



**WEST BASIN MUNICIPAL WATER DISTRICT**  
17140 S. Avalon Blvd., Suite 210  
Carson, CA 90746

**AGENDA NO. 4A**

**August 12, 2008 – Water Resources**  
Smith (Chair), Little  
**August 25, 2008 – Board Meeting**  
Prepared by: Fernando Paludi  
Submitted by: Paul Shoenberger  
Approved by: Rich Nagel

## INFORMATION CALENDAR

### METROPOLITAN WATER DISTRICT'S FIVE-YEAR SUPPLY ACTIONS PROCESS

#### SUMMARY:

This decade has seen the recent historical paradigm of water supply in Southern California, and throughout the state, turned upside down. The realities of water being significantly more expensive in the future, and also more likely to be rationed, are simultaneously reaching the public's consciousness, and changing the way the water agencies are planning for reliability. In response, MWD and its member agencies are now considering both demand management and water supply options that are viewed as "out of the box" compared to just a few years ago.

With the Colorado River coming off an eight-year drought, the Judge Wanger-decision reducing exports to MWD from the Delta by 30% (500,000 acre-feet this year), and one-third to one-half of MWD's usable storage emptied since 2007, MWD is looking wherever it can for supply. Four areas in particular, however, hold the most promise for increased supply, both now and for the future:

1. Local supply projects, both existing and planned, for production within five years;
2. Conservation and associated outreach;
3. Water transfers and exchanges from agriculture and other water users; and
4. Interim fixes to the Delta to address ecosystem problems and allow increased exports.

The process of identifying and refining the most promising projects and programs from the four (4) areas above, understanding the financial and associated water rate impacts of alternative project mixes, and recommending the preferred water supply and rate impact tradeoff to the MWD Board is referred to as the Five-Year Supply Actions Plan.

In the area of local supply production, MWD staff has, thus far, compiled a list of potential projects and partnerships from the member agencies totaling roughly 200,000 acre-feet of new yield. MWD's potential involvement in these projects could range from increased financing for construction or other phases such as planning and permitting, to partial or full ownership of local projects – and the water they produce.

In the area of conservation, MWD staff is indicating that temporarily enhanced financial incentives, assistance with local ordinances, and funding for certain outreach activities in support of extraordinary conservation efforts are some of the preferred options.

The timeline for seeking MWD Board approval of the Five-Year Supply Actions Plan is compressed. Staff will present an informational Board letter at the September Board meeting and most likely recommend action in October.

On August 8, the preliminary set of projects and programs and the projected cost of MWD's role in their advancement will be presented to the member agency managers for review and comment. The results of this discussion will be brought to the August Water Resources Committee for information, and West Basin staff will keep the Board apprised of any significant developments on this important process.

STRATEGIC BUSINESS PLAN IMPLEMENTATION:

Goal 1, Reliability – Maintain a level of local water reliability that supports the regional economy, our community and customer agency needs.

Goal 5, Customer/Community Services – Provide for the needs of our customer agencies and the communities we serve in a way that reflects their needs.

COMMITMENT STATEMENT:

Water Reliability – West Basin is committed to innovative planning and investments to provide water supply reliability and drought protection.

Customer Service – West Basin is committed to providing value by understanding and meeting the needs of our customers and the communities we serve.

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Committee on August 12, 2008 and agendaized to the August 25, 2008 Board meeting as information for discussion.

RECOMMENDED MOTION:

This item is for information only.

LIST OF EXHIBITS:

None.