

**Merced Subbasin Groundwater Sustainability Agency
JOINT MEETING OF THE TECHNICAL AND ADVISORY
COMMITTEES**

County of Merced Administration Building, Room 310

2222 M Street, Merced, California

October 3, 2019

Special Meeting

9:00AM

AGENDA

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1. INTRODUCTIONS

2. PUBLIC COMMENT PERIOD

Public opportunity to speak on any matter of public interest within the Agency's jurisdiction including items on the Agency's agenda. Testimony limited to three minutes per person.

3. MEETING MINUTES

June 27, 2019

4. FIRST FIVE IMPLEMENTATION STRATEGY

5. GSP DEVELOPMENT & ADOPTION NEXT STEPS

6. NEXT MEETING

7. ADJOURNMENT

**MERCED SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY JOINT MEETING OF
THE TECHNICAL AND ADVISORY COMMITTEES**

MINUTES FOR MEETING OF JUNE 27, 2019- SPECIAL MEETING

The special meeting of the Technical and Advisory Committee for the Merced Subbasin Groundwater Sustainability Agency (GSA) was called to order at 10:00 p.m., on June 27, 2019, at the Merced County Administration Building located at 2222 "M" Street, room 310, Third Floor, Merced, California.

I. INTRODUCTIONS

All attendees did roundtable introductions.

II. PUBLIC COMMENT PERIOD

None

III. MEETING MINUTES

Minutes for May 16, 2019, were presented to the committee.

Changes were suggested by committee member Eric Swenson stating that on page 2, paragraph V, under UNDESIREABLE RESULTS & MINIMUM THRESHOLDS, there needs to be an addition of the word 'domestic' to the phrase "deeper wells" to correctly read as 'deeper domestic wells'; and he suggested a second correction further down in the same paragraph that the words 'economic health' be changed to 'electrical conductivity' to have the comment correctly read as, "Mr. Swenson suggested changing that number to 600 for the electrical conductivity due to trees being impacted...".

IV. SCENARIOS FOR ALLOCATION WITHIN THE MERCED SUBBASIN GSA

Ms. Lacey Kiriakou presented to the Committee that under the direction of the GSA Board meeting on June 08, 2019, the Board asked if the Technical and Advisory Committee, along with staff and consultants, come up with scenarios for allocations specific to the Merced Subbasin. Ms. Kiriakou stated the task for the group is not to come up with a per acre allocation fee, but rather to discuss scenarios that would get the subbasin into a sustainable yield. Mr. Greg Young, consultant for Tully and Young, addressed the group and presented them with analysis information to encourage scenarios and questions for group discussion.

Mr. Eric Swenson stated that when he brought up the concept of scenarios at the GSA Board meeting, the scenarios he was referring to had to do with the water allocation framework update and the suggestion to come up with verbiage that answered questions for the average person to understand no matter which allocation framework was adopted.

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Mr. Swenson declared that current definitions may be hard to understand for the average farmer and plain language allocations need to be initially defined and later legal teams should help come up with the legal language.

Mr. Young discussed the idea of the GSA buying fallowed land in efforts to make the reduction target a collective goal to sustainable yield. He stated that other areas have discussed this idea as a possible tool towards reduction goals.

Mr. Swenson specified that management zones would be needed in order for any of the mentioned ideas to work.

Mr. Young asked about pros and cons for different scenarios and proposed the idea of forced fallowing in some areas as a measure for reduction.

Mr. Blake Nervino stated some areas such as Stevinson do not have a water issue and have a good source of surface water and spoke of the idea fallowing areas that have pumping issues and not restrict the ones that are not having water issues. Mr. Nervino further suggested that a solution might be to explore projects that provide additional sources of surface water and create additional water storage to the areas. He included that the focus may be to do nothing towards the reduction goal for a period of 20 years while in the process of completing a surface water project and compliance to be reached all at the time of water storage completion.

Mr. Young stated that while water storage might be a key element at some point and aid in the overall reduction of groundwater pumping, the concept of demand reduction would still need to be addressed soon due to the imminent mandate of the State to provide a Groundwater Sustainability Plan (GSP) and prove that yearly progress is being made towards sustainability. He include that the gamble with waiting before demonstrating progress could be that the State may decide to demand a stop to any water pumping while the dam is being completed or that the State may decide to take over the area due to failure to demonstrate any progress.

Mr. Keith Ensminger asked if there would be opportunities for increased funding bonds or grants available for water storage.

Ms. Kiriakou stated that grant funding from a Prop 1 water bond has been obtained and has been used to help fund the GSA and future water bonds might be available to help in the implementation process of the GSP.

Mr. Swenson suggested looking into projects that help move water from downgradient to upgradient and do an analysis to help determine efficiency in proposed projects while assessing things like price, water quality, efficacy and other determinants. Mr. Swenson stated that in his opinion, reductions would not be likely in the first 3 years and most likely would happen in 5 years once enough well data regarding location and pumping quantification is determined. Mr. Swenson stated that MID may have data for a surface water stream model and suggested working with them to obtain some of that data.

Committee and Staff discussed part of the model pertaining to the Eastern basin and projects within that area including a Planada recharge basin and a Le Grand canal project.

Ms. Stacie Ann Silva asked how management zones would be projected to work given that the State is requesting an overall draft to reduce by same volume overall.

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Mr. Swenson stated that deeper water may not always be an acceptable source due to salinity standards and that sustainability should not just be about availability of water but also water quality.

Mr. Young proposed that if salinity were to become an issue, a solution may be for growers to be open to growing other types of crops that can take higher salinity. He also suggested changing the term of Management zones to Benefit zones where different zones might have different rate structures based on their benefit. He informed that SGMA has a term called Management Areas that require certain criteria to be met and reported, and since these two terms sound similar, it may create confusion with SGMA.

Mr. Swenson asked if the goal was still to meet 2015 static groundwater levels as previously discussed in the groundwater management plan.

Ms. Kiriakou discussed that in areas where there were problems with minimum thresholds such as the Le Grand area, where a few wells appeared to be dewatered, the thought process was to go back to 2015 levels in the minimum threshold given that the model may not be accurate in these specific cases.

Mr. Young suggested proposing a plan that offers flexibility for changes and modifications as it progresses through the process and not provide a draft so detailed that there is no wiggle room for changes along the way.

Mr. Swenson suggested an extraction fee that's large enough to incentivize people with access to surface water to use it versus using groundwater. Mr. Swenson also mentioned it would be better if the list of proposed projects quantified the cost per acre foot of water delivery to actively compare the projects.

Ms. Silva commented that there are some GSA's that are pricing their groundwater as double the price of surface water to make surface water more attractive.

Mr. Young clarified that any setting of fees requires a rate consultant to develop and establish a basis for fees and develop implementation based on drivers and services to justify fees.

Mr. Ensminger asked about benchmarks for water usage and the idea that in flush years only a certain percentage of groundwater can be used, the rest must be required to be surface water source.

Ms. Breanne Ramos commented that while some areas are working on building more expansive systems, some areas within the basin currently do not have access to surface water and would pose an issue. Mr. Young added that it might not be feasible to restrict groundwater usage as some of the areas in the basin would be at a disadvantage without surface water accessibility.

Discussions of water rights and laws were discoursed by the group as well as max caps determined by geologic tests.

Mr. Nervino asked the group to keep the concept of adding a surface water at the forefront of conversation and discussions even while other ideas are being explored and Ms. Silva stated that those conversations are actively being explored by various water agencies currently.

Mr. Young spoke about grazing and non-irrigated land and discussed if there should be ways to incentivize non-irrigation in those areas.

Mr. Swenson talked about current regulations that address non-irrigated land from developing into irrigated land such as the County Permitting requiring a CEQA process to help validate or nullify new well permits based on supporting data.

The group discussed the concept of allocations in an irrigated lands program and conversed different ways of how that may look like for different users, both existing and new.

Mr. Michael Brasil suggested limiting water market trading to other users and keep it within close proximity or radius.

Mr. Swensen suggested that market trading should not be based on radius, but on a basis from upgradient to be able to yield to downgradient and a certain amount of cross gradient.

Ms. Kiriakou stated that the per acre allocation will be a decision for the GSA.

The group discussed what other counties and states are doing with allocations and debated which ones seem to be working and which ones have not been functional in the past.

They also discussed the idea of allocations based on acreage with the idea that every acre gets a water allocation. The group discussed that any new wells have been requiring CEQA clearance and there have not been any new wells permitted through the County that do not meet requirements for exemptions. Committee discoursed about tracking of wells and setting monitoring programs where wells and crops are tracked and pumping allocations are followed.

Mr. Young commented that the GSA will have a huge task in tracking allocations on every parcel and setting rules on trading and pumping. He stated that while those rules get set in place, the notion of incentivizing some water users not to pump or to use surface water might help in the short-term.

Ms. Silva noted the idea to observe and analyze what other neighboring GSAs have been doing successfully and to study other's strategies on allocations in order to implement similar programs.

Regarding water trading, Mr. Swenson, suggested that by the end of 2020 there should be an interim framework and a more defined model in order to have a basis for water trading.

Mr. Young discussed that the GSA may use a metric-base satellite analysis to see that the GSA is moving in the right direction and this type of system has had readings within a 2% accuracy. He also mentioned that at some point the GSA will need to consider a penalty or some form of dissuasion method to address users that over pump or those that go over their allocations.

Mr. Swenson proposed that a GSA enforcement team may be needed in the future to aid in the task of monitoring and assessing penalties.

Mr. Silva suggested that the fine needs to be hefty enough to discourage people from violating the rules set by the GSA.

V. COORDINATION COMMITTEE UPDATE

Ms. Kiriakou informed that the Coordination Committee had a special meeting on June 18th where they discussed developed supply and deep percolation of

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surface water. The Coordination Committee resolved to come up with a definition of Developed Supply agreed upon by all GSAs and the language definition to be included after the GSP is in place at a later date. Definition to be added will be that groundwater from developed supply may include seepage from water conveyance, deep percolation of applied water, leakage from surface water infrastructure, and other sources. Ms. Kiriakou stated that a future task of the Coordinating Committee will be to agree on estimates of developed supply need to be refined and estimated as well as determine the rights of developed supply.

VI. NEXT MEETING

June 20, 2019 at 2:00 pm.

VII. ADJOURNMENT

Meeting was adjourned at 11:59 p.m.