SOUTHWEST KINGS GROUNDWATER SUSTAINABILITY AGENCY

100.04

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M E M O R A N D U M

DATE: May 1, 2019

TO: Board of Directors & Interested Parties

FROM: Joe Hopkins

SUBJECT: May Status Report

Below is a summary of the current status for various issues for the SWKGSA. Don't hesitate to call Dale Melville, Joe Hopkins, or Rick Besecker if you have any questions or need additional information.

1. Financial
    a. SWKGSA submitted its assessment roll to Kings County for inclusion on the property tax bill in the amount of $270,560.30 ($3.00 per acre). There remain four unpaid assessments from 2017 totaling $1,019.26 and 14 parcels from 2018 totaling $3,674.36. SWKGSA received $145,619.15 from Kings County in January and $125,148.54 in April.
    b. Balance in banking accounts as of 4/30/2019:

Bank of America	$ 130,592.11
Local Agency Investment Fund	285,323.23
Total	$ 415,915.34

    c. Grants:
        i. The Tulare Lake Subbasin has been awarded a $1,500,000 DWR grant to develop a Groundwater Sustainability Plan ("GSP") for the Subbasin. The SWKGSA share of funding the GSP is approximately $275,000, which will be reimbursed as DWR grant funds are received. A contract to prepare the GSP (see item 3 below) has been awarded to a consultant team, Wood. Reimbursement requests will be submitted quarterly by the consultant. Requests 1 & 2 have been received. Request 3 will include consultant costs from January through March, and will be submitted in May.
        ii. Since Mid-Kings River GSA ("MKRGSA") is the contracting agency for the DWR grant on behalf of the Tulare Lake Subbasin, MKRGSA contracted directly with Wood for GSP development. Each GSA has provided MKRGSA "seed funding" for the cash flow

necessary to pay Wood for the GSP work until the MKRGSA is reimbursed by DWR, and then the SWKGSA will be reimbursed by MKRGSA.

iii. Reimbursement requests were submitted and accepted by DWR for all work completed by the consultant through December. MKRGSA received the reimbursement from DWR in January. However, a distribution will not be made to the GSAs at this time, since cash flow projections do not show sufficient reserves to cover consultant costs until the next reimbursement is received. SWKGSA should see reimbursement in June for a portion of seed money provided.

iv. SWKGSA has requested that the cost share allocation from the Interim Operating Agreement be renegotiated now that data exist to determine cost as a function of impact to the aquifer. This discussion is tabled with the remaining Tulare Lake Subbasin GSAs until the plan is more nearly complete; approximately September 2019.

d. Budget report through April 2019 is attached.

2. Subbasin Coordination
   a. Modeling effort: The groundwater model has been calibrated to historic conditions, and includes data that has been made available by neighboring GSAs. The Wood team has also used the model to develop projected groundwater conditions through 2070, based on varying hydrologic conditions. Finally, model iterations are being prepared to include project and management actions, with direction provided from the GSAs.
   b. The Tulare Lake Subbasin GSAs continuing to meet bi-monthly.
      i. At the 4/12/2019 meeting the consultant provided an update on budget, and noted a potential overrun of 10-15% on their contract. Next, a public hearing date was honed into the 1st week of December. The Group then discussed projects to include in the model. Finally, a proposed monitoring network was shared. It included two levels, one used to correspond with the minimum thresholds, and a more complete one to better illustrate groundwater conditions.
      ii. At the 4/25/2019 meeting the group continued their discussion of item from the previous meeting on 4/12/2019. December 2, 2019 was selected as the public hearing date. A projects list was provided documenting what projects placed in model forecasts (attached).
      iii. The May meetings will be held on 5/10/2019 and 5/23/2019.
   c. All interested parties were notified that our stakeholder survey was placed on our website early last fall and available for several months to seek concerns of affected parties. The deadline was extended to January 15, 2019. However, minimal comments were received. Anyone with concerns is encouraged to reach out to the SWKGSA staff and/or to join the interested parties list.

3. Groundwater Sustainability Plan (“GSP”) Development
   a. The GSA representatives of the Tulare Lake Subbasin selected Wood for

GSP development. SWKGSA is working collectively with the other Tulare Lake Subbasin GSAs to develop a single GSP for the Subbasin. The Subbasin is within a critically overdrafted groundwater basin, thus required by SGMA to submit a comprehensive GSP to DWR no later than January 2020. The GSP must develop a preliminary plan to achieve groundwater sustainability with regards to established goals for groundwater elevation, storage, quality, and subsidence. The GSP must also develop measurable objectives, interim milestones, and threshold levels that would trigger mitigation actions to maintain the goals established by the Subbasin and/or Management Areas within the Subbasin.

b. The consultant has provided for review:
    i. Draft GSP outline
    ii. Draft Communication and Engagement Plan
    iii. Discussion material regarding Management Areas
    iv. Discussion material regarding Undesirable Results
    v. Draft Plan Area chapter
    vi. Discussion material regarding Monitoring Network
    vii. Discussion material regarding Projects and Management Actions
    viii. Draft Basin Setting chapter
    ix. GSP review checklist
    x. Discussion material regarding Data Management System
    xi. Draft Monitoring Network
    xii. Draft Projects and Management Actions list
c. At the SWKGSA September 2018 Board meeting, an ad-hoc committee was established to provide input to SWKGSA staff on SGMA compliance. The committee most recently met on 2/13/2019. The following is a summary of direction provided by the ad hoc committee to date:
    i. Data Management Systems – A simple spreadsheet (or similar database) to collect the minimum data necessary to comply with SGMA.
    ii. Monitoring Network – use existing wells to monitor. The Board does not intend to monitor in areas where there is no usable groundwater and no wells exist.
    iii. Sustainable Management Criteria – Since this area is not a significant user of groundwater, the potential for undesirable results to occur due to our groundwater pumping are not likely. Therefore, determining thresholds will be a challenge. On a subbasin level, a gradual (versus rapid) transition to sustainability over the 20-year period is preferred.
    iv. Projects and Management Actions – The ad hoc committee recognized that SWKGSA's ability for local projects are limited as with minimal groundwater pumping almost all of the water is imported from outside of the Subbasin; accordingly, the committee recommended the SWKGSA explore partnering solutions in and out of the Subbasin that could enhance our water reliability.
d. Tentative schedule: Attached is an updated list of tasks and the tentative schedule for completion of the GSP; the schedule of individual tasks will be revised based on the GSP consultant's (Wood's) schedule adjustments, but the completion date of September 2019 for public review and January 2020 submittal to DWR are fixed.

Attachments: Budget Report through 4/30/2019
Schedule for GSP Development
Projects List for Model Forecast

Southwest Kings Groundwater Sustainability Agency
2019 Budget

Description	Adopted 2019 Budget	ACTUAL Jan-19	Feb-19	Mar-19	Apr-19	*PROJECTED May-19*	*Jun-19*	*Jul-19*	*Aug-19*	*Sep-19*	*Oct-19*	*Nov-19*	*Dec-19*	Total Actual/ Projected Charges	Total Over/ (Under) Budget
Management	50,000	3,239	3,949	6,762	3,858	*4,167*	*4,167*	*4,167*	*4,167*	*4,167*	*4,167*	*4,167*	*4,167*	51,142	1,142
Legal	20,000		55	55	138	*1,667*	*1,667*	*1,667*	*1,667*	*1,667*	*1,667*	*1,667*	*1,667*	13,581	(6,419)
Clerical	6,000	406	229	375		*500*	*500*	*500*	*500*	*500*	*500*	*500*	*500*	5,009	(991)
Insurance	-													-	-
Website	2,000	122	47	19	47	*167*	*167*	*167*	*167*	*167*	*167*	*167*	*167*	1,567	(433)
Audit	5,000													-	(5,000)
GSP	152,000	58	1,436	2,050		*12,667*	*12,667*	*12,667*	*12,667*	*12,667*	*12,667*	*12,667*	*12,667*	104,877	(47,123)
Contingency	50,000	537	40	48		*4,167*	*4,167*	*4,167*	*4,167*	*4,167*	*4,167*	*4,167*	*4,167*	33,957	(16,043)
Total Budget Expended	285,000	4,361	5,755	9,308	4,042	*23,333*	*23,333*	*23,333*	*23,333*	*23,333*	*23,333*	*23,333*	*23,333*	210,133	(74,867)
Projected Income															
Assessments	270,560	143,592				*126,969*								270,560	-
Delinquent Assessments	2,977	1,958												1,958	(1,019)
Penalties		416												416	416
Interest	4,000	1,201				*1,000*			*1,000*			*1,000*		4,201	201
Total Income	277,537	147,166	-	-	-	*127,969*	-	-	*1,000*	-	-	*1,000*	-	277,134	(403)
Cash on Hand	167,067	309,872	304,117	294,809	290,767	*395,402*	*372,069*	*348,735*	*326,402*	*303,069*	*279,735*	*257,402*	*234,069*		

SWKGSA SCHEDULE FOR GSP DEVELOPMENT & SUBMITTAL TO DWR

rev 4/28/2019

Task No.	Task Description	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20
1	Subbasin model development & simulation																							
a	Model refinement and calibration							○																
	Forecast simulations																							
	Reporting																							
2	Development of data management system																							
a	Evaluation of systems								XX							○								
b	Selection of system																¤/ ¤¤							
c	DMS Setup - Draft																				○			
	DMS Setup - Final																						○	
d	On-going annual updates																							○○○
3	Groundwater Sustainability Plan development																							
a	Selection of consultant	¤¤	¤¤																					
b	Prepare GSP																							
i	Plan Area					○			○															
ii	Basin Setting						XX				○					○								
iii	Sustainable Management Criteria					XX							XX				○							
iv	Monitoring Network										XX		○	○		○								
vii	Projects and Management Actions										XX				○		○							
viii	Draft GSP Document																							
	Preliminary Draft																	○						
	Public Draft																		○					
	Public review period																			○○	○○	○○		
	Final GSP																						○	○○○
	Adoption hearing																						¤	
4	Stakeholder outreach & updates		◊	◊	◊	◊	❁	◊	◊	◊	❁	◊	◊	◊	◊	◊	◊	❁	◊	◊	◊	◊	❁	◊
a	Policy discussions affecting SWKGSA																							
5	Coordination within subbasin & neighboring subbasins	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊
6	District administration and updates	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊	◊

Legend:

- ◊ status report emailed to Board and posted on website
- ❁ meeting with interested stakeholders
- ○ submittal (for Subbasin/SWKGSA review)
- ○○ submittal (for public review)
- ○○○ submittal (to DWR)
- ¤ SWKGSA Board action
- ¤¤ Subbasin action
- XX SWKGSA Board discussion/direction
- GSP consultant responsibility
- SWKGSA staff responsibility

Tulare Lake Subbasin GSP Development

Forecast Groundwater Model Runs with Projects

Mid-Kings GSA - Land Retirement & Recharge Basins

Build out 1,350 acres of ponds on 1,500 acres of land.
Build out 4 phases every 5 years starting 2020.
Reduce Ag Demand by 4,500 AF/Y
Assume 200,000 AF flood water percolation in flood years over 150 days (Mar - Jul)

El Rico GSA - Intermittent SW Ponds

Build out 6,400 acres of SW ponds - 8 ft deep.
Farm SW Ponds in non-flood years.
Flood every wet year with 40,000 AF starting 2030.
Make available for SW supply following year or until evaporates.
No Farming for 2 years until dry again (20,000 AF/Y reduced demand).

South Fork Kings GSA - Land Retirement & SW Ponds

Build out 10,000 acres of SW ponds - 8 feet deep.
Reduce Ag Demand by 30,000 AF/Y
Flood every wet year with 60,000 AF starting 2030.
Make available for SW supply following year or until evaporates.
No Farming in non-flood years

Tri-County GSA - SW Ponds

Build out 13,440 acres of SW ponds - 8 feet deep on Retired Lands.
Flood every wet year with 80,000 AF starting 2030.
Make available for SW supply following year or until evaporates.
Use SW to offset Southwest GSA Pumping from Angiola well field.