

EXHIBIT 7-A

The Carmel Valley Alluvial Aquifer and the Sustainable Groundwater Management Act (SGMA)

There appears to be an inherent conflict between how the Department of Water Resources (DWR) and the State Water Resources Control Board (SWRCB) view the Carmel Valley Alluvial Aquifer, which affects how the aquifer must be viewed relative to SGMA.

Water Code Section 10722 states that a basin's boundaries shall be as identified in Bulletin 118 and Section 10722.4 sets that the Department of Water Resources (DWR) shall categorize the basins by priority, including medium- or high-priority.

The Carmel Valley Groundwater Basin is an identified groundwater basin in Bulletin 118. DWR has ranked it a "high-priority" basin (Basin 3-7) under its CASGEM Basin Prioritization program. Hence, according to DWR the Carmel Valley Groundwater Basin is subject to SGMA.

Water Code Section 10727 states that a groundwater sustainability plan shall be developed for each medium- or high-priority basin.

Therefore, the Carmel Valley Groundwater Basin would appear to need a groundwater sustainability plan (GSP) developed by a declared groundwater sustainability agency (GSA). The Monterey Peninsula Water Management District has already become the GSA for the Carmel Valley.

However, Water Code Section 10721 states "Groundwater" means water beneath the surface of the earth within the zone below the water table in which the soil is completely saturated, but does not include water that flows in known and definite channels.

State Water Resources Control Board (SWRCB) in Section 3.2 of its Order WR 95-10 (July 6, 1995) determined (a) "surface flow recharges river underflow and, consequently, causes a rise in Carmel Valley aquifer levels"; (b) "The subsurface flow has a pattern which demonstrates that it is within a known and definite channel rather than that of a diffused body of percolating groundwater."; and (c) the SWRCB found that "downstream of RM 15 the aquifer underlying and closely paralleling the surface water course of the Carmel River is water flowing in a subterranean stream and subject to the jurisdiction of the SWRCB."

Since then, the aquifer has been subject to surface water rights and the jurisdiction of the SWRCB. Because of the determination of the SWRCB and SGMA's definition of "groundwater" excluding water that flows in known and definite channels, then the Carmel River Groundwater Basin identified in Bulletin 118 is not groundwater at all and should therefore be removed from the Bulletin and the requirements of SGMA.