



Tapia Ranch Water Supply Assignment



BOARD OF DIRECTORS MEETING

JULY 17, 2018

ITEM 6.1

Overview of Annexation Process

A

- Application/Deposit and Funding Agreement
- Determine project demand
- Determine BV-RRB Water Supply is available

B

- Negotiate Annexation Agreement
- Initiate LAFCO process
- Applicant acquire entitlements/CEQA

C

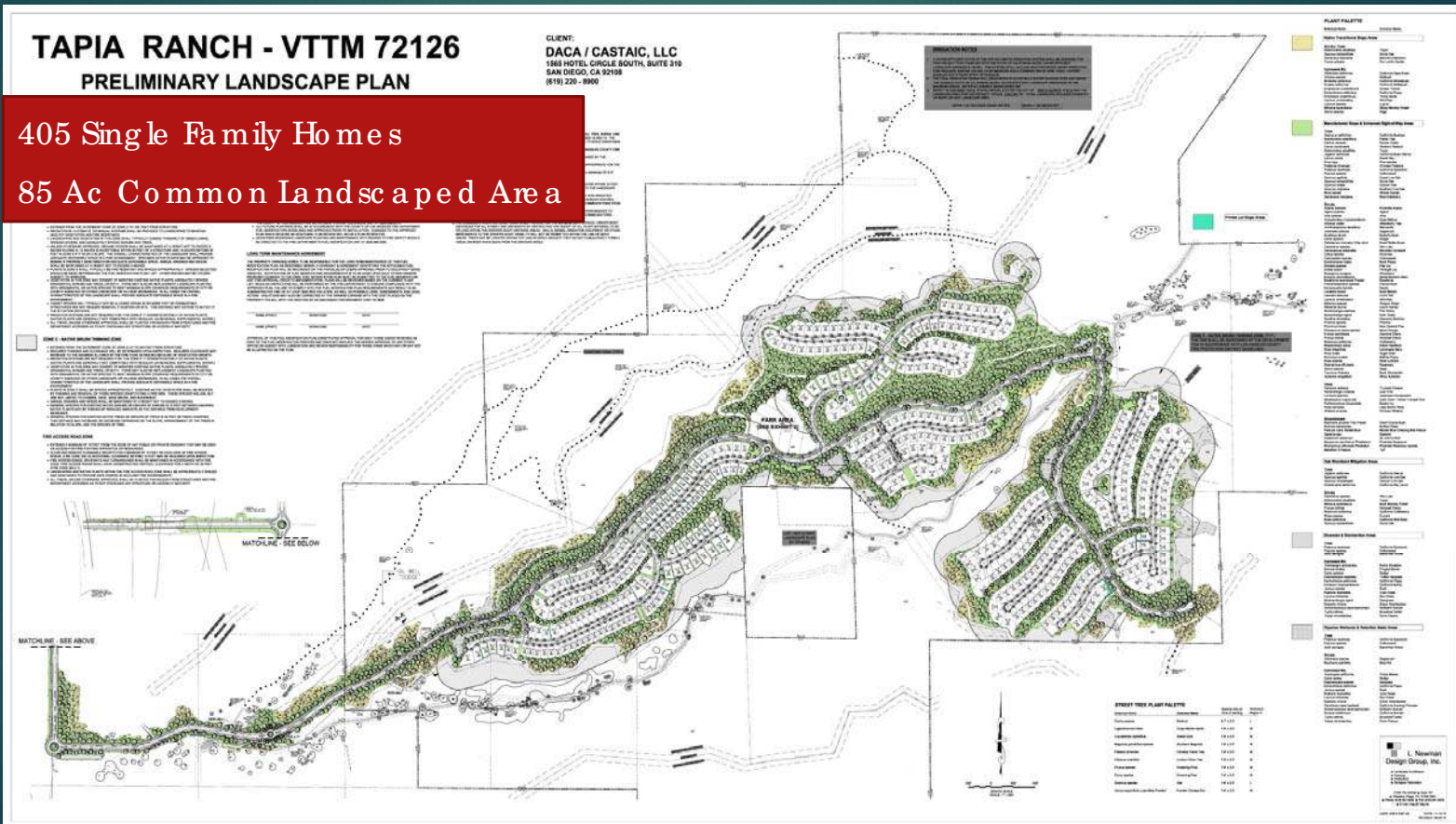
- Board Approval of Annexation Agreement and conditions precedent (including DWR Approval)
- LAFCO approval

Tapia Canyon

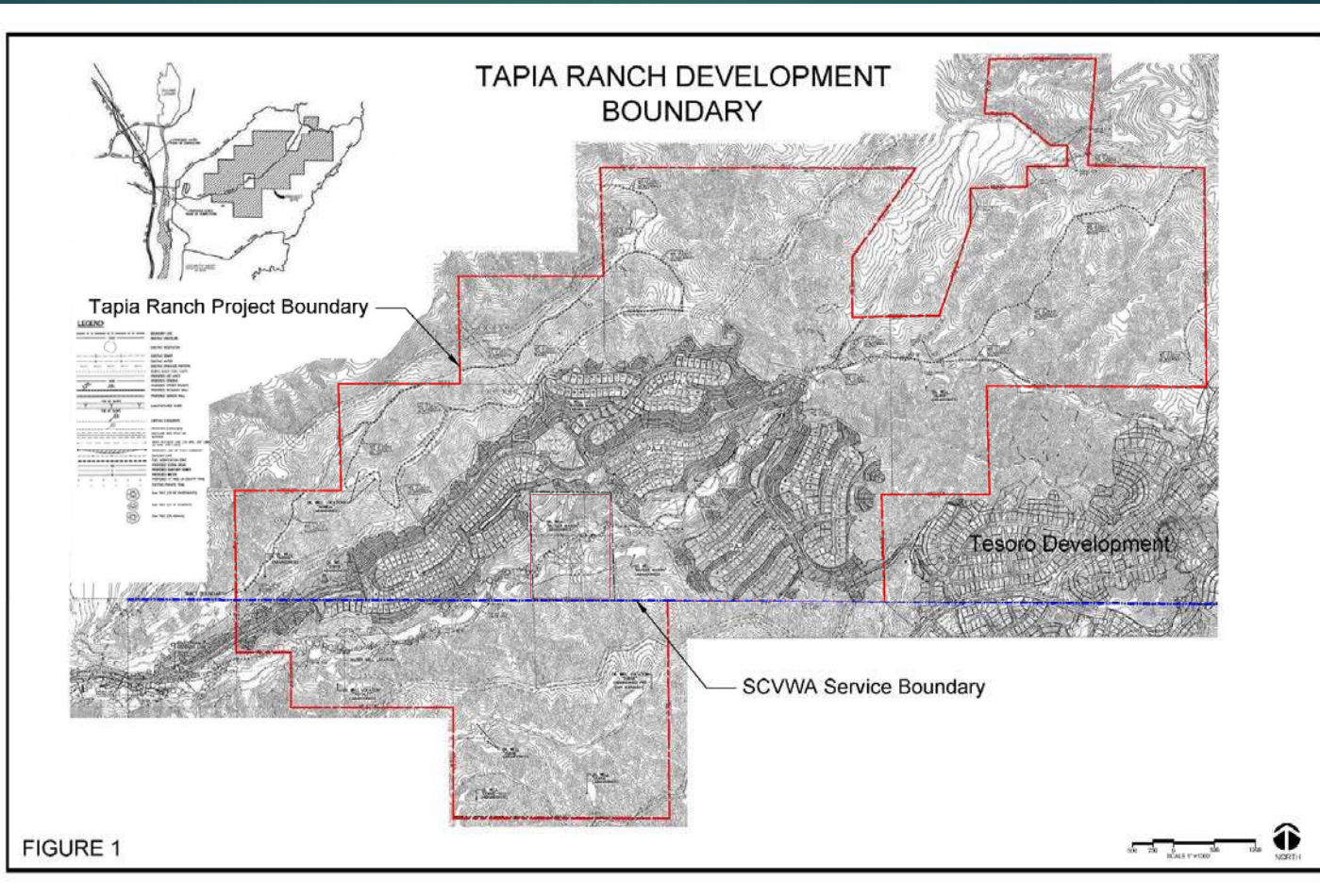
TAPIA RANCH - VTTM 72126 PRELIMINARY LANDSCAPE PLAN

CLIENT:
DACA / CASTAIC, LLC
1668 HOTEL CIRCLE SOUTH, SUITE 310
SAN DIEGO, CA 92108
(619) 226-8900

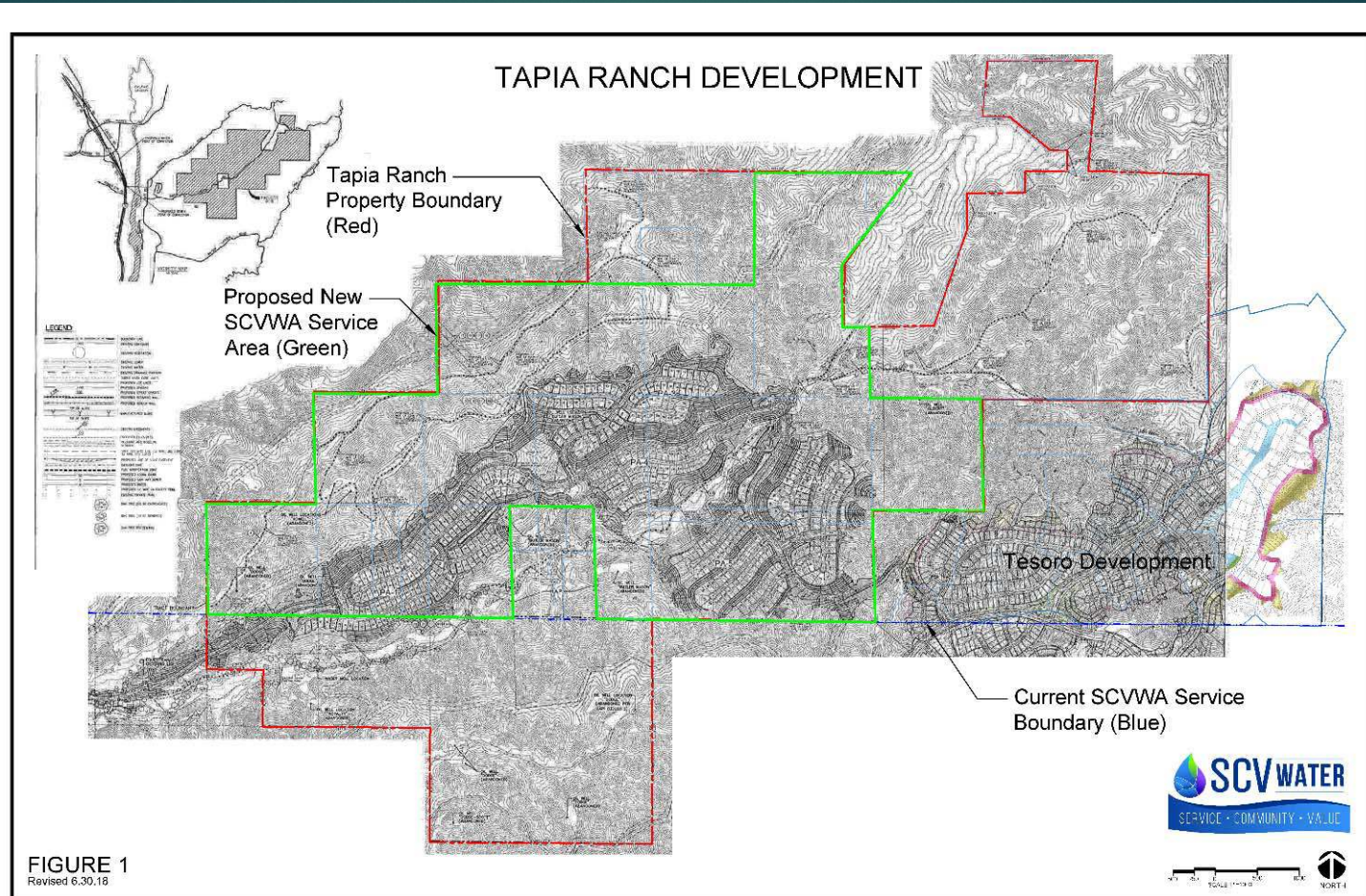
405 Single Family Homes
85 Ac Common Landscaped Area



Tapia Ranch Development Boundary



Revised Annexation Area



BV-RRB Water Purchase

- ▶ September 2002 Final EIR by BV-RRB for project to create supply by re regulation of high flow Kern River water
- ▶ October 2006 Final EIR by CLWA for Acquisition
 - ▶ 11,000 AF for in service area demand
 - ▶ 4,735 AF for five anticipated annexations (Estimate of 750 AF for Tapia Canyon)
- ▶ May 2007 Purchase Agreement executed

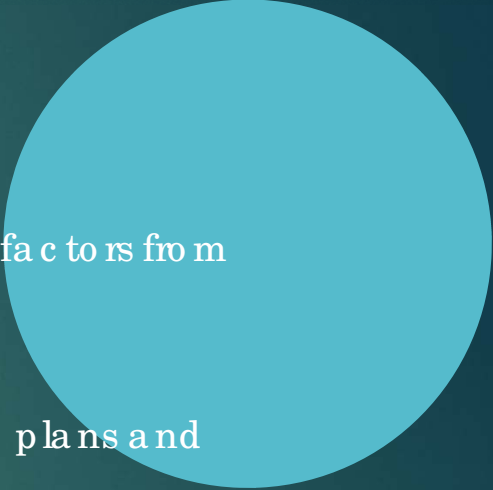
BV-RRB Background (Continued)

- ▶ 2008 – Downturn in housing market
- ▶ Only Legacy entered into Deposit and Funding Agreement
- ▶ 2008 – Wanger Decision reduced SWP reliability
 - ▶ Agency reserved all BV-RRB water for in service area use
- ▶ 2012 – 3000 AF made available to Legacy and Tesoro Annexations
- ▶ 2014 – Tapia under new ownership approached Agency re annexation
- ▶ 2016 – 2015 UWMP Adopted
- ▶ 2017 – Deposit and Funding Agreement Executed for Tapia Canyon
- ▶ 2018 – Water Resources and Watershed Committee reviewed BVRRB water supply availability

Water Demand Determination



▶ Approach

- ▶ Single-family home demand based on lot size and demand factors from adjacent new construction
 - ▶ Common landscape areas based on developer landscape plans and current landscaping ordinances
 - ▶ Long-term estimated water demand of 489 AF/Yr
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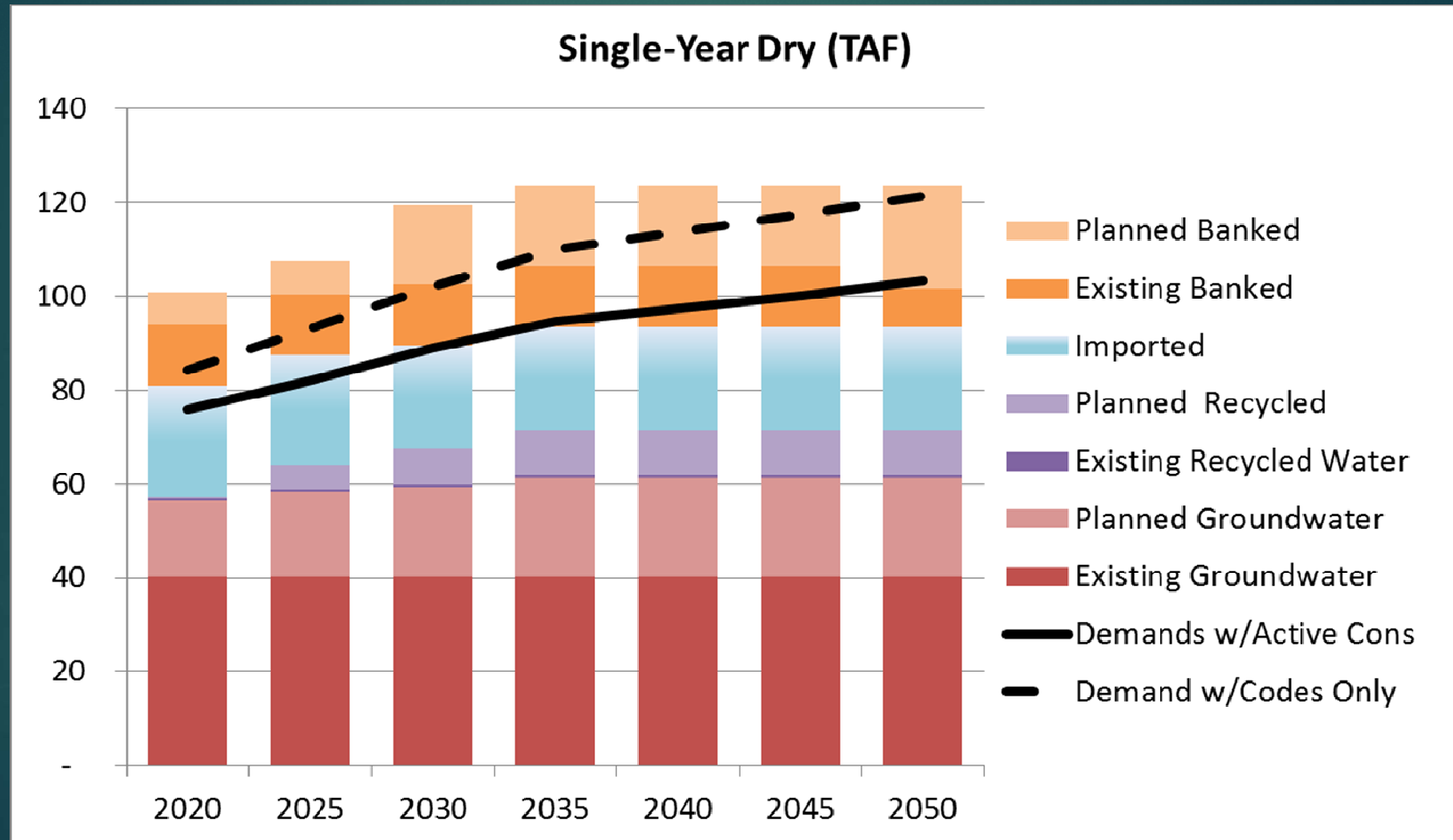
Annexation Demands Included in 2015 SCV UWMP

Annexing Development Potentially Using BV-RRB Supplies	2015 UWMP Estimate (AFY)	Current Estimate (AFY)
Legacy	2,500	2,500
Tesoro	500	389
Tapia	575	489
Total	3,575	3,378

2015 SCV UWMP – 2050 Water Balance

Supply Source	Average/ Normal	Single Dry-Year	4-Year Drought	3-Year Drought
Existing Groundwater	31,545	40,215	36,175	35,875
Existing Recycled	450	450	450	450
Existing Imported	70,707	22,087	45,177	33,167
Bank/ Exchanges		7,950	7,950	7,950
Future Groundwater	10,230	20,335	21,875	21,325
Future Recycled	9,604	9,604	9,604	9,604
Future Bank/ Exchanges		22,000	22,000	22,000
Total Supply	122,536	122,641	143,231	130,371
Demand w/ Active Conservation	93,900	103,300	103,300	103,300
Surplus	28,636	19,342	39,931	27,071

2015 UWMP - Demand and Supplies



Water Supply Reliability Analysis



- ▶ Alternative Water Supply Scenarios can be explored by reviewing the 2017 Water Supply Reliability Report Update
- ▶ Differs from UWMP Analysis
 - ▶ Employs a study period of 2017-2050
 - ▶ Demands increase throughout study period
 - ▶ Local and imported supplies vary with hydrology
 - ▶ Water banking/exchange programs are operated through 86 hydrologic sequences
 - ▶ Provides probabilities of meeting water demands

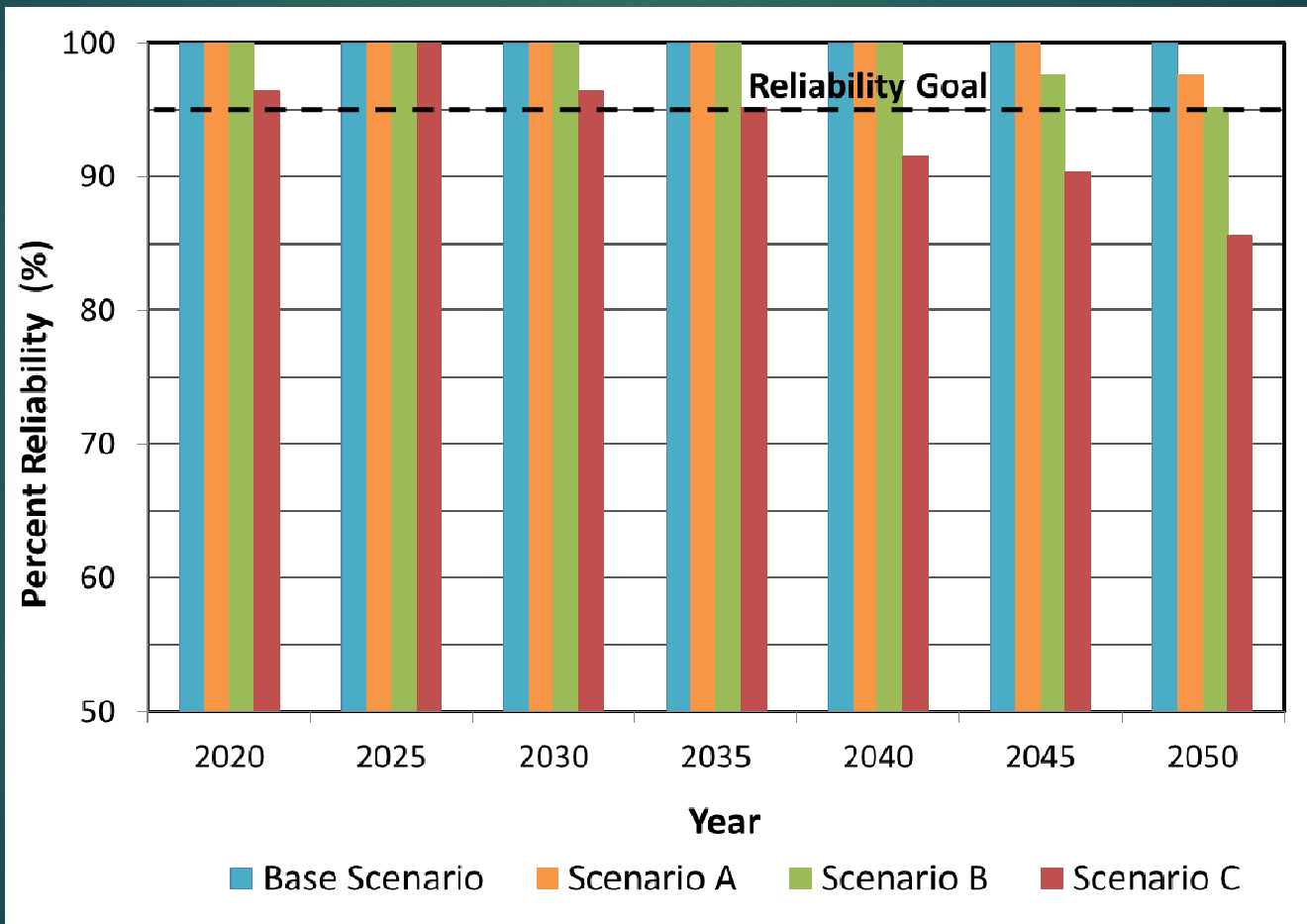
Water Supply Reliability Plan Scenarios Evaluated

BASE SCENARIO :

Based on 2015 UWMP demand, supply, and storage program assumptions

SCENARIO A	SCENARIO B	SCENARIO C
Base scenario with: <ul style="list-style-type: none">• SWP supplies via CA WaterFix	Base scenario with: <ul style="list-style-type: none">• Moderate supply reductions• Reduced SWP supply reliability• Less increase in Saugus pumping capacity and recycled water use	Base scenario with: <ul style="list-style-type: none">• Large supply reductions• Large reduction in SWP supply reliability• Additional limits on groundwater supplies and recycled water use

Initial Reliability of Scenarios



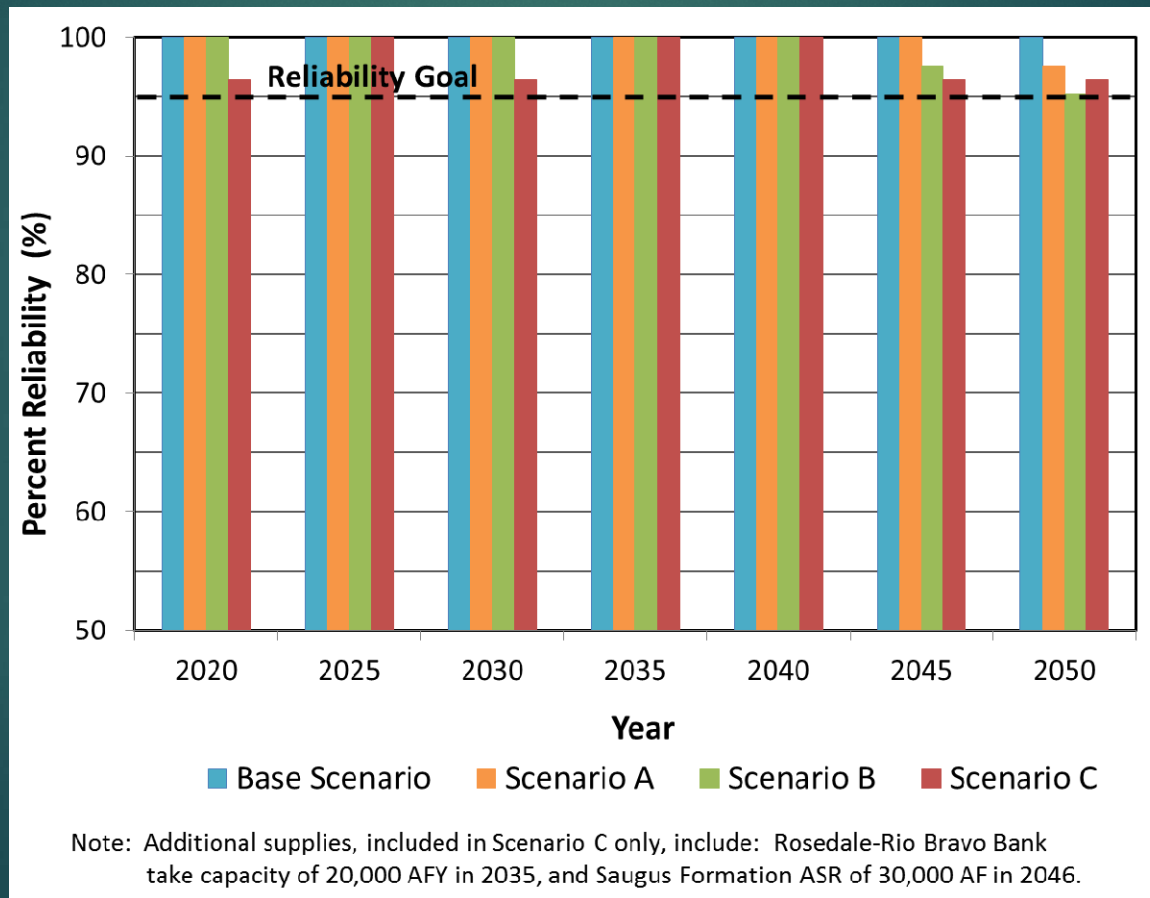
2050 Base Case vs. Scenario C

Source	Normal-Year		Single Dry-Year		
	Base Case	Scenario C	Base Case	Scenario C	Difference
SWP Table A	60,000	42,800	7,600	7,600	
Rosedale Bank	N/A	N/A	20,000	10,000	10,000
Newhall Semitropic Bank	N/A	N/A	4,950	Not in Scenario	4,950
New Bank	N/A	N/A	5,000	Not in Scenario	5,000
Alluvium	31,100 (Max) 29,000 (50% Prob.)	31,100 (Max) 27,400 (50% Prob.)	27,400	20,600	6,800
Saugus	10,700	10,700	33,200	10,700	22,500
				Total	49,250

Scenario C: Mitigation Actions

- ▶ Conclusions:
 - ▶ Storage programs rather than additional supplies
 - ▶ Additional withdrawal capacity from storage programs
- ▶ Can achieve 95% reliability goal through various programs and/or combinations of programs
- ▶ Potential actions used in reliability evaluation:
 - ▶ Existing Rights Rosedale-Rio Bravo Banking Program
 - ▶ Increased take capacity to 20 TAFY by 2035
 - ▶ Access to Five Point Rights in Semitropic (Part of NR Specific Plan)
 - ▶ Create Saugus Formation Water Bank
- ▶ Other programs could achieve similar reliability results

Reliability of Scenarios with Scenario C Potential Actions Evaluated



Tapia Canyon Payment for Past Acquisition and Carrying Costs

Type of Cost	Tapia Canyon Share
Acquisition Cost	706,109
Carrying Cost (2007-2018)	3,399,083
Water Sales Credits	<u>330,075</u>
Total	3,775,117

Conclusion

- ▶ Sufficient BV-RRB water supply is available under 2015 UWMP planning assumptions
- ▶ Under less optimistic planning assumptions, the Agency has sufficient average water supplies and dry-year demands can be met through investments in storage programs

Re c o m m e n d a t i o n s

- ▶ The Water Resources and Watershed Committee recommends that the Board of Directors approve a resolution determining that 489 acre-feet per year of Buena Vista-Rosedale Rio Bravo Water Supply is available for possible use for the proposed Tapia Annexation.