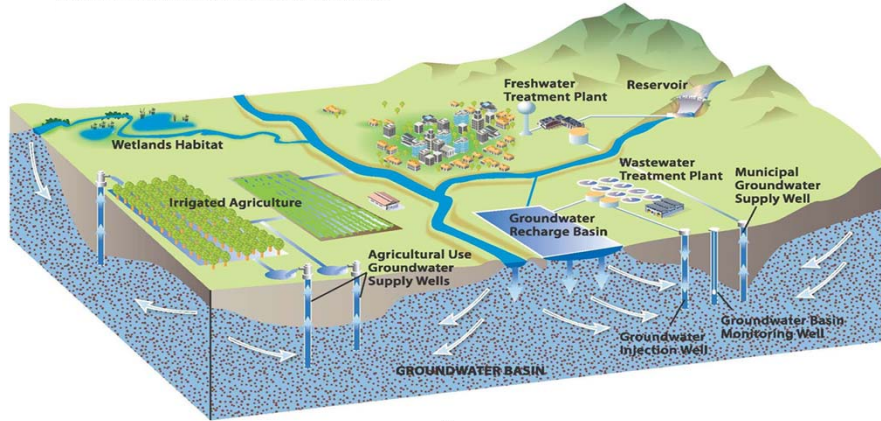


TODAY'S PRESENTATION

The Sustainable Groundwater Management Act:
Just the facts, and then some...



Agenda

SGMA Background Information

Review BOD / BOS Actions

Seek Stakeholder Input

Develop Next Steps

Questions



Discussion

- “Thumbnail Sketch” of the State Comprehensive Water Strategy:
 - Conserve more
 - Store more
 - Fix the Delta
 - Manage Groundwater
 - Provide safe drinking water
 - Invest in habitat and watersheds

- Manage Groundwater



Discussion (cont.)

- On September 16, 2014, Governor Brown signed three bills collectively called the Sustainable Groundwater Management Act into law
 - SB 1168
 - AB 1739
 - SB 1319

- Effective January 1, 2015, the bills established a new paradigm for management of the state’s groundwater



Discussion (cont.)

- Legislation is complex
 - DWR is to adopt regulations for implementation
 - Expect cleanup legislation
 - Multiple versions being drafted currently
 - May result in litigation

- Legislation generally requires the adoption of a plan that will provide for sustainable management of a basin no later than 25 – 27 years, and over a 50-year time frame



Discussion (cont.)

- “Groundwater” means water beneath the surface of the earth within the zone below the water table in which the soil is completely saturated with water, but does not include water that flows in known and definite channels
 - Surface water is generally everything else except water that flows in known and definite underground channels (which is subject to SWRCB jurisdiction)



Discussion (cont.)

- Current Drought has worsened a growing groundwater crisis
 - Groundwater crisis just won't go away
 - Groundwater regulation is by far the most controversial issue in California today

- Inconvenient Truths
 - Crisis is real
 - Legislation was inevitable

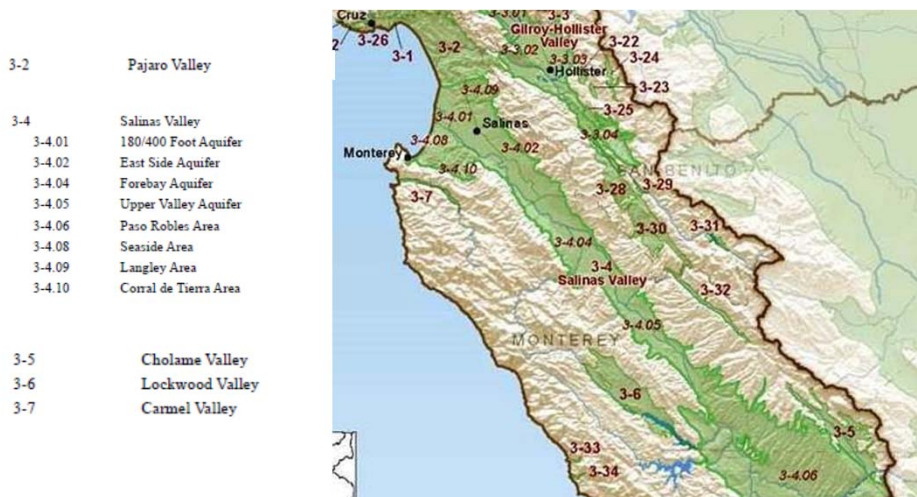


Discussion (cont.)

- All or parts of six groundwater basins are within Monterey County
 - Salinas Valley (extends into San Luis Obispo County)
 - Carmel
 - Pajaro (includes portion of Santa Cruz and small portion of San Benito Counties)
 - Cholame
 - Lockwood
 - Peachtree

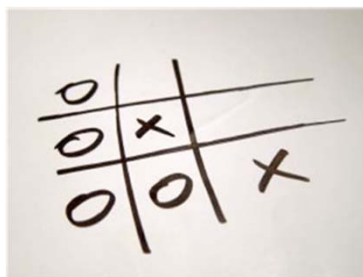


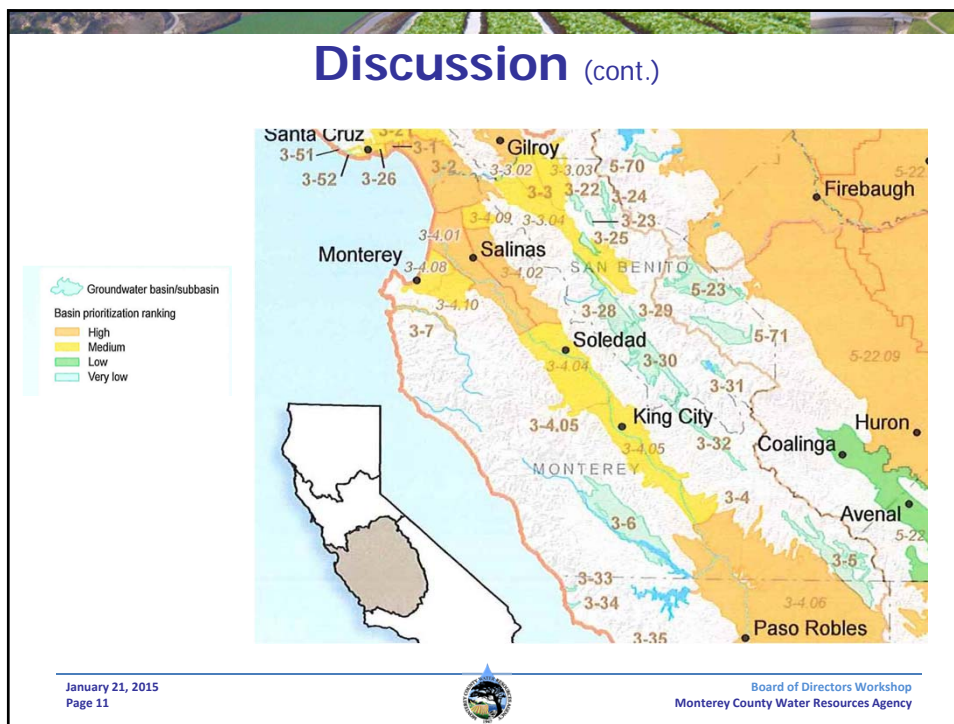
Discussion (cont.)



Discussion (cont.)

- DWR categorizes all basins on the basis of priority with respect to the need for groundwater monitoring:
 - High
 - Medium
 - Low
 - Very low





- ### Discussion (cont.)
- DWR has identified 11 basins that are in a “critical condition of overdraft”
 - Pajaro Basin in Monterey/Santa Cruz/San Benito Counties
 - Also classified as high priority
- January 21, 2015
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Discussion (cont.)

- **Groundwater Sustainability Definitions:**
 - Groundwater sustainability agency:
 - One or more local agencies implementing the legislation
 - Local agency:
 - Local public agency that has water supply, water management, or land use responsibility within a basin
 - Sustainable groundwater management:
 - The management and use of groundwater in a manner that can be maintained over a 50-year period without causing undesirable results



Discussion (cont.)

- **Groundwater Sustainability Deadlines:**
 - January 31, 2020
 - high and medium priority basins that are subject to critical conditions of overdraft must be managed by a sustainability plan or coordinated sustainability plans
 - Pajaro Basin
 - January 31, 2022
 - high and medium priority basins that are not subject to critical conditions of overdraft must be managed by a sustainability plan or coordinated sustainability plans
 - Salinas Valley
 - Carmel
- DWR has until January 31, 2015 to finalize basin priorities



Discussion (cont.)

- **Groundwater Sustainability Agencies:**
 - Any local agency, or combination of local agencies, overlying a basin may elect to be a Groundwater Sustainability Agency for that basin
 - A combination of agencies may form a JPA, or use an MOU or other type of agreement
 - A regulated water corporation may participate if the local agency approves
 - Cal Water, Cal-Am, etc.



Discussion (cont.)

- **Groundwater Sustainability Agencies:**
 - Monterey Peninsula Water Management District is the designated GSA for the Carmel basin
 - Pajaro Valley Water Management Agency is the designated GSA for the Pajaro basin
 - There is an opt out process...
 - If so, any other local agency within boundaries may elect to be the GSA



Discussion (cont.)

- **Groundwater Sustainability Agencies (cont.):**
 - There is also an opt-in process...
 - An interested local agency must hold a noticed public hearing before electing to be a GSA
 - If local agency elects to be GSA a notice of intent to be a GSA must be submitted to DWR



Discussion (cont.)

- **Groundwater Sustainability Agencies (cont.):**
 - Salinas Valley Basin eligible local agencies:
 - County
 - WRA
 - Cities of Salinas, Soledad, Gonzales, Greenfield, & King
 - Marina Coast, San Ardo, & San Lucas Water Districts
 - Community Services Districts (to the extent water supply authority exercised)
 - Cal Water (with permission)
 - Uncertainty regarding Seaside, Del Rey Oaks, Sand City, Monterey & MPWMD



Discussion (cont.)

- **GSA Powers and Authorities:**
 - New additional powers and authorities:
 - Adopt rules, regulations & ordinances
 - Conduct investigations
 - Inspect property
 - Require registration of extraction facilities (wells)
 - Require metering
 - Acquire & hold property of all kinds
 - Appropriate, import & store water
 - Provide for a voluntary fallowing program
 - Transport, reclaim, purify, desalinate & treat polluted water or wastewater for subsequent use




Discussion (cont.)

- **GSA Powers and Authorities (cont.):**
 - Regulate, limit, or suspend groundwater extractions, construction of new wells, expansion or reactivation of wells
 - Must be consistent with applicable element of city or county general plan unless insufficient sustainable yield
 - No authority to issue well permits unless County agrees
 - Environmental Health Bureau is still authority
 - Authorize transfers of extraction allocations




Discussion (cont.)

- **Groundwater Sustainability Plans:**
 - May be a single plan implemented by a single agency
 - May be a single plan implemented by multiple agencies
 - May be multiple plans implemented by multiple agencies and coordinated by agreement



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Discussion (cont.)

Time Frame for Successful Implementation

Time	Action	
6/30/2017	Formation of GSAs	<input checked="" type="checkbox"/>
1/31/2020	Completion of GSPs in critically overdrafted basins	<input checked="" type="checkbox"/>
1/31/2022	Completion of GSPs in all other basins	<input checked="" type="checkbox"/>
20-year implementation period	Implementation of GSPs under local management	<input checked="" type="checkbox"/>

Checking these boxes shields local managers from state intervention

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Discussion (cont.)

- **Groundwater Sustainability Agency Financing**
 - GSAs may impose fees to fund the sustainability program
 - Permit fees
 - Fees on groundwater extraction or other regulated activity
 - Fees based on groundwater extraction must comply with Proposition 218
 - GSAs may also impose a property-based fee
 - Based on maximum extraction capacity
 - GSAs may impose taxes, fee and charges as otherwise provided by law



Discussion (cont.)

- **Groundwater Sustainability Enforcement**
 - GSAs may:
 - Levy fines
 - Order interruption of extractions
 - File suit



Discussion (cont.)

- The State can Intervene:
 - Plan must be submitted to DWR for review after adoption
 - DWR has 2 years and must issue an assessment of the plan
 - Must assess impact on adjacent basin plan
 - DWR must review plans every five years
 - Multiple plans must be reviewed together
 - By June 2016, DWR must adopt regulations for evaluating plans



Discussion (cont.)

- State Intervention (cont.):
 - SWRCB may declare a basin “probationary” if, after June 30, 2017:
 - No single GSA identified for whole basin, or
 - No collection of local agencies has agreed to form a GSA or agreed to develop plans that would collectively serve the whole basin, or
 - No local agency has submitted an “alternative plan”
 - Existing groundwater management plan
 - Adjudication
 - 10-year operation within sustainable yield (no overdraft)



Discussion (cont.)

- **State Intervention (cont.):**
 - SWRCB may declare a basin “probationary” if, after January 31, 2022:
 - No GSA has adopted a plan for the entire basin, or
 - No collection of local agencies have adopted plans that serve the whole basin, or
 - DWR has not approved an “alternative plan” and
 - DWR determines plan is inadequate, implementation is inadequate, and basin is in long-term overdraft, or
 - After January 31, 2025, DWR determines plan is inadequate, implementation is inadequate, and extractions result in significant depletions of interconnected surface water



Discussion (cont.)

- **State Intervention (cont.):**
 - If a basin is declared probationary
 - Local agencies are given the opportunity to correct deficiencies
 - SWRCB may require reporting
 - SWRCB may adopt an interim plan that:
 - Identifies actions necessary to correct long-term overdraft conditions or significant depletions of interconnected surface waters
 - Establishes a time schedule
 - Describes monitoring system



Discussion (cont.)

- **State Intervention (cont.):**
 - Interim plan may also include:
 - Restrictions on extractions
 - A physical solution
 - Principles and guidelines for the administration of rights to connected surface waters
 - Interim plan must be consistent with water right priorities under CA constitution
 - Interim plan could rely upon an adjudication
 - GSA may petition to rescind interim plan

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Discussion (cont.)

State Board Intervention Timeline

After	Cause of Intervention
6/30/2017	No GSA formed
1/31/2020	In critically overdrafted basins, no GSP or the GSP is deemed inadequate
1/31/2022	In other basins, no GSP or GSP is inadequate and basin is in long-term overdraft
1/31/2025	GSP is inadequate and significant depletions of interconnected surface waters

In all triggering events, intervention is the result of a failure by locals to create a GSA and adopt and implement a GSP.

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Prior BOD/BOS Action

- October 21 – County Counsel provided an informational presentation on the Sustainable Groundwater Management Act (SGMA)
- October 27 – WRA BOD recommended that the WRA become the Groundwater Sustainability Agency (GSA)
- October 28 – WRA BOS recommended a public process to gain stakeholder input
- December 10 – WRA BOS / BOD recommended WRA move forward with the public process



Summary

- New paradigm for groundwater management
- Lots of details still being worked out
- Definite deadlines for basin priorities and plan development
- WRA directed to begin a public process to work through complexities of SGMA legislation
- If WRA becomes GSA, changes to current structure and business model will be necessary



Options and Input

- Implementation Options
 - BOS could set up a new GSA
 - MCWRA could become the GSA
 - A new JPA could become the GSA
 - Do nothing – let the State take over

- Other Options...



TODAY'S PRESENTATION

The Sustainable Groundwater
Management Act:
Just the facts, and then some...

