

Resolution 2006-04
of the
Fox Canyon Groundwater Management Agency

**A RESOLUTION DEFINING THE CLASS OF EXTRAORDINARY GROUNDWATER
EXTRACTION ENFORCEMENT MANAGEMENT EXPENSES ELIGIBLE FOR
GEMES FUNDING**

WHEREAS, pursuant to the authority of the Fox Canyon Groundwater Management Agency Act Sections 121-102, *et seq.*, the Fox Canyon Groundwater Management Agency (the Agency) has been granted certain powers for the purposes of groundwater management within its boundary; and

WHEREAS, the Fox Canyon Groundwater Management Agency Act, Sections 1001-1007, as amended, grant the Agency's Board of Directors the authority to levy groundwater extraction charges up to six dollars (\$6.00) per acre-foot pumped per year on all water extracted within the Agency's boundary; and

WHEREAS, Section 2.4.1 of Agency Ordinance No. 8.1, adopted by the Board of Directors on July 27, 2005, states that, "...all persons operating groundwater extraction facilities shall pay a groundwater extraction charge for all groundwater extracted after July 1, 1993, in the amount established by Resolution of the Board;" and

WHEREAS, the Agency's current groundwater extraction charge was set at \$4.00 per acre-foot upon the adoption of Resolution No. 2005-06 by the Board of Directors during the June 22, 2005 meeting; and

WHEREAS, the Agency has deemed the proactive and effective enforcement of its adopted groundwater management plans and ordinances absolutely necessary in order to help bring the groundwater basins managed by the Agency into "safe-yield balance," by the year 2010; and

WHEREAS, during the last few years, the Agency has documented an increasing number of reported instances wherein groundwater extracted from wells located within the Agency's boundary was and/or continues to be exported outside of the Agency's boundary, in contravention of the Agency's groundwater extraction management ordinances, resolutions, policies, plans and programs; and

WHEREAS, the Agency has also become aware of instances wherein groundwater extractors within the Agency's boundary have also failed to register extraction facilities or, install water flow measuring devices, exceeded extraction allocations, increased the use of groundwater in the Expansion Area; and/or installed new and/or replacement extraction facilities in the East and/or West Las Posas groundwater basins; and

WHEREAS, as a result of the above referenced documented reported instances of actions by groundwater extractors within the Agency's boundary, the Agency has incurred increased costs required to administer and enforce its groundwater extraction management ordinances, resolutions, policies, plans and programs; and

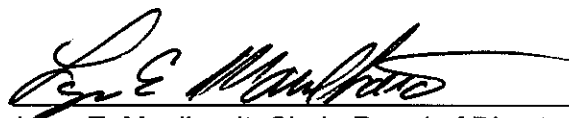
WHEREAS during the April 26, 2006 regular meeting, the Board adopted Resolution 2006-02, A Resolution Establishing a Groundwater Extraction Management Enforcement Surcharge (GEMES) of \$2.00 per Acre-Foot Effective July 1, 2006, based, in part, on the above referenced increased groundwater extraction enforcement management costs being experienced by the Agency; and

WHEREAS subsequent to that action, the Board now desires to provide the Agency with clear, proactive, and dispositive budgetary and fiscal policy direction defining the class of extraordinary groundwater extraction management enforcement expenses eligible for GEMES funding, and further delegates responsibility to the Executive Officer to administer this resolution.

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED, that pursuant to the statutory authority granted the Board of Directors by the Fox Canyon Groundwater Management Agency Act Sections 1001-1007, and Section 2.4.1 of Agency Ordinance No. 8.1, the Agency's Executive Officer shall administer revenues derived from the GEMES in the following manner:

1. Any and all revenues derived from the Agency's \$2.00 per acre-foot GEMES shall, upon receipt by the Agency, be deposited into the County Treasury, credited to the Agency's Fund (#7305), Budget Org. Unit (#6650), and tracked by specific revenue and expense line item accounts.
2. GEMES revenues shall be utilized to fund groundwater extraction management enforcement costs incurred by the Agency required to resolve an increasing number of reported instances wherein groundwater extracted from wells within the boundaries of the Agency is being exported outside of the Agency's boundary, in contravention of the Agency's groundwater extraction management ordinances, resolutions, policies, plans and programs.
3. The class of Agency expenditures that may be eligible for GEMES funding, provided that the Executive Officer determines that such expenditures are over and above normal Agency operating costs, includes, but is not limited to:
 - a. Agency staff time directly attributable to the enforcement activity.
 - b. Specialized engineering and technical studies and surveys required in support of the enforcement activity.
 - c. Legal fees (both Agency Counsel and possibly outside specialized counsel costs) required to in support of the enforcement activity.
 - d. Enforcement activity costs, including litigation.
4. Consistent with the spirit and letter of this Resolution, the Executive Officer is delegated the responsibility to determine the eligibility of potential costs identified in Item No. 3 above for GEMES funding, subject to quarterly Board review.
5. The Executive Officer is directed to take the budgeting and cost-accounting steps required to account, monitor and track GEMES revenue and expenditure performance separately. And, further the Executive Officer shall provide the Board of Directors with quarterly reports documenting both the actual GEMES revenue realized by the Agency, as well as the amount of extraordinary groundwater extraction management enforcement expenses he has determined should be eligible for GEMES funding, for Board information and review.

On motion of Director Flynn, and seconded by Director Fox, the foregoing Resolution was passed and adopted unanimously on this 26th day of July, 2006.



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 2006-04.

by: 
Tammy Butterworth, Deputy Clerk of the Board