



Board Agenda Item 11

DATE: September 27, 2016

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Joint Powers Agreement for Implementation of the Sustainable Groundwater Management Act within the North Kings Groundwater Subbasin

RECOMMENDED ACTION(S):

- 1. Receive presentation and oral report regarding ongoing implementation of the Sustainable Groundwater Management Act and the status of the formation of Groundwater Sustainability Agencies within the County of Fresno.**
- 2. Authorize Chairman to execute proposed Joint Powers Agreement for implementation of the Sustainable Groundwater Management Act in the North Kings Groundwater Subbasin and designate a Board member and two alternates to serve as a member of the Board of Directors for the North Kings Groundwater Sustainability Agency.**

Approval of the recommended action would authorize the County's execution of a Joint Powers Agreement (JPA) between multiple agencies within the North Kings groundwater subbasin. The JPA would form a separate legal entity with a Board of Directors who will in turn vote to file a notice of intent with the California Department of Water Resources to become the exclusive Groundwater Sustainability Agency (GSA) for a portion of the Kings groundwater subbasin. The GSA would then develop and implement a Groundwater Sustainability Plan (GSP) as required by the Sustainable Groundwater Management Act (SGMA).

ALTERNATIVE ACTION(S):

The Board may determine not to approve the recommended action.

FISCAL IMPACT:

Approval of the recommended action would result in a Net County Cost. The proposed Joint Powers Agreement establishes member contribution rates to the agency. The County of Fresno's contribution rate is set at 15.95% and is capped at \$308,582 through January, 2020. The agency's budget for FY 2016-17 is estimated to be \$135,000.00, of which the County's contribution is estimated to be \$21,532.50. This amount is included in the Department's FY 2016-17 Adopted Budget in Org 43601250. It is the intent of the member agencies to seek Proposition 1 grant funds established for the development and implementation of the SGMA to offset a portion of this cost.

DISCUSSION:

The Sustainable Groundwater Management Act (SGMA), signed into law in September of 2014, established a new structure for managing California's groundwater resources at the local level by local agencies. The SGMA

allows the formation of locally controlled Groundwater Sustainability Agencies (GSAs) in the State's higher priority groundwater basins by June 30, 2017. Each GSA is then required to develop and implement a Groundwater Sustainability Plan (GSP) to meet a sustainability goal of the basin that ensures that it is operated within a sustainable yield without causing undesirable results. Failure to timely form a GSA and implement a GSP in a groundwater basin could result in the State Water Resources Control Board asserting its power to manage local groundwater resources.

On November 17, 2015, the Board authorized the execution of a Memorandum of Understanding with the intent to explore, study and evaluate the formation of a governance structure (e.g. joint powers authority or similar arrangement) to develop and implement a groundwater sustainability plan for the North Kings subbasin. Subsequently, Department staff has participated in the North Kings governance committee, which met monthly and included representatives from regional agencies including irrigation districts, cities, disadvantaged communities, Fresno State and independent groundwater extractors.

It is the intent that the Joint Powers Agreement (JPA) before the Board today will be signed by each of the participating local agencies to form a separate legal entity with a Board of Directors that will file to become the exclusive GSA for a portion of the Kings groundwater subbasin (see Exhibit A). The JPA establishes powers given to a GSA as described in SGMA which includes the requirement to develop and implement a GSP, the monitoring and regulation of groundwater extraction, the assessment of fees, coordination with adjacent GSAs within the Kings subbasin and surrounding subbasins and the reporting of information and data to the State Department of Water Resources.

The JPA forms a seven member governing Board with one permanent appointment each coming from the County of Fresno, Fresno Irrigation District, City of Fresno and the City of Clovis. One appointment will be shared between Garfield Water District, International Water District and Fresno Irrigation District. One appointment will be shared between the City of Kerman, the Biola Community Service District, Fresno State and Bakman Water Company. One appointment will be an at-large appointment by the Board of Directors from amongst the remaining members and Board approved contracting entities and interested parties.

The JPA stipulates that Directors shall be elected officials who have been appointed to serve on the Authority's Board of Directors by their respective boards. The JPA provides that up to two alternates may serve on the Party's behalf and that alternates need not be elected officials.

The JPA also establishes member contribution rates for the first three years with the intent to have a GSP completed and adopted within the timeframe. Member contribution rates were determined based upon the member's seat on the Board of Directors and groundwater pumping data within each agency's jurisdictional boundary. The County of Fresno's contribution rate is set at 15.95% and is capped at \$308,582 (see Exhibit "B"). The agency's budget for FY 2016-17 is estimated to be \$135,000.00, of which the County's contribution is estimated to be \$21,532.50. It is the intent of the member agencies to seek Proposition 1 grant funds established for the development and implementation of the SGMA to offset a portion of this cost.

On March 10, 2015, the Board of Supervisors endorsed concepts for a Governance Agreement intended to guide implementation of the SGMA for all participants. Staff has evaluated the proposed JPA and finds it to be consistent with the Governance Agreement concepts. As a result, staff recommends approval and execution of the proposed JPA. As of the date of preparation of this item, the Fresno Irrigation District and the Biola Community Services District had executed the proposed JPA.

REFERENCE MATERIAL:

BAI # 8 March 10, 2015

BAI # 52 November 17, 2015

ATTACHMENTS INCLUDED AND/OR ON FILE:

Exhibit A - B
On file with Clerk - Joint Powers Agreement

CAO ANALYST:

John Hays