

NOTES: Project Committee Meeting 4

Meeting Held: Oct 22, 2020

Notes prepared by: Consensus Building Institute

[Clarifications on Calleguas imported water provided by Henry Graumlich and shown in redline revision and italicized notes. November 4, 2020. Spelling of Calleguas corrected throughout the document.]

Meeting in Brief

The OPV project committee reviewed project updates; discussed how Met water could fit into OPV project planning: projects would need to provide a clear mutual benefit to areas within and outside the Met water district; and discussed approaches to factoring optimization into project planning: full scale optimization and the seawater intrusion barrier are either - or scenarios.

Project information updates

- *Oxnard Recycled Water Project*: Estimated annual O&M cost for the AWPf is \$400-600 per AF. The proposed joint project with Ventura is a no-go.
- *Recycled Water Tile Project*: Possible low return on investment—190 AFY (given constraints around chloride concentrates) at a cost greater than \$2.5 million in treatment tech and O&M costs.
- *Santa Paula Basin Purchases*: Regulatory constraints limit this project’s potential in the near term. Once GSPs for this region are finalized in 2022 it could be reconsidered.
- *Conejo Creek Storage Expansion*: New potential “shovel ready” project that could generate 1-3,000 AFY.

Action Items

- **Maryam** by Nov 2 will research sustainable groundwater grant program
- **Ian** by Nov 2 will collect additional data on Conejo Creek Storage Expansion and add information to projects googlesheet - [Link](#).
- **Ekow** will add new optimization slides to facilitated process website (done) - [Link](#).
- **All Project Committee**: by Nov 2 Review the GMA project selection criteria; consider how you might adjust / what you would add:

Project Selection Criteria used by GMA

1. Sufficient project information is available for evaluation and modeling;
2. Project increases sustainable yield, or reduces groundwater demand;
3. Project implementation is planned within 20 years;
4. Meets the GSP Emergency Regulations project criteria;
5. There is an agency proponent for the project;
- and 6. Funding for the project is identified.

Updated Information Collected on Projects

Oxnard Recycled Water Project: The estimated annual O&M cost for the AWP is \$400-600 per AF. The city of Ventura is pursuing their VenturaWaterPure Program, so the proposed joint project with Ventura is a no-go.

Recycled Water Tile Project: Bottom line – this project is perhaps a low return on investment. Benefits to the basin are likely limited to about 190 AFY at a cost of ~ \$2 million in treatment technology, \$300,000 - \$500,000 in operating cost and the additional cost of pipeline builds. Three water supply level scenarios were analyzed. Two of the scenarios would have yielded greater than 190 AFY (potentially up to 800 AFY) but they proved unfeasible due to insufficient water supply to blend with the tile water and reduce chloride levels. Environmental impacts could also undermine this project's viability.

Santa Paula Basin Purchases: Bottom line- unlikely to see progress on this project as a real option until the GSPs are finalized in 2022. Currently, Santa Paula basin's fully adjudicated pumping is around 27 – 28,000 AFY, with a sustainable yield of 33,000 AFY. But the original judgement prohibits additional exports. There is a yield enhancement study exploring the possibility to increase the yield in the upstream basins of the Santa Clara river basin. Fillmore basin, under the right set of agreements, might be able to send water downstream but there are concerns around the judgement that would need to be considered. These projects would also be contingent on updating the irrigation lines at a cost of about \$50 – 60 million. If the ASAP pipeline progresses it would create additional opportunity to take advantage of these flows.

Conejo Creek Storage Expansion: This project could create between 1,000-3,000 AFY of water and could be viewed as almost shovel ready because it is only contingent upon construction of a storage facility. However, Camarillo sanitary district requirements also need to be considered.

Sustainable groundwater grant program: During the project discussion a meeting participant mentioned that the Sustainable Groundwater Grant Program will begin the solicitation process in December. This grant program could provide significant funding for a project. However, the group would likely have to have something "shovel ready" to be competitive to receive funds.

Factoring Met water into OPV Project Planning

Henry provided background information about the opportunities and constraints around accessing Met water and crafting successful agreements with Calleguas.

Background: Met gets water from the Colorado river and is a member of the state water project. Leveraging both of these water sources carries high fixed costs which are spread among member agencies. The current price of imported water from Calleguas is ~ \$1472 / AF. Entities are able to ~~purchase access~~ Met water through Calleguas if they are annexed to Calleguas.

[HG Clarification: In these meeting notes, Calleguas and Met are used interchangeably which can create confusion. This clarification explains the relationship between the two agencies. Calleguas Municipal Water District is a member agency of Metropolitan Water District. The terms of Metropolitan's annexation policies govern and are mirrored by Calleguas' annexation policies. Calleguas purchases water from Metropolitan and Calleguas, in turn, provides wholesale water service to purveyors within its service area. The purveyors are cities, water districts, investor-owned utilities, or mutual water companies that in turn provide retail water service to their individual customers. Purveyors may have local water resources that are used in addition to imported water purchased from Calleguas. Metropolitan does not provide direct water service within the Calleguas service area. Annexation to Calleguas requires that Calleguas also annex that portion of its service area to Metropolitan. In the notes that follow, reference to "Met water," or "Met district," should be read as "Calleguas water" and "Calleguas district"]

Met water requirements and regulations: Any property annexed to Calleguas must accept terms and conditions. Water sold by Calleguas cannot directly or indirectly benefit areas outside of the district or be used as a substitute for other water sources. No Met water should be used for agricultural irrigation per its annexation conditions and any agency that annexes into Met must commit to specific water resource policies, such as the maximal use of local resources, e.g. recycled water and wastewater. The Met requirements and regulations are detailed in full as part of the Met admin code – [Link](#).

How to think about opportunities for alignment between Calleguas and OPV: OPV – Calleguas collaboration would require projects that are mutually beneficial between areas within and outside the Met service district. For example, a project that results in increased resilience or reliance of water within the Met district could gain traction.

Concepts for mutual value creation OPV - Calleguas:

- Projects that create resilience for the Met district by leveraging different needs for water over time across the boundary between the Met service district and non-Met service district areas (Met district frontier)
- Projects that leverage scale and regional factors such as joint investment in infrastructure that results in mutual benefits across the Met service district frontier (such as a pipeline down the Santa Clara river)
- Unequal exchanges (surplus water storage within another agency’s jurisdiction in exchange for guaranteed access to a portion of that water in the future). Note: This type of project relies on confidence that parties do not incur risk by storing their water through this type of exchange and historical treatment of water credits lowers confidence.
- Project development in the Met service area will attract investment if it results in agencies within the district gaining access to water that is cheaper than Met water.
- To access Met water for use in agricultural irrigation the project concept would need to provide a benefit to M & I.

Specific projects that have the potential to gain traction for ~~Met~~Calleguas-OPV collaboration

[HG Clarification: The characterization of these ideas as “specific projects” is misleading since the discussion was prefaced by the caveat that finding the reciprocal value for partners within and outside the Calleguas services area would require further discussion between the parties directly affected and hence would be less applicable to the generalized benefit that the GSP project list seems to be trying to achieve. All of the concepts listed below involve significant additional development and discussion.]

- Pipeline projects that align with United’s OPV optimization scenarios and that would benefit the Met district—a specific look at projects that could fall under CEQA exemptions for the full length of the pipeline could be particularly attractive.
- Ventura annexing to Met *[HG: This was mentioned as an example in passing on how different scales of integration could shift possible projects, but the cost, resource, jurisdictional and institutional considerations would be a decision of the City of Ventura and beyond the scope of the OPV issues.]*
- M & I Water Market concept: Design a platform to allow M & I to purchase water from each other and be compensated from the GMA for leaving water in the ground. M & I could buy Calleguas water to gain access to higher quality water. Note: For this type of project to be attractive to Calleguas it would need to yield a net benefit to Calleguas beyond “benefiting the basin”.
- Seawater Intrusion project: In principle this project seems like it could open up opportunities that would benefit Calleguas customers, but more analysis would be needed to make these determinations.

At the close of the discussion on possible Calleguas – OPV projects, a meeting participant asked if Henry knows of any examples where imported water is allowed to be prioritized based on the rationale of trying to achieve resiliency for emergency needs in the future.

Response: No direct examples, though the Santa Ana river could be a promising case to keep in mind. They have a program that moves water from outside a Met service area into a Met service area. Making those kinds of trades could be a part of the solution in OPV.

~~A complicating factor is that the Met admin code directs Calleguas to annex territory that completely overlies that basin (though Calleguas does have M & I uses that extend outside the Met service area.)~~ Regarding annexations, the Met admin code suggests that annexations preferably “should be so located as to control the entire production of water from local underground water basins affected” (Met Administrative Code, Section 3200). That clearly is not the case for OPV and introduces some complications.

Factoring Optimization into the Project Committee’s Work

Full scale optimization and the seawater intrusion barrier project should be viewed as an either-or scenario. John described the estimated benefits of a few optimization measures and the estimated benefits of a seawater intrusion barrier:

Possible optimization measures: United’s proposed optimization scenarios are generally focused on shifting pumping away from the coast and raising pumping to the upper aquifer system (UAS).

- *Optimization Measure 1:* Stop pumping in the seawater intrusion area – increased yield: 2-4,000 AFY at \$500 per AF
- *Optimization Measure 2:* Shift United’s PTP wells from LAS to UAS –increased yield: 1,000 AFY at cost of \$500 AF
- *Optimization Measure 3:* Shift most remaining LAS pumping into UAS in northern areas— increased yield: 12,000 AFY at cost of \$500 AF

Seawater extraction barrier: Potential to increase sustainable yield 10 -20,000 AFY, with an additional 2-4,000 AFY of new water (total max net benefit of 12- 24,000 AFY). Estimated total cost per acre foot is about \$1,500 / AF.

Of note: a seawater extraction barrier project would make most of the possible inland and northward optimization measures redundant.

Possible optimization activities that could complement seawater extraction: Shifting pumping away from the coast, perhaps yielding an additional 1-2,000 AF

Injection Barrier Concept: This approach to the seawater intrusion barrier has the potential to create the same gains to sustainable yield as the extraction barrier (10-20,000 AFY). It does not create additional new water. There are no current cost estimates for this project.

Project Committee Members Present

Jared Bouchard; Maryam Bral; Kirby Brill; Alden Broome; Juergen Gramckow; Martin Gramckow, Henry Graumlich; Curtis Hopkins; Nathan Jacobsen; John Lindquist; Kim Loeb; Pete Martinez; Lucie McGovern; Thien Ng; Ian Prichard; Kathleen Reidel

