



# MEMORANDUM

---

**FROM:** Mark Larsen  
**DATE:** February 23, 2025  
**SUBJECT:** RCC Combined Summary  
**CC:**

---

## Meeting Overview

The Combined Rural Communities Committee (RCC) and Stakeholder Committee (SC) of the Greater Kaweah Groundwater Sustainability Agency (GKGSA) met on February 23, 2026. Chair Brian Watte called the meeting to order at approximately 1:30 p.m. The Committees received updates on mitigation activities, subsidence monitoring, management areas, well registration, and Subbasin GSP coordination. No formal action items requiring Board approval were taken.

## Public Comment

Brian Watte opened the meeting for public comments. No public comments were presented during the public comment period.

## Administrative Update

General Manager Larsen reported that 2025 invoices are being finalized and are expected to be submitted for printing shortly. The invoices will include notice of the upcoming mandatory well registration deadline. No additional administrative items were discussed.

## Greater Kaweah Mitigation Plan

Mr. Larsen provided a status report on the dry well mitigation program in coordination with Self-Help Enterprises. Six mitigation claims have been received to date. One well replacement has been completed, two wells have been drilled and are nearing completion, one claim was disqualified due to pre-2014 conditions, and two claims remain under evaluation.

Approximately \$3 million remains allocated for mitigation efforts. Early indications suggest per-well costs are generally within projected ranges. Discussion included well depth determinations, geographic distribution of claims, and potential mapping of mitigation locations for future review.

## Subsidence Monitoring and Management Areas

Consultant Tom Harder provided an update on the monitoring well network. Transducers have been installed in Priority Areas 1 and 2, with additional candidate wells being evaluated in Priority Area 3. A new dedicated monitoring well site has been identified at the Herbert Preserve, and monitoring is being coordinated near the Hypericum recharge site.

Mr. Larsen presented the concept of establishing Management Areas within the GSA to group areas of like conditions for more targeted implementation of management actions. Factors discussed included hydrologic zones, subsidence grid sections, irrigation district boundaries, precipitation zones, and Sustainable Management Criteria.

Committee discussion focused on:

- Appropriate scale of management areas
- Differences between monitoring areas and management implementation areas

- Regional coordination with neighboring subbasins
- Infrastructure protection concerns
- Potential pilot approaches and phased implementation

A tentative timeline for evaluating and refining management areas through 2026 was discussed.

### **Subbasin Well Registration**

Mr. Larsen reported that the Board has established July 1, 2026, as the deadline for mandatory well registration. The Committees discussed the importance of improved well data to support subsidence management and groundwater modeling.

The online registration system will collect owner information, parcel location, well construction details (if available), and related groundwater data. Unknown information may be left blank. Discussion included applicability to domestic wells and the relationship between evapotranspiration-based accounting and depth-of-pumping considerations.

### **Subbasin Groundwater Sustainability Plans (GSPs)**

Mr. Larsen reported that staff recently met with the Department of Water Resources (DWR) SGMA Division to provide a high-level overview of GSP amendments. DWR indicated it will conduct its own review and will reach out for subject-matter follow-up meetings as needed.

Staff also noted DWR's ongoing development of subsidence Best Management Practices and anticipated future coordination at statewide, subbasin, and regional levels.

### **Greater Kaweah & Subbasin Status**

Mr. Larsen briefly summarized recent Board discussions, including evaluation of surface water credit acquisition and recharge-related strategies. Ongoing coordination and cost-effectiveness of mitigation and management strategies remain a priority.

### **Next Meeting**

The next Combined RCC & SC Committee meeting is scheduled for March 23, 2026.



# MEMORANDUM

---

**FROM:** Mark Larsen

**DATE:** February 19, 2026

**SUBJECT:** TAC Committee Summary

**CC:**

---

## **Meeting Overview**

The Greater Kaweah Groundwater Sustainability Agency (GKGSA) Technical Advisory Committee (TAC) met on February 19, 2026, at 1:30 p.m. at the GKGSA office in Visalia, with a quorum present

. No public comments were received.

## **Correspondence and Announcements**

Staff reported on the January 15–16 meeting with the Department of Water Resources (DWR) regarding the revised Groundwater Sustainability Plan (GSP), which addressed subsidence, water quality, and interconnected surface water. DWR will continue its review and provide follow-up questions as needed.

Water Year 2025 groundwater invoices are anticipated to be distributed in early March

## **Approval of Minutes**

The Committee approved September 18, 2025, and December 18, 2025, TAC meeting minutes as revised (4-0, with two abstentions)

## **Subsidence Monitoring and Management**

Staff introduced the Board's conceptual support for developing formal management areas to address subsidence and other sustainability indicators

Tom Harder (Thomas Harder & Company) presented subsidence trends and management concepts, including:

- Correlation between groundwater level declines and increased subsidence rates using INSAR data.
- Observed reduction in subsidence during wet years when groundwater levels rebound.
- Potential performance criteria, including minimum threshold consumption percentages, absolute subsidence limits, and rate-based triggers aligned with a 2040 glide path.
- Consideration of residual subsidence and implications for minimum thresholds.
- A conceptual 4-square-mile "quilted" management area framework with geographically targeted actions.
- Potential management tools such as well registration, metering, dry-year pumping limitations, and transfer restrictions

The Committee discussed district-based management areas, including alignment with district irrigation boundaries and potential equity considerations. Shapefiles from select districts will be provided to support further analysis

Coordination with neighboring GSAs (Mid-Kaweah and East-Kaweah) was discussed, with consensus that GKGSA should first define its internal framework before expanding regional coordination efforts

Infrastructure impacts, including potential effects on flood control channels, highways, sewer, and stormwater systems, were also discussed. Staff noted monitoring expansion could be incorporated into regional subsidence planning

No formal action was taken under this item.

### **Land Use and ET Trends**

Ben Lewis presented Land IQ data from 2021–2024 indicating:

Approximately 4,800-acre reduction in irrigated acreage (~3%).

Approximately 4% reduction in tree crops, largely attributed to walnut removals.

Approximately 2,200-acre increase in idle/fallow acreage

Discussion included market-driven crop removals, agricultural-to-urban conversion, evapotranspiration variability, and the need to further evaluate gross ET, precipitation comparisons, and distinctions between surface water use and groundwater extraction. Staff will provide additional analysis at a future meeting.

No formal action was taken.

### **Subbasin Updates**

Chair Mills reported that Stanford researcher Rosemary Knight requested groundwater monitoring data along Cross Creek to evaluate groundwater rebound timing during flood years (2017, 2019, 2023). Kings County Water District agreed to provide data. Staff will monitor developments to ensure accurate interpretation

Snowpack and water allocation projections were briefly discussed.

### **Next Meeting**

The next TAC meeting is scheduled for March 19, 2026, at 1:30 p.m.



## MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HELD FEBRUARY 9, 2026

---

At approximately 1:00 p.m. on February 9, 2026, 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 Pete Vander Poel Dennis Mills (alt) Eric Shannon Joe Cardoza	Stephen Johnson Jared De Groot Clinton Church Paul Boyer David Van Groningen
-----------	---	--

Directors Absent:	Brian Watte	Andrew Brazil
----------------------	-------------	---------------

Also Present:	Mark Larsen Aubrey Mauritson Andrew Hart Don Tucker Rhett Anderson Diana Zegarra	Tom Harder Geoff Vanden Heuval Luis Verdugo Corley, Shawn Gene Kilgore Alan Becker
---------------	---	---

### PUBLIC COMMENT

Chairman Tantau opened the meeting for public comment. No comment was presented.

### CORRESPONDENCE AND ANNOUNCEMENTS:

#### Miscellaneous Items

General Manager Larsen reported Rachel Glauser is no longer with Delta View. Mr. Larsen thanked her for her time and wished her the best on future endeavors.

## GSA REPORTS AND COMMITTEE DISCUSSION

### Committees and Activities

#### *Technical Advisory Committee*

##### January 15, 2026- Canceled

General Manager Larsen advised that the TAC meeting scheduled on January 15, 2026 was canceled.

##### Next Meeting Scheduled for February 19, 2026

General Manager Larsen advised that the next Technical Advisory Meeting is scheduled for February 19, 2026.

#### *Combined Rural Communities & Stakeholder Committees*

##### January 26, 2026 – Canceled

General Manager Larsen advised that the RCC & Stakeholder Committees scheduled on January 26, 2026 was canceled.

##### Next Meeting Scheduled for February 23, 2026

General Manager Larsen advised that the next meeting of the Combined Committees is scheduled for February 23, 2026.

#### *Kaweah Subbasin Management*

##### Grants Status

General Manager Larsen reported there rare some adjustments underway regrading the timing of various projects.

##### LandIQ/Water Dashboard Status

General Manager Larsen reported landowners have been informed of the daily Land IQ data. Staff will work on additional outreach, including a subbasin-wide effort. Mr. Larsen also reported the Dashboard invoicing should happen in March or April.

Discussion ensued.

##### MLRP Development

General Manager Larsen had no report.

CONSENT CALENDAR:

Consider Approval of Minutes for the January 12, 2026, Board Meeting

General Manager Larsen referred the Board to Agenda Item #5a, a copy of the January 12, 2026, minutes, which are attached hereto and incorporated by reference.

Director Shannon moved and Director Van Groningen seconded to approve the January 12, 2026, minutes. The Board unanimously approved the motion.

GREATER KAWEAH WATER CREDIT MANAGEMENT

Status Report

General Manager Larsen provided a report. Staff continues to evaluate options for retiring water credits. There is a continued concern that in the event of several dry years, how much water in the underground could be called upon. He described several possible options.

*\*Director Vander Poel and Boyer arrived during this item.*

Discussion ensued.

Public comment from Geoff Vanden Heuvel.

Discussion ensued.

Public comment from Geoff Vanden Heuvel.

Discussion ensued.

Public comment from Shawn Corely and Diana Zegarra.

Discussion continued.

Consider approval of policy options to reduce water credits

No action was taken.

GREATER KAWEAH MITIGATION PLAN

Status Report

General Manager Larsen provided an update. The Fill Station is still under development. He has received the extraterritorial service agreement from LAFCO to achieve the delivery of the City of Farmersville water outside its jurisdictional boundary. He continues to work on an agreement with Kaweah Delta Water Conservation District.

*\*Director Cardoza arrived during this item.*

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

Mr. Larsen reported a new claim was received just today. Staff will begin investigating the claim.

Public comment from Rhett Anderson at Self Help.

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 and a PowerPoint presentation. Attached hereto and incorporated by reference as Agenda Item #9b is a copy of his presentation.

Discussion ensued.

Public comment from Geoff Vanden Heuvel.

Discussion continued.

KAWEAH SUBBASIN SUBSIDENCE MONITORING, DATA, AND MANAGEMENT

Status Report

General Manager Larsen provided a report.

Discuss options for establishment of Management Areas

General Manager Larsen reported on the need for Management Areas. He described the various factors that could be used to develop the Areas.

Discussion ensued.

GREATER KAWEAH WELL REGISTRATION

Consider approval of policy options and schedule for encouraging well registration

General Manager Larsen provided a report. The well registration process is underway, with only 147 wells currently registered.

Discussion ensued.

Mr. Larsen recommended establishing a deadline by which to require well registration.

Director Vander Poel moved to approve the deadline of July 1, 2026 for landowners to comply with the well registration requirements. Director Shannon seconded, and the motion was unanimously approved.

#### KAWEAH SUBBASIN GROUNDWATER SUSTAINABILITY PLANS (GSPs)

##### Status Report

General Manager Larsen provided a report. Communication has been made with DWR. The Subbasin requested routine check ins with staff, but DWR denied the request and indicated staff would reach out as needed. Mr. Larsen also reported on new additions to Bulletin 118 regarding subsidence.

Discussion ensued.

Mr. Harder reported on how subsidence is addressed in the GSP and the Land Subsidence Best Management Practices published by DWR.

Discussion continued.

#### KAWEAH/TULE WATER BANKING PROJECT

##### Status Report

General Manager Larsen provided a brief update. It is anticipated it will take Stantec approximately eight months to complete the initial investigation.

Discussion ensued.

Public comment from Geoff Vanden Heuvel.

Discussion continued.

#### NEXT MEETING DATE

Scheduled Meeting March 9, 2026 at 1:00 p.m.

Chairman Tantau announced that the next regular meeting of the Groundwater Sustainability Agency will commence on Monday, March 9, 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, while in closed session pursuant to Government Code Section 54956.9(d)(2), met with General Counsel Aubrey Mauritson regarding two potential items of anticipated litigation.

CLOSED SESSION ITEMS

Report Action Taken in Closed Session Required by Government Code 54957.1

The Board of Directors returned to open session. Chairman Tantau advised that 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



KAHN, SOARES & CONWAY, LLP

THERESA A. DUNHAM  
(916) 448-3826

EMAIL:  
tdunham@ksclawyers.com

January 29, 2026

**VIA E-MAIL ONLY**

Mark Larsen, General Manager  
Greater Kaweah Groundwater Sustainability Agency  
227 N West St.  
Visalia, CA 93291  
e-mail: [mlarsen@greaterkaweahgsa.org](mailto:mlarsen@greaterkaweahgsa.org)

Re: Legal Representation

Dear Mr. Larsen:

Thank you for retaining Kahn, Soares & Conway, LLP (“KSC”) to provide services to the Kaweah Subbasin Groundwater Sustainability Agencies (“Kaweah Subbasin” or “You”). This letter is intended to summarize our agreement concerning legal fees and certain other costs.

This agreement will not take effect and KSC will have no obligation to provide legal services until a signed copy of this agreement is returned.

The Greater Kaweah Groundwater Sustainability Agency (“Greater Kaweah GSA”) is hiring KSC to assist the Kaweah Subbasin with implementation of the Kaweah Subbasin’s Groundwater Sustainability Plan. KSC will provide those legal services reasonably required and requested to represent and advise the Kaweah Subbasin on the described matter and on other related matters that are subsequently requested and KSC agrees to undertake on the Kaweah Subbasin’s behalf. KSC will take reasonable steps to keep you informed of progress and to respond to your inquiries. KSC will communicate to the Kaweah Subbasin through Mark Larsen, unless we are instructed otherwise. Unless you and KSC make a different agreement in writing, this agreement will govern all future services KSC may perform for you.

You agree to cooperate with KSC and be reasonably available to confer with KSC upon request, to keep KSC informed of developments, and to disclose all facts and circumstances you are aware which may bear upon handling of the matter. You

219 NORTH DOUTY STREET  
HANFORD, CA 93230  
TEL 559.584.3337

1415 L STREET, SUITE 400  
SACRAMENTO, CA 95814  
TEL 916.448.3826

512 PAJARO STREET, SUITE 12  
SALINAS, CA 93901  
TEL 831.676.0958

agree to provide KSC with documents and information you may possess relating to the matter, to abide by this agreement, to pay KSC's bills on time, and to keep KSC advised of your address, telephone number, and whereabouts.

Fees will be charged on an hourly basis for all time actually expended and will be invoiced monthly with the expectation of payment in full within thirty (30) days of receipt. Theresa Dunham will be the principal attorney in charge of your matter. Her rate is \$475 per hour. From time to time, other attorneys in this firm will support her efforts. Charges by other attorneys in the firm range from \$225 to \$600 per hour. Paralegals and law clerks range from \$150 to \$200 per hour. These rates are reviewed and adjusted periodically, but not more frequently than annually. We will send you a proposed revision to our rates before effectuating any adjustment.

In addition to fees for legal services, the Greater Kaweah GSA, on behalf of the Kaweah Subbasin, will be charged for time spend on telephone calls relating to your matter, including calls with you, Kaweah Subbasin represnatives, agency personnel, opposing counsel, court personnel, experts, consultants, and witnesses. The legal personnel assigned to your matter will confer among themselves about the substantive legal, tactical and strategic issues pertaining to the matter, and with consultants and other persons who may have information regarding your matter, as required. When they do confer, each of the legal personnel will charge for the time expended. Likewise, if more than one of our legal personnel attends a meeting, court hearing or other proceeding, each will charge for the time spent. KSC will charge for waiting time in court and elsewhere and for travel time, both local and out of town.

Various costs and expenses will be incurred in performing legal services under this agreement. The cost of normal photocopying, long-distance telephone calls, postage and other small miscellaneous expenses as to which individual itemization is impractical are covered and included within our billing rates. All other costs, such as experts consultant and investigation fees, airfare, air charter, mileage at the IRS reimbursement rate, lodging, meals, deposition transcripts, document databasing if requested by you, filing fees, computerized legal research, unusual photocopying and staff overtime, if and to the extent required, are billed directly on a pass-through basis as a cost advanced by us. We generally do not pass through our secretarial overtime costs unless the overtime is required due to unanticipated time constraints or other urgencies that arise in the matter. In case of significant costs such as, for example, fees to employ consultants, we will ask that you deposit an estimate of those costs with us.

Billings are calculated and submitted on a monthly basis. The billings are accompanied by a computer-generated statement setting forth a description of the services performed, the date of the work, amount of time spent and identity of the person who performed the work. Each invoice is due and payable upon presentation and delinquent if not paid within thirty (30) days. Monthly invoices will be sent to the address above, unless you instruct us otherwise.

January 29, 2026

Page 3

If an invoice is not paid monthly, we reserve the right to discontinue performing further non-emergency services at any time thereafter, regardless of the status of Kaweah Subbasin matter at such time. If that situation should arise and exist for a period of sixty (60) days, we will ask you for, and you agree to execute, a stipulation to allow us to withdraw as your counsel of record.

As required by California Business and Profession Code, KSC maintains errors and omissions insurance coverage applicable to the services to be rendered.

Subject to client's direction to the contrary, it is our policy to destroy client legal files in our possession upon expiration of ten (10) years after the closing of such files. If the Greater Kaweah GSA on behalf of the Kaweah Subbasin desires us to retain any of its files for a longer period, please so advise us in writing.

If legal action is necessary to enforce terms and conditions of this letter, legal action shall be venued in Sacramento, California and the prevailing party shall receive attorney's fees and costs as the court may adjudge reasonable.

Please indicate your agreement with the terms and conditions of this letter by signing and returning a copy to us.

On behalf of KAHN, SOARES & CONWAY, LLP, thank you for retaining us in this matter.

Very truly yours,

KAHN, SOARES & CONWAY, LLP

A handwritten signature in black ink that reads "Theresa A. Dunham". The signature is written in a cursive style with a large, looping initial "T".

Theresa A. Dunham

TAD/sa

THE UNDERSIGNED HAS READ AND UNDERSTANDS THE FOREGOING AND AGREES ON BEHALF OF GREATER KAWEAH GROUNDWATER SUSTAINABILITY AGENCY TO BE BOUND BY ITS TERMS AND CONDITIONS.

GREATER KAWEAH GROUNDWATER  
SUSTAINABILITY AGENCY

DATED: January \_\_\_\_\_, 2026

By: \_\_\_\_\_  
Mark Larsen, General Manager

FIFTH AMENDED  
RULES AND REGULATIONS  
OF THE  
GREATER KAWEAH GROUNDWATER  
SUSTAINABILITY AGENCY

Adopted: 8/15/2022

First Amended Adopted: 9/27/2022

Second Amended Adopted: 9/11/2023

Third Amended Adopted: 02/12/2024

Fourth Amended Adopted: 10/13/2025

Fifth Amended Adopted: [date]



## Table of Contents

Article I.	General.....	5
	Section 1.01 Purpose.....	5
	Section 1.02 Authority.....	5
	Section 1.03 Groundwater Sustainability Plan.....	5
	Section 1.04 Definitions.....	5
	Section 1.05 Effective Date and Changes.....	6
	Section 1.06 Actions Against the GKGSA.....	7
	Section 1.07 Rights of Access.....	8
	Section 1.08 Severability of Provisions.....	8
Article II.	Groundwater Monitoring.....	8
	Section 2.01 Well Registration.....	8
	(a) Registration Requirement.....	8
	(b) Change in Owner or Operator.....	8
	(c) Penalty.....	8
	Section 2.02 Groundwater Use Measurement.....	10
	(a) Criteria for Using Meters.....	10
	(b) Criteria for Using Evapotranspiration Method.....	11
Article III.	Groundwater Accounting/Data Management System.....	11
	Section 3.01 Authority.....	11
	Section 3.02 Online Water Accounting Dashboard.....	11
	Section 3.03 Categories of Water.....	11
	b) Surface Water Credits and Debits for Direct Delivery.....	11
	c) Native Sustainable Yield Allocation.....	12
	d) Temporary Tier 1 Allocation.....	12
	e) Temporary Tier 2 Allocation.....	12
	f) Groundwater Credits.....	12
	g) Recharge and Banking Credits and Debits.....	12
	h) Recycled Water.....	12
	i) Prohibited Tier 3 Pumping.....	12
	Section 3.04 Priority of Use.....	13
	Section 3.05 Net Groundwater Consumptive Use Reporting and Debiting.....	13

(a)	Methodology .....	13
(b)	Appeal Process.....	13
	Section 3.06 Surface Water Reporting.....	14
	Section 3.07 Recharge and Banking Reporting .....	14
	Article IV. Allocation of Water.....	14
	Section 4.01 Purpose.....	14
	Section 4.02 Determination of Allocations .....	14
	Section 4.03 Greater Kaweah Agricultural Management Area.....	14
(a)	Sustainable Yield Allocation.....	14
(b)	Transitional Tier 1 Penalty Allocation.....	16
(c)	Carryover and Transfers.....	16
(d)	Opt-Out .....	20
(e)	Fallowed Lands .....	20
	Section 4.04 Community Management Areas .....	21
	Section 4.05 Special Uses Management Area .....	21
(a)	Sustainable Yield, Tier 1 and 2 Allocations.....	21
(b)	Consumption .....	21
(c)	Carryovers and Transfers .....	21
	Section 4.06 Appeal Process.....	21
(a)	Notification of Allocations and Extraction Limits.....	21
(b)	Protest of Allocation and Extraction Limits.....	22
	Section 4.07 Emergency Ordinances .....	22
	Article V. Fees & Penalties .....	22
	Section 5.01 Penalties .....	22
(a)	Penalty for Excess Use.....	22
(b)	SGMA Penalties.....	22
(c)	Civil Remedies.....	22
(d)	Protest of Penalty Determination .....	22
(e)	Submission to Board .....	23
	Section 5.02 Groundwater Extraction Fees.....	23
	Section 5.03 Real Property Assessments .....	23
	Article VI. Surface Water Recharge in the Underground .....	23
	Section 6.01 Recharge .....	23

## **Article I. General**

### **Section 1.01 Purpose**

These rules and regulations are established by the Board of Directors of the Greater Kaweah Groundwater Sustainability Agency (GKGSA) in order to provide for the sustainable management of groundwater within the GKGSA.

### **Section 1.02 Authority**

Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section 10725.2 expressly states as follows:

“A groundwater sustainability agency may adopt rules, regulations, ordinances, and resolutions for the purpose of this part, in compliance with any procedural requirements applicable to the adoption of a rule, regulation, ordinance, or resolution by the groundwater sustainability agency.”

### **Section 1.03 Groundwater Sustainability Plan**

Pursuant to Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section 10725, a groundwater sustainability agency may exercise the powers described in Chapter 5 provided the groundwater sustainability agency adopts and submits a groundwater sustainability plan to the Department of Water Resources. These Rules and Regulations are designed to implement the provisions of the GKGSA Groundwater Sustainability Plan (GSP), and may be amended at any time if necessary to achieve consistency with the groundwater sustainability plan and steps needed to achieve sustainability.

### **Section 1.04 Definitions**

“Coordination Agreement” means the Kaweah Subbasin Coordination Agreement developed and agreed to pursuant to Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section 10727.6, and any amendments or additions thereto.

“Dairy” or “Dairies” means the production facility of a commercial dairy operation that includes the milk barn, feed area, animal housing, and manure storage as permitted as the Dairy Facility Footprint by the local permitting agencies, including but not limited to, the County, local Air District, and State Water Board.

“Farm Unit” means two or more accounts combined by common landowners.

“GKGSA” means Greater Kaweah Groundwater Sustainability Agency.

“GKGSA GSP” means the GKGSA Groundwater Sustainability Plan developed and submitted to the Department of Water Resources pursuant to Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section 10727, *et al.*

“GKGSA Technical Group” means the GKGSA’s Consulting Engineer, the GKGSA’s designated Hydrogeologist, and the GKGSA’s designated Agronomist, or other qualified consultants(s).

“Operator” means an authorized representative of an owner.

“Overdraft” means the ten-year period from 2010-2022 average amount of water consumed prior to SGMA implementation beyond the Sustainable Yield within the Greater Kaweah Management Area.

“Owner” means fee title owner of land within the GKGSA boundaries.

“Processing Plants” means [TBD].

“SGMA” means the Sustainable Groundwater Management Act, pursuant to Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section 10720, *et seq.*

“Temporary Tier 1 Allocation” or “Tier 1” means groundwater consumed in excess of Sustainable Yield and less than Tier 2 in an amount to be determined accordingly to the methodology established herein.

“Temporary Tier 2 Allocation” or “Tier 2” means groundwater consumed in excess of the Tier 1 and less than Tier 3 in an amount to be determined accordingly to the methodology established herein.

“Transfer” means a voluntary transfer of an allocation from a willing Seller (Owner or Farm Unit) to a willing buyer (Third Party).

“Prohibited Tier 3 Pumping” or “Tier 3” means groundwater consumed in excess of Tier 2.

“Water year” means the 12-month period October 1, for any given year through September 30, of the following year. The water year is designated by the calendar year in which it ends and which includes 9 of the 12 months. Thus, the year ending September 30, 1999 is called the "1999" water year.

### **Section 1.05 Effective Date and Changes**

These rules and regulations shall become effective upon adoption and may be added to, amended and/or repealed at any time by resolution of the Board of Directors of the GKGSA and such additions, amendments, and/or repeals shall become effective upon their adoptions or as otherwise specified by the Board of Directors.

**Section 1.06 Actions Against the GKGSA**

Nothing contained in these Rules and Regulations shall constitute a waiver by the GKGSA or estop

the GKGSA from asserting any defenses or immunities from liability as provided in law, including, but not limited to, those provided in Division 3.6 of Title 1 of the Government Code.

### **Section 1.07 Rights of Access**

The GKGSA staff and/or others authorized by the GKGSA's General Manager shall notify and request consent from the owner of any land prior to their entry. Any such entry must be for the sole and exclusive purpose of conducting GKGSA business.

### **Section 1.08 Severability of Provisions**

If any provision of these rules and regulations, or the application thereof to any person or circumstance, is held invalid, the remainder of these rules and regulations, and the application of its provisions to other persons or circumstances, shall not be affected thereby.

## **Article II. Groundwater Monitoring**

### **Section 2.01 Well Registration**

#### **(a) Registration Requirement**

Consistent with Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section 10725.6, all groundwater extraction facilities, excluding de minimis extractors, shall be registered with the GKGSA. For wells constructed after the effective date of these Rules and Regulations, the well shall be registered within 30 days of the completion of drilling activities. The owner or operator of an extraction facility shall register the extraction facility and provide, in full, the information required to complete the form provided by the Agency that includes, but not limited to, the following:

- i. Name and address of the operator(s).
- ii. Name and address of the Owner(s) of the land upon which the extraction facility is located.
- iii. A description of the equipment associated with the extraction facility.
- iv. Location, parcel number and state well number of the water extraction facility.
- v. Whether the well is used for Agriculture, Domestic, or Retired/Non-destroyed.
- vi. A Well Completion Report, if available.

#### **(b) Change in Owner or Operator**

The name of the owner of each extraction facility, the parcel number on which the facility is located, along with the names of all operators for each extraction facility shall be reported to the Agency within 30 days upon any change of ownership or operators, together with such other information required by the General Manager.

#### **(c) Penalty**

Failure to register within the timeframe provided herein may result in a civilpenalty not to exceed one thousand dollars (\$1,000) plus one hundred dollars (\$100) for each additional day on which the violation continues in accordance with Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section 10725.6.

## **Section 2.02 Groundwater Use Measurement**

In order to enable verification of production, each Owner or operator who uses groundwater must have an accurate method for quantifying use. Use shall be generated based upon one of the following two bases, at the option of the Owner or operator: (1) information provided from flowmeters which have been connected to the relevant well continuously for the preceding year or (2) evapotranspiration information obtained via satellite technology. Subject to Section 3.05 below, and except as otherwise provided in this Section, each owner shall have the option to select the methodology used for measuring or estimating the Owner's groundwater extraction.

If the owner does not (1) communicate an election to use flowmeters to the GKGSA by October 1 of each water year; and (2) provide all relevant information needed for the GKGSA to verify measurements from each flowmeter 30 days from the end of the prior month, then the GKGSA will default to utilize the evapotranspiration data to determine groundwater consumption for that period. If the Owner desires to change his or her election after October 1, he or she may do so by presenting such request to the General Manager who then shall present for approval to the Board of Directors. And owner may only opt to change his or her election once annually.

### **(a) Criteria for Using Meters**

The following criteria and information shall be provided to the GKGSA:

- i. Manufacturer and Model of flowmeter;
- ii. Date Flow Meter Installed;
- iii. Diameter of Pipe and Size of Flow Meter;
- iv. Identification of who installed flowmeter and calibrated flowmeter per manufacturer specifications;
- v. Inspection records will be required to submit to GKGSA per schedule outlined in the manufacturer specifications.
- vi. Pictures to identify flowmeter installed correctly (e.g., adequate straight pipe sections before and after the flowmeter);
- vii. Type of crop, age of crop (if perennial), single/double/triple crop (if annual), irrigation methodology (e.g., flood, drip, sprinkler) for the irrigated acres serviced by the water from the flow meter; and
- viii. If multiple flowmeters on a farm, a map identifying the locations of the various flowmeters and lands serviced collectively by these flowmeters.

Additionally, the owner of the flowmeter will allow access to staff from the GKGSA to physically inspect the flowmeter, if needed.

For each month following an election under this subsection, the owner shall report to the GKGSA, no later than 30 days following the last day of the month, the quantity of groundwater extracted at each parcel for which the election is made, as measured by the flowmeter(s). Failure to timely report the quantity of groundwater extraction to the GKGSA, in accordance with this section, for any

parcel to which the election applies for any month shall be deemed a withdrawal of the election as to those parcels for those months, in which case groundwater extraction shall be measured by the evapotranspiration method described in subsection (b) below.

For all wells constructed after the date of the first adoption of the GKGSA Rules and Regulations flowmeters are required.

### **(b) Criteria for Using Evapotranspiration Method**

Groundwater extraction shall be measured according to the evapotranspiration method described in this subsection for any parcels to which a valid election under subsection (a) above has not been made, or for which that election is deemed withdrawn in accordance with subsection (a).

Crop evapotranspiration (ET) is estimated using a combination of remote sensing data and ground-based equipment. The satellite data is entered into a model, which is used to estimate the ET rate and ET spatial distribution of an area in any given time period. When appropriately calibrated to land-based ET and/or climate stations and validated with crop surveys, the satellite-based model provides an estimate of crop ET (i.e., consumptive use).

## **Article III. Groundwater Accounting/Data Management System**

### **Section 3.01 Authority**

Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section 10726.4, expressly authorizes a groundwater sustainability agency to establish accounting rules to allow unused groundwater extraction allocations to be carried over and transferred.

### **Section 3.02 Online Water Accounting Dashboard**

The GKGSA shall establish an online dashboard for Owners to account for total water use within the GKGSA. Owners may allow operators access and control of their account(s). Owners may combine their accounts which are under common ownership to create Farm Units.

### **Section 3.03 Categories of Water**

The online dashboard shall account for water through the following seven categories:

#### **a) Precipitation**

As described in Section 4.03(a) below, Precipitation may be credited to an Owner's account.

#### **b) Surface Water Credits and Debits for Direct Delivery**

As described in Section 3.06, an Owner's account may be credited or debited with surface water.

**c) Native Sustainable Yield Allocation**

As described in Section 4.03(a) below, Native Sustainable Yield may be credited to an Owner's account. Carryover and transfers as described in Section 4.03(c), may be credited and debited from an Owner's account.

**d) Temporary Tier 1 Allocation**

As described in Section 4.03(b), the account of Owners engaged in irrigation of lands actively used in agricultural production may be allocated an amount for groundwater used above Sustainable Yield, but below Tier 2. Carryover and transfers may be credited and debited from Owner accounts in accordance with Section 4.03(c).

**e) Temporary Tier 2 Allocation**

As described in Section 4.03(b), the account of Owners engaged in irrigation of lands actively used in agricultural production may be allocated an amount for groundwater used above Tier 1. Carryover and transfers may be credited and debited from Owner accounts in accordance with Section 4.03(c).

**f) Groundwater Credits**

As described in Section 4.03(c), an Owner's account may be credited or debited with groundwater credits.

**g) Recharge and Banking Credits and Debits**

As described in 3.07, an Owner's account may be credited or debited with recharge or banking activities. Transfers will be recognized by the GSA when authorized by the applicable surface water entity.

**h) Recycled Water**

An Owner's account may be credited or debited with recycled water. Prior to a debit or credit proper documentation must be provided and approved by GKGSA staff.

**i) Prohibited Tier 3 Pumping**

As provided in Sections 4.03(b) and (c), no pumping beyond Tier 2 is allowed. No carryover or transfers are allowed in excess of any Tier 2 Allocation. As further set forth in Section 4.03(c)(iii)(1) and Article V, an Owner who consumes water in excess of all remaining credits shall be liable for a Tier 3 Penalty Rate, reduction in future Tier 1 and Tier 2 Allocations, and shall be

subject to any and all other remedies as may be available to the GKGSA in law or in equity.

### **Section 3.04 Priority of Use**

Each owner with multiple categories of credits under these rules and regulations shall have the power to elect which of such credits are to be debited or transferred in connection with such consumption, except for Precipitation and Prohibited Tier 3 Pumping. Precipitation will be debited first from an Owner's account. Prohibited Tier 3 Pumping will only be accounted for after all other available sources of water are exhausted. In order to be effective, Owner must elect priorities no later than thirty (30) days prior to the end of each quarter. Priorities will remain as elected by the Owner until the Owner chooses to change the chosen priority. If the Owner does not timely elect the priority of allocations to be debited by that date, the default priority will follow in order of Section 3.03 (a)-(h) above.

### **Section 3.05 Net Groundwater Consumptive Use Reporting and Debiting**

#### **(a) Methodology**

The amount of net groundwater consumptive use will be calculated monthly, within 60 days of the end of the prior month, using one of the measurement methods described in Section 2.02.

If the Owner is using flowmeters, calculations will be prepared by the GKGSA's Consulting Engineer to determine the net groundwater consumed using the following formulas:

$$\text{Net Consumed Groundwater Used} = \text{Gross Groundwater Pumped (Flowmeter)} - \text{Estimated Return Flow}$$

If the Owner is using the evapotranspiration method, the net consumed use will be provided by the GKGSA's qualified consultant.

After the calculation is completed, each month as described in this Section, the net groundwater consumed will be debited from the applicable account.

In the event that a watercourse, including but not limited to canals, ditches, riparian areas, is located within the boundaries of a parcel, the area of such watercourse shall not be evaluated for any consumed use of groundwater.

#### **(b) Appeal Process**

Within thirty (30) days of notification of the net consumed groundwater use, any Owner may protest the amount or the method. The written protest must be submitted to the General Manager at the GKGSA's Main Office.

The General Manager shall investigate matters related to the protest, may consult with the GKGSA Technical Group, and may present any relevant information, along with any recommendation, to the Board within sixty (60) days of receipt of the protest. The Board shall act on the written protest and supporting documentation within sixty (60) days of receipt of all relevant information, including the possibility of authorizing a separate methodology not identified in these Rules and Regulations.

### **Section 3.06 Surface Water Reporting**

Any Owner within the GKGSA which utilizes surface water shall cause to be reported from the applicable surface water entity, the diversion of surface water to direct irrigation.

### **Section 3.07 Recharge and Banking Reporting**

An Owner within the GKGSA which is performing recharge or banking activities shall report, or cause to be reported, the diversion of surface water to underground storage to the GKGSA. Prior to crediting or debiting the Owner's account, the GKGSA shall ensure the request is consistent with any applicable banking or recharge policy. The GKGSA acknowledges that several special districts, organized and existing under the laws of the State of California for the purpose of facilitating the beneficial use of the waters of the State, operate within GKGSA's boundaries. Several such districts have adopted and implemented banking and recharge policies in order to facilitate the underground storage and beneficial use of surface water. GKGSA shall honor the groundwater banking and recharge policies of all such entities within its jurisdictional boundaries.

## **Article IV. Allocation of Water**

### **Section 4.01 Purpose**

Consistent with Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section 10726, the purpose of this Article is to provide for the sustainable management of groundwater within the GKGSA jurisdictional area and Kaweah Subbasin, and to fulfill the legislative goals and policies of SGMA. Nothing in this Article shall be used to determine or alter water rights.

### **Section 4.02 Determination of Allocations**

Each year prior to, October 1, or as soon as practical, the GKGSA Technical Group shall determine the allocations available for use within the GKGSA's various Management Areas based on the data and calculations and the approved methodologies provided herein. The General Manager shall cause such determination to be noticed to all affected Owners prior to October 1, or as close as practical.

### **Section 4.03 Greater Kaweah Agricultural Management Area**

#### **(a) Sustainable Yield Allocation**

Each year, the GKGSA Technical Group shall establish a use allocation for each agricultural assessor's parcel within the Greater Kaweah Management Area boundary, as defined in the attached

map identified and incorporated by reference as Exhibit A. The allocation for each Owner shall be calculated as follows:

1. Sustainable Yield for the Kaweah Subbasin shall first be calculated over a base period representative of long-term conditions in the basin and including any temporary surplus, that can be withdrawn annually from a groundwater supply without causing an undesirable result. Sustainable Yield for the Kaweah Subbasin shall first be calculated using the methodologies as agreed upon in the Kaweah Subbasin Coordination Agreement, incorporated herein by reference. Total Sustainable Yield allocated to the GKGSA shall be comprised of the following two components:
  - (A) **Native Sustainable Yield.** Native Sustainable Yield is calculated as the long-term average of percolation from rainfall, streambed percolation within the natural tributaries of the Kaweah River, agricultural land irrigation return flow from pumped groundwater, and mountain front recharge assigned to the Greater Kaweah GSA as defined in the Kaweah Subbasin Coordination Agreement, Appendix 3 – Water Accounting Framework.
  - (B) **Precipitation.** Precipitation is calculated as the 25-year rolling average total precipitation for the entire GKGSA jurisdictional area. The long-term average is based on precipitation data collected from calibrated weather stations within and adjacent to the GKGSA, interpolated to lands within the GKGSA. The deep percolation of precipitation is removed from the 25-year rolling average total and accounted for in the Native Sustainable Yield component of Sustainable Yield. Allocations are determined by individual Public Land Survey System Township-Range-Section (PLSS TRS) within the GKGSA. Precipitation allocations by PLSS TRS will be provided by the technical consultant prior to each water year.
2. GKGSA's Total Sustainable Yield shall be the sum of the GKGSA's portion of the total Kaweah Subbasin Native Sustainable Yield based on a gross acreage and Precipitation within the GKGSA.
3. The GKGSA's available Total Sustainable Yield will deduct the sustainable yield allocations for the communities. The remaining balance will be divided by the total acreage within the GSA to establish a per acre allocation for each parcel.
4. Each parcel within the Greater Kaweah Management Area will receive allocations in the amount equal to the gross assessor parcel acreage multiplied by the per acre allocation established in Section 4.03(a)(3).

Native Sustainable Yield allocations shall be made on an annual basis.

*\*As additional data becomes available and as projects, monitoring, and management actions are implemented, the Sustainable Yield may be adjusted to reflect the new data. The Allocations are not currently based on the aquifer from which the water is pumped, due to lack of data.*

**(b) Transitional Tier 1 Penalty Allocation**

In addition to the Sustainable Yield Allocation, irrigated parcels as of January 31, 2020, which are identified as enrolled in the Irrigated Lands Regulatory Program, other regulatory programs that document historical irrigation use (i.e., Dairy General Order), or as identified by other certified crop map or Land IQ datasets shall be allocated a Tier 1 and Tier 2 Allocation(s) for only so long as permitted under these Rules and Regulations. Once a parcel has been identified as an irrigated parcel, the parcel will remain in the Transitional Pumping Program until the program expires. If a parcel is not identified as an irrigated parcel as of January 31, 2020, an Owner may file a request to the GKGSA General Manager to be included in the Transitional Pumping Program. For agricultural development of parcels after January 31, 2020, the Owner may also file a request to the GKGSA General Manager to allow such lands to receive a Tier 1 or Tier 2 Allocation(s), which such allocation shall be prorated based on the date of development. GKGSA shall develop forms as needed to assist Owners with the request.

Changes in the total irrigated acres will affect the Tier 1 and/or Tier 2 Allocation(s). To achieve consistency with the GKGSA GSP, the amount of Tier 1 and/or Tier 2 Allocation(s) may vary year to year.

The allocations shall be consistent with the objectives of the GKGSA GSP, and will ramp-down pumping overtime calculated by a percentage of total overdraft as follows:

Water Years	Tier 1	Tier 2	Total Allowable Overdraft
2023-2025	40%	50%	90%
2026-2030	40%	30%	70%
2031-2035	20%	20%	40%
2036-2040	20%	0%	20%

All Temporary Tier 1 and Tier 2 Allocations shall be made on an annual basis.

**(c) Carryover and Transfers**

*(i) Sustainable Yield Allocation*

*1) Carryover of Native Sustainable Yield*

If an Owner uses less than his or her Native Sustainable Yield allocation in a given year, the difference between the allocation amount for that year and the amount of groundwater used and/or transferred for that year shall be carried over to the next year.

If the carryover amount for the year in question continues to remain unused as a groundwater credit, it may be carried over on a five-year rolling basis. The impact of the total quantity of water used in

any five-year period shall be consistent with the provisions of the GKGSA GSP.

Portion of Native Sustainable Yield allocation successfully carried over from the previous year shall be credited to the Owner's account as groundwater credits.

An Owner is not allowed to carryover Precipitation.

*Example:*

Native Sustainable Yield

Water Year 2023

Unused portion of WY 2023 Native Sustainable Yield allocation → groundwater credit → may be carried over until the end of Water Year 2028.

Water Year 2024

Unused portion of WY 2024 Native Sustainable Yield allocation → groundwater credit → may be carried over until the end of Water Year 2029.

## 2) *Transfer of Native Sustainable Yield*

An Owner or Farm Unit may Transfer<sup>1</sup> all or a portion of the Native Sustainable Yield allocation which has been carried over from a previous year and thereby converted to groundwater credits, provided that the transfer satisfies the conditions below. Transferred Native Sustainable Yield shall be credited to the transferee's account as groundwater credits.

1. The proposed transferee will put the allocation to use within the GKGSA;
2. The transfer agreement is memorialized in writing, using a form provided by the GKGSA;
3. Groundwater credits derived from Sustainable Yield Allocations prior to Water Year 2025 shall be subject to the Kaweah Subbasin Analysis Zones and leave behind requirements as stated in the Third Amended Rules and Regulations. No such limitations shall be required for groundwater credits derived from Water Year 2025 allocations and future allocations, unless these Rules and Regulations are amended or changed by the GKGSA Board of Directors.

An Owner is not allowed to transfer Precipitation.

No action shall occur on any proposed transfer unless all past due assessments, interest and penalties owed to the GKGSA by either transferee or transferor have been paid prior to the date that the proposed transfer is submitted to the General Manager and the Owner is compliant with all Rules and Regulations set forth herein. An Owner precluded from transferring may protest to the board, and the board may consider, exceptions to the foregoing on a case-by-case basis.

Any transfers of Sustainable Yield pursuant to this Section 4.03(c)(i)(2) shall be subject to

modification or termination by the GKGSA in the event that the GKGSA determines that the implementation or continued implementation of the transfer in question does or will tend to cause undesirable results.

An Owner will only be permitted to use his or her allocation of Native Sustainable Yield outside of the GKGSA Boundaries where:

1. The parcel upon which the Owner intends to put the allocation to beneficial use is owned or commonly owned by the same Owner;
2. The allocation will be used within the Kaweah Subbasin and within a groundwater sustainability agency which allows similar use outside its GSA boundaries;
3. The use outside the GSA boundaries is memorialized in writing, using a form provided by the GKGSA; and
4. Both the GKGSA and the groundwater sustainability agency of where the water is put to beneficial use are informed of the agreement.

Groundwater credits derived from the transfer of Native Sustainable Yield may be carried over for five years from the Water Year allocation date of the transfer.

*Example:*

Native Sustainable Yield Transfer  
Water Year 2023

Unused portion of WY 2023 Native Sustainable Yield allocation transferred to a separate Owner on October 1, 2025 minus applicable leave behind → groundwater credit → may be carried over until the end of Water Year 2030.

*(ii) Temporary Tier 1 and Tier 2 Allocations*

*1) Carryover of Tier 1 and Tier 2*

If an Owner uses less than his or her total Tier 1 and Tier 2 Allocations, the difference between the allocation amount for the relevant period and the amount of the Tier 1 and Tier 2 Allocation used and/or transferred during that period year may be carried over to the next year. An Owner is only entitled to carryover provided Owner pays the GSA within 60 days of the start of the new Water Year, or from the date of annual invoicing, whichever is greater, the applicable Tier 1 or Tier 2 Penalty Rate for the quantity of Tier 1 or Tier 2 sought to be carried over. The applicable Tier 1 or Tier 2 Penalty Rate shall be the rate of the Water Year allocation date. For example, an Owner desiring to carryover 10 acre-feet of Water Year 2023 Tier 1 into Water Year 2024 shall pay the Water Year 2023 rate previously set by the board. The GKGSA General Manager may extend the timeline provided herein on good cause, but in no event will extend the timeline for payment longer than six months. An Owner will not be allowed to pay, and thus not be allowed to carryover any Tier 1 or Tier 2 Allocations unless the Owner is compliant with the Rules and Regulations as set forth herein.

Portions of Tier 1 and Tier 2 allocations successfully carried over from the previous year shall be credited to the Owner’s account as groundwater credits.

If the carryover amount for the year in question continues to remain unused as a groundwater credit, it may be carried over for a total of five years. No Tier 1 or Tier 2 Penalty Allocation may carry over for longer than five years from the date of the allocation. The impact of the total quantity of water used in any five-year period shall be consistent with the provisions of the GKGSA GSP.

*Example:*

Tier 1 Penalty Allocation Carryover

Water Year 2023

Unused portion of WY 2023 Tier 1 Penalty Allocation → carried over until the end of Water Year 2028.

2) *Transfer of Tier 1 and Tier 2 Allocations*

An Owner or Farm Unit may transfer his or her Tier 1 or Tier 2 Allocation to a Third Party, if all of the following conditions apply:

1. The proposed transferee will put the allocation to use within the GKGSA.
2. The place of use is no further than three zones from where the transferor’s location of allocation; and
3. The transfer agreement is memorialized in writing, using a form provided by the GKGSA identifying the quantity and signed by both parties.

Attached hereto as Exhibit C is the Kaweah Subbasin Analysis Zones. The transfer shall be subject to the following additional leave behind:

	Transfer within Zone	Immediate adjacent Zone from Transferor Place of Use Allocation	Total distance of two zones from Transferor Place of Use Allocation (e.g., Zone 35 to 32)	Total distance of three zones from Transferor Place of Use Allocation (e.g., Zone 35 to 11)
Tier 1	20%	30%	40%	70%
Tier 2	40%	50%	60%	90%

No action shall occur on any proposed transfer unless all past due assessments, interest and penalties

owed to the GKGSA by either transferee or transferor have been paid prior to the date that the proposed transfer is submitted to the General Manager and the Owner is compliant with all Rules and Regulations set forth herein. A transferee may not subsequently transfer the allocation to another individual or entity. An owner precluded from transferring may protest to the board, and the board may consider, exceptions to the foregoing on a case-by-case basis.

Any transfers of Tier 1 or Tier 2 pursuant to this Section 4.03(c)(ii)(2) shall be subject to modification or termination by the GKGSA in the event that the GKGSA determines that the implementation or continued implementation of the transfer in question does or will tend to cause undesirable results

*Example:*

Water Year 2023

Unused portion of 2023 Tier 1 Penalty Allocation transferred to separate Owner on October 1, 2025  
→ may be carried over five years from the date of initial allocation to end of Water Year 2028.

*(iii) Prohibited Tier 3 Pumping*

*1) No Carryover or Transfers*

No carryover or transfer of Tier 3 extractions is allowed. In addition to penalties associated with Tier 3 extractions as defined herein, the quantity of Tier 3 water consumed shall be deducted from the owner's Tier 1 and 2 Allocation account the following year(s). If the Owner's Tier 1 and 2 Allocation account is depleted, further enforcement actions may be taken by the GKGSA. An Owner may protest any penalties or restrictions he or she incurs as a result of this Section.

**(d) Opt-Out**

An owner who has not received a Transitional Tier 1 Penalty Allocation, but who has received a Sustainable Yield Allocation pursuant to Section 4.03(a) of these Rules and Regulations may elect to opt out of the GKGSA Rules and Regulations for the subsequent water year by submitting a request to the GKGSA. Should the Owner wish to participate in the future, at that time, all current assessments, fees, interest, and penalties will be paid prior to participation. An Owner is not allocated any water during the period in which he or she has chosen to opt out and will not be allocated any prior year's allocation upon choosing to opt in.

**(e) Fallowed Lands**

Parcels which have received a Tier 1 or Tier 2 Penalty Allocation may fallow lands associated with the allocation. Once verified, the fallowed lands will not be debited for any consumptive use on said lands. All parcels must be maintained to limit the growth of any vegetation. Parcels which have been fallowed during a portion of any water year shall receive a pro rata debit (for example, a parcel which begins fallowing at the beginning of June would still be charged for consumptive use for the period October – May).

#### **Section 4.04 Community Management Areas**

*[To be determined]*

#### **Section 4.05 Special Uses Management Area**

A separate management area (“**Special Uses Management Area**”) shall be established for the purpose of accounting for certain water users. The area shall be comprised of lands where dairies and processing plants, are situated (hereinafter “**Special use Parcels**”).

##### **(a) Sustainable Yield, Tier 1 and 2 Allocations**

All Special use Parcels shall receive credits in the same manner as parcels within the Greater Kaweah Agricultural Management Area, as described in Section 4.03.

##### **(b) Consumption**

The Assessor’s Parcel(s) that includes the production facility shall be debited for the area of the production facility within the parcel, as described below. If there is a remaining balance of said Assessor’s Parcel(s), the consumptive use will be debited pursuant to Section 2.02.

###### *(i) Dairies*

The consumptive use of groundwater within the Special Uses Management Area for Dairies shall be achieved by the methodology contained in the attached Exhibit B, “Net Groundwater Consumption Within a Dairy Facility Area”. Alternatively, an Owner may elect to use flowmeters as described in Section 3.05(a).

###### *(ii) Processing Plants*

[TBD]

##### **(c) Carryovers and Transfers**

All Special Use Parcels shall be permitted to carry-over and transfer groundwater extraction credits as permitted by Section 4.03 of these Rules and Regulations.

#### **Section 4.06 Appeal Process**

##### **(a) Notification of Allocations and Extraction Limits**

The General Manager shall provide written notice to each Owner and if requested, the operator, of the groundwater allocations described herein.

### **(b) Protest of Allocation and Extraction Limits**

Within thirty (30) days of the date identified in the written notification described in Section 4.05(a), an Owner may protest the extraction allocations and extraction limits identified in the notification. The written protest must be submitted to the General Manager at the GKGSA's Office.

The General Manager shall investigate matters related to the protest, may consult with the GKGSA Technical group, and may present any relevant information, along with any recommendation, to the Board within sixty (60) days of receipt of the protest. The Board shall act on the written appeal and supporting documentation within one hundred and twenty (120) days of receipt of all relevant information.

### **Section 4.07 Emergency Ordinances**

Nothing in this Article shall prevent the GKGSA, in the event of an emergency, from enacting emergency regulations or ordinances to prevent harm to Owners within the GKGSA.

## **Article V. Fees & Penalties**

### **Section 5.01 Penalties**

#### **(a) Penalty for Excess Use**

If any Owner within the Greater Kaweah Management Area exceeds his or her Sustainable Yield Allocation, he or she shall be liable for penalties as follows: (1) liability rate in an amount to be determined annually by the Board, for each Tier 1 and Tier 2 Allocation acre-foot consumed; and (2) additional liability rate, in an amount to be determined annually by the Board, for each Tier 3 acre-foot consumed.

#### **(b) SGMA Penalties**

Any Owner, operator or other person who violates the provisions of these rules and regulations is subject to the criminal and civil sanctions set forth in SGMA.

#### **(c) Civil Remedies**

Upon the failure of any person to comply with any provision of these Rules and Regulations, the GKGSA may petition the Superior Court for a temporary restraining order, preliminary or permanent injunction, or such other equitable relief as may be appropriate. The right to petition for injunctive relief is an additional right to those, which may be provided elsewhere in these Rules and Regulations or otherwise allowed by law. The GKGSA may petition the Superior Court to recover any sums due to the GKGSA.

#### **(d) Protest of Penalty Determination**

Within 30 days of the date identified in the written notification described in Section 4.05(a), an Owner or registered operator may appeal a penalty determination in writing. The written appeal must be submitted to the General Manager, at the GKGSA's Main Office.

#### **(e) Submission to Board**

Upon receipt of an appeal, the General Manager may request additional information or evidence from the appellant. The General Manager shall then submit the appeal, along with any relevant information and any recommendation, to the Board. The Board may, in its discretion, either issue a decision based upon the written appeal and supporting documentation, or hold a hearing concerning the matter.

#### **Section 5.02 Groundwater Extraction Fees**

The Board may propose fees, including groundwater extraction fees, consistent with Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section Sections 10730 through 10730.6, and the California Constitution. The Owner shall pay to the GKGSA all Groundwater Extraction Fees within 60 days of the date of any invoice submitted by the GKGSA.

#### **Section 5.03 Real Property Assessments**

The Board may propose land-based assessments consistent with Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section 10730, and the California Constitution.

## **Article VI. Surface Water Recharge in the Underground**

#### **Section 6.01 Recharge**

Owners may use existing facilities to store surface water underground within the GKGSA boundaries. An owner who stores surface water pursuant to this Section may subsequently put such water to his or her own beneficial use within the GKGSA boundaries, or may transfer the water to another owner for use within the GKGSA boundaries. The use of stored water pursuant to this Section must be achieved utilizing on-farm activities. All water stored pursuant to this Section must be used within the GKGSA boundaries. Each Owner who stores surface water pursuant to this Section shall provide accurate, verifiable records of the quantity and source of surfacewater stored for recharge, confirmed by the district or entity that supplied the surface water.

The Owner shall adhere to any rules promulgated by any district or entity supplying the surface water. Surface water stored and documented in compliance with the requirements of this Section shall be credited to the relevant owner's account as a surface water credit. Each Owner shall be solely responsible for locating, purchasing, accessing, or otherwise acquiring surface water for the purposes of recharge pursuant to this Section. This policy applies only to all non-districted lands

and districted lands which choose to adhere to this Article VI.

[end of document]

## **LICENSE AGREEMENT FOR FILL STATION INSTALLATION, OPERATION AND MAINTENANCE**

Kaweah Delta Water Conservation District, a water conservation district ("Grantor"), hereby grants, subject to the terms and conditions contained herein, to Greater Kaweah Groundwater Sustainability Agency ("GKGSA") a license to install, operate and maintain a haul water fill station and access area (hereafter referred to as the "Fill Station" and described more specifically in Exhibit "A") at property owned by Grantor in the County of Tulare, State of California, described more specifically in Exhibit "B" attached hereto and incorporated herein by reference.

### **RECITALS**

A. Grantor owns the real property described in Exhibit "B" attached hereto (hereafter referred to as the Premises).

B. 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;

C. In furtherance of its statutory purpose, GKGSA has adopted a Mitigation Plan to mitigate adverse impacts to wells and critical infrastructure attributed to declining groundwater levels;

D. Pursuant to the Mitigation Plan, GKGSA has partnered with Self-Help Enterprises ("SHE"), a nonprofit organization, to provide emergency and interim drinking water supplies and long-term mitigation for those experiencing a loss of access to drinking water due to groundwater overdraft conditions;

E. GKGSA has agreed to provide the Fill Station, and the water sourced thereto, to implement the Mitigation Plan and provide emergency and interim drinking water to qualifying landowners within its jurisdiction;

F. Grantor has agreed to offer a portion of the Premises for use by GKGSA for the purpose of installing and operating the Fill Station;

G. GKGSA has developed draft plans and specifications for the Fill Station as provided in Exhibit A, and subject to the terms and conditions of this License Agreement, is prepared to install and operate the Fill Station on the Premises.

H. The Parties understand and acknowledge that this agreement exclusively represents the parties' respective rights and obligations including, but not limited to, ownership, maintenance and operation of the Fill Station.

I. Residents and landowners within Grantor's and GKGSA's jurisdictional

boundaries will benefit from the installation and operation of the Fill Station.

J. Grantor and GKGSA (collectively the "Parties") wish to set forth the terms and conditions under which GKGSA will install, own, operate and maintain said facilities in accordance herewith.

NOW THEREFORE, for valuable consideration which is hereby acknowledged, the Parties agree as follows:

### **AGREEMENT**

1. Term. The term of this License shall commence on the date indicated below and end on December 18, 2031, and automatically renew for five-year periods thereafter until terminated. In addition, and also notwithstanding the foregoing, this Agreement may be terminated at any time by either Party in writing with one hundred and twenty (120) days' written notice.

2. Purpose of License. Grantor hereby grants GKGSA a license to install and operate those components of the Fill Station, described in Exhibit "A" hereto, on the Premises, for the purpose of providing contractors, subcontractors, and vendors haul water to provide to landowners within GKGSA's jurisdiction. Grantor understands and agrees that GKGSA shall be entitled to invite SHE, its agents, subcontractors, employees, and assigns to access the Fill Station. GKGSA may operate and make the Fill Station open at all times, and may, but shall not be required to, close the Fill Station from time to time at GKGSA's choosing. Grantor does not agree to supply GKGSA with any water and nothing in this Agreement should be construed as granting any access to, or supply of, any water. GKGSA shall be solely responsible for securing a source of water as needed to fulfill the purposes outlined above.

3. Permitting. GKGSA shall be responsible to ensure that it, and/or any agent or contractor of GKGSA, complies with all applicable federal, state, and local laws, rules and regulations governing the installation, ownership and operation of the Fill Station, including but not limited to all terms and conditions of the provision of water service utilities for the Fill Station.

4. Maintenance and Other Costs. Grantor shall be responsible for all maintenance and, if necessary, repair of the Fill Station, and GKGSA shall reimburse Grantor all costs and expenses of said maintenance and repair. GKGSA shall be responsible for all costs and expenses associated with the Fill Station, including but not limited utility charges, and shall indemnify and hold Grantor harmless from any liability for such charges. Grantor shall provide GKGSA with a monthly statement of costs and expenses incurred, and GKGSA shall review and approve said expenses for reimbursement. Any dispute regarding the reasonableness of said costs or expenses shall be resolved pursuant to Paragraph 17, below.

5. Interference with Grantor's Use of Property. GKGSA shall ensure that the use of the Fill Station by the public does not interfere with Grantor's use of the area subject to this license for the purpose of accessing the remainder of the Premises. Such measures shall include

posting of signs in appropriate languages directing vehicles to refrain from blocking drives and gates.

6. Plans and Construction. GKGSA shall present final plans and specifications to the District once complete. Construction may begin only after the District's written approval of final plans and specifications.

7. Modifications to Fill Station. GKGSA shall not be authorized to alter the Fill Station beyond the scope of what would occur as part of normal operation and maintenance without the prior express written consent of Grantor. When said equipment is removed by GKGSA, GKGSA shall ensure that the property is returned to its previous condition, at GKGSA's sole expense.

8. Indemnification. GKGSA shall indemnify and hold harmless and defend Grantor, its directors, officers, employees, agents, assigns or volunteers, and each of them from and against all claims, demands, causes of action, liability, cost and expenses, including damages resulting from the death or injury to any person or property, and including attorney's fees, losses or liabilities in law or in equity, of every kind and nature whatsoever for, but not limited to injury to or death of any person or property including Grantor and its directors, officers, employees, agents or volunteers, arising out of or in any manner directly or indirectly connected with this Agreement, however caused, except and to the extent said loss or injury is caused by the sole negligence, or willful misconduct of Grantor or its directors, officers, employees, agents or volunteers.

9. Insurance. GKGSA shall maintain general liability insurance, insuring against general liability and claims resulting from GKGSA's ownership and operation of said facilities in an amount of at least Three Million Dollars (\$3,000,000), combined single limit. Grantor shall be named as an additional insured on GKGSA's general liability insurance policy, and an endorsement for the same shall be provided to Grantor within thirty (30) days after the signing of this Agreement. Upon demand by Grantor, GKGSA shall promptly provide to Grantor a copy of GKGSA's general liability insurance policy.

10. Certification. Grantor certifies herewith that they are the owners of the premises upon which the facilities authorized hereunder have been installed, that they are authorized to execute this License Agreement for the installation of said facilities.

11. Default. No default in the terms and conditions hereof shall operate to terminate the license unless and until the party claiming default provides to the non-defaulting party notice of default and a reasonable opportunity to cure the default, which in no event shall be more than thirty (30) days. The obligation to notify and to provide a reasonable opportunity to cure said default is for the sole purpose of allowing the Fill Station to remain in place and shall not relieve the defaulting party of claims or monetary damages for injuries arising from said default.

12. Limitation on Damages. No party is liable for, or may recover from any other party, special, indirect or consequential damages or incidental damages, including, but not

limited to, lost profits or revenue.

13. Force Majeure. No party shall be liable in damages to any other party for delay in performance of, or failure to perform, its obligations under this Agreement if such delay or failure is caused by a force majeure event. A “force majeure event” means an event not the fault of, and beyond the reasonable control of, the party claiming excuse which makes it impossible or extremely impracticable for such party to perform obligations imposed on it by this Agreement by virtue of its effect on physical facilities and their operation or employees essential to such performance. Force Majeure Events include (a) an “act of God” such as an earthquake, flood, earth movement, drought, epidemic, or similar catastrophic event, (b) an act of the public enemy, terrorism, sabotage, civil disturbance or similar event, (c) a strike, work stoppage, picketing or similar concerted labor action, (d) delays in construction caused by unanticipated negligence or breach of contract by a third party or inability to obtain essential materials after diligent and timely efforts, or (e) an order or regulation issued by a federal or state regulatory agency after the effective date of this Agreement or a judgment or order entered by a federal or state court after the effective date of this Agreement.

14. Waiver. The waiver of any breach of any of the provisions of this license by Grantor shall not constitute a continuing waiver or a waiver of any subsequent breach by GKGSA of the same or any other provision of this Agreement.

15. Amendment. Any amendment to this Agreement shall be of no force and effect unless it is in writing and signed by the Parties.

16. Assignment. The Parties shall not assign or transfer any rights or privileges under this Agreement, either in whole or in part, or make any transfer of all or part of the water described herein for any other purpose than as described herein. Any assignment or transfer in violation of this covenant shall be void.

17. Dispute Resolution. Any dispute under or in connection with this Agreement may, upon mutual agreement of the Parties, be submitted for resolution by mediation.

18. Entire Agreement. This Agreement constitutes the entire, fully integrated understanding between and among the Parties with regard to the matters herein set forth. There are no representations, warranties, agreements, arrangements, or undertakings, oral or written between or among the Parties relating to the subject matter of this Agreement which are not fully expressed. This Agreement may be modified only by a writing signed by all Parties.

19. Notice. All notices required under this Agreement shall be sent in writing, via certified or registered mail and email to the following:

Kaweah Delta Water Conservation District  
Attn: Shane Smith, General Manager  
2975 N. Farmersville Blvd.  
Farmersville, CA 93223

Greater Kaweah GSA  
Attn: Mark Larsen, General Manager  
227 N. West St.  
Visalia, CA 93291

20. Attorney's Fees. In any litigation arising from or relating to this Agreement, the prevailing party shall be entitled to recover its costs and reasonable attorney's fees in an amount to be determined by the Court.

21. Scrivener. The parties acknowledge that they both are represented by the law firm of Ruddell, Bixler, Mauritsen, 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.

22. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California without giving effect to California Choice of law rules.

23. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, executors, administrators, trustors, trustees, beneficiaries, predecessors, successors, assigns, partners, partnerships, parents, subsidiaries, affiliated and related entities, officers, directors, principals, agents, servants, employees, representatives, and all persons, firms, associations and/or corporations connected with them, including without limitation their insurers, sureties, and/or attorneys. Nothing contained in this paragraph shall be construed as consent by Grantor to any assignment of this Agreement as provided herein.

24. Severability. If any provision or any part of any provision of this Agreement is for any reason held to be invalid, unenforceable, or contrary to any public policy, law, statute and/or ordinance, then the remainder of this Agreement shall not be affected thereby and shall remain valid and fully enforceable.

25. Counterparts. The Parties may execute this Agreement in one or more counterparts, via email or otherwise, each of which shall be deemed an original agreement, and all of which shall be considered one and the same instrument, and a signature transmitted by email shall be deemed to be an original signature.

Approved and granted this \_\_\_\_ day of \_\_\_\_\_, 2026, at Visalia, California.

**GRANTOR**  
**KAWEAH DELTA WATER  
CONSERVATION DISTRICT**

**GKGS:**  
**GREATER KAWEAH  
GROUNDWATER SUSTAINABILITY  
AGENCY**

By: \_\_\_\_\_  
Shane Smith, General Manager

By: \_\_\_\_\_  
Mark Larsen, General Manager

**EXHIBIT A**

(Description of Fill Station)

**EXHIBIT B**

(Legal Description of Grantor's Property)

