



**BOARD OF SUPERVISORS
AGENDA LETTER**

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: PW Water
Agency/Planning and
Development
Department No.: 054/053
For Agenda Of: October 20, 2015
Placement: Set Hearing
Estimated Tme: 90 minutes on
November 17, 2015 on
the Dept. Agenda
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Directors, Santa Barbara County Water Agency
Board of Supervisors

FROM: Department Director(s) Scott D. McGolpin, Public Works Director, 568-3010
Glenn Russell, Ph.D., Planning & Development Director, 568-2085

Contact Info: Thomas D. Fayram, Deputy Public Works Director, 568-3436

SUBJECT: **Sustainable Groundwater Management Act and Basin Boundary Adjustments, All Supervisorial Districts**

County Counsel Concurrence

As to form: Yes

Other Concurrence: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Directors of the Santa Barbara County Water Agency and Board of Supervisors:

Set a hearing to consider recommendations regarding the Sustainable Groundwater Management Act of 2015 as follows: (FOR NOVEMBER 17, 2015 ESTIMATED TIME: 90 MINUTES)

- a) Receive a presentation on the Sustainable Groundwater Management Act and the related process for Groundwater Basin Boundary adjustments;

That the Board of Directors of the Santa Barbara County Water Agency:

- b) Adopt the resolution entitled “Resolution to designate the Santa Barbara County Water Agency as the Requesting Agency to Conduct the Boundary Modification Process pursuant to the

Sustainable Groundwater Management Act of 2015” for the San Antonio and the Cuyama Valley Groundwater Basins; and

- c) Determine that the proposed actions are not subject to California Environmental Quality Act pursuant to Guidelines Section 15378(b) (5), as they are administrative actions that will not result in direct or indirect changes to the environment, and direct staff to file a Notice of Exemption with the Clerk of the Board.

Summary Text:

The purpose of this report is to inform the Board about the Sustainable Groundwater Management Act (SGMA) of 2015. The recommended actions are to set November 17, 2015 to brief the Board on the SGMA requirements and to adopt a resolution allowing the County Water Agency (CWA) to act as the designated agency to request groundwater basin boundary modifications for the Cuyama Valley and San Antonio Groundwater Basins. The County will soon need to make other important decisions relative to the requirements of the legislation. These decisions will be brought back to your Board for consideration as appropriate. As discussed below, there is a fast approaching timeline for those decisions. SGMA has significant implications for groundwater management and land use planning in the unincorporated County. Its implementation will likely lead to new responsibilities and regulations in regards to the extraction of groundwater.

The two proposed basin boundary adjustments, subject to approval by the California Department of Water Resources (DWR), are important in order to comply with State requirements to monitor and sustainably manage the basins. A basin boundary adjustment in the Cuyama Valley Basin would modify the boundary to that established by the United States Geologic Survey (USGS) in the 2014 study based on hydrologic and geologic analyses. Similarly, work in the San Antonio Basin has shown the existing boundary to be incorrect, particularly in regard to the west end where a large portion of the basin is now known to be outside of the basin. In discussions with the Santa Ynez River Water Conservation District, it was determined that revisions to the boundaries of the Santa Ynez Groundwater Basin is not necessary.

Background:

California is one of the last remaining States that has not required some form of sustainable management of groundwater. Groundwater imbalance in some basins within the State has resulted in degradation of water quality, land subsidence, loss of surface water interaction, and economic hardship among users. In addition, it has reduced the water available for use during periods of drought such as the current one.

SGMA was signed into law by Governor Brown in 2014. Consisting of a package of three bills (AB1739- Dickinson, SB1168- Pavley, and SB 1319-Pavley), as amended in 2015 (SB13- Pavley), SGMA provides a framework for the sustainable management of groundwater supplies by local agencies with provisions for state intervention if necessary to protect the resource. SGMA provides tools, authority, and deadlines for local agencies to achieve sustainability within a 20-year implementation period. The Act lays out a process and timeline that includes three basic steps:

- Step 1 - Local Groundwater Sustainability Agencies (GSA) must be formed by local agencies by June 30, 2017. Counties are the presumed GSAs in the absence of other entities assuming the role.
- Step 2 - Groundwater Sustainability Plans (GSPs) must be adopted for basins deemed by the State to be medium or high priority by January 31, 2020 for critically overdrafted basins and by January 31, 2022 for all medium or high priority basins.
- Step 3 – Medium or high priority critically overdrafted basins must achieve sustainability by 2040 and all medium or high prior basis must achieve sustainability by 2042, subject to extension by DWR.

The Act provides new tools to local agencies for the management of groundwater to achieve sustainability. Local agencies may request revisions of groundwater basin boundaries. Permission to request revisions of the boundaries for the Cuyama and San Antonio groundwater basins is a recommended action of this board letter. Other tools include the ability to require registration of wells, measurement of groundwater extraction, and annual extraction reports. In addition, a local GSA may impose limits on groundwater extraction from individual groundwater wells, and assess fees to implement local groundwater management plans.

The Act also specifies the contents of a GSP to be prepared by the GSAs. It must include measurable objectives and interim milestones necessary to achieve basin sustainability within 20 years. It also must have a physical description of the basin, including information on groundwater levels, groundwater quality, subsidence, and groundwater-surface water interaction. Historical and projected data on groundwater demand and supply must also be provided. Key aspects of the plan include monitoring and management provisions, which are likely to entail changes in land use permitting, such as but not limited to the permitting and regulation of groundwater wells. Basins that are subject to the legislation include all medium and high priority basins as defined by DWR that have not previously been adjudicated. Within Santa Barbara County, there are three such basins. They are the Cuyama Valley, San Antonio, and Santa Ynez Groundwater Basins. SGMA requires the completion of GSPs for each basin. Other plans, including county and city general plans will likely require updating to ensure consistency as well. The County of Santa Barbara Comprehensive Plan Conservation Element currently includes a section on groundwater that is more than twenty-five years old. It is likely that this element, as well as County adopted California Environmental Quality Act (CEQA) thresholds, will require revisions.

The State will also have a significant role in the SGMA process. The recently approved Proposition 1 will provide up to \$100 million in funding to GSAs to develop and implement sustainable groundwater management plans. County staff will pursue Proposition 1 grant funding and monitor for additional funding support moving forward. In terms of assistance, DWR has several responsibilities. DWR designates all groundwater basins in the State as high, medium, or low priority. DWR has already designated the initial priorities for each basin but can reprioritize the basins pursuant to Water Code Section 10722.4. In addition, DWR has several related tasks that it must complete:

- Adopt regulation for basin boundary adjustments by January 1, 2016
- Adopt regulations for evaluating the adequacy of GSPs and GSA coordination agreements by June 1, 2016

- Publish a report that estimates the water available for groundwater replenishment by December 31, 2016
- Publish groundwater sustainability best management practices by January 1, 2017

The State Water Resources Control Board (SWRCB) has significant review and intervention authority. They may intervene if a GSA is not formed or fails to adopt or implement an adequate GSP by the deadlines. DWR reviews locally adopted GSPs and if it determines that an adequate plan is not in place, the SWRCB may designate the basin as “probationary”. The local agency has 180 days to respond, and if it does not do so adequately, the SWRCB may create an interim plan for the basin which remains in place until an adequate plan is developed by the local GSA.

Today’s Action and Next Steps

The SGMA will require sustainable management of three of the County’s basins that were designated as medium priority by DWR. As part of the SGMA requirements, the DWR has developed a process which allows for modifying groundwater basin boundaries, which are currently defined in the DWR Bulletin 118 (Update 2003). Those boundaries were, in many cases, developed based on topographic features with little in the way of subsurface analysis or hydrogeological studies. DWR is soliciting basin boundary adjustment requests starting January 1, 2016 for 90 days in preparation for the update of Bulletin 118. This will allow for more accurate assessment of groundwater basin hydrologic balances and determination of which groundwater users are subject to SGMA plans for a given basin. Having participated in or completed groundwater and geologic studies for the Cuyama Valley and San Antonio Groundwater Basins, the CWA seeks to act as the Requesting Agency for the basin boundary adjustment process. Both the Basin Boundary Modification Process and other requirements of SGMA are under development as DWR drafts guidelines and solicits public input.

The next important decision point for the County will be to decide if it wants to be the Groundwater Sustainability Agency for the three basins that will require GSPs. This decision must be made by June 30, 2017. Sustainability plans may be created for other basins, but are not required. Staff will return to your Board well before that deadline with appropriate recommendations regarding the GSA. Should your Board decide to become the GSA, we will also actively pursue funding opportunities for the development of GSPs. In addition, over the next few years, Planning and Development will include in its work plan SGMA related projects, such as necessary revisions to County policies and ordinances, for consideration by your Board.

Fiscal and Facilities Impacts:

Budgeted: No

Narrative:

Cost specifically associated with the Groundwater Basin Boundary Modification process for the San Antonio and Cuyama Valley Groundwater Basins was not including in this year’s budget. However, the work was performed by existing Water Agency staff and no outside costs were expended.

The cost for implementation of SGMA is unavailable at this time because the State has not yet finalized guidelines for its implementation and because associated costs will extend far into the future. DWR has recently published draft guidelines for grant funds to be made available for compliance with SGMA

requirements. However, ongoing and long-term cost as well as funding for SGMA is unknown at this time.

Special Instructions:

Direct the Clerk of the Board to:

After the October 20, 2015 Hearing:

Publish the attached Notice of Public Hearing pursuant to Section 6066 of the Government Code (publish notice on November 5 and November 12, 2015) in the Santa Barbara Newspress and the Santa Maria Times.

After the November 17, 2015 Hearing:

Send a copy of the minute order, signed copies of the Notice of Public Hearing and Resolution, and stamped Notice of Exemption to the Water Agency office, Attn: Christina Lopez.

Attachments:

Attachment 1: Resolution

Attachment 2: Notice of Exemption

Attachment 3: Proposed Boundary Modification Map for Cuyama Valley Groundwater Basin

Attachment 4: Proposed Boundary Modification Map for Santa Antonio Groundwater Basin

Attachment 5: Notice of Public Hearing

Authored by:

Matt Naftaly, Water Agency Manager, 568-3542

Glen Russell, Ph.D., Planning and Development Director, 568-2085

**RESOLUTION OF THE
BOARD OF DIRECTORS OF THE SANTA BARBARA COUNTY WATER AGENCY
STATE OF CALIFORNIA**

**RESOLUTION TO DESIGNATE THE SANTA)
BARBARA COUNTY WATER AGENCY AS)
THE REQUESTING AGENCY TO CONDUCT)
THE BOUNDARY MODIFICATION PROCESS)
PURSUANT TO THE SUSTAINABLE)
GROUNDWATER MANAGEMENT ACT)
OF 2015) RESOLUTION NO. _____**

WHEREAS, Governor Jerry Brown signed into law Senate Bills 1168 and 1319 and Assembly Bill 1739, collectively comprising the Sustainable Groundwater Management Act (SGMA), which took effect on January 1, 2015; and

WHEREAS, the SGMA requires all high and medium priority groundwater basins as designated by the Department of Water Resources (DWR) to undergo a process leading to sustainable management; and

WHEREAS, the SGMA requires DWR to develop emergency regulations describing the process for requesting changes to groundwater basin boundaries; and

WHEREAS, the process for requesting changes to the groundwater basin boundaries are in draft form and are required to be adopted by DWR by January 1, 2016; and

WHEREAS, DWR has provided a 90-day window beginning January 1, 2016 for Requesting Agencies to apply for groundwater basin modifications; and

WHEREAS, the Santa Barbara County Water Agency has consulted with and has been working with other affected Counties, local agencies, public water systems, and stakeholders that are impacted by the San Antonio Groundwater and Cuyama Valley Groundwater; and

WHEREAS, the Santa Barbara County Water Agency has agreed with their support to become the Requesting Agency to conduct the basin modification process for the San Antonio Groundwater Basin and the Cuyama Valley Groundwater Basin; and

WHEREAS, a resolution by the Requesting Agency will be required by DWR to formally initiate the boundary modification process; and

WHEREAS, a Revision Request Manager will be required by DWR to represent the Requesting Agency and serve as the point of contact between the Requesting Agency and DWR.

NOW, THEREFORE, BE IT RESOLVED AND HEREBY ORDERED that the Santa Barbara County Water Agency Board of Directors approves the following:

1. The Santa Barbara County Water Agency to act as the Requesting Agency for the boundary modification process for the San Antonio Groundwater Basin and the Cuyama Valley Groundwater Basin and to formally initiate the process for these basins with DWR.
2. Authorizes the Public Works Director or designee to be the Revision Request Manager for the San Antonio Groundwater Basin and the Cuyama Valley Groundwater Basin.

PASSED, APPROVED, AND ADOPTED by the Board of Directors of the Santa Barbara County Water Agency, State of California, on this _____ day of _____, 2015 by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

ATTEST:
MONA MIYASATO, CLERK OF THE
BOARD and Ex Officio Clerk of the
Board of Directors of the
Santa Barbara County Water Agency

ACCEPTED AND AGREED:
SANTA BARBARA COUNTY WATER AGENCY

By: _____
Deputy

By: _____
Janet Wolf, Chair, Board of Directors

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

By: _____
Deputy

NOTICE OF EXEMPTION

TO: Santa Barbara County Clerk of the Board of Supervisors

FROM: Santa Barbara County Water Agency

The project or activity identified below is determined to be exempt from further environmental review requirements of the California Environmental Quality Act (CEQA) of 1970, as defined in the State and County Guidelines for the implementation of CEQA.

APN(s) : N/A Case No.: N/A

Activity Location: Santa Barbara County – San Antonio and Cuyama Valley Groundwater Basin
(Include street address and cross street (if urbanized area) or attach specific location map)

Activity Title: Sustainable Groundwater Management Act (SGMA) Presentation and Related Boundary Adjustment Resolution for the San Antonio and Cuyama Groundwater Basins

Activity Description: The Water Agency will provide a presentation regarding SGMA history and requirements and seeking the Board to adopt a resolution allowing the Water Agency to pursue Basin Boundary adjustments from the Department of Water Resources

Name of Public Agency Approving Project: County of Santa Barbara and Santa Barbara County Water Agency

Name of Person or Agency Carrying Out Project: Santa Barbara County Water Agency

- Exempt Status:** (Check one)
- Ministerial
 - Statutory Exemption
 - Not a Project [Sec. 15378(b, 5)]
 - Categorical Exemption
 - Emergency Project
 - Declared Emergency

Cite specific CEQA and/or CEQA Guideline Section: Section 15378 means that the whole of an action, which has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect change, and that is any of the following: (b), Project does not include: (5) organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment

Reasons to support exemption findings:

The recommended action is to receive a presentation on the history and requirements of SGMA and to adopt a resolution allowing the Water Agency to pursue Basin Boundary adjustments for relevant County Groundwater Basins, specifically the San Antonio and Cuyama valley Groundwater basins. These activities and the proposed basin boundary modifications are organizational and administrative activities that will not result in physical changes to the environment and are not projects.

Lead Agency Contact Person: Matt Naftaly **Phone #:** (805) 568-3452

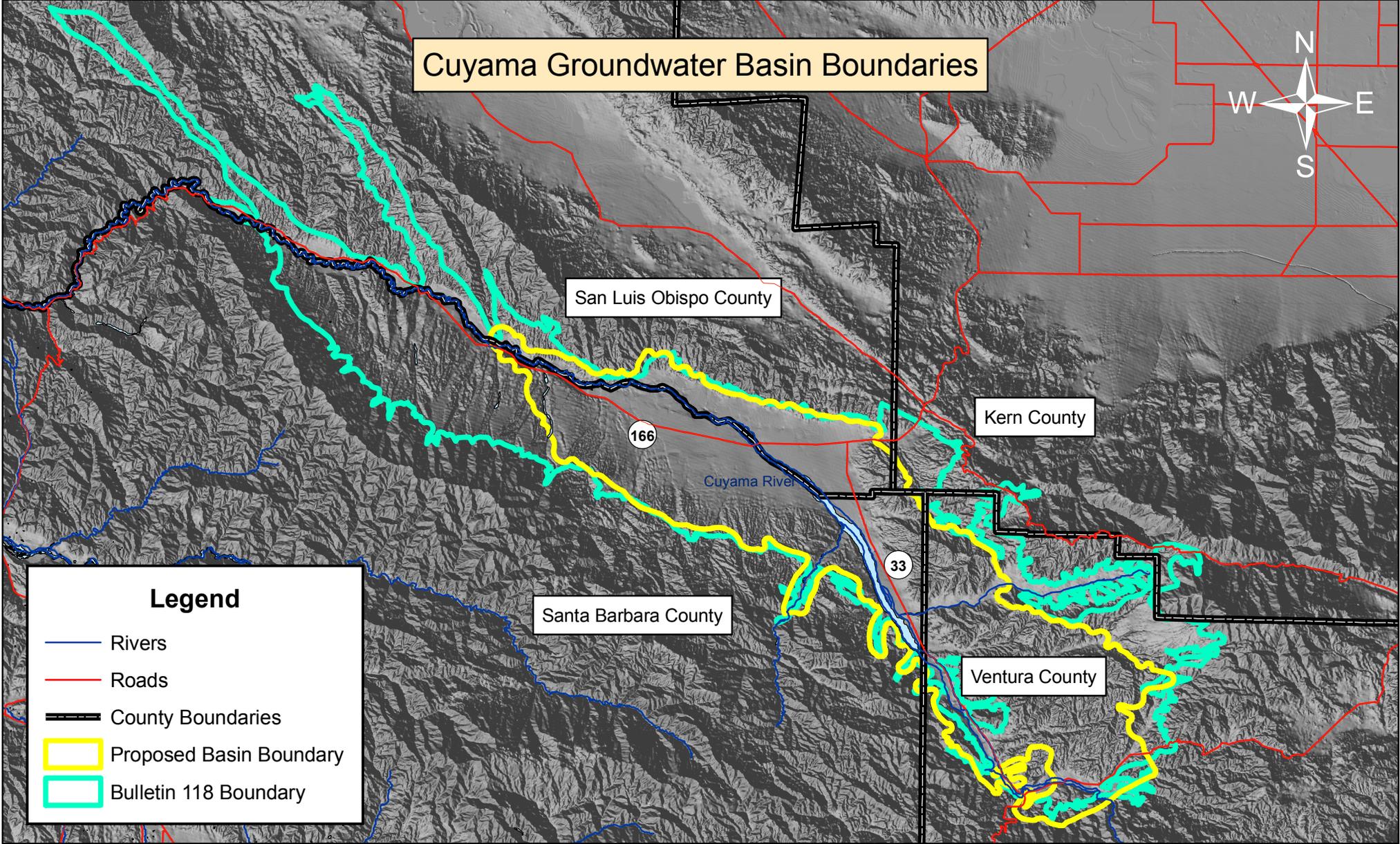
Department/Division Representative: Matt Naftaly **Date:** October 1, 2015

Acceptance Date: _____

Note: A copy of this form must be posted at P&D 6 days prior to a decision on the project. Upon project approval, this form must be filed with the County Clerk of the Board and posted by the Clerk of the Board for a period of 30 days to begin a 35 day statute of limitations on legal challenges.

DATE FILED WITH PLANNING & DEVELOPMENT

DATE FILED WITH CLERK OF THE BOARD



**BOARD OF DIRECTORS
OF THE
SANTA BARBARA COUNTY WATER AGENCY
STATE OF CALIFORNIA**

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN, that, pursuant to the Sustainable Groundwater Management Act, California Water Code section 10722.2 and the provisions of Section 344.4 of the Draft California Code of Regulations, Title 2, Chapter 1.5, Subchapter 1, Article 1, that copies of the proposed basin boundary modifications for the San Antonio and Cuyama Groundwater Basins are available for review by the public at the main office of the Santa Barbara County Water Agency office located at the Naomi Schwartz Building at 130 East Victoria Street, Suite 200, Santa Barbara, California; at the Office of the Santa Barbara County Clerk of the Board located at 105 East Anapamu Street, 4th Floor, Santa Barbara, California; and at the Fifth Supervisorial District located at 511 East Lakeside Parkway, Suite 141, Santa Maria, California.

NOTICE IS FURTHER GIVEN that on Tuesday, November 17, 2015 at 9:00 a.m. in the Board of Supervisors Hearing Room located at the County Administration Building, 105 E. Anapamu Street, 4th Floor, Santa Barbara and remotely from the Betteravia Government Administration Building located at 511 East Lakeside Parkway, Santa Maria, that the Board of Directors of the Santa Barbara Water Agency shall consider a resolution entitled "Resolution to designate the Santa Barbara County Water Agency as the Requesting Agency to conduct the boundary modification process pursuant to the Sustainable Groundwater Act of 2015" for the San Antonio and the Cuyama Groundwater Basins. At the conclusion of the hearing, the Board may adopt the resolution to designate the Santa Barbara County Water Agency as the Requesting Agency to conduct and initiate the groundwater basin modification process for the Santa Antonio and Cuyama Groundwater Basins.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Clerk of the Board at (805) 568-2240. Notification at least 48 hours prior to the meeting will enable the Clerk of the Board to make reasonable arrangements.

MONA MIYASATO
County Executive Officer
Ex Officio Clerk of the Board of Directors of
the Santa Barbara County Water Agency

DATED: _____

By: _____
Deputy Clerk