



Council Agenda Report

From: Dick McKinley, Public Works Director

Subject: Public Hearing and Resolution to Form a Groundwater Sustainability Agency (GSA)

Date: January 17, 2017

Facts

1. In 2014 the California Legislature and the Governor passed into law the Sustainable Groundwater Management Act (SGMA) for local management of groundwater resources in California through the formation of Groundwater Sustainability Agencies (GSAs) and through preparation and implementation of Groundwater Sustainability Plans (GSPs).
2. The City overlies a portion of the Paso Robles Sub-basin of the Salinas Groundwater Basin, which is subject to SGMA. One or more GSAs must be formed for the Sub-basin by June 30, 2017, or the Sub-basin may be subject to regulation by the State Water Resources Control Board.
3. The City is a "local agency" as that term is defined by SGMA, and as such is authorized to form a GSA to manage groundwater resources in the Sub-basin and within its jurisdictional boundaries in accordance with SGMA and other applicable laws and authorities.
4. The City intends that its GSA will work cooperatively with the other GSAs that have formed or will be formed in the Paso Robles Sub-basin to prepare and implement one or more GSPs by January 2020, so that groundwater resources in the Sub-basin will be properly managed and sustainable as required by SGMA.
5. It is essential that the City form this GSA because SGMA grants GSAs substantial additional powers and authorities to ensure sustainable groundwater management. Acting as the GSA within the City's jurisdictional boundaries will, among other things, confirm the City's role as the local groundwater management agency, ensure access to SGMA authorities, and preserve access to grant funding or other opportunities that may be available to GSAs.
6. As each of the GSAs form in the Paso Robles Sub-basin, they plan to work together through a Memorandum of Agreement to jointly prepare a GSP.

Options

1. Do nothing.
2. Form a GSA covering the jurisdictional boundaries of the City within the Paso Robles Sub-basin (and excluding that portion of the City's boundaries that overlie the Atascadero Sub-basin as designated by the Department of Water Resources).
3. Form a GSA covering the jurisdictional boundaries of the City and areas within the City's Sphere of Influence within the Paso Robles Sub-basin (and excluding that portion of the City's boundaries that overlie the Atascadero Sub-basin as designated by the Department of Water Resources).
4. Attempt to work with other qualifying local agencies to form one large GSA that covers the entire Paso Robles Sub-basin.

Analysis and Conclusions

Option 1 may result in another qualifying "local agency" (i.e., the County) forming a GSA that encompasses the City's jurisdictional boundaries, thus authorizing that GSA to implement SGMA within the City, including the possibility of, among other things, levying assessments and restricting groundwater pumping within the City's limits. If no GSA is formed to cover the City's jurisdictional boundaries by

June 30, 2017, Option 1 would leave the City out of compliance with SGMA, likely resulting in the City's portion of the Sub-basin being subject to regulation by the State Water Resources Control Board (State Board).

Option 2 would ensure that the City is in compliance with the SGMA, and would give the City the opportunity to enter into a Memorandum of Agreement with other GSAs in the Paso Robles Sub-basin, should the GSAs be interested in such an agreement, to cooperatively share costs and prepare a single GSP for the entire Sub-basin.

Option 3 is functionally the same as Option 2 with the exception that it would include the Sphere of Influence (SOI) areas around the City limits. This could be helpful in the long run in that, if and when the City annexes the SOI areas, those areas will already be included in the GSA. However, SGMA limits the authority of local agencies to impose fees or regulatory requirements outside their jurisdictional boundaries; therefore, until the SOI areas are annexed to the City, the City would be responsible for managing groundwater resources in those areas, without having SGMA authorities in those areas.

It is important to note, for Options 2 and 3, that since DWR is separating the Atascadero Sub-basin from the Paso Robles Sub-basin, and that the Atascadero Sub-Basin includes part of the southern City limits of Paso Robles, that the GSA formation process will have to include the City in two different GSAs in two different Sub-basins. That is why the southern part of the City limits is being excluded from this GSA formation process. In the Atascadero Sub-basin GSA formation process, the City will have two choices: join with other parties to form one GSA, or, to create a City of Paso Robles-only GSA for the northern part of the Atascadero Sub-basin and create our own GSP.

Option 4 would require other parties in the Paso Robles Sub-basin to be willing and able to form one large GSA for the entire Sub-basin by way of a joint powers authority or other legal agreement by the June 30, 2017 deadline to avoid State Board regulation with City limits. The San Miguel CSD has already taken action to form its own GSA, and the other parties in the Sub-basin are planning to form GSAs, with the intent to enter into a Memorandum of Agreement to jointly fund and prepare a single GSP for the Sub-basin. Therefore, it is unlikely that the formation of a single GSA for the entire Sub-basin would be a feasible option.

Fiscal Impact

Forming a GSA for the City boundaries within the Paso Robles Sub-basin will provide the City with the opportunity to apply for groundwater program grants, and will help the City to be in compliance with the SGMA. Acting as its own GSA will also ensure the City's control over fees and assessments within the City. By entering into a Memorandum of Agreement with other GSAs in the Paso Robles Sub-basin, the City may be able to share the costs of preparing a single GSP for the Sub-basin and thus reduce the overall costs of SGMA compliance.

Recommendation

Option 2: Following the Public Hearing, approve Resolution 17-XXX to form a GSA covering the portion of the Paso Robles Sub-basin within the jurisdictional boundaries of the City of El Paso de Robles (and excluding that portion of the City's boundaries that overlie the Atascadero Sub-basin as designated by the Department of Water Resources).

Attachments

1. Resolution 17-XXX GSA Formation

RESOLUTION NO. 17-XXX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES
AUTHORIZING THE CITY TO BECOME A GROUNDWATER SUSTAINABILITY AGENCY
FOR THE PASO ROBLES SUB-BASIN OF THE SALINAS BASIN FOR THE AREA THAT LIES
BENEATH AND WITHIN THE JURISDICTIONAL BOUNDARIES OF
THE CITY OF EL PASO DE ROBLES

WHEREAS, in 2014 the California Legislature and the Governor passed into law the Sustainable Groundwater Management Act (SGMA) for local management of groundwater resources in California through the formation of Groundwater Sustainability Agencies (GSAs) and through preparation and implementation of Groundwater Sustainability Plans (GSPs); and

WHEREAS, the City overlies a portion of the Paso Robles Sub-basin of the Salinas Groundwater Basin, which is subject to SGMA, and thus one or more GSAs must be formed for the Sub-basin by June 30, 2017, or the Sub-basin may be subject to regulation by the State Water Resources Control Board; and

WHEREAS, the City is a "local agency" as that term is defined by SGMA, and as such is authorized to form a GSA to manage groundwater resources in the Sub-basin and within the City's jurisdictional boundaries in accordance with SGMA and other applicable laws and authorities; and

WHEREAS, the City desires to form a GSA to manage groundwater resources in the Sub-basin beneath and within the City's jurisdictional boundaries (and excluding that portion of the City's boundaries that overlie the Atascadero Sub-basin as designated by the Department of Water Resources); and

WHEREAS, the City intends that its GSA will work cooperatively with the other GSAs that have formed or will be formed in the Paso Robles Sub-basin to prepare one or more GSPs by January 2020, so that groundwater resources in the Sub-basin will be properly managed and sustainable in accordance with the provisions of SGMA; and

WHEREAS, it is essential that the City form this GSA because SGMA grants GSAs substantial additional powers and authorities to ensure sustainable groundwater management. Acting as the GSA within the City's jurisdictional boundaries will, among other things, confirm the City's role as the local groundwater management agency, ensure access to SGMA authorities, and preserve access to grant funding and other opportunities that may be available to GSAs; and

WHEREAS, pursuant to the requirements of SGMA, the City held a public hearing on this date after publication of notice pursuant to California Government Code section 6066 to consider adoption of this Resolution.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. All of the above recitals are true and correct and incorporated herein by reference.

Section 2. The Mayor is authorized to sign a resolution for the City of El Paso de Robles to become a Groundwater Sustainability Agency in accordance with the Sustainable Groundwater Management Act over the portion of the Paso Robles Sub-basin which lies under and within the jurisdictional boundaries of the City of Paso Robles (and excluding that portion of the City's boundaries that overlie the Atascadero Sub-basin as designated by the Department of Water Resources).

Section 3. The City Manager is authorized and directed to submit a notice of this Resolution along with all other required information to the California Department of Water Resources in accordance with the Sustainable Groundwater Management Act.

Section 4. The City Groundwater Sustainability Agency shall consider the interests of all beneficial uses and users of groundwater within the jurisdictional boundaries of the City and will develop an outreach program for all such stakeholders.

Section 5. The City Groundwater Sustainability Agency shall establish and maintain a list of persons interested in receiving notices regarding the City's involvement in the preparation of one or more Groundwater Sustainability Plans in the Paso Robles Sub-basin, where any person may request in writing to be placed on the City's list of interested persons.

APPROVED this ____ day of _____, 2017, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Steven W. Martin, Mayor

ATTEST:

Kristen L. Buxkemper, Deputy City Clerk