Prop 218 & GSP Efforts Presentation

March 19, 20, & 21, 2024
Agenda

10:00 – 11:00 AM
• Welcome & Introductions
• SGMA and MKR GSA Overview
• State Probationary Hearing
• MKR GSA Efforts Underway
• Funding for Local Control

11:00 AM – 12:00 PM
• Q&A (Pre-Submitted Questions)
• Open Q&A Session
Main Points of Presentation

• The State Board views that there hasn't been enough progress (concrete steps) on SGMA and will not accept more promises at this point.

• The State Board has concluded that the Ag / Industrial pumpers are causing the Undesirable Results in the area, and they want those pumpers to either cut back so impacts don't occur, or pay to mitigate the impacts on other users.

• The finances that support GSA efforts are just as important as the Revised Subbasin Plan, which are just promises if there isn't funding to accomplish them.

• If the State Board doesn't feel confident in local groundwater management, they will put the Subbasin in probation, and could begin managing local groundwater a year later (2025).
SGMA & MKR GSA Background
SGMA Background

- State Constitution says all water belongs to the State
- CA one of the last states in the US to begin regulating groundwater
- SGMA became law in 2014 after outcry over so many dry wells in the SJ Valley

- Requires:
  - The protection of existing and future uses of groundwater through the reliable elimination of Undesirable Results by 2040
  - High priority subbasins (like our area) to have formed GSAs with complete subbasin coverage by 2017
  - Initial Groundwater Sustainability Plans (GSPs) to be developed by Jan 2020
Who is the MKR GSA?

Comprised of 3 local public agencies:
- Kings County Water District
- City of Hanford
- County of Kings
MKR GSA Background

• Formed in fall 2016
• Joint Powers Authority (JPA) involving Kings Count Water District (KCWD), Hanford and Kings County
• Financially supported by JPA members and grants to date
• Became one of five GSAs in the Tulare Lake Subbasin
  • South Fork Kings GSA (Lemoore area), El Rico GSA (Corcoran area), Southwest Kings GSA (Kettleman City area), Tri-County Water Authority GSA (Angiola area)
• One GSP (Plan) for all five GSAs in the Tulare Lake Subbasin
Recent Key Dates

- **TLS GSP versions rejected twice by DWR**
- **March 2023**
  - State Board involvement begins
- **October 2023**
  - State Board issues staff report on TLS GSP Deficiencies
- **March 2024**
  - Revised TLS GSP submitted to State Board
- **April 2024**
  - State Board Probationary Hearing in Sacramento
- **April 2025**
  - Potential start of State regulation of local groundwater
SGMA Agency Roles

CA DEPARTMENT OF WATER RESOURCES
Regulate and Assist the local GSA

STATE WATER RESOURCES CONTROL BOARD
Enforce SGMA and intervene if necessary

MID-KINGS RIVER GSA
Plan and implement sustainability by 2040 locally
State Water Resources Control Board (State Water Board)

- Developed more than 40 years ago, the CA Legislature created the State Water Resources Control Board and gave it **broad authority and responsibility** to protect water quality, and balance competing demands on State water resources and attempt to resolve decades-long water disputes.

- The five-member State Water Board allocates water rights, adjudicates water right disputes, develops statewide water protection plans, establishes water quality standards, and guides the nine Regional Water Quality Control Boards located in the major watersheds of CA.

- SGMA grants them the authority to temporarily manage groundwater in a Subbasin that has not demonstrated significant compliance with SGMA through an acceptable GSP.
The State Board's conclusion is that the Ag / Industrial pumpers are causing the Undesirable Results in the area, and they want those pumpers to either cut back so impacts don't occur, or pay to mitigate the impacts on other users.
## Local Aquifer Zones

<table>
<thead>
<tr>
<th></th>
<th>Cumulative Acres</th>
<th>Discrete Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>40,310</td>
<td>A, B, C</td>
</tr>
<tr>
<td>B</td>
<td>97,363</td>
<td>B, C</td>
</tr>
<tr>
<td>C</td>
<td>85,273</td>
<td>B</td>
</tr>
</tbody>
</table>

### Discrete Acors:
- **A**: 40,310
- **B**: 44,963
- **C**: 12,090

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### Map Description:
- **Aquifer Zones**
- **E-Clay Excess (U.S.G.S.)**
- **B-B' Cross Section (USGS)**

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### Mid-Kings River GSA
- **Parcel Classification Aquifer Zones**

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**Provoast & Pritchard**
Significant Issues by Zone

- A-zone: shallow domestic wells
- B-zone: shallow domestic wells
- C-zone: subsidence

<table>
<thead>
<tr>
<th>Zone Area</th>
<th>Total</th>
<th>Domestic</th>
<th>Ag / Industrial</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-zone area</td>
<td>284</td>
<td>81</td>
<td>203</td>
</tr>
<tr>
<td>B-zone area</td>
<td>1,060</td>
<td>734</td>
<td>326</td>
</tr>
<tr>
<td>C-zone area</td>
<td>273</td>
<td>35</td>
<td>238</td>
</tr>
<tr>
<td>Total</td>
<td>1,617</td>
<td>850</td>
<td>767</td>
</tr>
</tbody>
</table>

71% 29% 69% 13% 53% 47%
Map of Dry Domestic Wells (2020 – 2023)
2021 Map of Subsidence
2022 Map of Subsidence
Why is MKR GSA moving so fast?

- The State Board views that there hasn't been enough progress (concrete steps) on SGMA and will not accept more promises at this point.
- The finances that support GSA efforts are just as important as the Revised TLS GSP, which are just promises if there isn't funding to accomplish them.
- If the State Board doesn't feel confident in local groundwater management, they will put the TLS in probation, and could begin managing local groundwater a year later (2025).
State Probationary Hearing
State Probation

- Potential Probation at State Board hearing in April 2024
- Probation only intended as a short-term condition. State Board would continue to ask GSAs to revise the TLS GSP until acceptable.
- Requirement to register wells with State ($300/well) and pay pumping fee ($20/AF).
- These fees would be in addition to any existing GSA fees and are supposed to cover State costs in addressing issues in the TLS.
- Very unclear how a GSA or Subbasin would get out of probation.
- Doesn't appear the “good actor” provision is available.
## State vs. Local Control

<table>
<thead>
<tr>
<th>State Control</th>
<th>Local (MKR GSA) Control</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional fees on top of local fees.</td>
<td>Local fees only.</td>
</tr>
<tr>
<td>Tight restrictions on groundwater pumping.</td>
<td>Limits on groundwater pumping are less strict, and take into consideration supply-side projects like groundwater recharge activities</td>
</tr>
<tr>
<td>No local infrastructure projects. Focus on reducing groundwater demand only.</td>
<td>Committed to acquiring land and developing groundwater recharge basins. Focus on both supply and demand solutions.</td>
</tr>
<tr>
<td>Require landowners to file time consuming groundwater usage reports every year.</td>
<td>No manual reporting. MKR GSA handles meter readings.</td>
</tr>
</tbody>
</table>
Interim Plan

- State Board's temporary GSP, developed after 12 months of Probation
- Is supposed to be based on groundwater pumping data State Board collects during Probation
- Is not supposed to account for projects, recharge, or surface water in the area
- Intended to reduce impacts in the area quickly, without mitigation
- Likely would involve significant pumping restrictions beyond what is being considered by MKR GSA
Efforts to Keep Local Control
Proposition 218

MKR GSA plans to fund its efforts for local sustainability through authorization to collect fees via a Prop 218 election.

1. Land-Based Assessment
2. Groundwater Pumping Fees
What is MKR GSA Prop 218 funding?

**Land-based Assessment**
- GSP Revisions / TLS Annual Reports
- GSA staffing, operations, consultants efforts
- Dedicated monitor wells
- Repayment of seed funding from KCWD and Hanford

**Groundwater Pumping Fee**
- Shallow Dry Well Mitigation
- Subsidence Mitigation
- Groundwater Recharge Projects

**GSA Administration**

[Diagram showing the breakdown of funding areas]
MKR GSA Funding Up to Now

- Seed funds from Kings CWD and Hanford
- DWR:
  - Grant through Kings County to develop 1st GW Model = $500K
  - Round 1 SGMA Planning Grant to revise model and develop 1st GSP = $1.5 million
  - Round 2 SGMA Planning Grant to revise GSP = $500K
  - Round 1 SGMA Implementation Grant to develop local projects = $7.6 million
Land Based Assessment

- The "benefit" provided to all properties is SGMA compliance.
- Applied to all parcels over 2.0 acres.
- Doesn't matter if parcel has a well on it or not.
- Assessment was also applied to agencies as well mostly because there is a significant amount of agency land being leased to farmers.
- $25 per acre maximum proposed.

To calculate your assessment fee:

$25 per acre \times \text{total acreage in MKR GSA} = \$ \text{proposed assessment fee}$
Groundwater Pumping Fee

A charge to landowners based on amount of groundwater pumped

Reflects allowable groundwater use set by groundwater pumping cap

Will be put in place if a majority protest is not received (Prop 218 process)

Pumping will be monitored by flow meters

<table>
<thead>
<tr>
<th>Zone</th>
<th>Pumping Fee (maximum proposed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-Zone</td>
<td>$95 per AF</td>
</tr>
<tr>
<td>B-Zone</td>
<td>$95 per AF</td>
</tr>
<tr>
<td>C-Zone</td>
<td>$35 per AF</td>
</tr>
</tbody>
</table>
Well Registration and Meter Requirements

• Nov 2022 Active Groundwater Well Registration Policy
  • Locate well, provide depth and construction if available
  • MKR Data Management System (DMS)

• Nov 2022 Active Groundwater Flowmeter Policy
  • No specific brand required
  • 5% accuracy required
  • Instantaneous flow indicator (CFS) and totalizer (AF)

• Registration currently estimated at 50-75% on ag wells
Shallow Dry Well Mitigation

- If shallow domestic wells go dry for level decline reasons, the GSA will pay to restore them
- $6 million budget developed from 60 domestic wells in 2022
- A & B-Zone non-domestic pumpers charged for mitigation
- If mitigation is not provided, pumping restricted to avoid dry wells
- GSA Board will evaluate the needed budget each year depending on conditions

Mitigation – taking action to reduce harmful effects. MKR GSA is mitigating financial, technical, and environmental effects of groundwater over pumping on shallow wells (drinking water wells).
Subsidence Mitigation

- Projects to restore capacity to local Last Chance canals impacted by subsidence
- $1 million/year budget for currently understood effort
- C-Zone non-domestic pumpers charged for mitigation
- If not provided, pumping restricted to avoid subsidence
Recharge Projects

- Roughly 1,100 acres of existing Recharge Basins in the area
- Planned development of an **additional 1,000 acres** of Basins
- Schedule of roughly 50 acres developed per year thru 2039
- Hoped to increase available supplies by roughly **20,000 AF/year** after development

**Key Benefits:**
- Capture excess surface (flood) water during wet years
- Offset groundwater pumping, **resulting in less restrictive demand cutting measures** (pumping caps)
The primary strategy to comply with SGMA is through pumping reductions.

Pumping Caps developed based on available well records and pumping estimates that involve Crop ET / irrigation efficiency / pre-irrigations / local surface water.

Pumping Caps don't allow carryover of unused amounts to future years.

Pumping Caps apply to non-domestic pumpers.

Rural domestic pumpers using less than 2 AF/year won't be limited.

### 2024 Groundwater Pumping Cap

<table>
<thead>
<tr>
<th>Well Zone</th>
<th>Pumping Cap (4/1/24 - 3/31/25)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-Zone</td>
<td>0.50 AF per acre (annual)</td>
</tr>
<tr>
<td>B-Zone</td>
<td>3.00 AF per acre (annual)</td>
</tr>
<tr>
<td>C-Zone</td>
<td>2.00 AF per acre (annual)</td>
</tr>
</tbody>
</table>
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Landowner Next Steps

1. Participate in the Prop 218
   - Public Notices for the proposed assessment and proposed pumping fees were mailed to landowners at the beginning of March. Ballots for the $25 assessment were included in the Public Notice mailer package sent to landowners.

<table>
<thead>
<tr>
<th>Groundwater Pumping Fee</th>
<th>Land-based Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Majority Protest</td>
<td>Majority Approval</td>
</tr>
<tr>
<td>Provide protest form</td>
<td>Fill out and submit ballot to vote</td>
</tr>
<tr>
<td>Submit via mail or drop-off to the Kings County Water District office, or at the April 23 Public Hearing</td>
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2. Register wells – call the MKR GSA at (559) 584-6412

3. Install a flow meter BY APRIL 1, 2024
Learn More

Visit www.middkingsrivergsa.org to view & download:

- Fee Study
- Public Notices
- Ballot Instructions
- Sample Ballot
- Protest Forms
- Pumping Cap Policy
- Shallow Well Mitigation Policy
- Well Registration Policy
- Flow Meter Policy
- And more...

Reminder!

Public Hearing to tabulate ballots and consider establishing assessment and pumping fees will take place:

April 23, 2024 at 1:00 PM
Koinonia Church
12536 Hanford Armona Rd
Hanford, CA 93230
Thank you for your time & attention.

Q&A Session