

## **South American Sub Basin**

### **Points of Agreement for a Memorandum of Understanding (MOU)**

#### **PARTIES TO THE MEMORANDUM OF UNDERSTANDING**

- a. Omochumne-Hartnell Water District
- b. Sacramento Central Groundwater Authority
- c. County of Sacramento

#### **PURPOSE OF THIS MOU (recitals)**

**WHEREAS**, on August 29, 2014, the California Legislature passed comprehensive legislation contained in Senate Bill 1168 & 1319, and Assembly bill 1739, to protect groundwater resources. Collectively these bills as amended, enacted the “Sustainable Groundwater Management Act” (“SGMA”). This legislation was signed by the Governor of California on September 16, 2014, and became effective on January 1, 2015; and,

**WHEREAS**, the legislative intent for SGMA is to provide sustainable management of groundwater basins, to enhance local management of groundwater, to establish minimum standards for sustainable groundwater management, and to provide local agencies with the authority and technical and financial assistance necessary to sustainably manage groundwater; and,

**WHEREAS**, SGMA also requires that by January 25, 2022, all high or medium priority basins that are not subject to critical conditions of overdraft shall have adopted a single Groundwater Sustainability Plan (“GSP”), or coordinated GSPs covering the entire basin, or an alternative plan, as provided in CA Water Code Section 10720.7(a); and,

**WHEREAS**, each Party is either a designated Groundwater Sustainability Agency (GSA) or eligible Water Management Agency within the overlying Sacramento Valley Groundwater Basin- South American Subbasin (“Basin”) identified in The California Department of Water Resources (“DWR”) Bulletin 118 as Basin No. 5-21.XX; and

**WHEREAS**, each party has confirmed its choice to cooperate in developing a single GSP covering the Basin, or to implement an alternative plan (if approved by DWR); and

**WHEREAS**, County Resolution 2017-0201, RESOLUTION ACCEPTING PRESUMED GROUNDWATER SUSTAINABILITY AGENCY RESPONSIBILITY FROM GROUNDWATER SUBBASIN AREAS WITHIN SACRAMENTO COUNTY THAT REMAIN UNMANAGED ON JUNE 30, 2017 (or any later action that may have superseded this action). Sacramento County’s proportional voting and funding responsibilities as described in this MOU is limited to GSA responsibilities within designated “white” or “unmanaged” areas of the South American Subbasin as designated by DWR.

**WHEREAS,**

**NOW THEREFORE,**

**DEFINITIONS**

Administrative Agency-

Alternative Submittal

Basin/subbasin

Coordination Agreement

Fiscal Year

GSA (to include) "exclusive GSA"-

GSP-

JPA-

MOU-

SGMA-

Prop 218-

Undeclared Areas

Undesirable results-

Zone 13-

**KEY PRINCIPLES or POINTS OF AGREEMENT (purpose and principles)**

1. The parties recognize their shared mutual goal of achieving groundwater sustainability and the need to coordinate management in the South American Subbasin.

2. The parties envision this MOU for implementing and updating the alternative submittal (Alternative) or, if necessary, developing, implementing and updating a groundwater sustainability plan (GSP).

3. The parties recognize the jurisdictional boundaries of the signatories of this agreement.

4. Each party will become an exclusive GSA under SGMA, at its own discretion, within its jurisdictional boundaries. SCGA will withdraw its current GSA application that overlaps OHWD in the South American Subbasin. The County will serve as GSA for any undeclared areas within the South American Subbasin.

5. The parties support the Alternative Submittal and will work together under the terms of this agreement to coordinate implementation and updating of the Alternative Submittal as required.

6. If the State of California rejects or denies the Alternative Submittal, the parties will work together to develop one GSP for the areas under their GSAs' management. The parties will work together to implement the GSP, including compliance with SGMA annual reporting, regular review of the GSP, and other requirements.

7. The parties recognize that they will likely need to enter into a coordination agreement or amend this MOU with other GSAs in the South American Subbasin per SGMA requirements. Parties to this agreement will endeavor to negotiate such agreement as required. The parties to this MOU agree that any requests for basin boundary modifications with the State of California will be through written mutual agreement among the parties.

8. Each GSA shall be responsible for fulfilling SGMA requirements, including avoiding "undesirable results," for localized conditions occurring within that GSA's area, while more than one GSA shall be responsible to address conditions occurring in portions of the basin underlying two or more of the GSA's areas.

## **GENERAL PROVISIONS**

This MOU shall be effective upon signature of all authorized representatives, or other date mutually agreed to by all parties and clearly identified in this MOU.

## **APPLICABLE LAW(s)**

SGMA and Water Code, enabling provisions of the parties

Others??

## **DECISIONMAKING AND ADMINISTRATIVE STRUCTURES and RELATIONSHIP (governance)**

9. Each party, as a GSA, would adopt the GSP. Each party's Board of Directors/Supervisors (Board) would consider the recommendations made by the Working Group.

10. This MOU hereby establishes a Working Group to guide implementation and updating of the alternate or development of the GSP. Each party will designate representatives to participate in the Working Group. The County would designate 1 staff; OHWD would designate 2 staff or board members; and SCGA would designate up to 7 board members.

11. The Working Group will make decisions on recommendations to develop the GSP or implement and update the alternative. The Working Group will seek to make decisions through consensus. If the Working Group cannot reach consensus, the Working Group will rely on voting to decide on recommendations. The results of the votes will be shared with each party's Board when considering GSP matters. The County will have 1 vote (10%); OHWD will have 2 votes (20%); and SCGA will have 7 votes (70%). Of the SCGA representatives, no more than five (5) will be JPA signatories or public water systems, commercial industrial self supplied interests or sanitation districts and at least two (2) will represent Agriculture, Ag-residential self supplied public agencies or Conservation Landowner interest.

## **ROLES AND RESPONSIBILITIES OF ADMINISTRATIVE AGENCY**

12. SCGA will be initially designated as the Administrative Agency for subbasin wide SGMA compliance. All GSAs will submit SGMA related monitoring, reporting, and technical information in a fashion agreed upon by the Working Group on a timeline and format set forth by the Administrative Agency. Financial support for the Administrative Agency shall match the fiscal budget schedule of that Agency.

### **12.1- Agreement to Serve**

By executing this MOU, SCGA agrees to carry out the functions described in this section and its subparts consistent with the terms of this section and under the direction and supervision of the GSP working group, subject to the reimbursement and the termination provision contained in this Section.

### **12.2- Reimbursement of SCGA**

The commitment of SCGA to perform the designated functions under this Section is contingent upon the execution and performance of the cost sharing terms of this MOU.

### **12.3- Termination of SCGA's Services**

13. Either the Parties acting through the GSP Working Group or the Administrative Agency at any time may terminate the services being provided by the Administrative Agency under this MOU upon 30 days written notice.

## **FINANCIAL PROVISIONS (Fiscal provisions)**

14. Parties have agreed that financing of GSP development will be borne in part by local funds provided by the GSAs in the Basin. Financial contributions made by the parties will be in the same proportions as established in Point #12. SCGA will provide 70% of the local funds, OHWD will provide 20% of local funds and the County will provide 10% of local funds.

15. When OHWD is removed from SCGA and the JPA's jurisdiction over OHWD has been removed, approximately \$50,000 of Zone 13 funding currently provided each year on behalf of OHWD to SCGA will be a credit toward OHWD's portion of developing the GSP over the next 3 years, subject to availability of funds and approval by the Sacramento County Board of Supervisors.

16. SCGA will make available SCGA's Prop 1 grant award for the subbasin, not just the portion of the subbasin covered by what is currently called SCGA GSA-1.

17. Each GSA is responsible for obtaining the necessary funding (prop 218 or other, grants, etc.) to meet that GSA's obligations for SGMA implementation and compliance.

## **SPECIFIC PROJECTS**

Development, management, funding

## **AMENDMENT, WITHDRAWAL OR TERMINATION OF MOU (Term of MOU)**

### **Amendment**

18. This MOU can be amended with mutual consent and written agreement executed by all parties.

### **Withdrawal of Parties**

19. Any party may, in its sole discretion unilaterally withdraw from participation in this MOU effective 60 days after issuing written notice to the other parties. The withdrawing party shall remain responsible for its share of any obligation or liability duly incurred in accordance with this agreement and existing as of the effective date of this MOU. Withdrawal of one party shall not cause termination of the MOU if two parties remain a part of this MOU.

### **Termination of Agreement**

20. This MOU may be terminated by written agreement of all remaining parties to this MOU.

## **RESPONSIBILITIES OF THE PARTIES-** (No order or sequence for these actions is presented)

21. Upon execution of this MOU, OHWD will forward a request to modify the SCGA JPA language to remove SCGA jurisdiction over OHWD
22. SCGA Board will make a recommendation to Signatories to modify the JPA to remove their jurisdiction (boundaries and membership) over OHWD.
23. Upon modification of the JPA, SCGA will withdraw their application (SCGA-GSA-2) over OHWD area of responsibility within the South American subbasin.
24. SCGA and OHWD will designate initial working group members and convene first working group meeting
25. Signatory parties will conduct outreach to other groundwater management entities within the sub basin.

## **MISCELLANEOUS PROVISIONS**

### **Severability-**

26. Should any portion of this MOU be judicially determined to be illegal and unenforceable, the remainder of the MOU shall continue in full force and effect. Either party may renegotiate term(s) affected by the severance.

### **Performance**

27. Notwithstanding the intent to produce and adopt a single GSP for the subbasin, the parties acknowledge that if the creation of a single GSP is accomplished under the direction of the GSP Working Group and is subsequently not adopted by one of the individual GSAs; that GSA accepts full responsibility for developing their own GSP within their jurisdictional boundaries including all necessary coordination. All additional costs related to meeting DWR's requirements will be borne solely by said GSA.

28. Parties that do not make their apportioned contributions will have 180 days to remedy and reimburse other parties carrying costs. If a party does not make their apportioned contribution after 180 days they will be considered in arrears, shall be suspended from working group voting membership until remedy is applied. Activities of the Working Group will not be delayed under such an occurrence and costs incurred by the Working Group will still accrue to the party while they are in arrears. If a party remains in arrears for over 1.5 years, they will either:

- a) *withdraw from this MOU and prepare their own GSP at their cost; or*
- b) *remain in a non-voting member of the Working Group and continue to accrue costs of the Working Group activities*

DRAFT