



# EASTERN SAN JOAQUIN GROUNDWATER AUTHORITY

## **ADVISORY COMMITTEE MEETING**

### **AGENDA**

Wednesday, February 13, 2019

9:00 a.m. – 10:30 a.m.

San Joaquin County – Robert J. Cabral Agricultural Center  
2101 E. Earhart Avenue – Assembly Room #1, Stockton, California

- I. **Call to Order/Pledge of Allegiance & Safety Announcement/Introductions**
- II. **SCHEDULED ITEMS – *Presentation materials to be posted on ESJGroundwater.org and emailed prior to the meeting. Copies of presentation materials will be available at the meeting.***
  - A. **Discussion /Action Items:**
    1. Approval of Minutes of January 9, 2019 (See Attached)
    2. Groundwater Sustainability Plan (GSP) Roadmap and Deliverables
      - a. Recommendation on GSP Schedule and Approach
    3. Pathway Toward GSP Preparation
    4. Financing
    5. Monitoring Network
    6. Changes to Groundwater Sustainability Agencies (GSAs)
    7. March Agenda Items
- III. **Public Comment (non-agendized items)**
- IV. **Future Agenda Items**
- V. **Adjournment**

### **Next Regular Meeting**

**March 13, 2019 at 9:00 a.m.**

San Joaquin County - Robert J. Cabral Agricultural Center  
2101 E. Earhart Ave., Assembly Rm. #1, Stockton, California

### **Action may be taken on any item**

*Agendas and Minutes may also be found at <http://www.ESJGroundwater.org>*

*Note: If you need disability-related modification or accommodation in order to participate in this meeting, please contact San Joaquin County Public Works Water Resources Staff at (209) 468-3089 at least 48 hours prior to the start of the meeting.*

**EASTERN SAN JOAQUIN GROUNDWATER AUTHORITY**  
**Advisory Committee Meeting Minutes**  
**January 9, 2019**

**I. Call to Order/Pledge of Allegiance & Safety Announcement/Roll Call**

The Eastern San Joaquin Groundwater Authority (GWA) Advisory Committee meeting was convened by Ms. Christy Kennedy of Woodard & Curran at 9:02 a.m., on January 9, 2019, at the Robert J. Cabral Agricultural Center, 2101 E. Earhart Ave. Stockton, CA. Following the Pledge of Allegiance, the required safety information was provided.

In attendance were Michael Hurley, George Biagi, Jr., Greg Gibson, Lance Roberts, Elba Mijango, Mel Lytle, Peter Martin, David Fletcher, Mike Henry, Daniel de Graaf, Emily Sheldon, Kris Balaji, Peter Rietkerk, Scot Moody, and Doug Heberle.

**II. SCHEDULED ITEMS**

**A. Discussion Items:**

**1. Approval of Minutes of November 14, 2018**

Mr. Henry moved and Dr. Lytle seconded the approval of the November 14, 2018 meeting minutes.

**2. Projects and Management Actions**

Ms. Kennedy gave an overview of projects and management actions, noting that the group has largely been looking at projects to increase supply. To provide context, she presented on what restrictions on the demand side would look like (pumping restrictions). In the pathway to implementation, the approach so far has been to look at a regional-scale approach. Next steps will include looking at an implementation and funding plan, both at a regional scale and at a sub-regional or GSA-scale. Mr. Henry asked if since November, the consulting team had met with individual GSAs proposing projects. Ms. Kennedy responded affirmatively and indicated that the team walked through the projects with the project proponents to ensure accuracy in project comparison.

**a. Project Review Summary**

Ms. Kennedy walked through the assessment criteria, noting that the seven criteria were developed based on input from the GWA Advisory Committee. The review process, and example projects, were discussed for each criteria.

**b. Project Portfolios**

Ms. Kennedy presented an overview of the draft project portfolios, indicating that the goal is to assemble portfolios that would together offset overdraft at the subbasin-scale. She asked the group to think about what they like about the groupings presented, and what they do not like. From there, the objective is to develop hybrid groupings to better meld the benefits of each. Ms. Kennedy walked through each of the preliminary portfolio groupings.

Portfolio 1: Cost-Effectiveness

Portfolio 2: Regional Diversity

Portfolio 3: Minimized Infrastructure

Portfolio 4: Environmental Benefit

Portfolio 5: DAC Benefit

Portfolio 6: Impact to Cone of Depression

Portfolio 7: Fast Implementation

Portfolio 8: Large-Volume Projects

## Portfolio 9: Small-Volume Projects

Mr. Martin noted, that from a cost-effectiveness standpoint, some of the projects like recycled water projects have other regulatory drivers. He stated that it is hard to compare those types of projects when strictly looking at groundwater benefits. He asked if there are other regulatory drivers that would make the cost more appealing. For example, is there a wastewater funding mechanism that could coincide with the regulatory driver? Ms. Kennedy noted that these are good comments, and that this is the kind of feedback we are looking for.

Mr. Martin asked if the slides have been updated. Ms. Kennedy answered yes and noted that hard copies are provided at the front.

Mr. Heberle asked about the environmental benefits portfolio. What factors go into the environmental package? Ms. Kennedy noted that considerations included low CEQA implementation, recycled water projects, and conservation projects. Mr. Heberle clarified that there would not be significant mitigation measures required. Ms. Kennedy responded that that is the intent of the grouping. In terms of developing a hybrid portfolio, Mr. Roberts suggested that it would be interesting to see the projects that show up in multiple portfolios.

Mr. Balaji asked a question on DAC benefit. He asked if there is a way to quantify how much each of the projects contribute. For example, how much does one project affect the weight of the groupings? He noted that some projects have a high unit cost and that it would be helpful to go deeper and quantify contribution to DAC benefit. If we were to drop the expensive projects, what would be the impact on the overall DAC benefit? The unit cost may come down considerably as a result. Mr. Balaji asked if a sensitivity analysis had been looked into. Ms. Kennedy indicated that that had not been looked at yet, but it can be a next step if we want to look into this portfolio more.

Mr. Moody asked how the Department of Water Resources (DWR) is going to look at the basin with regard to the cone of depression and sustainability. For example, what if we put in 100,000 AF but still have a cone of depression? Ms. Kennedy noted that the GSP has two objectives: meeting overall overdraft and meeting the thresholds to prevent undesirable results. She noted that we will not be able to meet the thresholds in those areas if we do not have projects located in those areas. Mr. Paul Wells (DWR) indicated that it is driven by what the GSAs determine, and DWR will review that. The GSAs will decide what factors are important for the basin. Ms. Kennedy noted that the GSP will not be able to meet the boxes we need to check if we do not have at least some projects that address cone of depression. Dr. Lytle asked about the DAC portfolio. He noted that the City of Stockton has a number of smaller disadvantaged water systems in that area. Can we accommodate small systems or disadvantaged systems within the County that are having trouble with water quality issues? Building on Mr. Moody's comment, he stated the concept of the overdraft and the cone of depression is an important issue. If we truly do not understand that it is a hydrogeologic issue, there is potential to spend a lot of money on something that may not work. Lastly, if we are looking for 100,000 AF of water supply, we must understand where that water supply is going to come from. He noted that there is potential for the State to take away additional supplies, and supply sources continue to become more restrictive. Recycled and storm water projects have huge costs for very little water supply. It is important to define the water supply we are talking about because 100,000 AF each year is a lot of water.

Ms. Mijango stated that the visuals are challenging, and that it would be helpful to have a star on the portfolios that more closely meet the goals of the overall GSP. She then asked if there is a goal for the number of portfolios to present the Board. Ms. Kennedy noted that there is not a certain number in mind.

Projects in other categories include the Farmington Dam Repurpose Project, Mobilizing Recharge Opportunities Project, Advanced Metering Infrastructure (AMI) projects, and the Mokelumne River Loss Study. Dr. Lytle noted that it would be very helpful in the listings to put the sponsoring agency. Ms. Kennedy noted that that will be added. Mr. Martin asked if we can also show where the supply is intended to come from for supply projects. Ms. Kennedy stated that that will be provided as well.

Public comment:

A member of the public noted that the lifecycle cost as presented is not always a thirty-year cost, and that some of them are annual. He noted that this skews the lifecycle costs of the projects and causes confusion with the comparison. Dr. Lytle noted that “fast implementation” is a misnomer for projects and that “fast” is a relative term in this context. Ms. Kennedy noted that we can call it “near-term” in future presentations.

### **3. Values Discussion Around Funding**

Ms. Kennedy gave an overview of approaches to financing projects, indicating that there is a GSA-scale approach and a basin-scale approach. With a basin-scale approach, large-scale projects are used to meet overdraft, and all groundwater users would pay into the solution. With a GSA-scale approach, there is potential for an allocation approach. Ms. Kennedy asked the Advisory Committee members what they are thinking in terms of the two approaches.

Mr. Moody indicated that he had heard discussion of both sides of this argument. He noted that a tax or something similar could be beneficial, but that there would need to be discussion of how we are going to look at those in the room who have spent millions to date on this effort and those who have not. How are we going to acknowledge that? Mr. Roberts asked, if each GSA were allocated a pumping amount would the JPA decide how much water you can use? Mr. Hurley asked about the ability to bring in additional water, and if that is included. Ms. Kennedy answered yes, that would be up to the GSAs.

Mr. Brandon Nakagawa noted there has been mixed feedback on this, and that it sounds like folks want to do both. He noted that how much and what we are funding is still at question, and there are difficulties with this unknown. He addressed the group, stating that what would help is guidance on where we want to go with how we frame this discussion, since it is important to get this right. He noted that the group has to be able to get support for it and implement it. He asked if it would be helpful to see costs, more detailed budgets, and cost estimates to start the costs discussion. Do we want to fund projects through the JPA, and further describe projects, or should we skip to the allocation discussion? Mr. Nakagawa indicated that his sense is that this is not where we want to go, although feedback and voicing feelings on this is very important. This will help the team from taking steps backward on this process.

Mr. Henry noted that he thinks we are going to be looking at a hybrid approach to funding. If it was at a GSA level, these projects would have already been underway. He pointed out that there are obstacles to funding regardless of the size of the projects. He asked how that cost will be assigned to the different GSAs. If you look at the maps from the different portfolios, none touch the Lockeford service areas. Dividing the costs up by 17 will not work when it comes to this. Speaking from the smaller district perspective, there is not a lot of funding.

Mr. Martin echoed Mr. Moody’s statement, noting that Eastside GSA is mostly rangeland without a lot of water use. He noted that he will go back and talk about this with the GSA. He was not prepared to have this discussion today but will be at a later time. Dr. Lytle noted that urban agencies have contributed Prop. 4 improvements to water supply projects (approximately \$800 million), and that that has done a huge amount, so it is not just the City of Stockton. He noted that the group will have to get creative about this. The City of Stockton will have to see benefit to rate payers to be involved. He noted that there is not going

to be a lot of interest on projects outside of that. GSA-centric projects will give the most benefit to the City. He noted that this will be a hard discussion, especially if there is a desire to spread the costs where benefits are not seen. Mr. Hurley noted that for Cal Water, the process of approving costs is done by a separate outside entity, the California Public Utilities Commission. Mr. Balaji indicated if it is a benefit assessment, we can look at equity for who benefits. Mr. Roberts noted that the two City of Lodi projects are not regulatory-driven. He stated that the projects are not needed for the City but would help the basin as a whole. Mr. deGraaf reiterated Mr. Nakagawa's point. He stated that North San Joaquin Water Conservation District's (NSJWCD) perspective is that it will be difficult to agree to a cost share without knowing what we are funding and what the approach will look like. In NSJWCD, they will need to provide that information to landowners. He indicated that in his area, landowners will vote any fee down unless there is a benefit to them and it is the most cost effective way. Ms. Mijango asked if there is funding or any grants available to pay for these projects. Ms. Kennedy indicated that there will be some coming. Ms. Mijango noted that there are some stipulations in the regulations if you cannot come to agreement, and that she is thinking the group needs a reminder of what those consequences are. Mr. Moody echoed that comment, asking how to take into account those who have spent a lot of money to date. How do we get some areas of the basin on board who have not been as involved? He also posed the questions: How do we reach groundwater users and land owners in the basin? And if you do not pull your share, what will happen?

Mr. Henry indicated that he liked that comment. He sees potential for Prop. 218 votes and wants to know how we get the information out to the public on what will happen if we do not move forward with a basin-wide solution. He asked if we can take slide 4 (pumping restrictions overview) as part of the conversation to the public. We can ask the landowners if they would rather vote to fund projects or do with less water and have additional costs to themselves if we go with restrictions (for example, meter installation). Mr. Biagi noted that as the representative of Central Delta Water Agency (CDWA), his GSA is in a unique position because they do not use groundwater. He noted that his initial reaction was that they do not have a dog in the fight, so why would they want to pay? Could there be a reciprocal benefit to CDWA?

Mr. Rietkerk echoed the other commenters, noting that we will likely be looking at a hybrid option, and that this could fall into tiers. He asked what the benefits are to funding projects basin-wide beyond our own GSA boundaries. He noted that administrative costs of participation in the JPA are fairly easy to justify as having a joint solution. He noted that the DAC benefits could be in the implementation process rather than in the projects themselves. He emphasized the need to show benefit to their end-users to justify funding within boundaries to ratepayers.

Public comment:

A member of the public asked, if you do the basin-wide approach, would you have to allocate groundwater at all? Ms. Kennedy answered no, we would avoid it.

Mr. Moody stated that he would leave them with one thought: if we work together, we have the option of becoming sustainable. In the south, they are having a very different discussion. We have to work together.

#### **4. Monitoring Network and TSS Update**

Ms. Kennedy gave an update on the TSS well application process.

##### **Update from DWR**

Mr. Wells indicated that TSS applications can be submitted online as soon as they are ready, and that he or Bryce Russell can be contacted to coordinate on completeness of information. Regarding the Basin Boundary Modification draft results, those have been released. The City of Lathrop requested to leave the

Eastern San Joaquin Subbasin and move to the Tracy Subbasin. The draft decision was to tentatively approve that. North Delta made a submission as well, and the tentative decision was to deny that because not enough information was provided. The Tracy Subbasin also has a Basin Boundary Modification to split the Subbasin along county lines, and that was tentatively approved.

The grant agreement has been signed, and a meeting is scheduled to review the details. Invoices can now be prepared.

Next, Mr. Wells provided a summary of the process, indicating that the timeframe is short on getting the GSP to DWR by the end of January 2020. The next step is having the plan developed for the Board, then having it go out to public comment. DWR will review the GSP after it is submitted and determine if the requirements are met.

Decisions on Alternative plans submitted in 2017 are expected by February or March of this year. They will give guidance on how DWR is evaluating plans like the GSP.

#### **5. Situation Assessment Findings Overview**

Ms. Kennedy gave an overview of the Groundwater Sustainability Workgroup Situation Assessment findings. She indicated that additional DWR funding was available to conduct third-party interviews with the Workgroup members to refine the stakeholder involvement process. The group that conducted the Situation Assessment was not available to present at the meeting, so Ms. Kennedy walked through key example recommendations.

#### **6. 3<sup>rd</sup> Informational Meeting**

Ms. Kennedy gave an update on the third Informational Meeting/Open House, which will be held February 12, 2019 at the Lockeford Community Center. Mr. Moody indicated that SEWD is partnering with Linden County to host a SGMA outreach event. Mr. Fletcher noted that the event will likely be held at the school district. Mr. Roberts then stated City of Lodi is looking to do an outreach event in March.

#### **7. February Agenda Items**

##### **Public comment:**

Ms. Jane Wagner-Tyack indicated that she had looked for the Groundwater Sustainability Workgroup Situation Assessment Report and could not find it on the website.

Mr. Nakagawa noted that, in thinking about future funding, the predecessor to the group was the IRWM/GBA, and staff has been working on a successor effort to a new entity to accommodate future bond funding. He noted that it covers a large area, from Cosumnes to Fresno, and that SGMA is likely to be funded through IRWM. It is important that we be ready when those monies come through.

##### **B. Informational Items:**

#### **III. Public Comment (non-agendized items):**

**None**

#### **IV. Future Agenda Items:**

The February agenda items include Projects & Management Actions, Financing, and Monitoring Networks.

**V. Adjournment:**

The meeting was closed at 10:40 am.

**Next Regular Meeting:** February 13, 2019 at 9:00 a.m.

San Joaquin County - Robert J. Cabral Agricultural Center, 2101 E. Earhart Ave., Assembly Rm. #1, Stockton, CA

# Eastern San Joaquin Groundwater Authority

## ADVISORY COMMITTEE

Sign-In Sheet

January 9, 2019

INITIAL	AGENCY	MEMBER
	California Water Service Company	Hurley, Michael
CB	Central Delta Water Agency	Biagi, George
	Central San Joaquin Water Conservation District	Roberts, Reid
CG	City of Lathrop	Gibson, Greg
DL	City of Lodi	Roberts, Lance
EM	City of Manteca	Mijango, Elba
AL	City of Stockton	Lytle, Mel
PM	Eastside San Joaquin GSA	Martin, Peter
DF	Linden County Water District	Fletcher, Dave
MS	Lockeford Community Services District	Henry, Mike
DE	North San Joaquin Water Conservation District	de Graaf, Daniel
ES	Oakdale Irrigation District	Sheldon, Emily
LM	San Joaquin County	Balaji, Kris
PK	South San Joaquin GSA	Rietkerk, Peter
SM	Stockton East Water District	Moody, Scot
DA	Woodbridge Irrigation District GSA	Heberle, Doug

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Taus Lehrs	City of Lodi	
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Continued on next page....		



