

SOUTH KINGS GROUNDWATER SUSTAINABILITY
AGENCY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS
SPECIAL MEETING AGENDA

Wednesday, September 14, 2022

5:30 PM

VIA TELECONFERENCE PURSUANT TO EXECUTIVE ORDER N-29-20 ISSUED BY GOVERNOR GAVIN NEWSOM. THE COUNCIL CHAMBER WILL BE CLOSED TO THE PUBLIC. PUBLIC CAN PARTICIPATE IN THIS MEETING AND PROVIDE COMMENTS ON AGENDA ITEMS VIA THE FOLLOWING:

<https://us06web.zoom.us/j/95002614921?pwd=bjIVZnZOTDZHWlImMkRFcXFFeG5zQT09>

Meeting ID: 950 0261 4921

Passcode: 389469

Please contact Annika Romo at (559) 299-1544 for any questions regarding the Zoom meeting.

ITEMS:

1. Call to Order and roll call
2. Public Comment on Items not on Agenda

The first 15 minutes of each regular session is set aside for members of the public to comment on any item within the jurisdiction of the Board of Directors, but not appearing on the agenda. For items appearing on the agenda, the public is invited to comment at the time the item is called for consideration by the Board. Any person addressing the Board under public comment will be limited to a 3-minute presentation to ensure that all interested parties have an opportunity to speak. Please submit any handouts to the Secretary via email prior to the meeting at dpeters@peters-engineering.com.

3. Consent Calendar

Unless a member of the Board of Directors requests that an item be removed from the Consent Calendar, all items will be acted upon as a whole and by one vote. Items removed from the Consent Calendar will be acted upon separately.

- 3.1 Approve Minutes of July 13, 2022 meeting.

4. Committee Reports

4.1 Technical Advisory Committee – Report by Josh Rogers, Chair

- a) Update on Revised GSP State Resubmittal

4.2 Administrative Committee – Report by David Peters, Secretary

5. General Items

5.1 Approve Fowler Recharge Basin Agreement Amendment – Oral Report by D. Peters

5.2 Appoint Representative and Alternate to Represent SKGSA at Basin Coordination Group meetings – Oral Report by D. Peters

5.3 Adopt resolution designating City of Sanger as lead agency for CEQA compliance related to the North Sanger Recharge Basin project – Oral Report by J. Rogers

5.4 Approve Continuation of Virtual meetings – Oral Report by M. Linden

6. Secretary's Report

6.1 Time and place for next meeting – October 12, 2022 at 5:30pm

7. Board Member Comments

8. Adjournment

SKJPA BOARD OF DIRECTORS
MEETING MINUTES

TELECONFERENCE

Wednesday, July 13, 2022

5:30 PM

Chairman Kazarian called the meeting to order at 5:34 pm.

Board Members Present: Chairman Kazarian, E. Hurtado, D. Ramirez, T. Pimentel

Board Members Absent: J. Hurtado

Staff Present: David Peters, Josh Rogers, Michael Linden

PUBLIC PRESENTATIONS

2.1 *Public Comment on Items not on Agenda*

None

CONSENT CALENDAR

3.1 *Approve minutes of May 11, 2022 meeting.*

Motion by member T. Pimentel, second by member E. Hurtado. Motion passes unanimously via voice roll call.

COMMITTEE REPORTS

4.1 *Technical Advisory Committee Meeting*

Advisory Committees focused on revising GSP to address DWR comments. Nothing new to report at this time.

4.1 *Administrative Committee Meeting*

Administrative Committee met to discuss DWR comments, DWR well mitigation program, and Fowler Recharge Basin Agreement Amendment. Nothing new to report at this time.

GENERAL ITEMS

5.1 *Review DWR comments and Approve Groundwater Sustainability Plan revisions – Oral Report by Josh Rogers*

Revisions to GSPs conducted through Kings Basin to meet comments have been coordinated with each GSA in Kings Basin. Have been reviewed by Technical Advisory Committee and Administrative Committee and recommended for approval by board. Mr. Rogers reviews

schedule. January 28, 2022 DWR submitted letter noting incomplete determinations from all GSPs submitted in Kings Basin. Letter included deficiencies and corrective actions to revise plans within 180 days. Deadline is July 27, 2022. Kings Basin has had 5 meetings to address comments or concerns with GSAs in regards to DWR comments.

Most comments were the same for all GSAs; however, a few comments were GSA specific. South Kings GSA is to address lands subsidence. Initial plan stated no real concerns with land subsidence because there are no concerns for clay soils in the SKGSA jurisdiction.

Primary deficiency was that there was not a firm enough discussion about what the undesirable results are when groundwater declines. DWR is looking for a numeric undesirable result and has stated that if a single well goes dry and the owner, or community using that well, were unable to deepen or drill a new well, that would be considered significant and unreasonable. Solution is to develop a shallow well mitigation program, which would identify all possible wells that could go dry and propose a policy or program that would allow a well owner to approach GSA for mitigation.

DWR requires compliance of GSP in next 20 years and wanted to see more description regarding interim milestone check-ins and how interim milestones will be managed, how to make sure Kings Basin doesn't drop below objectives and when to start taking corrective actions.

Second deficiency was regarding the SKGSA land subsidence, which Mr. Rogers had already addressed.

Third deficiency stated there was not a consistent identification of interconnected surface water systems, locations where rivers and streams are physically connected to groundwater table. GSAs did not have a plan to address it at this point because it would take extensive research to find out where all of these locations are, but would begin a study and provide mitigation and more data by 5-year GSP revision date. DWR expects GSAs to come up with a way to measure this.

Fourth deficiency stated GSPs did not provide adequate information regarding municipal water systems and water quality. Does not apply to SKGSA because our drinking water is monitored by Division of Drinking Water.

Member Ramirez raises a question concerning water issues in Sanger. Mr. Rogers stated that this was due primarily to total capacity in the system. One well was off-line and another was previously off-line. No wells are dry, just under producing at this time.

Member Hurtado asks for further information on the deficiency and recommended actions for Deficiency 2 regarding land subsidence and SKGSA. Mr. Rogers reiterates the details of the deficiency and the recommended corrective action. Member Hurtado asks whether SKGSA will revise their GSP to prove that there is no land subsidence or if SKGSA will take the recommendations from DWR and implement into their GSP. Mr. Rogers states that SKGSA will take recommendations from DWR and update the GSP with similar approach as the other GSAs. Member Hurtado also points out that Sanger has found clay soils in their water and wonders if this has to do with subsidence. Mr. Rogers explains that a layer of clay soil "confines" water at a certain depth, and if water is pumped from under the clay soil layer the layer is at risk of collapsing and causing subsidence. Land subsidence has been measured in the SKGSA and results showed little to no concern. In Sanger's case this does not seem to be related to subsidence.

Member Hurtado's second question is in regards to Deficiency 1 and the depth of the minimum threshold of the Indicator Wells. Mr. Rogers states that each Indicator Well has a different minimum threshold and that it depends on multiple factors including each well's water levels, historical conditions, surface elevation, but that each Indicator Well's minimum threshold can be found in the GSP.

After no public comment, member E. Hurtado makes a motion, second by member Ramirez. Motion passes unanimously via voice roll call.

Mr. Linden brings up that unfortunately all five members need representation to vote on item 5.1 regarding the GSP revisions. Chair Kazarian asks if the recording of the presentation could be provided to the member J. Hurtado prior to the special meeting to re-approve item 5.1. Mr. Linden says that will be fine. Mr. Peters will arrange for a special meeting on Friday, July 15.

5.2 *Approve letter to DWR regarding well mitigation program – Oral Report by Josh Rogers*

Mr. Rogers states that there was a lot of discussion about the GSAs feeling that DWR was overstepping their bounds and not following SGMA by asking GSAs to define undesirable results, defining what are significant and unreasonable impacts to users in the basin. DWR is stipulating what is significant and unreasonable while SGMA says each GSA should define and manage this for themselves based on their users and uses. Kings Basin wanted to send a letter to DWR letting them know they are over-stepping. However, SKGSA did not have time to take it to their board and did not want to be included in the initial letter, and could follow up with their own letter once they have brought it to the board.

Member E. Hurtado asks what the current plan is for anyone who has a dried up well. Mr. Rogers states that there is not currently a plan in the GSP, but one will be developed.

Member E. Hurtado asks if the GSP will come back to SKGSA for revision or will it be a joint decision with all GSAs. Mr. Rogers states that each GSA will put together a GSP but they will all be put together into one GSP for the Kings Basin for consistency.

Member Ramirez asks if engineers are the ones who will bring any water related comments, concerns, or data to the SKGSA. Mr. Rogers states that the Technical Advisory Committee is actually comprised of the engineers of each member agency, and they discuss all water related activities and bring it either to the board directly or through the Administrative Committee prior to bringing it to the board.

After no public comment, member E. Hurtado makes a motion, second by member Pimentel. Motion passes unanimously via voice roll call.

5.3 *Approve Reimbursement Policy – Oral Report by David Peters*

Allows member agencies to submit reimbursements on behalf of the GSA.

After no public comment, member Pimentel makes a motion, second by member E. Hurtado. Motion passes unanimously via voice roll call.

5.4 *Approve Fowler Recharge Basin Agreement Amendment – Oral Report by David Peters*

SKGSA has entered into an agreement with K. Hovnanian Homes to purchase 2 acre parcel for a recharge basin. The amendment changes the closing date from end of July to end of September. Both parties are in favor of this amendment.

After no public comment, member E. Hurtado makes a motion, second by member Pimentel.

Motion passes unanimously via voice roll call.

5.5 Continuation of Virtual Meetings – Oral Report by Michael Linden

Mr. Linden says the meetings will continue to be virtual for at least the next few months, unless the legislature changes the law.

After no public comment, member Hurtado makes a motion, second by member Pimentel. Motion passes unanimously via voice roll call.

SECRETARY REPORT

Time & Place for next meeting: July 15, 2022 at 2:30pm via teleconference.

BOARD MEMBER COMMENTS

None

ADJOURNMENT

Having no further business Chairman Kazarian adjourned the meeting at 6:59pm.

SECOND AMENDMENT TO
AGREEMENT FOR PURCHASE AND SALE
OF REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS

This Second Amendment to Agreement for Purchase and Sale of Real Property and Joint Escrow Instructions (this "Amendment") is entered into as of September_ , 2022, by and between the SOUTH KINGS GROUNDWATER SUSTAINABILITY AGENCY, a joint powers authority ("Buyer"), and K. HOVNIANIAN HOMES NORTHERN CALIFORNIA, INC., a California corporation ("Seller").

RECITALS

A. Seller and Buyer entered into an Agreement for Purchase and Sale of Real Property and Joint Escrow Instructions, dated March 23, 2022 (the "Purchase Agreement"), pursuant to which Seller agreed to sell and Buyer agreed to purchase certain property described therein.

B. Buyer and Seller now desire to amend the Purchase Agreement in accordance with the terms and conditions of this Amendment.

NOW, THEREFORE, in consideration of the promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1) Capitalized Terms. Capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Purchase Agreement.

2) Closing Date. Section 5.1 of the Purchase Agreement is hereby deleted in its entirety and the following inserted therefor:

"5.1 Closing Date. Escrow shall close within thirty (30) days after the recordation of the final map subdividing the Property, among other things, into a legal parcel in compliance with the California Subdivision Map Act, but in no event later than November 30, 2022."

3) Counterparts. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Amendment.

4) Facsimile or .pdf Signatures. Either or all parties may execute this Amendment by facsimile or .pdf signature, and any such facsimile or .pdf signature shall be deemed an original signature and Escrow Agent is hereby authorized and instructed to rely thereon.

5) Effect of Amendment. In the event of any inconsistencies between this Amendment and the Purchase Agreement, the terms of this Amendment shall govern. Except as provided for herein, all other terms and conditions of the Purchase Agreement shall remain

unchanged and the parties hereto reaffirm the terms and conditions of such Purchase Agreement. This Amendment may only be varied by a document, in writing, of even or subsequent date hereof, executed by the parties hereto.

IN WITNESS WHEREOF, Buyer and Seller have executed this Amendment as of the date first written above.

BUYER:

SOUTH KINGS GROUNDWATER
SUSTAINABILITY AGENCY, a joint powers
authority

By: _____
Karnig Kazarian, Board Chairman

Dated: _____

ATTEST:

David Peters, Board Secretary

APPROVED AS TO FORM:

Michael Linden, SKGSA Attorney

SELLER:

K. HOVNANIAN HOMES NORTHERN
CALIFORNIA, INC., a California corporation

By: _____
Name: Chad Fuller
Title: Vice President, Chief Legal Counsel

Dated: _____

RESOLUTION 2022-___

A RESOLUTION OF THE SOUTH KINGS GROUNDWATER SUSTAINABILITY AGENCY FOR AGREEMENT TO HAVE THE CITY OF SANGER BE THE LEAD AGENCY FOR THE ____.

WHEREAS, the Sustainable Groundwater Management Act of 2014, Water Code sections 10720-10737.8 (“SGMA”) was signed into law on September 16, 2014; and

WHEREAS, SGMA requires that each groundwater basin be managed by a Groundwater Sustainability Agency (“GSA”), or multiple GSAs, and that such management be pursuant to an approved Groundwater Sustainability Plan (“GSP”), or multiple GSPs; and

WHEREAS, the South Kings Groundwater Sustainability Agency (“South Kings GSA”) is a California Joint Powers Authority formed to implement SGMA in the portions of the Department of Water Resources (“DWR”) Bulletin 118 Kings Subbasin within the boundaries of its member agencies, namely, the cities of Fowler, Kingsburg, Parlier, and Sanger, and the Del Rey Community Services District; and

WHEREAS, on December 19, 2019, at a duly noticed public meeting, the SKGSA adopted a GSP for the portion of the Kings Subbasin within the territories of the member agencies in accordance with Water Code section 10727.2 to include all the components required by SGMA; and

WHEREAS, the GSP adopted by the SKGSA contemplates the installation of a recharge basin (the “Project”) in the City of Sanger (“City”); and

WHEREAS, such a recharge basin would likely require approximately 16 acres of land to recharge approximately 800 acre feet per year; and

WHEREAS, water would need to be conveyed to the recharge basin from the existing Consolidated Irrigation District (“CID”) facilities; and

WHEREAS, the City’s General Plan has planned for both a basin and high-density residential (“HDR”) on portions of a certain (single) remainder parcel located west of Academy Avenue and directly south of what would be California Avenue once extended westward (“Property”); and

WHEREAS, the Property is immediately to the west of CID’s Fowler-Switch canal, which is capable of conveying water to the Property for recharge uses; and

WHEREAS, the owner of the Property has expressed interest in selling a portion of the Property to the SKGSA to allow for construction of the recharge basin; however, the owner would like to “switch” the location of the basin to be moved the southern portion of the Property next to the existing railroad tracks, with the HDR to be moved to the northern portion of the remainder parcel to front the future extension of California Avenue; and

WHEREAS, to accommodate the recharge basin and the location of HDR, the City will need to approve certain entitlements, which may include:

General Plan Amendment: An amendment of the City’s General Plan to switch the planned land use designations within the Property so that the recharge basin would be located, as well as to update the Circulation Element to clarify the California Avenue alignment as requested by the Department of Water Resources;

Rezone: With the changes in the General Plan land use designation, the zoning designations will also need to be “switched” to the appropriate portions of the Property as well; and

Site Plan Review: A site plan for the recharge basin per Sanger City Code.

WHEREAS, the GSA will also need to make certain approvals, which may include:

Acquisition of the Property (including any easement to the recharge basin location and parcelization); and

Other agreements, such as those with CID to transfer water to the recharge basin location.

WHEREAS, an analysis of the project will be required under the California Environmental Quality Act (“CEQA”); and

WHEREAS, under these circumstances either the SKGSA or the City could serve as the “lead agency” for the purposes of CEQA, however there may only be one lead agency; and

WHEREAS, given that both the City and the SKGSA have a substantial claim to be the lead agency, the agencies “may be agreement designate an agency as the Lead Agency;” and

WHEREAS, the City is willing to serve as the lead agency for the purposes of CEQA; and

WHEREAS, the Board of the SKGSA now desires to agree to designate the City as the lead agency for the purposes of conducting an environmental assessment for the project.

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THEREFORE, IT IS HEREBY RESOLVED by the SKGSA Board as follows:

SECTION ONE: The recitals set forth above are true and correct and are adopted as findings of the SKGSA Board.

SECTION TWO: The South Kings GSA Board agrees to have the City of Sanger be the lead agency under CEQA for the Project.

PASSED AND ADOPTED by the Board of Directors of the South Kings GSA at a regularly scheduled meeting held on the 14th day of September, 2022 by the following vote:

AYES, Directors:

NOES, Directors:

ABSENT, Directors:

Karnig Kazarian
Chair, Board of Directors
South Kings Groundwater Sustainability Agency