RULE NO. 177

ADOPTED 03/19/24

ESTABLISHING A POLICY FOR ON-FARM RECHARGE OF SURFACE WATER

WHEREAS, the California legislature established the Stockton East Water District (district) in 1948 to insure proper management of the underground water basin and provide supplemental water supplies. The district provides surface water for both agricultural and urban uses, and encourages the continued expansion of surface water diversions instead of pumping groundwater for the benefit of the groundwater basin. By providing surface water for agricultural irrigation, the district supports a reliable water supply for a San Joaquin County's agricultural industry that is the area's leading economic activity; and,

WHEREAS, the district is located within the critically overdraft Eastern San Joaquin Groundwater Subbasin, which must achieve groundwater sustainability by 2040 through management actions to correct an average annual overdraft of 37,000 acre-feet, as identified with the 2014 Sustainable Groundwater Management Act and the Eastern San Joaquin Groundwater Sustainability Plan; and,

WHEREAS, the district has applied for multiple water rights on the Calaveras River and Littlejohns Creek to divert storm flows to underground storage between November 1 and April 30, and the district has identified a need to progress towards perfecting the water right applications, but lacks sufficient infrastructure to fully enjoy available supplies without development of additional diversion facilities; and,

WHEREAS, the district holds contracts for water on the Calaveras and Stanislaus Rivers and wishes to maximize use of those water rights for diversion to underground storage; and,

WHEREAS, the State of California allows the diversion of certain flood flows without a water right permit as detailed in Water Code Section 1242.1, and the district wishes to encourage the diversion of such water; and,

WHEREAS, the Board of Directors desires to establish a formal policy to encourage the diversion of available water to underground storage by adopting a Rule, as authorized by the District Act (Act), which allows the Board of Directors to adopt Rules and Regulations as it deems necessary and proper for carrying out provisions of the Act; and,

WHEREAS, the purpose of this Rule is to state the district's policy of encouraging the diversion of non-irrigation season flows described above ("Recharge Water") to underground storage for offsetting pumping of groundwater.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF STOCKTON EAST WATER DISTRICT HEREBY ENACTS AND ESTABLISHES RULE NO. 177:

- 1. Any landowner proposing to divert Recharge Water pursuant to this Rule shall only do so through a district approved, metered surface water diversion facility and all customer accounts must be in good standing with the district.
- 2. An intent to divert Recharge Water form must be submitted to the district annually to participate in the program, and the District will notify participants when Recharge Water is available pursuant to this Rule.
- 3. The district will cover all direct and indirect costs for flow modeling and forecasting,

California Environmental Quality Act (CEQA) compliance, water right permit fees, and any consultant support necessary to facilitate approval of Recharge Water diversion.

- 4. The landowner is responsible for all costs related to operation and maintenance of the surface water diversion facility. Related costs include, but are not limited to, power, equipment maintenance, operation personnel, repairs, land lease, and any other related cost incurred through the typical operation of a surface water diversion facility and irrigation system.
- 5. The district may require a field drain flow measurement device depending upon a property's topography, soil profile, and method of recharge. The device will be used to verify Recharge Water is not leaving the property and re-entering the drainage watercourse(s). Under this condition, the volume of water re-entering the drainage watercourse will be deducted from the volume of water diverted to the field for recharge, resulting in net Recharge Water.
- 6. Recharge Water may be applied for recharge by any acceptable means, including flood irrigation, above ground or subsurface irrigation, leach system, or dry well.
- INCENTIVE PROGRAMS Two programs are available for agricultural water users within the district to incentive the diversion of Recharge Water. The two programs each provide the landowner compensation for on-farm recharge of surface water annually between November 1 and April 30 or the beginning of the irrigation season; whichever occurs first.

a) <u>Lifted Diversions</u>. Landowners will receive payment of \$80 per acre-foot of measured net recharge and a groundwater credit equal to 50% of the measured net recharged volume. For example, if 100 acre-feet are recharged, the landowner will receive compensation of \$8,000 (\$80/AF x 100AF) and a 50 acre-feet groundwater credit and the district will benefit by 50 acre-feet.

b) <u>Gravity Diversions.</u> Landowners will receive payment of \$25 per acrefoot of measured net recharge and a groundwater credit equal to 50% of the measured net recharged volume. For example, if 100 acre-feet are recharged, the landowner will receive compensation of \$2,500 (\$25/AF x 100AF) and a 50 acre-feet groundwater credit and the district will benefit by 50 acre-feet.

8. LIMITATIONS – Both programs are subject to the following limitations of use.

a) <u>Application of Recharge Compensation</u>. Landowners will receive compensation as described in Section 7 in the form of a monetary payment from the District. The payment will be provided monthly for the net recharge volume totalized between the District's previous and current flow meter readings.

b) <u>Use of Recharge Credit.</u> The landowner will receive a groundwater credit equal to the net recharged volume. The volumetric credit may be applied to any other parcel(s) owned or leased by the recharger and will apply as a volumetric credit to groundwater pumped for irrigation during the following irrigation season. Any applied credit balance remaining after Final Billing will be refunded to the landowner at the current groundwater rate.

b.) <u>Unauthorized Diversion</u>. Diversion of Recharge Water to underground storage shall occur only after notice by the District, and in accordance with this Rule.

Any volume of water diverted without authorization shall be charged to the diverter at the current surface water rate and no recharge credit shall apply.