



# IID

*A century of service.*

www.iid.com

*Since 1911*

## REGULAR MEETING AGENDA

### Business Session

**Tuesday, January 20, 2026**

William R. Condit Auditorium  
1285 Broadway Avenue  
El Centro, CA 92243

Division 1—Alex Cardenas  
Division 2—JB Hamby, *Vice Chairman*  
Division 3—Gina Dockstader  
Division 4—Lewis Pacheco  
Division 5—Karin Eugenio, *Chairwoman*

Jamie L. Asbury, *General Manager*  
Wayne K. Strumpfer, *General Counsel*  
Raquel Najera, *Secretary to the Board*

**Our Mission** *Imperial Irrigation District provides water and power, essential to life and progress for the communities we serve.*

**Our Vision** *As a community-owned utility, we are committed to providing reliable and cost-effective water and power. We will achieve this by protecting and maintaining our resources and assets while continuously improving the quality of service for our customers. We aim to be a trusted partner in the overall well-being of the communities we proudly serve.*

**CALL TO ORDER— 1:00 p.m.**

### INVOCATION AND PLEDGE OF ALLEGIANCE

### PRESENTATIONS

- Service Awards to 9 employees for a total of 185 worker-years (*Marcia Rivera*) ----- 1
- Team of the Month for January 2026 (*Marcia Rivera*)----- 3
- Special Presentation (*Chairwoman Eugenio*)

### APPROVAL OF AGENDA

### **PUBLIC COMMENTS (limited to 3 minutes per speaker and 20 minutes total)**

Speakers may address the Board of Directors on any item(s) on the agenda or under the jurisdiction of the board at the boardroom by submitting a completed blue speaker slip to the General Counsel. Only members of the public having completed a blue speaker slip prior to

the time for public comment will be recognized. Speaker slips are located in the lobby. Any action taken at this time as a result of public comment will be limited to direction to staff.

**CONSENT**

- 1. Approval of minutes:
  - December 22, 2025, regular/work session ----- 5
  - January 6, 2026, regular/work session ----- 13
- 2. Approval of Statement of Investment Policy for 2026 (*Belen Valenzuela*) ----- 17

**CONSENT ITEMS ADDED TO ACTION AGENDA**

**ACTION**

- 3. Approval of 2026 Deficit Irrigation Program Description and Agreement  
(*Tina Shields/Mike Pacheco*) ----- 33

**INFORMATION**

- 4. Renewable Portfolio Standard Program (*Tim Hamilton*)----- 61
- 5. Utilicast Energy Imbalance Market update (*Paul Rodriguez/Michael Bulloch, Utilicast*) - 69

**POLICY MONITORING**

- 6. BL-13: Delegation to the General Manager with Respect to Local, State, and Federal Legislation and Regulation (*Jamie Asbury/Antonio Ortega*)----- 75

**REPORTS**

As a general practice, staff reports are heard during the Business Session at the first regular meeting of each month, and Board of Directors reports during the Work Session at the second regular meeting of each month, except in January, in which the first meeting is a Work Session and the second meeting is a Business Session.

- 7. Water Department (*Tina Shields/Mike Pacheco*)----- 87
- 8. Power Department (*Matthew H. Smelser*) ----- 89
- 9. Support Departments (*Sergio Quiroz*)----- 91
- 10. General Manager (*Jamie Asbury*) ----- 111

**CONVENE CLOSED SESSION**

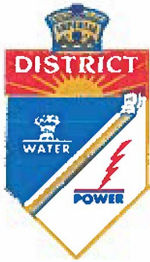
- 1. PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE  
(Cal. Gov. Code sec. 54957(b)) (1 matter)

2. CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION  
(Cal. Gov. Code sec. 54956.9(d)(2) & (e)(1)) .  
(3 cases)

**REPORT ACTIONS TAKEN IN CLOSED SESSION, IF ANY**

**ADJOURNMENT**

*All public records relating to an agenda item are available for public inspection at the time the record is distributed to all or a majority of the directors in the office of the secretary to the board located at 333 E. Barioni Boulevard, Imperial, California, during regular business hours, 7:30 AM—5:30 PM, Monday through Thursday, excluding holidays, or by visiting IID's website ([www.IID.com](http://www.IID.com)). Business Sessions and Work Session items requiring Board action are live-streamed at [www.iid.com/livestream](http://www.iid.com/livestream). In compliance with the Americans with Disabilities Act, if you require special assistance to participate in the board meeting, please contact the board secretary during regular business hours at (760)339-9477. Notification received 48 hours before the meeting will enable the district to make reasonable accommodations.*



# IID

*A century of service.*

[www.iid.com](http://www.iid.com)

*Since 1911*

**January 20, 2026**

**BOARD AGENDA MEMORANDUM**

**Presentation**

**SUBJECT** Service Awards  
**DEPARTMENT** Human Resources  
**PRESENTER** Marcia V. Rivera, manager

**Background**

In accordance with Policy No. 4303, service awards are presented upon completion of 10 years of service and thereafter at five-year intervals.

The employees on the attached list have completed 10-40 years of faithful service to the Imperial Irrigation District, for a total of 185 worker years.

**Financial Impact**

Employees receive an award of \$20 per year of service.

**Presentation List**      **Imperial Irrigation District**  
**January Service Awards Presentation on January 20, 2026**

**Years of Service:**      **10**

| <b>Employee</b>         | <b>Classification</b>          | <b>Department</b> |
|-------------------------|--------------------------------|-------------------|
| Brynn E. Mendoza        | Mechanic Generation Journeyman | Power             |
| Stephen S. Segura       | Water Dispatcher I             | Water             |
| Victor M. Velazquez Jr. | AMI Field Technician           | Finance           |

**Years of Service:**      **15**

| <b>Employee</b>    | <b>Classification</b> | <b>Department</b> |
|--------------------|-----------------------|-------------------|
| Veronica Rodriguez | Buyer                 | Gen. Services     |

**Years of Service:**      **20**

| <b>Employee</b>   | <b>Classification</b>                   | <b>Department</b> |
|-------------------|---|-------------------|
| Oscar C. Cardenas | Zanjero                                 | Water             |
| Jorge Ulises Pena | Generation Balancing & Interchange Oper | Power             |

**Years of Service:**      **25**

| <b>Employee</b> | <b>Classification</b>         | <b>Department</b> |
|-----------------|-------------------------------|-------------------|
| Victor A. Teran | Construction Resources Worker | Water             |

**Years of Service:**      **35**

| <b>Employee</b> | <b>Classification</b> | <b>Department</b> |
|-----------------|-----------------------|-------------------|
| Eduardo Suarez  | Zanjero               | Water             |

**Years of Service:**      **40**

| <b>Employee</b> | <b>Classification</b>                   | <b>Department</b> |
|-----------------|---|-------------------|
| Raquel Najera   | Executive Asst to the GM/Sec to the BOD | General Manager   |

**January 20, 2026****BOARD AGENDA MEMORANDUM****Presentation**

**SUBJECT** Team of the Month  
**DEPARTMENT** Human Resources  
**PRESENTER** Marcia V. Rivera, manager

**Background**

The Colorado River Water Users Association (CRWUA) is an organization comprised of Colorado River stakeholders, dedicated to providing a forum for the exchange of ideas related to the utilization and conservation of the Colorado River's resources. The CRWUA Annual Conference was held in December, and the District was represented through its participation in the event.

The employee team assigned to manage the District's booth included Dylan Mohamed, Justina Gamboa-Arce, and Ross Wilson. These employees were responsible for both the setup and breakdown of the booth and executed these duties efficiently and professionally. Their preparation ensured the booth was well-organized, visually inviting, and fully operational throughout the conference.

During the conference, Mr. Mohamed, Ms. Gamboa-Arce, and Mr. Wilson actively engaged with representatives from the seven Basin States, water districts, state and federal resource agencies and a wide variety of Colorado River water users. They shared information regarding IID's large-scale water conservation programs, collaborative intrastate partnerships and Imperial Valley's stellar agricultural resources and productivity, representing the District and its water users in a positive, knowledgeable, and professional manner. The team demonstrated strong collaboration, maintained consistent booth coverage, and conveyed critical messaging regarding IID's efficiency-based conservation efforts that support the district's senior water rights.

**Financial Impact**

The employees will receive a monetary award of \$66.66 each.

**Recommendation**

The committee recommends that the board recognize the CRWUA Team as Team of the Month for January.





# IID

*A century of service.*

www.iid.com

Since 1911

## **MINUTES OF REGULAR MEETING Work Session Monday, December 22, 2025**

**William R. Condit Auditorium  
1285 Broadway Avenue  
El Centro, CA 92243**

Division 1—Alex Cardenas

Division 2—JB Hamby, *Vice Chairman*

Division 3—Gina Dockstader, *Chairwoman*

Division 4—Lewis Pacheco

Division 5—Karin Eugenio

Jamie L. Asbury, *General Manager*

Wayne K. Strumpfer, *General Counsel*

Raquel Najera, *Secretary to the Board*

### **CALL TO ORDER— 1:03 p.m.**

All directors were present in the El Centro Boardroom.

### **PLEDGE OF ALLEGIANCE**

Vice Chairman Hamby led the Pledge of Allegiance.

### **APPROVAL OF AGENDA**

Moved by Director Pacheco, seconded by Director Eugenio, that the Board approve the agenda as presented.

### **PUBLIC COMMENTS**

Peter Rodriguez of El Centro and Kristina Salgado of Calexico said they would provide comments during the presentation of Action Item No. 5, "Adopt Resolution Establishing Safeguards to Protect Ratepayers and Parameters for Large, New Industrial Loads."

Jake Tyson of El Centro expressed his concerns about the process, transparency, and IID's responsibility to protect grid reliability and its ratepayers regarding the data center in Imperial.

## CONSENT

Moved by Director Eugenio, seconded by Director Pacheco, that the Board approve the consent agenda as presented (Nos. 1, 2, and 3).

1. Approval of minutes:
  - November 4, 2025, regular/business
  - November 18, 2025, regular/work session
  
2. Customer Assistance Programs, 2026 Guideline and Material Changes

Board approval of the proposed changes to the subject matter:

  1. Update the Customer Assistance programs as presented.
  2. Update the annual household income maximum qualifications for the Residential Energy Assistance Designed for You (READY) and the Senior Health and Income Energy Lifeline Discount (SHIELD) programs as published by the federal poverty guidelines for 2026, including an additional \$10,000 per income bracket for READY.
  3. Increase the Customer Assistance for Residential Emergencies (CARE) program's assistance from \$450 to \$500.
  4. Update the renewal period from 2 years to 3 years.
  
3. Approval of Proposed Revisions to Board Meeting Procedures

Board approval of a revision to IID's Board Meeting Procedures, Rule 1.2 Types of Regular Meetings. This change states that in January, the Board's first meeting will now be a Work Session, while the second meeting will be a Business Session. This adjustment reverses the usual order to ensure that the Board's traditional annual offsite meeting, which takes place during the first meeting in January, is designated as a Work Session.

## ACTION

4. Approval of Amendment No. 4 to Service Agreement No. 8100002871 with Formation Environmental for Salton Sea Air Quality Mitigation Program Management

Jessica Humes, supervisor of Environmental Compliance, reported that the Water Department is soliciting professional services for the implementation and management of the Salton Sea Air Quality Mitigation Program. The current contract is set to expire on December 31, 2025; however, Amendment No. 4 to the service agreement with Formation Environmental, LLC, for \$979,678 will extend services through March 31, 2026, and provide additional funding for specific tasks. Funding is covered by the Quantification Settlement Agreement Joint Powers Authority, with no net cost to the Water Department.

Moved by Director Cardenas, seconded by Director Pacheco, that the Board approve Amendment No. 4 to the service agreement with Formation Environmental, LLC, for the Salton Sea Air Quality Mitigation Program.

Motion carried, 5-0.

5. Adopt Resolution Establishing Safeguards to Protect Ratepayers and Parameters for Large, New Industrial Loads

Director Eugenio emphasized the significance of the resolution, noting that IID must prepare for substantial industrial demands, like data centers, while protecting its ratepayers. She stated that IID is a reliable, cost-effective power provider focused on the well-being of its constituents in the Imperial and Coachella Valleys. Although the district is not a land-use zoning or permitting authority, it must provide power without negatively impacting ratepayers when projects arise. She quoted the resolution, which states, "whereas, prudent utility governance requires clear safeguards, expert analysis, and transparent processes to ensure that new electric loads do not burden ratepayers or compromise reliability." This resolution aims to uphold these principles going forward.

Public Comments Supporting Action Item No. 5:

1. Kristian Salgado, a Calexico resident, supported this action item but voiced concerns that the resolution, in its current form, might lack sufficient strength.
2. Pete Rodriguez from El Centro voiced his support for this action item and thanked the Board for advocating on behalf of its ratepayers.

Director Cardenas recognized Director Eugenio as the shepherd of this policy and expressed his support for the resolution as presented. He also acknowledged General Manager Asbury, who has extensive experience with this matter and ultimately serves as the gatekeeper for bringing projects before the board that are viable and do not compromise IID's grid resiliency.

Director Eugenio reminded everyone that this resolution is not the policy itself but rather reassurance to IID constituents that it is taking these precautions very seriously.

Moved by Director Eugenio, seconded by Director Cardenas, that the Board adopt Resolution No. 37-2025 establishing safeguards to protect ratepayers and parameters for large, new industrial loads.

Motion carried, 5-0.

**POLICY MONITORING**

6. GP-2: Governance Focus

Chairwoman Dockstader started the discussion on this agenda item and reviewed the results of the five-question survey. This was followed by comments and input from the Board.

2026 Annual Work Plan Parking Lot:

Vice Chairman Hamby requested that the development of an Orientation Guide for new directors be added to the Parking Lot discussion list for the first quarter of 2026.

Moved by Vice Chairman Hamby, seconded by Chairwoman Dockstader, that the Board accept the policy monitoring report and find that the Board is substantially in compliance with GP-2: Governance Focus.

Motion carried, 5-0.

7. GP-9: Board Conduct

Chairwoman Dockstader started the discussion on this agenda item by reviewing the results of the thirteen-question survey. This was followed by comments and input from the Board.

2026 Annual Work Plan Parking Lot:

Vice Chairman Hamby requested that a draft of Policy GP-9, item M, which states, "Directors will abide by the Board Guidelines for Outages and Emergency Events," be added to the discussion list for the February work session.

Moved by Director Pacheco, seconded by Director Eugenio, that the Board accept the policy monitoring report and find that the Board is substantially in compliance with GP-9: Board Conduct.

Motion carried, 5-0.

**REPORTS**

8. Board of Directors

Board of Directors Committee Reports:

Chairwoman Dockstader reviewed the list of external and Local Agency Two-on-Two appointments, and the directors provided brief reports on current activities related to the following appointments.

| External Appointments  | Appointees          |
|--|---------------------|
| American Public Power Association Policy Makers Council                                | Cardenas            |
| Association of California Water Agencies   | Dockstader          |
| California Farm Water Coalition  | Dockstader          |
| Coachella Valley Association of Governments — Coachella Valley Conservation Commission | Cardenas/Hamby      |
| Coalition of Labor, Agriculture, and Business  | Pacheco             |
| Colorado River Board of California   | Hamby/Dockstader    |
| Family Farm Alliance   | Dockstader          |
| Imperial County's Binational Relations   | Eugenio/Pacheco     |
| Imperial County Transportation Commission  | Eugenio             |
| Salton Sea Authority   | Dockstader/Cardenas |

- Director Cardenas attended and reported on the following events:
  - He was interviewed by a KESQ reporter about a grant to plant 6,000 shade trees across Southern California's deserts. He thanked Robert Schettler, Public Information Officer, for arranging the interview.
  - The Colorado River Water Users Association Conference, December 16-18, 2025, and thanked IID staff for their assistance in setting up IID's exhibition booth.

He raised the topics of AMI Integration, meter-to-cash, and the importance of pinpointing revenue leakage. He also referenced the program from the Sacramento Municipal Utility District. Furthermore, he inquired with General Manager Asbury about the feasibility of developing a software dashboard that could flag potential revenue issues in advance and asked about the resources required for such a tool. In response, General Manager Asbury indicated that the IT and Finance departments could put together a presentation on this topic.

2026 Annual Work Plan Parking Lot:

Director Cardenas requested a discussion and presentation on AMI Integration be added to the Parking Lot discussion list in January or February 2026.

- Vice Chairman Hamby had no updates to report.
- Director Pacheco attended and reported on the following events:
  - IID's end-of-year party.
  - Board Site Visit to the Water Department with Water Manager Mike Pacheco and staff.
  - Took part in the Calexico Christmas Parade and wished everyone a Merry Christmas and a Happy New Year.
- Director Eugenio attended and reported on the following events:
  - The City of Imperial Lights Parade.
  - IID's Second Annual Festival of Lights in Imperial.
  - The Colorado River Water Users Association Conference, December 16-18, 2025, with the rest of the board. She thanked Vice Chairman Hamby for his work on the Colorado River and praised Chairwoman Dockstader for her presentation at the conference. She also thanked both for representing IID and for ensuring its water rights remain protected.

- Chairwoman Dockstader attended and reported on the following events:
  - IID's end-of-year party.
  - IID's Festival of Lights, featuring the Flip the Switch event.
  - Imperial County Stakeholder meeting at the Imperial Airport to discuss a potential new service provider, Advanced Air.
  - A meeting at Brawley City Hall regarding Dr. Tyson and Dr. Palakodeti's new Medical Center, which they plan to build near the Brawley Hospital.
  - She and Director Eugenio attended a public workshop on Data Centers hosted by the IID [December 9, 2025]. She thanked IID staff for the information provided.
  - The Colorado River Water Users Association Conference in Las Vegas, December 16-18, 2025.

### **ACTION**

General Manager Jamie Asbury reported that, according to Water Code sections 21376, 21386, and 22840.5, the board must elect a Chairperson and a Vice Chairperson from among its members at its organizational meeting. Additionally, Board Policy GP-5: Election of the Board Chairperson and Vice Chairperson outlines the process for these elections. It states that the Chairperson and Vice Chairperson are elected by a vote of four or more directors in favor and that they serve one-year terms beginning January 1st of each year.

Director Cardenas expressed his gratitude for the leadership demonstrated by Chairwoman Dockstader and Vice Chairman Hamby, recognizing their valuable contributions. He outlined his rationale for nominating Director Eugenio as Chairwoman and for recommending that Vice Chairman Hamby continue in his position for 2026.

9. Reorganization of officers  
a. Chairman and Vice Chairman

Moved by Director Cardenas, seconded by Director Pacheco, that the board elect Director Eugenio as Chairwoman and re-elect Director Hamby as Vice Chairman of the Imperial Irrigation District for 2026.

Motion carried 5-0.

On behalf of the IID Board, Vice Chairman Hamby presented Chairwoman Dockstader with a plaque and tokens to honor her leadership and contributions during her tenure. In response, Chairwoman Dockstader expressed her gratitude for the opportunity to serve as Chairwoman of the IID Board of Directors.

Director Eugenio expressed gratitude to outgoing Chairwoman Dockstader, the Board, her family, and friends for their support. She also thanked General Manager Asbury, Board Secretary Raquel Najera, General Counsel Strumpfer, departmental managers, and the audience.

b. Treasurer

Moved by Vice Chairman Hamby, seconded by Director Pacheco, that the board appoint Vivia Arellano as treasurer of the Imperial Irrigation District for calendar year 2026.

Motion carried 5-0.

c. Secretary

Moved by Vice Chairman Hamby, seconded by Director Cardenas, that the board appoint Raquel Najera as secretary of the Imperial Irrigation District for calendar year 2026.

Motion carried 5-0.

The Board took a break.

**CONVENE CLOSED SESSION— 2:31 p.m.**

The order of the closed-session agenda was rearranged.

1. CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION  
(Cal. Gov. Code sec. 54956.9(d)(2) & (e)(1)).  
(7 cases)
2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
(Cal. Gov. Code sec54956.9(d)(1). (1 case)

Raquel Najera left the meeting, and Judy Avila, the Administrative Assistant and Assistant Secretary to the Board of Directors, took her place.

**RECONVENE REGULAR SESSION— 4:55 p.m.**

**REPORT ACTIONS TAKEN IN CLOSED SESSION, IF ANY**

General Counsel Wayne Strumpfer reported on item No. 2 of the closed-session agenda. The Board voted 5-0 to approve the settlement agreement in IID vs. Desert View Power.

**ADJOURNMENT— 4:58 p.m.**

**(The regular meeting was livestreamed and is available for public viewing on the IID website for those wanting to access a full recording of the proceedings.)**





**MINUTES OF REGULAR MEETING**  
**Work Session**  
**Tuesday, January 6, 2026**  
**Classic Club**  
**75-200 Classic Club Blvd.**  
**Orion Conference Room**  
**Palm Desert, CA 92211**

Division 1—Alex Cardenas  
Division 2—JB Hamby, *Vice Chairman*  
Division 3—Gina Dockstader  
Division 4—Lewis Pacheco  
Division 5—Karin Eugenio, *Chairwoman*

Jamie L. Asbury, *General Manager*  
Wayne K. Strumpfer, *General Counsel*  
Raquel Najera, *Secretary to the Board*

**CALL TO ORDER— 1:01 p.m.**

All directors were present at the off-site board meeting held at the Classic Club in Palm Desert.

**PUBLIC COMMENTS**

None.

**CONVENE CLOSED SESSION— 1:02 p.m.**

1. CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION  
(Cal. Gov. Code sec. 54956.9(d)(2) & (e)(1)).  
(4 cases)

The closed session adjourned at 2:25 p.m., and the Board then took a break.

**RECONVENE REGULAR SESSION— 2:43 p.m.**

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was recited.

**REPORT ACTIONS TAKEN IN CLOSED SESSION, IF ANY**

General Counsel Wayne Strumpfer reported that the Board voted 4-1 on a litigation matter, with Director Cardenas voting no.

**APPROVAL OF AGENDA**

Moved by Director Cardenas, seconded by Vice Chairman Hamby, that the board approve the agenda as presented.

Motion carried, 5-0.

**PUBLIC COMMENTS**

None.

**CONSENT**

Moved by Director Cardenas, seconded by Vice Chairman Hamby, that the board approve the consent agenda as presented (Nos. 1, 2, 3, and 4).

Motion carried 5-0.

1. Approval of minutes:
  - December 2, 2025, regular/business session
2. Adopt Resolution authorizing officers to execute documents on behalf of IID  
The adoption of Resolution 1-2026, which designates officers to execute documents on IID's behalf for the calendar year 2026.
3. Adopt Resolution adopting the Vega 6 Project Final Environmental Impact Report for the Ramon Substation Expansion  
The adoption of Resolution 2-2026 accepts the findings and applicable mitigation measures from the Final Environmental Impact Report in accordance with the California Environmental Quality Act. Furthermore, it directs staff to file a Notice of Determination with the Imperial County Clerk and the State Clearinghouse.
4. Adopt Resolution electing the IID Financing Corporation – Election of Board of Directors/Officers for 2026  
The adoption of Resolution 2026-1 elects the IID Financing Corporation's Board of Directors and appoints its officers for the year 2026.

**CONSENT ITEMS ADDED TO ACTION AGENDA**

None.

**ACTION**

None.

## POLICY MONITORING

5. BL-1: Unity of Control

Vice Chairman Hamby introduced the discussion of Policy BL-1, which states, "Only decisions made by the Board as a whole are binding on the General Manager, the General Counsel, and the Internal Auditor." He noted that the monitoring method for this policy is conducted annually. Based on an assessment of the Board's practices, the results indicate improvement.

Moved by Vice Chairman Hamby, seconded by Director Dockstader, that the board accept the policy monitoring report and find that the District is substantially in compliance with Board Policy BL-1: *Unity of Control*.

Motion carried, 5-0.

After a brief discussion of Policy BL-1, the survey results, "Assessing Board Practices," were reviewed. The survey comprised statements about five habits that evaluated Board practices and included comparisons across 2023, 2024, and January–June 2025. The December 2025 results showed a 100 percent response rate from both the Board and management. This was followed by comments and input from the Board.

## REPORTS

6. Board of Directors

The Board reviewed the list of current external appointments and local agency two-on-two appointments to determine whether the appointees wish to continue in their current roles or request any changes. The reassessment will be discussed and approved at the regular board meeting/work session in February 2026.

The Board took a recess

## WORK SESSION

7. Review Board of Directors 2026 Annual Work Plan

Vice Chairman Hamby reviewed the updated draft of the 2026 Annual Work Plan. He reviewed the Policy Monitoring Schedule, the Miscellaneous Activities Schedule, the Biennial Budget and Strategic Planning Schedule (BL-8), the Parking Lot items, and the Board Goals for 2025 and 2026. He also discussed the 2026 Rolling 12-Month Work Session Calendar. Following the discussion, a list of water and power matters will be added to the 2026 Board Goals.

**ADJOURNMENT— 4:43 p.m.**

**The off-site board meeting/work session was not livestreamed.**





January 20, 2026

**BOARD AGENDA MEMORANDUM**

**Consent**

**SUBJECT** Statement of Investment Policy 2026  
**DEPARTMENT** Finance  
**PRESENTER** Belen Valenzuela, chief financial officer

**Background**

The statement of investment policy provides comprehensive guidelines for the investment of the Imperial Irrigation District's idle and surplus funds. The statement requires Board approval on an annual basis. There are no changes to the statement of investment policy for 2026.

**Financial Impact**

None.

**Recommendation**

Staff recommends Board approval of the attached Statement of Investment Policy as presented.

# IMPERIAL IRRIGATION DISTRICT



**Board Approved January 20, 2026**

## STATEMENT OF INVESTMENT POLICY 2026

333 E. Barioni Blvd.  
Imperial, CA 92251

# TABLE OF CONTENTS

## INVESTMENT OF IMPERIAL IRRIGATION DISTRICT FUNDS

|   |           |
|---|-----------|
| <b>I. PURPOSE .....</b>                                       | <b>3</b>  |
| <b>II. SCOPE.....</b>   | <b>3</b>  |
| <b>III. PROCEDURE.....</b>                                    | <b>3</b>  |
| <b>IV. STANDARDS OF CARE.....</b>                             | <b>5</b>  |
| <b>V. ALLOWABLE INVESTMENT VEHICLES AND PRACTICES.....</b>    | <b>5</b>  |
| <b>VI. INVESTMENT LIMITATIONS.....</b>                        | <b>11</b> |
| <b>VII. PROHIBITED INVESTMENT VEHICLES AND PRACTICES.....</b> | <b>11</b> |
| <b>VIII. SAFEKEEPING .....</b>                                | <b>11</b> |
| <b>IX. DELEGATION OF AUTHORITY.....</b>                       | <b>12</b> |
| <b>X. OBJECTIVES .....</b>                                    | <b>12</b> |
| <b>XI. CHANGES TO POLICY.....</b>                             | <b>13</b> |
| <b>XII. REPORTING .....</b>                                   | <b>13</b> |

Attachment A -State and Federal Credit Union Deposit Restrictions

## **I. PURPOSE**

This Investment Policy is intended to provide a guideline for the prudent investment of temporary idle cash, trust funds and restricted monies and to outline a policy for maximizing the efficiency of the District's cash management system, and to provide guidelines for suitable investments. Ultimate investment goals include the enhancement of economic status and the protection of pooled cash investments.

## **II. SCOPE**

The Investment Policy is designed to allow the Treasurer to determine the amounts of money to be deposited as inactive, active, and interest-bearing active deposits. The investment policies and practices of the District are based upon Federal, State and Local law and prudent money management. Except for cash in certain restricted and special funds, the District will consolidate cash and reserve balances from all funds to maximize investment earning and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

## **III. PROCEDURE**

Imperial Irrigation District operates its pooled idle cash investments under the prudent investor standard in accordance with code Section 53600.3 of the Government Code of California. "When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, the Treasurer, as trustee, shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

Imperial Irrigation District strives to maintain the level of investment of idle funds as near to 100 percent as possible. Consistent with this factor, investments are made under the terms and conditions of Sections 53600 et seq. of the Government Code of California. Criteria for selecting investments and the absolute order of priority are safety, liquidity and return on investment.

**Safety of Principal**

Safety of principal is the foremost objective of IID. Each investment transaction shall seek to preserve the principal of the portfolio, whether from institution default, broker-dealer default, or erosion of market value of securities. The District shall seek to preserve principal by mitigating the two types of risk, credit risk and market risk.

Credit risk, defined as the risk of loss due to failure of an issuer of a security, shall be mitigated by investing in only very safe institutions and by diversifying funds so that the failure of any one issuer would not unduly restrict the District's cash flow.

The risk of market value fluctuations due to overall changes in the general level of interest rates shall be mitigated by limiting the maximum maturity of the District's general funds to five years. It is recognized that in a diversified portfolio, measured losses are inevitable, and must be considered within the context of the overall investment return.

**Liquidity**

Investments shall be made to comply with the District's cash flow requirements and to permit easy and rapid conversion into cash without a substantial loss of value.

**Return on Investment**

Investments shall be undertaken to produce an acceptable rate of return after first considering safety of principal and liquidity.

**Maturity Limitations**

The Treasurer is authorized to invest fund balances up to a maximum term of five years. Special trust funds shall not be subject to the five year maximum maturity. The Treasurer is therefore authorized to invest special trust funds in excess of five years or in accordance with the bond indenture. These funds include, but are not limited to the following: Bond Proceeds and Bond Reserves

#### **IV. STANDARDS OF CARE**

##### **A. Prudence**

The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. The “prudent person” standard is discussed in Government sections 27000.3 and 53600.3, which are incorporated herein by reference.

##### **B. Ethics and Conflicts of Interest**

Officers and employees involved in the investment process shall be included as ‘designated employees” under the District’s Conflict of Interest Code, which is incorporated herein by reference. Said personnel shall comply fully with that Code, including but not limited to disclosing and abstaining from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. In addition to any other disclosure mandated by the District’s Conflict of Interest Code, employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall not undertake personal investment transactions with the same individual with whom business is conducted on behalf of the District.

#### **V. ALLOWABLE INVESTMENT VEHICLES AND PRACTICES**

Deposits or investments allowable under California Government Code Sections 53601 are as follows:

- (a) Bonds issued by the local agency, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency or by a department, board, agency, or authority of the local agency.
- (b) United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- (c) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.

- (d) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.
- (e) Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There is no limitation as to the percentage of the portfolio that may be invested in this category; however purchases of callable Federal Agency obligations are limited to a maximum of 50 percent of the portfolio. In addition, purchases of Federal Agency mortgage-backed securities issued by or fully guaranteed as to principal and interest by government agencies are limited to a maximum of 20 percent of the portfolio.
- (f) Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as banker's acceptances. Purchases of banker's acceptances may not exceed 180 days maturity or 40 percent of the agency's surplus money that may be invested pursuant to this section. However, no more than 30 percent of the agency's surplus funds may be invested in the banker's acceptances of any one commercial bank pursuant to this section.

This subdivision does not preclude a municipal utility district from investing any surplus money in its treasury in any manner authorized by the Municipal Utility District Act (Division 6 (commencing with Section 11501) of the Public Utilities Code).
- (g) Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):
  - (1) The entity meets the following criteria:
    - (A) Is organized and operating in the United States as a general corporation.
    - (B) Has total assets in excess of five hundred million dollars (\$500,000,000).
    - (C) Has debt other than commercial paper, if any, that is rated "A" or higher by a nationally recognized statistical-rating organization (NRSRO).

- (2) The entity meets the following criteria:
- (A) Is organized within the United States as a special purpose corporation, trust, or limited liability company.
  - (B) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond.
  - (C) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical-rating organization (NRSRO).

Eligible commercial paper shall have a maximum maturity of 270 days or less. The District may invest no more than 25 percent of its money in eligible commercial paper nor may it purchase no more than 10 percent of the outstanding commercial paper of any single issuer. The amount invested in commercial paper of any one issuer in combination with any other securities from that issuer shall not exceed 10 percent of the portfolio.

- (h) Negotiable certificates of deposits issued by a nationally or state-chartered bank or a state or federal association (as defined by Section 5102 of the Financial Code) or by a state-licensed or federally-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 30 percent of the agency's surplus money which may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposits do not come within Article 2 (commencing with Section 53630), except that the amount so invested shall be subject to the limitations of Section 53638. The amount invested in negotiable certificates of deposit of any one issuer in combination with any other securities from that issuer shall not exceed 10 percent of the portfolio.
- (i) Repurchase agreements or reverse repurchase agreements can be made only with the approval of the governing body of the local agency and only with primary dealers of the Federal Reserve Bank of New York or with a nationally or state-chartered bank that has or has had a "significant banking relationship" with the local agency. Repurchase agreements may not exceed 365 days maturity and 5 percent in any one issuer. Reverse Repurchase Agreements cannot exceed 92 days nor represent more than 20 percent of the base value of the portfolio and the issuer must have held the securities used in the agreement for at least 30 days as per the allowable investment instruments per State Government Code Section 53601.7.

The following collateral restrictions will be observed for Repurchase Agreements: Only U.S. Treasury securities or Federal Agency securities are acceptable collateral. All securities underlying

Repurchase Agreements must be delivered to the District's custodian bank versus payment or be handled under a tri-party repurchase agreement. The total of all collateral for each Repurchase Agreement must equal or exceed, on the basis of market value plus accrued interest, 102 percent of the total dollar value of the money invested by the District for the term of the investment. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day. For any Repurchase Agreement with a term of more than one day, the value of the underlying securities must be reviewed on a regular basis. Market Value must be calculated each time there is a substitution of collateral.

- (j) Medium-term notes defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in a rating category of "A" or its equivalent or better by a NRSRO. Purchases of medium-term notes shall not include other instruments authorized by this section and may not exceed 30 percent of the agency's surplus money, which may be invested pursuant to this section. The amount invested in corporate notes of any one issuer in combination with any other securities from that issuer shall not exceed 10 percent of the portfolio.
  
- (k) Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.).

The company shall have met either of the following criteria:

- (A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations.
  
- (B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).

The purchase price of shares of beneficial interest, mutual funds, purchased pursuant to this subdivision shall not include any commission that the companies may charge.

Investments in this category shall be restricted to money market mutual funds that seek to maintain a Net Asset Value of \$1. Money Market mutual funds provide daily liquidity; therefore, there is no final stated maturity for this investment category. Investments in mutual funds shall be restricted to Funds that have the highest ranking or the highest letter and numerical rating provided by not less than two of the nationally recognized statistical rating organizations. Purchases of this category shall not exceed 20 percent of the book value of the portfolio. Purchases in a single mutual fund shall not exceed 10% of the book value of the Portfolio.

- (l) Notwithstanding anything to the contrary contained in Section 53601, or any other provision of law, moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.
- (m) Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank which is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.
- (n) Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum of five years maturity. Securities eligible for investment under this subdivision shall be issued by an issuer having an "A" or higher rating for the issuer's debt as provided by a nationally recognized rating service and rated in a rating category of "AA" or its equivalent or

better by a NRSRO. Purchase of securities authorized by this subdivision may not exceed 20 percent of the agency's surplus money that may be invested pursuant to this section.

- (o) Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivisions 53601 (a) to (n), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:
  - (1) The adviser is registered or exempt from registration with the Securities and Exchange Commission.
  - (2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions 53601 (a) to (n), inclusive.
  - (3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

Investments are further limited to pools that seek to maintain a stable Net Asset Value.

- (p) Local Agency Investment Fund (LAIF) Investment of funds in the California State Pool (LAIF) as authorized by Government Code 16429.1. The District may invest up to the maximum permitted by the LAIF.
- (q) Contracts issued by insurance companies, also referred to as fixed annuities, that provide a fixed or variable rate of interest and the full return of principal at the maturity date. The length of the investment cannot exceed five years.

Investments not purchased directly from the issuer, shall be purchased either from an institution licensed by the state as a broker-dealer, as defined in Section 25004 of the Corporations Code, or from a member of a federally regulated securities exchange, from a national or state-chartered bank, from a federal or state association (as defined by Section 5102 of the Financial Code) or from a brokerage firm designated as a primary government dealer by the Federal Reserve bank.

## VI. INVESTMENT LIMITATIONS

| Authorized Investment Type          | Maturity | Percentage        | Per Issuer |
|-------------------------------------|----------|-------------------|------------|
| Local Agency Bonds                  | 5 years  | None              | None       |
| U.S. Treasury Obligations           | 5 years  | None              | None       |
| U.S. Agency Securities              | 5 years  | None              | None       |
| Banker's Acceptances                | 180 days | 40%               | 30%        |
| Commercial Paper                    | 270 days | 25%               | 10%        |
| Negotiable Certificates of Deposit  | 5 years  | 30%               | 10%        |
| Repurchase Agreements               | 1 year   | None              | 5%         |
| Reverse Repurchase Agreements       | 92 days  | 20% of base value | None       |
| Medium-Term Notes                   | 5 years  | 30%               | 10%        |
| Mutual Funds                        | N/A      | 20%               | 10%        |
| Money Market Mutual Funds           | N/A      | 20%               | 10%        |
| Mortgage Pass-Through Securities    | 5 years  | 20%               | None       |
| Local Agency Investment Fund (LAIF) | N/A      | None              | None       |

## VII. PROHIBITED INVESTMENT VEHICLES AND PRACTICES

Investment prohibited under California Government Code Section 53601.6 are as follows:

- (a) A local agency shall not invest any funds pursuant to this article in inverse floaters, range notes, or mortgage derived interest-only strips.
- (b) A local agency shall not invest any funds pursuant to this article in any security that could result in zero interest accrual if held to maturity. However, a local agency may hold prohibited instruments until their maturity dates. The limitation in this subdivision shall not apply to local agency investments in shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 and that are authorized for investment pursuant to subdivision (k) of Section 53601.

## VIII. SAFEKEEPING

Securities purchased from brokers/dealers shall be held in third party safekeeping by the trust department of the local agency's bank or other designated third party trust, in local agency's name and control, whenever possible.

Money shall be deposited in any bank, savings association or federal association, state or federal credit union, or federally insured industrial loan company with the objective of realizing maximum return, consistent with prudent financial management, except that money shall not be deposited in any state or federal credit union (Attachment A) if a member of the Board of Directors, the General Manager, Treasurer, Chief Financial Officer, or Supervisor, General Accounting serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or supervisory committee, of the state or federal credit union pursuant to Sections 53637 and 53648 of the California Government Code.

## **IX. DELEGATION OF AUTHORITY**

Pursuant to Section 53607 and upon adoption of this policy, the Board of Directors delegates the authority to invest or to reinvest funds of the District to the Treasurer for a one-year period. The Treasurer shall hereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires, and shall make a quarterly report of those transactions to the Board of Directors. Subject to review, the Board may renew the delegation of authority pursuant to this section each year.

The Treasurer may utilize the services of investment brokers to maximize yields on marketable securities, including bond swaps, portfolio analysis, government closes, yield curves and historical spread sheets and construction fund investment programs.

The Chief Financial Officer, Treasurer, Assistant Treasurer, and the Officer, Accounting Financial Controller are also authorized to invest, reinvest, purchase, acquire, exchange, sell and make the necessary transfers within bank accounts in accordance with code Section 53600.3 of the Government Code of California.

## **X. OBJECTIVES**

While the primary objectives of this policy are safety of principal and liquidity, the investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the agency's risk constraints, the cash flow characteristics of the portfolio, and State laws, ordinances or resolutions that restrict investments.

## **XI. CHANGES TO POLICY**

Where there is a change in law affecting the District's investments, these changes shall be automatically incorporated within the District's investment policy when they are more restrictive. When the changes are broader in scope, then the Board of Directors of the District must amend District investment policy before the Treasurer may include such changes in the law into the investment policy.

## **XII. REPORTING**

The Treasurer shall provide a quarterly report showing the type of investment, issuer, date of maturity, par and dollar amount invested, rate of interest, current market value and other appropriate data. The report shall state whether the investments comply with the investment policy, or manner in which the portfolio is not in compliance, and whether the District will be able to meet its needs for cash for the next six months, or provide an explanation as to why sufficient money shall, or may, not be available.

The Treasurer shall annually render a statement of investment policy, which the Board of Directors shall consider at a public meeting pursuant to Section 53646 of the California Government Code.

Attachment A

**Imperial Irrigation District  
State and Federal Credit Union Deposit Restrictions  
Acknowledgement**

Sections 53637 and 53648 of the California Government Code do not permit the deposit or investment of monies in a state or federal Credit union by members of a legislative body of a local agency or by individuals of a local agency with investment decision making authority if those individuals are members of the board of directors, or any committee appointed by the board of directors or the credit committee or supervisory committee, of the state or federal credit union.

I hereby attest by my signature below that I am in compliance with the California Government Code sections 53637 and 53648. I will promptly notify the Secretary of the Imperial Irrigation District's Board of Directors when I am no longer in compliance with these California Government Code sections.

PRINT NAME: \_\_\_\_\_  
SIGN: \_\_\_\_\_

POSITION \_\_\_\_\_  
DATE: \_\_\_\_\_





January 20, 2026

BOARD AGENDA MEMORANDUM

Action

**SUBJECT** Approval of 2026 Deficit Irrigation Program Description and Agreement

**DEPARTMENT** Water Department

**PRESENTER** Tina Shields/Mike Pacheco, managers

### **Background**

The Colorado River Basin has experienced the driest 25-year period in its historical record. Prolonged drought and low runoff conditions accelerated by climate change have led to historically low water levels in both Lake Powell and Lake Mead. The U.S. Department of the Interior committed to address historically low reservoir elevations and Congress indicated its support for voluntary compensated water management and conservation actions by appropriating \$4 billion in funding for areas experiencing drought through the Inflation Reduction Act of 2022. Reclamation subsequently created the Lower Colorado River Basin System Conservation and Efficiency Program (LC Conservation Program) to allocate some of this funding to Colorado River contractors and IID entered into two System Conservation Implementation Agreements, one for calendar year 2023 and one for calendar years 2024 through 2026.

The 2023 SCIA was executed on December 6, 2023, and resulted in the creation of 106,111 acre-feet (AF) of System Conservation Water (SCW) funded by the LC Conservation Program. The 2024-2026 SCIA was executed on August 12, 2024, and includes a cumulative funding cap for 700,000 AF of SCW to be left in Lake Mead over the three-year contractual term. In 2024 IID created 257,640 AF of SCW and in 2025 IID anticipates creating more than 250,000 AF of SCW, including 222,384 AF of conservation from the 2025 DIP. The 2025 OFECP conservation volumes are still being finalized, however given the federal contractual funding limit IID will need to scale back its 2026 federal conservation target volume, with the 2026 DIP currently anticipated to only accommodate about half of the volumetric capacity of the 2025 DIP in order to also allow for 2026 OFECP SCW.

The DIP funds the short-term (45 or 60 days) fallowing of established Alfalfa, Bermuda grass and Klein grass crops planted prior to January 1, 2025 for the 2026 DIP. During the 45- or 60-day deficit irrigation period, growers will not irrigate crops (that can be stressed but survive the 45 or 60 days of suspended irrigation) and participants will receive a payment calculated using conservation yields (in acre-feet per acre) based on historic water delivery records (2003-2012) for the respective crops and program participation periods. That volume of water is deducted from the growers' farm unit EDP account and credited to IID's conservation account. Consistent with other IID conservation programs, the DIP will require landowner consent via a signature on the program contract.

Due to the anticipated over-subscription of the 2026 DIP, and in response to grower input, the Water Department has made additional changes to the DIP that are reflected in the updated program description and 2026 DIP agreement (attached). The changes in the program description provide for modifications to Section 1.5 (Program Selection) eliminating the lottery process to exclude fields and inserting a methodology to prorate farm unit participation based on eligible DIP acreage in order to meet volumetric and acreage limitations resulting from either the funding agreement and/or environmental permits. Changes also incorporate the option to establish a minimum participation level for smaller eligible farm units that may be exempted from proration and to clarify the ability for growers to perform minor tile repairs during the DIP term provided the irrigation gate remains locked. There are no significant changes to the program agreement, just updated text to reflect the 2026 program year and pricing. IID received a December 16, 2025 letter (attached) from the Imperial County Farm Bureau supporting the farm unit proration concept and recommending any participant with DIP eligibility totaling less than 300 acre-feet of conservation be exempt from any program limits.

As always, participation in the DIP is at IID's sole discretion after coordination with the appropriate federal and state agencies. IID has requested an increase to the 700,000 AF cumulative conservation funding cap in the SCIA, however to date Reclamation has not formally responded to this request. IID will finalize its 2026 SCW conservation targets at the end of the first quarter of 2026 after it has updated its 2025 conservation totals and pending any additional response from Reclamation regarding changes to the 2024 – 2026 SCIA funding cap.

The draft 2026 DIP schedule is below, with the final schedule and program details to be posted to [www.iid.com/dip](http://www.iid.com/dip).

| DRAFT 2026 DIP SCHEDULE                    |                 |                 |            | 2026  |       |       |       |       |       |       |       |       |       |       |
|--|-----------------|-----------------|------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|  |                 |                 |            | Q1    |       | Q2    |       |       | Q3    |       |       | Q4    |       |       |
| PROJECT NAMES + TASK TITLES                | START DATE      | END DATE        | # of Days  | 01/26 | 02/26 | 03/26 | 04/26 | 05/26 | 06/26 | 07/26 | 08/26 | 09/26 | 10/26 | 11/26 |
| <b>2026 DIP</b>                            | <b>01/01/26</b> | <b>11/30/26</b> | <b>334</b> |       |       |       |       |       |       |       |       |       |       |       |
| Send out Field Eligibility Reports         | 01-05/26        | 01-09/26        | 5          |       |       |       |       |       |       |       |       |       |       |       |
| Field Eligibility Confirmation Period      | 01-12/26        | 01-29/26        | 18         |       |       |       |       |       |       |       |       |       |       |       |
| Mapping of Eligible Fields                 | 01-05/26        | 02-17/26        | 44         |       |       |       |       |       |       |       |       |       |       |       |
| Solicitation Period                        | 02-23/26        | 03-23/26        | 29         |       |       |       |       |       |       |       |       |       |       |       |
| Coordination with Agencies                 | 03-27/26        | 05-30/26        | 65         |       |       |       |       |       |       |       |       |       |       |       |
| Field Evaluation/Develop Proration Reports | 03-30/26        | 04-03/26        | 5          |       |       |       |       |       |       |       |       |       |       |       |
| Send out Proration Reports                 | 04-06/26        | 04-07/26        | 2          |       |       |       |       |       |       |       |       |       |       |       |
| Proration Report Submittal                 | 04-08/26        | 04-20/26        | 13         |       |       |       |       |       |       |       |       |       |       |       |
| Contract Drafting                          | 04-21/26        | 04-27/26        | 7          |       |       |       |       |       |       |       |       |       |       |       |
| Distribute Contracts                       | 04-28/26        | 05-01/26        | 4          |       |       |       |       |       |       |       |       |       |       |       |
| Contracting Signing Period                 | 05-02/26        | 05-31/26        | 30         |       |       |       |       |       |       |       |       |       |       |       |
| Implementation                             | 06-01/26        | 09-30/26        | 122        |       |       |       |       |       |       |       |       |       |       |       |
| Payment                                    | 08-15/26        | 11-30/26        | 108        |       |       |       |       |       |       |       |       |       |       |       |

**Financial Impact**

The 2026 DIP will be funded with federal monies authorized under the 2024 – 2026 SCIA at the conservation payment rate of \$300/AF, as previously authorized by the IID board of directors on November 4, 2025.

**Recommendation**

Staff recommends board approval of the attached 2026 DIP program description and agreement. Additionally, staff recommends the board establish a minimum participation level for eligible DIP farm units that would be considered during the proration process, as noted in the program description.

Staff also seeks the delegation of authority to the General Manager to finalize and implement the 2026 DIP consistent with the program description to stay within environmental and funding program limits and subject to any agency coordination requirements.



1000 Broadway  
El Centro, Ca 92243  
Office (760) 352-3831  
Fax (760) 352-2011  
Info@icfb.net

---

December 16, 2025

Imperial Irrigation District  
333 East Barioni Boulevard  
Imperial, CA 92251

**Re: Recommendations Regarding the 2026 Deficit Irrigation Program (DIP)**

Dear IID Board and Staff:

Imperial County Farm Bureau (ICFB) appreciates the continued engagement and collaboration with the Imperial Irrigation District (IID) regarding the implementation of the Deficit Irrigation Program (DIP). Although, rates for the 2026 program have been approved by the board, ICFB respectfully submits the following recommendations for IID's consideration at your December 22<sup>nd</sup> board meeting.

First, ICFB recommends that IID pass on the four percent inflationary increase to the IID SCIA payment, equivalent to \$33.62 per acre-foot, to growers participating in the 2026 DIP increasing the grower payment rate for DIP to \$333.62 per acre foot. This accounts for the difference between the 2026 System Conservation Implementation Agreement (SCIA) amount of \$873.99 and the 2025 amount of \$840.37 per acre-foot. The four percent increase should be passed on to those conserving the water.

Second, ICFB recommends that the 2026 DIP be structured as a farm unit-based program, calculated on eligible acres. In addition, we recommend that any participant with DIP eligibility totaling less than 300 acre-feet be exempt from a program limit. This approach would ensure proportional access to the program and prevent smaller growers from being disproportionately constrained.

ICFB believes these recommendations will help maintain strong grower participation, fairness, and support IID's shared objectives of water conservation while sustaining Imperial Valley agriculture.

Thank you for your continued partnership and consideration. We look forward to ongoing dialogue and collaboration.

Sincerely,

A handwritten signature in black ink that reads 'Paula Pangle'.

Paula Pangle  
President

Cc: Director Gina Dockstader, Chairwoman      Jamie Asbury, General Manager  
Director JB Hamby, Vice Chairman              Tina Shields, Water Manager  
Director Alex Cardenas, Division 1              Mike Pacheco, Water Manager  
Director Lewis Pacheco, Division 4              Raquel Najera, Board Secretary  
Director Karin Eugenio, Division 5

**DEFICIT IRRIGATION PROGRAM**

**2026 Program Description**

**1.1 Purpose.** IID desires to increase the amount of conserved water created from its annual Colorado River entitlement by contracting with agricultural water users within IID's Imperial Unit for the seasonal deficit irrigation (or temporarily ceasing irrigation) of agricultural fields that otherwise would have been irrigated with Colorado River water, thereby creating conserved water available for IID purposes, including for use under an agreement with the U.S. Bureau of Reclamation to help mitigate drought impacts, or other conservation obligations.

**1.2 Deficit Irrigation Program ("Program" or "DIP").** The DIP consists of not irrigating an established Alfalfa, Bermuda grass or Klein grass crop for a period of 45 to 60 days during the summer months of June through September. Any owner, owner designee or tenant, as authorized under the respective IID "Certificate of Ownership and Authorization of Owner Designee or Tenant" form, Form IID-410 (otherwise referred to as the "water card"), may offer the field to participate in the DIP. Information regarding the DIP may be located at [www.iid.com/dip](http://www.iid.com/dip).

**1.3 Program Solicitation.** The DIP may be implemented in calendar years 2024, 2025 and 2026. IID will solicit participation in the DIP each year. A proposal for participation will be required for each of the three years an agricultural water user would like to participate in the DIP. IID will notify its agricultural water users of the DIP solicitation no later than March 1 of each calendar year, except that in 2024 notification of the DIP solicitation shall be as soon as practicable. Agricultural water users may volunteer to participate in the DIP by responding to an IID solicitation with a complete Deficit Irrigation Program Proposal Form by a deadline provided by IID for that year.

**1.4 Field Eligibility Criteria.** Upon submission of a Deficit Irrigation Program Proposal Form, IID will evaluate whether the fields proposed for participation in the DIP satisfy the field eligibility criteria. Fields eligible for participation in the DIP shall meet all of the following criteria:

- a. Located wholly within IID's Imperial Unit and district boundary;
- b. Irrigated through an IID water delivery gate;

Deleted: May 2025  
¶

- c. Crop is Alfalfa, Bermuda grass, or Klein grass and planted prior to January 1, 2025, as designated by the respective water service delivery gate crop code, and verified by IID staff;
- d. Do not share delivery infrastructure with residential water users that have no alternative access to canal water service; and
- e. Are whole fields with a minimum of twenty contiguous acres (partial fields are not eligible for participation).

Deleted: 2024

**1.5 Program Selection.** IID may, at IID's sole discretion, limit or preclude certain fields from participation in the DIP as a result of annual water conservation targets and/or environmental restrictions. In the event that responses to a DIP solicitation are in excess of an annual water conservation target, IID will prorate the available conservation to participants on a farm unit acreage (for DIP eligible fields) basis, after accounting for any board-established minimum participation level ("threshold volume") not subject to proration, and notify participants above the threshold to resubmit a reduced proposal with fields that cumulatively do not exceed the prorated volumetric limits calculated for each participant. Farm unit designations are at IID's sole determination and will be based generally off 2026 EDP designations and IID customer ID's associated with each farming entity.

Deleted: Following review of responses to a DIP solicitation,

Deleted: the

**Deleted:** , participating fields will be selected in accordance with a lottery approach described herein. Any single participant whose participating fields would result in a cumulative conservation yield below 1,500 AF acre-feet ("threshold volume") will not be included in the lottery and those participating fields will automatically be included in the DIP. All remaining participating fields will be included in the lottery. The lottery will be for the volume remaining for the annual water conservation target less the aggregate total conservation yield for the participating fields automatically included in the DIP ("remaining annual water conservation target"). The lottery will be a random selection of fields and implemented on an exclusionary basis to achieve an aggregate total conservation yield volume as close as possible to, but not to exceed, the remaining annual water conservation target. Each field selected in the lottery will be excluded from the DIP until the aggregate total conservation yield for the fields remaining in the lottery are equal to or less than the remaining annual water conservation target; provided that if a field is selected in the lottery that would result in the cumulative conservation yield of the participating fields of a single participant to be below the threshold volume, the field will be returned to the lottery and not excluded from the DIP.

All participating farm units will be subject to either the prorated conservation volume limit calculated by IID, or the threshold volume, whichever is larger. The farm unit proration will be calculated to ensure the aggregate total annual DIP conservation yield volume is as close as possible to, but not exceed, the annual DIP water conservation target. Once a farm unit is assigned a volumetric target, the participant's resubmitted proposal may include field, term and start-date adjustments for eligible fields within the farm unit, however the cumulative conservation yields of proposed fields cannot exceed its farm unit volumetric limit. IID will review all proposals and resubmittals, and work with the participants as appropriate to finalize and approve the final farm unit fields for DIP participation, subject to program and environmental compliance requirements.

Deleted: May 2025  
¶

**1.6 Agreements.** Participation in the DIP will require an agreement between the agricultural water user and IID ("DIP Agreement"). After completion of the field eligibility verification, IID may accept an agricultural water user's proposal for participation in the DIP in whole or in part by offering the agricultural water user a DIP Agreement. A DIP Agreement will not be completed unless and until a Landowner Authorization Agreement (Exhibit B of the DIP Agreement) is completed and executed by the owner or owner designee on the water card for each field listed in Exhibit A of the DIP Agreement. IID may accept some or all offers that meet the DIP requirements at its sole discretion based on the annual water conservation targets and certain environmental restrictions.

**1.7 Participating Acreage.** Fields eligible for participation in the DIP shall include the net acreage planted with crops and shall exclude acreage not planted with crops, including but not limited to roads, head and tailwater ditches, stack pads, hay presses, and buildings, and shall be the acreage shown on the water delivery bills for the field at the time of solicitation, as verified or adjusted by staff.

**1.8 Deficit Irrigation Period and Conservation Yields.** The conservation yields (in acre-feet per acre) for the DIP have been calculated by IID based on historic water delivery records (2003-2012) for the respective crops and deficit irrigation periods as set forth in the tables below. Deficit irrigation shall be implemented for 45 to 60 days with start dates and associated conservation yields set forth in the tables below.

**60-Day Deficit Irrigation Period Conservation Yields**

| Start Date                                    | Alfalfa (af/ac) | Bermuda Grass (af/ac) | Klein Grass (af/ac) |
|---|-----------------|-----------------------|---------------------|
| June 1 <sup>st</sup> - June 7 <sup>th</sup>   | 1.67            | 1.45                  | 1.79                |
| June 8 <sup>th</sup> - June 14 <sup>th</sup>  | 1.65            | 1.42                  | 1.78                |
| June 15 <sup>th</sup> - June 21 <sup>st</sup> | 1.62            | 1.40                  | 1.78                |
| June 22 <sup>nd</sup> - June 28 <sup>th</sup> | 1.60            | 1.38                  | 1.77                |
| June 29 <sup>th</sup> - July 5 <sup>th</sup>  | 1.57            | 1.36                  | 1.77                |
| July 6 <sup>th</sup> - 12 <sup>th</sup>       | 1.50            | 1.39                  | 1.74                |
| July 13 <sup>th</sup> - 19 <sup>th</sup>      | 1.43            | 1.43                  | 1.71                |

Deleted: May 2025  
¶

|  |      |      |      |
|--|------|------|------|
| July 20 <sup>th</sup> – 26 <sup>th</sup>       | 1.36 | 1.46 | 1.68 |
| July 27 <sup>th</sup> - August 2 <sup>nd</sup> | 1.28 | 1.49 | 1.66 |

**45-Day Deficit Irrigation Period Conservation Yields**

| Start Date  | Alfalfa (af/ac) | Bermuda Grass (af/ac) | Klein Grass (af/ac) |
|---|-----------------|-----------------------|---------------------|
| June 1 <sup>st</sup> - June 7 <sup>th</sup>       | 1.35            | 0.90                  | 1.40                |
| June 8 <sup>th</sup> - June 14 <sup>th</sup>      | 1.33            | 0.88                  | 1.39                |
| June 15 <sup>th</sup> - June 21 <sup>st</sup>     | 1.29            | 0.92                  | 1.40                |
| June 22 <sup>nd</sup> - June 28 <sup>th</sup>     | 1.24            | 1.00                  | 1.42                |
| June 29 <sup>th</sup> - July 5 <sup>th</sup>      | 1.17            | 1.08                  | 1.41                |
| July 6 <sup>th</sup> - 12 <sup>th</sup>           | 1.10            | 1.14                  | 1.41                |
| July 13 <sup>th</sup> - 19 <sup>th</sup>          | 1.04            | 1.18                  | 1.39                |
| July 20 <sup>th</sup> - 26 <sup>th</sup>          | 0.98            | 1.20                  | 1.37                |
| July 27 <sup>th</sup> - August 2 <sup>nd</sup>    | 0.93            | 1.18                  | 1.37                |
| August 3 <sup>rd</sup> - August 9 <sup>th</sup>   | 0.93            | 1.10                  | 1.35                |
| August 10 <sup>th</sup> - August 17 <sup>th</sup> | 0.91            | 1.09                  | 1.30                |

IID may require changes to the start dates for the deficit irrigation periods for certain fields to participate in the DIP to accommodate environmental restrictions. The start date will be the Sunday of the week selected for the start date in accordance with the tables provided above, unless a different start date is provided in the DIP Agreement or the participant provides IID with written notice two (2) days prior to the start date of a different start date within that same week. In no event shall the participant change the week of the start date.

Participation of fields in the DIP will not negatively impact the historical water use data set for the participating fields. For participation in future IID conservation programs, IID will use a modified historical water use data set that includes both delivered water data and conservation yield attributable to the participation in the DIP.

**1.9 Deficit Irrigation Restrictions and Dust Control.** No water of any type shall be applied to the participating fields during the deficit irrigation period. During the deficit irrigation period, participants shall be responsible for dust control on the participating field(s) being deficit irrigated as set forth in the DIP Agreement. There shall be no field reconfiguration, tillage or removal of

Deleted: May 2025  
¶

the existing crop other than harvesting or waterless reseeding activities such as surface scratching, nor shall there be a change in crop (this includes any seeding or planting of a different crop) on participating fields during the deficit irrigation period. Sheep grazing and minor tile repair is allowed provided the irrigation gate remains locked.

**1.10 Implementation of Irrigation Restrictions.** Agricultural water users participating in the DIP shall authorize IID to electronically restrict all water orders and to physically lock all gates on whole fields participating in the DIP. Participants shall take no action to order or apply water to the participating field for the deficit irrigation period. For fields where the same gate supplies a DIP participating field and a non-participating field or other water uses, physical obstructions such as berms or secondary in-field gates must be pre-approved by IID and installed to ensure no water is delivered to the DIP participating field. These berms or gates shall be installed by the DIP participant at their expense prior to the start of the deficit irrigation period.

**1.11 Interaction with the On-Farm Efficiency Conservation Program (OFECF).** If DIP participating fields are actively enrolled in IID's On-Farm Efficiency Conservation Program (OFECF), that participation will cease upon the Effective Date of the DIP Agreement or upon the start date of the deficit irrigation period, whichever occurs first. Fields participating in the DIP may re-enroll in the OFECF after the conclusion of the deficit irrigation period for the remainder of that calendar year only if they are implementing capital conservation measures ("capital CM"), which are sprinklers, drip, tailwater return system or any other capital CM approved by the water manager. Re-enrollment in the OFECF after DIP participation is not automatic or guaranteed. The participant must submit a new OFECF application within fifteen (15) days after the first day of the first irrigation following the conclusion of the deficit irrigation period. Fields participating in the DIP that are not using capital CMs are not eligible to re-enroll in the OFECF that calendar year, but will be allowed to enroll in the OFECF on or after January 1 of the next calendar year.

**1.12 Interaction with the Equitable Distribution Plan (EDP).** During the term of the DIP Agreement, IID will transfer water equal to the conservation volume calculated for the field in accordance with Section 1.6 above from the field's EDP account or the agricultural water user's farm unit EDP account to an IID conservation account. If there is insufficient water in either EDP account to transfer the full DIP conservation volume to IID prior to issuance of the conservation

Deleted: May 2025  
¶

payment, the conservation payment will be proportionately reduced to the payment amount that corresponds with the conservation volume transferred to IID.

**1.13 Payment to Water Users.** A single conservation payment per each DIP Agreement will be made by IID to DIP participants after conclusion of the last deficit irrigation period for any participating field listed in the DIP Agreement pursuant to the terms and conditions of the DIP Agreement. The DIP conservation rate will be set annually by the IID Board of Directors. The single conservation payment will be calculated as the total sum of the DIP conservation rate multiplied by the conservation yield for each participating field listed in Exhibit A of the DIP Agreement.

**DEFICIT IRRIGATION PROGRAM  
2026 Program Description**

**1.1 Purpose.** IID desires to increase the amount of conserved water created from its annual Colorado River entitlement by contracting with agricultural water users within IID's Imperial Unit for the seasonal deficit irrigation (or temporarily ceasing irrigation) of agricultural fields that otherwise would have been irrigated with Colorado River water, thereby creating conserved water available for IID purposes, including for use under an agreement with the U.S. Bureau of Reclamation to help mitigate drought impacts, or other conservation obligations.

**1.2 Deficit Irrigation Program ("Program" or "DIP").** The DIP consists of not irrigating an established Alfalfa, Bermuda grass or Klein grass crop for a period of 45 to 60 days during the summer months of June through September. Any owner, owner designee or tenant, as authorized under the respective IID "Certificate of Ownership and Authorization of Owner Designee or Tenant" form, Form IID-410 (otherwise referred to as the "water card"), may offer the field to participate in the DIP. Information regarding the DIP may be located at [www.iid.com/dip](http://www.iid.com/dip).

**1.3 Program Solicitation.** The DIP may be implemented in calendar years 2024, 2025 and 2026. IID will solicit participation in the DIP each year. A proposal for participation will be required for each of the three years an agricultural water user would like to participate in the DIP. IID will notify its agricultural water users of the DIP solicitation no later than March 1 of each calendar year, except that in 2024 notification of the DIP solicitation shall be as soon as practicable. Agricultural water users may volunteer to participate in the DIP by responding to an IID solicitation with a complete Deficit Irrigation Program Proposal Form by a deadline provided by IID for that year.

**1.4 Field Eligibility Criteria.** Upon submission of a Deficit Irrigation Program Proposal Form, IID will evaluate whether the fields proposed for participation in the DIP satisfy the field eligibility criteria. Fields eligible for participation in the DIP shall meet all of the following criteria:

- a. Located wholly within IID's Imperial Unit and district boundary;
- b. Irrigated through an IID water delivery gate;

- c. Crop is Alfalfa, Bermuda grass, or Klein grass and planted prior to January 1, 2025, as designated by the respective water service delivery gate crop code, and verified by IID staff;
- d. Do not share delivery infrastructure with residential water users that have no alternative access to canal water service; and
- e. Are whole fields with a minimum of twenty contiguous acres (partial fields are not eligible for participation).

**1.5 Program Selection.** IID may, at IID's sole discretion, limit or preclude certain fields from participation in the DIP as a result of annual water conservation targets and/or environmental restrictions. In the event that responses to a DIP solicitation are in excess of an annual water conservation target, IID will prorate the available conservation to participants on a farm unit acreage (for DIP eligible fields) basis, after accounting for any board-established minimum participation level ("threshold volume") not subject to proration , and notify participants above the threshold to resubmit a reduced proposal with fields that cumulatively do not exceed the prorated volumetric limits calculated for each participant. Farm unit designations are at IID's sole determination and will be based generally off 2026 EDP designations and IID customer ID's associated with each farming entity.

All participating farm units will be subject to either the prorated conservation volume limit calculated by IID, or the threshold volume, whichever is larger. The farm unit proration will be calculated to ensure the aggregate total annual DIP conservation yield volume is as close as possible to, but not exceed, the annual DIP water conservation target. Once a farm unit is assigned a volumetric target, the participant's resubmitted proposal may include field, term and start-date adjustments for eligible fields within the farm unit, however the cumulative conservation yields of proposed fields cannot exceed its farm unit volumetric limit. IID will review all proposals and resubmittals, and work with the participants as appropriate to finalize and approve the final farm unit fields for DIP participation, subject to program and environmental compliance requirements.

**1.6 Agreements.** Participation in the DIP will require an agreement between the agricultural water user and IID ("DIP Agreement"). After completion of the field eligibility verification, IID may accept an agricultural water user's proposal for participation in the DIP in whole or in part by offering the agricultural water user a DIP Agreement. A DIP Agreement will not be completed unless and until a Landowner Authorization Agreement (Exhibit B of the DIP Agreement) is completed and executed by the owner or owner designee on the water card for each field listed in Exhibit A of the DIP Agreement. IID may accept some or all offers that meet the DIP requirements at its sole discretion based on the annual water conservation targets and certain environmental restrictions.

**1.7 Participating Acreage.** Fields eligible for participation in the DIP shall include the net acreage planted with crops and shall exclude acreage not planted with crops, including but not limited to roads, head and tailwater ditches, stack pads, hay presses, and buildings, and shall be the acreage shown on the water delivery bills for the field at the time of solicitation, as verified or adjusted by staff.

**1.8 Deficit Irrigation Period and Conservation Yields.** The conservation yields (in acre-feet per acre) for the DIP have been calculated by IID based on historic water delivery records (2003-2012) for the respective crops and deficit irrigation periods as set forth in the tables below. Deficit irrigation shall be implemented for 45 to 60 days with start dates and associated conservation yields set forth in the tables below.

**60-day Deficit Irrigation Period Conservation Yields**

| <b>Start Date</b>                             | <b>Alfalfa<br/>(af/ac)</b> | <b>Bermuda Grass<br/>(af/ac)</b> | <b>Klein Grass<br/>(af/ac)</b> |
|---|----------------------------|----------------------------------|--------------------------------|
| June 1 <sup>st</sup> - June 7 <sup>th</sup>   | 1.67                       | 1.45                             | 1.79                           |
| June 8 <sup>th</sup> - June 14 <sup>th</sup>  | 1.65                       | 1.42                             | 1.78                           |
| June 15 <sup>th</sup> - June 21 <sup>st</sup> | 1.62                       | 1.40                             | 1.78                           |
| June 22 <sup>nd</sup> - June 28 <sup>th</sup> | 1.60                       | 1.38                             | 1.77                           |
| June 29 <sup>th</sup> - July 5 <sup>th</sup>  | 1.57                       | 1.36                             | 1.77                           |
| July 6 <sup>th</sup> - 12 <sup>th</sup>       | 1.50                       | 1.39                             | 1.74                           |
| July 13 <sup>th</sup> - 19 <sup>th</sup>      | 1.43                       | 1.43                             | 1.71                           |

|  |      |      |      |
|--|------|------|------|
| July 20 <sup>th</sup> – 26 <sup>th</sup>       | 1.36 | 1.46 | 1.68 |
| July 27 <sup>th</sup> - August 2 <sup>nd</sup> | 1.28 | 1.49 | 1.66 |

**45-day Deficit Irrigation Period Conservation Yields**

| Start Date  | Alfalfa<br>(af/ac) | Bermuda Grass<br>(af/ac) | Klein Grass<br>(af/ac) |
|---|--------------------|--------------------------|------------------------|
| June 1 <sup>st</sup> - June 7 <sup>th</sup>       | 1.35               | 0.90                     | 1.40                   |
| June 8 <sup>th</sup> - June 14 <sup>th</sup>      | 1.33               | 0.88                     | 1.39                   |
| June 15 <sup>th</sup> - June 21 <sup>st</sup>     | 1.29               | 0.92                     | 1.40                   |
| June 22 <sup>nd</sup> - June 28 <sup>th</sup>     | 1.24               | 1.00                     | 1.42                   |
| June 29 <sup>th</sup> - July 5 <sup>th</sup>      | 1.17               | 1.08                     | 1.41                   |
| July 6 <sup>th</sup> - 12 <sup>th</sup>           | 1.10               | 1.14                     | 1.41                   |
| July 13 <sup>th</sup> - 19 <sup>th</sup>          | 1.04               | 1.18                     | 1.39                   |
| July 20 <sup>th</sup> - 26 <sup>th</sup>          | 0.98               | 1.20                     | 1.37                   |
| July 27 <sup>th</sup> - August 2 <sup>nd</sup>    | 0.93               | 1.18                     | 1.37                   |
| August 3 <sup>rd</sup> - August 9 <sup>th</sup>   | 0.93               | 1.10                     | 1.35                   |
| August 10 <sup>th</sup> - August 17 <sup>th</sup> | 0.91               | 1.09                     | 1.30                   |

IID may require changes to the start dates for the deficit irrigation periods for certain fields to participate in the DIP to accommodate environmental restrictions. The start date will be the Sunday of the week selected for the start date in accordance with the tables provided above, unless a different start date is provided in the DIP Agreement or the participant provides IID with written notice two (2) days prior to the start date of a different start date within that same week. In no event shall the participant change the week of the start date.

Participation of fields in the DIP will not negatively impact the historical water use data set for the participating fields. For participation in future IID conservation programs, IID will use a modified historical water use data set that includes both delivered water data and conservation yield attributable to the participation in the DIP.

**1.9 Deficit Irrigation Restrictions and Dust Control.** No water of any type shall be applied to the participating fields during the deficit irrigation period. During the deficit irrigation period, participants shall be responsible for dust control on the participating field(s) being deficit irrigated as set forth in the DIP Agreement. There shall be no field reconfiguration, tillage or removal of

the existing crop other than harvesting or waterless reseeding activities such as surface scratching, nor shall there be a change in crop (this includes any seeding or planting of a different crop) on participating fields during the deficit irrigation period. Sheep grazing and minor tile repair is allowed provided the irrigation gate remains locked.

**1.10 Implementation of Irrigation Restrictions.** Agricultural water users participating in the DIP shall authorize IID to electronically restrict all water orders and to physically lock all gates on whole fields participating in the DIP. Participants shall take no action to order or apply water to the participating field for the deficit irrigation period. For fields where the same gate supplies a DIP participating field and a non-participating field or other water uses, physical obstructions such as berms or secondary in-field gates must be pre-approved by IID and installed to ensure no water is delivered to the DIP participating field. These berms or gates shall be installed by the DIP participant at their expense prior to the start of the deficit irrigation period.

**1.11 Interaction with the On-Farm Efficiency Conservation Program (OFECF).** If DIP participating fields are actively enrolled in IID's On-Farm Efficiency Conservation Program (OFECF), that participation will cease upon the Effective Date of the DIP Agreement or upon the start date of the deficit irrigation period, whichever occurs first. Fields participating in the DIP may re-enroll in the OFECF after the conclusion of the deficit irrigation period for the remainder of that calendar year only if they are implementing capital conservation measures ("capital CM"), which are sprinklers, drip, tailwater return system or any other capital CM approved by the water manager. Re-enrollment in the OFECF after DIP participation is not automatic or guaranteed. The participant must submit a new OFECF application within fifteen (15) days after the first day of the first irrigation following the conclusion of the deficit irrigation period. Fields participating in the DIP that are not using capital CMs are not eligible to re-enroll in the OFECF that calendar year, but will be allowed to enroll in the OFECF on or after January 1 of the next calendar year.

**1.12 Interaction with the Equitable Distribution Plan (EDP).** During the term of the DIP Agreement, IID will transfer water equal to the conservation volume calculated for the field in accordance with Section 1.6 above from the field's EDP account or the agricultural water user's farm unit EDP account to an IID conservation account. If there is insufficient water in either EDP account to transfer the full DIP conservation volume to IID prior to issuance of the conservation

payment, the conservation payment will be proportionately reduced to the payment amount that corresponds with the conservation volume transferred to IID.

**1.13 Payment to Water Users.** A single conservation payment per each DIP Agreement will be made by IID to DIP participants after conclusion of the last deficit irrigation period for any participating field listed in the DIP Agreement pursuant to the terms and conditions of the DIP Agreement. The DIP conservation rate will be set annually by the IID Board of Directors. The single conservation payment will be calculated as the total sum of the DIP conservation rate multiplied by the conservation yield for each participating field listed in Exhibit A of the DIP Agreement.

**IMPERIAL IRRIGATION DISTRICT  
DEFICIT IRRIGATION PROGRAM AGREEMENT**

This Deficit Irrigation Program Agreement ("**Agreement**") is required for participation in the 2026 Imperial Irrigation District Deficit Irrigation Program ("**Program**") as more particularly described by the Imperial Irrigation District Deficit Irrigation Program Description dated January 2026 ("**Program Description**").

This Agreement is entered by and between Imperial Irrigation District ("**IID**") and the person(s) or entity(ies) identified below as "**Conserving Party**." IID and Conserving Party are sometimes referred to individually as "Party" and collectively as "Parties." The Parties agree this Agreement shall be deemed in full force and effect as of June \_\_, 2026 ("**Effective Date**").

[Capitalized terms not defined herein, or the exhibits hereto, shall have the same meaning as such terms are defined in the Program Description.]

**Conserving Party:**

Address:

Phone #:

Fax #:

Email:

Name on Water Account:

Water Account #:

In consideration of the mutual covenants and agreements herein and for good and valuable consideration, the Parties agree to the following terms and conditions:

**1. Term**

The term of this Agreement shall commence on the Effective Date and end on the date the conservation payment is made by IID to Conserving Party ("**Term**"). During the Term, the Parties and Participating Field(s) shall be subject to all terms, conditions and provisions of this Agreement and the Program Description, the entirety of which is incorporated herein by reference.

**2. Deficit Irrigation Period**

Each of the Participating Field(s) will be deficit irrigated from the "**Deficit Irrigation Start Date**" through the "**Deficit Irrigation End Date**" listed for each of the Participating Field(s) in Exhibit A, attached hereto and incorporated herein, ("**Deficit Irrigation Period(s)**"). The Deficit Irrigation Start Date may be adjusted to a different date within the same week (Sunday through Saturday) upon two (2) days prior written notice provided to IID, but shall not be adjusted to a different week. The Deficit Irrigation End Date will be adjusted accordingly to maintain the same Deficit Irrigation Period listed in Exhibit A.

### 3. Participating Field(s)

IID has approved and verified the eligibility of each of the field(s) listed in Exhibit A (“**Participating Field(s)**”) to be deficit irrigated. Conserving Party agrees the Participating Field(s) was/were selected in accordance with the Program Description. Conserving Party agrees that, during the term of the Deficit Irrigation Period the Participating Field(s) will not be irrigated or otherwise have any water applied to the Participating Field(s). Conserving Party represents that the Participating Field(s) is/are zoned for agricultural use and the Conserving Party is unaware of any action by the owner/owner designee to change such zoning during the Deficit Irrigation Period. The Conserving Party shall immediately notify IID of any proposed or actual change to such zoning during the Deficit Irrigation Period.

a. Irrigation Restrictions. Each of the Participating Field(s) shall be a whole field. Conserving Party agrees that, for the term of each of the Deficit Irrigation Period(s), all gates on Participating Field(s) will be physically locked and the software used by IID to control orders and delivery of water to Participating Field(s) will be electronically locked such that ordering for and delivery of water to the Participating Field(s) will be prevented by the software. If any Participating Field(s) cannot be physically locked or shares the same delivery gate with a non-participating field or other water uses, Conserving Party shall install or locate physical obstructions, such as berms or secondary in-field gates, subject to approval by IID to prevent water from being applied, delivered, leaked, or otherwise physically provided to the Participating Field. Conserving Party shall carry out and maintain such physical obstruction for the entire Deficit Irrigation Period(s) for the Participating Field(s). In the event that water is delivered or applied to Participating Field(s) by an action of Conserving Party, such delivery or application of water will constitute a breach of this Agreement and IID shall immediately terminate this Agreement. Written notice of such termination will be delivered to Conserving Party in accordance with Section 13.

b. Right to Access and Entry. Conserving Party agrees that, for the Deficit Irrigation Period, IID and/or other government agency staff required for the Program shall have physical access to and the right to enter the Participating Field(s), at reasonable times and only to the extent necessary, for the purpose of verifying continued compliance with the terms and conditions of this Agreement.

c. Shared Headgate With Fields, Users and Service Pipes. Conserving Party agrees that, for the Deficit Irrigation Period, Conserving Party will ensure that for those Participating Fields sharing a headgate with multiple fields, water users and/or service pipes, Conserving Party will ensure that those fields, water users and/or service pipes will have continued access to water service and will not be adversely affected by the performance of this Agreement.

### 4. Water Card

The Conserving Party is the owner, owner designee or tenant on a current and valid Certificate of Ownership and Authorization of Owner Designee or Tenant, Form IID-410, otherwise referred to as the “water card,” for all Participating Field(s) listed in Exhibit A.

**5. Landowner Authorization**

One or more Landowner Authorization Agreement(s), attached in Exhibit B and incorporated herein, have been completed and executed by each of the owners/owner designees for all of the Participating Field(s) listed in Exhibit A.

**6. Representations, Warranties, and Acknowledgments**

- a. Conserving Party represents, warrants, and acknowledges to IID the following:
  - i. The Participating Field(s) is/are currently eligible to receive IID water delivery under IID's *Rules and Regulations Governing the Distribution and Use of Water*.
  - ii. The Participating Field(s) was/were selected in accordance with the Program Description.
  - iii. IID Form 410, *Certificate of Ownership and Authorization of Owner Designee or Tenant*, for the Participating Field(s) has/have been completed with current information, properly executed and submitted to IID.
  - iv. Conserving Party is the fee title owner or authorized lease holder of the Participating Field(s). If Conserving Party is the authorized lease holder of the Participating Field(s), Conserving Party confirms the lease is valid and in full force and effect for the Deficit Irrigation Period for each of the Participating Field(s). This representation is attested by the execution of the Landowner Authorization Agreement attached as Exhibit B.
  - v. All information submitted by Conserving Party to IID in connection with this Program is true and accurate.
  - vi. All Participating Field(s) are in active agricultural production and, absent participation in the Program pursuant to this Agreement, Conserving Party would irrigate the Participating Field(s).
  - vii. No legal impediment exists regarding the Participating Field(s) that may prevent Conserving Party from entering into or fully performing under this Agreement nor does this Agreement violate any provision of any agreement to which Conserving Party is a party or to which Conserving Party is subject. Conserving Party's performance of its obligations under this Agreement shall not violate any applicable laws or recorded documents affecting the Participating Field(s).
  - viii. Conserving Party has provided to IID sufficient information regarding all actions necessary to ensure deliveries to service pipes through the delivery gate serving the Participating Field(s).
  - ix. Conserving Party understands and agrees that IID will recognize averaged historical delivered water data that reflects the conservation yield resulting from the Deficit Irrigation Period attributed to the type of crop on the Participating Field(s).
- b. Legal Representative. Any legal representative signing on behalf of Conserving Party represents and warrants to have (i) the full legal power and authority to execute this Agreement on behalf of Conserving Party and (ii) delivered to IID a true and correct copy of the written authorization signed by Conserving Party granting such authority.

**7. Payment**

The Program payment rate is \$300.00 per acre-foot. IID will calculate the conserved water volume for each Participating Field pursuant to the Program Description. IID will pay to

Conserving Party the total conservation payment provided in Exhibit C within sixty (60) days following the last Deficit Irrigation End Date to occur for the Participating Field(s) listed in Exhibit A.

- a. Interface with Equitable Distribution (“EDP”). During the term of this Agreement, IID will transfer water equal to the total conservation volume calculated for the Participating Field(s) provided in Exhibit C from the field’s EDP account, or the agricultural water user’s farm unit EDP account, to IID. If there is insufficient water in either EDP account to transfer the total conservation volume provided in Exhibit C to IID prior to issuance of the total conservation payment provided in Exhibit C, the total conservation payment will be proportionately reduced to an amount that corresponds with the conservation volume transferred to IID.
- b. Delinquent Accounts. Notwithstanding this Agreement, Conserving Party shall be responsible for the timely payment of all its accounts payable to IID or any excess payments received by Conserving Party in any IID conservation program due to be returned to IID by Conserving Party. If any such accounts become delinquent or excess payments become due to IID, IID may either withhold payments under this Agreement until Conserving Party becomes current on all such accounts and payments, or IID may apply any payments under this Agreement to any such delinquent account or excess payment due to IID.

**8. Dust Control and Program Restrictions**

Conserving Party shall be responsible for and undertake the timely control of all dust on the Participating Field(s) during the Deficit Irrigation Period. Conserving Party shall comply with any and all applicable laws, rules and regulations pertaining to the control of dust on the Participating Field(s), including but not limited to any requirements of the Imperial County Air Pollution Control District. When appropriate, Conserving Party shall implement Best Management Practices (“BMPs”) recommended by the U.S. Department of Agriculture Natural Resources Conservation Service, including maintaining as much vegetation on the Participating Field(s) as possible and avoiding any traffic on the Participating Field(s). Conserving Party shall comply with all restrictions set forth in the Program Description during the Deficit Irrigation Period, including no field reconfiguration, tillage or removal of the existing crop, except for harvesting in which the crop remains in place on the Participating Field. Conserving Party shall not change the crop, including seeding or planting of a different crop, on the Participating Field(s) during the Deficit Irrigation Period.

**9. Existing Leases or Contracts**

Conserving Party shall be responsible for compliance with the terms, covenants and conditions of any existing leases, sub-leases, and/or contracts affecting the Participating Field(s), and, to the fullest extent permitted by law, shall defend, indemnify and hold IID harmless from any and all claims by third parties for damages allegedly related to this Agreement or to the performance hereof.

**10. Third Party Beneficiaries**

This Agreement shall not create any rights in or grant remedies to any third party as a beneficiary of this Agreement.

**11. Non-Precedence**

Nothing contained in this Agreement, nor the execution of this Agreement, shall be deemed to give Conserving Party any rights to obtain any similar agreement after the expiration of the Term.

**12. Retention of Rights**

Nothing in this Agreement or in the Program Description shall transfer, convey, change, alter, modify, or otherwise affect any rights, title or legal interests held by any Party to this Agreement. The Parties to this Agreement reserve all rights, title and legal interests held under any and all applicable laws.

**13. Notices**

All notices or other communications required or permitted by this Agreement shall be in writing and shall be deemed given when personally delivered or on the fifth (5th) business day following the mailing, by registered or certified mail, postage prepaid, return receipt requested to the following:

To IID:

Water Department Manager  
333 E. Barioni Blvd. (for personal delivery)  
P.O. Box 937 (for mail delivery)  
Imperial, CA 92251

To Conserving Party:

The address on page 1 of this Agreement.

Any Party may change the addressee or address to which communications or copies are to be sent by giving notice of such change in accordance with this notice provision.

**14. Contract Documents**

This Agreement, including all exhibits hereto and the Program Description, constitute the entire Agreement between the Parties with regard to the subject matter hereof. This Agreement supersedes all previous communications, representations, or agreements between or among the Parties, written or oral, with respect to the subject matter hereof. This Agreement may not be modified or amended except in writing executed by the Parties.

**15. Governing Law**

This Agreement shall be interpreted in accordance with the substantive and procedural laws of the State of California.

**16. Attorney's Fees**

In the event of any legal action or proceeding between the parties arising out of this Agreement, the losing party shall pay the prevailing party's legal costs and expenses, including, but not limited to, reasonable attorneys' fees as determined by the court.

**17. Counterparts**

This Agreement may be executed in counterparts, each of which, when executed and delivered, shall be an original and all of which together shall constitute one legal instrument with the same force and effect as though all signatures appeared on a single document.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the last date written below.

DATED: \_\_\_\_\_

IMPERIAL IRRIGATION DISTRICT, an Irrigation District established under the Irrigation District Law (California Water Code sec.'s 20500 et. seq.

\_\_\_\_\_  
Manager, Water Department

DATED: \_\_\_\_\_

CONSERVING PARTY as Owner (or Owner's Legal Representative) or Tenant of Participating Field(s)

- Owner:
- Owner's Legal Representative:
- Tenant:

Signature \_\_\_\_\_

Print Name \_\_\_\_\_

Title \_\_\_\_\_



**EXHIBIT B**

**LANDOWNER AUTHORIZATION AGREEMENT**

This Landowner Authorization Agreement ("**Agreement**") is entered into by and between Imperial Irrigation District ("**IID**") and the person(s) and/or entity(ies) referred to as "**Owner**" and listed on the signature page of this Agreement. This Agreement is required for participation in the Deficit Irrigation Program ("**Program**") as more particularly described by the Imperial Irrigation District Deficit Irrigation Program Description dated January 2026 ("**Program Description**").

During the Deficit Irrigation Period, Owner either owned land as, or leased land to, the person(s) and/or entity(ies) identified as "**Conserving Party**" below, which is the applicant in the *Imperial Irrigation District Deficit Irrigation Program Proposal Form* for participation in the Program which will result in a Deficit Irrigation Program Agreement ("**Deficit Irrigation Program Agreement**").

[Capitalized terms not defined herein or the exhibits hereto, shall have the same meaning as such terms are defined in the Program Description.]

**Conserving Party:**

\_\_\_\_\_  
Name on Water Account:

\_\_\_\_\_  
Water Account #:

WHEREAS, the Deficit Irrigation Program Agreement will require Conserving Party to deficit irrigate certain fields owned or leased by Conserving Party, which are listed in Exhibit A of the Deficit Irrigation Program Agreement ("**Participating Field(s)**");

WHEREAS, this Agreement applies to the following Participating Field(s):

| Canal/Gate   | Acres        |
|--------------|--------------|
|              |              |
|              |              |
|              |              |
|              |              |
|              |              |
| <b>Total</b> | <b>Acres</b> |

WHEREAS, execution of this Agreement by Owner is required as a condition of IID's execution of the Deficit Irrigation Program Agreement, to which this Agreement will be attached as Exhibit B.

NOW THEREFORE, in consideration of the foregoing and the covenants and agreements set forth below, IID and Owner agree as follows:

1. Owner hereby affirms the following:
  - a. That Owner is the fee owner of the Participating Field(s).
  - b. If Owner is not Conserving Party, that Owner leased the Participating Field(s) to Conserving Party under a valid and binding lease ("Lease").
  - c. If Owner is not Conserving Party, that the term of the Lease was coterminous with, or extended beyond, the Deficit Irrigation Period for the Participating Field(s).
  - d. That Owner has reviewed and understands the Deficit Irrigation Program Agreement and the Program Description.
  - e. If Owner is not Conserving Party, that Conserving Party's entry into and performance of its obligations under the Deficit Irrigation Program Agreement do not and will not constitute a breach of the Lease.
2. If Owner is not Conserving Party, Owner hereby consents to the Conserving Party's execution of the Deficit Irrigation Program Agreement and implementation and the deficit irrigation of the Participating Field(s) in accordance with the Deficit Irrigation Program Agreement and Program Description.
3. The term of this Agreement is coterminous with the Term of the Deficit Irrigation Program Agreement, identified in Section 1 of the Deficit Irrigation Program Agreement.
4. If Owner is not Conserving Party, Owner hereby agrees that, in the event that the Lease is terminated before the Term of the Deficit Irrigation Program Agreement, Owner will assume all obligations of the Conserving Party under the Deficit Irrigation Program Agreement for the remainder of the Term of the Deficit Irrigation Program Agreement including. All payments, if any, accruing to Conserving Party from performance of the Conserving Party's obligation under the Deficit Irrigation Program Agreement shall accrue to Owner following Lease termination, unless otherwise agreed to by Owner and Conserving Party. If the Lease is terminated in the middle of the Deficit Irrigation Period, any benefits accruing for that Deficit Irrigation Period shall be equitably apportioned between Conserving Party and Owner as determined by IID based on the proportionate amount of conserved water achieved before and after Lease termination, unless otherwise agreed to by Owner and Conserving Party. Owner shall immediately notify IID in writing of any such Lease termination, and of any agreement between Owner and Conserving Party concerning apportionment of payments, by delivering or mailing notice to IID as set forth in the Deficit Irrigation Program Agreement.
5. If there is any change in the ownership of the Participating Field(s) during the term of this Agreement, the new owner shall be bound by and perform all obligations of Owner provided in this Agreement as if a signatory. Except as otherwise expressly stated herein, nothing herein shall be construed as affecting the legal status of the Participating Field(s) including, but not limited to, the effect of liens, encumbrances, statutory or regulatory

requirements, or entitlements. Owner agrees that IID is not responsible for, and no action or conduct of IID, its staff, or other representatives, shall be construed as advice or identification of the legal effect or consequences, if any, of Owner's and Conserving Party's decisions regarding implementation of the Deficit Irrigation Program Agreement on the Participating Field (s).

6. If ownership of the Participating Field(s), or any portion thereof, is transferred from Owner to a third party ("**Transferee**") during any portion of the term of this Agreement, Owner shall notify the Transferee of the terms and conditions of this Agreement prior to the change in ownership. In the event of a change in ownership of the Participating Field(s), Owner shall notify IID in writing within ten (10) days prior to the effective date of the change in ownership, by delivering or mailing notice to IID as set forth in Section 13 of the Deficit Irrigation Program Agreement. Owner remains liable and personally obligated to perform all obligations of Owner under this Agreement, and all obligations of Conserving Party under the Deficit Irrigation Program Agreement should Owner assume such obligations pursuant to paragraph 4 above, unless and until Owner enters into an assignment and assumption of this Agreement with Transferee and IID (the "**Assignment**"). IID's consent to the Assignment shall not be unreasonably withheld. Entry by all parties into the Assignment shall release Owner from all liability under this Agreement first arising from and after execution of the Assignment. Owner may only assign this Agreement to a successor owner of the Participating Field(s).
7. This Agreement shall be interpreted in accordance with the substantive and procedural laws of the State of California.
8. This Agreement may be executed in counterparts, each of which, when executed and delivered, shall be an original and all of which together shall constitute one legal instrument with the same force and effect as though all signatures appeared on a single document.
9. This Agreement shall be binding on and inure to the benefit of the parties and their respective heirs, legal representatives, successors, and assigns.

*[Signatures on following page.]*

IN WITNESS WHEREOF, the parties hereto have entered this Landowner Authorization Agreement made and effective as of the latest date written below.

DATED: \_\_\_\_\_

IMPERIAL IRRIGATION DISTRICT, an Irrigation District established under the Irrigation District Law (California Water Code sec.'s 20500 et. seq.

\_\_\_\_\_  
Manager, Water Department

DATED: \_\_\_\_\_

Owner (or Owner's Legal Representative) of Participating Field(s)

- Owner:
- Owner's Legal Representative:

Signature \_\_\_\_\_

Print Name \_\_\_\_\_

Title \_\_\_\_\_





# IID

*A century of service.*

www.iid.com

*Since 1911*

**January 20, 2026**

**BOARD AGENDA MEMORANDUM**

**Information**

**SUBJECT** Renewable Portfolio Standard Program  
**DEPARTMENT** Power  
**PRESENTER** Timothy Hamilton, assistant manager, Power Supply and Trading Administration

**Background**

Under SB 100, California Load-Serving Entities are required to procure at least 60 percent of their electricity from eligible renewable energy resources by 2030. The Renewable Portfolio Standard (RPS) requires retail sellers to maintain a balanced portfolio of Renewable Energy Credits (REC) across three Portfolio Content Categories: PCC 1, PCC 2, and PCC 3.

For the 2021–2024 compliance period, at least 65 percent of the RECs used to meet the procurement requirement must come from long-term contracts, defined as contracts with an initial term of 10 years or more, including contracts that are subsequently extended. Retail sellers that fail to meet RPS obligations are subject to a \$50-per-REC penalty for shortfalls in both the Procurement Quantity Requirement and the overall RPS requirement.

**Financial Impact**

None

**Recommendation**

Informational only.

# Renewable Portfolio Standard Program

Timothy Hamilton  
Assistant Manager,  
Power Supply & Trading  
Administration

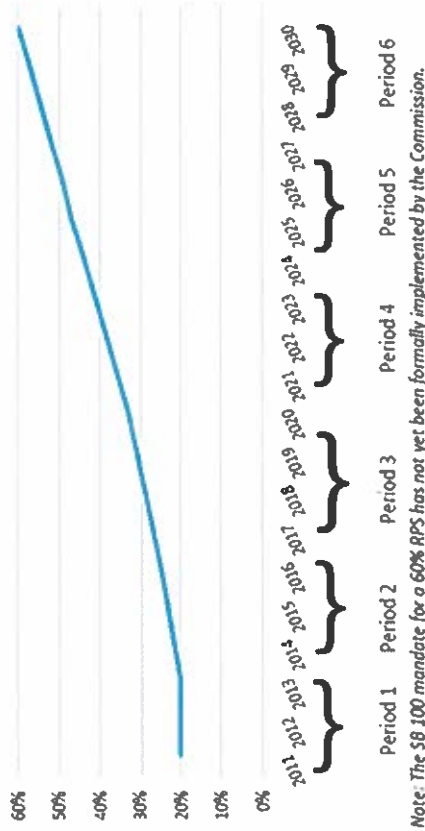
January 20, 2026



# RPS Compliance Periods & Targets

- Under Senate Bill No. 100, requires all Load-Serving Entities in California to procure at least **60 percent** of their resources from eligible renewable energy resources by **2030**.

RPS Compliance Period Requirements



$$RPS \% = \frac{\text{Renewable Energy Procurement (MWh)}}{\text{Retail Sales (MWh)}}$$

| Compliance Period 3 |      | Compliance Period 4 |      |      | Compliance Period 5 |      |      | Compliance Period 6 |      |      |      |      |      |      |
|---------------------|------|---------------------|------|------|---------------------|------|------|---------------------|------|------|------|------|------|------|
| Year                | 2017 | 2018                | 2019 | 2020 | 2021                | 2022 | 2023 | 2024                | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
| % Retail Sales      | 27%  | 29%                 | 31%  | 33%  | 36%                 | 39%  | 41%  | 44%                 | 47%  | 50%  | 52%  | 55%  | 57%  | 60%  |



# Renewable Portfolio Standard

The California's Renewable Portfolio Standard requires retail sellers to maintain a balanced renewable energy portfolio using Renewable Energy Credits from a diverse mix of resources.

- There are three primary categories of REC classification:
  - Portfolio Content Category 1 (PCC 1)
  - Portfolio Content Category 2 (PCC 2)
  - Portfolio Content Category 3 (PCC 3)



# Renewable Portfolio Standard (Example #1)

- **PCC1:** Resources located within California or directly delivered without energy substitution.
  - **Percentage Requirement:** *At least 75 percent of a retail seller's total RPS procurement target must be met by PCC 1 resources for compliance periods after 2017.*
- **PCC2:** Incremental electricity products using energy substitution.
  - **Percentage Requirement:** *These resources can be used to meet the overall RPS requirement, but they fill the gap between the 75 percent minimum PCC 1 requirement and the 10 percent maximum PCC 3 limitation.*
- **PCC3:** Electricity products including unbundled RECs.
  - **Percentage Limitation:** *No more than 10 percent of electricity products applied toward the RPS target shall meet the definition of PCC 3.*



# Long-Term Contract

- For 2021–2024 compliance period, California retail seller has to demonstrate at least **65 percent** of the RECs used for their procurement quantity requirement from long-term contracts.
- **A long-term contract means:**
  - *A contract term of 10 years or more*
  - *A contract that starts out at 10 years and gets extended any amount of time*



## Non-Compliance: Penalties

- The current penalty is \$50 for each REC that a retail seller falls short of meeting under its RPS procurement requirement.
- *The \$50-per-REC penalty is assessed on any shortfall a retail seller has in meeting both the Procurement Quantity Requirement and the Renewable Portfolio Standard requirement within a compliance period.*

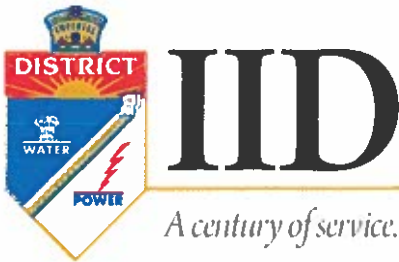


# RPS Current Position

| Description                                 | Compliance Period 4 |               |               |               |              | Compliance Period 5 |              |               |               |              | Compliance Period 6 |      |      |
|---|---------------------|---------------|---------------|---------------|--------------|---------------------|--------------|---------------|---------------|--------------|---------------------|------|------|
|   | 2021                | 2022          | 2023          | 2024          | 2025         | 2026                | 2027         | 2028          | 2029          | 2030         | 2028                | 2029 | 2030 |
| Solar                                       | 424                 | 426           | 409           | 385           | 366          | 427                 | 537          | 533           | 528           | 525          |                     |      |      |
| Biomass                                     | 308                 | 296           | 211           | 34            | 0            | 0                   | 0            | 0             | 0             | 0            |                     |      |      |
| Hydro                                       | 237                 | 150           | 182           | 165           | 168          | 173                 | 173          | 173           | 173           | 173          |                     |      |      |
| Geothermal                                  | 425                 | 396           | 466           | 413           | 766          | 862                 | 492          | 491           | 119           | 119          |                     |      |      |
| <b>Total Renewable Generation (GWh) (a)</b> | <b>1,394</b>        | <b>1,268</b>  | <b>1,268</b>  | <b>997</b>    | <b>1,300</b> | <b>1,462</b>        | <b>1,202</b> | <b>1,198</b>  | <b>821</b>    | <b>817</b>   |                     |      |      |
| Retail Sales (GWh)                          | 3,516               | 3,604         | 3,422         | 3,663         | 3,474        | 3,666               | 3,703        | 3,740         | 3,776         | 3,812        |                     |      |      |
| <b>Requirement _ Rule % Post2020)</b>       | <b>35.75%</b>       | <b>38.50%</b> | <b>41.25%</b> | <b>44.00%</b> | <b>47%</b>   | <b>50%</b>          | <b>52%</b>   | <b>54.67%</b> | <b>57.33%</b> | <b>60%</b>   |                     |      |      |
| <b>Generation Requirement GWh (b)</b>       | <b>1,257</b>        | <b>1,388</b>  | <b>1,412</b>  | <b>1,612</b>  | <b>1,621</b> | <b>1,833</b>        | <b>1,926</b> | <b>2,044</b>  | <b>2,165</b>  | <b>2,287</b> |                     |      |      |
| RECS available from PREVIOUS year (c)       |                     |               |               | <b>1044</b>   | <b>430</b>   | <b>271</b>          | <b>185</b>   |               |               |              |                     |      |      |
| Purchased DELIVERED RECS (d)                |                     |               |               |               | <b>163</b>   |                     |              |               |               |              |                     |      |      |
| POTENTIAL RECS purchase (e)                 |                     |               |               | <b>430</b>    | <b>271</b>   | <b>185</b>          | <b>-230</b>  | <b>338</b>    | <b>-976</b>   | <b>399</b>   |                     |      |      |
| <b>FINAL POSITION (a)-(b)+(c)+(d)+(e)</b>   |                     |               |               |               |              |                     |              |               |               |              |                     |      |      |

Note: Quantities are considered in GWh



**January 20, 2026****BOARD AGENDA MEMORANDUM****Information**

**SUBJECT** Utilicast Energy Imbalance Market Update  
**DEPARTMENT** Power  
**PRESENTER** Paul Rodriguez, deputy manager  
 Michael Bulloch, Utilicast

**Background**

In 2022, the IID Board of Directors approved Phases 1 and 2 of the Energy Imbalance Market (EIM) initiative to evaluate market participation opportunities. These phases assessed the economic viability, operational impacts, and system readiness required for participation in California Independent System Operator's Western Energy Imbalance Market and Extended Day-Ahead Market (EDAM). Findings from these efforts supported moving forward with implementation while maintaining IID's autonomy as a Balancing Authority.

**Current Status:** IID is now advancing Phase 3 – Implementation, which focuses on preparing systems, processes, and personnel for participation in both EIM and EDAM. The project remains aligned with the approved schedule, targeting the contractually agreed upon market entry of October 2028, and continues to progress within the established scope.

**Key Focus Areas:** Current efforts are centered on system integration, software implementation, infrastructure upgrades, and organizational readiness. This includes enhancements to operational, settlement, transmission tariff, and market interface systems, as well as workforce planning and training to support expanded market operations.

**Path Forward:** Market participation is expected to improve operational flexibility, enhance reliability, and better position IID as regional market structures continue to evolve. Staff will continue to manage risks associated with market design changes, system dependencies, and resource demands while maintaining alignment with regulatory and reliability requirements.

**Next Steps:** Project implementation activities will continue through 2028, with periodic updates provided to the Board as major milestones are achieved.

**Financial Impact**

None.

**Recommendation**

Information only.



**EIM -EDAM Program Update**  
**January 20, 2026**



**P** 866.243.2650

**F** 866.424.6132

**E** info@utilicast.com

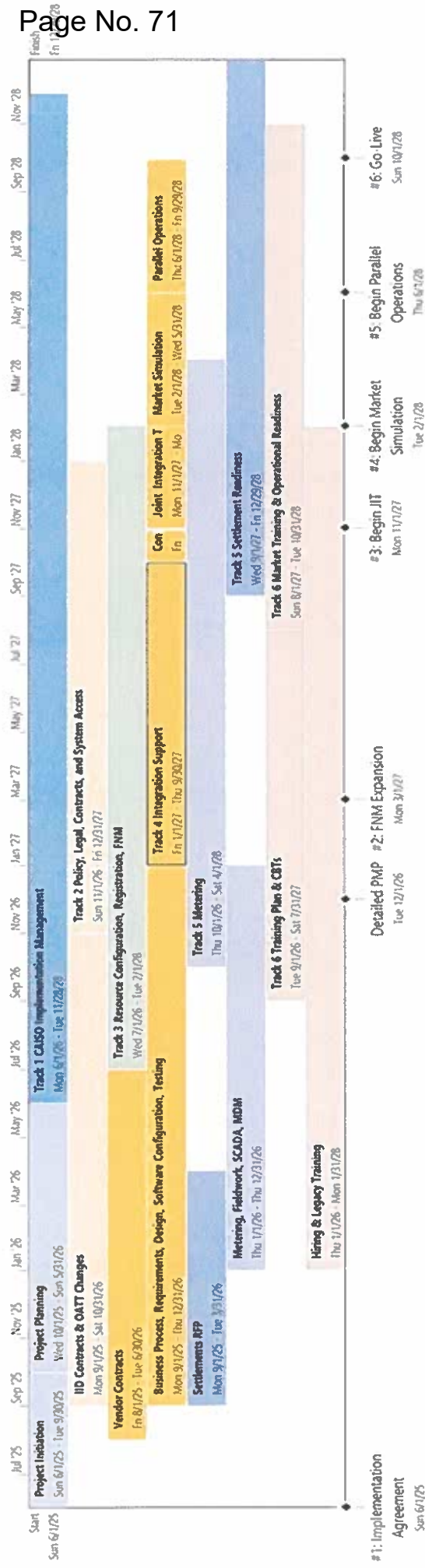
© Copyright 2025 Utilicast Corporation  
P.O. Box 38 • Kirkland, WA 98083-0083



# Program Timeline & Budget

- High-level project schedule June 2025 – October 2028
- EIM-EDAM Program is currently tracking ~\$1m under budget. Software selection complete.

## High-Level Project Timeline





# EIM-EDAM Additional Staff

| IID Department    | CAISO EIM/EDAM Functional Area    | New FTEs  | Role                    | Target Hire | 2023 Estimate |
|-------------------|-----------------------------------|-----------|-------------------------|-------------|---------------|
| Supply & Trading  | EDAM Scheduling Coordinator       | 1         | DA System Analyst       | Dec 2025    |               |
|                   |                                   | 1         | RT Supervisor           | Jun 2026    |               |
|                   |                                   | 2         | DA Trader               | Jan 2027    |               |
|                   |                                   | 2         | RT Trader               | Jan 2027    | 6             |
|                   | Market / Reconciliation Analytics | 1         | Market Analytics        | Feb 2028    | 0.75          |
|                   | Market & Solution SME             | 1         | EIM-EDAM and System SME | Mar 2026    | 1 (in IT)     |
| System Operations | EDAM Entity SC                    | 5         | EIM-EDAM Desk           | Oct 2026    | 6             |
| SOC Back Office   | Energy Accounting & MDM           | 2         | EA & Settlement MDM     | Aug 2026    | 1.5           |
|                   | EMS                               | 1         | EMS/Engineering         | Apr 2026    | 1             |
|                   | Market / Reconciliation Analytics | 1         | Market Analytics        | Feb 2028    | 0.75          |
|                   | Market & Solution SME             | 1         | EIM-EDAM and System SME | Mar 2026    | 1 (in IT)     |
| Settlements       | Energy Markets Settlement Manager | 1         | Settlement Manager      | Dec 2025    |               |
|                   | Market Settlement Analyst         | 4         | Settlement Analyst      | Mar 2026    | 3             |
| <b>TOTAL</b>      |                                   | <b>23</b> |                         |             | <b>21</b>     |



## Key Risks & Challenges

- ❑ EDAM is new to all software vendors and CAISO itself - expect changes and updates
- ❑ Software vendors are very resource constrained – work may get shifted to the project team
- ❑ Shifting CAISO & SPP design and participation – seams issues, dependencies, unknowns
  - Market monitor & advocacy process needed for IID
- ❑ Dependencies on existing IID software
  - EMS version update must be completed on time as a dependency to CAISO extensions
  - OMS version and licensed functionality need enhancement and reimplementation
- ❑ Hiring and training a significant number of new staff to support the EIM/EDAM market operations
- ❑ Change leadership and management aligned to project schedule and priorities
- ❑ Multi-year effort places additional strain on staff



# Key Operational Impacts

## Merchant & System Operations

- 7-day Day-Ahead Supply & Trading, forecast processes, tagging timelines. New 24/7 EDAM desk in SOC.
- Load forecasting and generation dispatch will be performed by CAISO
  - Training IID and PPA plant operators on following the market instructions
- Transmission Dispatcher tasks will remain largely unchanged
- No change in the requirement for resource sufficiency, but in EDAM resource sufficiency validated by CAISO

## Transmission Tariff & Business Practices

- OATT billing (implementing a system & ensuring accuracy) is a critical priority
- The OATT must be updated to reflect the new market and charges

## Market Settlements

- Settlement work volume increases. Accuracy and timely attention become critical with financial impacts.
- Credit (Estimated Aggregated Liability) with CAISO may increase significantly
- Brand new market settlements team.



# IID

*A century of service.*

www.iid.com

*Since 1911*

**January 20, 2026**

**BOARD AGENDA MEMORANDUM**

**Policy Monitoring**

**SUBJECT** BL-13: Delegation to the General Manager with Respect to Local, State, and Federal Legislation and Regulation

**DEPARTMENT** Executive

**PRESENTER** Jamie Asbury, general manager  
Sergio Quiroz, assistant general manager  
Antonio Ortega, government affairs officer

### **Background**

Staff will present the monitoring report of Board Policy BL-13: Delegation to the General Manager with Respect to Local, State, and Federal Legislation and Regulation.

The Board may ask questions to clarify the information presented, offer feedback on the information presented, and discuss the general manager's recommendation regarding compliance.

### **Board Action**

Staff finds and recommends that the Board find that the District is substantially in compliance with Board Policy BL-13: Delegation to the General Manager with Respect to Local, State, and Federal Legislation and Regulation.

The Board may accept the policy monitoring report for the record and:

- Agree with the staff finding regarding compliance with the policy and make the same finding.
- Disagree with the staff finding regarding compliance with the policy and state the Board's finding of the level of compliance and make one of the following findings:
  - The District is substantially in compliance with the policy.
  - The District is partially in compliance with the policy.
  - The District is making progress toward compliance with the policy.

November 4, 2025

| <b>IMPERIAL IRRIGATION DISTRICT BOARD POLICY</b>   |  |
|--|--|
| <p><b>Category: Board-Staff Linkage</b></p><br><p>Date of Adoption: April 23, 2024</p><br><p>Revision Date: September 17, 2024</p> | <p><b>Title: Delegation to the General Manager with Respect to Local, State, and Federal Legislation and Regulation</b></p><br><p>Policy Number: <b>BL-13</b></p><br><p>Resolution No. 9-2024</p><br><p>Resolution No. 30-2024</p> |

The Board supports the development of legislative and regulatory policies that further the Board’s policies and protect and advance the District’s interests.

- a) The General Manager is authorized to develop, in consultation with the Board or a Board committee, local, state, and federal legislative or regulatory positions consistent with Board policies, and communicate them to local, state, and federal agencies, representatives, and relevant stakeholders.
  
- b) When communicating a new position on local, state, or federal legislation or regulation, the General Manager will provide advance notice to the Board or a Board committee, when feasible.
  
- c) The General Manager will keep the Board appropriately apprised of local, state, and federal legislation and regulatory matters and developments in a timely manner.

**Monitoring Method: GM Report**  
**Frequency: Semi-Annual**

# **Policy Monitoring BL-13 Local, State, and Federal Legislation and Regulation**

**Antonio Ortega  
Government Affairs Officer  
January 20, 2026**



# Government Affairs

- Government Affairs Team plays a critical role in shaping legislative and regulatory strategies, advancing the Board's policies, and safeguarding the District's interests.
- Proactive engagement and advocacy efforts by Directors and staff at the Federal, State, and local level.
- Recent addition of WilmerHale team to help strengthen IID's presence in Washington, D.C.
- Recurring Federal and State Lobbying Strategy meetings with Government Affairs Team and Management to discuss legislative and regulatory priorities.



# Government Affairs

- Worked with Water, Power, General Services, and Information Technology Departments to identify Core Priorities for 2026.
- Core Priorities Include: Infrastructure Funding, FEMA Reform, Power System Modernization and Grid Reliability, Colorado River Operations and Guidelines, Advanced Clean Fleets Compliance, Salton Sea Env. Obligations, etc.
- Ensures strategic engagement with Federal and State officials and relevant executive agencies to support legislative and regulatory outcomes aligned with IID's positions.



**IID**

*A century of service.*

# Federal Legislative Deadlines

## Key Deadlines

- January 6 – Both chambers reconvene
- January 30 – FY 2026 continuing resolution expiration
- February 24 – State of the Union Address and potential release of FY 2027 budget
- May 15 – House may begin to consider appropriations bills
- September 30 – Fiscal year-end 2027 appropriations deadline
- November 3 – Midterm elections
- December 31 – NDAA (annual defense bill) and vehicle for unfinished priorities of the 119<sup>th</sup> Congress



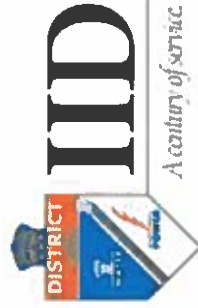
# State Legislative Deadlines

## Key Deadlines

- January 5 – Legislature reconvenes
- January 10 – Governor must submit budget
- February 20 – Last day for bills to be introduced
- May 29 – Last day for bills to be passed to next house
- June 15 – Budget bill deadline
- August 31 – Last day of session, bills must pass each house
- September 30 – Last day for Governor to sign or veto bills

# Advocacy in Action

- California Municipal Utilities Association (CMUA) 2026 Annual Capitol Day: January 26, Sacramento
- American Public Power Association (APPA) 2026 Legislative Rally: February 23-25, Washington D.C.
- Association of California Water Agencies (ACWA) DC2026 Conference: February 24-26, Washington D.C.
- California Special Districts Association (CSDA) 2026 Legislative Days: April 7-8, Sacramento
- American Public Power Association (APPA) 2026 Policy Makers Council Summer Fly-In: July, Washington D.C.



# Advocacy in Action



# Advocacy in Action



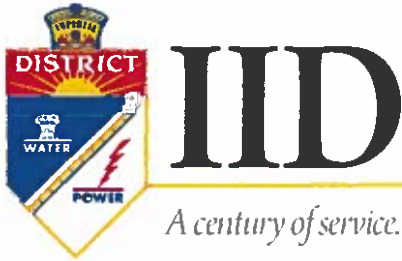
# Advocacy in Action



## Recommendation for Policy BL-13: Local, State, and Federal Legislation and Regulation

Staff recommends that the Board find that the District is substantially in compliance with Board Policy BL-13: Local, State, and Federal Legislation and Regulation.





January 20, 2026

BOARD AGENDA MEMORANDUM

Reports

**SUBJECT** Water Department General Matters  
**DEPARTMENT** Water  
**PRESENTER** Mike Pacheco/Tina Shields, managers

### **Background**

Mr. Pacheco and Ms. Shields will be prepared to brief the board and respond to questions:

#### **Colorado River Hydrology**

- Reclamation's January 2, 2026 reporting indicates a provisional year-end IID 2025 consumptive use of 2,194,805 AF, meaning IID fulfilled all 2025 water orders and its provisional year-end underrun was about 162,995 AF although this value is expected to decrease as year-end conservation volumes are finalized. The 2025 operational consumptive use schedule provided to Reclamation anticipated 250,000 AF of conservation as a placeholder for IID's System Conservation Implementation Agreement until such time that 2025 conservation yields are finalized. 2026 Reclamation forecasting has not yet been posted.
- Reclamation's January 4, 2026 Lower Colorado Water Supply Report indicates the Upper Colorado Basin Water Year 2026 precipitation to date is 103 percent of normal (8.65") while snowpack is only 72 percent of normal (4.73"). Lake Mead's elevation is 1,057.62 feet and system reservoir storage is 38 percent (21.984 MAF). The January 2026 24 – Month Study inflow projection is 74 KAF, with the forecasted WY 2026 Lake Powell unregulated inflow is 73 percent of normal (7.037 MAF), and the forecasted April-July 2026 inflow decreasing to 66 percent of normal (4.20 MAF).

#### **Conservation Updates**

- The 2024 On-Farm Efficiency Conservation Program (OFECF) contracting was completed in November 2025 with contract execution deadlines through February 1, 2026. Contracts that fail to meet their 60-day execution deadline will be voided as the program is now closed. Nearly \$90 million in conservation payments have been made to date.
- More than 42% of the 2025 OFECF analysis has been completed (including no savings determinations or ineligible fields), resulting in nearly 900 contracts and over \$23 million in conservation payments issued to date. Seasonal crop analysis has largely been completed with staff now focusing on perennial crops.

#### **Division Updates/12-Hour Usage**

- Divisions reported 171 12-hour (am) water orders for 621 cfs, 1 (pm) water order, divisions are running 1,818 cfs. 4 carryovers for 55 cfs.

- The All-American Canal is running 1,850 cfs, East Highline Canal is running 725 cfs, Central Main Canal is running 350 cfs, and Westside Main Canal is at 375 cfs.
- Southend Division canal outages for this week: Orient, Evergreen, Lotus, Newside, and Dandelion.
- Northend Division canal outages for this week: Ohmar lateral and Orita lateral.

**Construction/Maintenance**

- Livesly Drain – Install Manholes along the pipeline, 0.5 mile west of Best Rd. and Ward Rd. just north of Brawley.
- Myrtle Lateral Delivery 15 – Replace delivery structure, 0.5 mile east of Teel Rd. along Chalupnik Rd. just east of Brawley.
- Trifolium 11 Drain – Replace Inlet structure, .25 mile west of Hoskins Rd. along Baughman Rd. just west of Westmorland.



# IID

*A century of service.*

www.iid.com

*Since 1911*

**January 20, 2026**

**BOARD AGENDA MEMORANDUM**

**Reports**

**SUBJECT** Power Department General Matters  
**DEPARTMENT** Power  
**PRESENTER** Matthew H. Smelser, manager

Mr. Smelser will provide an update with regard to power matters.

**IID Open Access Transmission Tariff Generator Interconnection Status:**

| Description             | No. of Projects | No. of MW      |
|-------------------------|-----------------|----------------|
| Geothermal              | 2               | 83             |
| Biomass                 | 2               | 108            |
| Solar and Storage       | 13              | 2,369          |
| Energy Storage Projects | 5               | 430            |
| RICE                    | 1               | 111.5          |
| <b>Total</b>            | <b>23</b>       | <b>3,101.5</b> |

**Distributed Generation – Solar Installations:**

| Description                                 | No. of Applications | No. of MW   |
|---|---------------------|-------------|
| Pending Applications Coachella Valley       | 977                 | (15.08) MW  |
| Pending Applications Imperial Valley        | 414                 | (11.66) MW  |
| Applications received since January 1, 2025 |                     | <b>2004</b> |

**Customer Service Projects Pending:**

| Description      | No. of Projects |              |
|------------------|-----------------|--------------|
| Imperial Valley  | 545             | (49.8) MVA   |
| Coachella Valley | 774             | (35.89)      |
| <b>Total</b>     | <b>1319</b>     | <b>85.69</b> |





# IID

*A century of service.*

[www.iid.com](http://www.iid.com)

*Since 1911*

**January 20, 2026**

**BOARD AGENDA MEMORANDUM**

**Reports**

|                   |   |
|-------------------|---|
| <b>SUBJECT</b>    | Support Departments Reports   |
| <b>DEPARTMENT</b> | Executive   |
| <b>PRESENTER</b>  | Sergio Quiroz, assistant general manager<br>Fernando Castro-Alvarez, manager of strategic initiatives |

**Background**

Fernando Castro-Alvarez will present the Board with the 2026-2027 Strategic Initiatives Plan.

# Imperial Irrigation District

## 2026–2027 Strategic Plan Initiatives

### *Reliable Assets for Optimal Service*

#### **Initiative 1: Asset Management Implementation**

- Establish departmental capital plans by refining the Life Cycle element of the Asset Management Plan, inclusive of new capital projects. The capital plans will be aligned with budget and rate-setting processes. Prioritization of projects will be based on asset criticality, condition, and available resources.

**Responsible Departments:** Water, Power, General Services, Information Technology, Finance

**Board Policy Linkage:** BL-8, SD-3, SD-4, SD-6, SD-7, SD-9

#### **Initiative 2: District-wide Facility Modernization Program**

- Establish a Facility Modernization Program that implements upgrades, replacements, and ongoing maintenance to District facilities in alignment with energy-efficiency and modernization design standards that ensure safe and reliable buildings capable of supporting future operational growth. Prioritization of projects will be based on criticality, condition, and available resources.

**Responsible Departments:** General Services

**Board Policy Linkage:** SD-3, SD-6, SD-7, SD-9

#### **Initiative 3: Securing Critical Materials**

- Establish a Critical Materials Assurance Program that ensures the procurement and availability of critical materials, while assessing the storage capacity and inventory management of materials vulnerable to supply chain disruptions.

**Responsible Departments:** General Services, Water, Power, Information Technology, Finance

**Board Policy Linkage:** SD-3, SD-6, SD-7, BL-9

### *Financial Resilience*

#### **Initiative 4: Reserves & Credit Strength**

- Implement the Financial Reserves Policy and establish clear monitoring and reporting processes to maintain compliance with reserve targets. Advance strategies necessary to achieve a AAA credit rating for Water and an AA rating for Power, including the development multi-year financing plans that align with investment needs, reduce borrowing costs, and prepare for necessary bond issuances to support departmental capital plans.

**Responsible Departments:** Finance

**Board Policy Linkage:** SD-4, SD-5, BL-10, BL-12

## ***Efficient Water Resources Management***

### **Initiative 5: Colorado River & Environmental Stewardship**

- Strengthen the District's leadership within the Colorado River Basin to advance long-term sustainability that assures reliable local water supplies and protects the District's senior water rights. Work with regional, state, and federal partners to support environmental goals, coordinate with restoration programs, and address local impacts, including impacts to the Salton Sea from Colorado River drought and conservation efforts.

**Responsible Departments:** Water

**Board Policy Linkage:** SD-6, SD-7, SD-10, BL-7, BL-12, BL-13

### **Initiative 6: On-Farm & System Conservation Improvements**

- Utilizing the results of the consultant's efficiency conservation study, refine the On-Farm Efficiency Conservation Program and prioritize new system conservation projects to improve customer service and water use efficiency.

**Responsible Departments:** Water

**Board Policy Linkage:** SD-3, SD-6, BL-7, BL-12

## ***Reliable and Cost-Effective Delivery of Power***

### **Initiative 7: Power Operations Enhancement**

- Strengthen grid reliability, security, and operational flexibility through the integration of Distributed Energy Resources (DERs), deployment of Time-of-Use rates, implementation of the Advanced Distribution Management System (ADMS), participation in the Western Energy Imbalance Market, and reconfiguration of the Energy Management System (EMS) to dedicated transmission and distribution environments.

**Responsible Departments:** Power, Information Technology

**Board Policy Linkage:** SD-4, SD-6, SD-7, BL-10, BL-11

### **Initiative 8: Power Infrastructure Improvement**

- Plan, permit, and construct new and upgraded transmission lines, substations, and generation assets to meet growth, reduce risk, and withstand extreme weather conditions. Strengthen reliability and environmental compliance, real estate coordination, and interagency permitting to accelerate project delivery.

**Responsible Departments:** Power

**Board Policy Linkage:** SD-3, SD-6, SD-7, BL-10, BL-14

## ***Strong State, Federal & Regional Partnerships***

### **Initiative 9: State and Federal Engagement**

- Establish a strategy to strengthen partnerships with state and federal agencies, including regular, structured engagement with federal and state agencies to advance the District's priorities in water, power, environmental stewardship, infrastructure, regulatory affairs, and funding opportunities.

**Responsible Departments:** Government Affairs, Water, Power, General Services

**Board Policy Linkage:** SD-2, SD-6, BL-13, GP-3

**Initiative 10: State & Federal Funding Opportunity Tracking**

- Develop a centralized grant tracking system to identify state and federal funding opportunities. Strengthen coordination across departments to leverage external funding and reduce pressure on District budgets.

**Responsible Departments:** Government Affairs, Water, Power, General Services

**Board Policy Linkage:** SD-6, BL-13

**Initiative 11: Regulatory Compliance Streamlining**

- Support streamlined permitting and regulatory oversight with clearer compliance pathways and faster review timelines. Advocate for flexibility that reflects local conditions, coordinate with California Air Resources Board on fleet and emissions compliance, strengthen internal coordination, and leverage agency and legislative relationships to reduce administrative burden and speed project delivery.

**Responsible Departments:** Government Affairs, Water, Power, General Services

**Board Policy Linkage:** SD-2, SD-6, SD-10, BL-13, BL-15

**Initiative 12: Imperial Valley Interagency Collaboration**

- Advance interagency collaboration in the Imperial Valley to support regional water supply resiliency, reliable power delivery, and orderly development. Align with local governments through early information-sharing, coordinated planning, and clearly defined roles with the goal of protecting District customers and ensuring the effective execution of District's operational and financial responsibilities.

**Responsible Departments:** Government Affairs, Water, Power

**Board Policy Linkage:** SD-2, SD-7, BL-10, BL-12, BL-13, BL-14

**Initiative 13: Coachella Valley Interagency Collaboration**

- Advance interagency collaboration in the Coachella Valley to support regional growth. Implement coordinated service planning and long-term service and governance agreements with Coachella Valley agencies to ensure reliable power service while protecting the interests of District ratepayers and ensuring the effective execution of District's operational and financial responsibilities.

**Responsible Departments:** Government Affairs, Water, Power

**Board Policy Linkage:** SD-2, SD-7, BL-10, BL-12, BL-13, BL-14

## ***Secure and Modern Digital Systems***

### **Initiative 14: Digital Systems Upgrade**

- Strengthen enterprise operations, customer experience, and analytical capability across the District by deploying a modern collaboration platform (Microsoft 365), modernizing the Enterprise Resource Planning system (SAP S/4HANA), and migrating the Customer Connect portal to the cloud to improve billing and payment functionality. The initiative also includes implementing scalable cloud computing resources to support advanced power engineering studies and system planning.

**Responsible Departments:** Information Technology

**Board Policy Linkage:** SD-2, SD-3, SD-7, BL-7

### **Initiative 15: Cybersecurity & Cloud Governance**

- Strengthen cybersecurity across IT and OT systems through identity access management, segregation-of-duties remediation, zero-trust cloud security architecture, continuous monitoring, and governance frameworks supporting cloud migration and SCADA/EMS modernization.

**Responsible Departments:** Information Technology

**Board Policy Linkage:** SD-3, SD-7, BL-7, BL-11

## ***Resilient Workforce***

### **Initiative 16: Talent Development & Staffing**

- Strengthen the District's workforce resilience and operational continuity by identifying critical and at-risk roles, developing internal talent pipelines, and implementing structured knowledge-transfer and succession-planning processes. Modernize and streamline recruitment workflows to reduce time-to-hire by 25% and stabilize staffing levels.

**Responsible Departments:** Human Resources, Water, Power, General Services, Information Technology, Finance

**Board Policy Linkage:** SD-8, BL-2, BL-6

### **Initiative 17: Safety Culture Enhancement**

- Advance a proactive, field-centered safety culture by expanding hands-on training, integrating Human Performance tools, enhancing communication, increasing field leadership presence, and standardizing safety onboarding. Establish continuous safety performance monitoring.

**Responsible Departments:** Human Resources, Water, Power, General Services, Information Technology, Finance

**Board Policy Linkage:** SD-7, SD-8, SD-9

# **Strategic Plan Consultation**

## ***2026-2027 Strategic Initiatives***

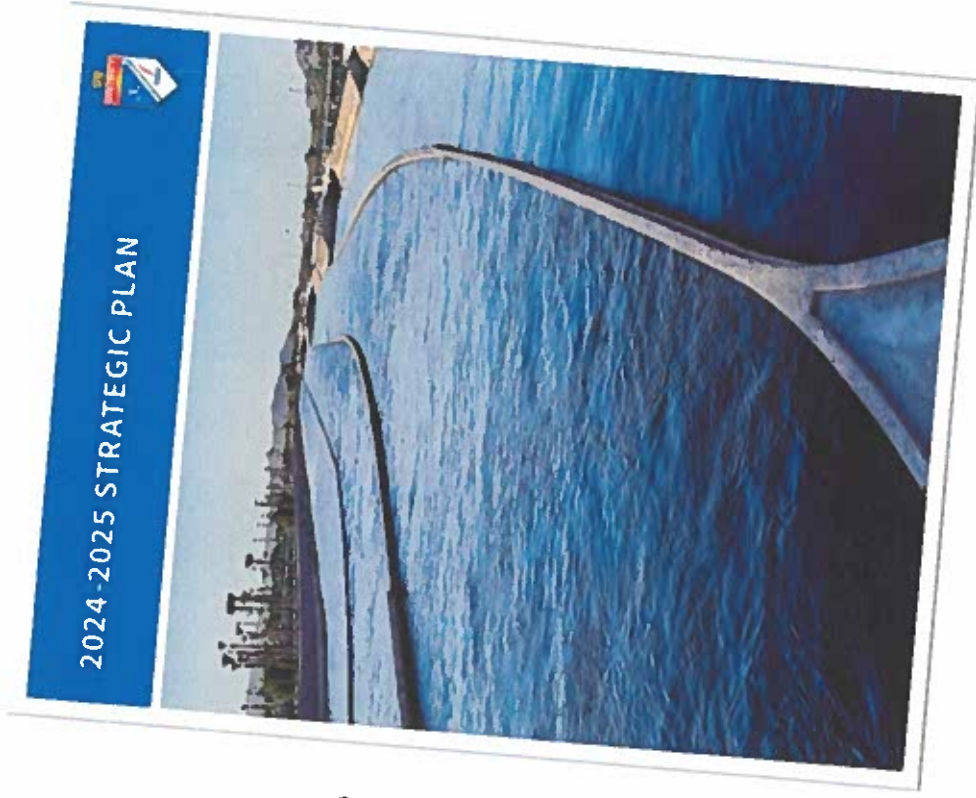
January 20, 2026

Fernando Castro-Alvarez  
Manager of Strategic Initiatives



# Background

- **On April 23, 2024, the Board of Directors adopted:**
  - **Policy BL-8 Biennial Planning Process**
    - *Requirement to complete and promote a two-year strategic plan*
  - **First Strategic Plan (SP) completed in June 2024**
- **SP 2026-2027 Status:**
  - *Initiative Development Stage*
  - *SP will be completed in March 2026*



# Initiatives Development Approach



- **Informed by:**
  - *Customer & Organizational Survey*
  - *2024-2025 Initiatives Implementation Progress*
  - *30-year Outlooks*
  - *Departmental Analyses of threats and opportunities to identify priorities*
  - *Team discussion to identify key priorities*

# Proposed Initiatives for 2026-2027 Strategic Plan



# Reliable Assets for Optimal Service

| # | Focus                           | Key Elements  |
|---|---------------------------------|---|
| 1 | Asset Management Implementation | <ul style="list-style-type: none"><li>• Refine the Life Cycle element of the Asset Management Plan to <b>establish department-level capital plans</b>, including new capital projects</li><li>• Align capital planning with budget development and rate-setting processes</li><li>• Prioritize investments based on asset criticality, condition, and available resources</li></ul> |
| 2 | Facility Modernization Program  | <ul style="list-style-type: none"><li>• <b>Establish a District-wide Facility Modernization Program</b></li><li>• Implement upgrades, replacements, and ongoing maintenance using energy-efficiency and modernization design standards</li><li>• Ensure facilities are safe, reliable, and capable of supporting future operational growth</li></ul>                                |



# Reliable Assets for Optimal Service

| # | Focus                       | Key Elements   |
|---|-----------------------------|--|
| 3 | Securing Critical Materials | <ul style="list-style-type: none"><li>• Establish a Critical Materials Assurance Program</li><li>• Ensure procurement and availability of critical materials</li><li>• Assess storage capacity and inventory management for materials vulnerable to supply-chain disruptions</li></ul> |



# Financial Resilience

## Key Elements

### # Focus

4 Reserves & Credit Strength

• Advance strategies to achieve an AAA credit rating for Water and an AA credit rating for Power

- Implement the Financial Reserves Policy with clear monitoring and reporting to ensure compliance with reserve targets
- Develop multi-year financing plans aligned with capital investment needs, reduced borrowing costs, and future bond issuances



# Efficient Water Resources Management

| # | Focus                                      | Key Elements  |
|---|--|---|
| 5 | Colorado River & Environmental Stewardship | <ul style="list-style-type: none"><li>• Strengthen IID leadership in the Colorado River Basin to protect senior water rights and ensure long-term water supply reliability</li><li>• Work with regional, state, and federal partners to support environmental objectives, including Salton Sea related and restoration programs</li></ul> |
| 6 | On-Farm & System Conservation Improvements | <ul style="list-style-type: none"><li>• Utilize findings from the consultant's study to refine the On-Farm Efficiency Conservation Program</li><li>• Implement new system conservation projects</li></ul>   |



# Reliable & Cost-Effective Delivery of Power

| # | Focus                            | Key Elements   |
|---|----------------------------------|--|
| 7 | Power Operations Enhancement     | <ul style="list-style-type: none"><li>• Strengthen grid reliability, security, and operational flexibility</li><li>• Integrate Distributed Energy Resources and deploy Time-of-Use rates</li><li>• Implement ADMS, participate in the Western Energy Imbalance Market, and reconfigure EMS into dedicated transmission and distribution environments</li></ul> |
| 8 | Power Infrastructure Improvement | <ul style="list-style-type: none"><li>• Plan, permit, and construct new and upgraded transmission, substations, and generation assets</li><li>• Strengthen environmental compliance, real estate coordination, and interagency permitting to accelerate delivery</li></ul>   |



# Strong State, Federal & Regional Partnerships

| #  | Focus                        | Key Elements   |
|----|------------------------------|--|
| 9  | State & Federal Engagement   | <ul style="list-style-type: none"><li>• <b>Establish a strategy</b> for regular, ongoing engagement with state and federal agencies</li><li>• Advance District priorities across water, power, environmental stewardship, infrastructure, and regulatory affairs</li></ul> |
| 10 | Funding Opportunity Tracking | <ul style="list-style-type: none"><li>• <b>Develop a centralized system</b> to track state and federal grant opportunities</li><li>• Strengthen coordination across departments</li><li>• Leverage external funding to reduce pressure on District budgets</li></ul>       |



# Strong State, Federal & Regional Partnerships

| #  | Focus                                     | Key Elements  |
|----|---|---|
| 11 | Regulatory Compliance Streamlining        | <ul style="list-style-type: none"><li>• Advocate for clearer compliance pathways and faster permitting timelines</li><li>• Seek regulatory flexibility that reflects local conditions, including coordination with CARB on fleet and emissions compliance</li></ul>                 |
| 12 | Imperial Valley Interagency Collaboration | <ul style="list-style-type: none"><li>• Advance interagency collaboration to support regional water supply resiliency, reliable power delivery, and orderly development</li><li>• Align with local governments through early information sharing and coordinated planning</li></ul> |



# Strong State, Federal & Regional Partnerships

| #  | Focus                                      | Key Elements   |
|----|--|--|
| 13 | Coachella Valley Interagency Collaboration | <ul style="list-style-type: none"><li>• Advance interagency collaboration to support regional growth in the Coachella Valley</li><li>• Implement coordinated service planning and long-term service and governance agreements</li><li>• Ensure reliable power service while protecting District ratepayers</li></ul> |



# Secure & Modern Digital Systems

| #  | Focus                            | Key Elements  |
|----|----------------------------------|---|
| 14 | Digital Systems Upgrade          | <ul style="list-style-type: none"><li>• Modernize enterprise operations through Microsoft 365 deployment and SAP S/4HANA implementation</li><li>• Migrate Customer Connect to the cloud to improve billing and payment functionality</li><li>• Implement scalable cloud computing to support advanced power engineering studies and system planning</li></ul> |
| 15 | Cybersecurity & Cloud Governance | <ul style="list-style-type: none"><li>• Strengthen cybersecurity across IT and OT systems</li><li>• Implement identity access management, segregation-of-duties remediation, and zero-trust cloud security</li><li>• Establish governance frameworks supporting cloud migration and SCADA/EMS modernization</li></ul>   |



# Resilient Workforce

| #  | Focus                         | Key Elements  |
|----|-------------------------------|---|
| 16 | Talent Development & Staffing | <ul style="list-style-type: none"><li>• Identify critical and at-risk roles to support operational continuity</li><li>• Develop internal talent pipelines, knowledge transfer, and succession planning</li><li>• Modernize recruitment workflows to reduce time-to-hire by 25% and stabilize staffing</li></ul> |
| 17 | Safety Culture Enhancement    | <ul style="list-style-type: none"><li>• Expand hands-on training and integrate Human Performance tools</li><li>• Increase field leadership presence and establish continuous safety performance monitoring</li></ul>  |



## Next Steps

- **Develop final Strategic Plan Draft by:**
  - *Addressing any feedback on initiatives*
  - *Compiling:*
    - Final list of 2026-2027 Initiatives
    - 2024-2025 Initiative Implementation Progress Report Implementation
    - 30-year Outlooks
- **Consultation with the Board regarding final draft in February**





# IID

*A century of service.*

[www.iid.com](http://www.iid.com)

*Since 1911*

**January 20, 2026**

**BOARD AGENDA MEMORANDUM**

**Reports**

---

|                   |                               |
|-------------------|-------------------------------|
| <b>SUBJECT</b>    | General Manager Reports       |
| <b>DEPARTMENT</b> | Executive                     |
| <b>PRESENTER</b>  | Jamie Asbury, general manager |

**Background**

Ms. Asbury will be prepared to provide a general report and respond to questions on emerging issues.





# 2026

## 9X80 Working Schedule

### Holidays

- Jan. 1 New Year's Day
- Jan. 19 Martin Luther King Jr. Day
- Feb. 16 Presidents' Day
- May 25 Memorial Day
- June 18 Juneteenth Day
- June 19 Juneteenth Day (Opposite 9X80)
- July 2 Independence Day
- July 3 Independence Day (Opposite 9X80)
- Sep. 7 Labor Day
- Nov. 11 Veterans' Day
- Nov. 26 Thanksgiving Day
- Nov. 27 Day After Thanksgiving Holiday
- Dec. 7 Floating Holiday (Opposite 9X80)
- Dec. 24 Christmas Day (Opposite 9X80)
- Dec. 25 Christmas Day
- Dec. 31 New Year's Day-2027 (Regular 9X80)

- = Friday Off
- = Payday
- = Holiday
- = Opposite 9X80 Holiday

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
| 1  | 2  | 3  | 4  | 5  | 6  | 7  |
| 8  | 9  | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 | 31 |    |    |    |    |

MARCH

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
| 1  | 2  | 3  | 4  | 5  | 6  |    |
| 7  | 8  | 9  | 10 | 11 | 12 | 13 |
| 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | 29 | 30 |    |    |    |    |

JUNE

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    | 1  | 2  | 3  | 4  | 5  |    |
| 6  | 7  | 8  | 9  | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 |    |    |    |

SEPTEMBER

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    | 1  | 2  | 3  | 4  | 5  |    |
| 6  | 7  | 8  | 9  | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | 31 |    |    |

DECEMBER

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
| 1  | 2  | 3  | 4  | 5  | 6  | 7  |
| 8  | 9  | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
|    |    |    |    |    |    |    |

FEBRUARY

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    |    |    |    |    | 1  | 2  |
| 3  | 4  | 5  | 6  | 7  | 8  | 9  |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 |
|    |    | 31 |    |    |    |    |

MAY

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    |    |    |    |    |    | 1  |
| 2  | 3  | 4  | 5  | 6  | 7  | 8  |
| 9  | 10 | 11 | 12 | 13 | 14 | 15 |
| 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 23 | 24 | 25 | 26 | 27 | 28 | 29 |
| 30 | 31 |    |    |    |    |    |

AUGUST

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
| 1  | 2  | 3  | 4  | 5  | 6  | 7  |
| 8  | 9  | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 |    |    |    |    |    |

NOVEMBER

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    |    |    |    | 1  | 2  | 3  |
| 4  | 5  | 6  | 7  | 8  | 9  | 10 |
| 11 | 12 | 13 | 14 | 15 | 16 | 17 |
| 18 | 19 | 20 | 21 | 22 | 23 | 24 |
| 25 | 26 | 27 | 28 | 29 | 30 | 31 |

JANUARY

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    |    | 1  | 2  | 3  | 4  |    |
| 5  | 6  | 7  | 8  | 9  | 10 | 11 |
| 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | 29 | 30 |    |    |

APRIL

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    |    | 1  | 2  | 3  | 4  |    |
| 5  | 6  | 7  | 8  | 9  | 10 | 11 |
| 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | 29 | 30 | 31 |    |

JULY

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    |    |    |    | 1  | 2  | 3  |
| 4  | 5  | 6  | 7  | 8  | 9  | 10 |
| 11 | 12 | 13 | 14 | 15 | 16 | 17 |
| 18 | 19 | 20 | 21 | 22 | 23 | 24 |
| 25 | 26 | 27 | 28 | 29 | 30 | 31 |

OCTOBER

IMPERIAL IRRIGATION DISTRICT  
 BOARD MEETING CALENDAR—2026  
 (Board meetings begin at 1 p.m.)

| JANUARY |                            | FEBRUARY |                                    | MARCH     |  |
|---------|----------------------------|----------|------------------------------------|-----------|--|
| 1       | New Year's Day             | 3        | Board meeting, El Centro           | 3         | Board meeting, El Centro                           |
| 6       | Offsite Board meeting      | 16       | President's Day                    | 17        | Board meeting, El Centro                           |
| 19      | Martin Luther King Day     | 17       | Board meeting, El Centro           |           |  |
| 20      | Board meeting, El Centro   | 23-25    | APPA Legislative Rally, Wash. D.C. |           |  |
|         |                            | 24-26    | ACWA Wash. D.C. Conf.              |           |  |
|         |                            | 25-27    | UWI Spring Conf., Indian Wells     |           |  |
| APRIL   |                            | MAY      |                                    | JUNE      |  |
| 7       | Board meeting, El Centro   | 5        | Board meeting, El Centro           | 2         | Board meeting, El Centro                           |
| 21      | Board meeting, La Quinta ■ | 5-7      | ACWA Spring Conf., Scmto.          | 16        | <b>Board Recess</b>                                |
|         |                            | 19       | Board meeting, El Centro           | 18        | Juneteenth   |
|         |                            | 25       | Memorial Day                       | 26-July 1 | APPA National Conf., Boston, MA                    |
| JULY    |                            | AUGUST   |                                    | SEPTEMBER |  |
| 2       | Independence Day           | 4        | Board meeting, El Centro           | 1         | Board meeting, El Centro                           |
| 7       | Board meeting, El Centro   | 18       | Board meeting, El Centro           | 7         | Labor Day  |
| 21      | <b>Board Recess</b>        | 19-21    | UWI Annual Conf., San Diego        | 15        | Board meeting, El Centro                           |
| OCTOBER |                            | NOVEMBER |                                    | DECEMBER  |  |
| 6       | Board meeting, El Centro   | 3        | Board meeting, El Centro           | 1         | Board meeting, El Centro                           |
| 20      | Board meeting, La Quinta ■ | 11       | Veteran's Day                      | 1-3       | ACWA Fall Conf., Anaheim                           |
|         |                            | 17       | Board meeting, El Centro           | 4         | Seating Ceremony (noon)                            |
|         |                            | 26-27    | Thanksgiving & day after           | 9-11      | CRWUA Conf., Las Vegas                             |
|         |                            |          |                                    | 15        | Board meeting, El Centro ( <i>Reorganization</i> ) |
|         |                            |          |                                    | 25        | Christmas Day                                      |