ACTION BRIEF BOARD OF DIRECTORS



Agenda Number 8.c.1

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MEETING DATE: Thursday, November 2, 2023

AGENDA ITEM: Discussion and Consideration of Action to Approve a Purchase and Sale Agreement

for Long-Term Storage Credits between CAWCD/CAGRD and Liberty Utilities

(Groundwater Replenishment^) - Brooks

RECOMMENDATION: The CAGRD and Underground Storage Committee recommends that the Board

approve the Purchase and Sale Agreement for Long Term Storage Credits between

Laura Grignano

CAWCD and Liberty Utilities.

FISCAL IMPLICATIONS: Yes

Impact on Budget:

None

Additional spending authority requested: None

Impact on Reserves:

The acquisition requires an expenditure of \$4,000,000 from the Infrastructure and Water Rights fund.

Impact on Rates:

None

LINKAGE TO STRATEGIC PLAN, POLICY, STATUTE OR GUIDING PRINCIPLE:

Groundwater Replenishment: Fulfilling CAP's groundwater replenishment responsibilities in accordance with statutory requirements

PREVIOUS BOARD ACTION/ACTIVITY:

CAGRD & Underground Storage Committee, Discussion of CAGRD Long Term Storage Sept. 21, 2023

Credit Purchases

CAGRD & Underground Storage Committee, Discussion and Consideration of Action to Oct. 19, 2023

Recommend the Board Approve a Purchase and Sale Agreement for Long-Term Storage

Credits between CAWCD/CAGRD and Liberty Utilities

ISSUE SUMMARY/DESCRIPTION:

CAGRD staff have developed a long-term storage credit (LTSC) acquisition opportunity with Liberty Utilities for the purchase of 10,000 LTSCs in the Phoenix AMA. These credits were developed through delivery of effluent to the Roosevelt Irrigation District Groundwater Savings Facility. The credits will be purchased for \$400/LTSC, or a total cost of \$4,000,000. The price for these credits is consistent with the two previous credit purchases that CAGRD has completed in 2023 and is reflective of the current market for LTSCs in the Phoenix AMA. If approved by the Board, the credits will be transferred and payment approved by early December.

SUGGESTED MOTION:

I move that the CAWCD Board approve the Purchase and Sale Agreement for Long Term Storage Credits between CAWCD and Liberty Utilities.

ATTACHMENTS:

- Presentation Liberty-CAWCD Credit PSA 2023 acquisition 1. 2.