

Interim Replacement Water Settlement Agreement

▶ Parties

- ▶ Salinas Basin Agriculture Stewardship Group, LLC
- ▶ Chief Deputy Director of CA State Water Resources Control Board's Office of Enforcement
- ▶ Executive Officer for The CCRWQCB

▶ Term

- ▶ March 29, 2017
- ▶ Potential to extend until March 29, 2019

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Group, LLC

Organizational Structure of SBASG, LLC

SBASG, LLC – A Delaware Limited Liability Company

Executive Committee

Tom AmRheim
John Bramers
David Costa

Brett Harrell
John Erb/Emily Gardner
David Gill

Steve de Lorimier
Joe Pezzini
Dennis Sites

Members - 111

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Member Statistics

- ▶ 111 Members - 95 Growers, 6 Shippers, 10 Landowners
- ▶ Approximately 181,183 Member acres represented out of $\pm 186,000$ Total Basin Acres.
- ▶ 155 AW numbers represented by members
- ▶ Approximately 903 Individual Ranches

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Assessment Protocol and Goals

YEAR ONE

- ▶ Initial costs of \$100,000 absorbed by group of 20 individual companies, not sought or received reimbursement.
- ▶ Original Assessment beginning March 29, 2017 was determined by estimating expenses and number of known members (20).
- ▶ Now that budget is consistent, assessments have been suspended for all members.

YEAR TWO

- ▶ Year Two Assessment Structure Has Been Approved based on actual one year of operating history and total membership.
 - ▶ \$500 flat charge for all members below 250 acres
 - ▶ \$4.00 per acre charge
- ▶ Result in significant cost savings for all members

Hardships- Executive committee has offered to consider financial hardships whenever any financial hardships are known or brought to attention.

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Communication Protocol

- ▶ Executive Committee - Initially met weekly, currently meets Bi-Weekly.
- ▶ Open invitation to all members to attend.
- ▶ Minutes provided to all members post meeting.
- ▶ Quarterly all member meeting.
- ▶ Weekly reports from Cures to Subcommittee.
- ▶ Outreach and engagement with Trade groups. Bi-weekly update meetings.
- ▶ Coordination with Agreement Parties-Quarterly written report and weekly teleconferences, currently on as needed basis with SWRCB and CCRWQCB.

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Satisfaction Of Agreement Goals

SBASG is obligated to use all commercially reasonable steps to provide replacement water to a minimum of 35 systems. (See Section 2.3 of the Interim Replacement Water Settlement Agreement).

- ▶ Systems/Wells currently receiving replacement water 25
 - ▶ Systems ILRP/SBASG Member 9
 - ▶ Systems Declining Water 10
- GOAL ACHIEVED 44/ 104%**
- ▶ 55 Wells originally provided.
 - ▶ 42 eligible for program (excludes GAMA recipients) met goal by 104%.
 - ▶ 21290 Gallons to 547 Individuals and 106 Business provided as of January 31, 2018
 - ▶ No complaints regarding water services