



COUNTY OF SAN LUIS OBISPO
BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL

(1) DEPARTMENT Groundwater Sustainability	(2) MEETING DATE 6/6/2023	(3) CONTACT/PHONE Blaine Reely / (805) 781-4206	
(4) SUBJECT Hearing to consider adoption of a resolution 1) withdrawing from serving as the Groundwater Sustainability Agency (GSA) within the Estrella-El Pomar-Creston Water District (EPCWD) service area through modification of the boundaries of the "Paso Basin – County of San Luis Obispo Groundwater Sustainability Agency"; 2) acceptance and approval of the "Addition of Party to Memorandum of Agreement regarding Preparation of a Groundwater Sustainability Plan for the Paso Robles Groundwater Basin" signed by the EPCWD; 3) authorizing the Director of Groundwater Sustainability to take actions to effectuate the GSA boundary modification; 4) and find the project is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA). Districts 1, 2, 4 and 5.			
(5) RECOMMENDED ACTION It is recommended that the Board, acting as the Paso Basin – County of San Luis Obispo Groundwater Sustainability Agency, consider adoption of the attached Resolution: 1. Withdrawing from serving as the Groundwater Sustainability Agency (GSA) within the Estrella-El Pomar-Creston Water District (EPCWD) service area through modification of the boundaries of the "Paso Basin – County of San Luis Obispo Groundwater Sustainability Agency" (Paso Basin – County GSA) established by the Board of Supervisors on May 16, 2017 by Resolution 2017-134 and on November 19, 2019 by Resolution 2019-320; 2. Acceptance and approval of the "Addition of Party to Memorandum of Agreement regarding Preparation of a Groundwater Sustainability Plan (GSP) for the Paso Robles Groundwater Basin" signed by the EPCWD (Addition); 3. Authorizing and directing the Director of Groundwater Sustainability or his/her designee to submit the notice of adoption of the Resolution in addition to all other information required by the Sustainable Groundwater Management Act (SGMA) to the State Department of Water Resources, and take any other actions necessary to effectuate the GSA boundary modification described therein; and 4. Find the project is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA) and directing the Environmental Coordinator to file a Notice of Exemption.			
(6) FUNDING SOURCE(S) General Fund	(7) CURRENT YEAR FINANCIAL IMPACT \$0	(8) ANNUAL FINANCIAL IMPACT \$0	(9) BUDGETED? No
(10) AGENDA PLACEMENT ☐ Consent ☐ Presentation ☒ Hearing (Time Est. 60 min) ☐ Board Business (Time Est. _____)			
(11) EXECUTED DOCUMENTS ☒ Resolutions ☐ Contracts ☐ Ordinances ☐ N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A ☐ 4/5 Vote Required ☒ N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY ☐ N/A Date 03/06/2018 #29	
(17) ADMINISTRATIVE OFFICE REVIEW Zachary Lute			
(18) SUPERVISOR DISTRICT(S) District 1, District 2, District 4, and District 5			



COUNTY OF SAN LUIS OBISPO

TO Board of Supervisors

FROM Blaine Reely / Department of Groundwater Sustainability / 805-280-4206

DATE 6/06/2023

SUBJECT: Hearing to consider adoption of a resolution 1) withdrawing from serving as the Groundwater Sustainability Agency (GSA) within the Estrella-El Pomar-Creston Water District (EPCWD) service area; 2) acceptance and approval of the "Addition of Party to Memorandum of Agreement regarding Preparation of a Groundwater Sustainability Plan for the Paso Robles Groundwater Basin" signed by the EPCWD; 3) authorizing the Director of Public Works to take actions to effectuate the Paso Basin – County GSA boundary modification; 4) and find the project is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA). Districts 1, 2, 4, and 5.

RECOMMENDATION

It is recommended that the Board, acting as the Paso Basin – County of San Luis Obispo Groundwater Sustainability Agency, consider adoption of the attached Resolution:

1. Withdrawing from serving as the Groundwater Sustainability Agency (GSA) within the Estrella-El Pomar-Creston Water District (EPCWD) service area through modification of the boundaries of the "Paso Basin – County of San Luis Obispo Groundwater Sustainability Agency" (Paso Basin – County GSA) established by the Board of Supervisors on May 16, 2017 by Resolution 2017-134 and on November 19, 2019 by Resolution 2019-320;
2. Acceptance and approval of the "Addition of Party to Memorandum of Agreement regarding Preparation of a Groundwater Sustainability Plan (GSP) for the Paso Robles Groundwater Basin" signed by the EPCWD (Addition);
3. Authorizing and directing the Director of Groundwater Sustainability or his/her designee to submit the notice of adoption of the Resolution in addition to all other information required by the Sustainable Groundwater Management Act (SGMA) to the State Department of Water Resources (DWR), and take any other actions necessary to effectuate the GSA boundary modification described therein; and
4. Find the project is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA) and directing the Environmental Coordinator to file a Notice of Exemption.

DISCUSSION

SGMA requires sustainable groundwater management in all high and medium priority basins throughout the State of California, including the Salinas Valley – Paso Robles Area Subbasin (Paso Basin). SGMA's first critical deadline required formation of GSAs by June 30, 2017. SGMA authorizes any local agency¹ or combination of local agencies (e.g. counties, cities, certain special districts) overlying a groundwater basin to decide to become a GSA for that basin within its service area after holding the properly noticed public hearing(s) (Water Code Section 10723(b)).

On May 16, 2017, the Board held a public hearing and adopted Resolution 2017-134 forming the Paso Basin – County GSA. The adopted resolution includes reference to the County of San Luis Obispo (County)'s SGMA Strategy² which acknowledges the possibility of the formation of a new eligible local agency (e.g. EPCWD) after the SGMA GSA formation deadline, and the ability of the Board through future action to subsequently withdraw from serving as the GSA within that agency's service area. If and when the EPCWD formed and its Board of Directors decided to become the GSA for its service area, staff was directed to return to the Board for consideration of potential withdrawal.

In the summer of 2017, each of the GSAs that formed prior to the statutory deadline within the Paso Basin executed a Memorandum of Agreement regarding Preparation of a Groundwater Sustainability Plan (GSP) for the Paso Robles Groundwater Basin (MOA) for purposes of establishing the process by which the GSAs would collaboratively prepare a GSP.

On December 8, 2017, the San Luis Obispo Local Agency Formation Commission filed a certificate of completion for the formation of the EPCWD. On January 4, 2018, the EPCWD Board held a public hearing during which it decided to become the GSA over the portions of the Paso Basin within its service area, accepted and approved the Addition, and requested that the County withdraw from serving as the GSA within the EPCWD boundaries.

On March 6, 2018, the Board passed a motion declining to withdraw from serving as the GSA within the EPCWD service area.

On November 19, 2019, the Board held a public hearing and adopted Resolution 2019-320 modifying the service area boundaries of the Paso Basin – County GSA to align with the revised DWR boundary for the Paso Basin and the revised Shandon-San Juan Water District boundary.

In late 2019, each GSA adopted the Paso Robles Subbasin Groundwater Sustainability Plan (GSP) developed under the MOA and the GSP was submitted to DWR in January 2020. Subsequently, the GSP was revised by each GSA and approved by DWR in July 2022.

In early 2020, the GSAs entered into Amendment No. 1 to the MOA noting that the Heritage Ranch Community Services District had withdrawn from the MOA and stating that the MOA may also serve as the basis for continued cooperation among the GSAs in the management of the Paso Basin during the period between adoption of the GSP and development of a long-term governance structure for implementation of the GSP.

¹ Pursuant to Water Code Section 10721(n), SGMA defines "local agency" as a local public agency that has water supply, water management, or land use responsibilities within a groundwater basin.

² The adopted SGMA Strategy (adopted on January 13, 2015 and subsequently amended on various dates) is available at: [SGMA-Strategy.pdf \(ca.gov\)](https://www.sanluisobispo.gov/files/SGMA-Strategy.pdf)

On February 8, 2023, the EPCWD Board of Directors voted unanimously to again request that the County withdraw from serving as the GSA within the EPCWD service area, and on May 10, 2023 held another public hearing during which it again decided to become the GSA over the portions of the Paso Basin within its service area, accepted and approved the Addition of Party to Memorandum of Agreement regarding Preparation of a Groundwater Sustainability Plan for the Paso Robles Groundwater Basin attached to the MOA as Exhibit A (Addition) and authorized the President of its Board of Directors to designate appointees or staff to participate in the implementation of the GSP.

Consistent with the County's adopted SGMA Strategy and Resolution 2017-134, it is recommended that the Board consider withdrawing from serving as the GSA within the EPCWD service area through modification of the GSA boundaries and acceptance and approval of the Addition.

Should the Board decide to withdraw, and accept and approve the Addition, such actions would allow the EPCWD to join the County and other Paso Basin GSAs in the adoption, administration and implementation of the approved GSP.

The Environmental Coordinator has reviewed the proposed action and determined that it is exempt from the requirements of the California Environmental Quality Act for the reasons articulated in the attached Notice of Exemption. More specifically, the only foreseeable impact of the action based on the resolution adopted by the EPCWD Board of Directors on May 10, 2023 is that EPCWD will adopt and implement the GSP jointly prepared and implemented under the MOA.

OTHER AGENCY INVOLVEMENT/IMPACT

The EPCWD has formed in the Paso Basin, in part, for the purpose of serving as a GSA within its service area and is requesting that the County withdraw from the EPCWD service area and approve its addition to the MOA.

Four local agencies in San Luis Obispo County (City of Paso Robles, San Miguel Community Services District, County of San Luis Obispo, Shandon-San Juan Water District) cover the portion of the Paso Basin which is located within the County's boundaries. The four GSAs within San Luis Obispo County entered into the amended MOA (which included the Addition form as Exhibit A of the MOA) to collaboratively develop and administer the GSP.

In addition to local efforts, DWR acts as the agency in charge of developing regulations, reviewing GSAs and GSPs, and providing technical assistance to local agencies. Pending today's action, staff will continue to work with DWR, the other GSAs, and the EPCWD to effectuate any modifications to the GSA boundaries. The State Water Resources Control Board acts as the agency in charge of enforcement, in situations of non-compliance specified in SGMA.

FINANCIAL CONSIDERATIONS

The costs associated with GSA administration, annual reporting, and the periodic updating of the GSP in areas of basin that are represented by the County for the purposes of SGMA compliance are included in the annual Groundwater Sustainability Departmental budget. Preliminary cost estimates for those efforts for FY 2023-2024 are estimated to be approximately \$80,000, which represents 62% of the shared costs among the other three GSAs.

The County's portion of the budget is not anticipated to exceed the approved budget; however, staff would return to the Board if needed. Should the Board decide to withdraw, and accept and approve the Addition, the EPCWD would be responsible for funding a portion of the Paso Basin Cooperative Committee's budget, in accordance with the allocations and terms set forth in the MOA. This would reduce the County's required contribution to the MOA efforts.

RESULTS

Approval of the recommended action will provide clear direction on stakeholders' representation in the Paso Basin under SGMA and during GSP implementation, and thereby contributes to a well-governed community.

ATTACHMENTS

1. Vicinity Maps
2. Resolution No. 23-002 of the Board of Directors of the EPCWD
3. Addition of Party to Memorandum of Agreement regarding Preparation of a Groundwater Sustainability Plan for the Paso Robles Groundwater Basin
4. Notice of Exemption
5. Resolution Withdrawing from Serving as the Groundwater Sustainability Agency (GSA) within the Estrella-El Pomar-Creston Water District (EPCWD) Service Area through Modification of the Boundaries of the "Paso Basin - County Of San Luis Obispo Groundwater Sustainability Agency" (Paso Basin - County GSA) and Acceptance and Approval of the Addition of Party to Memorandum of Agreement Regarding Preparation of a Groundwater Sustainability Plan for the Paso Robles Groundwater Basin Signed by the EPCWD; Authorizing the Director of Public Works to take Actions to Effectuate the Paso Basin - County GSA Boundary Modification; and Finding that the Project is Exempt from Section 21000 et seq. of the California Public Resources Code (CEQA)
6. PowerPoint Presentation