

Development of Mono County's Water Lease/Transfer Policies under the Walker Basin Restoration Program

Mono Resource Conservation District Meeting

September 26, 2016

PANORAMA
ENVIRONMENTAL, INC.

Summary of Presentation

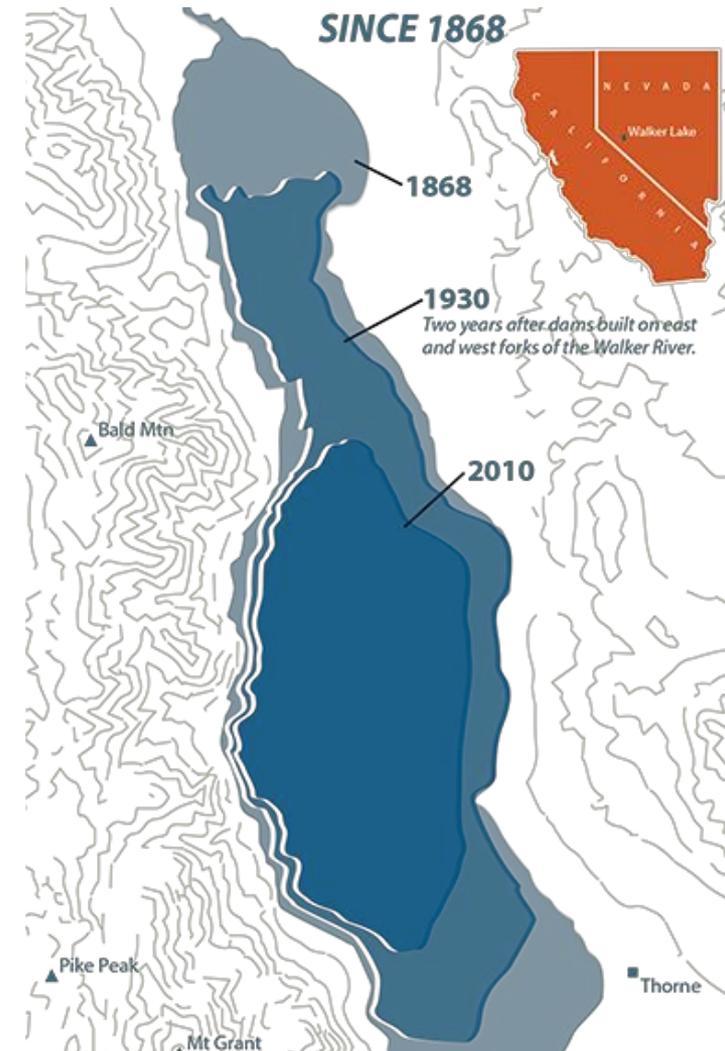
- Overview of Walker Basin Restoration Program and Mono County's potential involvement
- Objectives of Mono County's program and program definition/project description for CEQA review
- Alternatives considered under CEQA
- Outreach: Feedback we've received
- Timeline



Overview of the Walker Basin Restoration Program and Mono County's Potential Involvement

Overview of Walker Basin Restoration Program

- Program established 2009 by Congress to restore the ecological health of Walker Lake and its watershed
- Walker Basin Conservancy established in 2014, to lead the effort to restore and maintain Walker Lake while protecting the agricultural, environmental and recreational interests in the Walker Basin
- Restoration achieved through acquiring water decree rights to leave water on the Walker River



Mono County's Potential Involvement in Program

- A portion of the Walker Basin is in Mono County in California and could be part of the program
- Mono County is examining the potential risks, benefits, and procedural considerations involved in the establishment of a water transactions program within the California portion of the basin
- Participation by California water rights holders will require a General Plan Amendment to allow the transfers



2012 MOU between NFWF and Mono County

- MOU Mono County and NFWF (2012) -
 - **National Fish and Wildlife Foundation** agreed to not authorize expenditure from Desert Terminal Lake Fund on programs within Mono without concurrence from the County
 - **Mono County** agreed to review and consider approving proposals presented by RCD (or other parties) for implementation of short term lease or other proposals
 - **RCD** is interested in facilitating the development of information related to the California Program to aid design and implementation of programs



Mono County's Objectives and Program Definition/Project Description for CEQA Review

Mono County Objectives

- Ensure that any future program is consistent with existing General Plan policies
 - To develop a policy for water transfer that is consistent with County values
 - Maintain agricultural and rural ethos of the county
 - Retain and restore biological diversity
 - Enhance recreational opportunities for visitors
 - Identify sustainable limits for water transfer
- Undertake CEQA to assess the potential impacts of a water transfer program

Program Definition/Project Description under CEQA

- CEQA program definition/project description elements
 - Proposed County General Plan policies
 - Transaction scenario
 - Anticipated transaction types

County General Plan Policy Goals affected by a Water Transaction Program

GOAL 1

- Preserve natural open-space resources which contribute to the general welfare and quality of life for residents and visitors in Mono County and to the maintenance of the county's tourism economy.

GOAL 2

- Maintain an abundance and variety of vegetation, aquatic and wildlife types in Mono County for recreational use, natural diversity, scenic value, and economic benefits.

GOAL 3

- Ensure the availability of adequate surface and groundwater resources to meet existing and future domestic, agricultural, recreational, and natural resource needs in Mono County.

GOAL 4

- Protect the quality of surface and groundwater resources to meet existing and future domestic, agricultural, recreational, and natural resource needs in Mono County.

GOAL 5

- Preserve and protect agricultural and grazing lands in order to promote both the economic and open-space values of those lands.

Transaction Scenario

- Inputs

- What are the budgets at WRID and WBC?
- Acquisition strategy, i.e. how much will the programs focus on California?
- What water rights are available?
- Estimate of water purchase price

- Estimates

- Set upper boundary of likely transaction scenarios, i.e. how many water-righted acres could be transferred?
- Develop spatial distributions of potential transactions

Transaction Scenario: Walker Basin Water Rights

Type/Location of Water Rights	Acres	Estimates of Acres Acquired by WBC	Available Acres	Percent
Nevada				
Decree	55,857	6,000	49,857	42%
New Land	34,500	5,000	29,500	26%
Nevada Subtotal	90,357		79,357	68%
California				
West Walker	18,142		18,142	14%
East Walker	23,669		23,669	18%
Subtotals	41,834		41,811	32%
Totals All Rights	132,192		121,168	100%

Transaction Scenario: Estimated Available Water Rights in Walker Basin

Location	Decreed Water Rights		Storage Rights
	Acres	Rate (cfs)	Acre-feet
West Walker			
Antelope Valley	16,067	251	
Above Antelope Valley	2,075	33	>1,550
East Walker			
Bridgeport Valley	23,669	376	
Above Bridgeport Valley			6,410
Totals	41,811	660	>7,960

Transaction Scenario: Water Right Target Acquisition Upper Boundary

Equitable Water Acquisition between CA and NV

Item	Water Right Purchase	Water Rights Leasing
Remaining as of 2018 (\$ million)	108.30	25.00
Remaining as of 2021 (\$ million)	54.15	12.50
Max Portion to California (at 32%) (\$ million)*	18.95	4.00
Purchase Price per Wet Acre-Foot (\$/AF)	1,800	
Lease Price per Acre (\$/acre)		320
Wet Duty (AF/acre)	3.2	
Max Acre-Foot Purchased/Leased	10,528	
Max Acres Purchased/Leased	3,290	11,000
Portion of Total CA Acreage Water Rights	7.9%	

*unlikely that WBC could close any transactions in California until 2021.

Anticipated Transaction Types

- Water rights sale/leasing
 - Includes sale of water rights with and without the associated land
- Storage rights sale/leasing
 - Would need to analyze transfer in low, average and good years
- For all transactions analysis would need to describe the range of timing, location and extent of transactions



Alternatives Considered Under CEQA

CEQA Alternatives

- CEQA alternatives are driven by the significant environmental impacts
- Alternatives could include:
 - All transfer options with County regulation
 - All transfer options no County regulation
 - Storage water only
 - Leasing only
 - Includes temporary transfer of water rights
 - Sale of storage water
 - Reduced Target
 - No Project
- Additional Alternatives?



Outreach: Feedback we've received

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Conversations – Antelope Valley

- Water rights leasing possible
- Water rights sale possible owing to AVWMC managing water within the Antelope Valley
 - Price needs to be correct
 - Locations specific acquisition could be net benefit e.g. transfer of rights adjacent to riparian corridors

Conversations – Bridgeport Valley

- Water leasing and sale of storage water feasible
- Sale of water rights unlikely
 - Heavily constrained by existing agricultural conservation easement
- Management and opportunity to transfer water either:
 - a) Early season prior to irrigation season
 - b) Late season post irrigation season

Conversations – Resource Conservation District

- Agricultural Producers
 - Price – dependent on government appraisal rate
 - Conditions - Dependent on extent of County regulation
- Public
 - Antelope Valley - even partial de-watering will bring (partial) de-greening
 - Water rights sales could encourage farmers to sell off land for residential subdivisions
 - Bridgeport Valley – aggravation of existing sanctioned water quality problems
 - Mono County – potential reduction of property taxes for reduced production agriculture land and curtailed economic activity
 - Reduction of open space
 - Biological and cultural resource impacts
 - Visual impacts

Areas to Consider

- Potential issue areas* Maintain agricultural land use for economic base, open space, and rural character of the region
 - Maintain scenic qualities and aesthetic character of the region
 - Protect habitat values and species of concern
 - Protect wetland values
 - Protect groundwater resources
 - Maintain economic stability for both individuals and communities
 - Protect cultural resources
 - Protect other water users from injury
 - Transferring water across state lines
 - Conflict with existing conservation plans

*2014 RCD Feasibility Assessment of a Water Transactions Program in the Walker River Basin



Timeline

Timeline - Policy Development and CEQA

