

**Resolution No. 2016-05**  
**of the**  
**Fox Canyon Groundwater Management Agency**

**A RESOLUTION ADOPTING A POLICY FOR EVALUATING AND  
AUTHORIZING PROPOSALS FOR GROUNDWATER SUPPLY  
PROJECTS**

**WHEREAS**, the Fox Canyon Groundwater Management Agency (the Agency) was established in 1982 and charged with responsibility for the preservation and management of groundwater resources within the areas or lands overlying the Fox Canyon aquifer for the common benefit of the public and all agricultural, domestic, and municipal and industrial water users; and

**WHEREAS**, the Agency is a groundwater sustainability agency under the Sustainable Groundwater Management Act of 2014 (the Act) for all of the basins within the Agency's statutory boundaries; and

**WHEREAS**, the Agency in 2007 adopted an update to its Groundwater Management Plan which identified various management strategies for improving water quality and increasing safe yield; and

**WHEREAS**, among those strategies were certain projects for the development of groundwater supply projects; and

**WHEREAS**, these groundwater supply projects are in various stages of development and would benefit from a policy that establishes a framework for obtaining authorization to pump groundwater at levels needed to make the projects viable; and

**WHEREAS**, the Agency is in the process of developing a groundwater sustainability plan in accordance with the requirements of the Act that will include measurable objectives to achieve the sustainability goal established in the plan; and

**WHEREAS**, upon adoption of a groundwater sustainability plan, the Agency will acquire additional groundwater management authority, including the power to impose fees on the extraction of groundwater to fund the costs of acquiring replenishment water and other costs of groundwater management as specified in the Act; and

**WHEREAS**, the groundwater sustainability plan adopted by the Agency must be submitted to the Department of Water Resources (DWR) for review to evaluate whether it conforms to the requirements of the Act; and

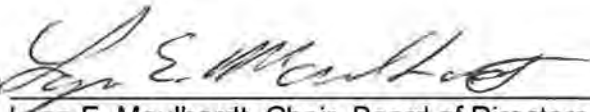
**WHEREAS**, the Act authorizes DWR to intervene in local groundwater management if it determines that a groundwater management plan is inadequate or is not being implemented in a manner that will likely achieve the sustainability goal; and

**WHEREAS**, the Agency wishes to encourage the development of groundwater supply projects and will consider approval of such projects in advance of adopting a groundwater sustainability plan, provided certain safeguards are in place to ensure that the projects do not impair the Agency's ability to develop and implement a groundwater sustainability plan or otherwise meet its obligations under the Act.


**NOW, THEREFORE, IT IS HEREBY PROCLAIMED AND ORDERED** that the Agency adopts the Groundwater Supply Project Policy attached to this Resolution.

On motion by Chair Lynn Maulhardt, and seconded by Director Steve Bennett, the foregoing resolution was passed and adopted on September 28, 2016 by the following vote.

AYES – Chair Lynn Maulhardt, Director Charlotte Craven, Director Steve Bennett  
NOES – Director Eugene F. West, Director David Borchard  
ABSTAINS – None  
ABSENT – None

By:   
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. 2016-05.

By:   
Keely Royas, Clerk of the Board

## **GROUNDWATER SUPPLY PROJECT POLICY**

### **Policy Statement**

The Fox Canyon Groundwater Management Agency (FCGMA) Board may authorize groundwater pumping for supply projects subject to the constraints and restrictions of an approved monitoring and contingency plan and the requirements under the Sustainable Groundwater Management Act (SGMA).

### **Reason for the Policy**

A policy for the development of groundwater supply projects provides a framework for project proponents to follow to ensure conformance with FCGMA ordinances, resolutions, and practices and conformance with requirements under the SGMA. It also provides stakeholders with a better understanding of FCGMA requirements for project approval. The policy should provide access to the groundwater resource for the project, as long as pumping does not result in undesirable results.

### **Procedure Overview**

In order to have a groundwater supply project considered by the FCGMA Board, the project proponent must prepare a proposal complete with a proposed pumping quantity, project life, and a monitoring and contingency plan associated with the pumping. To maintain the integrity of the groundwater basin, there needs to be specific constraints and conditions placed on the groundwater project to ensure adequate resources are available for the beneficial uses and users of the groundwater, without undesirable results. Preference will be given to projects with a regional purpose/benefit.

The monitoring and contingency plan must include action triggers that essentially ramp down pumping until conditions have returned to an acceptable level. Action triggers should be consistent with, but not limited to, the sustainability indicators in the SGMA regulations. This should enable the allocations to work seamlessly with the sustainability goal(s) and allocation systems identified through the Groundwater Sustainability Plan.

Once all technical analyses have been completed and an acceptable monitoring and contingency plan has been developed, staff will prepare a report to the Board requesting the pumping authorization for the groundwater supply project. The monitoring and contingency plan is subject to review and revision every five years, consistent with requirements under the SGMA.

Project proponents not meeting the requirements of the monitoring and contingency plan will have their pumping authorization cancelled by the FCGMA Executive Officer and reported to the Board. If pumping continues, it will be subject to extraction surcharges immediately. Project proponents will have the opportunity to address the Board regarding this matter.

Project proponents requesting an extension of the project life must undertake an analysis of the underlying groundwater conditions supporting the project, update the monitoring and contingency plan, suggest the desired groundwater extraction, and request a specific time extension from the Board.

The policy is not intended to allow project proponents to circumvent the requirements of SGMA. Any pumping authorized under this program must be in compliance with SGMA and will be subject to regular review to determine whether it is impairing FCGMA's ability to achieve the sustainability goal for the basin in which the project is located.

Projects approved pursuant to this policy may be subject to replenishment fees depending on the purpose/purposes of the project and impacts to the groundwater basin. This fee may be levied on all extractions authorized under this policy.

Replenishment fees are less likely for projects associated with the following:

- Providing emergency water source;
- Improving water quality; or
- Regulatory compliance;

The decreased likelihood of replenishment fees for the above situations may be restricted in duration until such time as viable alternatives exist.

Replenishment fees are more likely for projects associated with:

- Risk reduction (reliability);
- Economics (cost savings, rate stabilization, etc.);
- Supply export/profit;
- Water market;
- Offsetting other water source such as State Water;
- Expansion of use; or
- New use.

## **Responsibilities**

### ***Project Proponent***

The project proponent must complete a project proposal which includes:

- Project description;
- Proposed project groundwater extractions;
- Substantiation/definition of groundwater source and origin;
- Project life;
- Water use analysis (all users and uses);
- Description of proposed water distribution;
- Preparation of a groundwater study to demonstrate no undesirable results to the groundwater basin due to groundwater extractions associated with the project;
- Preparation of a monitoring and contingency plan associated with the groundwater extractions;
- Compliance with the requirements under the California Environmental Quality Act (CEQA);
- All agreements associated with the proposal. This may include conceptual agreements that may not be finalized until after project pumping authorization by the FCGMA Board;
- Detailed review of project compliance with the requirements under the SGMA; and
- Stakeholder outreach plan.

The above mentioned monitoring and contingency plan must:

- Identify undesirable results as defined below, per the SGMA;
- Identify minimum thresholds with respect to undesirable results;
- Identify measurable objectives (action triggers) and associated mitigation with respect to undesirable results;
- Specify monitoring and reporting program; and
- Be reviewed and resubmitted every five years, or sooner if directed by the Board

### ***FCGMA Staff***

FCGMA staff will review all submissions for completeness and compliance with this policy. The FCGMA Executive Officer recommends approval of an acceptable project monitoring and contingency plan and subsequent resubmissions of the plan.

### ***FCGMA Board***

The FCGMA Board may authorize pumping for groundwater supply projects, subject to the constraints and restrictions of an approved monitoring and contingency plan, any conditions consistent with the purpose of this policy, and compliance with the SGMA.

### **Definition of Terms**

**Monitoring and Contingency Plan** –The plan prepared to identify and mitigate the undesirable results associated with the groundwater extractions of the brackish groundwater project. The components of the monitoring and contingency plan must be measurable, with associated actions identified. For example, the plan may include measurable objectives, such as groundwater levels, and the associated action, such as stepped pumping reductions when a trigger/action level is reached.

**Project Proponent** – The local agency or organization responsible for the design, funding, and implementation of the proposed brackish groundwater supply project.

**Supplemental Pumping Allocation/Authorization** – Allocations which are approved by the FCGMA Board under this policy.

**Replenishment Fees** – Fees, set by the FCGMA Board, associated with supplemental pumping allocations/authorization.

**Undesirable Results** – One or more of the following effects caused by groundwater conditions occurring throughout the basin or within critical portions of the basin:

- 1) Chronic lowering of groundwater levels indicating a significant and unreasonable depletion of supply if continued over the planning and implementation horizon.
- 2) Significant and unreasonable reduction of groundwater storage.
- 3) Significant and unreasonable seawater intrusion.
- 4) Significant and unreasonable degraded water quality, including the migration of contaminant plumes that impair water supplies.



- 5) Significant and unreasonable land subsidence that substantially interferes with surface land uses.
- 6) Depletions of interconnected surface water that have significant and unreasonable adverse impacts on beneficial uses of the surface water.
- 7) Significant and unreasonable impact on recharge to other downgradient basins or areas.
- 8) Significant and unreasonable impact on production of adjacent wells.