



# United States Department of the Interior

BUREAU OF RECLAMATION  
2800 Cottage Way  
Sacramento, CA 95825-1898



IN REPLY REFER TO:

MP-3000  
1.3.11

To: Eric R. Quinley  
General Manager  
Delano-Earlimart Irrigation District

Subject: Reclamation Request for Delano-Earlimart Irrigation District Assistance to Prepay  
Trinity Public Utilities District (PUD) Assessment

Dear Mr. Quinley,

Beginning in March 2007, Reclamation initiated a process where collections for the Trinity PUD Assessment were made to water users based on an assessment per acre-foot of water delivered. This assessment has been collected similar to the Restoration Fund from over 300 contractors. Accounting for this process is very complex for both Reclamation and the water users as it is accounted for in detail for payments and the assessed amount per acre-foot. The assessment has historically been in the range of 10 cents per acre-foot. The amount collected by water users is remitted to the Trinity PUD as outlined in the Public Law 106-377, Appendix B. Although this process has been utilized since 2007, it is administratively inefficient for both the water users and Reclamation.

Therefore, Reclamation would like to introduce a more efficient approach which would significantly streamline the recovery of the Trinity PUD Assessment and the remittance to Trinity PUD. We would like to work with Delano-Earlimart Irrigation District to pay the annual amount in a lump sum each year and have a correlating amount credited to Delano-Earlimart Irrigation District O&M rates of the same year. Since an amount would be credited to Delano-Earlimart Irrigation District for O&M, the correlating amount would have to be added to the O&M cost so that all contractors pay for the credit provided. The amount added to O&M for all water users to remit would be based on the allocation each year of the assessment based on delivered water to each user. Collection of amounts necessary to equal the Trinity PUD Assessment added to the O&M cost will be trued up in the Annual Accounting Analysis process for all contractors. Reclamation agrees to keep Delano-Earlimart Irrigation District whole as it relates to fiscal exposure under this agreement if collections from all contractors are insufficient to credit Delano-Earlimart Irrigation District for the lump sum it provides to Reclamation by pledging O&M revenues from all contractors on a priority basis.

After clarifying discussions and analysis, Delano-Earlimart Irrigation District has provided interest in helping to streamline the process and is willing to make the annual Trinity PUD assessment in a lump sum payment as outlined above. Reclamation thanks Delano-Earlimart Irrigation District for its willingness to work with Reclamation to streamline this process so that water users and Reclamation can focus on other financial issues that are a better use of Reclamation's resources.

Once this agreement is in effect, this process will commence for the 2024 water year for the Project water only. Reclamation will assess and collect Trinity PUD charges for non-Project water. Water users will receive correspondence that addresses the new improved process and confirmation that the assessment per acre-foot under the previous method will cease on March 1, 2024.

The payment in lump sum will be due in June each year based on a Reclamation letter to Delano-Earlimart Irrigation District providing the amount payable based on a slight change each year due to indexing the Assessment as identified in the legislation. For the Delano-Earlimart Irrigation District water contractor Annual Accounting Analysis, Part 1, Reclamation will credit Delano-Earlimart Irrigation District for the advance Trinity PUD funds. Part 2 of the analysis will reflect the total amount received by Reclamation. These two entries will have a footnote that reflects what each represents. The annual Accountings will have a separate schedule that identifies the total amount received by Reclamation for Trinity PUD which is credited to Delano-Earlimart and a corresponding amount allocated to all contractors representing the cost to cover the credit.

This agreement will be effective based on the date and signatures included below, will continue for a period of two subsequent federal fiscal years, and be subject to any subsequent mutually agreeable modifications of the parties.

Agreed to this 26th day of December, 2023:

**SABIR AHMAD**

Digitally signed by SABIR  
AHMAD  
Date: 2023.12.26 11:46:19  
-08'00'

Sabir Ahmad  
Regional Finance Manager  
California-Great Basin  
US Bureau of Reclamation



Digitally signed by Eric R. Quinley  
DN: cn=Eric R. Quinley, o=Delano-  
Earlimart Irrigation District, ou,  
email=equinley@deid.org, c=US  
Date: 2023.12.26 11:22:26 -08'00'

Eric R. Quinley  
General Manager  
Delano-Earlimart Irrigation District