SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA) Well Protection Program Sub-Committee Meeting Final Minutes May 1, 2008

LOCATION:

9280 West Stockton Boulevard, Suite 220

Elk Grove, CA 95758 2 p.m. to 4:00 p.m.

MINUTES:

1. Call to Order and Roll Call

Meeting commenced at 2:20 p.m.

The following meeting participants were in attendance:

Board Members (Primary Rep.)

Andy Soulé, California-American Water Company Walt Sadler, City of Folsom Ron Lowry, Omochumne-Hartnell Water District

Staff Members

Darrell Eck, Executive Director, Sacramento Central Groundwater Authority Ramón Roybal, Sacramento Central Groundwater Authority Ping Chen, Sacramento Central Groundwater Authority

2. Public Comment

None

3. Well Protection Program Criteria

Meeting commenced with discussion of adding an auxiliary water system exclusion to the draft ordinance. Darrell Eck proposed the insertion of the following language under Eligibility - Chapter 2.25; Section 2.25.010 Qualification (added text is represented by **bold** *italics*):

2.25.010 Qualification

- A. During the term of the Well Protection Program, any owner of land who owns and operates a well, or wells, as a sole source of water supply on a legal parcel which lies within the Central Basin Well Protection Program Area shown on the map attached hereto as Appendix 2 and made a part hereof, shall be eligible for benefits under the Well Protection Program, provided such owner registers such well.
- B. Any legal parcel to which water is furnished or sold from an approved public water system, which has an Auxiliary Water System as defined by Chapter 6.30, Protection of Drinking

Water, of the Sacramento County Code, shall not be eligible for benefits under the Well Protection Program.

The next item discussed was the delineation of the Impact Area (Appendix 2). Mr. Eck mentioned the City of Sacramento's desire to include their "eastern fringe" within the program area. Mr. Eck stated that the discussion at the April 9, 2008 Board meeting was not sufficiently clear as to the exact parcels that would make up this area. The subcommittee agreed that a meeting with Mel Johnson would be required to get specific direction regarding the issue. Mr. Eck then asked if the areas served by local water purveyors not participating in the SCGA effort (i.e., Fruitridge Vista Water Company and the Florin County Water District) should be eligible for coverage under the WPP. Walt Sadler responded that those areas should be excluded because they are serviced by municipal water suppliers that have chosen not to participate in SCGA and any compromise of service should then be remedied by those municipal suppliers. Andy Soulé concurred saying that the concept is sound. Mr. Soulé further recommended that Appendix 2 should include a written description of the program area boundary.

The next item of discussion was use of the well replacement benefit for connection to a municipal water service. Ron Lowry asked if language was incorporated into the Ordinance would the well owner be required to hook up if municipal water service was readily available. Mr. Sadler responded that well owners would not be forced to connect to a municipal water service but that the Ordinance would simply make it an option. Mr. Soulé concurred.

Several comments were made at the last Board meeting regarding the WPP fee table. Members of the Board expressed a number of concerns, particularly that the benefit paid was about \$5000 when the cost of a private domestic well was approximately \$15,000. This benefit level was based on the cost assumptions provided in the 2005 Impact Analysis. Mr. Eck discussed staff's recommendations to adjust the reimbursement cost assumptions to bring them more into alignment with the assumptions used for the North Vineyard WPP. For private domestic wells the assumption is that the entire well would have to be replaced, this is consistent with the North Vineyard program. With regard to agricultural wells, the Impact Analysis indicated that no agricultural wells would need to be replaced so assuming a replacement cost of \$220,000 would be unrealistic. Based on data from the Impact Analysis staff recommended that \$50,000 be used for the agricultural well benefit. These adjustments increased the well protection fee to \$284 per EDU (based on a well replacement cost that matches the North Vineyard WPP). The subcommittee members felt that this as approach was reasonable.

Mr. Soulé commented that the contingency percentage on the well protection program cost tables was too low at 10% and recommended that the figure be raised to 15%. Remainder of subcommittee concurred.

Mr. Eck mentioned that the discussion of benefits from the Central Basin WPP at the April 9, 2008 Board meeting seemed to produce two conflicting proposals. The first involved the Central Basin WPP paying the "delta" between maximum benefits provided by the North Vineyard WPP and the Central Basin WPP. The second proposal being that the maximum benefit paid by the two programs be identical, effectively eliminating any delta. The question then became, if the two programs essentially have the same benefit would the

Central Basin WPP be paying for double coverage for those parcels within the North Vineyard WPP benefit area or should the programs be separate and only pay benefits within their respective boundaries? To cover this additional cost, Mr. Lowry asked if development in Rancho Cordova that would be conditioned to fund the North Vineyard WPP would also be conditioned to fund the Central Basin WPP or would the Central Basin WPP be increased (excluding the aforementioned Rancho Cordova development) sufficiently to provide double coverage? Mr. Sadler and Mr. Soulé both answered that it should not. Mr. Soulé suggested that to resolve this issue the North Vineyard WPP area should be removed from the Area of Impact (Appendix 2). Mr. Eck suggested that this issue be brought to the attention of the Board but that a decision be withheld until Stuart Helfand is available to provide his input.

Mr. Eck then discussed the well protection fee as it may be assessed on a well drilling permit. Mr. Eck stated that the fee proposal was based on a rate-per-diameter-inch schedule and structured such that the resultant fee would be commensurate with the fee assessed on a single family home in the urban area. Mr. Lowry stated that it would not be fair to assess the fee on both the drilling permit and building permit for a construction project on an ag-res parcel, the owners would be double charged. Mr. Sadler suggested that municipal wells should not be assessed a well protection fee since the fee would also be collected on each building permit for the home/commercial facility that would ultimately be served by the municipal well. Mr. Lowry stated that under this scenario, agricultural wells are likely to be assessed a prohibitably large drilling permit fee and that it may not go over very well with local farmers and ranchers. Mr. Sadler suggested exempting agricultural wells from being assessed the fee. Mr. Soulé responded that municipal wells should be exempted as well. Mr. Eck then asked the subcommittee if the well drilling fee should be limited to smaller well diameters on the order six to 10 inches and to exempt anything larger. Subcommittee responded in the negative with the point being made that if you consider a well replacement scenario, the new well will most likely have a greater capacity than the old well without a fee being collected for the added impact to the basin, whereas an owner drilling a new well would have to pay for the impact. Mr. Eck then asked if no fee should be collected on well drilling permits. Mr. Sadler and Mr. Lowry responded in the affirmative. Mr. Sadler further stated that for simplification of the fee collection process this type of assessment should be avoided. He pointed out that fee waivers and credits may become and issue along with having to integrate the fee collection process with Sacramento County EMD.

4. Adjournment

With no further business to discuss meeting adjourns at 3:30 p.m.

By:

Chairperson

Attest:

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Date