

Napa County Groundwater Sustainability Agency Board Agenda Letter

TO: Members of the Governing Board

FROM: Mary Booher for Minh Tran - County Executive Officer
County Executive Office

REPORT BY: Leigh Sharp, Management Analyst II - 707-253-4825

SUBJECT: Resolution Authorizing a Grant Application to the California Department of Water Resources

RECOMMENDATION

Agency Executive Officer request adoption of a resolution in support of a \$1,958,500 grant application, with a \$678,300 local match commitment, for a total project budget of \$2,636,800, to the California Department of Water Resources in support of Napa County's Sustainable Groundwater Management Program and the Napa County Groundwater Sustainability Agency's (GSA's) development of a Groundwater Sustainability Plan.

EXECUTIVE SUMMARY

The California Department of Water Resources is administering the Sustainable Groundwater Management Grant Program, Planning Grants Proposal Solicitation – Round 3, which is specifically designed to support and fund the development of Groundwater Sustainability Plans (GSPs). The Director of Public Works has prepared an application to the grant program to financially support the development of a Napa Valley Subbasin GSP and the installation of groundwater monitoring wells. The grant amount being requested is \$1,958,500, which will be matched with \$678,300 in local funding for a total grant amount of \$2,636,800.

The submittal of a proposal requires a resolution from the Napa County Groundwater Sustainability Agency (GSA) authorizing submittal of a grant application and confirming the GSA's intent to conduct the project pursuant to all grant conditions. The proposed GSP development and installation of monitoring wells will directly support the work of the GSA's Groundwater Program, which is a continuation of the County's Groundwater Management Program, and will maintain Napa County's compliance with California's Sustainable Groundwater Management Act.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Grant funding offered through DWRs Sustainable Groundwater Management Program will help to offset a significant portion of

consultant and staff costs that would otherwise need to be supported by the Napa County General Fund. Funds to implement the GSA Groundwater Management Program, a continuation of the County's Groundwater Management Program, are currently in Fund 1000, Division 122, Subdivision 12200003.

Is it Mandatory or Discretionary?

Discretionary

Discretionary Justification:

Napa County was informed by the Department of Water Resources (DWR) on November 13, 2019 of the need to form a Groundwater Sustainability Agency (GSA) and to develop a Groundwater Sustainability Plan (GSP). The Napa County GSA was formed through Napa County Resolution 2019-152 on December 17, 2019. The determination by DWR not to approve the Napa Valley Groundwater Sustainability Basin Analysis Report for the Napa Valley Subbasin (Alternative GSP) means that the Napa Valley Subbasin, designated high priority by DWR, requires a GSP be submitted by January 31, 2022. While the Napa Valley Subbasin has operated within its sustainable yield and the Alternative GSP provides evidence of this, a GSP is required to comply with California's Sustainable Groundwater Management Act (SGMA) and related GSP regulations. Grant funding offered through DWR's Sustainable Groundwater Management Program will help to offset a significant portion of consultant and staff costs to develop a GSP that would otherwise need to be supported by the County General Fund.

Is the general fund affected?

Yes

Future fiscal impact:

The proposed grant is anticipated to run through October 2022. If awarded, a significant portion of consultant and staffing costs (approximately \$1,958,500) associated with the development of a GSP will be reimbursed through DWR's Sustainable Groundwater Management Program. Over the grant term, the GSA would be required to provide a local (non-State) cost-share match of approximately \$678,300. This cost-share amount is less than what would normally be budgeted for the existing Napa County Groundwater Program (now to be implemented by the GSA) over the same time period. As a result, future fiscal impacts of the Groundwater Program through October 2022 would be reduced if the grant is awarded.

Consequences if not approved:

If the GSA does not approve the resolution, neither the GSA nor Napa County would be eligible to apply for grant funding through DWR's Sustainable Groundwater Management Program. In order to remain in compliance with SGMA and avoid State Water Resources Control Board involvement in the management of the Napa Valley Groundwater Subbasin, the GSA would need to fund the development of a GSP on its own at a cost of approximately \$2,000,000 and submit the Plan to DWR by January 31, 2022.

County Strategic Plan pillar addressed:

Effective and Open Government
Vibrant and Sustainable Environment
Collaborative and Engaged Community

Additional Information:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION:

Categorical Exemption Class 4: It has been determined that this type of project does not have a significant effect on the environment and is exempt from the California Environmental Quality Act. The project will not impact an environmental resource of hazardous or critical concern, has no cumulative impact, there is no reasonable possibility that the activity may have a significant effect on the environment due to unusual circumstances, will not result in damage to scenic resources, is not located on a list of hazardous waste sites, cause substantial adverse change in the significance of a historical resource or extract groundwater in excess of the Phase 1 groundwater extraction standards as set by the Department of Public Works. [See Class 4 (“Minor Alterations to Land”) which may be found in the guidelines for the implementation of the California Environmental Quality Act at 14 CCR §15304; see also Napa County’s Local Procedures for Implementing the California Environmental Quality Act, Appendix B.]

Categorical Exemption Class 6: It has been determined that this type of project does not have a significant effect on the environment and is exempt from the California Environmental Quality Act. The project will not impact an environmental resource of hazardous or critical concern, has no cumulative impact, there is no reasonable possibility that the activity may have a significant effect on the environment due to unusual circumstances, will not result in damage to scenic resources, is not located on a list of hazardous waste sites, cause substantial adverse change in the significance of a historical resource or extract groundwater in excess of the Phase 1 groundwater extraction standards as set by the Department of Public Works. [See Class 6 (“Information Collection”) which may be found in the guidelines for the implementation of the California Environmental Quality Act at 14 CCR §15306.]

Categorical Exemption Class 7: It has been determined that this type of project does not have a significant effect on the environment and is exempt from the California Environmental Quality Act. [See Class 7 (“Actions by Regulatory Agencies for Protection of Natural Resources”) which may be found in the guidelines for the implementation of the California Environmental Quality Act at 14 CCR §15307.]

BACKGROUND AND DISCUSSION

Napa County has taken progressive actions to protect and manage groundwater since the mid-1960's through careful land use zoning policies, attention to groundwater monitoring, and permitting processes. Since 2008, Napa County has been instrumental in implementing a groundwater management program to better understand groundwater conditions, establishing monitoring to track conditions, conducting education and outreach, and developing programs to assess and maintain groundwater sustainability, including development of Napa County's Basin Analysis Report.

On November 13, 2019, the California Department of Water Resources (DWR) informed Napa County of the need to form a Groundwater Sustainability Agency (GSA) and to develop a Groundwater Sustainability Plan (GSP) for the Napa Valley Groundwater Subbasin by January 31, 2022. On December 17, 2019, the Napa County Board of Supervisors passed Resolution 2019-152, creating the Napa County Groundwater Sustainability Agency (GSA) in compliance with the Sustainable Groundwater Management Act (SGMA) to manage groundwater in the Napa Valley Subbasin. Although the Napa Valley Subbasin has operated within its sustainable yield and Napa County's Basin Analysis Report (Alternative GSP) provided evidence of this, a GSP is now required to comply with California's Sustainable Groundwater Management Act (SGMA) and related GSP regulations.

The DWR administers the Sustainable Groundwater Management Grant Program and the current Planning Grants Proposal Solicitation (Round 3). This DWR grant program is specifically designed to support and fund

groundwater planning and management efforts related to the development of GSPs. The Napa County Director of Public Works has prepared an application to the DWR grant program to financially support the development of a GSP for the Napa Valley Subbasin and to install new groundwater monitoring wells. Submittal of the grant proposal requires a Resolution from the Napa County Groundwater Sustainability Agency authorizing submittal of the proposal, authorizing specific staff to file and execute the grant agreement, and confirming the GSA's intent to conduct the grant project pursuant to all grant conditions. If awarded, grant funding will help to offset a significant portion of consultant and staff costs related to developing a GSP that would otherwise be supported by the County General Fund.

The scope of work included in the grant proposal includes: Grant Administration, Stakeholder Engagement and Outreach, GSP Development, Integrated Hydrologic Model Development, Data Management System with Online Visualization Development, and Monitoring Well Installation and Instrumentation. The proposed scope of work is consistent with and continues to implement Napa County's groundwater program under the direction of the GSA, will directly support the work of the GSA, and helps to ensure continued compliance with the Sustainable Groundwater Management Act.

The Agency Executive Officer requests adoption of the proposed resolution authorizing the Napa County Director of Public Works to submit a proposal to the California Department of Water Resources for funding through the Sustainable Groundwater Management Grant Program.

SUPPORTING DOCUMENTS

A . Resolution

District Engineer Recommendation: Approve

Reviewed By: Helene Franchi