



Westlands Water District

3130 N. Fresno Street, P.O. Box 6056, Fresno, California 93703-6056, (559) 224-1523, FAX (559) 241-6277

February 19, 2016

This notice contains important information about the following:

- **2015-2016 Rescheduled Water**
- **2016-2017 CVP Contract Allocation**
- **2015-2016 Supplemental Water Update**
- **2016-2017 Supplemental Water Application – Response May Be Required**
- **2016-2017 Canal Integration Program**
- **2016-2017 Budget, Water Rates and Charges Approved**
- **2016-2017 Land-Based Charges**
- **2016 Repayment Contract Benefit Assessment**
- **Amendment of Rules and Regulations, Article 2. Regulations for the Allocation and Use of Agricultural Water Within Westlands Water District**
- **Reclamation Law Forms Reminder**
- **Lease of District Owned Land**
- **Annual Water User Workshop**

2015-2016 Rescheduled Water

The District will have approximately 202,000 acre-feet of water in San Luis Reservoir on March 1, 2016, if demands for water and transfers into the District match staff's projections through February. San Luis Reservoir is not projected to fill this year, so the District anticipates the ability to reschedule water into the 2016 water contract year will not be limited. The rescheduling charge is projected to be \$9.25/AF.

2016-2017 CVP Contract Allocation

District staff expects that the initial allocation by the Bureau Reclamation to Central Valley Project south-of-Delta agricultural water service contractors will be 0% for the 2016-2017 water contract year, because no 2016-17 CVP water will have been stored in San Luis Reservoir by March 1, 2016. If wet hydrologic conditions persist on the San Joaquin River watershed, thereby reducing the impact from the Old and Middle River reverse flow restrictions, the final allocation by Reclamation could be higher. However, any CVP allocation to agricultural water service contractors is expected to be made in the latter part of the spring.

The CVP currently has approximately 4.64 million acre-feet of water in key reservoirs; this represents approximately 65% of the 15-year average. Storage in Shasta Reservoir is approximately 2.57 million acre-feet; 85% of normal for this time of year. Federal storage in San Luis Reservoir is approximately 254,000 acre-feet; 64% of the 15-year average. Jones Pumping Plant is currently operating at about 60% of capacity and has pumped approximately 65,000 acre-feet thus far in February.

2015-2016 Supplemental Water Update

The District received timely 2015-2016 Supplemental Water applications for approximately 260,000 acre-feet on 411,800 acres. The District allocated an additional 59,159 acre-feet on February 12, 2016, bringing the total for the year to 109,783 acre-feet. The delivered cost to water users is expected to be about \$1,300 per acre-foot.

2016-2017 Supplemental Water Application - Response May Be Required

The District is planning to acquire supplemental water from multiple sources for the 2016-17 water contract year. It is estimated that the delivered cost to water users will be in the range of \$900 - \$1,200 per acre-foot. The District anticipates that a partial allocation of Supplemental Water to water users could occur in late spring, but the majority of the Supplemental Water will be allocated in late fall.

When the allocation of Supplemental Water occurs, the quantity allocated to a water user account is a proration based upon the water available at that time and the number of irrigable acres associated with accounts that have outstanding requests. When an account's request has been fulfilled, it will no longer receive allocations, and the irrigable acres associated with that account will not be factored into subsequent allocations. Accordingly, water users with relatively high per acre requests will receive the bulk (increment above the pro-rata amount) of their request later, if water is available.

Advance payment for acquisition costs of the water is required at the time of allocation, while operation and maintenance related costs will be billed when the water is used. The District will notify water users regarding the allocation advance payment when acquisition costs are more certain. The allocation advance payment will apply toward the delivered Supplemental Water rate. If an advance payment is delinquent for 30 days or more, the District may withdraw the water made available for allocation to a water user and reduce the water user's outstanding request by the same amount. The water will be allocated to water user accounts as Project water or non-Project water (if available), allowing Full-Cost rates to be applied as required by Reclamation law.

If you need Supplemental Water, please complete the enclosed agreement and return it to the Fresno Office by close of business on March 31, 2016. The agreement may be mailed to Westlands Water District, P.O. Box 6056, Fresno, CA 93703, but agreements not received at the District by the due date will not be considered timely (regardless of the postmark). You may also hand deliver the agreement to the District's Fresno Office at 3130 N. Fresno Street. Requests received after the deadline will receive a lower priority for allocations and will be filled on a first-come, first-serve basis. Please direct questions to your Customer Accounting Technician at (559) 241-6250.

2016-2017 Canal Integration Program

The District is planning to operate the Canal Integration Program (CIP) under its Warren Act contract with the Bureau of Reclamation for the conveyance of non-Project groundwater in the San Luis Canal. Staff anticipates restarting the program on or about April 1, 2016, when final approvals for CIP pipeline crossings are received from the Department of Water Resources. Water users that are interested in participating in the CIP should direct any questions to Charlotte Gallock at (559) 241-6244 or Israel Sanchez at (559) 241-6237.

2016-2017 Budget, Water Rates and Charges Approved

At the February 16, 2016 meeting, the Board of Directors approved the 2016-2017 budget, water rates, and charges. The budget totals \$225,580,500 and may be revised when the final water supply is determined, if warranted. The budget provides funds for water and power purchases and the operations, maintenance and administrative activities of the District. The budget also includes funding for coordination with other agencies and contractors on water supply matters; legal challenges to our water supplies; and Westlands Water Quality Coalition activities.

The water rates and charges are based upon 183,498 acre-feet of water from all sources. With this total supply, the District O&M rate is \$108.05 per acre-foot. The Board also approved land-based charges for long-

term water supply debt service, District water supply debt service, extraordinary repairs of distribution system pipelines, and operations and maintenance costs. A drainage service area land-based charge was approved on behalf of associated landowners for litigation activities. In addition, a Westlands Water Quality Coalition charge was approved to cover the costs associated with administering this program.

Water users should also note that approved Account Monitoring Charges are \$11,977 each month when any billed overuse occurs, and \$559 for those who are subject to Advance Payment Monitoring. Water users can avoid these charges by discontinuing water use when their water supply is exhausted, and making payments timely in compliance with District regulations. Tools are available on the customer section of the District's website to help water users determine when they will run out of water. Contact your Customer Accounting Technician if you need assistance with website data or to establish a secure login.

The complete list of rates, charges and credits may be found on the District's website at www.wwd.ca.gov. From the home page, point to the *Water & Power* tab and click on the *Water Rates* tab.

2016-2017 Land-Based Charges

The bills for the 2016-2017 Land-Based Charges will be mailed on or about March 4, 2016, with the first installment due March 25, 2016, and the second installment due September 25, 2016. A penalty will be added to unpaid charges on the day following the payment due date. Please contact Deborah Tuggle at (559) 241-6212 for additional information about Land-Based Charges.

2016 Repayment Contract Benefit Assessment

At the February 16, 2016 meeting, the Board of Directors adopted the Schedule of Per Acre Valuations for the 2016 Repayment Contract Benefit Assessment and set the Equalization Hearing date of May 17, 2016 for equalizing the Assessment Roll and setting the benefit valuation rates.

Amendment of Rules and Regulations, Article 2. Regulations for the Allocation and Use of Agricultural Water Within Westlands Water District

It is anticipated that the Board of Directors will consider amending Article 2 of the District's Rules and Regulations at its April 19, 2016 meeting, to incorporate policies the District has historically observed for water user transfers from sources outside the District and for Rescheduled Water. The amendments also update the water supply, terms, definitions and other provisions affected by the *Sagouspe* agreement. The District's Water Policy Committee has completed its review of the proposed revised Article 2, and the Finance & Administration Committee will review it in March, before this matter goes to the Board.

Reclamation Law Forms Reminder

Reclamation Law Forms were due to the District on February 1, 2016, and are now considered late. Lands will be ineligible for water service in the new water year until all forms are submitted and processed by the District. All forms will be processed on a first come, first serve basis. Water users with leases should check with their landowners to ensure forms for their leased lands have been submitted. If you have not already turned in your forms, please do so immediately. Please direct questions to Customer Accounting at (559) 241-6250.

Lease of District Owned Land

The District has land available for lease in Fresno and Kings Counties. For a detailed list of available land, please contact Cork McIsaac of Agriculture Industries, Inc. at (916) 372-5595 or (800) 822-1415.

Annual Water User Workshop

The annual water user workshop will be held on Tuesday, March 15, 2016, at 1:30 p.m., at the District's Five Points Field Office. District staff will provide updates on District activities and other matters. An agenda for the workshop is attached.

No. 468

**2016-2017 AGREEMENT TO ACCEPT AND
PURCHASE SUPPLEMENTAL WATER**

Water User Name _____ Telephone No. _____

WWD Account No. _____ Amount Requested (AF) _____

- I request **only** supplemental non-Project water.
- I will take **either** supplemental non-Project or supplemental Project water.
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I, herein referred to as "Water User", hereby request that the District purchase on my behalf the amount of water requested above for the March 2016 – February 2017 Water Year and agree, as a condition of the allocation and furnishing of any agricultural water during that water year and in accordance with the District's Regulations, policies, and applicable agreements, as follows:

1. To accept, if and when provided by the District, the total amount of Supplemental Water requested herein. Notwithstanding the foregoing, the District will not allocate water to land for which charges or assessments have been delinquent for 30 days or more at the time water is allocated or to any land for which advance payment is required until such advance payment is received, or in lieu thereof security, in a form acceptable to the General Manager, for such payment has been provided.
2. To purchase the requested quantity of water if the District makes the water available. I understand, however, that I can revoke this agreement by written notice to the District, provided the District has not already agreed with other agencies to acquire water on my behalf.
3. Water will become available as it is acquired and is dependent on various factors, including excess capacity available in the Central Valley Project and State Water Project.
4. To pay the actual delivered cost of Supplemental Water, to make advance payment for such water purchased on my behalf by the District at the time payment is requested and to make all payments by the due dates specified in the District's Terms and Conditions for Agricultural Water Service.
5. The District, in its sole discretion and dependent upon actual water supplies for the year, may withdraw water made available for allocation, and reduce my outstanding water request by the same amount, if any advance payment for such water is delinquent for 30 days or more.
6. Except as otherwise provided by the District, to remain liable to the District for any unused portion of the water unless the District is able to sell the water to another water user or the water has been transferred to another water user.
7. To comply with the Terms and Conditions for Agricultural Water Service and the Regulations for the Allocation of Agricultural Water, copies of which will be furnished upon request, both of which are incorporated herein as though set forth at length.
8. Allocation calculations will be based on irrigable acres as determined by U. S. Farm Service Agency or District measurements.

9. The District will notify Water User as to the amounts of water allocated to him and maintain a record of the revisions, if any, of his allocated water supply.

10. The District may use any funds held for the benefit of or on behalf of Water User to pay or offset any monetary obligation Water User has to the District.

11. Water User hereby further agrees that there are no intended third party beneficiaries to this Agreement and nothing contained herein, expressed or implied, is intended to give to any person, partnership, corporation, joint venture, limited liability company or other form of organization or association any right, remedy or claim under or pursuant hereto, and any agreement or covenant required herein to be performed by or on behalf of Water User or the District shall be for the sole and exclusive benefit of Water User or the District.

Date _____ Print Name _____

Signature _____

Please complete this agreement and return it to the Fresno Office no later than close of business, March 31, 2016. Mail it to: Westlands Water District, P.O. Box 6056, Fresno, CA 93703. Requests postmarked, but not received by the due date are not considered timely.

Westlands Water District Annual Water Users' Workshop

Tuesday, March 15, 2016

1:30 p.m.

Westlands' Five Points Shop and Field Office

Program

Welcome

*Don Peracchi, President
Board of Directors*

Introductions, Opening Comments and Matters of Interest

Tom Birmingham, General Manager

Water Supply Outlook for 2016-2017 CVP Allocation, Rescheduling & Transfers

*Jose Gutierrez, Deputy General Manager – Resources
Ron Milligan, Operations Manager, Central Valley Operations*

2016-2017 Adopted Budget, Water Rates, Charges & Assessments

Bobbie Ormonde, Director of Finance & Administration

Groundwater Conditions

Jose Gutierrez

Sustainable Groundwater Management Act (SGMA)

Jose Gutierrez

Questions & Answers

Tom Birmingham