



# Agreement with State Water Contractors to Pursue 2022 Sacramento Valley Water Transfers

Water Planning and Stewardship Committee  
Item 7-8  
February 7, 2022

# SWC Buyers Group

- Water transfer coordinated through State Water Contractors
- Improves negotiation strength
- Proven performance

Year	Metropolitan's SWC Buyers Group Purchases
2008	26,600 AF
2010	88,100 AF
2015	12,358 AF
2021	5,586 AF

# 2021 SWC Buyers Group Highlights

- \$5/AF administrative deposit
  - Secures participation
  - Unused funds refunded based on actual costs
  - Helps maximize transfer supply allocation
- Transfer supplies
  - Allocated based on the lesser of proportional Table A amounts or administrative deposit amount
  - 100,000 AF administrative deposit maximizes ability

# Metropolitan's Decision to Purchase Water

Based on many factors

- Seller participation
- Water supply conditions
- SWP dependent area demand
- Ability to move supplies through Delta
- Prices / budget

# Tentative Schedule

Seek Board authority to:

- Execute agreement with SWC
- Pay \$5/AF admin deposit



Identify Sellers, conclude negotiations & address environmental approvals

Sellers produce transfer supplies

- Obtain additional Board authority for transfer
- Execute agreement with Sellers & DWR
- Purchase Transfers



# 2022 North of Delta Water Transfers



# Summary

- Seek approval to participate in 2022 SWC Buyers Group
- Authorize payment not to exceed \$500,000
- Administrative deposit for up to 100,000 AF
- Unused funds returned
- Return to Board in March or April with transfer purchase recommendation

# Board Options

- Option #1

- Authorize the General Manager to enter into an agreement with the State Water Contractors, Inc. to pursue 2022 Sacramento Valley water transfer supplies, in a form approved by the General Counsel
- Authorize making a \$5 per acre-foot initial administrative deposit and disbursements from that deposit consistent with the agreement not-to-exceed \$500,000



# Board Options

- Option #2
  - Do not authorize entering into an agreement with the State Water Contractors, Inc.

# Recommendation

- Option #1

