

**BEFORE  
THE BOARD OF DIRECTORS  
FOR THE COUNTY OF MADERA  
GROUNDWATER SUSTAINABILITY AGENCY  
MADERA SUBBASIN**

In the Matter of	)	Resolution No.: <u>2023 - 056</u>
	)	
THE SUSTAINABLE	)	<b>RESOLUTION ADOPTING RULES FOR</b>
GROUNDWATER MANAGEMENT	)	<b>TARGETED LAND REPURPOSING</b>
ACT	)	<b>PROGRAM</b>
	)	
Madera Subbasin	)	
	)	
_____	)	

**RECITALS**

**WHEREAS**, the Sustainable Groundwater Management Act, Water Code sections 10720-10737.8 ("SGMA") was signed into law on September 16, 2014.

**WHEREAS**, SGMA requires that each groundwater basin be managed by a Groundwater Sustainability Agency ("GSA"), or multiple GSAs, and that such management be pursuant to an approved Groundwater Sustainability Plan ("GSP"), or multiple GSPs.

**WHEREAS**, the County of Madera ("County") is the exclusive GSA for the portions of the Madera Subbasin (Basin No. 5-22.06) in the San Joaquin Valley Groundwater basin, as defined by Bulletin 118 from California's Department of Water and Natural Resources ("DWR"), that are in unincorporated areas of Madera County and not otherwise covered by another public agency (hereinafter "County GSA"), and the County Board of Supervisors is the Board of Directors (hereinafter "Board") for the County GSA.

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**WHEREAS**, the Targeted Land Repurposing Program (“Program”) is being implemented in response to a drought scenario, as defined by Water Code section 13198(a) and is intended to: (1) address immediate impacts on human health and safety; (2) address immediate impacts on fish and wildlife resources; or, (3) provide water to persons or communities that lose or are threatened with the loss or contamination of water supplies.

**WHEREAS**, on March 7, 2023, the Board adopted Resolution No. 2023-033, authorizing the County GSA to apply to the State of California's Department of Water Resources (“DWR”) for grant funding for the Program.

**WHEREAS**, in the furtherance of the Program, the County GSA desires to adopt Program Rules for implementing the DWR LandFlex Program Guidelines (the “Program Rules”).

**WHEREAS**, this Resolution is exempt from the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15307 (action of a regulatory agency to protect natural resources), 15308 (action of a regulatory agency to protect the environment), and 15061(b)(3) (the “common sense” exemption where a project is exempt if can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment), as well as Executive Order N-7-22 from the Governor of the State of California.

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**RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Supervisors of the County of Madera, State of California, sitting as Board of Directors for the County of Madera GSA for the Madera Subbasin, that the Program Rules, attached hereto as **Exhibit A**, are hereby adopted.

\* \* \* \* \*

The foregoing Resolution was adopted this 18<sup>th</sup> day of April, 2023, by the following vote.

- Director Wamhoff voted: YES
- Director Rogers voted: YES
- Director Poythress voted: YES
- Director Gonzalez voted: YES
- Director Macaulay voted: YES



David B. Rogers  
Chairman, Board of Directors

ATTEST:

Ernie R. Anderson  
Clerk, Board of Directors

Approved as to Legal form:  
COUNTY COUNSEL

Michael R. Linden  
By Linden

Digitally signed by: Michael R. Linden  
DN: CN = Michael R. Linden email = mlinden@lozanosmith.com C = US O = LOZANO SMITH  
Date: 2023.03.31 11:55:22 -07'00'

# EXHIBIT A

Madera County GSA

Targeted Land Repurposing (LandFlex) Program  
Rules

*for*

Implementing DWR LandFlex Program Guidelines

**March 31, 2023**

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## Targeted Land Repurposing (LandFlex) Program Rules

### 1 Definitions

- **Madera County GSA.** The exclusive Groundwater Sustainability Agency for the portions of the Madera Subbasin, Chowchilla Subbasin, and Delta-Mendota Subbasin that are not in other GSAs.
- **GSPs.** Groundwater Sustainability Plans.
- **SGMA.** Sustainable Groundwater Management Act.
- **Owner.** The legal landowner of a parcel or the legal landowner's designated agent.
- **Allocation Approach.** The calculation and allocation of Sustainable Yield and Transitional Water as specified in Madera County Resolutions 2021-069 and 2021-113.
- **TLRP Agreement.** The legal contract between an entity enrolling land in the TLRP and the Madera County GSA describing the terms and obligations of both parties. Also referred to as Agreement.
- **Repurposed Land.** Lands that are voluntarily entered into a TLRP Agreement with the Madera County GSA.
- **Eligible Enrolled Acre.** An acre of land that pays the GSP Fee and is eligible to receive a Sustainable Yield and Transitional Water allocation as specified in Madera County Resolutions 2021-069 and 2021-113.
- **Targeted Land Repurposing (LandFlex) Program (TLRP).** The program that pays willing landowners to forgo use of allocation on specified lands and repurpose those lands to other non-irrigated uses to provide community and domestic drinking well public benefits. The three non-recurring payment components are defined in DWR's Program Guidelines:
  - A payment for **Domestic Well Drought Relief water (Drought Relief)**, which is the quantity of groundwater pumping eliminated during the 2023 Water Year in return for entering into a TLRP Agreement. This payment corresponds to the "One-year Fallowing" payment described in the Madera County GSA's LandFlex FAQs.
  - A payment for **Sustainable Yield Acceleration (SY Acceleration)**, which is future (Water Year 2024 and beyond) Transitional Water eliminated from a farm unit's allocation in return for entering one or more of the farm unit's parcels into a TLRP Agreement. This payment corresponds to the "Buyback of Transitional Water" payment described in the Madera County GSA's LandFlex FAQs.
  - A payment for **Transition to Sustainability (Transition)**, which is a land-use transition payment that will vary based on the current uses of enrolled acres. This payment corresponds to the "Land Use Transition" payment described in the Madera County GSA's LandFlex FAQs.
- **Total Payment** is the sum of the three TLRP payments for **Drought Relief, SY Acceleration, and Transition**

## Targeted Land Repurposing (LandFlex) Program Rules

- **Parcel-Field.** A unique identifier that specifies the Assessor Parcel Number (Parcel) and field boundary, as defined in the Madera County GSA water tracking geospatial information.
- **Participant.** An eligible landowner that enters into a TLRP Agreement with the Madera County GSA.
- **Farm Unit.** The defined areas of irrigated land (Parcel-Fields) managed as a single unit under the Madera County GSA Allocation Approach.

## 2 GSA Documents Referenced

- Madera County Resolution 2021-069
- Madera County Resolution 2021-113
- Madera County Resolution 2022-194
- Madera County Resolution 2023-033

## 3 Madera County SGMA Background

The County of Madera is the exclusive GSA (“Madera County GSA”) for the portions of the Madera Subbasin, Chowchilla Subbasin, and Delta-Mendota Subbasin that are not otherwise covered by another water district or public agency. Including the three Groundwater Sustainability Agencies (GSAs) that are managed by the County of Madera, there are fourteen total GSAs within the County working to implement Groundwater Sustainability Plans (GSPs).

The GSP covering the Madera County GSA in the Madera Subbasin specified a series of projects and management actions to enhance supply or reduce groundwater demand that will be implemented to achieve sustainable groundwater conditions by 2040.

To enhance supply, the Madera County GSA is developing groundwater recharge projects and evaluating importing new surface water supplies from Sites Reservoir. The initial phases of groundwater recharge projects are currently under development with \$8.4 million in funding support from the 2018 Department of Water Resources Sustainable Groundwater Management Grant Program Implementation Round 1. Under Round 1 of the 2021 Sustainable Groundwater Management Grant Program, Madera County secured an additional \$3.7 million for groundwater recharge project development.

To reduce groundwater demand, the Madera County GSA has implemented a groundwater allocation. Planned demand management specified in the GSPs is approximately 90,000 acre-feet per year (AFY) in the Madera Subbasin portion of the Madera County GSA. Madera County received a \$10 million grant from the Department of Conservation to develop and implement a Multi-Benefit Land Repurposing Program (MLRP). The Madera County GSA has developed rules for its Voluntary Land Repurposing Program (VLRP), which is currently pending implementation because the landowner fees to support the program are subject to a temporary injunction. The Madera County GSA in the Madera Subbasin also received a \$9.3 million



## Targeted Land Repurposing (LandFlex) Program Rules

Department of Water grant to develop and implement the TLRP. This document defines and describes the rules for the TLRP.

The TLRP program is being developed to incentivize landowners whose groundwater use may be affecting domestic well conditions and pumping costs to reduce their pumping by repurposing land during the 2023 Water Year. The program is intended to: (1) provide immediate benefits for vulnerable domestic wells, (2) accelerate the transition to sustainable groundwater management, and (3) implement best practices. TLRP will help Madera County GSA in the Madera Subbasin avoid impacts to domestic wells and will contribute to planned demand management in the Madera Subbasin. It is funded by a California Department of Water Resources (DWR) grant program to help protect drinking water wells in underrepresented communities and accelerate implementation of the Sustainable Groundwater Management Act (SGMA).

### 4 Overview of the Targeted Land Repurposing (LandFlex) Program

The Targeted Land Repurposing (LandFlex) Program (TLRP) is a voluntary program available to landowners in the Madera Subbasin portion of the Madera County GSA. The TLRP program is a special case of and shares some common features with the purposes and underlying structure developed for the VLRP. TLRP has a separate funding source provided by the State of California and imposes some requirements on participating lands to meet the state's goals.

TLRP's implementation benefits from substantial initial discussions and outreach during VLRP development (including the initial SALC-funded work), including extensive stakeholder input at a series of public workshops, board presentations, informal meetings, and GSA-hosted "office hour" sessions. A total of fifteen (15) formal meetings, workshops, or board presentations were held to develop the VLRP.

The Madera County GSA is responsible for the administration and implementation of the TLRP. This document describes the TLRP rules.

Currently, TLRP is planned as a one-year program ending on September 30, 2023 (end of Water Year (WY) 2023). Contingent on additional funding, the program may be extended. If so, the Madera County GSA will review and update the program rules over time to ensure that the program meets any changes in DWR guidelines and is consistent with the GSP and broader sustainable groundwater management objectives in Madera County.

### 5 TLRP Rules

The TLRP program starts with an interested Owner determining if they are eligible for the TLRP and which lands would be eligible. The Owner then determines which lands would be offered to the program. During the enrollment period the Owner submits an application to the website link that will be provided by the Madera County GSA to enter lands into the TLRP. The Madera County GSA receives applications from all interested Owners and coordinates with a DWR-

## Targeted Land Repurposing (LandFlex) Program Rules

approved Technical Assistance Provider to score and rank applications according to the process defined in subsequent sections of this document, and notifies Owners whether their applications were selected. Owners that are selected for the TLRP then enter into an agreement with the Madera County GSA for the 2023 WY and are subject to the management requirements defined in this document.

The TLRP program funds will be managed separately from any other demand management or land repurposing programs such as VLRP and MLRP.

This section describes the TLRP rules:

- Owner and Land Eligibility
- Solicitation and Application Process
- Selection Process
- Management Requirements
- Monitoring Verification
- Payment Terms
- Termination
- Allocation of TLRP Water
- Modification Process

TLRP program rules apply for the 2023 WY ending on September 30, 2023, though the Madera County GSA will complete its monitoring and reporting commitments after that date. If the State of California provides funds and authorization for Madera County GSA to continue the TLRP beyond that date, these program rules will be reviewed to inform program improvements.

### 5.1 Owner and Land Eligibility

This section describes who is eligible to participate in the TLRP.

To be eligible to apply to the TLRP, the applicant must be the Owner (or the Owner's designee) of the lands being considered for the program.

Lands that are eligible to participate in the TLRP must be eligible to receive a groundwater allocation of both Sustainable Yield and Transitional Water and be subject to the GSP Fee, as defined in Madera County Resolution 2021-069 and 2021-113 ("Eligible Enrolled Acres"). Enrolled Acres only receiving Sustainable Yield are ineligible to participate. Eligible Enrolled Acres must be in the Madera County GSA portion of Madera Subbasin.

Eligible Enrolled Acres must be all or portions of a Parcel-Field, or an entire full Parcel, in Madera County GSA water tracking and management software.

Requirements for land to be eligible for the TLRP are summarized as:

- It is wholly located within the Madera County GSA portion of the Madera Subbasin;

## Targeted Land Repurposing (LandFlex) Program Rules

- It is Eligible Enrolled Acres and therefore eligible for both the Sustainable Yield and Transitional Water groundwater allocations within the Madera County GSA;
- It must not be delinquent on local, state property taxes, assessments, and fees;
- It is no smaller than 10 acres;
- It is no larger than 40 acres or 25 percent of the eligible acres in the Farm Unit, whichever is greater;
- Madera County GSA has sole responsibility for determination of eligibility.

To be eligible for the TLRP an Owner must:

- Be in compliance with Madera County GSA rules and regulations.
- Be the landowner or the designated agent of the landowner.
- Provide the following
  - Proof of Farmed Acreage to be followed using Farm Service Agency's 2021 FSA-578 or 2021 Acreage Report/CCC-576 (small farm applications)
  - Proof of Lease (if applicable)
  - Proof that the proposed acres fall within the Enrollment Cap (up to a total of 40 acres enrolled or 25% of total acreage in the farm unit, whichever is greater). FSA Form 578: Partnership acreage is calculated separately.
  - A signed statement as to whether the farming entity operation (e.g., individual, LP, or LLC) has a 3-year average (for tax years 2019-2021) Adjusted Gross Income (AGI) that is greater than \$2.5 million per year. A farming entity whose AGI is less than this amount will receive additional scoring points for purposes of ranking and selection. This AGI test applies to the entity's entire operations, including sources of income not associated with the proposed acres. If applicable, the farming entity may provide FSA Form 1123 to support its statement.
  - A signed statement that total water pumped from the well or wells used to irrigate the proposed acres in WY 2022 will be reduced in WY 2023 (relative to the amount they pumped in WY 2022) by an amount commensurate with the saved groundwater for which the owner receives Drought Relief payment under this program.

## 5.2 TLRP Solicitation Period and Application Process

Madera County GSA will announce the TLRP solicitation according to the Schedule of Activities as described in Attachment A. The solicitation announcement will be followed by a short period of public information and outreach by the Madera County GSA. This will include summarizing key program objectives and rules, and describe how interested Owners can submit an application for the upcoming year.

## Targeted Land Repurposing (LandFlex) Program Rules

An eligible Owner (or Owner designee) may submit an application to participate in the TLRP for eligible Parcel-Fields during the open application period. In order to be considered for the TLRP, the Owner must submit an application for an eligible Parcel-Field (Attachment B). The application will contain:

- The Owner's contact information.
- Information about the Parcel-Field including the APN and Parcel-Field size in acres.
- Location of the well or wells that supplied groundwater to the proposed acres in WY 2022.
- Signed statement as to whether the Owner's 3-year average AGI does or does not exceed \$2.5 million.
- Signed statement warranting that the total water pumped from the well or wells that supplied groundwater to the proposed acres in WY 2022 will be reduced in WY 2023 by an amount commensurate with the saved groundwater for which the owner receives Drought Relief payment under this program.
- Documentation to support any requested payment for the Transition payment. This will include, but is not limited to, demonstrating that the Parcel-Field was planted to one of the crops eligible for Transition payments in 2020 – 2022, and receipts plus voided check images demonstrating payment for activities covered under the Transition payment. It will also include a description of transition practices to be used to convert the field to a fallow state.

Owners may submit applications online or by mail. The Madera County GSA will provide links to email submissions and an address for mail submissions as part of the annual solicitation round.

Only one application per Parcel-Field may be submitted. Owners may submit multiple applications, so long as they only submit one per Parcel-Field.

### 5.3 Selection Process

Participation in the program is subject to a competitive selection process, with application review and selection by the Madera County GSA. Eligible applications will be evaluated and selected based on scoring criteria described below. Madera County GSA is implementing guidelines developed by DWR and LandFlex Technical Assistance Providers (TAPs) to develop a streamlined application, scoring, and selection process, so the GSA may receive technical assistance with any of the scoring and selection steps described below.

The Madera County GSA will first review applications for eligibility. This will include verifying that the Parcel-Field identifier and acreage is consistent in the application and the Madera County GSA water management system. Applications that are not eligible will be rejected and applicants will be notified of such determination no later than one week before end of the Madera County GSA selection and review period (see Attachment A). The Madera County GSA is not obligated to expend the entire TLRP budget.

## Targeted Land Repurposing (LandFlex) Program Rules

If the Madera County GSA sees a potentially correctable error, it will contact the applicant to verify or correct it. If the applicant receives a determination of ineligibility but believes it to be in error or based on a correctable mistake on the application, the applicant may contact the Madera County GSA with supporting documentation within three (3) business days of receiving such determination.

Eligible applications will be assigned scores for each of the scoring criteria defined below. Based on the information provided by the applicant and information on parcel location, land and water use, and proximity of domestic wells and underrepresented communities, Madera County GSA will assign a score to each application.

### 5.3.1 Proximity Criteria in DWR LandFlex Grant Program Guidelines

Two required criteria were included in DWR's LandFlex program guidelines, along with the scoring that Madera County GSA must use. The first criterion provides a strong scoring preference for land being fallowed in proximity to dry, shallow, domestic wells that were reported to DWR within the last 24 months, as determined by the Department of Water Resources SGMA Data (<https://dwr.maps.arcgis.com/apps/dashboards/bd00ee8c357c449ca4ac5714bb95a81c>) as of March 1, 2023.

<b>Criterion 1: Proximity to Dry Wells</b>	
<b>Distance from Dry Well</b>	<b>Points</b>
0 to 0.5 mile of a reported dry domestic well	15
0.6 to 1 mile of a reported dry domestic well	10
1.1 to 2.5 miles of a reported dry domestic well	5
>2.5 miles of a reported dry domestic well	1

The second required criterion provides a strong scoring preference for land in proximity to URCs as determined by the URC Technical Assistance Program's mapping tools ([www.water.ca.gov/urctaprogram](http://www.water.ca.gov/urctaprogram)), or proximity to other communities identified by the appropriate TAP as likely to benefit from program investments. Proximity to a legally defined Disadvantaged Community (DAC) as of March 1, 2023 is used.

<b>Criterion 2: Proximity to Designated Disadvantaged Community</b>	
<b>Distance from Disadvantaged Community (DAC)</b>	<b>Points</b>
Property within 0 to 0.5 mile of a DAC	15
Property within 0.6 to 1 mile of a DAC	10
Property within 1.1 to 2.5 miles of a DAC	5
Property >2.5 miles of a DAC	1

## Targeted Land Repurposing (LandFlex) Program Rules

### 5.3.2 Number of Potentially Affected Domestic and Municipal Wells

At the direction of DWR LandFlex staff and Technical Assistance Providers (TAPs) two additional criteria will provide even stronger evidence of a potential Parcel-Field's ability to meet the goals of the DWR LandFlex program guidelines. Whereas the first two criteria establish whether the proposed Parcel-Field is within defined distances of any dry domestic well or DAC, the number of domestic wells and number of people potentially affected by well drying are included in the next two criteria.

Criterion 3 establishes the proposed Parcel-Field distance to the density of dry domestic wells, as determined by the Department of Water Resources SGMA Data (<https://dwr.maps.arcgis.com/apps/dashboards/bd00ee8c357c449ca4ac5714bb95a81c>) as of March 1, 2023.

<b>Criterion 3: Number of Domestic or Municipal Wells within 1 Mile</b>	
<b>Number of Wells</b>	<b>Points</b>
Greater than 10	10
5 - 9	6
2 - 4	3
1	1

Criterion 4 establishes the proposed Parcel-Field distance to approximate population served by domestic wells within 1 mile of the Parcel-Field, as determined by the State Water Resources Control Board SAFER data base ([https://www.waterboards.ca.gov/drinking\\_water/certlic/drinkingwater/2022.html](https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/2022.html)) as of March 1, 2023.

<b>Criterion 4: Population Served by Municipal Wells within 1 Mile</b>	
<b>Number of People</b>	<b>Points</b>
Greater than 1,000	15
500 - 999	10
100 - 499	8
25 - 99	5

### 5.3.3 Total Score and Ranking

The total potential score for any Parcel-Field is 55 points.

Each application's criteria scores will be totaled to produce a Total Score. Based on the information provided to and calculated by Madera County GSA, the Applications will be ranked by Total Score. For each applicant, the Total Payment will be calculated (see Payment Terms

## Targeted Land Repurposing (LandFlex) Program Rules

section in these Rules). Based on the Madera County GSA budget for payments under this program, applications will be accepted in decreasing order of Total Score until the aggregate Total Payments meets that budget, up to \$8.8 million.

### 5.3.4 Notification of Selection

Owners will be notified by the Madera County GSA of their applications' status within 15 days of the application deadline. The notice will indicate whether an application was accepted or not accepted. If an application is accepted, the Owner and Madera County GSA will execute the fixed-term, temporary TLRP Agreement for the respective Parcel-Field.

If an Owner decides not to sign a TLRP Agreement on one or more selected Parcel-Fields, then that Parcel-Field will be withdrawn from the selected list and the Total Payment calculated for it will become available for the next highest ranking eligible application(s).

## 5.4 Management Requirements

Once an Owner application is accepted and the Madera County GSA and Owner execute the TLRP Agreement, the Owner will be considered a "Participant" in the TLRP. The Parcel-Field included in the TLRP Agreement is referred to as "Repurposed Land."

The TLRP Agreement contains contractual obligations which include some TLRP rules described in this document. In case of any apparent discrepancy between a rule described herein and the same rule stated in the TLRP Agreement, the TLRP Agreement language shall govern.

The Participant serves as the primary point of contact and is responsible for completion of and compliance with all program requirements as described in this document and the TLRP Agreement.

It is the responsibility of the Participant to ensure that tenants, farm managers, and other applicable employees and contractors are informed that the Repurposed Land is in the TLRP and that all management requirements are followed.

Repurposed Land is subject to TLRP Agreement requirements and program rules, which include but are not limited to the following:

- Lease of Groundwater Allocation. The Participant gives up the Sustainable Yield and Transitional Water allocated to the Parcel-Field for the 2023 calendar year and that water cannot be used on other parcels in the Farm Unit, carried forward to a subsequent year for use on the Parcel-Field or Farm Unit, or otherwise transferred to another use.
- Relinquish Transitional Water. The Participant gives up the Transitional Water allocated to the Parcel-Field in perpetuity. That Transitional Water is permanently retired from the Farm Unit allocation. A restriction will be placed on the deed to the property indicating that it is no longer entitled to an allocation of Transitional Water (that is, water use above the Sustainable Yield of the subbasin) as defined by the Madera County GSA.
- Non-Irrigation. No portion of the Repurposed Land may be irrigated. Repurposed Land may use incidental consumptive use of rainfall, but the Participant cannot implement any

## Targeted Land Repurposing (LandFlex) Program Rules

practice that would reduce natural groundwater recharge (as would have typically occurred prior to the Participant's application to the TLRP).

- Limited Permitted Uses. Repurposed Land may be used for livestock grazing or other non-irrigated uses that comply with other TLRP Agreement terms. Any other irrigated crops, including previously irrigated trees and vines on the Parcel-Field, must be pulled from the ground and incapable of consumptively using water on the Repurposed Land.
- Land Management and Nuisance Mitigation. Repurposed Land must be managed to prevent and mitigate nuisances in accordance with applicable local, state, and federal laws and regulations. These activities include but are not limited to ensuring adequate dust control and weed abatement as described in Attachment C. All land management requirements must be done at the expense of the Participant.
- Verification. Dust management and weed abatement will be enforced by the existing respective regulatory agencies. All other TLRP Agreement requirements are subject to verification, monitoring, and enforcement by Madera County GSA as specified in the TLRP Agreement.
- Compliance with Madera County GSA Rules and Regulations. The Participant must be in compliance with Madera County GSA Rules and Regulations.
- Survivability. The TLRP Agreement for Repurposed Land will survive any changes in ownership or tenancy during the term of the agreement. It is the responsibility of the Participant to notify any prospective buyers or new tenants of the contract with Madera County GSA.

### 5.5 Monitoring and Verification

Madera County GSA will monitor and verify that the Participant is complying with TLRP rules, including forgoing the use of irrigation on the Repurposed Lands. The Madera County GSA may use a combination of water tracking technology, reports, staff time and site visits, and other resources to monitor and verify compliance of TLRP Agreement performance. Verification is performed by Madera County GSA and/or its contractors to check that the land is being managed as outlined in the contract terms, which include weed abatement, dust management, and not irrigating the Repurposed Land.

The Participant shall make reasonable accommodations to allow access for compliance monitoring.

### 5.6 Payment Terms

The Total Payment is defined in the TLRP Agreement. It is calculated as the sum of:

- The Drought Relief payment of \$350 per AF times the Parcel-Field's 2023 total allocation (Sustainable Yield plus Transitional Water)
- The SY Acceleration payment of \$1,000 per AF times the 2023 Transitional Water allocation for the Parcel-Field



## Targeted Land Repurposing (LandFlex) Program Rules

- The Transition payment per acre, according to the crop fallowed, times the corresponding payment rate per acre based on the actual expenses incurred:
  - Row Crops: up to \$250 per acre
  - Dairy Feed Replacement: up to \$2,000 per acre
  - Permanent Orchard & Vine Removal: up to \$2,800 per acre

Potential applicants may view an example calculation and use a calculator provided on (or linked to on) the Madera County GSA LandFlex web page ([maderacountywater.com/land-repurposing](http://maderacountywater.com/land-repurposing)) to estimate their total payment under the program.

The number of acres will be defined by the Parcel-Field in the Madera County GSA's water tracking system. Payment by Madera County GSA to the Participant will be made in two installments and is subject to verification of TLRP Agreement performance.

Repurposed Land must be eligible for Sustainable Yield and Transitional Water allocation and pay the GSP Fee. The Participant will continue to pay the GSP Fee for the duration of the TLRP Agreement.

TLRP payments will be issued in July and September of 2023. All three of the payment components (Drought Relief, SY Acceleration, and Transition) will be calculated and allocated between the two payment dates. The payments are taxable income, and the Madera County GSA will issue the Participant a 1099 or other appropriate income reporting documents for tax purposes. Participants are responsible for tax payments and should consult their tax professional and legal advisors.

### 5.7 Termination

An executed TLRP Agreement is a binding commitment on the part of both the Madera County GSA and the Participant and can be terminated at the discretion of the Madera County GSA if the Madera County GSA determines that a violation of one or more terms of the Agreement has occurred or is threatened to occur. If the Madera County GSA identifies a violation or potential violation the Participant will have seven (7) days after receipt of notice to the Participant by Madera County GSA of such violation to remedy the violation.

Termination will result in forfeiture of all remaining payments due under the TLRP Agreement and will incur a penalty of up to 125% percent of the payments the Participant received up to the time of termination. For example, termination occurs in August of 2023, the Participant would forfeit the September payment and owe a penalty of up to 125% percent of the July payment they received. Such penalty shall be charged to the Participant through mechanisms allowed under the Madera County GSA's authority.

Termination will further result in being deemed non-compliant with Madera County GSA rules and regulations. As a result, the Owner and Parcel-Fields within the respective Farm Unit will be ineligible to participate in land repurposing, including future TLRP or VLRP, for the following one (1) year.

## Targeted Land Repurposing (LandFlex) Program Rules

### 5.8 Accounting for TLRP Water

The purposes of TLRP are both to reduce pumping to provide immediate relief of drought-related pressure and to eliminate permanently any overdraft allocation (transitional water) associated with participating lands. The TLRP is fully funded by the State through a one-time DWR LandFlex grant award. ***No re-allocation of groundwater pumping reduced under the TLRP shall occur to other, non-participating land during 2023, nor shall it be carried over or credited for use on any lands during 2023 or any subsequent year. Note that this non-reallocation rule is different from the VLRP due to the nature, purposes, and funding for TLRP.***

For purposes of reporting TLRP program savings to DWR, the net groundwater pumping saved under the TLRP shall be calculated using the following method. Gross pumping saved includes the following three components:

- Sustainable Yield allocated to the participating Parcel-Field for the 2023 calendar year
- Transitional Water allocated to the participating Parcel-Field for the 2023 calendar year
- Estimated crop evapotranspiration in excess of the allocated Sustainable Yield plus Transitional Water, based on the 3-year average ETAW of the participating acres using the Madera County GSA's methodology for calculating evapotranspiration. If the 3-year average ETAW is deemed to be not representative of average ETAW (for example, due to recent crop rotations), then the most recent year, 2022, ETAW may be applied.

The gross pumping saved shall be adjusted by subtracting any crop evapotranspiration resulting from irrigation using groundwater during the 2023 calendar year but prior to the Parcel-Field being enrolled in the TLRP. It will also be adjusted for any cover crop planted on the Parcel-Field, and the evapotranspiration of the cover crop will be defined by the Madera County GSA using its method for calculating evapotranspiration.

Note that the Drought Relief payment is based only on the Parcel-Field's allocated water, the first two of the three components.

### 5.9 Modification Process

The Madera County GSA is responsible for the implementation of the TLRP. If the State chooses to authorize and fund the Program for the 2024 water year, or any future year, Madera County GSA will review 2023 program performance and adjust rules as appropriate based on feedback from participating and affected parties and in response to any program changes required by DWR. The current year and any future year TLRP activities will be coordinated with other programs including the VLRP and Multibenefit Land Repurposing (MLRP) to ensure the program meets GSP objectives and helps achieve groundwater sustainability in the Madera County GSA Subbasins.

**Targeted Land Repurposing (LandFlex) Program Rules**

# ATTACHMENT A

## Schedule of Activities

The following is the TLRP schedule of activities, including solicitation, contract selection and execution, and payment installments.

Applications will be open in April, 2023. The Madera County GSA will select participants by May 1, 2023 and execute TLRP Agreements as expeditiously as possible. The first installment of the incentive payment will be made in July of 2023. Pending verification of TLRP Agreement performance, the second installment of the incentive payment will be made in September of 2023.

The schedule of activities is:

<b>Water Year 2023</b>	<b>Activity</b>
April 2023	Applications open
May 2023	Selection and TLRP Agreement execution
April-September, 2023	Land repurposing underway; GSA assistance and monitoring as needed
July 2023	First installment of payment
September 2023	Pending verification, second installment of payment

**Targeted Land Repurposing (LandFlex) Program Rules**

# ATTACHMENT B

## Madera County GSA LandFlex Targeted Repurposing Program

### Application for Participation

This application is for the LandFlex Targeted Repurposing Program (TLRP). More information about the program, including the program rules and template contract, can be found on the Madera County GSA website at: <https://www.maderacountywater.com/land-repurposing/>.

Please note the following:

- This program is consistent with but separate from the Voluntary Land Repurposing Program (VLRP). Similarities and differences are described at the website link above.
- Participation in this program is voluntary, compensated, and competitive.
- If your application is selected, you must further enter into a TLRP Agreement with the Madera County GSA in order to participate in the TLRP.
- The Parcel-Field identification number and exact number of acres for the Parcel-Field will be verified by the Madera County GSA prior to execution of an Agreement. Incorrect information is grounds for disqualification.
- The individual submitting the application must be the owner or owner designee for the Parcel-Field for which this application is being submitted.
- Only one application per Parcel-Field may be submitted. Eligible individuals may submit multiple applications, so long as they only submit one per Parcel-Field.

### OWNER OR OWNER DESIGNEE CONTACT INFORMATION

First Name:	
Last Name:	
Business/ Organization Name:	
Email Address:	
Phone Number:	
Mailing Address:	

### PARCEL-FIELD INFORMATION

Parcel-Field Identifier:	
Farm Unit Name or ID:	
Number of Acres:	

## Targeted Land Repurposing (LandFlex) Program Rules

Location of well or wells used to irrigate the Parcel-Field in WY 2022	
Last three years of crop history on the Parcel-Field and transition practices to be performed to justify the Transition to Sustainability payment	

### ATTACHMENTS

FSA Form 1123	
Form CCC 941	
FSA Form 578 or CCC 576	
Owner AGI Certification	
TLRP Program Statement	

If awarded, the Owner must submit:

- Signed statement that Owner's 3-year average AGI does not exceed \$2.5 million, using the following language:

I acknowledge that I have read and reviewed the program rules and template landowner contract. I understand that my answer below will affect how my application is scored under Criterion 5 (see scoring tables in the Selection Process section of the program rules).

I certify that the Adjusted Gross Income (AGI) averaged over the tax years 2019, 2020, and 2021 does NOT exceed \$2.5 million per year for the Owner/legal entity operation.

- Signed statement as follows;

I acknowledge that I have read and reviewed the program rules and template landowner contract. I understand that a primary purpose of the TLRP Program is to reduce agricultural pumping in proximity to potentially affected domestic or municipal wells  
I certify that the well or wells that supplied groundwater to the proposed acres in WY 2022 will be reduced in WY 2023 by an amount commensurate with the saved groundwater for which the owner receives Drought Relief payment under this program.

## ATTACHMENT C

### Dust Mitigation and Weed Abatement Requirements

In order to satisfy dust mitigation and weed abatement requirements, the landowner shall be responsible for and comply with the following existing rules and regulations related to dust and weed management.

#### **DUST MITIGATION REQUIREMENT**

The landowner is responsible for and must comply with dust management as required by the San Joaquin Valley Air Pollution Control District, or other appropriate authorities.

#### **WEED ABATEMENT REQUIREMENT**

The landowner is responsible for and must undertake the timely control of all weeds on the land that is fallowed as required by the Madera County Ordinance, § 7.26.040 "WEED ABATEMENT."