

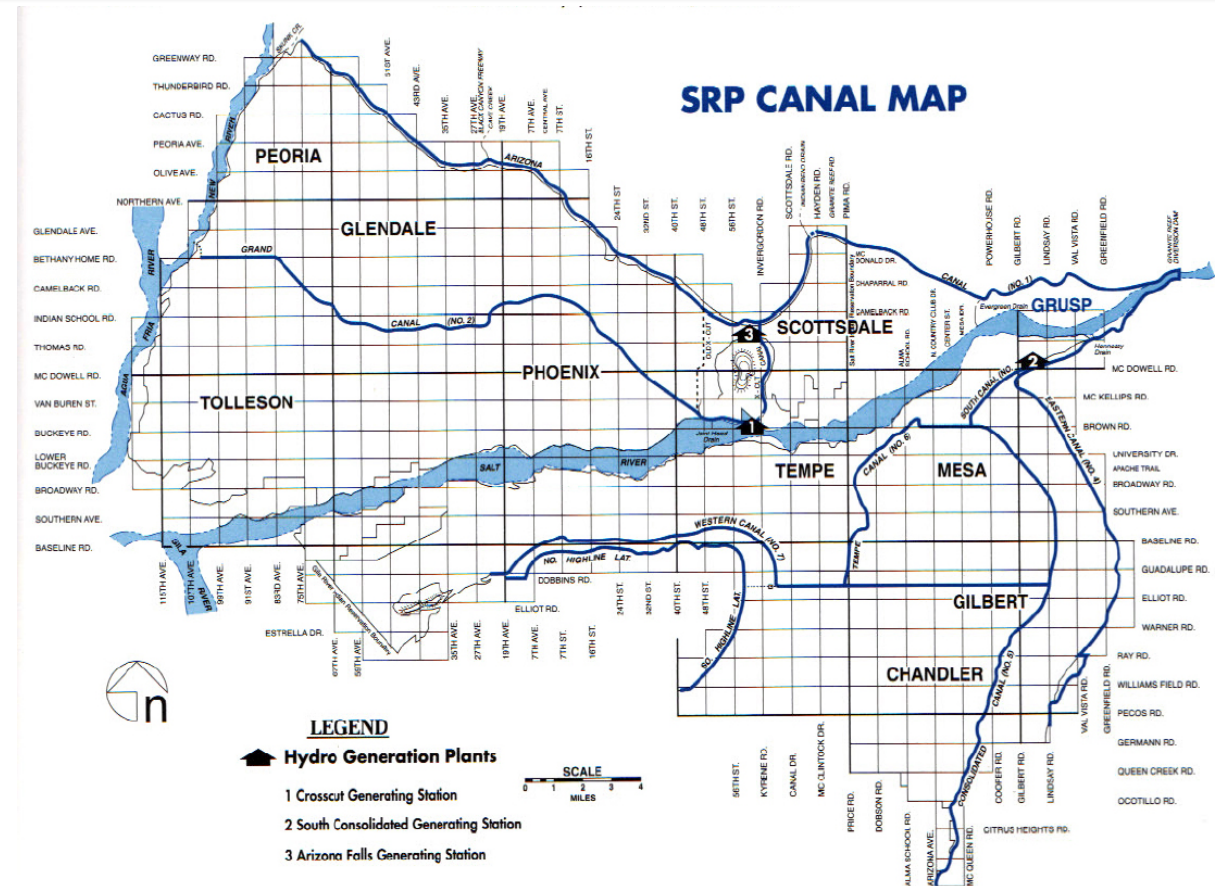
City of Goodyear & Salt River Project Partnership



BACKGROUND INFORMATION



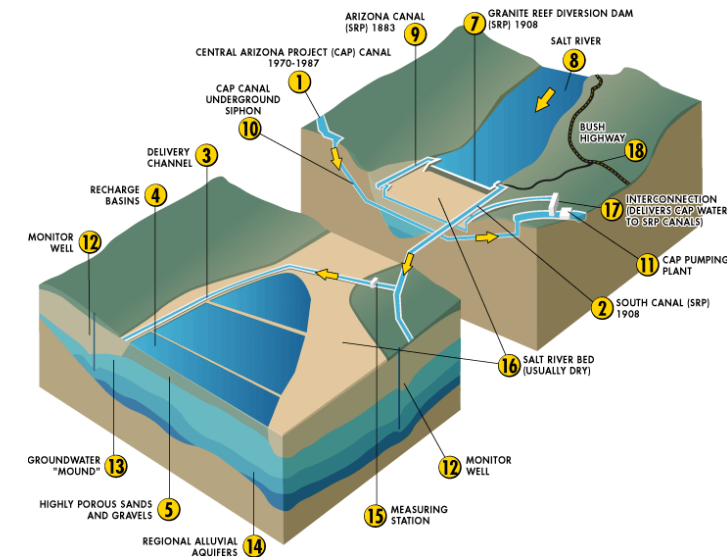
- SRP delivers “Project Water” to its customers and that water must stay on “Project Lands”.
- CAP water is not considered “Project Water” and therefore can be delivered to parties either on or off “Project Lands”.



BACKGROUND INFORMATION



- Salt River Project (SRP) already receives Central Arizona Project (CAP) water via the CAP SRP Interconnect Facility (CSIF) located at the Granite Reef Dam.
- SRP is already delivering CAP water to its existing water customers.



PROPOSED AGREEMENT COMPONENTS



CAP SRP INTERCONNECT FACILITY - LEASE

- 1) SRP agrees to lease to the City 25,000 acre-feet per year of CSIF capacity.
- 2) SRP agrees to initially deliver 8.0 million gallons per day (MGD) of the City's CAP water to an agreed upon point of delivery.



PROPOSED AGREEMENT COMPONENTS



SRP FEES

- 1) Goodyear agrees to pay SRP a per acre-foot fee for the CSIF lease – initially \$13.00 per acre-foot or \$0.04 per 1,000 gallons.
- 2) Goodyear agrees to pay SRP a water transportation fee for delivery of the City's water to the point of delivery – initially \$59.00 per acre-foot or \$0.18 per 1,000 gallons.
- 3) Goodyear agrees to pay SRP an annual administrative fee.

PROPOSED AGREEMENT COMPONENTS



AUTHORIZED REPRESENTATIVES

- 1) Creates "Authorized Representatives" (AR) for SRP and the City.
- 2) Authorized Representative duties shall include:
 - Locate, add or delete points of delivery
 - Adjust the CSIF capacity
 - Perform administrative duties

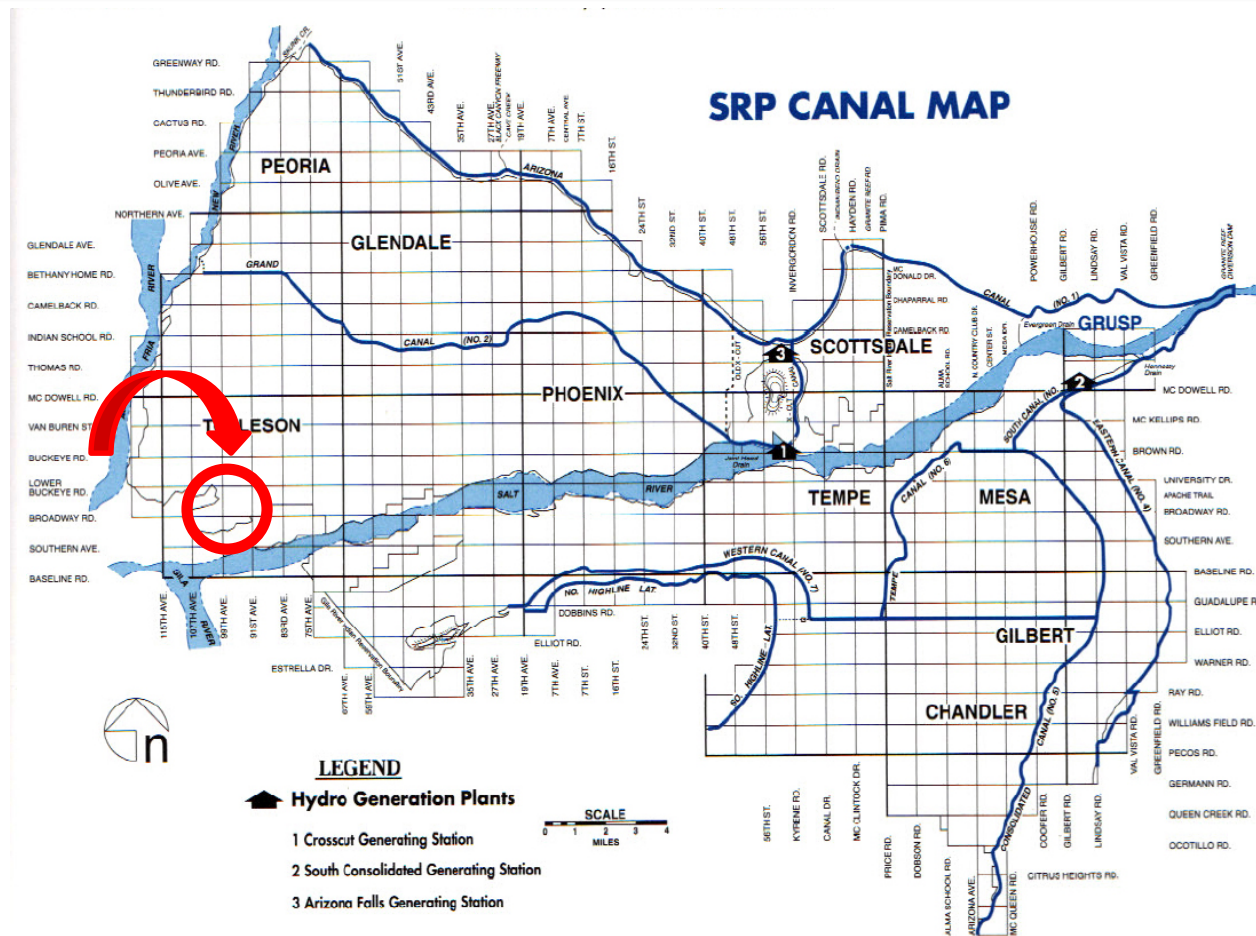
PROPOSED AGREEMENT COMPONENTS



REPRESENTATIVES

- 1) Prioritization of deliveries
 - SRP has priority water deliveries to its association shareholders and third parties through existing decrees and/or contracts, and pursuant to Indian water right settlements.
 - Goodyear will be ahead of any new agreements that SRP may enter into.
- 2) The Authorized Representatives will determine points of delivery to the City, phasing schedule for deliveries, system improvements (if needed) to deliver additional volumes of CAP water to the City.

TENTATIVE POINT OF DELIVERY



PROPOSED AGREEMENT COMPONENTS



LENGTH OF AGREEMENT

- 1) The agreement shall initially be in effect for 50 years with a 50-year extension.
 - ADWR requires 100 years of assurance of water supply.

STAFF RECOMMENDATION



Staff recommends approval of the
CAP/SRP Interconnection Facility (CSIF) Agreement
between the City of Goodyear,
Salt River Valley Water Users' Association,
and Salt River Project
Agricultural Improvement and Power District.

NEXT STEPS



Should the Council approve this agreement, City staff and SRP staff will begin to discuss the following:

1. SRP to receive approval from their governing board
2. Future Water Resources needs
3. Recharge opportunities
4. Recovery well and drought firming opportunities
5. Reach out to other municipalities regarding partnership opportunities

A wide-angle photograph of a desert landscape. In the foreground, a calm body of water reflects the sky and the mountains. To the right, a dark, sloping embankment or dam structure is visible. In the middle ground, a flat, sandy area with sparse desert vegetation and a chain-link fence runs across the frame. The background is dominated by a large, rugged mountain range with a prominent, sharp peak. The sky is clear and blue.

QUESTIONS OR COMMENTS?