



BELLA VISTA WATER DISTRICT

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

FACT SHEET - AGRICULTURAL WATER SERVICE

The Bella Vista Water District (District) purchases both Irrigation Water¹ and Municipal and Industrial (M&I) Water² from the Central Valley Project (CVP) through a Water Service Contract between the U.S. Bureau of Reclamation (Reclamation) and the District. Both types of water are defined terms in the Contract. The rates for Irrigation Water are substantially less than the rates for M & I water. In general terms, the M&I “Cost of Service” water rates established annually by Reclamation include the District’s share of capital repayment inclusive of interest charges on the “loan” from the federal government for construction of the CVP. Irrigation rates do not include an interest component, which is commonly referred to as the “subsidy” for federal water. Additionally, the District has qualified for repayment relief, which reallocates a portion of its Irrigation capital repayment obligation and allows for an exemption from Restoration Fund Charges which further reduces the District’s Irrigation Water rate. These Reclamation principles and policies are codified in Reclamation Law. Therefore, this contract allows the District to provide agricultural water to eligible lands at a reduced cost. Below are several relevant definitions as stated in the District Policy:

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

AGRICULTURAL SERVICE: All agricultural service requires a meter size of one-inch (1") or larger and shall meet all Reclamation of Reclamation requirements for agricultural "Irrigation Water" service. All applications must be for contiguous and cultivated land with an irrigated crop area of at least 2-acres. Agricultural water rate eligibility is not transferable to new property owners. A new owner must apply for the agricultural rate based on current Federal and District guidelines.

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

DETERMINATION: The General Manager shall review all applications for agricultural water. Eligible lands must comply with federal Reclamation Law, prior to receiving agricultural water in the form prescribed by Reclamation as provided in the contract.

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

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

WATER USERS CENSUS REPORT: Agricultural services shall be required to annually submit a Water Users Census Report. Failure to submit the required Census Report by December 1 of each year may result in loss of agricultural water eligibility. In addition, before initially receiving agricultural water service and thereafter annually with the Water Users Census Report the customer shall certify, on a form provided by the District, compliance with the criteria for receiving agricultural "Irrigation" water service.

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

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

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