

**Santa Rosa Plain Groundwater Sustainability Agency
Community Meeting on Groundwater Sustainability Fee
March 4, 2019 - Meeting Summary**

Welcome and Introductions:

Susan Harvey, Santa Rosa Plain GSA Board Member, welcomed the audience and thanked them for attending. She apologized for the lack of seating and parking at the previous meeting, then asked the Board, Advisory Committee members, and staff to identify themselves, and said they would be available to answer questions after the meeting. The meeting itself would allow the opportunity for questions following the presentations. Ms. Harvey also emphasized the purpose of the meeting was to share information and that no decisions would be made.

Valerie Minton, Executive Director, Sonoma Resource Conservation District facilitated the meeting. She asked the audience to identify themselves. The majority of attendees were rural groundwater users but there were also a few agricultural well owners, a few people who use city water with a supplemental well, and two interested parties on city water alone. Ms. Minton provided an overview of the agenda and reiterated that no decisions would be made at the meeting.

Background

Jennifer Burke, Deputy Director, Water Resources for the City of Santa Rosa and Santa Rosa Plain GSA Advisory Committee member, provided a background on the Sustainable Groundwater Management Act.

- California is one of the last western states to manage groundwater. A 2013/2014 USGS study of the Santa Rosa Plain identified issues of groundwater levels and quality. As much as 50% of the basin's water supply comes from groundwater and new wells are being installed every year. Climate change is expected to impact the balance of inflows and outflows so this led to the California legislature regulating groundwater. Three basins in Sonoma County were mandated by the State to comply with SGMA: Sonoma Valley, Petaluma Valley and Santa Rosa Plain.
- On June 30, 2017, Step 1 of SGMA was completed through the formation of the Groundwater Sustainability Agency via a Joint Powers authority Agreement (JPA). Step 2 of SGMA, "Develop Groundwater Sustainability Plan (GSP)," should be completed by January 31, 2022. Step 3, "Achieve Sustainability," is due to be complete 20 years after the GSP adoption.
- Formation activities are being funded by GSA member agencies which include Cities of Santa Rosa, Cotati, and Rohnert Park; Town of Windsor; Independent Water Suppliers; Gold Ridge and Sonoma Resource Conservation Districts; County of Sonoma; and Sonoma Water.
- The goals of the GSA are to sustainably manage the community's groundwater to ensure it is available now and into the future, to meet the requirement of SGMA, to ensure the GSP reflects the goals and priorities of the community, and to be as cost-effective and efficient as possible.
- To-date, the GSA has held 24 public meetings, two postcards have been mailed to all potential well owners in the Basin, and the Board and Advisory Committee alternate meetings every

month. For more information about meetings, documents, budgets and background go to www.santarosaplainingroundwater.org.

- The California Department of Water Resources (DWR) defines the Santa Rosa Plain Basin boundary. The city of Sebastopol and three neighboring mutual water companies proposed amending the boundaries to be included within the basin. In November, 2018, DWR released a draft approval of the proposed boundary change request. DWR made its final determination on basin boundaries in February, 2019, and Sebastopol and three mutual water companies could join the Santa Rosa Plain GSA.
- The first two years of GSA operations are funded by the member agencies. The Santa Rosa Plain GSA also received a \$1 million Proposition 1 grant for the preparation of the GSP and has received Facilitation and Technical Support Services from DWR. Moving forward, the GSA must identify an equitable funding source for costs above the \$1 million grant for the next three years. Costs to be covered are primarily for the administration of the GSA. The GSP may also include studies and water management programs.
- To achieve sustainability by implementing the GSP (after 2022), may require specific activities (depending on the GSP's conclusions). Activities could include studies, water management programs, and capital projects.
- The estimated annual funding needed for the next three years is \$337,000 (after member agency repayment deferral and grant funding).
- Prior to tonight's community meeting, many public meetings have been held to discuss the fee, including six Board meetings, six Advisory Committee meetings, a Community Workshop in March, 2018 and another more recent Community Workshop in January, 2019.

Proposed Groundwater Sustainability Fee

Andy Rodgers, Santa Rosa Plain GSA Administrator, provided an overview of the proposed fee. To clarify, he mentioned that the other two groundwater basins in Sonoma County aren't proposing fees is because they have less groundwater users, less diverse stakeholders, and less member agencies (five in Petaluma Valley Basin, six in Sonoma Valley Basin compared to nine in Santa Rosa Plain Basin). If fees were imposed in the other basins, the estimated fee in Petaluma Valley would be double what is proposed for the Santa Rosa Plain and almost two and a half times more in Sonoma Valley.

Rodgers then explained the proposed fee. He emphasized the fee is not a tax. It is a regulatory fee based on actual or estimated groundwater uses. Actual use is based on metered pumping data (for municipal and public water systems including some commercial uses such as wineries,) and estimated groundwater use when pumping data is not available (for general rural residential, agricultural and other users, e.g. golf courses and schools). Estimated usage is based on data, reports, and studies by independent parties.

For rural residential groundwater users, the fee is based on estimates (since most rural residential landowners don't have meters, and SGMA prohibits the metering of small water users). Based on studies, the estimated average usage for rural residential is 0.5 acre feet per parcel (466 gallons per day).

For agriculture, the estimated use is based on the number of irrigated acres and estimated annual applied water for specific crop types, accounting for recycled water use and surface water rights.

For cities, towns, mutual water districts, commercial users, wineries, etc., the fee is based on actual groundwater pumped.

What is the rate based on? It is based on average annual costs of running the GSA divided by acre feet of groundwater used annually in the basin = acre foot rate. The first part of the equation is the average annual costs which are determined by taking the estimated 5 year operating expenses of \$3,000,000, less \$1,000,000 grant funding, less \$992,000 member agency deferral over the three remaining years of funding the GSA = \$337,000 to be recovered over the next three years.

Currently, the estimated fees are:

- \$8-\$13 per parcel/year for rural residential (compared to annual State intervention fees of \$100 per parcel)
- \$16-\$26 per acre foot of groundwater used for cities, towns, mutual water districts, golf courses, commercial users, agriculture (compared to State intervention fees of \$300 base fee plus \$40 per acre foot)
- \$1-3 per parcel/year for urban supplemental irrigation wells of (compared to annual State intervention fees of \$100).

The fee would be levied for three years, after which time the Board could end, extend, or replace it with a different fee. It would go into effect on July 1, 2019 and be collected on the 2019-2020 property tax bill (even though it is not a tax).

Proposed Groundwater Users Registration Program

Andy Rodgers provided an overview of the proposed groundwater user registration program. SGMA requires some form of regulation if fees are assessed to de minimis groundwater users (using less than 652,702 gallons per year). Most rural residential users fall into this category, which makes up approximately one-quarter of the total groundwater extraction/use in the Santa Rosa Plain.

Rodgers specified that registration is free to groundwater users. Costs for the program are funded by the GSA budget. Registration includes requests for information. The program does not require meters to be installed on wells – in fact, SGMA does NOT authorize the GSA to meter de minimis users, nor does it require groundwater users to fill out forms - unless they want to share or correct information. Technical assistance for the program will be available from Ag Commissioner, GSA staff and Permit Sonoma.

Next Steps – The audience input will be provided to GSA Board and posted online. Fee methodology discussion and possible action at the Board meeting March 14 at 1pm, 25 Stony Pt Road. Possible approval of fee and groundwater user registration at the Board meeting on April 11, time TBD. Public comments: go to www.santarosaplainingroundwater.org for more information.

Questions/Comments received at the Meeting

A panel made up of Jay Jasperse, Plan Manager of the Santa Rosa Plain GSA, Marcus Trotta, Sonoma Water, Jennifer Burke and Andy Rodgers took questions from the audience. All questions and comments will be shared with the Board and addressed.

- Comment – I appreciate the additional information about why this basin is adopting a fee and the others are not but you aren't comparing the costs of running this basin with the costs of operating the other basins. This basin has legal fees well in excess of the other two. Only two other basins in California are adopting fees: Salinas and another one in Southern California. These are very tight agricultural communities. Spend the money on product and not on process.
- Question – Urban supplemental, please explain what this is.
 - Response – It is someone who lives in a city connected to city water, but also has a well.
- Question – GW Sustainability Plan – you mention we draw more water than we replenish?
 - Response – As outlined in the State guideline, thresholds will be set to ensure we aren't lowering our groundwater levels over time, there is no surface water depletion, etc. If determined we aren't meeting the thresholds, then the Plan needs to include projects and actions which would allow us to achieve the sustainable criteria that will be set. Projects and actions could include re-charge projects, conservation measures, increased use of recycled water to offset groundwater use, etc.
- Comment – I was at the last meeting. Along with another gentleman, I just founded an organization called "Rural Homeowners Alliance" because we don't feel we are being protected by your agency. We are starting a petition. The regulatory fees being proposed are based on legally inaccurate data. We demand all members of the Board who have a vested interest financial or otherwise, recuse themselves from future voting until their positions have been replaced. Where are you monitoring the use? Where are the sustainable solutions? You are not protecting the local food producers. You say you won't meter us, but you have eminent domain, in the future you will be metering us.
- Comment – I have been in contact with the Howard Jarvis tax attorneys. I look at this and think there are a couple possible challenges to the fee moving forward. For example, my neighbor has two houses on one property. Another has a 6,400 sq ft marijuana farm on it. There are legal requirements of uniformity. You can't charge us the same amount.
- Question – I am on the Board of Directors of a small Independent mutual water co. My question is, how will we be assessed with 25 houses on one well?
 - Response – With the current proposal, because you are a public water system, your water is reported to the State, and will be charged in the \$16-\$26 per acre foot bracket. A letter will be sent to the water agency not each individual house.

- Question – I have a question about the rate. Looks like the estimated 5 year cost will be about \$3 million collected in the first three years? What happens to the other \$1+ million?
 - Response – Years 1-2 are already behind us. The \$3 million is for years 3-5.
- Question – I am from the Sebastopol Water information Group. Some of our members have found places that look like normal wells but some trucks are going there for bottling water. Are there other known wells like this? Does the county know about this?
 - Response - I know of at least one that is bottling water in Sonoma County that is permitted through the County. Our estimates are based on what we know. That type of situation will require some additional investigation and research.
- Comment –We are concerned about how our Board is voting that each home owner will pay \$20 for years 3-5. Looking at the split between rural groundwater users and the grape growers, I am worried the financial split isn't right. We are interested to support sustainability in Sonoma County. Doesn't seem logical that a vineyard can use 0.6 acre foot. There is enough measurement in the agricultural community to know how much is used. If we want to be local we should base it on local numbers.
 Note: The proposal is that each rural residential homeowner would pay between \$8-\$13 annually.
- Comment – I am the Chairman of a small mutual water system – nine members. We have been keeping data for years. We use between ½ and ¾ of what you estimate. There seems to be a blind spot on the rural residential groundwater user. Only seems to be about one person on the Advisory Committee that represents us. We are being compared to beverage industry/profiteers. Look what is happening to our resources.
- Question – I saw that one criteria of the Plan is water quality. Is there going to be any kind of protection for neighbor vineyards spraying, will any monitoring be done?
 - Response – water quality is one of the six things that will be monitored by the State. Will there be any enforcement?
 - Response – There is existing enforcements from the Water Board. I imagine that it will be included in the Plan as a criteria.
- Question – Golf courses – will be paying \$16/year for the water they use?
 - Response – Golf course will be assessed based on the estimated use by acre foot, so \$16 multiplied by the acre feet of water used annually.
- Question/Comment – I understand you are trying to do something good for all of us. I want to make sure I have enough water to drink/bathe. Why is there nothing about minimizing the usage of water? Why is there nothing in the plan to capping the vineyards to make them all dry farm in 15 years? Where is the sustainability in your plan? Let's move to organic farming, let's not put more pesticides in the ground.
 - Response – The Plan is being developed to include all the comments you make.

- Question – So much money is made in the vineyards, why are they not doing something to bring in money?
 - Response – This has to be done under Proposition 26, which is embedded in the State Constitution, we can't charge more per use.

- Question – Why don't we know yet what the fee is going to be? If it is supposed to be up and running in July, why is there no number yet?
 - Response – We are keeping within a range, a couple things still need to be figured out. We need studies for data, we can't just make things up.

- Question – In three years is there a possibility of not charging a fee anymore?
 - Response – The managing agency will review, and the Plan will drive what we need to do next. Note: The GSA board will make the decision for what to do next in regards to the fee in 3 years.

- Question – I heard there would not be meters put on our wells?
 - Response – We are not allowed to request that you install meters. If you are a de minimis user, the law does not allow us to.

- Question – The incentives to use less water, less herbicides, less pesticides, where is that in your plan? I am looking at how ridiculous the plan is because dividing the amount of money you need by amount of people using wells = a certain amount. Some people use 30 gallons a day, some use 3,000 gallons a day. How is your calculation equitable?
 - Response – The methodology we came up with in the confines of Prop 26 is what we presented today. The State knows certain numbers and rural residential groundwater users are estimated.

- Question – I am a business owner and the calculation doesn't work for me. Where is the root of your plan? I believe the rural residential users and food producers in the County need to be protected, not fined.

- Comment – My house relies entirely on our well. Everyone has to have clean fresh water, sustained water is important. I want to make sure that in every hearing there is notation made that the small family farms in Sonoma County are critical and have be examined independently from other agricultural users. There was discussion at a GSA Board meeting to have a focused conversation with small farms. To the people who have been very distressed about the process so far, we have three years to do the Plan, I would ask everyone remains involved, come to the meetings. If we are going to have a full comprehensive plan that deals with all the issues of sustainability, the community has to stay involved.

- Question – My question is about the determination of vineyard owners that take water out of their wells. I know of one that takes water out of their wells with tankers throughout the season. How will you determine how much water is taken out and what their fees will be?

- Response – We place an assessment based on the records we have. If it is a permitted operation, they will be assessed in that way.

How do you determine the amount of water they are using? I am concerned they are paying on the number of acres of vineyard they have. If they have three times somewhere else that they are also supplying with water.

- Response – When the program is up and running and something isn't accurate and we have the Plan with indicators, and if something is causing one of the six indicators to change, we will have the ability to look at the issues and see what can be done.

- Question – How does PG&E's abandonment of the Potter Valley Project impact this? Won't Sonoma County be affected?

- Response – The Potter Valley Project is going to be a very long process. Moving forward, we will look at the impacts here, the amount of water coming from the Potter Valley is fairly minimal. We have Lake Sonoma which has large supply storage and the remainder of inflows naturally into Lake Mendocino within the Russian River watershed. We will continue to monitor it, we have resiliency. It is more important that we manage groundwater with winter flows so that when we have naturally occurring draughts, if we are managing our groundwater, we will be resilient to any kind of changes. Complying with SGMA is a big part of regional resiliency.

- Question – What is your plan to get the water back on the land – build dams, desalination?

- Response – Those are things we are looking at with the other basins. There is a lot of scientific work, it will be embodied there.

And what happens when the environmentalists step in and say you can't do that?

- Response – Everybody has a different perspective, different points of view on all of this. Technically, there are good ways, I think we will find a good way here.

But there is nothing in your plan to address it. This needs to be part of the plan or it isn't a sustainable plan. You have already been working on the Plan for two years, it shouldn't take this long.

- Question – Can you clarify if you are going to use the groundwater basin or watershed boundary for the assessment?

- Response – Groundwater basin.

- Comment – It seems that it would be reasonable to ask you folks to defer based on the peoples' comments until you provide an assessment of every parcel, with a list of parcel numbers with the fee you are proposing so people know the financial impact. You are looking for a million dollars, you are kind of winging it with regards to the fees. You have farmers that will be assessed a lot of money. You pointed out a 17,000 acre feet of water are extracted annually. In a 2014 study, it says 35,000 acre feet is pumped. That is a big difference. I don't think you have the authority to do this. You have to work on your Plan.

- Response – The 35,000 acre foot estimate is for the entire watershed. The 17,000 number is specific to the groundwater basin.

I believe it is watershed based. You need to know where the Plan is going before charging fees.

Ms. Minton wrapped up the meeting. She mentioned again to stay involved, and that there was an email sign-up sheet when the public came in. Watch for Board and Advisory Committee meetings coming up, there is lots of opportunity for involvement. Staff will remain a few moments to respond to questions.

Adjourn.