Board Members
Joe Neves
Richard Valle
Doug Verboon
Rusty Robinson
Richard Fagundes
Kimber Regan

MID-KINGS RIVER
GROUNDWATER SUSTAINABILITY AGENCY

Staff
Chuck Kinney, General Manager
Mary Lerner,
General Counsel
Catherine Venturella, Clerk

Regular Meeting Agenda

Date: **Tuesday, October 14, 2025**
Time: **1:00 p.m.**
Place: **BOARD OF SUPERVISORS CHAMBERS, Kings County Government Center**
1400 W. Lacey Boulevard, Hanford, California 93230

☎ (559) 852-2362 ❖ bosquestions@co.kings.ca.us ❖ website: https://www.midkingsrivergsa.org

The meeting can be attended on the Internet by clicking this link:

Join the meeting now

or by sending an email to bosquestions@co.kings.ca.us on the morning of the meeting for an automated email response with the Microsoft Teams meeting link information. Members of the public attending via Microsoft Teams will have the opportunity to provide public comment during the meeting. Remote Microsoft Teams participation for members of the public is provided for convenience only. In the event that the Microsoft Teams connection malfunctions or becomes unavailable for any reason, the Board of Supervisors reserves the right to conduct the meeting without remote access. *Microsoft Teams will be available for access at 12:55 p.m.*

Members of the public who wish to view/observe the meeting virtually can do so on the internet at: www.countyofkingsca.gov and click on the "Join Meeting" button or by clicking this link: https://youtube.com/live/6hdwCv5dE1Y?feature=share

**Members of the public viewing the meeting through YouTube will not have the ability to provide public comment.

Members of the public may submit written comments on any matter within the Board's subject matter jurisdiction, regardless of whether it is on the agenda for the Board's consideration or action, and those comments may become part of the administrative record of the meeting. Comments will not be read into the record, only the names of those who have submitted comments will be read. Written comments should be directed to bosquestions@co.kings.ca.us email by 8:00 a.m. on the morning of the noticed meeting to be included in the record, those comments received after 8:00 a.m. may become part of the record of the next meeting. E-mail is not monitored during the meeting. To submit written by U.S. Mail to: Kings County Board of Supervisors, Attn: Clerk of the Board of Supervisors, County of Kings, 1400 W. Lacey Blvd., Hanford, CA 93230.

I. **1:00 PM** **CALL TO ORDER**
ROLL CALL – Clerk
PLEDGE OF ALLEGIANCE

II. UNSCHEDULED APPEARANCES

This is an opportunity for members of the public to address the Board on items of interest within the Board's jurisdiction, and which are not already on the agenda. The Board will not answer questions impromptu, and concerns or complaints will be referred to appropriate staff. For items which are on the agenda, members of the public will be provided with an opportunity to address the Board as each item is brought up for discussion. Speakers should limit their comments to not more than two (2) minutes.

III. APPROVAL OF MINUTES

A. **Approval of the minutes from the regular meeting for August 12, 2025.**

IV. CONSENT CALENDAR

All items listed under the consent calendar are considered routine and will be enacted by one motion. If a Board member has questions, requests additional information, or wishes to comment on an item, the vote should not be taken until after questions have been addressed or comments made, and the public has had an opportunity to comment on the Consent Calendar items.

A. **None**

V. REGULAR CALENDAR

A. **Overview of accomplishments and next steps – Amer Hussain, Engineer**
B. **Stakeholder Advisory Committee update – Garrett Gilcrease, Chairperson**
C. **Study Session concerning potential funding paths – Jennifer Thompson**
D. **Consider a Groundwater Allocation Policy to be released for public comment – Amer Hussain, Engineer**
E. **Study Session on land subsidence – Amer Hussain, Engineer**
F. **Discussion concerning existing dry domestic wells – Chuck Kinney, General Manager**

VI. BOARD MEMBER ANNOUNCEMENTS OR REPORTS

On their own initiative, Board Members may make a brief announcement or a brief report on their own activities. They may ask questions for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Gov. Code Section 54954.2a).

- Board Correspondence
- Information on Future Agenda Items

VII. CLOSED SESSION

- **None**

VIII. ADJOURNMENT

The next regular meeting is scheduled for November 18, 2025 at 1:00PM.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Mid-Kings River GSA office at (559) 852-2362 by 9:00 a.m. on the Monday prior to this meeting.
Agenda backup information and any public records provided to the Board after the posting of the agenda will be available for the public to review at the Board of Supervisors office, 1400 W. Lacey Blvd, Hanford, for the meeting date listed on this agenda.

Board Members
Joe Neves
Richard Valle
Doug Verboon
Rusty Robinson
Robert Thayer
Kimber Regan

MID-KINGS RIVER
GROUNDWATER SUSTAINABILITY AGENCY

Staff
Chuck Kinney, General Manager
Mary Lerner,
General Counsel
Catherine Venturella, Clerk

Regular Meeting Action Summary

Date: **Tuesday, August 12, 2025**
Time: **1:00 p.m.**
Place: **BOARD OF SUPERVISORS CHAMBERS, Kings County Government Center**
1400 W. Lacey Boulevard, Hanford, California 93230

☎ (559) 852-2362 ❖ bosquestions@co.kings.ca.us ❖ website: https://www.midkingsrivergsa.org

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https://youtube.com/live/QXewvMZ25BI?feature=share

**Members of the public viewing the meeting through YouTube will not have the ability to provide public comment.

Members of the public may submit written comments on any matter within the Board's subject matter jurisdiction, regardless of whether it is on the agenda for the Board's consideration or action, and those comments may become part of the administrative record of the meeting. Comments will not be read into the record, only the names of those who have submitted comments will be read. Written comments should be directed to bosquestions@co.kings.ca.us email by 8:00 a.m. on the morning of the noticed meeting to be included in the record, those comments received after 8:00 a.m. may become part of the record of the next meeting. E-mail is not monitored during the meeting. To submit written by U.S. Mail to: Kings County Board of Supervisors, Attn: Clerk of the Board of Supervisors, County of Kings, 1400 W. Lacey Blvd., Hanford, CA 93230.

1:00 PM **CALL TO ORDER**
ROLL CALL – Clerk
PLEDGE OF ALLEGIANCE
MEMBERS PRESENT: JOE NEVES, RICHARD VALLE, DOUG VERBOON, RUSTY ROBINSON, ROBERT THAYER
MEMBERS ABSENT: KIMBER REGAN

KIMBER REGAN JOINED THE MEETING AT 1:38 DURING REGULAR CALENDAR ITEM #B.

UNSCHEDULED APPEARANCES

Any person may directly address the Board at this time on any item on the agenda, or on any other item of interest to the public, that is within the subject matter jurisdiction of the Board. Two (2) minutes are allowed for each item.

NONE

APPROVAL OF MINUTES

A. Approval of the minutes from the special meeting for May 13, 2025.
ACTION: APPROVED AS PRESENTED (RR, JN, RT, RV, DV – Aye, KR - Absent)
Public: None

CONSENT CALENDAR

All items listed under the consent calendar are considered to be routine and will be enacted by one motion. For any discussion of an item on the consent calendar, it will be removed at the request of any Board Member and made a part of the regular agenda.

A. None
Public: None

REGULAR CALENDAR

A. Stakeholder Advisory Committee update – Garrett Gilcrease, Chairperson
INFORMATION ONLY – NO ACTION TAKEN.
Public: None

B. Consider adopting a Resolution to establish a Domestic Well Mitigation Program. – Amer Hussain, Engineer [MKR RESO 25-01]
ACTION: APPROVED AS PRESENTED (RR, RV, JN, RT, DV, KR - Aye)
Public: None

C. Study Session concerning fees for a future election – Amer Hussain, Engineer
INFORMATION ONLY – NO ACTION TAKEN
Public: None

D. Consider appointing a Secretary to the MKRGSA – Chuck Kinney, General Manager
ACTION: APPROVED AS PRESENTED (JN, RV, RT, DV, RR, KR - Aye)
Public: None

E. Consider an agreement with Geosyntec for Sustainable Yield Study – Chuck Kinney, General Manag
[MKR AGMT 25-01]
ACTION: APPROVED AS PRESENTED (RR, JN, RT, RV, DV, KR - Aye)
Public: None

F. Consider an agreement with LandIQ for ET services – Chuck Kinney, General Manager
[MKR AGMT 25-02]
ACTION: APPROVED AS AMENDED (JN, RV, RT, DV, RR, KR - Aye)
Public: Brian Medeiros wanted to know if this information will be available to landowners as well as the GSA. Per General Manger Chuck Kinney, we are a public agency, the data would be public record.

G. Financial Update of the MKRGSA – Erik Urena, Treasurer
INFORMATION ONLY – NO ACTION TAKEN.
Public: Mark Tos commented on taking the 218 Election earlier to start getting all the tax rules in place but asked if a full plan needed to be in place before or is a tentatively approved budget enough. The Board stated they wanted to have the closest numbers possible and a new engineering report before.

H. Update from the General Manager – Chuck Kinney, General Manager
INFORMATION ONLY – NO ACTION TAKEN.
Public: Amer Hussain let the Board know the state released the BMP and there will be a public workshop in Clovis on September 9, 2025, at 3:00 p.m. at the Veteran's Memorial Hall.

BOARD MEMBER ANNOUNCEMENTS OR REPORTS
On their own initiative, Board Members may make a brief announcement or a brief report on their own activities. They may ask questions for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Gov. Code Section 54954.2a).
None

- Board Correspondence
  None
- Information on Future Agenda Items
  None

CLOSED SESSION
- **None**

ADJOURNMENT
The next regular meeting is scheduled for September 9,2025 at 1:00PM.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Mid-Kings River GSA office at (559) 852-2362 b y 9:00 a.m. on the Monday prior to this meeting.

Agenda backup information and any public records provided to the Board after the posting of the agenda will be available for the public to review at the Board of Supervisors office, 1400 W. Lacey Blvd, Hanford, for the meeting date listed on this agenda.

MID-KINGS RIVER
GROUNDWATER SUSTAINABILITY AGENCY

Date: October 14, 2025

To: Board of Directors
From: District Counsel

Subject: Legal Background and Process to Adopt Groundwater Sustainability Agency Rates, Fees, and Penalties

Background

The Mid-Kings River Groundwater Sustainability Agency ("MKRGSA") requested information on the process to adopt fees under both Proposition 218 and Proposition 26. Currently, the MKRGSA anticipates adopting a per acre of land fee for operational costs under Proposition 218 and a per acre foot of water fee ("groundwater extraction fee") to mitigate the costs associated with over pumping of groundwater. Additionally, the MKRGSA requested information on the process to adopt regulatory fees under the California Water Code and to adopt penalties per acre-feet under the California Government Code, currently used by Greater Kaweah groundwater sustainability agency ("GSA").

This staff report outlines the processes and legal restraints to adopting fees under Proposition 218, Proposition 26, and the Water Code. In short, the fee for operational costs could be adopted under Proposition 218's majority protest proceeding and the groundwater extraction fee could be adopted through a combination of a Proposition 26 exception and the Water Code regulatory fee framework for GSAs.

While our office was unable to confirm the process used by Greater Kaweah GSA to impose per acre-feet penalties, the Sustainable Groundwater Management Act ("SGMA") authorizes GSAs to impose penalties for extracting more than the amount allocated to a person and for violating GSA rules, regulations, ordinances, and resolutions. This staff report discusses the penalties the MKRGSA may impose pursuant to its authority under SGMA.

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Proposition 218

Water Code section 10730.2 permits a groundwater sustainability agency to charge fees to fund costs of groundwater management. This section expressly states fees must comply with Article XIII, section 6, subdivisions (a) and (b) of the California Constitution (i.e., the Proposition 218 majority protest sections) ("Section 6"). Examples of groundwater management activities include "administration, operation, and maintenance, including a prudent reserve; acquisition of lands or other property, facilities, and services; supply, production, treatment, or distribution of water; and other activities necessary or convenient to implement [a groundwater sustainability] plan."[1]

Before the MKRGSA may impose groundwater extraction fees, it must hold a majority protest proceeding.[2] Proposition 218 provides minimal guidance on the procedures for a majority protest proceeding. Under Proposition 218, the parcels upon which the groundwater extraction fee is imposed will be identified and the amount of the fee for each parcel will be calculated.[3] The MKRGSA must provide written notice via mail to the record owner ("property owner") of each identified parcel and include the amount of the proposed fee, the basis upon which the amount of the proposed fee was calculated, the reason for the proposed fee, and the date, time, and location of the public hearing on the proposed fee.[4]

A public hearing shall be held not less than forty-five (45) days after the mailing of the notice of the proposed fee to each property owner.[5]

At or before the public hearing, a property owner or tenant obligated to pay the proposed fee may submit a written protest in opposition of the proposed fee.[6] Each parcel is allowed one protest, filed by an owner or tenant of the parcel, and each protest is weighted equally regardless of the proportional financial obligations of each property owner or tenant.[7] The proposed fee will pass unless the MKRGSA receives written protests against the proposed fee from the majority of the identified parcels.[8]

Neither statute nor case law outline a procedure for calculating majority protests. The MKRGSA in its discretion may tabulate protests by owners and tenants separately and allow a majority protest by either group.[9] If multiple rates are adopted, the MKRGSA is not obligated to hold

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[1] Wat. Code, § 10730.2.
[2] Wat. Code, § 10730.2, subd. (c); Cal. Const. art. XIII D § 6.
[3] Cal. Const. art. XIII D § 6, subd. (a)(1).
[4] *Id*.
[5] Cal. Const. art. XIII D § 6, subd. (a)(2).
[6] Cal. Const. art. XIII D § 6, subd. (a)(2).); Gov. Code, § 53755, subd. (b).
[7] Gov. Code, § 53755, subd. (b).
[8] Cal. Const. art. XIII D § 6, subd. (a)(2).
[9] *Crawley v. Alameda County Waste Management Authority* (2015) 243 Cal.App.4th 396, 401–402.

separate protest hearings for each rate.[10] As the Proposition 218 majority protest proceeding procedures are not well established, the MKRGSA may wish to adopt a resolution outlining the procedures it will use including the procedure for tabulating majority protests. If the proposed fee is challenged, a resolution would provide a public record of the procedures used by the MKRGSA to adopt the fee and may assist with refuting any allegations the fee imposed is arbitrary and capricious.

Proposition 26

Proposition 26 states that all levies, charges, or exactions imposed by a local agency are taxes, and must be approved by the voters, unless they meet one of seven (7) exceptions.[11] Groundwater extraction fees likely fall within the exceptions for fees for "a specific benefit conferred or privilege granted" or "a specific government service or product" if they meet specific requirements.[12]

In order for a groundwater extraction fee to fall under either exception (i.e., not be a tax), the fee must not exceed the reasonable costs of the governmental activity and bear a fair and reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity.[13] In other words, the groundwater extraction fee must not exceed the reasonable costs of mitigation and bear a reasonable relationship to the burden the payor's extraction puts on the mitigation program.

The burden to prove the reasonableness and proportionality of the fees is on the MKRGSA. To meet this burden, the MKRGSA must conduct a fee study to establish a reasonable and proportional fee for mitigation activities. After completion of the fee study, the MKRGSA should adopt a resolution adopting the fee study and making findings supporting the application of one or both of the exceptions described above. Adoption of the groundwater extraction fees follows the process described below in the Regulatory Fees section.

Regulatory Fees

Under Water Code section 10730, a MKRGSA "may impose fees, including, but not limited to, permit fees and fees on groundwater extraction or other regulated activity, to fund the costs of a

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[10] *Morgan v. Imperial Irrigation District* (2014) 223 Cal.App.4th 892.
[11] Cal. Const. art. XIII C § 1, subd. (e).
[12] Cal. Const. art. XIII C § 1, subd. (e)(1)-(2); *See City of San Buenaventura v. United Water Conservation Dist.* (2017) 3 Cal.5th 1191 [226 Cal.Rptr.3d 51, 406 P.3d 733], as modified on denial of reh'g (Feb. 21, 2018) stating Proposition 26 is the proper framework for evaluating groundwater extraction fees.
[13] Cal. Const. art. XIII C § 1, subd. (e).

groundwater sustainability program, including but not limited to, …investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve."[14]

Procedurally, to impose or increase a Regulatory Fee, the MKRGSA must follow the procedures outlined in Water Code section 10730. First, prior to imposing fees for these regulatory activities, the MKRGSA must: (1) hold at least one public meeting at which oral or written presentations may be made; (2) publish, post, and mail notice of the meeting; and (3) at least twenty (20) days prior to the meeting, make the data upon which the fee is based available to the public.[15] Notice of the public meeting must be published in a newspaper at least once a week for two (2) weeks with at least five (5) days between the publications, posted on the MKRGSA's website, and mailed to any interested party who has filed a request with the agency within the last year.[16] After the public meeting, the MKRGSA must impose or increase the fee by ordinance or resolution.[17] Additionally, the MKRGSA may adopt a resolution requesting collection of these fees in the same manner as ordinary municipal ad valorem taxes by the County.[18]

SGMA Penalties

Under SGMA, a person who extracts groundwater in excess of the amount that person is allocated under a rule, ordinance, or resolution adopted pursuant to Water Code section 10725.2 is subject to a civil penalty not to exceed Five Hundred Dollars ($500) per acre-foot extracted in excess of the amount allocated to that person.[19] Liability under this section is in addition to any liability imposed under Water Code section 10725.2, subdivision (a)(2) and any fee imposed for extraction.[20]

Additionally, under SGMA, a person who violates any rule, regulation, ordinance, or resolution adopted pursuant to Water Code section 10725.2 is liable for a civil penalty not to exceed One Thousand Dollars ($1,000) plus One Hundred Dollars ($100) for each additional day on which the violation continues if the person fails to comply within thirty (30) days of the GSA's notice of violation.[21]

A GSA may administratively impose these penalties after providing the person with notice of the violation and providing an opportunity for a hearing.[22] Additionally, the GSA may bring an

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[14] Wat. Code, § 10730, subd. (a).
[15] Wat. Code, § 10730, subd. (b)(2).
[16] Gov. Code, § 6066; Wat. Code § 10730, subd. (c).
[17] Wat. Code, § 10730, subd. (c).
[18] Wat. Code, § 10730, subd. (d)(1)-(2).
[19] Wat. Code § 10732, subd. (a)(1).
[20] *Id*.
[21] Wat. Code § 10732, subd. (a)(2).
[22] Wat. Code § 10732, subd. (b)(2).

action in the superior court to determine whether a violation occurred and to impose a civil penalty.[23] In determining the amount of the penalty, the GSA is required to "take into consideration all relevant circumstances, including, but not limited to, the nature and persistence of the violation, the extent of the harm caused by the violation, the length of time over which the violation occurs, and any corrective action taken by the violator."[24]

The GSA must expend any penalties collected for SGMA purposes.[25]

Conclusion

In conclusion, the MKRGSA may adopt a per acre fee to fund MKRGSA operational costs through a Proposition 218 majority protest proceeding. The MKRGSA may adopt a groundwater extraction fee by utilizing the Proposition 26 exceptions and the regulatory process authorized by the Water Code for MKRGSAs. Moreover, the MKRGSA may administratively impose penalties both for extracting more than the amount allocated by the GSA and other violations of GSA rules, regulations, ordinances, and resolutions pursuant its authority under SGMA.

Request

To receive written and verbal report from District Counsel regarding the process to adopt Groundwater Sustainability Agency rates and fees; ask questions; and discuss.

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[23] Wat. Code § 10732, subd. (b)(1).
[24] Wat. Code § 10732, subd. (b)(3).
[25] Wat. Code § 10732, subd. (c).

MID-KINGS RIVER
GROUNDWATER SUSTAINABILITY AGENCY

Date: October 14, 2025

To: Board of Directors
From: Mid Kings River GSA Stakeholder Advisory Committee

Subject: Consider releasing a Groundwater Allocation Policy for Public Comment and Input.

Background
At the Mid-Kings River GSA Stakeholder Advisory Committee meeting held on September 29, 2025, the Stakeholder Advisory Committee voted unanimously (of members present) to recommend that the Mid Kings River GSA Board adopt a Groundwater Allocation Policy for the Mid Kings River GSA.

Request
The Stakeholder Advisory Committee requests the Board of Directors after releasing the draft Groundwater Allocation Policy for Public Comment and input to adopt the attached Groundwater Allocation Policy for the Mid Kings River GSA.

MAILING ADDRESS: 1400 W. LACEY BLVD., HANFORD, CA 93230
OFFICES AT: ENGINEERING BUILDING # 6, KINGS COUNTY GOVERNMENT CENTER, HANFORD
(559) 852-2670 Website: www.midkingsrivergsa.org FAX: (559) 584-8989

DRAFT
MID-KINGS RIVER GSA
Groundwater Allocation Policy

(Revised 10/05/2025 – Revision 9)

1. INTRODUCTION AND BACKGROUND

The Mid-Kings River Groundwater Sustainable Agency (MKR GSA) is located within the Tulare Lake Subbasin (Subbasin) which has been designated by the California Department of Water Resources (DWR) as high priority groundwater basin that is subject to critical conditions of overdraft. MKR GSA adopted a Groundwater Sustainability Plan (GSP) for the Subbasin consistent with the Sustainable Management Groundwater Act (SGMA) to address undesirable results including chronic lowering of groundwater levels and land subsidence. A management action in the GSP includes establishing groundwater extraction allocations based on the Subbasin's sustainable yield in order to mitigate the undesirable results while projects are being developed and implemented.

The provisions in this Groundwater Extraction Allocation Policy (Policy) are part of the measures, along with projects and management actions, implemented to achieve sustainability of the Subbasins and does not determine or alter water rights under common law or any provision of law (Water Code §10720.5(a)). The Policy is exempt from the California Environmental Quality Act (CEQA) pursuant to Water Code Section 10728.6 and CEQA Guidelines Sections 15061(b)(3), 15307 and 15308.

2. PARCEL QUALIFICATION AND USE CATEGORIES

Parcel Eligibility for Sustainable Yield Allocation

Allocation of sustainable yield to an individual parcel is based on the number of total acres for that parcel as registered with Kings County. Parcels that are eligible for a sustainable yield are described as follows:

- All parcels listed on the Kings County Assessment Parcel Roll located within the MKR GSA boundaries are qualified to receive an allocation of a portion of the total MKR GSA sustainable yield. Qualified parcels must be registered in the MKR GSA parcel database and provide an inventory of wells on the parcel. Parcels that are not registered in the MKR

GSA parcel database will not receive a sustainable yield allocation and will be subject to a stop pumping notice if they are shown to be irrigated in Land IQ.

- Parcels of 2 acres or less receive a de-minimis allocation of 2 AF/year, unless they are registered as a qualified parcel. A parcel of 2 acres or less must register as a qualified parcel if it contains an extraction facility that pumps more than 2 AF/year.

- Parcels located within the City of Hanford will not receive an individual allocation as the City is responsible for the majority of the water supply. The GSA understands that there are private wells located within the City and the on-going operation of these wells will be addressed with the City. Any pumping by landowners within the City limits will be included in the overall value of the groundwater pumping allocation for the City. The City will receive a groundwater pumping allocation based on an average historical pumping since 2015. This value will be negotiated with the City each year.

- Parcels that are supplied by a public water system, including the communities of Armona and Home Garden, will not receive individual allocations. The GSA will identify these parcels as part of the allocation process.

Parcels in other GSAs within the Tulare Lake Subbasin or other groundwater subbasins cannot be designated as qualified parcels within MKRGSA.

Parcel Eligibility for Transitional Allocation

The transitional allocation is considered a buffer that allows landowners who have existing irrigated lands to continue pumping at successively lower pumping rates towards the Sustainable Yield allocation. The transitional allocation decreases to zero by 2040 and landowners will only be able to pump up to the sustainable yield allocation after 2040.

Parcels that are eligible for a transitional allocation include all parcels that were shown to be irrigated anytime between 2015 through 2024 based on Land IQ Crop Data. Landowners denied eligibility may appeal the decision to the MKR GSA Board.

3. ALLOCATION METHODOLOGY AND 2026-2030 AMOUNTS

Section 3 summarizes specific allocation policies and procedures for the period 2026-2030, including specific allocation amounts for each year.

Determination of Sustainable Yield

Sustainable yield is the total groundwater pumping in acre feet per year (AF/yr) that will maintain the basin in a sustainable condition after the year 2040. This value is based on a projected future groundwater balance derived from a groundwater model of the Tulare Lake Subbasin developed

in 2020 (Wood, 2020). A new model is in development that may update this value. This new model may be used as the basis for allocations for the 2030-2035 Allocation, but it is not used for this 2026-2030 allocation cycle. The sustainable yield methodology and amounts will be periodically evaluated and are subject to adjustment.

The total estimated sustainable yield from the 2020 Wood Model was projected at 350,000 AF/year. This value was derived from a historical analysis of pumping and other hydrogeologic factors over a base period of 1997-2016. The model predicts that, at this level of pumping, the total change in aquifer storage becomes zero and groundwater levels stabilize to an equilibrium level. The sustainable yield is distributed to all qualified parcels as a unit allocation in AF/Acre.

Groundwater pumping across the Tulare Lake Subbasin varies greatly with some areas having limited groundwater use. Therefore, the sustainable yield should be available for the areas that are utilizing the water. The sustainable yield for each GSA was determined using the average groundwater pumping use between water years 2021 and 2022. These years were selected as they represent drought years with a consistent data set for groundwater pumping. MKR GSA accounted for approximately 36% of groundwater pumped and therefore was assigned 36% of the sustainable yield which amounts to approximately 126,000 AF/year.

Currently pumping per aquifer is limited but additional information is being gathered through the MKR GSA Well Registration program. At this time, the sustainable yield is not assigned per aquifer. Instead, the pumping is limited to the set allocation as long as undesirable results defined by the GSP are not occurring.

The sustainable yield will be allocated annually. Landowner's sustainable yield allocation may be carried over for the next four (4) calendar years, subject to a 5-year rolling retirement. Under exceptional circumstances, an extension may be granted at the sole discretion of the MKR GSA Board. Again, pumping may be limited by undesirable results occurring in the vicinity.

Use of Sustainable Yield

The sustainable yield may be used by a landowner on any owned registered parcel. In addition, the sustainable yield is transferable to any other registered qualified parcels within the MKR GSA without penalty. The sustainable yield may be transferred outside of the MKR GSA once all of the following conditions are met:

1. The Sustainable Yield can only be transferred into the GSAs bordering MKR GSA.
2. All transfers must be registered with and approved by both MKR GSA and the receiving GSA on an annual basis. The registration process will involve, at a minimum, identification of compliance with all requirements, clearly identifying the farm unit, and the amount of water to be pumped.

3. The parcel receiving MKR GSA sustainable yield must be contiguous to a registered parcel within MKR GSA. In addition, both the parcel within MKR GSA and the receiving parcel must be part of the same farm unit.
4. Only the sustainable yield amount for the registered parcel within MKR GSA that directly borders the surrounding GSA is eligible for transfer. The sustainable yield for other parcels owned by the same landowner is not eligible for transfer outside MKR GSA.
5. The well where the pumping is occurring for the water to be transferred must be metered and meter data is required to be reported to both GSAs.
6. The parcel receiving MKR GSA sustainable yield must be in active agricultural production during the time the water transfer occurs.
7. Under no circumstances can transferred water be moved outside of the farm unit.
8. The MKR GSA reserves the right to limit the total amount of water that can be transferred annually.
9. The MKR GSA may revoke, at its sole discretion, the ability to transfer water out of the GSA, if the pumping well is located in an area subject to actions identified in the Management Plans.

Emergency Supply

A landowner that needs emergency water supply due to issues with wells, conveyance systems, etc. should immediately contact the GSA. Each of the situations will be dealt with on case-by-case basis.

Determination of Transitional Pumping

Transitional pumping is a declining block of total groundwater pumping (in AF/year) that that reduces overdraft from a set current value to zero by 2040. It is anticipated that the transitional pumping will decrease in five-year blocks. MKR GSA recognizes that some landowners require transitional water to achieve sustainability by 2040. Therefore, transitional water will be allocated to landowners eligible to receive sustainable yield.

Transitional water will be allocated annually. Only landowners that are in full compliance with MKR GSA policies and regulations and whose accounts are in good standing will receive a transitional allocation. Transitional water must be used in the year it is allocated and does not carryover year to year nor is the water transferable. In addition, transitional water may only be put to beneficial use within the boundaries of the MKR GSA.

The transitional allocation is based on the difference between the average groundwater pumping between water years 2021 and 2022 and the calculated sustainable yield. The transitional allocation from 2026 to 20240 is presented on Table 1.

DRAFT

Again, these transitional pumping values will be modified in the areas across the GSA where GSP defined undesirable results are occurring. Management Plans are being prepared separately to address the undesirable results.

4. ANNUAL PUMPING LIMITS AND FEES

The Sustainable Yield Allocation and Transitional pumping amounts will be enforced on an annual basis. In any given year, landowner pumping is monitored quarterly using Land IQ data on evapotranspiration for each qualified parcel, and estimated surface water deliveries to each parcel. Landowners with meters may submit quarterly pumping reports as a substitute for the Land IQ analysis. An annual groundwater pumping report based on Land IQ data is produced for each landowner at the end of the year. Landowners with meters may also contest the Annual Land IQ pumping report and reconcile their accounts at the end of each calendar year.

Landowners total pumping inclusive of landowner developed credits (Section 5) will be limited to a total cap of 3.0 AF/acre annually.

Table 1
Groundwater Allocation
2026 – 2040

Sustainable Yield (AF/ac)	Transitional Allocation (AF/ac)	Total Allocation (AF/ac)
WY26-WY30		
1.43	1	2.43
WY31-WY35		
1.43	0.6	2.03
WY36-WY40		
1.43	0.3	1.73

Pumping Fees

The pumping fee for the sustainable yield, transitional allocations, and recharge credits will be set by the MKR GSA Board annually.

Landowners who pump above their total groundwater pumping allocations are subject to an additional overdraft penalty (referred to as overdraft pumping) of $500 per AF for pumping above

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sustainable yield plus transitional and recharge credits. In addition, the following year's allocation will be reduced by the amount of the overdraft.

5. LANDOWNER DEVELOPED CREDITS

Landowner developed credits may be developed through landowner water banking or recharge projects or other approved projects that help mitigate one or more undesirable results of the Tulare Subbasin. Recharge and banking projects must comply with the MKR GSA Groundwater Recharge Policy.

In order to protect the Subbasin from undesirable results, a percentage of any landowner water banking or recharge projects will remain with MKR GSA. The amount of leave behind is defined in the Groundwater Recharge Policy.

Landowner developed credit transfers between landowners of qualified registered parcels must be documented and in accordance with adopted policy.

All transfers purchased from outside of MKR GSA boundaries must be approved by both GSAs with jurisdiction and comply with all relevant subbasin regulations of both GSAs. MKR GSA will develop a separate policy and procedures for transfers from outside of the MKR GSA jurisdictional boundaries. All landowner developed credit will be maintained in the MKR GSA water accounting system.

6. TRANSFERS

Qualified parcels may receive credit if there is an allocation transfer from another parcel within the MKR GSA. The allocation for the receiving parcel will increase, while the allocation for the generating parcel will decrease. Parcels that receive a sustainable yield allocation but do not irrigate that parcel may transfer that allocation to other parcels within the MKR GSA. This will enable landowners who fallow some of their parcels to move allocation for that year to parcels that are actively irrigated. The receiving parcels will still be subject to potential curtailments as described in the Management Plans. Any proposed transfer of allocation must be submitted for approval by MKR GSA. Only sustainable yield and recharge credit are eligible for transfer; transitional allocations are prohibited from being transferred across parcels.

7. WATER USE

The default priority of use will be as listed below. A landowner must notify the GSA to change the priority of use. That revised order will become the default for the landowner until they notify the GSA again.

1. Sustainable Yield Carryover
2. Sustainable Yield Allocation
3. Landowner Developed Credit
4. Transitional Groundwater Allocation

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5. Overdraft Pumping

8. ALLOCATION CURTAILMENT

Under specific circumstances, acreage may be subject to curtailment of the approved pumping allocation and require further reduction in pumping below the Table 1 values in accordance with water level, subsidence or water quality management plans.

9. SGMA PENALTIES AND CIVIL REMEDIES

Any landowner or operator who violates the provisions of the herein Policy and Procedures is subject to the criminal and civil sanctions set forth in SGMA. MKR GSA may commence or sustain any civil action or proceeding, either at law or in equity, to enforce any of the provisions of the GSPs, or any policy and procedures promulgated therefrom, or to enjoin or restrain any violation thereof, or to collect any sums of money, including penalties, fees, charges and/or assessments, on behalf of the MKR GSA. The provisions of this Section 7 are to be supplementary and complementary to all of the provisions of SGMA, other state law, and any law cognizable at common law or in equity; and nothing herein shall be read, interpreted or construed in any manner so as to bar or limit MKR GSA from seeking any remedy to which it may otherwise be entitled.

10. ENFORCEMENT POLICY AND PROCEDURES

Any penalties or fines imposed shall be subject to the procedures set forth in the "Policy and Procedures for Collecting Delinquent Fees, Assessments, or Charges".

11. ACTION AGAINST MKR GSA

Nothing contained in the Policy and Procedures shall constitute a waiver by MKR GSA or stop MKR GSA from asserting any defenses or immunities from liability as provided in law, including but not limited to those provided in Division 3.6, Title 1 of the Government Code.

12. DEFINITIONS

a. "2018-2024 Land IQ Crop Data" means crop and vegetation data generated between 2018 through 2024 from satellite and aerial imagery, land cover classification and analysis, and crop and vegetation mapping.

b. "Carryover" means the sustainable yield allocation amount remaining unused from a given year that may be used in subsequent years, subject to limitations. Sustainable yield carryover will be retired after 5 years on a rolling basis.

c. "Civil penalty" means a penalty payment per acre-foot for groundwater extraction above the sustainable yield.

d. "De minimis extractor" means a person who extracts two acre-feet or less per year.

For the purpose of this Policy, a parcel with less than 5 acres of land is considered to host a de minimis extractor unless it is demonstrated otherwise (e.g. extractions exceed two acre-feet per year or for non-domestic use. (See, Water Code §10721(e).)

e. "Extractions" means removing groundwater through groundwater extraction facilities for reasonable and beneficial use(s).

f. "Farm Unit" means a defined area of land that is managed as a single agricultural operation under single ownership or lease, receiving water through a common delivery system.

g. "Good standing" means a landowner who has complied with any and all policies, procedures and ordinances of MKR GSA, is current on all fees and penalties, and is not subject to any unresolved violation, late fee, penalty or lien.

h. "Groundwater" means water beneath the surface of the earth within the zone below the water table in which the soil is completely saturated with water. (Water Code §10721(g).)

i. "Groundwater extraction facility" means a device or method for extracting groundwater from within a basin. (Water Code §10721(h).)

j. "Imported Water" means any water, surface or groundwater, that enters into MKR GSA boundaries from an external source for direct irrigation.

k. "Irrigated lands" means lands irrigated by groundwater using a groundwater extraction facility for the active production of plant crops or livestock for market and uses incidental thereto. The 2018-2024 Land IQ Crop Data will be initially used to determine whether a parcel contains irrigated lands for the purpose of this Policy.

l. "Landowner developed credit" means an amount of water credited to a landowner account for a water project or projects that have been developed by a landowner and have been determined by MKR GSA (through the process outlined in the Groundwater Recharge Policy) to help mitigate one or more undesirable results within the Tulare Lake Subbasin. Projects must be in accordance with the Groundwater Recharge Policy.

m. "Leave behind" means the portion of water from an approved recharge project that is dedicated to sustainability and is therefore not credited to the landowner's account or sustainable yield carryover. The specific percentage is defined in the MKR GSA Groundwater Recharge Policy

n. "Transitional Groundwater Allocation" means an allocation available to qualified irrigated lands allowing groundwater extraction above the sustainable yield allocation, subject to transitional pumping fee.

o. "Overdraft Pumping " means groundwater extraction exceeding a landowner's combined Sustainable Yield Allocation (including carryover), applicable Landowner Developed Credits, and Transitional Groundwater Allocation, which is subject to an overdraft civil penalty.

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p. “Overdraft Pumping civil penalty” means the civil penalty amount due by a landowner of qualified irrigated land at a rate of $500/acre-foot for any groundwater extraction defined as Overdraft Pumpin“Public Water System” means a system for the provision of water for human consumption through pipes or other constructed conveyances that has 15 or more service connections or regularly serves at least 25 individuals daily at least 60 days out of the year.

q. "Qualified registered parcel” means land qualified to receive a sustainable yield allocation because the land meets the following criteria: (a) is a registered parcel; and (b) is in good standing with MKR GSA.

r. “Qualified irrigated land” means land qualified to receive Transitional Groundwater Allocation because the land meets the following criteria: (a) is a registered parcel; and (b) contains irrigated lands based initially on the 2018-2024 Land IQ Crop Data.

s. “Registered parcel” means a parcel, 5 acres or larger, registered in the MKR GSA’s water accounting program.

t. "Sustainable yield” means the maximum quantity of water, 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. (Water Code §10721(w).)

u. “Sustainable yield allocation” means the maximum quantity of groundwater extraction allotted to landowners of a qualified registered parcel based on the methodology derived from 2020 Wood model.

v. “Transitional Pumping Fee” means the pumping fee amount due by a landowner or operator of qualified irrigated land at a rate of to be set by the MKR GSA Board for groundwater extraction corresponding to the Transitional Groundwater Allocation.

w. “Transfer” means groundwater allocation or landowner developed credit sold or otherwise acquired from one landowner and applied to the account of another qualified registered parcel(s) within the same subbasin and GSA jurisdiction.

x. “Undesirable result” means one or more of the following effects caused by groundwater conditions occurring throughout the basins: (a) chronic lowering of groundwater levels; (b) significant and unreasonable reduction of groundwater storage; (c) significant and unreasonable seawater intrusion; (d) significant and unreasonable degraded water quality; (e) significant and unreasonable land subsidence; and/or (f) depletions of interconnected surface water.

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MID-KINGS RIVER
GROUNDWATER SUSTAINABILITY AGENCY

Date: October 14, 2025

To: Board of Directors
From: Amer Hussain, Engineer

Subject: Study Session concerning land subsidence.

Background
At the Mid-Kings River GSA Stakeholder Advisory Committee meeting held on September 29, 2025, the Stakeholder Advisory Committee discussed items relating to a land subsidence policy. This study session will introduce the Mid-Kings River GSA Board of Directors to some of the considerations which relate to land subsidence.

Request
This is only an informational item and a future agenda item will be brought back to the Mid-Kings River GSA Board of Directors to consider establishing a land subsidence policy within the GSA.

MAILING ADDRESS: 1400 W. LACEY BLVD., HANFORD, CA 93230
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(559) 852-2670 Website: www.midkingsrivergsa.org FAX: (559) 584-8989

MID-KINGS RIVER
GROUNDWATER SUSTAINABILITY AGENCY

Date: October 14, 2025

To: Board of Directors
From: Chuck Kinney, General Manager

Subject: Discussion concerning existing dry domestic wells.

Background
At the Mid-Kings River GSA Board meeting held on August 12, 2025, the Board took action to establish a Domestic Well Mitigation Program. Since that date Staff have been actively working to implement that program and are coming before the Mid-Kings River GSA Board of Directors seeking direction on how best to proceed. Three domestic wells within the Mid-Kings River GSA have been identified as potentially eligible for replacement under the MKR GSA Domestic Well Mitigation Program. Self Help is currently working with all three property owners and are supplying each of them with temporary water service. Staff is looking for direction on whether the Mid-Kings River GSA Board desires staff to continue to pursue and potentially mitigate the issues as outlined within the Domestic Well Mitigation Program since funding of the Mid-Kings River GSA is currently only provided from the County of Kings and the City of Hanford or should staff wait until such time that the Mid-Kings River GSA has established a funding mechanism to pay for said activities.

Request
The General Manager requests direction from the Board of Directors as to whether staff should continue to proceed with the review and potential replacement of the three dry domestic wells as outlined pursuant to the MKR GSA Domestic Well Mitigation Program or wait until a funding mechanism has been established by the Mid-Kings River GSA.

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