

11/09/2016

**MEMORANDUM OF AGREEMENT  
FOR FORMATION OF A GROUNDWATER SUSTAINABILITY AGENCY FOR THE  
WESTERN MANAGEMENT AREA  
IN THE SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN UNDER THE  
SUSTAINABLE GROUNDWATER MANAGEMENT ACT**

THIS MEMORANDUM OF AGREEMENT (MOA) is made and effective as of \_\_\_\_\_, 2016, by and between the Parties executing the MOA below, each a "Party" and collectively the "Parties," with reference to the following facts:

A. In 2014, the State of California enacted the Sustainable Groundwater Management Act (Water Code Sections 10720 et seq.), referred to in this MOA as the "SGMA" or "Act," as subsequently amended, pursuant to which certain public agencies may become a "Groundwater Sustainability Agency" (GSA) and adopt a "Groundwater Sustainability Plan" (GSP) in order to manage and regulate groundwater in underlying groundwater basins. The Act defines "basin" as a basin or sub-basin identified and defined in California Department of Water Resources (DWR) Bulletin 118. Each Party is a public agency located within the Santa Ynez River Valley Groundwater Basin (Bulletin 118, Basin No. 3-15, "Basin") and is qualified to become a GSA and adopt a GSP under the Act for all or a portion of the Basin.

B. Bulletin 118 describes the Basin in three portions: eastern, central, and western. The western portion consists of the Lompoc Plain, Lompoc Terrace, and Lompoc Uplands; the central portion is the Buellton Uplands, and the eastern portion is the Santa Ynez Uplands. For purposes of administering its groundwater usage program and other water management functions, the Santa Ynez River Water Conservation District (District) also generally recognizes these hydrogeologic units. For the purpose of implementing SGMA, each portion of the Basin as described by DWR and recognized by the District, is designated as a corresponding groundwater "Management Area" as defined by the Act.

C. The Parties are the agencies qualified to be a GSA under the Act for the Western Management Area (WMA) of the Basin. The map attached hereto as Exhibit A designates the boundaries of the three Management Areas of the Basin.

D. A separate GSA for each Management Area is the most efficient approach to implement SGMA in the Basin. The three GSAs will be managed by an Intra-Basin Coordination Agreement, with the District as the point of contact with DWR, pursuant to §10727.6 of the Act and California Code of Regulations, Title 23, §357.4. On May 23, 2016, the Parties, along with the other agencies qualified to be a GSA within the Basin, entered into a memorandum of understanding for implementing SGMA which recognized the three Management Areas corresponding to DWR's three portions of the Basin and outlined the process for formation of GSAs and development of GSPs for the Basin. These three Management Areas cover the entire Basin that is subject to SGMA. Attached as Exhibit B is a chart of the anticipated organization of the three GSAs.

E. The Parties wish to provide a framework to form a GSA and to implement SGMA in the WMA, such that the implementation is through local control and management and is implemented effectively, efficiently, fairly and at a reasonable cost.

THEREFORE, in consideration of the mutual promises set forth below and to implement the goals described above, the Parties agree as follows:

1. Formation of the WMA GSA. The purpose of this MOA is to form a GSA for the WMA prior to June 30, 2017, and to facilitate a cooperative and ongoing working relationship between the Parties that will allow them to explore, study, evaluate, develop and implement mutually beneficial approaches and strategies for development of a GSP for the WMA. By execution of this MOA, the Parties collectively determine and elect to be the GSA for the Western Management Area of the Basin. It is presumed the WMA GSA will be the sole GSA for this portion of the Basin.

2. Organization of the WMA. The District covers approximately 64 percent of the WMA comprising the Lompoc Plain, Lompoc Terrace and Lompoc Uplands (including the Santa Rita Valley). This area includes the City of Lompoc, the communities of Vandenberg Village and Mission Hills, the Lompoc Federal Correctional Complex (Lompoc FCC) and portions of Vandenberg Air Force Base (VAFB). VAFB covers the majority of the remaining WMA outside the District (approximately the remaining 35 percent of the WMA). As Federal entities, VAFB and Lompoc FCC are not required to be subject to SGMA. The Santa Barbara County Water Agency (“County Water Agency”) covers approximately 1 percent of the WMA area not within the District, VAFB and Lompoc FCC. The City of Lompoc, the District, Vandenberg Village Community Services District (VVCSD), Mission Hills Community Services District (MHCS D) and the County Water Agency represent all of the public agencies (as defined by the Act) that are eligible to form a GSA in the WMA. The formation of the WMA GSA is supported by the following:

- a. The District has augmented the groundwater supply for the WMA through water rights releases under SWRCB Order 89-18 and preceding SWRCB orders since 1953.
- b. The District has monitored groundwater production and groundwater storage in the Basin, including the WMA since 1979.
- c. The District, City of Lompoc, VVCSD, and MHCS D have a history of collaboration on projects that benefit groundwater use and management in the WMA. These include: 1) comprehensive studies of supplemental winter groundwater recharge from the river; 2) interconnections between the entities’ water systems for operational flexibility and increased system reliability; and 3) comprehensive U.S. Geological Survey hydrogeologic studies of the WMA in the late 1980s through the early 1990s and ongoing monitoring of groundwater levels and groundwater quality.
- d. VAFB will not participate in the GSA in accordance with a Department of Defense policy decision applicable to all military installations in California. Similarly, the Lompoc FCC is not planning to participate either.
- e. Areas within the WMA represented by the County Water Agency have “de minimis” groundwater production, if any, and constitute a trivial percentage of the total Management Area. Therefore, the County Water Agency will not be a voting member of the WMA GSA Committee nor will it have any financial responsibility for funding the GSA or GSP activities for the WMA, except for the cost of its staff participation in meetings.

- f. In consideration of the interests of all groundwater users in the WMA GSA, the Santa Barbara County Planning and Development Department, VAFB, Lompoc FCC, State Lands Commission and members of the agricultural community will be invited to participate in the WMA Advisory Committee to be established by the WMA GSA.

3. Development of the GSP. A separate GSP will be developed for each of the three Management Areas. The Intra-Basin Coordination Agreement will be incorporated into each GSP, as provided for in Section §10727.6 of the Act. The District will coordinate efforts of the Parties and be the point of contact with DWR, as defined by the Act, to meet and cooperatively develop the GSP for the WMA. In developing the GSP the GSA shall consider all beneficial uses and users of groundwater in the WMA, including the interests listed in Section §10723.2 of the Act.

4. GSA Governing Body. There is hereby established a GSA Committee for the WMA which shall be subject to the following:

- a. Voting will be weighted. The District shall have four votes, the City of Lompoc shall have two votes, and VVCSD and MHCSO shall each have one vote. The GSA will be represented by an appointed person or persons from their respective entities. The County Water Agency will be a non-voting member of the GSA. The County Water Agency will be represented by a person or persons as appointed by the County Water Agency Board of Directors.
- b. The GSA Committee may adopt resolutions, bylaws and policies to provide further details for conducting its affairs consistent with this MOA and applicable law and amend same from time to time. Meetings of the GSA Committee shall be called, noticed and conducted subject to the provisions of the Ralph M. Brown Act (Govt. Code sections 54950 et seq.).
- c. A quorum to transact business shall be a simple majority of voting members. All proposed actions or resolutions must pass by a simple majority vote (presently at least 5 votes needed), provided however, actions or resolutions to adopt budgets or any type of fee/charge, or to approve the GSP, must pass by a 75 percent vote (presently at least 6 votes needed).
- d. The composition, voting procedures, and powers of the GSA Committee and whether the GSA Committee should be replaced by a joint powers authority to implement the GSP, shall be reviewed and reaffirmed or modified as part of the process to adopt a GSP, which is due no later than January 30, 2022.

5. Powers of GSA. The GSA Committee shall have all powers that a GSA is authorized to exercise as provided by the Act, including developing a GSP consistent with the Act and DWR's regulations and imposing fees to fund GSA and GSP activities. The GSA Committee shall proceed in a timely fashion to develop a GSP for the WMA, and consider the interests of all beneficial users of groundwater within the WMA as prescribed by Section §10723.2 of the Act, as well as the requirements set forth in the Intra-Basin Coordination Agreement.

6. Costs. All Parties shall bear the costs incurred with respect to activities under this MOA to participate on the GSA Committee and its proceedings and related matters. Costs incurred to retain consultants to assist with development of the GSP and perform related studies as approved by the GSA Committee, and to implement the GSP, shall be shared by the voting parties as agreed to by the voting Parties. The Parties may consider levying a charge pursuant to the Act. There are

several vehicles to capture costs for implementing the SGMA pursuant to §10730 et seq. of the Act. The County Water Agency, as a non-voting member, is only responsible for its own costs to attend and participate on the GSA Committee and is not responsible for any other costs contemplated in this MOA or related to the WMA GSA or GSP.

7. Staff. Each Party shall designate a principal contact person, if other than the designated GSA Committee member, and other appropriate staff members and consultants to participate on such Party's behalf in activities undertaken pursuant to this MOA. The District shall be responsible for meetings and other activities under this MOA with the GSA Committee and principal contact persons for the other Parties, and shall be the point of contact with DWR. Informal staff meetings may occur as needed.

8. Ongoing Cooperation. The Parties acknowledge that activities under this MOA will require the frequent interaction between them in order to pursue opportunities and resolve issues that arise. The Parties shall work cooperatively and in good faith. The goal of the Parties shall be to preserve flexibility with respect to the implementation of the Act and consistency with the other GSAs in the Basin, as per the Intra-Basin Coordinating Agreement.

9. Notices. Any formal notice or other formal communication given under the terms of this MOA shall be in writing and shall be given personally, by facsimile, by electronic mail (email), or by certified mail, postage prepaid and return receipt requested. Any notice shall be delivered or addressed to the Parties at the addressees' facsimile numbers or email addresses set forth below under each signature and at such other address, facsimile number or email address as shall be designated by notice in writing in accordance with the terms of this MOA. The date of receipt of the notice shall be the date of actual personal service, confirmed facsimile transmission or email, or three days after the postmark on certified mail.

10. Entire Agreement/Amendments/Counterparts. This MOA incorporates the entire and exclusive agreement of the Parties with respect to the matters described herein and supersedes all prior negotiations and agreements (written, oral, or otherwise) related thereto. This MOA may be amended only in a writing executed by all of the voting Parties. This MOA may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11. Termination/Withdrawal. This MOA shall remain in effect unless terminated by the unanimous consent of the voting Parties. Upon 60 days written notice, any of the Parties may withdraw from this MOA and the MOA shall remain in effect for the remaining Parties. A withdrawing voting Party shall be liable for expenses incurred through the effective date of the withdrawal and for its share of any contractual obligations incurred by the WMA GSA while the withdrawing voting Party was a party to this Agreement.

12. Assignment. No rights or duties of any of the Parties under this MOA may be assigned or delegated without the express prior written consent of all of the other Parties, and any attempt to assign or delegate such rights or duties without such written consent shall be null and void.

13. Indemnification. In lieu of and notwithstanding any provision of law, including, but not limited to, California Government Code § 895 *et seq.*, the Parties agree to indemnify and hold harmless the County Water Agency and its officers, officials, employees, agents and volunteers from and against any and all claims, actions, losses, damages, judgments, and/or liabilities arising out of this MOA from any cause whatsoever, including the acts, errors or omission of any person

or entity and for any costs or expenses (including but not limited to attorneys' fees) incurred by the County Water Agency on account of any claim except where such indemnification is caused by the sole negligence or willful misconduct of the County Water Agency.

IN WITNESS WHEREOF, the Parties have executed this MOA as of the date first above written.

**CITY OF LOMPOC**

By: \_\_\_\_\_

Address: \_\_\_\_\_

Email \_\_\_\_\_

Facsimile \_\_\_\_\_

**MISSION HILLS COMMUNITY SERVICES DISTRICT**

By: \_\_\_\_\_

Address: \_\_\_\_\_

Email \_\_\_\_\_

Facsimile \_\_\_\_\_

**VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT**

By: \_\_\_\_\_

Address: \_\_\_\_\_

Email \_\_\_\_\_

Facsimile \_\_\_\_\_

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT**

By: \_\_\_\_\_

Address: \_\_\_\_\_

Email \_\_\_\_\_

Facsimile \_\_\_\_\_

**SANTA BARBARA COUNTY WATER AGENCY**

By: \_\_\_\_ (Signature on following page)

Address: \_\_\_\_\_

Email \_\_\_\_\_

Facsimile \_\_\_\_\_

**ATTEST:**

Mona Miyasato  
County Executive Officer  
Clerk of the Board, Ex Officio Clerk of the  
Santa Barbara County Water Agency

By: \_\_\_\_\_  
Deputy Clerk


**SANTA BARBARA COUNTY WATER  
AGENCY:**

By: \_\_\_\_\_  
Chair, Board of Directors

Date:

**RECOMMENDED FOR APPROVAL:**

Santa Barbara County Water Agency

By:   
Department Head

**APPROVED AS TO FORM:**

Risk Management

By:   
Risk Management

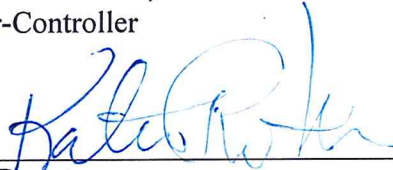
**APPROVED AS TO FORM:**

Michael C. Ghizzoni  
County Counsel

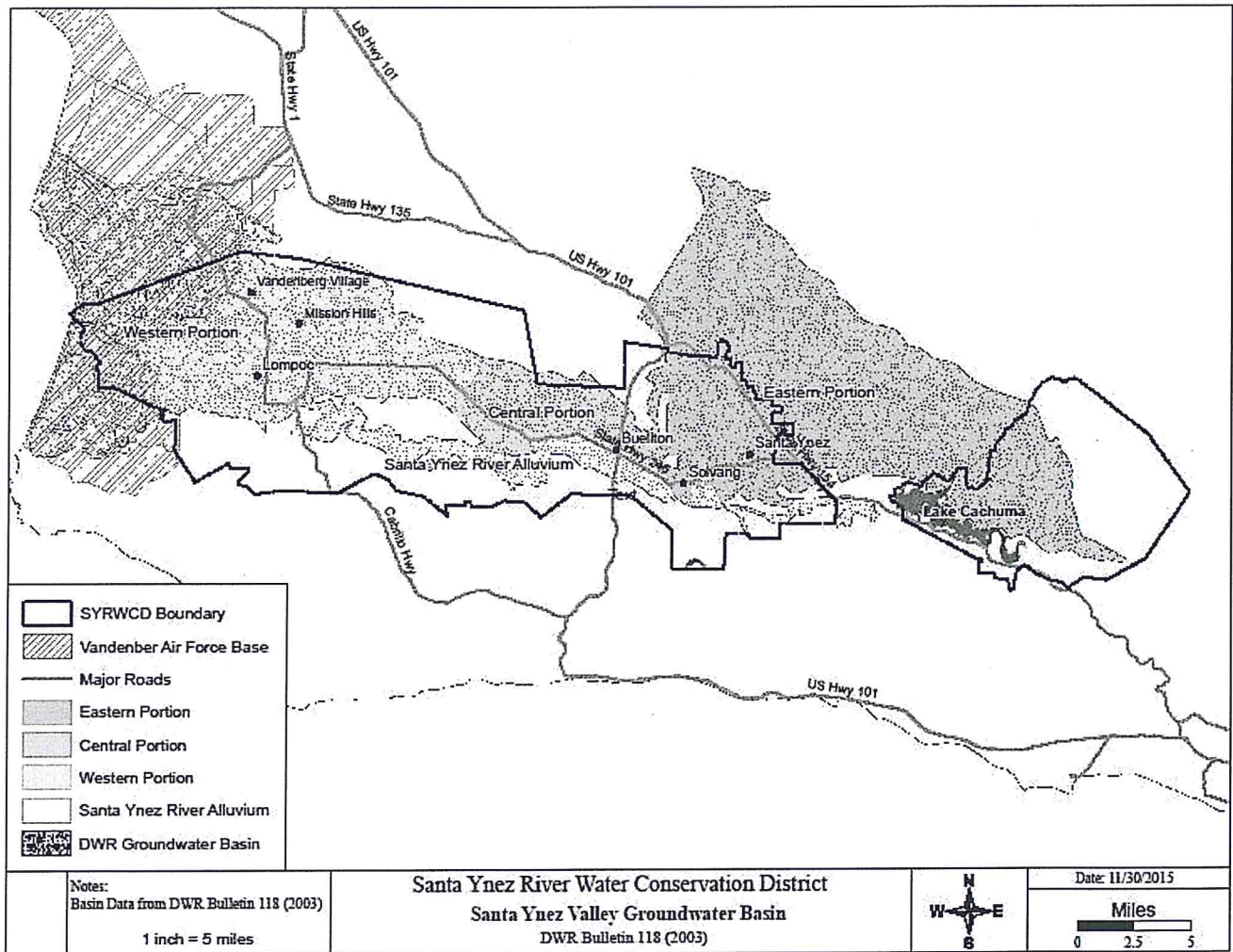
By:   
Deputy County Counsel

**APPROVED AS TO ACCOUNTING  
FORM:**

Theodore A. Fallati, CPA  
Auditor-Controller

By:   
Deputy

# EXHIBIT A





**EXHIBIT B**  
**Santa Ynez River Valley Basin**  
**GSA Organization**

