



**Board of Directors
December 7, 2016**

SUBJECT:

Adopt a Proposed Resolution Authorizing an Application to the California Department of Water Resources to Establish Eastern Municipal Water District as the Groundwater Sustainability Agency for the Western Portion of the San Jacinto Basin

BACKGROUND:

In 2014, California lawmakers passed the Sustainable Groundwater Management Act (SGMA), which mandates that all groundwater basins within the state be managed to ensure long-term water supply reliability. Under SGMA, each high and medium priority basin, as identified by the California Department of Water Resources (DWR), must have a Groundwater Sustainability Agency (GSA) that will be responsible for groundwater monitoring and the development of a Groundwater Sustainability Plan (GSP) to ensure long-term groundwater sustainability and prevent overdraft.

The San Jacinto Basin is designated by DWR as a high priority basin and is therefore required to be managed by a GSA. High priority designations may be the result of pumping activities, water quality, and/or the reliance on the basin for drinking water supplies. In the case of the San Jacinto Basin, there is an elevated level of salinity within the basin that presents water quality issues and is the reason for the state designating it as high priority.

To reach compliance with this statewide mandate, staff recommends that Eastern Municipal Water District (EMWD) Board of Directors adopt a Resolution to become the GSA over the West San Jacinto Groundwater Basin Management Area. This area generally encompasses the cities of Moreno Valley, Perris, Menifee, and the surrounding unincorporated areas. Federal properties, including March Air Reserve Base, are exempt from SGMA.

EMWD's responsibilities as the GSA would be to oversee monitoring of wells, measure and assist in managing groundwater production, conduct studies, provide annual reports to DWR, and implement projects and programs to meet groundwater management goals and avoid long-term overdraft to achieve sustainability. EMWD is already performing these services at its own cost, and will continue to do so as the GSA. The GSA must also develop and implement the GSP, which must contain measurable objectives for the basin that will lead toward long-term sustainability and avoid undesirable results, such as seawater/brackish water intrusion, degraded water quality, subsidence, long-term overdraft, and reductions in groundwater storage.

To ensure that it is actively collaborating with the communities it serves, EMWD will form an advisory committee that will make recommendations to EMWD's Board of Directors, acting as

the GSA. The advisory committee will include other government agencies and water producers within the defined GSA area. Also, EMWD has conducted an extensive outreach effort to inform all stakeholders in and around the West San Jacinto Groundwater Basin Management Area of EMWD's intent to form a GSA for the area, and how their interests will be included as part of the advisory committee. EMWD has received several letters of support to become the GSA and they are attached as an exhibit to this report.

FINANCIAL IMPACT:

None

STRATEGIC PLANNING GOAL/OBJECTIVE:

Water Supply Diversity and Reliability: Develop and implement a portfolio of projects and management techniques to achieve a reliable and cost-effective balance of water supplies utilizing imported, local and recycled water sources.

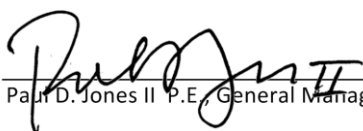
ENVIRONMENTAL IMPACT:

This item is not a project as defined in the California Environment Quality Act Code of Regulations, Title 14, Chapter 3, Section 15378.

RECOMMENDATION:

Adopt a Resolution which authorizes the General Manager, and/or his designee, to prepare the necessary data, conduct investigations, and file such application with the California Department of Water Resources to establish Eastern Municipal Water District as the Groundwater Sustainability Agency for the western portion of the San Jacinto Basin in accordance with the Sustainable Groundwater Management Act of 2014.

SUBMITTED BY:



Paul D. Jones II, P.E., General Manager

11/18/2016



Charles Bachmann, Assistant General Manager

11/14/2016

Attachment(s):

Exhibit A - Resolution

Exhibit B - Map

Exhibit C - Presentation

Exhibit D - Letters of Support

History:

11/23/16 Board Operations and Engineering Committee RECOMMENDED FOR
APPROVAL

12/07/16 Board Meeting

Staff Contact: Michael Nusser

RESOLUTION NO. 2016-135

A RESOLUTION OF THE BOARD OF DIRECTORS OF EASTERN MUNICIPAL WATER DISTRICT ELECTING TO BECOME THE GROUNDWATER SUSTAINABILITY AGENCY FOR A WESTERN PORTION OF THE SAN JACINTO BASIN WITHIN THE BOUNDARIES AND SPHERE OF INFLUENCE FOR EASTERN MUNICIPAL WATER DISTRICT

WHEREAS, in September 2014, the Sustainable Groundwater Management Act (SGMA) was signed into law, with an effective date of January 1, 2015, and codified at California Water Code, Section 10720 et seq; and

WHEREAS, the legislative intent of SGMA is to, among other goals, provide for sustainable management of groundwater basins and sub-basins defined by the California Department of Water Resources (DWR), to enhance local management of groundwater, to establish minimum standards for sustainable groundwater management, and to provide specified local agencies with the authority and technical and financial assistance necessary to sustainably manage groundwater; and

WHEREAS, Water Code Section 10723(a) authorizes a local agency with water supply, water management or local land use responsibilities, or a combination of local agencies, overlaying a groundwater basin to elect to become a Groundwater Sustainability Agency (GSA) under SGMA; and

WHEREAS, groundwater management of high and medium priority basins as designated by DWR is now required; and

WHEREAS, the service area of Eastern Municipal Water District (EMWD) overlies portions of the San Jacinto Basin (DWR Bulletin 118, Basin No. 8-005) which are unadjudicated and designated as a high priority basin by DWR; and

WHEREAS, California Water Code Section 10723.8 requires that a local agency electing to serve as a GSA notify DWR within 30 days of the local agency's election to become a GSA authorized to undertake sustainable groundwater management within a basin; and

WHEREAS, California Water Code Section 10723.8 mandates that 90 days following the posting by DWR of the local agency's notice of election to become a GSA, that entity shall presume to be the exclusive GSA for the area within the basin the agency is managing as described in the notice, provided that no other GSA formation notice covering the same area has been submitted to DWR; and

WHEREAS, in accordance with Water Code Section 10723(b) and Government Code Section 6066, a notice of public hearing was published in a newspaper of general circulation

regarding EMWD's intent to become a GSA for a portion of the San Jacinto Basin, as described in the notice; and

WHEREAS, becoming a GSA supports EMWD's ongoing efforts to conduct groundwater management within the region and to ensure groundwater and drinking water sustainability within the area served by EMWD;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF EASTERN MUNICIPAL WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

1. EMWD hereby elects to be the GSA for the geographical area depicted on the map attached to this Resolution as Exhibit A, covering that portion of the unadjudicated San Jacinto Basin underlying (or within) the jurisdictional boundaries of EMWD.
2. EMWD staff is directed to submit to DWR, within 30 days of the approval of this Resolution, a map of the basin area EMWD intends to manage under SGMA, a copy of this Resolution, a list of interested parties developed pursuant to Section 10723.2 of the Act with an explanation of how their interests will be considered in the development and implementation of the agency's groundwater sustainability plan, and any other supporting documentation required by SGMA to support EMWD's formation of a GSA.
3. This Resolution shall be effective upon its adoption.

DATED: December 7, 2016



Randy A. Record, President

I hereby certify that the foregoing is a full, true and correct copy of the Resolution adopted by the Board of Directors of the Eastern Municipal Water District at its meeting held on December 7, 2016.

ATTEST:



Sheila Zelaya, Board Secretary

(SEAL)

EASTERN MUNICIPAL WATER DISTRICT
Sustainable Groundwater Management Act
Formation of a Groundwater Sustainability Agency for the
West San Jacinto Basin

Exhibit A

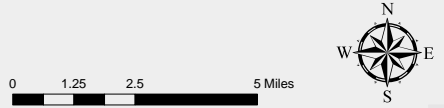
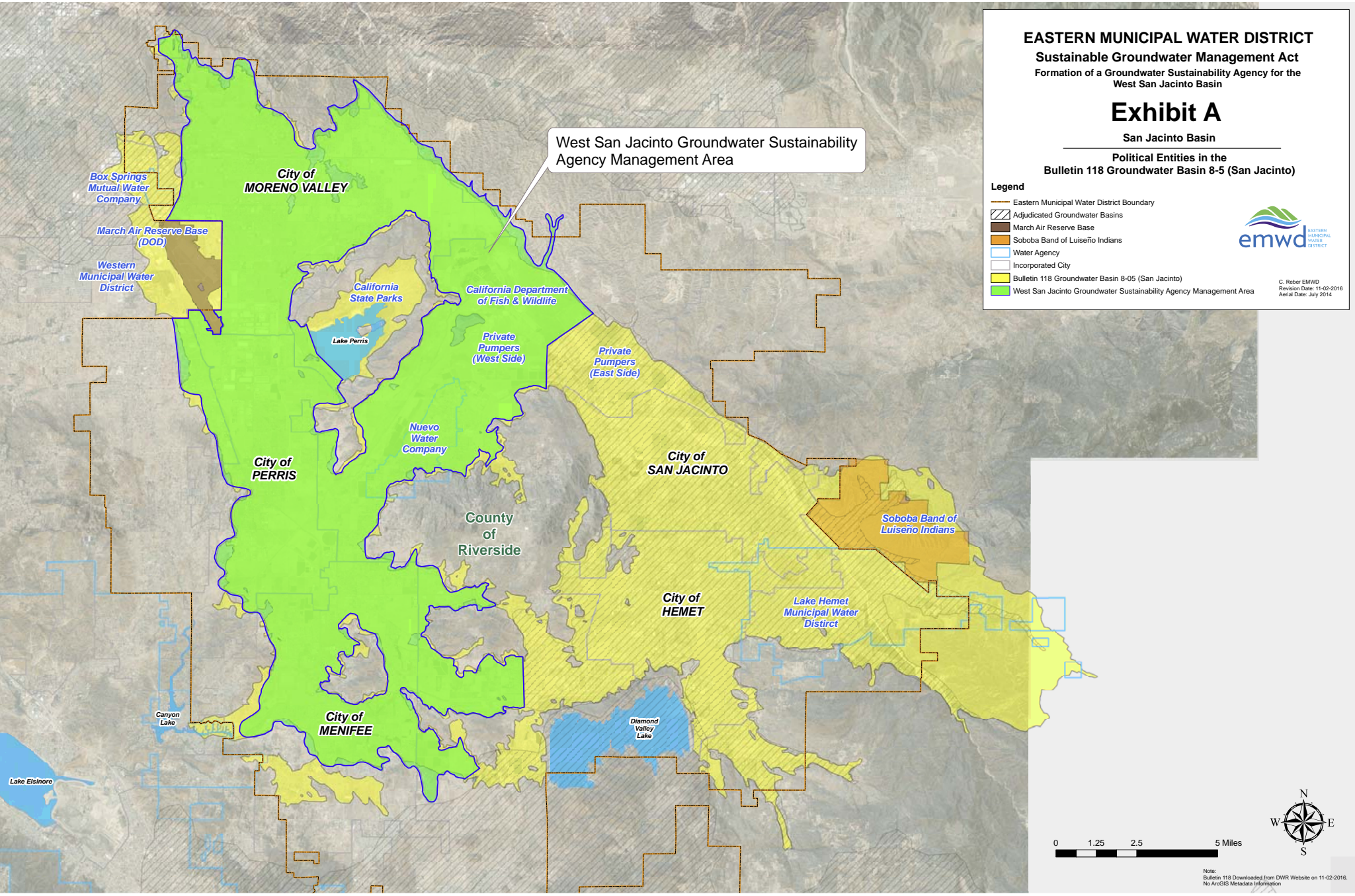
San Jacinto Basin

Political Entities in the
 Bulletin 118 Groundwater Basin 8-5 (San Jacinto)

- Legend**
- Eastern Municipal Water District Boundary
 - Adjudicated Groundwater Basins
 - March Air Reserve Base
 - Soboba Band of Luiseño Indians
 - Water Agency
 - Incorporated City
 - Bulletin 118 Groundwater Basin 8-05 (San Jacinto)
 - West San Jacinto Groundwater Sustainability Agency Management Area



C. Reber EMWD
 Revision Date: 11-02-2016
 Aerial Date: July 2014



Note:
 Bulletin 118 Downloaded from DWR Website on 11-02-2016.
 No ArcGIS Metadata Information



Sustainable Groundwater Management Act

Public Hearing - Groundwater Sustainability Agency Formation

Michael D. Nusser
December 7, 2016

Overview of California Groundwater Management

- The lack of adequate rainfall and surface water supplies is forcing many water users to increase groundwater production
- Many groundwater basins within the state are experiencing water levels at their lowest levels ever and are in severe overdraft
- This decline has prompted state legislators to create legislation that leads to the sustainable management of California's 431 groundwater basins



Sustainable Groundwater Management Act

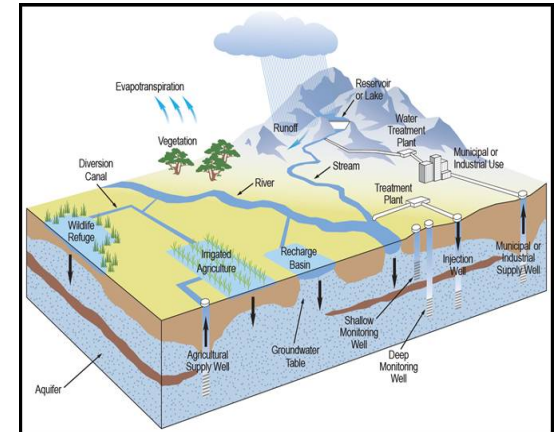
Sustainable Groundwater Management Act (SGMA)
was signed into law on September 16, 2014



Sustainable Groundwater Management Act

Under SGMA, groundwater management is no longer voluntary

- SGMA grants new and additional groundwater management authorities to Groundwater Sustainability Agencies (GSA)
- GSAs must develop and implement Groundwater Sustainability Plans (GSPs) that must contain measurable objectives for the groundwater basin that will reach sustainability goals
- State will now review whether local GSPs achieve sustainability
- State intervention in groundwater basin management is now possible if local agencies are not making adequate progress towards sustainability



Sustainable Groundwater Management Act

Forming a Groundwater Sustainability Agency is mandatory under SGMA (Water Code §10735.2)

- Basins that do not have a Groundwater Sustainability Agency formed by June 30, 2017, will be considered “probationary” by the State
- Local agencies have 180 days to remedy the deficiency (i.e., form a GSA)
- If not corrected, the State will intervene and develop and adopt an interim groundwater plan for the basin
 - State would establish its own reporting requirements
 - Collection of fees to implement the plan



Critical Dates for the Sustainable Groundwater Management Act



Jan 2016

- Regulations finalized for basin boundary adjustments



June 2016

- Regulations finalized for evaluating and implementing Groundwater Sustainability Plans



June 2017

- Local Groundwater Sustainability Agencies for high and medium priority basins must be formed

Jan 2020

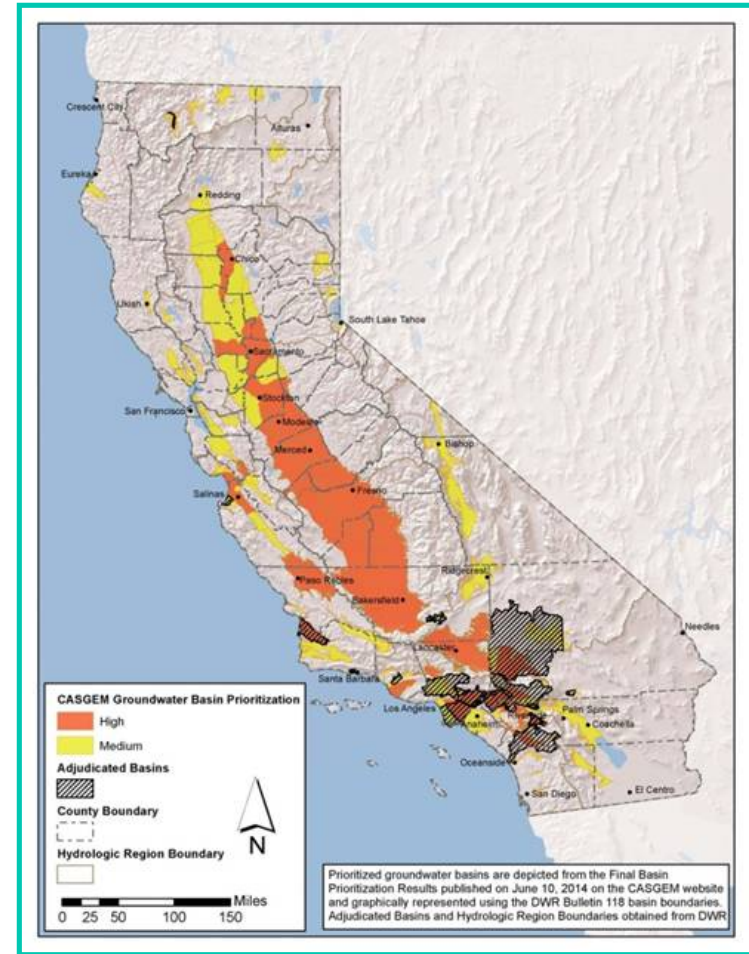
- Groundwater Sustainability Plans must be complete and approved by DWR

2040

- Basins must achieve sustainability goals

Sustainable Groundwater Management Act

- DWR Published the Final Groundwater Basin Prioritization Results in January 2015
 - California's 431 Groundwater Basins Categorized as High, Medium, Low, and Very Low Priority
 - 43 Basins Prioritized as High
 - 84 Basins Prioritized as Medium
- San Jacinto Basin is a High Priority Basin due to water quality/salinity
 - Required to have a Groundwater Sustainability Agency
 - Required to have a GSP
 - Groundwater sustainability must be achieved within 20 years



The 127 basins designated as High or Medium Priority include 96 percent of the annual groundwater use and 88 percent of the 2010 population overlying the groundwater basin area.

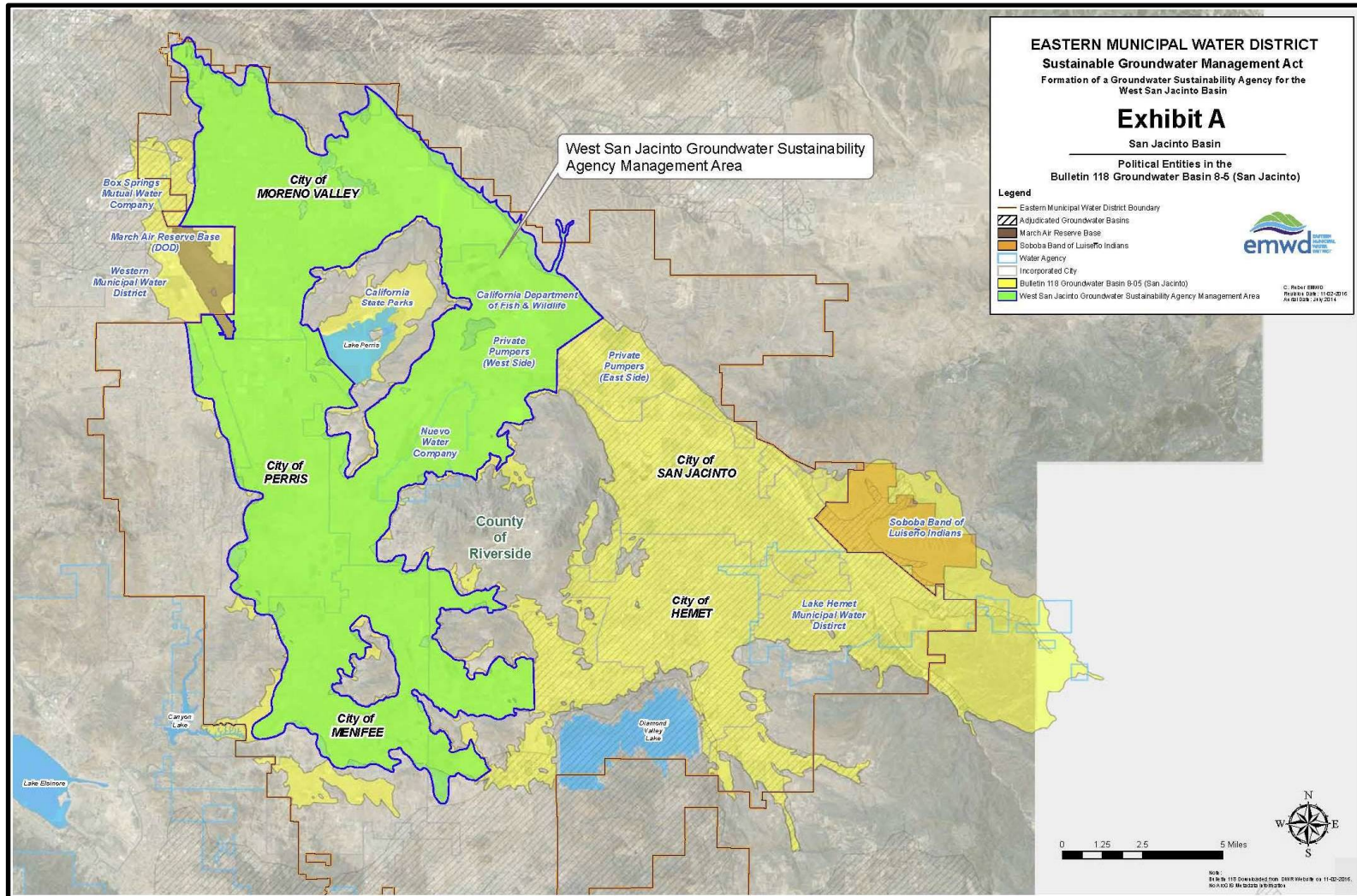
Formation of the West San Jacinto Basin Groundwater Sustainability Agency

EMWD is electing to become the GSA for the West San Jacinto Groundwater Basin Management Area:

- Recognized by DWR as the Regional water agency in the San Jacinto Basin
- State-designated agency for both the Groundwater Extraction Recordation and California Statewide Groundwater Elevation Monitoring (CASGEM) programs in the San Jacinto Basin
- Already actively managing the West San Jacinto through its voluntary AB 3030 Groundwater Management Plan, since 1995
- Implementing a salt and nutrient management program (Menifee and Perris Desalters, Inland Empire Brine Line, etc.)
- Actively pursuing federal, state, and local grant funding for the benefit of the region's groundwater management
- EMWD has and will continue to conduct these activities at its own expense

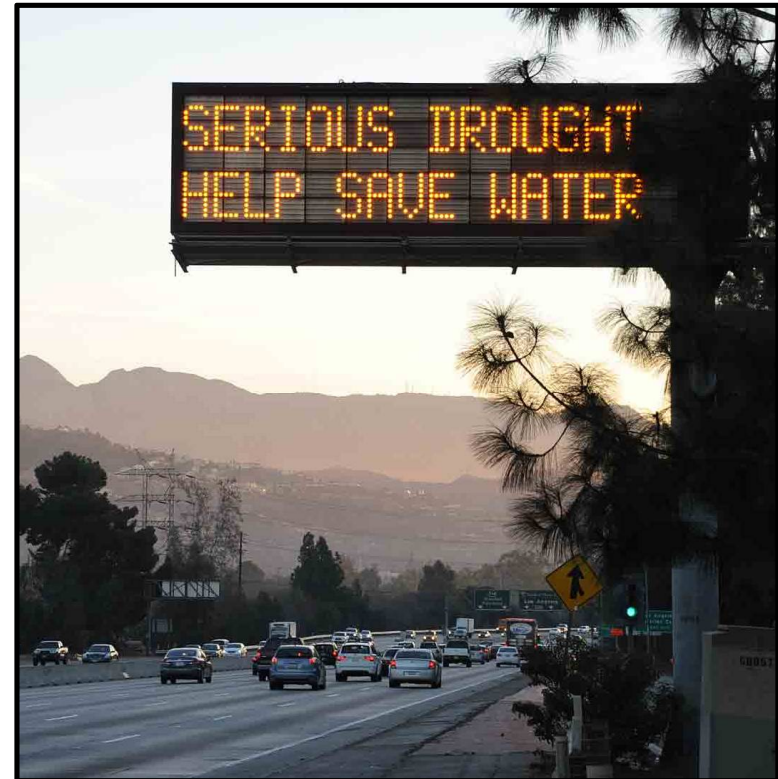


West San Jacinto Basin Groundwater Sustainability Agency Management Area



Groundwater Sustainability Agency Responsibilities

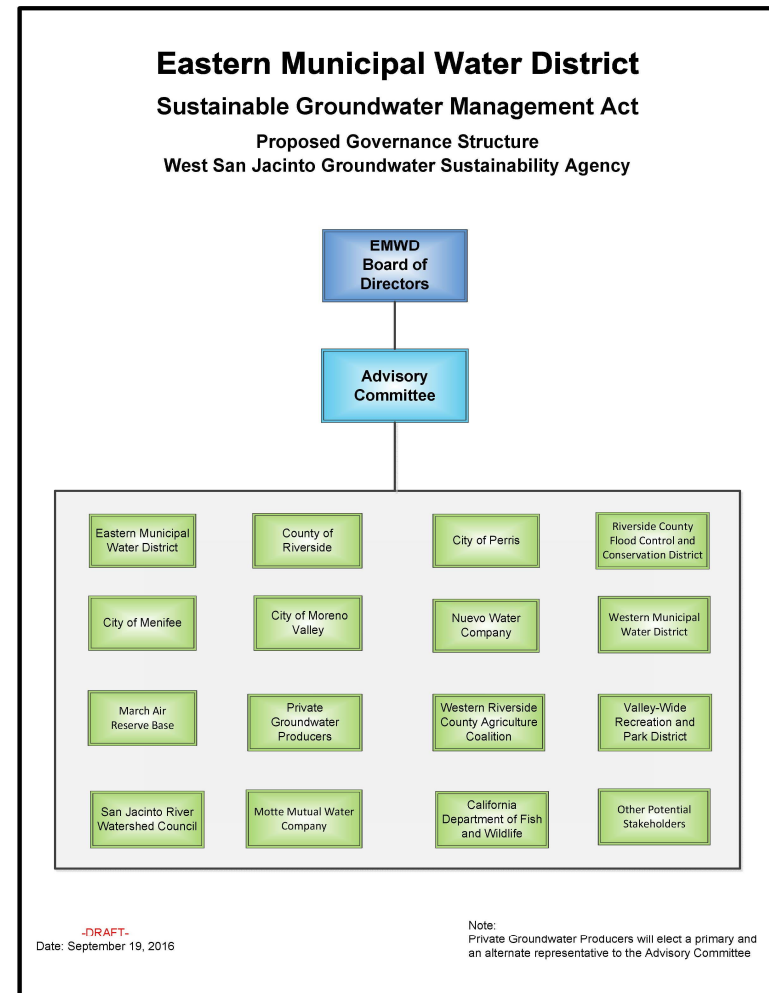
- Register and monitor wells
- Measure and/or manage groundwater extractions
- Conduct studies
- Implement projects and programs to meet groundwater management goals
- Develop and implement a GSP
- Submit annual reports to DWR
- Assess fees as necessary to cover the cost of groundwater management



EMWD currently monitors wells producing 25 acre-feet per year (AFY) or more. Private well owners using less than 2 AFY for domestic use are exempt from the reporting requirements of SGMA.

West San Jacinto Basin Groundwater Sustainability Agency Governance Structure

- Outreach & collaboration with stakeholders
 - Sept. 27, 2016 Workshop
 - Letters of Support from local agencies, water companies, private pumpers and other stakeholders
- Hold Public Hearing and Adopt Resolution Establishing EMWD as the West San Jacinto Basin Groundwater Sustainability Agency
- Governance Structure
 - EMWD Board of Directors acting as GSA
 - GSA Advisory Committee comprised of all interested stakeholders within WSJ Basin area providing input to GSP development



Formation of the West San Jacinto Basin Groundwater Sustainability Agency

Upon adoption of a Resolution forming a GSA by EMWD's Board of Directors

- Within 30 days, notify DWR of consensus that EMWD intends to become the GSA for the West San Jacinto Basin Groundwater Management Area
- DWR will post EMWD's intent on their public website
- Mandatory 90-day public review and comment period
- DWR accepts GSA if no protests received



Recommendation

Adopt a Resolution which authorizes the General Manager, and/or his designee, to prepare the necessary data, conduct investigations, and file such application with the California Department of Water Resources to establish Eastern Municipal Water District as the Groundwater Sustainability Agency for the western portion of the San Jacinto Basin in accordance with the Sustainable Groundwater Management Act of 2014.



Contact Information

Michael D. Nusser
Water Resources Planning Manager
(951) 928-3777 Ext. 4514

Email: nusserm@emwd.org



MOTTE MUTUAL WATER

Motte Mutual Water
445 South D Street
Perris, CA 92570

November 3, 2016

Paul D. Jones II, P.E.
General Manager
Eastern Municipal Water District
2270 Trumble Road
Perris, CA 92572

Dear Mr. Jones:

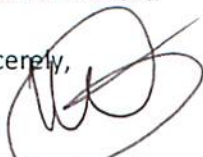
Motte Mutual Water had the pleasure of meeting with your agency on the Sustainable Groundwater Management Act (SGMA). After hearing the presentation and getting the opportunity to have our questions answered, Motte Mutual Water is in support of Eastern Municipal Water District (EMWD) forming and acting as the Groundwater Sustainability Agency (GSA) for the West San Jacinto Groundwater Basin Management Area in full compliance with the requirements of SGMA.

Water Code Section 10723(a) requires that "Any local agency or combination of local agencies overlaying a groundwater basin may elect to be a groundwater sustainability agency for that basin." And that a GSA "shall consider the interests of all beneficial uses and users of groundwater, as well as those responsible for implementing groundwater sustainability plans. These interests include [] all of the following: (a) Holders of overlying groundwater rights. [] (b) Municipal well operators. (c) Public water systems. (d) Local land use planning agencies. (e) Environmental users of groundwater. [] (g) The federal government []. []" (§ 10723.2)

The above statutory mandate makes it clear that Motte Mutual Water's interests will be considered in the development and operation of the GSA. We approve of the proposed governance structure of forming an Advisory Committee to the GSA Board. We understand that the proposed Advisory Committee will be comprised of the interested parties and stakeholders within the West San Jacinto Groundwater Basin Management Area and we look forward to participating on the committee. We also acknowledge that EMWD was instrumental in developing the Groundwater Management Plan in compliance with AB3030 and has been implementing the Plan since 1995. As such, EMWD is the most qualified agency to form and act as the GSA.

We appreciate your leadership in bringing the various organizations and parties together for this important effort.

Sincerely,



Mike Naggar
Manager, Motte Mutual Water



HIGHLAND FAIRVIEW
14225 Corporate Way
Moreno Valley, CA 92553
Tel: 951.867.5327

November 2, 2016

(Sent via email)

Paul D. Jones II, P.E.
General Manager
Eastern Municipal Water District
2270 Trumble Road
Perris, CA 92572

Dear Mr. Jones:

After having the opportunity to hear your agency's presentation on the Sustainable Groundwater Management Act (SGMA) and answering the questions we had, Highland Fairview is in support of Eastern Municipal Water District (EMWD) forming and acting as the Groundwater Sustainability Agency (GSA) for the West San Jacinto Groundwater Basin Management Area in full compliance with the requirements of SGMA.

Water Code Section 10723(a) requires that "Any local agency or combination of local agencies overlaying a groundwater basin may elect to be a groundwater sustainability agency for that basin." And that a GSA "shall consider the interests of all beneficial uses and users of groundwater, as well as those responsible for implementing groundwater sustainability plans. These interests include all of the following: (a) Holders of overlying groundwater rights. (b) Municipal well operators. (c) Public water systems. (d) Local land use planning agencies. (e) Environmental users of groundwater. (g) The federal government." (§ 10723.2)

The above statutory mandate makes it clear that Highland Fairview's interests will be considered in the development and operation of the GSA. We approve of the proposed governance structure of forming an Advisory Committee to the GSA Board. We understand that the proposed Advisory Committee will be comprised of the interested parties and stakeholders within the West San Jacinto Groundwater Basin Management Area and we look forward to participating on the committee. We also acknowledge that EMWD was instrumental in developing the Groundwater Management Plan in compliance with AB3030 and has been implementing the Plan since 1995. As such, EMWD is the most qualified agency to form and act as the GSA.

We appreciate your leadership in bringing the various organizations and parties together for this important effort.

Sincerely,

Brian R. Hixson, P.E.
Vice President of Land Development