

**TULARE COUNTY WATER COMMISSION
BOARD OF SUPERVISORS - SPECIAL MEETING
9:00 a.m. on Tuesday, January 16, 2018
MEETING NOTES**

Members Present:

Steve Worthley, Tulare County Supervisor, District Four
Pete Vander Poel, Tulare County Supervisor, District Two
Kuyler Crocker, Tulare County Supervisor, District One
Amy Shuklian, Tulare County Supervisor, District Three
Mike Ennis, Tulare County Supervisor District Five
Richard L. Schafer, District 5 Appointee
Zack Stuller, District 1 Appointee
Tamara Kelly, District 3 Appointee
Paul Boyer, At-Large Appointee
Kayode Kadara, At-Large Appointee
Chad Wegley, District 4 Appointee

Members Absent:

Larry Peltzer, At-Large Appointee
Dale Brogan, District 2 Appointee
Rudy Mendoza, TCAG Representative

Staff Present:

Michael Spata, County Administrative Officer
Deanne Peterson, County Counsel
Denise England, Tulare County Board of Supervisors
Carrie Monteiro, Tulare County Board of Supervisors
Julieta Martinez, Tulare County Board of Supervisors
Marit Erickson, County Counsel

Members of the Public Present:

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| Eric Quinley | Bob Ludekens |
| Ken Bowers | Richard Garcia |
| Warren Hutchings | Michael Thrap |
| Mark Larson | Denise Kadara |
| Paul Hendrix | Brian Thoburn |
| Bruce Howard | Others Present |

1. Call to Order, Welcome and Introductions

The meeting was called to order at 9:00 a.m. Introductions were made.

2. Public Comment Period - None.

3. Discussion regarding duties, expectations and 2018 priorities of the Tulare County Water Commission as follows:

- Board of Supervisor's Expectations of the Water Commission.

Supervisor Vander Poel opened discussion by summarizing the activities of the County Water

Commission in the last year and how the organization of a joint meeting with the Board of Supervisors came together. Supervisor Vander Poel shared his expectations of the Water Commission as an advisory committee to make recommendations to the Board of Supervisors based on their expertise in the areas of water issues in the County. He would like the Water Commission to remain active on state and federal water legislation.

Supervisor Worthley shared the County's role in water has been historically limited, however that is changing and it is important to have an active Water Commission to advise the Board of Supervisors on matters pertaining to water.

Supervisor Ennis shared the background on how the County Water Commission was formed with the Tulare Lake Basin study and commended the Commission on its work on that study and how it has made for other opportunities in terms of water programs for disadvantaged communities within the County. Supervisor Ennis encourages the County Water Commission to continue to look into available grants or to initiate application for grants and any other monies for beneficial water projects in the County, especially in the area of SGMA implementation.

Supervisor Shuklian is glad to be having this joint meeting and believes these type of meetings are beneficial to have with all advisory committees to the Board.

- Water Commission's recommendations to the Board of Supervisors 2018 legislative platform:
 - Streamline process for local entity formation for water systems.

Ms. England shared the Water Commission reviewed the Board's current legislative platform and most of the items the Commission agreed with. During discussions there are a couple additions the Water Commission would recommend the Board consider.

In the area of streamlining the process for local entity formation, there is funding available to do so however the LAFCo process is still lengthy and difficult for disadvantage communities to complete. Challenges are seen in the areas of establishing rates, the minimum requirements for operating and maintenance costs, and the time it takes to get a funding agreements approved.

Supervisor Worthley noted the County and our local LAFCo has streamlined the process as much as we can, however there are specific items we need to advocate to the State that is slowing down the process.

- Water system consolidations for Disadvantaged Communities.

Ms. England shared some current water system consolidation projects underway in the County and that is still beneficial for the State to continue to help fund small system consolidation projects. One challenge is there is not a mechanism in place to help in the effort of consolidating wastewater systems in small disadvantaged communities.

Supervisor Worthley noted the need for funding to complete consolidation projects and that the County cannot expect cities to take on service to smaller outlying communities without the capacity to do so. There needs to be additional dollars to allow for expansions and reasonable growth.

Commissioner Kelly shared an example of the California Water Service utility being approached to consolidate and take on services to the community of West Goshen, however the

consolidation of the system posed a cost burden on current rate payers and unfortunately there are certain costs that state grants do not cover. Discussion followed.

- Funding to address subsidence effects on water delivery systems in the County.

Eric Quinley of the Delano-Earlimart Irrigation District shared how the issue of subsidence is acute in areas of Tulare County, specifically hindering the Friant-Kern Canal and its ability to convey water according to its design and capacity. He reported how the canal system has lost an extreme amount of capacity due to subsidence. For example the design capacity of the Friant-Kern Canal is 4,000 cfs, and now reports show 1,650-1,700 cfs levels, exhibiting a large loss of capacity. This loss will have an impact on the implementation of SGMA. Without a functional canal you are not able to move the water physically into any banking programs and not able to effectively execute the water delivery transfers that are done to provide insurance policies during drought years – resulting in a system wide impact throughout the County.

Supervisor Ennis asked what the solution to fix this problem is and what are the costs related going to be?

Mr. Quinley responded the physical fix would be a massive civil works project and the cost range for that is still being worked on, but it can be expected to be in the hundreds of millions of dollars. He also noted, this type of fix was previously done in the 1970s in the same area of the canal, and also stressed the need for continued education of the problem and exploration as to the cause of subsidence in this area . Discussion followed.

Commissioner Schafer stated that SGMA will have the greatest impact on agriculture and to bring us into compliance with the law, there will be a negative impact on irrigated agriculture in taking land out of production. Local SGMA agencies are working on hydro models and one component of the models is subsidence and how it is effected by various management levels of groundwater in the basin.

Commissioner Schafer shared that one major component of the Water Commission working on behalf of the Board of Supervisors is the area of legislation – state or federal. SB 623 could be very helpful in resolving the nitrate problem by a fertilizer tax instead of directly affecting the farmers, but it has opposition from domestic users. Discussion followed.

Supervisor Crocker commented that SB 623 is critical for Tulare County and it looks like it will likely get passed. The bill has support from both agriculture and our local disadvantaged communities. He agrees that the Water Commission can be extremely helpful to the Board on the legislative side because there are so many varying topics the Board of Supervisors addresses on a daily basis, that having experts in the Water Commission's perspective fields is very beneficial to the Board. A challenge is in the area of time and the ability to make timely actions on legislation. Discussion followed.

Commissioner Boyer stated in regards to subsidence, we need to look at more aggressive ways to recharge groundwater and its worth looking at other approaches. We are dependent on the health of the watershed in the high sierra mountains, and with millions of dead trees in Tulare County mountains, there also needs to be an emphasis in that area on stated and federal legislative actions as well. Discussion followed.

4. Discussion regarding a potential Groundwater Exportation Ordinance.

Supervisor Worthley commented this topic has been briefly discussed for some time and shared, in some cases, the County has been able to address groundwater being pumped and transferred outside the County, based on current nuisance laws. However once sustainable groundwater measurements are established under SGMA, the ability to site a nuisance law will not be applicable and presents a whole new area to discuss. He noted that it will take a lot of discussion and input to focus on no net loss of water in the County, further noting there may be opportunities in water trading that can bring more water into the County. He further stated that this is something needing discussion and review, and it is timely for the Board to consider this issue.

Supervisor Crocker encouraged looking at the issue and commented that Kings County staff is working on such and ordinance for their County as well as Fresno County is looking at the issue. He suggested looking into the opportunity for a regional approach in addressing this issue. He would like the Water Commissions review and recommendations on that type of policy.

Supervisor Shuklian shared the Agricultural Policy Advisory Committee as also discussed this issue and it would be well advised for possible groundwater exportation ordinance be vetted by that group as well.

Commissioner Schafer stated he has a conflict of interest on this matter therefore he will not be able to participate in discussions. He suggested allowing SGMA to be implemented before taking on this issue and to be cautious of existing water rights. It is a complicated issue because of the history dating back to the 1950s.

Supervisor Vander Poel commented that SGMA will address many issues that surround the exportation of groundwater, but by the time SGMA is fully implemented we are looking at several years before we see that resolution. There may be an opportunity to deal with the issue between now and full SGMA implementation.

Supervisor Crocker stated this is intended to disallow exportation for municipal sources outside our area and his belief if there are agricultural purposes, those transactions will still occur.

Commissioner Boyer supported the idea of looking at the net losses occurring, and also looking at examples of districts buying up land to help comply with SGMA in allowing for pumping of more groundwater (for example, around Lake Isabella in Kern County). Not entirely sure is the SGMA law protects that unintended consequence.

Ms. England asked for specific examples of where groundwater exportation is occurring around the County to help better create a draft ordinance to address the matter.

5. Discussion regarding implementation of SGMA in Tulare County.

Supervisor Vander Poel requested an update from each of the three subbasins in the County on the status of implementation of SGMA.

Kings Subbasin – Is moving forward with a Prop 26 fee process. The Kings River East GSA has a public outreach meeting scheduled January 24 at the Dinuba City Hall. A public hearing is scheduled for February 1 at the Dinuba City Hall for the GSA Board to adopt the Prop 26 fee. The fee is geared to cover operations, initial necessary funding, and associated costs in developing a GSP. The fee structure is a flat fee of \$3,200 per year for nominal users, and large

water users would pay an addition \$1.40 per acre foot of water used. Prop 26 fees must be a consumptive charge. Anticipated revenue is \$1.05 million total for the first three years with 170-180,000 acres in the GSA boundaries.

Kaweah Subbasin – Has hired a joint consultant to begin the modeling work and coordination components within the subbasin and moving forward on development of their GSP. The three GSAs in the subbasin have signed a Coordination MOU.

Tule Subbasin - The County participates in the Eastern Tule GSA and they have formed an adhoc committee to start reviewing the framework for their GSP. The County is also a stand-alone GSA within the Tule Subbasin for some white areas, and are continuing work on vetting an MOU with those landowners. The six GSAs in the Tule Subbasin are each in the process of preparing their GSPs. The final draft of the subbasin coordination agreement has been prepared and submitted for comments from each GSA. Work is underway finalizing all the components that make up the methodology each GSP must follow under the coordination agreement.

Supervisor Crocker asked Commissioner Schafer to expand upon the research on the water budget numbers found and determined in the Tule Subbasin. Commissioner Schafer shared the water budget is expansive, but the bottom-line determination of the sustainable yield for the subbasin, which is an average, is a sustainable safe yield of 0.54 acre-feet of water per acre. That number varies between GSAs, but the average is 0.54. Each GSA in the subbasin is working on their own water budget and sustainable yield as part of their GSP. Discussion followed.

Karen Yohannes of Tulare County commented the surface water access is not the same amongst all three subbasins in the County. Ms. Yohannes suggested to not forget the outreach stated in SGMA prior to and during the formation of the GSP.

Bob Ludekens of Visalia offered comment that Tulare County is not getting the amount of groundwater it used to get due to poor management of the Sierra forests. He echoed the need to increase surface water deliveries either through the construction of Temperance Flat or deliveries from Northern California.

Paul Hendrix of Tulare Irrigation District commented that in order to help the County comply with SGMA more agriculture entities and urban partnerships are needed like those occurring with the effort to build the Temperance Flat Reservoir.

Commissioner Schafer shared that we need to remember the ark-storm that is scheduled to come again in the mid 2000s. He suggested it is an interesting subject to look at and how it can effect water flows in Tulare County.

6. Adjourn - Meeting adjourned at 10:38 a.m.