

Cuyama Basin Groundwater Sustainability Agency Standing Advisory Committee Meeting

March 28, 2019

Meetings Minutes

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

PRESENT:

- Jaffe, Roberta – Chair
- Kelly, Brenton – Vice Chair
- DeBranch, Brad
- Draucker, Louise
- Furstenfeld, Jake
- Haslett, Joe
- Valenzuela, Hilda Leticia
- Beck, Jim – Executive Director
- Hughes, Joe – Legal Counsel (*telephonic*)

ABSENT:

- Haslett, Joe
- Post, Mike

1. Call to Order

Chair Roberta Jaffe called the Standing Advisory Committee (SAC) to order at 4:00 p.m.

2. Roll Call

Hallmark Group Project Coordinator Taylor Blakslee called roll of the Committee (shown above).

The California Department of Water Resources (DWR) SGMA Regional Representative Anita Regmi also participated telephonically.

3. Pledge of Allegiance

The pledge of allegiance was led by Chair Jaffe.

4. Approval of Minutes

Cuyama Basin Groundwater Sustainability Agency (CBGSA) Executive Director Jim Beck presented the February 28, 2019 SAC minutes.

MOTION

Vice Chair Brenton Kelly made a motion to adopt the February 28, 2019 CBGSA SAC meeting minutes. The motion was seconded by Committee Member Brad DeBranch and the motion passed.

AYES: Committee Members DeBranch, Draucker, Furstenfeld, Jaffe, Kelly and Valenzuela

NOES: None
ABSTAIN: None
ABSENT: Committee Members Haslett and Post

Cuyama Valley Family Resource Centers' Executive Director Lynn Carlisle asked that the slide numbers are referenced throughout the presentation so people participating telephonically are able to follow along.

5. Groundwater Sustainability Plan

a. Groundwater Sustainability Plan Update

Woodard & Curran's (W&C) Senior Water Resource Engineer Brian Van Lienden provided an update on Groundwater Sustainability Plan (GSP) activities, which is included in the SAC packet.

Chair Jaffe asked if the sustainable yield has been identified. Mr. Van Lienden said, it is about 20 to 21 thousand acre-feet (AF), but this will be discussed during the modeling section of the presentation.

i. Direction on Eastern Region Sustainability Thresholds

Mr. Van Lienden provided an update on the Eastern Region thresholds that had been updated to 35% below 2015 levels based on the Board direction received at the March 6, 2019 CBGSA Board of Directors meeting.

Vice Chair Kelly asked Mr. Van Lienden if the revised threshold rational, in his opinion, is working better for this area. Mr. Van Lienden said he believes this rational for the levels is better than setting them too high, however if we receive more information, we can look at revising these in the future.

Chair Jaffe asked that W&C include a note in the GSP that the representative wells in the Eastern Region are problematic and that there is a need for more data in this region.

Vice Chair Kelly commented that he would like to have an update on the DWR Technical Support Services ad hoc regarding the DWR funds and the potential locations of those wells. Executive Director Jim Beck let the SAC know that staff had previously done work on this, but since it is an out-of-scope activity for both the Hallmark Group and W&C, we will need to receive Board direction to continue to pursue this project.

ii. Discussion on Placeholder Section

Vice Chair Kelly said there were nine reaches developed in the groundwater measurement section and asked how those were chosen. Mr. Van Lienden said they were chosen to analyze streams. Chair Jaffe asked if there were any additional comments or questions on the Placeholder Section.

Vice Chair Kelly said the Placeholder Section references an Appendix X and asked if this is another reference to the model. Mr. Van Lienden said this reference will accompany the model.

Chair Jaffe asked, in reference to Figure 2-4 – Cuyama Basin NCAG Ground Dependent Ecosystems (GDE) Point Analysis, what is the criteria for Probable GDEs and Probable Non-GDEs. Mr. Van Lienden said the Placeholder Section features a discussion and technical

memorandum developed by the biologist that includes his assessment of each site for the database. Vice Chair Kelly commented that there are GDEs up the Santa Barbara canyon.

Mr. Van Lienden said, in reference to Figure 2-5 – Cuyama Basin Probable GDEs Based on Analysis, W&C should use a different color to represent the likely GDE Wetlands since the color chosen does not show up very well on the figures. Mr. Van Lienden said the GSA can choose to fund additional GDE analysis in the future.

Chair Jaffe asked if the use of piezometers is included in the document. Mr. Van Lienden said piezometers are not in this document but will be included in future updates.

iii. Review of Options for Management Area Governance

Vice Chair Kelly asked if there is any DWR best management practices for management areas. Ms. Regmi replied that DWR does not provide any specific guidance on this topic.

Mr. Van Lienden summarized the action the Board took at the March 6, 2019 Board meeting to include management areas in the GSP.

Mr. Beck summarized the Board's decision for pumping allocation in management areas, which included: (1) allocation per irrigated acre within the area influencing overdraft in the Central Region, (2) historical use allocation for the CCSD, and (3) include a mechanism for adding in un-irrigated acres within the area influencing Central Region overdraft that may want to use their groundwater rights.

Mr. Beck discussed the delegation of authority that would fall to the management areas, including (1) the GSA being responsible for management area(s), or (2) the GSA delegating responsibility for management area(s) to the Cuyama Community Services District (CCSD) or Cuyama Basin Water District (CBWD). He said agreements will be needed if either entity is chosen.

Vice Chair Kelly asked if the counties should be added as a potential management entity along with the CCSD and CBWD. Mr. Beck said the counties could choose to implement management areas in their portion of the basin, but we are not recommending that.

Landowner Ann Myhre asked if the CBWD would be just managing the areas experiencing greater than 2 feet of groundwater decline per year and Mr. Beck confirmed that.

Mr. Beck reported that in the Central basin we are pumping roughly 48,000 AF per year and need to cut 10,000 AF to reach the sustainability goal. He said these are rough numbers that will change, but the CCSD's recent historic pumping level is roughly 100 AF. He said staff's recommendation is to allow them to continue pumping at recent pumping levels and allow for de minimis growth over the next 40 years.

Chair Jaffe said it makes sense to have the CCSD outside the management area. She noted that allowing additional pumping outside the management area would be in conflict with the Board's action to not allow pumping outside management areas. Mr. Beck said the Board took that action, but also took action to allow historic pumping for the CCSD when they assumed the CCSD would be in a management area.

Ms. Myhre said the central basin has money to manage in their area, but areas outside the management areas do not have the funds to be managed to that level.

Chair Jaffe asked if they could restrict the CCSD’s pumping. Mr. Beck said the Sustainable Groundwater Management Act (SGMA) does allow this.

Vice Chair Kelly said the oddity is that the wells in the CCSD are not in their district and asked if that complicates things. Mr. Beck said you would make an administrative decision to not include them as a managed water user in the Central Basin. Mr. Beck asked if the SAC sees this as an appropriate recommendation to present to the Board regarding how to handle the CCSD.

CBGSA Board Alternate John Coates said the definition of the management area is not a geographic area, but a criterion that they would need to consider, and the element of growth could be a concern. Mr. Beck said if growth occurs above 20% in the next 20 years the GSA will need to revisit this.

Local resident Jose Valenzuela said you need to take concern of the people in town. Mr. Beck said they were trying to take action to improve supply and lower costs since folks in the CCSD would not need to attend meetings and be apart of decisions in the central basin.

MOTION

Committee Member Louise Draucker made a motion to exclude the Cuyama Community Services District from a management area and limit pumping levels at recent historic levels of 100 acre-feet per year with a 20% growth factor for 20 years. The motion was seconded by Committee Member Jake Furstenfeld and the motion passed.

- AYES: Committee Members DeBranch, Draucker, Furstenfeld, Jaffe, Kelly and Valenzuela
- NOES: None
- ABSTAIN: None
- ABSENT: Committee Member Haslett and Post

Mr. Beck discussed the activities that would be delegated to a management area. He said the delegation of management areas will come down to whose paying the bills and pumping shortages.

Chair Jaffe said “delegate” sounds like there is not a reporting requirement. Mr. Beck replied that this will be delegation with reporting.

Ms. Carlisle said she does not believe that the delegation of fixing the overdraft should be handed off to those that caused the problem just because they have the money. Mr. Beck said he does not believe the Hallmark Group or W&C are turning the basin over to anyone other than the CBGSA. It is clear that the Board will require reporting, feedback, and provide oversight for these areas. Mr. Beck said as long as you meet the shortages and have not impacted an outside user, that is all that matters.

Ms. Carlisle asked if the SAC will have any recommendations on the delegation of authority

to management areas. Mr. Beck said they can.

Mr. Carlisle asked why the water modeling is not being delegated. Mr. Beck said anything shown on the list on slide 37 would remain at the CBGSA level.

Chair Jaffe asked what the process is if delegation is given. Mr. Beck said if it is external (CBWD), the Joint Powers Authority (JPA) would need to be amended and agreements would be needed. If it is internal, you would not need agreements, but you would have documentation agreeing to terms.

Chair Jaffe asked what other GSAs are doing regarding delegation. Mr. Beck said most of the GSAs are either a single district forming their own GSA, so they do not have a need to delegate, or GSAs that include multiple districts, so each district has their own management area.

Ms. Myhre said she is familiar with the Salinas Valley where there are a couple maverick communities that pursued forming their own GSAs, but they are looking to fold them in. She said the management areas are being managed very differently because their issues are different. Chair Jaffe asked if there has been a decision on who manages the management areas. Ms. Myhre said it has not been decided yet.

Mr. Beck let the SAC know that the Hallmark Group is providing water management support for a group in eastern Kern County that plans on executing an agreement with the Kern Groundwater Authority to develop its chapter.

Chair Jaffe suggested rewording the bullet point "project evaluation and implementation" on slide 37 of the presentation and Mr. Van Lienden recommended renaming it to "Water Supply Projects".

Mr. Beck said an advantage of non-delegation is less documentation and a disadvantage are non-hydrologically-affected parties would be engaged in decision-making and potential increase the cost.

Chair Jaffe said she would really want the reporting and oversight mechanism in a delegated scenario spelled out. Mr. Beck said this would be done in the agreements.

Ms. Myhre said if the landowners that take the cuts manage the shortage, you can avoid litigation.

Vice Chair Kelly asked if the GSA can enforce if the management area does not deliver on correcting the basin overdraft. Mr. Beck said the CBGSA would need to have a delegation of responsibility and check in on a regular basis.

Chair Jaffe said it is a very big decision and agrees with some of the details being described, but has a hard time agreeing to delegation with broad brushstroke concepts.

A local resident asked if this delegation concept is new and would like to hear more discussion on this. Mr. Beck said this concept evolved last month. Chair Jaffe said this discussion is the start of a really important decision on how the GSP will be managed.

Vice Chair Kelly said the CBWD will fight very strongly for management of their areas and do not plan on doing anything outside of their area. He reported that they are taking responsibility for their implementation timeline. He said he does not have a problem with including the affected parties in the decision-making, but rather what enforcement the GSA has of its implementation plan. Mr. Beck said it appears the SAC will not have a recommendation on this issue, but it may be appropriate to list their concerns. Chair Jaffe agree with this and suggested that the SAC not have a recommendation but express their concerns.

Ms. Carlisle suggested changing the title on slide 35 from saying "Governance" to "Responsibility."

Committee Member Brad DeBranch said he does not have the same concern as other members of the SAC regarding delegation of management area authority.

Committee Members Valenzuela, Jake Furstenfeld, and Louise Draucker said they thought we did not have enough information to make a recommendation.

Chair Jaffe and Vice Chair Kelly said they have concerns with the oversight mechanism if management area authority is delegated.

iv. Update on Sustainability and Climate Change Modeling

Mr. Van Lienden provided an update on the water budget with climate change modeled. He updated the SAC that land use in the western edge of the basin shows as grain and the satellite may be confusing grain land as idle.

A question arose asking if temperature is in the model, Mr. Back said temperature is modeled, but we do not see it directly as an input. Mr. Van Lienden said temperature drives the crop evapotranspiration (ET) rates.

Vice Chair Kelly said it should say crop and native vegetation on slide 42.3.

Mr. Van Lienden reported, at DWR's recommendation, he used the median of the increase in precipitation and crop ET to model climate change results and the model showed an increase of 1.4% for precipitation and 5.4% for crop ET. He reported that with climate change, the model shows a slight increase in the overdraft from 26 to 27 TAF.

Landowner Steve Gliessman said that at various times of the year certain crops are dormant. Mr. Van Lienden said they modeled the ET for each crop for each month over the 50-year forecast period and the 5.4% crop ET is a rollup number.

Ms. Carlisle asked if you will track the actual climate change data to the assumed and make adjustments. Mr. Van Lienden said during the 5-year update they will have updated data they use in the model which will reflect any climate changes for that period. Mr. Beck said it also depends if DWR provides updated climate change assumptions.

Vice Chair Kelly commented that there is a degree of uncertainty and asked if there is a range that we can operate from. Mr. Van Lienden said they can do an analysis with the

wetter and drier temperature datasets. Mr. Beck said there are budget constraints and we can do this in the next period.

Mr. Van Lienden said the sustainable yield for the basin as a whole is 20,000 AF per year without climate change and 21,000 AF per year with climate change.

Vice Chair Kelly commented that he would like to see percentages on slide 42.21.

v. Direction on Implementation Plan Interim Milestones

Mr. Beck provided an update on the revised implementation timeline.

Chair Jaffe suggested adding a thread on management area in the timeline, such as the formation and boundary issues. Mr. Beck said we should include Formation of Management Areas and the administration of management areas through the rest of the timeline. Chair Jaffe asked for clarification regarding the language "install new wells," and Mr. Van Lienden recommended using "Install new monitoring wells and monitoring equipment" in its place.

Mr. Beck presented an overview of the glidepath discussion. He said the critical period to look at is the first 5 years and how we generally want to trend after that. Mr. Beck said you cannot jump right into the sustainable yield reduction in year one since you need to establish the methodology for demand reductions and the mechanism for implementing this. Ms. Myhre said you should look at when people sign their leases and go off a crop year.

Chair Jaffe commented that she believes this needs to be in the context of groundwater levels because the later you reduce groundwater usage the lower the basin storage is. Mr. Beck said it is based on groundwater levels since the sustainable yield is modeled on reductions in year one, but we need to determine how we implement that reduction.

Mr. Beck said regardless of where you set the glide path, W&C will have to do modeling runs to verify it is not violating minimum thresholds.

Vice Chair Kelly asked what the CBGSA and DWR would think if it was suggested not to do any reductions until 2025. Mr. Beck said DWR would be fine with that as long as the CBGSA is not violating thresholds. Mr. Beck said they took land out to balance the model to get a rough number, but the landowners need to let us know how they plan on changing land use to model this iteration.

Vice Chair Kelly asked how long it takes to figure it out and get it right. Mr. Beck said it may take a year to do the analysis. He commented that the CBGSA may want to do a more robust economic analysis which has not been done yet. This analysis is budgeted for next year, but that tool would be helpful in the decision-making process.

Chair Jaffe asked how we resolve this with the Board. Mr. Van Lienden said the plan is to model the glide path live with the Board and see if they can agree on one glide path to put in the plan.

Vice Chair Kelly asked if they can add the change of storage into the glide path model. Mr. Beck and Mr. Van Lienden said this could be added to the glide path model tool.

Mr. Beck said some basins are doing a straight-line glide path, other looks jagged, and others are stair-stepping since they assume the model is not 100% and are starting with a minimum number that is within the bounds of their assumed range.

Ms. Carlisle asked if we have set the sustainable indicator for groundwater levels. Mr. Van Lienden said we would use groundwater levels as a proxy for groundwater storage. Ms. Carlisle asked if the model will drive the glide path. Mr. Beck said it is interrelated.

Mr. Beck gave an update on the financing plan and reported that we recently completed the rough Fiscal Year 2019-20 budget and it is estimated at roughly \$1.19 million for basin-wide activities.

Vice Chair Kelly asked if the management area costs would be less or more than the \$800-1.2 million-dollar range. Mr. Beck estimated that management area costs would be in the \$500,000-800,000-dollar range plus the cost of the projects.

Mr. Beck said we will be looking for Board direction on the estimated annual cost and fee payment strategy.

Ms. Myhre said grazers, on average, \$5 per acre and land would change hands because of the cost of SGMA implementation.

Mr. Beck said we have to put something in the plan, but in January 2020 we will be out of money and we have to determine how to fund the CBGSA, either by a Prop 218 or Prop 26.

Vice Chair Kelly asked what a hybrid situation would look like. Mr. Beck said a hybrid situation would assess irrigated acres and non-irrigated acres at separate rates. Mr. Beck said W&C will add a hybrid option to slide 50 of the presentation.

Committee Member DeBranch asked if the CBGSA will have to pass a Prop 218. Ms. Myhre said not on pumping fees. Mr. Beck said legal counsel Joe Hughes will report more on this at the Board meeting, but his initial read is we would have to do a Prop 218.

Committee Member Furstenfeld said grazing does not appear to be the problem but are a part of the basin. He commented that there may be arguments on whether everyone in the central basin pays the expense or the expense is split throughout the basin.

Committee Member Valenzuela said their current water bill is very high. Mr. Gliessman said she is not a landowner, but a water user. This is an example a resident that is dependent on groundwater, but when you think about her ability to pay, she and others should be excluded from paying. Mr. Beck said his recommendation is to set the acreage threshold high enough were domestic users are excluded.

Ranchers and domestic/residential users expressed concern of the ability to pay \$5 per acre.

Mr. Valenzuela said one vote per acre excludes the whole town on a Prop 218, but Chair Jaffe commented that that is California law.

Mr. Valenzuela said there is a School bond going on in the Cuyama valley and asked how the water costs will affect the residents. He said this may burden them with additional fees.

b. Technical Forum Update

Mr. Van Lienden provided an overview of the March 25, 2019 technical forum call. A summary of the issues discussed is provided in the SAC packet.

Vice Chair Kelly said the County of San Luis Obispo Public Work’s Engineer Cathy Martin made a comment regarding whether the pumping fees will be applied to the de minimis users. Mr. Van Lienden said W&C will consider Vice Chair Kelly’s comment and the comments received from the Technical Forum and incorporate those into the Board presentation.

c. Stakeholder Engagement Update

GSP Outreach consultant the Catalyst Group’s Mary Currie provided an update on stakeholder engagement activity.

i. Review of Public Draft Comment Period

Ms. Currie provided an overview of the comment review period process.

Chair Jaffe recommended appointing an ad hoc to work with Ms. Currie on the outreach with the coming release of the draft GSP. Committee Members Furstenfeld and Valenzuela, and Chair Jaffe volunteered to meet with Ms. Currie.

Ms. Currie said the draft GSP will be available electronically on April 19, 2019 and she plans on having the document available at the Cuyama Valley Family Resource Center on April 19, 2019.

6. Groundwater Sustainability Agency

a. Notice of Standing Advisory Committee Resignation

Mr. Beck reported that Claudia Alvarado informed the SAC that she will no longer be able to participate and resigned from her seat on the SAC.

Mr. Beck said Committee Member Valenzuela and Ms. Alvarado were appointed to represent the Hispanic community and it may take time to get a new Committee Member up to speed.

Committee Member DeBranch asked how long the SAC is anticipated to exist. Mr. Beck said the Joint Exercise of Powers Agreement instructs that the SAC will provide input to the Board for GSP development and implementation.

Chair Jaffe said she would like the SAC to make a recommendation to the Board.

MOTION

Vice Chair Kelly made a motion to open and receive any applications from the Hispanic community to perform as a representative on the Standing Advisory Committee. The motion was seconded by Committee Member Draucker and the motion passed.

AYES: Committee Members DeBranch, Draucker, Furstenfeld, Jaffe, Kelly and Valenzuela

NOES: None
ABSTAIN: None
ABSENT: Committee Members Haslett and Post

Ms. Carlisle read the following letter addressed to the members of the CBGSA:

"I am writing today to address the issue of the composition of the Standing Advisory Committee and its representation of the residents of the Cuyama Valley.

With the resignation of Claudia Alvarado due to personal and family commitments, the Standing Advisory Committee is now left with a vacant seat on the Committee. As you may remember, at the February 7, 2018 meeting of the Groundwater Sustainability Agency, numerous members of the Cuyama Valley community spoke in favor of adding two seats to the then 7-member committee and designating those two seats to be held by members of the local Hispanic community. The intention was to provide more equitable representation of the demographics of the Cuyama Valley. At the March 7, 2018 meeting of the Groundwater Sustainability Agency, the Board unanimously voted to add two seats to the Standing Advisory Committee and designate them to be filled by members of the Hispanic community.

According to the 2010 U.S. census, approximately 50% of valley residents are Hispanic and, as such, are "beneficial users" of groundwater. The needs and concerns of the Hispanic community should be equally considered in the Sustainable Groundwater Management Act implementation process, and while two seats out of nine does not constitute equal representation, it's a start.

Including input from members of the Hispanic community will serve to strengthen the creation of the Groundwater Sustainability Plan, and the implementation of the Groundwater Sustainability Plan in future years. It is clear that the Groundwater Sustainability Agency and the Standing Advisory Committee have become, and will be, important entities in the Cuyama Valley for years to come. Ensuring equitable representation by all members of the Cuyama community will ensure that the spirit and letter of the Sustainable Groundwater Management Act legislation are fulfilled with regard to Section 10723.2 of the Act: "Consideration of All Interests of All Beneficial Uses and Users of Groundwater."

The Cuyama Valley Family Resource Center is respectfully requesting that the Standing Advisory Committee recommend to the Groundwater Sustainability Agency that the vacant seat be filled as soon as possible by a member of the Hispanic Community.

Thank you."

b. Report of the Executive Director

Mr. Beck reported that he, W&C's Senior Water Resources Engineer Lyndel Melton, Mr. Van Lienden and Mr. Blakslee developed the draft Fiscal Year 2019-20 budget, met and discussed the budget with the Budget Ad hoc on March 28, 2019 and will be meeting with them again on April 1, 2019. He reported that the budget will be reviewed with the Board at the upcoming May 1, 2019 Board meeting.

c. Board of Directors Agenda Review

Mr. Beck provided an overview of the April 3, 2019 CBGSA Board of Directors agenda.

d. Report of the General Counsel

Nothing to report.

7. Items for Upcoming Sessions

Nothing to report.

8. Committee Forum

Nothing to report.

9. Public comment for items not on the Agenda

Nothing to report.

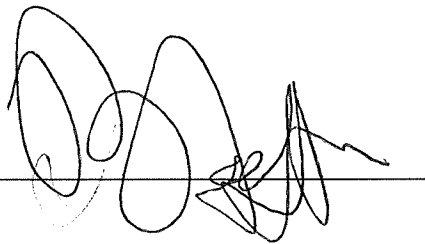
10. Adjourn

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

Minutes approved by the Standing Advisory Committee of the Cuyama Basin Groundwater Sustainability Agency
the 25th day of April 2019.

STANDING ADVISORY COMMITTEE OF THE
CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY

Chair: _____



ATTEST:

Vice Chair: _____

