STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES

STATEMENT OF FINDINGS REGARDING THE APPROVAL OF THE PAJARO VALLEY SUBBASIN ALTERNATIVE

The Department of Water Resources (Department) is required to evaluate and assess whether submitted alternatives to groundwater sustainability plans satisfy the objectives of the Sustainable Groundwater Management Act (SGMA) pursuant to Water Code Section 10733.6. This Statement of Findings explains the Department's decision regarding the alternative (Alternative) submitted by the Pajaro Valley Water Management Agency for the Pajaro Valley Groundwater Subbasin (Basin No. 3-002.01). The Alternative was submitted under Water Code Section 10733.6(b)(1), which allows for the submittal of alternate plans developed pursuant to Part 2.75 (commencing with Water Code Section 10750) or other law authorizing groundwater management.

Department management has reviewed the Department staff report, entitled Sustainable Groundwater Management Program Alternative Assessment Staff Report – Pajaro Valley Subbasin (Staff Report), attached as Exhibit A, recommending approval of the Alternative. Based on its review of the Staff Report, Department management is satisfied that staff have conducted a thorough evaluation and assessment of the Alternative and concurs with staff's recommendation and all the recommended actions, and thus hereby approves the Alternative on the following grounds:

- 1. The Alternative was submitted within the statutory deadline of January 1, 2017 (Water Code Section 10733.6(c)).
- The Alternative is within a subbasin that is in compliance with Part 2.11 (commencing with Water Code Section 10920) as required by Water Code Section 10733.6(d).
- 3. The Alternative has been submitted by the Pajaro Valley Water Management Agency pursuant to Water Code Section 10733.6(b)(1) and a copy of the groundwater management plan was submitted as required by 23 CCR Section 358.2(c)(1).
- 4. The Pajaro Valley Water Management Agency explained how the elements of the Alternative are functionally equivalent to the elements of a groundwater sustainability plan required by Articles 5 and 7 of the GSP Regulations, 23 CCR Section 350 et seq., in the Alternative Elements Guide submitted by the Agency.

- 5. Based on Paragraphs 3 and 4 above, the Alternative is considered complete and includes the information required by SGMA and the GSP Regulations, sufficient to warrant an evaluation by DWR. 23 CCR Section 358.4(a)(3).
- The Alternative Plan applies to and covers the entire Subbasin as required by 23 CCR Section 358.2(a) and 358.4(a)(4), respectively, and as discussed in Section IV.D of the Staff Report.
- 7. The Pajaro Valley Water Management Agency has the legal authority and financial resources necessary to implement the Alternative.
- 8. The Department has received public comments on the Alternative and has considered them in the evaluation of the Alternative as required by 23 CCR Section 358.2(f).

DWR management makes the following specific findings based on the evaluation and assessment of the Alternative prepared by DWR staff:

- 9. The Alternative includes a reasonable assessment of overdraft conditions and the criteria for correcting groundwater problems caused by overdraft are supported by the best available information and best available science.
- 10. The robust set of plans and management actions designed to eliminate overdraft and prevent seawater intrusion are commensurate with the level of understanding of the basin setting, as described in the Alternative, and are feasible and likely to prevent undesirable results and ensure that the Pajaro Valley Subbasin is operated within its sustainable yield.
- 11. The Alternative's focus on restoring groundwater elevations to a condition that eliminates seawater intrusion is reasonable and is likely to have a beneficial effect with regard to other potential adverse effects in the Pajaro Valley Subbasin.
- 12. In light of Paragraphs 1-11 above, the Alternative satisfies the objectives of SGMA.

In addition to the grounds listed above, DWR also finds that:

- The Alternative's goal of reducing overdraft and seawater intrusion is consistent with the state policy regarding the human right to water (Water Code Section 106.3) and the public trust doctrine.
- 2. The evaluation and assessment of whether the alternative submitted by the Pajaro Valley Water Management Agency for the Pajaro Valley Subbasin

satisfies the objectives of SGMA is a project under CEQA, but that the project is exempt from CEQA under the common sense exemption for the following reasons.

No physical change to the environment is associated with the evaluation and assessment of the alternatives undertaken by DWR. The alternative submitted by the Agency is based on a Groundwater Management Plan that was previously adopted and whose provisions the Agency has already begun implementing.

By finding that the Alternative satisfies the objectives of SGMA, the Agency is authorized to continue to manage the Subbasin subject to that alternative, without the need to develop a GSP. As a result, the evaluation and assessment of the alternatives undertaken by DWR creates no foreseeable indirect impacts, and any impacts that might occur would be difficult to predict with any accuracy and too speculative to allow DWR to provide for meaningful analysis and review.

Based on the above, the Alternative submitted by the Pajaro Valley Water Management Agency for the Pajaro Valley Subbasin is approved. Recommended actions identified in the Staff Report will assist the Department's review of the Alternative's implementation for consistency with SGMA and are thus recommended to be included in the resubmitted Alternative, due on January 1, 2022, as required by Water Code Section 10733.6(c).

Signed:

Karla & Neut

Karla Nemeth, Director

Date: July 17, 2019

Exhibit A: Sustainable Groundwater Management Program Alternative Assessment Staff Report – Pajaro Valley Subbasin