

January 28, 2019

Re: 2019 Middle Rio Grande Conservancy District Water Bank

Dear Applicant:

The Middle Rio Grande Conservancy District (MRGCD) Board of Directors initiated the Water Bank in order to allow owners or lessees that have severed pre-1907 water rights from the land to continue irrigating under surplus water supply conditions. It is very important to the MRGCD that as many irrigable acres as possible remain in agricultural production so we are pleased to work with constituents to identify lands that can benefit from this policy.

MRGCD is informing you that 2018 was an extremely dry year requiring partial season curtailment during the Water Bank season and many of you suffered water shortages. The MRGCD Board of Directors and staff extend our sympathies to those of you who were impacted by the water shortfall. In preparation for 2019 we are again offering you an opportunity to utilize the MRGCD Water Bank. Water supply conditions will likely have a surplus supply for some period; however, as to date for this time of year snowpack conditions are very much better than last year and near the long-term average.

It is likely that there will be periods of time in 2019 when water may not be available for all irrigators and deliveries to properties with Water Bank leases may be curtailed. Water will not be delivered to the property for which the Water Bank application was made while a curtailment is in effect. You, the applicant, have the options within lands under cultivation to designate a portion of the land as an alternate curtailment location, then farming may continue at the preferred location during curtailment. We are asking that if you are intending to set an alternate curtailment location within property you own and irrigate anywhere within the District, you must declare that intention prior to receiving water on the Water Bank land. The sooner we learn of this intention the better.

Water Bank users may resume irrigation after curtailment is lifted and as scheduled with your Irrigation System Operator (ISO).

Enclosed please find a Water Bank application/renewal form for 2019. If you would like to lease water or continue to lease water from the MRGCD Water Bank for irrigation, this form must be completed and returned to MRGCD and payment made before water will be delivered to your property. A Water Bank Lease Agreement must also be signed and notarized before **ANY** irrigation takes place, no exceptions. Your ISO will have a list of properties that have a "green light" to irrigate or a "red light" to not irrigate if the Lease Agreement is not signed or fees and assessments have not been paid.

The rates for the calendar year 2019 are as follows: The Water Bank Lease Fee will be \$50.00 per/acre and the Water Service Charge will be \$43.00 per/acre. An Administrative fee of \$100.00 per application is required. This fee is valid for up to a maximum of five (5) consecutive years as long as the lease is renewed annually and is not changed. Any applicant making changes to a Lease Agreement upon renewal within the 5-year period will incur an additional \$100.00 Administrative fee.

Starting this year, if the applicant is entering into a new five-year Lease Agreement, lessees will no longer be required to renew the Lease Agreement annually but must certify that no changes are being made on the annual application. If changes are made either to the lands under the Water Bank or the alternate curtailment location, then a new Lease Agreement will need to be signed before the property will be eligible for water.

Water Bank applicants must have paid all required fees in full prior to receiving water from the Water Bank and must not be delinquent on any fees or assessments owed to MRGCD.

Finally, to obtain a lease, Water Bank applicants must be in compliance with all provisions of the MRGCD Revised Rule No. 23 (Water Bank).

Please review MRGCD Revised Rule No. 23 regarding curtailment of deliveries to Water Bank leases. If an alternate curtailment location is requested and approved by MRGCD, it may not be changed during the irrigation season. It is the responsibility of the applicant to provide all appropriate documentation associated with the lease application, including any required maps, to MRGCD at the time of application.

We look forward to working with you during a successful 2019.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike A. Hamman", with a long horizontal flourish extending to the right.

Mike A. Hamman, CEO

Enclosure: Water Bank lease application
Water Bank information-mrgcd.com



MIDDLE RIO GRANDE CONSERVANCY DISTRICT
 PO Box 581/1931 SECOND STREET SW, ALBUQUERQUE, NM 87103-0581
 (505) 247-0234 Fax (505) 243-7308
www.mrgcd.com



WATER BANK WATER LEASE APPLICATION

A \$100 ADMINISTRATIVE FEE MUST ACCOMPANY APPLICATION.
 AGRICULTURAL WATER LEASE FEE IS \$50.00 PER IRRIGATED ACRE PER YEAR
 WATER SERVICE CHARGE IS \$43.00/ACRE/YEAR

MRGCD FILE NO _____	DATE _____
Applicant Name _____	MRGCD Owner # _____
Contact Person _____	
Property Owner (IF DIFFERENT THAN APPLICANT) _____	
Mailing Address _____	
Street / PO Box	City
State	Zip
Street Address _____	
Street / PO Box	City
State	Zip
Phone No. Home: _____	Work/Cell: _____
County: _____	

PLACE OF USE – DESCRIPTION OF PROPERTY _____ ACRES OF LAND TO BE IRRIGATED
 (IF YOU NEED MORE SPACE, USE BACK OF THIS FORM)

LEGAL DESCRIPTION & COUNTY PROPERTY CODE (UPC) _____

	IRRIGATED ACRES	TOTAL ACREAGE
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THE APPLICANT AFFIRMS THAT THE WATER RECEIVED UNDER THIS WATER LEASE APPLICATION WILL ONLY BE USED FOR ARGICULTURAL OR RELATED PURPOSES AS DETERMINED BY THE MRGCD.

NEW APPLICATION

CERTIFY "NO CHANGE" TO LAND UNDER THE 5-YEAR CONTRACT

IF RENEWING AN EXISTING LEASE, DATE CURRENT LEASE BEGAN: (DATE) _____

CURRENT IRRIGATION SEASON: _____ 2019

SOURCE OF WATER SURFACE GROUNDWATER

WILL THERE BE AN ALTERNATIVE CURTAILMENT PARCEL TO BE DECLARED? YES NO

NAME OF DITCH: (IF APPLICABLE) _____ IS TURNOUT AVAILABLE? YES NO

LOCATION: _____

APPLICANT MUST BEAR ALL COSTS ASSOCIATED WITH TURNOUTS OR STRUCTURES AS NECESSARY TO RECEIVE LEASED WATER AND MUST PAY ALL APPLICABLE WATER SERVICE CHARGES, ADMINISTRATIVE FEES AND OTHER APPLICABLE CHARGES

HAVE PRE-1907 WATER RIGHTS BEEN: SOLD* TRANSFERRED* LEASED* OTHER*

* IMPORTANT – PLEASE FURNISH ALL SUPPORTING DOCUMENTATION

PLEASE ATTACH A MAP IDENTIFYING THE ACREAGE TO BE DRIED UP WHEN CURTAILMENT CONDITIONS ARE IN EFFECT. (THIS DESIGNATION WILL REMAIN IN EFFECT FOR THE ENTIRE IRRIGATION SEASON.)

LESSEE OWNER APPLICANT SIGNATURE _____

Under MRGCD policy, deliveries of water under Water Bank leases will only be possible when curtailment conditions are not in effect. For further information on when water deliveries may be curtailed, please refer to MRGCD Water Bank Rules, Revised Rule No. 23.

THIS APPLICATION IS NOT A LEASE AGREEMENT AND DOES NOT GUARANTEE THAT YOU WILL BE APPROVED FOR A WATER BANK LEASE. DELIVERIES OF WATER WILL NOT BEGIN UNTIL A WATER BANK LEASE AGREEMENT HAS BEEN SIGNED BY THE APPLICANT AND ACCEPTED BY THE MRGCD.