The Water Budget:
Based on the Checkbook approach the KGA portion of the Subbasin has a deficit of 256,281 AFY. Semitropic's portion of the KGA deficit according to the Checkbook approach is 165,910 AFY.

<table>
<thead>
<tr>
<th>Water Budget Component</th>
<th>SWSD Checkbook Balance</th>
<th>KGA Checkbook Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Supply (AFY)</td>
<td>226,516</td>
<td>1,683,128</td>
</tr>
<tr>
<td>Total Demand (AFY)</td>
<td>392,426</td>
<td>1,939,409</td>
</tr>
<tr>
<td>Deficit (AFY)</td>
<td>-165,910</td>
<td>-256,281</td>
</tr>
</tbody>
</table>

The Checkbook derived water budget is within the water budget range identified in Table 2-14 of the GSP.

Path to Sustainability
Management Actions in place prior to 2020
Semitropic has already taken a number of actions to address sustainability within our management areas which include the following actions implemented in 2017 as authorized by AB 453 (2015-2016) and subsequent Proposition 218 process:

1. Implementation of a Basin Sustainability Charge/Credit program: This program relies upon remote sensing, calibrated to a ground based Et Monitoring network, to determine the consumptive use (Et) of each parcel of property within the District. The Et of each developed property, aggregated by ownership, is then, on an annual basis, compared to the average Et for all developed/irrigated properties. If the Et is greater than the Average then a charge is imposed, if the Et is less than the average a credit is provided.

2. Implementation of a New Land Surcharge program: any new land developed after July 1, 2017 will be charged $500/AF for any consumptive use greater than the allocated native yield of the basin

Implementation of Management Actions and Projects
In the GSP, Semitropic has identified 19 potential projects and management actions (Table 5-1 of the GSP) that are planned for implementation to manage the District's deficit. Projects and management actions will be implemented through an adaptive management process. Semitropic will target a groundwater pumping reduction of 123,900 AFY, which is equivalent to fallowing up to 39,000 Acres over the implementation period recognizing that this can be adjusted as the water budgets are refined or the need to fallow is offset by the successful development of additional surface water supplies.

Per the Plan, to achieve sustainability the Semitropic GSP will reduce by groundwater reliance by an average of 6,200 AFY over the implementation period by developing a combination of supplemental water supplies and implementing demand reduction management actions. In the event supplemental water supplies or voluntary demand reductions do not meet the required reductions, Semitropic will explore mandatory demand reductions effort to avoid undesirable results. More specifically, Semitropic will initiate implementation via the following 3 Management Actions (MA):

(MA1) Establishment of Water budgets for each parcel of property to define the allowable consumptive use for each property for a given year;

(MA2) establishment of a volumetric tiered pricing policy such that if consumptive use as measured by Et is greater than the established water budget for the year a charge is imposed to fund water supply development projects including fallowing and

(MA3) District Fallowing Program to incrementally fallow approximately 39,000 Acres of irrigated agricultural lands over the implementation period. The extent of the fallowing program will be adaptively managed relative to the successful implementation of other projects and management actions identified in Table 5-1.

Minimum thresholds and measurable objectives vs checkbook budget
The Checkbook budget and the proposed annual average reduction of GW reliance of 6,200 AFY by fallowing or new surface water supply development is reflected in the Subbasin Groundwater model,
which shows that groundwater levels within the Semitropic Management Areas will be significantly above MO & MTs if the District achieves its target for reduced GW reliance.

Communication and Engagement
The Semitropic Water Storage District Groundwater Sustainability Agency held regular monthly Board of Director meetings that were noticed and open to the public. The District also hosted a dedicated website to disseminate information regarding development of it’s GSP and to notify interested stakeholders of upcoming meetings.

Between 2015 and today, the Semitropic GSA outreach activities include:

- 21 public Board meetings held by the Semitropic GSA
- 4 Facilitated Landowner/stakeholder workshops (all District landowners were notified by mail)
- 2 days of Facilitated one-on-one landowner meetings focused on development of MT’s/MO’s
- Participated in 2 KGA Open House events

In addition to the above meetings, the District’s General Manager and District Staff have held numerous one-on-one meetings with landowners and stakeholders throughout the development of the GSP

Comment Letters
Semitropic has received 15 comment letters from landowners, local stakeholders and public agencies. The District has prepared a comment matrix, which includes responses to comments. The comment matrix will be included as an appendix to the District’s GSP.

In general comments can be broadly categorized as follows:

- Landowner Water Budget concerns (groundwater allocation/budgets): Most of these comments pertain to establishment of landowner water budgets and the ability to manage the various components of the budget. Establishing landowner water budgets will be a management action in which landowners will have the opportunity to participate and provide input.
- Water budgets for managed wetlands and other habitat: Similar to above, as this management action is developed there will be opportunity for stakeholder involvement and input.
- Recognition of the presence of managed wetlands and groundwater dependent ecosystems. Comments pertain to recognizing and protecting managed wetlands and GDEs. The District has identified several projects and management action to develop a better understanding of the presence of GDE’s and water budget factors for both managed wetlands and GDEs.

Revisions to Draft Semitropic GSP
In response to comments, the Semitropic GSP has changed the terminology of Incremental Pumping allowance (IPA) to Temporary Consumptive use Allowance (TCA) to help clarify that the water budgets are not directly tied to water pumping but rather a limit as to the amount of water that can be consumptively used as measured by Et prior to a volumetric Charge under MA 2. Also, the TCA for managed wetlands (Special GPSC) was increased.