

MEMORANDUM



FROM: Mark Larsen

DATE: December 19, 2025

SUBJECT: Technical Advisory Committee Notes

(Not intended to be Minutes but a summary of the general discussion)

CC:

Meeting Summary

The Technical Advisory Committee (TAC) of the Greater Kaweah Groundwater Sustainability Agency (GKGSA) met on December 19, 2025. The meeting focused on approval of prior meeting minutes and an in-depth technical discussion of land subsidence, critical head estimates, and recent Department of Water Resources (DWR) guidance, including Bulletin 118 and the Draft Land Subsidence Best Management Practices (BMPs).

Approval of Previous Meeting Minutes

The committee reviewed the October 16, 2025 TAC meeting minutes. Minor revisions related to attendance and spelling corrections were discussed and incorporated. A motion to approve the minutes with revisions was made and seconded, and the minutes were unanimously approved.

Review of DWR Bulletin 118 and Land Subsidence BMPs

Consultants and staff led a detailed technical review of DWR Bulletin 118 and the Draft Land Subsidence Best Management Practices, with emphasis on new critical head estimates and their implications for the Greater Kaweah Subbasin. Committee members noted that Bulletin 118 includes a new subsidence appendix that evaluates additional sites and applies different critical head assumptions than previously used in the subbasin's Groundwater Sustainability Plan (GSP).

Participants raised concerns regarding discrepancies between Bulletin 118 and prior DWR guidance, including uncertainty surrounding data sources, well perforation depths, and historical groundwater level records used to develop critical head estimates. Committee members emphasized that one-dimensional subsidence models are highly sensitive to soil properties and vertical permeability, which introduces substantial uncertainty into the results.

Implications for Minimum Thresholds and Sustainable Yield

The committee discussed whether adoption of the Bulletin 118 critical head estimates could require groundwater levels to be raised above existing minimum thresholds, potentially prior to 2040. Members noted that if zero subsidence were interpreted as a requirement, this could result in reduced sustainable yield and tighter pumping allocations. The group emphasized that these

outcomes would represent significant policy decisions informed by, but not dictated solely by, technical analysis.

Land Subsidence Monitoring and Management Practices

An overview of current land subsidence monitoring efforts was provided. The existing monitoring network includes benchmarks, GPS stations, and NSAR data, but does not include extensometers. Ongoing efforts are underway to address data gaps by identifying additional monitoring locations and equipping existing wells with pressure transducers.

The committee discussed groundwater pumping estimation methods, including the use of Land IQ evapotranspiration data, the well registry, and optional metering. Metered pumping was identified as a valuable tool, particularly in areas experiencing subsidence, to better link pumping behavior with groundwater level changes and compaction.

Infrastructure Vulnerability and Modeling Considerations

Staff confirmed that an assessment of vulnerable infrastructure and potential significant impacts was completed as part of the 2024 GSP update and informed the establishment of land subsidence minimum thresholds. Committee members discussed the importance of integrating pumping data, groundwater levels, soil characteristics, and well construction information to improve future subsidence modeling and management decisions.

Regulatory and Policy Considerations

The committee discussed regulatory tensions between SGMA's requirement to avoid undesirable results and DWR guidance that appears to move toward a zero-subsidence framework. Members questioned whether all infrastructure should be considered critical and whether new critical head metrics supersede previously established glide paths and mitigation approaches. It was emphasized that reconciling these issues will require coordination between technical analysis and policy direction.

Coordination and Urban Water Supply Considerations

Members highlighted the importance of coordinating technical positions with other GSAs in the Kaweah Subbasin and neighboring basins, including the Tule region. Discussion also addressed implications for urban water management plans, noting uncertainty in future groundwater availability projections if critical head requirements are revised. Municipal water suppliers expressed concern about long-term planning challenges under evolving subsidence policy interpretations.

Next Steps and Follow-Up Actions

- Draft and submit a technical comment letter to DWR outlining concerns and questions related to Bulletin 118 data sources, modeling assumptions, and critical head estimates.

- Coordinate with other subbasin GSAs to pursue a joint or aligned response to DWR where feasible.
- Obtain and review historical groundwater level records from Cal Water and the City of Visalia to verify data used in Bulletin 118 analyses.
- Prepare for upcoming meetings with DWR to present the GSA's current land subsidence management approach and technical concerns.

The meeting concluded with agreement that continued technical evaluation and coordination will be critical as DWR guidance and subbasin implementation efforts progress.



MEMORANDUM

FROM: Mark Larsen
DATE: December 22, 2025
SUBJECT: RCC Combined Summary
CC:

Meeting Summary

The Combined Stakeholder Committee and Rural Communities Committee (RCC) of the Greater Kaweah Groundwater Sustainability Agency (GKGSA) met on December 22, 2025. The meeting was called to order by the Chair, and roll call was conducted to confirm quorum for both committees.

Public Comment

No formal public comment was received on items not on the agenda. Committee members discussed recurring parking challenges near the meeting location and agreed that staff would continue coordinating to minimize conflicts with neighboring properties.

Administrative and Financial Updates

Staff provided an update on invoicing and enforcement activities. Two rounds of Water Year 2024 invoices have been issued, with approximately \$5 million remaining outstanding. The second round of invoicing has resulted in increased surface water transfers. Water Year 2025 invoices are anticipated to be issued in late January or February 2026, with the lien process for unpaid Water Year 2024 accounts expected to begin in March 2026.

Land Fallowing Program Update

Staff reported on the status of the 2025 Land Fallowing Program. A total of 25 contracts have been executed, covering approximately 3,357 acres, with total payments of \$1,343,172. Only five eligible applicants opted out of the program. Payments for all prior program years have been completed, with one remaining payment scheduled for January.

Committee members discussed compliance monitoring, which includes the use of Land IQ satellite imagery, monthly reviews, and twice-yearly field inspections. Staff reported no compliance issues to date. A map showing the geographic distribution of enrolled parcels was presented, and staff noted that future prioritization of fallowing may be necessary due to limited funding and subsidence concerns.

Committee members also discussed the availability of comparative crop data across commodities, referencing Land IQ, USDA crop reports, and industry sources. Staff will share filtered crop comparison data with the committee once the information is finalized.

Well Mitigation Activities

Staff provided an update on a dry well claim located north of Visalia. Evaluation is ongoing due to limited historical data, and comparisons are being made using nearby representative monitoring site (RMS) wells. Staff emphasized the importance of determining whether impacts are attributable to post-2015 conditions. Findings are expected to be presented to the Board in January, with the goal of replacing dry wells where appropriate.

Surface Water Acquisition and Recharge Projects

Staff reported the acquisition of approximately 600 acre-feet of Class 1 surface water at a cost of \$250 per acre-foot. The water is being released into the St. Johns and Kaweah Rivers during late December. Discussion focused on limitations in conveyance capacity and the need for a more strategic approach to maximizing the benefit of imported water supplies.

An update was also provided on the development of a recharge project near the community of Hypericum, south of Farmersville. The project includes an approximately 11-acre recharge basin on land leased from a willing landowner, use of ditch capacity, and 24 shares of Cleveland Water Conservation District stock. The project is intended as a pilot to improve groundwater conditions for an area with approximately 40 domestic wells. Monitoring will be conducted using nearby wells to evaluate groundwater response, with potential expansion considered if conveyance capacity allows.

Committee members discussed emerging recharge technologies and concepts that may improve infiltration in challenging soil conditions. Staff expressed interest in evaluating these approaches as potential future pilot projects.

Groundwater Credit Retirement and Water Management Strategies

The committee discussed potential strategies for using available GSA funds to reduce future pumping exposure, including retiring groundwater credits, purchasing native supply within the GSA, or subsidizing imported surface water. Concepts discussed included reverse auctions, fixed-price programs, and geographically targeted approaches in subsidence-prone areas.

Committee members expressed differing perspectives. Some favored acquiring physical water for more tangible benefits, while others noted that retiring credits could be a cost-effective way to limit future overdraft exposure. Discussion also addressed market impacts, program optics, and the need to avoid inflating credit prices. No action was taken, and staff noted the discussion was exploratory and intended to gather committee input.

Land Subsidence Monitoring and DWR Bulletin 118

Consultant Tom Harder provided an overview of recent Department of Water Resources (DWR) documents related to land subsidence, including the Draft Land Subsidence Best Management Practices and the updated Bulletin 118, which now includes a subsidence appendix. Discussion focused on the concept of critical head, data limitations, and questions regarding the sources and interpretation of groundwater level and subsidence data used by DWR.

Staff and consultants identified several concerns, including apparent inconsistencies between upper and lower aquifer groundwater levels, lack of well identification in the DWR analysis, and questions regarding responsibility for subsidence that occurred prior to 2015. Staff indicated that comments and requests for clarification will be submitted to DWR and coordinated with other subbasin partners.

An update was also provided on the GSA's monitoring network. Pressure transducers have been installed in priority areas, with additional installations planned. Discussion addressed costs (approximately \$1,500 per transducer), ongoing maintenance, data download frequency, and the potential use of telemetry where feasible.

Well Inventory and Registration

Staff reported continued progress on the well inventory and registration effort. Approximately 500 wells have been inventoried to date. Field verification is ongoing to distinguish active wells from standpipes or other structures identified through aerial imagery. Well registration, which ties wells to individual landowners, remains a priority, particularly in lower aquifer and subsidence-prone areas on the west side of the basin.

Groundwater Sustainability Plan (GSP) Status and DWR Coordination

Staff provided an update on the status of the Kaweah Subbasin GSP following the State Water Resources Control Board's December 2, 2025 decision to return oversight to DWR. Initial coordination meetings with DWR are scheduled for mid-January, with subject-matter meetings expected to follow.

DWR has indicated that the formal evaluation of the GSP may take approximately 18 months. Staff noted that this timeline allows continued focus on implementation of projects, monitoring, and program refinement during the review period.

Water Quality Monitoring

Staff reported completion of spring and fall groundwater quality sampling rounds. Efforts are ongoing to refine reporting procedures, response protocols, and communication with well owners and the State Water Resources Control Board. Water quality monitoring continues to be coordinated at the subbasin level.

Future Agenda Items and Adjournment

Committee members discussed potential future agenda items, including continued updates on water acquisition, recharge projects, subsidence monitoring, and program implementation. The next Combined Stakeholder Committee and RCC meeting is scheduled for January 26, 2026.

The meeting was adjourned with appreciation expressed to committee members and staff.



MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HELD DECEMBER 08, 2025

At approximately 1:00 p.m. on December 08, 2025, at GKGSA, 227 N. West Street, Visalia, California, Chairman Chris Tantau of the Greater Kaweah GSA called to order a meeting of the Board of Directors of the Greater Kaweah Groundwater Sustainability Agency Joint Powers Authority (“GKGSA”).

Directors	Chris Tantau	Dave Van Gronigen
	Pete Vander Poel	Jared De Groot
	Andrew Brazil	Clinton Church
	Eric Shannon	Paul Boyer
	Joe Cardoza	Stephen Johnson

Directors	
Absent:	Brian Watte

Also Present:	Mark Larsen	John Gailey
	Aubrey Mauritson	Geoff Vanden Heuval
	Andrew Hart	Vic Hernandez
	Shane Smith	Tami McVay
	Don Tucker	Blair Blaine
	Rhett Anderson	Kevin Abernathy
	Mark Hoffman	David DeGroot
	Rachel Glauser	Luis Verdugo
	Shawn Corley	

PUBLIC COMMENT:

Chairman Tantau opened the meeting for public comment.

KAWEAH SUBBASIN GROUNDWATER SUSTAINABILITY PLANS (GSPs)

Status Report on Probationary Position with SWRCB

General Manager Larsen reported on December 2, 2025, the State Water Board approved to send the Kaweah Subbasin back to the Department of Water Resources based on the Subbasin's revised GSPs. DWR has already been in contact with the Subbasin.

Update on Core Team activity

General Manager Larsen provided a report on core team activities. Regarding water quality, a second round of testing was wrapping up. Work continues to update monitoring sites. Other items continue to progress.

Program Coordinator Stephanie Ruiz thanks all landowners who have assisted with water quality monitoring.

Discussion ensued.

The board members thanked staff regarding the outcome of the State Board action this month.

Discussion continued.

CORRESPONDENCE AND ANNOUNCEMENTS:

Miscellaneous Items

General Manager Larsen had no report.

GSA REPORTS AND COMMITTEE DISCUSSION:

*(*all reports are located in the agenda packet.)*

Water Forum Update

General Manager Larsen had no report.

Workshop 12/04/2025 – Native Sustainable Yield Update

General Manager Larsen provided an update. The outreach meeting was very well attended.

Discussion ensued.

Public comment from Geoff Vanden Heuvel.

Committees and Activities

Technical Advisory Committee

November 2025- Canceled

General Manager Larsen advised that the TAC's November meeting was canceled.

Next Meeting Scheduled for December 18, 2025

General Manager Larsen advised that the next Technical Advisory Meeting is scheduled for December 18, 2025.

Combined Rural Communities & Stakeholder Committees

November 2025 – Canceled

General Manager Larsen advised that the Combined Rural Communities & Stakeholder Committees meeting for November was canceled.

Next Meeting Scheduled for December 22, 2025

General Manager Larsen advised that the next meeting of the Combined Committees is scheduled for December 22, 2025.

Kaweah Subbasin Management

Grants Status

General Manager Larsen provided a status report on the MLRP application process.

LandIQ/Water Dashboard Status

General Manager Larsen had no report.

MLRP Development Funding Availability Application

General Manager Larsen had no report.

CONSENT CALENDAR:

Consider Approval of Minutes for the November 10, 2025, Board Meeting

General Manager Larsen referred the Board to Agenda Item #6a, a copy of the November 10, 2025, minutes, which are attached hereto and incorporated by reference.

Director Shannon moved and Director Johnson seconded to approve the November 10, 2025, minutes. The Board unanimously approved the motion.

WATER REPORT

Status Report on 2026 Water Year

Kaweah Delta Water Conservation District's River Water Operation's Manager Vic Hernandez provided a water report. Attached hereto and incorporated by reference as Agenda Item #7a is a copy of the water report. Ending storage in Terminus this last month was approximately 28,000 ac-ft. Current storage as of this morning is approximately 30,000 ac-ft. Terminus is technically encroached at this point, but Mr. Hernandez continues to work with the Corps to maintain storage and not enter into a flood release.

DASHBOARD GROUNDWATER INVOICING

Status Report on 2023 Water Year

i. Tier One and Tier Two Penalty Enforcement Update

Program Coordinator Ruiz reported on the Tier One and Tier Two Penalty enforcement. All liens have been recorded.

Discussion ensued.

Status Report On 2024 Water Year

Program Coordinator Ruiz reported invoices have been sent out. There is approximately \$25,000,000.00 of delinquent accounts. Work will begin on Water Year 2025 invoicing in early 2026.

General Manager Larsen reported enforcement will begin next year on Water Year 2024.

Discussion ensued.

LAND IQ ET:

Status Report

General Manager Larsen provided a report. As previously discussed with the board, a new option is available for view daily data from Land IQ. The Stakeholder Committee discussed the option and recommended to proceed.

Consider Approval of a One-Year Agreement for Providing Daily ET – Client Services Agreement and Product License Agreement

General Manager Larsen referred the Board to Agenda Item #9b, a copy of the One-Year Agreement for Providing Daily ET – Client Services Agreement and Product License Agreement, which are attached hereto and incorporated by reference.

Director Vander Poel moved and Director Cardoza seconded to approve the One-Year Agreement for Providing Daily ET – Client Services Agreement and Product License Agreement as presented in the agenda packet. The Board unanimously approved the motion.

GREATER MITIGATION PLAN

Status Report

General Manager Larsen provided a report. Staff continues to work with Self Help on well mitigation.

Haul Water Supply and Access Site Update

General Manager Larsen provided an update. He reviewed designs and plans for the fill station site.

Discussion ensued.

Public comment from Andrew Hart.

Discussion continued.

Public comment from Tami McVay.

Discussion continued.

Consider Approval of Current Pilot – Dry Well Mitigation Claim(s)

General Manager Larsen provided a report and Don Tucker, 4Creeks, provided a status report. Attached hereto and incorporated by reference as Agenda Item #10c is a copy of a current claim for consideration.

Discussion ensued.

Public comment from Andrew Hart.

Discussion ensued.

Staff will review well mitigation policy and bring back next month for a recommendation.

GREATER KAWEAH LAND FALLOWING PROGRAM

2025 Program Status Report

Program Coordinator Ruiz provided a report. Staff has received approximately \$1,000,000.00 in payments. Twenty-five contracts have been executed, totaling 3,358 acres.

Public comment from Geoff Vanden Heuvel.

GREATER KAWEAH WATER IMPORTATION

Status Report

General Manager Larsen provided a report. Mr. Larsen reported he is working with KDWCD to obtain surface water supplies in December.

Discussion ensued.

Public comment from Geoff Vanden Heuvel.

Discussion continued.

Direct Staff in Negotiations for Importation of CVP Water: Contractor, Price, Acre Feet

General Manager Larsen provided a report. Mr. Larsen reported staff will work on an agreement to obtain the supplies.

GREATER KAWeah MONITORING WELL NETWORK

Status Report and Update from Thomas Harder & Company on Priority Monitoring Well Locations

Tom Harder from Thomas Harder and Company provided an update.

Discussion ensued.

NEXT MEETING DATE

Scheduled Meeting January 12, 2026 at 1:00 p.m.

Chairman Tantau announced that the next regular meeting of the Groundwater Sustainability Agency will commence on Monday, January 12, 2026, at 1:00 p.m.

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

[Government Code Section 54956.9(d)(2)]

Number of Potential Cases: Two

The Board of Directors did not adjourn to closed session.

CLOSED SESSION ITEMS

Report Action Taken in Closed Session Required by Government Code 54957.1

As the Board of Directors did not adjourn to closed session, there was no reportable action.

ADJOURNMENT

As there was no further business to come before the Board of Directors, the meeting was concluded.

Mark Larsen, Secretary



Greater Kaweah GSA
Proposed REvised FY 2026 BUDGET
January 12, 2026

GENERAL REVENUE SUMMARY	
4000	Assessments (90% collection) Tulare County (\$10.00/ac) Kings County (\$10.00/ac)
4100	Grant Income
4150	Misc Income
4200	Penalty Fund 4210 Overdraft Penalty Fund 4220 Carryover Water Fund

2025 Projected Revenue	2026 Estimated Revenue
\$ 1,865,000	\$ 1,865,000
1,375,000	1,375,000
490,000	490,000
1,000,000	500,000
30,000	400,000
14,000,000	10,000,000
9,100,000	6,500,000
4,900,000	3,500,000
\$ 16,895,000	\$ 12,765,000

EXPENSE	2021 Budget	2022 Budget	2023 Budget	2024 Budget	2025 Budget
GSA Administration	\$ 348,700	\$ 546,922	\$ 574,000	\$ 856,000	\$ 807,000
5100 Payroll (fully burdened)	245,000	398,922	380,000	460,000	483,000
5110 Office Administration	11,700	16,500	17,000	26,000	28,000
5111 Supplies, Equipment, Postage	1,700	4,500	5,000	14,000	8,000
5112 Publications, Notices, Website	10,000	12,000	12,000	12,000	20,000
5113 Rent	0	0	0	0	0
5114 Utilities	0	0	0	0	0
5115 Equipment, Computers, Furniture	0	0	0	0	0
5116 Repair & Maintenance	0	0	0	0	0
5117 Employee Training & Travel	0	0	0	0	0
5120 Communication, Outreach, Media, Events	0	15,000	20,000	40,000	20,000
5200 Insurance	7,000	15,000	20,000	10,000	11,000
5300 Professional Services	85,000	101,500	137,000	320,000	265,000
5310 Legal	70,000	85,000	120,000	305,000	250,000
5320 Audit	15,000	16,500	17,000	15,000	15,000

2025 YTD	2025 Projected	2026 Budget
\$ 554,257	\$ 815,985	\$ 944,000
346,505	520,000	550,000
85,564	108,985	95,000
55,072	73,429	18,000
13,017	17,356	8,000
0	12,000	48,000
0	4,000	15,000
17,475	500	1,000
0	500	2,000
0	1,200	3,000
3,620	15,000	20,000
5,439	12,000	14,000
113,129	160,000	265,000
103,414	150,000	250,000
9,715	10,000	15,000

GSP Implementation	1,165,000	1,300,000	1,325,000	2,490,000	4,885,000
5400 GSP Development & Implementation	605,000	745,000	780,000	2,215,000	4,380,000
5401 Dashboard Development & Support	15,000	40,000	80,000	100,000	140,000
5402 GSP Development & Updates	200,000	250,000	100,000	100,000	200,000
5403 Projects and Management Actions	100,000	200,000	50,000	60,000	200,000
5404 DMS Update & Management	50,000	100,000	100,000	5,000	30,000
5405 Annual Reporting	40,000	55,000	50,000	30,000	40,000
5406 General Engineering	200,000	100,000	400,000	600,000	350,000
5407 Water Purchase	0	0	0	0	0
5408 GK Land Fallowing Program	0	0	0	320,000	420,000
5409 Well Mitigation	0	0	0	1,000,000	3,000,000
5410 Subbasin / Interbasin Coordination	100,000	100,000	50,000	30,000	30,000
5420 Monitoring / Measurement / Data	460,000	455,000	495,000	245,000	475,000
5421 GW Level- Semi Annual	40,000	20,000	20,000	10,000	10,000
5422 GW Quality- Semi Annual (split 3 ways)	120,000	60,000	60,000	20,000	20,000
5423 Subsidence	50,000	15,000	15,000	15,000	15,000
5424 Landowner Demand Track (Monthly +Daily)	100,000	160,000	200,000	200,000	130,000
5425 New Monitoring Wells	150,000	200,000	200,000	0	300,000
5426 Well Registration	0	0	0	0	0

1,161,163	2,131,463	8,880,000
807,812	1,573,416	7,690,000
95,931	127,908	140,000
149,011	198,681	50,000
183,787	245,049	500,000
0	0	50,000
27,845	37,127	50,000
286,238	381,651	400,000
0	0	2,000,000
0	423,000	1,500,000
65,000	160,000	3,000,000
101,943	135,924	100,000
251,408	422,123	1,090,000
8,908	15,000	15,000
42,413	100,000	100,000
6,380	10,000	200,000
135,865	220,000	265,000
57,842	77,123	500,000
0	0	10,000

Funding Efforts	80,000	60,000	60,000	20,000	3,060,000
5430 Grant Writing	20,000	20,000	20,000	20,000	0
5440 Rate Studies, Prop 218, Prop 26 Elections	60,000	40,000	40,000	0	60,000
5525 Grant Payments (Imp Grant '25)	0	0	0	0	3,000,000

1,155	1,100,000	190,000
1,155	0	30,000
0	0	60,000
0	1,100,000	100,000

(additions from obsolete accounts) 405,000 435,000 100,000 3,200,000 \$ 1,998,700 \$ 2,341,922 \$ 2,059,000 \$ 6,566,000 **\$ 8,752,000** \$ 1,716,575 \$ 2,059,890 \$ 10,014,000 (increase of \$15,000)

Greater Kaweah GSA
Proposed FY 2026 RESERVES BUDGET
November 10, 2025

RESERVES BUDGET FY 2026	Approved Reserves Budget 2025	Adjusted Reserves (+)	Proposed Reserves Budget 2026	Reserves Target
Mitigation Plan	\$ 3,500,000	-	\$ 3,500,000	\$ 3,500,000
Monitoring Wells	500,000	-	500,000	1,000,000

EXPENSE	2021 Budget	2022 Budget	2023 Budget	2024 Budget	2025 Budget	2025 YTD	2025 Projected	2026 Budget
Projects					1,000,000	-	1,000,000	2,000,000
Water (import/retirement)					1,000,000	-	1,000,000	2,000,000
GK Fallowing Program					1,000,000	1,000,000	2,000,000	2,000,000
Carryover Water Deposit					5,000,000	800,000	5,800,000	5,000,000
					\$12,000,000	\$1,800,000	\$13,800,000	\$15,500,000

WATER PURCHASE AGREEMENT

This Water Purchase Agreement (“Agreement”) is entered into and effective this ____ day of December, 2025, by and between Greater Kaweah Groundwater Sustainability Agency (“GKGSA”) and Kaweah Delta Water Conservation District (“KDWCD”) with respect to the following recital(s):

RECITALS

- A. On or around November 26, 2025, KDWCD entered in to a Water Transfer Agreement by which it obtained 600 acre-feet of Class 1 Contract Supply water from Orange Cove Irrigation District (the “Water”);
- B. KDWCD utilizes its Central Valley Project Contract Supply water for purposes of groundwater recharge and is bound to such use pursuant to its existing contracts;
- C. GKGSA is a groundwater sustainability agency formed pursuant to the California Sustainable Groundwater Management Act, whose mission and purpose is to achieve sustainable groundwater pumping within its boundaries by 2040;
- D. GKGSA desires to purchase, and KDWCD desires to sell, the Water for the sole purposes of KDWCD’s use of such waters, on the terms and conditions contained herein.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises, covenants and conditions contained herein, the parties agree as follows:

1. **Purchase Price.** GKGSA shall pay to KDWCD the sum of TWO HUNDRED FIFTY DOLLARS (\$250.00) per acre-foot of Water, totaling ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000.00) (“Purchase Price”). The Purchase Price shall be paid upon execution of this agreement.
2. **Water.** Immediately upon payment of the Purchase Price, GKGSA shall be entitled to receive all the Water. KDWCD shall take all actions necessary to ensure GKGSA receives the Water.
3. **Use of Water.** GKGSA shall use the Water for the sole purpose of groundwater recharge purposes, and shall not reallocate the Water to be used by any landowner within its boundaries.
4. **Compliance with Laws.** The parties shall comply with all statutes, ordinances, regulations, orders, and requirements of all governmental entities, whether federal, state, county, or municipal, relating to the purchase of water pursuant to this Agreement whether or not such statutes, ordinances, regulations, orders, and requirements are now in force or subsequently enacted.

5. **No Assignment.** The parties shall not assign this Agreement or any portion thereof without the written permission of each other, which permission shall not be unreasonably withheld.
6. **Default.** In the event of a default under this Agreement, the defaulting party shall reimburse the non-defaulting party for all costs and expenses reasonably incurred by the non-defaulting party in connection with the default, including, without limitation, attorney's fees.
7. **Attorney's fees.** Should any litigation be commenced between the parties to this Agreement, or in connection with the rights and duties of either in relation thereto, the party prevailing in such litigation shall be entitled, in addition to any other relief that may be granted in the litigation, to reasonable attorney's fees.
8. **Waiver.** No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.
9. **Severability.** If any provision of this Agreement as applied to either party or to any circumstance shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Agreement, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this Agreement as a whole.
10. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.
11. **Scrivener.** The parties acknowledge that they both are represented by the law firm of Ruddell, Bixler, Mauritson, Evans, Fox & Buss LLP. Both parties confirm that the aforementioned law firm has not negotiated the instant transaction, but only acted as a scrivener in preparing the document to reflect the agreement reached after negotiations by and between the parties and their respective negotiators, if any. Accordingly, both parties hereto waive any conflict of interest that the aforementioned law firm may have in the preparation of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

KAWeah DELTA WATER
CONSERVATION DISTRICT

By: _____
Shane Smith, General Manager

GREATER KAWeah GROUNDWATER
SUSTAINABILITY AGENCY

By: _____
Mark Larsen, General Manager

STOCK LEASE AGREEMENT

This Stock Lease Agreement (“Agreement”) is entered into and effective this ____ day of December, 2025 by and between Kaweah Delta Water Conservation District (“KDWCD”) and Greater Kaweah Groundwater Sustainability Agency (“GKGSA”) with respect to the following recitals:

RECITALS

- A. KDWCD owns shares of Consolidated Peoples Ditch Company shares, which entitles it to a certain quantity of Kaweah River water per year per share (“Share Water”);
- B. KDWCD utilizes its Share Water for purposes of groundwater recharge only and is authorized to such use pursuant to its enabling act, amongst other laws, statutes, and regulations;
- C. GKGSA is a groundwater sustainability agency formed pursuant to the California Sustainable Groundwater Management Act, whose mission and purpose is to achieve sustainable groundwater pumping within its boundaries by 2040; and
- D. GKGSA desires to lease 24 shares of stock pursuant to the terms and conditions of this Agreement for the sole purpose of KDWCD’s use of such waters.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and promises herein, the parties agree as follows:

1. **Consolidated Peoples Ditch Company Shares.** KDWCD hereby agrees to lease 24 shares of Consolidated Peoples Ditch Company Shares to GKGSA, which lease shall include all interest in, rights to, and obligations connected with said shares. Immediately upon execution of this Agreement, GKGSA shall be entitled to use all water to which it is entitled pursuant to the 24 shares of Share Water, including but not limited to flood water.
2. **Rent.** GKGSA shall pay to KDWCD the sum of FOUR HUNDRED DOLLARS (\$400.00) per share, for a total of NINE THOUSAND SIX HUNDRED DOLLARS (\$9,600.00) as rent for the shares. GKGSA shall pay this sum upon execution of this Agreement, and annually on the anniversary thereof if the right to extend described in Section 3 is exercised. GKGSA shall further pay any assessments imposed by Consolidated Peoples Ditch Company related to the shares.
3. **Term.** The term of this lease shall be for a period of one (1) year, commencing on the effective date of this Agreement (the “Term”). At the expiration of the Term, this Agreement shall automatically renew unless terminated pursuant to Section 4.
4. **Termination.** Either party may terminate this Agreement at will only during the time period beginning December 31 and ending January 31 of each year of the Extended Term. For the remaining time of the Extended Term, termination of this Agreement must be due to default of either party.

5. **Use of Share Water.** GKGSA shall use the Share Water for the sole purpose of groundwater recharge, and shall not reallocate the Share Water to be used by any landowner within its boundaries.
6. **Warranties.** KDWCD warrants and represents that it owns, beneficially and of record, all of the shares identified herein free and clear of all liens, encumbrances, security agreements, equities, options, claims, charges, and restrictions. KDWCD has the full power to lease the shares to GKGSA without obtaining the consent or approval of any other person.
7. **Compliance with Laws.** The parties shall comply with all statutes, ordinances, regulations, orders, and requirements of all governmental entities, whether federal, state, county, or municipal, relating to the purchase of water pursuant to this Agreement whether or not such statutes, ordinances, regulations, orders, and requirements are now in force or subsequently enacted.
8. **No Assignment.** The parties shall not assign this Agreement or any portion thereof without the written permission of each other, which permission shall not be unreasonably withheld.
9. **Default.** In the event of a default under this Agreement, the defaulting party shall reimburse the non-defaulting party for all costs and expenses reasonably incurred by the non-defaulting party in connection with the default, including, without limitation, attorney's fees.
10. **Attorney's fees.** Should any litigation be commenced between the parties to this Agreement, or in connection with the rights and duties of either in relation thereto, the party prevailing in such litigation shall be entitled, in addition to any other relief that may be granted in the litigation, to reasonable attorney's fees.
11. **Waiver.** No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.
12. **Severability.** If any provision of this Agreement as applied to either party or to any circumstance shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Agreement, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this Agreement as a whole.
13. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.
14. **Scrivener.** The parties acknowledge that they both are represented by the law firm of Ruddell, Bixler, Mauritson, Evans, Fox & Buss LLP. Both parties confirm that the

aforementioned law firm has not negotiated the instant transaction, but only acted as a scrivener in preparing the document to reflect the agreement reached after negotiations by and between the parties and their respective negotiators, if any. Accordingly, both parties hereto waive any conflict of interest that the aforementioned law firm may have in the preparation of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

KAWeah DELTA WATER
CONSERVATION DISTRICT

By: _____
Shane Smith, General Manager

GREATER KAWeah GROUNDWATER
SUSTAINABILITY AGENCY

By: _____
Mark Larsen, General Manager