CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY

BOARD OF DIRECTORS MEETING

Board of Directors

Cory Bantilan Chair, Santa Barbara County Water Agency
Derek Yurosek Vice Chair, Cuyama Basin Water District
Arne Anselm Secretary, County of Ventura
Byron Albano Treasurer, Cuyama Basin Water District
Rick Burnes Cuyama Basin Water District
Steve Jackson Cuyama Basin Water District
Jimmy Paulding County of San Luis Obispo
Katelyn Zenger County of Kern
Matthew Young Santa Barbara County Water Agency
Deborah Williams Cuyama Community Services District
Jane Wooster Cuyama Basin Water District

AGENDA

January 15, 2025

Agenda for a meeting of the Cuyama Basin Groundwater Sustainability Agency Board of Directors to be held on Wednesday, January 15, 2025, at 2:00 PM at the **Cuyama Valley Family Resource Center 4689 CA-166, New Cuyama, CA 93254.** Participate via computer at: https://msteams.link/4GXC or by going to Microsoft Teams, downloading the free application, then entering Meeting ID: 211 568 992 705 Passcode: et2fD66g or enter or telephonically at (469) 480-3918 Phone Conference ID: 839 596 065#.

Teleconference Locations:

4689 CA-166 New Cuyama, CA 93254	1115 Truxtun Ave, 5th Floor Bakersfield, CA 93314	800 S. Victoria Ave, #1610 Ventura, CA 93009
5319 W. Delaware Ave Visalia, CA 93291		400 East Main Street, Suite 300 Visalia, CA 93291-6337

The order in which agenda items are discussed may be changed to accommodate scheduling or other needs of the Board or Committee, the public, or meeting participants. Members of the public are encouraged to arrive at the commencement of the meeting to ensure that they are present for discussion of all items in which they are interested.

In compliance with the Americans with Disabilities Act, if you need disability-related modifications or accommodations, including auxiliary aids or services, to participate in this meeting, please contact Taylor Blakslee at (661) 477-3385 by 4:00 p.m. on the Friday prior to this meeting. The Cuyama Basin Groundwater Sustainability Agency reserves the right to limit each speaker to three (3) minutes per subject or topic.

1. Call to Order (Bantilan) (1 min)
2. Roll Call (Blakslee) (1 min)
3. Pledge of Allegiance (Bantilan) (1 min)
4. Meeting Protocols (Blakslee) (2 min)
5. Election of Officers (Bantilan) (5 min)
6. Standing Advisory Committee Meeting Report (Kelly) (3 min)
7. Report from Auditors on Fiscal Year 2023-2024 Audit (Daniells Phillips Vaughan & Bock) (10 min)

CONSENT AGENDA

Items listed on the Consent Agenda are considered routine and non-controversial by staff and will be approved by one motion if no member of the Board or public wishes to comment or ask questions. If comment or discussion is desired by anyone, the item will be removed from the Consent Agenda and will be considered in the listed sequence with an opportunity for any member of the public to address the Board concerning the item before action is taken.

8. Approve November 6, 2024, Meeting Minutes (Bantilan) (1 min)
9. Approve Payment of Bills for October and November 2024 (Blakslee) (1 min)
10. Approve Financial Reports for October and November 2024 (Blakslee) (1 min)

ACTION ITEMS

All action items require a simple majority vote by default (50% of the vote). Items that require a super majority vote (75% of the weighted total) will be noted as such at the end of the item.

11. Groundwater Sustainability Plan Implementation
    a) Discuss and Take Appropriate Action on Variance Findings and Direction on Setting Final CMA Groundwater Allocations for 2025-2029 (Beck/Van Lienden) (60 min)
    b) Discuss and Take Appropriate Action on GSA Project Prioritization/Schedule (Beck) (45 min)
    c) Discuss and Take Appropriate Action on Stormwater Capture Surface Rights Analysis (Dominguez) (15 min)

REPORT ITEMS

12. Administrative Updates
    a) Report of the Executive Director (Beck) (5 min)
    b) Report on Fiscal Year 2025-2026 Budget Schedule (Blakslee) (5 min)
    c) Report on Water Year 2024 Annual Report Schedule (Blakslee) (5 min)
    d) Report of the General Counsel (Hughes) (5 min)
13. Technical Updates
    a) Update on Groundwater Sustainability Plan Activities (Van Lienden) (5 min)
    b) Update on Grant-Funded Projects (Van Lienden) (5 min)
    c) Update on October 2024 Groundwater Levels Report (Van Lienden) (5 min)
14. Report of Ad Hoc Committees (1 min)
15. Directors' Forum (1 min)
16. Public Comment for Items Not on the Agenda (5 min)
17. Correspondence (1 min)

CLOSED SESSION

18. Conference with Legal Counsel – Existing Litigation (15 min)

    Pursuant to Government Code section 54956.9(d)(1)

    (a) Bolthouse Land Company, LLC, et al v. All Persons Claiming a Right to Extract or Store Groundwater in the Cuyama Valley Groundwater Basin (BCV-21-101927)

19. Adjourn (5:24 p.m.)

2025 Board Ad hocs

1	**GSP Amendment**	Albano Paulding Williams, Das Wooster Yurosek
2	**Basin-Wide Water Management Policy**	Anselm Bantilan Williams, Deborah Yurosek
3	**Central Management Area Policy**	Anselm Bantilan Vickery Williams, Deborah Wooster
4	**Grant-Funded Items**	Albano Vickery Williams, Das Williams, Deborah
5	**Unknown Extractors**	Anselm Vickery
6	**CIMIS Station Implementation Policy**	Burnes Bantilan Wooster
7	**Variance**	Albano Anselm Jackson Young

Tech Forum Participants

Participants	Entity	Representing
Aman Singh Anthony Daus	GSI	Bolthouse / Grimmway
Mack Carlson	BHFS	Coalition of Landowners for Commonsense Groundwater Solution
Derrik Williams	Montgomery & Associates	Coalition of Landowners for Commonsense Groundwater Solution
Bob Abrams Sean Hartman	Aquilogic	BBK
Matt Klinchuch	Cuyama Basin Water District	Cuyama Basin Water District
Jeff Shaw John Fio Macy Frost Marco Maneta	EKI	Cuyama Basin Water District
Neil Currie	Cleath-Harris	Grapevine Capital
Matt Young Matt Scrudato	Santa Barbara County Water Agency	Santa Barbara County
Bianca Cabera Steve Johnson Jeff Helsley	Stetson Engineers	Sunrise Olive

Standing Advisory Committee Report

Meeting Date: January 9th, 2025

Submitted to the CBGSA Board of Directors on January 15th, 2025

By Brenton Kelly, SAC Chair

The Standing Advisory Committee met at the Family Resource Center in a hybrid format, with five Committee Members present in-person and two on the conference line with none absent. GSA Staff Taylor Blakeslee and legal counsel Alex Dominguez were present, and they were joined by Grace Bianchi, and W&C Staff on the call. Several stakeholders were in the room and on the video conference.

Public Comment was made by Robbie Jaffe with the Introduction of the newly formed Small Farmer and Rancher Network.

"Over the past few months, a network of Cuyama Basin small farmers, ranchers and small pumpers has been formed. We are funded through the technical assistance funding for small farmers under DWR and we are operating under the auspices of the Cuyama Valley Family Resource Center and the Cuyama Valley Community Association.

Our overall purpose is to have the voice of the small pumpers be represented in both the GSP and the adjudication processes with specific results that address the concerns and needs of small pumpers. Our organization has, and will continue to, meet regularly in order to understand the needs of Cuyama residents and collectively present our needs to the GSA. To date we have established a steering committee of six Cuyamans, held three community meetings and have formed partnerships with Dudek Engineering for technical assistance and with a legal clinic at UC Davis Law School, the Small Farmer Water Justice Clinic for legal guidance. We hope to work collaboratively with the GSA as we highlight the impact of policy considerations on small pumpers. We are available as a resource to the GSA and we hope you will listen to our concerns as we strive to represent the voices of small pumpers in the Cuyama Valley."

The SAC Committee elected to continue with Brenton Kelly as Chairperson and elected to pass the Vice Chair position to Joe Haslett. The SAC unanimously recommends these Committee Members to these Officer positions for approval by the GSA Board.

The SAC then spent almost an hour on a very informative presentation and discussion which had been requested by the SAC last year re: Non-Irrigated Land Classification and Model Use. The SAC very much appreciates the time and effort that the W&C team put into the presentation and the attention to our inquiry.

We were shown how sources for Historical Data were very sparse and infrequent. Only half of the years since 1996 (14 of 28) had Land IQ data estimates for the Historic Use calculations, and little to no ground truthing was done until very recently, and private access issues prevent most effective drive-by assessments. The statewide accuracy of 98% for Land IQ is encouraging but may not accurately reflect the diverse high desert conditions across our basin. The Committee was generally supportive of using property owner data whenever appropriate.

Committee Member Caulfield questioned the actual Cuyama ground truthing numbers? Specifically, How many ground-truth events have occurred and how many are planned? Approximately how many acres have been ground-truthed? Where has the ground-truthing generally occurred? and Have you been coordinating with landowners to access properties, or have you been restricted by public access roads? We understand that Taylor has passed those requests to the appropriate Land IQ staff for a response.

Committee member Jaffe was appreciative of the explanation of how now there is a distinction between Idle Land and Non-Irrigated active dry farming operations, when there did not use to be. Committee Member Jaffe feels strongly that there are many small and de minimis producers in the Basin that are sustainable examples and should be recognized in the Basin and in the model. Jaffe chose to use Cuyama Homegrown as an example of a highly productive local food provider and de minimus farm. Classifying these types of working lands as Non-Irrigated is neither true or provides much needed recognition for existing water-saving farming systems in the Valley..

Chair Kelly suggested that it would be helpful to distinguish within the category of Native Vegetation, between those lands being worked as Range Land and Wild Lands, both being very different types of Non-Irrigated Lands with different consumptive use. It was also suggested that perhaps the category for citrus could be replaced with cannabis.

Stakeholder Adam Lofgren asked if the model had any consideration for Irrigation efficiencies?

The rest of this SAC report can be given as those items come up on this agenda.

11. a) <u>Discuss and Take Appropriate Action on Variance Findings and Direction on Setting Final CMA Groundwater Allocations for 2025-2029</u>

The SAC was unable to review the Ad hoc Committees recommendations by meeting time and therefore felt unable to make specific Variance application recommendations. The distinction was made between simply considering technical discrepancies and the need to consider other reasonable exceptions such as a minimum allocation or a minimum % of impact to the total allocation. A late-coming small family farm is not the cause of the overdraft and should not be put out of business when they use less water than the margin of error in the modeled calculations.

Committee Member Caufield said that while the Variance Process gives an opportunity to address any data discrepancies between the modeled historical use calculations and actual land use data, it does not give an opportunity to address the issues of equity. Where is the opportunity to consider the value of families living in and contributing to the ecology of the Valley? To consider equity not just equality. Taylor reminded the Committee that the GSA had chosen not to consider a minimum allocation or a tiered approach, and that he does not think they will change the Policy.

Committee Member Jaffe acknowledges her frustration as she remembers the individual exemption that the GSA was willing to give to the big new Harvard vineyard by allowing over a hundred feet of groundwater elevation draw down to insure that business success and now a small farmer’s insignificant request is considered unjustified and unfair. She feels that small farmers are getting squeezed out of consideration. She thinks that Lewis Farm is an example of

the need for a small farm exemption because the variance is well within the margin of calculated error.

Committee member DeBranch expressed concern that it could be difficult to determine small from large and that it was not the job of the GSA to choose winners and losers based on their size.

The Committee heard briefly from representatives from two of the other Variance Applicants.

Chair Kelly returned to the equity issue and said it comes down to scale and how a smaller operation is impacted worse by a straight % cutback than a big operation, quite quickly to the point of non-viability and bankruptcy. This is a SGMA component not currently being included. The Family farm is a beneficial Use of the highest order needing greater protections. Equity needs to be taken into account when some operations are using less water than the margin of error within Modeled calculations, but a standard cut could mean certain failure for these small operations, especially the family farms. Kelly also felt that the investments in perennial crops should be considered differently than that of annual corps.

Without the Ad hoc Recommendations to consider and with more than an hour's discussion, no SAC Recommendation was made for any specific Applicant, but was the following motion was made:

Motion: Made by Jaffe and seconded by Haslett

> **The SAC recommends that in addition to considering the technical data discrepancies in the variance applications, the GSA should consider the amount of the Variance and what is the impact of that % on the total Allocations of the CMA.**

The motion passed with one NO vote from DeBranch who thought this was a step backwards and will send everything back to the drawing board.

11. b) Discuss and Take Appropriate Action on GSA Project Prioritization / Schedule

The SAC was asked for any edits to this list of projects.

Chair Kelly asked if the item A,3 Deep Percolation Study could also include an isotope survey and age dating with the goal to help understand how groundwater water moves horizontally in the Basin. Kelly also recognizes the need to explore the deep infiltration rate. How long does it really take for any available surface water to get down through over 400 feet of unsaturated 'Vadose Zone'? It is Kelly's understanding that the Model absurdly assumes this is an instantaneous event.

Vice Chair Haslett suggested that consideration be made for the emerging best practices for stormwater catchment and rangeland prescriptive burn/graze. He suggests collaboration with other organizations in the Santa Maria Watershed with low-cost nature-based projects across the basin. Process Based Restoration and Beaver Dam Analogues have been shown to improve groundwater elevations. Intensive prescriptive grazing and controlled burning has been used to improve groundwater conditions. Chair Kelly announced that Quail Springs has been approved for a CalFire Grant with the Ventura County Resource Conservation District as a prescribed burn site in the near future.

Chair Kelly was grateful to see the Tiered Allocation Approach (e.g. Minimum Allocation) and said this would be a priority of the SFAR network.

Committee member DeBranch stated that he was not in favor of a tiered approach to allocations, and he felt that the Carry Over and Water Market projects needed to happen as Basin Wide Policies.

Committee member Lewis suggested that Cropping Factors could be considered as an alternative to exclusively relying on Historic Use when land use is transitioning to lower consumptive perennials.

Stakeholder Lofgren questioned the distinction between the Ranking Criteria. A definition and specific example would be helpful. For instance, what is the difference between the Impact and the Importance of a project? Is Impact the same as equity?

11, c) Discuss and Take Appropriate Action on Stormwater Capture Surface Water Rights Analysis

Legal Counsel Alex Dominguez presented a verbal report of the unpublished Draft Analysis. We were told that the State has not made the determination that the Cuyama River is fully appropriated yet by the down river water rights adjudication of the Santa Maria Basin. Staff believe that theoretically in one out of every ten years there may be 9000 Acre Feet available to divert. The required Permits are challenging, expensive and not assured. The funding for this type of project may require a Prop. 218 type vote. The estimated project cost has put a very high price on any additional acre feet of recharge.

Chair Kelly asked if a Management Area would need to be formed like a Benefit Assessment District to address that the only potential benefit would be to the region of presumed enhanced recharge. Dominguez responded that it would be more likely that everyone in the Basin would pay for the Project and the allocations would then reflect the benefit from any additional recharge that might be added to the Sustainable Yield.

Vice Chair Haslett suggested that a greater return on investment would be gained from Natural Systems Science projects like Process Based Restoration efforts that could look like GDE enhancement projects and would also serve the stormwater catchment goals of enhancing recharge.

An unofficial SAC temperature read on the viability of this project continues to be rather cold.

The remaining items of the meeting were reports with very little accompanying discussion.

The SAC Adjourned at 8:42

Respectfully submitted,

Brenton Kelly

SAC Chairperson

TO: Board of Directors
Agenda Item No. 7

FROM: Taylor Blakslee

DATE: January 15, 2025

SUBJECT: Report from Auditors on Fiscal Year 2023-2024 Audit

Recommended Motion
None – informational only.

Discussion
Daniells Phillips Vaughan & Bock has been retained to perform the audit for Fiscal Year 2023-2024 and their audit letter and the Cuyama Basis Groundwater Sustainability Agency's (CBGSA) management representation letter are provided as Attachment 1. The CBGSA Financial Report (dated June 30, 2024) is provided as Attachment 2.

Cuyama Basin Groundwater Sustainability Agency
Board of Directors Meeting

November 6, 2024

Draft Meeting Minutes

PRESENT:
Directors
Bantilan, Cory – Chair
Yurosek, Derek – Vice Chair
Albano, Byron – Treasurer
Anselm, Arne – Secretary
Burnes, Rick
DeBranch, Brad – Alternate
Jackson, Steve
Reely, Blaine – Alternate
Williams, Deborah
Wooster, Jane
Young, Matthew
Zenger, Katelyn

Staff
Beck, Jim – Executive Director
Blakslee, Taylor – Assistant Executive Director
Dominguez, Alex – Legal Counsel
Hughes, Joe – Legal Counsel
Van Lienden, Brian – Woodard & Curran

ABSENT:
None

1. **Call to Order**
   Cuyama Basin Groundwater Sustainability Agency (CBGSA) Chair Cory Bantilan called the meeting to order at 2:02 p.m.

2. **Roll Call**
   Mr. Blakslee called roll (shown above) and informed Chair Bantilan that there was a quorum of the Board.

3. **Pledge of Allegiance**
   The pledge of allegiance was led by Chair Bantilan.

4. **Meeting Protocols**
   Mr. Blakslee provided an overview of the meeting protocols.

5. Standing Advisory Committee Meeting Report

Standing Advisory Committee (SAC) Chair Brenton Kelly provided a report on October 31, 2024 SAC meeting and is included below:

The Standing Advisory Committee met at the Cuyama Valley Family Resource Center in a hybrid format with Four Committee Members present in-person and two on the conference line and one Committee Member absent. GSA Staff Taylor Blakslee and Grace Bianchi were in the room, joined by Jim Beck and Brian Van Lienden on the call. Two public stakeholders were in the room and up to 22 participants were on the video conference line. The meeting lasted 3.5 hours with constructive and informative discussion. The Standing Advisory Committee has regretfully received two resignations from Committee positions. For personal and professional considerations Karen Adams and Jake Furstenfeld can no longer make the commitment necessary to be on the SAC. Perspective nominations and/or applications can be directed to Taylor or Brenton.

The Committee recommends the adoption of the proposed 2025 Schedule of Meetings.

The Committee took a vote on four motions for recommendations to the GSA and they can be presented when those items come up at this meeting.

10a) Discuss and Take Appropriate Action on CIMIS Station Implementation Policies

Committee member Gaillard stressed the importance of having a fire break around the perimeter to prevent the spread of fire by mowing in the summer. Committee member Haslett was concerned that the estimated site preparation costs may be too low, given the requirements of the CIMIS program. Several Committee members shared the importance of finding an additional location for a CIMIS station in the central area of the Basin.

Motion: Made by Jaffe, second by Haslett

The SAC agrees with the Ad hoc committee's recommendation regarding the Financial Considerations, the Water Use Implications, and the Agreements policies of the CIMIS stations on private property. Motion passed unanimously.

10bi) Discuss and Take Appropriate Action on Farm Unit Policy

Chair Kelly asked what % of change would be considered a threshold between Option 2 and Option 3? Staff replied that this was difficult to say in the abstract. Jim Beck suggested that a change of more than 5% of total CMA pumping for that year would be a reasonable threshold.

Committee member Jaffe asked how often this might happen? Brian Van Lienden related that it likely would be uncommon and was called for at every five year update or whenever the Model is updated.

Vice Chair DeBranch thought Option 2 made the most sense and suggested that the Farming Unit issues were baked into the CMA Allocations by the land use element as opposed to managing extraction from the specific location of the Well itself.

Motion: Made by Jaffe seconded by Haslett The SAC recommends Option 2 with a threshold of no more than 5% of the Maximum allowed pumping for that year, which

would trigger Option 3. Motion passed 4 to 2, DeBranch and Lewis cast No votes

10bii) Discuss and Take Appropriate Action on Baseline Options and Implementation of 2025-2029 Groundwater Allocations

Stakeholder Jane Wooster asked if the % of Historical Use by parcel had changed with the new Model and CMA estimates? Staff said Yes. All the historical use estimates for 1997-2021 had been recalculated by the updated model and therefore the % of average historical use had also changed.

Committee Member Dave Lewis asked if the Baseline pumping estimates and the Sustainable Yield numbers were all modeled by the same calculated estimation of historical use? The answer from the staff was Yes. Dave asked the follow up question: What is the best guess of accuracy in the model? Jim Beck was reluctant to answer this and spoke to the challenge of stating this number. Some areas of the model are more accurate than others and so it's not easy to quantify the overall accuracy of the Model. But between +/-5% was a reasonable guess. Dave Lewis was concerned for the reliability of the Model and that the estimations for small farmer operations like his family's were all within the margin of error and it amounted to statistical noise when balancing the Basin as a whole.

Committee Member Haslett said that this chart demonstrates the inequity of only using Historical Use as a determination of the allocations. Flaws in the data can translate to devastation to the smaller pumpers. Stakeholder Jaffe agreed to the use of the new model due to the improved data and better calibration. She shared the frustration that 2 major pumpers are putting the burden of their overdraft on the shoulders of the many small pumpers.

Committee vice chair DeBranch defended the approach to using Historic Use as a way that treated all pumpers proportionate to their extraction before the passing of SGMA.

Vice Chair DeBranch made a Motion to recommend Option #3 of a Baseline of 44,254 AF. The Motion failed for a lack of a Second.

Motion: Made by Gaillard, seconded by Jaffe
To recommend Option #4 with a consideration for a tiered approach that protects the basin and small farmers

Vice Chair DeBranch asked the GSA legal council if this tiered approach was legal? GSA Council Dominguez said that in their analysis no other GSA has taken a tiered approach to structuring a pumping restriction policy.

Chair Kelly suggested that the law has been changed by SGMA and an ethical, equitable and nuanced approach to protecting groundwater as a commons resource has not yet been attempted. He suggested that the column of % of allocation was a fine example of a place to consider a tiered approach to protecting the small pumpers whose volumes are within the margin of error in the estimation of overall extraction.

Otherwise, Chair Kelly was in favor of the new, more accurate Modeled Baseline that allowed for less loss in overall Groundwater Storage.

Stakeholder Wegis suggested that the issue should be looked at from an Acre Foot per Acre approach. He also requested that once a baseline number is chosen that it not change during implementation. Stick with whatever we come up with.

Motion passed 4 to 1: DeBranch voted No due to councilors Dominguez' comments, Committee Member Haslett abstained.

18) PUBLIC HEARING – Consider Adoption of the Amended Groundwater Sustainability

Plan Vice Chair DeBranch expressed concerns about the uncertainty of the recent model updates. He said that the confidence in the accuracy of the computer estimations was lacking. Committee Member Lewis found agreement with this uncertainty of the accuracy, especially when making a policy decision based on a brand new computer estimation.

Committee Member Jaffe shared that it was very difficult for her to approve a new improved Plan that does not fix many of the deficiencies of the last Plan, such as; Water Quality issues, inconsistencies in MT changes in the Northwest Region, GDE protections and the inequity of the allocations.

Committee Member Haslett agreed with Jaffe that the new GSP does not address the problem areas or resolve the policy problems that this Committee has been bringing up for years.

Chair Kelly felt conflicted between the ongoing deficiencies of the new Plan and the many improvements that it represents over the old one. This is a summary of his public comment letter regarding these deficiencies.

- The GSP should investigate, quantify, and protect the remaining GDEs in the Basin before more are lost. No wetland survey has been done other than a remote desktop illumination of ¾ of all probable GDE's based on satellite data interpretation.
- The GSP should be more protective of groundwater resources and recognize the undesirable result of long term chronic declining groundwater levels and the loss of storage. The end goal of Sustainability in 2040 is 15 years away and the Basin stands to lose substantially more under this Plan.
- The Central Management Area should be better justified with ground-truthed data and Policy decisions should not be driven solely by the current algorithms of the Hydrologic Model.
- The GSP would be more effective if it addressed the causes of long-term chronic overdraft rather than just lowering the Minimum Thresholds to avoid exceedance. Five years into this Plan and no actual reductions of Historic Use have been achieved.
- The GSP would be more consistent if it did not make one-off questionable exceptions for groundwater level declines for one large vine operation in the

Northwest area. The Saturated Thickness methodology is based solely on the property owners request using proprietary science.

- The GSP would be more equitable if it recognized the magnitudes of difference between the few large operations and the many much smaller farming operations in the valley. The discrepancy demands something more nuanced than a one-size-fits-all Policy.
- The GSP would be more enforceable if it had Management Action triggers and timelines, and the GSA exercised its authority and mandate to preserve groundwater and protect the Public Trust from private over extraction.

No motion was made in support of the adoption of the amended GSP.
Motion: Made by Jaffe, seconded by Lewis.
The SAC recommends that the Amended GSP should not be adopted as presented.
Passed Unanimously.

Although the Committee did not recommend adoption of this amended GSP, they do recognize the challenge this GSA is now facing. In evaluating the new Plan, we did not judge whether or not it was still better than the old one for possibly the next 5 years. We also recognize the substantial work that GSA Staff and the W&C team have made toward improving the GSP within the direction of this GSA Board. However, For a diverse set of reasons this Committee is unanimous that this Plan still has critical issues unresolved.

20) Review and Take Appropriate Action on the GSP 5-Year Periodic Evaluation
Brian Van Linden suggested that although most of the 91 page document would be unaffected if the Draft GSP is not adopted he also shared some of the connecting issues that embed the Draft GSP into the Periodic Evaluation.

No Recommendation was made by the SAC on this item.

Chair Kelly Adjourned the meeting at 8:40.

Respectfully submitted,
Brenton Kelly

CONSENT AGENDA

6-9. Consent Agenda

Chair Bantilan asked if any Directors wanted to move any of the consent items out to discuss in more detail.

Chair Bantilan pulled the item on the 2025 meeting calendar item for discussion and pointed out a potential board meeting on July 2nd, 2025.

MOTION

Director Jackson made a motion to approve the consent agenda item nos. 6-9 with the revision to move the July 2nd board meeting to July 9th. The motion was seconded by

Director Williams. A roll call vote was made and the motion passed.

AYES:	Anselm, Albano, Bantilan, Burnes, Jackson, Reely, Williams, Wooster, Yurosek, Zenger
NOES:	None
ABSTAIN:	Young
ABSENT:	None

ACTION ITEMS

10. Groundwater Sustainability Plan Implementation

a. Discuss and Take Appropriate Action on CIMIS Station Implementation Policies

Mr. Blakslee reviewed the Department of Water Resources (DWR) CIMIS Station requirements and issues with the existing station. He reported that CBGSA staff are looking for board direction on financial considerations, water implications, and agreements.

SAC Chair Brenton Kelly provided the SAC report on this item, which is included in the Board packet.

There were no public comments on this item.

Director Young asked about on-going maintenance and commented Santa Barbara Water Agency has field staff that could potentially help with maintenance.

MOTION

Director Jackson made a motion to follow the ad hoc recommendation for CIMIS Station implementation. The motion was seconded by Director Burnes, a roll call vote was made and passed with 93%.

AYES:	Anslem, Bantilan, Burnes, Jackson, Reely, Williams, Wooster, Young, Yurosek, Zenger
NOES:	None
ABSTAIN:	Albano
ABSENT:	None

11. Groundwater Sustainability Plan Amendment Components

a. Update on GSP Component Schedule

Mr. Beck provided an update on the Groundwater Sustainability Plan (GSP) component schedule and highlighted the progress made throughout the past year on GSP components.

Legal Counsel Alex Dominguez provided an overview of the three items for board consideration: GSP update, 2025 allocations, and 5-year assessment. Of the three main agenda items being discussed, the 5-year assessment is the only item that is required by

Sustainable Groundwater Management Act (SGMA). He added that DWR's review of the five-year assessment can result in the GSP being approved, deemed incomplete, or deemed inadequate. An inadequate determination would result in the State Water Resource Control Board taking jurisdiction. He noted that the board's decisions on the GSP update, and allocations will impact on the five-year assessment.

There were no public comments on this item.

b. Discuss and Take Appropriate Action on Groundwater Allocation Program

i. Discuss and Take Appropriate Action on Farm Unit Policy

Mr. Blakslee provided an overview of the Farm Unit Policy issue and reviewed three potential options for board consideration.

Director Wooster asked If a landowner has joined a farming unit, and their lease is not extended for the full duration of the farming unit, is it possible for them to be recognized as no longer part of that farming unit by the GSA. If they are released from the farming unit, do they keep the cut back acres they were allocated as part of the farming unit? If they are no longer in the management area, can they use whatever water they want?

Director Albano commented that you should be able to break out of the farming unit allocations if you lose your lease and the allocations should stay the same. He expressed concern that option two and three could allow gaming of the system, where someone leases land outside the management area, farms it for a period, then breaks the lease to continue pumping.

SAC Chair Kelly provided the SAC report for this agenda item.

There were no public comments on this item.

Director Wooster suggested that if the lease is not renewed, the parcel should be released from the farming unit agreement so the landowner can use the water.

Director Albano asked about a policy to opt out of 5-year period for allocations and allocations would remain with the parcels.

Director Yurosek commented that allocations should come from the point of extraction rather than the end point. He added that the farm unit issue is an exception rather than a rule, and the GSA should address the issue when it arises.

Director Wooster commented that the discussion on the farming unit policy should be in the future when there is less on the agenda. She commented that there could be strong holding from the farming units.

Mr. Beck commented the administrative solution is to remove the parcel and apportion allocations to parcels. He added that this item is not urgent and asked what additional information can be provided when discussing it in the future.

Director Albano commented that there are a few areas in which this policy would apply.

Director Jackson agreed with Director Wooster that this agenda item could be tabled.

Chair Bantilan reported that the farm unit policy will be discussed at a later date.

Mr. Beck commented that it would be helpful for CBGSA staff to work with an ad hoc committee to determine important details of the policy.

Chair Bantilan appointed Directors Yurosek, Albano, and himself to the ad hoc for the farming unit policy.

ii. Discuss and Take Appropriate Action on Baseline Options and Implementation of 2025-2029 Allocations

Mr. Beck provided an overview of the board's previous direction on baseline options and reviewed the four options that are presented today for board consideration.

Mr. Van Lienden reviewed the methodology to develop the pumping allocation tables for the CMA and the updates to the model, CMA, and land use.

Mr. Blakslee provided an overview of the structure and steps to establish groundwater allocations. Mr. Beck reviewed the impact of the four baseline options on groundwater storage. Mr. Van Lienden reviewed the allocation table excel spreadsheet that was provided in the board packet.

SAC Chair Kelly provided the SAC report on this item.

Stakeholder Dave Lewis commented on the inequities with using historical pumping for allocations.

Stakeholder Matt Vickery commented in favor of option 3 and reaching sustainability by 2038 should be the priority. He commented that Grimmway has pumped less than their allocations, and significantly less water than historic use over the past two years.

Stakeholder Christopher Mouawad commented he has been working with small farmers and their needs are not met by the current baseline and he encouraged the CBGSA to adopt the October 31 SAC recommendation, specifically option 4 with special consideration for small farmers. Significant cuts are needed as the basin continues to suffer undesirable results with the current baseline, which disproportionately impacts small farmers and small pumpers. Small farmers tend to have wells that are susceptible to decreased water tables, and small farmers also tend to have less capacity to remediate dry wells. Lowering the baseline would allow the basin to come into balance faster because the largest pumpers would be required to cut their water use at an earlier date than under the current baseline.

Option four would also allow for smaller cuts over a longer period and allow for small farmers to adapt more easily to cuts in their water allocation. This will increase compliance and successful implementation of the GSP among those with fewer resources to comply with the steed cuts.

Stakeholder Tilden Kim summarized the letter that was provided by the CMA that discusses how this hearing suffers from a violation of new process and disagrees with the placement of the entire basin overdraft on pumpers located in the CMA due to proper water elevations in that portion of the basin. He commented that there's also a significant level of capricious and arbitrary production allocations solely related to assigned CMA production and sunrise rates. He added that the data is incorrect, and Sunrise ignores sunrise presentation of historical and engineering data. He believes that Sunrise should not be in the CMA for a lack of data, supporting that conclusion. The display path approach has inherent inequities, and that this abrupt, imminent change in the economic impact of the production reduction program should induce the board into the immediate consideration establishment of management techniques to ease the financial impacts of this acceleration, such as carryover, as well as an establishment of a water market to allow distress pumpers to increase the life of their agricultural enterprise they've established in the area. He urged the board members to read and consider that letter in detail before adopting any recommendation on selecting a baseline pumping option.

Stakeholder Dan Clifford commented in favor of option 3 and lifetime restrictions across the basin. He noted that farming companies rely on the amounts that are given to them to do their business planning and a deviation from what has been previously agreed to is going to result in economic devastation. He commented that any selection of option is not consistent with the previous glidepath.

Stakeholder Robbie Jaffe commented on her support for the new model and recommends moving forward with options that include the new model. She commented on the impacts on small pumpers and their minor impact on total pumping in the basin.

Stakeholder Guy Lingo commented that he is not in favor of lifetime restrictions for allocations and that it would deter new farmers that want to grow in the basin.

Chair Bantilan closed the floor for public comment.

Director Wooster commented that the sustainable yield did not have a major adjustment, but baseline pumping changed drastically. She commented on the changes to the model, land use, and pumping in a brief period. She added that Woodard & Curran has mentioned that the model can be improved in two or three years. She commented in favor of the new model but would like to have more data in the model before moving forward with any changes. She commented on the lack of notice to landowners and that landowners pumping less than allocated are not using paper cuts.

Director Burnes commented the old 50,600 AF baseline to the new 30,000 AF baseline is a significant shift in a short amount of time. He commented it would be good to have some process or mechanism to flag larger variances, like over 5-10%, so the board can validate it further before implementation. He is in favor of exploring ways to phase it in more gradually or give them more time to adapt, rather than just ripping the band-aid off. He commented he would like to consider option 9 and consider phasing it in so there's less impact. He commented that the board should help staff to further evaluate options to alleviate the impacts of significant reduction from previous baseline to a new baseline option.

Director Young pointed out that the reported pumping data for 2022 and 2023 is around 37,000 AF, which is much lower than the old 50,600 AF baseline. He argued that using the old 50,600 AF number is not reflective of the actual on-the-ground reality, as that number was "wildly wrong" from the beginning. He commented in favor of option 9, as a reasonable middle ground approach.

Director Albano commented that drastic changes are not fair for owners and there should be notice before implementing a baseline option. He suggested having a water market. He suggested delaying the implementation of the option 9 baseline for 12 months or 24 months, to allow time to collect and review new pumping data a, before fully implementing the new baseline.

Director Anselm commented that if the baseline option 3 is selected then there is no tangible cut in allocations until 2030.

Director Jackson commented that the board had previously agreed to a glide path a few years ago, and the new model that came out has now changed the glide path, and landowners need more time to adjust. He commented in favor of option 3 (50,600 AF).

Director Burnes commented that there are significant changes in the new model and staff should investigate significant changes to the model.

Director Yurosek commented that there are issues with the new model and these to be discussed and evaluated. He added that no baseline options need to be approved tonight.

Director Albano asked about the logistics of delaying implementation of a baseline option.

Mr. Beck commented that new data is added to the model and the model is calibrated to see how it compares to the groundwater levels. He added that it would be difficult to turn around model update in 6 months due to policy level and feedback from technical committee and stakeholders. Staff would not provide options if they didn't comply with SGMA.

Director Yurosek commented that a baseline process was previously approved by the

board, and he asked if new baseline options are provided due to the adjusted CMA. He asked if sticking to the status quo is an option.

Mr. Beck commented that the board could decide to stick with the status quo.

Mr. Van Lienden clarified that the baseline options and tables reflect the new CMA boundary from the new model which resulted in new allocations and allocation percentages, but the baseline option 3 (50,600 AF) amount is based on the old model.

Director Burnes asked if the GSA could wait 12 months before implementation because the pumping estimate is well below the current glidepath.

Chair Bantilan agreed with Director Albano's suggestion to wait to implement a new baseline. He commented that there should be a basin-wide strategy. He would like to move forward with an option today and delay implementation.

Director Jackson commented in favor of waiting and sticking with the status quo until more information is provided.

Director Yurosek commented that any option will have a 30-40% impact on any landowner.

Director Williams commented in favor of option 9 and that the old model baseline was incorrect and should be adjusted.

Director Reely commented in favor of option 9 and delaying the implementation of the baseline for 12 months to provide time to farmers.

Director Zenger commented in favor of status quo and wait until more information is available.

Director Jackson commented that he would like to see the existing glide path.

Director Byron suggested adopting option 9 and waiting to see 12 months of data before deciding to recalibrate a model recalibration.

Legal Counsel Joe Hughes commented that there are challenges binding a future Board to approve a baseline. He expressed concern that somebody would say imposing a super majority vote on a future board would really be an amendment of the JPA.

Director Yurosek commented that the next model revisions may not be good, and he is against approving a new baseline today.

Director Wooster commented that the CBGSA does not know that option 3 baseline (50,600 AF) is wrong because no one has seen the effect of updated land use, CMA,

water use, and ET on the amount of water allocated to the basin. The 50,600 AF was based on historical pumping that it may indicate substantial cutbacks have already been made.

Director Young commented that the board should have a five-year outlook, so the same process does not have to be revisited in a year. He suggested implementing a five-year allocation with built-in adjustments, which would allow for adjustments if new data arose, rather than delaying and re-evaluating annually. The glidepath numbers were not included in the GSP.

Director Yurosek commented it is not feasible for a landowner and farmer to deal with constant changes to the glidepath.

Director Young commented that the baseline should not change all the time, but this allocation process is different from the glidepath.

Legal Counsel Joe Hughes commented that Item 19. Approval of resolution to amend the GSP requires supermajority, but the baseline options item requires a majority. If the board sets a policy for an allocation to implement a management action for allocations, then that's a simple majority, because you're not changing GSP to adopt a policy or change the policy.

Mr. Blakslee added that the GSP was drafted to provide some flexibility. The program outlines the sustainable yield, CMA boundary, and glide path for the basin, but details are not specified.

Mr. Van Lienden responded that the GSP mentions the glidepath as a percentage reduction of an unknown number.

Director Burnes commented that this item is fast-tracked, but there’s no immediate mandate to approve the baseline options for the amended GSP.

Mr. Blakslee responded that the board had previously provided direction allocations for 2023-2024, but no direction for 2025 and beyond. He added that CBGSA staff need direction on items included in the GSP, which includes a schedule for pumping allocations. CBGSA staff are looking for direction on 2025-2029 allocations.

Director Wooster commented that information was not provided in a timely manner and option 3 is the only option to give more time.

Chair Bantilan commented in favor of having carryover and water market discussions in future meetings.

Director Jackson commented that there is no incentive to change pumping outside the CMA and advocated to keep current baseline.

Director Wooster commented a timeline should be created to address various items

for discussion in board meetings such as difference between perennial and annual crops.

Chair Bantilan responded these issues need to be addressed, but there's nothing stopping the board from moving forward on this today.

Director Yurosek commented that board members are expressing their concern about deciding on this item. It is not a part of the GSP, and the board should leave it as it is.

Mr. Blakslee expressed concern that if CBGSA staff don't get direction on 2025 allocations, then there may be repercussions from DWR due to stopping a significant project outlined in the GSP.

Director Burnes commented that there is a board consensus to delay a final baseline decision for 12 months to give growers more time and keep the current allocations for 2025. He suggested directing staff to develop a timeline to discuss carryover, water markets, new data, and model updates.

Director Albano commented there should be a five-year plan, and the GSA should stick to that plan. He thinks the GSA should communicate to DWR that the GSA is planning to adopt new model data and use that for the baseline.

MOTION
Director Zenger made a motion to maintain the current baseline and glidepath for 2025-2029 period for the revised CMA operational boundary with farming units, with a commitment to revisit this topic in 24 months. At that time, we will access additional data to evaluate the performance of the new model and ensure that impacted landowners have adequate lead time to adjust, should any changes to the baseline be necessary. The motion was seconded by Director Yurosek and the motion did not pass with 31%.

AYES:	Burnes, Jackson, Yurosek, Zenger
NOES:	Anslem, Albano, Bantilan, Reely, Williams, Wooster, Young
ABSTAIN:	None
ABSENT:	None

Mr. Beck recommended having the Board ask staff to develop an ad hoc to develop a timeline for items. Mr. Beck provided the following board suggestions: 1) continue with pumping allocations utilizing the "old model" (the model v0.2 CMA operational + farm units) for 2025, 2) update and analyze the model using most recent groundwater levels for review and completion by July 2025 (or 2027), 3) form an ad hoc of the Board to devel the schedule and review criteria, and 4) utilize option 9 baseline for allocations beginning in 2026 or 2027, unless the model update deviates more than 10% from Option 9.

Director Albano liked Mr. Beck's suggestions but would like to compare the model

output to additional groundwater levels to understand how the new model works.

Chair Bantilan commented in favor of discussing issues regarding allocations, carryover, economic hardships, and variance.

Director Jackson commented that the two largest pumpers agreed to a glide path needed to reach the sustainable yield, however we just cannot go back and forth on this.

Director Wooster commented that using the new CMA will hurt small farmers.

Director Albano suggested delaying implementation of allocations for any pumpers who were added to the updated CMA boundary.

Chair Bantilan asked if the board could decide to provide alleviation for small pumpers mid-year. Water markets are a way of providing additional allocations from pumpers that don't use all allocations.

Legal Counsel Joe Hughes responded that the cut mid-year is difficult, and the GSA should be very clear that those allocations are subject to ramp down.

MOTION
Director Young made a motion to continue using baseline option 3 (50,600 AF) for 2025 allocations then use option 9 for years 2026-2029 in the updated CMA operational boundary including farming units. The motion was seconded by Director Williams and the motion passed with 68.89%.

AYES:	Anslem, Albano, Bantilan, Burnes, Jackson, Reely, Williams
NOES:	DeBranch, Jackson, Wooster, Zenger
ABSTAIN:	None
ABSENT:	None

c. Review Public Comments on Amended GSP
Mr. Blakslee briefly reviewed the public comment response matrix that was included in the Board packet, which matrix includes a staff response for each comment.

There were no public comments on this item.

REPORT ITEMS

12. Administrative Updates

a. Report of the Executive Director
Nothing to report.

b. Report of the General Counsel
Nothing to report.

13. Technical Updates

a. Update on Groundwater Sustainability Plan Activities
Mr. Van Lienden reported updates on GSP Activities is provided in the Board packet.

b. Update on Grant-Funded Projects
Mr. Blakslee reported that the update on grant-funded projects is provided in the board packet.

c. Update on Quarterly Groundwater Conditions Report
Mr. Van Lienden briefly reviewed the October Groundwater Conditions Report, which is provided in the Board packet.

14. Report of Ad Hoc Committees
Nothing to report.

15. Directors' Forum
Nothing to report.

16. Public comment for Items Not on the Agenda
There were no public comments.

17. Correspondence
Mr. Blakslee reported the correspondence received and distributed to stakeholders.

PUBLIC HEARING

18. Public Hearing – Consider Adoption of the Amended Groundwater Sustainability Plan
Mr. Beck provided a background and purpose of the public hearing. Chair Bantilan reviewed the protocols and process for the public hearing. Mr. Blakslee provided an overview of the public comment process that has been used to collect comments on the amended GSP.

Stakeholder Brenton Kelly commented that the new plan is better than the old and he is in support of the new GSP.

Stakeholder Robbie Jaffe commented that the revised GSP addresses the data gap concerns from the public and that the new model is more accurate. She commented that the revised GSP does not address concerns about methodology to determine to minimum thresholds methodologies and the methodology change that provided an exception to the northwest landowners. The management actions are not well defined when close to the measurable thresholds. GDEs and interconnected surface water have not been adequately protected in the GSP. The measurements of the constituents in the water have not changed from the previous GSP.

Stakeholder Guy Lingo commented it might be advisable to consider delaying the filing of form to get more information.

Stakeholder Dave Lewis commented on the accuracy of the model and allocations. He pointed out that half of the 14 "grouped" pumpers in the allocation spreadsheet have less than five

percent of the allocations, which is the accuracy of the model. He commented that he doesn't understand the use of a model with a 5% accuracy and impose these critical allocations on these small pumpers. The allocations aren't within the accuracy of the model and the basis for your allocations is the historical period, which is not a one size fits all. However, there are no options available to a small pumper who doesn't agree with their allocation, other than the upcoming variance process. There is no discussion of the variance process or the paraments in the GSP.

The public hearing closes at 4:46 pm.

19. Consideration for Approval Resolution No. 2024-111 Amending the GSP and Submit to DWR

Mr. Blakslee reviewed the resolution to amend the GSP and the public comment process that was used to include and address comments on the GSP.

Director Young asked how much of the 5-year evaluation as written is consistent with the amended GSP as written.

Mr. Van Lienden responded that the evaluation would mostly not change much from the previous GSP, as it is an evaluation of how the basin is doing relative to the previous GSP. He noted that the five-year evaluation does assume the GSP has been updated, so the revised minimum thresholds and the monitoring network sections would need to be revised.

SAC Chair Brenton Kelly provided the SAC report.

There were no public comments on this item.

Director Jackson commented that the basin will not reach sustainability until the entire basin is regulated and it's hard to support a plan that doesn't address those issues.

Director Albano commented in support of the new plan.

MOTION

Director Wooster made a motion to approve the updated GSP. The motion was seconded by Director Burnes and the motion passed with a 75.56%.

AYES:	Anslem, Albano, Bantilan, Burnes, Reely, Williams, Wooster, Young
NOES:	DeBranch, Jackson, Zenger
ABSTAIN:	None
ABSENT:	None

20. Review and take Appropriate Action on the GSP 5-Year Periodic Evaluation

Mr. Van Lienden provided an overview of the GSP 5-year periodic evaluation including an outline, and key points.

SAC Chair Brenton Kelly provided the SAC report on this agenda item.

MOTION
Director Wooster made a motion to approve the updated GSP 5-year periodic evaluation. The motion was seconded by Director Young and the motion passed with a 75.56%.

AYES:	Anslem, Albano, Bantilan, Burnes, Reely, Williams, Wooster, Young
NOES:	DeBranch, Jackson, Zenger
ABSTAIN:	None
ABSENT:	None

CLOSED SESSION

21. **Closed Session**
    At 6:36 PM, the Board adjourned to closed session. At 6:55 PM, the Board returned from closed session at which time Legal Counsel reported to the public that there was no reportable action.

22. **Adjourn**
    Chair Bantilan adjourned the meeting at 6:55 PM.

BOARD OF DIRECTORS OF THE
CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY

Chair: _____

ATTEST:

Secretary: _____

TO: Board of Directors
Agenda Item No. 9

FROM: Taylor Blakslee, Hallmark Group

DATE: January 15, 2025

SUBJECT: Approve Payment of Bills for October and November 2024

Recommended Motion
Approve payment of the bills for October and November 2024 in the amount of $321,499.

Discussion
Consultant invoices for the months of October and November 2024 are summarized below for consideration of Board approval.

Expense	October	November	Totals
Woodard & Curran – Technical Services	$134,540	$76,563	$211,103
Hallmark – Executive Director services	$30,185	$20,188	$50,373
Klein – Legal services	$6,669	$19,336	$26,005
Daniells Phillips Vaughan & Bock – Audit services	$2,000	$0	$2,000
BC2 – Monitoring wells	$32,018	$0	$32,018
TOTALS	$205,412	$116,087	**$321,499**

TO: Board of Directors
Agenda Item No. 10

FROM: Taylor Blakslee, Hallmark Group

DATE: January 15, 2025

SUBJECT: Approve Financial Reports for October and November 2024

Recommended Motion
Approve financial reports for October and November 2024.

Discussion
The Cuyama Basin Groundwater Sustainability Agency's financial report for October 2024 is provided as Attachment 1 and the financial report for November 2024 is provided as Attachment 2.

The reports include:

- Statement of Financial Position
- Receipts and Disbursements
- A/R Aging Summary
- A/P Aging Summary
- Statement of Operations with Budget Variance
- 2023/2024 Operating Budget

Cuyama Basin GSA

Financial Statements

October 2024

CUYAMA BASIN GSA
Statement of Financial Position
As of October 31, 2024

	Oct 31, 24	Oct 31, 23	$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
Chase - General Checking	59,415	2,097,327	-2,037,911	-97%
Total Checking/Savings	59,415	2,097,327	-2,037,911	-97%
Accounts Receivable				
Accounts Receivable	4,383,473	788,668	3,594,804	456%
Total Accounts Receivable	4,383,473	788,668	3,594,804	456%
Total Current Assets	4,442,888	2,885,995	1,556,893	54%
TOTAL ASSETS	**4,442,888**	**2,885,995**	**1,556,893**	**54%**
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
Accounts Payable	2,317,358	538,281	1,779,077	331%
Total Accounts Payable	2,317,358	538,281	1,779,077	331%
Other Current Liabilities				
New/Repl Well Deposits	3,100	1,559	1,541	99%
Total Other Current Liabilities	3,100	1,559	1,541	99%
Total Current Liabilities	2,320,458	539,840	1,780,619	330%
Total Liabilities	2,320,458	539,840	1,780,619	330%
Equity				
Unrestricted Net Assets	2,346,115	2,080,948	265,167	13%
Net Income	-223,685	265,207	-488,892	-184%
Total Equity	2,122,430	2,346,155	-223,726	-10%
TOTAL LIABILITIES & EQUITY	**4,442,888**	**2,885,995**	**1,556,893**	**54%**

CUYAMA BASIN GSA
Receipts and Disbursements
As of October 31, 2024

Type	Date	Num	Name	Debit	Credit
Chase - General Checking					
Payment	07/10/2024	21016	Groundwater Extraction Fees:Apache Canyon Ranch, Inc	1,639.80	
Payment	07/10/2024	6585029	Groundwater Extraction Fees:Karam Pistachio Farm	2,401.90	
Payment	07/10/2024	2723	Groundwater Extraction Fees:CCSH Farms	497.00	
Payment	07/10/2024	1529	Groundwater Extraction Fees:Brodiaea, Inc	3,991.73	
Payment	07/10/2024	438	Groundwater Extraction Fees:Bosma and Ricci	122.55	
Payment	07/10/2024	1002	Groundwater Extraction Fees:Boyajian, Tanner	40.00	
Payment	07/10/2024	556946	Groundwater Extraction Fees:Perkins Ranch	566.48	
Payment	07/10/2024	556946	Groundwater Extraction Fees:Bolthouse Land Co, LLC	39,047.19	
Payment	07/10/2024	252	Groundwater Extraction Fees:Anderson Development	10.35	
Payment	07/10/2024	22783	Groundwater Extraction Fees:Cuyama Orchards, Inc	4,376.09	
Payment	07/10/2024	8418	Groundwater Extraction Fees:Buck, Ann	522.00	
Payment	07/10/2024	2251	Groundwater Extraction Fees:Highland Vineyard SB, LLC	9,160.00	
Payment	07/10/2024	525138	Groundwater Extraction Fees:E & B Natural Resources Mg...	121.75	
Payment	07/24/2024	806	Groundwater Extraction Fees:Lewis, David	177.06	
Payment	07/24/2024	511533	Groundwater Extraction Fees:Grimmway Enterprises, Inc	61,259.40	
Payment	07/24/2024	1739	Groundwater Extraction Fees:Caliente Ranch	22.38	
Deposit	07/24/2024	134526	Farm Pump and Irrigation Co.	1,200.00	
Payment	07/24/2024	2776	Groundwater Extraction Fees:Adam Family	16.94	
Payment	07/24/2024	10332	Groundwater Extraction Fees:JHP Global, Inc	1,826.40	
Bill Pmt -Check	07/31/2024	1183	BC2 Environmental		237,303.32
Payment	08/13/2024	84237	Groundwater Extraction Fees:H Lima Company	12.38	
Payment	08/13/2024	808	Groundwater Extraction Fees:Lewis, David	10.00	
Payment	08/13/2024	557015	Groundwater Extraction Fees:Lear Real Estate Ent LLC	2,841.05	
Payment	08/13/2024	10364	Groundwater Extraction Fees:JHP Global, Inc	182.64	
Bill Pmt -Check	08/21/2024		Klein DeNatale Goldner	0.00	
Payment	09/06/2024	53066	Groundwater Extraction Fees:Cuyama Dairy Farm	1,153.63	
Payment	09/30/2024	557682	Groundwater Extraction Fees:Lear Real Estate Ent LLC	284.11	
Payment	09/30/2024	53134	Groundwater Extraction Fees:Cuyama Dairy Farm	115.37	
Payment	09/30/2024	05-523675	Department of Water Resources	531,145.52	
Check	10/03/2024	Svc Fee	Chase Bank		95.00
Bill Pmt -Check	10/09/2024	1184	BC2 Environmental		315,353.70
Bill Pmt -Check	10/09/2024	1185	HGCPM, Inc.		22,670.41
Bill Pmt -Check	10/09/2024	1186	Klein DeNatale Goldner		13,846.42
Bill Pmt -Check	10/09/2024	1187	Provost & Pritchard Consulting Group		728.00
Bill Pmt -Check	10/09/2024	1188	U.S. Geological Survey		13,150.00
Bill Pmt -Check	10/09/2024	1189	Woodard & Curran Inc		187,468.18
Total Chase - General Checking				662,743.72	790,615.03
TOTAL				**662,743.72**	**790,615.03**

CUYAMA BASIN GSA
A/R Aging Summary
As of October 31, 2024

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Department of Water Resources	0	0	1,064,116	0	2,894,445	3,958,561
Groundwater Extraction Fees						
Adam Family	0	0	0	0	2	2
Duncan Family Farms	0	0	0	0	424,909	424,909
Total Groundwater Extraction Fees	0	0	0	0	424,911	424,911
TOTAL	**0**	**0**	**1,064,116**	**0**	**3,319,356**	**4,383,473**

CUYAMA BASIN GSA
A/P Aging Summary
As of October 31, 2024

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
BC2 Environmental	32,018	0	32,104	425,920	282,185	772,227
Daniells Phillips Vaughan & Bock	2,000	0	2,000	5,000	0	9,000
HGCPM, Inc.	30,185	0	22,505	27,681	79,444	159,815
Klein DeNatale Goldner	6,669	0	19,241	25,498	45,136	96,544
Provost & Pritchard Consulting Group	0	0	1,459	5,076	17,851	24,386
U.S. Geological Survey	0	0	13,150	0	0	13,150
Woodard & Curran Inc	134,540	0	94,428	192,779	820,488	1,242,236
TOTAL	**205,412**	**0**	**184,887**	**681,955**	**1,245,105**	**2,317,358**

CUYAMA BASIN GSA
Statement of Operations with Budget Variance
July through October 2024

	Jul - Oct 24	Budget	$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Direct Public Funds				
Groundwater Extraction Fees	171,177	175,000	-3,823	98%
Grant Reimbursements	1,064,116	621,000	443,116	171%
GWE Late Fees	604	0	604	100%
Total Direct Public Funds	1,235,897	796,000	439,897	155%
Total Income	1,235,897	796,000	439,897	155%
Cost of Goods Sold				
Program Expenses				
Technical Consulting				
Monitoring Network Enhancements	569,723	437,383	132,340	130%
GSP Implementation - W&C	36,143	71,746	-35,604	50%
Stakeholder Engagement	93,300	58,450	34,850	160%
Technical Support for DWR	0	7,000	-7,000	0%
Outreach	7,035	15,242	-8,207	46%
Grant Proposals	0	14,700	-14,700	0%
Grant Administration	44,730	36,250	8,480	123%
Improve Basin Water Use Info	17,085	25,200	-8,115	68%
Project & Mgmt Action Impl	63,160	44,800	18,360	141%
5 Year GSP Update - Technical	291,595	309,802	-18,207	94%
Fault Investigation	112,395	121,867	-9,472	92%
Well Permit Review - Technical	0	4,200	-4,200	0%
GSP Development	0	14,000	-14,000	0%
Total Technical Consulting	1,235,165	1,160,640	74,525	106%
Other Technical Consulting				
Monitoring Network	13,468	22,672	-9,204	59%
Stream Gauge Maintenance	13,150	14,161	-1,011	93%
Total Other Technical Consulting	26,618	36,833	-10,215	72%
Total Program Expenses	1,261,782	1,197,473	64,309	105%
Total COGS	1,261,782	1,197,473	64,309	105%
Gross Profit	-25,885	-401,473	375,588	6%
Expense				
General and Administrative				
Executive Director				
Board Meetings	59,131	55,000	4,131	108%
Consult Mgmt and GSP Devel	23,250	24,530	-1,280	95%
Financial Information Coor	22,175	15,859	6,316	140%
Funding - GWE Fees	1,956	1,800	156	109%
Outreach	15,056	3,951	11,105	381%
Adjudication Support	1,825	714	1,111	256%
Management Area Admin	2,531	4,333	-1,802	58%
5-Year GSP Update - Admin	0	6,707	-6,707	0%
Water Use Enforcement	88	8,480	-8,393	1%
Well Permit Review - Admin	0	664	-664	0%
Travel and Direct Costs	1,595	1,630	-35	98%
Total Executive Director	127,608	123,668	3,940	103%

CUYAMA BASIN GSA
Statement of Operations with Budget Variance
July through October 2024

	Jul - Oct 24	Budget	$ Over Budget	% of Budget
Other Administrative				
Legal	57,600	83,336	-25,736	69%
Audit Fees	9,000	9,000	0	100%
Bank Service Fees	95	0	95	100%
Printing and Copying	1,018	0	1,018	100%
Other Admin Expense	1,937	0	1,937	100%
Postage	543	0	543	100%
Contingency	0	6,664	-6,664	0%
Total Other Administrative	70,193	99,000	-28,807	71%
Total General and Administrative	197,800	222,668	-24,868	89%
Total Expense	197,800	222,668	-24,868	89%
Net Ordinary Income	-223,685	-624,141	400,456	36%
Net Income	**-223,685**	**-624,141**	**400,456**	**36%**

CUYAMA BASIN GSA
FY 24/25 Budget
July 2024 - June 2025

	Jul '24 - Jun 25
Ordinary Income/Expense	
Income	
Direct Public Funds	
Groundwater Extraction Fees	175,000
Grant Reimbursements	1,670,000
Total Direct Public Funds	1,845,000
Total Income	1,845,000
Cost of Goods Sold	
Program Expenses	
Technical Consulting	
Monitoring Network Enhancements	497,383
GSP Implementation - W&C	215,250
Stakeholder Engagement	114,450
Technical Support for DWR	21,000
Outreach	30,410
Grant Proposals	44,100
Grant Administration	105,000
Improve Basin Water Use Info	75,600
Project & Mgmt Action Impl	134,400
5 Year GSP Update - Technical	309,802
Fault Investigation	121,867
Well Permit Review - Technical	12,600
GSP Development	42,000
Total Technical Consulting	1,723,862
Other Technical Consulting	
Monitoring Network	68,000
Stream Gauge Maintenance	56,650
Total Other Technical Consulting	124,650
Total Program Expenses	1,848,512
Total COGS	1,848,512
Gross Profit	-3,512
Expense	
General and Administrative	
Executive Director	
Board Meetings	110,990
Consult Mgmt and GSP Devel	73,578
Financial Information Coor	47,587
Funding - GWE Fees	5,830
Outreach	11,847
Adjudication Support	2,138
Management Area Admin	13,005
5-Year GSP Update - Admin	20,131
Water Use Enforcement	25,400
Well Permit Review - Admin	2,000
Travel and Direct Costs	4,894
Total Executive Director	317,400
Other Administrative	
Legal	250,000
Insurance Policies	17,000
Audit Fees	10,000
Printing and Copying	4,000
Other Admin Expense	200
Contingency	20,000
Total Other Administrative	301,200
Total General and Administrative	618,600
Total Expense	618,600
Net Ordinary Income	-622,112
Net Income	**-622,112**

Note: The FY24/25 Budget Includes Woodard & Curran Contract Amendments 1 and 2

Cuyama Basin GSA

Financial Statements

November 2024

CUYAMA BASIN GSA
Statement of Financial Position
As of November 30, 2024

	Nov 30, 24	Nov 30, 23	$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
Chase - General Checking	97,568	1,780,008	-1,682,440	-95%
Total Checking/Savings	97,568	1,780,008	-1,682,440	-95%
Accounts Receivable				
Accounts Receivable	2,953,355	788,668	2,164,687	275%
Total Accounts Receivable	2,953,355	788,668	2,164,687	275%
Total Current Assets	3,050,923	2,568,676	482,247	19%
TOTAL ASSETS	**3,050,923**	**2,568,676**	**482,247**	**19%**
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
Accounts Payable	1,052,591	499,050	553,541	111%
Total Accounts Payable	1,052,591	499,050	553,541	111%
Other Current Liabilities				
New/Repl Well Deposits	3,100	1,559	1,541	99%
Total Other Current Liabilities	3,100	1,559	1,541	99%
Total Current Liabilities	1,055,691	500,609	555,082	111%
Total Liabilities	1,055,691	500,609	555,082	111%
Equity				
Unrestricted Net Assets	2,346,115	2,080,948	265,167	13%
Net Income	-350,883	-12,881	-338,002	-2,624%
Total Equity	1,995,232	2,068,067	-72,835	-4%
TOTAL LIABILITIES & EQUITY	**3,050,923**	**2,568,676**	**482,247**	**19%**

CUYAMA BASIN GSA
Receipts and Disbursements
As of November 30, 2024

Type	Date	Num	Name	Debit	Credit
Chase - General Checking					
Payment	07/10/2024	21016	Groundwater Extraction Fees:Apache Canyon Ranch, Inc	1,639.80	
Payment	07/10/2024	6585029	Groundwater Extraction Fees:Karam Pistachio Farm	2,401.90	
Payment	07/10/2024	2723	Groundwater Extraction Fees:CCSH Farms	497.00	
Payment	07/10/2024	1529	Groundwater Extraction Fees:Brodiaea, Inc	3,991.73	
Payment	07/10/2024	438	Groundwater Extraction Fees:Bosma and Ricci	122.55	
Payment	07/10/2024	1002	Groundwater Extraction Fees:Boyajian, Tanner	40.00	
Payment	07/10/2024	556946	Groundwater Extraction Fees:Perkins Ranch	566.48	
Payment	07/10/2024	556946	Groundwater Extraction Fees:Bolthouse Land Co, LLC	39,047.19	
Payment	07/10/2024	252	Groundwater Extraction Fees:Anderson Development	10.35	
Payment	07/10/2024	22783	Groundwater Extraction Fees:Cuyama Orchards, Inc	4,376.09	
Payment	07/10/2024	8418	Groundwater Extraction Fees:Buck, Ann	522.00	
Payment	07/10/2024	2251	Groundwater Extraction Fees:Highland Vineyard SB, LLC	9,160.00	
Payment	07/10/2024	525138	Groundwater Extraction Fees:E & B Natural Resources Mg...	121.75	
Payment	07/24/2024	806	Groundwater Extraction Fees:Lewis, David	177.06	
Payment	07/24/2024	511533	Groundwater Extraction Fees:Grimmway Enterprises, Inc	61,259.40	
Payment	07/24/2024	1739	Groundwater Extraction Fees:Caliente Ranch	22.38	
Deposit	07/24/2024	134526	Farm Pump and Irrigation Co.	1,200.00	
Payment	07/24/2024	2776	Groundwater Extraction Fees:Adam Family	16.94	
Payment	07/24/2024	10332	Groundwater Extraction Fees:JHP Global, Inc	1,826.40	
Bill Pmt -Check	07/31/2024	1183	BC2 Environmental		237,303.32
Payment	08/13/2024	84237	Groundwater Extraction Fees:H Lima Company	12.38	
Payment	08/13/2024	808	Groundwater Extraction Fees:Lewis, David	10.00	
Payment	08/13/2024	557015	Groundwater Extraction Fees:Lear Real Estate Ent LLC	2,841.05	
Payment	08/13/2024	10364	Groundwater Extraction Fees:JHP Global, Inc	182.64	
Bill Pmt -Check	08/21/2024		Klein DeNatale Goldner	0.00	
Payment	09/06/2024	53066	Groundwater Extraction Fees:Cuyama Dairy Farm	1,153.63	
Payment	09/30/2024	557682	Groundwater Extraction Fees:Lear Real Estate Ent LLC	284.11	
Payment	09/30/2024	53134	Groundwater Extraction Fees:Cuyama Dairy Farm	115.37	
Payment	09/30/2024	05-523675	Department of Water Resources	531,145.52	
Check	10/03/2024	Svc Fee	Chase Bank		95.00
Bill Pmt -Check	10/09/2024	1184	BC2 Environmental		315,353.70
Bill Pmt -Check	10/09/2024	1185	HGCPM, Inc.		22,670.41
Bill Pmt -Check	10/09/2024	1186	Klein DeNatale Goldner		13,846.42
Bill Pmt -Check	10/09/2024	1187	Provost & Pritchard Consulting Group		728.00
Bill Pmt -Check	10/09/2024	1188	U.S. Geological Survey		13,150.00
Bill Pmt -Check	10/09/2024	1189	Woodard & Curran Inc		187,468.18
Payment	11/27/2024	05-579377	Department of Water Resources	1,430,117.16	
Bill Pmt -Check	11/27/2024	1190	BC2 Environmental		443,384.91
Bill Pmt -Check	11/27/2024	1191	Daniells Phillips Vaughan & Bock		9,000.00
Bill Pmt -Check	11/27/2024	1192	HGCPM, Inc.		79,444.30
Bill Pmt -Check	11/27/2024	1193	Klein DeNatale Goldner		45,136.44
Bill Pmt -Check	11/27/2024	1194	Provost & Pritchard Consulting Group		17,850.50
Bill Pmt -Check	11/27/2024	1195	U.S. Geological Survey		13,150.00
Bill Pmt -Check	11/27/2024	1196	Woodard & Curran Inc		783,998.61
Total Chase - General Checking				2,092,860.88	2,182,579.79
TOTAL				**2,092,860.88**	**2,182,579.79**

CUYAMA BASIN GSA
A/R Aging Summary
As of November 30, 2024

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Department of Water Resources	0	0	0	1,064,116	1,464,328	2,528,444
Groundwater Extraction Fees						
Adam Family	0	0	0	0	2	2
Duncan Family Farms	0	0	0	0	424,909	424,909
Total Groundwater Extraction Fees	0	0	0	0	424,911	424,911
TOTAL	**0**	**0**	**0**	**1,064,116**	**1,889,239**	**2,953,355**

CUYAMA BASIN GSA
A/P Aging Summary
As of November 30, 2024

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
BC2 Environmental	0	0	0	0	339,953	339,953
HGCPM, Inc.	20,188	30,185	0	22,505	27,681	100,559
Klein DeNatale Goldner	19,336	6,669	0	19,241	25,498	70,744
Provost & Pritchard Consulting Group	0	0	0	1,459	5,076	6,535
Woodard & Curran Inc	76,563	134,540	0	0	323,697	534,800
TOTAL	**116,087**	**171,394**	**0**	**43,205**	**721,904**	**1,052,591**

CUYAMA BASIN GSA
Statement of Operations with Budget Variance
July through November 2024

	Jul - Nov 24	Budget	$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Direct Public Funds				
Groundwater Extraction Fees	171,177	175,000	-3,823	98%
Grant Reimbursements	1,064,116	621,000	443,116	171%
GWE Late Fees	604	0	604	100%
Total Direct Public Funds	1,235,897	796,000	439,897	155%
Total Income	1,235,897	796,000	439,897	155%
Cost of Goods Sold				
Program Expenses				
Technical Consulting				
Monitoring Network Enhancements	592,975	467,383	125,592	127%
GSP Implementation - W&C	46,468	89,684	-43,217	52%
Stakeholder Engagement	101,377	65,450	35,927	155%
Technical Support for DWR	0	8,750	-8,750	0%
Outreach	7,035	17,138	-10,103	41%
Grant Proposals	0	18,375	-18,375	0%
Grant Administration	52,435	52,500	-65	100%
Improve Basin Water Use Info	17,085	31,500	-14,415	54%
Project & Mgmt Action Impl	65,285	56,000	9,285	117%
5 Year GSP Update - Technical	323,268	309,802	13,466	104%
Fault Investigation	116,911	121,867	-4,956	96%
Well Permit Review - Technical	0	5,250	-5,250	0%
GSP Development	0	17,500	-17,500	0%
Total Technical Consulting	1,322,838	1,261,199	61,639	105%
Other Technical Consulting				
Monitoring Network	13,468	28,338	-14,870	48%
Stream Gauge Maintenance	13,150	14,161	-1,011	93%
Total Other Technical Consulting	26,618	42,499	-15,881	63%
Total Program Expenses	1,349,456	1,303,698	45,758	104%
Total COGS	1,349,456	1,303,698	45,758	104%
Gross Profit	-113,558	-507,698	394,140	22%
Expense				
General and Administrative				
Executive Director				
Board Meetings	68,713	55,000	13,713	125%
Consult Mgmt and GSP Devel	26,188	30,661	-4,474	85%
Financial Information Coor	25,600	19,825	5,775	129%
Funding - GWE Fees	3,488	1,800	1,688	194%
Outreach	15,706	4,938	10,768	318%
Adjudication Support	1,825	892	933	205%
Management Area Admin	3,913	5,417	-1,505	72%
5-Year GSP Update - Admin	0	8,385	-8,385	0%
Water Use Enforcement	88	10,595	-10,508	1%
Well Permit Review - Admin	0	831	-831	0%
Travel and Direct Costs	1,715	2,038	-323	84%
Total Executive Director	147,233	140,382	6,851	105%

CUYAMA BASIN GSA
Statement of Operations with Budget Variance
July through November 2024

	Jul - Nov 24	Budget	$ Over Budget	% of Budget
Other Administrative				
Legal	76,922	104,169	-27,248	74%
Audit Fees	9,000	10,000	-1,000	90%
Bank Service Fees	95	0	95	100%
Printing and Copying	1,580	0	1,580	100%
Other Admin Expense	1,952	0	1,952	100%
Postage	543	0	543	100%
Contingency	0	8,331	-8,331	0%
Total Other Administrative	90,091	122,500	-32,409	74%
Total General and Administrative	237,325	262,882	-25,557	90%
Total Expense	237,325	262,882	-25,557	90%
Net Ordinary Income	-350,883	-770,580	419,697	46%
Net Income	**-350,883**	**-770,580**	**419,697**	**46%**

CUYAMA BASIN GSA
FY 24/25 Budget
July 2024 - June 2025

	Jul '24 - Jun 25
Ordinary Income/Expense	
Income	
Direct Public Funds	
Groundwater Extraction Fees	175,000
Grant Reimbursements	1,670,000
Total Direct Public Funds	1,845,000
Total Income	1,845,000
Cost of Goods Sold	
Program Expenses	
Technical Consulting	
Monitoring Network Enhancements	497,383
GSP Implementation - W&C	215,250
Stakeholder Engagement	114,450
Technical Support for DWR	21,000
Outreach	30,410
Grant Proposals	44,100
Grant Administration	105,000
Improve Basin Water Use Info	75,600
Project & Mgmt Action Impl	134,400
5 Year GSP Update - Technical	309,802
Fault Investigation	121,867
Well Permit Review - Technical	12,600
GSP Development	42,000
Total Technical Consulting	1,723,862
Other Technical Consulting	
Monitoring Network	68,000
Stream Gauge Maintenance	56,650
Total Other Technical Consulting	124,650
Total Program Expenses	1,848,512
Total COGS	1,848,512
Gross Profit	-3,512
Expense	
General and Administrative	
Executive Director	
Board Meetings	110,990
Consult Mgmt and GSP Devel	73,578
Financial Information Coor	47,587
Funding - GWE Fees	5,830
Outreach	11,847
Adjudication Support	2,138
Management Area Admin	13,005
5-Year GSP Update - Admin	20,131
Water Use Enforcement	25,400
Well Permit Review - Admin	2,000
Travel and Direct Costs	4,894
Total Executive Director	317,400
Other Administrative	
Legal	250,000
Insurance Policies	17,000
Audit Fees	10,000
Printing and Copying	4,000
Other Admin Expense	200
Contingency	20,000
Total Other Administrative	301,200
Total General and Administrative	618,600
Total Expense	618,600
Net Ordinary Income	-622,112
Net Income	**-622,112**

Note: The FY24/25 Budget Includes Woodard & Curran Contract Amendments 1 and 2

TO: Board of Directors
Agenda Item No. 11a

FROM: Jim Beck / Joe Hughes

DATE: January 15, 2025

SUBJECT: Discuss and Take Appropriate Action on Variance Findings

Recommended Motion
Approve the Ad hoc Recommendation variance response letters and direct staff to update the 2025-2029 allocations, based on the ad hoc recommendations, and distribute final allocations.

Discussion
On November 6, 2024, the Cuyama Basin Groundwater Sustainability Agency (CBGSA) Board of Directors approved 1) groundwater allocations in the Central Management Area (CMA) for 2025-2029 and, 2) a groundwater allocation implementation timeline that included a variance process. The purpose of the variance process is to correct any technical inaccuracies with the CBGSA records. Variance requests were due December 10, 2024, and the below five (5) variance requests were received which are provided as **Attachment 1**.

1. Daria Trust
2. David Lewis
3. Hoekstra Dairy Farms
4. Kern Ridge Growers
5. Sunrise Ranch – *ad hoc recommendation letter is still being finalized*

Staff and the Variance ad hoc (Directors Albano, Anselm, Jackson, Young) reviewed each variance request in detail and developed draft recommendation letters that were distributed to variance requesters, and interviews were held with variance requesters. Following interviews, several variance requesters provided supplemental information which is included with the initial variance requests.

Land IQ was contracted to investigate historical crop mapping, and their review, which informed the development of ad hoc recommendations, is included as **Attachment 2**. The Ad Hoc Committee's recommendations for consideration of the Board that were provided to each requester are provided as **Attachment 3**.

Staff recommend the Board approve the ad hoc recommendations and direct staff to update allocations and distribute to CMA landowners.

VARIANCE REQUEST FORM

For 2025 through 2029 in the Central Management Area (Including Farm Units)

Submit this form, **including a $250** fee (which may be reimbursed if corrections are due to inaccuracies with the Cuyama Basin Groundwater Sustainability Agency (CBGSA) records), to Taylor Blakslee at 4900 California Ave, Tower B, Suite 210, Bakersfield, CA 93309 (forms may be also submitted electronically to tblakslee@hgcpm.com).

Name:	DARIA TRUST
Date:	12/04/2024
Phone:	(818)505-0506 Morteza Touriey
Email:	irma.gloria.garay@gmail.com Irma Garay Assistant cc: lawoffices6316@gmail.com
Assessor Parcel Number(s) (APN):	149-180-016

Please describe the basis for your request and attach any supporting documentation

I purchased my farm in 2009. I currently lease 40 acres for carrots and the allocation given to me is too low to support my small farm and does not accurately reflect the historic use of water on my property. I therefore request a variance to increase the allocation to support my farm.
Since the purchase of the Farmland from Mr. Farry in 2009, in which Alfalfa was grown, I have leased the land to only two parties and to my knowledge the crop being farmed was still Alfalfa from 2009 to 2020. (Then 2020 to present they are now farming carrots.) Alfalfa was grown on 40 acres of my property during the entire time period. In addition before I acquired the property in 2009 , the land was used by Mr.Farry for farming as well.
I have reviewed the Historical Allocations for the years listed on the excel spreadsheet.
I would like for these to be revisited since farming Alfalfa takes a lot of water to grow.
Therefore these number are seen too low and are not an actual reflection of the water usage. Please revisit the following Historical Allocation for the following years:

WY 2009 1.02
WY 2010 0.85
WY 2011 0.70
WY 2016 30.87
WY 2017 31.25

I also would like to review the historical allocations for my land before 2009, because the property was farmed then and the historical use for that period is also too low.

WY 1999	19.62
WY 2006	17.00
WY 2007	2 3.28
WY 2008	22.95

Thank you,

Morteza Tourney

Excel Sheet

December 6, 2024

Dear Mr. Blakslee:

I would like to request the Cuyama Basin Groundwater Sustainability Agency (CBGSA) grant a variance for my property located at 300 Foothill Road, Cuyama, CA 93254, to increase my existing water allocation of 16.78 acre-feet (AF) to 280 AF per year for the 2025-2029 allocation period. I am applying for a variance based on the property ownership and history of my small farm, my use of efficient irrigation practices, the low-water nature of my crops, the fairness of my allocation in relationship to that of my neighbors, the minimal impact I have on my neighbors and the basin as a whole, and groundwater law, including the Sustainable Groundwater Management Act (SGMA) as applied to overlying owners.

Importantly, my family invested in this small farm in 2006 to provide a stable future for my family, and a reasonable water allocation is necessary to keep my small farm viable. If I do not receive a variance, I will not be able to continue farming effectively or even at all, which will result in the economic ruin of my family. I do not believe that SIGMA, the CBGSA, and the GSP were ever established to create this level of inequity. Further, I have previously provided public comment to the CBGSA on numerous occasions regarding my demonstrated need for a variance, so I believe my need for a variance is already well known by the Board and staff. I request that the GSA issue a variance for the following reasons:

History of My Property and Allocation Overview

My approximately 85-acre property is shown on the attached map. I currently live on the property with my family. Thirty-eight acres are planted with pistachios and two acres with lavender. When the Central Management Area (CMA) was originally established, my property was cut in half by the boundary line. I worked cooperatively with the CBGSA and it determined that my property was not part of the CMA and thus not subject to CMA allocations. Beginning in 2025, however, my property will be absorbed into the new boundaries of the CMA. For 2025, the CBGSA allocated 16.78 AF for my property. Consistent with the glide path establishes by the GSP, the 16.78 AF will be reduced to 10.54 AF by 2029. Meanwhile, I will need to continue to use the groundwater for my family's domestic use and to irrigate my thirty-eight acres of pistachio trees and two acres of lavender. My allocation of 16.78 AF is grossly inadequate for my needs.

In 2015, I invested my retirement savings into the property, which is meant to serve as a legacy for my three children, two of whom live at home, and who plan to continue farming in Cuyama after I am unable to do so. After I purchased the land, I built my house and drilled a well, first used for domestic purposes, and then used to water my orchard. I planted thirty-eight acres of pistachios trees in 2015. When I purchased the property, my plan was to plant an initial forty acres of pistachios and lavender, and then plant an additional forty acres once these trees were profitable. However, I was forced to leave forty acres of our property fallow because I have not been allocated sufficient water to even sustain the existing use on half the property.

I am requesting a variance for the forty acres I am currently using and for the forty acres I plan to farm in the future. I request that CBGSA increase my water allocation to 3.5 acre-feet of water per year (AFY) per acre of farmland, for a total of 280 AFY for the 2025 water year, to be adjusted in subsequent years consistent with the glide path. This request is reasonable given that it is consistent with the amount needed for efficiently irrigated pistachios and lavender, and is on par with the allocations of my neighbors who are growing similar crops. This allocation is consistent with my overlying groundwater right in the Cuyama Basin, which allows property owners to put groundwater to reasonable and beneficial use on their property. A variance would allow me to continue with the sustainable irrigation practices I have already established on my forty acres of pistachio and lavender fields, and provide my family with an adequate water supply for domestic use.

Water Use on My Property

Crops

According to the Technical Memorandum to the CBGSA from Woodard & Curran dated November 8, 2024, the model used to assign allocations is supposed to estimate pumping based on each parcel's "irrigated acreage and estimated crop water use" based on historical allocations from 1998 to 2017.[1] Basing my current allocation on historical use is not appropriate because I acquired the property in 2006, before the allocation period started, and the prior owners of the property were primarily engaged in hay farming, and that water use was not recorded.

My trees are less than ten years old. They will need more water every year until they reach maturity. Once mature, my trees' water use will stabilize, as they become more drought-tolerant. With an allocation consistent with my variance request, I will be able to focus on increasing efficiency to comply with the CBGSA's glide path.

Domestic Water Use

My family (myself, my wife and my two adult children) all rely on the water from our property's well for domestic uses as well as farming. Our water use for domestic purposes is de minimus.

Variance Would Have Minimal Impact on the Basin Based on Amounted Requested and Parcel Location

Although my property is now within the boundary of the CMA, any pumping from my property would not have an impact on the core part of the CMA that is most at risk for dropping water levels. Additionally, my proposed variance of 280 AF represents a small fraction of the sustainable yield for the Basin (50,619 AF for option 3 & 39,449 acre-feet for option 9). My proposed variance would represent only about 0.6%

[1] Woodard & Curran, Technical Memorandum, Cuyama Basin Groundwater Sustainability Plan Implementation: Computation of Central Management Area Pumping Allocations (2024) at 1, available at https://cuyamabasin.org/assets/pdf/Notice-of-2025-2029-Cuyama-GW-Allocations.pdf.

of the pumping within the Cuyama Valley Basin. As another reason for my variance request, I have not been the cause of the historical overdraft in this Basin that the allocations seek to correct. It is unfair for me to bear the burden for historical overdraft caused by others.

Granting a variance for my property would have a negligible impact on other users in the Basin. With the amount requested in this variance application, my allocation would still represent less than 0.6 percent of the total allocations for 2025. By contrast, the larger property owners, the Grimmway and Bolthouse properties, receive nearly 83 percent of the total water allocated. I did not create the conditions of overdraft in the Cuyama Valley Basin, and cutting my pumping down to a fraction of what we need to protect my family's livelihood will not solve those conditions. A variance is the only option in the GSP to relieve the inequity of the historical pumping allocation process for me and my family, while virtually causing no harm to other groundwater users in the Basin.

Further, the accuracy of the modeling used to determine much of the controlling data has been stated to be +/- 5% and the magnitude of our variance request is well within this stated margin of error.

My Overlying Water Rights Should be Respected

My allocation is too low under the model methodology because I purchased my property in 2005 and did not plant my orchard until 2015. Before I began farming, the land was used for hay farming and had little historical water use. The practical result of the land's history is that I received an insufficient water allocation. As an overlying water rights holder based on property ownership, I am entitled to sufficient groundwater for reasonable and beneficial uses, including agricultural and domestic uses, regardless of historical use.[2] This is consistent with provisions within SGMA explicitly preserving my overlying rights.[3] As discussed below, my water allocation only about 12% of that of my neighbors, who farm similar crops on the same amount of land. This is unfair to me, as I have the same water rights as my neighbors and am growing similar crops, yet I am not being treated equally.

Use and Allocation Comparison to Neighboring Parcels

As shown on the attached map, my three neighbors with identical land use and similar planted acreage as my property have much higher allocations. Triple H Farming is irrigating 38.5 acres of pistachios and has been allocated 141 AF. CCSH Farms, also growing pistachios on 40 acres, received an allocation of 137 AF. Ann Buck, also farming pistachios on 40 acres, has an allocation of 142 AF. By contrast, my 2025 allocation is just 16.78 AF for 38 acres of pistachios and 2 acres of lavender. My three neighbors are receiving an average of 3.5 AF of water per acre planted. By contrast, I was allocated just 0.41 AF of water per planted acre.

[2] *Wright v. Goleta Water District*, 174 Cal.App.3d 74 at 84.

[3] Water Code § 10720.5, subdiv. (a); *See also* S.B. 1168 (Pavley), Chapter 346, Statutes of 2014, "SECTION 1. [...] (b) It is, therefore, the intent of the Legislature to do all of the following: […] (4) to respect overlying and other proprietary rights to groundwater."

I am disadvantaged compared to my neighbors because not only is my allocation much lower than theirs, but my trees are still maturing whereas my neighbors have mature trees. This past year, I pumped about 50 AF total, but I anticipate needing 100 AF in the coming year as my trees mature. My current water use is not reflective of the amount needed to sustain my pistachio orchard to maturity. I have invested in efficient irrigation techniques, but my current allocation is a fraction of what I will need to keep my trees alive to the point they will be profitable.

Additionally, the current allocation does not take into account my plans for the property. Currently, I have planted 40 acres, but I plan put in an additional 40 acres of pistachios in the near future. The current allocation is too low to allow me to keep my growing trees alive, let alone to allow me to farm on the whole property. Again, the farm is my wife and my retirement plan, and my plan to secure a livable future for my children who live with us. It is critical that I receive an allocation which allows me to provide for my family's future.

For this reason, I request that the CBGSA issue me a variance of 280 AFY for 2025, to be reduced in future years based on the glide path for the Basin. This amount would allow me to water my orchard, avoiding killing my trees and lavender, and to farm the remainder of my property.

Conclusion

My family and I have a pressing need for a variance for the reasons stated in this application. Without a variance, I will not be able to keep my crops alive and will incur substantial financial loss and damage to my family's future. For these reasons, I respectfully request that the CBGSA grant me a variance. A variance would not only benefit me; it would also make the allocation process more predictable for the CBGSA and other water users.

Thank you for your review and thoughtful consideration of this variance request. I look forward to meeting with ad hoc Board members and staff to explain my need for a variance with you in person. If you have any questions before then, please contact me at (805) 896-6490 or cuyama2018@gmail.com.

Sincerely,

David Lewis

David Lewis

ATTACHMENT 1

Cuyama Central Management Area - 2024

Parcels Around Updated 2024 CMA

- CCSH Farms - 149-170-050
- David Lewis - 149-170-006
- Triple H Farms - 149-170-047
- Ann Buck - 096-211-032
- Other / No value

2024 CMA Operational Boundary

- All items

Parcels (1/3) Around Current CMA

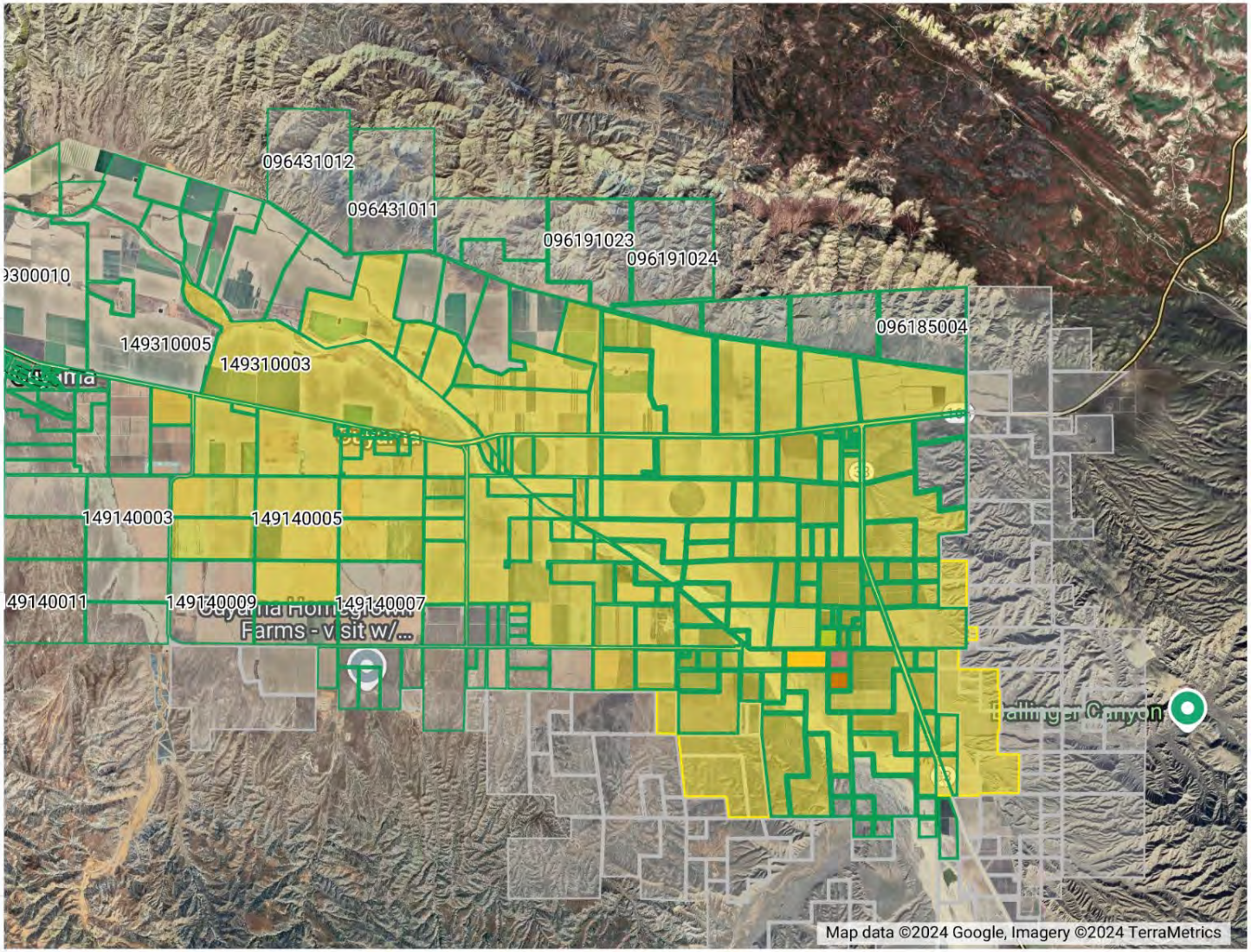
- All items

Parcels (2/3) Around Current CMA

- All items

Parcels (3/3) Around Current CMA

- All items



From: David A Sandino <dasandino@ucdavis.edu>
Sent: Saturday, December 28, 2024 7:35 PM
To: Taylor Blakslee <TBlakslee@hgcpm.com>
Cc: David Lewis <cuyama2018@gmail.com>
Subject: Follow up from Variance Interview-Legal Support for Mr. Lewis's Variance Application

Dear Taylor,

This is to follow up Mr. David Lewis's variance interview with the Ad Hoc Committee held on December 20, 2024, and to provide additional legal support for his application dated December 5, 2024, made to the Cuyama Basin Groundwater Sustainability Agency (CBGSA) to increase his allocation for his property located at 300 Foothill Road, Cuyama, from 16.78 acre-feet to 280 acre-feet per year for the 2025-2029 allocation period.

The UC Davis Small Farmer Water Justice Clinic (Clinic) was founded to assist small farmers with their legal issues relating to their water use and water rights, especially involving the Sustainable Groundwater Management Act (SGMA). The Clinic has a strong interest in the small farmers in the Cuyama Basin and believes it is important that their water needs be respected. We believe that Mr. Lewis made a compelling case for a variance in his application and interview based on the history of his property ownership, the reasonableness of his request and current efficient water use, the demonstrated hardship he is facing without a higher allocation, and the negligible impact a variance would have on his neighbors and the groundwater basin as a whole.
We write to provide further legal support for Mr. Lewis's variance based on his groundwater rights and CBGSA's authority to remedy his situation through the variance process. Groundwater overlying right holders have rights analogous to riparian users of surface water.

Mr. Lewis owns groundwater rights as an overlying owner based on California's correlative rights doctrine. Mr. Lewis's groundwater rights are based on his property ownership and may be exercised when he desires for reasonable and beneficial uses on his property, which include his current agriculture and domestic use. In addition, his rights are not lost or subordinated to other users in the basin based on historical use. (Wright v. Goleta Water District (1985) 174 Cal. App. 74, 87-98)

When Mr. Lewis planted his pistachios and lavender in 2015, he did so with a valid overlying groundwater right as fee owner that gave him the right to irrigate those crops using groundwater, as that use is reasonable and beneficial. Under correlative rights, shortages in the basin are shared equitably with other overlying users in the basin, including users that were pumping before Mr. Lewis. As Mr. Lewis points out in his variance application, his neighbors with similar groundwater rights and crops received higher allocations.

CBGSA has ample authority to issue a variance to Mr. Lewis. In SGMA, Water Code section 19726.4(a)(2) gives the CBGSA the authority to make allocations as you note in the variance materials. Water Code section 10725 further provides that CBGSA may use its powers to the "maximum degree of local control and flexibility" consistent with sustainability goals. This flexibility includes giving the CBGSA the authority to grant Mr. Lewis's variance request given the unique circumstances discussed in his application.

In addition, Water Code section 10720.1 (b), also part of SGMA, provides that the Legislature intended to preserve the security of water rights, including the overlying rights held by Mr. Lewis, "to the greatest extent possible" consistent with sustainable groundwater management. The Clinic believes that Mr. Lewis's current allocation does not respect his overlying right to the greatest extent possible. However, granting his variance application would fulfill that requirement. The Clinic also believes that the CBGSA, as a matter of Board policy, should support the security of groundwater rights for small farmers in the Cuyama region.

Finally, it is important for the CBGSA to be aware that the Legislature specifically recognized that small farmers deserve special considerations in groundwater adjudications. (Assembly Bill No. 779 (2023), now codified at Civil Procedure Code sec. 850(a)(4).) The Legislature gave special consideration to small farmers because of their unique contributions to the regional farm economy and environmental sustainability. Although this variance process is not an adjudication, the reasons the Legislature requires courts to give special consideration to small farmers in adjudications should also be considered by the CBGSA in reviewing Mr. Lewis's variance application.

For the reasons contained in the variance application and discussed here, the Clinic does not believe that Mr. Lewis's initial allocation is equitable in his case. To correct this situation, the Clinic supports the CBGSA issuing a variance to Mr. Lewis as he requested. The Clinic would appreciate your sharing this communication with the other members of the Ad Hoc Committee. We also would like to have a short meeting with you before the CBGSA Board meeting on January 15, 2025, to discuss the legal issues raised in this email and come to a mutual understanding about the variance process. Thank you for your help during this process.

Sincerely, David Sandino

David A. Sandino
Director, Small Farmer Water Justice Clinic
UC Davis School of Law
Cottonwood Cottage, Room 122
Davis, CA 95616
Phone: (530) 754-2067

VARIANCE REQUEST FORM

For 2025 through 2029 in the Central Management Area (Including Farm Units)

Submit this form, **including a $250** fee (which may be reimbursed if corrections are due to inaccuracies with the Cuyama Basin Groundwater Sustainability Agency (CBGSA) records), to Taylor Blakslee at 4900 California Ave, Tower B, Suite 210, Bakersfield, CA 93309 (forms may be also submitted electronically to tblakslee@hgcpm.com).

Name:	HOEKSTRA FAMILY TRUST 5/6/99 (AKA "Cuyama Dairy")
Date:	DECEMBER 6, 2024
Phone:	805-750-0634; 805-750-2404
Email:	aaron@ftmfg.com; pdhoek@live.com; dan@bbr.law
Assessor Parcel Number(s) (APN):	149-150-017 (120.00 Assessed Acres);

149-150-019 (38.00 Assessed Acres); 149-150-024 (158.17 Assessed Acres);

149-150-026 (105.77 Assessed Acres)

Please describe the basis for your request and attach any supporting documentation

We bring this variance request to contest gross irregularities in the modeled use numbers with respect to our four parcels listed above.* The layout of the four parcels is shown on the enclosed Assessor's Parcel Map for reference purposes only. We have also enclosed the modeled use information relating to the parcels from the GSA's excel spreadsheet downloaded from the GSA website.

The irregularities in the modeled use numbers are most evident with respect to the parcel that houses our dairy (APN 149-150-024). The modeled use on that parcel swings wildly, from as low as 15 A/F in 2011 to a high of 305 A/F the next year. In addition, it reports use of less than 50 A/F in all years from 2000 through 2011. This is a physical impossibility, as that parcel houses our dairy, which has consistently supported nearly 4,000 head each year.

As an example, we had 2,157 milk cows and 1,824 bulls, springers and heifers on the dairy in 2014. For 2014, the modeled use numbers on the parcel reflect 18.30 A/F. Our estimate of the water use necessary to sustain annual operations with 2,000 cows and 1,900 heifers (including the associated washing and cooling that is necessary) is 328.15 A/F, which is consistent with the modeled use numbers for the parcel in 2012 and 2013. There is an obvious understatement in the modeled use on that parcel for most of the relevant time period.

(Continued on Following Page)

VARIANCE REQUEST FORM

For 2025 through 2029 in the Central Management Area

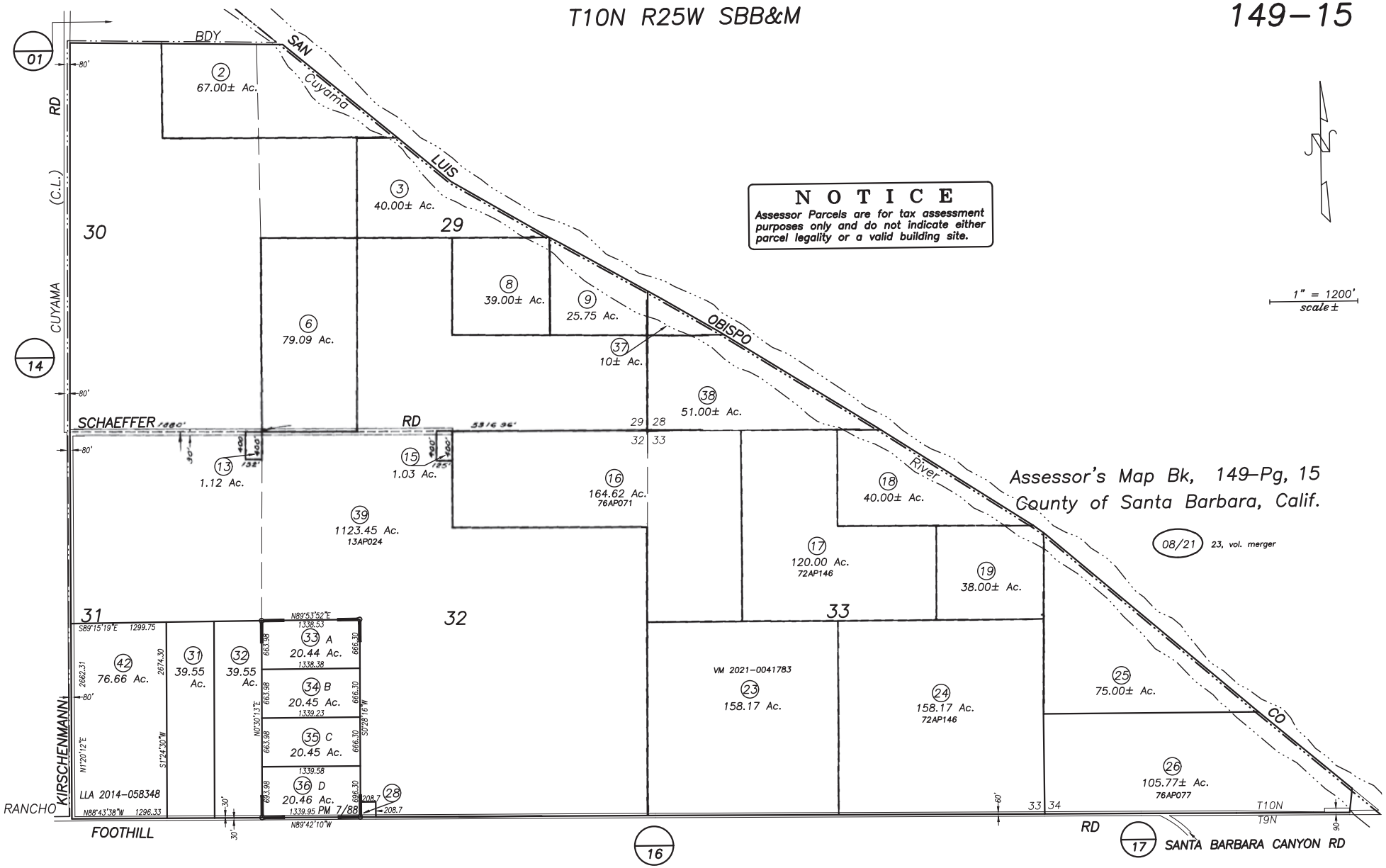
CUYAMA DAIRY - PAGE 2

Likewise, the modeled use on the two parcels (APNs 149-150-017 & 019) used to grow feed for our dairy are consistently understated. These parcels are to the north and northeast of the dairy parcel. Enclosed is a Google Earth Image from April 2011, showing both parcels actively farmed with row crops. In the same year, the modeled use numbers show 6.88 A/F on 149-150-17 and 2.04 on 149-150-19. Assuming two crops (usually wheat and corn) per year on those parcels (with approximately 114 acres of irrigated ground), our estimate of the water use on those parcels would be closer to 500 A/F collectively, which is consistent with the modelled use numbers in 2012 and 2013. Based on the foregoing, it is clear that our modeled use numbers on these parcels are unreasonably low.

We request that the use numbers on the parcels described above be revised to reflect more realistic water use needs to support our dairy operations. Specifically, we request that the use for the dairy ground be revised to reflect an average water use number of 325 A/F, and the use on the row crop ground to the north of the dairy be revised to reflect 500 A/F collectively (or 350/150 A/F on the respective parcels). For similar reasons, we request that our use on our fourth parcel (APN 149-150-026) be revised to reflect more accurate average water use needs of approximately 340 A/F (to irrigate two feed crops on approximately 35 acres and pistachios on approximately 62 acres).

We are prepared to assist the committee and the Board in any manner necessary to support this request. We appreciate your consideration of this request.

*It is important to note that we do not agree that the GSA's allocation accurately represents the water rights associated with our properties. Nothing herein shall be interpreted as an admission on our part with respect to the nature or extent of our water rights. We reserve the right to challenge the allocation in the current groundwater adjudication proceedings and in any other proceeding (including before the GSA) relating to any allocation of water for use on our properties within the basin.


T10N R25W SBB&M
149–15
NOTICE
Assessor Parcels are for tax assessment purposes only and do not indicate either parcel legality or a valid building site.
1" = 1200' scale±
Assessor's Map Bk, 149–Pg, 15
County of Santa Barbara, Calif.
08/21 23, vol. merger
BDY
SAN LUIS OBISPO
Cuyama River
RD (C.L.)
CUYAMA
SCHAEFFER RD
KIRSCHENMANN RD
FOOTHILL RD
SANTA BARBARA CANYON RD
RANCHO
T10N
T9N
2 67.00± Ac.
3 40.00± Ac.
6 79.09 Ac.
8 39.00± Ac.
9 25.75 Ac.
10± Ac.
38 51.00± Ac.
13 1.12 Ac.
15 1.03 Ac.
16 164.62 Ac. 76AP071
18 40.00± Ac.
39 1123.45 Ac. 13AP024
17 120.00 Ac. 72AP146
19 38.00± Ac.
42 76.66 Ac.
31 39.55 Ac.
32 39.55 Ac.
33 A 20.44 Ac.
34 B 20.45 Ac.
35 C 20.45 Ac.
36 D 20.46 Ac.
PM 7/88
LLA 2014–058348
VM 2021–0041783
23 158.17 Ac.
24 158.17 Ac. 72AP146
25 75.00± Ac.
26 105.77± Ac. 76AP077
01
14
16
17
28
29
30
31
32
33

			Model-Estimated Pumping For Hoekstra Family Trust																				
APN	Parcel Owner	Area	WY 1998	WY 1999	WY 2000	WY 2001	WY 2002	WY 2003	WY 2004	WY 2005	WY 2006	WY 2007	WY 2008	WY 2009	WY 2010	WY 2011	WY 2012	WY 2013	WY 2014	WY 2015	WY 2016	WY 2017	Avg WYs
149-150-017	HOEKSTRA	120.5	138.14	215.54	40.85	36.94	34.96	14.66	33.20	23.04	4.10	24.13	28.37	24.04	19.02	6.88	382.55	360.47	15.90	31.65	24.42	30.60	74.47
149-150-019	HOEKSTRA	36.18	0.69	1.08	0.17	0.03	0.03	0.02	0.03	0.02	0.33	0.84	0.88	7.32	4.72	2.04	116.99	113.73	5.99	10.33	8.30	9.75	14.16
149-150-024	HOEKSTRA	162.4	149.27	218.20	49.94	34.10	35.62	20.89	34.69	22.77	12.64	25.72	22.55	33.61	27.37	15.12	305.65	298.58	18.30	23.56	115.15	109.01	78.64
149-150-026	HOEKSTRA	112.7	119.94	134.54	135.26	164.11	185.36	290.97	313.72	306.25	183.45	189.48	216.96	215.37	222.30	198.65	381.59	364.35	253.74	236.55	205.21	205.14	226.15


Legend
Hoekstra
APNs 149-150-017 & 149-150-19
Google Earth Image Date - 04/2011
Google Earth
N
1000 ft

belden blaine raytis

Dan N. Raytis
Dan@bbr.law

P.O. Box 9129 Bakersfield, CA 93389
p. 661.864.7826 | f. 661-878-9797

January 6, 2025

Via Electronic Mail Only
Cuyama Groundwater Sustainability Agency
Attn: Taylor Blakslee
Email: TBlakslee@hgcpm.com

Re: Variance Request – Supplemental Information – Hoekstra Family Trust
APNs: 149-150-017; 149-150-019; 149-150-024; and 149-150-026

Dear Board of Directors, Ad Hoc Committee members, and Staff,

This letter is written to provide supplemental information in support of the Hoekstra Family Trust's (the "Hoekstras") Variance Request, which was submitted on December 6, 2024, to an ad hoc committee of the Board. A complete copy of the Hoekstra's Variance Request Form is included at the end of the enclosures to this letter for your reference. In short, the Variance Request was made to contest irregularities in the modeled use numbers with respect to the Hoekstra's four parcels listed above.

As you may know, the ad hoc committee responded to the Hoekstra's request by letter dated December 18, and the Hoekstras met with the ad hoc on December 20 to further discuss the request. In the letter and at the meeting, the ad hoc requested that the Hoekstras provide additional supplemental information in support of their request. It is the purpose of this letter to provide such supplemental information.

As noted in the Hoekstra's request, the irregularities in the modeled use numbers are most evident with respect to the parcel that houses the dairy (APN 149-150-024). The extreme swings in the modeled use numbers on that parcel (from as little as 15 acre-feet in one year to 306 acre-feet the next) are an impossibility because the dairy consistently housed several thousand head during the modelled time period. Excerpts of relevant financial statements are enclosed. These statements show the numbers of cows in the dairy from 2012 through 2018, which at times averaged nearly 4,000 head.

Since the meeting with the ad hoc committee, the Hoekstra's have developed a detailed estimate of the water use needs of the dairy with 2,000 milk cows and 1,900 heifers, which is consistent with the maximum size of the dairy during the relevant period. This water use estimate is enclosed. It demonstrates that the water use needs of the cows alone is nearly 400 acre-feet per year.

The discrepancy between the water use needs to support the operation of the dairy and the modelled numbers is most evident in 2014. During that year, the model estimated that water use on the dairy parcel was 18.30 acre-feet. The financial statements, however, show that the dairy herd average nearly 4,000 head (2,157 cows and 1,824 bulls, springers, heifers) during that year. Based upon the enclosed water use estimate, the water use needs to support a herd of that size would approach 400 acre-feet per year. Other years show similar discrepancies between the modeled use numbers and the water use needs of the size of the herd.

January 6, 2025
Cuyama GSA
Re: Variance Request – Supplemental Information – Hoekstra Family Trust

The Hoekstra's request noted similar irregularities in the modeled use numbers on their irrigated ground, which is largely used to grow forage crops for the dairy. We have enclosed Google Earth images of the land from 2011 through early 2018. As is evident by the images, the ground was consistently irrigated during this time period. However, the modeled water use numbers show vast swings in water use that are inconsistent with the crops shown on the images. The Hoekstra's have developed a detailed estimate of the water usage needs of those parcels to support the crops that were consistently grown on the property. That water use estimate (which is enclosed) reflects a need of nearly 1,000 acre-feet (as compared to the modeled use number of approximately 315 acre-feet on average for the subject parcels).

Based upon the information provided with this letter (including the support offered in support of the original variance request), the Hoekstras have requested that the use numbers on the parcels described above be revised to reflect more realistic water use needs of their activities during the modeled use period. Specifically, they have requested that the use for the dairy ground be revised to reflect an average water use number of 325 A/F per year, and the use on the row crop ground to the north of the dairy be revised to reflect 500 A/F collectively (or 350/150 A/F on the respective parcels). For similar reasons, the Hoekstras have requested that the use on their fourth parcel (APN 149-150-026) be revised to reflect more accurate average water use needs of approximately 340 A/F (to irrigate two feed crops on approximately 35 acres and pistachios on approximately 62 acres).

We appreciate the ad hoc committee's and the Board's careful consideration of the Hoekstra's request, and we stand ready to assist either in making a decision. Feel free to contact me if you have any questions or require additional information.

Thank you,

Dan Raytis

Enclosures

cc: Hoekstra Family Trust

EXCERPTS OF FINANCIAL STATEMENTS
HOEKSTRA FAMILY TRUST VARIANCE REQUEST

12/31/2012

CUYAMA DAIRY FARM and Affiliate

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(3) Dairy herd

The dairy herd as of December 31, 2012 is as follows:

	Number of Head	Average Value Per Head	Amount
Self-raised cows	1,985	$ 1,327	$ 2,634,800
Self-raised bulls, springers, heifers	1,705	927	1,580,725
Total cost			4,215,525
Accumulated depreciation			(683,451)
Net dairy herd			$ 3,532,074

The self-raised heifers are considered inventory until they

12/31/2013

Dairy herd

The dairy herd as of December 31, 2013 is as follows:

	Number of Head	Average Value Per Head	Amount
Self-raised cows	2,097	$ 1,354	$ 2,839,000
Self-raised bulls, springers, heifers	1,880	964	1,813,150
Total cost			4,652,150
Accumulated depreciation			(752,648)
Net dairy herd			$ 3,899,502

The self-raised heifers are considered inventory until they

12/31/2014

CUYAMA DAIRY FARM and Affiliate

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(3) Dairy herd

The dairy herd as of December 31, 2014 is as follows:

	Number of Head	Average Value Per Head	Amount
Self-raised cows	2,157	$ 1,375	$ 2,964,900
Self-raised bulls, springers, heifers	1,824	885	1,614,650
Total cost			4,579,550
Accumulated depreciation			(864,328)
Net dairy herd			$ 3,715,222

The self-raised h...

12/31/2015

CUYAMA DAIRY FARM and Affiliate

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(4) Dairy herd

The dairy herd as of December 31, 2015 is as follows:

	Number of Head	Average Value Per Head	Amount
Self-raised cows	2,156	$ 1,399	$ 3,015,600
Self-raised bulls, springers, heifers	1,939	895	1,735,375
Total cost			4,750,975
Accumulated depreciation			(901,707)
Net dairy herd			$ 3,849,268

12/31/2016

CUYAMA DAIRY FARM and Affiliate

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(3) Dairy herd

The dairy herd as of December 31, 2016 is as follows:

	Number of Head	Average Value Per Head	Amount
Self-raised cows	2,026	$ 1,400	$ 2,836,400
Self-raised bulls, springers, heifers	1,385	948	1,313,525
Total cost			4,149,925
Accumulated depreciation			(965,499)
Dairy herd, net			$ 3,184,426

12/31/2017

Net Milk Check	$ 16.31
Herd Information:	
Average Herd Size:	
Average Number of Milking Cows	1,758
Average Number of Dry Cows	237
Average Total Head	1,995

12/31/2018

NOTE 3: Dairy Herd

The dairy herd as of December 31, 2018 is as follows:

	12/31/18 Number of head	Amount
Self-raised cows	1,870	$ 2,738,600
Self-raised bulls, springers, heifers	1,706	1,701,500
Total cost		4,440,100
Accumulated Depreciation		(627,185
Dairy herd, net		$ 3,812,915

WATER USE ESTIMATES
HOEKSTRA FAMILY TRUST VARIANCE REQUEST

WATER USE ESTIMATES – HOEKSTRA FAMILY TRUST

DAIRY WATER USAGE

APN: 149-150-24
Parcel Size: +/-160 acre parcel

Purpose	Activity / Duration	Amount	Total (Per Date)	Total (Per Year)
Drinking water for milk cows (2000 cows)		70 gal/head	140,000gal per day	156.82 acre/ft per year
Drinking water for heifers (1900 heifers)		12 gal/head	22,800 gal per day	25.54 acre/ft per year
Water for washing milking equipment, tanks, milk barn	1'' pressure hose 6 hrs a day (7200gal). 2000 gal per wash up 2x	11,200 gal per day	11,200 x 365	12.55 acre/ft per year
Water for washing cows	400gpm pump 240min a day	96,000 gal per day	96,000 x 365	107.53 acre/ft per year
Water for milk cooling equipment	24hrs a day 50gpm	72,000 gal per day	72,000 x 365	80.65 acre/ft per year
			Daily total	**342,000 gal**
			Yearly	**124,830,000 gal**
			Acre/ft	**383.09***
Irrigation	30 acres of winter forage on same parcel			**45acre/ft**
			Total Use:	**428.09acre/ft**

*This amount is consistent with recent total metered use of 161.16 gallons/milk cow per day from 10-8-2023 through 9-30-2024, which would equal 361.04 acre-feet of total use to support 2,000 milk cows (not including heifers, bulls, etc.).

WATER USE ESTIMATES – HOEKSTRA FAMILY TRUST

FARM GROUND USAGE

Parcel Information in Chart

Parcel Size (Irrigated Acreage)(Time)	Purpose / Amount	Purpose / Amount	
120a parcel (90a pivot) 1998-2017 APN: 149-150-17	Winter forage 1.5 ac/f (135ac/f)	Corn/milo 3.5ac/f (315 ac/f)	450 acre/ft
38a parcel (32a pivot) 2007-2017 APN: 149-150-19	Winter forage 1.5 ac/f (48ac/f)	Corn/milo 3.5ac/f (112ac/f)	160 acre/ft
106a parcel (35a pivot, 62a pistachios) 1998-2017 APN: 149-150-26	Winter forage 1.5 ac/f (52.5ac/f)	Corn/milo 3.5ac/f (122.5acf). Pistachios 3.25ac/f (201.5ac/f)	376.5 acre/ft
		Total	**986.5 acre/ft**

GOOGLE EARTH IMAGES OF HOEKSTRA FAMILY TRUST PARCELS
HOEKSTRA FAMILY TRUST VARIANCE REQUEST


Hoekstra Dairy
4/29/2011
Legend
68
Cuyama Dairy
Cuyama Dairy
Foothill Rd
Foothill Rd
Foothill Rd
Google Earth
N
3000 ft


Hoekstra Dairy
8/7/2012
Legend
69
Cuyama Dairy
Cuyama Dairy
Foothill Rd
Foothill Rd
Foothill Rd
Google Earth
N
3000 ft


Hoekstra Dairy
4/7/2013
Legend
70
Cuyama Dairy
Cuyama Dairy
Foothill Rd
Foothill Rd
Foothill Rd
Google Earth
N
3000 ft


Hoekstra Dairy
8/12/2013
Legend
71
Cuyama Dairy
Cuyama Dairy
Foothill Rd
Foothill Rd
Foothill Rd
Google Earth
N
3000 ft


Hoekstra Dairy
4/15/2014
Legend
72
Cuyama Dairy
Cuyama Dairy
Foothill Rd
Foothill Rd
Foothill Rd
Google Earth
3000 ft
N


Hoekstra Dairy
3/26/2015
Legend
73
Cuyama Dairy
Cuyama Dairy
Foothill Rd
Foothill Rd
Foothill Rd
Google Earth
3000 ft
N


Hoekstra Dairy
10/20/2016
Legend
74
Cuyama Dairy
Cuyama Dairy
Foothill Rd
Foothill Rd
Foothill Rd
Google Earth
3000 ft
N


Hoekstra Dairy
4/14/2017
Legend
75
Cuyama Dairy
Cuyama Dairy
Foothill Rd
Foothill Rd
Foothill Rd
Google Earth
Image © 2024 Maxar Technologies
N
3000 ft


Hoekstra Dairy
8/8/2017
Legend
76
Cuyama Dairy
Cuyama Dairy
Foothill Rd
Foothill Rd
Foothill Rd
Google Earth
3000 ft
N


Hoekstra Dairy
2/23/2018
Legend
77
Cuyama Dairy
Cuyama Dairy
Foothill Rd
Foothill Rd
Foothill Rd
Google Earth
N
3000 ft

VARIANCE REQUEST FORM DATED DECEMBER 6, 2024
(COMPLETE PACKAGE)
HOEKSTRA FAMILY TRUST VARIANCE REQUEST

VARIANCE REQUEST FORM

For 2025 through 2029 in the Central Management Area (Including Farm Units)

Submit this form, **including a $250** fee (which may be reimbursed if corrections are due to inaccuracies with the Cuyama Basin Groundwater Sustainability Agency (CBGSA) records), to Taylor Blakslee at 4900 California Ave, Tower B, Suite 210, Bakersfield, CA 93309 (forms may be also submitted electronically to tblakslee@hgcpm.com).

Name:	HOEKSTRA FAMILY TRUST 5/6/99 (AKA "Cuyama Dairy")
Date:	DECEMBER 6, 2024
Phone:	805-750-0634; 805-750-2404
Email:	aaron@ftmfg.com; pdhoek@live.com; dan@bbr.law
Assessor Parcel Number(s) (APN):	149-150-017 (120.00 Assessed Acres);

149-150-019 (38.00 Assessed Acres); 149-150-024 (158.17 Assessed Acres);

149-150-026 (105.77 Assessed Acres)

Please describe the basis for your request and attach any supporting documentation

We bring this variance request to contest gross irregularities in the modeled use numbers with respect to our four parcels listed above.* The layout of the four parcels is shown on the enclosed Assessor's Parcel Map for reference purposes only. We have also enclosed the modeled use information relating to the parcels from the GSA's excel spreadsheet downloaded from the GSA website.

The irregularities in the modeled use numbers are most evident with respect to the parcel that houses our dairy (APN 149-150-024). The modeled use on that parcel swings wildly, from as low as 15 A/F in 2011 to a high of 305 A/F the next year. In addition, it reports use of less than 50 A/F in all years from 2000 through 2011. This is a physical impossibility, as that parcel houses our dairy, which has consistently supported nearly 4,000 head each year.

As an example, we had 2,157 milk cows and 1,824 bulls, springers and heifers on the dairy in 2014. For 2014, the modeled use numbers on the parcel reflect 18.30 A/F. Our estimate of the water use necessary to sustain annual operations with 2,000 cows and 1,900 heifers (including the associated washing and cooling that is necessary) is 328.15 A/F, which is consistent with the modeled use numbers for the parcel in 2012 and 2013. There is an obvious understatement in the modeled use on that parcel for most of the relevant time period.

(Continued on Following Page)

VARIANCE REQUEST FORM

For 2025 through 2029 in the Central Management Area

CUYAMA DAIRY - PAGE 2

Likewise, the modeled use on the two parcels (APNs 149-150-017 & 019) used to grow feed for our dairy are consistently understated. These parcels are to the north and northeast of the dairy parcel. Enclosed is a Google Earth Image from April 2011, showing both parcels actively farmed with row crops. In the same year, the modeled use numbers show 6.88 A/F on 149-150-17 and 2.04 on 149-150-19. Assuming two crops (usually wheat and corn) per year on those parcels (with approximately 114 acres of irrigated ground), our estimate of the water use on those parcels would be closer to 500 A/F collectively, which is consistent with the modelled use numbers in 2012 and 2013. Based on the foregoing, it is clear that our modeled use numbers on these parcels are unreasonably low.

We request that the use numbers on the parcels described above be revised to reflect more realistic water use needs to support our dairy operations. Specifically, we request that the use for the dairy ground be revised to reflect an average water use number of 325 A/F, and the use on the row crop ground to the north of the dairy be revised to reflect 500 A/F collectively (or 350/150 A/F on the respective parcels). For similar reasons, we request that our use on our fourth parcel (APN 149-150-026) be revised to reflect more accurate average water use needs of approximately 340 A/F (to irrigate two feed crops on approximately 35 acres and pistachios on approximately 62 acres).

We are prepared to assist the committee and the Board in any manner necessary to support this request. We appreciate your consideration of this request.

*It is important to note that we do not agree that the GSA's allocation accurately represents the water rights associated with our properties. Nothing herein shall be interpreted as an admission on our part with respect to the nature or extent of our water rights. We reserve the right to challenge the allocation in the current groundwater adjudication proceedings and in any other proceeding (including before the GSA) relating to any allocation of water for use on our properties within the basin.

T10N R25W SBB&M

149–15

NOTICE
Assessor Parcels are for tax assessment purposes only and do not indicate either parcel legality or a valid building site.

1" = 1200'
scale ±

Assessor's Map Bk, 149–Pg, 15
County of Santa Barbara, Calif.

08/21 23, vol. merger

01 — 80' — RD (C.L.) CUYAMA — 80' — 14

BDY

SAN Cuyama LUIS OBISPO River

(2) 67.00± Ac.

(3) 40.00± Ac.

30

29

(8) 39.00± Ac.

(9) 25.75 Ac.

(6) 79.09 Ac.

(37) 10± Ac.

(38) 51.00± Ac.

SCHAEFFER 1080' RD 5316.96' 29 28 32 33

(13) 1.12 Ac. 132' 420' 300' 30'

(15) 1.03 Ac. 125' 420' 300'

(16) 164.62 Ac. 76AP071

(18) 40.00± Ac.

(39) 1123.45 Ac. 13AP024

(17) 120.00 Ac. 72AP146

(19) 38.00± Ac.

31 32 33

S89°15'19"E 1299.75 — N89°53'52"E 1338.53

(42) 76.66 Ac. 2662.31 2674.30 N1°20'12"E S1°24'30"W

(31) 39.55 Ac.

(32) 39.55 Ac.

(33) A 20.44 Ac. 1338.38 663.98 666.30

(34) B 20.45 Ac. 1339.23 663.98 666.30 N0°30'13"E S0°28'16"W

(35) C 20.45 Ac. 1339.58 663.98 666.30

(36) D 20.46 Ac. 1339.95 PM 7/88 693.98 696.30 N89°42'10"W

(28) 208.7 208.7

VM 2021–0041783

(23) 158.17 Ac.

(24) 158.17 Ac. 72AP146

(25) 75.00± Ac.

(26) 105.77± Ac. 76AP077

CO

LLA 2014–058348

N88°43'38"W 1296.33

KIRSCHENMANN

RANCHO FOOTHILL RD

30' 30' 60' 90'

33 34 T10N T9N

16

17 SANTA BARBARA CANYON RD

			Model-Estimated Pumping For Hoekstra Family Trust																			
APN	Parcel Owner	Area	WY 1998	WY 1999	WY 2000	WY 2001	WY 2002	WY 2003	WY 2004	WY 2005	WY 2006	WY 2007	WY 2008	WY 2009	WY 2010	WY 2011	WY 2012	WY 2013	WY 2014	WY 2015	WY 2016	WY 2017	Avg WYs
149-150-017	HOEKSTRA	120.5	138.14	215.54	40.85	36.94	34.96	14.66	33.20	23.04	4.10	24.13	28.37	24.04	19.02	6.88	382.55	360.47	15.90	31.65	24.42	30.60	74.47
149-150-019	HOEKSTRA	36.18	0.69	1.08	0.17	0.03	0.03	0.02	0.03	0.02	0.33	0.84	0.88	7.32	4.72	2.04	116.99	113.73	5.99	10.33	8.30	9.75	14.16
149-150-024	HOEKSTRA	162.4	149.27	218.20	49.94	34.10	35.62	20.89	34.69	22.77	12.64	25.72	22.55	33.61	27.37	15.12	305.65	298.58	18.30	23.56	115.15	109.01	78.64
149-150-026	HOEKSTRA	112.7	119.94	134.54	135.26	164.11	185.36	290.97	313.72	306.25	183.45	189.48	216.96	215.37	222.30	198.65	381.59	364.35	253.74	236.55	205.21	205.14	226.15


Legend
Hoekstra
APNs 149-150-017 & 149-150-19
Google Earth Image Date - 04/2011
Google Earth
N
1000 ft

VARIANCE REQUEST FORM

For 2025 through 2029 in the Central Management Area (Including Farm Units)

Submit this form, **including a $250** fee (which may be reimbursed if corrections are due to inaccuracies with the Cuyama Basin Groundwater Sustainability Agency (CBGSA) records), to Taylor Blakslee at 4900 California Ave, Tower B, Suite 210, Bakersfield, CA 93309 (forms may be also submitted electronically to tblakslee@hgcpm.com).

Name: KERN RIDGE GROWERS LLC

Date: 12/6/24

Phone: 661-854-3141

Email: VENSTER@KERNRIDGE.COM

Assessor Parcel Number(s) (APN): SEE ATTACHED LETTER

Please describe the basis for your request and attach any supporting documentation
SEE ATTACHED LETTER

NEW YORK
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SINGAPORE
PHILADELPHIA
CHICAGO
WASHINGTON, DC
SAN FRANCISCO
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LAKE TAHOE
MYANMAR

ALLIANCES IN MEXICO

December 6, 2024

VIA E-MAIL

Cuyama Basin Groundwater Sustainability Agency
Attention: Taylor Blakslee
4900 California Ave, Tower B, Suite 210,
Bakersfield, CA 93309

Re: Objection of Kern Ridge Growers to the "Pumping Reduction Program" proposed by Cuyama Basin Groundwater Sustainability Agency in the November 8, 2024 Notice of Central Management Area 2025-2029 Groundwater Allocations

Mr. Blakslee:

Kern Ridge Growers (KRG), through its undersigned legal counsel, hereby objects to, or in the alternative requests a variance from, the "pumping reduction program" and curtailments proposed by the Cuyama Basin Groundwater Sustainability Agency (CBGSA) in its November 8, 2024 Notice of Central Management Area 2025-2029 Groundwater Allocations. Through this letter, KRG also describes the basis for its request for a variance, and objections, to the Groundwater Allocations for KRG's properties and water rights.

KRG specifically objects to, or in the alternative requests a variance from, the reductions and 2025-2029 groundwater allocations in the updated Central Management Area (CMA) assigned to KRG's properties, included within Item No. 10 on Attachment 1 to the November 8, 2024 Notice.

SGMA was not intended to and cannot alter or modify prior, established water rights. SGMA provides: "It is the intent of the Legislature to preserve the security of water rights in the state to the greatest extent possible consistent with the sustainable management of groundwater." (Water Code § 10720.1.) Water Code Section 10720.5(b) further states that nothing in the SGMA legislation "determines or alters surface water rights or groundwater rights under common law or any provisions of law that determines or grants surface water rights."

Curtailment of pumping by the CBGSA is therefore improper, illegal and unenforceable because the curtailment order necessarily attempts to determine or alter groundwater rights, and threatens the security of groundwater rights in the Cuyama Basin (Basin). A GSA additionally has no express or actual authority under SGMA, or otherwise, to limit or alter KRG's exercise of its established groundwater rights.

The proposed 2025-2029 CMA Allocation Program also violates California law by imposing geographically discriminatory pumping reductions on a subset of groundwater pumpers, even though all groundwater users share a common supply. All groundwater users within the Basin pump from the same groundwater supply, and the CMA Allocation Program does not justify or support the discriminatory and arbitrary imposition of pumping limits on part of the Basin, but not the entire Basin.

In addition, in the pending groundwater adjudication involving the Basin (*Bolthouse Land Company, et al v. All Persons Claiming a Right to Extract or Store Groundwater in the Cuyama Valley Groundwater Basin*, Los Angeles County Superior Court Case No. BCV 21-101927), the Court issued a ruling on November 1, 2024, which stated that the determination of the safe yield for the Basin will be "based on the assumption that a mapped and adjudicated California groundwater basin has sufficient lateral and vertical movement of water that it functions as a single groundwater basin." The Court explained that it would conduct the next phase of the Adjudication (Phase 2) based on that assumption, "which means that it is taken as a given that all the overlying landowners share correlative rights to all the water in the basin." The Court then stated its definition of safe yield for the Basin: "Safe yield is defined as the maximum quantity of water which can be withdrawn annually via pumping from **a ground water basin as a whole** based on long-term conditions in the basin without causing an undesirable result." (Emphasis added.)

The CMA allocations and the decision to restrict pumping based on an arbitrary determination of the sustainable yield in the CMA, rather than the Basin as a whole, therefore directly violates and is contrary to the express rulings of the Court in the Groundwater Adjudication. It is also improper for the CBGSA to purport to establish and enforce a safe, or sustainable, yield determination for the Basin, or a portion of the Basin, in advance of that determination by the Court in the Groundwater Adjudication. The CBGSA must therefore suspend or reject the proposed 2025-2029 CMA Allocation Program. If the CBGSA attempts to impose the improper and legally unsupported CMA Allocation program, KRG reserves the right to seek appropriate relief against the CBGSA in the pending Groundwater Adjudication.

The Notice also indicates that the pumping allocation for 2025 to 2029 was determined using each parcel's "estimated crop water use," defined as the average water use for each parcel over the 1998-2017 period. The Notice indicates that the "water use estimates were determined by a model and a description of how those estimates were developed is also provided in the attached packet."

Instead of using a "model," the CBGSA should have used actual pumping data to determine actual water use for separate parcels in the basin. The pumping allocations do not accurately reflect actual quantities of water extracted by KRG on those parcels.

The Notice and any "allocation" of water to KRG should reflect the actual quantity of water pumped by KRG within the referenced parcels at any time. The maximum quantity of water pumped by an overlying owner or pumper over time establishes and reflects the actual, enforceable water right held by the pumper or overlying owner.

Historic pumping records establish that KRG, and its predecessors, have pumped the following maximum quantities of water in a single year on the following properties owned and farmed by KRG.

Properties	**Water Right Associated with Property (Based on maximum annual pumping amount)**
Parcel No. 149-170-012	250 acre-feet
Parcel No. 149-170-013	672 acre-feet
Parcel No. 149-170-016	136 acre-feet
Parcel No. 149-170-017	350 acre-feet
Parcel No. 149-170-025	93 acre-feet
Parcel No. 149-180-021	150 acre-feet
Parcel No. 096-201-012	875 acre-feet
Parcel No. 149-150-023	525 acre-feet
Parcel No. 149-160-037	528 acre-feet
Parcel No. 149-180-018	146 acre-feet
Parcel No. 149-170-037	314 acre-feet
Parcel No. 149-180-020	77 acre-feet
Parcel No. 149-180-019	227 acre-feet
Parcel No. 149-180-016	145 acre-feet

The amounts set forth above determine and establish KRG's right to pump groundwater on those parcels. As indicated, because SGMA, and consequently the CBGSA, cannot determine or alter surface water rights or groundwater rights, the allocations and attempted pumping restrictions are improper and invalid. The CBGSA lacks the authority and ability to limit or reduce KRG's exercise of its water rights on the above referenced parcels, and KRG is instead

authorized to continue to pump water up to the full extent of its water rights, based on the quantities set forth above.

In addition, or in the alternative, if the CBGSA does attempt to impose a reduction or curtailment of groundwater pumping on the parcels owned and utilized by KRG, in violation of the Court's orders in the Groundwater Adjudication, at the very least the reduction should use KRG's actual water right amounts, as set forth above, as a starting point for any reduction in pumping for the above referenced parcels.

Counsel for KRG and KRG staff can be available to address any questions from the CBGSA regarding these matters.

Sincerely,

Colin L. Pearce

CLP:bah

cc: Kern Ridge Growers, LLC

James L. Markman

T 714.990.0901
F 714.990.6230
E jmarkman@rwglaw.com

1 Civic Center Circle, PO Box 1059
Brea, California 92822-1059
rwglaw.com

December 6, 2024

VIA ELECTRONIC MAIL

Taylor Blakslee
Cuyama Basin Groundwater Sustainability Agency
4900 California Ave, Tower B, Suite 210
Bakersfield, CA 93309
tblakslee@hgcpm.com

Re: **Sunrise Ranch Properties, LLC's Variance Request For 2025 to 2029 and Objections to Allocation, Glidepath and Rampdown**

Dear Mr. Blakslee:

We represent Sunrise Ranch Properties, LLC ("Sunrise"). Sunrise seeks a variance from the allocation recently proposed to be given to it by the staff of Cuyama Basin Groundwater Sustainability Agency (the "Agency"). Sunrise objects to staff's proposed allocation to Sunrise, the Glidepath and the Rampdown pending before the Agency for all the reasons set forth herein.

I. Sunrise Ranch's Variance Request to Modify The Confiscatory New Rampdown Proposed by Staff

A. Inequitable Approaches to Rampdown Allocation

To date, missing from staff's reports and suggestions for inclusion in the Implementation Plan for the Cuyama Basin are materials which respond to the legislative instruction stated in Water Code Section 10720.1(b) as follows:

> "In enacting this part, it is the intention of the legislature to do all of the following:
>
> "…
>
> "(b) To enhance local management of groundwater consistent with rights to use or store groundwater and Section 2 of Article X of the California Constitution. It

> is the intent of the legislature to preserve the security of water rights in the state to the greatest extent possible consistent with the sustainable management of groundwater…."

Similarly, Water Code Section 10723.2(a)(1) provides in pertinent part as follows:

> "The groundwater sustainability agency shall consider the interest of all beneficial uses and users of groundwater, as well as those responsible for implementing groundwater sustainability plans. These interests include, but are not limited to, all of the following:
>
> "(a) Owners of overlying groundwater rights, including: (1) agricultural uses."

Contrary to the above-stated language, during the processing of the Implementation Plan no attention has been given to any party's specific circumstances which support a greater allocation of water production rights awarded or only support a lower production rights allocation. In reference to Sunrise Ranch's olive operation, the following are bases supporting an increase in its portion of the base allocation for the CMA (or for the Basin as a whole) which have been repeatedly ignored:

1. No evidentiary basis based upon the best available sciences supports the Sunrise property being even included in the CMA.

2. No evidence whatsoever has emerged which supports the remainder of the Basin of being completely free of water production constraints, particularly when it is clear that Basin areas outside the CMA are the source of water supply to the CMA, a source subject to being diminished by overproduction.

3. Sunrise has asked and continues to ask why production reductions in the CMA do not reflect the difference in crop water demands. The inequitable result is Sunrise's water use of two acre feet per acre being reduced in the same percentage annually as production of thirsty crops which consume 1.5 to 3 times that amount.

4. No adjustment has been suggested based on the pumpers' means of irrigation, comparative line loss or other conservation practices. In fact, nothing in the mass amount of paperwork generated shows any attempt by staff to engage in field observations so that conservation of water through crop choice, irrigation approach or plain attention to operations to avoid water loss are occurring. In addition, staff has not generated any general economic analysis by which the reasonableness of any particular overlying use or method of use may be measured.

Staff's computations of parties' base production rights have been solely determined by historical amounts of water use and acreage used for approximately twenty to twenty-five years. This simplistic approach ignores fallowing time necessitated by crop changes or less use during start up periods for establishing a new crop. Sunrise experienced these temporary reductions in use on their property while exchanging crops from alfalfa to olives, a change which dramatically reduced water production from that property, thereby benefiting the Basin. But, this positive choice did not reward Sunrise. Instead, it lowered the starting point for its production reductions imposed, thereby threatening the viability of the olive operation. This policy outcome should be rectified.

B. Staff's Recommendation of a Destructive, Confiscatory New Rampdown Rate or "Glidepath"

In reacting to new data, the Basin model apparently convinced the staff that baseline production in the CMA had previously and mistakenly been stated to be much higher and should be reduced from 44,254 acre feet per year to 33,145 acre feet per year. Staff's recommendations to the Board, to adjust to dealing with lower beginning allocations to pumpers was to create and order an enormous and immediate 2025 and 2026 water reduction for Sunrise. The Board has been asked to approve a 2025 reduction of a crippling 21% of the amount allowed in 2024 and then to adjust the 2026 reduction by 25% of the amount allowed in 2025. The proposed 2025 reduction is set at only 5% for the whole affected group of CMA Pumpers. But, since the new numbers reduce Sunrise's share from 5.4% to 4.49%, its allocation for 2025 is a shocking 21% reduction.

This would land a crushing economic blow on Sunrise, a company which cannot absorb a loss of 1,000 acre feet of available water in two years. This is a particularly unexpected blow to absorb since the "Glidepath" presented all along was set at 5% for two years moving up to 6.5% for the remainder of the Rampdown period. There is no policy reason in the staff materials justifying this reaction by staff. The goal to be sustainable has not changed.

Sunrise hereby makes a variance request to move away from the destructive and immediate enormous Rampdown suggested by the staff in the CMA for 2025 and 2026 and consider an alternative which is demonstrated in Exhibits "1" and "2" attached to this letter. Those exhibits demonstrate a new Glidepath commencing with the 2024 Basin amount to be reduced at an even annual rate of 7.14% applied each year to the new Base Production of 34,495 acre feet which is in accord with staff's suggestion. Exhibit 1 reflects this alternative applied to all CMA pumping. Exhibit 2 reflects the impact on Sunrise's pumping allocation.

For hypothetical purposes only, we suggest assuming that Sunrise could continue to operate at a feasible level utilizing approximately 1,900-2,000 acre feet per year. This would mean that applying the staff proposal, Sunrise's last year of its operational life could have been 2024 based on present acreage. Using the new Glidepath presented in Exhibit 2, that last year would be moved up to 2028. or 2029. The additional years afforded to it, and the Board's adoption of

managerial policies which include carryover and a water rights market, indicate that the economic life of Sunrise could survive to and with sustainability.

Both (1) a carryover program, and (2) a water transfer market should be included when appropriate and in collaboration with the appropriate local agency, in accordance with Water code Section 10726.4 which provides:

> "(a) A groundwater sustainability agency shall have the following additional authority and may regulate groundwater extraction using that authority;
>
> "…
>
> "(3) To authorize temporary and permanent transfers of groundwater extraction allocations within the agency's boundaries, if the total quantity of groundwater extracted in any water year, is consistent with the provisions of the groundwater sustainability plan. The transfer is subject to applicable city and county ordinances.
>
> "…
>
> "(4) To establish accounting rules to allow unused groundwater extraction allocations issued by the agency to be carried over from one year to another and voluntarily transferred, if the total quantity of groundwater extracted in any five-year period is consistent with the provisions of the groundwater sustainability plan."

These code sections authorize tools which your agency quickly should provide to water producers that are able to make maximum beneficial use of their rights, including carryover water, authorized production of water which isn't used and leasing or transferring allocations. These management tools can extend the life of agricultural business and generate salvage value to be recovered by those who simply cannot survive the reduction in water rights.

These programs do not create an increase in the amount of water established by the Board to be produced until sustainability is reached. In the situation presented, by staff, we do not believe that your Implementation Plan complies with Article 10, Section 2 of the California Constitution because it needlessly dooms to failure every agricultural business which cannot bear an 80% reduction in available water.

II. Sunrise's Prior Objections to the Implementation Plan and, Particularly, Glidepath and Rampdown

Sunrise continues to object, both substantively and procedurally, with the Agency's Implementation Plan and, specifically the Glidepath and Rampdown, as stated in prior submittals. Prior to the November 6, 2024 Agency Board meeting, we submitted Sunrise's objections to the Glidepath and Rampdown. To avoid repetition, attached as Exhibit "3" is a copy of my November 6, 2024 letter, and incorporate by reference herein Sunrise's substantive and procedural arguments. For the sake of completeness, attached as Exhibits "4," and "5" are copies of Sunrise's Variance Requests dated August 20, 2022 and March 2, 2023 which are also incorporated by reference herein.

The Agency has rejected and/or failed to consider Sunrise's prior objections and variance requests. Sunrise has patiently persisted in making its position known, without any meaningful response from the Agency. Now, implementation of the staff suggested Glidepath and Rampdown could damage Sunrise's economic viability immediately. Accordingly, Sunrise will have no option but to seek judicial remedies if this variance request and proposed Rampdown also are ignored.

Sunrise appreciates your anticipated attention and consideration of Sunrise's Variance Request.

Very truly yours,

RICHARDS, WATSON & GERSHON
A Professional Corporation
Attorneys for Sunrise Ranch Properties, LLC

James L. Markman

Enclosures

13092-0002\3048167v1.doc

EXHIBIT 1

Smooth Rampdown from 2024 to 2038

Baseline: 2024 Pumping	46,536	AFY
Sustainable Yield	12,042	AFY
Delta	34,494	AFY
Delta per year	2,464	AFY
Percentage per year of Delta	7.14%	

CMA

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Allocation	46,536	44,072	41,608	39,144	36,681	34,217	31,753	29,289	26,825	24,361	21,897	19,434	16,970	14,506	12,042
Sustainable Yield	12,042	12,042	12,042	12,042	12,042	12,042	12,042	12,042	12,042	12,042	12,042	12,042	12,042	12,042	12,042

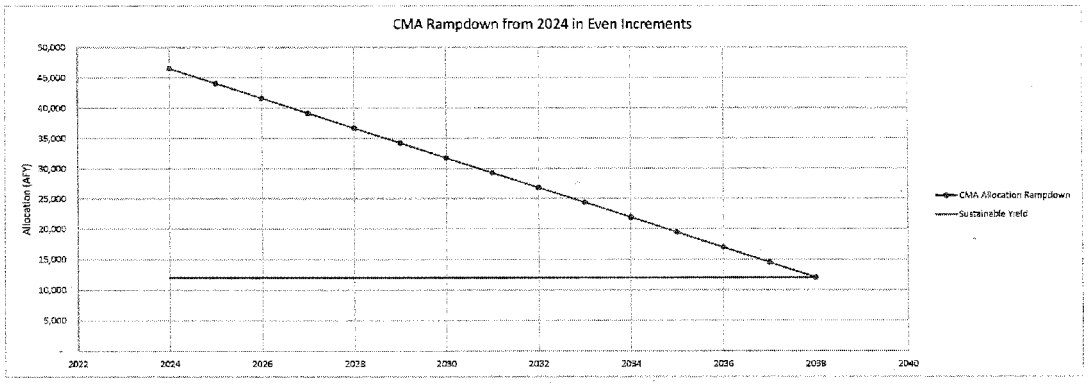


EXHIBIT "1"

EXHIBIT 2

Sunrise

Baseline: 2024 Pumping	**2,515**	**AFY**
Sustainable Yield	**650**	**AFY**
Delta	**1,865**	**AFY**
Delta per year	**133**	**AFY**
Percentage per year of Delta	**7.14%**	

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Allocation	2,515	2,382	2,249	2,115	1,982	1,849	1,716	1,583	1,449	1,316	1,183	1,050	917	783	650
Sustainable Yield	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650

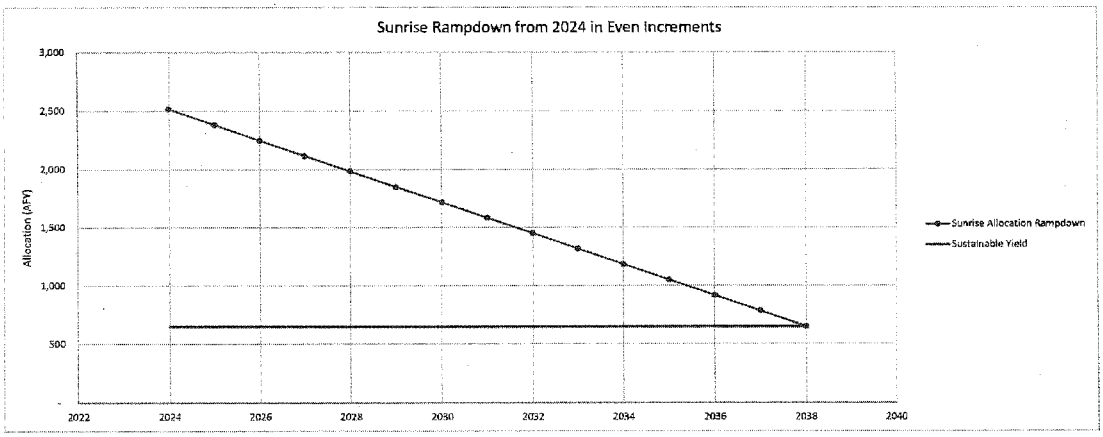


EXHIBIT "2"

EXHIBIT 3

James L. Markman

T 714.990.0901
F 714.990.6230
E jmarkman@rwglaw.com

1 Civic Center Circle, PO Box 1059
Brea, California 92822-1059
rwglaw.com

November 6, 2024

VIA ELECTRONIC MAIL

Mr. Taylor Blakslee
Cuyama Basin Groundwater Sustainability Agency
500 Capitol Mall, Suite 2350
Sacramento, CA 95814
tblakslee@hgcpm.com

Re: **Sunrise Ranch Properties protest against and objects to the adoption of modifications to the Cuyama Implementation Plan**

Dear Mr. Blakslee:

We represent Sunrise Ranch Properties, LLC (Sunrise). We are providing this protest and objection at this date for inclusion in the record of the public hearing being conducted by your Board today. The points made herein need to be In the public record pertaining to the proposed actions and will be available to support litigation challenging the actions should such litigation occur. My partner, Mr. Tilden Kim, will be virtually attending the hearing today and will be able to respond to any questions generated by the position taken herein. Following are the points we wish to make:

1. Today's hearing suffers from violations of due process of law. This is principally due to the fact, that, as usual, interested water producers received the mass of materials you present within less than a week before the hearing. The order of process has been the conduct of an Advisory Committee meeting, supported by hundreds of pages of materials, followed in about a week by a Board meeting at which related action items are presented to the Board for disposition. In the present process, the last version of the 424 pages of material related to today's meeting and public hearing were e mailed to our office at 6:24 p.m. yesterday. The meeting and hearing today are recommended to support the Board choosing an alternative for a new baseline option for your ramp down program for Pumpers placed in the CMA and Implementation Plan modifications to be approved by the Board. There also is an action to submit the newly changed plan to DWR. Curiously, Producers are being told that they will have an opportunity to seek a variance from the Board from the decisions just mentioned which already will have been made and provided to DWR. Is the Board ready to be open minded about the variances which may be

requested to provide for a second look at the approvals already made? Most fundamentally, the matters before you which concern Sunrise and all pumpers are complex and involve technical material. To properly prepare to effectively participate, Pumpers need sufficient time to consult with their engineers, perhaps ask for consultation with staff and then present their position to the Board. One week or one day is not a sufficient period to meet due process standards.

2. Sunrise hereby concurs with and joins the Protest and Objections filed by letter dated October 11, 2024 on behalf of Diamond Farming Company and others in disagreeing with placement of the entire Basin overdraft on Pumpers located in the CMA due to the drop of water elevations in that portion of the Basin. This simply ignores a primary legal standard in correlating the overlying rights of overlying water producers in a Basin. The correlation or allocation of their pumping rights must produce an equitable result for all of those producers regardless of how much is produced or who has been producing the longest or for any period of time. In disputes among overlying landowners, all have equal rights. Katz v. Walkinshaw (1903), 141 Cal.116. There is no equity in placing a confiscatory amount of forced reduction in water production on all pumpers in the CMA while all other Basin overlying Producers are not in any way regulated. And this includes Producers whose pumping depletes the supplies which would otherwise provide water to that portion of the Basin underlying the CMA. If this Basin truly is a common source of supply, all Pumpers must share cutback burdens based on equity. This issue now is heading for dispute in companion litigation because of the enormous cutbacks being imposed on CMA Pumpers during 2025. The arbitrary and capricious constraints are subject to writ proceeding and, possibly, a reverse validation action. On that point, we would appreciate some input into this process by Legal Counsel to your Board.

3. There is another level of capricious and arbitrary production allocations solely related to assigned CMA production. That is that the percentage of reducing production allocations on CMA Pumpers is the same regardless of whether their water demand and use per acre is equivalent. The program now treats an olive grower such as Sunrise with a water demand of 2 acre feet per acre annually to suffer the same percentage production reduction as another CMA grower of a crop requiring 6 acre feet per acre. This is inequitable on its face. And, this reflects terrible water policy when the Board ignores the disparate impacts on the Basin based on choices of crops, and irrigation methods and only considers the amount of acreage being farmed.

4. Sunrise reiterates its objections made in its prior variance requests to the effect that the Agency's data is incorrect and ignores Sunrise's presentation of historical and engineering data. In doing so, the staff has understated the historical use of water on the Sunrise site. This error has resulted in Sunrise's starting point for applying reductions being incorrect and low. In effect, this error has increased the impact of the reductions already made.

5. Sunrise also continues to believe and asserts that its property should not be in the CMA for lack of data supporting that conclusion. The property is on the CMA imagined boundary without the support of data. When the property first was placed in the CMA the closest data point to it was over a mile away. Sunrise's inclusion in the CMA reflects nothing more than a bad guess made by a technician drawing contour lines based on his imagination, rather than on the best science available.

6. The last item we will discuss here is the truly damaging new "glide path" inherent in each of the options before the Board today. The suggested reset of the glide path is based in the change in the CMA safe yield. Since the assumed historical total pumping has been reduced by new data while the overdraft remained the same, the sustainability goal became more distant from present allowed pumping levels established for 2024. Unfortunately, the only suggestion by staff for dealing with this is to increase the reduction from pumping allowed in 2024 to that which will be allowed in 2025. This is the primary damaging decision made by staff to date. And, this point should have been emphasized in the Board packet materials. It has been assumed that the 5% per year reductions from the original baseline during 2023 and 2024 would be slightly increased to 6.5% for 2025. Instead, the staff suggests choosing between 4 options which drop the allowed pumping right now dramatically and then resuming a 6.5% per year pace in following years. But to do so, the allowed 2025 production for Sunrise (and all others) is reduced as follows:

    A. Option 3- allowed pumping drops from 2519 AF to 1986 AF (a 528 AF 21% drop).

    B. Option 4- allowed pumping drops from 2519 AF to 1254 AF (a 1260 AF 50% drop).

    C. Option 9- allowed pumping drops from 2519 AF to 1567 AF (a 947 AF 37% drop).

    D. Option 10- allowed pumping drops from 2519 AF to 1495 AF (a 1019 AF 40% drop).

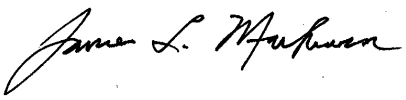
Again, this impact is not emphasized or even made clear in the material provided to the Board. This new glide path will result in a one year ratchet down by from 5 to 10 times as anticipated by the original approach made by this Agency. Some questions occur to Pumpers. Has the Board been informed of the financial chaos this accelerated constraint may have on the agricultural community? Why has the new glide path not been adjusted with a more slightly increased annual cutback commencing in 2025?

This abrupt imminent change in the economic impact of the production reduction program should induce the Board into the immediate consideration and establishment of management

techniques to ease the financial impacts of this acceleration such as the Carryover of unpumped portions of allowed allocations. The Board also should consider the establishment of a water market to allow distressed Pumpers to increase the life of their agricultural enterprise or have established transferrable water rights to lease or sell to in part offset the financial damage caused by this confiscatory water policy.

Thank you for your anticipated careful consideration of this letter.

Very truly yours,



James L. Markman

cc: jbeck@hgcpm.com
B. Tilden Kim
rkuhs@lebeauthelen.com

13092-0002\3037538v1.doc

EXHIBIT 4

Jacob Metz

T 213.626.8484
F 213.626.0078
E jmetz@rwglaw.com

350 South Grand Avenue
37th Floor
Los Angeles, CA 90071
rwglaw.com

August 30, 2022

VIA OVERNIGHT DELIVERY & ELECTRONIC MAIL

Mr. Taylor Blakslee
Groundwater Sustainability Agency Project Coordinator
4900 California Avenue, Tower B, Suite 210
Bakersfield, California 93309
tblakslee@hgcpm.com

Re: Sunrise Ranch Properties, LLC's Variance Application

Dear Mr. Blakslee:

We represent Sunrise Ranch Properties, LLC (Sunrise Ranch). Enclosed please find Sunrise Ranch's Variance Application (and attachments), submitted in accordance with the variance process established by the Cuyama Basin Groundwater Sustainability Agency (CBGSA) Board of Directors on July 6, 2022. A hard copy is being delivered by overnight mail (along with a $250.00 check) in addition to this copy being sent by electronic mail.

Very truly yours,

Jacob C. Metz

Enclosure(s)

13092-0002\2711631v1.doc

VARIANCE REQUEST FORM

For 2023 and 2024 in the Central Management Area
CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY

Submit this form, including a $250 fee (which may be reimbursed if corrections are due to inaccuracies with the CBGSA'S RECORDS), to Taylor Blakslee at 4900 California Ave, Tower B, Suite 210, Bakersfield, CA 93309.

Name:		Dan Devico, Michael Devico (Sunrise Ranch Properties, LLC)
Date:		8/30/2022
Phone:		(323) 859-7402
Email:	TO:	dan@pompeian.com, michael.devico@sunriseoliveranch.com
	CC:	stevej@stetsonengineers.com; jeffh@stetsonengineers.com; biancac@stetsonengineers.com; JMarkman@rwglaw.com; TKim@rwglaw.com; KBrochard@rwglaw.com; JMetz@rwglaw.com

Assessor Parcel Number(s) (APN):

- 149-170-09
- 149-170-10
- 096-201-015
- 096-201-016
- 096-201-017
- 096-201-018
- 096-201-019
- 096-201-020
- 096-201-021
- 096-211-027
- 096-211-033
- 096-211-034
- 096-211-042
- 096-211-043
- 096-211-044
- 096-211-045

Please describe the basis for your request and attach any supporting documentation:

OPENING STATEMENT

In compliance with the Sustainable Groundwater Management Act (SGMA), the Cuyama Basin Groundwater Sustainability Agency (CBGSA) submitted a Groundwater Sustainability Plan (GSP) to the California Department of Water Resources (DWR) in January 2020 and, in response to comments from DWR on the January 2020 GSP, submitted a revised GSP in July 2022. In order to implement the GSP, the CBGSA proposes

to implement a 5 percent reduction in groundwater pumping in the Central Management Area (CMA) in calendar year 2023 and an additional 5 percent reduction in calendar year 2024. No reductions or constraints on pumping outside the CMA has been included in the GSP or the implementation thereof.

The Board of Directors of CBGSA (Board) has determined pumping allocations as the basis for the amount to be reduced by using the average historic water use for each parcel over the 1998 through 2017 period. This approach did not provide for calculating and dealing with a base pumping figure covering all of the property within an integrated agricultural operation. To accurately calculate an average amount of water production for the property included in Sunrise Ranch for the relevant twenty-year period, all water production during that period beneficially put to use on any of the parcels now constituting Sunrise Ranch would need to be included. Sunrise Ranch has done so as later discussed herein and as shown in the data included in Attachment 3. Based upon the recommendation by the CBGSA for each landowner to review the pumping allocations stated in the July 29, 2022 Notice of Central Management Area Policies and Landowner Requirements (July 29 Notice), Sunrise Ranch Properties, LLC (Sunrise Ranch) has identified inaccuracies with the CBGSA's historic water use data used to estimate Sunrise Ranch's pumping allocation for 2023 and 2024, discussed herein.

The basic inaccuracy or error was separating each parcel in the Sunrise Ranch operation as if each parcel represented a stand-alone operation. This precluded the inclusion of the actual pumping history of all the parcels as a whole (one owner and one operation). Additionally, information regarding Sunrise Ranch's true influence on groundwater levels in the Cuyama Basin is provided herein. This information shows that Sunrise Ranch should be excluded from the CMA and therefore, exempt from all provisions of the CBGSA's CMA

policies because Sunrise Ranch is located in a data gap area; leaving no data by which the groundwater elevations at Sunrise Ranch can accurately and reliably be determined. Additionally, in recognition of Sunrise Ranch as an integrated farming operation, Sunrise Ranch requests that the CBGSA correct their average historical pumping value for Sunrise Ranch to be 4,465 acre-feet.

OVERVIEW OF SUNRISE RANCH PROPERTIES, LLC

Since May 2014, Sunrise Ranch has been growing olives in the Cuyama Basin, located south of the Highway 33 and Highway 166 intersection and east of the Cuyama River along the boundary between San Luis Obispo and Santa Barbara Counties. Figure 1 in Attachment A shows a map of Sunrise Ranch within the CMA's hydrological boundary line as shown in the Board's July 6 Meeting, Agenda Item Number 13 "Update on Model Refinement". A blue rectangle has been superimposed on the map, indicating the location of Sunrise Ranch. Sunrise Ranch owns 1,085 acres of land which includes 880 acres of gross farmed land and 820 acres of net farmed land. Land not used for farming is purposed for residential homes and milling or are mountainous areas.

Sunrise Ranch farms high density olive orchards with a water demand of approximately 3 acre-feet of water per acre for a total water demand of 2,460 acre-feet per year for the net farmed land. Sunrise Ranch's farming practices include state-of-the-art irrigation efficient technology, maintenance of their assets including an olive oil processing plant, 3 currently active wells, 2 inactive wells, 2 reservoirs, and drip irrigation lines. Prior to the start of planting the orchards in 2014, the lands had been continuously planted with alfalfa and grain hay beginning sometime prior to 1998. Due to the nature of the crop grown, the Sunrise Ranch operation is permanent in nature and not a transient crop such as carrots. Attachment B shows a map of the location of Sunrise Ranch's parcels with

respect to the Operational Management Area Boundary presented in the CBGSA's July 29 Notice.

Pursuant to the CBGSA's July 29 Notice, Sunrise Ranch is located at the southwest corner of the CMA. According to the CBGSA, the CMA's hydrologic boundary line was delineated under the criteria that areas included in the CMA have been projected to experience an average decline in groundwater level of 2 feet per year over the next 50 years, assuming current farming practices. For administrative purposes, this boundary line has been adjusted to follow parcel boundaries and roadways, referred to as the Operational Management Area Boundary in the CBGSA's July 29 Notice and herein. Under an approach adopted by the CBGSA, parcels have been included in the Operational Management Area if 50% or more of the area of the parcel or more than 1000 acres within a parcel falls within the hydrologic boundary line. This unrealistic approach does not analyze pumping in the manner in which water produced from a well is actually used, as an integrated agricultural operation encompassing multiple parcels. This precludes a hydrologically sound determination of the impact of the operation as a whole. Approximately 575 acres of the parcels owned by Sunrise Ranch have been included in the CMA's Operational Management Area Boundary, whereas the remainder of approximately 510 acres have been excluded.

Dividing Sunrise Ranch's land, **which is a single, integrated farming operation,** to be both included and excluded from the CMA is not reflective of their actual influence on the basin's groundwater levels as their farming practices remain consistent throughout their land. Therefore, this Variance Request seeks all Sunrise Ranch properties to be considered as a whole and that they be excluded from the CMA.

VARIANCE REQUEST FORM

For 2023 and 2024 in the Central Management Area
CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY

DETERMINATION OF WATER USE

Sunrise Ranch has identified significant inaccuracies in the CBGSA's historic water use calculation used to estimate their pumping allocation for 2023 and 2024 presented in the July 29 Notice. A correction to Sunrise Ranch's historical average water use from 1998 through 2017 is provided in Attachment C as Table 1. Water production quantities have been estimated using well pump electrical bills, when available, and standard water use rates for the applicable crops present over the historical period. Land use has been verified using aerial photos. Attachment C, Table 1 also lists the quantity of irrigated acres per year and a description of water use history.

Correction of the water application data produces an annual Historical Average Water Use during 1998 through 2017 for the Sunrise Ranch integrated farm operations of 4,465 acre-feet per year at an application rate of 4.64 acre-feet per acre. A five percent annual reduction from the corrected Historical Average Water Use during 1998 through 2017 produces an Estimated Pumping Allocation for 2023 at 4,242 acre-feet and 4,019 acre-feet for 2024.

Additionally, the CBGSA's July 29 Notice reports 5 total wells owned by Sunrise Ranch. It should be noted that Sunrise Ranch only has three currently operating wells and two inactive wells.

It should also be noted that the CBGSA's method for deriving groundwater production from applied water data in order to assume pumping allocations is not clear nor reflective of Sunrise Ranch's operations. In order to determine agricultural demand based on irrigable acreage, unit diversion rates must be used to account for losses from conveyance and irrigation processes which are a function of crop type, soil type, irrigation system

type, climate, and irrigation management practices. Consideration of these factors are not described in the July 2022 GSP. CBGSA should rely on actual metered pumping, energy use, and crop water use rates adjusted for losses from water system production, distribution, and application to estimate stakeholder pumping.

DETERMINATION OF MANAGEMENT AREA BOUNDARY LINE

For the CBGSA's comprehensive understanding of Sunrise Ranch and their individual influence on groundwater storage in the Cuyama Basin, Sunrise Ranch is providing further explanation to emphasize that their current farming practices do not contribute to a projected decline in water levels of 2 feet per year. Historical groundwater elevation data used in the CBGSA groundwater model would have been influenced by the high water use by the previous owner of Sunrise Ranch land and the neighboring carrot farmer's high water use to the east. In addition, the GSP indicates there was no historical groundwater level data within a mile of Sunrise Ranch used to generate the CMA's hydrologic boundary line and that the groundwater model that generated the boundary was not calibrated to any wells in the vicinity of Sunrise Ranch. The nearest well used for calibration is located at least 1 mile south from any portion of Sunrise Ranch.

As shown on Table 1 in Attachment C, the previous owner of the land farmed alfalfa (700 Acres at 5 acre-feet per acre) and grain hay (400 Acres at 1.5 to 2 acre-feet per acre) from at least 1998 through 2014. Sunrise Ranch did not start planting olive trees until May 2014. From 2018 through 2019, a rise in water use was due to the neighboring carrot farmer who rented 120 acres of Sunrise Ranch's land and used their well. Comparatively, Sunrise Ranch uses a maximum of approximately 3 acre-feet per acre at full tree maturity.

VARIANCE REQUEST FORM

For 2023 and 2024 in the Central Management Area
CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY

Additionally, Sunrise Ranch utilizes water efficient practices to reduce water use in comparison to the previous owner and its current neighbor located immediately to its east. Those practices include state-of-the-art drip irrigation technology and the lining of both of its on-site reservoirs, avoiding loss of water due to percolation. According to the June 2015 Congressional Research Service Report "California Agricultural Production and Irrigated Water Use", drip irrigation lines are reported to have the highest efficiency rate of 87.5% to 90%, compared to traditional sprinkler systems of 70% to 82.5%. The neighbor referred to uses traditional sprinkler systems to grow carrots on its site next door to Sunrise Ranch and on other Basin parcels.

This neighbor's negative impact on Sunrise Ranch is demonstrable. This month, August of 2022, Sunrise Ranch wells experienced a severe drop in water production rates due to the neighbor's water production. When that production was offline for maintenance, Sunrise observed its water production at 1,150 gallons per minute. But when the neighbor's well went online, the nearby Sunrise Ranch well production rate dropped to 750 gallons per minute. Evidence showing the harmful impacts of the neighbor's production was first noticed as early as 2016 when, after approximately one year after the neighbor's first well was installed, Sunrise Ranch was required to lower the bowl of its Well Number 2 by 60 feet in order to maintain efficient production. Similar events caused by the impact of neighboring production included a requirement to lower the bowl of its Well No. 1 by 40 feet during June of 2020 and to again, lower the bowl of its Well No. 2 by an additional 60 feet during September of 2021. Sunrise Ranch's Well No. 2 is located approximately 0.25 miles from one of the neighbor's wells, a deep, high capacity well along Sunrise Ranch's east property line.

The above mentioned high-capacity well is located approximately 150 feet outside of the Central Management Area. The ironic conclusion is that the neighbor's well is significantly and negatively impacting Sunrise Ranch's wells which have been deemed to be located within the CMA. Moreover, the land irrigated by the operation of the neighbor's wells is largely located outside the CMA. The program adopted, if not modified, would leave the pumping which is dropping basin elevations and interfering with other production unconstrained while causing Sunrise Ranch pumping to be constrained and ramped down. The clearly inequitable result which needs to be avoided is the adoption and application of a regulation which enables the continued production of one party which is causing negative basin impacts while forcing the reduction of pumping by Sunrise Ranch, an already damaged party which has not generated elevation drops and which adheres to state-of-the-art water saving irrigation practices. And, finally, this potential absurd result again demonstrates why seeking to constrain and reduce pumping by specific parties who may be damaging the Basin rather than constraining and reducing pumping by all parties within a physical area, including parties who are conducting business exactly as SGMA desires, is more equitable and more legally supportable.

As mentioned above, absolutely no relevant historical groundwater level data near Sunrise Ranch was used to create the groundwater model that established the CMA hydrological boundary. The following is a list of figures found in the July 2022 GSP and an indication of what the figures show regarding availability of data with respect to Sunrise Ranch. A blue rectangle has been superimposed on each figure, indicating the location of Sunrise Ranch. These figures are attached as Attachment D:

VARIANCE REQUEST FORM

For 2023 and 2024 in the Central Management Area
CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY

1. Figure 2-26 shows the last groundwater level measurement dates for wells within the basin. The well closest to Sunrise Ranch with the earliest data (2010-2016) is approximately 1 mile west of Sunrise Ranch.
2. Figure 4-2 shows the wells in the central area of the basin and whether they are currently monitored or not monitored. The closest currently monitored well to Sunrise Ranch is about 2 miles north of Sunrise Ranch. The hydrograph for this well also shows that the data available ranges from the 1950's to 1970's.
3. Figure 4-4 shows the wells from which the USGS collects groundwater level data. Most wells near Sunrise Ranch were last monitored prior to 2017. The nearest well that was monitored earlier is about a mile west of Sunrise Ranch.
4. Figure 4-9 shows the dates private landowners' wells within the basin were last monitored. Most wells owned by private landowners near Sunrise Ranch were last monitored prior to 2017. There are no recorded private landowner wells within or to the east of Sunrise Ranch.
5. Figure C-18: This is an excerpt from Appendix C of the Updated GSP showing the groundwater wells used to compare observed water levels with simulated water levels to calibrate the groundwater model. There are no calibration models to the east of Sunrise Ranch. The closest calibration well, OPTI Well No. 616, is 1 mile south of Sunrise Ranch. The hydrograph for Well No. 616 shows well elevation data ranging from 1995 through 2011.
6. Figures 2-39 through 2-48: These figures show the groundwater levels relative to Mean Sea Level and depth to groundwater surface data and corresponding elevation contours reflective of Fall 2014, Spring 2015, Spring 2017, Fall 2017, and Spring 2018. These figures show there is uncertainty in the contours in a very large area which includes Sunrise Ranch. Additionally, the groundwater elevation contours for Spring 2018 that cross Sunrise Ranch in Figure 2-39 are higher than the groundwater

elevation contours for Spring 2015 that cross Sunrise Ranch in Figure 2-45 which means the figures show the groundwater levels at Sunrise Ranch increased an average of approximately 8 feet per year from 2015 to 2018. This is not consistent with the GSA's decision to include Sunrise Ranch within the CMA based on the criteria that the area is projected to experience a decline in groundwater levels of 2 feet each year for the next 50 years. Analysis of the hydrographs of the calibration wells nearest to Sunrise Ranch in comparison to these contours also create even more uncertainty. As described above, the closest calibration well, OPTI Well No. 616, is 1 mile south of Sunrise Ranch. The hydrograph for Well No. 616 shows well elevation data ranging from 1995 through 2011. OPTI Well No. 80, north of Sunrise Ranch, only has data records up to 2014. The calibration well hydrographs show that these contours are only accurate up to about 2 miles east of Sunrise Ranch at OPTI Wells No. 530 and No. 91. Anything to the west of these calibration wells have no relevant or any data that can be used to have confidence in the contour lines presented in Figures 2-39 through 2-48.

The information available and used clearly shows the lack of data which scientifically could support the alignment of the hydrologic boundary in the vicinity of Sunrise Ranch. To the contrary, what is shown is that Sunrise Ranch is in an area suffering from a lack of data, referred to in the GSP as a data gap area. According to the January 2022 DWR GSP Assessment Staff Report, the GSP does not provide an explanation for why the criterion set for undesirable results for chronic lowering of groundwater levels is consistent with avoiding significant and unreasonable effects. The updated July 2022 GSP does not address DWR's Corrective Actions and the CBGSA explicitly states that the information in the previous GSP is not satisfactory and in addition, that the "CBGSA recognizes the lack

of reliable historical data and acknowledges the limitations and uncertainties it causes." (Cuyama Basin GSP, July 2022)

The CBGSA attempts to correct this deficiency by stating their identification of undesirable results were developed from input from local stakeholders and landowners, the hydro geological conceptual model, current and historical data, and local knowledge and professional opinion. As presented in this Variance Application, these data sources are not comprehensive and, at a minimum, have included Sunrise Ranch in error. Placing Sunrise Ranch, or any part of that property, in the CMA would constitute a scientifically baseless decision. That decision needs to be corrected by excluding Sunrise Ranch from the CMA.

More generally, we respectfully suggest that in order for the CBGSA to accurately delineate the CMA boundaries and before mandating water production cutbacks which apply exclusively to all producers within such boundaries, a full basin-wide data collection and data gaps evaluation should be used to resolve uncertainties like those referred to in this Application. Or, the GSA may want to consider applying water production restrictions to specific operations within the Basin which are shown to be causing the drops in well elevation, rather than applying restrictions to a described area in which some operations may be pumping at a rate which is lowering those elevations while others, such as Sunrise Ranch, demonstrably are not doing so.

VARIANCE REQUEST FORM

For 2023 and 2024 in the Central Management Area
CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY

CLOSING STATEMENT

Based on (1) the lack of data available to support that portion of the CMA boundary in the vicinity of Sunrise Ranch and (2) Sunrise Ranch's substantial reduced water demand due to growing a more water efficient crop than that grown historically and the application of state of the art efficient irrigation practices, Sunrise Ranch requests that the CBGSA issue a Variance which excludes the entirety of Sunrise Ranch's integrated farming operation from the Central Management Area. Additionally, in recognition of Sunrise Ranch as an integrated farming operation, Sunrise Ranch requests that the CBGSA correct their average historical pumping value for Sunrise Ranch to be 4,465 acre-feet.

We would welcome any opportunity to discuss the contents of this Variance Application with the CBGSA staff and to submit any further available information which might be helpful in processing this Application. We also are prepared to meet engineering or legal consultants to the CBGSA together with our attorneys Richards, Watson & Gershon and our engineers from Stetson Engineers, Inc.

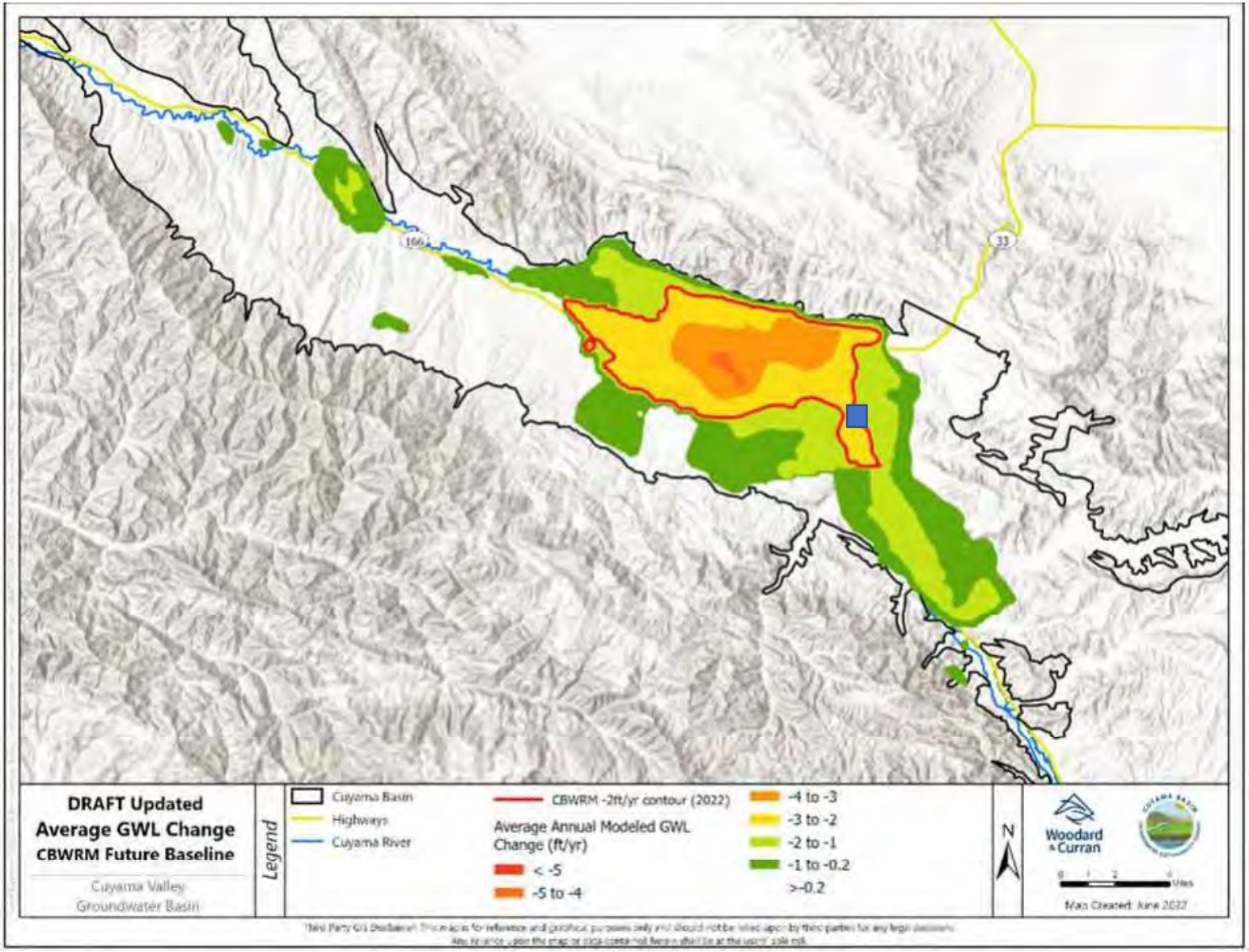
If CBGSA requires a Variance Request applicant serve any other party, individual, or entity, please promptly provide Richards, Watson & Gershon a service list so that Sunrise Ranch can serve a courtesy copy of this Variance Request.

James L. Markman
Richards, Watson & Gershon

Steve Johnson
Stetson Engineers, Inc.

ATTACHMENT A

ATTACHMENT A

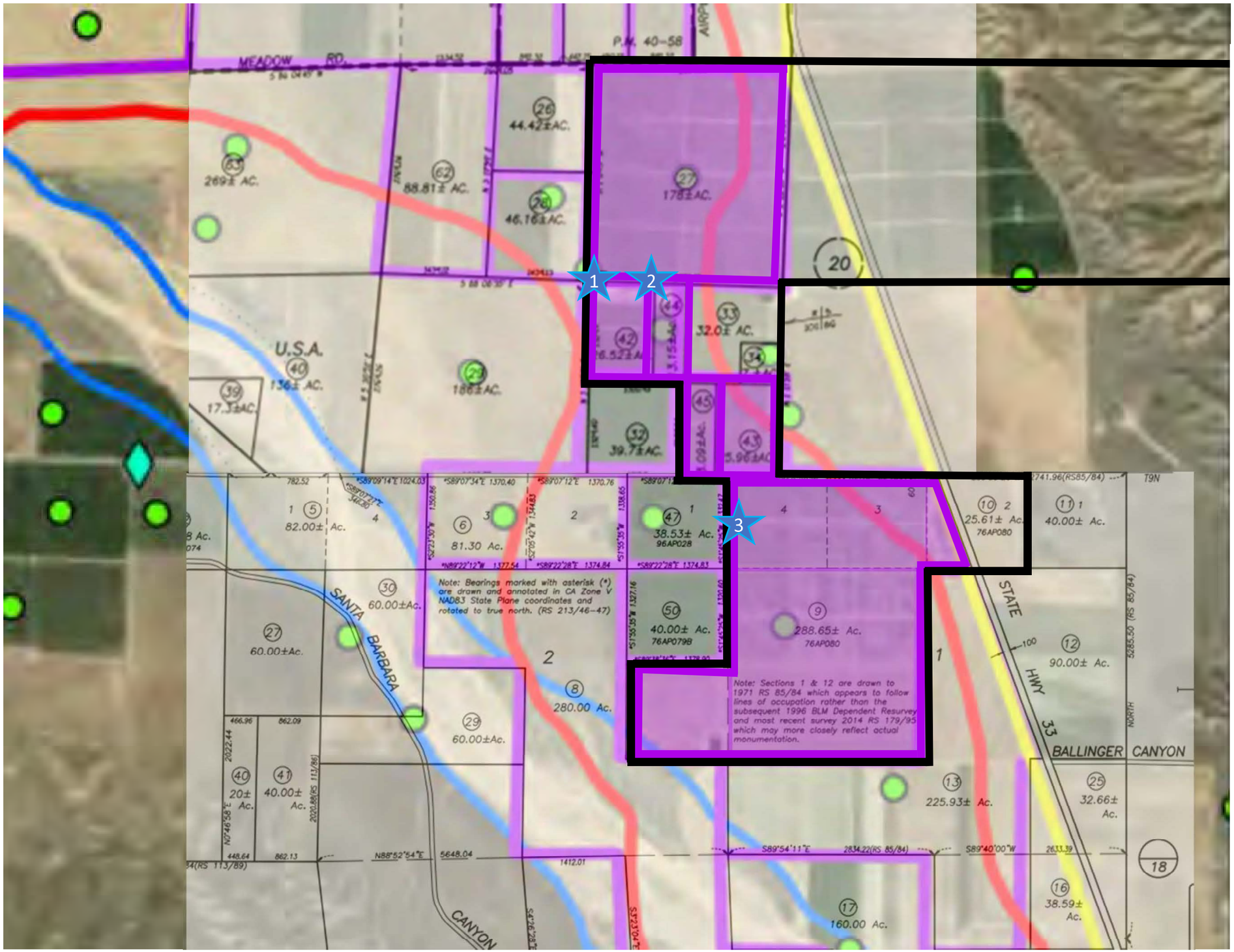


LEGEND

■ = SUNRISE RANCH

ATTACHMENT B

ATTACHMENT B



LEGEND

- = MA BOUNDARY LINE
- = ALL PARCELS WITHIN MA
- = SUNRISE RANCH BOUNDARY LINE
- = SUNRISE RANCH PARCELS WITHIN MA
- = SUNRISE RANCH CURRENTLY OPERATING WELLS
- = GSA REPRESENTATIVE WELLS
- = GSA REPORTED WELLS

LIST OF SUNRISE RANCH PARCELS WITHIN MA

096-211-027
096-211-042
096-211-043
096-211-044
096-211-045
149-170-009

LIST OF SUNRISE RANCH PARCELS OUTSIDE MA

149-170-10	096-201-019*
096-201-015*	096-201-020*
096-201-016*	096-201-021*
096-201-017*	096-211-033
096-201-018*	096-211-034

Note: * = Parcels within Assessor's Parcel Book 096 Page 201 are partially shown on this map. Sunrise Ranch east boundary line ends at parcels 096-201-019 and 096-201-015.

N

0.11 0.22 0.33 Miles

ATTACHMENT C

SUNRISE RANCH, LLC

CUYAMA BASIN GSA VARIANCE APPLICATION

SUNRISE RANCH WATER USE HISTORY

ATTACHMENT C

Table 1: Sunrise Ranch Water Use History

YEAR	Total AFY	Net Acres Planted	Application Rate	Observation/ Notes
1998	5,532	1100	5.50	Previous owner growing alfalfa and grain hay. Previous owner also using own wells to water 200 acres of rented land outside of Sunrise Ranch.
1999	5,532	1100	5.50	
2000	5,532	1100	5.50	
2001	5,532	1100	5.50	
2002	5,532	1100	5.50	
2003	5,532	1100	5.50	
2004	5,532	1100	5.50	
2005	5,532	1100	5.50	
2006	5,532	1100	5.50	
2007	5,532	1100	5.50	
2008	5,532	1100	5.50	
2009	5,532	1100	5.50	
2010	5,532	1100	5.50	
2011	5,532	1100	5.50	
2012	5,532	1100	5.50	
2013	4,214	766	5.50	
2014	282	180	1.56	Sunrise Ranch starts planting in May 2014 with 180 acres. During a portion of the year, previous owner continued to grow alfalfa.
2015	404	500	0.81	Sunrise Ranch plants 320 acres
2016	547	500	1.09	No new planting
2017	881	660	1.34	Sunrise Ranch plants 160 acres
2018	1,515	780	1.94	Sunrise Ranch rents out 120 acre parcel to carrot grower with high water use
2019	1,499	780	1.92	Sunrise Ranch rents out 120 acre parcel to carrot grower with high water use
2020	1,429	660	2.17	No new planting
2021	1,983	820	2.42	Sunrise Ranch plants 160 acres

Note: Water use data from 2012 through 2021 were estimated using electrical bills. Water use data from 1998 through 2011 were estimated using electrical bills from 2012 and verified by standard water use rates for the applicable crops. Total Annual Water Use on Acres Planted for years 1998 through 2013 are from the previous landowner. Acres planted was spot verified by aerial photography. In calculating the average amount of water produced from 1998 through 2017, it would arguably be more equitable to eliminate production during years 2014 through 2016 from the calculation since there was a transition in crops during those years and, therefore, the property was not then fully planted.

ATTACHMENT D

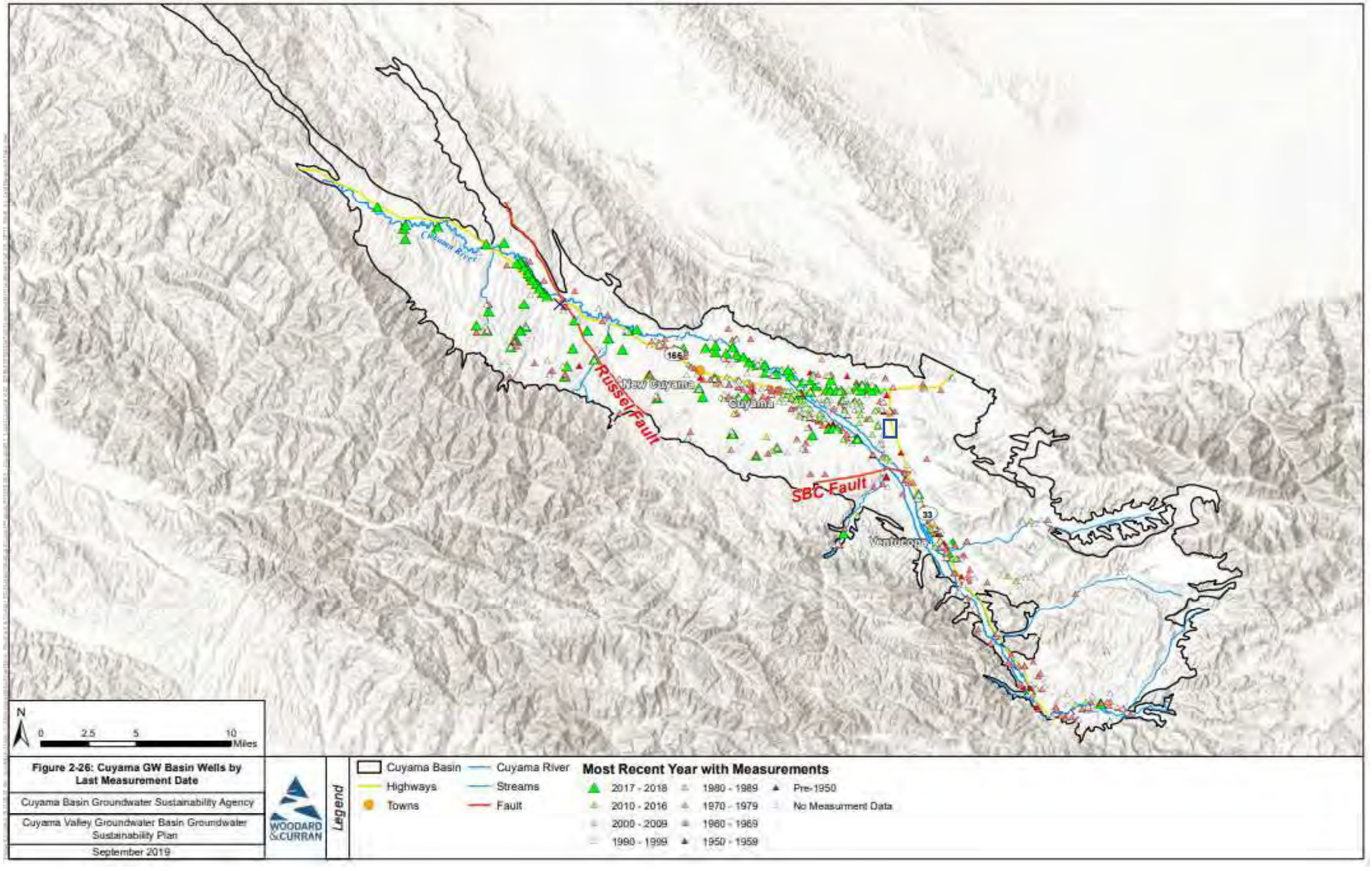


Figure 2-26: Cuyama GW Basin Wells by Last Measurement Date

Cuyama Basin Groundwater Sustainability Agency

Cuyama Valley Groundwater Basin Groundwater Sustainability Plan

September 2019

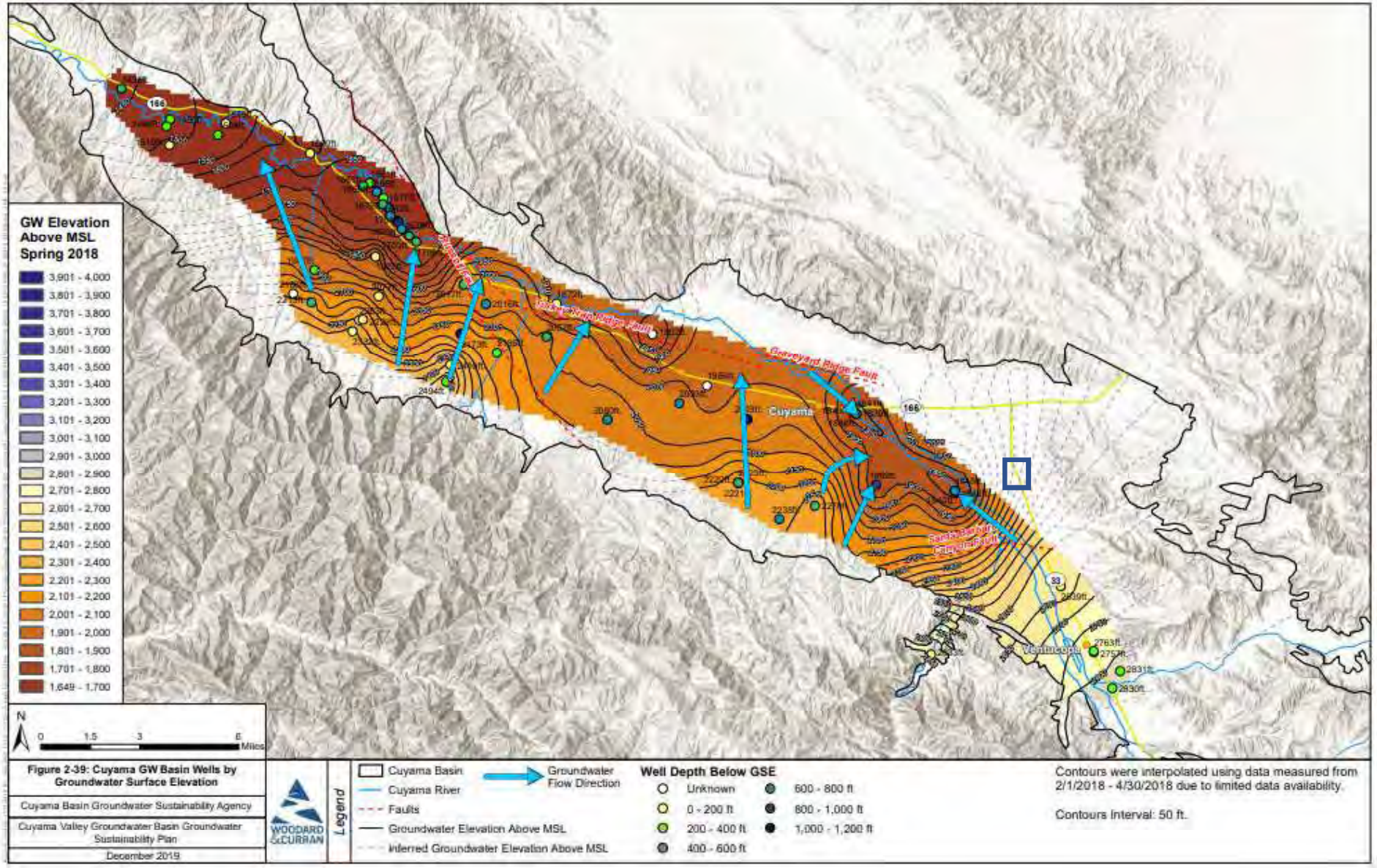


Figure 2-39: Cuyama GW Basin Wells by Groundwater Surface Elevation

Cuyama Basin Groundwater Sustainability Agency

Cuyama Valley Groundwater Basin Groundwater Sustainability Plan

December 2019

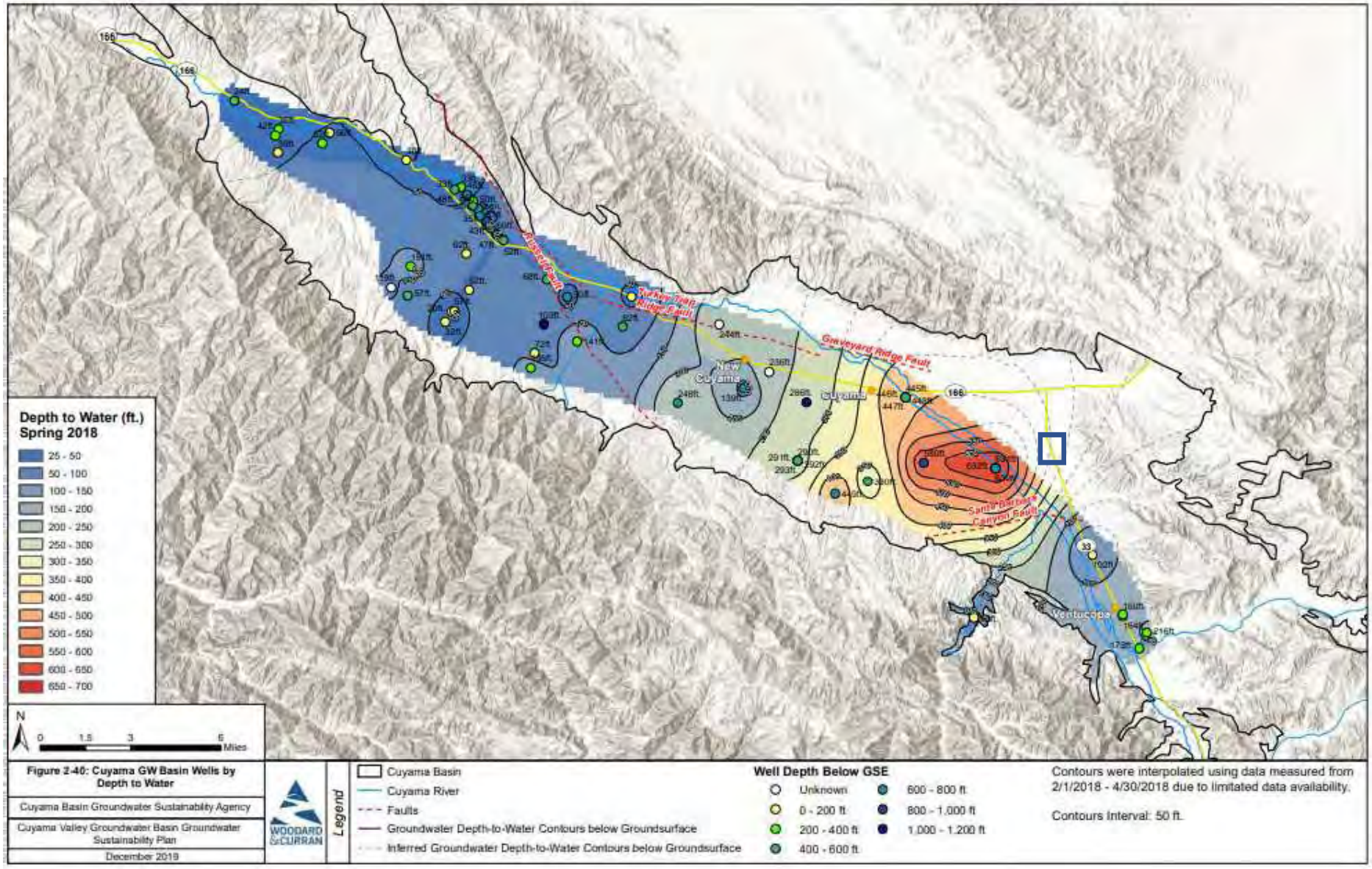


Figure 2-40: Cuyama GW Basin Wells by Depth to Water

Cuyama Basin Groundwater Sustainability Agency

Cuyama Valley Groundwater Basin Groundwater Sustainability Plan

December 2019

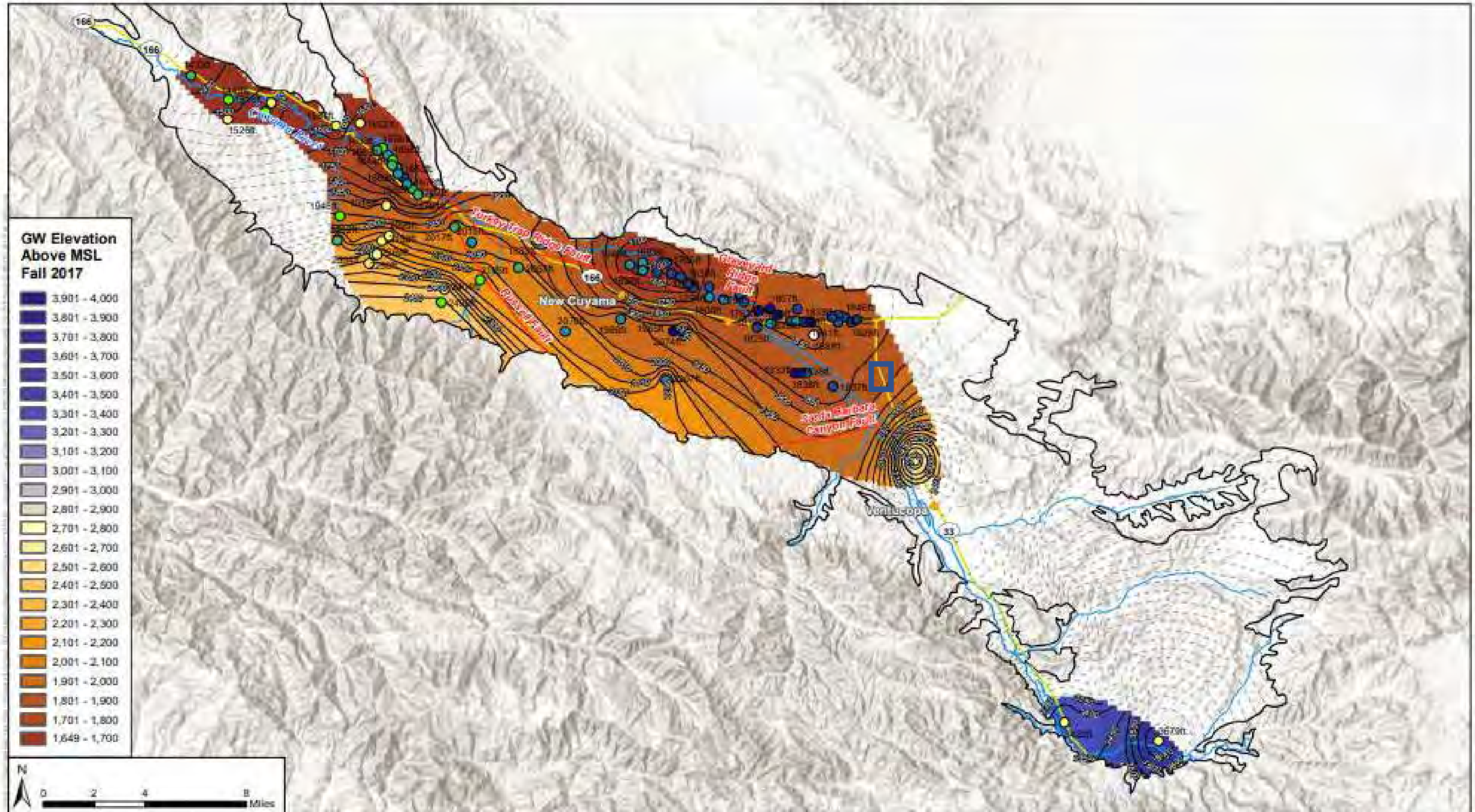


Figure 2-41: Fall 2017 Groundwater Elevation

Cuyama Basin Groundwater Sustainability Agency

Cuyama Valley Groundwater Basin Groundwater Sustainability Plan

September 2019

WOODARD & CURRAN

Legend

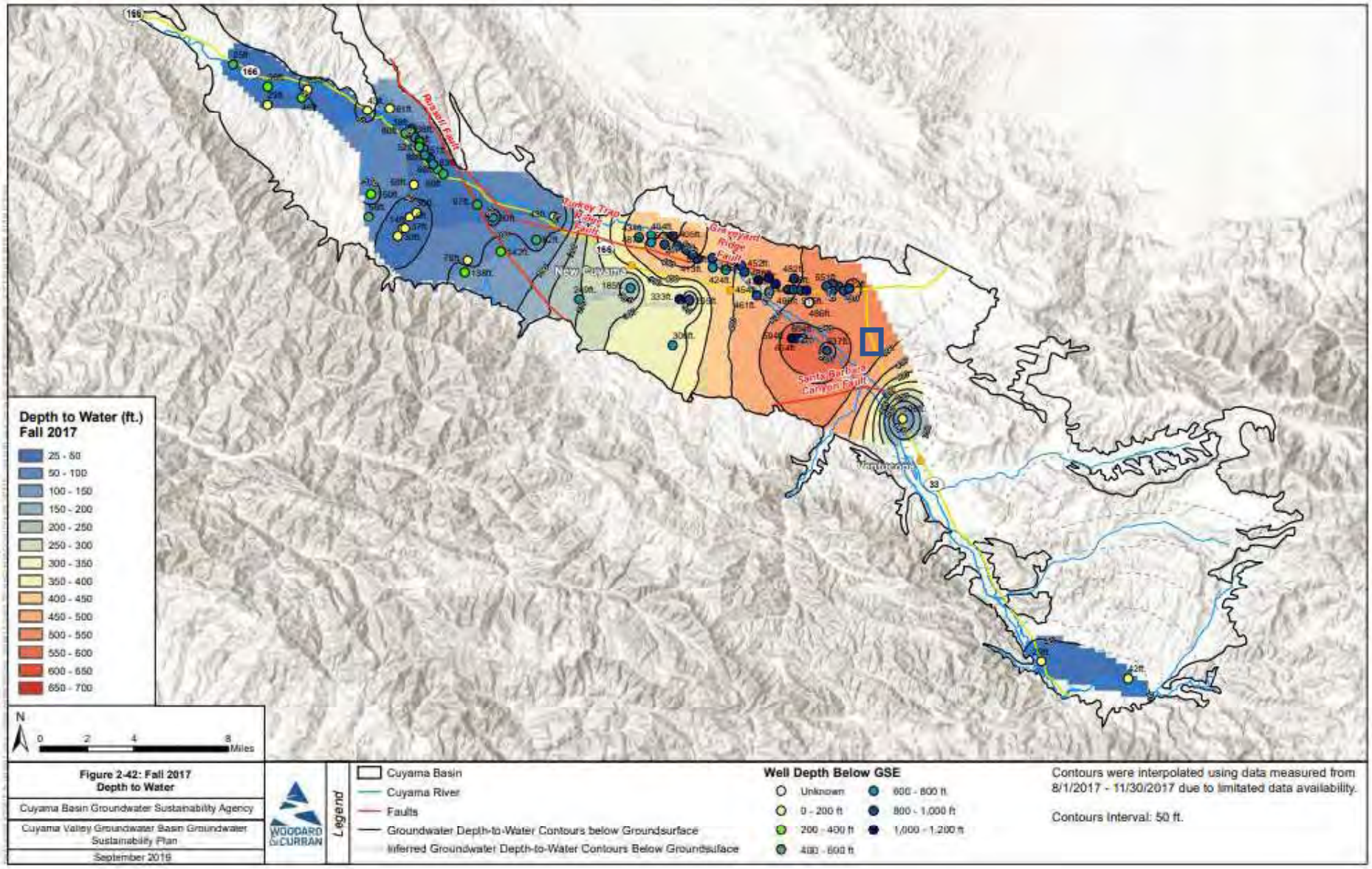
- Cuyama Basin
- Cuyama River
- Faults
- Groundwater Elevation Above MSL
- Inferred Groundwater Elevation Above MSL

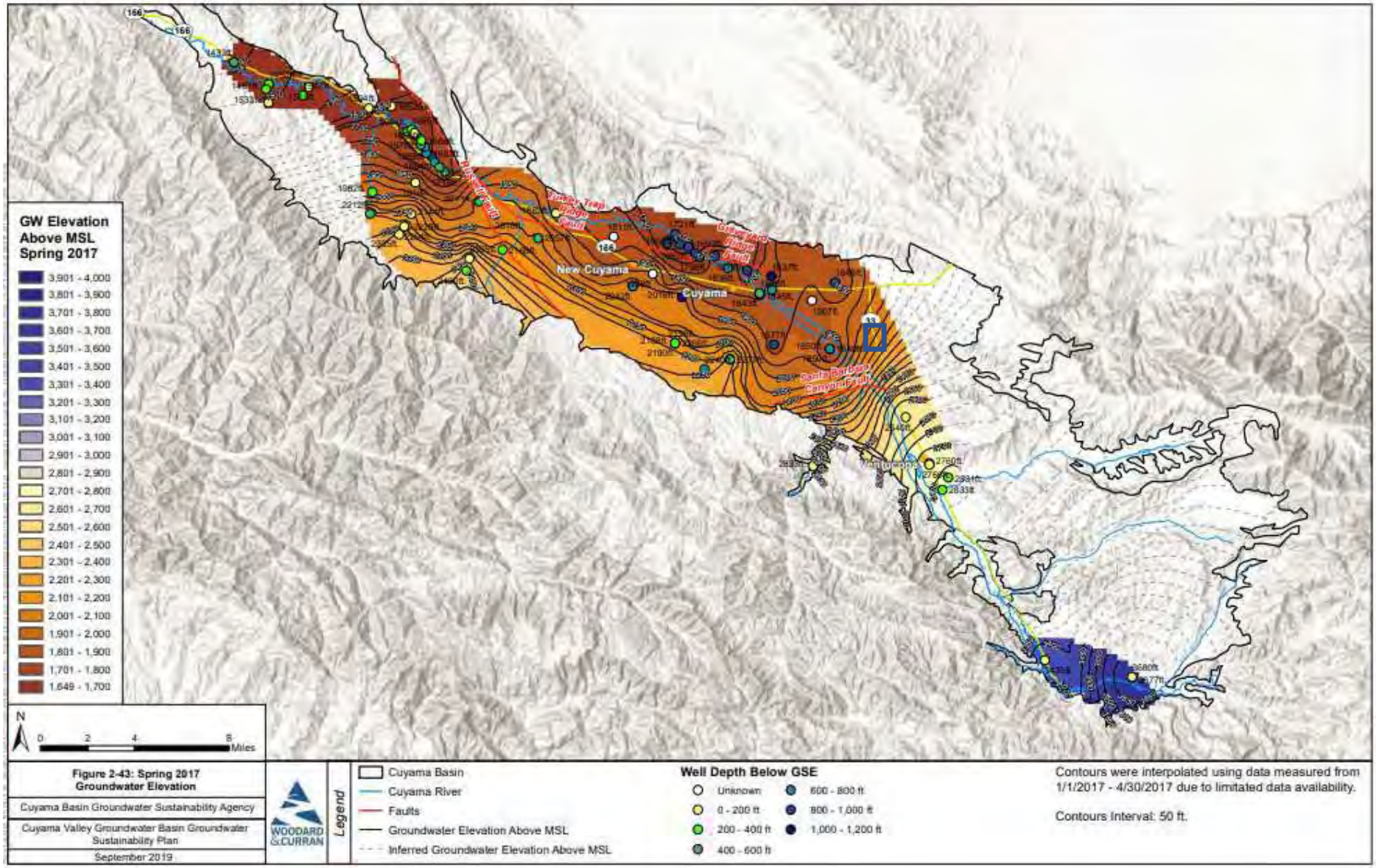
Well Depth Below GSE

- Unknown
- 0 - 200 ft
- 200 - 400 ft
- 400 - 600 ft
- 600 - 800 ft
- 800 - 1,000 ft
- 1,000 - 1,200 ft

Contours were interpolated using data measured from 8/1/2017 - 11/30/2017 due to limitaed data availbility.

Contours Interval: 50 ft.


Depth to Water (ft.)
Fall 2017
25 - 50
50 - 100
100 - 150
150 - 200
200 - 250
250 - 300
300 - 350
350 - 400
400 - 450
450 - 500
500 - 550
550 - 600
600 - 650
650 - 700
N
0 2 4 8 Miles
Russell Fault
Santa Barbara Canyon Fault
Figure 2-42: Fall 2017
Depth to Water
Cuyama Basin Groundwater Sustainability Agency
Cuyama Valley Groundwater Basin Groundwater Sustainability Plan
September 2019
WOODARD & CURRAN
Legend
Cuyama Basin
Cuyama River
Faults
Groundwater Depth-to-Water Contours below Groundsurface
Inferred Groundwater Depth-to-Water Contours Below Groundsuface
Well Depth Below GSE
Unknown
0 - 200 ft
200 - 400 ft
400 - 600 ft
600 - 800 ft
800 - 1,000 ft
1,000 - 1,200 ft
Contours were interpolated using data measured from 8/1/2017 - 11/30/2017 due to limitated data availability.
Contours Interval: 50 ft.


GW Elevation Above MSL Spring 2017
3,901 - 4,000
3,801 - 3,900
3,701 - 3,800
3,601 - 3,700
3,501 - 3,600
3,401 - 3,500
3,301 - 3,400
3,201 - 3,300
3,101 - 3,200
3,001 - 3,100
2,901 - 3,000
2,801 - 2,900
2,701 - 2,800
2,601 - 2,700
2,501 - 2,600
2,401 - 2,500
2,301 - 2,400
2,201 - 2,300
2,101 - 2,200
2,001 - 2,100
1,901 - 2,000
1,801 - 1,900
1,701 - 1,800
1,649 - 1,700
N
0 2 4 8 Miles
New Cuyama
Cuyama
Figure 2-43: Spring 2017 Groundwater Elevation
Cuyama Basin Groundwater Sustainability Agency
Cuyama Valley Groundwater Basin Groundwater Sustainability Plan
September 2019
WOODARD & CURRAN
Legend
Cuyama Basin
Cuyama River
Faults
Groundwater Elevation Above MSL
Inferred Groundwater Elevation Above MSL
Well Depth Below GSE
Unknown
0 - 200 ft
200 - 400 ft
400 - 600 ft
600 - 800 ft
800 - 1,000 ft
1,000 - 1,200 ft
Contours were interpolated using data measured from 1/1/2017 - 4/30/2017 due to limitated data availability.
Contours Interval: 50 ft.

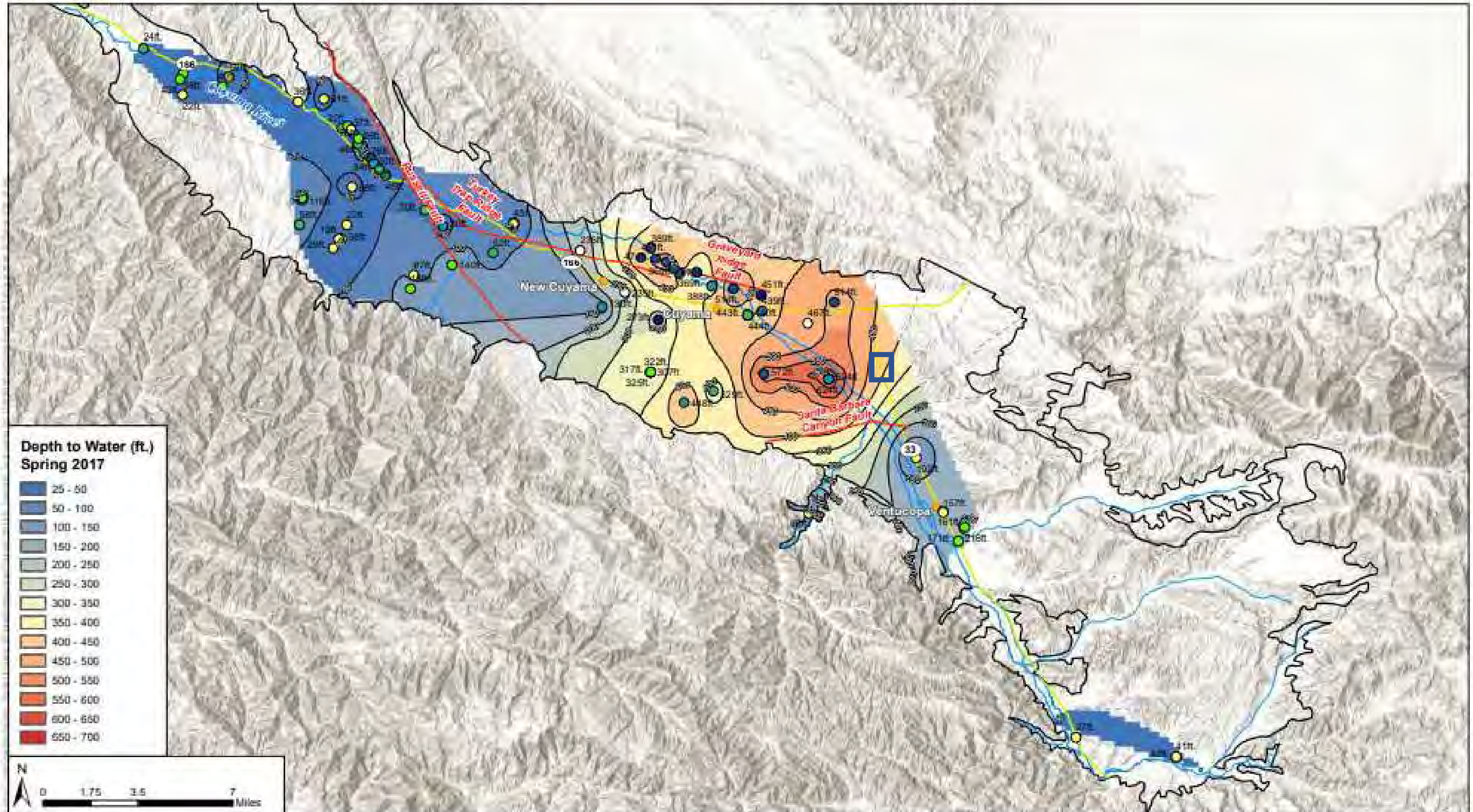


Figure 2-44: Spring 2017 Depth to Water

Cuyama Basin Groundwater Sustainability Agency

Cuyama Valley Groundwater Basin Groundwater Sustainability Plan

September 2019

WOODARD & CURRAN

Legend

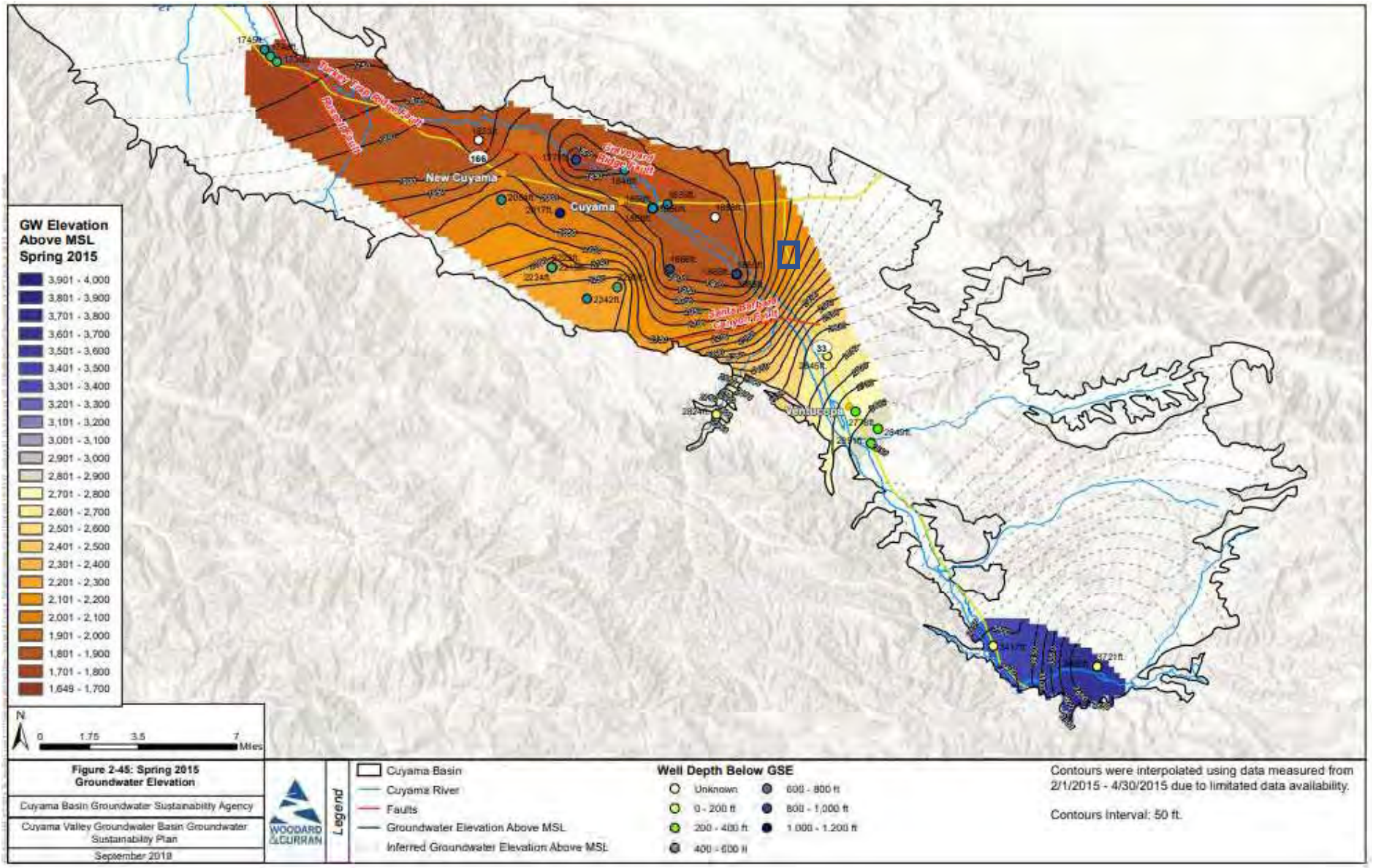
- Cuyama Basin
- Cuyama River
- Faults
- Groundwater Depth-to-Water Contours Below Groundsurface
- Inferred Groundwater Depth-to-Water Contours Below Groundsurface

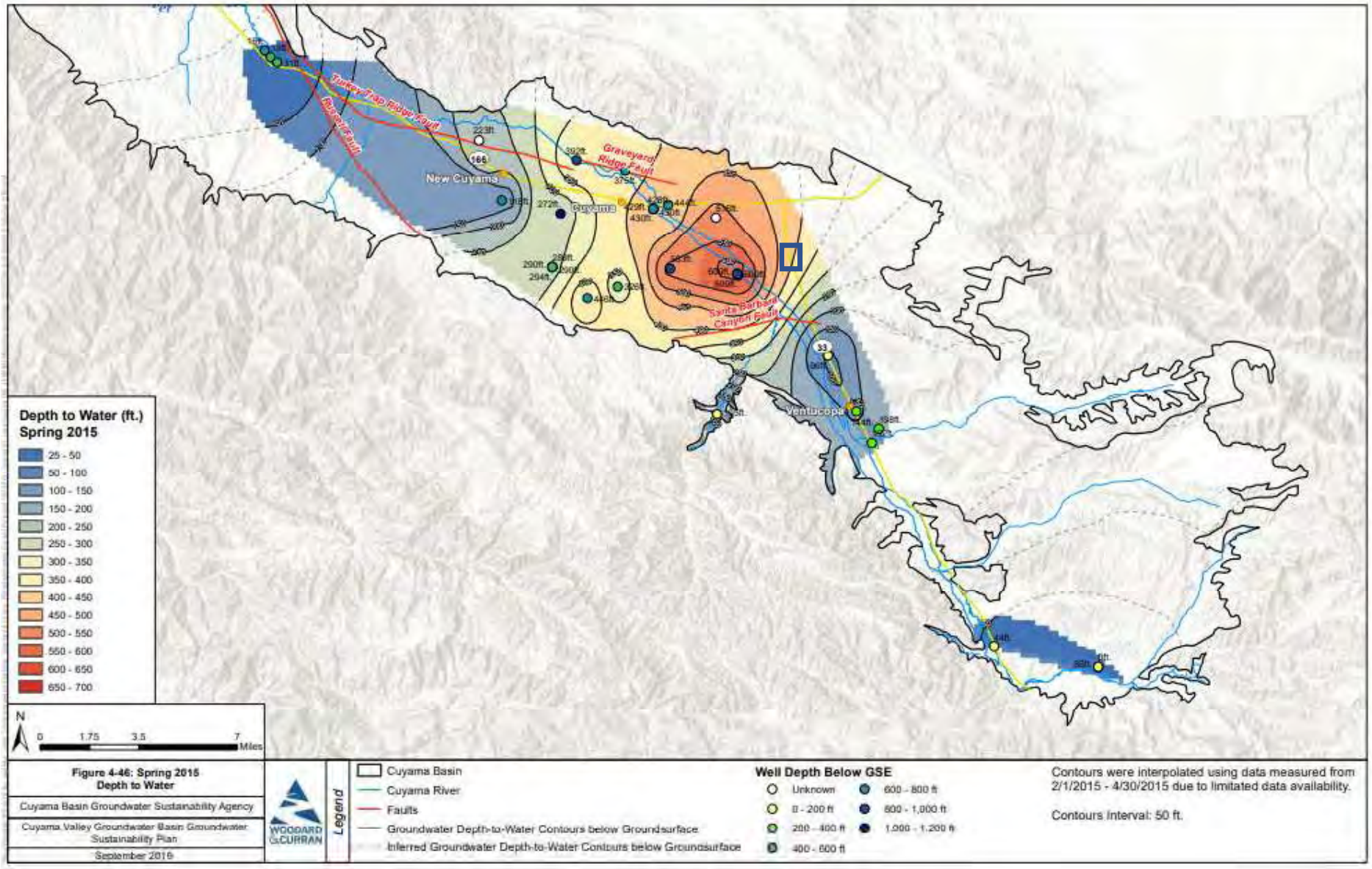
Well Depth Below GSE

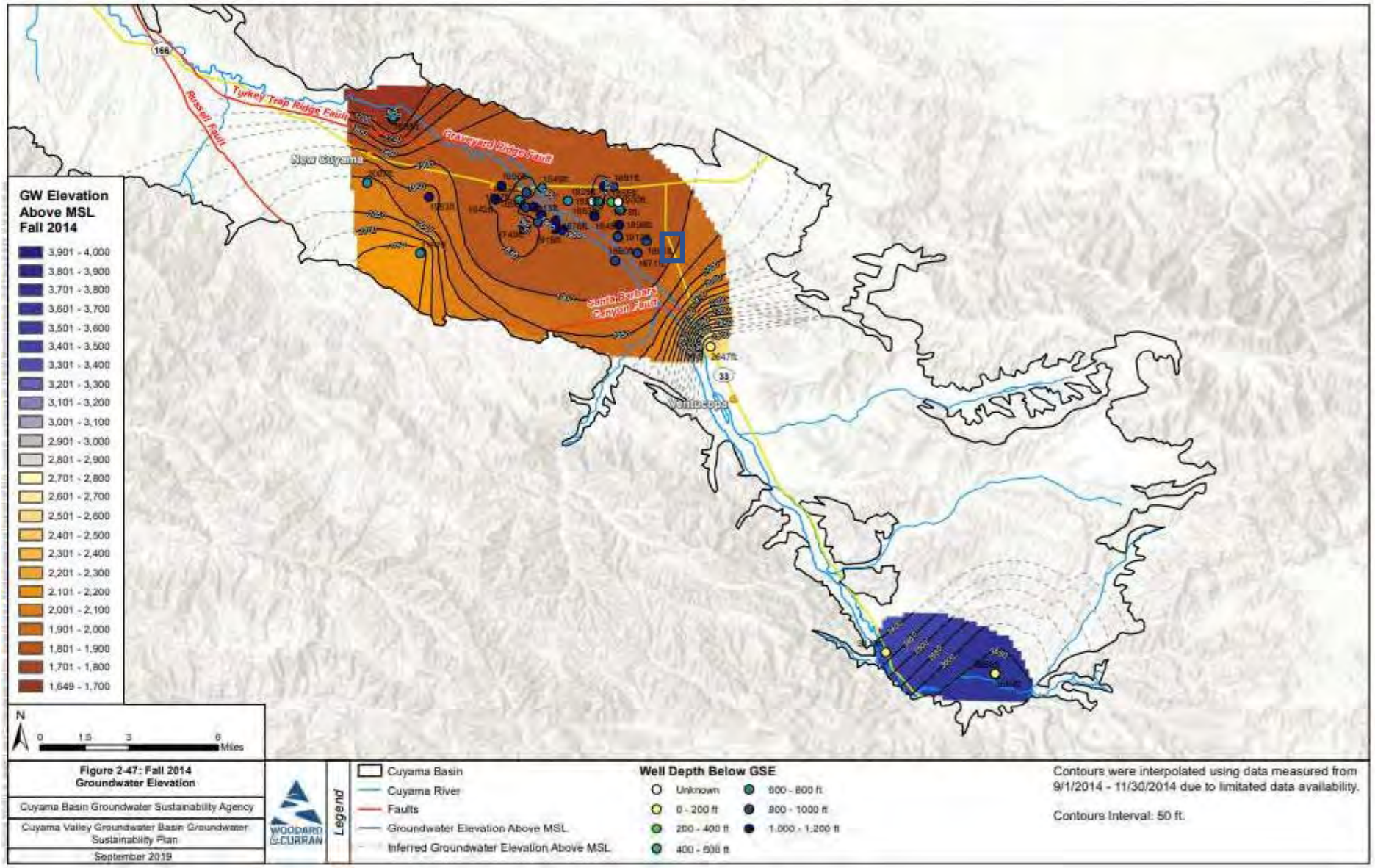
- Unknown
- 0 - 200 ft
- 200 - 400 ft
- 400 - 600 ft
- 600 - 800 ft
- 800 - 1,000 ft
- 1,000 - 1,200 ft

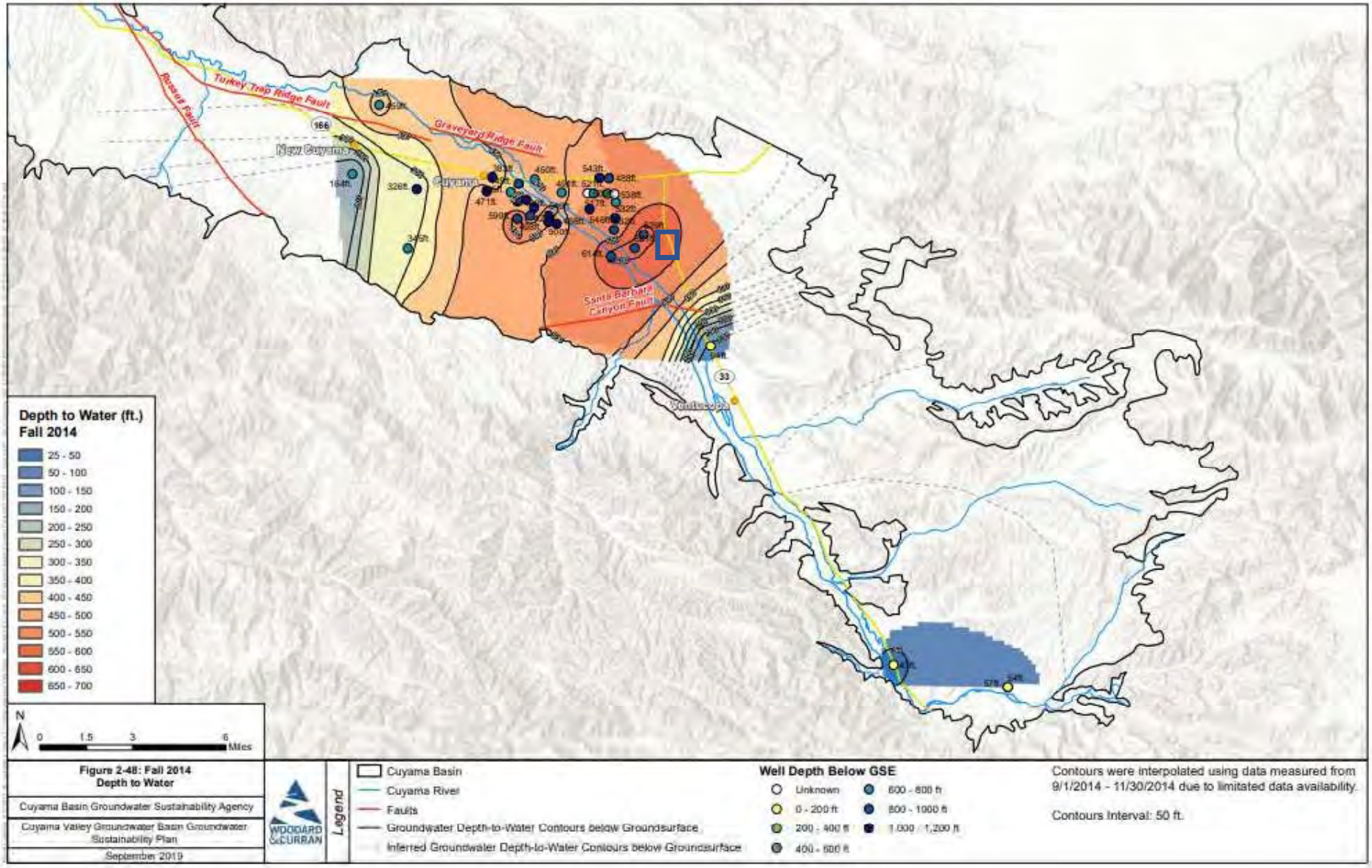
Contours were interpolated using data measured from 1/1/2017 - 4/30/2017 due to limitated data availability.

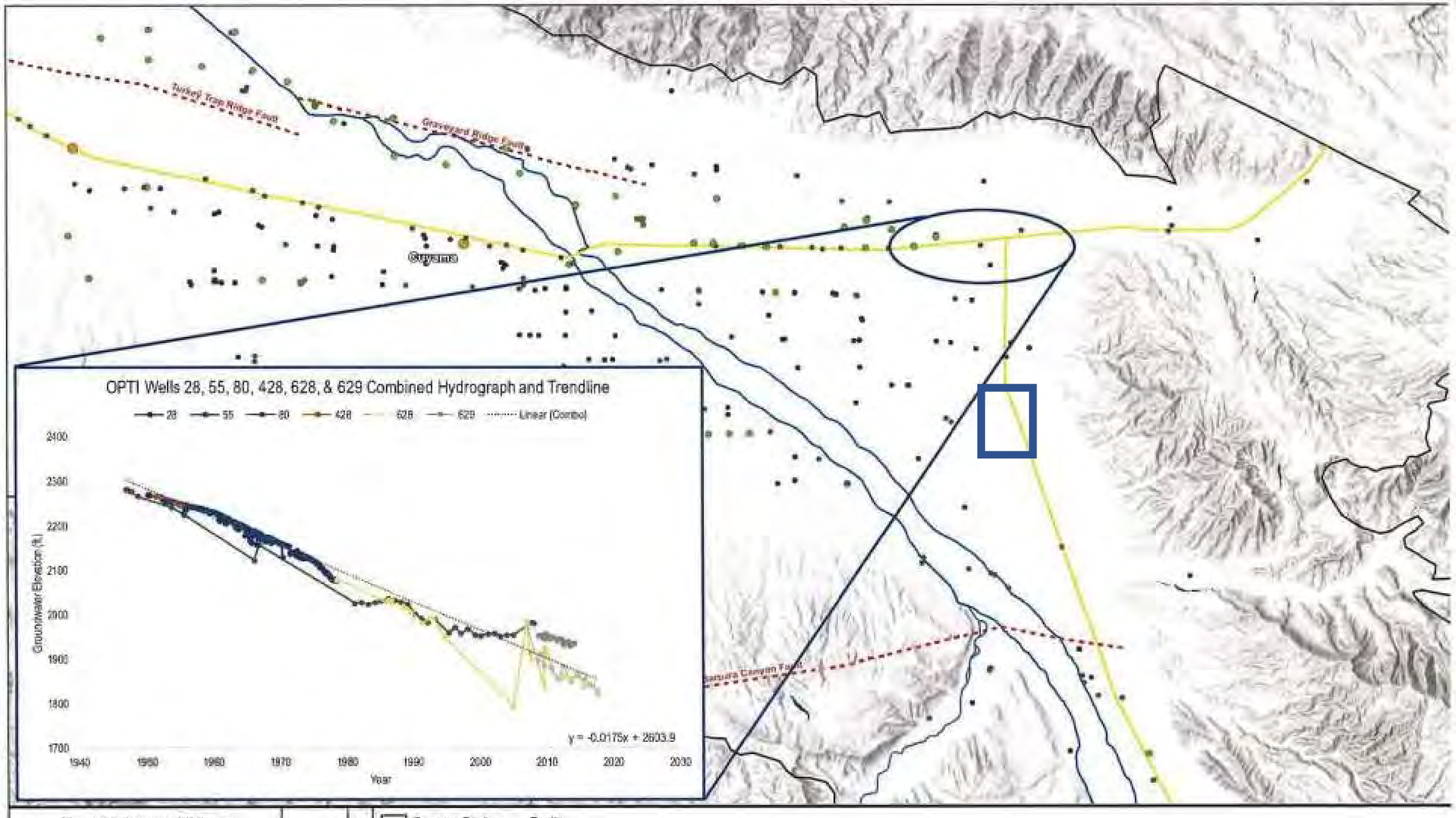
Contours Interval: 50 ft.


GW Elevation Above MSL Spring 2015
3,901 - 4,000
3,801 - 3,900
3,701 - 3,800
3,601 - 3,700
3,501 - 3,600
3,401 - 3,500
3,301 - 3,400
3,201 - 3,300
3,101 - 3,200
3,001 - 3,100
2,901 - 3,000
2,801 - 2,900
2,701 - 2,800
2,601 - 2,700
2,501 - 2,600
2,401 - 2,500
2,301 - 2,400
2,201 - 2,300
2,101 - 2,200
2,001 - 2,100
1,901 - 2,000
1,801 - 1,900
1,701 - 1,800
1,649 - 1,700
N
0
1.75
3.5
7
Miles
New Cuyama
Cuyama
Ventucopa
166
33
Legend
Cuyama Basin
Cuyama River
Faults
Groundwater Elevation Above MSL
Inferred Groundwater Elevation Above MSL
Well Depth Below GSE
Unknown
0 - 200 ft
200 - 400 ft
400 - 600 ft
600 - 800 ft
800 - 1,000 ft
1,000 - 1,200 ft
Contours were interpolated using data measured from 2/1/2015 - 4/30/2015 due to limitated data availability.
Contours Interval: 50 ft.
Figure 2-45: Spring 2015 Groundwater Elevation
Cuyama Basin Groundwater Sustainability Agency
Cuyama Valley Groundwater Basin Groundwater Sustainability Plan
September 2019
WOODARD & CURRAN


Depth to Water (ft.)
Spring 2015
25 - 50
50 - 100
100 - 150
150 - 200
200 - 250
250 - 300
300 - 350
350 - 400
400 - 450
450 - 500
500 - 550
550 - 600
600 - 650
650 - 700
N
0 1.75 3.5 7 Miles
Turkey Trap Ridge Fault
Russell Fault
Graveyard Ridge Fault
Santa Barbara Canyon Fault
New Cuyama
Cuyama
Ventucopa
Figure 4-46: Spring 2015 Depth to Water
Cuyama Basin Groundwater Sustainability Agency
Cuyama Valley Groundwater Basin Groundwater Sustainability Plan
September 2016
WOODARD & CURRAN
Legend
Cuyama Basin
Cuyama River
Faults
Groundwater Depth-to-Water Contours below Groundsurface
Inferred Groundwater Depth-to-Water Contours below Groundsurface
Well Depth Below GSE
Unknown
0 - 200 ft
200 - 400 ft
400 - 600 ft
600 - 800 ft
800 - 1,000 ft
1,000 - 1,200 ft
Contours were interpolated using data measured from 2/1/2015 - 4/30/2015 due to limitated data availability.
Contours Interval: 50 ft.


GW Elevation Above MSL Fall 2014
3,901 - 4,000
3,801 - 3,900
3,701 - 3,800
3,601 - 3,700
3,501 - 3,600
3,401 - 3,500
3,301 - 3,400
3,201 - 3,300
3,101 - 3,200
3,001 - 3,100
2,901 - 3,000
2,801 - 2,900
2,701 - 2,800
2,601 - 2,700
2,501 - 2,600
2,401 - 2,500
2,301 - 2,400
2,201 - 2,300
2,101 - 2,200
2,001 - 2,100
1,901 - 2,000
1,801 - 1,900
1,701 - 1,800
1,649 - 1,700
N
0 1.5 3 6 Miles
Tyrkey Trap Ridge Fault
Russell Fault
New Cuyama
Santa Barbara Canyon Fault
166
33
Ventucopa
Figure 2-47: Fall 2014 Groundwater Elevation
Cuyama Basin Groundwater Sustainability Agency
Cuyama Valley Groundwater Basin Groundwater Sustainability Plan
September 2019
WOODARD & CURRAN
Legend
Cuyama Basin
Cuyama River
Faults
Groundwater Elevation Above MSL
Inferred Groundwater Elevation Above MSL
Well Depth Below GSE
Unknown
0 - 200 ft
200 - 400 ft
400 - 600 ft
600 - 800 ft
800 - 1000 ft
1,000 - 1,200 ft
Contours were interpolated using data measured from 9/1/2014 - 11/30/2014 due to limitated data availability.
Contours Interval: 50 ft.


Depth to Water (ft.)
Fall 2014
25 - 50
50 - 100
100 - 150
150 - 200
200 - 250
250 - 300
300 - 350
350 - 400
400 - 450
450 - 500
500 - 550
550 - 600
600 - 650
650 - 700
N
0
1.5
3
6
Miles
Turkey Trap Ridge Fault
Russell Fault
Graveyard Ridge Fault
Santa Barbara Canyon Fault
New Cuyama
Cuyama
166
33
Figure 2-48: Fall 2014
Depth to Water
Cuyama Basin Groundwater Sustainability Agency
Cuyama Valley Groundwater Basin Groundwater Sustainability Plan
September 2019
WOODARD & CURRAN
Legend
Cuyama Basin
Cuyama River
Faults
Groundwater Depth-to-Water Contours below Groundsurface
Inferred Groundwater Depth-to-Water Contours below Groundsurface
Well Depth Below GSE
Unknown
0 - 200 ft
200 - 400 ft
400 - 600 ft
600 - 800 ft
800 - 1000 ft
1,000 - 1,200 ft
Contours were interpolated using data measured from 9/1/2014 - 11/30/2014 due to limitated data availability.
Contours Interval: 50 ft.


Tubbs Top Ridge Fault
Graveyard Ridge Fault
Orcutt
Santa Maria Valley Fault
OPTI Wells 28, 55, 80, 428, 628, & 629 Combined Hydrograph and Trendline
28
55
80
428
628
629
Linear (Combo)
Groundwater Elevation (ft)
2400
2300
2200
2100
2000
1900
1800
1700
1940
1950
1960
1970
1980
1990
2000
2010
2020
2030
Year
y = -0.0175x + 2603.9
Figure 4-2: Cuyama GW Basin
Central Basin with Combined Hydrograph
Cuyama Basin Groundwater Sustainability Agency
Cuyama Valley Groundwater Basin Groundwater Sustainability Plan
April 2019
WOODARD &CURRAN
Legend
Cuyama Basin
Towns
Highways
Cuyama River
Streams
Faults
Currently Monitored Wells
Not Currently Monitored
N
0
0.5
1
2
Miles

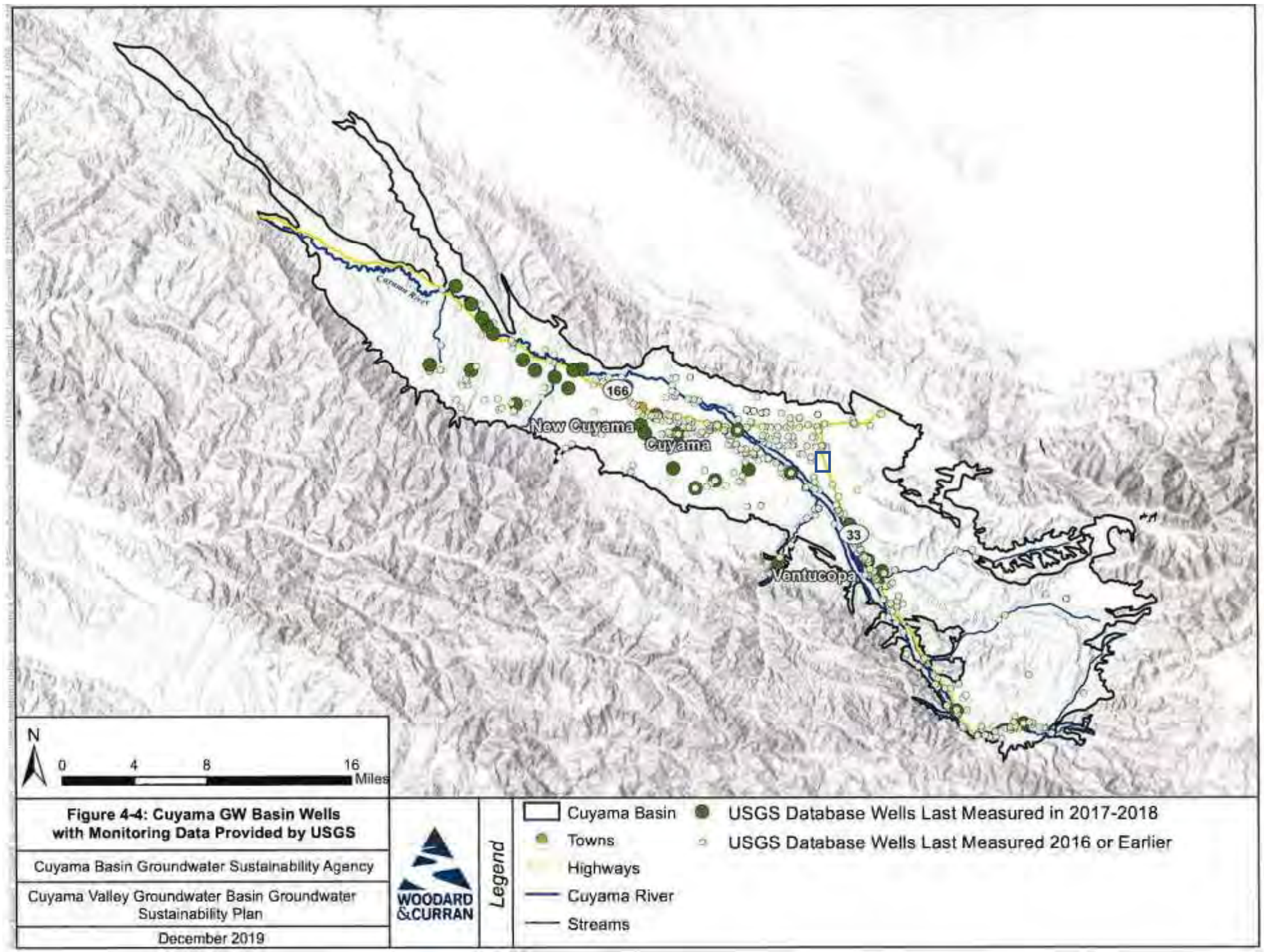


Figure 4-4: Cuyama GW Basin Wells with Monitoring Data Provided by USGS

Cuyama Basin Groundwater Sustainability Agency

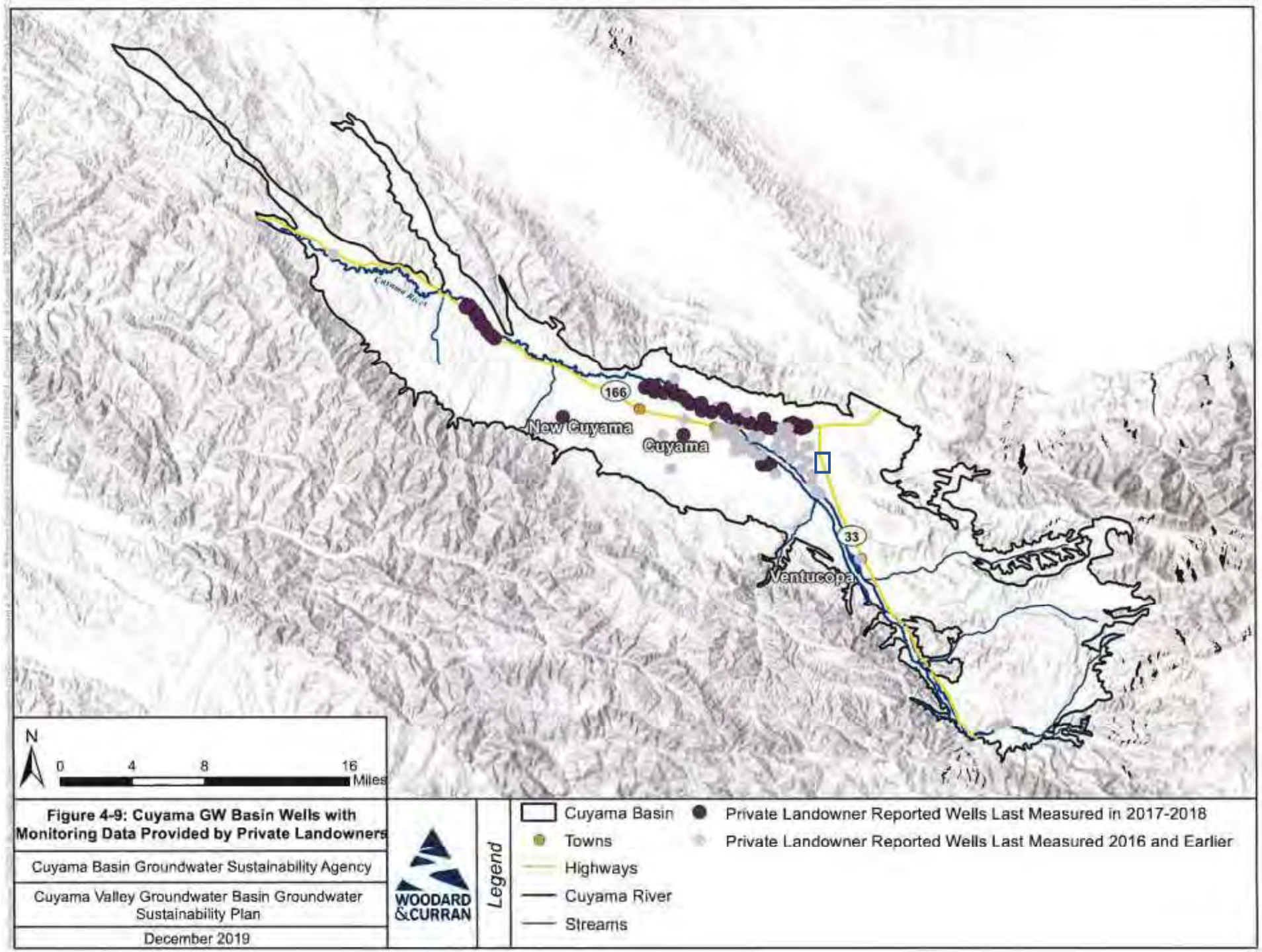
Cuyama Valley Groundwater Basin Groundwater Sustainability Plan

December 2019

WOODARD &CURRAN

Legend

- Cuyama Basin
- Towns
- Highways
- Cuyama River
- Streams
- USGS Database Wells Last Measured in 2017-2018
- USGS Database Wells Last Measured 2016 or Earlier


166
New Cuyama
Cuyama
33
Ventucopa
N
0
4
8
16
Miles
Figure 4-9: Cuyama GW Basin Wells with Monitoring Data Provided by Private Landowners
Cuyama Basin Groundwater Sustainability Agency
Cuyama Valley Groundwater Basin Groundwater Sustainability Plan
December 2019
WOODARD &CURRAN
Legend
Cuyama Basin
Towns
Highways
Cuyama River
Streams
Private Landowner Reported Wells Last Measured in 2017-2018
Private Landowner Reported Wells Last Measured 2016 and Earlier

Groundwater Level Calibration

The goal of groundwater level calibration is to achieve reasonable agreement between the simulated and observed values (in this case, groundwater levels at the calibration wells). Within the CBWRM, 65 wells were used to evaluate the model calibration at both a regional and local scale. These wells are included in the CBGSA's Opti data management system. The calibration wells were selected based on their period of record and availability of observation data, spatial distribution across the model, and trends of nearby wells. These calibration wells are shown in Figure C-18.

Figure C-18: Location of Calibration Wells

EXHIBIT 5

B. Tilden Kim

T 213.626.8484
F 213.626.0078
E tkim@rwglaw.com

350 South Grand Avenue
37th Floor
Los Angeles, CA 90071
rwglaw.com

NIC MAIL

oject Coordinator
e 210

s Second Variance Application

es, LLC (Sunrise Ranch). Enclosed please find Sunrise
and attachments), submitted in accordance with the
uyama Basin Groundwater Sustainability Agency (CBGSA)
ng delivered by overnight mail in addition to this copy
mitted a $250.00 check with the first Variance Request,
ons, no check is being submitted with this second request.

2nd VARIANCE REQUEST FORM

For 2023 and 2024 Groundwater Allocations in the Central Management Area

CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY

Please submit this Variance Request Form, **including a check in the amount of $250**, to Taylor Blakslee at 4900 California Ave, Tower B, Suite 210, Bakersfield, CA 93309. Please note the following: (1) CBGSA may reimburse the $250 if corrections are due to inaccuracies with CBGSA's records; and (2) if you submitted a variance request and a $250 check during the first round of variance requests, you are not required to submit a second check for $250.

Name: Dan Devico, Michael Devico (Sunrise Ranch Properties, LLC)

Date: March 2, 2023

Phone: (323) 859-7402

Email: TO: dan@pompeian.com, michael.devico@sunriseoliveranch.com;
CC: stevej2@stetsonengineers.com; jeffh@stetsonengineers.com; biancac@stetsonengineers.com; JMarkman@rwglaw.com; TKim@rwglaw.com; KBrochard@rwglaw.com; JMetz@rwglaw.com

Assessor Parcel Number(s) (APN):

–	149-170-09	-	096-201-021
–	149-170-10	-	096-211-027
–	096-201-015	-	096-211-033
–	096-201-016	-	096-211-034
–	096-201-017	-	096-211-042
–	096-201-018	-	096-211-043
–	096-201-019	-	096-211-044
-	096-201-020	-	096-211-045

Please describe the basis for your variance request and attach any supporting documentation.

Please see attached March 2, 2023 letter from James L. Markman; Exhibit 1 (declaration of Jeffrey D. Helsley and Attachment A); and Exhibits 2 and 3.

James L. Markman

T 714.990.0901
F 714.990.6230
E jmarkman@rwglaw.com

1 Civic Center Circle, PO Box 1059
Brea, California 92822-1059
rwglaw.com

March 2, 2023

VIA ELECTRONIC MAIL & OVERNIGHT MAIL

Taylor Blakslee
Groundwater Sustainability Agency Project Coordinator
4900 California Avenue, Tower B, Suite 210
Bakersfield, California 93309
tblakslee@hgcpm.com

Re: ***Second Variance Request of Sunrise Ranch Properties, LLC***

Dear Mr. Blakslee:

This letter and enclosures constitute our client, Sunrise Ranch Properties, LLC's ("Sunrise") Second Variance Request. As detailed below, based on the best available science and evidence, Sunrise seeks 2,834.44 acre-feet-per-year (AFY) as the average annual groundwater produced from 1998 through 2017 for its Farming Unit with resulting adjustments to the allocation for the Central Management Area for 2023 and 2024. It also must be noted that the number requested should be higher because the test period included four years, 2014-2017, which were start up years for Sunrise's present olive operation. Comparing the original alfalfa operation to the projected olive operation at maturity shows a reduction of between 1,300 to 1,500 AFY of water use.

Sunrise's First Variance Request and Farming Unit Request

As background, on August 30, 2022, Sunrise submitted voluminous documentation supporting its first variance request. In sum, in recognition of Sunrise as an integrated farming unit, property information, and pumping documentation, Sunrise now requests that the Cuyama Basin Groundwater Sustainability Agency (the "Agency") correct its average historical pumping value for Sunrise of 2,388.77 AFY to be 2,834.44 AFY.

Cuyama Basin Groundwater Sustainability Agency's Farm Unit Approval and Allocation

On January 16, 2023, the Agency reviewed Sunrise's Farming Unit application received on January 5, 2023, and determined that it met the requirements set forth in the "Overarching Policy for Wells Inside and Outside the Central Management Area" policy adopted by the Agency on December 12, 2022, and thus, approved Sunrise's Farming Unit request.

On February 4, 2023, the Agency then calculated a new allocation to Sunrise based upon a new historical average use of 2,388 AFY, and a starting point allocation of 2,568 AFY for calendar year 2023.

The Agency's Allocation Lacks Rational Bases

Sunrise's principals, its consultant (Stetson Engineers) and its legal team have reviewed and analyzed the Agency's February 4, 2023 allocation determination and methodology. The historical average use of 2,388 AFY is unsupported. The Agency has not provided the specific analysis of Sunrise's parcels past water requirement to support the Agency's determination—which is 450 AFY less than that provided by Sunrise in this second variance request and, practically is about 1,000 AFY less since water production was understated from 2014 to 2017, the first years of establishing the olive operation. Specifically, if the startup years are eliminated from the test period, Sunrise's calculation of average AFY jumps from 2,834.44 AFY to 3,447.99 AFY.

This second variance request is narrowly focused on the difference between the Agency's basis of its calculation of the average amount of water used on the total properties included in the subject unit during the 1998-2017 test period and the amount calculated by Sunrise. Below, we will first identify methods which could have been used by the Agency in reaching its conclusions which have not been substantiated by specific numerical examples. Frankly, Sunrise and its advisors have been confused by the general description of the method used to generate the average numbers for all of its producers, making it difficult to judge the accuracy of the Agency's average production.

We then will explain the basis for Sunrise's calculations which are supported by available electrical data by which the water production from three of the four wells in question have been accurately computed. Historical investigations reveal the use of a fourth well not run by electricity and an estimate of the amount of water used from that well from 1998-2013. These methodologies are substantiated by a declaration under penalty of perjury submitted herewith by Jeff Helsley, a professional engineer employed by Stetson Engineers on behalf of Sunrise (attached as Exhibit 1 hereto) which summarizes and analyzes data obtained by Mr. Helsley from the owner and manager of the properties included in the Farming Unit from 1998-2013. Mr. Helsley's declaration also supports Sunrise's calculations and the resulting data submitted in Exhibits 2 and 3 attached hereto.

Maximizing the accuracy of data underlying the calculation of allocations made through the Sustainable Groundwater Management Act process is a legal requirement which protects both the property rights of water producers and the Agency's ability to achieve and maintain Basin sustainability. And, the best available science is required to be employed by the Agency in determining water allocations, which leads to the questions Sunrise now raises stated immediately below which pertain to how the Agency's calculations were made.

The core questions on water allocations made through this process to this date are as follows:

1. Was the historical amount of water used from 1998-2017 in the Basin determined by the Agency based solely upon aerial photograph or measured well production and a determination of crops grown during any given year as to each property analyzed?

2. If there was some combination of methods, which methods were applied to determine well production at Sunrise such as available meter readings or electrical consumption and which were derived from aerial photography and/or investigation of crops grown each year of the test period?

3. Did the Agency staff or engineers determine the specific crops grown on all of the specific parcels for each year during the test period?

4. Was there an effort in ground proofing assumptions used to verify abstract observations. In other words, were statements by persons who were conducting agricultural activities in the Basin during the test period accumulated to verify the accuracy of any conclusions reached in other ways?

An equally important question is whether the Agency and its engineers will meet and confer on differences in conclusions in the Agency's numbers and those of Sunrise. These are crucial factual issues. We appreciate the Agency facilitating our contacting Agency staff, Agency Special Committee, and the Agency Board so that we are able to present relevant data in that forum on behalf of Sunrise. This at least affords us an opportunity to present our views and answer questions from Agency officials. It would be more productive if the staff and engineers of the Agency and Sunrise met under circumstances in which each would be willing to candidly exchange data to at least identify the differences in approaches, data found or conclusions reached. This could result in resolution of many differences. This would present an opportunity for the Agency to explore these issues with stakeholders instead of or in addition to conducting what amounts to a quasi-judicial determination on behalf of the Agency, making the producer an applicant rather than a participating stakeholder.

At this point, we will summarize Sunrise's conclusions on the amount of water used and proper allocations thereof and will identify support for the conclusions stated. We first ask you to review Exhibit 1 which is Jeff Helsley's declaration which describes the process used to determine water production, much of which was presented in the first variance process. Mr. Helsley determined that appropriate information on water use during the test period years could be determined in two ways.

The first method of determination covers the period of time commencing in 2014 to the end of the test period. That was the period of time in which all of the wells involved in providing water to the parcels were operated by Sunrise. In that regard, Sunrise provided to Stetson electrical use data separately assigned to the active wells, including intermittent pump test data showing the reliability of the electrical records. For each year from 2014 forward, Stetson was able to accurately calculate the exact amount of water produced by each well used in its Farming Unit. And, Stetson did so utilizing the best available science. Also, it should be noted that discrepancies between the Agency's estimated water use and Sunrise's estimated groundwater production still exist for those four years. Accordingly, these discrepancies must be explained to the satisfaction of both parties.

For years 2012 and 2013, three wells were run through electricity and reliable electrical records for those wells providing water to all of the parcels were provided by the previous owner of the parcels to Sunrise and were analyzed by Stetson. Importantly, the production of alfalfa and grain hay essentially had not been modified over the 1998-2013 period. The best estimate of the amount of water use in the farm unit from 1998-2013 are the electrical records showing production of those three wells.

As an alternate basis for calculating water use, the previous owner provided the acreage use for two crops grown on the site from 1998 through 2013, for each year in that period other than 2001 and 2002. The crops were 650 acres of alfalfa at 5 acre feet per acre and 100 acres of grain hay at an additional 1.5 acre feet per acre. The total usage each of those years was determined to be 3,400 AFY. In 2001 and 2002, the alfalfa acreage was 720 which, together with 100 acres of grain hay resulted in the total water use of 3,750 AFY.

Sunrise would appreciate your consideration of projections of Sunrise's available water based on the assumption of a 5% rampdown imposed every year from 2023 through 2030, attached as Exhibit 2 hereto. The projections in Exhibit 2 assume the Agency agrees with Sunrise's data and conclusions presented here. Accordingly, should such a sustained rampdown ensue, Sunrise would have to fallow trees sometime in the 2029-2030 period. Sunrise does realize that it will bear some financial burden to be part of the solution to sustaining the Basin. But Sunrise continues to remind the Agency that its acquisition of the farm unit and its conservative use of water has generated the exact result which this Agency seeks: significant water reduction.

Sunrise already has been certified as having a Sustainable Grown Version 2.2 certificate from SCS Global Services, the first business venture to be certified in the world for growing olives. As emphasized in the first paragraph of this Second Variance Request, if Sunrise's start up years were eliminated, average water use on its property with all of its trees matured will have been reduced from 3,400-3,750 AFY to 2,050-2,400 AFY.

Exhibit 3 compares the estimated annual groundwater production presented by the Agency and Sunrise. This creates a stark contrast for Sunrise in which its mature olive trees would have to be fallowed significantly within a five year period if the Agency model is put into play on its path into the late 2020s. This is due to the rampdown starting at 2,568 AFY and dwindling by approximately 500 AF by 2027. In fact, either scenario only provides five to eight years of production to Sunrise. This is not a fair result supported by the best available science and would not provide Sunrise any choice but to legally resist implementation of that scenario. Sunrise intends to permanently operate the exceptional olive oil business in which they are engaged in Cuyama and by which, as stated above, they will have eliminated a substantial percentage of the water previously used on the same parcels.

At some time we would like to speak with the Agency on the following subjects which could mitigate financial hardship to the growers as demonstrated in Exhibits 2 and 3 while still reaching the Agency's sustainability goals:

1. The concept of a producer carrying over unused water allocations from year to year which would cushion the rampdown by allowing water that could have been pumped in one year to be pumped at a later time. The end result would be the same amount of pumping which would have been expected by the allocations made by the Agency during rampdown.

2. The concept of creating transferability between parties holding allocations, to cushion the impact on both parties.

3. The concept of settling with a producer on a total amount of water which may be produced throughout the rampdown period with only the annual amount left at the end of rampdown to be produced thereafter.

These devices have been successful elsewhere in providing businesses management alternatives during rampdown, avoiding litigation and supporting the sustainability agencies in reaching basin balance.

We thank you in advance for your anticipated thoughtful attention to this variance request.

Very truly yours,

RICHARDS, WATSON & GERSHON
A Professional Corporation

James L. Markman

Attachments (Exhibit 1 (Helsley Declaration and Attachment A thereto); and Exhibits 2 and 3)

13092-0002\2783160v2.doc

EXHIBIT 1

DECLARATION OF JEFFREY D. HELSLEY IN SUPPPORT OF SUNRISE RANCH PROPERTIES' LLC'S SECOND VARIANCE REQUEST

I, Jeffrey D. Helsley, declare as follows:

1. I am a civil engineer licensed in the State of California. I have a Bachelor of Science degree in Civil Engineering from California State University, Los Angeles, and a Master of Science Degree in Environmental Engineering from the University of Southern California. I have been working as an engineer in the fields of water resources and environmental engineering for 40 years. Some of my relevant experience includes managing the preparation of a conceptual level Practicably Irrigated Acreage analysis to support the quantification of the water rights of a Native American Tribe's reservation, managing the development and preparation of a California Department of Water Resources approved Groundwater Sustainability Plan, managing groundwater modeling investigations, and preparation of planning documents that included review of historical water use and projections of future water use.

2. In addition, I have managed the design of several groundwater water production, treatment, and distribution facilities. I am the Engineering Manager for the Covina, California office of Stetson Engineers Inc. ("Stetson"). My duties as Engineering Manager include hiring and training qualified engineering staff, planning project staffing, providing quality control of engineering deliverables, high level project guidance and problem solving, and providing senior level support for clients.

3. The law firm of Richards, Watson & Gershon has retained Stetson on behalf of the mutual client, Sunrise Ranch Properties, LLC ("Sunrise"). I have personal knowledge of the facts set forth in this Declaration and, if called as a witness, could and would testify competently to such facts under oath.

Overview of Sunrise Ranch Properties, LLC

4. Since May 2014, Sunrise Ranch has been growing olives in the Cuyama Basin, located south of the Highway 33 and Highway 166 intersection and east of the

Cuyama River along the boundary between San Luis Obispo and Santa Barbara Counties. Sunrise Ranch owns 1,085 acres of land which includes 880 acres of gross farmed land and 810 acres of net farmed land. Land not used for farming is purposed for residential homes and milling or are mountainous areas.

5. Sunrise Ranch farms high density olive orchards with an ultimate water demand of between 2,050 acre-feet per year and 2,430 acre-feet per year for the farmed land. Sunrise Ranch's farming practices include state-of-the-art irrigation efficient technology, maintenance of their assets including an olive oil processing plant, 3 currently active wells, 2 inactive wells, 2 reservoirs, and drip irrigation lines.

6. Prior to the start of planting the orchards in 2014, the previous owner of the land reported that he farmed alfalfa (650 acres at 5 acre-feet per acre) and grain hay (100 acres at 1.5 acre-feet per acre) on the Sunrise Ranch land from at least 1998 through 2011, with exception of 2001 and 2002. The previous owner reported that during 2001 and 2002 he farmed a larger acreage of alfalfa (720 acres at 5 acre-feet per acre) along with the same acreage of grain hay. The previous owner of the land has reported that the cropping pattern and annual water usage remained the same from 1998 through 2011, with exception of 2001 and 2002.

Determination of Water Usage

7. Sunrise Ranch provided Stetson with monthly well pump electrical bills for its three (3) active wells from Pacific Gas and Electric Company (PG&E) for 2012 and 2013. In addition, Sunrise Ranch provided a spreadsheet that includes information from monthly electrical bills for its three (3) active wells from 2014 to 2021. Furthermore, the Farm Pump & Irrigation Company, Inc. provided well pump tests for each of Sunrise Ranch's three (3) active wells.

8. Sunrise Ranch Well 1 was pump tested during the years 2020 and 2022. In 2020, Sunrise Ranch Well 1 used approximately 1,132.74 kilowatt hours per acre-feet (kWh per AF) of groundwater produced. In 2022, Sunrise Ranch Well 1 used approximately 815.80 kWh per AF of groundwater produced.

9. Sunrise Ranch Well 2 was pump tested during the years 2009, 2011, 2013, 2016, and 2020. In 2009, Sunrise Ranch Well 2 used approximately 906.61 kWh per AF of groundwater produced. In 2011, Sunrise Ranch Well 2 used approximately 1,011.54 kWh per AF of groundwater produced. In 2013, Sunrise Ranch Well 2 used approximately 968.70 kWh per AF of groundwater produced. In 2016, Sunrise Ranch Well 2 used approximately 979.28 kWh per AF of groundwater produced. In 2020, Sunrise Ranch Well 2 used approximately 1,136.52 kWh per AF of groundwater produced.

10. Sunrise Ranch Well 3 was pump tested during the years 2006, 2011, 2013, 2020 and 2022. In 2006, Sunrise Ranch Well 3 used approximately 995.93 kWh per AF of groundwater produced. In 2011, Sunrise Ranch Well 3 used approximately 992.40 kWh per AF of groundwater produced. In 2013, Sunrise Ranch Well 3 used approximately 1,021.74 kWh per AF of groundwater produced. In 2020, Sunrise Ranch Well 3 used approximately 1,522.27 kWh per AF of groundwater produced. In 2022, Sunrise Ranch Well 3 used approximately 1,350.81 kWh per AF of groundwater produced.

11. Water production from Sunrise Ranch's Wells 1 through 3 were calculated using crop types, acreages planted, and water use rates reported by the previous owner of the land for years 1998 through 2011, and the kWh use from monthly energy bills provided by PG&E for 2012 and 2013, the spreadsheet provided by Sunrise Ranch that includes information from monthly electrical bills for 2014 through 2021, and the energy usage per AF from each well's pump test records.

12. **Attachment A** shows groundwater pumped from 1998 through 2017 for Sunrise Ranch's Wells 1 through 3. Attachment A was prepared under my direction and supervision. As mentioned above, the previous owner of the land has reported to Sunrise Ranch that the cropping pattern and annual water usage has remained the same from 1998 through 2011, with exception of 2001 and 2002. Therefore, the estimated pumping from 1998 through 2011 was calculated based on the previous owner of the land's reported farming of alfalfa (650 acres at 5 acre-feet per acre, or 3,250 acre-feet) and grain hay (100 acres at 1.5 acre-feet per acre, or 150 acre-feet) for a total of 3,400 acre-feet per year from

at least 1998 through 2011, with exception of 2001 and 2002. The estimated pumping for 2001 and 2002 was calculated based on the previous owner of the land's reported farming of alfalfa (720 acres at 5 acre-feet per acre, or 3,600 acre-feet) and grain hay (100 acres at 1.5 acre-feet per acre, or 150 acre-feet) for a total of 3,750 acre-feet for both 2001 and 2002.

13. The pumping for 2012 and 2013 was calculated using the monthly electrical bills provided by PG&E for 2012 and 2013 and the pump test records for the three (3) wells. In addition, the estimated pumping from 2014 through 2017 was calculated using the spreadsheet provided by Sunrise Ranch that includes information from monthly electrical bills from 2014 to 2021, and the energy usage per AF from each well's pump test records.

14. Sunrise Ranch also owns a fourth well that is not electrically powered and is not included as part of the Table in Attachment A.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this 2nd day of March, 2023, at Covina, California.

Jeffrey D. Helsley

ATTACHMENT A

SUNRISE RANCH, LLC

CUYAMA BASIN GSA VARIANCE APPLICATION

WATER USE RATES MODELED BY THE CBGSA VS. CURRENT VERIFICATION

YEAR	ANNUAL WATER		SUNRISE RANCH RECORD NOTES	
	MODELED BY GSA (APPLIED WATER)	PUMPING PER VERIFICATION OF PUMPING RECORDS	HISTORY OF LAND USE	WATER USE DATA SOURCE
1998	2,161.28	3,400.00	Previous owner growing alfalfa and grain hay. Previous owner also using own wells to water 200 acres of rented land outside of Sunrise Ranch.	Previous owner stated consistent relative acreages of alfalfa and grain hay grown from at least 1998 through 2011 (650 acres of alfalfa and 100 acres of grain hay), with exception of 2001 and 2002 where a larger acreage of alfalfa (720 acres) was planted. Total water use from 1998 through 2011 based on statements by the previous owner and assuming the same annual water use for 1998 through 2011, with exception of 2001 and 2002, and water use rates.
1999	2,409.00	3,400.00		
2000	3,214.25	3,400.00		
2001	2,807.78	3,750.00		
2002	3,066.50	3,750.00		
2003	2,814.79	3,400.00		
2004	3,114.28	3,400.00		
2005	2,591.72	3,400.00		
2006	2,319.92	3,400.00		
2007	2,636.21	3,400.00		
2008	2,992.38	3,400.00		
2009	2,952.02	3,400.00		
2010	2,564.33	3,400.00		
2011	2,500.50	3,400.00		
2012	2,992.45	3,419.83		Previous Owner's 2012 Electrical Bills
2013	3,059.49	3,270.72		Previous Owner's 2013 Electrical Bills
2014	1,085.06	157.23	Sunrise Ranch starts planting in May 2014 with 180 acres. During a portion of the year, previous owner continued to grow alfalfa.	Sunrise Ranch Eletrical Bills
2015	860.71	411.09	Sunrise Ranch plants 320 acres	
2016	759.17	420.28	No new planting	
2017	873.47	709.70	Sunrise Ranch plants 160 acres	
AVERAGE	**2,388.77**	**2,834.44**		
TOTAL	47,775.31	56,688.84		

EXHIBIT 2

SUNRISE RANCH, LLC
CUYAMA BASIN GSA VARIANCE APPLICATION

ALLOCATION PROJECTIONS BASED ON VERIFIED PUMPING DATA FOR WELLS 1 THROUGH 3

Parameters for Estimated Allocation	
2021 Total Pumping	49,968
Sustainable Yield	11,500
Overdraft	38,468
Sunrise Ranch % Share of Total Average Pumping	5.63%

Sunrise Ranch Allocations with Annual Reductions			
Year	**% Reduction (from 2021)**	**Total Pumping in CMA**	**Sunrise Ranch Allocations**
2023	5%	48,044.30	2,705.03
2024	10%	46,120.91	2,596.74
2025	15%	44,197.53	2,488.44
2026	20%	42,274.14	2,380.15
2027	25%	40,350.76	2,271.86
2028	30%	38,427.38	2,163.57
2029	35%	36,503.99	2,055.28
2030*	40%	34,580.61	1,946.98

NOTES: Assumes all annual reductions are by 5%. ; Sunrise Ranch has projected that they will require at least 2,050 AF of allocations when their trees reach full maturity in 2027. If reductions continue, Sunrise Ranch will not have enough water by 2030.

EXHIBIT 3

SUNRISE RANCH, LLC

CUYAMA BASIN GSA VARIANCE APPLICATION

WATER USE RATES MODELED BY THE CBGSA VS. CURRENT VERIFICATION

YEAR	ANNUAL WATER		SUNRISE RANCH RECORD NOTES	
	MODELED BY GSA (APPLIED WATER)	PUMPING PER VERIFICATION OF PUMPING RECORDS	HISTORY OF LAND USE	WATER USE DATA SOURCE
1998	2,161.28	3,400.00	Previous owner growing alfalfa and grain hay. Previous owner also using own wells to water 200 acres of rented land outside of Sunrise Ranch.	Previous owner stated consistent relative acreages of alfalfa and grain hay grown from at least 1998 through 2011 (650 acres of alfalfa and 100 acres of grain hay), with exception of 2001 and 2002 where a larger acreage of alfalfa (720 acres) was planted. Total water use from 1998 through 2011 based on statements by the previous owner and assuming the same annual water use for 1998 through 2011, with exception of 2001 and 2002, and water use rates.
1999	2,409.00	3,400.00		
2000	3,214.25	3,400.00		
2001	2,807.78	3,750.00		
2002	3,066.50	3,750.00		
2003	2,814.79	3,400.00		
2004	3,114.28	3,400.00		
2005	2,591.72	3,400.00		
2006	2,319.92	3,400.00		
2007	2,636.21	3,400.00		
2008	2,992.38	3,400.00		
2009	2,952.02	3,400.00		
2010	2,564.33	3,400.00		
2011	2,500.50	3,400.00		
2012	2,992.45	3,419.83		Previous Owner's 2012 Electrical Bills
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2014	1,085.06	157.23	Sunrise Ranch starts planting in May 2014 with 180 acres. During a portion of the year, previous owner continued to grow alfalfa.	Sunrise Ranch Eletrical Bills
2015	860.71	411.09	Sunrise Ranch plants 320 acres	
2016	759.17	420.28	No new planting	
2017	873.47	709.70	Sunrise Ranch plants 160 acres	
AVERAGE	**2,388.77**	**2,834.44**		
TOTAL	47,775.31	56,688.84		

VARIANCE REQUEST FORM

For 2025 through 2029 in the Central Management Area (Including Farm Units)

Submit this form, **including a $250** fee (which may be reimbursed if corrections are due to inaccuracies with the Cuyama Basin Groundwater Sustainability Agency (CBGSA) records), to Taylor Blakslee at 4900 California Ave, Tower B, Suite 210, Bakersfield, CA 93309 (forms may be also submitted electronically to tblakslee@hgcpm.com).

Name:	Dan Devico, Michael Devico (Sunrise Ranch Properties, LLC)
Date:	December 6, 2024
Phone:	(323) 859-7402
Email:	TO: dan@pompeian.com, michael.devico@sunriseoliveranch.com CC: stevej@stetsonengineers.com; jeffh@stetsonengineers.com; biancac@stetsonengineers.com; JMarkman@rwglaw.com; TKim@rwglaw.com; KBrochard@rwglaw.com; JMetz@rwglaw.com

Assessor Parcel Number(s) (APN):

- 149-170-09
- 149-170-10
- 096-201-015
- 096-201-016
- 096-201-017
- 096-201-018
- 096-201-019
- 096-201-020
- 096-201-021
- 096-211-027
- 096-211-033
- 096-211-034
- 096-211-042
- 096-211-043
- 096-211-044
- 096-211-045

Please describe the basis for your request and attach any supporting documentation

Please see attached letter from Mr. Markman, dated December 6, 2024.

STETSON
ENGINEERS INC.

861 Village Oaks Drive, Suite 100 • Covina , California 91724
Phone: (626) 967-6202 • Fax: (626) 331-7065 • Website: www.stetsonengineers.com
Northern California • Southern California • Arizona • Colorado • Oregon

JN 2851

December 23, 2024

Mr. Taylor Blakslee
Groundwater Sustainability Agency Project Coordinator
Cuyama Basin Groundwater Sustainability Agency
4900 California Avenue, Tower B, Suite 210
Bakersfield, California 93309

Subject: Supplement to the Third Variance Request of Sunrise Ranch Properties, LLC

Dear Mr. Blakslee:

As discussed at the Cuyama Basin Groundwater Sustainability Agency (CBGSA) Ad Hoc Committee meeting on December 20, 2024, Sunrise Ranch Properties, LLC (Sunrise Ranch) supplements its Third Variance Request with this request for the CBGSA's review of the annual historic water use computed by the CBGSA Model v 0.30, Sunrise Ranch's records and estimates of historical annual water use, and the impact of the inaccuracy of the model's estimated water use on the CBGSA's proposed reductions in pumping allocations for Sunrise Ranch.

A comparison of the annual historic water use computed by the CBGSA Model v 0.30 and Sunrise Ranch's records and estimates of its historical annual water use is provided in Attachment 1. The annual water use history comparison was also provided in the Second Variance Request for Sunrise Ranch (Attachment 2), submitted to the CBGSA on March 2, 2023.

As discussed at the Variance Interview and described in the Second Variance Request, the water use data provided in the Second Variance Request, and included as Attachment 1 to this letter, is an update to the water use history provided in the First Variance Request which was submitted to the CBGSA on August 30, 2022. After the submission of the First Variance Request, Sunrise Ranch and their representatives met in person with the previous landowner, who provided information on historical land use and water application rates. Additionally, Stetson Engineers Inc. (Stetson) was provided with additional supporting information on water use by Sunrise Ranch such as well pump tests which were used to refine water use estimates.

As suggested during the Ad Hoc Committee meeting on December 20, 2024, Sunrise Ranch requests a meeting between Stetson and CBGSA Staff, following CBGSA Staff's review of the information in Attachment 1, to discuss the method

and calculations used to develop the annual historic water use computed by the CBGSA Model v 0.30., including the historical land use evaluation for Sunrise Ranch by Land IQ and the historical aerial photographs used, to identify reason for the discrepancies between the annual water estimates and records.

If you should have any questions regarding this letter, please feel free to contact me at (626) 967-6202 or jeffh@stetsonengineers.com or Bianca Cabrera at biancac@stetsonengineers.com.

Sincerely,

Jeff Helsley, P.E.
Stetson Engineers Inc.

HISTORIC WATER USE (CBGSA Model v 0.30 versus Sunrise Ranch's Records)

ATTACHMENT 1

YEAR	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
NEW MODEL (v 0.30)																											NEW MODEL (v 0.30)
Total Sunrise Ranch production from New Model	2001.21	2,425	2,745	2,186	2,669	2,328	2,382	2,049	1,688	1,966	2,183	2,340	1,854	1,677	1,531	1,892	122	55	654	668	1,138	1,012	902	824	**1,046**	**598**	Total Sunrise Ranch production from New Model
REPORTED																											REPORTED
SR Rcorded	3,400	3,400	3,400	3,750	3,750	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,420	3,271	157	411	420	710	1,342	1,487	1,339	1,766	**1,762**	**1,726**	SR Rcorded
																	Changing from alfalfa to olives								Reported	Metered	
																	21% of the years used to estimate the baseline										
PERCENTAGE DIFFERENCE BW MODELS AND REPORTED																											
NEW MODEL (v 0.30)	41%	29%	19%	42%	29%	32%	30%	40%	50%	42%	36%	31%	45%	51%	55%	42%	23%	87%	56%	6%	15%	32%	33%	53%	**41%**	**65%**	

Absolute value of percentage difference 39%

	2023
Reported acres irrigated	802.63
Actual water use factor:	2.15 AFY/Acre
Estimated water use factor:	0.74 AFY/Acre

B. Tilden Kim

T 213.626.8484
F 213.626.0078
E tkim@rwglaw.com

350 South Grand Avenue
37th Floor
Los Angeles, CA 90071
rwglaw.com

NIC MAIL

oject Coordinator
e 210

s Second Variance Application

es, LLC (Sunrise Ranch). Enclosed please find Sunrise
and attachments), submitted in accordance with the
uyama Basin Groundwater Sustainability Agency (CBGSA)
ng delivered by overnight mail in addition to this copy
mitted a $250.00 check with the first Variance Request,
ns, no check is being submitted with this second request.

2nd VARIANCE REQUEST FORM

For 2023 and 2024 Groundwater Allocations in the Central Management Area

CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY

Please submit this Variance Request Form, **including a check in the amount of $250**, to Taylor Blakslee at 4900 California Ave, Tower B, Suite 210, Bakersfield, CA 93309. Please note the following: (1) CBGSA may reimburse the $250 if corrections are due to inaccuracies with CBGSA's records; and (2) if you submitted a variance request and a $250 check during the first round of variance requests, you are not required to submit a second check for $250.

Name: Dan Devico, Michael Devico (Sunrise Ranch Properties, LLC)

Date: March 2, 2023

Phone: (323) 859-7402

Email: TO: dan@pompeian.com, michael.devico@sunriseoliveranch.com;
CC: stevej2@stetsonengineers.com; jeffh@stetsonengineers.com; biancac@stetsonengineers.com; JMarkman@rwglaw.com; TKim@rwglaw.com; KBrochard@rwglaw.com; JMetz@rwglaw.com

Assessor Parcel Number(s) (APN):

–	149-170-09	-	096-201-021
–	149-170-10	-	096-211-027
–	096-201-015	-	096-211-033
–	096-201-016	-	096-211-034
–	096-201-017	-	096-211-042
–	096-201-018	-	096-211-043
–	096-201-019	-	096-211-044
-	096-201-020	-	096-211-045

Please describe the basis for your variance request and attach any supporting documentation.

Please see attached March 2, 2023 letter from James L. Markman; Exhibit 1 (declaration of Jeffrey D. Helsley and Attachment A); and Exhibits 2 and 3.

James L. Markman

T 714.990.0901
F 714.990.6230
E jmarkman@rwglaw.com

1 Civic Center Circle, PO Box 1059
Brea, California 92822-1059
rwglaw.com

March 2, 2023

VIA ELECTRONIC MAIL & OVERNIGHT MAIL

Taylor Blakslee
Groundwater Sustainability Agency Project Coordinator
4900 California Avenue, Tower B, Suite 210
Bakersfield, California 93309
tblakslee@hgcpm.com

Re: ***Second Variance Request of Sunrise Ranch Properties, LLC***

Dear Mr. Blakslee:

This letter and enclosures constitute our client, Sunrise Ranch Properties, LLC's ("Sunrise") Second Variance Request. As detailed below, based on the best available science and evidence, Sunrise seeks 2,834.44 acre-feet-per-year (AFY) as the average annual groundwater produced from 1998 through 2017 for its Farming Unit with resulting adjustments to the allocation for the Central Management Area for 2023 and 2024. It also must be noted that the number requested should be higher because the test period included four years, 2014-2017, which were start up years for Sunrise's present olive operation. Comparing the original alfalfa operation to the projected olive operation at maturity shows a reduction of between 1,300 to 1,500 AFY of water use.

Sunrise's First Variance Request and Farming Unit Request

As background, on August 30, 2022, Sunrise submitted voluminous documentation supporting its first variance request. In sum, in recognition of Sunrise as an integrated farming unit, property information, and pumping documentation, Sunrise now requests that the Cuyama Basin Groundwater Sustainability Agency (the "Agency") correct its average historical pumping value for Sunrise of 2,388.77 AFY to be 2,834.44 AFY.

Cuyama Basin Groundwater Sustainability Agency's Farm Unit Approval and Allocation

On January 16, 2023, the Agency reviewed Sunrise's Farming Unit application received on January 5, 2023, and determined that it met the requirements set forth in the "Overarching Policy for Wells Inside and Outside the Central Management Area" policy adopted by the Agency on December 12, 2022, and thus, approved Sunrise's Farming Unit request.

On February 4, 2023, the Agency then calculated a new allocation to Sunrise based upon a new historical average use of 2,388 AFY, and a starting point allocation of 2,568 AFY for calendar year 2023.

The Agency's Allocation Lacks Rational Bases

Sunrise's principals, its consultant (Stetson Engineers) and its legal team have reviewed and analyzed the Agency's February 4, 2023 allocation determination and methodology. The historical average use of 2,388 AFY is unsupported. The Agency has not provided the specific analysis of Sunrise's parcels past water requirement to support the Agency's determination—which is 450 AFY less than that provided by Sunrise in this second variance request and, practically is about 1,000 AFY less since water production was understated from 2014 to 2017, the first years of establishing the olive operation. Specifically, if the startup years are eliminated from the test period, Sunrise's calculation of average AFY jumps from 2,834.44 AFY to 3,447.99 AFY.

This second variance request is narrowly focused on the difference between the Agency's basis of its calculation of the average amount of water used on the total properties included in the subject unit during the 1998-2017 test period and the amount calculated by Sunrise. Below, we will first identify methods which could have been used by the Agency in reaching its conclusions which have not been substantiated by specific numerical examples. Frankly, Sunrise and its advisors have been confused by the general description of the method used to generate the average numbers for all of its producers, making it difficult to judge the accuracy of the Agency's average production.

We then will explain the basis for Sunrise's calculations which are supported by available electrical data by which the water production from three of the four wells in question have been accurately computed. Historical investigations reveal the use of a fourth well not run by electricity and an estimate of the amount of water used from that well from 1998-2013. These methodologies are substantiated by a declaration under penalty of perjury submitted herewith by Jeff Helsley, a professional engineer employed by Stetson Engineers on behalf of Sunrise (attached as Exhibit 1 hereto) which summarizes and analyzes data obtained by Mr. Helsley from the owner and manager of the properties included in the Farming Unit from 1998-2013. Mr. Helsley's declaration also supports Sunrise's calculations and the resulting data submitted in Exhibits 2 and 3 attached hereto.

Maximizing the accuracy of data underlying the calculation of allocations made through the Sustainable Groundwater Management Act process is a legal requirement which protects both the property rights of water producers and the Agency's ability to achieve and maintain Basin sustainability. And, the best available science is required to be employed by the Agency in determining water allocations, which leads to the questions Sunrise now raises stated immediately below which pertain to how the Agency's calculations were made.

The core questions on water allocations made through this process to this date are as follows:

1. Was the historical amount of water used from 1998-2017 in the Basin determined by the Agency based solely upon aerial photograph or measured well production and a determination of crops grown during any given year as to each property analyzed?

2. If there was some combination of methods, which methods were applied to determine well production at Sunrise such as available meter readings or electrical consumption and which were derived from aerial photography and/or investigation of crops grown each year of the test period?

3. Did the Agency staff or engineers determine the specific crops grown on all of the specific parcels for each year during the test period?

4. Was there an effort in ground proofing assumptions used to verify abstract observations. In other words, were statements by persons who were conducting agricultural activities in the Basin during the test period accumulated to verify the accuracy of any conclusions reached in other ways?

An equally important question is whether the Agency and its engineers will meet and confer on differences in conclusions in the Agency's numbers and those of Sunrise. These are crucial factual issues. We appreciate the Agency facilitating our contacting Agency staff, Agency Special Committee, and the Agency Board so that we are able to present relevant data in that forum on behalf of Sunrise. This at least affords us an opportunity to present our views and answer questions from Agency officials. It would be more productive if the staff and engineers of the Agency and Sunrise met under circumstances in which each would be willing to candidly exchange data to at least identify the differences in approaches, data found or conclusions reached. This could result in resolution of many differences. This would present an opportunity for the Agency to explore these issues with stakeholders instead of or in addition to conducting what amounts to a quasi-judicial determination on behalf of the Agency, making the producer an applicant rather than a participating stakeholder.

At this point, we will summarize Sunrise's conclusions on the amount of water used and proper allocations thereof and will identify support for the conclusions stated. We first ask you to review Exhibit 1 which is Jeff Helsley's declaration which describes the process used to determine water production, much of which was presented in the first variance process. Mr. Helsley determined that appropriate information on water use during the test period years could be determined in two ways.

The first method of determination covers the period of time commencing in 2014 to the end of the test period. That was the period of time in which all of the wells involved in providing water to the parcels were operated by Sunrise. In that regard, Sunrise provided to Stetson electrical use data separately assigned to the active wells, including intermittent pump test data showing the reliability of the electrical records. For each year from 2014 forward, Stetson was able to accurately calculate the exact amount of water produced by each well used in its Farming Unit. And, Stetson did so utilizing the best available science. Also, it should be noted that discrepancies between the Agency's estimated water use and Sunrise's estimated groundwater production still exist for those four years. Accordingly, these discrepancies must be explained to the satisfaction of both parties.

For years 2012 and 2013, three wells were run through electricity and reliable electrical records for those wells providing water to all of the parcels were provided by the previous owner of the parcels to Sunrise and were analyzed by Stetson. Importantly, the production of alfalfa and grain hay essentially had not been modified over the 1998-2013 period. The best estimate of the amount of water use in the farm unit from 1998-2013 are the electrical records showing production of those three wells.

As an alternate basis for calculating water use, the previous owner provided the acreage use for two crops grown on the site from 1998 through 2013, for each year in that period other than 2001 and 2002. The crops were 650 acres of alfalfa at 5 acre feet per acre and 100 acres of grain hay at an additional 1.5 acre feet per acre. The total usage each of those years was determined to be 3,400 AFY. In 2001 and 2002, the alfalfa acreage was 720 which, together with 100 acres of grain hay resulted in the total water use of 3,750 AFY.

Sunrise would appreciate your consideration of projections of Sunrise's available water based on the assumption of a 5% rampdown imposed every year from 2023 through 2030, attached as Exhibit 2 hereto. The projections in Exhibit 2 assume the Agency agrees with Sunrise's data and conclusions presented here. Accordingly, should such a sustained rampdown ensue, Sunrise would have to fallow trees sometime in the 2029-2030 period. Sunrise does realize that it will bear some financial burden to be part of the solution to sustaining the Basin. But Sunrise continues to remind the Agency that its acquisition of the farm unit and its conservative use of water has generated the exact result which this Agency seeks: significant water reduction.

Sunrise already has been certified as having a Sustainable Grown Version 2.2 certificate from SCS Global Services, the first business venture to be certified in the world for growing olives. As emphasized in the first paragraph of this Second Variance Request, if Sunrise's start up years were eliminated, average water use on its property with all of its trees matured will have been reduced from 3,400-3,750 AFY to 2,050-2,400 AFY.

Exhibit 3 compares the estimated annual groundwater production presented by the Agency and Sunrise. This creates a stark contrast for Sunrise in which its mature olive trees would have to be fallowed significantly within a five year period if the Agency model is put into play on its path into the late 2020s. This is due to the rampdown starting at 2,568 AFY and dwindling by approximately 500 AF by 2027. In fact, either scenario only provides five to eight years of production to Sunrise. This is not a fair result supported by the best available science and would not provide Sunrise any choice but to legally resist implementation of that scenario. Sunrise intends to permanently operate the exceptional olive oil business in which they are engaged in Cuyama and by which, as stated above, they will have eliminated a substantial percentage of the water previously used on the same parcels.

At some time we would like to speak with the Agency on the following subjects which could mitigate financial hardship to the growers as demonstrated in Exhibits 2 and 3 while still reaching the Agency's sustainability goals:

1. The concept of a producer carrying over unused water allocations from year to year which would cushion the rampdown by allowing water that could have been pumped in one year to be pumped at a later time. The end result would be the same amount of pumping which would have been expected by the allocations made by the Agency during rampdown.

2. The concept of creating transferability between parties holding allocations, to cushion the impact on both parties.

3. The concept of settling with a producer on a total amount of water which may be produced throughout the rampdown period with only the annual amount left at the end of rampdown to be produced thereafter.

These devices have been successful elsewhere in providing businesses management alternatives during rampdown, avoiding litigation and supporting the sustainability agencies in reaching basin balance.

We thank you in advance for your anticipated thoughtful attention to this variance request.

Very truly yours,

RICHARDS, WATSON & GERSHON
A Professional Corporation

James L. Markman

Attachments (Exhibit 1 (Helsley Declaration and Attachment A thereto); and Exhibits 2 and 3)

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EXHIBIT 1

DECLARATION OF JEFFREY D. HELSLEY IN SUPPPORT OF SUNRISE RANCH PROPERTIES' LLC'S SECOND VARIANCE REQUEST

I, Jeffrey D. Helsley, declare as follows:

1. I am a civil engineer licensed in the State of California. I have a Bachelor of Science degree in Civil Engineering from California State University, Los Angeles, and a Master of Science Degree in Environmental Engineering from the University of Southern California. I have been working as an engineer in the fields of water resources and environmental engineering for 40 years. Some of my relevant experience includes managing the preparation of a conceptual level Practicably Irrigated Acreage analysis to support the quantification of the water rights of a Native American Tribe's reservation, managing the development and preparation of a California Department of Water Resources approved Groundwater Sustainability Plan, managing groundwater modeling investigations, and preparation of planning documents that included review of historical water use and projections of future water use.

2. In addition, I have managed the design of several groundwater water production, treatment, and distribution facilities. I am the Engineering Manager for the Covina, California office of Stetson Engineers Inc. ("Stetson"). My duties as Engineering Manager include hiring and training qualified engineering staff, planning project staffing, providing quality control of engineering deliverables, high level project guidance and problem solving, and providing senior level support for clients.

3. The law firm of Richards, Watson & Gershon has retained Stetson on behalf of the mutual client, Sunrise Ranch Properties, LLC ("Sunrise"). I have personal knowledge of the facts set forth in this Declaration and, if called as a witness, could and would testify competently to such facts under oath.

Overview of Sunrise Ranch Properties, LLC

4. Since May 2014, Sunrise Ranch has been growing olives in the Cuyama Basin, located south of the Highway 33 and Highway 166 intersection and east of the

Cuyama River along the boundary between San Luis Obispo and Santa Barbara Counties. Sunrise Ranch owns 1,085 acres of land which includes 880 acres of gross farmed land and 810 acres of net farmed land. Land not used for farming is purposed for residential homes and milling or are mountainous areas.

5. Sunrise Ranch farms high density olive orchards with an ultimate water demand of between 2,050 acre-feet per year and 2,430 acre-feet per year for the farmed land. Sunrise Ranch's farming practices include state-of-the-art irrigation efficient technology, maintenance of their assets including an olive oil processing plant, 3 currently active wells, 2 inactive wells, 2 reservoirs, and drip irrigation lines.

6. Prior to the start of planting the orchards in 2014, the previous owner of the land reported that he farmed alfalfa (650 acres at 5 acre-feet per acre) and grain hay (100 acres at 1.5 acre-feet per acre) on the Sunrise Ranch land from at least 1998 through 2011, with exception of 2001 and 2002. The previous owner reported that during 2001 and 2002 he farmed a larger acreage of alfalfa (720 acres at 5 acre-feet per acre) along with the same acreage of grain hay. The previous owner of the land has reported that the cropping pattern and annual water usage remained the same from 1998 through 2011, with exception of 2001 and 2002.

Determination of Water Usage

7. Sunrise Ranch provided Stetson with monthly well pump electrical bills for its three (3) active wells from Pacific Gas and Electric Company (PG&E) for 2012 and 2013. In addition, Sunrise Ranch provided a spreadsheet that includes information from monthly electrical bills for its three (3) active wells from 2014 to 2021. Furthermore, the Farm Pump & Irrigation Company, Inc. provided well pump tests for each of Sunrise Ranch's three (3) active wells.

8. Sunrise Ranch Well 1 was pump tested during the years 2020 and 2022. In 2020, Sunrise Ranch Well 1 used approximately 1,132.74 kilowatt hours per acre-feet (kWh per AF) of groundwater produced. In 2022, Sunrise Ranch Well 1 used approximately 815.80 kWh per AF of groundwater produced.

9. Sunrise Ranch Well 2 was pump tested during the years 2009, 2011, 2013, 2016, and 2020. In 2009, Sunrise Ranch Well 2 used approximately 906.61 kWh per AF of groundwater produced. In 2011, Sunrise Ranch Well 2 used approximately 1,011.54 kWh per AF of groundwater produced. In 2013, Sunrise Ranch Well 2 used approximately 968.70 kWh per AF of groundwater produced. In 2016, Sunrise Ranch Well 2 used approximately 979.28 kWh per AF of groundwater produced. In 2020, Sunrise Ranch Well 2 used approximately 1,136.52 kWh per AF of groundwater produced.

10. Sunrise Ranch Well 3 was pump tested during the years 2006, 2011, 2013, 2020 and 2022. In 2006, Sunrise Ranch Well 3 used approximately 995.93 kWh per AF of groundwater produced. In 2011, Sunrise Ranch Well 3 used approximately 992.40 kWh per AF of groundwater produced. In 2013, Sunrise Ranch Well 3 used approximately 1,021.74 kWh per AF of groundwater produced. In 2020, Sunrise Ranch Well 3 used approximately 1,522.27 kWh per AF of groundwater produced. In 2022, Sunrise Ranch Well 3 used approximately 1,350.81 kWh per AF of groundwater produced.

11. Water production from Sunrise Ranch's Wells 1 through 3 were calculated using crop types, acreages planted, and water use rates reported by the previous owner of the land for years 1998 through 2011, and the kWh use from monthly energy bills provided by PG&E for 2012 and 2013, the spreadsheet provided by Sunrise Ranch that includes information from monthly electrical bills for 2014 through 2021, and the energy usage per AF from each well's pump test records.

12. **Attachment A** shows groundwater pumped from 1998 through 2017 for Sunrise Ranch's Wells 1 through 3. Attachment A was prepared under my direction and supervision. As mentioned above, the previous owner of the land has reported to Sunrise Ranch that the cropping pattern and annual water usage has remained the same from 1998 through 2011, with exception of 2001 and 2002. Therefore, the estimated pumping from 1998 through 2011 was calculated based on the previous owner of the land's reported farming of alfalfa (650 acres at 5 acre-feet per acre, or 3,250 acre-feet) and grain hay (100 acres at 1.5 acre-feet per acre, or 150 acre-feet) for a total of 3,400 acre-feet per year from

at least 1998 through 2011, with exception of 2001 and 2002. The estimated pumping for 2001 and 2002 was calculated based on the previous owner of the land's reported farming of alfalfa (720 acres at 5 acre-feet per acre, or 3,600 acre-feet) and grain hay (100 acres at 1.5 acre-feet per acre, or 150 acre-feet) for a total of 3,750 acre-feet for both 2001 and 2002.

13. The pumping for 2012 and 2013 was calculated using the monthly electrical bills provided by PG&E for 2012 and 2013 and the pump test records for the three (3) wells. In addition, the estimated pumping from 2014 through 2017 was calculated using the spreadsheet provided by Sunrise Ranch that includes information from monthly electrical bills from 2014 to 2021, and the energy usage per AF from each well's pump test records.

14. Sunrise Ranch also owns a fourth well that is not electrically powered and is not included as part of the Table in Attachment A.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this 2nd day of March, 2023, at Covina, California.

Jeffrey D. Helsley

ATTACHMENT A

SUNRISE RANCH, LLC

CUYAMA BASIN GSA VARIANCE APPLICATION

WATER USE RATES MODELED BY THE CBGSA VS. CURRENT VERIFICATION

YEAR	ANNUAL WATER		SUNRISE RANCH RECORD NOTES	
	MODELED BY GSA (APPLIED WATER)	PUMPING PER VERIFICATION OF PUMPING RECORDS	HISTORY OF LAND USE	WATER USE DATA SOURCE
1998	2,161.28	3,400.00	Previous owner growing alfalfa and grain hay. Previous owner also using own wells to water 200 acres of rented land outside of Sunrise Ranch.	Previous owner stated consistent relative acreages of alfalfa and grain hay grown from at least 1998 through 2011 (650 acres of alfalfa and 100 acres of grain hay), with exception of 2001 and 2002 where a larger acreage of alfalfa (720 acres) was planted. Total water use from 1998 through 2011 based on statements by the previous owner and assuming the same annual water use for 1998 through 2011, with exception of 2001 and 2002, and water use rates.
1999	2,409.00	3,400.00		
2000	3,214.25	3,400.00		
2001	2,807.78	3,750.00		
2002	3,066.50	3,750.00		
2003	2,814.79	3,400.00		
2004	3,114.28	3,400.00		
2005	2,591.72	3,400.00		
2006	2,319.92	3,400.00		
2007	2,636.21	3,400.00		
2008	2,992.38	3,400.00		
2009	2,952.02	3,400.00		
2010	2,564.33	3,400.00		
2011	2,500.50	3,400.00		
2012	2,992.45	3,419.83		Previous Owner's 2012 Electrical Bills
2013	3,059.49	3,270.72		Previous Owner's 2013 Electrical Bills
2014	1,085.06	157.23	Sunrise Ranch starts planting in May 2014 with 180 acres. During a portion of the year, previous owner continued to grow alfalfa.	Sunrise Ranch Eletrical Bills
2015	860.71	411.09	Sunrise Ranch plants 320 acres	
2016	759.17	420.28	No new planting	
2017	873.47	709.70	Sunrise Ranch plants 160 acres	
AVERAGE	**2,388.77**	**2,834.44**		
TOTAL	47,775.31	56,688.84		

EXHIBIT 2

SUNRISE RANCH, LLC
CUYAMA BASIN GSA VARIANCE APPLICATION

ALLOCATION PROJECTIONS BASED ON VERIFIED PUMPING DATA FOR WELLS 1 THROUGH 3

Parameters for Estimated Allocation	
2021 Total Pumping	49,968
Sustainable Yield	11,500
Overdraft	38,468
Sunrise Ranch % Share of Total Average Pumping	5.63%

Sunrise Ranch Allocations with Annual Reductions			
Year	**% Reduction (from 2021)**	**Total Pumping in CMA**	**Sunrise Ranch Allocations**
2023	5%	48,044.30	2,705.03
2024	10%	46,120.91	2,596.74
2025	15%	44,197.53	2,488.44
2026	20%	42,274.14	2,380.15
2027	25%	40,350.76	2,271.86
2028	30%	38,427.38	2,163.57
2029	35%	36,503.99	2,055.28
2030*	40%	34,580.61	1,946.98

NOTES: Assumes all annual reductions are by 5%. ; Sunrise Ranch has projected that they will require at least 2,050 AF of allocations when their trees reach full maturity in 2027. If reductions continue, Sunrise Ranch will not have enough water by 2030.

EXHIBIT 3

SUNRISE RANCH, LLC

CUYAMA BASIN GSA VARIANCE APPLICATION

WATER USE RATES MODELED BY THE CBGSA VS. CURRENT VERIFICATION

YEAR	ANNUAL WATER		SUNRISE RANCH RECORD NOTES	
	MODELED BY GSA (APPLIED WATER)	PUMPING PER VERIFICATION OF PUMPING RECORDS	HISTORY OF LAND USE	WATER USE DATA SOURCE
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1999	2,409.00	3,400.00		
2000	3,214.25	3,400.00		
2001	2,807.78	3,750.00		
2002	3,066.50	3,750.00		
2003	2,814.79	3,400.00		
2004	3,114.28	3,400.00		
2005	2,591.72	3,400.00		
2006	2,319.92	3,400.00		
2007	2,636.21	3,400.00		
2008	2,992.38	3,400.00		
2009	2,952.02	3,400.00		
2010	2,564.33	3,400.00		
2011	2,500.50	3,400.00		
2012	2,992.45	3,419.83		Previous Owner's 2012 Electrical Bills
2013	3,059.49	3,270.72		Previous Owner's 2013 Electrical Bills
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2017	873.47	709.70	Sunrise Ranch plants 160 acres	
AVERAGE	**2,388.77**	**2,834.44**		
TOTAL	47,775.31	56,688.84		

TECHNICAL MEMORANDUM

VARIANCE REQUEST CROP MAPPING REVIEW OF CUYAMA GROUNDWATER BASIN FROM 1998 TO 2017

PREPARED FOR:	Brian Van Lienden/Woodard Curran Taylor Blakslee/Hallmark Group
PREPARED BY:	Adriana Joosep/Land IQ
DATE:	December 31, 2024, updated January 13, 2025

INTRODUCTION

The Cuyama Valley groundwater basin is in the process of setting groundwater allocations for the next five years. These allocations are based on historical estimated water use from the period of 1998 to 2017. Historical water use was calculated by the groundwater sustainability agency (GSA) based on crop mapping information provided by Land IQ from 2000, 2003, 2006, 2009, 2012, 2014, and 2016, crop type water use estimates and other site-specific knowledge. Landowners can submit variance requests if they disagree with the historical period's estimated water use for their parcels. As a result, Land IQ was asked to do two things: 1) verify crop mapping information previously provided for years 2000, 2003, 2006, 2009, 2012, 2014, and 2016 is correct and 2) identify crops produced in years that did not have crop mapping provided (1998, 1999, 2001, 2002, 2004, 2005, 2007, 2008, 2010, 2011, 2013, 2015 and 2017) for applicable variances.

VARIANCE REQUEST FINDINGS

Land IQ reviewed three variance requests on six parcels with respect to crop type and acreage produced from 1998 to 2017. All available Landsat 7 imagery from 2000 to 2017 and all available Landsat 4-5 imagery from 1998 to 1999 was reviewed. Google Earth and National Agriculture Imagery Program (NAIP) imagery were also used. Each variance request is addressed below with regard to crop acreage only.

DAVID LEWIS – APN 149-170-006

- Figure 1 shows the parcel extent.
- The variance states 38 acres of pistachios were planted in 2015.
    - In Land IQ's 2016 mapping, 10.5 acres of newly planted pistachios were mis-classified as idle.
    - With this correction, the total calculated pistachio acreage is 31.7 acres compared to 38 acres stated in the variance.
- The variance states there are 2 acres of lavender.
    - In Land IQ's mapping, this is mis-classified as misc. subtropical. Land IQ would typically indicate lavender as Flowers, Nursery and Christmas Tree Farms.
    - With this correction, the calculated lavender acreage is 1.6 acres compared to 2 acres stated in the variance.
- The variance states that prior to acquiring the property in 2006, the previous owners were engaged in hay farming. The most recent hay farming activity that could be identified in historical imagery occurred in 1998. From 1999 forward, no hay crops were observed.
- **Table 1** provides an updated acreage summary by crop type and year as a result of this review.

Figure 1. David Lewis – APN 149-170-006 extent.

Table 1. Updated crop acreage summary by year for the David Lewis variance request.

Year	Idle	Misc. Grain	Acres Pistachios	Lavender	Total Cropped
1998		73.6			73.6
1999	73.6				0
2000	55.1				0
2001	55.1				0
2002	55.1				0
2003	55.1				0
2004	55.1				0
2005	55.1				0
2006	55.1				0
2007	55.1				0
2008	55.1				0
2009	55.1				0
2010	55.1			1.6	1.6
2011	55.1			1.6	1.6
2012	55.1			1.6	1.6
2013	55.1			1.6	1.6
2014	58.5			1.6	1.6
2015	26.8		31.7	1.6	33.4
2016			31.7	1.6	33.4
2017			31.7	1.6	33.4

DARIA TRUST – APN 149-180-016

- Figure 2 shows the parcel extent.
- The variance states they have leased 40 acres of irrigated land, but the calculated farmed area within the parcel is 34.7 acres at its greatest extent in 2009.
- There are other slivers of cropped land within the GIS parcel boundary, but it appears that the GIS boundary is slightly mis-aligned and is shifted Southeast as indicated by its misalignment with Ballinger Canyon Rd, dirt roads, and vegetation changes. Because this is likely an error in the GIS boundary, this acreage is not included in the summary.
- The variance states that since the land was purchased in 2009, alfalfa and carrots have been grown and prior to the purchase, alfalfa was grown.
    - Review showed that carrot production occurred on the property back in 1999 and 2000. The more recent carrot production described in the variance is not included in the historical period as it did not begin until after 2017 (Table 2).
    - Additionally, review showed that a rotation of alfalfa and misc. grain and hay was grown on the land during the historical period (Table 2).

Table 2. Updated crop acreage summary by year for the Daria Trust variance request.

	Acres				
Year	Idle	**Alfalfa**	**Misc. Grain**	**Carrots**	Total Cropped
1998		32.4			32.4
1999		32.4			32.4
2000		32.4			32.4
2001			32.4		32.4
2002			32.4		32.4
2003				32.4	32.4
2004				32.4	32.4
2005			32.5		32.5
2006			32.5		32.5
2007			32.5		32.5
2008		33.2			33.2
2009	1.5	33.2			33.2
2010		33.2			33.2
2011		33.2			33.2
2012	1.9	32.5			32.5
2013			32.3		32.3
2014			32.3		32.3
2015			32.3		32.3
2016			33.1		33.1
2017		33.1			33.1

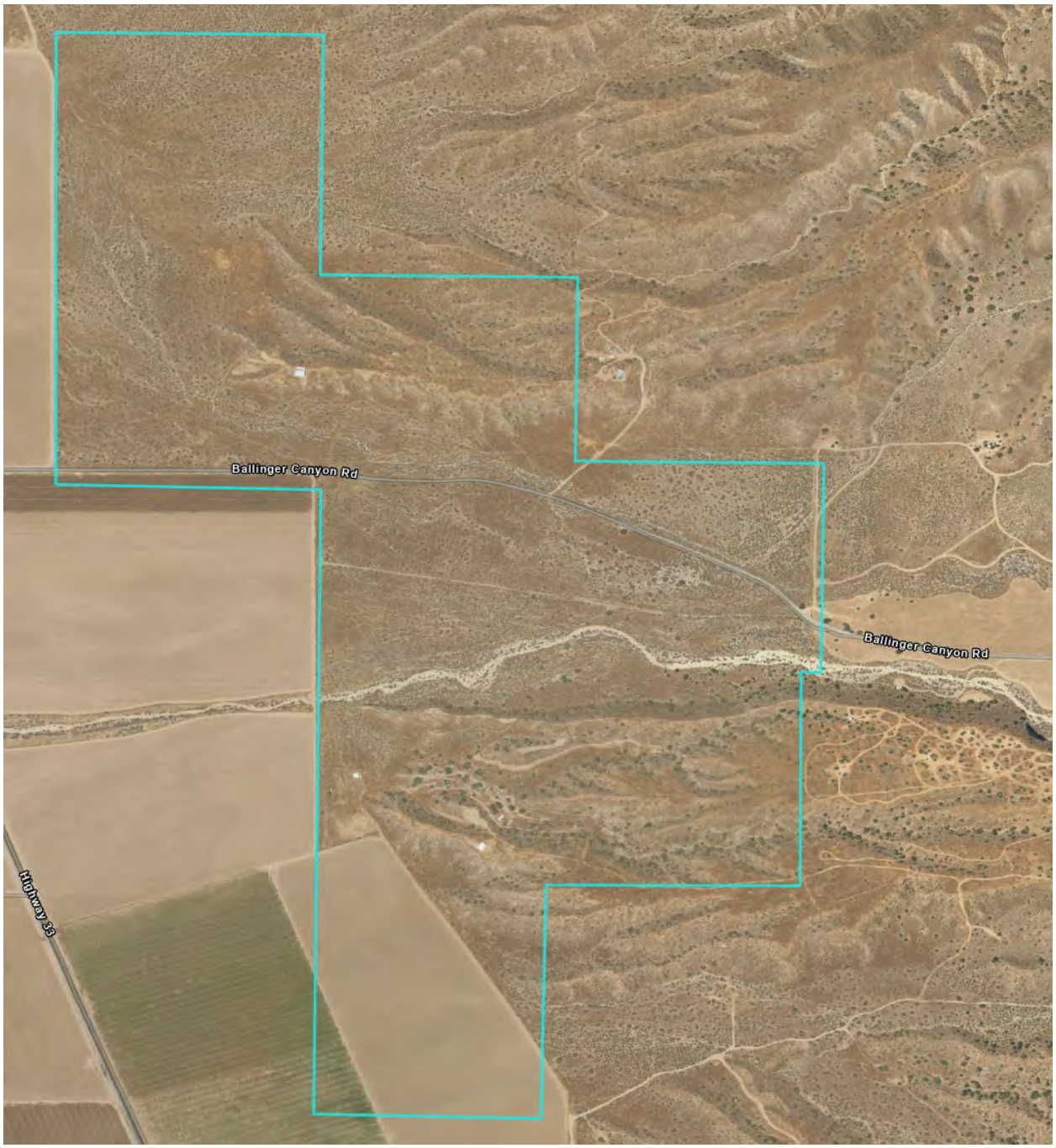


Figure 2. Daria Trust - APN 149-180-016 extent.

HOEKSTRA –

APNs 149-150-017, 149-150-019, 149-150-024, 149-150-026

- Figure 3 shows the parcel extent.
- The variance request discusses water use associated with the animal operation. Land IQ's crop mapping does not inform livestock water use. It only informs crop water use. Livestock water use must be accounted for by other means and is likely significant.
- Updated crop acreage is available in Tables 3 – 6 by APN.
- Review of cropping during the historical period found the following exclusions that have since been included:
    - A 4.2 acre pasture installed in 2012
    - Cropped area within some pivot corners
    - Pistachio plantings occurring in 2016 totaling 1.5 acres

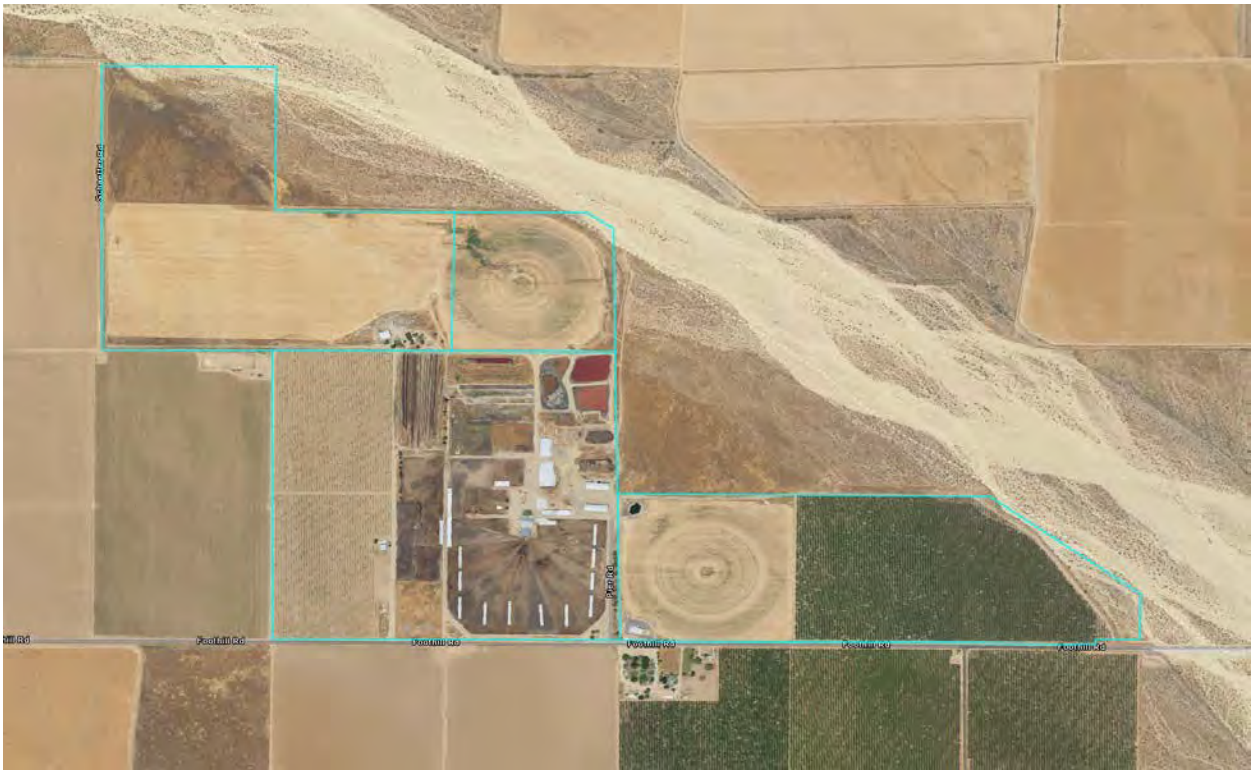


Figure 3. Hoekstra – APNs 149-150-017, 149-150-019, 149-150-024, 149-150-026 extent.

Table 3. APN 149-150-017 updated crop acreage summary by year for the Hoekstra variance request.

Year	Idle	Misc. grain	Mixed Pasture	Acres Pistachios	Corn, sorghum and sudan	Misc. truck	Total Cropped
1998	6.1	78.3					78.3
1999		84.4			78.3		162.8
2000		78.3			78.3		156.7
2001		84.4			78.3		162.8
2002		78.3			78.3		156.7
2003		78.3					78.3
2004		78.3			32.9		111.3
2005		78.3					78.3
2006	18.0	60.4				60.4	120.7
2007		78.3			78.3		156.7
2008		78.3			78.3		156.7
2009		77.6					77.6
2010		77.6			77.6		155.2
2011		77.6			77.6		155.2
2012		81.9			81.9		163.9
2013		81.9			81.9		163.9
2014		82.5			82.5		165.0
2015		82.5			82.5		165.0
2016		87.8			81.7		169.6
2017		87.8			81.7		169.6

Table 4. APN 149-150-019 updated crop acreage summary by year for the Hoekstra variance request.

Year	Idle	Misc. grain	Mixed Pasture	Pistachios	Corn, sorghum and sudan	Misc. truck	Total Cropped
				Acres			
1998							0.0
1999							0.0
2000							0.0
2001							0.0
2002							0.0
2003							0.0
2004							0.0
2005							0.0
2006	34.0						0.0
2007	34.0						0.0
2008		34.0			34.0		68.1
2009		34.7			34.7		69.4
2010		34.7			34.7		69.4
2011		34.7			34.7		69.4
2012		35.1			35.1		70.1
2013		35.1			35.1		70.1
2014		33.7			33.7		67.4
2015		33.7			33.7		67.4
2016		34.2			34.2		68.3
2017		34.2			34.2		68.3

Table 5. APN 149-150-024 updated crop acreage summary by year for the Hoekstra variance request.

Year	Idle	Misc. grain	Mixed Pasture	Pistachios	Corn, sorghum and sudan	Misc. truck	Total Cropped
				Acres			
1998		36.4					36.4
1999	30.3						0.0
2000		30.3					30.3
2001		30.3					30.3
2002		30.3				30.3	60.5
2003		30.3				30.3	60.5
2004		30.3				30.3	60.5
2005		30.3					30.3
2006		28.7				28.7	57.4
2007		28.7				28.7	57.4
2008		28.7					28.7
2009		34.7					34.7
2010	34.7						0.0
2011		18.1					18.1
2012	18.1		4.2				4.2
2013	22.3						0.0
2014	18.1		4.2				4.2
2015	18.1		4.2				4.2
2016		18.1	4.2		18.1		40.5
2017	18.1		4.2				4.2

Table 6. APN 149-150-026 updated crop acreage summary by year for the Hoekstra variance request.

Year	Idle	Misc. grain	Mixed Pasture	Acres Pistachios	Corn, sorghum and sudan	Misc. truck	Total Cropped
1998		38.3		59.6			97.8
1999		38.3		59.6			97.8
2000		38.3		59.6			97.8
2001		38.3		59.6			97.8
2002		38.3		59.6	38.3		136.1
2003		38.3		59.6	38.3		136.1
2004		38.3		59.6	38.3		136.1
2005		38.3		59.6			97.8
2006		38.3		59.6	38.3		136.1
2007		38.3		59.6			97.8
2008		38.3		59.6	38.3		136.1
2009		39.7		59.6	39.7		138.9
2010		37.8		59.6	37.8		135.1
2011		37.8		59.6	37.8		135.1
2012		37.8		59.6	37.8		135.1
2013		37.8		59.6	37.8		135.1
2014		37.8		59.6	37.8		135.1
2015		39.1		59.6	39.1		137.8
2016		39.1		61.1	39.1		139.4
2017		39.1		61.1	39.1		139.4

SUNRISE RANCH PROPERTIES

APN variance review list:

096-201-015, 096-201-016, 096-201-017, 096-201-018, 096-201-019, 096-201-020, 096-201-021, 096-211-027, 096-211-033, 096-211-034, 096-211-042, 096-211-043, 096-211-044, 096-211-045, 149-170-009, and 149-170-010

The variance had the following claims with regard to crop acreage:

- In all years from 1998 -2013, 650 acres of alfalfa and 100 acres of grain were grown, except from 2001 and 2002.
- In 2001 and 2002 720 acres of alfalfa and 100 acres of grain were grown.
- Olives began to be planted in May of 2014 with 180 acres along with some remaining alfalfa.
- In 2015 another 320 acres of olives were planted.
- In 2015 another 120 acres of olives were planted.

Table 7 below shows the findings of the variance review for the sixteen parcels listed. An excel attachment was delivered with the breakdown by parcel. The following findings were made:

- Alfalfa and misc. grain were grown in rotation from 1998 to 2013, but a greater amount of the acreage was misc. grain and hay and a smaller amount of acreage was alfalfa than what was claimed.
- Remaining alfalfa was not produced during the summer of 2014 when olives began being planted.
- The olive acreage and timing generally aligned with the claimed made in the variance.

Table 7. Updated crop acreage summary by year for the Sunrise Ranch variance request.

	Acres				
Year	Idle	Alfalfa	Misc. Grain	Olives	Total Cropped
1998	22.1	526.7	241.9		768.6
1999	22.1	573.2	195.3		768.6
2000	22.1	555.6	213.0		768.6
2001	22.1	521.4	247.1		768.6
2002	22.1	494.5	274.1		768.6
2003	22.1	505.9	262.7		768.6
2004	22.1	580.8	187.8		768.6
2005	22.1	552.9	215.7		768.6
2006	31.6	462.2	307.6		769.8
2007	31.6	560.0	209.8		769.8
2008	47.3	510.0	244.1		754.1
2009	24.3	470.5	308.7		779.1
2010	24.3	549.2	229.9		779.1
2011	32.5	567.4	203.6		771.0
2012	24.3	415.8	362.3		778.1
2013	24.3	490.5	287.6		778.1
2014	518.1			188.4	188.4
2015	285.9			512.0	512.0
2016	285.9			512.0	512.0
2017	121.2			670.7	670.7

January 13, 2025

Morteza Touriey
Daria Trust
Email: Irma.gloria.garay@gmail.com

RE: Recommendation of the Ad Hoc Committee in Response to Variance Request

Mr. Touriey:

The purpose of this letter is to report the recommendations of the Cuyama Basin Groundwater Sustainability Agency's (**CBGSA**) Central Management Area Ad Hoc Committee (**Committee**) regarding the Daria Trust's (the "**Trust**") variance request submitted on December 4, 2024.

First and foremost, CBGSA staff and the Committee thank you for taking the time to submit a variance request and meet to discuss that request. After our meeting on January 9, 2025, CBGSA staff and the Committee met to further discuss your request. As a result, the Committee developed and will provide to the CBGSA Board of Directors (**Board**) the following recommendation:

1. Land IQ Analysis

In CBGSA's initial response to the Trust's variance request, dated [INSERT], the Committee requested, and you provided additional information in support of the Trust's claim that "the allocation given. . . does not accurately reflect the historic use of water on [the] property." As a result, CBGSA contracted with Land IQ, who performed a review of historical crop mapping for the Trust's properties. **The Committee recommends the CBGSA update its historical pumping estimates based on Land IQ's crop mapping review, which is enclosed as Attachment A**.

Thank you again for taking the time to meet with CBGSA staff and the Committee. SGMA requires the Board to make difficult decisions regarding management of groundwater in the Basin for the benefit of all stakeholders. Receiving and understanding the concerns of groundwater users is helpful in shaping those decisions. The Committee will present its recommendations to the Board for consideration at its January 15, 2025 special meeting. As a reminder, you will have an opportunity during that meeting to present your variance request to the full Board and address any of the Committee's recommendations.

If you have any questions about the process going forward, please do not hesitate to contact Taylor Blakslee by email at tblakslee@hgcpm.com or by phone at (661) 477-3385.

Very truly yours,

Jim Beck, Executive Director

January 13, 2025

David Lewis
300 Foothill Road,
Cuyama, CA 93254
Email: cuyama2018@gmail.com

RE: Recommendation of the Ad Hoc Committee in Response to Variance Request

Mr. Lewis:

The purpose of this letter is to report the recommendations of the Cuyama Basin Groundwater Sustainability Agency's (**CBGSA**) Central Management Area Ad Hoc Committee (**Committee**) regarding your variance request submitted on December 6, 2024.

First and foremost, CBGSA staff and the Committee thank you for taking the time to submit a variance request and meet to discuss that request. After our meeting on December 20, 2024, CBGSA staff and the Committee met to further discuss your request. As a result, the Committee developed and will provide to the CBGSA Board of Directors the following recommendation:

1. Land IQ Analysis

In CBGSA's initial response to your variance request, dated [INSERT], the Committee requested and you provided additional information in support of your claim that "the prior owners of [your] property were primarily engaged in hay farming, and that water use water not recorded" and that "the accuracy of the modeling used to determine much of the controlling data has been stated to be +/- 5% and the magnitude of our variance request is well within this stated margin of error." As a result, CBGSA contracted with Land IQ, who performed a review of historical crop mapping for your property. **The Committee recommends the CBGSA update its historical pumping estimates based on Land IQ's crop mapping review, which is enclosed as Attachment A**.

2. California Water Law

In your Request, you claim that "[a]s an overlying water rights holder based on property ownership, I am entitled to sufficient groundwater for reasonable and beneficial uses, including agricultural and domestic uses, regardless of historical use." CBGSA acknowledges that nothing in SGMA nor CBGSA's groundwater sustainability plan (**GSP**) "determines or alters surface water rights or groundwater rights under common law or any provision of law that determines or grants surface water rights." (Wat. Code, § 10720.5, subd. (b).) But SGMA does expressly authorize CBGSA to establish groundwater allocations. (Wat. Code, § 10726.4, subd. (a)(2).) Further, SGMA mandates CBGSA to implement its GSP within the Basin and achieve groundwater sustainability in the Basin by 2040. Accordingly, the Committee will recommend that, unless directed otherwise by the State Legislature or ordered by a court, CBGSA continue to perform its duties under SGMA and carry out its GSP.

Thank you again for taking the time to meet with CBGSA staff and the Committee. SGMA requires the Board to make difficult decisions regarding management of groundwater in the Basin for the benefit of all stakeholders. Receiving and understanding the concerns of groundwater users is helpful in shaping those decisions. The Committee will present its recommendations to the Board for consideration at its January 15, 2025 special meeting. As a reminder, you will have an opportunity during that meeting to present your variance request to the full Board and address any of the Committee's recommendations.

If you have any questions about the process going forward, please do not hesitate to contact Taylor Blakslee by email at tblakslee@hgcpm.com or by phone at (661) 477-3385.

Very truly yours,

Jim Beck, Executive Director

January 13, 2025

Hoekstra Family Trust
4556 N Clubhouse Dr
Somis, CA 93066
Email: aaron@ftmfg.com; pdhoek@live.com; dan@bbr.law

RE: Recommendation of the Ad Hoc Committee in Response to Variance Request

Mr. Raytis:

The purpose of this letter is to report the recommendations of the Cuyama Basin Groundwater Sustainability Agency's (**CBGSA**) Central Management Area Ad Hoc Committee (**Committee**) regarding the Hoekstra Family Trust's (the "**Trust**") variance request submitted on December 6, 2024.

First and foremost, CBGSA staff and the Committee thank you for taking the time to submit a variance request and meet to discuss that request. After our meeting on December 20, 2024, CBGSA staff and the Committee met to further discuss your request. As a result, the Committee developed and will provide to the CBGSA Board of Directors (**Board**) the following recommendation:

1. Land IQ Analysis

In CBGSA's initial response to the Trust's variance request, dated [INSERT], the Committee requested, and you provided additional information in support of the Trust's claim of "gross irregularities in the modeled use numbers with respect to [your properties]." As a result, CBGSA contracted with Land IQ, who performed a review of historical crop mapping for the Trust's properties. **The Committee recommends the CBGSA update its historical pumping estimates based on Land IQ's crop mapping review, which is enclosed as Attachment A**.

2. Accounting for the Dairy

Further, CBGSA staff and the Committee reviewed the supplemental information provided regarding the dairy operations located on the properties. The Committee understands that the Dairy is a unique operation in the Cuyama Valley and **recommends that appropriate water use estimates for the Dairy be developed based on local information and verified by other studies and apply that estimate to update the Trust's historical pumping estimates.**

Thank you again for taking the time to meet with CBGSA staff and the Committee. SGMA requires the Board to make difficult decisions regarding management of groundwater in the Basin for the benefit of all stakeholders. Receiving and understanding the concerns of groundwater users is helpful in shaping those decisions. The Committee will present its recommendations to the Board for consideration at its January 15, 2025 special meeting. As a reminder, you will have an opportunity during that meeting to present your variance request to the full Board and address any of the Committee's recommendations.

If you have any questions about the process going forward, please do not hesitate to contact Taylor Blakslee by email at tblakslee@hgcpm.com or by phone at (661) 477-3385.

Very truly yours,

Jim Beck, Executive Director

January 13, 2025

Kern Ridge Growers, LLC
PO Box 455
Arvin, CA 93203
Email: bob@kernridge.com, veaster@kernridge.com

RE: Recommendation of the Ad Hoc Committee in Response to Variance Request

Mr. Pearce:

The purpose of this letter is to report the recommendations of the Cuyama Basin Groundwater Sustainability Agency's (**CBGSA**) Central Management Area Ad Hoc Committee (**Committee**) regarding Kern Ridge Grower's (**KRG**) variance request submitted on December 6, 2024.

First and foremost, CBGSA staff and the Committee thank you and KRG for taking the time to submit a variance request. While KRG declined to meet with CBGSA staff and the Committee to further discuss KRG's request, staff and the Committee nonetheless met and, as a result, will provide to the CBGSA Board of Directors (**Board**) the following recommendation:

1. California Water Law

In its request, KRG claims that the "[c]urtailment of pumping by the CBGSA is. . . improper, illegal and unenforceable because the curtailment order necessarily attempts to determine or alter groundwater rights, and threatens the security of groundwater rights in the Cuyama Basin (Basin)." Additionally, KRG claims that "[a] GSA additionally has no express or actual authority under SGMA, or otherwise, to limit or alter KRG's exercise of its established groundwater rights." This is inaccurate. While CBGSA acknowledges that nothing in SGMA nor CBGSA's groundwater sustainability plan (**GSP**) "determines or alters surface water rights or groundwater rights under common law or any provision of law that determines or grants surface water rights" (Wat. Code, § 10720.5, subd. (b)), SGMA does expressly authorize CBGSA to establish groundwater allocations. (Wat. Code, § 10726.4, subd. (a)(2).) Further, SGMA mandates CBGSA to implement its GSP within the Basin and achieve groundwater sustainability in the Basin by 2040. Accordingly, the Committee will recommend that, unless directed otherwise by the State Legislature or ordered by a court, CBGSA continue to perform its duties under SGMA and carry out its GSP.

2. Central Management Area

KRG goes on to claim that "[t]he proposed 2025-2029 CMA Allocation Program. . . violates California law by imposing geographically discriminatory pumping reductions on a subset of groundwater pumpers, even though all groundwater users share a common supply." The Committee disagrees. SGMA expressly authorizes CBGSA define one or more management areas within the Basin, establish different minimum thresholds therein, and

operate the area subject to different measurable objectives than the basin at large. (See Cal. Code Regs., tit. 23, § 354.20.) Accordingly, the Committee will recommend that CBGSA continue to enforce the boundaries of the Central Management Area.

3. Use of the Model

Finally, KRG claims that "[i]nstead of using a 'model,' the CBGSA should have used actual pumping data to determine actual water use for separate parcels in the basin." CBGSA's used the best available scientific information in establishing the proposed groundwater allocations. The information and data CBGSA used to develop the proposed groundwater allocations is available to the public upon request, much of which has been discussed in depth at past meetings of the Board. If you would like any of this data, please contact Taylor Blakslee by email at tblakslee@hgcpm.com or by phone at (661) 477-3385. Mr. Blakslee will work with you to provide the appropriate information.

Thank you again for taking the time to meet with CBGSA staff and the Committee. SGMA requires the Board to make difficult decisions regarding management of groundwater in the Basin for the benefit of all stakeholders. Receiving and understanding the concerns of groundwater users is helpful in shaping those decisions. The Committee will present its recommendations to the Board for consideration at its January 15, 2025 special meeting. As a reminder, you will have an opportunity during that meeting to present your variance request to the full Board and address any of the Committee's recommendations.

If you have any questions about the process going forward, please do not hesitate to contact Taylor Blakslee by email at tblakslee@hgcpm.com or by phone at (661) 477-3385.

Very truly yours,

Jim Beck, Executive Director

TO: Board of Directors
Agenda Item No. 11b

FROM: Taylor Blakslee

DATE: January 15, 2025

SUBJECT: Discuss and Take Appropriate Action on GSA Project Prioritization/Schedule

Recommended Motion
Board feedback requested.

Discussion
During the development of the amended 2024 Groundwater Sustainability Plan (GSP), several policy/projects were identified by the Board to consider at a future time and a draft project/policy prioritization list was developed to assist in developing a roadmap to implement these policies/projects over the next five-year period (see **Attachment 1**).

Staff is requesting Board feedback on the project/policy list, ranking criteria and process which is provided as **Attachment 2**.

Attachment 1

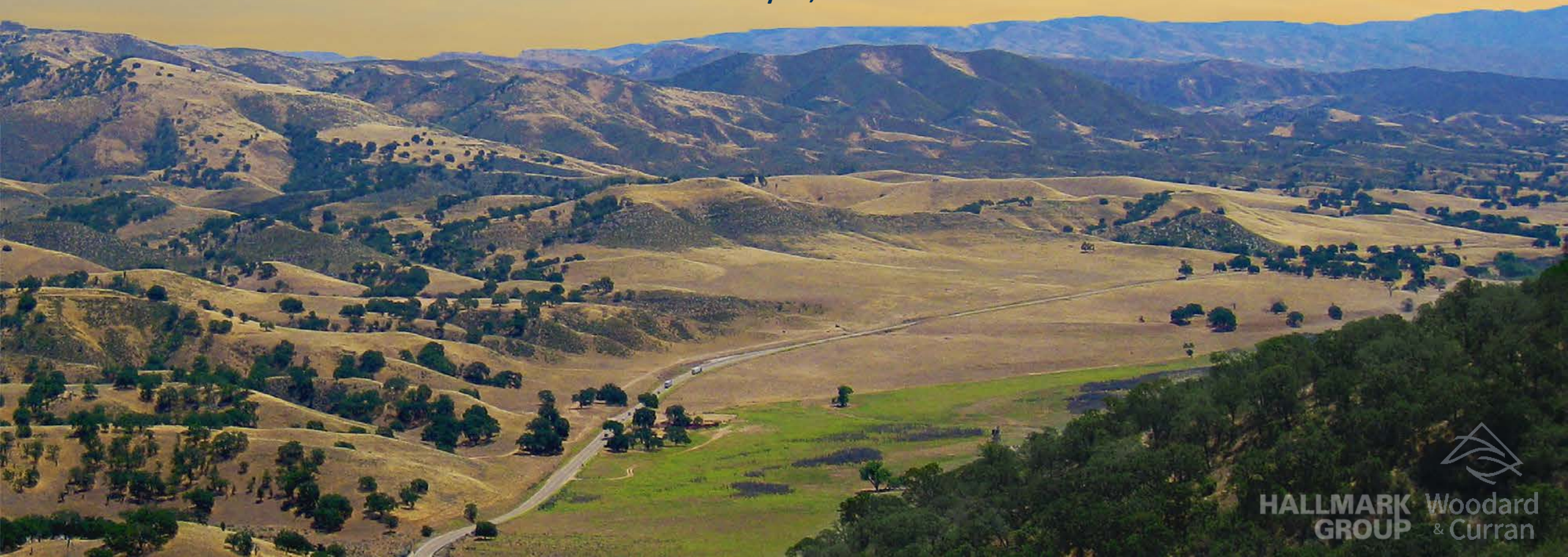
	Cuyama Project Prioritization List				Ranking Criteria			
	Title	**Description**	**Goal**	**Level of Effort**	Importance	Urgency	~~Impact~~	~~Cost Effectiveness~~
					Rank 1-5 (1 = high, 5 = low)	*Enter a year between 2025-2029*		
					How important is it for the GSA to implement this action?	*Between 2025 and 2029, when should this action be implemented?*		
A.	Technical Updates / Data Gaps / Other							
	Model Updates							
A.1	Evapotranspiration Study	Investigate crop ET values used in model to estimate pumping	Improve crop ET estimates used in the model	Medium				
A.2	Irrigation Efficiency/Methods Study	Investigate irrigation methods and efficiencies	Improve irrigation efficiency estimates used in the model	Medium				
A.3	Deep Percolation Study	Review deep percolation assumptions and consider potential refinements	Improve deep percolation representation used in the model	High				
A.4	Model Recalibration/Update	Update model ahead of 2030 GSP update (consider ag planning horizon)	Update model at least every 5 years per GSP	High				
	Additional Fault Investigations							
A.5	Santa Barbara Canyon Fault	Further investigations to determine fault location (e.g. north line) and permiability	Improve understanding of geology and impact on groundwater flow	High				
A.6	Russell Fault	Investigate salinity changes on both sides of fault given water flowing over top	Improve understanding of geology and impact on groundwater flow	High				
A.7	Ozena	Additional investigation (not studied yet)	Improve understanding of geology and impact on groundwater flow	High				
	Interconnected Surface Water (ISW)							
A.8	ISW Depletion Study	Perform Analysis to Estimate ISW Depletion Caused by Groundwater Use (per DWR guidance)	Appropriately manage ISWs per DWR guidance	High				
A.9	ISW Sustainable Management Criteria and Monitoring Network	Develop udpated monitoring network and SMCs per DWR guidance	Appropriately manage ISWs per DWR guidance	Medium				
	Groundwater Monitoring Network							
A.10	New Montioring Wells	Install new, dedicated monitoring wells to replace active pumping wells	Improve quality of gw level data collected	High				
A.11	Monitoring Well Telemetry	Install telemetry for monitoring network	Improve frequency of data and reduced data collection effort	Medium				
	Land Use							
A.12	Land Repurposing Grants / Incentives	*TBD*	*TBD*	*Unknown*				
A.13	Irrigation Efficiency Grants / Incentives	*TBD*	*TBD*	*Unknown*				
	Outreach							
A.14	Newsletters	Newsletters to describe recent GSA activities	Continue education/outreach to stakeholders	Low				
A.15	Workshops	Periodic public workshops to educate and received feedback from the public	Continue education/outreach/feedback to stakeholders	Medium				
B.	Management Actions							
	CMA Allocations							
B.1	Carryover Policy	Develop policy to allow unused allocated water to be carried over to the next year	Provide water management flexibility to irrigators	Low				
B.2	Water Market	Develop a water market in the basin	Provide water management flexibility to irrigators and non-irrigotors	Medium				
B.3	Tiered Allocation Approach (e.g. Minimum Allocation)	Establish a tiered allocation system	Consider different use classes in groundwater allocations	Medium				
	Expanded Allocations							
B.4	Ventucopa Management Area	Peform additional studies to determine if allocations are warranted in the Ventucopa MA	Determine if allocations in the Ventucopa MA are Warranted	High				
B.5	Allocations Outside Existing Management Areas	Perform qualitative assessment during each Annual Report	Determine if allocations are appropriate outside existing MAs	Medium				
C.	Projects							
	Flood and Stormwater Capture							
C.1	Project Feasiblity Study	Perform detailed analysis of project pending results from water rights analysis	Determine feasibility of stormwater capture project	High				
	Water Supply Transfers/Exchanges							
C.2	*Companion Project to Flood and Stormwater Capture*	Consider this component as part of the Flood and Stormwater feasibility study	Determine feasibility of water transfers/exchanges as part of a Storm Wa	High				
	Precipitation Enhancement							
C.3	Project Feasibility Study	Perform detailed analysis of project pending results from DRI study	Determine feasbility of precip enhancement project	High				
	Improve Reliability of Water Supplies for Local Communities							
C.4	CCSD Well 2	Consider opportunities to improve water supply reliability for CCSD	Improve water supply reliability	*Unknown*				
C.5	Ventucopa Water Supply Company Well	Consider opportunities to improve water supply reliability for VWSC	Improve water supply reliability	*Unknown*				
	Flow Meter Calibration Program							
C.6	Flow Meter Calibration Program	Develop a flow meter calibration program including funding mechanism	Improve accuracy of groundwater pumping measurements	Medium				

Cuyama Basin Groundwater Sustainability Agency

11b. Discuss and Take Appropriate Action on GSA Project Prioritization/Schedule

Jim Beck

January 15, 2025



HALLMARK GROUP Woodard & Curran

Project Prioritization Overview

- During the amended GSP development several policy/projects were identified by the Board to consider at a future time.
- Staff developed a project prioritization list to assist in developing a roadmap to implement these policies/projects.
- The project list is a ***draft*** and staff's initial effort which we expect will be refined with SAC/Board feedback
- Recommended Project Prioritization Process:
  - Confirm policy/project list and ranking criteria with SAC/Board
  - Once list is confirmed, distribute to SAC/Board to rank
  - Staff to aggregate rankings and present prioritized list to SAC/Board at subsequent meeting including draft schedule for SAC/Board approval
  - Staff to begin developing policies/projects with Board direction
- Review of project list/ranking criteria/template
- **Board Feedback:**
  - **Any edits to policy/project list or template?**
  - **Any changes to the recommended process?**

SAC Feedback

Project/Policy List

- Include water age testing to help understand water migration
- Consider prescriptive burns
- Consider vegetation management
- Consider establishing allocations based on current use
- Remove carryover and water markets

Ranking Criteria

- Consider defining each ranking criteria
- Consider combining impact and importance criteria

TO: Board of Directors
Agenda Item No. 11c

FROM: Alex Dominguez

DATE: January 15, 2025

SUBJECT: Discuss and Take Appropriate Action on Stormwater Capture Surface Rights Analysis

Recommended Motion
None – information only.

Discussion
In section 7.4.1 of the Cuyama Basin Groundwater Sustainability Agency (CBGSA) Groundwater Sustainability Plan (GSP), the capture and recharge of flood and storm water within the Basin is listed as a potential project. An overview of project background and findings is provided as **Attachment 1.**

Legal Counsel prepared a Legal Memorandum explaining the process by which CBGSA can apply for the legal appropriation and storage of any flood and storm water within the Basin, which is provided as **Attachment 2**.

Legal Analysis of Potential Flood and Storm Water Capture Project

Alex Dominguez

Background

- Section 7.4.1 of the GSP lists the capture and recharge of flood and storm water within the Basin as a potential project.

- Woodard & Curran prepared a “Draft Technical Memorandum” analyzing the “Availability of Water for Diversion for Potential Stormwater Capture Project in the Cuyama Basin.”

- Legal Counsel prepared a Legal Memorandum explaining the process by which CBGSA can apply for the legal appropriation and storage of any flood and storm water within the Basin.

Findings

- SGMA authorizes CBGSA to pursue projects for the appropriation and storage of surface water, including flood and storm water.

- To appropriate and store flood and storm water, CBGSA must first obtain an appropriative water right license or permit from the State Board. And the State Board will only issue a water right license or permit for unappropriated water.

- Woodard & Curran determined that approximately 9,300 to 17,400 acre-feet of water is available for appropriation within the Cuyama River in approximately one out of every ten years.

- CBGSA must apply for, and the State Board must issue, an appropriative water right license or permit.

- To fund this potential project, CBGSA must impose a new assessment or fee under Water Code section 10730 and comply with Proposition 218.

Klein · DeNatale · Goldner
ATTORNEYS AT LAW

TO: Jim Beck, Taylor Blakslee

FROM: Alex N. Dominguez

DATE: January 13, 2025

RE: Potential Flood and Stormwater Capture Project

INTRODUCTION

Section 7.4.1 of Cuyama Basin Groundwater Sustainability Agency's (**CBGSA**) Groundwater Sustainability Plan (**GSP**) identifies the capture (i.e., appropriate) and recharge (i.e., storage) of flood and stormwater within the Cuyama Valley Groundwater Basin (**Basin**) as a potential project to facilitate sustainable groundwater management within the Basin. The GSP acknowledges, however, that additional analyses are needed to determine the feasibility of this proposed project.

The first of those additional analyses is a water rights and availability analysis. On December 31, 2024, CBGSA's technical consultant, Woodard & Curran, provided legal counsel with its "Draft Technical Memorandum" analyzing the "Availability of Water for Diversion for Potential Stormwater Capture Project in the Cuyama Basin," which is attached as **Appendix A** (**Technical Memo**).

The second of those additional analyses is this legal memorandum; the purpose of which is to explain the process by which CBGSA can apply for the legal appropriation and storage of any flood and storm water within the Basin.

BRIEF ANSWER

The Sustainable Groundwater Management Act (**SGMA**) authorizes CBGSA to pursue water supply projects, such as the appropriation and storage of flood and storm water within the Basin. According to Woodard & Curran, approximately 9,300 to 17,400 acre-feet of unappropriated water exists within the Cuyama River in approximately one out of every ten years. To appropriate this water, CBGSA must apply for, and the State Water Resources Control Board (**State Board**) must issue an appropriative water right license or permit to CBGSA. To fund the costs of this potential project, CBGSA will likely need to impose a new fee under Water Code, section 10730.2 in accordance with Proposition 218.

ANALYSIS

I. SGMA authorizes CBGSA to pursue projects for the appropriation and storage of surface water, including flood and storm water.

Water Code, section 10726.2, subdivision (b) authorizes a GSA to:

> Appropriate and acquire surface water or groundwater and surface water or groundwater rights, import surface water or groundwater

> into the agency, and conserve and store within or outside the agency that water for any purpose necessary or proper to carry out the provisions of this part, including, but not limited to, the spreading, storing, retaining, or percolating into the soil of the waters for subsequent use or in a manner consistent with [the GSA's GSP] . . ..

Accordingly, CBGSA has the legal authority, as a GSA, to pursue projects to appropriate and store flood and stormwater within the Basin.

II. To appropriate and store flood and stormwater, CBGSA must first obtain an appropriative water right license or permit from the State Board.

To appropriate and store surface water from a stream system, including flood and storm water, a party must apply for, and the State Board must issue, an appropriative water right license or permit to divert water from the stream. (See Cal. Code Regs., tit. 23, § 650 providing that "[a]ny person who wishes to appropriate unappropriated water. . . shall file an application. . ." Importantly, the State Board will only issue a water right license or permit for *unappropriated water.* (Cal. Code Regs., tit. 23, § 695.) So, CBGSA must first determine if there is water available for appropriation from the Cuyama River, which is where flood and storm water in the Basin would run.

III. Woodard & Curran determined that approximately 9,300 to 17,400 acre-feet of water is available for appropriation within the Cuyama River in approximately one out of every ten years.

The State Board maintains a list of "Fully Appropriated Steam Systems," which are stream systems for which the State Board has declared that "the supply of water . . . is being fully applied to beneficial uses . . .." (Wat. Code, § 1205, subd. (b).) The Cuyama River is not on the State Board's list of Fully Appropriated Streams, meaning the State Board has not made that determination for the Cuyama River and, presumably, there is water is available for appropriation from the Cuyama River.

To determine the amount of water available, Woodard & Curran analyzed Twichell Reservoir operations and available streamflow data. They identified several water right holders along the Cuyama River, upstream of the Twichell Reservoir, with rights to divert up to an aggregate volume of 166,069.28 acre-feet per year. So, any water available for appropriation by CBGSA must be in excess of this volume.

Twitchell Reservoir has a storage capacity of 350,000 acre-feet, consisting of three holding pools: the conservation pool, the flood control pool, and the surcharge pool. (Technical Memo, pg. 4.) And "[w]hile most releases from the reservoir occur during drier years and are intended to provide water supplies for groundwater users downstream of the reservoir, reservoir operators also make managed releases of water during periods when there may be incursions into the flood control pool." (*Ibid.*) Between 1962 and 2023 (i.e., the period during which historical data was available), Twitchell Reservoir operators made managed releases from the reservoir to avoid incursions into the flood control pool *just six times.* (*Ibid*.) During those six managed

releases, the volumes ranged from 5,295 acre-feet to 87,150 acre-feet, with an average of 37,576 acre-feet. (*Ibid.*) This amount, however, represents the *total flow* into Twitchell Reservoir. Woodard & Curran concludes that approximately 25 percent to 46 percent, or 9,300 to 17,400 acre-feet of water, is available for appropriation within the Cuyama River in approximately one out of every ten years.

IV. CBGSA must apply for, and the State Board must issue, an appropriative water right license or permit.

The process to obtain a standard appropriative water right license is divided into three phases: (i) the application phase; (ii) the permit phase; and (iii) the license phase. (State Board, Division of Water Rights, "Process for Water Right Licensing.") After an application is filed, the State Board may issue a permit authorizing the development of a water diversion project. (*Ibid*.) Upon issuance, the applicant will be authorized to develop the project and divert water in accordance with certain conditions. (*Ibid.*) Then, once the permitted project is complete, the State Board will review the project and confirm the amount of water put to beneficial use and that the permit conditions were met. (*Ibid*.) If approved, the State Board will issue a water right license, thereby completing the process. (*Ibid*.)

While a party may pursue a permit without the intent of later acquiring a standard water right license, a party may not pursue a standard water right license without first acquiring a permit. The State Board issues several types of permits, including a temporary urgency permit (also referred to as a "180-day Temporary Permit") and a temporary permit for diversion to underground storage (also referred to as a "5-year Temporary Permit"). Each temporary permit provides the permittee with conditional authority to divert and use water that has not already been claimed by a water right holder. (Wat. Code, §§ 1425; 1433.1.) The processing time for 180-day Temporary Permits is estimated at 3 to 4 months and for 5-Year Temporary Permits is estimated at 9 to 12 months.

The fees associated with each permit largely depend on the amount of water the party intends to divert. For example, if CBGSA intends to divert more than 10 acre-feet but less than 200 acre-feet, the application fee will be $40,000. If CBGSA intends to divert more than 15,000 acre-feet but less than 20,000 acre-feet, the application fee will be $266,000. (Cal. Code Regs., tit. 23, § 1062.) The ongoing annual fee associated with a standard appropriative right license, if and when granted, is $350, plus $0.12 per acre-foot greater than 10 acre-feet.

If the CBGSA Board of Directors (**Board**) decides to move forward with this potential project, CBGSA would pursue a standard appropriative water right license. In doing so, CBGSA should first apply for the 5-year Temporary Permit, with the intent of pursuing permanent authorization. It is worth noting that, while the State Board has issued numerous 180-day Temporary Permits, the State Board has only issued a small handful of 5-year Temporary Permits. So, CBGSA should request a consultation meeting with State Board staff prior to filing any application. According to the State Board's website, this type of consultation meeting not only provides guidance for the applicant, but also may expedite the application processing time.

V. To fund this potential project, CBGSA must impose a new assessment or fee under Water Code section 10730 and comply with Proposition 218.

CBGSA currently collects a groundwater extraction fee under Water Code section 10730. It is unlikely, however, that CBGSA can use revenues derived from this fee to fund the costs of this proposed project because the revenues derived from a fee collected under section 10730 are meant to fund general GSA administration. Instead, it is likely that CBGSA will need to impose a new assessment or fee under Water Code section 10730.2.

SGMA provides a GSA with two primary fee collection authorities: (a) Water Code section 10730; and (2) Water Code section 10730.2. Section 10730, subdivision (a) provides, in part, that:

> A [GSA] may impose fees, including, but not limited to, permit fees and fees on groundwater extraction or other regulated activity, to fund the costs of a groundwater sustainability program, including, but not limited to, preparation, adoption, and amendment of a [GSP], and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve.

And section 10730.2, subdivision (a) provides, in part, that:

> A [GSA] that adopts a [GSP] pursuant to this part may impose fees on the extraction of groundwater from the basin to fund costs of groundwater management, including, but not limited to, the costs of the following:
>
> 1) Administration, operation, and maintenance, including a prudent reserve.
>
> 2) Acquisition of lands or other property, facilities, and services.
>
> 3) Supply, production, treatment, or distribution of water.
>
> 4) Other activities necessary or convenient to implement the plan.

Section 10730 authorizes a GSA to impose a fee to fund the costs of a "groundwater management program;" that is "a coordinated and ongoing activity undertaken to benefit a basin, pursuant to a [GSP]." (Wat. Code, § 10721, subd. (l).) Relying on this definition and the activities listed above, (e.g., GSP preparation and adoption, investigations, inspections, compliance assistance, enforcement, and program administration), revenue derived from a fee under section 10730 is meant to fund the costs of general GSA administration. In contrast, section 10730.2 authorizes a GSA to impose a fee to fund the costs of "groundwater management." Revenue derived from a fee under section 10730.2 may fund the costs of, among other things, property acquisition and water supply (i.e., GSA projects).

If the Board decides to move forward with this proposed project, the Board will need to impose a new fee under Water Code, section 10730.2 and, consequently, in accordance with Proposition 218. (See Wat. Code, § 10730.2, subd. (c) providing that "[f]ees imposed pursuant to this section shall be adopted in accordance with subdivisions (a) and (b) of Section 6 of Article XIII D of the California Constitution.") This means that CBGSA will need to conduct a majority protest election, consisting of notice to affected landowners and a public hearing.

TO: Board of Directors
Agenda Item No. 12b

FROM: Taylor Blakslee

DATE: January 15, 2025

SUBJECT: Update on Fiscal Year 2025-2026 Budget and Groundwater Extraction Fee Development

Issue
Update on Fiscal Year 2025-2026 budget and groundwater extraction fee development.

Recommended Motion
None – informational only.

Discussion
Background
The Cuyama Basin Groundwater Sustainability Agency (CBGSA) approved the use of a groundwater extraction fee to fund the administration of the CBGSA. The groundwater extraction fee is based on the Fiscal Year budget and water use from the previous calendar year.

Current Budget and Groundwater Extraction Fee Process
An outline of the process for the upcoming Fiscal Year 2025-2026 (July 1, 2025 through June 30, 2026) budget and groundwater extraction fee is provided as **Attachment 1**.

***Reminder:** Changes to Groundwater Extraction Fee Process for Fiscal Year 2025-2026*
The Fiscal Year 2025-2026 groundwater extraction fee will be based on *metered* water use for calendar year 2024. However, water users using 25 acre-feet or less per year will provide water use using crop factor forms with a conversion factor to convert from a net water use to a gross use (to be consistent with metered reporters).

Attachment 1

Fiscal Year 2025-2026 Budget and Groundwater Extraction Fee Development Process

	Description	Timeframe	Tasks
Step 1	Determine 2024 Water Use	Jan-Feb 2025	• Email known pumpers and request meter data • Mail all parcel owners to collect "small pumper" water use, identify de minimis users and potential new water users
Step 2	Draft Fiscal Year 2025-2026 Budget	Feb-Apr 2025	• Review with Board ad hoc
Step 3	Develop Groundwater Extraction Fee Report	Feb-Apr 2025	• Fee Report is based on FY 25-26 budget and 2024 water use • Fee Report approval is contingent upon Board adoption of FY 25-26 budget
Step 4	Review Long-Term Fee Policy	Mar 5, 2025	• The Board voted to annually review the need for a long-term fee policy on March 3, 2022
Step 5	Schedule Public Rate Hearing	Schedule during Board meeting on May 7, 2025	• Post notice in Santa Maria Times • Mail notice to all parcel owners • Email stakeholders
Step 6	Board to Consider Adoption of FY 2025-2026 Budget and Groundwater Extraction Fee Report	May 7, 2025	
Step 7	Distribute Invoices to Water Users	Mid-May 2025	• Email and mail invoices

TO: Board of Directors
Agenda Item No. 13a

FROM: Brian Van Lienden, Woodard & Curran

DATE: January 15, 2025

SUBJECT: Update on Groundwater Sustainability Plan Activities

Recommended Motion
None – information only.

Discussion
Cuyama Basin Groundwater Sustainability Agency (CBGSA) Groundwater Sustainability Plan (GSP) activities and consultant Woodard & Curran's (W&C) accomplishments are provided as Attachment 1.

Nov-Dec Accomplishments

- ✓ Developed documentation for multi-completion monitoring wells
- ✓ Prepared final 2025 GSP Update and Periodic Evaluation documents for the Cuyama Basin
- ✓ Facilitated agreements for potential new CIMIS stations
- ✓ Developed groundwater conditions report for October 2024
- ✓ Responded to variance requests for draft allocation tables for Central Management Area
- ✓ Prepare revised grant submittals to DWR in response to DWR comments

TO: Board of Directors
Agenda Item No. 13b

FROM: Brian Van Lienden, Woodard & Curran

DATE: January 15, 2025

SUBJECT: Update on Grant-Funded Projects

Recommended Motion
None – information only.

Discussion
An update on Cuyama Basin Groundwater Sustainability Agency (CBGSA) grant-funded projects is provided as Attachment 1.

Cuyama Basin Groundwater Sustainability Agency

13. Update on Grant Funded Projects

Brian Van Lienden

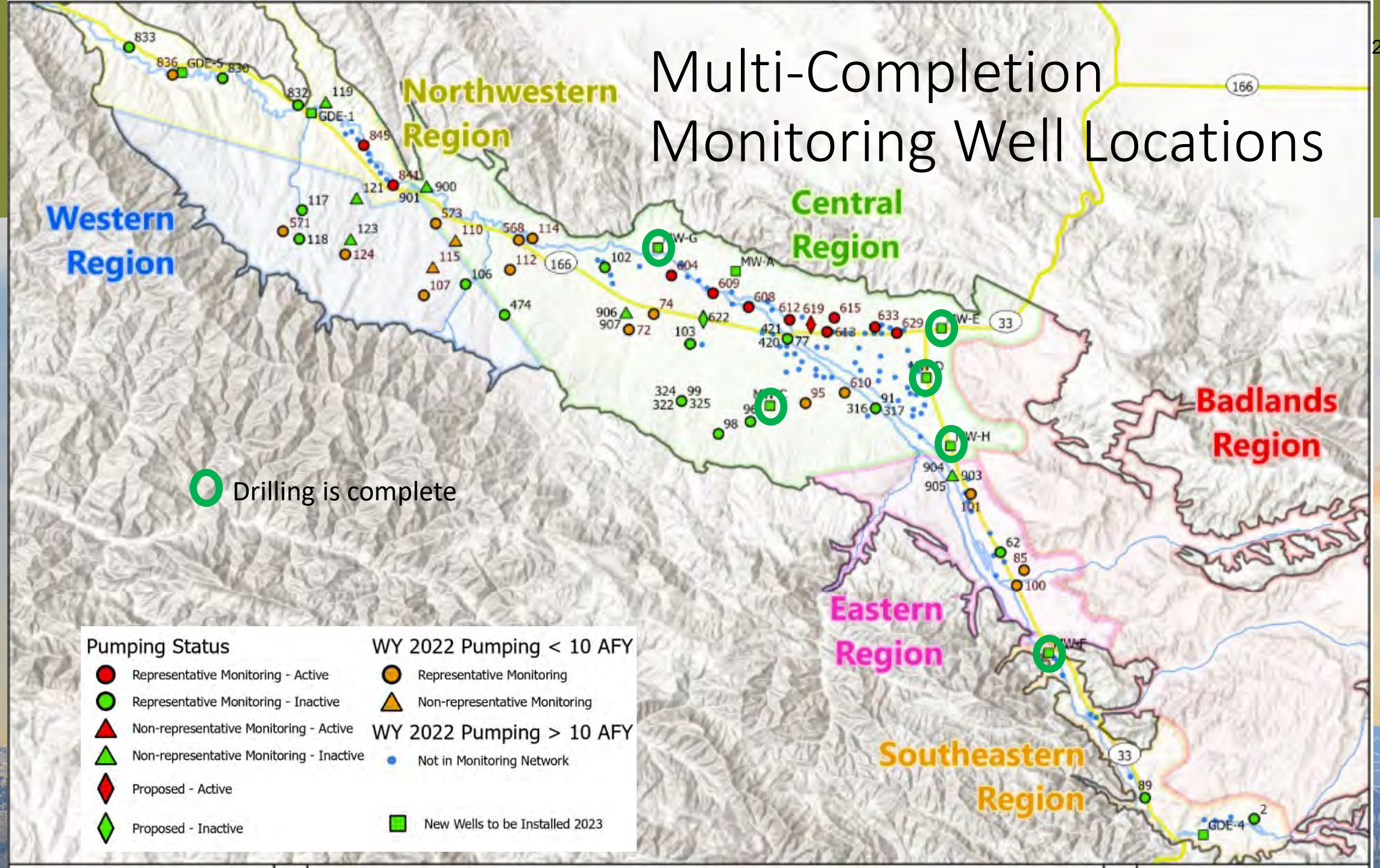
January 15, 2025

HALLMARK GROUP Woodard & Curran

Updates on Grant Funded Projects

- The 2025 GSP Update and Periodic Evaluation are both undergoing final review/completion and will be submitted in January 2025
- Multi-Completion Nested Monitoring Wells:
  - Installation of wells at all locations is complete
  - Currently working to procure transducers to install in each well
    - Installation expected by March 2025
- Cuyama Basin website redesign is complete: cuyamabasin.org
- Under development with expected completion by March 2025:
  - Cloud seeding study report
  - Fault investigation report
  - Data Management System update

Multi-Completion Monitoring Well Locations



TO: Board of Directors
Agenda Item No. 13c

FROM: Brian Van Lienden, Woodard & Curran

DATE: January 15, 2025

SUBJECT: Update on October 2024 Groundwater Levels Report

Recommended Motion
None – information only.

Discussion
The quarterly Groundwater Levels Conditions Report for October 2024 is summarized as **Attachment 1**. The detailed report is provided as **Attachment 2**.

Cuyama Basin Groundwater Sustainability Agency

13c. Update on Quarterly Groundwater Conditions Report

Brian Van Lienden

January 15, 2025

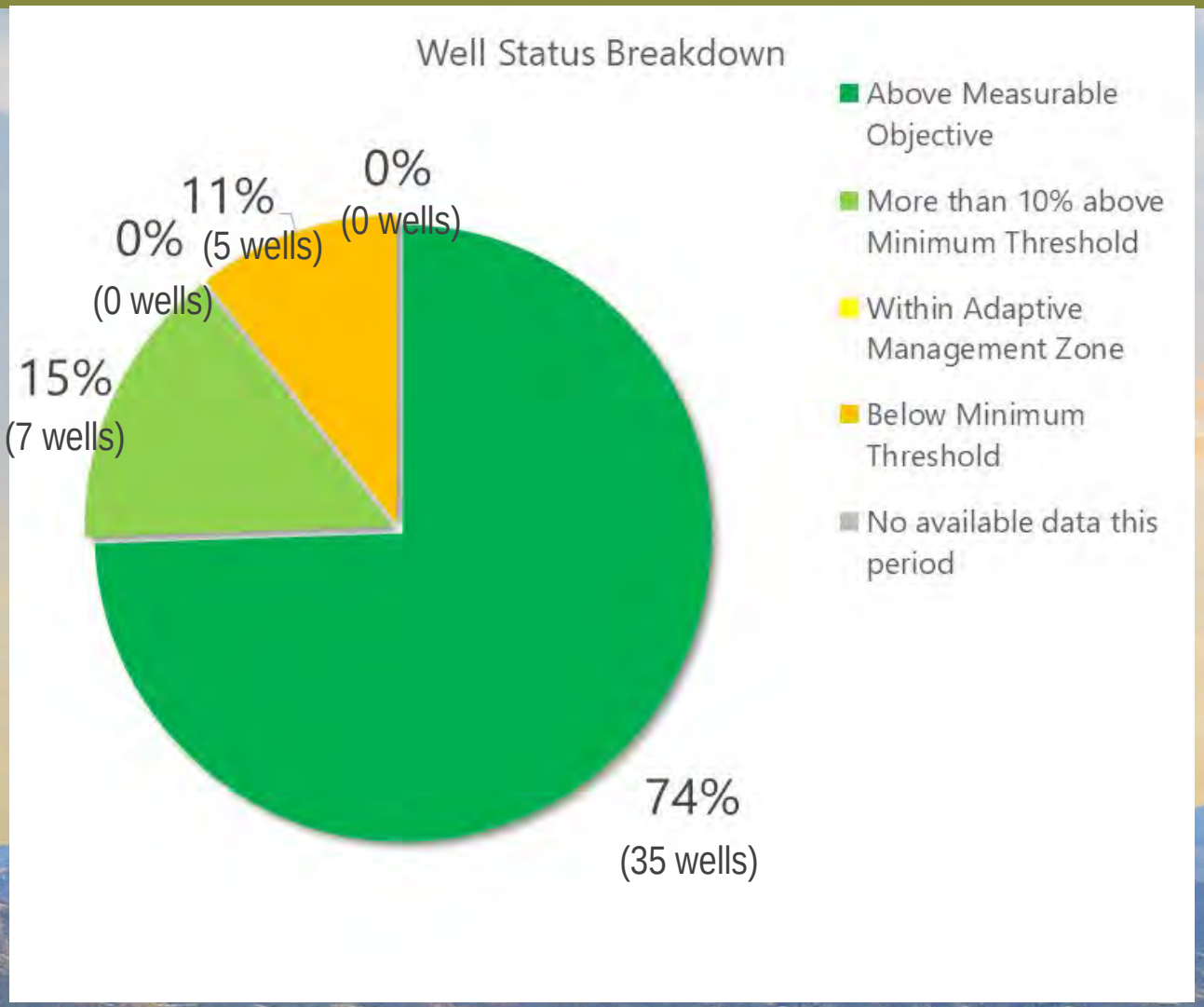
HALLMARK GROUP Woodard & Curran

Groundwater Levels Monitoring Network – Summary of Current Conditions

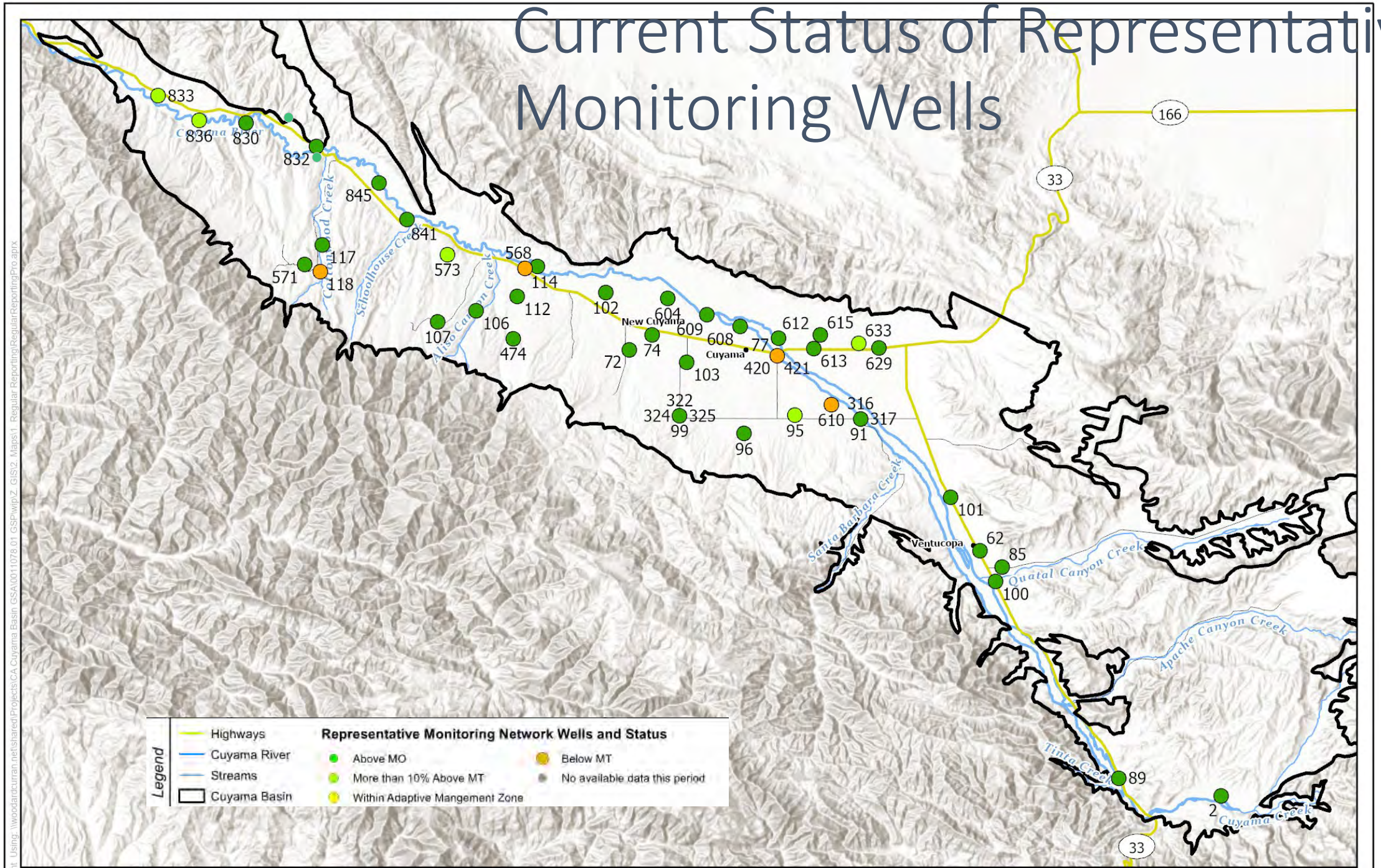
- Monitoring data from April 2024, July 2024 and October 2024 for representative wells is included in the Groundwater Conditions report
- **The Groundwater Conditions report has been updated to reflect the updated monitoring network and minimum thresholds approved by the CBGSA Board in the 2025 GSP Update:**
  - All 47 representative monitoring wells have levels data at least once in the previous 12 months
  - 5 wells were below the updated minimum threshold based on latest measurement since April 2024

Summary of Groundwater Well Levels as Compared To Sustainability Criteria

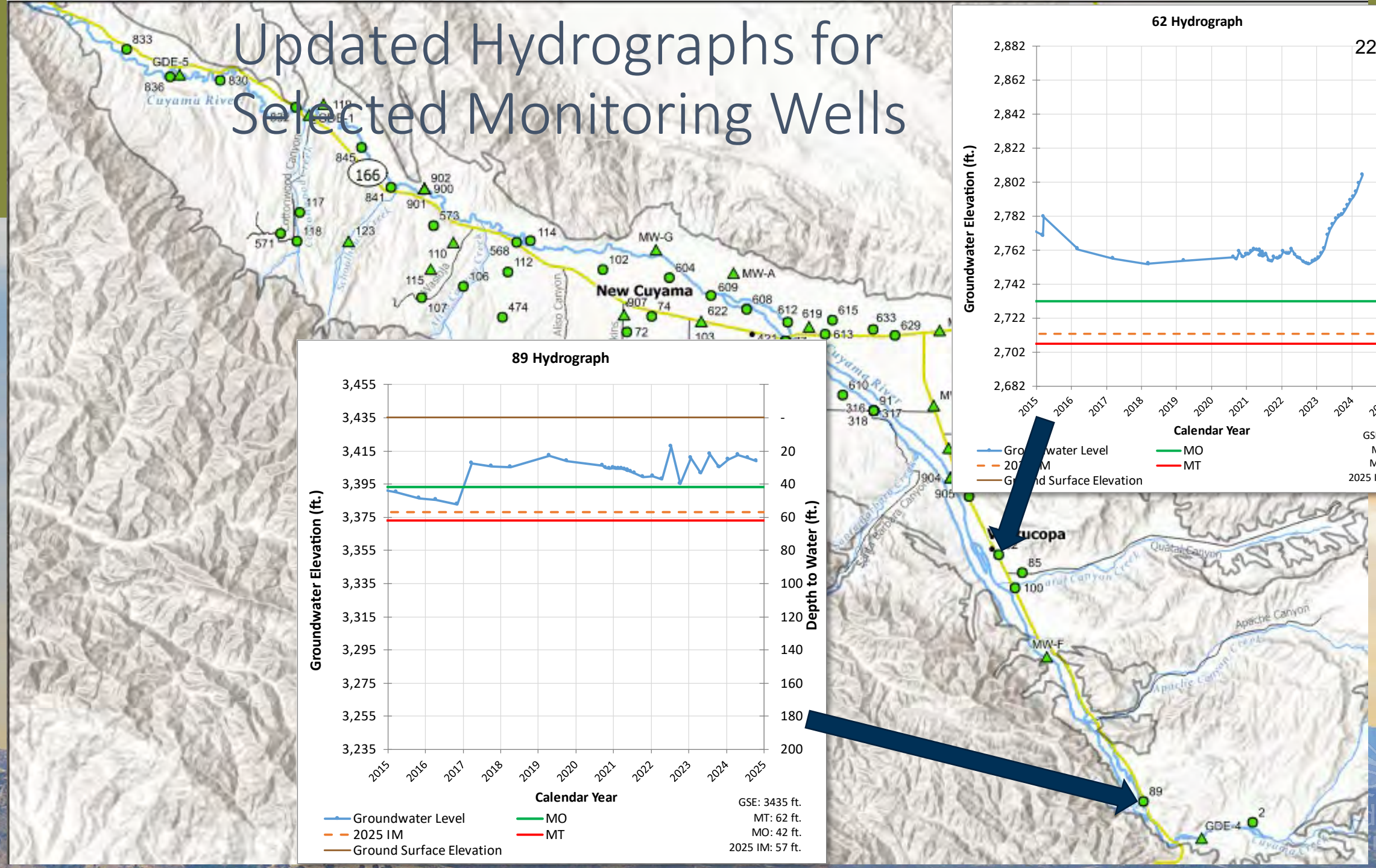
- 5 wells are currently below the updated minimum threshold (MT)
  - 2 wells (4%) have been below the MT for at least 24 months
  - 1 well dropped below the MT in October 2024

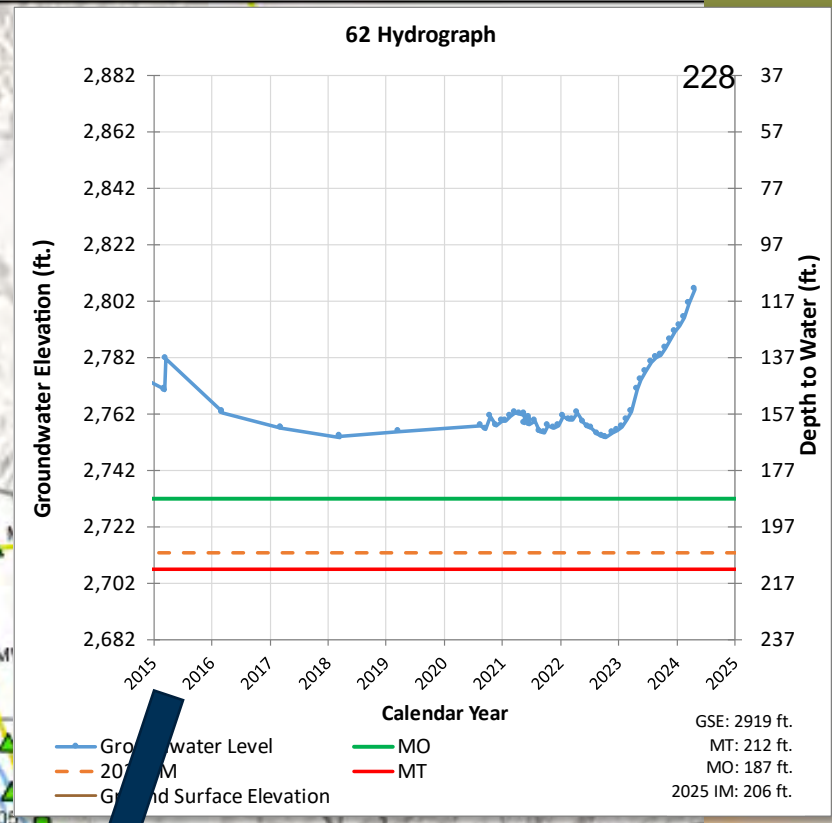


Current Status of Representative Monitoring Wells

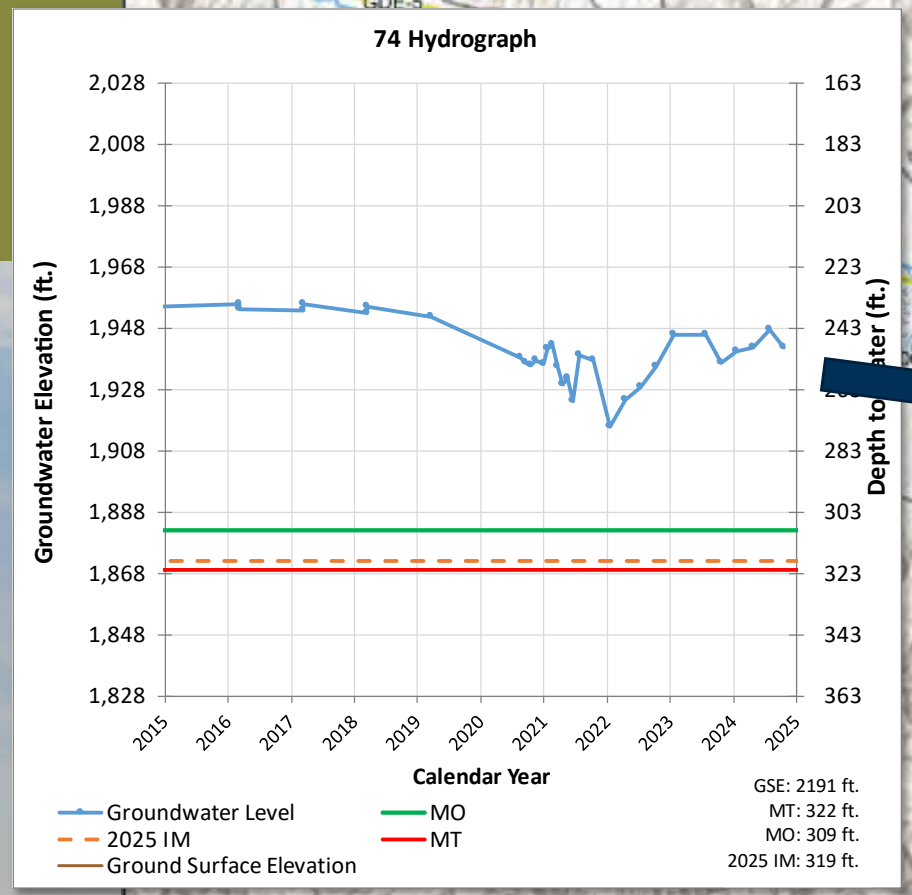


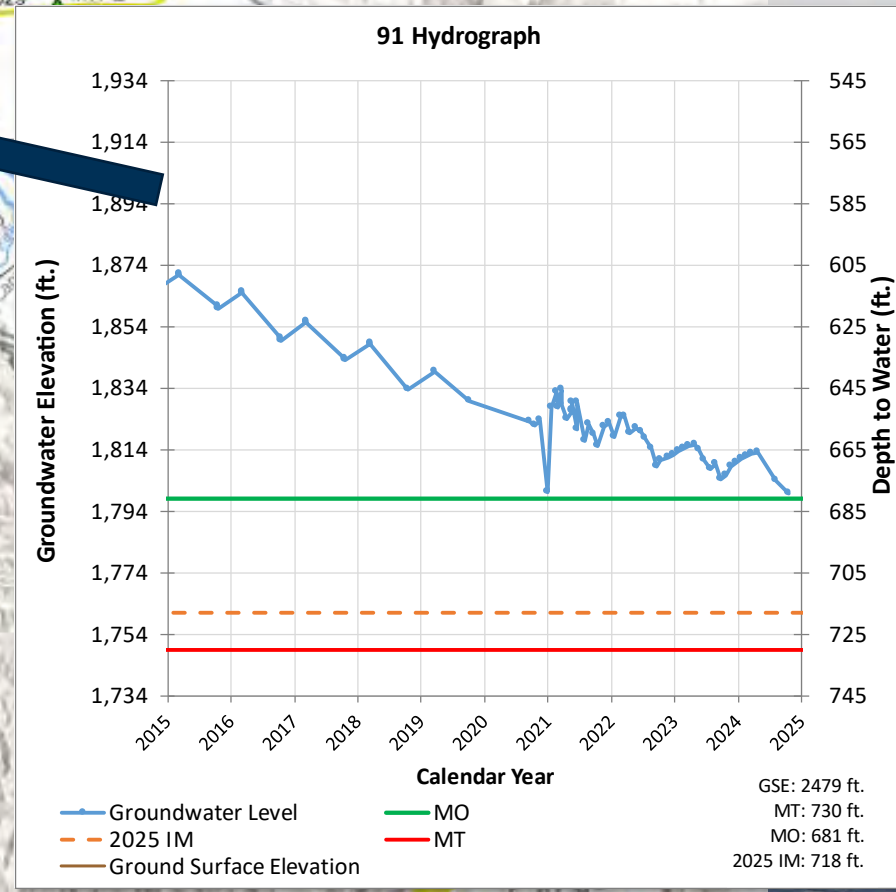
Updated Hydrographs for Selected Monitoring Wells

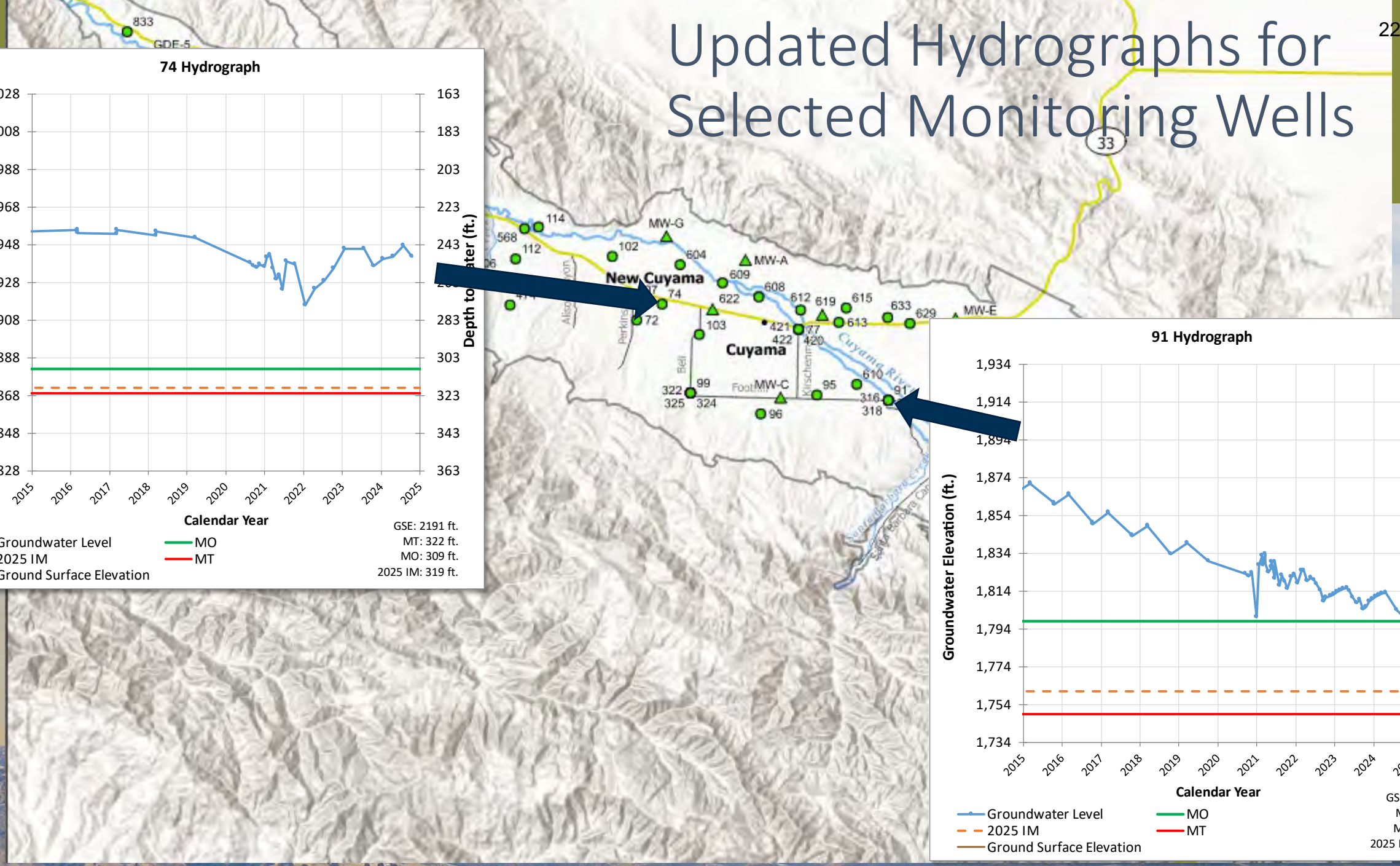




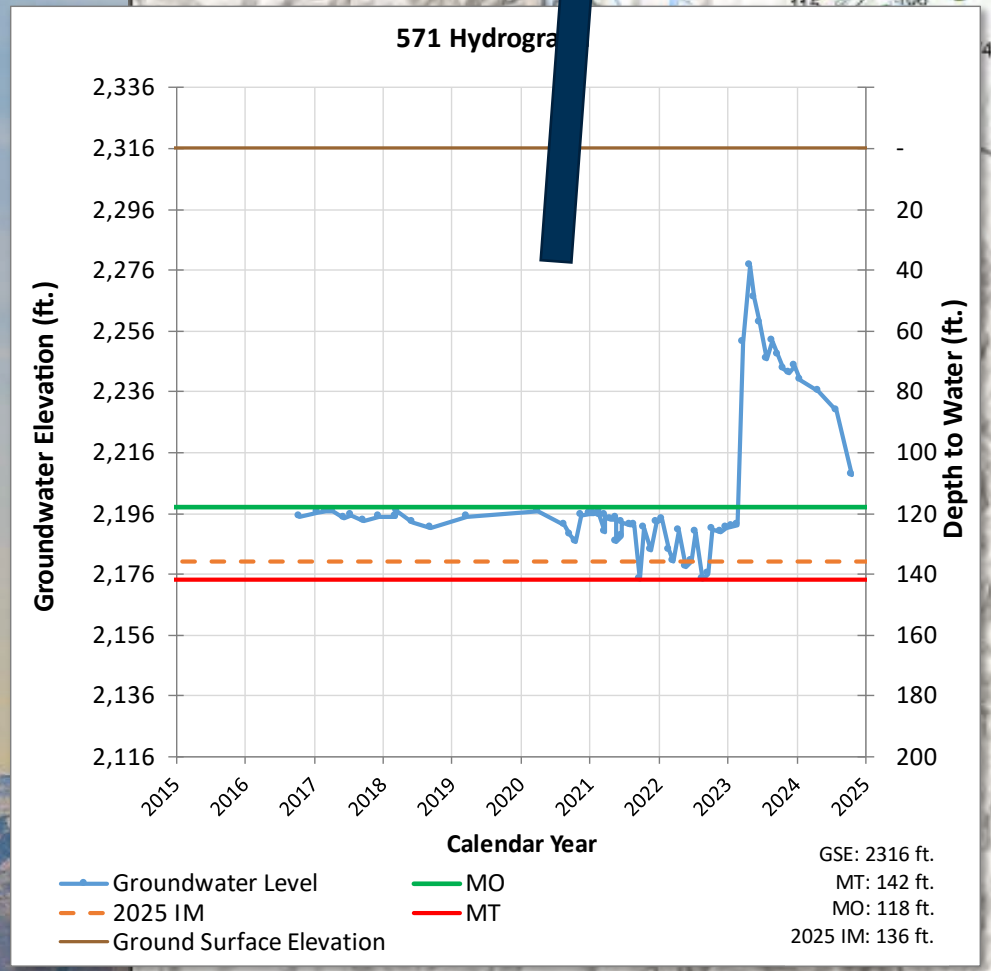
Updated Hydrographs for Selected Monitoring Wells

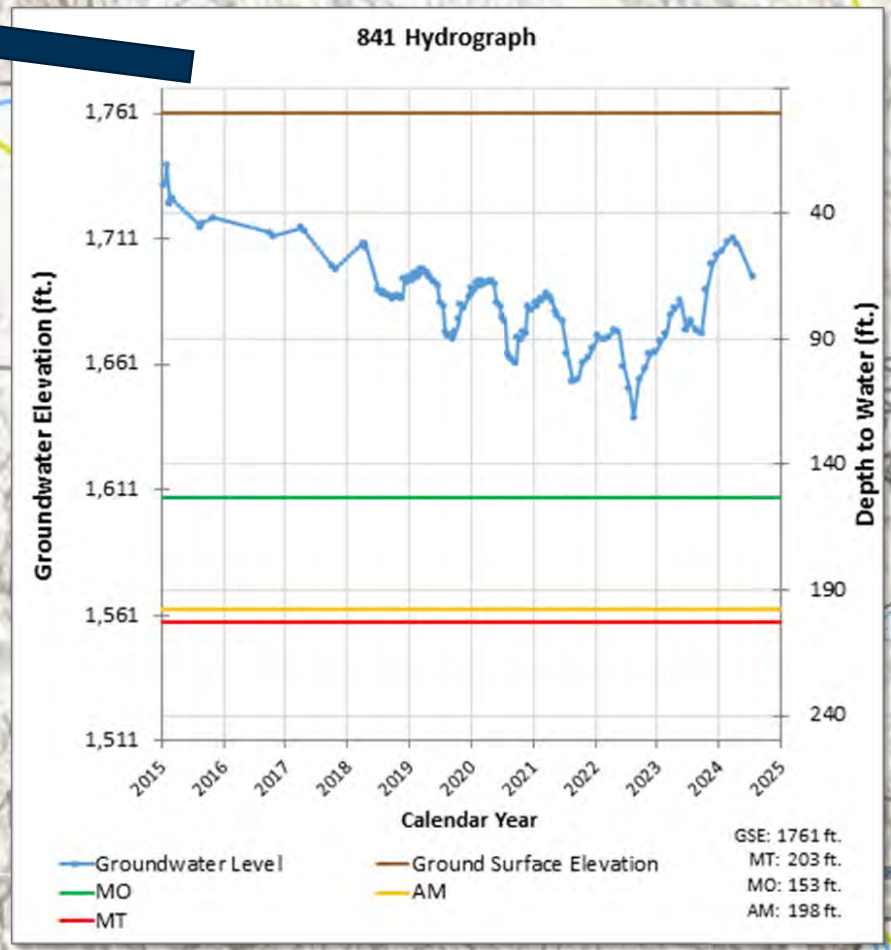






Updated Hydrographs for Selected Monitoring Wells





Attachment 2

GROUNDWATER CONDITIONS REPORT – CUYAMA VALLEY GROUNDWATER BASIN

October 2024

Woodard & Curran

801 T Street
Sacramento, CA
916.999.8700

woodardcurran.com

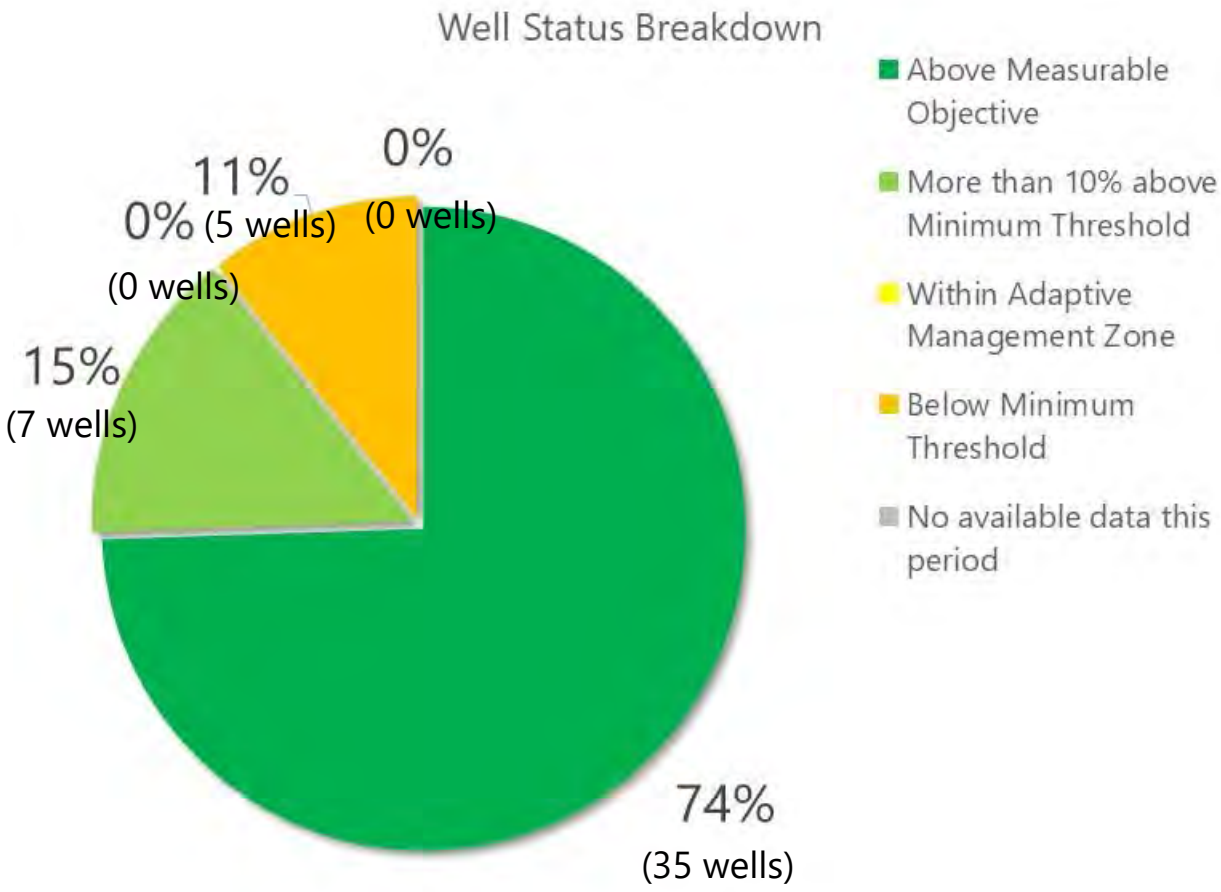
Cuyama Basin Groundwater Sustainability Agency

TABLE OF CONTENTS

1. INTRODUCTION

This report is intended to provide an update on the current groundwater level conditions in the Cuyama Valley Groundwater Basin. This work is completed by the Cuyama Basin Groundwater Sustainability Agency (CBGSA), in compliance with the Sustainable Groundwater Management Act (SGMA).

2. SUMMARY STATISTICS



With the approval of the 2025 GSP Update by the CBGSA Board in November 2024, this report has been updated to remove two wells (98 and 124) and to report monitoring data relative to the updated minimum thresholds that were approved by the Board. There are currently 5 wells with groundwater levels exceeding the updated minimum thresholds. As outlined in the GSP, undesirable results for the chronic lowering of groundwater levels occurs, "when 30 percent of representative monitoring wells… fall below their minimum groundwater elevation threshold for two consecutive years." (Cuyama GSP, pg. 3-2). Currently, 4% of

representative monitoring wells (i.e. 2 wells) have exceeded the minimum threshold for 24 or more consecutive months.

3. CURRENT CONDITIONS

Table 1 includes the most recent groundwater level measurements taken in the Cuyama Basin from representative wells included in the Cuyama GSP Groundwater Level Monitoring Network, as well as the previous two measurements and the measurement from the same time period in the previous year. Table 2 includes all of the wells and their current status in relation to the thresholds applied to each well. This information is also shown on Figure 1.

All measurements are also incorporated into the Cuyama DMS, which may be accessed at https://opti.woodardcurran.com/cuyama/login.php.

Table 1: Recent Groundwater Levels for Representative Monitoring Network

Well	Region	Apr-24	Jul-24	Oct-24	Last Year		Elevation Change
		GWL (ft. msl)	GWL (ft. msl)	GWL (ft. msl)	GWL (ft. msl)	Month/ Year	
72	Central	2034	-	2005	2017	Oct-23	-12.5
74	Central	1941	1947	1942	1940	Oct-23	1.6
77	Central	1795	1754	1766	1793	Oct-23	-26.9
91	Central	1813	1804	1800	1800	Oct-23	0.3
95	Central	2389	1868	1867	1841	Oct-23	26.1
96	Central	2269	2266	2266	2270	Oct-23	-4
99	Central	2218	2137	2145	2223	Oct-23	-78.1
102	Central	-	-	1671	1758	Oct-23	-86.8
103	Central	2050	2046	2051	2044	Oct-23	6.3
112	Central	2042	2042	2043	2053	Oct-23	-10.6
114	Central	1880	1881	1878	-	-	-
316	Central	1812	1804	1800	1799	Oct-23	0.8
317	Central	1814	1806	1802	1801	Oct-23	1
322	Central	2217	2134	2138	2222	Oct-23	-84.5
324	Central	2216	2168	2169	2221	Oct-23	-52
325	Central	2216	2194	2193	2222	Oct-23	-28.6
420	Central	1794	1750	1766	1792	Oct-23	-26.2
421	Central	1800	1778	1781	1793	Oct-23	-11.4
474	Central	2232	2234	2235	-	-	-
568	Central	1874	1873	1858	1867	Oct-23	-9.4

Well	Region	Apr-24	Jul-24	Oct-24	Last Year		Elevation Change
		GWL (ft. msl)	GWL (ft. msl)	GWL (ft. msl)	GWL (ft. msl)	Month/ Year	
604	Central	1655	1661	1650	1684	Oct-23	-34.4
608	Central	1778	1740	1769	1790	Oct-23	-21.6
609	Central	1723	1691	1722	1725	Oct-23	-2.2
610	Central	1808	1797	1795	1805	Oct-23	-10.1
612	Central	1796	1780	1805	1788	Oct-23	17.5
613	Central	1797	1814	1818	1801	Oct-23	17.6
615	Central	1806	1794	1805	1809	Oct-23	-4.5
629	Central	1821	1791	1800	1848	Oct-23	-48.7
633	Central	1800	1794	1805	1798	Oct-23	7.7
62	Eastern	2806	-	-	2789	Oct-23	-
85	Eastern	2891	2902	2907	2870	Oct-23	36.9
100	Eastern	2939	2939	2935	2909	Oct-23	25.6
101	Eastern	2658	2654	2655	2635	Oct-23	19.7
841	Northwestern	1709	1695	1688	1692	Oct-23	-4
845	Northwestern	1643	1632	1632	1637	Oct-23	-5.7
2	Southeastern	3706	3704	3686	3698	Oct-23	-12.3
89	Southeastern	3413	3411	3409	3432	Oct-23	-23.1
106	Western	2175	2176	2176	2185	Oct-23	-9.1
107	Western	2419	2421	2419	-	-	-
117	Western	1947	1945	1945	1946	Oct-23	-1.9
118	Western	2213	2212	2212	2217	Oct-23	-5.4

Well	Region	Apr-24	Jul-24	Oct-24	Last Year		Elevation Change
		GWL (ft. msl)	GWL (ft. msl)	GWL (ft. msl)	GWL (ft. msl)	Month/ Year	
571	Western	2236	2230	2209	2235	Oct-23	-26.3
573	Western	2010	2012	2012	2015	Oct-23	-2.6
830	Far-West Northwestern	1511	1515	-	1522	Oct-23	-
832	Far-West Northwestern	1604	1606	1605	1595	Oct-23	10
833	Far-West Northwestern	1433	1435	1436	1434	Oct-23	1.7
836	Far-West Northwestern	1479	1478	1477	1456	Oct-23	21.3
*Well 608 is now confirmed to be "destroyed" and is no longer available for monitoring. The landowner and monitoring staff have identified a well within 100 ft that is suitable to continue monitoring in this location, and the groundwater level monitoring network will be modified to remove well 608 and add in this new well. The new well is in the process of being incorporated into Opti and being assigned an ID number.							

Table 2: Well Status Related to Thresholds

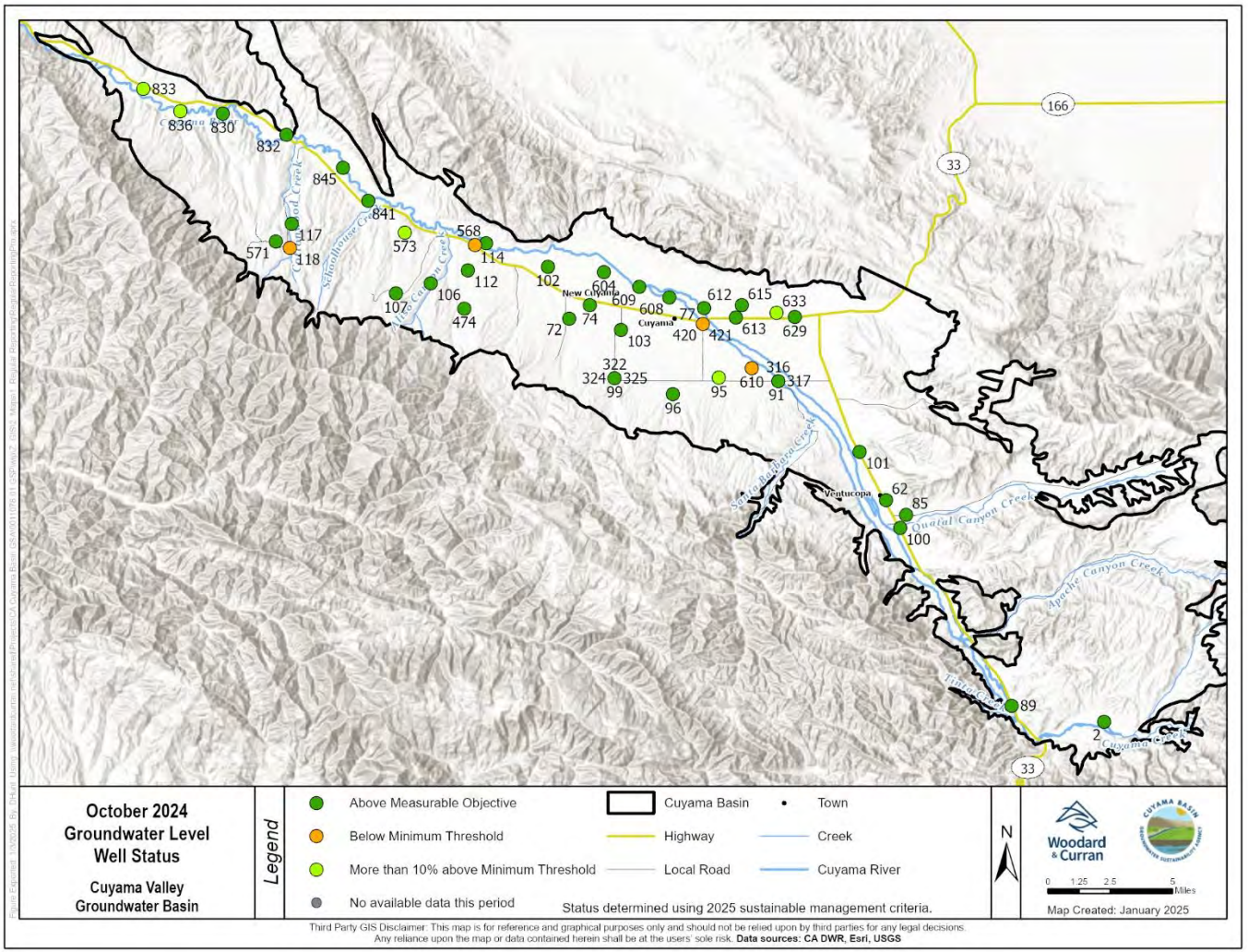
Well	Region	Current Month		Minimum Threshold	Within 10% Minimum Threshold	Measurable Objective	Well Depth	Status	GSA Action Required?
		GWL (DTW)	Date						
72	Central	161	10/16/2024	373	369	328	790	Above Measurable Objective	No
74	Central	246	10/16/2024	322	321	309	-	Above Measurable Objective	No
77	Central	518	10/17/2024	514	509	464	980	Below Minimum Threshold (4 months)	No
91	Central	681	10/18/2024	730	725	681	980	Above Measurable Objective	No
95	Central	589	10/18/2024	597	594	562	805	More than 10% above Minimum Threshold	No
96	Central	340	10/18/2024	369	368	361	500	Above Measurable Objective	No
99	Central	361	10/16/2024	379	378	368	750	Above Measurable Objective	No
102	Central	370	10/20/2024	470	466	432	-	Above Measurable Objective	No
103	Central	233	10/17/2024	379	374	324	1030	Above Measurable Objective	No
112	Central	83	10/16/2024	102	102	100	441	Above Measurable Objective	No
114	Central	47	10/16/2024	58	58	56	58	Above Measurable Objective	No
316	Central	681	10/18/2024	731	726	682	830	Above Measurable Objective	No
317	Central	679	10/18/2024	700	695	650	700	More than 10% above Minimum Threshold	No
322	Central	368	10/16/2024	387	386	378	850	Above Measurable Objective	No
324	Central	337	10/16/2024	365	364	353	560	Above Measurable Objective	No
325	Central	312	10/16/2024	331	330	323	380	Above Measurable Objective	No
420	Central	519	10/17/2024	514	509	464	780	Below Minimum Threshold (4 months)	No

Well	Region	Current Month		Minimum Threshold	Within 10% Minimum Threshold	Measurable Objective	Well Depth	Status	GSA Action Required?
		GWL (DTW)	Date						
421	Central	503	10/17/2024	514	509	466	620	More than 10% above Minimum Threshold	No
474	Central	128	10/16/2024	197	195	178	213	Above Measurable Objective	No
568	Central	50	10/16/2024	47	47	46	188	Below Minimum Threshold (1 month)	No
604	Central	466	10/16/2024	544	540	505	924	Above Measurable Objective	No
608	Central	441	10/18/2024	504	501	475	745	Above Measurable Objective	No
609	Central	436	10/16/2024	499	495	462	970	Above Measurable Objective	No
610	Central	642	10/18/2024	557	554	527	780	Below Minimum Threshold (51 months)	No
612	Central	464	10/17/2024	513	511	490	1070	Above Measurable Objective	No
613	Central	506	10/17/2024	578	575	550	830	Above Measurable Objective	No
615	Central	516	10/17/2024	588	585	556	865	Above Measurable Objective	No
629	Central	578	10/17/2024	613	610	581	1000	Above Measurable Objective	No
633	Central	558	10/17/2024	605	600	551	1000	More than 10% above Minimum Threshold	No
62	Eastern	-	-	212	210	187	212	No available data this period (above MO in April 2024)	No
85	Eastern	140	10/17/2024	200	198	176	233	Above Measurable Objective	No
100	Eastern	72	10/17/2024	186	183	157	284	Above Measurable Objective	No
101	Eastern	91	10/17/2024	138	136	115	200	Above Measurable Objective	No
841	Northwestern	71	10/20/2024	203	198	153	600	Above Measurable Objective	No
845	Northwestern	78	10/20/2024	203	198	153	380	Above Measurable Objective	No
2	Southeastern	34	10/17/2024	52	50	35	73	Above Measurable Objective	No

Well	Region	Current Month		Minimum Threshold	Within 10% Minimum Threshold	Measurable Objective	Well Depth	Status	GSA Action Required?
		GWL (DTW)	Date						
89	Southeastern	25	10/17/2024	62	60	42	125	Above Measurable Objective	No
106	Western	141	10/16/2024	164	163	152	228	Above Measurable Objective	No
107	Western	72	10/16/2024	122	120	103	200	Above Measurable Objective	No
117	Western	154	10/16/2024	163	162	154	212	Above Measurable Objective	No
118	Western	50	10/16/2024	40	37	10	500	Below Minimum Threshold (49 months)	No
571	Western	106	10/16/2024	142	140	118	280	Above Measurable Objective	No
573	Western	66	10/16/2024	93	88	42	404	More than 10% above Minimum Threshold	No
830	Far-West Northwestern	-	-	63	63	60	77	No available data this period (above MO in July 2024)	No
832	Far-West Northwestern	32	10/17/2024	50	49	35	132	Above Measurable Objective	No
833	Far-West Northwestern	18	10/17/2024	48	44	10	504	More than 10% above Minimum Threshold	No
836	Far-West Northwestern	29	10/17/2024	49	45	10	325	More than 10% above Minimum Threshold	No
*Well 608 is now confirmed to be “destroyed” and is no longer available for monitoring. The landowner and monitoring staff have identified a well within 100 ft that is suitable to continue monitoring in this location, which is where the measurement shown was taken. The groundwater level representative network will be modified to remove well 608 and add in this new well. The new well is in the process of being incorporated into Opti and being assigned an ID number.									

Note: Wells only count towards the identification of undesirable results if the level measurement is below the minimum threshold for 24 consecutive months.

Figure 1: Groundwater Level Representative Wells and Status in October 2024



4. HYDROGRAPHS

The following hydrographs provide an overview of conditions in each of the six areas threshold regions identified in the GSP.

Figure 2: Southeast Region – Well 89

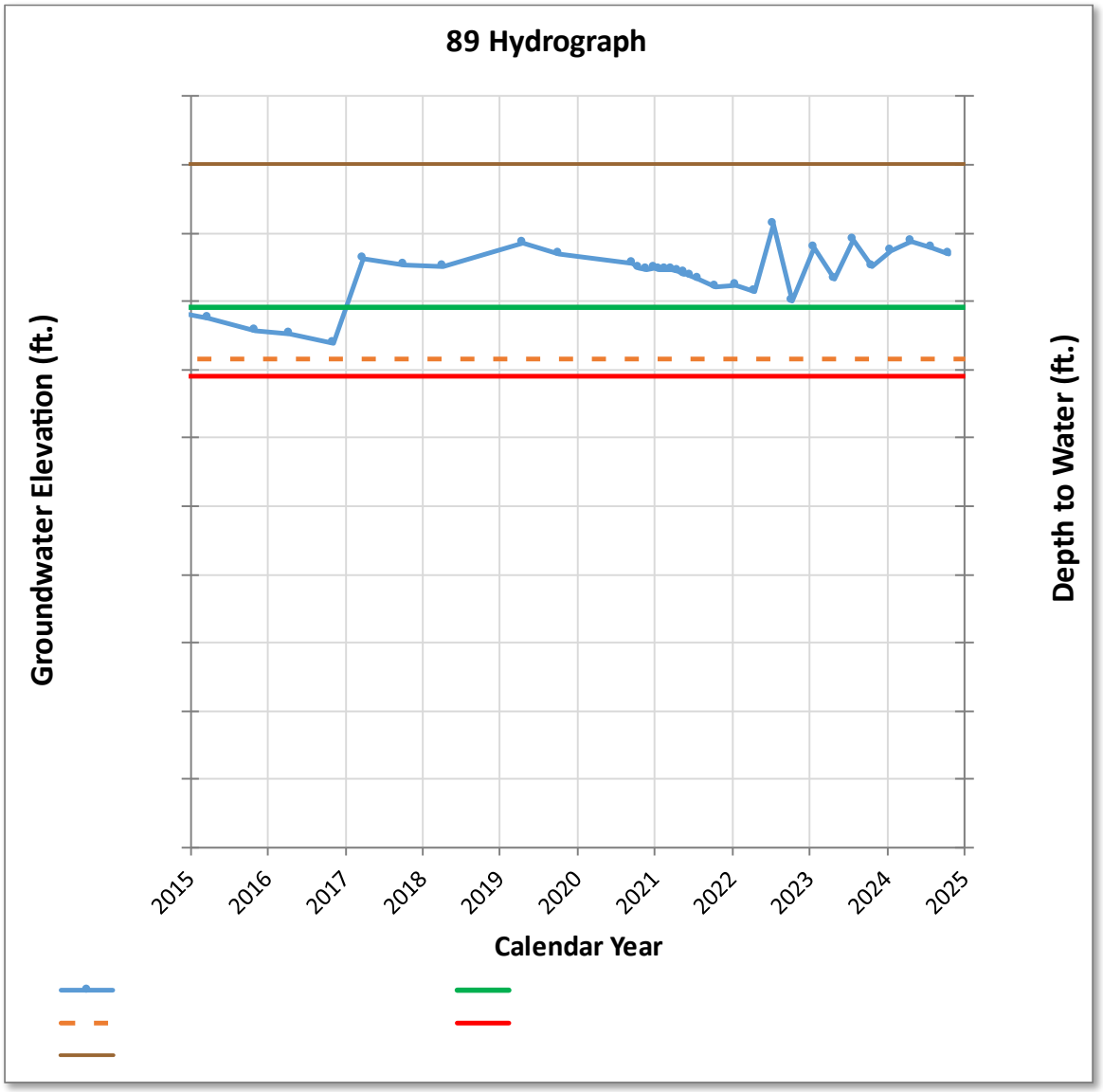


Figure 3: Eastern Region – Well 62

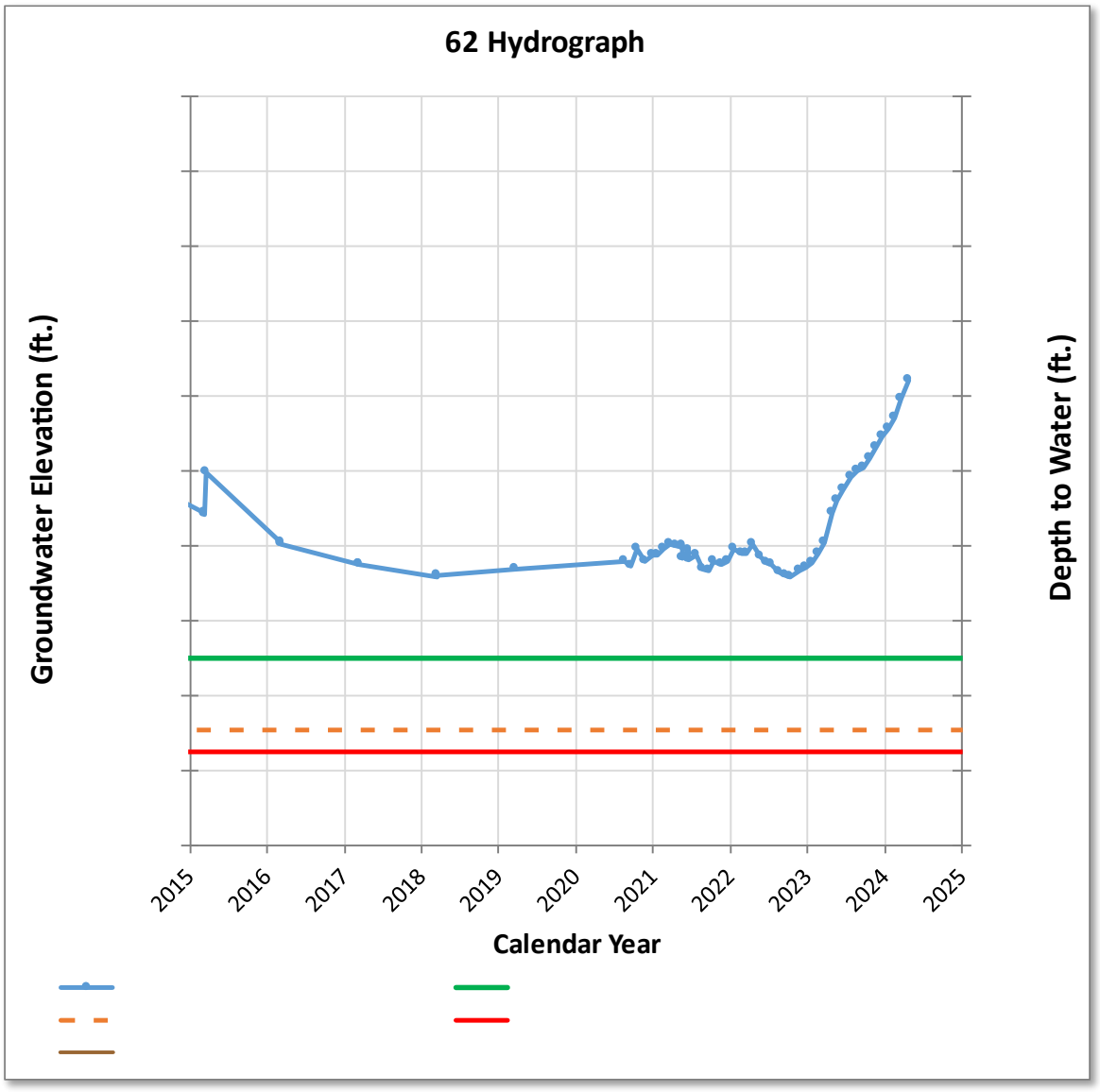


Figure 4: Central Region – Well 91

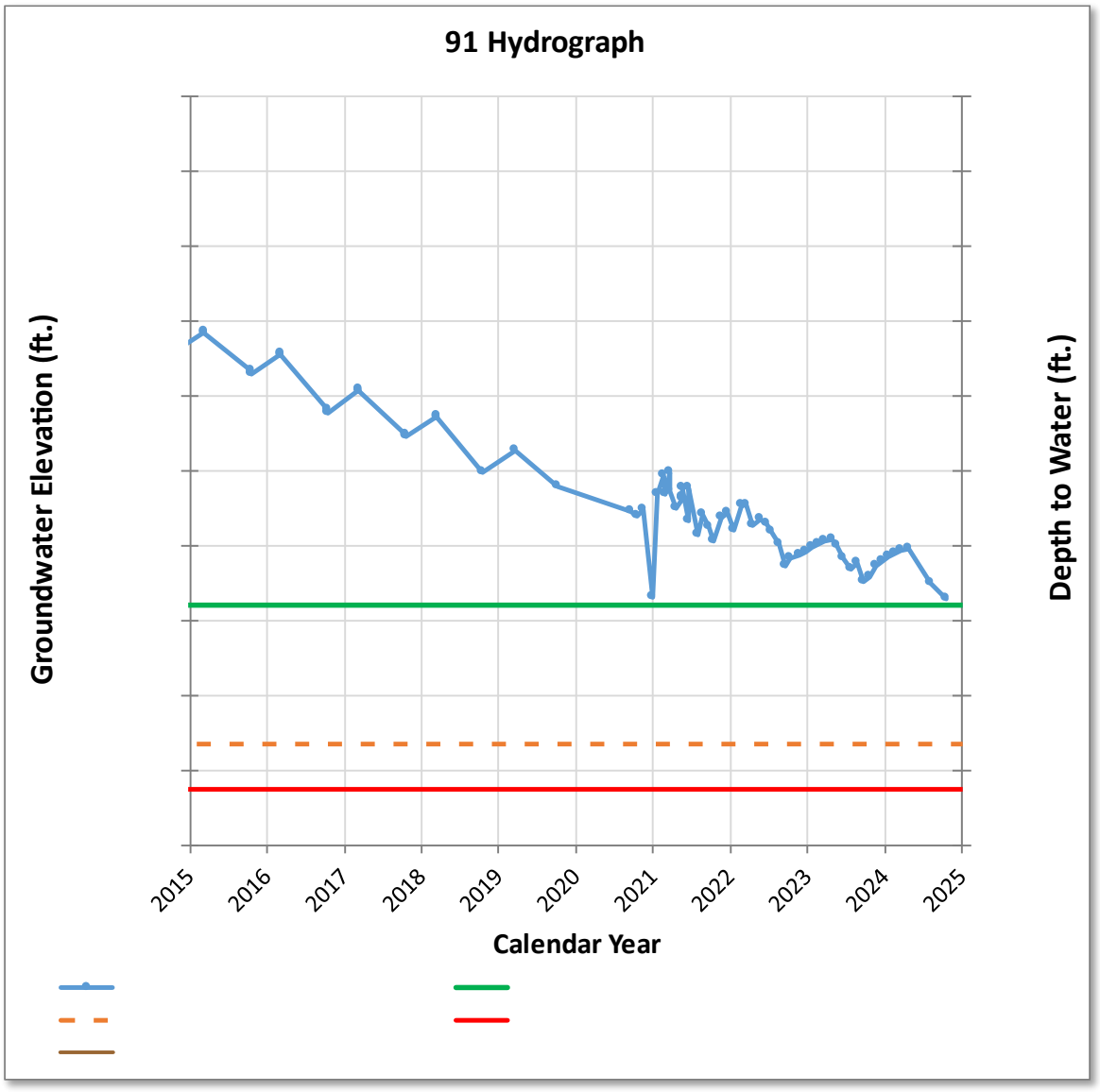


Figure 5: Central Region – Well 74

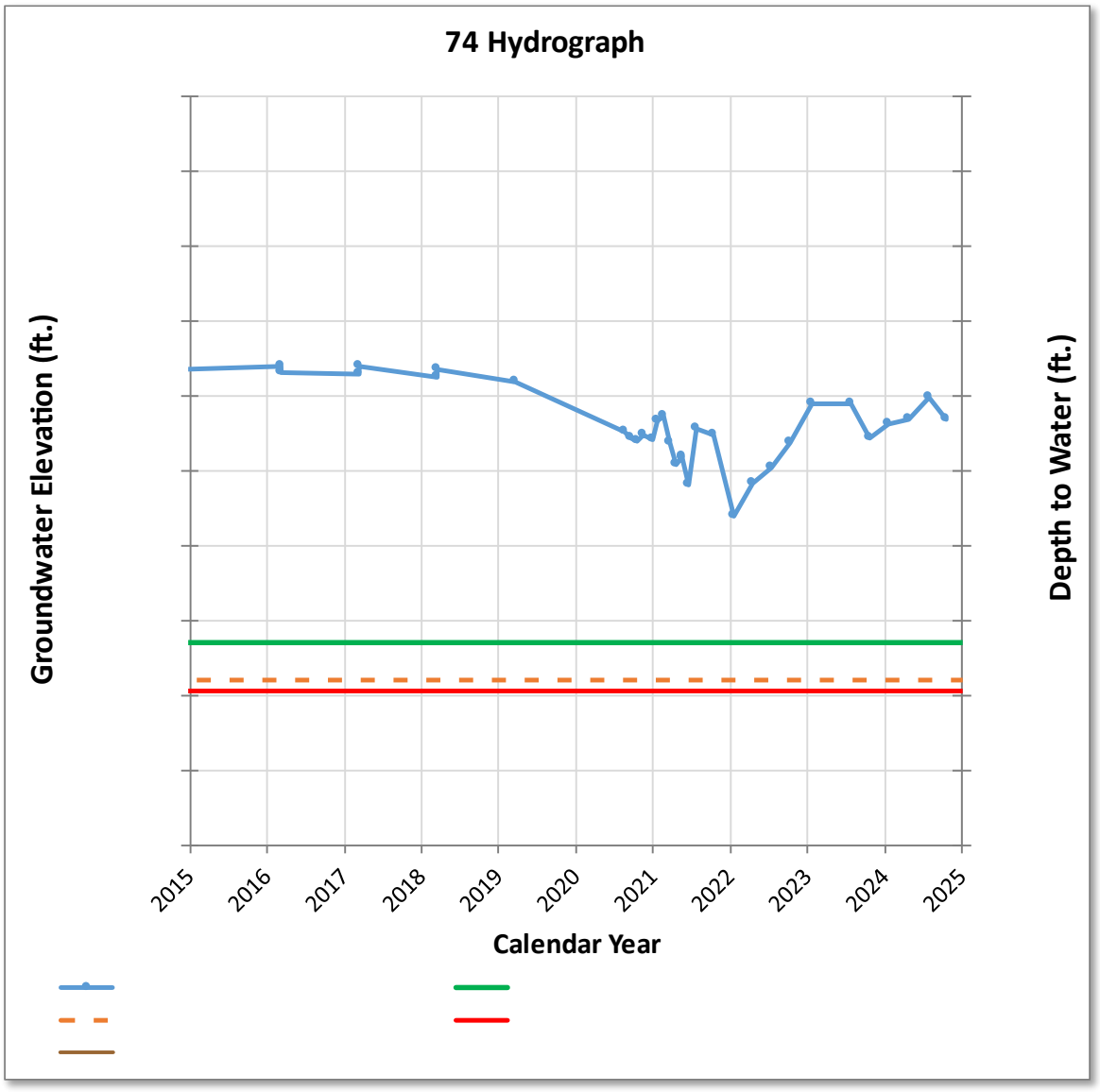


Figure 6: Western Region – Well 571

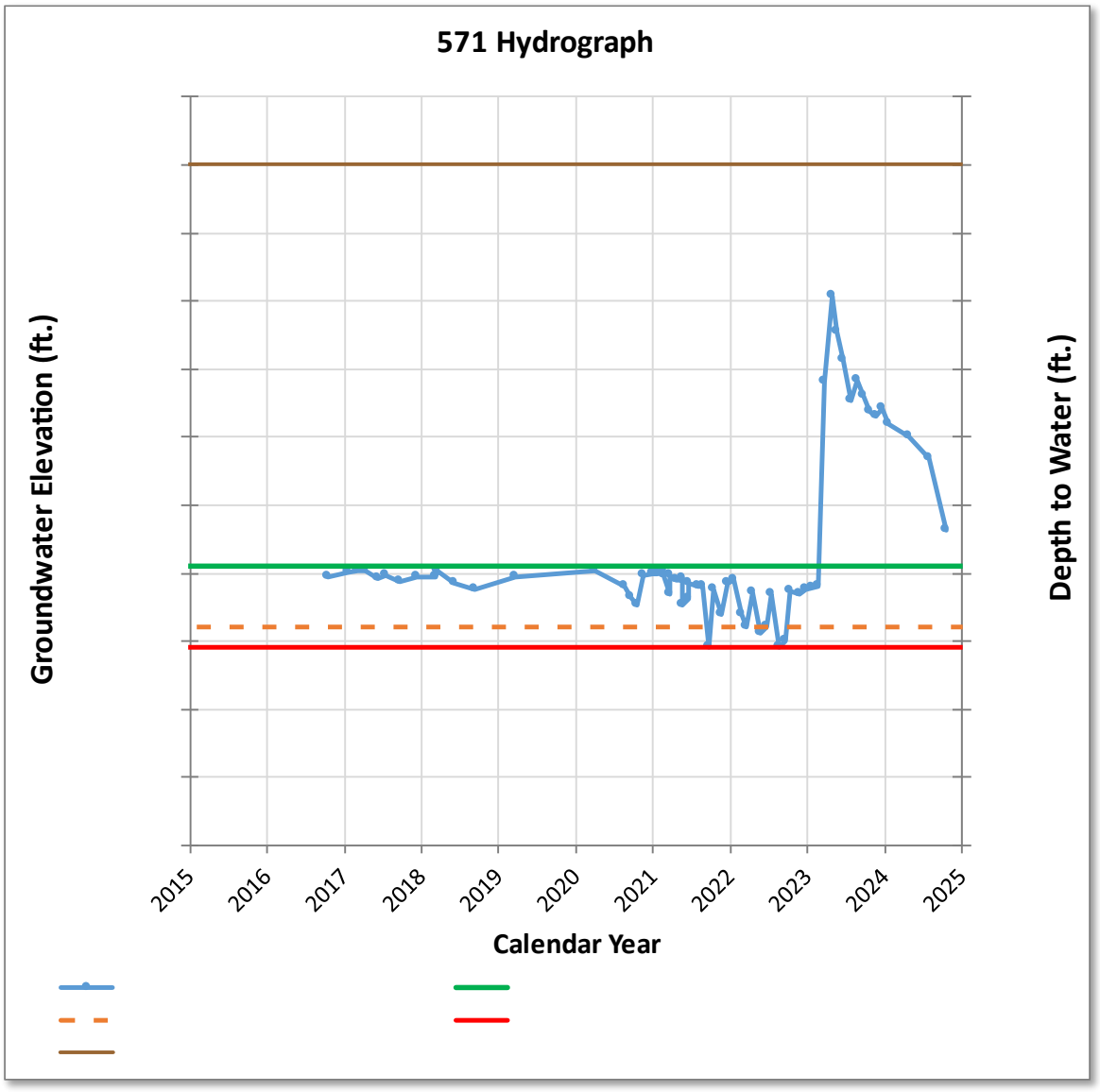
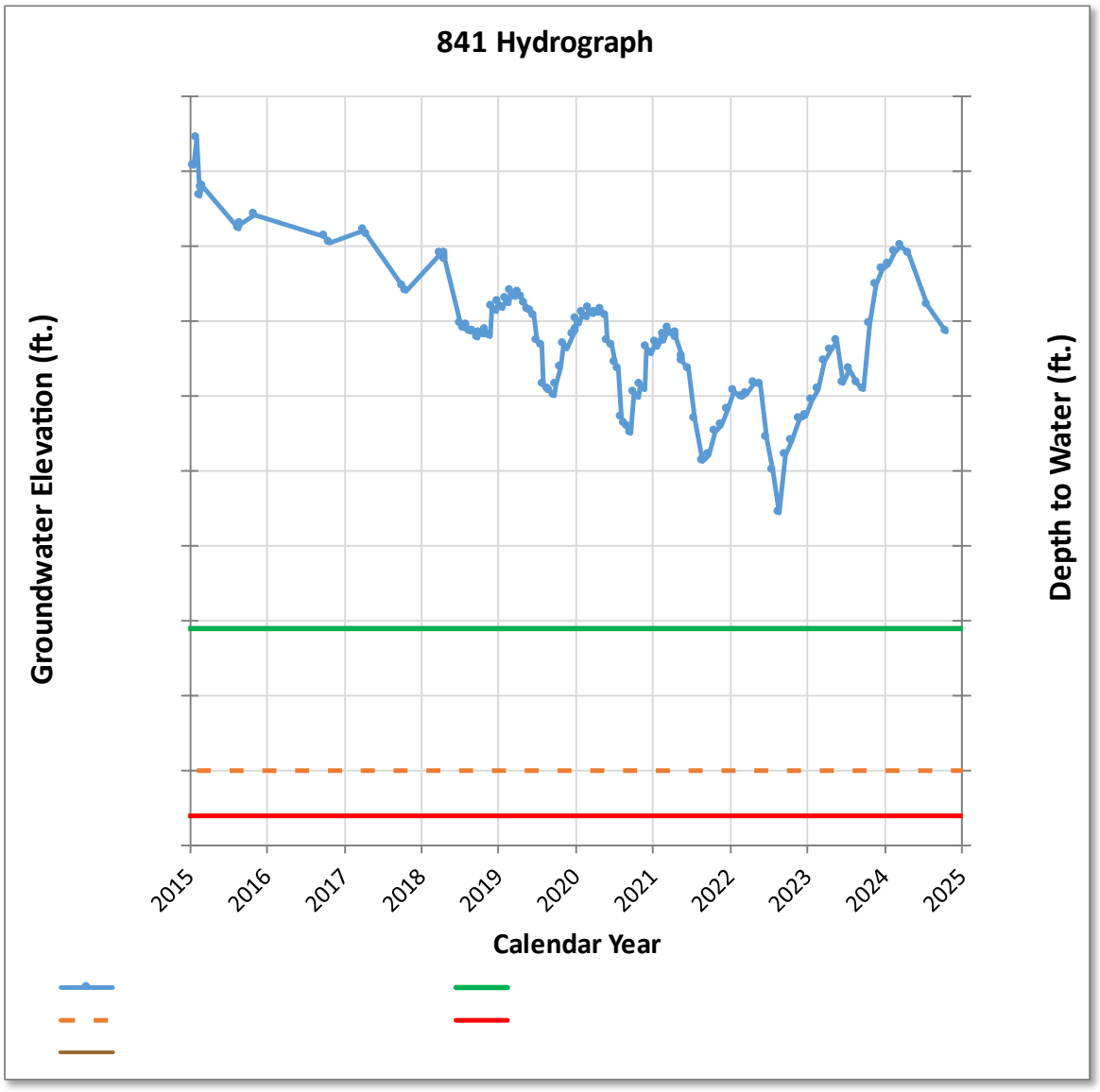


Figure 7: Northwestern Region – Well 841



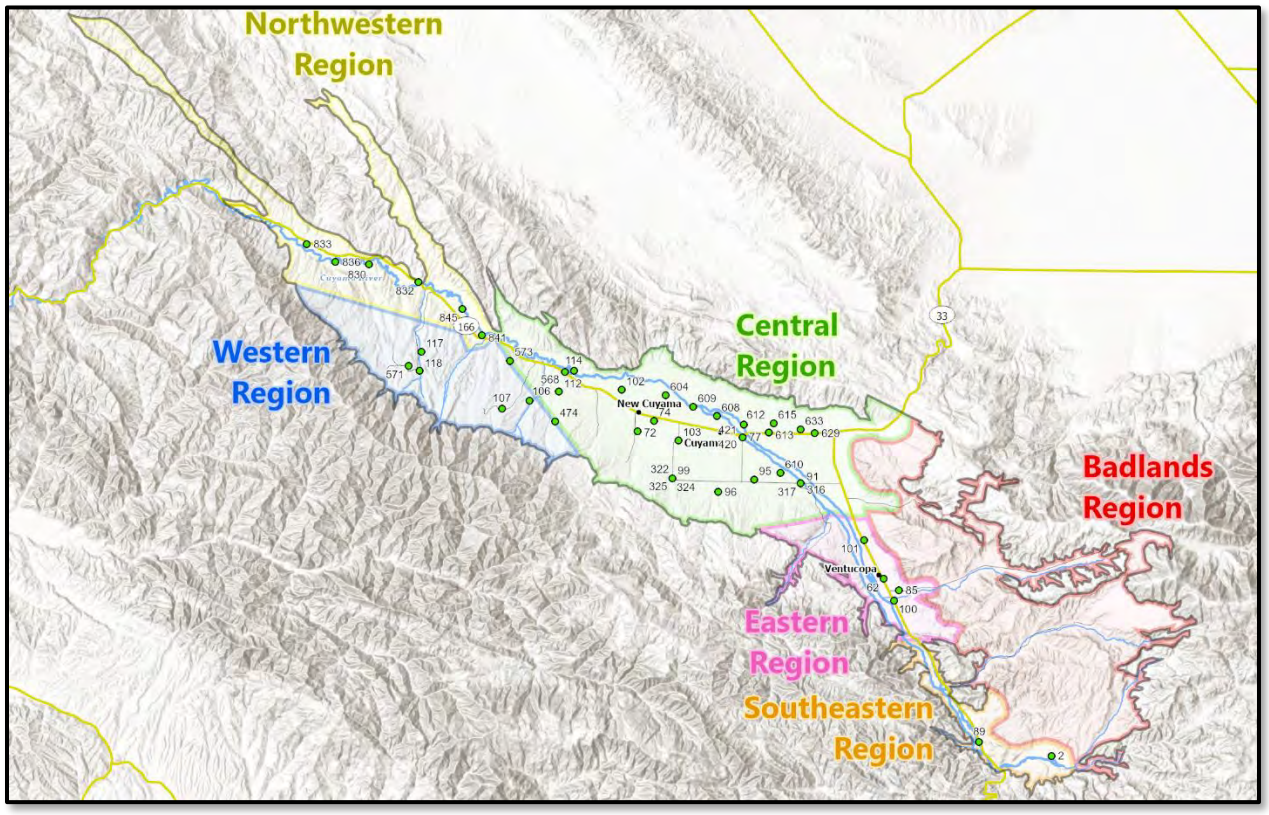


Figure 8: Threshold Regions in the Cuyama Groundwater Basin

5. MONITORING NETWORK UPDATES

With the approval of the 2025 GSP Update by the CBGSA Board, wells 98 and 124 are no longer included in the monitoring network.

As shown in Table 2, there are two wells with no measurement during the current monitoring period. These "no measurement codes" can have different causes as described below.

- Landowner changed and an access agreement have not been established with the current landowner:
  - Well 830
- Data not yet available due to transducer malfunction:
  - Well 62

Additionally, well 608 is now confirmed to be "destroyed" and is no longer available for monitoring. The landowner and monitoring staff have identified a well within 100 ft that is suitable to continue monitoring in this location; the data from that new well is still reported for well 608 in this version of the report. The groundwater level monitoring network will be modified to remove well 608 and add in this new well. The new well is in the process of being incorporated into Opti. The new well will use historical data from Well 608 as a proxy for future analysis conducted for GSP implementation.

[redacted]

January 13, 2025

To: Chair Cory Bantilan and CBGSA Board Members
CBSAC members
From: Cuyama Valley Small Farmer and Rancher Network Steering Committee

We are writing to inform you about our efforts as members of the steering committee of the newly formed Cuyama Valley Small Farmer and Rancher Network (SFAR). Over the past few months, a network of Cuyama Basin small farmers, ranchers and small pumpers has been formed. We are funded through the technical assistance funding for small farmers under DWR and we are operating under the auspices of the Cuyama Valley Family Resource Center and the Cuyama Valley Community Association. The SFAR Network includes small farmers, ranchers and de minimus pumpers in all areas of the Cuyama Basin including the CMA.

Our purpose is to have the voice of the small pumpers be represented in both the GSP and the adjudication processes with specific results that address the concerns and needs of small pumpers. Our organization has, and will continue to, meet regularly in order to understand the needs of Cuyama residents and collectively present our needs to the GSA. To date we have established a steering committee of six Cuyamans, held three community meetings and have formed partnerships with Dudek Engineering for technical assistance and with a legal clinic at UC Davis Law School, the Small Farmer Water Justice Clinic for legal guidance. The legal clinic is led by attorney David Sandino with a team of three third year law students. The team at Dudek includes Matt Naftaly and Steven Stuart as Principal Hydrologists; and Jane Gray as Project Director/Regional Planner.

We hope to work collaboratively with the GSA as we highlight the impact of policy considerations on small pumpers. In addition, small pumpers who have negligible impact on groundwater pumping, are being seriously impacted by the adjudication trial and we hope to have our specific concerns heard and to seek resolution in the adjudication process.

We are available as a resource to the GSA and we hope you will seriously consider our concerns as we strive to represent the voices and needs of small pumpers in the Cuyama Valley. You can reach us by contacting Robbie Jaffe, Project Coordinator, at SFARnetwork@gmail.com.

Sincerely,
Cuyama Valley Small Farmer and Rancher Network Steering Committee
Ella Boyajian, Wasioja Ranch
Margaret Brown, Cuyama Homegrown Farm
Lynn Carlisle, Cuyama Valley Family Resource Center
Robbie Jaffe, Condor's Hope Vineyard
Brenton Kelly, Quail Springs Permaculture Farm
Will Price, Cuyama Mutual Water Company