

MERCED AREA GROUNDWATER POOL INTERESTS
BOARD MEETING MINUTES
October 29, 2008

CALL TO ORDER AND WELCOME

At 2:05 P.M., Chair Eltal welcomed those present and called the meeting to order. He stated this meeting is a preface to future Integrated Regional Water Management Plan (IRWMP) meetings.

The sign in sheet showed the following present:

Position/Organization	Name
Chairman/Merced Irrigation District	Hicham Eltal
Vice Chairman/Secretary/ Stevinson Water District	Bob Kelley
CA Dept. of Water Resources	Ben Igawa
CA Dept. of Water Resources	Tom Lutterman
Dauids Engineering	Grant Davids
East Merced Resource Conservation Dist.	Cindy Lashbrook
Geomatrix Consulting	Phillip Ross
Le Grand-Athlone W. D.	Kole Upton
City of Livingston	Richard Warren
Magneson Dairy/Valley Land Alliance	Charles Magneson
Mason, Robbins, Browning and Godwin	Art Godwin
City of Merced	David Tucker
Merced County Environmental Health	Brent Cronk
Merced County Farm Bureau	Diana Westmoreland Pedrozo
Merquin County W.D.	David Nervino
San Joaquin et al.	Maureen McCorry
Valley Land Alliance	Jean OKuye
Winton Water and Sanitary District	Johnnie Baptista
DWR, Planning and Assistance	Brett Wyckoff
DWR, Funding Area Coordinator	Maria Pang
WRIME Inc.	Ali Taghavi
Yolo County Flood Control and Water Conservation District	Tim O'Halloran
Kings River Conservation District	Dave Cone

Chair Eltal recognized that at this time there are only five board members present, which does not represent a quorum.

ROLL CALL

See above.

WRITTEN PETITIONS AND COMMUNICATIONS

Mr. Eltal stated MAGPI has received correspondence challenging its conformance to the Brown Act in association with the recently adopted Groundwater Management Plan. He stated MAGPI has and continues to be open and transparent. He stated he would be communicating with the complainant.

ORAL COMMUNICATIONS

None

BOARD ADDITIONS/DELETIONS TO THE AGENDA

None

BOARD CONSENT CALENDAR

Upon the arrival of Cindy Lashbrook and Johnnie Baptista, there is now a quorum.

1. Acceptance of Draft Minutes by Consensus: Board Meeting of July 30, 2008.

On motion of Mr. Tucker, seconded by Mr. Upton, the Board unanimously approved the above referenced minutes.

REPORTS

1. Review Water Statistics Report.

Chair Eltal reviewed the current drought situation and related concerns. He reviewed total urban consumption, consumption by city/district by month and year. He reviewed total municipal water use and a comparison of total pumping by city or district. He compared urban and Merced Irrigation District (MID) pumping since 1998. He stated MID pumping was consistently low until the drought situation, which is cumulatively still below urban consumption. He reviewed MID static water elevation and combined urban static water levels.

2. Review MAGPI 2008 through 2010 Activities Plan.

Chair Eltal shared an updated schedule. He stated the current process is at about Step 3. He stated we are waiting to hear from the Department of Water Resources (DWR) regarding grant cost share for the hydrologic model. He stated this is the first meeting on the IRWMP. Mr. Davids stated the goal is to actually implement the identified IRWMP projects to achieve the objectives for managing the groundwater basin. Chair Eltal stated that IRWMP should be a format that could be used beyond the possible grants. Chair Eltal reminded the group that the final MAGPI or region's goal will be to accumulate enough information and understanding of the basin to create a joint powers authority to manage the groundwater basin rather than the state.

3. DWR Status Report on Items Pertinent to MAGPI's Activities.

Mr. Wyckoff stated the DWR is working on MAGPI's contract for funding of the water resources model. He introduced Ms. Pang, DWR's Funding Area Coordinator for the San Joaquin area. Mr. Wyckoff provided a funds status report for Proposition 84, Proposition 1E and Proposition 84 (IRWMP). He stated there are three upcoming public meetings scheduled. He stated in order to qualify for IRWMP funding, agencies must go through the regional acceptance process first. Chair Eltal stated MAGPI already has the components of a functional region. Mr. Wyckoff stated all applicants must go through the acceptance process. Mr. Wyckoff stated drought stricken regions would have precedence. There was discussion regarding regional or state-wide competition for funds. Mr. Wyckoff stated that new standards for Proposition 84 are not out yet, but he expected the competition would be state-wide

4. Integrated Regional Water Management Plan (IRWM) kickoff meeting: Two panelists from other Central Valley Regions shared their regions' IRWM plan experiences with MAGPI.

Chair Eltal introduced Mr. Tim O'Halloran, General Manager of Yolo County Flood Control and Water Conservation District (Yolo). He stated that all of his presentation may not apply to this region. He stated that every region has its own character, hydrology and culture. He stated Yolo is a rural county that created a Water Resources Association that included water purveyors in the county that had been in existence for 20 years. He stated decisions for doing the IRWMP need to be determined if it is to get funding or to institutionalize water management in the county. He stated there must be a plan to self-fund as funding is difficult. He stated the region must also be identified.

Mr. O'Halloran discussed important steps, such as, identifying issues and actions, seeking public input, developing potential action and prioritizing actions. He stated prioritizing actions was difficult as priorities change. He stated it was important to have a living document that could be adjusted as needed. He stated they used a consultant to develop implementation strategy and a sub-group that worked closely with the consultant. He suggested pursuing funding when feasible.

Mr. Eltal introduced Mr. Dave Cone of Kings River Conservation District (KRCD), Deputy General Manager of Water/Environmental Resources & Flood Control. Mr. Cone stated Kings' goal was to address an overdraft problem and develop implementable solutions. He stated that in 2004 the Upper Kings Basin Water Forum (Forum) developed an IRWMP. The Forum consisted of five irrigation districts, ten cities, three counties and 15 public agencies and non-government interests. He stated their goal was to prepare a groundwater and surface water model and develop an IRWMP. He stated they filed a round one Proposition 50 grant application and completed their IRWMP in 2007. He stated they prepared an integrated groundwater and surface water model at a cost of \$500,000. He stated the IRWMP cost was \$800,000 with a \$500,000 grant from DWR. He stated they received a grant under Proposition 50 for two groundwater recharge and banking projects under the IRWMP.

Mr. Cone stated the IRWMP gives better perspective of problem areas in a basin. He stated they are currently developing a Joint Powers Authority (JPA) to form a basin integrated regional water management authority. He discussed Kings' experience in determining cost share as part of their voting process. He stated non-government and other interested parties can be active non-voting members of the JPA. He stated JPA board members must be elected officials from a city, county or water district. He stated alternate members can be staff or consultants.

Mr. Cone stated Mr. Ali Taghavi of WRIME helped KRCD develop their IRWMP. He stated the major determining factor for an IRWMP is whether the plan cost and benefit are justified. He also noted developing a common set of solutions as part of establishing the plan preserves momentum among participants.

Mr. Cone stated definition of a region is important. He stated that not all entities must participate in the beginning. However, he noted that once other agencies see the benefit of the IRWMP, they usually get involved later in the process.

Mr. Cone stated a technical and data work group oversaw data development, compiled the modeling process and developed the model and implementation was fed back to the major group. He stated KRCD is working on another round of data collection to tie into the statewide management system.

Mr. Cone stated Merced has a parallel issue with KRCD in that it is a conjunctive water supply of surface and groundwater. He stated it can be a challenge to bring these interests together. He stated surface and groundwater users were brought together to create a forum that looked at conjunctive use for the betterment of the community.

Mr. Cone stated project prioritization is important and recommended using tools and technology to determine priority.

Mr. Cone stated use of the groundwater model by other groups became a problem. He stated a process for use and payment for its use had to be developed. Mr. Taghavi stated there was some concern regarding proper assimilation or potential misuse of the model.

Mr. O'Halloran stated, in the case of Yolo, it used the IRWMP more like a plan than a project development process. Mr. O'Halloran stated working on overarching policies that broadly apply to the region is what the effort should concentrate on. He added most efforts should be foundational actions. Mr. O'Halloran stated that projects should be tied to resources and should be defined as groundwater database or subsidence program projects or other identified disciplines that inform other projects. Mr. O'Halloran emphasized providing ongoing data. Mr. O'Halloran stated regardless of the regional management plan, projects will go through their own CEQA process. Mr. O'Halloran ended by reminding that the IRWMP group mission must be to protect and nurture foundational actions.

Mr. Upton stated that, given the limitation of groundwater resources, new groundwater wells should address if there is an overdraft in an area. Mr. Cone responded that unfortunately some are trying to address this issue through the Irrigated Land Regulatory Program (ILRP) that

succeeded the Irrigated Land Discharge Waiver program. Mr. Cone stated KRCD and others continue to argue that we have a GWMP and that it is bodies such as MAGPI, created out of AB 3030, responsibility to monitor conditions in the basin. Unfortunately, he added, some communities have their AB 3030 on the shelf.

Vice Chair Kelley inquired if the model needs to be developed before the IRWMP or if a foundation of an IRWMP can be in place when the model comes in place. Mr. Cone stated a complete analysis cannot be done without assumptions that come through the model. Mr. O'Halloran stated that all regions are at different starting points. Mr. O'Halloran warned not to let the model or lack thereof affect the IRWMP. He stated IRWMP must have five components discussed in building up projects. He stated these components could be flood, drought, water supply, aquatic life and others that are not bound to the model.

Mr. Cone discussed project selection criteria. Chair Eltal stated projects could be categorized by bond projects and other projects that live beyond the bond. He stated the group would have to look at what is best for this basin. He noted that not all projects will fit the bond.

Mr. Davids asked Mr. O'Halloran whether the plan was for both the region and DWR funding and whether they were prepared if there were no DWR funding. Mr. O'Halloran stated that it was, and he saw it as a planning document to bring together the parties as a region and see through the processes present and future needs. He stated the plan promoted projects that provided broad benefits. Mr. O'Halloran stated the plan provides other opportunities beyond just a DWR funding mechanism. Mr. Davids stated funding was handled by Yolo's Water Resources Association through the IRWMP similar to MAGPI. Mr. O'Halloran was asked how their group handled and addressed abilities to pay for the plan amongst its members. Mr. O'Halloran stated each benefitting entity should have the ability to fund its share. Mr. Davids asked whether Mr. O'Halloran's agency was compelled to spend more time and funding for the plan. Mr. O'Halloran replied that staff time was donated. Mr. Cone added that a JPA will incur some cost for the upkeep of the model, if there is one. Mr. Cone stated IRWMP actions/commitments are made by the responsible participants. Mr. Cone added that monitoring and reporting of the plan is shared with DWR.

Chair Eltal asked both guests how they handled DWR's requirement to have one agency represent the region. Mr. Cone responded that one public agency is required, and in their case it was KRCD. Mr. O'Halloran stated the Water Resources Association executed contracts and Yolo was the fiscal agent. Chair Eltal explained that historically, MAGPI received grants from DWR and MID signed for them. He inquired under an IRWMP funding world, with specific projects to cities and other specialty entities, who will sign for these grants. Mr. O'Halloran stated that in their case they applied for a planning grant. He stated that, subsequently, the IRWMP was completed and adopted. He stated that at that point, any improvement grants are the responsibility of the benefitting agencies. Mr. O'Halloran stated four agencies applied for implementation projects and one agency acted as the lead agency. Mr. Cone stated KRCD is acting for its IRWMP forum and signs contracts with DWR, with subcontracts with project districts.

Mr. Tagavi stated that one public agency would apply on behalf of the region. He stated that three projects for \$18 million were applied for. He stated DWR divided the fund at \$6 million between the projects. Mr. Taghavi stated he has never seen DWR sign three contract for three projects. Mr. Cone stated in KRCD's case, they have a cost share policy regarding how to split funds.

Ms. McCorry asked how different goals were managed and conflict between urban, agricultural and environmental opinions resolved. Mr. O'Halloran stated there has been good relation between urban, agricultural and environmental groups in their region. He observed that controversies were worked out at a staff level which took some political posturing out. Ms. McCorry asked if the meetings were well attended and if it had a real stakeholder process. Mr. O'Halloran explained that continuity is important in this process and core players were there regularly from the beginning and participated in setting deadlines. Mr. Cone stated once the deadlines were established a steering committee was formed that moved the process forward.

Chair Eltal stated the development of an IRWMP and how it will unfold remains to be seen. He continued it is important that the county be at the table to add overarching disciplines, such as flood control, that regular water agencies may lack. Mr. Cone added that participation from disadvantaged communities, unincorporated areas and counties are all important.

Vice Chair Kelley concluded the meeting by stating it is important to maintain momentum in this process

BUSINESS FROM THE BOARD

None.

NEXT MEETING

Chair Eltal stated the next MAGPI meeting will be a kick-off meeting for the model and how to approach an IRWMP. He stated there could be a parallel track of the model and the IRWMP. A tentative meeting date was set for December 17, 2008, at Merced Irrigation District.

ADJOURN

At 4:30 P.M., on motion of Vice Chair Kelley, seconded by Mr. Baptista, the meeting was adjourned.