



**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

*Barry E. Duff*  
Executive Secretary

January 28, 1992

To: Board of Directors (Water Problems Committee--Information)  
From: General Manager  
Subject: Proposed Test Land Fallowing Program with Palo Verde  
Irrigation District

Report

By letter dated December 17, 1991, your Board was informed of the principles on which Metropolitan was negotiating a test land fallowing program with Palo Verde Irrigation District (PVID). Those draft principles provide for the fallowing of 22,000 acres in PVID over a two-year period and provide for Metropolitan to compensate the growers at a rate of \$620 per acre per year. Metropolitan in total would pay approximately \$27 million plus administrative costs for the program and approximately 200,000 acre-feet would be available to it up to January 1, 2000.

In developing those principles into a draft program agreement and individual fallowing agreements with PVID's negotiating team, minor revisions have been made to the principles and are included in the attached revised principles. These revisions include changing the starting date from July 1 to August 1, 1992 to more closely match the growing season in the Palo Verde valley and permit the grower to leave fallowed stubble in the fields to prevent wind erosion and revising the payments to the growers from ten quarterly payments to five semiannual payments to facilitate the administration of the program.

Also attached for your information is a draft schedule of the contracting process Metropolitan is following in order to have a program in place by this summer. That schedule includes circulation of a draft program agreement and fallowing agreement among all the Colorado River agricultural contractors in California during February for their review, filing environmental documentation to satisfy the requirements of the California Environmental Quality Act (CEQA) in March, requesting an interim show of interest by the growers and landowners in March, and following the approval of your

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Board, execution of the Program Agreement among the California contractors and approval by the United States during April. This would be followed by sign-up of the landowners and growers during May, with implementation of the program during August 1992.

There are still significant uncertainties associated with beginning implementation of the test program by this summer and to the extent the program is implemented by this summer, your Board would need to identify a funding source for the program. I will continue to keep your Board apprised as the program develops.

#### Board Committee Assignment

This letter was referred for information to the Water Problems Committee because of its jurisdiction to study and advise on the sources of importing water required by Metropolitan pursuant to Administrative Code Section 2481(a).

#### Recommendation

For information only.

  
Carl Boronkay

RWS:vb

Attachments

## Attachment I

Revised Principles of AgreementMWD/PVID Test Land Fallowing Program

1. 2-year test with objective of developing 100,000 acre-feet per year (AF/yr) (200,000 AF total).
2. Land fallowing to begin July 15, 1992 and run through July 14, 1994, with the same land lying fallow for the 2-year period.
3. MWD, with concurrence of PVID, to hire party for enforcing land fallowing under agreement (i.e. Agricultural Stabilization and Conservation Service (ASCS) or similar group).
4. Water conserved at 4.6 AF/acre
5. Conserved water (200,000 AF) to be used by MWD as soon as possible before the year 2000. If not needed, or fully needed, during '92, '93, or '94 (i.e., sufficient Colorado River water available to maintain MWD's aqueduct at full capacity absent program), such water would be maintained in a MWD water management account in Lake Mead to be used by MWD as soon as practicable, but in no event later than January 1, 2000. To the extent the reservoirs fill and spill, MWD loses its right to the water. To the extent MWD does not use the water prior to January 1, 2000, MWD loses its right to the water and it becomes system water.
6. Two principle type agreements:
  - a. Program Agreement (MWD, PVID, Imperial Irrigation District (IID), Coachella Valley Water District (CVWD))-Approval by U.S. Bureau of Reclamation (USBR).
  - b. Fallowing Agreement (MWD, Grower, Landowner) - estimated approximately 150 such agreements.
7. Costs:
  - a. PVID to be reimbursed by MWD for administrative costs.
  - b. MWD to directly fund enforcing agency.
  - c. MWD to directly fund its contracting costs.
  - d. MWD to directly fund payments to landowners/growers at \$620 per acre per year (five payments of \$248 per acre semiannually). Such payments to be made

semiannually to assure enforcing agreement.  
(Landowner/grower responsible out of such payment to pay taxes, PVID toll payments, maintain dust control, and all other items.) Responsibility of landowner/grower to decide division of MWD payment.

8. Land Controls:

- a. History of farming on land (i.e., would have been farmed absent program).
- b. Landowner/grower will not farm lands that would not have been farmed absent the program.
- c. Maintenance of weed, dust control, etc.
- d. Minimum size fallowed land must be 18 water toll acres.
- e. Maximum of 25 percent of any one grower/landowner's farmland, unless insufficient interest for 100,000 AF/year yield, in which case the maximum can be increased pro rata up to a maximum of 35 percent.

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## Attachment II

SchedulePalo Verde Land Fallowing Two-Year Test Program

- 1/13/92 - Draft Program Agreement and Fallowing Agreement available to PVID.
- 2/10/92 - Draft CEQA documentation available to PVID.
- 2/10/92 - Consensus between MWD and PVID on Program Agreement and Fallowing Agreement. Forward copies to USBR, IID, and CVWD for their consideration.
- 3/2/92 - Filing of CEQA documentation, begin comment period (21 day minimum).
- 3/2/92 - Interim show of interest by growers and landowners requested.
- 3/9/92 - Consensus among MWD, PVID, USBR, IID, and CVWD on Program Agreement and Fallowing Agreement.
- 4/2/92 - CEQA documentation finalized.
- 4/14/92 - Authorization of Metropolitan's Board of Directors to enter into Program Agreement and Fallowing Agreements sought.
- 4/15/92 - Execution of Program Agreement and approval by USBR.
- 4/15/92 - Select enforcing/sign-up team.
- 5/15/92 - Sign-up of growers/landowner (approximately 150 agreements covering 22,000 acres).
- 8/1/92 - Begin program.

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