

**Proposed Guidelines for Colorado River Water Service Agreements For Use
Outside Improvement District No. 1 Boundary
Coachella Valley Water District (CVWD)
August 09, 2016**

The following provides the Background and the Guidelines for Colorado River Water Service Agreements For Use Outside Improvement District No. 1 Boundary (WSA-O-ID1). These Guidelines supersede the 2007 Guidelines for Direct and In-Lieu Groundwater Recharge Service Agreements. The Guidelines are consistent with previous Agreements executed by and between the United States, Coachella Valley Water District (CVWD), Metropolitan Water District of Southern California (MWD) and the Imperial Irrigation District (IID).

A. Background/Agreements:

1. Colorado River Water Delivery Agreement dated October 10, 2003, Article 4.h:

CVWD may utilize Colorado River water outside of Improvement District No. 1 to the extent consented to and agreed upon prior to or concurrent with the execution of this Agreement by IID and MWD.

2. Quantification Settlement Agreement dated October 10, 2003, Section 4.5 subparagraphs:

(1) Other than as provided in Section 3.6 of the IID/CVWD Acquisition Agreement, CVWD shall not utilize its water budget to facilitate any water use outside of Improvement District No. 1 other than for direct and in lieu groundwater recharge, and shall use its best efforts to utilize its water budget to address the groundwater overdraft problem in Improvement District No. 1 and to implement a program that is designed to achieve a safe yield within Improvement District No. 1 by the end of CVWD's water budget ramp-up in approximately Year 30.

and

(2) IID and MWD shall not object to the utilization of Colorado River water in the Coachella Valley, but outside Improvement District No. 1, in order to maximize the effectiveness of Improvement District No. 1's water use and recharge programs.

B. Guidelines:

1. Contracts Between CVWD and the United States – WSAs-O-ID1 are subject to all applicable provisions of the existing contracts, as amended, between CVWD and the United States for delivery of Colorado River water. There shall be no conflict between any WSA-O-ID1 and existing contracts between CVWD and the United States. In the

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event of any conflict, however, the contracts between CVWD and the United States shall prevail.

2. Application-The proposed WSA-O-ID1 Contractor (Contractor) must submit an application (Attachment A) that includes the following information:
 - a. Applicant (Property Owner) name, address, telephone number & email address.
 - b. Description and location of Property to be served including Assessor's Parcel Numbers (APNs). The Property may include contiguous APNs.
 - c. Maps showing the location and area(s) of the Property located outside of the ID1 boundary relative to the East Whitewater River Subbasin Area of Benefit or the West Whitewater River Subbasin Area of Benefit (Area of Benefit).
 - d. Evidence that the area of the Property outside the ID1 boundary but within the Area of Benefit is currently utilizing groundwater from a well within the Area of Benefit and that the existing groundwater quantity used is at least 67% of the proposed quantity of Colorado River water.
 - e. For any area of the Property that is located outside of the Area of Benefit, but within the CVWD service area, the applicant must provide evidence that the area of the Property outside the Area of Benefit is currently utilizing groundwater from a well within the Area of Benefit and that the existing groundwater quantity used is at least 100% of the proposed quantity of Colorado River water.
 - f. Description of the proposed use of Colorado River water (Project) including:
 - i. Acreage to be irrigated
 - ii. Crop types
 - iii. Quantity of Colorado River water (acre feet)-peak day, average day and annual
 - iv. Preliminary Engineering Report describing proposed infrastructure and cost estimate
 - v. Project schedule (Project must be in service within 3 years from the Effective Date)
 - vi. CVWD shall respond to the Application within 60 days
3. Effective Date -The date of execution of the WSA-O-ID1 by the applicant and CVWD.
4. Eligibility-CVWD shall review the Application and determine in its sole and absolute discretion if sufficient Colorado River water is available to service the Project in accordance with Section B.1.
5. Installation Agreement-After CVWD approval of the Application, the Contractor shall execute CVWD's current Installation Agreement for the Project in accordance with the

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CVWD Rules Governing Canal Water and Drainage Service as amended and supplemented.

6. Priority - Colorado River water uses within ID1 have priority for Colorado River water over WSA-O-ID1 Contractors.
7. Distribution of Colorado River Water - The Contractor shall not use or permit the use of any Colorado River water outside of the Property and/or the CVWD boundaries. Violation of this section will result in termination of Colorado River Water service.
8. Groundwater Production - The Contractor shall reduce annual groundwater production or use so that no more than 20% of the water used on the Property is groundwater. Additional groundwater may be utilized to service the Property in the event of water restrictions (See Item 6.) The Contractor shall take full responsibility for not having a redundant water supply.
9. Irrigation System - Irrigation systems shall utilize pressurized drip, trickle, or sprinkler with a Distribution Uniformity of >70%. The Contractor shall furnish annual proof of enrollment in an irrigation scheduling program under a CVWD prequalified irrigation specialist providing recommended irrigation and leaching schedules.
10. Measurement of Water - All Colorado River water shall be measured at the points of delivery. Totalizing meters shall be required for wells supplying water to the Contractor's Service Area. All measuring and controlling devices or automatic gages shall be furnished, installed, and maintained in a manner satisfactory to and without any expense to CVWD. If for any reason the measuring devices fail to operate satisfactorily, CVWD will determine from the best information available the amount of Colorado River water diverted at each point of delivery. CVWD may inspect the measuring devices to determine the accuracy and the condition of the measuring devices. If the measuring devices are found to be defective or inaccurate, the Contractor shall promptly make any and all necessary repairs or replace the measuring devices. If the Contractor neglects or fails to make the necessary repairs or replacement, CVWD may cause the repairs to be made and the cost thereof shall be paid by the Contractor within thirty (30) days following receipt of a bill.
11. Reporting of Water - Complete written report showing the amount of Colorado River water diverted and groundwater produced used during the previous year, itemized by parcel or as otherwise determined by CVWD, shall be submitted. The Annual report shall be provided by a district-prequalified irrigation specialist certifying the Contractor's compliance with recommendations under an irrigation scheduling program (see Section

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B.9). The diversion of any significant amount of Colorado River water not previously scheduled and paid for in accordance with the provisions of the WSA-O-ID1 or the diversion in any calendar year of Colorado River water in excess of the maximum quantity available to the Contractor may be deemed a material breach of the WSA-O-ID1. In the event CVWD determines that the actions of the Contractor constitute a breach of the WSA-O-ID1, the Contractor shall be informed in writing of appropriate actions in accordance with the current CVWD Rules Governing Canal Water and Drainage Service as amended and supplemented.

12. Quality of Water - CVWD does not warrant the quality of Colorado River water delivered to the Contractor and is under no obligation to construct or furnish water treatment facilities to maintain or improve the quality of water. Colorado River water shall be delivered without treatment of any kind and without any warranty whatsoever by CVWD as to the quality or fitness of such water.
13. Water Conservation - Prior to the delivery of Colorado River water provided from or conveyed via the WSA-O-ID1, the Contractor shall develop a water conservation plan as required and approved by CVWD.
14. Rules, Regulations, and Determinations - The delivery of Colorado River water or the use of facilities within the CVWD boundaries pursuant to the WSA-O-ID1 is subject to the CVWD Rules Governing Canal Water and Drainage Service as amended and supplemented. CVWD shall have the right to make determinations necessary to administer the WSA-O-ID1 that are consistent with the expressed and implied provisions of the WSA-O-ID1, and the rules and regulations of the State of California and CVWD.
15. Canal Water Rate - The Canal Water Rate for Colorado River Water service shall be a Contracted Rate included in a Canal Water Service Agreement that is based on the following formula:

$$\text{Canal Water Rate} = 0.85 \times (\text{Power} + \text{RAC}) / \text{Canal Water}$$

In addition, the Contractor shall pay the associated current Outside ID1 Surcharge.

16. Term, Quantity, and Location - The term of the WSA-O-ID1 shall be a maximum of 10 years. All WSA-O-ID1s shall specify a maximum quantity of water and location pursuant to Section B. 2.
17. Five- Year Reviews - CVWD reserves the right to reexamine at five-year intervals

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beginning five (5) years after the Effective Date of the WSA-O-ID1, the existing and potential water uses and needs of the Contractor for beneficial use of the Colorado River water. If CVWD determines that the Contractor's entire supply of Colorado River water made available through the WSA-O-ID1 has not been or may not be beneficially used, a revision of the amount of Colorado River water the Contractor is entitled to have delivered pursuant to the WSA-O-ID1 may be necessary, and CVWD shall revise the WSA-O-ID1 accordingly. Prior to such revision, a ninety (90) day notice will be given to the Contractor, and the Contractor shall be given an opportunity to be heard. In determining the needs or uses of the Contractor, CVWD shall consider the factors which include, but are not necessarily limited to, the following:

- a. The amount of Colorado River water and groundwater;
- b. The average unused portion of the Contractor's total available water over the past five (5) years or other appropriate period;
- c. The type and condition of diversion, distribution, and delivery works for Colorado River water and groundwater;

If it is determined by CVWD that Colorado River water has not been or may not be beneficially used, CVWD may reduce the maximum amount of Colorado River water delivered to the Contractor to an amount CVWD determines to be reasonably required for beneficial use. The Contractor will be provided an opportunity to appeal CVWD's decision pursuant to applicable appeal procedures.

18. Safe Yield Obligation - Pursuant to the Quantification Settlement Agreement of October 10, 2003, which establishes that CVWD must utilize its best efforts to implement a program designed to achieve safe yield in the Improvement District No. 1 groundwater basin by the year 2033, Contractors participating in Projects outside of Improvement District No. 1 recognize and agree to participate in a program to bring groundwater overdraft within Improvement District No. 1 to safe yield by 2033.
19. Inspection of Works - CVWD, its employees, agents, contractors, subcontractors, successors, or assigns shall at all times have the right to inspect all works utilized by the Contractor and any person, firm, or corporation representing the Contractor in the diversion, processing, storage and distribution of Colorado River water and groundwater.
20. Rights-of-Access - The Contractor grants a right-of-access to the United States and CVWD and their authorized employees, agents, subcontractors, successors, or assigns to enter the Contractor's Service Area and rights-of-way for the purpose of inspecting and checking any diversion facilities, including any wells, metering equipment and associated facilities for pumping Colorado River water pursuant to the WSA-O-ID1. The

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Contractor will obtain all necessary rights-of-way required for diversion and conveyance of Colorado River water pursuant to the terms and conditions of the WSA-O-ID1. Where rights-of-way across lands of the United States are required by the Contractor for diversion and conveyance of Colorado River water, application therefor will be submitted to the United States.

21. Water and Air Pollution Control - The Contractor, in carrying out the provisions of the WSA-O-ID1, shall comply with all applicable water and air pollution laws and regulations of the United States and the State of California and shall obtain all required permits or licenses from the appropriate Federal, State of California, and local authorities necessary for the delivery of Colorado River water and groundwater by the Contractor. The Contractor shall be responsible for compliance with all Federal, State of California, and local water quality standards applicable to Colorado River water and subsurface drainage and/or discharges generated through the use of the Contractor's facilities or project water provided by the Contractor within his or her Service Area.
22. Pest Management - The Contractor shall effectively control undesirable plants and animals, as defined by CVWD and the United States, on project lands, waters, and works for which the Contractor has operation and maintenance responsibility.
23. Release and Indemnity - Insofar as permitted by law, the Contractor agrees to indemnify and hold harmless the United States and CVWD, their employees, agents, subcontractors, successors, or assigns from every loss or claim for damages and from any liability to persons or property, direct or indirect, and of any nature whatsoever arising by reason of the delivery of Colorado River water pursuant to the WSA-O-ID1. The Contractor releases and agrees to hold harmless the United States and CVWD, their employees, agents, subcontractors, successors, or assigns from any liability or responsibility whatsoever for the following:
 - a. The groundwater level associated with the diversion of water or the maintenance thereof;
 - b. The surface elevation of the Colorado River;
 - c. The quality, composition, or contents of Colorado River water diverted or for any lack of fitness of such water for any use thereof, either at the point of delivery or at the place of use;
 - d. The damages when suspensions or reduction in delivery of Colorado River water occur for any reason; and
 - e. The claims, damages, or alleged causes of action claimed to have resulted from the termination of the WSA-O-ID1.

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24. Effect of Waiver of Breach of WSA-O-ID1- All rights of action for breach of any of the provisions of the WSA-O-ID1 are reserved to each Party as provided by appropriate law. The waiver of a breach of any of the provisions of the WSA-O-ID1 shall not be deemed to be a waiver of any other provision hereof, or any other subsequent breach of any provisions hereof.
25. Books, Records, and Reports - The Contractor shall establish and maintain accounts and other books and records pertaining to administration of the terms and conditions of the WSA-O-ID1, including the Contractor's financial transactions; water supply data; project operation, maintenance, and replacement logs; project land and rights-of-way use agreements; the water users' land-use (crop census), land-ownership, land-leasing, and water-use data; and other matters that CVWD may require. Reports shall be furnished to CVWD in such form and on such date or dates as CVWD may require. Subject to applicable laws and regulations, each Party to this WSA-O-ID1 shall have the right during office hours to examine and make copies of the other Party's books and records relating to matters covered by this WSA-O-ID1.
26. Notices - Any notice, demand, or request authorized or required by the WSA-O-ID1 shall be deemed to have been given, on behalf of the Contractor, when mailed, postage prepaid, or delivered to CVWD and on behalf of CVWD, when mailed, postage prepaid, or delivered to the Contractor. The designation of the addressee or the address may be changed by notice given in the same manner as provided in this article for other notices.



**ATTACHMENT A
CANAL WATER SERVICE APPLICATION
LANDS OUTSIDE IMPROVEMENT DISTRICT NO. 1 (ID1)**

Property Owner Information			
Name (Please Print):			
Mailing Address:	City:	State:	Zip Code:
Email:	Phone:		

Canal Water Service Proposed Use
Agriculture <input type="checkbox"/> Construction <input type="checkbox"/> Golf Course/Lakes <input type="checkbox"/> Urban/Non-Potable Water <input type="checkbox"/> Other: _____
Acreeage to be Irrigated:
Crop Type:
Quantity of Canal Water Requested (cfs):

Canal Water Service Parcel Data
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<u>Parcel No.</u>	Total No. Acres =			Section:	Township:	South	Range:	East
	Acres			If agricultural use, has this Parcel been previously farmed? Yes <input type="checkbox"/> No <input type="checkbox"/>				
<u>Existing Well within AOB</u> Yes <input type="checkbox"/> No <input type="checkbox"/>	Inside ID1	Outside ID1	Outside Area of Benefit (AOB)	Is this Parcel within a CVWD Assessment District? Yes <input type="checkbox"/> AD No. _____ No <input type="checkbox"/>				
				Is groundwater currently being utilized for farming? Yes <input type="checkbox"/> No <input type="checkbox"/>				
<u>Parcel No.</u>	Total No. Acres =			Section:	Township:	South	Range:	East
	Acres			If agricultural use, has this Parcel been previously farmed? Yes <input type="checkbox"/> No <input type="checkbox"/>				
<u>Existing Well within AOB</u> Yes <input type="checkbox"/> No <input type="checkbox"/>	Inside ID1	Outside ID1	Outside Area of Benefit (AOB)	Is this Parcel within a CVWD Assessment District? Yes <input type="checkbox"/> AD No. _____ No <input type="checkbox"/>				
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**ATTACHMENT A
CANAL WATER SERVICE APPLICATION
LANDS OUTSIDE IMPROVEMENT DISTRICT NO. 1 (ID1)**

Preliminary Engineering Report

To include the following at a minimum:

- Map(s) that identifies Property location and area relative to the ID1 boundary and AOB**
- Proposed Infrastructure**
- Cost Estimate**
- Hydraulic Analysis**
- Project Schedule (Project must be in service within 3 years from the Effective Date)**
- Well production data (Applicant shall submit the previous 12 months recorded well production data with the Application)***
- Projected Canal Water demand**

***For wells within the AOB, existing groundwater quantity use must be a minimum of 67% of the proposed quantity of requested canal water.**

***For wells outside the AOB, existing groundwater quantity use must be a minimum of 100% of the proposed quantity of requested canal water.**

By signing this document, I certify I am the legal property owner for the parcels identified within this application; all information is true and correct. I acknowledge and agree to comply with CVWD Regulations Governing Canal Water and Drainage Service, and amendments thereto, as well as applicable laws and regulations of the U.S., state and local governmental bodies (collectively, "Rules and Regulations").

Pursuant to certain rights, CVWD imports water from the Colorado River to provide service to eligible lands within Improvement District No. 1 ("ID 1"). CVWD has developed Guidelines for Colorado River Water Service Agreements For Use Outside Improvement District No. 1 Boundary (Outside ID1 Guidelines). The Guidelines provide, in part, that CVWD may utilize Colorado River water outside ID 1 upon the satisfaction of certain conditions. This Agreement provides for service outside ID 1 and therefore, the Guidelines are incorporated herein by reference.

Owner Signature: _____

Date Signed: _____

**COACHELLA VALLEY WATER DISTRICT, POST OFFICE BOX 1058, COACHELLA, CA 92236 Phone (760) 391-9600 Fax (760) 398-3190
customerservice@cvwd.org**



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LANDS OUTSIDE IMPROVEMENT DISTRICT NO. 1 (ID1)**

Canal Water Service Parcel Data						
<u>Parcel No.</u>	Total No. Acres =			Section:	Township: South	Range: East
	Acres			If agricultural use, has this Parcel been previously farmed? Yes <input type="checkbox"/> No <input type="checkbox"/>		
<u>Existing Well within AOB</u> Yes <input type="checkbox"/> No <input type="checkbox"/>	Inside ID1	Outside ID1	Outside Area of Benefit (AOB)	Is this Parcel within a CVWD Assessment District? Yes <input type="checkbox"/> AD No. _____ No <input type="checkbox"/>		
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