

Westlands Water District

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December 1, 2014

This notice contains important information about the following:

- CVP Water Supply Update
- Supplemental Water Update
- 2015-2016 Agricultural Water Allocation Applications Due January 15, 2015
- Landowner Responsibilities
- Assessments and Land-Based Charges
- Backflow Prevention
- Lease of District Owned Land
- Holiday Office Closures and Water Ordering Procedures

CVP Water Supply Update

The CVP has approximately 2.6 million acre feet of water in key reservoirs; this represents approximately 43% of the 15-year average. Storage in Shasta Reservoir is approximately 1.05 million acre-feet (45% of 15-year average). Federal storage in San Luis Reservoir is approximately 185,000 acre-feet (38% of 15-year average). With the Jones Pumping Plant continuing to operate at about 20% capacity and not expected to increase in the immediate future, the federal share of San Luis Reservoir is unlikely to fill by February 28, 2015.

Based upon these conditions and certain assumptions concerning hydrology, District staff is projecting the ranges of potential Central Valley Project allocations for the 2015-2016 water year as follows:

2015 Contract Year South-of-Delta CVP Water Supply Allocation Forecast							
	Delta Restrictions Imposed Under Biological Opinions						
	Maximum		Moderate		Minimal		
Water Year Type	Initial Allocation	Final Allocation	Initial Allocation	Final Allocation	Initial Allocation	Final Allocation	
Wet	0-10%	35-45%	0-25%	35-50%	0-25%	50-65%	
Above Normal	0-5%	25-30%	0-10%	25-35%	0-15%	35-50%	
Below Normal	0%	0-15%	0%	0-20%	0%	0-50%	
Dry	0%	0%	0%	0-5%	0%	0-10%	
Critically Dry	0%	0%	0%	0%	0%	0%	

Supplemental Water Update

The District received timely Supplemental Water applications for approximately 247,000 acre-feet (AF) on 368,000 acres. The District believes that it can acquire approximately 100,000 AF of Supplemental Water, although the efforts to acquire additional water are ongoing. Based upon this total, District staff estimates that water users could receive up to 0.27 AF/acre on the irrigable acres represented by the water user account listed on the application.

The District made 29,460 AF available for allocation to water users in November, bringing the total Supplemental Water available and/or allocated to-date to 60,200 AF. Reclamation completed the export of north-of-Delta transfers on November 15, 2014. Following Reclamation and the Department of Water Resources calculation of the final

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carriage water loss applied to transfers, and final accounting of the north-of-Delta transfers, the District will be able to allocate the balance of the Supplemental Water to water users.

The District estimates that the Supplemental Water delivered cost to water users will be in the range of \$800-\$900 per acre-foot. Advance payment for the acquisition cost of the water is required at the time of allocation.

2015-2016 Agricultural Water Allocation Applications Due January 15, 2015

Water users will receive their 2015-2016 Agricultural Water Allocation Application packets during the first part of December. Landowners will not receive packets unless they are also water users or have requested them previously. <u>Applications are due at either the Fresno or Five Points Offices by 5 p.m. on or before January 15, 2015.</u>

Typically, the landowners' tenant farmers will submit the allocation applications. However, landowners may apply for allocations, especially if more direct control of the allocation to their land is desired or tenants have not been selected. In these situations, landowners are reminded that the costs associated with water applied for and allocated must be paid, even if the water is not used.

If more than one application is received for the same parcel of land, priority will be given to the landowner in accordance with the District's rules and regulations. If no applicants own the land, priority will be given to the water user who provides evidence of the right to occupy the land and receive the allocation.

This year, the District will also be requesting an estimate of the number of acres you expect to fallow in the 2015-2016 water year. Providing this information will not affect your request for a water supply allocation; it will only be used to educate the public on how the continued lack of water supply is impacting our water users.

Landowner Responsibilities

As a courtesy each year, the District reminds landowners of their responsibilities as property owners in Westlands. Landowners are ultimately responsible for the payment of all District assessments, land-based charges and water charges attributable to their property. Any private agreement with tenants for use of the land does not relieve landowners of their responsibility for paying these costs. Landowners must enforce leases between lessors and lessees. Landowners should be aware of the following obligations regarding their property:

<u>Assessments</u>: Westlands uses a "benefit valuation" method in establishing assessments. Lands are assessed annually based on the relative benefits that they receive from the District. Assessment statement billings are mailed to District landowners and normally become delinquent in mid-November of each year. If an assessment becomes delinquent, the following actions are taken:

- > A 5% penalty is assessed.
- > Agricultural water service is discontinued.
- Any remaining water allocation applicable to the water user is not available for transfer, but the cost for such water must still be paid.
- > A lien is recorded against each delinquent parcel.
- ➤ A \$17 or \$12 recording fee is imposed against each delinguent parcel.
- A publication fee is imposed against each delinquent amount (in the past this amount has varied from \$30 to \$200).
- Interest charges accrue against the delinquent amount at 9% per annum.
- Neither contract water nor any other water will be allocated to any land for which assessments have been delinquent for 30 days or more at the time the water is allocated.

<u>Land-Based Charges</u>: Land-based charges may be imposed by the Board of Directors, after a hearing is held and absent written protest from a majority of affected landowners. The hearing is typically held in February, although additional hearings may be held if new charges are implemented or if warranted by other circumstances. Landbased charges anticipated for next year are for costs related to a portion of the District's operations and

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maintenance activities, District water supply, long-term water, extraordinary repairs of pipe and certain litigation. Land-based charges are normally due March 25 and September 25, and if they become delinquent the following actions are taken:

- > A penalty ranging from 2% to 10% is assessed and interest charges of 1.5% per month are applied.
- Agricultural water service is discontinued.
- Any remaining water allocation applicable to the water user is not available for transfer, but the cost for such water must still be paid.
- > If left unpaid, charges are transferred to the District's assessment roll and become a lien against the land.
- ➤ Neither contract water nor any other water will be allocated to any land for which charges have been delinquent for 30 days or more at the time the water is allocated.

<u>Water Charges</u>: Landowners are financially responsible if their tenants do not pay their water bills. Water users have approximately 25 days to pay for water charges billed for the previous month. Bills not paid by the due date are considered delinquent. Landowners are notified of the delinquent account by mail. These bills may include charges for:

- > CVP water, District water supply or long-term water allocated to the land, and any other water transferred into the water user's account. Other water may come from a variety of sources with costs substantially higher than CVP water.
- Water delivered to the land.
- Reduction in future year's water supplies for overused water, unless the water user purchases additional water to replace the overused amount.
- Unused water, if the water user does not reschedule it or does not find a buyer for the unused amount.
- Miscellaneous charges for M&I water costs, CVP Improvement Act Restoration Fund Costs, or other service charges.

If water charges become delinquent, the following actions are taken:

- > A penalty ranging from 2% to 10% is assessed and interest charges of 1.5% per month are applied.
- Agricultural water service is discontinued.
- Any remaining water allocation applicable to the water user is not available for transfer, but the cost for such water must still be paid.
- ➤ If left unpaid, a Certificate to Secure Delinquent Water charges is filed against the water user on all lands owned within Westlands Water District.
- ➤ If the account remains unpaid, charges will be transferred to the District's assessment roll in May of each year and a Certificate of Sale will be filed against the land where the water was used if delivered or allocated if unused.
- ➤ Neither contract water nor any other water will be allocated to any land for which charges have been delinquent for 30 days or more at the time the water is allocated.

The information listed above summarizes the financial obligations landowners and water users have to the District. If you have any questions regarding this information, please do not hesitate to contact the Customer Accounting Department at (559) 241-6250. We look forward to working with you in the upcoming water year.

Assessments and Land-Based Charges

The 2014 Repayment Contract Assessments were delinquent after November 20, 2014. Land-based charges were due May 25, 2014 for the first installment, and September 25, 2014 for the second installment. Unpaid assessments and land-based charges will result in the interruption of water service to the water user until payment is received.

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Contact Deborah Tuggle at (559) 241-6212 for payoff amounts.

Backflow Prevention

The District reminds all water users that they are to configure their on-farm distribution system and install appropriate equipment to prevent water from reverse-flowing into the District's deliveries and distribution system. Water users that are found to be out of compliance will be contacted and asked to re-configure their system(s) or install appropriate equipment. Failure to comply could result in termination of water service at the affected deliveries.

Lease of District Owned Land

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

Holiday Office Closures & Water Ordering Procedures

District offices will be closed on Wednesday, December 24, and Thursday, December 25, for the Christmas holiday; and Thursday, January 1 for New Year's Day. The affected water ordering deadlines are as follows:

For Water Use On	Place Water Order By
Wednesday - December 24	Tuesday, December 23, 9:30 a.m.
Thursday or Friday - December 25 or 26	Tuesday, December 23, noon
Thursday - January 1	Wednesday, December 31, 9:30 a.m.
Friday - January 2	Wednesday, December 31, noon

The emergency telephone number for after hours and holidays is (559) 224-1523.

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