STAFF REPORT C72

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NON-EXCLUSIVE GEOLOGICAL SURVEY PERMIT

APPLICANT:

City of Los Angeles Department of Water and Power

BACKGROUND:

The City of Los Angeles Department of Water and Power (City) has applied for a 1-year Non-Exclusive Geological Survey Permit (Permit) to conduct Geological Surveys to drill two test water wells and one water monitoring well. The City previously attempted to conduct these activities under Geological Survey Permit No. PRC 9403 (prior permit), authorized by the Commission in April 2017 (Item C78, April 20, 2017) but was only able to prepare two drill pads within the permitted 6-month timeframe. Under the prior permit, the City conducted all required biological, cultural and archaeological surveys of the project areas and provided notification to local Native American tribes. Because of the sensitive nature of groundwater on the Lake, Commission staff contacted Inyo County staff to discuss the project. The project was also discussed at two previous Groundwater Working Group meetings. No objections were raised related to the testing proposal.

Staff is recommending a 1-year geological survey permit for well drilling and testing. The Permit would authorize activities to collect samples to study the lithology and hydrogeology of the aquifer under the dry bed of Owens Lake and to monitor groundwater levels and water quality. Prior to the expiration date of this permit, the City will submit an application to amend Lease No. PRC 8079 for the retention of the groundwater wells, including those that were previously authorized to be drilled.

The proposed survey involves drilling three wells to a total depth of 1,500 feet each. Drilling and sampling will be conducted at locations depicted on the attached Exhibit A using common drilling methods, down-hole sampling, electric logging surveys and well testing over a 1-year period. Three 10-inch-diameter wellbores will be drilled using water or a bentonite clay drilling fluid. After drilling, steel casing will be cemented in the wellbores and any drill cuttings and drilling fluid will be retained and properly disposed of off-site. Standard well completion techniques will be used to complete the wells. Scientific data to be collected will

typically include onsite lithologic drilling logs, electric logs, static water levels, and aquifer permeability testing.

Permeability testing will be accomplished on the two test water wells (the third well is for monitoring) by four step-drawdown tests and by one 24-hour flow test. Well testing of both these wells is anticipated to produce 3,168,000 gallons water (9.72 acre-feet). Test water produced will be used for dust mitigation.

The Commission will receive copies of all data collected under this Permit. All monitoring data collected during the term of the permit shall be provided to staff no later than February 26, 2019. This permit does not authorize the drilling of any new water production wells. Water extraction for any purpose other than for information collection during the permit period is prohibited.

Disturbance of sensitive species is not expected, since the well pads are already constructed, and the drilling is expected to be completed before the snowy plover nesting season which generally begins March 15, 2018. Nonetheless, the City has incorporated its standard detection and avoidance measures for the protection of snowy plover, including snowy plover awareness training for the contractor personnel prior to the start of field work, conducting snowy plover survey prior to the start of drilling, and weekly survey thereafter until the completion of field work. No other special status species are found in the project area. Importantly, a Native American monitor will be notified 5 days prior to any activity authorized under this permit and will be present during all drilling activities.

STAFF ANALYSIS AND RECOMMENDATION:

Authority:

Public Resources Code sections 6005, 6212.2, 6216, and 6301; California Code of Regulations, title 2, section 2100.

Public Trust and State's Best Interests Analysis:

The Los Angeles Department of Water and Power is a public agency. The Permit would allow the City to obtain hydrogeologic data as part of its efforts to explore the feasibility of using groundwater for dust mitigation purposes on the dry lakebed. The City conducted an evaluation of groundwater at Owens Lake between 2009 and 2012. That evaluation project included compiling existing information, field data collection, updating the conceptual model of Owens Lake hydrogeology, and developing a computer model of groundwater under the lake. The evaluation project determined that it could be feasible to pump groundwater for use in dust mitigation at Owens Lake. However, the amount of groundwater that can be sustainably pumped (i.e., without

depleting the aquifers or impacting the seeps and springs, or causing surface subsidence) depends on an improved understanding of Owens Lake geology, and particularly the hydrogeologic characteristics of the Owens Valley and Owens River faults. The survey will be used to determine the criteria required to manage pumping and to ensure protection of the groundwater resource. The Commission reserves all of its rights and interest in the groundwater resources, and its authority over any future use of planned groundwater pumping for dust control on Owens Lake. The proposed water wells will be used only for scientific testing purposes and will not be used as future production wells. The testing will be limited to two discrete events: one test per well and the total groundwater pumping must not exceed 3,168,000 gallons of water. The two proposed test wells and one monitoring well will be primarily subsurface and, therefore, the physical interference with Public Trust resources above ground is minimal. Only small wellheads will be visible.

Collection of scientific data is a use recognized by the courts to be consistent with the common law Public Trust Doctrine. (See, for example, *Marks v. Whitney* (1971) 6 Cal.3d 251, 259-260.) This analysis is limited to the specific use of the wells for the collection of scientific data. Staff's recommendation does not include an analysis or opinion regarding the use of groundwater pumping for dust control measures on the lake. In the event the City proposes the use of groundwater for dust control measures in the future, further analysis and Commission authorization will be required. The 1-year non-exclusive Permit contains restrictions that protect public rights and environmental resources. Staff believes that granting the Permit will not substantially interfere with the Public Trust needs at this time, at this location, and for the foreseeable term of the proposed Permit.

For all the reasons above, staff believes the approval of a 1-year permit for two groundwater testing wells and one monitoring well and two associated pump tests is in the best interests of the State.

TERM OF PROPOSED PERMIT:

1 year beginning February 27, 2018, through February 26, 2019.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:

Required fees, expense deposit and other security have been received.

OTHER PERTINENT INFORMATION:

1. Staff recommends that the Commission find that this activity is exempt from the requirements of California Environmental Quality Act (CEQA) as

a categorically exempt project. The project is exempt under Class 6, Information Collection; California Code of Regulations, title 2, section 2905, subdivision (e)(3).

Authority: Public Resources Code section 21084; California Code of Regulations, title 14, section 15300; and California Code of Regulations, title 2, section 2905.

- 2. Authorization of this permit does not have any bearing on or prejudge any future proposed project applications by the Applicant. The authorization of this permit is limited narrowly to testing and carries no assurance that future use of sovereign land would be allowed for similar purposes. Each time the Commission takes action to approve or reject a project, it is exercising its authority and responsibility as trustee of the State's Public Trust lands as authorized by law. The Commission retains complete discretion and ability to adopt alternatives, impose mitigation measures, or approve or disapprove any future proposed project.
- 3. This action is consistent with the Strategy 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation and responsible economic use of the lands and resources under the Commission's jurisdiction.

EXHIBIT:

A. Northwest Owens Lake Project Area

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDINGS:

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, title 14, section 15061 as a categorically exempt project, Class 6, Information Collection; California Code of Regulations, title 2, section 2905, subdivision (e)(3).

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed Permit will not substantially interfere with Public Trust needs and values at this time, at this location, and for the foreseeable term of the proposed Permit; and is in the best interests of the State.

AUTHORIZATION:

Authorize issuance of a Non-Exclusive General Permit to conduct Geological Surveys to the City of Los Angeles Department of Water and Power, by (1) drilling two test wells and one monitoring well, each 1,500 feet deep; and (2) pump test no more than 3,168,000 gallons (9.72 acrefeet) of water; beginning February 27, 2018, for a period of 1 year, within the project locations as shown on Exhibit A, attached and incorporated by reference herein.

