

MADERA COUNTY CONTRACT NO. 12652-23

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

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

RECITALS

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

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

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

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

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

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

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

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

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

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AGREEMENT

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

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

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

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

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

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

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

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

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

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

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

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

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

COUNTY

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

CHOWCHILLA SUBBASIN GROWERS (CSG)

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

With Copy to

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

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

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

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

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



COUNTY OF MADERA

David B. Rogers
Chairman, Board of Supervisors

ATTEST:

Karen Sainieri
Clerk, Board of Supervisors

CHOWCHILLA SUBBASIN GROWERS
(CSG)

By: [Signature]
(Signature)

Jay Mahil
(Print Name)

Approved as to Legal Form:
COUNTY COUNSEL

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

Title: Chairman

ACCOUNT NUMBER(S)

Exhibit B

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

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

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

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

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

23,971.38 Total Acreage