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WATER DISTRICT

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November 17, 2026

Mr. Blair Knox
Executive Officer
Kern Local Agency Formation Commission
5300 Lennox Ave, Suite 303
Bakersfield, CA 93309

RE: Opposition to the Formation of the Eastside Kern Water District and the Development of its Sphere of Influence — Kern LAFCO Proceeding Nos. 1847 & 1848

Dear Mr. Knox:

The Kern-Tulare Water District ("KTWD") submits these comments as an affected local agency, pursuant to Government Code section 56668(j), to oppose the petition for formation of the Eastside Kern Water District (the "Proposed District") and the development of its sphere of influence, Kern LAFCO Proceeding Nos. 1847 and 1848. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Gov. Code § 56000 et seq.) ("Act") requires the Commission to consider the factors enumerated in Government Code section 56668 in deciding whether to approve, conditionally approve, or deny the formation of a new special district, and the comments of an affected local agency such as KTWD are themselves an express factor the Commission must weigh. (Gov. Code § 56668(j).)

KTWD has reviewed the Executive Officer's Report and Recommendation for Proceeding No. 1847 (the "Staff Report"), which recommends that the Commission deny the proposed formation without prejudice. KTWD supports that recommendation in full and respectfully requests that the Kern Local Agency Formation Commission ("Kern LAFCO" or the "Commission") approve the staff recommendation, deny the formation of the Proposed District, and decline to adopt the proposed sphere of influence, for the reasons stated in the Staff Report and the additional reasons set forth below. KTWD recognizes that, as an adjacent district rather than a landowner or registered voter within the proposed territory, it submits these objections as comments of an affected agency; it reserves the right to present oral and written objections and evidence at any protest hearing on the proposal.

A. The Staff Report Correctly Concludes That Formation Should Be Denied, and Its Findings Are Fully Supported by the Record

The Staff Report frames the question correctly. The issue is not whether groundwater in this area must be managed; SGMA requires that management, and a denial would not change that requirement. The issue is whether creating a new permanent public agency improves the long-

term structure of local government more than it complicates it, when the groundwater mandate is already being carried out through an existing, functioning governance structure. After addressing every factor in Government Code section 56668 and expressly weighing the considerations offered in favor of formation, staff concluded that the record does not establish that the additional representation, independence, and mission focus the applicant seeks justify the additional governmental layer and the uncertainties identified. KTWD agrees, and highlights the following findings, each of which independently reinforces the recommendation.

The existing arrangement is permanent, not temporary. The application rests substantially on the premise that the Kern Non-Districted Land Authority ("KNDLA") arrangement is an expiring stopgap. Staff found otherwise. KNDLA's Fourth Amended and Restated Joint Powers Agreement, executed September 4, 2025, operates for an indefinite term with no sunset date; no member withdrawal is shown to be threatened or underway; and coverage for these lands has already absorbed one structural realignment without any lapse in SGMA coverage. The Commission may properly weigh the arrangement as it functions today.

The necessity for a new district has already been satisfied. The founding rationale for the district was to avoid administration of these lands by the State Water Resources Control Board. That objective has been achieved. KNDLA is a recognized Groundwater Sustainability Agency ("GSA") that adopted the 2025 Subbasin Groundwater Sustainability Plan, and State oversight returned to the Department of Water Resources after the 2025 Plan addressed the deficiencies that had placed the subbasin in probationary status. As staff observed, formation would not recover control from the State or federal government; it would merely transfer responsibility from one existing local governance arrangement that is already actively managing groundwater—KNDLA—to a new, unproven agency—the Proposed District. A denial leaves existing, functioning local coverage in place.

Formation would fragment, not consolidate, governance. KNDLA covers 279,277 acres, of which 39,420 acres lie within the applicant's area, approximately 14 percent. Formation would create separate governance for that small portion while KNDLA would necessary and governing the remaining 86 percent, including the interspersed non-participating Areas 3, 4, 8, 14, 20, 28, and 29. Roughly twenty GSAs already operate in the subbasin. In the approximately two years this application has been pending, no other proposal for the governmental organization of the remaining non-districted lands has been submitted. As staff put it, the proposal presents a choice between the existing local structure and "a more autonomous but more fragmented local structure."

The central benefit sought may never vest. District formation does not confer GSA status; it merely creates eligibility to seek it. Only one exclusive GSA may govern a territory, so the Proposed District cannot assume GSA responsibility unless KNDLA affirmatively relinquishes its designation and the coordinating subbasin agencies amend their GSA boundaries, the Coordination Agreement, and the adopted Plan, all under the exclusivity procedure of Water Code section 10723.8. Under the KNDLA joint powers agreement, new members require approval of the entire Board (Section 4.10(a)), and any approval or amendment of the Authority's Groundwater Sustainability Plan requires the affirmative vote of 100 percent of the Directors (Section 4.7). Every step needed to deliver the claimed benefit occurs after the

Commission's jurisdiction ends at recordation, and staff correctly concluded that the Commission cannot secure that outcome by condition.

Long-term cost adequacy cannot be established. The proposed operating budget of approximately $480,000 is based on current expenses and a flat three-percent inflation assumption. Staff found that the budget cannot be shown sufficient for an obligation whose scope will be set by future Plan refinements, monitoring requirements, and demand-reduction measures, including the 0.15 acre-foot-per-acre sustainable-yield figure, which the Plan treats as subject to refinement. A single-purpose district with no operational service or revenue base beneath its regulatory duties would have no means to absorb that evolving mandate.

The district's enforcement tools would be aimed inward. The Proposed District would hold no water service ability. Further, its metering, allocations, fees, and penalties would be applied by a board elected on a one-vote-per-acre basis against the same landowners who elect it. Staff found EWMA's documented history of undertaking no independent projects or management actions relevant to that concern. For KTWD, which shares the Santa Margarita Aquifer with the Proposed Service Area and bears the consequences of pumping there, this finding is especially significant. Staff likewise noted that the uniform per-acre assessment, applied equally to unirrigated grazing and resource lands and to irrigated lands, is the feature of the financing plan most exposed to a proportionality challenge under article XIII D of the California Constitution.

Staff's statutory analysis reflects these findings. Factors (b) (need, present adequacy, and alternatives), (c) (effects on adjacent areas and governmental structure), and (d) (orderly and efficient organization) of Government Code section 56668 each support denial, and staff found that KTWD's objection under factor (j) reinforces that result. Applying Government Code sections 56301 and 56886.5, staff concluded that the preference for existing agencies favors building on the present structure rather than adding another permanent single-purpose agency alongside it. The sections that follow present KTWD's perspective, as the adjacent agency sharing the affected aquifer, on why those conclusions are sound.

B. Existing Agencies Can More Efficiently and Accountably Manage the Proposed Service Area, and Formation Would Layer a Redundant Entity Over the Shared Aquifer

When formation of a new local agency is proposed, the Commission must determine whether existing agencies can feasibly provide the needed service in a more efficient and accountable manner. (Gov. Code §§ 56301, 56886.5(a).) That determination weighs decisively against this proposal. The Proposed District seeks to manage groundwater within its proposed service area ("Proposed Service Area"), yet that territory is already covered for groundwater-management purposes under the Sustainable Groundwater Management Act (Water Code § 10720 et seq.) ("SGMA") by the Kern Non-Districted Lands Authority Groundwater Sustainability Agency. Both KTWD and the Proposed Service Area draw from common, interconnected aquifers in the confined Santa Margarita Aquifer. Layering a new, single-purpose district over a portion of this shared, already-stressed resource would add a redundant management entity without

any demonstrated gain in efficiency or accountability, and the Commission should instead look to whether the existing agencies, including KTWD, can manage the resource more effectively. Proponents have not justified the need for a new entity over this measure. (Gov. Code §§ 56301, 56886.5(a).) The Staff Report confirms this point: the difficulty of alternatives such as annexation into adjacent districts "does not establish the necessity of a new agency when KNDLA already administers this function for these lands."

C. Formation of the Proposed District Would Contribute to Fragmented Governing of the Proposed Service Area

The Commission must consider the effect of the proposal on adjacent areas and on the local governmental structure, as well as the definiteness and certainty of the territory's boundaries. (Gov. Code § 56668(c), (f).) KTWD does not contend that a non-contiguous water district is unlawful per se; the concern is structural. As described in the Notice of Hearing, the Proposed District is not a single, contiguous service area but 24 non-contiguous parcels totaling approximately 40,000 acres, spread south of Famoso Road and east and west of Highway 65. A district composed of 24 separate, non-adjoining parcels does not reflect the cohesive, logical boundaries the Act favors and would contribute to fragmented governance of the area. As the Staff Report found, the boundary follows only the lands whose owners elected to participate, leaves interspersed non-participating lands under KNDLA, and would divide administration of the non-districted lands between a new district governing a limited portion and KNDLA continuing to govern the much larger balance. For the same reason, the proposal does not conform to the Commission's adopted policies for planned, orderly, and efficient patterns of urban development. (Gov. Code § 56668(d).)

D. The Proposed District Has Not Demonstrated a Reliable Water Supply or Long-Term Revenue Sufficiency

Independent of the facial sufficiency of any formation petition, the Commission must consider the newly formed entity's ability to provide the services at issue, including the sufficiency of revenues for those services, and the timely availability of water supplies adequate for the area's projected needs. (Gov. Code §§ 56668(k), (l).) The Proposed District does not satisfy those factors. It has identified no existing water supply contracts and no surface-water supply, and would rely entirely on a groundwater basin that is already in a documented state of overdraft. A district whose only identified source is an over-drafted, declining aquifer has not demonstrated a reliable, sustainable supply adequate for the area's projected needs within the meaning of section 56668(l). The Staff Report treats factor (l) as not implicated because the district would not develop or deliver water. KTWD respectfully submits that the factor still matters here: the lands the district would govern depend entirely on that overdrafted aquifer, and the absence of any supply other than the declining groundwater basin defines the scale and cost of the management obligation the district would assume. Forming a new water district with no water supply of its own does nothing to address the supply deficit that drives the area's groundwater problems.

For that reason, the Proposed District's long-term finances are unproven. (Gov. Code § 56668(k).) The Staff Report reaches the same conclusion: while the proposed budget may cover present administrative costs, its adequacy "cannot presently be determined" because the obligation it must fund is not yet fixed. Reliance on an unsustainable, over-drafted source calls into question the district's long-term fiscal solvency and revenue sufficiency: as mandatory management actions and mitigation obligations arise under SGMA, the costs of those actions would fall on the district's landowners. A single-purpose district with no separate operational service or revenue base, governed by the landowners whose pumping it would regulate, is poorly positioned to fund the demand-reduction and mitigation measures that an overdrafted aquifer will require. The Commission should not approve a district whose revenue adequacy for its core mandate cannot be established on this record.

E. The Formation of the Proposed District Could Result in Increased Growth in Developed Land Use and Groundwater Pumping

The Act requires Kern LAFCO to consider the likelihood of significant growth in the Proposed Service Area, and in adjacent incorporated and unincorporated areas, during the next 10 years. (See Gov. Code § 56668(a).) In addition, Kern LAFCO must consider the proposal for formation of the Proposed District and its anticipated effects in conformity with Kern LAFCO's adopted policies on providing planned, orderly, and efficient patterns of urban development. (See Gov. Code § 56668(d).) Irrigated agricultural acreage in the lands of the Proposed Service Area increased by nearly 3,000 acres between 2007 and 2020. Because this area is entirely dependent on groundwater, this land development led directly to a significant increase in groundwater pumping, which is a primary contributing factor to the sharp decline in groundwater elevations observed since 2011. The Kern County Subbasin ("Kern Subbasin") has a mitigation program that "provides mitigation for impacts to domestic wells and technical assistance for public supply wells that are also community water systems and state small water systems demonstrated to have been adversely affected by declining groundwater levels due to groundwater management activities occurring after January 1, 2015. The Well Mitigation Program also addresses impacts to domestic wells adversely affected by groundwater quality degradation resulting from groundwater management activities occurring after January 1, 2015." (see https://kerngsp.com/wp-content/uploads/2025/09/Appendix-G-1_Kern-Mitigation-Program_updated-7-30-25.pdf, page 3). As set forth in the technical assistance application, the well owner alleges impacts to its well due to a drop in groundwater levels in excess of 200 feet due to increased groundwater pumping in the surrounding area from over 2,000 acres of citrus being planted in 2017-2018 in the Proposed Service Area.

The formation of the Proposed District is likely to accelerate this pattern. Although the application states that the district would not deliver water or construct infrastructure at the outset, a California water district governed by the landowners who pump within its boundaries, with enforcement tools aimed inward at those same landowners, creates institutional incentives for further land conversion and increased groundwater extraction across these 40,000 acres. The Proposed Service Area remains subject to the existing groundwater sustainability plan regardless of formation; the concern is not that the territory would escape SGMA, but that a

new development-oriented district would ease pressure to curb pumping within the shared basin and complicate the coordinated management on which the Kern Subbasin's sustainability depends. The Commission must analyze the effects of this reasonably foreseeable growth, and its associated environmental impacts, in reviewing the proposal.

F. Formation Without Strict Groundwater Pumping Restrictions Would Undermine the Coordinated Management on Which the Kern Subbasin's Groundwater Sustainability Plan Depends

The ultimate backstop under SGMA is State intervention: where the Department of Water Resources, in consultation with the State Water Resources Control Board ("SWRCB"), determines that a groundwater sustainability plan is inadequate, the SWRCB may, after notice and hearing, designate the basin as probationary. (Wat. Code § 10735.2(a).) KTWD does not suggest that formation of the Proposed District would, by itself, trigger a probationary designation; that determination is discretionary, is made at the basin level, and depends on findings by the Department and the SWRCB. KTWD's concern is narrower and more immediate: adding an uncoordinated, pumping-dependent district to an already-stressed subbasin makes the coordinated path to sustainability harder to achieve and increases the risk that the Kern Subbasin's plan will be found wanting.

The groundwater basin shared by KTWD and the Proposed Service Area is under significant stress, with the Santa Margarita Aquifer showing signs of overdraft. A key piece of evidence for this is the aquifer's inability to recover its water levels; even when KTWD cut its own pumping by as much as 67% between 2014 and 2020, and despite back-to-back wet years in 2023-2024, groundwater elevations failed to rebound meaningfully. The primary driver of this decline is increased agricultural activity in the Proposed Service Area. The drop in KTWD's groundwater levels, which began around 2011, directly correlates with a period of increased irrigated farming and a subsequent rise in groundwater pumping in the Proposed Service Area.

This impact occurs because both KTWD and landowners in the Proposed Service Area draw water from the same, interconnected source. Because the Proposed Service Area sits "upstream" of KTWD relative to the natural groundwater flow, its pumping intercepts water that would otherwise replenish the basin under KTWD. The scale of this pumping is substantial; the Proposed Service Area, which relies entirely on groundwater, extracts more than double the amount of water as KTWD during droughts and over four times as much during years when KTWD has access to more surface water. This continuous, high-volume pumping in the Proposed Service Area—which unlike KTWD, has no surface water supplies—prevents the shared aquifer from recovering and is dewatering the formation.

These conditions make the Staff Report's enforcement finding critical. Absent strict groundwater pumping restrictions, which a landowner-controlled board with no service lever and no record of independent management actions is unlikely to impose on itself, formation of the Proposed District would compound these pressures on the shared aquifer and undermine

the coordinated management the Kern Subbasin's groundwater sustainability plan requires, placing the subbasin's path to sustainability at avoidable risk.

G. Formation of the Proposed District Would Violate the Act's Core Objectives for Local Agency Formation Commissions

The Act sets forth several core objectives for Local Agency Formation Commissions, including preserving open-space and prime agricultural lands, discouraging urban sprawl, encouraging the efficient provision of government services, and encouraging the orderly formation of local agencies based upon local conditions and circumstances. (Gov. Code §§ 56001, 56301.) Section 56301 does more than state aspirations: when the formation of a new government entity is proposed, the Commission "shall make a determination as to whether existing agencies can feasibly provide the needed service or services in a more efficient and accountable manner." (Gov. Code § 56301.) That mandatory determination, applied to this proposal, favors denial, and formation of the Proposed District would disserve each of the following core objectives.

1. Preserving Open-space and Agricultural Lands

Water is a key factor in preserving agricultural land viability. Formation of the Proposed District could lead to conflicting groundwater management and increased groundwater pumping that could risk the Kern Subbasin's path to groundwater sustainability. The documented overdraft condition of the aquifer directly threatens the long-term viability of all agricultural lands dependent on this shared resource. As a result, formation of the Proposed District would not preserve agricultural lands. (See Gov. Code § 56668(e).)

2. Discouraging Urban Sprawl

As stated above, the formation of the Proposed District could lead to the loss of agricultural land, which could also encourage the conversion of agricultural land to urban uses. As a result, formation of the Proposed District could encourage urban sprawl.

3. Encouraging the Efficient Provision of Government Services

As discussed previously, the formation of the Proposed District could create duplicative management of the Proposed Service Area and could contribute to fragmented governing of the Proposed Service Area. The Proposed Service Area is already managed by capable special districts with vast water expertise. Formation of the Proposed District will result in the inefficient provision of government services: as the Staff Report found, it would create a permanent public agency to perform a function already administered through an existing local structure, for only about 14 percent of the acreage that structure covers.

4. Encouraging the Orderly Formation of Local Agencies Based Upon Local Conditions and Circumstances

As discussed previously, the formation of the Proposed District could lead to conflicts between public agencies resulting from fragmented governing of the Proposed Service Area. The Staff Report confirms that the district would remain dependent on coordination with other subbasin GSAs and that its anticipated transition to GSA status rests on approvals by other agencies that the Commission cannot compel.

H. The Proposed Sphere of Influence Should Not Be Adopted Because It Overlaps Services That Existing Districts Already Provide

This proceeding also asks the Commission to develop and adopt a sphere of influence for the Proposed District. (Proceeding No. 1848.) In determining a sphere of influence, the Commission must prepare written determinations addressing the present and planned land uses in the area, the present and probable need for public facilities and services, and the present capacity of public facilities and adequacy of the services the agency provides or is authorized to provide. (Gov. Code § 56425(e).) The Proposed District, which has no supply and provides no service, cannot demonstrate present capacity or adequacy, and the area's groundwater-management needs are already being served through KNDLA. If the Commission denies the formation as staff recommends, there is no district for which a sphere of influence is needed. In addition, when adopting a sphere of influence for a special district, the Commission must establish the nature, location, and extent of the functions and services provided by existing districts, and may require existing districts to file written statements of those functions and services. (Gov. Code § 56425(i)–(j).) KTWD requests that the Commission exercise that authority here. KTWD is an existing district already providing water-management functions in and around the shared Santa Margarita Aquifer, and the proposed sphere of influence would overlap those functions. The Commission should decline to adopt a sphere of influence that duplicates services existing agencies already provide.

I. As CEQA Lead Agency, the Commission Must Fully Analyze the Proposal's Groundwater and Growth-Inducing Impacts Before Acting

As stated in the Notice of Hearing, the Commission will act as lead agency in reviewing the environmental documentation for this proposal under the California Environmental Quality Act. The formation of the Proposed District and the adoption of its sphere of influence are discretionary actions that may have significant effects on the environment, including effects on an already-over-drafted groundwater basin and reasonably foreseeable growth-inducing impacts across the 40,000-acre Proposed Service Area. KTWD respectfully requests that, before taking any action, the Commission ensure that the environmental review adequately analyzes the proposal's direct, indirect, and cumulative impacts on groundwater levels and quality in the shared aquifer, and its growth-inducing effects on land conversion and

groundwater pumping. KTWD notes that the proposed environmental determination treats formation as not a project under CEQA. Denial of the formation, as staff recommends, would make it unnecessary for the Commission to resolve that question. If the Commission were nonetheless inclined to approve the formation, KTWD reserves all objections under the California Environmental Quality Act, including as to the adequacy of the environmental documentation.

J. Formation of the Proposed District Would Violate Kern LAFCO's Adopted Policies

Kern LAFCO has adopted written policies and procedures to implement the Act. Its policies generally require Kern LAFCO to consider the following subjects when considering the formation of a new special district: adequate and efficient services, community impacts, boundaries, revenue neutrality, the need for services, the need for a new special district, conflicts with other public agencies, the potential benefit to the public and fiscal solvency. The formation of the Proposed District will violate several of these policies.

Kern LAFCO's policies state an intent to "discourage further extensive development of single-purpose autonomous districts" and recognize that a "single governmental agency, rather than several limited purpose agencies, is better able to assess and be accountable for community service needs." The formation of the Proposed District runs directly counter to this principle by creating a new, limited-purpose agency in a region already served by existing special districts.

Furthermore, the proposal violates the following specific standards:

> **Duplication of Authority:** Section D of the policies requires that the effect of a proposal resulting in "two or more districts... possessing, in any common territory, the authority to perform the same or similar functions shall be considered". It further mandates that "Proponents must justify the need for... proposals which result in duplication of authority". The proposal creates a direct duplication of groundwater management authority already provided by an existing Groundwater Sustainability Agency and has not demonstrated the required justification for this overlap.
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> **Economic Feasibility and Impact on Existing Services:** Section E requires proponents of a new agency to "demonstrate the economic feasibility of the proposed formation". The proposal is predicated on the use of an overdrafted groundwater basin, which fails to establish long-term economic feasibility. Moreover, Section E states that proposals which could result in "significant or serious operational or economic problems for... existing services provided by... special districts shall be discouraged". As the overdraft condition of the shared aquifer demonstrates, the activities within the Proposed Service Area are already creating significant operational problems for KTWD, and the formation of the district would formalize and likely exacerbate these impacts.

Preservation of Agricultural Lands: Section G of the policies states the Commission will "discourage proposals that intrude on prime agricultural land when such intrusion would lead to the disruption of viable agricultural units." By furthering the overdraft of the region's shared water supply, the formation of the Proposed District threatens the long-term viability of existing agricultural operations within KTWD and the surrounding area, leading to the disruption of established, viable agricultural units.

K. Requested Action

For the reasons stated in the Staff Report and set forth herein, KTWD respectfully requests that the Commission: (1) approve the Executive Officer's recommendation and deny the formation of the Eastside Kern Water District (Proceeding No. 1847); (2) decline to adopt the proposed sphere of influence (Proceeding No. 1848); and (3) decline to waive the one-year limitation on a similar proposal under Government Code section 56884, which the Commission may waive only upon a finding that the limitation is detrimental to the public interest, so that any future proposal is presented on a materially different and more complete record, as the Staff Report contemplates.

This letter is not intended to set forth KTWD's entire opposition regarding the formation of the Proposed District and KTWD retains the right to submit additional comments, both orally and in writing and expressly reserves all of its rights and remedies regarding the formation of the Proposed District.

Please contact me if you have any questions, need additional information or would like to discuss this letter. We look forward to hearing from you.

Respectfully,



Skye B. Grass
Assistant Secretary
Board of Directors
Kern-Tulare Water District