

**MID-KINGS RIVER GROUNDWATER SUSTAINABILITY AGENCY**  
**JOINT POWERS AUTHORITY**  
**REGULAR MEETING MINUTES**  
**TUESDAY, JULY 11, 2017**

Chair McCutcheon called the regular meeting to order at 1:00 p.m.

**DIRECTORS PRESENT:** David Ayers; Barry McCutcheon, Chair,  
Michael Murray, Vice-Chair

**DIRECTORS ABSENT:** Steven P. Dias

**OTHERS PRESENT:** Dennis Mills, Secretary                      Ray Carlson, Legal Counsel;  
Mike LaSalle    Bill Tos  
Carolyn Parde, Del Monte    John Doyel, City of Hanford  
Steve Bickner, HB Farms    Zack Bickner, HB Farms  
Shawn Corely, LIWD    Abigail Solis, Self-Help Enterprises  
Dusty Ference, KCFB    Brian Medeiros  
Jim Maciel, Armona CSD

As meeting participants were coming in there was a discussion about local water supplies and the runoff from the Kings River. Secretary Mills relayed that on the Last Chance system through the flood release they delivered 62,000 AF and the storage account now is at 28,000 AF for deliveries through the remainder of the season.

**ESTABLISH QUORUM**

It was determined that a quorum was present at the meeting.

**CONFLICT OF INTEREST**

None.

**PUBLIC COMMENT PERIOD**

None.

**APPROVAL OF JUNE 22, 2017 REGULAR MEETING MINUTES**

Chair McCutcheon asked if there was a motion regarding the minutes circulated in this month's Board packets. Director Ayers made a motion to approve the June 22, 2017 minutes. Vice-Chair Murray seconded the motion and the Board unanimously approved the meeting minutes of June 22, 2017. The vote for all of the Directors was as follows:

**AYES:** David Ayers, Barry McCutcheon, Michael Murray

**NOES:** None

**ABSTAINED:** None

**ABSENT:** Steven P. Dias

## **COMMUNICATIONS**

Community Water Center staff has recently made a request to receive agendas and notices from the GSA.

Water Sage, a firm that has developed an online data access & analysis product, wants to give our staff a product demo.

CivicSpark sent the GSA a draft fact sheet that they want the GSA to proof. Their intent is to translate it into Spanish for outreach purposes.

A start-up firm named AquaOso Technologies, PBC contacted staff through a Cameron Buford. He would like feedback on their start-up concept.

## **UPDATE ON LOCAL GSA SUBMITTALS**

Secretary Mills reported that the Tulare Lake subbasin appears to be completely covered with six GSAs that don't overlap. The El Rico GSA, covering the Boswell area, was the last to be submitted and will now run their 90 day period when they still could be overlapped. It also appears that the Tule, Kaweah, Kern and Kings subbasins have avoided State Board intervention.

## **INTERIM OPERATING AGREEMENT FOR THE TULARE LAKE SUBBASIN TO DEVELOP AND IMPLEMENT A GROUNDWATER SUSTAINABILITY PLAN**

Secretary Mills reviewed the draft version of the above referenced agreement. He described his understanding of the agreement as a temporary agreement that focused on cost sharing and consultant selection in connection with DWR's draft GSP and Project Grant. He also made clear that he had provided comments on the draft that it needs to be clear that the intent is to develop a common GSP rather than a coordination agreement. There was a review of the cost sharing and voting arrangement as well as a description of how cost sharing might work through the grant arrangement. He also stated that the intent was for this agreement not to last past the end of the calendar year. A few relevant sections of the draft agreement were read and then there was a good amount of discussion.

Mr. LaSalle made a joke about voting, where a three wolves and a sheep were voting on lunch. His point was that there may be some situations where complete consensus is important. He expressed concern that, in his view, the Mid-Kings River service area largely depended on groundwater pumping where the other GSA areas had larger surface water deliveries and thought a 75% majority voting scenario might be detrimental if it trailed into GSP decision making. He also made the suggestion that the Mid-Kings River GSA regularly volunteer staff or consultants to develop the first drafts of agreements whenever possible because in doing so the interests of the GSA are more easily reflected and achieved. It was noted that Dale Melville from Dudley Ridge WD developed the first draft and had been incorporating edits and comments from GSA leads.

There was a question by Ms. Solis about how GSPs would be approved and whether this draft agreement and its governance structure would apply to GSP approval. Secretary Mills relayed that the draft agreement was intended to be about how a consultant for GSP development

was selected and how the GSAs would share costs from that effort, but that it was not intended to apply to GSP approval that would happen at the GSA Board level. He conveyed that if the common GSP scenario continued through fruition, all GSAs in the subbasin would have to approve the one GSP in order for DWR to accept it. There was a question by Ms. Solis of what the process for GSP approval would be. Secretary Mills relayed that the plan for GSP approval had not been laid out yet. Mr. Doyel suggested that the process might eventually be outlined in the GSAs by-laws.

Mr. LaSalle asked if the GSP would have the ability to treat areas within the subbasin differently for various reasons. Secretary Mills responded that the answer was both yes and no. Much of the GSP is about the subbasin as a whole and water balances, estimates of undesirable results and sustainable yield must be dealt with at that level in the coordination agreement element portion of the GSP. However the portion of the GSP outside of the coordination agreement elements can be specific to each GSA (the concept of “chapters”). The catch is that however the GSAs carve up the impacts and responsibilities, the sum must equal what has been agreed to as the total for the subbasin.

Mr. LaSalle relayed that he has understood that the Lake Bottom interests hold significant surface water rights and he questioned whether there was a built in conflict of interest for them to impose greater groundwater pumping restrictions so as to inflate the cost of surface water that others would need to buy. Secretary Mills responded that there were many conflicts of interest throughout the subbasin. As to the Lake Bottom interests, they may have water but they have very few soils capable of recharge and for that reason they will need to work with other GSAs like the Mid-Kings River to accomplish that, or they’ll be forced to take their land out of production and develop large basins, which they have been very reluctant to do. The flip side of this discussion is that there are several things driving the GSAs to work together to solve their common challenges.

Mr. Tos asked if there had been a budget developed for GSP development. Secretary Mills reported that for costs developed in the Kaweah subbasin the coordination agreement element costs was roughly \$790,000. Staff was the cost that was the least foreseeable, but was estimated to be \$1,100,000 in 2019-2020. Total effort was just over \$2 million. However, the GSP and Projects grant was envisioned to offset a considerable amount of these costs and the maximum grant available is \$1.5 million.

### **ONGOING EFFORTS**

Stakeholder Committee formation is still in progress. The plan is for that information to be shared with Directors Ayers and McCutcheon over the next month.

The 2017 budget is also in the works and likely will be discussed at the next meeting.

Presentation by Mike Young from the University of Adelaide in Australia on a framework to allocate groundwater. It involves a concept of making groundwater allocations mortgageable. President McCutcheon responded that the concept sounded like carbon credits to him.

Mr. LaSalle commented that as SGMA regulations become better understood it will likely affect land values, what lenders will require of borrowers and eventually County tax revenues. Secretary Mills relayed that over the last month he had three different landowners discuss hot to develop surface water delivery systems on their properties because they were planning to sell and knew that the property would be more valuable with surface access. He also agreed with Mr. LaSalle's concern for County tax revenues especially as GSAs develop projects, buy land, and by doing so take it out of production and off the County tax roles.

There was an announcement by Ms. Solis that Self-Help Enterprises plans to apply for GSP and Projects Grant, Category 1 funding to use the funds for engagement/outreach/education and for the pre-planning for projects in DAC/SDAC/EDA areas. She also relayed that they are trying to expand Self-Help Enterprises services to their clients.

#### **SET NEXT MEETING DATE**

The next regular Mid-Kings River GSA Board meeting is planned for Tuesday August 8, 2017 at 1:00 pm at the Kings County Water District office.

#### **ADJOURNMENT**

Chair McCutcheon thanked those that attended the meeting for their participation. There being no further business, the meeting was adjourned at 2:10 p.m.

Respectfully submitted,

Dennis Mills  
MKR MIN 170718