



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legislation Details (With Board Report)

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| File #: | WRAA 17-003 | Name: | Joint Exercise of Powers Agreement SVBGSA |
| Type: | WRA General | Status: | Approved |
| File created: | 1/11/2017 | In control: | Board of Supervisors of the Monterey County Water Resources Agency |
| On agenda: | 1/31/2017 | Final action: | 1/31/2017 |
| Title: | Consider adopting a resolution authorizing the Chair of the Board of Supervisors of the Water Resources Agency to execute a Joint Powers Authority agreement establishing the Salinas Valley Basin Groundwater Sustainability Agency ("SVBGSA"). | | |

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Joint Exercise of Powers Agreement, 3. MCWRA Executed Board Order, 4. Resolution, 5. Completed Board Order & Resolution, 6. Joint Exercise of Powers Agreement establishing the Salinas Valley Basin Groundwater Sustainability Agency 2

| Date | Ver. | Action By | Action | Result |
|-----------|------|--|----------|--------|
| 1/31/2017 | 1 | Board of Supervisors of the Monterey County Water Resources Agency | approved | Pass |

Consider adopting a resolution authorizing the Chair of the Board of Supervisors of the Water Resources Agency to execute a Joint Powers Authority agreement establishing the Salinas Valley Basin Groundwater Sustainability Agency ("SVBGSA").

RECOMMENDATION:

It is recommended that the Board of Supervisors of the Water Resources Agency:

Adopt a resolution authorizing the Chair of the Board of Supervisors of the Water Resources Agency to execute a Joint Powers Authority agreement establishing the Salinas Valley Basin Groundwater Sustainability Agency ("SVBGSA").

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 is 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). In 2015, the Water Resources Agency along with the County, the City of Salinas, the Monterey County Farm Bureau, the Growers-Shippers Association, and Salinas Valley Water Coalition retained a professional facilitator, the Consensus Building Institute (CBI) to bring together a collaborative working group (CWG) to build consensus amongst key stakeholders and make recommendations to the various entities eligible to be GSAs in the Basin concerning the formation of a governance for the GSA. The CWG group consists of representatives of the Agency, the County, cities, special districts that provide water and regulated water companies, environmental groups, agricultural interests, disadvantaged communities and small rural well owners, all in the Basin. As of this report, the CWG has met sixteen (16) times and received numerous public comments by members of the community. In addition, there have been three stakeholder forums where members of the greater public have also been invited to learn about the effort, participate, and provide comment.

After months of deliberation, the CWG recommended a joint powers authority (“JPA”) to be the GSA in the Basin. In late 2016 the CWG reached consensus on the material issues concerning the terms of a JPA agreement. These include the description of and qualifications for the various director positions on the JPA board, the nomination and appointment process for the board of directors, and the length of terms for directors. Staff will review with the Board the various provisions of the proposed JPA. A copy of the JPA agreement is enclosed as Attachment A. A draft resolution authorizing the Chair of the Agency Board of Supervisors execute it is enclosed as Attachment B.

As a practical matter, the JPA requires advance funding by the entities executing the JPA agreement (“Members”) for the first two full fiscal years of its existence, until such time that the JPA can levy fees or otherwise raise revenue to fund its operations. Representatives of a number of the proposed Members (the City of Salinas, County and City of Gonzales) have met and discussed a contribution formula for that purpose. Contributions from the Members are set forth in the agreement and would start in fiscal year 2017 - 2018. The Agency’s proposed contribution is \$20,000 per year.

The County and the City of Salinas were the first two Members to act on the JPA agreement, both on December 13, 2016. The Castroville Community Services District has also voted to join. Other potential Members are expected to join the JPA in early 2017. The goal recommended by the CWG is to have sufficient jurisdictions join the JPA as Members permitting formation of a new Board of Directors of the JPA by early spring of 2017. The new JPA Board can then commence the business of the JPA and the important work of adopting and filing a Notice of Intent no later than June 30, 2017.

On January 17, 2017, the Agency Board of Directors voted to recommend that the Chair of the Agency Board of Supervisors execute the agreement.

OTHER AGENCY INVOLVEMENT:

As mentioned, the County, City of Salinas, and the Castroville Community Services District have executed the agreement.

FINANCING:

Provision of in-kind administrative and legal services to the SVBGSA through June 30, 2017, and subsequently through September 30, 2017, will be borne by the County and the City of Salinas. The Agency’s role in the provision of such services is to be determined. The Agency’s initial two-year \$20,000 cash contribution for the

funding of the SVBGSA is recommended to be included in the FY 2017/18 and FY 2018/19 Agency budgets.

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Approved by:

David Chardavoyne, General Manager, (831) 755-4860

Attachments:

A - Draft JPA Agreement

B - Draft Resolution