



Merced Subbasin GSA

Governing Board Meeting

June 8, 2023



Land Repurposing Program

LRP Template Agreement Update

10. **RELATIONSHIP OF LAND REPURPOSING PROGRAM TO ALLOCATION.** The MSGSA is developing and will implement, starting no later than WY 2026, groundwater pumping allocations as part of its Phase 2 implementation program.

- 10.1 No Effect on Land Classification for Purpose of Allocation. Participation in this LRP shall have no effect on the classification of the Property as irrigated or non-irrigated for purposes of any groundwater allocations made by the MSGSA.

- 10.2 No Allocation During Term of this Agreement. During the Term, the Property shall not receive a groundwater allocation from MSGSA. The Property will be given a groundwater allocation by MSGSA upon termination of this Agreement in the same manner as if this Agreement had not occurred.

LRP FAQ Update

How do the Phase 1 LRP and the Phase 2 Groundwater Pumping Allocations currently being developed relate to each other?

- The Phase 1 LRP and the Phase 2 Groundwater Pumping Allocations, currently in development and anticipated to take effect starting no later than the beginning of WY 2026, are two separate programs that are part of the MSGSA's 2-phase approach to GSP implementation.
- Participation in the Phase 1 LRP does not affect the “irrigated” versus “non-irrigated” status of those lands for purposes of the allocation program. That status is determined by land use during a period that pre-dates the Phase 1 LRP.
- Lands that are enrolled in the Phase 1 LRP are not eligible for, and will not receive, a groundwater pumping allocation during the term of the Phase 1 LRP Agreement. After the term of the Phase 1 LRP Agreement ends, those lands would be eligible for a groundwater pumping allocation just the same as if they had not participated in the Phase 1 LRP (i.e., subject to any other eligibility criteria that the MSGSA may impose, but not affected by those lands' participation in the Phase 1 LRP).



Sandy Mush Mutual Water Company Reservoir Storage Project and CEQA Determination

Sandy Mush Mutual Water Company

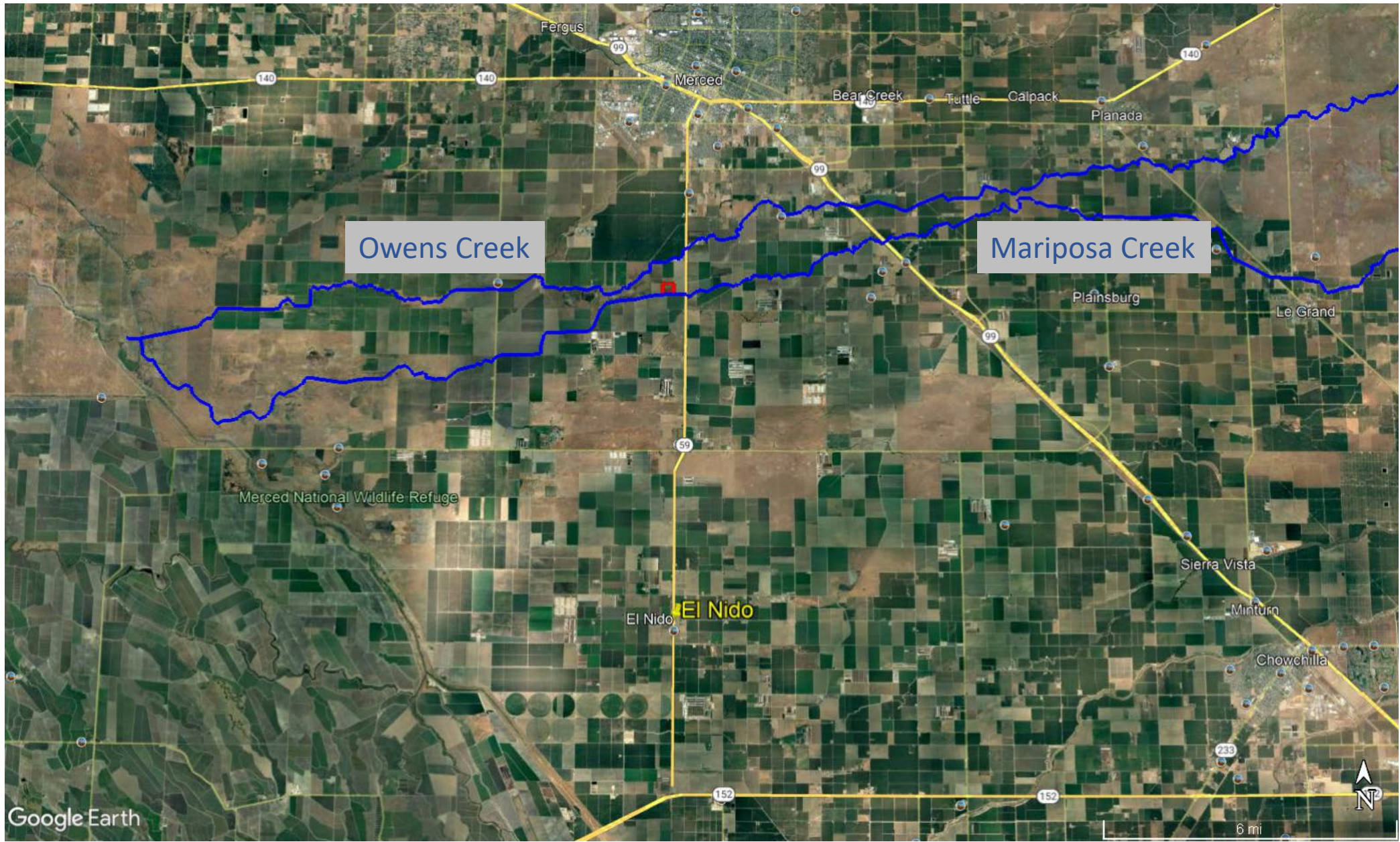
Flood Control and Storage Reservoir

Promotes

- Subsidence reduction
- Flood Protection
- In-lieu Deep Aquifer Pumping

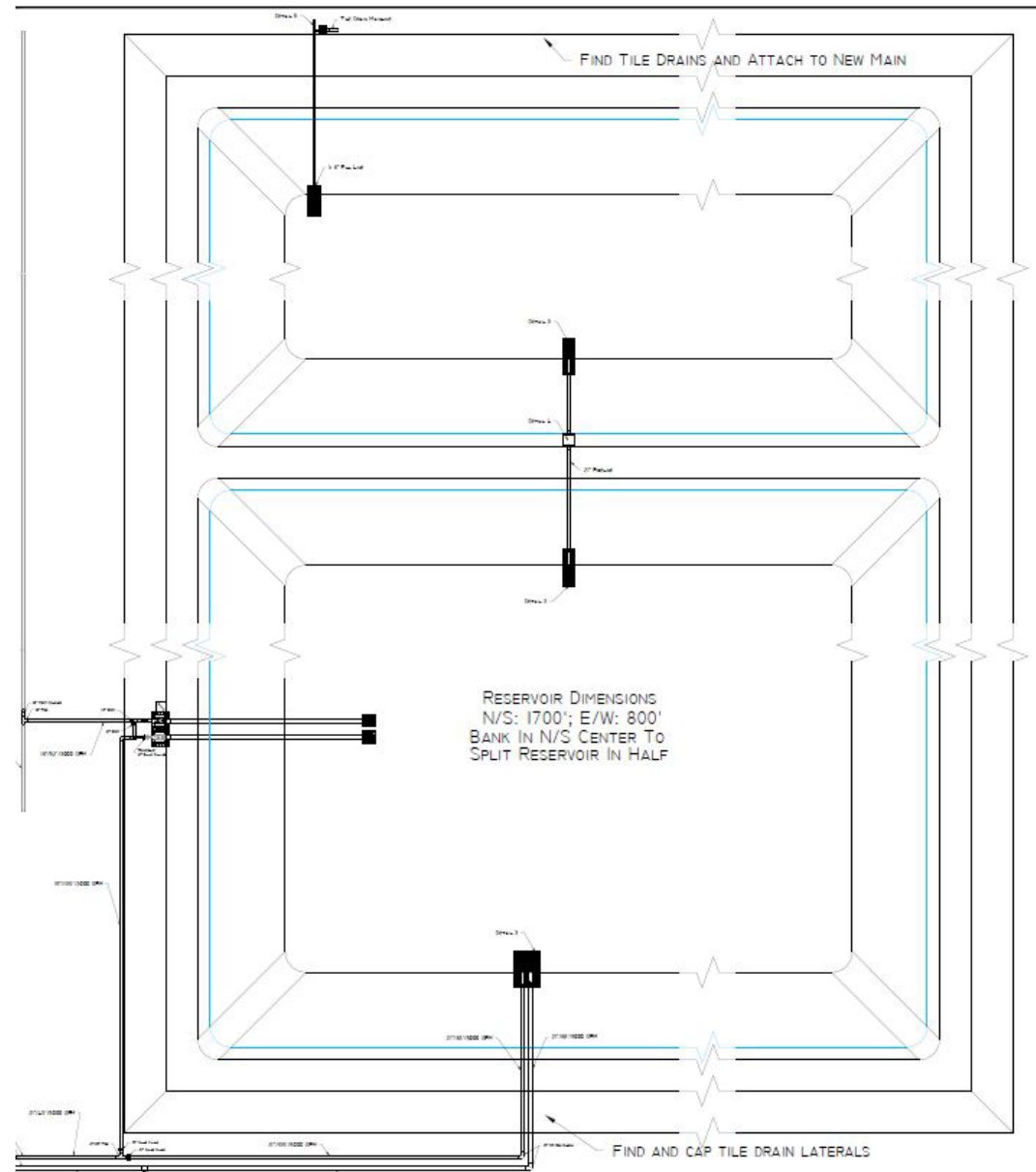


Location



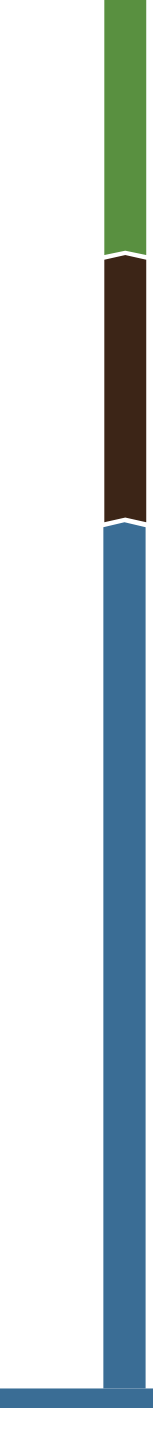
SGMA Compliance

- Reduces reliance on groundwater by capturing 750 AFY of flood water for later use.
- Permanently removes 150 AFY of crop water demand through fallowing.
- Located in an area with considerable historic subsidence.
- Located within an area considered a Disadvantaged Community by DWR.



Environmental

- Points of Diversions are existing infrastructure
- Construction area has been disturbed for many generations
- The landowner currently has the water rights associated with the project.



Fiscal Year 2023-2024 General Operating and Phase 1 Budget

FY 2023-2024 General Operating Proposed Budget

ACCOUNT	REVENUE	ACTUAL 2021/22	ESTIMATED ACTUAL 2022/23	PROPOSED BUDGET
96924/97990	Prop. 218 SGMA Compliance Landowner Fee	337,171	750,000	750,297
TOTAL GSA REVENUE		335,630	750,000	750,297
OPERATING EXPENSES				
Legal Services				
21834	General	51,929	55,000	75,000
Total Legal Services		51,929	55,000	75,000
Technical Services				
21810	Prop. 218 Fee Model Maintenance	4,505	5,073	5,000
21800	Hydrology/Modeling Update	-	-	25,000
21800	Implementation Phase 1 & 2 (studies and analysis)	102,046	181,544	345,000
Total Technical Services		106,551	186,617	375,000

FY 2023-2024 General Operating Proposed Budget Cont'd

Miscellaneous Expenses

21840	Administrative Services (County support & additional support)	62,027	60,000	150,000
21810	Audits	5,000	5,000	5,000
21700	Office Expense	2,924	3,000	6,000
21884	Property tax admin	890	890	2,000
21003	General Liability Insurance	-	1,030	2,500
21500	Memberships	-	1,129	2,000
22350	Website Development , Maintenance	-	340	3,000
21900	Legal Notices	-	-	1,000
21862	Public Outreach	792	650	15,000
21800	Grant Writing	25,000	39,230	40,000
21800	Contingency/Reserve	-	-	12,000
	Total Miscellaneous	96,633	111,269	238,500

GROUNDWATER SUSTAINABILITY PLAN EXPENSES

21810	GSP Development	163,631	49,364	140,000
21810	GSP Annual Report/Five Year Update		39,369	280,000
21810	GSP implementation and monitoring	44,519	32,772	70,000
	Total Groundwater Sustainability Plan	208,150	121,505	490,000
	TOTAL GSA ADMINISTRATIVE EXPENSES	463,263	474,391	1,178,500

If expenditures exceed revenue, the difference will be made up by Fund Balance.

Fund Balance is estimated when current year is not closed.

Fund Balance June 30 278,244

FY 2023-2024 Phase 1 Proposed Budget

ACCOUNT	REVENUE	ESTIMATED ACTUAL 2022/23	PROPOSED Budget	Max Annual (Per Engineers Report)
96924	Phase 1 Funding Mechansim	4,435,438	1,930,000	
96924	Phase 1 Funding Mechansim Appeal Approved Refunds	(48,844)		
TOTAL PHASE 1 REVENUE		4,386,594	1,930,000	4,425,000
PHASE 1 DEMAND REDUCTION EXPENSES				
21800	Phase 1 Land Repurposing Program	-	1,500,000	3,750,000
21840	GSA Executive Director	-	125,000	125,000
21800	Domestic Well Mitigation Program Fund	-	200,000	200,000
21800	Parcel-Based Water Budgets	-	30,000	125,000
21800	Contingency Reserve	-	25,000	75,000
21800	Water Rights Application	-	50,000	150,000
TOTAL PHASE 1 DEMAND REDUCTION EXPENSES		-	1,930,000	4,425,000

Fund Balance June 30, 2023 estimate

4,386,594

Phase 1 Activity Balance

As of June 30, 2023

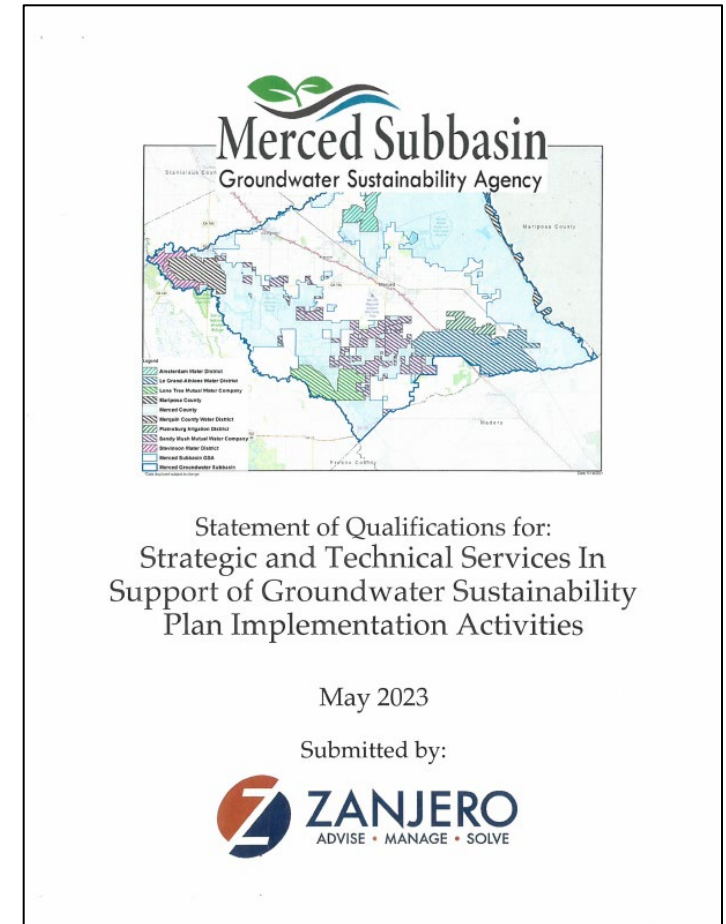
	ESTIMATED 2022/23	Proposed 2023/24
PHASE 1 DEMAND REDUCTION REVENUE		
Phase 1 Revenue	4,435,438	1,930,000
Phase 1 Appeal Refunds Approved	48,844	
Phase 1 Fund Balance as of June 30, 2023	4,386,594	
<i>Phase 1 Land Repurposing Program</i>	<i>3,715,688</i>	<i>1,500,000</i>
<i>GSA Executive Director</i>	<i>123,856</i>	<i>125,000</i>
<i>Domestic Well Mitigation Program Fund</i>	<i>198,170</i>	<i>200,000</i>
<i>Parcel-Based Water Budgets</i>	<i>123,856</i>	<i>30,000</i>
<i>Contingency Reserve</i>	<i>74,314</i>	<i>25,000</i>
<i>Water Rights Application</i>	<i>150,710</i>	<i>50,000</i>



Strategic Technical Support Contract

Strategic Technical Support Contract

- Request for Qualifications
 - May 1 through May 22
- To provide strategic policy support, backed by technical expertise, to GSA Board, Committees and staff
- Term – 2 years
- Compensation - \$200,000
- Evaluation Committee recommends Zanjero Inc.



Merced County Support Services MOU Amendment

Merced County Support Services MOU Amendment

- Amendment to the Agreement for Merced County staff support to MSGSA
- Extends the Term for 1 year to June 30, 2024
- Adds \$75,000 in Compensation for FY 2023-2024
- Updates Staff Rates for FY 2023-2024



Merced Subbasin GSA

Next Governing Board Meeting

July 13, 2023