



AGENDA

Victor P. Lopez, Mayor

Diana Guerra Silva, Mayor Pro Tem
Minerva Pineda, Council Member

Gilbert Garcia, Council Member
Josie Cervantes, Council Member

WEDNESDAY, FEBRUARY 10, 2016 - 6:30 P.M.

Orange Cove Council Chambers

633 6th Street, Orange Cove, California 93646

A. Call to Order/Welcome

1. Roll Call
2. Invocation
3. Flag Salute

B. Confirmation of Agenda

C. Presentation:

1. Irma Valadez, Citrus Middle School Instructor regarding the Volunteer Community Service Projects
2. Introduction of the new employees at the Orange Cove Wastewater Plant: Joe Estrada, Senior Operator III and Jose L. Vargas, Operator in Training
3. Orange Cove High School Students Speech on "Freedom and Justice for All"

D. Consent Calendar

1. City Council Minutes of January 13, 2016
2. Waive all fees for the usage of the Community Center in April 2016 for Dotson Family 50th Anniversary

E. Administration

CITY ENGINEER:

1. **SUBJECT:** Consideration and Discussion regarding a Memorandum of Understanding for the Implementation of the Groundwater Management Act in the Kings River East Groundwater Sustainability Agency

Recommendation: Council to consider approving a Resolution Approving a Memorandum of Understanding for the Implementation of the Groundwater Management Act in the Kings River East Groundwater Sustainability Agency

CHIEF OF POLICE:

2. **SUBJECT:** Monthly Activity Report

Recommendation: Informational Item Only

F. Public Forum

Members of the public wishing to address the City Council on an item that is not on the agenda may do so now. No action will be taken by the City Council this evening. But items presented may be referred to the City Manager for follow up and a report. In order to allow time for all comments, each individual is limited to three minutes. When addressing the Council, you are requested to come forward to the speakers microphone, state your name and address, and then proceed with your comments.

G. City Manager's Report

H. City Attorney's Report

I. City Council Communications

J. CLOSED SESSION

Closed Session pursuant to Government Code Section 54957(b)(1):
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: City Manager

K. Reconvene City Council Meeting
(Report out of closed session)

L. Adjournment

ADA Notice: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at (559) 626-4488 ext. 214. Notification 48 hours prior to the meeting will enable the City to make arrangements to ensure accessibility to this meeting.

Documents: Any writings or documents provided to a majority of the City Council regarding any item on this agenda will be made available for public inspection at front counter at City Hall and at the Orange Cove Library located at 815 Park Blvd., Orange Cove, CA during normal business hours. In addition, most documents are posted on City's website at cityfororange Cove.com.

STATEMENT ON RULES OF DECORUM AND ENFORCEMENT

The Brown Act provides that members of the public have a right to attend public meetings, to provide public comment on action items and under the public forum section of the agenda, and to criticize the policies, procedures, or services of the city or of the acts or omissions of the city council. The Brown Act also provides that the City Council has the right to exclude all persons who willfully cause a disruption of a meeting so that it cannot be conducted in an orderly fashion.

During a meeting of the Orange Cove City Council, there is a need for civility and expedition in the carrying out of public business in order to ensure that the public has a full opportunity to be heard and that the Council has an opportunity to conduct business in an orderly manner. The following is provided to place everyone on notice of the rules of decorum and enforcement.

GENERAL RULES OF DECORUM

While any meeting of the City Council is in session, the following rules of decorum shall be observed:

1. All remarks shall be addressed to the City Council as a whole and not to any single member, unless in response to a question from a member of the City Council.
2. A person who addresses the City Council under public comment for a specific agenda item or under the Public Forum section of the agenda may not engage in speech or conduct (i) which is likely to provoke others to violent or riotous behavior, (ii) which disturbs the peace of the meeting by loud and unreasonable noise, (iii) which is irrelevant or repetitive, or (iv) which disrupts, disturbs, or otherwise impedes the orderly conduct of any City Council meeting.

3. A person, other than members of the Council and the person, who has the floor, shall not be permitted to enter into the discussion unless requested by the Mayor to speak.
4. Members of the City Council may not interrupt a person who has the floor and is making public comments. Members of the City Council shall wait until a person completes his or her public comments before asking questions or commenting. The Mayor shall then ask Councilmembers if they have comments or questions.
5. No person in the audience at a Council meeting shall engage in disorderly or boisterous conduct, including the utterance of loud, threatening or abusive language, whistling, stamping of feet or other acts which disturb, disrupt or otherwise impede the orderly conduct of any Council meeting.

ENFORCEMENT OF DECORUM RULES
(Resolution No. 2012-16)

While the City Council is in session, all persons must preserve order and decorum. A person who addresses the City council under public comment for a specific agenda item or under the Public Forum section of the agenda may not engage in speech or conduct which is likely to provoke others to violent or riotous behavior, which disturbs the peace of the meeting by loud and unreasonable noise, which is irrelevant or repetitive, or which disrupts, disturbs, or otherwise impedes the orderly conduct of any City Council meeting.

The Mayor or other presiding officer shall request that a person who is breaching the rules of decorum cease such conduct. If after receiving such a warning, the person persists in breaching the rules of decorum, the Mayor or other presiding officer may order the person to leave the City Council meeting. If such person does not leave, the Mayor or presiding officer may request any law enforcement officer who is on duty at the meeting as sergeant-at-arms to remove the person from the Council Chambers. In the event there is no one from law enforcement present, the Mayor or presiding officer may direct the City Manager to contact law enforcement.

In accordance with the Point of Order Rule 4.6, the majority of the Council may overrule the Mayor if the majority of the Council believes the Mayor or other presiding officer is not applying the rules of decorum appropriately.



MINUTES

Victor P. Lopez, Mayor

Diana Guerra Silva, Mayor Pro Tem
Minerva Pineda, Council Member

Gilbert Garcia, Council Member
Josie Cervantes, Council Member

WEDNESDAY, JANUARY 13, 2016 - 6:30 P.M.
Orange Cove Council Chambers
633 6th Street, Orange Cove, California 93646

A. Call to Order/Welcome

COUNCIL PRESENT: Mayor Victor P. Lopez
Mayor Pro Tem Diana Guerra Silva
Councilmember Gilbert Garcia
Councilmember Minerva Pineda (left at 7:50pm)
Councilman Josie Cervantes

STAFF PRESENT: City Manager Samuel A. Escobar
City Attorney, Dan McCloskey (arrive at 6:35pm)
Interim Finance Director, Carlos Sanchez
Police Chief, Marty Rivera
City Clerk June V. Bracamontes

INVOCATION: Mayor Pro Tem Diana Guerra Silva

FLAG SALUTE: Mayor Victor P. Lopez

B. Confirmation of Agenda

City Manager requested to remove the Presentation item by Fresno State.

Upon the motion by Mayor Pro Tem Diana Guerra Silva and seconded by Councilman Gilbert Garcia, Council approved the request by City Manager to remove the Presentation item by Fresno State. (Yes Vote: Lopez, Silva, Garcia, Pineda and Cervantes)

C. Presentations

1. Presentation by Mayor Lopez and City Councilmembers Special Recognition to Mrs. Rita Greenwood

Mayor Lopez presented a plaque to Mrs. Rita Greenwood for her special services to the City of Orange Cove.

3. Presentation by Cultiva la Salud regarding update report on events

Ms. Esther Postiglione presented to Council an update:

- Health Eating Resolution adopted by the City
- Partnership with community engagement turnout tremendous
- Zumba
- Joint use efforts with KCUSD. Start in February Zumba classes at McCord and Citrus School outside the gym
- Working with Sam and Clara on the Farmers Market

D. Consent Calendar

1. Resolution approving City Warrants for October 2015 and November 2015
2. City Council Minutes of December 9, 2015
3. City Council Minutes of December 15, 2015
4. Approve CSJVRMA Liability Certificate Request Holder name Kings Canyon Unified School District for Physical Activities at Citrus and McCord School (No additional Charge to the City)
5. Approve the request by the County of Fresno Election Office to use the Orange Cove Community Center for the upcoming June 7 and November 8, 2016 Primary and General Presidential Elections
6. Resolution approving Contract with the Department of Education of the State of California for the purpose of providing Child Care and Development Services in the Fiscal Year 2015-2016 Amendment 01 in the amount of \$1,125,176.00

Ms. Charlotte Pavelko presented her concerns to Council regarding item 5 and why wasn't the Library contacted and about the Julia A. Lopez Center only open half days.

Regarding item #5 City Clerk explained that the Fresno County Election Office sent a requested to use the Community Center for the election. As far as the Library City Clerk requested Charlotte to contact Fresno County Election Office.

Mayor Lopez stated regarding the Julia A. Lopez Center is used almost 11 hours a day and not half a day.

Upon the motion by Mayor Pro Tem Diana Guerra Silva and seconded by Councilwoman Josie Cervantes, Council approved the Consent Calendar as presented (Yes Vote: Lopez, Silva, Garcia, Pineda and Cervantes)

E. Administration

CITY AUDITOR'S PRESENTATION:

1. **SUBJECT:** Consideration and Discussion regarding the Independent Auditors Report and Financial Statements for June 30, 2015 Presented by Bryant L. Jolley Certified Public Accountants

Recommendation: Council to consider approving the Independent Auditors Report and Financial Statements for June 30, 2015

Upon the motion by Mayor Pro Tem Diana Guerra Silva and seconded by Councilwoman Minerva Pineda, Council approved the Independent Auditors Report and Financial Statements for June 30, 2015(Yes Vote: Lopez, Silva, Garcia, Pineda and Cervantes)

CITY ENGINEER:

2. **SUBJECT: PUBLIC HEARING** – Amendment No. 1 to Orange Cove Underground Utility District No. 1

Recommendation: Council to consider the following:

- a. Conduct a public hearing to consider Amendment No. 1 to Underground Utility District No. 1 (UUD1)
- b. Approve attached Resolution, approving the expansion of the Northern boundary of UUD1 from the centerline of Park Blvd. to a point 306 feet to the North thereof

Mayor Lopez opened and closed the Public Hearing. No public comments was presented.

Upon the motion by Mayor Pro Tem Diana Guerra Silva and seconded by Councilwoman Josie Cervantes, Council approved the Amendment No. 1 to Underground Utility District No. 1 (UUD1) and the Resolution, approving the expansion of the Northern boundary of UUD1 from the centerline of Park Blvd. to a point 306 feet to the North thereof (Yes Vote: Lopez, Silva, Garcia, Pineda and Cervantes)

CITY MANAGER:

3. **SUBJECT:** Update report on the Christmas Toy Give Away Donations

Recommendation: Informational Item Only

City Manager presented the updated list of Christmas donation in the amount of \$27,000

Mayor thanked Council and staff for all their efforts appreciate staff who volunteered for doing a great job at the Christmas Toy Give Away.

Mayor Pro Tem Silva mentioned that she enjoyed the AVID club from the HS really appreciate it added a wholeness and goodness at the event.

F. Public Forum

Members of the public wishing to address the City Council on an item that is not on the agenda may do so now. No action will be taken by the City Council this evening. But items presented may be referred to the City Manager for follow up and a report. In order to allow time for all comments, each individual is limited to three minutes. When addressing the Council, you are requested to come forward to the speakers microphone, state your name and address, and then proceed with your comments.

1. Donna Wheeler from FOCAS that at the last City Council Meeting it was stated that the City Van would be placed on this Agenda to be discussed.
2. Manuel Ferreira concern about the Citizens on patrol. Has done a good job until today. Shut down would like to know what is going on. Let us do our job out there. There is some reason it gets shut down. It takes the whole Council to stop or start something.

City Manager stated that the City need to reduce our liability on citizens patrol high liability for us. Citizens patrol never formed by the city and looking in putting a policy together. Talked to different cities have different process. Limited to scope to services they could provide. Policy is being finalized by our City Attorney and Police Chief. Chief.

Irene Alvarado presented her concern about the Citizens on Patrol as follows:

1. December 28, 2015 Sgt. Pena was order by the City Manager to shut down the Citizens on Patrol and notified Mr. Manuel Ferreira
2. City Councilmember Josie Cervantes and Mario Villarreal me with City Manager and had ordered the City Manager to shut down the Orange Cove Citizens on

- Patrol until further notice. Speculation Cervantes and Villarreal are politically motivated to shut down the citizens on patrol program
3. The Citizens on Patrol Members was given access to a new patrol unit last weekend December 2015.
 4. In 2007 The Citizens on Patrol was formed under the Fresno County Sheriff's Department. This has been in good standing and members were sworn in by the Fresno County Sheriff's Department and the Orange Cove Police Dept.
 5. The Members of the Citizens on Patrol are the extra eyes and ears of this community and serve as a transparent liaison between the police dept. and the city.

Ms. Alvarado is requesting immediate reinstatement of the Orange Cove Citizens on Patrol as based on the cited violations of the City of Orange Cove Municipal 2.08-City Manager: 2.08.010-Office created; 2.08.3060-Powers and duties; 2.08.070-Internal relations.

City Manager stated that the Citizens on Patrol was under the Fresno Sheriff County Control. Since the Fresno County Sheriff is no longer within the city and the City Council has not formally approved the Citizens on Patrol then at the next Council meeting a policy will be presented for approval. Structure needs to be in place. The Police Chief will approve the volunteers. All volunteers are equal. Officers are appointed and will have appropriate training.

Mario Villarreal thanked the Staff and Councilwoman Josie Cervantes for helping in the Christmas toy give away. This is a new year and a good start. There were off topics tonight especially the audit. Regarding the Citizens on Patrol that was presented is not true. Mr. Villarreal explained that he support the citizens on patrol. Regarding the dog problems in Orange Cove a vicious pit bull attacked 2 people and the Police took care of it. Would like to know what the Council has done for the citizens. There are dogs in the community and asking what procedures are taking place.

City Manager stated that there are 2 members who are trained in animal control. \$30,000 has allocated to the shelter, and the City is still working with the details with the volunteers.

Mayor understands the concern and would like staff to look at the employees through Proteus to help in this area now that we have the extra help.

Councilman Garcia stated his concerns with the Citizens on Patrol situation and the Van. This situation should have been taken care of with the FOCAS organization lack of communication between these people. Need better communication with the City Manager.

Mrs. Leticia Mendoza concern about the events committee thought it was disbanded. Regarding the concerns about the Citizens on Patrol have seen individuals who drive on the little carts and that is a liability. Pena takes care of the little ladies of OC instead of the citizens will be talking to the Police Chief regarding this matter. The patrol are extra eyes. Know several of these people who volunteer. One of these days may save one of us. Playing games not getting nowhere.

Mayor stated that he was elected to set policy and cleaning the mess the other Council left. This current Council is doing a hell of a job.

G. City Manager's Report

Police Chief presentation as follows:

- *Have 2 applicants for reserve officer.
- *K9 position selected a new officer
- *Explore Program going well
- *Cameras at the Skate Park and Orchard Village
- *Grants waiting for new grants for officers
- *Presented the Statistic for December 2015

City Manager thanked Public Works staff for keeping us up float when the rain came in.

Community center most of work complete. Anchor Avenue and G Street complete.

Getting ready to bid on the soccer field. Water project coming along. The rebate program in changing of toilets and faucets are in progress.

H. City Attorney's Report

Noting to report.

I. City Council Communications

Councilman Gilbert Garcia

Nothing to report.

Councilwoman Josie Cervantes

Nothing to report.

Councilwoman Minerva Pineda:

Thanked everyone for their hard work.

Mayor Pro Tem Diana Guerra Silva:

Wished everyone a Happy New Year and predicts good things coming this year.

Mayor Victor P. Lopez:

Presented the JPA and explained the 5 counties involved and the cost for the small rural communities looking at \$50,000 Mayor would like to go by population. The plan is to apply for the billions of dollars and Mayor of Fresno nominated Mayor Lopez to represent the East side and the Mayor of Mendota to represent the West Side. Senator Feinstein biggest supporter.

J. CLOSED SESSION

Council went into closed session at 7:50 p.m.

Conference with Real Property Negotiators – Government Code Section 54956.8
Property Address: 5.45 acre parcel
700 Feet West of Anchor Avenue, Orange Cove CA
City Negotiator: Sam Escobar, City Manager
Negotiating Parties: AMG

K. Reconvene City Council Meeting

(Report out of closed session)

Mayor reconvened the City Council Meeting at 8:10 p.m.

No reportable action taken

L. Adjournment

Mayor Lopez adjourned the City Council Meeting at 8:11 p.m.

RESPECTFULLY SUBMITTED:

June V. Bracamontes, City Clerk
City of Orange Cove

PRESENTED TO COUNCIL:

DATE: _____ ACTION: _____



CITY OF ORANGE COVE REPORT TO THE CITY COUNCIL

To: Orange Cove City Council
From: Gary D. Horn, City Engineer
Subject: Memorandum of Understanding
 Kings River East Groundwater Sustainability Agency
Attachments: Resolution with MOU

RECOMMENDATION:

Council adopt the attached resolution approving the Memorandum of Understanding for the support of formation of the Kings River East Groundwater Sustainability Agency (GSA) with other interested parties.

EXECUTIVE SUMMARY:

The Governor signed legislation that requires that each hydrologic basin address groundwater sustainability by creating a local agency to implement: Conservation, Water recycling, Expanded storage, Safe Drinking Water, Wetlands and Watershed protection.

The City has adopted a Memorandum of Understanding (MOU) in forming a GSA sub-basin lying east of the Kings River with other interested parties. Two types of organization could be used for the governance of the GSA: A Joint Powers Agency (JPA) or a Special District formed by act of the Legislature. Because the Board of Directors is proposed to include an unelected member representing the agricultural community, a JPA, which is an agreement between public entities, is not feasible. Therefore, special legislation (AB 1135) is needed to form the GSA as a special district. While AB 1135 is being considered by the legislature, the interested parties want to pursue the formation of a JPA in case that bill is not approved. This MOU provides a frame work for the governing board and sharing of the initial administrative costs.

BACKGROUND:

Last year the Governor signed SB 1319, SB 1168 and AB 1739 collectively called the "Sustainable Groundwater Management Act." The law requires the formation of GSA for each hydrologic basin.

Prepared by: Gary Horn Approved by: _____

REVIEW: City Manager: _____ Finance: _____ City Attorney: _____

TYPE OF ITEM:	COUNCIL ACTION:	APPROVED	DENIED	NO ACTION
_____ Consent			_____ Public Hearing	
_____ Info Item			_____ Matter Initiated by a Council	
_____ Action Item			Member	
_____ Department Report			_____ Other	
_____ Redevelopment Agency			_____ Continued to: _____	

The City of Orange Cove lies within the Kings River Basin that covers a large part of Fresno County and northern sections of Kings and Tulare Counties. A map of the proposed area is attached.

A group of cities, irrigation districts and other interested parties would like to form a smaller GSA that can address the unique groundwater conditions for the area lying east of the Kings River. Those entities include:

- County of Tulare
- County of Fresno
- City of Orange Cove
- City of Reedley
- City of Dinuba
- Orange Cove Irrigation District
- Alta Irrigation District
- Hills Valley Irrigation District
- Tri-Valley Water District
- Cutler Public Utility District
- East Orosi Community Services District
- London Community Services District
- Orosi Public Utility District
- Sultana Community Services District.

At the request of Alta Irrigation District, The Assembly is considering AB 1135 to allow the formation of the Kings River East Groundwater Sustainability Agency. This legislation provides for the governance and powers of the agency. The bill was not adopted the previous session, so it is making its way through the legislature as a two year bill.

If a local agency is not formed by June 2017 the State will take control. The local GSA will start with a MOU and may move to a form a special district if AB 1135 is approved. If AB 1135 is not approved, then a JPA will be formed. If no local GSA is formed, then the County of Fresno will be the default GSA.

The State has listed the following powers and authority of a GSA:

- Develop a groundwater sustainability plan
- Fee authority
- Registration of extraction facility (discretionary)
- Water measurement device paid for by user of groundwater (discretionary)
- Annual statement of diversion (discretionary)
- Extractions as a basis for fees
- Service fees based on extraction of groundwater are to be used to implement the plan shall be based on subdivision (a) and (b) of Section 6 of Article XIII D of the California Constitution. (Prop. 218)
- Authorized to impose regulatory fees, i.e., permit fees, extractions, or as regulated activities, to fund preparation and enforcement of the plan following public hearings. (Prop. 26)
- Monitor, Compliance and Enforcement
- Excess unauthorized extraction subject to a civil penalty not to exceed \$500/AF
- Any rule, regulation, ordinance or resolution violation subject to civil penalty not to exceed \$1,000 plus \$100 per day
- Appropriate and acquire surface water or groundwater
- Water exchanges
- Transport, reclaim, purify, treat or otherwise manage polluted water, wastewater
- Impose spacing requirements on new groundwater well construction
- Control groundwater extractions
- Request that the county forward permit requests for new well construction prior to action

being taken.

Your council approved a MOU on January 28, 2015 and a revised MOU on June 10, 2015 stating the City's interest and willingness to cooperate with other agencies to form a GSA for the area lying east of the King's River.

This revision of the MOU contains two main new provisions:

1. The GSA would be governed by a Board of Directors comprised of representatives from these seven members:
 - A. County of Fresno
 - B. County of Tulare
 - C. Alta Irrigation District
 - D. Cities (1 member from Orange Cove, Reedley or Dinuba)
 - E. Irrigation Districts (1 member from Hills Valley, OCID or Tri-Valley)
 - F. Special Districts (1 member from Cutler PUD, East Orosi CSD, London CSD, Orosi PUD or Sultana CSD)
 - G. Representative of production agriculture nominated by Fresno Co. Farm Bureau, Tulare Co. Farm Bureau and CA Citrus Mutual.
2. Initial Administrative Costs for the formation of the GSA and legal costs are estimated at \$15,000. The City of Orange Cove's share would be \$1,000.

REASON FOR RECOMMENDATION:

Even though the City does not now have any groundwater wells we think it is important for us to be part of this group. One can imagine that future state funding for water projects would require that the city be part of a GSA. The GSA will also allow us to work more closely with neighboring groups for mutually beneficial water projects.

FISCAL IMPACT:

Staff time will be required for meetings and the initial cost to the City is \$1,000.

ALTERNATIVES:

The Council may wish to not pursue belonging to the proposed Kings River East GSA for the area lying east of the Kings River. The City has the option to form its own GSA. However, we believe that the cost to do so would outweigh the benefits. The State is interested in regional solutions to the groundwater overdraft issue

ACTIONS FOLLOWING APPROVAL:

Staff will forward the approved resolution to the Alta Irrigation District and the City Manager will sign the MOU.

CONFLICT OF INTEREST: None

RESOLUTION NO. 2016-08

A RESOLUTION OF THE COUNCIL OF THE CITY OF ORANGE COVE, CALIFORNIA,
APPROVING A MEMORANDUM OF UNDERSTANDING FOR THE IMPLEMENTATION
OF THE GROUNDWATER MANAGEMENT ACT IN THE KINGS GROUNDWATER
BASIN BY SUPPORTING FORMATION OF A KINGS RIVER EAST GROUNDWATER
SUSTAINABILITY AGENCY

WHEREAS, Senate Bills 1319 and 1168, and Assembly Bill 1739, collectively, the Sustainable Groundwater Management Act (“GSMA”) were signed by Governor Brown on September 16, 2014; and

WHEREAS, there are statutory deadlines for compliance with the GSMA in regards to the evaluating and implementing a Groundwater Sustainability Plan (“GSP”) and Groundwater Sustainability Agencies (“GSAs”) need to be identified and established for each basin and sub basin, among other requirements; and

WHEREAS, the City Council adopted Resolution 2015-03 on January 28, 2015 and Resolution 2015-31 on June 10, 2015 approving MOUs for the purposes of forming a Groundwater Sustainability Agency; and

WHEREAS, the parties desire to adopt another MOU to define formation of a GSA, its Board of Directors and sharing the initial administrative costs; and

WHEREAS, the City Council has received a report from the City Engineer recommending the adoption of a Memorandum of Understanding as shown in Exhibit A stating the desire of the City of Orange Cove to join with other neighboring Interested Parties to form a GSA.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Orange Cove, California, as follows:

1. The above recitals are true and correct and are adopted as the findings of the City Council.
2. The Memorandum of Understanding as shown in Exhibit A is hereby approved and the City Manager is authorized to sign the Memorandum on behalf of the City of Orange Cove.

This resolution was adopted at a Regular Meeting of the City Council of the City of Orange Cove held on February 10, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Victor P. Lopez, Mayor

ATTEST:

June Bracamontes, City Clerk

**MEMORANDUM OF UNDERSTANDING
FOR IMPLEMENTATION OF THE
SUSTAINABLE GROUNDWATER MANAGEMENT ACT
IN THE KINGS GROUNDWATER BASIN
BY SUPPORTING FORMATION
OF A
KINGS RIVER EAST GROUNDWATER SUSTAINABILITY AGENCY**

THIS MEMORANDUM OF UNDERSTANDING (the "MOU") is made and effective as of the earlier of (i) the date on which all of the member agencies listed below have executed this MOU, or (ii) March 1, 2016 (on which date this MOU will be binding upon and inure to the benefit of only those member agencies signatory hereto), by and between the County of Tulare, the County of Fresno, the City of Orange Cove, the City of Reedley, the City of Dinuba, Orange Cove Irrigation District, Alta Irrigation District, Hills Valley Irrigation District, Tri-Valley Water District, Cutler Public Utility District, East Orosi Community Services District, London Community Services District, Orosi Public Utility District and Sultana Community Services District. Representatives of entities and organizations that are not public agencies will form an advisory committee to consult with the signatories of this MOU with respect to implementing the goals expressed herein (each entity that has executed this MOU on or before the Effective Date being hereinafter referred to individually as a "Party" and collectively as the "Parties"), with reference to the following facts:

A. The State of California has enacted the Sustainable Groundwater Management Act (contained in SB 1168, AB 1739 and SB 1319), referred to in this MOU as the "Act," pursuant to which certain local agencies and parties to a memorandum of understanding or other legal agreements may become "groundwater sustainability agencies" and adopt "groundwater sustainability plans" in order to manage and regulate groundwater in underlying groundwater basins. (The Act defines "basin" as a basin or subbasin identified and defined in California Department of Water Resources Bulletin 118.) Some of the Parties are local agencies qualified to become a groundwater sustainability agency and adopt a groundwater sustainability plan under the Act, but prefer to establish a separate authority, which will become a groundwater sustainability agency operating in accordance with the Act.

B. Multiple local agencies overlying a single groundwater basin or subbasin may adopt individual groundwater sustainability plans if those plans are coordinated, or may join together to adopt a single plan. The Parties all overlie portions of the Kings Subbasin as it is currently defined by the California Department of Water Resources (the "Basin") and wish to participate in the implementation of the Act specifically within the Basin or specific portions thereof. As a result, coordination and cooperation between them is necessary in order to determine their respective roles and the manner in which they will implement the Act. In addition, other agencies that are qualified to become groundwater sustainability agencies overlie the Basin and have expressed interest in implementation of the Act in the Basin, and the Parties acknowledge the importance of involving those other agencies in the management of groundwater resources in the Basin under the Act. The Parties desire to enter into an agreement that will facilitate the creation of a Groundwater Sustainability Agency; namely the Kings River East Groundwater Sustainability Agency ("GSA"), which would adopt a Groundwater Sustainability Plan ("GSP") that would consider the interests of all beneficial uses and users of groundwater within the boundaries of the GSA.

C. The Parties wish to establish an agreement and framework for cooperative efforts relative to formation of a GSA in order to implement the Act in the Basin, both with each other and with agencies both current and future, in the Basin interested in implementing the Act, to help ensure that the Act is implemented in the Basin effectively, efficiently, fairly, and at the lowest reasonable cost.

THEREFORE, in consideration of the mutual promises set forth below and to implement the goals described above, the Parties hereto agree as follows:

1. Purposes of MOU. The primary purposes of this MOU are to (i) facilitate a cooperative and ongoing working relationship among the Parties and other stakeholders and water users in an effort to establish a GSA in order to develop and implement mutually beneficial approaches and strategies for implementing the Act in the Basin; and (ii) facilitate contacts with other agencies, both current and prospective, overlying the Basin so that they can coordinate with the GSA to implement the GSP and to satisfy the requirements of the Act.

2. Intent to Advocate the Formation of the GSA; Implementation of the GSP. The Parties intend that this MOU is to express the intent of the Parties on or before January 1, 2017 to establish either a joint powers authority or a special act district to act as the GSA (hereinafter referred to specifically as the "GSA") to prepare for approval the GSP for the area located east of the Kings River and under the jurisdiction of one or more of the Parties in order to implement the GSP applicable to that area. The Parties shall regularly confer with regard to those efforts

3. Outreach to Other Agencies. In recognition of the importance of involving all interested agencies in the Basin that are or will be involved in efforts to establish the GSA and the GSP under the Act in the management of the Basin in coordination with other agencies in the Basin, as an initial activity under this MOU, the Parties shall develop and implement an outreach plan pursuant to which the Parties will contact other agencies within or near their respective boundaries that may become groundwater sustainability agencies and adopt groundwater sustainability plans under the Act, to invite their participation in activities undertaken in connection herewith.

4. Initial Administrative Costs. Each Party shall bear all costs it incurs with respect to its activities under this MOU, including without limitation, costs relative to the formation of the GSA and activities in which that Party wishes to participate. The Parties estimate that initial administrative costs incurred in connection with this MOU for the joint benefit of all Parties, including, legal and other professional services concerning, among other things, issues with respect to funding and formation ("Initial Administrative Costs"), will be approximately Fifteen Thousand Dollars (\$15,000) as estimated in Table I, attached hereto (see "Table I, MOU Initial Administrative Cost"). The Initial Administrative Costs shall be borne in the following proportions:

Alta	20%
County of Tulare	20%
County of Fresno	20%
Cities (as defined below) collectively	20%
Irrigation Districts (as defined below) collectively	20%

Alta shall act as the fiscal agent ("Fiscal Agent") for the Parties to receive funds and have the authority to determine and pay the Initial Administrative Costs. Upon execution hereof, Alta, the County of Tulare, the County of Fresno, the Cities collectively and the Irrigation Districts collectively shall pay to the Fiscal Agent as a deposit to be held for the account of those Parties the cash sum of Three Thousand Dollars (\$3,000.00) each. Any additional costs and expenses may be authorized only by all the Parties. If so authorized, upon request of the Fiscal Agent along with an accounting of those additional costs for which the Fiscal Agent seeks payment, the Parties listed above shall promptly contribute their respective shares of those additional costs in the proportions specified above.

5. Definitions. Unless otherwise indicated by their context, the definitions set forth in this article govern the interpretation of this MOU.

- 5.1 “Actively and primarily engaged in production of agriculture” means that a person derives at least 75 percent of his or her annual income from production agriculture.
- 5.2 “Alta” means the Alta Irrigation District.
- 5.3 “Aquifer” means a geologic formation or structure that transmits water in sufficient quantities to supply pumping wells or springs.
- 5.4 “Basin” has the same meaning as defined in Section 10721 of the Water Code.
- 5.5 “Board” means the board of directors of the GSA, as more particularly described in Section 6 below.
- 5.6 “Cities” means the Cities of Dinuba, Orange Cove, and Reedley.
- 5.7 “Coordination agreement” has the same meaning as defined in Section 10721 of the Water Code.
- 5.8 “County” means either the County of Fresno or the County of Tulare, as the context requires. “Counties” means the County of Fresno and the County of Tulare.
- 5.9 “Extraction” means the act of obtaining groundwater by pumping or other controlled means.
- 5.10 “Groundwater” has the same meaning as defined in Section 10721 of the Water Code.
- 5.11 “Groundwater management activities” means programs, measures, or actions taken to preserve, protect, and enhance groundwater resources within the territory of the GSA.
- 5.12 “Kings Subbasin” means the San Joaquin Valley Basin Kings Subbasin as described in Section 9 below.
- 5.13 “Member agency” means Alta, the Counties, the Cities, and the special districts entitled to representation on the GSA’s board of directors as specified in Section 6 below.
- 5.14 “Operator” has the same meaning as defined in Section 10721 of the Water Code.
- 5.15 “Person” includes any state or local governmental agency, private corporation, firm, partnership, limited liability company, individual, group of individuals, or, to the extent authorized by law, any federal agency.
- 5.16 “Plan” means a groundwater sustainability plan prepared by the GSA pursuant to this MOU.
- 5.17 “Supplemental water” means surface water or groundwater lawfully imported from outside the watershed or watersheds of the basin or aquifer and flood waters that are conserved and saved within the watershed or watersheds that would otherwise have been lost or would not have reached the basin or aquifer.

6. The Proposed GSA Governing Body.

(a) The Parties intend to support and advocate for establishment of the GSA to be governed by a board of directors that shall consist of seven (7) members, as follows:

- (i) One member shall be chosen by Alta.

(ii) One member shall be chosen by the County of Fresno.

(iii) One member shall be chosen by the County of Tulare.

(iv) One member shall be chosen by the Cities. This member shall be chosen from the members of the city councils of the Cities whose territory, at least in part, overlies the territory of the GSA. This member shall be chosen at a public meeting where each city is represented by its mayor.

(v) One member shall be chosen from the members of the governing boards of the following special districts that are not governed by the board of supervisors of either county, are engaged in water activities, and whose territory, at least in part, overlies the territory of the GSA:

(A) Hills Valley Irrigation District.

(B) Orange Cove Irrigation District.

(C) Tri-Valley Water District.

(vi) One member shall be chosen from the members of the governing boards of the following special districts that provide drinking water within the territory of the GSA:

(A) Cutler Public Utility District.

(B) East Orosi Community Services District.

(C) London Community Services District.

(D) Orosi Public Utility District.

(E) Sultana Community Services District

(vii) One member shall be chosen by at least four of the other six board members to represent agricultural interests within the territory of the GSA. This member shall reside and be actively and primarily engaged in production of agriculture within the territory of the GSA. This member shall be selected from a list of nominations submitted from the Fresno County Farm Bureau, the Tulare County Farm Bureau, and California Citrus Mutual, but the nominees need not be members of any of those organizations.

(b) The board members described in paragraphs (i), (ii), and (iii) of subdivision (a) above shall be chosen by their respective governing boards from their board members whose districts or divisions overlie, at least in part, the territory of the GSA.

(c) The board members described in paragraphs (v) and (vi) of subdivision (a) above shall be chosen at a public meeting where each special district is represented by the president or chair of its governing board.

(d) There shall be an alternate for each board member, chosen in the same manner and by the same entity as the board member. The alternate member shall act in place of the board member for whom he or she is an alternate in case of that board member's absence or inability to act.

(e) The members described in paragraphs (i) to (vi), inclusive, of subdivision (a) of this Section 6 shall serve for a four-year term of office, or until the member is no longer an eligible official of the member agency. These members may serve for more than one term of office.

(f) The member described in paragraph (vii) of subdivision (a) above shall serve a four-year term of office.

7. Acts and Actions of the Proposed GSA Board. The Parties intend to support and advocate for the GSA whose board would have, among others set forth in the Act, the authorities and obligations, and follow the procedures, set forth below:

(a) The board would adopt actions for the purpose of regulating, conserving, managing, and controlling the use and extraction of groundwater within the territory of the GSA.

(b) An action adopted by the board would become effective 30 days from the date of its passage.

(c) All actions would be adopted at noticed public hearings by a majority vote of the board. No ordinance would be adopted by the board except at a public hearing. Notice of the hearing would be published in a newspaper of general circulation in the manner provided in and pursuant to Section 6066 of the Government Code.

(d) The board would provide notice of the adoption of all actions.

(e) The GSA would have the authority to contract with either County or Alta for staff and other services. The GSA may hire contractors and consultants as it considers appropriate.

(f) The GSA would have the authority to enter into a coordination agreement with other local agencies for purposes of coordinating the GSA's plan with other agencies or groundwater sustainability plans within the basin.

8. Studies and Investigations by the Proposed GSA. The Parties intend to support and advocate for the GSA that would have the authorities and obligations set forth below:

(a) The GSA would collect data and conduct technical and other investigations of all kinds in order to carry out the provisions of the Act. All hydrological investigations and studies carried out by or on behalf of the GSA would be constructed by or under the supervision of licensed engineers or other persons qualified in groundwater geology or hydrology.

(b) The GSA would recommend and encourage water recycling and other water development projects, where those projects will enhance and contribute to the responsible management of groundwater resources, as part of its annual plan for implementation of groundwater management objectives.

9. Proposed GSA Boundaries. The Parties intend to support and advocate for the GSA that would have the boundaries described below by means of actions set forth below:

(a) The boundaries of the GSA would include all land located within the exterior perimeter boundaries of Alta Irrigation District within the Counties of Fresno and Tulare, the Orange Cove Irrigation District, the Hills Valley Irrigation District, and the Tri-Valley Water District overlying the San Joaquin Valley Basin Kings Subbasin as described in the report by the Department of Water Resources entitled "California's Groundwater: Bulletin 118" updated in 2003, as it may be subsequently updated or revised in accordance with Section 12924 of the Water Code.

(b) The GSA's initial boundaries shall be established by the boards of supervisors of the Counties of Fresno and Tulare after a noticed public hearing. The boundaries shall be depicted on a

map that shall be adopted by the boards of supervisors of those counties and thereafter recorded in the office of the county recorder of each county.

(c) The boards of supervisors of the Counties of Fresno and Tulare may adjust the boundaries of the GSA in the same manner prescribed for establishment of the initial boundaries if the boundaries of the basin are revised, including the establishment of new subbasins.

10. Proposed GSA Sustainable Groundwater Management Powers. The Parties intend to support and advocate for the GSA whose board would have the intentions, authorities and obligations set forth below:

(a) The GSA shall elect to be a groundwater sustainability agency pursuant to Chapter 4 (commencing with Section 10723) of Part 2.74 of Division 6 of the Water Code for that portion of the Kings Subbasin that lies within the boundaries of the GSA.

(b) The GSA shall develop and implement a groundwater sustainability plan pursuant to Chapter 6 (commencing with Section 10727) of Part 2.74 of Division 6 of the Water Code to achieve sustainable groundwater management within the territory of the GSA.

(c) The GSA may exercise any of the powers described in Chapter 5 (commencing with Section 10725) of Part 2.74 of Division 6 of the Water Code and the enforcement powers described in Chapter 9 (commencing with Section 10732) of Part 2.74 of Division 6 of the Water Code.

(d) The availability of supplemental water to any operator shall not subject that operator to regulations that are more restrictive than those imposed on other operators.

11. Proposed GSA Fee Authority. The Parties intend to support and advocate for the GSA whose board would have the authorities and obligations set forth below:

Pursuant to Chapter 8 (commencing with Section 10730) of Part 2.74 of Division 6 of the Water Code, the GSA 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 groundwater sustainability program, that include, but are not limited to, the preparation, adoption, and amendment of a groundwater sustainability plan, investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve.

12. Other Alternatives. Nothing in this MOU shall preclude any Party from pursuing implementation of the Act on its own or with third parties consistent with this MOU. Further, while the Parties intend to diligently implement activities in which all of them participate, nothing in this MOU shall preclude any of the Parties from pursuing such activities with fewer than all or with none of the other Parties. In the event any Party chooses to pursue such activities, that Party shall promptly notify all other Parties of those activities.

13. Ongoing Cooperation. The Parties acknowledge that activities under this MOU will require the frequent interaction between them in order to exploit opportunities and resolve issues that arise. The Parties shall work cooperatively and in good faith. The goal of the Parties shall be to preserve flexibility with respect to the establishment of the GSA and implementation of the GSP in order to maximize the benefits of that GSP to all beneficial uses and users of groundwater within the GSA. Notwithstanding the foregoing, nothing in this MOU shall be interpreted to require the Parties jointly to establish the GSA. If the GSA is formed, it shall implement a GSP that complies with the requirement set

forth in the Act (Water Code Section 10727.6) that it be coordinated with other GSP's in the Basin. The Parties intend to consult with all stakeholders and beneficial users of groundwater within the GSA.

14. Staff; Notices.

(a) Each Party shall designate a principal contact person for that Party, who may be changed from time to time, and such other appropriate staff members and consultants to participate on such Party's behalf in activities undertaken pursuant to this MOU. The principal contact person for each Party shall be responsible for coordinating meetings and other activities under this MOU with the principal contact person for the other Parties. Meetings shall occur as the principal contacts determine are necessary, and each Party shall make its expertise and resources reasonably available for activities under this MOU.

(b) Any formal notice or other formal communication given under the terms of this MOU shall be in writing and shall be given personally, by facsimile or by certified mail, postage prepaid and return receipt requested. Any notice shall be delivered or addressed to the parties at the addresses or facsimile numbers set forth below or at such other address or facsimile numbers as shall be designated by notice in writing in accordance with the terms of this Agreement. The date of receipt of the notice shall be the date of actual personal service or confirmed facsimile transmission, or three days after the postmark on certified mail.

If notice is given to the Alta Irrigation District, it shall be given at the following address and facsimile number:

Alta Irrigation District
Post Office Box 715
Dinuba, CA 93618
Attn: General Manager
Facsimile No.: 559-591-5190

If notice is given to the County of Fresno, it shall be given at the following address and facsimile number:

County of Fresno
2220 Tulare Street, 6th floor
Fresno California 93721
Attn: Director of Public Works and Planning
Facsimile No.: 559-600-4537

If notice is given to the County of Tulare, it shall be given at the following address and facsimile number:

County of Tulare
2800 W. Burrell
Visalia, CA 93291
Attn: County Administrative Officer
Facsimile No.: 559-733-6318

If notice is given to the City of Orange Cove, it shall be given at the following address and facsimile number:

City of Orange Cove

633 Sixth Street
Orange Cove, California 93646
Attn: City Manager
Facsimile No.: 559-626-4653

If notice is given to the City of Reedley, it shall be given at the following address and facsimile number:

City of Reedley
1717 9th Street
Reedley, CA 93654
Attn: City Manager
Facsimile No.: 559-638-1093

If notice is to be given to the City of Dinuba, it shall be given at the following address and facsimile number:

City of Dinuba
405 E. El Monte Way
Dinuba, CA 93618
Attn: City Manager
Facsimile No.: 559-591-5902

If notice is to be given to the Hills Valley Irrigation District, it shall be given at the following address and facsimile number:

Hills Valley Irrigation District
P.O. Box 911
Visalia, CA 93279
Attn: Dennis Keller
Facsimile No.: 559-732-7937

If notice is to be given to the Tri-Valley Water District, it shall be given at the following address and facsimile number:

Tri-Valley Water District
P.O. Box 911
Visalia, CA 93279
Attn: Dennis Keller
Facsimile No.: 559-732-7937

If notice is to be given to the Orange Cove Irrigation District, it shall be given at the following address and facsimile number:

Orange Cove Irrigation District
1130 Park Blvd
Orange Cove, CA 93646
Attn: Fergus Morrissey
Facsimile No.: 559-626-4463

If notice is to be given to the Cutler Public Utility District, it shall be given at the following address and phone number:

Cutler Public Utility District
40526 Orosi Drive
Cutler, CA 93615
Attn: Martha Lowrey
Phone: (559) 528-3859

If notice is to be given to the East Orosi Community Services District, it shall be given at the following address and phone number:

East Orosi Community Services District
41842 Ione Rd
Orosi, CA 93647
Attn: Katie Icho
Phone No.: 559-(559) 528-2726

If notice is to be given to the London Community Services District, it shall be given at the following address and facsimile number:

London Community Services District
37835 Kate Rd.
Dinuba CA 93618
Attn: Jim Wegley
Facsimile No.: 559-591-0976

If notice is to be given to the Orosi Public Utility District, it shall be given at the following address and phone number:

Orosi Public Utility District
12488 Ave 416
Orosi, CA 93647
Attn: Maria Elena Vidana
Phone No.: 559-528-4262

If notice is to be given to the Sultana Community Services District, it shall be given at the following address and phone number:

Sultana Community Services District
P.O. Box 168
Sultana, CA 93666
Attn: Michael Prado Sr.
Phone No.: 559- 859-7330

(c) Alta shall make all reasonable efforts to post on its website the minutes of all meetings among the Parties, as well as summaries of all non-privileged memorandums and reports received by the Parties with respect to their activities concerning formation of the GSA, its powers and authorities and its sources of funding.

15. Entire Agreement. This MOU incorporates the entire and exclusive agreement of the Parties with respect to the matters described herein and supersedes all prior negotiations and agreements

(written, oral or otherwise) related thereto. This MOU may be amended (including without limitation to add new Parties) only in a writing executed by all of the Parties.

16. Termination.

(a) This MOU shall remain in effect unless terminated by the mutual written consent of the Parties, or upon 30 days written notice of termination delivered by one Party to the others that is not withdrawn prior to the specified termination date; provided, that upon termination by one Party, the remaining Parties may by mutual written agreement continue this MOU in effect as between the non-terminating Parties. No Party shall be liable to any other if it elects to terminate this MOU.

(b) Anything to the contrary herein notwithstanding, this MOU shall terminate automatically upon the occurrence of the earlier of either:

(i) Enactment and the effective date of a statute that forms a special act district to be the GSA or the formation of a joint powers authority or

(ii) July 1, 2017, if by that date the GSA is not designated under the Act to be the groundwater sustainability agency for the area described in Paragraph 10 above.

17. Severability. Should any provision of this MOU be determined by a court of competent jurisdiction to be void, in excess of a Party's authority, or otherwise unenforceable, the validity of the remaining provisions of this MOU shall not be affected thereby.

18. Assignment. No rights and duties of any of the Parties under this MOU may be assigned or delegated without the express prior written consent of all of the other Parties, and any attempt to assign or delegate such rights or duties without such consent shall be null and void.

IN WITNESS WHEREOF, the Parties have executed this MOU as of the date first above written.

ALTA IRRIGATION DISTRICT

COUNTY OF TULARE

By: _____

By: _____

Name: Chris M. Kapheim

Name: Steve Worthley

Title: General Manager

Title: Chairman, Tulare County Board of Supervisors

COUNTY OF FRESNO

CITY OF ORANGE COVE

By: _____

By: _____

Name: Debbie Poochigian

Name: Samuel A. Escobar

Title: Chairman, Fresno County Board of Supervisors

Title: City Manager

CITY OF REEDLEY

CITY OF DINUBA

By: _____

Name: Nicole Zieba

Title: City Manager

By: _____

Name: Luis Patlan

Title: City Manager

ORANGE COVE IRRIGATION DISTRICT

HILLS VALLEY IRRIGATION DISTRICT

By: _____

By: _____

Name: _____

Name: Loren Booth

Title: President

Title: President

TRI-VALLEY WATER DISTRICT

CUTLER PUBLIC UTILITY DISTRICT

By: _____

By: _____

Name: John Colbert

Name: _____

Title: President

Title: President

EAST OROSI COMMUNITY SERVICES DISTRICT

LONDON COMMUNITY SERVICES DISTRICT

By: _____

By: _____

Name: _____

Name: _____

Title: President

Title: President

OROSI PUBLIC UTILITY DISTRICT

SULTANA COMMUNITY SERVICES DISTRICT

By: _____

By: _____

Name: _____

Name: Michael Prado Sr.

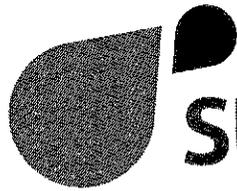
Title: President

Title: President

Table I

**Kings River East Planning Group MOU
Initial Administrative Costs**

Task	Hours/Units	Blended Rate/Cost	Total
Funding Implementation, Legal Opinion Prop. 26	33	\$260.00	\$8,580.00
Monitoring and GSP Budgetary Cost Estimate	12	\$300.00	\$3,600.00
GSA Decision Documents	4	\$260.00	\$1,040.00
Communication and Outreach	10.83	\$72.00	\$779.76
Miscellaneous/Materials	1	\$1,000.00	\$1,000.00
Total Initial Administrative Cost			\$14,999.76



SUSTAINABLE GROUNDWATER MANAGEMENT ACT

A Framework for Sustainability

The California Legislature enacted comprehensive legislation aimed at strengthening local control and management of groundwater basins throughout the state. Gov. Jerry Brown signed the three-bill package into law on Sept. 16, 2014.

Known as the Sustainable Groundwater Management Act of 2014, the legislation provides a framework for sustainable management of groundwater supplies by local authorities, with a limited role for state intervention when necessary to protect the resource.

Multiple discussions and a public stakeholder process that began in late 2013 helped shape the legislation, which the Brown Administration identified as a top priority for 2014. It is considered one element of a comprehensive water action plan advanced by the Administration that also includes investment in water conservation, water recycling, expanded water storage, safe drinking water, wetlands and watershed restoration.

What's New and to Celebrate

The Sustainable Groundwater Management Act of 2014 consists of three bills – AB 1739 (Dickinson), SB 1168 (Pavley) and SB 1319 (Pavley). Together the bills commit the state to locally controlled, sustainable groundwater management and provide tools and authorities for local agencies to achieve the sustainability goal over a 20-year implementation period.



Key Steps on the Road to Sustainability

The legislation lays out a process and a timeline for local authorities to achieve sustainable management of groundwater basins. It also provides tools, authorities and deadlines to take the necessary steps to achieve the goal. For local agencies involved in implementation, the requirements are significant and can be expected to take years to accomplish.

- **Step one:** Local agencies must form local groundwater sustainability agencies (GSAs) within two years.
- **Step two:** Agencies in basins deemed high- or medium-priority must adopt groundwater sustainability plans (GSPs) within five to seven years, depending on whether a basin is in critical overdraft.
- **Step three:** Once plans are in place, local agencies have 20 years to fully implement them and achieve the sustainability goal.
- **State role:** The State Water Resources Control Board may intervene if locals do not form a GSA and / or fail to adopt and implement a GSP.

Timeline for Sustainability

June 30, 2017: Local groundwater sustainability agencies formed.

Jan. 31, 2020: Groundwater sustainability plans adopted for critically overdrafted basins.

News Tools for Local Agencies

The legislation gives local agencies new tools to manage groundwater sustainably. For example, groundwater sustainability agencies may:

- Require registration of wells and measurement of extractions
- Require annual extraction reports
- Impose limits on extractions from individual groundwater wells
- Assess fees to implement local groundwater management plans
- Request a revision of basin boundaries, including establishing new subbasins

Creation of Groundwater Sustainability Plans

The legislation provides options for local agencies to develop the required groundwater sustainability plans. Agencies may opt to create a single plan covering the entire basin, or knit together multiple plans created by multiple agencies.

A plan must include measurable objectives and interim milestones to achieve the sustainability goal for the basin within a 20-year time frame. The plan also must include a physical description of the basin, including information on groundwater levels, groundwater quality, subsidence and groundwater-surface water interaction; historical and projected data on water demands and supplies; monitoring and management provisions; and a description of how the plan will affect other plans, including county and city general plans.



State Technical and Financial Assistance

The California Department of Water Resources (DWR) has several tasks under the Sustainable Groundwater Management Act. It must:

- Designate basins as high, medium, low or very low priority by Jan. 31, 2015
- Adopt regulations for basin boundary adjustments by Jan. 1, 2016
- Adopt regulations for evaluating adequacy of GSPs and GSA coordination agreements by June 1, 2016
- Publish a report estimating water available for groundwater replenishment by Dec. 31, 2016
- Publish groundwater sustainability best management practices by Jan. 1, 2017

State Review and Intervention

The State Water Resources Control Board may intervene if a GSA is not formed or fails to adopt or implement compliant plans by certain dates.

DWR reviews the GSAs for adequacy after they are adopted at the local level. If DWR determines that an adequate groundwater sustainability plan is not in place, the State Board may designate the basin as "probationary." If the local agency does not respond within 180 days, the State Board is authorized to create an interim plan that will remain in place until a local GSA is able to assume responsibility with a compliant plan.

Financial Assistance

If approved by voters, Proposition 1 would provide \$100 million in funding to GSAs to develop and implement sustainable groundwater management plans.

Jan. 31, 2022: Groundwater sustainability plans adopted for high- and medium-priority basins not currently in overdraft.

By 2040:
All high- and medium-priority groundwater basins must achieve sustainability.

Probationary Status

In general, the State Water Resources Control Board may designate a basin as "probationary" if, after consulting with DWR, it is found that a groundwater sustainability plan has not been created, the plan is inadequate, or the plan is not being implemented in a way that will lead to sustainability.

Specifically, the State Board may designate a basin as probationary if:

- No local agency has formed a groundwater sustainability agency for the basin by the June 30, 2017, deadline
- No groundwater sustainability plan has been adopted for a high- or medium-priority basin in critical overdraft by the Jan. 31, 2020, deadline
- No groundwater sustainability plan has been adopted for a high- or medium-priority basin not currently in critical overdraft by the Jan. 31, 2022, deadline
- After Jan. 31, 2020, the groundwater sustainability plan for a basin in critical overdraft is found to be inadequate or is not being implemented to achieve sustainability
- After Jan. 31, 2022, the groundwater sustainability plan for any other high- or medium-priority basin is found to be inadequate, or is not being implemented to achieve sustainability, and the State Board determines the basin is in a condition of long-term overdraft
- After Jan. 31, 2025, a groundwater sustainability plan is found to be inadequate, or is not being implemented to achieve sustainability, and the State Board determines that groundwater extractions are resulting in significant depletions of interconnected surface waters

If a local agency fails to respond to a deficiency within 180 days, the State Board is authorized to create and develop an interim plan that would remain in place until a local groundwater sustainability agency is able to take over and manage the basin sustainably.

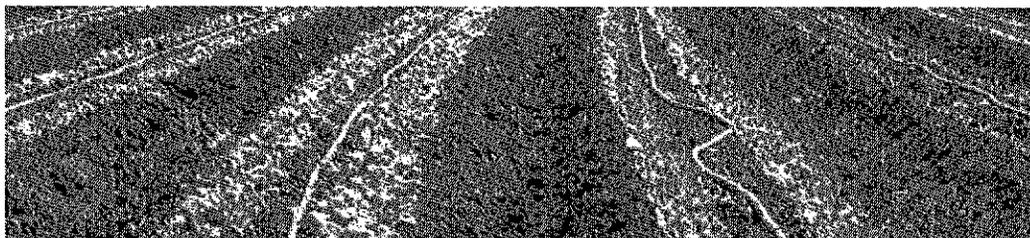


Abstract "Sustainable Groundwater Management Act" and "High- and Medium-Priority Basins"

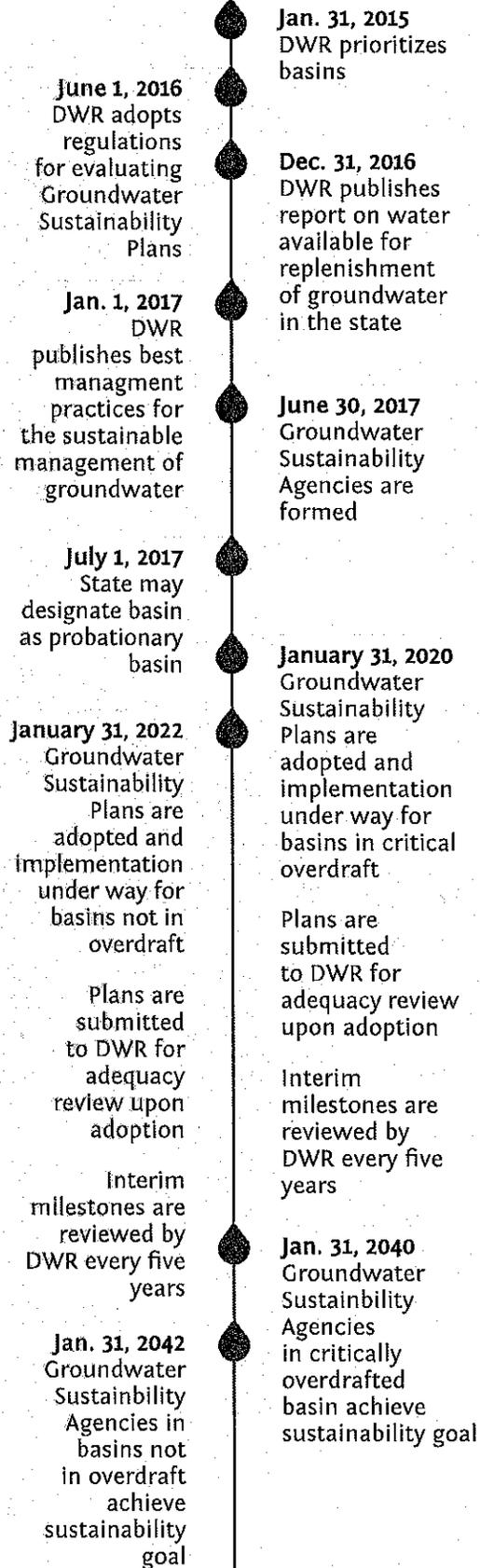
The Sustainable Groundwater Management Act applies to basins or subbasins designated by the Department of Water Resources as high- or medium-priority basins, based on a statewide ranking that uses criteria including population and extent of irrigated agriculture dependent on groundwater. Final basin prioritization by DWR is due by Jan. 31, 2015.

It is anticipated that about 125 basins throughout the state will be designated as high- or medium-priority basins for which a plan must be developed. Those basins account for about 90% of California's annual groundwater use. DWR's California Groundwater Bulletin 118 identifies a total of 515 alluvial groundwater basins and subbasins in California.

The Sustainable Groundwater Management Act does not apply to adjudicated basins that are managed by the courts, or to basins deemed by DWR to be low or very low priority.



Implementation Schedule



ACWA's Path on Advancing Sustainability

In response to mounting concerns about groundwater overdraft and subsidence in some areas of the state, ACWA's Board of Directors acted in November 2013 to establish a Groundwater Sustainability Task Force to help identify ways to address the issue.

Drawing on the expertise of ACWA Board members from across the state, the task force developed a series of recommendations on groundwater to build on the association's Statewide Water Action Plan as well as its 2011 Groundwater Framework.

The task force's work led to a suite of recommendations adopted by the ACWA Board in March 2014 as discussions intensified in the regulatory and legislative arenas to address groundwater.

ACWA's recommendations, issued formally on April 7, 2014, made a strong policy statement in support of sustainable, locally controlled management of the state's groundwater basins and called for new tools and authorities to help local agencies take action. At the same time, the recommendations recognized the need for a limited state backstop role in cases where locals cannot accomplish the goal.

ACWA's recommendations, together with recommendations from the California Water Foundation, provided the basis for many key provisions of the groundwater sustainability legislative package that ultimately emerged and was signed by Gov. Jerry Brown on Sept. 16, 2014.

Resources:

ACWA's Recommendations for Achieving Groundwater Sustainability
<http://www.acwa.com/content/groundwater/acwa-recommendations-achieving-groundwater-sustainability>

California Department of Water Resources Groundwater Information Center
<http://www.water.ca.gov/groundwater/>

California Water Foundation Information / Recommendations on Groundwater Sustainability
www.calliforniawaterfoundation.org

Contacts:

Association of California Water Agencies
916.441.4545 • www.acwa.com

Timothy Quinn, Executive Director
Email: timq@acwa.com

Jennifer Persike, Deputy Executive Director External Affairs / Operations
Email: jenniferp@acwa.com

Cindy Tuck, Deputy Executive Director, Government Relations
Email: cindy@acwa.com