

## INTRODUCTION AND BACKGROUND

### PARCEL QUALIFICATION AND USE CATEGORIES

#### Parcel Eligibility for Native Yield Allocation

Allocation of native 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 native yield are described as follows:

- Parcels of 5 acres or larger are qualified to receive an allocation of a portion of the total SFK GSA native yield. Qualified parcels must be registered in the SFK GSA parcel database and provide an inventory of wells on the parcel. Landowners may combine multiple parcels to exceed the 5-acre requirement. Parcels that are not registered in the SFK GSA parcel database will not receive a native yield allocation and will be subject to a stop pumping notice if they are shown to be irrigated in LandIQ.
- Parcels of 5 acres or less receive a de-minimis allocation of 2AF/year, unless they are registered as a qualified parcel. A parcel of 5 acres or less must register as a qualified parcel if it contains an extraction facility that pumps more than 2 AF/year.

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

#### Parcel Eligibility for Transitional Tier 1 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 Native Yield allocation. 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. In addition, landowners may provide documentation to the GSA to support eligibility for additional parcels.

The transitional allocation decreases to zero by 2040 and landowners will only be able to pump up to the native yield allocation after 2040.

## **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 Native Yield**

Native yield is the total groundwater pumping (in AF/y) 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 replace the earlier model. This 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 total estimated sustainable native yield from the 2020 Wood Model was projected at 350,000 AF/Y. 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 native yield is distributed to all qualified parcels as a unit allocation in AF/Acre. The native yield is set at 0.66 AF/ac based on the total sustainable native yield divided across the entire Tulare Lake Subbasin.

Unused native yield amounts will accumulate annually and will expire on a 5-year rolling basis. Therefore, the unused native yield from year one will expire in year six. The accumulated native yield values are transferable within the SFK GSA boundaries.

### **Determination of Transitional Tier 1 Pumping**

Transitional pumping is a declining portion of total groundwater pumping (in AF/y) that reduces overdraft from its current value to zero by 2040. Transitional pumping decreases each year and the starting point for the 2026-2030 allocation cycle is the reported SFKGSA groundwater pumping for the most recent dry year (2022), which was 68,200 AF/year,

However, the GSA recognizes that some landowners will require transitional water to achieve sustainability by 2040. Therefore, the GSA will make available an annual fixed amount of transitional water to all landowners, this is referred to as “Transitional Tier 1” water. Transitional allocation must be used in the year it is allocated and do not carryover year to year nor is the water tradeable. Transitional allocation is assigned by aquifer zone to limit pumping in each zone. For WY 2026, the transitional amount is set at the following amounts and fee:

<b>Aquifer</b>	<b>Transitional Tier 1 Allocation (AF/AC)</b>	<b>Rate</b>
<b>A-Zone</b>	--	--
<b>B-Zone</b>	2.34	\$\$
<b>C-Zone</b>	1.34	\$\$

The SFK GSA Board will set transitional allocation amounts and rate annually at the April meeting before each water year. Transitional allocation is not transferable and does not accumulate on an annual basis.

### **ANNUAL PUMPING LIMITS AND PENALTY STRUCTURE**

The 2026-2030 Native Yield Allocation and Transitional Tier 1 Pumping amounts will be enforced on an annual basis. In any given year, landowner pumping is monitored quarterly using LandIQ data on evapotranspiration for each qualified parcel, and landowner provided data for surface water deliveries to each parcel. Landowners with meters may submit quarterly pumping reports as a substitute to the LandIQ analysis. An annual groundwater pumping report based on LandIQ data is produced for each landowner at the end of the year. Landowners with meters may also contest the Annual LandIQ pumping report and reconcile their accounts at the end of each calendar year. It is the goal of the SFK GSA to utilize only meter data in the future.

<b>Aquifer</b>	<b>Native Yield</b>	<b>Transitional Tier 1 Allocation</b>	<b>Total</b>
<b>A-Zone</b>	--	--	3.0
<b>B-Zone</b>	0.66	2.34	3.0
<b>C-Zone</b>	0.66	1.34	2.0

The A-Zone allocation is not based on native yield but rather on localized recharge and therefore will be allocated on an annual basis. The A-Zone allocation is intended to be used annually and does not accumulate. In addition, the A-Zone allocation is not transferable to other landowners. As the A-Zone is based on local recharge, the pumping limits may not be possible each year.

While the aquifer pumping limits are not additive, SFK GSA understands that landowners may have operated wells in different aquifers historically to meet demand. Therefore, the initial allocation will include a maximum pumping limit of 4.0 AF/ac from all aquifers combined.

### **Order of Use**

The default priority of use will be as listed below. A landowner may choose to use their Overdraft Transitional Groundwater Tier 1 Allocation in position 2 and move their Landowner Developed

Credit to position 3. To change the priority of use the GSA must be notified no later than the first week after each quarter ends.

1. Native Yield Allocation/Native Yield Carryover
2. Landowner Developed Credit
3. Transitional Tier 1 Allocation
4. Overdraft Groundwater Tier 2

### **Overdraft and Penalty Structure**

Transitional pumping is considered an overdraft and landowners who utilize their transitional Tier 1 pumping amounts are subject to a civil penalty of \$XX per AF.

Landowners who pump above their total allocation (Native + Transitional Tier 1) are subject to an additional overdraft penalty of \$500 per AF for the amount of pumping above their Native plus Transitional Tier 1 Allocation. In addition, the next year allocation will be reduced by the amount of the overage.

### **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 “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 SFK. 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. In order to avoid impacts, transfers will require some leave behind in accordance with the following schedule:

<b>Distance</b>	<b>Leave Behind</b>
<b>Less than 2 miles</b>	<b>None</b>
<b>Less than 4 miles</b>	15%
<b>Between 4 to 8 miles</b>	30%
<b>More than 8 miles</b>	No Transfer Allowed

All transfers purchased from outside of SFK boundaries must be approved by both GSAs with jurisdiction and comply with all relevant subbasin regulations of both GSAs. SFK will develop a separate policy and procedures for transfers from outside of the SFK jurisdictional boundaries.

All landowner developed credit will be maintained in SFK water accounting program.

## **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. SFK 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 SFK. 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 SFK from seeking any remedy to which it may otherwise be entitled.

## **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”.

## **ACTION AGAINST SFK**

Nothing contained in the herein Policy and Procedures shall constitute a waiver by SFK or stop SFK 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.

## **DEFINITIONS**

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