

Cuyama Basin Groundwater Sustainability Agency Board of Directors Meeting

February 6, 2019

Meeting Minutes

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

PRESENT:

Yurosek, Derek – Chair
Compton, Lynn – Vice Chair
Albano, Byron
Bantilan, Cory
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:

None

1. Call to order

Chair Derek Yurosek called the meeting to order at 4:01 p.m.

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

a. January 9, 2019

Chair Yurosek opened the floor for comments on the January 9, 2019 meeting minutes of the Cuyama Basin Groundwater Sustainability Agency (CBGSA) Board of Directors.

MOTION

Director Glenn Shephard made a motion to adopt the January 9, 2019 CBGSA Board meeting minutes. The motion was seconded by Vice Chair Lynn Compton and passed.

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

5. Report of the Standing Advisory Committee

CBGSA SAC Chair Robbie Jaffe provided a report on the January 31, 2019 SAC meeting.

Alternate Director Christensen arrived at 4:05 pm

6. Technical Forum Update

Mr. Melton provided an overview of the January 25, 2019 Technical Forum meeting, which is summarized in the Board packet.

Directors Bantilan and Williams arrived at 4:08 pm

7. Groundwater Sustainability Plan

a. Groundwater Sustainability Plan Update

Mr. Melton provided an update on GSP activities, which is included in the Board packet.

i. Water Budget Update

Mr. Melton provided an overview of the water budget and described the assumptions used for the historical, current and future conditions.

Chair Yurosek asked if historical data is being used for correlation when forecasting precipitation and agriculture, and Mr. Melton confirmed that is correct.

SAC Chair Jaffe asked about the precipitation amount listed for inflows in the land surface water budget and Mr. Melton said the 11.4" is accurate since it represents the precipitation over the groundwater basin, not in the watershed.

Vice Chair Compton asked that acronyms on the water budget be spelled out in future publications, and Mr. Melton confirmed they would do this.

SAC Chair Jaffe commented that the Northwestern Region does not have a depth of data. Mr. Melton said there is limited data availability for wells in this region and we will gain better data as we begin regular monitoring of the representative wells.

Mr. Melton reported that the Eastern Region model projects that groundwater levels will stabilize but will be below the minimum thresholds and will discuss this more in detail.

Mr. Beck reported that when we set minimum thresholds we said the model will inform thresholds and that is what we are seeing in the Eastern Region.

SAC Vice Chair Brenton Kelly commented that Opti wells 62, 85 and 100 are not that deep and the forecast shows levels below those well depths. Mr. Melton said they will look into that, but the point of the modeling in this area is to determine basin sustainability.

Mr. Melton recommended that the Board revisits thresholds in the eastern region.

Director Wooster said she does not think the Board has been given enough information to necessitate changing threshold levels. She said they need more well data. Mr. Melton said he does not disagree, but they only have 6 representative wells, and the bigger question is can we reach sustainability in this region.

Chair Yurosek asked what direction W&C is looking for from the Board. Mr. Melton said he wants to know if the Board wants W&C to evaluate new threshold numbers in the Eastern Region. Chair Yurosek asked W&C to come back next month with a comparative analysis and more information on the process.

Director Albano commented that there are very specific problems we face with each well, and we are making things overly broad. He said the wells in the Ventucopa area are fairly inexpensive, shallow wells. He said he would like to know how many domestic wells are in the area. He asked if W&C is trying to balance the area based on two representative wells and commented that he thinks we need to hear more from the residents. However, he said that understands they do not have the time and it is not in the scope, but advocates against taking action in the dark.

Director Chounet said his concern is that the well that serves the townsite is not effective anymore to serve everyone.

Director Albano said the issues in Ventucopa are very complex, there ordinances that Santa Barbara has affecting wells drilled near septic and the Board needs to be very careful of trying to solve issues not germane to SGMA.

The Board expressed consensus to do a more-in-depth analysis of the Eastern Region thresholds.

Mr. Beck suggested showing the representative wells and the triggers that would violate the minimum thresholds in each of the areas.

Santa Barbara County Water Agency's Water Resources Program Manager Matt Young suggested informing the Board of modeled land changes around 2040.

Vice Chair Compton asked what the accuracy of the model is and Mr. Melton said within 10-15% for the entire Basin.

ii. Preliminary Discussion on Project and Management Actions

Vice Chair Compton asked if the Board needs to evaluate every option and what the criteria is in whether or not to include it. Mr. Melton said the Board does not need to evaluate every option and the criteria of what is considered for evaluation is determined by if the Board says yes or no.

Vice Chair Compton asked about rebate reductions program, and Mr. Melton said they can add that.

Mr. Melton presented an overview of the projects presented so far.

Chair Yurosek asked how W&C developed these options initially. Mr. Melton said they collected input from Board and SAC members, the technical forum, public workshops, and internal brainstorming.

New Pumping Well for CCSD and Ventucopa

Director Chounet said they have an application in for the Integrated Regional Water Management grant, but Ventucopa is not eligible.

Vice Chair Compton asked if the CBGSA can own a well. Legal Counsel Joe Hughes said there are provisions in SGMA after you adopt your GSP plan to own assets such as wells.

Director Cappello said potential projects, such as a new well, need to relate to SGMA and not occur just because a well is old. Mr. Beck said for each action he assumes the Board wants included what the SGMA nexus is.

Director Albano commented that Ventucopa is a private system and that he is concerned with suggesting the CBGSA can do programs that address their issues. Chair Yurosek said W&C will evaluate this option next month.

The Board reached consensus to evaluate this option.

Flood/Stormwater Capture

Vice Chair Compton asked if this option is a bladder dam. Mr. Melton said the concept is to divert storm flows to percolate into the groundwater. He said you could have a bladder dam, but that level of refinement has not been identified.

Director Wooster said she has a letter from a Twitchell Reservoir stakeholder attorney stating that they filed for downstream water rights and we should figure this issue out before pursuing this option in depth. Mr. Melton said there are systems historically that are deemed to be fully prescribed, but different analysis may open those systems up to additional water users.

Director Williams asked how deeply should we venture into these options based on costs. Director Shephard suggested that they are just evaluating options to include in the model and determining costs and funding mechanisms will be determined at a later time.

The Board reached consensus to evaluate this option.

Municipal Area Rainwater Capture

The Board reached consensus to not include for consideration.

Rangeland and Forest Management

W&C initially recommended to not include for consideration, but reported the SAC recommended this option be added to a future study list.

Director Wooster said she is in favor of this suggestion and Director Albano agreed.

Vice Chair Compton said there are grants for these types of forest management programs. Director Wooster said the Department of the Interior has allocated funds for these types of programs.

Director Bantilan said he is not in favor of this suggestion.

Director Williams said he thinks this program will have various levels of productivity.

SAC Vice Chair Kelly said he is interested in exploring this option, but commented that this program would likely take years to implement due to regulatory issues.

Chair Yurosek said he is interested in determining the yield and the environment restrictions but said to check the environment restrictions first.

The Board reached consensus to evaluate this option.

Water Supply Imports via Pipeline

The Board reached consensus to not include for consideration.

Water Supply Imports via Exchange

W&C recommended to include, and the Board reached consensus to evaluate this option.

Precipitation Enhancement

Director Williams said Santa Barbara County used to provide this service, but they were not sure how effective it is. Mr. Melton said it is very difficult to assess the effectiveness of this practice. Mr. Young said companies providing these services show a 10-15% increase in precipitation; however, he reported that Santa Barbara ultimately determined it was not helpful for them.

The Board reached consensus to evaluate this option.

Demand Management / Allocation Approach:

Mr. Melton provided a brief over of potential management actions.

Mr. Melton presented an overview of potential allocation methods which include: (1) pro rata allocation per overlying acre, (2) pro rata allocation per irrigated overlying

acre, (3) allocation based on fraction of historic pumping, and (4) hybrid option (combination of all three).

Director Albano asked if different categories of irrigated acres are contemplated. Mr. Hughes said if you allocate on historic pumping you shut out the dormant pumpers. If you allocate pro rata across the acreage, then everyone with overlying land will get a water right. There is a principle of subordination where a court can say, equitably, it is fair to give a landowner more water because he has been making more economic use of the resource, therefore a hybrid approach may make sense to protect against lawsuits.

Director Albano said he thinks that different land use should be spelled out. Director Cappello asked how you can do that with so many variations possible. He said he thinks you need to narrow it down to two options and let the market and allocation decide the specifics.

Mr. Beck said his assumption is that costs will follow the allocation and that will come into consideration when determining the allocation for Cuyama.

Mr. Melton said they will report sustainability results at the next tech, SAC and Board meeting.

iii. Presentation on Groundwater Dependent Ecosystems

Director Williams asked when we will be discussing management areas. Mr. Melton said this will be discussed next month.

Mr. Melton provided an overview of the Groundwater Dependent Ecosystems (GDEs) field study that a certified biologist performed in the Cuyama basin. He reported that of the roughly 2,700 acres of GDEs determined by the Nature Conservancy data set, 497 acres were verified by the biologist as GDEs. Mr. Melton reported that regional monitoring is not adequate to measure GDEs and suggested that specific sites be measured with piezometers.

Director Williams asked for clarification of what a piezometer is. Mr. Young said it is a device that uses pressure to measure water levels in a localized area.

Director Wooster said in the interest of full disclosure, the 497 acres verified was done partially using Google Maps. Mr. Melton confirmed this and let the Board know the biologist visited specific sites and then applied his knowledge to similar sites using Google Maps. SAC Chair Jaffe said W&C Senior Hydrogeologist John Ayres reported that the biologist did not go on private land.

b. Monitoring Networks Adoption

Mr. Van Lienden provided an overview of Monitoring Networks chapter.

MOTION

Director Shephard made a motion to adopt the Monitoring Networks chapter. The motion was seconded by Director Bracken and passed with a supermajority vote of 100%.

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

c. Data Management Adoption

Mr. Van Lienden provided an overview of Data Management chapter.

MOTION

Director Shephard made a motion to adopt the Data Management chapter. The motion was seconded by Director Bracken and passed with a supermajority vote of 100%.

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

d. Stakeholder Engagement Update

GSP Outreach the Catalyst Group's Charles Gardiner provided an update on stakeholder engagement activity. He noted that the goal of the upcoming March 6, 2019 public workshops is to provide a broad overview of the water budget, projects and management actions and implementation plan. He reported that the newsletter was distributed on February 1, 2019.

SAC Vice Chair Kelly asked if postcards are going out. Catalyst Group Outreach Consultant Mary Currie confirmed they will go out on Friday, February 8, 2019.

8. Groundwater Sustainability Agency

a. Report of the Executive Director

Mr. Beck suggested the March 6, 2019 Joint Board and SAC meeting start early to accommodate the public workshops. Vice Chair Compton said she has a conflict until 2:00 pm. Mr. Beck said we could start around 2:00 pm to ensure full participation.

Mr. Beck reported that Form 700s are due from Board Directors, Board Alternates, and Consultants by March 25, 2019 to Melissa Ballard.

Mr. Beck reported that staff was able to accommodate distribution of redline strikeout versions of the recent GSP chapters at the request of multiple parties. He said they are to be used as a tool to identify comments made within the chapter, but not to cause another round of iterations of the document itself due to budget constraints.

Mr. Beck reported that the GSP development is trending over budget for the first time. He mentioned that the additional Special Joint Board and SAC Meeting on December 18, 2018 was not in the scope. Mr. Beck reported that an additional meeting costs roughly \$10,000 for administration of the meeting and the December 18 Special Board cost an additional \$15,000 in technical preparation, therefore resulting in a \$25,000 expenditure.

He said additional activities that have affected the budget, and that were not in the original scope, include the technical forum, the California Department of Water Resources (DWR) Technical Support Services (TSS) effort, and the multiple cycles of redline strikeout document reviews where we only anticipated one. Mr. Beck said the current shortfall is projected to be \$211,000. He said there are options to defer certain work items and recommends we work with the budget ad hoc to discuss potential cost saving reductions. Mr. Beck also said we budgeted \$20,000 per year in contingency funds for a total of \$60,000 that we have not utilized. He also thanked Santa Barbara County Water Agency for securing a grant that allowed the Hallmark Group to receive reimbursement of \$40,000 above their expected contribution.

Chair Yurosek said he is a big stickler for staying on budget and looks forward to the budget ad hoc coordinating with staff to resolve this issue.

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

i. Election of Officers

Mr. Hughes reported that there are five positions required by the CBGSA Joint Exercise Powers Agreement: (1) Chair, (2) Vice Chair, (3) Secretary, (4) Treasurer and (5) Auditor. He said that the Auditor and Treasurer position can be consolidated into one position. He reported that the Board has already appointed the Hallmark Group to handle the treasurer duties but recommends designating a director to serve as the Auditor/Treasurer.

Director Cappello recommended the Chair and Vice Chair to remain the same and the other officer positions can be volunteers. Director Cappello volunteered to be the Auditor/Treasurer and Director Bantilan volunteered to be the Secretary.

MOTION

Director Cappello made a motion to appoint Derek Yurosek as the Chair, Lynn Compton as the Vice Chair, Cory Bantilan as Secretary, and George Cappello as the Auditor/Treasurer to serve during calendar year 2019. The motion was seconded by Director Wooster and passed unanimously.

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

NOES: None

ABSTAIN: None

ABSENT: None

9. 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 December 2018 financial report and is included in the Board packet.

c. Annual Insurance Coverage

Mr. Blakslee provided an overview of the annual insurance coverage and is included in the Board packet.

MOTION

Director Cappello made a motion to authorize annual insurance coverage with Walter Mortensen Insurance / INSURICA. The motion was seconded by Vice Chair Compton and passed unanimously.

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

d. Annual Audit

Mr. Blakslee reported that the CBGSA Fiscal Policies, Procedures, and Internal Controls document that was adopted on March 7, 2018 directed the CBGSA to perform an annual audit. This audit will be for the Fiscal Year 2017-18 which encompasses only nine months of financial activity, therefore the Hallmark Group’s recommendation is to defer the audit to fall 2019 to cover a two-year period, thus saving some money.

Chair Yurosek asked if there are any County issues that would impact not having an annual audit performed and asked Mr. Hughes if he had any concerns. Mr. Hughes said his only concern is that a two-year audit is inconstant with Fiscal Controls Policy. Mr. Blakslee said he will coordinate with the Counties regarding any potential issues they have with performing a biennial audit.

e. Payment of Bills

Mr. Blakslee reported on the payment of bills for the month of December 2018.

MOTION

A motion was made by Vice Chair Compton and seconded by Director Shephard to approve payment of the bills through the month of December 2018 in the amount of \$124,583.44, pending receipt of funds. The motion passed unanimously.

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

10. Reports of the Ad Hoc Committees

Chair Yurosek appointed the following for the Budget and Audit ad hoc: Director Bantilan, Bracken, Chounet and Cappello, and Matt Klinchuch and Matt Young.

Chair Yurosek appointed the following ad hoc for the DWR TSS effort: Directors Chounet and Yurosek, and SAC Committee members Kelly and Debranch.

11. Directors' Forum

Director Albano asked if W&C will release the water budget source files. Mr. Melton said he believes they are ready to release them but will confirm this and release them before the next technical forum.

On a process issue, Director Albano said he was a little disappointed that the SAC is spending so much time deliberating over recommendations for the Board opposed to providing their input. Chair Yurosek thanked Director Albano for the feedback and said the Board will do better on directing the SAC by prioritizing what feedback is needed.

12. Public comment for items not on the Agenda

A man identified as Jake provided a public comment to the Board on his efforts to remove Paul Chounet from the Cuyama Community Services District (CCSD) Board because he does not reside in the CCSD's boundaries.

13. Adjourn

Chair Yurosek adjourned the CBGSA Board at 6:15 p.m.

Minutes approved by the Board of Directors of the Cuyama Basin Groundwater Sustainability Agency the 6th day of March 2019.

BOARD OF DIRECTORS OF THE
CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY

Chair: _____

ATTEST:

Secretary: _____