

Special Joint Cuyama Basin Groundwater Sustainability Agency Board of Directors and Standing Advisory Committee

August 13, 2020

Meeting Minutes

PRESENT:

Board of Directors:

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

Standing Advisory Committee:

Kelly, Brenton –Chair
DeBranch, Brad – Vice Chair
Draucker, Louise
Furstenfeld, Jake
Haslett, Joe
Jaffe, Roberta
Post, Mike

ABSENT:

Board of Directors:

None

Standing Advisory Committee:

None

1. Call to Order

Cuyama Basin Groundwater Sustainability Agency (CBGSA) Chair Derek Yurosek called the meeting to order at 4:00 p.m. Executive Director Jim Beck provided direction on the meeting protocols to facilitate a remote-only meeting.

2. Roll Call

Hallmark Group Project Coordinator Taylor Blakslee called roll (shown above) and informed 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 June 25, 2020 CBGSA Board meeting minutes.

MOTION

Director Williams made a motion to adopt the June 25, 2020 CBGSA Board meeting minutes. The motion was seconded by Director Bantilan, a roll call vote was made and passed with 82.22%.

- AYES: Directors Bantilan, Cappello, Chounet, Klinchuch, Scrivner, Shephard, Williams, Wooster, and Yurosek
- NOES: None
- ABSTAIN: None
- ABSENT: Directors Albano, Arnold

5. Standing Advisory Committee Meeting Report

SAC Chair Brenton Kelly provided a verbal update on the August 13, 2020 SAC meeting that occurred at 3 p.m.

6. Groundwater Sustainability Plan

Woodard & Curran’s Senior Hydrogeologist John Ayres provided an update on the GSP development, which is included in the Board packet.

Director George Cappello asked if there were any significant questions asked by the California Department of Water Resources (DWR), and Mr. Beck replied that DWR questions have mainly been focused on consistency and administrative issues.

a. Discussion on FY 20-21 Groundwater Extraction Fee

Mr. Beck reminded attendees of the direction staff received from the Board at the June 25, 2020 Board meeting regarding using crop factors for irrigated users for purposes of administering a groundwater extraction fee. He provided an update on the invoicing process and true up strategy which included a graph of the estimated and reported water use in the Cuyama basin.

SAC Committee Member Roberta Jaffe asked what the estimated water use information will be used for. Mr. Beck said the purpose of the graphic was to present information that documents how the information was used for calculating the extraction fee.

Cuyama Valley Family Resource Center’s Executive Director Lynn Carlisle asked if the estimated water use graphic was used to demonstrate the sustainability status of the basin. Mr. Beck said no, the graphic is used to illustrate the difference between the long-term average model pumping estimate and reported water use by landowners for 2019.

Mr. Beck provided an update on the true up recommendation for landowners that paid based on metered data for the first fee. To reconcile the different reporting methods from the first fee, metered use (a gross method) and crop factors (a net method), Mr. Beck recommend crediting the landowners that reported metered use on their Fiscal Year 2020-2021 (FY 20-21) fee invoice. However, since this would reduce the collections to fund the CBGSA for FY 20-21, staff asked the Board if they would like to increase the fee to \$45 per acre-foot or make up the shortfall by using the budgeted \$20,000 contingency. The Board provided direction to leave the fee at \$44 per acre-foot and use the contingency if necessary.

b. Discussion on Long-Term Funding Policy

Mr. Beck provided an overview of the development of the long-term funding policy. He said the ad hoc has postponed this discussion due to insufficient information to determine a safe yield.

Director Albano arrived at 4:30 p.m.

Director Albano said he does agree that there not enough information to develop long-term extraction policies. Additionally, he stated that he does not feel there is consensus with metering. He said he would like to review the evapotranspiration data provided by Land IQ. Mr. Beck said he recommended the Board consider metering in the near-term because of the lead time needed to implement this potential option.

Director Cappello said he believes the basin should move towards metering. He said evapotranspiration would be more affordable; however, due to inaccuracy and distrust expressed at the June 25, 2020 meeting, the GSA should move towards requiring metering.

Director Williams said he agrees with Director Cappello.

Director Shephard said metering is a requirement in anther GSA he is involved in and commented that this is a long-term strategy that we see other basins moving towards.

Director Wooster commented that she believes the basin should move towards metering due to the expressed distrust of evapotranspiration.

Director Bantilan agreed that metering is a better strategy.

Director Albano recommended analyzing the evapotranspiration data and said he does not feel metering is an affordable option for the basin.

Director Shephard commented that there are grants available to implement metering.

Chair Yurosek said the Board seemed to move away from the evapotranspiration method during the last meeting due to the expressed distrust.

SAC Chair Kelly said metering is a good way to manage the basin.

Chair Yurosek directed staff to prepare possible methods of how metering could be implemented and to include this as a potential actionable item at the November 4, 2020 Board meeting. Mr. Beck said this will be added to the next CBGSA Board meeting agenda.

c. Update on Model Refinement

Mr. Ayres provided an update on the model refinement strategy and Mr. Beck provided an update on the schedule.

The Board directed staff to review the model refinement plan with (1) an ad hoc, (2) the technical forum, and (3) the SAC and Board.

Mr. Beck reminded the Board that the model refinement plan, once approved, will be implemented during Fiscal Year 2021-22.

d. Update on Monitoring Network Implementation

Mr. 2020. Mr. Blakslee said at future meetings, staff will provide the groundwater level information for all wells Ayres provided an update regarding the monitoring network implementation. Mr. Blakslee said Provost & Pritchard (P&P) will be taking both manual and acoustic measurements to compare the accuracy of the two methods. If the acoustic sounder can be proven to be as accurate P&P recommends using when appropriate to increase measurement efficiency and save the CBGSA money.

e. Execute Coordination Agreement with the USGS

Mr. Blakslee provided an update on the joint funding agreement with the USGS needed for the installation and maintenance of two stream gauge locations on the Cuyama River.

MOTION

Director Cappello made a motion to execute a joint funding agreement with the USGS for the installation and maintenance of two stream gauges in the Cuyama Basin subject to final approval by legal counsel. The motion was seconded by Director Chounet, a roll call vote was made and passed with 77.78%.

- AYES: Directors Arnold, Bantilan, Cappello, Chounet, Klinchuch, Shephard, Williams, Wooster, and Yurosek
- NOES: None
- ABSTAIN: None
- ABSENT: Directors Arnold and Scrivner

f. Update on Groundwater Levels Monitoring Network

Mr. Blakslee provided an update on the groundwater levels monitoring network. He informed the Board that the information being presented in the hydrographs is not new data and P&P will be performing their first well measurements the week of August 17,; however, hydrographs will be developed for six representative wells spaced throughout the basin.

g. Update on Indirect Economic Report

Mr. Blakslee provided an update on the indirect economic report and let the Board know the contractor has begun work on developing this report and is reaching out landowners.

h. Approve DWR Technical Support Services Agreements

Mr. Blakslee let the Board know staff received two access agreements required by DWR for the installation of the DWR Technical Support Services wells: (1) Agreement with the CBGSA, and (2) Agreement with the Landowner and CBGSA.

MOTION

Director Shephard made a motion to approve the Department of Water Resources' Technical Support Services agreements as outlined in the August 13, 2020 Agenda Item No. 6f to the Board of Directors. The motion was seconded by Director Bantilan, a roll call vote was made and passed with a 77.78%.

- AYES: Directors Albano, Arnold, Bantilan, Cappello, Chounet, Klinchuch, Shephard, Williams, Wooster, and Yurosek
- NOES: None

ABSTAIN: None
ABSENT: Directors Arnold and Scrivner

i. Review Information Sheet for New Well Owners

Mr. Blakslee provided an update on the information sheet for new well owners in the Cuyama Basin. He discussed a few edits that were recommend by the SAC and the Board was ok with those edits. Once finalized, the information sheet will be posted on the CBGSA website and distributed to the counties.

7. Groundwater Sustainability Agency

a. Report of the Executive Director

Mr. Beck informed attendees that the management area delegation letter was sent on August 11, 2020 and the Cuyama Basin Water District response deadline is September 30, 2020. He reported that the next newsletter is scheduled for the fourth quarter of the year.

b. Progress & Next Steps

Mr. Blakslee 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

Nothing to report.

8. Financial Report

a. Financial Management Overview

Mr. Blakslee provided an overview of the CBGSA's financial activities which is provided in the Board packet.

b. Financial Report

Mr. Blakslee provided an overview of the June 2020 financial reports, which are included in the Board packet.

c. Payment of Bills

Mr. Blakslee reported on the payment of bills for the month of June 2020.

MOTION

Director Chounet made a motion to approve payment of bills for the month of June 2020. The motion was seconded by Director Cappello, a roll call vote was made and passed with 88.89%.

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

9. Report of the Ad Hoc Committee

Nothing to report.

10. Directors' Forum

Nothing to report.

11. Public comment for items not on the Agenda

Nothing to report.

12. Correspondence

Nothing to report.

13. Public Hearing – Groundwater Extraction Fee

Chair Yurosek thanked participants for attending the Groundwater Extraction Fee Public Hearing.

Mr. Beck provided the following background information on the public hearing:

On November 6, 2019, the GSA adopted a \$19.00 per acre foot groundwater extraction fee. This fee was adopted to fund the costs of the GSA's groundwater management program including the costs of preparing and implementing its Groundwater Sustainability Plan (GSP), investigation of groundwater conditions, compliance assistance, enforcement, and program administration, among other things. This fee was based on water use in 2019 and was to cover the calendar year 2020 period. After the GSA collected a majority of the fees, the GSA determined that the collected fees would not be sufficient to fully fund administration costs. The primary reason for this under-collection was the difference in estimated water used in the Cuyama Basin over which the GSA spread the budget when setting the fee. To address the under collection, in March 2020, the Board set the fee using a fiscal year (rather than calendar year) using the results from an evapotranspiration (ET) study for water year 2019 conducted by Land IQ and determined the need for an increased fee in 2020. At the June 25, 2020 Special Board meeting the Board reviewed the results of the ET study and determined its results were not adequate for setting a groundwater extraction fee. The Board directed staff to revise the groundwater extraction fee based on 2019 water use using crop factors for all irrigated users, unless metered use was less than the crop factors, and set a rate hearing for August 13, 2020 to consider setting a fee. The proposed increased fee is \$44.00 per acre foot and shall be levied on all groundwater extracted from within the GSA boundary. Commercial water users using 1.5 acre feet or less in a year per well and domestic water users using 2.0 acre feet or less in a year per well are deemed to be de minimis users and exempt from this increased fee. Prior to increasing the existing groundwater extraction fee, this Board is required to hold a public hearing during which public comments may be received regarding the increased groundwater extraction fee under consideration. That is the purpose of today's hearing.

Chair Yurosek informed attendees that the Board would receive written comments (mailed or emailed) and then oral comments.

Public Comment

- Kathleen March of Walking U Ranch, LLC said it is reassuring that the GSA is sticking to establishing an extraction fee rather than the taxation of acreage. She commented that the only way to lower the fee is to eliminate expenses or receive government grants; however, she is in favor of the \$44 extraction fee.

No other public comments, either verbal or written, were received.

14. Set a Groundwater Extraction Fee for the Fiscal Year 2020-21 and Authorize Invoicing of Landowners

Alternate Director Elliott arrived at 4:30 p.m.

Mr. Beck provided an update on the purpose and procedure for setting a groundwater extraction fee for the Fiscal Year 2020-21.

Director Albano commented that he does not agree with the strategy of how the main basin is being handled.

MOTION

Director Cappello made a motion to adopt Resolution No. 2020-08 setting a groundwater extraction fee of \$44 per acre-foot of water consumed in 2019 and authorize staff to invoice landowners according to the policies in the Fiscal Year 2020-2021 Groundwater Extraction Fee report. The motion was seconded by Director Chounet, a roll call vote was made and passed with 82.22%.

- AYES: Directors Bantilan, Cappello, Chounet, Christensen, Compton, Elliott, Klinchuch, Shephard, Wooster, and Yurosek
- NOES: Director Albano
- ABSTAIN: None
- ABSENT: Director Scrivner

15. Adjourn

Chair Yurosek adjourned the meeting at 6:23 p.m.

Minutes approved by the Board of Directors of the Cuyama Basin Groundwater Sustainability Agency the 4th day of November 2020.

BOARD OF DIRECTORS OF THE
CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY

Chair: _____

ATTEST:

Secretary: _____