



Authorization to Execute the Central Valley Project Repayment Contract and File a Validation Action

April 13, 2021 Board Meeting

Staff Recommendations

- A. Receive information**
- B. Approve Agreement by Adopting resolution**
- C. Authorize contract execution**
- D. Authorize validation action**

WIIN Act Provides Water Supply Certainty

- **Directs Reclamation to convert contracts**
- **New contract does not expire**
- **Requires prepayment of capital costs**
- **Funds storage projects**

Valley Water's 1977 Water Service Contract

- **Most significant and reliable source of imported water**
- **Expires in 2027**
- **Renewal is uncertain**

Proposed Central Valley Project Repayment Contract

- **Public negotiations complete**
- **Requires \$13.5 million prepayment**
- **Excludes \$200 million in San Felipe Division debt**

Minimal Contract Modifications

- **Subject to shortage provisions**
- **No change in Delta pumping**
- **No increase in water supply**
- **Environmental protections remain**

Next Steps

- **Secure Board approval**
- **Execute the contract**
- **File validation action**

Staff Recommendations

- A. Receive information**
- B. Adopt resolution**
- C. Authorize contract execution**
- D. Authorize validation action**