

MOJAVE WATER AGENCY IMPORTED WATER MANAGEMENT POLICY

POLICY STATEMENT

It is the policy of the Mojave Water Agency to monitor and evaluate the condition of the groundwater basins within its service area and to pursue all opportunities for additional water supplies and storage as may be needed to support the sustainability of water supply.

I. INTRODUCTION

The Mojave Water Agency (MWA; Agency) was established in 1960 in response to concerns over regional groundwater overdraft conditions caused by the annual use of groundwater resources exceeding the long-term average annual supply. It was recognized that an alternative source of water would be needed to support existing and future water needs for the Mojave region. Consequently, the Agency secured a contract with the California Department of Water Resources (DWR) to become one of 29 State Water Contractors with entitlements to take delivery of State Water Project (SWP) water from the California Aqueduct. The Agency currently holds a SWP entitlement of up to 89,800 acre-feet of water per year.

Even with the establishment of the Agency and access to imported SWP water supplies, overdraft of regional groundwater basins continued. In 1996, a court judgement in the case of Barstow vs. Adelanto adjudicated the Mojave River groundwater basins and provided a pathway to halt future overdraft and reach long-term sustainability within the Mojave Basin Area. The Agency serves as Watermaster to implement the Mojave River Basin Area adjudication and enforce the Mojave Basin Area Judgment (issued by the court on January 10, 1996). The adjudication subdivided a large portion of the Agency's service area into five subareas: Alto Centro, Baja, Este and Oeste. In addition, the Agency's service area includes the Morongo Basin area located in the southeast corner of the service area, which also contains adjudicated basins to halt future overdraft.

This Imported Water Management Policy (Policy), adopted by the MWA Board of Directors (Board), is meant to serve as a guide to the seven elected Board members and the community as whole for the management of (1) groundwater storage within the Agency's service area, (2) available State Water Project (SWP) water supply, (3) storage outside of the Agency's service area and other agreements for storage that the Agency may enter into, and (4) the Agency's financial resources to support the import of water to the Agency's service area. This Policy reconfirms the Agency's intention to proactively and responsibly import water to ensure the health of the groundwater basins within the Agency's service area, while also fulfilling the Agency's overall mission and strategic objectives.

II. PURPOSE AND NEED

The Imported Water Management Policy provides a framework for maintaining pre-stored imported water to meet the Agency's court-mandated commitments of the Watermaster and other Agency demands while considering the merits of importing water to support basin health.

Water supply planning within the five subareas of the Mojave Basin Area adjudication is based on the long term average natural water supply over the 60-year historical planning period of 1931 to 1990 that was used for the adjudication. Similarly, the Warren Valley Basin Adjudication, Ames-Reche Management Area, and other managed groundwater basins within the service area look to balance long-term water supply via imported water supplies from the Agency. However, annual natural and imported supply is highly variable and as experienced between 2012 and 2022, short-term periods of below average water supply can result in falling water levels and shortages measured against long-term supply. This Policy provides procedures for identifying when the groundwater basins are experiencing declines in groundwater levels and allows for implementing actions necessary to meet short term deficits in support of long-term management actions for sustainability.

III. IMPORTED WATER MANAGEMENT

The Agency's current source of imported water is from the SWP through the Agency's Water Supply Contract with DWR. Imported SWP water serves two types of water supply demand within the Agency's service area:

- **Customer Demands** - The Agency is a wholesale supplier that has court-ordered and contractual obligations to ensure water supply to the service area continues to support the current and future water demands of direct purveyors. Customer Demands also include the sale and delivery of SWP water on an interruptible basis, subject to capacity constraints and availability of SWP water as determined by the Agency. This supply is intended to achieve long-term sustainability through mitigating against overdraft.
- **Basin Health Water** – The Agency imports additional water when court-mandated imports and other imports for Customer Demands are insufficient to mitigate water level declines due to periods of below-average natural groundwater recharge. Water imported for Basin Health is intended to be in addition to the Agency's contractual obligations and other Customer Demands, however, the Agency retains flexibility to utilize Basin Health Water to the best advantage based on prevailing conditions. While sufficient pre-stored water stored under the Agency's name may be available to satisfy Customer Demands in a given year, the need for water import may be recommended to satisfy Basin Health Water needs.

The **Total Imported Water Need** is defined as the sum of the Customer Demand and Basin Health Water:

$$\text{Customer Demands} + \text{Basin Health Water} = \text{Total Imported Water Need}$$

IV. ANNUAL IMPORTED WATER PLAN

Each year, Agency staff will review basin health, storage, and SWP water supply conditions and develop an Imported Water Plan (IWP). The process for developing the IWP will be as follows:

1. Determine Total Imported Water Need (Customer Demand plus Basin Health Water).
2. Evaluate Agency storage conditions (both within and outside of the service area).
3. Evaluate available Agency SWP allocation, with consideration of additional contractual obligations (e.g., multi-year transfer agreements) and conveyance capacity.
4. Evaluate water market and Agency financial conditions.
5. Develop a plan to store, import, or transfer available SWP water supply, i.e., import or store during periods of high volumes and low cost to the Agency, especially when existing storage is low, and transfer during periods of low volumes and high potential revenues for the Agency, especially when existing storage is high.

The IWP will include recommendations for:

- Importing water to storage within the Mojave River Basin under agreements with the Watermaster, and in the Morongo Area as defined by agreements between MWA and Morongo Area customers.
- Storing water outside of the service area (e.g., San Luis Reservoir).
- Engaging in transfers of SWP supplies.

Based on the outcome of plan development, the MWA General Manager will present a plan to the Board for the amount of water to be imported or transferred in that year for consideration by the Board.

V. IWP IMPLEMENTATION

1. Monitoring Program

MWA currently maintains a monitoring network that consists of approximately 430 key wells, 9 Westbay multilevel monitoring wells, 51 nested wells, and 7 weather stations. MWA staff will identify basin health indicators and develop a monitoring program that tracks changes in water levels and water quality based on aquifer recharge and groundwater extraction. Basin health indicators of local aquifer conditions and will be used to gauge the health of groundwater basins and to assess changes in storage near active well fields.

Additional data inputs will include USGS stream gage data and climatic data from the Agency's weather stations and other regional stations.

2. Develop Action Thresholds

Action thresholds based on changes in groundwater levels will evolve over time as MWA staff evaluate well field conditions and their relationship to local groundwater elevations. Analysis will be performed by MWA staff using the best available data, and including but not necessarily limited to the following criteria:

- Period of record
- Correlation to “baseflow” at the Lower Narrows
- Proximity to active well fields
- Consumptive use demands
- Basin outflow

3. Quantify Basin Health Water and Identify Recharge Locations and Priorities

Based on analysis of monitoring data and action thresholds, and with consideration of other Agency policies, MWA will annually evaluate the amount of Basin Health Water anticipated to meet the objectives of the Policy.

An initial IWP for import or transfer of available supply will be presented to the MWA Board in late December for the forthcoming calendar year. Commencement of IWP preparation early in the year will aid decision-making and timely action as conditions change. The plan will be reviewed and refined during January through May based on actual and projected SWP allocations. Thereafter, MWA staff will provide periodic updates to the MWA Board.

4. Annual Reporting

MWA will prepare an annual report that summarizes the Policy’s implementation over the past year, the effects of the Policy on the basins, forecasts future needs, and recommends potential modifications. The report will rely on the most current scientific data and analysis from the Agency’s monitoring and modeling as well as relevant data and information from other sources. The report will include discussion of production and the effects of natural and artificial recharge events on annual groundwater availability and may include discussion about the effects of land use practices on groundwater conditions. Additional recharge amounts and locations will be accounted for, and direct effects of recharge will be evaluated. Where available, other appropriate data will also be included. The scope and content of the annual report will be adapted over time based on lessons learned from recharge activities.

The annual report will be completed and presented to the Board by December of each year.

VI. FUNDING CONSIDERATIONS

The Agency has developed and implemented the following financial tools: the Reserve Fund Policy (including the Water Purchase Reserve and reporting component), the Financial Management Program (including long-term forecasting and planning), and the annual budget. These tools, when used together, enable the Agency to balance the use of limited resources for the most benefit to all those served by the Agency.

Funding considerations for imported water fall under two categories: Customer Demands and Basin Health Water.

A. Customer Demands

Costs associated with importing water to meet Customer Demands, including court-ordered obligations, contractual obligations, and sale of water on an interruptible basis, are paid through established water rates. The costs are defined as water sales and categorized as Agency revenue. Water rates fully recover the cost to deliver water to the basin through three main components:

1. The cost charged by DWR to import SWP water, variable transportation charge (base variable component);
2. The cost of debt service for the Dudley Ridge water entitlement debt (reliability charge component); and
3. Electricity costs (local power) associated with delivering water to specific identified customers with delivery through MWA built infrastructure (the Mojave River Pipeline or the Morongo Basin Pipeline).

The annual budgeting process assumes a certain amount of pumping for the upcoming year and water rates are based on full cost recovery. There is also a rate stabilization reserve for any over/under projections for Customer Demands and/or other rate components. The imported water for Customer Demands does not expend any additional financial resources as they are offset entirely by amounts collected by water sales.

B. Basin Health Water

The Agency's annual budget includes designated funding to purchase SWP water for Basin Health Water. Separate from water purchased for Customer Demands, the budget includes a line item dedicated to Basin Health Water import expenses. The cost per acre-foot is assumed to be reflective of the cost charged by DWR to import SWP water, the variable transportation charge. Rates will vary each year based on invoiced rates from DWR.

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