XI.A.

Anthea Hansen

From:

Anthea Hansen

Sent:

Thursday, January 5, 2023 8:30 AM

To:

Amy Montgomery

Subject:

RE: SNCWD/SLWD Reorganization

Amy,

I'm with you on both counts. Talk soon.

Anthea

From: Amy Montgomery <amontgomery@sncwd.com>

Sent: Thursday, January 5, 2023 8:23 AM

To: Anthea Hansen <a hansen@delpuertowd.org>

Subject: RE: SNCWD/SLWD Reorganization

Hi Anthea,

Thank you for confirming that there is no water allocation for those lands.

The only reason I mentioned USBR was because when we were working on acquiring our CVP contract, we conducted a boundary survey for SNCWD and SLWD for NEPA and USBR knew that those 63 acres were in DPWD. That land is excluded from our CVP water contract. But I'm not worried about that because we serve blended surface and groundwater to all our customers and we have enough groundwater to supply the current businesses located within the 63 acres. Any further development will have to bring a sustainable water supply.

I did reach out to Bill Nicholson of Merced County but he is ill this week. He will contact me when he is feeling better. Once I discuss the matter with him, we can take the next step for de-annexation!

I am committed to get this done, as well. I just want to make sure that we do not get hung up with USBR.

Have a great day!

Sincerely,

Amy Montgomery General Manager

Santa Nella County Water District 12931 S Hwy 33 Santa Nella, CA 95322 amontgomery@sncwd.com (209) 826-0920 (209) 826-8359 fax

From: Anthea Hansen ahansen@delpuertowd.org

Sent: Wednesday, January 04, 2023 4:33 PM

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To: Amy Montgomery amontgomery@sncwd.com Subject: RE: SNCWD/SLWD Reorganization

Hi Amy,

Thanks for the recap. Some of my research is turning up the same. In answer to your questions, this is what our database shows:

1. The 63 acres does not have a CVP allocation available to it, nor has it been assessed or ever even been considered as "irrigable" in (at least) all of the years I have been here.

The other thing you mention regarding the USBR having to be involved because of a de-annexation is also something I am not familiar with, as we have been through a major detachment/annexation with the City of Patterson in recent years, and SCCAO guidance was that we needed to do nothing until the next long-term 25-year renewal of our contract. That event never will happen, as the District paid off its CVP Construction obligation and converted its contract to a repayment contract in 2020 under the WIIN Act. On this issue, I am going to have discussions with our counsel, because I want to make sure we are handling things correctly. As an aside, I don't think this was the issue that concerned my predecessor; Rather, I think it was the water supply and the "then-current" Board concerned about allocating a supply that had been subject of a prior Board's discussions that had already been put to use on other lands in the District.

As for the 63 acres being outside of the SNCWD CVP use area, that may be true, but I think the land itself is within the CVP Place of Use, so I don't see why you couldn't deliver your contract supply to it. Again, I am not a lawyer so there are probably other reasons. At any rate, I stand ready to get this all resolved, and ensure we do not have overlapping boundaries or service areas.

I'll be in touch.

Thanks, Anthea

Anthea G. Hansen

General Manager

Del Puerto Water District

PH 209-892-4470/FAX 209-892-4469

From: Amy Montgomery amontgomery@sncwd.com>

Sent: Thursday, December 29, 2022 4:37 PM
To: Anthea Hansen ahansen@delpuertowd.org
Subject: RE: SNCWD/SLWD Reorganization

Hi Anthea,

I have reviewed historical data concerning the 63 acres of land that has overlapping boundaries in Santa Nella County Water District (SNCWD) and Del Puerto Water District (DPWD).

It looks like there have been previous discussions about how to de-annex the 63 acres from DPWD into SNCWD, which included SNCWD acquiring 132 acre feet of DPWD CVP water (63 acres @ 2.1). There were questions and discussions about how SNCWD would be able to acquire the water because SNCWD was not a CVP contractor. There was also discussion about the DPWD water being transferred to San Luis Water District (SLWD) for use by SNCWD. DPWD wanted

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over \$8,500 in historical overhead costs and \$1,000 per acre foot (\$132,000) for the water. SNCWD was not able to come up with that kind of money at that time (mid 1990s) so the project did not move forward.

I found one letter from DPWD legal counsel indicating that if SNCWD could not pay for the water, then DPWD "will have the say as to where the water is used and to the extent that they would be compensated". I think this may be why my predecessors stated that the water for the 63 acres was "transferred" to other parcels within DPWD. Someone must have used that term at one time or another, meaning that the water allocated to those parcels was being used elsewhere in DWPD. Just a thought.

Obviously, none of these suggestions/plans came to fruition because the land is still in DPWD and SNCWD still serves blended water to the businesses that are located within those 63 acres. (Blended water is surface water purchased from SLWD and groundwater from a deep well owned by SNCWD)

This raises the question as to the 63 acres:

- Do the parcels that comprise that 63 acres have a CVP water allocation?
- And if so, what happens to the water? Attached is a spreadsheet of all the parcel numbers that we believe are located in DPWD and SNCWD.

I am going to reach out to Bill Nicholson of Merced County LAFCo and discuss this matter with him. I am sure that Merced County LAFCo is going to have the same concern for these parcels that they had for the SLWD parcels. If those parcels are included in DPWD and associated with DPWD CVP contract, then USBR will have to be involved as a deannexation will change your CVP use boundaries. I suspect this is why William Harrison said not to open this can of worms.

SNCWD was been working to acquire a partial assignment of SLWD CVP contract for the past 18 years (and really longer...it was contemplated in the 1970s). SNCWD recently signed a 3-way partial assignment agreement with SLWD and USBR. If all goes as planned, SNCWD will be a CVP contractor effective Feb 1, 2023. The 63 acres are not part of the CVP contract that SNCWD is acquiring. That land is considered outside the CVP use area for SNCWD.

I'll be in touch!

Happy New Year!

Sincerely,

Amy Montgomery General Manager

Santa Nella County Water District 12931 S Hwy 33 Santa Nella, CA 95322 amontgomery@sncwd.com (209) 826-0920 (209) 826-8359 fax

From: Anthea Hansen ahansen@delpuertowd.org Sent: Wednesday, December 28, 2022 8:39 AM

To: Amy Montgomery amontgomery@sncwd.com Subject: SNCWD/SLWD Reorganization

Good morning, Amy,

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I hope this email finds you well and readying for a Happy New Year!

Yesterday, as I was doing some overdue filing, I came across your letter dated October 22, 2022, regarding the SNCWD/SLWD reorganization. When I originally received that, I failed to notice that part of the attached "proposed sphere of influence boundary map" actually seems to be in conflict with DPWD's boundaries. I have tried to depict that on the attachment titled "area in question", where the pink line is DPWD boundary and the green hatched lines are the area within DPWD that is somehow being shown as part of the future service area for SNCWD. Also for confirmation of this, I have attached the legal description of the Romero WD, which was consolidated into the DPWD, and an excerpt from the current DPWD legal description.

I am trying to look into this further on my end, as I know there were some discussions 30+ years ago about this 60 +/-acre area being detached from DPWD, but I am not yet finding that any reorganization proceedings were ever finalized. To that end, assuming the current Landowners are agreeable, I am pretty sure DPWD's Board would support whatever we need to do to resolve the boundary issue.

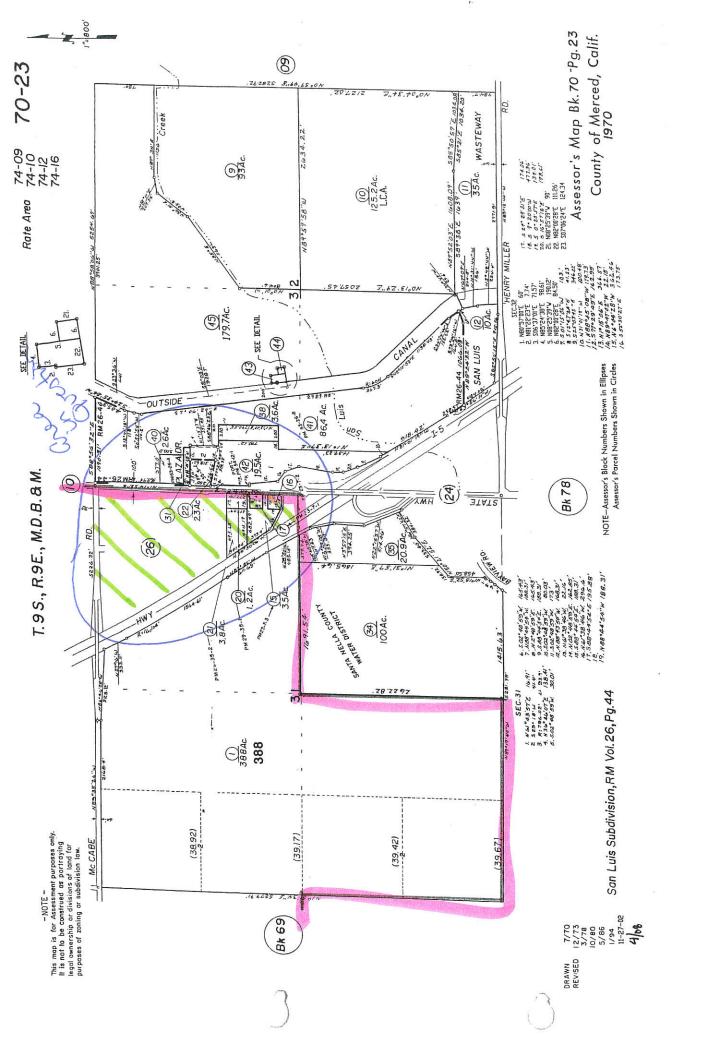
I realize this comes "late in the game" for your longstanding efforts, but I do think it important that we figure it out, especially if you have some documentation that I do not have about that area being annexed in the past to SNCWD. And I will keep searching the archives on my end.

After you've had a chance to review, please let me know how you would like to proceed. Please know that I will put this as a priority to assist you so that we do not further delay your efforts.

Sincerely, Anthea

Anthea G. Hansen
General Manager
Del Puerto Water District
PH 209-892-4470/FAX 209-892-4469





Rei

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Anthea Hansen

From:

Emerson, Rain L < remerson@usbr.gov>

Sent:

Thursday, December 22, 2022 9:09 AM

To:

Paul Stearns

Cc:

Hyatt, David E; Anthea Hansen

Subject:

Re: [EXTERNAL] DPWD Participation in DMC Pump-In Program

Received. Thanks, Paul!

Rain L. Emerson, M.S.

Acting Contracts Administration Branch Chief
Bureau of Reclamation
Interior Region 10 - California-Great Basin
South-Central California Area Office
Work Ph: 550-262-0225

Work Ph: 559-262-0335 Cell Ph: 559-353-4032

Cc: Hyatt, David E <dhyatt@usbr.gov>; Anthea Hansen <ahansen@delpuertowd.org>

Subject: [EXTERNAL] DPWD Participation in DMC Pump-In Program

This email has been received from outside of DOI - Use caution before clicking on links, opening attachments, or responding.

Good Morning Rain,

The Del Puerto Water District is requesting a 1-year Warren Act Contract to participate in the DMC Pump-In Program for the contract year 2023-2024 for the maximum of 10 TAF and to be included in the 2-year EA that will be developed for the program for 2024-2026 at 10 TAF per year.

Thank you,

Paul Stearns

Deputy General Manager - Water Operations Del Puerto Water District P.O Box 1596 17840 Ward Avenue Patterson, CA 95363-1596 Ph: (209)892-4470

Fax: (209)892-4469 Cell: (209)620-5377



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