Cuyama Basin Groundwater Sustainability Agency
Board of Directors Meeting

September 2, 2026

Meeting Minutes

PRESENT:
Directors
Jackson, Steve– Chair
Anselm, Arne – Vice Chair
Bantilan, Cory – Treasurer
Young, Matthew – Secretary
Grant, Brian
Reely, Blaine – Alternate
Richardson, Kyle
Williams, Debby
Yurosek, Derek
Zenger, Katelyn
Ellsworth, Mark

Staff
Bianchi, Grace – Hallmark Group
Blakslee, Taylor –Executive Director, Hallmark Group
Collins, Claire – Legal Counsel, Hanson Bridgett
Metcalf, Nathan – Legal Counsel, Hanson Bridgett
Van Lienden, Brian – Woodard & Curran

1. **Call to Order**
   Cuyama Basin Groundwater Sustainability Agency (CBGSA) Chair Jackson called the meeting to order at 2:00 p.m.

2. **Roll Call**
   Ms. Bianchi called roll (shown above) and informed Chair Jackson that there was a quorum of the Board.

3. **Pledge of Allegiance**
   The pledge of allegiance was led by Chair Jackson.

4. **Meeting Protocols**
   Ms. Bianchi provided an overview of the meeting protocols.

5. **Standing Advisory Committee Meeting Report**
   Standing Advisory Committee Report Meeting Date: August 27th, 2026

The Standing Advisory Committee met at the Family Resource Center in a hybrid format, with four Committee Members present in-person and three on the conference line. GSA Staff Taylor Blakeslee was present, and Project Coordinator Grace Bianchi was joined by Brian Van Lienden and Nathan Metcalf on the call. Four stakeholders were in the room with more than a dozen stakeholders who were online for the video conference. The meeting lasted a little over 3 hours.

Legal counsel Nathan Metcalf gave a brief update on the following developments in the Adjudication:

- *A list was posted with names and parcels who failed to file an Answer to the suit and subsequently had their groundwater rights zeroed out.*
- *A trial date has been set for next May 2027*
- *Mediation is underway with a status hearing in September*
- *All parties to the suit are required to have an account on CaseAnywhere for service*
- *A Minor Extractor Order was signed for anyone who pumps 5 afy or less, they must file an opt-in form by September 26, 2026, and must get a flow meter if pumping 2 afy or more.*

As a point of public comment Joe Hasseltt asked whose responsibility is it that the form 700 conflict of interest forms are complete and comprehensive for the sake of transparency and identifying any conflict of interest among the GSA Board members. Taylor confirmed that Hallmark was responsible for the filing but takes no responsibility for the content.

Small Farmer Dave Lewis took this opportunity to protest the allocation policy. He maintains that it is flawed and has been from the beginning. No exception to the historical use determination is inequitable for smaller and newcomer farms and is the source of the problem that will crush farms like his.

Chair Kelly had agendized an update and discussion of the recent 65 page report titled Managing Groundwater with Small Farms in Mind: Risks, Barriers, and Opportunities of the Sustainable Groundwater Management Act.

The report was developed in partnership by the University of California Small Farms Network and Community Alliance with Family Farmers and is based on three years of statewide outreach, surveys, focus groups, and document review with small-scale farmers across California's priority groundwater basins including the Cuyama basin. This report argues that the widespread loss of small farms should be understood as an emerging "seventh undesirable result of SGMA" — one that arises not only from overdraft itself, but from how groundwater management is designed and Implemented.

Chair Kelly recognised the relevant considerations and recommendations in the sections addressing; GSA Board Composition on page 32, Financing GSA Activities on page 35, Groundwater Markets on page 37, Allocation Methodology on page 50, and Adjudications on page 54. Chair Kelly encouraged the reading of the report and has included a summary of highlights and takeaways from the report in the correspondences section of this GSA Packet.

7,a,i. Update on Assessment of Increased Water Use for Areas Outside the Central Management Area

The committee agreed with staff recommendation to proceed with modeling the increased pumping in the two areas of concern

7,a,ii Direction on Improvements to the Allocation Exchange Program

After the staff's presentation we took comments on each of the seven points of the ad hoc recommendation.

#1. Establishing a list of Sellers:

- *The SAC generally supported a staff-maintained seller list.*
- *Committee Member Jaffe recommended that anyone participating as a seller be required to be on the list, rather than opting in, for transparency.*
- *Committee Member DeBranch emphasized that participation in the program is voluntary. He mentioned he is aware of a couple of Districts that have a live online bulletin board that reflects all transactions in real time.*
- *Stakeholder Gliessman expressed a need for regulating where exchanged allocations are moving the pumping from and to within the Basin, to avoid possibly increasing pumping in sensitive areas.*

#2. Allocation Exchange Deadline:

- *The SAC generally supported the ad hoc recommendation allowing trades of a landowner's unused prior-year allocation through mid-February of the following year, before staff reports annual water use to the Board in March.*
- *Chair Kelly appreciated this as an abbreviated carryover policy. Allowing exchanges after the calendar year when unused allocations, and extra water needs are known, before final reporting for the previous year.*

#3. Farming Units Sign off:

- *Committee Member Jaffe expressed concern that requiring all farming units to sign off on exchange could limit some farming units from participating in the exchange. This would create 2 systems one for farming units and one for the exchange. Noted examples seen in other basins (e.g., Fox Canyon).*
- *Chair Kelly agreed, based on Derek Yurosek's previous comments, this requirement is likely to be prohibitive for Bolthouse, at least, to participate until property rights are resolved through the ongoing adjudication, necessitating a viable solution until then. He expressed concern for this particular issue as it was considered the downfall of the Fox Canyon Policy, as quoted below.*

#4. Stakeholder Representation in Exchange Policy Development:

- *Stakeholder Dave Lewis asked how the ad hoc committee was formed and who selects the stakeholder participant? Mr. Blakslee responded that the Board Chair appoints ad hoc committees, including the stakeholder, and that ad hoc recommendations are not final decisions but are brought to the SAC and Board for further input.*

#5. Variance Pool

- *Committee Member Jaffe claimed that this was the heart of the matter. She stated that a variance pool is essential to keep small pumpers viable, citing prior analysis showing landowners pumping less than 100 acre-feet have minimal impact on groundwater levels. Without access to a variance pool, or reconsideration of the allocation methodology, these small farms will go out of business and be lost from our community.*
- *Committee Member Haslett agreed and recommended the Board establish a fixed variance pool volume. He felt that an adequate volume of a viable pool would be less than the amount of water wasted running off the over-irrigated fields seen every day in the CMA.*
- *Chair Kelly was encouraged by the recognition by the Judge that 2-3% of the Sustainable Yield can be considered an immaterial amount of water with regard to the rights of larger pumpers in the Basin.*

#6. Small Farmers and Ranchers Network Letter:

- *Mr. Blakslee stated that the ad hoc felt the concerns raised in the letter were already addressed through the other policy points discussed.*
- *Committee Member Jaffe agreed that the key components of the letter were reflected in the recommendations presented. Appreciation was given for the time and effort put into considering some of the components of the SFAR letter.*

#7. Additional Program Improvements (Penalty Fee Tiers):

- *In favor of considering penalty fee tiers: Jaffe, Kelly, Caufield, Kelly, Haslett, Lewis*
- *Don't reconsider: DeBranch, Gaillard*
- *Committee Member Caufield suggested a hybrid that had both % and volume tiers to accommodate smaller pumpers and flow meter accuracy.*

Chair Kelly read the following water market quotes from the CAFF report called: Managing Groundwater with Small Farms in Mind:

Of particular concern is the capacity of large-scale operations farming across multiple, noncontiguous parcels to aggregate their allocations, and report all pumping together instead of specifically where groundwater extraction occurred. Small farmers may not wield sufficient market power, allowing more powerful entities to dominate the trading program and control how allocations are used.

Preventing negative impacts requires both structural protections — such as inclusive governance, annual evaluations of the market, and transparent decision making — alongside practical investments in accurate accounting systems, reliable data, and long-term funding for enforcement.

The Fox Canyon example demonstrates that even with significant financial and institutional support, groundwater markets face persistent challenges around accurate accounting, preventing market power abuse, ensuring transparency, and avoiding unintended increases in pumping.

GSAs must design markets that do not worsen inequities or push small-scale farmers out of business. They should ensure that large-scale pumpers are not able to combine allocations across noncontiguous parcels. Establish non tradable allocations for small-scale farmers. Cap trade volumes per entity and require blind trades through third party administrators to prevent market power concentration, as proposed by the California Water Commission.

7,a,iii. Direction on Implementing a Carryover Policy for Areas Subject to Allocations

Committee Member Gaillard noted that under a sustainable-yield-only carryover approach, illustrated in the packet, very little water would be available to carry over, and questioned the need for further work on the policy.

Committee Member Jaffe commented that too much remains uncertain due to the pending adjudication to implement carryover at this time, and that the six-week allocation exchange window functions as an incentive for the sale of unused allocations in the interim.

The SAC agreed with the ad hoc recommendation not to implement a carryover policy for 2027.

7.a.iv. Direction on Adaptive Management

Committee Member Jaffe asked what could/would be done about the exceedance in the CMA wells? Staff suggested that the investigation will determine if any beneficial users are negatively

impacted, and if not, then no action may be needed, and that soon the allocations should stop the declining groundwater elevation trends.

The Committee was generally in support of staff proceeding to investigate the wells in

exceedance of their minimum thresholds.

9.b. July 2026 Groundwater Conditions Report

The committee was concerned about the multi-completion wells 77, 420, and 421 that were below their minimum thresholds and the trend was showing it will continue to decline. Well 107 and Well 573 have unusual groundwater elevation declines without any apparent land use changes. These need to be ground truthed.

Stakeholder Jane Wooster noted that the decline at Well 573 warranted further investigation, because the property's water use had not changed. She claims that this well has been steady at 70 feet deep for over 75 years and is for cattle water only.

CONSENT AGENDA

6. Consent Agenda

Chair Jackson asked if any Directors wanted to move any of the consent items out to discuss in more detail.

MOTION

Director Yurosek made a motion to approve the consent agenda item. The motion was seconded by Director Anselm. A roll call vote was made and the motion passed unanimously.

AYES:	Anselm, Bantilan, Ellsworth, Grant, Jackson, Richardson, Reely, Williams, Young, Yurosek, Zenger
NOES:	None
ABSTAIN:	None
ABSENT:	None

7. ACTION ITEMS

a. Groundwater Sustainability Plan Implementation

i. Update on Assessment of Increased Water Use for Areas Outside the Central Management Area

Mr. Blakslee provided a brief background on the assessment of increased water use outside the Central Management Area (CMA) and provided an update on coordination with the two landowners in areas identified in the analysis. He reported that staff will run a model scenario to determine impacts of increased used on groundwater levels.

Mr. Van Lienden reviewed the proposed modeling approach for the two areas identified (Anderson Development and JR Investments).

Chair Jackson asked how Anderson Development would be managed if modeling indicates a groundwater decline exceeding two feet per year. Mr. Blakslee and Mr. Van Lienden said the model results would inform options for the Board's later policy decision.

Director Young asked whether JR Investments is still pumping at its reported rate in 2026 and requested follow-up on monthly use. Mr. Blakslee agreed to contact the landowner and explained that the model will first assess the effects of the

previously reported peak pumping.

SAC Chair Brenton Kelly provided the SAC feedback on this item.

There were no public comments on this item.

ii. Direction on Improvements to the Allocation Exchange Program

Mr. Blakslee provided an overview of the existing allocation exchange policy and background on potential improvements to the program. He reported that an ad hoc (Directors Young, Yurosek, and Stakeholder Tristan Zannon) met to review stakeholder feedback and reviewed ad hoc recommendations.

Stakeholder Tristan Zannon questioned the requirement that every participant in a farming unit sign an exchange, given that allocations are already tracked by participant. He said the requirement hinders sales by farming units.

Director Young suggested using a fixed volume of excess pumping, rather than a percentage of each landowner's allocation, to determine the penalty tier.

SAC Chair Brenton Kelly provide the SAC feedback on this agenda item.

Director Grant asked about the staff time required to manage the contact list. Mr. Blakslee responded that it will be minimal staff time since there are few landowners.

Stakeholder Jane Wooster questioned whether unresolved water rights concerns discourage landowners from selling unused allocations.

Stakeholder Joe Haslett asked about penalties for overpumping multiple years in a row. Mr. Blakslee responded that if a landowner opts in to pay overpumping penalties instead of participating in allocation exchange, the over pumped amount is subtracted from the following year's allocations.

MOTION

Director Zenger moved to direct staff to develop an opt-in seller list, revise the allocation exceedance policy deadline, and agendize future board item to review the penalty fee structure. The motion was seconded by Director Bantilan. A roll call vote was made and the motion passed unanimously.

AYES:	Anselm, Bantilan, Ellsworth, Grant, Jackson, Richardson, Reely, Williams, Young, Yurosek, Zenger
NOES:	None
ABSTAIN:	None
ABSENT:	None

iii. Direction on Implementing a Carryover Policy for Areas Subject to Allocations

Mr. Blakslee provided an overview of carryover policy and reviewed policies in other basins. He reported that the ad hoc committee recommended considering

carryover after adjudication is implemented.

SAC Chair Kelly provided the SAC report for this item.

Director Young asked whether adjudication judgments typically address carryover. Director Anselm described a rolling average used elsewhere, Director Yurosek discussed the Antelope Valley approach, and Legal Counsel Metcalf said carryover provisions are common in adjudications.

Chair Jackson said two other basin policies he helped develop allowed the sustainable yield portion to be carried over for a limited period.

Stakeholder Tristan Zannon said a carryover policy is important to permanent crops because growers need flexibility across years.

MOTION
Director Bantilan moved the ad hoc recommendation to consider carryover once adjudication is implemented. The motion was seconded by Director Yurosek. A roll call vote was made and the motion passed unanimously.

AYES:	Anselm, Bantilan, Ellsworth, Grant, Jackson, Richardson, Reely, Williams, Young, Yurosek, Zenger
NOES:	None
ABSTAIN:	None
ABSENT:	None

iv. Direction on Adaptive Management
Mr. Blakslee reviewed the adaptive management procedures and reported that three completions at one monitoring site and another well were below minimum thresholds, while one well was within the adaptive management zone. Staff requested direction to investigate conditions and contact landowners under the adopted procedures.

Stakeholder Jane Wooster noted that well 573 has no change in use, however, the measurement was taken in the afternoon as opposed to early in the morning as past measurements.

Director Ellsworth asked whether field crews record measurement conditions and follow repeat measurement protocols. Mr. Blakslee said staff would confirm the procedures with the field crew.

REPORT ITEMS

8. Administrative Updates

a. Report of the Executive Director
Nothing to report.

b. Report of the General Counsel

Legal Counsel Collins corrected her earlier explanation of the consent agenda resolution: the closed session disclosure provision applies to elected members communicating with their elected member agency boards, rather than all appointed representatives. She said the provision concerns member agency liability and related legal advice; Directors indicated the clarification did not change their votes.

9. Technical Updates

a. Update on Groundwater Sustainability Plan Activities

Mr. Van Lienden briefly reported on July and August activities, which are included in the board packet.

b. July 2026 Groundwater Conditions Report

Mr. Van Lienden provided an overview of the July 2026 Groundwater Conditions.

Stakeholder Kathleen March asked about groundwater level declines near North Fork Vineyards and whether staff would take action. Mr. Van Lienden said current levels remain above the applicable minimum thresholds.

CLOSED SESSION

10. Closed Session - Conference with Legal Counsel – Existing Litigation

Pursuant to Government Code section 54956.9(d)(1)

a) Bolthouse Land Company, LLC, et al v. All Persons Claiming a Right to Extract or Store Groundwater in the Cuyama Valley Groundwater Basin (BCV-21-101927)

The board went into closed session at 3:40 p.m. and returned at 3:47 p.m. Legal Counsel Collins reported that no action required disclosure under the Brown Act.

11. Report of Ad Hoc Committees

Nothing to report.

12. Directors' Forum

Nothing to report.

13. Public comment for Items Not on the Agenda

14. Correspondence

15. Adjourn

Chair Jackson adjourned the meeting at 3:49 PM.

BOARD OF DIRECTORS OF THE
CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY

Chair: Steve Jackson
Steve Jackson (Nov 6, 2026 10:30:19 PST)

ATTEST:

Secretary: Matthew Young