



December 21, 2023

John Leahigh, Assistant Division Manager, Water Management
Department of Water Resources
Division of Operations and Maintenance
State Water Project
P.O. Box 942836
Sacramento, CA 94236

SUBJECT: FY 2023 - 2024 NDWA Annual Contract Payment – 1st Installment

Dear Mr. Leahigh

The North Delta Water Agency (NDWA) is in receipt of the Department of Water Resources (DWR) Annual Payment Obligation letter dated December 13, 2023. Enclosed are two checks, one in the Amount of \$9,166.55 for the 2023 adjustment and the other in the amount of \$274,563.49 for the first half of the NDWA 2024 annual payment in accordance with Article 10 of the 1981 Contract for the Assurance of a Dependable Water Supply of Suitable Quality (Contract).

Adjusted Annual Base Payment Obligation

NDWA is in agreement with the annual base payment obligation for the five-year period of 2022 through 2026 of \$814,141.25 per DWR's December 13, 2023 letter.

Reduction for DWR Lands as of December 1, 2023

In response to DWR's December 13th letter, NDWA is in agreement that NDWA and DWR will use the 288,000 acres to represent "all lands within the Agency's jurisdiction." NDWA and DWR staff have been meeting regularly to reconcile DWR owned lands. Most recently, on December 1, 2023, NDWA provided a list of parcels with agreed upon DWR acreage of 20,867.62 acres for 2023-2024 (to be used for NDWA's 2024 Contract payment calculations). During that discussion, for DWR's 2023-2024 acreage NDWA and DWR agreed to add grant deed FRP-0009 (2,149.09 acres, dated December 13, 2022) for a total of 23,016.71 acres (for NDWA's 2024 Contract payment). Unfortunately, in the summary table of the spreadsheet there was an error in the total tabulation which resulted in an incorrect total of 20,031.27 acres. The correct DWR acreage for 2023-2024 is 23,016.71 acres (for NDWA's 2024 Contract payment calculations).

Enclosed please find an updated spreadsheet to replace the December 1, 2023 version. This updated version includes the addition of FRP-0009 and the correction to the total summary tables. Therefore, NDWA's annual payment for 2024 is reduced by \$65,065.46 (equal to $\$814,141.25 \times \$23,016.71 \div 288,000$) to reflect DWR acreage. Below is a summary of the acreage by County.

2023-2024 DWR Owned Parcel Acreage	
County	Acreage
Sacramento	14,997.30
San Joaquin	104.62
Yolo	2514.93
Solano	5,399.86
Total	23,016.71

Reduction for Department of Fish and Wildlife Lands as of December 1, 2023

For the lands owned by the California Department of Fish and Wildlife (CDFW), the NDWA additionally subtracted \$199,948.80 from the Contract first payment, which reflects the FY 2023-24 assessment amount owed by CDFW pursuant to NDWA Invoice #2934-REV dated 10/30/2023.

Adjustment to 2023 Annual Payment

NDWA agrees that the coordination this past year between NDWA and DWR staff resulted in an acreage of DWR owned lands of 17,493.36 acres for 2022-2023. This represents a reduction of 3,220 acres for the 2023 Contract payment. Therefore, the adjusted NDWA payment obligation for the 2023 Contract payment is an additional \$9,166.55 for that year, which is subsequently owed to DWR and is included in a separate payment with this letter.

Summary

As described above, the enclosed NDWA payment for 2024 represents adjustments authorized in two MOUs allowing NDWA to reduce payment amounts based on acreages owned by DWR and CDFW shown in table below. Enclosed with this letter is the 1st Installment of \$274, 563.49 that is due by January 1, 2024. Also enclosed is a second check for the \$9,166.55 which covers the adjustment to the 2023 Contract payment. If you have any questions, please contact our office.

2024 Base Contract Payment		\$ 814,141.25
Reduction for DWR Lands	-	\$ 65,065.46
Reduction for CDFW Lands	-	\$ 199,948.80
Total Amount owed to DWR	=	\$ 549,126.99
1st Installment		\$ 274,563.49
2nd Installment		\$ 274,563.50

Sincerely,

Cindy Tiffany, Assistant Manager