

## DRAFT ALAB MEETING MINUTES

**Monday, October 1, 2018**

**Members and Alternates Present:** Lisen Bonnier, Tom Ikeda, Mark Pearce, Don Warden, David Pruitt, Dan Rodrigues

**Staff Present:** Marc Lea – San Luis Obispo County Department of Agriculture, Jay Johnson & Megan Martin – San Luis Obispo County Department of Planning & Building

**Absent Members:** Craig Pritchard, Greg France, Dick Nock, Jean Pierre-Wolff, Jutta Thoerner, Chuck Pritchard, Claire Wineman, Mark Battany

**Guests Present:** Linda Chipping – WRAC, James Green – Farm Bureau, Andy Pease – WRAC, Patricia Wilmore – Paso Robles Wine Country Alliance

1. **Call to Order:** 5:03 pm Vice-Chair Rodrigues
2. **Open Comment:**
  - CalCAN Announcement: Marc Lea and Lisen Bonnier mentioned that the California Climate and Agriculture Network (CalCAN) would be holding a regional listening session on the impacts of climate on farming and ranching on October 5<sup>th</sup> at the UC Cooperative Extension Auditorium in San Luis Obispo. CalCAN is a coalition of sustainable and organic farmers and ranchers working to advance state and federal policy on climate change.
3. **Previous Minutes – August 2018:** A quorum was not established and August 2018 minutes could not be approved.
4. **ALAB Governance:** Marc Lea gave a series of updates on recent and upcoming membership items.
  - Jean-Pierre Wolff, Coastal San Luis RCD Representative, and Mark Pearce, Ag Finance Representative, are slated to be reappointed by the Board of Supervisors on Tuesday, October 16<sup>th</sup>. Their new terms will run through August 2022.
  - Krista Burke has been nominated by ECOSLO to serve as the Environmental Representative to fill Rick Hawley's open position; her appointment is scheduled to also occur at the October 16<sup>th</sup> Board of Supervisors' meeting. Krista has an agricultural background and currently works as a career counselor at Cal Poly in the Career Services program for the College of Agriculture, Food, & Environmental Sciences. She will be filling out the remainder of the Rick Hawley's term, which expires in January 2019, and will then be renominated for a full four-year term.
  - The current representative for the Upper Salinas – Las Tablas RCD is Chuck Pritchard. His term has expired, and he did not want to commit to another four-year term. Devin Best, USLTRCD Executive Director, has indicated that they will have a new nominee and new alternate named soon. As specified in the ALAB Operating Guidelines, Chuck can continue to serve on the Board until that new nominee is confirmed.
  - Supervisor Gibson and Supervisor Compton recently were elected to another four-year

term. The terms of their current ALAB representatives will automatically expire in January 2019. Their current representatives can fill another term, if desired, but they will have to be reappointed.

- The District Five member position, as well as the Strawberry Representative, remain vacant.

#### **5. Announcements from County Agriculture Department staff –**

- November ALAB Meeting location: Both the Farm Bureau Conference Room, and our usual backup location, the UCCE Cooperative Extension Auditorium, are unavailable. We will have to seek another location if the November meeting is held.
- Updates to Asian Citrus Psyllid regulations/HLB status update: There is the potential for a local grower to develop a washline facility in South County as an alternative to current requirements for pesticide treatments or field cleaning. Currently, most growers must spray within a narrow window (roughly a week) prior to harvest with one of the approved, designated insecticides. This has led to increased pesticide applications for many local growers, which brings not only increased costs but in some cases increased problems with secondary pests.
- Hemp Cultivation updates: SB1409 was recently signed into law and will take effect on January 1, 2019 in California. The law updates some of the requirements on hemp cultivation. Among the changes is that hemp cultivators growing under the Ag Research exemption will now need to notify the County Ag Commissioner of their growing location prior to initiating cultivation; many of the rules limiting the methods of hemp cultivation – e.g. closely planted rows, no tending of individual plants, limiting hemp cultivation to a fiber and oilseed crop, etc. – were removed from existing state law.

#### **6. Update/Discussion: Presentation: Potential Amendments to County Code as Applicable to Expanding Cannabis Manufacturing in Agricultural Lands (AG)**

Jay Johnson and Megan Martin, San Luis Obispo County Department of Planning & Building

- Jay Johnson explained that the Planning Department provides regular quarterly updates to the Board of Supervisors on recent cannabis related activities. One of the items that had been discussed at these quarterly updates is the *possibility* of allowing increased cannabis related manufacturing on ag lands. The Planning Department is gathering input and feedback to determine if expanding the allowed manufacturing uses on ag lands would be appropriate, and if so, at what levels and what uses. After gathering input at venues such as ALAB and others, Planning will report back to the Board with their findings and some potential options.
- Currently, processing and manufacturing on ag land is limited to ensure compatibility with the rural agricultural area and to be consistent with the Land Use Element purpose and character statements. Ag Processing is allowed, which includes post-harvest activities such as drying, curing, grading trimming storing, packaging, and labeling. Ag Processing also allows for wineries and the production of olive oil without the use of solvents.

- David Pruitt asked about the size of buildings that cannabis growers would need for basic ag processing.
- Don Warden had questions regarding potential setback requirements for cannabis processing and manufacturing, and also asked if these types of operations would be allowed in designated scenic areas.
- Tom Ikeda asked about potential farm to table type operations. Tom noted that any manufacturing operations should be kept small, or they would likely expand beyond the original intent.
- Jay Johnson noted that one way of limiting any cannabis manufacturing allowed would be to tie it to the number of employees on site.
- Marc Lea brought up the issue that some of the early cannabis project proposals that County Planning received were requesting to develop very substantial manufacturing operations on ag lands – in size, scale, and frequency of operation - that would not be allowed for any other crop.
- Jay Johnson explained that cannabis drying is already allowed on ag lands, similar to how ag processing of other agricultural crops is allowed on ag lands. The question is if additional manufacturing should be allowed, and if so, to what extent.
- Lisen Bonnier addressed the buildings used by cannabis growers for curating the dried flowers and asked if there are limits on that building size. Jay Johnson described how the building size would be scrutinized during the permitting process that all cannabis operations must go through during the discretionary permit process.
- Lisen Bonnier also asked if they can currently process off-site grown cannabis. Johnson explained that is not currently allowed. Only cannabis grown on site is allowed to be processed on ag lands.
- Jay Johnson explained that many potential cannabis manufacturing processes, such as making soaps and balms, rightly belong in the Industrial land use category, but perhaps there was some sort of limited cannabis manufacturing that makes sense to allow on ag lands.
- James Green asked if the manufacturing process would also be limited to cannabis grown on site. Megan Martin confirmed that it likely would be.
- Jay Johnson described how the security issues are highest at the processing stage when all of the harvested cannabis is located in one area.
- One possibility that was discussed was the allowance of simple cannabis processing in a central location like a cooler that off-site growers could utilize. That would create one facility that would have a lot of security concerns but would alleviate the need for each grower to construct a building for drying and processing.
- Don Warden agreed that there were considerable security issues presented by having a large amount of cannabis processed in a rural setting.
- Lisen Bonnier stated that she would be reluctant to allow cannabis manufacturing on ag lands since the industry is in such flux and it's so hard to predict where the industry is going to be headed in the next five to ten years.
- Patricia Wilmore asked about the rationale behind this discussion. Does the Board really want to encourage additional allowances for cannabis manufacturing on ag lands?

- Jay Johnson responded that his interpretation of the Board's intent was to allow some small level of cannabis manufacturing on ag lands to better accommodate the smaller growers. However, Jay also mentioned that if ALAB and other groups believe that this is not a viable option than Planning can recommend to the Board that they simply leave the process as it currently stands.
- Patricia Wilmore recommended that any manufacturing uses should be limited to one grower and the product grown on site. Anything beyond that should really be located in industrial zoned lands.
- David Pruitt suggested that a facility should be allowed to bring in cannabis grown off-site for drying and limited processing, but that manufacturing should be limited to on-site production and a very minimal manufacturing process (such as extraction).
- Andy Pease recommended that there should be restrictions based on the minimum percentage of cannabis in the manufactured product. In other words, any manufacturing allowed should be limited to products that are either wholly comprised of cannabis or some high percentage, rather than lotions, salves, and other products that may only have a small percentage of cannabis.
- Jay Johnson summarized the input and recognized that the general consensus was to be very cautious with the allowance of any expanded levels of cannabis manufacturing on ag lands. If any level of manufacturing is allowed, it would need to be small in scope and clearly limited.
- Jay provided the estimated timeline that this issue would be addressed. He estimated that it would go to the Planning Commission in January 2019 and to the Board in March 2019.

**7. Update/Discussion:** Water Resources Advisory Committee (WRAC) Ad Hoc Subcommittee on Additional County Water Conservation Measures Discussion  
Andy Pease, WRAC Chairperson and Linda Chipping, WRAC Member

- Andy Pease introduced herself. She serves on the City Council for the City of San Luis Obispo and is currently the WRAC Chairperson. Andy is an architect by trade, and her goal in this process is to establish a level of cooperation and coordination in order to address concerns regarding regional water availability.
- WRAC originally organized to serve as a forum on water law, and to provide a local resource to address water related issues.
- Recently, WRAC decided to take a fresh look at potential water conservation strategies with the goal of bringing information, and possibly recommendations, forward to the Board of Supervisors.
- WRAC formed an ad hoc subcommittee, with Linda Chipping serving as the chair. The subcommittee has met only a few times so far.
- Pease mentioned that in the WRAC bylaws part of their duties is to recommend to the Board potential water conservation methods.
- The subcommittee consists of George Kendall, a local agriculturalist, Linda Cypher, David Chipping, a local geologist, Linda Chipping, and Pease.

- The subcommittee is looking at different areas of water conservation, including urban uses, industrial and commercial uses, agricultural uses, public education programs, and potential recharge projects.
- Pease explained that although SGMA is addressing these types of issues in the areas with identified groundwater basins, that there are a number of basins in the County that are currently not under a level of severity warning but could decline in the future. WRAC would like to identify some measures that could be implemented to potentially avoid groundwater availability issues in the future.
- Pease mentioned that most of the “low hanging fruit” water conservation measures in the urban areas have already been implemented, and future urban water conservation measures would not have an enormous impact on overall water availability.
- The subcommittee has met with County planning, and there is still a decent amount of funds available for potential rebates.
- In the agricultural sector, the committee would like to look at each crop individually to try to figure out potential irrigation efficiencies.
- Dan Rodrigues responded that water saving irrigation measures have been addressed very thoroughly in winegrapes. Linda Chipping agreed but thought that there may be other crops that could use some additional information or have potential conservation measures that haven’t been implemented.
- Chipping described the potential of developing a “library” of Best Management Practices that could be made available by crop type, that would identify projects that benefit water conservation goals, such as the use of wind machines instead of overhead sprinklers for frost control.
- Pease also described the idea for potential recharge projects, and the possible development of programs that would encourage temporary flood and percolation in those crops where that was an option. These recharge areas could be small, e.g. one acre in size or less, but if there were a large number of these projects located across the county that they could have an enormous impact.
- Linda Chipping also mentioned that they would like to keep the mobile irrigation lab program going into the future.
- Tom Ikeda explained that he is fully supportive of the efficient use of water resources, but that you cannot simply look at the amount of water being used in order to determine how successful a grower is without considering overall production levels. He might be using more water than his neighbor, but he might have an even greater percentage of increased yield over that same neighbor. He is producing food, and if an increase in water usage leads to an even greater production of food, than he is using those resources well.
- Don Warden remarked that the vast majority of growers and irrigators are well informed, well educated, and have an extensive background on how best to utilize those water resources. A lot of these conservation issues are already being implemented. Rebates for well metering could be a possibility for some growers.
- James Green mentioned that 90% of his job comes down to following water related issues and ensuring that the ag community is well informed of all of the potential legal

issues. James mentioned that the RWQCB's Ag Order 4.0 is currently under development. He mentioned that SLO County provides a really challenging area to conduct water usage and water conservation studies due to all of the various micro-climates.

- Dan Rodrigues mentioned that agriculture has already adopted most of the water conservation measures available and that the acquisition of new water sources at the state level is not discussed enough.
- The possibility of recharge projects were discussed. Lisen Bonnier mentioned that it is difficult to create swales and other potential water capture areas due to the required grading permits and other permitting requirements. Lisen asked if they have looked at areas where recharge would give you "the best bang for your buck" so that project efforts could be targeted to those geographical areas and then identify growers in those areas who would be willing to implement a recharge project on their property.
- Linda Chipping responded that there didn't seem to be an enormous need to identify particular areas when it came to recharge. The better approach was to implement a lot of small recharge projects rather than a few large ones, because the recharge benefits were greater and the project costs were so much less.
- Dan Rodrigues asked if these potential small recharge projects were typically fed by rain or irrigation waters. Linda Chipping responded that most of the projects implemented thus far across the state were rainwater capture projects.
- Patricia Wilmore mentioned that WRAC may want to focus their conservation efforts in areas other than agriculture, which has already adopted a lot of the needed conservation practices.
- Andy Pease thanked the group for their time and input and hoped to keep this discussion going in the future between WRAC and ALAB.

**8. Future Agenda Items:** Nothing specific identified.

**Next meeting – November 5, 2018**

Meeting Adjourned 6:55 pm

Respectfully submitted by Marc Lea, San Luis Obispo County Department of Agriculture