

RESOLUTION NO.2024- [04]
OF THE BOARD OF DIRECTORS OF THE GREATER KAWEAH GSA

IMPOSITION OF GROUNDWATER EXTRACTION PENALTIES

WHEREAS, the Greater Kaweah Groundwater Sustainability Agency Joint Powers Authority ("GKGSA") has adopted and submitted to the Department of Water Resources a Groundwater Sustainability Plan ("GSP"), a 2022 Amended GSP, and currently is drafting a 2024 Amended GSP, pursuant to the Sustainable Groundwater Management Act of 2014 ("SGMA") which outlines various plans and management actions to reach sustainability by 2040;

WHEREAS, DWR determined the 2022 Amended GSP to be inadequate and as a result the GKGSA and other Kaweah Subbasin GSAs are currently in the process of revising and updating the GSPs to correct deficiency areas noted by DWR;

WHEREAS, Water Code Section 10726.4(a)(2) provides that a GSA is authorized to control groundwater extractions by limiting or regulating groundwater extractions;

WHEREAS, Section 7.3.9 of the 2022 Amended GSP contemplates the imposition of penalties for excessive groundwater extraction as a disincentive for pumping;

WHEREAS, the GKGSA has determined that the consumptive use of groundwater by water users within its boundaries in excess of the Sustainable Yield Allocation as described in the GKGSA Rules and Regulations, without mitigation, may impede GKGSA's ability to achieve sustainability;

WHEREAS, in order to achieve the decrease in groundwater extraction necessary to achieve sustainability under the GSP, the GKGSA desires to (1) limit extraction and consumptive use of groundwater to the Sustainability Yield Allocation, and (2) disincentive pumping in excess of the Sustainable Yield Allocation by imposing penalties for such extractions;

WHEREAS, Section 5.01 of the GKGSA Rules and Regulations provides that three categories of penalties shall be imposed for groundwater extraction and consumptive use in excess of the Sustainable Yield Allocation Tier 1 and Tier 2 Penalty Allocation and Tier 3;

WHEREAS, Section 5.01(a) of the GKGSA Rules and Regulations further requires the GKGSA's Board of Directors to establish a Tier 1, Tier 2, and Tier 3 penalty rate;

WHEREAS, the penalties imposed herein shall be imposed only to those irrigated parcels located within the Greater Kaweah Agricultural Management Area;

WHEREAS, for Water Year 2025, pursuant to the 2022 Amended GSP, rules and regulations and other policies, the GKGSA has established a Tier 1 and Tier 2 Penalty Allocation of a total of 0.7 acre-feet per acre for lands eligible to receive a Tier 1 and Tier 2 Penalty Allocation. If the total Tier 1 and Tier 2 Penalty Allocations are actually pumped, the total volume extracted is estimated to be approximately 112,140 acre-feet.

WHEREAS, based on the 2022 Amended GSP, it is estimated that approximately 800 domestic wells could go dry in the GK GSA if minimum thresholds were reached for groundwater levels and land subsidence during the course of the implementation period which ends in 2040;

WHEREAS, the GK GSA anticipates reducing the risk to domestic wells going dry through its amendments to the 2022 Amended GSP, but those amendments are not yet complete;

WHEREAS, it is estimated that a domestic well mitigation program to mitigate for the total anticipated wells to go dry based on the 2022 Amended GSP would cost approximately forty-three million, five hundred thousand dollars and zero cents (\$43,500,000.00). Assuming the Transitional Pumping Program ends within 15 years, the annual cost needed for a domestic well mitigation program based on the 2022 Amended GSP thus would result in an approximate cost of two million nine hundred thousand dollars and zero cents (\$2,900,000.00);

WHEREAS, to reduce the need for well mitigation and subsequent cost the GK GSA, the GK GSA has approved a pilot Land Fallowing Program which anticipates to fallow approximately 1,200 acres annually. The GK GSA anticipates the cost of such program could reach an amount of approximately two million dollars and zero cents (\$2,000,000.00) annually; and

WHEREAS, as a result of the foregoing, the GK GSA Board desires to set the annual penalty rates as set forth below. The rates below would be sufficient to collect the needed funding of approximately four million and nine hundred thousand and zero cents (\$4,900,000.00) for a domestic well program and Land Fallowing Program if the Tier 1 and Tier 2 Penalty Allocation quantities were actually pumped in Water Year 2024.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE GREATER KAWEAH GROUNDWATER SUSTAINABILITY AGENCY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

1. The following penalties for excessive groundwater extraction and consumptive use within the boundaries of the Greater Kaweah Management Area are as follows:
 1. \$[150.00] per acre foot for Tier 1 Penalty Allocation.
 2. \$[250.00] per acre foot for Tier 2 Penalty Allocation.
 3. \$500 per acre foot for Tier 3.

BE IT FURTHER RESOLVED that the General Manager shall provide notice of the above-described penalty rates as required by Section 5.04.

PASSED AND ADOPTED this 2nd day of October 2024 by the following vote:

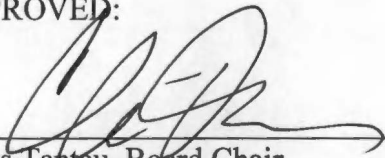
AYES: 8

NOES: 0

ABSTAIN: 0

ABSENT: Stephen Johnson

APPROVED:


Chris Tantau, Board Chair

I hereby certify that the foregoing is a full, true and correct copy of the Resolution adopted by the Board of Directors of the GKGSA at its meeting held on October 2, 2024.

ATTEST:


Mark Larsen, Board Secretary