



TULARE IRRIGATION DISTRICT

6826 Avenue 240 Tulare, California 93274 Telephone (559) 686-3425

November 25, 2020

To: ALL INTERESTED PARTIES

Subject: **Kaweah Subbasin Water Marketing Strategy- Invitation to Participate**

The Tulare Irrigation District (District) is leading an effort to develop a Water Marketing Strategy (Strategy) to prepare for the possible future exchange of limited groundwater allocations to reach groundwater sustainability compliance under the Sustainable Groundwater Management Act (SGMA). The Strategy is meant to be a collaborative process in which all water user types will have the opportunity to participate. A Water Marketing Strategy Committee (Committee) will be formed of roughly eleven (11) members, which will have authority on major decisions relating to the proposed Water Market's parameters, rules, and management. A Subcommittee of four (4) members including one (1) representative from each of the three (3) Kaweah Subbasin Groundwater Sustainability Agencies (GSAs) and one (1) District representative will choose the remaining seven (7) Committee members from the pool of applicants.

The Tulare Irrigation District would like to invite all interested parties which use water within the boundaries of the following Groundwater Sustainability Agencies (GSAs) to apply for a seat on the Water Marketing Strategy Committee:

- **Mid-Kaweah Groundwater Sustainability Agency;**
- **Greater Kaweah Groundwater Sustainability Agency; and**
- **East Kaweah Groundwater Sustainability Agency**

Eligible water users include **growers, cities, ditch company representatives, urban representatives, urban residents, disadvantaged community representatives, disadvantaged community residents, rural domestic well users, environmental/non-profit representatives, industrial water users and groundwater users** generally.

The Water Marketing Strategy is estimated to be a two to three year process. Initially, we anticipate Committee meetings to be held monthly, and as the process moves along meetings may be quarterly or as needed.

The Water Marketing Strategy Committee aims to formulate one of the first functioning groundwater allocation trading markets in the Central Valley. Over the course of the next two to three years, this Committee will create a guiding document which will provide instruction to the three (3) Kaweah Subbasin GSAs on how to operate a functioning Water Market which may be used for the Subbasin as a whole to reach its goal of attaining groundwater balance and overall sustainability by 2040. This Committee is being formed not only to create a Water Market which will reach groundwater sustainability but also to create a Water Market that will consider outcomes for each water user type within the Subbasin. To do this, the Committee will have to balance potential water marketing policies that benefit agricultural users, urban users, rural

domestic users, disadvantaged community users, industrial users and environmental users. The Committee has been formed to represent all of these interests while addressing the following questions:

- How will the existing water budgets modeled by the three (3) Kaweah Subbasin GSAs be adapted to groundwater extraction allocations?
- Who can participate in the Water Market? Will there be limitations for specific user types?
- What are the geographic limitations for exchanges? Will there be a loss factor or penalty for further exchanges or exchanges between certain user types?
- How will users along the Subbasin Boundary be treated?
- How will water rights law apply to the proposed Water Market?
- How will water supplies for the various beneficial users of groundwater be protected?
- What happens if an individual user exceeds their allocation and/or purchased credits?
- How will pricing work? Will sellers be able to set any asking price, or will there be limits?
- How will groundwater pumping measurements be used to hold users accountable for trading?
- How will individuals be approved for participation in the Water Market? What parameters should be included in the user contract?

Applications will be received now through **December 31, 2020**, and successful applicants can expect an initial Committee meeting sometime in late January or early February.

Please complete the enclosed application and submit to:

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If you have any questions, please feel free to contact Jeremy Barroll, District Assistant Engineer at (559) 686-3425 or via email at jab@tulareid.org.