

**GOVERNING BOARD**  

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**MINUTES FOR MEETING OF MAY 12, 2022**

The agenda, original minutes, and all supporting documentation (for reference purposes only) of the Merced Subbasin Groundwater Sustainability Agency Governing Board meeting of May 12, 2022 are available online at [www.countyofmerced.com/ MercedSubbasinGSA](http://www.countyofmerced.com/MercedSubbasinGSA).

**I. CALL MEETING TO ORDER**

The regular public meeting of the Merced Subbasin Groundwater Sustainability Agency Joint Powers Authority Governing Board was called to order at 1:12 p.m., on May 12, 2022, in person and via conference call due to the ongoing COVID-19 crisis and as authorized by Assembly Bill 361.

**II. ROLL CALL OF BOARD MEMBERS**

**Board Members Present:**

Supervisor Lloyd Pareira	Chair (Merced County)
Nic Marchini	Vice Chair (Western White Area Representative)
Michael Gallo	(Eastern White Area Representative)
Gino Pedretti	(Sandy Mush Mutual Water Company)
Eric Swenson	(Merquin County Water District)
Kole Upton	(Le Grand-Athlone Water District)

**Board Members absent:**

NONE

**Staff Present:**

Mark J. Hendrickson	Secretary
Steve Maxey	Deputy Director of Planning
Adriel Ramirez	Environmental Health Specialist II
Ana Muñoz-Laguna	Recording Secretary

**III. STATE OF EMERGENCY TELECONFERENCE FINDINGS**

**Action Item: The Merced Subbasin GSA Governing Board will consider the circumstances of the State of Emergency and determine whether to make the following findings that any of the circumstances exist per AB 361:**

**1). The State of Emergency continues to directly impact the ability of the members to meet safely in person and/or 2). State or Local Officials continue to impose or recommend measures to promote social distancing.**

Public comment period open/close

**MOTION: M/S PEDRETTI– UPTON, AND CARRIED BY A VOTE OF 4 – 0, THE BOARD APPROVES THE FINDING THAT THE STATE OF EMERGENCY CONTINUES TO DIRECTLY IMPACT THE ABILITY TO MEET IN PERSON.**

**IV. CLOSED SESSION**

The GSA Board convened in closed session and reopened the public meeting at 2:03 p.m. The

GSA Board announced that staff was given direction during closed session.

**V. PUBLIC COMMENT PERIOD**

Public comment period opened/closed.

**VI. APPROVAL OF MINUTES**

Action to approve the meeting minutes from the Governing Board meeting on April 14, 2022.

Board-member Swenson recommended a correction to page 4 of the minutes, to reflect that the GSA Board voted for Option 1 of the Land Repurposing options presented.

**MOTION: M/S SWENSON – GALLO, AND CARRIED BY A VOTE OF 6 – 0, THE BOARD APPROVES THE MINUTES FROM THE APRIL 14, 2022 MEETING WITH BOARD-MEMBER SWENSON’S AMENDED EDITS.**

**VII. LAND REPURPOSING PROGRAM DEVELOPMENT**

**Discussion and potential direction on land repurposing program timeline and elements.**

Mr. Chris Hepner, consultant for EKI Environment and Water, Inc., provided presentation and update along with Staff-member, Mr. Adriel Ramirez.

Discussion was had among the Board.

Public comment period opened.

Mr. Brad Samuelson asked about minimum terms of contract regarding the Prop 218. Mr. Greg Young, consultant for Zanjero, Inc., replied that contracts will be entered either as a 3, 4 or 5-year contract depending on the year entered into it.

Chairman Pereira asked how the GSA can troubleshoot having low participation in year one for those that believe that if that happens, year two will increase pricing.

Board-member Swenson suggested publishing a table for targeted acre-foot savings for each year.

Mr. Young stated that a scoring criterion could be structured to incentivize offerings and would be made publicly available once the GSA decides on the process of it.

Ms. Susan Walsh asked if allowing solar panels would eventually change the land’s zoning designation or even change the County’s General Plan on agricultural land.

Mr. Mark Hendrickson responded that there is a path for zoning and CEQA requirements and there have been many large solar projects that have been successfully permitted in the past consistent with agricultural land requirements.

Chairman Pereira asked staff to provide a draft version of the scoring criteria for the Board’s review.

**VIII. PROPOSITION 218 ENGINEER'S REPORT**

**Action to approve the Engineer's Report from Zanjero on the Merced Subbasin GSA's Proposition 218 fee for Phase 1 of SGMA implementation. Additional action to set public hearing for July 19, 2022 and mail notices to landowners.**

Mr. Adriel Ramirez and Mr. Young provided presentation and updated on the Engineer's Report. Mr. Young informed that a public hearing will be held on July 19, 2022 at 6:00pm in the Merced County Board Room to determine if affected landowners achieved a majority protest.

Board-member Gallo asked about the legal process moving forward with the Prop. 218.

Ms. Jeanne Zolezzi stated that if at the protest hearing, more than a majority of the parcels protest, the GSA would not be able to proceed with the Prop. 218 and would need to figure out a different funding mechanism.

Board-member Swenson recommended a domestic well mitigation program be included in the revised GSP as a response to the Department of Water Resources (DWR)'s request to modify and resubmit the GSP. He also suggested adding a not-to-exceed \$600,000 to the total collected funds over the duration of 218 collection process to fund the domestic well mitigation program and that the board would vote year to year on the funds needed for the program.

Public comment period opened.

Ms. Walsh asked if the protesters to the Prop. 218 need to appear in person apart from having to submit their protest in writing.

Vice-Chairman Marchini stated that they do not have to appear in person.

Mr. Samuelson stated that the Chowchilla Subbasin GSA's are working towards an MOU for domestic well mitigation program funding and used the Madera County prop 218 rate study as a basis.

Mr. Samuelson commented that if using County Tax info, people may come in with issues regarding irrigated and non-irrigated records.

Public comment period closed.

**MOTION: M/S PEDRETTI- GALLO, AND CARRIED BY A VOTE OF 6 – 0, THE BOARD AGREES TO APPROVE AND ACCEPT THE ENGINEER'S REPORT WITH AN AMENDMENT TO ADD A NOT TO EXCEED AMOUNT OF \$800,000 TO THE LIFE OF THE PROGRAM FOR THE NEXT FOUR YEARS TO FUND A DOMESTIC WELL MITIGATION PROGRAM IN ADDITION TO THE PROPOSED BUDGET.**

**MOTION: M/S PEDRETTI- GALLO, AND CARRIED BY A VOTE OF 6 – 0, THE BOARD AGREES TO SET A PUBLIC HEARING FOR JULY 19, 2022 FOR DISCUSSION ON THE PROPOSED CHARGES.**

**MOTION: M/S PEDRETTI- GALLO, AND CARRIED BY A VOTE OF 6 – 0, THE BOARD AGREES TO AUTHORIZE A PROPOSITION 218 EFFORT TO MAIL NOTICES TO**

**LANDOWNERS SUBJECT TO THE ASSESSMENT INFORMING THEM OF THE PROPOSED CHARGES, AND INSTRUCTIONS FOR PROTEST.**

**MOTION: M/S SWENSON– PAREIRA, AND CARRIED BY A VOTE OF 6 – 0, THE BOARD DIRECTS STAFF TO PREPARE A DRAFT POLICY FOR AN APPEAL PROCESS FOR BOARD CONSIDERATION REGARDING OPPORTUNITIES TO REDUCE THE APPLICABLE IRRIGATED ACRES USED TO DETERMINE THE ANNUAL CHARGES.**

**IX. FINANCIAL AUDIT REPORT**

**Informational item regarding the financial audit report from Brown Armstrong Accountancy Corporation for fiscal year 2020-2021.**

Mr. Ramirez provided update.

Public comment period opened/closed.

**X. PARCEL BASED WATER BUDGETS**

**Presentation on parcel based water budgets by Greg Young with Zanjero and potential direction on bringing forth a contract with Zanjero to provide parcel based water budgets to MSGSA growers.**

Mr. Ramirez and Mr. Young provided presentation and overview.

Mr. Young stepped out during GSA discussion to avoid conflict of interest.

Discussion was had among the GSA Board and Staff.

Board-member Pedretti suggested having a fee breakdown provided from Zanjero at a later meeting.

Board-member Swenson proposed obtaining proposals from other consultants for comparison such as EKI and UC Extension.

Public comment period opened

Mr. Samuelson stated that Prop 218 provides funding for 2 years of ramp up before the grower's true allocation and added that most growers probably will not request this.

Ms. Lindsay Hofsteen commented that a workshop to understand how APN's would be affected for growers would be helpful and UC Extension would seem like a good fit.

Public comment period closed.

**XI. STAFF REPORT**

Mr. Ramirez updated on submittal of the Long Term Multi Benefit Repurposing Grant application and reported on workshops for Phase 1 implementation. He updated on well permitting and the process of consistency determination in which Zanjero will help staff under the County's current contract.

**XII. BOARD REPORTS**

Board-member Pedretti stated that he would like the GSA to receive updates on Stakeholder Advisory and Coordination Committee meetings.

Asked by Board-member Swenson, Mr. Ramirez reported that the updated Merced County well permit application is available for the public on the Merced County website on the Environmental Health page under applications and permits. Mr. Ramirez also updated that a fee schedule for the GSA's consistency determinations will be on the GSA Board's agenda at the next meeting.

Board-member Gallo updated on the last Food Dashboard meeting and stated a representative from the Department of Water Resources (DWR) Board spoke on domestic wells located in communities near cities. Board-member Gallo suggested writing a letter to the DWR urging them to help incentivize these in-between communities to hook up to city water systems. Board-member Pareira commented on using Self-Help and DWR grants to help pay for infrastructure to get people connected to city water. Board-member Swenson suggested using satellite-based evapotranspiration (ET) data to estimate landscaping irrigation on those smaller parcels and develop policy on those using more than two-acre feet of water per year.

**XIII. NEXT REGULAR MEETING**

Next regular meeting will be held on Thursday, June 9, 2022 at 2 p.m. in the Merced County Board Chambers at 2222 M Street, Merced CA 95340.

**XIV. ADJOURNMENT**

There being no further action taken, the meeting adjourned at 3:44 p.m.