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Letter to Landowners

September 11, 2020

Dear Landowners and water users,

Formal Notice for 2020 Pump-in Period for Return of Stored Groundwater

If you or a previous owner of the property you farm signed either a "Groundwater Pumping Agreement" or a contract for "Intermittent Water Deliveries In Lieu of Groundwater Pumping" with the District, you have an obligation to keep your well(s) operational and to operate your well(s) on behalf of the District at times it is not used for your on farm needs to meet the District's obligation for the recovery of banked water.

Under the groundwater storage program, the District has a very important responsibility to return Stored Water to our Banking Partners. This will require the operation of District wells and landowner wells during the late summer and fall such that the stored water can be returned to the bankers via the California aqueduct.

This year our banking partners as of have requested the recovery of approximately 54,000 AF. As of August 31^{st,} we have returned 30,880 AF or approximately 57% of target.

Please consider this your formal notice, under Paragraph 8 of your "Groundwater Pumping Agreement" or Paragraph 6 (c) of your "Intermittent Water Delivery Contract," that *the pump-in period for the return of stored groundwater will begin on September 21st* with both District wells and Landowner wells. Therefore, please take the necessary steps to ensure that your well is available for operation. **If your well is inoperable, please contact the District at your earliest convenience.**

We do not anticipate operating your well continuously and may not call on it at all, but you should be prepared to operate your well on behalf of the District if called upon. Resistance to running your wells could result in future denial of benefits including delivery of non-contract water when it is available.

Also, during the pump-in period the District facilities will not be available for wheeling water. Some of the basic provisions of the agreements are:

- 1. You will have first priority to your well to meet your on-farm water needs during the pumping period.
- 2. The District agrees to pay all electrical or alternate fuel costs (including standby or other similar charges) incurred during the "pumping period" for the recovery of banked water. An advance payment to cover your estimated power cost, as noted below, will be made each month for the water recovered that period.

Well Type	Summer Rate (\$/AF) Sept 1 to Oct 31	Winter Rate (\$/AF) Nov 1 to Jan 31
Electric Driven Wells	\$110	\$98
Natural Gas Engine	\$110	\$98
Diesel Engine	\$136	\$136

The actual cost of operating your well for the recovery of stored water will be reconciled once we receive your actual PG&E billing or invoices for your fuel consumption.

For those landowners who operate wells served by PG&E, please take a moment to complete the attached Landowner Authorization form and return the completed form to the District. For those landowners who operate wells served by PG&E and have been connected to the District's Well Telemetry Project, please provide the authorization for access to the "Share My Data" information, as requested in our May 6, 2020 letter, copy attached. This will provide the District access to your billing records which will ease the reconciliation process. If you choose to not complete the third-party authorization form or provide access to the Share My Data information, you are obligated to provide copies of your PG&E bills. We hope that you will provide the District authorization to obtain the Share My Data information as it will expedite the energy reconciliation work and will provide for more timely payments to landowners.

- 3. Under the specified formula in each agreement, in addition to your energy costs, the District agrees to pay:
 - \$15.14 per acre-foot of water returned for electric driven wells or
 - \$30.39 per acre foot returned for diesel or natural gas engine driven wells.

This payment will be made once the District has received your electrical, natural gas, or diesel bills.

- 4. If and when you are requested to operate your well, you will be responsible to operate the well continuously (24 hours per day) unless you are requested to do otherwise
- 5. If you signed an "Intermittent Water Service Agreement." We will not pump more water from your well than we have delivered to your farm unless you want us to do so. If you have any questions regarding your obligations under the "Intermittent Water Service Agreement" please do not hesitate to call the District Dispatcher.

Our intent, to the extent possible, is to rotate the pumping during the pumping period across the District during the duration of the 2020 pump-in period. At this time, the pump-in period is expected to continue through the end of November 2020, however the end of the pump-in program is dependent upon your cooperation and may extend into January of 2021.

Prior to pump-in operations, the District must first purge the system using water from the California aqueduct, therefore starting the week of September 12, 2020 the District will be offering allocated non-contract which will be available up to September 18th. On September 19th, the District's in-lieu systems will be depressurized to allow on farm wells to pump into the District's system without having to overcome system pressure. Therefore, during the pump-in period, irrigation within the in-lieu systems can only be accomplished with on farm wells as identified in your intermittent water service agreement.

The systems that will be depressurized have turnouts that begin with the letters G, H, J, K, L, P, R and U.

Fee for Unauthorized Changes

On August 13, 2014, the Directors of the Semitropic Water Storage District increased the fee for "Un-notified turn-ons and turn-offs" (Section 4, paragraph G of the Semitropic Rules and Regulations) to \$500.00 per occurrence, this includes unauthorized flow adjustments. The increase went into effect on September 1, 2014. The operation of the District facilities is a carefully coordinated effort whereby the water orders for the day are aggregated such that we can optimize the use of District facilities in concert with ordering water from the State.

Any unauthorized change can cause an upset to the system therefore your cooperation is needed to keep the system working properly. If you must change your order, please notify the District Dispatcher immediately so that we can work to meet your needs. Notifying the field operators of your change is not adequate notice as it is the Dispatchers responsibility to coordinate all water deliveries.

24-hour Operations

The District will begin operating on a 24 hour operations cycle once recovery operations begin, therefore, given the current situation with copper theft within our District, **our night operators** will be driving trucks with a rotating amber light so that they are visible when checking the system.

Thank you for your cooperation in making our banking program a continued success and do not hesitate to contact me if you have any questions or concerns.

Sincerely,

Jason Gianquinto General Manager

Enclosure