

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)
Well Protection Program Sub-Committee Meeting
Final Minutes
August 28, 2008

LOCATION: 9280 West Stockton Boulevard, Suite 220
Elk Grove, CA 95758
2 p.m. to 3:30 p.m.

MINUTES:

1. Call to Order and Roll Call

Meeting commenced at 2:00 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
Stuart Helfand, Agricultural-Residential

Staff Members

Darrell Eck, Executive Director, Sacramento Central Groundwater Authority
Ping Chen, Sacramento Central Groundwater Authority
Brian Gallucci, Sacramento Central Groundwater Authority

2. Public Comment

None

3. Well Protection Program Criteria

3.1 Discussion of Counsel's Comments on Draft Ordinance

Meeting commenced with discussion of counsel's comments on the draft well protection program ordinance with regard to language in Section 2.20.010, Section 2.20.040 (C), and Section 2.25.010 (B).

Section 2.20.010

Current Language:

Prior to issuing a building permit for new habitable construction in the Central Basin

Well Protection Program Area a well protection fee shall be paid.

Issue:

What is meant by *habitable*.

Mr. Eck stated that the County's building permit application does not use the term habitable. What the application does is differentiate between residential and commercial projects and asks if the permit is for building, plumbing, mechanical or electrical (Section B). Under Section C, Nature of Work, the following categories seem to describe situations that would cover the intent of "habitable" and denote a situation where the fee might be collected; Custom Home, Mobile Home, Model Home and New Construction. Staff will need to review these categories with County staff how these definitions relate to the Authority's intent in the use of the term habitable in the collection of the Well Protection Fee. Mr. Lowry suggested that the fee be collected on a building when both a building permit for new construction and a plumbing permit are pulled because a habitable building would need at least these two permits. Mr. Soulé pointed out that this might work based on the County's building permit process, but the process also needed to be verified with other jurisdictions. Mr. Sadler concurred and said that he would provide the building permit application information for the City of Folsom. Staff was directed to collect building permit application information for other jurisdictions. Once areas of compatibility are identified modified language can be developed to replace the current language in the draft ordinance.

Section 2.20.040 (C)

Current Language:

Any other property within the Central Basin that is served exclusively by a surface water supply is exempt from paying the Well Protection Fee.

Issue:

How do you prove that you are exempt, how can you verify this condition?

Mr. Eck stated that if the person issuing the building permit cannot identify areas that are served exclusively by surface water then this provision is impossible to comply with. Mr. Eck suggested the Authority either identify where these areas are or drop this provision from the draft Ordinance. If an area of exclusive surface water usage can be identified then it is the responsibility of the purveyor to define this area and provide that information to the Authority and the draft ordinance can be modified accordingly. Mr. Lowry asked what areas could be exclusively served by surface water besides the City of Sacramento and Rancho Murieta Community Services District (CSD). Mr. Sadler responded that the existing City of Folsom is also served exclusively by surface water, but the water supply picture is not certain at this point for the Folsom Sphere of Influence (SOI) area. Mr. Helfand and Mr. Soulé felt that we should make it simple for the counter people and drop the language. Mr. Sadler suggested keeping the current language but allow Folsom to provide a letter to notify the Board whether the SOI area is served exclusively by surface water or conjunctive use of surface water and groundwater. He continued that the water supply picture will become more certain in a couple of year when the Water Supply Assessment (SB610) is prepared for

the SOI area. Mr. Eck then asked how the Subcommittee would feel if the following language (*in Italics*) is added to the Ordinance.

Any other property within the Central Basin that is served exclusively by a surface water supply *as demonstrated to the satisfaction of the Authority by the applicable land use agency or purveyor* is exempt from paying the Well Protection Fee.

The Subcommittee felt that is an appropriate approach and it provides the flexibility to move on.

Section 2.25.010 (B)

Current Language:

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.

Issue:

How can the Authority demonstrate this?

Mr. Eck said that the Authority could document this condition through the registration process. A question could be added to the registration form asking the potential registrant if they are connected to a municipal water system. This could be verified through purveyor records or through the on-site visit conducted by staff as part of the verification process. Mr. Lowry commented that the same process could be applied to claims outside the benefit area as part of the appeal process. Mr. Eck agreed and said that this would be covered in a separate agenda item. A copy of the registration form used for the North Vineyard Well Protection Program (WPP) was handed out to the Subcommittee members to demonstrate how additional information could be requested from the registrant. The Subcommittee members agreed that requesting and verifying information relative to connection to a municipal water system through the registration/verification process is the appropriate approach.

3.2 Discussion of Fee Collection on New Wells

Mr. Eck provided the results of the data analysis conducted by staff on the number of domestic/agricultural well permits that have been issued by the County's Environmental Management Department (EMD) over the past ten years. According to the analysis there have been approximately 589 wells drilled in the Central Basin during that time period, or approximately 59 wells per year.

It was reiterated that EMD's current well application and permit process does not have provision for collecting or handling fees other than those associated with EMD's operations. In order to have these provisions a new system would need to be established and the cost of establishing this new system would have to be covered by the Authority.

It has been mentioned in previous discussions that the electrical permit for the well could also be used as a means for collecting the well impact fee. Staff investigated this possibility. In discussing the requirements for an electrical permit with the County's Land Division & Site Improvement Review (LDSIR) staff it was determined that this process does not require any specific information relative to the well (i.e., the diameter of the casing, horsepower requirements, etc. are not provided nor required). This would make it difficult to determine the amount of the fee if nothing is known about the well itself. However, LDSIR staff did mention that they do have provisions in place to collect a fee if there was an established process in place.

It would appear that in order to collect a fee on wells either the Authority would need to develop and pay for a program that would work with EMD's permit system or develop a program that establishes a connection between EMD's well drilling application and LDSIR's electrical permit application. For example, a copy of the well drilling permit from EMD would be required as part of the electrical permit application process for LDSIR. The amount of the fee could then be determined based on well diameter and the fee could be paid using LDSIR's existing fee collection system.

Mr. Lowry commented that the approach creating the connection between electrical permit and well drilling permit would allow the Authority to catch wells drilled on a stand-alone parcel and thus avoid the possibility of collecting the fee twice for ag-res property owners (through a building permit and a well drilling permit). Mr. Sadler asked how we would know the well capacity to establish the fee. Mr. Eck responded that the fee would have to be based on well casing size because it is documented and can be verified in the field. Mr. Sadler said that most agricultural wells are already in place and that it is not very likely that agricultural activities will be expanding in the Central Basin and that the well protection fee for ag-res properties would be collected through building permit. So, based on the number of wells drilled per year, there are not many wells that would be left to collect the fee on. Mr. Soulé concurred, stating that 59 wells per year is not a lot and that most of the wells would be caught through building permit process anyway. Mr. Sadler felt that implementing a fee program for well drilling would create a tremendous administrative effort that would only catch a handful of wells. Based on the finding and associated discussion the Subcommittee members recommend that the proposal for collecting a well impact fee on the drilling of new wells be dropped.

3.3 Discussion of Appeal Process for Wells Outside the Benefit Area

The discussion began with a description of the registration and claim requirements for the North Vineyard WPP. These requirements included the following: 1) own property and have an operating well on said property within the benefit area, 2) the property owner is required to complete a well protection program eligibility form and return it within a specified time frame, and 3) completion of a verification inspection in accordance with the provisions of the program criteria.

The North Vineyard WPP uses a no fault approach with registered participants. Claim requirements include the following: 1) the impacted well has been registered and 2) the property owner submits a claim consisting of a letter explaining the condition of the well and the nature of the claim and an invoice from a licensed well driller confirming the claim and

documenting the cost of repair or replacement. In evaluating the claim staff reviews the documentation for consistency with the terms and conditions of the North Vineyard WPP. In the North Vineyard WPP there is no appeal process for claims outside the boundary of the benefit area.

Mr. Lowry and Mr. Sadler asked if anyone had attempted to submit a claim for a well that was outside the benefit area. Mr. Eck responded that there have been some, but they were told their property/well is outside the boundary of the program and they are not covered.

Mr. Soulé then asked whether squaring off the benefit area to cover more potential wells in the Central Basin Benefit Area could help solve this issue of trying to accommodate claims outside the benefit area. Mr. Eck responded that the problem would still remain. Mr. Helfand commented that if we received a lot of claims outside of the current benefit area, the boundary of the benefit area ought to be adjusted. The boundary holds true today may not hold true in the future. Mr. Lowry added that if there were a lot of claims outside of the benefit area, then the fee amount should be adjusted as well. Mr. Eck responded that the current benefit area as defined is based on the Refined Impact Analysis which provides the most current information relative to probable well impacts and establishes the basis for the well protection fee. If wells outside the benefit area are included, there is no sound information available to establish a nexus for the fee. It was then suggested that the Board could move forward with the fee based on the Refined Impact Analysis and then adjust the fee in the future depending on the number of claims outside the benefit area. By then, the Authority should be able to gather sufficient data to support such an adjustment. The subcommittee members agreed and felt that it was a reasonable approach.

4. Subcommittee Member Comments

None.

5. Adjournment

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

By:

Scott D. Fort
Chairperson

9/10/08
Date

Attest:

Aaron Andrews

9/10/08
Date

