

Cuyama Basin Groundwater Sustainability Agency Board of Directors Meeting

May 5, 2021

Meeting Minutes

PRESENT:

Yurosek, Derek – Chair
Compton, Lynn – Vice Chair
Bantilan, Cory – Secretary
Vickery, Matt – Treasurer
Albano, Byron
Chounet, Paul
Christensen, Alan – *Alternate for Zack Scrivner*
Shephard, Glenn
Stoller, Lorena
Williams, Das
Wooster, Jane
Beck, Jim – Executive Director
Hughes, Joe – Legal Counsel

ABSENT:

None

1. Call to Order

Cuyama Basin Groundwater Sustainability Agency (CBGSA) Chair Derek Yurosek called the meeting to order at 4:00 p.m. Hallmark Group Project Manager Taylor Blakslee provided direction on the meeting protocols in facilitating a remote-only meeting.

2. Roll Call

Mr. 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. Introduction of New Directors

Chair Yurosek welcomed Grimmway representative Matt Vickery replacing George Cappello on the Board and Lorena Stoller replacing Tom Bracken. Mr. Cappello announced his retirement from Grimmway and Mr. Bracken announced his work was focusing on areas outside Cuyama and was not able to continue to serve. The Board thanked both Mr. Cappello and Bracken for their service and wished them well.

Director Stoller thanked the Board for the opportunity to serve and said she has worked for over 10 years in the Coachella Valley and is currently working in Cuyama and has a good understanding of the water issues. Said also she is a Latina and offered to help with outreach to the Latino community.

Director Vickery said he is proud and happy to serve on the Board. He said he has worked for Grimmway for over two years and has been closely following our meetings in his primary role of managing Grimmway's water resources.

5. (6) Standing Advisory Committee Meeting Report

SAC Chair Brenton Kelly provided a report on the February 25, 2021 SAC meeting and is included below.

**"Standing Advisory Committee Report
Meeting Date: April 29th, 2021**

Submitted to the GSA Board on May 5, 2021
By Brenton Kelly, SAC Chair

The Standing Advisory Committee met virtually with 5 out of 6 committee members present, three staff from Hallmark Group and one from Woodard & Curran, and several public attendees. The meeting lasted a little over 2 hours.

SAC membership.

The Committee was informed that Jean Gaillard has submitted his application for appointment to the SAC. Committee Member DeBranch made a motion that was seconded by Member Furstenfeld to recommend that the GSA confirm Mr. Gaillard's appointment to the SAC. A roll call vote was made, and the motion passed. There remain 2 vacancies on the SAC for representation from the Latino community. Any nominations or interested parties should contact Taylor Blakslee or myself.

Approval of Meter Guidance and Reporting Instructions

The discussion revolved around some issues of the small and medium farms and homesteaders that must comply to these meter requirements. Questions were raised about details regarding old and/or unpermitted wells, verification and enforcement. As this is all new to Cuyama, many of these details have yet to be worked out fully. It was discussed again how the limited options of alternative methods of reporting puts a bigger burden on the smaller water use operations. The accuracy of estimating the water use of a small-scale farm might be sufficient for any management actions in the near term as the financial expense and the metering technology is worked out.

Another cumbersome issue was discussed regarding "falling water" in wells near Ventucopa. Standard metering is not able to distinguish between the water and the air being pumped out of the well. Stakeholders are requesting the GSA to provide some technical assistants on how to accurately report groundwater extractions under these conditions.

MOTION

Committee Member DeBranch made a motion to recommend adoption of the Meter Installation Guidance and Reporting Instructions. The motion was seconded by Committee Member Jaffe, a roll call vote was made, and the motion passed 4 to 1.

The dissenting vote was from Committee Member Haslett who continues to oppose the requirement of meters on every non-de minimis well. He feels the policy does not accommodate many of the smaller stakeholders who have wells that serve multiple domestic and commercial operations.

Update on Monthly Groundwater Conditions Report

There was considerable discussion about the decisive trend of the Groundwater Conditions Reports. There are now almost 40% of the monitoring wells that have fallen below their Minimum Thresholds. With less than average rainfall this winter the central basin wells are not showing any seasonal rebound and the irrigation season is now upon us. It can only be expected that these conditions are going to continue moving towards Undesirable Results. The question was asked what Adaptive Management options can be considered given the SGMA statutory requirements, and at what point would a response option be considered necessary?

A suggestion was made to help improve the hydrographs by standardizing their scale. Because the basin has a great variety of depth to groundwater, the Conditions Report must present sample hydrographs with some levels above 50 feet and others that are deeper than 600 feet below the surface. The suggestion was to present all these hydrographs in the same data scale regardless of depth. This would allow for easier interpretation of the data. As it is now, the deeper the well, the less useful the hydrograph. Figure 2-36 on page 2-71 of the GSP was given as a good example of a more useful hydrograph for well #91.

Update on Cannabis Guideline Committee

Robbie Jaffe reported that the Cuyama Valley Cannabis Advisory Committee has been meeting to develop voluntary guidelines for those applying for cannabis growing permits in the Cuyama Basin. Over 700 acres of cannabis production are in the permit pipeline for Cuyama. Most of these permits are on formerly unirrigated rangeland in the Sierra Madre foothills in the Central Basin. The discussions continue to include the possibility of Water Use Offsets, by which currently irrigated lands would be fallowed and the Acre Foot equivalent of water would be offset for the new groundwater extraction of the cannabis operations. The community representatives are requiring that any offsets be from within the same region as the land being planted in cannabis. The Committee continues to feel that this is in the purview of the GSA Board and believes these discussions would be greatly benefitted by this agency's representation.

Respectfully submitted,

Brenton Kelly

Standing Advisory Committee Chair"

CONSENT AGENDA

7-9. Consent Agenda

Chair Yurosek asked if any Directors wanted to discuss one of the consent agenda items in more detail, but no requests were made.

MOTION

Director Compton made a motion to approve the consent agenda consisting of 7. Approval of the March 3, 2021, 8. Payment of bills for February and March 2021; and 9. Financial Reports for February and March 2021. The motion was seconded by Director Chounet, a roll call vote was made and passed with 100.00%

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

ACTION ITEMS

5. Appoint SAC Member

Chair Yurosek summarized the SAC’s recommendation to appoint a new member to the SAC.

MOTION

Director Wooster made a motion to appoint Jean Gaillard to the Standing Advisory Committee for a three-year term. The motion was seconded by Director Vickery, a roll call vote was made and passed with 100.00%

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

10. Consider for Approval Resolution No. 2021-051 Authorizing the Delegation of Two Groundwater Management Resources Measures to the Cuyama Basin Water District

Executive Director Jim Beck provided an overview of the delegation of management area measures to the Cuyama Basin Water District and are summarized in the Board packet.

MOTION

Director Compton made a motion to adopt Resolution No. 2021-051 authoring the delegation of two groundwater management resources measures to the Cuyama Basin Water District. The motion was seconded by Director Shephard, a roll call vote was made and passed with 100.00%

- AYES: Albano, Bantilan, Bracken, Cappello, Chounet, Christensen, Compton, Shephard, Williams, Wooster, and Yurosek
- NOES: None

ABSTAIN: None
 ABSENT: None

11. Consider for Approval Resolution No. 2021-052 Authorizing the Submission of 2019 and 2020 Delinquent Groundwater Extraction Fees to County Tax Collectors for Collection

Legal counsel Alex Dominguez reported that the proposed Resolution No. 2021-052 would authorize collection of delinquent groundwater extraction fees via the county tax roll.

MOTION

Director Vickery made a motion to adopt Resolution No. 2021-052 authorizing the collection of 2019 and 2020 delinquent groundwater extraction fees by county tax collectors. The motion was seconded by Director Wooster, a roll call vote was made and passed with 93.33%

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

12. Approval of Meter Guidance and Reporting Instructions

CBGSA Project Manager Taylor Blakslee provided an overview of the meter guidance and reporting documents. Mr. Beck recommended the Board approve the documents as presented but to investigate the issues raised in the April 29, 2021, SAC meeting regarding falling water issues.

SAC Chair Kelly said the strain this requirement will create on landowners is not addressed in the current process.

Director Wooster said she had no objections to sending the documents out but is concerned with requiring meters on all wells. She said the CBWD discussed this issue and EKI’s Jeff Shaw reported that there are roughly 70 irrigators and 40 are considered small irrigators (farming 40 acres or less), and 20 are farming less than 10 acres. She said requiring meters will be prohibitive and would like the CBGSA to consider alternative options for those smaller water users. Director Wooster said the 40 pumpers previously mentioned only collectively use about 524 acre-feet per year and wants to make sure this meter directive does not penalize those users.

Director Stoller asked why the December 31, 2021, deadline was set. Mr. Beck said our groundwater reporting is by calendar year and this date would allow for the Fiscal Year 2023-2024 to be based on groundwater pumping data in 2022. She also asked if landowners could apply for funds. Mr. Beck said staff has and continues to research funding opportunities to cover these costs, but no viable funding sources have been identified to date. She asked if the CBGSA could authorize an extension due to supply logistic issues and Mr. Beck said it could and staff will update the Board if this is an issue.

Director Albano said he thinks the Board is not ready to vote on these issues. He said we should have offered an alternative to those smaller pumpers/growers. He expressed his frustration with the process and thinks we need a solution to address this. Director Vickery agreed that he believes an alternative solution is needed to address the small pumper issues and does not think we need to require meters for those users. He suggested there are other ways to report water use for those smaller irrigators and not requiring meters on wells serving 40 acres or less may alleviate the concern of dual use wells. He said we

could use pressure, temperature, or crop evapotranspiration values with an efficiency factor.

SAC Member Jaffe said she generally agrees with the discussion on this. However, she said there are currently 700 acres of permits for cannabis in the basin and that water use is unknown, but most of the farms are under 40 acres. She said the cannabis growers are open to metering and is not sure how that piece fits in with potential metering. Chair Yurosek said he would like to have a conversation of new wells/development in the basin at some point.

Chair Yurosek asked the Board for their thoughts on a small pumper cutoff number.

Director Vickery said it would be nice to get the information out now for those needing to install meters but follow up with the smaller pumpers later. Director Wooster agreed with this idea and suggested putting a range of what we think a small pumper might be. Chair Yurosek asked what range she thought was appropriate and she replied 25-50 acre-feet.

Director Albano suggested using 20 af and said 20-30 af is the right threshold based on EKI's draft report. Director Wooster agreed with this.

Director Stoller asked if a small pumper would be based on APN or by grower name. Mr. Blakslee reported that the current pumping reporting is using crop factors based on irrigated acreage and does not consider water use on a per well basis. Legal counsel Joe Hughes reported that the definition for a de minimis user is a person who extract two acre-feet or less per year and the CBGSA has some latitude in defining what a person means and it could be defined as an entity or an affiliated entity.

SAC Member Jaffe said she would like the CBGSA to consider how new development would fit into the meter directive and Chair Yurosek said that this is an important issue and coordination with the county and new well permits is a whole other issue he would like staff to discuss with the Board at the next meeting.

Director Williams suggested making the verification process as simple as possible since the county is considering a meter subsidy which may alleviate economic hardship issues.

MOTION

Director Vickery made a motion to approve the metering guidance and reporting instructions as outlined in agenda item no. 12 for water users that exceed 25 acre-feet per year and advise water users below that threshold the Board will discuss reporting requirements for those users at the July Board meeting. The motion was seconded by Director Wooster, a roll call vote was made and passed with 82.22%

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

13. Approval of Fiscal Year 2021-2022 Budget and Cash Flow

Mr. Beck presented the Fiscal Year 2021-2022 budget and cash flow that was reviewed with the Budget ad hoc.

Mr. Hughes provided an updated that development and implementation of management area activities would require a Prop 218 and since administering the CBGSA covers the entire basin but performing activities for a specific area will require a Prop 218.

Derek commented that the budget included items to continue the administration of the GSA.

Director Albano asked Mr. Hughes if administering the Prop 218 is a management area and Mr. Hughes replied that the money has to be fronted and that is why it is in the budget, but it would be refunded by the Prop 218 by the management area participants. Director Albano asked if the proposed grant funding efforts consider additional ongoing costs and Mr. Beck said the review of potential ongoing costs were reviewed by the ad hoc.

MOTION

Director Bantilan made a motion to adopt the Fiscal Year 2021-2022 budget and cash flow. The motion was seconded by Director Compton, a roll call vote was made and passed with 93.33%

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

14. Approval of FY 21-22 Consultant Task Orders

Mr. Blakslee presented the Fiscal Year 2021-2022 consultant task orders for the Hallmark Group and Woodard & Curran based on the approved Fiscal Year 2021-2022 Budget.

MOTION

Director Chounet made a motion to approve Fiscal Year 2021-2022 task orders for the Hallmark Group and Woodard & Curran. The motion was seconded by Director Bantilan, a roll call vote was made and passed with 93.33%

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

15. Approval of FY 20-21 Consultant Task Order Amendment Adjustments

Mr. Beck provided an overview of a task order adjustment needed between the Hallmark Group and Woodard & Curran to account for additional scope that the Hallmark Group performed in lieu of Woodard & Curran. He noted that this adjustment is an administrative action and does not result in any overall impact to the budget.

MOTION

Director Vickery made a motion to approve FY 20-21 consultant task order amendment adjustments as outlined in agenda item No. 15. The motion was seconded by Director Wooster, a roll call vote was made and passed with 93.33%

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

REPORT ITEMS

16. Administrative Updates

a. Report of the Executive Director

Mr. Beck provided an update on the near-term schedule, tasks and progress and the overall CBGSA program budget.

He said that questions have been raised on the timing for meeting in-person. He said there are several considerations including Statewide directives and county guidance. He said staff recognizes participant’s desire to meet in-person and will work to accommodate this as soon as possible. Chair Yurosek said he knows it is imperative to meet in person but to do so safely.

b. Report of the General Counsel

Mr. Hughes reported that there is some proposed legislation considering a permanent implementation of some of the relaxation of the Brown Act due to COVID and will keep the Board up to date on this.

c. Update on Development of FY 21-22 Groundwater Extraction Fee

Mr. Blakslee provided an update on the 2019 versus 2020 water use that would be used as the basis for the Fiscal Year 2021-2022 groundwater extraction fee and is summarized in the Board packet.

17. Technical Updates

a. Update on Groundwater Sustainability Plan Activities

Mr. Van Lienden provided an update on the Groundwater Sustainability Plan (GSP) activities and the overall project schedule which are included in the Board packet.

b. Update on Monitoring Network Implementation

Mr. Van Lienden provided an update on monitoring network implementation activities including a status on (1) drilling of DWR TSS wells, (2) installation of transducers, and (3) installation of two stream gauges which is included in the Board packet.

c. Update on Monthly Groundwater Conditions Report

Mr. Van Lienden provided an update on the groundwater level monitoring network and levels for March 2021 which is included in the Board packet.

Director Wooster asked staff to add the management area boundary over the threshold

status map and staff confirmed that they will do this.

Director Albano asked if production well data and pumping volumes will be private or public. Mr. Hughes said he would need to look into this and report back on this issue.

Director Vickery asked why some wells, Opti Well 91 for example, were set in violation of their minimum thresholds. Mr. Van Lienden replied that some of the criteria for minimum thresholds were set at their 2015 levels and some wells have continued to decrease from that point. Director Vickery said he recognizes they have over pumped the basin and need to take corrective action, but it will take time to reestablish levels.

Chair Yurosek said setting the thresholds was a negotiated process and some were set up for failure from the get-go. He said correcting an over pumped basin will not recover immediately even with draconian measures and agreed that it will take time.

Mr. Beck noted that an ad hoc will need to be set up to consider Adaptive Management actions.

d. Update on Annual Groundwater Quality Report

Mr. Van Lienden provided an overview of the groundwater water quality monitoring network which is included in the Board packet.

Director Wooster asked if the report includes wells that were tested by the USGS a year ago. Mr. Van Lienden reported that he is not certain but will look into this. Santa Barbara County Water Agency (SBCWA) Director Matt Young reported that USGS collects water quality data for SBCWA each year and it should be available on their website.

18. Report of the Ad Hoc Committee

Nothing to report.

19. Directors' Forum

Chair Yurosek said he would like to understand from Santa Barbara County a permit that is being approved for undeveloped land off Foothill Road and the well is significantly too close to an existing well. He said you should be at least a half mile away from existing wells, but the permitted well is only 700 feet away. He said he would like to discuss the CBGSA rights to ensure these issues are addressed. Mr. Beck said the CBGSA is not actively managing well permits that are being issued, but staff can coordinate with the counties on this.

Director Wooster and Stoller reported similar situations where wells were closely drilled to existing wells.

Mr. Young said there are two different entities that deal with water at Santa Barbara. The SBCWA and Environmental Health Services (EHS). He suggested coordinating a meeting with himself, EHS and CBGSA staff to discuss these issues and Chair Yurosek said he would appreciate that. Director Albano said Ventura County had a moratorium on new wells until a GSA was formed and said the GSA should be discussing policies related to this.

20. Public comment for Items Not on the Agenda

Nothing to report.

21. Correspondence

Nothing to report.

22. Public Rate Hearing

Chair Yurosek opened the public rate hearing at 6:30 p.m. Mr. Beck provided a brief background of the proposed groundwater extraction fee of \$39 per acre-foot (af) which is a decrease from last fiscal years' \$44 per af fee.

Chair Yurosek asked for written, emailed, and oral comments and Mr. Blakslee reported that none were received or indicated during the meeting.

Chair Yurosek closed the public rate hearing at 6:36 p.m.

23. Consider for Approval Resolution No. 2021-053 Setting a Groundwater Extraction Fee for Fiscal Year 2021-22 and Authorize Invoicing of Landowners

Mr. Beck presented several options for setting the fee at a different rate based on the estimated ending cash flow for Fiscal Year 2021-2022.

Director Albano commented that everything is expensive, and we are always reaching for more data and trying to please DWR and we need to pull back. He said he cannot afford this, and he is extremely capital strapped. He said these fees are burying him. He said the Valley cannot afford this and he needs to continue voting no on all these items until there is a change. He commented that DWR is not living in reality, and we need to comply with SGMA at a much lower price point.

Director Vickery said the \$39 option will allow us to maintain an appropriate carryover of roughly \$200,000 and Director Wooster agreed with this approach.

Chair Yurosek thanked the Hallmark Group and Woodard & Curran team for reducing the budget where we could and noted that if our plan is unsuccessful, we would resort to reporting to the State Water Resources Control Board and subject to their fees.

SAC Member Joe Haslett asked why a tiered water rate has not been considered for Cuyama. He mentioned that Grimmway and Bolthouse are used to paying more for water and could absorb higher rates. Mr. Beck said the Board and an ad hoc have discussed this issue, but the general Board perspective is to spread SGMA costs over the entire basin.

Mr. Hughes said you can run into legal issues if the fee exceeds the service. He said structured fees require an engineers' report to determine the benefit. Mr. Haslett said he thinks the whole structure is too expensive and recommends getting it correct at this point.

MOTION

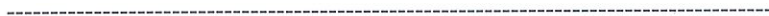
Director Vickery made a motion to adopt Resolution No. 2021-053 decreasing the existing groundwater extraction fee of \$44 per acre-foot to \$39 per acre-foot. The motion was seconded by Director Wooster, a roll call vote was made and passed with 93.33%

AYES: Bantilan, Bracken, Cappello, Chounet, Christensen, Compton, Shephard,

	Williams, Wooster, and Yurosek
NOES:	Albano
ABSTAIN:	None
ABSENT:	None

24. Adjourn

Chair Yurosek adjourned the meeting at 7:45 p.m.




Minutes approved by the Board of Directors of the Cuyama Basin Groundwater Sustainability Agency the 18th day of August 2021.

BOARD OF DIRECTORS OF THE
CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY

Chair:  _____

ATTEST:


Secretary: _____

