



North Fork Kings
Groundwater Sustainability Agency

NOTICE OF SPECIAL MEETING

Division 1

Director Buddy Mendes
County of Fresno

Division 2

Director Frank Zonneveld
Clark's Fork Reclamation District
Laguna Irrigation District
Upper San Jose Water Company

November 20, 2020

Division 3

Director Danielle Roberts
Laton Community Services District
Riverdale Public Utilities District
Lanare Community Services District

Board of Directors

Division 4

Director Mark McKean
Crescent Canal Company
Stinson Canal & Irrigation Company

of the

North Fork Kings Groundwater Sustainability Agency

Division 5

Director Leonard Acquistapace
Riverdale Irrigation District
Reed Ditch Company

This is to inform you the North Fork Kings Groundwater Sustainability Agency (NFKGSA) Board of Directors Special Meeting will be held on Wednesday, December 16, 2020 remotely via **ZOOM web/teleconference**. The web link and call-in information are on the Agenda. The meeting will convene at 5:30 p.m.

Division 6

Director Stephen Maddox, Jr.
Liberty Mill Race Company
Burrel Ditch Company

Division 7

Director Tony Campos
Liberty Water District
Liberty Canal Company

The patience and cooperation of all participants is appreciated. While every effort has been made to streamline the experience and conduct meetings in the manner to which our stakeholders have grown accustomed, there may be technical issues and human error. We will attempt to promptly correct any issues that arise.

Mark McKean, Chair
Buddy Mendes, Vice Chair
Stephen Maddox, Secretary-Treasurer

Individuals who know in advance that they will have an item to comment on, or who require special accommodations, are requested to contact Corey McLaughlin by phone at: (559) 237-5567 ext. 104, or by email at: cmclaughlin@krcd.org.

4886 E. Jensen Ave
Fresno, CA 93725
Telephone: 559.237.5567

www.NorthForkKings.org

Board of Directors Special Meeting

North Fork Kings Groundwater Sustainability Agency (NFKGSA)

December 16, 2020

Meeting Convenes at 5:30 p.m.

ZOOM Link: <https://us02web.zoom.us/j/88613325156?pwd=SmNidVUydzR0bWh0NS8xaHVvSG55QT09>

One-Tap Mobile: +16699006833,,88613325156#,,,,,0#,,845301#

Call-In: +1 669 900 6833 ; **Meeting ID:** 886 1332 5156 ; **Password:** 845301

MEETING AGENDA

All items on this agenda, whether or not expressly listed for action, may be deliberated upon and may be subject to action by the Board of Directors. The Board of Directors may consider agenda items in any order. Materials related to an item on this agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection at the Kings River Conservation District, 4886 E. Jensen Ave., Fresno 93725 during normal business hours.

1. CALL TO ORDER

2. PUBLIC COMMENT

The public may address the Committee on any item relevant to the GSA. At the beginning of the Public Comment Agenda Item, the Technical Moderator will ask each member of the public whether there are items they wish to comment on. The conducting officer will indicate whether speakers are to make their comments before or after any staff comment or report. Public comment shall precede discussion of the item by the Committee. Comments by individuals and entities will be limited to three minutes or as may be reasonable as determined by the conducting officer.

3. CONSIDER APPROVAL OF MINUTES

The Board will consider approval of the October 28, 2020 Board Meeting minutes. *Action item: requires simple majority approval.*

4. DIRECTOR REPORTS

Each Director will have the opportunity to report on meetings and other events attended during the prior month on behalf of the NFKGSA. *No action will be taken.*

5. STAFF REPORTS

The Board will receive a report and may take action regarding current staff activities and correspondence. *Potential action item: requires simple majority approval.*

6. GSP PROGRAM UPDATE

The Board will receive a report and may take action directing Consultants regarding GSP Program activities. *Potential action item: requires simple majority approval.*

7. RURAL COMMUNITY ADVISORY COMMITTEE REPORT

The Board will receive a report regarding current Rural Community Advisory Committee activities. *No action will be taken.*

8. STAKEHOLDER OUTREACH AND COMMUNICATIONS

The Board will receive a report and may take action on activities related to stakeholder outreach and communications. *Potential action item: requires simple majority approval.*

9. NFKGSA POLICY COMMITTEE REPORT

The Board will receive a report on the Committee's activities and the Committee may make recommendations to the Board. *Action may be taken to approve Committee recommendations.*

10. ADOPTION OF RULES AND REGULATION AND GROUNDWATER BANKING POLICY

The Board will be asked to adopt two documents:

- a. Rules and Regulations
- b. Groundwater Banking Policy

Action Item: requires simple majority approval.

11. NFKGSA FINANCE COMMITTEE REPORT

The Board will receive a report on the Committee's activities and the Committee may make recommendations to the Board. *Action may be taken to approve Committee recommendations.*

12. CLOSED SESSION

REAL PROPERTY NEGOTIATIONS Pursuant to Government Code Section 54956.8: Discuss with NFKGSA Negotiator Mark McKean the price and terms of payment for the purchase of Real Property commonly known as Fresno County Assessor's Parcel No. 042-043-051 from prospective seller County of Fresno. *Action may be taken.*

13. RETURN TO OPEN SESSION

The Board will reconvene to Open Session and will report on action taken during the Closed Session.

14. NEXT MEETING DATE AND PROPOSED AGENDA ITEMS

15. ADJOURNMENT

A person with a qualifying disability under the Americans with Disabilities Act of 1990 may request the NFKGSA to provide a disability-related modification or accommodation in order to participate in any public meeting of the NFKGSA. Such assistance includes appropriate alternative formats for the agendas and agenda packets used for any public meetings of the GSA. Requests for such assistance and for agendas and agenda packets shall be made in person, by telephone, facsimile, or written correspondence to the Kings River Conservation District, 4886 E. Jensen Ave, Fresno, CA 93725, telephone 559.237.5567, fax 559.237.5560 at least 48 hours before a public NFKGSA meeting.

North Fork Kings Groundwater Sustainability
Agency Regular Meeting Minutes

October 28, 2020 at 5:30 p.m.
Solely Via Zoom

Members Present:

- Buddy Mendes, Division 1 (via Zoom)
- Frank Zonneveld, Division 2 (via Zoom)
- Danielle Roberts, Division 3 (via Zoom)
- Mark McKean, Division 4 (via Zoom)
- Leonard Acquistapace, Division 5 (via Zoom)
- Stephen Maddox Jr., Division 6 (via Zoom; 5:38 p.m.)
- Tony Campos, Division 7 (via Zoom)

Members Absent:

Others Present:

- | | |
|--|--|
| Charlotte Gallock, Kings River Conservation District (via Zoom) | Amanda Monaco, Leadership Counsel (via Zoom) |
| Cristel Tufenkjian, Kings River Conservation District (via Zoom) | Angela Islas, Self-Help Enterprises (via Zoom) |
| Corey McLaughlin, Kings River Conservation District (via Zoom) | Esther Espinoza (via Zoom) |
| Brian Trevarrow, Kings River Conservation District (via Zoom) | Jim Petty (via Zoom) |
| Kevin Johansen, P&P (via Zoom) | Antonio Solario (via Zoom) |
| | Steve Jackson (via Zoom) |
| | Frank Coelho (via Zoom) |
| | Joseph Gallegos (via Zoom) |
| | Glen Allen (via Zoom) |
| | Rick Bergin (via Zoom) |

Item 1: CALL TO ORDER **Presenter:** Chair McKean
The meeting was called to order at 5:34 p.m.

Item 2: PUBLIC COMMENT **Presenter:** Chair McKean
Discussion: None.
The Board heard a comment thanking the Board for adding the Rural Community Advisory Committee Application for Membership to the agenda.

Actions: None.

Item 3: CONSIDER APPROVAL OF MINUTES **Presenter:** Chair McKean
Discussion: None.

Actions:
It was moved by Director Acquistapace, seconded by Director Mendes, and unanimously carried by Roll Call vote to approve the September 23, 2020 meeting minutes.

- Roll Call Vote:*
- Director Mendes: Aye*
- Director Zonneveld: Aye*
- Director Roberts: Aye*
- Director McKean: Aye*
- Director Acquistapace: Aye*
- Director Maddox: Aye*
- Director Campos: Aye*

Director Maddox: Aye
Director Campos: Aye

Item 9: RURAL COMMUNITY ADVISORY COMMITTEE REPORT **Presenter:** Cristel Tufenkjian

Discussion:

Cristel Tufenkjian reported on activities and discussions from the Rural Community Advisory Committee (RCAC) meeting on October 21, 2020.

Actions: None.

Item 10: STAKEHOLDER OUTREACH AND COMMUNICATIONS **Presenter:** Cristel Tufenkjian

Discussion:

Cristel Tufenkjian reported on the following: public engagement statistics from emails, NFKGSA website visits, etc.; updates to the NFKGSA website; and other outreach activities.

Actions: None.

Item 11: NFKGSA POLICY COMMITTEE REPORT **Presenter:** Chair McKean

Discussion:

Charlotte Gallock reported that the Committee has met several times and has provided two draft documents for consideration and comment: a Rules and Regulations document, and a Groundwater Banking Policy document. Chair McKean added information on the anticipated direction of these and other policies.

Actions: None.

Item 12: RELEASE OF POLICY DRAFTS FOR PUBLIC COMMENT **Presenter:** Chair McKean

Discussion:

The Board did not feel action was necessary for release of the Rules and Regulations, nor the Groundwater Banking Policy for comment, and that instead the sense of the Board was that Staff are directed to do so as part of their normal duties in developing the policies.

Actions: None.

Item 13: NFKGSA FINANCE COMMITTEE REPORT **Presenter:** Chair McKean

Discussion:

Chair McKean reported that the Finance Committee had not met, and there was nothing further to report.

Actions:

None.

Item 14: CONSIDER APPOINTMENTS TO RURAL COMMUNITY ADVISORY COMMITTEE **Presenter:** Cristel Tufenkjian

Discussion:

The Board received comments of support regarding an application by Esther Espinoza for appointment to the Rural Community Advisory Committee, as well as Ms. Espinoza's own comment regarding her intentions and qualifications for joining the Committee. The Board was also informed that a similar

AGENDA ITEM 3

application by John Peairs had been formally withdrawn. The Board, current members of the RCAC, and members of the public asked and answered questions of one another, related to the functions and methods of the RCAC's work.

Actions:

It was moved by Director Mendes, seconded by Director Campos, and unanimously carried by Roll Call vote to appoint Esther Espinoza to the Rural Community Advisory Committee.

Roll Call Vote:

Director Mendes: Aye

Director Zonneveld: Aye

Director Roberts: Aye

Director McKean: Aye

Director Acquistapace: Aye

Director Maddox: Aye

Director Campos: Aye

Item 15:	<u>CLOSED SESSION</u>	Presenter:	None
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The Board entered Closed Session at 6:12 p.m. for REAL PROPERTY NEGOTIATIONS Pursuant to Government Code Section 54956.8: Discuss with NFKGSA Negotiator Mark McKean the price and terms of payment for the purchase of Real Property commonly known as Fresno County Assessor's Parcel No. 042-043-051 from prospective seller County of Fresno.

Item 16:	<u>RETURN TO OPEN SESSION</u>	Presenter:	None
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Discussion:

The Board returned to Open Session at 6:13 p.m.

Actions:

No action was taken in Closed Session.

Item 17:	<u>NEXT MEETING DATE AND PROPOSED AGENDA ITEMS</u>	Presenter:	Chair McKean
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Discussion: The next scheduled meeting of the Board would be November 25, 2020. This meeting and the December 23, 2020 regular meeting are likely to be cancelled in favor of a December 16, 2020 Special Meeting to accommodate the adjacent holidays.

Actions: None.

Item 18:	<u>ADJOURNMENT</u>	Adjourned:	6:14 p.m.
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Respectfully submitted,

Stephen Maddox Jr., Board Secretary

_____ approved on _____, 2020
Mark McKean, Board Chair

RULES AND REGULATIONS
OF THE
NORTH FORK KINGS
GROUNDWATER SUSTAINABILITY AGENCY

Adopted [date]

DRAFT

_____, Secretary
North Fork Kings GSA

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Article I. General

Section 1.01 Purpose

These rules and regulations are established by the Board of Directors of the North Fork Kings Groundwater Sustainability Agency (“NFKGSA”) in order to provide for the sustainable management of groundwater within the NFKGSA jurisdictional boundaries.

Section 1.02 Authority

Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section 10725.2 expressly states as follows:

“A groundwater sustainability agency may adopt rules, regulations, ordinances, and resolutions for the purpose of this part, in compliance with any procedural requirements applicable to the adoption of a rule, regulation, ordinance, or resolution by the groundwater sustainability agency.”

Section 1.03 Groundwater Sustainability Plan

Pursuant to Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section 10725, a groundwater sustainability agency may exercise the powers described in Chapter 5 provided the groundwater sustainability agency adopts and submits a groundwater sustainability plan to the Department of Water Resources. These rules and regulations are designed to implement the provisions of the NFKGSA GSP, and may be amended at any time if necessary, to achieve consistency with the groundwater sustainability plan and steps needed to achieve sustainability.

Pursuant to Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section 10720.5(b), however, nothing in the NFKGSA GSP, or these rules or regulations, is intended to determine or alter surface water rights or groundwater rights under common law or any provision of law that determines or grants surface water rights.

Section 1.04 Definitions

“De minimis” means a person who extracts, for domestic purposes, two acre-feet or less per year, as defined in SGMA.

“NFKGSA” means North Fork Kings Groundwater Sustainability Agency.

“NFKGSA GSP” means the NFKGSA Groundwater Sustainability Plan developed and submitted to the Department of Water Resources pursuant to Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section 10727, *et al.*

“Operator” means an authorized representative of an owner.

“Owner” means fee title owner of land within the NFKGSA boundaries.

“SGMA” means the Sustainable Groundwater Management Act.

“Water year” means the 12-month period October 1, for any given year through September 30, of the following year. The water year is designated by the calendar year in which it ends and which includes 9 of the 12 months. Thus, the year ending September 30, 1999 is called the "1999" water year.

Section 1.05 Effective Date and Changes

These rules and regulations shall become effective upon adoption and may be added to, amended and/or repealed at any time by resolution of the Board of Directors of the NFKGSA and such additions, amendments, and/or repeals shall become effective upon their adoptions or as otherwise specified by the Board of Directors.

Section 1.06 Actions Against the NFKGSA

Nothing contained in these rules and regulations shall constitute a waiver by the NFKGSA or estop the NFKGSA from asserting any defenses or immunities from liability as provided in law, including, but not limited to, those provided in Division 3.6 of Title 1 of the Government Code.

Section 1.07 Severability of Provisions

If any provision of these rules and regulations, or the application thereof to any person or circumstance, is held invalid, the remainder of these rules and regulations, and the application of its provisions to other persons or circumstances, shall not be affected thereby.

Article II. Groundwater Monitoring

Section 2.01 Well Registration

(a) New Extraction Facilities

Any new groundwater extraction facilities constructed after January 31, 2021 shall be registered with the NFKGSA within 30 days of the completion of drilling activities. All new extraction facilities registered with the NFKGSA, excluding *de minimis* users, shall install a flowmeter at the time of construction in accordance with Section 2.02(a).

(i) New Extraction Facilities Registration Requirement

The owner of an extraction facility to be registered pursuant to this subsection shall provide, in full, the information required to complete the on-line registration form provided by the NFKGSA that includes, at a minimum, the following:

- i. Name and address of the operator(s).
- ii. Name and address of the owner(s) of the land upon which the extraction facility is located.
- iii. Well Completion Report, filed with the Department of Water Resources, pursuant to California Water Code section 13751, or if not available, construction information about the extraction facility, including total depth of the well casing, size of the well casing, and location or depth of perforations.
- iv. Information on the size of the extraction facility, including pump size (horsepower) and pump test information or estimated pumping capacity.
- v. Location, parcel number and state well number of the water extraction facility.
- vi. Information on the type of installed flowmeter (if any).

(ii) Penalty for Failure to Register

Failure to register an extraction facility pursuant to this subsection within six months of construction, shall incur a penalty to be determined by the NFKGSA board.

(b) Existing Extraction Facilities

All existing extraction facilities shall be registered with the NFKGSA no later than the following:

- By July 1, 2022, owners of extraction facilities owning sixty (60) or more acres within the NFKGSA jurisdictional boundaries shall register all existing extraction facilities constructed prior to January 31, 2021;
- By January 1, 2023, all existing extraction facilities constructed prior to January 31, 2021 shall be registered with the NFKGSA.

(i) Existing Facility Registration Requirement

The owner of an extraction facility to be registered pursuant to this subsection shall provide, in full, the information required to complete the on-line registration form provided by the NFKGSA that includes, the following if such information exists:

- i. Name and address of the operator(s).
- ii. Name and address of the owner(s) of the land upon which the extraction facility is located.
- iii. Well Completion Report, filed with the Department of Water Resources, pursuant to California Water Code section 13751, or if not available, construction information about the extraction facility, including total depth of the well casing, size of the well casing, and location or depth of perforations.
- iv. Information on the size of the extraction facility, including pump size (horsepower) and pump test information or estimated pumping capacity.
- v. Location, parcel number and state well number of the water extraction facility.
- vi. Information on the type of installed flowmeter (if any).

(ii) Penalty for Failure to Register

Failure to register an extraction facility pursuant to this subsection by January 1, 2024, shall incur a penalty to be determined by the NFKGSA board of directors.

(c) Change in Owner

The name of the owner of each registered extraction facility, the parcel number on which the facility is located, along with the names of all operators for each extraction facility shall be reported to the NFKGSA within sixty (60) days upon any change of ownership or operators, together with such other information required by the NFKGSA.

Section 2.02 Authority Regarding Measurement of Consumed Groundwater

Pursuant to authority granted under Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section 10725.8, NFKGSA shall require all new extraction facilities registered pursuant to Section 2.01(a), excluding *de minimis* users, to be measured by flowmeters and that the costs associated with the purchase, installation, operation and maintenance of flowmeters shall be borne by the owner or operation of each groundwater extraction facility. Installation of meters shall be in accordance with the standards established by the NFKGSA. The NFKGSA may require all extraction facilities within the GSA to be measure groundwater extraction by flowmeters at a later date.

(a) Criteria for Using Meters

The following criteria and information shall be provided to the NFKGSA at any time any owner is using flowmeters to report groundwater use:

- i. Manufacturer and Model of flowmeter;
- ii. Date Flow Meter Installed;
- iii. Diameter of Discharge Pipe and Size of Flow Meter;
- iv. Identification of who installed flowmeter and calibrated flowmeter per manufacturer specifications;
- v. Inspection Records will be required to submit to NFKGSA per schedule outlined in the manufacturer specifications.
- vi. Pictures to identify flowmeter installed correctly (e.g. adequate straight pipe sections before and after the flowmeter);
- vii. Type of crop, age of crop (if perennial), single/double/triple crop (if annual), irrigation methodology (e.g. flood, drip, sprinkler) for the irrigated acres serviced by the water from the flow meter; and
- viii. If multiple flowmeters on a farm, a map identifying the locations of the various flowmeters and lands serviced collectively by these flowmeters.
- ix. New meters must have telemetric capability that is compatible with the NFKGSA data collection system. Existing flowmeters must be modified to have telemetric capability that is compatible with the NFKGSA data collection system by January 1, 2027.

Additionally, the owner of the flowmeter will allow access to staff from the NFKGSA to physically inspect the flowmeter, if needed.

Article III. Groundwater Accounting/Data Management System

Section 3.01 Authority

Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section 10726.4, expressly authorizes a groundwater sustainability agency to establish accounting rules to allow unused groundwater extraction allocations to be carried over and transferred.

Article IV. Fees

Section 4.01 Groundwater Extraction Fees

(a) Groundwater Extraction Fees.

The Board may propose fees, including groundwater extraction fees, consistent with Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section Sections 10730 through 10730.6, and the California Constitution.

(b) De Minimis Extractors.

No extraction fees shall be charged to any *de minimis* extractor.

Section 4.02 Real Property Assessments

The Board may propose land-based assessments consistent with Division 6 Conservation, Development and Utilization of State Water Resources Part 2.74, Chapter 5, Section 10730, and the California Constitution.

Section 4.03 SGMA Penalties

Any owner, operator or other person who violates the provisions of these rules and regulations is subject to the criminal and civil sanctions set forth in SGMA.

Section 4.04 Civil Remedies

Upon the failure of any person to comply with any provision of this rules and regulations, the NFKGSA may petition the Superior Court for a temporary restraining order, preliminary or permanent injunction, or such other equitable relief as may be appropriate. The right to petition for injunctive relief is an additional right to those, which may be provided elsewhere in these rules and regulations or otherwise allowed by law. The NFKGSA may petition the Superior Court to recover any sums due to the NFKGSA.

Article V. Surface Water Recharge in the Underground

Section 5.01 Groundwater Recharge

Owners may use existing facilities to store surface water underground within the NFKGSA boundaries. An owner who stores surface water pursuant to this Section may subsequently put such water to his or her own beneficial use within the NFKGSA boundaries, or may transfer the water credit to another owner for use within the NFKGSA boundaries. The use of stored water pursuant to this Section must be achieved utilizing existing facilities. All water stored pursuant to this Section must be used within the NFKGSA boundaries, and must be used within five (5) years of the date of storage. Each owner who stores surface water pursuant to this Section shall provide accurate, verifiable records of the quantity and source of surface water stored for

recharge, confirmed by the district or entity that supplied the surface water. The owner shall adhere to any rules promulgated by any district or entity supplying the surface water. Each owner shall be solely responsible for locating, purchasing, accessing, or otherwise acquiring surface water for the purposes of recharge pursuant to this Section.

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DRAFT

**NORTH FORK KINGS GROUNDWATER SUSTAINABILITY AGENCY
GROUNDWATER BANKING POLICY**

BACKGROUND

California law permits a party who has a separate legal right to surface water developed from a source that is separate and distinct from the natural or native groundwater supplies existing in a common Basin aquifer to use the developed water for beneficial use. A party that owns a developed water supply “may use the supply by commingling the water with the native supplies and may subsequently recapture the developed water.” (*City of Los Angeles v. City of Glendale* (1943) 23 Cal.2d 68, 76-78.) The recapture right includes the amount equivalent to the augmentation contributed by the water stored (either by direct recharge or return flows from water deliveries) (*City of Los Angeles v. City of San Fernando* (1975) 14 Cal.3d 199, 260.) Banking projects are permitted to recharge, store and recover water placed in the Basin aquifer so long as the quantity recovered does not exceed the amount contributed and none of the banking activities cause injury to any Basin resource or the rights of other users of water in the process. If a person entitled to the use of the water fails to use beneficially all or any part of the water for the purpose for which it was appropriated for a period of five years, that unused water shall revert to the public. (*Water Code Section 1241.*)

OBJECTIVES

The objectives in pursuing this groundwater banking policy on behalf of the NFKGSA include the following:

- Improve groundwater conditions;
- Increase water supplies;
- Assist in meeting GSP objectives;
- Provide flexibility to landowners; and
- Ensure no negative impacts to overlying owners.

POLICY

This policy shall apply to all lands within the NFKGSA’s jurisdictional boundary except those entities which have adopted their own banking policy. A list of such entities is attached hereto as Appendix A.

GROUNDWATER BANKING PROJECTS

If a landowner intends to bank his/her own sources of surface water supply in the underground and subsequently transfer that supply to another party, then the landowner shall comply with the following:

*Banking.*¹ A Landowner within the NFKGSA shall be eligible to develop, operate and maintain a groundwater bank within the NFKGSA provided it enters into a written agreement as defined below with the NFKGSA. Landowner may also contract with a third party to develop, operate and maintain a groundwater bank within the NFKGSA, provided such third party enters into a written agreement as defined below with the NFKGSA.

Facilities Report and Groundwater Banking Agreement. Landowner shall first submit a written facilities report (“Facilities Report”) to NFKGSA staff containing the following information:

- a. The banking site location (Assessor Parcel Number, legal description, and GIS map).
- b. The conveyance and distribution facilities and manner and method of operation.
- c. The recharge facilities and the manner and method of operation.
- d. The recovery facilities (landowner and/or project extraction wells) and the manner and method of operation.
- e. The energy facilities (electric, diesel, solar, etc.).
- f. The schedule for permitting, construction and commencement of operation.
- g. The plan of operation, maintenance, repair and replacement of banking facilities.
- h. The intended source of all banking water supplies (e.g., Kings River water or other local surface waters, Central Valley Project, third party exchange/transfer supplies, other).
- i. The banking accounting, measurement, monitoring and reporting procedure.
- j. A Monitoring and Operational Constraint Plan (MOCP) to ensure that unacceptable impacts to neighboring crops, well flow rates, water levels and quality are prevented and/or adequately mitigated.

Once NFKGSA staff has determined the Facilities Report is complete, Landowner and NFKGSA shall enter into a Groundwater Banking Agreement.

California Environmental Policy Act & Project Approval. Prior to NFKGSA’s approval of the proposed Banking project, and prior to commencement of construction or operation of banking facilities, Landowner shall comply with any applicable California Environmental Policy Act (Public Resources Code §21000, et. seq., “CEQA”) requirements. NFKGSA shall act as the lead agency under CEQA regarding the preparation of documents required to carry out or approve a groundwater banking project authorized pursuant to this policy. Implementation of this policy and the approval of any groundwater banking project pursuant to this policy are subject to compliance with CEQA and the Landowner shall be responsible for the payment of all costs and expenses incurred by the NFKGSA and the Landowner relating to such compliance.

Surface Water Available for Banking. Landowner is solely responsible for locating, purchasing, accessing, or otherwise acquiring, surface water for purposes of banking in the NFKGSA.

Banking Leave Behind. In order to insure that a groundwater banking project will protect the health of the basin and provide some benefit to the NFKGSA, its landowners and water users, Landowner shall leave in storage in the Basin aquifer to the credit of the NFKGSA’s Sustainable

¹ The NFKGSA does not currently intend to directly develop, operate and maintain a groundwater bank itself, but does expressly reserve its authority to revise these principles to include NFKGSA groundwater banking in the future should it be deemed necessary and proper.

Yield² the percentage amount of the total water reported, based on the type of water banked, on an annual basis according to the following table:

WATER SUPPLY	PLACE OF USE NFKGSA
LOCAL SURFACE WATER SUPPLIES ³	10%
IMPORTED SURFACE WATER SUPPLIES ⁴	10%

Procedure. Upon diversions to the bank, Landowner shall report total quantities of water diverted into the underground to the NFKGSA. NFKGSA staff shall then confirm the quantity with the surface water delivery entity, deduct the applicable leave behind percentage, and credit the remaining quantity of water to the Landowner’s surface water bank account.

Place of Use. Any water banked by Landowner shall only be extracted and beneficially used within the boundaries of the North Fork Kings Groundwater Sustainability Agency to the extent provided in the leave behind requirements stated above. Upon board approval, banked water may be used elsewhere within the Kings Subbasin (Bulletin 118, 5-22.08) subject to applicable leave behind requirements based on the circumstances of the project.

Transfers. Any water banked by Landowner may be transferred, provided the transferee will use the transferred water within the boundaries of the North Fork Kings Groundwater Sustainability Agency. Upon board approval, banked water may be transferred for use elsewhere within the Kings Subbasin (Bulletin 118, 5-22.08) subject to applicable leave behind requirements based on the circumstances of the project.

Banking Accounting, Measurement, Monitoring and Reporting Procedure. Landowner shall be responsible for developing and implementing a procedure to accurately account for all banking activities on a monthly and annual basis, including the following: the source of all water delivered to each turnout serving the banking facility, recharge discharges, percolation rates, recharge losses to evaporation and soil profile, net augmentation to storage in the Basin, pumping extractions, amounts of water in storage and recovery, the place of use of all banked water deliveries, and changes in local groundwater conditions (including depth to groundwater, water quantity, quality, groundwater gradient and migration).

² Sustainable Yield has the same meaning and effect as that defined in the NFKGSA’s Groundwater Sustainability Plan.

³ “Local surface water supplies” shall include all water derived from local surface tributaries naturally occurring in the Kings Subbasin.

⁴ “Imported surface water supplies” shall include all other surface waters other than those defined as “Local Surface Water Supplies” and shall include, but not be limited to, waters from: the Central Valley Project, and neighboring subbasins.

Term. Landowner must beneficially use the water within five years from sinking it in the underground. Failure to do so will result in said unused waters reverting to the native supply, as defined in the NFKGSA Groundwater Sustainability Plan, of the NFKGSA.

Water Quality Standards. Landowner shall insure that all water diverted into the underground does not result in unacceptable deterioration of groundwater quality contrary to applicable NFKGSA GSP water quality objectives or as required in any MOCP approved by the NFKGSA.

Legal Compliance. Landowner shall be solely responsible for complying with all applicable Federal, State and local laws, and rules and regulations, including but not limited to CEQA. At the NFKGSA's discretion, Landowner shall provide the NFKGSA with a copy of any permit, order, agreement, environmental document, judgment or other record requested indicating Landowner's compliance with applicable laws.

Facilities. Landowner shall be solely responsible for determining the nature, location and extent of the necessary facilities for banking. All costs of design, permitting, construction, operation, maintenance, repair and replacement and all other costs and expenses of a groundwater banking facility shall be the sole responsibility of Landowner.

Indemnification. Landowner shall indemnify, defend and hold harmless the NFKGSA, its board of directors, officers, employees, agents, assigns on account of damage or claim of damage of any nature whatsoever for which there is legal responsibility, including property damage, personal injury, or death, and including attorneys' fees and other costs of litigation, arising out of or connected with the development, operation and maintenance of a groundwater bank.

Administration. Landowner shall reimburse the NFKGSA for its reasonable costs and expenses incurred, as determined by the NFKGSA, to prepare or review the agreements, reports, plans and other documents and materials relating to the administration of this Policy.