

APPENDIX 3.D. CHOWCHILLA SUBBASIN DOMESTIC WELL MITIGATION PROGRAM

Prepared as part of the
**Groundwater Sustainability Plan
Chowchilla Subbasin**

January 2020
~~Revised May 2023~~
Revised August 2024

GSP Team:

Davids Engineering, Inc (Revised GSP)
Luhdorff & Scalmanini (Revised GSP)
ERA Economics
Stillwater Sciences and
California State University, Sacramento

MEMORANDUM OF UNDERSTANDING ESTABLISHING A DOMESTIC WELL MITIGATION PROGRAM FOR THE CHOWCHILLA SUBBASIN OF THE SAN JOAQUIN VALLEY GROUNDWATER BASIN

This Memorandum of Understanding (“MOU”) is entered into this ___ day of _____ 2022 (the “Effective Date”), by and between the Chowchilla Water District GSA (Chowchilla WD), Madera County GSA – Chowchilla (Madera County), Merced County GSA – Chowchilla (Merced County), and Triangle T Water District GSA (Triangle T WD), collectively hereinafter referred to as the “Parties,” or individually as the “Party.”

RECITALS

- A. **WHEREAS**, groundwater and surface water resources within the Chowchilla Subbasin of the San Joaquin Valley Groundwater Basin (DWR Bulletin 118 No. 5-022.05) (Subbasin) are vitally important resources, in that they provide the foundation to maintain and fulfill current and future environmental, agricultural, domestic, municipal, and industrial needs, and to maintain the economic viability, prosperity, and sustainable management of the Subbasin; and
- B. **WHEREAS**, agriculture has been prominent in making Madera County and Merced County one of the world’s foremost agricultural areas and plays a major role in the economy of both Madera County and Merced County; and
- C. **WHEREAS**, in 2014 the California Legislature passed a statewide framework for sustainable groundwater management, known as the Sustainable Groundwater Management Act, California Water Code § 10720-10737.8 (SGMA), pursuant to Senate Bill 1168, Senate Bill 1319, and Assembly Bill 1739, which was approved by the Governor on September 16, 2014. and went into effect on January 1, 2015; and
- D. **WHEREAS**, the Subbasin has been designated by the California Department of Water Resources (DWR) as a high-priority subbasin in a condition of critical groundwater overdraft and is subject to the requirements of SGMA; and
- E. **WHEREAS**, SGMA requires that all medium and high priority groundwater basins in California be managed by a Groundwater Sustainability Agency (GSA), or multiple GSAs, and that such management be implemented pursuant to an approved Groundwater Sustainability Plan (GSP), or multiple GSPs; and
- F. **WHEREAS**, in accordance with Resolution No. 2016-17, Chowchilla Water District elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit A; and
- G. **WHEREAS**, in accordance with Resolution No. 2017-014, the County of Madera elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit A; and

- H. **WHEREAS**, in accordance with Resolution No. 2017-15, County of Merced elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit A; and
- I. **WHEREAS**, in accordance with Resolution No. 17-7, Triangle T Water District elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit A; and
- J. **WHEREAS**, on January 29, 2020, the Parties submitted a GSP to DWR; and
- K. **WHEREAS**, the Parties agree, and as SGMA allows, a transition to sustainability over the 20-year GSP Implementation Period is in the best overall interest of the Subbasin, although this approach is expected to result in some continued groundwater level declines during the GSP Implementation Period; and
- L. **WHEREAS**, the Parties agree that for the purposes of this MOU, “Domestic Wells” shall be limited to individual private domestic wells.
- M. **WHEREAS**, the Parties agree that as a result of the continued decline in groundwater levels anticipated to occur over the GSP Implementation Period, there may be adverse impacts to some domestic wells in the Subbasin.
- N. **WHEREAS**, the Parties have reviewed and considered the content and recommendations set-forth by Self-Help Enterprises, Leadership Counsel for Justice and Accountability, and the Community Water Center in their publication titled, “Framework for a Drinking Water Well Impact Mitigation Program.”
- O. **NOW, THEREFORE**, in consideration of the mutual promises, covenants and conditions contained herein and these Recitals, which are hereby incorporated herein by this reference, the Parties agree to mitigate for domestic well impacts resulting from declining groundwater levels that occur from groundwater management activities outlined in the GSP through creation and implementation of a Domestic Well Mitigation Program (Program) as follows:

AGREEMENT

1. **PROPORTIONATE SHARE.** The Parties agree to fund the Program on a proportional basis consistent with that set-forth in Exhibit B. Each Party shall be responsible for its proportionate share of the funding requirements.
2. **FUNDING.** The Parties agree to fund the Program on an annual basis consistent with Section 9 set-forth herein. Estimated expenses through 2032 are set-forth in Exhibit C. Expenses for 2033 through 2040, or as may required until groundwater sustainability is achieved, shall be recommended by the GSP Advisory Committee and approved by the Parties no later than December 31, 2030.

3. **ACCOUNTING.** Annual funding shall be placed in an interest-bearing account managed by one of Parties.
4. **PROGRAM DEVELOPMENT COMMITTEE.** The Parties shall establish a Program Development Committee (Committee) that will oversee Program development consistent with Section 11. The Committee shall include at least one technical staff representative from each of the Parties. Decisions of the Committee shall be made through simple majority of the Committee. The Committee shall cease to exist upon the start date of the Program as set-forth in Section 10.
5. **PROGRAM ORGANIZATIONAL STRUCTURE.** Unless otherwise amended and approved by the Parties, the Program organizational structure shall be as shown in Exhibit D.
6. **BUDGET CYCLE.** The budget cycle of the Program shall be on a calendar year basis.
7. **BUDGET REVIEW.** Not less than once per year, the Parties shall convene a meeting of the GSP Advisory Committee to review Program implementation progress in that year and plan for Program implementation in the subsequent year.
8. **IN-KIND SERVICES.** Each Party is likely to provide in-kind services and subsequently incur in-kind costs as part of continued program development and management. Said costs shall be the responsibility of each Party unless otherwise agreed to by the Parties.
9. **FAILURE TO PAY.** The Parties recognize that any Party's failure to pay its respective share of any Annual Budget or budget increase when due, whether or not that Party's Governing Body approved the Annual Budget or the budget increase, places the Subbasin in jeopardy of being subject to intervention by the State Water Resources Control Board (SWRCB), including being designated on probationary status, and being subject to an interim plan promulgated by the SWRCB. Recognizing the importance of this Program, the parties agree to the following potential actions should any Party fail to pay consistent with this Section 9:
 - a. The Party that fails to pay shall be ineligible to vote on any subject or issue unless such failure is excused by the Committee through formal action and majority approval of the Committee. During any period of time during which a Party is ineligible to vote on a matter by reason of the application of this Section 9, such Party shall not be counted as a Party in determining a quorum, or in determining a "majority" with regard to the approval of any action. In order to restore its eligibility to vote, a Party must be current on all amounts due, including any expenditures approved by the Committee while such Party was ineligible to vote.

- b. Failure to pay shall be explicitly noted in the Annual Report for the Subbasin.
- c. Within 10 days after such failure to pay, the Parties shall attempt in good faith to resolve the dispute through informal means for a period of 30 days. If the Parties, through informal means, cannot agree upon a resolution of the failure to pay within 30 days, the Parties shall submit the dispute to mediation prior to commencement of legal action. The cost of mediation shall be split equally between the Parties. Upon completion of mediation and if the dispute has not been resolved, any Party may exercise any and all rights to bring a legal action relating to the dispute.

10. **TERM.** The Program shall begin no later than January 1, 2023, shall cover eligible mitigation as of January 31, 2020, and shall continue for the duration of the GSP Implementation Period or until groundwater sustainability is achieved.

11. **PROGRAM ELIGIBILITY AND TERMS AND CONDITIONS.** The Parties agree to develop Program eligibility and terms and conditions for Program implementation as generally defined in Exhibit E. Said eligibility and terms and conditions shall include, but shall not be limited to:

- a. Definitions
- b. Property eligibility
- c. Property owner eligibility
- d. Program application process
- e. Preferred contractors
- f. Preliminary inspection process
- g. Program form development
- h. Priority
- i. Eligible mitigation
- j. Non-eligible mitigation
- k. Maximum mitigation award
- l. Recordation of mitigation award

12. **PROGRAM MANAGEMENT.** Program management shall be facilitated by one of the Parties. If one of the Parties doesn't elect to program management duties and through recommendation of the GSP Advisory Committee and approval of the Parties, Program management shall be facilitated through a third party.

13. **ENVIRONMENTAL REVIEW.** The Parties agree to cooperatively complete any environmental review as may be determined necessary for Program implementation. Any costs associated with environmental review shall be per the proportionate share as set-forth in this MOU.

14. **OTHER COSTS.** Any and all other costs not specifically included in this MOU shall be attributed to the Parties per the proportionate share as set-forth in this MOU.
15. **NOTICES.** All notices required or permitted by the MOU shall be made in writing, and may be delivered in person (by hand or by courier) or may be sent regular, certified, or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, or by electronic transmission (email) and shall be deemed sufficiently given if served in a manner specified in this Section 16. The addresses and addressees noted below are the Party's designated address and addressee for deliver or mailing notices.

To Madera County: County of Madera
Stephanie Anagnoson
200 W 4th Street, 4th Floor
Madera, CA 93637

To Chowchilla WD: Chowchilla Water District
Brandon Tomlinson
327 South Chowchilla Blvd.
Chowchilla, CA 93610

To Merced County: County of Merced
Lacey McBride
2222 M Street
Merced, CA 95340

To Triangle T WD: Triangle T Water District
Brad Samuelson
P.O. Box 2657
Los Banos, CA 93635

Any Party may, by written notice to each of the other Parties, specify a different address for notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, three days after the postmark date. If sent by regular mail, the notice shall be deemed given 48 hours after it is addressed as required in this section and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed given 24 hours after delivery to the Postal Service or overnight courier. Notices transmitted by facsimile transmission or similar means (including email) shall be deemed delivered upon telephone or similar confirmation of delivery (confirmation report from fax machine is sufficient), provided a copy is also delivered via personal delivery or mail. If notice is received after 4:00 p.m. or on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

IN WITNESS WHEREOF, the Parties have caused this MOU to be executed, each signatory hereto represents that he/she has been appropriately authorized to enter into this MOU on behalf of the Party whom he/she signs.

County of Madera

_____ Date

Chowchilla Water District

Brandon Tomlinson

_____ Date

County of Merced

_____ Date

Triangle T Water District

_____ Date

EXHIBIT B

GSA	Average Shortage (AF) ¹	Net Recharge (AF) ²	Proportionate Share (%)
Chowchilla WD	22800	-22800	30%
Madera County ³	39700	-39700	53%
Madera County - Sierra Vista MWC ⁴	1800	-1800	2%
Merced County - Sierra Vista MWC ⁴	900	-900	1%
Triangle T WD	10200	-10200	14%
Subbasin Totals =	75400	-75400	100%

Notes:

¹ Average Shortage is defined as groundwater extraction minus total recharge from the SWS (deep percolation and seepage), thus a positive value indicates more water is taken from a subbasin than is recharging from the surface. This is equivalent to the inverse of Net Recharge from SWS as defined in some presentations and documents.

² Net Recharge is defined as total recharge minus groundwater extraction, thus a positive value indicates that more water is recharged from the surface than is taken from the surface.

³ Net Recharge summarized from the Madera County - East and Madera County West subregion water budgets developed for the Chowchilla Subbasin GSP.

⁴ Sierra Vista MWC spans the Merced County GSA - Chowchilla area (1,300 ac) and part of the Madera County GSA - Chowchilla area (2,600 ac). Total Sierra Vista MWC average shortage is 2,700 AF. Using the acreage distribution previously noted, one-third of the average shortage has been assigned to Merced County and two-thirds has been assigned to Madera County. Merced County will bill Sierra Vista MWC for their proportionate share (1%) for lands within Merced County.

EXHIBIT C

GSA ^{2,3}	Description	Proportionate Share ¹	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030	FYE 2031	FYE 2032
Madera County	Capital Costs	55%	\$ 552,602	\$ 570,285	\$ 588,533	\$ 260,299	\$ 268,629	\$ 277,226	\$ 286,097	\$ 295,252	\$ 4,353	\$ 4,492
	Admin/Operating Costs		\$ 53,251	\$ 54,955	\$ 56,713	\$ 25,083	\$ 25,886	\$ 26,714	\$ 27,569	\$ 28,452	\$ 419	\$ 433
	Total Costs		\$ 605,853	\$ 625,240	\$ 645,246	\$ 285,382	\$ 294,515	\$ 303,940	\$ 313,666	\$ 323,704	\$ 4,772	\$ 4,925
Merced County	Capital Costs	1%	\$ 10,047	\$ 10,369	\$ 10,701	\$ 4,733	\$ 4,884	\$ 5,040	\$ 5,202	\$ 5,368	\$ 79	\$ 82
	Admin/Operating Costs		\$ 1,005	\$ 1,037	\$ 1,070	\$ 473	\$ 488	\$ 504	\$ 520	\$ 537	\$ 8	\$ 8
	Total Costs		\$ 11,052	\$ 11,406	\$ 11,771	\$ 5,206	\$ 5,373	\$ 5,545	\$ 5,722	\$ 5,905	\$ 87	\$ 90
Triangle T WD	Capital Costs	14%	\$ 140,662	\$ 145,163	\$ 149,808	\$ 66,258	\$ 68,378	\$ 70,567	\$ 72,825	\$ 75,155	\$ 1,108	\$ 1,144
	Admin/Operating Costs		\$ 14,066	\$ 14,516	\$ 14,981	\$ 6,626	\$ 6,838	\$ 7,057	\$ 7,282	\$ 7,516	\$ 111	\$ 114
	Total Costs		\$ 154,728	\$ 159,680	\$ 164,789	\$ 72,884	\$ 75,216	\$ 77,623	\$ 80,107	\$ 82,671	\$ 1,219	\$ 1,258
Chowchilla WD	Capital Costs	30%	\$ 301,419	\$ 311,064	\$ 321,018	\$ 141,982	\$ 146,525	\$ 151,214	\$ 156,053	\$ 161,047	\$ 2,375	\$ 2,450
	Admin/Operating Costs		\$ 30,142	\$ 31,106	\$ 32,102	\$ 14,198	\$ 14,653	\$ 15,121	\$ 15,605	\$ 16,105	\$ 237	\$ 245
	Total Costs		\$ 331,561	\$ 342,171	\$ 353,120	\$ 156,180	\$ 161,178	\$ 166,336	\$ 171,658	\$ 177,151	\$ 2,612	\$ 2,695
	% Responsibility	100%										
	Total Capital Costs		\$ 1,004,730	\$ 1,036,881	\$ 1,070,060	\$ 473,272	\$ 488,417	\$ 504,047	\$ 520,175	\$ 536,823	\$ 7,915	\$ 8,168
	Total Admin/Operating Costs		\$ 98,464	\$ 101,615	\$ 104,866	\$ 46,380	\$ 47,865	\$ 49,396	\$ 50,977	\$ 52,609	\$ 775	\$ 801
	Total Costs		\$ 1,103,194	\$ 1,138,496	\$ 1,174,926	\$ 519,652	\$ 536,282	\$ 553,443	\$ 571,152	\$ 589,432	\$ 8,690	\$ 8,968

Notes:

¹ Proportionate share is as determined in a spreadsheet prepared by Davids Engineering titled Chowchilla_Historical_Projected_Water_Budget_Shortage dated May 21, 2021.

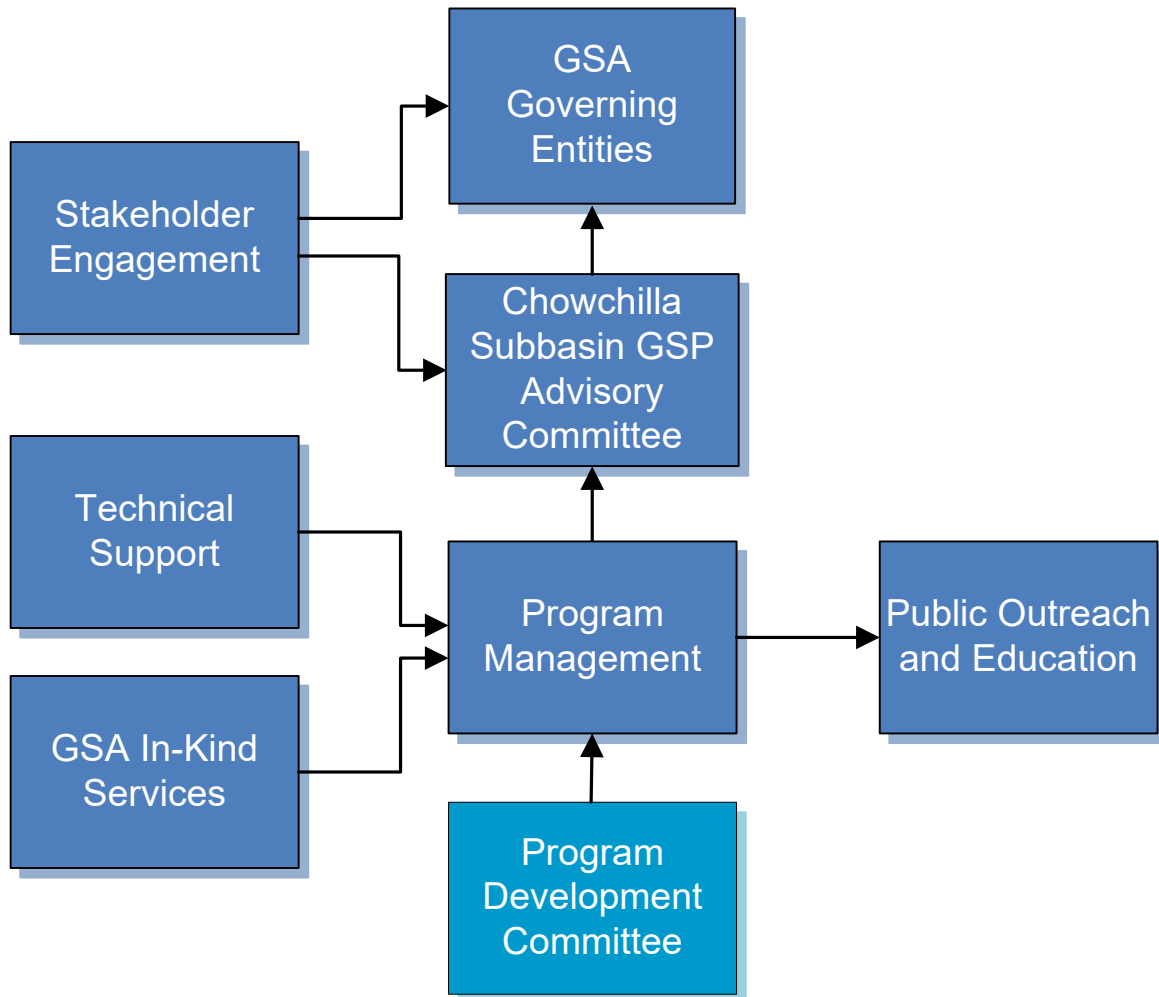
² Merced County, Triangle T WD, and Chowchilla WD GSA costs have been scaled from the Madera County GSA costs.

³ Sierra Vista MWC spans the Merced County GSA - Chowchilla area (1,300 ac) and part of the Madera County GSA - Chowchilla area (2,600 ac). Total Sierra Vista MWC average shortage is 2,700 AF. Using the acreage distribution previously noted, one-third of the average shortage has been assigned to Merced County and two-thirds has been assigned to Madera County. Merced County will bill Sierra Vista MWC for their proportionate share (1%) for lands within Merced County.

Exhibit D

Chowchilla Subbasin – Domestic Well Mitigation Program Organizational Structure

June 6, 2022

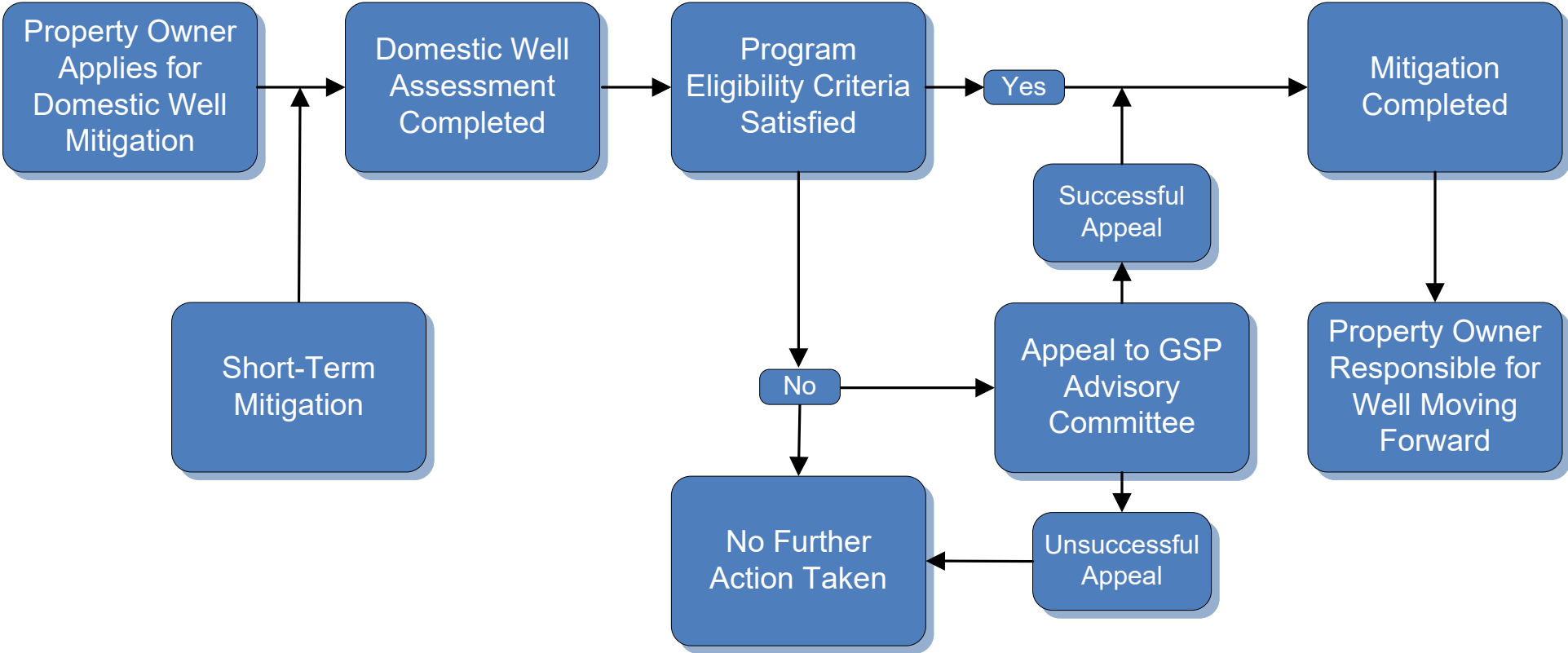


Notes:

1. That shown herein is subject to revision by the Parties.
2. Public Outreach and Engagement is a necessary component as outlined by Self-Help Enterprises, Leadership Counsel for Justice and Accountability, and the Community Water Center in their publication titled, "Framework for a Drinking Water Well Impact Mitigation Program."
3. The Chowchilla Subbasin GSP Advisory Committee is as defined and established under Section 3 of the Memorandum of Understanding with Respect to the Coordination, Cooperation and Cost Sharing in the Implementation of Chowchilla Subbasin Groundwater Sustainability Plan entered into by the Parties on December 17, 2019.

Exhibit E
Chowchilla Subbasin – Domestic Well Mitigation Program
Implementation Flowchart

June 6, 2022



Notes:

- 1. Steps shown herein are intended to demonstrate critical decision points and is not intended to be indicative of all steps that may be required.
- 2. That shown herein is subject to revision by the Parties.
- 3. The GSAs have reviewed and considered the content and recommendation set-for by Self-Help Enterprises, Leadership Counsel for Justice and Accountability, and the Community Water Center in their publication titled, "Framework for a Drinking Water Well Impact Mitigation Program."

Chowchilla Subbasin Domestic Well Mitigation Program
Memorandum of Understanding

SIGNED

Chowchilla Water District GSA

**MEMORANDUM OF UNDERSTANDING ESTABLISHING A DOMESTIC WELL MITIGATION
PROGRAM FOR THE CHOWCHILLA SUBBASIN OF THE SAN JOAQUIN VALLEY GROUNDWATER
BASIN**

This Memorandum of Understanding (“MOU”) is entered into this 13th day of July 2022 (the “Effective Date”), by and between the Chowchilla Water District GSA (Chowchilla WD), Madera County GSA – Chowchilla (Madera County), Merced County GSA – Chowchilla (Merced County), and Triangle T Water District GSA (Triangle T WD), collectively hereinafter referred to as the “Parties,” or individually as the “Party.”

RECITALS

- A. **WHEREAS**, groundwater and surface water resources within the Chowchilla Subbasin of the San Joaquin Valley Groundwater Basin (DWR Bulletin 118 No. 5-022.05) (Subbasin) are vitally important resources, in that they provide the foundation to maintain and fulfill current and future environmental, agricultural, domestic, municipal, and industrial needs, and to maintain the economic viability, prosperity, and sustainable management of the Subbasin; and
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County of Madera

_____ Date

Chowchilla Water District


Brandon Tomlinson

7/13/22

_____ Date

County of Merced

_____ Date

Triangle T Water District

_____ Date

EXHIBIT A

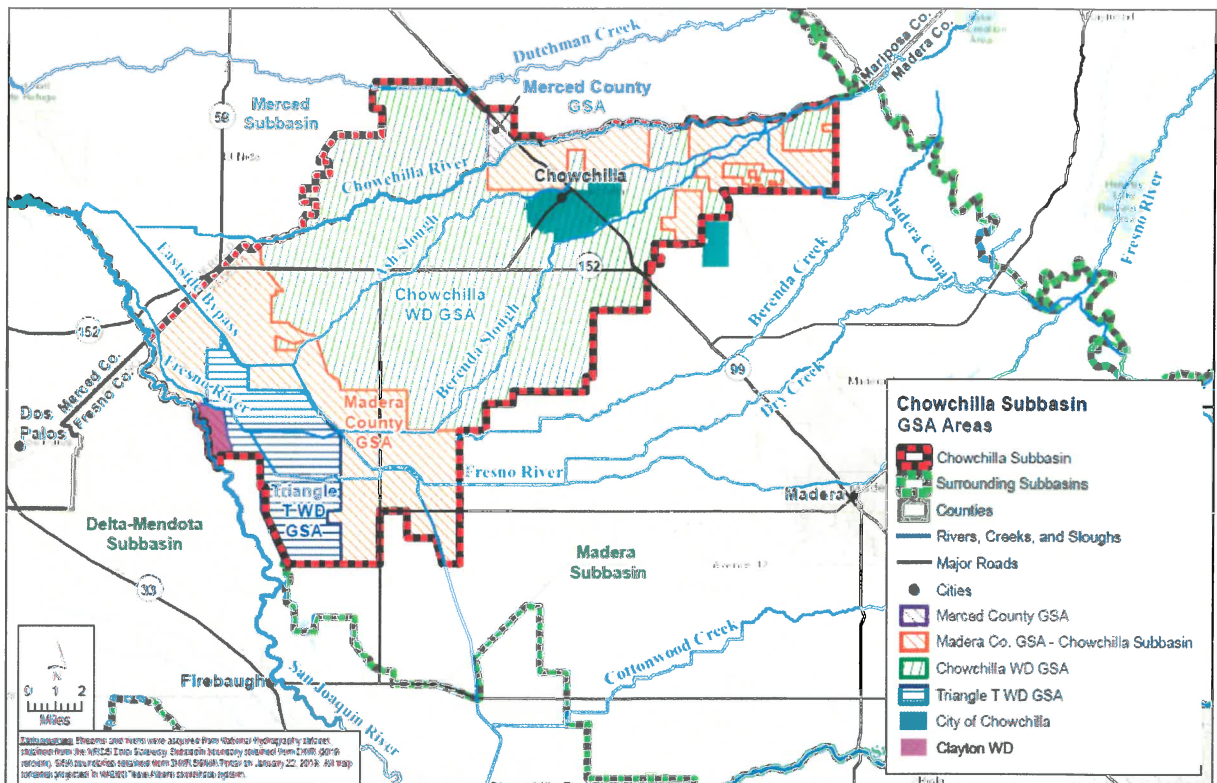


FIGURE ES-1

Chowchilla Subbasin GSA Map

Madera County - Chowchilla Subbasin
SGMA Data Collection and Analysis



EXHIBIT B

GSA	Average Shortage (AF) ¹	Net Recharge (AF) ²	Proportionate Share (%)
Chowchilla WD	22800	-22800	30%
Madera County ³	39700	-39700	53%
Madera County - Sierra Vista MWC ⁴	1800	-1800	2%
Merced County - Sierra Vista MWC ⁴	900	-900	1%
Triangle T WD	10200	-10200	14%
Subbasin Totals =	75400	-75400	100%

Notes:

¹ Average Shortage is defined as groundwater extraction minus total recharge from the SWS (deep percolation and seepage), thus a positive value indicates more water is taken from a subbasin than is recharging from the surface. This is equivalent to the inverse of Net Recharge from SWS as defined in some presentations and documents.

² Net Recharge is defined as total recharge minus groundwater extraction, thus a positive value indicates that more water is recharged from the surface than is taken from the surface.

³ Net Recharge summarized from the Madera County - East and Madera County West subregion water budgets developed for the Chowchilla Subbasin GSP.

⁴ Sierra Vista MWC spans the Merced County GSA - Chowchilla area (1,300 ac) and part of the Madera County GSA - Chowchilla area (2,600 ac). Total Sierra Vista MWC average shortage is 2,700 AF. Using the acreage distribution previously noted, one-third of the average shortage has been assigned to Merced County and two-thirds has been assigned to Madera County. Merced County will bill Sierra Vista MWC for their proportionate share (1%) for lands within Merced County.

EXHIBIT C

GSA ^{2,3}	Description	Proportionate Share ¹	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030	FYE 2031	FYE 2032
Madera County	Capital Costs	55%	\$ 552,602	\$ 570,285	\$ 588,533	\$ 260,299	\$ 268,629	\$ 277,226	\$ 286,097	\$ 295,252	\$ 4,353	\$ 4,492
	Admin/Operating Costs		\$ 53,251	\$ 54,955	\$ 56,713	\$ 25,083	\$ 25,886	\$ 26,714	\$ 27,569	\$ 28,452	\$ 419	\$ 433
	Total Costs		\$ 605,853	\$ 625,240	\$ 645,246	\$ 285,382	\$ 294,515	\$ 303,940	\$ 313,666	\$ 323,704	\$ 4,772	\$ 4,925
Merced County	Capital Costs	1%	\$ 10,047	\$ 10,369	\$ 10,701	\$ 4,733	\$ 4,884	\$ 5,040	\$ 5,202	\$ 5,368	\$ 79	\$ 82
	Admin/Operating Costs		\$ 1,005	\$ 1,037	\$ 1,070	\$ 473	\$ 488	\$ 504	\$ 520	\$ 537	\$ 8	\$ 8
	Total Costs		\$ 11,052	\$ 11,406	\$ 11,771	\$ 5,206	\$ 5,373	\$ 5,545	\$ 5,722	\$ 5,905	\$ 87	\$ 90
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	% Responsibility	100%										
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	Total Costs		\$ 1,103,194	\$ 1,138,496	\$ 1,174,926	\$ 519,652	\$ 536,282	\$ 553,443	\$ 571,152	\$ 589,432	\$ 8,690	\$ 8,968

Notes:

¹ Proportionate share is as determined in a spreadsheet prepared by Davids Engineering titled Chowchilla_Historical_Projected_Water_Budget_Shortate dated May 21, 2021.

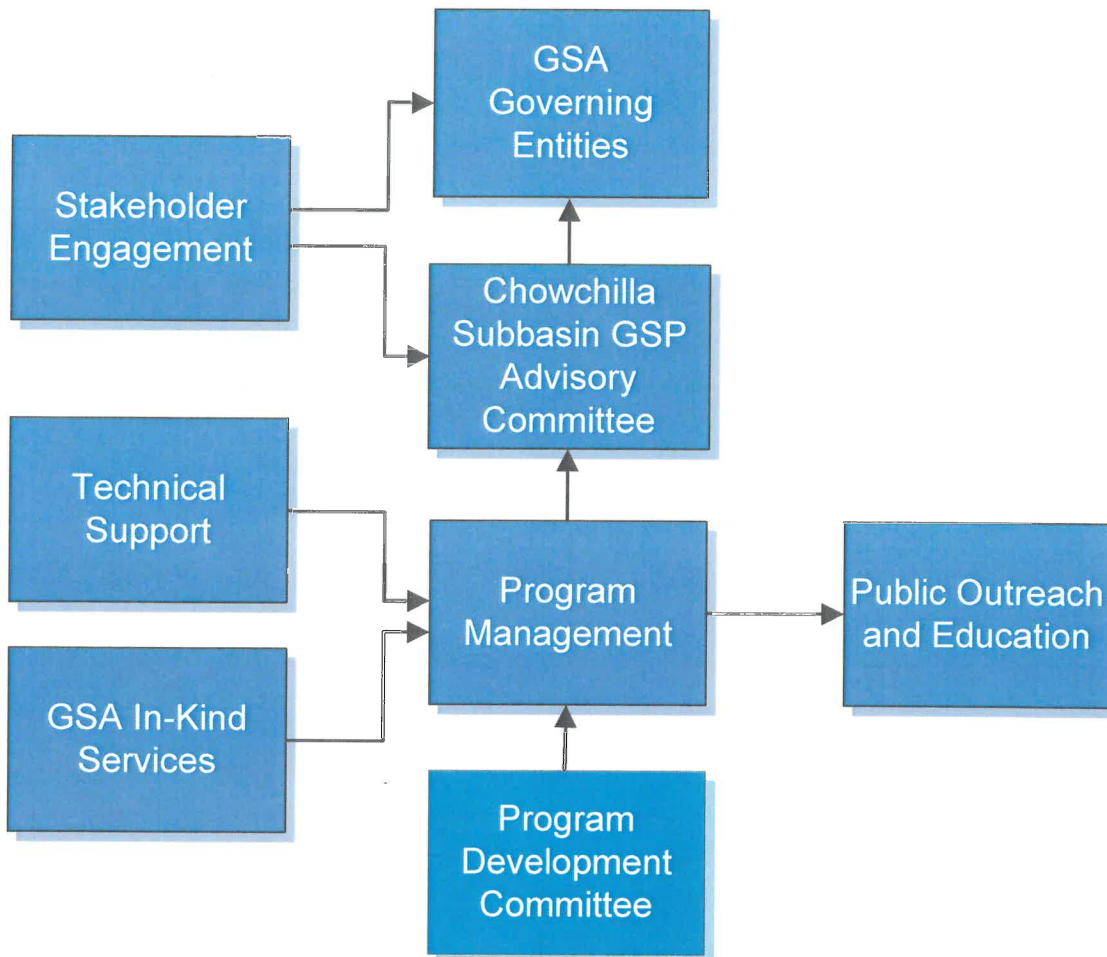
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³ Sierra Vista MWC spans the Merced County GSA - Chowchilla area (1,300 ac) and part of the Madera County GSA - Chowchilla area (2,600 ac). Total Sierra Vista MWC average shortage is 2,700 AF. Using the acreage distribution previously noted, one-third of the average shortage has been assigned to Merced County and two-thirds has been assigned to Madera County. Merced County will bill Sierra Vista MWC for their proportionate share (1%) for lands within Merced County.

Exhibit D

Chowchilla Subbasin – Domestic Well Mitigation Program Organizational Structure

June 6, 2022

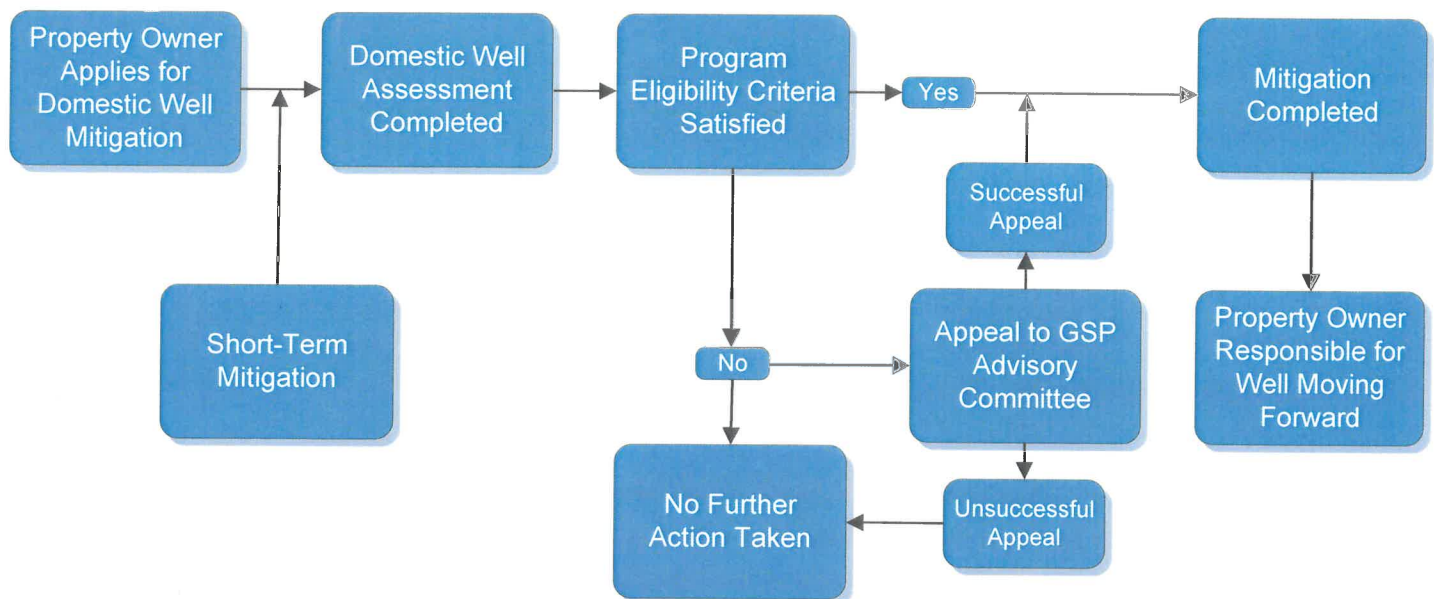


Notes:

1. That shown herein is subject to revision by the Parties.
2. Public Outreach and Engagement is a necessary component as outlined by Self-Help Enterprises, Leadership Counsel for Justice and Accountability, and the Community Water Center in their publication titled, "Framework for a Drinking Water Well Impact Mitigation Program."
3. The Chowchilla Subbasin GSP Advisory Committee is as defined and established under Section 3 of the Memorandum of Understanding with Respect to the Coordination, Cooperation and Cost Sharing in the Implementation of Chowchilla Subbasin Groundwater Sustainability Plan entered into by the Parties on December 17, 2019.

Exhibit E
Chowchilla Subbasin – Domestic Well Mitigation Program
Implementation Flowchart

June 6, 2022



Notes:

1. Steps shown herein are intended to demonstrate critical decision points and is not intended to be indicative of all steps that may be required.
2. That shown herein is subject to revision by the Parties.
3. The GSAs have reviewed and considered the content and recommendation set-for by Self-Help Enterprises, Leadership Counsel for Justice and Accountability, and the Community Water Center in their publication titled, "Framework for a Drinking Water Well Impact Mitigation Program."

County of Merced GSA - Chowchilla

**MEMORANDUM OF UNDERSTANDING ESTABLISHING A DOMESTIC WELL MITIGATION
PROGRAM FOR THE CHOWCHILLA SUBBASIN OF THE SAN JOAQUIN VALLEY GROUNDWATER
BASIN**

This Memorandum of Understanding (“MOU”) is entered into this 19th day of July, 2022 (the “Effective Date”), by and between the Chowchilla Water District GSA (Chowchilla WD), Madera County GSA – Chowchilla (Madera County), Merced County GSA – Chowchilla (Merced County), and Triangle T Water District GSA (Triangle T WD), collectively hereinafter referred to as the “Parties,” or individually as the “Party.”

RECITALS

- A. **WHEREAS**, groundwater and surface water resources within the Chowchilla Subbasin of the San Joaquin Valley Groundwater Basin (DWR Bulletin 118 No. 5-022.05) (Subbasin) are vitally important resources, in that they provide the foundation to maintain and fulfill current and future environmental, agricultural, domestic, municipal, and industrial needs, and to maintain the economic viability, prosperity, and sustainable management of the Subbasin; and
- B. **WHEREAS**, agriculture has been prominent in making Madera County and Merced County one of the world’s foremost agricultural areas and plays a major role in the economy of both Madera County and Merced County; and
- C. **WHEREAS**, in 2014 the California Legislature passed a statewide framework for sustainable groundwater management, known as the Sustainable Groundwater Management Act, California Water Code § 10720-10737.8 (SGMA), pursuant to Senate Bill 1168, Senate Bill 1319, and Assembly Bill 1739, which was approved by the Governor on September 16, 2014. and went into effect on January 1, 2015; and
- D. **WHEREAS**, the Subbasin has been designated by the California Department of Water Resources (DWR) as a high-priority subbasin in a condition of critical groundwater overdraft and is subject to the requirements of SGMA; and
- E. **WHEREAS**, SGMA requires that all medium and high priority groundwater basins in California be managed by a Groundwater Sustainability Agency (GSA), or multiple GSAs, and that such management be implemented pursuant to an approved Groundwater Sustainability Plan (GSP), or multiple GSPs; and
- F. **WHEREAS**, in accordance with Resolution No. 2016-17, Chowchilla Water District elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit A; and
- G. **WHEREAS**, in accordance with Resolution No. 2017-014, the County of Madera elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit A; and

- H. **WHEREAS**, in accordance with Resolution No. 2017-15, County of Merced elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit A; and
- I. **WHEREAS**, in accordance with Resolution No. 17-7, Triangle T Water District elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit A; and
- J. **WHEREAS**, on January 29, 2020, the Parties submitted a GSP to DWR; and
- K. **WHEREAS**, the Parties agree, and as SGMA allows, a transition to sustainability over the 20-year GSP Implementation Period is in the best overall interest of the Subbasin, although this approach is expected to result in some continued groundwater level declines during the GSP Implementation Period; and
- L. **WHEREAS**, the Parties agree that for the purposes of this MOU, "Domestic Wells" shall be limited to individual private domestic wells.
- M. **WHEREAS**, the Parties agree that as a result of the continued decline in groundwater levels anticipated to occur over the GSP Implementation Period, there may be adverse impacts to some domestic wells in the Subbasin.
- N. **WHEREAS**, the Parties have reviewed and considered the content and recommendations set-forth by Self-Help Enterprises, Leadership Counsel for Justice and Accountability, and the Community Water Center in their publication titled, "Framework for a Drinking Water Well Impact Mitigation Program."
- O. **NOW, THEREFORE**, in consideration of the mutual promises, covenants and conditions contained herein and these Recitals, which are hereby incorporated herein by this reference, the Parties agree to mitigate for domestic well impacts resulting from declining groundwater levels that occur from groundwater management activities outlined in the GSP through creation and implementation of a Domestic Well Mitigation Program (Program) as follows:

AGREEMENT

1. **PROPORTIONATE SHARE.** The Parties agree to fund the Program on a proportional basis consistent with that set-forth in Exhibit B. Each Party shall be responsible for its proportionate share of the funding requirements.
2. **FUNDING.** The Parties agree to fund the Program on an annual basis consistent with Section 9 set-forth herein. Estimated expenses through 2032 are set-forth in Exhibit C. Expenses for 2033 through 2040, or as may required until groundwater sustainability is achieved, shall be recommended by the GSP Advisory Committee and approved by the Parties no later than December 31, 2030.

3. **ACCOUNTING.** Annual funding shall be placed in an interest-bearing account managed by one of Parties.
4. **PROGRAM DEVELOPMENT COMMITTEE.** The Parties shall establish a Program Development Committee (Committee) that will oversee Program development consistent with Section 11. The Committee shall include at least one technical staff representative from each of the Parties. Decisions of the Committee shall be made through simple majority of the Committee. The Committee shall cease to exist upon the start date of the Program as set-forth in Section 10.
5. **PROGRAM ORGANIZATIONAL STRUCTURE.** Unless otherwise amended and approved by the Parties, the Program organizational structure shall be as shown in Exhibit D.
6. **BUDGET CYCLE.** The budget cycle of the Program shall be on a calendar year basis.
7. **BUDGET REVIEW.** Not less than once per year, the Parties shall convene a meeting of the GSP Advisory Committee to review Program implementation progress in that year and plan for Program implementation in the subsequent year.
8. **IN-KIND SERVICES.** Each Party is likely to provide in-kind services and subsequently incur in-kind costs as part of continued program development and management. Said costs shall be the responsibility of each Party unless otherwise agreed to by the Parties.
9. **FAILURE TO PAY.** The Parties recognize that any Party's failure to pay its respective share of any Annual Budget or budget increase when due, whether or not that Party's Governing Body approved the Annual Budget or the budget increase, places the Subbasin in jeopardy of being subject to intervention by the State Water Resources Control Board (SWRCB), including being designated on probationary status, and being subject to an interim plan promulgated by the SWRCB. Recognizing the importance of this Program, the parties agree to the following potential actions should any Party fail to pay consistent with this Section 9:
 - a. The Party that fails to pay shall be ineligible to vote on any subject or issue unless such failure is excused by the Committee through formal action and majority approval of the Committee. During any period of time during which a Party is ineligible to vote on a matter by reason of the application of this Section 9, such Party shall not be counted as a Party in determining a quorum, or in determining a "majority" with regard to the approval of any action. In order to restore its eligibility to vote, a Party must be current on all amounts due, including any expenditures approved by the Committee while such Party was ineligible to vote.

- b. Failure to pay shall be explicitly noted in the Annual Report for the Subbasin.
 - c. Within 10 days after such failure to pay, the Parties shall attempt in good faith to resolve the dispute through informal means for a period of 30 days. If the Parties, through informal means, cannot agree upon a resolution of the failure to pay within 30 days, the Parties shall submit the dispute to mediation prior to commencement of legal action. The cost of mediation shall be split equally between the Parties. Upon completion of mediation and if the dispute has not been resolved, any Party may exercise any and all rights to bring a legal action relating to the dispute.
10. **TERM.** The Program shall begin no later than January 1, 2023, shall cover eligible mitigation as of January 31, 2020, and shall continue for the duration of the GSP Implementation Period or until groundwater sustainability is achieved.
11. **PROGRAM ELIGIBILITY AND TERMS AND CONDITIONS.** The Parties agree to develop Program eligibility and terms and conditions for Program implementation as generally defined in Exhibit E. Said eligibility and terms and conditions shall include, but shall not be limited to:
- a. Definitions
 - b. Property eligibility
 - c. Property owner eligibility
 - d. Program application process
 - e. Preferred contractors
 - f. Preliminary inspection process
 - g. Program form development
 - h. Priority
 - i. Eligible mitigation
 - j. Non-eligible mitigation
 - k. Maximum mitigation award
 - l. Recordation of mitigation award
12. **PROGRAM MANAGEMENT.** Program management shall be facilitated by one of the Parties. If one of the Parties doesn't elect to program management duties and through recommendation of the GSP Advisory Committee and approval of the Parties, Program management shall be facilitated through a third party.
13. **ENVIRONMENTAL REVIEW.** The Parties agree to cooperatively complete any environmental review as may be determined necessary for Program implementation. Any costs associated with environmental review shall be per the proportionate share as set-forth in this MOU.

14. **OTHER COSTS.** Any and all other costs not specifically included in this MOU shall be attributed to the Parties per the proportionate share as set-forth in this MOU.
15. **NOTICES.** All notices required or permitted by the MOU shall be made in writing, and may be delivered in person (by hand or by courier) or may be sent regular, certified, or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, or by electronic transmission (email) and shall be deemed sufficiently given if served in a manner specified in this Section 16. The addresses and addressees noted below are the Party's designated address and addressee for deliver or mailing notices.

To Madera County: County of Madera
Stephanie Anagnoson
200 W 4th Street, 4th Floor
Madera, CA 93637

To Chowchilla WD: Chowchilla Water District
Brandon Tomlinson
327 South Chowchilla Blvd.
Chowchilla, CA 93610

To Merced County: County of Merced
Lacey McBride
2222 M Street
Merced, CA 95340

To Triangle T WD: Triangle T Water District
Brad Samuelson
P.O. Box 2657
Los Banos, CA 93635

Any Party may, by written notice to each of the other Parties, specify a different address for notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, three days after the postmark date. If sent by regular mail, the notice shall be deemed given 48 hours after it is addressed as required in this section and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed given 24 hours after delivery to the Postal Service or overnight courier. Notices transmitted by facsimile transmission or similar means (including email) shall be deemed delivered upon telephone or similar confirmation of delivery (confirmation report from fax machine is sufficient), provided a copy is also delivered via personal delivery or mail. If notice is received after 4:00 p.m. or on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

IN WITNESS WHEREOF, the Parties have caused this MOU to be executed, each signatory hereto represents that he/she has been appropriately authorized to enter into this MOU on behalf of the Party whom he/she signs.

County of Madera

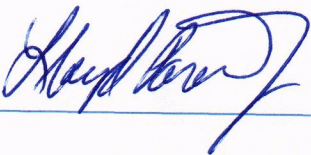
_____ Date

Chowchilla Water District

_____ Brandon Tomlinson

_____ Date

County of Merced

_____ 


_____ JUL 19 2022
Date

Triangle T Water District

_____ Date

APPROVED AS TO LEGAL FORM:

FORREST W. HANSEN
MERCED COUNTY COUNSEL

BY: 

Jeffrey B. Grant

EXHIBIT A

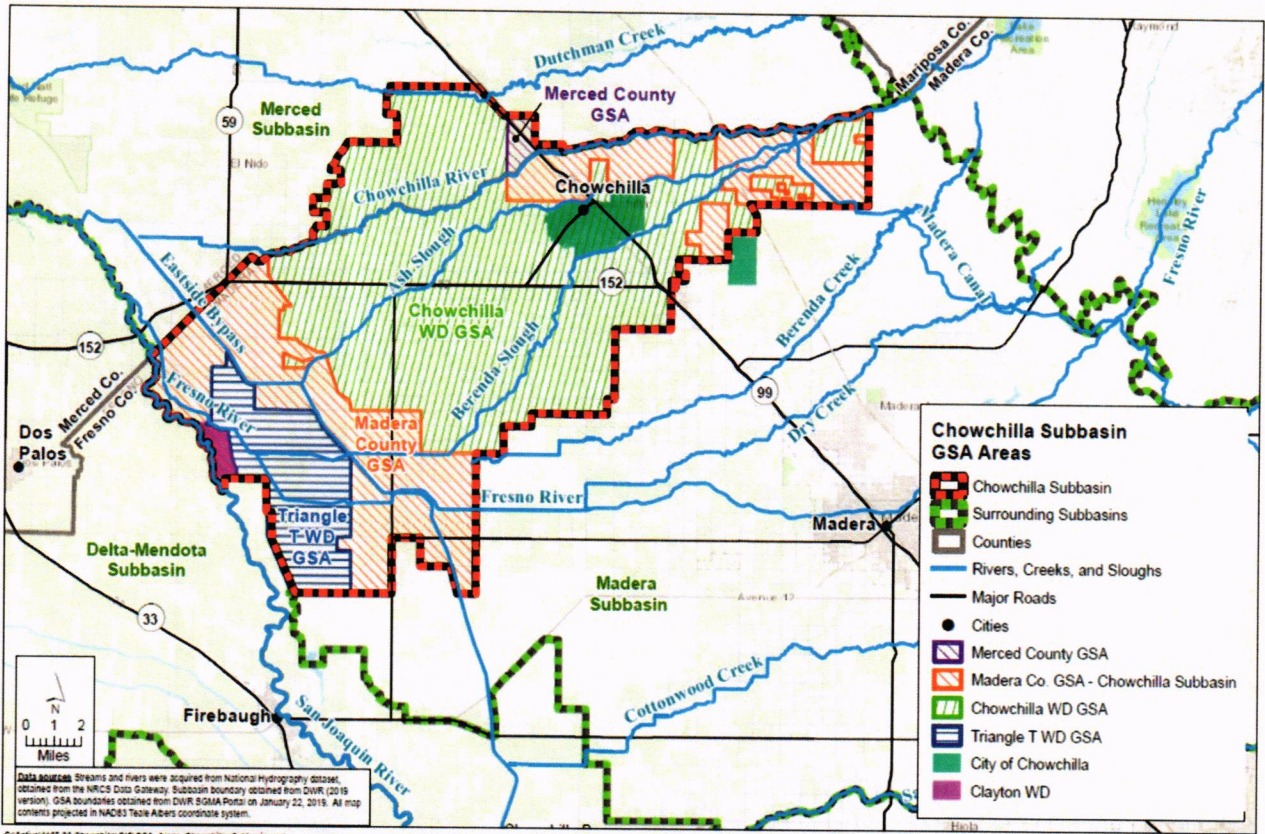


FIGURE ES-1

Chowchilla Subbasin GSA Map

Madera County - Chowchilla Subbasin
SGMA Data Collection and Analysis

EXHIBIT B

GSA	Average Shortage (AF) ¹	Net Recharge (AF) ²	Proportionate Share (%)
Chowchilla WD	22800	-22800	30%
Madera County ³	39700	-39700	53%
Madera County - Sierra Vista MWC ⁴	1800	-1800	2%
Merced County - Sierra Vista MWC ⁴	900	-900	1%
Triangle T WD	10200	-10200	14%
Subbasin Totals =	75400	-75400	100%

Notes:

¹ Average Shortage is defined as groundwater extraction minus total recharge from the SWS (deep percolation and seepage), thus a positive value indicates more water is taken from a subbasin than is recharging from the surface. This is equivalent to the inverse of Net Recharge from SWS as defined in some presentations and documents.

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EXHIBIT C

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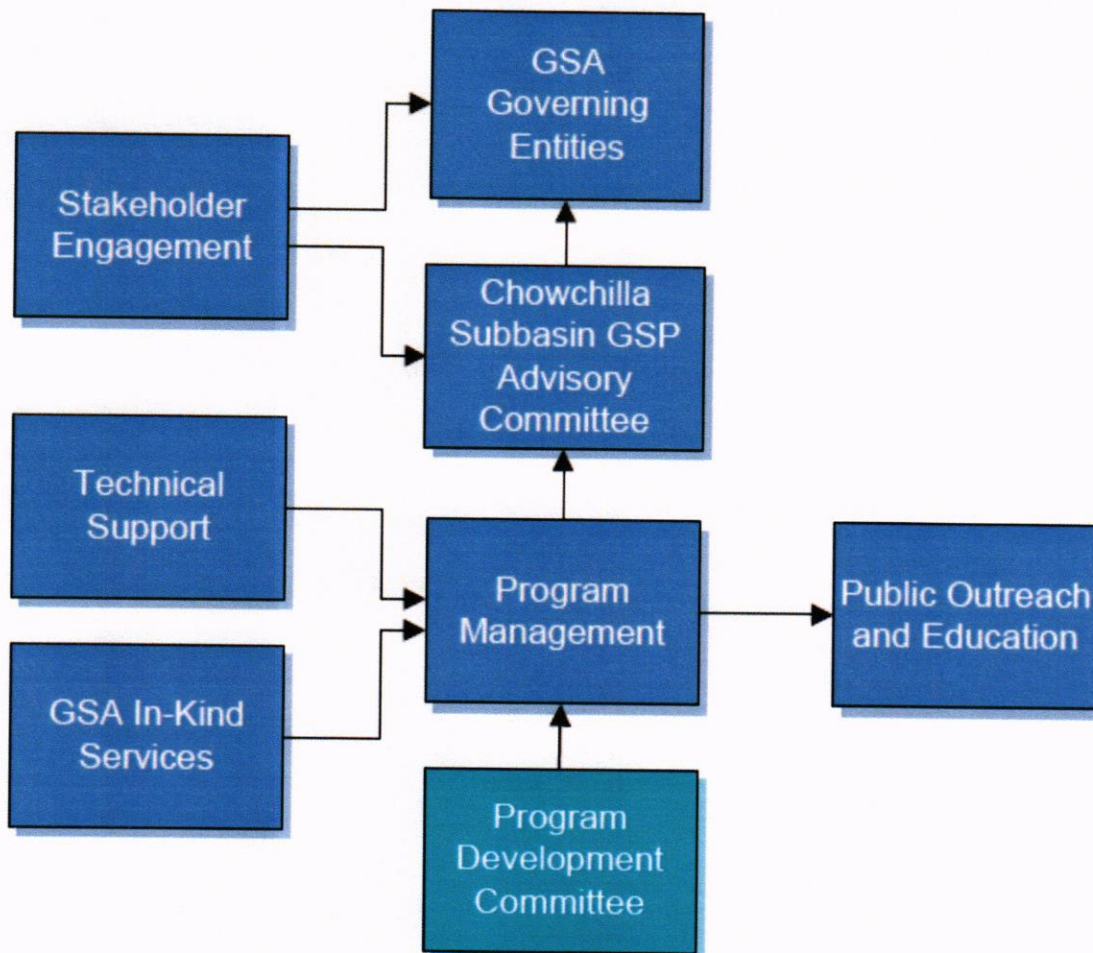
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Exhibit D Chowchilla Subbasin – Domestic Well Mitigation Program Organizational Structure

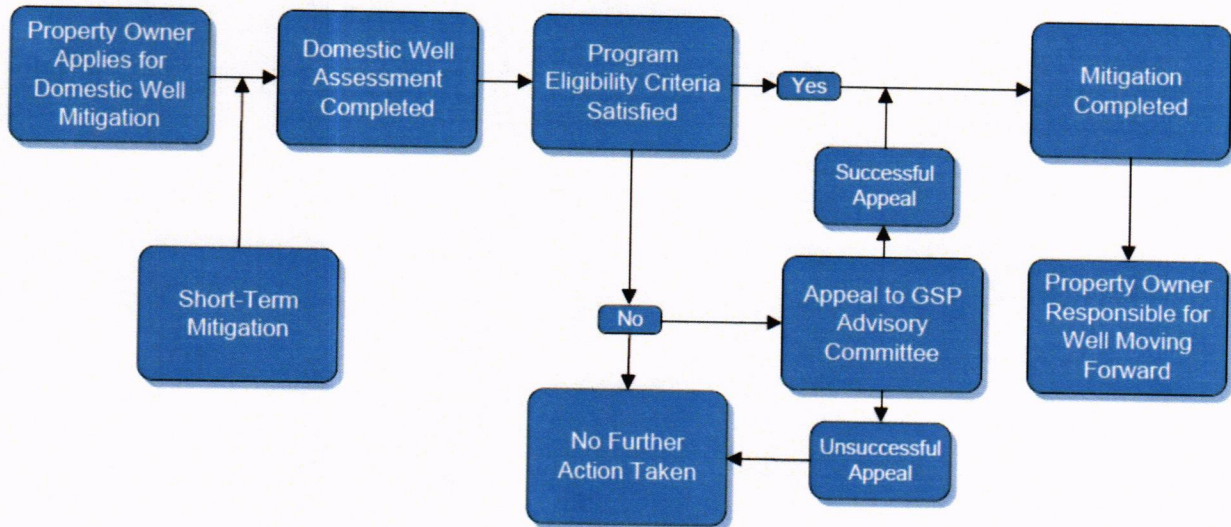
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3. The Chowchilla Subbasin GSP Advisory Committee is as defined and established under Section 3 of the Memorandum of Understanding with Respect to the Coordination, Cooperation and Cost Sharing in the Implementation of Chowchilla Subbasin Groundwater Sustainability Plan entered into by the Parties on December 17, 2019.

Exhibit E
Chowchilla Subbasin – Domestic Well Mitigation Program
Implementation Flowchart
 June 6, 2022



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2. That shown herein is subject to revision by the Parties.
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Triangle T Water District GSA

MEMORANDUM OF UNDERSTANDING ESTABLISHING A DOMESTIC WELL MITIGATION PROGRAM FOR THE CHOWCHILLA SUBBASIN OF THE SAN JOAQUIN VALLEY GROUNDWATER BASIN

This Memorandum of Understanding (“MOU”) is entered into this ___ day of _____ 2022 (the “Effective Date”), by and between the Chowchilla Water District GSA (Chowchilla WD), Madera County GSA – Chowchilla (Madera County), Merced County GSA – Chowchilla (Merced County), and Triangle T Water District GSA (Triangle T WD), collectively hereinafter referred to as the “Parties,” or individually as the “Party.”

RECITALS

- A. **WHEREAS**, groundwater and surface water resources within the Chowchilla Subbasin of the San Joaquin Valley Groundwater Basin (DWR Bulletin 118 No. 5-022.05) (Subbasin) are vitally important resources, in that they provide the foundation to maintain and fulfill current and future environmental, agricultural, domestic, municipal, and industrial needs, and to maintain the economic viability, prosperity, and sustainable management of the Subbasin; and
- B. **WHEREAS**, agriculture has been prominent in making Madera County and Merced County one of the world’s foremost agricultural areas and plays a major role in the economy of both Madera County and Merced County; and
- C. **WHEREAS**, in 2014 the California Legislature passed a statewide framework for sustainable groundwater management, known as the Sustainable Groundwater Management Act, California Water Code § 10720-10737.8 (SGMA), pursuant to Senate Bill 1168, Senate Bill 1319, and Assembly Bill 1739, which was approved by the Governor on September 16, 2014. and went into effect on January 1, 2015; and
- D. **WHEREAS**, the Subbasin has been designated by the California Department of Water Resources (DWR) as a high-priority subbasin in a condition of critical groundwater overdraft and is subject to the requirements of SGMA; and
- E. **WHEREAS**, SGMA requires that all medium and high priority groundwater basins in California be managed by a Groundwater Sustainability Agency (GSA), or multiple GSAs, and that such management be implemented pursuant to an approved Groundwater Sustainability Plan (GSP), or multiple GSPs; and
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- I. **WHEREAS**, in accordance with Resolution No. 17-7, Triangle T Water District elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit A; and
- J. **WHEREAS**, on January 29, 2020, the Parties submitted a GSP to DWR; and
- K. **WHEREAS**, the Parties agree, and as SGMA allows, a transition to sustainability over the 20-year GSP Implementation Period is in the best overall interest of the Subbasin, although this approach is expected to result in some continued groundwater level declines during the GSP Implementation Period; and
- L. **WHEREAS**, the Parties agree that for the purposes of this MOU, "Domestic Wells" shall be limited to individual private domestic wells.
- M. **WHEREAS**, the Parties agree that as a result of the continued decline in groundwater levels anticipated to occur over the GSP Implementation Period, there may be adverse impacts to some domestic wells in the Subbasin.
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2. **FUNDING.** The Parties agree to fund the Program on an annual basis consistent with Section 9 set-forth herein. Estimated expenses through 2032 are set-forth in Exhibit C. Expenses for 2033 through 2040, or as may required until groundwater sustainability is achieved, shall be recommended by the GSP Advisory Committee and approved by the Parties no later than December 31, 2030.

3. **ACCOUNTING.** Annual funding shall be placed in an interest-bearing account managed by one of Parties.
4. **PROGRAM DEVELOPMENT COMMITTEE.** The Parties shall establish a Program Development Committee (Committee) that will oversee Program development consistent with Section 11. The Committee shall include at least one technical staff representative from each of the Parties. Decisions of the Committee shall be made through simple majority of the Committee. The Committee shall cease to exist upon the start date of the Program as set-forth in Section 10.
5. **PROGRAM ORGANIZATIONAL STRUCTURE.** Unless otherwise amended and approved by the Parties, the Program organizational structure shall be as shown in Exhibit D.
6. **BUDGET CYCLE.** The budget cycle of the Program shall be on a calendar year basis.
7. **BUDGET REVIEW.** Not less than once per year, the Parties shall convene a meeting of the GSP Advisory Committee to review Program implementation progress in that year and plan for Program implementation in the subsequent year.
8. **IN-KIND SERVICES.** Each Party is likely to provide in-kind services and subsequently incur in-kind costs as part of continued program development and management. Said costs shall be the responsibility of each Party unless otherwise agreed to by the Parties.
9. **FAILURE TO PAY.** The Parties recognize that any Party's failure to pay its respective share of any Annual Budget or budget increase when due, whether or not that Party's Governing Body approved the Annual Budget or the budget increase, places the Subbasin in jeopardy of being subject to intervention by the State Water Resources Control Board (SWRCB), including being designated on probationary status, and being subject to an interim plan promulgated by the SWRCB. Recognizing the importance of this Program, the parties agree to the following potential actions should any Party fail to pay consistent with this Section 9:
 - a. The Party that fails to pay shall be ineligible to vote on any subject or issue unless such failure is excused by the Committee through formal action and majority approval of the Committee. During any period of time during which a Party is ineligible to vote on a matter by reason of the application of this Section 9, such Party shall not be counted as a Party in determining a quorum, or in determining a "majority" with regard to the approval of any action. In order to restore its eligibility to vote, a Party must be current on all amounts due, including any expenditures approved by the Committee while such Party was ineligible to vote.

- b. Failure to pay shall be explicitly noted in the Annual Report for the Subbasin.
- c. Within 10 days after such failure to pay, the Parties shall attempt in good faith to resolve the dispute through informal means for a period of 30 days. If the Parties, through informal means, cannot agree upon a resolution of the failure to pay within 30 days, the Parties shall submit the dispute to mediation prior to commencement of legal action. The cost of mediation shall be split equally between the Parties. Upon completion of mediation and if the dispute has not been resolved, any Party may exercise any and all rights to bring a legal action relating to the dispute.

10. **TERM.** The Program shall begin no later than January 1, 2023, shall cover eligible mitigation as of January 31, 2020, and shall continue for the duration of the GSP Implementation Period or until groundwater sustainability is achieved.

11. **PROGRAM ELIGIBILITY AND TERMS AND CONDITIONS.** The Parties agree to develop Program eligibility and terms and conditions for Program implementation as generally defined in Exhibit E. Said eligibility and terms and conditions shall include, but shall not be limited to:

- a. Definitions
- b. Property eligibility
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14. **OTHER COSTS.** Any and all other costs not specifically included in this MOU shall be attributed to the Parties per the proportionate share as set-forth in this MOU.
15. **NOTICES.** All notices required or permitted by the MOU shall be made in writing, and may be delivered in person (by hand or by courier) or may be sent regular, certified, or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, or by electronic transmission (email) and shall be deemed sufficiently given if served in a manner specified in this Section 16. The addresses and addressees noted below are the Party's designated address and addressee for deliver or mailing notices.

To Madera County: County of Madera
Stephanie Anagnoson
200 W 4th Street, 4th Floor
Madera, CA 93637

To Chowchilla WD: Chowchilla Water District
Brandon Tomlinson
327 South Chowchilla Blvd.
Chowchilla, CA 93610

To Merced County: County of Merced
Lacey McBride
2222 M Street
Merced, CA 95340

To Triangle T WD: Triangle T Water District
Brad Samuelson
P.O. Box 2657
Los Banos, CA 93635

Any Party may, by written notice to each of the other Parties, specify a different address for notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, three days after the postmark date. If sent by regular mail, the notice shall be deemed given 48 hours after it is addressed as required in this section and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed given 24 hours after delivery to the Postal Service or overnight courier. Notices transmitted by facsimile transmission or similar means (including email) shall be deemed delivered upon telephone or similar confirmation of delivery (confirmation report from fax machine is sufficient), provided a copy is also delivered via personal delivery or mail. If notice is received after 4:00 p.m. or on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

IN WITNESS WHEREOF, the Parties have caused this MOU to be executed, each signatory hereto represents that he/she has been appropriately authorized to enter into this MOU on behalf of the Party whom he/she signs.

County of Madera

_____ Date

Chowchilla Water District

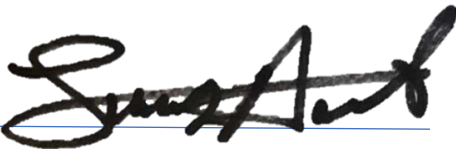
_____ Brandon Tomlinson

_____ Date

County of Merced

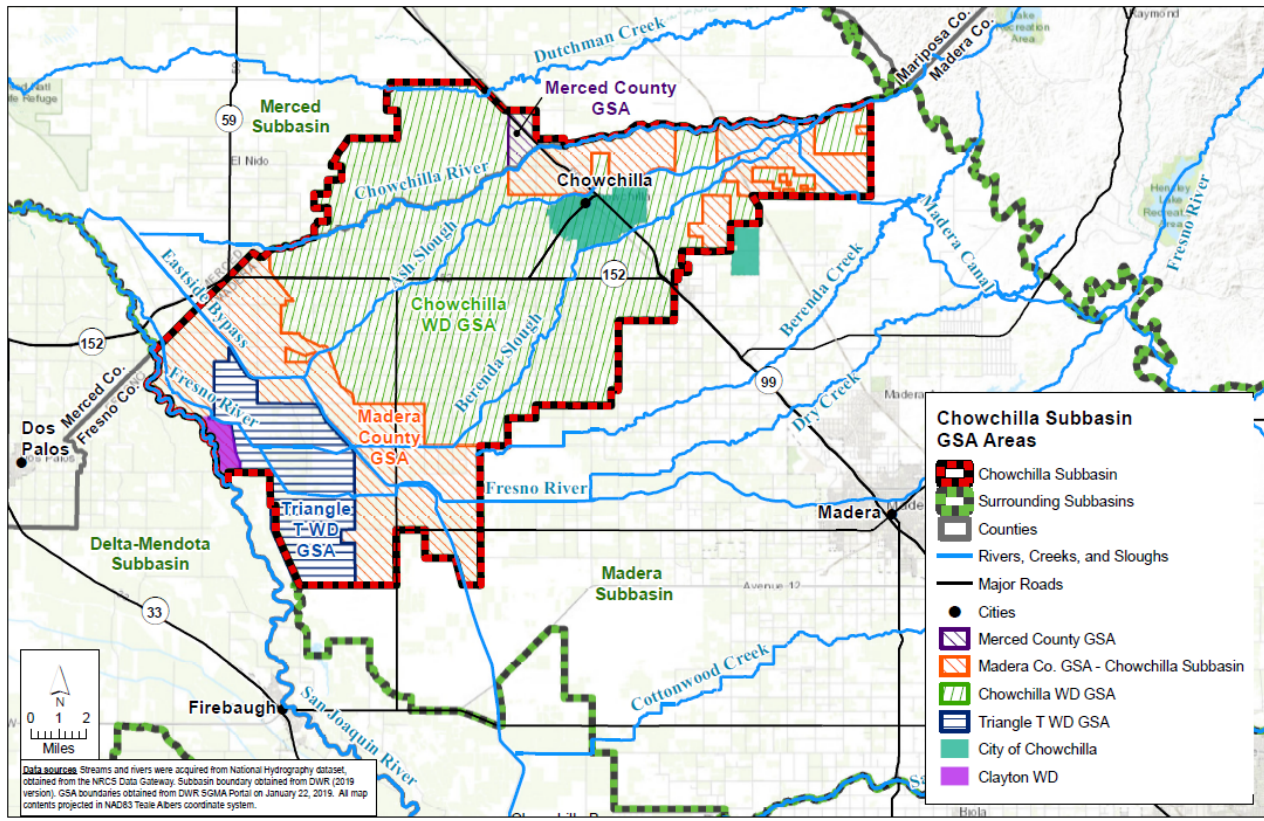
_____ Date

Triangle T Water District

_____ 

07/14/2022
_____ Date

EXHIBIT A



C:\Active\1165_06 Chowchilla\GIS\GSA Areas_Chowchilla_Subbasin.mxd

DAVIDS
ENGINEERING, INC.
www.davidsengineering.com

LUHDOFF & SCALMANINI
CONSULTING ENGINEERS

FIGURE ES-1

Chowchilla Subbasin GSA Map

Madera County - Chowchilla Subbasin
SGMA Data Collection and Analysis

EXHIBIT B

GSA	Average Shortage (AF) ¹	Net Recharge (AF) ²	Proportionate Share (%)
Chowchilla WD	22800	-22800	30%
Madera County ³	39700	-39700	53%
Madera County - Sierra Vista MWC ⁴	1800	-1800	2%
Merced County - Sierra Vista MWC ⁴	900	-900	1%
Triangle T WD	10200	-10200	14%
Subbasin Totals =	75400	-75400	100%

Notes:

¹ Average Shortage is defined as groundwater extraction minus total recharge from the SWS (deep percolation and seepage), thus a positive value indicates more water is taken from a subbasin than is recharging from the surface. This is equivalent to the inverse of Net Recharge from SWS as defined in some presentations and documents.

² Net Recharge is defined as total recharge minus groundwater extraction, thus a positive value indicates that more water is recharged from the surface than is taken from the surface.

³ Net Recharge summarized from the Madera County - East and Madera County West subregion water budgets developed for the Chowchilla Subbasin GSP.

⁴ Sierra Vista MWC spans the Merced County GSA - Chowchilla area (1,300 ac) and part of the Madera County GSA - Chowchilla area (2,600 ac). Total Sierra Vista MWC average shortage is 2,700 AF. Using the acreage distribution previously noted, one-third of the average shortage has been assigned to Merced County and two-thirds has been assigned to Madera County. Merced County will bill Sierra Vista MWC for their proportionate share (1%) for lands within Merced County.

EXHIBIT C

GSA ^{2,3}	Description	Proportionate Share ¹	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030	FYE 2031	FYE 2032
Madera County	Capital Costs	55%	\$ 552,602	\$ 570,285	\$ 588,533	\$ 260,299	\$ 268,629	\$ 277,226	\$ 286,097	\$ 295,252	\$ 4,353	\$ 4,492
	Admin/Operating Costs		\$ 53,251	\$ 54,955	\$ 56,713	\$ 25,083	\$ 25,886	\$ 26,714	\$ 27,569	\$ 28,452	\$ 419	\$ 433
	Total Costs		\$ 605,853	\$ 625,240	\$ 645,246	\$ 285,382	\$ 294,515	\$ 303,940	\$ 313,666	\$ 323,704	\$ 4,772	\$ 4,925
Merced County	Capital Costs	1%	\$ 10,047	\$ 10,369	\$ 10,701	\$ 4,733	\$ 4,884	\$ 5,040	\$ 5,202	\$ 5,368	\$ 79	\$ 82
	Admin/Operating Costs		\$ 1,005	\$ 1,037	\$ 1,070	\$ 473	\$ 488	\$ 504	\$ 520	\$ 537	\$ 8	\$ 8
	Total Costs		\$ 11,052	\$ 11,406	\$ 11,771	\$ 5,206	\$ 5,373	\$ 5,545	\$ 5,722	\$ 5,905	\$ 87	\$ 90
Triangle T WD	Capital Costs	14%	\$ 140,662	\$ 145,163	\$ 149,808	\$ 66,258	\$ 68,378	\$ 70,567	\$ 72,825	\$ 75,155	\$ 1,108	\$ 1,144
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	Admin/Operating Costs		\$ 30,142	\$ 31,106	\$ 32,102	\$ 14,198	\$ 14,653	\$ 15,121	\$ 15,605	\$ 16,105	\$ 237	\$ 245
	Total Costs		\$ 331,561	\$ 342,171	\$ 353,120	\$ 156,180	\$ 161,178	\$ 166,336	\$ 171,658	\$ 177,151	\$ 2,612	\$ 2,695
	% Responsibility	100%										
	Total Capital Costs		\$ 1,004,730	\$ 1,036,881	\$ 1,070,060	\$ 473,272	\$ 488,417	\$ 504,047	\$ 520,175	\$ 536,823	\$ 7,915	\$ 8,168
	Total Admin/Operating Costs		\$ 98,464	\$ 101,615	\$ 104,866	\$ 46,380	\$ 47,865	\$ 49,396	\$ 50,977	\$ 52,609	\$ 775	\$ 801
	Total Costs		\$ 1,103,194	\$ 1,138,496	\$ 1,174,926	\$ 519,652	\$ 536,282	\$ 553,443	\$ 571,152	\$ 589,432	\$ 8,690	\$ 8,968

Notes:

¹ Proportionate share is as determined in a spreadsheet prepared by Davids Engineering titled Chowchilla_Historical_Projected_Water_Budget_Shortage dated May 21, 2021.

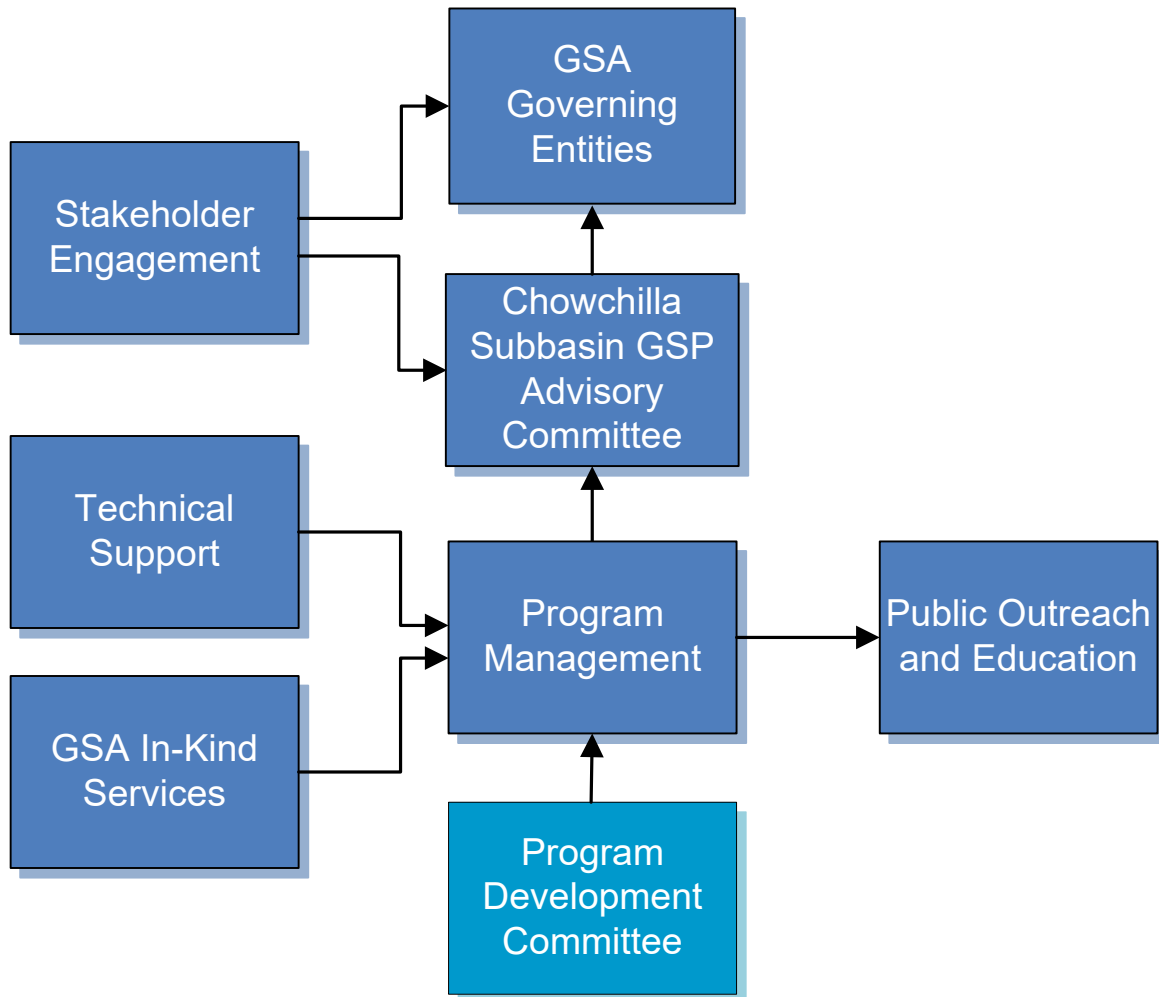
² Merced County, Triangle T WD, and Chowchilla WD GSA costs have been scaled from the Madera County GSA costs.

³ Sierra Vista MWC spans the Merced County GSA - Chowchilla area (1,300 ac) and part of the Madera County GSA - Chowchilla area (2,600 ac). Total Sierra Vista MWC average shortage is 2,700 AF. Using the acreage distribution previously noted, one-third of the average shortage has been assigned to Merced County and two-thirds has been assigned to Madera County. Merced County will bill Sierra Vista MWC for their proportionate share (1%) for lands within Merced County.

Exhibit D

Chowchilla Subbasin – Domestic Well Mitigation Program Organizational Structure

June 6, 2022

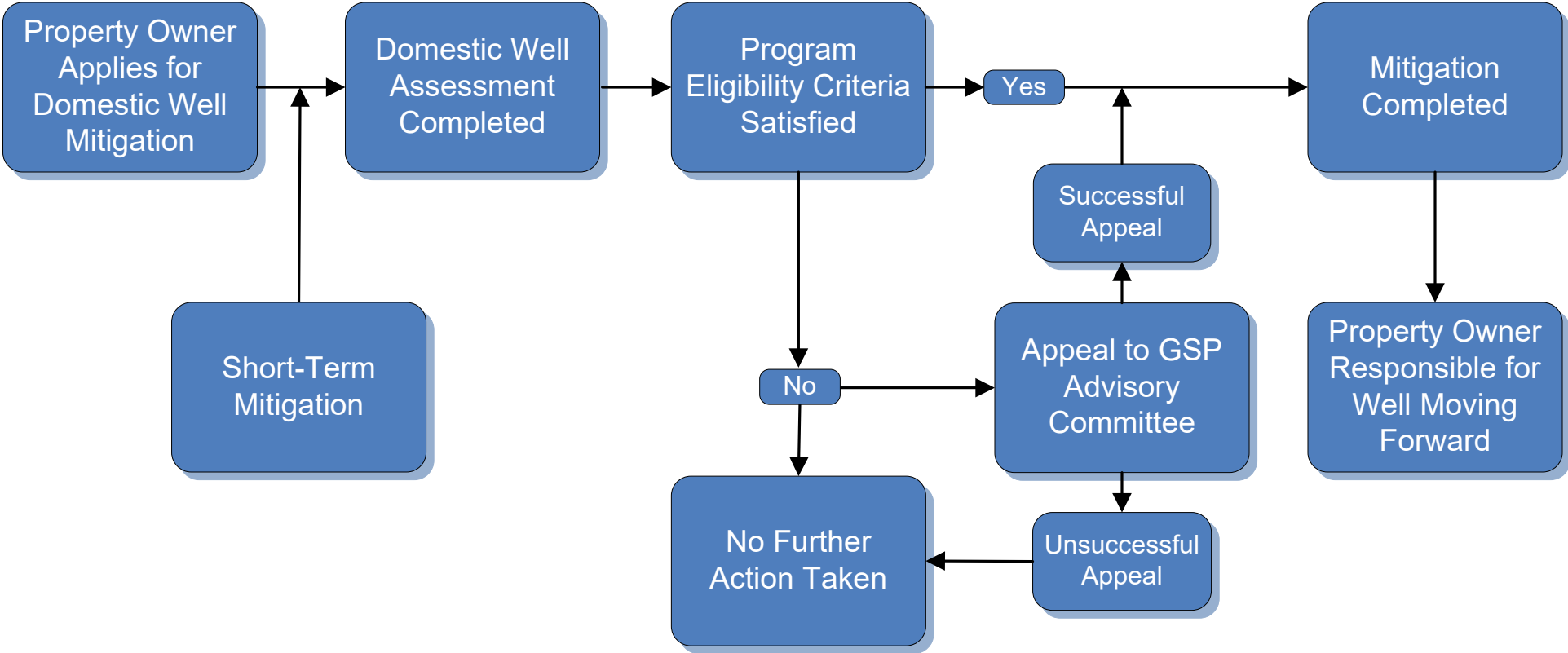


Notes:

1. That shown herein is subject to revision by the Parties.
2. Public Outreach and Engagement is a necessary component as outlined by Self-Help Enterprises, Leadership Counsel for Justice and Accountability, and the Community Water Center in their publication titled, "Framework for a Drinking Water Well Impact Mitigation Program."
3. The Chowchilla Subbasin GSP Advisory Committee is as defined and established under Section 3 of the Memorandum of Understanding with Respect to the Coordination, Cooperation and Cost Sharing in the Implementation of Chowchilla Subbasin Groundwater Sustainability Plan entered into by the Parties on December 17, 2019.

Exhibit E
Chowchilla Subbasin – Domestic Well Mitigation Program
Implementation Flowchart

June 6, 2022



- Notes:**
1. Steps shown herein are intended to demonstrate critical decision points and is not intended to be indicative of all steps that may be required.
 2. That shown herein is subject to revision by the Parties.
 3. The GSAs have reviewed and considered the content and recommendation set-for by Self-Help Enterprises, Leadership Counsel for Justice and Accountability, and the Community Water Center in their publication titled, "Framework for a Drinking Water Well Impact Mitigation Program."

County of Madera GSA - Chowchilla

MEMORANDUM OF UNDERSTANDING ESTABLISHING A DOMESTIC WELL MITIGATION PROGRAM FOR THE CHOWCHILLA SUBBASIN OF THE SAN JOAQUIN VALLEY GROUNDWATER BASIN

This Memorandum of Understanding (“MOU”) is entered into this 26TH day of JULY 2022 (the “Effective Date”), by and between the Chowchilla Water District GSA (Chowchilla WD), Madera County GSA – Chowchilla (Madera County), Merced County GSA – Chowchilla (Merced County), and Triangle T Water District GSA (Triangle T WD), collectively hereinafter referred to as the “Parties,” or individually as the “Party.”

RECITALS

- A. **WHEREAS**, groundwater and surface water resources within the Chowchilla Subbasin of the San Joaquin Valley Groundwater Basin (DWR Bulletin 118 No. 5-022.05) (Subbasin) are vitally important resources, in that they provide the foundation to maintain and fulfill current and future environmental, agricultural, domestic, municipal, and industrial needs, and to maintain the economic viability, prosperity, and sustainable management of the Subbasin; and
- B. **WHEREAS**, agriculture has been prominent in making Madera County and Merced County one of the world’s foremost agricultural areas and plays a major role in the economy of both Madera County and Merced County; and
- C. **WHEREAS**, in 2014 the California Legislature passed a statewide framework for sustainable groundwater management, known as the Sustainable Groundwater Management Act, California Water Code § 10720-10737.8 (SGMA), pursuant to Senate Bill 1168, Senate Bill 1319, and Assembly Bill 1739, which was approved by the Governor on September 16, 2014. and went into effect on January 1, 2015; and
- D. **WHEREAS**, the Subbasin has been designated by the California Department of Water Resources (DWR) as a high-priority subbasin in a condition of critical groundwater overdraft and is subject to the requirements of SGMA; and
- E. **WHEREAS**, SGMA requires that all medium and high priority groundwater basins in California be managed by a Groundwater Sustainability Agency (GSA), or multiple GSAs, and that such management be implemented pursuant to an approved Groundwater Sustainability Plan (GSP), or multiple GSPs; and
- F. **WHEREAS**, in accordance with Resolution No. 2016-17, Chowchilla Water District elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit A; and
- G. **WHEREAS**, in accordance with Resolution No. 2017-014, the County of Madera elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit A; and

- H. **WHEREAS**, in accordance with Resolution No. 2017-15, County of Merced elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit A; and
- I. **WHEREAS**, in accordance with Resolution No. 17-7, Triangle T Water District elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit A; and
- J. **WHEREAS**, on January 29, 2020, the Parties submitted a GSP to DWR; and
- K. **WHEREAS**, the Parties agree, and as SGMA allows, a transition to sustainability over the 20-year GSP Implementation Period is in the best overall interest of the Subbasin, although this approach is expected to result in some continued groundwater level declines during the GSP Implementation Period; and
- L. **WHEREAS**, the Parties agree that for the purposes of this MOU, “Domestic Wells” shall be limited to individual private domestic wells.
- M. **WHEREAS**, the Parties agree that as a result of the continued decline in groundwater levels anticipated to occur over the GSP Implementation Period, there may be adverse impacts to some domestic wells in the Subbasin.
- N. **WHEREAS**, the Parties have reviewed and considered the content and recommendations set-forth by Self-Help Enterprises, Leadership Counsel for Justice and Accountability, and the Community Water Center in their publication titled, “Framework for a Drinking Water Well Impact Mitigation Program.”
- O. **NOW, THEREFORE**, in consideration of the mutual promises, covenants and conditions contained herein and these Recitals, which are hereby incorporated herein by this reference, the Parties agree to mitigate for domestic well impacts resulting from declining groundwater levels that occur from groundwater management activities outlined in the GSP through creation and implementation of a Domestic Well Mitigation Program (Program) as follows:

AGREEMENT

1. **PROPORTIONATE SHARE.** The Parties agree to fund the Program on a proportional basis consistent with that set-forth in Exhibit B. Each Party shall be responsible for its proportionate share of the funding requirements.
2. **FUNDING.** The Parties agree to fund the Program on an annual basis consistent with Section 9 set-forth herein. Estimated expenses through 2032 are set-forth in Exhibit C. Expenses for 2033 through 2040, or as may required until groundwater sustainability is achieved, shall be recommended by the GSP Advisory Committee and approved by the Parties no later than December 31, 2030.

3. **ACCOUNTING.** Annual funding shall be placed in an interest-bearing account managed by one of Parties.
4. **PROGRAM DEVELOPMENT COMMITTEE.** The Parties shall establish a Program Development Committee (Committee) that will oversee Program development consistent with Section 11. The Committee shall include at least one technical staff representative from each of the Parties. Decisions of the Committee shall be made through simple majority of the Committee. The Committee shall cease to exist upon the start date of the Program as set-forth in Section 10.
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- b. Failure to pay shall be explicitly noted in the Annual Report for the Subbasin.
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County of Madera



7/26/2022
Date

Chowchilla Water District

Brandon Tomlinson

Date

County of Merced

Date

Triangle T Water District

Date

Approved as to Legal Form:
COUNTY COUNSEL

By: **Michael R. Linden**
Digitally signed by: Michael R. Linden
DN: CN = Michael R. Linden
email = mlinden@lozanosmith.com
C = US O = LOZANO SMITH
Date: 2022.07.08 11:02:03 -07'00'

EXHIBIT A

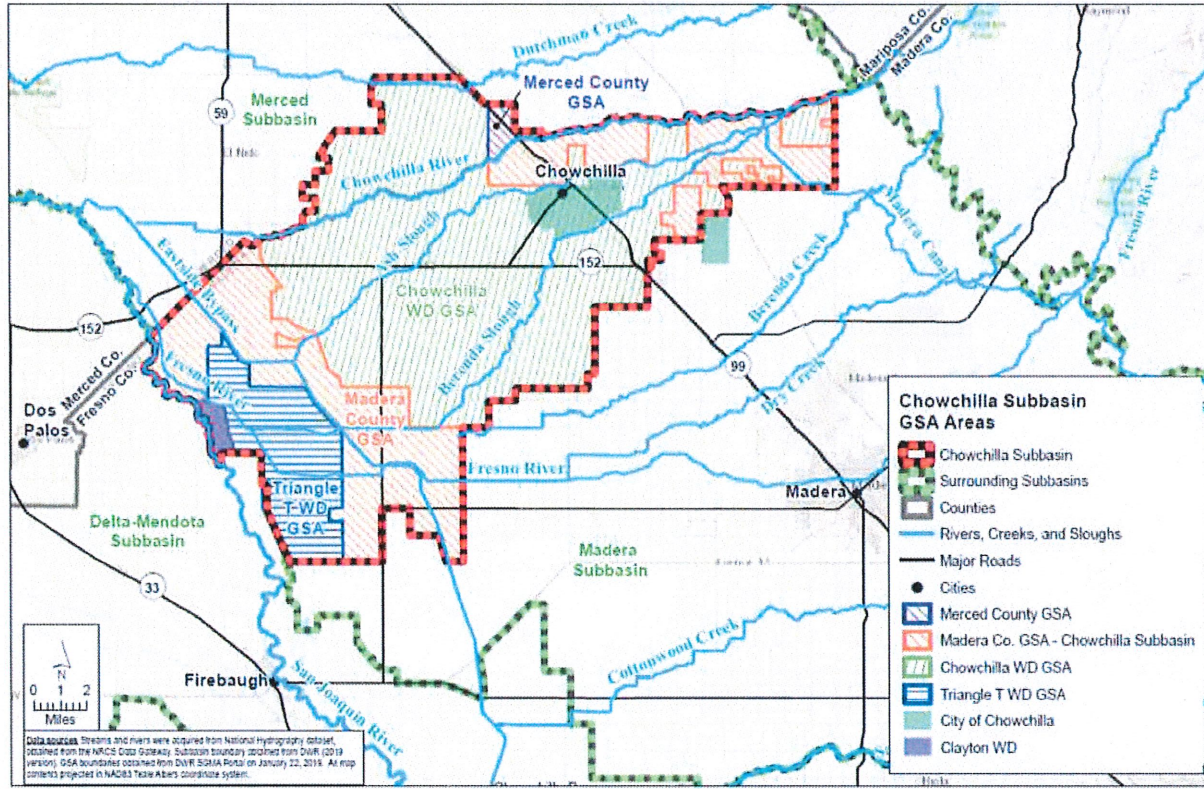


FIGURE ES-1

Chowchilla Subbasin GSA Map

Madera County - Chowchilla Subbasin
SGMA Data Collection and Analysis

EXHIBIT B

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Chowchilla WD	Capital Costs	30%	\$ 301,419	\$ 311,064	\$ 321,018	\$ 141,982	\$ 146,525	\$ 151,214	\$ 156,053	\$ 161,047	\$ 2,375	\$ 2,450
	Admin/Operating Costs		\$ 30,142	\$ 31,106	\$ 32,102	\$ 14,198	\$ 14,653	\$ 15,121	\$ 15,605	\$ 16,105	\$ 237	\$ 245
	Total Costs		\$ 331,561	\$ 342,171	\$ 353,120	\$ 156,180	\$ 161,178	\$ 166,336	\$ 171,658	\$ 177,151	\$ 2,612	\$ 2,695
	% Responsibility	100%										
	Total Capital Costs		\$ 1,004,730	\$ 1,036,881	\$ 1,070,060	\$ 473,272	\$ 488,417	\$ 504,047	\$ 520,175	\$ 536,823	\$ 7,915	\$ 8,168
	Total Admin/Operating Costs		\$ 98,464	\$ 101,615	\$ 104,866	\$ 46,380	\$ 47,865	\$ 49,396	\$ 50,977	\$ 52,609	\$ 775	\$ 801
	Total Costs		\$ 1,103,194	\$ 1,138,496	\$ 1,174,926	\$ 519,652	\$ 536,282	\$ 553,443	\$ 571,152	\$ 589,432	\$ 8,690	\$ 8,968

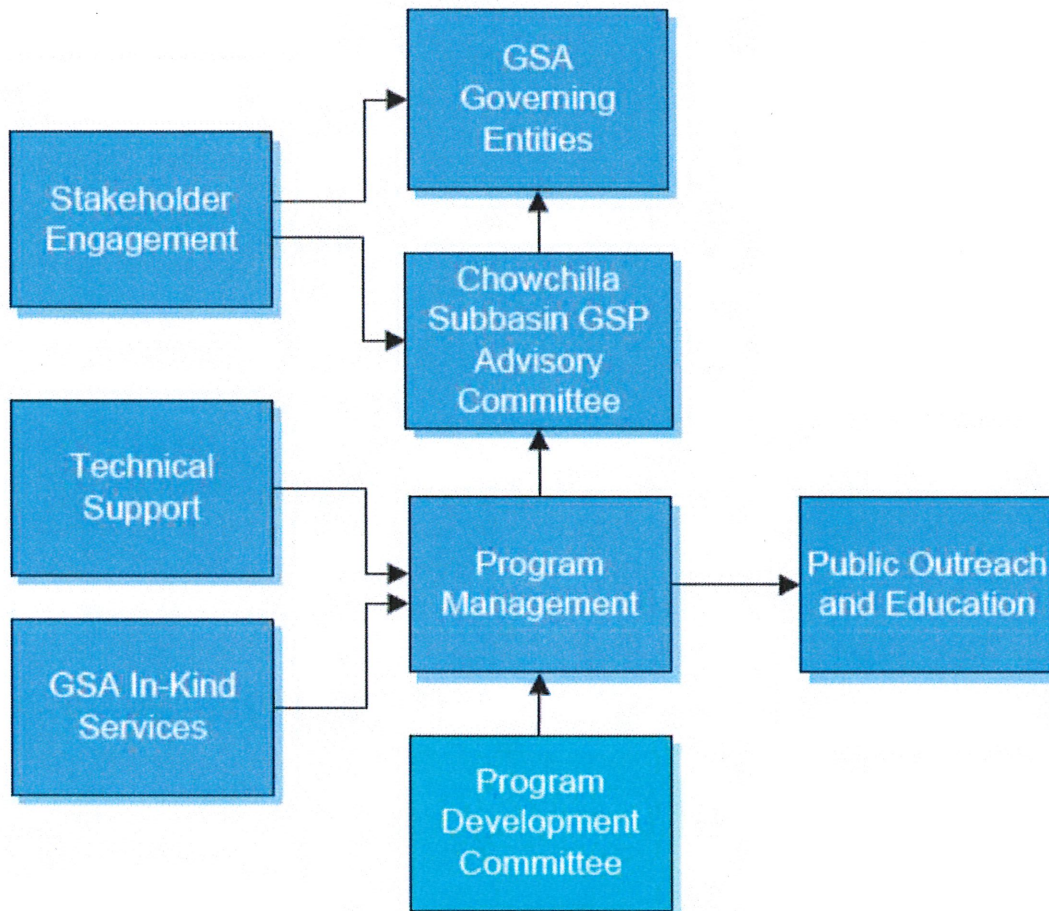
Notes:

¹ Proportionate share is as determined in a spreadsheet prepared by Davids Engineering titled Chowchilla_Historical_Projected_Water_Budget_Shortage dated May 21, 2021.

² Merced County, Triangle T WD, and Chowchilla WD GSA costs have been scaled from the Madera County GSA costs.

³ Sierra Vista MWC spans the Merced County GSA - Chowchilla area (1,300 ac) and part of the Madera County GSA - Chowchilla area (2,600 ac). Total Sierra Vista MWC average shortage is 2,700 AF. Using the acreage distribution previously noted, one-third of the average shortage has been assigned to Merced County and two-thirds has been assigned to Madera County. Merced County will bill Sierra Vista MWC for their proportionate share (1%) for lands within Merced County.

Exhibit D
 Chowchilla Subbasin – Domestic Well Mitigation Program
 Organizational Structure
 June 6, 2022

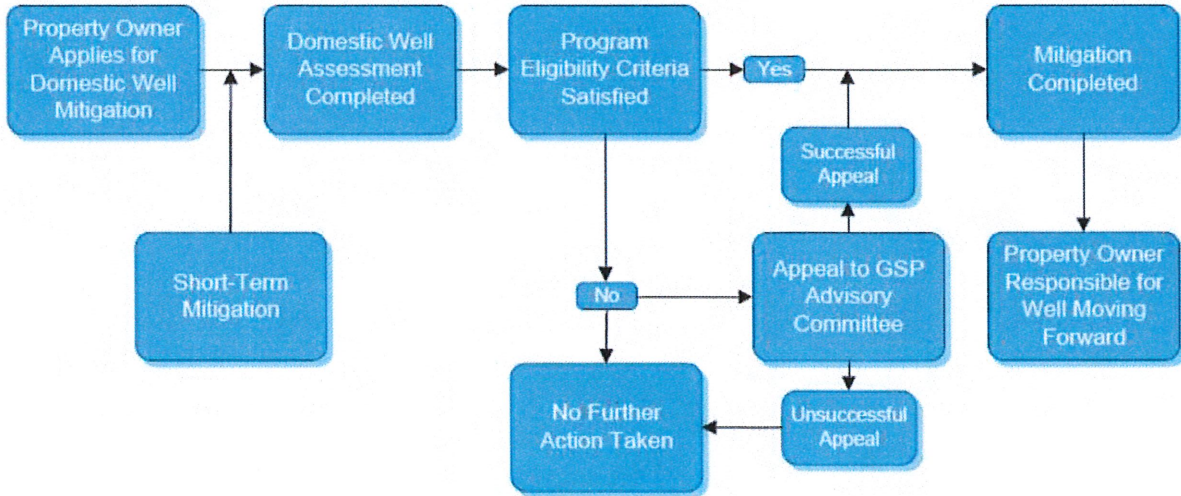


Notes:

1. That shown herein is subject to revision by the Parties.
2. Public Outreach and Engagement is a necessary component as outlined by Self-Help Enterprises, Leadership Counsel for Justice and Accountability, and the Community Water Center in their publication titled, "Framework for a Drinking Water Well Impact Mitigation Program."
3. The Chowchilla Subbasin GSP Advisory Committee is as defined and established under Section 3 of the Memorandum of Understanding with Respect to the Coordination, Cooperation and Cost Sharing in the Implementation of Chowchilla Subbasin Groundwater Sustainability Plan entered into by the Parties on December 17, 2019.

Exhibit E
Chowchilla Subbasin – Domestic Well Mitigation Program
Implementation Flowchart

June 6, 2022



Notes:

1. Steps shown herein are intended to demonstrate critical decision points and is not intended to be indicative of all steps that may be required.
2. That shown herein is subject to revision by the Parties.
3. The GSAs have reviewed and considered the content and recommendation set-for by Self-Help Enterprises, Leadership Counsel for Justice and Accountability, and the Community Water Center in their publication titled, "Framework for a Drinking Water Well Impact Mitigation Program."

**FIRST AMENDMENT TO THE
MEMORANDUM OF UNDERSTANDING ESTABLISHING A DOMESTIC WELL MITIGATION PROGRAM FOR
THE CHOWCHILLA SUBBASIN OF THE SAN JOAQUIN VALLEY GROUNDWATER BASIN**

This FIRST AMENDMENT (AMENDMENT) to the MEMORANDUM OF UNDERSTANDING (“MOU”) is entered into this ____ day of _____ 2023 (the “Effective Date”), by and between the Chowchilla Water District GSA (Chowchilla WD), Madera County GSA – Chowchilla (Madera County), Merced County GSA – Chowchilla (Merced County), and Triangle T Water District GSA (Triangle T WD), collectively hereinafter referred to as the “Parties,” or individually as the “Party.”

RECITALS

- A. **WHEREAS**, the Parties entered into the MOU as fully executed on July 26, 2022; and
- B. **WHEREAS**, the Parties desire to amend the MOU on the terms and conditions set forth in this AMENDMENT; and
- C. **WHEREAS**, this AMENDMENT is the first amendment to the MOU; and
- D. **WHEREAS**, references in this AMENDMENT to the MOU are to the MOU as executed on July 26, 2022.
- E. **WHEREAS**, except as otherwise expressly provided in this AMENDMENT, all of the terms and conditions of the MOU remain unchanged and in full force and effect.
- F. **NOW, THEREFORE**, in consideration of the mutual promises, covenants, and conditions contained herein and these Recitals, which are hereby incorporated herein by this reference, the Parties agree to amend the MOU as follows:

AMENDMENTS

- 1. **WELLS ELIGIBLE FOR MITIGATION.** The Parties agree that for the purposes of the MOU, “Domestic Wells” shall include private domestic wells and shallow wells that supply drinking water users (e.g., public water systems and state small water systems) whose primary purpose is serving drinking water needs.

IN WITNESS WHEREOF, the Parties have caused this AMENDMENT to be executed, each signatory hereto represents that he/she has been appropriately authorized to enter into this AMENDMENT on behalf of the Party whom he/she signs.

County of Madera

_____ Date

Chowchilla Water District

_____ Brandon Tomlinson

_____ Date

County of Merced

_____ Date

Triangle T Water District

_____ Date

Chowchilla Subbasin

Domestic Well Mitigation Program

Program Application
Revised May 3, 2023

Background: The Domestic Well Mitigation Program (Program) is a cooperative effort funded and implemented by the Groundwater Sustainability Agencies (GSAs) in the Chowchilla Subbasin (Subbasin) through a Memorandum of Understanding (MOU). The GSAs in the Subbasin include Chowchilla Water District, Madera County, Triangle T Water District, and Merced County. Collectively, and consistent with the Sustainable Groundwater Management Act (SGMA), the GSAs agree to mitigate for current or anticipated impacts to domestic wells and shallow wells that supply drinking water users (e.g., public water systems and state small water systems) resulting from declining groundwater levels that occur from groundwater management activities outlined in the Subbasin Groundwater Sustainability Plan (GSP). Through creation and implementation of this Program, the GSAs will facilitate mitigation efforts for domestic wells and shallow wells that supply drinking water users.

Instructions: Sections 1 and 2 of this Program Application shall be completed by the property owner of record (Applicant). Completion of this Program Application by the Applicant is not a guarantee of Program eligibility and does not bind the GSAs in the Subbasin to provide mitigation as may be afforded under this Program. This Program Application is intended to initiate the review process. Should the Applicant qualify for mitigation under the Program, additional consultation, analysis, and documentation will be required.

Initial well assessment: Prior to submission of this Program Application, the Applicant shall complete an initial well assessment using one of the Preferred Contractors. A list of Preferred Contractors may be obtained by contacting the Program Manager as shown below. The initial well assessment must clearly identify and document the current or anticipated operational issue(s) associated with the well for which mitigation is being sought.

One-time Fee: Costs associated with determining Program eligibility shall be covered by the Applicant through a one-time fee of \$100. Review of this Program Application will not be initiated until receipt of the one-time fee is received by the Program Manager. If the Applicant is awarded mitigation under the Program, the one-time fee will be reimbursed. Payments shall be delivered to and made payable to:

Chowchilla Water District
Attn: Chowchilla Subbasin Domestic Well Mitigation Program Manager
327 South Chowchilla Boulevard
Chowchilla, CA 93610

1. Applicant Information				
Last Name: Last Name		First Name: First Name		Middle: Middle Name
Mailing Address: Mailing Address			City: City	State: CA ZIP: ZIP
Property Address: Property Address			City: City	State: CA ZIP: ZIP
Phone: Phone Number	Secondary Phone: Phone Number		County: County	
E-mail Address: E-mail Address				Date: Date

2. Property Information					
Parcel Number: Parcel Number			Do you live on Property? <input type="checkbox"/> Yes <input type="checkbox"/> No	Number of Occupants at Dwelling: # of Occupants	
Well Primary Purpose is to Meet Domestic Needs? <input type="checkbox"/> Yes <input type="checkbox"/> No	Well completion report and any other well construction information attached? <input type="checkbox"/> Yes <input type="checkbox"/> No	Have you participated in the program previously for this well? <input type="checkbox"/> Yes <input type="checkbox"/> No		Initial Well Assessment Completed and Summary Documentation Attached? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Is Temporary Mitigation Necessary? <input type="checkbox"/> Yes <input type="checkbox"/> No	Status of Well? <input type="checkbox"/> Producing <input type="checkbox"/> Not Producing	Depth of Well: Well Depth	Depth to Water: Depth to Water	Age of Well: Age of Well	Pump Capacity in GPM: GPM
Reasons for Current or Anticipated Dry Well: Please describe reason(s) for current or anticipated dry well					

3. To be Completed by Program Manager

Program Application Received by:	Date of Receipt:	Program Application Complete: <input type="checkbox"/> Yes <input type="checkbox"/> No
Initial Well Assessment Included? <input type="checkbox"/> Yes <input type="checkbox"/> No	Review Applicability and Nexus to other Regional Programs	
Program Application Referred to:		One-time fee received? <input type="checkbox"/> No <input type="checkbox"/> Yes: Check Number: _____

**AGREEMENT FOR ONE-TIME DOMESTIC WELL MITIGATION UNDER THE CHOWCHILLA SUBBASIN
DOMESTIC WELL MITIGATION PROGRAM**

This Agreement for One-Time Domestic Well Mitigation under the Chowchilla Subbasin Domestic Well Mitigation Program (Program) is entered into this ___ day of _____ 20__ (the “Effective Date”), by and between _____ (hereinafter referred to as “Landowner”) and the Chowchilla Water District GSA (Chowchilla WD), Madera County GSA – Chowchilla (Madera County), Merced County GSA – Chowchilla (Merced County), and Triangle T Water District GSA (Triangle T WD) (collectively hereinafter referred to as the “Parties”).

RECITALS

- A. **WHEREAS**, groundwater and surface water resources within the Chowchilla Subbasin of the San Joaquin Valley Groundwater Basin (DWR Bulletin 118 No. 5-022.05) (Subbasin) are vitally important resources, in that they provide the foundation to maintain and fulfill current and future environmental, agricultural, domestic, municipal, and industrial needs, and to maintain the economic viability, prosperity, and sustainable management of the Subbasin; and
- B. **WHEREAS**, agriculture has been prominent in making Madera County and Merced County one of the world’s foremost agricultural areas and plays a major role in the economy of both Madera County and Merced County; and
- C. **WHEREAS**, in 2014 the California Legislature passed a statewide framework for sustainable groundwater management, known as the Sustainable Groundwater Management Act, California Water Code § 10720-10737.8 (SGMA), pursuant to Senate Bill 1168, Senate Bill 1319, and Assembly Bill 1739, which was approved by the Governor on September 16, 2014, and went into effect on January 1, 2015; and
- D. **WHEREAS**, the Subbasin has been designated by the California Department of Water Resources (DWR) as a high-priority subbasin in a condition of critical groundwater overdraft and is subject to the requirements of SGMA; and
- E. **WHEREAS**, SGMA requires that all medium and high priority groundwater basins in California be managed by a Groundwater Sustainability Agency (GSA), or multiple GSAs, and that such management be implemented pursuant to an approved Groundwater Sustainability Plan (GSP), or multiple GSPs; and
- F. **WHEREAS**, in accordance with Resolution No. 2016-17, Chowchilla Water District elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit C; and
- G. **WHEREAS**, in accordance with Resolution No. 2017-014, the County of Madera elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit C; and
- H. **WHEREAS**, in accordance with Resolution No. 2017-15, County of Merced elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit C; and

- I. **WHEREAS**, in accordance with Resolution No. 17-7, Triangle T Water District elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit C; and
- J. **WHEREAS**, on January 29, 2020, the Parties submitted a GSP to DWR; and
- K. **WHEREAS**, on July 27, 2022, the Parties submitted a Revised GSP to DWR; and
- L. **WHEREAS**, the Parties agree, and as SGMA allows, a transition to sustainability over the 20-year GSP Implementation Period is in the best overall interest of the Subbasin, although this approach is expected to result in some continued groundwater level declines during the GSP Implementation Period prior to achieving sustainable groundwater conditions in the Subbasin in 2040 as described in the Revised GSP; and
- M. **WHEREAS**, the Parties agree that as a result of the continued decline in groundwater levels anticipated to occur over the GSP Implementation Period, there may be adverse impacts to some domestic wells and shallow wells that supply drinking water users (e.g., public water systems and state small water systems) in the Subbasin; and
- N. **WHEREAS**, the Parties have reviewed and considered the content and recommendations set-forth by Self-Help Enterprises, Leadership Counsel for Justice and Accountability, and the Community Water Center in their publication titled, "Framework for a Drinking Water Well Impact Mitigation Program"; and
- O. **WHEREAS**, the Parties have agreed to mitigate for impacts to domestic wells and shallow wells that supply drinking water users (e.g., public water systems and state small water systems) resulting from declining groundwater levels that occur from groundwater management activities, as outlined in the amended Program Memorandum of Understanding (MOU) signed by all Parties; and
- P. **WHEREAS**, the Parties agree that for the purposes of this Agreement, a domestic well is a groundwater well with a de minimis level of extraction, two acre-feet or less (of groundwater) per year, whose primary purpose is serving domestic needs.
- Q. **WHEREAS**, the Parties agree that for the purposes of this Agreement, a shallow well that supplies drinking water users is a groundwater well drilled and screened at a shallow depth in the Upper Aquifer whose primary purpose is serving drinking water needs, such as shallow wells supplying public water systems and state small water systems.
- R. **WHEREAS**, the Landowner owns certain real property within the Subbasin as set-forth in Exhibit A; and
- S. **WHEREAS**, the Landowner has submitted a complete Program Application, inclusive of an initial assessment of the well completed by one of the Preferred Contractors set-forth in Exhibit D, that clearly identifies and documents the current or anticipated operational issue(s); and
- T. **WHEREAS**, the Landowner has paid the one-time fee; and

- U. **WHEREAS**, as set-forth in Exhibit B, the Parties have determined through detailed technical analysis that the Landowner is eligible for mitigation under the Program; and
- V. **WHEREAS**, the Landowner agrees that said mitigation will only be provided one time for any given domestic well or shallow well that supplies drinking water users; and
- W. **WHEREAS**, the Landowner consents to recordation of this Agreement on the real property set-forth in Exhibit A.
- X. **NOW, THEREFORE**, in consideration of the mutual promises, covenants and conditions contained herein and these Recitals, which are hereby incorporated herein by this reference, the Parties and the Landowner agree to Mitigation under the Program for current or anticipated impacts to domestic wells and shallow wells that supply drinking water users resulting from declining groundwater levels that occur from groundwater management activities outlined in the GSP as follows:

AGREEMENT

1. **PROGRAM ELIGIBILITY.** Landowner must have submitted a complete Program Application inclusive of the initial assessment, paid the one-time fee, be the owner of record for the real property set-forth in Exhibit A, successfully qualified for mitigation under the Program as set-forth in Exhibit B, and said real property must fall within the boundaries of the Subbasin as set-forth in Exhibit C.
2. **INCOME ELIGIBILITY.** Participation in the Program shall not be limited or otherwise dictated by the Landowner's income.
3. **IMPLEMENTATION REVIEW COMMITTEE.** As necessary and as directed by the Parties, an Implementation Review Committee may be established to review the Program, inclusive of Program eligibility. The composition of such Implementation Review Committee shall be established by the Parties.
4. **CONTINUING EDUCATION.** Through execution of this Agreement, Landowner acknowledges and confirms having successfully completed "The Private Well Class" evidence of which is set-forth in Exhibit F. The Private Well Class is a collaboration between the Rural Community Assistance Partnership and the University of Illinois, through the Illinois State Water Survey and the Illinois Water Resource Center, and funded by the U.S. Environmental Protection Agency (<https://privatewellclass.org/enroll>).
5. **ACCESS.** Landowner agrees to access by the Parties, Preferred Contractors, and/or other parties as deemed appropriate at the sole discretion of the Parties. In all cases, the Parties agree to provide at least 24-hour's notice of intent to access the real property set-forth in Exhibit A.

6. **PREFERRED CONTRACTORS.** The Parties wish to ensure that any and all analysis, inspection, and eligible mitigation be completed by competent and qualified contractors. The Preferred Contractors set-forth in Exhibit D have been thoroughly vetted by the Parties and have sufficiently demonstrated said competency and qualifications.
7. **PRELIMINARY INSPECTION PROCESS.** The preliminary inspection process shall include, but is not limited to:
 - a. Review of initial assessment provided by the Landowner
 - b. Review water level data
 - c. Depth of new well
 - d. Applicability and nexus to other regional programs

Findings of the preliminary inspection process and the final eligibility determination are as set-forth in Exhibit B.

8. **PRIORITY.** The Program will be operated on a first-come, first-serve basis as of the date a completed and submitted Program Application is received by the Program Manager. No priority other than first-come, first-serve will be allowed.
9. **ELIGIBLE MITIGATION.** Eligible mitigation shall be limited to the mobilization, drilling, well construction, development, and de-mobilization necessary to facilitate the drilling of one new domestic well or shallow well that supplies drinking water users or consolidation with an existing domestic water system as defined herein with the sole intent of mitigating for declining groundwater levels beginning no earlier than January 31, 2020.
10. **NON-ELIGIBLE MITIGATION.** The Parties shall only be responsible for providing mitigation in accordance with this Agreement. Landowners shall be solely responsible for all other costs arising from construction of a new well or consolidation with an existing domestic water system, including without limitation, landscaping, hardscaping, trenching and installation of private water service facilities, increased electrical costs, modifying residential plumbing, removing and disposing of any pressure tanks or other facilities related to the domestic well or shallow well that supplies drinking water users, abandoning the domestic well or shallow well that supplies drinking water users, obtaining any required permits or inspections, appurtenant facilities such as pumps, motors, wire, pipe adapters, valves, clamps, couplings, spacers, gauges, wrap, pressure tanks, switches, and adapters, and any other related fees or expenses. Landowners connecting to an existing domestic water system shall be required to satisfy all requirements and/or rules of service as may be required by the owner of the existing domestic water system.
11. **MAXIMUM MITIGATION AWARD.** To the extent sufficient funding exists, the maximum mitigation award provided under the Program shall be \$30,000. In no case, is the maximum mitigation award guaranteed and the Parties retain exclusive control over the determination of the maximum mitigation award for the real property set-forth in Exhibit A. The Parties shall be responsible for the maximum mitigation award or the actual cost of the mitigation, whichever is less. Nothing in this Agreement prevents the Landowner from seeking additional and/or alternate funding mechanisms beyond the mitigation provided by the Program.

12. **MONITORING.** The Landowner agrees to allow the Parties the right to monitor groundwater levels in the new well as part of participation in the Program. Landowner agrees to the public use of any and all groundwater level data that may be collected for the purposes of complying with SGMA or as deemed appropriate by the Parties. The Parties' right to monitor groundwater levels in the new well does not alter or otherwise modify the terms and conditions of this Agreement nor does it obligate the Parties to any additional responsibility beyond that set-forth herein.
13. **RECORDATION OF MITIGATION AWARD.** Eligible mitigation provided under the Program shall only occur once per domestic well or shallow well that supplies drinking water users and shall run with the real property set-forth in Exhibit A. This Agreement shall be recorded with the County of Madera or the County of Merced and shall bind the Landowner and/or their heirs and assigns. This Agreement shall be fully executed, but recordation will not occur until mitigation is complete. Applicable well drillers log and site map shall be included as Exhibit E to this Agreement.
14. **WARRANTY.** The Parties shall make all reasonable attempts to ensure that the mitigation provided under this Program meets the intent of the GSP and is based on the best available information. Landowner agrees that the mitigation provided under this Program is a one-time mitigation to address a decline in groundwater levels and shall hold the Parties or their successor(s) harmless from any and all future claims arising from participation in the Program.

IN WITNESS WHEREOF, the Landowner and the Parties have caused this Agreement to be executed, each signatory hereto represents that he/she has been appropriately authorized to enter into this Agreement on behalf of the Party whom he/she signs.

Landowner

_____ Date

Authorized Representative of the Parties

_____ Date

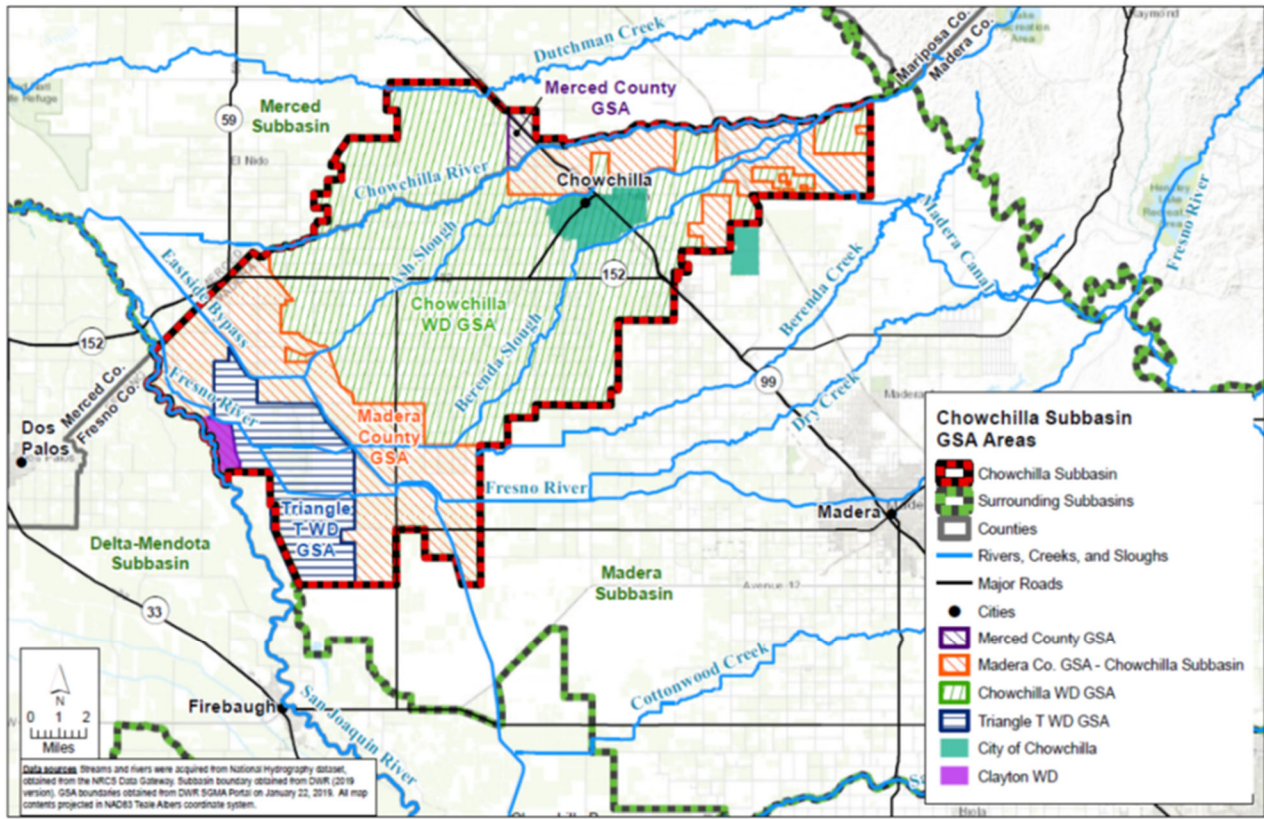
EXHIBIT A

INSERT COPY OF DEED HERE

EXHIBIT B

ELIGIBILITY DETERMINATION

EXHIBIT C



DAVIDS CONSULTING ENGINEERS, INC. LUHOEFF & SCALMANINI CONSULTING ENGINEERS

FIGURE ES-1

Chowchilla Subbasin GSA Map

Madera County - Chowchilla Subbasin
SGMA Data Collection and Analysis

EXHIBIT D

**INSERT PREFERRED CONTRACTORS HERE – TWO LISTS: (A) PUMP COMPANIES (INITIAL ASSESSMENT)
AND (B) WELL (DRILLING OF NEW WELL), CAN ONLY BE ON ONE LIST**

EXHIBIT E

INSERT WELL DRILLERS LOG AND SITE MAP HERE

EXHIBIT F

INSERT PROOF OF CONTINUING EDUCATION HERE

**SECOND AMENDMENT TO THE
MEMORANDUM OF UNDERSTANDING ESTABLISHING A DOMESTIC WELL MITIGATION PROGRAM FOR
THE CHOWCHILLA SUBBASIN OF THE SAN JOAQUIN VALLEY GROUNDWATER BASIN**

This SECOND AMENDMENT (AMENDMENT) to the MEMORANDUM OF UNDERSTANDING (“MOU”) is entered into this _____ day of _____ 2024 (the “Effective Date”), by and between the Chowchilla Water District GSA (Chowchilla WD), Madera County GSA – Chowchilla (Madera County), Merced County GSA – Chowchilla (Merced County), and Triangle T Water District GSA (Triangle T WD), collectively hereinafter referred to as the “Parties,” or individually as the “Party.”

RECITALS

- A. WHEREAS, the Parties entered into the MOU as fully executed on July 26, 2022; and
- B. WHEREAS, the Parties amended the MOU through separate instrument (First Amendment) as fully executed on June 13, 2023; and
- C. WHEREAS, the Parties have had several informal consultations with State Water Resources Control Board (SWRCB) staff, during which SWRCB staff indicated that the Parties must amend the MOU to account for water quality, temporary mitigation, clarify funding commitments, and address coordination with other parties; and
- D. WHEREAS, the Parties desire to amend the MOU on the terms and conditions set forth in this AMENDMENT; and
- E. WHEREAS, this AMENDMENT is the second amendment to the MOU; and
- F. WHEREAS, references in this AMENDMENT to the MOU are to the MOU as executed on July 26, 2022 and as amended by the First Amendment on June 13, 2023; and.
- G. WHEREAS, except as otherwise expressly provided in this AMENDMENT, all of the terms and conditions of the MOU remain unchanged and in full force and effect.
- H. NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions contained herein and these Recitals, which are hereby incorporated herein by this reference, the Parties agree to amend the MOU as follows:

AMENDMENTS

1. **WELLS ELIGIBLE FOR MITIGATION.** The Parties agree to mitigate domestic well impacts resulting from documented degraded water quality that occurs from groundwater management activities outlined in the 2024 Revised Groundwater Sustainability Plan (Revised GSP).

2. **MAXIMUM MITIGATION AWARD.** The Parties agree that eligible mitigation in excess of \$30,000 shall be reviewed by the Implementation Review Committee on a case-by-case basis. The Parties agree that the intent of the Domestic Well Mitigation Program (Program) is to mitigate domestic wells and shallow wells that supply drinking water from impacts resulting from degraded water quality and declining groundwater levels that occur from groundwater management activities outlined in the Revised GSP and that mitigation shall not be unreasonably withheld. Review on a case-by-case basis by the Implementation Committee and subsequent award for mitigation in excess of \$30,000 shall be based on, but not limited to, a review of one or more of the following criteria:
 - a. Receipt and review of dual bids with comparable construction means and methods, both yielding an estimated mitigation cost in excess of \$30,000.
 - b. System consolidation yielding new domestic water service to two or more domestic water users.
 - c. Construction means and methods review, including, but not limited to:
 - i. Required depth
 - ii. Required casing diameter
 - d. Feasibility and appropriateness review of permanent water quality mitigation alternatives.

3. **TEMPORARY MITIGATION SERVICES.** The Parties agree to provide temporary mitigation services for both documented quality and quantity impacts that occur from groundwater management activities outlined in the Revised GSP. Temporary mitigation services shall cease once permanent mitigation is in place. The Parties shall coordinate and contract with a third party vendor for temporary mitigation services and initiation of temporary mitigation shall be made by the Parties the next business day following submittal of a completed Program Application. Temporary mitigation shall be as follows:
 - a. Water Quality:
 - i. Delivery of 5-gallon water dispenser.
 - ii. Delivery of full 5-gallon water bottles on a regular schedule.
 - iii. Pick-up of empty 5-gallon water bottles on a regular schedule.
 - iv. Initial volume will be 60 gallons per month (to be adjusted up or down based on reasonable needs of each household).

b. Water Quantity:

- i. Delivery of bulk water storage tank.
- ii. Delivery of water on a regular basis.
- iii. Periodic bulk water storage tank maintenance as may be required.

4. PERMANENT WATER QUALITY ELIGIBLE MITIGATION. The Parties agree, within the maximum mitigation award (inclusive of the case-by-case review as set-forth herein), to provide permanent water quality mitigation through one of the means identified below. To the extent advancement in technology allows, the list of potential permanent water quality mitigation alternatives may be amended as directed by the Parties.

- a. System consolidation with existing wells not impacted by degraded water quality.
- b. System consolidation with existing community or municipal water systems.
- c. Existing well rehabilitation and/or physical modifications.
- d. Installation of a Point of Use or Point of Entry treatment system.
- e. Alternative location of a new well to avoid degraded water quality.

5. COORDINATION WITH CHOWCHILLA MANAGEMENT ZONE. Through separate instrument, the Parties and the Chowchilla Management Zone (CMZ) have agreed to coordinate their programs related to monitoring groundwater quality with regard to nitrate levels, including mitigation services for residents in the Chowchilla Subbasin whose drinking water supplies are impacted by nitrate contamination issues. The CMZ Memorandum of Understanding is included as **Exhibit A.**

6. COORDINATION WITH MERCED COUNTY AND MADERA COUNTY. The Parties agree to coordinate with Madera County and Merced County led processes to test water quality in all wells replaced through implementation of the Program.

7. FUNDING. The Parties agree that State and/or Federal funding shall not be used for implementation of the Program.

8. MADERA COUNTY FUNDING. Madera County's proportionate share of funding for implementation of the Program as set-forth in the MOU will come from funding commitments made in Madera County Contract No. 12652-23, Memorandum of Understanding Establishing a Domestic Well Mitigation Program for a Portion of the Chowchilla Subbasin of the San Joaquin Valley Groundwater Basin and to Develop a Working Relationship Between Madera County GSA and the Chowchilla Subbasin Growers (Contract). Said Contract is included as **Exhibit B.**

IN WITNESS WHEREOF, the Parties have caused this AMENDMENT to be executed, each signatory hereto represents that he/she has been appropriately authorized to enter into this AMENDMENT on behalf of the Party whom he/she signs.

County of Madera

_____ Date

Chowchilla Water District

_____ Date

County of Merced

_____ Date

Triangle T Water District

_____ Date

**MEMORANDUM OF UNDERSTANDING BETWEEN CHOWCHILLA MANAGEMENT ZONE AND
GROUNDWATER SUSTAINABILITY AGENCIES IN THE CHOWCHILLA SUBBASIN**

RECITALS

WHEREAS, the Central Valley Regional Water Quality Control Board (Central Valley Water Board) adopted amendments to the Water Quality Control Plan for the Sacramento River and San Joaquin River Basins in 2018 to incorporate a Salt and Nitrate Control Program; and

WHEREAS, the Chowchilla Subbasin (Subbasin) area has been identified as an active (Priority 1) groundwater subbasin and management zone for nitrate management; and

WHEREAS, the Chowchilla Management Zone (CMZ) is a management zone formed to manage the implementation of the Nitrate Control Program in the Subbasin area by providing groundwater testing and free drinking water mitigation services for residents in the management zone whose drinking water supplies are impacted by nitrate contamination issues; and

WHEREAS, the CMZ seeks to identify and provide both interim and long-term drinking water solutions for those in the Subbasin area that are impacted by nitrate contamination; and

WHEREAS, the CMZ is actively implementing a Management Zone Implementation Plan that includes, among other measures, outreach and drinking water mitigation services to residents in the Subbasin that rely on domestic wells for their source of drinking water; and

WHEREAS, the CMZ, as part of its Early Action Plan that has been active since May 2021, has been providing outreach and offering free domestic well testing to measure nitrate levels in such wells and will continue providing replacement water to those whose wells exceed the state's primary maximum contaminant level for nitrate at no cost to the resident; and

WHEREAS, the CMZ has and will continue to seek grants from the State Water Resources Control Board's (SWRCB) Safe and Affordable Funding for Equity and Resilience (SAFER) to provide groundwater testing and free drinking water mitigation services for residents in the Subbasin whose wells are impacted by other contaminants besides nitrate; and

WHEREAS, in the Subbasin, there are four Groundwater Sustainability Agencies (GSAs) formed under and pursuant to the provisions of the Sustainable Groundwater Management Act (SGMA) (California Water Code, § 10720 et seq.) that are required to prepare and implement a Groundwater Sustainability Plan (GSP) for the Subbasin that meets the requirements of SGMA; and

WHEREAS, the four GSAs have cooperatively worked to prepare, adopt, and implement one GSP that collectively covers the entirety of the Subbasin; and

WHEREAS, on or about March 2, 2023, the California Department of Water Resources (DWR) issued an Inadequate Determination for the GSP that covers the entirety of the Subbasin; and

WHEREAS, DWR's Inadequate Determination results in transferring primary jurisdiction for review of the GSP to the SWRCB and creates the need for additional amendments to the GSP; and

WHEREAS, the four GSAs have a shared interest in revising the GSP to satisfy the requirements of SGMA and address concerns raised by the SWRCB regarding GSP implementation and potential impacts to domestic wells related to degraded groundwater quality; and

WHEREAS, the four GSAs, as part of GSP implementation, have agreed to mitigate groundwater quality impacts to domestic wells that are caused by GSP implementation and that result from degradation of groundwater quality above certain levels identified in the GSP as part of their Domestic Well Mitigation Program (DWMP); and

WHEREAS, funding for the DWMP comes from the four GSAs and is not predicated on the receipt of State and/or Federal funds; and

WHEREAS, the CMZ and its contributing members have already prepared a long-term plan for monitoring groundwater quality with regard to nitrate levels throughout the Subbasin area; and

WHEREAS, the four GSAs under SGMA must also monitor groundwater quality with regard to nitrate levels throughout the Subbasin; and

WHEREAS, the CMZ and the four GSAs desire to coordinate their programs related to monitoring groundwater quality with regard to nitrate levels, and providing drinking water mitigation services for residents in the Subbasin whose drinking water supplies are impacted by nitrate contamination issues.

NOW, THEREFORE, the CMZ and the four GSAs agree as follows:

AGREEMENT TERMS

1. The CMZ and the four GSAs agree to work collaboratively to avoid duplication of efforts in their respective administration of their programs, including but not limited to:
 - a. Compilation and assessment of groundwater data;
 - b. Groundwater monitoring;
 - c. Testing domestic wells for drinking water constituents of concern;
 - d. Development of a review process for siting of new wells to ensure that new wells are not placed in areas with degraded water quality;
 - e. Mitigating dry wells; and,
 - f. Otherwise providing drinking water mitigation services to address water quality impacts.

2. The CMZ and the four GSAs agree that it is in their mutual interest to ensure that all residents in the Subbasin have access to an adequate supply of safe and affordable drinking water.
3. The CMZ agrees, consistent with its Management Zone Implementation Plan once approved by the Central Valley Water Board, to conduct outreach to residents within the Subbasin to offer free domestic well testing for nitrate and will provide drinking water mitigation services to residents if the domestic well exceeds the state's primary maximum contaminant level for nitrate.
4. CMZ agrees that domestic well testing will be coordinated for new wells with both Madera and Merced County.
5. The CMZ agrees that, as part of its Management Zone Implementation Plan outreach efforts, the CMZ will provide residents throughout the Subbasin with information regarding the DWMP that is being implemented by the four GSAs consistent with the GSP, as long as such information is provided to the CMZ for dissemination.
6. The four GSAs agree to identify a contact person for the CMZ for cooperation and collaboration associated with implementation of the domestic well mitigation program.
7. The CMZ agrees to identify a contact person for the four GSAs for cooperation and collaboration associated with implementation of its Management Zone Implementation Plan.
8. The CMZ agrees that if the CMZ, during the normal course of implementing its Management Zone Implementation Plan, encounters a dry well that may be eligible for the domestic well mitigation program, the CMZ will notify the contact person identified by the four GSAs of the dry well and will provide the resident with referral information from the four GSAs of the resident's options for seeking mitigation under the DWMP.
9. The four GSAs agree that if a domestic well is eligible for mitigation under the DWMP, the four GSAs will take all reasonable efforts to install a replacement well that is sealed at a level where the groundwater quality meets primary drinking water standards.
10. The four GSAs agree that if a replacement well is provided through the domestic well mitigation program, the CMZ, through coordination with Madera or Merced County will test groundwater from the well to determine if it exceeds primary drinking water standards. If groundwater from the well exceeds the state's primary maximum contaminant level for nitrate, the identified contact person will work with the CMZ to ensure that drinking water mitigation services are provided to the residents that rely on the well in question.
11. The CMZ and the four GSAs agree that it is their intent to develop a future agreement, or amendments to this agreement, whereby the four GSAs will contribute annually to the CMZ to provide funding to the CMZ to cover costs for well testing and drinking water mitigation services that may be associated with implementation of the GSP.

12. The four GSAs agree to provide the CMZ with groundwater data and information compiled by the GSAs to assist the CMZ in implementation of the Management Zone Implementation Plan, and future plans as appropriate and applicable.

13. The CMZ and the four GSAs agree to work collaboratively in the development of their groundwater monitoring networks to ensure that there are not duplicative monitoring efforts and to share groundwater monitoring results so that each program enhances the other's monitoring program rather than duplicating such programs.

MADERA COUNTY CONTRACT NO. 12652-23

MEMORANDUM OF UNDERSTANDING ESTABLISHING A DOMESTIC WELL MITIGATION PROGRAM FOR A PORTION OF THE CHOWCHILLA SUBBASIN OF THE SAN JOAQUIN VALLEY GROUNDWATER BASIN AND TO DEVELOP A WORKING RELATIONSHIP BETWEEN MADERA COUNTY GSA AND THE CHOWCHILLA SUBBASIN GROWERS

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) is entered into this 12TH day of DECEMBER, 2023 (the “Effective Date”), by and between the Madera County GSA – Chowchilla (Madera County), and the Chowchilla Subbasin Growers (CSG), a mutual benefit corporation, collectively hereinafter referred to as the “Parties,” or individually as the “Party.”

RECITALS

A. **WHEREAS**, in 2014 the California Legislature passed a statewide framework for sustainable groundwater management, known as the Sustainable Groundwater Management Act, California Water Code § 10720-10737.8 (SGMA), pursuant to Senate Bill 1168, Senate Bill 1319, and Assembly Bill 1739, which was approved by the Governor on September 16, 2014, and went into effect on January 1, 2015; and

B. **WHEREAS**, the Subbasin has been designated by the California Department of Water Resources (DWR) as a high-priority subbasin in a condition of critical groundwater overdraft and is subject to the requirements of SGMA; and

C. **WHEREAS**, SGMA requires that all medium and high priority groundwater basins in California be managed by a Groundwater Sustainability Agency (GSA), or multiple GSAs, and that such management be implemented pursuant to an approved Groundwater Sustainability Plan (GSP), or multiple GSPs; and

D. **WHEREAS**, in accordance with Resolution No. 2017-014, the County of Madera elected to become the exclusive GSA for those portions of the Subbasin as shown in Exhibit A; and

E. **WHEREAS**, CSG represents a service area listed in Exhibit B and intends to become a California special district by seeking formal LAFCO approval in order to become a GSA, and Madera County intends to support CSG's efforts to become a water district and GSA which are intended to manage groundwater consistent with the Chowchilla GSP within the Exhibit B service area; and

F. **WHEREAS**, on January 29, 2020, the County submitted a GSP to DWR; and

G. **WHEREAS**, the Parties agree that for the purposes of this MOU, "Domestic Wells" shall be limited to individual private domestic wells and to develop a working relationship between Madera County GSA and the Chowchilla Subbasin Growers; and

H. **WHEREAS**, the Parties agree that as a result of the continued decline in groundwater levels anticipated to occur over the GSP Implementation Period, there may be adverse impacts to some domestic wells in the Subbasin; and

I. **NOW, THEREFORE**, in consideration of the mutual promises, covenants and conditions contained herein and these Recitals, which are hereby incorporated herein by this reference, the Parties agree to mitigate for domestic well impacts resulting from declining groundwater levels that occur from groundwater management activities outlined in the GSP in a Domestic Well Mitigation Program (Program) and work collaboratively to implement SGMA and achieve groundwater sustainability.

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AGREEMENT

1. **PROPORTIONATE SHARE.** The CSG agree to fund the Program annually on a per acre basis, at the rate of \$16.89/acre, consistent with the list of APNs of members of the CSG set forth in Exhibit B. The CSG shall not be responsible for other SGMA-costs pertaining to properties not listed in Exhibit B. Other parties in the County GSA will contribute the Program using the same rate and MOU process. Any penalties collected by the GSA from non-CSG members within the Exhibit B area will be allocated to well mitigation.

2. **ACCOUNTING.** Annual funding for the Program shall be placed in an interest-bearing account managed by one of the GSAs, currently Chowchilla Water District or another party identified by the GSAs.

3. **BUDGET CYCLE.** The budget cycle of the Program shall be on a calendar year basis.

4. **COLLABORATION AND REVIEW.** Not less than twice per year, the Parties shall meet at a location convenient to both. Each party to this MOU will select 2 representatives to attend the meetings. Scheduling of the meetings will be subject to the Parties availability. This meeting is the primary method for the County GSA to provide input and for the Parties to collectively achieve the goals of the GSP in Madera County. Meeting topics and goals include:

- Domestic Well Mitigation Program;
- Recharge Projects;
- Land fallowing or land repurposing;
- Purchases of water;
- Other implementation of sustainable groundwater management;

- LAFCO options, status and progress;
- Collection of funds; changes in acres represented;
- Penalties; and
- Potential grants.

5. **IN-KIND SERVICES**. Each Party is likely to provide in-kind services and subsequently incur in-kind costs as part of continued program development and management. Said costs shall be the responsibility of each Party unless otherwise agreed to by the Parties.

6. **FAILURE TO PAY**. Recognizing the importance of this Program, the Parties agree to the following potential actions should any Party fail to pay consistent with Section 1:

a. Failure to pay shall be explicitly noted in the Annual Report for the Subbasin.

b. Within 10 days after such failure to pay, the Parties shall attempt in good faith to resolve the dispute through informal means for a period of 30 days. If the Parties, through informal means, cannot agree upon a resolution of the failure to pay within 30 days, the Parties shall submit the dispute to mediation prior to commencement of legal action. The cost of mediation shall be split equally between the Parties. Upon completion of mediation and if the dispute has not been resolved, any Party may exercise any and all rights to bring a legal action relating to the dispute.

c. The Parties agree that penalties collected within the Chowchilla Subbasin of the County GSA shall be used to fund Domestic Well Mitigation within the Chowchilla Subbasin.

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7. **TERM.** The Program shall begin no later than January 1, 2024, shall cover eligible mitigation as of January 31, 2020, and shall continue for the duration of the GSP Implementation Period or until groundwater sustainability is achieved or until CSG becomes a GSA and adopts its own GSP, whichever comes first.

8. **NOTICES.** All notices required or permitted by the MOU shall be made in writing, and may be delivered in person (by hand or by courier) or may be sent regular, certified, or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, or by electronic transmission (email) and shall be deemed sufficiently given if served in a manner specified in this Section 16. The addresses and addressees noted below are the Party's designated address and addressee for deliver or mailing notices.

COUNTY

Stephanie Anagnoson
County of Madera
200 West 4th Street
Madera, CA 93637

CHOWCHILLA SUBBASIN GROWERS (CSG)

C/O Laurie Ringeisen
216 Chowchilla Blvd, Suite B
Chowchilla, CA 93610

With Copy to

Clerk of the Board
Madera County
Board of Supervisors
200 West 4th Street
Madera, CA 93637

Any Party may, by written notice to each of the other Parties, specify a different address for notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, three days after the postmark date. If sent by regular mail, the notice shall be deemed given 48 hours after it is addressed as required in this section and mailed with postage prepaid. Notices delivered by United States Express Mail or

overnight courier that guarantee next day delivery shall be deemed given 24 hours after delivery to the Postal Service or overnight courier. Notices transmitted by facsimile transmission or similar means (including email) shall be deemed delivered upon telephone or similar confirmation of delivery (confirmation report from fax machine is sufficient), provided a copy is also delivered via personal delivery or mail. If notice is received after 4:00 p.m. or on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

9. TERMINATION. Either Party to this MOU may terminate it by giving the other party 30 days written notice.

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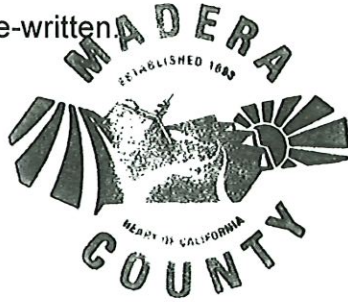
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IN WITNESS WHEREOF the foregoing Agreement is executed on the date and year first above-written.



COUNTY OF MADERA

David B. Rogers
Chairman, Board of Supervisors

ATTEST:

Karen Sainieri
Clerk, Board of Supervisors

CHOWCHILLA SUBBASIN GROWERS (CSG)

By: [Signature]
(Signature)

Jay Mahil
(Print Name)

Approved as to Legal Form:
COUNTY COUNSEL

By: Dale E. Bacigalupi
Digitally signed by: Dale E. Bacigalupi
DN: CN = Dale E. Bacigalupi email = dbacigalupi@lozanosmith.com C = US
O = Lozano Smith
Date: 2023.12.05 11:23:18 -08'00'

Title: Chairman

ACCOUNT NUMBER(S)

Exhibit B

APN	ACRES	OWNER
026-010-003	350.09	1000 CHOWCHILLA INC
026-020-001	71.87	1000 CHOWCHILLA INC
026-080-001	321.06	1000 CHOWCHILLA INC
026-120-016	116.74	1000 CHOWCHILLA INC
026-140-001	160	1000 CHOWCHILLA INC
030-021-003	38.61	AGRILAND HOLDING
030-061-002	46.59	AGRILAND HOLDING
022-200-006	75	AHLEM FAMILY LTD
022-210-003	69.14	AHLEM FAMILY LTD
043-023-006	5	AHLEM FAMILY LTD
043-025-003	89.66	AHLEM FAMILY LTD
020-100-030	37.19	ALLAN CLARK TRUST
020-100-036	81.21	ALLAN CLARK TRUST
022-130-004	63.85	AMERICAN UNITED FARMS CHOWCHILLA
022-140-003	541.46	AMERICAN UNITED FARMS CHOWCHILLA
020-120-012	181.67	DUANE & ANDREA BLECH TRUST
020-090-002	101.32	BOUWDEWYN & DARCY VLOT
020-090-003	160	BOUWDEWYN & DARCY VLOT
020-110-001	0.31	BOUWDEWYN & DARCY VLOT
020-110-009	0.5	BOUWDEWYN & DARCY VLOT
020-120-003	657.19	BOUWDEWYN & DARCY VLOT
020-120-004	118.16	BOUWDEWYN & DARCY VLOT
020-120-011	292.47	BOUWDEWYN & DARCY VLOT
020-150-006	21.81	BOUWDEWYN & DARCY VLOT
020-150-010	297.08	BOUWDEWYN & DARCY VLOT
020-160-015	153.59	BOUWDEWYN & DARCY VLOT
030-070-005	186.7	CALIFORNIA FIG CO
030-120-008	113.46	CALIFORNIA FIG CO
030-112-005	119.98	CAMERON RANCH ASSOCIATES LLC
026-030-001	42.69	CAMPOS FERMIN M TRUSTEE ETAL
026-020-002	34.00	CAMPOS FERMIN M TRUSTEE ETAL
030-062-015	4.37	CHADWICK & LAILA BURGDORFF
030-112-010	70.73	CHADWICK & LAILA BURGDORFF
021-140-016	37.72	CLAYTON G & PAULETTE R HAYNES TRUSTEE
022-150-002	231.42	COSTA VIEW FARMS #2

022-150-006	128.62	COSTA VIEW FARMS #2
022-150-007	82.95	COSTA VIEW FARMS #2
022-150-016	172.05	COSTA VIEW FARMS #2
022-220-008	126.92	COSTA VIEW FARMS #2
023-190-001	78.49	COSTA VIEW FARMS #2
023-190-002	231.31	COSTA VIEW FARMS #2
023-200-002	314.56	COSTA VIEW FARMS #2
023-250-006	29.72	COSTA VIEW FARMS #2
023-250-007	225.06	COSTA VIEW FARMS #2
023-260-001	288.7	COSTA VIEW FARMS #2
043-030-026	181.68	COSTA VIEW FARMS #2
043-041-003	306.11	COSTA VIEW FARMS #2
026-020-003	103.28	CREEKSIDE LAND CO LLC
026-030-002	239.65	CREEKSIDE LAND CO LLC
026-080-002	321.05	CREEKSIDE LAND CO LLC
026-090-001	636.97	CREEKSIDE LAND CO LLC
026-140-002	134.3	CREEKSIDE LAND CO LLC
026-150-001	120.84	CREEKSIDE LAND CO LLC
030-032-019	89.60	DENISE MARTIN TRUSTEE-HIDDEN RIVER RANCH
030-112-012	39.39	DURHAM GROVES LP
030-080-003	320.81	FAGUNDES
030-090-003	318.17	FAGUNDES
030-130-006	2.5	FAGUNDES
030-130-007	2.5	FAGUNDES
030-130-019	2.76	FAGUNDES
030-130-026	2.76	FAGUNDES
030-130-029	10.79	FAGUNDES
030-130-031	19.6	FAGUNDES
030-130-032	16.04	FAGUNDES
030-130-033	18.8	FAGUNDES
030-130-035	38.9	FAGUNDES
030-130-036	30.55	FAGUNDES
030-130-037	2.76	FAGUNDES
030-130-038	4.84	FAGUNDES
030-130-039	11.1	FAGUNDES
030-130-040	323.45	FAGUNDES
030-140-003	2.5	FAGUNDES

030-140-004	5	FAGUNDES
030-140-007	38.8	FAGUNDES
030-140-008	38.77	FAGUNDES
030-140-011	41	FAGUNDES
030-140-012	39.8	FAGUNDES
030-140-013	40.1	FAGUNDES
030-140-014	375.9	FAGUNDES
022-130-006	166.29	FARMERS INTERNATIONAL INC
022-140-005	15.27	FARMERS INTERNATIONAL INC
022-200-005	160	FARMERS INTERNATIONAL INC
022-210-006	81.6	FARMERS INTERNATIONAL INC
022-210-009	151.08	FARMERS INTERNATIONAL INC
020-032-015	104.6	FRANK COELHO & SONS
030-161-001	318.48	GARY & MARCIA SCHUH
030-031-017	199.51	GERALD CEDERQUIST & KATHLEEN SUDA TRUST
030-032-011	96	GERALD CEDERQUIST & KATHLEEN SUDA TRUST
030-032-015	12.42	GERALD CEDERQUIST & KATHLEEN SUDA TRUST
030-112-006	36.56	GREENWORK FARMS LLC
022-060-002	6.29	GREGORY & JENNIFER HOOKER
022-070-005	170.53	GREGORY & JENNIFER HOOKER
022-070-006	181.67	GREGORY & JENNIFER HOOKER
020-100-015	7.88	HARRIS FARMS LP
020-100-031	65.68	HARRIS FARMS LP
020-100-037	352.84	HARRIS FARMS LP
020-100-038	50.34	HARRIS FARMS LP
020-100-039	11.77	HARRIS FARMS LP
030-120-023	9.75	HERITAGE ORCHARDS LLC
021-140-017	86.28	HOOKER RANCH LP
021-140-042	40.27	HOOKER RANCH LP
021-140-044	89.71	HOOKER RANCH LP
022-050-005	81.01	HOOKER RANCH LP
022-050-007	278.8	HOOKER RANCH LP
022-060-004	4.4	HOOKER RANCH LP
022-060-006	595.65	HOOKER RANCH LP
022-070-001	269.32	HOOKER RANCH LP
022-070-008	24.17	HOOKER RANCH LP
022-080-002	282.89	HOOKER RANCH LP

043-030-020	255.49	IEST FAMILY FARMS
043-042-001	632.92	IEST FAMILY FARMS
043-083-005	13.3	IEST FAMILY FARMS
043-091-006	589.94	IEST FAMILY FARMS
026-010-002	222	JENNIFER BLISS ETAL
022-200-007	25	KARUN SAMRAN
043-023-005	55	KARUN SAMRAN
043-024-005	160	KARUN SAMRAN
043-024-006	158.79	KARUN SAMRAN
043-030-015	13.52	KARUN SAMRAN
043-030-029	79.02	KARUN SAMRAN
043-030-030	85.79	KARUN SAMRAN
043-073-003	158.79	KARUN SAMRAN
043-073-011	99.07	KARUN SAMRAN
043-073-012	58.61	KARUN SAMRAN
030-062-018	24	KILLADA PISTACHIO GROVES
030-042-010	76.4	LAURIE KUBICEK TRUSTEE
023-190-005	291.9	MICHAEL & ANDREA MCREE TRUSTEE
023-200-001	305.71	MICHAEL & ANDREA MCREE TRUSTEE
020-031-004	334.88	MICHAEL & WENDY VANDER DUSSEN
020-130-008	76.37	N&W LAND CO LLC
020-130-012	561.28	N&W LAND CO LLC
027-040-014	38.6	PACIFIC ORCHARDS LLC
027-040-017	478.02	PACIFIC ORCHARDS LLC
030-161-003	79.75	PACIFIC ORCHARDS LLC
030-062-017	20	PERALTA PISTACHIO GROVES
030-070-029	331.08	RICHARD & JANIS DE BENEDETTO TRUSTEE
030-120-017	38.87	RICHARD & JANIS DE BENEDETTO TRUSTEE
030-120-033	38.2	RICHARD & JANIS DE BENEDETTO TRUSTEE
030-161-004	79.75	RICHARD JURA TRUSTEE
030-161-005	79.75	RICHARD JURA TRUSTEE
030-161-006	79.75	RICHARD JURA TRUSTEE
043-075-006	238.8	SAMAR PISTACHIO RANCH
020-160-002	110.96	SAMARA RANCHES MADERA LLC
021-070-017	211.04	SAMARA RANCHES MADERA LLC
021-070-031	19.73	SAMARA RANCHES MADERA LLC
030-010-006	106.87	SAN JOAQUIN FIGS INC

030-050-007	140.00	SAN JOAQUIN FIGS INC
030-112-011	39.39	SANTA FE GROVES LP
030-112-013	47.99	SANTA FE GROVES LP
020-160-014	234.82	SCOTT WICKSTROM
021-070-011	7.38	SCOTT WICKSTROM
021-070-026	3.14	SCOTT WICKSTROM
030-061-003	36.66	SEQUOIA HOLDING INC
021-140-005	36.93	SHAWN & MIRANDA DILL TRUSTEE
021-140-006	61.44	SHAWN & MIRANDA DILL TRUSTEE
030-061-016	37.2	SHAWN COBURN TRUSTEE
030-061-017	38.21	SHAWN COBURN TRUSTEE
043-025-002	160.08	SOHAN & MANDEEP SAMRAN TRUST
043-026-002	320.16	SOHAN & MANDEEP SAMRAN TRUST
043-092-006	414.2	TRI IEST DAIRY
043-073-006	80	VERWEY INV LP
043-074-003	120	VERWEY INV LP
043-075-005	158.8	VERWEY INV LP
043-076-003	238.2	VERWEY INV LP
043-083-001	539.75	VERWEY INV LP
043-083-002	19.2	VERWEY INV LP
043-091-004	1.84	VERWEY INV LP
043-091-005	6.89	VERWEY INV LP
043-074-004	200	WILLIAM LITTLETON JR
043-076-005	397	WILLIAM LITTLETON JR

23,971.38 Total Acreage