

Board Meeting Santa Rosa Plain Groundwater Sustainability Agency

Date: April 11, 2019

Time: 1:00 p.m.

Location: Santa Rosa Utility Field Office 35 Stony Point Rd, Santa Rosa, CA 95401

Address: 35 Stony Point Rd, Santa Rosa, CA 95401

<http://www.sonomacountygroundwater.org>

Agenda

1. Call to Order and Roll Call

Lynda Hopkins, Chairwoman, called the meeting to order at 1:05 p.m. noting that a quorum of the Board was present, consisting of the following Directors: Joe Dutton; Deborah Fudge; Susan Harvey; Lynda Hopkins; Evan Jacobs; John Nagle; Tom Schwedhelm; Gina Belforte; and Shirlee Zane. Others present included Andy Rodgers, Administrator; Jay Jasperse, Plan Manager, Sonoma Water; and Adriana Stagnaro, minute-taker, Gold Ridge Resource Conservation District (RCD). All directors present.

2. Public comment on matters not listed on the agenda but within the subject matter jurisdiction of the board

Michael Hilber – I found out that John Nagle is a manager with Gallo and receives compensation exceeding \$100k. I see this as a conflict of interest. Why should homeowners be paying for this agency when the vineyards have such an incredible interest in the resource and have adequate finances?

Orlean Koehle – When SGMA was passed in 2015, I heard a presentation by a group at the Grange. I asked them “what would happen if we have a sudden flood and there is no longer a water crisis, will all of you go away?” The group said, “No, we will be here to stay, we will always have a water crisis here in CA.” I think this fee is ridiculous. We have fluctuating periodic droughts, why should we worry about our wells? I truly believe that the well goes with the property owner. I am totally opposed to this organization and your control over our groundwater.

Deborah Tavares – We are not running out of water, it is a renewable resource, and it resides below the Earth’s mantle. Ernst and Young is a London based company and was hired by the City of Santa Rosa to work on new forms of revenue. Is this connected to the well water fee? Is this how Santa Rosa is making its new revenue? I heard that the fees would be attached to our property tax bill. This expense could be debilitating to some of our residents. This is one of many scams around the world and it must stop.

Susan Bahl – I disagree with the charge on the property tax. I disagree because it wasn't voted upon, and the last time I spoke to you I said that I think this should go for a vote. Why won't this go to a vote? If money is the issue, could we vote by mail? This would encourage people to be on the same page with you. Secondly, if we are being charged, I would really like to see an outcome from it. I would like to see that my groundwater no longer has herbicides in it. I want non-potable and potable water in all new buildings. Why aren't these things in the new Plan?

Justin Morse – My concern is that there is no limitation on future fees. What if five years from now, the fee doubles and continues to grow uncontrollably? Is there a limitation on increasing the fees? Does it go into the general fund and get distributed, or will it be more discrete and visible, so we can all see it?

3. Consent Calendar

- a. Approve Minutes of March 14, 2019
- b. Approve Year-to-Date Financial Report and In-Kind Member Agency Contributions for Fiscal Year 2018-19

No public comment.

Director Belforte moved to approve the Consent Calendar as presented, **Director Harvey** seconded. Motion carried. One (1) abstained (**Director Schwedhelm**).

4. Directors/Subcommittee Report

None.

5. Advisory Committee Report

Director Hopkins noted that the Advisory Committee reported on activities at the March 14 Board meeting and haven't met again before this Board meeting. The next AC meeting is scheduled for May 13.

Bob Anderson had no additional comments.

No public comment.

6. Information Items

- a. Groundwater Sustainability Plan (GSP)

Jay Jasperse, Plan Manager – In terms of the GSP, we continue to work with the Advisory Committee on the front-end sections of the Plan itself. Sections 1 and 2 are complete and we are starting work on Section 3. Over the next year, we will be looking at sustainable management criteria and a monitoring program. We will continue to work together with the Advisory Committee and check in regularly with the Board.

- **Director Harvey** – When we get done with the Plan, we will look at the six areas and there will be some suggestions. Worst case, we will have to figure out how to fix some things. Will monitoring progress happen into the foreseeable future?

- State will have to approve our progress and monitoring. There will be annual reports, and every five years we will do larger reports, all to show that we have been sustainable for 50 years.
- **Director Schwedhelm** – We’ve had a lot of rain recently, how does that effect the GSP?
 - **Jay Jasperse** – Wet years do not change our tactics, they are part of our climate and we have captured that in our models. In our work ahead, we will be working to better capture the water that comes from those wet years.
- **Director Hopkins** – Can you speak to recharge rates? Some aquifers don’t benefit, right?
 - **Jay Jasperse** – There are different levels in different aquifers. We will look at recharge very carefully as a management practice and see how to enhance it as best we can. Not all recharge will move the needle on SGMA compliance, unfortunately. It may not work in shorter term time scale, but in terms of depletion of surface slows in streams or shallow aquifers, recharge will make a big difference in short term.

Public comment

Deborah Tavares – I am still worried about the World Bank and what they don’t tell us about the world’s water supply. Atmospheric water is only a part of the water cycle. The primary water cycle is most important. Take geysers and waterfalls for example. It even rises from the ocean floor. This agency’s misunderstanding of the primary water cycle concerns me. If we could access primary water here in CA, then we would solve our problems.

Pat Mitchell – I’m very concerned about what’s going on. The more agencies we create that need funding, the more funding goes to high salaries. Are the agencies doing any good? Scientists tell us that as oceans warm, more rain comes down. Our concerns about drought is miscalculated. We are seeing more crabs come up from the ocean than we have ever seen before. We are projected to have a wetter climate.

Paul Heck – I’m a real estate agent and have sold country property for a very long time. Half my business left California last year because we are taxed so much. I’d like to know how much water is being sent to Las Vegas. They are watering lawns with our water! I’m not sure about water science but I am sure that living is too expensive here because of government rules. I can sell one house here and buy three homes in another state.

b. Basin Boundary Modification

Jay Jasperse – The Basin boundary has been resolved by the state except for the Wilson Grove basin. The state is still in the process of evaluating data to see priority level for

this. They will have a draft recommendation in May, followed by a 30-day comment period. They'll make their decision after.

- **Director Hopkins** – Should we have a meeting during those 30 days?
 - We have a June meeting that might capture that.
- **Director Hopkins** – It would be good to comment and approve a draft letter at that time.

Public comment

Deborah Tavares – I understood you would have a meeting for public comment. I've attended many Advisory Committee meetings and they do not seem to take public comment into consideration. It's disappointing.

c. City of Sebastopol GSA Membership

Andy Rodgers, Administrator – In June 2017, a Joint Exercise of Powers Agreement (JPA) was executed for the agency (nine board members). The City of Sebastopol elected to participate in the Advisory Committee but not the Board for this organization. In February 2019, the Basin Boundary modification was approved, and now the Santa Rosa Plain Basin includes Sebastopol. In March, the Board asked that we have an open conversation about the City of Sebastopol participating at Board level. The nine board members have contributed almost \$1 million for the first five years of work. The GSA also received a \$1 million state grant to fund writing the Plan. Sebastopol would like to be on the Board and recognizes the benefits. Rodgers thanked the Sebastopol representatives for being at the meeting and asked for direction from the Board. The groundwater sustainability fee is scheduled for consideration of adoption on June 13, 2019.

Director Hopkins thanked **Mayor Hinton** for all she did in the recovery of the flood.

- **Mayor Hinton** – The initial estimated costs of board membership gave us sticker shock. Wilson Grove was designated as low priority at first, then modified to medium, which is why we desired to join the Board and the Santa Rosa Plain Basin's work. Could we have an adjusted rate, since we are coming in midstream? It would help to have less upfront cost. The budget subcommittee for Sebastopol recognizes the expenses of the recent flood, and we are low on funds. Adding this would be difficult.
- **Director Hopkins** – Tell us more about your capacity, what you could do.
- **Mayor Hinton** – We hope to have a prorated amount. We are just getting our sales tax revenue report and will be able to look at that. Businesses closed by the flood are just starting to bounce back. We are looking at a deficit.
- **Una Glass** – If you're wondering why we didn't join in the first place, it's the geology of our area. We do not sit in the Santa Rosa Plain Basin. We didn't need to join it for

this reason, and it made sense financially. We also have the smallest budget of all nine cities in the county. We trusted you would do a great job managing it all. But then the state changed our categorization, and we are now faced with being the only incorporated city in our basin. It could lead to a multi-million-dollar cost for managing our own GSA so, we want to spare the cost and join the existing GSA. We are trying to manage a disastrous fiscal situation, and it is why we asked the state to make the boundary modification. We hope you understand the reasons for our actions.

- **Director Jacobs** – What is Sebastopol’s budget?
 - **Una Glass** – \$8.6 million. We are very, very small.
- **Director Nagle** – We talked about this in the Ad Hoc meeting we had two weeks ago. We thought a prorated fee would be acceptable.
- **Director Fudge** – I understand your situation and would be OK with a prorated fee.
- **Director Harvey** – I am OK with a prorated fee, but we don’t have a process for doing it, and that concerns me. I would feel more comfortable for determining a basis for this. We might have other entrances in the future. Policy and procedure is needed. Another issue is the reimbursement of our fees—we don’t know yet if they will be reimbursed. This could become problematic. While I feel for Sebastopol, my town also had the same decision to make as a small town, and yes it hurts. I think we must be fair by having a policy.
- **Director Schwedhelm** – I’m OK with a prorated fee but I would also like a procedure for this.
- **Director Zane** – I welcome Sebastopol. It’s frustrating for all of us that the state moves the mark. The cost of participating should be reflective of the time on the Board, a prorated fee is OK with me.
- **Director Belforte** – I would like to look at the fee being prorated over a few years because of the flooding and financial hardship you face.
- **Director Jacobs** – We need policies and procedures around this. We were clear at the outset that this agency must be paid for. Let’s set a good precedent. My business also has a small budget. I agree to the longer-term proration, but I’m not inclined to give a deduction.
- **Director Dutton** – I’m OK with prorating.
- **Director Hopkins** – We have majority support for prorating. I’m in support too. I also like the idea of giving more time to pay the prorated amount. I direct staff to bring back options on policies for our consideration. There are other instances where other neighboring basins may have similar problems. Let’s set a good precedence. I think there needs to be conversation around a start– up cost for late joining agencies.
- **Andy Rodgers** – If Sebastopol comes in, what would the prorated amount be? I’m thinking 60% less than what’s been contributed so far, about \$71k. If this is an option, we can talk to Sebastopol and our finance people about this.

- **Mayor Hinton** – We came today to speak to your organization and see what is possible. If you think that is possible, I will take it back and get it on the Council agenda. I'm sure we will need to talk again to know the firm price.
- **Director Harvey** – Make sure when we determine the price that it falls into reimbursable or not. I want to make sure we don't have to circle around again with that question.
- **Director Hopkins** – Take this to the Ad hoc meeting to flesh things out. **Mayor Hinton**, please attend that meeting.
- **Mayor Hinton** – Sounds great.
- **Director Schwedhelm** – Mr. Rodgers, I'm looking for a win-win, and want to determine the process first.

Public comment

Susan Bahl – Since January, I've been trying to figure out the details of this agency. If the rural homeowner is now 25% of the pie, I believe there should be two people on the Board that are rural home owners. That isn't the case as far as I can see. Secondly, the money funds a seat on the Board, and the Board determines how the funds are used. How do I get my voice into this agency's activities, how do I get a say? Organic food producers should be on the Board as well. The rural homeowner representatives on the Board should not be making money with the water.

Deborah Tavares – Is everyone familiar with the Climate Action Plan? It follows the lines that water resources are limited. Please see how this is happening right now. I am concerned about Sebastopol, how does their participation affect residents' fees? The state will always have a moving target on this. The Climate Action Plan was voted in, and you should see the dismaying information within it. It is connected to a global water plan. We are facing this problem together, and it will result in increased fees.

Doug Emery – I've spoken here before. From a rural residential perspective, I agree that rural residential homeowners should be on the Board too. Not just the heavy use extractors, but some of us regular folks too. It a good idea. Sebastopol jumped into the Santa Rosa Plain Basin, but they left behind 40,000 people who will pay the tax they decide on. I am calling it a tax because that is what it is, let's call it what it is. We have no representation on this Board as Ms. Bahl points out. Rural Residential is about 30% of the pie. We need representation. **Director Zane** is the only one who represents the unincorporated county.

Director Hopkins – You need to be a governmental agency or quasi government agency to be on the Board and part of the JPA. I want to clarify that per state law you need to meet certain eligibility criteria.

d. Fee study

i. Fee summary for approved methodology

Andy Rodgers – Summarized the proposed fee study and provided an update. He mentioned that other technical work is going on refining numbers and evaluating options, plus incorporating Sebastopol into the agency.

- **Director Zane** – I am feeling frustrated, at our last Board meeting we had some frank discussion about this. What alternative governance structures could we have? I hope we have an open discussion about this again. I'm putting this out there at the direction of the Chair.
- **Director Hopkins** – You are ahead of the game, and we will be talking about that shortly.

ii. Results of irrigated pastures study

Andy Rodgers said a committee completed evaluation of all the parcels that the Department of Water Resources has listed under this category and found that they are not using groundwater for irrigation. The state coefficient factor irrigated pastures is for 0.3 AC/feet per year, but locals say this is not accurate. This factor has been corrected in the fee methodology. Essentially, there is no irrigated water from groundwater being used for pastures as there is enough recycled water available where needed. Mr. Rodgers acknowledged his appreciation of the Farm Bureau, UCCCE and RCDs for their work collaborating on this.

iii. Status of alternative proposal to fund some user categories

Director Hopkins gave an update on "Plan B". The Board of Supervisors met regarding this issue and discussed the possibility of ongoing member contributions from the County of Sonoma. They were supportive; \$143,000 was allocated for Petaluma Valley and \$117,000 for Sonoma Valley Basin by the County this year. Sonoma Water will pay similar amounts. No amount was disclosed for Santa Rosa Plain. The amounts were allocated because they recognize a common good in protecting our groundwater. It is not a subsidy, it is enacting a common good. Once the Plan is implemented, users will have to pay fees, no question. **Director Hopkins** continued with a new idea (Plan B) which would make fees commensurate with use. The question is to have the RCDs pay \$10,000 per basin. She suggested Sonoma Water continues with member contributions. This could drive costs down for everyone, including the mutual water companies. A well registration program has considerable costs, and it may result in cost overruns. If that program can be eliminated, we can reduce costs. The Ag commissioner, the County, and Permit Sonoma would review this idea and **Director Hopkins** expressed concern about their staff resources. Rural Residential and small agricultural interests aren't represented on the Board. This solution would address that. And it would make Santa Rosa Plain more like the other basins, which is important to avoid undue confusion. **Director Hopkins** said she hears the complaint that we are not estimating water use

accurately enough. Postponing the fee would allow time to more accurately do this. It would also give users the time to get used to the idea of a fee and we will have a more accurate fee amount to present to the public on their property tax. She then requested input from the RCDs and the mutual water companies.

- **Director Zane** – I like Plan B, but I want to emphasize that budgets have expenditures and income. We have been spending a lot on consultant fees, we need to focus more on where our money is going. We have \$1 million from Prop 1, a significant funding source to use over five years. Let's use this time to develop a good plan and ask for everyone's trust. I want to put that at the top of our list. The other two basins have come up with a good model. Let's make a leaner, meaner budget to get this done in the Santa Rosa Plain.
- **Director Nagle** – The issue of trust is why we have such a large Board here. This Board is meant to represent everyone. The RCD reps are here to represent Rural Residential and Agricultural interests. The RCDs who contribute to this Board, do not have funding for this. They are grant funded, and their mission is to protect natural resources. This participation is a significant burden on them. Plan B is a much smaller cost than the other options, though it is still a nonrefunded cost to the organizations.
- **Director Harvey** – It's nice to see something, even in the rough. But I'm still concerned with this. Are you asking members to fund this for the next five years? We agreed to fund it for the first two years and fees would cover it after that. We can't pay for three more years. This is a very big change. I have mentioned this over and over and I feel like a broken record. This will be a big hit to small cities. Even if you go with actual use, it is still going toward something that we initially said would be self-funded. That's my concern. Unless we implement the fee, there is no way small cities can afford it.
 - **Director Hopkins** – My understanding is that you would be paying the same in either situation.
- **Director Harvey** – Is it a fee or not?
 - **Andy Rodgers** – If I understand Plan B, we are talking about not adding any more contributions from the city. The cities will only pay for pumping per the approved methodology.
- **Director Harvey** – But that means we need to institute a fee.
 - **Director Hopkins** – If this is a cost of doing business, providing water, then this is a cost you can pass on to the consumer.
 - **Legal Counsel** – Another way to interpret this is that you are providing water to your constituents and, so yes, you can do that.
 - **Andy Rodgers** – We are not talking about changing anything regarding the cities. Its about additional revenue that will come in to cover some of the user categories that we mentioned.

- **Director Harvey** – Will the numbers be the same as what we talked about before? The County won't kick in money and then the numbers change? I want the method to be clear.
 - **Andy Rodgers** – We are moving forward with the method approved at the March 14 Board meeting.
- **Director Harvey** – Will we get enough money to cover the remaining amounts?
 - **Director Hopkins** – Cities will come out the same or better with Plan B. We will investigate this further. Plan B is still a draft, more information will be coming soon.
- **Director Harvey** – So no well registration program? We need this data to refine our fees and understanding.
 - **Director Hopkins** – We would register wells but not right now while we are developing the Plan. It would happen later, in three years.
- **Director Harvey** – The earlier we can get started on the well registration, the better. It wouldn't surprise me if it didn't take a year to get it set up, so it behooves us to get on it earlier. I want us to make progress. As to **Director Zane's** comments, we are a little more expensive because of our rate studies, and then we do not use the results of the rate studies. We need to use the information we get from the studies.
 - **Andy Rodgers** – I have a groundwater user registration item that I will talk about later. But staff will recommend that we improve the data we have now, of course. The real savings of Plan B is not having the initial surge of responding to inquiries. With Plan B we will have far fewer requests coming in to address.
- **Director Jacobs** – **Director Nagle** made a good point about trust. We all want equity. My concern is that this penalizes Mutual water companies and their users. These folks do not get the benefit of the County subsidy and people will not be happy about that. We can build trust by compromising and moving forward. But I will continue to highlight these issues. Another thing– our Mutual is a smaller budget. We've paid over \$40 per connection to fund this agency. None of us asked for this, the state required it, but our users have taken issue with this and I want to remove burden from them as soon as I can.
- **Director Hopkins** – Please work with Mr. Rodgers to stay informed about Plan B as it moves forward. You are right that we need to talk about the disproportionate impact to your users.
- **Director Belforte** – What about the Sonoma Water payments?
 - **Director Hopkins**– Sonoma Water is making some contributions, and if they could also do some on a per acreage basis, and some as a member contribution, we'd like to know.
- **Director Belforte** – If Permit Sonoma has no capacity, what is the alternative on that?

- **Andy Rodgers** – Methods are approved. What we are talking about now is how to improve our user data over time.
- **Director Belforte** – How long will it take for you to get back to us?
 - **Andy Rodgers** – When we bring the framework to you in June, it will have information on how we are going to do this.
- **Director Belforte** – So if you look at this in June, if we decide to establish a fee, will we have enough time to get it on the tax roll this year?
 - **Andy Rodgers** – Yes.
- **Director Belforte** – This was supposed to be done in July of 2018. We have pushed this back again and again, and we are being asked to spend additional money for further assessments. I don't think this is good governance. Good governance is making decisions when they have to be made and that is in advance. I get nervous about being pushed up against a timeline and the state coming in and taking over. All of this could cost the people too much, I don't want higher rates. I want to decide in June 2019 at the latest.
- **Director Schwedhelm** – This is an unfortunate situation. We want to avoid the worst-case scenario (state involvement). But we are different from Petaluma and Sonoma in our constituents. I feel we are kicking this decision down the road trying to be more like the other basins. Instead, we need to decide and move ahead. I'm supportive of Plan B because it is better. But I am concerned about the continuous delay.
- **Director Jacobs**– There are dozens of other water systems in the basin. Will they be charged similarly, such as SSU?
 - **Jay Jasperse** – With Plan A, the method charges based on pumpage records. We need to figure out options for Plan B.
- **Director Hopkins** – Thank you all. There is willingness to consider a Plan B, but we can't delay and must decide in June. Is that right?
- **Director Harvey** – If we need to go back to our councils, then we need information way before June to gather their input. Until we see real data, we don't know what we are voting on.
 - **Andy Rodgers** – We will put things together as quickly as possible.
- **Director Hopkins** – We are doing good governance by responding to public input with Plan B.

Public questions/comments

Douglas Emery – I appreciate the discussion from the Board and I appreciate a Plan B that includes public input. Plan A was a tax plan, not a water sustainability plan, which is your biggest responsibility. If you fail, we will not have groundwater in the future. I think Plan B could bring relief to residential users. It is fairer. It still doesn't address the tier of huge extractors, and that needs to be looked at. Thank you everyone for your frank discussion.

Orlean Koehle – I have been concerned that this issue is connected to protecting trout and salmon. But people who live near streams have found that fish protect themselves. I also am concerned about the fine that was to come if we didn't submit a Plan. People were told they had to submit their information via computer, which was hard for people without computers. Please don't do that again. I hope that Plan B is better. The Water Bill was passed, and it limits individual water usage, this is also Draconian if there is no water crisis. How does this Plan fit in with the Water Bill?

Pat Mitchell – Thank you, I'm impressed with the Board, and I think you are well intended, but I am going to repeat that well water is not free, it is already expensive. We have to pay for maintenance. How are irrigated pastures using recycled water? Is it through the water cycle? Should I charge you for air? This is ridiculous. How could you make groundwater sustainable? What would you be doing with the fees for the public good? You'd be better off resisting the state on this law.

John Rosenblum – I'm from Belmont Mutual Water Company. Our Board elected to join this groundwater sustainability program. We are concerned about sustainability. We are also concerned about the viability of our own water supply at home. We have neighboring vineyards and a school. The Department of Water Resources costs are enormous and we want to avoid that. Then I want to look at the equity issue. We could be paying \$60 acre foot per year for our members, and that would be disproportionate to other users. With more transparency and willingness to collaborate, we could rapidly develop a data base that pinpoints how much water agriculture and rural residential is using.

Mike Martini – I am here in support of Plan B. Thank you **Chair Hopkins**. I want to second **Director Schwedhelm's** comments saying not all three basins are the same. In my opinion, Sonoma Valley is the most challenged with identifiable saline intrusion. Petaluma Valley is the easiest in the sense their overdraft might be in the realm of 50 acre/ft of water. The Santa Rosa Plain is larger but it has another advantage. In 2015 they spent \$2 million to produce a document that was called "The SRP watershed (groundwater) Management Plan". They don't have to start from scratch, they can use a lot of the existing data. Can we use the information here and save some time and money? How many times do we ignore past work and reinvent the wheel? Let's not do that. And I second that this agency must look at the expenditures and the incomes. Please adopt Plan B, take three years to make a great plan and bring it back to us.

Phil Graf – This fee seems to act like a tax. If so, will it be limited in growth as taxes are? I'm nervous about infinite growth on the fee. And does it even increase our water supply? Could it affect public usage? Not in my opinion. Will the interactive map be made for online use? Are we supposed to send reports/information back to

Sacramento? Most of us don't know what Primary Water is, but if I were on the Board, I would appoint a subcommittee to look at this, maybe there is something to it. And I say more dams, more hydroelectric power. We need to be building these again. What is the benefit of my fee? That's my question.

Chris Bates – I'm on the Advisory Committee representing the independent water companies. I also represent Ranger mutual water company. We are very supportive of this program. We had a well run dry recently and may need to drill a new well. So, we support your work. Though equity is still an issue. We average 0.4 AFY/parcel.

Tawny Tesconi – Thank you for proposing Plan B. There is a need for more data moving forward. In the simplest terms, the cities are being asked to cover for their water use, and the rural residential users are being covered by County and RCD, so it's all the same, just a question of who is picking up the tab. We have farmers in all three basins. We want an even playing field for all farmers. Farmers have been willing to participate in water monitoring/recharge/use programs.

Michael Hilber – You should have exempted de minimis users months ago. The fact that they don't need to be metered suggests that they don't need to be part of the user charge either. You would save a lot of money on studies and consultants and it would simplify your life. It minimizes the budget. We aren't even affecting the aquifer in a big way. Plan A is a scam intended to rip people off. You don't have the legal right to assume that the average is true for all people. If you make any mistakes, you might have to make refunds. You ought to give serious thought to redirecting this ship.

Deborah Tavares – I am for Plans F (Facts) and T (Truth). Primarywater.org. Go to PG&E for information about solar energy and abandoning the Potter Valley projects and nuclear plants. This is because they are going to space-based power. We are ignoring this issue and focusing on water resources instead.

Board questions/comments

- **Director Belforte** – I'm hearing comments about average use. Is there a way to charge lower rates for those who use below the average?
 - **Andy Rodgers** – Not right now, but in the future, it may be possible.
- **Director Harvey** – Thank you to the public for your input. It is frustrating for you and for us. We all want something that is fair and equitable. It's a challenge not knowing how much water you use, you just do not know how much you use until you install a meter. And SGMA prohibits GSAs from metering. So, we are working the best we can with the information we have. And we need a Plan to guide us, and the Plan costs money. Please continue to provide us with comments.

- iv. Status of fee offset grant program
Andy Rodgers – The Farm Bureau has made the offer to do this at no cost to Administration. If we could identify a grant contribution to fund it, it could become part of Plan A. This is something we are working on. We will bring in more information in June with a framework presentation.
- v. Status of contract with County Auditor/Controller
Andy Rodgers – I will bring the revised contract to the Board in June. July 15 is the target date to give data to the Assessor’s office.

7. Action Items

- a. **Election of Chair and Vice–Chair.** Board to elect Board Chair and Vice–Chair per the Santa Rosa Plain Groundwater Sustainability Agency Joint Powers Agreement. No public comment.
Director Zane moved to elect **Director Hopkins** (Chair) and **Director Schwedhelm** (Vice–Chair) for the next two years, **Director Belforte** seconded. No other nominations. Motion passed unanimously.
- b. **Groundwater User Registration Program.** Staff recommends the Board waive first reading and introduce by title only "An Ordinance Requiring Registration of Groundwater Use Facilities, Water User Reporting and Authorizing the Adoption of Groundwater Sustainability Fee."
 - **Director Nagle** – Section K, Small service provider, is that the same definition used by CA Water Code?
 - **Director Jacobs** – I think it is, but we can confirm that.
 - **Director Hopkins** – Have staff confirm by next meeting.
 - **Director Harvey** – You intend to match the wording?
 - **Director Nagle** – Yes, I don’t want to make up a new definition.
 - **Director Jacobs** – The same with Section J, we need to double check that definition.
 - **Andy Rodgers** – We’ll be sure to do so.

Public questions/comments

- Unknown – Will this be put on a consent calendar where public can’t discuss it?
 - **Legal Counsel** – No, it won’t be on the consent calendar, it will be an action item and public notice will be posted, it will be discussed like everything else.
- At the last special election we had in Sebastopol, we were voting on something and the process was taken outside of public view. I just want to make sure it is transparent.

Director Belforte moved to introduce by title only, **Director Harvey** seconded. Motion passed unanimously.

- c. **Agency Budget Reserve Policy.** Staff recommends the Board adopt a 2019–20 budget reserve policy. Provide feedback to staff on options for Agency financial reserves.
- **Director Belforte** – I would like to see at least three months’ reserves or 15%.
 - **Director Schwedhelm** – I defer to staff on this issue.
 - **Director Zane** – What is our FTE for the agency?
 - **Andy Rodgers** – We have none. I’m a contract person.
 - **Director Zane** – Let’s not be excessive with how little staff we have.
 - **Ann DuBay**– We got this recommendation in the Petaluma Valley GSA and a recommendation for two months in the Sonoma Valley GSA. Given the risk of these agencies (relatively small), we decided to go with a relatively liberal reserve policy.
 - **Director Hopkins** – Feedback from the Board is that we want three months. Let’s bring that back to adopt at a future Board meeting.
 - **Andy Rodgers** – Role this over to the next fiscal year then?
 - **Director Belforte** – Can we remove our reserves? No slush fund?
 - **Director Hopkins** – Good idea.

No public comment.

Director Hopkins – Let’s table this for the next meeting. No motion taken.

- d. **Contract with Raftelis Financial Consultants, Inc.** – Consider authorization to amend contract for consulting services and as needed professional financial advisory services from May 1, 2019 through June 30, 2019.

Board questions/comments

- **Director Zane** – What is their hourly fee? Can you explain the math of this proposal? Seems like we’ve gone well above and beyond what we initially asked for.
 - **Andy Rodgers** – The GSA has gone well above and beyond the contracted Scope of Work, and the timeline has been significantly extended.
- **Director Nagle** – Plan B is based on existing data we have. What work does Raftelis still need to do?
 - **Andy Rodgers** – Complete the analyses and bring the information together, including new scenarios. But perhaps I misspoke, because this is not new data, this reflects the extended work and time frame.
- **Director Harvey** – We need more information before we can decide. We need to avoid unneeded costs.

- **Director Schwedhelm** – What are the consequences if we don't approve this?
 - **Andy Rodgers** – Raftelis would need to provide information that is contracted for, but they wouldn't be available for additional support or incorporating new/different scenarios.
- **Director Belforte** – Before Plan B, I was going to say stop with this. But now that we have Plan B, I want to make sure that this is the best option, and so, I am supporting this.
- **Director Fudge** – I also support it.
- **Director Hopkins** – In the early days, I bemoaned Raftelis' lack of creativity. And now, Plan B has actually come out of our own ingenuity. I wished they had come up with a similarly creative idea. So, what are our rights to demand under the existing contract?
 - **Andy Rodgers** – The initial scope envisioned a three-basin program, and now things have changed quite a bit. I can't speak to the creativity part, but I do know there has been frustration and disappointment. That said, we need the bones of our GSA with a stamp of approval by an expert before it's delivered.
- **Director Nagle** – Three years from now, will we be able to use this same report should we need a well-registration program?
 - **Andy Rodgers** – I would think this is a foundational document, whatever we do. The data we have is in this model.
- **Director Zane** – We are frustrated that there is an hourly fee for Raftelis and there hasn't been a great return on investment.
 - **Jay Jasperse** – From the Plan perspective, the basin is receiving a benefit by us rolling up our sleeves to learn about the fee study and options—there is value added.
- **Director Harvey** – We are not seeing the progress and products of Raftelis, and so it seems to us that we aren't getting anything. But I hear that this data will be very valuable.
- **Director Hopkins** – I begrudgingly support this and trust your judgement on this one and appreciate your work on this.
- **Director Zane** – Can you come back to us with a better cost estimate?
 - **Andy Rodgers** – We can, but we've been at this for a while, and I think I've gotten this as low as I can. Hourly rates– Sanjay Gaur – \$280/hour. Sally Van Etten \$200/hour. Victor Smith \$175/hour.

Public comments

Michael Hilber – I submitted this document for inclusion in the fee study, and it was blown off as irrelevant. And so I would say those folks are not “up to snuff”, and I don't want you employing them. I have a well and I'm connected to city water, 2,200 gallons per month, or 25/gal/day/person in sewer water.

John Rosenblum– I am a consultant, so I recognize the difficulty of rate setting. It isn't an exact science, there are lots of politics involved. Someone from Raftelis should be attending all meetings, but that would be far too expensive. In light of that, they are giving you a good product and a deal.

Director Belforte moved to authorize amending the Raftelis contract for consulting services and as needed professional financial advisory services from May 1, 2019 through June 30, 2019, **Director Harvey** seconded. 1 (one) opposed, **Director Zane**. Motion carried.

8. Administrator, Plan Manager and Legal Counsel Report

Director Hopkins – This was a very long meeting. Can we keep these meetings shorter in light of cost of Legal Counsel?

- **Andy Rodgers** – We have his time in our budget, I think we are OK.

9. Adjournment

The meeting adjourned at 4:40pm.