

WESTLANDS WATER DISTRICT  
DELEGATION OF AUTHORITY  
for  
TRANSFER OF WATER OUT OF THE DISTRICT

To further Westlands Water District's ("District") goal of optimizing the reasonable and beneficial use of the District's Central Valley Project ("CVP") water supplies, the Board of Directors authorizes the General Manager or his designee, upon the request by a water user within the District ("Water User") and subject to conditions below, to authorize the transfer of the Water User's allocation of CVP water out of the District to an entity with a water banking program (Banking Partner) for the sole purpose of banking it for ultimate return to the District.

The delegation of authority is subject to the following conditions:

1. The District and the Banking Partner shall execute an agreement ("Banking Exchange Agreement") that provides the Banking Partner will:
  - a. Obtain all necessary authorizations, including approvals and permits, to carry out water banking activities within its groundwater basin; and
  - b. Make available in the Banking Partner facilities space to bank water in the amount that is proposed for transfer; and
  - c. Pay all conveyance costs necessary to transport the water for banking to the Banking Partner facilities; and
  - d. Return to the District within no more than 10 years, directly or through an exchange, a quantity of water equal to the quantity of water transferred and banked with the Banking Partner, less reasonable conveyance and aquifer losses.
2. The District and Water User shall execute an agreement ("Water Supply Agreement") that provides that the Water User will:
  - a. Obtain all authorizations from any other federal, state or local agency, required to transfer the water out of the District, bank the water with the Banking Partner, and return, directly or through an exchange, a quantity of water equal to the quantity of water transferred and banked with the Banking Partner, less reasonable conveyance and aquifer losses; and
  - b. Abide by the terms of the Banking Exchange Agreement; and
  - c. Except for those costs referenced in 1(c), above, pay all costs and fees associated with banking activities, including but not limited to costs of District staff time, District O&M, San Luis & Delta-Mendota Water Authority O&M; and
  - d. Document, to the satisfaction of the General Manager or his designee, that the water made available for banking is not available, either directly or indirectly, because of pumping of groundwater from wells within the District service area.
3. The District's General Manager, or his designee, shall only approve a transfer for banking if the General Manager, or his designee, concludes that:
  - a. The Water User has obtained all authorizations required to transfer the water out of the District, bank the water with the Banking Partner, and return, directly or through an exchange, a quantity of water equal to the quantity of water transferred and banked with the Banking Partner, less reasonable conveyance and aquifer losses; and

- b. The transfer for banking is consistent with federal and state law, including California Water Code section 35425, and the District's Rules and Regulations; and
  - c. The District's approval required for the transfer and banking activities is exempt from California Environmental Quality Act, as provided in and consistent with Article 15 of the District's Rules and Regulations.
4. Prior to the District staff scheduling the water for delivery to the Banking Partner, the Banking Partner and Water User shall pay all costs and fees required to transfer and bank the water with the Banking Partner, as provided in the Banking Exchange Agreement and Water Supply Agreement.
  5. Prior to the District staff scheduling the returned water for delivery to the Water User, the Banking Partner and Water User shall pay all costs and fees required to return (directly or through an exchange) to the District a quantity of water equal to the quantity of water transferred and banked with the Banking Partner, less reasonable conveyance and aquifer losses, as provided in the Banking Exchange Agreement and Water Supply Agreement.

Through formal action the Board of Directors may amend or rescind the delegation of authority hereby provided.