# **INFORMATION**



# Board of Directors Water Planning and Stewardship Committee

9/14/2021 Board Meeting

9-2

## Subject

Information on a potential seasonal land fallowing pilot program with the Quechan Indian Tribe of the Fort Yuma Indian Reservation and farmers within Quechan tribal land for 2022-2023

# **Executive Summary**

Metropolitan is exploring a potential seasonal fallowing pilot program with the Quechan Indian Tribe, which would reduce water consumption in the Quechan Indian tribal land and augment Metropolitan's Colorado River supplies. The Metropolitan/Quechan Indian Tribe Seasonal Fallowing Pilot Program (Pilot) would incentivize farmers to fallow land irrigated with Colorado River water for the spring and summer months during 2022 to 2023. Farmers typically grow high-value crops in the winter (vegetable crops), followed by a lower-value, water-intensive field crop (such as Sudan grass) in the spring and summer. Participating farmers would reduce their water consumption through land fallowing of collectively up to 1,600 acres annually between the months of April and July. Metropolitan estimates a water savings of 2 acre-feet (AF) per irrigable acre. Metropolitan would enter into agreements with the Quechan Tribe and the farmers within the Quechan tribal land, and the Pilot would operate similarly to Metropolitan's Bard Seasonal Fallowing Program. Since the Quechan Tribe's water supplies have a higher priority than Metropolitan's, Metropolitan would benefit from such a Pilot, as the saved water would remain in the Colorado River and be made available for diversion. Lastly, such a pilot program would provide information that could lead to the development of a longer-term fallowing program with the Quechan Tribe.

#### **Details**

#### **Background**

The Quechan Tribe is located along the Colorado River in southeast California and southwest Arizona. The Quechan Indian tribal lands receive water from either the All-American Canal and Yuma Main Canal, groundwater wells, or directly from the Colorado River. **Attachment 1** contains a map of the Quechan tribal land in California that would participate in the potential Pilot lands. Colorado River supplies for the Quechan Indian tribal land are accounted for under the unquantified priorities within California. As such, any savings from fallowing will move through California's priority system to benefit Metropolitan.

### **Quechan Water Rights Settlement Agreement**

In 2005, Metropolitan reached a settlement with the Quechan Tribe, the Quechan Settlement Agreement, which incentivized the Quechan Tribe to not develop and divert an additional 13,000 AF each year from the Colorado River from 2006-2034 and to not divert 20,000 AF each year beginning 2035. As part of the Quechan Settlement Agreement, Metropolitan provides an incentive to the Quechan Tribe to limit water use, resulting in stable supplies to Metropolitan. Since 2006, the Quechan Tribe has forborne diversion of nearly all of the 13,000 AF each year. Any water savings from the Pilot fallowing program would not be included in the Quechan Settlement Agreement payments.

#### **Bard Seasonal Fallowing Program**

In December 2019, Metropolitan's Board authorized a six-year Metropolitan/Bard Seasonal Fallowing Program with Bard Water District. Metropolitan currently provides incentives to farmers within the Bard Unit to fallow up

to 3,000 irrigable acres from April to July. In 2020, farmers fallowed approximately 2,750 acres with an estimated water savings of 6,075 AF. In 2021, farmers fallowed about 2,940 acres with a water savings of 6,490 AF. Since the inception of the Bard Seasonal Fallowing Program, Metropolitan has provided about \$2.6 million to Bard and the farmers, including \$30,000 for direct program costs and system improvements for an average water cost of \$207/AF. The potential seasonal fallowing pilot program with the Quechan Tribe would be structured and operated similarly to the Bard Seasonal Fallowing Program.

#### **Potential Seasonal Fallowing Pilot Program**

Metropolitan staff, in coordination with the Quechan Tribe, is developing a potential two-year seasonal fallowing pilot program. The Pilot would both evaluate farmer interest in fallowing and the amount of water saved from fallowing in the Quechan Indian tribal land. Metropolitan staff and the Quechan Tribe are developing terms to fallow a maximum of 1,600 acres each year within the tribal land, with an estimated water savings of 2 AF per irrigable acre. Under the potential Pilot, Metropolitan would provide incentives to the fallowed land during the period between April 1 and July 31, beginning in year 2022 and ending in year 2023. By December 31, 2021, Metropolitan would make a two-year fallowing call of 1,600 acres to be fallowed in 2022 and 2023 for the Pilot. Metropolitan would enter into a Pilot agreement with the Quechan Tribe to hold the delivery of water to the fallowed acres, as well as enter into agreements with each individual farmer (with property owner consent).

In order to qualify for the Pilot, the farmer must have actively farmed or participated in a previous fallowing program during three of the past five years, and must exclude areas that are used for roads, ditches and canals, and buildings. The eligible lands would also need to have access to a canal, direct-from-river pumping, or a groundwater well (the U.S. Bureau of Reclamation considers wells within the Pilot as diversions of Colorado River water). The agreement would also require the farmers to take appropriate actions to ensure that the fallowed lands do not degrade or cause dust issues. Further, farmers must allow representatives from Metropolitan and the U.S. Bureau of Reclamation to inspect the fallowed lands.

Metropolitan would provide an annual incentive of \$473.10 per acre of irrigable land fallowed, or the equivalent incentive amount to be provided under the Bard Seasonal Fallowing Program in year 2022. The agreement would provide for escalating the incentive every year using the Consumer Price Index for Southern California. Of the total fallowing payment made each year, Metropolitan would pay 75 percent of the incentive to the participating farmers and 25 percent to the Quechan Tribe. The Quechan Tribe would receive an additional payment of \$15,000 each year for direct and indirect costs related to its administration of the Pilot. Metropolitan would make payments in two installments, the first half at the beginning of the fallowing period and the second half at the end of the fallowing period.

### **Policy**

By Minute Item 42820, dated February 10, 1998, the Board approved the policy principle in the Colorado River Resources Strategy supporting Metropolitan's interests in increasing its dependable entitlements to Colorado River water, while collaborating with other California Colorado River agencies.

By Minute Item 51833, dated December 10, 2019, the Board authorized the General Manager to enter into a Program agreement with Bard Water District and seasonal fallowing agreements with farmers within the Bard Unit, and approve payment of up to \$1.4 million per year, escalated annually through 2026.

# **Fiscal Impact**

A projected fiscal impact of \$1.6 million for Fiscal Years 2021/2022 and 2022/2023 is anticipated to be incurred following board authorization of the potential pilot program. Funds for Fiscal Year 2021/2022 are available within the Water Supply Budget.

Brad Coffev

Manager, Water Resource Management

9/2/2021

Date

Adel Hagekhalil General Manager 9/2/2021

Date

Attachment 1 – Map of Proposed Tribal Land for Potential Metropolitan/Quechan Seasonal Fallowing Pilot Program

Ref# wrm12684668

# MAP OF PROPOSED TRIBAL LAND FOR POTENTIAL METROPOLITAN/QUECHAN SEASONAL FALLOWING PILOT PROGRAM

