



Date: June 6, 2018

To: Water Resources and Watershed Committee
Maria Gutzeit, Chair
Tom Campbell
William Cooper
Robert DiPrimio
Jerry Gladbach
Jacque McMillan

From: Steve Cole *SM*
Assistant General Manager

The **Water Resources and Watershed Committee** is scheduled to meet on **Wednesday, June 13, 2018 at 6:00 PM at Santa Clarita Water Division** located at 26521 Summit Circle, Santa Clarita, CA 91350 in the Training Room.

MEETING AGENDA

1. Public Comments
2. Water Resources Director's Report
 - 2.1 Status of Water Banking Programs
 - 2.2 Other Staff Activities
3. Update on Conservation Activities
4. * Recommend Authorizing the General Manager to Pay FY 2018/19 State Water Contractors Dues
5. * Recommend Approval of a Resolution Authorizing the General Manager to Execute an Assignment of Buena Vista-Rosedale Rio Bravo Water Supply to the Proposed Tapia Annexation
6. * Committee Planning Calendar
7. Adjournment

- * Indicates attachments
- To be distributed

NOTICES:

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning (661) 297-1600, or writing to Santa Clarita Valley Water Agency at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.

Pursuant to Government Code Section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Santa Clarita Valley Water Agency, located at 27234 Bouquet Canyon Road, Santa Clarita, California 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at <http://www.yourscvwater.com>.

Posted on June 6, 2018.

MBS



COMMITTEE MEMORANDUM

DATE: June 6, 2018
TO: Water Resources and Watershed Committee
FROM: Dirk Marks *DM*
Director of Water Resources
SUBJECT: Recommend Authorizing the General Manager to Pay FY 2018/19 State Water Contractors Dues

SUMMARY AND DISCUSSION

SCV Water is a member of the State Water Contractors (SWC) organization. SWC is a non-profit organization comprised of 27 of the 29 State Water Project contractors (public water agencies that receive water from the State Water Project). SWC is an advocacy and research group that represents the interest of its members in legal, policy and regulatory matters that impact the State Water Project. In addition to information and advocacy on behalf of its members, SWC funds science research related to the Delta and endangered species and also partners with other agencies such as San Luis Delta Mendota Water Agency and the Northern California Water Association.

FINANCIAL CONSIDERATIONS

Dues for FY 2018/19 represent less than 0.6% of SCV Water's anticipated FY 2018/19 State Water Contract Fund expenditures. Dues increased approximately 24% from FY 2017/18 due to anticipated increases in legal expenses primarily associated with California WaterFix.

The FY 2018/19 dues are \$214,923 as shown below. The dues for the Energy Fund are based on power costs related to water deliveries and the other dues are allocated on the Table A amounts. The dues are paid on a pay-as-you-go basis from SCV Water's State Water Contract Fund which is funded by Agency-set property tax revenues. The FY 2018/19 Budget includes funds for these dues.

- Dues Fund - \$75,972
- Energy Fund - \$12,797
- Bay Delta Fund - \$126,154

RECOMMENDATION

That the Water Resources and Watershed Committee recommends the Board of Directors authorize the General Manager to pay the FY 2018/19 State Water Contractors dues.

MbS

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COMMITTEE MEMORANDUM

DATE: June 1, 2018

TO: Water Resources and Watershed Committee

FROM: Dirk Marks *DM*
Director of Water Resources

SUBJECT: Recommend Approval of a Resolution Authorizing the General Manager to Execute an Assignment of Buena Vista-Rosedale Rio Bravo Water Supply to the Proposed Tapia Annexation

SUMMARY

On November 13, 2017, the Castaic Lake Water Agency (CLWA) executed the Deposit and Funding Agreement for the Tapia Ranch (Vesting Tentative Track Map 72126 (Annexation Property)). The annexing party is Debt Acquisition Company of America (DACA). As provided in the Deposit and Funding Agreement, DACA has requested that the SCV Water Board of Directors, as successor to CLWA, consider and make a determination that there is sufficient Buena Vista/Rosedale Rio Bravo (BVRRB) water to dedicate to the proposed annexation property. Staff has completed a water demand analysis for the proposed annexation property, reviewed the Agency's 2015 Urban Water Management Plan (UWMP) and the 2017 Water Supply Reliability Report Update and concluded that given current planning assumptions, sufficient supplies are adequate to make such a determination. Under the terms of the Deposit and Funding Agreement, DACA will be required to pay for past acquisition and carrying cost for the BVRRB water totaling \$3,775,117, as well as pay ongoing carrying costs.

BACKGROUND AND DISCUSSION

In October 2006, CLWA adopted the Final EIR Water Acquisition from the Buena Vista Water Storage District and the Rosedale-Rio Bravo Water Storage District Water Banking and Recovery Program. That EIR estimated that 4,375 acre-feet per year (AFY) of the 11,000 AFY BVRRB water would be available to annexations with an estimated 750 AFY going to the Tapia project. In 2007, potential annexing parties were informed that because of more restrictive Sacramento-San Joaquin Delta regulatory measures, the Agency would not make BVRRB water available at that time. Subsequent analysis, including the 2010 Urban Water Management Plan (UWMP), incorporated higher water conservation requirements and in 2012 the CLWA reserved 2,500 AFY to a future Legacy annexation and 500 AFY to the proposed Tesoro annexation.

Revised population and development information consistent with the One-Valley-One-Vision general plan were incorporated into the 2015 UWMP allowing for a reexamination of the availability of BVRRB water to meet annexation requirements. Consistent with the Agency's Annexation Policy, staff has undertaken an analysis to determine the demand for the currently proposed Annexation Property. That determination is made considering the landowner's plan to develop the property. Staff's determination of the demand is 489 AFY. This demand assumes that those areas outside of the designated residential development, as shown on Figure 1, are permanently dedicated open space not available for further development and will not result in

additional water demand. Additionally, this 489 AFY is less than the 575 AFY that was included in the 2015 UWMP. Further, the demands for the proposed Tesoro annexation have recently been updated. The following table compares the demand values included in the 2015 UWMP to those currently estimated:

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

As discussed above, the 2015 UWMP demand estimates incorporated demands for the proposed Legacy, Tesoro and Tapia annexations. The conclusion reached in the 2015 UWMP was that assuming the water supply portfolio in the UWMP, the water supplies exceeded demands (including potential demands for annexing areas) at buildout. These results are summarized in the table below:

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

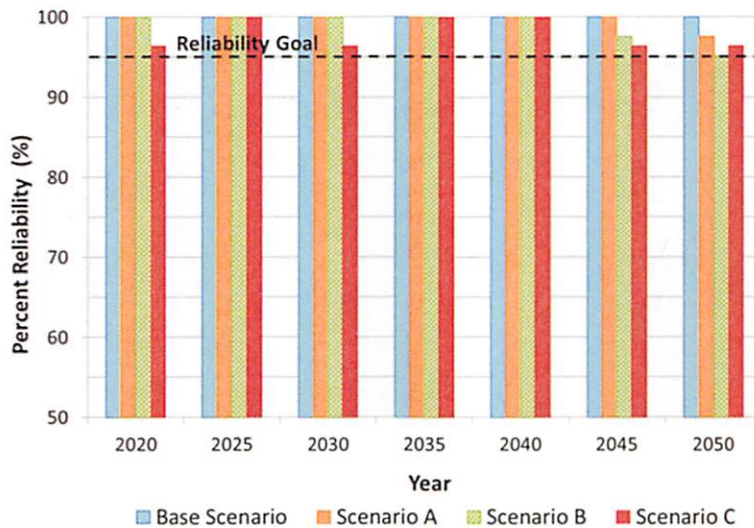
As supplies substantially exceed demands for the scenarios in the 2015 UWMP, staff concludes that sufficient BVRRB supplies will exist for the proposed Tapia Ranch Project.

Additionally, in November 2017, staff updated its Water Supply Reliability Plan. This report is available using the following link: http://yourscvwater.com/wp-content/uploads/2018/06/2017-Water-Supply-Reliability-Plan-Update_FINAL_110117.pdf. That report analyzes the existing water supply portfolio along with three alternative scenarios for the study period of 2017 through buildout in 2050 as described below:

- **Base Scenario:** Based on 2015 UWMP demand, supply, and storage program assumptions. This includes planned increases in recycled water, conversion of alluvium groundwater use from agricultural to municipal use, and dry-year increases in Saugus groundwater pumping.
- **Scenario A:** Similar to the Base Scenario, but includes SWP supplies anticipated to be available with proposed California WaterFix facilities.

- **Scenario B:** Moderate supply reductions relative to the Base Scenario with a reduction in SWP supply reliability and reducing Saugus extraction to 20,000 AFY during years where SWP supplies are significantly less than average, not exercising rights to expand the existing Rosedale Banking Program beyond the existing 10,000 AFY and not acquiring the Newhall Land Semitropic Banking Program as provided in the Semitropic/Newhall Banking Agreement. Further, reducing recycled water use to that used in the Newhall Ranch project and the Agency’s Phase 2B-D projects.
- **Scenario C:** Larger supply reductions relative to the Base Scenario with larger reductions in SWP supply reliability and additional limits on alluvium groundwater supplies, not allowing Saugus extractions beyond the average annual quantities and further reducing recycled water use to existing use and that supply generated by and for the Newhall Ranch project.

The analysis shows that the Base Scenario (UWMP supplies) is fully reliable through buildout and that Scenario A and B meets a goal of reaching a 95% reliability objective. Scenario C would not meet that objective, however supply shortfalls occur in dry-years and could be mitigated if the Board chose to exercise its contractual rights to expand the extraction capacity for the Rosedale Banking program by 10,000 AFY and participated in a banking program with 5,000 acre-feet of extraction capacity, such as the Newhall Land Semitropic Banking Program, as indicated in the 2015 UWMP. As shown below, with those modifications, all of the scenarios meet a water supply reliability objective of 95% reliability in 2050 (buildout).



Note: Additional supplies, included in Scenario C only, include: Rosedale-Rio Bravo Bank take capacity of 20,000 AFY in 2035, and Saugus Formation ASR of 30,000 AF in 2046.

FINANCIAL CONSIDERATIONS

Under the Deposit and Funding Agreement DACA would be required to pay for past acquisition and carrying costs, net any water sales from the BVERRB water supply. This totals \$3,775,117. Additionally, DACA would be required to pay ongoing carrying costs. Revenue for these payments would be credited to the Facility Capacity Fee Fund that has been carrying the BVERRB carrying costs for anticipated annexations.

California Environmental Quality Act (CEQA) Finding

The Final EIR for BVERRB was certified by the Agency in 2006. The CEQA determination is that the proposed action has been previously addressed in the certified 2006 Final EIR and findings and that no further environmental analysis or documentation is required at this time.

When the EIR for the Annexation Property is adopted by County of Los Angeles, the Agency would review the document and reach its conclusion as to adopting the lead agency's findings.

RECOMMENDATIONS

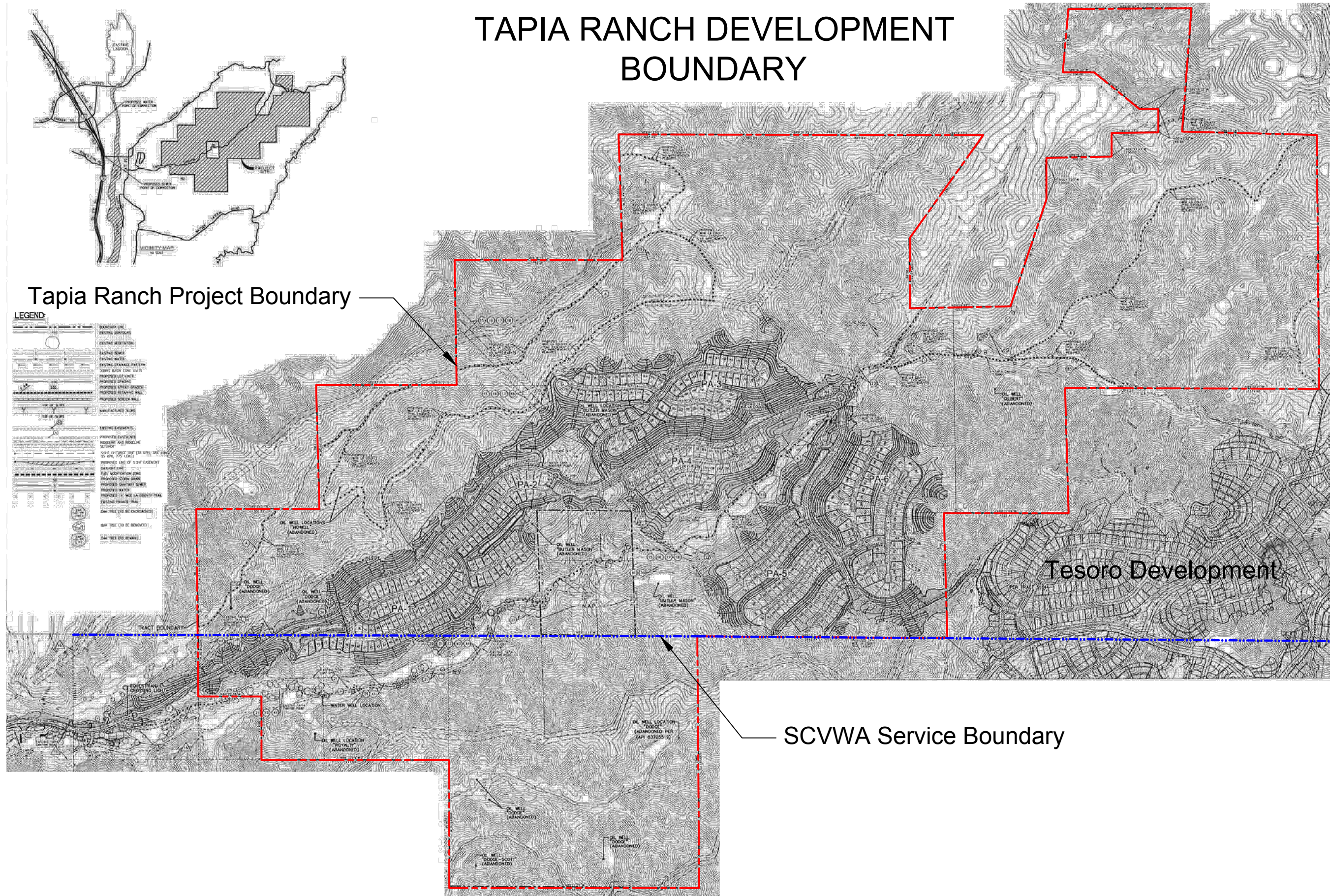
That the Water Resources and Watershed Committee recommends that the Board of Directors reserve 489 AFY of the BVERRB water for possible use for the Tapia Ranch annexation (VTTM 72126).

DSM

Attachments

MBS

TAPIA RANCH DEVELOPMENT BOUNDARY



Tapia Ranch Project Boundary

Tesoro Development

SCVWA Service Boundary

FIGURE 1

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RESOLUTION NO.

**RESOLUTION OF THE SANTA CLARITA VALLEY WATER AGENCY
BOARD OF DIRECTORS AUTHORIZING THE GENERAL MANAGER TO EXECUTE AN
ASSIGNMENT OF BUENA VISTA-ROSEDALE RIO BRAVO WATER SUPPLY
TO THE PROPOSED TAPIA ANNEXATION**

WHEREAS, Santa Clarita Valley Water Agency (SCV Water) is a special district water agency created to acquire, hold, and utilize water and water rights, including, but not limited to, water available from the state under the State Water Resources Development System, and to provide, sell, manage, and deliver surface water, groundwater, and recycled water for municipal, industrial, domestic, and other purposes at retail and wholesale within the territory of the SCV Water; and

WHEREAS, Debt Acquisition Company of America (Applicant), owns 1,167 acres adjacent to the boundary SCV Water in the County of Los Angeles (Annexation Lands); and

WHEREAS, on November 14, 2017, Castaic Lake Water Agency (CLWA) and Applicant executed an Deposit and Funding Agreement (Agreement) under which Applicant has agreed to certain obligations, conditions and responsibilities consistent with CLWA's Annexation Policy and its underlying principles which is necessary for the orderly development and service of water to the Annexation Lands; and

WHEREAS, SCV Water is the successor to CLWA; and

WHEREAS, the Agreement has a term of five years from the date of execution, unless extended by mutual consent; and

WHEREAS, SCV Water has determined that the proposed action has been previously addressed in the certified 2006 Final EIR and findings for the Buena Vista Water Storage District and the Rosedale-Rio Bravo Water Storage District Water Banking and Recovery Program and no further environmental analysis or documentation is needed at this time to comply with the California Environmental Quality Act; and

WHEREAS, SCV Water staff has undertaken an analysis to determine the water demand and has taken into consideration the Applicant's plan to develop the Annexation Lands; and

WHEREAS, the Board of Directors of SCV Water has reviewed available water supplies as set forth in the 2015 Urban Water Management Plan for the Santa Clarita Valley and has determined water supplies exceed demands; and

WHEREAS, SCV Water cannot and does not commit itself or agree that it can or will provide water service to the Annexation Lands since environmental compliance and other review and approvals for such a project has not been completed; and

WHEREAS, the Applicant anticipates environmental compliance and other approvals will be completed prior to November 14, 2022.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Santa Clarita Valley Water Agency hereby reserves, for the term of the Agreement, 489 acre feet per year of Buena Vista-Rosedale Rio Bravo Water Supply for the Proposed Tapia Annexation.

**Santa Clarita Valley Water Agency
Water Resources & Watershed Committee and Board Calendar**

FY 2017/18

	Item	Jan 16 Board	Mar 14 Comm	Mar 20 Board	Apr 3 Board	Apr 11 Comm	May 1 Board	May 14 Comm <i>Special - Cancelled</i>	May 15 Board	Jun 5 Board	Jun 13 Comm	Jun 19 Board
1	Status of Water Supplies					C						
2	Review and Provide Input on Proposed Watershed Program Approach for SCV Water		C		C							
3	Status of Upper Santa Clara River Salt and Nutrient Management Plan											
4	Review Proposal to Purchase Devil's Den Property (CLOSED SESSION)		C	C								
5	Recommend Authorizing the General Manager to Recover Stored Water from Existing Water Banking or Exchange Programs		C		C							
6	Status of Sustainable Groundwater Management Act Implementation		C									
7	Status of Rosedale Rio-Bravo Water Storage District Banking and Exchange Program Extraction Facilities		C									
8	Recommend Approval of a Resolution Authorizing the General Manager to Execute an Assignment of Buena Vista-Rosedale Rio Bravo Water Supply to the Proposed Tapia Annexation										P	
9	Status of Integrated Regional Water Management Plan Update		C									
10	Status of Sites Reservoir Project		C									
11	Devil's Den Semi-Annual Report		C									
12	Status of Water Banking Programs										P	
13	Update on Interim Financing of the Bay Delta Conservation Plan (BDCP) Activities											
14	Update on Conservation Activities					C					P	
15	Status of Recycled Water Program											P
16	California WaterFix Gap Funding							C	C			
17	Recommend Authorizing the General Manager to Pay FY 2018/19 State Water Contractors Dues										P	P

P = Planned
C = Completed
CNL = Cancelled
CNT = Continued Item

