June 24, 2016

This notice contains important information about the following:

- 2016-2017 CVP Water Supply Update
- San Luis Reservoir Refill Projection
- 2017-2018 Rescheduled Water
- Districts’ Rescheduled Water Policy
- 2016-2017 Supplemental Water Supply Update
- Canal Integration Program
- Sustainable Groundwater Management Act (SGMA) Update
- Repayment Contract Assessments
- Regulations Prohibiting Waste of Water
- Promoting Paperless Products
- State Water Efficiency and Enhancement Program
- Lands Available for Lease
- Holiday Office Closure & Water Ordering Procedures

2016-2017 CVP Water Supply Update

The Bureau of Reclamation’s allocation to Central Valley Project (CVP) south-of-Delta agricultural water service contractors is 5% for the 2016-2017 water contract year. Based on anticipated agreement between Reclamation and the fisheries agencies regarding Jones Pumping Plant summer operations, the District believes the allocation will remain 5%, but will not increase.

The CVP currently has approximately 6.9 million acre-feet of water stored in northern CVP reservoirs; this represents approximately 86% of the 15-year average. Storage in Shasta Reservoir is approximately 4.0 million acre-feet; 113% of normal for this time of year. Federal storage in San Luis Reservoir is approximately 189,000 acre-feet; 42% of the 15-year average. Jones Pumping Plant is currently operating at less than 20% of capacity and has pumped approximately 30,000 acre-feet thus far in June.

San Luis Reservoir Refill Projection

It is unlikely that the federal share of the San Luis Reservoir will fill. Jones Pumping Plant is expected to pump between 80%-100% of capacity during the summer, at or near capacity during the fall, with winter and spring pumping controlled by hydrology and regulatory actions. Although staff believes that the San Luis Reservoir will not fill, we will continue to monitor and provide water users with updated projections. In spite of the refill projections, water users are encouraged to manage their 2016 surface water deliveries to minimize the risk of losing water.
2017-2018 Rescheduled Water

To provide an equitable manner for the District to apportion water users’ allocation of Rescheduled Water, there is a 0.5 acre-feet per irrigable acre Acreage Based Cap for Rescheduled Water. Unless limited by the Bureau of Reclamation or the District, a water user may reschedule water in excess of the Acreage Base Cap, but water in excess of the cap would be the first water lost in the event the San Luis Reservoir is filled. Water users should also be aware that the Acreage Based Cap of 0.5 acre-feet per irrigable acre is not secure from loss.

Under Reclamation’s typical Rescheduling Guidelines, the quantity of water that may be rescheduled into the 2017-18 water contract year will be limited by Reclamation’s calculation of lost rescheduled water due to forgone pumping. That loss occurs when the District’s and other contractors’ south-of-Delta usage is less than Jones pumping, after San Luis Reservoir fills (see discussion above).

In recent years, the District’s ability to reschedule water was not limited by a full San Luis Reservoir. However, circumstances indicate that water users should be mindful of the storage conditions going into the 2017-18 water contract year, and water users should plan their 2016 surface water deliveries to minimize their risk of losing water. District staff will continue to provide monthly updates on the prospects for rescheduling water as the year progresses, and on the risks for losing water.

Districts’ Rescheduled Water Policy

Water users are reminded that the District’s Rescheduled Water Policy provides that any loss of Rescheduled Water will be apportioned in the following order and manner (without regard to water type):

1. Any remaining Rescheduled Water in excess of the Acreage Based Cap which is 0.5 acre-feet per irrigable acre.
2. Water rescheduled by the District.
3. Remaining Rescheduled Water.
4. Delivered Rescheduled Water in excess of the Acreage Based Cap.
5. Delivered Rescheduled Water within the Acreage Based Cap.

Also of note, the policy states that for any water lost, water users shall pay all water costs that the District incurs (e.g., acquisition costs, purchase premiums, etc.), any applicable District rates, the San Luis & Delta-Mendota Water Authority O&M rate and Reclamation’s rescheduling fee.

The District’s Board of Directors has the authority to modify the District’s Rescheduling Water Policy in order to respond to extraordinary circumstances or to be consistent with changes to Reclamation’s Rescheduling Guidelines. The District’s Policy for Rescheduled Water can be found on the District website here: http://wwd.ca.gov/wp-content/uploads/2016/06/water_rescheduled_policy.pdf.

2016-2017 Supplemental Water Supply Update

The District received timely applications for 2016-17 Supplemental Water totaling 142,500 acre-feet on 256,450 acres. It is estimated that the delivered cost to water users will be in the range of $700 - $750 per acre-foot. At this time, the District anticipates that it will be able to acquire approximately 125,000 AF (~0.48 AF/acre) of water supply and partially fulfill the requests. Advance payment for the acquisition costs of the water is required at the time of allocation, while conveyance related costs will be billed when the water is used.
Allocations of Supplemental Water began in May, and the timing and amounts of expected allocations for the year are shown in the table below. This schedule will continue to be updated monthly to reflect additional supplies and/or changes to the timing for delivery.

<table>
<thead>
<tr>
<th>Allocation Month</th>
<th>AF Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>April</td>
<td>0</td>
</tr>
<tr>
<td>May – Actual</td>
<td>11,039</td>
</tr>
<tr>
<td>June – Estimated</td>
<td>14,428</td>
</tr>
<tr>
<td>July – Estimated</td>
<td>45,000</td>
</tr>
<tr>
<td>August – Estimated</td>
<td>22,500</td>
</tr>
<tr>
<td>September – Estimated</td>
<td>17,000</td>
</tr>
<tr>
<td>October – Estimated</td>
<td>9,000</td>
</tr>
<tr>
<td>November – Estimated</td>
<td>5,000</td>
</tr>
<tr>
<td>December – Estimated</td>
<td>1,000</td>
</tr>
</tbody>
</table>

**Canal Integration Program**

The District began operation of the Canal Integration Program (CIP) on April 1, 2016, and will continue to manage the program until August 2016, or when the quantity of water conveyed reaches 30,000 acre-feet, whichever is sooner. About 16,000 acre-feet was pumped and conveyed in April and May. Water users interested in participating in the CIP should direct any questions to Charlotte Gallock at (559) 241-6244 or Israel Sanchez at (559) 241-6237.

**Sustainable Groundwater Management Act (SGMA) Update**

The California Water Commission adopted the final regulations for the development and implementation of the Groundwater Sustainability Plan (GSP) on May 18, 2016. The Board of Directors will hold public hearings at 29951 Omaha Avenue, Kettleman City, CA 93239 on **July 13, 2016**, commencing at 8:30 AM and at the District’s Fresno Office at 3130 N. Fresno Street, Fresno, CA 93703 on **July 19, 2016**, commencing at 1:00 PM, to consider establishing a Groundwater Sustainability Agency for the proposed Westside Subbasin Boundary. Serving as the GSA will promote local management of our groundwater resources. If the Board elects to serve as the GSA, the District could be deemed the exclusive GSA by December 2016. Please contact Kiti Campbell at (559) 241-6226 for additional information.

**Repayment Contract Assessments**

The 2016 Repayment Contract Assessment statements were mailed on June 10, 2016. The charges are due now and delinquent after November 17, 2016. A 5 percent penalty will be added after the delinquent date. Please contact Deborah Tuggle at (559) 241-6212 for additional information about Assessments.

**Regulations Prohibiting Waste of Water**

Water users are reminded that the District’s Rules and Regulations prohibit the waste of water. Failure to control and reuse tail water constitutes a waste of water. In addition, water users that fail to prevent tail water from discharging into west side creeks and streams are also in violation of the Regional Water Quality Control Board’s Order to growers in the Western Tulare Lake Basin Area and may be subject to individual waste discharge reporting and monitoring requirements.
Promoting Paperless Products

The District is pleased to offer the benefit and convenience of several paperless products for customers to manage their accounts electronically such as: water ordering, water order status, water exhaustion projection, month-end allocation, account water history, satellite imagery, interactive forms, water buy and sell offers, accounts receivable history, crop report data entry and penalty history. The website is at wwd.ca.gov. Water users may contact their Accounting Technician at (559) 241-6250 to set up a secure login or for assistance in using the various features of the customer section.

State Water Efficiency and Enhancement Program

In addition to the District’s EISIP program, the California Department of Food and Agriculture (CDFA) has announced a competitive application process for its 2016 State Water Efficiency and Enhancement Program (SWEEP) for projects that implement on-farm irrigation systems that reduce energy use resulting in greenhouse gas emission reductions and water savings. The CDFA anticipates awarding up to $18 million directly to agriculture operations for eligible projects. Grant applications are due by Friday, August 5, 2016, by 5:00 p.m. PST. For detailed information on eligibility and program requirements, please visit: www.cdfa.ca.gov/go/SWEEP.

Lands Available for Lease

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

Holiday Office Closure & Water Ordering Procedures

District offices will be closed on Monday, July 4, 2016, in observance of Independence Day. The affected water ordering deadlines are as follows:

<table>
<thead>
<tr>
<th>For Water Use On</th>
<th>Place Water Order By</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saturday or Sunday - July 2 or 3</td>
<td>Friday, July 1, 9:30 a.m.</td>
</tr>
<tr>
<td>Monday or Tuesday - July 4 or 5</td>
<td>Friday, July 1, noon</td>
</tr>
</tbody>
</table>

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

No. 475