MINUTES OF THE WORKSHOP MEETING OF THE
BOARD OF DIRECTORS OF THE
VISTA IRRIGATION DISTRICT

June 29, 2015

A workshop of the Board of Directors of the Vista Irrigation District was held on Monday, June 29, 2015, at the offices of the District, 1391 Engineer Street, Vista, California.

1. CALL TO ORDER

The meeting was called to order at 9:00 a.m.

2. ROLL CALL

Directors present: Miller, Vasquez, Dorey, Reznicek, and MacKenzie

Staff present: Don Smith, Director of Water Resources; Brian Smith, Director of Engineering; Brett Hodgkiss, Administrative Services Manager; Marlene Kelleher, Finance Manager; Jessica Sherwood, Water Resources Office Assistant; and Marian Schmidt, Assistant Board Secretary. General Counsel Joel Kuperberg and Back-up General Counsel Jeremy Jungreis were also present.

Other attendees: None.

3. APPROVAL OF THE AGENDA

15-06-70	***Upon motion by Director Vásquez, seconded by Director Reznicek and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Reznicek, and MacKenzie), the Board of Directors approved the agenda as presented.***

4. PUBLIC COMMENT TIME

There were no members of the public present.

5. SUSTAINABLE GROUNDWATER MANAGEMENT ACT WORKSHOP

See staff report attached hereto.

Director of Water Resources Don Smith presented information regarding the Sustainable Groundwater Management Act of 2014 (SGMA), informing the Board of the new law which enables local agencies to form Groundwater Sustainability Agencies to manage groundwater resources within their jurisdiction.

Mr. Smith informed the Board that within this workshop he would provide an update on the District's groundwater basin as well as review several options available to the District under the new law regarding management of its groundwater basin. Mr. Smith said that following his presentation, General Counsel Jeremy Jungreis would discuss implementation of the SGMA and issues to consider when determining whether to form a Groundwater Sustainability Agency (GSA). Upon the conclusion of Mr. Jungreis' presentation, there would be an open discussion on different options for the District.

Mr. Smith provided an overview of the Warner Ranch and the Warner Valley Groundwater Basin, noting it was one of 515 alluvial groundwater basins and sub-basins recognized by the State and described in the California Department of Water Resources (DWR) Bulletin 118. He also presented an overview of the SGMA, its requirements and the process for forming a GSA. A copy of the presentation is attached hereto as Exhibit "A".

Referencing Figure A-3 of attached Exhibit "A", Mr. Smith pointed out San Luis Rey River watershed (600 square miles). He noted that rainfall within the watershed will either feed the groundwater basin, evaporate, or run-off as surface water into the lake. Mr. Smith also spoke about the Warner Basin Wellfield, identifying the wells with the highest production.

Mr. Jungreis stated that the Board has an opportunity to be pro-active in determining its vision for the Warner Basin and has a great deal of flexibility on how to proceed.

Mr. Jungreis provided details on how SGMA would be implemented. Director Dorey inquired about the District itself and if the County would become the Agency. Mr. Jungreis responded that the SGMA only applies to Bulletin 118 basins and much of the District's main service area is not within the Bulletin 118 basin. Director Dorey voiced concern that Bulletin 118 has not been revised recently and might be out of date. Mr. Jungreis stated that the first steps in the process will be the potential revision of the boundary of Bulletin 118, and on January 1st DWR will be releasing rules on boundary revisions. Director Vásquez requested clarification regarding the District's boundary and the groundwater basin in the Warner valley, and President MacKenzie requested further clarification on the District's service area. Mr. Jungreis stated that his slides will show these areas for clarification. Mr. Jungreis agreed that there have been problems with the Bulletin 118 designations, but he believes that once data starts coming in with this program, there will be re-designations. Mr. Jungreis also provided information on GSAs and Groundwater Sustainability Plans (GSP), explaining how these tools can be used to assist with groundwater management activities.

Mr. Jungreis described what would need to be done to form a GSA and how to develop a GSP. He reviewed additional SGMA issues relevant to the San Luis Rey and Warner Basins.

A short break was taken at 10:48 and the workshop resumed at 10:58

Discussion resumed regarding groundwater sustainability and implementation time frames relative to SGMA. Mr. Smith provided information on groundwater management within the District's own service area. He showed where groundwater basins identified by CASGEM were located as well as each basin's priority codes. Mr. Smith pointed out that the District's service area located in San Marcos was the closest groundwater basin identified in Bulletin 118. The District does not operate any of the wells identified in Bulletin 118 within its service areas; therefore, it cannot form a GSA for the management of those wells under SGMA.

Mr. Jungreis opened the floor to brainstorm the advantages and disadvantages of forming a GSA and whether it would be valuable for the future management of the groundwater resources in the Warner Basin.

The Board discussed the advantages and disadvantages of each of the following alternatives:

- Status quo (no GSA/GSP development by VID);
- VID as sole GSA for the entire Warner Basin;
- VID as GSA for a portion of the Warner Basin (with boundary change or without boundary change);

- VID as part of multi-agency GSA (via a Joint Powers Authority as separate entity or via contractual mechanism where no new entity formed);
- Management via an alternative plan or judicial decree.

Staff recommended forming a special ad hoc committee to evaluate the future management of Warner Basin (2 members of the Board) and authorizing staff to perform further investigations of groundwater resources in the Warner Basin and future management options.

15-06-71	***Upon motion by Director Miller, seconded by Director Reznicek and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Reznicek, and MacKenzie), the Board of Directors authorized staff to perform further investigation regarding future management of groundwater resources.***

15-06-72	***Upon motion by Director Miller, seconded by Director Reznicek and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Reznicek, and MacKenzie), the Board of Directors formed an ad hoc committee to address matters pertaining to the District's future management of groundwater resources.***

President MacKenzie appointed Director Dorey and herself to the ad hoc committee. President MacKenzie will serve as the chair.

6. ADJOURNMENT

President MacKenzie adjourned the workshop at 12:20 p.m.

Jo MacKenzie, President

ATTEST:

Marian Schmidt

Marian Schmidt, Assistant Secretary
Board of Directors
VISTA IRRIGATION DISTRICT

VISTA IRRIGATION DISTRICT **STAFF REPORT**	**Agenda Item: 5** **Workshop Date:** **June 29, 2015** **Prepared By:** **Don A. Smith** **Reviewed By:** **Brett Hodgkiss, Jeremy Jungreis** **Approved:** **Don A. Smith**

SUBJECT: SUSTAINABLE GROUNDWATER MANAGEMENT ACT WORKSHOP

RECOMMENDATION: That the Board conduct a workshop to:

1) Receive information regarding the historic and current use of the Warner Valley groundwater basin;
2) Receive information regarding the Sustainable Groundwater Management Act (SGMA), its requirements and the process for forming a Groundwater Sustainability Agency (GSA);
3) Consider options for the future management of groundwater resources within the District;
4) Authorize Staff to perform further investigation regarding future management of groundwater resources; and
5) Consider forming a special ad hoc committee to address these matters.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: None for conducting the workshop. Unknown but significant future expense if the District proceeds with the formation of a GSA. If the District decides that additional investigations to characterize the District's groundwater resources and options are warranted, the combined cost of these legal and hydrogeological studies is estimated to be less than $100,000.

SUMMARY: On September 16, 2014, Governor Jerry Brown signed a three-bill package into law which collectively comprise the "Sustainable Groundwater Management Act of 2014", or SGMA (pronounced "sigma"). The law, recognizing that many of the State's groundwater basins are in an unsustainable condition of overdraft, provides new tools and authorities for local agencies to manage groundwater resources within their jurisdiction to achieve a sustainable use of those resources within a 20-year implementation period.

While SGMA provides specific mandates only for those groundwater basins deemed by the State to be "medium" or "high" priority groundwater basins, the law encourages the formation of "Groundwater Sustainability Agencies" (GSAs) and the preparation of "Groundwater Sustainability Plans" (GSPs) for all groundwater basins, even those deemed "low" and "very low" priority basins.

As owner of the 43,000 acre Warner Ranch, the District is the primary property owner and water manager overlying the 24,000 acre "Warner Valley" groundwater basin (referred to herein as the "Warner Basin" – see attached Figure A-3). The Warner Basin is one of 515 alluvial groundwater basins and subbasins recognized by the State and described in the California Department of Water Resources (DWR) Bulletin 118. While the State has characterized the Warner Basin as a "very low" priority basin, it represents a significant source of water supply for the District.

As such, the Board has expressed a desire to better understand the tools and authorities provided under SGMA, and explore whether those tools and authorities would be valuable for the future management of the groundwater resources within the District.

DETAILED REPORT:

The District's Reliance on Warner Basin Groundwater

The District purchased all the assets of the San Diego County Water Company in 1946, including Lake Henshaw and the 43,000 acre Warner Ranch. At that time, Lake Henshaw impounded exclusively surface water runoff produced from the 207 square miles of the San Luis Rey River watershed that lie upstream of Henshaw Dam. After several years of below average rainfall, and after experiencing extraordinarily low lake levels at Henshaw, the District developed a series of wells in the Warner Basin to pump groundwater into the lake, thereby providing a more reliable local water resource during periods of drought. The Warner Basin well field commenced operation in February of 1953. Since that time, the District has used groundwater conjunctively with surface water runoff, suspending groundwater pumping operations during wet periods and resuming them during dry periods. Chart 1 (attached) shows the annual quantity of groundwater pumped from the Warner Basin into Lake Henshaw between 1953 and 2014 (inclusive). During this period, the District pumped an average of 7,850 acre-feet per year (afy) of groundwater from the Warner Basin into Lake Henshaw. Over this period, this amounts to about 38 percent of the water entering Lake Henshaw.

Water entering Lake Henshaw is diminished due to evaporation and transportation losses, amounting to about one third of the total, on average. Water released from Lake Henshaw and other waters captured upstream of the Escondido Canal diversion dam are delivered by contract to the City of Escondido and the Rincon Band of Indians, as well as the Vista Irrigation District. Since 1953, the District has received an average of 6,890 afy of local water. Over this period, groundwater has contributed about 2,600 afy of that total, on average.

Sensing the need for increased water supplies and greater reliability during drought, the District began importing water from the San Diego County Water Authority in 1954. Since that time, the District has become increasingly reliant on imported water sources. At current water demand levels (about 20,000 afy), about 13 percent of the District's annual water supply (2,600 afy, on average) is derived from groundwater from the Warner Basin.

The Warner Basin Aquifer and the District's Well Field

Over the last 50 years, the District has commissioned several studies of its local water supplies which have also evaluated the characteristics of the Warner Basin. These studies have each had different objectives, utilizing different hydrogeologic assumptions, and benefiting from different historical data sets. Figure A-1 from the most recent (2002) study (attached) provides a good overview of the Warner Basin aquifer structure and the arrangement of the District's well field.

The District has kept thorough records of the historical water production at each of its wells, and, since about 1982, has measured the depth to water at each of its active and monitoring wells in the well field. Chart 2 (attached) shows the strong correlation between pumping and water table depth over that period.

While the 2002 study estimates that the total usable Warner Basin aquifer storage is about 400,000 acre-feet (af), only "about 150,000 af of active storage volume is located in the aquifer where extraction is feasible using currently operating District wells." Further, the 2002 study estimated that, starting from a full aquifer, the present well configuration could tolerate the following pumping rates:

- ≤ 20,000 af of extraction in one year
- ≤ 18,000 afy of extraction in two consecutive years
- ≤ 15,000 afy of extraction in five consecutive years
- ≤ 12,000 afy of extraction in nine consecutive years

None of these studies addressed the impact of existing or potential use of Warner Basin groundwater by third parties or the availability of groundwater for the District, and the "sustainable yield" of the Warner Basin has not been explicitly defined.

All of the District's Warner Basin wells are over 30 years old. While the District has been active in rehabilitating its more productive wells, it is probable that most of the District's Warner Basin wells will need to be replaced over the next 10 years to maintain the well field productivity.

Sustainable Groundwater Management Act of 2014

In passing SGMA, the State enacted comprehensive legislation aimed at strengthening local control and management of groundwater basins throughout California.

The Water Education Foundation handbook "The 2014 Sustainable Groundwater Management Act: A Handbook to Understanding and Implementing the Law" has been attached for reference. This useful resource contains: an overview of SGMA provisions; a discussion of governance options; the timeline for implementation; a collection of "Frequently Asked Questions"; and the full text of the legislation.

SGMA provides important definitions for a few key terms which are provided at the end of this report.

Workshop Format

The Workshop will consist of a presentation by Staff and Counsel, followed by an interactive session on management alternatives and next steps.

The presentation will address the following items, with emphasis on their application to the Warner Basin:

- Overview of the Warner Ranch, the Warner Basin, and third party water uses within the upper San Luis Rey River watershed;
- Review of the District's historical groundwater pumping;
- Locations of local DWR Bulletin 118 basins and SGMA applicability;
- SGMA implementation timeline;
- GSA eligibility, options, and governance;
- Duties incumbent on a GSA;
- Required elements of a GSP;
- Other tools and authorities provided under SGMA; and
- Groundwater management options other than SGMA

After the presentation, the workshop format will shift to an interactive session designed to consider the advantages and disadvantages of various Warner Basin management models, and to consider the policy objectives the District would like to achieve within the Warner Basin.

Finally, workshop participants will consider next steps, which may include: an updated analysis of the sustainable yield of the Warner Basin aquifer, with explicit consideration of potential third party impacts; development of legal considerations; discussions with key stakeholders; further development of the costs and requirements of highlighted management options; etc. The Board may also consider the formation of a special ad hoc committee to streamline deliberation of these matters and to facilitate the development of a formal recommendation for the future management of the Warner Basin.

Key Definitions in SGMA

SGMA provides the following important definitions:

- "Sustainable groundwater management" means the management and use of groundwater in a manner that can be maintained during the planning and implementation horizon without causing undesirable results.

- "Planning and implementation horizon" means a 50-year time period over which a groundwater sustainability agency determines that plans and measures will be implemented in a basin to ensure that the basin is operated within its sustainable yield.

- "Sustainable yield" means the maximum quantity of water, calculated over a base period representative of long-term conditions in the basin and including any temporary surplus, that can be withdrawn annually from a groundwater supply without causing an undesirable result.

- "Undesirable result" means one or more of the following effects caused by groundwater conditions occurring throughout the basin:

  (1) Chronic lowering of groundwater levels indicating a significant and unreasonable depletion of supply if continued over the planning and implementation horizon. Overdraft during a period of drought is not sufficient to establish a chronic lowering of groundwater levels if extractions and recharge are managed as necessary to ensure that reductions in groundwater levels or storage during a period of drought are offset by increases in groundwater levels or storage during other periods.

  (2) Significant and unreasonable reduction of groundwater storage.

  (3) Significant and unreasonable seawater intrusion.

  (4) Significant and unreasonable degraded water quality, including the migration of contaminant plumes that impair water supplies.

  (5) Significant and unreasonable land subsidence that substantially interferes with surface land uses.

  (6) Surface water depletions that have significant and unreasonable adverse impacts on beneficial uses of the surface water.

ATTACHMENTS:

1. Figure A-3: Warner Valley Groundwater Basin CASGEM Program
2. Chart 1: Groundwater Pumped from the Warner Basin into Lake Henshaw
3. Figure A-1: Geohydrologic Features of the Warner Basin Aquifer and the Warner Ranch Well Field, 2002
4. Chart 2: Warner Basin Water Table Depth vs. Annual Wellfield Production
5. "The 2014 Sustainable Groundwater Management Act: A Handbook to Understanding and Implementing the Law", published by the Water Education Foundation

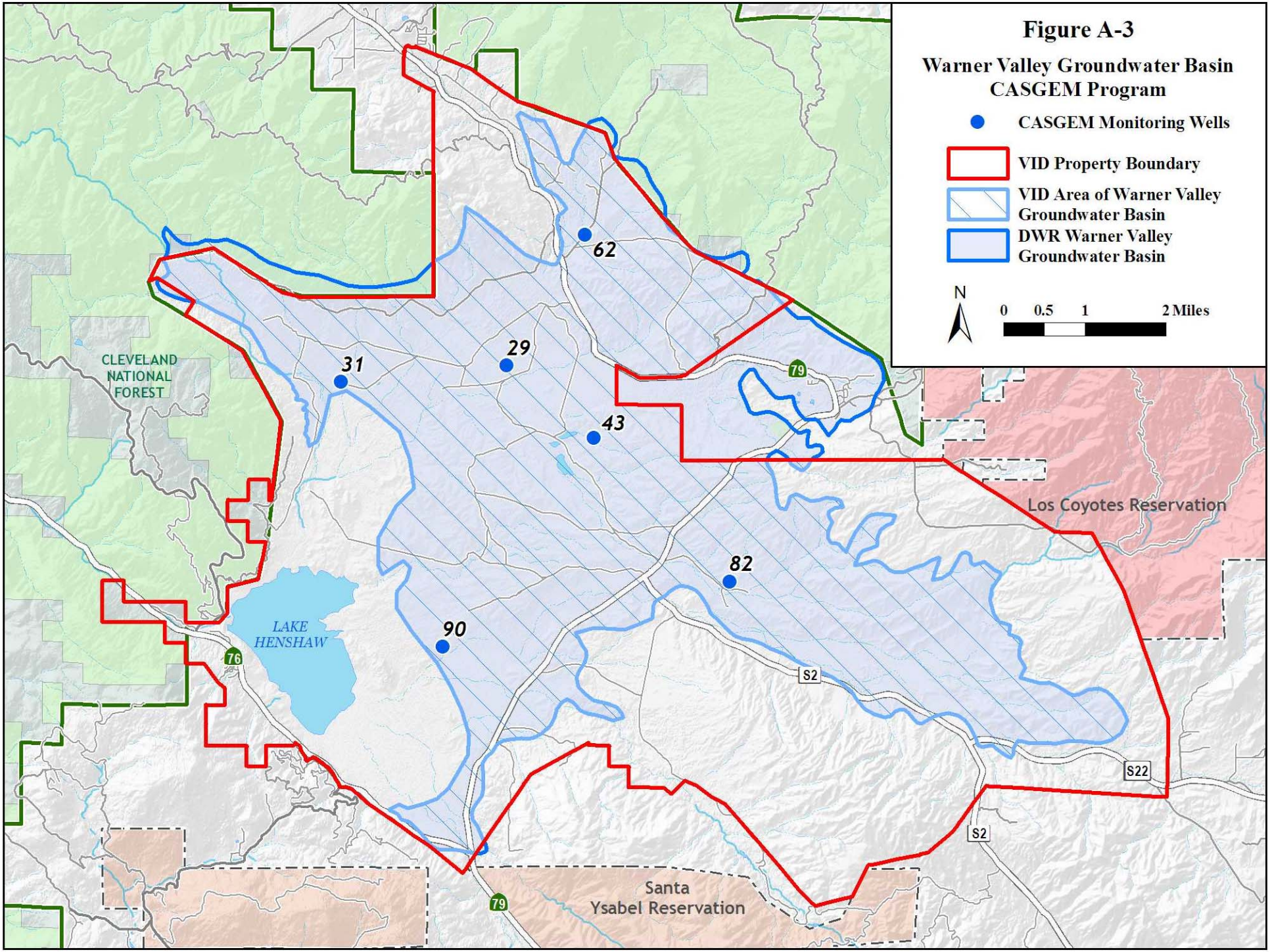
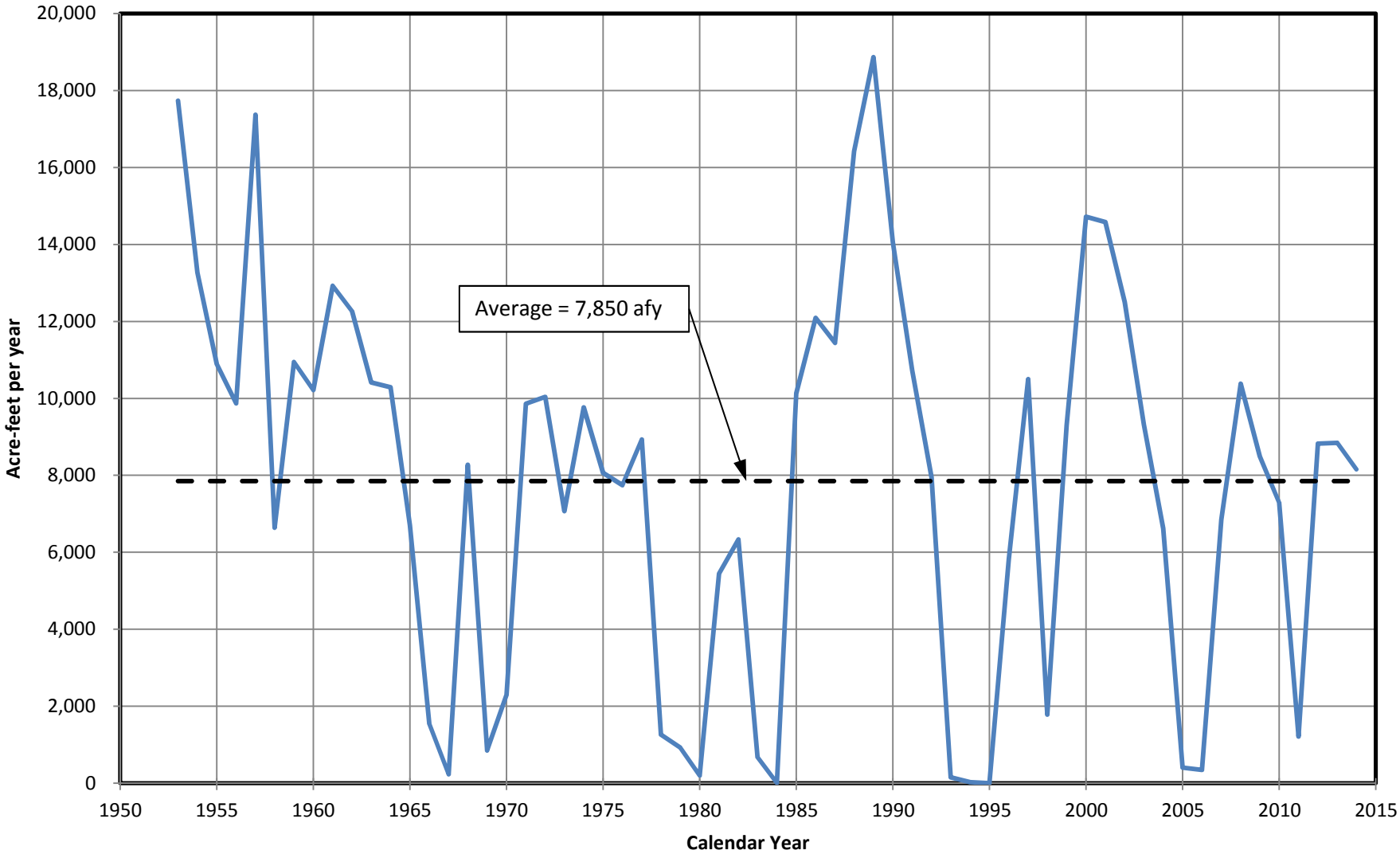
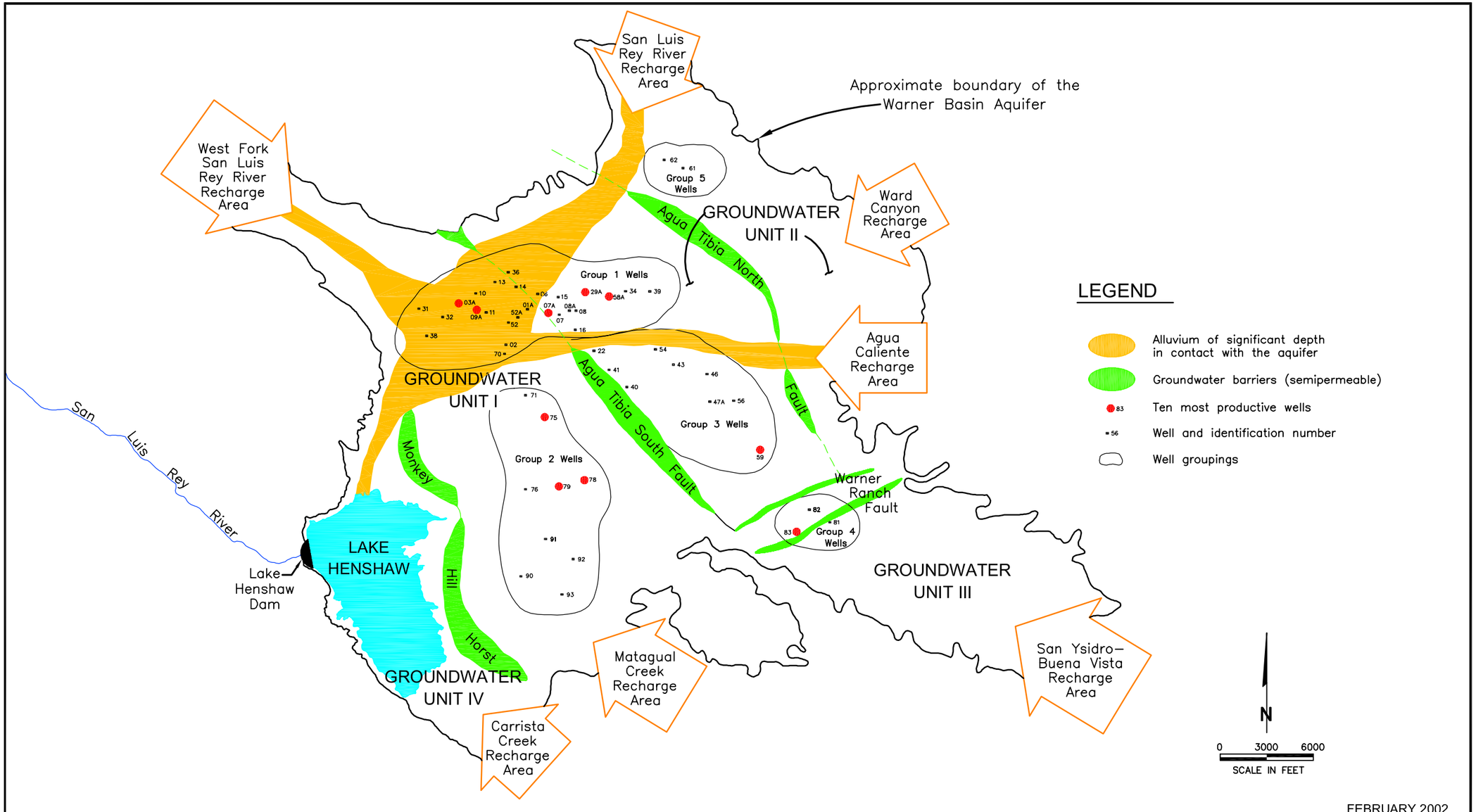


Figure A-3
Warner Valley Groundwater Basin
CASGEM Program
CASGEM Monitoring Wells
VID Property Boundary
VID Area of Warner Valley Groundwater Basin
DWR Warner Valley Groundwater Basin
N
0 0.5 1 2 Miles
62
29
31
43
82
90
CLEVELAND NATIONAL FOREST
LAKE HENSHAW
Los Coyotes Reservation
Santa Ysabel Reservation
79
76
S2
S22

Chart 1
Groundwater Pumped from the Warner Basin into Lake Henshaw





FEBRUARY 2002

BOOKMAN-EDMONSTON
A Division of Navigant Consulting Inc.

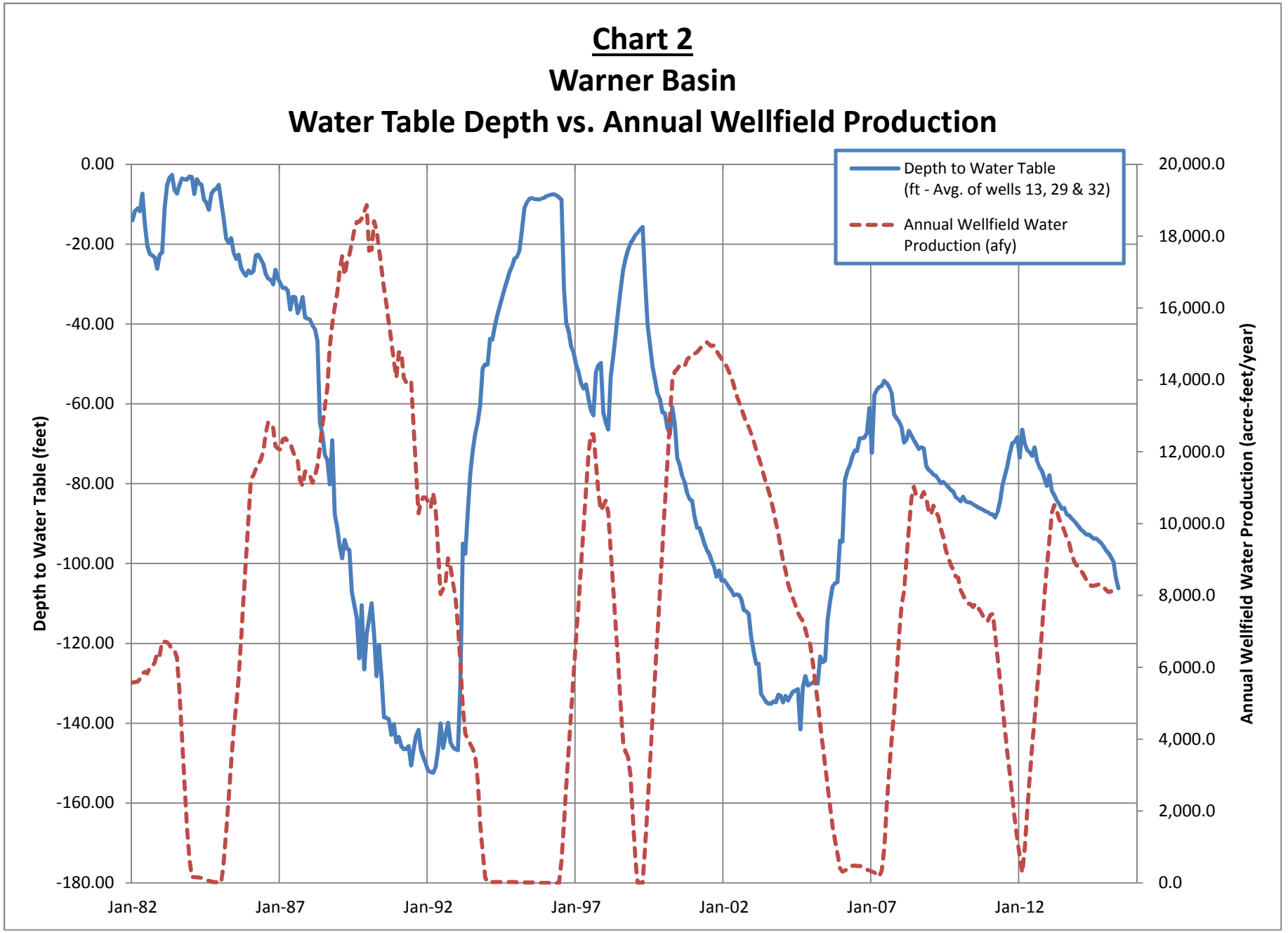
EVALUATION OF THE LOCAL WATER SUPPLY

GEOHYDROLOGIC FEATURES OF THE WARNER BASIN AQUIFER AND THE WARNER RANCH WELL FIELD

CITY OF ESCONDIDO / VISTA IRRIGATION DISTRICT

FIGURE A-1

Chart 2
Warner Basin
Water Table Depth vs. Annual Wellfield Production



Sustainable Groundwater Management Act of 2014

A Workshop of the
Vista Irrigation District
Board of Directors

June 29, 2015

A SERVICE OF BROWN AND CALDWELL

BC WATERNEWS

Thursday, June 25, 2015

Good morning, Don

A plan to save endangered fish has pushed California's fragile water system almost to the breaking point, putting additional strain on farmers while drawing down reservoirs to historically low levels. Federal and state regulators acknowledged Wednesday they're struggling to hold the state's water infrastructure together amid dwindling supplies.

OPEN TODAY'S EDITION

Some other stories making news across California:

- Feds turn up the dial on California drought aid
- Check out water agencies' drought-busting efforts
- Are data centers culprits in California's drought?
- 9 sobering facts about California's groundwater problem
- Los Angeles DWP to unveil plan to capture storm runoff

Workshop Outline

1. Overview of the Warner Ranch and the Warner Valley Groundwater Basin
2. Overview of SGMA and Its Requirements

   ~ Break ~

3. Discussion of Management Alternatives for the Warner Valley Groundwater Basin
4. Wrap Up and Summary

Workshop Outline

1. **Overview of the Warner Ranch and the Warner Valley Groundwater Basin**
   - Geographical limits and overlap
   - Overview of District's current and historical uses on the Warner Ranch
   - Other land uses in the Upper San Luis Rey River Watershed
   - Refresher on the hydrologic cycle
   - District's historical water production on the Warner Ranch
   - Relationship between pumping and groundwater storage
   - District's previous studies of the Warner Groundwater Basin

Workshop Outline

2. Overview of SGMA and Its Requirements

- What does SGMA require and in what types of basins?
- Timeline for SGMA compliance
- Who can become a GSA? Who cannot?
- How does a public agency become a GSA—through what process?
- Once an agency becomes a GSA, what are its obligations—namely the development and implementation of a GSP.

Workshop Outline

2. Overview of SGMA and Its Requirements (continued)

- What elements must a GSP contain?
- What tools does a GSA have to enforce the management strategies selected in the GSP
- Alternative management programs (“Alternative Plans”) other than SGMA Plans

~ Break ~

Workshop Outline

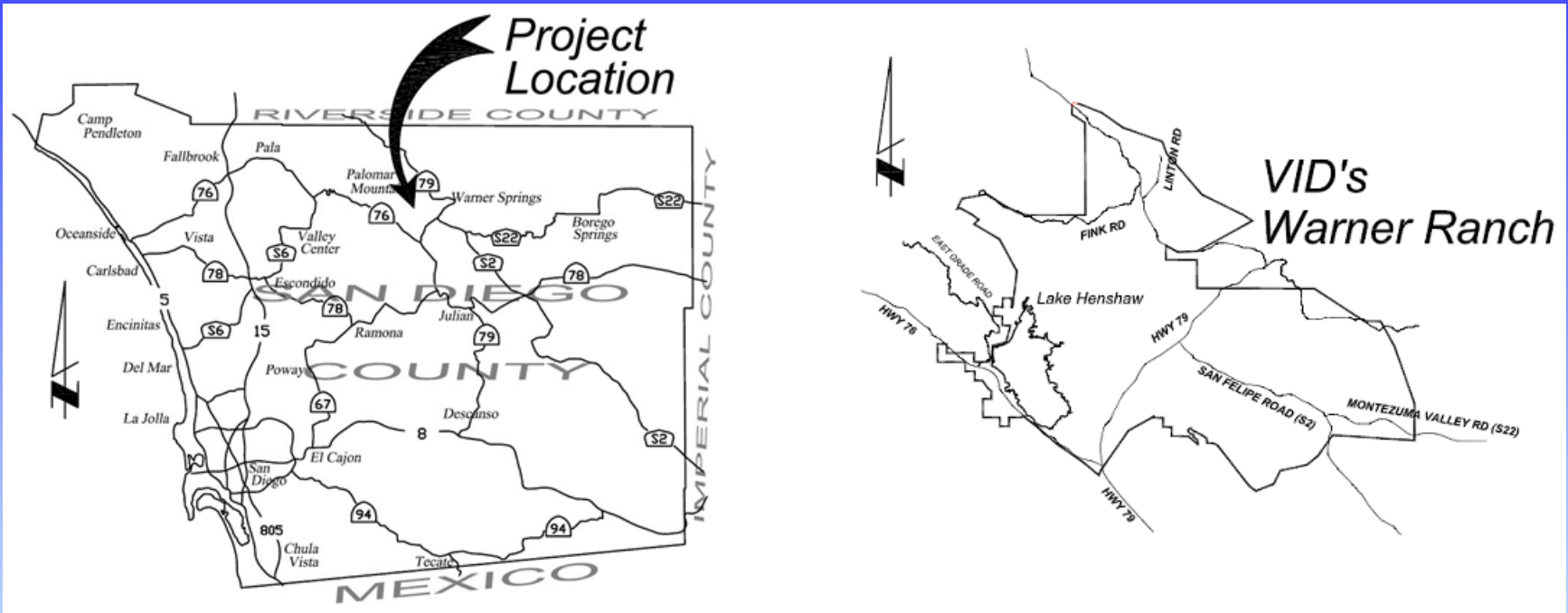
3. **Discussion of Management Alternatives for the Warner Valley Groundwater Basin**
   - Workshop format

4. **Wrap Up and Summary**

Overview of the Warner Ranch and the Warner Valley Groundwater Basin

- Geographical limits and overlap

VID's Warner Ranch



- Acquired by the District in 1946
- 43,000 acres

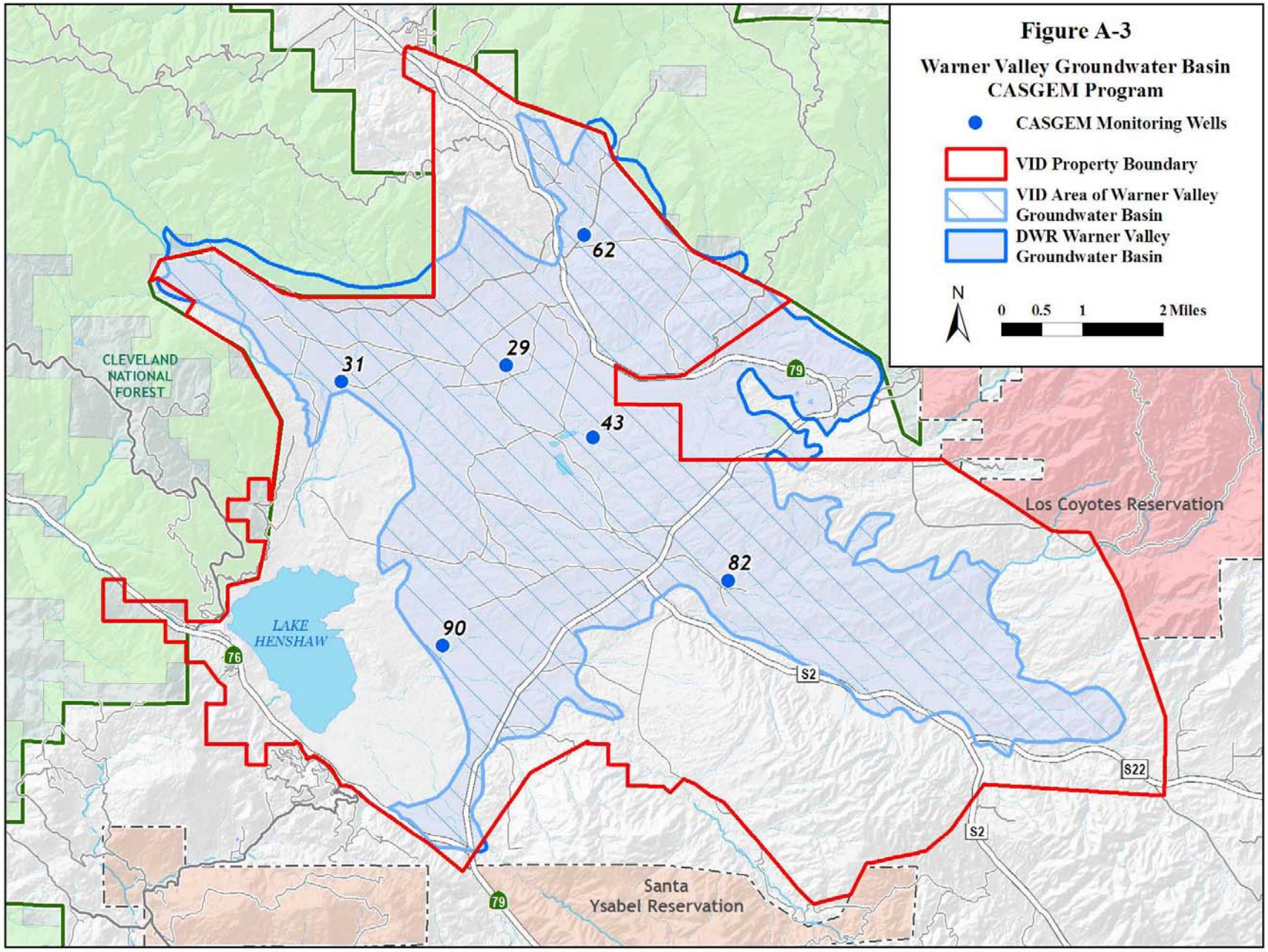


Figure A-3
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29
31
43
82
90
CLEVELAND NATIONAL FOREST
LAKE HENSHAW
Los Coyotes Reservation
Santa Ysabel Reservation
76
79
S2
S22

Overview of the Warner Ranch and the Warner Valley Groundwater Basin

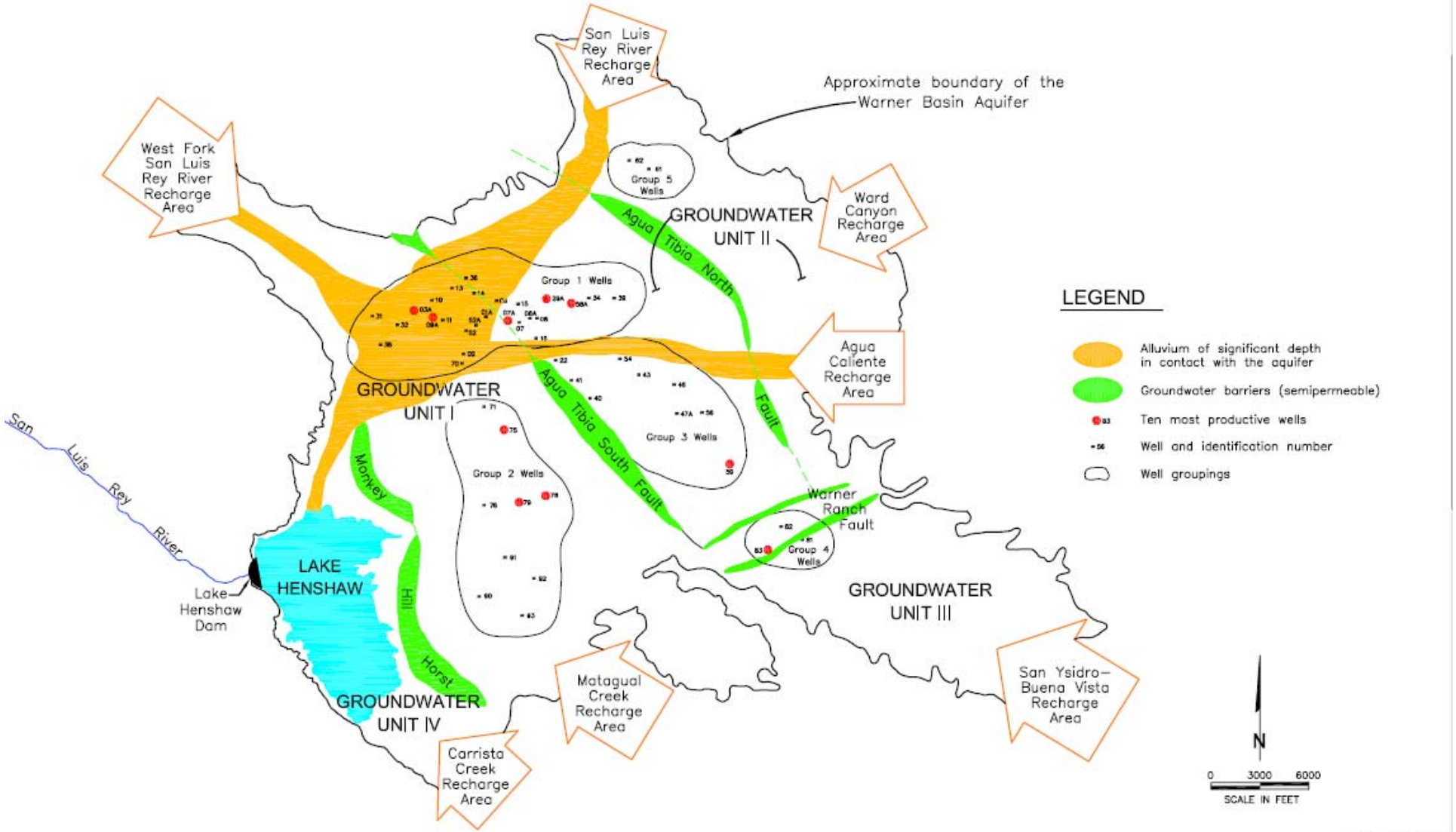
- Geographical limits and overlap
- ***Google Earth*** tour

Overview of District's current and historical uses on the Warner Ranch

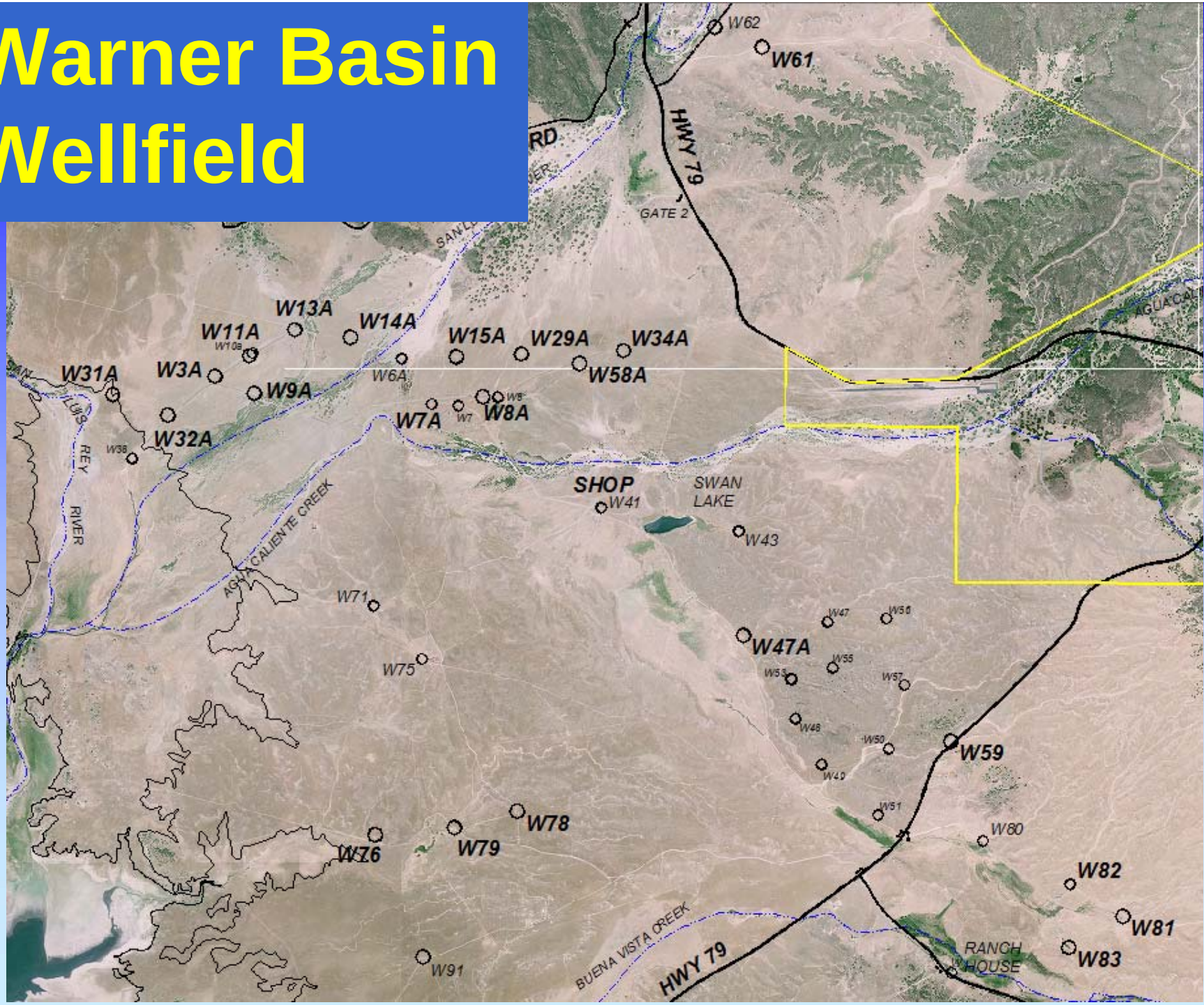
- **Water production**

Lake Henshaw
& the Warner Ranch

Warner Basin Wellfield



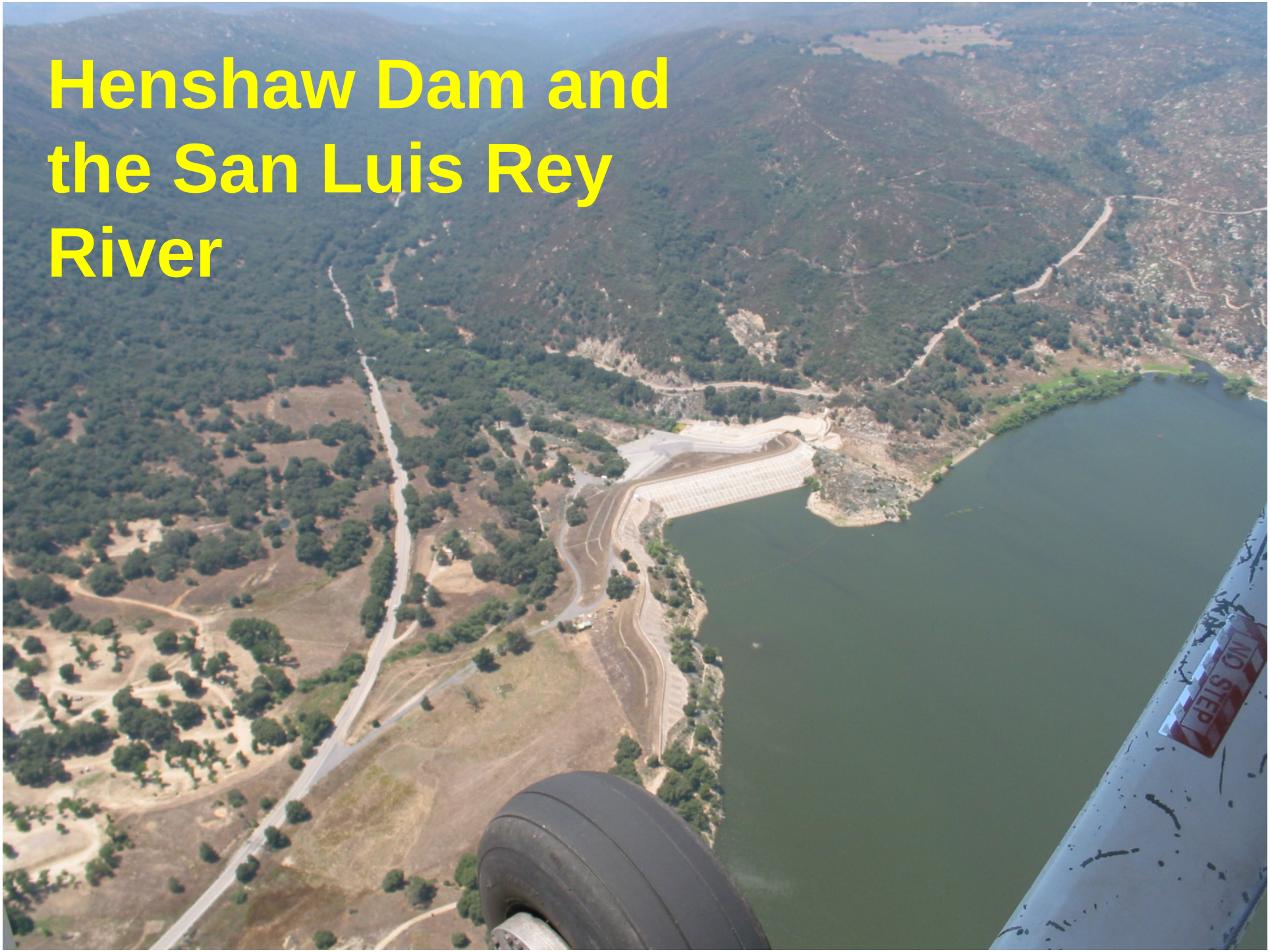
Warner Basin Wellfield



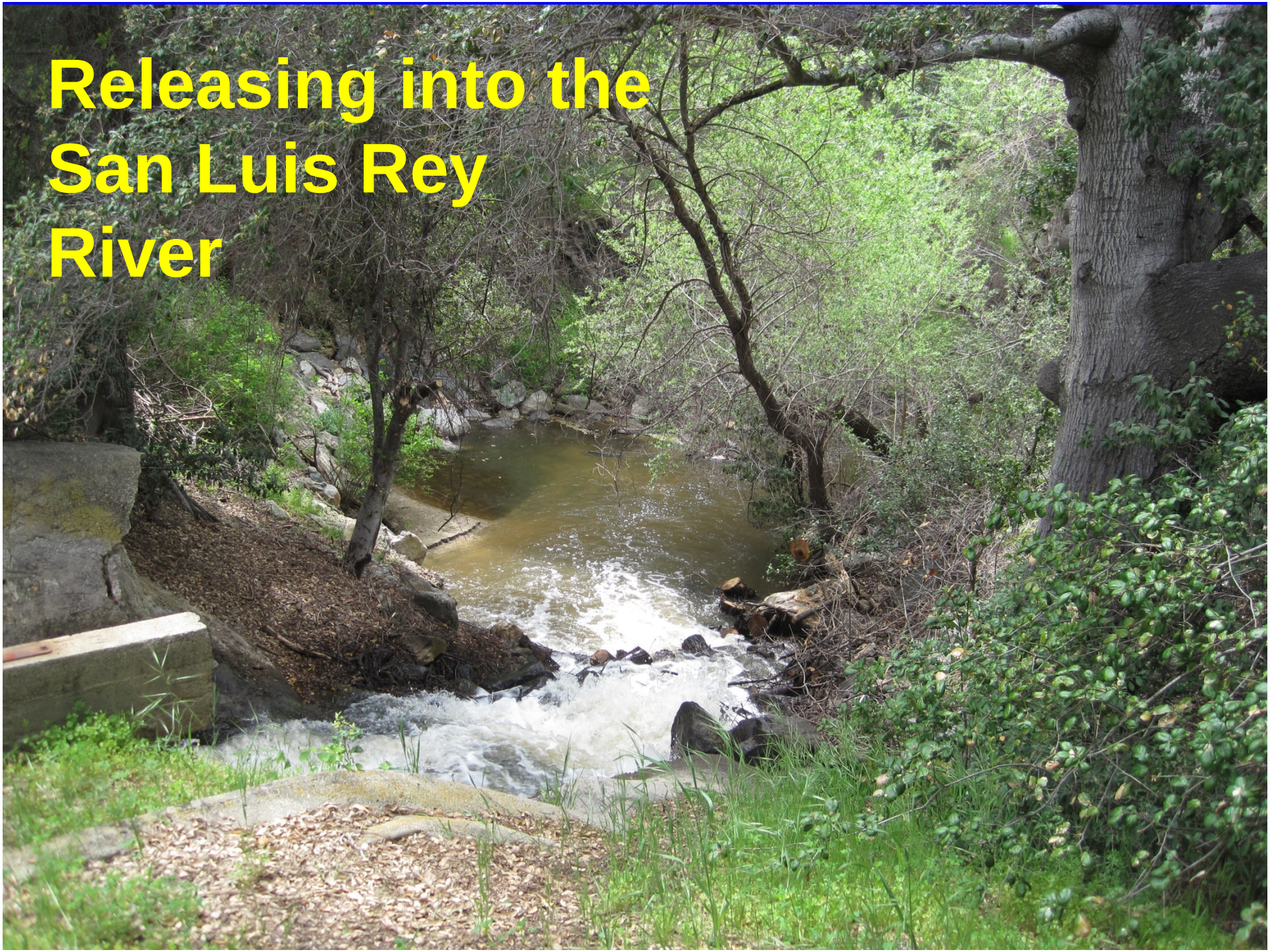

Air-lifting sand
out of a well

Wells pumping into a ditch collection system

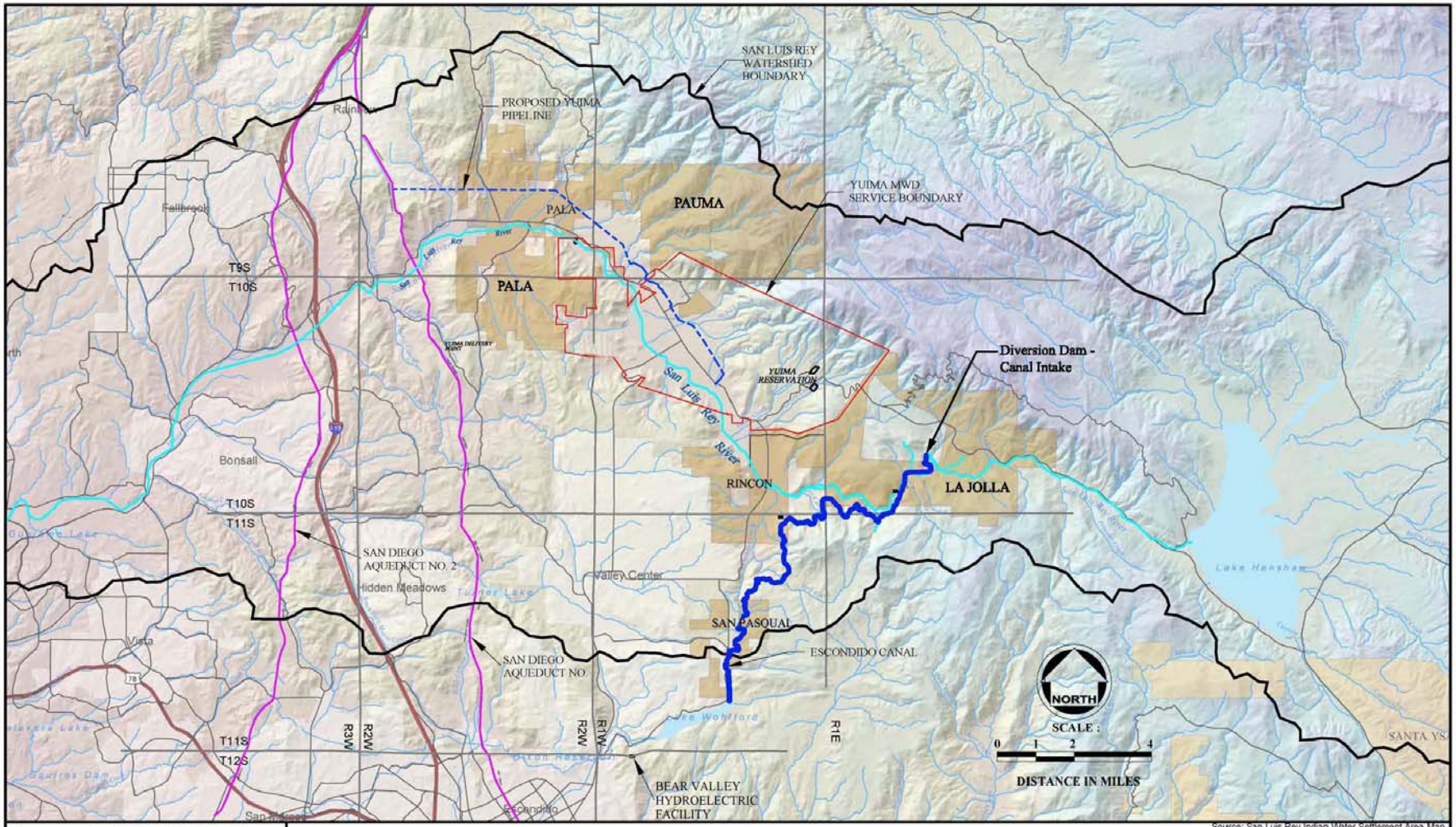
Ditch discharge into unlined channel


Henshaw Dam and
the San Luis Rey
River


Henshaw Dam
outlet works


Releasing into the
San Luis Rey
River

VID Local Water Supply



Modified by VID 5-15-2012

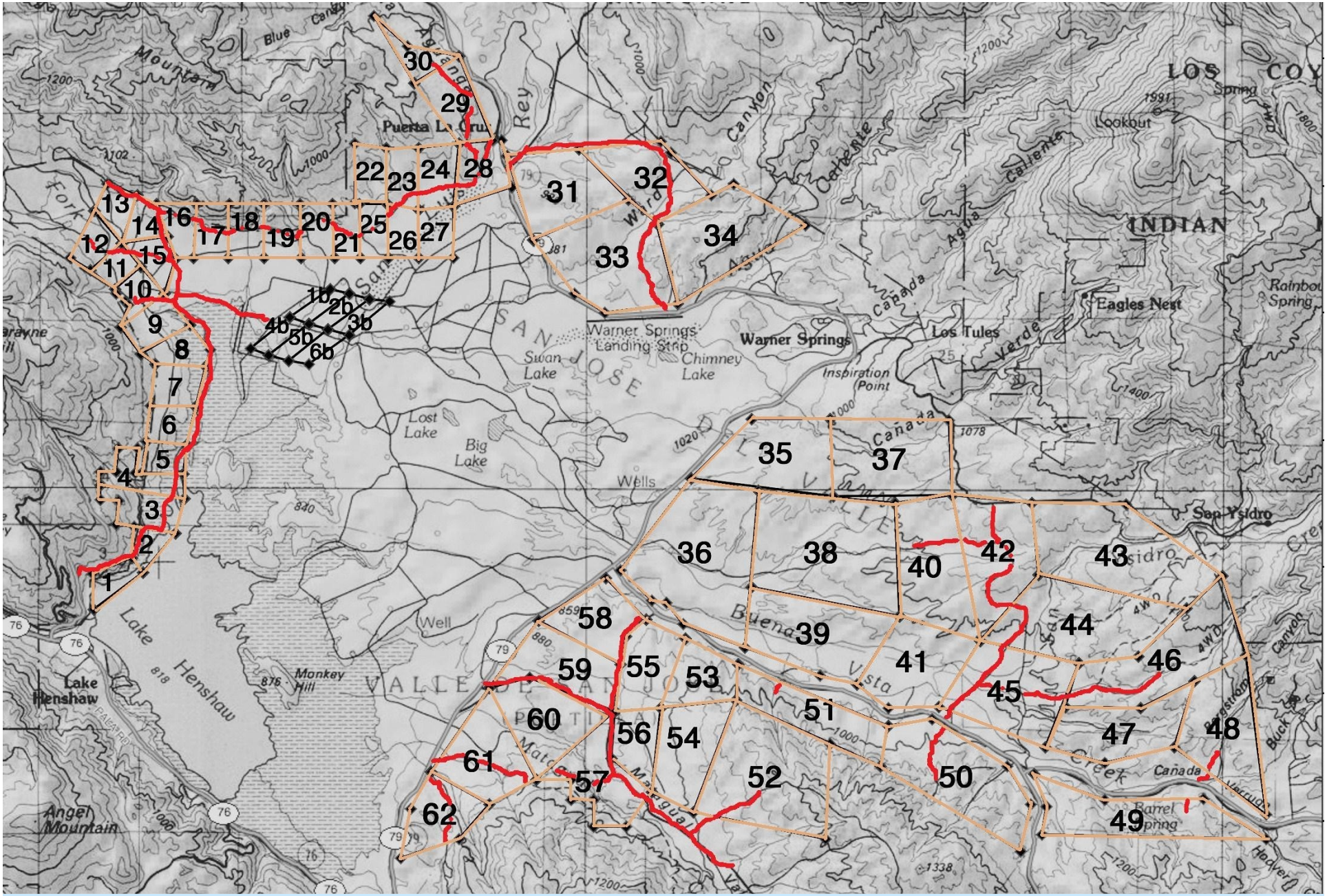
Warner Ranch Lessee and Licensee Activities

Lake Henshaw Resort, Inc.

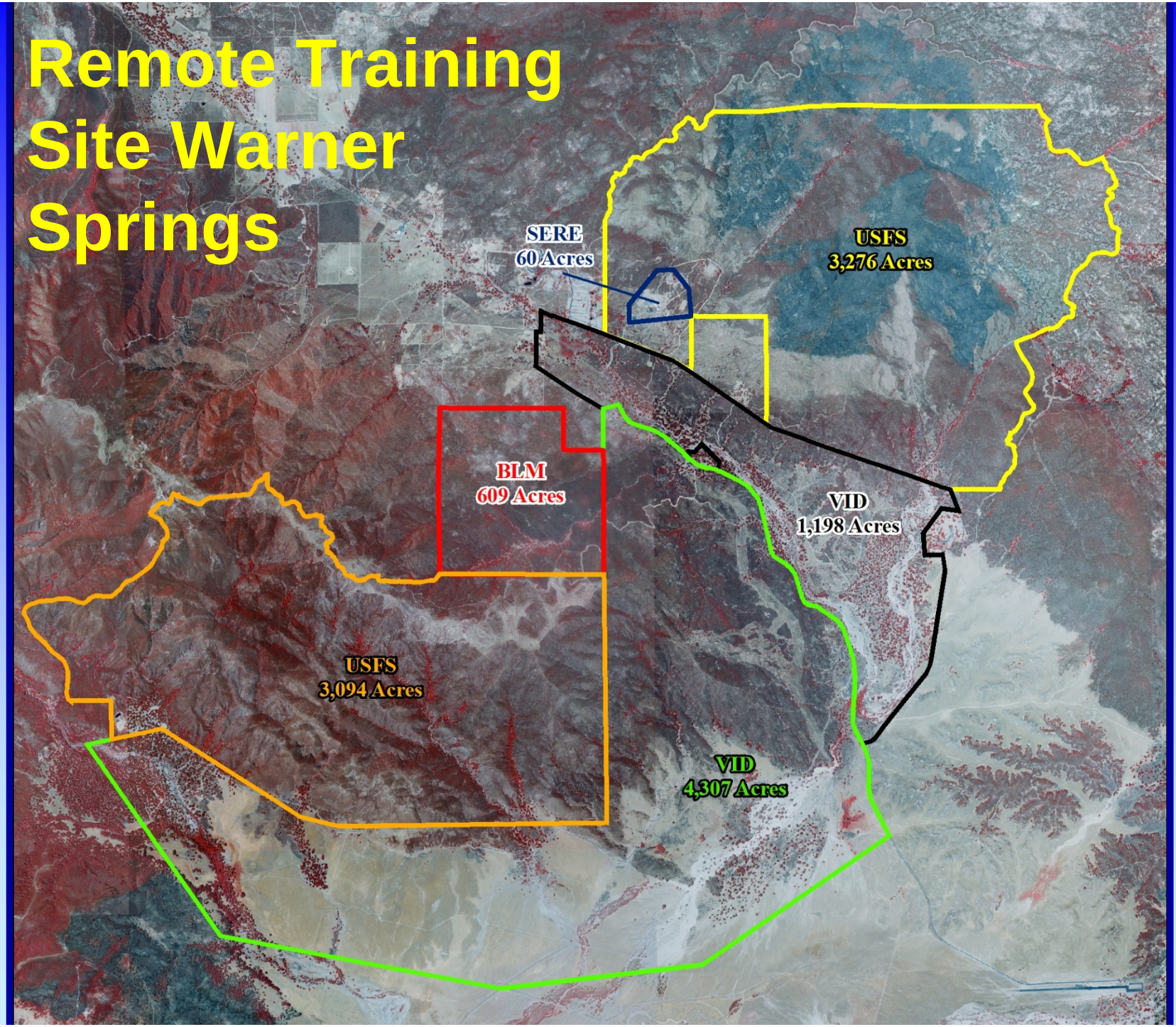
- Café
- Campground
- Cabins
- Mobile home park
- Fishing/boating

My Country Club, Inc.

- Private hunting club
- Exclusive rights to hunt on District property
  - Deer
  - Turkey
  - Waterfowl (open to public on Lake Henshaw)
  - Quail / dove
  - Feral pig
- Trespass control



MCC Hunting Zones


Remote Training Site Warner Springs
SERE
60 Acres
USFS
3,276 Acres
BLM
609 Acres
VID
1,198 Acres
USFS
3,094 Acres
VID
4,307 Acres

Grazing

Warner-Carrillo Ranch House Restoration

Trails

- Pacific Crest Trail
- California Riding and Hiking Trail

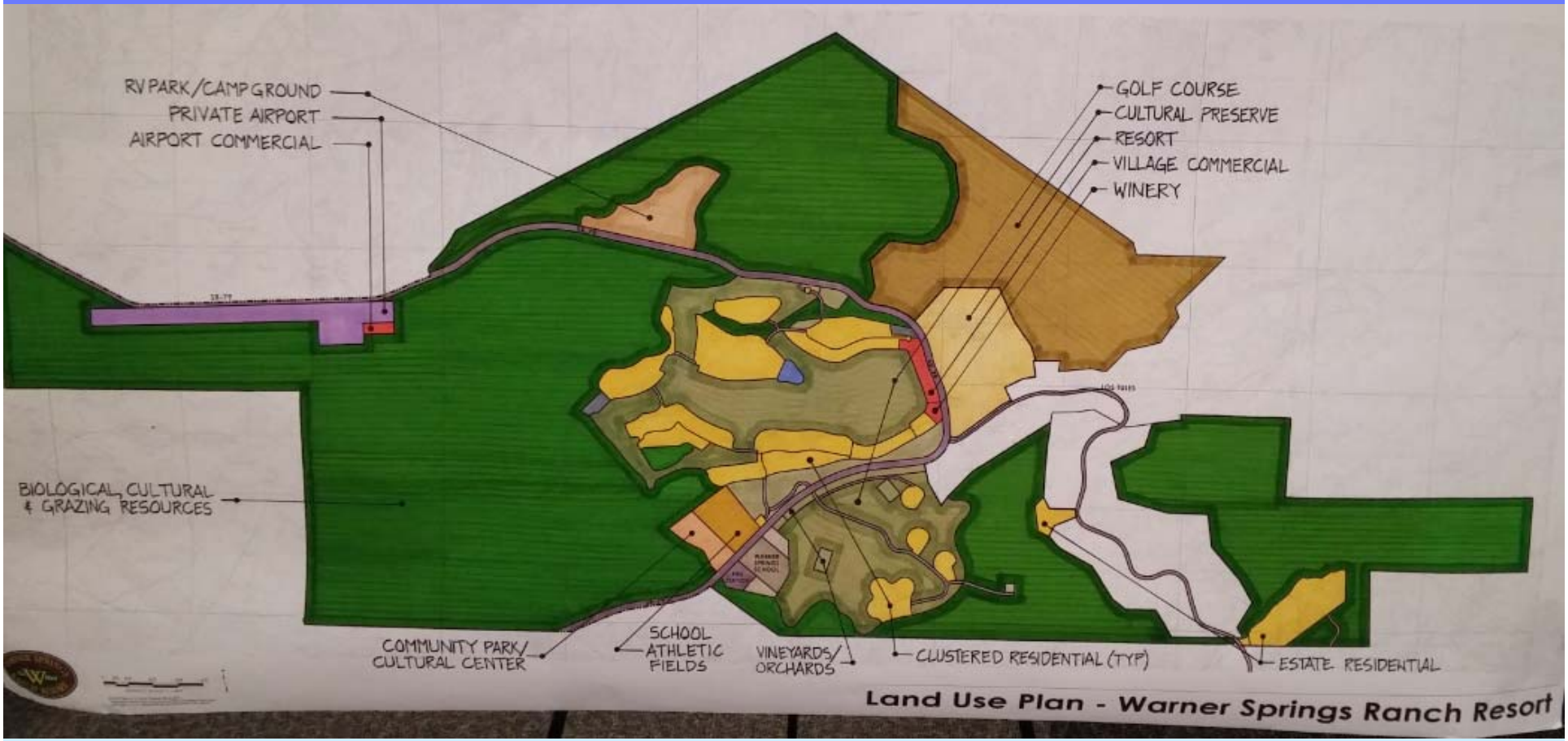
Other activities

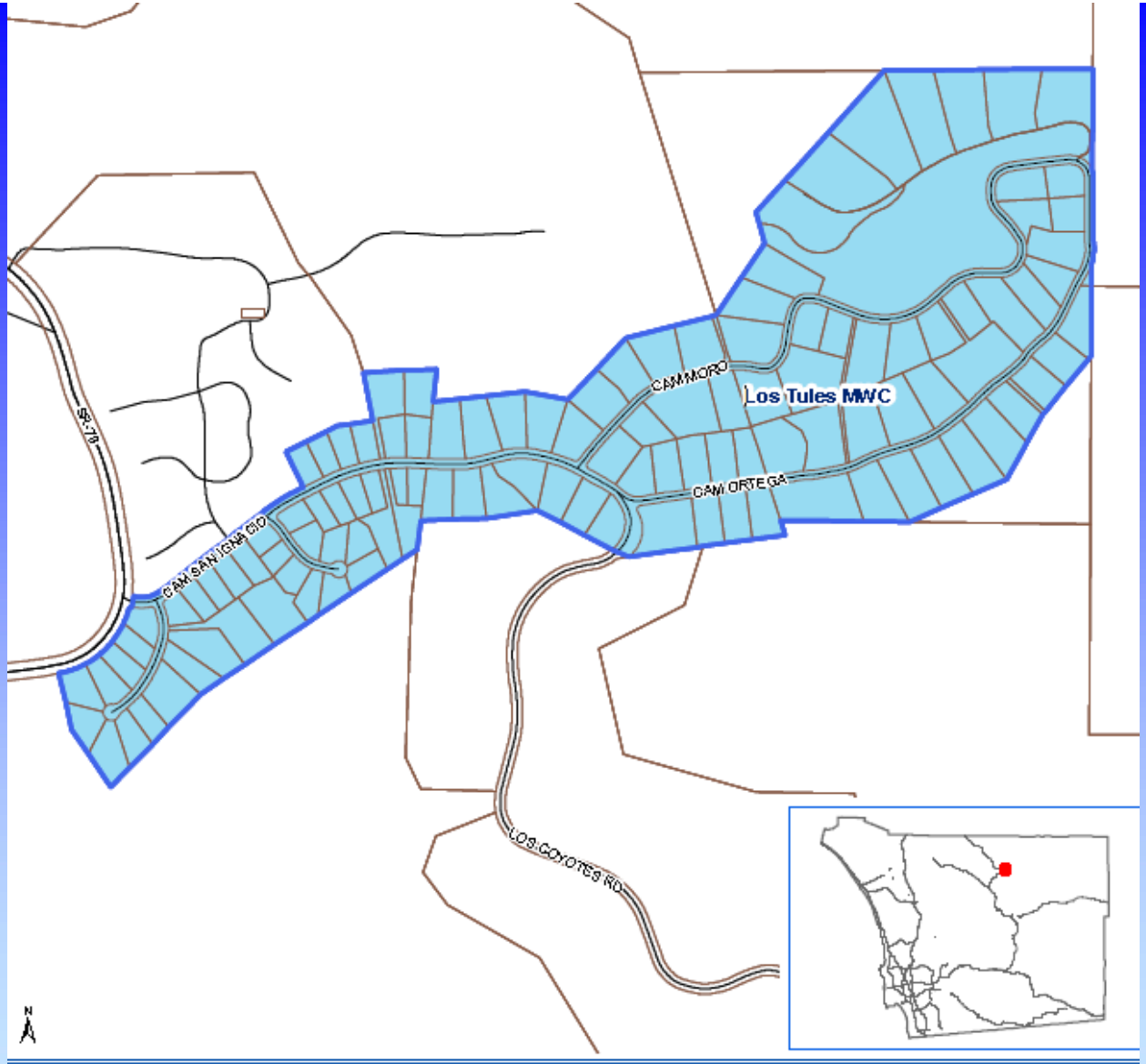
- Lessee / licensee
  - CNF Henshaw Fire Station
  - Caltrans maintenance yard
  - County borrow pit
  - SDG&E Henshaw Substation
  - CalFire Puerta La Cruz Honor Camp
  - Noll Seeds – native plant seed collection
  - USGS Seismic Monitoring Station
  - Telecommunication Licenses (cell sites)

Other land uses in the Upper San Luis Rey River Watershed

- Warner Springs Ranch Resort
- Los Tules Mutual Water Company
- Indian Reservations
  - Los Coyotes
  - Santa Ysabel & Mesa Grande
- Boy Scouts – Mataguay Scout Ranch
- Agriculture - Wineries
- Dispersed residential
- Cleveland National Forest

Warner Springs Ranch Resort





Los Tules Mutual Water Company

Los Tules MWC Parcels

SAN DIEGO LAFCO

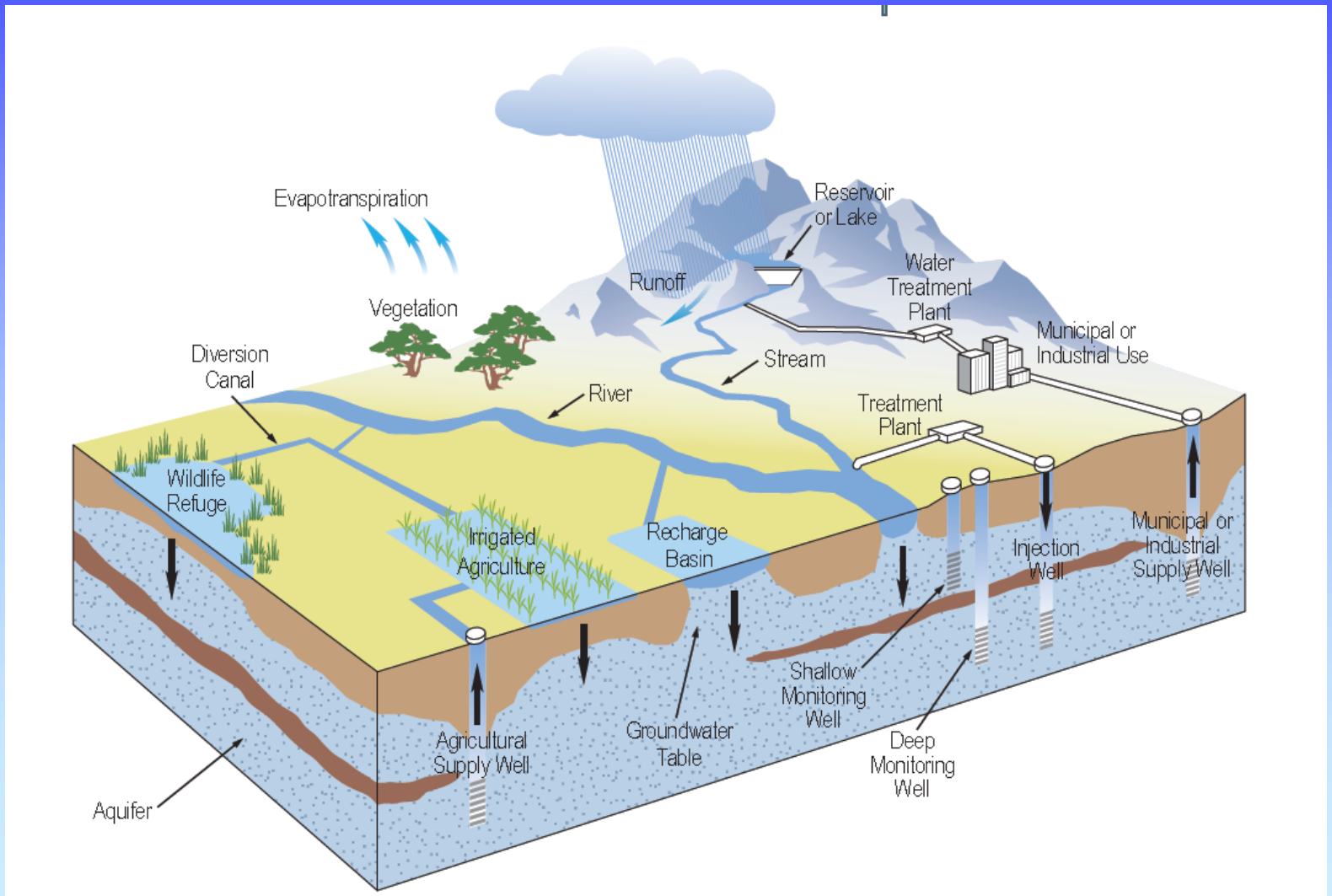
SanGIS We Have San Diego Covered

G:\GIS\Projects\GIS\Mutual Water Company\Los Tules MWC.mxd 12/18/12

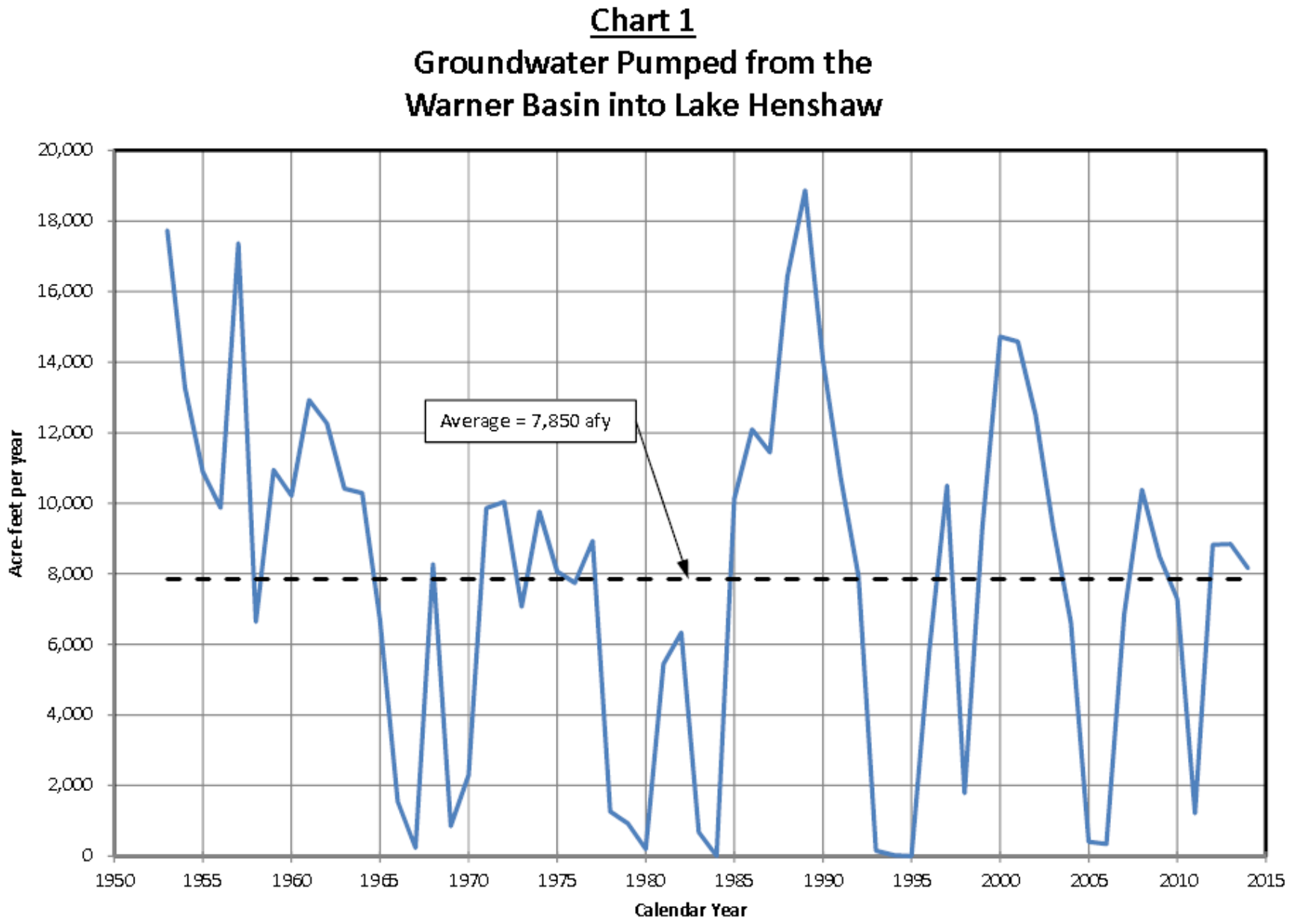
Other land uses in the Upper San Luis Rey River Watershed

- ***Google Earth***…

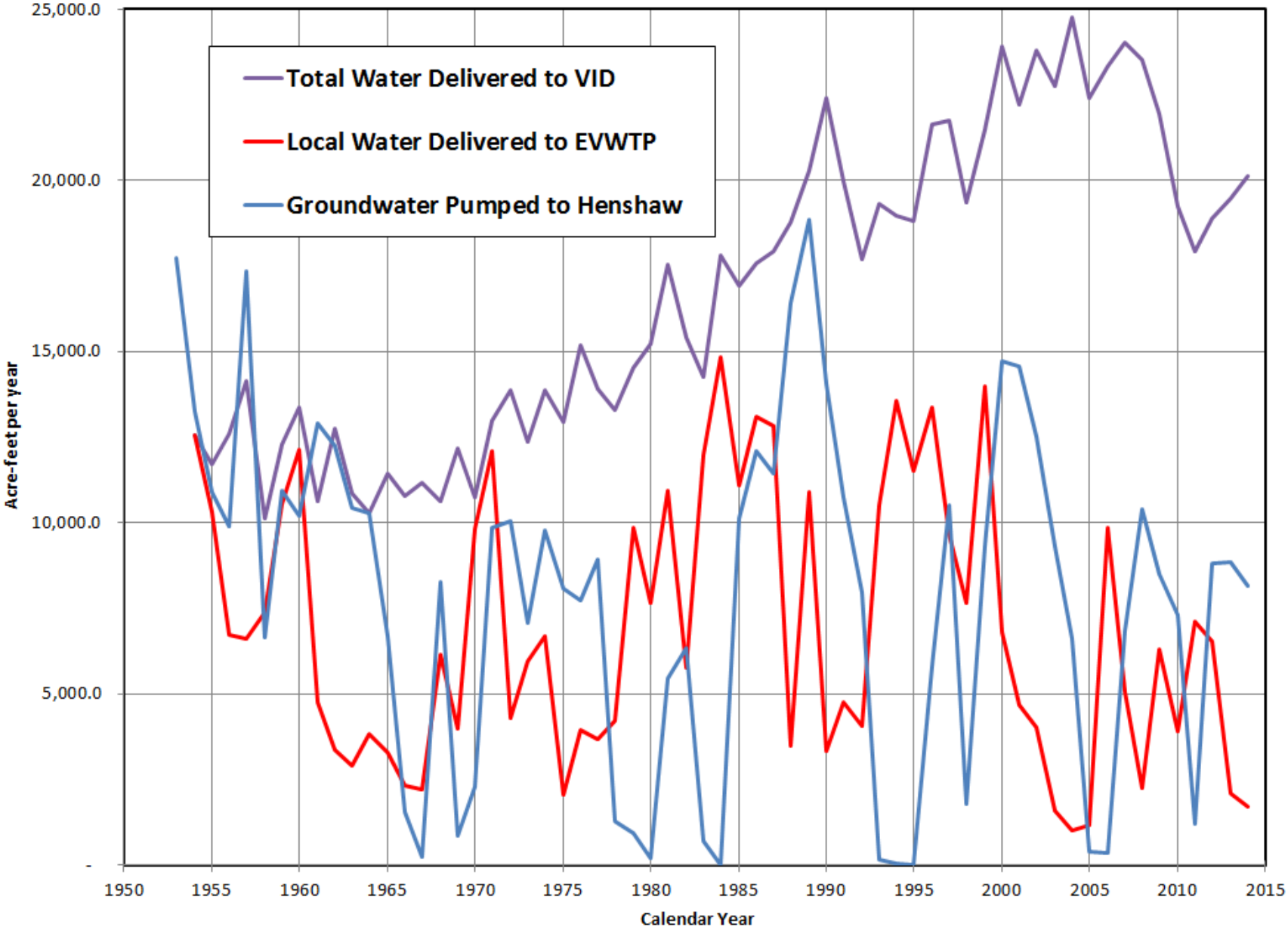
Refresher on the Hydrologic Cycle



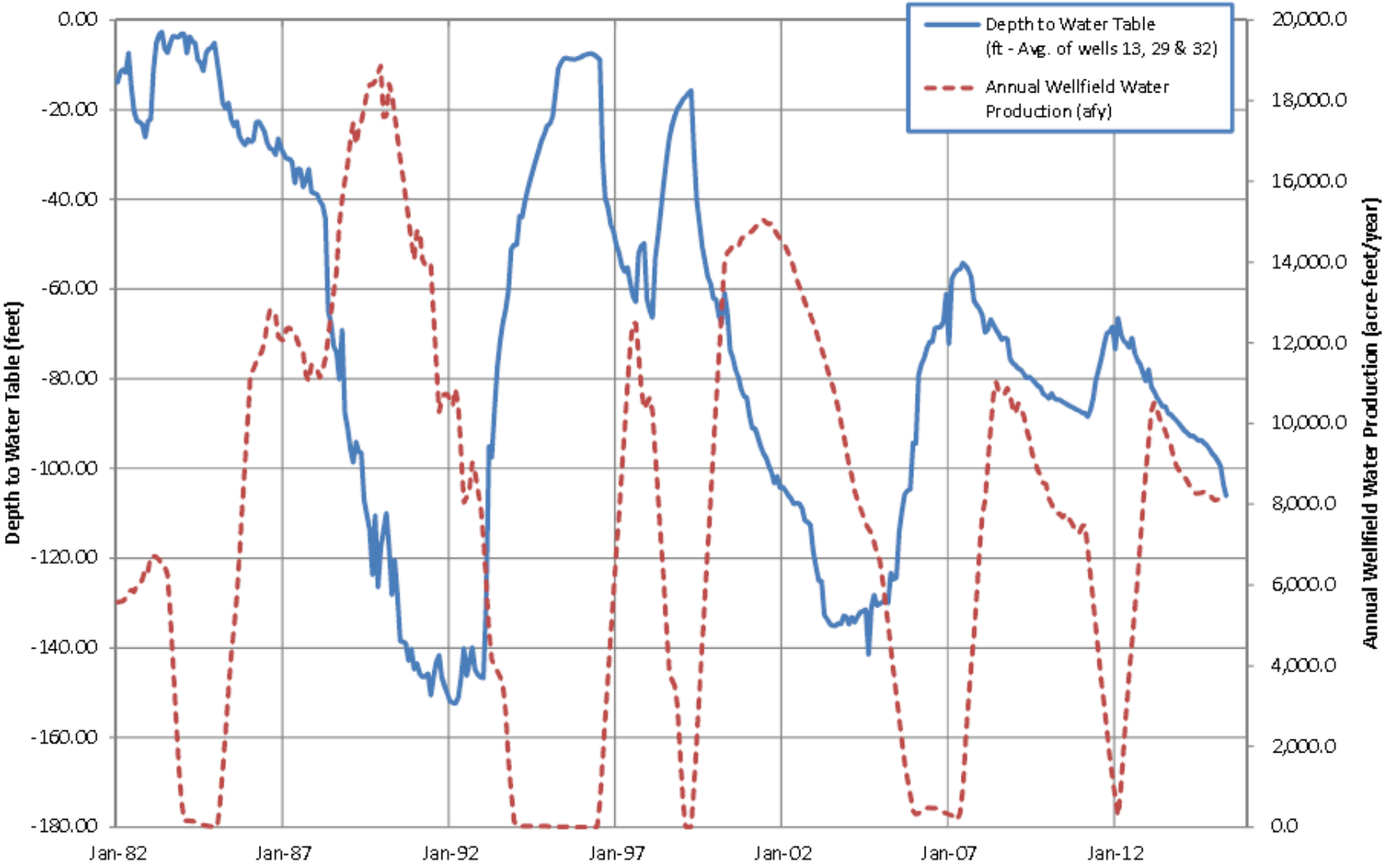
Historical Water Production on the Warner Ranch



Comparison with Total and Local Water Production



Relationship between pumping and groundwater storage



District's previous studies of the Warner Groundwater Basin

- ***"Hydrogeology of the Warner Basin",*** James M. Montgomery Consulting Engineers, 1969
- ***"Hydrology of the San Luis Rey River System",*** Bookman-Edmonston Engineering, Inc., 1984
- ***"Evaluation of Local Water Supply",*** Bookman-Edmonston Engineering, Inc., Draft 2002

Questions?

New Frontiers in Groundwater Management: Implementation of the SGMA in the San Luis Rey Watershed

June 29, 2015
Special Board Meeting and Workshop of the Vista Irrigation District

Presented By:

Jeremy Jungreis, Esq.

MAY YOU LIVE IN INTERESTING TIMES . . .

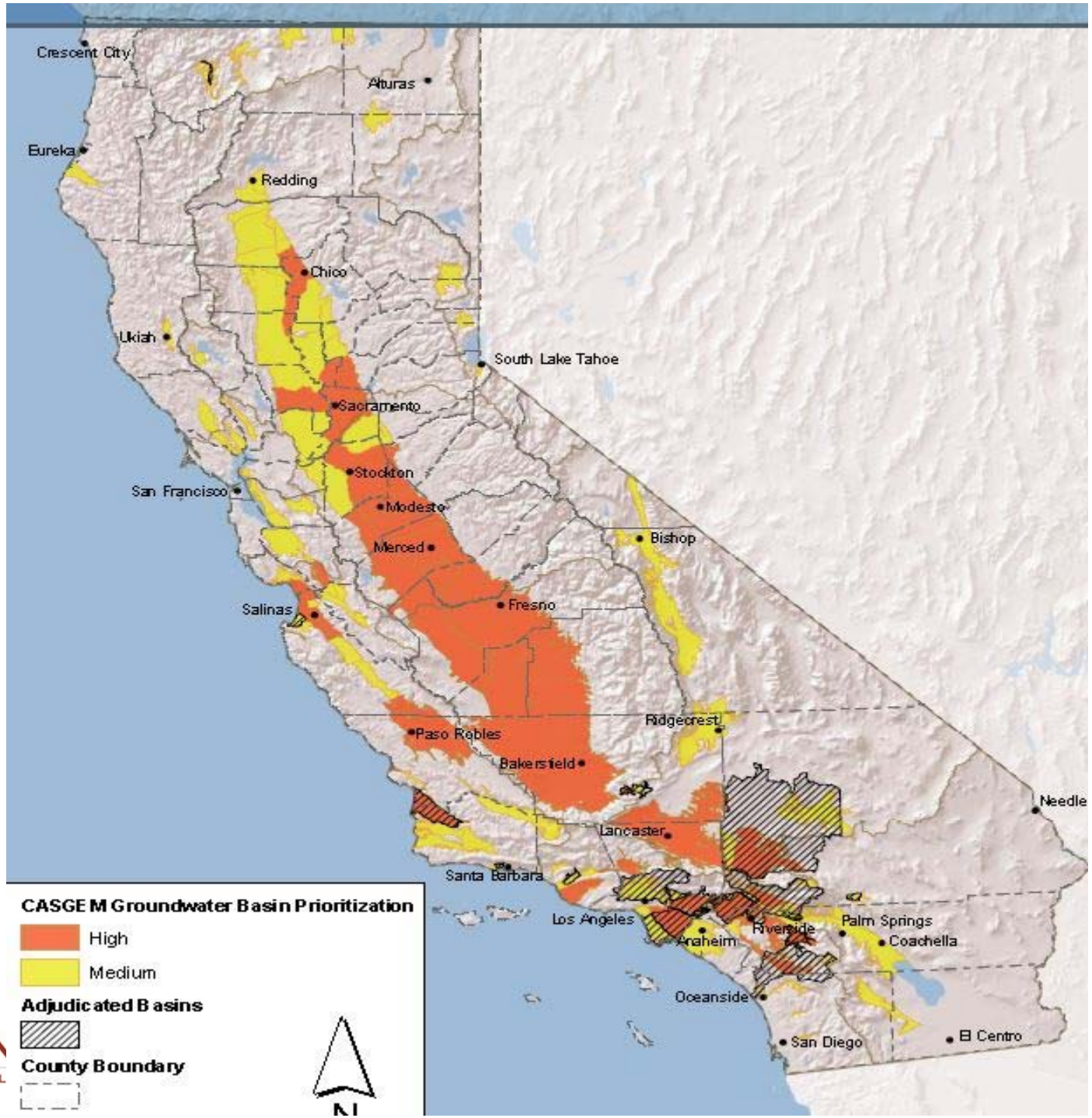
-Apocryphal Chinese Proverb/Curse

WHAT. . . ME WORRY?

<u>WELL, YES, IF YOU</u>: 1) PUMP GROUNDWATER FROM A BULLETIN 118 GROUNDWATER BASIN; 2) FALL OUTSIDE OF AN ADJUDICATED GROUNDWATER BASIN

THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT OF 2014 ("SGMA") WHAT'S THE BIG DEAL?

- "Sustainable Groundwater Management" is now the law of the state, in all groundwater.
  - BUT, not all groundwater created equal under SGMA
- SGMA real application is in groundwater basins designated by CA Dept of Water Resources under DWR Bulletin 118
  - Alluvium—large and reliably producing formations
  - For example, bedrock fracture wells not regulated
  - Each medium or high priority Bulletin 118 Basin must have groundwater sustainability plan (GSP) by 2022
  - Adjudicated Basins excluded (e.g. Santa Margarita)



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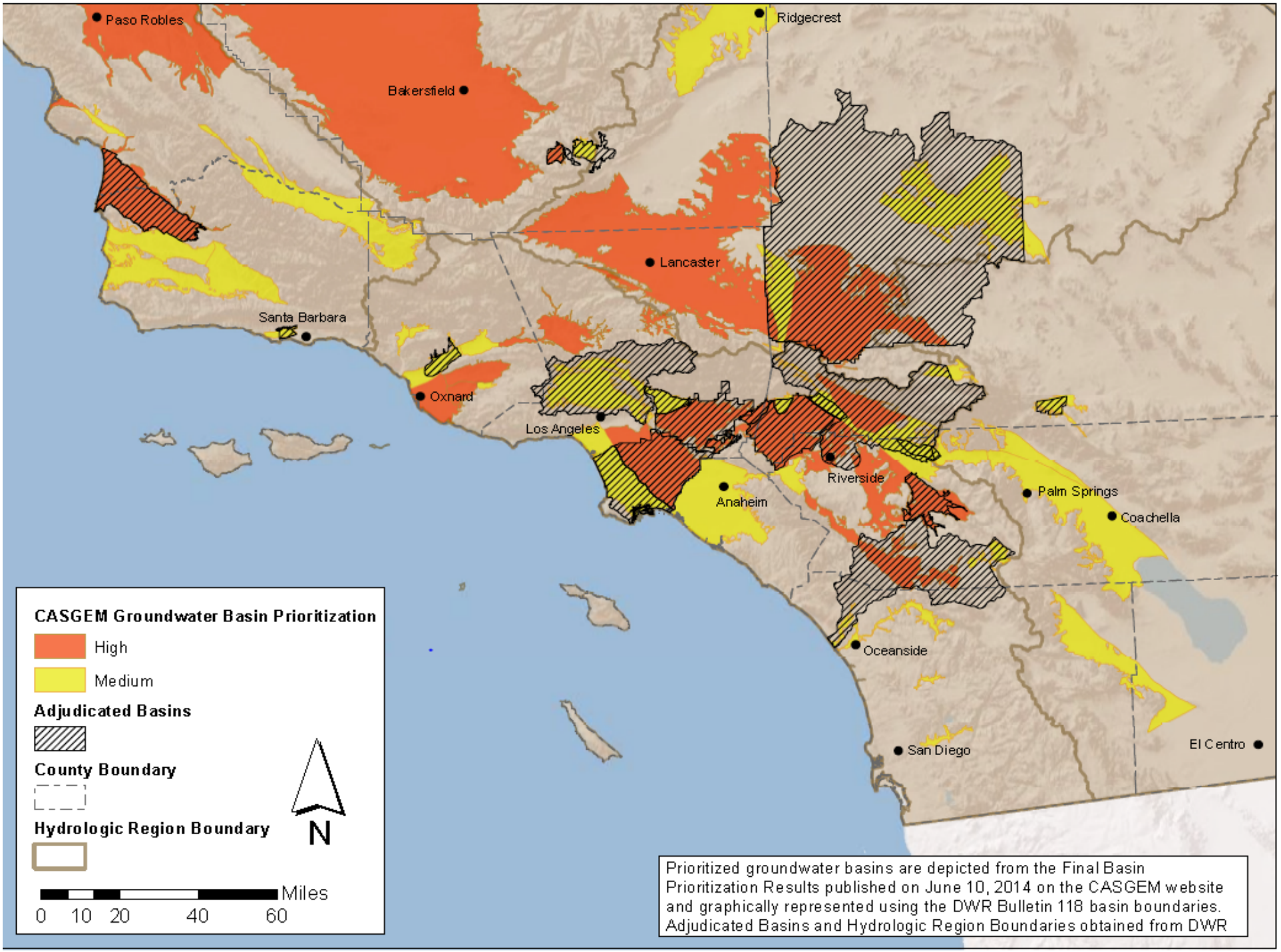
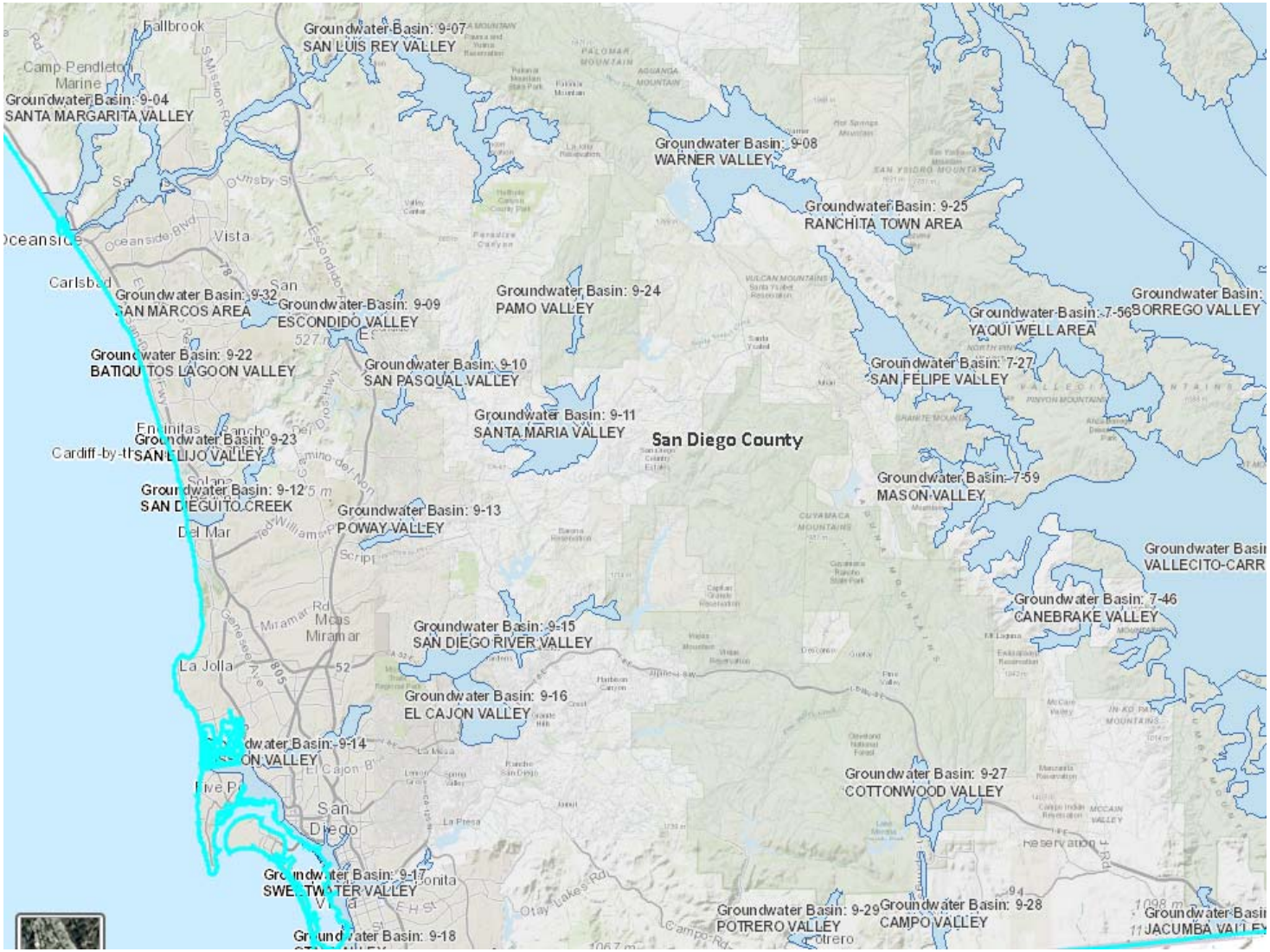

Paso Robles
Ridgecrest
Bakersfield
Lancaster
Santa Barbara
Oxnard
Los Angeles
Riverside
Anaheim
Palm Springs
Coachella
Oceanside
San Diego
El Centro
CASGEM Groundwater Basin Prioritization
High
Medium
Adjudicated Basins
County Boundary
Hydrologic Region Boundary
N
Miles
0 10 20 40 60
Prioritized groundwater basins are depicted from the Final Basin Prioritization Results published on June 10, 2014 on the CASGEM website and graphically represented using the DWR Bulletin 118 basin boundaries. Adjudicated Basins and Hydrologic Region Boundaries obtained from DWR



Bulletin 118 Basins of San Diego County

So What Does "Sustainable Groundwater Management Mean?"

- **<u>Management that prevents</u>:**

  (1) Chronic lowering of groundwater levels

  (2) Significant and unreasonable reduction of groundwater storage

  (3) Significant and unreasonable seawater intrusion.

  (4) Significant and unreasonable degraded water quality, including the migration of contaminant plumes that impair water supplies.

  (5) Significant and unreasonable land subsidence that substantially interferes with surface land uses.

  (6) Depletions of interconnected surface water that have significant and unreasonable adverse impacts on beneficial uses of the surface water.

- These principles apply in every Bulletin 118 Basin, but no enforcement mechanism outside medium/high priority basins.

Implementation Deadlines

When	Who	What
January 31, 2015	Department of Water Resources (DWR)	Categorize and prioritize basins as high, medium, low, or very low [§ 10722.4(a)]
January 1, 2016	DWR	Adopt regulations for basin boundary adjustments and accept adjustment requests from local agencies [§ 10722.2(4)(b)]
April 1, 2016	Local water agencies or water-masters in adjudicated areas	Submit final judgment / order / decree and required report to DWR (report annually thereafter) [§ 10720.8(f)]
June 1, 2016	DWR	Adopt regulations for evaluating adequacy of Groundwater Sustainability Plans (GSPs) and Groundwater Sustainability Agency (GSA) coordination agreements [§ 10733.2]
December 31, 2016	DWR	Publish report estimating water available for groundwater replenishment [§ 10729(c)]
January 1, 2017	DWR	Publish groundwater sustainability best management practices [§ 10729(d)]
By June 30, 2017	Local agencies	Establish GSAs [§ 10735.2(a)(1)]
After July 1, 2017	State Water Resources Control Board (SWRCB)	Designate basins as probationary where GSAs have not been formed [§ 10735.2(1)]
After July 1, 2017	Groundwater users in probationary basins	File annual groundwater extraction report with SWRCB by December 15 each year [§ 5202]
January 31, 2020	GSAs in medium- and high-priority basins in critical overdraft	Adopt GSPs and begin managing basins under GSPs [§ 10720.7(a)(1)] or alternative [§ 10733.6]
After January 31, 2020	SWRCB	Designate basins as probationary where GSPs have not been adopted in medium- and high-priority basins in critical overdraft [§ 10735.2(1)]
January 31, 2022	GSAs in other medium- and high- priority basins	Adopt GSPs and begin managing basins under GSPs [§ 10720.7(a)(2)]
After January 31, 2022	SWRCB	Designate basins as probationary where GSPs have not been adopted in other medium- and high-priority basins [§ 10735.2(1)]
After January 31, 2025	SWRCB	Designate basins as probationary where GSPs are inadequate or not being implemented, and extractions result in significant depletions of interconnected surface waters [§ 10735.2(a)(5)(B)]
After January 31, 2040	GSAs (in medium- and high-priority basins in critical overdraft)	Achieve groundwater sustainability goals (DWR may grant two five-year extensions upon a showing of good cause) [§ 10727.2(3)(A)]
After January 31, 2042	GSAs (in other medium and high priority basins)	Achieve groundwater sustainability goals (DWR may grant two five-year extensions upon a showing of good cause) [§ 10727.2(3)(A)]

When Must Sustainable Groundwater Management Be Achieved?

The Basic SGMA Steps to Sustainable Groundwater Management

- <u>Steps in the Process:</u>
  - Step 1: GSA Formation (Present to 2017)
    - Litigation?
  - Step 2: Development of GSP (2017-2022)
    - Litigation?
  - Step 3: Sustainable Groundwater Management (2022-2042)
    - 20 years to get there (with extensions possible)

So You Want to Become a GSA?

- What does a local agency get out of becoming a GSA?
- New Powers:
  - Power to require registration of private wells and metering
  - Power to require annual extraction reports
  - Power to impose and enforce limits on extractions
  - Power to assess fees to implement GSP and associated projects.
  - Power to pass measures as are necessary to enforce the GSP.
  - Ability to obtain presumption of correctness for GSA and GSP via filing of Validation Proceeding.
- New Headaches
  - Decent chance of getting sued if not broad consensus in basin
  - Significant staff time investment—both short, medium and long term
  - Potentially significant new costs and a Prop 218 rate process (with great uncertainty) to recover them.

Who May Become a GSA and What May they Manage?

- Why become a GSA or otherwise manage groundwater that is not currently managed?
- General criteria for becoming a GSA, including examples of "local agencies" eligible?
  - "Local agency", or combination of agencies with water management, land use, or water supply responsibilities
    (Water Code 10723(a))
  - VID has water supply and water management responsibilities within Warner Basin
  - Other possible GSAs in Warner Basin?
- Multi-Agency GSA can be formed via JPA Agreement or other contractual basis.
- Some existing groundwater management agencies are automatically GSAs within their statutory boundaries (Water Code 10723 (c))
  - Examples: OCWD, Santa Clara Valley Water District

Who May Become a GSA and What May they Manage?

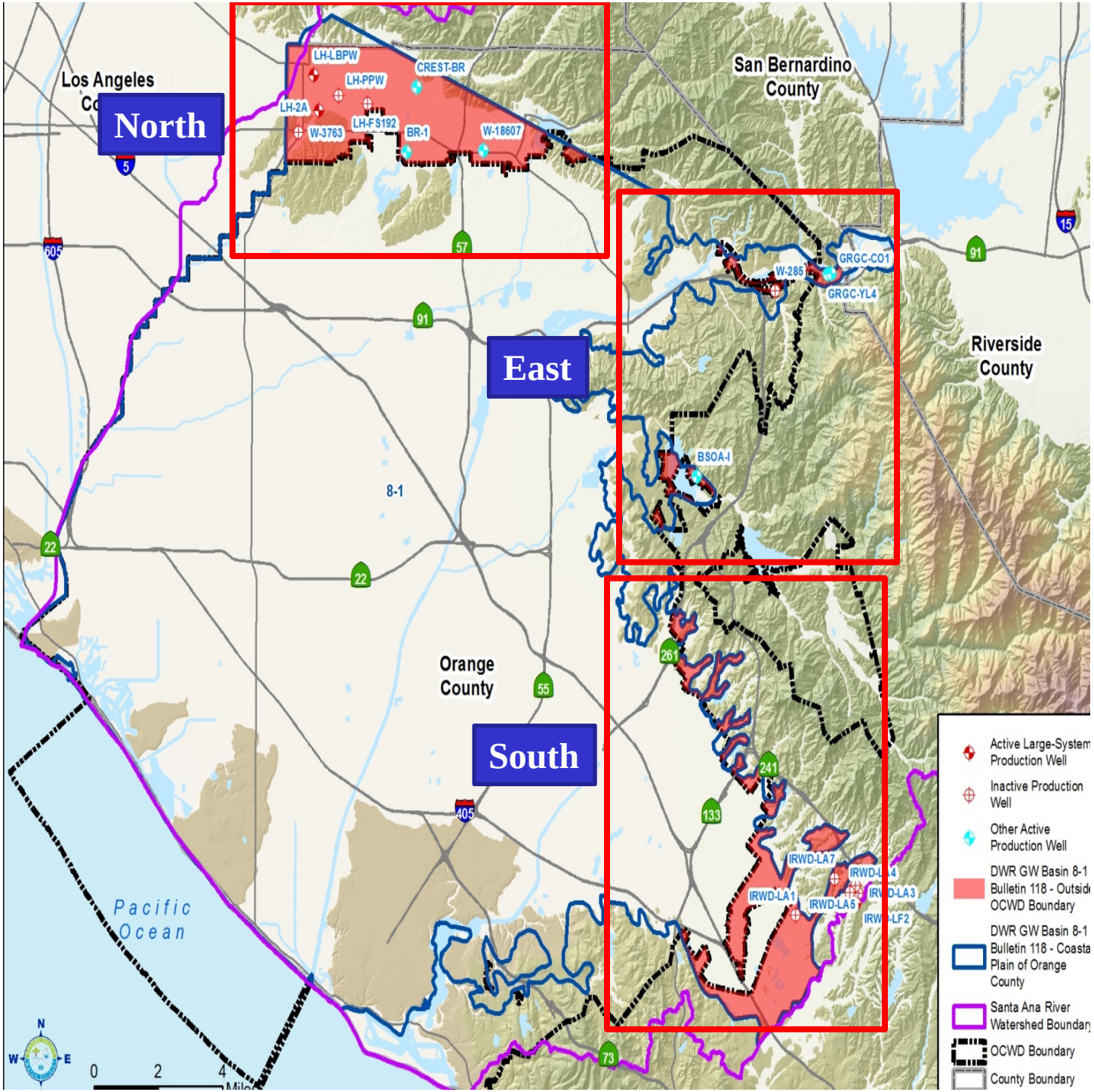
- Process for Becoming a GSA-pretty simple
  - Local agency or combination of local agencies
  - Public hearing
  - Notice of intent with DWR after mandatory outreach and agency "election" to become GSA
  - Can be a basin, a sub-basin or only a portion of a basin/sub-basin
  - DWR says it has no authority to "pick" the "best" GSA if multiple filings
- Other Issues with GSAs not so simple:
  - Can local agencies form GSAs in low or very low priority Bulletin 118 Basins? (WC 10720.7 (b))
  - Can GSA be formed for groundwater that is not identified in Bulletin 118?
  - Can a mutual water company or a PUC regulated utility be part of a GSA.
  - What is the governance structure of a multiple agency GSA?

Other Tricky Issues Associated with Becoming a GSA

- **What is geographic extent of a GSA?**
  - Must entire Bulletin 118 Basin be managed?
  - Can boundaries of basin be changed to facilitate better management?
  - What if two basins claim management authority over same basin?
- **Can "Local Agency" under SGMA manage outside of its LAFCO or statutory boundaries?**
  - Water Code Sections 10723 (a) and 10721 suggest yes (My view)
  - Other parts of SGMA support opposition conclusion (Joel's view)
  - **Issue no longer hypothetical**. Provident Irrigation District and Princeton Codora Glenn Irrigation District elected to become GSA for groundwater basin that stretches beyond their boundaries.

Red areas are outside District boundary but within Bulletin 118 boundary

These areas are hydrologically connected to the main basin



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BOUNDARY ISSUES UNDER THE SGMA: WHAT'S THE BIG DEAL

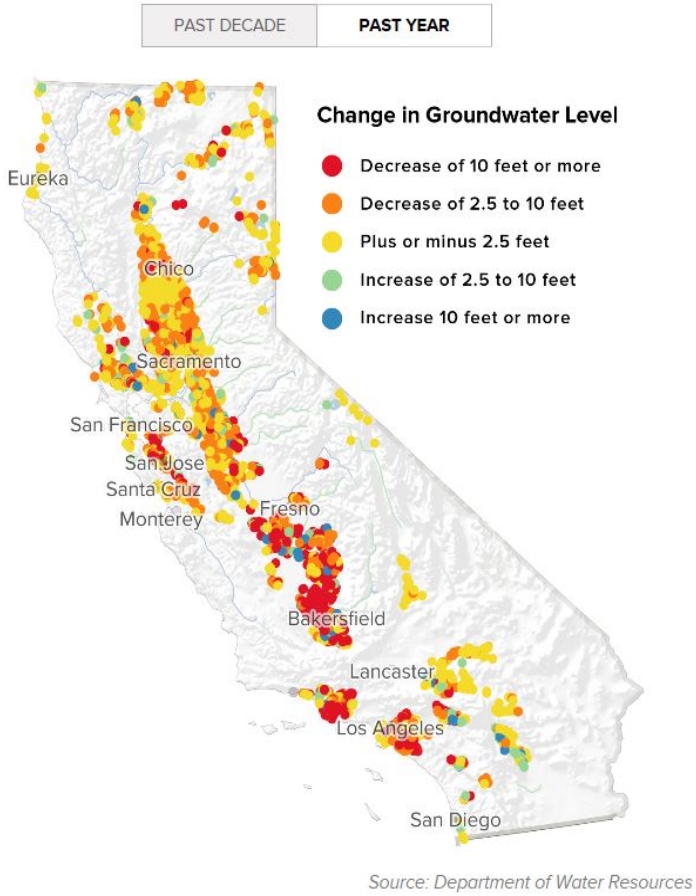
The GW Basin Next Door...

<u>Legal Significance:</u>

1. Affects who can be GSA (maybe)
2. Affects requirement to have a GSA/GSP all together
3. Affects water rights priority (maybe)
4. Potential for daisy chain adjudications in the absence of careful coordination

ADDITIONAL GSA IMPLEMENTATION ISSUES

Groundwater Levels Still Dropping...



Source: Department of Water Resources

- Is a GSA a separate legal entity, with the power to sue and be sued?
- What if local agencies only elect to manage <u>part</u> of a Bulletin 118 Basin?
- How is the governing board of a GSA determined?
- Can an agency that elects to become a GSA be held liable for infringement of water rights or other torts?

Development of a Groundwater Sustainability Plan (GSP)

- DWR will adopt regulations for evaluating GSPs, implementation, and coordination… by June 1, 2016
- Every GSP will be different in content, implementation, and enforcement.
- Will require development of "water balance" for basin to be managed.
- **Must present numerical milestones for reduction of overdraft**
  - To prevent overdraft, one must first know what is safe yield
  - Allocations to individual pumpers or penalties for overdraft will likely be needed to achieve required reductions
- **Technical requirements similar to AB 3030 plans**
  - Need to know recharge, discharge and surface water impacts of all adjacent/interconnected basins
  - Same data and assumptions need to be used

Required Elements of a Groundwater Sustainability Plan (GSP)

- Maps and basic data describing the physical setting
- A description of key indicators
  - (groundwater levels, quality, land subsidence, surface water)
- Analyses and assessments of non-measurable aspects of the basin
  - Sustainable yield
  - Aggregated data for groundwater extraction and total water use
  - An assessment of potential recharge areas and opportunities to augment groundwater recharge
- Measureable objectives to achieve sustainability goal
- Management activities to achieve and maintain GSP objectives
- Monitoring and reporting plan
  - To include key indicators, total groundwater storage, impacts on groundwater dependent ecosystems, etc.
- Development and implementation
  - List of stakeholders and interested parties; requirement to encourage diverse public involvement; and plan to achieve their involvement

Additional SGMA Issues Relevant to Warner and San Luis Rey Basins

- How should DWR and State Water Board ensure cross-border coordination is meaningful and scientifically valid?
  - How do we ensure that GSA A (upstream) develops its plan in a manner that makes hydrologic sense with regard to GSA B when both agencies are part of the same Bulletin 118 Basin
  - How can coordination be achieved when one entity has sovereignty and does not want to play ball? (e.g. tribes and federal agencies)
- How should boundaries between surface waters and percolating groundwater within the same Bulletin 118 basin be managed?
- Which controls? State Water Board or GSA when GSP conflicts with SWRCB issued permit?

Alternatives to SGMA Management

- Water Code Section 10733.6 and DWR approval of "Alternative Plans"
  - AB 3030 Plans
  - Management pursuant to an adjudication
  - Management pursuant to statutory authority
  - Analysis of basin conditions by groundwater expert demonstrating operation within safe yield for the previous 10 years
- Limited need for Alternative Plan within Warner Basin since not medium or high priority

So, With All of This in Mind, It's on to the Workshop Portion ... QUESTIONS?

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BOARD WORKSHOP: MANAGEMENT ALTERNATIVES FOR THE WARNER BASIN

Desired Outcome of Workshop

- No “decisions” to be made today
- Workshop to provide pros, cons and considerations for each alternative
  - Allows staff to develop management recommendation for future board consideration
  - No “wrong” answers
- Consider, what should Warner Basin look like 25 years from now?
  - How should the Board affect that vision via future management of Warner Basin?

Management Alternative #1

- STATUS QUO:
  - No GSA/GSP development by VID

Management Alternative #2

- VID as Sole GSA for Entire Warner Basin

Management Alternative #3

- VID as GSA for Portion of Warner Basin
  - With boundary change
  - Without boundary change

Management Alternative #4

- VID as Part of Multi-Agency GSA
  - Via JPA as separate entity
  - Via contractual mechanism where no new entity formed

Management Alternative #5

- Management via Alternative Plan or Judicial Decree

Workshop Conclusion

- Which management scenarios should be carried forward for further analysis by staff?
- Recommendations:
  - Formation of special ad hoc committee to evaluate future management of Warner Basin (2 members of Board)
  - Authorize staff to perform further investigation of water resources and future management options in the Warner Basin