10/01/19
City Council Meeting

Handouts received after agenda posted
Study Session on the California Sustainable Groundwater Management Act

SGMA

City Council, City of Lemoore
October 1st, 2019

Julianne Phillips
Director, Water and Natural Resources
County of Kings
“Alphabet Soup”

- “SGMA”
  Sustainable Groundwater Management Act of 2014
- “GSA”
  Groundwater Sustainability Agency
- “GSP”
  Groundwater Sustainability Plan
SGMA Overview

SGMA requires high- and medium-priority subbasins in the State be managed sustainably.

- The legislation allows local agencies to form GSAs.
- GSAs are tasked with developing GSPs that include projects and management actions to avoid six undesirable results.
- High priority GSPs are due January 31, 2020.
What is Sustainability?

Sustainable Groundwater Management is “the management and use of groundwater in a manner that can be maintained during the planning and implementation horizon without causing undesirable results.”
Six Deadly Sins of SGMA

- Sustainability Goal
- Sustainable Groundwater Mgmt.
  - GSP Implementation
- Sustainable Yield
  - Achieved by 2040/42
  - Avoid Undesirable Results
- Undesirable Results
  - Significant and Unreasonable
    - Lowering GW Levels
    - Seawater Intrusion
    - Reduction of Storage
    - Degraded Quality
    - Land Subsidence
    - Surface Water Depletion
Subbasins 101
What is a “Subbasin?”

• DWR defined subbasins based on hydrogeological boundaries.
• DWR publishes the basin boundaries in its Bulletin 118
  – Interim update 2016
  – Next update 2020
  – Opportunities for modification
    ➢ Scientific or Jurisdictional
Subbasin Prioritization

Bulletin 118 also classifies subbasins as either high, medium, or low priority

These determinations are made based on a number of factors including:

- Population in the basin
- Rate of current and projected growth of the population in the basin
- Any other information determined to be relevant by the Department
Subbasin Prioritization (Continued)

- Number of public supply wells that draw from the basin
- Total number of wells that draw from the basin
- Irrigated acreage in the basin
- Degree to which users in the basin rely on groundwater as their primary source of water
- Any documented impacts on groundwater within the basin including overdraft, subsidence, saline intrusion, and other water quality degradation
Lemoore is in which Subbasin?

- Lemoore is located in the Tulare Lake Subbasin.

- Expedited timeline for SGMA Compliance
Tulare Lake Subbasin

- Five GSAs in the Subbasin
  - Mid Kings River GSA
  - South West Kings GSA
  - El Rico GSA
  - Tri-County GSA
  - South Fork Kings GSA

- All five GSAs are working on one GSP for the subbasin.
South Fork Kings GSA Board:

- City of Lemoore
  Councilmember David Brown
- County of Kings
  Supervisor Joe Neves
- Empire West Side ID
  Director Ceil Howe
- Stratford ID
  Director Charles Meyer
- Stratford PUD
  Director Scott Mercer
SGMA requires that all groundwater subbasins be managed under a GSP.

The GSAs in the Tulare Lake Subbasin have been developing the GSP which is due to the State by January 31, 2020.
Included in the Tulare Lake Subbasin GSP

- Sustainable Yield/Water Budget
- Minimum Thresholds
- Projects and Management Actions
- Monitoring Network
### Projects and Management Actions

#### Table 6-2. Summary of Projects and Management Actions Chosen for South Fork Kings GSA

<table>
<thead>
<tr>
<th>Project</th>
<th>Implemented by</th>
<th>Annualized Benefit (AF/YR)</th>
<th>Priority</th>
<th>Estimated CAPEX ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>GW Measurement and Reporting</td>
<td>SFK/Landowners</td>
<td>1,500</td>
<td>High</td>
<td>$ 500,000</td>
</tr>
<tr>
<td>SW Delivery Improvement</td>
<td>SFK/Landowners</td>
<td>5,000</td>
<td>High</td>
<td>$ 5,000,000</td>
</tr>
<tr>
<td>On-Farm Improvements</td>
<td>SFK/Landowners</td>
<td>2,500</td>
<td>Med</td>
<td>$ 1,000,000</td>
</tr>
<tr>
<td>Conservation Reuse</td>
<td>SFK/Lemoore</td>
<td>1,000</td>
<td>Med</td>
<td>$ 1,000,000</td>
</tr>
<tr>
<td>Cropping/Fallowing Program</td>
<td>SFK</td>
<td>13,000</td>
<td>High</td>
<td>$ 5,000,000</td>
</tr>
<tr>
<td>Demand Reduction Sub-Total</td>
<td></td>
<td>23,000</td>
<td></td>
<td>$ 12,500,000</td>
</tr>
<tr>
<td>Aquifer Storage and Recovery</td>
<td>SFK/Landowners</td>
<td>13,000</td>
<td>High</td>
<td>$ 15,000,000</td>
</tr>
<tr>
<td>Surface Storage</td>
<td>SFK/Landowners</td>
<td>2,000</td>
<td>Low</td>
<td>$ 6,000,000</td>
</tr>
<tr>
<td>Mid-Kings Recharge Basin</td>
<td>SFK</td>
<td>7,000</td>
<td>Med</td>
<td>$ 28,000,000</td>
</tr>
<tr>
<td>Supply Enhancement Sub-Total</td>
<td></td>
<td>22,000</td>
<td></td>
<td>$ 49,000,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>45,000</strong></td>
<td></td>
<td><strong>$ 61,500,000</strong></td>
</tr>
</tbody>
</table>
What’s Next?

- Notice on September 3rd, 2019
- Draft GSP on September 6th, 2019
- Public meeting and closure of comment period December 2nd, 2019
- Final Draft circulated (anticipated December 2019)
- GSA board adoption and submission in January 2020
- First Annual Report due to DWR in April 2020

Public Outreach Meetings

**Wednesday October 9th, 2019**
Lakeside Community Church
16942 10th Avenue
Hanford, CA

**Tuesday October 15th, 2019**
Lemoore Civic Auditorium
435 C Street
Lemoore, CA
Questions?
City of Lemoore

CEQA Class 3 (New Construction or Conversion of Small Structures) Exemption Supporting Information

Guidelines for the Implementation of California Environmental Quality Act (CEQA) Section 15303:

Class 3 consists of construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure. The numbers of structures described in this section are the maximum allowable on any legal parcel. Examples of this exemption include, but are not limited to:

(a) One single-family residence, or a second dwelling unit in a residential zone. In urbanized areas, up to three single-family residences may be constructed or converted under this exemption.

(b) A duplex or similar multi-family residential structure, totaling no more than four dwelling units. In urbanized areas, this exemption applies to apartments, duplexes and similar structures designed for not more than six dwelling units.

(c) A store, motel, office, restaurant or similar structure not involving the use of significant amounts of hazardous substances, and not exceeding 2,500 square feet in floor area. In urbanized areas, the exemption also applies to up to four such commercial buildings not exceeding 10,000 square feet in floor area on sites zoned for such use if not involving the use of significant amounts of hazardous substances where all necessary public services and facilities are available and the surrounding area is not environmentally sensitive.

(d) Water main, sewage, electrical, gas, and other utility extensions, including street improvements, of reasonable length to serve such construction.

(e) Accessory (appurtenant) structures including garages, carports, patios, swimming pools, and fences.

(f) An accessory steam sterilization unit for the treatment of medical waste at a facility occupied by a medical waste generator, provided that the unit is installed and operated in accordance with the Medical Waste Management Act (Section 117600, et seq., of the Health and Safety Code) and accepts no offsite waste.

Project Description:

The project site is located at 308 E Street, in the city of Lemoore (APN 020-050-003). The 42,486-sq.ft. site contains a 4,523-sq.ft. refurbished train depot and a paved parking lot. The site is zoned Downtown Mixed Use, Core (DMX-1) in the Lemoore Zoning Ordinance, which allows cannabis dispensaries upon approval of a project development agreement in accordance with the Lemoore Municipal Code. The proposed use is for use of the train depot building as a cannabis dispensary in accordance with State law and City ordinances. There will be only minor modifications made to the existing building.

Supporting Information:

The proposed use meets exemption (c) as described in CEQA Guidelines Section 15303(c). The site located within an urbanized area (UA Hanford, CA; UA Code 36703) as defined by the U.S. Census Bureau. The train depot building has previously been used as an office and to host special gatherings. The building is less than 10,000 sq.ft. in size. The proposed retail cannabis dispensary use does not involve the use of significant amounts of hazardous substances. (Hazardous substances typically include acids; caustic substances; disinfectants; glues; heavy metals including mercury, lead, cadmium and aluminum; paint; pesticides; petroleum products; and solvents.) The building is connected to all necessary utility services (water, sewer, electricity, and communications). The site is in the middle of downtown Lemoore with no environmentally sensitive land uses nearby.
### G. Legislative Information

<table>
<thead>
<tr>
<th>District</th>
<th>#</th>
<th>Legislator Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Congressional District</td>
<td>21</td>
<td>TJ Cox</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Assembly District</td>
<td>32</td>
<td>Rudy Salas</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Senate District</td>
<td>14</td>
<td>Melissa Hurtado</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Applicants can find their respective State Senate representatives at [https://www.senate.ca.gov/](https://www.senate.ca.gov/), and their respective State Assembly representatives at [https://www.assembly.ca.gov/](https://www.assembly.ca.gov/).
Addition of Cannabis Fees to Master User Fee Schedule

OCTOBER 1, 2019
MICHELLE SPEER,
ASSISTANT CITY MANAGER / ADMINISTRATIVE SERVICES DIRECTOR

Fee Construction

- California State Law authorizes local governments to charge fees for public services based on the estimated reasonable cost of providing the service
- City Council has the authority to increase fees annually
- In June 2017 City Council adopted Resolution 2017-20, adopting revised Master User Fees (excluded cannabis fees)
- Resolution 2019-37 seeks to add cannabis fees to the Master User Fee Schedule
### Proposed Cannabis Fees

<table>
<thead>
<tr>
<th>Fee Type</th>
<th>Proposed Fees</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cannabis Application Fee</td>
<td>$400</td>
<td>initial business application (or change in ownership)</td>
</tr>
<tr>
<td>Cannabis Employee Permit Fee</td>
<td>$175</td>
<td>initial application</td>
</tr>
<tr>
<td>Cannabis Employee Permit Fee - Renewal</td>
<td>$100</td>
<td>annual</td>
</tr>
<tr>
<td>Cannabis Regulatory Permit Fee</td>
<td>$12860</td>
<td>annual, per license</td>
</tr>
</tbody>
</table>

### Basis of Fee

- **Application Fee: $400**
  - Staff time for review and processing of application
  - Approximately 6-8 hours for processing required per application
  - Average of $57.50 / hour

- **Employee Permit Fee: $175**
  - Staff time for review and processing of application
  - Approximately 2.5-3.5 hours for processing required per application
  - Average of $57.50 / hour
  - Renewal Employee Application Fee: $100 (annual fee)
Basis of Fee

- **Regulatory Permit Fees**
  - Based on the annual salary and benefits for the following positions:
    - City Manager, 10%
    - Police Commander, 10%
    - Community Development Director, 5%
    - Fire Inspector/Admin. Asst.: 20%
    - Executive Assistant to PD: 30%
    - Community Services Officer: 15%
    - Records Supervisor/Technicians: 20%
    - City Attorney, based on a projected $9000 fee

Basis of Fee

- **Regulatory Permit Fee (All License Types):** $12,860 per year
  - Staff time for review and processing application, Project Development Agreements, and continued compliance review
  - Assumes 10 applications per year
  - Fees include salary and benefit rates for the positions
  - Total Annual Cost to process 10 licenses is estimated at $128,640 or $12,860 per license

**When it becomes necessary for the City to employ additional staff for regulation of cannabis businesses within the City, the annual fee will be adjusted.**
Alternative Proposal 1

E. Relocation of Skate Park and Splash Pad. Developer shall reimburse its proportional share (minimum 50%, maximum 100%) to the City for relocation of the Skate Park (estimated at $500,000.00) and the Splash Pad (estimated at $200,000.00) to a City-owned property (hereinafter the “Project”). The City will bid and manage the projects through completion. The cost of the Project (and Developer’s corresponding proportional share) shall will be capped at Seven Hundred Thousand Dollars. ($700,000).

Developer agrees to pay 50% of its proportional share within five (5) business days from the date of issuance of the Notice to Proceed with construction of the Project. The remaining 50% of Developer’s proportional share shall be paid to the City within five (5) business days from the date of recordation of the Notice of Completion for the Project.

Alternative Proposal 2

E. Relocation of Skate Park and Splash Pad. Developer shall reimburse its proportional share (minimum 50%, maximum 100%) to the City for relocation of the Skate Park (estimated at $500,000.00) and the Splash Pad (estimated at $200,000.00) to a City-owned property (hereinafter the “Project”). The City will bid and manage the projects through completion. The cost of the Project (and Developer’s corresponding proportional share) shall will be capped at Seven Hundred Thousand Dollars. ($700,000).

Developer agrees to pay 50% of its proportional share within five (5) business days from the date of issuance of the Notice to Proceed with construction of the Project. The remaining 50% of Developer’s proportional share shall be paid to the City within five (5) business days from the date of recordation of the Notice of Completion for the Project.

If Developer is required to reimburse the City more than the minimum 50% proportional share of the relocation of the Skate Park and Splash Pad, the City agrees it shall not issue a second Regulatory Permit for a period of three (3) years from the date of execution of this Agreement.

Alternative Proposal 23

E. Relocation of Skate Park and Splash Pad. Developer shall reimburse its proportional share (maximum 50%, minimum 100%) to the City for relocation of the Skate Park (estimated at $500,000.00) and the Splash Pad (estimated at $200,000.00) to a City-owned property (hereinafter the “Project”). The City will bid and manage the projects through completion. The cost of the Project (and Developer’s corresponding proportional share) will be capped at Seven Hundred Thousand Dollars. ($700,000)

Developer agrees to pay 50% of its proportional share within five (5) business days from the date of issuance of the Notice to Proceed with construction of the projects. The remaining 50% of Developer’s proportional share shall be paid to the City within five (5) business days from the date of recordation of the Notice of Completion for the Project.