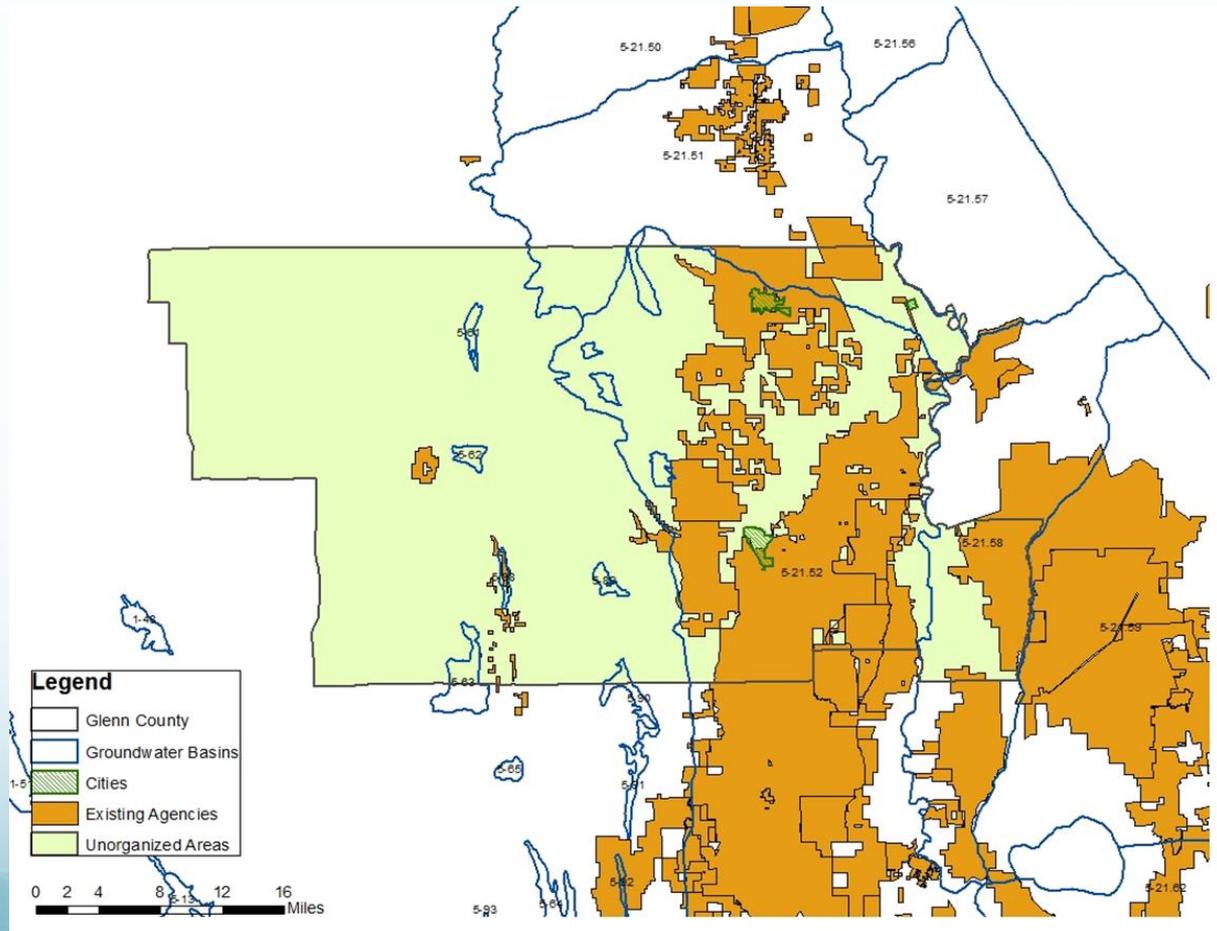


The Sustainable Groundwater Management Act in Glenn County

Governance Workgroup Meeting 1



Meeting Outline

- I. SGMA Background
- II. Proposed SGMA Approach
- III. GSA Formation and Governance
- IV. GSA / Stakeholder Interests

SGMA Background

Comprehensive statewide legislation that creates a framework for sustainable groundwater management

- Became law on January 1, 2015
- All medium and high priority basins managed sustainably
- Emphasis on local control with State oversight
- Groundwater Sustainability Agencies (GSA)
- Groundwater Sustainability Plans (GSP)

SGMA Background

Key Definitions (to be discussed later)

- “Any local agency or combination of local agencies overlying a groundwater basin may decide to become a groundwater sustainability agency for that basin.” (Water Code § 10721)
- “Local agency” means a local public agency that has water supply, water management, or land use responsibilities within a groundwater basin.” (Water Code § 10721)

Glenn SGMA Process – Proposed Approach

The Center for Collaborative Policy will:

- Coordinate and facilitate public meetings about governance and SGMA implementation
- Coordinate and facilitate meetings of GSA eligible agencies and other interested parties (e.g. Governance Workgroup)
- Conduct meetings with individual GSA eligible agencies and others
- Organize and facilitate SGMA coordination meetings between Subbasins and Counties

Glenn SGMA Process – Proposed Schedule

- Initial Public Meeting – March 8
- Governance Workgroup Meeting 1 – April 26
 - Individual Eligible Agency Meetings – Late April – Mid May
- Governance Workgroup Meeting 2 – Late May
 - Individual Eligible Agency Meetings – Late May – Mid June
- Governance Workgroup Meeting 3 – Late June

Governance Workgroup meetings every 4-6 weeks for a total not to exceed 8 meetings.

Glenn SGMA Process – Proposed Topics

- Governance Workgroup Meeting 1
 - Proposed Process / Schedule
 - GSA Requirements and Formation
 - Stakeholder Interests / Common Principles
 - Initial Governance Options
- Governance Workgroup Meeting 2
 - Specific GSA Roles and Responsibilities
 - Specific Governance Options
 - Continued Common Principles
- Governance Workgroup Meeting 3
 - Governance Option Screening
 - Initial Chartering Discussion
- Future Meeting Topics / Schedule To Be Determined

Glenn SGMA Process – Proposed Outcomes

No Expectations Beyond the Following:

- One or more GSAs must be formed
- Multi-Agency GSA(s) must create governance decisions / documents
- Two or more GSAs must prepare a Coordination Agreement (a legal agreement) between them. (Water Code § 10721, 10727)(b)(3), etc.)
- County represents / manages all groundwater conditions outside another managed area (Water Code § 10724)

Open Discussion / Q&A

SGMA Background – GSA Formation

GSA Formation Process and Deadlines

Effective January 1st, 2016, eligible agencies must...

- Submit GSA formation notice within 30 days of decision (e.g. resolution or legal agreement)
- Include map and accompanying narrative indicating:
 1. Local agency service area boundaries
 2. Boundaries the local agency intends to manage
 3. Any other agencies managing or proposing to manage groundwater in the basin

SGMA Background – GSA Formation

GSA Formation Process and Deadlines

Effective January 1st, 2016, eligible agencies must...

- Submit a copy of the resolution or legal agreement forming the local agency
- A copy of any new bylaws, ordinances or new authorities developed by the local agencies
- A list of interested parties and explanation of how their interests will be considered
- New steps reflect passage of SB13

SGMA Background – Service Area Boundaries

Passage of SB 13

Interpreted by DWR as retroactive

- Removed the Notice of Intent to be a GSA
- Allowed a mutual water company to be part of a GSA through a legal agreement
- Prohibits overlap of service area boundaries
- Prohibits local agencies from imposing fees or reg. requirements on entities outside their boundaries
- Requires DWR to post all “complete” notices within 15 days of receipt

SGMA Background – Governance

Groundwater Sustainability Agencies (GSAs)

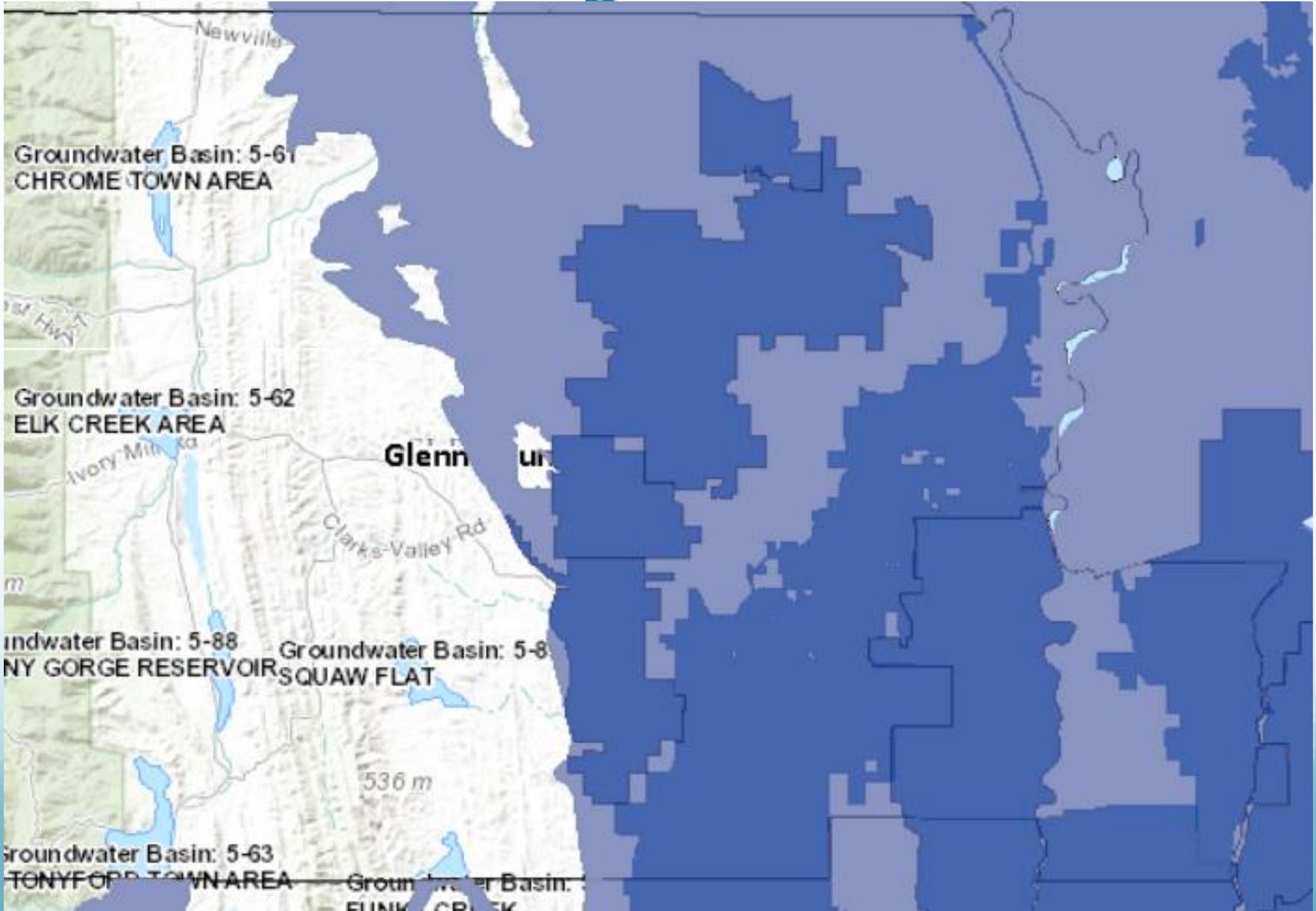
- The “Who Among Equals”
 - 1st Among Equals – Local Agencies
 - 2nd Among Equals – Private Water Companies
 - 3rd Among Equals – Unaffiliated Pumpers / Public

SGMA Background – Governance

Groundwater Sustainability Agencies (GSAs)

- “Any local agency or combination of local agencies overlying a groundwater basin may decide to become a groundwater sustainability agency for that basin.” (Water Code § 10721)
- “Local agency” means a local public agency that has water supply, water management, or land use responsibilities within a groundwater basin. (Water Code § 10721)
 - e.g. - counties, cities, water agencies, irrigation districts, drainage districts, PUDs, CSDs or similar

Glenn Water Management Entities/Areas



SGMA Background – Governance

Groundwater Sustainability Agencies (GSAs)

- One or more GSAs must be formed per basin / subbasin.
- A GSA may be formed by a single eligible agency, or by legal agreement between two or more eligible agencies.
- Two or more GSAs must prepare a Coordination Agreement (a legal agreement) between them. (Water Code § 10721, 10727)(b)(3), etc.)
- County represents / manages all groundwater conditions outside another managed area. (Water Code § 10724)

SGMA Background – Governance

Groundwater Sustainability Agencies (GSAs)

- All GSAs must eventually have a defined governance approach. (*as per GSP Draft regs*)
 - Documentation of the organization and management structure of the Agency. The documentation shall identify persons with management authority for implementation of the Plan. (Article 5, § 354.6 (b))
 - The legal authority of the Agency with specific reference to citations setting forth the duties, powers, and responsibilities of the Agency, including information demonstrating that the Agency has the necessary legal authority to implement the Plan. (Article 5, § 354.6 (d))

SGMA Background – Governance (Draft Regs)

- (e) A communication plan adopted by the Agency, including the following;
 - (1) An explanation of the Agency’s decision-making process and how stakeholder input and public response will be used.
 - (2) Identification of opportunities for stakeholder engagement.
 - (3) A description of how the Agency encourages the active involvement of diverse social, cultural, and economic elements of the population within the basin.
 - (4) A schedule of milestones and scheduled dates for known projects or actions.
 - (5) A description of the roles and responsibilities of local agencies and the public. (Article 5 § 354.10 (e))

Recent SGMA Activities

GSA Notifications in Glenn County

- Glenn-Colusa Irrigation District
- Reclamation District No. 1004
- County of Glenn
- Orland-Artois Water District
- City of Orland
- Glide Water District
- Kanawha Water District
- Provident Irrigation District and Princeton-Cordora-Glenn Irrigation District
- Western Canal Water District



SGMA Background – Governance

Groundwater Sustainability Agencies (GSAs)

- SB 13 Added - “A water corporation regulated by the Public Utilities Commission or a mutual water company may participate in a groundwater sustainability agency through a memorandum of agreement or other legal agreement. The authority provided by this subdivision does not confer any additional powers to a nongovernmental entity..”

(Water Code § 10723.6 (b))

SGMA Background – Governance

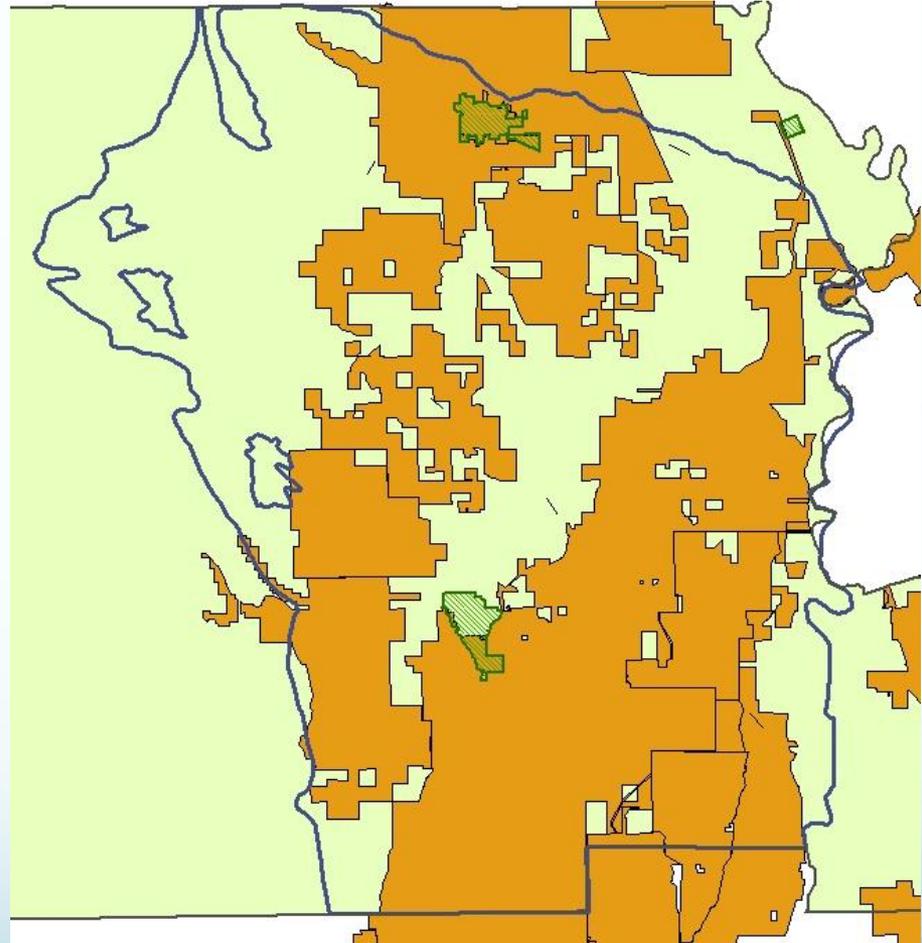
Groundwater Sustainability Agencies (GSAs)

- Private / Unaffiliated Pumpers - The Public
 - No special authorities are granted. Only references are:
 - 10723.2 - Consideration of interests of all beneficial uses and users of groundwater
 - 10726.5 - In addition to any other authority granted to a GSA by this part or other law, a GSA may enter into written agreements and funding with a private party to assist in, or facilitate the implementation of, a GSP or any elements of the plan.

SGMA Background

“White Areas”

- County is presumed to be the GSA over areas that are not covered by another GSA-eligible agency
- If the County opts out, the State will manage those areas



SGMA Background – Governance

Groundwater Sustainability Agencies (GSAs)

- 10724 – Presumption that County will Manage Areas not Covered by a GSA:
 - (a) In the event that there is an area within a high- or medium-priority basin that is not within the management area of a GSA, the county within which that unmanaged area lies will be presumed to be the GSA for that area.
 - (b) A county described in subdivision (a) shall provide notification to the department pursuant to Section 10723.8 unless the county notifies the department that it will not be the GSA for the area.....

SGMA Background – Governance

Groundwater Sustainability Agencies (GSAs)

- 10724 – Presumption that County will manage Areas not covered by a GSA:
 - (b) Extractions of groundwater made on or after July 1, 2017, in that area shall be subject to reporting in accordance with Part 5.2 (commencing with Section 5200) of Division 2 if the county does either of the following:
 - (1) Notifies the department that it will not be the GSA for an area.
 - (2) Fails to provide notification to the department pursuant to Section 10723.8 for an area on or before June 30, 2017.

SGMA Background

Development of Groundwater Sustainability Plans (GSPs)

- GSAs are responsible to develop GSPs.
- Every high and medium priority groundwater basin must be covered by a GSP or GSPs.
- Option of a single GSP covering the entire basin, or a combination of GSPs, developed by multiple GSAs, covering the entire basin.
- Multiple GSPs must coordinate, utilize the same data / methodologies, and have a coordination agreement.

SGMA Background

Key Implementation Milestones

- June 1, 2016 – Final GSP regulations approved by CWC
- June 30, 2017 – GSAs must be formed
- July 1, 2017 – State affirms GSA status
- January 31, 2022 – All other GSPs complete

**Initial comments and/or
questions**

SGMA Background – Governance

GSA Powers and Authorities (Water Code § 10725)

A GSA must prepare a GSP. At their discretion, GSAs may...

- Adopt rules, regulations and ordinances
- Conduct groundwater studies / investigations
- Register and monitor wells
- Require reports of groundwater extraction
- Implement capital projects to meet goals
- Assess fees to cover management costs

SGMA Background – Governance

How are domestic well owners affected by SGMA?

- Referred to in SGMA as “de minimis” users IF...
 - Use 2 acre-feet per year or less for domestic purposes
- De minimis users are subject to SGMA, depending on local needs
 - GSAs will decide how de minimis users are addressed
 - GSAs can decide to exclude or include
 - GSAs can decide on fees but *cannot* require metering
 - May be subject to reporting / fees to State if intervention occurs
- Domestic wells can also be regulated by authorities (counties, water districts, etc.) outside scope of SGMA

SGMA Background – Governance

GSA Roles and Responsibilities

Interested parties must be included in SGMA planning:

- All Groundwater Users
- Holders of Overlying Rights (agriculture and domestic)
- Municipal Well Operators and Public Water Systems
- Tribes
- County
- Planning Departments / Land Use
- Local Landowners
- Disadvantaged Communities
- Business
- Federal Government
- Environmental Uses
- Surface Water Users (*if connection between surface and groundwater*)

Glenn SGMA – Governance Options

Groundwater Sustainability Agencies Options*

- Single existing local agency
- Single new local agency created through special legislation or LAFCO proceeding
- Combination of local agencies acting together under joint powers agreement or “memorandum of agreement or other legal agreement”

* *Courtesy of Richard Shanahan- Bartkiewicz Kronick & Shanahan*

Glenn SGMA – Governance Options

Groundwater Sustainability Agencies Options*

- Joint Powers Agreement (JPA)
- Authorized by Joint Exercise of Powers Act (Govt. Code 6500 et seq.)
- Two types
 - Creates JPA as new local agency with separate governing board.
 - Does not create new JPA. Agreement as framework for parties to manage a program or project. Sometimes lead agency designated. Sometimes advisory or oversight board created.

* Courtesy of Richard Shanahan- Bartkiewicz Kronick & Shanahan

Glenn SGMA – Governance Options

Groundwater Sustainability Agencies Options*

- JPA establishment process.
 - Prepare, negotiate and approve agreement
 - If it creates new authority: file with county and Secretary of State; and, new public agency start-up actions.
 - LAFCO not involved.
- JPA parties: local agency, county, city, federal government, tribe, mutual water company; no other private party.

Glenn SGMA – Governance Options

Groundwater Sustainability Agencies Options*

- Memorandum of agreement or other legal agreement
 - Intent seems to be a simpler contract or non-JPA contract.
 - MOA sometimes synonymous with MOU.
 - Could be a range from a nonbinding statement of intent to a more comprehensive binding contract.

* *Courtesy of Richard Shanahan- Bartkiewicz Kronick & Shanahan*

Glenn SGMA – Governance Options

Groundwater Sustainability Agencies Options*

- JPA with limited GSA powers
- Joint Exercise of Powers Act - “two or more public agencies by agreement may jointly exercise any power common to the contracting parties” only to the extent as authorized by their governing boards.
- SGMA defines a GSA to include “each local agency comprising the groundwater sustainability agency if the plan authorizes separate agency action.” (Water Code § 10721(j))

Glenn SGMA – Governance Options

Groundwater Sustainability Agencies Options*

- A GSA and GSP could be structured such that the GSA is responsible for the subbasin-wide SGMA responsibilities (e.g., planning, monitoring, reporting) and that the constituent local agencies are responsible for other localized actions.

* *Courtesy of Richard Shanahan- Bartkiewicz Kronick & Shanahan*

Glenn SGMA – Governance Options

Groundwater Sustainability Agencies Options*

- Key JPA or contract terms to consider
 - Board structure, governance and voting
 - Allocation of costs and funding
 - Delegation of authority and powers
 - GSP preparation and adoption
 - GSP implementation and enforcement
 - Dispute resolution
 - Term, termination and withdrawal

* Courtesy of Richard Shanahan- Bartkiewicz Kronick & Shanahan

Open Discussion / Q&A

SGMA in Glenn County – Current Interests

GSA Assessments – Early 2016

Interviewed local agencies that noticed DWR of intent to form GSAs :

- City of Orland
- Kanawha and Glide Water Districts
- Orland Artois Water District
- County of Glenn
- Glenn Colusa Irrigation District
- Provident Irrigation District and Princeton-Codora-Glenn Irrigation District
- Reclamation District 1004

SGMA in Glenn County – Current Interests

GSA Assessments – Early 2016

- Used common set of questions
 - Interests, issues and challenges
 - Perspectives on GSA formation and structure
 - Initial roles and responsibilities
- Synthesized/summarized high level themes and trends
- No attribution

SGMA in Glenn County – Current Interests

- Public meeting comments- March 8
- Informal discussions with eligible GSA local agencies and other stakeholders

Overarching Question

What do you wish to achieve and/or avoid through SGMA implementation?

SGMA in Glenn County – Current Interests

GSA Assessments – Outcomes

- Common Perspectives / Conditions:
 - Feel the need to protect interests
 - Concern about County objectives and capabilities
 - Wish to avoid blanket groundwater policies that may not account for variability (example: well moratorium)
 - Desire to acknowledge and manage for variable groundwater conditions throughout the county
 - Concern about future surface water access / rights

SGMA in Glenn County – Current Interests

GSA Assessments – Outcomes

- Common Perspectives / Conditions (cont.):
 - Do not support / want State intervention
 - Desire to implement SGMA at local agency scale
 - Concern about how to represent the interests of private well owners
 - Concern about necessary resources to develop GSP and GSA administration
 - Willingness to work with other local agencies to implement SGMA
 - SGMA implementation- sense of urgency

SGMA in Glenn County – Current Interests

GSA Assessments – Outcomes

- Diverse Perspectives / Conditions
 - Role and capabilities of County
 - Competing interests for municipal, domestic and agricultural water uses
 - Stand alone GSAs OR multi-agency GSA OR single countywide GSA

Open Discussion / Q&A

Glenn SGMA – Common Principles

Purpose – Identify common statements / principles that eligible GSAs can support as a starting point.

- Reflect common themes
- Hold collectively accountable to common commitments
- Avoid misunderstandings / misconceptions
- Create focused messages for all County stakeholders and neighboring areas