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To: Greater Kaweah GSA Board of Directors:

Monrovia Nursery Co. appreciates the opportunity to comment on the draft Rules and Regulations of the Greater Kaweah Groundwater Sustainability Agency outlining a groundwater pumping cap proposal. We understand the need to manage California's valuable groundwater resource. Monrovia is committed to working with the Greater Kaweah GSA to sustainably manage the basin within the GSA area in a manner consistent with the unique nature of Monrovia's nursery business which employs 500 fulltime positions and generates \$75 million of gross sales within Tulare County. It is important to note that we continually evaluate and implement measures to reduce our water use including a sophisticated water recycling program. Despite these efforts, we are concerned about some aspects of the pumping cap proposal and offer these comments.

Section 2.02 regarding groundwater use measurement discusses the use of flowmeters or evapotranspiration information obtained via satellite technology to quantify groundwater use. While satellite evapotranspiration data can play a role in quantifying groundwater use, it cannot be used exclusively to determine a container nursery's water use. This is partly because a portion of our growing area is covered with greenhouses and shade houses. In addition, there are thousands of individual "crops" on the ground at any given time, these individual crops are small (often 0.25 acre or less), and runoff water is captured and re-used. Therefore, the use of ET data seems problematic.

Section 2.02 (a) regarding the criteria for using meters provides that an owner must report the quantity of groundwater extracted no later than 30 days following the last day of each month. It is recommended that this section include a provision allowing telemetry to be used as a reporting method as it has been suggested that this technology will be used in the future.

We ask that the order of the categories of water under Section 3.03, which is the default priority of use under Section 3.04 for purposes of determining applicable pumping fees, be rearranged. We propose that "Groundwater Credits" and "Recharge and Banking Credits and Debits" be elevated to a priority level that precedes all tier allocations. In addition, the "Sustainable Yield Allocation" should be the highest in the priority of use.

Section 3.03 does not list recycled water as a category of water. Monrovia captures and reuses all dry-season runoff and therefore use of recycled water should not be treated as additional pumping. For this reason, we request that recycled water be added as a category of water.

Section 4.03 (a) provides that the Sustainable Yield Allocation shall be established each year by the GSA Technical Group but is vague as to the methodology for doing this. We feel that the methodology for Sustainable Yield Allocation should be clarified and stated in the Rules and Regulations. Furthermore, because landowners need predictability to plan for the future, there should be a limit to the annual adjustment that can be made to the Sustainable Yield Allocation.

Section 4.03 (b) provides for Temporary Tier 1 and Tier 2 Allocations but there is no methodology for how these allocations will be calculated. As with the Sustainable Yield Allocation, we believe the methodology for determining Temporary Tier 1 and Tier 2 Allocations should be stated in the Rules and Regulations, and that there should be a limit to the annual adjustment that can be made to Temporary Tier 1 and Tier 2 Allocations.

Section 4.03 (c) regarding Carryover and Transfers provides that unused carryover of allocation shall be reduced annually by 10% and the credit is carried over on a five-year rolling basis. The reduction and the limitation on carryover promotes a “use it or lose it” attitude which is not consistent with sustainable basin management. We suggest that landowners should have the opportunity to demonstrate to the GSA the reasonableness of non-reduced carryover and the GSA should have the flexibility to make exceptions to this proposed rule.

Section 4.03 (c.i.2) regarding Transfer of Sustainable Yield (it seems this should be Sustainable Yield Allocation) provides for a three-mile limit on transfers. This limit seems arbitrary. In our opinion it would be more reasonable for transfers to be evaluated on the basis of their hydrologic impact, not arbitrarily limited by mileage or GSA boundaries. Transfers should be allowed so long as they occur within the Kaweah Subbasin.

Section 4.03 (c.ii.1) regarding the Carryover of Tier 1 and Tier 2 Allocations is confusing and there may be a typographical error in this section. It states that: “Portions of Sustainable Yield allocation successfully carried over from the previous year shall be credited to the owner’s account as groundwater credits.” It seems that it should be: “Portions of Tier 1 and Tier 2 Allocations successfully carried over...” Also, as noted in the comment on Section 4.03 (c), we suggest that there should not be an arbitrary 10% annual reduction in carryover and a five-year limitation.

As noted in the comments on the Transfer of Sustainable Yield, Section 4.03 (c.ii.2) regarding Transfer of Tier 1 and Tier 2 Allocations provides for a three-mile limit on transfers. We feel this is arbitrary and should be removed. Transfers should be hydrologically sound, not limited by mileage or GSA boundaries. We suggest that transfers should be allowed so long as they occur within the Kaweah Subbasin. There also should not be arbitrary limits on the amount of transfer such as the 80% limitation on transfer of Tier 1 Allocation and 60% of Tier 2 Allocation. Rather, all transfers should be evaluated based on the basis of their hydrologic impact before the GSA makes a determination as to whether to limit the transfer.

Thank you for your hard work to develop these regulations to comply with the State's unfunded mandate. We would welcome a visit by the Greater Kawaeh GSA Board to understand our unique business situation. We hope you will consider these comments in the spirit of protecting ground water, while reducing negative impacts for agricultural producers.

Sincerely,

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