

# Agenda Report

Date: April 5, 1999

**To:** City Council  
**From:** City Manager  
**Subject:** Authorization to Enter into an Agreement with Lincoln Avenue Water Company (Lincoln) to Lease Lincoln 200 Acre-feet of Groundwater in the Raymond Basin

## RECOMMENDATION

It is recommended that the City Council authorize the General Manager of Pasadena Water and Power to enter into an agreement with Lincoln Avenue Water Company to lease Lincoln 200 acre-feet of groundwater in the Raymond Basin in fiscal year 1998-99.

## BACKGROUND

The City of Pasadena (Pasadena) and Lincoln are water purveyors with groundwater rights in the Raymond Basin, which Pasadena overlies. The basin is comprised of three sub-basins: Monk Hill, Pasadena and Santa Anita. Pasadena has water rights in both the Monk Hill and Pasadena Sub-basins, while Lincoln only has water rights in the Monk Hill Sub-basin. Each Raymond Basin party is allotted annual groundwater rights every fiscal year (July 1, through June 30) by the Raymond Basin Management Board (Board). The Board administers the groundwater rights and groundwater storage space in the Raymond Basin.

Pasadena will have excess groundwater that it will not be able to produce in the Monk Hill Basin by the end of the fiscal year. The Board allows a water purveyor to carry over a limited amount of unused groundwater rights for the next fiscal year as well as to put a limited amount into a long-term storage account.

After exercising the carryover and long-term storage options, Pasadena will still have excess groundwater in the Monk Hill Sub-basin allotment that Pasadena will not be able to produce. If Pasadena does not produce the excess groundwater by June 30, 1999, Pasadena will lose the right to produce the water for this fiscal year. The Raymond Basin Judgment, under which all Raymond Basin parties operate and manage the

basin, stipulates that parties are able to voluntarily sell, lease, or exchange water or water rights in order to promote the efficient use of water in the basin.

Lincoln wants to lease the 200 acre-feet of excess groundwater from Pasadena in the Monk Hill Sub-basin for \$265 per acre-foot for a total of fifty-three thousand dollars (\$53,000). The unit cost includes the current rate for leased groundwater in the Raymond Basin plus associated operation and administrative costs. The proposed contract will expire on June 30, 1999.

The City and Lincoln have completed similar water agreements in the past, which have been beneficial and satisfactory to both parties.

The Environmental Administrator has determined that the lease of 200 acre-feet of water by Pasadena to Lincoln is exempt from the California Environmental Quality Act (CEQA) under Section 15061 (b) (3) of the CEQA Guidelines. This section is known as the "General Rule" and states that CEQA applies only to projects that have the potential for causing a significant effect on the environment, "Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA." The proposed lease does not authorize the withdrawal of any additional water from the Monk Hill Sub-basin of the Raymond Basin. It simply leases existing groundwater in this sub-basin from Pasadena to Lincoln. Lincoln will pump the water from wells in the Monk Hill Sub-basin.

### **FISCAL IMPACT**

The Water Fund will receive \$53,000 from Lincoln under the proposed groundwater lease agreement.

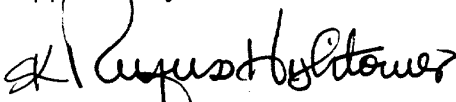
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