



# Authorize RRWP Funding Agreement with Arizona Parties

Engineering and Operations Committee

Item 7-5

October 11, 2021

# Arizona Parties Agreement Solidifies Support for the RRWP

- Letters of Intent with basin parties and key stakeholders first step in developing partnerships
- Funding partners share in cost of environmental phase
  - Sanitation Districts of Los Angeles County
  - SNWA
  - Proposed Arizona Parties Agreement

# Who are the Arizona Parties?

- Central Arizona Water Conservation District
  - Also referred to as Central Arizona Project or CAP
- Arizona Department of Water Resources
- Both parties represent Arizona in Colorado River discussions

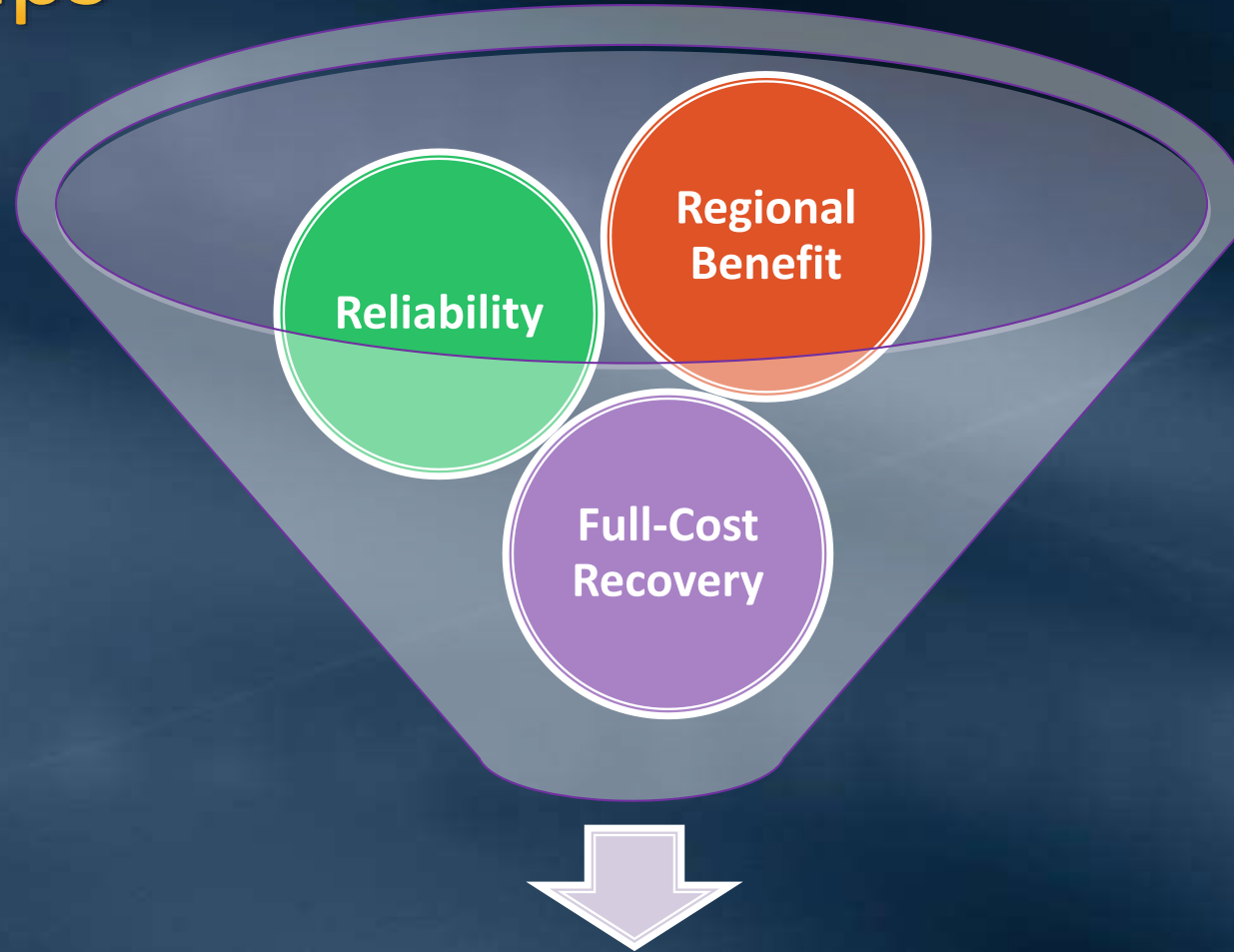
# Metropolitan and Arizona Parties Enjoy Long History of Cooperation

- Metropolitan and Central Arizona Water Conservation District
  - Funded new regulating reservoir near the All-American Canal
  - Funded Conservation programs for the benefit of the Colorado River system, and
  - Developed conservation projects in Mexico
- Metropolitan and Arizona DWR
  - Intentionally Created Surplus (ICS) capacity sharing agreement to more effectively use the available ICS storage capacity provided in the Lower Basin Drought Contingency Plan.

# Arizona Parties Expressed Interest in Participating in RRWP Planning

- Interested in exploring collaborative water resource projects with Colorado River partners
- Submitted Letter of Interest to explore potential partnership opportunities to support the RRWP in August 2020

# Broad Framework Used to Explore Long-Term Partnerships



Partnership Considered



# How a Potential Partnership Would Work



# Other Agencies May Also Be Interested

- Some State Water contractors have contacted us
  - Interest likely to be for small amounts
  - Only preliminary discussions thus far



# Metropolitan/Arizona Parties Agreement – Key Terms

- Arizona Parties to contribute 24 Percent (\$6 M cap) of Metropolitan environmental planning costs
  - Opportunity for in-kind services
- No obligation to participate in future phases
- Funds returned to Arizona Parties if either
  - Metropolitan does not develop RRWP or
  - Either party does not enter into separate participation agreement

# Cooperation on Environmental Planning Provides Benefits to All Agencies

- Potentially reduces Metropolitan's expenditures for environmental planning activities
- Improves project understanding and shortens development path for potential long-term partnership
- Aligns agency interests entering Colorado River negotiations for the 2026 Colorado River shortage guidelines
- Help develop Lower Basin State support for Regional Recycled Water Program

# Board Options – CAP/AZ DWR/Metropolitan Funding Agreement

- Option #1

- Authorize an agreement with the Arizona Parties to support the development of the Regional Recycled Water Program.

- Option #2

- Do not authorize an agreement with the Arizona Parties to support the development of the Regional Recycled Water Program.

# Staff Recommendation

- Option #1

