



State Water Resources Control Board

July 8, 2022

Mr. Jesse McNames JM Forestry LLC dba Crystal Creek Ranch



APPROVAL OF GROUNDWATER LOCAL COOPERATIVE SOLUTION FOR JM FORESTRY LLC (DOING BUSINESS AS CRYSTAL CREEK RANCH) AND RICHARD ANSTEAD

Dear Messrs. McNames and Anstead:

On August 17, 2021, the State Water Resources Control Board (State Water Board) adopted a regulation establishing drought emergency minimum flows in the Scott River and Shasta River watersheds (Cal. Code Regs., tit. 23, §§ 875-875.9) (Regulation). Under the Regulation, local cooperative solutions may be submitted by individuals or groups as alternative means of reducing water use. The Division of Water Rights has reviewed the proposed local cooperative solution and finds that it meets the requirements of Regulation section 875, subdivision (f)(4)(D), with conditions. Additional details regarding the contents of the proposal and conditions are described below.

For overlying or adjudicated groundwater diversions for irrigated agriculture described in Regulation section 875.5, subdivision (f)(4)(D), the Deputy Director for the Division of Water Rights (Deputy Director) may approve a local cooperative solution totaling at least 400 irrigated acres where the proposal is based on a binding agreement, and it reduces water use in the Scott River watershed by 30 percent compared to 2020 or 2021 during the total irrigation season (April 1 – October 31), and specifically includes a 30 percent monthly reduction in water use for July through October. (See section 875.5, subdivision (f)(4)(D) of the Regulation.) Such reductions may be

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demonstrated by a number of mechanisms, including pumping reports, conservation measures, electric bills, or planting decisions.

The State Water Board received a proposal from JM Forestry LLC¹ (petitioners) for approval of a groundwater local cooperative solution that includes commitments to reduce water use by at least 30 percent as specified under Regulation section 875.5, subdivision (f)(4)(D)(ii). This proposal provides for reduced water use from groundwater wells on approximately 412 acres that is leased and operated by Crystal Creek Ranch, and is associated with Assessor's Parcel Numbers (APNs) 023-040-420, 023-040-330, 023-450-100, 023-450-110, 023-450-040, 023-040-220, 023-040-440, 023-040-430, 023-040-390, 023-040-470, 023-040-320, 023-040-210, and 023-040-400, based on information provided in the local cooperative solution proposal. In addition, the proposal provides for reduced water use from groundwater wells on approximately 140 additional acres of land that is leased and operated by Richard Anstead, and is associated with APNs 023-010-110, 023-030-170, 023-020-010, 023-040-480, 023-040-490, 023-020-160, 023-040-500, 023-090-290, and 023-090-300, as provided in the local cooperative solution proposal. The proposal indicates that the lands are also served by surface water, but that surface water will not be used to replace the groundwater conserved under this proposal.

The proposal includes detailed spreadsheets describing the conservation plan's water savings as compared to 2020, maps, an equipment water use performance data sheet, narrative description of conservation actions, and tracking method. The proposed local cooperative solution sets forth verifiable conservation measures to reduce water use on the identified parcels be approximately 30 percent, relative to a 2020 baseline. The proposed conservation actions include: transitioning from flood irrigation to pivot, transitioning pivots to Low Energy Precision Application (LEPA) pivots, fallowing land, installation of more efficient wheel line nozzles, switching 40 acres from orchard grass to less water-intensive wheat/grain, reduced cuttings (i.e., some fields cut only twice and most likely none will have fourth cutting), reduced use of end guns, reduced irrigation pressure and reduced irrigation set runtimes.

The proposal also includes two separate Binding Agreements (Agreements)² with the Siskiyou Resource Conservation District (RCD) granting the Siskiyou RCD sufficient access to verify compliance with the proposal.

The Division of Water Rights has reviewed the local cooperative solution proposal and finds that it meets the requirements of Regulation section 875, subdivision (f)(4)(D), with the following conditions:

• To the extent surface water is available to the petitioners, surface water used in the 2022 irrigation season shall not exceed the amount of water used during the 2020 irrigation season, nor decrease the estimated overall

¹ JM Forestry LLC is doing business as Crystal Creek Ranch. The local cooperative solution proposal also includes Richard Anstead.

² The Siskiyou RCD has separate binding agreements with JM Forestry LLC and Richard Anstead, respectively, for this local cooperative solution proposal.

30 percent reduction in groundwater use approved as part of this local cooperative solution.

- The applicable party (i.e., JM Forestry LLC or Richard Anstead) is responsible for implementing the applicable conservation actions described in the proposal for the lands described in this proposal that are under their control.
- As Mr. Anstead portion of the proposal cannot meet the groundwater use reduction requirements for approval entirely on its own, in the unlikely event that JM Forestry LLC's water use increases in the July through October period, Mr. Anstead shall be required to identify an additional 0.6 percent in groundwater conservation during this period.

As determined by the Regulation under section 875, subdivision (f)(4)(D), continued diversions under this local cooperative solution are reasonable and will not result in injury to other legal users of water. Your local cooperative solution proposal, dated February 26, 2022, including the conservation plan, together with the terms of your executed Agreements dated April 19, 2022, are hereby conditionally approved. As described in Regulation section 875, subdivision (f)(2), any violations of this approval are subject to enforcement as a violation of the Regulation. Additionally, violations of other provisions of the Regulation (e.g., prohibition on inefficient livestock watering, surface water curtailment) may result in termination of this approval. Any changes to the approved local cooperative solution or Agreements shall be submitted to the Deputy Director for review and approval prior to implementation.

So long as this approval and the terms of the proposal and the Agreements remain in effect, the curtailments associated with water rights SG003011, SG003253, SG003718, SG003419, SG003033, and SG003394 are suspended as to the above-referenced properties that are leased by JM Forestry LLC and Richard Anstead, and are part of this proposal. Please note that this approval does not affect the curtailment status of the surface water rights referenced in this proposal.

Thank you for your efforts to help support both farming and fisheries in the Scott River watershed during this drought emergency.

If you have questions regarding this letter, please reach out to staff by email at: **ScottShastaDrought@waterboards.ca.gov** or leave a message on our phone line at: (916) 327-3113.

Sincerely,

for Erik Ekdahl Deputy Director Division of Water Rights

ec: Siskiyou Resource Conservation District Email: chris@siskiyourcd.com