



Temporary Lease of San Gabriel Basin Water Production Rights from Azusa Valley Water Company and Purchase of Replenishment Water from the Main San Gabriel Basin Watermaster

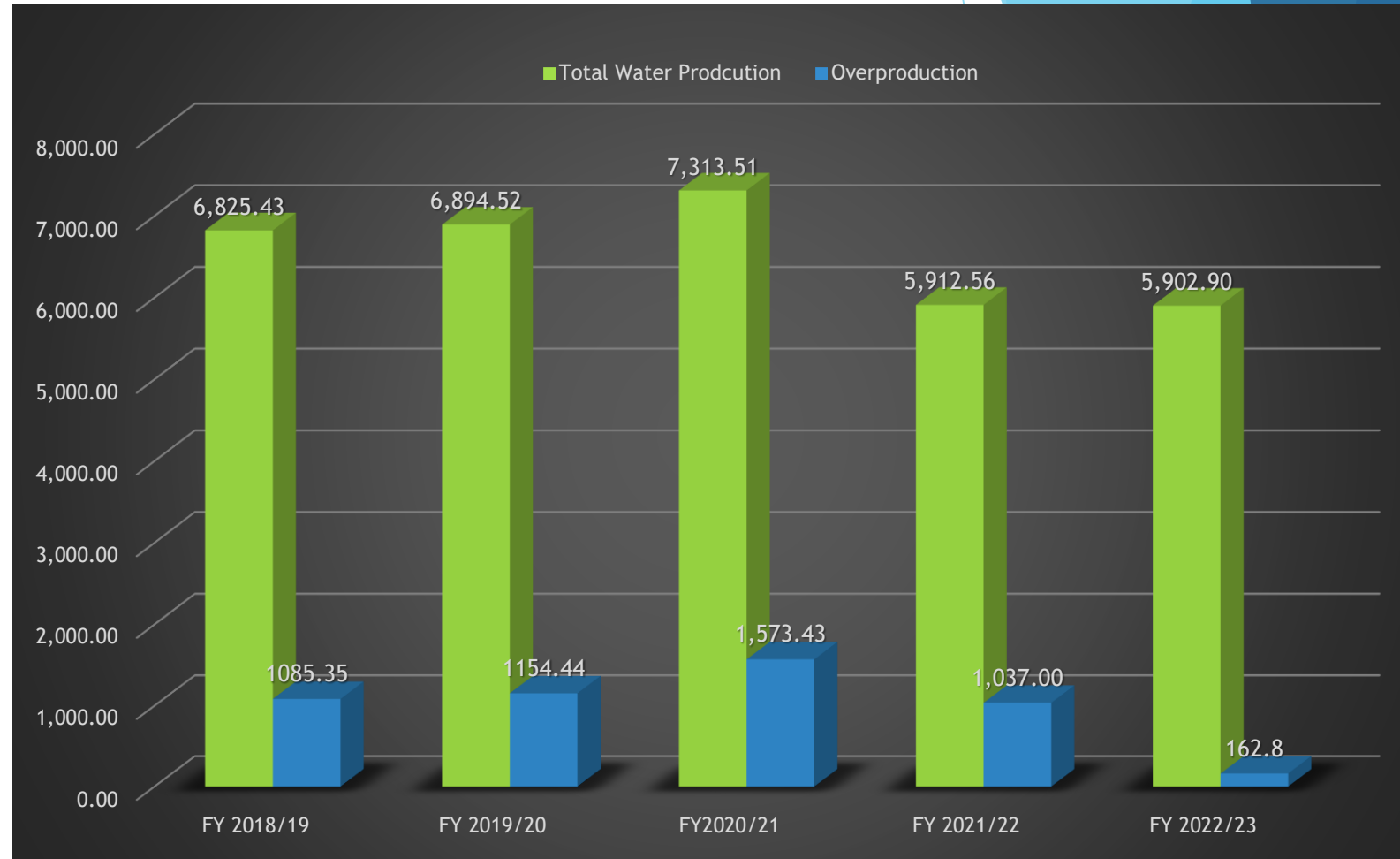
May 16, 2023

Background: Pumping Rights/Cyclic Storage

- ▶ The City's water is supplied from the Main San Gabriel Groundwater Basin which is managed by the Main San Gabriel Basin Watermaster (current basin level 226.3)
 - ▶ Production rights: 4,642.08 acre feet (3.095% of safe-yield - 150,000 acre-feet)
 - ▶ Surface water diversion credit: 1,098 acre feet
 - ▶ Total: **5,740.08**
- ▶ The Watermaster holds storage agreements where untreated imported water is stored in the Main San Gabriel Basin and extracted to meet supply (water savings account)
 - ▶ Current total: **296.58**

Background:

- ▶ On average, the City produces 6,953.10 acre feet of water (1,213.10 acre feet over allotted amount)
- ▶ Since the implementation of Phase II, the City is estimated to produce 13.39% less water than FY 2021-22
- ▶ Staff is projecting that the City will produce approximately, 5902.96 acre feet of water usage in FY 2022-23 (162.80 acre feet over)



Water Purchasing: Additional Pumping Rights

- ▶ Purchasing water production rights to meet our needs for the rest of the current year
- ▶ Cost effective to purchase in advance

Source of Water	Cost/Acre Foot	Total Acre Feet	Total Purchase
Azusa Valley Water Co.	\$ 862.20	200	\$ 172,440.00
Water Master (Including Overproduction Assessment)	\$1,058.00	168.20	\$ 177,955.60

Water Purchasing: Purchase of Replenishment Water

- ▶ Continuous wet weather is unpredictable, prepare for drought conditions
- ▶ Helping build cyclic storage that has continuous roll over with no expiration date
- ▶ Cost effective to purchase in advance as rates continuously increase

Source of Water	Cost/Acre Foot	Total Acre Feet	Total Purchase
Purchase of Replenishment Water in FY 2022-2023	\$ 958.00	489.43	\$ 468,873.20

Recommendation

- ▶ Option 1: Approve a temporary lease agreement for 200 acre feet of water production rights from the Azusa Valley Water Company in an amount of \$172,440.00 and approve the purchase of replenishment water from the Main San Gabriel Basin Watermaster in an amount of \$468,873.20 for a total cost of \$641,313.20

Questions?