

# Staff Report

File #: 19-1424, Version: 2

Item #: C-5.

CC - Approval of the First Amendment to the Memorandum of Understanding for the Formation of the Santa Monica Basin Groundwater Sustainability Agency

Meeting Date: June 24, 2019

**Contact Person/Dept:** Helen Chin/Public Works Department

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Fiscal Impact: Yes [] No [X] General Fund: Yes [] No [X]

Public Hearing: [] Action Item: [] Attachments: [X]

Commission Action Required: Yes [] No [] Date:

Public Notification: (E-Mail) Meetings and Agendas - City Council (06/19/19);

**Department Approval:** Charles D. Herbertson, Public Works Director/City Engineer (06/14/19)

## RECOMMENDATION

Staff recommends the City Council approve a First Amendment to the Memorandum of Understanding for the Formation of the Santa Monica Basin Groundwater Sustainability Agency.

## BACKGROUND

## Sustainable Groundwater Management Act

In September 2014 Governor Brown signed three bills (AB 1793, SB 1319, and SB 1168) designed to advance groundwater management in California. The legislation, together known as the Sustainable Groundwater Management Act (SGMA), provides for improved management of groundwater in unadjudicated basins by local authorities. The SGMA is one component of an integrated state policy that includes conservation, recycling, safe drinking water, storage, and watershed restoration. Sustainable management addresses management and use of groundwater in a way that can be maintained without lowering groundwater levels, significant reduction in groundwater storage, unreasonable salt water intrusion, degradation of water quality, land subsidence, and surface water depletion.

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Groundwater provides water for over 6 million Californians and is used by much of the state's \$45 billion agriculture industry. Groundwater is a critical resource that has been overused and underregulated for over a century leaving California at risk for catastrophe during periods of extreme drought. During California's severe drought, farmers and other large users were encouraged to pump their own groundwater when surface water supplies ran low. Good groundwater management will provide a buffer against drought and climate change, and contribute to reliable water supplies regardless of weather patterns.

Department of Water Resources (DWR) Bulletin 118 has identified 515 alluvial groundwater basins in California and ranked these basins from high to very low priority. Basin prioritization is a statewide ranking of groundwater basin importance that incorporates groundwater reliance throughout the State and a scoring criteria for each basin using eight specific criteria: overlaying population, projected growth of overlying population, public supply wells, total number of wells, irrigated acreage overlying the basin, reliance on groundwater as the primary source of water, impacts on the groundwater, and other information deemed relevant by DWR.

## Santa Monica Groundwater Basin

In 2014, the DWP established an initial priority for each basin through the California Statewide Groundwater Elevation Monitoring Program, established in response to the 2009 Comprehensive Water Package. The Santa Monica Groundwater Basin was designated a medium priority basin and is required to develop a Groundwater Sustainability Plan (GSP). The basin covers approximately 50 square miles under the cities of Santa Monica, portions of Los Angeles and Beverly Hills and most of the City of Culver City. Basins are required to have Groundwater Sustainability Agencies (GSA) covering the entire basin, either under a single GSA or multiple GSAs. If part of a basin is not covered, the County will be the presumed GSA for the unmanaged area.

Santa Monica, as the principal groundwater pumper for the basin, has been designated as the lead agency for formation of the GSA. Development of a groundwater management plan for the entire Santa Monica Groundwater Basin provides opportunities for local agencies to work together collaboratively to develop plans to protect this asset and to achieve water self-sufficiency.

On May 30, 2017, the City Council approved the adoption of a resolution authorizing Culver City to join the Santa Monica Basin GSA (SMBGSA). As such, Culver City has been able to participate as a member of the agency that governs the entire Santa Monica Basin and advise on behalf of its residents and other stakeholders. The agencies within the SMBGSA will have authority to conduct investigations, determine the sustainable yield of a groundwater basin, measure and limit extractions, impose fees for groundwater management, and enforce the terms of a Groundwater Sustainability Plan (GSP). The SGMA states that nothing in a GSP supersedes the land use authority of cities.

The SGMA sets a timeline for implementation as follows:

- June 30, 2017: Local Groundwater Sustainability Agencies (GSA) must be formed.
- January 31, 2022: Groundwater Sustainability Plans (GSP) must be completed in all medium priority basins.
- 2042: Medium priority groundwater basins must achieve sustainability.

# DISCUSSION

Since the approval of the MOU in May 2017, the agencies in the SMBGSA have taken steps to prepare a GSP. Lead by Santa Monica, the SMBGSA has held interested party workshops, drafted and released an RFP for a SGMA consultant, received and reviewed consultant proposals, and discussed the cost-sharing arrangement for the five member agencies.

In May 2018, the DWR released a draft prioritization schedule of groundwater basins after a reassessment of basin boundaries. Santa Monica asked for a review of the medium-priority designation for Santa Monica Basin and a basin reclassification. In January 2019, DWR released a final determination that the Santa Monica Basin remains a medium priority basin. As such the member agencies have proceeded with the GSP preparation.

The amendment to the MOU provides an update to the details for the GSP preparation costs, authorization of Santa Monica to develop the GSP, and coordination among the member agencies to review and approve the GSP sections as they are prepared by the consultant.

## FISCAL ANALYSIS

There are no fiscal impacts to approve the amendment to the MOU. Costs to prepare the GSP are estimated to be \$1.3 million, which will be shared equally between Santa Monica and Los Angeles Department of Water and Power as outlined in the amendment. At this time, it is anticipated that staff time will be required to coordinate with the other member agencies in review and approval of GSP reports.

# ATTACHMENTS

1. First Amendment to the MOU for the Formation of the Santa Monica Basin Groundwater Sustainability Agency

## <u>MOTION</u>

That the City Council:

- 1. <u>Approve the First Amendment to the Memorandum of Understanding related to the City's</u> participation in the SMBGSA;
- 2. <u>Authorize the City Attorney to review/prepare the necessary documents; and</u>
- 3. Authorize the City Manager to execute such documents on behalf of the City; or
- 4. <u>Provide alternative direction to the City Manager as deemed appropriate.</u>