

Clear Creek Community Services District ~ 530-357-2121

EXHIBIT C

GUIDELINES FOR DETERMINING IF PROJECT

WATER IS PUT TO USE AS IRRIGATION WATER:

A. Objective:

1. Achieve the proper use of Project Water irrespective of landholding size.
2. Obtain reimbursement to the Reclamation Fund for Project Water at the appropriate rates.

B. Focus:

1. Usually, the rates for Irrigation Water are significantly less than the rates for M&I Water. Contractors that have both irrigation and M&I as purpose of use in their contracts have to determine the appropriate rates to charge their customer for Project Water. That determination becomes more difficult for smaller landholdings because activities on a rural residence may appear to be similar to activities on a farm or ranch.
2. To qualify for Irrigation Water, Project Water must be used primarily in the production of crops or livestock for sale or barter beyond the quantity needed for personal use.

C. Criteria to consider:

1. Existence of a business or development plan; and
2. Crop or livestock sales or barter; and/or
3. Improvements to the land, including but not limited to buildings (ie: barns, storage, facilities, workshops, livestock shed), irrigation system, leveling corrals, fencing, fruit or nut trees, vines, etc.; and
4. Related Enterprises involving the landholder. For example: Project Water diverted to irrigate pasture for horses used in a cattle operation would be at the rates for Irrigation Water in contract to Project Water diverted to irrigate pasture used for horses for personal enjoyment, which would be at the rates for M&I Water.

D. Decision:

1. The Contractor shall be responsible for ascertaining whether Project Water delivered by it is put to the use as Irrigation Water or M&I Water. In the past, Reclamation's focus has been on landholdings operated in units of less than two acres. More recently, that focus has been on landholdings operated in units of less than five acres.

2. The guidelines recognize that the Contractor surveyed all landholdings between two and five acres during the term of its first interim renewal contract to determine if those landholders were paying the appropriate rates for Project Water. If the purpose of use has not changed since that survey was completed, those landholders will not be required to submit an application to the Contractor to receive Project Water at the rates for Irrigation Water. If the landholder, but not the purpose of use has changed after the survey was completed but prior to execution of this Contract, those landholders will not be required to submit a new application requesting Project Water at the rates for Irrigation Water. The Contractor will require a new application requesting Project Water at the rates for Irrigation Water when there is a change in ownership of any of those landholdings after the date of execution of this Contract.

E. Review:

A decision made by the Contractor may be reviewed by Reclamation. If Reclamation does not agree with the Contractor's decision, Reclamation shall provide notification, in writing, to the Contractor explaining specifically why Reclamation believes the decision made by the Contractor to deliver Irrigation Water to the landholding was not done so in accordance with these guidelines. Within 30 days of receipt of such notification, Reclamation and the Contractor shall meet and confer to determine what the corrective actions should be taken to resolve the disagreement in accordance with these guidelines. If Reclamation and the Contractor cannot resolve the disagreement within 90 days of the notification, Reclamation shall, thereafter, provide its final determination, in writing to the Contractor. The Contractor retains the right to appeal up to the including of Commissioner or Reclamation any final decision they are in disagreement with.

F. Documentation:

These guidelines presume a landholding is only eligible to receive Project Water at the rates for M&I Water unless documentation is provided to the Contractor to show it qualifies for Irrigation Water or an application by the landholder requesting new service for Irrigation Water is approved by the Contractor. The Contractor shall retain such documentation for a period of six years after the initial determination is made that Project Water is being used for irrigation purpose or after a landholder no longer is using Project Water for irrigation purposes, whichever is longer.

CLEAR CREEK COMMUNITY SERVICES DISTRICT
REQUEST FOR AGRICULTURE WATER SERVICES AND RATES

Applicant: _____ Phone # _____
Address: _____ Acct.# _____
Assessor's Parcel #: _____ Parcel Size: _____ Acres Farmed: _____
Type of crops and/or livestock: _____

Applicant acknowledges that Agricultural Water services and rates can only be obtained if the property meets certain criteria, as required by Reclamation Law, as amended, and as required by the terms of the contract between Clear Creek Community Services District and the United States Bureau of Reclamation (as described below).

Water supplied at Agricultural rates – Defined: Water supplied under Agricultural rates must be used in the production of crops or livestock including the production of fish under controlled conditions, for sale or documented barter, rather than personal use of consumption.

Should the foregoing application be approved, the undersigned hereby acknowledges, agrees and understands that the following requirements shall be imposed on Agricultural water deliveries, as required by District rules and regulations and Federal Law.

1. All Agricultural Water deliveries are subject to the requirements of Federal Reclamation Law as of the dates hereof, and as may be amended from time to time, including, but not limited to the Act of June 1902 (32 Stat. 388), and acts amendatory or supplementary thereto, including, but not limited to, the acts of August 26, 1937 (50 Stat. 844), as amended and supplemented, August 4, 1939 (53 Stat. 68), October 12, 1982 (96 Stat. 1262), as amended and Title XXXIV of the Act of October 30, 1992 (106 Stat. 4706), and any regulations that may be promulgated thereunder by the United States Bureau of Reclamation.
2. All Agricultural Water deliveries are subject to the terms of the contract between the United States and Clear Creek Community Services District, identified as Contract # 14-06-200-459-JR7, dated February 28, 2002 and all amendments and renewals thereof.
3. All Agricultural Water delivered by Clear Creek Community Services District pursuant to this agreement shall meet the definition of "Irrigations Water" as defined in the contract described above in paragraph 2 hereof and shall mean water which is used primarily in the production of agricultural crops or livestock, including domestic use incidental thereto and watering livestock.
4. An annual crop and water data report must be completed and submitted to the District documenting the acreage farmed for commercial production of agricultural crops and/or livestock.
5. In the event the applicant's real property ownership exceeds two hundred forty (240) acres, the appropriate Reclamation Reform Act reporting forms must be completed on annual basis; and
6. Completion of water conservation plan on page 2 for sprinklers or page 3 for drip system.
7. A simple business plan (see guidelines page 3) which identifies the use to which agricultural water will be made on applicant's operation on the property. Applicant shall provide an updated Business Plan as requested by Clear Creek Community Services.
8. Applicant agrees to permit District personnel or their agents to have reasonable access to the property on which Agricultural Water is to be delivered hereunder for the purpose of determining consistency of actual operations with requirements of Federal Law and the business plan submitted to establish use of Agricultural Water.

- 9. Clear Creek Community Services District will use all reasonable means to guard against a condition of shortage in the quantity of water to be made available to the applicant pursuant to this agreement. If there is a reduction in the total water supply available to the applicant during any year because of errors in physical operations of the District or the Central Valley Project (over which the District has no control), drought, or other physical or legal causes beyond the control of the District, no liability shall accrue against the District or any of its Officers, Agents or Employees for any damage, direct or indirect, arising therefrom and the applicant hereby agrees and acknowledges that the water service provided hereunder is subject to all quantity restriction that may hereinafter be imposed.

By signing this application, the undersigned acknowledges that in the even that there is any error in this application and such as error forms the basis of an approval of Agricultural Water for the applicant, applicant agrees to indemnify and hold Clear Creek Community Services District harmless from any loss or damage that result from unlawful deliveries of Agricultural Water to the above described property and which may be in violation of applicable Reclamation Law.

Applicant's Name (Please Print): _____ Date: _____

Applicant's Signature: _____ Phone: _____

Mailing Address: _____ City: _____ State: _____ Zip: _____

SPRINKLER SYSTEM
WATER CONSERVATION PLAN

1. **GENERAL LAYOUT**

Paper and attach a map of the irrigated area showing conceptual or actual layout of water system, dimensions, number of sprinklers and valves and general slope conditions.

2. **SYSTEM LAYOUT**

Type of sprinkler: Impact _____ Rotor _____ Nozzle Size _____
 Timer: Yes _____ No _____
 Manufacturer & Model #: _____
 Number of sprinkler stations: _____ Number of sprinkler heads per set or station: _____
 Area irrigated per set: _____ Square feet: _____ Acres: _____
 Height of sprinkler base above ground surface: _____ Inches: _____
 Backflow preventer: Yes _____ No _____
 Manufacturer & Model #: _____

3. **CROP DATA**

Crop type: _____
 Root zone depth: _____ Feet Net moisture to be replaced each irrigation _____ inches
 Peak period consumptive use: _____ inches/day
 Irrigations frequency during period of maximum consumptive use _____ days.

DRIP IRRIGATION SYSTEM
WATER CONSERVATION PLAN

1. **GENERAL LAYOUT**

Prepare and attach a map of the irrigated area showing conceptual or actual layout of the water system and valving.

2. **SYSTEM DATA**

Pressure regulator: Yes _____ No _____

Manufacturer and Model #: _____

Controller: Yes _____ No _____

Manufacturer and Model #: _____

Filter: Yes _____ No _____

Manufacturer and Model #: _____

Emitters Make and Model #: _____

3. **CROP DATA**

Crop type: _____ Root zone depth: _____ feet

Peak period consumptive use _____ inches/day

Crop factor for gallons per plant per day: _____

Gallons per day per plant at peak use: _____

CLEAR CREEK COMMUNITY SERVICES DISTRICT
AGRICULTURAL BUSINESS PLAN GUIDELINES

The Business Plan is used to evaluate the feasibility of your agricultural endeavor. Generally, one paragraph for each item will be sufficient for making this determination.

1. **STRUCTURE OF BUSINESS**

Provide the name and address of the business with the principle owner's name and address. If your agricultural endeavor does not have a business name, but is conducted on the property upon which you reside, simply provide your name and mailing address along with the acre size and zoning for your property.

2. **NATURE OF BUSINESS**

Describe your agricultural business (refer to the Water Supplied at Agricultural rates, defined on page 1 of this application)

3. **MARKET INFORMATION**

Describe who your expected and potential customers will be for your agricultural product. Explain why you think your product has advantages over others in the same business.

4. **ADVERTISING**

Explain how you will advertise and promote your agricultural product to expected and potential customers.

5. **FUTURE PLANS**

Explain any short range or long range plans for your agricultural endeavor.

NOTE: The Business Plan is extremely important. The number one reason for denial of agricultural water service and rates is lack of sufficient explanation of the agricultural endeavor.

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*****FOR OFFICE USE ONLY*****

Customer Name: _____ Customer Account #: _____

Assessor's Parcel #: _____

Meter make and size: _____

- 1. Water conservation plan submitted? Yes _____ No _____
- 2. Ownership greater than 240 acres west wide? Yes _____ No _____
- 3. Reclamation Reform Act reporting forms required? Yes _____ No _____
- 4. Reclamation Reform Act reporting forms completed? Yes _____ No _____
- 5. Agricultural Water service is recommended for? Approval _____ Denial _____

Reason for denial of Agricultural Water: _____

Water Conservation Coordinator: _____ Date: _____

General Manager: _____ Date: _____

EXAMPLE:

**Happy Valley Wholesale Nursery
Business Plan**

1. **Structure of Business:** Name
Street Address
City, State, Zip

The property is 2.7 acres total. The nursery area is ½ acre with an additional 1 acre available for expansion. The orchard area is approximately ¼ acre. The property is zoned RR.

2. **Nature of Business:**

The growing and selling of trees, shrubs and perennials to landscape contractors and to the general public.

3. **Market Information:**

There are limited number of nurseries in Shasta County that have an extensive inventory of trees, shrubs and perennials. We believe that the planned new home growth in Shasta and Tehama Counties will provide a significant demand for landscape plants.

4. **Advertising:**

We advertise weekly in the Valley Post/Times, and 2-3 times a month in the Record Searchlight. We will have a display ad in the Valley Yellow Pages when the new book is published in October. We have a listing and profile in the Verizon Super Pages on the internet.

5. **Future Plans:**

We plan to add a greenhouse and do our own plant propagation. In the next several months we will greatly expand our inventory, adding a significant number of shade trees and bare root fruit trees. As early noted, we have room to triple the size of our nursery operation if demand warrants.

*****WE ALSO NEED A PLOT PLAN OF YOUR PROPERTY SHOWING WHERE EVERYTHING IS LOCATED: ie, house, yard, trees, sprinklers, etc.*****

EXAMPLE

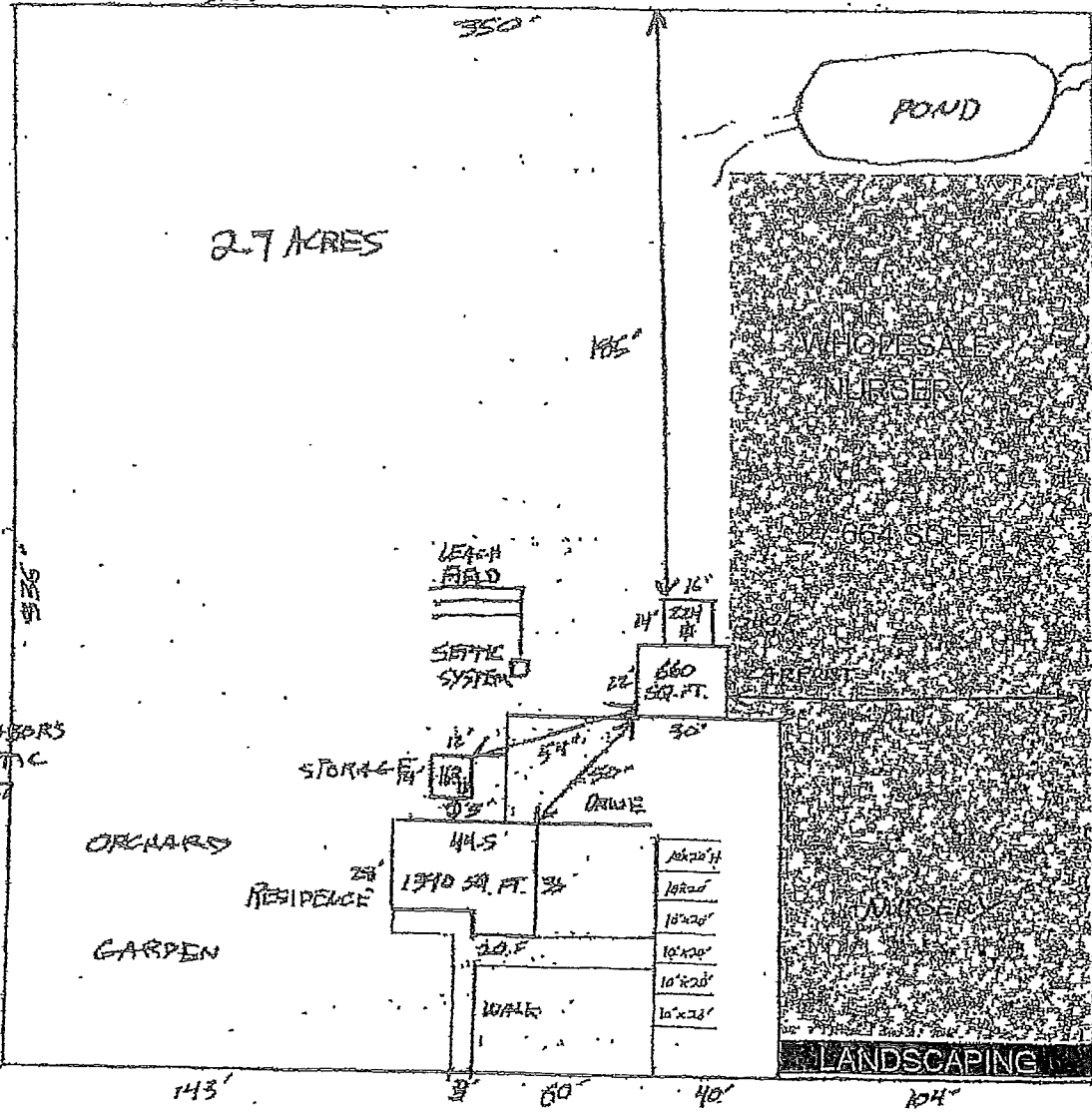
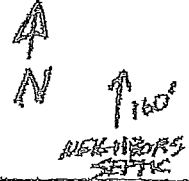
PLOT PLAN

PARCEL NO.

OWNER:

HAPPY VALLEY RD.

ANDERSON, CA. 96007



HAPPY VALLEY ROAD

CLEAR CREEK WATER DISTRICT

Crop	Max Root Depth (m)	Depletion
Peas - Fresh	0.6 - 1.0	0.5
Peas - Dry/Seed	0.6 - 1.0	0.4
Soybeans	0.6 - 1.3	0.5
Perennial Vegetables		
Artichokes	0.6 - 0.9	0.45
Asparagus	1.2 - 1.8	0.45
Mint	0.4 - 0.8	0.4
Strawberries	0.2 - 0.3	0.2
Fibre Crops		
Cotton	1.0 - 1.7	0.65
Flax	1.0 - 1.5	0.5
Sisal	0.5 - 1.0	0.8
Oil Crops		
Castorbean	1.0 - 2.0	0.5
Rapeseed, Canola	1.0 - 1.5	0.6
Safflower	1.0 - 2.0	0.6
Sesame	1.0 - 1.5	0.6
Sunflower	0.8 - 1.5	0.45
Cereals		
Barley	1.0 - 1.5	0.55
Oats	1.0 - 1.5	0.55
Spring Wheat	1.0 - 1.5	0.55
Winter Wheat	1.5 - 1.8	0.55
Corn, Field	1.0 - 1.7	0.55
Corn, Sweet	0.8 - 1.2	0.5
Millet	1.0 - 2.0	0.55
Sorghum - Grain	1.0 - 2.0	0.55
Sorghum - Sweet	1.0 - 2.0	0.5
Rice	0.5 - 1.0	0.2
Forages		
Alfalfa - Hay	1.0 - 2.0	0.55
Alfalfa - Seed	1.0 - 3.0	0.6
Bermuda - Hay	1.0 - 1.5	0.55
Bermuda - Seed	1.0 - 1.5	0.6
Clover Hay	0.6 - 0.9	0.5
Rye Grass Hay	0.6 - 1.0	0.6
Sudan Grass Hay	1.0 - 1.50	0.55
Grazing Pasture Rotated	0.5 - 1.5	0.6
Grazing Pasture Extensive	0.5 - 1.5	0.6
Turf Grass - Cool Season	0.5 - 1.0	0.4
Turf Grass - Warm Season	0.5 - 1.0	0.65
Grapes and Berries		
Berries (bushes)	0.6 - 1.2	0.5
Grapes - Table or Raisin	1.0 - 2.0	0.36

Crop	Max Root Depth (m)	Depletion
Grapes - Wine	1.0 - 2.0	0.45
Fruit Trees		
Almonds	1.0 - 2.0	0.4
Apple, Cherry, Pear	1.0 - 2.0	0.5
Apricot, Peach	1.0 - 2.0	0.5
Avocado	0.5 - 1.0	0.7
Citrus - 70% Canopy	1.2 - 1.5	0.5
Citrus - 50% Canopy	1.1 - 1.5	0.5
Citrus - 20% Canopy	0.8 - 1.1	0.5
Conifer Trees	1.0 - 1.5	0.7
Kiwi	0.7 - 1.3	0.35
Olives	1.2 - 1.7	0.65
Pistachios	1.0 - 1.5	0.4
Walnut	1.7 - 2.4	0.5