



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: May 9, 2017
Placement: Departmental
Estimated Time: 1 hour
Continued Item: No
If Yes, date from:
Vote Required: Majority

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: Cuyama Valley Groundwater Basin Groundwater Sustainability Agency
Formation; First and Fifth Supervisorial Districts

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 “Joint Exercise Of Powers Agreement, Cuyama Basin Groundwater Sustainability Agency” to form a Groundwater Sustainability Agency in the Cuyama Valley Groundwater Basin;
- 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 Cuyama Valley Groundwater Basin”;
- c) Appoint by resolution Supervisor Das Williams as a Director of the Groundwater Sustainability Agency, with Chief of Staff Darcel Elliot as an alternate;
- d) Appoint by resolution Fifth District Chief of Staff Cory Bantilan as a Director of the Groundwater Sustainability Agency, with an alternate to be designated by Mr. Bantilan; and
- e) 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 Cuyama Valley Groundwater Basin (Basin), pursuant to the Sustainable Groundwater Management Act (SGMA). The Basin has been designated by the California Department of Water Resources (DWR) to be a medium-priority basin in a condition of critical overdraft.

The Santa Barbara County Water Agency (Water Agency) has developed a Joint Powers Agreement (JPA) to form a GSA with five other public agencies: Cuyama Basin Water District (CBWD), the Cuyama Community Services District (CCSD), and the Counties of San Luis Obispo, Ventura, and Kern. The Cuyama Basin Water District is a new agency formed by the majority of agricultural landowners in the Basin to allow them to participate as a voting member of the GSA.

The JPA outlines the composition and voting structure of the GSA Board of Directors, which has been an issue of extensive negotiation over the last year. Representative of all parties have been able to agree on a compromised weighted voting structure that would allow the CBWD to seat all five of its Board members on the GSA Board, while preventing its voting power from dominating the GSA. The GSA Board of Directors will have 11 members, with Director seat appointments and voting as described in the following table:

Agency	Seats	Weighted vote per agency	Weighted vote per seat
CBWD	5	33.3%	6.7%
Water Agency	2	22.2%	11.1%
County of San Luis Obispo	1	11.1%	11.1%
County of Ventura	1	11.1%	11.1%
County of Kern	1	11.1%	11.1%
CCSD	1	11.1%	11.1%

The CBWD has the highest agency weight (33.3%) because it is anticipated to contribute the majority of the funding of the GSA. The Water Agency has a higher weight than the other entities because much of the Basin falls within Santa Barbara County, and in recognition of its past and current investments in basin studies and GSA formation activities.

In the interest of maintaining a broad consensus among the agencies, the JPA specifies that a 75% weighted vote is required for important decisions, including the following: the annual budget; the Groundwater Sustainability Plan (GSP); any stipulation to resolve litigation; addition of new members; establishment and levying any fee, charge, or assessment; adoption or amendment of bylaws; or selection of a consultant to prepare the GSP.

The JPA allows the Water Agency to appoint two Directors and two alternates, but specifies that they be either an elected official or management staff. The Basin overlies the First and Fifth Supervisorial Districts. Based on discussions with Supervisors and staff from these districts, staff recommends that First District Supervisor Das Williams serve as one of the Water Agency’s directors, with his chief of staff Darcel Elliot as his alternate. Staff recommends that Fifth District Chief of Staff Cory Bantilan be appointed as the second Director, with an alternate also to be designated by Mr. Bantilan. Appointment of these Directors and Alternates is effectuated by the resolution included as Attachment D.

As part of the GSA formation process, the Water Agency and its partners have conducted extensive public outreach efforts. A community informational meeting was held on August 24, 2016, and a public workshop was held on October 27, 2016 to inform the community and gather feedback on the GSA formation process. Three Advisory Committee formation meetings were held on December 12, 2016, February 13, 2017, and April 25, 2017. The JPA calls for formation of a Standing Advisory committee to serve as a forum for community input on implementation of SGMA by the GSA.

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)).

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 GSP for the basin. DWR regulations to guide local GSP development were approved by the California Water Commission on May 18, 2016 and went into effect June, 2016. GSPs must be adopted by January 31, 2020 for those basins deemed by the State to be critically overdrafted, such as the Cuyama Valley. 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. For future fiscal years, costs will likely be met from financing options available to the GSA, as authorized by SGMA or through voluntary member contributions. 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 JPA, copy of each resolution, and minute order of these actions to the Water Agency office: Attn: Christina Lopez.

An original of the JPA will be returned to the COB's office once all agencies have approved and executed the JPA.

Attachments:

- Attachment A – Cuyama Valley Groundwater Basin Map
- Attachment B – Joint Powers Agreement – Cuyama Valley Groundwater Basin (8 originals)
- Attachment C – Resolution – Cuyama Valley Groundwater Basin
- Attachment D – Resolution – Appointment of Directors and Alternates
- Attachment E – PowerPoint Presentation

Authored by:

Matt Young, Water Resources Program Manager, 568-3546