



DUDLEY RIDGE WATER DISTRICT

District Office: 5555 California Ave, Suite 209, CA 93309

Phone: 661-633-9022

Teleconference Location: 40132 Vivaldi Ct. Indio, CA 92203

www.dudleyridgewd.org

SPECIAL MEETING OF THE BOARD OF DIRECTORS

APRIL 11, 2023; 1:30 PM

Join on your computer, mobile app or room device

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Meeting ID: 220 212 989 586

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[+1 872-239-5796](tel:+18722395796), [196606931#](tel:+196606931) United States, Chicago

Phone Conference ID: 196 606 931#

1. CALL TO ORDER –PRESIDENT KIMBERLY BROWN

2. CHANGES TO AGENDA

The Boards will be asked to review and may change the order of Agenda items to accommodate scheduling or other needs of the Board, the public, or meeting participants. Members of the public are encouraged to arrive at the beginning of the meeting to ensure they are present for Board discussion or action regarding items of interest. The Board may also add Agenda items but only as provided under Government Code section 54954.2.

3. CONSENT AGENDA

The following items are considered to be routine and non-controversial by staff and will be approved by one motion if no member of the board or public wishes to comment or ask questions. If comment or discussion is desired by anyone, the item will be removed from the consent agenda and will be considered in the listed sequence with an opportunity for any member of the public to address the board concerning the item before action is taken.

- a. Resolution 2023-4 - Support of ACWA Region 6 Nomination

4. AGREEMENT AMONG THE DISTRICT, KERN COUNTY WATER AGENCY, AND THE DEPARTMENT OF WATER RESOURCES FOR RECOVERY OF A PORTION OF THE DISTRICT'S STORED NON-PROJECT WATER FROM THE KERN WATER BANK

The Board will hear reports and may be asked to approve or consider the execution of SWP #22030, "Agreement for Recovery of a Portion of DRWD's Stored Non-Project Water from the Kern Water Bank."

5. REQUEST OF IRVINE RANCH WATER DISTRICT (IRWD) TO STORE 2,500 ACRE- FEET OF ARTICLE 21 WATER IN THE IRWD WATER BANK

The Board will hear reports and may be asked to approve or consider action regarding Irvine Ranch Water District's request to store Article 21 Water in IRWD Water Bank for later return to the District.

6. REVISIONS TO RULES AND REGULATIONS

The Board will hear reports and may be asked to approve or consider revisions to the District's Rules and Regulations.

7. PUBLIC PARTICIPATION – NON AGENDIZED ITEMS

Members of the public are permitted to address the Board on items of interest that are within the jurisdiction of the Board, whether or not such items are on the agenda. If any such item is on the agenda, a member of the public may address such item before or during the Board's consideration of that item. To not unduly delay the meeting, individuals requesting the opportunity to address the Board are requested to keep their comments to a maximum of five minutes.

8. EXECUTIVE (CLOSED) SESSION

- a. Conference with Legal Counsel (Gov. Code, § 54956.9.)
 - i. Gov. Code § 54956.9 (d)(2): One Matter
 - Gov. Code § 54956.9 (d)(4): One Matter

9. ADJOURNMENT

Notes:

- 1) **During the term of the Governor's State of Emergency declarations, District Board meetings may be accessed by Board members, staff, and the public via above videoconference connection.**
- 2) *Written materials related to an item on this agenda to be considered in open session that are public documents and that are distributed to Board members after the posting of the agenda will be made available for public inspection when they are so distributed at the offices of the Dudley Ridge Water District located at the above address during normal business hours and on the District's website at www.dudleyridgewd.org. Documents that are public documents provided by others during a meeting will be available at the District office and on the District's website after the meeting.*
- 3) *A person with a qualifying disability under the Americans with Disabilities Act of 1990 may request the District to provide disability related modifications of accommodations in order to participate in any public meeting of the District. Such assistance includes appropriate alternative formats for the agendas and agenda packets. Requests for disability related modification or accommodation, in order to attend or participate in a District meeting, should be made to Dudley Ridge Water District at the above address or by telephone to 559-449-2700, at least 48 hours before a public meeting of the District.*
- 4) *Meeting notification requests: If you would like to be notified of future Dudley Ridge Water District meetings and events, please contact Kim Constant at 661-304-3422 or email at kconstant@westsidewa.org.*

POSTED 4/10/2023 BY KC (District office) & JB (in District)

RESOLUTION NO. 2023-4

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
DUDLEY RIDGE WATER DISTRICT
PLACING IN NOMINATION JUSTIN ROWE
AS A MEMBER OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES
REGION 6 BOARD OF DIRECTORS**

WHEREAS, the Board of Directors (Board) of Dudley Ridge Water District (District) encourages and supports the participation of its members in the affairs of the Association of California Water Agencies (ACWA); and

WHEREAS, Justin Rowe has indicated a desire to serve as a member of the Board of Directors of ACWA Region 6; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Dudley Ridge Water District as follows:

- (1) The Board of Directors hereby places its full and unreserved support in the nomination of Justin Rowe for the Board of Directors of ACWA Region 6.
- (2) The Board of Directors hereby determines that the expenses attendant with the service of Justin Rowe in ACWA Region 6 shall be borne by Dudley Ridge Water District.

PASSED, APPROVED, AND ADOPTED by the Board of Directors of Dudley Ridge Water District this 11th day of April 2023.

Kimberly Brown, President

CERTIFICATE OF SECRETARY

The undersigned, Assistant Secretary of Dudley Ridge Water District (District), hereby certifies that the foregoing Resolution was authorized by the Board of Directors of said District at a special meeting thereof, duly held on April 11, 2023, at which meeting a quorum of the Board of Directors was at all times present and acting.

IN WITNESS THEREOF, I have set my hand this 11th day of April 2023.

(DISTRICT
SEAL)

Joseph D. Hughes, Assistant Secretary
Dudley Ridge Water District

State of California
The Resources Agency
DEPARTMENT OF WATER RESOURCES

AGREEMENT AMONG
THE DEPARTMENT OF WATER RESOURCES OF THE STATE OF CALIFORNIA,
DUDLEY RIDGE WATER DISTRICT,
AND
KERN COUNTY WATER AGENCY
FOR
RECOVERY OF A PORTION OF
DUDLEY RIDGE WATER DISTRICT'S
STORED NON-PROJECT WATER
FROM
THE KERN WATER BANK

SWP #22030

THIS AGREEMENT is made under the provisions of the California Water Resources Development Bond Act, and other applicable laws of the State of California, among the Department of Water Resources of the State of California, herein referred to as "DWR," Dudley Ridge Water District, herein referred to as "DRWD," and Kern County Water Agency, herein referred to as "KCWA." DWR, DRWD, and KCWA may be referred to individually as "Party" or collectively as "Parties."

RECITALS

- A. DWR and DRWD have entered into a water supply contract, dated December 13, 1963, and subsequently amended, providing that DWR shall supply certain quantities of water to DRWD, providing that DRWD shall make certain payments to DWR, and setting forth the terms and conditions of such supply and payment (hereinafter "DRWD's Water Supply Contract").
- B. DWR and KCWA have entered into a water supply contract, dated November 15, 1963, and subsequently amended, providing that DWR shall supply certain quantities of water to KCWA, providing that KCWA shall make certain payments to DWR, and setting forth the terms and conditions of such supply and payment (hereinafter "KCWA's Water Supply Contract").
- C. The Kern Water Bank (KWB) is a groundwater recharge facility located in Kern County. It is owned and operated by the Kern Water Bank Authority (KWBA), a Joint Powers Authority, whose members include KCWA and DRWD. The KWB is governed by the October 26, 1995 "Memorandum of Understanding Regarding Operation and Monitoring of the Kern Water Bank Groundwater Banking Program" (hereinafter "KWB MOU") among the KWBA Member Entities that consist of DRWD, KCWA, Semitropic Water Storage District, Tejon Castac Water District, Westside Mutual Water Company, LLC, and Wheeler Ridge-Maricopa Water Storage District, and among the KWB Adjoining Entities that consist of the Buena Vista Water Storage District, Rosedale-Rio Bravo Water Storage District, Kern Delta Water District, Henry Miller Water District, and West Kern Water District.
- D. On November 3, 2009, DWR, DRWD, and KCWA entered into an agreement entitled, "Agreement among the Department of Water Resources of the State of California, Dudley Ridge Water District, and Kern County Water Agency, for the Recovery of Non-Project Water from the Kern Water Bank Groundwater Banking Program (2009-2013)," (SWPAO 09040), subsequently amended on March 12, 2014, for the recovery of a portion of DRWD's stored non-SWP supplies from KWB to DRWD via the California Aqueduct through December 31, 2020.
- E. In order for DRWD to better manage its water supplies and increase water reliability to help meet water demands within its service area during periods of drought, DRWD has requested DWR's approval for the continued recovery of its stored non-SWP water supplies from KWB via the SWP facilities for use in DRWD's service area. DRWD's stored non-SWP water supplies include Kern River water, Central Valley Project water, and Friant-Kern Canal water (DRWD's Stored Non-Project Water).
- F. The potential environmental impacts of constructing and operating the KWB were analyzed by DWR, as the lead agency under the California Environmental Quality Act (CEQA), in the 1986 Final Environmental Impact Report (State Clearinghouse (SCH) #1986031710) and 1990 Supplemental Environmental

Impact Report (SCH #1990020484). In 2018, KWBA, as the lead agency under CEQA, prepared an Environmental Impact Report (EIR) to address the environmental effects of the appropriation and storage of Kern River water in the KWB, on behalf of its members (SCH #2012021041), and filed a Notice of Determination (NOD) with Kern County on December 14, 2018, concluding that the appropriation and storage of Kern River water would not have a significant impact on the environment. DRWD, as the lead agency under CEQA, prepared an Initial Study (IS) and Negative Declaration (ND) to address the environmental consequences of implementing its 2020 Agricultural Water Management Plan, which includes, among other water operations, long-term deliveries of DRWD's water supplies in and out of KWB's banking program. DRWD filed an NOD with the SCH on August 5, 2021 (SCH #2021060185), concluding that implementation of its 2020 Agricultural Water Management Plan would not have a significant impact on the environment.

- G. DWR, as a responsible agency under CEQA, has reviewed the aforementioned CEQA documents and considered the environmental effects of the proposed project prior to reaching its decision to approve this Agreement. DWR's approval of the continued recovery, until December 31, 2035, of DRWD's stored non-SWP water supplies from KWB via the SWP facilities for use in DRWD's service area constitutes continuation of existing operations previously analyzed under CEQA. Water will continue to be conveyed through existing facilities with no expansion of existing use. DWR will file a Notice of Exemption (NOE) under CEQA Guidelines Section 15301 (Existing Facilities) with the SCH upon execution of this Agreement.

AGREEMENT

Pursuant to Article 55 of DRWD's Water Supply Contract and Article 15(a) of KCWA's Water Supply Contract, DWR approves the delivery of a portion of DRWD's Stored Non-Project Water to DRWD via an exchange with KCWA's SWP water supplies, subject to the following terms and conditions:

TERM

1. This Agreement shall be effective upon execution by all Parties and shall terminate on December 31, 2035 or upon final payment to DWR by DRWD and KCWA of all costs attributable to this Agreement, whichever occurs later. However, the liability, hold harmless and indemnification obligations in this Agreement shall remain in effect until the expiration of the applicable statute of limitations, or until any claim or litigation concerning this Agreement asserted to DWR, DRWD, or KCWA within the applicable statute of limitations is finally resolved, whichever occurs later.

UNIQUENESS OF AGREEMENT

2. DWR's approval to facilitate the recovery of DRWD's Stored Non-Project Water to DRWD via the SWP is unique and shall not be considered a precedent for future agreements or DWR activities.

USE OF CALIFORNIA AQUEDUCT CAPACITY

3. The delivery of water under this Agreement shall be in accordance with a schedule that has been reviewed and approved by DWR under applicable provisions of DRWD's and KCWA's respective Water Supply Contract. Article 12(f) of DRWD's and KCWA's respective Water Supply Contract shall govern the priority for delivery of such water.

APPROVALS

4. The delivery of DRWD's Stored Non-Project Water under this Agreement shall be contingent upon, and subject to, any necessary approvals and shall be governed by the terms and conditions of such approvals and any other applicable legal requirements. DRWD and KCWA shall be responsible for complying with all applicable laws and legal requirements and for securing any required consent, approvals, permits, or orders. DRWD and KCWA shall furnish to DWR copies of all approvals and agreements required for the delivery of water under this Agreement.

RECOVERY OF DRWD'S STORED NON-PROJECT WATER

5. DRWD shall recover a portion of its Stored Non-Project Water, minus applicable losses as specified in the KWB MOU, by December 31, 2035, using any of the following mechanisms:

- a. KCWA may retain a portion of DRWD's Stored Non-Project Water in exchange for a like amount of KCWA's approved Table A Water and/or Article 56 Carryover Water delivered by DWR to DRWD's turnout(s) in Reach 8D of the California Aqueduct.
 - b. KCWA may pump in and introduce DRWD's Stored Non-Project Water into Reach 13B of the California Aqueduct which will become part of SWP supplies for delivery by DWR to downstream SWP contractors. In exchange, DWR will deliver a like amount of SWP water from the Delta to DRWD's turnout(s) in Reach 8D of the California Aqueduct.
 - i. Any turn-in facility used to pump in and introduce DRWD's Stored Non-Project Water into the California Aqueduct must have an executed agreement with DWR for such an action to be allowed.
 - ii. Pump-in water shall meet DWR's water quality standards in effect when the water is pumped in and introduced into the California Aqueduct. The quality of pump-in water introduced into the California Aqueduct under this Agreement shall be in conformance with DWR's water quality document entitled "Department of Water Resources Water Quality Policy and Implementation Process for Acceptance of Non-Project Water into the State Water Project," dated October 31, 2012 or a later date if modified by DWR. KCWA shall submit such data to:

Water Quality and Special Project Section
E-mail: OMHQ_WaterQuality@water.ca.gov
6. DRWD may request that DRWD's Stored Non-Project Water recovered under Paragraph 5 be placed into temporary storage in San Luis Reservoir pursuant to Article 56(c)(2) of DRWD's Water Supply Contract. That is, when KCWA retains a portion of DRWD's Stored Non-Project Water or introduces a portion of DRWD's Stored Non-Project Water into the California Aqueduct, an equal amount of water will be temporarily stored in San Luis Reservoir by DWR as DRWD's Non-Project Water.
- a. When DRWD requests delivery of its water temporarily stored in San Luis Reservoir, DWR will deliver such water from San Luis Reservoir to DRWD's turnout(s) in Reach 8D.
 - b. DRWD recognizes that, in the event San Luis Reservoir becomes full in any given year, water temporarily stored for DRWD in San Luis Reservoir will be displaced in accordance with Articles 56(c)(2) and 56(c)(3) of DRWD's Water Supply Contract.
7. The delivery of DRWD's Stored Non-Project Water to DRWD under this Agreement shall be in accordance with a schedule approved by DWR. DWR's approval is dependent upon the times and amounts of the delivery and the

overall delivery capability of the SWP. DWR shall not be obligated to deliver the water at times when such delivery would adversely impact SWP operations or facilities, or other SWP contractors.

8. The sum of deliveries scheduled to DRWD under this Agreement, plus scheduled DRWD SWP deliveries, plus deliveries to DRWD under any other agreements, shall not exceed the quantities on which the proportionate Use-of-Facilities factors are based under DRWD's Water Supply Contract, unless DWR determines that the deliveries will not adversely impact SWP operations or facilities, or other SWP contractors.

WATER DELIVERY SCHEDULES

9. All water delivery schedules and revisions under this Agreement shall be in accordance with Article 12 of DRWD's and KCWA's respective Water Supply Contract.
10. DRWD shall submit delivery schedules to KCWA for review and approval. KCWA shall review the proposed schedules and agrees to inform DRWD of its decision to either approve, propose modifications, or withhold approval as promptly as possible. KCWA agrees that it shall not arbitrarily withhold approval or propose modifications. KCWA may withhold approval or propose modifications to the proposed schedule for the delivery of water into and out of KWB under this Agreement if, on the basis of a with and without analysis, KCWA determines that such deliveries would adversely impact KCWA's finances, water supply or operations, and DRWD does not agree to mitigate for such impacts. The base case (without analysis) shall be those conditions estimated to occur in the absence of deliveries to and/or from KCWA. The KCWA analysis is a matter involving KCWA and DRWD, not DWR. DWR is not liable to DRWD for the determinations KCWA makes under this paragraph. DWR is not asserting the validity of KCWA's analysis, nor is it to be held liable by DRWD for any actions resulting from KCWA's analysis.
11. In coordination with KCWA, DRWD shall submit monthly water delivery schedules and revised monthly schedules, if any, for approval to the Division of Operation and Maintenance, Office of the Division Manager, Water Deliveries Reporting Unit, indicating timing and point of delivery requested under this Agreement with reference to SWP #22030. Monthly and revised monthly schedules shall be sent by electronic mail to SWP-SWDS@water.ca.gov.
12. In coordination with KCWA, DRWD shall submit weekly water schedules, indicating timing and point of delivery requested with reference to SWP #22030, by electronic mail by 10:00 am, Wednesday, for the following week, Monday through Sundays to the following:

- a. Office of the Division Manager
Water Operation Scheduling Section
Water_deliv_sched@water.ca.gov
- b. Office of the Division Manager
Power Management and Optimization Section
POCOptimization@water.ca.gov
- c. Office of the Division Manager
Day-Ahead Scheduling Unit
Presched@water.ca.gov
- d. Office of the Division Manager
Operations Reporting Unit
OCO_car_reprt@water.ca.gov
PHONE (916) 574-2677
- e. San Joaquin Field Division
Water Operation Section
SJFDwaterschedule@water.ca.gov

WATER DELIVERY RECORDS

- 13. DWR will maintain monthly records accounting for the delivery of water under this Agreement.

CHARGES

- 14. DRWD and KCWA shall pay the following charges to DWR for the water delivered under this Agreement, including all future adjustments, which shall be calculated in the same manner as charges are calculated for SWP Table A deliveries and shall be in accordance with the provisions of DRWD's and KCWA's respective Water Supply Contract. Charges shall be determined for the year the water is delivered to DRWD under this Agreement.

Delivery of KCWA's Table A and/or Article 56 Carryover Water to DRWD

- a. When DWR delivers KCWA's approved SWP Table A Water and/or Article 56 Carryover Water to DRWD in exchange for KCWA retaining a like amount of DRWD's Stored Non-Project Water, the following charges shall apply:
 - i. DRWD shall pay to DWR the charges associated with the delivery of KCWA's approved SWP Table A Water and/or Article 56 Carryover Water from the Delta to DRWD's turnout(s) in Reach 8D of the California Aqueduct. DRWD shall pay to DWR the Variable Operation, Maintenance, Power, and Replacement Component of the Transportation Charge and the Off-Aqueduct Power Facilities

cost that are in effect for each acre-foot of water delivered from the Delta to DRWD's turnout(s).

Pump-in and Introduction of DRWD's Stored Non-Project Water into the California Aqueduct

- b. When KCWA pumps in and introduces DRWD's Stored Non-Project Water into the California Aqueduct at Reach 13B, such water becomes available as part of the overall SWP supply to downstream SWP Contractors. In exchange, DWR will deliver to DRWD an equal amount of SWP supplies from the Delta. The following charges/credits shall apply as a result:
 - i. DRWD shall pay to DWR the charges associated with the delivery of water from the Delta to DRWD's turnout(s) in Reach 8D of the California Aqueduct. DRWD shall pay to DWR the Variable Operation, Maintenance, Power, and Replacement Component of the Transportation Charge and the Off-Aqueduct Power Facilities cost that are in effect for each acre-foot of water delivered from the Delta to DRWD's turnout(s).
 - ii. DRWD shall receive a credit for the Variable Operation, Maintenance, Power and Replacement Component of the Transportation Charge and Off-Aqueduct Power facility costs for each acre-foot of water made available for downstream SWP Contractors from the Delta to Reach 13B.

Delivery of DRWD's Stored Non-Project Water into San Luis Reservoir for Temporary Storage

- c. When KCWA retains DRWD's Stored Non-Project Water or introduces DRWD's Stored Non-Project Water into the California Aqueduct for delivery by DWR to downstream SWP contractors, an equal amount of DRWD's Stored Non-Project Water will be temporarily stored in San Luis Reservoir by DWR, on behalf of DRWD. The following charges shall apply as a result:
 - i. DRWD shall pay to DWR the charges associated with the delivery of water from the Delta to Reach 3A of the California Aqueduct. DRWD shall pay to DWR the Variable Operation, Maintenance, Power, and Replacement Component of the Transportation Charge and the Off-Aqueduct Power Facilities cost that are in effect for each acre-foot of water delivered from the Delta to San Luis Reservoir. Additionally, DRWD shall pay to DWR any associated pumping charges at Gianelli Pumping-Generating Plant in effect during the year water is delivered into San Luis Reservoir.

Delivery of DRWD's Stored Non-Project Water from San Luis Reservoir to DRWD's Service Area

- d. When DWR delivers DRWD's Stored Non-Project Water from San Luis Reservoir to DRWD's service area, the following charges/credits shall apply:
 - i. DRWD shall pay to DWR the charges associated with the delivery of the water under this Agreement from the Delta to DRWD's turnout(s) in Reach 8D of the California Aqueduct. DRWD shall pay to DWR the Variable Operation, Maintenance, Power, and Replacement Component of the Transportation Charge and the Off-Aqueduct Power Facilities cost that are in effect for each acre-foot of water delivered from the Delta to DRWD's turnout(s).
 - ii. DRWD shall receive a credit for the Variable Operation, Maintenance, Power and Replacement Component of the Transportation Charge, the Off-Aqueduct Power Facilities cost, and associated pumping charges at Gianelli Pumping-Generating Plant that it incurred under Paragraph 14(c)(i) when DRWD's Stored Non-Project Water was originally delivered into San Luis Reservoir for temporary storage. DRWD shall be credited for each acre-foot of water, delivered from San Luis Reservoir into its service area, from the Delta to Reach 3A.
15. Currently, DWR does not have a method for charging and/or crediting SWP contractors for the costs associated with delivering water into San Luis Reservoir. Such costs and/or credits include, but are not limited to, associated pumping costs for the water pumped into San Luis Reservoir through Gianelli Pumping-Generating Plant and associated generation credits for the water pumped out of San Luis Reservoir through Gianelli Pumping-Generating Plant. Once DWR determines a method and applies such costs and/or credits, DRWD agrees to pay and/or be credited by DWR for such costs and/or credits under this Agreement after DWR's determination.
16. In addition to the charges identified above, DRWD agrees to pay to DWR any additional identified demonstrable increase in costs that would otherwise be borne by DWR or by the SWP contractors not signatory to this Agreement as a result of DWR providing service under this Agreement.
17. Payment terms under this Agreement shall be in accordance with DRWD's and KCWA's respective Water Supply Contract.

NO IMPACT

18. This Agreement shall not be administered or interpreted in any way that would cause adverse impacts to SWP approved Table A water or to any other SWP approved water allocations, water deliveries, or SWP operations or facilities.

DRWD and KCWA shall be responsible, jointly and severally, as determined by DWR, for any adverse impacts that may result from water deliveries under this Agreement.

LIABILITY

19. DWR is not responsible for the use, effects or disposal of water under this Agreement once the water is delivered to the designated turnout(s). Responsibility shall be governed by Article 13 of DRWD's Water Supply Contract, as applicable, with responsibilities under the terms of that article shifting from DWR to DRWD when the water is delivered to the designated turnout(s).
20. DRWD and KCWA agree to defend and hold DWR, its officers, employees, and agents harmless from any direct or indirect loss, liability, lawsuit, cause of action, judgment or claim, and shall indemnify DWR, its officers, employees, and agents from all lawsuits, costs, damages, judgments, attorneys' fees, and liabilities that DWR, its officers, employees, and agents incur as a result of DWR approving this Agreement or providing services under this Agreement, except to the extent resulting from the sole negligence or willful misconduct of DWR, its officers, employees, and agents.
21. If uncontrollable forces preclude DWR from delivery of water under this Agreement, either partially or completely, then DWR is relieved from the obligation to deliver the water under this Agreement to the extent that DWR is reasonably unable to complete the obligation due to the uncontrollable force. Uncontrollable forces shall include, but are not limited to, earthquakes, fires, tornadoes, floods, and other natural or human caused disasters. DRWD and KCWA shall not be entitled to recover any administrative costs or other costs associated with delivery of water under this Agreement if uncontrollable forces preclude DWR from delivering the water.

DISPUTE RESOLUTION

22. In the event of a dispute regarding interpretation or implementation of this Agreement, the Director of DWR and general managers of DRWD and KCWA, or their authorized representatives, shall endeavor to resolve the dispute by meeting within 30 days after the request of a Party. If the dispute remains unresolved, the Parties shall use the service of a mutually acceptable consultant in an effort to resolve the dispute. Parties involved in the dispute shall share the fees and expenses of the consultant equally. If a consultant cannot be agreed upon, or if the consultant's recommendations are not acceptable to the Parties, and unless the Parties otherwise agree, the matter may be resolved by litigation and any Party may, at its option, pursue any available legal remedy including, but not limited to, injunctive and other equitable relief.

ASSIGNMENT OF AGREEMENT

23. Without the prior written consent of DWR, this Agreement is not assignable by DRWD or KCWA in whole or in part.

PARAGRAPH HEADINGS

24. The paragraph headings of this Agreement are for the convenience of the Parties and shall not be considered to limit, expand, or define the contents of the respective paragraphs.

OPINIONS AND DETERMINATION

25. Where the terms of this Agreement provide for actions to be based upon the opinion, judgment, approval, review, or determination of any Party, such terms are to be construed as providing that such opinion, judgment, approval, review, or determination be reasonable.

MODIFICATION OF AGREEMENT

26. No modification of the terms and conditions of this Agreement shall be valid unless made in writing and signed by the Parties to this Agreement.

NO MODIFICATION OF WATER SUPPLY CONTRACT

27. This Agreement shall not be interpreted to modify the terms or conditions of DRWD's or KCWA's respective Water Supply Contract. Unless expressly provided herein, the terms and conditions of DRWD's and KCWA's respective Water Supply Contract and any future amendments apply to this Agreement.

SIGNATURE CLAUSE

28. The signatories represent that they have been appropriately authorized to enter into this Agreement on behalf of the Party for whom they sign. A copy of any resolution or other documentation authorizing DRWD and KCWA to enter into this Agreement, if such resolution or authorization is required, shall be provided to DWR before the execution of this Agreement.

EXECUTION

29. The Parties agree that this Agreement will be executed using DocuSign by electronic signature, which shall be considered an original signature for all purposes and shall have the same force and effect as an original signature.
30. All Parties will receive an executed copy of this Agreement via DocuSign after all Parties have signed.

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement.

Approved as to Legal Form and
Sufficiency

STATE OF CALIFORNIA DEPARTMENT
OF WATER RESOURCES

Thomas Gibson
General Counsel
Department of Water Resources

Ted Craddock
Deputy Director
State Water Project

Date

Date

DUDLEY RIDGE WATER DISTRICT

KERN COUNTY WATER AGENCY

Name

Name

Title

Title

Date

Date



**Irvine Ranch
Water District**

April 10, 2023

Mark Gilkey
General Manager
Dudley Ridge Water District
455 W. Fir Avenue
Clovis, CA 93611-0242

Re: Pilot Program to store 2,500 acre-feet of Dudley Ridge Water District Article 21 Water in the Irvine Ranch Water District Water Bank

Dear Mr. Gilkey:

To improve management of Dudley Ridge Water District's 2023 State Water Project (SWP) water supplies, Irvine Ranch Water District (IRWD) proposes a pilot program to store up to 2,500 acre-feet (AF) of Dudley Ridge Article 21 water in the IRWD Water Bank in Kern County. This Water Bank is often referred to as the Strand Ranch and Stockdale West Projects. As a landowner in Dudley Ridge, IRWD is entitled to receive SWP water, including a share of available Article 21 water from Dudley Ridge. Pursuant to Dudley Ridge's Water Supply Contract with the California Department of Water Resources, Article 21 water may be stored outside of the contractor's service area for later use within its service area.

To facilitate the pilot program, IRWD proposes to use its available recharge, storage, and recovery capacities in the IRWD Water Bank, which is operated on IRWD's behalf by Rosedale-Rio Bravo Water Storage District (Rosedale). Deliveries of the Article 21 water to the IRWD Water Bank shall be made to IRWD's Strand or Stockdale turnouts on the Cross Valley Canal or any other turnout made available to IRWD through Rosedale or Dudley Ridge. IRWD shall return all the Article 21 water delivered through the pilot program within 10 years for IRWD's benefit within the Dudley Ridge service area. IRWD and Dudley Ridge shall work cooperatively, although without obligation, to facilitate management of the water through in-district exchanges.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul A. Cook".

Paul A. Cook, P.E.
General Manager

DUDLEY RIDGE WATER DISTRICT

DIRECTORS
KIMBERLY M. BROWN, PRESIDENT
LARRY RITCHIE, VICE PRESIDENT
JOHN VIDOVICH, SECRETARY
BERNARD PUGET
G. PATRICK O'DOWD

5555 CALIFORNIA AVE, STE 209
BAKERSFIELD, CA 93309
www.dudleyridgewd.org
PHONE (661) 633-9022

GENERAL MANAGER
MARK A. GILKEY
ASSESSOR-COLLECTOR-TREASURER
RICK BESECKER
LEGAL COUNSEL
JOSEPH D. HUGHES

MEMORANDUM

DATE: April 5, 2023

TO: Board of Directors

FROM: Mark Gilkey

SUBJECT: Proposed Procedures for Stacking Table A Allocation

Sandridge Partners, LP ("Sandridge"), desires to sell 2,092.89 acres of land within the District to Westside Agriculture, LLC ("Westside"), contingent upon the ability to transfer 16,300 acre-feet (AF) of its allocation of Table "A" Water to those lands by relinquishing that allocation of Table "A" Water from Sandridge's remaining lands.

The District has historically allocated Table "A" Water equally among all lands within the District's Water Service Area. Rule 5 of the District's Rules and Regulations currently provides:

Each acre of land in the District's Water Service Area (excepting those subordinately annexed lands which, by virtue of a contract with the District, receive an annual allocation for SWP Table "A" water as a result of an approved Table "A" transfer) shall be allocated the same quantity of Table "A" Contract Water such that the total is equal to Table "A" Contract Water which is available to the District.

Sandridge requests that the Board of Directors (Board) revise this rule to allow a Water User to permanently transfer all or a portion of its allocation of Table "A" Water to other lands within the District, up to four times the District's current Table "A" allocation (i.e. "stacking Table 'A' Water"). This memorandum describes the proposed procedures for implementing this request and memorializes those procedures for subsequent requests.

To implement the reallocation and stacking of Table "A" Water from one parcel to another parcel, the District must:

1. Identify the parcels that will permanently relinquish the allocation of Table "A" Water otherwise available to the parcel.
2. Identify the parcel(s) that will receive the reallocation of Table "A" Water.
3. Add a suffix to the DRWD number for the receiving parcel(s) to indicate the level of reallocation that will occur (-0X for 0.000 AF/acre, -2X for 3.934 AF/acre, -3X

for 5.901 AF/acre, or -4X for 7.868 AF/acre of Table “A” Water)

4. Calculate the amount of acreage required to achieve the desired Table “A” allocation (stacked up to 4X).
5. Update the parcel valuations based on the reallocation of Table “A” Water to the valuations in the following table:

Valuation of Water Service Area Parcels				
Allocation	Allocation, AF/acre	Min District Administration Value, \$/acre	Table A Value, \$/acre	Total Value, \$/acre
0X	0.000	60.00	0.00	60.00
1X	1.967	60.00	10,818.50	10,878.50
2X	3.934	60.00	21,637.00	21,697.00
3X	5.901	60.00	32,455.50	32,515.50
4X	7.868	60.00	43,274.00	43,334.00

6. Record a memorandum signed by the District and Water User to memorialize that the relinquishing parcels will no longer receive a Table “A” allocation but are still subject to the annual Standby Charges associated with the continued operation of its respective Standby Service Area.

Receiving Lands

The following table identifies (i) the lands that we understand will be sold to Westside, (ii) whether or not they have a Table “A” Water allocation, and (iii) how much additional acreage will need to have its Table “A” Water reallocated to make an additional 16,300 AF of Table “A” Water available to the parcels proposed to be acquired by Westside.

DRWD Number	APN	Acres	Allocation	SB Service Area	Current Allocation, AF	Additional Allocation, AF	New DRWD Number	Stacked Allocation, AF	
303M	048-300-002	160.00	No	3M1		1,258.88	303M-4X	1,258.88	
304	048-300-003 (por)	5.17	Yes	3	10.17	30.51	304-4X	40.68	
304Flex	048-300-003 (por)	6.70	No	3		52.72	304Flex-4X	52.72	
649A	048-300-003 (por)	356.89	No	6		2,808.01	649A-4X	2,808.01	
649K	048-300-003 (por)	107.38	No	6		844.87	649K-4X	844.87	
306K	048-300-011	40.00	No	3		314.72	306K-4X	314.72	
307K	048-300-012 (por)	330.12	No	3		2,597.38	307K-4X	2,597.38	
524-3BK	048-300-012 (por)	120.00	No	3		944.16	524-3BK-4X	944.16	
308K	048-300-013	40.00	No	3		236.04	308K-3X	236.04	
525	048-300-014	40.00	No	5		236.04	525-3X	236.04	
309K	048-300-015	20.00	No	3		157.36	309K-4X	157.36	
310K	048-300-016	20.00	No	3		157.36	310K-4X	157.36	
311K	048-300-017	40.00	No	3		314.72	311K-4X	314.72	
526-3A	048-300-018	153.77	Yes	3	302.47	907.40	526-3A-4X	1,209.86	
626E	048-300-020	3.09	No	6		18.23	626E-3X	18.23	
629	048-300-026	1.85	Yes	6	3.64	7.28	629-3X	10.92	
364M	048-300-028	323.96	No	3M1		2,548.92	364M-4X	2,548.92	
302K	048-300-029	323.96	No	3		2,548.92	302K-4X	2,548.92	
	Total	2,092.89			316.27	15,983.51		16,299.78	
			Acreage Needed for Additional Allocation			8,125.83			

Relinquishing Lands

The following table identifies (i) the lands that will relinquish their Table "A" Water allocation and (ii) the new valuation of all the lands involved.

Benefit Assessment Valuation Summary								
DRWD Number	New DRWD Number	APN	Acres	Current BA Valuation, \$/Acre	New BA Valuation, \$	New BA Valuation, \$/Acre	New BA Valuation, \$	AF
Lands Relinquishing Table A Allocation								
413	413-X	048-020-002	159.69	10,878.50	1,737,188	60.00	9,581	0.00
415	415-X	048-020-006	64.00	10,878.50	696,224	60.00	3,840	0.00
418	418-X	048-020-009	16.97	10,878.50	184,608	60.00	1,018	0.00
419U	419U-X	048-020-011	80.00	10,878.50	870,280	60.00	4,800	0.00
422	422-X	048-020-017	56.97	10,878.50	619,748	60.00	3,418	0.00
150	150-X	048-020-020	631.61	10,878.50	6,870,969	60.00	37,897	0.00
151	151-X	048-020-021	252.96	10,878.50	2,751,825	60.00	15,178	0.00
424U	424U-X	048-020-022	272.97	10,878.50	2,969,504	60.00	16,378	0.00
425U	425U-X	048-020-024	250.44	10,878.50	2,724,412	60.00	15,026	0.00
152	152-X	048-020-028	208.44	10,878.50	2,267,515	60.00	12,506	0.00
162	162-X	048-020-031	27.00	10,878.50	293,720	60.00	1,620	0.00
7119T	7119T-X	048-030-035	18.94	10,878.50	206,039	60.00	1,136	0.00
7123T	7123T-X	048-030-038	37.88	10,878.50	412,078	60.00	2,273	0.00
7156W	7156W-X	048-040-003	53.33	10,878.50	580,150	60.00	3,200	0.00
7161W	7161W-X	048-040-013	40.50	10,878.50	440,579	60.00	2,430	0.00
101	101-X	042-100-030	91.95	10,878.50	1,000,278	60.00	5,517	0.00
102	102-X	042-100-034	60.00	10,878.50	652,710	60.00	3,600	0.00
103	103-X	042-100-037	99.70	10,878.50	1,084,586	60.00	5,982	0.00
104	104-X	042-100-063	142.12	10,878.50	1,546,052	60.00	8,527	0.00
506-4	506-4-X	042-100-069	96.30	10,878.50	1,047,600	60.00	5,778	0.00
108	108-X	042-150-007	424.61	10,878.50	4,619,120	60.00	25,477	0.00
109	109-X	042-150-008	40.00	10,878.50	435,140	60.00	2,400	0.00
110	110-X	042-150-012	265.60	10,878.50	2,889,330	60.00	15,936	0.00
111	111-X	042-150-016	296.10	10,878.50	3,221,124	60.00	17,766	0.00
112	112-X	042-150-018	112.00	10,878.50	1,218,392	60.00	6,720	0.00
114	114-X	042-150-027	89.20	10,878.50	970,362	60.00	5,352	0.00
115	115-X	042-150-028	208.90	10,878.50	2,272,519	60.00	12,534	0.00
116	116-X	042-150-040	435.40	10,878.50	4,736,499	60.00	26,124	0.00
605-2E	605-2E-X	048-200-005	1.00	10,878.50	10,879	60.00	60	0.00
446	446-X	048-200-018	40.00	10,878.50	435,140	60.00	2,400	0.00
459	459-X	048-200-041	65.00	10,878.50	707,103	60.00	3,900	0.00
613-2EMW	613-2EMW-X	048-200-044	1.30	10,878.50	14,142	60.00	78	0.00
463	463-X	048-200-050	66.34	10,878.50	721,680	60.00	3,980	0.00
464	464-X	048-200-051	200.00	10,878.50	2,175,700	60.00	12,000	0.00
154	154-X	048-210-003	148.44	10,878.50	1,614,805	60.00	8,906	0.00

DRWD Number	New DRWD Number	APN	Acres	Current BA Valuation, \$/Acre	New BA Valuation, \$	New BA Valuation, \$/Acre	New BA Valuation, \$	AF
155	155-X	048-210-004	80.89	10,878.50	879,962	60.00	4,853	0.00
615-4	615-4-X	048-210-009	2.52	10,878.50	27,414	60.00	151	0.00
477	477-X	048-210-039	578.52	10,878.50	6,293,430	60.00	34,711	0.00
156	156-X	048-210-046	379.00	10,878.50	4,122,952	60.00	22,740	0.00
157	157-X	048-210-047	1.01	10,878.50	10,987	60.00	61	0.00
158	158-X	048-210-048	77.12	10,878.50	838,950	60.00	4,627	0.00
160	160-X	048-210-051	78.74	10,878.50	856,573	60.00	4,724	0.00
509	509-X	042-230-005	36.00	10,878.50	391,626	60.00	2,160	0.00
510-4	510-4-X	042-230-028	20.00	10,878.50	217,570	60.00	1,200	0.00
511-4	511-4-X	042-230-029	17.89	10,878.50	194,616	60.00	1,073	0.00
513	513-X	042-230-032	19.81	10,878.50	215,503	60.00	1,189	0.00
515	515-X	042-230-034	160.00	10,878.50	1,740,560	60.00	9,600	0.00
400	400-X	042-230-038	35.10	10,878.50	381,835	60.00	2,106	0.00
624E	624E-X	042-230-043	0.22	10,878.50	2,393	60.00	13	0.00
216KT	216KT-X	048-260-06 (p	102.12	10,878.50	1,110,912	60.00	6,127	0.00
216	216-X	048-260-06 (p	57.88	10,878.50	629,648	60.00	3,473	0.00
526-3A	526-3A-X	048-300-018	153.77	10,878.50	1,672,787	60.00	9,226	0.00
527-3A	527-3A-X	048-300-019	434.03	10,878.50	4,721,595	60.00	26,042	0.00
629	629-X	048-300-026	1.85	10,878.50	20,125	60.00	111	0.00
401	401-X	042-340-004	244.32	10,878.50	2,657,835	60.00	14,659	0.00
402	402-X	042-340-005	42.61	10,878.50	463,533	60.00	2,557	0.00
403	403-X	042-340-023	21.61	10,878.50	235,084	60.00	1,297	0.00
404	404-X	042-340-024	117.46	10,878.50	1,277,789	60.00	7,048	0.00
405	405-X	042-340-027	20.00	10,878.50	217,570	60.00	1,200	0.00
406	406-X	042-340-028	20.00	10,878.50	217,570	60.00	1,200	0.00
407	407-X	042-340-030	43.24	10,878.50	470,386	60.00	2,594	0.00
408	408-X	042-340-031	76.67	10,878.50	834,055	60.00	4,600	0.00
410	410-X	042-340-038	166.00	10,878.50	1,805,831	60.00	9,960	0.00
604-1B	604-1B-X	042-340-040	4.99	10,878.50	54,284	60.00	299	0.00
412U	412U-X	042-340-041	76.91	10,878.50	836,665	60.00	4,615	0.00
Lands Receiving Stacked Table A Allocation								
303M	303M-4X	048-300-002	160.00	60.00	9,600	43,334.00	6,933,440	1,258.88
304	304-4X	048-300-003	5.17	10,878.50	56,242	43,334.00	224,037	40.68
304Flex	304Flex-4X	048-300-003	6.70	60.00	402	43,334.00	290,338	52.72
649A	649A-4X	048-300-003	356.89	60.00	21,413	43,334.00	15,465,471	2,808.01
649K	649K-4X	048-300-003	107.38	60.00	6,443	43,334.00	4,653,205	844.87
306K	306K-4X	048-300-011	40.00	60.00	2,400	43,334.00	1,733,360	314.72
307K	307K-4X	048-300-012	330.12	60.00	19,807	43,334.00	14,305,420	2,597.38
524-3BK	524-3BK-4X	048-300-012	120.00	60.00	7,200	43,334.00	5,200,080	944.16
308K	308K-3X	048-300-013	40.00	60.00	2,400	32,515.50	1,300,620	236.04
525	525-3X	048-300-014	40.00	60.00	2,400	32,515.50	1,300,620	236.04

DRWD Number	New DRWD Number	APN	Acres	Current BA Valuation, \$/Acre	New BA Valuation, \$	New BA Valuation, \$/Acre	New BA Valuation, \$	AF
309K	309K-4X	048-300-015	20.00	60.00	1,200	43,334.00	866,680	157.36
310K	310K-4X	048-300-016	20.00	60.00	1,200	43,334.00	866,680	157.36
311K	311K-4X	048-300-017	40.00	60.00	2,400	43,334.00	1,733,360	314.72
526-3A	526-3A-4X	048-300-018	153.77	10,878.50	1,672,787	43,334.00	6,663,469	1,209.86
626E	626E-3X	048-300-020	3.09	60.00	185	32,515.50	100,473	18.23
629	629-3X	048-300-026	1.85	10,878.50	20,125	32,515.50	60,154	10.92
364M	364M-4X	048-300-028	323.96	60.00	19,438	43,334.00	14,038,483	2,548.92
302K	302K-4X	048-300-029	323.96	60.00	19,438	43,334.00	14,038,483	2,548.92
				Total	90,263,118		90,261,928	16,299.78

Recommendation

If this approach is acceptable to the Board, staff recommends that the Board confirm the specific parcels for reallocation of Table “A” Water and authorize management and legal counsel to implement the six actions listed above. Staff also suggests that Westside be advised that the District may be considering water supply contracts in the future.

**RULES AND REGULATIONS
Governing the Use, Distribution,
and Charges for Water Service in
Dudley Ridge Water District**

Adopted by the Board of Directors
APRIL XX, 2023

RULE	DESCRIPTION	PAGE
1.	Control of District Facilities	3
2.	Use of District Facilities	3
3.	Access to Premises of Landowners	4
4.	Requests to Enter into the Water Service Area	4
5.	Applications for Water	5
6.	Transfers of Water	6
7.	Supplemental Water	7
8.	Water Use Priorities	7
9.	Revisions of Water Schedule	10
10.	Daily Water Orders	10
11.	Water Charges	10
12.	Delinquent Charges	11
13.	Credits and Refunds	12
14.	Cost Reimbursement for Authorized Improvements to District Facilities	12
15.	Non-Liability of District	13
16.	Compliance with Rules	13

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**RULES AND REGULATIONS
Governing the Use, Distribution,
and Charges for Water Service in
Dudley Ridge Water District**

These Rules and Regulations are adopted pursuant to Section 35423 of the Water Code of the State of California, are intended to assist the Board of Directors in providing economic management to effect orderly, efficient, and equitable distribution and use of water within the District, and may be amended or repealed at any regular meeting of the Board of Directors or at any special meeting called for that purpose.

The Board of Directors requests cooperation of all Landowners and Water Users in compliance with these Rules and Regulations to permit water to be distributed in an orderly manner, so that Water Users can be served with some regularity and receive equivalent benefits from water service.

As used in these Rules and Regulations, the following terms have the meanings set forth:

~~**Table "A" Water:** The water provided to the District from the State Water Project ("SWP") pursuant to the District's Water Supply Contract with the State of California Department of Water Resources ("DWR") which is allocated to the District and identified on Table "A" of such Water Supply Contract.~~

~~**District's Water Service Area:** Those parcels of land within the District which have an allocation for State Water Project ("SWP") SWP Table "A" water for which water from the District has been requested and approved at any time. Land for which a water allocation has been requested and approved in any previous year will be considered inside the District's Water Service Area even if no water has been requested or applied for with respect to that land for the current year. If fully subscribed, a full Table "A" allocation evenly distributed over all eligible lands in the Water Service Area would be 1.967 acre-feet per acre (hereafter referred to as "1X Allocation"). Subordinately annexed lands are excluded from the District's Water Service Area, except subordinately annexed lands which, by virtue of a contract with the District, receive an annual allocation for SWP Table "A" water as the result of an approved permanent Table "A" transfer.~~

~~**Table "A" Contract Water:** The water provided to the District pursuant to the District's Water Supply Contract with the State of California Department of Water Resources ("DWR") which is allocated to the District and identified on Table "A" of such Water Supply Contract.~~

Landowner: Any individual or legal entity owning real property within the District.

SWP Fixed Costs: All SWP annual costs imposed on the District by the State of California Department of Water Resources (“DWR”) related to the District’s Water Supply Contract, excluding charges associated with water delivery quantities (i.e., Variable OMP&R and Off-Aqueduct charges) and excluding credits derived from the Agricultural Rate Management Trust Fund.

Table “A” Water: The water provided to the District from the State Water Project (“SWP”) pursuant to the District’s Water Supply Contract with the State of California Department of Water Resources (“DWR”) which is allocated to the District and identified on Table “A” of such Water Supply Contract.

Water Service Area: Those parcels of land within the District which have an allocation for SWP Table “A” Water for which water from the District has been requested and approved at any time. Land for which a water allocation has been requested and approved in any previous year will be considered inside the Water Service Area even if no water has been requested or applied for with respect to that land for the current year. If fully subscribed, a full Table “A” allocation evenly distributed over all eligible lands in the Water Service Area would be 1.967 acre-feet per acre (hereafter referred to as “1X Allocation”). Subordinately annexed lands are excluded from the Water Service Area, except subordinately annexed lands which, by virtue of a contract with the District, receive an annual allocation for SWP Table “A” Water as the result of an approved permanent Table “A” transfer.

Water Supply Contract: The District’s contract with DWR by which the District is allocated Table “A” Water.

Water User: Any individual or entity eligible for and properly requesting or applying for water from the District, whether or not such individual or entity is a Landowner-

~~**SWP Fixed Costs:** All SWP annual costs imposed on the District by the DWR related to the District’s Table “A” Water Supply Contract, excluding charges associated with water delivery quantities (i.e., Variable OMP&R and Off-Aqueduct charges) and excluding credits derived from the Agricultural Rate Management Trust Fund.~~

Rule 1. CONTROL OF DISTRICT FACILITIES

The operation and maintenance of the facilities of the District shall be under the exclusive management and control of the Board of Directors (“Board”), the District Manager, and/or

a duly appointed representative. The District shall have control of all diverting gates, pumps, weirs, and private ditches up to and including the point of measurement, to such extent as may be necessary to regulate and measure the flow of water, but the District shall not assume or incur any liability for the maintenance or repair of privately-owned gates, pumps, weirs, or other appurtenances. No unauthorized person(s) shall interfere with District facilities in any manner, including, but not limited to, the opening, closing, or regulating of any of the District's valves, gates, or turnouts unless so directed by the Board of Directors or the District Manager.

Any damage to District facilities or property resulting from such unauthorized action by the Water Users shall be the responsibility of the Water User or Landowner making such use of the property or facilities. If satisfactory repairs are not made promptly by the responsible individuals, the District will make the necessary repairs and appropriately charge the responsible individual.

An emergency condition exists when there is risk of damage to the District's distribution system, life, or property. The District reserves the right to terminate water service to any Water User during an emergency condition.

Rule 2. USE OF DISTRICT FACILITIES

The District owns, operates, and maintains service roads along its canals for access to canal check gates, distribution laterals, and mainline valves. These roads shall not be used by anything but pickup trucks and automotive-type traffic. Landowners and Water Users are requested to refrain from using the service roads during rainy periods when traffic may make the road impassable or damage the roads. In addition to the canal service roads, the District has obtained a right-of-way (easement) for access along each of the District's pipelines and distribution laterals. Access to District facilities on pipelines and laterals is essential. All rights-of-way along District pipelines shall be kept open and free of obstructions, fences, or buildings. Water Users shall also ensure that irrigation water or tailwater is not applied or allowed to collect on the District's access roads or rights-of-way.

It is the responsibility of each Water User to prudently manage the water supply received from the District or through District-operated facilities. Water (tailwater, wastewater, drainage, groundwater, and/or filter backwash water) shall be maintained on the Water User's lands and not be discharged to the District's rights-of-way or facilities or to another Landowner's lands without written authorization from the appropriate party (the District and, if appropriate, the affected Landowner(s)). Any and all discharges onto District rights-of-way or facilities must be requested and approved in advance by the District. If the Water User requesting the discharge of water to the District's facilities is the only Water

User downstream of said discharge, it is the intent of the District to authorize such requests. Authorization may be revoked by the District if the District, other Water Users, and/or other Landowners are determined to be adversely impacted by the discharge.

Water Users shall not be allowed to discharge chemicals onto the District's rights-of-way or facilities or onto another Landowner's lands. Water Users' or Landowners' chemical feed systems shall be installed and operated to avoid such discharges.

The facilities of the District distribution system shall not be used for the application of fertilizers, pesticides, or chemicals. All Water Users shall use utmost caution in applying airborne pesticides and chemicals to lands adjacent to the District's canals to ensure that the materials being applied by air do not drift into the canals.

No rubbish, garbage, manure, refuse, waste excavation, or foreign material of any type shall be placed or allowed to be placed in any District canal or along any of the District's rights-of-way.

Failure to comply with this rule shall be sufficient cause for immediate termination of water deliveries until the District is satisfied that adequate measures have been made to remedy the violation. The District's enforcement of this rule and the interruption of water deliveries pursuant hereto shall not result in any liability to the District, its officers, agents, or employees.

Rule 3. ACCESS TO PREMISES OF LANDOWNERS

The authorized agents of the District shall have free access at all times to all lands irrigated from District facilities, and to all canals, laterals, pipelines, and ditches, for the purposes of the District.

Rule 4. REQUESTS TO ENTER INTO THE WATER SERVICE AREA

Landowners with lands within the District boundaries, but not currently within the ~~District's~~ Water Service Area, may request to enter into the ~~District's~~ Water Service Area in accordance with the **"Policy for Approving Landowner Requests for Land to Enter the Standby Charge Service Area"** adopted by the Board of Directors on August 13, 1997, ~~or~~ as subsequently amended or restated.

~~Should~~ if a Landowner desires to: (1) construct a new turnout or modify an existing District turnout from the California Aqueduct; or (2) connect to or modify the District distribution system, the Landowner shall coordinate with the District and develop such facilities in accordance with District design and construction approvals, encroachment

permits, license agreements, financial requirements, dedications, and other requirements as determined by the District.

Rule 5. APPLICATIONS FOR WATER

Initially, eEachEach acre of land in the District's Water Service Area (excepting those subordinatedly annexed lands which, by virtue of a contract with the District, receive an annual allocation for SWP Table "A" water as a result of an approved permanent Table "A" transfer) shall be whereis allocated the same quantity of Table "A" Contract Water Wwater such that the total quantity of Table "A" Water allocated by the District is equal to the quantity of Table "A" Water made available to the District. A Water User is authorized to transfer its allocation of Table "A" Water pursuant to Rule 6 of these Rules and Regulations.

is equal to Table "A" water which is available to the District. In 2023, the Board of Directors, in an effort to provide Landowners and water users additional flexibility, modified the District's Rules and Regulations to allow Landowners to transfer the Table "A" allocation from specific parcels of their lands to other specified parcels of land up to four times the 1X Allocation. Any such transfers must be made in full increments of the 1X Allocation (i.e., 2X, 3X, or 4X Allocations, not in 1.6X or similar fractional allocations). Lands in the Water Service Area that have less or more than a 1X Allocation will be documented accordingly with a recorded notice for each parcel. Any parcel with greater than a 1X Allocation is subject to a second capacity priority for receiving delivieris from the District's distribution system.

Any other water available to the District, including water not needed by Water Users, shall be offered to the otherall Water Users as it becomes available; if requests for such other water exceed the supply for of water available, the water shall be allocated in proportion to the Water Service Area acreageTable "A" allocation attributed to each requesting Water User, up to the Water User's request.

If a Water User or Landowner acquires additional water through temporary or permanent water transfers, above the water otherwise available to the District through its Water Supply Contract, said Water User or Landowner shall have full use of that water subject to any terms and conditions associated with the additional water.

On or before October 1 of each year, the District shall, on behalf of its Landowners and Water Users, submit in writing to the DWR a preliminary delivery schedule of Table "A" Wwater based on information available to the District at the time based on the District's full Table "A" amount, previous delivery records, and/or other pertinent information provided by the Landowners and Water Users.

Upon receipt of the District's initial SWP water allocation in December of each year, the District shall notify all Water Users in the Water Service Area of their initial allocation. Following subsequent changes to the SWP water allocation by ~~the~~ DWR, the District shall notify Water Users of such updated information. As the annual SWP Table "A" allocation firms up, the District will coordinate with Water Users to determine the Water Users' water use plans for the current year relating to (a) scheduling the delivery of the water for use within the District, (b) requesting ~~Supplemental supplemental Water water~~ that may be available to the District (i.e., SWP Article 21 ~~Waterwater, SWP Turnback Pool Water, SWP Carryover water,~~ Dry Year Water ~~Purchase-Transfer~~ Programs, and similar), (c) releasing all or a portion of their water for purchase by or transfer to other District Water Users, and/or (d) requesting a temporary transfer of water in to or out of the District.

If a Water User has not informed the District of their intentions as described above or has not scheduled all of their water allocation by April 1, the Landowner's water allocation that has not been scheduled for the year ("Unscheduled Water") will be made available for purchase by ~~District~~ Water Users at the SWP fixed cost (based on the current year's budget and the water allocation at the time of the purchase request) prior to April 20. Landowners whose water has been unscheduled and subsequently purchased by other Water Users, shall be reimbursed the SWP fixed cost paid by the purchaser(s).

Any Unscheduled Water remaining after April 20 will be made available for purchase by ~~District~~ Water Users as determined by the Board, which may include implementing options that may be available at the time, including (but not limited to) banking water for use in a future year(s), exchanges with other water districts or Water Users, and/or making water available at a minimal cost, on a first-come basis, to any ~~District~~ Water User that is not delinquent on any District charges. The District shall have no obligation to make any reimbursements to Landowners for Unscheduled Water remaining after May 1.

Rule 6. TRANSFERS OF WATER

[Any transfer of Table "A" Water shall be made in full increments of the 1X Allocation \(i.e., 2X, 3X, or 4X Allocation; the transfer of fractional allocations is not allowed\) and shall not result in any parcel within the Water Service Area being allocated more than four times the 1X Allocation.](#)

[Water allocated to any parcel within the Water Service Area above the 1X Allocation shall be subject to junior capacity to any initial 1X Allocation. Those junior capacity rights shall then be organized in priority on a first-come-first-served basis.](#)

[The District will record a notice in the Official Records of Kern County of any parcel within the Water Service Area that has less or more than a 1X Allocation.](#)

Any Water User who initiates a transfer shall pay all costs incurred by the District to facilitate the proposed transfer.

A Water User or Landowner may not transfer supplemental water, as defined in Rule 7, below, for use outside of the District's boundaries.

The Board reserves the right to review and reject any proposed transfer if, in its sole judgment, the Board determines that the proposed transfer will cause adverse impacts to other Water Users or Landowners.

Temporary Transfers – To District Water User/Landowner

A Water User may temporarily transfer all or a portion of their allocation of Table "A" Water to a District Water User or Landowner. ~~Internal transfers between Landowners shall be allowed to meet in-District demands, providing that the the transfers does not conflict with the these District's Rules and Regulations and or any other District policies.~~

Prior to any such transfer, theThe District must receive written confirmation of the transfer signed ~~or confirmed by email~~ by each affected District Water User and/or Landowner, and each District Water User and/or Landowner shall remain responsible for their respective payments of standby charges, improvement district charges, water toll charges, benefit assessments, and other charges levied by the District.

The District allows for temporary transfers of water in to and out of the District under the conditions described in the "**Policy for the Temporary Transfer of Water to or from the Dudley Ridge Water District**" adopted by the Board of Directors on December 8, 2010, or as subsequently amended or restated.

Temporary Transfer – Outside of the District

A Water User may temporarily transfer all or a portion of their allocation of Table "A" Water for use outside of the District's boundary subject to the "**Policy for the Temporary Transfer of Water to or from the Dudley Ridge Water District**" adopted by the Board of Directors on December 8, 2010, as subsequently amended or restated.

In the case of a transfer or exchange to an unrelated party outside of the District, District Landowners shall have the option of "first right of refusal" to the water made available at the same terms and conditions offered to the unrelated party.

All District charges associated with the water transferred as part of such an exchange outside the District must be paid prior to District authorization to release the transferred water except if the water is transferred to a District-approved banking or exchange program.

Permanent Transfers – To District Water User/Landowner

A Water User may permanently transfer all or a portion of their allocation of Table “A” Water to a District Water User or Landowner, providing that the transfer does not conflict with these Rules and Regulations or any other District policy.

Permanent Transfers – Outside of the District

A Water User may permanently transfer all or a portion of their allocation ~~The District allows for permanent transfers~~ of Table “A” Water for use outside of the District’s boundary subject to amounts to a non-District water purveyor under the conditions described in the **"Policy for the Permanent Transfer of SWP Table “A” Water Outside of Dudley Ridge Water District"** adopted by the Board of Directors on April ~~December~~ 8, 20~~1009~~¹⁰⁰⁹, or as subsequently amended or restated.

Rule 7. SUPPLEMENTAL WATER

In the event the District has opportunities to obtain supplemental water (non-SWP water that is not generally available to all SWP contractors) via District agreements or through a consortium of other water districts (e.g., the five Westside districts collaborating on supplemental water purchases since 2008), District staff will email each Water User requesting the Water User to update their water needs (quantities) and pricing limits (maximum price) for supplemental water. Both District staff and Water Users should continue to maintain periodic informal communications to verify or revise estimated needs (quantities) and pricing limits (maximum price) for supplemental water purchases. District staff will either include or exclude a Water User(s) from pending water acquisitions based on the most recent information available to staff at the time a decision is needed for a specific acquisition. If time allows for Water Users to make a ‘yes’ or ‘no’ decision on a pending purchase, District staff will email each Water User’s responsible representative for a quick (1-3 days typical) response. If no response is received within the needed timeframe, the default would be to include or exclude a non-responsive Water User based on the most recent information of that Water User’s needs (quantities) and pricing limits (maximum price). Once the District’s obligation is made to acquire supplemental water, each Water User is obligated to purchase and pay for their portion of the acquired water unless the Water User ~~is able to transfer~~ transferring that water to another Water User within the District ~~that has agreed to accept the additional water.~~

Rule 8. WATER USE PRIORITIES

Water Users have the flexibility to use their allocated water supplies for delivery to District lands (including subordinate lands and lands outside the Water Service Area) and/or

transfers of water to outside the District (including banking programs, Landowner transfers, and exchanges), subject to ~~the District's~~ these Rules and Regulations. Such allocated water supplies may include SWP Table "A" Wwater, SWP Article 21 water, SWP carryover water, ~~SWP Turnback Pool water~~, supplemental water purchase programs such as dry year water purchases, other water supplies made available by the District, or other supplies acquired by a Landowner or Water User, subject to the terms and restrictions associated with such supplies, if any.

It is the District's intent to maximize the delivery of water that is available to and can be beneficially used by ~~District~~ Water Users. Accordingly, when carryover water is available as of January 1 of any given year, the District will temporarily allocate said carryover water, to the extent carryover water remains available, to all Water Users taking delivery of SWP water, whether within the District or delivered via an approved transfer or exchange outside the District. After all carryover water has been used or lost, the District will reallocate an equivalent quantity of the current year's Table "A" Wwater from Water Users who were temporarily allocated carryover water (from another Water User's carryover water account) to the Table "A" allocation of the Water Users whose carryover water was used by others.

The reallocation process occurs each month that carryover water remains in storage and is detailed as follows:

Step 1. Account for carryover participants' individual carryover water use.

At the end of each month, water used directly by the carryover participants is subtracted from their carryover water amount at the beginning of that month.

Step 2. Allocate water used by non-carryover participants.

Water used by non-carryover participants is proportionally allocated, up to the carryover participants' remaining carryover amount, by the carryover participants' proportionate share of Table "A" allocation.

Step 3. Reallocate remaining water.

If the reallocated amount exceeds an individual carryover participant's remaining carryover, the amount remaining is reallocated again, up to the remaining carryover participants' carryover amount, by the remaining carryover participants' proportionate share of Table "A" allocation. This process continues until all the carryover has been delivered or is displaced in San Luis Reservoir (spills) and is lost.

The following table illustrates the allocation process: 1

Illustration of Carryover Water Accounting					
With Reallocations Based on Table "A" Allocation Percentages					
	Water User A	Water User B	Water User C	Other Water Users	Total
Current year allocation, af	22,446	16,401	753	1,749	41,350
Percent of Table "A" (among District Water Users)	54.3	39.7	1.8	4.2	100.0
January					
Step 1. Account for Individual Use.					
Carryover from previous year, af	2,000	1,000	500		3,500
Percent of Table "A" (among carryover participants)	56.7	41.4	1.9		100.0
Water use by carryover participants, af	1,000	0	0		1,000
Water User's remaining carryover, af	1,000	1,000	500		2,500
Step 2. Allocate Use by Non-Carryover Participants.					
Table "A" use by non-carryover participants, af				100	100
Reallocation from non-carryover participants, af	57	41	2	(100)	0
Water User's remaining carryover (subject to spill), af	943	959	498		2,400
Water User's remaining allocation (if carryover spills), af	22,503	16,443	755	1,649	41,350
February and Beyond.					
Step 1. Account for Individual Use.					
Carryover from previous month, af	943	959	498		2,400
Percent of Table "A" (among carryover participants)	56.7	41.4	1.9		100.0
Water use by carryover participants, af	0	0	450		450
Water User's remaining carryover, af	943	959	48		1,950
Step 2. Allocate Use by Non-Carryover Participants.					
Percent of Table "A" (among carryover participants)	56.7	41.4	1.9		100.0
Table "A" use by non-carryover participants, af				1,000	1,000
Reallocation from non-carryover participants, af	567	414	19	(1,000)	0
Water User's remaining carryover, af	377	544	29		950
Water User's remaining allocation, af	23,070	16,857	774	649	41,350
Step 3. Reallocate Remaining Water.					
Percent of Table "A" (among carryover participants)	57.8	42.2			100.0
Reallocation from non-carryover participants, af	(17)	(12)	29		0
Water User's remaining carryover (subject to spill), af	393	557	0		950
Water User's remaining allocation (if carryover spills), af	23,053	16,845	803	649	41,350

[https://westsidewa.sharepoint.com/sites/www/Shared Documents/Administration/Board Meeting Preparation Folder/Board Meeting Attachments/DRWD Board Meeting Attachments/2023/4/Rules & Regulations \(Transfer Revisions\) \(4904221.3\)\[70\].docx](https://westsidewa.sharepoint.com/sites/www/Shared Documents/Administration/Board Meeting Preparation Folder/Board Meeting Attachments/DRWD Board Meeting Attachments/2023/4/Rules & Regulations (Transfer Revisions) (4904221.3)[70].docx)
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Rule 9. REVISIONS OF WATER SCHEDULE

Revisions in the monthly amounts of water to be delivered to any Water User must be submitted to the District on or before the 25th of the month preceding the month in which the water is to be delivered. All such revisions shall be subject to approval of the District Manager ~~of the District~~ in accordance with the policies of the Board of Directors then in effect and applicable conditions imposed by DWR.

The monthly total of the water used shall not differ from the approved schedule of such an amount which will result in additional charges to the District as provided in the Water Supply Contract ~~with DWR~~, except that the District may approve a change in water delivery schedule which may be conditioned upon payment of any added cost.

Rule 10. DAILY WATER ORDERS

All requests for water delivery shall be subject to the approval of the District Manager ~~of the District~~ in accordance with applicable conditions imposed by DWR. Daily water orders must be made to the District no later than 8:30 a.m. for the next day's delivery (i.e. 24-hour notice for daily water deliveries), and weekly water schedules must be made to the District by 8:30 a.m. on the Wednesday of each week for the following week's (Thursday through Wednesday) deliveries. Monthly water schedules must be provided to the District as periodically requested. Water may be delivered on shorter notice in emergencies.

If scheduled in accordance with the previous paragraph, turn-on and/or turn-off orders may be scheduled at anytime. Unless other turn-on and/or turn-off orders have been scheduled, water must be used continuously and at a constant rate for each twenty-four hours beginning and ending at 9:00 a.m., except in the case of an emergency or where approved by the District Manager.

All shut-off orders must be made to the District no later than twenty-four (24) hours before shut-off is desired. Shorter notice of shut-off is acceptable in emergencies. In the event of an emergency shut off, the District must be notified as soon as possible thereafter.

Except in the case of an emergency, as determined by the Board ~~of Directors~~, Water Users who turn off water without notice or before shut-off time will be charged for the use of the amount of water requested or applied for and for all costs incurred by the District as the result of the shut-off of water by the Water User, unless, another Water User on the same distribution system has agreed to accept the additional water made available from the unscheduled shut-off.

Rule 11. WATER CHARGES

The District may ~~from time to time~~ establish and levy a per acre Sstandby Ccharge to Landowners and ~~other~~ Water Users ~~in the Water Service Area and for providing for the delivery of that~~ available water. The Sstandby Ccharge, ~~per acre of land in the Water Service Area,~~ may be in an amount up to that needed to pay for District administration, ~~and~~ distribution system maintenance, and any other costs which the Board ~~of Directors~~ may deem necessary for the proper operation of the District. LandsWater Users in the Water Service Area that have relinquished or transferred or otherwise relinquished all or a portion of their allocation of Table "A" Wwater shall continue to pay the Sstandby Ccharge for the service area for such lands for a period of eight (8) years following the transfer or relinquishment of their allocation of Table "A" relinquishment or transferWater.

In the event the Board ~~of Directors~~ determines that an amount should be included in the standby charge to pay costs ~~which are that~~ only ~~to~~ benefit a specific area of the District, the District shall be subdivided into distribution system sub-areas so that the standby charges ~~s~~ more accurately reflect the costs to the District of each sub-area, and the standby charges ~~s~~ for each sub-area may differ accordingly. The standby charges ~~s~~ for each sub-area and the payment date and deposits (if any) with respect to the standby charges ~~s~~ shall be established by the Board ~~of Directors~~.

The District may from time to time establish and levy a per acre n improvement district charge to Landowners in areas served by District funded distribution systems. The improvement district charge, ~~per acre of land in the improvement district area,~~ may be in an amount up to that needed to pay for the annual debt service associated with the construction cost of capital facilities. The improvement district charges ~~s~~ and the payment date and deposits (if any) with respect to the improvement district charges ~~s~~ shall be established by the Board ~~of Directors~~.

The District may from time to time establish and levy a water toll charge to Landowners and ~~other~~ Water Users for all types and classifications of water made available to Water Users, including without limitation, Table "A" Wwater. Water toll charges levied per acre-foot of water scheduled for delivery, by the District shall be sufficient to pay the SWP Variable OMP&R and Off-Aqueduct charges to the District and the District's cost of delivery to a Water User of the water subject to a water toll charge. The amount of water toll charges for any water supply made available to Water Users by the District, and the payment date and deposits (if any) with respect to water toll charges, shall be established by the Board ~~of Directors~~.

The District may annually establish and levy benefit assessments on a per acre basis to all lands in the District. The benefit assessments shall be in an amount up to that needed

to pay SWP Fixed Costs and a minimal amount of District administrative costs. The benefit assessment will also be based on the quantity of Table "A" Wwater allocated to each acre. For example, a 4X parcel shall be assessed four times the SWP Fixed Costs than an 1X parcel. Lands without a water allocation shall not be assessed a SWP Fixed Cost component. The benefit assessment and the payment date(s) shall be established annually by the Board ~~of Directors~~.

Rule 12. DELINQUENT CHARGES

In the event any assessments, standby charges, improvement district charges, water toll charges, or other charges for water or services levied by the District become delinquent, the Board ~~of Directors~~ may authorize the officers and employees of the District to take any or all actions permitted by law in order to secure and/or collect such delinquencies. The Board ~~of Directors~~ may also add to the amount of any such delinquency up to the maximum penalty permitted by law, and may charge up to the maximum interest rate permitted by law on any such delinquencies. The Board ~~of Directors~~ may refuse water service to any lands on which assessments or other charges are delinquent and/or unpaid. In the event the Board ~~of Directors~~ elects to commence action in a court of competent jurisdiction ~~in order~~ to collect such delinquent assessments or charges, all costs and attorneys' fees incurred by the District in such action shall be added to the delinquent assessments or charges and shall be recovered by the District in any such action.

Rule 13. CREDITS AND REFUNDS

The Board ~~of Directors~~, giving due regard to the District's reserves and financial condition, may from time to time approve refunds and credits to Landowners and/or Water Users.

In any year in which a Landowner or ~~other~~ Water User has some or all of their allocation of Table "A" ~~W~~water used by other Landowners or Water Users in accordance with these Rules and Regulations, a credit or refund shall be given to such Landowner or Water User to the extent their allocation of Table "A" ~~W~~water is actually ~~se~~ used by other Landowners or Water Users. ~~The amount of any such credit or refund shall be determined by the Board of Directors in any such year.~~

In any instance in which a penalty and/or interest has been imposed or charged against a Landowner or ~~other~~ Water User and in which a credit or refund is to be given, the penalty shall be based on the original delinquent amount and interest shall be calculated by accumulating interest on the outstanding amount (original amount up until any credit is issued, then on the adjusted charge) at rates as determined by the Board ~~of Directors~~.

Rule 14. COST REIMBURSEMENT FOR AUTHORIZED IMPROVEMENTS TO DISTRICT FACILITIES

The District encourages Landowner improvements made to the District's distribution system and will allow for reimbursement to Landowners constructing and dedicating such improvements to the District as described in the "**Agreement Regarding Improvements**," adopted by the Board of Directors on April 12, 1995, ~~or~~ as subsequently amended or restated.

Rule 15. NON-LIABILITY OF DISTRICT

The District will not be liable for damages of any kind or nature resulting directly or indirectly from any private ditch or pipeline or the water flowing therein or by reason of lack of capacity therein, or of negligent, wasteful, or other use of handling water by the users thereof, and the District's responsibility shall cease absolutely when the water is delivered to the Water User. The District will not be liable for shortage of water, either temporary or permanent, or for failure to make water available to any delivery turnout. The District is subject to the terms and conditions of its Water Supply Contract with DWR and all laws, policies, and regulations affecting deliveries to the SWP and the District.

The District assumes no responsibility with respect to the quality of ~~project-SWP~~ water. All Water Users are advised that ~~project-SWP~~ water, as delivered by the District, is unfit for human consumption. All complaints concerning the quality of water should be referred to the District Manager.

Rule 16. COMPLIANCE WITH RULES

Refusal to comply with each and all of these Rules and Regulations, or any violation of any of the foregoing Rules and Regulations, or any interference with the proper discharge of duties of any person employed by the District, shall be considered sufficient cause for termination of water service; water service will not again be furnished until, in the opinion of the Board ~~of Directors~~, full compliance has been made with all requirements herein set forth. In no event shall any liability accrue against the District or any of its officers, agents or employees, for damage, direct or indirect, arising from such temporary discontinuance or reduction of water deliveries.

**RULES AND REGULATIONS
Governing the Use, Distribution,
and Charges for Water Service in
Dudley Ridge Water District**

Adopted by the Board of Directors
APRIL XX, 2023

RULE	DESCRIPTION	PAGE
1.	Control of District Facilities	3
2.	Use of District Facilities	3
3.	Access to Premises of Landowners	4
4.	Requests to Enter into the Water Service Area	4
5.	Applications for Water	5
6.	Transfers of Water	6
7.	Supplemental Water	7
8.	Water Use Priorities	7
9.	Revisions of Water Schedule	10
10.	Daily Water Orders	10
11.	Water Charges	10
12.	Delinquent Charges	11
13.	Credits and Refunds	12
14.	Cost Reimbursement for Authorized Improvements to District Facilities	12
15.	Non-Liability of District	13
16.	Compliance with Rules	13

**RULES AND REGULATIONS
Governing the Use, Distribution,
and Charges for Water Service in
Dudley Ridge Water District**

These Rules and Regulations are adopted pursuant to Section 35423 of the Water Code of the State of California, are intended to assist the Board of Directors in providing economic management to effect orderly, efficient, and equitable distribution and use of water within the District, and may be amended or repealed at any regular meeting of the Board of Directors or at any special meeting called for that purpose.

The Board of Directors requests cooperation of all Landowners and Water Users in compliance with these Rules and Regulations to permit water to be distributed in an orderly manner, so that Water Users can be served with some regularity and receive equivalent benefits from water service.

As used in these Rules and Regulations, the following terms have the meanings set forth:

Landowner: Any individual or legal entity owning real property within the District.

SWP Fixed Costs: All SWP annual costs imposed on the District by the State of California Department of Water Resources (“DWR”) related to the District’s Water Supply Contract, excluding charges associated with water delivery quantities (i.e., Variable OMP&R and Off-Aqueduct charges) and excluding credits derived from the Agricultural Rate Management Trust Fund.

Table "A" Water: The water provided to the District from the State Water Project (“SWP”) pursuant to the District's Water Supply Contract with the State of California Department of Water Resources (“DWR”) which is allocated to the District and identified on Table "A" of such Water Supply Contract.

Water Service Area: Those parcels of land within the District which have an allocation for SWP Table “A” Water for which water from the District has been requested and approved at any time. Land for which a water allocation has been requested and approved in any previous year will be considered inside the Water Service Area even if no water has been requested or applied for with respect to that land for the current year. If fully subscribed, a full Table “A” allocation evenly distributed over all eligible lands in the Water Service Area would be 1.967 acre-feet per acre (hereafter referred to as “1X Allocation”). Subordinately annexed lands are excluded from the Water Service Area, except subordinately annexed lands which, by virtue of a contract with the District, receive an

annual allocation for SWP Table “A” Water as the result of an approved permanent Table “A” transfer.

Water Supply Contract: The District’s contract with DWR by which the District is allocated Table “A” Water.

Water User: Any individual or entity eligible for and properly requesting or applying for water from the District, whether or not such individual or entity is a Landowner

Rule 1. CONTROL OF DISTRICT FACILITIES

The operation and maintenance of the facilities of the District shall be under the exclusive management and control of the Board of Directors (“Board”), the District Manager, and/or a duly appointed representative. The District shall have control of all diverting gates, pumps, weirs, and private ditches up to and including the point of measurement, to such extent as may be necessary to regulate and measure the flow of water, but the District shall not assume or incur any liability for the maintenance or repair of privately-owned gates, pumps, weirs, or other appurtenances. No unauthorized person(s) shall interfere with District facilities in any manner, including, but not limited to, the opening, closing, or regulating of any of the District’s valves, gates, or turnouts unless so directed by the Board or the District Manager.

Any damage to District facilities or property resulting from such unauthorized action by the Water Users shall be the responsibility of the Water User or Landowner making such use of the property or facilities. If satisfactory repairs are not made promptly by the responsible individuals, the District will make the necessary repairs and appropriately charge the responsible individual.

An emergency condition exists when there is risk of damage to the District’s distribution system, life, or property. The District reserves the right to terminate water service to any Water User during an emergency condition.

Rule 2. USE OF DISTRICT FACILITIES

The District owns, operates, and maintains service roads along its canals for access to canal check gates, distribution laterals, and mainline valves. These roads shall not be used by anything but pickup trucks and automotive-type traffic. Landowners and Water Users are requested to refrain from using the service roads during rainy periods when traffic may make the road impassable or damage the roads. In addition to the canal service roads, the District has obtained a right-of-way (easement) for access along each of the District’s pipelines and distribution laterals. Access to District facilities on pipelines and laterals is essential. All rights-of-way along District pipelines shall be kept open and

free of obstructions, fences, or buildings. Water Users shall also ensure that irrigation water or tailwater is not applied or allowed to collect on the District's access roads or rights-of-way.

It is the responsibility of each Water User to prudently manage the water supply received from the District or through District-operated facilities. Water (tailwater, wastewater, drainage, groundwater, and/or filter backwash water) shall be maintained on the Water User's lands and not be discharged to the District's rights-of-way or facilities or to another Landowner's lands without written authorization from the appropriate party (the District and, if appropriate, the affected Landowner(s)). Any and all discharges onto District rights-of-way or facilities must be requested and approved in advance by the District. If the Water User requesting the discharge of water to the District's facilities is the only Water User downstream of said discharge, it is the intent of the District to authorize such requests. Authorization may be revoked by the District if the District, other Water Users, and/or other Landowners are determined to be adversely impacted by the discharge.

Water Users shall not be allowed to discharge chemicals onto the District's rights-of-way or facilities or onto another Landowner's lands. Water Users' or Landowners' chemical feed systems shall be installed and operated to avoid such discharges.

The facilities of the District distribution system shall not be used for the application of fertilizers, pesticides, or chemicals. All Water Users shall use utmost caution in applying airborne pesticides and chemicals to lands adjacent to the District's canals to ensure that the materials being applied by air do not drift into the canals.

No rubbish, garbage, manure, refuse, waste excavation, or foreign material of any type shall be placed or allowed to be placed in any District canal or along any of the District's rights-of-way.

Failure to comply with this rule shall be sufficient cause for immediate termination of water deliveries until the District is satisfied that adequate measures have been made to remedy the violation. The District's enforcement of this rule and the interruption of water deliveries pursuant hereto shall not result in any liability to the District, its officers, agents, or employees.

Rule 3. ACCESS TO PREMISES OF LANDOWNERS

The authorized agents of the District shall have free access at all times to all lands irrigated from District facilities, and to all canals, laterals, pipelines, and ditches, for the purposes of the District.

Rule 4. REQUESTS TO ENTER INTO THE WATER SERVICE AREA

Landowners with lands within the District boundaries, but not currently within the Water Service Area, may request to enter into the Water Service Area in accordance with the **“Policy for Approving Landowner Requests for Land to Enter the Standby Charge Service Area”** adopted by the Board of Directors on August 13, 1997, as subsequently amended or restated.

If a Landowner desires to: (1) construct a new turnout or modify an existing District turnout from the California Aqueduct; or (2) connect to or modify the District distribution system, the Landowner shall coordinate with the District and develop such facilities in accordance with District design and construction approvals, encroachment permits, license agreements, financial requirements, dedications, and other requirements as determined by the District.

Rule 5. APPLICATIONS FOR WATER

Each acre of land in the Water Service Area is allocated the same quantity of Table "A" Water such that the total quantity of Table "A" Water allocated by the District is equal to the quantity of Table "A" Water made available to the District. A Water User is authorized to transfer its allocation of Table "A" Water pursuant to Rule 6 of these Rules and Regulations.

Any other water available to the District, including water not needed by Water Users, shall be offered to all Water Users as it becomes available; if requests for such other water exceed the supply of water available, the water shall be allocated in proportion to the Table "A" allocation attributed to each requesting Water User, up to the Water User's request.

If a Water User or Landowner acquires additional water above the water otherwise available to the District through its Water Supply Contract, said Water User or Landowner shall have full use of that water subject to any terms and conditions associated with the additional water.

On or before October 1 of each year, the District shall, on behalf of its Landowners and Water Users, submit in writing to the DWR a preliminary delivery schedule of Table "A" Water based on information available to the District at the time based on the District's full Table "A" amount, previous delivery records, and/or other pertinent information provided by the Landowners and Water Users.

Upon receipt of the District's initial SWP water allocation in December of each year, the District shall notify all Water Users in the Water Service Area of their initial allocation.

Following subsequent changes to the SWP water allocation by DWR, the District shall notify Water Users of such updated information. As the annual SWP Table "A" allocation firms up, the District will coordinate with Water Users to determine the Water Users' water use plans for the current year relating to (a) scheduling the delivery of the water for use within the District, (b) requesting supplemental water that may be available to the District (i.e., SWP Article 21 water, SWP carryover water, Dry Year Water Transfer Programs, and similar), (c) releasing all or a portion of their water for purchase by or transfer to other District Water Users, and/or (d) requesting a temporary transfer of water in to or out of the District.

If a Water User has not informed the District of their intentions as described above or has not scheduled all of their water allocation by April 1, the Landowner's water allocation that has not been scheduled for the year ("Unscheduled Water") will be made available for purchase by Water Users at the SWP fixed cost (based on the current year's budget and the water allocation at the time of the purchase request) prior to April 20. Landowners whose water has been unscheduled and subsequently purchased by other Water Users, shall be reimbursed the SWP fixed cost paid by the purchaser(s).

Any Unscheduled Water remaining after April 20 will be made available for purchase by Water Users as determined by the Board, which may include implementing options that may be available at the time, including (but not limited to) banking water for use in a future year(s), exchanges with other water districts or Water Users, and/or making water available at a minimal cost, on a first-come basis, to any Water User that is not delinquent on any District charges. The District shall have no obligation to make any reimbursements to Landowners for Unscheduled Water remaining after May 1.

Rule 6. TRANSFERS OF WATER

Any transfer of Table "A" Water shall be made in full increments of the 1X Allocation (i.e., 2X, 3X, or 4X Allocation; the transfer of fractional allocations is not allowed) and shall not result in any parcel within the Water Service Area being allocated more than four times the 1X Allocation.

Water allocated to any parcel within the Water Service Area above the 1X Allocation shall be subject to junior capacity to any initial 1X Allocation. Those junior capacity rights shall then be organized in priority on a first-come-first-served basis.

The District will record a notice in the Official Records of Kern County of any parcel within the Water Service Area that has less or more than a 1X Allocation.

Any Water User who initiates a transfer shall pay all costs incurred by the District to facilitate the proposed transfer.

A Water User or Landowner may not transfer supplemental water, as defined in Rule 7, below, for use outside of the District's boundaries.

The Board reserves the right to review and reject any proposed transfer if, in its sole judgment, the Board determines that the proposed transfer will cause adverse impacts to other Water Users or Landowners.

Temporary Transfers – To District Water User/Landowner

A Water User may temporarily transfer all or a portion of their allocation of Table "A" Water to a District Water User or Landowner to meet in-District demands, providing that the transfer does not conflict with these Rules and Regulations or any other District policy.

Prior to any such transfer, the District must receive written confirmation of the transfer signed or confirmed by email by each affected District Water User and/or Landowner, and each District Water User and/or Landowner shall remain responsible for their respective payments of standby charges, improvement district charges, water toll charges, benefit assessments, and other charges levied by the District.

Temporary Transfer – Outside of the District

A Water User may temporarily transfer all or a portion of their allocation of Table "A" Water for use outside of the District's boundary subject to the "**Policy for the Temporary Transfer of Water to or from the Dudley Ridge Water District**" adopted by the Board of Directors on December 8, 2010, as subsequently amended or restated.

All District charges associated with the water transferred as part of such an exchange outside the District must be paid prior to District authorization to release the transferred water except if the water is transferred to a District-approved banking or exchange program.

Permanent Transfers – To District Water User/Landowner

A Water User may permanently transfer all or a portion of their allocation of Table "A" Water to a District Water User or Landowner, providing that the transfer does not conflict with these Rules and Regulations or any other District policy.

Permanent Transfers – Outside of the District

A Water User may permanently transfer all or a portion of their allocation of Table "A" Water for use outside of the District's boundary subject to the "**Policy for the Permanent**

Transfer of SWP Table "A" Water Outside of Dudley Ridge Water District" adopted by the Board of Directors on April December 8, 2010, or as subsequently amended or restated.

Rule 7. SUPPLEMENTAL WATER

In the event the District has opportunities to obtain supplemental water (non-SWP water that is not generally available to all SWP contractors) via District agreements or through a consortium of other water districts (e.g., the five Westside districts collaborating on supplemental water purchases since 2008), District staff will email each Water User requesting the Water User to update their water needs (quantities) and pricing limits (maximum price) for supplemental water. Both District staff and Water Users should continue to maintain periodic informal communications to verify or revise estimated needs (quantities) and pricing limits (maximum price) for supplemental water purchases. District staff will either include or exclude a Water User(s) from pending water acquisitions based on the most recent information available to staff at the time a decision is needed for a specific acquisition. If time allows for Water Users to make a 'yes' or 'no' decision on a pending purchase, District staff will email each Water User's responsible representative for a quick (1-3 days typical) response. If no response is received within the needed timeframe, the default would be to include or exclude a non-responsive Water User based on the most recent information of that Water User's needs (quantities) and pricing limits (maximum price). Once the District's obligation is made to acquire supplemental water, each Water User is obligated to purchase and pay for their portion of the acquired water unless the Water User is transferring that water to another Water User within the District that has agreed to accept the additional water.

Rule 8. WATER USE PRIORITIES

Water Users have the flexibility to use their allocated water supplies for delivery to District lands (including subordinate lands and lands outside the Water Service Area) and/or transfers of water to outside the District (including banking programs, Landowner transfers, and exchanges), subject to these Rules and Regulations. Such allocated water supplies may include SWP Table "A" Water, SWP Article 21 water, SWP carryover water, supplemental water purchase programs such as dry year water purchases, other water supplies made available by the District, or other supplies acquired by a Landowner or Water User, subject to the terms and restrictions associated with such supplies, if any.

It is the District's intent to maximize the delivery of water that is available to and can be beneficially used by Water Users. Accordingly, when carryover water is available as of January 1 of any given year, the District will temporarily allocate said carryover water, to the extent carryover water remains available, to all Water Users taking delivery of SWP water, whether within the District or delivered via an approved transfer or exchange

outside the District. After all carryover water has been used or lost, the District will reallocate an equivalent quantity of the current year's Table "A" Water from Water Users who were temporarily allocated carryover water (from another Water User's carryover water account) to the Table "A" allocation of the Water Users whose carryover water was used by others.

The reallocation process occurs each month that carryover water remains in storage and is detailed as follows:

Step 1. Account for carryover participants' individual carryover water use.

At the end of each month, water used directly by the carryover participants is subtracted from their carryover water amount at the beginning of that month.

Step 2. Allocate water used by non-carryover participants.

Water used by non-carryover participants is proportionally allocated, up to the carryover participants' remaining carryover amount, by the carryover participants' proportionate share of Table "A" allocation.

Step 3. Reallocate remaining water.

If the reallocated amount exceeds an individual carryover participant's remaining carryover, the amount remaining is reallocated again, up to the remaining carryover participants' carryover amount, by the remaining carryover participants' proportionate share of Table "A" allocation. This process continues until all the carryover has been delivered or is displaced in San Luis Reservoir (spills) and is lost.

The following table illustrates the allocation process:

**Illustration of Carryover Water Accounting
With Reallocations Based on Table "A" Allocation Percentages**

	Water User A	Water User B	Water User C	Other Water Users	Total
Current year allocation, af	22,446	16,401	753	1,749	41,350
Percent of Table "A" (among District Water Users)	54.3	39.7	1.8	4.2	100.0
January					
<u>Step 1. Account for Individual Use.</u>					
Carryover from previous year, af	2,000	1,000	500		3,500
Percent of Table "A" (among carryover participants)	56.7	41.4	1.9		100.0
Water use by carryover participants, af	1,000	0	0		1,000
Water User's remaining carryover, af	1,000	1,000	500		2,500
<u>Step 2. Allocate Use by Non-Carryover Participants.</u>					
Table "A" use by non-carryover participants, af				100	100
Reallocation from non-carryover participants, af	57	41	2	(100)	0
Water User's remaining carryover (subject to spill), af	943	959	498		2,400
Water User's remaining allocation (if carryover spills), af	22,503	16,443	755	1,649	41,350
February and Beyond.					
<u>Step 1. Account for Individual Use.</u>					
Carryover from previous month, af	943	959	498		2,400
Percent of Table "A" (among carryover participants)	56.7	41.4	1.9		100.0
Water use by carryover participants, af	0	0	450		450
Water User's remaining carryover, af	943	959	48		1,950
<u>Step 2. Allocate Use by Non-Carryover Participants.</u>					
Percent of Table "A" (among carryover participants)	56.7	41.4	1.9		100.0
Table "A" use by non-carryover participants, af				1,000	1,000
Reallocation from non-carryover participants, af	567	414	19	(1,000)	0
Water User's remaining carryover, af	377	544	29		950
Water User's remaining allocation, af	23,070	16,857	774	649	41,350
<u>Step 3. Reallocate Remaining Water.</u>					
Percent of Table "A" (among carryover participants)	57.8	42.2			100.0
Reallocation from non-carryover participants, af	(17)	(12)	29		0
Water User's remaining carryover (subject to spill), af	393	557	0		950
Water User's remaining allocation (if carryover spills), af	23,053	16,845	803	649	41,350

Rule 9. REVISIONS OF WATER SCHEDULE

Revisions in the monthly amounts of water to be delivered to any Water User must be submitted to the District on or before the 25th of the month preceding the month in which the water is to be delivered. All such revisions shall be subject to approval of the District Manager in accordance with the policies of the Board of Directors then in effect and applicable conditions imposed by DWR.

The monthly total of the water used shall not differ from the approved schedule of such an amount which will result in additional charges to the District as provided in the Water Supply Contract, except that the District may approve a change in water delivery schedule which may be conditioned upon payment of any added cost.

Rule 10. DAILY WATER ORDERS

All requests for water delivery shall be subject to the approval of the District Manager in accordance with applicable conditions imposed by DWR. Daily water orders must be made to the District no later than 8:30 a.m. for the next day's delivery (i.e. 24-hour notice for daily water deliveries), and weekly water schedules must be made to the District by 8:30 a.m. on the Wednesday of each week for the following week's (Thursday through Wednesday) deliveries. Monthly water schedules must be provided to the District as periodically requested. Water may be delivered on shorter notice in emergencies.

If scheduled in accordance with the previous paragraph, turn-on and/or turn-off orders may be scheduled at anytime. Unless other turn-on and/or turn-off orders have been scheduled, water must be used continuously and at a constant rate for each twenty-four hours beginning and ending at 9:00 a.m., except in the case of an emergency or where approved by the District Manager.

All shut-off orders must be made to the District no later than twenty-four (24) hours before shut-off is desired. Shorter notice of shut-off is acceptable in emergencies. In the event of an emergency shut off, the District must be notified as soon as possible thereafter.

Except in the case of an emergency, as determined by the Board, Water Users who turn off water without notice or before shut-off time will be charged for the use of the amount of water requested or applied for and for all costs incurred by the District as the result of the shut-off of water by the Water User, unless, another Water User on the same distribution system has agreed to accept the additional water made available from the unscheduled shut-off.

Rule 11. WATER CHARGES

The District may establish and levy a per acre Standby Charge to Landowners and Water Users for the delivery of available water. The Standby Charge may be in an amount up to that needed to pay for District administration, distribution system maintenance, and any other costs which the Board may deem necessary for the proper operation of the District. Water Users in the Water Service Area that have transferred or otherwise relinquished all or a portion of their allocation of Table "A" Water shall continue to pay the Standby Charge for such lands for a period of eight (8) years following the transfer or relinquishment of their allocation of Table "A" Water.

In the event the Board determines that an amount should be included in the standby charge to pay costs that only benefit a specific area of the District, the District shall be subdivided into distribution system sub-areas so that the standby charge more accurately reflect the costs to the District of each sub-area, and the standby charge for each sub-area may differ accordingly. The standby charge for each sub-area and the payment date and deposits (if any) with respect to the standby charge shall be established by the Board.

The District may from time to time establish and levy a per acre improvement district charge to Landowners in areas served by District funded distribution systems. The improvement district charge may be in an amount up to that needed to pay for the annual debt service associated with the construction cost of capital facilities. The improvement district charge and the payment date and deposits (if any) with respect to the improvement district charge shall be established by the Board.

The District may from time to time establish and levy a water toll charge to Landowners and Water Users for all types and classifications of water made available to Water Users, including without limitation, Table "A" Water. Water toll charges levied per acre-foot of water scheduled for delivery, by the District shall be sufficient to pay the SWP Variable OMP&R and Off-Aqueduct charges to the District and the District's cost of delivery to a Water User of the water subject to a water toll charge. The amount of water toll charges for any water supply made available to Water Users by the District, and the payment date and deposits (if any) with respect to water toll charges, shall be established by the Board.

The District may annually establish and levy benefit assessments on a per acre basis to all lands in the District. The benefit assessments shall be in an amount up to that needed to pay SWP Fixed Costs and a minimal amount of District administrative costs. The benefit assessment will also be based on the quantity of Table "A" Water allocated to each acre. For example, a 4X parcel shall be assessed four times the SWP Fixed Costs than an 1X parcel. Lands without a water allocation shall not be assessed a SWP Fixed

Cost component. The benefit assessment and the payment date(s) shall be established annually by the Board.

Rule 12. DELINQUENT CHARGES

In the event any assessments, standby charges, improvement district charges, water toll charges, or other charges for water or services levied by the District become delinquent, the Board may authorize the officers and employees of the District to take any or all actions permitted by law in order to secure and/or collect such delinquencies. The Board may also add to the amount of any such delinquency up to the maximum penalty permitted by law, and may charge up to the maximum interest rate permitted by law on any such delinquencies. The Board may refuse water service to any lands on which assessments or other charges are delinquent and/or unpaid. In the event the Board elects to commence action in a court of competent jurisdiction to collect such delinquent assessments or charges, all costs and attorneys' fees incurred by the District in such action shall be added to the delinquent assessments or charges and shall be recovered by the District in any such action.

Rule 13. CREDITS AND REFUNDS

The Board, giving due regard to the District's reserves and financial condition, may from time to time approve refunds and credits to Landowners and/or Water Users.

In any year in which a Landowner or Water User has some or all of their allocation of Table "A" Water used by other Landowners or Water Users in accordance with these Rules and Regulations, a credit or refund shall be given to such Landowner or Water User to the extent their allocation of Table "A" Water is actually used by other Landowners or Water Users.

In any instance in which a penalty and/or interest has been imposed or charged against a Landowner or Water User and in which a credit or refund is to be given, the penalty shall be based on the original delinquent amount and interest shall be calculated by accumulating interest on the outstanding amount (original amount up until any credit is issued, then on the adjusted charge) at rates as determined by the Board.

Rule 14. COST REIMBURSEMENT FOR AUTHORIZED IMPROVEMENTS TO DISTRICT FACILITIES

The District encourages Landowner improvements made to the District's distribution system and will allow for reimbursement to Landowners constructing and dedicating such improvements to the District as described in the "**Agreement Regarding Improvements**," adopted by the Board of Directors on April 12, 1995, as subsequently amended or restated.

Rule 15. NON-LIABILITY OF DISTRICT

The District will not be liable for damages of any kind or nature resulting directly or indirectly from any private ditch or pipeline or the water flowing therein or by reason of lack of capacity therein, or of negligent, wasteful, or other use of handling water by the users thereof, and the District's responsibility shall cease absolutely when the water is delivered to the Water User. The District will not be liable for shortage of water, either temporary or permanent, or for failure to make water available to any delivery turnout. The District is subject to the terms and conditions of its Water Supply Contract with DWR and all laws, policies, and regulations affecting deliveries to the SWP and the District.

The District assumes no responsibility with respect to the quality of SWP water. All Water Users are advised that SWP water, as delivered by the District, is unfit for human consumption. All complaints concerning the quality of water should be referred to the District Manager.

Rule 16. COMPLIANCE WITH RULES

Refusal to comply with each and all of these Rules and Regulations, or any violation of any of the foregoing Rules and Regulations, or any interference with the proper discharge of duties of any person employed by the District, shall be considered sufficient cause for termination of water service; water service will not again be furnished until, in the opinion of the Board, full compliance has been made with all requirements herein set forth. In no event shall any liability accrue against the District or any of its officers, agents or employees, for damage, direct or indirect, arising from such temporary discontinuance or reduction of water deliveries.