

**MEMORANDUM**

To: Water Advisory Committee

July 29, 2021

From: Drew McIntyre, TAC Chair  
Jennifer Burke, TAC Vice Chair

Subj: SCWA Water Shortage Allocation Methodology Update

**RECOMMENDED ACTION:** Information Only.

The April 5<sup>th</sup> Special WAC meeting included an update on the history of SCWA water shortage allocations since 2007. The allocation of water during shortage conditions is described in the 2006 Restructured Agreement for Water Supply executed between SCWA and the eight Water Contractors. In particular, Section 3.5 of the Restructured Agreement describes a specific approach to allocate water during water shortage conditions. An annual shortage allocation model was initially developed in 2006 for SCWA using the methodology described in the Restructured Agreement and subsequently adopted by the SCWA Board of Directors the same year.

In 2007 and 2009 different versions of an allocation methodology were used by SCWA to reduce Russian River deliveries. Section 3.5 of the Restructured Agreement also allows the Water Contractors, by unanimous vote, to determine an alternate allocation methodology. The WAC utilized this provision to approve an alternate method of allocation among the Water Contractors in 2007 but elected not to do so in 2009.

In 2010, SCWA began working with the Water Contractors to develop a new annual water shortage allocation methodology. In March, 2014, the WAC temporarily approved a new SCWA Water Shortage Allocation Methodology (2014 Methodology) that had a termination date of July 1, 2016. From March 2014 through July 2016, the Water Contractors worked to finalize the 2014 Methodology without success. Upon expiration of the 2014 Methodology, the adopted methodology reverted back to the 2006 shortage allocation model in place.

Since the April 5<sup>th</sup> WAC update, SCWA staff and TAC members have been meeting regularly to build upon the successful work that led to the WAC's initial unanimous approval of the 2014 SCWA Water Shortage Allocation Methodology. Our goal was to have an updated allocation methodology ready for WAC approval as early as the August 2<sup>nd</sup> WAC/TAC meeting. We have made good progress but more time is needed as we work on ensuring unanimous support. TAC leadership is now requesting adding a Special WAC meeting to the regularly scheduled September 13<sup>th</sup> TAC meeting for approval of an updated allocation methodology (included under Agenda Item 15 – Items for the Next Agenda).