Stanislaus County

Groundwater Sustainability Agency Formation Discussions

An Overview to the San Joaquin County SGMA Working Group

June 8, 2016

The Hydro-Illogical **Drought** Cycle Awareness

Sustainable Groundwater Management Act

- Agencies electing to become <u>GSAs</u> are given broad powers and authority regarding groundwater management, including:
 - 50 Year Planning Horizon and 20 Year Implementation Period (Groundwater Sustainability Plans)
 - -Five year reviews/updates
 - Investigate and determine the sustainable yield of a groundwater basin
 - Collect pertinent groundwater monitoring information
 - Enforcement of the terms of a GSP

Important Milestones

- GSA formation deadline June 30, 2017
- GSP adoption deadline:
 January 31, 2020 (critical condition of overdraft)
 January 31, 2022 (high & medium priority basins)
- If those deadlines are missed, or if the DWR determines that a plan is not adequate to achieve the sustainability goal, the State Water Resources Control Board ("Board") will have the ability to step in and impose its own "interim" plan until an acceptable local plan is in place.

GSA Governance

- In California, surface water and groundwater rights have historically been considered separate and distinct. This has had a strong influence on how the resources are governed and managed at the local level. We need to build on the synergies that exist between these two resources.
- SGMA does not establish groundwater rights or define a governance structure to ensure compliance. By nullifying existing groundwater management plals, which are to be superseded by the new GSAs the SGMA essentially requires coordination amongst all basin management agencies and mutual agreement on a focused management strategy.

GSA Governance

 The enabling legislation is very broad in providing local agencies discretion in how the GSA is to be governed and what powers it is to have.

 There may be overlapping jurisdictions and different approaches to groundwater management.

 If groundwater management is not developed appropriately, the presence of multiple jurisdictions can lead to complicated and potentially conflicting groundwater management strategies within a basin.

GSA Governance

- Consideration must be given to the following factors:
 - All basins are different; need flexibility in structures
 - Different levels of formality with regard to involving others
 - -What works?
 - -Where can we improve?
 - -Formal vs. informal?
 - Involvement of elected peoples; contracting; land ownership.
 - Inclusive, not exclusive, standard for regional water management group.

Potential Roles

- Provide leadership to focus cooperative efforts for broad regional planning and implementation efforts such as:
 - Water import/export project implementation
 - Regional or interregional groundwater banking
 - Water Rights Protection
 - Internal water transfers
 - Regional water recycling
 - Regional water quality management
 - Regional water conservation programs
 - Regional storm water management

Potential Roles

 Provide leadership to focus cooperative efforts for broad regional planning and implementation efforts such as:

- Regional data and information management
- Periodic update of objectives, priorities, and performance measures
- Update and expand membership
- Gather, compile, integrate and manage data from multiple sources
- Ability to execute and manage contracts
- Development of a stable funding source for ongoing GSP implementation
- Ability to finance project implementation
- Process facilitation

Governance Options

 Each GSA will need to achieve a consensus on the approach that should be used to govern and implement the GSP (or multiple GSPs) for each basin.

 There are different forms of governance that might be applied to a GSA.

Memorandum of Agreement

- This is one of the most flexible forms for assembling parties of varying types, and is practical for working purposes. This group can also be formed as an alliance or coalition.
- A MOA is a relatively informal agreement between individual public agencies to pursue a common purpose or goal, and usually works best if formed for a single purpose or limited duration mission. Generally, an MOA does not create any formal powers and cannot enforce regulations. A MOA might be useful for managing basins without significant issues that would not require enforcement or fee structures, but may require some form of benefit-based financial contribution.

Memorandum of Agreement

- A Memorandum of Agreement/Understanding:
 - Is relatively easy to assemble or disband
 - May involve multiple agencies and funding sources
 - Is generally governed by unanimous consent, and essentially anyone can stop any effort (veto control)
 - Has no legal standing to sue or be sued, and liability is only to individual participation
 - Organization cannot easily transact business, fund projects or hire staff
 - Has no contractual relationship between participants
 - Relies on individual agencies to implement projects
 - Is generally not an adequate structure for project implementation without firm and binding agreements in the MOA, or side agreements and contracts for project implementation.

Memorandum of Agreement Pros: Cons:

- More formal than a special committee since a MOA is adopted and signed by participants.
- MOAs provide a flexible method to assemble agencies and stakeholders.

- No contractual relationship between participants. The underlying MOA goals are reliant on the individual agencies to implement projects.
- A MOA is not an adequate structure for project implementation without firm and binding agreements written into the MOA, or side agreements and contracts for projects.
- MOA governance typically includes a single fiscal agent and contracting entity, and the same agency assumes liability for implementation of grant programs.

Joint Powers Authority

- A Joint Powers Authority (JPA) is an entity permitted in California and elsewhere whereby two or more public authorities may jointly exercise any power common to all of them.
- Joint Powers Authorities may be used where an activity extends beyond the boundaries of existing public authorities or where economies of scale might be achieved.
- A joint powers authority is distinct from the member authorities; they have separate operating boards of directors. These boards can be given any of the powers inherent in all of the participating agencies.
- The authorizing agreement states the powers the new authority will be allowed to exercise. The joint authority may employ staff and establish policies independently of the constituent authorities.

Joint Powers Agreements used for regional water management generally include the following elements:

- Mission Statement
- Goals & Objectives
- Principles & Purpose
- Boundaries
- Powers and Limitations
- Board of Directors/Governing Board/Commission
- Voting
- Executive Director
- Committee Formation

- Meeting/Quorum Rules (Brown Act)
- New Member Guidelines
- Procedures for Projects to be undertaken
- Budgets and Payments
- Financing
- Accounting/Audits
- Liabilities
- Recession/Termination/ Withdrawal/Assignment

Joint Powers Authority

Pros:

- Integrates existing agency powers, authorities, and funding mechanisms.
- Formed locally by participating agencies, is shaped to benefit local purposes, and includes an annual budget approved by a Board of Directors.
- Powers of a JPA are established in by the combined powers of the signatory agencies.
- JPA Powers can include borrowing, collecting fees, taxation, condemnation, police powers, etc.

Cons:

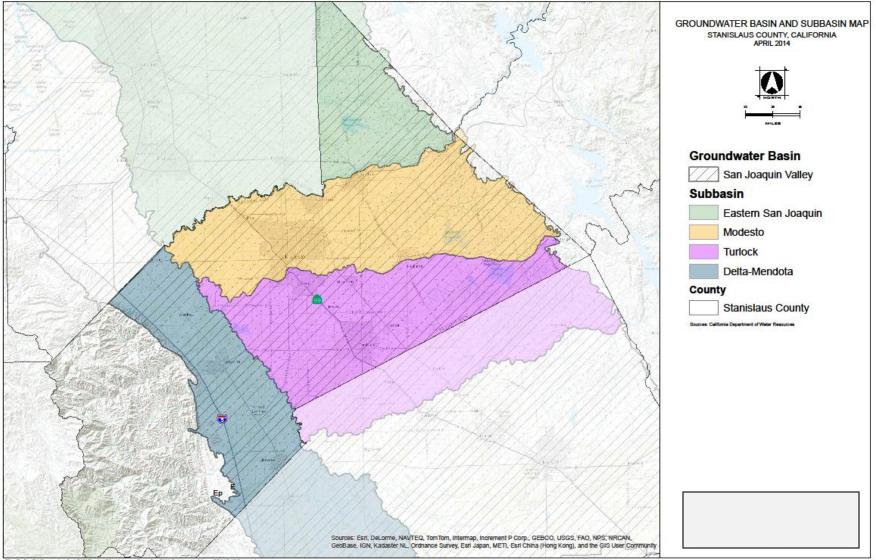
- Limited to powers held In common.
- No membership option for non-government organizations, except as advisory.
- Members are usually appointed rather than directly elected.
- Takes time for adoption by participating agencies.

The Role of LAFCO

- A Local Agency Formation Commission (LAFCO) is a governmental body that provides regional growth management services in overseeing the formation and development of local governmental agencies, including special districts
- A LAFCO is established for each county
- LAFCO's inform their regulatory duties through a series of planning activities and by determining Spheres of Influence for all cities and special districts under their jurisdiction
- Spheres of Influence (SOI) demark the territory the affected LAFCO independently believes represents the appropriate and probable future jurisdictional boundary and service area of the subject agency
- SGMA does not specify whether, or under what conditions, LAFCO approval would be required
- GSA formation is exempt from the requirements of the California Environmental Quality Act (CEQA)

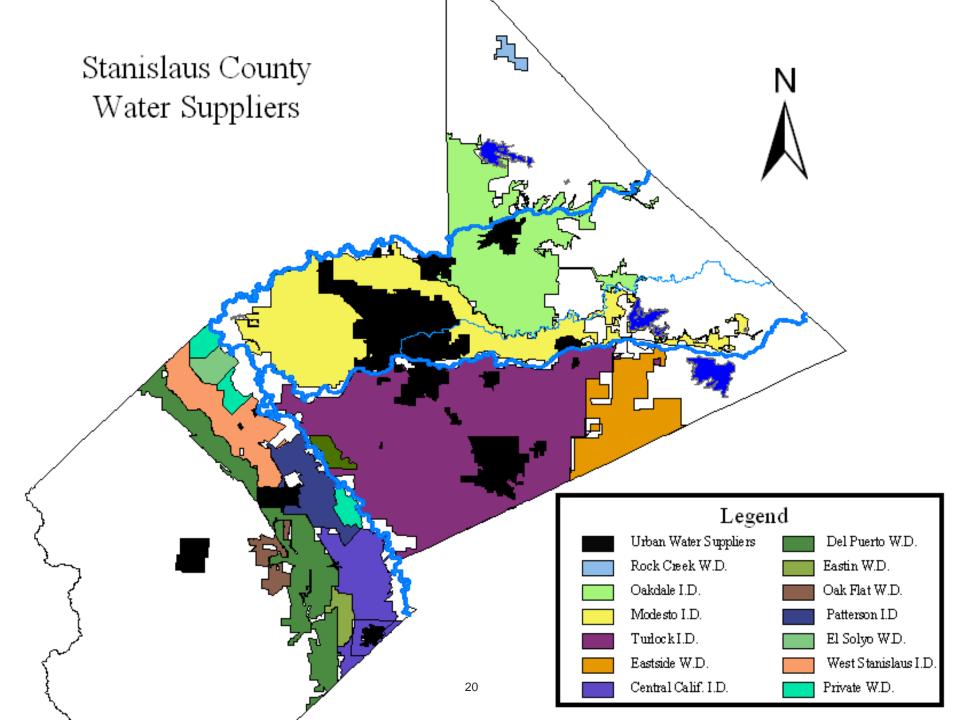
<u>Groundwater Sustainability</u> <u>Agency Formation Discussions</u>

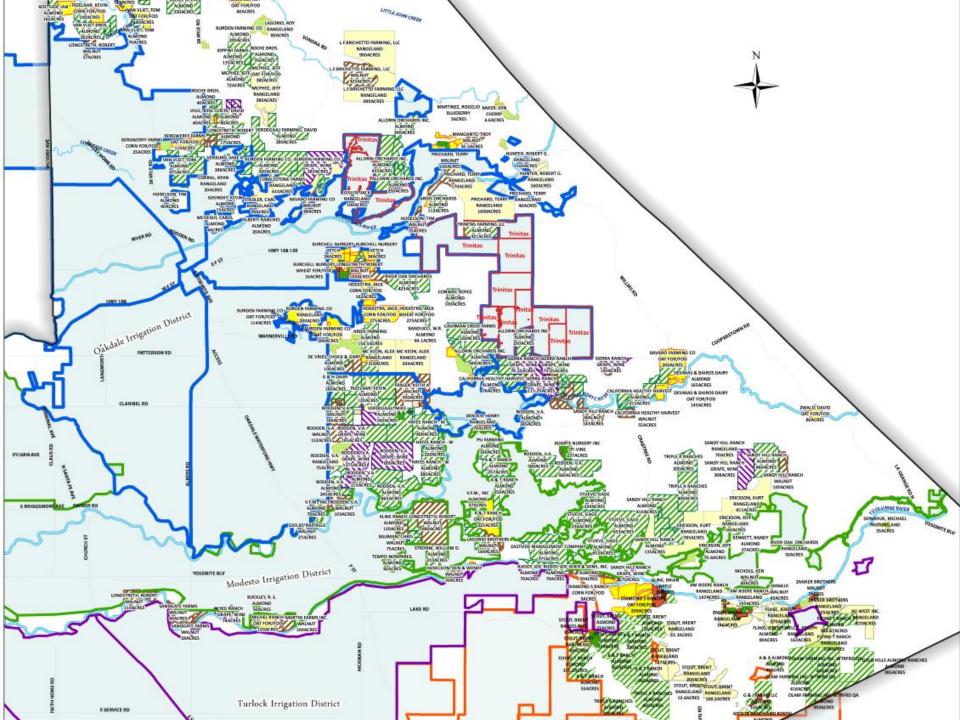
Delta-Mendota Subbasin Multi-GSAs/1 GSP Northern Delta-Mendota GSA Turlock Subbasin 2 GSAs/1 GSP East Turlock & West Turlock Subbasin GSA Modesto Subbasin **1 GSA/1 GSP** Modesto Subbasin GSA Eastern San Joaquin Subbasin Multi-GSAs/1 GSP

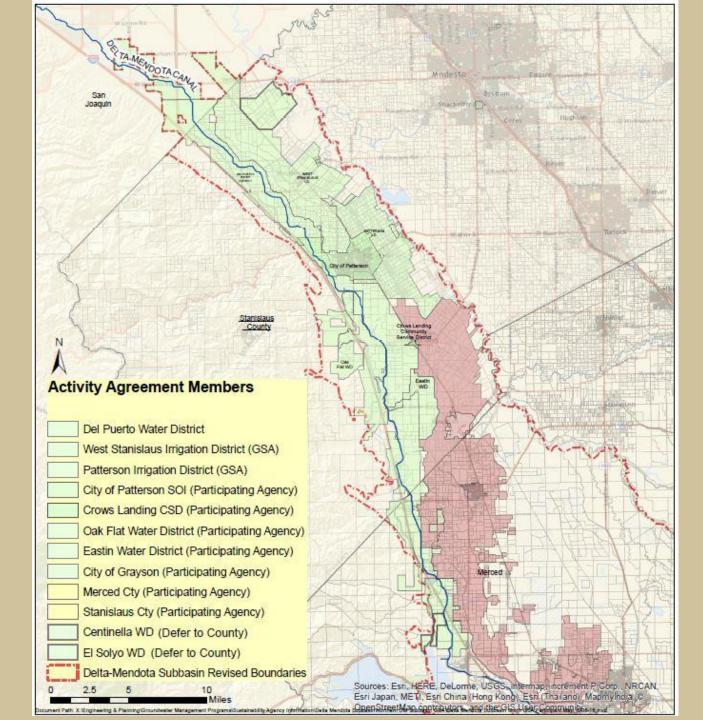


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FIGURE







Northern Delta-Mendota Subbasin GSA

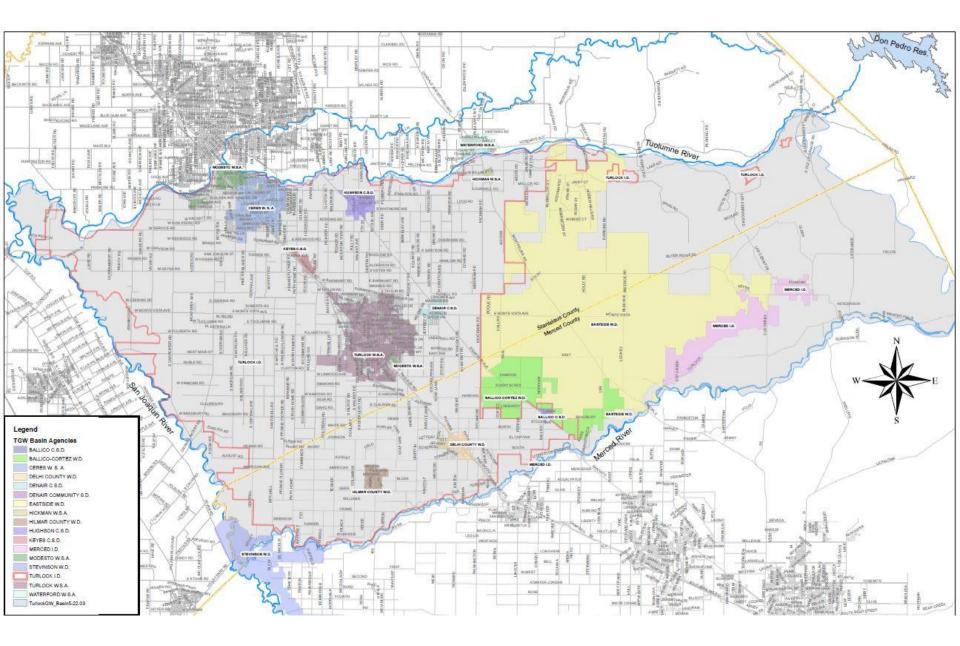
Entities:

- City of Modesto (Grayson)
- City of Patterson
- Del Puerto WD
- Eastin WD
- Oak Flat WD
- Merced County
- Stanislaus County

- Patterson ID Individual GSA
- West Stanislaus ID Individual GSA
- Central California ID Individual GSA
- City of Newman MOU with CCID

Governance

Activity Agreement for members of the San Luis & Delta Mendota Water Authority with side MOA for nonmembers. Creation of a **Steering Committee for** GSA decision making. **Retain full local** autonomy for individual member agencies and Other Parties.



West Turlock Subbasin GSA

Entities:

- Turlock ID
- City of Ceres
- City of Hughson
- City of Waterford
- Keyes CSD
- Delhi CWD
- Stevinson WD
- Stanislaus County
- East Stanislaus RCD Sand Creek FCD

City of Turlock City of Modesto Denair CSD Monterey Park CSD Hilmar CWD Ballico CSD Merced County Governance

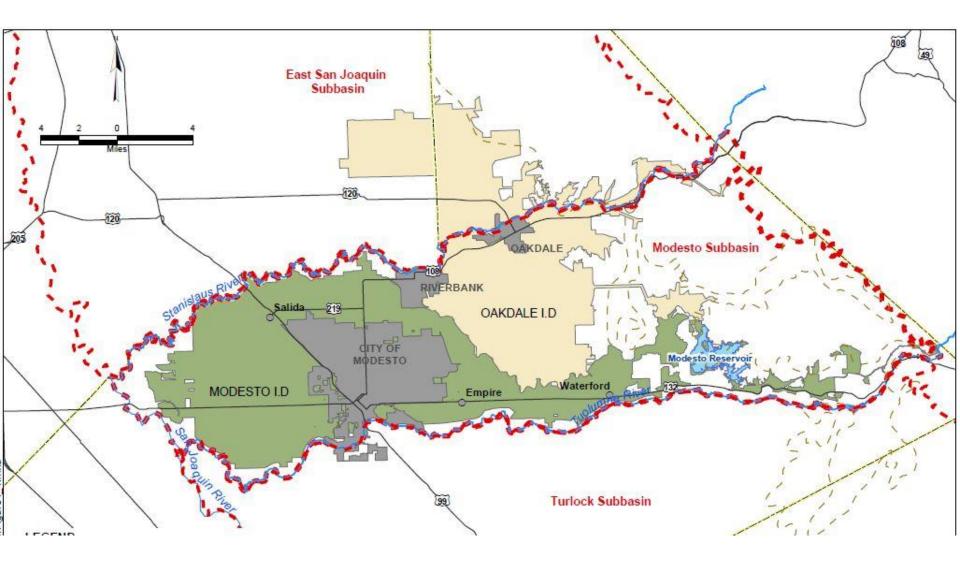
JPA for GSP preparation, implementation and enforcement

East Turlock Subbasin GSA

Entities:

- Eastside WD
- Ballico-Cortez WD
- Merced ID
- Stanislaus County
- Merced County
- City of Turlock

Governance JPA for GSP preparation, implementation and enforcement

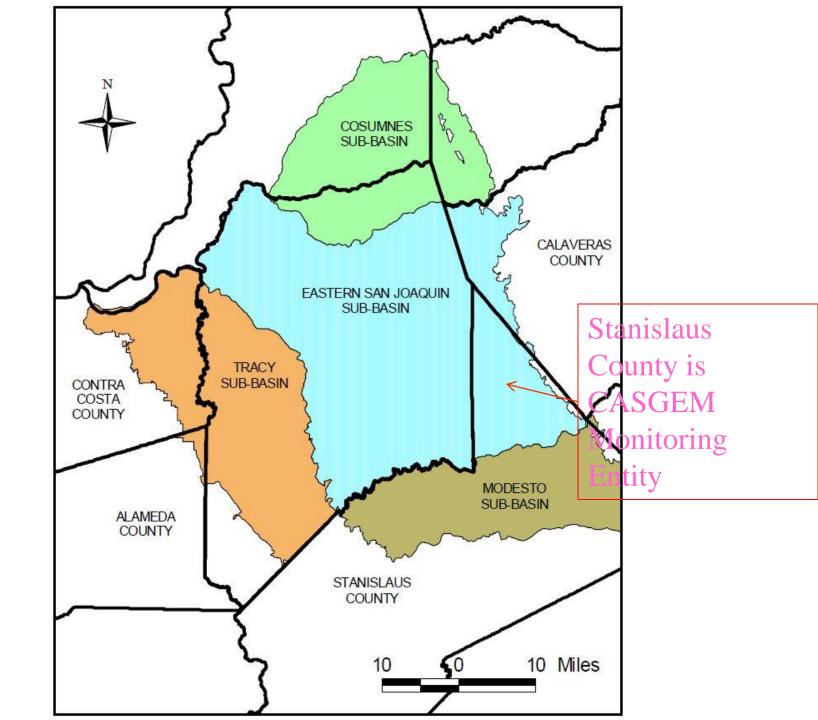


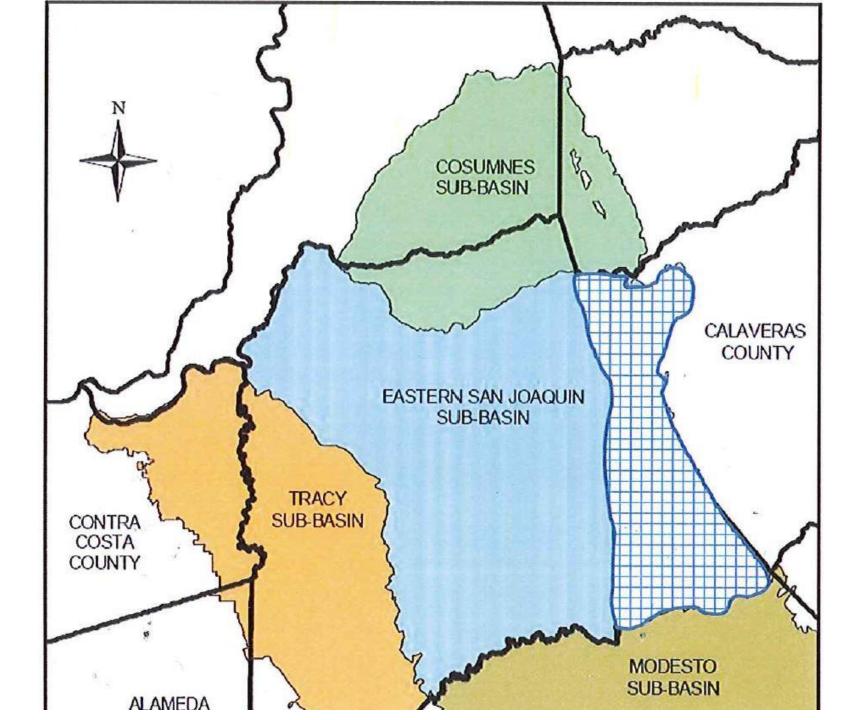
Modesto Subbasin GSA

Entities: City of Modesto City of Oakdale City of Riverbank City of Waterford **Oakdale ID** Modesto ID **Stanislaus County**

 Governance
 MOA for GSP preparation (staff driven)

 JPA for GSP implementation and enforcement





Eastern San Joaquin Subbasin

Entities:

Calaveras County Calaveras County WD Valley Springs PUD **Stanislaus** County Rock Creek WD Stockton East WD? Oakdale ID* South San Joaquin ID* Governance

JPA? MOA? Other?

*Separate GSA

<u>Next Steps</u>

Groundwater Ordinance implementation and PEIR preparation

- Groundwater Data Collection (Ag & Urban)
 - Centralized Database
 - -Facilities Mapping
 - -Water Levels (CASGEM)
 - Extraction Volume (direct & indirect)
 - Coordinate and intègrate inter-basin groundwater data to assist Groundwater Sustainability Planning
- Compliance with Sustainable Groundwater Management Act
 Formation of the various Groundwater Sustainability Agencies and the development of the required Groundwater Sustainability Plans