



## **BELLA VISTA WATER DISTRICT**

**11368 E. STILLWATER WAY • REDDING, CALIFORNIA 96003-9510**  
**TELEPHONE (530) 241-1085 • FAX (530) 241-8354**

### **FACT SHEET - AGRICULTURAL WATER SERVICE**

The District's Contract with the U.S. Bureau of Reclamation (Reclamation) to purchase and divert Central Valley Project (CVP) water includes both Irrigation Water<sup>1</sup> and Municipal and Industrial (M&I) Water<sup>2</sup>. Both types of water are defined terms in the Contract. The overall rate for Irrigation Water is less than the overall rate for M&I water. In general, the M&I "Cost of Service" water rate established annually by Reclamation includes the District's share of capital repayment inclusive of interest charges on the "loan" from the federal government for the construction of the CVP. Irrigation rates do not include an interest component, which is commonly referred to as the "subsidy" for federal water. These Reclamation principles and policies are codified in Reclamation Law. The contract allows the District to provide agricultural water to eligible lands at a reduced cost. However, it is important to note that Irrigation Water is less reliable and shortages are more severe than for M&I Water pursuant to Reclamation's M&I Shortage Policy.<sup>3</sup>

Below are several relevant definitions as stated in the District Policy:

**AGRICULTURAL WATER:** Water delivered to consumers for use primarily in the commercial production of agricultural crops or livestock including domestic use incidental thereto.

**AGRICULTURAL SERVICE:** All Agricultural Service requires a Meter Class 50 or larger and shall meet all Reclamation requirements for agricultural "Irrigation Water" service. All applications must be for contiguous and cultivated land with an irrigated crop area of at least 2-acres. Agricultural water rate eligibility is not transferable to new property owners. A new owner must apply for the agricultural rate based on current Federal and District guidelines.

**CRITERIA:** Eligibility to receive Irrigation Water can be obtained if the property to be irrigated meet certain criteria as required by the District's Water Service Contract (i.e. "...must be used primarily in the production of crops or livestock for sale or documented barter (in quantities consistent with a commercial agricultural business endeavor) beyond the quantity needed for personal use.") Items considered for qualification: (a) Must have a 1-inch (Meter Class 50) meter or larger; (b) have a minimum of two acres of cultivated land under irrigation and dedicated to crop production; (c) have a business or development plan; (d) have crops or livestock sales or documented barter; (e) have improvements to land, including, but not limited to buildings, irrigation systems, leveling corrals, fencing, fruit or nut trees, vines, etc.; (f) related enterprises, i.e., project water diverted to irrigate pasture for horses used in a cattle operation would be irrigation water in contrast to water used to irrigate pasture for horses used for personal enjoyment which would be M & I water.

**DETERMINATION:** An on-site audit will be conducted and then submitted to the Finance and Administration Manager and General Manager for approval. Eligible lands must comply with federal Reclamation Law, prior to receiving agricultural water in the form prescribed by Reclamation as provided in the contract.

We are an equal opportunity employer and provider.

**AGRICULTURAL SERVICE ON UNIMPROVED LAND:** Request for agricultural water service on unimproved qualified lands shall be considered at such time as irrigation demands for the commercial production of agricultural crops or livestock is necessitated. Prior to necessary improvements being established to warrant federal agricultural water applications, such lands shall be eligible only for residential, commercial, or rural water rates.

**COMMERCIAL AGRICULTURAL BUSINESS PLAN:** Agricultural customers shall be required to implement a commercial agricultural business plan. Plans shall be submitted with the application for agricultural water service.

**ANNUAL CROP CENSUS REPORT:** Agricultural Customers are required to annually submit a Crop Census Report. Failure to submit the required Census Report each year may result in loss of agricultural water eligibility. Prior to receiving agricultural water service and thereafter annually with the Water Users Census Report, the customer shall certify, on a form provided by the District, compliance with the criteria for receiving Agricultural Water Service.

Please keep accurate records of your commercial agricultural production so the District can justify, defend and preserve your option to receive Irrigation Water from the Central Valley Project. Appropriate supporting documentation that demonstrates commercial agricultural production includes: Irrigated crop production, IRS Schedule F filings, crop registrations, livestock inspections, sales receipts, bartering and lease agreements.

If you feel your water service usage meets the above criteria to receive agricultural water service, you may submit a completed application to the District office located at 13368 East Stillwater Way, Redding, CA 96003.

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<sup>1</sup>“Irrigation Water” shall mean water made available from the Project that is used primarily in the production of agricultural crops or livestock, including domestic use incidental thereto, and watering of livestock.

<sup>2</sup>“Municipal and Industrial (M&I) Water” shall mean Project Water, other than Irrigation Water, made available to the Contractor. M&I Water shall include water used for human purposes such as the watering of landscaping or pasture for animals (e.g., horses) which are kept for personal enjoyment or water delivered to landholdings operated in units of less than five acres unless the Contractor establishes to the reasonable satisfaction of the Contracting Officer that the use of water delivered to any such landholding is a use described in subdivision (m) of this Article. The determination of whether Project Water is used as Irrigation Water or M&I Water shall be in accordance with the guidelines set forth in Exhibit “C” attached hereto, which guidelines may be modified by mutual agreement of the parties to this Contract without amending the Contract: Provided, That if during the term of this Contract, a Reclamation-wide rule or regulation is promulgated that defines M&I Water or Irrigation Water, such rule, regulation, or law shall supersede this Article 1(o).

<sup>3</sup>The Bureau of Reclamation (Reclamation) prepared the Central Valley Project (CVP) Municipal and Industrial (M&I) Water Shortage Policy (WSP) Environmental Impact Statement to evaluate the potential impacts of CVP M&I WSP alternatives. A Record of Decision was signed on November 13, 2015, to implement Alternative 4, Updated M&I WSP (preferred alternative). After the Record of Decision was signed, Reclamation developed additional guidelines (Central Valley Project Municipal and Industrial Water Shortage Policy Guidelines and Procedures) to ensure consistent and equitable implementation of the M&I WSP throughout the CVP for those Contractors subject to the M&I WSP. These guidelines primarily focus on the administrative process and calculations of public health and safety and possible adjustments to a Contractor’s Historical Use. <https://www.usbr.gov/mp/cvp/mandi.html>