

Agenda

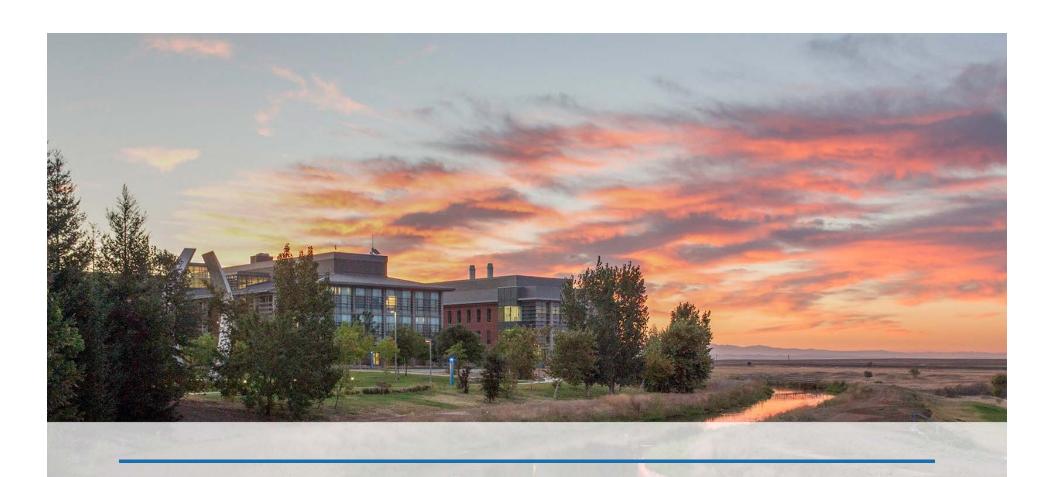
- 1. Call to order
- 2. Approval of minutes for November 26, 2018 meeting
- 3. Stakeholder Committee update
 - 1. Update from December 17 morning meeting
- 4. Presentation by Woodard & Curran on GSP development
 - 1. Next Steps in GSP Development
 - Water Allocation Frameworks
 - 3. Other Updates



Agenda

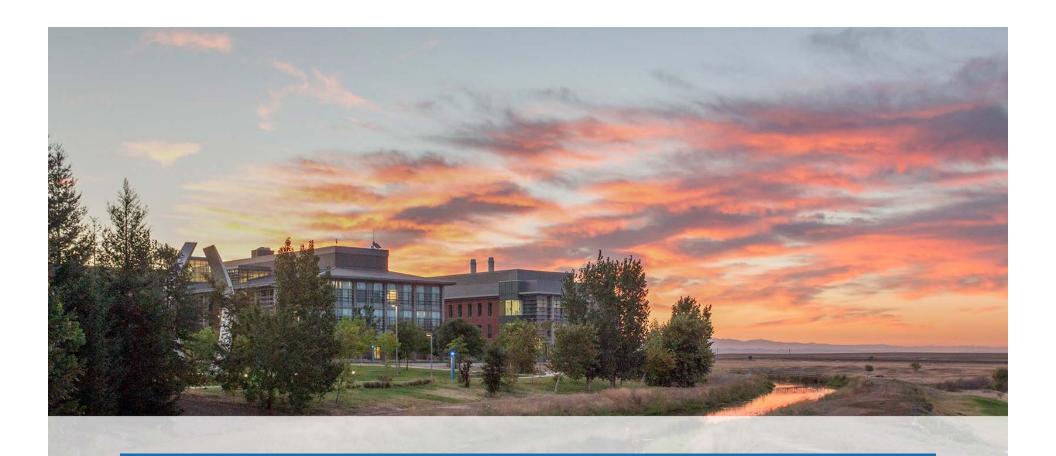
- 5. Public Outreach Update
- 6. Coordination with Neighboring Basins
- 7. Public Comment
- 8. Next Steps and Adjourn





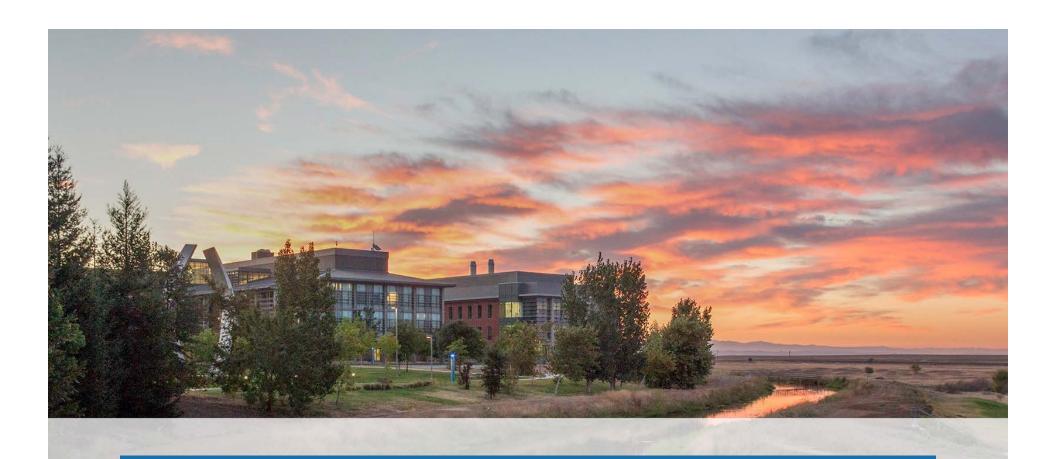
Approval of Minutes





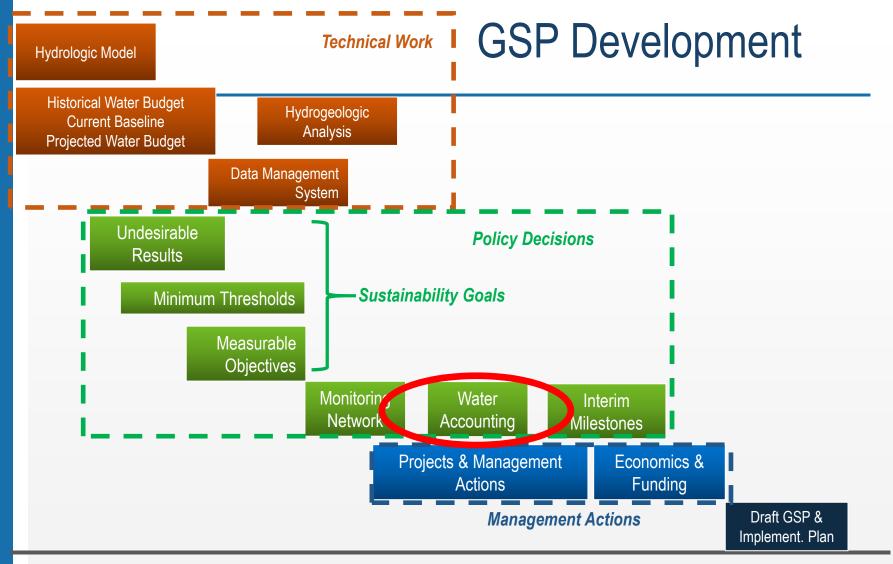
Stakeholder Committee Update





Next Steps in GSP Development





Jun 2018 Jul 2018 Aug 2018 Sep 2018 Oct 2018 Nov 2018 Dec 2018 Jan 2019 Feb 2019 Mar 2019 Apr 2019 May 2019 Jun 2019 Jul 2019



Next Steps: Hydrogeologic Conceptual Model

- Requested comments by Nov 30
- Received written comments from TIWD and SHE
- Received verbal comments from Maxwell Norton at SC meeting
- Comments were combination of technical input and feedback on organization/readability. Currently reviewing and evaluating how to best address.

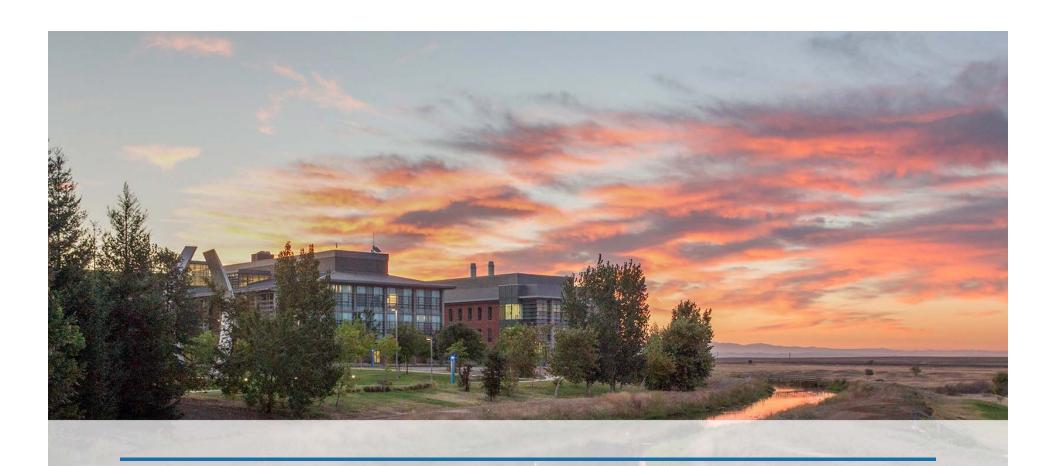
Merced Subbasin Groundwater Sustainability Plan Hydrogeologic Conceptual Model Draft

November 2018

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1.1	Basin Settin	
	1.1.1 myuru	geologic Conceptual Model
	1.1.1.1	Regional Geologic and Structural Setting
	1.1.1.2	Geologic History





Water Allocation Framework



Decision-Making Timeline

Focus for Today

	November	December	January	F.Juary	March	April
consider values potential potential around approach to Ps&MAs * CC and SC review benefits / impacts of Ps&MAs and make necessary adjustments * CC considers changes to Ps&MAs * CC considers changes to thresholds and objectives need for management areas to GSA * CC considers changes to thresholds, objectives, and management areas to GSA * CC considers changes to thresholds, objectives, and management areas to GSA * CC considers changes to thresholds, objectives, and management areas to GSA	discuss potential allocation	preliminary allocation approach to GSA	consider recommended allocation	approve allocation		
review benefits / impacts of thresholds and thresholds, approve ps&MAs and objectives objectives, adjustments need for management management areas to GSA consider / approve thresholds and objectives, approve thresholds, approve approve approve thresholds and objectives, and objectives, and management areas to GSA management	consider values around approach to	consider potential Ps&MAs to meet	recommended	changes to	recommends Ps&MAs to	consider / approve
areas Boards areas			review benefits / impacts of Ps&MAs and make necessary	changes to thresholds and objectives • CC considers need for	recommends thresholds, objectives, and management	consider / approve thresholds, objectives,

Key Points from CC November 26 Discussion

- Explicitly address prescriptive rights
- Base allocations on currently irrigated acres in basin and develop approach to bring on users currently not exercising GW rights in the future
- Need agreement on date range for prescriptive period and / or historical use determination
- Develop timeline for implementation
- Group asked for more info on what enforcement remedies are available to GSAs
- Look at Mojave adjudication as an example of how to handle transferable rights



Allocation Framework Discussion

 Under SGMA, GSAs have authority to establish groundwater extraction allocations

SGMA and GSPs adopted under SGMA cannot alter water

rights



Pumping Allocations under SGMA

- SGMA grants a GSA broad authority to establish groundwater extraction allocations:
 - Impose spacing requirements on construction of new wells (Wat. Code § 10726.4(a)(1))
 - Impose reasonable operating regulations on existing wells (Wat. Code § 10726.4(a)(1))
 - Regulate, limit, or suspend extractions from wells (Wat. Code § 10726.4(a)(2))
 - Regulate, limit, or suspend construction of new wells, enlargement of existing wells, or reactivation of abandoned wells (Wat. Code § 10726.4(a)(2))
 - Authorize temporary and permanent transfers of groundwater extraction allocations (Wat. Code § 10726.4(a)(3))
 - Establish rules to allow carry-over of unused groundwater extraction allocations (Wat. Code § 10726.4(a)(4))
 - Otherwise establish groundwater extraction allocations (Wat. Code § 10726.4(a)(2))



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This presentation is for informational purposes only and is not intended to provide specific legal advice. If you have any questions about the contents of this document or if you need legal advice as to an issue, please contact your attorney.

Source: Brad Herrema Presentation to Merced GSP CC&SC 10-22-18

GSA Enforcement Remedies

- Delinquent Fees
 - Interest at 1% per month on delinquent fee amount and 10% penalty
 - Order a cease of extraction of groundwater until delinquent fees are paid after a public hearing (with 15-day advance notice of public hearing)
 - Adopt resolution requesting collection of fees in the same manner as ordinary municipal ad valorem taxes
- Excess Groundwater Extraction Penalties
 - Subject to civil penalty not to exceed \$500/af extracted in excess
- Violations of rule, regulation, ordinance, or resolution adopted
 - if person fails to comply within 30 day after being notified of violation
 - liable for civil penalty up to \$1,000, plus \$100 for each additional day on which violation continues
- GSA may bring action to superior court to determine violation occurred and to impose penalty

 MERCED **

Groundwater Water Rights in Overdrafted Basins

Overlying (or "Correlative") Rights

"Overlying rights are used by the landowner for reasonable and beneficial uses on land they own overlying the subbasin from which the groundwater is pumped"

Prescriptive Rights

"...(a groundwater right acquired adversely by appropriators)...If a pumper extracts water for a non-overlying use from an overdrafted basin, the right may ripen into a prescriptive right if the basin overdraft is notorious and continuous for at least five years."

Source: Groundwater Pumping and Allocations under California's Sustainable Groundwater Management Act, Environmental Defense Fund, July 2018



Rights to Groundwater Imported to a Subbasin

"Water for which a credit is derived is water from outside the watershed or water which is captured that would have been otherwise lost to the subbasin and which is recharged into the groundwater basin...Assuming no prescriptive rights have attached to imported water used to recharge a basin, the imported water generally belongs solely to the importer, who may extract (even if the basin is in overdraft) and use or export it without liability to other basin users...."

Source: Groundwater Pumping and Allocations under California's Sustainable Groundwater Management Act, Environmental Defense Fund, July 2018



Examples of Allocation Methods

Method	Description	Advantages	Disadvantages
Pro Rata Allocation per Overlying Acre	Divides available groundwater proportional to property size	 Recognizes correlative nature of groundwater rights Simple in approach and calculation 	 Creates inequities for those who have invested in use of groundwater Ignores legal limitations on use
Pro Rata Allocation per Irrigated Overlying Acre	Allocates each irrigated acre a specific quantity of groundwater	 Acknowledges existing pumping Simple in approach and calculation 	 Does not consider unexercised groundwater rights Does not recognize historic use Ignores legal limitations on use
Allocation Based on Fraction of Historic Pumping	Allocates water based on historic groundwater use	Potential to reduce conflict among existing pumpers	 Requires data re historic use (not always available) Ignores correlative nature of groundwater rights Ignores disproportionate impacts on basin
Comprehensive Allocation Method	Allocates groundwater based on CA law to extent practical and preserves relative priority of water users	 Consistent with CA groundwater law Best chance of surviving judicial scrutiny 	 Complicating and time- consuming Requires substantial stakeholder engagement

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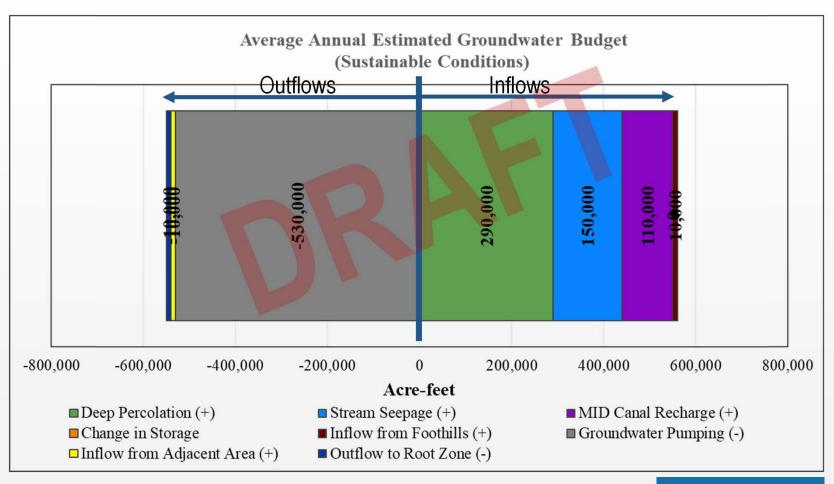
Source: Brad Herrema Presentation to Merced GSP CC&SC 10-22-18

Sustainable Yield

Sustainable yield is "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."



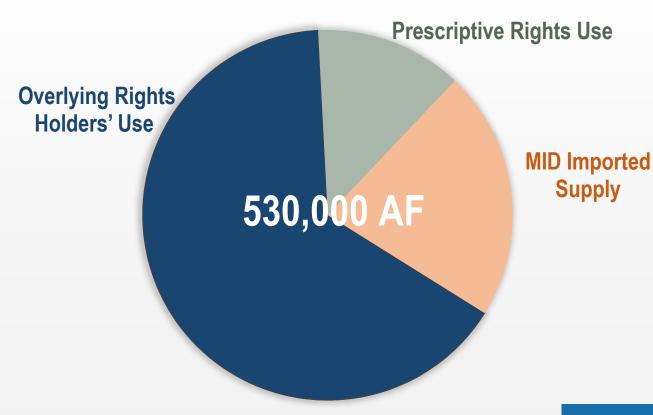
Sustainable Yield Analysis Groundwater Budget





Approximate Split of Sustainable Yield if Based on Historical Use

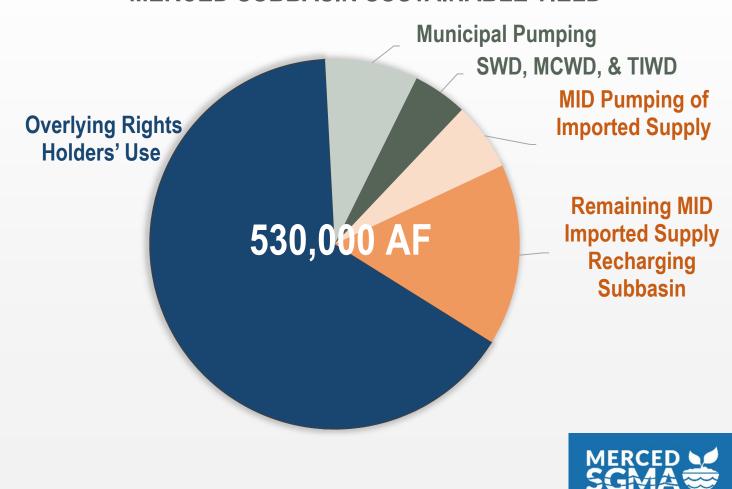
MERCED SUBBASIN SUSTAINABLE YIELD





Approximate Split of Sustainable Yield if Based on Historical Use

MERCED SUBBASIN SUSTAINABLE YIELD



Prescriptive Use

For prescriptive use allocation, need to select time period for basis. Table below shows two 10-year historical periods and the projected demand in 2040.

	1996-2005 (acre-feet)	2006-2015 (acre-feet)	Projected (acre-feet)
Prescriptive Use Allocation	55,000	65,000	89,000
(Muni., SWD, TIWD, Others*)	33,000	03,000	89,000

^{*}Does not include smaller CSDs, mutual water companies. Additional information and analysis is needed to determine historical prescriptive water use.



Prescriptive Use

For prescriptive use allocation, need to select time period for basis. Table below shows two 10-year historical periods and the projected demand in 2040.

	1996-2005 (acre-feet)	2006-2015 (acre-feet)	Projected (acre-feet)
Agricultural Water Purveyors	16,000	24,000	21,000
Municipal Water Purveyors	39,000	41,000	68,000
Prescriptive Use Allocation	55,000	65,000	89,000

^{*}Does not include smaller CSDs, mutual water companies. Additional information and analysis is needed to determine historical prescriptive water use.



Historical Conditions Urban Water Use in Merced Subbasin

Historical Conditions Water Use (1996-2015)	Merced	Atwater	Livingston	Total
Population*	72,000	26,000	12,000	110,000
% of Population	65%	24%	11%	100%
Domestic (and Industrial) Water Use (af)	23,000	9,000	7,000	39,000
GPCD*	291	308	518	315

- Population is an average of the 1996-2015 historical simulation period.
- · Based on water pumped, not water delivered, includes conveyance losses and includes industrial use



Projected Conditions Urban Water Use in Merced Subbasin

Projected Conditions Water Use (2040)	Merced	Atwater	Livingston	Total
Population*	134,000	40,000	26,000	200,000
% of Population	67%	20%	13%	100%
Domestic (and Industrial) Water Use (af)	41,000	13,000	14,000	68,000
GPCD*	276	300	467	302

[•] Population is based off the 2040 projected conditions available in their Urban Water Management Plans



Modified Application of Comprehensive Allocation to Merced Subbasin

- Review historical and projected use for prescriptive users (cities, water purveyors). Gather additional info for smaller users or develop estimates on basin wide basis.
- MID credited for imported surface water that reaches basin
- Overlying users allocated remaining sustainable yield based on historical irrigated acres
- GSAs can modify implementation and allocation within GSA, but establishes basis for basin-wide management

 Less likely to result in conflict among users Explicitly accounts for appropriative use / prescriptive rights Requires data that is not currently available Does not account for unexercised GW rights Significant outreach and engagement required 	Advantages	Disadvantages	
·	users • Explicitly accounts for appropriative use /	 available Does not account for unexercised GW rights Significant outreach and engagement 	

Draft Allocation Example – Prescriptive based on Historical Use

	Allocation (acre-feet)
MID Developed Supply	
Projected 2040	110,000
Prescriptive Use Allocation	
(Muni., SWD, TIWD, Others*)	65,000
2006-2015 use	
Overlying User Allocation	255,000
(Private Ag and Domestic Users)	355,000
Total Available Allocation (Sustainable Yield)	530,000

^{*}Smaller CSDs, mutual water companies are currently accounted for as an overlying user. Additional analysis would be needed to determine historical prescriptive water use.



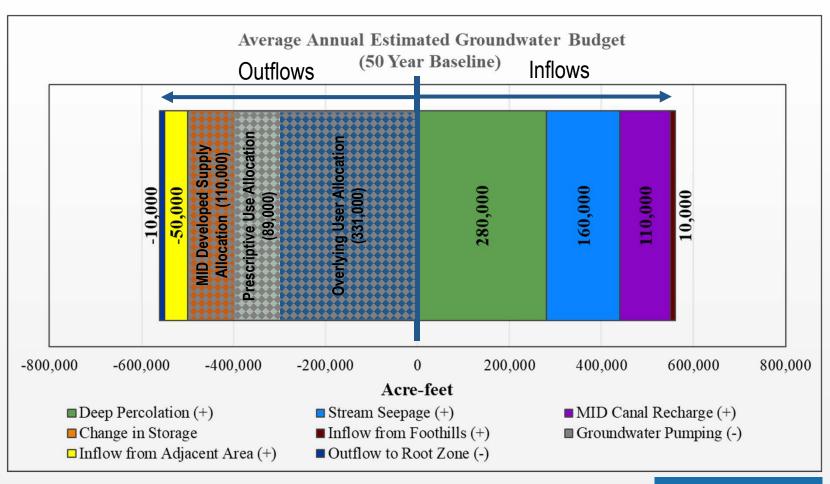
Draft Allocation Example – Prescriptive Based on Projected Use

	Allocation (acre-feet)
MID Developed Supply	
Projected 2040	110,000
Prescriptive Use Allocation	
(Muni., SWD, TIWD, Others*)	89,000
Projected 2040	
Overlying User Allocation	221 000
(Private Ag and Domestic Users)	331,000
Total Available Allocation (Sustainable Yield)	530,000

^{*}Smaller CSDs, mutual water companies are currently accounted for as an overlying user. Additional analysis would be needed to determine historical prescriptive water use.



Sustainable Yield Analysis Groundwater Budget





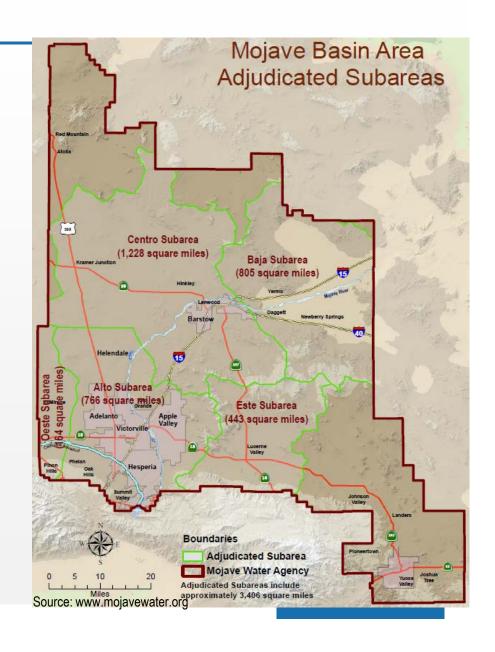
Other issues for discussion

- How to address unexercised overlying water rights
- How to address transferring allocations
 - Mojave adjudication example
- Implementation Timeframe



Mojave Adjudication

- Final judgement Jan 1996
- ~470 groundwater users included in judgement
- 1 basin; 5 distinct, but hydrologically interrelated "Subareas"
- Watermaster sets Subarea allocation based on safe yield annually on April 1 for next year
- Each producer required to measure and report annual production (meter or other Watermaster-approved method)



Quantified and Transferable Rights

Pumper Allocations Based on Historical Use

- Max annual production from 1986-1990
- Determines % share of subarea allocation (equal priority)
- Transfer water: payment to Watermaster OR transfer of unused allocation from another pumper (agreement of \$/af paid by violator)

Subarea Allocation

- · Established by judgement for each Subarea
- · Watermaster reviews and adjusts annually

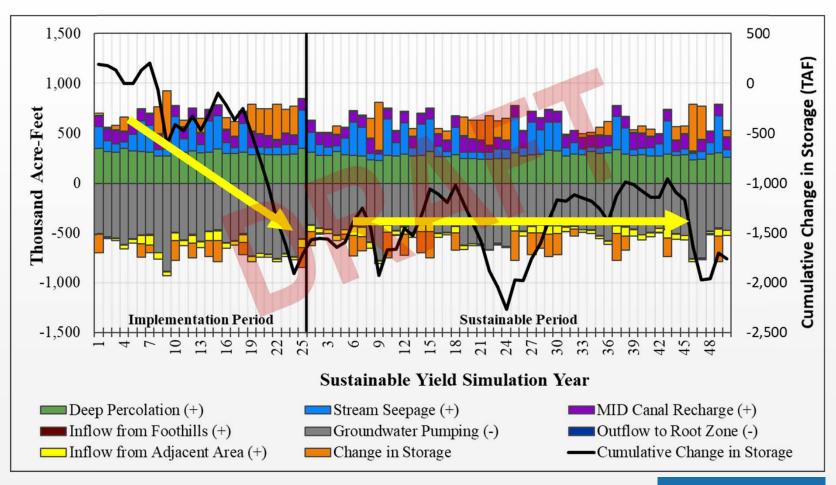
Inter-Subarea Obligation

- Estimated average annual natural flow from upstream Subarea from 1931-90
- Makeup (unused) water provided to downstream Subarea if obligation not met



Groundwater Budget

[Sustainable Yield Analysis]





Conceptual GSP Implementation Timeline

Implementation will be phased over 20 years, with 5-yr updates.

2020 2025 2030 2035 2040

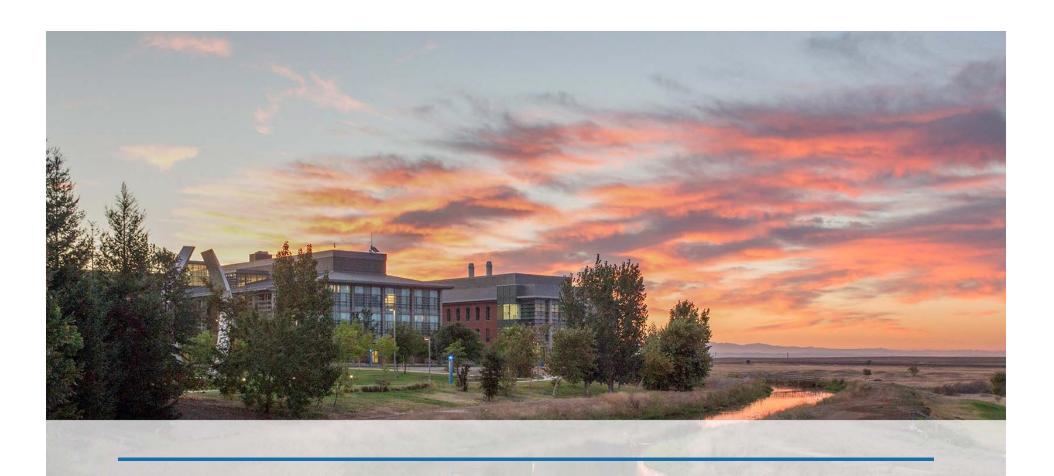
Monitoring and Reporting	Preparation for Allocations and Low Capital Outlay Projects	Prepare for Sustainability	Implement Sustainable Operations
 Establish Monitoring Network Install New Wells Develop Metering Program Extensive public outreach Funded and smaller projects implemented 	 GSAs conduct 5-year evaluation/update Planning/ Design/ Construction for small to medium sized projects Monitoring and reporting continues Metering program continues Outreach continues 	 GSAs conduct 5-year evaluation/update Planning/ Design/ Construction for larger projects begins Monitoring and reporting continues Outreach continues Allocation program begins phase-in 	 GSAs conduct 5-year evaluation/update Project implementation completed Allocations fully implemented/enforced



Discussion

What is recommendation to GSA Boards regarding water allocation approach?





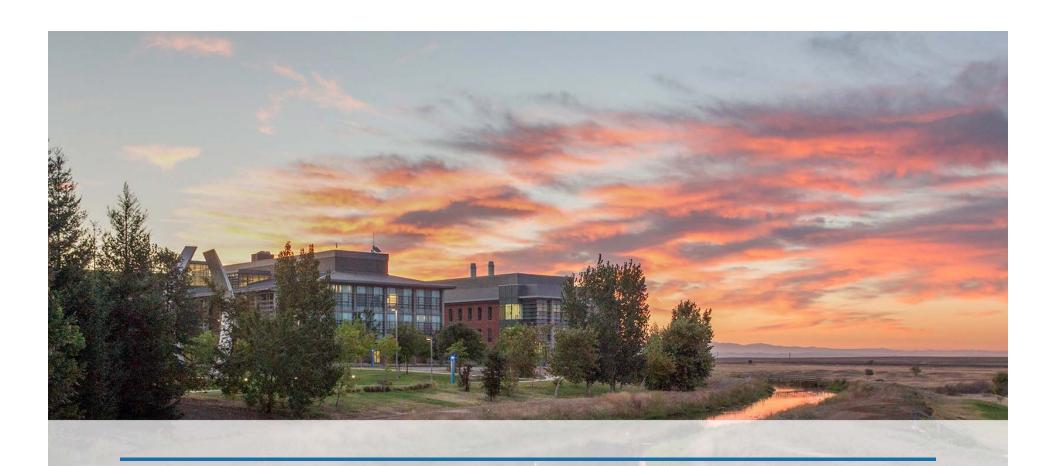
Other Updates



Other Updates

 Link for Merced Data Management System beta test version to be sent when ready





Public Outreach Update

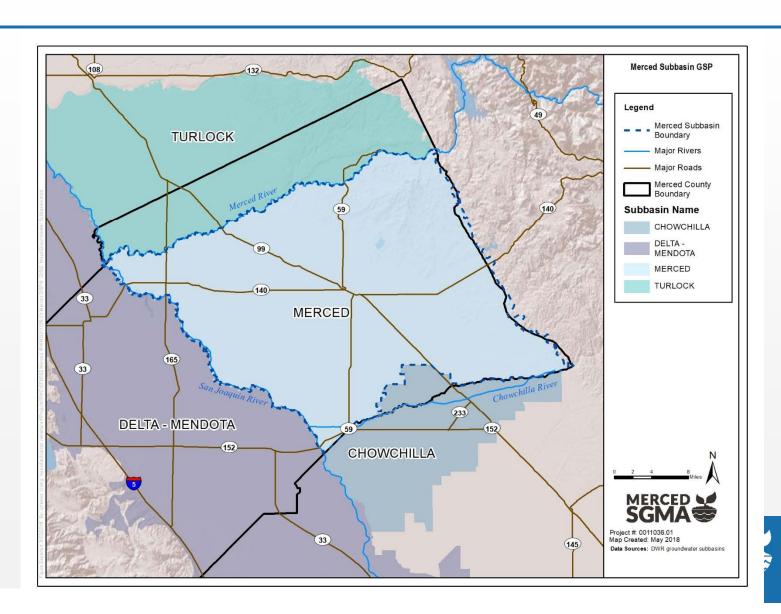




Coordination With Neighboring Basins Update



Coordination with Neighboring Basins





Questions/Comments from Public





Next Steps



What's coming up next?

- GSP Development Items:
 - Water Budgets summary memo being provided for review and approval by GSAs
 - Complete allocation process updates
 - Assess projects and management actions
- Focus for January meeting
 - Allocation approaches (continued)
- Adjourn to next meeting (Adjourn to January 28th @ 1:30 PM, location Castle Airport)



