

**NORTH BAY WATER DISTRICT
22950 BROADWAY, SONOMA, CA 95476**

Board of Directors

Mike Mulas, President and Chair (Sonoma Valley); Craig Jacobsen, Vice-President (Petaluma Valley); Carolyn Wasem, Secretary (Petaluma Valley); Matthew Stornetta, Treasurer (Sonoma Valley); and Mike Sangiacomo (Sonoma Valley)

PVGSA Advisor: Eugene Camozzi SVGSA Advisor: Jim Bundschu
SGMA Compliance Advisor: Mike Martini
Legal Counsel: Richard Idell

Date: March 8, 2022

Time: 4:00 PM

Location: 22950 Broadway, Schell-Vista Station #1 (via Teleconference due to Covid-19 Shelter-in-Place Order)

MEETING MINUTES

1. CALL TO ORDER/ROLL CALL

Chair Mike Mulas called the meeting to order at 4:04 pm. Board Members Mike Sangiacomo, Craig Jacobsen, and Carolyn Wasem were present.

CLOSED SESSION

There were no closed session items.

2. PUBLIC COMMENT PERIOD

There were on public comments.

3. APPROVAL OF MINUTES OF PREVIOUS MEETING

Director Jacobsen made a motion to approve the February 2022 Minutes. Director Sangiacomo seconded the motion. The Minutes were unanimously approved.

4. FINANCIAL REPORT

Chair Mulas reported that NBWD will incur additional fees for participating in the GSAs. NBWD has \$62,132.97. Director Sangiacomo made a motion to approve the Financials. Director Jacobsen seconded the motion. The motion was unanimously approved.

5. ITEMS FOR CONSIDERATION

Item 1: Update from Counselor Richard Idell

No updated from Counselor Idell.

Item 2: Report of Director Mike Sangiacomo on Sonoma Valley GSA

The last GSA meeting was held on the next meeting is scheduled for March 28th. A Rate and Fee Study Community Meeting is scheduled for March 29th.

As the last meeting, the GSA discussed the updated GSP and the rest of the meeting was devoted to rates. The Board was presented with several ways to look at rates to support the long-term viability of the GSA.

Parcel Tax: It would cost \$160K to get on the ballot, plus a campaign would be required.

Hybrid Approach to Fees: A hybrid approach was discussed that would incorporate groundwater fees voted on by landowners (similar to LAFCO); and direct pumping fees.

Groundwater pumping Fees: The value of using a fee-based model is that grants are potentially available to offset the expenses. The big concern is the groundwater pumping fees are a bit high. Estimated cost for Sonoma Valley is looking like \$95 –\$160-acre foot.

This varies from the Santa Rosa Plain fees associated with groundwater pumping range between \$60- \$90 per acre foot of water pumped. The GSA will be seeking assistance and proposals for managing the GSAs going forward. Ann Dubay, after June of 2022, will no longer serve as Administrator to the GSA.

There were concerns expressed regarding the budget: approx. \$1 million dollar range. The Valley of the Moon Water District and Mike Sangiacomo will look more closely at the budget. If a reduction of \$200K-300K could be achieved it could be helpful in building support and consensus.

Board members also raised the idea of combining the three GSA Board for efficiency. Director Sangiacomo's concerns: Currently agriculture has 2 ag-friendly voices in both the Sonoma Valley and Petaluma Valley basins – if we combine with Santa Rosa Plain, do we dilute Ag's positioning on the board/ Ag's vote?

Advisor Camozzi Eugene asked is we should talk about agriculture and urban water uses having two different rates? The municipality can resell their water for more than agriculture.

Director Sangiacomo responded that water will be too expensive for agriculture but that is something we could certainly ask.

Advisor Camozzi added that agriculture does not have the same mark-up for water as the City of Petaluma. Why is agriculture being asked to pay the same acre foot per acre charge.

Director Sangiacomo suggested that the staff/GSA Board members that represent municipalities will argue that municipalities use more water so therefore will be paying more by volume. Indeed, Sonoma and others suggested that the per acre foot amount being asked of agriculture does not approach what the cities/urban water suppliers are paying for water now.

Item 3: Report of Director Carolyn Wasem on Petaluma Valley GSA

The last GSA meeting was held on February 24th. The next meeting of the Petaluma Valley GSA will be held on April 28th. A Rate and Fee Study community meeting will be held on March 30th. The intent of the meeting is to share with the public the background for GSA establishment, the GSP development process and the need to fund the Agency long term. The meeting on the 30th commences at 5:30 pm and will be held via zoom.

The Farm Plan has been shared with the GSAs and the Board of Supervisors. Mike Martini and I have had conversations with using the Farm Plan as a method for tiering fees associated with groundwater pumping. We have also discussed with Board of Supervisor members the need to provide some form of a cap associated with rate increases as the plans are implemented.

At the last meeting the Board of Directors approve the extension of the SCI Consulting Group's contract for community engagement to December 31, 2022.

Marcus Trotta presented an update of the Groundwater Sustainability Plan for the Petaluma Valley. The approved Plan was submitted to the Department of Water Resources and is available for public comment through April 23, 2022.

Implementation activities and dates include:

- Completion of Prop 68 rural engagement project – March 2022
- Completion of Permit Sonoma Prop 68 scope – Due March 2022
 - o Modification to Well Permitting Process and Database
 - o Groundwater Monitoring Program improvements and GSA coordination
 - o Improvements to support GUIDE program
- Completion of multi-level monitoring well project – due October 2022
- Completion of seepage runs – due October 2022
- Routine annual monitoring and data compilation/evaluation
- Rate and Fee Study – due June 2022
- Prioritize projects and studies for SGMA Implementation Round 2 Grants – solicitation opens Sept 2022

Project and Management Actions for 1st year of Implementation include:

- Initial coordination with land use agencies for policy options management action
- Develop scope for WUE/alternate water source study
- Initial Farm Plan coordination
- Develop scope for ASR feasibility study planning
- Sonoma Water recently awarded funding from DWR to advance ASR at Sebastopol Road and Occidental Road wells (Santa Rosa Plain)

Studies/activities to address Data Gaps

- Initial evaluation of AEM data – pending data availability from DWR
- Initial coordination with interconnected surface water (ISW) work group to scope studies
- Planning and initial outreach for voluntary groundwater-level monitoring program
- Initial planning for model improvements

The GSA Board discussed option for Funding the GSAs going forward, the options are listed below:

Type	Who Pays?	Issues to Consider
Parcel tax	Everyone in the basin	Least amt. per payor; 2/3 vote reqd.; Ballot Measure/Campaign needed
Irrigated Ag	All GW irrigators	Big irrigators pay more; challenging to administer; base on land use
Ac Ft GW Used	All GW pumpers	Most common method; related to gw use; estimated use not metered
Well Head Fee	All Well Owners	Unrelated to gw pumped; wells not in use?; classify wells by use?
Benefit Assess	Benefitted GW Pumpers	Specific balloting; highly transparent; spread cost widely
Member Agency	Rate/Taxpayers in Agency	Member support for 5 yrs; some members want comp; differing finances
Grants	State/Fed Taxpayers	SGMA Grants; Grants do not cover projects and programs
Hybrid	Depends on Options	Many GSAs use hybrid approach with funding from Agencies and fees

Assessment for Well Data will be Based upon:

- DWR Ag and Land Use data for applied water estimates
- Urban residential pumping well data from municipalities
- DWR Land Use data for GW irrigated crop areas
- Water purveyors reported GW production
- Recycled water purveyor estimates to agriculture usage
- Small water service providers reported GW production
- Sonoma County Recorder-Assessor
- Rural GW user studies and estimates 2022
- Groundwater Sustainability Plan

Annual Budget (operation and implementation_

• Average of first five years	Item	Total Cost
• Updated from GSP • Efficiencies for three sister GSAs factored in	Operational	\$ 451,600
• Includes financial reserves - Two months operations	Data Gaps	346,000
• Does not include repayment of prior member contributions	Projects/Actions	50,000
	5-yr GSP Update	60,000
	10% contingency	96,200
		\$ 1,053,800

While concerns were raised about the cost for groundwater irrigators, it was noted that bigger irrigators could be asked to pay more. It was discussed that this approach could present

challenges from an administration standpoint. Fee based on acre feet of groundwater pumped is cleaner.

All groundwater pumpers are the most common methodology as it is related to groundwater use. The numbers for costs were arrived at by estimating for nonmetered pumpers. Well head fees are also clean. All well owners would pay a flat fee. However, that is not as equitable as use fees. Questions arise as to how to handle wells that are not being used.

A program that is specific to a balloting/notification process is highly transparent and has the potential to spread costs widely (or narrowly) among beneficiaries.

Continuing with Member Agency contributions was also discussed. Municipalities/Water Agencies are concerned that they have supported the GSA for five years with some member agencies wanting to be paid back for past contributions. Another challenge is that all agencies are in the same financial position.

It is important to keep in mind that grants that the SGMA competitive grant applications will open in September 2022. The focus of grant funding is on projects and programs (generally not operations and reporting)

Hybrid programs depend on the options chosen. Many GSAs use a hybrid approach, with some funding coming from one or more member agencies; or using more than one type of fee.

The first annual report will be due on April 1, 2022.

Sonoma Water also put the Board on notice that as of the end of the contract, June 30, 2022. Sonoma Water has indicated that it will no longer be able to provide grant services and administrative services to the GSA. Sonoma Water has the capacity, interest, and expertise to continue providing technical and outreach services at market rates to the GSA as it begins to implement the GSP. A contract for awarding Administration of the GSAs will be May 12, 2022.

To achieve savings for Administrative Services, it is under discussion that the three Sonoma County GSAs plan to jointly issue a Request for Proposals (RFP) for agency administration and grant management.

Item 4: Report by Advisor Jim Bundschu

Advisor Bundschu was not present.

Item 5: Report of Advisor Eugene Camozzi

Advisor Camozzi did not add any more than was discussed with Director Sangiacomo.

Item 6: Report of Compliance Advisor Mike Martini

Advisor Martini was not present.

Item 7. Report by Ginalisa Tamayo on Website Development

Advisor Tamayo provided an update on the website.

6. ADJOURNMENT

With no other business to discuss, Director Wasem made a motion to adjourn. Director Jacobsen seconded the motion. The meeting was adjourned at 5:00 pm.

The Next scheduled meeting is April 12th at 4:00 pm. Again, those who wish to attend in person will be able to do so. There will be a zoom option for those that cannot make the meeting in person.

Board meeting documents are available to review prior to the meeting at the Shell-Vista Station, 22950 Broadway, Sonoma California. Please call or contact Mike Mulas for an appointment to obtain a copy.