

Cuyama Basin Groundwater Sustainability Agency Board of Directors

June 5, 2019

Meeting Minutes

Cuyama Valley Family Resource Center, 4689 CA-166, New Cuyama, CA 93254

PRESENT:

Yurosek, Derek – Chair
Albano, Byron
Arnold, Debbie – *Alternate for Lynn Compton (telephonic)*
Bracken, Tom
Cappello, George
Chounet, Paul
Christensen, Alan – *Alternate for Zack Scrivner*
Shephard, Glenn
Williams, Das
Wooster, Jane
Beck, Jim – Executive Director
Hughes, Joe – Legal Counsel

ABSENT:

Bantilan, Cory

1. Call to order

Chair Derek Yurosek called the meeting to order at 4:04 p.m.

2. Roll call

Hallmark Group Project Coordinator Taylor Blakslee called roll (shown above) and Chair Yurosek that there was a quorum of the Board.

3. Pledge of Allegiance

The pledge of allegiance was led by Chair Yurosek.

4. Approval of Minutes

Chair Yurosek opened the floor for comments on the May 1, 2019 CBGSA Board meeting minutes.

MOTION

Director Tom Bracken made a motion to adopt the May 1, 2019 CBGSA Board meeting minutes. The motion was seconded by Glenn Shephard, and the motion passed with a majority vote.

AYES: Directors Albano, Arnold, Bracken, Cappello, Chounet, Shephard, Williams,

	Wooster and Yurosek
NOES:	None
ABSTAIN:	None
ABSENT:	Directors Bantilan and Scrivner

5. Report of the Standing Advisory Committee

CBGSA SAC Vice Chair Brenton Kelly provided a report on the May 30, 2019 SAC meeting, which is provided in the Board packet.

The Board Ad Hoc Committee on SAC membership (Directors Paul Chounet, Das Williams and George Cappello) was asked to review the SAC applicant submittal and report back next month.

Alternate Alan Christensen arrived at 4:09 pm

6. Groundwater Sustainability Plan

Chair Yurosek announced that we are changing the order of the agenda where 6f will follow 6c, and then followed by 6d and 6e.

a. Groundwater Sustainability Plan Update

Woodard & Curran’s (W&S) Senior Water Resource Engineer Brian Van Lienden provided an update on the GSP development, which is included in the Board packet.

b. Discussion on GSP Public Draft

i. Summary of Comments

W&C’s Senior Water Resources Engineer Lyndel Melton reported on the number of comments received provided a list of commenters and presented the common comments received.

Director Jane Wooster commented that there was an additional comment received and Mr. Blakslee reported that he will distribute that comment this week.

Mr. Melton reported that the W&C team will be performing an economic analysis at their cost and that will be done this year.

Director Cappello commented that he wanted to make sure the public understands that a number of comments received on the GSP do not have a SGMA nexus.

Mr. Melton and CBGSA Executive Director Jim Beck agreed, but said the Board is being presented with the common comments received for educational purposes.

ii. Direction of Sustainability Goal Definition

Mr. Melton presented the SAC’s recommended changes to the sustainability goal and reported that staff was in agreement with their recommendation.

A lengthy discussion was held among the Board members and stakeholders to discuss refinements and modifications to the sustainability goal language. After a motion failed

to pass, additional discussion occurred that concluded with Director Shephard making a motion to approve the following sustainability goal definition that incorporated various items raised during the discussion: "To maintain a sustainable groundwater resource for the beneficial users of the Cuyama groundwater basin now and into the future consistent with the California Constitution." The motion was seconded by Director Bracken, a roll call vote was completed, and the motion passed with an 88.89% vote.

MOTION

A motion was made by Director Shephard and seconded by Director Bracken to approve the following sustainability goal language: ""To maintain a sustainable groundwater resource for the beneficial users of the Cuyama groundwater basin now and into the future consistent with the California Constitution." A roll call vote was made, and the motion passed with an 88.89% vote.

AYES: Directors Albano, Arnold, Bracken, Cappello, Chounet, Christensen, Shephard, Wooster, Yurosek
 NOES: Director Williams
 ABSTAIN: None
 ABSENT: Director Bantilan

iii. Direction on Basin-wide Undesirable Results (30% of Wells Exceeding Thresholds)

Mr. Melton presented a summary of the draft language on basin-wide undesirable results and the percentage of wells exceeding minimum thresholds and/or measurable objective that would indicate non-attainment of sustainability for the basin. SAC Vice Chair Kelly provided the SAC's recommendation.

Director Williams asked where the interpretation of the 30% thresholds triggering State intervention came from. Joe Hughes said that it is not specified in the regulations and staff indicated that it is a percentage that has been used in other basins.

Director Shephard commented that if the designated percentage for sustainability is exceeded, there is an opportunity for dialog with the State and violating your basin threshold trigger may cause your basin to be put into probation, but it may not automatically result in State Water Board administration of the basin.

Brenton Kelly asked how many wells are already in violation of their thresholds. Mr. Melton replied that 8 wells are currently over their thresholds and 5 are in the management area. This is roughly 13% based on the 60 total groundwater level representative wells.

Director Cappello made a motion to accept W&C's wording for Sections 3.2.1 and 3.2.4 in the GSP. The motion was seconded by Director Wooster. A roll call vote was made, and the motion failed with a 66.67% vote.

MOTION

A motion was made by Director Cappello and seconded by Director Wooster to accept W&C's wording for Sections 3.2.1 and 3.2.4 in the GSP. A roll call vote was made, and the motion failed with a 66.67% vote.

AYES: Directors Albano, Arnold, Bracken, Cappello, Christensen, Shephard, Wooster, Yurosek
 NOES: Director Chounet and Williams
 ABSTAIN: None
 ABSENT: Director Bantilan

Director Williams suggested including language to accomplish interim milestones.

Director Cappello commented that we will be collecting data for the first couple of years and if it goes dry during that time, we could hit the 30% threshold fairly easily. He commented that as of April 2018, roughly 13% of the representative wells were below their minimum thresholds. He also commented that the Cuyama Basin has huge groundwater reserves and we have time to figure this out.

Director Wooster commented that the CBGSA needs to not be so onerous in setting water use restrictions.

Director Williams made a suggestion to vote on the interim milestones first and Chair Yurosek agreed to this. Chair Yurosek then directed that the meeting proceed to the item on Interim Milestones.

iv. Direction on Interim Milestones for Representative Wells

Mr. Melton reported on the interim milestones that included the SAC recommendation from the May 30, 2019 meeting. He reported that staff's recommendation was to operate somewhere near the bottom of the measure of operational flexibility since we do not have enough data at this time.

Director Yurosek commented that this is a basin issue and we should have a game plan for the entire basin.

Director Williams made a motion to set the basin-wide undesirable results trigger for water levels and water quality at 30% exceedance of MTs for 2 consecutive years and implement interim milestones that target the MTs by 2025 and 50% of the MOOF by July 1, 2032. Director Chounet seconded the motion, a roll call vote was made and passed with an 82.22% vote.

MOTION

A motion was made by Director Williams and seconded by Director Chounet to set the basin-wide undesirable results trigger for water levels and water quality at 30% exceedance of MTs for 2 consecutive years and implement interim milestones that target the MTs by 2025 and 50% of the MOOF by July 1, 2032. A roll call vote was made, and the motion passed with an 82.2% vote.

AYES: Directors Albano, Arnold, Bracken, Cappello, Christensen, Chounet, Shephard, Williams, and Wooster
 NOES: Director Yurosek
 ABSTAIN: None

ABSENT: Director Bantilan

v. Direction on Adaptive Management Triggers

Mr. Melton provided an update on the adaptive management trigger language changes suggested by the SAC.

SAC Vice Chair commented that their strikeouts were intended to remove language that was redundant or unclear.

Director Wooster commented that she thought the SAC did a good job rewording these triggers and actions.

Director Williams made a motion to accept the SAC's recommendations for the rewritten adaptive management language. The motion was seconded by Director Chounet, a roll call was made and the motion passed with an 88.89% vote.

MOTION

A motion was made by Director Williams and seconded by Director Chounet to accept the SAC's recommendations for the rewritten adaptive management language. A roll call vote was made, and the motion passed with a vote of 88.89%.

AYES: Directors Albano, Arnold, Bracken, Cappello, Christensen, Chounet, Shephard, Williams, Wooster, and Yurosek

NOES: None

ABSTAIN: None

ABSENT: Director Bantilan

Alternate Debbie Arnold left the meeting at 6:35 pm

c. Discuss Model Sensitivity Analysis

Ali Taghavi of Woodard and Curran reviewed a PowerPoint presentation on the numerical model sensitivity analysis, which was provided in the Board packet.

Mr. Taghavi said the problem with the USGS model was that it could not calibrate with observed data.

Chair Yurosek asked if W&C will be able to update the model to be more accurate by the first major update in 2025. Mr. Taghavi replied that yes, they would.

Chair Yurosek commented that he is concerned that we are making decision in three years based on a model that will be updated in five years.

d. Fiscal Year 2019-20 Budget Adoption

No discussion occurred and no action was taken.

e. Adopt Funding Structure

Mr. Beck presented a review of the cost allocation tool that he had developed. The Board discussed a number of cost allocation options and principles.

Matt Young reported that in other smaller basins that he is familiar with, the GSA annual budget is between \$700,000 and \$1 million.

Director Shephard reported that he has seen allocations of \$12-80 per acre foot to fund the annual budget for GSA's.

Alternate Director Christensen commented that in Indian Wells Valley, the assessment is \$30 per acre foot. He commented that Cuyama does not have enough people to spread the costs over.

Local cattle rancher Juble reported that he would lose his ranch in the first year if an acreage-based assessment is enacted.

Director Albano commented that he thinks there needs to be compensation for the benefit of the water.

Director Wooster commented that she thinks the State needs to fund projects before they are implemented.

Alternate Christensen offered to talk to DWR regarding grant funding opportunities and report back to the Board.

Director Wooster asked what the process is for implementing a pumping fee. Joe Hughes said that a pumping fee is actually exempt from Prop 26 and would require a Board vote. He said it is a simpler process than a Prop 218.

Chair Yurosek suggested distributing the cost allocation tool to the Board so they can take it to their respective Boards for consideration and come back in July to see if they can agree on an approach.

f. Review GSP Development Cash Flow

Mr. Beck presented the updated cash flow.

Chair Yurosek recalled that in the original cashflow discussions, the GSA participants were to receive a significantly larger refund at the end of the Project than was presented in this most recent cashflow.

Director Chounet said he recalled getting there being two assessments to cover the administrative costs and remembered the amount being refunded to the Participants, similar to that presented by Mr. Beck at this meeting.

Chair Yurosek requested the Hallmark Group distribute the original cash flow and the amount that was originally presented to be returned to the participants.

g. Stakeholder Engagement Update

No additional update.

7. Groundwater Sustainability Agency

a. Report of the Executive Director

No additional update.

b. Progress & Next Steps

Mr. Beck provided an update on the near-term GSP schedule and accomplishments and next steps, which are summarized in the Board packet.

c. Report of the General Counsel

No additional update.

d. Report on Prop 68 Funding Opportunity

No additional update.

8. Financial Report

a. Financial Management Overview

Mr. Blakslee provided an overview of the CBGSA’s financial activities.

b. Financial Report

Mr. Blakslee provided an overview of the April 2019 financial report and is included in the Board packet.

c. Selection of Audit Firm

MOTION

A motion was made by Director Cappello and seconded by Director Chounet to approve the selection of Daniels Phillips Vaughan and Bock to perform the audit of the CBGSA for the periods of October 2017 through June 2019 and July 2018 through June 2019 for a cost not to exceed \$9,900. A roll call vote was made, and the motion passed unanimously.

- AYES: Directors Albano, Arnold, Bracken, Cappello, Christensen, Chounet, Shephard, Williams, Wooster, and Yurosek
- NOES: None
- ABSTAIN: None
- ABSENT: Director Bantilan

d. Payment of Bills

Mr. Blakslee reported on the payment of bills for the month of April 2019.

MOTION

A motion was made by Director Cappello and seconded by Director Bracken to approve payment of the bills through the month of April 2019 in the amount of \$99,449.41, pending receipt of funds. A roll call vote was made, and the motion passed unanimously.

- AYES: Directors Albano, Arnold, Bracken, Cappello, Chounet, Scrivner, Shephard, Williams, Wooster, Yurosek

NOES: None
ABSTAIN: None
ABSENT: Director Bantilan

9. Reports of the Ad Hoc Committees

Nothing to report.

10. Directors' Forum

Nothing to report.

11. Public comment for items not on the Agenda

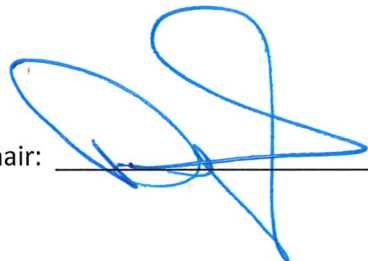
12. Adjourn

Chair Yurosek adjourned the meeting at 8:59 p.m.

Minutes approved by the Board of Directors of the Cuyama Basin Groundwater Sustainability Agency the 10 day of July 2019.

BOARD OF DIRECTORS OF THE
CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY

Chair: _____



ATTEST:

Secretary: _____

