



## Legislation Details (With Board Report)

**File #:** 17-0227      **Name:** Funding Agreement with Salinas Basin Agricultural Water Association

**Type:** General Agenda Item      **Status:** Passed

**File created:** 3/1/2017      **In control:** Board of Supervisors

**On agenda:** 3/7/2017      **Final action:** 3/7/2017

**Title:** Consider adopting two resolutions: 1) authorizing the Chair of the Board of Supervisors to execute a funding agreement with the Salinas Basin Agricultural Water Association to defray a portion of the County’s initial two-year funding contribution to the Salinas Valley Basin Groundwater Sustainability Agency (“SVBGSA”); and 2) Appointing candidates for 7 interim Director positions (Primary and Alternate) of the SVBGSA Board of Directors.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Board Report, 2. Attachment A - Ag-County Funding Agreement, 3. Attachment B - Funding Agreement Reso final, 4. Attachment C - Discussion, 5. Attachment D - Director Matrix, 6. Attachment E - Public Member Apps, 7. Attachment F - Director Reso, 8. Attachment G - Other Directors, 9. Completed Board Order and Resolutions, 10. Fully Executed Agreement between the County of Monterey and the Salinas Basin Agricultural Water Association

Date	Ver.	Action By	Action	Result
3/7/2017	1	Board of Supervisors	approved	Pass

Consider adopting two resolutions: 1) authorizing the Chair of the Board of Supervisors to execute a funding agreement with the Salinas Basin Agricultural Water Association to defray a portion of the County’s initial two-year funding contribution to the Salinas Valley Basin Groundwater Sustainability Agency (“SVBGSA”); and 2) Appointing candidates for 7 interim Director positions (Primary and Alternate) of the SVBGSA Board of Directors.

**RECOMMENDATION:**

It is recommended that the Board of Supervisors:

Adopt two resolutions:

1) authorizing the Chair of the Board of Supervisors to execute a funding agreement with the Salinas Basin Agricultural Water Association to defray a portion of the County’s initial two-year funding contribution to the Salinas Valley Basin Groundwater Sustainability Agency (“SVBGSA”); and 2) Appointing candidates for 7 interim Director positions (Primary and Alternate) of the SVBGSA Board of Directors.

**SUMMARY/DISCUSSION:**

In the fall of 2014, the California legislature adopted, and the Governor signed into law, three bills (SB 1168, AB 1739, and SB 1319) collectively referred to as the “Sustainable Groundwater Management Act” (“SGMA”) that initially became effective on January 1, 2015, and have been amended from time-to-time thereafter. The stated purpose of SGMA, as set forth in California Water Code section 10720.1, is to provide for the sustainable management of groundwater basins at a local level by providing local groundwater agencies with the authority, and technical and financial assistance necessary to sustainably manage groundwater.

SGMA requires the designation of Groundwater Sustainability Agencies (“GSAs”) for the purpose of achieving groundwater sustainability through the adoption and implementation of Groundwater Sustainability Plans (“GSPs”) for all medium and high priority basins as designated by the California Department of Water Resources. SGMA also requires that basins have a designated GSA by no later than June 30, 2017, and an adopted GSP by no later than January 31, 2020, if a high or medium priority basin is in critical overdraft; and no later than January 31, 2022, if designated a high or medium priority basin. The Salinas Valley Groundwater Basin (“Basin”) is a high priority basin, and the 180/400 foot aquifer sub-basin, and the Paso Robles sub-basin within Monterey County are designated in critical overdraft.

SGMA authorizes a combination of local agencies to form a GSA by entering into a joint powers agreement as authorized by the Joint Exercise of Powers Act (Chapter 5 of Division 7 of Title 1 of the California Government Code). On December 13, 2016, following a recommendation from a collaborative working group representing a wide variety of interests and key stakeholders in the Salinas Valley, the Board of Supervisors voted to become a member of the Salinas Valley Basin Groundwater Sustainability Agency (“SVBGSA”), a joint powers authority. That same day the City of Salinas City Council voted to become a member; and the Castroville Community Services District, the Cities of Gonzales and Soledad, the Water Resources Agency, and the Monterey Regional Water Pollution Control Agency have also elected to become members.

Pursuant to the agreement forming the SVBGSA, the County is the appointing authority for a primary and alternate director for each of 7 director positions on the SVBGSA 11-member Board of Directors. The SVBGSA will have an Initial Board of Directors that will act through September 30, 2017, at which time a Permanent Board of Directors will be constituted. This action would appoint Directors to the Initial Board; appointments to the Permanent Board will come before the Board of Supervisors in August or September of 2017. Also pursuant to the agreement the County is obligated to provide initial funding for the SVBGSA in the amount of \$670,000 per year for two fiscal years (FY 2017-18 & 2018-19).

A consortium of agricultural interests in the Salinas Valley have agreed to defray a portion of the County’s initial funding obligation in the amount of \$250,000 per year for the two fiscal years. Enclosed as Attachment A is a draft funding agreement documenting that commitment. The consortium, called the Salinas Basin Agricultural Water Association, will make the payments to the County. A draft resolution approving the agreement is enclosed as Attachment B.

A further discussion of the nominating and appointment process for the SVBGSA Director positions is enclosed as Attachment C. A matrix of the appointments is enclosed as Attachment D. Applications for the Public Member positions (with certain personal information redacted) are enclosed as Attachment E. A draft resolution for the appointments is enclosed as Attachment F. A matrix of Director positions appointed by other Members is enclosed as Attachment G for information.

**OTHER AGENCY INVOLVEMENT:**

The CAO’s office concurs in the recommendation.

**FINANCING:**

The County’s initial two-year cash contribution to the funding of the SVBGSA is recommended to be included in the FY 2017/18 and FY 2018/19 County budgets. The funding agreement will defray a portion of that expense. There is no expense associated with the appointment of the Directors.

Prepared by:

Approved by:

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Leslie J. Girard  
Chief Assistant County Counsel

Date:

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Lew C. Bauman  
CAO

Date:

**Attachments:**

- A - Draft Funding Agreement
- B - Draft Resolution re Funding Agreement
- C - Appointment Matrix Discussion
- D - Director Appointment Matrix
- E - Public Member Applications
- F - Draft Resolution re Director Appointments
- G - Other Member Director Appointments