



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 12/17/2019
Agenda Placement: 9A
Set Time: 9:15 AM PUBLIC HEARING
Estimated Report Time: 1 Hour

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Steven Lederer - Director of Public Works
Public Works

REPORT BY: Steven Lederer, Director, Public Works - 259-8228

SUBJECT: Creation of a Groundwater Sustainability Agency for the Napa Valley Subbasin

RECOMMENDATION

Director of Public Works requests adoption of a resolution forming the Napa County Groundwater Sustainability Agency (GSA) for the Napa Valley Subbasin pursuant to Sections 10723.8 and 10724 of the Sustainable Groundwater Management Act of 2014.

EXECUTIVE SUMMARY

Napa County submitted an Alternative Groundwater Sustainability Plan to the Department of Water Resources (DWR) in December 2016. The County's proactive effort was intended to support the legislative intent of the Sustainable Groundwater Management Act (SGMA) through implementing local groundwater sustainability efforts well in advance of the January 31, 2022 deadline for submittal of Groundwater Sustainability Plans. After nearly three years, DWR notified Napa County on November 13, 2019 that it had completed its review of the County's Alternative Groundwater Sustainability Plan and the County's comprehensive responses to DWR's July 17, 2019 letter recommending that the County's Alternative Groundwater Sustainability Plan not be approved.

While recognizing and acknowledging that Napa County is proactively managing groundwater, DWR nonetheless elected not to approve the County's Alternative Groundwater Sustainability Plan. The DWR decision was not a judgment on the health or management of the basin, as DWR noted in its findings. DWR also clarified that its decision is not an indication that the Napa Valley Subbasin is being managed unsustainably and commended the County for proactively managing groundwater.

As a result of DWR's decision, a groundwater sustainability agency (GSA) must be formed for the Napa Valley Subbasin in order to be in compliance with SGMA and DWR regulations, as the basin is now deemed "unmanaged". If a GSA is not formed, the State Water Resources Control Board (SWRCB) is obligated to step in to monitor and manage the basin and groundwater users. The item before the Board today is to conduct a public

hearing under Water Code section 10723, and to adopt a resolution affirming the County's intention to manage groundwater in the Napa Valley Subbasin, to form the Napa County Groundwater Sustainability Agency pursuant to Water Code Sections 10723.8 and 10724, and to authorize staff to inform DWR of the County's decision and take other steps necessary to comply with SGMA and DWR requirements.

PROCEDURAL REQUIREMENTS

1. Open Public Hearing.
2. Staff reports.
3. Public comment.
4. Close Public Hearing.
5. Motion, second, discussion and vote on the item.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Public Works-Ground Water Sustainability-Watershed Program Sub-Division - Fund 1000, Subdivision 1220003
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	Yes
Future fiscal impact:	No additional funding need is anticipated at this time. On-going funding consistent with current expenditures is expected to be needed in future fiscal years to continue to meet SGMA requirements. New grant funding revenue is anticipated in FY 2019-20 through FY 2021-22 to support Groundwater Sustainability Plan (GSP) and Groundwater Model development, which will offset County costs in these areas.
Consequences if not approved:	The County would not be in compliance with SGMA and related State regulations and the SWRCB would step in to regulate the Napa Valley subbasin in the incorporated and unincorporated areas of Napa County.
County Strategic Plan pillar addressed:	Vibrant and Sustainable Environment - Provide greater environmental protection for environmental resources, particularly agricultural land, forests, air, and water.

Additional Information:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: Adoption of this Resolution does not constitute a project under the California Environmental Quality Act (CEQA) because it does not result in the any direct or indirect physical change in the environment. Adoption of this Resolution is also exempt from CEQA pursuant to 14 California Code of Regulations

(CCR) sections 15306, 15307, and 15308 as an action taken by a regulatory agency to collect information and assure the maintenance and protection and natural resources and the environment, and pursuant to 14 CCR section 15061(b)(3) because it can be seen with certainty that there is no possibility that adoption of this Resolution may have a significant effect on the environment.

BACKGROUND AND DISCUSSION

Introduction

Napa County has taken progressive actions to protect and manage groundwater since the mid-1960s through careful land use zoning policies, attention to groundwater monitoring, and permitting processes.

Since 2008, Napa County has been instrumental in implementing groundwater management actions to better understand groundwater conditions, establishing monitoring to track conditions, conducting education and outreach, and developing programs to assess and maintain groundwater sustainability. These efforts included adopting Goals and Policies in Napa County's 2008 General Plan related to groundwater, commencing new studies of the county's groundwater resources in 2009, and creating a Groundwater Resources Advisory Committee (GRAC; 2011 to 2014) to spearhead groundwater sustainability planning, management, implementation, and community outreach.

A Napa County Groundwater Monitoring Plan was prepared in 2013 (Plan; LSCE 2013) to formalize and augment groundwater monitoring efforts as part of a Comprehensive Groundwater Monitoring Program. The Plan recommended annual reports on groundwater conditions and modification to the countywide groundwater monitoring program as needed. Annual Monitoring Reports have been prepared since 2014, and the reports prepared for water years 2017 and 2018 incorporated additional content required for the Napa Valley Subbasin under the Sustainable Groundwater Management Act of 2014 (SGMA).

SGMA and Napa County Alternative Groundwater Sustainability Plan

SGMA established a Sustainability Goal for groundwater basins in the state and authorized local agencies to develop and implement Groundwater Sustainability Plans (GSPs) to ensure that basins are operated within their sustainable yield, or to develop alternative GSPs where basins could demonstrate on-going successful groundwater management programs.

In December 2016, the Board of Supervisors approved the 2016 Napa Valley Subbasin Basin Analysis Report (BAR) which was submitted to the California Department of Water Resources (DWR) as an Alternative Groundwater Sustainability Plan pursuant to Water Code Section 10733.6. The 2016 BAR included a long-term analysis of groundwater and surface water conditions in the Napa Valley Subbasin using best available data and a water budget analysis for a 28-year period to demonstrate that groundwater use had not resulted in any basin-wide undesirable results.

In October 2017, the Board of Supervisors received a report on groundwater conditions in a portion of the Napa Valley Subbasin known as the northeast Napa Study Area. Napa County initiated the report, Northeast Napa Area: Special Groundwater Study (Special Study Report), to understand recent historical changes in water level trends in a small portion of the Napa Valley Subbasin. The Board of Supervisors supported the findings and recommendations of the Special Study Report and directed staff to develop documentation to formally establish the Northeast Napa Management Area covering approximately 1,960 acres within the 45,298-acre Napa Valley Subbasin.

In March 2018, the Board of Supervisors considered and approved an amendment to the 2016 Basin Analysis Report to establish the Northeast Napa Management Area and submitted it to DWR pursuant to GSP Regulations Section 355.10. The Board of Supervisors also received the Annual Report on Groundwater Conditions for Water

Year 2017 and authorized its submittal to DWR pursuant to Water Code Section 10728 and GSP Regulations Section 356.2. The water year 2017 annual report found that the Napa Valley Subbasin continued to satisfy its basin-specific sustainability criteria in 2017, with groundwater extraction remaining within the range of sustainable yield.

In March 2019, the Board of Supervisors received the Annual Report on Groundwater Conditions for Water Year 2018 and authorized its submittal to DWR pursuant to Water Code Section 10728 and GSP regulations Section 356.2. The water year 2018 annual report found that the Napa Valley Subbasin continued to satisfy its basin-specific sustainability criteria in 2018, with groundwater extraction remaining within the range of sustainable yield.

On July 17, 2019, the County received a tentative determination from DWR not to approve the 2016 Napa Valley Subbasin Basin Analysis Report (BAR) that was submitted as an alternative Groundwater Sustainability Plan pursuant to Water Code Section 10733.6 in December 2016. The County had 30 days to respond to the tentative determination.

On August 13, 2019 the County received a 45-day extension of time, until September 30, 2019, to respond to the July 17, 2019 tentative determination. The extension of time was later amended by DWR to October 11, 2019.

On October 11, 2019 the County submitted a comprehensive response to DWR's initial determination providing additional clarifications and requesting approval of the Alternative Groundwater Sustainability Plan as it meets SGMA requirements to provide for continued sustainable groundwater management of the Napa Valley Subbasin.

On November 13, 2019 the County received notification from DWR that it had completed its review of the County's Alternative-Groundwater Sustainability Plan and comprehensive responses to DWR's July 17, 2019 letter.

While recognizing and acknowledging that Napa County is proactively managing groundwater, DWR nonetheless elected not to approve the County's Alternative Groundwater Sustainability Plan. The DWR decision was not a judgement on the health or management of the basin, as they noted in their findings. DWR also clarified that its decision is not an indication that the Napa Valley Subbasin is being managed unsustainably and commended the County for proactively managing groundwater.

Groundwater Sustainability Agency Formation

As a result of DWR's decision, a groundwater sustainability agency (GSA) must be formed for the Napa Valley Subbasin in order to be in compliance with SGMA and DWR regulations, as the entire subbasin is now considered "unmanaged." If a GSA is not formed, then the State Water Resources Control Board (SWRCB) has an obligation to step in to monitor and manage the subbasin, which includes incorporated and unincorporated areas of the county. The SWRCB could require all groundwater users within the subbasin to install meters, report extractions, and pay fees to cover state costs.

The item before the Board today is to conduct a public hearing under Water Code section 10723, to consider adoption of a resolution affirming Napa County's intention to manage groundwater in the Napa Valley Subbasin and form the Napa County Groundwater Sustainability Agency pursuant to Water Code section 10724, and to authorize submittal of GSA Formation Information to DWR.

Water Code section 10724 provides that the County is presumed to be the GSA for the areas in the Subbasin that are "unmanaged" (i.e., not within the management area of a groundwater sustainability agency). However, while Napa County is the presumed GSA, SGMA still requires the County to give notice to the DWR that it intends to undertake sustainable groundwater management and serve as the GSA in the "unmanaged" areas following the procedures of sections 10723 and 10723.8.

There are several steps the County must complete in order to declare its intention to serve as the GSA. The County

must hold a public hearing, adopt a resolution forming the GSA, and submit a notice of intent to DWR. The notice to DWR must be filed within 30 days after Board adoption of the resolution and must include the following:

- | The service area boundary, the boundaries of the basin (or portion of the basin) the County is managing, and the other agencies managing or proposing to manage groundwater within the basin (Exhibit A);
- | A copy of the resolution declaring the County's intent to serve as a GSA (Exhibit B);
- | A copy of any new bylaws, ordinances, or new authorities adopted by the County as the GSA (there are none yet);
- | A list of interested parties developed pursuant to Water Code, Section 10723.2 and an explanation of how their interests will be considered in the development and operation of the GSA and the development and implementation of the County's GSP; and
- | A Geographic Information System (GIS) shape file that shows the County service area boundary and the basin the GSA has elected to manage.

If your Board approves the recommended actions, the County would file notice of its intent to undertake sustainable groundwater management and serve as the GSA for the Napa Valley Subbasin (Exhibit A). With your Board's approval, Department staff would notify DWR of the County's intent to form a GSA and provide the required notification items.

SUPPORTING DOCUMENTS

A . Napa County GSA - Napa Valley Subbasin

B . Resolution

CEO Recommendation: Approve

Reviewed By: Leigh Sharp