

NOTICE AND AGENDA OF REGULAR MEETING

GROUNDWATER SUSTAINABILITY AGENCY FOR THE WESTERN MANAGEMENT AREA
IN THE SANTA YNEZ RIVER GROUNDWATER BASIN

HELD AT

VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT, MEETING ROOM
3745 CONSTELLATION RD, LOMPOC, CALIFORNIA

AT 10:00 A.M. WEDNESDAY, AUGUST 23, 2023

Optional remote public participation is available via Telephone or ZOOM

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“Join a Meeting” - **Meeting ID 823 1366 5054 Meeting Passcode: 733000**

*** Please Note ***

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Therefore in-person attendance of the meeting is strongly encouraged.

AGENDA OF REGULAR MEETING

1. Call to Order and Roll Call
2. Additions or Deletions to the Agenda
3. Public Comment (Any member of the public may address the Committee relating to any non-agenda matter within the Committee’s jurisdiction. The total time for all public comment shall not exceed fifteen minutes and the time allotted for each individual shall not exceed five minutes. No action will be taken by the Committee at this meeting on any public comment item.)
4. Review and consider approval of meeting minutes of May 24 and August 9, 2023
5. Review and consider approval of Financial Statements and Warrant List
6. Review and Summary of Request(s) for WMA GSA Written Verification under Executive Order N-7-22 as amended in Executive Order N-5-23 for well permits processed by County EHS in the WMA
 - a. APN 099-200-085 Rita’s Crown Vineyard
7. Review and consider approving proposed addition to well verification request forms for the WMA
8. Update on Rate Study
9. Update on WMA CAG applications and consider forming Ad-hoc committee to review same
10. Review and consider endorsing draft Joint Powers Agreement for the WMA
11. Next WMA GSA Regular Meeting, Wednesday, September 27, 2023, at 10:00 a.m. at Vandenberg Village Community Services District, Meeting Room, 3745 Constellation Rd, Lompoc, California
12. WMA GSA Committee reports and requests for future agenda items
13. Adjournment

[This agenda was posted 72 hours prior to the scheduled regular meeting at 3669 Sagunto Street, Suite 101, Santa Ynez, California, and SantaYnezWater.org in accordance with Government Code Section 54954. In compliance with the Americans with Disabilities Act, if you need special assistance to review agenda materials or participate in this meeting, please contact the Santa Ynez River Water Conservation District at (805) 693-1156. Advanced notification as far as practicable prior to the meeting will enable the GSA to make reasonable arrangements to ensure accessibility to this meeting.]

MEETING MINUTES

Groundwater Sustainability Agency for the Western Management Area in the Santa Ynez River Groundwater Basin May 24, 2023

A regular meeting of the Groundwater Sustainability Agency (GSA) for the Western Management Area (WMA) in the Santa Ynez River Groundwater Basin was held on Wednesday, May 24, 2023, at 10:00 a.m. at the Vandenberg Village Community Services District Board Room, 3745 Constellation Road, Lompoc, California.

WMA GSA Committee Members Present: Myron Heavin

WMA GSA Acting Alternate Committee Members Present: Ron Stassi, and Kristin Worthley

WMA GSA Directors Absent: Committee Member and Alternate representing Santa Ynez River Water Conservation District

Staff Present: Joe Barget, Bill Buelow (remote), Brad Hagemann, and Amber Thompson

Others Present (in person): Paeter Garcia and Charlie Witt

Others Present (Video Conference): John Fio (EKI)

1. Call to Order and Roll Call

WMA GSA Committee Member Myron Heavin assumed the role of Acting Chair and called the meeting to order at 10:03 a.m. and asked Mr. Bill Buelow to call roll. One Committee Member and two Acting Alternate Committee Members were present providing a quorum. The Committee Member and Alternate representing Santa Ynez River Water Conservation District (SYRWCD) were absent.

2. Additions or Deletions to the Agenda

No additions or deletions were made.

3. Public Comment

There was no public comment. Ms. Thompson announced that no public comments were received in advance of the meeting.

4. Review and consider approval of meeting minutes of March 22, 2023

The minutes of the WMA GSA Committee meeting on March 22, 2023 were presented for GSA Committee approval. There was no discussion or public comment.

WMA GSA Acting Alternate Committee Member Ron Stassi made a MOTION to approve the minutes of March 22, 2023, as presented. GSA Acting Alternate Committee Member Kristin Worthley seconded the motion and it passed 3-0-1, with both Committee Member and Alternate from SYRWCD being absent.

5. Review and consider approval of Financial Statements and Warrant List

The WMA GSA Committee reviewed the financial reports of FY 2022-23 Periods 7 through 9 (through March 31, 2023) and the Warrant Lists for January, February, and March 2023. Discussion followed. There was no public comment.

WMA GSA Acting Alternate Committee Member Kristin Worthley made a MOTION to approve the Warrant Lists of January, February, and March 2023 (Check Nos. 1002-1005) totaling \$6,774.25, as presented. GSA Acting Alternate Committee Member Ron Stassi seconded the motion. There was no additional discussion or public comment and the motion passed 3-0-1, with both Committee Member and Alternate from SYRWCD being absent.

6. Review and Summary of Request(s) for WMA GSA Written Verification under Executive Order N-7-22 and other well permits processed by County EHS in the WMA

a. APN 097-371-074: The V Hotel LLC

Mr. Joe Barget presented the DRAFT Review of Well Application in the Santa Ynez River Valley Groundwater Basin, Western Management Area (WMA) APN: 097-371-074 (WP 0005512) MP Corp, aka The V Hotel at 3955 Apollo Way, Lompoc, CA, dated May 11, 2023.

Discussion followed and public comment was received.

WMA GSA Acting Alternate Committee Member Ron Stassi made a MOTION to provide the written verification under Executive Order N-7-22. GSA Committee Member Myron Heavin seconded the motion. There was no further discussion or public comment. The motion passed 3-0-1, with both Committee Member and Alternate from SYRWCD being absent.

7. Consider WMA CAG Membership

WMA GSA Acting Alternate Committee Member Kristin Worthley presented the invitation letters seeking for WMA Citizen Advisory Group (CAG) new membership. She pointed out that the thank you and invitation to apply letter for current WMA CAG members includes an invitation to a final meeting with lunch provided on June 28, 2023. Discussion followed.

Consensus was to send out the letters and application, as presented, and consider forming an Ad-Hoc committee to review the applications at the WMA GSA June meeting with the goal of appointing a new 7-member WMA CAG at the July 2023 meeting.

WMA GSA Acting Alternate Committee Member Kristin Worthley made a MOTION to approve providing lunch for the current WMA CAG members at the last WMA CAG meeting on June 28, 2023. GSA Acting Alternate Committee Member Ron Stassi seconded the motion. There was no additional discussion or public comment and the motion passed 3-0-1, with both Committee Member and Alternate from SYRWCD being absent.

8. Discuss GMA Governance for the WMA

WMA GSA Acting Alternate Committee Member Kristin Worthley provided an update on staff efforts in creating a JPA for the WMA GSA. Lengthy discussion followed and public comments were received. There was no action.

9. Informational Correspondence

- a. Santa Barbara County Farm Bureau, April 5, 2023**
- b. State Water Resources Control Board, April 14, 2023**
- c. Santa Barbara Cattlemen’s Association, May 3, 2023**
- d. Burton Ranch Development information update, May 4, 2023**

The Committee received the written communications and discussion followed. Staff advised that the Letter to DWR from Natalie Stork was received by DWR through the SGMA portal on GSPs after the comment period ended. The letter is being reviewed by staff and member agencies attorneys and a response will be forthcoming. Two letters are informational and supportive of an ag representative. WMA GSA Acting Alternate Committee Member Kristin Worthley briefed the committee on the Burton Ranch Development information update and pointed out that the new residential development approved to be built would cause more draw on the aquifer. Discussion followed. There were no public comments and no action.

10. Santa Ynez River Valley Groundwater Basin, Western Management Area, Spring 2023 Measurements prepared by Santa Barbara County Water Agency, presented by John Fio, EKI

Mr. John Fio, EKI, presented Santa Ynez River Valley Groundwater Basin, Western Management Area, Spring 2023 Measurements which was created by the Santa Barbara County Water Agency. The presentation indicated that all 23 measured representative wells were above Minimum Threshold elevation in the Spring 2023. Discussion occurred during and after the presentation. Public comments were received.

11. Next WMA GSA Regular Meeting, Wednesday, June 28, 2023, 10:00 a.m. at Vandenberg Village Community Services District, Board Room, 3745 Constellation Rd., Lompoc

WMA GSA Committee Member Myron Heavin announced the next WMA GSA regular meeting will be Wednesday, June 28, 2023, at 10:00 a.m., at the Vandenberg Village Community Services District Board Room, 3745 Constellation Road, Lompoc, California.

12. WMA GSA Committee reports and requests for future agenda items

WMA GSA Acting Alternate Committee Member Kristin Worthley reported that Proposition 68 Grant funding recommendation was released and requested that Mr. John Fio provide the committee information on the funding recommendation. Mr. Fio reported that the DWR Prop. 68 Grant funding recommendation is to award the full amount requested of about \$5.5 million for seven projects.

13. Adjournment

WMA GSA Acting Chair Member Myron Heavin adjourned the meeting at 12:01 p.m.

Chris Brooks, Chairman

William J. Buelow, Secretary

MEETING MINUTES

Groundwater Sustainability Agency for the Western Management Area in the Santa Ynez River Groundwater Basin August 09, 2023

A special meeting of the Groundwater Sustainability Agency (GSA) for the Western Management Area (WMA) in the Santa Ynez River Groundwater Basin was held on Wednesday, August 09, 2023, at 10:00 a.m. at the Vandenberg Village Community Services District Board Room, 3745 Constellation Road, Lompoc, California.

WMA GSA Committee Members Present: Chris Brooks, Myron Heavin, Steve Jordan,

WMA GSA Acting Alternate Committee Members Present: Kristin Worthley

WMA GSA Alternate Committee Members Present (in person): Cynthia Allen and Ron Stassi

WMA GSA Alternate Committee Members Present (remote): Meighan Dietenhofer

Staff Present: Joe Barget, Bill Buelow, Amber Thompson, and Matt Young (remote)

Others Present (in person): Carol Redhead

Others Present (Video Conference): Matt Brady, John Fio (EKI), Paeter Garcia, Curtis Lawler (Stetson Engineers), Miles McCammon (Stetson Engineers), and Steve Torigiani (Young Wooldridge, LLP)

1. Call to Order and Roll Call

WMA GSA Committee Chair Chris Brooks called the meeting to order at 10:05 a.m. and asked Mr. Bill Buelow to call roll. Three Committee Member and one Acting Alternate Committee Members were present providing a quorum.

Mr. Buelow reported that Director Art Hibbits, previous WMA GSA Committee Alternate, recently retired from the Board of Directors of the Santa Ynez River Water Conservation District (SYRWCD). The SYRWCD Board appointed Cynthia Allen as Alternate Committee Member and Steve Jordan continuing as Committee Member representing the SYRWCD Board to the WMA GSA Committee

2. Additions or Deletions to the Agenda

No additions or deletions were made.

3. Public Comment

There was no public comment.

4. Review and approve sending DWR a joint GSA Response to SWRCB staff comments on the CMA, WMA and EMA GSPs

Mr. Steve Torigiani of Young Wooldridge LLP, legal counsel for CMA/WMA/EMA Member Agency Santa Ynez River Water Conservation District, gave a presentation regarding a proposed GSA response to the April 14, 2023 State Water Resources Control Board (SWRCB) staff comment letter concerning the three Santa Ynez River Valley Groundwater Basin Groundwater Sustainability Plans' (GSPs') characterization of the subsurface water within the Santa Ynez River Alluvium above the Lompoc Narrows and below Bradbury Dam. Mr. Torigiani explained that all three GSPs characterized such alluvium subsurface water as river underflow and as part of the surface water system, and not "groundwater" as defined by Water Code section 10721(g) of the Sustainable Groundwater Management Act (SGMA). The GSPs' characterization was based on the GSAs' investigation of the groundwater basin's surface and groundwater systems, as expressly authorized and required by SGMA, and best available science. Support for such characterization included a December 2021 Technical Memorandum prepared by Stetson Engineers (Stetson) documenting the hydrogeological basis for characterization of such subsurface water as underflow and water flowing in a known and definite channel, and thus part of the surface water system, which memorandum was appended to all three GSPs. He noted that the GSPs were submitted to DWR in January 2022, the public comment period for each GSP ended in June 2022, and that the SWRCB staff comment letter was surprisingly received almost a year after close of the public comment period through the California Department of Water Resources' (DWR's) GSP portal.

Mr. Torigiani summarized the main assertions made in the SWRCB staff comment letter. First, the comment letter asserts that all GSAs must presume all subsurface water is groundwater, unless and until the SWRCB decides otherwise, even if best available science indicates the subsurface water is not groundwater as defined by SGMA. Second, the letter suggests that the Buellton Reach of the alluvium – which is a relatively small reach of the river, does not meet the *Garrapata Creek* Decision four-test for a "subterranean stream," in particular, the part that requires the underlying bed and banks of the subsurface channel to be "relatively" impermeable in comparison to the permeability of the soils that comprise the alluvium. He noted that the comment letter does not recognize that "underflow" is a legal subset of a subterranean stream, and does not provide any evidence or argument contrary to Stetson's characterization of the subject surface water as underflow. In fact, the SWRCB staff comment letter does not mention Stetson's 2021 Technical Memorandum.

Mr. Torigiani presented the August 4, 2023 Staff Memorandum from GSA Agency Staff Members and described the attached cover letter and 2023 Stetson underflow report prepared as the proposed response to the SWRCB staff comment letter. Mr. Torigiani explained that the cover letter is focused on responding to the legal issues raised by the comment letter, including the SWRCB staff comment letter's assertion that all subsurface

water must be presumed to be groundwater until the SWRCB determines otherwise, and the Stetson underflow report is focused on responding to the geological, scientific, and other technical issues raised by the comment letter. Mr. Torigiani explained that SGMA expressly states that “water flowing in a known and definite channel,” which includes river “underflow” and a “subterranean stream,” is not groundwater for SGMA management purposes. He further explained that the Stetson underflow report includes analyses based on best available science demonstrating that the subject subsurface water meets the elements for “underflow,” as set forth in the *Garrapata Creek* Decision (based on the 1899 *Pomeroy* case) as well as the elements for a “subterranean stream” (if the subsurface water is not underflow) as also set forth in the *Garrapata Creek* Decision. Accordingly, based on best available science, the subject subsurface water is not groundwater as defined by SGMA.

Regarding the issue of the permeability of the bed and banks of the alluvium in the Buellton Reach questioned by the SWRCB staff comment letter, Mr. Torigiani pointed out that the Stetson’s underflow report concludes that such physical condition exists in that reach as the alluvium is 40 to 800 times more permeable than the underlying bed and banks which is comparable to other situations where the SWRCB found a subterranean stream to exist when applying the *Garrapata Creek* Decision test. Mr. Torigiani noted that the SWRCB staff comment letter did not expressly question the permeability of the alluvial channel in any other reach of the river above the narrows.

In conclusion, Mr. Torigiani said that the Stetson underflow report reaffirms, bolsters, and provides further support for, based on best available science, the GSPs’ characterization of the subsurface water within the alluvium above the Lompoc Narrows as part of the surface water system and not part of the groundwater system or groundwater. Thus, the GSAs are not required or authorized to manage such surface water pursuant to SGMA, and if the GSAs did manage such subsurface water lawsuits from riparian or other pumpers of underflow could arise. Mr. Torigiani also mentioned that the Stetson underflow report also identifies several prior SWRCB decisions and orders that consistently characterized and permitted the subject subsurface water as “underflow,” including subsurface water within the Buellton Reach. Finally, Mr. Torigiani noted that the lengthy proposed response was the result of a significant collaborative effort necessitated by the importance of issues raised by the SWRCB staff comment letter relative to the adequacy of the GSPs and the basin, and all GSA Agency attorneys and managers had the opportunity to review and provide input.

Discussion followed. There was no public comment.

CMA GSA Committee Member Steve Jordan made a MOTION for the WMA GSA Committee to approve the Response in substantially the form presented and authorizes its chair or other committee member, if the chair is unavailable, to sign the cover letter transmitting the Response to DWR on behalf of the GSA. GSA Committee Member Myron Heavin seconded the motion. Discussion followed and public comment was received. The motion passed unanimously by roll call vote.

5. Next WMA GSA Regular Meeting, Wednesday, August 23, 2023, 10:00 a.m. at Vandenberg Village Community Services District, Board Room, 3745 Constellation Rd., Lompoc

WMA GSA Committee Chair Chris Brooks announced the next WMA GSA regular meeting will be Wednesday, August 23, 2023, at 10:00 a.m., at the Vandenberg Village Community Services District Board Room, 3745 Constellation Road, Lompoc, California.

6. WMA GSA Committee reports and requests for future agenda items

WMA GSA Committee Member Steve Jordan requested an update on efforts and urged the staff and committee to move forward in developing future governance, cost sharing, rate study, and a JPA for the WMA GSA with a goal to reduce or stop cost shares from the member agencies.

7. Adjournment

WMA GSA Chair Chris Brooks adjourned the meeting at 10:43 a.m.

Chris Brooks, Chairman

William J. Buelow, Secretary

WMA GSA
Balance Sheet
As of June 30, 2023

	<u>Jun 30, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
1150 · Five Star Bank Checking #5978	13,253.16
Total Checking/Savings	<u>13,253.16</u>
Total Current Assets	<u>13,253.16</u>
TOTAL ASSETS	<u><u>13,253.16</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2300 · Deposits - Well Verification	1,200.00
Total Other Current Liabilities	<u>1,200.00</u>
Total Current Liabilities	<u>1,200.00</u>
Total Liabilities	1,200.00
Equity	
3000 · Retained Earnings	27,450.40
Net Income	<u>-15,397.24</u>
Total Equity	<u>12,053.16</u>
TOTAL LIABILITIES & EQUITY	<u><u>13,253.16</u></u>

WMA GSA Profit & Loss YTD Comparison April through June 2023

	<u>Apr - Jun 23</u>	<u>Jul '22 - Jun 23</u>
Income		
4000 · Oper Assess fr Member Agencies	0.00	26,278.52
4500 · Grant Revenue	0.00	48,133.33
4600 · Interest Income	8.69	43.04
Total Income	8.69	74,454.89
Expense		
5320 · Office Expense (incl postage)	0.00	24.70
5330 · Outside Staff Support	300.00	1,200.00
5350 · Public Relations	0.00	163.20
6100 · Stakeholder Engagement	13.78	13.78
6280 · GSP - AEM Survey	0.00	45,518.38
6400 · Annual Report	32,779.12	37,497.62
6500 · GSP Implementation	1,528.95	5,138.95
6510 · Wells Verification Support	295.50	295.50
Total Expense	34,917.35	89,852.13
Net Income	<u>-34,908.66</u>	<u>-15,397.24</u>

WMA GSA
Transactions by Account
Deposits - Well Verification
 As of June 30, 2023

	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Clr</u>	<u>Split</u>	<u>Amount</u>	<u>Balance</u>
2300 - Deposits - Well Verification									1,650.00
	Bill	04/12/2023	02041.001-2	GSI			2000 - Accounts Payable	-450.00	1,200.00
Total 2300 - Deposits - Well Verification								-450.00	1,200.00
TOTAL								-450.00	1,200.00

**GROUNDWATER SUSTAINABILITY AGENCY FOR THE
WESTERN MANAGEMENT AREA (WMA)
IN THE SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN**

APRIL 2023 WARRANT LIST FOR COMMITTEE APPROVAL

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1006	04/12/23	GSI Water Solutions	February 2023 Well Verification Review (paid by Well Owner Deposits)	\$ 450.00
1007	04/12/23	Stetson Engineers	January-February 2023 Engineering Service (WY2022 Annual Report & GSP Implementation Work)	\$ 15,312.25
MONTH TOTAL				\$ 15,762.25

MAY 2023 WARRANT LIST FOR COMMITTEE APPROVAL

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
NONE				
MONTH TOTAL				\$ -

JUNE 2023 WARRANT LIST FOR COMMITTEE APPROVAL

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1008	06/13/23	Stetson Engineers	March & April 2023 Engineering Service (WY2022 Annual Report & GSP Implementation Work)	\$ 19,291.32
1009	06/13/23	Santa Ynez River Water Conservation District	Reimburse costs for SantaYnezWater.org & SantaYnezWater.com website domains paid by SYRWCD 3/29/2023 & 5/8/2023 (\$41.34 total split 1/3 per GSA)	\$ 13.78
1010	06/13/23	Valley Bookkeeping	2023 2nd Quarter Bookkeeping (April, May, June 2023)	\$ 300.00
MONTH TOTAL				\$ 19,605.10

TOTAL CHECKS THIS QUARTER: \$ 35,367.35



Review of Well Application in the Santa Ynez River Valley Groundwater Basin, Western Management Area (WMA) APN: 099-200-085 (EH-LUA-23-0000054) Rita's Crown Vineyard

To: Santa Ynez River Valley WMA GSA Parties
From: Tim Nicely, PG, CHg and Katie O'Malley, GSI Water Solutions, Inc.
Date: August 15, 2023

This memorandum presents our review of an application to install a well within the Western Management Area (WMA). Our review was conducted on behalf of the Santa Ynez River Valley Groundwater Basin Western Management Area Groundwater Sustainability Agency (GSA). Under Paragraph 9 of Governor Newsom's Executive Order N-7-22 and the County Board of Supervisors Urgency Ordinance No. 5158 dated May 24, 2022, the County of Santa Barbara Department of Environmental Health Services shall not approve a permit for a new groundwater well or for alteration of an existing well in a medium or high-priority basin subject to the Sustainable Groundwater Management Act (SGMA) without first obtaining written verification from the GSA that groundwater extraction by the proposed well¹:

1. would not be "inconsistent with any sustainable groundwater management program" established by the Groundwater Sustainability Plan (Plan) adopted by the GSA, and
2. would not decrease the likelihood of achieving a sustainability goal for the basin covered by the Plan.

Paragraph 9 of Executive Order N-7-22 does not apply to permits for wells that will provide less than two acre-feet per year of groundwater for individual domestic users, or that will exclusively provide groundwater to public water supply systems as defined in section 116275 of the Health and Safety Code.

The application being reviewed is for a new, 6-inch diameter irrigation supply well completed to a depth of 100 feet. The anticipated water production reported by the applicant is 90 acre-foot per year (AFY). The application also estimates a production rate of up to 500 gallons per minute (gpm) and an average daily runtime of 3.2 hours per day. This production exceeds the 2 AFY definition of an exempt well.

¹ Santa Barbara County Urgency Ordinance No. 5158 defines a "Replacement Well" as follows: "[A] water well to be constructed of equal or less production capacity as an existing well as originally permitted or constructed, when said existing well shall be destroyed under permit within 90 days of completion of the replacement well. This definition does not apply to individual domestic or public water supply wells." (Ordinance No. 5158, Sec. 34A-23(8).)

Summary of Findings

The proposed well has the following properties:

- Well location:
 - The proposed well is located on Assessor's Parcel Number 099-200-085, which is located within the Santa Ynez River Alluvium area of the WMA.
- Proposed well construction and use information:
 - The proposed new well will be completed to a depth of 100 feet below ground surface (bgs), with perforations from 50 to 100 feet bgs.
 - The well will be used for irrigation purposes on a 100.1-acre parcel. The planned pumping rate will be 500 gallons per minute for 3.2 hours per day according to the well permit application, which is equal to as much as 107 AFY. The geologist's report indicates that the well would pump for 4.5 hours per day for 10 months per year, which would be equal to 126 AFY. The application indicates that the well would produce 90 AFY.
- Assess groundwater and related conditions:
 - Because the proposed replacement well will not be completed within an aquifer managed by the GSA, an assessment of the groundwater and related conditions is not relevant to this well.
- Would the well increase production within the WMA?
 - The proposed well is produces water from the Santa Ynez River Alluvium and is therefore not managed by the WMA.

Summary

Based upon the location and planned production from the proposed well will not be completed within a principal aquifer manage by the WMA and therefore would NOT be "inconsistent with any sustainable groundwater management program" established by the GSA and would NOT decrease the likelihood of achieving a sustainability goal for the basin.

In our opinion, the GSA should provide a written verification to the County of Santa Barbara Department of Environmental Health for this application.

Indemnification and Limitations of Liability

GSI does not warrant or guarantee that the replacement well will produce the expected amount of water nor that the GSA will not require that extraction from the well be reduced in the future in accordance with its authority to manage the WMA within the sustainability goal presented in WMA's Plan.

GSI is not responsible for or otherwise liable for any costs, investments, lost revenue, or payments related to any groundwater well permitted or not permitted by the County, including well drilling costs, pumping fees, extraction limits, costs related to well failure, well deepening, increased maintenance, replacement, or operational costs.

The GSA's issuance of a written verification and the County's issuance of a well permit to Applicant does not guarantee the extraction of any specific amount of water now or in the future or any defined water level or water quality.

STAFF MEMORANDUM

DATE: August 23, 2023

TO: WMA GSA Committee

FROM: WMA GSA Agency Staff Members

SUBJECT: Joint Powers Agreement for WMA

The purpose of this memorandum is to provide the background and rationale for the the Western Management Area GSA (WMA GSA) to convert from a Memorandum of Agreement (MOA) to a Joint Powers Authority (JPA).

Background

The WMA GSA was formed by the January 11, 2017, MOA between the City of Lompoc, Vandenberg Village Community Services District, Mission Hills Community Services District, Santa Ynez River Water Conservation District, and the Santa Barbara County Water Agency. The MOA describes the formation and organization of the WMA GSA and establishes the governing body, powers, and proportional funding contribution from each agency, and the voting structure for decision making.

Under this MOA, the WMA GSA successfully prepared, approved, and submitted its GSP to the California Department of Water Resources (DWR) on January 18, 2022, as required by the SGMA. Since then, groundwater management activities have included monitoring and data collection, annual reporting to DWR, and projects and management actions. The conduct of these activities has been implemented in coordination with the other two GSAs, as consistent with the Intra-Basin Administrative Agreement (IBAA).

The WMA GSA entered into the IBAA for the purpose of coordinating with the other two GSAs in the basin for implementing the sustainable groundwater management act, and the three GSPs in the Santa Ynez River Valley Groundwater Basin (Basin). The IBAA was adopted by the three GSAs effective January 1, 2022. The IBAA's primary purpose is to facilitate a cooperative and ongoing working relationship between the three GSAs in the basin. The IBAA also described the possibility of forming one or more new joint powers authorities (JPA) by the three GSAs.

The WMA GSA is the sole GSA for its management area. The existing WMA GSA established under the 2017 MOU would reorganize as a separate entity under the Joint Exercise of Powers Act in order to implement the WMA GSP and sustainably manage the WMA under SGMA.

Discussion of Joint Powers Agreements

A "Joint Powers Agreement" (JPA) is an agreement between two or more government agencies to combine their powers and resources for some common project. A JPA may also create a separate legal entity, commonly called a Joint Powers Authority (JPA), to work on common

problem(s), in this case SGMA compliance and GSP implementation. Public agencies voluntarily create a JPA, and the JPA can exercise only those powers that are common to their member agencies. Their meetings are open to the public and subject to the Ralph M. Brown Act. Further, JPAs must follow the Public Records Act, the Political Reform Act, and other public interest laws that ensure political transparency. The JPA must also arrange for an annual audit; many public agencies audit their own JPA.

As a separate agency, a JPA must have its own board of directors (Board) which will appoint officers as provided for in its JPA, in this case a chair, vice chair, treasurer, and secretary. The board will consist of representatives of each member. Certain functions may be delegated by the Board to the staff of a member agency, or an outside consultant. For example, the Treasurer's duties may be delegated to a certified public accountant.

There are financial resources needed to implement projects and management actions identified in the GSP to maintain SGMA compliance. Without outside funding sources, such as grants, these activities will be supported fully by WMA GSA member agencies and require the imposition of some form of fee structure.

A JPA, formed as a legal entity separate from its members, would shield the general funds of its members from having to pay liabilities if the JPA is unable to generate sufficient revenue to pay its liabilities. In contrast, counsel for the WMA members are concerned that the existing MOA structure may not provide the same protection for its members. Finally, a JPA can combine services and share the resources of the member agencies to save time, reduce (or eliminate) overlapping services, increase efficiencies, and cut costs for their taxpayers.

From a practical perspective, the core provisions of the existing WMA MOA were integrated into the draft WMA JPA, so in effect the JPA is consistent with the MOA while simultaneously providing protection for the member agencies from the GSAs debts or other liabilities.

Fiscal Impact

There are several vehicles for the WMA GSA to capture costs for implementing SGMA pursuant to Water Code sections 10730, *et seq.* The Board of Directors may pursue funding through any means allowable by law, including but not limited to fees and/or charges, which reduces the financial obligations of the member agencies. To the extent other funds are not available to pay WMA GSA expenses, under the JPA each Member's obligation remains unchanged from their current obligation under the MOA. Moreover, if the JPA is unable to pay its liabilities, as a separate legal entity the JPA can shield the general funds of its members from having to pay those liabilities. The adoption of fees and charges must be compliant with all applicable laws including Propositions 218 and 26.

Recommendation:

The Staff recommendation is for the WMA GSA Committee to endorse the reformation of the WMA GSA through a Joint Powers Agreement.

Recommended Motion: *The WMA GSA committee endorses the WMA's draft Joint Powers Agreement for consideration by each of the WMA GSA member agencies board.*

**JOINT EXERCISE OF POWERS AGREEMENT
SANTA YNEZ RIVER VALLEY BASIN WESTERN MANAGEMENT AREA
GROUNDWATER SUSTAINABILITY AGENCY**

This Joint Exercise of Powers Agreement (“Agreement”) is made and entered into this _____ day of _____ 2023 by and between the City of Lompoc (“Lompoc”); Mission Hills Community Services District (“Mission Hills” or “MHCS”), Vandenberg Village Community Services District (“Vandenberg Village” or “VVCS”), Santa Ynez River Water Conservation District (“SYRWCD” or “District”), and the Santa Barbara County Water Agency (“Santa Barbara”), also each referred to individually as “Member” and collectively as “Members,” for the purposes of forming a joint powers agency to serve as the Groundwater Sustainability Agency for the Western Management Area of the Santa Ynez River Valley Groundwater Basin. This joint powers agency shall hereinafter be known as the Santa Ynez River Valley Groundwater Basin Western Management Area Groundwater Sustainability Agency (“WMA GSA” or “GSA”).

RECITALS

THIS AGREEMENT is made with reference to the following facts:

A. WHEREAS, the Sustainable Groundwater Management Act of 2014 (“SGMA”), including but not limited to Water Code section 10720 et seq., requires Groundwater Sustainability Agencies (“GSAs”) to manage medium and high priority groundwater basins throughout the state through the adoption and implementation of Groundwater Sustainability Plans (“GSPs”). SGMA defines “basin” as a basin or sub-basin identified and defined in Bulletin 118, a publican of the California Department of Water Resources (“DWR”).

B. WHEREAS, the Santa Ynez River Valley Groundwater Basin (also referred to as the “Santa Ynez Groundwater Basin” or “Basin”), identified and defined by DWR in Bulletin 118 as Basin 3-15, has been designated by DWR as a medium priority basin.

C. WHEREAS, Bulletin 118 describes the Basin as being in three portions, the eastern, central, and western. The western portion consists of the Lompoc Plain, Lompoc Terrace, and Lompoc Upland; the central portion consists of the Buellton Upland, and the eastern portion consists of the Santa Ynez Uplands. For the purpose of implementing SGMA, each portion of the Basin as described by DWR has been designated as a separate “Management Area” as authorized by SGMA, where the three Management Areas cover the entire Basin defined by Bulletin 118.

D. WHEREAS, for purposes of administering its groundwater usage program and other water management functions, the District also generally recognizes these hydrogeologic units.

E. WHEREAS, the map attached hereto as Exhibit A depicts the boundaries

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of the three Management Areas of the Basin.

F. WHEREAS, in 2016, local public agencies eligible to form a GSA or GSAs in the Basin determined that a separate GSA would be formed for each Management Area of the Basin (see Memorandum of Understanding for Implementation of the Sustainable Groundwater Management Act in the Santa Ynez River Valley Groundwater Basin, dated May 23, 2016).

G. WHEREAS, effective January 11, 2017, the Members entered into a “Memorandum of Agreement for Formation of a Groundwater Sustainability Agency for the Western Management Area in the Santa Ynez Valley Groundwater Basin under the Sustainable Groundwater Management Act” (“2017 MOA”), which established the Members as the participating agencies of the WMA GSA created by the 2017 MOA.

H. WHEREAS, the District covers approximately 64 percent of the WMA, comprising the Lompoc Plain, Lompoc Terrace, and Lompoc Uplands (including the Santa Rita Valley). This area includes the City of Lompoc, the communities of Vandenberg Village and Mission Hills, the Lompoc Federal Correctional Complex (“Lompoc FCC”) and portions of Vandenberg Air Force Base (“VAFB”). VAFB covers the majority of the remaining WMA outside the District (approximately the remaining 35 percent of the WMA). As Federal entities, VAFB and Lompoc FCC are not required to be subject to SGMA. The Santa Barbara County Water Agency (“County Water Agency”) covers approximately 1 percent of the WMA area not within the District, VAFB, and Lompoc FCC. Lompoc, the District, VVCSD, MHCSD, and the County Water Agency represent all of the public agencies (as defined by SGMA) that were eligible to form a GSA in the WMA. The formation of the WMA GSA was supported by the following:

- a. The District has augmented the groundwater supply for the WMA through water rights releases under California State Water Resource Control Board (“SWRCB”) Order 89-18 and preceding SWRCB orders since 1953.
- b. The District has monitored groundwater production and groundwater storage in the Basin, including the WMA, since 1979.
- c. The District, Lompoc, VVCSD, and MHCSD have a history of collaboration on projects that benefit groundwater use and management in the WMA. These include: 1) comprehensive studies of supplemental winter groundwater recharge from the river; 2) interconnections between the entities’ water systems for operational flexibility and increased system reliability; and 3) comprehensive U.S. Geological Survey hydrogeologic studies of the WMA in the late 1980s through the early 1990s and ongoing monitoring of groundwater levels and groundwater quality.

I. WHEREAS, pursuant to separate Memoranda of Understanding, the local public agencies in the Eastern Management Area (“EMA”) and the Central Management Area (“CMA”) of the Basin, respectively, formed an EMA GSA and a CMA GSA in the

Basin.

J. WHEREAS, effective February 26, 2020, the local public agencies participating in the EMA GSA, the WMA GSA, and the CMA GSA entered into the “Intra-Basin Administrative Agreement for Implementation of the Sustainable Groundwater Management Act in the Santa Ynez River Valley Groundwater Basin.”

K. WHEREAS, in accordance with Water Code section 10727.6 and California Code of Regulations, title 23, section 357.4, the EMA GSA, the WMA GSA, and the CMA GSA entered into the Santa Ynez River Valley Groundwater Basin Coordination Agreement, effective January 1, 2022.

L. WHEREAS, the WMA GSA formed under the 2017 MOA has already developed, adopted, and submitted a Groundwater Sustainability Plan (“GSP”) for the WMA to DWR as required by SGMA; and

M. WHEREAS, each of the Members is duly organized and existing under the laws of the State of California and is a local agency qualified to become or form a GSA under the SGMA for the WMA of the Basin; and

N. WHEREAS, pursuant to SGMA, specifically Water Code section 10723.6, and the Joint Exercise of Powers Act, Government Code section 6500 et seq., the Members are authorized to create a joint powers agency to jointly exercise any power common to the Members together with such powers as are expressly set forth in the Joint Exercise of Powers Act and in SGMA.

O. WHEREAS, the Members hereby intend to reform the existing WMA GSA established under the 2017 MOU as a separate entity under the Joint Exercise of Powers Act in order to implement the WMA GSP and sustainably manage the WMA under SGMA.

NOW, THEREFORE, in consideration of the terms, conditions, and covenants contained herein, the Members hereby agree as follows:

**ARTICLE 1
INCORPORATION OF RECITALS**

1.1 The foregoing recitals are true and correct and are incorporated herein by reference.

**ARTICLE 2
DEFINITIONS**

The following terms shall have the following meanings for purposes of this

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Agreement:

2.1 “Agreement” means this Joint Exercise of Powers Agreement reforming the Santa Ynez River Valley Groundwater Basin Western Management Area Groundwater Sustainability Agency.

2.2 “Basin” means the Santa Ynez River Valley Groundwater Basin, as identified and defined by DWR in Bulletin 118 (as Basin 3-15) as of the Effective Date of this Agreement or as modified pursuant to Water Code section 10722.2.

2.3 “Bulletin 118” means DWR’s report entitled “California Groundwater: Bulletin 118” updated in 2016 and 2020, and as it may be subsequently updated or revised in accordance with Water Code section 12924.

2.4 “Board of Directors” or “Board” means the governing body of the WMA GSA as established by Article 7 of this Agreement.

2.5 “WMA” means the Western Management Area of the Basin, as defined and depicted in the GSP for the WMA, as amended from time to time pursuant to SGMA.

2.6 “WMA GSA” or “GSA” means the Santa Ynez River Valley Groundwater Basin Western Management Area Groundwater Sustainability Agency, formed under the 2017 memorandum of agreement and reformed as a separate joint powers authority through this Agreement.

2.7 “Director(s)” and “Alternate Director(s)” means a Director or Alternate Director appointed by a Member or appointed by the Directors representing the Members pursuant to Articles 7.2 and 7.3 of this Agreement.

2.8 “DWR” means the California Department of Water Resources.

2.9 “GSP” means a Groundwater Sustainability Plan, as defined by SGMA in Water Code section 10727 et seq.

2.10 “Joint Exercise of Powers Act” means Government Code section 6500 et seq., as amended from time to time.

2.11 “Member” or “Members” means an entity or the entities authorized by SGMA and other applicable law to participate in the WMA GSA as reformed by this Agreement and included in Article 6.1 of this Agreement, or any entity that becomes a new Member of the WMA GSA pursuant to Article 6.2 of this Agreement.

2.12 “Officer(s)” means the Chair, Vice Chair, Secretary, or Treasurer of the WMA GSA to be appointed by the Board of Directors pursuant to Article 8.2 of this Agreement.

2.13 “SGMA” means the Sustainable Groundwater Management Act, including but not limited to Water Code section 10720 et seq., as SGMA may be amended from

time to time.

2.14 “State” means the State of California.

2.15 “Voluntary Contribution” means a payment to the WMA GSA at the sole discretion of the payor that is neither a grant nor a direct Member payment made pursuant to Article 14.2(e).

ARTICLE 3 CREATION OF THE WMA GSA

3.1 Creation of a Joint Powers Agency. There is hereby created, pursuant to the Joint Exercise of Powers Act and ,SGMA, a joint powers agency, which is a public entity separate from the Members, and shall be known as the Santa Ynez River Valley Groundwater Basin Western Management Area Groundwater Sustainability Agency (“WMA GSA” or “GSA”). The boundaries of the WMA GSA shall be coterminous with the boundaries of the WMA portion of the Basin as established by the WMA GSP and depicted in Exhibit A attached hereto and incorporated herein by reference, which may be amended from time to time pursuant to SGMA. It is the intent of the Members that this Agreement reforms the GSA currently existing under the 2017 memorandum of understanding.

3.2 Notices. Within 30 days after the Effective Date, and after any amendment hereto, the GSA shall cause a notice of this Agreement to be prepared and filed with the office of the California Secretary of State containing the information required by Government Code section 6503.5. Within 30 days after the Effective Date, the GSA shall cause a statement of the information concerning the GSA, required by Government Code section 53051, to be filed with the office of the California Secretary of State and with the County Clerk for the County of Santa Barbara, setting forth the facts required to be stated pursuant to Government Code section 53051(a). Within 30 days after the Effective Date, the GSA shall inform DWR of the Members’ decision and intent to undertake sustainable groundwater management within the WMA in accordance with Water Code section 10723.8 through this JPA.

3.3 Purpose of the WMA GSA. The purpose of the WMA GSA is to implement and comply with SGMA in the WMA portion of the Santa Ynez River Valley Groundwater Basin by serving as the WMA’s GSA, implementing the GSP for the WMA, and coordinating with the EMA GSA and CMA GSA in sustainably managing the Basin pursuant to SGMA.

ARTICLE 4 TERM

4.1 This Agreement shall become effective on the last date on which all of the Members listed in Article 6.1 sign this Agreement (“Effective Date”), after which notices

shall be filed in accordance with Article 3.2. This Agreement shall remain in effect until terminated pursuant to the provisions of Article 16 of this Agreement.

ARTICLE 5 POWERS

5.1 The WMA GSA shall possess the common powers set forth in this Agreement together with such other powers as are expressly set forth in the Joint Exercise of Powers Act and in SGMA, subject to the limitations set forth therein.

5.2 For purposes of Government Code section 6509 and Water Code section 10730.6(d), the powers of the WMA GSA shall be exercised subject to the restrictions upon the manner of exercising such powers as are imposed on Santa Barbara, and in the event of the withdrawal of Santa Barbara as a Member under this Agreement the manner of exercising the GSA's powers shall be exercised subject to those restrictions imposed on Lompoc.

5.3 The WMA GSA shall have all powers that a GSA is authorized to exercise as provided by SGMA, including without limitation the power to implement the GSP, update the GSP every 5-years, and meet the requirements set forth in the Intra-Basin Coordination Agreement.

5.4 The WMA GSA shall have the power to impose and receive fees under SGMA to fund the WMA GSA and GSP implementation.

5.5 The WMA GSA shall have the following additional powers:

- a) To make and enter contracts, including contracts with its Members;
- b) To employ agents, attorneys, consultants, and employees or to contract for personnel to fulfill its mission and purpose;
- c) To lease, acquire, construct, manage, maintain, or operate any building, works or improvements;
- d) To lease, acquire, hold, or dispose of real or personal property;
- e) To borrow money, issue bonds, and incur debts, liabilities, or obligations for the purpose of paying all or any part of the costs of any other authorized activity of the GSA, which debts, liabilities, and obligations shall not constitute debts, liabilities, or obligations of any Members;
- f) To receive gifts, contributions, and donations of property, funds, services, and other forms of assistance from persons, firms, corporations, and governmental entities, provided that the WMA GSA consents to such gifts, contributions, and donations;

- g) To fix the compensation, if any, paid to the Plan Manager, Secretary, Treasurer, and Legal Counsel, in compliance with all applicable laws;
- h) To prescribe the duties, compensation, and other terms and conditions of employment of other agents, officers, and employees;
- i) To adopt reasonable rules and regulations for the conduct of the day-to-day operations of the WMA GSA and other rules and regulations as permitted by SGMA;
- j) To apply for, accept, receive, and disburse grants, loans, and other aid from any agency of the United States of America or of the State of California;
- k) To sue and be sued in its own name;
- l) To invest money in the treasury, pursuant to Government Code section 6505.5, that is not required for the immediate necessities of the WMA GSA;
- m) To contract and pay compensation for professional, financial, and other services;
- n) To carry out and enforce all provisions of this Agreement;
- o) To exercise any power necessary or incidental to the foregoing powers.

ARTICLE 6 MEMBERSHIP

6.1 Members. The Members of the WMA GSA shall be:

- (a) City of Lompoc;
- (b) Santa Barbara County Water Agency;
- (c) Vandenberg Village Community Services District;
- (d) Mission Hills Community Service District; and
- (e) Santa Ynez River Water Conservation District

as long as they have not, pursuant to the provisions hereof, withdrawn from this Agreement.

6.2 New Members. Any entity authorized by SGMA and other applicable law to participate in the WMA GSA, that is not a Member on the Effective Date of this Agreement,

may become a Member upon all of the following:

- (a) The approval of the Board of Directors as specified in Article 12.3;
- (b) Amendment of the Agreement in accordance with Article 18.2; and
- (c) Payment by the new Member of a pro rata share of all previously incurred costs that the Board of Directors determines are appropriate for assessment on the new Member.

ARTICLE 7 BOARD OF DIRECTORS

7.1 Formation of the Board of Directors. The WMA GSA shall be governed by a Board of Directors (“Board”). Directors shall include one representative from each of the Members identified in Article 6.1.

7.2 Appointment of Directors. Directors shall be appointed by the represented Member’s governing body. Each Director representing a Member shall be an elected official or member of management of the appointing Member.

7.3 Alternate Directors. Each Director shall have one Alternate Director to act as a substitute Director for that Director in his or her absence. All Alternate Directors shall be appointed in the same manner as set forth in Article 7.2. Alternate Directors shall not vote or participate in any deliberations of the Board unless appearing as a substitute for a Director due to absence or conflict of interest. If a Director is not present, or if a Director has a conflict of interest which precludes participation by the Director in any decision-making process of the Board, the Alternate Director appointed to act in his/her place shall assume all roles of the Director, and shall have the authority to act on behalf of the absent Director, including but not limited to participating in open session and closed session deliberations and casting votes on matters before the Board. An Alternate Director representing a Member shall be an elected official or member of management of the appointing Member.

7.4 Requirements. Each Director and Alternate Director shall be appointed as set forth in Article 7.2. Directors and Alternate Directors representing a Member shall serve at the pleasure of the governing body of the appointing Member. No individual Director or Alternate Director representing a Member may be removed except by the vote of the governing body of the Member that appointed him/her.

7.5 Vacancies. Upon the resignation or removal of a Director, the Alternate Director shall serve as Director until a new Director is appointed as set forth in Article 7.2. Upon the resignation or removal of an Alternate Director, a new Alternate Director shall be appointed as set forth in Articles 7.2 and 7.3. A Member shall submit any changes in

its Director or Alternate Director positions to the Board or Plan Manager.

7.6 Duties of the Board of Directors. The business and affairs of the WMA GSA, and all of its powers, including without limitation all powers set forth in Article 5, are reserved to and shall be exercised by and through the Board of Directors, except as may be expressly delegated to the Plan Manager or others pursuant to this Agreement, Bylaws of the GSA, the WMA GSP, or specific action of the Board of Directors.

7.7 Director and Alternate Compensation. No Director or Alternate Director shall be compensated by the WMA GSA in connection with any meetings or other activities undertaken as a representative of the GSA. Nothing in this Article is intended to prohibit a Member from compensating its Director or Alternate Director for compensable activities undertaken as a Director or Alternate Director of the GSA Board.

ARTICLE 8 OFFICERS

8.1 Officers. Officers of the WMA GSA shall be a Chair, Vice Chair, Secretary, and Treasurer. Additional officers may be appointed by the Board as it deems necessary.

- (a) Chair. The Chair shall preside at all meetings of the Board of Directors, and shall be a member of the Board.
- (b) Vice Chair. The Vice Chair shall exercise all powers of the Chair in the Chair's absence or inability to act, and shall be a member of the Board.
- (c) Secretary. The Secretary shall keep minutes of meetings of the Board of Directors and shall perform other duties and responsibilities as properly delegated by the Board. The Secretary may, but need not, be a member of the Board.
- (d) Treasurer. The Treasurer shall perform the duties and responsibilities specified in Government Code sections 6505.5 and 6505.6. The Treasurer may, but need not, be a member of the Board.

8.2 Appointment of Officers. Officers shall be appointed annually by, and serve at the pleasure of, the Board of Directors. Officers shall be appointed at the first Board meeting, and thereafter at the first Board meeting following January 1st of each year. The Director from SYRWCD shall be designated as the Chair Pro Tem to preside at the first meeting of the Board until a Chair is appointed by resolution of the Board. An Officer may serve for multiple consecutive terms, with no term limit. Any Officer may resign at any time upon written notice to the Board, and may be removed and replaced by a decision of the Board in accordance with Article 11.3(a). Notwithstanding the foregoing, the Treasurer shall be appointed in the manner specified in Government Code sections 6505.5 and 6505.6.

8.3 Principal Office. The principal office of the WMA GSA shall be established

by the Board of Directors, and may thereafter be changed by the Board.

ARTICLE 9 PLAN MANAGER & STAFF

9.1 Hiring. The Board may hire a Plan Manager or other designated manager of the WMA GSA, as well as any needed staff, consultants, and Legal Counsel, who may be hired as an employee of the WMA GSA or by contract with the WMA GSA. The Plan Manager and Legal Counsel may be, but need not be, officers, employees, or representatives of one of the Members.

9.2 Compensation. The Plan Manager, staff, consultants, and Legal Counsel's compensation shall be determined by the Board.

9.3 Duties. The Plan Manager, staff, consultant and Legal Counsel shall serve at the pleasure of the Board. The Plan Manager shall be responsible to the Board for the property and efficient administration of the GSA and act as a point of contact for the GSA. The Plan Manager shall have the powers designated by the Board, and otherwise as set forth in the GSA Bylaws.

10.4 Termination. The Plan Manager shall serve until his/her resignation or until the Board terminates the Plan Manager's employment or contract.

ARTICLE 10 GSA DIRECTOR MEETINGS

10.1 Initial Meeting. The initial meeting of the WMA GSA Board of Directors shall be called by the Chair Pro Tem and held within the boundaries of the WMA, within sixty (60) days of the Effective Date of this Agreement.

10.2 Time and Place. The Board of Directors shall meet at least quarterly, at a date, time, and place set by the Board, and at such other dates, times, and places as may be determined by the Board.

10.3 Special Meetings. Special meetings of the Board of Directors may be called by the Chair or by a simple majority of Directors, in accordance with the Ralph M. Brown Act (Government Code section 54950 et seq.).

10.4 Conduct. All meetings of the Board of Directors, including special meetings, and any meetings involving teleconferencing to the extent allowed by law, shall be noticed, held, and conducted in accordance with the Ralph M. Brown Act (Government Code section 54950 et seq.).

10.5 Local Conflict of Interest Code. The Board of Directors shall adopt a local conflict of interest code pursuant to the provisions of the Political Reform Act of 1974

(Government Code section 81000 et seq.).

**ARTICLE 11
VOTING**

11.1 Quorum. A quorum of any meeting of the Board of Directors shall consist of a majority of the Directors. In the absence of a quorum, any meeting of the Directors may be adjourned by a vote of the simple majority of Directors present, but no other business may be transacted.

11.2 Director Votes. Voting by the Board of Directors shall be weighted as follows:

- (a) The Director representing Lompoc shall have two (2) votes;
- (b) The Director representing Vandenberg Village shall have one (1) vote;
- (c) The Director representing Mission Hills shall have one (1) vote;
- (d) The Director representing SYRWCD shall have four (4) votes; and
- (e) The Director representing Santa Barbara shall be a non-voting member.

A Director, or an Alternate Director when acting in the absence of a Director, may vote on all matters of GSA business unless disqualified.

11.3 Decisions of the Board.

- (a) Majority Approval. Except as otherwise specified in Article 11.3(b), all decisions of the Board of Directors shall require the affirmative vote of more than 50 percent of the vote total in accordance with Article 11.2
- (b) Supermajority Approval. Notwithstanding Article 11.3(a), a minimum 75 percent vote total in accordance with Article 11.2 shall be required to approve any of the following: (i) the annual budget; (ii) any substantive amendment to the WMA GSP; (iii) addition of new Members pursuant to Article 6.2; (iv) establishment and levying of any fee, charge, or assessment; (v) adoption or amendment of the GSA Bylaws; (vi) regulation, limitation, or suspension of extractions from groundwater wells; or (vii) issuance of bonds or other forms of

indebtedness.

ARTICLE 12 BYLAWS

13.1 The Board of Directors may approve and amend, as needed, Bylaws for the WMA GSA.

ARTICLE 13 ACCOUNTING PRACTICES

13.1 General. The Board of Directors shall establish and maintain such funds and accounts as may be required by generally accepted public agency accounting practices. The WMA GSA shall maintain strict accountability of all funds and a report of all receipts and disbursements of the GSA. The GSA shall hire an independent auditor to audit its funds and accounts as required by law.

13.2 Fiscal Year. Unless the Board of Directors decides otherwise, the fiscal year for the WMA GSA shall run from July 1st to June 30th.

ARTICLE 14 BUDGET AND EXPENSES

14.1 Budget. The Board of Directors shall adopt an annual budget for the WMA GSA.

14.2 GSA Funding and Contributions.

- (a) For the purpose of funding the expenses and ongoing operations of the WMA GSA, the Board of Directors shall maintain a funding account in connection with the annual budget process.
- (b) The WMA GSA may endeavor to pursue and apply for grants and/or loans to fund a portion of the cost of implementing the WMA GSP as the Board may direct.
- (c) The Board of Directors may accept Voluntary Contributions from Members or other persons or entities that are not subject to reimbursement by the GSA, and may accept Voluntary Contributions from Members or other persons or entities that are to be reimbursed by the GSA. The Board of Directors will execute a contract with any party making a Voluntary Contribution and such contract will contain

the terms by which the WMA GSA accepts the Voluntary Contribution.

- (d) There are several vehicles to capture costs for implementing SGMA pursuant to Water Code sections 10730, *et seq.* The Board of Directors may pursue funding through any means allowable by law, including but not limited to fees and/or charges.
- (e) To the extent other funds are not available to pay WMA GSA expenses, each Member will pay the following percentage of such expenses:

SYWRCD:	50%
Lompoc:	25%
Mission Hills:	12.5%
Vandenburg Village:	12.5%
Santa Barbara:	0%

- (f) The GSA will apply funds available in the funding account to WMA GSA expenses in the following order:
 - (i) Voluntary Contributions not subject to reimbursement by the GSA
 - (ii) Grant funds
 - (iii) Revenue generated from fees/charges
 - (iv) Bond proceeds from any bonds issued pursuant to this Agreement
 - (v) Voluntary Contributions subject to reimbursement by the GSA
 - (vi) Direct payments from Members made pursuant to Article 14.2(e).

14.3 Issuance of Indebtedness. The GSA may issue bonds, notes, or other forms of indebtedness, provided such issuance is approved at a meeting of the Board of Directors by supermajority vote in accordance with Article 11.3(b).

ARTICLE 15 LIABILITIES

15.1 Liability. In accordance with Government Code section 6508.1, the debts, liabilities, and obligations of the WMA GSA, other than any retirement liabilities if it contracts with a public retirement system, shall be the debts, liabilities, and obligations of

the GSA alone, and not of any of the Members individually or jointly.

15.2 Indemnity. The WMA GSA, and those persons, agencies, consultants, entities, and instrumentalities used by it to perform the functions authorized by this Agreement, SGMA, and other applicable law, whether by contract, employment, or otherwise, shall be exclusively liable for any and all injuries, costs, expenses, claims, suits, actions, proceedings, losses, liabilities, damages, judgments, or other obligations of whatever kind arising from or related to activities of the GSA. The GSA agrees to indemnify, defend, and hold harmless each Member, each Director and Alternate, and each Member's governing board, officers, officials, representatives, agents, and employees from and against any and all claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, liabilities, damages, judgments, expenses, costs, including but not limited to attorney's fees, consultant' fees, and expert fees, and/or other obligations of whatever kind arising from or related or attributable to the GSA or this Agreement ("Claims").

In addition to the foregoing, funds of the WMA GSA may be used to defend, indemnify, and hold harmless the GSA, each Member, each Director and Alternate Director, and any officers, officials, agents, or employees of the GSA for their actions taken within the course and scope of their duties while acting on behalf of the GSA against any such Claims.

The Members do not intend hereby to be obligated either jointly or severally for any Claims or any other debts, liabilities, or obligations of the GSA, except as may be specifically provided for in Government Code section 895.2. Provided, however, if any Member(s) of the GSA are, under such applicable law, held liable for the acts or omissions of the GSA, such parties shall be entitled to contribution from the other Members so that after said contributions each Member shall bear such liability in the proportions set forth in Article 14.2(e).

15.3 Insurance. The WMA GSA may procure appropriate policies of insurance providing coverage to the GSA and its Directors, Alternate Directors, officers, officials, agents, and employees for general liability, errors and omissions, property, workers compensation, and any other coverage the Board deems appropriate. Such policies shall, if feasible, name the Members as additional insureds.

ARTICLE 16 WITHDRAWAL OF MEMBERS

16.1 Unilateral Withdrawal. Any Member may unilaterally withdraw from this Agreement without causing or requiring termination of this Agreement, effective upon thirty (30) days written notice to the Board of Directors and all other Members.

16.2 Termination of Agreement and GSA. This Agreement and the WMA GSA established under this Agreement may be terminated by unanimous written consent of all

Members, except during the outstanding term of any WMA GSA indebtedness.

16.3 Effect of Withdrawal or Termination. After the effective date of withdrawal, any Member who withdraws from the GSA shall have no right to participate in the business and affairs of the GSA, except through public participation, and shall have no right to exercise any rights of a Member under this Agreement. Provided, however, that nothing contained in this Article 16.3 shall be construed as affecting a withdrawing Member's right to reimbursement or return of capital from the GSA in accordance with Article 14 or any agreement between the GSA and the withdrawing Member. Provided further, that notwithstanding the foregoing, nothing contained in this Article 16.3 shall be construed as prohibiting a Member that has withdrawn from the GSA to become a separate groundwater sustainability agency within its jurisdiction in accordance with SGMA. Nothing in this section shall be construed as obligating the WMA GSA to consent to formation or designation of another GSA for any portion of the Basin.

16.4 Return of Contribution. Upon termination of this Agreement, and to the extent a successor public entity is established which will carry on the functions of the WMA GSA and assume its assets, the assets of the GSA shall be transferred to the successor public entity. If there is no successor public entity which will carry on the functions of the GSA, then, subject to the requirements of Article 14, any surplus capital on-hand shall be returned to the Members in proportion to their payment obligations in Article 14.2(e) and the Board of Directors shall first offer any property, works, rights, and interests of the GSA for sale to the Members on terms and conditions determined by the Board of Directors. If any property, works, rights, and interests of the GSA remain after first being offered for sale to the Members, the Board of Directors shall then offer the property, works, rights, and interests of the GSA for sale to any non-Member for good and adequate consideration. Subject to the requirements of Article 14, the net proceeds from any such sales shall be distributed among the Members in proportion to their payment obligations in Article 14.2(e). The Board of Directors may, in its sole discretion, determine whether an entity constitutes a successor public entity under this paragraph.

ARTICLE 17 MISCELLANEOUS PROVISIONS

17.1 Notices. Notices to a Member shall be sufficient if delivered to the clerk or secretary of the respective Member's governing body and addressed to the Member at the address noted on the signature page or at such other address or to such other person that the Member may designate in accordance with this Article. Delivery may be accomplished by personal delivery, with postage prepaid by first class mail, registered or certified mail, express courier, facsimile, or electronic mail (email). The date of receipt of the notice shall be the date of actual personal service or three days after the postmark on certified mail.

17.2 Amendments to Agreement. This Agreement may be amended or modified at any time only by subsequent written agreement approved and executed by all of the

Members.

17.3 Agreement Complete. This Agreement constitutes the full and complete agreement of the Members with respect to the matters set forth by this Agreement. This Agreement supersedes all prior agreements and understandings, whether in writing or oral, related to the subject matter of this Agreement that are not set forth in writing. Notwithstanding this paragraph, this Agreement does not alter the parties' obligations under the Intra-Basin Administrative Agreement for Implementation of the Sustainable Groundwater Management Act in the Santa Ynez River Valley Groundwater Basin, dated February 26, 2020. In regards to the 2017 MOA, as soon as DWR accepts this Agreement and the WMA GSA formed hereunder as the governing GSA for the Western Management Area of the Basin, then this Agreement will supersede the 2017 MOA in its entirety and this Agreement and the WMA GSA formed hereunder will take over all activities as the governing GSA for the Western Management Area of the Basin.

17.4 Severability. Should any part, term, or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any applicable federal law or any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, or provisions hereof shall not be affected thereby, provided however, that if the remaining parts, terms, or provisions do not comply with the Joint Exercise of Powers Act, this Agreement shall terminate.

17.5 Withdrawal by Operation of Law. Should the participation of any Member to this Agreement be decided by a court of competent jurisdiction to be illegal or in excess of that Member's authority or in conflict with any law, resulting in the withdrawal of such Member from this Agreement, the validity of this Agreement as to the remaining Members shall not be affected thereby.

17.6 Assignment. The rights and duties of the Members may not be assigned or delegated without the written consent of all other Members. Any attempt to assign or delegate such rights or duties in contravention of this Agreement shall be null and void.

17.7 Binding on Successors. Subject to Article 17.6, this Agreement shall inure to the benefit of, and be binding upon, the successor of any Member.

17.8 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and together shall constitute one and the same instrument.

17.9 Member Authorization. The governing bodies of the Members have each authorized execution of this Agreement and all signatories to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the

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names, titles, and capacities stated herein and on behalf of the respective Members.

18.12 No Third Party Beneficiary. Except as expressly set forth herein, this Agreement is not intended to benefit any person or entity not a party hereto.

IN WITNESS WHEREOF, the Members have executed this Agreement to be effective on the date executed by the last Member as set forth in Article 4.1.

CITY OF LOMPOC

By: _____

Address: _____

Email _____

Facsimile _____

MISSION HILLS COMMUNITY SERVICES DISTRICT

By: _____

Address: _____

Email _____

Facsimile _____

VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT

By: _____

Address: _____

Email _____

Facsimile _____

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

By: _____

Address: _____

Email _____

Facsimile _____

SANTA BARBARA COUNTY WATER AGENCY

By: _____ (Signature on following page)

Address: _____

Email _____

Facsimile _____

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ATTEST:

INSERT NAME

County Executive Officer
Clerk of the Board, Ex Officio Clerk of the
Santa Barbara County Water Agency

**SANTA BARBARA COUNTY WATER
AGENCY:**

By: _____
Deputy Clerk

By: _____
Chair, Board of Directors

Date:

RECOMMENDED FOR APPROVAL:

Santa Barbara County Water Agency

APPROVED AS TO FORM:

Risk Management

By: _____
Department Head

By: _____
Risk Management

APPROVED AS TO FORM:

INSERT NAME
County Counsel

**APPROVED AS TO ACCOUNTING
FORM:**

INSERT NAME
Auditor-Controller

By: _____
Deputy County Counsel

By: _____
Deputy