MEMORANDUM
PUBLIC WORKS AND FACILITIES
ENVIRONMENTAL ENGINEERING DIVISION
County of Placer

TO: Board of Supervisors
FROM: Ken Grehm, Director of Public Works and Facilities
       By: Brett Storey, Principal Management Analyst

SUBJECT: Environmental Engineering / Sustainable Groundwater Management Act / Approval of Alternative Submittal and Memorandum of Agreement for Compliance with Sustainable Groundwater Management Act for the Martis Valley Groundwater Basin

ACTION REQUESTED
Adopt a Resolution approving the Martis Valley Groundwater Basin Sustainable Groundwater Management Act Alternative Submittal;

Approve Memorandum of Agreement, in substantially the same form, between the County of Placer, the County of Nevada, the Town of Truckee, Placer County Water Agency, the Truckee Donner Public Utility District, and the Northstar Community Services District for preparation and implementation of Alternative Submittal;

Appoint the Principal Management Analyst of Environmental Utilities to the Management Committee as defined in the Memorandum of Agreement and appoint the Environmental Engineering Program Manager as an alternate.

BACKGROUND
The Sustainable Groundwater Management Act of 2014 (SGMA) requires agencies to achieve "sustainable groundwater management". Compliance with the act requires formation of a Groundwater Sustainability Agency (GSA) by June 30, 2017, and adoption of a Groundwater Sustainability Plan (GSP) by January 31, 2022. These requirements have been determined to be very expensive.

However, an "Alternative" to a GSP is an option provided in SGMA (CWC 10733.6(b)(3)) for basins that already satisfy the objectives of SGMA. To exercise this option, the entity submitting the Alternative must provide information that demonstrates a basin has operated within its sustainable yield over a period of at least 10 years. Submittal of an Alternative would avoid the cost to prepare a GSP and makes formation of a GSA optional. An Alternative must be submitted to the State's Department of Water Resources (DWR) by January 1, 2017. On August 9, 2016 staff provided your Board with an update and a recommendation to move forward with the other agencies in the basin to prepare an Alternative Submittal.

Truckee Donner Public Utility District has taken the lead in preparing an Alternative submittal and has hired the same consulting hydrogeologist who previously documented the sustainable yield to provide the additional technical elements required for the submittal. Data documented by the consulting hydrogeologist registered in California demonstrates that the MVGB has a continuous 25 year history of sustainable yield. The estimated sustainable yield is 22,000 acre-feet (AF) and annual extractions are estimated to be on the order of 7,000 AF. In addition, the MVGB has been proactively managed under a groundwater management plan and the Truckee River Operating Agreement (TROA) provides an existing regulatory framework. The MVGB did not experience any water supply shortages or any long-term adverse effects during the recent...
drought. County staff has reviewed and commented on the Alternative Submittal and believe it is ready for your Board approval.

The Alternative Submittal demonstrates eligibility based on sustainability of the aquifer, provides a description of each of the six agencies and how we propose to continue groundwater management, and addresses the six "undesirable results" identified by SGMA guidelines. These undesirable results are: 1) groundwater levels; 2) storage; 3) water quality; 4) seawater intrusion; 5) land subsidence; and 6) surface water depletions. A management approach to monitoring each is of these is described with action thresholds provided, most of which use monitoring of groundwater levels as a proxy.

To meet the requirements of the Alternative submittal, all parties must adopt a resolution approving the document and enter into a Memorandum of Agreement (MOA) to implement the commitments made. The attached MOA identifies duties of the participating agencies, which include groundwater monitoring, annual reporting to DWR, five-year renewals with DWR, and public outreach. Each party is responsible to coordinate with the participating agencies, participate in identified duties, and share technical expertise and information. The MOA provides for budgeting between the six parties, an administering manager to lead the implementation efforts, and a Management Committee of one representative and an alternate from each participating agency. County Counsel participated in the preparation of the MOA with legal counsel from the other agencies; staff believes it is ready for Board approval.

The Management Committee will hold quarterly meetings, with at least one per year being publically noticed. It is anticipated that these meetings will coordinate efforts to collect and assemble data towards the preparation of annual reports. The publicly noticed meeting is anticipated to be a workshop to present results to stakeholders before submitting reports to DWR. Staff recommends the following County staff be appointed to the Management Committee: Appoint the Principal Management Analyst of Environmental Utilities to the Management Committee defined in the MOA and appoint the Environmental Engineering Program Manager as an alternate.

Stakeholder outreach has been conducted in the form of direct communications with stakeholder organizations relevant to the MVGB. A public meeting was held on Monday, Nov. 14 from 5:30 p.m. to 7:30 p.m. in the Truckee Donner Public Utility District's board room at 11570 Donner Pass Road in Truckee as an opportunity for the public to learn more about SGMA and to provide comments and feedback on the Alternative submittal and the SGMA process. Information on SGMA, the requirements for an alternative submittal, and a report certifying that the MVGB has operated within the sustainable yield for 25 years was presented.

Should the Alternative be denied by the DWR then the MVGB group would have an additional six months to form a GSA. During that time, a plan to fund and develop a GSP would be created to complete and submit a GSP to DWR by January 31, 2022. The effort and funding put into the Alternative, and the technical reports prepared, would be applicable to the development of a GSP.

In order to move forward staff recommends that your Board adopt the Resolution supporting the Alternative Plan submittal, approve the MOA, and appoint staff to the Management Committee.

ENVIRONMENTAL IMPACT
This action does not constitute a "Project" under the California Environmental Quality Act (CEQA) pursuant to CEQA guidelines 15378(b)(5) because it is an administrative action that
does not result in any direct or physical change in the environment. In addition, an Alternative submittal has been determined to be exempt from CEQA based on a legislative exemption provided in SGMA, Water Code Section 10728.6, and for purposes of protection of natural resources and the environment, per CEQA guidelines Sections 15307 and 15308.

**FISCAL IMPACT**
The MOA includes three budget categories, (1) a budget to prepare the Alternative, a cost of approximately $32,000 that has been carried by TDPUD, (2) a budget of $30,000 to respond to DWR comments, and (3) an on-going operating budget estimated to be $30,000 in the first year. Per terms of the MOA, the County’s contributions include $5,000 toward preparation of the Alternative and $5,000 toward each of the other two categories, for a total of $15,000. These funds along with staff time are included in the FY 2016-17 budget and will be included in the FY 2017-18 proposed budget.

**ATTACHMENTS**
Resolution

On File at Clerk of the Board:
Memorandum of Agreement between the agencies for the MVGB SGMA Alternative Submittal
Martis Valley Groundwater Basin Sustainable Groundwater Management Act Alternative Submittal
Before the Board of Supervisors  
County of Placer, State of California

In the matter of:  
A Resolution approving the Martis Valley Groundwater Basin Sustainable Groundwater Management Act Alternative Submittal, and appoint the CEO as agent of the county to execute necessary documents.

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held December 6, 2016, by the following vote on roll call:

Ayes:
Noes:
Absent:

Signed and approved by me after its passage.

__________________________________________
Chair, Board of Supervisors

Attest:

______________________________
Clerk of said Board

WHEREAS, this Resolution the Sustainable Groundwater Management Act ("SGMA"), as amended and codified in California Water Code §§ 10720, et seq., applies to all groundwater basins in the State of California; and

WHEREAS, The legislative intent of SGMA is to provide sustainable management of groundwater basins, to enhance local management of groundwater, to establish minimum standards for the sustainable groundwater management, and to provide local groundwater agencies with the authority and the technical and financial assistance necessary to sustainably manage groundwater; and
WHEREAS, SGMA requires "sustainable groundwater management" for all groundwater basins or sub-basins that are designated as high- or medium-priority basins by the Department of Water Resources ("Department") in the Department's report entitled "California's Groundwater: Bulletin 118" ("Bulletin 118"); and

WHEREAS, The Martis Valley Groundwater Basin ("MVGB") is located in both Nevada County and Placer County and has been designated by the Department as Basin No. 6-67 and is currently designated a medium-priority basin; and

WHEREAS, SGMA defines a "local agency" as a local public agency that has water supply, water management, or land use responsibilities within a groundwater basin; and

WHEREAS, there are a total of six qualifying local agencies with jurisdiction over MVGB, which include the County of Placer, the County of Nevada, the Town of Truckee, the Truckee Donner Public Utility District, the Placer County Water Agency and the Northstar Community Services District, collectively referred to as "Partners" and who wish to cooperate in sustainable groundwater management and compliance with SGMA; and

WHEREAS, SGMA provides that any local agency or combination of local agencies overlying a groundwater basin have discretion to become a groundwater sustainability agency ("GSA") for that basin; and

WHEREAS, SGMA requires that either: (1) a groundwater sustainability plan ("GSP") be developed and implemented by the GSA; OR (2) if a local agency or combination of local agencies believes that an alternative to a GSP satisfies the objectives of SGMA, the local agency may submit the alternative to the Department for evaluation and assessment no later than January 1, 2017, and every five years thereafter; and

WHEREAS, the Partners believe that an alternative to a GSP will satisfy the objectives of SGMA because the basin has been operated within sustainable yield for at least the last 10 years, a fact that has been documented by a hydrogeologist registered in the State of California and which is a legislative option for being eligible for an alternative; and

WHEREAS, the Partners wish to collectively submit an alternative titled Martis Valley Groundwater Basin Sustainable Groundwater Management Act Alternative Submittal ("Alternative Submittal") to the Department; and

WHEREAS, the Truckee Donner Public Utility District has led the preparation of the Alternative Submittal, with input and review by all Partners and a hydrogeologist registered in the State of California; and

WHEREAS, the Alternative Submittal leverages the Martis Valley Groundwater Management Plan adopted in 2013, the Truckee River Operating Agreement, enacted under Federal Law to restrict and monitor surface water and groundwater use, and a body of scientific work that demonstrates the existence of sustainable groundwater management in MVGB; and

WHEREAS, the Alternative Submittal addresses the six undesirable results that have been identified by the Department and is believed by the Partners to be functionally and substantially compliant with SGMA and applicable requirements of the Department; and
WHEREAS, based on the above findings, the Partners intend to submit the Alternative Submittal to the Department by the due date set by SGMA of January 1, 2017, and, subject to approval of the Department, intend to continue sustainable groundwater management of the MVGB in accordance with the Alternative Submittal and without formation of a GSA or preparation of a GSP.

BE IT RESOLVED, by the Board of Supervisors, County of Placer, State of California, All of the above recitals are true and correct.

The Alternative Submittal has been reviewed by this agency and is found to provide for the legislative intent of SGMA and qualify the MVGB as eligible for an alternative to a GSP.

The Alternative Submittal, in substantially the same form, is approved by this agency and it is requested that the Alternative Submittal be submitted to the Department for review and approval by the Truckee Donner Public Utility District on behalf of all Partners.

Subject to the Department's approval of the Alternative Submittal, this agency wishes to continue participation in sustainable groundwater management with the Partners.

This action is exempt from the provisions of the California Environmental Quality Act of 1970 and staff of the Agency is directed to file a Notice of Exemption with the county clerk.