

AGENDA ITEM # _____

DATE: 9/28/15

COAC NUMBER: 15-5681

**CITY OF GOODYEAR
CITY COUNCIL ACTION FORM**

**SUBJECT: Approve order of 9,000
acre-feet of CAP water for 2016**

STAFF PRESENTER: Mark Holmes,
Water Resources Manager

COMPANY CONTACT: N/A

RECOMMENDATION:

Approve an order of 9,000 acre-feet of water from Central Arizona Project (CAP) for calendar year 2016.

PURPOSE:

The purpose of this action is to authorize the annual water purchase of renewable water supplies within the City's water resources portfolio for use in calendar year 2016. CAP Subcontractors, like the City, must order CAP water by October 1 of the calendar year prior to use.

BACKGROUND AND COMMUNITY BENEFIT:

The citizens of Goodyear will benefit in that the City will receive an additional 9,000 acre-feet of CAP water. This supply is also crucial in meeting the 100-year Assured Water Supply requirements. The overall annual water demands for the City's entire water service area are expected to be approximately 9,000 acre-feet for calendar year 2016.

PREVIOUS ACTIONS AND DISCUSSION:

In 2010, the City was issued a 100-year designation of assured water supplies from the Arizona Department of Water Resources for existing, current committed, and future projected water demands and is currently being renewed by the Arizona Department of Water Resources.

Previously, in 2014 the City Council approved a CAP water order of 7,229 acre-feet for use in calendar year 2015, in 2013 the Council approved a CAP water order of 3,896.1 acre-feet for use in calendar year 2014, and in 2012 the Council approved a CAP water order of 1,825.19 acre-feet of CAP water for use in calendar year 2013.

While each type of water supply within the City's water portfolio has unique challenges, certain types of water supplies have significantly more value regarding current use, acquisition and protection. Central Arizona Project (CAP) water is the single largest renewable water supply within the City's water portfolio. Any CAP water ordered for 2016 would help to offset other water supplies from being depleted.

FISCAL ANALYSIS:

The City Council approved \$1,539,000 in FY16 for the purchase of annual CAP water commodity orders.

The unit price for CAP subcontract water in 2016 is \$171 per acre-foot which includes the water commodity (operations, maintenance, and energy costs) and direct recharge costs. CAP allows payments to be levelized in any fashion at the convenience of the City through calendar year 2016.

ATTACHMENTS:

None.