

MEETING SUMMARY | October 12, 2016

Glenn Sustainable Groundwater Management Act (SGMA) – Governance Workgroup Meeting #5

MEETING RECAP

- This meeting set the stage for future GSA development by discussing updates in the Glenn County SGMA process as well as plans for the future.
- The group reviewed the progress of other local GSAs.
- The group received updates on formation of a Glenn County Private Pumpers Advisory Committee (PPAC).
- The group discussed the groundwater sustainability tools available to the GSA.
- The group presented outcomes of the first governance subcommittee meeting.
- The group reviewed the role of surface water diverters under SGMA.

MEETING SUMMARY

Introduction

Dave Ceppos (Facilitator) with the Center for Collaborative Policy reviewed the agenda and invited participants to introduce themselves. At this point it was noted that attendance was less than ideal. There was some discussion regarding whether to continue the meeting due to low attendance. Participants agreed to continue the meeting with the acknowledgement that a recap and an opportunity for further discussion would be provided at the onset of the next meeting.

SGMA Process Updates

Private Pumper Advisory Committee: Selection of Glenn County Private Pumper Advisory Committee (PPAC) members is on the Board of Supervisors' agenda for Tuesday (October 18). The County received few applications. The application period has officially closed. It will be up to the Board of Supervisors to decide whether they will accept further applications.

There was some concern expressed about the process and transparency in selecting members for the PPAC. A comment was made that further outreach should be conducted to allow all private pumpers the opportunity to apply. The Glenn County Resource Conservation District (RCD) and the Glenn County Farm Bureau offered to assist with outreach. The County clarified that the PPAC is advisory to the County.

Colusa County: In Colusa County the third subcommittee meeting took place on October 11. The principal item discussed at that meeting concerned surface water diverters and will be discussed here later today.

Statewide: In regards to statewide items, at a previous meeting a question was asked regarding whether Management Areas created by the GSA can overlap and cover specific groundwater sustainability indicator criteria. The Department of Water Resources (DWR) indicated that the idea has merit and is within the purview of local decision-makers.

Another item previously discussed is “when is a basin in compliance vs. non-compliance?” For example, if an individual GSA is non-compliant, but the rest of the basin is sustainable, is the whole basin out of compliance? Unfortunately, there are no concrete answers to this question yet. It is likely that this type of situation will be handled by the State Water Resources Control Board (SWRCB) on a case-by-case basis. The best way to avoid this is to make sure that everyone works together.

Question: When a federal agency is out of SGMA compliance, how would that work? Response: Federal agencies are sovereign entities and do not have to comply with SGMA. It could make the initial task of formulating a water budget more difficult. It is definitely something that will have to be acknowledged. Response: If water supplies are cut, individuals will install wells to solve their water supply dilemma.

Question: Is the Sustainable Groundwater Management Program at DWR coordinating with the water supply unit and the federal agencies? Response: There have been some discussions with the State Water Project. DWR representatives will look into this further.

The facilitator mentioned that surface water and groundwater interaction and Groundwater Dependent Ecosystems (GDEs) will also be a sustainability indicator to consider as SGMA moves forward. An example would be areas of the Sacramento River that are losing water to groundwater. These types of issues will involve federal agencies like the United States Fish and Wildlife Service. At some point federal agencies may have to get involved if declines in groundwater are affecting trust resources that they are mandated to protect.

Corning Subbasin: Informal meetings have occurred at the staff level to discuss options to move SGMA GSA formation forward in the Corning Subbasin independently from the Colusa Subbasin.

West Butte Subbasin: The facilitator mentioned that there is a SGMA coordination meeting pending within the Colusa, Butte, and Glenn County areas of the West Butte Subbasin.

Groundwater Sustainability Tools

The facilitator reviewed portions of the presentation on Groundwater Sustainability Plan (GSP) Regulations from a previous meeting to facilitate discussion on groundwater sustainability tools. The facilitator explained that under the new GSA, key decisions will need to be made

based on sustainability indicators that will have to be enforced or remedied. Minimum thresholds and measurable objectives will have to be defined locally. He encouraged the group to begin thinking about the work associated with maintaining these sustainability indicators and what tools would be useful.

The facilitator further explained that the Proposition 218 process is expensive and difficult. At the earliest, it would be a year before funding would be available through that process. Currently, funding is only available through existing agencies.

A rough cost estimate for Colusa implementation for the first year is about \$800,000-\$900,000 for studies to characterize current conditions as they pertain to the sustainability indicators. Colusa hired a consultant to create a work plan that will further refine the costs. The facilitator encouraged the group to discuss sustainability indicators, the indicator status, and potential costs associated with needed work. The conversation began with subsidence.

Comment: It is possible there is subsidence. There is a Sacramento Valley-wide study planned for the spring of 2017 to compare results from 2008 to 2017. The study will help, but the Glenn GSA(s) will still have to do further local studies.

Comment: I know there is depression of groundwater in my district according to that 2008 report and the DWR groundwater data.

DWR representatives clarified that a re-survey is being planned for the spring of 2017 and a report should be available by fall 2017. DWR will send a letter to previous cooperators soon to provide more detail.

Comment: We should take care to use existing data, and not rush to fund studies if they are not necessary.

Comment: If we solve groundwater depression, the other sustainability criteria may be solved as well.

Question: Is the subsidence we are experiencing elastic or inelastic? Response: That's what we will need to find out. That's a very important point. We are hitting very low groundwater levels where that water probably hasn't been pumped before. We really don't know how the aquifer will react.

The facilitator transitioned the discussion to another sustainability indicator-- chronic lowering of groundwater levels. We are not severely over drafted, but we will still have to defend areas where we are sustainable with data and fix areas where we are not.

Comment: We should do something similar to Colusa, hire someone to do it.

Question: What will the DWR Proposition 1 grant award received by the County accomplish?

Response: Data management and creation of a hydrogeologic conceptual model.

Question: Who hired the consultant in Colusa County? Response: The County, probably through an existing funding mechanism. There was some contribution from three water districts in the area, but all the work is done under the County's direction.

Question: How many GSAs are in Colusa County? Who would foot the bill for something like this here? Response: There are over 20 eligible agencies within Colusa County, but about 8-9 are active participants.

Comment: Districts have created agriculture water management plans already which have cost thousands of dollars. There is no way the water districts are going to foot the bill for new studies. We have no problem sharing data, but are not comfortable at all with bearing all the cost. Response: There is no way to assess fees other than through existing agencies for at least one year.

Question: Was the Colusa County report developed using readily available information to determine potential issues and to create a first look at costs associated with further investigating what is needed? Response: Yes. It is an iterative process.

Comment: Grant funding will be available after June 2017, but you have to know what you need done and how much it will cost. It's going to be very competitive. Response: There is \$86.3 million dollars remaining for SGMA related grant funding under Proposition 1, and that is all. That is not enough to meet the needs of all of the state's groundwater basins.

Comment: If grant awards only provide 50% of cost, the GSA will still have to come up with the remaining cost share.

Comment: Some areas, including Glenn County, qualify for a DAC (Disadvantaged Community) waiver to the cost share.

Comment: The districts cannot bear all the costs. Is there any way that Glenn can proceed with the 218 process? Could we develop a cost per acre of land that is subject to SGMA by using APNs (assessor parcel numbers)? That process would take years, but it is an option. Question: Would that be for white areas only? Comment: District landowners are covered under standby and Proposition 218 fees within districts.

Question: Does Colusa County assess all landowners? Response: No. It is still undecided how to move forward in Colusa County.

Comment: It is important to get this process moving and begin funding a consultant. A lead agency, probably the County, is needed to keep things moving forward.

Comment: There is difficulty in making the proposal palatable enough so that the Proposition 218 will pass.

Question: Has there been discussion in Glenn County regarding a work plan? Response: Yes there has been some regarding the sustainability indicator analysis. We have an estimate of how much this will cost.

Comment: We need to get a true estimate of the cost associated with this first step. Response: If the group decides to begin an initial discussion with a consultant to do similar work, then what is the next step?

Comment: The County should request an estimate for the work plan. Then the County could put it to the rest of the entities to see if each would be willing to fund up to a certain dollar amount. If the entire amount is not needed, the money could be refunded.

Action: It was agreed to have County staff communicate with Davids Engineering to get an estimate of the funding that would be required to complete the sustainability indicator (“crystal ball”) analysis and work plan. Once the estimate is received, the County will reach out to the other agencies for a direct solicitation to jumpstart the process prior to next meeting.

Comment: Some districts would be willing to pay the consultant directly or the County. They would also have to take the request to their respective Boards.

Governance Subcommittee Meeting #1

The facilitator summarized the Governance Subcommittee #1. There was an initial discussion about the Draft Common Principles and then discussion on possible roles and responsibilities of the GSA(s). The group deliberated whether these responsibilities might be shared by an overarching group, or by local entities. Based on the committee’s feedback, the facilitator drafted a potential governance structure. The Subcommittee will use the draft diagram and feedback received today to develop the next cut at governance. The facilitator invited participants from the Subcommittee meeting to share their thoughts.

Comment: This is an attractive alternative. It provides an opportunity to have a GSA with distributed and limited authorities. For example, we may like to retain the ability to control well permitting and extraction, but don’t necessarily need the other responsibilities. Response: The SWRCB wants to see checks and balances in place. It’s also good to have an overarching enforcement system.

Comment: I agree with the previous comment. Another benefit is that this spreads the cost out.

Comment: Some entities have information in place, while others do not. It is an equitable cost challenge.

Comment: I agree with previous statements. This is similar to the Irrigated Lands Regulatory Program in which there is a different pricing structure for each subwatershed group as well as a base fee for the overarching coalition group. For each agency to be able to be a GSA the County needs to remove their blanket notice and to respect individual irrigation districts.

Glenn/Colusa Surface Water Diverter Principles

Thad Bettner, General Manager of Glenn-Colusa Irrigation District, introduced the Glenn/Colusa Surface Water Diversions Draft Principles. Mr. Bettner suggested that governance formation may be simpler if we could agree upon the immediate needs and tools necessary to implement SGMA.

Last week irrigation districts in Glenn and Colusa Counties met to discuss what they want to see out of governance. The irrigation districts produced an outline of principles. Mr. Bettner presented the principles to the group.

Comment: Slide 4 mentions that the districts reserve the right to withdraw from a multi-agency GSA or JPA. This idea causes concern that the “off-ramp” raises costs for the other participating agencies. Response: If an agency were to withdraw that would signal a failure in implementation. There would be multiple opportunities to remedy the situation prior to withdrawal.

Comment: A recommendation would be to add a dispute resolution mechanism prior to reaching a point in which it would be needed. Response: That is being done in some areas around the state.

The creation of principles is to manage risk for the participating agencies that choose to move forward collectively.

Question: What is the risk? Response: The risk that one agency does not achieve sustainability which ultimately could throw the entire basin into the SWRCB process.

These principles are a way to create an interim agreement to keep things moving forward. If an agreement cannot be reached, it is likely that individual agencies will not feel comfortable entering into a multi-agency agreement until they have all questions answered.

Comment: The goal for the June 30th deadline is to resolve the boundary overlap. It does not necessarily require governance to be in place. Response: True, but if a proposed JPA were to file the notice for the entire area, each participating agency would need to rescind their notice.

Comment: It is not uncommon to have off ramps included in agreements. It is a way to provide accountability.

The collective agriculture water management plan was used as an example of how a GSP could be written to address individual areas conditions and authorities. It was reiterated that each area within a basin must use common datasets and tools, and the GSP(s) must be submitted collectively to DWR. There must also be coordination agreements in place.

Districts seek to avoid a top-down approach. Each member agency would be required to achieve sustainability. If the agency were not meeting its goals that would be an appropriate time for the over-arching GSA Board to assist in implementation—but only if the local agency is failing.

The Districts' Specific Principles are meant to provide guidance on what is important to the districts to be included in an agreement.

Question: Would landowners have rights to pump groundwater to their own property or district-wide? Response: It could be district-wide such as a landowners program.

Environmental requirements in streams must be a shared responsibility. These are mandatory requirements. Groundwater users intercept and pump groundwater prior to the groundwater reaching the Sacramento River. This has contributed to the decrease in river flow. We need joint solutions. Additionally, transfers of groundwater and/or surface water will require detailed conversations.

Mr. Bettner encouraged other entities to formulate and share their own sets of principles to reflect what they wish to achieve in GSA governance.

Question: Surface water districts are sometimes required to transfer water for environmental purposes. Will they also transfer for mere profit? Response: In the document, the districts have agreed not to transfer groundwater out of the basin. Following transfers are already capped at 20%. The money generated from transfers is put toward investing in programs and is also distributed to growers for their losses associated with following.

The facilitator indicated that in Colusa there has been a more robust engagement of the private pumpers. The surface water diverters have developed this presentation to help show what they envision their role to be. Colusa has also had more conversations about what governance would look like geographically. Decisions are going to need to be made soon regarding

authorities and powers and what governance really means, including a potential voting structure. SGMA does not care about the sustainability of individual entities, only sustainability basin-wide.

Glenn County has a more refined set of Common Principles to work with. Now with the set of principles from surface water diverters, it will become necessary to compare the two and see where the documents are compatible or conflicting. It will be important to weave these sets of principles into the initial agreement. One area of concern related to the principles is that there has not been an opportunity for robust feedback from the private pumpers yet.

The facilitator mentioned that the work plan being developed for Colusa will set specific responsibilities in years 1 & 2 of implementation. The Common Principles will be woven into the initial agreement as well as immediate roles and responsibilities of the GSA(s). Colusa County is continuing to pursue technical work to help define management areas. The principles presented today from surface water diverter agencies show they are willing to consider partnerships, but are looking to ensure some protections.

The facilitator has encouraged Colusa County, and will advise Glenn County, to send a “speak now or forever hold your peace” letter to all eligible GSAs. Any agency that is not participating ultimately becomes a white space that the County will be responsible for.

Colusa County is moving forward with a draft initial agreement and furthering technical work to better inform the decisions. They are using an MOU to a JPA approach. Ideally, the initial agreement will include draft bylaws, roles, responsibilities, and costs in a narrative form. The facilitator encouraged the Glenn County group to move in that direction as well. In order to move forward with the JPA approach, ultimately all agencies would have to rescind their notices and the JPA would submit a notice to be the multi-agency GSA.

The facilitator recommended that:

1. County staff talk to Davids Engineering about getting an estimate for the cost of developing a work plan, using Colusa as a model;
2. Develop early legal agreement language; and,
3. County consider sending letters to eligible GSAs confirming their participation, or non-participation in GSA development in order to more clearly identify potential signatories to the initial agreement.

What are steps we can take to get to compliance on June 30 even if there are still questions to be answered?

Comment: In Butte County, they have indicated they will rescind overlap to areas not covered by another GSA. At a previous meeting it was mentioned there can be a coordinated overlap. This seems contradictory to the discussion today that there cannot be overlap. Response: Overlap through mutual legal agreement is possible, although difficult, with a detailed description of how that works. For example, the agreement would need to cover how the area is commonly managed, how enforcement is conducted, and how authorities are divided. If all GSAs decide to create a single JPA, they all have to rescind their notices in order for the JPA to submit a notice over the entire area.

Question: If there are holes in a district that are white areas, can they be managed by the district with an agreement with the County? Response: There are three options for that type of situation.

1. The areas would be the responsibility of the County.
2. The County could give enforcement authority to a district provided that no services are provided to those areas. This option would require an agreement between the agencies.
3. The LAFCO process could be pursued to annex those areas into the district. Services would then be provided to those areas.

Question: Could that rationale also be applied to a City's sphere of influence? Response: Under Senate Bill 13, that situation is not allowed under SB 13. You can only be responsible for areas within the agency's service area boundary.

To clarify the previous question regarding DWR's coordination with federal agencies, DWR staff is coordinating at a high level with federal agencies. In the interest of time, staff is willing to share more information at a later time.

Meeting Participants

- | | |
|----------------------|---|
| ➤ Bruce Roundy | Orland City Council |
| ➤ Pete Carr | City of Orland |
| ➤ Emil Cavagnolo | Orland Artois Water District |
| ➤ Michael Alves | Glide/Kanawha Water Districts |
| ➤ Alicia Ekland | Glenn County- County Counsel |
| ➤ Mardy Thomas | Glenn County Planning and Public Works |
| ➤ Matt Gomes | Glenn County Planning and Public Works |
| ➤ John Viegas | Glenn County Board of Supervisors |
| ➤ Lisa Humphreys | Glenn County Farm Bureau |
| ➤ Anajanette Shadley | Western Canal Water District |
| ➤ Kandi Manhart | Glenn County Resource Conservation District |

- Ryan Teubert Tehama County GSA
- Mark Lohse Private Pumper
- Erin Smith Department of Water Resources
- Mary Randall Department of Water Resources
- Greg Johnson Western Canal Water District
- Thad Bettner Glenn Colusa Irrigation District
- John Garner Garner Law

Staff

- Lisa Hunter Glenn County Water Resources Coordinator
- Dave Ceppos Center for Collaborative Policy

APPENDICES

- GSA Governance Subcommittee #1 Meeting Notes
- Districts Principles-Draft Proposal Colusa and Glenn Counties Presentation

SGMA Meeting 9/30/16
GSA GOVERNANCE SUBCOMMITTEE NOTES

Introduction

The purpose of this meeting was to begin a conversation within the Subcommittee about how governance in one or more Groundwater Sustainability Agencies (GSAs) would function. By beginning discussion at the Subcommittee level, ideas can become more concise and formulated before being brought to the larger GSA audience at the October 12 Glenn County GSA meeting.

Attendees

Sharon Ellis	Private Pumper
Marcie Skelton	Glenn County Agriculture Commissioner
Kevin Backus	Glenn County Environmental Health Department
Mardy Thomas	Glenn County Planning and Public Works
Kandi Manhart	Glenn County Resource Conservation District
Anjanette Shadley	Western Canal Water District
Bill Vanderwaal	GGWD
Lisa Hunter	Glenn County Water Resources Coordinator
Emil Cavagnolo	Orland-Artois Water District
Patrick Wickham	Glenn County
Peter Carr	City of Orland – City Manager
Dave Ceppos	Center for Collaborative Policy (facilitator)

Discussion

In this meeting, various topics were discussed to begin determining how future GSA governance might be created. Major outcomes of this discussion are summarized in Table 1 at the end of this document.

The attendees focused on current Common Principles that the larger Governance Workgroup has discussed and generally supported, and a prior presentation given to the Workgroup about potential GSA roles and responsibilities.

Using this information, the attendees discussed each category of responsibilities and whether it was something that should be best addressed by an individual eligible GSA, or whether it is a responsibility that might be better shared by an overarching agency or similar.

The purpose of the discussion was to see what range of responsibilities are best delegated to the most local level possible and whether there is merit for some responsibilities to be handled by an overarching entity. Figure 1 (along with Table 1) presents the range of responsibilities that are shared and those that are believed to be addressed at a more overarching level. The Subcommittee noted that there is overlap and that in many cases, a specific responsibility needs to be addressed at various scales. Figure 2 presents a hypothetical governance diagram reflecting the responsibilities carried out at various scales.

Table 1.

SHARED RESPONSIBILITES	SEPARATE RESPONSIBILITES
Outreach and Stakeholder Engagement at Subbasin Level	
Compliance (at times)	Compliance (At times)
Funding (baseline costs) Information Sharing/Reporting	Funding (Localized Costs) Information Sharing/Reporting (Depending on Area)
Manage and Enforce Groundwater Extraction (Dispute Resolution)	Manage Groundwater Extraction (local extraction)
Property Acquisition and Management	Property Acquisition and Management
Enforcement (County-scale) Coordination	Enforcement (local agency)
Technical Data Analysis and Management Governance	Technical Data Analysis and Management Governance

Major Meeting Outcomes:

- **LOCAL AUTONOMY OF A FEW CRITICAL ISSUES KEY TO A JURISTITION,
BUT STILL MEET SUSTAINABILITY GOALS**
- **MAINTAIN EQUITABLE COSTS AS A BASELINE**
- **USE COUNTY ENFORCEMENT AUTHORITIES WHEN REQUESTED**
- **LOOK TO IRRIGATED LANDS REGULATORY PROGRAM BYLAWS FOR
EXAMPLES**

Figure 1.

GSA RESPONSIBILITIES:

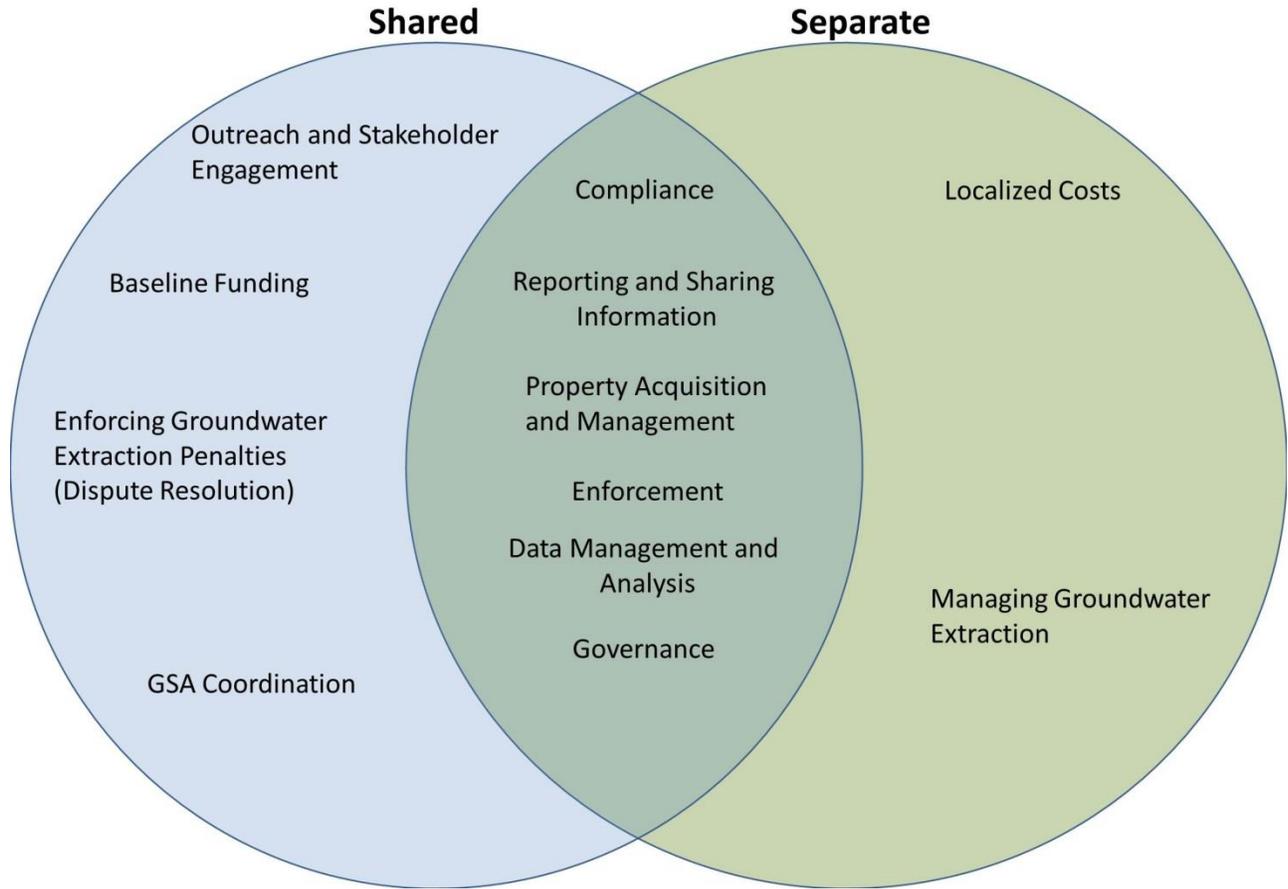
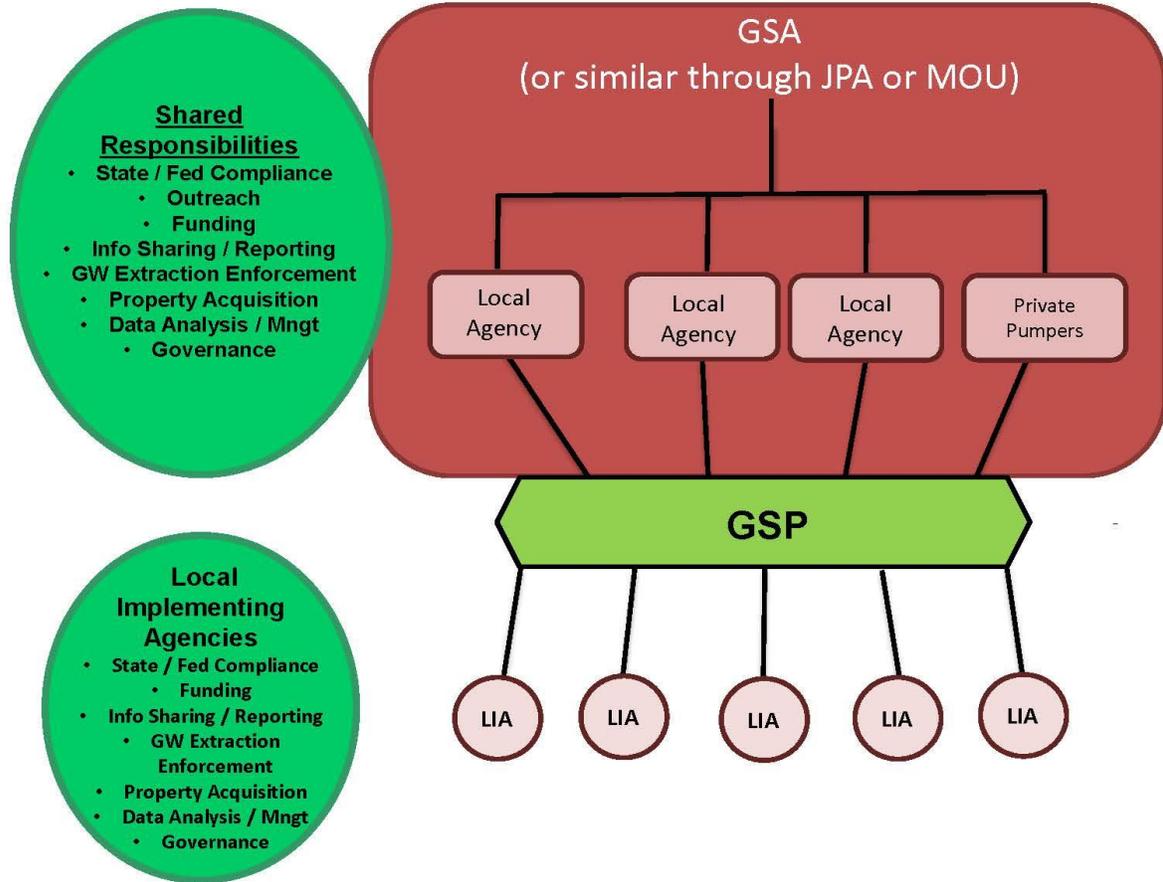


Figure 2: Example Glenn SGMA Governance Diagram





Districts' Principles – Draft Proposal Colusa and Glenn Counties

Water 101

- How much water do I use?
- Where does it come from?
- Where could it go if I weren't using it?
- What is sustainable?

Primary Themes

- Full, locally-controlled compliance with SGMA.
- Mutual cooperation, flexibility and fiscal management.
- Respect for each member agency's discretion, governmental authority, and expertise and knowledge of its groundwater conditions, demands and concerns.
- Avoidance of “top down” planning and implementation.
- Balanced/proportionate representation of private pumpers (“white areas”) interests

Governing Principles

- Preservation of each member agency's discretion to determine whether to:
 - be a GSA individually,
 - join in a GSA created by another agency that is a member of the MOA,
 - If a separate JPA is created, to have the JPA serve as the GSA for the member's area.
- Reserve the right to withdraw from a multi agency GSA or JPA, if sustainability is not being achieved in other parts of the basin

Governing Principles

- Collaboration among member agencies to develop and implement a Groundwater Sustainability Plan (GSP) or multiple plans that will meet the law's requirements, allowing each member to approve its GSP chapter or section, and preserving the members' respective authority to manage the water resources available to their constituents or customers.

Governing Principles

- SGMA governance and implementation must avoid duplicative or conflicting governmental authorities. Each member agency will have the right to approve the provisions of the GSP governing SGMA implementation within its own boundaries and to implement SGMA within its boundaries. Subject to those limitations, each member agency retains and preserves any police powers or other authority it has to regulate groundwater use within its boundaries as long it's achieving sustainability.

Districts' Specific Principles

- Landowners within Water/Irrigation Districts (WD's/ID's) are overlying landowners and have the same overlying rights to groundwater as overlying landowners in the private pumper “white areas”.
- WD's/ID's act on behalf of and serve as trustee for all landowners within their service area. WD's/ID's will cooperate with their landowners to manage and optimize their share of the natural recharge of the Basin at the District level.

Districts' Specific Principles

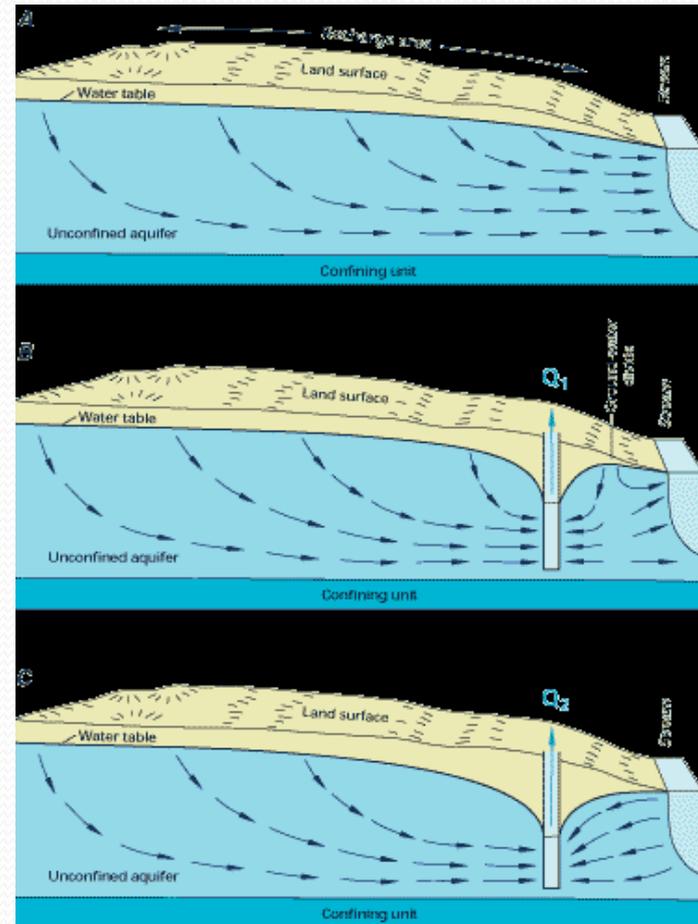
- WD's/ID's recharge the groundwater basin with surface water through leakage from canals and distribution and drainage systems and deep percolation of applied crop water. WD's/ID's may need to call on this recharged groundwater as surface supplies become more limited.

Districts' Specific Principles

- Additional flows will be needed to meet increasing environmental requirements in streams, rivers, the Bay-Delta, or for other purposes. All users have an obligation.
- Surface water Districts may be willing to meet the basin shared obligation but additional groundwater pumping may be needed

Sacramento River Flows

- Sacramento River is now a losing stream from Redding downstream
- 30-40% of Irrigation Demand is met by groundwater
- SWRCB Initiating Phase II of Bay-Delta Plan, 2010 Flow Report showed estimate of 1,000,000 AF



Districts' Specific Principles

- WD's/ID's will use surface water and groundwater for local transfers to meet local demands. Following transfers will also occur both in and outside of the groundwater basin, with transfer quantities based on avoided consumptive use. Revenue from transfers will be used by WD's/ID's to help fund their increasing surface water costs, sustainable groundwater management, infrastructure improvements, restoration activities, and other water management obligations, including SGMA, and initiatives. Surface water transfers will potentially serve as a tool to settle disputes over environmental obligations or to mitigate impacts during drought periods.

Districts' Specific Principles

- Where local actions are necessary to address falling groundwater levels and subsidence caused by localized groundwater extraction in excess of sustainable yield, WD's/ID's will attempt to contribute to solutions, but groundwater users will be required to contribute.

Governance Questions

- How to define interests, voting, costs,
- Need to identify desired outcomes
- Need to identify suite of actions and tools
- Is the Glenn county portion of the Colusa basin currently sustainable or not?



End