



## **TITLE**

State Water Project Carryover Water Transfer

## **RECOMMENDATION**

Adopt a Resolution authorizing the Public Works Director to agree to the attached draft term sheets with San Geronio Pass Water Agency (SGPWA) for a total transfer of 510 AF of Carryover Water.

## **CONTACT**

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## **BACKGROUND & ANALYSIS**

### Background:

The City of American Canyon is a sub-contractor to the Napa County Flood Control and Water Conservation District (NCFCWCD) for the contract with the State of California for the water received from the State Water Project (SWP) via the North Bay Aqueduct. The terms of the agreement with NCFCWCD are specified in City Agreement No. 423, and subsequent Amendment No. 18, on April 5, 2022. The NCFCWCD is a member of the State Water Contractors Association, which is comprised of the 29 contractors for State Water Project water.

The City of American Canyon has invested in SWP Water Supplies since June 15, 1992, when it purchased its original entitlements for the State Water Project known as Table A water. The City of American Canyon has 5,200 Acre-Feet (AF) of annual Table A SWP Entitlements. Each calendar year the California Department of Water Resources (DWR) assesses the reservoir levels, snowpack, and overall state of the water supply in the SWP system and establishes a percent allocation of Table A entitlements each calendar year that can be delivered.

In select years, if the City does not consume all its Table A entitlements, and San Luis Reservoir does not spill, the unused water is reclassified as Article 56 water (c), or carryover water, which can be used the following calendar years. Carryover is additive year over year if Table A, South of Delta entitlement is not consumed by American Canyon has a yearly maximum of 50 percent of the Table A allocation. If San Luis Reservoir spills, there is a formula to which carryover is depleted. However,

historically Article 56 (c) stored water has been lost in its entirety during a spill event, and all carryover water is lost.

Analysis:

In 2023, the State Water Project (SWP) allocation for North of Delta contractors was 100%, which allowed the City of American Canyon to receive its full Table A allocation of 5,200 acre-feet (AF) and carry over 2,600 AF (50% of Table A maximum) into 2024. In 2024, the SWP allocation for North of Delta contractors is 65%, providing American Canyon with a Table A allocation of 3,380 AF. For 2025 the SWP allocation for North of Delta contractors was 70%, providing American Canyon with a Table A allocation of 3,853 AF and 3,228 AF of Carryover. The City transferred 1,075 AF in 2025. For 2026 the SWP allocation for North of Delta contractors is 40%, providing American Canyon with a Table A allocation of 2,080 AF.

NCFCWCD has confirmed San Geronio Pass Water Agency (SGPWA) would like to transfer 3,000 AF.

Under the water exchange formula with the City of American Canyon and NCFCWCD (17% of Carryover) 510 AF is available. After subtracting American Canyon's 2026 Table A use, this will impact the amount of carryover water available in 2027. Staff projects that 510 AF of unused Table A water in 2026 will carry over but will be lost in 2027. The City will still receive 2,080 AF of Table A water and 2,718 AF of Carryover at total of 4,798 AF in 2026. Fortunately, due to high allocations in water year 2023 (100%), 2024 (65%) and 2025 (70%) it is projected that with the sale of 510 AF over 2,718 AF of Carryover water will be available at the end of 2026.

DWR controls water levels in San Luis Reservoir by pumping water out of the San Joaquin-Sacramento River Delta, upstream from O'Neill Forebay. DWR has changed operations to pump water to the San Luis Reservoir this winter, due to access flows, high volumes, in part to maintain operational flexibility to move water to southern California SWP contractors without pumping at Banks Pumping Plant which has been subject to restrictions in recent years based on biological monitoring in the San Joaquin-Sacramento River delta. This operational change decreases the likelihood of San Luis Reservoir spilling and subsequent loss of the City's stored carryover water. As part of operational changes, DWR is also allowing for the sale of water amongst SWP contractors. San Geronio Pass Water Agency (SGPWA) who is currently interested in a water transfer totaling 510 AF of American Canyon's Carryover water. (SGPWA) will pay American Canyon for the water transfer separately at \$225/AF respectively.

NCFCWCD on behalf of City staff has facilitated an Agreement to execute the sale of water to San Geronio Pass Water Agency (SGPWA) who is willing to purchase up to 3,000 AF of water at \$225/AF from all three subcontractors (Cities of Napa, American Canyon, and Calistoga). NCFCWCD has created the attached draft term sheets for the agency to transfer water between agencies. American Canyon would transfer subject to the attached term sheets and the California Department of Water Resources (DWR) water transfer criteria, if draft term sheets are adopted by all agencies.

American Canyon will be able to reliably meet normal annual demands of approximately 2,300 AF

over the next two years while making normal withdrawals from Carryover 2,718 AF, Permit Water delivered to Cordelia Forebay 500 AF, and assuming SWP Table-A allocations are only 30% allocation levels 2,080 AF.

The SWP supply has the following additional water sources:

- Article 21 water that has averaged about 100 AF over the last four years for American Canyon, currently 181 AF is available in 2026.
- Dry Year Transfer and Yuba Accord water purchases, as available.

In addition, if there is a severe drought, staff will be requesting the Council adopt additional mandatory conservation stages that typically reduce demand by another 10% to 20%.

## **COUNCIL PRIORITY PROGRAMS AND PROJECTS**

Infrastructure: "Develop and maintain infrastructure resources to support sustainable growth."

## **FISCAL IMPACT**

There is no financial cost but only revenue potential. The amount of projected carryover water that will be lost in 2026 is 510 AF, however, if it is all transferred the revenue would be approximately \$114,750 and go into Account No. 510-80-810-36391 (North Bay Aqueduct). NCFCWCD has only identified one interested agency San Geronio Pass Water Agency (SGPWA).

## **ENVIRONMENTAL REVIEW**

This action is exempt from CEQA (Section 15301) in accordance with the Notice of Exemption filed by the Napa County Flood Control Water Conservation District.

## **COMMUNICATION**

Level 0: No Further Public Communication Needed

## **ATTACHMENTS:**

- [1. Resolution State Water Project Carryover Transfer](#)
- [2. 2026 SGPWA - NCFCWCD Transfer Agreement](#)