basin System Conservation and Efficiency Program, and (3) related forbearance and implementing agreements

Purpose

To obtain Board approval for the General manager to enter into (1) an agreement with Reclamation to add water to Lake Mead conserved under Metropolitan's existing ICS Exhibits pursuant to Reclamation's LC Conservation Program, and (2) agreements with Reclamation, the Quechan Tribe of the Fort Yuma Indian Reservation, Bard Water District, and the Palo Verde Irrigation District for system conservation projects under Reclamations LC Conservation Program, and related forbearance and implementing agreements.

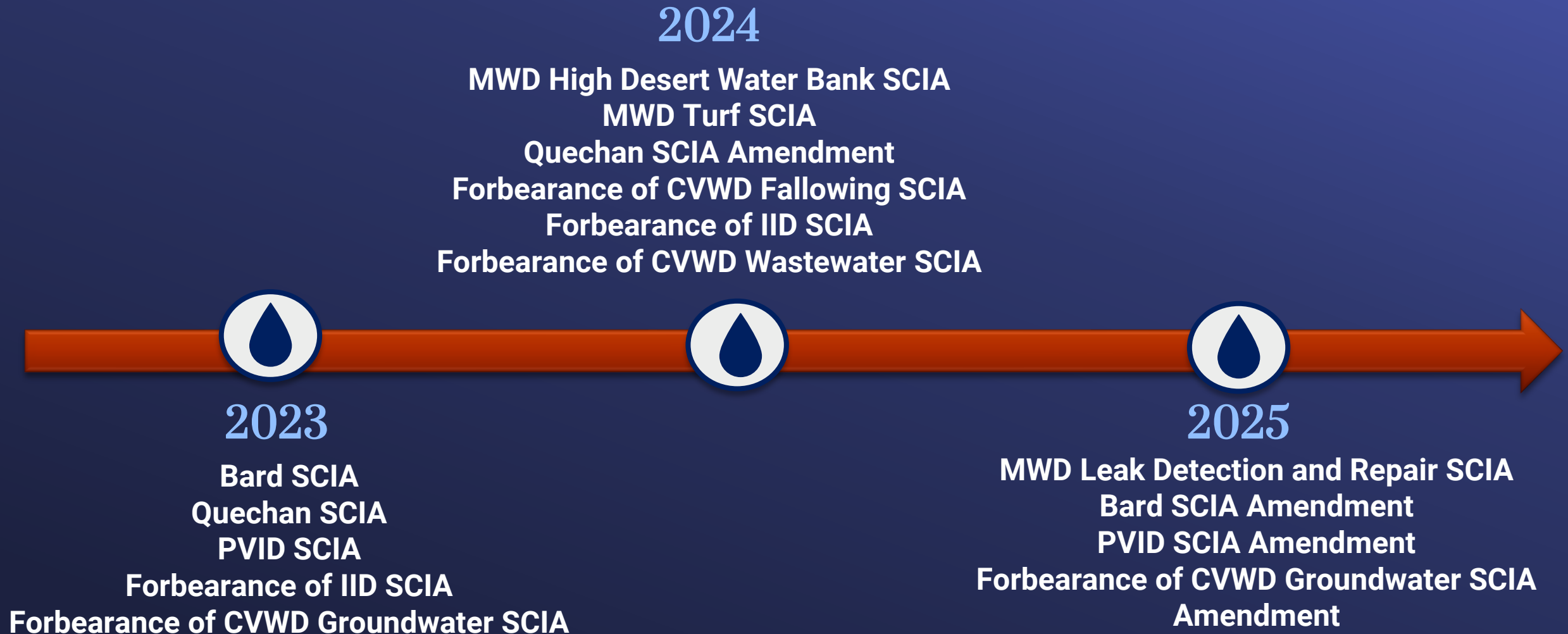
Recommendation and Fiscal Impact

Authorize entering into agreements for Reclamation to fund the generation of up to 428,000 AF of conserved Colorado River system water through 2028. In addition to reduced budget expenditures, Metropolitan would see increased revenue of up to \$65 million.

Budget

Metropolitan would benefit from increased revenue of up to \$65 million and reduced expenditures of up to approximately \$9 million.

Background



Metropolitan System Conservation Implementation Agreement

System Conservation
Implementation
Agreement

❖ Program Details:

- Federal Government pays \$325/AF for conserved water left in Lake Mead
- Eligible conserved water would be generated from approved Extraordinary Conservation ICS Exhibits

❖ Volume:

- Up to 200,000 AF

❖ Duration: 2026

❖ Financial Implications:

- Up to \$65 million in additional revenue

Quechan Forbearance Program

System Conservation
Implementation
Agreement



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❖ Existing Program

- Metropolitan pays the Quechan Tribe approximately \$200 per AF to not divert up to 13,000 AF per year.

❖ Agreement Details:

- To the extent that Metropolitan does not need the water:
 - Quechan forbears diversion of 13,000 AF per year
 - Federal Government pays the tribe
 - Full 13,000 AF left in Lake Mead

❖ Volume:

- 13,000 AF per year

❖ Duration: 2027-2028

❖ Financial Implications

- Savings of up to \$5.5 million

Bard Seasonal Following Program

System Conservation
Implementation
Agreement

❖ No Existing Program in 2027 and 2028

- Metropolitan intends to pursue a Bard Seasonal Following Program for 2027 and 2028

❖ Agreement Details:

- To the extent that a program is developed and Metropolitan does not need the water:
 - Federal Government pays \$325/AF
 - Conserved water left in Lake Mead
 - Metropolitan administers the program

❖ Volume:

- Up to 6,000 AF per year

❖ Duration: 2027-2028

Metropolitan's Forbearance is Necessary

Forbearance agreements are the
mechanism for leaving conserved
water in the system

Forbearance

Irrigation Reduction in Imperial Irrigation District

Amendment to IID System Conservation Project

❖ Projects:

- IID's Existing On-Farm Conservation Program
- New Deficit Irrigation Program

❖ Volume:

- Increased volume of existing agreement
 - by 100,000 AF

❖ Duration: 2026

Forbearance

Groundwater Replenishment Reduction in CVWD



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CVWD System Conservation Project

- ❖ Project: Reduction in groundwater replenishment
- ❖ Volume: 35,000 acre-feet per year
- ❖ Duration: 2027 and 2028

No Impact to MWD's Advanced Delivery Account

Forbearance

Agricultural Conservation in CVWD



CVWD System Conservation Project

- ❖ Project: Fallowing
- ❖ Volume: Up to 10,000 acre-feet per year
- ❖ Duration: 2027 and 2028

Future of the Water is Uncertain

These SCIAs do not require the federal government to maintain the conserved water as system water.

Secretary of the Interior has discretion to use the water for federally determined purposes.

Federally determined purposes are not defined.

Summary

System Conservation Implementation Agreements

1. New Metropolitan SCIA – 2026
2. Quechan Forbearance Program SCIA – 2027 and 2028
3. Bard Seasonal Fallowing Program SCIA – 2027 and 2028

Forbearance

1. IID's Extended SCIA – 2026
2. CVWD's Extended SCIA (groundwater) – 2027 and 2028
3. CVWD's Extended SCIA (fallowing) – 2027 and 2028

Board Options

- Option #1

Authorize the General Manager to enter into (1) an agreement with the U.S. Bureau of Reclamation to add water to Lake Mead conserved under Metropolitan's existing Intentionally Created Surplus (ICS) Exhibits pursuant to Reclamation's Lower Colorado River Basin System Conservation and Efficiency Program (LC Conservation Program), (2) agreements with Reclamation, the Quechan Tribe of the Fort Yuma Indian Reservation (Quechan Tribe), and Bard Water District (BWD) for system conservation projects under Reclamation's LC Conservation Program, and (3) related forbearance and implementing agreements

- Option #2

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

Staff Recommendation

- Option #1

