

IWVGA ADMINISTRATIVE OFFICE

STAFF REPORT

TO: IWVGA Board of Directors

DATE: May 14, 2025

FROM: Staff

SUBJECT: Resolution 01-25 - Establishment of a Second Transient Pool

As your board is aware, the Authority has previously committed to the adoption of a second transient pool totaling 20,000af – an increase in allowed GSP overdraft pumping of less than 20%. The attached Resolution formalizes that commitment.

Importantly, the attached resolution also provides supportive context to justify the Pool's need and creation. In simpler terms, the recitals provide a brief but somewhat detailed chain of factors that the Authority believes would lead a reasonable person to conclude that the Pool is appropriate and necessary. Some of those factors will highlight the past actions of the Indian Wells Valley Water District (Water District). The reader should be mindful that the references must be considered in the time, light, and context presented. As example, the reference to the Water District's creation, with others, of the Indian Wells Valley Groundwater Cooperative Group should be seen in the context presented – an action 30 years ago by elected officials charged with water considerations showing great concern for the basin's groundwater conditions. Obviously, such an action is of greater historic importance to the Authority's decisions because it provides factual context showing that the basin's water problems have been well known for decades by both elected officials and local farmers. Moreover, it shows that in 3 decades this group was unable to come to any agreement on a sustainability project that could solve the basin's problems outside of an import project.

Additionally, the reference to the Water District's use of significant rate payer funds to purchase land in another basin for the express purpose of importing water used on that land demonstrates that the then elected Water District's officials believed that the Basins conditions were such that import water was needed. This reference further provides acknowledgement that the district has not divested itself of those properties but it also has not been able to find a way to import water to the basin for more than a decade. Obviously, since this basin has no infrastructure to import water, the Authority must be deeply concerned and temper its desire to provide the most reasonable transition period from the status quo with a reasonable estimation of construction time. Of course, the Water District's continued ownership of those lands along with inability to bring water from those lands to the basin provides additional historical support to the choices of the Authority.

Likewise, while the Authority is not relying on the 12 independent basin studies in the last 50 years, those studies clearly demonstrate that the Water District's recent safe yield claims are significantly outside the norm of a fairly large sample size and should be viewed with great

skepticism as a result. Likewise, the Water District's refusal to provide its model for review by the GSA board it sits on, during the recently completed Periodic Review process, reasonably leads the Authority to doubt the veracity of the recent sustainable yield claims. Of course, the veracity of the claims is one thing, but even if one was willing to suspend disbelief and assume the claims were valid the issue remains – there is still insufficient water to meet the basins needs and no one has been able to show how any alternative yield can be stretched to meet the basins needs without an import source.

In sum, as briefly demonstrated in the recitals, the record before your board, which includes all the official actions of the Authority including the GSP, the recent review of the GSP, and the formation of the first Pool, including the CEQA findings related thereto, unequivocally provide that an import project is needed, and some would prefer to cease their present water use rather than obtain import water. This was the justification behind the original transient pool's formation which was adopted by a unanimous vote and those reasons remain unchanged.

Staff has reviewed the matter and determined that the Board's proposed action today is exempt from further environmental review on several grounds. Among those is a determination that this action is exempted from further review by SGMA and that the action is not a project, is mandated by law, is ministerial and does not include a discretionary act, will not have a significant effect on the environment, and is provided statutory and categorical exemptions. Specific attention is drawn to California Public Resources Code section 21080(b)(8) and CEQA Guidelines section 15273(a) which provides express exemptions from further environmental review for this action. Additional attention is drawn to CEQA Guidelines section 15061(b)(3) which exempts non-projects and section 15321 which exempts enforcement actions. Furthermore, this action is exempt because it involves administrative activities that will not result in direct or indirect physical changes in the environment as provided for in CEQA Guidelines section 15061(b)(3) and 15378(b)(5). Moreover, this action is exempt from further environmental review pursuant to CEQA Guidelines section 15307 and 15308 as it's an action by a regulatory agency to assure the maintenance, restoration, enhancement or protection of the environment and natural resources.

STAFF RECOMMENDATION

Therefore, the staff is recommending that you consider and adopt the attached resolution providing a brief record of the supporting reasons. The operative sections of the Resolution have been provided to the eligible parties for nearly a month now and they are so brief as to make a summary in this staff report redundant. During review, we would ask that the Board be mindful that these sections were drafted after an informational meeting between the eligible members and staff. If adopted today, the eligible parties have until July 15, 2025 to notify the Authority of their desire to participate in the program and formal award of the pool will occur no earlier than the August board meeting.