

Board Meeting

Santa Rosa Plain Groundwater Sustainability Agency

Date: June 13, 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

Tom Schwedhelm, Vice-Chairman, called the meeting to order at 1:01p.m. noting that a quorum of the Board was present, consisting of the following **Directors – Gina Belforte; Joe Dutton; Deborah Fudge (by phone); Susan Harvey; Evan Jacobs; John Nagle; and Tom Schwedhelm. Lynda Hopkins** arrived 1:24p.m, **Shirlee Zane** was absent. Others present included Andy Rodgers, Administrator; Jay Jasperse, Plan Manager, Sonoma Water; Scott Morris, Legal Counsel; and Simone Peters, Administrative Assistant (minute taker).

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

Michael Hilber, Santa Rosa – I intend to send a complaint to the Sonoma County Civil Grand Jury. This Board is in contempt of the citizens' Brown Act rights. This group has been in contempt of water user rights. Items 6A through 6D are four substantially different items and should be treated as such. You are treating them as one to marginalize public input. I don't consider this consistent with the rights of the Brown Act.

3. Consent Calendar

a. Approve Minutes of April 11, 2019 Board meeting

No public comment.

Director Belforte moved to approve the April 11, 2019 minutes as presented, Director Harvey seconded. Motion passed unanimously.

b. Approve Year-to-Date Financial Report and In-Kind Member Agency Contributions for Fiscal Year 2018-19

No public comment.

Director Harvey moved to approve the Year-to-Date Financial Report and In-Kind Member Agency contributions for Fiscal Year 2018-2019 as presented, Director Belforte seconded. Motion passed unanimously.

4. Directors/Subcommittee Report

Andy Rodgers – The agenda items are directly related to the Ad hoc conversation about the Alternative Plan and other items we will discuss today.

5. Advisory Committee Report

Bob Anderson, Advisory Committee Chairman, gave a brief update. At the May 13 meeting, all but three members were in attendance. The members received an “alternative” plan that was being revised up until the last minute. We reviewed a plan that we received that day. During the process it was difficult for the members to resolve. At the end, we relied on the Board to get to a place where it will work. Several questions raised were helpful, how it was described, how to consider the contribution made as a voluntary contribution. Two other items we covered: Climate primer by Andy Rich, Sonoma Water, and an initial draft by Marcus Trotta on basin setting.

6. Action Items

a. *Groundwater User Fee and Registration Program*

Andy Rodgers, Santa Rosa Plain GSA Administrator – Provided a background on the proposed Ordinance and what it is comprised of, and the action that it launches, which is the registration program. Make a decision on the ordinance, today is the second reading of the Ordinance. The contributions of our members covered our operating expenses for the first two years. As of July 1, 2019, the agency will become self-funded. The adoption of the Ordinance allows the GSA to adopt a fee. We will see how the fee discussion goes and make sure everything is aligned with the fee being considered. We won't be charging the users that we will be regulating. On May 21, an Alternative Plan (Plan B) was approved. The Ordinance will register everyone in the groundwater basin. Users will be asked for information. It also explains the methodology for how the fee is being addressed in the different categories. There is an appeal process and there will be a phased plan for implementation that we will bring back to the Board in August. At the end of three years, we will have much better data.

Board Questions/Comments

- **Director Nagle** – Has the County committed funds for the next three years? Are we going to start implementing fees in tiers?
 - Rodgers – The timing is – if the fee is approved – that we only invoice the large pumpers. The County money comes in the fall. We have looked at the cash flow of that and we should be OK.
 - **Director Hopkins** – The fees will not be tiered, but we will be registering people in tiers and the County and Water Agency will continue to cover the fees for the next three years.
- **Director Fudge** – I appreciate all the work everyone has done on this.
- **Director Schwedhelm** – I would like a little more clarity on the Appeals process. How are we going to go about doing this, so it is prepared for August 8? There are some deadlines, by what date do you need our input?
 - Rodgers – Any information you would like us to include at the August meeting, would be needed by the end of July latest, but ideally a week before that.
- **Director Harvey** – Ordinances are living things and can be updated regularly.
- **Director Jacobs** – The County has had a well database since the early/mid 1990's, did it only have partial records of what we will be asking?

- Rodgers – The database we have is a combination of very large databases including DWR, Permit Sonoma, Sonoma Water, and USGS. Now we can engage with the parcel owners and find out if we have the right information.
- **Director Hopkins** – Will the Advisory Committee have the option to discuss/comment on the possible edits at their next meeting before bringing it to the full Board in August?
 - Rodgers – I am pretty sure our Chair would be interested, yes.

Public Questions/Comments

- John Rosenblum, Belmont Terrace – If you are reaching out to the community to get parcel information, we need information beyond extraction. Some users already know the groundwater level, a lot of people know what their aquifer is like and how it changes seasonally. I would like to know if this registration will allow people to have that data.
 - Rodgers – We have more data than just name and address but will get input from the Advisory Committee on what should be included. If not specifically called out in the registration form, maybe there could be a place to include additional data. It will be an evolving process.
- Douglas Emery, unincorporated Sebastopol – I have spoken at these meetings many times in the past. I am not sure if any of these comments are being taken seriously. I have given you my data. You are still nine times too high for single users. It doesn't seem to matter what data you use as a basis. Table 13 is an error, it shows the rural residential user just under the agricultural user. You don't know how many people live in a residence. Rural residential will be paying far more for the extraction and profitability of wine use. I think there is a conflict of interest on the Board, only **Directors Zane and Hopkins** have rural residential interest. When it comes to voting, I don't think there is much regard. I don't think speaking in public for three minutes has made any difference (except deferring for three years). Your use and your table are errors and affecting your vote.
 - **Director Hopkins** – I appreciate your passion and participating in these meetings. I think we will be actively pursuing the data over the next three years.
- **Director Harvey** motioned to adopt an Ordinance requiring registration of groundwater use facilities, water user reporting and authorizing the adoption of a groundwater sustainability fee, **Director Schwedhelm** seconded. No abstentions, motion passed unanimously.

b. *Raftelis "Santa Rosa Plain Groundwater Sustainability Agency Rate Study Report"*

Andy Rodgers, gave a brief overview of the rate/fee study which started in 2017. It was anticipated to be completed in July, 2018 but it was pushed back to February 2019 because of DWRs release of basin reprioritizations. Then we went out to the public with Community Meetings and conducted special studies and evaluated alternative funding scenarios, so the revised expected completion date moved to June 2019. On May 23, a memorandum was posted of what is being discussed at this meeting. We are here today to consider acceptance and approval of the report as presented to be used as a basis to establish a groundwater sustainability fee as authorized by Water Code section 10730 and pursuant Agency Ordinance No. 19-01.

Board Questions/Comments

- **Director Harvey** – The subject regarding agriculture, specifically wineries, keeps coming up. In this report it talks about vineyards, but vineyards can be quite different from wineries. Can you explain the distinction?

- Jasperse - Vineyards have a co-efficient 0.6 acre-ft/year in our basin. DWR applies different co-efficients for different crop types and areas. Wineries' water use is monitored and reported through the County and SWRCB-Division of Drinking Water.
- **Director Hopkins** – As part of the County's permitting process, water usage is monitored/required. The primary water that is used for a winery is washing tanks, sterilizing, etc. If there is a vineyard, it is considered separately.
 - **Director Harvey** – It keeps coming up as an issue and isn't covered. What you are saying is that we are covering both aspects of it.

Public Questions/Comments

- Douglas Emery – This is a costly Raftelis report. 5.24 – Raftelis “assumes”. You really don't know who is living in the houses. You have the data in the County or by going door to door. Please go back over the rural residential pumping and use. There is nothing about recharge or aquifers. In your plan your entire recharge in the west basin is based on Wilson Grove. You are trying to bring Sebastopol in for a lot of money to pay a user fee and they aren't getting water from you.
- Susan Bahle – I have been at several meetings. I really think this needs to be televised so folks can see it that can't be here at this hour. I also want to say it is illegal to include a tax on our property without a vote (Prop 218). You should be careful that you do not put the well home owners on the same tier as anyone else. De minimis users shouldn't even be included in this discussion.
- John Rosenblum – The way I usually work is to make a first cut with knowledge, then the next step is to verify if the information in the first cut is reflected in the area. Specifically, about vineyards, modern vineyards don't just spill water on the ground. Shouldn't be difficult to verify the number, at least for sustainable vineyard. Wineries offer a wonderful opportunity for reducing the amount of water and for reusing the water for irrigation, so they don't have to pump the water.
- Mike Martini – I want to underscore the information about the wineries. To say that wineries wouldn't be paying their fair share isn't correct.
- **Director Harvey** motioned to accept and approve the Raftelis report to be used as a basis to establish a groundwater sustainability fee as authorized by Water Code section 10730 and pursuant Agency Ordinance No. 19-01, **Director Belforte** seconded. No abstentions, motion passed unanimously.

c. *Resolution Establishing a Groundwater Sustainability Fee*

Andy Rodgers introduced for the members' consideration, adoption of a proposed resolution to establish a groundwater sustainability fee. The objective is to develop a fair and efficient funding mechanism. If approved it will go into effect July 1, 2019.

- Scott Morris – One correction – The Ordinance goes into effect 30 days after it is passed, so July 13, 2019.
- **Director Hopkins** – There are substantial savings over what would have been charged by the State.

Board Questions/Comments

- **Director Nagle** – Just a comment. Some other basins are coming up with a cost of \$1.2 to 2.0 million to run their GSAs so our cost of \$337,000 is much better. Also, as far as establishing a cost per acre/foot, they have costs much higher than ours.
- **Director Jacobs** – I know of another basin with a \$980,000 annual budget. I think we are providing very good value compared to many other GSAs in the State.

Public Questions/Comments

- Susan Bahle – I have lots of questions. Of those GSAs that spend so much, how many of the rural residential homeowners were charged?
 - o Director Hopkins - We will look into it and get back to you.
- Susan Bahle – Who came up with the plan to hire the consultants?
 - o Director Hopkins – That was decided when the GSA was formed, it was the vote of the Board.
- Susan Bahle – I want to know who on the Board voted for it.
 - o Director Hopkins – That information is available in the minutes and can be found online.
- Susan Bahle – How many Board members are getting paid that are making this vote?
 - o Director Hopkins – We have a conflict of interest here. I am paid as a Sonoma County Supervisor, it is a matter of public record.
- Douglas Emery – I don't see anywhere in the Ordinance that mentions it is a living document. It would be nice to have it explicitly stated so that if you find there is any error or changes that need to be made, it can be done. I want to talk about the Plan. I hope you consider earthquakes and collapsed aquifers – that we have some sort of plan in place, that if they collapse, we are not left “waterless”. Every plan should have a disaster plan. I hope in the studies, you put tracers in so we know where the aquifers are and where they run. Also, stigabytes – rarely used as monitoring devices for water quality – but could indicate how clean and pure our groundwater is.

Director Harvey moved to adopt a proposed resolution to establish a groundwater sustainability fee as authorized by Water Code section 10730 and pursuant Agency Ordinance No. 19-01, **Director Belforte** seconded. None opposed, none abstained. Motion passed unanimously.

d. Agency Reserve Policy

Andy Rodgers reported that there is currently no reserve policy. He suggested maintaining an estimated \$84,250 which would be established/approved during the annual budget process. The suggested policy is in the packet.

Public Questions/Comments

- Michael Hilber – You don't have any published vetted studies that supports my using 465 gallons of water/day. As per Prop 218, you have no right to collect a regulatory fee of more than a reasonable cost to regulate it. The registration is only worth about 25 cents so that is all you have the right to re-coup from de-minimis users. You are limited to recouping your cost of regulating me. You don't have a right to transfer water from one part of the basin to another. There are a multitude of things rife for challenge. You say the ADU use only half of what I use? Urban residents only use 0.1, doesn't make sense. If they are only using 0.1 outside, there is no way I am adding 0.5 outside, it doesn't add up.

Director Belforte motioned to adopt the proposed financial reserve policy and resolution as presented, **Director Nagle** seconded. None opposed, no abstentions. Motion carries unanimously.

7. Information Items

a. Sonoma Water and Sonoma County's plan to offset proposed groundwater fee

Jay Jasperse, Plan Manager. On May 21st, a joint meeting was held between the County Board of Supervisors and Sonoma Water's Board of Directors. They approved funding for contributions for up to \$200,00/year by County Sonoma and up to \$40,000/year for Sonoma Water's contribution.

Director Hopkins – I just came from a County meeting, where it was approved that the County will cover the cost for groundwater users for the first three years. It was ratified in our budget hearing process the previous day.

Public Comment

- Michael Hilber, Santa Rosa - It is great I will be subsidized. Sebastopol is part of the SRP basin but haven't paid to join, they would be paying a usage charge of about \$25,000/year. Most of their water comes from Wilson Grove. I don't like that fees are being paid for everyone except municipal users that could include vineyards, wineries, and for-profit interests. Huge conflicts of interest at play on this Board, it is solidly controlled by Sonoma County Alliance and wine industry interests. It has been crafted this way to subsidize not only me, but the wine industry as well. I don't think that is right because it is a very profitable industry.

b. Groundwater Sustainability Plan

Jay Jasperse – provided a short update on the GSP. They are currently working on Section 3.0 "Basin Setting" which includes four pieces: 1) Hydrogeologic Conceptual Model, 2) review of the current historical groundwater conditions, 3) bringing all the steps together in a water budget and applying it to historical record; and 4) looking at areas within the basin that should be broken out into management areas that require special attention. We are working with the Advisory Committee on all four pieces and hope to have it completed through draft status by this fall. Then we will transition to Section 4.0, "Sustainable Management Criteria" looking at the six undesirable results issues. It will take about a year for that process; Section 5.0, developing/upgrading the monitoring program so we will know in the future if we are meeting the targets as we move forward. The last piece of the report are Sections 6.0 and 7.0, looking at how we compare with the undesirable results, looking at implementation costs and projects that we need to do. The process will be interactive. They are well underway and on track with the other basins. Jasperse also mentioned he had been at the GSA summit in Fresno, a very informative meeting. Several of the GSAs that are overdrafted have plans due this coming January, two years before ours.

Board Questions/Comments

- **Director Nagle** – How are those GSAs establishing their sustainable management criteria in such a short timeframe?
 - Jasperse – It is going to be a little rough, especially for the Central Valley area. Santa Cruz basin has had ten years to work on their issue before SGMA. I suspect their approach will be technical and specific.

Public Questions/Comment

None.

c. *Draft Process for considering new GSA membership*

Andy Rodgers, Administrator gave an informational update requested at the last Board meeting. Rodgers presented how new GSA membership is set up now in the JPA. Some things aren't addressed. The Santa Rosa Plain Board includes nine members agencies, Sebastopol is on on the Advisory Committee but not the Board. In February 2019, DWR approved a jurisdictional basin boundary modification to incorporate the City of Sebastopol in the Santa Rosa Plain. To date, the City of Sebastopol has delayed their decision to join the Sant Rosa Plain Board. The objective of Rodgers' presentation was to discuss topic areas that could be included in a draft member policy and give direction to further develop the policy. Who is eligible for membership? Local public agency qualified to be a groundwater sustainability agency under SGMA and within the boundaries of the GSA. The JPA also addresses ex-officio members including agencies who are in the process of forming a GSA. Rodgers questioned the time of year new members can join – should it be specific, possibly around the budgeting timeframe, or at anytime we get a request?

Board Questions/Comments

- **Director Belforte** – Other than Sebastopol, is there any other jurisdiction that wants to join?
 - Andy Rodgers – I was aware of a district that was in the process of forming and expressed an interest but that is currently not moving forward. There are others that might consider in the future. I am not aware of another district at this moment.
- **Director Nagle** – Is there any benefit of joining at one time annually?
 - Andy Rodgers – The only example I have is Sebastopol, it would help if we had some brackets, some will be more sophisticated in the beginning than others, everyone is different. There will be work with bringing on new members.
- **Director Harvey** – Financially, is there a timing issue with members paying and someone who wants to join later? I wouldn't want to get in a situation with someone wanting to join right when everyone just paid. It seems like it would complicate it.
 - Andy Rodgers – Yes, one of the other actions tonight is to consider a Reserve Policy. Without a Reserve Policy, timing is critical. We need it for budget planning for the next fiscal year.
- **Director Jacobs** – Are there other agencies besides Sebasopol currently eligible to join but haven't?
 - Jay Jasperse – Possibly Sanitation districts that are independent.
- **Director Jacobs** – My preference is to take them as they request to join, as is practical.
- **Director Belforte** – You know your workload better than us, when are you busiest? What makes best sense for this agency to get someone else on board?
 - Andy Rodgers – It is hard to say. When we developed the budget last year, I was very busy, but I am always busy. I imagine it would be best to spread out requests over a period of time, probably not significantly episodic. Their legislative body needs to agree to the JPA for us to accept them.
- **Director Schwedhelm** – Keep it open at this point. Sometimes the State makes changes, let's keep it open.
- **Director Harvey** – I agree with Director Jacobs, take them as they come and keep the process as simple as possible.

Contribution amounts – Simplest method to calculate an equal share is to divide the whole amount by the number of members. Are there other ways to calculate the fare? Do we want to have the equal approach, keep it simple, or like for Sebastopol, pro-rate?

Board Questions/Comments

- **Director Nagle** – Once we get through Action Item 6 and establish fees, and an agency comes on board, would they not just fall under the customer class impact or fee rate?
 - Rodgers – If they are going to be a Board member, groundwater users are subject to the assessment which has been set up/approved, and the contributions which until now, all agencies have provided. It is up to the Board to decide how we want to handle this. It could be on a case by case method, like Sebastopol. Should we keep it open and stay creative?
- **Director Schwedhelm** – We set our process with Sebastopol, let's stay with that, changing processes midstream would be challenging.
- **Director Hopkins** – I agree with Director Schwedhelm. I think consistency is a good thing, but we don't know the outcome of Sebastopol. If it becomes too big a hardship for the agency, understand things may need to be adjusted.
- **Director Harvey** – I like the approach, simple, easy to apply but concur with the possibility that we might need flexibility. Important component.
- **Director Fudge** – I agree with Director Hopkins.
- Andy Rodgers – Being flexible is an important component we will build into the process. Administering process – At what point do we want the Board to consider a new member?
 - **Director Harvey** – Some of it is addressed in the ex officio members, we tried to cover that in the JPA agreement. We do have that aspect to fall back on.

Public questions/comments

None.

8. Administrator, Plan Manager and Legal Counsel Report

Andy Rodgers mentioned the upcoming Board meetings are currently the second Thursday of the even months. Does the timing still work? The Board agreed to the timing. The next Board dates are August 8 “8/8”, October 10 “10/10”, and December 12 “12/12”. Rodgers also mentioned the recent Groundwater summit in Fresno. He said other GSAs have lots to deal with and we are lucky to be in this basin. It is a challenging new law for a new subject. His actions from this Board meeting include:

1. Develop registration implementation plan
2. Clean up Ordinance and bring to the August Board meeting. Get feedback by mid-July from Board members
3. Revise GSA budget based on feedback today
4. Keep Board apprised on Sebastopol joining the GSA
5. Develop new member policy

He thanked **Director Hopkins** and Director **Schwedhelm** for serving this year and continuing into next year. He also thanked the Ad hoc, member agency staff, and the public for their comments and engagement.

Jay Jasperse – They are dealing with the six issue areas in the GSP. Demand management is a big issue. Had a session on land use, recharge, drinking water in disadvantaged areas, and finance. We

are working with DWR to coordinate construction of ten new shallow groundwater monitoring wells in Santa Rosa Plain, another ten for the Sonoma Valley and Petaluma Valley combined.

Scott Morris, Legal Counsel – This is a huge milestone. Legal fees should drop substantially in the future unless something drastic happens. It is a very busy time legislatively, pay extra attention.

9. Adjournment

The meeting adjourned at 3:11.