

**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: May 10, 2022

Time: 6:00 PM

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

1. CALL TO ORDER/ROLL CALL

Chair Mike Mulas called the meeting to order at 6:03 pm.

2. CLOSED SESSION (Prior to holding any closed session, the Board of Directors shall disclose, in an open meeting, the item or items to be discussed in closed session. There were no closed session items.

3. PUBLIC COMMENT PERIOD (At this time, members of the public may comment on any item not appearing on the agenda. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for consideration by the Board of Directors) There were no public comments.

4. APPROVAL OF MINUTES OF PREVIOUS MEETING Director Jacobsen made a motion to approve the April 2022 Minutes. Director Wasem seconded the motion. The Minutes were unanimously approved.

5. FINANCIAL REPORT Chair Mulas reported that NBWD will incur additional fees for participating in the GSAs. NBWD has \$ 60,538.31 in the bank. Chair Mulas is currently working on finding an appropriate auditor for the financials. Director Stornetta made a motion to approve the Financials. Directoren Jacobs seconded the motion. The motion was unanimously approved.

6. ITEMS FOR CONSIDERATION

Item 1: Update from Counselor Richard Idell

Counselor Richard Idell had no update.

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

The last meeting of the Sonoma Valley GSA was held on April 25th.

Marcus Trotta updated the Board on GSA implementation. The findings associated with the Annual Report are as follows:

Key findings include:

- Water year (WY) 2020 is classified as a normal year and WY 2021 is classified as a very dry year. Although the region also experienced well-below average rainfall and very dry conditions in WY 2020, it is classified as a normal year using the GSP methodology which applies a 3-year rolling weighted average.
- Groundwater levels are lower in the central portions of the Subbasin within the shallow aquifer system in WY 2021 compared with WY 2020. Declines of 5 feet occurred in many areas and declines of up to 10 feet occurring in isolated areas of the Subbasin.
- The deep aquifer storage demonstrated a cumulative estimated storage losses since 1971 reaching approximately 260 acre-feet.
- Chloride data was not available for this first report.
- There were no water quality concerns.
- There were no identified concerns with subsidence in WY 2021.
- Groundwater levels that served as proxies for depletion of interconnected surface water were below minimum thresholds at four of the ten RMPs in WY 2021.
- Due to the significant data and information gaps associated with the depletion of interconnected surface water
- "Total water use within the Subbasin is estimated to be 14,178 acre-feet in 2020 and 13,551 acre-feet in 2021. The lower water use in 2021 is primarily due to the drought conditions which resulted in increased levels of conservation of imported surface water in the urban water use sector."

Groundwater Permitting

Using Proposition 68 funds, Permit Sonoma is improving the collection, compilation, and management of groundwater information maintained by the County and establishing protocols and procedures for sharing groundwater information between Permit Sonoma and the GSAs in Sonoma County. Outcomes will include:

1. modification of the well permit application to include information on well depth, enhance land use options, number of units for residential, type of crop and number of acres to be irrigated, and increase options for reason for new well. This work is scheduled to be completed in June 2022.

Fee Study

The Fee Study consultants presented the following options for Board Consideration

All Rates are Annual on an AF per Year Budget

Types	Advantages	Disadvantages	Who Pays	What Amount
Parcel tax	<ul style="list-style-type: none"> • Least expensive per payor • Could be tiered by land use 	<ul style="list-style-type: none"> • Requires 2/3 voter approval • Expensive to place on ballot • Cannot be implemented until Year 2 	<ul style="list-style-type: none"> • All taxable parcels in the basin 	<ul style="list-style-type: none"> • \$50- 90 per parcel
Benefit Assessment	<ul style="list-style-type: none"> • Lower rate • Reflects the benefits of groundwater to everyone in basin 	<ul style="list-style-type: none"> • Requires landowner approval (50%, weighted) • High cost to implement • Cannot be implemented until Year 2 	<ul style="list-style-type: none"> • All parcels that benefit from groundwater 	<ul style="list-style-type: none"> • \$70-115 per AFY • \$35 - \$57.50 annually for rural residential parcels)
Fee based on acre feet of groundwater pumped	<ul style="list-style-type: none"> • Most common methodology • Related to groundwater use 	<ul style="list-style-type: none"> • Relatively high fee • Most private pumping is not 	<ul style="list-style-type: none"> • All groundwater users (pumper and parcels that use groundwater 	<ul style="list-style-type: none"> • \$95 - \$160 per AFY • (\$47.50 - \$80 annually for rural residential parcels)
Well Head Fee	<ul style="list-style-type: none"> • Based on estimated use for non-metered pumpers • Simple to administer • Wells can be classified by use to make more equitable 	<ul style="list-style-type: none"> • Based on estimated use for non-metered pumpers • Not related to amount of water pumped • How to handle wells that aren't being used 	<ul style="list-style-type: none"> • All well owners 	<ul style="list-style-type: none"> • \$220 - \$370 per parcel
Member Agency Contribution	<ul style="list-style-type: none"> • Simple to administer 	<ul style="list-style-type: none"> • Not all agencies are in the same financial position, and can no longer support GSA 	<ul style="list-style-type: none"> • Ratepayers, taxpayers, or donors of the member agencies 	<ul style="list-style-type: none"> • N/A
Grants	<ul style="list-style-type: none"> • GSA has had success in securing grants to date 	<ul style="list-style-type: none"> • Generally, don't pay for operations and required annual reporting • New grant round could be more competitive 	<ul style="list-style-type: none"> • State or federal taxpayers 	<ul style="list-style-type: none"> • N/A

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

Director Wasem reported that the last Petaluma Valley GSA meeting was held on April 28th. A special meeting of agriculture and private stakeholders was convened in early April to discuss long-term GSA funding options.

The funding options meeting was convened to discuss long-term funding, and to discuss potential paths forward. The projected cost associated with groundwater pumping in the Petaluma Valley is enormous. There were three paths discussed to arrive at a new approach:

1. The County would pick up the tab for all rural water use, for a minimum of the next ten years.
2. The current fee structure could be adopted for the next two years and by then a better approach for funding could be arrived at.
3. A hybrid approach to funding should be proposed, similar to what is the case in other GSAs that would allow for a parcel tax and a water pumping fee.

The Supervisors who sit on the GSA will discuss further, and options will be forwarded and discussed at the GSA meeting on April 28th.

In terms of the April 28th meeting, most of the discussion was focused on how to fund the GSA and implementation. Staff member, Marcus Trotta updated the Board on GSA implementation. Since submittal of the GSA routine annual monitoring has occurred, data collected, and a reporting data base established for the six sustainability indicators. This information will be included in the annual report. of the six sustainability indicators is a key component for successful implementation of the GSP.

Key findings include:

- Water Year (WY) 2020 was classified as a normal year and WY 2021 is classified as a very dry year. 2020's classification is indicative of the model to apply a 3-year rolling average to the weighted average yearly precipitation record.
- "Groundwater levels were generally similar in WY 2021 compared with WY 2020, with declines of up to 5 feet occurring in isolated areas throughout the Basin. Seasonal low groundwater elevations measured in fall 2021 at all representative monitoring points (RMPs) are above minimum thresholds indicating that undesirable result conditions are not occurring in WY 2021 and seasonal high groundwater elevations measured in spring 2021 at 4 of the 11 RMPs are above measurable objectives. Staff cautioned that while remaining above the threshold, groundwater levels have declined at the points of measurement.
- For the three years following 2012 to 2018, the groundwater-levels increased in storage by approximately 1,600 acre-feet between 2019 and 2021.
- The annual report did not include chloride data which is anticipated for inclusion in the WY 2022 report.
- There were no identified concerns with water quality in WY 2021.
- There were no identified concerns with subsidence in WY 2021.

- Groundwater levels that served as proxies for depletion of interconnected surface water were not identified as a concern for WY 2021.
- Due to the significant data and information gaps associated with the depletion of interconnected surface water, more work needs to be conducted.
- “Total water use within the Basin is estimated to be 14,242 acre-feet in 2020 and 14,453 acre-feet in 2021. The total annual groundwater extraction estimated using a parcel-based method developed for an ongoing fee study is approximately 2,650 acre-feet for 2020 and 2,993 acre-feet for 2021”.

Addressing Data Gaps

- Under Proposition 68 funds work and on a pilot study to test the feasibility of technology to map and monitor the distribution of brackish or saline groundwater in the basin.
- Using Prop. 68 funds, planning for construction of three multi-level monitoring wells in the basin is continuing. The specific focus is to monitor features such as fault zones, basin boundaries, surface water bodies, and/or proximity to areas of substantial groundwater pumping. Monitoring wells construction is planned to begin in May 2022.
- Planning and initial outreach for refining the voluntary groundwater-level monitoring program within the basin is ongoing.

Well Permit Updates

- Using Proposition 68 funds, Permit Sonoma is improving the collection, compilation, and management of groundwater information maintained by the County and establishing protocols and procedures for sharing groundwater information between Permit Sonoma and the GSAs in Sonoma County. Outcomes will include:
 - modification of the well permit application to include information on well depth, enhance land use options, number of units for residential, type of crop and number of acres to be irrigated, and increase options for reason for new well. This work is scheduled to be completed in June 2022.

Administrative staff indicated that they would bring back to the Board at the May meeting, options for modifying the contract with Sonoma Water, for new technical and outreach services. The options will be based on the Board direction received regarding the rate and fee study and budget.

Fee Study

The Fee Study consultants presented the following options for Board Consideration

All Rates are Annual on an AF per Year Budget

Types	Advantages	Disadvantages	Who Pays	What Amount
Parcel tax	<ul style="list-style-type: none"> • Least expensive per payor • Could be tiered by land use 	<ul style="list-style-type: none"> • Requires 2/3 voter approval • Expensive to place on ballot 	<ul style="list-style-type: none"> • All taxable parcels in the basin 	<ul style="list-style-type: none"> • \$28-\$55 per parcel

		<ul style="list-style-type: none"> • Cannot be implemented until Year 2 		
Benefit Assessment	<ul style="list-style-type: none"> • Lower rate • Proportionate (tied to land use) • Reflects the benefits of groundwater to everyone in basin 	<ul style="list-style-type: none"> • Requires landowner approval (50%, weighted) • High cost to implement • Cannot be implemented until Year 2 	<ul style="list-style-type: none"> • All parcels that benefit from groundwater 	<ul style="list-style-type: none"> •
Fee based on acre feet of groundwater pumped	<ul style="list-style-type: none"> • Most common methodology • Related to groundwater use 	<ul style="list-style-type: none"> • Relatively high fee • Most private pumping is not 	<ul style="list-style-type: none"> • All groundwater users (pumper and parcels that use groundwater) 	<ul style="list-style-type: none"> • \$230 - \$400 per AFY • (\$47.50 - \$80 annually for rural)
Well Head Fee	<ul style="list-style-type: none"> • Based on estimated use for non-metered pumpers • Simple to administer • Wells can be classified by use to make more equitable 	<ul style="list-style-type: none"> • Based on estimated use for non-metered pumpers • Not related to amount of water pumped • How to handle wells that aren't being used 	<ul style="list-style-type: none"> • All well owners 	<ul style="list-style-type: none"> • \$490-\$850 per parcel
Member Agency Contribution	<ul style="list-style-type: none"> • Simple to administer 	<ul style="list-style-type: none"> • Not all agencies are in the same financial position, and can no longer support GSA 	<ul style="list-style-type: none"> • Ratepayers, taxpayers, or donors of the member agencies 	<ul style="list-style-type: none"> • N/A
Grants	<ul style="list-style-type: none"> • GSA has had success in securing grants to date 	<ul style="list-style-type: none"> • Generally, don't pay for operations and required annual reporting • New grant round could be more competitive 	<ul style="list-style-type: none"> • State or federal taxpayers 	<ul style="list-style-type: none"> • N/A

Board Members were asked to vote on preference for charges. All Five Board member voted to slow the process down. There is not enough outreach to make whatever model selected for fee assessment a success. The majority of the Board also voted to consider how the fees could be spread among urban and rural users more equitably. Discussions regarding benefits to all landowners for the GSA, and the reason that Petaluma Valley was designated a priority basin was based upon population ensued. The majority of the Board felt that more equally sharing, based upon the benefits derived was important to success.

At the Petaluma meeting Susan Gorin said that Sonoma Valley was filled with people that could afford it, but did not want to pay their fair share.

Sonoma Water is asking for State funding to support the smaller Districts. Advisor Martini said that he has written a letter to the GSAs, asking for a delay on adoption of the fees. The State has lots of dollar -

We should be able to get dollars for small basins. He also discussed a split – approach between parcel fees and ground water pumping fee. However, given the model of pumping water fees, the County will be picking winners and losers. My understanding is that the way the GSAs are set up, everyone has a veto power. Mike Healy, who represent Petaluma, believes that this should go on the backs of the users.

Item 4: Report by Advisor Jim Bundschu

At the Advisory Meeting, we went over the budget. Three options were discussed: Pumpers pay, a range based on acreage, and a hybrid model. Director Stornetta said the options were not fully established, so we supported the hybrid fee.

Advisor Bundschu shared those budgets for the first five years of the GSA, were presented. The only encouraging thing was that anyone using recycled water or surface could deduct that from their fee.

Chair Mulas asked the fees if users only used recycled or surface water?

Advisor Bundschu suggested that type of water use would be required to pay a parcel fee only.

Director Stornetta stated that the Advisory Committee is interested in progress and did not want to slow down.

Chair Mulas noted that the user fee is erroneous in Sonoma Valley.

Advisor Martini had heard that Santa Rosa is ready to move forward with their fees.

Director Sangiacomo suggested that we have been talking all along about water being pumped. Staff and the GSA Board understand that their numbers of estimation of pumping may be wrong.

Advisor Bundschu noted that throughout the whole meeting we didn't discuss sustainability.

Item 5: Report of Advisor Eugene Camozzi

Advisor Camozzi was not present.

Item 6: Report of Compliance Advisor Mike Martini

Advisor Martini shared that he has been working with Tawny Tesconi from the Farm Bureau to develop a message around fees. We both tried to get across to the Supervisors that sit on the GSA Board(s) that anyone doing vegetables, row crops and dairies will not be able to absorb these fees.

Chair Mulas suggested that the annual budget for the GSAs should be \$1M for all three agencies.

Item 7. Report by Ginalisa Tamayo on Website Development

GinaLisa reported that she has been trying to file a Safe Harbor online. I have asked for support from FWS with no help. I will need Chair Mulas to help on this.

The website company will be charging NBWD \$600 annually and will be billed in July 2022. GinaLisa will also send over her invoices for the year.

7. ADJOURNMENT

With no other business to discuss, Director Wasem made a motion to adjourn. Director Jacobsen seconded the motion. The meeting was adjourned at 6:25 pm.

The Next scheduled meeting is June 14th at 6:00 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.