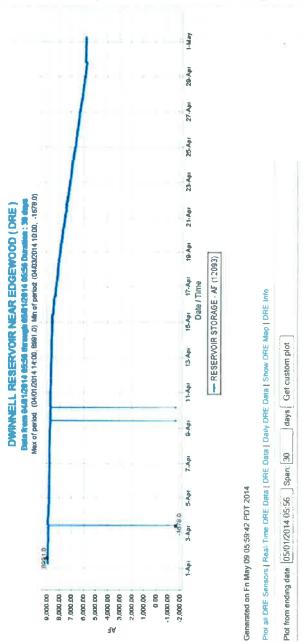
### **EXHIBIT 2**

## TO ATTACHMENT NO. 1 TO PETITION FOR TEMPORARY URGENCY CHANGE PERMIT NO. 2452 HELD BY MONTAGUE WATER CONSERVATION DISTRICT



## Station Comments:

06/27/2011 Latitude and tongitude were updated from Excel file provided by John Clements (DWR) 02/15/2011 Latitude and tongitude were updated from Excel file provided by John Clements (DWR) NADB3

http://cdec.water.ca.gov/jspplot/jspPlotServlet.jsp?sensor\_no=12093&end=05%2F01%2F2014+05%3A>6&geom=huge&interval... 5/9/2014

### **EXHIBIT 3**

# TO ATTACHMENT NO. 1 TO PETITION FOR TEMPORARY URGENCY CHANGE PERMIT NO. 2452 HELD BY MONTAGUE WATER CONSERVATION DISTRICT

## Newsletter

February 2014

MONTAGON WATER CONCLEVATION DISERT

### DIRECTORS

#### Division

- Keith Smith Vice President
- 2 Greta Hockaday
- 3 Tristan Allen President
- 4 Stan Sears
- 5 Hans Peters

Office Fours to 00 am = 4 00 pm Monethy = Engree by

### Water Year 2014

The current storage in Dwinnell/Lake Shastina is very low for this time of year which at the time of this writing was 5,440 acre feet. The average storage for the end of January is 26,432 acre feet of storage. The District started last year with 25,735 acre feet and was able to deliver irrigation water into the first week of August.

There have been past years with low storage in January but spring rains and late snow brought the storage up to where the District had a full reservoir. The Directors are keeping a close eye on the weather and storage to make an informed decision on water quota, cost and when there may be water for sale.

The Directors are currently looking into a supplemental water right that would allow the District to sell water to fill domestic ponds. The water cannot be used for irrigation. If you have a pond and would like more information to see if your pond would qualify and cost, call the office.

### Settlement of Lawsuit

The settlement agreement between the Klamath Riverkeeper, Karuk Tribe and the Montague Water Conservation District was signed by the parties on December 19, 2013. The Judge dismissed with prejudice the Plaintiffs' claims alleged in the complaints filed in the consolidated cases. The Klamath Riverkeeper and the Karuk Tribe sued the District in 2012 alleging violations of the Federal Endangered Species Act (ESA) for take of threatened Coho salmon within the Shasta River watershed, a major tributary of the Klamath River. The District adamantly denied that it violated the ESA. In fact,

Please see Settlement of Lawsuit on page 3

Newsletter Title

### "Meetings are held the 2<sup>nd</sup> Tuesday of the Month 7 00 PM

120 South 11th Street in Montague



## **Standby and Water Applications**

- 1. The 2014 Standby charges are due and if not paid by March 10, 2014 will incur a 10% late fee. Standby fee and past charges must be paid before the property can receive any water or use quota from someone else within the District.
- 2. Please note that if you rent out your property the responsibility for payment of any charges left unpaid by the renter/lessee of your property is the owner's responsibility. Water will not be delivered to land having delinquent charges.
- 3. Please complete the blue Water Application form and return it by March 10, 2014. If the District does not receive your Water Application by March 10, 2014, we will assume that you do not want to irrigate with District Water in 2014. The District will no longer accept late application forms.
- 4. There is a drop box in the door to the office for receiving payments and application forms when the office is closed.
- 5. To reduce costs the District laid off employees over the winter. It would be helpful if landowners burned and cleaned out ditches within their property. Please contact your Director or the office if you know of any maintenance matter that should be addressed.
- 6. The District By-Laws and regulations were adopted under the authority of the California Irrigation District Act in 1925. A copy of the By-Laws can be requested by contacting the office. They can be picked up from the office, emailed or mailed to you.
- 7. The District's email is mwcd@att.net

## Natural Resources Conservation Service

The Natural Resources Conservation Service (NRCS) have programs to help fund projects such as reliable stock water, ditch or irrigation improvements and soils information. Contact NRCS to see if you are eligible for their programs. For additional information you are encouraged to contact the local Yreka NRCS Service Center at (530)842–6123. More information on the programs can be found at <a href="https://www.ca.nrcs.usda.gov">www.ca.nrcs.usda.gov</a>.

the District maintains its past and future operations provide substantial benefits to the fisheries in the watershed. The terms of the settlement agreement are consistent with the long established conservation objectives that the district has long been promoting and implementing. In 2006 MWCD and other proactive agricultural operators in the Scott and Shasta Rivers attempted to acquire ESA coverage for incidental take of Coho salmon through standard agricultural operational activities in exchange for collectively protecting, expanding and enhancing Coho salmon habitat. This was a community and agency supported effort intended to protect fishery resources while also preventing legal challenges against proactive family farms. However, this effort was thwarted by environmental groups, including the Klamath Riverkeeper that successfully sued in 2011to prevent the implementation of the fully developed program. MWCD found it extremely disheartening to then be sued by the very entities that eliminated a locally developed program for not having the take coverage that program would have provided.



## Terms of the Settlement

Terms of the recent settlement include interim objectives of water releases from Lake Shastina to the Shasta River and additional bypass flows on Parks Creek, a major tributary to the Shasta River. MWCD also agreed to install a fish screen on Parks Creek and improve operational infrastructure for release flows from Lake Shastina, all objectives the District was pursuing before the lawsuit. MWCD will also develop operational plans and has agreed to pay legal fees for Klamath Riverkeeper and Karuk Tribe totaling \$550,000 over six years. Finally, MWCD agreed to continue its efforts to obtain incidental take coverage of Coho salmon. Prior Rights holder are entitled to the first priority, second priority is 2,000 acre feet for storage in Dwinnell on September 30th, third priority is Base Available Environmental water (2,250 in dry years or 3,000 acre feet otherwise), fourth priority is base water for MWCD (20,500 acre feet for diversion to the main canal.) Additional available water will be split 70 to the District and 30 for Environmental purposes. The parties are to meet with agencies to determine allocations each year depending on the water year.

Attribution the District ears pursuing before the lawred

### MONTAGUE WATER CONSERVATION DISTRICT

	Budget Review		-	_	2013	-	Didit
11/53/5014					Actual	-	Z014 Budget
		2013 Budget			11328		10000
NCOME			13500		11320		\$49.00
	1	-	\$49.00 15,500	Ş	15,517	Ş	15,500
	Standby	\$		5	556,427	5	490,000
	Water Tolls	\$	561,500		7,619	\$	5,000
	Insurance Rebates	5	5,000	\$	3,990	Ş	2,000
	Penalties	\$	1,000	5		\$	12,200
	City Connections	\$	12,200	\$	12,482		1,550
	County Taxes	\$	1,550	\$	1,564	5	20
	Interest Checking	\$	20	\$	80	\$	400
	Interest Savings	5	1,000	\$	799	5	400
	Fundraiser	5	64,220	\$	67,248	}	
	Donation from City	5	55,660	\$	5\$,662	1	
	Misc Cal Ore & Land Transfers	5	2,200	\$	1,697	5	1,600
	Misc. various (water lease, copies, etc			5	3,938		
	Total Income	5	819,850	5	727,023	\$	528,270
CADENCEC		1					
EXPENSES	Salary & Wages	5	114,500	\$	97,575	\$	114,500
		\$	1,125	Ş	700	5	1,000
	Employer Det. Comp	5	400	5	400	5	-
	Employee Bonus	\$	13,200	5	12,003	15	7,200
	Health Ins.		11,000	5	8,320	5	10,600
	Payroli Taxes	\$			5,821	5	6,200
	Workers Comp Ins	Ş	6,200	\$	900	\$	
	Director fees	\$	900	\$			66,666
	Karuk Attorney's Fee Settlement	3		\$	150,000	5	
	Legal & Accounting	5	375,000	\$		5	115,000
	Communications	\$	4,210	5		Ş	3,800
	ACWA Dues	\$	2,750	5	3,145	\$	3,150
	District Insurance	\$	8,600	\$	8,355	5	8,400
	Dept. of Water Resources - Dam	5	11,000	5	10,497	\$	11,000
	Resource Control 8d.	\$	3,000	15	3,134	15	3,150
	DWR - Gauges	5	31,975	S	12,672	\$	
	Watermaster	5	31,440		31,994	5	
	Ottice Expense	5	3,000		2,745	5	
	Office Heat	5	2,210	1 \$	2,200	5	
		\$	435			\$	435
	Office Electric	\$	ยบบ	3		5	850
	Office Water	5	550	9 '		15	500
	Taxes & Rent		50,000				
	Pumping - Power	\$		4 1			
	Fuel & Oil 3550 gas, 1300 DSL	\$	20,000				
	Equipment Rental	\$	500				
	Equipment Main, & Repair	5	8,600				
	Shop Expense - Equip	5	500			\$	
	Shop Electric	\$	425				*
	Shop Water	\$	850			- 20 11	
	Field Supply	5	16,000		5,337	-	
	Spray	5	500		\$ 90		
	Aquatic Herbicide	Ş	47,000		\$ 38,285		m #4
	Dues, Fees, Misc.	S	3,000		\$ 2,350		2,50
	Fundraising Expenses	15	5,280	) :	\$ 6,35		
	Capital Expense - Flume	5	15,500		Ş	15	15,00
	Kegulatory issues expenses	3	30,000		÷	1	
	Total Expense		819,850	3	\$ 1,147,03	b 1	500,00
Other less		1	•				
omer inco	me & Expense Grant Proceeds	127			5 219,42	1 :	5 280,00
		J.			\$ 182,84	- 15	\$ 270,00
	Grant Expenses  Net Grant	4		Į.			5 10,00
	MAGE COLUMN	5		1	\$ (383,43	- 20	

President Tristan Allen called the Montague Water Conservation District meeting to order at 7:00 P.M. Other Board members present were Keith Smith, Hans Peters, Greta Hockaday and Stan Sears. Also in attendance were Gary Black, Landowners and water users Vera Clement, Susan Hart, Michol Jervan, Don Meamber, Bill Peters, Chris Tyhurst from the City of Montague, Jamie Lea from Lake Shastina area and Antone Schultz, Marilyn Russell, and Steve Russell from the Spearpoint community and County Supervisor Brandon Criss.

The minutes for the regular monthly meeting held on March 11, 2014 were reviewed. Director Hans Peters made a motion to approve the minutes. Director Greta Hockaday seconded the motion which passed unanimously.

The Treasurer's Report was reviewed. The checking account balance on March 31, 2014 was \$24,062.80 and the LAIF balance was noted to be \$37,721.36. Director Greta Hockaday made a motion to pay the bills. Director Keith Smith seconded the motion which passed unanimously.

There was public comment from Don Meamber regarding a question whether the District had received instream flow requests from California Department Fish and Wildlife.

Antone Schultz from the Spearpoint community in Lake Shastina provided pictures and information as a presentation requesting the trimming or removal of two trees that may be on District property. After listening and reviewing the pictures and information Director Smith motioned to grant permission for Mr. Schultz to remove the trees if the trees are found to be on District property with the understanding that Mr. Schultz would accept full responsibility for any damage caused in the process of falling and removing the trees. Director Peters seconded the motion which was approved unanimously.

The current storage level in Dwinnell Dam which is the lowest storage in history was discussed. The Board has been attending meetings with State, Federal, County and City representatives to discuss the current drought situation and being able to supply the City with water this summer. An alternative point of diversion via the Shasta River is being considered that would use less water in supplying the City than using the canal that has a greater loss factor. The City has sent a letter asking city residents to conserve water use this summer and plan a town hall meeting Thursday. Director Greta Hockaday made a motion that the District declares this year to be a severe drought. The motion was seconded by Director Stan Sears and passed unanimously. The Board members said they would attend the City Town Hall meeting. The District and City are working on a project plan to discuss at the next joint meeting regarding delivering water to the City this summer.

An amended gage maintenance contract with the Department of Water Resources that adds more gages to be maintained for the District was reviewed. The amended contract would

be for three years. Director Keith Smith made a motion to approve the contract and have President Tristan Allen sign the contract. Director Hans Peters seconded the motion which was approved unanimously.

Resolution 2014-06 for the District to acquire a line of credit from the Scott Valley Bank to help fund grant projects in the interim while waiting for grant reimbursement was read. The signers on the Scott Valley Bank account would be President Tristan Allen and Vice President Keith Smith. Director Stan Sears made a motion to pass resolution 2014-06 for a line of credit from Scott Valley Bank. Director Keith Smith seconded the motion which was approved unanimously.

The Board also reviewed and discussed budget issues. The low storage in Dwinnell Dam limits water available to sell to irrigators and keep City supplied throughout the summer and fall. The Board decided to set a rate for water should there be an irrigation. Director Hans Peters made a motion to set a tentative rate of \$100 per acre foot with the understanding the rate may change or there may not be an irrigation season this year due to the drought. A special meeting would be called to make the final decision. Director Greta Hockaday seconded the motion which was approved unanimously.

Gary Black updated the Board on matters of interest to the District. There has been some work on the grant projects, mainly survey work. Some within the CDF&W are questioning inflows to the Lake after June 15<sup>th</sup>. A meeting with the County Watermaster District and representatives from MWCD and CDF&W was had to discuss the issue. It was noted that the issue has been brought up in the past in which the DWR explained inflows after June 15<sup>th</sup> are minimal and supply prior rights therefore not being stored water. Supervisor Brandon Criss was asked if he might plan to call a meeting of the Agencies to settle the question once and for all.

The Audit of the District's financial records was tabled.

The Manager's report was given. On April 3, 2014 there were 8,940 acre feet in storage at Lake Shastina/Dwinnell Reservoir. Parks Creek was able to supply 324 acre feet diverted flow in February and 453 acre feet in March for a total of 777 acre feet diverted from Parks Creek. The Cross canal was diverting 10 cfs for environmental flows to the Shasta River that was increased to 15 cfs for three days with another increase to 25 cfs that would last about 4 days and reduced back to 15 cfs. The County crew have been cleaning the main canal and clearing trees and brush along the canal easement. Gary Black prepared two grants that have been submitted by the District. Resolution 14-05 to support actions to support agricultural water conservation and efficiency grant was read and approved with a motion from Keith Smith and seconded by Stan Sears. The Board unanimously approved the resolution for the grant submission.

The correspondence was noted. The open session ended at 8:48 P.M. The Board went into closed session at 9:05 P.M to discuss litigation with Klamath Riverkeeper/Karuk Tribe

- 1 (Govt. Code 54956.9) and Personnel per Govt. Code 54957. The Board came out of closed
- 2 session at 9:48 P.M. to report no action regarding litigation and under personnel directed the
- 3 clerk to send a letter to employees laid off in December that they will not be recalled due to the

4 lack of water in storage.

There being no further business to come before the Board, the meeting was adjourned at

6 9:51 P.M.

7

8

ATTEST: Misa (Jarus

9 Lisa A. Faris, Administrative Clerk

President Tristan Allen

### Dear Landowner and Water User:

As you well know, we are suffering severe drought conditions this year, and as landowners of irrigated land are you are already feeling the effects of this dry year. The Board met Tuesday, April 8<sup>th</sup> and contemplated what course of action to take and would like input from everyone. To remain viable the District may need to sell water but there would only be enough for 1 rotation that may last 15 to 18 days. The cost of water was tentatively set at \$100 per acre foot in order to pay fixed costs of the District. There would be approximately 1500 acre foot available. The rotation would occur after April 15<sup>th</sup>. Please take time to ponder what is best for your situation and respond via email <a href="mayer">mwcd@att.net</a>, phone or mail whether you would take water. The Board plans to hold a special meeting next Monday, after meeting with the Office of Emergency Services, to further discusses whether to have one rotation and it will depend on how many will still want irrigation.

The lowest storage on record until now was back in 1992 with a storage of 13,530 acre feet at the end of March. This year's storage at the end of March was 8,930 acre feet of storage. Even though we have seen some rain, not very much has reached the reservoir. March 1<sup>st</sup> is the beginning of irrigation water rights above the reservoir and according to the Watermaster not all of those water rights can be fulfilled. The other factor the District relies on is a good snow pack to carry inflows from spring into summer but this year there is very little snow pack recorded to date.

The District has supplied water to the City of Montague since the very beginning of the District's existence. The City deliveries are just a blimp in the rotation system when we are delivering water to landowners. In fact, the City deliveries are used as a place holder. We deliver water overnight to the City and take the water during the day for those users who do not have that much quota or use the City deliveries to fill empty slots to remain on an 18 day rotation. Normally the City receives water from the Little Shasta during the months of November through the end of May. As of today, there is barely a trickle going by the Little Shasta point of diversion and therefore not enough to get to City. The City ponds can hold water for a time but need to be refilled about every 10 to 14 days depending on City usage. The City has sent out a letter asking residents to forgo watering lawns and swimming pools this summer and to conserve water. The City has pledged not to water their various parks and ball fields.

The following is the formula the District has used in the past to determine how much water to figure on for any given year.

Water in storage April 1- 8930 less minimum pool for Sept. 30<sup>th</sup> 2000 = 6930 acre feet 6930 ac. ft. less an estimated 30% seepage & evaporation loss – 2079 = 4851 acre feet 4851 ac. ft. less 3382 prior rights (properties that had water rights before the Dam was built)

Less water for City (14 deliveries of 150 ac. ft.) 2100 ac. feet

Less Environmental water (April 1 to June 2 in a drought year) 1190 acre feet

Leaves a shortage of -1821 acre feet

To bring water to the City from the reservoir via the District's canal takes up to 150 acre feet to fill the 30 acre foot City pond. It takes about two days to get the water to City via the canal. The District is

aggressively applying for grants to line the areas that have been identified as leaking the most in the canal to cut down on the loss. The District is also looking into other means to get water to the City of Montague and have been working closely with the City, County, State and Federal agencies to make sure the City of Montague has water. The District feels morally obligated to put people first.

**In 2009** the District lined 2500 feet of canal with Shotcrete that saw a savings of 4 cfs which equated to approximately 1,460 acre feet yearly savings.

The District laid off three of its four full time employees in December to save the District money in the hopes to rehire for the 2014 season. Due to the lack of storage, the District is faced with the fact that it will have limited funds to continue staffing a full crew throughout the year. Retired Ditchtender Richard Hockaday has volunteered his time to attend to the few matters that have risen. The District has also arranged for help from Siskiyou County to clean debris, weeds and trees from the main canal at a minimal cost of a chainsaw for the crew that is performing the work. For those who are able, please help out by getting your ditches ready by clearing them of debris and spraying the bottom of the ditches.

The District will continue to monitor and re-evaluate the situation and would like to "Thank you" in advance for your patience and understanding. The District will try to keep you the landowners updated via email, mail and posting in the District window. Should you have questions feel free to call the office 530-459-3371.

Sincerely,

Tristan Allen Keith Smith Greta Hockaday Hans Peters Stan Sears Lisa Faris
President Vice President Director Director Director Clerk

FSA recommends that owners and producers record all pertinent information of natural disaster consequences, including:

- Documentation of the number and kind of livestock that have died, supplemented if possible by photographs or video records of ownership and losses;
- Dates of death supported by birth recordings or purchase receipts;
- Costs of transporting livestock to safer grounds or to move animals to new pastures;
- Feed purchases if supplies or grazing pastures are destroyed;
- Crop records, including seed and fertilizer purchases, planting and production records;
- Pictures of on-farm storage facilities that were destroyed by wind or flood waters;
- Evidence of damaged farm land.

Visit <u>www.fsa.usda.gov</u> or an FSA county office to learn more about FSA programs and loans. For information about USDA's Farm Bill implementation plan, visit <u>www.usda.gov/farmbill</u>.

### 

### Special Meeting April 14, 2014

President Tristan Allen called the Montague Water Conservation District meeting to order at 3:00 P.M. Other Board members present were Keith Smith, Hans Peters, Greta Hockaday and Stan Sears. Also in attendance were Landowners and water users Blair Hart, Bill Schmidt, Dave Hall, Richard Hockaday, Rex Houghton and Darrin Mercier. Gary Black and Supervisor Brandon Criss arrived later.

There were no public comments.

The Board discussed the current water year and reviewed various comments heard from landowners in the District. The District would need to sell water to remain viable and cover fixed expenses. Director Hans Peters made the motion to run one rotation at a rate of \$125 per acre foot. Director Keith Smith seconded the motion that was approved unanimously. There was discussion about quota from landowners not opting to irrigate. Director Sears made a motion to raise the percentage of quota until the estimated 1500 acre feet was sold. Director Hans Peters seconded the motion that was approved unanimously.

There being no further business to come before the Board, the meeting was adjourned at 4:25 P.M.

ATTEST: Thay 4. Jans

Lisa A. Faris, Administrative Clerk

President Tristan Allen

1 Special Meeting April 25, 2014 2 President Tristan Allen called the Montague Water Conservation District meeting to order at 2:00 P.M. Other Board members present were Keith Smith, Hans Peters, Greta 3 Hockaday and Stan Sears. Also in attendance was Landowner Rex Houghton. 4 5 There were no public comments. 6 The Board called the emergency meeting to discuss the lake storage and rotation status. It was noted that the rotation would need to be cut short to keep the storage at 6000 acre feet and 7 therefore several landowners would not receive an irrigation. The Board decided to give up their 8 deliveries so those landowners that had requested water could receive at least part of their 9 irrigation before having to shut the water off. Director Smith suggested keeping track of the 10 canal flow measurements for future use. 11 There being no further business to come before the Board, the meeting was adjourned at 12 2:45 P.M. 13 14 15 Lisa A. Faris, Administrative Clerk 16 President Tristan Allen 17

### **EXHIBIT 4**

## TO ATTACHMENT NO. 1 TO PETITION FOR TEMPORARY URGENCY CHANGE PERMIT NO. 2452 HELD BY MONTAGUE WATER CONSERVATION DISTRICT

#### **RESOLUTION NO. 14-01**

## A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTAGUE PROCLAIMING A LOCAL EMERGENCY DUE TO DROUGHT CONDITIONS AND IMMINENT THREAT OF DISASTER IN THE CITY OF MONTAGUE

WHEREAS, the City of Montague obtains its water from the Montague Water Conservation District, which obtains the water from Lake Shastina from April 1 through October 31; and

WHEREAS, the Montague Water Conservation District has recently informed the City of Montague that, due to the extreme drought conditions, there may not be sufficient water in Lake Shastina to supply the City of Montague through the summer; and

WHEREAS, in March 2014 there were approximately 8,400 acre-feet in Lake Shastina while the average amount usually in storage in the lake on April 1 is approximately 33,000 acre-feet; and

WHEREAS, there are prior rights obligations of about 3,500 acre-feet and another 2,250 acre-feet must be released to the Shasta River for Coho salmon habitat improvement due to a lawsuit settlement between the Montague Water Conservation District and the Riverkeeper/Karuk Tribe, leaving approximately 3,800 acre-feet available for Montague; and

WHEREAS, under the terms of the lawsuit settlement, the Montague Water Conservation District has to have 2,000 acre-feet in Lake Shastina as of October 1 (though this water can be used as part of the 2,250 required for the Coho or for Montague after October 1; and

WHEREAS, Montague's water comes from Lake Shastina through unlined canals and the Montague Water Conservation District predicts that it will only be able to deliver one rotation of irrigation water to local ranchers this year, if at all, leaving the unlined canals dry through the rest of the spring and summer; and

WHEREAS, a conservative estimate of the amount of water required to supply the City of Montague under dry canal conditions is approximately 3,750 acre-feet, due to hydraulic requirements and loss in the canal system due to percolation, evaporation and leakage; and

WHEREAS, historically, deliveries to the City of Montague have been required every 10-14 days, with a release of 250-300 acre-feet of water each time in order to push the water all the way from Lake Shastina to Montague under dry canal conditions; and

WHEREAS, the City of Montague has determined that due to these conditions, the City has an insufficient water supply to meet demands in drought year conditions; and

**WHEREAS**, extremely dry conditions have persisted since 2012 and may continue beyond this year and more regularly into the future; and

WHEREAS, the City needs to preserve available water resources in order to maintain an adequate water supply for human consumption, sanitation and fire protection during water supply emergencies;

**WHEREAS**, unless something changes, even with significant mandatory restrictions, by our estimates the City will run out of water around August 1<sup>st</sup>, 2014.

### WHEREAS, THE CITY COUNCIL DOES HEREBY FIND:

**THAT** conditions of imminent disaster and extreme peril to the safety of persons and property have arisen within the City of Montague due to prolonged conditions of drought and insufficient water storage levels in Lake Shastina to furnish necessary water to service the minimum requirements of the City's water customers, thereby constituting an immediate hazard to the safety and welfare of City residents; and

**THAT** the aforesaid conditions of imminent disaster and extreme peril warrant and necessitate the proclamation of the existence of a local emergency.

THEREFORE, IT IS HEREBY RESOLVED that the City Council of the City of Montague does hereby resolve, find and declare a Water Shortage Emergency and directs the City Clerk to publish notice of the adoption of this resolution and to forward copies of this resolution to the Governor of California, the California Governor's Office of Emergency Services, the Board of Supervisors of Siskiyou County and the Siskiyou County Office of Emergency Services.

**PASSED AND ADOPTED** at a special meeting of the City Council of the City of Montague on <u>April 10, 2014</u> by the following vote:

AYES: NOES:	Keller, Benson, Aiello and Hammond		
ABSENT: ABSTAIN:	Robustellini		
ATTEST:		CITY OF MONTAGUE:	
Janie Sprague,	City Clerk	Jayne Keller, Mayor	



Montague City Council 230 South 13<sup>th</sup> Street, Montague, CA 96064 Mailing Address: P.O. Box 428, Montague, CA 96064 Phone: 530-459-3030; Fax: 530-459-3523

Email: cityofmontague@sbcglobal.net

Dear Montague water user,

The City Council wants to give you advance notice of mandatory water restrictions that have been put in place to address the emergency water shortage. On April 10, 2014 we proclaimed a local emergency due to drought conditions and imminent threat of disaster in the City of Montague. On April 11, 2014 we voted to implement procedures to enforce mandatory water restrictions. The attached "Mandatory Water Shortage Emergency Procedures" are part of the implementation procedures and are effective immediately.

In order to enforce the restrictions on water usage during the water shortage emergency, the following "Water Emergency Penalties" were instituted at the April 11, 2014 meeting and will become effective with the water meter period April 15 through May 15, to be billed May 31, 2014 and will continue until the water shortage emergency no longer exists.

Monthly water usage in excess of 5,000 gallons - \$15 penalty
In excess of 6,000 gallons – additional \$5 penalty
In excess of 7,000 gallons – additional \$5 penalty

In excess of 8,000 gallons – additional \$5 penalty In excess of 9,000 gallons – additional \$5 penalty In excess of 10,000 gallons – additional \$15 penalty In excess of 11,000 gallons – additional \$10 penalty In excess of 12,000 gallons – additional \$10 penalty

Every thousand gallons in excess of 12,000 gallons – additional \$10 penalty (no maximum)

Without water conservation, the City would run out of water by July 1, 2014. Even with these water conservation procedures, the City will likely run out of water by August, 2014. We realize this is going to be very difficult for many people, but these emergency procedures were enacted to delay as long as possible the situation where there is no potable water for delivery in Montague. We also are trying to give ourselves more time to try and find a solution to the situation. On May 22, 2014, the City Council will meet to monitor the implementation of the water shortage emergency procedures and water emergency penalties and may revise these procedures. This meeting will be a public meeting. Thank you for your understanding and cooperation.

Sincerely, Montague City Council



## **Montague Water Conservation Program**

### **Mandatory Water Shortage Emergency Procedures**

During the period of the water-shortage emergency, the following procedures will assist the City in preventing a crisis that would result in no potable water available for city customers. In order to safeguard the adequacy of the water supply for domestic, sanitation and fire protection requirements, the Montague City Council has adopted these procedures as mandatory restrictions with enforceable penalties during the period of any water-shortage emergency, effective April 11, 2014.

- A. No using potable water to irrigate turf, ground cover, shrubbery, crops, vegetation and trees in such a manner as to result in runoff for more than 5 minutes.
- B. No using potable water to irrigate turf at city-owned parks and ballfields.
- C. No using potable water to wash sidewalks, walkways, driveways, parking lots, open ground or other hard-surfaced areas except where necessary for public health or safety.
- D. No allowing potable water to escape from breaks within the customer's plumbing system for more than 24 hours after the customer is notified or discovers the break.
- E. No washing cars, boats, trailers, aircraft or other vehicles by hose without a shutoff nozzle and bucket, except to wash such vehicles at washing facilities using water recycling equipment.
- F. No using potable water for construction, compaction, dust control, street or parking lot sweeping, building wash-down, except where non-potable or recycled water is available.
- G. No using potable water for fire protection training without prior approval of the applicable City Commissioner.
- H. No using potable water to fill or maintain levels in private swimming pools, decorative fountains, ponds or evaporative coolers unless a recycling system is used.

### **EXHIBIT 5**

# TO ATTACHMENT NO. 1 TO PETITION FOR TEMPORARY URGENCY CHANGE PERMIT NO. 2452 HELD BY MONTAGUE WATER CONSERVATION DISTRICT

Scott Valley and Shasta Valley Watermaster District

## Summary of Watermaster Services for the 2012 Season



Watermester

District



January 2013

### 3 Shasta Valley Watermaster Service Area

The Shasta Valley WMSA is located in central Siskiyou County and consists of the main stem of the Shasta River as well as numerous tributaries including Beaughan Creek, Big Springs Creek, Boles Creek, Carrick Creek, Jackson Creek, Parks Creek and the Little Shasta River. Lake Shastina (Dwinnell Reservoir), which is owned and operated by Montague Water Conservation District (MWCD), lies about at the midpoint of the Valley and separates the river system into upper and lower reaches. The Shasta River drains about 800 square miles with elevations ranging from 14,000 ft. at the peak of Mount Shasta to 2,500 ft. at its confluence with the Klamath River.

The upper reach of the service area can be divided geographically into two sub-areas by groupings of tributaries. The east side group, comprising Boles, Beaughan, Carrick, and Jackson Creeks, originates on the northern slope of Mount Shasta. The water supply for these creeks comes mainly from springs. The west side group, consisting of Dale and Eddy Creeks, and the Shasta River west of Interstate 5, originates on the eastern slope of the Trinity Mountains. The water supply for these creeks comes mainly from snowmelt. All the streams join the main stem of the Shasta River above Dwinnell Reservoir near the town of Edgewood. As the Shasta River flows north from Lake Shastina to its confluence with the Klamath River, north of Yreka, it is joined by three major tributaries. Parks Creek, originating from the eastern slope of the Trinity Mountains, enters from the west near the town of Gazelle. Big Springs Creek, from Big Springs Lake, enters from the east about a mile below Parks Creek. The Little Shasta River, originating from the slopes of the mountainous area between Butte Valley and Shasta Valley, enters from the east near the town of Montague. See Figure 5 for a map showing the stream systems under SSWD Watermaster service.

The water rights for the Shasta River stream system under SSWD Watermaster service were determined by the Siskiyou County Superior Court and documented in Decree No. 7035, dated December 30, 1932. This decree defined water rights totaling about 600 cubic feet per second (cfs) and about 30,000 irrigated acres. State Watermaster service for the Shasta River began in 1933. Most, but not all of the water rights defined in the decree, were placed under Watermaster service. Willow Creek, Yreka Creek and miscellaneous springs were excluded for unknown reasons. Unlike most water right decrees, this decree did not define the water rights for certain active riparian users that are interspersed with the decreed users. Holders of these riparian rights are not regulated by the Watermaster which complicates management of the water supplies.

The water rights for each water user were defined by individual paragraphs and summarized according to 12 schedules contained in the Decree (Tables 1 through 12). Only eight of the schedules have been under Watermaster service (Tables 1 through 8) including Shasta River Above Confluence with Big Springs, Boles Creek and Tributaries, Beaughan Creek and Tributaries, Jackson Creek and Tributaries, Carrick Creek and Tributaries, Parks Creek and Tributaries, Shasta River Below Confluence with Big Springs and Big Springs and Tributaries,



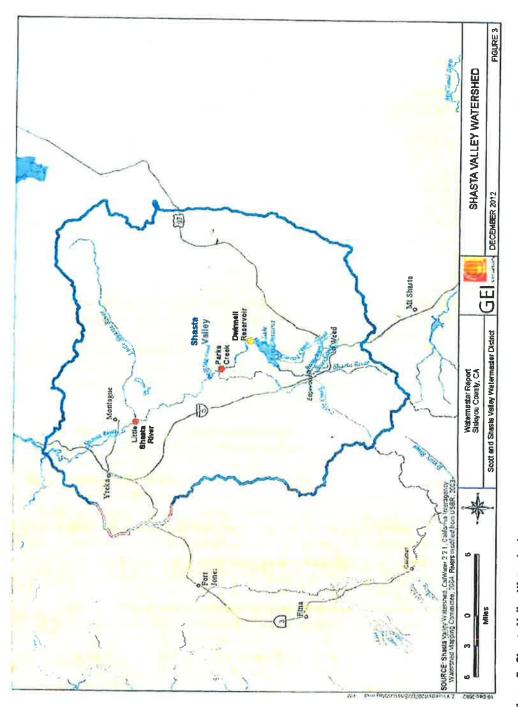


Figure 5. Shasta Valley Watershed

and Little Shasta River and Tributaries. These schedules are independent of each other. Within each schedule, each water right was assigned a unique priority based upon the date of appropriation or proof of claim.

MWCD holds SWRCB Permitted appropriative water rights for storage of surplus Shasta River and Parks Creek water up to 49,000 acre-feet (ac-ft) in Dwinnell Reservoir. This reservoir was constructed after the decree was finalized and blocked the water supply for some downstream decreed water users. By agreement with the District, five nearby downstream users receive water from storage in lieu of their decreed continuous flow allotments. The Watermaster manages the reservoir releases for these users.

Irrigation of permanent pasture and alfalfa lands is mainly by wild flooding. Much of the return water is recaptured and used on lower pasturelands. Sprinkling systems are used for irrigating some alfalfa and grain crops. Water is usually routed by diversion dams and then conveyed by ditch or canal. The largest and longest canal in the area is the Edson-Foulke Yreka Ditch, which has a capacity of about 50 cfs and a length of about 14 miles. Water is also supplied to ditch systems by pumped diversions, the three largest belonging to two irrigation districts and a private water users' association. Most riparian lands are also served by pump diversions. Many small storage reservoirs exist that are privately owned. Water from these reservoirs supplements continuous flow allotments.

Due to the large water rights of certain water users including Grenada Irrigation District and Shasta River Water Users Association, the Watermaster's close surveillance is necessary, particularly in dry years. Control of releases from MWCD's Dwinnell Reservoir deliveries of stored water to users just below the dam is another responsibility of the Watermaster. Control of releases from Hammond Reservoir, located in the Upper Shasta River, is also a duty of the Watermaster.

Willow Creek, a tributary to the Klamath River located north of the City of Montague, was once part of the DWR Klamath River Watermaster Service Area, but was later included in the Shasta River Watermaster Service Area. Willow Creek has had a long history of litigation. Watermaster service was initiated in 1949 when the California Department of Public Works, Division of Water Resources, was asked to referee a civil suit. The matter was not finalized by a decree until 1972. The issues involved were reopened in 1971, and by Siskiyou County Superior Court Decree No. 24482, dated April 28, 1972, the Siskiyou County Superior Court appointed DWR to provide Watermaster service in accordance with an earlier agreement between the three water users dated 1955, which defined their respective water rights. Water rights are by percentage with each user receiving a given percentage of the water supply until the flow drops to a specified amount below the upper two users. At that time, the flow is rotated between the upper two users. The main source of water for the Willow Creek stream system is from snowmelt. Runoff from snowmelt begins late in March or early April and is usually depleted by June. Thereafter, flows decrease rapidly until about mid-July. From then until the rainy season begins, the flow remains at a low-flow stage sufficient to provide domestic and stock-watering purposes to the two upper users.

The water users of the Lower Shasta River as well as the tributaries below Dwinnell Reservoir are under scrutiny from DFG for compliance with DFG's Code of Regulations regarding fish "take", screens, passage and downstream habitat. Water users can be cited for violations. Since the Shasta River water right Decree did not allocate any water for in-stream flow purposes, a basic conflict exists between the two sets of "laws." DFG is currently working with the users to obtain individual agreements for the operation of their diversions.

Watermaster service for the 2012 season began in the Shasta Valley WMSA on March 1 and ended on October 31, with John Clements, Keith Dick and Tim Beck as the field Watermasters. The following is a summary of the 2012 season for each sub-area within the Shasta Valley WMSA.

### 3.1 Upper Shasta River

The Upper Shasta River, Dale Creek, and Eddy Creek are on the same schedule of priorities. Stream flow was sufficient to fill all priorities until about July 1. Flows decreased to 40 percent of second priorities by September and remained near that level until the end of November. Lower priority users below the Yreka Ditch received return flow, inflow from springs as well as surplus flow from Boles and Beaughan Creeks after July 1. The water users below Boles Creek were able to divert near their full water rights the entire season. The Hammond Reservoir Irrigation Association, owners of Hammond Reservoir, was added to the DWR Shasta River Watermaster Service Area in 1989. The Association holds SWRCB Licenses for storage of water up to 350 ac-ft diverted from the North Fork Sacramento River. The stored water is released to the Shasta River and diverted by Diversions 4, 5, 6, 7, 15, and 19 to supplement the natural flow. The releases are measured at a weir downstream from the reservoir. The reservoir filled and remained near full until releases began June 28. The reservoir was drained by October 15. Diversions from the North Fork of the Sacramento River began April 15 and ended June 15.

#### 3.2 Parks Creek

Stream flow was sufficient to fill all water rights until the middle of June. Flows decreased thereafter and third priorities for the Yreka Ditch were discontinued by July 1. Flows continued to decrease with about only 3 cfs remaining by September. The water users along lower Parks Creek receive inflow from Kettle Springs and other springs and were able to divert their full water rights the entire season.

### 3.3 Beaughan, Boles, Carrick and Jackson Creeks

Flows for these streams originate mainly from springs and were sufficient to fill all water rights for Beaughan and Boles Creeks as well as supply additional water for the users along the Shasta River between Boles Creek and Dwinnell Reservoir. Some diversions or users were inactive which helped supply some lower priority users. Flows were usually sufficient to fill all water rights for Carrick and Jackson Creeks with close regulation by the Watermaster.

#### 3.4 Dwinnell Reservoir

Storage in Dwinnell Reservoir on March 1 was about 20,000 ac-ft but peaked at about 43,000 ac-ft in late May due to spring storms and snowmelt. On September 30, storage was down to about 6,000 ac-ft. By a long standing agreement with MWCD, owner of Dwinnell Reservoir, the water users along the Shasta River below the reservoir and upstream of Big Springs Creek received stored water on demand during the season in lieu of their decreed continuous natural flow allotments as follows:

<u>Name</u>	Allotment (ac-ft)	Delivered (ac-ft)				
Richards	1,200	1,150				
Emmerson	1,520	1,515				
Mallett	464	469				
Lea	65	66				
Lassen Canyon Nurse	гу <u>. 133</u>	0				
Total	3,382	3,199				

### 3.5 Big Springs Lake ...,

An agreement between E. J. Louie, A. H. Newton, Jr. and MWCD was established during the winter of 1986. They agreed that when the flow of Big Springs recedes from 17.5 cfs to 10 cfs, MWCD would do the following:

- 1.) Turn off the Basey pumps until the flow of Big Springs is 17.5 cfs or pay A. H. Newton, Jr. (current owner is Irene Busk) the additional power cost to use his pumps.
- 2.) If the flow of Big Springs falls below 10 cfs, shut off the Basey pumps until the flow returns to above 10 cfs.

Pumping by MWCD occurred early in the season, but the pumps were turned off on July 15 when the flow of Big Springs reduced to about 10 cfs. The flow of Big Springs remained near 10 cfs for the rest of the season.

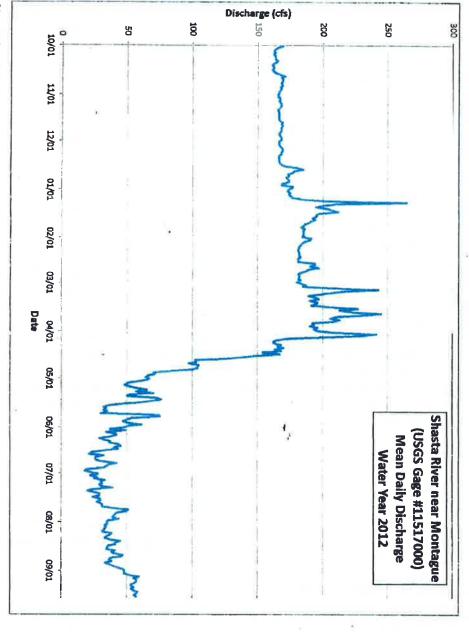
#### 3.6 Lower Shasta River

Stream flow was sufficient to supply near all priorities for most of the season. Grenada Irrigation District was limited to less than its full priority beginning in mid-June. Grenada shut off their pumps about August 1 to install a new diversion structure and pumps and did not divert for the rest of the season which ended September 30. The daily mean discharge at the USGS Shasta River stream gage, located shortly upstream from Montague-Grenada Road near Montague, for Water Year 2012 is shown in Figure 6.

#### 3.7 Little Shasta River

Stream flow was sufficient to supply all priorities until about June 1 when flows steadily decreased to fifth priority only by June 15. Flows decreased to 50 percent of fifth priority by July 1 and 20 percent of fifth priority by August 1 but remained stable the rest of the irrigation season which ended November 1.

Figure 6. Shasta River near Montague Mean Daily Discharge



## 3.8 Willow Creek (Tributary to Klamath River)

Only one of the three water users was active this season. Snowmelt lasted until July 1. On September 30 there was only about 0.2 cfs available for diversion.

### **EXHIBIT 6**

## TO ATTACHMENT NO. 1 TO PETITION FOR TEMPORARY URGENCY CHANGE PERMIT NO. 2452 HELD BY MONTAGUE WATER CONSERVATION DISTRICT

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The above image is a table adapted from Table 7 of the Shasta River Decree and used by the Watermaster to implement the Decree in the lower Shasta River. The area highlighted on the table represents the reach between Dwinnell Dam and the proposed point of re-diversion. This table does not include or show prior rights or riparian users. According to the Watermaster, Diversions 247 and 248 are combined, and Diversions 419, 420, 421, 422 and 493 are combined, and Diversions 249 and 250A are low priority rights that will be turned off due to priority prior to June 1, 2014.