

WHEELER RIDGE-MARICOPA WATER STORAGE DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Eric McDaris

DATE: February 9, 2024

SUBJECT: Preliminary and Draft Groundwater Allocation Policy

The WRMGSA formed its Project and Management Action committee (P/MA committee) in 2023 to explore various project and management options available to the GSA, to include considering a groundwater allocation policy. Staff and the committee made it very clear that this policy was, and remains, in draft form and is not intended to be implemented in the near future. The GSA elected to begin developing a groundwater allocation policy for implementation in the event that the GSA needs to rapidly enact demand reduction actions. The process has been intentionally iterative, focusing on maximizing landowner engagement and feedback.

The P/MA committee met on October 12th, October 31st, and December 7th, 2023, as well as January 18th, 2024, to discuss a groundwater allocation policy. The first meetings were to review aspects of how other GSAs across the valley are addressing groundwater allocations and policies, and to determine if any concepts from those policies could be usefully applied in the WRMGSA. A draft groundwater allocation policy document, based largely on that of Westlands Water District/GSA, was circulated to landowners leading up to the December 7th meeting, with subsequent meetings focused on reviewing and modifying the policy to better suit the WRMGSA. Staff received written and in-person feedback from various stakeholders in attendance at the P/MA committee meetings, and those comments were integrated into the draft policy where appropriate.

Key points of the draft policy that were generally agreeable include all acres in the WRMGSA being eligible to receive a groundwater allocation; annually allocated groundwater credits can be pooled across farming units within the GSA; transfers are allowed to and from other users within the GSA; unused allocated groundwater will be carried over, and; landowners will be allowed to offset pumping of allocated groundwater by substituting credits generated from the recharge of eligible surface supplies, consistent with the District recharge policy.

Various sections within the policy are intentionally marked 'In Progress'. Some of these items are ministerial in nature and can be further developed as implementation gets closer, e.g. year-end procedures, etc. Other sections are pending additional information from staff or consultants, such as the sustainable yield data, which is pending the results of the Todd Groundwater basin study, and the subsidence section, which is pending additional information from E.K.I.

Points of contention have centered around possible deferred impacts of pumping groundwater allocation, carryover, and stored surface water. Staff have included three options that the P/MA committee has discussed in the attachments. Following the February Board meeting, the P/MA committee has directed staff to circulate the draft policy to all WRMGSA landowners by mail, soliciting comments and

Agenda Item 8.10.a

feedback. An additional P/MA committee meeting will be scheduled to review any comments received from landowners and to discuss any recommendations from the Board.

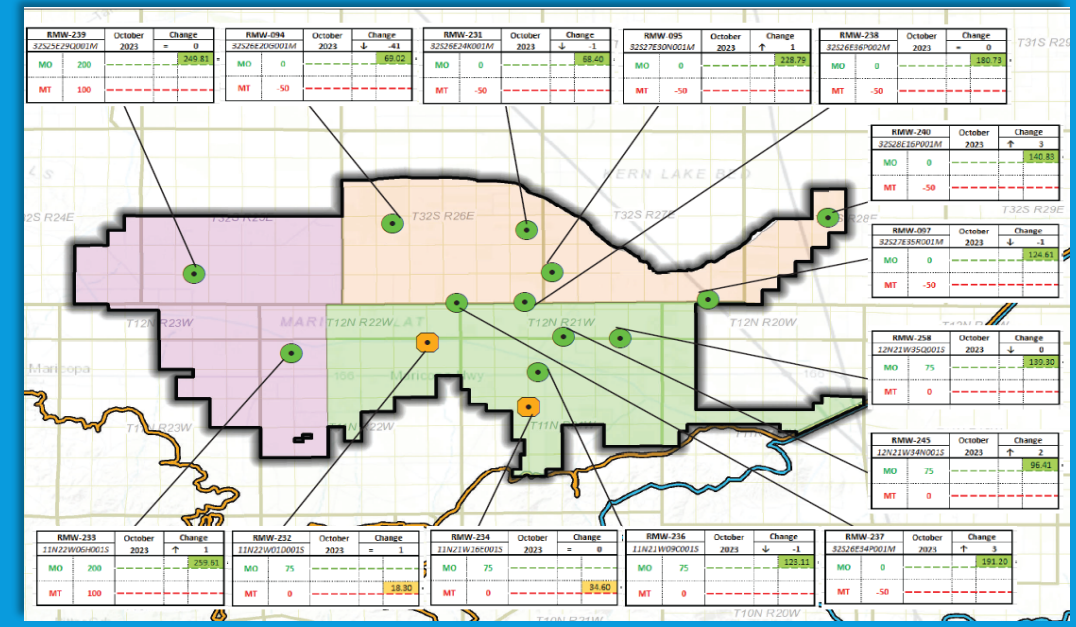
Recommendation. None. This memorandum is for discussion only.

Attachments: GW Allocation Slide
Groundwater Allocation Policy – *Draft*
Filename: 8.10.a Preliminary and Draft Groundwater Allocation Policy

LOCALIZED CONCERNS: IMPACTS OF DEFERRED RECOVERY/PUMPING

- Maximum Allowable Pumping Limit.
 - Annual pumping would be limited to 200% of a Water User’s annually allocated groundwater volume.
 - *I.e.*, if a water user is allocated 50 AF in 2024, their Maximum Allowable Pumping would be 100 AF.
- Maximum Allowable Pumping – by Zone.
 - Maximum Allowable Pumping would vary by zone, as opposed to a single volumetric limit applied uniformly across the GSA.
 - Based on analysis, zones would be characterized by the amount of pumping areas of the GSA could sustainably support.

- Diminishing Carryover and Recharge Credits.
 - No Maximum Allowable Pumping limit, or other volumetric limit, applied. Water users can pump up to their available groundwater balance
 - Carryover and recharge would be subject to annual loss factor, reducing the available balance in those accounts over time.



I. PURPOSE

IN PROGRESS

These rules and regulations are established by the Board of Directors of the Wheeler Ridge – Maricopa Groundwater Sustainability Agency (“WRMGSA”) in order to provide for the sustainable management of groundwater within the WRMGSA.

In any instance where the policy of the Wheeler Ridge – Maricopa Water Storage District (“WRMWSD” or “District”), or its Rules and Regulations For The Distribution Of Water, and the WRMGSA policy conflict as it pertains to a Groundwater Allocation, the WRMGSA policy shall supersede and control.

II. GLOSSARY OF TERMS AND DEFINITIONS

- A. Groundwater Carryover – the amount of unused annual groundwater allocation that is carried forward and available for use in a future year.
- B. Contract Year - each 12-month period that begins on January 1 and ends on the last day of December 31.
- C. Delinquent Groundwater User - a Groundwater User who failed to pay any charges, assessments, land-based charges, or any other money owed to the WRMGSA by the due day.
- D. De Minimis User –a Groundwater User who extracts, for domestic purposes, two acre-feet or less per year.
- E. Groundwater Account - is a record or statement of the total amount of groundwater available to a Groundwater User pursuant to the Groundwater User’s allocation and adjusted for all authorized transactions (including applicable Losses), inclusive of Recharge Credits, transfer credits, Groundwater Carryover, in-lieu delivery of surface water, and groundwater pumped by the Groundwater User.
- F. Groundwater Allocation – the volume of groundwater allocated by the WRMGSA to a Groundwater User for the Contract Year. Groundwater

Allocations may also include, but are not limited to, Sustainable Yield, Transitional Water, and other water types allocated by the WRMGSA.

- G. Groundwater User – a landowner or lessee of land who utilizes groundwater.
- H. Losses – expressed as a percentage of the quantity of the water available or recharged, that is left stored within the Subbasin and not available to the Groundwater User for recovery.
- I. Negative Balance – the circumstance when a Groundwater User pumps more groundwater than available from groundwater allocation(s), recharge, transfer, and carried over.
- J. Recharge Credit – a credit available to the Groundwater User which is generated from the recharge of eligible Surface Water within WRMGSA.
- K. Subsidence Prone Areas – areas that have experienced subsidence or have been identified by the WRMGSA as high risk for subsidence to occur.
- L. Sustainable Yield – consistent with Water Code section 10721(w), 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.

III. SUSTAINABLE YIELD OF THE KERN SUBBASIN/ WRMGSA

IN PROGRESS

Subject to the results of the ongoing Todd Groundwater Basin Study.

IV. GROUNDWATER ALLOCATION

- A. *Table PMA-4* from the SOKR GSP [GSP pg. 291] outlines a draft demand reduction implementation schedule, or “Glide Path”, which identifies annual reduction milestones. This Glide Path, along with the results of the pending Kern Subbasin native yield study, may be used to determine the annual groundwater allocations.

Table PMA-4. General Project and Management Actions Implementation Schedule ("Glide Path")

Wheeler Ridge-Maricopa Management Area

		P/MA Implementation Schedule				
Total WRMGSA Acres	91,430	By 2025	By 2030	By 2035	By 2040	By 2070
Projected Deficit (1) (AFY)		21,400				33,300
Target Deficit Reduction (%)		15%	45%	75%	100%	100%
Target Deficit Reduction (AFY)		3,200	9,600	16,100	21,400	33,300
Target Deficit Reduction (AF/Ac)		0.0350	0.1050	0.1761	0.2341	0.3642
P/MA Benefits, by Type (AFY)						
Water Supply Augmentation	Wet Year Supplies	896	2,688	4,508	5,992	5,992
	Other New Supplies	1,024	3,072	5,452	6,848	12,798
Demand Reduction (AFY)		1,280	3,840	6,440	8,560	14,510
Demand Reduction (AF/Ac)		0.0140	0.0420	0.0704	0.0936	0.1587
Total P/MA Benefits		3,200	9,600	16,400	21,400	33,300

Abbreviations:
 AFY= acre-feet per year
 P/MA= Project and Management Actions
 AF/Ac= acre-feet per acre

- B. All lands within the WRMGSA will receive an allocation of groundwater based on gross acres (“tax acres”) as assessed by the Kern County Assessor. Allocations will be made annually in the Contract Year.
1. Groundwater allocations may be pooled across lands under common ownership, or lands which have entered into common agreement in a form provided by the WRMGSA.
 2. A Groundwater User may extract any/or all of its Groundwater Allocation at any eligible extraction location, subject to those restrictions set forth in Section VI.
 - a. If a Groundwater User pumps in excess of its Groundwater Allocation, the Groundwater User may be subject to fees, penalties or charges, as established by the WRMGSA.
- C. The WRMGSA makes no representations as to the availability, quantity, condition, or quality of groundwater which may be available to the Groundwater User by issuance of an allocation. Further, no allocation made by the WRMGSA is a determination of water rights.

V. GROUNDWATER FLOW METER

- A. It is the intent of the WRMGSA to utilize well flow meters to calculate total annual groundwater extraction. As the WRMGSA is in the process of developing meter standards, remote sensing will be utilized for calculating groundwater use in the interim.
 - 1. Groundwater Users who wish to have their current well flow meter used in the calculation of total groundwater use in -lieu of remote sensing, may submit an application to the WRMGSA using the *Application To Use A Meter In Lieu Of Remote Sensing To Calculate Groundwater Service Charges* [Attachment 1].

VI. GROUNDWATER PUMPING LIMITATIONS

- A. In October of the prior year, Groundwater Users will be notified of their total available Groundwater Account balance and the maximum allowable pumping for the upcoming Contract Year.
- B. All pumping will be subject to applicable WRMGSA policies and Board direction. Pumping may be further restricted, beyond what is provided in this policy, as necessary so as to meet the sustainability goals of the GSP.
- C. Any Groundwater User Account which has a negative balance will not be eligible to pump groundwater. Groundwater User may resume pumping when the Groundwater Account has a positive balance, and all fees, penalties, or charges, if any, have been paid current.
- D. Consistent with Section VIII, the WRMGSA anticipates Groundwater Users will continue to implement projects to augment their Groundwater Account balances through recharge of eligible Surface Water for Recharge Credits. Therefore, it is foreseeable that some Groundwater Users will have higher quantities of groundwater available than what is allocated annually. All groundwater extraction will be limited to a maximum of 200% of the current Contract Year Groundwater Allocation, provided the Groundwater User has a sufficient Groundwater Account balance.

1. In calculating this volumetric extraction limitation, all ratably allocated Sustainable Yield, Carryover Credits, and Recharge Credits will be considered.
2. The maximum allowable pumping in any Contract Year will be twice the Groundwater Users annual Groundwater Allocation, calculated as shown below:

Calculating Maximum Allowable Pumping: Water User 'A'

Existing Groundwater Account Balance: (including carryover, transfers, and recharge credits)	100 AF
Contract Year Groundwater Allocation:	68.8 AF
Total Groundwater Available: (Contract Year Groundwater + carryover, transfers, recharge credits)	168.8 AF
Maximum Allowable Pumping: (Contract Year Groundwater Allocation x 200%)	137.6 AF
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Maximum Available Pumping:	137.6 AF

Calculating Maximum Allowable Pumping: Water User 'B'

Existing Groundwater Account Balance: (including carryover, transfers, and recharge credits)	25 AF
Contract Year Groundwater Allocation:	68.8 AF
Total Groundwater Available: (Contract Year Groundwater + carryover, transfers, recharge credits)	93.8 AF
Maximum Allowable Pumping: (Contract Year Groundwater Allocation x 200%)	137.6 AF
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Maximum Available Pumping:	93.8 AF

3. This maximum allowable pumping may be adjusted by the WRMGSA as necessary to mitigate Undesirable Results or other impacts of deferred recovery.
- E. A Groundwater User **may not** pump future Groundwater Credits (i.e., a Groundwater User cannot ‘borrow’ against future Groundwater Allocations).

VII. USE, CARRYOVER, AND TRANSFER OF GROUNDWATER

- A. A Groundwater User that receives a Groundwater Allocation may use it on any eligible land within the WRMGSA.
- B. The priority of groundwater use (considered the first water pumped) shall be as follows:
 - 1. Carryover credits.
 - 2. Landowner developed recharge credits.
 - 3. Current Contract Year Groundwater Allocation.

Groundwater Users may request alternative priority of use by written notice to WRMGSA staff, subject to approval of the WRMGSA Board of Directors and/or final approval of the Engineer-Manager.

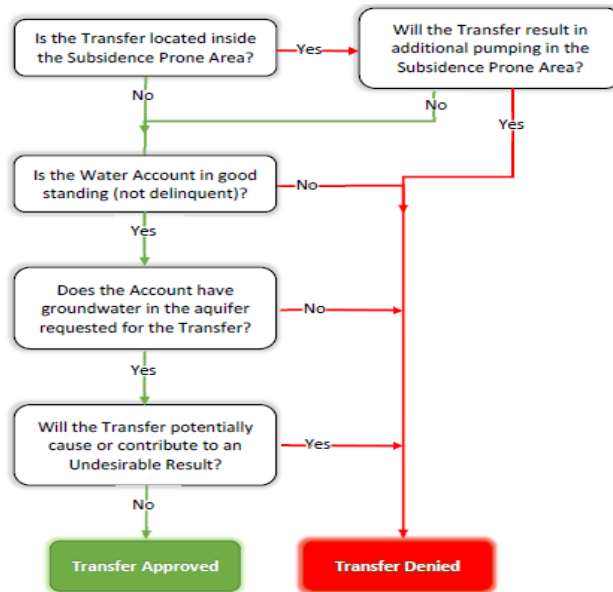
- C. Subject to the then available and ratably allocated Sustainable Yield, Groundwater Users may carryover unused Groundwater Allocation credits from one Contract Year to the next.
- D. Carryover credits may be earned when the Contract Year quantity of Groundwater Allocation in the Groundwater User’s account exceeds the amount of the actual volume pumped.
 - 1. *GW Allocation – calculated/measured GW Extraction – remaining Transitional Pumping Credits (if any) = Groundwater Carryover*
 - 2. The WRMGSA will make final determinations on the actual volumes pumped, as well as all available balances for carryover.
- E. Except as limited herein, a Groundwater User may- pump groundwater for use on eligible land in each Contract Year, carryover for future use, and/or transfer any unused portion of the Groundwater Allocation.
 - 1. Only the Groundwater User’s ratably allocated portion of the Sustainable Yield, Carryover, and Recharge Credits are eligible for transfer.
 - 2. If the total groundwater allocated to the Groundwater Account exceeds the amount pumped, then the unused Groundwater Allocation will remain on the Groundwater Account and be available to the Groundwater User in the

following year (Carryover). Carryover may be pumped or transferred in any subsequent Contract Year, subject to any WRMGSA restrictions.

3. If the total groundwater pumped exceeds the amount allocated, inclusive of Carryover, transfers, and Groundwater Credits, then the Groundwater Account will have a Negative Balance. A Groundwater User with a Negative Balance may not transfer any portion of its Allocation or future Allocation to a third party; provided that the Groundwater User with a Negative Balance may procure a Groundwater Allocation from a third party to balance its Groundwater Account and thereafter may continue to trade any portion of the groundwater in its Groundwater Account.
 4. A Groundwater User may transfer any portion of their Groundwater Allocation, including Carryover, to another Groundwater User for use in the current and a subsequent Contract Year, provided that the transfer of an aquifer specific allocation is expressly limited to the transferee Groundwater User pumping groundwater from the same aquifer for which the Allocation was approved.
- F. All requests to transfer a Groundwater Allocation, including Carryover and Groundwater Credits, must be submitted in writing and approved in advance by the Engineer- Manager. *Figure 1* details the general transfer approval process. Transfers shall generally be approved if the following conditions are satisfied:
1. The Groundwater User making the groundwater available for transfer has sufficient groundwater supplies in its Groundwater Account;
 2. The Groundwater User approved the transfer of groundwater from its Groundwater Account to another Groundwater User; and
 3. The transfer of groundwater would not violate any other provisions of this policy.
 4. The transfer of groundwater would not cause Undesirable Results.
- G. The WRMGSA Board of Directors may prohibit or impose additional limitations on the transfer of a Groundwater Allocation, including Carryover, Recharge Credits, and Groundwater Credits, into the Subsidence Prone Areas.

- H. The Engineer- Manager may impose reasonable conditions on a transfer if necessary to support the findings required under paragraph F above.
- I. The Engineer- Manager may not re-assign during the Contract Year unused groundwater from a Groundwater Account to another Groundwater Account based on a change in ownership or lease of land, except where the transferor, upon the transfer of land through a change in ownership or lease, would no longer owns or leases any land in the WRMGSA, the transferor may request that the unused Groundwater Allocation be assigned to the successor in interest. In that circumstance, the unused Groundwater Allocation shall be assigned to the successor in interest upon the successor’s completion of any and all necessary applications/documents with the WRMGSA and/or District to retain the groundwater available previously available to the transferor.

Figure 1 Groundwater Transfer Process



VIII. GROUNDWATER RECHARGE PROJECTS

- A. The WRMGSA anticipates that Groundwater Users will continue to implement projects to augment groundwater through recharge of eligible Surface Water and will request that the WRMGSA provide landowner developed Groundwater Credits to support or offset the Groundwater User’s future groundwater pumping.

1. All recharge projects will require WRMGSA approval.
 - a. The WRMGSA will approve/deny proposed landowner recharge projects in its full discretion. Proposed projects may be denied for various reasons, including but not limited to:
 - i. Groundwater quality considerations,
 - ii. Geologic considerations,
 - iii. Distribution system capacity limitations.
 2. Interim landowner developed groundwater recharge projects will be subject to the District’s *Policy for Landowner Groundwater Banking Projects* [Attachment 2], as approved by the Board of Directors January 11th, 2023, or its most recent version as amended and approved by the Board of Directors. In any case where the WRMWSD policy conflicts with that of the WRMGSA, the WRMGSA policy will supersede and control.
- B. Groundwater Users who wish to develop recharge projects within the GSA will be responsible for obtaining all permits and approvals necessary for such recharge projects. This may include, but is not limited to, approvals/permits from the State Water Resources Control Board, Department of Water Resources, and Kern County Water Agency, etc.
- C. All eligible Surface Water that is recharged will be subject to Losses as determined by the WRMGSA.

IX. SUBSIDENCE PRONE AREAS

IN PROGRESS

Subject to further study and development by WRMGSA staff and consultants.

X. USER INPUT

IN PROGRESS

XI. FEES, PENALTIES AND REMEDIES

- A. Groundwater extraction within the WRMGSA may be subject to groundwater extraction fees established by the WRMGSA Board of Directors as authorized by Water Code Section 10732.

XII. DOMESTIC USERS

- A. Domestic users that are De Minimis Users are exempt from the requirements of this policy. The WRMGSA, however, may reassess the De Minimis User requirements as necessary.

XIII. MUNICIPAL AND INDUSTRIAL USERS

- A. All wells that serve Municipal and Industrial (M&I) users will be subject to Section V. If the M&I User pumps more than two acre-feet a year, then the M&I user will not be a De Minimis User and will be subject to all other applicable requirements of this policy.

XIV. YEAR END PROCEDURES

IN PROGRESS

XV. VARIANCE PROCEDURES

IN PROGRESS

XVI. APPEAL

IN PROGRESS

XVII. MISCELLANEOUS

- A. The General Manager is authorized and directed to do any and all things necessary to implement and effectuate these rules and regulations.
- B. The Board of Directors shall consider any changes or revisions to these rules and regulations at a public meeting.

- C. The General Manager shall provide notice of any Board of Director’s approved changes or revision to these rules and regulations to all District landowners and Groundwater Users.
- D. These rules and regulations implement the GSP and are intended to avoid Undesirable Results within the WRMGSA. As such, the rules and regulations shall not be construed to authorize or direct action, of any kind, that would cause Undesirable Results.