

**SOUTHWEST KINGS
GROUNDWATER SUSTAINABILITY AGENCY**

100.04

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M E M O R A N D U M

DATE: November 26, 2019

TO: Board of Directors & Interested Parties

FROM: Joe Hopkins

SUBJECT: Status Report (August – November)

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. In August 2018, SWKGSA submitted its assessment roll to Kings County for inclusion on the FY 2018-19 property tax bill in the amount of \$270,560.30 (\$3.00 per acre). SWKGSA received \$145,619.15 from Kings County in January, \$125,148.54 in April, and \$1,225.51 in July. There remain four unpaid assessments from 2017 totaling \$1,019.26 and 11 unpaid assessments from 2018 totaling \$2,639.04. In July 2019, SWKGSA submitted its assessment roll to Kings County for inclusion on the FY 2019-20 property tax bill in the amount of \$135,281.50 (\$1.50 per acre).

- b. Balance in banking accounts as of 11/25/2019:

Bank of America	\$ 2,028.85
Local Agency Investment Fund	<u>353,775.35</u>
Total	\$ 355,804.20

- 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 may 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"). Grant reimbursement requests are submitted quarterly by the consultant. Requests 1 & 2 have been received. Request 3 was submitted in May and includes consultant costs from January through March. Request 4 was submitted in July to cover expenses incurred from

- April through June. Request 5 will cover July through September.
- 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.
 - iii. Reimbursement requests have been submitted and accepted by DWR for work completed by the consultant. However, a distribution will not be made to the GSAs at this time, since cash flow projections do not show sufficient reserves to cover projected consultant costs.
 - iv. The costs to prepare the GSP were more than anticipated and therefore the consultants contract was increased by \$250,000. This adjustment will initially be funded by the GSAs from the initial seed money pool. Grant funds will be sought to reimburse the GSAs. SWKGSA may not see reimbursement of the seed money and may need to provide an additional contribution to cover additional work.
 - v. 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, which could lower SWKGSA’s present contributions to the Subbasin efforts by more than one-half. This discussion is tabled with the remaining Tulare Lake Subbasin GSAs until the plan is more nearly complete; approximately January 2020 with implementation by April 2020.
- d. Budget report through November 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 have been prepared to include project and management actions based on input from GSAs
- b. The Tulare Lake Subbasin GSAs are continuing to meet bi-monthly.
 - i. The focus of our meetings in August and September were to edit the preliminary draft GSP to get it out for public review and the associated logistics.
 - ii. The October and November meetings had focused on the public outreach meetings, and edits to the Draft GSP. Additionally, the group has been discussing the annual report due April 1, 2020, the data management system, and the DWR SGMA Planning Grant.
 - iii. The December meeting will be held on 12/13/2019.
- 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.

- d. There were two public outreach meeting held on behalf of the entire Subbasin; one in Hanford on 10/9 and one in Lemoore on 10/15. Comments received from the public were noted and will be considered in the final GSP.
 - e. On behalf of the Subbasin, SWKGSA along with South Fork Kings GSA met with Westlands WD on 10/21, to discuss components of each other's GSP.
 - f. The public hearing for the GSP adoption process is scheduled for 10:00 AM on December 2, 2019 at the Kings County Government Center.
 - g. The SWKGSA is scheduled to adopt the GSP at a special board meeting at 9:00 AM on January 17, 2020.
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 the documents throughout development for internal review and comment by SWKGSA Staff and Ad Hoc committee prior to public release. **The August 2019 Draft GSP can be found on the SWKGSA website: <http://www.swkgsa.org/>.**
 - c. At the SWKGSA September 2018 Board meeting, an ad-hoc committee was established to provide input to SWKGSA staff on SGMA compliance. 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 where 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.

- v. The ad hoc committee has been reviewing the draft chapters for the GSP.

Attachments: Budget Report through 11/25/2019

**Southwest Kings Groundwater Sustainability Agency
2019 Budget**

Description	Adopted 2019 Budget	ACTUAL												PROJECTED	Total Actual/ Projected Charges	Total Over/ (Under) Budget
		Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19			
Management	50,000	3,239	4,022	6,895	3,632	3,421	4,877	6,300	6,778	3,428	2,640	7,277	4,167	56,677	6,677	
Legal	20,000		55	55	138		165	126	2,243	296	55	479	1,667	5,277	(14,723)	
Clerical	6,000	406	155	242	226	104	166	8	197	91	97	159	500	2,350	(3,650)	
Insurance	-													-	-	
Website	2,000	122	47	19	47	28	28	69	102	93	186	121	167	1,027	(973)	
Audit	5,000									3,650				3,650	(1,350)	
GSP	152,000	58	1,436	2,050		180	1,620	3,646	1,680	1,100	4,014	3,538	12,667	31,988	(120,012)	
Contingency	50,000	537	40	48	48	52	1,035	47	48	51	48	7,500	4,167	13,619	(36,381)	
<i>Total Budget Expended</i>	285,000	4,361	5,755	9,308	4,090	3,785	7,891	10,197	11,047	8,710	7,039	19,074	23,333	114,588	(170,412)	
<i>Projected Income</i>																
Assessments	270,560	143,592			125,018				1,170					269,780	(780)	
Delinquent Assessments	2,977	1,958												1,958	(1,019)	
Penalties		416							46					462	462	
Interest	4,000	1,201			1,938			2,240	9		2,404			7,792	3,792	
<i>Total Income</i>	277,537	147,166	-	-	126,956	-	-	2,240	1,226	-	2,404	-	-	279,992	2,455	
<i>Cash on Hand</i>	167,067	309,872	304,117	294,809	417,675	413,891	406,000	398,043	388,222	379,512	374,878	355,804	332,471			