

Kaweah Subbasin Water Marketing Strategy

Meeting of the Subcommittee

December 15, 2020

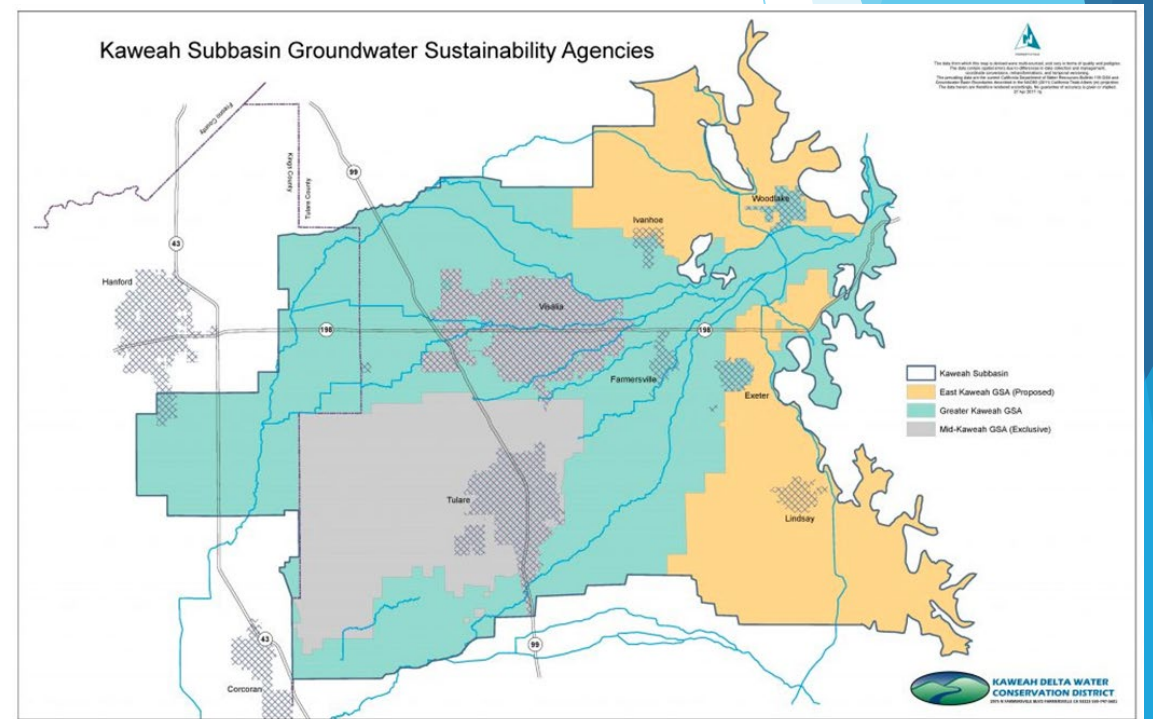
Held Virtually over ZOOM

1a. Roll Call

- ▶ Mid-Kaweah GSA: Steve Nelsen
- ▶ Greater Kaweah GSA: Joe Cardoza
- ▶ East Kaweah GSA: Brian Watson
- ▶ Tulare ID: Scott Rogers

2a. Kaweah Subbasin Water Marketing Strategy (KSWMS) Overview

- ▶ Timeline: Two to Three Years
- ▶ Goal: To create a Water Marketing Strategy for the Kaweah Subbasin to trade groundwater pumping allocations to achieve groundwater sustainability in compliance with the Sustainable Groundwater Management Act (SGMA)
- ▶ Authority of GSAs:
 - ▶ Water Budget
 - ▶ Allocations
 - ▶ Metering
 - ▶ Legal Guidelines/Legal Consultants
 - ▶ Implementation of KSWMS



2a. Kaweah Subbasin Water Marketing Strategy (KSWMS) Overview

- ▶ Project Schedule and Tasks:
 - ▶ Outreach and Partnership Building
 - ▶ Scoping and Planning
 - ▶ Development of Water Marketing Strategy (Strategy) Document
 - ▶ Case Studies Analysis
 - ▶ Final Strategy Document
- ▶ TID will act as Grant Administrator
- ▶ Grant Budget:
 - ▶ Bureau of Reclamation: \$400K
 - ▶ Kaweah Subbasin Cost-Share: \$432K

BUDGET ITEM DESCRIPTION	TOTAL COST
SALARIES, WAGES, FRINGE BENEFITS	
Partner Salaries and Fringe Benefits	\$267,200
SUPPLIES/MATERIALS	
Water Market Software	\$100,000
CONTRACTUAL	
Water Marketing, Legal, and Engineering Consultants	\$450,000
OTHER	
Meeting Room and AV equipment rental	\$15,000
INDIRECT COSTS	
None	\$0
TOTAL ESTIMATED PROJECT COST	\$832,200

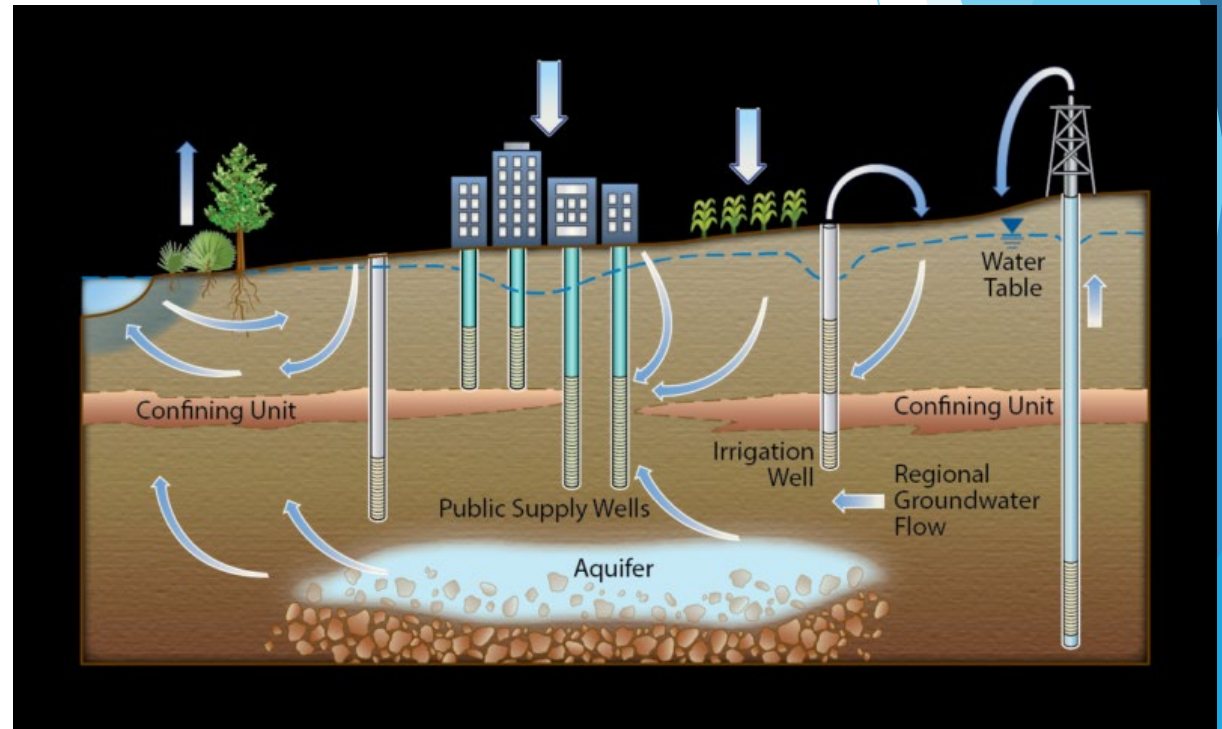
2b. Review and Discussion of Existing Water Markets

- ▶ Case Studies Report includes examples of existing water markets from Nebraska, Australia, San Bernardino County and Texas.
- ▶ Nebraska: Twin Platte Natural Resources District
- ▶ Australia: Murray-Darling Basin Authority
- ▶ San Bernardino County: Mojave Water Agency
- ▶ Texas: Edwards Aquifer Authority



2b. Review and Discussion of Existing Water Markets

- ▶ Allocations defined multiple ways
- ▶ Range of central control to free market
- ▶ Different definitions of which users are subject to allocations
- ▶ Different ways of establishing geographic limits
- ▶ Measurement: Most require metering



3a. Discussion of Water Market Consultants

- ▶ What do water market consultants do?
 - ▶ Inform agencies with knowledge from existing markets
 - ▶ Use economics to analyze outcomes of different approaches
 - ▶ Guide impact analysis and document writing
 - ▶ Create online platform
- ▶ What would we like in a consultant?
 - ▶ History of relevant past projects
 - ▶ Engineering and economics qualifications
 - ▶ Flexibility in incorporating stakeholder input



3b. Review and Discussion of Draft Request for Proposal

- ▶ Project Scope for Consultant includes:
 - ▶ Incorporation of GSA water budget, allocations, legal guidelines and SGMA parameters
 - ▶ Economic evaluation of different alternatives
 - ▶ Incorporation of stakeholder input
 - ▶ Analysis of hypothetical case studies
 - ▶ Development of final Strategy document
- ▶ Budget of \$200K for consulting services.
- ▶ Budget of \$100K for digital exchange software.



4a. Committee Selection

- ▶ Seven (7) remaining Committee members to be selected
- ▶ Should represent a variety of user types:
 - ▶ Agricultural users
 - ▶ Ditch company representatives
 - ▶ Urban residents/representatives
 - ▶ DAC residents/representatives
 - ▶ Rural domestic users
 - ▶ Non-profit/environmental representatives
 - ▶ Industrial users
 - ▶ Groundwater users generally
- ▶ Elected representatives preferred for cities/ditch companies
- ▶ Individuals can be multiple user types



5a. Adjournment

- ▶ Next KSWMS Subcommittee Meeting: January, exact date to be decided.
- ▶ Agenda will include selection of remainder of Committee. Committee applications will be distributed in advance.
- ▶ Anticipated that Committee meetings will be monthly

