

**Resolution No. 2019-03**  
**of the**  
**Fox Canyon Groundwater Management Agency**

**A RESOLUTION INCREASING FEE ON GROUNDWATER  
EXTRACTIONS TO FUND THE COSTS OF A GROUNDWATER  
SUSTAINABILITY PROGRAM**

**WHEREAS**, the Fox Canyon Groundwater Management Agency (the Agency) is a groundwater sustainability agency under the Sustainable Groundwater Management Act (the Act) for the basins within the Agency's statutory boundaries; and

**WHEREAS**, the Act authorizes a groundwater sustainability agency to impose a fee on groundwater extractions to fund the costs of a groundwater sustainability program; and

**WHEREAS**, the Agency currently collects a groundwater extraction charge of \$6.00 per acre-foot pursuant to authority granted by the Agency's enabling legislation, revenues from which fund groundwater management programs throughout the Agency; and

**WHEREAS**, the Agency Board of Directors approved a Fiscal Year 2019-20 Work Plan and Budget, which are attached to this Resolution, that projects annual revenue from these charges of \$750,000 based on projected annual groundwater extractions within the Agency of approximately 125,000 acre-feet per year; and

**WHEREAS**, the Agency's Fiscal Year 2019-20 Budget projects total annual operating expenditures of \$2,852,159, which amount includes costs associated with completion and implementation of groundwater sustainability plans and other work related to the Agency's role as a groundwater sustainability agency; and

**WHEREAS**, the Agency anticipates incurring ongoing additional costs related to the development of its groundwater sustainability plans, including periodic evaluation of the plans, assessment of changing conditions that may warrant modification of the plans or the Agency's sustainable groundwater management objectives, additional enforcement activity, compliance assistance, public outreach, coordination with the Department of Water Resources, and overall program administration; and

**WHEREAS**, the revenue generated from the Agency's current groundwater extraction charge is not adequate to allow the Agency to carry out its responsibilities as a groundwater sustainability agency or fully exercise the powers and authorities granted under the Act; and

**WHEREAS**, a sustainability fee of \$4.00 per acre-foot on groundwater extractions was approved on September 23, 2015, which was increased to \$6.50 per acre-foot on July 20, 2016, and generates additional annual revenue of \$812,500 based on annual groundwater extractions within the Agency of 125,000 acre-feet per year; and

**WHEREAS**, a sustainability fee increase of \$4.50 to \$11.00 per acre-foot on

groundwater extractions will generate annual revenue of \$1,375,000 based on annual groundwater extractions of 125,000 acre-feet which is the reasonably anticipated cost of the Agency's groundwater sustainability program for Fiscal Year 2019-20; and

**WHEREAS**, a sustainability fee increase of an additional \$3.00 to \$17.00 per acre-foot on groundwater extractions will generate annual revenue of \$1,750,000 based on annual groundwater extractions of 125,000 acre-feet which is the reasonably anticipated cost of the Agency's groundwater sustainability program for Fiscal Year 2020-21; and

**WHEREAS**, the Agency's groundwater sustainability program will provide benefits to all water users within the territory of the Agency; and

**WHEREAS**, in order to fund completion and begin implementation of the Agency's groundwater sustainability plans, and allow for accurate calculation of groundwater charges, it is necessary to make this Resolution effective July 1, 2019, for Municipal and Industrial Operators, and August 1, 2019, for Agricultural Operators; and

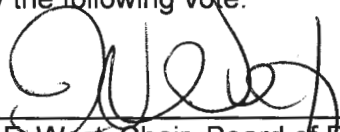
**WHEREAS**, the data upon which the proposed fee is based was presented at regular meetings of the Agency Board of Directors on June 26 and July 24, 2019, and has been made available to the public for at least 10 days prior to adoption of this Resolution; and

**WHEREAS**, prior to adoption of this Resolution, the Agency held the public meeting required under Section 10730, subdivision (b), of the Act, notice of which was given as required by law, and notice was provided to the California Public Utilities Commission as required by Water Code section 10730.1.

**NOW, THEREFORE, IT IS HEREBY PROCLAIMED AND ORDERED** that effective July 1, 2019, for Municipal and Industrial Operators, and August 1, 2019, for Agricultural Operators, a groundwater sustainability fee of eleven dollars (\$11.00) per acre-foot shall be imposed on groundwater extractions from facilities within the boundaries of the Fox Canyon Groundwater Management Agency, and effective July 1, 2020, for Municipal and Industrial Operators, and August 1, 2020, for Agricultural Operators, a groundwater sustainability fee of fourteen dollars (\$14.00) per acre-foot shall be imposed on groundwater extractions from facilities within the boundaries of the Fox Canyon Groundwater Management Agency. This fee shall not be imposed on any person who extracts, for domestic purposes, two (2) acre-feet per year or less.

On motion by Dir. Craven, and seconded by Dir. Erano, the foregoing resolution was passed and adopted on September 25, 2019 by the following vote.

AYES - 4  
NOES - 1  
ABSTAINS - 0  
ABSENT - 0

By:   
Eugene F. West, Chair, Board of Directors  
Fox Canyon Groundwater Management Agency

ATTEST: I hereby certify that the above is a true and correct copy of Resolution No. 2019-03

By: Jamie Malos acting  
Keely Royas, Clerk of the Board