

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 11/17/2015	(3) CONTACT/PHONE Carolyn K. Berg, Senior Water Resources Engineer (805) 781-5536	
(4) SUBJECT Submittal of a resolution designating the Director of Public Works, or designee, as the authorized representative to file an application and execute an agreement for the Sustainable Groundwater Planning "Counties with Stressed Basins" Grant Program. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board approve the attached resolution designating the Director of Public Works, or designee, as the authorized representative to file an application and execute an agreement for the Sustainable Groundwater Planning "Counties with Stressed Basins" Grant Program.			
(6) FUNDING SOURCE(S) Flood Control General and Water Conservation District Fund (1300000000)	(7) CURRENT YEAR FINANCIAL IMPACT \$250,000.00	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: 1/13/15, #22	
(17) ADMINISTRATIVE OFFICE REVIEW David E. Grim			
(18) SUPERVISOR DISTRICT(S) All Districts			

Reference: 15NOV17-C-1

County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works
Carolyn K. Berg, Senior Water Resources Engineer
Courtney Howard, Water Resources Division Manager

VIA: Mark Hutchinson, Deputy Director of Public Works

DATE: 11/17/2015

SUBJECT: Submittal of a resolution designating the Director of Public Works, or designee, as the authorized representative to file an application and execute an agreement for the Sustainable Groundwater Planning "Counties with Stressed Basins" Grant Program. All Districts.

RECOMMENDATION

It is recommended that the Board approve the attached resolution designating the Director of Public Works, or designee, as the authorized representative to file an application and execute an agreement for the Sustainable Groundwater Planning "Counties with Stressed Basins" Grant Program.

DISCUSSION

The "Sustainable Groundwater Management Act" (SGMA) took effect on January 1, 2015, and provides for the preparation and implementation of Groundwater Sustainability Plans (GSP) for High and Medium priority groundwater basins. Based on the 2014 Final Basin Prioritization by the State Department of Water Resources (DWR), there are five high and medium priority groundwater basins mapped in San Luis Obispo County: Paso Robles (High), Santa Maria (High), Los Osos (High), San Luis Obispo (Edna) Valley (Medium), and Cuyama Valley (Medium).

On January 13, 2015, your Board adopted the SGMA Strategy and directed staff to implement the policy. The overarching strategy seeks to: "*establish community focused Groundwater Sustainability Agencies (GSA) based on cooperative interagency and stakeholder relationships in order to comply with SGMA requirements.*" It also describes specific actions such as seeking the maximum feasible funding through grant applications, supporting establishment of organizational agreements, and maximum feasible outreach to all potentially affected stakeholders.

The State Legislature appropriated \$100-million to grant funds for development of sustainable groundwater plans and projects consistent with SGMA via Proposition 1 (the Water Quality, Supply and Infrastructure Improvement Act of 2014). This Sustainable Groundwater Planning Grant Program ("Grant Program") is administered by DWR.

On October 28, 2015, DWR opened an expedited grant funding opportunity, making \$10-million (of the overall \$100-million) available on a statewide competition basis. This “*Counties with Stressed Basins*” grant funding round is available to County governments only and provides for a maximum award amount of \$250,000¹ available to awarded counties. Counties must apply for funding to address sustainability of stressed groundwater basins². This grant focuses on providing funding to planning efforts in stressed basins to:

- Update or develop County groundwater ordinances to improve sustainable management of groundwater; and/or
- Update or develop plans to protect basins and their beneficial uses and help facilitate basin-wide sustainable groundwater management or actions that will lead to the update or development of such plans.

Grant applications are due by December 8, 2015, and may only include eligible planning efforts that will be completed by December 2017. Given both the expedited nature of this grant opportunity, and the various eligibility requirements, Staff recommends authorizing the Director to seek grant funding to assist with the following:

Task Description⁽¹⁾	Grant Funding⁽²⁾	Match Funding⁽²⁾
1. Develop Education and Outreach Program: <ul style="list-style-type: none"> • Identify beneficial users of high/ medium priority basins • Develop outreach materials and outreach plan for countywide SGMA education; and host workshops • Create a SGMA webpage 	\$25,000	\$12,500
2. Efforts to facilitate formation of GSAs: <ul style="list-style-type: none"> • Develop guidance documents for interagency agreements • Facilitate meetings between interested eligible GSA members 	\$25,000	\$12,500
3. Actions that will lead to the update or development of GSPs: <ul style="list-style-type: none"> • Characterization of San Luis Obispo Basin • Huer Huero Recharge Area Siting Feasibility Study 	\$175,000	\$225,000 ⁽³⁾
4. Grant Administration	\$25,000	\$0
TOTAL	\$250,000	\$250,000

⁽¹⁾ Staff is refining the scope details

⁽²⁾ Subject to modification as Staff refines detailed scopes of work and estimates cost of related efforts.

⁽³⁾ The minimum local cost share required is 50% of the total project cost. Expect that existing County efforts to implement groundwater management efforts will meet the match funding.

¹ Per State’s Grant Program Guidelines, a maximum funding of \$500,000 available for Disadvantaged Counties (DAC) or Economically Distressed Areas (EDA) with critically overdrafted basins, as defined by DWR. This does not apply to the County of San Luis Obispo.

² Per State’s Grant Program Guidelines, for the purposes of this solicitation, DWR defines stressed groundwater basins as either basins identified by DWR as being in critical overdraft, or where groundwater levels are declining or fluctuating causing impacts including reduced groundwater storage, seawater intrusion, threatening or degrading water quality, land subsidence, and/or surface water depletion. Additionally, groundwater basins addressed in the proposal must not be adjudicated.

Staff will return to your Board in early 2016 to provide an update on SGMA strategy implementation, including potential basin boundary revision requests.

OTHER AGENCY INVOLVEMENT/IMPACT

Implementation of SGMA will involve all public agencies, private water companies, and landowners concerned with the management of groundwater in San Luis Obispo County. Although SGMA specifies that local public agencies are the key members of a GSA, stakeholder outreach requirements, coordination requirements, and the practical realities of preparing a GSP, require the involvement of the entire community.

In October and November 2015, the Paso Basin Advisory Committee and Water Resources Advisory Committee, respectively, took action to support the County pursuing the Counties with Stressed Basins grant opportunity.

County Counsel has reviewed the Resolution as to legal form and effect.

FINANCIAL CONSIDERATIONS

The groundwater management program, including the grant application process, is budgeted in the fiscal year 2015-16 Flood Control and Water Conservation District, Fund (1300000000). Sufficient funding exists for this grant application. The minimum local cost share required is 50% of the total project cost. It is anticipated that the \$250,000 cost match will be covered by existing County efforts to implement groundwater management efforts. If awarded grant funding, Staff will return to your Board for any necessary budget adjustments.

RESULTS

Approval of the recommended action will allow staff to submit a highly competitive and expedited grant application that, if awarded, will lead to subsequent actions and activities necessary to comply with SGMA. Therefore, approving the Resolution and recommendations will contribute to a safe, healthy, livable, prosperous and well-governed community.

ATTACHMENTS

1. Proposition 1 Sustainable Groundwater Planning Grant Program Counties with Stressed Basins Proposal Solicitation Package
2. Proposition 1 Sustainable Groundwater Planning 2015 Grant Program Guidelines
3. Resolution Designating the Director of Public Works, or Designee, as the Authorized Representative, to File an Application and Execute an Agreement for the Sustainable Groundwater Planning "Counties with Stressed Basins" Grant Program

File: CF 490.40.02 Flood Control General

Reference: 15NOV17-C-1

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