



AGENDA ITEM SUMMARY

District Impacted

- ☐ 1 = Haberstroh
- ☐ 2 = Woolard
- ☐ 3 = Boyd
- ☐ 4 = Cisneros
- ☐ 5 = Bergmann
- ☒ x All

DESCRIPTION	ANNUAL GBRA TREATED WATER COMMITMENT
STAFF'S RECOMMENDED ACTION (be specific)	Council action to maintain our current annual commitment for treated water from the GBRA (GBRA) Western Canyon Regional Water Supply Project (WCRWSP).
CONTACT PERSON	Michael Mann – Public Works Director
SUMMARY	<p>Our agreement with GBRA requires that we declare our annual commitment for treated water prior to the end of each calendar year. This is the volume of water that we would actually receive out of our total reservation amount from the Western Canyon Regional Water Supply Project. We receive this water from GBRA on a constant flow basis throughout the year.</p> <p>Our annual commitment history:</p> <ul style="list-style-type: none"> • 2006 – (initial availability) - 500 acre-feet (AF) of the 1,861 AF reserved. • 2007 – (additional supplies made available by GBRA) – 600 AF of 2,351 AF reserved. • 2008 – (took over Esperanza supplies) – 975 AF of 3,611 AF reserved. <p>When we consider our annual allocation, we need to examine the availability of our other water supplies and financial costs to the system. Over the past year, GBRA's (Canyon Lake) water has accounted for 47% of our supply. Water from City Lake and the City Wells (total) has accounted for 26% and 27% respectively.</p> <p>Our average daily take from GBRA over the winter months (November-February) was about 878,000 gallons per day. Our average daily production from City Lake and City Wells over that same time period was 421,000 and 167,000 gallons, respectively. Thus, we have "room" in our system to take an average of 400,000-500,000 gallons more GBRA water per day if desired. However, once we ratchet our "take" upward, it cannot be reduced. Thus, we would be committing to taking that same increase from GBRA henceforth.</p> <p>The water we receive from GBRA is the most reliable resource to meet our future growth needs; but it is also by far our most expensive water. In round numbers, we estimate that treated</p>

	<p>well water costs us about \$0.50 per thousand gallons to produce. City lake water costs us about \$1.50 per thousand gallons to pump and treat. Treated water from GBRA costs approximately \$3.00 per thousand to purchase.</p> <p>So, increasing our annual commitment from GBRA, thereby reducing our production from our lake and wells, would result in a net increase in treated water cost. On the basis of the above information, the net increase in cost to the ratepayers would be in excess of \$300,000 per year if we were to increase our annual commitment by 500 A-F per year.</p> <p>Drought conditions have significantly subsided over the past few months. Thus, we do not anticipate having trouble meeting our consumption demands with our current GBRA allocation along with our other resources. Considering this along with the above described budgetary issues, Staff recommends that we retain our current annual commitment (975 acre-feet per year) from GBRA for calendar year 2016.</p>
COST	N/A
SOURCE OF FUNDS	N/A
ADDITIONAL INFORMATION	

This summary is not meant to be all inclusive. Supporting documentation is attached.

Form Revised 10/13/15