



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

Department Name: Water Agency  
Department No.: 054  
For Agenda Of: April 11, 2017  
Placement: Departmental  
Estimated Time: 1 hour  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Directors, Water Agency

**FROM:** Department Scott D. McGolpin, Public Works Director, 568-3010  
Director(s)  
Contact Info: Thomas D. Fayram, Deputy Public Works Director, 568-3436

**SUBJECT:** Santa Ynez River Valley Groundwater Basin Groundwater Sustainability Agency Formation; Third and Fifth Supervisorial Districts

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Other Concurrence:** Risk Management

As to form: Yes

**Recommended Actions:**

- a) Approve and authorize the Chair to execute the “Memorandum of Agreement for the Formation of a Groundwater Sustainability Agency for the Eastern Management Area in the Santa Ynez River Valley Groundwater Basin under the Sustainable Groundwater Management Act” to form a Groundwater Sustainability Agency in the Santa Ynez Valley Groundwater Basin Eastern Management Area;
- b) Adopt the Resolution entitled “Resolution to Participate in the Formation of a Groundwater Sustainability Agency Pursuant to the Sustainable Groundwater Management Act for the Eastern Management Area for the Santa Ynez Valley Groundwater Basin”; and
- c) Determine that the proposed actions are not a project under the California Environmental Quality Act, pursuant to Guidelines Section 15378(b) (5), organization or administrative activities that will not result in a direct or indirect physical change in the environment.

**Summary Text:**

This item is on the agenda to request Board approval to form a Groundwater Sustainability Agency (GSA) for the Eastern Management Area of the Santa Ynez River Valley Groundwater Basin (Basin), pursuant to the Sustainable Groundwater Management Act (SGMA).

The Santa Ynez River Water Conservation District (SYRWCD) covers the majority of this basin and is positioned to be the lead for GSA formation. The SYRWCD is proposing three GSAs representing the three main areas of the Basin (Western, Central, and Eastern Management Areas, see Attachment A) based on jurisdictional and hydrogeological differences. An overarching Basin Coordination Agreement will link the three GSAs, as is required by SGMA in basins with multiple GSAs. The Board voted to form GSAs in the Western and Central Management areas on December 6, 2016.

The Eastern Management Area GSA is proposed to include the County Water Agency (Water Agency), the SYRWCD, the City of Solvang, and the SYRWCD Improvement District No. 1 (ID No. 1). Approximately 60 percent of this area is outside of the SYRWCD boundaries, and would therefore be considered to be “unmanaged” by the California Department of Water Resources (Attachment B). This area therefore falls to representation by the Water Agency.

A public meeting was held on February 16, 2017 to inform the community and gather feedback on the GSA formation process. The community members who attended the meeting included residents served by the City of Solvang and ID No. 1, agricultural interests, and representatives of mutual water companies.

Staff of the participating agencies have agreed in principle upon a Memorandum of Agreement (MOA; Attachment C), and will be bringing it to the Solvang City Council, SYRWCD Board of Directors, and the ID No. 1 Board of Directors for approval. The MOA outlines the structure of the governing GSA Committee, how the agencies will cooperate in preparation of the Groundwater Sustainability Plan (GSP), and the voting structure. Staff of the participating agencies chose an MOA structure to minimize costs in the near term. Transitioning from an MOA structure to a JPA may become necessary as GSP preparation proceeds, and will be considered by the GSA committee as needed and if recommended will return to your Board for approval.

Each of the member agencies will nominate one representative to the GSA Committee, but the representatives will have weighted votes. The Water Agency will have five votes, the SYRWCD will have three votes, ID No. 1 will have two votes and the City of Solvang will have one vote in the EMA GSA Committee. Because the GSA is being formed through an MOA rather than as a Joint Powers Agreement (JPA), the representatives will need to seek direction from their respective Boards prior to voting on major GSA actions.

An advisory committee will be established by the GSA after formation. The Water Agency and the SYRWCD have met with representatives of the Santa Ynez Band of Chumash Indians to discuss their desire for participation. Chumash representatives indicated a desire to participate in an advisory capacity for lands not held in trust by the federal government.

The MOA also states that the Water Agency proposes to complete a hydrogeological study to fill data gaps in the management area and serve as the technical basis of the GSP. Over the last several years the Water Agency has conducted similar studies in other groundwater basins in the County. Funding for the study will be included in the budget request for fiscal year 2017/2018. Selection of a contractor to complete the study would be subject to your Board’s approval following Water Agency’s standard procurement process.

Staff will return to the Board with recommendations for appointees of representatives to the GSAs in all three management areas at a later date.

**Background:**

SGMA was signed into law by Governor Brown in 2014. SGMA provides a framework for the sustainable management of groundwater supplies by local agencies and provides tools, authority, and a timeline for local agencies during the 20-year implementation period. SGMA requires sustainable management of the County's basins that are designated as medium- or high-priority by DWR. In Santa Barbara County these basins include the Cuyama Valley, San Antonio Creek Valley, Santa Ynez River Valley, Goleta Valley, and Santa Maria River Valley Groundwater Basins.

SGMA allows any local agency with water or land use management authority to become a GSA; in some cases, there may be multiple agencies that are interested in jointly managing the groundwater resources. SGMA allows multiple local agencies to act as a single GSA through a Memorandum of Agreement (MOA), a JPA, or any other legal agreement (California Water Code, Section [§] 10723.6 (a)). Additionally, although the federal government and federally-recognized Indian Tribes are not required to form GSAs, they may voluntarily participate in SGMA through a JPA or other agreement (§ 10720.3 (c)).

Submitting a GSA notification to DWR initiates a 90-day period after which the submitting agency is presumed to be the exclusive GSA in the area covered by the notification. If local agencies submit GSA notifications for overlapping areas, no agency will become the GSA until the agencies reach agreement on sharing the authority to manage the basin (§ 10723.8 (c)). If the local agencies cannot reach agreement, the basin may be designated as a probationary basin and the SWRCB may develop an interim plan for managing the basin until the agencies can reach agreement and identify a GSA or GSAs (§ 107352.2(a)(1)).

Each basin's GSA will be responsible for developing a Groundwater Sustainability Plan (GSP) for the basin. DWR regulations to guide local GSP development were approved by the California Water Commission on May 18, 2016 and go into effect June, 2016. GSPs must be adopted by January 31, 2020 for those basins deemed by the State to be critically overdrafted (Cuyama), and by January 31, 2022 for all other medium- or high-priority basins (San Antonio, Santa Ynez, Santa Maria, Goleta). SGMA and DWR's regulations require a GSA to engage interested parties in the development and implementation of the GSP. In addition, a GSP may only be adopted at a public hearing 90 days after the GSA has provided notice to the County of its intent to adopt a GSP. The County may request consultation with the GSA after receiving the notice (§ 10728.4). Once a GSP is adopted, it must be submitted to DWR for approval, which starts a 60 day public comment period.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

Narrative:

Staff time associated with SGMA and GSA formation was included in the Adopted 2016-17 budget in the Water Resources Division of the Public Works as shown on page D-319 in the budget book. Costs for the hydrogeological study identified in the MOA are included in the proposed FY 2017/18 budget. For future fiscal years, costs will likely be met from financing options available to the GSA, as authorized by SGMA. There are no General Fund monies associated with this Board action.

**Special Instructions:**

Direct the Clerk of the Board to return all signed originals of the MOAs, copy of the resolution, and minute order of these actions to the Water Agency office: Attn: Christina Lopez.

An original of the MOA will be returned to the COB's office once SYRWCD has approved and executed the MOA. After all other agencies have approved the MOA; the SYRWCD will take the final approval action because final approval of the MOA will trigger a 30-day GSA filing deadline with DWR.

**Attachments:**

- Attachment A – Santa Ynez River Valley Groundwater Basin Map
- Attachment B – Eastern Management Area Map
- Attachment C – Memorandum of Agreement – Santa Ynez River Valley Groundwater Basin, Eastern Management Area (6 originals)
- Attachment D – Resolution – Santa Ynez River Valley Groundwater Basin, Eastern Management Area
- Attachment E – PowerPoint Presentation

**Authored by:**

Matt Young, Water Resources Program Manager, 568-3546