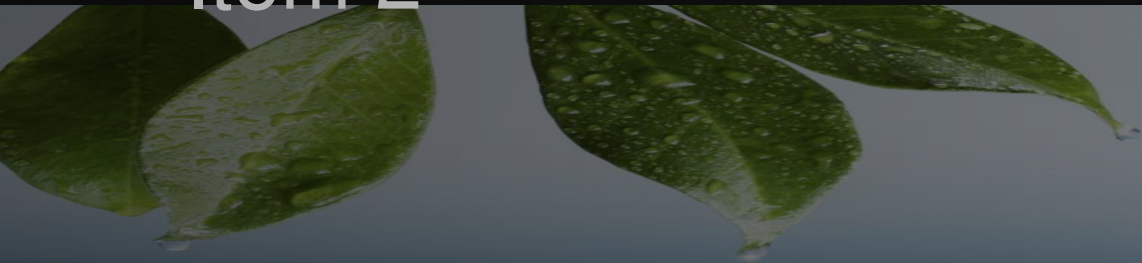


Water Management Tools Contract Amendment

Water Resources and Watershed Committee

October 14, 2020

Item 2



Value of Water Management Tools to Agency

- Agency Experience with Water Transfers of non-project water
 - BVERRB Water Transfers
 - 70,400 AF
 - \$17,892,500 Revenues
- Agency Experience with Water Exchanges
2020 – 16,400 AF returned (AVEK, Rosedale, West Kern)

Water Transfers

Table A

- Permanent
- Multi-year (generally not allowed)
- Single Year (Turn Back Pool)

Table A

- Permanent
- Multi-year authorized
- Single Year
- May Sell and Store water in the same year

Article 21

- Not allowed

Article 21

- Allowed for certain Ag contractors
- Others at DWR Director's discretion

Carryover Water

- Generally not allowed

Carryover Water

- 50% may be transferred
- Purchased carryover water delivered to service area

Water Transfers

(continued)

Stored
Water

- Can't transfer water in a year when storing water
- Prohibits transfer of stored water

Stored
Water

- May transfer and store water in same year (thereby facilitating multi-year transfers)
- May transfer or exchange stored water

Water Exchanges

Table A

- Maximum Ratios unclear, generally about 2:1
- Limits on monetary compensation unclear

Table A

- Maximum Ratio 5:1 on sliding scale related to Table A allocation at time of execution
- Limits on monetary compensation defined

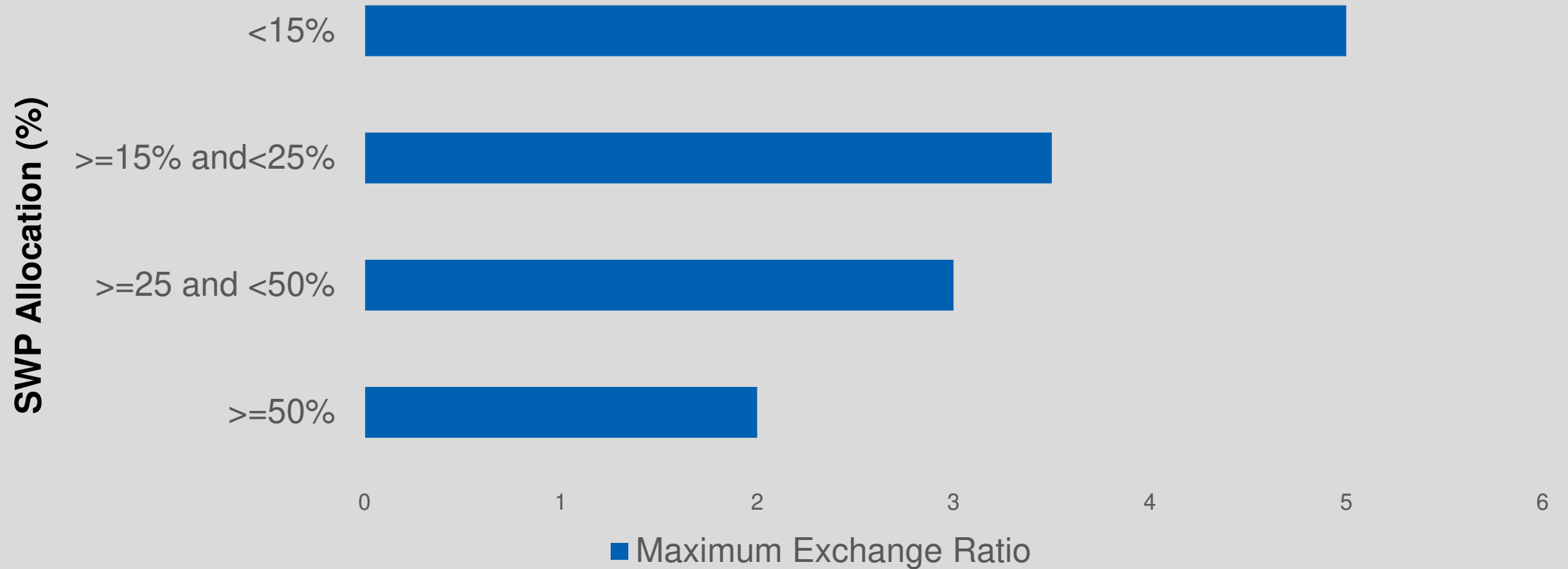
Stored Water and Carryover Water

- Generally not allowed

Stored Water and Carryover Water

- Up to half of carryover water may be exchanged

Maximum Exchange Ratio for SWP Allocations



Water Exchanges

Cost Compensation

Sum of SWP Fixed Charges

$\$/AF =$
Maximum
Compensation

Allocation of SWP

Implementation Language

- Effective when 24 or more contractors have executed the amendment
- If a court determines portions are invalid, State and at least 24 contractors must agree that remaining provisions are still in effect
- If 24 contractors have not signed by February 28, 2021, State may waive the 24-contractor requirement and implement
- If a contractor does not execute the amendment within 60 days of the amendment going into effect, then it will not take effect as to such contractor unless DWR subsequently agrees (in its discretion)

Recommendation to Board

- Execution of the State Water Project Contract Amendment for enhanced Water Management Tools and Actions
- Make appropriate CEQA Findings and adopt CEQA Findings and Statement of Overriding Considerations.



Questions