RESOLUTION TO APPROVE THE LOCAL COST SHARE FOR DEVELOPMENT OF THE
GROUNDWATER SUSTAINABILITY PLAN

RECOMMENDATION

It is recommended that the City Council adopt a resolution approving the City of Stockton’s local cost-
share payment of $11,664 for development of the Eastern San Joaquin Groundwater Authority’s
Groundwater Sustainability Plan.

It is further recommended that the City Manager be authorized to take all appropriate actions to carry
out the purpose and intent of this motion.

Summary

The Sustainable Groundwater Management Act (SGMA), signed into law in 2014, requires local or
regional management of groundwater resources directed under the new responsibility of a
Groundwater Sustainability Agency (GSA). Under SGMA local GSAs are required to develop a
Groundwater Sustainability Plan (GSP) to determine how groundwater resources in respective basins
are managed. The proposed resolution would authorize the City’s financial participation in
development of the GSP for the Eastern San Joaquin Groundwater Authority.

In July 2017, Council adopted resolution 2017-07-11-1404 to approve City membership in the
Eastern San Joaquin Groundwater Authority (Authority). The Authority’s mission is to provide a
dynamic, cost-effective, flexible, and collegial organization to ensure SGMA compliance. The
purpose of participation in the Authority is to ensure the City’s interests are represented in
development of the Groundwater Sustainability Plan (GSP), which will determine how groundwater
resources in the Basin are managed.

The proposed resolution is recommended to insure the City’s interest are represented, and authorize
the City of Stockton’s local cost-share of $11,664 for development of the Authority’s Groundwater
Sustainability Plan.

DISCUSSION

Background

The SGMA was signed into law on September 16, 2014, to establish guidelines for sustainable
groundwater management statewide. The legislation requires that medium- and high-priority basins
as well as basins in various stages of overdraft, form GSAs by June 30, 2017 and adopt
Groundwater Sustainability Plans (GSPs) within 5-7 years. The GSP will provide detailed physical
descriptions, monitoring, and management provisions and describe interaction with other
groundwater sustainability plans to demonstrate SGMA compliance. The GSP must indicate a path to groundwater sustainability within 20 years of adoption.

Pursuant to City Council authorizations in 2015 and 2017 the City filed with the California Department of Water Resources to become a GSA within the Eastern San Joaquin Groundwater Sub-basin (Basin). Many other local agencies in the Basin also filed to become a GSA. The City participated with local entities in the development of a Joint Exercise of Powers Agreement Establishing the Eastern San Joaquin Groundwater Authority (Authority) to resolve overlapping boundaries and governance issues. The new public entity was recommended to coordinate groundwater management of the Basin in accordance with the SGMA, and Council approved a resolution on July 11, 2017 to approve City membership in the Authority.

Present Situation

It is important for the City to participate in the larger regional discussion of groundwater management as the GSP is developed to ensure both regional sustainability and City interests are represented.

The GSP scope and budget have been developed together with the local cost share payment to be contributed by the Authority members. The primary objective in developing the GSP will be to comply with state law under SGMA. As proposed, the GSP scope has 10 primary task areas that range from groundwater modeling, defining basin conditions, development of sustainable management criteria, projects and management actions to significant community outreach efforts with a planned completion date of June 30, 2019.

The total GSP cost estimate is $2.17 million. Reductions in the total GSP cost will come from a $1.5 million Dept. of Water Resources grant, if approved, a 25 percent reduction in total plan cost due to a Disadvantaged Community Wavier available through the State, and a contribution from the San Joaquin County Zone 2 Special Benefit Assessment (a County-wide water resources assessment) of $450,000.

The remaining costs will be contributed by the Authority's member agencies with every agency paying an equal share of $11,664 except the Eastside GSA that includes portions of Stanislaus and Calaveras Counties. These Counties have not contributed to the Zone 2 Assessment in the past so will be responsible to pay a higher cost share amount of $39,789. The total local cost share that includes Zone 2 and all 17 member agencies will be $676,420.

On November 8, 2017, the Authority’s Board discussed and acted in support of the GSP local cost share where each member pays an equal share except for the Eastside GSA as listed in Attachment A. The Board further requested that the member agencies seek concurrence with the local cost share as proposed. The proposed cost sharing formula could also be used to determine future costs for member agencies to implement the GSP.

FINANCIAL SUMMARY

Each member agency will be responsible to pay their GSP local cost share of $11,664. This can be done with one payment or two equal installments of $5,832 following the adoption of the Authority’s Budget in July 1, 2018 and July 1, 2019.
Funds for the GSP local cost share contribution are available in account 421-4210-572 (Water Resources). Future Authority contributions outside of the GSP costs will be budgeted annually in the Water Fund.

There is no impact to the General Fund, or any other unrestricted fund, from this action.

Attachment A - Proposed Local Cost Share Allocations