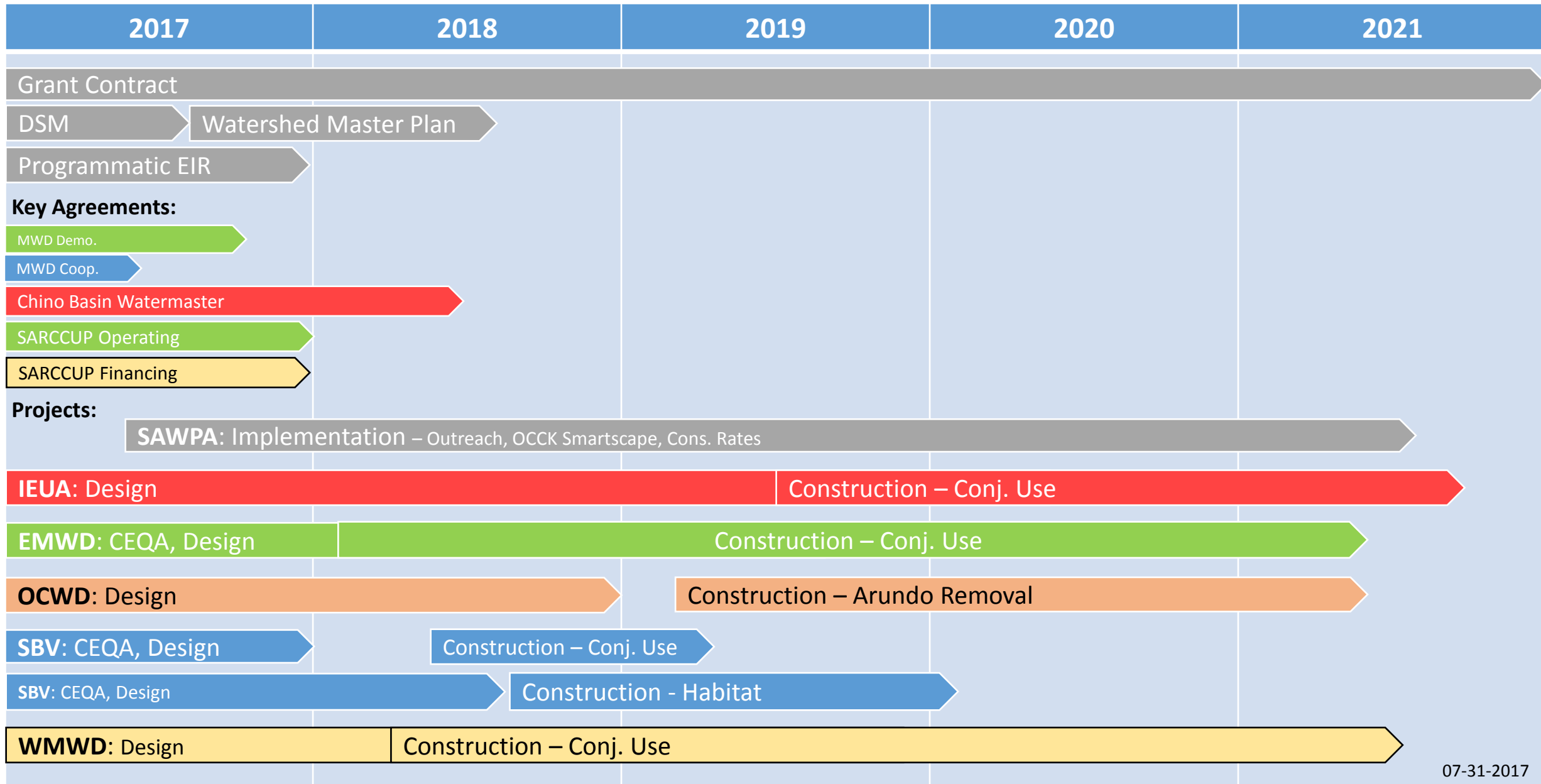
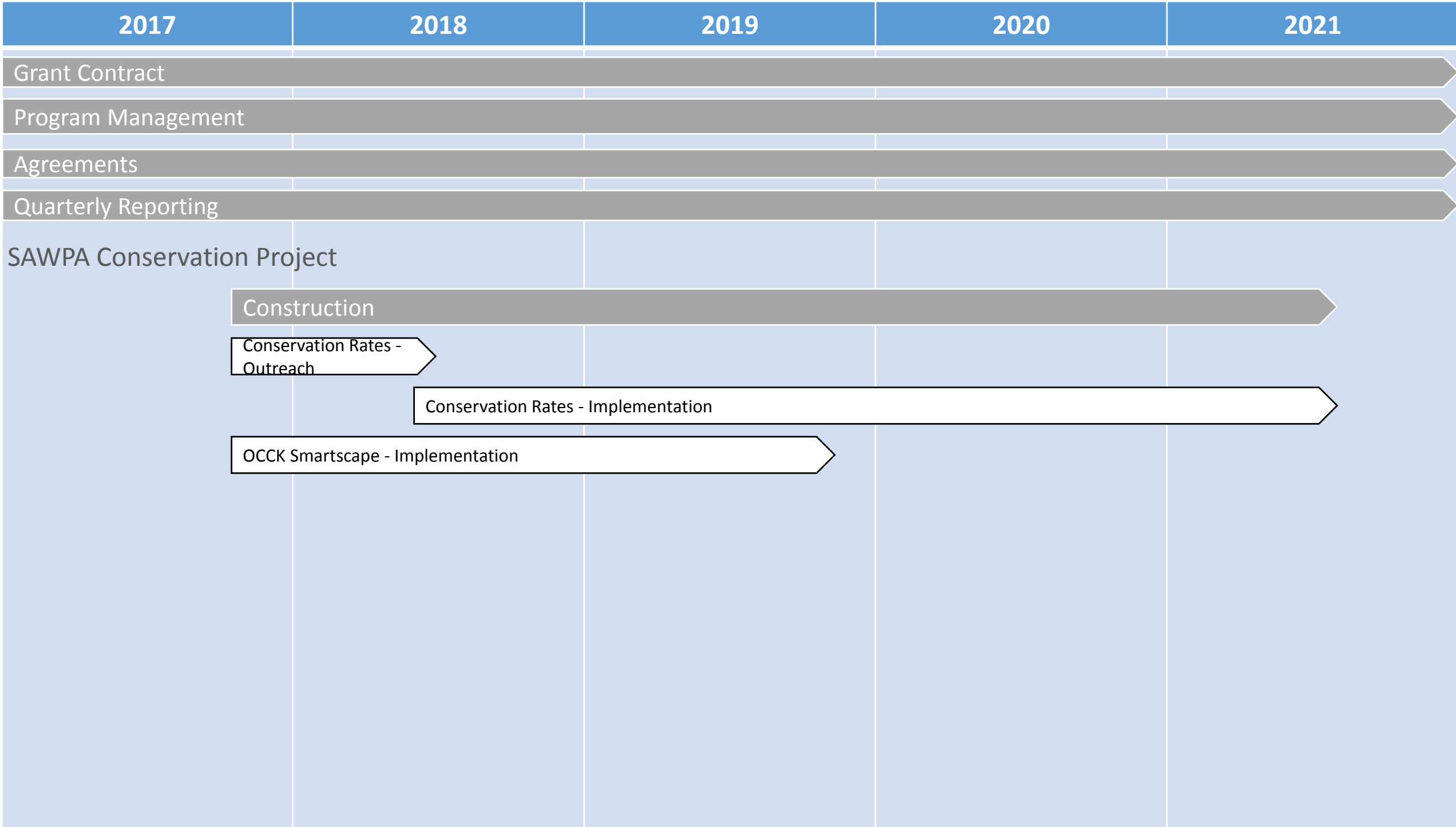


SARCCUP Schedule Roll-Up (By Agency)





2017

2018

2019

2020

2021

Grant Contract

Program Management

Agreements

Quarterly Reporting

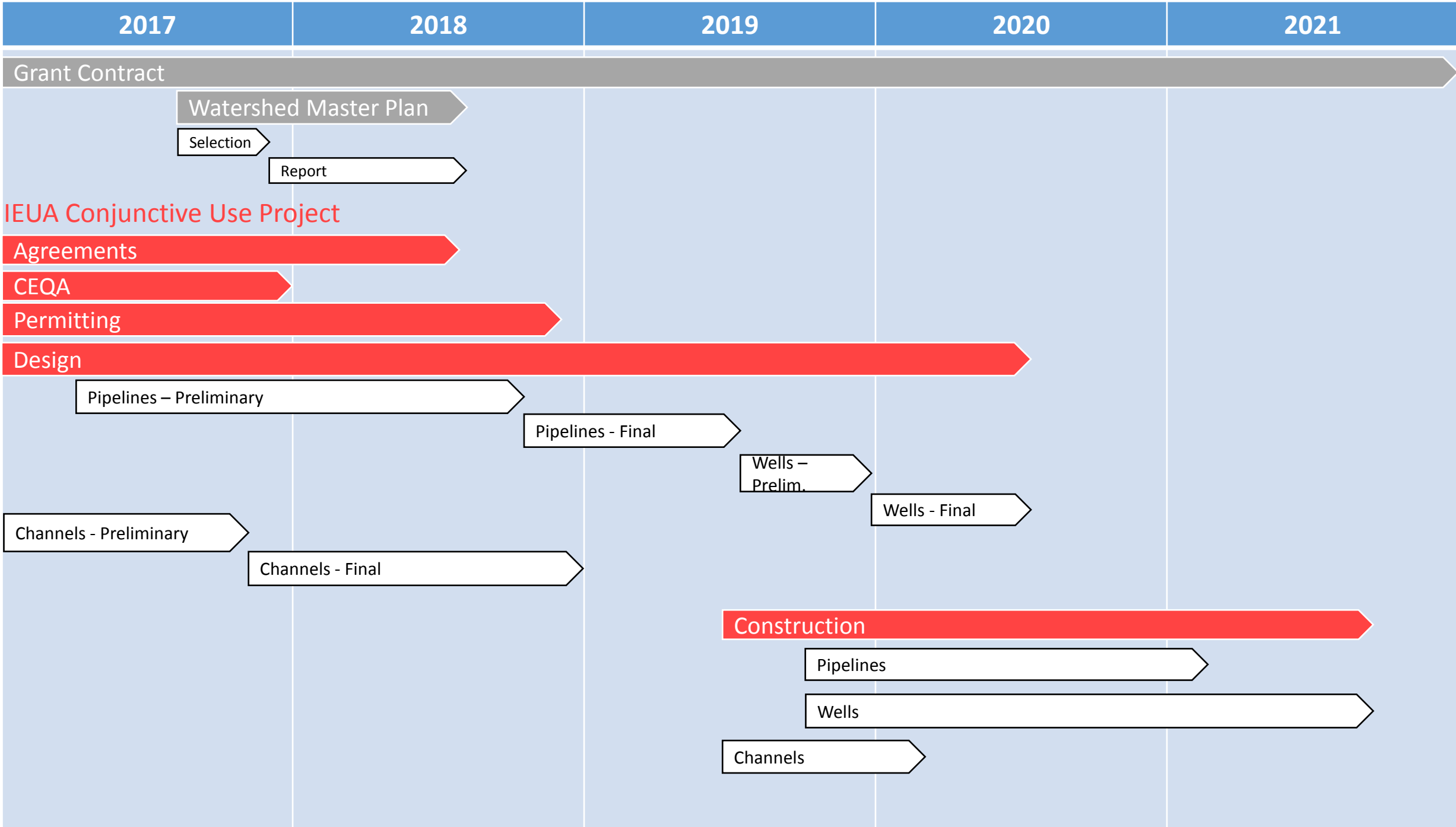
SAWPA Conservation Project

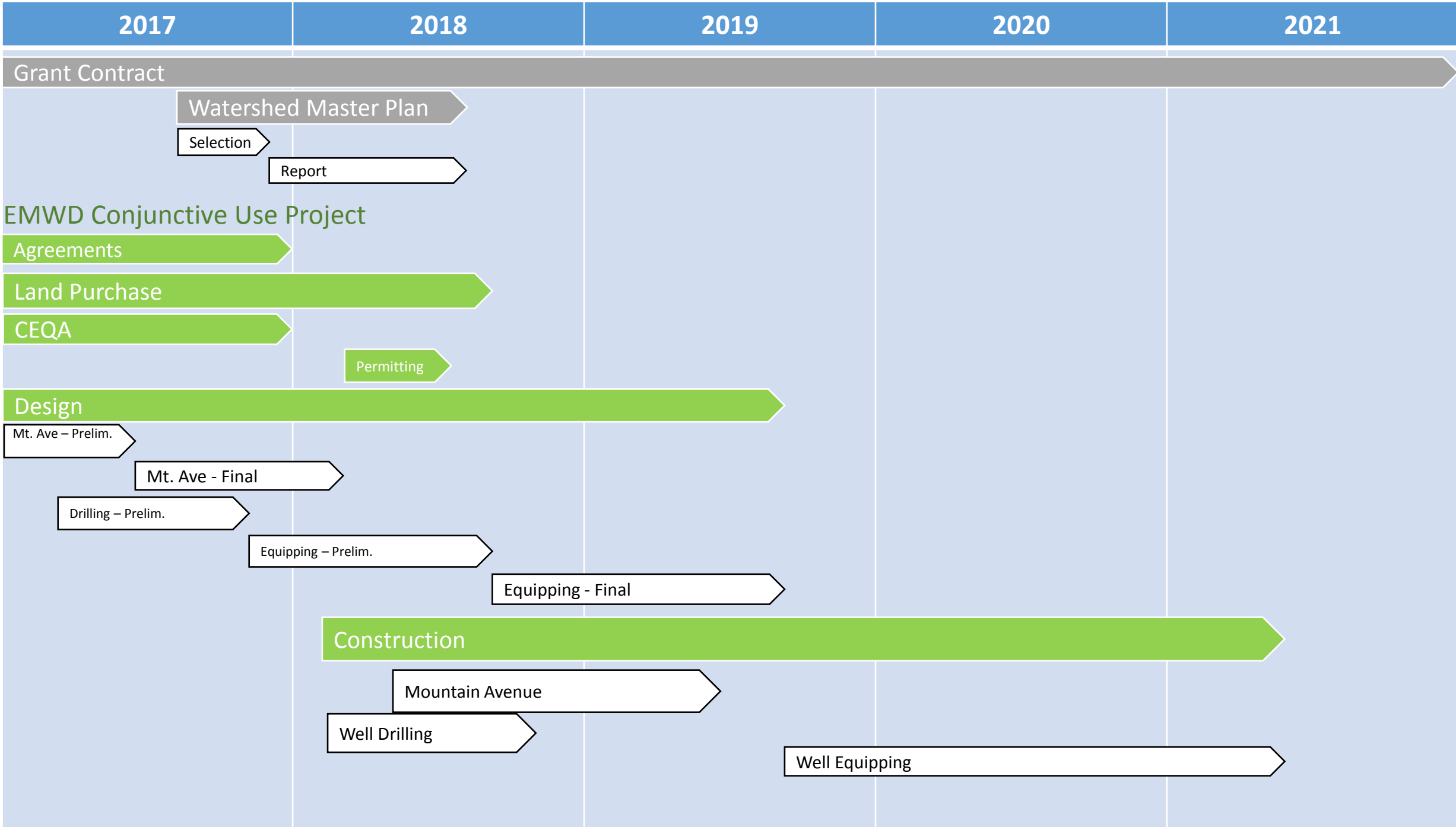
Construction

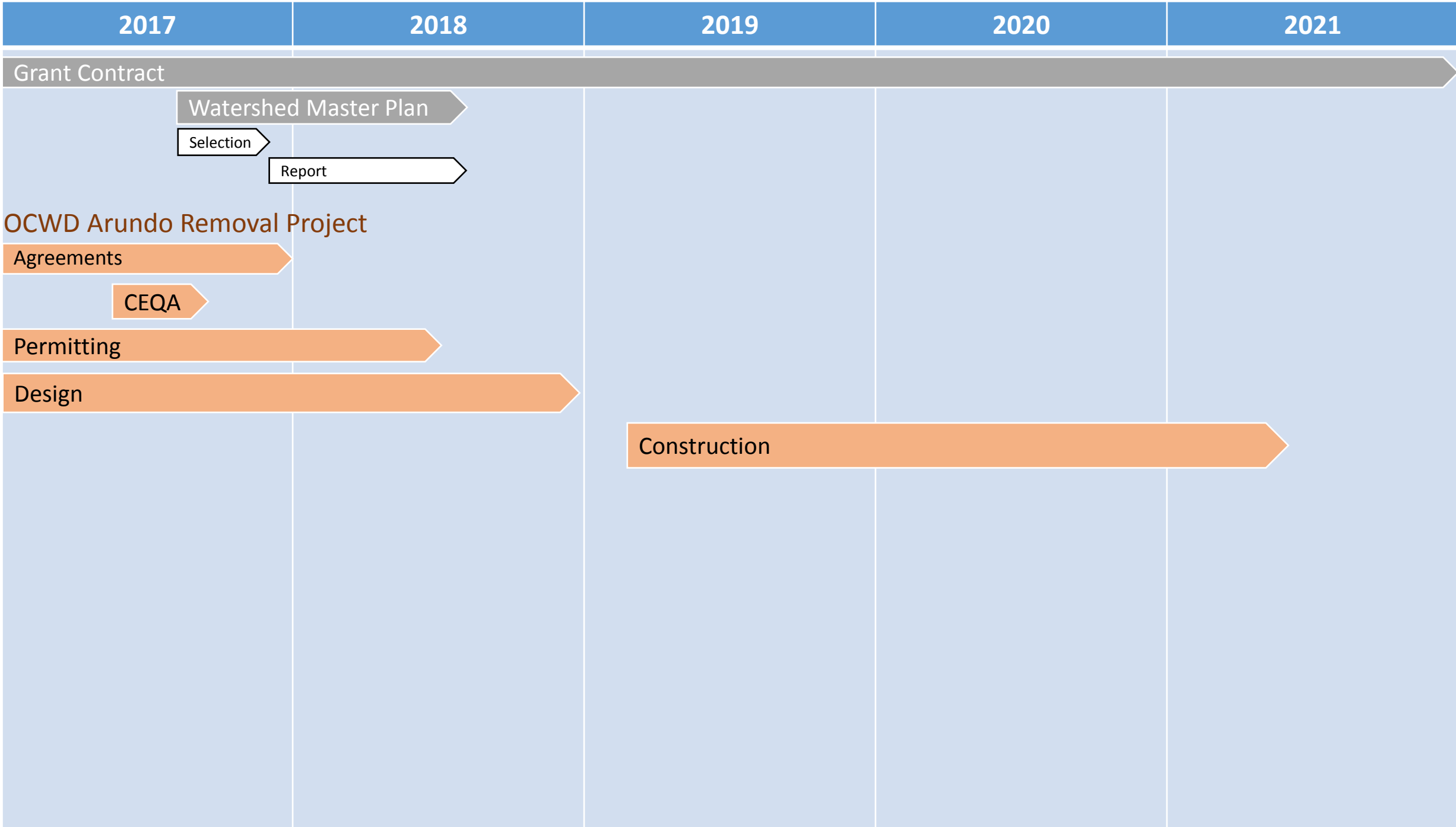
Conservation Rates -
Outreach

Conservation Rates - Implementation

OCCK Smartscape - Implementation







2017

2018

2019

2020

2021

Grant Contract

Watershed Master Plan

Selection

Report

OCWD Arundo Removal Project

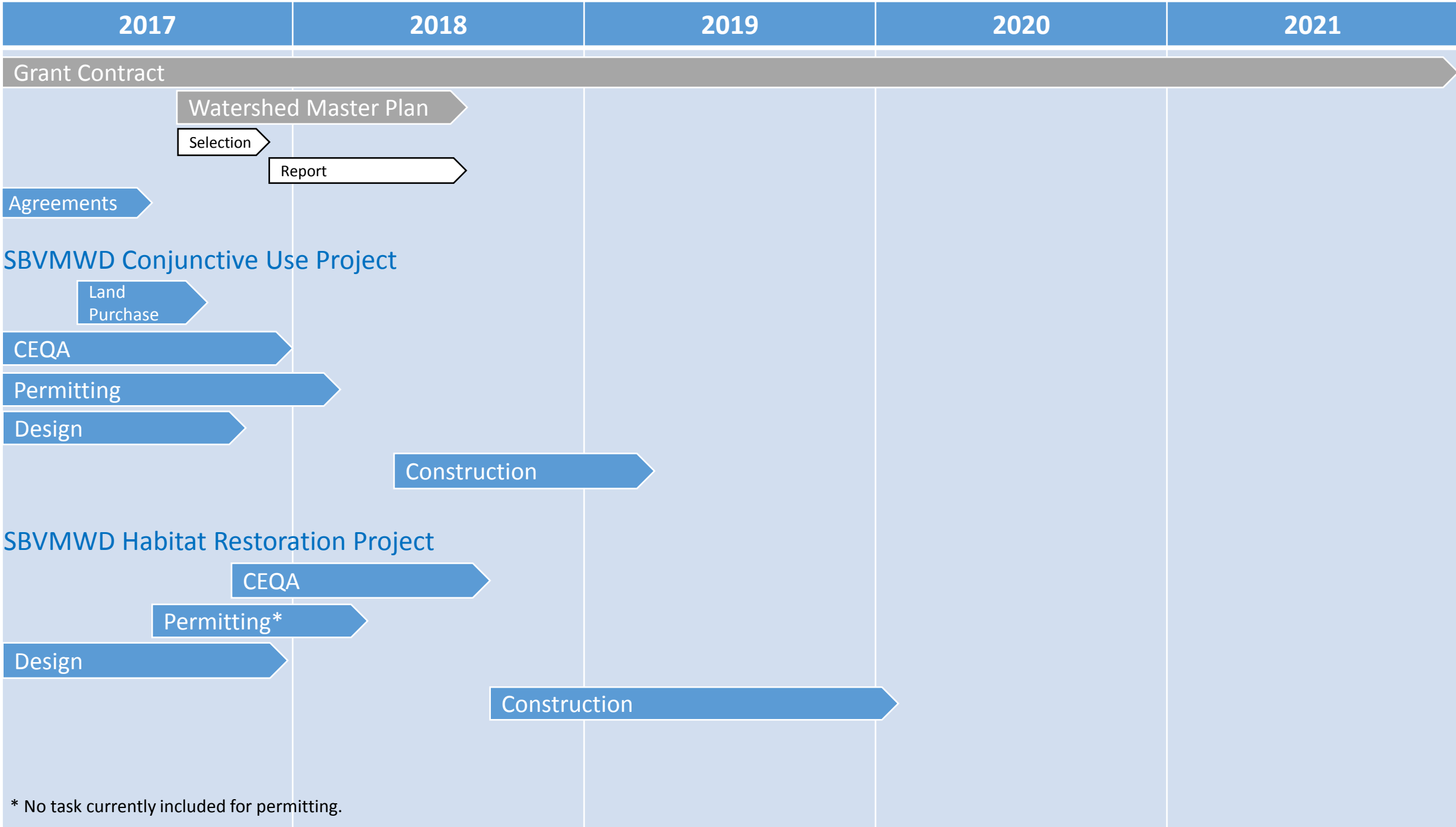
Agreements

CEQA

Permitting

Design

Construction



* No task currently included for permitting.

2017	2018	2019	2020	2021
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Grant Contract

Watershed Master Plan

Selection

Report

WMWD Conjunctive Use Project

Agreements

Land Purchase

CEQA

Permitting

Design

Drilling – Prelim.

Drilling - Final

Equipping – Prelim.

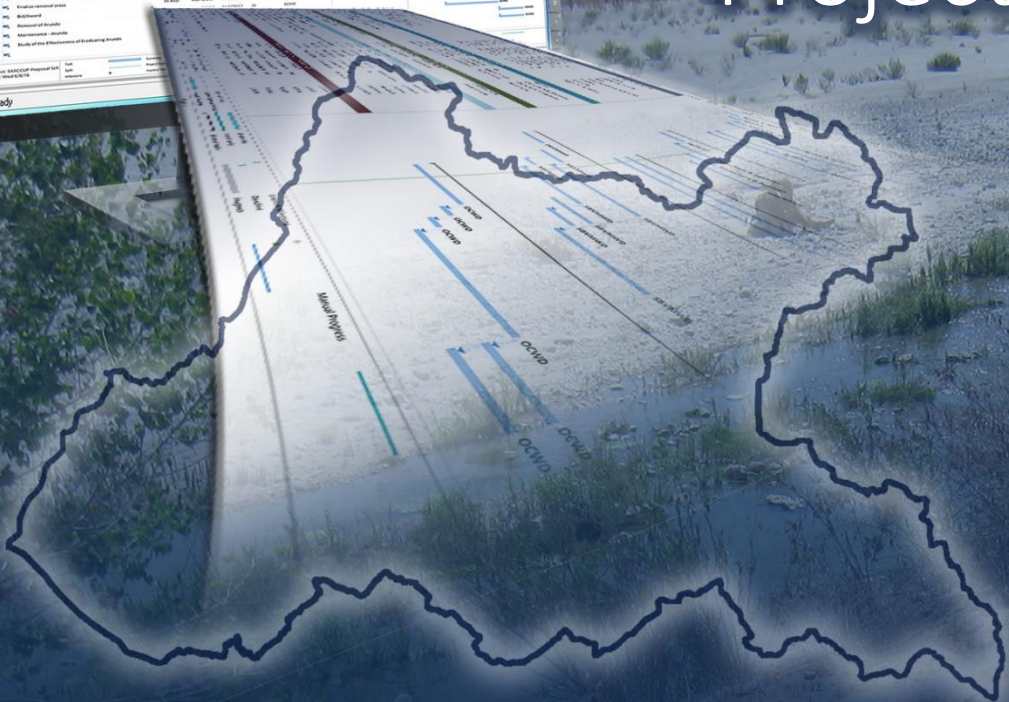
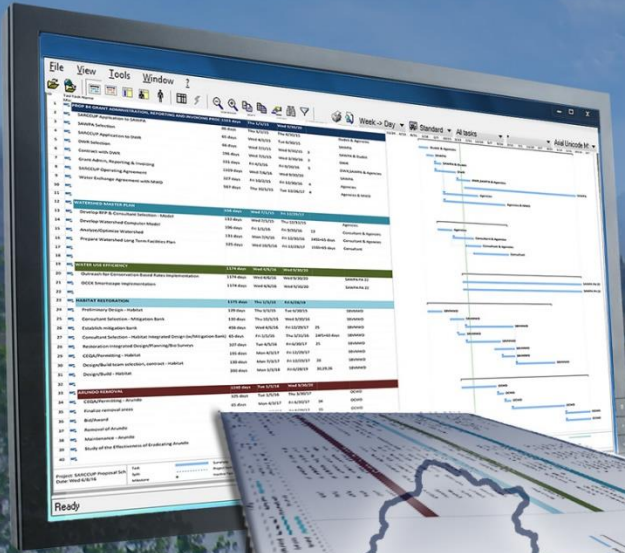
Equipping - Final

Construction

Well Drilling

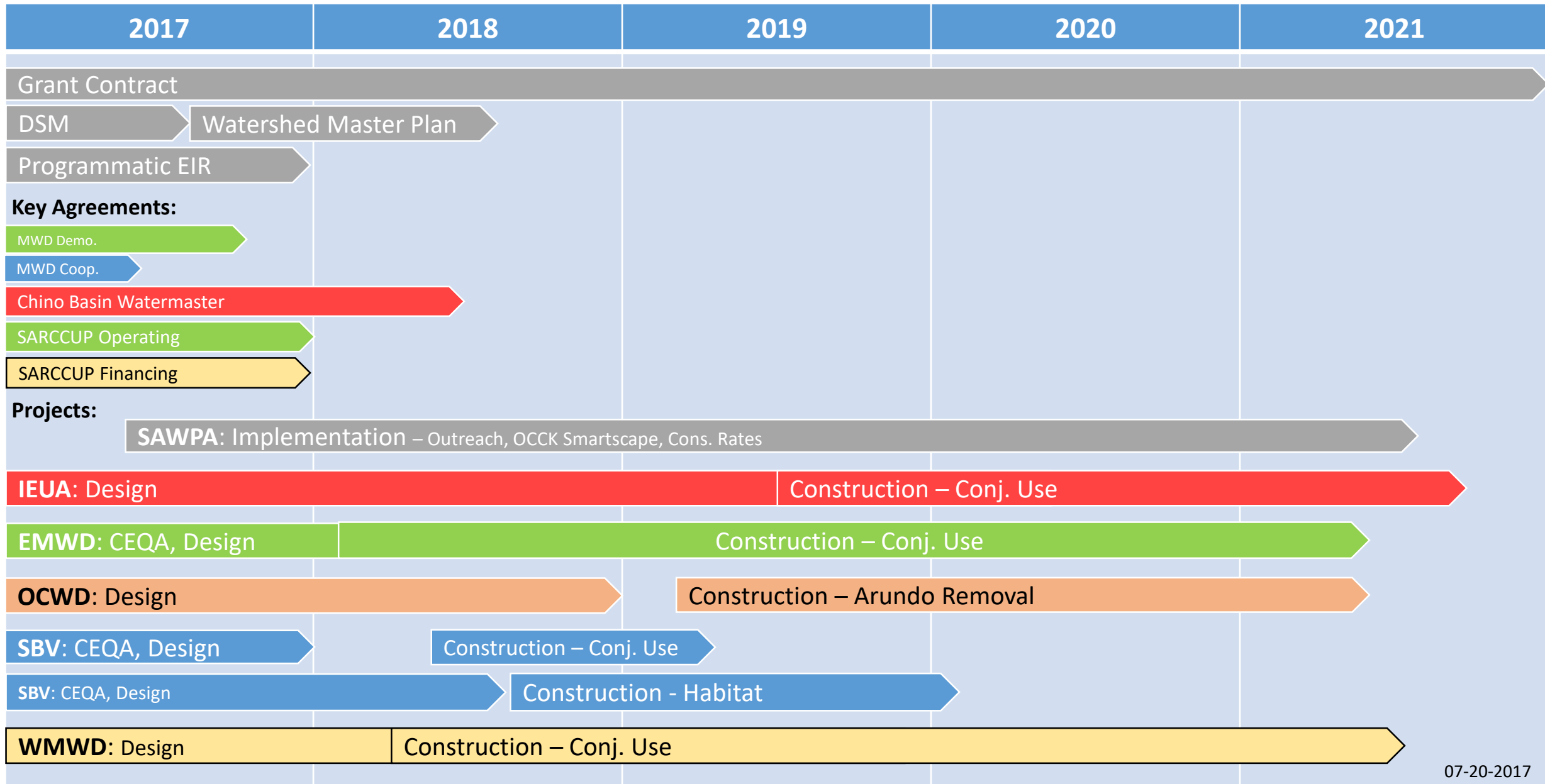
Well Equipping

Santa Ana River Conservation and Conjunctive Use Program – Project Schedule Updates



Presenter:
Brian Dietrick

SARCCUP Schedule Roll-Up (By Agency)













Santa Ana River Conservation & Conjunctive Use Program (SARCCUP) Schedule - Two-Month Look-Ahead

ID	Task Name	Start	Finish	August 2017																September 2017														
				16	18	20	22	24	26	28	30	1	3	5	7	9	11	13	15	17	19	21	23	25	27	29	31	2	4	6	8	10	12	14
1	SARCCUP	Thu 5/1/14	Fri 12/30/22																															
2	Task 1: Project Management	Thu 7/2/15	Wed 3/23/22																															
4	Task 1.2: Program Manager - Year 2	Mon 7/3/17	Fri 6/29/18																															
8	Task 1.6: Agreements	Thu 7/2/15	Wed 3/23/22																															
10	SAWPA-IEUA Sub-Agreement	Fri 11/4/16	Fri 12/29/17																															
13	SAWPA-WMWD Sub-Agreement	Mon 11/7/16	Fri 3/16/18																															
14	SAWPA-OCWD Sub-Agreement	Fri 11/4/16	Fri 12/29/17																															
15	SAWPA-OC Coastkeeper Sub-Agreement (PA-22)	Fri 11/4/16	Fri 9/29/17																															
17	SARCCUP Operating Agreement	Tue 9/1/15	Fri 12/29/17																															
18	SARCCUP Financing Agreement	Tue 9/1/15	Fri 12/29/17																															
19	Metropolitan-SARCCUP Demonstration Agreement	Fri 1/1/16	Fri 9/29/17																															
21	IEUA and Chino Basin Watermaster Agreement	Mon 7/3/17	Fri 6/29/18																															
22	EMWD and Hemet San Jacinto Watermaster Agreement	Thu 7/2/15	Fri 12/29/17																															
24	WMWD-EVMWD Agreement	Mon 9/19/16	Fri 9/29/17																															
25	Task 2: Labor Compliance	Fri 6/9/17	Mon 9/5/22																															
27	LCP Approval Implementation	Fri 6/9/17	Tue 5/12/20																															
31	Task 3: Reporting	Wed 5/31/17	Fri 12/30/22																															
59	Task 4: Land Purchase/Easement	Mon 1/18/16	Tue 7/24/18																															

Project: SARCCUP Schedule_9Jan17_critical path_DL Date: Thu 7/20/17	Summary Project Summary Manual Task Manual Summary Rollup	SAWPA IEUA EMWD SBVMWD	WMWD OCWD
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Santa Ana River Conservation & Conjunctive Use Program (SARCCUP) Schedule - Two-Month Look-Ahead

ID	Task Name	Start	Finish	August 2017																September 2017														
				16	18	20	22	24	26	28	30	1	3	5	7	9	11	13	15	17	19	21	23	25	27	29	31	2	4	6	8	10	12	14
60	Task 4.1: EMWD Land Purchase/Easement	Mon 1/18/16	Tue 7/24/18																															
62	<i>Well Drilling Three Wells - ROW Acquisition</i>	Mon 1/18/16	Fri 9/29/17																															
64	Task 4.2: SBVMWD Land Purchase/Easement	Mon 4/3/17	Fri 9/15/17																															
65	<i>Conjunctive Use Water Bank Facilities (San Bernardino Basin) - Property Acquisition</i>	Mon 4/3/17	Fri 9/15/17																															
66	Task 4.3: WMWD Land Purchase/Easement	Fri 4/1/16	Fri 9/29/17																															
67	<i>Conjunctive Use Water Bank Facilities (Elsinore Basin) - Property Acquisition: Well Sites</i>	Fri 4/1/16	Fri 9/29/17																															
68	Task 5: Feasibility Studies	Fri 1/1/16	Thu 7/12/18																															
71	Task 5.2: SARCCUP Analyze Overall System	Fri 1/27/17	Tue 8/15/17																															
72	<i>Analyze/Optimize Watershed For All Project Components</i>	Fri 1/27/17	Tue 8/15/17																															
73	Task 5.3: SARCCUP Master Plan	Fri 7/14/17	Thu 7/12/18																															
74	<i>Prepare Watershed Long Term Facilities Plan For All Project Components</i>	Fri 7/14/17	Thu 7/12/18																															
75	Task 6: CEQA Documentation	Fri 1/1/16	Fri 8/3/18																															
76	Task 6.1: Programmatic CEQA	Tue 10/25/16	Wed 12/20/17																															
77	<i>6.1.1: Program EIR</i>	Tue 10/25/16	Wed 12/20/17																															
78	EIR Project Description	Thu 8/31/17	Wed 12/20/17																															
85	<i>Conjunctive Use Water Bank Facilities (Chino Basin) - IEUA EIR Certification</i>	Thu 7/13/17	Wed 8/9/17																															

Project: SARCCUP Schedule_9Jan17_critical path_DL Date: Thu 7/20/17	Summary		SAWPA		WMWD	
	Project Summary		IEUA		OCWD	
	Manual Task		EMWD			
	Manual Summary Rollup		SBVMWD			



PA 23 - SARCCUP Update

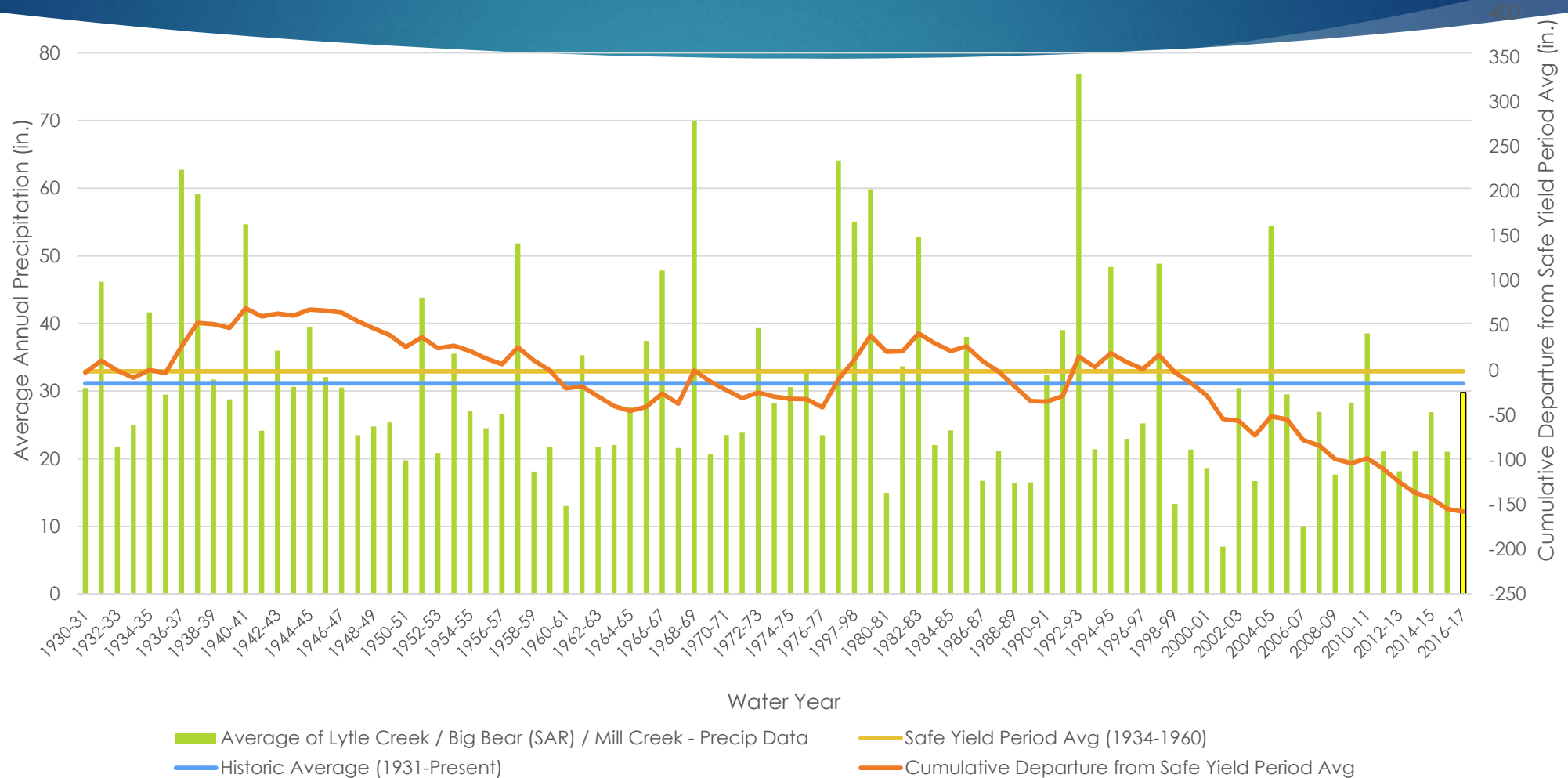
AGENDA ITEM 4.B. SARCCUP AGENCIES - MWD AGREEMENTS STATUS

8/1/2017

Agenda

- ▶ SARCCUP background
- ▶ Valley District / MWD Coordinated Operating Agreement
- ▶ SARCCUP Agencies / MWD Coordinated Operating Agreement
- ▶ Next steps

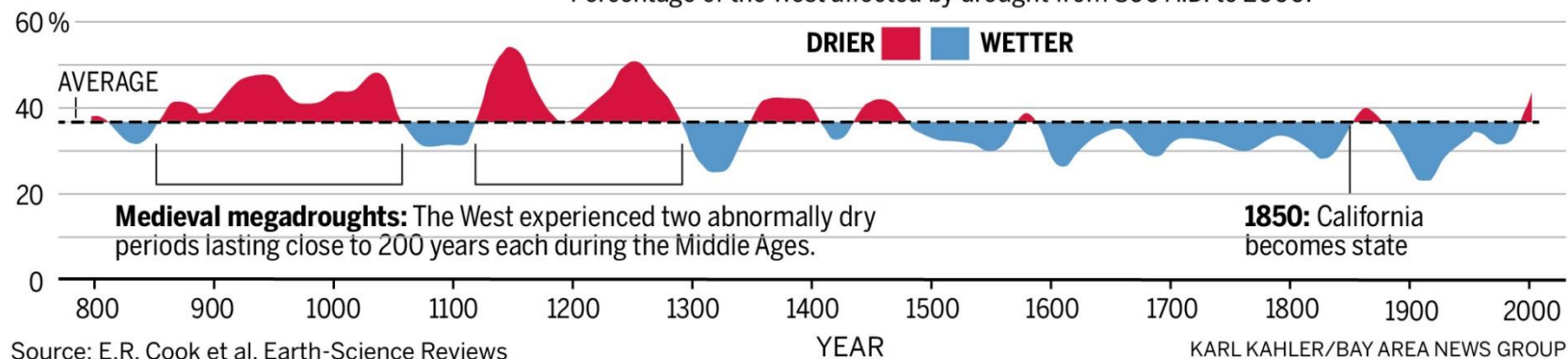
Nineteen Year Drought, and counting...



WHAT IF DROUGHTS LAST LONGER?

A 200-year drought?

Evidence from tree rings shows that drought was historically much more widespread in the American West than now, while the 20th century was wetter than normal. Percentage of the West affected by drought from 800 A.D. to 2000:



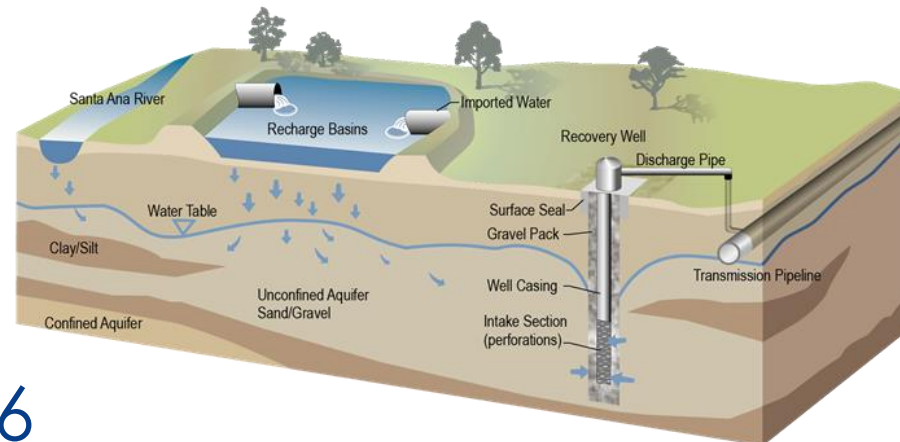
Foundational Management Strategy

No.	Strategy (in no particular order)	Status	Estimated Benefit	2017 Status
REDUCE DEMAND				
<input checked="" type="checkbox"/>	Water rate structures that encourage conservation	Widely implemented	Help meet SBX7-7 required demand reductions	Prop 84, Round 2 grants, being implemented and studied
<input checked="" type="checkbox"/>	Public education to encourage water conservation	Widely implemented	Help meet SBX7-7 required demand reductions	Widely implemented
	Outdoor conservation	Widely implemented	Help meet SBX7-7 required demand reductions	Widely implemented
	Reduce Evapotranspiration	Concept	More investigation required	
OPTIMIZE IMPORTED WATER				
	Wet year storage program	In process	Increases storage in watershed	Being implemented/SARCCUP
<input checked="" type="checkbox"/>	Bay Delta Conservation Plan	In process	730,000 × 0.18 = 131,400 AFY and improved water quality	In process
	Imported water banking	Widely implemented	Water in dry years	Being implemented/SARCCUP
	Prevent invasive species from clogging infrastructure	In process	Consistent deliveries	In process
STORMWATER CAPTURE				
<input checked="" type="checkbox"/>	Enhanced Santa Ana River stormwater capture	In process	12,000 AFY	Being implemented
<input checked="" type="checkbox"/>	Enhanced stormwater capture from tributaries of Santa Ana River	In process	28,000 AFY	Waiting on River HCP
<input checked="" type="checkbox"/>	Riverside North Aquifer Storage and Recovery Project	In process	12,800 AFY	Waiting on River HCP
<input checked="" type="checkbox"/>	Enhanced Santa Ana River stormwater capture at Prado Dam	Concept	10,000 AFY	
<input checked="" type="checkbox"/>	MS4 Credits	Concept	Increased stormwater capture	
	Re-operate flood control facilities	In process	More investigation required	Being implemented
	Size flood control facilities for stormwater capture	Concept	Increased stormwater capture	
	Development Standards that enhance stormwater capture	Concept	Increased stormwater capture	

SARCCUP Elements

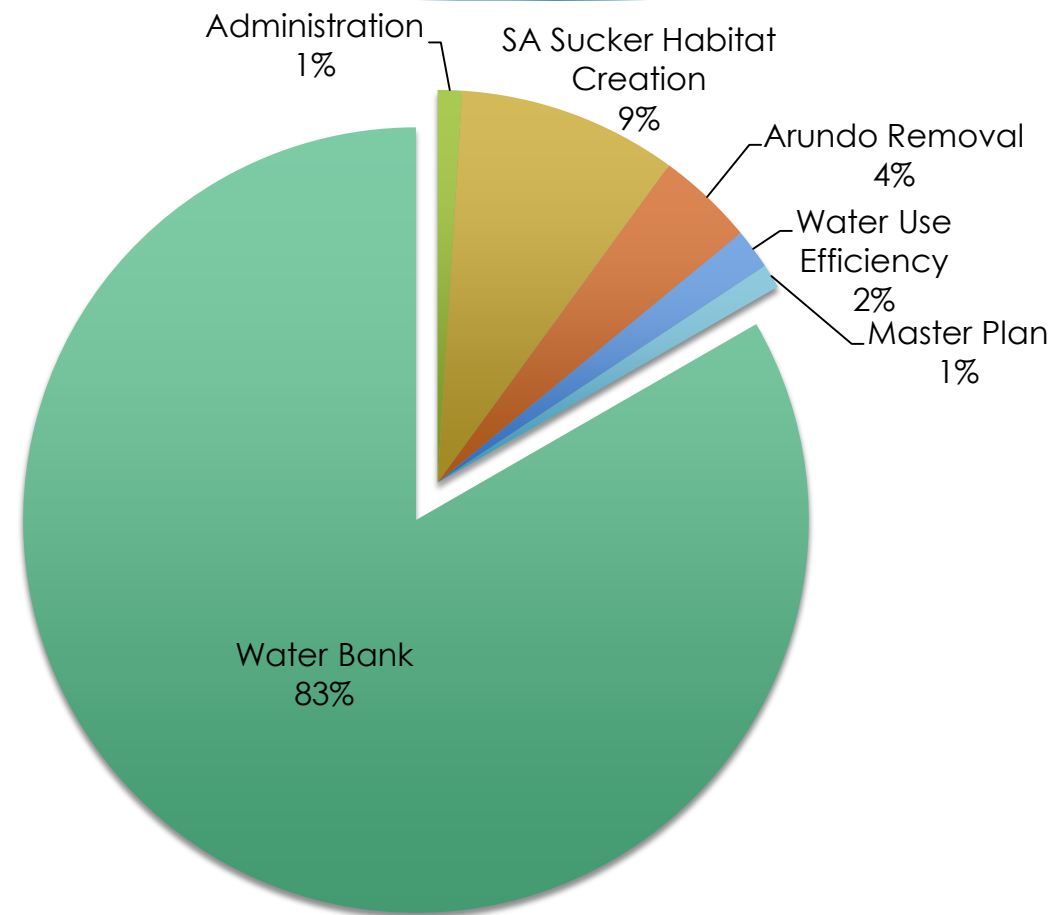
6

- Habitat Improvement: Arundo Removal & Santa Ana Sucker fish habitat restoration
- Water Use Efficiency: Conservation-Based Rates Support, Water-use Efficient Landscaping Design
- Groundwater Banking: “Put and Take” Conjunctive Use Facilities



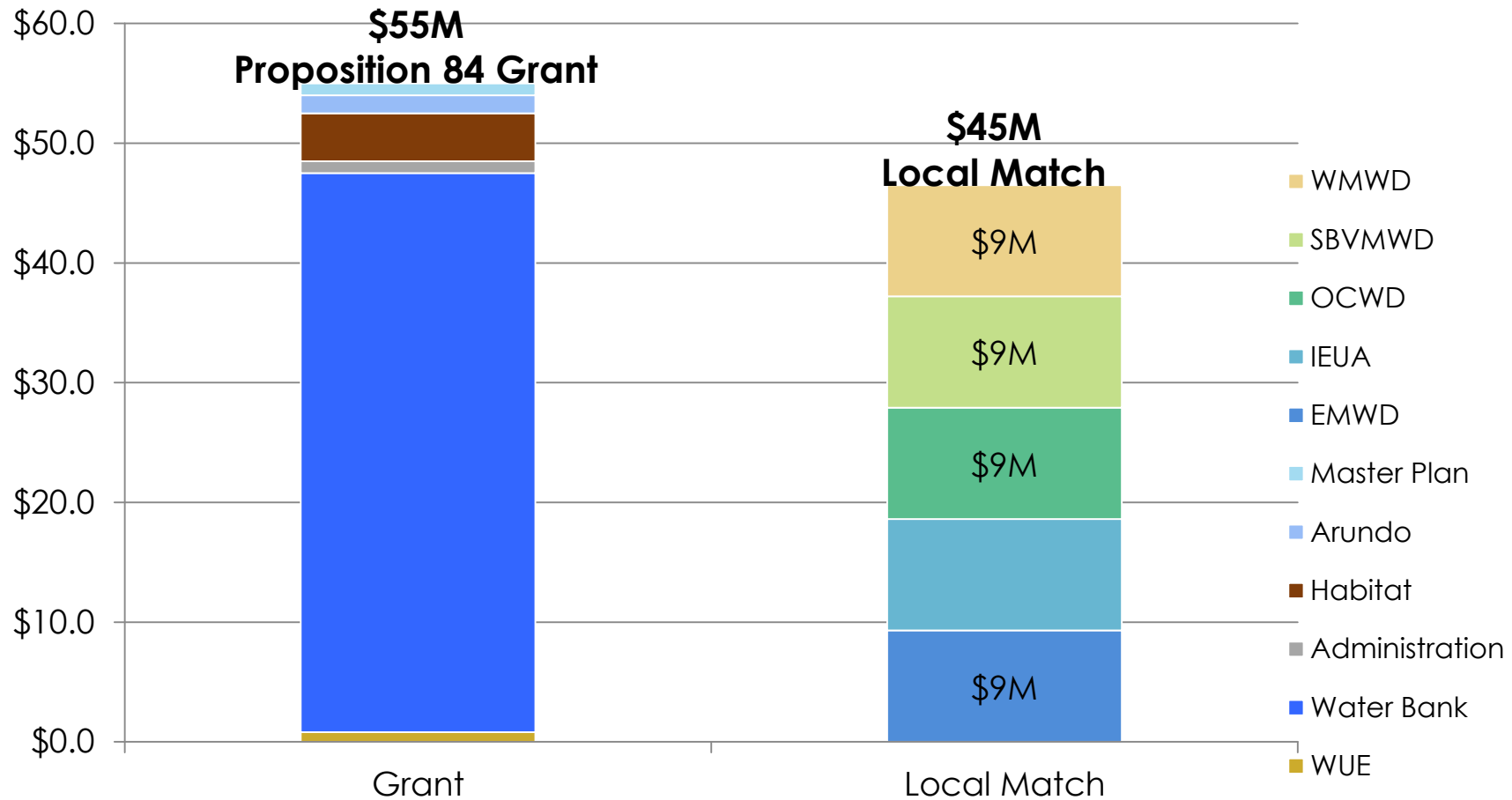
6

Total Cost, \$100 million

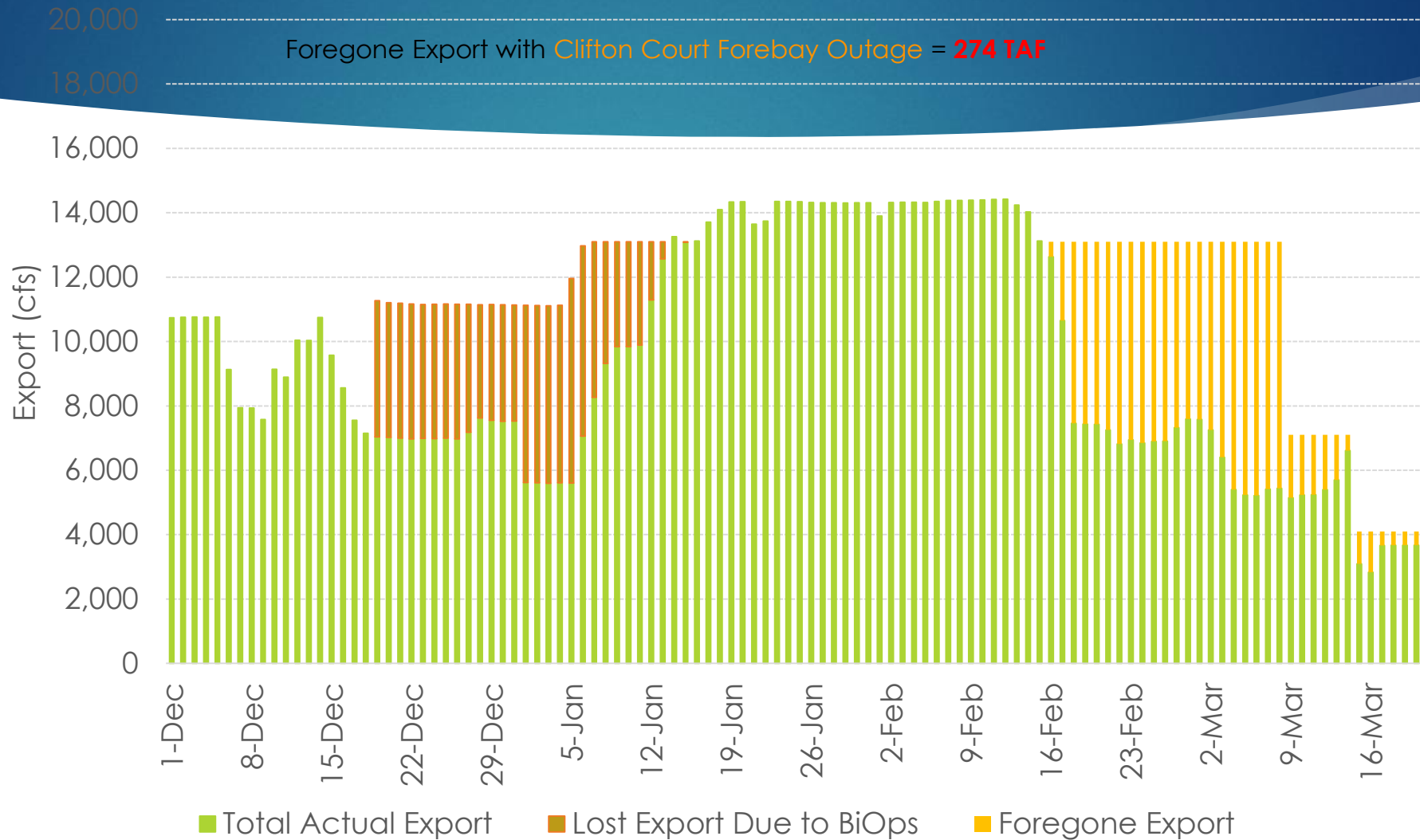


Cost Sharing

Total SARCCUP Project Cost = \$100 million

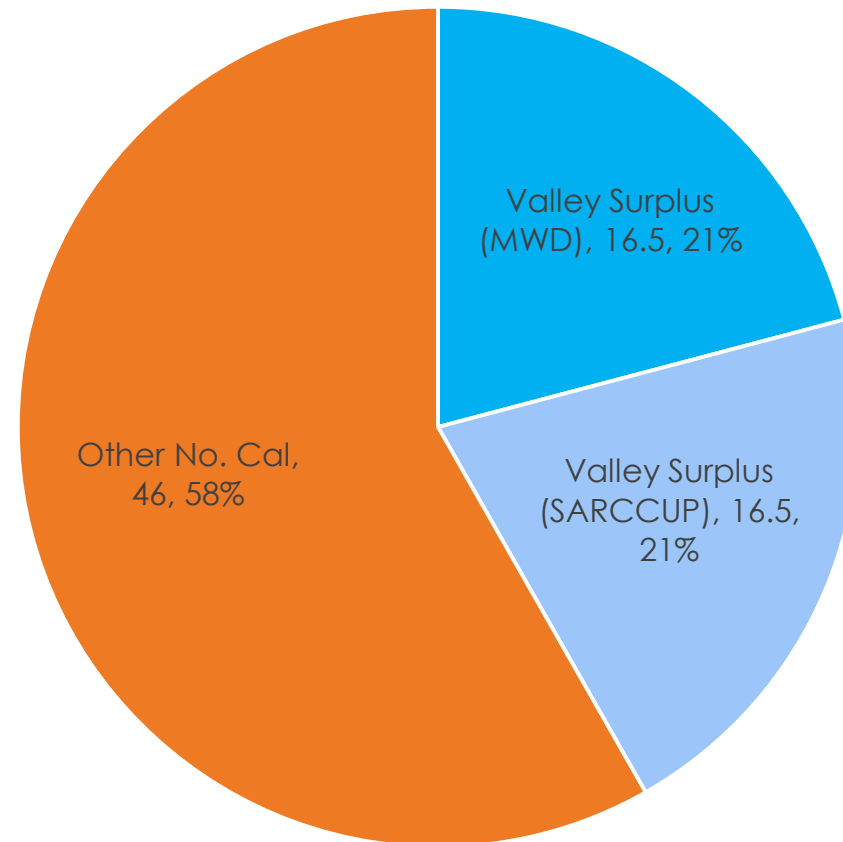


Lost Export Due to BiOps and Foregone Export: Water Year 2016-17



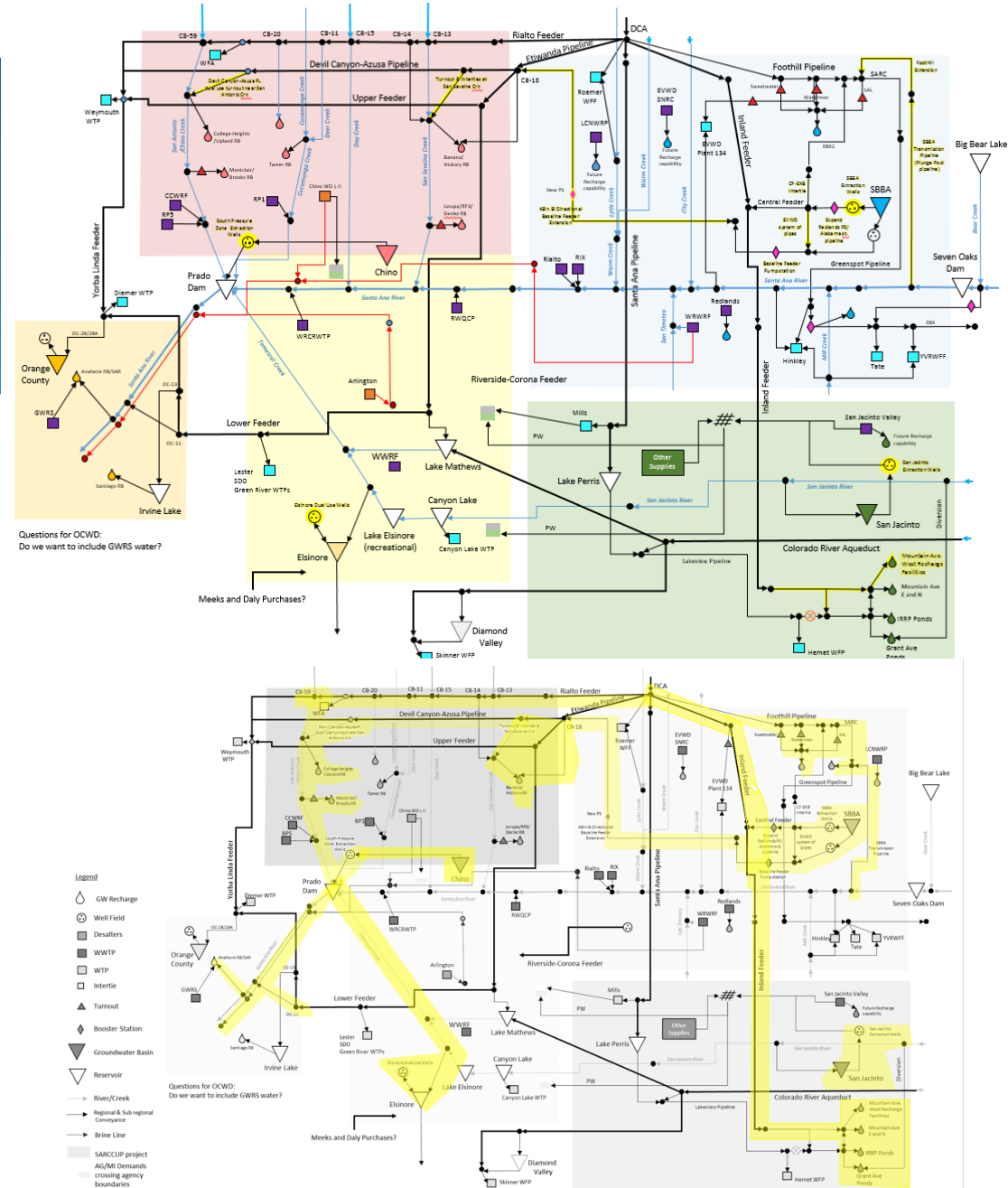
Forecasted Extraordinary Supply Available for SARCCUP (TAF)

(assumes SBVMWD SWP demands = 40 TAF)



System Schematic

- ▶ Ability to physically move water through the system
- ▶ Agree on SARCCUP elements that will allow core functionality of the system
- ▶ Capacities that might create system bottlenecks (pipes/pumps)
- ▶ Operating scenarios & project alternatives contemplate operation of program with and without Metropolitan Water District of Southern California



MWD Agreements - Proposed Benefits to SARCCUP Agencies

Valley District/MWD

- ▶ MWD and SARCCUP agencies get access to Valley District surplus water.
- ▶ Agreement required between MWD, Valley District and DWR.

MWD Member Agencies/MWD

- ▶ Not required, MWD Member Agencies can proceed without this agreement.
- ▶ Guards against changes in personnel, etc.

MWD Agreements - Basic Terms

Valley District/MWD

- ▶ Sells surplus water to MWD (after 5,000 AF to SGPWA)
 - ▶ Up to 50% offered to SARCCUP first
 - ▶ Qualifies as “Extraordinary” supply
- ▶ Establishes sales price

MWD Member Agencies/MWD

- ▶ Qualifies as “Extraordinary” supply
- ▶ Terms adhere to all existing MWD policies
 - ▶ Wheeling
 - ▶ Water Shortage Contingency Plan
 - ▶ Appendix G (Extraordinary Supply)

Valley District - MWD Coordinated Operating Agreement

MWD Break-Even (no cost increase for SARCCUP MWD Member Agencies)

	MWDSC (Non-SARCCUP)		
System Power Rate:	\$138		
Tier 1 Supply Rate:	\$156		
Total Break-Even for MWD	\$294		

Price Paid to Valley District at MWD Break-even

	MWDSC (Non-SARCCUP)	Valley District SARCCUP	Valley District Current
System Power Rate:	\$138	\$250	
Tier 1 Supply Rate:	\$156		
Paid to Valley District		\$44	\$95
Total	\$294	\$294	

Base Water Price on AVEK/MWD Deal

AVEK, 100% MWDSC
(Direct sale to MWDSC)

Non-SARCCUP Price: AVEK Based Price Schedule + SWP Power (100% MWDSC Family)

Final SWP Allocation	Price (\$/AF)	Power (\$/AF)	Total
1-5%	\$587	\$250	\$837
6-10%	\$552	\$250	\$802
11-15%	\$518	\$250	\$768
16-20%	\$483	\$250	\$733
21-25%	\$449	\$250	\$699
26-30%	\$414	\$250	\$664
31-35%	\$380	\$250	\$630
36-40%	\$345	\$250	\$595
41-45%	\$311	\$250	\$561
46-50%	\$276	\$250	\$526
51-55%	\$242	\$250	\$492
56-60%	\$207	\$250	\$457
61-65%	\$173	\$250	\$423
66-70%	\$150	\$250	\$400
71-75%	\$69	\$250	\$319
76-80%	\$69	\$250	\$319
81-85%	\$53	\$250	\$303
86-90%	\$38	\$250	\$288
91-95%	\$38	\$250	\$288
96-100%	\$38	\$250	\$288
Average	\$270		

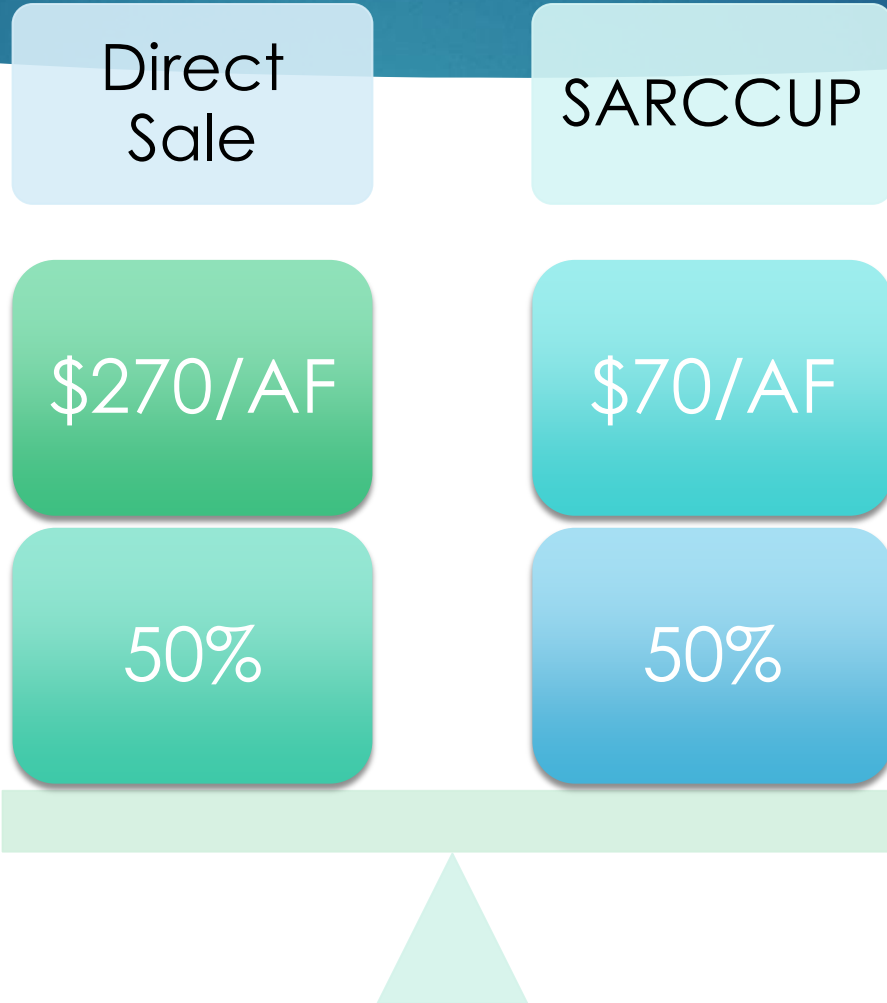
SARCCUP, 25.91% of MWDSC

SARCCUP Price (25.91% of MWDSC Family/AVEK price schedule)

Final SWP Allocation	Price (\$/AF)	Power (\$/AF)	Total
1-5%	\$152	\$250	\$402
6-10%	\$143	\$250	\$393
11-15%	\$134	\$250	\$384
16-20%	\$125	\$250	\$375
21-25%	\$116	\$250	\$366
26-30%	\$107	\$250	\$357
31-35%	\$98	\$250	\$348
36-40%	\$89	\$250	\$339
41-45%	\$81	\$250	\$331
46-50%	\$72	\$250	\$322
51-55%	\$63	\$250	\$313
56-60%	\$54	\$250	\$304
61-65%	\$45	\$250	\$295
66-70%	\$39	\$250	\$289
71-75%	\$18	\$250	\$268
76-80%	\$18	\$250	\$268
81-85%	\$14	\$250	\$264
86-90%	\$10	\$250	\$260
91-95%	\$10	\$250	\$260
96-100%	\$10	\$250	\$260
Average	\$70		

Proposal

Average:
\$170/af



Draft Term Sheet

1. 5,000 AF made available to SGPWA first
2. Remaining water offered to MWD
3. 50% of water purchased from Valley District will be offered to SARCCUP first as “extraordinary” supply

**Not yet
considered
by Board**

Price paid to Valley
District (review every 5 years)

Final SWP Allocation	
0 - 20%	\$400
21 - 40%	\$300
41 - 60%	\$200
61 - 100%	\$100

SARCCUP Agencies - MWD Coordinated Operating Agreement

SARCCUP Agencies – MWD Agreement Background

- ▶ Representatives from the SARCCUP Agencies met with MWD staff a total of six (6) times since May 2016 on SARCCUP operating terms
- ▶ Draft proposed terms for an agreement were reviewed and conceptually agreed upon by MWD staff at an April 5, 2017 meeting
 - ▶ Terms being incorporated into a draft Coordinated Operating Agreement
 - ▶ Agreement will be through an administrative process, signed by General Managers of SARCCUP Agencies and MWD; no Board action required

SARCCUP - Proposed Water Supply Sources

Sources	Conceptual Proposal
MWD water purchased by SARCCUP MWD member agencies (and OCWD)	<ul style="list-style-type: none"> Water purchased at prevailing full-service untreated rate.
Surplus SWP supplies from SBVMWD*	<ul style="list-style-type: none"> Sold to MWD under SBVMWD/MWD contract SARCCUP agencies purchase from MWD for storage at Tier 1 untreated rate in effect at time of delivery SARCCUP member agencies purchase up to 50% of an equivalent amount of water that Valley provides to Metropolitan agencies Water not purchased by SARCCUP agencies available to MWD for use in MWD service area
Non-SWP supplies wheeled through MWD system*	<ul style="list-style-type: none"> MWD agencies pay MWD prevailing wheeling rate.
Non-SWP supplies wheeled through SBVMWD system*	<ul style="list-style-type: none"> SARCCUP agencies pay SBVMWD prevailing wheeling rate.

* Treated as Extraordinary Supply if produced during Allocation

SARCCUP Agencies – MWD Agreement Draft Proposed Terms

Draft terms:

1. MWD agrees that up to 50% of an equivalent amount of water that Valley District provides to MWD can be purchased by SARCCUP and could qualify as Extraordinary Supply to participating SARCCUP MWD member agencies. The stored water must continue to meet all MWD Board Principles (Appendix G) to become extraordinary supply.

SARCCUP Agencies – MWD Agreement Draft Proposed Terms (cont'd)

Draft terms:

2. Water Delivery Options

- i. Delivery to SARCCUP MWD member agencies' SARCCUP facilities
- ii. Delivery to SARCCUP MWD member agencies' MWD Cyclic Storage Account
- iii. Surplus Valley SWP water stored for the benefit of SARCCUP MWD agencies, banked/stored in Valley's service area
 - Valley will not store over 50% of the amount of water that Valley will provide MWD
 - SARCCUP MWD member agencies call for the water and Valley executes an exchange of equivalent amount of water delivered to MWD
 - Stored and recovered water is considered Extraordinary Supply

SARCCUP Agencies – MWD Agreement Draft Proposed Terms (cont'd)

Draft terms:

3. MWD decides not to purchase Valley surplus SWP in a given year (assumes MWD has no storage available)
 - i. MWD delivers 100% of an equivalent amount of water Valley provides MWD to SARCCUP MWD member agencies, with 50% delivered to SARCCUP facilities and the other 50% delivered to agencies' MWD Cyclic Storage Account, if available
4. MWD proposes to review the SARCCUP agencies' proposal and provide a pre-certification, conditioned on the MWD member agencies following the proposal and staying consistent with MWD Board policy principles related to Extraordinary Supply (Appendix G).

Next Steps – MWD Agreements

- Valley District / MWD Agreement
 - ✓ Negotiations complete on agreement
 - Valley District Board consideration of final Valley-MWD agreement

- SARCCUP Agencies / MWD Agreement
 - ✓ SARCCUP agencies develop term sheet with MWD
 - Develop and execute SARCCUP – MWD Agreement



Questions?

- End -