

EXHIBIT 31

Exhibit D

RESOLUTION NO. R-19-27

ADOPTING REPLACEMENT WATER ASSESSMENTS FOR YEARS 2016, 2017 and 2018 FOR ANTELOPE VALLEY STATE WATER CONTRACTORS ASSOCIATION

WHEREAS, the Antelope Valley Watermaster, formed by the Antelope Valley Groundwater Cases Final Judgment (“Judgment”), Santa Clara Case No. 1-05-CV-049053 signed December 23, 2015, is to administer the Judgment; and

WHEREAS, the Judgment provides that the Watermaster shall calculate, assess and collect Replacement Water Assessments pursuant to Section 9.2 of the Judgment; and

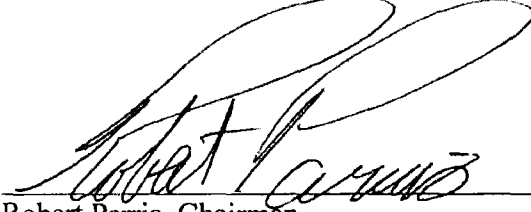
WHEREAS, the Watermaster has taken and considered public comment on the issue and has calculated that a Replacement Water Assessment of \$415 an acre foot for Producers within the Antelope Valley State Water Contractors Association (“AVSWCA”) boundaries in Years 2016 and 2017, and a Replacement Water Assessment of \$888 an acre foot for Producers outside the AVSWCA boundaries for Year 2016, \$896 an acre foot for Year 2017, and \$914 an acre foot for Year 2018, which are reflective of the proportional share of State Water Project fixed costs applicable to those Producers outside the AVSWCA boundaries, are consistent with the terms of the Judgment and are based on the actual cost of Replacement Water, including Watermaster spreading costs; and

WHEREAS, these Producers will also be responsible for applicable Administrative Assessments in addition to a Replacement Water Assessment.

NOW, THEREFORE, BE IT RESOLVED, that the Watermaster Board unanimously adopts a Replacement Water Assessment for Years 2016 and 2017 in the amount of \$415 an acre foot for Producers within the AVSWCA boundaries, and a Replacement Water Assessment in the amount of \$888 an acre foot in 2016, \$896 an acre foot for Year 2017, and \$914 an acre foot for Year 2018, for Producers outside the AVSWCA boundaries.

I certify that this is a true copy of Resolution No. R-19-27 as passed by the Board of Directors of the Antelope Valley Watermaster at its meeting held August 28, 2019, in Palmdale, California.

Date: 8/28/19


Robert Parris, Chairman

ATTEST: 
Patricia Rose – Secretary

AV State Water Contractors Boundaries

	Inside	Outside
2019	\$451.00	\$948.00
2018	\$415.00	\$914.00
2017	\$415.00	\$896.00
2016	\$415.00	\$888.00

**A N T E L O P E V A L L E Y
W A T E R M A S T E R B O A R D
M E M O R A N D U M**

DATE: August 21, 2019

TO: ANTELOPE VALLEY WATERMASTER BOARD

FROM: Mr. Matthew Knudson, Administrator
Mr. Peter Thompson, Jr., Assistant Administrator

RE: *SETTING REPLACEMENT WATER ASSESSMENT RATES FOR 2016 AND 2017 PRODUCTION WITHIN AND OUTSIDE OF THE ANTELOPE VALLEY STATE WATER CONTRACTORS ASSOCIATION BOUNDARIES; AND 2018 PRODUCTION OUTSIDE THE ANTELOPE VALLEY STATE WATER CONTRACTORS ASSOCIATION BOUNDARIES*

Recommendation:

Antelope Valley Watermaster Administrative staff recommends the Board Approve Resolution No. R-19-x, which sets the following Replacement Water Assessment Rates for producers inside and outside of the Antelope Valley State Water Contractors Association (AVSWCA) boundaries:

<u>Calendar Year</u>	<u>Inside AVSWCA Boundaries</u>	<u>Outside AVSWCA Boundaries</u>
2016	\$415/Ac-Ft	\$888/Ac-Ft.
2017	\$415/Ac-Ft.	\$896/Ac-Ft.
2018	Previously Approved	\$914/Ac-Ft.

The Antelope Valley Watermaster Board previously approved Resolution No.'s R-18-08, R-19-10, and R-19-11 which set the following Replacement Water Assessment Rates:

<u>Calendar Year</u>	<u>Inside AVSWCA Boundaries</u>	<u>Outside AVSWCA Boundaries</u>
2018	\$415/Ac-Ft.	See above
2019	\$451/Ac-Ft.	\$948/Ac-Ft.

Background:

The Antelope Valley Watermaster is compelled by the court to require groundwater pumpers to replace water in the Antelope Valley Groundwater Basin when they have pumped over their adjudicated right. The AVSWCA member agencies will be a primary source for providing this replacement water due to their collective ability to import water and recharge the basin. To this end, AVSWCA contracted with Raftelis to determine a rate structure that included replacement costs for pumpers both inside and outside of the AVSWCA collective service area. This is important as those pumpers within our service area have helped pay the fixed costs of the State Water Project (SWP) through their property taxes while those outside have not. The cost for

replacement water to be charged to pumpers is based on cost to deliver raw water plus an additional 10% to capture the loss of water expected when recharging the replacement water. Pumpers outside of our service areas will pay this rate plus a charge to cover their proportional share of SWP fixed costs.

Raftelis has provided the AVSWCA with the financial model that allows staff to update it on an annual basis to account for changes in the average consumer price index and the annual fixed costs and deliveries as updated in the Department of Water Resources' annual Bulletin 132.