



SONOMA VALLEY
GROUNDWATER
SUSTAINABILITY AGENCY

Board Meeting

JANUARY 28, 2019

Agenda Item 6A: Sonoma Valley Storm Water Resources

SUSAN HAYDON & KENT GYLFE

SUSAN.HAYDON@SCWA.CA.GOV & KENT.GYLFE@SCWA.CA.GOV

Agenda Item 6B: 2019 Calendar & Meeting Topics

ANN DUBAY, ADMINISTRATOR

ANN.DUBAY@SCWA.CA.GOV

Proposed 2019 Calendar

January 28	Stormwater Capture & Groundwater Recharge
March 25	Aquifer storage & recovery; agricultural recharge
April/May	All-GSA climate change workshop
May 20	Field trip: Eastside pumping depression
July 22:	Water-use efficiency advances & technologies
September 23	Sustainable management criteria
November 25	Sustainable management criteria & sustainability indicators for the basin

Agenda Item 7A: Board Chair & Vice-Chair Elections

Officer Elections

- Officers of the Board are annually elected
- Term of one year beginning on January 1 each calendar year
- Officers may serve for multiple consecutive terms
- Officers of the Board may be removed and replaced at any time, with or without cause by a Board vote

Joint Powers Authority, 6.04

Agenda Item 7B: Rate and Fee Study Final Report

ANN DUBAY, ADMINISTRATOR

ANN.DUBAY@SCWA.CA.GOV

Rate & Fee Study Background

- Member agencies fund GSA for Years 1 & 2
- Funding source needed for Years 3-5
- Raftelis hired in November 2017 to conduct rate & fee study for Phase 1 (Years 3-5)
- Raftelis met with Board & Advisory Committee in Fall 2017-Winter 2018 to provide information and receive feedback
- Community workshop held in March 2018



Fee Options Considered

- Per parcel fee
- Parcel fee + groundwater use fee
- Parcel tax
- Fee on groundwater use
- Fee on estimated groundwater use
- State intervention

Rate & Fee Study Background

- Fee based on estimated groundwater use most legally defensible and most simple to implement:
 - Estimated annual per acre foot charge: \$50-\$70
 - For rural residential well owners, per parcel charge of \$25-\$35 annually
- Board asked staff to renegotiate member agency contributions and approved methodology in August 2018

Approved Funding Allocation

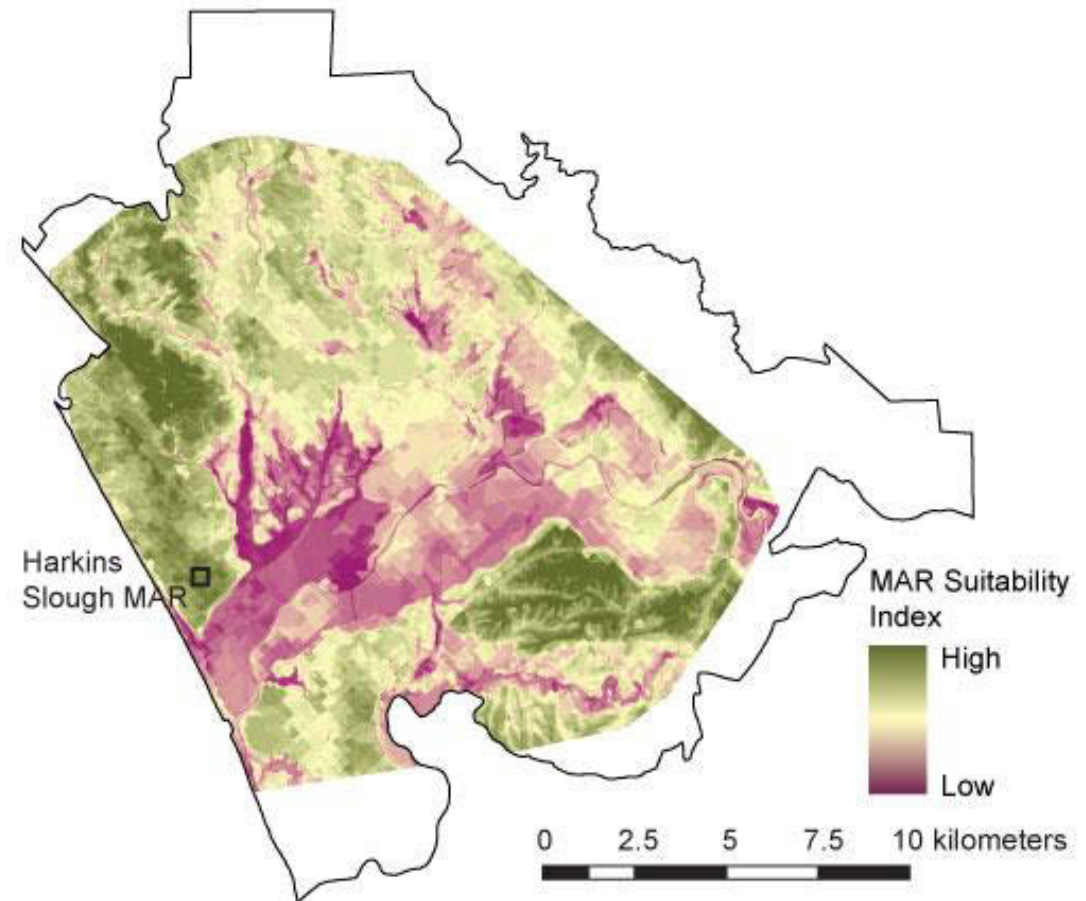
Entity	FY 2019-19	FY 2019-20	FY 2020-21	FY 2021-22
Sonoma	\$ 97,767	\$ 25,000	\$ 25,000	\$25,000
VOMWD	\$ 97,767	\$ 25,000	\$ 25,000	\$25,000
Sonoma RCD	\$ 20,000	\$ 10,000	\$ 10,000	\$ 10,000
NBWD	\$ 20,000	\$ 10,000	\$ 10,000	\$ 10,000
Sonoma Water	\$ 117,233	\$ 125,000	\$ 125,000	\$ 125,000
County	\$ 117,233	\$ 43,000	\$ 84,000	\$ 56,000
TOTAL	\$ 470,000	\$238,000	\$279,000	\$251,000

Raftelis Recommendations

- Document existing wells
- Initiate well registration program
- Determine with neighboring GSAs how to account for overlapping parcels
- Develop data on cannabis cultivation
- Improve data on recycled water and surface water users
- Explore accounting for groundwater recharge

Additional Programs for Consideration

- Managed Aquifer Recharge (MAR) & Recharge Net Metering
- Charging for supplemental water supplies
- Water markets



... and in Santa Rosa Plain

- Pursuing fee based on estimated groundwater use
- December 13, 2018 Study Session:
 - Initiate well registration program
 - Pursue methodology based on estimated groundwater use
 - January 30, 2019 Community meeting
 - February 14 Board meeting (methodology)

Santa Rosa Plain fee compared to state fees

Source of Usage	Repayment 100% Deferred	Annual State Intervention Fees
Charge per Acre Foot (agriculture, municipal, golf courses)	\$16 - \$22	\$300 base fee, plus \$40 per AF*
Charge for Rural Residential (\$ per parcel/year)	\$8 - \$11	\$100
Charge for Urban Supplemental Irrigation Wells (\$ per parcel/year)	\$1-3	\$100
<p><i>* The \$300 annual base fee is charged to all well owners, except de minimis (rural & urban residential).</i></p>		

Agenda Item 7C: Agency Reserve Policy

ANN DUBAY, ADMINISTRATOR

ANN.DUBAY@SCWA.CA.GOV

Background

- Currently, no reserve policy
- Ended FY 2017-18 with approximately \$162,000
- Board identified the need for a reserve policy prior to adopting FY 2019-2020 budget
- Staff reached out to member agencies and researched best management practices

Options

Board feedback needed on the following questions:

1. **Two** months or **three** months operating expenses?
2. Annual approval of reserve amount, as part of budget process?
3. Targeted reserve funded with surplus operating cash?
4. Reserve carry forward to following fiscal year?

Agenda Item 7D: Draft Fiscal Year 2019-2020 Budget

ANN DUBAY, ADMINISTRATOR

ANN.DUBAY@SCWA.CA.GOV

Background

- Board must adopt a budget no later than 60 days before the end of each Fiscal Year
- In August 2018, Board agreed to fund agency through member contributions through FY 2021-2022
- Budget requires 2/3 approval
- Member agency contributions require unanimous approval

Approved Member Agency Contributions

Methodology & Estimated Amounts (August 2018)

	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
ACTUAL/ESTIMATED EXPENSES	\$ 310,000	\$ 496,150	\$ 571,700	\$ 527,250	\$ 502,800
ESTIMATED INCOME					
Proposition 1 Grant	\$ -	\$ 235,000	\$ 335,000	\$ 290,000	\$ 140,000
Carry forward	\$ -	\$ 160,000	\$ 368,850	\$ 370,150	\$ 411,900
Member Agency Contributions					
VOMWD	\$ 97,767	\$ 97,767	\$ 25,000	\$ 25,000	\$ 25,000
City of Sonoma	\$ 97,767	\$ 97,767	\$ 25,000	\$ 25,000	\$ 25,000
SCWA	\$ 117,233	\$ 117,233	\$ 125,000	\$ 125,000	\$ 125,000
NBWD	\$ 20,000	\$ 20,000	\$ 10,000	\$ 10,000	\$ 10,000
Sonoma RCD	\$ 20,000	\$ 20,000	\$ 10,000	\$ 10,000	\$ 10,000
County	\$ 117,233	\$ 117,233	\$ 43,000	\$ 84,000	\$ 56,000
Total Member Agency Contributions	\$ 470,000	\$ 470,000	\$ 238,000	\$ 279,000	\$ 251,000
TOTAL REVENUES	\$ 470,000	\$ 865,000	\$ 941,850	\$ 939,150	\$ 802,900
ENDING BALANCE	\$ 160,000	\$ 368,850	\$ 370,150	\$ 411,900	\$ 300,100

Draft Sonoma Valley 2019-2020 Budget

Balance Forward	<u>261,985</u>
County of Sonoma	43,000
City of Sonoma	25,000
Valley of the Moon Water District	25,000
North Bay Water District	10,000
Sonoma RCD	10,000
Sonoma Water	<u>125,000</u>
Total Intergovernmental Revenues	<u>238,000</u>
Grant Revenues (DWR Proposition1)	<u>308,100</u>
Grand Total Revenues	<u>808,085</u>
Expenses	
Insurance - Liability	2,500
Administration Services	80,000
Accounting/Auditing Services	5,000
Legal Services	45,000
Consulting Services	490,000
Claims Processing	3,000
Rents and Leases - Bldg/Land	1,500
Supplies/postage/other	<u>4,850</u>
Total Services and Supplies	<u>631,850</u>
Grand Total Expenditures	<u>631,850</u>
Increase/(Decrease) to Fund Balance	<u>176,235</u>

Outstanding Issues

Funding:

- Reserve amount
- Anticipated grant funding from California Department of Water Resources

Expenses:

- Well registration program
- Annual audit
- Claims processing