GLENN-COLUSA IRRIGATION DISTRICT

BOARD OF DIRECTORS

MEETING OF APRIL 18, 2013

ITEM 9

SUBJECT: Proposed Water Transfer of up to 5,000 acre-feet to the San Luis & Delta-Mendota Water Authority

DISCUSSION:

With the recent decrease in water allocations south of the Delta of 20% for the Central Valley Project and 35% for the State Water Project, it is likely there will be some capacity for limited water transfers this year. Potential south of Delta buyers have requested that sellers identify by May 1, 2013, how water could be available.

Given this short notice period and the need to comply with NEPA and CEQA for this transfer, a small transfer using District only groundwater wells would be the simplest program to implement. Accordingly, the District's five wells would be the likely candidates which could pump a combined maximum of 5,000 acre-feet from July 1 through September 30.

While this transfer will be viewed negatively by some, the transfer will have the benefit of generating revenue that could be used for the following project costs and unfunded programs (details attached) that will benefit GCID but also other regional interests:

- 1. Well Operation Costs
- 2. Monitoring Program Costs
- 3. Glenn County Water Resources Program and Groundwater Monitoring (CASGEM)
- 4. Sacramento River Salmon Restoration Project
- 5. Chico State Center for Water and Environment
- 6. SacFem Modeling Outreach Effort
- 7. SB7x7 Measurement Implementation

Absent the transfer, the proposed activities will remain unfunded and not be implemented or at least not in the near future.

If the Board approves moving forward with the pursuing a potential transfer, the District may enter into a purchase term sheet agreement with the potential buyers. Additionally, before any final transfer agreement is brought back to Board for its review and approval, the District will need to complete CEQA compliance documents and a public review period. Additionally, Reclamation will need to complete NEPA which is currently being processed.

RECOMMENDATION:

Consider the proposal and direct staff as appropriate.

Use of Transfer Funds

Well Operation Costs

The cost of pumping these wells is approximately \$30 per acre-foot assuming PWRPA energy rates. Revenues from the transfers should be used to offset any additional energy costs.

Monitoring Program Costs

The pumping program will need to be monitored to identify if and to what extent the pumping may cause impacts. The District conducted an extensive monitoring program in 2012 which could be conducted again this year. This information will continue to yield additional information about the groundwater system and can be used also to enhance the SACFEM groundwater model.

Glenn County Water Resource Program and Groundwater Monitoring (CASGEM)

Glenn County, including and in partnership with GCID, has an extensive groundwater monitoring network. Funds from the transfer can be used to assist the County in maintaining and monitoring its network as well as pay for some upgrades including data base refinements, new data recorders and/or telemetry at existing wells. GCID could also install real-time monitoring at these wells and other dedicated monitoring wells.

Sacramento River Salmon Restoration Project

GCID, in coordination with the Golden Gate Salmon Association, NCWA, and Dave Vogel, are exploring salmon restoration and enhancement projects that could be implemented on the upper sections of the Sacramento River and also the continued operation of the Fish Trap at the pump station.

Chico State Center for Water and Environment

GCID staff along with County and other district staffs have been meeting with representatives of the Center for Water and Environment to discuss potential partnerships and how CSU could provide technical and academic expertise to the region. Staff has been discussing having the Center perform a review of the SacFem groundwater model.

SacFem Modeling Outreach Effort

As discussed above, the SacFem groundwater model can and is being used to model the groundwater system in the Sacramento Valley. This model is more refined than the USGS groundwater model; however, it has not been widely presented to the general public. As part of this effort, the District would partner with Reclamation to conduct some public meetings about the model.

SB7x7 Measurement Implementation

To comply with the 2009 water legislation, the District will need to expand its capital program to include measurement on turnouts and laterals. Funding from this transfer could be used to pay for required infrastructure and to help pay for the test program in 2013.