

**Resolution 2023 –02**  
**Of the**  
**Fox Canyon Groundwater Management Agency**

**RESOLUTION OF THE BOARD OF DIRECTORS OF FOX CANYON GROUNDWATER  
MANAGEMENT AGENCY REGARDING THE ACCRUAL, EXTRACTION, AND TRANSFER  
OF RECYCLED WATER PUMPING ALLOCATION**

WHEREAS, the Fox Canyon Groundwater Management Agency ("Agency") is a special district created by the California Legislature with the enactment of the Fox Canyon Groundwater Management Agency Act [Stats. 1982, c. 1023] ("Act") to preserve the groundwater resources within the territory of the Agency for agricultural, municipal, and industrial uses; and

WHEREAS, under the Sustainable Groundwater Management Act [Water Code, § 10720 et seq.] ("SGMA"), the Agency is the exclusive groundwater sustainability agency ("GSA") within its statutory boundaries responsible for the sustainable groundwater management of, among other basins, (i) the Pleasant Valley Basin (Basin No. 4-006) and (ii) the Oxnard Subbasin (Subbasin No. 4-004.02) (collectively, the "Basins"); and

WHEREAS, the California Department of Water Resources ("DWR") designated the Basins as high-priority basins, subject to critical conditions of overdraft, requiring the preparation of groundwater sustainability plans ("GSP") by January 31, 2020; and

WHEREAS, the Agency has prepared, and DWR has approved, GSPs to meet the sustainability goals established by the Agency for the Basins; and

WHEREAS, the Agency manages the Basins, consistent with the Act and SGMA, by implementing and enforcing its ordinances, resolutions, GSPs, and other plans that, among other things, establish allocations for the extraction of groundwater from the Basins and provide for the transfer of such allocations; and

WHEREAS, the City of Oxnard (the "City ") extracts groundwater from the Oxnard Subbasin for the municipal use of its residential customers and for the agricultural and industrial uses of other customers; and

WHEREAS, in September 2024, the City approved the Groundwater Recovery Enhancement and Treatment Program ("GREAT Program"), which is a collection of wastewater recycling, groundwater injection, and groundwater desalination projects and programs designed to provide local and regional water supply and quality benefits; and

WHEREAS, Phase 1 of the GREAT Program consists of several elements, including a conjunctive use program whereby the City produces and delivers approximately 2,800 AFY of recycled water from new tertiary/advanced treatment facilities to agricultural customers in the Oxnard Pumping Depression Management Area and the Saline Intrusion Management Area of the Basin in exchange for the transfer of unused allocations to be exercised by the City or UWCD for extracting groundwater from their Water Yard facilities and O-H facilities, respectively, outside of the Oxnard Pumping Depression Management Area and the Saline Intrusion Management Area

to reduce the regional effects of overdraft conditions (e.g., seawater intrusion) in the Basins (collectively, "In-Lieu Program"); and

WHEREAS, in September 2004, the City certified a final Program Environmental Impact Report ("PEIR") [on file with the City of Oxnard] that analyzed the potential environmental impacts of Phase 1 of the GREAT Program, including the In-Lieu Program; and

WHEREAS, using a 2000 UWCD model update to a 1993 United State Geological Survey groundwater flow model of the Santa Clara-Calleguas Basin, the PEIR concluded the impacts of the In-Lieu Program would be less than significant, and did not require any mitigation, because, even though extraction of transferred allocations by the City and UWCD would reduce groundwater elevations by 10 feet in both the Upper Aquifer System ("UAS") and the "Lower Aquifer System ("LAS") across the northern Oxnard Plain and Oxnard Forebay areas, the In-Lieu Program would increase groundwater elevations (2.5 feet and 10 feet in the UAS and LAS, respectively) in the southern Oxnard Plain and Pleasant Valley area and reduce overdraft conditions along the Oxnard Plain coastline (increase groundwater elevation in the UAS by 5.8 feet reduce overdraft reduction in the LAS by 4-6%); short- and long-term climatic cycles play a larger role in dictating groundwater elevations across the Oxnard Plain and Pleasant Valley areas than the In-Lieu Element; and the transfer and extraction of unused allocations by the City and UWCD would be performed pursuant with Agency ordinances and requirements designed to protect the beneficial uses of the regional groundwater resources and the safe yield of the Basins; and

WHEREAS, on June 26, 2013, the Agency approved Resolution No. 2013-02 [Attachment A], which approved the In-Lieu Program subject to conditions on the accrual and extraction of unused allocations transferred to the City, known under Resolution No. 2013-02 as Recycled Water Pumping Allocation ("RWPA"); and

WHEREAS, under Resolution No. 2013-02, the City would accrue up to 5,200 AFY of RWPA for the delivery of each acre-foot of recycled water that resulted in an acre-foot reduction of groundwater extraction from areas of the Basins more impacted by seawater intrusion; and

WHEREAS, among other conditions, Resolution No. 2013-02 limited the City's extraction of "RWPA from the [Oxnard] Forebay when evacuated groundwater from storage in the [Oxnard] Forebay reaches 80,000 acre-feet (as regularly determined by UWCD), or groundwater levels in the [Oxnard] Forebay reach 19 feet above mean sea level" unless otherwise authorized by meetings of the Agency, the City, UWCD, and Pleasant Valley County Water District; and

WHEREAS, the Resolution No. 2013-02 conditions were based on a Recycled Water Impact Analysis ("RWIA") Plan [Attachment A to Resolution No. 2013-02], prepared by UWCD, which expressed concern about the potential for RWPA extraction to result in local and regional effects along the Oxnard Plain coastline, including local and regional lowered groundwater elevations which it determined had the potential to increase seawater intrusion; and thus the RWIA Plan recommended careful monitoring and reduced pumping of RWPA, "if groundwater elevations in the [Oxnard] Forebay reach critical depletion levels (80,000 AFY of available storage or 19 feet above sea level)...and create a landward gradient that pulls seawater further into the aquifers"; and

WHEREAS, since the adoption of Resolution No. 2013-02, the City has accrued approximately 6,600 of RWPA but had been unable to extract any of it until 2023 because conditions in the Oxnard Forebay had remained below the critical depletion levels included in

Resolution No. 2013-02 and the RWIA Plan (i.e., 80,000 AF of evacuated storage or 19 feet above mean sea level); and

WHEREAS, the City has proposed modifying the In-Lieu Program to include updated estimates for its recycled water production, additional locations and water year types for RWPA extraction, and the transfer of RWPA to additional parties (other than UWCD) for their extraction of groundwater in excess of existing allocations and for them to reduce extractions that exceed allocations in prior water years; and accordingly, the City has proposed modifying Resolution No. 2013-02 to revise the provisions governing the accrual, extraction, and transfer of RWPA; and

WHEREAS, at the request of the Agency, the City requested UWCD prepare the Recycled Water Pumping Allocation Impact Analysis ("RWPA Impact Analysis") [Attachment B], which uses UWCD's peer-reviewed numerical groundwater model ("UWCD Coastal Plain Model") to evaluate the effects of seawater intrusion in the Oxnard Subbasin, to update and replace the RWIA Plan; and

WHEREAS, the RWPA Impact Analysis evaluates the potential benefits and impacts of the City's proposed modifications to the In-Lieu Program, specifically scenarios involving delivery of 1,000 AFY and 2,000 AFY of recycled water to agricultural customers in the SIMA and PDMA and the extraction of 3,000 AF to 6,000 AF of RWPA at the City's Water Yard and/or Rice Avenue facilities and/or UWCD's O-H facilities; and

WHEREAS, the RWPA Impact Analysis concludes that the City's proposed modification to the In-Lieu Program is likely to provide a net reduction in seawater intrusion along the coast of the Oxnard Subbasin, but all modeled scenarios (i.e., updated annual recycled water production estimates, extraction at additional locations, extraction in additional water year types) resulted in increased seawater intrusion in the UAS in the coastal segment at Port Hueneme, where seawater intrusion has been documented; and

WHEREAS, the RWPA Impact Analysis found that seawater intrusion along the Port Hueneme coastal segment may be potentially significant when RWPA extractions exceed 3,000 AFY; however, the RWPA Impact Analysis found that RWPA extractions between 3,000 – 6,000 AFY would be less than significant so long as such extractions occurred at the City's Rice Avenue Facilities and/or UWCD's O-H facilities and the immediately preceding three water year types are not consecutively "below normal," "dry," and/or "critical," and

WHEREAS, the Oxnard Subbasin GSP provides that nitrate concentrations in the Oxnard Forebay Management Area, which exceed water quality objectives and basin management objectives for the Oxnard Subbasin, are highly dependent on the amount of surface water diverted from the Santa Clara River, increasing during periods of dry conditions and drought; and

WHEREAS, the RWPA Impact Analysis demonstrates that the potential benefits and impacts of the City's proposed modifications to the In-Lieu Program are consistent with the findings and conclusions of the PEIR's evaluation of the 2003 In-Lieu Program's impacts and the RWIA Plan's evaluation of the 2013 In-Lieu Program's impacts; and

WHEREAS, this Resolution is intended to supersede and replace Resolution No. 2013-02 by approving the modified In-Lieu Program and providing the greatest flexibility for the extraction and transfer of RWPA consistent with the Agency's statutory obligations and responsibilities to protect, preserve, and ensure the sustainable management of the Basins.

NOW, THEREFORE, the Board of Directors of Fox Canyon Groundwater Management Agency hereby resolves, approves, and directs as follows:

1. The above recitals are true and correct and made a part of this Resolution.
2. This Resolution supersedes and restates Resolution No. 2013-02 in its entirety.
3. All RWPA accrued by the City, including RWPA accrued under Resolution No. 2013-02, shall be extracted and transferred according to this Resolution.

4. Accrual of RWPA

A. The City shall accrue one (1) AF of RWPA in any Water Year (October 1 to September 30) that it delivers recycled water that results in a corresponding AF reduction in annual groundwater extracted from wells located in the Saline Intrusion Management Area, the Oxnard Pumping Depression Management Area, and/or the Pleasant Valley Pumping Depression Management Area, as those management areas are defined by the Agency.

B. As a condition precedent to accruing RWPA, the City and the owners and operators (including UWCD) to which recycled water is delivered shall comply with the reporting and documentation requirements of Section 6.

C. No RWPA shall accrue for the delivery of recycled water to users that are not in compliance with all ordinances, resolutions, rules, and requirements of the Agency.

D. No RWPA shall accrue for the delivery of recycled water that results in the reduction of groundwater extraction that would have been subject to surcharges under an Agency ordinance.

E. No RWPA shall accrue for the delivery of recycled water that displaces UWCD surface water deliveries to those same users, when and if UWCD determines, in its discretion, that it is concurrently physically not capable of diverting that volume of surface water to UWCD recharge basins because the recharge basins and the Forebay are full.

F. No carryover allocation or any type of allocation credit shall accrue or otherwise be realized under any Agency ordinance or resolution for any extraction allocation that results in the accrual of RWPA.

5. Extraction and Transfer of RWPA

A. Up to 3,000 AFY of RWPA may be extracted and/or transferred from the Oxnard Subbasin, regardless of Water Year type (e.g., "below normal" or "dry," as those water year types are defined in the GSP for the Oxnard Subbasin and reported GSP Annual Reports published by the Agency), subject to the following conditions:

- i. The City may extract and/or transfer RWPA. Only the City may transfer RWPA.

ii. RWPA may be transferred to owners and operators (including UWCD) for extraction in the current Water Year, or to reduce extractions that exceed allocations in the current Water Year or the immediately preceding Water Year.

iii. The City shall extract RWPA only from its Water Yard facilities and its Rice Avenue facilities, and UWCD shall extract RWPA only from its O-H facilities.

iv. RWPA transferred to owners and operators for extraction, and/or use to reduce extractions that exceed allocations, from wells in the Saline Intrusion Management Area and the Oxnard Pumping Depression Management Area of the Oxnard Subbasin will be reduced by a factor of 0.75 such that each AF of RWPA will only offset 0.75 AF of extractions in these management areas.

v. RWPA may be transferred only after a completed "Application for RWPA Transfer," on a form to be prepared by the Agency, completed and signed by the City and the transferee under penalty of perjury, is submitted to the Agency indicating whether the transfer is for use of RWPA in the current or immediately preceding water year and if the transferee's well(s) are in the Saline Intrusion Management Area and the Oxnard Pumping Depression Management Area of the Oxnard Subbasin. A separate "Application for RWPA Transfer" shall be completed and submitted to the Agency for each proposed transfer of RWPA (i.e., each transfer of RWPA between the City and an owner or operator).

B. Up to an additional 3,000 AFY of RWPA (3,001-6,000 AF) may be extracted from the Oxnard Subbasin subject to the following conditions:

i. RWPA subject to this Section 5.B may be extracted only by the City at its Rice Avenue facilities and/or UWCD from its O-H facilities.

ii. RWPA subject to this Section 5.B shall not be transferred.

iii. Except as authorized under Section 5.A, no RWPA shall be extracted in the current Water Year if the Agency determines that the immediately preceding three Water Years have been "below normal," "dry," and/or "critical," as those terms are defined in the GSP for the Oxnard Subbasin and reported GSP Annual Reports published by the Agency.

C. No RWPA shall be extracted by or transferred to owners or operators (including the City and UWCD) that are not in compliance with all applicable well registration and reporting ordinances and requirements of the Agency or have not paid all fees, charges, penalties, and interest due and payable to the Agency.

## 6. Monitoring, Reporting, and Documentation Requirements

A. Each year, by December 1, the City will report to the Agency the quantity of recycled water delivered to each owner and operator in the Saline Intrusion Management Area, the Oxnard Pumping Depression Management Area, and/or the

Pleasant Valley Pumping Depression Management Area of the Basins in the previous Water Year.

B. Each year, by December 1, each owner and operator in the Saline Intrusion Management Area, the Oxnard Pumping Depression Management Area, and/or the Pleasant Valley Pumping Depression Management Area of the Basins to which the City delivers recycled water will report to the Agency the quantity of recycled water delivered by the City to each of them in the previous Water Year.

C. The City's delivery of recycled water, and operators' reduction in groundwater extraction, shall be documented and reported on forms prepared by the Agency. All forms shall be signed by an authorized representative of the City and each operator under penalty of perjury.

D. The City shall report its extraction and/or transfer of RWPA to the Agency on semi-annual extraction reports as otherwise required under applicable Agency ordinances. The City's extraction of RWPA during any given Water Year shall not be counted against its Extraction Allocation for that Water Year.

E. Each owner and operator that extracted transferred RWPA shall report its extraction and use of RWPA to the Agency on semi-annual extraction reports as otherwise required under applicable Agency ordinances. An owner and operator's extraction of RWPA during any given Water Year shall not be counted against its Extraction Allocation for that Water Year.

F. Each year, UWCD will prepare and submit to the Agency a draft annual monitoring report of Oxnard Forebay conditions for the preceding Water Year by February 1, and a final annual monitoring report of Oxnard Forebay conditions for the preceding Water Year by April 1. The monitoring report shall include groundwater elevations, water quality monitoring, especially nitrate concentrations, and any other data that the Agency's executive officer requests that UWCD regularly monitors.

G. This Resolution and the accrual, extraction, and transfer of RWPA shall be reviewed and updated as appropriate every five (5) years in coordination with and on the same schedule as the Agency's regular GSP evaluation and update. Changes, if any, to the accrual, extraction and transfer of RWPA will be prospective. Extraction and transfer of RWPA accrued prior to the effective date of any update to this Resolution will not be altered. Any update to this Resolution shall be based on an updated technical report, using UWCD's then-current numerical groundwater flow model for the Oxnard Subbasin and Pleasant Valley Basin, that, at a minimum, examines and identifies potential impacts of continued RWPA extraction and transfer against then-current conditions and forecasts of groundwater conditions and seawater intrusion in the UAS and LAS of the Basins.

7. California Environmental Quality Act.

A. Later Activities of GREAT Program.

i. CEQA Guidelines provide that if an agency finds, pursuant to CEQA Guidelines section 15162, that no subsequent EIR would be required, then the agency can approve the activity as being within the scope of the project covered

by a program EIR, and no new environmental document would be required. (CEQA Guidelines, § 15168(c)(2).)

ii. The Agency's Board of Directors finds that the City's modified In-Lieu Program does not require preparation of a subsequent environmental impact report under CEQA Guidelines section 15162, and therefore the Agency may approve the modified In-Lieu Program as an activity with the scope of the original In-Lieu Program covered by the GREAT Program EIR, for the following reasons:

1. The City's proposed modifications to the In-Lieu Program do not require major revisions to the 2003 GREAT Program PEIR (which analyzed the original In-Lieu Program) or the 2013 RWIA Plan (which analyzed the City's first modification to the In-Lieu Program) that involve new significant environmental effects or a substantial increase in the severity of previously identified significant effects. (CEQA Guidelines, § 15168(a)(1).)

2. The geographic and climatic conditions under which the City's proposed modifications to the In-Lieu Program would be undertaken do not require major revisions of 2003 GREAT Program PEIR to account for new significant environmental effects or a substantial increase in the severity of previously identified significant effects. (CEQA Guidelines, § 15168(a)(2).)

3. The RWPA Impact Analysis shows that the City's proposed modification to the In-Lieu Program (i) will not result in one or more significant effects not discussed in the 2003 GREAT Program PEIR; (ii) will not substantially increase the severity of any significant effect shown in the 2003 GREAT Program PEIR; and (iii) does not include a feasible mitigation measure or alternative that the City have declined to accept or adopt. (CEQA Guidelines, § 15168(a)(3)(A)-(D).)

B. Exemption for Natural Resources Maintenance, Restoration, and Enhancement.

i. CEQA Guidelines categorically exempt projects and actions taken by regulatory agencies as authorized by state law or local ordinance to assure the maintenance, restoration, or enhancement of a natural resource where the regulatory process involves procedures for protection of the environment. (CEQA Guidelines, § 15307.)

ii. Under authority granted to it by the Act and SGMA, the Agency adopts this Resolution for the maintenance, restoration, and enhancement of the Basins, including specifically to implement a conjunctive use program that uses recycled water to offset and protect the Basins' groundwater resources and reduce the local and regional impacts of seawater intrusion.

iii. This Resolution includes provisions that will protect the groundwater supplies and groundwater quality of the Basins, including provisions requiring verification of in-lieu use prior to RWPA extraction; conditions on the

amount of RWPA that may be extracted, the location of RWPA extraction and transfers, and the water year types RWPA can be extracted and transferred.

iv. Based on the foregoing, the Agency's Board of Directors finds that the approval of this Resolution is categorically exempt from CEQA as a regulatory action to assure the maintenance, restoration, or enhancement of the Basins, where the Agency's regulatory authority hereunder includes procedures for protection of the Basins. (CEQA Guidelines, § 15307.) The Agency's executive officer shall prepare and file a notice of exemption for the adoption of this Resolution.

8. Miscellaneous.

A. The Agency retains the authority to rescind this Resolution if any lawsuit or administrative action is filed that challenges the adoption of this Resolution or any of its provisions.

B. All decisions by the Agency's executive officer under this Resolution may be reviewed by the Agency's Board of Directors if an appeal is filed with the Agency within 30 days of the date of the decision by the Agency's executive officer.

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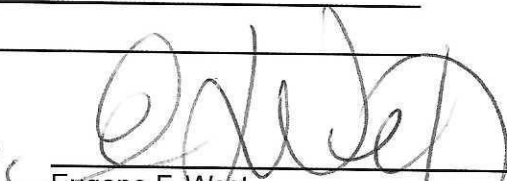
Upon motion of Director Maulhardt, seconded by Director Perello, and duly carried, the Fox Canyon Groundwater Management Agency Board of Directors hereby approves and adopts this Resolution on the 25<sup>th</sup> day of October 2023 by the following vote:

AYES: 5

NOES: 0

ABSTENTIONS: 0

ABSENT: 0

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

ATTEST:  
Clerk of the Board of Directors

By: Kesly Royas