

EXECUTIVE SUMMARY

OVERVIEW

The Sustainable Groundwater Management Act (SGMA) lays out a process and timeline to achieve sustainability in each groundwater sub-basin that falls within its scope. One initial requirement is formation of a Groundwater Sustainability Agency (GSA) by an “eligible local agency” or combination of agencies: any local public agency that has water supply, water management, or land use responsibilities within a covered groundwater basin. GSAs must be formed not later than June 30, 2017. Once formed, a GSA must develop and implement a Groundwater Sustainability Plan (GSP) for the basin, or portion of a basin, it is managing under SGMA. Each basin must be covered in its entirety by a GSA; any uncovered areas are presumed to be managed by the overlying county as a GSA. GSPs must be adopted by January 31, 2020 or 2022, depending on whether a sub-basin is designated as critically overdrafted.

APPROACH

This assessment report has been prepared by Kearns & West, Inc. and HydroMetrics, Inc. (collectively the “K&W Team”) under a contract with Butte County. It is intended to assist the County, other local agencies, and diverse stakeholders in establishing a GSA structure for the four groundwater sub-basins that underlie Butte County by the SGMA deadline. The K&W team prepared this report through these steps:

- An initial consultation with key County staff;
- Ongoing review of relevant information about groundwater conditions and issues in Butte County and the region, along with information related to SGMA and its implementation;
- Observing meetings of the Northern Sacramento Valley Integrated Regional Water Management Plan’s Technical Advisory Committee that addressed groundwater conditions;
- Ongoing development of a list of potential participants for the assessment process;
- Circulation of a letter approved by the County’s Department of Water and Natural Resources introducing the assessment process;
- Scheduling and conducting 13 interviews in a variety of formats involving over 46 people, using a consistent set of questions; and
- Preparing a draft report that was circulated to assessment participants for review and comment back to our team.

KEY FINDINGS

The report presents Key Findings organized into eight categories or topics. While it is not practical to present the Key Findings in their entirety here and much of the information is best read in context, the following are provided as examples:

- Butte County overlies portions of four sub-basins that are subject to SGMA: Vina, West Butte, East Butte, and North Yuba. None of these lies entirely within Butte County, which means that GSA formation potentially requires engagement with adjoining counties and other local agencies.
- GSA formation is relatively advanced in Butte County: most local agencies filed GSA formation notices with the CA Department of Water Resources prior to or during the course of this assessment. There are between two and 10 notices for each sub-basin, and in some cases the notices indicate overlapping management areas that must be resolved. California Water Service Company is eligible to participate in a GSA based on a written legal agreement although, as an investor-owned water company, it cannot form its own GSA. Tables 1 and 2 contain detailed information about local agency GSA filings.
- SGMA implementation in Butte County is likely to be influenced by a variety of historical events involving water resource management. These include the drought of the late 1980s-early 1990s; one or more groundwater substitution transfers during that period and reactions to those transfers; development of a groundwater model; passage of Measure G in 1996 and adoption of a Groundwater Conservation ordinance and its codification in Chapter 33; formation of the Department of Water and Resource Conservation in 1999; and actions to support groundwater management prior to passage of SGMA in 2014.
- One important challenge for SGMA implementation will be basic differences in values and beliefs about water resources in the County and region; these differences have been a source of ongoing public disagreement and debate for at least two decades. SGMA offers an opportunity to pursue more constructive public conversations and shared objectives without abandoning values.
- A relatively high level of reliable information about groundwater conditions is available as a result of Butte County's past planning and monitoring activities. The County and DWR are both viewed as generally reliable sources of information. Knowledge of groundwater conditions varies among water professionals, local agency representatives, key stakeholders, and the general public.
- There is a spectrum of understanding about SGMA's requirements, authorities, milestones, and deadlines across the County. It is particularly significant that SGMA knowledge appears uneven among independent groundwater pumpers.
- Access – or lack of access – to valuable surface water rights is a key factor for water resource management in the County's four sub-basins.
- There are diverse and important interests that must be addressed through the GSA formation process in order to build support for SGMA implementation.
- Three basic models are useful for exploring different GSA formation options. These are:
 - Model I: a single GSA that assumes all responsibilities and authorities for an entire sub-basin, either a new legal entity or an existing entity;
 - Model II: multiple GSAs in a single sub-basin, each assuming all responsibilities for their service areas, linked through a coordination agreement; and

- Model III: a hybrid approach involving a centralized GSA that assumes some authorities for an entire sub-basin and multiple GSAs that retain other authorities for their service areas.

In all cases GSA formation should include practical considerations related to the purpose for a GSA: preparing and implementing a GSP and achieving sustainability over time.

PRELIMINARY PROCESS OPTIONS

The report discusses in detail 11 options for a GSA formation process; these are intended for individual consideration but could be combined into an integrated strategy. The overarching or broadest option is a *Butte County SGMA Implementation Forum* that would serve as a focus for diverse activities linked to GSA formation, GSP development, and SGMA implementation. One early activity for a Forum would be initiating structured discussions among eligible local agencies about GSA formation. The Forum would also serve as a focus for collaborative development of information needed for GSPs and effective public outreach and education about SGMA implementation. Other process options include:

- One or more networks for independent groundwater pumpers;
- County conversations with groundwater users;
- An education partnership with the Butte County Farm Bureau;
- Engagement with environmental interests; and
- Engaging the Water Commission.

RECOMMENDATIONS

The report offers Recommendations in four categories: GSA formation, public education and outreach, related entities and structures, and Native American tribal interests. These are presented below in their entirety.

GSA FORMATION

1. Butte County convenes a discussion among GSA-eligible local agencies in Butte County following release of this assessment report. The discussion would be intended to evaluate interest in specific GSA formation process options to support informed and timely decision making, and would also address resolution of overlapping management areas, interests related to basin boundary adjustments, and prospects for one or more GSPs.
2. Quickly evaluate interest in entering into a “cooperation MOU” among GSA eligible local agencies; while seen as a useful step in other parts of the state, this option may have limited value given Butte County’s relatively advanced stage of GSA formation.

3. Determine support for a SGMA Implementation Forum or similar structured public discussion and make timely decisions about next steps.
4. Explore GSA formation concurrently with development of information for GSP preparation, building on the groundwater model update, existing water management plans, and integration of modeling across groundwater basins.
5. Pursue other steps based on outcomes of 1-4 above.

PUBLIC EDUCATION AND OUTREACH

1. Actively promote education and understanding about SGMA and its implementation across Butte County. The specific strategies and methods will depend on decisions about GSA formation recommendations (above). Ensure that technical information about groundwater conditions that will be at the heart of GSP development is accessible and understandable outside technical groups.
2. Regardless of GSA structure, ensure consistent and appropriate public accessibility and transparency around GSA formation dialog and decision making.
3. Explore the potential for constructively engaging representatives of environmental advocacy organizations in the SGMA implementation process on the basis of mutual commitments to respectful dialog regardless of differences in values or perspectives.

RELATED ENTITIES AND STRUCTURES

1. Leverage opportunities to promote technical integration on a regional scale, such as the groundwater model initiative funded by the California Water Foundation.
2. Coordinate and integrate any changes by Butte County to its water policy structure with other SGMA implementation efforts.

NATIVE AMERICAN TRIBAL INTERESTS

1. Clarify potential Native American Tribal interests and appropriate next steps.