

**Cooperative Agreement
between the
Orange County Water District,
United States Army Corps of Engineers
and the
United States Fish and Wildlife Service
to Cooperatively Manage
Orange County Water District's Lands
in Prado Basin, Riverside County**

Over the past decade, the Orange County Water District (OCWD), the United States Army Corps of Engineers (COE) and the United States Fish and Wildlife Service (USFWS) have worked together to enhance the water conservation and environmental values of Prado Basin, Riverside County, which has been identified as the most significant riparian and palustrine habitat in Southern California and is home to the least Bell's vireo, an endangered species. Numerous documents have been completed by OCWD, COE and the USFWS (the agencies) to develop a staged plan to increase water conservation potential beginning March 1 of each year as mitigation for the least Bell's vireo is planted and matures. Instituted in 1991, one-hundred acres of new vireo habitat has now matured and has allowed the water conservation pool to increase from elevation 494' to 498' in 1995. In an allied effort, OCWD began mitigating for the vireo in 1988 by funding a vireo management program which is administered by The Nature Conservancy. OCWD has committed approximately \$600,000 to this program to date. The combination of these two programs has resulted in a highly successful vireo recovery program. In 1986, when the vireo was listed as endangered, 19 pairs existed in Prado Basin. In 1994, 149 pairs existed in Prado Basin, a seven-fold increase that demonstrates a continuing commitment among the agencies.


Today, the agencies have identified *Arundo donax*, an invasive exotic plant species, as a major threat to the ecosystem of not only Prado Basin but the entire Santa Ana River watershed. *Arundo donax* is also a heavy consumer of water, far more than native species. Recently, the agencies have recognized the values to work cooperatively together in pursuing a more holistic approach in managing the various resources in Prado Basin and have recognized that the mitigation approach is very costly and time consuming, and that a dedicated *Arundo donax* removal program will ultimately be more effective in enhancing the environment of Prado Basin and the entire Santa Ana River watershed. Therefore, the agencies agree that the following management concepts are in the best interests of conserving more native Santa Ana River flows and enhancing the environmental values of Prado Basin and the Santa Ana River watershed.

1. The agencies agree to cooperatively manage the environmental values of OCWD lands that have been identified as critical habitat for the least Bell's vireo,

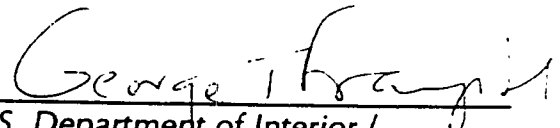
specifically OCWD lands in Prado Basin below elevation 543', fully recognizing the water conservation, water quality and various environmental values of these lands.

2. The agencies agree to meet on a quarterly basis to discuss water conservation, water quality and wildlife enhancement objectives.
3. Least Bell's vireo mitigation completed thus far by OCWD, per the Prado October 1992 EIS, has resulted in significant recovery of the species in Prado Basin. While the Prado October 1992 EIS and other agreements have been beneficial, a more productive use of the efforts of the agencies towards expanding an ecosystem-wide program as quickly as possible, in keeping with the spirit of the Prado October 1992 EIS, will benefit both wildlife and water conservation programs.
4. OCWD and USFWS agree to meet annually to specifically review Arundo donax removal efforts and re-prioritize the program if necessary. In this regard, a goal of treating all of the Arundo donax within a three-year time frame will be established.
5. OCWD shall contribute \$1,000,000 to establish a conservation fund that will be used to remove Arundo donax in the Santa Ana River watershed. With respect to the \$1 million contribution, OCWD will contribute the money in four equal payments (\$250,000 each) beginning June 1, 1995 and semi-annually thereafter on January 1, 1996, June 1, 1996 and January 1, 1997. The use of this conservation fund shall be at the direction of the Service subsequent to input from, and discussions with, OCWD and the Corps. The Arundo donax removal program will be reviewed annually in January of each year by OCWD and the USFWS to determine its effectiveness and to redirect the program if necessary.
6. This Cooperative Agreement is consistent with the implementation of an annual mitigation plan pursuant to the Memorandum of Agreement (MOA), dated January 1994, between the U.S. Army Corps of Engineers and the Orange County Water District for the operation of Prado Dam for seasonal additional water conservation. The Cooperative Agreement fully satisfies the annual mitigation plan to achieve a permanent water conservation pool to elevation 505', per the MOA. Additional mitigation must be implemented by OCWD at a future time to achieve a permanent water conservation pool above 505'.
7. As part of this Cooperative Agreement, OCWD will employ a full-time temporary employee to assist in the vireo management program. This full-time position will be filled in the March through September time frame each year and will then serve as a part-time temporary employee in the October through December time frame each year to assist in completing the vireo management report for The Nature Conservancy. This position will be fully funded by OCWD and will be hired by OCWD, with input from USFWS. After a period of five years (year 2000), the agencies will determine if this position is still necessary and/or explore other options to assist in the vireo management program.


8. If, in the event that the water conservation pool to elevation 505' impacts existing occupied nests of least Bell's vireos, OCWD, in cooperation with USFWS, will dedicate personnel to physically relocate nests to minimize impacts from the higher water conservation pool.
9. From March 1 to August 30 of each year, OCWD agrees to take a flow of 500 cfs or a flow that equals the District's maximum recharge capacity, whichever is greater, up to a pool elevation of 505'. If it is in the agencies best interests to reduce the outflow from Prado Dam below 500 cfs, OCWD and the USFWS must both approve the new outflow program. If weather and hydrologic forecasts and reservoir conditions indicate that the pool elevation may exceed 505' because of a projected disparity between inflow and outflow, the water control manager at the Reservoir Operation Center shall take any and all steps necessary (including the immediate release of water at the maximum possible rate) to (1) prevent the pool elevation from exceeding 505' or (2) to reduce, to the extent possible, the amount of time the pool is above 505' if, in fact, the early release of water at the maximum possible rate does not succeed in keeping the pool elevation below 505'. These requirements shall be followed unless the agencies find that it is in the best interests of the agencies to deviate from this arrangement.


General Manager

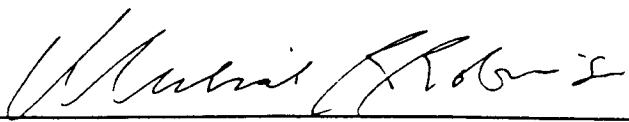

President
For Orange County Water District


For U.S. Department of Interior /
U.S. Fish and Wildlife Service

APPROVED AS TO FORM

By  4-11-95
General Counsel for
Orange County Water District

This Cooperative Agreement fully satisfies the requirements contained in the Memorandum of Agreement for a permanent water conservation program for elevation 505' at Prado Dam beginning March 1 and ending on August 30 each year.


For U.S. Army Corps of Engineers