

Mape's Ranch and Lyons' Investments

10555 Maze Road Modesto, CA 95358 Office: (209) 522-1762 FAX: (209) 522-7871

July 9, 2024

STRGBA GSA - strgba@mid.org

Todd Groundwater – <u>lelliott@toddengineers.com</u>

MID's Board of Directors - Board Secretary - angela.cartisano@mid.org

MID's General Manager – Jimi Netniss – jimi.netniss@mid.org

MID's Assistant General Manager – Water Operations – Gordon Enas – gordon.enas@mid.org

MID's Civil Engineering Manager – Jesse Franco – jesse.franco@mid.org

MID's General Counsel – Frank Splendorio – <u>frank.splendorio@bbklaw.com</u>

Modesto City Council - council@modestogov.com

Modesto Chamber of Commerce – Economic Development Committee – <u>info@modchamber.org</u>

OID Board of Directors - Board Secretary - Casse White - cwhite@oakdaleirrigation.com

Re: STRGBA GSA Revised Groundwater Sustainability Plan

Dear STRGBA GSA Member Agencies,

On behalf of our family, which has been farming in the Modesto subbasin for over 100 years, and as a former MID Board Member, I would like to acknowledge and thank the STRGBA GSA Member Agencies, the Staff of each Agency, and the GSA's Consultants, for their time, effort and analysis to address the requirements of SGMA and the efforts to implement a comprehensive Groundwater Sustainability Plan (GSP).

On behalf of our farming family, I submit the following comments:

- 1) Based on the extensive analysis performed by the GSA's Consultants, it is very apparent that OID, MID and the NDW Management Areas are not only sustainable, but are also beneficially contributing to the groundwater levels in the Modesto Subbasin in the amount of approximately 45,000 acre-feet per year. The STRGBA GSA's 2023 Annual Report and the additional analysis of the GSA's Consultants, clearly confirm the damage and negative impacts the NDE Management Area has caused, and is continuing to cause to the Modesto Subbasin, with the latest evaluation identifying an increased deficit of over 70,000 acre-feet per year by the NDE Management Area. Additionally, the continued overdrafting of the NDE's portion of the Modesto Subbasin has caused, and will continue to cause, damage to domestic wells and an unacceptable lowering of the groundwater table.
- 2) The decision to create four Managements Areas within the GSA is a critical component of the GSA's GSP, as the research to date has shown that there are very different groundwater conditions in the OID, MID and NDW Management Areas than those in the NDW. The OID, MID and NDW Management Areas should not be subjected to the same regulatory restrictions and enforcement mechanisms as the NDE. Since the research to date has confirmed that the NDE is dramatically impacting the entire Subbasin in a very negative way, while the other three

- 3) Management Areas are net contributors to the groundwater levels, it is incredibly irrational to impose any restrictions or charges on landowners and ratepayers (both agricultural and urban) in the OID, MID and NDW Management Areas. Instead, the Management Actions should be focuses on regulating and imposing restrictions on the NDE for the continuously declining groundwater levels and negative ramifications resulting therefrom, which are caused by the NDE's unsustainable overdrafting of the Modesto Subbasin.
- 4) The NDE landowners made a business decision to convert dry cattle grazing land with insufficient and unsustainable water resources to permanent crops. The NDE property owners are now demanding that OID, MID and NDW landowners and ratepayers subsidize the extensive efforts it will take to mitigate, address, monitor and submit reports regarding, the damage that has been caused, and is being exacerbated, to the groundwater table in the Modesto Subbasin. All such costs, if charged to the OID, MID and NDW Management Areas, would irrationally and unfairly impact both agricultural and urban ratepayers since they have already paid a premium to purchase land in Management Areas where significant funds have been expended to achieve sustainable use of groundwater within the Modesto Subbasin.
- 5) The value of water has been an issue that continues to surface, especially amongst the MID Board Members. There have been attempts to greatly reduce the MID Board approved \$200 per acrefoot market value price by 70% (to \$60) per acre-foot to the NDE landowners. It is worth noting that OID and other Irrigation Districts within they Valley charge in excess of \$200 per acre-foot for out-of-district landowners, thereby confirming that MID's rate of \$200 per acre-foot is an extremely reasonable (and below market value) rate. The NDE landowners are fortunate that OID and MID have agreed to implement programs to make their water available to them at such a reasonable rate.

My suggestions and recommendations are as follows:

- A) The NDE should be required to cover the costs to administer, monitor, inspect and enforce the requirements of the GSP, DWR's requirements and all applicable laws.
- B) Protect the landowners and ratepayers in the OID, MID, NDW Management Areas from any and all efforts to require that they pay for any management actions, projects and/or other efforts to mitigate the damage resulting from the unsustainable use of groundwater by the NDE.
- C) Acknowledge the significant financial investments that the OID, MID and NDW Management Areas have made to ensure sustainable use of groundwater, reduce pumping, create surface water drinking plants, construct retention basins and continue flood irrigation, all of which have improved the Modesto Subbasin.

To the elected leaders, Staff of each Member Agency, Community Leaders and interested parties, I have attached for your ease of reference an exhibit that was provided by the GSA's Consultants which clearly illustrates the magnitude of the damage that is being caused by the NDE Management Area as a final reminder of the reason that the NDE Management Area should be funding all efforts to mitigate the devastating impacts of the overdraft. Thank you for your willingness to consider my opinions and recommendations.

Sincerely,

William (Bill) J. Lyons, Jr.

Lyons Investments Management, LLC CEO

