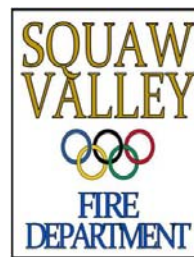




## SQUAW VALLEY PUBLIC SERVICE DISTRICT



### GENERAL MANAGER'S REPORT

**DATE:** November 21, 2014

**TO:** District Board Members

**FROM:** Mike Geary, General Manager

**SUBJECT:** General Manager's Report – Information Only

**BACKGROUND:** The discussion section below provides information from the District's management on its current projects that are not the subject of a separate report. This report is formatted to provide new information and recent progress only.

The General Manager participated in the following meetings in the last month:

- Village at Squaw Valley – MAC Water Park wastewater & water demands / modeling – staff, consultants, TTSA, SVRE
- Truckee River Basin Watershed Group – TROA Update
- Creek Aquifer Interaction Study – Financial Reporting
- Finance & Administration Manager
- Redundant Water Supply – consultant
- Hydraulic Modeling – T-TSA staff
- Cardno-Entrix representative
- Financial Statements Review – meetings with staff
- Ad Hoc Committee – *Village at Squaw Valley* Project
- Finance Committee
- VUEWorks Implementation – staff
- Village at Squaw Valley – Operations Space & Capital Needs Assessment – several meetings with staff and consultant
- Creek Aquifer Interaction Study – HydroMetrics and staff
- Residential Sewer Service permit – staff
- Village at Squaw Valley – Placer County staff
- PlumpJack Project – project representatives and staff
- Monthly Planning – staff
- T-TSA Managers
- Squaw Valley Municipal Advisory Council
- Truckee River Basin Watershed Group meeting

- Technical Review Committee
- Redundant Water Supply Preferred Alternative – consultant and SVR

**Truckee River Operating Agreement (TROA)** – On Sept. 30, 2014, the motion to amend or alter the Orr Ditch Decree was granted. This condition needed to be satisfied prior to implementation of TROA. Several other conditions need to be met prior to implementation of the bi-state agreement but it is predicted that TROA could become effective as early as October 1, 2015. Staff continues to monitor TROA and its impending implementation.

**Groundwater Sustainability Legislation** – On August 29, 2014, the California State Legislature passed three bills that will initiate the process of managing and regulating groundwater in California; they are SB 1168, SB 1319, and AB 1739, collectively known as the “Sustainable Groundwater Management Act of 2014” or SGMA. The SGMA provides a framework for sustainable management of groundwater supplies by local authorities, with a limited role for state intervention only if necessary to protect the resource. The act requires the formation of local groundwater sustainability agencies (GSAs) that must assess conditions in their local water basins and adopt locally-based management plans. The act provides substantial time – 20 years – for GSAs to implement plans and achieve long-term groundwater sustainability. It protects existing surface water and groundwater rights and does not impact current drought response measures. See the attached *Fact Sheet* and *Brochure* published by the Association of California Water Agencies (ACWA) for more information.

**ATTACHMENTS:** Sustainable Groundwater Management Act – *Brochure* and *Fact Sheet* by ACWA.

**DATE PREPARED:** November 14, 2014

## Fact Sheet

The Sustainable Groundwater Management Act of 2014 is a comprehensive three-bill package that provides a framework for sustainable management of groundwater supplies by local authorities, with a limited role for state intervention only if necessary to protect the resource.

The act requires the formation of local groundwater sustainability agencies (GSAs) that must assess conditions in their local water basins and adopt locally-based management plans. The act provides substantial time – 20 years – for GSAs to implement plans and achieve long-term groundwater sustainability. It protects existing surface water and groundwater rights and does not impact current drought response measures.

ACWA supported the legislation, which was substantially consistent with recommendations developed by the association's Groundwater Sustainability Task Force and adopted by the ACWA Board of Directors. ACWA's recommendations, together with recommendations from the California Water Foundation and input from other stakeholders, helped shape many provisions to protect local control and empower local agencies to achieve the sustainability goal.

The Sustainable Groundwater Management Act of 2014 is considered just one part of a statewide, comprehensive water plan for California that includes investments in water conservation, water recycling, expanded water storage, safe drinking water, wetlands and watershed restoration. The plan is intended to ensure a reliable water supply for California for years to come.

### **GSAs and Local Sustainability Plans**

The Sustainable Groundwater Management Act provides local GSAs with tools and authority to:

- Require registration of groundwater wells
- Measure and manage extractions
- Require reports and assess fees
- Request revisions of basin boundaries, including establishing new subbasins

GSAs responsible for high- and medium-priority basins must adopt groundwater sustainability plans within five to seven years, depending on whether the basin is in critical overdraft. Agencies may adopt a single plan covering an entire basin or combine a number of plans created by multiple agencies. Preparation of groundwater sustainability plans is exempt from CEQA.

Plans must include a physical description of the basin, including groundwater levels, groundwater quality, subsidence, information on groundwater-surface water interaction, data on historical and

projected water demands and supplies, monitoring and management provisions, and a description of how the plan will affect other plans, including city and county general plans.

Plans will be evaluated every five years.

## **State Involvement and Technical Assistance**

The California Department of Water Resources (DWR) has several tasks under the Sustainable Groundwater Management Act. It must:

- Designate basins as high, medium, low or very low priority by Jan. 31, 2015
- Adopt regulations for basin boundary adjustments by Jan. 1, 2016
- Adopt regulations for evaluating adequacy of GSPs and GSA coordination agreements by June 1, 2016
- Publish a report estimating water available for groundwater replenishment by Dec. 31, 2016
- Publish groundwater sustainability best management practices by Jan. 1, 2017

## **State Review and Intervention**

The State Water Resources Control Board may intervene if a GSA is not formed or it fails to adopt or implement compliant plans by certain dates.

DWR is tasked with reviewing GSPs for adequacy after they are adopted at the local level. If DWR determines in its review that a GSP is not adequate, the State Board may designate the basin as “probationary.” If the local agency does not respond within 180 days, the State Board is authorized to create an interim plan that will remain in place until a local GSA is able to reassume responsibility with a compliant plan.

## **Financial Assistance**

If approved by voters, Proposition 1 would provide \$100 million in funding to GSAs to develop and implement sustainable groundwater management plans.

## **Key Implementation Dates**

- **June 30, 2017:** Local groundwater sustainability agencies formed.
- **Jan. 31, 2020:** Groundwater sustainability plans adopted for critically overdrafted basins.
- **Jan. 31, 2022:** Groundwater sustainability plans adopted for high- and medium-priority basins not currently in overdraft.
- **20 years after adoption:** All high- and medium-priority groundwater basins must achieve sustainability.



# SUSTAINABLE GROUNDWATER MANAGEMENT ACT

## A Framework for Sustainability

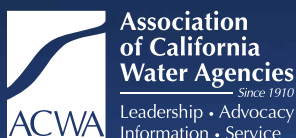
The California Legislature enacted comprehensive legislation aimed at strengthening local control and management of groundwater basins throughout the state. Gov. Jerry Brown signed the three-bill package into law on Sept. 16, 2014.

Known as the Sustainable Groundwater Management Act of 2014, the legislation provides a framework for sustainable management of groundwater supplies by local authorities, with a limited role for state intervention when necessary to protect the resource.

Multiple discussions and a public stakeholder process that began in late 2013 helped shape the legislation, which the Brown Administration identified as a top priority for 2014. It is considered one element of a comprehensive water action plan advanced by the Administration that also includes investment in water conservation, water recycling, expanded water storage, safe drinking water, wetlands and watershed restoration.

## The Act at a Glance

The Sustainable Groundwater Management Act of 2014 consists of three bills — AB 1739 (Dickinson), SB 1168 (Pavley) and SB 1319 (Pavley). Together the bills commit the state to locally controlled, sustainable groundwater management and provide tools and authorities for local agencies to achieve the sustainability goal over a 20-year implementation period.



## Key Steps on the Road to Sustainability

The legislation lays out a process and a timeline for local authorities to achieve sustainable management of groundwater basins. It also provides tools, authorities and deadlines to take the necessary steps to achieve the goal. For local agencies involved in implementation, the requirements are significant and can be expected to take years to accomplish.

- **Step one:** Local agencies must form local groundwater sustainability agencies (GSAs) within two years.
- **Step two:** Agencies in basins deemed high- or medium-priority must adopt groundwater sustainability plans (GSPs) within five to seven years, depending on whether a basin is in critical overdraft.
- **Step three:** Once plans are in place, local agencies have 20 years to fully implement them and achieve the sustainability goal.
- **State role:** The State Water Resources Control Board may intervene if locals do not form a GSA and / or fail to adopt and implement a GSP.

## Timeline for Sustainability

**June 30, 2017:** Local groundwater sustainability agencies formed.

**Jan. 31, 2020:** Groundwater sustainability plans adopted for critically overdrafted basins.

### News Tools for Local Agencies

The legislation gives local agencies new tools to manage groundwater sustainably. For example, groundwater sustainability agencies may:

- Require registration of wells and measurement of extractions
- Require annual extraction reports
- Impose limits on extractions from individual groundwater wells
- Assess fees to implement local groundwater management plans
- Request a revision of basin boundaries, including establishing new subbasins

### Creation of Groundwater Sustainability Plans

The legislation provides options for local agencies to develop the required groundwater sustainability plans. Agencies may opt to create a single plan covering the entire basin, or knit together multiple plans created by multiple agencies.

A plan must include measurable objectives and interim milestones to achieve the sustainability goal for the basin within a 20-year time frame. The plan also must include a physical description of the basin, including information on groundwater levels, groundwater quality, subsidence and groundwater-surface water interaction; historical and projected data on water demands and supplies; monitoring and management provisions; and a description of how the plan will affect other plans, including county and city general plans.

### State Technical and Financial Assistance

The California Department of Water Resources (DWR) has several tasks under the Sustainable Groundwater Management Act. It must:

- Designate basins as high, medium, low or very low priority by Jan. 31, 2015
- Adopt regulations for basin boundary adjustments by Jan. 1, 2016
- Adopt regulations for evaluating adequacy of GSPs and GSA coordination agreements by June 1, 2016
- Publish a report estimating water available for groundwater replenishment by Dec. 31, 2016
- Publish groundwater sustainability best management practices by Jan. 1, 2017

### State Review and Intervention

The State Water Resources Control Board may intervene if a GSA is not formed or fails to adopt or implement compliant plans by certain dates.

DWR reviews the GSAs for adequacy after they are adopted at the local level. If DWR determines that an adequate groundwater sustainability plan is not in place, the State Board may designate the basin as “probationary.” If the local agency does not respond within 180 days, the State Board is authorized to create an interim plan that will remain in place until a local GSA is able to assume responsibility with a compliant plan.

### Financial Assistance

If approved by voters, Proposition 1 would provide \$100 million in funding to GSAs to develop and implement sustainable groundwater management plans.



**Jan. 31, 2022:** Groundwater sustainability plans adopted for high- and medium-priority basins not currently in overdraft.

**By 2040:**  
All high- and medium-priority groundwater basins must achieve sustainability.

## Probationary Status

In general, the State Water Resources Control Board may designate a basin as “probationary” if, after consulting with DWR, it is found that a groundwater sustainability plan has not been created, the plan is inadequate, or the plan is not being implemented in a way that will lead to sustainability.

Specifically, the State Board may designate a basin as probationary if:

- No local agency has formed a groundwater sustainability agency for the basin by the June 30, 2017, deadline
- No groundwater sustainability plan has been adopted for a high- or medium-priority basin in critical overdraft by the Jan. 31, 2020, deadline
- No groundwater sustainability plan has been adopted for a high- or medium-priority basin not currently in critical overdraft by the Jan. 31, 2022, deadline
- After Jan. 31, 2020, the groundwater sustainability plan for a basin in critical overdraft is found to be inadequate or is not being implemented to achieve sustainability
- After Jan. 31, 2022, the groundwater sustainability plan for any other high- or medium-priority basin is found to be inadequate, or is not being implemented to achieve sustainability, and the State Board determines the basin is in a condition of long-term overdraft
- After Jan. 31, 2025, a groundwater sustainability plan is found to be inadequate, or is not being implemented to achieve sustainability, and the State Board determines that groundwater extractions are resulting in significant depletions of interconnected surface waters

If a local agency fails to respond to a deficiency within 180 days, the State Board is authorized to create and develop an interim plan that would remain in place until a local groundwater sustainability agency is able to take over and manage the basin sustainably.



## About “High-Priority” and “Medium-Priority” Groundwater Basins

The Sustainable Groundwater Management Act applies to basins or subbasins designated by the Department of Water Resources as high- or medium-priority basins, based on a statewide ranking that uses criteria including population and extent of irrigated agriculture dependent on groundwater. Final basin prioritization by DWR is due by Jan. 31, 2015.

It is anticipated that about 125 basins throughout the state will be designated as high- or medium-priority basins for which a plan must be developed. Those basins account for about 90% of California’s annual groundwater use. DWR’s California Groundwater Bulletin 118 identifies a total of 515 alluvial groundwater basins and subbasins in California.

The Sustainable Groundwater Management Act does not apply to adjudicated basins that are managed by the courts, or to basins deemed by DWR to be low or very low priority.



## Implementation Schedule



## ACWA's Path on Advancing Sustainability

In response to mounting concerns about groundwater overdraft and subsidence in some areas of the state, ACWA's Board of Directors acted in November 2013 to establish a Groundwater Sustainability Task Force to help identify ways to address the issue.

Drawing on the expertise of ACWA Board members from across the state, the task force developed a series of recommendations on groundwater to build on the association's Statewide Water Action Plan as well as its 2011 Groundwater Framework.

The task force's work led to a suite of recommendations adopted by the ACWA Board in March 2014 as discussions intensified in the regulatory and legislative arenas to address groundwater.

ACWA's recommendations, issued formally on April 7, 2014, made a strong policy statement in support of sustainable, locally controlled management of the state's groundwater basins and called for new tools and authorities to help local agencies take action. At the same time, the recommendations recognized the need for a limited state backstop role in cases where locals cannot accomplish the goal.

ACWA's recommendations, together with recommendations from the California Water Foundation, provided the basis for many key provisions of the groundwater sustainability legislative package that ultimately emerged and was signed by Gov. Jerry Brown on Sept. 16, 2014.

### Resources:

**ACWA's Recommendations for Achieving Groundwater Sustainability**  
<http://www.acwa.com/content/groundwater/acwa-recommendations-achieving-groundwater-sustainability>

**California Department of Water Resources Groundwater Information Center**  
<http://www.water.ca.gov/groundwater/>

**California Water Foundation Information / Recommendations on Groundwater Sustainability**  
[www.californiawaterfoundation.org](http://www.californiawaterfoundation.org)

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