

RESOLUTION NO. 2016-15

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SAN BENITO COUNTY WATER DISTRICT
ESTABLISHING AN INTERIM POLICY FOR
RESCHEDULING OF UNUSED/CONSERVED WATER**

RECITALS:

- A. Under Article IV C. 2. of the Regulations for the Allocation of Agricultural Water, which is found in Appendix C of the Water User's Handbook, water users who have paid for but are unable to use allocated water may either 1) release the water to the District for resale by the District or 2) transfer the water to another user within the same subsystem with the District's consent.
- B. Given the ongoing drought, shortage of stored water in federal system south of the Delta, and the likelihood of a lower than average 2017 water year federal allocation, rescheduled water will be critical to Ag and M & I users in 2017/2018.
- C. Given that the federal share of San Luis Reservoir is unlikely to fill prior to water year 2017/2018, loss of District water is at low risk.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Benito County Water District that an interim policy authorizing the rescheduling of unused/conserved water from the 2016-2017 water year to the 2017-2018 water year be approved under the following terms and conditions:

- 1. AG and M&I contract water users (water users) may reschedule unused/conserved water remaining in their 2016-2017 water year accounts as of February 28, 2017, into water year 2017-2018 up to a maximum of 100% of the amount of water purchased in 2016/2017. Water purchased in 2016-2017 shall include additional water. The minimum quantity of water that may be rescheduled is one (1) acre foot.
- 2. Water users wishing to reschedule water shall complete a declaration and deliver the declaration to the District by February 1, 2017, indicating, among other things, the maximum quantity they intend to reschedule. Water remaining in a user's account as of March 1, 2017, in

excess of the maximum set forth in the declaration, or in excess of 100% of the amount of water purchased in the 2016/2017 water year shall be lost to users and revert to the District.

3. A user of water on a small parcel (water users not under contract, but on a utility service basis) shall not be allowed to reschedule unused water.
4. Rescheduled water shall be the first water used for water year 2017-2018.
5. Rescheduled water loss criteria, if any, shall be established by the Bureau of Reclamation (USBR) in its rescheduled water policy. Any loss of rescheduled water shall first apply to individual customer accounts.
6. Capacity limitations, if any, on the quantity of water users can reschedule shall be ratably allocated.
7. Rescheduled water may be held at the District's discretion in either San Luis Reservoir or San Justo Reservoir. Unless necessary to minimize possible losses or access restrictions, storage of customer water will be in San Luis Reservoir.
8. Rescheduling and storage by the District of District water supplies for allocation to and use by all water users shall have capacity and loss priority over individual accounts including any stored water in San Justo Reservoir. Should there be storage limitations, losses of customer water shall follow the same loss criteria established by USBR.
9. Rescheduled water may be transferred within the District subject to the District's water transfer policy.
10. All rescheduled water must be used by February 28, 2018. Unused rescheduled water shall revert to the District as of March 1, 2018.

11. Administrative fees and charges for rescheduling water shall be as follows:

- a. Rescheduling Administrative Fee: \$6.00 per AF – or a minimum charge of \$100.00 whichever is greater. The minimum charge is due with the filing of the Rescheduling Declaration referred to in 2. above. Additional administrative fees, if applicable, shall be billed by the District in its March billing cycle.
- d. USBR Rescheduling Charge: As determined by USBR and shall be billed by the District in its March billing cycle
- e. District power charges shall be paid according to the District’s water rates and fees for the year in which the water is used.
- f. Storage losses of 2% per-month for each month after March 1, 2017 based on the balance of unused rescheduled at the end of each month.
- g. Any regulatory fees and administrative fees and charges associated with rescheduling shall be billed by the District in its March billing cycle.

12. This Resolution shall be effective only for the 2017-2018 water year unless further extended by resolution of the Board.

The foregoing Resolution was passed and adopted at a regular meeting of the Board of Directors of the San Benito County Water District held on September 28, 2016, by the following vote:

AYES: DIRECTORS: Flores, Tobias, Bettencourt & Tonascia

NOES: DIRECTORS: Huenemann

ABSENT: DIRECTORS: None

ABSTAIN: DIRECTORS: None

/s/ Sonny Flores

Sonny Flores
President

ATTEST:

/s/ Sara Singleton

Sara Singleton
Assistant Manager