

Resolution 2010-07
of the
Fox Canyon Groundwater Management Agency

A RESOLUTION ADOPTING TIERED GROUNDWATER EXTRACTION SURCHARGE RATES

WHEREAS, the mission of the Fox Canyon Groundwater Management Agency (Agency) includes the protection and preservation of groundwater resources within the boundary of the Agency; and

WHEREAS, the Agency is charged with bringing the groundwater basins within its jurisdiction into safe yield; and

WHEREAS, the Agency is authorized to establish an extraction allocation for each groundwater extraction facility located within the Agency, and to impose extraction surcharges for extractions in excess of a facility's extraction allocation; and

WHEREAS, extraction surcharges are necessary to eliminate overdraft caused by excess pumping from the aquifer systems within the Agency and to bring the groundwater basins within the Agency to safe yield; and

WHEREAS, extraction surcharges are intended to discourage the use of groundwater beyond the extraction allocation and are not taxes, user charges or user fees; and

WHEREAS, the Agency is authorized to set the extraction surcharge rate at an amount that is necessary to achieve safe yield; and

WHEREAS, the Agency Ordinance Code provides that the extraction surcharge rate shall be based on: (1) the cost to import potable water from the Metropolitan Water District of Southern California (MWD), or other equivalent water sources that can or do provide non-native water with the Agency; and (2) the current groundwater conditions within the Agency; and

WHEREAS, Calleguas Municipal Water District (CMWD) is a member agency of MWD and is the largest purveyor of imported water within the Agency; and

WHEREAS, MWD's imported water supplies are being diminished due to ongoing drought conditions, competing claims for water from the Colorado River, and pumping restrictions in the Sacramento-San Joaquin Delta; and

WHEREAS, CMWD has set its Tier 2 supply rate at \$1,105 per acre-foot which rate is equivalent to MWD's cost of developing additional supply; and

WHEREAS, the groundwater basins within the Agency continue to be in overdraft condition; and

WHEREAS, the existing groundwater surcharge rate is not sufficient to deter over pumping or excessive groundwater extractions when compared to the ability an operator or well owner has to purchase alternative retail or imported water, or to treat otherwise unusable water; and

WHEREAS, certain operators continually exceed their extraction allocation by over two-hundred percent; and

WHEREAS, an economic disincentive is deemed the best means to discourage over pumping of groundwater and a single tier surcharge rate has not been effective with respect to those operators who greatly exceed their extraction allocation; and

WHEREAS, the Agency Ordinance Code provides for setting groundwater extraction surcharge rates by Resolution and provides that such rates may be tiered; and

WHEREAS, this Resolution is exempt from the provisions of the California Environmental Quality Act as an action taken to assure the maintenance, restoration, or enhancement of a natural resource and the environment.

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED THAT:

1. The Board of Directors hereby finds and determines that the foregoing recitals are true and correct and are incorporated herein.
2. Tiered Surcharge Rates are hereby established as follows:
 - Tier I: A surcharge rate of \$1,105.00 per acre-ft shall be imposed on all groundwater extractions that exceed the combined allocation for all water wells within the Agency by 25 acre-feet or less.
 - Tier II: An additional surcharge of \$250.00 per acre-foot shall be imposed on all groundwater extractions that exceed the combined allocation for all water wells within the Agency by more than 25 acre-feet but less than 100 acre-feet.
 - Tier III: An additional surcharge of \$500.00 per acre-foot shall be imposed on all groundwater extractions that exceed the combined allocation for all water wells within the Agency by 100 acre-feet or more.
3. These groundwater extraction Tiered Surcharge Rates shall become effective on January 1, 2011 and will remain in force until changed by the Agency's Board of Directors, or by a change to the Agency's Ordinance Code.

On a motion by Director Craven and seconded by Director Kelley, the foregoing Resolution was duly passed and adopted by the Board of Directors at a regularly scheduled meeting of the Board held on this 1st day of December 2010 in Ventura, California.



Lynn E. Maulhardt, 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. 2010-07.

By: 

Miranda Nobriga, Clerk of the Board