



IMPERIAL IRRIGATION DISTRICT RESOLUTION NO. 27-2022

WHEREAS, the Imperial Irrigation District (IID) is a California irrigation district formed and governed under the Irrigation District Law, California Water Code Sections 20500, et seq.

WHEREAS, IID holds water rights to and diverts water from the Colorado River for distribution and use within its service area.

WHEREAS, under the Irrigation District Law, specifically California Water Code Section 22252, the water shall be distributed equitably as determined by the IID Board of Directors.

WHEREAS, IID's annual consumptive use entitlement was capped at 3.1 million acre-feet as a result of the 2003 Quantification Settlement Agreement and related agreements (QSA).

WHEREAS, IID strives to provide its available Colorado River resources to beneficial uses within the Imperial Valley to support and diversify the local agricultural economy and to incentivize local water use efficiencies.

WHEREAS, IID is a leader in implementing agricultural water conservation programs, generating nearly 500,000 acre-feet of savings annually through its system conservation improvements and providing nearly \$500 million for on-farm conservation partnerships with local growers over the past two decades to generate more than 7 million acre-feet of conserved water that has bolstered California's water supply reliability and Colorado River system resiliency.

WHEREAS, the Colorado River system is entering its twenty-second year of record-breaking drought while California is also experiencing shorter-term but more pronounced water supply shortfalls, both fueled by limited snowpack, below average precipitation, climate change and warming temperatures.

WHEREAS, in a letter dated September 20, 2021, Reclamation notified stakeholders that the Lower Colorado River will operate under a Tier 1 Shortage Condition in calendar year 2022 and the Lower Basin Drought Contingency Plan (DCP) Agreement dated May 20, 2019 will affect certain contractor's water use and Lake Mead storage obligations in calendar year 2022.

WHEREAS, while these operational conditions do not impact the volumes of mainstream Colorado River water available to California, the Inadvertent Overrun and Payback Policy is suspended, limiting all Lower Basin water users to certain fixed consumptive use or diversion caps and prevents IID from taking delivery of over 80,000 acre-feet of its Intentionally Created Surplus (ICS) conserved water or Binational ICS conserved water stored in Lake Mead.

WHEREAS, IID has also developed additional water storage opportunities for excess water conservation with the Metropolitan Water District of Southern California, storing nearly 240,000 acre-feet of excess conserved water resulting from IID-funded conservation programs since 2014 in MWD's system to provide operational flexibility.

WHEREAS, there is a high probability of additional Colorado River Lower Basin shortage determinations, through at least 2026, that may trigger larger Lower Basin and Mexico water use reductions and/or conservation commitments, including California DCP ICS contribution obligations when Lake Mead end-of-year elevation projections drop below 1,045 feet.

WHEREAS, the Colorado River hydrologic conditions continue to decline and new concerns have been raised regarding the near-term potential for Lake Powell's elevation to fall below critical elevations that impact Glen Canyon Dam structural and operational capacity limitations that may affect Lower Basin water releases.

WHEREAS, IID has identified a suite of water management options that may be implemented in an effort to prevent the District's annual water use demands from exceeding available, authorized water supplies and in support of the Colorado River system, IID's sole source of water.

WHEREAS, the identified water management options include implementation of a revised Equitable Distribution Plan (EDP), land management alternatives, conservation program expansion, development of additional regulatory and rate-setting approaches, and recovery of stored water, as determined to be necessary and appropriate by the IID Board of Directors.

WHEREAS, of the identified water management options, certain options cannot be feasibly implemented in the short-term and may not be solely within IID's control to be carried out.

WHEREAS, IID has previously implemented an EDP originally authorized in 2006, subsequently developed and revised from time-to-time with the last version being adopted on October 28, 2013, which was subsequently challenged in court.

WHEREAS, in 2018 IID was required by a writ of mandate issued by the trial court to repeal the October 2013 EDP.

WHEREAS, on July 16, 2020, the California Court of Appeals affirmed the trial court's ruling solely with regard to how the October 2013 EDP prioritized apportionment among categories of water users, but otherwise reversed the trial court's writ of mandate and declaratory judgment, and the appellate court directed the trial court "to enter a new and different judgment" as the appellate court provided.

WHEREAS, the appellate court decision upheld the broad discretion of the IID Board of Directors to adopt an EDP that provides incentives for water conservation provided it distributes water equitably among all categories of water users.

WHEREAS, since that court decision was issued, IID has signaled its intent to revise and implement an EDP to apportion water so the District can manage its annual water supply to prevent overruns, which are not allowed under existing Colorado River operational conditions.

NOW, THEREFORE, BE IT RESOLVED that the Board has initiated an accelerated process that includes stakeholder engagement to develop and implement a revised EDP effective July 1, 2022 that will:

- 1) Be implemented on an annual, calendar year basis and, for 2022 purposes, apply customer water uses to annual apportionments retroactive to January 1; and
- 2) Equitably distribute the annual water supply available for distribution among all categories of water uses in the District; and
- 3) Consider certain health and safety needs and potential urban water conservation requirements that may be mandated by the state of California; and
- 4) Designate the default Method of Apportionment for Agricultural Water Users as the previously implemented hybrid methodology, comprised of both straight line and historical use (average of 2003-2012 less high/low years) components; and
- 5) Continue to interface with District conservation programs through the District Conservation Assignment; and

- 6) To the extent feasible, provide supplemental conserved water supplies, as authorized by IID, to water users from the District's conservation and storage portfolios to prevent any apportionment exceedance, with pricing that takes into consideration conservation/replacement water costs and current District conservation payment rates; and
- 7) Recognize efficient industrial water-uses that utilize conserved water, water reuse technologies or water developed through alternative energy systems; and
- 8) Require proactive water user compliance with EDP operating parameters, including the Agricultural Water Clearinghouse and take-or-pay provisions.

PASSED AND ADOPTED this 17th day of May, 2022.

IMPERIAL IRRIGATION DISTRICT



James C. Hank

President

Reginal Najera

Secretary