

THE EVOLUTION OF METROPOLITAN'S AGRICULTURAL PARTNERSHIPS

WATER ADVISORY COMMITTEE OF ORANGE COUNTY
FRIDAY, AUGUST 5, 2022



- Colorado
- New Mexico
- Utah
- Wyoming

- Arizona
- California
- Nevada

Quantification Settlement Agreement

Quantified Water Budgets

<u>Priority</u>		<u>Million Acre-feet</u>
1 & 3b	PVID	0.42 (Average)
2	Yuma Project	
3a	IID	3.10
3a	CVWD	0.33
4	MWD*	0.55
Total		4.40

*Amount fluctuates based on PVID/Yuma Project use, unused IID and CVWD water



2003 Quantification Settlement Agreement; *collaboration on the Colorado River*

IID Water transfer
agreements with:

- Metropolitan Water District
- San Diego County Water Authority
- Coachella Valley Water District



Evolution of Metropolitan's Agricultural Partnerships



IID-MWD Water Conservation Program



PVID Fallowing Program



Bard Seasonal Fallowing Program



Quechan Seasonal Fallowing Pilot Program



IID-Metropolitan Conservation Program

- MWD funded conservation projects, and funds Operations and Maintenance of the projects
- 105,000 AFY
- No requirement for reduction in IID use of Colorado River water
- Allows IID to grow the same crops with less water
- Annual funding on average \$ 11M – 14M

IID-Metropolitan Conservation Projects

Reservoirs



- 5 additional, doubled storage

Canal Lining & Lateral Interceptors



- 270 miles of laterals
- 34 lateral interceptors
- Installation of 14 non-leak gates

Irrigation Management & 12-Hour Delivery



- 55,000 deliveries per year
- Delivery measurement and Pump back Systems
- Installation of drip irrigation systems

System Automation



- Main canal automation and Water Control Center

Palo Verde Partnerships

- MWD committed to *finding innovative ways to promote Colorado River supply reliability*
- Landmark land following program executed in 2005



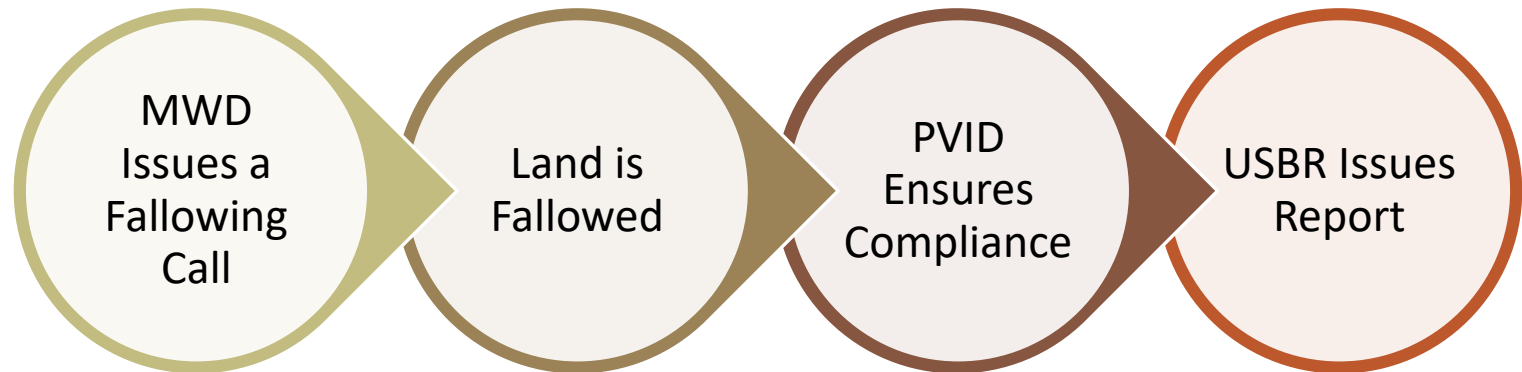


PVID Following Program Overview

- Variable Following Level
 - 25% - 100% of program lands
 - Enrollment of up to 25,947 acres
 - Approximately up to 125,000 AF at maximum
- Voluntary sign up
- Stabilizes Farm Economy
- Established Community Improvement Program

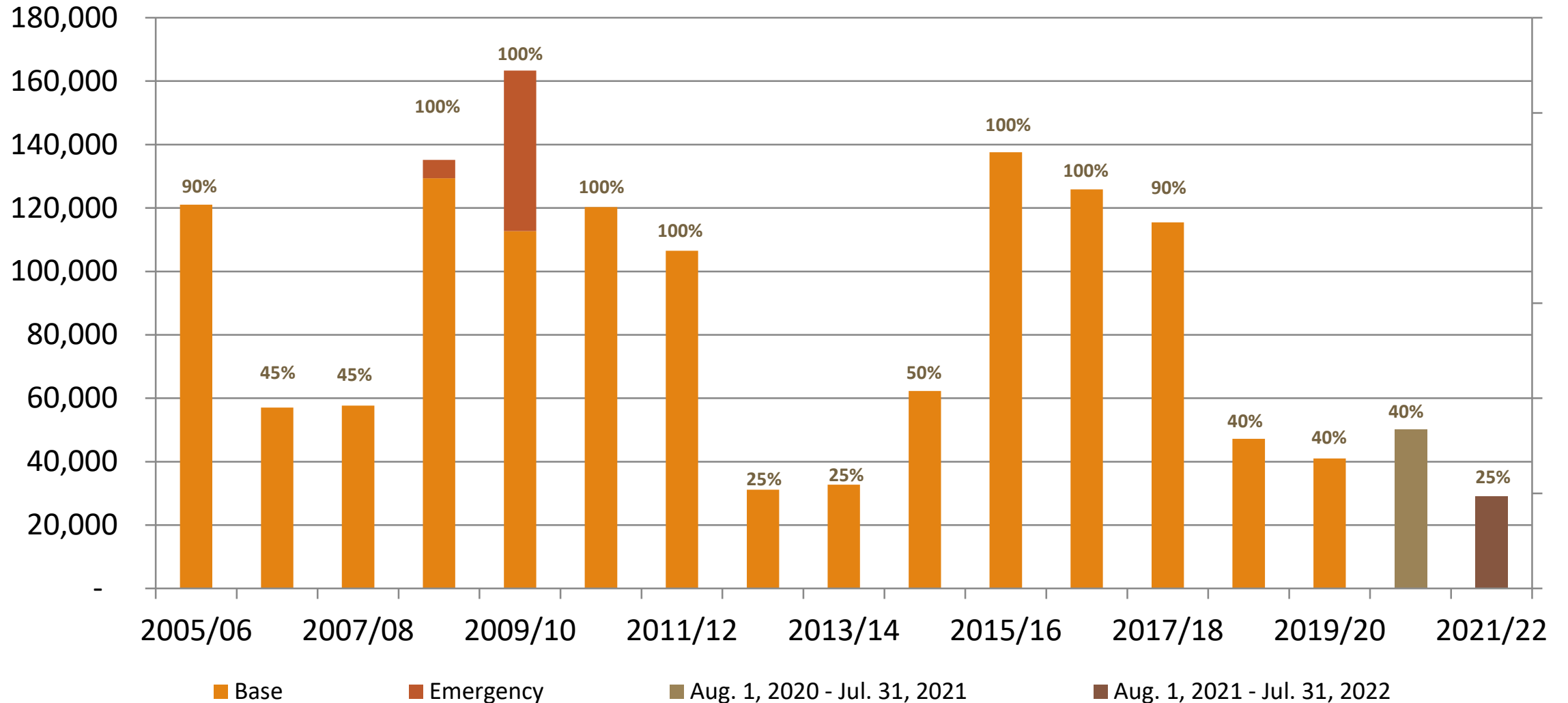


PVID Following Program Implementation



PVID Following Program Yield

Water Saved (AF), Contract Year (August 1 – July 31)





Community Improvement Fund

- Supports Palo Verde Community
- Metropolitan provided a \$6 million endowment in 2005
- Managed by Volunteer Board
- MWD and PVID are non-voting members
- Economic study concluded program is successful



Seasona/Fallowing Programs in the Yuma Area

- Partnerships with:
 - *Bard Water District*
 - *Quechan Indian Tribe of the Fort Yuma Indian Reservation*
- Seasonal fallowing occurs in the summer
- Focus on fallowing lower-value, water-intensive crops



Broccoli is a higher-value winter crop



Sudan grass is a water-intensive summer crop



Bard Seasonal Fallowing Program



3,000
Acres of farmland
seasonally fallowed

Up to 6,000
acre-feet of water
made available for
urban use

\$1.4 Million
maximum payments
for Bard farmers

Following Call
to Bard WD by
October 1st of
each year

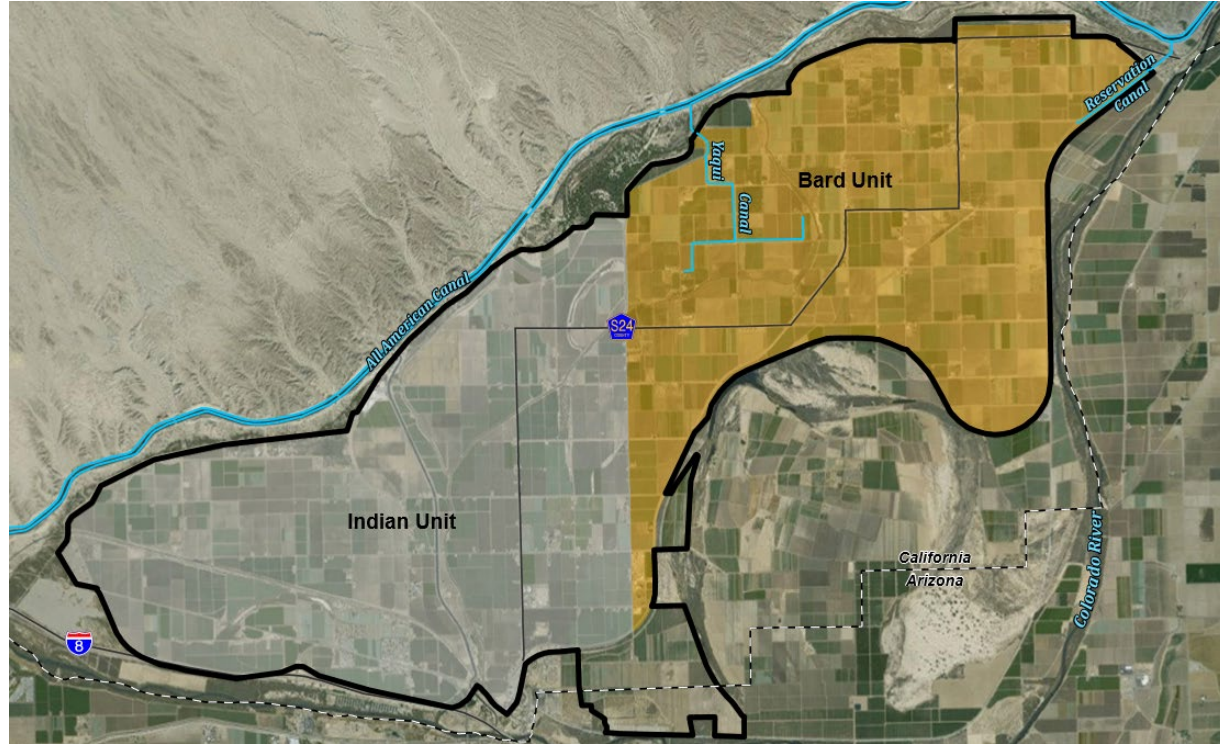
**Following
Season**
April 1st to July 31st
2020-2026

Requirements:

- At least 10 contiguous irrigable acres
- Have been farmed for at least three of the last five years / previously fallowed



Bard Water District



Bard Water District

- A unit of the Yuma Project
- Diverts water from the All-American Canal
- 6,400 irrigated acres

BWD's PERSPECTIVES

Following Aids BWD in CIP Projects



BWD's PERSPECTIVES

- ❖ BWD collaborates with growers to fallow areas in the district that require construction projects
- ❖ The funds that BWD receives from the fallowing program enable BWD to perform these CIP Projects
- ❖ Often, fallowing funds are used with grant funds to maximize construction opportunities



BWD's PERSPECTIVES





Bard Seasonal Fallowing Program;


*Innovative, Flexible, and Affordable
Water Supply*

- A long-term partnership
- Supports the local economy by providing stable source of income for farmers and funding system improvements for Bard
- Conserved water will be for Metropolitan's use or stored in Lake Mead for future use



Participants	Payment Allocation	\$/Fallowed Acre (2022)
Participating Farmers	75%	\$354.30
Bard Water District*	25%	\$118.10
Total	100%	\$472.40

*Bard receives an additional \$15,000 for direct program costs and system improvements

Fallowing Year	Count of Participating Famers	Fallowed Acres	Payment (Mil \$)	Water Savings (AF)	AF/Acre*
2020	4	2,749	\$1.26	6,075	2.21
2021	5	2,887	\$1.37	5,803	2.01
2022	4	 1,426	\$0.69**	2,866**	TBD

* AF/Acre estimated savings are updated following the release of the latest USBR Water Accounting Report

** Values are estimated and will be finalized following the end of the fallowing season

2022 Incentives and Historical Production



Quechan Tribe Seasonal Fallowing Pilot Program

1,600

Acres of farmland
seasonally fallowed

Up to 3,500

acre-feet of water
made available for
urban use

\$1.6 Million

maximum payments for
farmers and Quechan
Tribe over the pilot
period



**2 – Year Pilot
Program**

Will provide information
that could lead to the
development of a longer-
term fallowing program

**Fallowing
Season**

April 1st to July 31st
2022-2023

Requirements:

- Have been farmed for at least three of the last five years / previously fallowed
- Must be Quechan tribal land

2022 Incentives and Production


Participants	Payment Allocation	\$/Fallowed Acre (2022)
Participating Farmers	75%	\$354.30
Quechan Tribe*	25%	\$118.10
Total	100%	\$472.40

*Quechan receives an additional \$15,000 for costs related to the development and administration of the Pilot

Fallowing Year	Count of Participating Famers	Fallowed Acres	Payment (\$)	Water Savings (AF)	AF/Acre*
2022	1	118	± \$71,000	238**	TBD

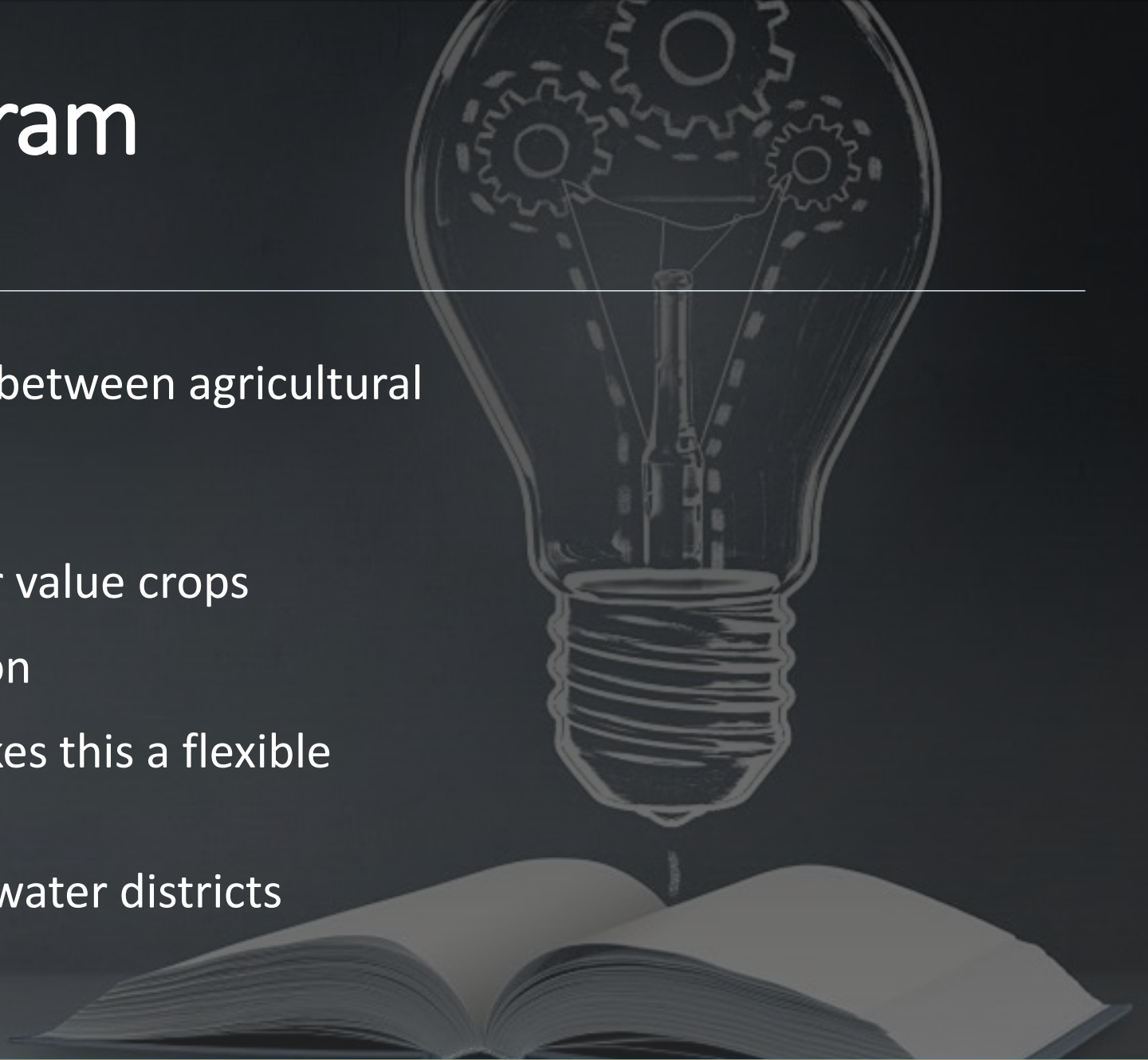
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Following Program Key Takeaways

- Great tool for collaboration between agricultural and urban users
 - *Benefits both parties*
- Focuses on lower use higher value crops
- Depends on market condition
- A variable following call makes this a flexible program
- Could be a model for other water districts





Metropolitan Continues to Explore Innovative Agriculture Conservation

- Deficit irrigation
- Incentivizing to lower water use crops
- Tiered rates for our lessees





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