Special Meeting – Management Subcommittee Topics

City of Paso Robles Safety Center 900 Park St. Paso Robles, CA Monday, February 2, 2015 9:00 am - 11:00 am

www.PasoBasin.org

- 1. Introductions and Advisory Committee Members Present
- 2. Recap January Management Subcommittee Meeting and Approval of Meeting Notes
- 3. Water District Formation

a. Purpose of Water District

(Halley)

b. Formation Application Update

(Church and Diodati)

4. Complying with Sustainable GW Management Act

Proposed Agenda for Upcoming Strategy Meeting

(Brown)

- 5. Actions to Sustain Supplies
 - a. Monterey County Update

(Johnson)

b. City of Paso Robles Update

(Halley)

c. County of San Luis Obispo Update

(County)

6. Recommendations to Main BAC

(Halley)

- a. Comparison of Powers AB 2453 vs. Sustainable Groundwater Management Act
- b. Letter Regarding Use of Surplus Nacimiento Water
- c. Letter Regarding Supplemental Water Outline
- 7. Future Subcommittee Topics

(All)

The next meeting of the Basin Advisory Committee is scheduled for Thursday, 2/19/15 at 2:00 pm at Templeton Community Center.

The purpose of the Paso Basin Advisory Committee is to advise the County Board of Supervisors concerning policy decisions relating to:

- Implementation of the Basin GW Management Plan
- Development of a "enhanced" Groundwater
 Management Plan for the Basin
- Formation of a new water district
- Transition of an initial County-supported district to an independent district
- Other policies and ordinances

The Committee will also serve as a public forum to discuss and collect comments on Basin issues.

The next meeting of the Management Subcommittee is scheduled for Monday, 3/2/15, at 9:00 am in the Paso Robles City Council Chambers, 1000 Spring St.

The purpose of the Management Subcommittee is to track and advise on formation of Water District as well as proposed Joint Powers Authority. Make recommendations to the full Advisory Committee regarding the management plan, whether that be the amended "AB 3030" or the "Pavley-Dickinson" format. Subcommittee likely to sunset once JPA is formed.

PASO ROBLES GROUNDWATER BASIN ADVISORY COMMITTEE PASO ROBLES CITY COUNCIL CHAMBERS

January 12, 2015 MEETING NOTES

A special meeting of the Committee was convened to facilitate a publicly-noticed meeting of the Management Subcommittee.

- 1. <u>Introductions and Determination of a Quorum:</u> Quorum lacking at onset of meeting such that Management Subcommittee discussion items were first addressed. Actionable Basin Advisory Committee item held until quorum later established.
- 3. <u>Approve December Management Subcommittee Notes</u>: Subcommittee Member Cunha moved to approve December 1, 2014, meeting notes with a second by Subcommittee Member Luft (5-0-1-3)

4. Water District Formation Discussion

- a. <u>LAFCO Update</u> David Church, Executive Officer of the Local Agency Formation Commission, confirmed that further consideration by LAFCO awaits application submittal by the San Luis Obispo County Flood Control & Water Conservation District. Is participating in some Groundwater Sustainability Agency discussions such at those surrounding the Atascadero subbasin. Contemplated changes to State Dept of Water Resources' "Bulletin 118" groundwater basin boundaries are accompanied by scientific, hydrogeologic evidence and are considered at the State level.
 - Craig Thomas, representing Spanish Lakes Mutual Water Co., asked about compliance with the newly enacted Sustainable Groundwater Management Act and remarked that the water company had yet to be approached on the subject. Carolyn Berg of San Luis Obispo County Public Works Dept shared that the Board of Supervisors would consider compliance and outreach topics at their January 13th and 27th meetings. She expects to open dialogue with broader set of stakeholders following Board of Supervisors' direction.
- b. Formation Application Update Carolyn Berg shared that staff is on track to submit Water District application materials for Board of Supervisors' consideration in April 2015. Boundary matters are being evaluated now, as well as recommending initial operating budget which is expected to be on the order of \$1 million/yr, excluding special programs and projects. MBS Financial Group has been hired to assist, utilizing information provided in the "Comparative Analysis and Conceptual Initial Operating Budget for the Proposed Paso Robles Water Management Agency" dated June 27, 2014, by HydroMetrics. The comparative cost to comply with the Sustainable Groundwater Management Act via a Flood Control District zone of benefit is being assembled by County staff.
- c. <u>Defining Basin Boundary and GSA's</u> Christine Halley reviewed the need to confirm the boundary to be addressed in the Paso Robles Groundwater Basin Sustainability Plan, noting that groundwater basin portion of DWR Basin 3-4.06 is likely to be addressed in a single, coordinated Plan. Her understanding is that the Sustainable Groundwater Management Act sets an expectation that a single Groundwater Sustainability Agency would comply basinwide, but

allows for multiple "GSA's" so long as the Plan is adopted by all.

Confirmation of the boundary and who will act as GSA(s) is foundational to compliance with the law. More importantly, getting thus organized is foundational to sustaining water supplies.

The Management Subcommittee appeals to the County Dept of Public Works to host strategy meetings initially with larger stakeholders with the intent of expanding the discussion through the Management Subcommittee and other venues to include more stakeholders over time. Christine agreed to contact the County Public Works Director to make the arrangements.

2. Rescheduling January 2015 Basin Advisory Committee Meeting — Upon confirmation that a quorum was now present by Committee Chairman Neil, Member Spencer moved to cancel the regularly scheduled meeting of the Basin Advisory Committee on January 15, 2015, and to instead hold a special meeting on January 22, 2015, from 2:00 pm to 4:00 pm at Paso Robles City Council Chambers. Member Neil seconded the motion; (14-0-0-0).

5. Groundwater Sustainability Action

- a. No representative of Monterey County or the Monterey County Water Resources Agency was present to report status.
- b. Carolyn Berg announced that the San Luis Obispo County Board of Supervisors would consider countywide Groundwater Sustainability Act compliance steps at their January 13, 2015, meeting. On January 27, 2015, they will consider the Paso Robles Groundwater Basin area in particular.
- c. John Neil updated the group on the potential for the Atascadero subbasin area to organize as a separate GSA, poised to participate in and adopt the basinwide Plan. Unique issues surround the Atascadero subbasin area such as the presence of the Rinconada Fault and other hydrogeologic features, but perhaps most importantly are the steady water levels that suggest sustainability. The unique setting suggests that sustainability steps and oversight may be best apart from the proposed Water District. Expectations are that costs to organize as an Atascadero subbasin area GSA and to comply with the Plan would be significantly less than if approached as part of the broader Water District, particularly if Atascadero Mutual Water Co. were to provide primary GSA administrative support.

Management Subcommittee members made remarks confirming City of Paso Robles' inclusion in the subbasin area, benefits of adhering to DWR Bulletin 118 basin boundaries, and questioning the basis for a groundwater "subbasin" designation. Overall, organizing the Atascadero subbasin into a GSA would follow the same basic steps as would be followed if the area were to join the Water District and others in the main basin.

Atascadero Mutual Water Company and others in the subbasin area will continue to meet to consider this topic.

d. No steps have been taken to act on the Basin Advisory Committee's September 2014 recommendation to release surplus Nacimiento water for North County regional benefit.

Paso Robles Groundwater Basin Advisory Committee – Special Meeting January 12, 2015 Meeting Notes

- 6. <u>Management Subcommittee 2015 Meeting Calendar</u> Schedule for first Mondays of the month from 9:00 to 11:00 am at the Paso Robles City Council Chambers (to be confirmed).
- 7. <u>Future Management Subcommittee Meeting Topics</u> Member Steve Crouch has stepped down due to a health issue, so Christine Halley to work with Courtney Howard to seek a replacement. Members Frost, Engel, and Harvey express willingness to fill the open subcommittee seat.

Consider ways to involve mutual water companies and other stakeholders in Sustainable Groundwater Management Act compliance.

Meeting adjourned approximately 10:40 am.

Next meeting of the Management Subcommittee is tentatively scheduled for Monday, February 2, 2015, at 9:00 am at Paso Robles City Council Chambers.

Notes prepared by C. Halley

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Paso Basin Advisory Committee Special Meeting – Management Subcommittee Topics

Agenda Item 4 - Complying with Sustainable GW Management Act

On January 12, 2015, the Management Subcommittee appealed to the County Dept of Public Works to host "strategy meetings" initially with larger stakeholders with the intent of expanding the discussion through the Management Subcommittee and other venues to include more stakeholders over time.

The intent of the strategy meetings is to confirm the boundary to be addressed in the Paso Robles Groundwater Basin Sustainability Plan and who will act as Groundwater Sustainable Agency(s).

Proposed agenda items for the initial strategy meeting is:

DRAFT AGENDA

- A. Introductions
- B. Recap Groundwater Basin Sustainability Act Compliance Points
- C. Confirmation of "Basin Boundaries" in context of Sustainability Act

(Agree that DWR Basin 3-4.06 is boundary to address?)

D. Organization of GSA's

Consider both Monterey and San Luis Obispo Counties; Camp Roberts, etc.; Discuss how many GSA's might be needed for basin management

E. Coordinated Preparation of the GW Sustainability Plan

Cost/economics of GSP preparation; Necessity for Joint Powers Agreements and/or Memoranda of Understanding

Desired Outcome – General agreement on boundary and likely GSA's.

With Management Subcommittee concurrence, we will forward this to the San Luis Obispo County Public Works Director as an assist in calling the first meeting.

Agenda Item #6 Recommendations to Main BAC

An Advisory Body to the San Luis Obispo County Board of Supervisors

At the January 27, 2015, meeting of the Board of Supervisors, there was discussion regarding the proposed Water District powers enumerated in AB 2453 vs. the powers as stated in the State's Groundwater Sustainability Act.

In our Management Subcommittee discussions during 2014, we observed the close similarities between the two bills as they made their way through the legislative process. Perhaps a comparison of powers would be helpful to circulate again.

Attached is a comparison that the Management Subcommittee may want to forward along to help in this regard.

COMPARISON OF POWERS AND AUTHORITIES BETWEEN 2014 STATE GROUNDWATER MANAGEMENT ACT ("PAVLEY-DICKINSON") AND AB2453

This is a brief summary/comparison and should not be relied on for legal purposes (Note: Bolded numbers in parentheses are footnoted at bottom; non-bolded numbers in parentheses are water code references)

PAVLEY-DICKINSON	AB2453 (PR Groundwater Basin) (4)
GENERAL AUTHORITIES	
All authorities in bill are available to a GSA which has filed	
a GSP (10725[a))	
GSA may adopt rules, regulation, ordinances and	
resolutions (10725.2(b))	Authority to adopt ordinances (37921)
INVESTIGATIONS AUTHORITIES	
Authority to determine the need for groundwater	
management (10725.4(a)(1))	Authority to conduct studies (37928)
Authority to investigate preparation and adoption of a GSP	Authority to develop plan to implement management
(10725.4(a)(2))	objectives (37940)
	Authority to develop a GMP (5) (6)
Authority to investigate proposing and updating fees	
(10725.4(a)(3))	
Authority to investigate monitoring compliance and	
enforcement (10725.4(a)(4))	
Authority to include surface waters and surface water	
rights in it investigations (10725.4(b))	
Authority to inspect property/facilities in its investigations	
by permission or warrant (10725.4(c))	
	Authority to investigate extraction of water from extraction
Authority to investigate extractions in connection with	facilities where there is probable cause or non-reporting
groundwater charges (10730.8)	exists (37952)
GROUNDWATER MANAGEMENT AUTHORITIES (1)	
Authority to require registration of groundwater extraction	
facilities (GEF) (10725.6)	Similar to P-D (37950)
Authority to require water-measuring devices on all GEF in	
management area (10725.8(a))	Similar to P-D (37950)
Authority to defer costs for water-measuring devices to	
owner (10725.8(b))	
Authority to require annual reporting of acre-feet	Similar to P-D but can be more frequent than annually
extractions from all operators (10725.8(c))	(37929, 37950, 37954) (7)
Authority to use alternative methods to determine	Authority to establish reasonable methods to compute
extractions (10725.8(d))	amount of water extracted (37953)
Authority to require reporting of surface water diversions to	
underground storage (10726)	
De mimimis extractor (2 AF or less/year) excluded from	Authority to exclude de minimis extractors from
metering (10721(e), 10725.8(e))	requirements and to determine de minimis amount (37927)
	Authority to require conservation practices (37950)
	Authority to require proof of water measuring device's
Dian (CCD) to obtain quateins bla successive to	accuracy (37952)
Plan (GSP) to obtain sustainable groundwater	
management within 20 years (10727.2(b))	

PAVLEY-DICKINSON	AB2453 (PR Groundwater Basin) (4)

ADMINISTRATIVE AUTHORITIES Authority to conduct real and personal property transactions (10726.2(a)) Authority to appropriate and acquire water or water rights, import, conserve and store water (10726.2(b)) Authority to establish a program for voluntary fallowing ag lands (10726.2(c)) Authority to allow water and water rights transactions (e.g. in lieu exchanges) (10726.2(d)) Authority to manage/handle waste water (10726.2(e)) Authority to legally defend the GSA (10726.2(f)) EXTRACTION AUTHORITIES (2) Authority to impose well spacing requirements (10726.4(a)(1)) Authority to control extractions through regulating, limiting, suspending extractions, new wells and changes to existing
transactions (10726.2(a)) Authority to appropriate and acquire water or water rights, import, conserve and store water (10726.2(b)) Authority to establish a program for voluntary fallowing ag lands (10726.2(c)) Authority to allow water and water rights transactions (e.g. in lieu exchanges) (10726.2(d)) Authority to manage/handle waste water (10726.2(e)) Authority to legally defend the GSA (10726.2(f)) Authority to legally defend the GSA (10726.2(f)) EXTRACTION AUTHORITIES (2) Authority to impose well spacing requirements (10726.4(a)(1)) Authority to control extractions through regulating, limiting,
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Authority to control extractions through regulating, limiting,
wells (10726.4(a)(2)) Similar to P-D (37950)
Authority to allow temporary and permanent transfers of
allocations (10726.4(a)(3))
Authority to allow carryover of unused allocations from one
year to the next (10726.4(a)(4))
Authority to impose operation regulations on extraction
facilities (37950)
Extraction allocations and surcharges to bring basin to sa
yield in 10 years (37965(a))
OTHER GENERAL AUTHORITIES
Authority to apply to the courts to validate the GSP (10726.6)
FINANCIAL AUTHORITIES
Authority to levy extraction charges to fund district activiti
Authority to impose permit and extraction fees to fund GSA tiered pricing probably allowed but must be uniform acros
activities ("regulatory fee") (10730) District (37960)
District (37 900)
Authority to use alternative method for collection of fees
("service fee") - subject to 218 - may provide for tiered
pricing (quantity/when pumping started) (10730.2)
Authority for local agency to impose fees prior to GSP if a
GMP is in effect (AB3030) prior to 1/1/2015 (10730.2(b))
Authority to charge interest on delinquent extraction
Authority to collect late charges and penalties (10730.6(b)) surcharges (37962, 37967)
Authority to pursue legal action/lien against delinquent fees Authority to lien property for delinquent extraction
(10730.6(c)) surcharges (37969)
Authority to order cessation of extraction for delinquent
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fees (10730.6(e))
Authority to establish extraction allocations and surcharge
Authority to allocate extractions (10731(a)) (3) (37964) (8)

PAVLEY-DICKINSON	AB2453 (PR Groundwater Basin) (4)

ENEGRAPHENT AUTHORITIES	
ENFORCEMENT AUTHORITIES	
Authority to pursue civil penalties for excess extraction	
(10732(b)(1))	
Authority to pursue civil action against violators	Authority to pursue legal action to collect delinquent
(10732(b)(2))	extraction surcharges (37968)
Authority to administratively impose civil penalty	Authority to collect civil penalties from violators (37922 and
(10732(b)(3))	37923)
	Authority to collect fines from violators (37922)
	Authority to file for restraining orders and injunctive relief
	(37924)
	Authority to pursue legal action for unreasonable uses
	affecting groundwater supply (37950)(c)
	Authority to collect late penalties on extraction surcharges
	(37967)

- (1) De minimis extractors excluded from the following authorities Line 19 through 23 (10725.8(e))
- (2) The GSA does not have the ability to regulate the issuance of well permits unless the County confers that ability (10726.4(b))
- (3) Extractors can protest allocation amounts, fees and penalties (10731(b))
- (4) All authorities are subject to LAFCo review and approval (37920)
- (5) The GMP may establish zones or regions in the basin (37941)
- (6) The GMP may include policy on well spacing, ban on new irrigated acreage or new municipal systems wells (37942,37950)
- (7) In addition to acre-feet, must also report static groundwater level, location of facility, crop type or other uses, method of measurement or computing extraction (37929, 37950, 37954)
- (8) Surcharges set at a maximum of \$200 per acre-foot, which may be increased to assure achieving safe yield (37966)

version 6 Oct. 1, 2014 prepared by Bob Brown and Laurie Gage

An Advisory Body to the San Luis Obispo County Board of Supervisors

February XX, 2015

DRAFT - for BAC consideration

Honorable Frank Mecham, Chairperson of the Board of Supervisors County of San Luis Obispo 1050 Monterey Street San Luis Obispo, CA 93408

Re: Inquiry Regarding Amended Approach to Supplemental Water Study

In October of last year, your Paso Basin Advisory Committee unanimously advised amending the approach to the Supplemental Water Study. A short-list of supplemental water options was advised, allowing time for your Basin Advisory Committee and Subcommittees to make use of the more immediate action list before proceeding further.

In the four months since that request, the recommended short-list has yet to appear.

We reiterate our advice that a summary of supplemental water options, in terms suitable for a broad audience, would be valuable. Sustaining water supplies in the North County remains our principal aim and supplemental water is likely to play a role in that sustainability. Describing just how that might be accomplished is foundational.

On behalf of the Paso Basin Advisory Committee, I reiterate our recommendation to prepare such a short-list and inquire as to the status of this request.

Sincerely,

John B. Neil Chairperson, Paso Basin Advisory Committee

cc: San Luis Obispo County Board of Supervisors, All Districts

An Advisory Body to the San Luis Obispo County Board of Supervisors

February XX, 2015

DRAFT - for BAC consideration

Honorable Frank Mecham, Chairperson of the Board of Supervisors County of San Luis Obispo 1050 Monterey Street San Luis Obispo, CA 93408

Re: Inquiry Regarding Release of Nacimiento Surplus Water for North County Benefit

In September of last year, your Paso Basin Advisory Committee unanimously advised use of available surplus water from the Nacimiento Water Project for release into the Salinas River for the general benefit of North County water supplies.

In the five months since that recommendation, we have yet to see any authorization put forward for the Board of Supervisors' consideration.

Nacimiento water is available to put to regional use. Discharge permits are in hand for releases at three locations along the Salinas River. Using Flood Control General funds for actual water delivery is an advisable water management step, especially given the current drought conditions and the fact that the County may not carry over unused water from year to year. Thus, the Paso Basin Advisory Committee's recommendation to the Board of Supervisors is:

- 1. To use available surplus water from the Nacimiento Water Project for release into the Salinas River for the general benefit of North County water supplies;
- 2. To allocate sufficient funding to make such releases; and
- 3. To monitor the results of releases as data points for ongoing/future similar actions.

On behalf of the Paso Basin Advisory Committee, I reiterate our advice that arrangements be made for Nacimiento releases now, so that water may flow once the pipeline is back in service.

Sincerely,

John Neil Chairperson, Paso Basin Advisory Committee

cc: San Luis Obispo County Board of Supervisors, All Districts