



A Tradition of Stewardship
A Commitment to Service

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NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Steven Lederer - Director of Public Works
Public Works

REPORT BY: Patrick Lowe, Natural Resources Conservation Mgr - 259-5937

SUBJECT: Napa County Comprehensive Groundwater Monitoring Program 2015 Annual Report and California Statewide Groundwater Elevation Monitoring (CASGEM) Update; and Sustainable Groundwater Management Act (SGMA) Implementation Update

RECOMMENDATION

Director of Public Works requests the following:

1. Receive staff report/presentations on the Napa County Comprehensive Groundwater Monitoring Program 2015 Annual Report, California Statewide Groundwater Elevation Monitoring (CASGEM) Update, and Sustainable Groundwater Management Act (SGMA) Implementation Update; and
2. Board Discussion and Possible Direction to staff regarding the Expanded Groundwater Sustainability/Monitoring Program, Groundwater Sustainability Plan(GSP) Alternative and GSP Development, and Groundwater Sustainability Agency (GSA) Formation.

EXECUTIVE SUMMARY

Groundwater Monitoring: This is the 2nd Annual Report – Napa County Comprehensive Groundwater Monitoring Program 2015 Annual Report and CASGEM Update. In addition to providing an update on groundwater level conditions and monitoring program modifications, this Report summarizes available background information in order to serve as a common reference for future annual reports. This is a technical report for Board review and acceptance.

SGMA Implementation: On January 1, 2015 the California Department of Water Resources (DWR) began implementation of the Sustainable Groundwater Management Act (SGMA or Act), legislation which provided a new structure for sustainable management of California's groundwater basins. Under the Act's timeline for implementation, DWR first prioritized the groundwater basins with the greatest need, developed Groundwater Sustainability Agency (GSA) formation guidelines, and then created draft Regulations for Groundwater

Sustainability Plans (GSP) and Alternatives. The regulations were out for public comment until April 1, 2016, with final adoption into regulations required by June 1, 2016. Depending upon the final form of the regulations, changes to our local implementation may be required, including the GSP-alternative (Basin Analysis Report) and possible Groundwater Sustainability Agency (GSA) formation. Staff have provided comments to DWR on the draft regulations to request clarifications and to address issues regarding consistency with the legislative language and intent.

PROCEDURAL REQUIREMENTS

1. Receive staff report
2. Public Comment
3. Motion, second, discussion
4. Accept report and provide direction to staff

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

Groundwater Monitoring Program

The Napa County Groundwater Monitoring Plan 2013 (Plan) was prepared to formalize and augment groundwater monitoring efforts conducted as part of the Comprehensive Groundwater Monitoring Program. The Plan recommended annual reports on groundwater conditions and modifications to the countywide groundwater monitoring program as needed. Additionally, the Plan recommended a comprehensive triennial report.

This report is the 2nd Annual Report - Napa County Comprehensive Groundwater Monitoring Program 2015 Annual Report and CASGEM Update (*Attachment A – Annual Report*). In addition to providing an update on groundwater level conditions and monitoring program modifications, this Report summarizes available background information in order to serve as a common reference for future annual reports.

Groundwater and surface water are important natural resources in Napa County. Together, the County and other municipalities, water districts, commercial and industrial operations, the agricultural community, and the general public, are stewards of the available water resources. Everyone living and working in Napa County has a stake in protecting the County's groundwater resources, including groundwater supplies, quality, and associated watersheds (GRAC, 2014).

Long-term, systematic monitoring programs are essential to provide data that allow for improved evaluation of water resources conditions and to facilitate effective water resources planning. For this reason, Napa County embarked on a countywide project referred to as the "Comprehensive Groundwater Monitoring Program, Data Review, and Policy Recommendations for Napa County's Groundwater Resources" (Comprehensive Groundwater Monitoring Program) in 2009, to meet action items identified in

the 2008 General Plan update. The program emphasizes developing a sound understanding of groundwater conditions and implementing an expanded groundwater monitoring and data management program as a foundation for future coordinated, integrated water resources planning and dissemination of water resources information.

Sustainable Groundwater Management Act (SGMA) Update

On January 1, 2015 the California Department of Water Resources (DWR) began implementation of the Sustainable Groundwater Management Act (Act), legislation which provided a new structure for sustainable management of California's groundwater basins. Under the Act's timeline for implementation (*Attachment B-SGMA Implementation Timeline*), DWR first prioritized the groundwater basins with the greatest need. DWR determined that the current CASGEM basin prioritizations were sufficient for this purpose, which designated the Napa Valley Subbasin (essentially the valley floor) as a medium priority basin. Then DWR developed Groundwater Sustainability Agency (GSA) formation guidelines, followed by draft emergency regulations for groundwater sustainability plans (GSP) and alternatives.

DWR Regulations for Groundwater Sustainability Plans and Alternatives

On February 18th, DWR released the draft emergency regulations for groundwater sustainability plans and alternatives. The release of the draft regulations starts a public comment period that ended April 1st, with final adoption into regulation required by June 1, 2016. (*Attachment C - DWR Draft Regulations for GSPs and Alternatives*). Depending upon the final form of the regulations, they may result in changes to our local implementation, including the GSP-alternative (Basin Analysis Report) and possible Groundwater Sustainability Agency (GSA) formation. Staff have provided comments to DWR on the draft regulations to request clarifications and to address issues regarding consistency with the SGMA legislative language and intent.

Alternative Submittal - Sustainably Managed Basins- Groundwater basins that have ongoing successful groundwater management programs do not need to create a GSA or develop a new GSP. A local agency or a GSA may elect to submit an alternative report that demonstrates that the groundwater basin is being sustainably managed. Napa County, based on direction from the Board at its meeting on March 3, 2015, has been developing this alternative submittal option (Basin Analysis Report), which consists of an analysis of the basin prepared by a California-licensed Professional Engineer or Geologist demonstrating that the basin has operated within its sustainable yield for a period of at least 10 years. A local agency or GSA must provide an alternative submittal to DWR for review by January 1, 2017 and every five years thereafter. The current draft regulations now propose that GSP-alternative submittals include substantially the same information as a GSP, which differs from what was outlined in the SGMA legislation. If these requirements are included in the final regulations, the alternative submittal option would not be possible due to the additional technical/procedural requirements and the short timeframe remaining to meet the deadline. If this proves to be the case, then Napa County would shift its efforts towards the development of a GSP and the formation of a Groundwater Sustainability Agency (GSA).

Groundwater Sustainability Agencies

If the formation of a Groundwater Sustainability Agency (GSA) is required, there are a number of different options available. (*Attachment D - Guide to Forming GSAs*). A local agency or combination of local agencies overlying a groundwater basin may form a Groundwater Sustainability Agency (GSA) for the basin. A "local agency" is defined as "a local public agency that has water supply, water management, or land use responsibilities within a groundwater basin." A combination of local agencies may form a GSA by joint powers agreement or memorandum of agreement or other legal agreement. If more than one GSA is formed for a basin, they must have an agreement that provides for the coordination of their efforts. Local agencies in

high- and medium-priority basins, which includes Napa County, have until June 30, 2017 to form a GSA. An agency or agencies must notify DWR of the formation or establishment of a GSA within 30 days of final formation, and after 90 days the agency shall be the exclusive agency for that area of the basin provided no other agency notice was submitted. If an area over a basin is not within the management area of a GSA, the local county will be presumed to be the GSA for the area unless it opts out. The county is required to notify DWR whether it will or will not be the GSA for the area.

A GSA must consider the interests of a variety of different stakeholders, including beneficial users of water, environmental interests, disadvantaged communities, tribes, and others. The agency must maintain a list of persons interested in receiving notices regarding plan preparation and other activities. GSAs may also exercise a broad array of new authorities, including determining the sustainable yield of a groundwater basin, conducting investigations, measuring/limiting extractions, imposing fees for groundwater management, and enforcing the terms of a GSP. However, nothing in a GSP supersedes the land use authority of cities and counties.

Other Groundwater Program Updates

Groundwater Model Update - The County is continuing to pursue grant funding opportunities as they become available to help fund groundwater modeling updates. The Board previously requested that staff look into updating the DHI groundwater model for use in the County's groundwater sustainability efforts. The model was originally developed as a part of the Baseline Data Report (BDR) in support of the 2008 General Plan Update. However, on-going model support was discontinued due to the recession. Initial work would involve updating the model to reflect current information (groundwater, land use, geology, etc.), development of reporting capabilities, decision support tools, and other high priority needs. Modeling would prove useful in preparing and defending a GSP and to inform future land use decisions.

WICC Groundwater Education-Outreach Support – The County provides support for public education and outreach on groundwater and watersheds through the Napa County Watershed Information and Conservation Council (WICC)(website: http://www.napawatersheds.org/app_pages/view/7339). This includes WICC updates and public workshops on SGMA local implementation, groundwater sustainability/monitoring program, and El Nino/drought conditions, and water conservation programs. An upcoming public workshop in April will provide interested property owners with monitoring options through easy to use sonic monitoring equipment available from the Natural Resources Conservation Division of Public Works. The County also supports watershed/groundwater education/outreach workshops through the Napa County Resource Conservation District (RCD).

Recommendations and Request for Board Direction:

A. Expanded Groundwater Sustainability/Monitoring Program

Napa County's current groundwater sustainability and monitoring program includes well monitoring network review and development (new wells), monitoring/reporting, database development/support, update of hydrogeology/conditions, education/outreach including WICC Board and website development, long-term integration with permit systems, and management/oversight of the program and consultant contracts. Monitoring efforts are proposed to be expanded in the upcoming year with the addition of water quality baseline conditions, as recommended by the Napa County Groundwater Monitoring Plan 2013 (Plan).

A Special Study Area northeast of the City of Napa and west of the Milliken, Sarco, and Tulucay (MST) is also proposed for Board consideration. In December 2015, County staff reviewed updated groundwater monitoring data and the Napa County Comprehensive Groundwater Monitoring Program

2014 Annual Report and CASGEM Update and identified this as an area of potential concern (*Attachment E - Memo to PBES, December 7, 2015*). The Memo highlights the historical groundwater level declines that had occurred in some wells, but have generally stabilized in recent years, recommended further investigation of factors leading to well replacements in the vicinity of Petra Drive, and additional studies in the area to better understand groundwater conditions. The objectives of these efforts include a determination of whether the area is in fact experiencing an extension of the MST groundwater conditions, as described in the 2014 Annual Report, and whether controls similar to those implemented in the MST are warranted.

The Planning, Building and Environmental Services (PBES) has also received permit applications for several proposed winery projects in the above-described area. Because of the potential concerns relating to continued groundwater development in the area, and due to the hydrogeologic setting which includes mapped faults and the Napa River in relative close proximity to the area of interest, staff recommends conducting this study to better understand groundwater conditions and potential factors relating to historical groundwater level declines in this area. This analysis includes evaluation of the potential effects from pumping in the overall Study Area, potential mutual well interference in the Petra Drive area, as well as potential streamflow effects. The estimated cost of this study would be approximately \$89,000 (*Attachment F - Study Area Draft Scope-Budget*).

Staff Recommendation: Discuss and provide direction to staff. Additional funding would be required to address the Special Study Area and meet Groundwater Monitoring Plan recommendations. This is included in the current budget proposal for 2016-17 and staff would bring back a final scope of work/budget for Board consideration/approval as part of the June budget.

B. Groundwater Sustainability Plan (GSP)-Alternative and GSP Development

Napa County began development of the GSP-alternative plan option (Basin Analysis Report) in 2015 in order to be able to meet the deadline for submittal to DWR by January 1, 2017 (per SGMA legislation). Under the current draft GSP regulations now proposed, GSP-alternative plans would be required to include substantially the same information as a GSP. If the final regulations maintain these requirements, then the GSP-alternative option would not be possible due to the additional technical/procedural requirements and the very short timeframe remaining to meet the deadline. Napa County would then need to shift its efforts towards the development of a GSP by January 31, 2022 and the formation of a Groundwater Sustainability Agency (GSA) by June 30, 2017.

Staff Recommendation: Discuss and provide direction to staff. If DWR's final GSP regulations preclude the current GSP-alternative option, then direct staff to update work plan/schedule to support development of a Groundwater Sustainability Plan (GSP) by January 31, 2022 and begin efforts to support formation of a GSA by June 30, 2017. This is included in the current budget proposal for 2016-17 and staff would bring back a scope of work and budget for Board consideration/approval as part of the June budget.

C. Groundwater Sustainability Agency(GSA) Formation

A Groundwater Sustainability Agency would be required to be formed by June 30, 2017, if the GSP-alternative proves to be infeasible under DWR's new GSP regulations. The SGMA does not mandate a single GSA approach, giving local agencies a variety of formation options. A GSA can be a single agency that covers the entire basin, or a combination of local agencies under a joint powers agreement, memorandum of agreement or other legal agreement. If more than one GSA is formed for a basin, they must have an agreement that provides for the coordination of their efforts. The formation of a GSA would require a public outreach effort with consultant support, and commitment

to the long term ongoing support for the agency, including likely addition of staff.

Staff Recommendation: Discuss and provide direction to staff. A decision on GSA formation is not required at this time, but Board input is welcome. This process would include a Board of Supervisors workshop, public outreach through the WICC, and other public outreach meetings. Consultant support would be needed to facilitate the public outreach process and agency formation. This is included in the current budget proposal for 2016-17 and staff would bring back a scope of work and budget for Board consideration/approval as part of the June budget.

SUPPORTING DOCUMENTS

- A . 2015 Annual Report
- B . SGMA Implementation Timeline
- C . DWR Draft Regulations for GSPs and Alternatives
- D . Guide to Forming GSAs
- E . Memo to PBES Dec. 7, 2015
- F . Study Area Draft Scope-Budget

CEO Recommendation: Approve

Reviewed By: Bret Prebula