

### South Tahoe Public Utility District

Directors Chris Cefalu James R. Jones Randy Vogelgesang Kelly Sheehan Duane Wallace

1275 Meadow Crest Drive • South Lake Tahoe • CA 96150-7401 Phone 530 544-6474 • Fax 530 541-0614 • www.stpud.us

June 14, 2017

Mark Nordberg, GSA Project Manager Senior Engineering Geologist California Department of Water Resources 901 P Street, Room 213A P.O. Box 942836 Sacramento, California 94236 Mark.Nordberg@water.ca.gov

Bill Brewster Senior Engineering Geologist 3500 Industrial Blvd. West Sacramento, California 95691 Bill.Brewster@water.ca.gov

Re: South Tahoe Public Utility District Notice of Withdrawal of Status as Excusive Groundwater Sustainability Agency for the Portion of Tahoe Valley South Groundwater Basin Located Outside Its Service Area

Dear Mr. Nordberg and Mr. Brewster,

The South Tahoe Public Utility District ("District") provides this notice of its intent to withdraw as the Groundwater Sustainability Agency ("GSA") for the portion of the Tahoe Valley South Groundwater Basin ("TVS Basin") outside of its service area.

On December 28, 2016, the District was recognized as the exclusive GSA for the portion of the TVS Basin located outside of its service area jurisdiction. A copy of the District's GSA Formation Notice for this portion of the TVS Basin ("2016 GSA Formation Notice") is attached hereto as

<sup>&</sup>lt;sup>1</sup> The District was also previously recognized as the exclusive GSA for the portion of the TVS Basin within its service area jurisdiction. A copy of the District's GSA Formation Notice for this portion of the TVS Basin ("2015 GSA Formation Notice") is attached hereto as Attachment B. This withdrawal notice has no effect on the District's 2015 GSA Formation Notice or its status as the exclusive GSA for the portion of the TVS Basin within the District's service area jurisdiction.

Attachment A. Recent discussions with the State Water Resources Control Board, however, have raised concerns about an agency forming a GSA outside of its jurisdiction. These concerns raise a risk that the District's 2016 GSA Formation Notice may be considered invalid and that the TVS Basin could potentially be designated as "probationary" by the State Water Resources Control Board ("SWRCB") and be put under state management. To ensure that the El Dorado County Water Agency ("County Water Agency") and the District are able to retain local control of the TVS Basin's groundwater resources, the District has agreed to rescind its 2016 GSA Formation Notice and the County Water Agency has agreed to elect to act as the GSA for the portion of the TVS Basin covered by the District's 2016 GSA Formation Notice.

On May 4, 2017, the District adopted a resolution rescinding its 2016 GSA Formation Notice. A copy of the District's resolution is attached hereto as Attachment C. On June 14, 2017, the County Water Agency held a public hearing and elected to become the GSA for the portion of the TVS Basin outside of the District's service area boundaries. A copy of the County Water Agency's GSA formation notice documents has been submitted to the Department of Water Resources.

Please do not hesitate to contact me if you have any questions regarding this matter.

Sincerely,

Richard Solling
Richard Solbrig

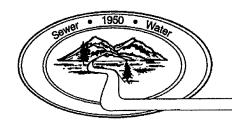
General Manager/Engineer

Attachments: 2016 GSA Formation Notice (Attachment A)

2015 GSA Formation Notice (Attachment B)

STPUD Resolution No. 3055-17 (Attachment C)

### ATTACHMENT A



### South Tahoe Public Utility District

Directors Chris Cefalu James R. Jones Randy Vogelgesang Kelly Sheehan Duane Wallace

1275 Meadow Crest Drive • South Lake Tahoe • CA 96150-7401 Phone 530 544-6474 • Fax 530 541-0614 • www.stpud.us

### **VIA EMAIL AND FEDERAL EXPRESS**

September 16, 2016

Mark Nordberg, GSA Project Manager Senior Engineering Geologist California Department of Water Resources 901 P Street, Room 213A P.O. Box 942836 Sacramento, California 94236 Mark.Nordberg@water.ca.gov

Bill Brewster
Senior Engineering Geologist
3500 Industrial Blvd.
West Sacramento, California 95691
Bill.Brewster@water.ca.gov

### RE: SOUTH TAHOE PUBLIC UTILITY DISTRICT NOTICE OF ELECTION TO SERVE AS GROUNDWATER SUSTAINABILITY AGENCY

Dear Mr. Nordberg and Mr. Brewster,

The South Tahoe Public Utility District ("District") provides this Notice, pursuant to Water Code Section 10723.8, of its election to serve as the Groundwater Sustainability Agency ("GSA") for the portion of the Tahoe Valley South Groundwater Basin ("TVS Basin") outside of its service area, as identified in the attached Exhibit A. Since November 17, 2015, the Department of Water Resources (DWR) has recognized the District as the exclusive GSA for those areas of the TVS Basin lying within the District's service area. To the best of the District's knowledge, there are no other entities desiring to serve as a GSA within this portion of the TVS Basin.

The District is a public utility district formed and operating under the provisions of the California Public Utility District Act (California Public Utility Code Section 15501, et. seq.) and has the authority to exercise powers related to groundwater management within its service area. The District has territory in El Dorado County and depends on the TVS Basin, an unadjudicated groundwater basin underlying the District's service area, to help meet the water needs of its customers.

On September 15, 2016, the District's Board of Directors held a public hearing to consider its decision to serve as a GSA for the portion of the TVS Basin outside of its service area. The District caused notice of this public hearing to be published in the Tahoe Daily Tribune, as provided by Water Code Section 10723(b) and Government Code Section 6066. Proof of publication of this notice is attached as Exhibit B. A courtesy copy of the notice was also emailed to the Board of Supervisors of El Dorado County ("County") and the Board of the El Dorado County Water Agency ("Agency"). A copy of the notice was also provided to the District's existing stakeholder advisory group ("SAG"), convened as part of the District's development of its 2014 Groundwater Management Plan ("GWMP"). All feedback and comments received prior to the public hearing were supportive of the District's election to act as the GSA for the portion of the TVS Basin outside of its service area. No comments were received at the public hearing.

Immediately following the public hearing, the District's Board of Directors adopted Resolution No. 3040-16, attached as Exhibit C, electing the District as the GSA for the area described therein. The District has not adopted any other bylaws, regulations, or ordinances in its role as GSA at this time, though the need for the same may be revisited during development, adoption and/or implementation of a groundwater sustainability plan ("Plan").

The District and El Dorado County, through the Agency, have also worked cooperatively to implement the GWMP throughout the entire TVS Basin—including the areas outside of the District's service area boundaries—through the County's significant financial contributions to fund implementation activities and through its active participation on the SAG. Concurrent with the District's adoption of Resolution No. 3040-16, the District and the County entered into a Memorandum of Understanding ("MOU") formalizing the District's and the County's agreement to continue to cooperatively manage and coordinate implementation and enforcement of the Sustainable Groundwater Management Act ("Act") in the portion of the TVS Basin outside of the District's service area boundaries. A copy of the executed MOU is attached as Exhibit D.

The governing board of the GSA will be the District's Board of Directors, which is made up of residents from within the District's service area, who are elected to their positions by other residents. Therefore, issues pertaining to the TVS Basin will be discussed and decided by

elected representatives local to TVS Basin. Additionally, the District is planning to expand its existing SAG in order to also encompass development and implementation of a Plan under the Act. This expanded SAG will be referred to herein as the "GSA SAG." Pursuant to this process, the District plans to invite additional interested stakeholders to participate in the GSA SAG in order to increase the group's representation of the various beneficial uses and users of groundwater throughout the TVS Basin. The District is planning to utilize the GSA SAG to communicate with interested stakeholders in the sustainable management of groundwater in the TVS Basin and to continue to solicit feedback from those stakeholders as compliance with the Act is pursued.

Pursuant to the requirements of Water Code Section 10723.8(a)(4), the attached Exhibit E further outlines how the District is planning to consider the interests of all beneficial uses and users of groundwater in management of the GSA and development and implementation of a compliant Plan.

If you require further information regarding these matters or have any questions, please contact Ivo Bergsohn at 503.543.6204 or <a href="mailto:ibergsohn@stpud.dst.ca.us">ibergsohn@stpud.dst.ca.us</a>.

Sincerely,

Richard Solbrig General Manager

Richard Solling

Attachments:

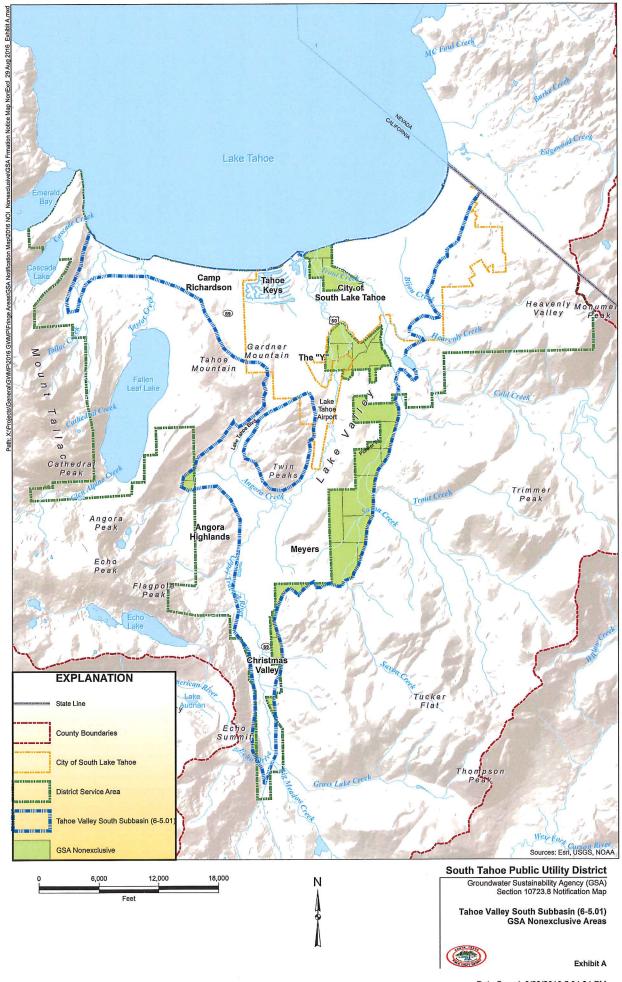
Map of TVS Basin (Exhibit A)

Proof of Publication of Notice (Exhibit B) STPUD Resolution No. 3040-16 (Exhibit C)

District - County MOU (Exhibit D)

List of All Beneficial Users of Groundwater (Exhibit E)

# **EXHIBIT A**



## **EXHIBIT B**



580 Mallory Way, Carson City, NV 89701 P.O. Box 1888 Carson City, NV 89702 (775) 881-1201 FAX: (775) 887-2408

Customer Account #: 1067078

### Legal Account

SOUTH TAHOE PUBLIC UTILITY DISTRICT, 1275 MEADOW CREST DR SOUTH LAKE TAHOE, CA 96150 Attn: Heidi Baugh

### Kristin Ritter says:

That (s)he is a legal clerk of the **Tahoe Daily Tribune**, a newspaper published Wednesday, Friday, Saturday at South Lake Tahoe, in the State of California.

### **Copy Line**

NOI PH Amending GSA Formation

PO#:

Ad #: 0000025291-01

of which a copy is hereto attched, was published in said newspaper for the full required period of **2** time(s) commencing on **08/31/2016**, and ending on **09/07/2016**, all days inclusive.

Wat Rt

Signed: \_\_\_\_\_\_ Date: 09/07/2016 State of Nevada, Carson City

**Price:** \$ 159.16

### **Proof and Statement of Publication**

Ad #: 0000025291-01

### NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a Public Hearing of the South Tahoe Public Utility District Board of Directors will be held:

--Thursday, September 15, 2016 at 2:00pm--SOUTH TAHOE PUBLIC UTILITY DISTRICT 1275 Meadow Crest Drive, South Lake Tahoe, California 96150 530-544-6474

The purpose of this Public Hearing is to accept public comment regarding the South Tahoe Public Utility District's ("District") election to become the Groundwater Sustainability Agency ("GSA"), pursuant to the Sustainable Groundwater Management Act, for the portion of the Tahoe Valley South Groundwater Basin ("TVS Basin") outside of the District's service area boundaries. On November 17, 2015, the Department of Water Resources recognized the District as the exclusive GSA for the portion of the TVS Basin within the District's service area. Additional information can be found at: http://www.stpud.us.

Ivo Bergsohn Hydro-Geologist SOUTH TAHOE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS

Pub: August 31, September 7, 2016 Ad#0000025291

# **EXHIBIT C**

### **RESOLUTION NO. 3040-16**

A RESOLUTION OF THE SOUTH TAHOE PUBLIC UTILITY DISTRICT ELECTING TO BECOME THE GROUNDWATER SUSTAINABILITY AGENCY FOR THE PORTION OF THE TAHOE VALLEY SOUTH GROUNDWATER BASIN OUTSIDE OF ITS SERVICE AREA BOUNDARIES PURSUANT TO THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT

**WHEREAS**, the California Legislature has adopted, and the Governor has signed into law, the Sustainable Groundwater Management Act of 2014 ("Act"), which authorizes local agencies to manage groundwater in a sustainable fashion; and

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

**WHEREAS**, in order to exercise the authority granted in the Act, a local agency or combination of local agencies must elect to become a groundwater sustainability agency ("GSA"); and

**WHEREAS**, the South Tahoe Public Utility District ("District") is a local agency, as the Act defines that term; and

WHEREAS, the District overlies a portion of the Tahoe Valley South Groundwater Basin (designated basin number 6-5.01 in the California Department of Water Resources' CASGEM groundwater basin system) ("TVS Basin"), which has been designed as a medium-priority basin pursuant to the Department of Water Resources' ("DWR") initial prioritization; and

**WHEREAS**, the Act requires that a GSA be elected for all basins designated by the Department of Water Resources as a medium-priority basin by June 30, 2017; and

**WHEREAS**, the District adopted Resolution No. 2986-15 electing to be the GSA for the portion of the TVS Basin within its service area on July 16, 2015, submitted its GSA Formation Notification to DWR on August 12, 2015 ("2015 GSA Formation Notification"), and was recognized as the exclusive GSA for this portion of the TVS Basin on November 17, 2015 ("District GSA"); and

 WHEREAS, in addition to its commitment to the sustainable management of the groundwater resources within its service area, the District is committed to the sustainable management of the entire TVS Basin as shown by, among other actions, its adoption of a Groundwater Management Plan for the TVS Basin in December 2014 ("2014 GWMP") and its creation of a Stakeholder Advisory Group ("SAG") to participate in the process; and

**WHEREAS**, the Agency is authorized under the El Dorado County Water Act to protect, maintain, and manage surface and groundwater within the Agency's service areas; and

WHEREAS, historically, the District and the El Dorado Water Agency ("Agency") have worked cooperatively to manage the TVS Basin, including working together to develop both the original Groundwater Management Plan adopted in 2000 and the updated 2014 GWMP; and

WHEREAS, the District and the Agency have also worked cooperatively to implement the 2014 GWMP throughout the entire TVS Basin-including within the areas outside of the District's service area boundaries-through the Agency's significant financial contributions to fund implementation activities and through its active participation on the SAG; and

**WHEREAS**, on this day, the District held a public hearing to consider whether it should elect to become the GSA for the portion of the TVS Basin outside of its service and boundaries; and

WHEREAS, concurrent with the adoption of this Resolution, the District and the Agency intend to enter into a Memorandum of Understanding ("MOU") formalizing the District and the Agency's agreement to continue to cooperatively manage the TVS Basin and agreeing to coordinate implementation of the Act in the portion of the TVS Basin outside of the District's service area boundaries; and

WHEREAS, neither this Resolution nor the Notice of Intent that the District submits to DWR notifying it that the District has also elected to be the GSA for the portion of the TVS Basin outside of its service area boundaries ("GSA Formation Notification") will have any

effect on the 2015 GSA Formation Notification or on DWR's previous recognition of the District as the exclusive GSA for the portion of the TVS Basin within the District's service area; and

**WHEREAS**, it is in the best interest of the District and the Agency for the District to become the GSA for the portion of the TVS Basin outside of its service area boundaries; and

WHEREAS, notice of a hearing on the District's election to become the GSA for the portion of the TVS Basin outside of its service area boundaries ("Notice") has been published in the Tahoe Daily Tribune as provided by law; and

**WHEREAS**, a courtesy copy of the Notice was also mailed to the El Dorado County Board of Supervisors and the Agency Board of Directors; and

WHEREAS, adoption of this Resolution does not constitute a "project" under California Environmental Quality Act Guidelines Section 15378(b)(5), including organization and administrative activities of government, because there would be no direct or indirect physical change in the environment.

**NOW, THEREFOR BE IT RESOLVED** by the Board of Directors of the South Tahoe Public Utility District as follows:

- 1. The District hereby elects to become the GSA for the portion of the TVS Basin outside of its service area boundaries.
- 2. Within thirty days of the date of this Resolution, the District's General Manager is directed to provide a GSA Formation Notification to DWR in the manner required by law.
- 3. One of the elements required for submission with the GSA Formation Notification is a map delineating the boundaries that the District intends to manage. Pursuant to the GSA Formation Notification, the District intends to manage the portions of the TVS Basin outside of its service area as depicted in Exhibit "A" to this Resolution.
- 4. Concurrent with adoption of this Resolution, the District shall enter into an MOU with the Agency formalizing the District and the Agency's agreement to continue to cooperatively manage the TVS Basin and agreeing to coordinate implementation of the Act in the portion of the TVS Basin outside of the District's service area boundaries.

- 5. The District's Board of Directors wishes to satisfy the requirements of the Act as quickly as may be feasible and to ensure that the TVS Basin is sustainably managed in compliance with the Act at the earliest possible date. To this end, District staff is directed to report back to the District's Board of Directors at least quarterly on the District's progress toward bringing the TVS Basin into compliance with the Act.
- All the recitals in this Resolution are true and correct and the District so 6. finds, determines and represents.

WE, THE UNDERSIGNED, do hereby certify that the above and foregoing Resolution No. 3040-16 was duly and regularly adopted and passed by the Board of Directors of the South Tahoe Public Utility District at a regular meeting held on the 15th day of September, 2016, by the following vote:

AYES: Jones, Vogelgesang, Sheehan, Wallace

NOES: None

ABSENT: Cefalu

Randy Vogelgesang, Board President South Tahoe Public Utility District

ATTEST:

Melonie Guttry, Clerk of the Board South Tahoe Public Utility District

Page 2 September 15, 2016 30

Resolution No. 3040-16

## **EXHIBIT D**

## MEMORANDUM OF UNDERSTANDING BETWEEN THE SOUTH TAHOE PUBLIC UTILITY DISTRICT AND THE EL DORADO COUNTY WATER AGENCY

This Memorandum of Understanding ("MOU") is entered into on this <u>15</u> day of September, 2016, by and between the South Tahoe Public Utility District ("District") and the El Dorado County Water Agency ("Agency") (each a "Party" and collectively the "Parties"), at South Lake Tahoe, California, with reference to the following facts and intentions:

- A. The District is a California Public Utility District, formed pursuant to the California Public Utility District Act (Cal. Pub Util. Code, § 15501, et seq.) and owns and operates a public sewer system and provides sewer service to residential and commercial customers situated within El Dorado County, California; and
- **B.** The Agency is a body politic and corporate pursuant to Water Code, Appendix Section 96-1 et seq; and
- C. Both the District and the Agency overlie the Tahoe Valley South Groundwater Basin (designated basin number 6-5.01 in the California Department of Water Resources' CASGEM groundwater basin system) ("TVS Basin"); and
- **D.** The District and the Agency are committed to the sustainable management of the groundwater resources within the TVS Basin, as shown by, among other actions, their collaborative development and implementation of both the original Groundwater Management Plan for the TVS Basin, adopted in 2000 ("2000 GWMP"), and update to the 2000 GWMP in 2014 ("2014 GWMP"); and
- E. The District and the Agency also work collaboratively to sustainably manage the TVS Basin in multiple other ways, including creating and participating in the Stakeholder Advisory Group ("SAG"), dividing monitoring responsibilities for the TVS Basin and sharing the resulting information, and funding and implementing multiple other studies and monitoring program activities; and
- F. In 2014, the California Legislature adopted, and the Governor signed into law, the Sustainable Groundwater Management Act ("Act"), which authorizes local agencies to manage groundwater in a sustainable fashion; and
- **G**. On November 17, 2015, Department of Water Resources ("DWR") recognized the District as the exclusive Groundwater Sustainability Agency ("GSA") for the portion of the TVS Basin within its service area boundaries; and
- **H.** On September 15, 2016 the District adopted a resolution electing to be the GSA for the remainder of the TVS Basin located outside of its service area boundaries; and
- I. Even though the District may be recognized as the GSA for portions of the TVS Basin outside of its service area, the Act does not independently grant the District authority to implement the Act in these areas; and
- J. In order to bring the TVS Basin into compliance with the Act, the District intends to coordinate with the Agency to implement the Act throughout the portions of the TVS Basin outside of the District's service area pursuant to this MOU; and

**K.** The intent of this MOU is to formalize the District and the Agency's agreement to continue to cooperatively manage the groundwater resources within the TVS Basin and to coordinate implementation of the Act's regulatory requirements, on the Agency's behalf, throughout the portions of the Basin outside of the District's service area.

**NOW, THEREFORE**, in consideration of the foregoing, the District and Agency agree as follows:

- 1. <u>Information Sharing.</u> The District and the Agency are both involved in studying and developing information and data regarding water supplies in El Dorado County. The District and Agency agree to share all such information data related to the TVS Basin, particularly as it relates to monitoring information from portions of the Basin outside of the District's service area. The sharing of this information will assist both the District and Agency to coordinate management of the TVS Basin and to ensure that the TVS Basin remains in compliance with the Act.
- 2. <u>Coordination.</u> The Act grants local agencies who elect to become a GSA a wide array of authority to implement the Act within its service area. Although the District will be able to take enforcement and regulatory action within the portion of the TVS that falls within its service area, the Act does not provide the District with any powers or authority to implement the Act in the portions of the TVS Basin that are outside of its service area. The Agency, however, has broad authority, which authorizes it to accomplish the same objectives as the powers and authorities granted under the Act. Therefore, the Agency agrees to coordinate with the District to implement the Act, as mutually agreed, throughout the portions of the TVS Basin outside of the District's service area.
- 3. <u>Costs.</u> The District shall be responsible for the costs of implementation of the Act throughout the entire TVS Basin, including those portions outside of the District's service area. However, the Agency agrees, through its Cost Share Program, to provide funding for activities under the Act in accordance with the Agency's policies for cost sharing within the Agency's boundaries
- 4. <u>Term.</u> This MOU shall remain in force until either the District or the Agency terminates this MOU in writing upon 30 days prior written notice to the other Party.
- 5. Mutual Indemnification and Protection. Except as otherwise described herein, each Party (the "Indemnifying Party") covenants and agrees to indemnify and to hold harmless the other Party and its successors and assigns (the "Indemnified Party") for, from and against any and all third party claims, liabilities and expenses (including, but not limited to, reasonable attorneys' fees, court costs, expert witness fees and other litigation-related expenses) which may be claimed or asserted against the Indemnified Party on account of the exercise by the Indemnifying Party of the rights granted to it under this MOU; provided, however, in no event shall the Indemnifying Party be responsible to the Indemnified Party for any claims, liabilities or expenses that may be claimed or asserted against the Indemnified Party relating to the gross negligence or willful misconduct of the Indemnified Party or any of its employees, directors, officers, trustors, trustees, agents, affiliates, personal representatives, heirs, legatees, successors or assigns.
- 6. <u>Dispute Resolution</u>. The District and Agency agree to meet and confer in good faith for the purposes of resolving any dispute under this agreement prior to bringing any action for enforcement.

### 7. General Provisions.

- **7.1** Recitals. The recitals stated at the beginning of this MOU of any matters or facts shall be conclusive proof of the truthfulness thereof and the terms and conditions of the recitals, if any, shall be deemed a part of this MOU.
- 7.2 <u>Cooperation</u>. The Parties shall, whenever and as often as reasonably requested to do so by the other party, execute, acknowledge and deliver or cause to be executed, acknowledged and delivered any and all documents and instruments as may be necessary, expedient or proper in the reasonable opinion of the requesting party to carry out the intent and purposes of this MOU, provided that the requesting Party shall bear the cost and expense of such further instruments or documents (except that each Party shall bear its own attorneys' fees).
- **7.3** Authority. The individuals executing this MOU represent and warrant that they have the authority to enter into this MOU and to perform all acts required by this MOU, and that the consent, approval or execution of or by any third party is not required to legally bind either party to the terms and conditions of this MOU.
- 7.4 <u>Construction</u>. The provisions of this MOU should be liberally construed to effectuate its purposes. The language of all parts of this MOU shall be construed simply according to its plain meaning and shall not be construed for or against either Party, as each Party has participated in the drafting of this document and had the opportunity to have their counsel review it. Whenever the context and construction so requires, all words used in the singular shall be deemed to be used in the plural, all masculine shall include the feminine and neuter, and vice versa.
- **7.5** Successors and Assigns. This MOU shall be binding on and shall inure to the benefit of the Parties and their respective heirs, legal representatives, successors and assigns.
- **7.6** Severability. If any term, provision, covenant or condition of this MOU is determined to be unenforceable by a court of competent jurisdiction, it is the Parties' intent that the remaining provisions of this MOU shall remain in full force and effect and shall not be affected, impaired or invalidated by such a determination.
- 7.7 <u>Counterparts</u>. This MOU may be executed in any number of counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.
- 7.8 Entire Agreement and Amendment. This MOU contains the entire understanding and agreement of the Parties with respect to the matters considered, and there have been no promises, representations, agreements, warranties or undertakings by any of the Parties, either oral or written, of any character or nature binding except as stated in this MOU. This MOU may be altered, amended or modified only by an instrument in writing, executed by the parties to this MOU and by no other means. Each Party waives their future right to claim, contest or assert that this MOU was modified, canceled, superseded or changed by any oral agreement, course of conduct, waiver or estoppel.
- 7.9 <u>Waiver</u>. No waiver of any provision or consent to any action shall constitute a waiver of any other provision or consent to any other action, whether or not similar. No waiver or consent shall constitute a continuing waiver or consent or commit a Party to

provide a waiver in the future except to the extent specifically stated in writing. Any waiver given by a Party shall be null and void if the party requesting such waiver has not provided a full and complete disclosure of all material facts relevant to the waiver requested. No waiver shall be binding unless executed in writing by the Party making the waiver.

**7.10** Notices. All notices, requests, demands, and other communications required to or permitted to be given under this MOU, shall be in writing and shall be conclusively deemed to have been duly given (1) when hand delivered to the other Party; or (2) when received by facsimile at the address or number below, provided, however, that notices given by facsimile shall not be effective unless a duplicate copy of such facsimile notice is promptly given by depositing same in a United States post office with first class postage prepaid and addressed to the Parties as set forth below.

To: Agency	El Dorado County Water Agency 4110 Business Drive, Suite B Shingle Springs, CA 95682 Attn: General Manager	
With a copy to:		
To: District	South Tahoe Public Utility District 1275 Meadow Crest Drive South Lake Tahoe, California 96150 Attention: General Manager	
With a copy to:	Gary M. Kvistad Brownstein Hyatt Farber Schreck, LLF 1020 State Street Santa Barbara, CA 93101	

Each Party shall make an ordinary, good faith effort to ensure that it will accept or receive notices that are given in accordance with this paragraph and that any person to be given notice actually receives such notice. A Party may change or supplement the addresses given above, or designate additional addresses, for purposes of this Section by giving the other Party written notice of the new address in the manner set forth above.

**IN WITNESS WHEREOF**, the Parties have executed this MOU as of the date first stated above.

South Tahoe Public Utility District

Randy Vogelgesang, President

El Dorado County Water Agency

Ken Pavne, Interim General Manager

## EXHIBIT E

#### LIST OF ALL BENEFICIAL USES AND USERS OF GROUNDWATER

Pursuant to Water Code Section 10723.8(a)(4), the South Tahoe Public Utility District ("District") will consider the interests of all beneficial uses and users of groundwater, as well as those responsible for implementing a Groundwater Sustainability Plan ("Plan") in compliance with the Sustainable Groundwater Management Plan ("Act"). These interests include, but are not limited to, all of the following:

### Holders of Overlying Groundwater Rights, including:

- Agricultural Users: N/A.
- **Domestic Well Owners:** One domestic groundwater well has been identified within the portion of the Tahoe Valley South Groundwater Basin ("TVS Basin") covered by this Groundwater Sustainability Agency Formation Notice ("GSA Formation Notice"). The District anticipates that the Plan will address the collective interests of domestic users of groundwater wells and plans to engage in outreach to domestic well owners within the TVS Basin throughout development of a Plan compliant with the Act.

**Municipal Well Operators:** There are no municipal well operators within the TVS Basin. The City of South Lake Tahoe does not have any groundwater wells used for municipal drinking water supply within the TVS Basin.

**Public Water Systems.** There are no public water systems located within the portion of the TVS Basin subject to this GSA Formation Notice.

### Local Land Use Planning Agencies

- Tahoe Regional Planning Agency
- El Dorado County
- City of South Lake Tahoe
- U.S. Forest Service

Representatives from the above entities have participated in the District's Stakeholder Advisory Group ("SAG") originally convened to provide input on the Groundwater Management Plan ("2014 GWMP") and were provided notice of the District's intention to serve as the GSA for the portion of the TVS Basin covered by this GSA Formation Notice. The District intends to continue to communicate with, and solicit feedback from, these entities regarding the operation and activities of the GSA and development and adoption of a Plan, or Plan alternative, for the TVS Basin. The District also plans to invite representatives from these entities to participate on Stakeholder Advisory Group focused specifically the implementation of the Act within the TVA Basin ("GSA SAG").

**Environmental Users of Groundwater.** The District is not aware of any environmental users of groundwater in the TVS Basin. There are a significant number of conservation organizations that are dedicated to preserving and maintaining environmental values within the Lake Tahoe Basin. A number of these organizations are presently represented on the GWMP email communication list including; California Tahoe Conservancy ("CTC"); Sierra Club-Lake Tahoe Chapter; Tahoe

Resource Conservation District; Truckee River Water shed Council and Trout Unlimited. A current SAG member is from the CTC and another member is also a Board Member for the Sierra Club-Tahoe Chapter. The District intends to continue communicating with these entities to ensure that they understand their on-going opportunity to participate in both implementation of the 2014 GWMP and development and implementation of a Plan, or Plan alternative, for the TVS Basin.

Surface Water Users, if there is a hydrologic connection between surface and groundwater bodies. The District is unaware of any users of surface water that is connected to the TVS Basin. In its 2014 GWMP, the District reported that groundwater and surface water systems are connected in the TVS Basin. Groundwater discharges to stream channels along much of the Upper Truckee River and Trout Creek. These groundwater discharges account for a substantial proportion of the total streamflow during the late summer and fall when runoff from surrounding mountains has diminished. A potential consequence of this interconnection between groundwater and surface water systems is that pumping from groundwater wells has the potential of reducing base flow to streams, which could affect stream environment zones and the aquatic and biologic resources dependent on those habitats. In order to address this concern the District intends to identify critical reaches of streams, and wetland areas that may be susceptible to active groundwater pumping.

Federal Government, including, but not limited to, the military and managers of federal lands. The U.S. Forest Service manages both the Lake Tahoe Basin Management Unit and the El Dorado National Forest, both of which overlie a majority of the TVS Basin outside of the District's service area. Although the District has not received any comments from the El Dorado National Forest, the Lake Tahoe Basin Management Unit has expressed support of the District's GSA Formation Notice for the portions of the TVS Basin outside of its service area. Please refer to the comments above for additional information regarding the District's plans to consider the U.S. Forest Service's interests.

California Native American Tribes. N/A. There are no California Native American Tribes overlying the TVS Basin.

Disadvantaged Communities, including, but not limited to those served by private domestic wells or small community water systems. Portions of the TVS Basin, subject to this GSA Formation Notice, within the City of South Lake Tahoe and at the south end of the TVS Basin in Christmas Valley include designated Disadvantaged Community Block Groups and Tracts.

Entities Listed in Section 10927 that are Monitoring and Reporting Groundwater Elevations in all or a part of the Groundwater Basin Managed by the GSA. The District is a California Statewide Groundwater Elevation Monitoring ("CASGEM") entity for the TVS Basin. The District also developed and adopted the 2014GWMP for the TVS Basin under Water Code Sections 10750, et seq. and monitors groundwater levels pursuant to this plan.

The District, the GSA SAG, and other stakeholders' roles and responsibilities will be further considered and defined in the District's development of a Plan, or Plan alternative. The

District's staff welcomes feedback during this process from the state, any of the agencies or organizations listed herein, and any other interested stakeholders.

If DWR requires anything further prior to the acceptance of this notification of the District's election to serve as the GSA for the portion of the TVS Basin subject to this GSA Formation Notice, please address your concerns to:

Ivo Bergsohn, P.G., CHg. Hydro-Geologist South Tahoe Public Utility District 1275 Meadow Crest Drive South Lake Tahoe, CA 96150 Phone: 530.544.6474

Fax: 530.541.0614

Email: ibergsohn@stpud.dst.ca.us



### South Tahoe Public Utility District

Directors Chris Cefalu James R. Jones Randy Vogelgesang Kelly Sheehan Duane Wallace

1275 Meadow Crest Drive • South Lake Tahoe • CA 96150-7401 Phone 530 544-6474 • Fax 530 541-0614 • www.stpud.us

August 12, 2015

### VIA EMAIL AND FEDERAL EXPRESS

Mark Nordberg, GSA Project Manager Senior Engineering Geologist California Department of Water Resources 901 P Street, Room 213A P.O. Box 942836 Sacramento, California 94236 Mark.Nordberg@water.ca.gov

Bill Brewster
Senior Engineering Geologist
3500 Industrial Blvd.
West Sacramento, California 95691
Bill.Brewster@water.ca.gov

### RE: SOUTH TAHOE PUBLIC UTILITY DISTRICT NOTICE OF ELECTION TO SERVE AS GROUNDWATER SUSTAINABILITY AGENCY

Dear Mr. Nordberg and Mr. Brewster:

The South Tahoe Public Utility District ("District") provides this Notice, pursuant to Water Code Section 10723.8, of its election to serve as the Groundwater Sustainability Agency ("GSA") for the portion of the Tahoe Valley South Groundwater Basin ("TVS Basin") identified in Exhibit A. To the best of the District's knowledge, there are no other entities desiring to serve as a GSA within this portion of the TVS Basin.

The District is a public utility district formed and operating under the provisions of the California Public Utility District Act (California Public Utility Code Section 15501, et. seq.) and has the authority to exercise powers related to groundwater management. The District has territory in El Dorado County and depends on the TVS Basin, an unadjudicated groundwater basin underlying the District's service area, to help meet the water needs of its customers.

On July 16, 2015, the District's Board of Directors held a public hearing to consider its decision to serve as a GSA for the TVS Basin. The District caused notice of this public hearing to be published in the *Tahoe Daily Tribune*, as provided by Water Code Section 10723(b) and

Government Code Section 6066. Proof of publication of this notice is attached as Exhibit B. A courtesy copy of the notice was also emailed to the Board of Supervisors of El Dorado County ("County"). A copy of the notice was also provided to the District's existing stakeholder advisory group ("SAG"), convened as part of the District's development of its 2014 Groundwater Management Plan ("GWMP"). All feedback and comments received prior to the public hearing were supportive of the District's election to act as the GSA for the TVS Basin. No comments were received at the public hearing.

Immediately following the public hearing, the District's Board of Directors adopted Resolution No. 2986-15, attached as Exhibit C, electing that the District shall be a GSA for the area described therein, and setting out a framework for the development, adoption and implementation of a groundwater sustainability plan ("Plan") for the TVS Basin pursuant to the Sustainable Groundwater Management Act ("SGMA") and other applicable provisions of law. The District has not adopted any other bylaws, regulations, or ordinances in its role as GSA at this time, though the need for the same may be revisited during Plan development.

The governing board of the GSA will be the District's Board of Directors, which is made up of residents from within the District's service area, elected to their positions by other residents. Therefore, issues pertaining to the TVS Basin will be discussed and decided by elected representatives local to TVS Basin. Additionally, the District is planning to expand its existing SAG in order to also encompass development and implementation of a Plan under SGMA. This expanded SAG will be referred to herein as the GSA SAG. Pursuant to this process, the District plans to invite additional interested stakeholders to participate in the GSA SAG in order to increase the group's representation of the various beneficial uses and users of groundwater throughout the TVS Basin. The District is planning to utilize the GSA SAG to communicate with interested stakeholders in the sustainable management of groundwater in the TVS Basin and to continue to solicit feedback from those stakeholders as the Plan is developed.

Pursuant to the requirements of Water Code Section 10723.8(a)(4), Exhibit D further outlines how the District is planning to consider the interests of all beneficial uses and users of groundwater in management of the GSA and implementation of the Plan.

If you require further information regarding these matters or have any questions, please contact Ivo Bergsohn at 503.543.6204 or <a href="mailto:ibergsohn@stpud.dst.ca.us">ibergsohn@stpud.dst.ca.us</a>.

Sincerely,

Rukard Solling Richard Solbrig

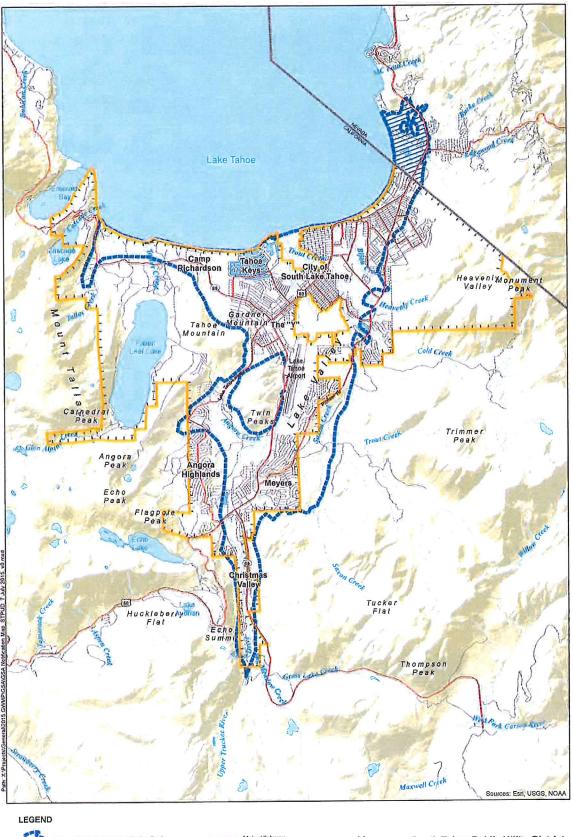
General Manager/PE

Attachments: Map of TVS Basin (Exhibit A)

Proof of Publication of Notice (Exhibit B) STPUD Resolution No. 2986-15 (Exhibit C)

List of All Beneficial Users of Groundwater (Exhibit D)

## **EXHIBIT A**





South Tahoe Public Utility District
Groundwater Sustainability Agency (GSA)
Section 10723,8 Notification Map

Tahoe Valley South Groundwater Basin (DWR Basin 6-5.01)



July 2015

Exhibit A

## **EXHIBIT B**



P.O. Box 1888 Carson City, NV 89702 Phone (775) 881-1201 Fax (775) 887-2408

Account Number: #1067078

Legal Acct South Tahoe Public Utility District 1275 Meadow Crest Dr. South Lake Tahoe, CA 96150 Attn: Heidi Baugh

Cora Jeffreys says:

That (s)he is a legal clerk of the TAHOE DAILY TRIBUNE, a newspaper published Wednesday, Friday, Saturday, at South Lake Tahoe, in the State of California.

PH July 16th

AD# 11317995

of which a copy is hereto attached, was published in said newspaper for the full required period of 2 times commencing on July 1, 2015, and ending July 10, 2015, all days inclusive.

Signed:

STATEMENT:

Date	Amount	Credit	Balance
07/10/15	\$58.14	\$0.00	\$58.14

# Proof and Statement of Publication

#### NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a <u>Public Hearing</u> of the South Tahce Public Utility District Board of Directors will be held:

-Thursday, July 16, 2015 at 2:30pm-SOUTH TAHOE PUBLIC UTILITY DISTRICT 1275 Meadow Creat Drive, South Lake Tahoe, California 96150 530-544-6474

The purpose of this Public Hearing is to accept public comment regarding the South Tahoe Public Utility District's election to become the designated Groundwater Sustainability Agency, pursuant to the Sustainable Groundwater Management Act, for the Tahoe Valley South Groundwater Basin. Additional information can be found at: http://www.sipud.us.

Ivo Bergsohn Hydro-Geologist SOUTH TAROE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS

Pub: July 1, 10, 2015

Ad#11317995

# **EXHIBIT C**

#### **RESOLUTION NO. 2986-15**

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH TAHOE PUBLIC UTILITY DISTRICT TO BE ELECTED AS THE GROUNDWATER SUSTAINABILITY AGENCY FOR THE TAHOE VALLEY SOUTH BASIN PURSUANT TO THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT

WHEREAS, the California Legislature has adopted, and the Governor has signed into law, the Sustainable Groundwater Management Act of 2014 ("the Act"), which authorizes local agencies to manage groundwater in a sustainable fashion; and

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

**WHEREAS,** in order to exercise the authority granted in the Act, a local agency or combination of local agencies must elect to become a groundwater sustainability agency ("GSA"); and

**WHEREAS**, the South Tahoe Public Utility District (the "District") is a local agency, as the Act defines that term; and

WHEREAS, the District is committed to sustainable management of its groundwater resources as shown by, among other actions, its adoption of a Groundwater Management Plan for the Tahoe Valley South Groundwater Basin ("TVS Basin") in December 2014 and its creation of a Stakeholder Advisory Group to participate in the process; and

**WHEREAS**, the District overlies an unadjudicated basin, the TVS Basin (designated basin number 6-5.01 in the California Department of Water Resources' CASGEM groundwater basin system), and it is appropriate for the District to be a GSA; and

**WHEREAS**, the Act requires that a GSA be elected for all basins designated by the Department of Water Resources as a medium-priority basin, such as the TVS Basin, by June 30, 2017; and

**WHEREAS**, the TVS Basin is designated as a medium-priority basin pursuant to the Department of Water Resources' initial prioritization; and

**WHEREAS**, the Act requires that a GSA be elected for all basins designated as a medium-priority basin by June 30, 2017; and

**WHEREAS**, it is the intent of the District to work cooperatively with other local GSAs, as may be appropriate, to sustainably manage portions of the TVS Basin that fall outside the District's jurisdiction; and

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**WHEREAS**, notice of a hearing on the District's election to become a GSA for the TVS Basin ("Notice") has been published in the Tahoe Daily Tribune as provided by law; and

**WHEREAS**, a courtesy copy of the Notice was also mailed to the EL Dorado County Board of Supervisors; and

**WHEREAS**, on this day, the District held a public hearing to consider whether it should elect to become a GSA for the TVS Basin; and

**WHEREAS**, it would be in the best interests of the District to become a GSA for the TVS Basin, and to begin the process of preparing a groundwater sustainability plan ("Sustainability Plan"); and

**WHEREAS**, the Sustainability Plan for the TVS Basin will encompass and supersede the Groundwater Management Plan for the TVS Basin that the District adopted in December 2014; and

WHEREAS, adoption of this resolution does not constitute a "project" under California Environmental Quality Act Guidelines Section 15378(b)(5), including organization and administrative activities of government, because there would be no direct or indirect physical change in the environment.

**THEREFORE, BE IT RESOLVED** by the Board of Directors of the South Tahoe Public Utility District, as follows:

- 1. The District hereby elects to become a GSA for the TVS Basin.
- 2. Within thirty days of the date of this resolution, the District's staff is directed to provide notice of the District's election to be the GSA for the TVS Basin ("Notice of GSA Election") to the California Department of Water Resources in the manner required by law.
- 3. One of the elements of the Notice of GSA Election is the boundaries of the area of the TVS Basin or the portion of the TVS Basin that the District intends to manage. Until further action of the District, the boundaries of the GSA shall be the boundaries of the portion of the TVS Basin that the District currently manages within its jurisdiction. A copy of a map of the management area is attached as Exhibit A.
- 4. The District's Staff shall begin discussions with the all interested stakeholders and beneficial users within the TVS in order to begin the process of developing a Sustainability Plan for the TVS Basin.

- 5. The District's Staff is directed to report back to the District's Board of Directors at least quarterly on the progress toward developing the Sustainability Plan. The District's Board of Directors wishes to move forward aggressively to complete the development of the Sustainability Plan as quickly as may be feasible and to ensure that the TVS Basin is managed in a sustainable fashion at the earliest possible date.
- 6. All the recitals in this resolution are true and correct and the District so finds, determines and represents.

WE, THE UNDERSIGNED, do hereby certify that the above and foregoing Resolution No. 2986-15 was duly adopted and passed by the Board of Directors of the South Tahoe Public Utility District at a regularly scheduled meeting held on the 16<sup>TH</sup> day of July, 2015, by the following vote:

AYES: Cefalu, Jones, Vogelgesang, Sheehan, Wallace

NOES: None

ABSENT: None

Randy Vogelgesang, Board President South Tahoe Public Utility District

ATTEST:

Melonie Guttry, Clerk of the Board

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27 28

29 30 Resolution No. 2986-15 July 16, 2015 Page 3

## **EXHIBIT D**

### LIST OF ALL BENEFICIAL USES AND USERS OF GROUNDWATER

Pursuant to Water Code Section 10723.8(a)(4), the District will consider the interests of all beneficial uses and users of groundwater, as well as those responsible for implementing a Plan. These interests include, but are not limited to, all of the following:

### Holders of Overlying Groundwater Rights, including:

- Agricultural Users: N/A.
- **Domestic Well Owners:** There may be as many as 540 domestic wells within the District's boundaries. The District anticipates that the Plan will address the collective interests of domestic users of groundwater wells and plans to engage in outreach to domestic well owners within the Plan area throughout development of the Plan.

Municipal Well Operators: There are no municipal well operators within the District's boundaries. The City of South Lake Tahoe does not have any groundwater wells used for municipal drinking water supply within the TVS Basin.

**Public Water Systems.** The following public water systems are located within the District's boundaries:

- Community Water Systems:
  - o Tahoe Keys Water Company
  - o Lukins Brothers Water Company
  - o Lakeside Mutual Water Company

### • Non-Transient Non-Community Water Systems:

- o Al Tahoe Elementary
- o South Shore Recreation Area
- o Station House Inn
- o Tahoe Valley Elementary School

### • Transient Non-Community Water Systems:

- o A & A Lake Tahoe Inn
- o Alder Inn
- o Alpenrose Inn
- o Alpine Inn & Spa
- o Angora Lakes Resort
- o Baldwin Beach
- Beverly Lodge
- o Deerfield Lodge at Heavenly
- o Echo Peak Water Association
- o Emerald Pines Resort Cabins
- Heather Lake Road Tract
- o King's IV Condominiums
- o Mark Twain Motel
- Matterhorn Motel

- Midway Motel Annex
- National 9
- o Pinewood Inn
- o Rainbow Tract Water Association
- Spring Creek Tract Association
- Summit Pines Apartments
- o Sunray Tahoe Hotel
- o Tahoe Chalet Inn
- o Tahoe Valley Lodge
- o Travel Inn
- o Villa Tahoe Condominiums

### • State Small Water Systems:

- o 47 Milestone/Aspen Creek Tract
- o Alta Mira Building
- Aspen Apartments
- Aspen Creek Water Association
- Byrson Creek Water Association
- Della Cell Cottages
- Heavenly Valley Trailer Park
- Huckleberry Ridge Mutual Water
- o Hunter Water Supply System
- o Johnson Fairway Water System
- Lower Emerald Bay Tract
- o Mermaid Cove Spring
- o Morgan Center
- o Pine Cone Trailer Park
- o Pinewood Inn
- o Siesta Arms Apartments
- Sonora Apartments
- South Echo Summit Tract Civic
- Stanford Hill Tract
- o Tahoe Blue Water Company
- o Tahoe Cottage Inn
- o Tahoe Shores West Annex
- Young Street Apartments

Two of the largest water systems—Lukins Water Company and Tahoe Keys Water Company—have been involved in the SAG. The District also invited Lakeside Mutual Water Company to participate in SAG meetings, although it has not attended. The District intends to continue communicating with these entities to ensure that they understand their on-going opportunity to participate in both implementation of the GWMP and development and implementation of a SGMA-compliant Plan for the TVS Basin. The District also plans to retain a seat on the GSA SAG for a representative chosen from among all of the Public Water Companies overlying the TVS Basin.

### **Local Land Use Planning Agencies**

- Tahoe Regional Planning Agency
- El Dorado County
- City of South Lake Tahoe
- U.S. Forest Service

Representatives from the above entities have participated in the SAG and were provided notice of the District's intention to serve as the GSA under SGMA. The District intends to continue to communicate with and solicit feedback from these entities regarding implementation of the GSA and development and adoption of a SGMA-compliant Plan for the TVS Basin. The District also plans to invite representatives from these entities to participate on the GSA SAG.

Environmental Users of Groundwater. The District is not aware of any environmental users of groundwater in the TVS Basin. There are a significant number of conservation organizations that are dedicated to preserving and maintaining environmental values within the Lake Tahoe Basin. A number of these organizations are presently represented on the GWMP email communication list including; California Tahoe Conservancy ("CTC"); Sierra Club-Lake Tahoe Chapter; Tahoe Resource Conservation District; Truckee River Water shed Council and Trout Unlimited. A current SAG member is from the CTC and another member is also a Board Member for the Sierra Club-Tahoe Chapter. The District intends to continue communicating with these entities to ensure that they understand their on-going opportunity to participate in both implementation of the GWMP and development and implementation of a Plan for the TVS Basin.

Surface Water Users, if there is a hydrologic connection between surface and groundwater bodies. The District is unaware of any users of surface water that is connected to the TVS Basin. In its 2014 GWMP, the District reported that groundwater and surface water systems are connected in the TVS Basin. Groundwater discharges to stream channels along much of the Upper Truckee River and Trout Creek. These groundwater discharges account for a substantial proportion of the total streamflow during the late summer and fall when runoff from surrounding mountains has diminished. A potential consequence of this interconnection between groundwater and surface water systems is that pumping from groundwater wells has the potential of reducing base flow to streams, which could affect stream environment zones and the aquatic and biologic resources dependent on those habitats. In order to address this concern the District intends to identify critical reaches of streams, and wetland areas that may be susceptible to active groundwater pumping.

Federal Government, including, but not limited to, the military and managers of federal lands. The U.S. Forest Service manages both the Lake Tahoe Basin Management Unit and the El Dorado National Forest, both of which overlie a portion of the TVS Basin with the District's service area. Please refer to the comments above for additional information regarding the District's plans to consider the U.S. Forest Service's interests.

California Native American Tribes. N/A. There are no California Native American Tribes overlying the TVS Basin.

Disadvantaged Communities, including, but not limited to those served by private domestic wells or small community water systems. N/A. No area overlying the TVS Basin is considered a disadvantaged community.

Entities Listed in Section 10927 that are Monitoring and Reporting Groundwater Elevations in all or a part of the Groundwater Basin Managed by the GSA. The District is a California Statewide Groundwater Elevation Monitoring ("CASGEM") entity for the TVS Basin. The District also developed and adopted a GWMP for the TVS Basin under Water Code Sections 10750, et seq. and monitors groundwater levels pursuant to this plan.

The District, the GSA SAG, and other stakeholders' roles and responsibilities will be further developed and defined in the Plan. The District's staff welcomes feedback during this process from the state, any of the agencies or organizations listed herein, and any other interested stakeholders.

If DWR requires anything further prior to the acceptance of this notification of the District's election to serve as the GSA for the TVS Basin, please address your concerns to:

Ivo Bergsohn, P.G., CHg. Hydro-Geologist South Tahoe Public Utility District 1275 Meadow Crest Drive South Lake Tahoe, CA 96150 Phone: 530.544.6474

Phone: 530.544.6474 Fax: 530.541.0614

Email: ibergsohn@stpud.dst.ca.us

#### **RESOLUTION NO. 3055-17**

A RESOLUTION OF THE SOUTH TAHOE PUBLIC UTILITY DISTRICT ELECTING TO WITHDRAW AS THE GROUNDWATER SUSTAINABILITY AGENCY FOR THE PORTION OF THE TAHOE VALLEY SOUTH GROUNDWATER BASIN OUTSIDE OF ITS SERVICE AREA BOUNDARIES PURSUANT TO THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT

**WHEREAS**, the California Legislature has adopted, and the Governor has signed into law, the Sustainable Groundwater Management Act of 2014 ("Act"), which authorizes local agencies to manage groundwater in a sustainable fashion; and

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

**WHEREAS**, in order to exercise the authority granted in the Act, a local agency or combination of local agencies must elect to become a groundwater sustainability agency ("GSA"); and

**WHEREAS**, the South Tahoe Public Utility District ("District") and the El Dorado County Water Agency ("County Water Agency") are each a local agency, as the Act defines that term; and

WHEREAS, the District overlies a portion of the Tahoe Valley South Groundwater Basin (designated basin number 6-5.01 in the California Department of Water Resources' CASGEM groundwater basin system) ("TVS Basin"), which has been designated as a medium-priority basin pursuant to the Department of Water Resources' ("DWR") initial prioritization; and

WHEREAS, the County Water Agency overlies the entire TVS Basin; and,

**WHEREAS**, the Act requires that a GSA or a combination of GSAs be elected for all basins designated by DWR as a medium-priority basin by June 30, 2017; and

**WHEREAS**, the District adopted Resolution No. 2986-15 electing to be the GSA for the portion of the TVS Basin within its service area boundaries on July 16, 2016, submitted its GSA Formation Notification to DWR on August 12, 2015 ("2015 GSA Formation Notification"), and was recognized as the exclusive GSA for this portion of the TVS Basin on November 17, 2015 ("District Territorial GSA"); and

**WHEREAS**, the District adopted Resolution No. 3040-16 electing to be the GSA for the portion of the TVS Basin outside its service area boundaries on September 15, 2016, submitted its GSA Formation Notification to DWR on September 16, 2016 ("2016 GSA Formation Notification"), and was recognized as the exclusive GSA for this portion of the TVS Basin on September 15, 2016 ("District Extraterritorial GSA"); and

**WHEREAS**, recent discussions with the State Water Resources Control Board ("SWRCB") have raised concerns about a local agency forming a GSA outside of its service area boundaries. These concerns raise a risk that the 2016 GSA Formation Notification may be considered invalid and that the TVS Basin could potentially be designated as "probationary" by the SWRCB and be put under the SWRCB management; and

WHEREAS, it is in the best interest of the District and the County Water Agency for the County Water Agency to become the GSA for the portion of the TVS Basin outside of the District's service area boundaries in order to avoid potential intervention by the SWRCB and to retain local control of the TVS Basin groundwater resources; and

**WHEREAS**, on May 17, 2017, the County Water Agency intends to hold a public hearing to consider whether it should elect to become the GSA for the portion of the TVS Basin outside of the District's service area boundaries; and

WHEREAS, in anticipation of the County Water Agency becoming the GSA for the portion of the TVS Basin outside of the District's service area boundaries, the District intends to withdraw as the District Extraterritorial GSA effective upon the County Water Agency being recognized as the exclusive GSA for the portion of the TVS Basin outside the District's service area boundaries; and

**WHEREAS**, the District and the County Water Agency intend to enter into an Amended and Restated Memorandum of Understanding to continue to cooperatively manage the TVS Basin and agreeing to implement the Act in the TVS Basin; and

WHEREAS, neither this Resolution or the notice of intent to withdraw the 2016 GSA Formation Notification that the District submits to DWR notifying DWR that the District has elected to withdraw as the District Extraterritorial GSA for the portion of the TVS Basin outside of its service area boundaries ("GSA Withdrawal Notification") shall have any effect on the 2015 GSA Formation Notification or on DWR's previous recognition of the District as the exclusive GSA for the portion of the TVS Basin within the District's service area.

**THEREFORE, BE IT RESOLVED** by the Board of Directors of the South Tahoe Public Utility District, as follows:

- The District hereby elects to withdraw as the District Extraterritorial GSA for the portion of the TVS Basin outside of its service area boundaries effective upon the County Water Agency being recognized as the exclusive GSA for the portion of the TVS Basin outside the District's service area boundaries.
- 2. Within thirty days of the date of this Resolution, the District's General Manager is directed to provide the GSA Withdrawal Notification to DWR in the manner required by law.
- 3. The District shall enter into an Amended and Restated Memorandum of Understanding with the County Water Agency formalizing the District and the County Water Agency's agreement to continue to cooperatively

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manage the TVS Basin and agreeing to implement the Act in the TVS Basin.

- 4. The District's Board of Directors wishes to satisfy the requirements of the Act as quickly as may be feasible and to ensure that the TVS Basin is sustainably managed in compliance with the Act at the earliest possible date. To this end, District staff is directed to report back to the District's Board of Directors at least quarterly on the District's progress toward bringing the TVS Basin into compliance with the Act.
- 5. All the recitals in this resolution are true and correct and the District so finds, determines and represents.

WE, THE UNDERSIGNED, do hereby certify that the above and foregoing Resolution No. 3055-17 was duly adopted and passed by the Board of Directors of the South Tahoe Public Utility District at a regularly scheduled meeting held on the 4th day of May, 2017, by the following vote:

AYES: JONES, VOGELGESANG, SHEEHAN, WALLACE

NOES: NONE ABSENT: CEFALU

> Randy Vogelgesang, Board President South Tahoe Public Utility District

ATTEST:

Melonie Guttry, Clerk of the