

La Habra Heights County Water District (LHHCWD), Rowland Water District (RWD) and Orchard Dale Water District (ODWD) Draft Water Production and Delivery Agreement Questions and Answer Workshop

- Ken Deck – General Manager, Rowland Water District
- Tom Coleman – General Manager, Orchard Dale Water District
- Jim Ciampa – General Council, Orchard Dale Water District
- W. David Byrum – Engineer, La Habra Heights County Water District
- Michael Gualtieri – General Manager, La Habra Heights County Water District

Key Points to Draft Agreement

- RWD currently receives 100% Metropolitan Water District (MWD) Water – page 1
- LHHCWD and ODWD have excess capacity – page 2
- RWD acknowledges the obligations of LHHCWD and ODWD set forth in the Orchard Dale Agreement signed in 1957 – Page 2
- RWD is lead agency for CEQA compliance – Page 2
- LHHCWD will convey RWD's water rights from Central Basin (CB) – page 2, section 1.1

Key Points to Draft Agreement

- LHCWD will deliver RWD's water when these conditions are met, Page 2, section 1.2 (a):
 1. LHCWD's Tank 9 level is not less than 15 feet.
 2. LHCWD's Lyons Tank is not less than 20 feet
 3. LHCWD's and ODWD's La Mirada Tank is not less than 20 feet
 4. If these target levels are hit, delivery to RWD will stop until level in tank effected raises 4 feet.
 5. LHCWD has sole authority and discretion to set levels

Key Points to Draft Agreement

- RWD acknowledges that LHHCWD and ODWD have first priority to excess capacity and LHHCWD's has sole discretion to determine excess capacity. Page 3, section 1.2 (c)

Key Points to Draft Agreement

- RWD will construct 12” mainline on Fullerton Road from East Road north to RWD’s facilities, page 4, section 5.1 (a)
- LHCWD will own, operate and maintain mainline within their boundary, page 4, section 5.1 (b)
- Seven fire hydrants will be installed along the new mainline within LHCWD’s boundaries, page 5, section 5.2
- 4 services will be installed (3 currents services and 1 sample station) page 5, section 5.3

Key Points to Draft Agreement

- RWD will pay LHHCWD for moving their water rights from CB, page 7, section 8.1
- RWD has to purchase or lease water rights from CB, page 7, section 8.1 (a)
- RWD will pay LHHCWD's direct cost of production, page 7, section 8.1 (a) (1, 2, 3, 4)

Key Points to Draft Agreement

Wheeling charges per acre-foot (AF):

- \$50 – until amortized cost for installation of 12” mainline, page 8, section 8.1 (c) (1)
- \$75 – after amortized cost for installation of 12” mainline plus a shared of the cost savings that RWD saves by using CB water, page 8, section 8.1 (c) (2)

Key Points to Draft Agreement

Example of shared cost savings per year, pages 9, 10, 11 & 12, section 8.1 (d) & (e):

LHHCWD – 2,800 AF, 58.33%

RWD – 2,000 AF, 41.67%

Total AF produced 4,800

MWD cost - \$800 AF, minus CB cost - \$650 AF

Difference \$ 150 AF

savings 2,000 AF X \$150 = \$300,000

RWD deducts wheeling fee 2,000 AF X \$75 = \$150,000

Total savings = \$150,000

Key Points to Draft Agreement

Example of shared cost savings per year, pages 9, 10, 11 & 12, section 8.1 (d) & (e):

Shared cost savings will be of % of AF used by each District

LHHCWD shared cost of saving would be:

$$\text{\$150,000} \times 58.33\% = \text{\$87,495}$$

Key Points to Draft Agreement

- California Environmental Quality Act (CEQA) is RWD responsibility, page 14, section 10 (b)
- In the event CEQA conditions are not met, LHHCWD shall not have to produce water to RWD, page 14, section 11

Key Points to Draft Agreement

- Maintenance and repairs to Wells and Pumps
RWD will pay their percentage of actual cost of repairs and maintenance to facilities on an annual basis equal to their percentage of all water produced, page 14, section 12.