



Department: Utilities
Cost Center: 6001
For Agenda of: 9/7/2021
Placement: Consent
Estimated Time: NA

FROM: Aaron Floyd, Utilities Director
Prepared By: Mychal Boerman, Utilities Deputy Director - Water

SUBJECT: RECEIVE AND FILE THE PUBLIC DRAFT OF SAN LUIS OBISPO VALLEY GROUNDWATER BASIN GROUNDWATER SUSTAINABILITY PLAN

RECOMMENDATION

Acting as the City of San Luis Obispo Groundwater Sustainability Agency, receive and file the Public Draft of San Luis Obispo Valley Groundwater Basin Groundwater Sustainability Plan.

DISCUSSION

Background on the Groundwater Sustainability Plan

To comply with the Sustainable Groundwater Management Act (SGMA), the City and County of San Luis Obispo are working in collaboration to produce a Groundwater Sustainability Plan (GSP) to address the long-term sustainable management of the San Luis Obispo Valley Groundwater Basin (SLO Basin). While not currently dependent on groundwater, the utilization and proper management of available groundwater resources is an important role in the further diversification and expansion of the City's water supply in the face of the impacts of climate change.

The ten-chapter draft GSP identifies the agencies responsible for sustainable groundwater management within the SLO Basin, as well as the users and beneficiaries of groundwater within the basin. The GSP also describes the land-uses and hydrologic and geologic characteristics of the basin. The GSP identifies specific areas within the SLO Basin where there is an ongoing imbalance of groundwater pumping and groundwater recharge. Areas of the SLO Basin within City limits are shown to have stable groundwater levels while areas outside of City limits, within the Edna Valley, have continually declining groundwater levels, indicative of an imbalance of groundwater supply and demand.

In addition to discussing basin characteristics, the GSP also defines groundwater sustainability metrics for the SLO Basin and the actions that the City and County must take to ensure the basin is utilized in a sustainable manner. These measures include ongoing monitoring of groundwater wells and surface water flow, identification of water supply augmentation projects, and the possible need for pumping reductions.

Groundwater Sustainability Agency and Public Input on GSP

On July 20, 2021, the City Council, meeting as the City of San Luis Obispo Groundwater Sustainability Agency (GSA), participated in a study session related to the draft GSP. After receiving input from the City GSA, and reviewing comments provided by the public during the previous public review periods for previously released chapters of the GSP, a minimal number of significant changes were made to the GSP in advance of the Public Draft release.

Most notable among these changes to the GSP was the removal of a project that identified the sale of City of San Luis Obispo potable water supplies to the Golden State Water Company. This project was removed due to its inconsistency with City policies prohibiting the sale of potable water outside of City limits.

Additionally, minor modifications were made to chapter 6, 7, and 8 to reflect changes to ensure that groundwater pumping does not cause undesirable results to interconnected surface water and groundwater, and associated Groundwater Dependent Ecosystems. Alongside changes related to interconnected surface water and groundwater, climate change scenarios were added to the plan, outlining the impacts of projected climate change impacts within the region.

To aid the reader, the Public Draft GSP ([Attachment A](#)) is accompanied by a series of appendices ([Attachment B](#)) that have been added to provide supporting documentation used in the development of the GSP, and information which will be needed for its implementation. An Executive Summary has also been added to the GSP.

GSP Public Draft Release

The Groundwater Sustainability Commission, comprised of the City, County, and several stakeholders in the Basin, approved and recommended circulation of the Public Draft of the GSP for review on August 18, 2021. The Public Draft will be open for comment for thirty days, followed by staff review of any comments received and implementation of any needed changes.

The final SLO Basin GSP will be brought before the City GSA for consideration of adoption on December 7, 2021.

Previous City Council/City GSA Action

The City GSA has met on several occasions to satisfy administrative requirements defined within the Sustainable Groundwater Management Act and to discuss elements of the associated Groundwater Sustainability Plan.

On May 16, 2017, the City Council met to form the City of San Luis Obispo Groundwater Sustainability Agency, one of the two governmental entities (alongside the County of San Luis Obispo Groundwater Sustainability Agency) required to develop and implement a GSP that will achieve sustainable management of the SLO Basin. This staff report can be [viewed in full here](#).

On January 16, 2018, the City Council authorized the City to participate in a Memorandum of Agreement (MOA) with the County of San Luis Obispo, Golden State Water Company, Edna Ranch Mutual Water Company, Varian Ranch Mutual Water company, and Edna Valley Growers Mutual Water Company. This MOA defines the roles, responsibilities, and financial contributions of each agency and also results in the formation of the Groundwater Sustainability Commission (GSC), which acts as an advisory body to the two GSAs. This staff report can be [viewed in full here](#).

On December 8, 2020, the City GSA received an update on GSP production, including draft chapters 1-6 of the GSP. This staff report can be [viewed in full here](#).

On July 20, 2021, the City GSA received an update on draft chapters 7-10 of the GSP and participated in a study session held to inform the City GSA on the contents of the GSP and to receive input from the GSA on the contents of the plan. This staff report can be [viewed in full here](#).

Policy Context

The Draft San Luis Obispo Valley Groundwater Sustainability Plan is in alignment with City policies related to management of City water supplies, including policies prohibiting the sale of potable water outside of City limits.

Public Engagement

To encourage inclusive stakeholder outreach, the development of the Groundwater Sustainability Plan has been guided by the Communication and Engagement Plan. This plan outlines strategies and opportunities for inclusive stakeholder outreach to all users and beneficiaries of groundwater within the SLO Basin. In alignment with this plan, the City and County have hosted a series of in-person and digital stakeholder workshops, public GSC meetings, and public GSA meetings throughout the development of the plan. Additionally, slowaterbasin.org was created to act as a hub for GSP information and to assist stakeholders in accessing information related to GSP development.

CONCURRENCE

The Groundwater Sustainability Commission concurs with the contents of the public draft of the GSP and has recommended that the City GSA receive and file the public draft.

ENVIRONMENTAL REVIEW

Receiving an update regarding the GSP does not constitute a "Project" under State CEQA Guidelines Sec. 15378. No discretionary action will be taken by the City Council/City GSA until the Groundwater Sustainability Plan is brought forward for consideration and adoption on December 7, 2021. In addition, preparation and adoption of a Groundwater Sustainability Plan is statutorily exempt from CEQA, pursuant to Water Code Division 6,

Part 2.74, Chapter 6, Section 10728.6.¹ Adoption of the Groundwater Sustainability Plan would not authorize implementation of specific projects, and any project that would implement actions taken pursuant to an adopted Groundwater Sustainability Plan will be subject to CEQA review at the time the project is considered for approval and implementation.

FISCAL IMPACT

As stated within the GSP, the City is not proposed to bear financial responsibility for the projects and management actions needed within the Edna Valley subarea. Costs related to the implementation of the GSP are proposed to be proportionally shared between the City and other groundwater users within the entirety of the SLO Basin and are estimated to be \$965,000/year for 2022-2026. Costs and cost distribution are projected to be further defined in the fee study scheduled for the first quarter of 2022.

Once known, all associated costs will be included in future budget proposals for the City's Water Enterprise fund.

ALTERNATIVES

The Groundwater Sustainability Agency could elect to have staff return with additional information related to SGMA or the SLO Basin GSP.

ATTACHMENTS

[A – SLO Basin Public Draft GSP](#)

[B – SLO Basin Public Draft GSP Appendices](#)

¹ California Water Code Section 10728.6 states: “Division 13 (commencing with Section 21000) of the Public Resources Code [CEQA] does not apply to the preparation and adoption of plans pursuant to this chapter. Nothing in this part shall be interpreted as exempting from Division 13 (commencing with Section 21000) of the Public Resources Code [CEQA] a project that would implement actions taken pursuant to a plan adopted pursuant to this chapter.”