



Santa Clara Valley Water District

File No.: 17-0290

Agenda Date: 6/13/2017

Item No.: 2.7.

BOARD AGENDA MEMORANDUM

SUBJECT:

Public Hearing and Resolution to Become the Groundwater Sustainability Agency for the Portions of the Hollister and San Juan Bautista Subbasins Located within Santa Clara County.

RECOMMENDATION:

- A. Conduct the public hearing to become the Groundwater Sustainability Agency for the portions of the Hollister and San Juan Bautista Subbasins located within Santa Clara County; and
- B. Adopt the Resolution BECOMING THE GROUNDWATER SUSTAINABILITY AGENCY FOR THE PORTIONS OF THE HOLLISTER AND SAN JUAN BAUTISTA SUBBASINS LOCATED WITHIN SANTA CLARA COUNTY.

SUMMARY:

The Sustainable Groundwater Management Act (SGMA or Act) identifies the Santa Clara Valley Water District (District) as the exclusive local agency to comply with the Act within its statutory boundaries (i.e., Santa Clara County). For basins subject to SGMA requirements within the county, the District may: 1) decide to become the Groundwater Sustainability Agency (GSA), or 2) opt out of being the exclusive groundwater management agency. The statutory deadline to become a GSA is June 30, 2017.

In 2016, the District became the GSA for the Santa Clara and Llagas subbasins, the major groundwater basins in the county that the District has managed for many decades. The only other basins currently subject to SGMA requirements in Santa Clara County are the Hollister and San Juan Bautista subbasins (DWR Basins 3-3.03 and 3-3.04, respectively). These subbasins are centered in San Benito County, with small portions extending into Santa Clara County (Attachment 1). At the February 14, 2017 Board meeting, staff presented several SGMA compliance options for the Santa Clara County portions of these subbasins. The Board directed staff to pursue becoming the GSA for the areas within the county, and to coordinate with the San Benito County Water District (SBCWD), which manages the portions of the subbasins within San Benito County.

This public hearing is being held pursuant to Water Code Section 10723, and provides an opportunity for any interested person to provide comments. To ensure SGMA compliance, staff

recommends that the Board adopt the resolution to become the GSA for the portions of Hollister and San Juan Bautista subbasins located within Santa Clara County (Attachment 2). The resolution will also authorize staff to submit the resolution and required information to DWR. Staff is working to develop a Memorandum of Understanding (MOU) with the SBCWD to outline the general responsibilities of each agency in preparing a Groundwater Sustainability Plan (GSP) by the statutory deadline of January 2022.

Background

The Hollister and San Juan Bautista subbasins are primarily located within San Benito County. In terms of area, Santa Clara County contains less than ten percent of the Hollister Subbasin (4.7 square miles) and less than one percent of the San Juan Bautista Subbasin (0.77 square miles), with fewer than 30 known water supply wells located within Santa Clara County. Other than well permitting, the District does not presently conduct groundwater management activities in the Hollister or San Juan Bautista subbasin.

The main portion of the Hollister Subbasin in Santa Clara County is downstream of the Pacheco Reservoir, and groundwater generally flows south toward San Benito County. The Pacheco Reservoir, owned by the Pacheco Pass Water District, is operated to release water for groundwater replenishment and environmental purposes. Downstream groundwater pumpers benefit from the reservoir releases, including pumpers in San Benito County. The SBCWD monitors and manages the large portions of the subbasins in San Benito County, and prepares annual reports summarizing groundwater conditions. SBCWD has elected to become the GSA for the San Benito County portions of the Hollister and San Juan Bautista subbasins and has submitted required information to DWR.

The primary responsibility of GSAs is the preparation and implementation of long-term plans to ensure sustainable groundwater management. Because the deadline for submitting an Alternative to a GSP was January 1, 2017, agencies must now prepare a GSP in accordance with statutory deadlines. For a basin not in critical overdraft (including the Hollister and San Juan Bautista subbasins), a GSP covering the entire basin must be submitted to DWR by January 31, 2022. If there are multiple GSAs within a basin, the agencies can develop a single GSP for the entire basin, or each GSA can develop a separate GSP for the portion of the basin they manage, provided there is a related coordination agreement. Due to the small size of the Santa Clara County portions and SBCWD management of the bulk of the subbasins, the agencies are planning to develop a single GSP rather than having separate GSPs by service area.

The District and SBCWD are developing a MOU to define the general responsibilities of each agency in developing the GSP, including data sharing, consultant procurement, schedule, and cost sharing. Since the subbasins are primarily located in San Benito County, it is anticipated that SBCWD will take the lead in procuring a consultant to develop the GSP by the statutory deadline of January 2022. The schedule for GSP completion will allow adequate time for Board consideration and approval prior to submittal to DWR. The total cost to prepare the GSP is unknown, but is expected to be less than \$300,000. The District cost-share under the MOU is still being negotiated, but is expected to be less than \$50,000 as the subbasin areas within the District's service area are small in comparison to San Benito County. The draft MOU is included as Attachment 3. An additional MOU or agreement will

likely be required following completion of the GSP to address the role of each agency in implementing the plan. The annual District costs to perform as the GSA in implementing the GSP are undetermined, but also expected to be relatively small.

FINANCIAL IMPACT:

Because the District is already identified as an exclusive SGMA compliance agency, costs related to formally becoming the GSA are expected to be minor (less than 40 staff hours).

As noted above, District costs related to future GSP development are still being negotiated with SBCWD as part of the MOU, but are expected to be less than \$50,000. Future District costs related to groundwater management activities within the Hollister and San Juan Bautista subbasins will be explored during development of the GSP, and will be addressed through a future MOU or agreement with SBCWD. Related annual costs are expected to be relatively small.

Since District activities undertaken in the Hollister and San Juan Bautista subbasins likely would not provide benefits to District customers in existing groundwater charge zones, the District has created a new project sourced from non-rate related funds for related expenditures.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

- Attachment 1: Map
- Attachment 2: Resolution
- Attachment 3: Draft MOU with San Benito County Water District
- Attachment 4: PowerPoint

UNCLASSIFIED MANAGER:

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