



Napa County

Board Agenda Letter

1195 THIRD STREET
SUITE 310
NAPA, CA 94559
www.napacounty.gov
Main: (707) 253-4580

Board of Supervisors

Agenda Date: 2/8/2022

File ID #: 22-277

TO: Board of Supervisors
FROM: David Morrison - Director of Planning Building and Environmental Services
REPORT BY: Jamison Crosby, Natural Resources Conservation Manager
SUBJECT: GSP Implementation Report

RECOMMENDATION

Director of Planning, Building and Environmental Services requests the Napa County Groundwater Sustainability Agency (NCGSA):

1. Consider and provide feedback on staff's recommendation regarding the formation and structure of Technical and Stakeholder Advisory Groups (TAG and SAG) to advise the NCGSA on Napa Valley Subbasin Groundwater Sustainability Plan (GSP) implementation;
2. Authorize staff to begin development of four (4) workplans related to GSP implementation; and
3. Direct staff to investigate and report back on options for ongoing funding of GSP implementation.

EXECUTIVE SUMMARY

On January 31, 2022, the NCGSA submitted the adopted GSP to the California Department of Water Resources (DWR) consistent with DWR's deadline. This represented the final step in an 18-month long process of plan development, review, and approval.

DWR has 20 days to complete their initial review prior to making the GSP public on their Sustainable Groundwater Management Act (SGMA) portal. DWR will then offer a 75-day public comment period for all GSPs (SGMA requires a minimum 60-day public comment period but DWR may allow extended time).

Staff commenced the implementation phase of the GSP immediately upon approval by the NCGSA, a process that will be ongoing for at least 50 years. Current groundwater conditions and the strong possibility of a third year of drought have given additional urgency to quickly move forward to carry out the GSP actions as

adopted.

PROCEDURAL REQUIREMENTS

1. Staff Report
2. Public Comment
3. Motion, second, discussion and vote on item.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Org 2720000
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	Yes
Future fiscal impact:	Analysis of future impact is pending
Consequences if not approved:	Given current groundwater conditions and the strong possibility of a third year of drought, it is imperative that the County begin implementation.
County Strategic Plan pillar addressed:	Vibrant and Sustainable Environment

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQ Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

On June 23, 2020, the NCGSA appointed a 25-member Groundwater Sustainability Plan Advisory Committee (GSPAC) for the Napa Valley Subbasin. The GSPAC provided broad stakeholder representation and was charged with advising the NCGSA on matters related to GSP preparation, including policies and recommendations for groundwater management.

On November 8, 2021, the GSPAC unanimously approved a recommendation for the formation of a Technical Advisory Group (TAG) to aid in the implementation of the Napa Valley Subbasin GSP. On November 16, 2021, the GSPAC approved, by (more than) a two-thirds vote of its members actually present at its Special Meeting, the transmittal to the NCGSA of the draft recommended GSP.

On January 11, 2022, the NCGSA adopted the GSP. Following GSP adoption, the NCGSA Board of Directors requested that GSA staff provide a schedule for GSP implementation. As described in the GSP, GSP

implementation begins following adoption of the GSP by the NCGSA. A preliminary schedule for GSP implementation activities is shown in GSP Section 12, Table 12-3 and Figure 12-1 (attached).

Key implementation activities that are being initiated or will continue include:

- Formation of the Technical and Stakeholder Advisory Groups;
- Initiation of steps to prepare four (4) GSP Implementation plans/workplans described in the GSP (Sections 5, 9, and 11) including: 1) Interconnected Surface Water and Groundwater Dependent Ecosystems (GDEs); 2) Water Conservation; 3) Groundwater Pumping Reduction; and 4) Storm Water Resource Plan;
- Conduct research on and report back to the NCGSA on a range of options for funding the GSP implementation;
- Annual Report for Water Year 2021, due to DWR by April 1, 2022;
- Near-term installation of groundwater monitoring facilities at four monitoring sites for the purpose of enhancing the understanding of interconnected surface water and groundwater;
- Conduct ongoing groundwater monitoring and initiate expanded monitoring efforts as described in GSP Sections 5, 9, and 12; and
- Conduct ongoing public outreach.

These activities are described below.

Technical Advisory Group and Stakeholder Advisory Group (SAG)

On November 8, 2021, the GSPAC voted to advise the NCGSA to form a Technical Advisory Group to work with GSA staff, consultants, and the NCGSA on implementation of the GSP. The core charge of the TWG would be to provide well-informed, practical recommendations to the NCGSA as they carry out GSP implementation, taking into account the best available scientific information and best practices in groundwater management. Concurrently, there is a desire among some in the community and the NCGSA to form an advisory group consisting of Subbasin stakeholders (Stakeholder Advisory Group - SAG) who would bring context and local knowledge to the process.

In order to honor the intention that the TAG be neutral and apolitical and at the same time provide for the application of local expertise and context to the GSP implementation process, staff developed a conceptual framework one may characterize as “separate but equal”. Staff developed a framework for the TAG and SAG in consultation with individual NCGSA members and drawing upon the recommendations of, CONCUR, Inc. and Luhdorff & Scalmanini Consulting Engineers (LSCE), the County’s technical consultants.

Staff propose the creation of two (2) separate groups: a Technical Advisory Group and a Stakeholder Advisory

Group. The two groups would meet individually (with periodic co-meetings) and have co-equal status with respect to their roles in advising the NCGSA. The intent is for the two groups to complement one another. The TAG to analyze data, evaluate new studies and research as they may apply to the sub-basin, review workplans, recommend priorities, and assess when GSP triggers and thresholds may be exceeded and the appropriate actions that should be taken in response. The SAG would identify local areas of groundwater concern, inform on new water conservation techniques and technologies, provide site specific data, and detail potential benefits and impacts of recommended plans and actions.

Recommendations from both groups would be forwarded to the GSA for consideration. Where there is disagreement, ad hoc committees or joint meetings would be used to develop a consensus. Where agreement is not possible, staff and the County consultant team would offer their professional assessment.

Technical Advisory Group (TAG)

Members of the TAG will have technical expertise relevant to the GSP, as well as experience working in a collaborative setting on public policy implementation. The TAG will have both the responsibility and the timely opportunity to advise the NCGSA and will be involved with implementation of the GSP, including a focus on data gaps and adaptive management as described in GSP Section 11.

The composition and full range of responsibilities for the TAG have not yet been detailed. However, the GSPAC expressed a preference for TAG members with specific technical expertise. Further, the GSPAC expressed the preference for TAG members to have technical expertise relevant to the GSP as well as experience working in a collaborative setting on public policy implementation.

Activities of the TAG include providing input on monitoring data collected during GSP implementation, vetting data analyses particularly pertaining to data collected at representative monitoring sites, providing information to the public about GSP implementation and the status of Subbasin sustainability, and recommending additional data vetting and potential response actions (i.e., implementation of projects and/or management actions) to the NCGSA. The TAG will also provide input on monitoring data gaps, rationale for addressing the gap areas, and potential opportunities to coordinate monitoring efforts with other programs.

Napa County GSA staff recommend the TAG be a small group of 3 to 5 consultants under contract and have preliminarily identified the range of technical qualifications sought for the TAG members, which would include the following scientific areas of expertise:

- Ecohydrology
- Hydrogeology, including surface water and groundwater interaction and numerical flow models

- Geomorphology
- Fisheries biology
- Aquatic ecology
- Botany, with expertise related to groundwater dependent ecosystems
- Engineering, with expertise related to one or more of the proposed GSP project types
- Viticulture, including sustainable growing practices
- Climatology
- Natural resources monitoring, including technological advances relevant to water resources and natural habitats in California coastal watersheds
- Hydrology, particularly river system hydraulics and restoration approaches

Potential TAG candidates will be reviewed for their:

- Education,
- Qualifications,
- Experience with the relevant scientific expertise related to the above or comparable fields, and
- Experience working with collaborative, interdisciplinary projects and panels, especially as related to public policy development and/or implementation.

Candidates for the TAG are not expected to have extensive experience with California's Sustainable Groundwater Management Act (SGMA) or the Napa Valley Subbasin and associated Napa River Watershed; however, experience with comparable issues concerning the avoidance of undesirable results on the Napa River system, its tributaries and other surface water stemming from groundwater depletion is sought. TAG candidates will be reviewed for conflicts of interest by County counsel as they do for other councils and committees.

A call for candidates will occur for a period not less than 30 days. Due to the accelerated timeline for GSP implementation, and thus the urgency to form a qualified TAG, candidates meeting the above qualifications will also be otherwise identified and considered for further vetting. Candidates will be interviewed by the NCGSA staff, at least two members of the County's technical consulting team and a representative from the Napa County Resource Conservation District (RCD) to determine whether the potential candidate meets the requirements for participation on the TAG.

Candidates proceeding through the interview process and meeting the above qualifications will be presented in a NCGSA staff report to the NCGSA Board of Directors for consideration. Efforts will be made to present a qualified list of TWG candidates to the NCGSA in April 2022.

Stakeholder Advisory Group

Participants in the SAG are recommended to consist of a mix of stakeholders representing the diversity of interests in a sustainable groundwater subbasin and would include representatives from industry organizations, municipalities, environmental users of groundwater, the Napa Resource Conservation District, well owners, disadvantaged communities, and the public at large. A call for candidates will occur for a period not less than 30 days and would mimic the process used for the establishment of the GSPAC. Candidates would be screened for conflicts of interest as per standard County protocols and the list of screened candidates will be presented in a staff report to the NCGSA for their consideration and selection. Given the wide range of stakeholder interests, staff recommend the SWG consist of 7-11 members. Efforts will be made to present a qualified list of SWG candidates to the NCGSA in May 2022.

GSP Implementation Workplans

Interconnected Surface Waters and Groundwater Dependent Ecosystems (GDEs) Workplan

Target Date: 2022-2023 (Workplan Development)

The NCGSA proposes to develop a workplan to guide the continued evaluation of data gaps related to the relationships between groundwater, interconnected surface waters, and GDEs (GSP Section 5). The workplan will be developed with input from the TWG and other agencies such as the Napa County RCD, CDFW, and NOAA Fisheries. The workplan will leverage existing plans and knowledge about Subbasin conditions to provide a structured approach to evaluating the effect of groundwater conditions on interconnected surface waters and GDEs. Potential activities to fill data gaps could include focused data collection on stream seepage rates in ecologically significant stream reaches throughout the Subbasin, as well as plant rooting depth, and species counts.

With input from the TWG and relevant agencies, the workplan would refine monitoring and analytical approaches implemented for the purpose of evaluating the effect of groundwater conditions on interconnected surface waters and GDEs. The workplan would also incorporate data quality objectives, monitoring protocols, and quality control/quality assurance procedures for workplan activities, which may include biological field assessments, stream habitat investigations, and evaluations of GDE species.

Agricultural Water Conservation Plan

Target Date: 2022 (Workplan Development)

During GSP development, the GSPAC Workgroup (subgroup of full GSPAC) described the significant

conservation measures that have been implemented over the years by many Napa County vineyard and winery operations. The Workgroup also conveyed the opportunity to advance conservation measures based on newer tools and technologies that are less widely utilized. The costs to advance conservation measures, including a reduction in groundwater pumping, depend on the approach to initiate a large-scale, comprehensive, and methodical program to advance agricultural water management and irrigation practices and winery water management and reuse practices. Elements of the program could include (but would not be limited to):

- Utilize existing grower and winery information and survey results to estimate the degree to which various tools, technologies, and practices are in use today.
- Identify semi-quantitatively the areas (and the approximate number of growers and associated acreage) where opportunities exist to advance the use of tools, technologies, and practices to achieve greater water conservation.
- Identify where additional data on such uses may be needed to quantify the potential benefit that could be derived from vineyard and winery water conservation tools, technologies, and practices.
- Identify costs and benefits (water conserved and high value product retained) by increasing the utilization of various vineyard water conservation tools, technologies, and practices.
- Identify where “demonstration areas” could be developed in various areas of the Subbasin and where different physical conditions (soils, depth to water, etc.) and varieties and their ages may be present to further assess the costs/benefits of various vineyard water conservation tools. These demonstration areas could also employ other technologies to track groundwater use directly (meters) and indirectly (real time evapotranspiration [ET] tracking) in association with water conserved.
- The program would also identify the information that would be used to plan a staged implementation of vineyard water conservation tools.
- The program would identify outreach and education approaches associated with the goals of the program.
- The program would also consider potential ways to incentivize conservation measures.

The Water Conservation Plan would describe the steps needed to design and implement the program. Although the Water Conservation Plan would emphasize vineyard and winery water conservation, the Plan would also consider measures to achieve water conservation efforts by other groundwater users.

Groundwater Pumping Reduction Plan

Target Date: 2022 (Workplan Development)

Groundwater pumping reductions were discussed and agreed to by the GSPAC on October 14, 2021. Pumping reductions provide a direct means of reducing the impacts of groundwater pumping on interconnected surface water and groundwater supply in the Subbasin. Groundwater pumping reductions would be applied to all wells within the Subbasin that are not de minimis groundwater users (residences that use less than 2 acre-feet of water annually). The planned management action involving groundwater pumping reductions, and approved by

the GSPAC, is summarized in GSP Section 11. Efforts to initiate a reduction in pumping could be accomplished through increased water conservation practices on a Subbasin scale; as such, this Plan would be coordinated with the Water Conservation Plan. Additionally, this Plan would describe operational and logistical details as to how groundwater pumping reductions could occur and also how such reductions would be measured, tracked, and reported.

While meters can provide information on the volume produced where installed at a specified location, meters would not account for all groundwater use (e.g., de minimis users are exempt and groundwater consumption by crops can and does occur via direct groundwater uptake rather than groundwater applied to crops). Other technologies, such as satellite imagery and analysis may also allow for a comprehensive assessment and tracking of overall groundwater use.

Storm Water Resource Plan

Target Date: 2022 (Plan Development)

Water supply augmentation through managed aquifer recharge (MAR) enhances aquifer replenishment with the potential to mitigate undesirable results, particularly during periods of drought. Managed aquifer recharge can occur through active approaches such as recharge ponds and injection wells or more passive approaches such as intentionally inundating riparian corridors or agricultural lands during periods of high streamflow (flood-MAR or AgMAR). The implementation of managed aquifer recharge was preliminarily simulated with the Napa Valley Integrated Hydrologic Model (NVIHM) and determined to be a suitable project for the Subbasin. This project would involve diverting high flow in tributaries during wet years and spreading over vacant parcels and agricultural fields. Managed aquifer recharge is intended to increase the volume of groundwater in storage and increase dry season streamflow.

While recharge projects in the Napa Valley Subbasin were preliminarily evaluated during GSP development, there is a strong interest in furthering their implementation. In order to facilitate funding opportunities, GSP Section 11 describes the preparation of a Storm Water Resource Plan (SWRP) that meets the requirements of California Water Code §10562, Storm Water Resource Plan Guidelines published by the State Water Resources Control Board in 2015, and project-specific planning requirements. California Water Code §10563(c) requires the development of a SWRP and compliance with this part in accordance with §10565 to receive grant funds for stormwater and dry weather runoff capture projects from bond acts approved by the voters after January 1, 2014.

Development of a SWRP would also serve the needs of the Napa Countywide Stormwater Pollution Prevention Program (NCSPPP) and it is expected that this item could be cost-shared between the NCGSA and the Napa County Flood Control and Water Conservation District who oversees the NSCPPP.

Funding Options for GSP Implementation

Implementing the GSP will be an ongoing challenge for the County both in terms of effort and cost. During the first year of implementation alone, four (4) workplans will be drafted, two advisory groups will be convened and meeting regularly and 4 new dual completion monitoring wells will be drilled. Staff estimate the cost for the first year will be approximately \$1.3 million. Cost estimates for subsequent years are being developed and are estimated at \$1.3 million to \$2.4 million per year. In addition to the costs for staffing and GSP implementation, there will be additional costs for responding to future comments from the Department of Water Resources (DWR) on the adopted GSP and making any necessary revisions or amendments, as well as the start of the next GSP 5-year update beginning in 2025. Grant funds will be pursued to offset these costs wherever feasible, but are unlikely to pay for all of the above expenditures. For these and other reasons, staff would like direction to immediately begin investigating options for developing a funding mechanism to support GSP implementation activities.

There are essentially four options available to the GSA for funding ongoing operations:

1. County General Fund (current condition);
2. Special Tax approved by the voters;
3. Special Assessment approved by the voters: and/or
4. Fee.

The Board of Supervisors is already familiar with the first three options. However, there are unique circumstances associated with how GSAs can charge fees that deserve further exploration, as provided below.

Fee Authority Governed by Water Code and the Sustainable Groundwater Management Act (SGMA)

As defined in SGMA, GSA authority to assess fees differs pre and post GSP adoption. Prior to adoption of a GSP, Water Code Section 10730 is the controlling statute; after GSP adoption, Water Code 10730.2 applies which requires GSAs to follow the requirements in Prop 218, except for the requirement to get voter approval.

Following adoption of a GSP, GSAs have the authority under Water Code 10730.2 to impose fees on extraction of groundwater from a subbasin. Those fees can be used to fund activities such as administration, operation and maintenance, and acquisition of land as described below.

a) A groundwater sustainability agency that adopts a groundwater sustainability plan pursuant to this part may impose fees on the extraction of groundwater from the basin to fund costs of groundwater management, including, but not limited to, the costs of the following:

- (1) Administration, operation, and maintenance, including a prudent reserve.
 - (2) Acquisition of lands or other property, facilities, and services.
 - (3) Supply, production, treatment, or distribution of water.
 - (4) Other activities necessary or convenient to implement the plan.
- c) Fees imposed pursuant to this section shall be adopted in accordance with subdivisions (a) and (b) of Section 6 of Article XIII D of the California Constitution.
- (d) Fees imposed pursuant to this section may include fixed fees and fees charged on a volumetric basis, including, but not limited to, fees that increase based on the quantity of groundwater produced annually, the year in which the production of groundwater commenced from a groundwater extraction facility, and impacts to the basin.
- (e) The power granted by this section is in addition to any powers a groundwater sustainability agency has under any other law.

Water Code 10730.2 goes on to stipulate that fees imposed by a GSA must adhere to certain requirements and follow specific procedural requirements as defined in subdivisions (a) and (b) of Section 6 of Article XIII D of the California Constitution, known collectively as Prop 218. Notably, GSAs do not have to adhere to subdivision (c) which would require the GSA to get voter approval for any fees imposed.

For example, fees cannot exceed the proportional cost of service attributable to that parcel and fees cannot exceed the funds required to provide the property related service.

Prop 218 also spells out procedural requirements such as the requirement to identify the parcels on which the fee will be imposed and calculate the amount, basis and reason for the fee to be imposed on each parcel and conducting a public hearing upon the proposed fee no less than 45 days after written notice by mail is provided to the owner of each identified parcel. To staff's knowledge, there have been no fees adopted by any GSAs in the state, post GSP adoption. Several case studies exist where GSAs have adopted fees prior to GSP adoption but they are of limited value as the rules for the two scenarios are different.

Staff request direction to conduct research on and report back to the NCGSA on a range of options for funding GSP implementation, the pros and cons of different approaches and the range of costs of the different options.

Annual Report

Target Date to NCGSA: March 2022

Pursuant to California Code of Regulations §356.2, an Annual Report is required to be submitted to DWR each

year by April 1 following adoption of a GSP. The first Napa Valley Subbasin GSP Annual Report is due April 1, 2022 and will cover the period October 1, 2020 through September 30, 2021. DWR has provided forms and instructions for submitting the materials electronically through the DWR online reporting system. The GSP Annual Report contains both a narrative description and data in DWR provided templates. Preparation of the Annual Report is underway and will be provided to the NCGSA in March 2022.

Installation of Monitoring Facilities

The NCGSA secured Proposition 68 grant funding to construct four new dual completion dedicated monitoring wells within the Subbasin to further characterize interconnected surface waters. The NCGSA identified priority site locations in the Northeast Napa Management Area, near Rutherford, near the Bothe-Napa Valley State Park, and at the South Wetlands adjacent to the Napa Valley and Lowlands Subbasin boundary. Monitoring sites are planned at these locations and GSA staff are coordinating with landowners. Pending contractor selection and availability, installation activities are anticipated in spring 2022.

Ongoing and Expanded Groundwater Monitoring

As described in GSP Sections 5 and 9, previous groundwater monitoring efforts are continuing and various GSP monitoring networks are being expanded to collect additional data. Expanded monitoring will include the addition of the new monitoring facilities described above and coordination with well owners regarding the collection of additional groundwater quality data.

Ongoing Public Outreach

The NCGSA will continue to provide opportunities for the public to engage in the implementation of the GSP. Outreach efforts by the NCGSA for public engagement include public meetings, other advisory groups, public community meetings, public meetings of the NCGSA Board of Directors, NCGSA and WICC websites, social media announcements, and electronic communications through the NCGSA interested parties email list, public meeting mailing announcements. When the TWG is established, that group will also operate in compliance with the Brown Act.

Attachments:

Table 12-3. Recommendations for Plan Implementation

Figure 12-1. General Schedule of 20-Year Napa Valley Subbasin GSP Implementation

Update to Schedule presented on from December 7, 2021

