

# Sonoma Valley Groundwater Sustainability Agency Advisory Committee Meeting

March 8, 2022 | Meeting Summary

Location: Zoom

Contact: Ann DuBay, Sonoma Valley Groundwater Sustainability Agency (GSA), Administrator

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## MEETING SUMMARY

### Welcome, Introductions and Agenda Review

Tim Parker, Advisory Committee Facilitator, opened the meeting at 3:01 p.m. and welcomed the group. He said that neither the Chair nor Vice-Chair could attend today's meeting. Ann DuBay conducted roll call.

### General Public Comments

Roger Peters – I have three questions. 1) Carneros Winery – an application was submitted in 2016 to expand the winery from 250,000 cases to 2.5 million cases. It was going to be approved by Permit Sonoma with a waiver of hearing. I believe there was a question about water use. That application used Zone 1 characterization. It raises the question: at what point does the GSA provide input into these kinds of proceedings? Who from the GSA will submit comment? 2) Amazon project on Hwy 121, it is under review and referral, comments were due on February 28. Referral included a study by BA engineering that addressed the impact on groundwater and saltwater intrusion. I don't know if the agency submitted any comments, it raises the question of Permit Sonoma and Sonoma Water looking at things and this agency looking at things. Who is handling what? 3) Sonoma Development Center – there is a scoping memo out now for CEQA purposes. Will GSA provide comments on scoping? Who is handling what?

DuBay – Robert Pennington will provide some of that information in his presentation today.

Vicki Hill – Thank you for bringing up the projects. I look forward to hearing the response from Rob Pennington.

### Agenda and Schedule Review

Tim Parker reviewed the day's agenda and upcoming calendar. Our next meeting is May 10, this is the last opportunity to provide rate/fee input before the community meeting on March 29. We will do a follow up by way of notes or a survey to gather input on the rate/fee study as there are so few Advisory Committee members here today.

### Action Items Review and Approval of Previous Meeting Summary

- Create narrative for 10% conservation explaining conservation goals to ag community – **DONE**

### Questions/Comments

Jim Bundschu – Regarding recycled water and the existing contract with Napa Valley and the Bay Refurbishment counties. It was discussed at our last meeting, and I had requested that someone continue

to monitor that contract so that Sonoma Valley basin can claw back some of that recycled water. I would like the action to be that someone from staff follow up with that.

DuBay – Sonoma County Sanitation District has staff who monitor the contracts, are you asking for GSA staff to monitor it?

Bundschu – There is no sense doubling effort. The contract is not negotiable until 2024. I would just like to ensure it is addressed.

DuBay – We will check in with the staff in charge of the project.

Greg Carr – Let’s contact the district and come back to this group at the next meeting with an answer – who is monitoring it/is it being monitored?

There was no review/approval of the previous meeting summary because there wasn’t a quorum.

## Rate and Fee Study

*Objective: Inform AC of Rate and Fee Study progress and receive AC input on key elements*

Jerry Bradshaw, SCI Consulting gave an update on the Rate and Fee Study progress. He provided an overview of the background, well data sources, funding sources, budget, and timing. Bradshaw was looking for input from the Advisory Committee in preparation for the Community workshops.

Tim Parker asked if we should eliminate the wellhead fee as it needs to go for voter approval. Mr. Bradshaw reminded everyone that the wellhead fee option is not proportionate, everyone would pay the same regardless of how much they pump.

## Considerations/Questions for Fee Structure

### *Basis of Costs*

Budget for grant revenue (approximately 40% of costs) to keep rates down?

### *Fee Structure*

Only groundwater users?

All water consumers?

### *Timing and Pace*

Implement in July 2022 and/or re-visit revenue structure in Year 2 or Year 3?

## Questions/Comments

Vicki Hill – I agree with Jerry Bradshaw about disproportionate effects.

Greg Carr – I lean towards ‘nailing’ the users. I like the regulatory fee for groundwater pumpers, and parcel tax for general. I am skeptical about passing a parcel tax, especially with current economy. I would like to say that the groundwater users will pay the bulk of the fees. Throw out the wellhead fee. I would like to see a carve out, maybe under Prop 218 fee for property owners who contribute water to the groundwater basin/recharge. The more complicated the fees are, the more accurate they probably are. The agencies that have been paying for this, they are supported by rate payers, and they won’t want to pay twice. On the grants, I think we need to assume that no grants will be available. The initial budget should assume no grants, down the road it is easier to reduce a fee rather than charge more.

Norman Gilroy – In Option A there are 3,000 well parcels, and in Option B, there are 12,600 well parcels, four times as many. I would expect the cost to drop to 25%. You said there was a difference. What is it?

Bradshaw – Even though parcels quadruple, the bulk of the pumpage is on ag parcels. Even if you add 8,000 parcels paying at a half acre-foot per resident, it doesn't change the math as much as we thought.

Gilroy – Are you saying that the parcels at the lower rate are in the ag or rural residential category?

Bradshaw – The 8,000-9,000 additional parcels are mostly city parcels.

Gilroy – If I were presented with this document, I would want to see the benefits laid out in a much more detailed way. Not theoretical benefits, but real benefits. I saw very little of that justification in Santa Rosa Plain. This is going to come up more and more as we talk about fees. I think we should include one to two slides that demonstrate in detail how we protect the water supply and groundwater, and recharge groundwater deprived areas. There are ways to connect administrative costs with benefits; I think we should look for ways to do that. I heard again the issue of well users not having any costs. Well users would say we have considerable expense with installation, maintenance, and repair. It isn't that well owners have zero costs and piped users have no costs. It needs some recognition; it would be good politics. I think the issue of state intervention should be played carefully; it sounds like a threat. It isn't good politics to threaten the folks. I would like to see an explanation of what Mr. Bradshaw just explained to me about option A to option B, maybe a sub paragraph to that slide.

Carr – Follow-up to Mr. Gilroy's comment. Once we have a short list of options, it would be good to provide specific numbers for specific examples of properties.

Gilroy – I presume these numbers are based on the first year or is it an average?

Bradshaw – The costs are based on average. They start low and go higher in year three and four when doing your Plan update, data gaps, it is an average of five years.

Gilroy – And it would be expected in the higher years that there wouldn't be grants available from the state to cover those costs?

Bradshaw – If grants come in, they could cover large costs in year three and four, and maybe five.

Gilroy – What happens if the costs in a year are less than expected? Does it go in the next year's fund?

Bradshaw – Absolutely. If costs go down, they could lower fees commensurate with what the five-year fiscal plan looks like at the time.

Gilroy – Would rate change year by year?

Bradshaw – They very well could, we are structuring the rate to be the same for all five years. If rates need to be increased, the agency will have to go through a formal process to raise the rate. If the rate can be lowered, the agency can simply decide to reduce it.

Bundschu – \$165 in Option A is very expensive. I am curious as far as acre-feet used and growers being asked to cut by 10%. I assume costs would go up a little bit because you pump fewer acre-feet. The wine industry is very competitive. If we can't review the fees for five years and the cost of grapes go up, we become less competitive in the wine industry. On budgeting, there is more than a quarter million for data collection and operating costs of \$479,000. That is a lot. There is some overlap, there might be

some ways to save money in that budget. I am surprised at the expense. Government fees generally go up over a period of years. I hope we can review the first five years more quickly and compare what it costs us growers here compared to other basins per acre-feet to be sure we are somewhat equitable with their costs.

Trotta (chat) – On cost of operational/admin budget versus data collection. The \$479K listed for operations/admin includes approximately \$147,000 for annual routine data collection and reporting required by SGMA. The \$260,000 compared, cited is for filling identified data gaps and improving monitoring networks.

Steve Wolf – I congratulate Jim Carr on his questions. I like what Greg Carr and Norman Gilroy have to say. I don't have a strong position yet on which fee method to follow.

Hill – Just looking on the surface, I like the option that applies to all the parcels but have there been any studies on how the lower economic communities would either be proportionately or disproportionately affected by these options? Is one option going to impact them more than another based on the demographics of the valley?

Bradshaw – We haven't singled out an equity study. We have looked at types of crops that might have to pay higher rates than other crops. The per acre-foot has some equity built in but we haven't focused on the impacts of the lower income communities.

Carr – If we were to pull out some project and management actions that benefit certain areas, that could reduce the fees generally. The downside of that is that people in affected areas will pay more.

Bradshaw – We can look at that.

Bundschu – I hope that a member of staff looks at costs of water in other basins so it can be compared to our basin, it is important we stay competitive with other areas.

Carr (chat) – Are mutual water companies included as "public system pumpers"?

Trotta (chat) – Yes, they fall under Small Public Systems.

#### *Public comment*

Roger Peters – I am not clear on how the Prop 218 approach works. Is the proportionality applied to proportional uses of groundwater or all water?

Bradshaw – We are in discussion with Legal Counsel to know what our boundaries are going into this. Proportionality is a strict requirement but there are different ways to calculate proportionality. We are still exploring to know if it is a viable option.

## **Permit Sonoma Progress**

*Objective: Provide information on Permit Sonoma tasks.*

Robert Pennington presented the Prop 68 funded projects that Permit Sonoma is working on currently.

#### *Questions/Comments*

Carr – Thank you for the update, good to see the progress.

Ken Johnson – I did notice on your form, that you have the state well numbering included in the application process. Is the state well number something you already have before you drill?

Pennington – That would not be on the application, but it is a required field prior to the work permit.

Johnson – You talked a little about maintenance and management – we'll hear more about that when it is more standardized?

Pennington – We will be preparing a report and will get it to you when it is available.

Hill – You have a new, more extensive well permitting application. You are asking well owners to update their information? Are you going to be asking for new information from “old” wells? Is there a process to do that?

Pennington – We don't plan to go back in time, it is for wells moving forward.

Hill – On the GUIDE system, what is water usage estimate based on?

Pennington – The GUIDE program is intended to provide information to the public that was used for the fee/study.

Hill – Some newer projects such as wineries need to be monitored when they get a well permit. How does that jive with the estimates you are making? Actual uses could be different from your estimate per acre.

Pennington – For parcels that have water meters, actual water use could be used instead of estimates. Not all the information has been brought into the fee study but could be used to update the database.

Marcus Trotta – That is where the GUIDE program comes in. Well owners can see water estimated for their parcel and have an opportunity to provide information.

Hill – Seems like it would be useful.

Norman Gilroy – Thank you for your presentation. I am delighted to see we are making headway in this area. I wonder if the database could be adjusted to include cumulative demand from new applications as they are approved. It would be nice to see, maybe annually, how much is being approved in land use approvals and how much groundwater use is being approved in land use approvals. Since you have an actual groundwater reporting, it would be good to see actual reporting. We are constantly trying to figure out the effect this use combined with another use is having. Need to bring some data together. Can it be added?

Pennington – The database hasn't been set up for this, but it probably could be added without too much more work.

Johnson – The opportunity for review is great. I would expand the scope of potential reviews for permitting to include things like conjunctive use, applications, and recharge projects. I endorse the opportunity to do reviews for discretionary applications of all kinds that impact any groundwater – whether putting it in or taking it out.

Hill (chat) – I support the combination approach for GSA review. I would include the two acre-feet per year as the only criterion.

Gilroy – We have talked a long time about the land use side of the GSA. We sent a report to GSA staff about seawater intrusion potential for a project in the southern end of the valley, asking for input. If there

were a system where we could be assured on the public side that these things are looked at in the context of the Plan, it would make the Plan more meaningful. We need to think a little more carefully about the combination approach. Vicki Hill's approach might be a good way to do it.

Carr – I think having a close relationship with Permit Sonoma is important. I was skeptical about reviewing projects and that comes from a concern over holding public hearings with project applicants and the process. Maybe Permit Sonoma can come back to us to explain how it could work. I am more interested in having our role be one of advising Permit Sonoma on how to maintain and improve a database of water use, to recommend how projects manage their water, and to recommend when applications should be metering their water after their approval, I think that is a more constructive role. There needs to be a management side of this that looks at all the monitoring. It needs to focus on where groundwater is being proposed for extraction. The point about recharge is a good one. I am still not convinced reviewing projects is the right thing for us.

#### *Public comments*

Roger Peters – I am not sure how the public would react to showing parcel- by-parcel water use. Consumption, be it electrical or water, is considered private information.

Pennington – At this point, only average data is presented. We may need to check with Legal Counsel if we can show actual use.

Roger Peters – I agree with Greg Carr on land use management and monitoring, it is equally or more important to the GSA and the county in understanding the impacts of a particular project and the cumulative impact of other projects in the area.

#### *GSP Annual Report*

*Objective: Provide update and receive feedback.*

Marcus Trotta shared key figures and findings of the 2021 water year Annual Report. He also provided implementation progress and plan water year 2022 activities. Trotta is hoping to have a draft report for the Advisory Committee to review by this Friday, you will have two weeks to review it: be on the lookout for the report via email later this week.

#### *Questions/Comments*

Johnson– Question on presentation slide 41/Figure 3-11. It reads zero to negative 0.5, that range is bigger than our criteria.

Trotta – It is an error and was corrected, I must have grabbed the wrong slide. It should read 0.05.

Johnson – Do we have a sense for when the State will pass judgment on our Plan?

Trotta – They have two years, and they took almost two years to provide comment on the critically over drafted basins.

Johnson – Some of the margins around the valley show an increased in storage, interesting for the weather we have had this last year.

No public comments.

## Updates

*Objective: Provide relevant updates that inform the Advisory Committee and for AC to ask questions if needed.*

Andrea Rodriguez – The Outreach Working Group met to discuss the next Community Engagement Plan on February 8 with participants from all basins. The main themes of the engagement plan are:

- Use the new Portrait of Sonoma County in identifying disadvantaged communities
- Rate and Fee: Need to have a clear understanding of why and the benefit
- Education message: We all need to conserve water/longevity of the aquifer for future generations

Next steps include drafting a community engagement plan and meeting with the work group on revisions to bring back to the Advisory Committee for feedback. Ann DuBay noted the upcoming Community meeting dates and said that the March 29 is a virtual meeting. As it is challenging to get feedback in virtual settings, we will include breakout sessions. Let Ann DuBay know if you can attend the meeting and are willing to serve as a facilitator for a breakout session. A postcard will go to the printers on Monday, there will be a press release, as well as an announcement in our monthly mailing. Additionally, we will have information for you to share with your stakeholder groups. We anticipate having a good number of public attendees given the subject of fees.

No public comments.

## Review Action Items and ask for any Closing Comments

Carr – I would like to suggest an action item for our May meeting to ask staff to come back with a conceptual outline of how we might interface with Permit Sonoma on policy options that are included in the Management Actions section of our Groundwater Sustainability Plan and some options how the GSA might work with Permit Sonoma on each management action, and a conceptual outline of how the requests to have discretionary projects are reviewed by the GSA. I think it will help inform us about what we really should be doing and the best use of our time.

- **Action item from Greg Carr above.**
- **Staff to contact the district and come back to this group at the next meeting with an answer – who is monitoring the Napa Valley and bay refurbishment existing recycled water contract/is it being monitored?**
- **Staff to do a follow up by way of notes or a survey to gather input on the rate/fee study as there are so few Advisory Committee members here today.**

Tim Parker thanked the Advisory Committee for the great dialogue and closed the meeting at 5:24 p.m.

## Attendees:

### Advisory Committee Members (present)

Jim Bundschu

Greg Carr

Caitlin Cornwall – joined late

Norman Gilroy – joined late

Vicki Hill  
Matt Stornetta – joined late  
Steve Wolf – joined late

#### Advisory Committee Members (absent/excused)

Fred Allebach  
Kenneth Johnson  
Taylor Serres  
Jane Whitsett

#### Staff/Presenters

Ann DuBay, Sonoma Valley GSA Administrator  
Marcus Trotta, Sonoma Water, Technical Staff  
Andrea Rodriguez, Sonoma Water, Outreach Staff  
Simone Peters, GSA Administrative Aide (recording meeting summary)  
Robert Pennington, Permit Sonoma  
Jerry Bradshaw, SCI Consulting Group  
Ryan Aston, SCI Consulting Group

#### Facilitator

Tim Parker

#### Members of Public

Kimberly Bowman, DWR  
Christian Kallen  
Roger Peters