



CITY OF NEEDLES, CALIFORNIA STAFF REPORT

MEETING TYPE: Regular

MEETING DATE: February 27, 2024

TITLE: Approval of California Colorado River Contractors Forbearance Agreements for 2023 Conservation Agreements Under the Lower Colorado River Conservation and Efficiency Program

This Agreement is similar to the Exhibit to the 2007 Forbearance Agreement approved by the Council on February 13, 2024. In approving this agreement, Needles agrees not to claim any of the Colorado River water conserved by Colorado River Contractors in 2023.

BACKGROUND:

Since the mid-1900s, Needles has had a Surplus Contract with the US government that entitled the City to withdraw up to 10,000 feet of water from the Colorado River (via its groundwater pumps) whenever the flow of the Colorado River exceeded the needs of the entitled users (i.e., there was a Surplus). In the 1900s, the City often used the Surplus contract to augment its water entitlements. However, since the early 2000s, there has not been any naturally occurring surplus water, and it's unlikely there ever will again.

In the early 2000s, the US and the principal users of Colorado River water engaged in a series of negotiations for guidelines to address shortages of River water. Ultimately, various parties agreed to "forbear" and conserve certain portions of their entitled water so that there would be enough to go around when shortages occur. (Those agreements are currently being renegotiated to address the much more significant shortages that are foreseeable in the future.)

One of the shortage agreements is the 2007 Lower Colorado Basin ICS Forbearance Agreement. In that Agreement, various parties agreed to enact a series of conservation measures to create an "intentionally created surplus" (ICS) in which they would use less than their entitlements and be given credit for the amounts conserved (Under the historic use-it-or-lose-it rule, conserved water would be lost). Needles was not called upon to enact conservation measures but did agree to "forebear" using its surplus contract to grab any of the surplus water created by the other parties.

Several years ago, it became apparent that the conservation measures embedded in the 2007 Agreements would not be sufficient to address water shortages occasioned by the ongoing drought. The California Colorado Water Contractors voluntarily negotiated a series of additional agreements to conserve additional water in 2023. Once again, Needles is not being called upon to conserve but is being asked to forbear any claim to those additional conserved amounts in 2023.

Needles has historically supported efforts to conserve Colorado River water. Approval of the Agreement will not compromise the City's water rights.

FISCAL IMPACT: None

**ENVIRONMENTAL
IMPACT:** None

**RECOMMENDED
ACTION:** Approval of California Colorado River Contractors Forbearance Agreements
for 2023 Conservation Agreements Under the Lower Colorado River
Conservation and Efficiency Program

SUBMITTED BY: Rainie Torrance, Utility Manager

City Manager Approval: _____ **Date:** _____

Other Department Approval (when required): _____ **Date:** _____