



SAN ANTONIO BASIN GROUNDWATER SUSTAINABILITY AGENCY

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the San Antonio Basin Groundwater Sustainability Agency (“Agency” or “SABGSA”) Board of Directors (“Board”) will hold a public hearing during its regular **Board Meeting at 6:00 P.M. on Tuesday, August 16, 2022**, at the **Los Alamos Community Services District located at 82 St. Joseph Street, Los Alamos, CA 93440**. Virtual options are available for public participation.¹

Join Zoom Meeting:

<https://us06web.zoom.us/j/83252082959?pwd=SFhYWkxnaTJtZXlYQnE5VUNCUFc5QT09>

Meeting ID: 832 5208 2959 Passcode: 360900

Dial: (669) 900 6833

SAN ANTONIO BASIN GROUNDWATER SUSTAINABILITY AGENCY (SABGSA)

BOARD OF DIRECTORS MEETING AGENDA

Tuesday, August 16, 2022

1. CALL TO ORDER and ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

The Board will receive public comments on items not appearing on the agenda and within the subject matter jurisdiction of the Agency. The Board will not enter into a detailed discussion, answer questions, or take any action on any items presented during public comments. In the Board’s discretion, any issue raised during Public Comment may be referred to the Executive Director or other staff for administrative action or scheduled on a subsequent agenda for discussion. Persons wishing to speak on specific agenda items should do so at the time specified for those items. The presiding Chair shall limit public comments to no more than three minutes.

4. CONSENT ITEMS

a. Approve Minutes from July 19, 2022, Regular Meeting

b. Agency Finances, Budget, and Training

- i. The Board will receive a report from the accountant regarding finances and expenses.
- ii. The Board will receive a report regarding training.

5. INFORMATIONAL ITEMS

a. Executive Director Update

- Update on activities performed by the Executive Director

b. San Antonio Basin Water District Update

- Update on San Antonio Basin Water District activities

¹ SABGSA will make reasonable efforts to make the meeting accessible virtually; however, if one of the virtual options are unavailable due to technological issues, you are invited to take advantage of the other options, including in-person attendance.

c. Advisory Committee Updates

- Update on Advisory Committee

d. Board Member Updates

- Board members will provide any updates relevant to the SABGSA

6. DISCUSSION AND ACTION ITEMS

a. SABGSA Monthly Financial Reporting

The Board will discuss preparing monthly financial reports on a cash basis and the timing of issuing the monthly financial reports. The Board may take action or provide specific direction to staff and/or Carrie Troup, CPA, related to this item.

b. Consider Appointing a Secretary to Fill Current Vacancy

Per Section 2.15 of the Joint Powers Agreement (JPA), the Board of Directors appoints the Secretary as an Officer. The Secretary position is currently vacant and may be appointed by a majority vote of the Board. Section 6.3 of the Bylaws specify the duties of the Secretary as follows: "The Secretary shall be responsible for maintaining Board meeting minutes and other records that may from time to time be required by the Board's activities and shall perform such reasonable duties as may be required by the Board or Chair of the Board. The Secretary may delegate the actual performance of the tasks necessary to fulfill these duties." The Board may take action on this item to appoint a Secretary.

7. PUBLIC HEARING

a. Consider Resolution No. 22-002 Approving A Well Verification Request Fee to Support SABGSA's Compliance with Executive Order N-7-22 and SABGSA's Well Verification Policy

The SABGSA Board will hold a public hearing to receive public comments on a proposed Well Verification Request Fee and the supporting Scope of Work and Fee for SABGSA's Executive Director and GSI Water Solutions, Inc. to process Well Verification Requests and issue Well Verifications consistent with the SABGSA's Well Verification Policy (Resolution No. 22-001). The Board may take action to approve Resolution No. 22-002 Approving A Well Verification Request Fee to Support Compliance with Executive Order N-7-22 and the associated Well Verification Fee and Deposit Agreement to implement the proposed Well Verification Request Fee.

NEXT MEETING: September 20, 2022, at 6pm

8. ADJOURN

Please contact Stephanie Bertoux at admin@sanantoniobasinga.org with any questions.



SAN ANTONIO BASIN GROUNDWATER SUSTAINABILITY AGENCY
SAN ANTONIO BASIN GROUNDWATER SUSTAINABILITY AGENCY (SABGSA)
BOARD OF DIRECTORS MEETING
UNAPPROVED MINUTES
Tuesday, July 19, 2022

1. **CALL TO ORDER and ROLL CALL** – The meeting was called to order by President Sharer at 6:00pm at the Los Alamos Community Services District, 82 St. Joseph Street, Los Alamos, CA. Members of the public had the option to participate virtually or in-person.

Board of Directors Present: Dan Chabot, Tom Durant, Juan Gomez, Kevin Merrill, Alternate Patrice Mosby, Kenny Pata, Randy Sharer, Chris Wrather

Alternates present, but not acting on behalf of a Director: Eric Pooler

Directors Absent: Pat Huguenard

2. **PLEDGE OF ALLEGIANCE**

3. **PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA**

No public comments received.

4. **CONSENT ITEMS**

- a. **Approve Minutes from June 21, 2022, SABGSA Board Meeting**

Motion by Director Merrill, second by Director Pata to approve the minutes of the June 21, 2022, Board meeting as presented.

Ayes: Directors: Dan Chabot, Tom Durant, Juan Gomez, Kevin Merrill, Alternate Patrice Mosby, Kenny Pata, Randy Sharer, Chris Wrather

Nos: None; **Absent:** Pat Huguenard; **Abstain:** None.

- b. **Agency Finances, Budgeting, and Training**

Motion by Director Durant, second by Director Chabot to approve the financial report as presented.

Ayes: Directors: Dan Chabot, Tom Durant, Juan Gomez, Kevin Merrill, Alternate Patrice Mosby, Kenny Pata, Randy Sharer, Chris Wrather

Nos: None; **Absent:** Pat Huguenard; **Abstain:** None.

5. **INFORMATIONAL ITEMS**

- a. **Executive Director Updates**

Executive Director Stephanie Bertoux reported that the Facility Use and Support Agreement between the SABGSA and the LACSD was approved by both boards and is fully executed.

- b. **San Antonio Basin Water District Update**

SABWD Executive Director Donna Glass reported that the SABWD, at their board meeting held on July 19, 2022, approved the budget for fiscal year 2022-23, levied the assessment for 2022-23, and approved a transfer of \$27,000 from SABWD to SABGSA for June 2022 expenses.

c. Advisory Committee Updates

The Advisory Committee scheduled for July 5, 2022, was cancelled.

d. Board Member Updates

No report.

6. ACTION ITEMS

a. Q2 2022 Quarterly Water Level Monitoring Report for the San Antonio Creek Valley Groundwater Basin

SABGSA staff briefly reviewed the Q2 2022 Quarterly Water Level Monitoring Report. A copy of the report can be found at: <https://sanantoniobasingsa.org/groundwater-planning-and-reports/>. No action was taken on this item.

b. Consider SABGSA Well Verification Framework – Resolution 22-001 and Well Verification Request Form – in Response to Executive Order N-7-22 and the Santa Barbara County Ordinance No. 5158, a Temporary Water Well Permit Urgency Ordinance (County Urgency Ordinance).

SABGSA legal counsel presented SABGSA’s draft Well Verification Policy and Well Verification Request form. The Board reviewed and discussed Resolution No. 22-001 Approving a Well Verification Policy in compliance with Executive Order N-7-22.

Motion by Director Wrather, second by Director Gomez to approve Resolution 22-001, as presented.

Ayes: Directors: Dan Chabot, Tom Durant, Juan Gomez, Kevin Merrill, Alternate Patrice Mosby, Kenny Pata, Randy Sharer, Chris Wrather

Nos: None; **Absent:** Pat Huguenard; **Abstain:** None.

c. Discuss the Scope of Work and Fees for SABGSA’s Review of Well Applications in the San Antonio Creek Valley Groundwater Basin and Written Verification in Response to Executive Order N-7-22 and the County Urgency Ordinance.

The Board received an update on the scope of work and estimated budget for SABGSA staff and GSI Water Solutions, Inc. (GSI) to review, on behalf of the SABGSA, requests for a written verification in response to Executive Order N-7-22 and the County Urgency Ordinance for wells located within the San Antonio Creek Valley Groundwater Basin. The Board also received an update from SABGSA legal counsel on the process and timeline required to charge a fee for the Agency’s time to process and issue written verifications. It is anticipated that a public hearing will be held on August 16, 2022, to further review and discuss this item.

d. SABGSA Well Registration Program Update

The Executive Director provided an update on the status of the draft conceptual framework for the Well Registration Program being developed by the Well Registration and Metering Ad Hoc Committee. It is anticipated that this item will be placed on the September 20, 2022, SABGSA Board meeting agenda for discussion. No action was taken on this item.

7. NEXT MEETING: August 16, 2022, at Los Alamos Community Services District

8. ADJOURN - 6:52pm

Please contact Stephanie Bertoux at admin@sanantoniobasingsa.org with any questions.

BOARD OF DIRECTORS

SAN ANTONIO BASIN GROUNDWATER SUSTAINABILITY AGENCY

RESOLUTION NO. 22-002

A RESOLUTION OF THE SAN ANTONIO BASIN GROUNDWATER SUSTAINABILITY AGENCY APPROVING A WELL VERIFICATION REQUEST FEE TO SUPPORT COMPLIANCE WITH EXECUTIVE ORDER N-7-22

WHEREAS, the San Antonio Basin Groundwater Sustainability Agency (“Agency”) was formed pursuant to a joint exercise of powers agency (“JPA”) executed on May 16, 2017 between the Cachuma Resource Conservation District and the Los Alamos Community Services District;

WHEREAS, the Agency decided to become the exclusive Groundwater Sustainability Agency (“GSA”) for the San Antonio Creek Valley Basin (“Basin”) on June 14, 2017;

WHEREAS, the San Antonio Basin Water District replaced the Cachuma Resource Conservation District as a member of the JPA on May 19, 2020;

WHEREAS, in compliance with the Sustainable Groundwater Management Act (“SGMA”), on December 7, 2021, the Agency adopted the San Antonio Basin Groundwater Sustainability Plan (“Plan”) that establishes the Agency’s groundwater management program and sustainability goal for the Basin;

WHEREAS, on March 19, 2019, the Santa Barbara County (“County”) Board of Supervisors (“Board”) passed Resolution 19-93 Concern Regarding Prolonged Water Supply Shortage within Santa Barbara County, which recognized the long-term impact of the drought and the need for County water agencies, the County and residents to continue to work together to conserve and to improve water security in anticipation of future droughts;

WHEREAS, on July 8, 2021, the Governor of the State of California (“Governor”) proclaimed a State of Emergency to exist due to drought conditions in the County;

WHEREAS, on July 13, 2021, the County Board found that conditions of extreme peril warranted and necessitated a Proclamation of Local Emergency Cause by Drought Conditions (“Proclamation of Local Emergency”);

WHEREAS, the County Board has reviewed the need for the Proclamation of Local Emergency at least every 60 days and has continued to find that the current “[d]rought conditions of extreme peril to the safety of persons and property in Santa Barbara County persist and warrant the Proclamation of Local Emergency Cause by Drought Conditions”;

WHEREAS, on March 28, 2022, the Governor signed Executive Order N-7-22 (“Executive Order”) to address emergency drought conditions;

WHEREAS, the Executive Order provides, in part, that “[t]o protect health, safety, and the environment during this drought emergency, a county, city, or other public agency shall not [a]pprove a permit for a new groundwater well or for alteration of an existing well in a basin subject to the Sustainable Groundwater Management Act and classified as medium- or high-priority without first obtaining written verification from a Groundwater Sustainability Agency managing the basin or area of the basin where the well is proposed to be located that groundwater extraction by the proposed well would not be inconsistent with any sustainable groundwater management program established in any applicable Groundwater Sustainability Plan adopted by that Groundwater Sustainability Agency and would not decrease the likelihood of achieving a sustainability goal for the basin covered by such a plan”;

WHEREAS, the County Environmental Health and Services (“EHS”) is responsible for the issuance of permits for new wells and well modifications within the County;

WHEREAS, on May 24, 2022, the County Board adopted Ordinance No. 5158, a Temporary Water Well Permitting Urgency Ordinance (“County Urgency Ordinance”), amending Chapter 34A of the County Code to implement the Executive Order;

WHEREAS, pursuant to the Executive Order and the County Urgency Ordinance, as a prerequisite to the issuance of a permit from the County for any well within the jurisdiction of a GSA, County EHS must first obtain a written verification from the applicable GSA (“Well Verification”);

WHEREAS, the Agency’s Plan documents that the Basin is experiencing chronic lowering of groundwater levels and a reduction in groundwater in storage. The Basin’s water budget, documented in the Plan, indicates that the annual volume of groundwater extracted from the Basin (by pumping) has historically been greater than the Basin’s sustainable yield¹ as defined in the Plan. As set forth in the Plan, the change in groundwater in storage during the Basin’s historical water budget period (1981-2018) was a net decrease of 10,600 acre-feet;

WHEREAS, the Agency’s Board of Directors and the Agency’s consultant, GSI Water Solutions, Inc. (“GSI”), reviewed the Plan and current drought conditions to determine, based on substantial evidence, that any additional extraction of groundwater from the Basin—in excess of the amount of groundwater extraction from existing wells as originally constructed—during drought conditions, as identified by the County Board and Governor, would be inconsistent with the sustainable groundwater management programs established in the Plan and/or would decrease the likelihood of the Basin achieving its sustainability goal for the Basin;

WHEREAS, Water Code Section 10726.4, subdivision (a)(1) authorizes the Agency to control groundwater extractions by regulating, limiting or suspending extractions from individual wells or extraction of groundwater wells, construction of groundwater wells, enlargement of

¹ Sustainable yield is defined in the SGMA as “the maximum quantity of water, calculated over a period representative of long-term conditions in the basin and including any temporary surplus that can be withdrawn annually from a groundwater supply without causing an undesirable result.” (Wat. Code, § 10721(w).)

existing groundwater wells or reactivation of abandoned groundwater wells, or otherwise establishing groundwater extraction allocations;

WHEREAS, to implement the Executive Order and County Urgency Ordinance and to ensure that County EHS well permits are consistent with the Plan, the Agency adopted Resolution No. 22-001 approving a “Well Verification Policy” in compliance with the Executive Order that creates a process for the Agency to consider requests for Well Verifications from applicants seeking a well permit from County EHS for a well within the Basin;

WHEREAS, the Well Verification Policy establishes a temporary process for an applicant seeking a County EHS well permit to request a written Well Verification (“Well Verification Request”) from the Agency and review criteria for the Agency to evaluate said Well Verification Request and determine whether to issue a Well Verification;

WHEREAS, as contemplated in Section 6 of the Well Verification Policy, the Agency seeks to establish fee(s) and deposit(s) to cover the implementation costs of the Well Verification Policy (“Well Verification Request Fee”);

WHEREAS, the Agency has the authority to impose fees on other regulated activity, such as the issuance of a Well Verification, to fund the costs of a groundwater sustainability program pursuant to Water Code section 10730 and other applicable law;

WHEREAS, the Agency published a Well Verification Request Fee Report on July 27, 2022, and attached hereto as Attachment 1, containing the data upon which the Agency’s proposed Well Verification Fee is based and, as required by Water Code Section 10730 and other applicable law, provided notice of this report to interested parties and the public;

WHEREAS, the Well Verification Request Fee Report contains the scope of work and fees for the SABGSA Executive Director and GSI staff time to review a Well Verification Request and determine whether to issue a Well Verification;

WHEREAS, the Agency’s Board of Directors held a noticed public hearing on August 16, 2022, regarding the Well Verification Request Fee, at which the Board of Directors accepted oral and written presentations on said fee;

WHEREAS, the Agency’s Board of Directors finds that the proposed Well Verification Request Fee is a reasonable regulatory fee based on the Agency’s costs to process Well Verification Requests under the Agency’s Well Verification Policy, bears a fair or reasonable relationship to the payor’s burdens on or benefits received from a Well Verification, is no more than necessary to cover the Agency’s reasonable regulatory costs to implement said policy and therefore complies with the requirements of the California Constitution, including Article XIII C, section 1, subdivision (e)(3), and state law, including Water Code Section 10730(a); and

WHEREAS, adoption of this resolution is exempt from the California Environmental Quality Act (“CEQA”) Guidelines Sections 15273 and 15378(b)(5) and Public Resources Code

Section 21080(b)(8)(A) and (B), in that the fees shall be used for reimbursement for staff and consultants time and costs associated with processing Well Verification Requests.

THEREFORE, BE IT RESOLVED by the Board of Directors of the Agency, as follows:

- 1. Incorporation of Recitals.** All the recitals in this Resolution are true and correct and incorporated herein by this reference.
- 2. Findings.** Based on substantial evidence in the record, the Agency's Board of Directors makes the following findings: The amount of the Well Verification Fee (a) is no more than necessary to cover the Agency's reasonable costs processing Well Verification Requests in accordance with its Well Verification Policy, as authorized by Water Code Section 10730; (b) bears a fair or reasonable relationship to the payor's burdens on, or benefits received from, the Agency's processing of a Well Verification Request; (c) does not exceed the costs for the Agency to implement the Well Verification Policy; and (d) shall not be used for any other purpose.
- 3. Fee.** A fee of nine hundred and eighty-seven dollars and fifty cents (\$987.50) is hereby established for the Agency to process a Well Verification Request and issue a Well Verification pursuant to the Well Verification Policy.
- 4. Deposit.** An initial deposit in the amount of nine hundred and eighty seven dollars and fifty cents (\$987.50) ("Initial Deposit") shall be submitted for all Well Verification Request and the deposit shall be spent and supplemented based on the hourly rates of one hundred and twenty five dollars per hour (\$125.00/hour) for the Agency Executive Director and two hundred dollars per hour (\$200.00.hour) as a blended rate for GSI staff review and in accordance with the Fee and Deposit Agreement described in Section 5 of this Resolution. The Initial Deposit amount reflects the Agency's anticipated costs to process a Well Verification Request and issue a Well Verification that include one and a half (1.5) hours of Agency Executive Director and four (4) hours of GSI staff time.
- 5. Fee and Deposit Agreement.** The Agency Board of Director's hereby authorizes the Fee and Deposit Agreement, attached hereto as Attachment 2, to establish the rights and obligations of the parties for the purposes of implementing the Well Verification Request Fee.
- 6. Administrative Authorization.** The Agency Executive Director shall have the authority to take other such actions as may be necessary and appropriate to implement the intent of this Resolution.
- 7. Severability.** If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held to be invalid by a court of competent jurisdiction, such decisions shall not affect the validity of the remaining portions of this resolution. The Agency Board of Directors hereby declares that it would have passed and

adopted this resolution, and each and all provisions hereof, irrespective of the fact that one or more provisions may be declared invalid.

8. Effective Date. This Resolution shall take effect immediately upon passage and adoption and terminate upon the rescission of Resolution No. 22-001.

WE, THE UNDERSIGNED, do hereby certify that the above and foregoing Resolution No. 22-002 was duly adopted and passed by the Board of Directors of the San Antonio Basin Groundwater Sustainability Agency at a meeting held on the 16th day of August, 2022, by the following vote:

AYES:

NOES:

ABSENT:

Randy Sharer, Board Chair
San Antonio Basin Groundwater Sustainability Agency

ATTEST:

, Board Secretary
San Antonio Basin Groundwater Sustainability Agency

ATTACHMENT 1
Well Verification Request Fee Report

[This page left intentionally blank]



SAN ANTONIO BASIN GROUNDWATER SUSTAINABILITY AGENCY

Well Verification Requests Fee Report July 27, 2022

The San Antonio Basin Groundwater Sustainability Agency (SABGSA) presents the following scope of work and fee information to implement its Well Verification Policy established by Resolution No. 22-001. The SABGSA Well Verification Policy was established to implement the new written verification requirements in Governor Newsom’s Executive Order N-7-22 and the Santa Barbara County Board of Supervisors Urgency Ordinance No. 5158 (County Urgency Ordinance) within the San Antonio Creek Valley Groundwater Basin (Basin). The SABGSA is required by Governor Newsom’s Executive Order N-7-22 and the County Urgency Ordinance to determine whether a written verification can be issued by the SABGSA on the basis that groundwater extraction by the proposed well:

1. would not be inconsistent with any sustainable groundwater management program established by the Groundwater Sustainability Plan (GSP) adopted by the SABGSA, and
2. would not decrease the likelihood of achieving a sustainability goal for the basin covered by such GSP.

The Well Verification Policy permits the SABGSA to establish a fee and deposit (Well Verification Request Fee) in order to charge the applicant the reasonable regulatory costs associated with SABGSA staff and its consultants’ time and materials needed to process the Well Verification Request.

In accordance with Water Code section 10730 and the California Constitution, SABGSA presents the following scope of work and fees for the SABGSA Executive Director (Exhibit 1) and GSI Water Solutions, Inc. (Exhibit 2) to review each Well Verification Request. The proposed fee and deposit for SABGSA to process an applicant’s Well Verification Request is summarized as follows:

Responsible Party	Time	Rate	Cost
SABGSA Executive Director	1.5 hours	\$125.00/hr	\$187.50
GSI Water Solutions, Inc.	4 hours	\$200.00/hr	\$800.00
Total	5.5 hours	N/A	\$987.50

Pursuant to the proposed Well Verification Request Fee, the applicant must pay the fee through an initial deposit of \$987.50 based on the anticipated time spent to review a Well Verification Request. If circumstances require additional time to process a Well Verification Request, the applicant will be billed for this additional time based on the above rate schedule.

The proposed Well Verification Request Fee is authorized under Water Code Section 10730(a) as a fee on other regulated activity (i.e., issuing the Well Verification) to fund the costs of a groundwater sustainability program. The proposed fee also is exempt from the requirements to adopt a special tax, as a fee imposed on the reasonable regulatory costs to issue a Well Verification, in accordance with Article XIII C, section 1, subdivision (e)(5) of the California Constitution.

The SABGSA shall consider adoption of the proposed Well Verification Request Fee via a resolution following a public hearing at its regular Board of Directors Meeting at 6:00 P.M. on Tuesday, August 16, 2022, at the Los Alamos Community Services District located at 82 St. Joseph Street, Los Alamos, CA 93440. Virtual options for attendance also may be available. Interest parties are encouraged to attend and comment on the proposed Well Verification Request Fee.

EXHIBIT 1



SAN ANTONIO BASIN GROUNDWATER SUSTAINABILITY AGENCY

SABGSA Executive Director's Scope of Work and Fees for Well Verification Requests July 27, 2022

This scope of work and estimated budget is for San Antonio Basin Groundwater Sustainability Agency's (SABGSA) Executive Director to review, on behalf of the SABGSA, applications requesting a permit from the County of Santa Barbara Environmental Health Services (EHS) for a well within the San Antonio Creek Valley Groundwater Basin (Basin). The SABGSA is required by Governor Newsom's Executive Order N-7-22 and the Santa Barbara County Board of Supervisors Urgency Ordinance No. 5158 (County Urgency Ordinance) to determine whether a written verification can be issued by the SABGSA on the basis that groundwater extraction by the proposed well:

1. would not be inconsistent with any sustainable groundwater management program established by the Groundwater Sustainability Plan (GSP) adopted by the SABGSA, and
2. would not decrease the likelihood of achieving a sustainability goal for the basin covered by such GSP.

On July 19, 2022, the SABGSA Board of Directors approved Resolution No. 22-001, containing the SABGSA's Well Verification Policy. The Well Verification Policy establishes the process for SABGSA staff to review and consider Well Verification Requests for applicants seeking a well permit from County EHS. Details of the proposed scope of work for the Executive Director to review Well Verifications Requests for proposed wells under the SABGSA's Well Verification Policy is presented as follows.

Executive Director's Scope of Work

The scope of work for SABGSA's Executive Director includes the following activities:

- Review Well Verification Request for completeness. This includes confirming receipt of the following documents: Complete County Well Permit Application, Site Vicinity Information, Well Information (e.g., Replacement or Modified and Original wells), Well Verification Request Agreement, and payment.
- Generate a data request email to the applicant to request outstanding information required from the applicant, as needed.
- Receive and file the completed Well Verification Request and payment.
- Coordinate with GSI Water Solutions. GSI Water Solutions will provide the technical review of the Well Verification Request (see Exhibit 2: GSI Scope of Work for additional details).
- Draft and issue the findings of the technical review in a Well Verification Letter and communicate the findings to the applicant in writing.
- Coordinate with County of Santa Barbara Environmental Health Services, as needed.

Fees

To process each well verification request, it is estimated that a total of 1.5 hours will be spent by the Executive Director. The estimated cost to complete the scope of work described in this memorandum is \$187.50 based on an hourly rate of \$125.

No Representations, Warranties, Guarantees, or Liability

Executive Director services for the SABGSA are provided by Stephanie Bertoux, Bertoux & Company, on a contract basis. Bertoux & Company does not represent, warrant or guarantee that any proposed or permitted well will produce the expected amount of water, nor does Bertoux & Company represent, warrant or guarantee that the SABGSA will or will not require that the extraction from any proposed or permitted well be reduced in the future in accordance with the SABGSA's authority to sustainably manage the Basin in accordance with the Sustainable Groundwater Management Act and the Basin GSP.

Bertoux & Company is not responsible for or otherwise liable for any costs, investments, lost revenue, or payments related to any groundwater well permitted or not permitted by EHS, including but not limited to well drilling costs, pumping fees, extraction limits, costs related to well failure, well deepening, increased maintenance, replacement, or operational costs.



Scope of Work and Budget for Review of Well Verification Requests in the San Antonio Creek Valley Groundwater Basin

To: San Antonio Basin Groundwater Sustainability Agency
From: Michael McAlpin and Jeff Barry, GSI Water Solutions, Inc.
Date: July 27, 2022

This scope of work and estimated budget is for GSI Water Solutions, Inc. (GSI) to review, on behalf of the San Antonio Basin Groundwater Sustainability Agency (SABGSA), applications requesting a permit from the County of Santa Barbara Environmental Health Services (EHS) for a groundwater supply well within the San Antonio Creek Valley Groundwater Basin (Basin). The SABGSA is required by Governor Newsom's Executive Order N-7-22 and the Santa Barbara County Board of Supervisors Urgency Ordinance No. 5158 (County Urgency Ordinance) to determine whether a written verification can be issued by the SABGSA on the basis that groundwater extraction by the proposed well:

1. would not be inconsistent with any sustainable groundwater management program established by the Groundwater Sustainability Plan (GSP) adopted by the SABGSA, and
2. would not decrease the likelihood of achieving a sustainability goal for the basin covered by such GSP.

On July 19, 2022, the SABGSA Board of Directors approved Resolution No. 22-001, containing the SABGSA's Well Verification Policy. The Well Verification Policy establishes the process for SABGSA staff to review and consider Well Verification Requests for applicants seeking a well permit from County EHS. Details of the proposed scope of work for GSI to review Well Verification Requests for proposed wells under the SABGSA Well Verification Policy is presented as follows:

Scope of Work

The scope of work includes reviewing information provided by the applicant of the proposed well to determine whether groundwater extraction from the proposed well meets the definitions and criteria specified in the SABGSA Well Verification Policy, is not inconsistent with the sustainable groundwater management program established by the Basin GSP, would not decrease the likelihood of achieving a sustainability goal for the Basin. The scope of work includes the following activities:

- Review the Well Verification Request, including the County well permit application, for completeness and generate a data request email for the SABGSA Executive Director to request outstanding required information from the applicant, as needed.
- Examine the proposed well location and construction information and assess whether the well is located within the Basin.
- Determine whether the geologic setting and aquifer that the well would be completed in would be within in a Principal Aquifer that is managed by the SABGSA (in this case the Paso Robles Formation or Careaga Sand) and the same Principal Aquifer as the original well.

- Assess whether the proposed well is consistent with the SABGSA Well Verification Policy and Well Verification Policy definitions. As specified in the Well Verification Policy, information provided by the applicant that will be reviewed includes:
 - Mapped well locations
 - Pump specifications
 - Pump curves for both the original well pump and new pump
 - If a pump curve is not available, pump type, number of bowls, pump diameter, pump horsepower, revolutions per minute (rpm), and assumed lift
 - Estimated system pressure in the discharge line and total pressure head
 - Well construction details for the proposed new well and original well including total depth, perforated or screened intervals, and well diameter
 - Estimated groundwater levels at the time of the application and at the time the original well was completed (GSI may provide this estimate)
 - Mapped irrigated area and crop type(s), and
 - Estimate average annual future pumping volume at the replacement well (in acre-feet per year).
- Review that the proposed use of the well is consistent with the proposed location and design capacity
- Assess whether there is a commitment to abandon the existing well within 90 days of constructing and testing the replacement well, when applicable.
- Prepare a brief electronic communication to the SABGSA, including supporting documentation, indicating whether a written verification is warranted under Section 9(a) of Executive Order N-7-22 and the SABGSA Well Verification Policy, and provide a list of conditions, if warranted.

Budget Estimate

The estimated cost to complete the scope of work described in this memorandum is \$800 per proposed Well Verification Request. The work will be completed on a time and materials basis at a blended rate of \$200 per hour. The blended rate was determined by averaging mid-level and senior-level staff hourly rates. The blended rate assumes approximately 3 hours of mid-level staff time and 1 hour of senior-level staff time per Well Verification Request. Should additional time be required to complete the review, the SABGSA will be notified, and if approved by the SABGSA the work will be conducted on a time and materials basis at the hourly rate shown above.

Schedule

GSI will complete its review and provide written results of its findings within 2 weeks of receiving complete information from the applicant.

No Representations, Warranties, Guarantees, or Liability

GSI does not represent, warrant or guarantee that any proposed or permitted well will produce the expected amount of water, nor does GSI represent, warrant or guarantee that the SABGSA will or will not require that the extraction from any proposed or permitted well be reduced in the future in accordance with the SABGSA's authority to sustainably manage the Basin in accordance with the Sustainable Groundwater Management Act and the Basin GSP.

GSI is not responsible for or otherwise liable for any costs, investments, lost revenue, or payments related to any groundwater well permitted or not permitted by EHS, including but not limited to well drilling costs, pumping fees, extraction limits, costs related to well failure, well deepening, increased maintenance, replacement, or operational costs.

The SABGSA's issuance of a written verification and EHS's issuance of a well permit does not authorize, warrant or guarantee the extraction of any specific amount of groundwater now or in the future, and does not represent, warrant or guarantee any water level or water quality in the Basin.

GSI will conduct this work in accordance with established professional practices in the field of hydrogeology. GSI is not responsible for any liability stemming from its evaluations, findings, or any other tasks arising out of this scope of work, nor is GSI responsible for any liability arising out of or related to the County issuing or not issuing any well permit for any reason.

ATTACHMENT 2
Fee and Deposit Agreement

[This page left intentionally blank]



SAN ANTONIO BASIN GROUNDWATER SUSTAINABILITY AGENCY

FEE AND DEPOSIT AGREEMENT FOR WELL VERIFICATION REQUEST

THIS FEE AND DEPOSIT AGREEMENT (“Agreement”) is made and effective on _____ (“Effective Date”) by and between the San Antonio Basin Groundwater Sustainability Agency (“Agency”), and _____ (“Requestor”). Agency and Requestor are each referred to as a “Party” and collectively referred to as the “Parties” in this Agreement.

RECITALS:

A. Requestor is submitting an Application (“Application”) to the Santa Barbara County (“County”) Environmental Health Services (“EHS”) for a water well permit within the Agency’s jurisdiction.

B. Executive Order N-7-22, signed by the Governor on March 28, 2022, requires that, before County EHS grant said Application, the Agency provide written verification to County EHS that “groundwater extraction by the proposed well would not be inconsistent with any sustainable groundwater management program established in any applicable Groundwater Sustainability Plan ... and would not decrease the likelihood of achieving a sustainability goal for the basin covered by such a plan” (“Well Verification”). The Requestor’s request for written verification from the Agency will be referred to herein as a “Well Verification Request.”

C. The Agency Board of Directors approved Resolution No. 22-001 establishing a well verification policy in compliance with Executive Order N-7-22 and County Urgency Ordinance No. 5158 (“Well Verification Policy”).

D. Pursuant to Agency Resolution No. 22-002, review by the Agency of the Well Verification Request is to be funded by fees paid by the Requestor, and before review begins Requestor must make a deposit as determined by the Agency.

E. This Agreement is intended to specify the terms of Requestor’s deposit and reimbursement for the Agency review of the Well Verification Request.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants set forth herein, and for other consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Construction.

This Agreement shall be liberally constructed to accomplish its intent. In the event of any irresolvable conflict or inconsistency in the terms of the Agreement, the Agency, in its sole discretion, shall resolve the conflict or inconsistency and implement the final decision.

2. The Deposit; Additional Advances.

- a) **Establishing and Supplementing Deposit.** Within three (3) business days following execution of this Agreement, Requestor shall provide to the Agency an initial deposit of nine hundred and eighty-seven dollars and fifty cents (\$987.50) (“Initial Deposit”) to reimburse the Agency for Eligible Expenses, as defined in Section 2(b). The Agency shall monitor its expenses and the balance in the deposit account and whenever it believes, in good faith, that there will be insufficient funds to pay the Agency’s expenses to process the Well Verification Request for the next thirty (30) days, the Agency may make one or more written requests for additional funds (each an “Additional Advance”), which shall state the existing balance and the additional amount requested. The Agency shall base its request for an Additional Advance on consultant(s) and staff(s) hourly rate described in the rate schedule, attached hereto as Exhibit A (“Rate Schedule”). The Agency may request the funds it reasonably believes necessary to cover a period not exceeding thirty (30) days. The Initial Deposit and Additional Advance funds are hereinafter collectively referred to as the “Deposit.” Requestor shall make the Additional Advance within five (5) business days of the Agency’s written request therefor. If Requestor fails to timely make the Additional Advance, Requestor agrees that the Agency may cease any or all additional work on the Request until the Agency receives the Additional Advance from Requestor.
- b) **Eligible Expenses.** In accordance with the Rate Schedule, the Deposit shall be used to reimburse the Agency for costs incurred by the Agency in connection with the following (all of which shall be deemed “Eligible Expenses”): (i) the fees and expenses incurred by both the consultant(s) employed by the Agency in connection with administering the Request and the Agency’s Executive Director; and (ii) all other actions, if any, reasonably taken by the Agency in connection with administering the Request.
- c) **Administration of Deposit.** The Deposit may be placed in the Agency’s account with other funds for purposes of investment and safekeeping. The Deposit shall not accrue interest. The Agency shall administer the Deposit and use the Deposit to reimburse the Agency for Eligible Expenses. The Agency shall maintain satisfactory accounting records as to the expenditure of the Deposit at all times.
- d) **Unexpended Funds.** Upon the approval or denial of a Well Verification Request by the Agency, the Agency shall return any then-unexpended portion of the Deposit to Requestor, without interest, less an amount equal to any unpaid Eligible Expenses previously incurred by the Agency (“Unexpended Funds”).
- e) **Statements of Account.** The Agency shall provide Requestor a summary of expenditures made from the Deposit, and the unexpended balance thereof, whenever requesting any Additional Advance and within ten (10) business days of receipt by the Agency of a request therefore submitted by Requestor.

3. Independent Judgment of the Agency; Agency Not Liable

The Agency shall use its independent judgment in determining whether the Well Verification should be issued under the Well Verification Policy. Execution of this Agreement and payment of the Deposit by the Requestor in no way limits the Agency’s discretion to issue or deny a Well

Verification. As further set forth by separate Well Verification Request Agreement, neither the Agency nor any of its member agencies shall be liable in any manner whatsoever in relation to County EHS' action on an Application or the Agency's issuance or denial of a Well Verification.

Requestor expressly understands and agrees that any consultant retained on behalf of the Agency is under contract solely on behalf of the Agency, and the Agency is free to exercise its independent judgment in making payments to the consultants or revising or accepting the consultant's work product, without any liability whatsoever by the Agency to Requestor therefor.

4. Notices.

Any notices, requests, demands, documents, approvals, or disapprovals given or sent under this Agreement from one Party to another (collectively, the "Notices") shall be given to the Party entitled thereto at its address set forth below, or at such other address as such Party may provide to the other Party in writing from time to time, namely:

If to Requestor:

If to the Agency:

San Antonio Basin Groundwater Sustainability Agency
c/o Stephanie Bertoux, Executive Director
P.O. Box 196
Solvang, CA 93464

Each such Notice shall be deemed delivered to the Party to whom it is addressed: (i) if given by email, upon the sender's receipt of an appropriate answerback or other written acknowledgement; (ii) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, seventy-two (72) hours after such notice is deposited with the United States mail; or (iii) if given by any other means, upon delivery at the address specified in this Section.

5. Choice of Law; Venue.

This Agreement, and any dispute arising from the relationship between the Parties, shall be governed by, construed in accordance with, and interpreted under the laws of the State of California. Any dispute that arises under or relates to this Agreement (whether contract, tort, or both) shall be resolved in a California State Court in the County of Santa Barbara, or if jurisdiction over the action cannot be obtained in a State Court, in a Federal Court in the Central District of California.

6. Entire Agreement.

This Agreement represents the full, final, and complete Agreement between the Parties hereto regarding the subject matter of this Agreement. No change or amendment to this Agreement shall be valid unless in writing and signed by both Parties.

7. Severability.

If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid for any reason, the validity and enforceability of the remaining provisions of this Agreement shall not be affected.

8. Attorneys' Fees.

In any litigation or other proceeding by which one Party seeks to enforce its rights under this Agreement (whether in contract, tort, or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing Party shall be entitled to an award of reasonable attorneys' fees, together with any costs and expenses, to resolve the dispute and to enforce the final judgment.

9. Ambiguities.

Any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not be applied in interpreting this Agreement.

10. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together will constitute one instrument.

11. Authority.

The persons executing this Agreement on behalf of the Parties warrant that: (i) such Party is duly organized and existing; (ii) they are duly authorized to execute and deliver this Agreement on behalf of said Party; (iii) by so executing this Agreement, such Party is formally bound to the provisions of this Agreement; and (iv) the entering into of this Agreement does not violate any provision of any other agreement to which said Party is bound.

IN WITNESS THEREOF, the Parties have caused this Agreement to be executed on the date first written above.

**SAN ANTONIO BASIN GROUNDWATER
SUSTAINABILITY AGENCY**

REQUESTOR

Signature

Signature

Print Name

Print Name

Title

Title

EXHIBIT A

Rate Schedule

Responsible Party	Rate
Agency Executive Director	\$125.00/hr
Consultant	\$200.00/hr