

# **MAIN SAN GABRIEL BASIN WATERMASTER**

**JUDGMENT, EXHIBIT H (3)(d),  
“THREE-YEAR PURCHASED  
WATER PLAN”  
(FY 2022-23 TO  
FY 2024-25)**

September 2022

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## **BACKGROUND**

On June 21, 2012, the Superior Court of the State of California for the County of Los Angeles (Court) approved certain proposed Judgment amendments. Some of these Judgment amendments help Watermaster address Supplemental Water supply concerns. One of the amendments, Exhibit H(3)(d), requires that "...on or before November 1 of each year, Watermaster shall prepare and distribute to the Responsible Agencies a three-year projection of its Supplemental Water purchases from each agency. Watermaster shall, to the extent feasible, coordinate the tentative schedule for delivery and payment of those purchases with each agency." The estimated water deliveries discussed in this Three-Year Plan are not considered an "order" by Watermaster, but are informational. Specific details regarding the estimated water deliveries are not finalized and the intent of this report is for planning purposes. Some of the considerations included in the Three-Year projection of Supplemental Water purchases are included below.

Judgment Amendment, Section 45(b)(7), allows Watermaster to "...levy an Assessment on all Pumping, as determined through Rules and Regulations ... to support the purchase, financing, and/or development of new or additional Supplemental Water sources, in cooperation with one or more Responsible Agencies as appropriate." Section 45(b)(7) established the "Water Resource Development Assessment" for the purchase or development of additional Supplemental Water supplies. Based on these Judgment amendments, Watermaster also amended its Rules and Regulations to include a policy/criteria to develop the "Three-Year Purchased Water Plan" (Three-Year Plan). Under Section 26(d)(5) of the Rules and Regulations, the first priority for spreading of Supplemental Water is "...Supplemental Water ordered by Watermaster from Responsible Agencies for direct delivery to the Basin as Replacement Water...". Recognizing many Producers currently pre-purchase Supplemental Water for

delivery into their Cyclic Storage accounts, those pre-purchases are considered to have the same priority as Replacement Water.

Under normal procedures, following the end of each fiscal year (June 30<sup>th</sup>), Watermaster receives production data from Basin Producers and calculates the final Replacement Water obligation based on the prior fiscal year's over-production. Watermaster adopted Resolution No. 05-22-31 on May 11, 2022 (see Attachment A), which provides Producers an economic incentive to pre-purchase and deliver Supplemental Water into their Cyclic Storage accounts in advance of paying a potentially higher Replacement Water Assessment. In accordance with its Rules and Regulations, Watermaster provides a Statement of Assessments (including any Replacement Water Assessment) to each Producer by August 15<sup>th</sup> and all Assessments are due to Watermaster by September 20<sup>th</sup>.

Under Section 34(n) of the Judgment, Watermaster has the power to "...enter into appropriate contracts, to be approved by the Court, for utilization of Groundwater storage capacity of the Basin for cyclic or regulatory storage of Supplemental Water by parties and non-parties...which shall include provision for...Watermaster control of all spreading or injection and extraction scheduling and procedures for such stored water...". To better coordinate all Supplemental Water deliveries for replenishment (includes untreated imported water, or recycled water deliveries for Replacement Water, RDA Water, Responsible Agency cyclic storage, producer cyclic storage, MWD deliveries to its cyclic storage and/or deliveries pursuant to a Storage and Export Agreement) with the Responsible Agencies, on June 24, 2019, Watermaster provided the Responsible Agencies with a memorandum titled, "Supplemental Water Deliveries-Coordination Procedures" (see Attachment B).

In 2017, Watermaster and Upper San Gabriel Valley Municipal Water District (Upper District) negotiated the pre-delivery of 80,000 acre-feet of imported replenishment water from the Metropolitan Water District of Southern

California (MWD), the Letter Agreement. All 80,000 acre-feet was to be stored in MWD's cyclic storage account. This pre-delivered MWD water would be paid for over a 5-year payment schedule (starting in December of fiscal year 2017-18), by the Watermaster, using annual Replacement Water assessments, RDA funds within the Upper District and Three Valley's District (Responsible Agency) area and revenue from transfers into producer cyclic storage, and applying those funds to purchase the pre-delivered water on an annual basis. The agreed upon annual transfer from MWD's storage agreement to the Basin storage and payment for the pre-delivered MWD water was to be a minimum of 16,000 acre-feet per year for five consecutive years starting in fiscal year 2017-18. However, MWD was unable to deliver the full 80,000 acre-feet during fiscal year 2017-18 but instead delivered 58,517.5 acre-feet during fiscal year 2017-18 (which includes 5,000 acre-feet transferred from San Gabriel Valley Municipal Water District (San Gabriel District to MWD). Watermaster/Upper District made payment on 16,000 acre-feet in December 2017. The next scheduled payment on 16,000 acre-feet in December 2018 was deferred by one year so additional "wet" water could be delivered (and paid for) in 2018. As of December 31, 2018, MWD had 47,517.20 acre-feet in its Cyclic Storage account (which included 5,000 acre-feet transferred from San Gabriel District to MWD). Watermaster/Upper District made payment on 16,000 acre-feet in December 2019 and made payment on the remaining 31,517.50 acre-feet in December 2020.

In 2019, an extension to the MWD Letter Agreement was developed, which also included Three Valleys Municipal Water District (Three Valleys District). Under the extension, MWD planned a new delivery of about 110,000 acre-feet to its Cyclic Storage account during calendar year 2019. The 110,000 acre-feet would be paid for over a similar 5-year payment schedule starting in December 2019. Watermaster/Upper District/Three Valleys District made payments on 21,651.70 acre-feet, 16,039.70 acre-feet, and 25,754.67 acre-feet in December 2019, December 2020, and December 2021, respectively. The

remaining agreed upon deliveries and annual payment scheduled for the next two consecutive years starting in December 2022 totals about 49,105 acre-feet. These cyclic storage deliveries and payments will be made by Watermaster to MWD, through Upper District and Three Valleys District.

As part of the Pre-Purchase water shown above, Watermaster will purchase the Replacement Water Obligation water and the Resource Development Assessment water from Three Valleys District and Upper District, as Responsible Agencies.

### **Policy/Criteria for Three-year Purchased Water Plan**

Exhibit M of Watermaster's amended Rules and Regulations provides the policy/criteria for the "Three-year Purchased Water Plan," and requires Watermaster to estimate Supplemental Water purchases from the Responsible Agencies for each of the three subsequent years. The policy/criteria indicate estimated Supplemental Water purchases may be based on the following:

- 1) *The first year shall be, at a minimum, the total Replacement Water requirement for the three Responsible Agencies (Upper District, San Gabriel District, and Three Valleys).*
- 2) *The second and third years may be estimated as follows:*
  - a) *Operating Safe Yield (OSY) established by Watermaster for the current fiscal year and next succeeding years;*
  - b) *Alternative projections of the OSY;*
  - c) *Evaluation of potential wet, average, and dry hydrologic conditions;*
  - d) *Future groundwater production provided by or estimated for each producer; and*
  - e) *Depending on Basin conditions, Watermaster may consider additional factors as necessary.*

As a result of the negotiated pre-delivery of significant MWD imported replenishment water by Watermaster, and subsequently (after payment) transferred by MWD to Upper District and Three Valleys District, the above policy/criteria has been superseded by this important delivery of imported water to supplement local rainfall and runoff replenishment. Watermaster has considered the Replacement Water obligations, MWD Letter Agreement, Supplemental Water Reliability Storage Program, new Supplemental Water Stormwater Augmentation Program (RDA II) water, and the In-Lieu Program in this Three-Year Water Purchase Plan, as described below.

### **SUPPLEMENTAL WATER RELIABILITY STORAGE PROGRAM (RDA)**

The Supplemental Water Reliability Storage Program (RDA) provides a process for the Watermaster to generate funds to purchase and store Supplemental Water in the Basin to be used (applied) when there are limitations on the availability of Supplemental Water from the Responsible Agencies. As a result of the severe long-term drought conditions resulting in significant reductions on the quantity of local water replenishment to the Basin, Watermaster expanded RDA into the Supplemental Water Stormwater Augmentation Program (RDA II) described below.

### **SUPPLEMENTAL WATER STORMWATER AUGMENTATION PROGRAM (RDA II)**

The Water Resource Development Assessment for Stormwater Augmentation Program (RDA II) was developed by the Watermaster to help manage Basin water supplies under the perceived “worst case” hydrologic conditions, which was assumed to be two additional consecutive 5-year droughts, using the same hydrologic conditions as the recent FY 2011-12 through 2015-16 severe drought. Based upon ten (10) additional consecutive years of drought, the new RDA II Program is intended to purchase imported replenishment water

(when available), for stormwater augmentation, to maintain the Baldwin Park Key Well (Key Well) elevation above 180 feet by the end of the tenth year. This Key Well elevation essentially ensures continued Basin water supply to the Basin Producers under a worst case, 15-year sustained drought. The RDA II Program has an assessment of \$175/AF on all FY 2021-22 production and is planned to remain the same at \$175/AF on all FY 2022-23 production. Watermaster will use the RDA II funds to purchase untreated imported water to replenish the Basin for the “general benefit” of all Producers within the Basin. Unlike the original RDA (Supplemental Water Replenishment Storage Program), which is a Watermaster pre-purchase of Replacement Water, the RDA II untreated imported water will supplement local stormwater replenishment, enhance overall Basin conditions, and have “no right of recovery” using a water right, by any Basin Producer.

Funding for the RDA II Program is based on the current year’s production. For example, assessments on fiscal year 2021-22 production are levied in August 2022 and received by Watermaster by September 20, 2022. However, as described earlier, Watermaster has adopted a plan to purchase a minimum total of about 49,105 acre-feet over two years (in December 2022 and December 2023), under the MWD Letter Agreement. This pre-delivered MWD water is purchased out of MWD’s Cyclic Storage account, and will be paid for by the Watermaster, primarily using funds from the Resource Development Assessments from Upper District and Three Valleys District producers. San Gabriel District is not a member of MWD and has its own Supplemental Water supply.

### **AVAILABILITY OF SUPPLEMENTAL WATER DURING FISCAL YEAR 2022-23**

As a result of the water supply conditions in Northern California, the Department of Water Resources (DWR) established the calendar year 2022 Allocation of State Water Project (SWP) water at 5 percent of the SWP



contractors' Table A Entitlements. Watermaster is working with MWD on potential SWP Health and Safety deliveries and on potential deliveries from the Colorado River water supply.

### **MWD Human Health and Safety Water**

On April 26, 2022, MWD Board of Directors adopted a resolution that, in part, adopted the framework of an Emergency Water Conservation Program. The Program allows an affected Member Agencies to achieve compliance by meeting an agency-specific volumetric delivery of SWP water. The volumetric limit for each agency was based on their equivalent shares of Human Health and Safety water available from DWR plus any additional water MWD is able to provide from the SWP system, allocated to each agency based on proportionate population. Upper District's total SWP volumetric limit is 14,695 acre-feet. Upper District is expected to deliver this water in the fall of 2022 (Year 1) as RDA water.

### **FACTORS CONSIDERED FOR THIS THREE-YEAR PURCHASE PLAN**

#### **Projected Operating Safe Yield and Production for Replacement Water Obligation**

For this Three-year Plan, the determination of Producer cyclic storage deliveries (in advance of an obligation) and Replacement Water (following the conclusion of a fiscal year after cyclic storage has been addressed) in the second and third year assumes an Operating Safe Yield of 150,000 acre-feet and production of 190,000 acre-feet.

## **Letter Agreement with MWD and Five-Year RDA II Assessment Plan to Fund Pre-Purchased MWD Water**

As previously discussed, Watermaster, Upper District, Three Valleys District and MWD have entered into a Cyclic Storage Agreement which allows MWD to deliver untreated imported water to the Basin in advance of demand for the water. Under the Letter Agreement, the tentative payment plan is to purchase water out of MWD Cyclic Storage account over five years (two years remaining), including a balance of about 49,105 acre-feet. To ensure that this program works properly, the Operating Safe Yield for the Basin should not go any higher than the current 150,000 AFY through December 2023 or the RDA rate may need to be increased.

As of June 2022, the MWD Cyclic Storage account had a balance of about 49,000 acre-feet. For the purpose of this Three-Year Plan, it is assumed that half of the remaining balance in MWD's Cyclic Storage account (24,500 acre-feet) will be purchased in December 2022 (Year 1), and the other half (24,500 acre-feet) will be purchased in December 2023 (Year 2). The MWD Letter Agreement water will be funded by using RDA II assessments. Watermaster may borrow from other Watermaster accounts to complete the annual Letter Agreement water (purchase) and then repay those Watermaster accounts with future Resource Development Assessments.

For this Three-Year Plan, the first year purchases (in December 2022) is based on actual revenue from fiscal year 2021-22 production (about 190,000 acre-feet), with the following two years also assuming production of 190,000 acre-feet.

During fiscal year 2021-22, Watermaster had enough funds to purchase about 64,000 acre-feet of Supplemental Water from Upper District. Due to the drought conditions and low SWP Allocation, MWD was unable to deliver the full

amount. Consequently, Watermaster is holding funds to purchase about 27,000 acre-feet from Upper District.

### **In-Lieu Program**

Watermaster has coordinated with Producers to purchase additional treated imported water for direct delivery in-lieu of pumping groundwater, in an effort to reduce the amount of groundwater pumped from the Basin. For this Three-Year Plan, it is assumed there will be no In-lieu Program purchases because Watermaster is still coordinating with producers on who can participate. Watermaster will have a better idea by the end of calendar year 2022.

### **MWD Water Supply Allocation Plan**

For purposes of this Three-Year Plan, it is assumed the Letter Agreement to pay MWD for the pre-delivered MWD water addresses the issue of MWD supply availability, and consequently, a Water Supply Allocation Plan allocation will not be applied for fiscal years 2022-23, 2023-24, and 2024-25. MWD has not enforced a Water Supply Allocation. However, if MWD enforces a Water Supply Allocation Plan in the next fiscal year due to water supply conditions, it will be applied in next year's Three-Year Plan.

### **San Gabriel District's SWP Allocation**

The SWP's annual allocation to its SWP contractors have been highly variable, and this trend is expected to continue. The SWP allocation was set at 5 percent for calendar year 2022 by DWR. Due to the 5 percent SWP allocation, San Gabriel District indicated they will be unable to deliver its RDA requirement during FY 2022-23. Consequently, the San Gabriel District RDA requirement will be re-apportioned between Upper District and Three Valleys District. As of June 30, 2022, San Gabriel District had 2,300 acre-feet in their cyclic storage account.

It is assumed San Gabriel District will receive a 0 percent SWP allocation for CY 2023, a 5 percent allocation for CY 2024, and a 10 percent allocation for CY 2025. Therefore, it is assumed San Gabriel District will be not able to deliver its RDA requirement for FY 2023-2024 and FY 2024-25. In addition, San Gabriel District has established a special rate of \$800 per acre-foot which will be used to purchase SWP water, in addition to its SWP annual allocation, to address its RDA II obligation.

### **THREE-YEAR PURCHASE PLAN**

#### **First Year – Fiscal Year 2022-23**

Total Basin (all three Responsible Agencies) untreated imported water anticipated to be purchased during fiscal year 2022-23 is about 69,136 acre-feet, as shown on Table 1, which consists of about 17,317 acre-feet of Replacement Water to be delivered following the end of fiscal year 2022-23, about 3,000 acre-feet through USG-5, about 6,890 acre-feet of pre-delivery of Replacement Water into Producers' Cyclic Storage accounts, about 36,219 acre-feet for RDA II, 5,000 acre-feet transferred from San Gabriel District to MWD (2022 obligation only) and about 710 acre-feet of San Gabriel District "Deferred Replacement Water" obligation.  $(17,317 + 3,000 + 6,890 + 36,219 + 5,000 + 710 = 69,136)$ . Due to the 5 percent SWP allocation for CY 2022 and assumed 0 percent SWP allocation for CY 2023, it is assumed that San Gabriel District will be unable to deliver its RDA requirement during FY 2022-23. Consequently, the San Gabriel District RDA requirement will be re-apportioned between Upper District and Three Valleys District.

Upper District has an obligation to deliver and/or transfer from its Cyclic Storage account about 43,613 acre-feet consisting of 3,000 acre-feet deliveries through USG-5 for the Cooperative Water Exchange Agreement, about 6,890 acre-feet of pre-delivery of Replacement Water into Producers' cyclic storage

accounts (**This assumes Producers will purchase an equal amount that was deducted from cyclic storage accounts for Replacement Water obligation.**) and about 33,723 acre-feet of RDA II. It is assumed Upper District will deliver its full obligation of 43,613 acre-feet ( $3,000 + 6,890 + 33,723 = 43,613$ ). In addition, Watermaster has enough funds from last year (undelivered balance) to purchase about 27,000 acre-feet of RDA II water. Upper District has about 15,000 acre-feet of SWP Volumetric Limit Human Health and Safety water to deliver to the Basin as wet water in the fall of 2022 and this delivery is part of the RDA II obligation.

Three Valleys District has an obligation to deliver about 2,496 acre-feet which consists of about 2,496 acre-feet of RDA II water to be delivered in fiscal year 2022-23. It is assumed Three Valleys will deliver its full obligation.

It is assumed that Upper District and Three Valleys District will purchase about 24,500 acre-feet from MWD's Cyclic Storage account by December 2022 pursuant to the MWD Letter Agreement. It is assumed this will be accomplished from Upper District's RDA II requirement of about 33,723 acre-feet. The remaining order from Upper District will be delivered as "wet deliveries", as shown in Table 1.

San Gabriel District has an obligation to deliver about 23,027 acre-feet consisting of about 17,317 acre-feet of Replacement Water to be delivered by the end of fiscal year 2022-23, 5,000 acre-feet to be transferred to MWD (2022 obligation only), and 710 acre-feet deferred Replacement Water (described below). In addition, due to the Net Interagency Transfer Adjustment, Upper District and Three Valleys District had negative balances for Replacement Water obligations. In accordance with Section 27, Paragraph (h)(3) of Watermaster's Rules and Regulations, "All adjustments shall be accumulated in a Deferred Replacement Water Requirement Account for each of the Responsible Agencies. ..." At the end of fiscal year 2021-22, San Gabriel District has a deferred

Replacement Water obligation of about 710 acre-feet. It is anticipated Watermaster will fund the deferred deliveries through the In-Lieu fund. As of September 20, 2021, the In-Lieu fund may be used to purchase about 710 acre-feet from San Gabriel District. It is anticipated that San Gabriel District will deliver its CY 2022 SWP allocation of about 1,300 acre-feet (San Gabriel District delivered part of its 2022 SWP during fiscal year 21-22) by December 2022.

San Gabriel District had about 2,300 acre-feet in its Cyclic Storage account at the beginning of fiscal year 2022-23. If the SWP allocation for CY 2023 is assumed to be 0 percent, it is assumed that San Gabriel District will not be able to meet its obligation of 23,027 acre-feet and will have an undelivered balance of 19,427 acre-feet ( $2,300 + 1,300 - 23,027$ ).

#### **Second Year - Fiscal Year 2023-24**

Total Basin (all three Responsible Agencies) untreated imported water anticipated to be delivered during fiscal year 2023-24 is about 69,300 acre-feet, as shown in Table 2, which consists of about 6,200 acre-feet of Replacement Water to be delivered following the end of fiscal year 2023-24, about 19,400 acre-feet of undelivered balance from San Gabriel District during fiscal year 2022-23, about 3,000 acre-feet through USG-5, about 35,700 acre-feet for RDA II, and 5,000 acre-feet transferred from San Gabriel District to MWD (2023 obligation only). ( $6,200 + 19,400 + 3,000 + 35,700 + 5,000 = 69,300$ ). Due to the assumed 0 percent SWP allocation for CY 2023 and assumed 5 percent SWP allocation for CY 2024, it is assumed that San Gabriel District will be unable to deliver its RDA requirement during FY 2023-24. Consequently, the San Gabriel District RDA requirement will be re-apportioned between Upper District and Three Valleys District.

Upper District has an obligation to deliver and/or transfer from its storage account about 36,300 acre-feet consisting of 3,000 acre-feet deliveries through

USG-5 for the Cooperative Water Exchange Agreement and about 33,300 acre-feet of RDA II. It is assumed Upper District will deliver its full obligation. (3,000 + 33,300 = 36,600).

Three Valleys District has an obligation to deliver about 2,400 acre-feet which consists of about 2,400 acre-feet of RDA II water. It is assumed Three Valleys will deliver its full obligation.

As previously discussed, it is assumed that Upper District and Three Valleys District will purchase about 24,500 acre-feet from MWD's Cyclic Storage account by December 2023 pursuant to the MWD Letter Agreement. It is assumed this will be accomplished from Upper District's RDA II requirement of about 33,300 acre-feet.

San Gabriel District has an obligation to deliver about 30,600 acre-feet consisting of about 6,200 acre-feet of Replacement Water to be delivered by the end of fiscal year 2023-24, 5,000 acre-feet to be transferred to MWD, and 19,400 acre-feet of undelivered balance.

San Gabriel District will have 0 acre-feet in its Cyclic Storage account at the beginning of fiscal year 2023-24. If SWP allocation for CY 2024 is assumed to be 5 percent (about 1,400 acre-feet), it is assumed that San Gabriel District will not be able to meet its obligation of 30,600 acre-feet and will have an undelivered balance of 29,200 acre-feet (1,400 – 30,600).

### **Third Year - Fiscal Year 2024-25**

Total Basin – (all three Responsible Agencies) untreated imported water anticipated to be delivered during fiscal year 2024-25 is about 87,000 acre-feet, as shown in Table 3, which consists of about 15,300 acre-feet of Replacement Water to be delivered following the end of fiscal year 2024-25, about 29,200

acre-feet of undelivered balance from San Gabriel District during fiscal year 2023-24, about 3,000 acre-feet through USG-5, about 34,500 acre-feet for RDA II, and 5,000 acre-feet transferred from San Gabriel District to MWD.  $(15,300 + 29,200 + 3,000 + 34,500 + 5,000 = 87,000)$ . Due to the assumed 5 percent SWP allocation for CY 2024 and assumed 10 percent SWP allocation for CY 2025, it is assumed that San Gabriel District will be unable to deliver its RDA requirement during FY 2024-25. Consequently, the San Gabriel District RDA requirement will be re-apportioned between Upper District and Three Valleys District.

Upper District has an obligation to deliver and/or transfer about 39,500 acre-feet consisting of 3,000 acre-feet deliveries through USG-5 for the Cooperative Water Exchange Agreement, about 4,300 acre-feet of Replacement Water obligation through USG-3 (**assumes Producers will purchase an equal amount deducted from Cyclic Storage accounts**), and about 32,200 acre-feet of RDA II. It is assumed Upper District will deliver its full obligation.  $(3,000 + 4,300 + 32,200 = 39,500)$ .

Three Valleys District has an obligation to deliver about 7,100 acre-feet which consists of about 4,800 acre-feet of pre-delivery of Replacement Water into Producers' Cyclic Storage accounts and about 2,300 acre-feet of RDA II water. It is assumed Three Valleys will deliver its full obligation.

San Gabriel District has an obligation to deliver about 40,400 acre-feet consisting of about 6,200 acre-feet of Replacement Water to be delivered by the end of fiscal year 2024-25, about 29,200 acre-feet of undelivered balance, and 5,000 acre-feet to be transferred to MWD.

San Gabriel District will have about 0 acre-feet in its Cyclic Storage account at the beginning of fiscal year 2024-25. If SWP Allocation for 2025 is assumed to be 10 percent (2,900 acre-feet), it is assumed that San Gabriel



District will not be able to meet its obligation of 40,400 acre-feet and will have an undelivered balance of 37,500 acre-feet (2,900 – 40,400).

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**TABLE 1**  
**THREE-YEAR WATER SUPPLY PURCHASES FROM**  
**YEAR 1 - FISCAL YEAR 2022-23**  
**(ACRE-FEET)**

Agency	Replacement Water		Pre-delivery for Replacement Water		RDA II		San Gabriel District Deferred Replacement Water Obligation		Total Supplemental Water Purchases			
	Delivered/ Deducted from Cyclic	Accum. Undelivered Balance	Delivered/ Deducted from Cyclic	Accum. Undelivered Balance	Accum. Delivered	Accum. Undelivered Balance	Accum. Delivered	Accum. Undelivered Balance	Deducted from Cyclic/MWD Letter Agreement	Wet Deliveries	Total Purchased	Undelivered Balance
Upper District	0	0	6,890	0	33,723	0	--	--	28,613	15,000	43,613	1/
Three Valleys District	0	0	0	0	2,496	0	--	--	2,496	0	2,496	1/
San Gabriel District	17,317	0	0	0	0	0	710	0	2,300	1,300	23,027	2/
<b>Total</b>	<b>17,317</b>	<b>0</b>	<b>6,890</b>	<b>0</b>	<b>36,219</b>	<b>0</b>	<b>710</b>	<b>0</b>			<b>69,136</b>	

Notes:  
1/ Includes 3,000 acre-feet through USG-5 as "wet deliveries."  
2/ Includes 5,000 acre-feet to be transferred to MWD.

**TABLE 2**  
**THREE-YEAR WATER SUPPLY PURCHASES FROM**  
**YEAR 2 - FISCAL YEAR 2023-24**  
**(ACRE-FEET)**

Agency	Replacement Water 1/		RDA II 4/		San Gabriel District Deferred Replacement Water Obligation		Total Supplemental Water Purchases			
	Delivered/ Deducted from Cyclic	Accum. Undelivered Balance	Accum. Delivered	Accum. Undelivered Balance	Accum. Delivered	Accum. Undelivered Balance	Deducted from Cyclic/MWD Letter Agreement	Wet Deliveries	Purchased	Undelivered Balance
Upper District	3,000	0	33,300	0	--	--	24,500	11,800	36,300	0
Three Valleys District	0	0	2,400	0	--	--	2,400	0	2,400	0
San Gabriel District	6,200	19,427	0	0	0	0	0	1,440	30,627	29,187
<b>Total</b>	<b>9,200</b>	<b>19,427</b>	<b>35,700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,440</b>	<b>69,327</b>	<b>29,187</b>

Notes:

1/ Assumes OSY of 150,000 and Production of 190,000. Assumes Producers will deliver equal amount deducted.

2/ Includes 3,000 acre-feet through USC-5.

3/ It is assumed San Gabriel District will deliver 1,440 AF (5% of SWP Entitlement for CY 2024). Includes 5,000 acre-feet to be transferred to MWD and 19,427 acre-feet of undelivered balance from the previous year.

4/ It is assumed San Gabriel District will not be able to deliver RDA II water and Upper District and Three Valleys District will deliver RDA requirement.

**TABLE 3**  
**THREE-YEAR WATER SUPPLY PURCHASES FROM**  
**YEAR 3 - FISCAL YEAR 2024-25**  
**(ACRE-FEET)**

Agency	Replacement Water 1/		RDA II 4/		San Gabriel District Deferred Replacement Water Obligation		Total Supplemental Water Purchases				
	Delivered/ Deducted from Cyclic	Accum. Undelivered Balance	Accum. Delivered	Accum. Undelivered Balance	Accum. Delivered	Accum. Undelivered Balance	Deducted from Cyclic/MWD Letter Agreement	Wet Deliveries	Purchased	Undelivered Balance	
Upper District	4,300	0	32,200	0	--	--	0	39,500	39,500	2/	0
Three Valleys District	4,800	0	2,300	0	--	--	0	7,100	7,100		0
San Gabriel District	6,200	29,187	0	0	0	0	0	2,880	40,387	3/	37,507
<b>Total</b>	<b>15,300</b>	<b>29,187</b>	<b>34,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,880</b>	<b>86,987</b>		<b>37,507</b>

Notes:

- 1/ Assumes OSY of 150,000 and Production of 190,000. Assumes Producers will deliver equal amount deducted.
- 2/ Includes 3,000 acre-feet through USC-5.
- 3/ It is assumed San Gabriel District will deliver 2,880 AF (10% of SWP Entitlement for CY 2025). Includes 5,000 acre-feet to be transferred to MWD and 29,187 acre-feet of undelivered balance from the previous year.
- 4/ It is assumed San Gabriel District will not be able to deliver RDA II water and Upper District and Three Valleys District will deliver RDA requirement.

# **ATTACHMENT A**

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**RESOLUTION NO. 05-22-311**

**A RESOLUTION OF THE MAIN SAN GABRIEL BASIN WATERMASTER  
RESCINDING RESOLUTION NO. 05-21-308 AND  
ADOPTING ASSESSMENTS FOR PRODUCERS OF THE BASIN  
FOR FISCAL YEAR 2021-22 AND  
SETTING REPLACEMENT WATER ASSESSMENTS FOR 2021-22 and 2022-23**

WHEREAS, the Main San Gabriel Basin Watermaster “Watermaster” is the Court-appointed agency with the responsibility to manage and maintain the quality and quantity of water in the Main San Gabriel Basin “Basin”.

WHEREAS, pursuant to the most recent amendments to the Judgment, dated June 21, 2012, and Rules and Regulations adopted by Resolution No. 03-13-251, Watermaster has established assessments to be levied on water production for specific purposes detailed in this resolution; and

WHEREAS, Watermaster has adopted assessments effective July 1, 2022; and

NOW THEREFORE, BE IT RESOLVED BY THE MAIN SAN GABRIEL BASIN WATERMASTER, as follows:

Section 1. Resolution No. 05-21-308 is hereby rescinded.

Section 2. There is hereby fixed, established, and levied an In-Lieu Assessment in the amount of Eight Dollars (\$8.00) per acre-foot on all Production from the Basin during Fiscal Year 2021-22, except that such In-Lieu Assessment shall not be applicable to the non-consumptive use portion of an Overlying Right.

Section 3. There is hereby fixed, established, and levied an Administration Assessment in the amount of Seventeen Dollars (\$17.00) per acre-foot on all Production from the Basin during Fiscal Year 2021-22, to meet the said expenses of said adopted Administration Budget.

Section 4. There is hereby adopted, an Administration Budget for Fiscal Year 2022-23, in the amount of Five Million, Fifty-Nine Thousand, Eight Hundred Ninety-Three Dollars (\$5,059,893), attached hereto as Attachment “A”.

Section 5. There is hereby fixed, established, and levied, a Water Resource Development Assessment “RDA” of One Hundred Seventy-Five Dollars (\$175.00) per acre-foot on all Production from the Basin during Fiscal Year 2021-22 and One Hundred Seventy-Five Dollars (\$175.00) per acre-foot on all Production from the Basin during Fiscal Year 2022-23, in accordance with Resolution No. 12-16-281 as described in Attachment “B” (schedule) of this Resolution, except that such RDA Assessment shall not be applicable to the non-consumptive use portion of an Overlying Right. Watermaster shall annually determine the RDA applicable to the current production year and estimate the same for the next succeeding four years. Said determination shall be made in April of each year, and in accordance with Section 18(e) of Watermaster’s Rules and Regulations and adopted in May of each year.

Section 6. There is hereby fixed, established, and levied a Make-Up Water Assessment in the amount of Zero Dollars (\$0.00) per acre-foot on all Production from the Basin during Fiscal Year 2021-22, to meet the said expenses associated with the lower area obligation under the Long Beach Judgment.

Section 7. There is hereby fixed, established, and levied the Replacement Water Assessments on Excess Production from the Basin during Fiscal Year 2021-22, and 2022-23, from within each of the three Responsible Agencies within the Basin as referenced, below.

<b>Production Based Assessments</b>		
<b>Assessment Description</b>	<b>2021-22 Amount per Acre-Foot</b>	<b>2022-23 Amount per Acre-Foot</b>
In Lieu Assessment	\$8.00	Not determined at this time.
Administration Assessment	\$17.00	Not determined at this time.
Water Resource Development Assessment	\$175.00	\$175.00
Make-Up Water Assessment	\$0.00	Not determined at this time.
Other Assessment as may be determined by Watermaster Board pursuant to the Amended Judgment.	Not determined at this time.	Not determined at this time.

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Replacement Water Assessments		
Assessment Description	2021-22 Amount per Acre-Foot	2022-23 Amount per Acre-Foot
SGVMWD	\$200.00	\$200.00
TVMWD	\$899.00	\$955.00
USGVMWD	\$1,002.00	\$1,058

Section 7. Description of Assessments:

In-Lieu Assessment

Watermaster entered into the Alhambra Exchange Agreement on March 24, 1975 establishing the Basin-wide In-Lieu Assessment. The City of Alhambra agreed to forgo pumping its wells and take direct treated water through an MWD connection for the benefit of the Basin as a whole. The In-Lieu Assessment applies to all Pumping except for the non-consumptive use portion of an Overlying Right. Also included in the In-Lieu Assessment is any Production related to Watermaster's Direct-Delivery Imported Water Program implemented on January 1, 2015 by Resolution No. 12-14-270.

Administration Assessment

Within thirty (30) days after completion of the hearing on the Preliminary Determination of the Operating Safe Yield of the Basin and Watermaster's determination thereof, Watermaster shall adopt a proposed budget for the succeeding fiscal year. The Administrative Assessment shall be uniformly applicable to each acre-foot of Production.

Water Resource Development Assessment

Watermaster adopted Resolution No. 05-14-263 providing for the development of a long term storage program to purchase and store imported water in the Basin, or to augment



1 natural recharge for general benefit of the Basin, when available, as defined by Section 45(b)(7)  
2 of the Amended Judgment.

3 Make-up Water Assessment

4 Watermaster is obligated to deliver an amount of water, calculated by the San  
5 Gabriel River Watermaster to the Lower Area as a result of the Long Beach Judgment. At times  
6 when natural delivery isn't possible, Watermaster must purchase Replacement Water to deliver  
7 resulting in a Make-Up Water Assessment.

8 Replacement Water Assessment

9 Replacement Water Assessments shall be collected from each party on account of  
10 such party's Production in excess of its Diversion Rights, Pumper's Share or Integrated  
11 Production Right, and on account of the consumptive use portion of Overlying Rights, computed  
12 at the applicable rate established by Watermaster consistent with the Watermaster Operating  
13 Criteria, and other relevant factors, including the projected cost and availability of Supplemental  
14 Water supplies. Subject to Rules and Regulations adopted by Watermaster, Replacement Water  
15 Assessment rates may be in an amount calculated to allow Watermaster to purchase more than  
16 one acre-foot of Supplemental Water for each acre-foot of excess Production to which such  
17 Replacement Water Assessment applies, when such purchases are necessary to secure  
18 Supplemental Water supplies for the benefit of the Basin and parties.

19 The Watermaster Board recognizes the challenges associated in securing  
20 Supplemental Water and varied pricing, and has determined that pricing should better anticipate  
21 varying short-term costs and conditions while at the same time, provide economic incentive for  
22 Producers to pre-purchase Replacement Water to every extent practicable. In a case where  
23 Watermaster receives a discounted available rate, Water Resource Development Assessment  
24 funds will specifically apply to additional water purchases.



# **ATTACHMENT B**

# MEMORANDUM

**TO:** Main San Gabriel Basin Responsible Agencies; Metropolitan Water District of Southern California

**FROM:** Main San Gabriel Basin Watermaster

**SUBJECT:** Supplemental Water Deliveries-Coordination Procedures

**DATE:** **June 24, 2019**

In recent years there has been significant turnover in staff associated with coordinating orders and delivery of Supplemental Water to the Main San Gabriel Basin. This combined with having significant local water to spread has resulted in some confusion amongst the agencies as to the who, what, where, and how, when it comes planning, authorizing and executing deliveries of supplemental supplies.

The Main San Gabriel Basin Watermaster (Watermaster) staff is restating these coordination procedures to help the participants better coordinate and communicate regarding Supplemental Water deliveries for replenishment of the Main Basin aquifers. The appropriate provisions of the Main San Gabriel Basin Judgment citing Watermaster's responsibilities are provided below for reference.

The three types of deliveries discussed are Replacement Water, Cyclic Storage Water and Resource Development Assessment purchases. It is recognized that from an operational standpoint certain staff may not be concerned with what "type" of delivery is being made however, it is important that everyone involved understands which agency coordinates and/or ultimately authorizes deliveries.

## **Main Basin Judgment Provisions:**

1. Section 10(ff) of the amended Judgment states, in part, Supplemental Water is defined as "...non-tributary water imported through a Responsible Agency..."

2. Section 34(n) of the amended Judgment states, in part, that Watermaster has the power to "...enter into appropriate contracts, to be approved by the Court, for utilization of Groundwater storage capacity of the Basin for cyclic or regulatory storage of Supplemental Water by parties and non-parties...which shall include provision for ...Watermaster control of all spreading or injection and extraction scheduling and procedures for such stored water..."

### **Supplemental Water Delivery Coordination Procedures:**

As noted in Section 34(n) of the Judgment, Watermaster has control of all spreading (Basin replenishment). Every individual delivery of Supplemental Water for Basin replenishment (includes untreated imported water, or recycled water deliveries for Replacement Water, RDA Water, Responsible Agency Cyclic Storage, Producer Cyclic Storage, MWD Deliveries to its cyclic storage and/or deliveries pursuant to a Storage and Export Agreement) is coordinated through the Watermaster office (Executive Officer or Assistant Executive Officer).

#### **1. Replacement Water deliveries**

- a. Watermaster will provide a written request (letter) for Supplemental Water delivery to a Responsible Agency, including the applicable water rate.
- b. The Responsible Agency will coordinate with Watermaster staff on the quantity requested to be delivered, preferred flow rate for delivery (if any), requested delivery point, and time frame to accomplish delivery. (Because Watermaster has control of all spreading, it has the authority to direct spreading to occur at a different location than requested, based on over all benefit to the Basin. In general, Watermaster will strive to have Replacement Water delivered to the portion of the Basin from which the production occurred and where replenishment is most effective.)
- c. Watermaster staff will verbally (telephone) confirm with MWD (or SGD) and LACFCD staff on the Supplemental Water delivery details. Watermaster will: .

- i. Verify LACFCD can accept water to the delivery point.
    - ii. Verify MWD/SGD has available capacity and supply for the delivery.
    - iii. Confirm delivery preliminary start/stop dates, flow rate, and delivery point.
  - d. Watermaster will send written notice (email) to LACFCD confirming the anticipated delivery details (and will copy the Responsible Agency and MWD or SGD, as applicable)
  - e. Based on written communication/confirmation from LACFCD, Watermaster staff will send a written (email) request to MWD, or SGD for Supplemental Water delivery, including:
    - i. Total volume of delivery (acre-feet)
    - ii. Delivery point (point of release to LACFCD facilities and replenishment location.
    - iii. Type/quality of water, i.e. 100% SWP water
    - iv. Flow rate (if any; often left up to MWD, or SGD as long as delivery completion time is confirmed)
    - v. Start/stop delivery dates
    - vi. Interested parties copied
      - 1. Responsible Agency
      - 2. Watermaster and staff
      - 3. LACFCD
      - 4. MWD/SGD staff
  - f. MWD, or SGD will send a written confirmation (email) to all interested parties and designate the start date for delivery
    - i. MWD (final confirmation)
      - 1. MWD Eagle Rock Ops will send out notice to all stakeholders about 24 hours in advance confirming commencement of delivery
      - 2. MWD Eagle Rock Ops will send out notice to all stakeholders about 24 hours in advance confirming conclusion of delivery (final confirmation from operators)

- ii. SGD (final confirmation)
  - 1. SGD will send out notice to all stakeholders about 24 hours in advance confirming commencement of delivery
  - 2. SGD will send out notice to all stakeholders about 24 hours in advance confirming conclusion of delivery (final confirmation from operators)

**2. Cyclic Storage Water deliveries (including deliveries pursuant to a Storage and Export Agreement, and a delivery into MWD's Cyclic Storage)**

- a. Watermaster will receive a written request for Supplemental Water delivery from a Producer, Responsible Agency, MWD, or Storage and Export entity
- b. Watermaster will provide a written request (letter/email) to the appropriate Responsible Agency
- c. Similar to a Replacement Water delivery, the Responsible Agency will coordinate with Watermaster staff on the quantity requested to be delivered, preferred flow rate for delivery (if any), requested delivery point, and time frame to accomplish delivery. (Because Watermaster has control of all spreading, it has the authority to direct spreading to occur at a different location than that requested, based on over all benefit to the Basin. in general, Watermaster will strive to have Cyclic Storage Water delivered to the portion of the Basin from where the production will occur and where replenishment is most effective.)
- d. Watermaster staff will coordinate with MWD, or SGD and LACFCD staff (telephone call) on the anticipated delivery. Watermaster will:
  - i. Verify LACFCD can accept water to the delivery point
  - ii. Verify MWD, or SGD has available capacity and supply for the delivery
  - iii. Confirm preliminary start/stop dates, flow rate, and delivery point
- e. Watermaster will send written notice (email) to LACFCD confirming the anticipated delivery details and will copy the Responsible Agency and MWD/SGD, as applicable.

- f. Based on written communication/confirmation from LACFCD, Watermaster staff will send a written (email) request to MWD, or SGD for Supplemental Water delivery.
  - i. Total volume of delivery (acre-feet)
  - ii. Delivery point (point of release to LACDPW facilities and replacement location(s))
  - iii. Type/quality of water, i.e. 100% SWP water
  - iv. Flow rate (if any; often left up to MWD, or SGD as long as delivery completion time is confirmed)
  - v. Start/stop delivery dates
  - vi. Interested parties copied
    - 1. Responsible Agency
    - 2. Watermaster and staff
    - 3. LACFCD
    - 4. MWD/SGD staff
- g. MWD, or SGD will send a written confirmation (email) to all interested parties and designate the start date for delivery.
  - i. MWD (final confirmation)
    - 1. MWD Eagle Rock Ops will send out notice to all stakeholders about 24 hours in advance confirming commencement of delivery
    - 2. MWD Eagle Rock Ops will send out notice to all stakeholders about 24 hours in advance confirming conclusion of delivery (final confirmation from operators)
  - ii. SGD (final confirmation)
    - 1. SGD will send out notice to all stakeholders about 24 hours in advance confirming commencement of delivery
    - 2. SGD will send out notice to all stakeholders about 24 hours in advance confirming conclusion of delivery (final confirmation from operators)

### **3. RDA Water deliveries**



- a. Watermaster will provide a written request (letter) to a Responsible Agency for Supplemental Water delivery
- b. Similar to a Replacement Water delivery, the Responsible Agency will coordinate (email) with Watermaster staff on the quantity requested to be delivered, preferred flow rate for delivery (if any), requested delivery point, and time frame to accomplish delivery. (Because Watermaster has control of all spreading, it has the authority to direct spreading to occur at a different location than that requested, based on overall benefit to the Basin. In general, Watermaster will strive to have Cyclic Storage Water delivered to the portion of the Basin from where the production will occur, and where replenishment is most effective.)
- c. Watermaster staff will coordinate with MWD, or SGD and LACFCD staff (telephone call) on the anticipated delivery. Watermaster will:
  - i. Verify LACFCD can accept water
  - ii. Verify MWD/SGD has available supply
  - iii. Confirm preliminary start/stop dates and flow rate.
- d. Watermaster will send an email to LACFCD confirming the anticipated delivery details and will copy the Responsible Agency and MWD, or SGD, as applicable)
- e. Based on written communication/confirmation from LACFCD, Watermaster staff will send a written (email) request to MWD, or SGD for Supplemental Water delivery, including:
  - i. Total volume of delivery (acre-feet)
  - ii. Delivery point (point of release to LACDPW facilities and replenishment location(s).)
  - iii. Type/quality of water, i.e. 100% SWP water
  - iv. Flow rate (if any; often left up to MWD, or SGD, as long as delivery completion time is confirmed)
  - v. Start/stop delivery dates
  - vi. Responsible parties copied
    1. Responsible Agency

2. Watermaster and staff
  3. LACFCD
  4. MWD/SGD staff
- f. MWD, or SGD will send a written confirmation (email) to all interested parties and designate the start date for delivery
- i. MWD (final confirmation)
    1. MWD Eagle Rock Ops will send out notice to all stakeholders about 24 hours in advance confirming commencement of delivery
    2. MWD Eagle Rock Ops will send out notice to all stakeholders about 24 hours in advance confirming conclusion of delivery (final confirmation from operators)
  - ii. SGD (final confirmation)
    1. SGD will send out notice to all stakeholders about 24 hours in advance confirming commencement of delivery
    2. SGD will send out notice to all stakeholders about 24 hours in advance confirming conclusion of delivery (final confirmation from operators)

Watermaster's intent for this restatement of all Supplemental Water deliveries to the Basin will result in more efficient and effective Basin management, delivery of Supplemental Water to the appropriate replenishment locations, reduce potential ambiguity over delivery coordination responsibilities and applicable charges (e.g., a Capacity Charge in the case of MWD deliveries), and improve communication and coordination going forward.

Please feel free to contact me should have any questions or would like additional clarification.