

FINANCING GROUNDWATER SUSTAINABILITY

Landowner Workshop
May 2018



South Fork Kings
Groundwater Sustainability Agency

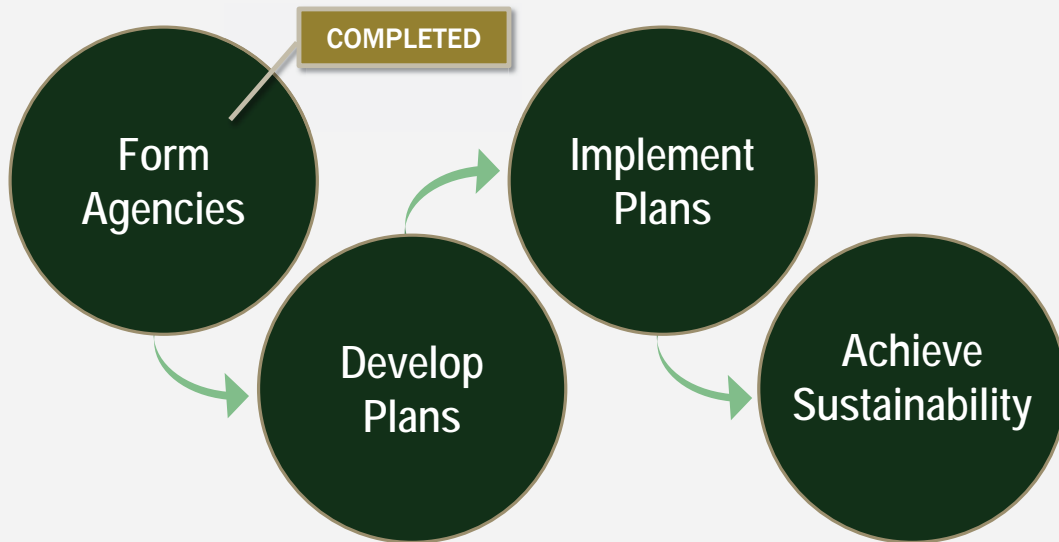
WHAT WE WILL COVER

- What is California's new groundwater law the Sustainable Groundwater Management Act?
- Why is there a newly formed, local groundwater agency the South Fork Kings Groundwater Sustainability Agency?
- Why is it important you vote on the assessment to pay for groundwater sustainability?
- How do you participate in the groundwater assessment election?



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Groundwater Sustainability Agency

SGMA DESIGN



WHAT MIGHT A GSA DO?



SGMA DESIGN



GROUNDWATER SUSTAINABILITY PLAN

- Physical description of groundwater management area
- Water budget
- Monitoring program and projects
- Sustainability in 20 years
- Measureable objectives / thresholds
- Annual reporting
- State evaluates for compliance– every 5 years

SUSTAINABILITY CHALLENGES

Sustainability is defined as management and use that can be maintained during the planning and implementation horizon without causing “undesirable results,” based on “significant and unreasonable” standard.



Chronic lowering of groundwater levels



Reductions in groundwater storage



Degraded water quality



Land subsidence



Surface water depletions that have adverse impacts on beneficial uses

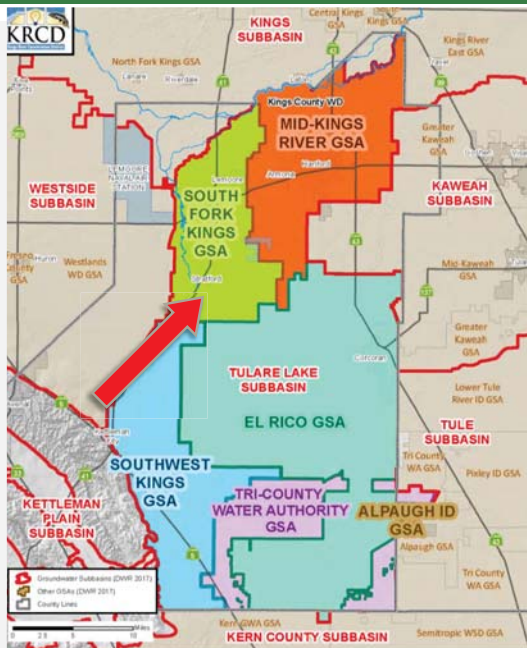


Seawater intrusion



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TULARE LAKE SUBBASIN (PRIORITY BASIN)

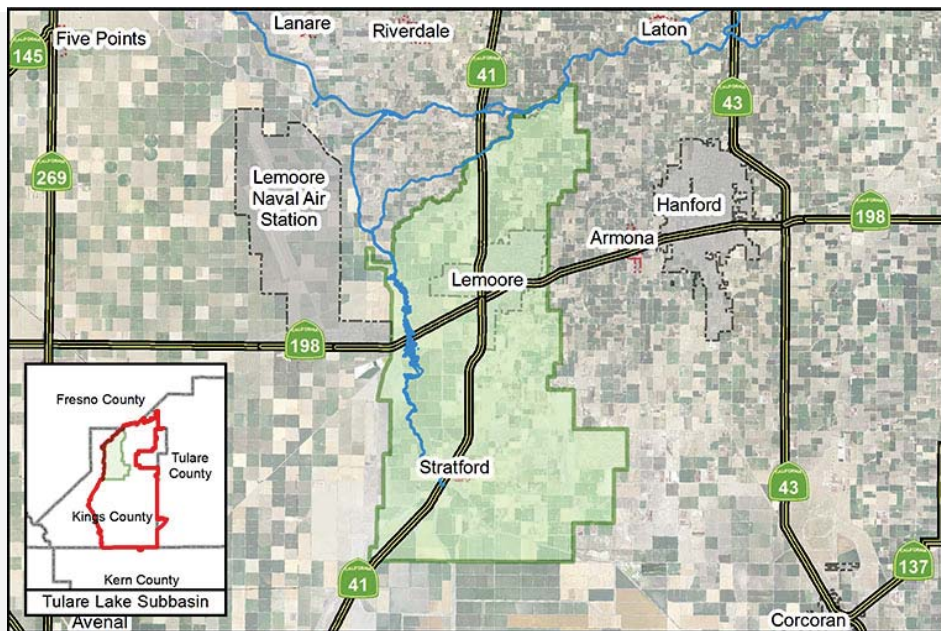


- Six GSAs
 - South Fork Kings
 - Southwest Kings
 - Tri-County
 - Alpaugh ID
 - El Rico
 - Mid-Kings River



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SOUTH FORK KINGS MAP



SOUTH FORK KINGS GSA

- Began meeting in 2015
- Formed as a Joint Powers Authority in early 2017
- 5 Member Agencies

City of Lemoore
Director David Brown

Stratford Irrigation District
Director Charles Meyer

County of Kings
Director Joe Neves, Chair

Stratford Public Utility District
Director Scott Mercer

Empire West Side Irrigation District
Director Ceil Howe, Jr., Vice Chair

GET INVOLVED

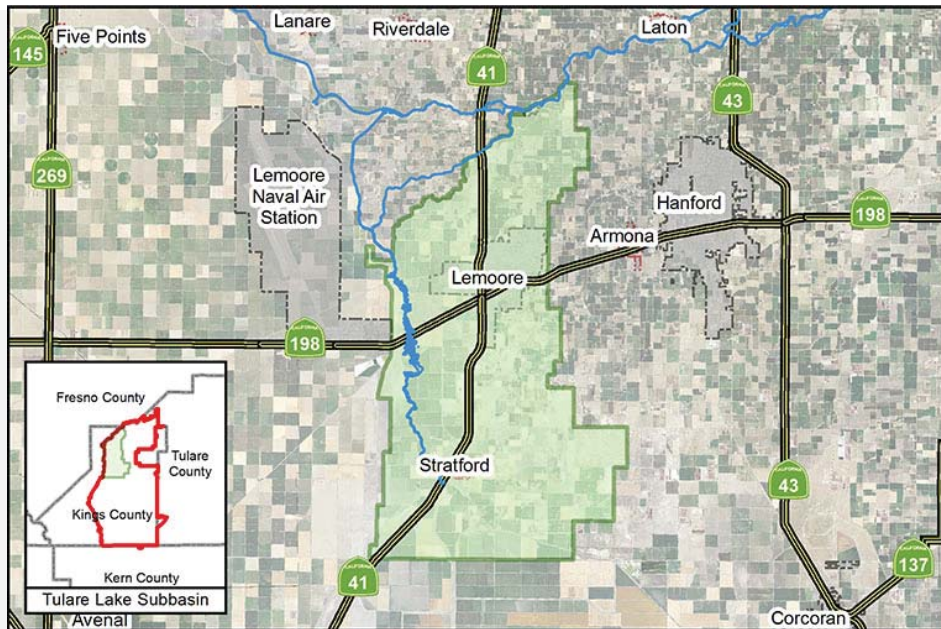
- **Board meets bi-monthly**
 - third Thursday of the month at 5:30 pm
 - Lemoore City Council Chambers
- **2018 dates: April 19, June 21, August 16, October 18**
- **Participate in GSP Development Process**
 - Defining sustainability for the region
 - Defining “significant and unreasonable results” thresholds
 - Identification of projects and approval of funding (Prop 218)



WWW.SOUTHFORKKINGS.ORG

A screenshot of the South Fork Kings GSA website homepage. The page features a dark header with the agency logo and name on the left, a search bar and "MAP" button on the right, and a central "Welcome to the South Fork Kings GSA" banner. Below the banner is a map of the region. On the left side, there is a green navigation menu with links for HOME, ABOUT, BOARD OF DIRECTORS, DOCUMENTS, NEWS, RESOURCES, and CONTACT US. Below the menu is an "INTERESTED PERSONS SIGN-UP" form with fields for First Name, Last Name, and Email. On the right side, there are three white boxes: "UPCOMING EVENTS" (listing a workshop on August 21, 2017), "NOTICES" (listing a board meeting on September 21, 2017), and "AGENDA" (listing a special board meeting on August 17, 2017). At the bottom, there is a "SFKGSA News" section with a headline "Contract Approved with Geosyntec Consultants" dated August 21, 2017.

PROP 218 ASSESSMENT



BUDGET FORECAST

Table 3-1
Proposed Budget for SFKGSA

SKFGSA Annual Budgets	FY '19	FY '20	FY '21	FY '22	FY '23
Program Management	\$71,000	\$73,130	\$75,324	\$77,584	\$80,687
Technical Assessments	\$338,000	\$182,000	\$0.00	\$0.00	\$0.00
GSP Preparation	\$182,000	\$98,000	\$0.00	\$0.00	\$0.00
GSP Implementation	\$97,650	\$97,650	\$260,400	\$395,300	\$345,450
GSA Start-up Costs	\$0.00	\$171,880	\$171,880	\$0.00	\$0.00
Contingency Fund	\$10,000	\$43,586	\$35,532	\$33,102	\$29,830
Grand Total Expenses	\$698,650	\$666,246	\$543,136	\$505,985	\$455,966

BUDGET FORECAST

- Budget forecast is based upon reasonable assumptions and objectives
- SFKGSA area must meet expensive, unfunded mandates of SGMA

REVENUE REQUIREMENTS

- Needs
 - Fund annual management and operating costs
 - Reimburse member agencies for past support
 - Develop and initial implementation of GSP
- Types of Activities
 - Technical evaluation of groundwater basin
 - Groundwater monitoring
 - Coordinate with other Subbasin GSA's
 - Undertake projects for groundwater stability

PROP 218 PROCESS & NEXT STEPS

- Comply with California Constitution
 - Proposition 218, Article XIID, Section 4

COMPLETE

- ✓ ID all parcels
- ✓ Prepare Engineer's Report
- ✓ Calculate proposed assessment
- ✓ Set Public Hearing
- ✓ Notice Landowners and provide balloting



SOUTH FORK KINGS GSA OFFICIAL BALLOT 0000000
-RECORD OWNER SAMPLE-

Name of Record Owner: JOHN SMITH
 Assessor's Parcel Number: 000000000
 Acreage of this or these Assessor's Parcel(s): 1.0
 Proposed Maximum Annual Assessment, up to: \$9.80 per acre
 Total proposed maximum assessment: \$9.80
 Weight of this Ballot for counting purposes: 980

Please indicate your support for or opposition to the proposed assessment by answering the following question:

In order to maintain local control and avoid significantly higher overall costs in complying with the Sustainable Groundwater Management Act (SGMA), do you approve of the proposed special benefit assessment to be levied by the Board of Directors of the South Fork Kings Groundwater Sustainability Agency (NFKGSA) upon the real property identified in this ballot as described in the accompanying Notice of Public Hearing?

Yes Check "Yes" if you APPROVE of the proposed special benefit assessment.
 No Check "No" if you OPPOSE the proposed special benefit assessment.

John Smith

Signature of record owner or authorized representative (IMPORTANT: If authorized representative, please complete authorization in box to the right.)

DO NOT FILL OUT. LEAVE BLANK.
 If you are the Authorized Representative, not the Record Owner, please complete the box below also:

I, _____ (print name) hereby certify that I am authorized by _____ (print parcel owner's name) to cast this ballot with respect to APN _____ (print APN)
 Signature of authorized representative

JOHN SMITH ADDRESS

9,999

SOUTH FORK KINGS GSA OFFICIAL BALLOT 0000000
-AUTHORIZED REPRESENTATIVE SAMPLE-

Name of Record Owner: JOHN SMITH
 Assessor's Parcel Number: 000000000
 Acreage of this or these Assessor's Parcel(s): 1.0
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Yes Check "Yes" if you APPROVE of the proposed special benefit assessment.
 No Check "No" if you OPPOSE the proposed special benefit assessment.

Rachel Smith

Signature of record owner or authorized representative (IMPORTANT: If authorized representative, please complete authorization in box to the right.)

If you are the Authorized Representative, not the Record Owner, please complete the box below also:

I, *Rachel Smith* (print name) hereby certify that I am authorized by *John Smith* (print parcel owner's name) to cast this ballot with respect to APN *000000000* (print APN)
Rachel Smith (print name)
 Signature of authorized representative

JOHN SMITH ADDRESS

0000

PROP 218 PROCESS & NEXT STEPS

- Comply with California Constitution
 - Proposition 218, Article XIII D, Section 4

COMING SOON

- Conduct Public Hearing (45+ days after noticing)
- Other Administration Requirements

- Seeking voter approval of a not-to-exceed \$9.80 per acre annual assessment

EXAMPLES OF SFKGSA ASSESSMENTS

- ✓ Average sized ¼ Acre Residential parcel at \$9.80 per acre per year
 - ✓ \$2.45 per parcel per year (billed biennially)
- ✓ Small farm 40 acre agricultural parcel at \$9.80 per acre per year
 - ✓ \$392 per parcel per year (billed biennially)

ALTERNATIVE TO ASSESSMENT ELECTION

- State can intervene and assume control of the responsibilities of the SFKGSA
- State will fund its' operations and oversight through involuntary fees (No Prop 218 election)
- Fees can include:
 - Regulation
 - Filing fees per well
 - Acre-foot fees for usage
 - All technical reports and special studies fees

STATE PERSPECTIVE ON INTERVENTION

“That kind of interim plan wouldn’t have much flexibility; we’d require monitoring, collect pumping data, and set a schedule for certain corrective actions – likely reduced pumping. SGMA gives us that blunt instrument – reducing pumping – and we would probably use it.”

*Sam Boland-Brien, Groundwater Management Program Chief,
State Water Resources Control Board*

STATE INTERVENTION COST

FEES beginning in Water Year 2018

Base Filing Fee
(per well)

\$300

+

Volumetric Rate
(per acre-foot)

Unmanaged
\$25

Probation
\$40*

Interim Plan
\$55*

+

Late Fee
(per month)

25%

*special studies extra

EXAMPLES OF STATE INTERVENTION FEES

- ☒ Average sized ¼ Acre municipal household parcel base annual payment to the State
 - ☒ \$60.09 for the first year

- ☒ Average sized 40 acre agricultural parcel base annual payment to the State
 - ☒ \$7,450 for the first year

NEXT STEPS

- Continue public outreach
- Public Hearing and Close Voting
 - June 21st at 5:30 pm, Lemoore City Council Chambers
- Certify results
- If election passes, forward assessments to Kings County for implementation and collection via tax roll (Fall 2018)



Thank You



**South Fork Kings
Groundwater Sustainability Agency**