



MEMORANDUM
PUBLIC WORKS AND FACILITIES
ENVIRONMENTAL ENGINEERING DIVISION
County of Placer

TO: Board of Supervisors

DATE: October 25, 2016

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

SUBJECT: Sustainable Groundwater Management Act: South Sutter Water District Groundwater Sustainability Agency Formation

ACTION REQUESTED

Authorize staff to enter into negotiations with South Sutter Water District for purposes of drafting a Memorandum of Agreement defining all pertinent issues regarding the Sustainable Groundwater Management Act and the formation of a Groundwater Sustainability Agency by South Sutter Water District covering that portion of South Sutter Water District that is within Placer County.

BACKGROUND

The Sustainable Groundwater Management Act of 2014 (SGMA) requires agencies to achieve “sustainable groundwater management” by implementing various elements of the Act, including meeting two key deadlines:

- June 30, 2017: Deadline for formation of a Groundwater Sustainability Agency (GSA) for each high- and medium-priority basin. GSAs are tasked with managing groundwater basins by developing and implementing Groundwater Sustainability Plans (GSP). More than one agency can form a single GSA, using legal agreements such as a joint powers agreement or memorandum of agreement (MOA).
- January 31, 2022: Deadline for adoption of a GSP for basins not in critical overdraft (the NASB is not in critical overdraft). A GSP defines the specific measures a GSA will implement to ensure sustainable groundwater resources in its basin. GSPs must be fully vetted with stakeholder participation.

GSA Authority

To enable GSAs to manage groundwater basins, the SGMA grants GSAs the following authorities:

- Prepare and implement a GSP
- Require registration of wells within the GSA boundary
- Require installation of meters on wells within the GSA boundary (does not apply to de minimis extractors)
- Secure surface water or groundwater rights for storage and or use inside or outside the GSA boundary
- Impose well spacing requirements (new wells) and operational regulations (all wells)
- Limit groundwater extractions in the GSA boundary through controls on wells
- Impose fees to fund the GSA administration and projects
- A GSA is not authorized to issue well permits, but it may request that the permitting agency forward permit applications to the GSA prior to approval.

Current Status

Several agencies are currently planning to form GSAs within the NASB, (1) Sacramento Groundwater Authority in Sacramento County (already formed and designated the GSA by the California Department of Water Resources) which is shown in green on the map, (2) the Cities of Roseville and Lincoln, Placer County Water Agency, Cal American Water Company and Placer County in western Placer County

which is shown in blue on the map, (3) South Sutter Water District (SSWD) in Sutter County which is shown in pink outline on the map, (4) Multiple water agencies managing the agricultural area of Sutter County which is shown in diagonal hatches outside of SSWD boundary on the map, and (5) Sutter County to potentially manage any remaining unmanaged areas in that County.

The only outstanding area within the Placer County and the NASB is a portion of SSWD's service area is what extends into Placer County (diagonal hatched area on between Sutter/Placer county line and SSWD boundary (Pink) attached map). This area makes up approximately one third of SSWD's service area (the rest located in Sutter County) and SSWD has been effectively managing this area for decades.

Considerations

Staff has been meeting with SSWD for several months to discuss options for GSA coverage in this area. Supervisor Robert Weygandt and Agriculture Commissioner Josh Huntsinger have participated in these discussions as the Placer County portion consists primarily of Placer County Conservation Plan (PCCP) parcels and agricultural lands, as well as a small number of parcels in the Sheridan area having development potential.

In addition, staff met with the PCCP team to determine if any of the SGMA regulations would pose issues or concerns. The PCCP Administrator, Gregg McKenzie, indicated the primary concerns were that the County's land use authority not be abdicated, and that the County's ability to meet the requirements of the Placer County Conservation Plan (HCP/NCCP) and achieve the goals and objectives of the conservation strategy, which expressly include protection of agricultural lands, would not be compromised. It is important to note that PCCP habitat areas are supplied by surface water provided by SSWD and Placer County Water Agency. Although SGMA regulations specifically state that no SGMA authorities supersede current land use authority, it is important that any agreement with SSWD state that the GSA will ensure the PCCP habitat areas continue to receive adequate water supplies, and ways in which that may be accomplished.

Options

There are two options for management of the SSWD service area, detailed below. Each option would require development of a legal agreement to define each agency's role in implementing the provisions of SGMA as well as the specific land use authorities/restrictions within the Placer County portion of the GSA.

1) SSWD form a GSA on its own (preferred option), covering the entire SSWD service area (pink outline on attached map), which includes the portion of Placer County discussed above.

Under this option, potentially less staff time and funding would be required as staff would not need to participate in the outreach, staffing of the organization, reporting of groundwater levels nor actions required to develop the GSP for that area. Staff would have coordination efforts to ensure that all elements of an agreement were maintained. However, SSWD would have exclusive authority to implement SGMA in those areas. As a result, management issues that must be considered with this option include:

- a. PCCP related actions
- b. Well permitting roles
- c. Ensuring legal rights of landowners, particularly the timing of water usage and other agricultural actions that depend on specific sequences of activities to bring their harvest to market
- d. Land development issues (e.g. how might established groundwater restrictions or spacing requirements impact potential future subdivisions of land)
- e. Fee setting and collection, should the GSA decide to implement
- f. Small portions of PCWA groundwater monitoring within the area (small pink boxes)

The County's concerns can be adequately addressed through an MOA with SSWD. Staff and legal counsel would work closely with the Community Development Resource Agency, PCCP Administrator

and future JPA, Health and Human Services Department and the Agricultural Commissioner to ensure that the County's interests are protected and all issues are addressed in the MOA before SSWD takes final action to create this GSA.

2) The County and SSWD jointly form a GSA, also covering the entire SSWD service area (pink outline on attached map).

Under this option, the County would have authority to implement SGMA in the Placer County portion of the GSA in conjunction with SSWD. However, many of the same management issues would need to be addressed. One of the primary issues to be resolved prior to filing the GSA is the governance structure of the GSA. If the Board were to desire this option there would be an increase in staff time and potentially County funding to determine the governance structure, develop a governance agreement with SSWD, and maintain the actions required by SGMA.

Staff attended the SSWD Board meeting on August 25, 2016 to discuss these options. The SSWD Board would prefer option #1 as they have been managing this region for decades and believe it would be much simpler to continue going forward. However, they are open to the second option and desire to understand the direction of your BOS, but would like to file for a GSA by the end of 2016. In effort to respect that timeline, with your Board's approval, staff will work with SSWD to develop a draft agreement for your Board's approval by the end of the year with either option selected.

RECOMMENDATION

Staff is recommending that your Board provide direction to implement option #1 as it presents a more streamlined approach, requires less staff time and funding, and an MOA can adequately address all of the aforementioned issues that will protect Placer County stakeholders. Staff further recommends that the MOA be executed by both Boards prior to SSWD filing to become the GSA. The MOA will be brought back your Board for approval at a later date.

ENVIROMENTAL IMPACT

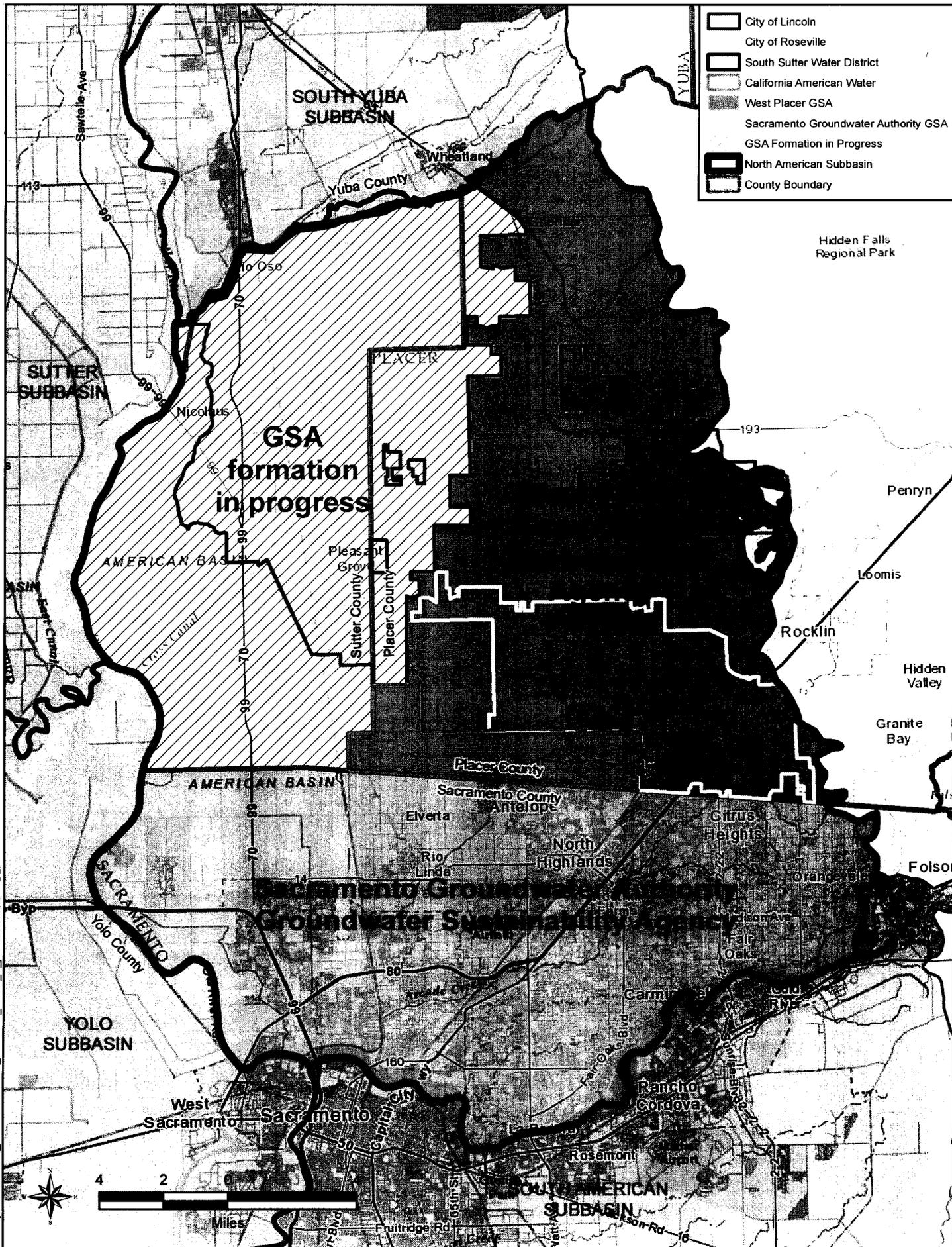
This action does not constitute a "Project" under the California Environmental Quality Act (CEQA) pursuant to CEQA guidelines 15378(b)(5) because it is an administrative action that does not result in any direct or physical change in the environment.

FISCAL IMPACT

Funding for staff labor and outside contracts for future work is included in the FY 2016-17 budget.

ATTACHMENTS

Map of the North American Groundwater Sub-Basin



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GSA and GSP Development
Placer County, California

Placer County



North American Groundwater Subbasin

SEPTEMBER 2016

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FIGURE 1