

Glenn Groundwater Authority

Groundwater Sustainability Agency

225 N. Tehama Street, Willows, CA 95988 | 530.934.6540

Meeting of the Glenn Groundwater Authority Board of Directors

August 14, 2023 | 1:30 PM

225 North Tehama Street, Willows, CA 95988

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1. CALL TO ORDER

The Chairperson will call the meeting to order and lead the [flag salute](#).

2. ROLL CALL

Roll call will be conducted.

3. APPROVAL OF MINUTES

- a. *Approval of the special meeting minutes from July 26, 2023.

Draft meeting minutes from the July 26, 2023 meeting are not yet available. Staff requests tabling the item until the next meeting.

4. PERIOD OF PUBLIC COMMENT

Members of the public are encouraged to address the GGA Board of Directors on items relevant to the GGA. Public comments are limited to no more than 5 minutes. No action may be taken on public comments.

5. STAFF UPDATES

The program manager will provide brief status updates. Reminders and/or clarifications may also be made at this time.

6. FINANCIAL REPORT

- a. *Review and accept Monthly Activities Report.
- b. *Review and consider approval of claims.

The Claims Summary is attached. The Monthly Activities Report is not yet available.

Attachments

- Claims Summary

7. FISCAL YEAR 2022/2023 ANNUAL AUDIT

- a. *Consider approval of the CliftonLarsonAllen LLP Statement of Work to provide services to complete the Fiscal Year 2022-2023 Annual Audit pending Counsel review and authorize the Chairman to execute the agreement in an amount not to exceed \$10,000.

On September 13, 2022, CliftonLarsonAllen LLP (CLA) was selected to provide Annual Audit Services for Fiscal Year 2021/2022 with the option of extending the contract for three (3) fiscal years thereafter. CLA conducted the fiscal year 2021/2022 audit and has provided a Statement of Work dated July 28, 2023 to engage their services to complete the fiscal year 2022/2023 annual audit. The total cost is \$10,000 which is consistent with 2022 CLA proposal and the 23/24 GGA budget.

Attachments

- CLA Statement of Work – Audit Services dated July 28, 2023



Statement of Work - Audit Services

July 28, 2023

This document constitutes a statement of work ("SOW") under the master service agreement ("MSA") dated September 20, 2022, or superseding MSA, made by and between CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") and Glenn Groundwater Authority ("you," "your," or "the entity"). We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services CLA will provide for the entity as of and for the year ended June 30, 2023.

Rich Gonzalez is responsible for the performance of the audit engagement.

Scope of audit services

We will audit the financial statements of the governmental activities and the major fund, which collectively comprise the basic financial statements of Glenn Groundwater Authority, and the related notes to the financial statements as of and for the year ended June 30, 2023.

The Governmental Accounting Standards Board (GASB) provides for certain required supplementary information (RSI) to accompany the entity's basic financial statements.

The following RSI will be subjected to certain limited procedures, but will not be audited.

- Management's discussion and analysis.
- Budgetary comparison schedules.

Nonaudit services

We will also provide the following nonaudit services:

- Preparation of your financial statements and the related notes.

Audit objectives

The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards

generally accepted in the United States of America (U.S. GAAS) will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Our audit will be conducted in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require us to be independent of the entity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. Our audit will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinions.

We will apply certain limited procedures to the RSI in accordance with U.S. GAAS. However, we will not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. We will also perform procedures to enable us to express an opinion on whether the supplementary information (as identified above) other than RSI accompanying the financial statements is fairly stated, in all material respects, in relation to the financial statements as a whole.

We will issue a written report upon completion of our audit of your financial statements.

Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from the engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming opinions on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express opinions or issue a report, or withdrawing from the engagement.

We will also provide a report (which does not include an opinion) on internal control over financial reporting and on compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements, as required by *Government Auditing Standards*. The report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the entity is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit conducted in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Auditor responsibilities, procedures, and limitations

We will conduct our audit in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards*.

Those standards require that we exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit. As part of our audit, we will:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and evaluate whether audit evidence obtained is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the amounts and disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on our evaluation of audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

Although our audit planning has not been concluded and modifications may be made, we have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Ability of management to override controls

There is an unavoidable risk, because of the inherent limitations of an audit, together with the inherent limitations of internal control, that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards*. Because we will not perform a detailed examination of all transactions, material misstatements, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity, may not be detected. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not require auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management and those charged with governance of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management and those charged with governance of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential.

Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting fraud or errors that are material to the financial statements and to preventing and detecting misstatements resulting from noncompliance with provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. An audit is not designed to provide assurance on internal control or to identify deficiencies, significant deficiencies, or material weaknesses in internal control. However, we will communicate to you in writing significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we identify during the audit that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the entity's compliance with the provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

We will include in our report on internal control over financial reporting and on compliance relevant information about any identified or suspected instances of fraud and any identified or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements that may have occurred that are required to be communicated under *Government Auditing Standards*.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Management responsibilities

Our audit will be conducted on the basis that you (management and, when appropriate, those charged with governance) acknowledge and understand that you have certain responsibilities that are fundamental to the conduct of an audit.

You are responsible for the preparation and fair presentation of the financial statements and RSI in accordance with U.S. GAAP.

Management's responsibilities include the selection and application of accounting principles; recording and reflecting all transactions in the financial statements; determining the reasonableness of significant accounting estimates included in the financial statements; adjusting the financial statements to correct

material misstatements; and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for 12 months beyond the financial statement date.

You are responsible for the design, implementation, and maintenance of effective internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities and safeguarding assets to help ensure that appropriate goals and objectives are met. You are responsible for the design, implementation, and maintenance of internal controls to prevent and detect fraud; assessing the risk that the financial statements may be materially misstated as a result of fraud; and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for implementing systems designed to achieve compliance with applicable laws and regulations and the provisions of contracts and grant agreements; identifying and ensuring that the entity complies with applicable laws, regulations, contracts, and grant agreements; and informing us of all instances of identified or suspected noncompliance whose effects on the financial statements should be considered. You are responsible for taking timely and appropriate steps to remedy any fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we may report.

You are responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including amounts and disclosures, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters, and for the accuracy and completeness of that information (including information from within and outside of the general and subsidiary ledgers); (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

You agree to inform us of events occurring or facts discovered subsequent to the date of the financial statements that may affect the financial statements.

Management is responsible for providing us with a written confirmation concerning representations made by you and your staff to us in connection with the audit and the presentation of the basic financial statements and RSI. During our engagement, we will request information and explanations from you regarding, among other matters, the entity's activities, internal control, future plans, specific transactions, and accounting systems and procedures. The procedures we will perform during our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the representations that we receive in the representation letter and otherwise from you. Accordingly, inaccurate, incomplete, or false representations could cause us to expend unnecessary effort or could cause a material fraud or error to go

undetected by our procedures. In view of the foregoing, you agree that we shall not be responsible for any misstatements in the entity's financial statements that we may fail to detect as a result of misrepresentations made to us by you.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies to us of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the "Audit objectives" section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other engagements or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Responsibilities and limitations related to nonaudit services

For all nonaudit services we may provide to you, management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services. Management is also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services.

Use of financial statements

Should you decide to include or incorporate by reference these financial statements and our auditors' report(s) thereon in a future private placement or other offering of equity or debt securities, you agree that we are under no obligation to re-issue our report or provide consent for the use of our report in such a registration or offering document. We will determine, at our sole discretion, whether we will re-issue our report or provide consent for the use of our report only after we have performed the procedures we consider necessary in the circumstances. If we decide to re-issue our report or consent to the use of our report, we will be required to perform certain procedures including, but not limited to, (a) reading other information incorporated by reference in the registration statement or other offering document and (b) subsequent event procedures. These procedures will be considered an engagement separate and distinct from our audit engagement, and we will bill you separately. If we decide to re-issue our report or consent to the use of our report, you agree that we will be included on each distribution of draft offering materials and we will receive a complete set of final documents. If we decide not to re-issue our report or decide to withhold our consent to the use of our report, you may be required to engage another firm to audit periods covered by our audit reports, and that firm will likely bill you for its services. While the successor auditor may request access to our workpapers for those periods, we are under no obligation to permit such access.

If the parties (i.e., you and CLA) agree that CLA will not be involved with your official statements related to municipal securities filings or other offering documents, we will require that any official statements or other offering documents issued by you with which we are not involved clearly indicate that CLA is not involved with the contents of such documents. Such disclosure should read as follows:

CliftonLarsonAllen LLP, our independent auditor, has not been engaged to perform and has not

performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. CliftonLarsonAllen LLP also has not performed any procedures relating to this offering document.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website or submitted on a regulator website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

Engagement administration and other matters

We understand that your employees will prepare all confirmations, account analyses, and audit schedules we request and will locate any documents or invoices selected by us for testing. A list of information we expect to need for our audit and the dates required will be provided in a separate communication.

We will provide copies of our reports to the entity; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing confidential or sensitive information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the sole and exclusive property of CLA and constitutes confidential and proprietary information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to State Controller, or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of CLA personnel. Furthermore, upon request, we may provide copies or electronic versions of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by the State Controller. If we are aware that a federal or state awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Professional standards require us to be independent with respect to you in the performance of these services. Any discussion that you have with our personnel regarding potential employment with you could impair our independence with respect to this engagement. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence and objectivity. Further, any employment offers to any staff members working on this engagement without our prior knowledge may require substantial additional procedures to ensure our independence. You will be

responsible for any additional costs incurred to perform these procedures.

Our audit engagement ends on delivery of our signed report. Any additional services that might be requested will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific SOW for that service.

Government Auditing Standards require that we make our most recent external peer review report publicly available. The report is posted on our website at www.CLAconnect.com/Aboutus/.

Fees

Our professional fees are outlined in the table below:

Service	Fee
Financial Statement Audit	\$10,000

We will also bill for a technology and client support fee of five (5%) of all professional fees billed which is included in the not-to-exceed fee listed above. Our fee is based on anticipated cooperation from your personnel and their assistance with locating requested documents and preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the fees and expenses will likely be higher.

Unexpected circumstances

We will advise you if unexpected circumstances require significant additional procedures resulting in a substantial increase in the fee estimate.

Changes in accounting and audit standards

Standard setters and regulators continue to evaluate and modify standards. Such changes may result in new or revised financial reporting and disclosure requirements or expand the nature, timing, and scope of the activities we are required to perform. To the extent that the amount of time required to provide the services described in the SOW increases due to such changes, our fee may need to be adjusted. We will discuss such circumstances with you prior to performing the additional work.

Agreement

We appreciate the opportunity to provide to you the services described in this SOW under the MSA and believe this SOW accurately summarizes the significant terms of our audit engagement. This SOW and the MSA constitute the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA related to audit services. If you have any questions, please let us know. Please sign, date, and return this SOW to us to indicate your acknowledgment and understanding of, and agreement with, the arrangements for our audit of your financial statements including the terms of our engagement and the parties' respective responsibilities.

Sincerely,

CliftonLarsonAllen LLP

Response:

This letter correctly sets forth the understanding of Glenn Groundwater Authority.

CLA

ORG:

NAME:

TITLE:

SIGN:

DATE:

Client

ORG:

NAME:

TITLE:

SIGN:

DATE:

8. COLUSA SUBBASIN GROUNDWATER SUSTAINABILITY PLAN IMPLEMENTATION

Staff will provide an update on Colusa Subbasin GSP implementation activities.

9. GGA GROUNDWATER RECHARGE SERVICES

- a. Receive an update on groundwater recharge services.
- b. Discuss prioritization themes for long-term project identification planning.
- c. Discuss potential outreach opportunities for groundwater recharge pilot project implementation activities.

GGA has been working with Geosyntec and Water and Land Solutions on a Groundwater Recharge Services Project. The services include a two-phase approach to explore groundwater recharge project opportunities in the short-term (2022/2023 winter) and a longer-term planning process. The Phase 1 project report documenting the outcomes of the short-term project evaluation has been prepared. The Phase 2 process began with a series of meetings with a variety of groups with ties to the land and/or stakeholders to identify potential long-term groundwater recharge sites. Additionally, a task has been added for Phase 1 implementation monitoring and reporting, and funding has set aside for water purchases.

Phase 1 of GGA's Groundwater Recharge Pilot Projects and Long-term Planning involved a dozen pilot groundwater recharge sites in the Orland-Artois Water District that received 1,742 acre-feet of water for groundwater recharge from January – June 2023. Initial results from one of these sites indicated an exceptional infiltration rate of 10 acre-feet per acre per day.

Two sites served by the Orland Unit Water Users Association began recently. Rick Martin's gravel pit received water for 24 hours beginning on July 31 with 24 acre-feet delivered during that period. The duck pond at Lely Park received water for 24 hours beginning on August 2 with 20 acre-feet of water delivered. These two sites will continue to receive water on a rotational basis until the irrigation season ends, which is expected to be October.

GGA's Groundwater Recharge Pilot Project Ad Hoc Committee met on August 7, 2023 to discuss Phase 2 of the project, which is focused on long-term groundwater recharge planning. The purpose of this meeting was to identify GGA's priorities and goals for groundwater recharge efforts. The committee reviewed available data regarding undesirable results in the subbasin including declining groundwater levels, dry wells, loss of storage, and land subsidence and discussed major groundwater-related concerns in the area. Priorities and goals will be discussed further at future meetings, and the following items were themes from the initial discussion that were named as priorities by 3 of 4 respondents:

- Use surface water instead of groundwater when available
- Utilize direct recharge in hotspot areas where there are dry wells
- Utilize direct groundwater recharge countywide

The next steps are to meet again as a committee to review projects identified during stakeholder interviews and discuss the advantages and disadvantages of each then to determine which projects are best suited to address GGA's priorities and goals. A short list of approximately 5 projects will be selected by GGA for deeper analysis by the consultant team. Lastly, the consultant team will prepare a report with discussion on GGA's priorities and goals, basic information on all the projects proposed by stakeholders, detailed analysis of 5 short-listed projects, and recommendations.

Staff, the consultant team, and legal counsel may provide additional updates.

10. *DISCUSSION ON SENATE BILL 366 AND AUTHORIZE CHAIRMAN TO EXECUTE A LETTER OF SUPPORT

At the April 10, 2023 meeting, it was suggested the GGA consider providing a letter of support for Senate Bill 366 relating to the California Water Plan: long-term supply targets. The Legislative Counsel’s Digest is provided in the attachment as well as the text of the bill.

The item was tabled at the May 8, 2023 and June 13, 2023 GGA meetings and it was requested to bring the item back for discussion.

If the board desires to provide a letter of support, staff can prepare a letter for consideration at the next meeting, or the board could authorize the Chairman to execute a letter based on the discussion from the meeting.

Attachments

- Senate Bill 366

would require the plan to provide recommendations and strategies to ensure enough water supply for all beneficial uses. The bill would require the plan to include specified components, including a discussion of various strategies that may be pursued in order to meet the water supply targets and an economic analysis. The bill would require the ~~Director of Water Resources to provide an oral and written report annually to the relevant committees in the Legislature regarding the progress made toward meeting the water supply targets established by the department;~~ *department to submit to the Legislature an annual report between updates to the plan that includes progress made toward meeting the water supply targets once established,* as specified. The bill would also require the department to conduct public workshops to give interested parties an opportunity to comment on the plan and to post the preliminary draft of the plan on the department's internet website.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. The Legislature finds and declares all of the following:

(a) To thrive as a state, California needs a reliable supply of water for urban, agricultural, and environmental uses that is resilient to climate change.

(b) California's existing water usage is highly reliant on capturing the snow melt on an annual basis. That water is stored in lakes, reservoirs, and groundwater basins and is then transported around the state for environmental, residential, business, and agricultural use when needed.

(c) California has the most intricate and elaborate system of water conveyance in the world.

(d) Dependent on the extent of drought or flood conditions, the Department of Water Resources has calculated that the volume of water used by people in California for agricultural, urban, and environmental purposes ranges from 60,000,000 acre-feet per year to 90,000,000 acre-feet per year.

(e) Per capita water use has declined over time, thanks to a conservation ethic encouraged by water agencies and other stakeholders, water-saving indoor plumbing fixtures and appliances, better leak detection, and efforts to reduce outdoor water use.

(f) Water use also has significantly declined in the agricultural sector thanks to proactive steps taken by irrigation districts and farmers, such as installing drip irrigation systems.

(g) California is experiencing significant impacts of a changing climate on our water supply systems and environment, including fisheries and ecosystems.

(h) According to the Department of Water Resources, hotter and drier weather is estimated to diminish our existing water supply even further and likely by 10 percent.

(i) A 10-percent loss could mean the disappearance of about 6,000,000 acre-feet to 9,000,000 acre-feet of water supply.

(j) Many rivers, lakes, and estuaries are being impacted by declining water quality, including increases in harmful algal blooms.

(k) The California ~~Central Valley~~ *central valley* has a groundwater overdraft of 2,000,000 to 3,000,000 acre-feet of water.

(l) Following more than two decades of "megadrought" in the Colorado Basin, reservoir levels are so low that supply cuts are likely.

(m) California's precipitation is changing from seasonal snow in the Sierra to periods of substantial rainfall, including from atmospheric rivers.

(n) The shift to drier dry years and wetter wet years makes it imperative that the state of California develop comprehensive wet year strategies that take full advantage of times of abundance, while also ensuring public safety from floods.

~~(o) It is imperative that California capture more water from atmospheric rivers and other storms that occur during dry years to ensure the beneficial uses of water in the state, including, but not limited to, water storage and the protection of fish and wildlife and water quality.~~

~~(p)~~

~~(o)~~ California is the nation's agricultural powerhouse, accounting for 12 percent of agricultural production in 2021, including more than 70 percent of the nation's fruits and nuts.

~~(q)~~

~~(p)~~ The agricultural sector produces annual revenues of more than \$50 billion, employs more than 420,000 people, and supports large food and beverage processing industries.

~~(r)~~ According to the Department of Water Resources, there is the potential for more than 13,000,000 acre-feet of groundwater recharge annually with more than 25,000,000 acre-feet being possible using existing infrastructure.

~~(s)~~

~~(q)~~ The Department of Water Resources describes a statewide capacity in groundwater basins in the range of 1,000,000,000 acre-feet or approximately 20 times the total surface water storage capacity statewide.

~~(t)~~

~~(r)~~ California is the home to cutting-edge job-creating industries, such as those in Silicon Valley and southern California's biotech industry.

~~(u)~~

~~(s)~~ Local and regional water suppliers are at the forefront of implementing projects to build resiliency, but need additional support from the state and federal governments through funding and regulatory frameworks that are adapted for the new climate reality.

~~(v)~~

~~(t)~~ It is essential for our economy, environment, and well-being that California increases the resilience of the state's water supplies.

~~(w)~~

~~(u)~~ The implementation of projects to increase the resilience of the state's water supplies can also create good jobs for California workers.

~~(x)~~

~~(v)~~ Governor Gavin Newsom released "California's Water Supply Strategy: Adapting to a Hotter, Drier Future" in August 2022 that began to outline strategies for increasing California's water supply and streamlining approvals, but California must make a historic change in the state's comprehensive water plan and how water is provided for environmental, residential, business, and agricultural uses.

~~(y)~~

~~(w)~~ The Sacramento-San Joaquin Delta Reform Act of 2009 establishes a state policy to meet California's future water needs through the coequal goals of increased water supply reliability and the Sacramento-San Joaquin Delta ecosystem restoration.

~~(z)~~

~~(x)~~ The State Water Resources Control Board and other authorities estimate that over one million Californians lack access to safe and affordable drinking water.

SEC. 2. Section 10004 of the Water Code is repealed.

SEC. 3. Section 10004 is added to the Water Code, to read:

10004. (a) ~~The department, in coordination with the California Water Commission, the board, other state and federal agencies as appropriate, and the stakeholder advisory committee outlined in subparagraph (A) of paragraph (3) of subdivision (e)~~ *department* shall develop a comprehensive plan for addressing the state's water needs and meeting the long-term water supply targets established in Section 10004.6, which shall be known as "The California Water Plan." The plan shall provide recommendations and strategies to ensure enough water supply for all beneficial uses, including, but not limited to, compliance with Division 35 (commencing with *Section* 85000).

(b) The department shall coordinate with the California Water Commission, the board, other state and federal agencies as appropriate, and the stakeholder advisory committee outlined in subparagraph (A) of paragraph (3) of subdivision (f) to develop the plan.

~~(b)~~

(c) It is hereby declared that the people of the state have a primary interest in the orderly and coordinated control, protection, conservation, development, and utilization of the water resources of the state by all individuals and entities and that it is the policy of the state that The California Water Plan, with any necessary amendments, supplements, and additions to the plan, is accepted as the master plan that guides the orderly and coordinated control, protection, conservation, development, management, and efficient utilization of the water resources of the state.

~~(c)~~

(d) The department shall update The California Water Plan on or before December 31, 2028, and every five years thereafter. Each update of the plan shall include the following components:

(1) (A) A discussion of various strategies, including, but not limited to, those relating to the development of new surface and groundwater storage facilities, water conservation, groundwater recharge, water recycling, desalination, conjunctive use, improved regional and statewide conveyance, stormwater capture, water transfers, compliance with Division 35 (commencing with Section 85000), and demand management activities that may be pursued in order to meet the water supply targets developed by the department. The department shall also include a discussion of options to finance projects within the various strategies and the potential for alternative water pricing policies to change current and projected uses. The department shall include in the plan a discussion of the potential advantages and disadvantages of each strategy, how to maximize the strategy for long-term sustainability, how innovation and research can spur the implementation of each strategy, and an identification of all federal and state permits, approvals, or entitlements that may be required in order to implement the various components of the strategy.

(B) In carrying out this chapter, a public water system, irrigation district, or wastewater service provider shall not be required to implement a specific strategy or project.

(2) A discussion of environmental needs, including instream flows, freshwater flows to the Delta and San Francisco Bay, and the needs of managed wetlands to help protect and restore instream beneficial uses and the communities and jobs that depend on a healthy Bay-Delta environment. The department may incorporate by reference information developed by the board and the Department of Fish and Wildlife.

~~(2)~~

(3) An economic analysis of the costs and impacts to the state if it has inadequate water supplies to meet ~~current demand~~ *sustainable demands* for all sectors of the ~~economy~~ *economy, human consumption,* and the environment in the next 10-, 20-, and 30-year scenarios. The analysis shall include a range of water supply shortfall projections and water supply shortage scenarios for urban, agricultural, environmental and ecosystem water ~~needs, using~~ *needs. The department may consider* existing planning documents, such as water shortage contingency plans, urban water management plans, and agricultural water management plans. The analysis also shall include the impacts of possible rationing for various agricultural, industrial, commercial, and residential customer ~~classes.~~ *classes, and the impact on jobs.*

~~(3)~~

(4) A report on the development of regional and local water projects within each hydrologic region of the state to improve water supplies to meet municipal, agricultural, and environmental water needs, meet the water supply targets, and minimize the need to import water from other hydrologic regions.

~~(4)~~

(e) The declaration set forth in subdivision ~~(b)~~ (c) does not constitute approval for the construction of specific projects or routes for transfer of water, or for financial assistance, by the state without further legislative action, nor shall the declaration be construed as a prohibition of the development of the water resources of the state by any entity.

~~(e)~~

(f) (1) Notwithstanding Section 10231.5 of the Government Code, the department shall report the amendments, supplements, and additions included in the updates of The California Water Plan, together with a summary of the department's conclusions and recommendations, to the Legislature, in compliance with Section 9795 of the Government Code, in the session in which the updated plan is issued.

(2) ~~The director shall provide an oral and written report annually to the relevant committees in the Legislature regarding the progress made toward meeting the water supply targets once established by the department.~~ *department shall submit to the Legislature an annual report between updates to the plan that includes progress made toward meeting the water supply targets once established. The Legislature may hold a hearing to review and accept public testimony on the report.* The report shall include the list of recommended actions that require legislative intervention and those that can be implemented by the department or other state agencies. The written report shall be posted on the department's internet website.

(3) (A) The department, in consultation with the California Water Commission, shall establish a stakeholder advisory committee, comprised of representatives of agricultural and urban water suppliers, local government, business, production agriculture, ~~and tribes, labor,~~ *labor representatives from building and construction trades, representatives of* environmental justice and environmental interests, and other interested parties, to provide ~~substantiative~~ *substantive* input to assist the department in updating The California Water Plan. The department shall consult with and consider recommendations from the advisory committee in carrying out this section. The department shall accept applications for the stakeholder advisory committee before each update and ensure a balanced representation of members. The department shall provide written notice of meetings of the advisory committee to any interested person or entity that requests the notice. The meetings shall be open to the public.

(B) The department also shall seek out and consider all relevant information from retail and wholesale water agencies, agriculture, business, labor, tribes, environmental and environmental justice communities, and any other communities potentially impacted by the plan and from researchers and experts on climate science, climate science solutions, water storage, water conveyance, and environmental protection.

(4) In preparing any update of The California Water Plan, the department shall conduct a series of public workshops to give interested parties an opportunity to comment on the plan. The department shall conduct a portion of these workshops in regions of the state that have been impacted the most by drought and other weather extremes, including, but not limited to, communities with minority populations, communities with low-income populations, or both.

(5) The department shall release a preliminary draft of The California Water Plan, as updated, upon request, to interested persons and entities throughout the state for their review and comments. The department shall provide these persons and entities an opportunity to present written or oral comments on the preliminary draft. The department also shall post the preliminary draft on the department's internet website. The department shall consider these comments in the preparation of the final publication of The California Water Plan, as updated.

SEC. 4. Section 10004.5 of the Water Code is repealed.

SEC. 5. Section 10004.6 of the Water Code is amended to read:

10004.6. (a) As part of the 2028 update of The California Water Plan, the department shall conduct a study to determine the amount of *additional* water needed to meet the state's future water needs and to establish a long-term water supply target for 2050. The target shall ensure sufficient water for all beneficial uses, recognize the impacts of climate change on the state's water resources, ~~and~~ support a sustainable economy and ~~environment.~~ *environment, and ensure safe drinking water for all Californians.* In establishing the long-term supply target, the department shall analyze current and future water trends, including identifying additional water necessary to sustain public trust resources. On or before December 31, 2027, the department shall release a preliminary draft of the assumptions and other estimates upon which the study will be based, to interested persons and entities throughout the state for their review and comments. The department shall provide these persons and entities an opportunity to present written or oral comments on the preliminary draft. The department shall consider these documents when adopting the final assumptions and estimates for the study. For the purpose of carrying out this subdivision, the department shall release, at a minimum, assumptions and other estimates relating to all of the following:

(1) Basin hydrology, including annual rainfall, estimated unimpaired streamflow, depletions, and consumptive uses.

(2) Groundwater supplies, including estimates of sustainable yield, supplies necessary to recover overdraft basins, and supplies lost due to pollution and other groundwater contaminants.

(3) Current and projected land use patterns, including the mix of residential, commercial, industrial, agricultural, and undeveloped lands.

(4) Environmental water needs, including regulatory instream flow requirements, nonregulated instream uses, and water needs by wetlands, preserves, refuges, and other managed and unmanaged natural resource lands.

(5) Opportunities for demand management.

(6) Current and projected population.

(7) Current and projected water use for all of the following:

(A) Interior uses in a single-family dwelling.

(B) Exterior uses in a single-family dwelling.

(C) All uses in a multifamily dwelling.

(D) Commercial uses.

(E) Industrial uses.

(F) Parks and open spaces.

(G) Agricultural water diversion and use.

(8) Evapotranspiration rates for major crop types, including estimates of evaporative losses by irrigation practice and the extent to which evaporation reduces transpiration.

(9) Current and projected adoption of urban and agricultural conservation practices.

(10) Current and projected supplies of water provided by water recycling and reuse.

(11) Current and projected water and infrastructure needs of disadvantaged communities served by public water systems, state small water systems, and individual domestic wells, including, but not limited to, access to safe and affordable drinking water and sanitation, water quality, and water supply. The department may incorporate by reference the State Water Resources Control Board's Drinking Water Needs Assessment or other available assessments or reports.

~~(11)~~

(12) Climate change impacts by region and resulting water supply trends, including changes in timing and intensity of snowmelt runoff.

(b) The department shall include a discussion of the potential for alternative water pricing policies to change current and projected water uses identified pursuant to paragraph (7) of subdivision (a).

(c) As part of the 2028 update to the plan, the department shall include a water supply planning interim target of 10,000,000 acre-feet of *additional* water by 2040 which, in addition to traditional sources of supply, includes water that contributes to that supply through conservation efforts, stormwater capture, graywater, and recycled water.

(d) This section does not require or prohibit the department from updating any data necessary to update The California Water Plan pursuant to subdivision ~~(e)~~ (d) of Section 10004.

SEC. 6. Section 10005 of the Water Code is repealed.

SEC. 7. Section 10013 of the Water Code is repealed.

11. COMMITTEE UPDATES

- a. Executive Committee
 - i. CGA/GGA Joint Executive Committee
- b. Fee Study Ad Hoc Committee
- c. Groundwater Recharge Pilot Project Ad Hoc Committee
- d. Technical Advisory Committee

The **GGA Executive Committee** last met July 27, 2022. The CGA/GGA Joint Executive Committee met January 28, 2022. The next GGA Executive Committee meeting has not been scheduled.

Committee Members: John Amaro, Matt Deadmond, Gary Hansen

The **Fee Study Ad Hoc Committee** met August 8, 2023. The committee met with Luhdorff & Scalmanini Consulting Engineers to discuss the GGA Fee Project, concerns that have been raised, and the June 2023 invoice.

Committee Members: John Amaro, Grant Carmon, Mark Lohse

The **Groundwater Recharge Pilot Project Ad Hoc Committee** met August 7, 2023 to continue to work with the consultant team (Geosyntec/Water and Land Solutions) on groundwater recharge. Outcomes of that meeting were shared during Item 9. Additional updates may be provided.

Committee Members: Emil Cavagnolo, Matt Deadmond, Chuck Schonauer, Bruce Roundy, Gary Enos

The **Technical Advisory Committee (TAC)** met jointly with the Colusa Groundwater Authority (CGA) Technical Advisory Committee on August 11, 2023. The meeting focused on continuing the discussion to prioritizing technical tasks through the GSP five-year update. While there was not a quorum of members present from the GGA TAC, there was consensus from the CGA TAC to recommend the GSAs utilize the existing on-call technical support services contract for Groundwater Sustainability Plan implementation support. This could include development of a timeline for task implementation considering GSA priorities and SGMA compliance, and assistance in evaluating grant options (such as the USBR WaterSMART grants) and matching tasks that may be appropriate to submit an application.

The next CGA/GGA Joint TAC meeting is scheduled for October 13, 2023. It is likely a special meeting will be scheduled.

Full page slides of TAC presentations and other meeting materials are available on the GGA website at:

<https://www.countyofglenn.net/dept/planning-community-development-services/water-resources/glenn-groundwater-authority/gga>

It has also come to our attention that Zac Dickens has parted ways with GCID leaving a vacancy on the TAC.

Committee Members: Tavis Beynon, Matt Deadmond, Emil Cavagnolo, Mark Lohse, Don Bills, Vacancy

12. CLOSED SESSION

Gov't Code §54956.9 – Conference with Legal Counsel – Anticipated or significant exposure to litigation regarding tax refund claims and challenges to previously adopted property related fees.

13. CLOSED SESSION

Gov't Code §54956.9 – Conference with Legal Counsel – Existing Litigation
Aqualliance, California Water Impact Network, and California Sportfishing Alliance vs. Colusa Groundwater Authority, Glenn Groundwater Authority
Colusa County Superior Court - Case Number CV24584

14. CLOSED SESSION

Gov't Code § 54956.9 (d)(2) Conference with Legal Counsel – Significant exposure to litigation – one matter.

15. REPORT OUT FROM CLOSED SESSION

16. MEMBER REPORTS AND COMMENTS

Members of the GGA Board are encouraged to share information, reports, comments, and suggest future agenda items. Action cannot be taken on items brought up under this item.

17. NEXT MEETING

The next regular meeting is scheduled for September 12, 2023 at 1:30 p.m.

18. ADJOURN

The meeting will be adjourned.

*Indicates Action Item