

AGENDA ITEM #: \_\_\_\_\_

DATE: June 22, 2020

CAR #: 2020-6963



## CITY COUNCIL ACTION REPORT

**SUBJECT:** Groundwater Savings Facility Agreement with Roosevelt Irrigation District

**STAFF PRESENTER(S):** Gretchen Erwin, Water Resources and Sustainability Manager

**OTHER PRESENTER(S):** NA

**Summary:** The agreement with the Roosevelt Irrigation District (RID) is required to allow the city to store approximately 2,666 acre-feet of the city's Central Arizona Project (CAP) water in calendar year (CY) 2020 in RID Groundwater Savings Facility in return for Long-Term Storage Credits (LTSCs). The delivery of Goodyear's CAP water to RID will be through Salt River Valley Water Users' Association (SRP) canals. When needed, the city will be able to recover the credits using either the city's wells or the SRP wells. SRP can deliver the stored CAP water to the city using the SRP canals.

### **Recommendation:**

1. Approve the Groundwater Facility Agreement between the Roosevelt Irrigation District and the City of Goodyear, Arizona.
2. Authorize and direct the City Manager or her designee to take any and all actions to execute all documents necessary to carry out the intent of these agreements.

### **Fiscal Impact:**

Storage at the Groundwater Savings Facility will be between July and December 2020. There are no operational and administrative costs associated with agreement. RID shall pay to Goodyear \$25.00 per acre-foot for water stored in the RID lands. This will result in \$67,000 in revenue in FY2021. This will be remitted to Goodyear by the end of the month following the month during which the water was received by RID.

## **Background and Previous Actions**

The city has a Municipal & Industrial subcontract with the U.S. Bureau of Reclamation for 10,742 acre-feet per year (AFY) of Colorado River water and a lease with the Gila River Indian Community for 7,000 AFY of Colorado River water. Currently, the city cannot take direct delivery of the water until the first phase of the Surface Water Treatment Facility is complete (December 2021) which will allow for approximately one-half of the water to be treated and directly delivered to Goodyear customers.

Historically, the city has stored water in a CAP-owned recharge facility earning LTSCs and recovered the LTSCs/water using wells within the city's service area.

On January 23, 2017, Council approved the agreement between the city of Goodyear and the Salt River Valley Water Users' Association and the Salt River Project Agricultural Improvement and Power District (collectively referred to as SRP) to deliver the city's CAP water allocation through their canal system to a point of receipt. This agreement resulted in the need for Goodyear to move ahead with the current Water Treatment and Raw Water Delivery project.

On January 22, 2018, Council authorized the purchase of approximately 28 acres of land situated west of the existing Goodyear Water Reclamation Facility on 157th Avenue for the site of the surface water treatment facility.

On April 23, 2018, Council approved the expenditure of funds for design services and owner's representative for the Water Treatment Facility and Raw Water Delivery Pipeline.

On December 17, 2018, Council adopted Resolution No. 2018-1924 authorizing the acquisition of any property rights necessary for the Water Treatment Facility and Raw Water Delivery Pipeline.

On August 26, 2019, Council approved the expenditure of the annual water order of the city's full Colorado River allocation and the annual capital charge payment for CY2020 as required under the Municipal and Industrial (M&I) subcontract with the federal government.

On August 26, 2019, Council also authorized expenditures of up to \$110,401,000 for all fees and costs to complete the Goodyear Water Treatment Facility and Raw Water Delivery Pipeline project.

On September 23, 2019, Council approved two agreements with SRP: 1) allowing the city to store annually a specified volume of the city's Central Arizona Project (CAP) water in a Groundwater Savings Facility on the Salt River Reservoir District (SRRD) lands in return for Long-Term Storage Credits (LTSCs); and 2) allows the SRP to recover the credits using the Association's wells and deliver the stored CAP water to the city using the SRP canals.

On June 22, 2020, Council is being asked to approve the First Amendment to the agreement between the city of Goodyear and the Salt River Valley Water Users' Association and the Salt River Project (SRP) Agricultural Improvement and Power District to deliver the city's Central Arizona Project (CAP) water allocation through their canal system to a point of receipt. The amendment specifically addresses additional points of receipt, measurement, and fees for the CSIF and transportation through SRP canals relative to the Roosevelt Irrigation District Groundwater Savings Facility.

## **Staff Analysis**

Storing water at a CAP-owned storage facility allows the city to earn LTSCs which can be recovered from city wells. Recovering LTSCs allows the city to meet its renewable water supply requirements as per our Designation of Assured Water Supplies; however, it does not add to the

health of our local aquifer or add new wet water to the city. Storing water in the RID lands will allow the city the flexibility to recover the LTSCs where they have been stored (our local aquifer) or allow the SRP to recover the LTSCs for the city. SRP can deliver the wet water to the city using their canals and the city's transmission line to the Surface Water Treatment Facility increasing the city's wet water supply.

## **Attachments**

Groundwater Savings Facility Agreement with Roosevelt Irrigation District