

Petaluma Valley Groundwater Sustainability Agency Board Meeting Minutes

March 23, 2023

<http://sonomavalleygroundwater.org/>

1. Call to Order and Roll Call

Chair Rabbitt called the meeting to order at 4:00 p.m. and asked Sandi Potter, Administrator, to conduct roll call. **Directors Abelli-Amen, Barnacle, Gorin, and Wasem** were present. **Chair Rabbitt** welcomed **Director Barnacle**, new to his role on the committee.

Sandi Potter welcomed the Board and Advisory Committee members, and members of public.

2. Public comment on matters not listed on the agenda but within the subject matter jurisdiction of the Board

None.

3. Consent Calendar

- a. **Approve Minutes of October 27, 2022**
- b. **Approve Year-to-Date Financial Report**
- c. **Approve FY 2023-23 Meeting Calendar**
- d. **Approve SCI Contract Extension and Budget Increase**
- e. **Approve Private Bank Account Resolution**

Board Questions/Comments

No public comment.

Director Abelli-Amen moved to approve the Consent Calendar as presented, **Director Gorin** seconded. **With all Board members present, motion passed unanimously 5-0-0 with all ayes.**

4. Directors/Subcommittee Report

No report, no public comment.

5. Advisory Committee Report

Sandi Potter said that the Advisory Committee met in person in February. The agenda covered was very similar to today's agenda. Potter also announced that Advisory Committee Chair Heidi Bauer will be stepping down from the Advisory Committee, effective July 1.

6. Information Items

a. County Well Ordinance Update

Nathan Quarles and Robert Pennington, Permit Sonoma, provided an update on the county well ordinance.

In 2022 the County began the present legislative effort to update Chapter 25B, to ensure clarity regarding how the County will implement its public trust duty. On October 4, 2022, the Board of Supervisors considered amendments to Chapter 25B, and after conducting a public hearing, the Board ordered the director to convene a technical advisory committee and return to the Board within six months – April 2023 - with a revised ordinance. The Board of Supervisors also imposed a six-month moratorium on the processing or approval of water supply well permits, unless the application was for an emergency well.

The Permit Sonoma director convened a Technical Working Group and a Policy Working Group to advise the department on best available science and policies for development of a well ordinance including a framework for consideration of public trust resources. The two groups each had six independent meetings and three joint meetings, with an initial joint meeting on November 17, 2022, and a final joint meeting on March 1, 2023. The revised ordinance, that will be heard on April 4, was developed in conjunction with recommendations from the technical and policy working groups.

The revised ordinance is similar to the October 4, 2022 proposed version. Notable changes include: (1) substantial remapping of the “Public Trust Review Area”, (2) refinement of classes that are exempt from discretionary public trust review, and (3) adjustment to requirements for monitoring and water conservation that have been categorized and tailored for different types of permits to effectively preserve the public trust as much as possible and consistent with the public interest.

Wells located within the Public Trust Review Area, that do not qualify as an exempt well class, will be subject to discretionary public trust review. Staff expect that under the revised ordinance most well permits would be ministerial, and between 5 and 15 well permits each year will be subject to discretionary public trust review and would be referred to the GSA for an opportunity to review.

Board Questions/Comments

Director Abelli-Amen – On referrals to the GSA, I assume they are draft approvals. If you go through your analysis and decide it affects public trust, is referral to the GSA necessary or does it go away?

Quarles – We could make the referral knowing we will deny it, or we could just not refer it. We can approve, deny, or modify referrals.

Trotta – GSA staff would be notified of discretionary projects.

Director Abelli-Amen – Level 1 conservation requirements – lawn 25,000 square foot limitation? Is that ornamental lawns?

Pennington – Any irrigated lawn.

Director Gorin – Has there been any discussion on thresholds for single family households? We have no way to monitor usage or verify usage of less than the threshold established. Is there any requirement for mid-level threshold monitoring?

Pennington – There was discussion of the low water use category being split into two: very low 0 - .05 acre-feet, and low .05-2.0 acre-feet. Very low wouldn't be monitored, low would be monitored. We felt staying consistent with SGMA would be simpler and more understandable. We recommend level 1 conservation requirements for low water use wells; those adjustments are a compromise.

Director Gorin – What ability do GSA Boards and Advisory Committees have to create different thresholds for their individual basins?

Pennington – They wouldn't have the ability to change or create a ministerial class, but they could require additional conservation measures.

Director Wasem – What are the setbacks in the green areas?

Pennington – In the Franciscan formation it is 100 feet, in the Sonoma Volcanics it is 250 feet, and in the Alluvium, it is 750 feet. By and large it is almost entirely a 100-foot buffer zone in the basin. A map is available online.

Director Wasem – Thank you. It is a good process overall.

Director Rabbitt – I also would like to say thank you. We got sued by CA Coast Keeper in 2021; it comes with many things to consider. We are better off taking time to figure everything out but I share some of the same concerns mentioned.

Director Wasem – So, to confirm, if it is a ministerial permit, there is no GSA response needed?

Pennington – Correct.

Quarles – The GSA would have to approve the water conservation measures. The vision isn't for staff to create a requirement.

Director Barnacle – Right now you estimate 5-15 permits a year. If you created a second tier for low water users, how many more permits do you estimate there could be?

Pennington – In the 0.5-2.0 acre-feet category, additional use over .05 would be discretionary and probably add another 15 permits a year.

Quarles – Actually, possibly much more than an additional 15 permits a year.

Director Wasem – What is the process for adopting policies?

Pennington – We will bring more detailed plans for programs and continue having working groups meet and make changes. The Board will ultimately make the decisions.

No public comment.

b. Annual Report Overview

Marcus Trotta gave an update on the Annual Report for water year 2022; they are intended to be a progress report for DWR.

Trotta noted that Sections 1 (Introduction/Background) and 2 (Overview of Plan Area and Hydrogeologic Setting) of the Annual Report will generally be the same every year but Sections 3

(WY 2022 Basin Conditions and SMC Status) and 4 (GSP Implementation Progress) will incorporate changes every year.

Water year 2022 (Oct 21-Sept 22) was the third consecutive year of below-average rainfall. There were approximately 20.6 inches of rain compared with the long-term average of 24.35. Based on the Groundwater Sustainability Plan classification methodology, it is classified as a dry water year, and not as a drought condition.

The Annual Report tracks estimated water use each year. The total annual groundwater extraction for the 2022 water year exceeds the estimated sustainable yield for the subbasin. Estimated water use is 3,305 acre-feet of groundwater pumping, imported and local surface water use is 6,283 acre-feet, recycled water accounts for 1,661 acre-feet, totaling 11,249 acre-feet usage in water year 2022.

Board Questions/Comments

Director Rabbitt – Regarding Sonoma Water’s Todd Road Well – does that include any water from outside the basin?

Trotta – Right now it is lumped in with Sonoma Water’s imported surface water deliveries.

Director Rabbitt – I presume going forward, that some water that is hauled would supplant some of the agricultural water.

Director Abelli-Amen – On interconnected surface water – it looks like there is potential for an exceedance of threshold, but we don’t know because it isn’t tied to surface water. Are you going to figure it out before submitting the Annual report?

Trotta – We will not have the data to determine the cause of the potential exceedance before submitting the report. DWR is aware that the SMC for interconnected surface water is a work in-progress and is challenging. They are currently working on a guidance document and expect the GSAs to make progress on it over the next five years.

Director Barnacle – It is great that we have additional wells; the majority are outside the boundaries of the GSA but within the watershed. When you talk about 25% of the wells, are you talking about eight or 36?

Trotta – We are looking at 11 existing representative monitoring point wells, all of which are located within the basin. The additional wells haven’t been added to our representative monitoring point network yet. We envision adding the wells in the five-year update.

No public comment.

c. Groundwater Sustainability Plan (GSP) Implementation & SMGA Grant Application Update

Marcus Trotta gave an overview of the GSP determination, scope of work in SGMA grant application, and GSP implementation updates.

Great news! DWR approved all the Groundwater Sustainability Plans for the basins in Sonoma County. Out of 51 GSPs submitted, 12 were approved including the three in Sonoma County and the

one in Napa Valley. The other 39 were found inadequate or incomplete.

Having an approved GSP allows the GSA to solely focus on the significant work needed to implement the GSP, rather than expending time and resources in addressing deficiencies.

DWR recommended corrective actions regarding chronic lowering of groundwater levels and depletion of interconnected surface water SMCs, as well as the monitoring network. Some of those actions were already flagged. A response to the recommended actions is required in the five-year update.

A summary of the grant application is in the meeting packet. \$230 million grant funds are available. Petaluma Valley has requested \$6,739,409 million. SGMA anticipates having the draft award list available in June 2023 and the final award list in fall 2023.

Component 1: Grant Administration

Component 2: Aquifer System and Beneficial User Impact Assessments

- 2.1 Assess potential effects to sensitive beneficial users
- 2.2 Monitoring network improvement
- 2.3 Aquifer System characterization
- 2.4 Outreach and stakeholder engagement

Component 3: Planning for Demand Management Programs

- 3.1 Water-use efficiency assessment and pilot program
- 3.2 Assessment and prioritization of potential policy options
- 3.3 Outreach and stakeholder engagement

Component 4: Planning for Projects

- 4.1 Coordinated recycled water planning
- 4.2 Aquifer storage and recovery (ASR) planning
- 4.3 Stormwater capture and recharge planning
- 4.4 Outreach and stakeholder engagement

Component 5: Urban Recycled Water Expansion

- 5.1 City of Petaluma urban recycled water expansion
- 5.2 Outreach and stakeholder engagement

The components for the grant funding were prioritized in the following order: 2,3,4,5,1.

Board Questions/Comments

Director Rabbitt – I spoke with DWR when I was recently in Sacramento; Sonoma County is one of their favorites because of our good quality work. It puts us in good standing for possible additional money. Thank you for all the good work.

No public comment.

d. Fee Implementation Update

Indigo Bannister, GSA staff, gave an update on fee implementation. Notification letters were sent to 1,231 groundwater users in Petaluma Valley with GUIDE information and the annual fee amount. 43 manual invoices were mailed to tax-exempt groundwater users and public water systems. Staff has responded to over 47 public inquiries received through the GSA hotline.

GUIDE covers the entire county and was updated in August 2022 to include all three basins. GUIDE includes information for all parcels and users can log in to access information for their parcel as well as respond and update information. Total corrections include more than 43 parcels. Very successful to-date. Bannister listed common GUIDE survey responses; biggest complaints across the basins are regarding turf estimates.

The fiscal impact of fee corrections so far is \$17,835 (budgeted appeal allowance was \$12,419), staff time and other expenses including consultant time, issuing of refunds, corrections with Assessor's office, etc. is over \$40,000. We hope we can absorb the costs with cutting/spending less in other areas.

Board Questions/Comments

Director Abelli-Amen – If a house is in the basin and the well is just outside, what happens?

Bannister – If a well is outside the basin, we can't charge a fee. We are using the State DWR basin boundaries.

Director Abelli-Amen – So, of the surveys, are all respondents satisfied?

Bannister – We haven't had any informal or formal appeals.

Director Gorin– At some time, we will have the opportunity to modify the basin boundaries. If there is a large well outside the basin, we might want to consider modifying the boundary.

Trotta – DWR is responsible for modifying basin boundaries, but the GSA can request changes (during certain timeframes); there will be future opportunities.

Director Abelli-Amen – So, if a well is 10 feet outside the basin and clearly drawing lots of water, would we consider changing boundaries?

Trotta – We asked DWR if boundaries could be drawn along parcel lines, but it doesn't seem like a viable option. There needs to be either a geologic or jurisdictional boundary. We are monitoring where those conditions exist and potential impact, even if outside the boundaries.

Director Wasem – Where lands are fallowed, what is the timeframe for updating information?

Bannister – We are looking at annual fee updates. There are various lag times, that is where GUIDE surveys come into play.

Director Wasem– How do I find out the fee for Jackson Family Wines?

Bannister – You can go on the GUIDE webmap.

Director Abelli-Amen – If a property owner has metering data and shows that our information isn't accurate, do you change it to their data?

Bannister – Yes, we would accept their meter data and make a correction based on that. We are doing a rolling 5-year average of meter data.

Potter – The Administrator has the authority for case-by-case review. Ultimately, if someone

isn't satisfied, the case can be appealed to this Board for a decision.

Director Abelli-Amen – How many corrections were positive and giving us more money?

Bannister – I don't believe any for Petaluma Valley.

Director Abelli-Amen – If using less water, people should be rewarded.

Director Gorin – Thank you [to Indigo Bannister] for your work and time on this.

No public comment.

7. Action Items

- a. **GSA Board appointed interest-based seats.** Consider appointing two new Advisory Committee members to fill vacancies in the following Board-appointed seats: Environmental (1), Agricultural (1).

The Sustainable Groundwater Management Act (SGMA) requires the Agency to consider the interests of basin stakeholders, including agricultural water users, residential well owners, municipal well operators, public water systems, land-use agencies, environmental users of water, surface water users, the federal government, California Native American tribes, and disadvantaged communities. To ensure the ideas and opinions of stakeholders are actively solicited, the Joint Exercise of Powers Agreement requires the agency create an Advisory Committee. The Advisory Committee reviews and/or provides recommendations to the Board on groundwater-related issues.

Of the 10 members of the Advisory Committee, five are appointed by the Board, in the following categories: at-large representative (1), environmental representative (1), rural residential well owner (1), business community representative (1), and agricultural interest (1).

Since 2017, there has been some turnover of the Advisory Committee. Two seats are currently vacant, and the GSA advertised the available seats. Applications were received for the Environmental seat from Sarah Raker and for the Agricultural seat from Jordan Mahrt. These applications have been reviewed by staff, interviews with both applicants have been conducted by the Administrator as directed by the Board Chair, and staff are recommending that the Board appoint Sarah Raker and Jordan Mahrt to the Environmental seat and Agricultural seat, respectively.

No comments or questions.

Director Gorin moved to approve the appointments of Jordan Mahrt and Sarah Raker, as presented, **Director Barnacle** seconded. **With all Board members present, motion passed unanimously 5-0-0 with all ayes.**

- b. **Fiscal Year 2021-22 Auditor Report.** Receive report from auditor and consider adoption of audit.

The Joint Exercise of Powers Agreement for the Petaluma Valley Groundwater Sustainability Agency requires an annual financial audit.

Brett Bradford, auditor, said the audit, which covers 12 months ending June 30, is essentially complete. He reported an unmodified opinion, which means that the financial statements are materially accurate. No significant deficiencies in internal controls are identified and no adjustments to the financial statements are proposed.

No comments or questions.

Director Gorin moved to approve the audit as presented, **Director Wasem** seconded. **With all Board members present, motion passed unanimously 5-0-0 with all ayes.**

c. Fiscal Year 2023-24 Budget Preliminary Adoption. Consider Fiscal Year 2023-2024 Budget for preliminary adoption.

Sandi Potter presented a proposed balanced budget with no changes in fees. To support the continued operations and activities of the Agency, the proposed fiscal year 2023-24 budget anticipates revenues derived from the groundwater sustainability fee, incorporating corrections made during FY 2022-23, and the County of Sonoma's contribution to equalize fees across the three basins. Since grant funding has not yet been secured (draft awards for the application submitted in December are anticipated in June), grant funding was not included in the preliminary budget.

Anticipated expenses include administering the GSA and supporting implementation of the Groundwater Sustainability Plan (GSP), preparing an annual report, data collection, conducting stakeholder and public outreach, and conducting on-going operations.

Board Questions/Comments

Director Abelli-Amen – On the administrative numbers presented by Indigo Bannister it looks like an extra \$40,000 associated with customer service. Is it rolled into the \$115,000? Is it covered in here somewhere?

Potter – That is the amount of money budgeted for FY 23-24, but we are hopeful that FY 22-23 revenues and expenses will come in even at the end of the year.

Director Abelli-Amen – Re the request for more budget for outreach. Is it captured in the top line item?

Potter – Yes, and we are fortunate not to have to budget for corrections to the GSP.

Director Abelli-Amen – If we don't vote until June will we be out of compliance in April?

Potter – Yes, the preliminary budget needs to be approved by April so member agencies can develop their annual budgets. The budget will be finalized/approved by this Board at the June meeting.

Director Abelli-Amen – For the reserve contingency, what is the current monthly expense and the goal we are trying to achieve?

Potter – The budget changes year to year. Based on our current budget, it is about \$150,000.

Director Barnacle – Good job on the report.

Director Rabbitt – If we don't have county funding next year, what happens to the budget? I want to make sure we include any expenses in case we don't get county funding.

Potter – We will have to have some hard conversations next year.

No public comment.

Director Gorin moved to approve the preliminary budget as presented, **Director Abelli-Amen** seconded. **With all Board members present, motion passed unanimously 5-0-0 with all ayes.**

- d. Sonoma Water Outreach Services Contract Amendment.** Consider authorizing the Administrator to execute a contract amendment with Sonoma Water to extend outreach services for one year, increase the overall budget by \$34,000, and make minor changes in the scope of work. The item would also authorize the Chair to sign the agreement.

Sandi Potter explained that to ensure outreach and community engagement is in compliance with the GSP, a budget increase of \$34,000 and a one-year contract extension with Sonoma Water is proposed that includes three groups of tasks:

1. Ongoing outreach, including issuing a quarterly newsletter to the interested parties list; maintenance of the list (as required by SGMA); updating the website; developing public-facing materials; developing and issuing social media posts; and Board and Advisory Committee updates;
2. Scheduling, coordinating, marketing, and managing one virtual or in-person public meeting; and
3. Reviewing and updating the Community Engagement Plan.

No comments or questions.

Director Gorin moved to approve the outreach contract extension and budget increase as presented, **Director Barnacle** seconded. **With all Board members present, motion passed unanimously 5-0-0 with all ayes.**

8. Legal Counsel, Plan Manager and Administrator Report

Marcus Trotta said that DWR is working on a drinking water guidance for SGMA implementation. It is a compilation of resources including many recommendations that came out of drought impacts.

The Governor's recent drought Executive Order from March 10 suspends water rights permit requirements for recharge under certain conditions. The state has done a lot to streamline the water rights aspect of recharge projects.

Ann DuBay, outreach, said the past regular monthly updates are now quarterly. The first issue was in February, the second will be in June. Pamela Van Halsema has taken over the project and the newsletters are available on the websites.

Sonoma Water has hired an intern and will work with Senator McGuire's office to help small basins and disadvantaged communities get more funding. DWR is supportive.

Sandi Potter said that the Administrator report is in the packet. One item of note is that we participated in the DWR Groundwater Sustainability Forum on November 9, 2022 to discuss funding options for SGMA implementation.

There aren't many Board meetings planned but we are available to you if you have questions. Feel free to reach out to us.

Board Comments/Questions

Director Abelli-Amen [To Ann DuBay] – What are some other basins in these small/disadvantaged groups?

DuBay – Ukiah, Salinas, Montecito, some basins in San Diego County to name a few; they are all small.

Director Gorin [to Ann DuBay] – Would you send us a paragraph and a link to sign up for the newsletter. We could put it on our district and city newsletters.

No public comment.

9. Adjournment

The next Advisory Committee meeting is May 17, 2023 and the next Board meeting is June 22, 2023.

Director Rabbitt thanked staff for their work and adjourned the meeting at 6:07 p.m.

Other Meeting Attendees

Sandi Potter, Sonoma Valley GSA Administrator

Marcus Trotta, Plan Manager

Ann DuBay, Outreach

Indigo Bannister, GSA staff

Simone Peters, GSA staff (*recording meeting minutes*)

Robert Pennington, Permit Sonoma

Nathan Quarles, Permit Sonoma

Brett Bradford, Pisenti & Brinker, arrived 5:05pm

Jordon Mahrt, PV AC member

Sarah Raker, PV AC Member

Sebastian Bertsch, PV AC Committee member, departed 5:25pm

Andy Rodgers, SRP Administrator, arrived 4:35pm

Gina Benedetti-Petnic, City of Petaluma