



## One Water and Stewardship Committee

Authorize payments of up to \$4.18 million for FY 24/25 and \$4.30 million for FY 25/26 to State Water Contractors

Item# 8-2

July 8, 2024

## Item # 8-2

### Authorize two payments for participation in the State Water Contractors

#### Subject

By a two-thirds vote, authorize payments of up to \$4.18 million for participation in the State Water Contractors for fiscal year 2024/25 and up to \$4.30 million for fiscal year 2025/26

#### Purpose

This action requests authorization to continue funding and participation in the State Water Contractors.

#### Recommendation and Fiscal Impact

Authorize payments of up to \$4.18 million for participation in the State Water Contractors for FY 2024/25 and up to \$4.30 million for FY 2025/26

#### Budgeted

# Established 1982

Background Information

## State Water Contractors



- 27 Members
  - 22 Urban contractors
  - 4 Agriculture contractors
  - 1 Urban and agricultural contractor
- 9 Board members

Background Information

# State Water Contractors



## Nonprofit Association

- Focus on policy, advocacy, and legal issues
  - Pursue reliable and cost-effective management of the State Water Project (SWP)
  - Unified voice on SWP issues
  - Provide legal support

# Major Accomplishments in FY 2023/24

Background Information

## State Water Contractors



Photo Credit: DWR



Photo Credit: DWR

- Coordination with DWR SWP Financial Manager
- Meeting renewable energy goals
- Infrastructure and affordability
- 10<sup>th</sup> Amendment to Tolling and Waiver Agreement

Background Information

# State Water Contractors



## Major Objectives in FY 2024/25



Photo Credit: DWR



Photo Credit: DWR



Photo Credit: DWR

- Science and research engagement
- Infrastructure reliability and safety
- Cost affordability
- SWP storage

# Metropolitan's Budget for State Water Contractors

\$4.18M for FY 2024/25 and \$4.30M for FY 2025/26



	FY 2024/25	FY 2025/26
Dues Fund	\$1.65M	\$1.70M
Bay-Delta Fund	\$1.06M*	\$1.09M*
Delta Conveyance Project Fund	\$0.93M	\$0.96M
Energy Fund	\$0.28M	\$0.29M
Municipal Water Quality Investigation	\$0.26M	\$0.26M

\* Considers a 48 percent or approximately \$506,000 discount (excluding legal fees), which is based on a 5-year average.

# Summary

- Important association providing effective representation in dealings with DWR, state legislature, courts, and regulators
- Requested payments authorization amounts are consistent with approved budget
  - FY 2024/25 – \$4.18 million
  - FY 2025/26 – \$4.30 million
- Board approval by two-thirds vote required



## Board Options

### Option #1:

By a two-thirds vote, authorize payments of up to \$4.18 million for participation in the State Water Contractors for FY 2024/25 and up to \$4.30 million for FY 2025/26.

### Option #2:

Do not authorize the General Manager to make payments to the State Water Contractors for FY 2024/25 and FY 2025/26.

Board  
Options

Staff Recommendation

Option #1

