

ORDINANCE NO. 5.4

AN ORDINANCE TO REDUCE GROUNDWATER EXTRACTIONS

The Board of Directors of the Fox Canyon Groundwater Management Agency, State of California, hereby repeals Ordinance No. 5.3 and ordains as follows:

ARTICLE 1. General

Section 1. Title

This ordinance shall be known as the "Groundwater Extraction Limitation and Control Ordinance" of the Fox Canyon Groundwater Management Agency.

Section 2. Purpose and Intent

The purpose and intent of this ordinance is to eliminate overdraft from the aquifer systems within the boundaries of the Agency and bring the groundwater basins to safe yield by the year 2010. This ordinance is only one means by which this goal will be met. It is not the intent or purpose of this ordinance to determine or allocate water right entitlements, including those which may be asserted pursuant to California Water Code sections 1005.1, 1005.2 or 1005.4.

Section 3. Periodic Review Procedure

The Board will periodically review the effectiveness of this ordinance toward meeting its purpose and intent. This review shall occur at least once every five years. If necessary, this ordinance will be amended by the Board to insure that the goals of the Agency are met.

Section 4. Definitions

As used in this ordinance, the following terms shall have the meanings stated below:

- A- **"Agency"** means the Fox Canyon Groundwater Management Agency.
- B. **"Agency Coordinator"** means the individual appointed by the Board to administer Agency functions.
- C. **"Agricultural extraction facility"** means a facility whose groundwater is used on lands in the production of plant crops or livestock for market, and uses incidental thereto.
- D. **"Annual"** means the calendar year January 1 through December 31.
- E. **"Aquifer"** means a geologic formation or structure that transmits water in sufficient quantities to supply Pumping wells or springs. A confined aquifer is an aquifer with an overlying less permeable or impermeable layer.
- F. **"Board"** means the Board of Directors of the Fox Canyon Groundwater Management Agency.

- G. **"Developed Acreage"** means that portion of a parcel within the boundaries of the Agency that is receiving water for reasonable and beneficial agricultural, domestic or municipal and industrial (M & I) use.
- H. **"Excess extraction"** means those extractions in excess of an operator's extraction allocation or adjusted extraction allocation.
- I. **"Extraction"** means the act of obtaining groundwater by pumping or other controlled means.
- J. **"Extraction allocation"** means the amount of groundwater that may be extracted from an extraction facility for a given calendar year, before a surcharge is imposed.
- K. **"Extraction facility"** means any device or method (e.g., water well) for extraction of groundwater within a groundwater basin or aquifer.
- L. **"Foreign Water"** means water imported to Ventura County through the State Water Project facilities or other water as approved by the Board,
- M. **"Groundwater"** means water beneath the surface of the earth within the zone below the water table in which the soil is completely saturated with water.
- N. **"Groundwater basin"** means a geologically and hydrologically defined area containing one or more aquifers which store and transmit water yielding significant quantities of water to extraction facilities.
- O. **"Historical extraction"** means the average annual groundwater extraction based on the five (5) calendar years of reported extractions from 1985 through 1989 within the boundaries of the Agency. This average will be expressed in acre feet per year.
- P. **"Injection/storage facility"** means any device or method for injection/storage of water into a groundwater basin or aquifer within the boundaries of the Agency.
- Q. **"Municipal and Industrial (M & I) Provider"** means a municipality, waterworks district, water company, mutual water company or person which provides water for domestic, industrial, commercial, irrigation or fire protection purposes within the boundaries of the Agency.
- R. **"Municipal and Industrial (M & I) Operator"** An owner or operator that supplied groundwater for M & I use during the historical allocation period and did not supply water for agricultural irrigation during the historical period."
- S. **"Municipal and Industrial (M & I) user"** means a person or other entity that used or uses water for any purpose other than agricultural irrigation.
- T. **"Operator"** means a person who either owns or operates a groundwater extraction facility with the written approval of the owner. In the event the Agency is unable to determine who operates a particular extraction facility, then "operator" shall mean the person to whom the extraction facility is assessed by the County Assessor, or, if not separately assessed, the person who owns the extraction facility or the land upon which it is located.
- U. **"Overdraft"** means the condition of a groundwater basin where the average annual amount of water extracted exceeds the average annual supply of water to a basin or aquifer.

- V. **"Person"** includes any state or local governmental agency, private corporation, firm, Partnership, individual, group of individuals, or, to the extent authorized by law, any federal agency.
- W. **"Recharge"** means natural or artificial replenishment of groundwater storage by percolation or injection of one or more sources of water at the surface.
- X. **"Safe Yield"** means the condition of groundwater basin when the total average annual groundwater extractions are equal to or less than total average annual groundwater recharge, either naturally or artificially.

ARTICLE 2. Extraction Allocations

Section 1 - General

The Agency Coordinator shall establish an operator's extraction allocation for each extraction facility located within the boundaries of the Agency. The extraction allocation shall be the historical extraction as reported to the United Water Conservation District and/or to the Agency pursuant to Agency Ordinances No. 1.1 or as otherwise provided for in Article 6 of this ordinance. Extraction allocations shall be prorated in instances where they apply to less than a full calendar year.

Notwithstanding any provision in this ordinance, the annual allocation shall be an allocation based on 60 percent irrigation efficiency of the current crop or the historical allocation, whichever is less. The irrigation efficiency for the operator's crop shall be determined using the formula described in Paragraph B of Article 6. This 60 percent irrigation efficiency is totally unrelated to the 80 percent efficiency described in Article 6, Paragraph B, "Annual Efficiency Extraction Allocation".

Where an operator operates more than one extraction facility, the extraction allocations for the individual facilities may be combined.

Section 2. Necessity for Extraction Allocations

No extraction facility may be operated or otherwise utilized so as to extract groundwater within the boundaries of the Agency without a valid extraction allocation issued by the Agency.

Section 3. Compliance

An operator shall comply with all provisions of this ordinance and all other Agency ordinances prior to receiving an extraction allocation

Section 4. Violation

Any operator or other person who violates the provisions of this Article is subject to the criminal and civil sanctions set forth in the Agency's enabling act and its ordinances.

ARTICLE 3. Adjustments to Extraction Allocations

Section 1. Purpose

Adjustments to extraction allocations may be necessary to provide some flexibility, while still maintaining the goal of reaching a safe yield condition by the year 2010. Adjustments may be accomplished by a transfer or an assignment of historical extraction allocations from one operator to another.

Section 2. Types of Adjustments

- A. Municipal and Industrial (M & I) Transfer Adjustments** - The extraction allocation of an agricultural extraction facility shall be transferred to an M & I provider at the time the M & I provider serves the property originally served by the agricultural extraction facility. However, in no case shall the transfer exceed two (2) acre-feet per acre per year or the historical extraction, whichever is less. Two (2) acre-feet per acre per year represents a reasonable use of water for M & I purposes.
- B. Assigned Extraction Allocation Adjustments** - Operator A may assign an extraction allocation to Operator B as long as Operator B provides water to Operator A equal in amount to the full assigned extraction allocation. In order to prevent the creation of a secondary market in extraction allocations, upon the change of ownership of either property, the assigned extraction allocations revert to Operator A. The assigned extraction allocations may subsequently be re-assigned by the new owner.
- C.** The Board may adjust the historical allocation of an M & I operator when that operator has supplied groundwater for M & I use during the historical allocation period and discontinues service to that M & I user for any reason. This adjustment may be made by transferring the supplied portion of the historical allocation from the M & I operator to the M & I user. This adjustment will avoid increased pumping due to windfall allocations that would otherwise result to the M & I operator from such discontinued service. To avoid retroactive inequities, where an M & I operator has discontinued service to an M & I user prior to September 1, 1994, the amount of the supplied portion of the historical allocation will be allocated to both the M & I operator and the M & I user.
- D.** Upon request the Board may transfer allocations provided there is a net benefit to the aquifers within the GMA. The transfer of allocations will be of indefinite duration, approved on a "case-by-case" basis, and the GMA Coordinator shall determine the point or points of extraction. Requests for the transfer of allocations shall be submitted jointly by the parties involved and shall include the specific details of their proposal. To insure that there is a net benefit to the aquifer systems, transfers of allocations shall be subject to other conditions and approved by the Board such as reporting requirements and frequency of reports.

Section 3. Procedures for Adjustments

Procedures for adjusting extraction allocations will be accomplished using the following procedure:

- a.** It shall be necessary for the operator of the extraction facility to file a verified Application for Adjustment with the Agency Coordinator.

- b. The Application for Adjustment shall be filed no later than July 1 of any calendar year.
- c. The Agency Coordinator shall review the Application for Adjustment and report his findings and recommendations to the Board by October 1 of the same year.
- d. Adjustments of extraction allocations, pursuant to the Applications for Adjustment, shall be considered for approval by the Board after reviewing the findings and recommendations of the Agency Coordinator and, if approved, shall be effective for the remainder of the calendar year and for all subsequent calendar years until modified by a subsequent Board approved adjustment.

ARTICLE 4. Reduction of Extraction Allocations

Unless otherwise exempted, extraction allocations, adjusted or otherwise, shall be reduced in order to eliminate overdraft from the aquifer systems within the boundaries of the Agency for agricultural and M & I uses. The reductions shall be as set forth below:

1992 - 1994 extraction allocation = 95% of historical extraction, as adjusted.
 1995 - 1999 extraction allocation = 90% of historical extraction, as adjusted.
 2000 - 2004 extraction allocation = 85% of historical extraction, as adjusted.
 2005 - 2009 extraction allocation = 80% of historical extraction, as adjusted.
 After 2009 extraction allocation = 75% of historical extraction, as adjusted.

ARTICLE 5. Exemptions from Reductions

Certain types of extraction allocations are exempt from the reductions set forth in Article 4. They are set forth below:

- A. **Baseline Extraction Allocations** - as set forth in Article 6.
- B. **Annual Efficiency Extraction Allocations** - as set forth in Article 6.

ARTICLE 6. Alternative Extraction Allocations

As an alternative to historical extractions, the Agency Coordinator may establish a Baseline, Conditional Baseline or Annual Efficiency extraction allocation for an operator, as follows:

- A. **Baseline Extraction Allocations** - If no historical extraction exists or it has been one (1) acre-foot per acre per year or less, an operator may request that a Baseline extraction allocation be established by the Agency Coordinator at one (1) acre-foot per acre per year for developed acreage that relies solely on groundwater. A Baseline extraction allocation may also be established by the Agency Coordinator at one (1) acre-foot per acre per year for lands which are developed after the effective date of this ordinance, regardless of the source of water.

A Conditional Baseline Extraction Allocation of one (1) acre-foot per acre per year may be established for undeveloped acreage if the operator can demonstrate to the satisfaction of the Agency Coordinator that a specified acreage will be developed within the calendar year in which the Conditional Baseline extraction allocation is being requested.

To get a Baseline or Conditional Baseline extraction allocation, an operator must submit a detailed report to the Agency Coordinator. The report shall describe historical extractions, if any, future water requirements, type and amount of water use, crop type and acreage involved. The report shall include copies of Assessor's maps identifying the parcels where groundwater is presently being used. For the purpose of this ordinance, one (1) acre-foot per acre per year represents a reasonable use of water for a Baseline or Conditional Baseline extraction allocation.

- B. **Annual Efficiency Extraction Allocation** - If an operator can demonstrate to the Agency Coordinator that water used for agriculturally developed land is at least 80 percent overall irrigation efficient, based on evapotranspiration requirements, an Annual Efficiency extraction allocation shall be established for one calendar year. An 80 percent overall irrigation efficiency has been determined by the Agency to be reasonable on agricultural lands within the, Agency's boundaries.

To prove that irrigation efficiency is at least 80 percent, the operator must submit a detailed report covering a minimum period of the immediately preceding calendar year. This report shall be submitted to the Agency Coordinator no later than March 31st of the following year. The report shall include a complete crop and irrigation history for the extraction facility and acreage involved. The report shall include the reference evapotranspiration (E.T.o) rates and crop factors (Kc) for the calendar year period similar to that provided by the California Irrigation Management Information System (CIMIS) as developed and modified by the California Department of Water Resources. The report will include a summary sheet that compares the water use to the evapotranspiration requirements for each crop and the corresponding acreage covered in the calendar year.

The irrigation efficiency will include an appropriate amount of water necessary to avoid salt build-up based on the quality of irrigation water used.

Irrigation Efficiency (I.E.) will be calculated using the formula:

$$I.E. = \frac{[E.T.o. \times kc] - E.R.}{\text{Actual Water Applied (inches)}} \times 100$$

Where:

E.T.o. is the reference evapotranspiration measured in inches using turf grass as a standard.

Kc is a crop factor which is a dimensionless number that relates water use by a given plant in comparison to turf grass.

E.R. is the effective rainfall measured in inches as determined by the Agency Coordinator.

- C. **Exceptions** - The Board may grant exceptions to sub-paragraphs A and B of Article 6 on a case-by-case basis. However, individual exceptions shall not become the norm, Where agricultural efficiency cannot be measured as set forth in Paragraph B of Article 6, then the most efficient practices of record for the type of agricultural use shall be the measurement of efficiency utilized by the Board in its deliberations.

ARTICLE 7. Credits

Credits can be obtained by operators, but are not considered as extraction allocations or adjustments to extraction allocations. Credits are not subject to any reductions as set forth in Article 4. However, at the operator's option, credits can be saved or used to avoid paying extraction surcharges. Credits shall be accounted for through the normal reporting and accounting procedure and are carried forward from year to year credits can be transferred, but only between commonly operated extraction facilities with the approval of the GMA Coordinator. Upon request the Board may transfer credits provided there is a net benefit to the aquifers within the GMA. The transfer of credits will be of indefinite duration, approved on a "case-by-case" basis, and the GMA Coordinator shall determine the point or points of extraction. Requests for the transfer of Credits shall be submitted jointly by the parties involved and shall include the specific details of their proposal. To insure that there is a benefit to the aquifer systems, transfers of credits shall be subject to other conditions as approved by the Board such as reporting requirements and frequency of reports. The types of credits are:

- A. **Conservation credits** - An operator can obtain conservation credits by extracting less groundwater than the extraction allocation. No conservation credits will be given to an operator with an Annual Efficiency, Baseline or a Conditional Baseline extraction allocation. Requests for approval of new Conservation Credits shall be delivered to the Agency Coordinator or postmarked no later than the first working day after July 1st of each year for those credits earned during the previous calendar year. Applications for conservation credits that have not already been applied for and that may have been earned in 1991 or 1992 must be delivered to the Agency Coordinator of postmarked no later than July 1, 1994. Applications for Conservation credits must be on the Agency Form. Requests for credits that do not meet these required dates will not be considered.
- B. **Storage credits** - An operator can obtain storage credits for foreign water injected or spread and percolated in a Board approved injection/storage facility.

The Agency Coordinator will determine the amount of storage credits based upon documentation of expected losses, provided by the operator seeking the storage credit.

A written application for approval of an injection/storage facility shall include:

1. Operator of proposed project;
2. Purpose of proposed project;
3. Location, depth, casing diameter, perforated interval and other information regarding proposed injection/extraction facilities, if applicable;
4. Method of operation including source, quantity and quality of water, planned scheduling of injection/extraction or percolation operations and proposed use of extracted water;
5. Any other information deemed necessary by the Agency Coordinator.

Following Board approval of the application, successful injection of water and reporting of results, an operator will obtain credit as determined by the Agency Coordinator.

ARTICLE 8. Extraction Surcharges and Late Penalty

Section 1. Extraction Surcharges

Extraction surcharges shall be assessed annually each time an operator exceeds their extraction allocation, as adjusted, as shown in the following table:

Extractions Exceed Extraction Allocation as Adjusted by:	Extraction Surcharges Shown in Dollars per Acre-Foot for Excess Extractions at each Corresponding Range.
0 - 5%	\$ 50.
5 - 10%	\$100.
10 -15%	\$150.
OVER 15%	\$200.

NOTE 1: Where there is no valid extraction allocation issued by the Agency Coordinator, the extraction surcharge shall be \$200 per acre foot for all water extracted.

NOTE 2: The extraction allocation for efficiency is the amount of water used at 80% efficiency. Extraction surcharges, if any, will be applied to the difference between the actual efficiency achieved and the water used at 80% efficiency. Consequently, an actual efficiency of seventy percent (70%) would pay extraction surcharges on the difference between the amount of water used at 70% efficiency and the amount of water that would have been used at 80% efficiency. If an efficiency of less than 60% is achieved, no efficiency allocation will be available, and the user will revert to a historical, baseline or to no allocation. Extraction surcharges would then apply to the difference between actual water used and the applicable allocation, if any. An actual efficiency of fifty-nine percent (59%), with no historical or baseline allocation, would pay surcharges on all water used.

Section 2. Payment of Extraction Surcharges

Payment of any extraction surcharges shall become due and payable by the operator on or before March 31st of the second year following the excess extraction. Payments may be made either in cash or by a reduction in extraction (below the operator's extraction allocation, as adjusted) for the year immediately following the year for which the extraction surcharge is assessed.

Section 3. Late Penalty

The operator shall pay a late penalty for any extraction surcharge not satisfied by the due and payable date. The late penalty shall be 1 1/2 percent per month, or any portion thereof, of the amount of the unsatisfied extraction surcharge.

Section 4. Collection of Delinquent Extraction Surcharges and Late Penalties

The Board may order that any given extraction surcharge and/or late penalty shall be a personal obligation of the operator or shall be an assessment against the property on which the extraction facility is located.

Such assessment constitutes a lien upon the property, which lien attaches upon recordation in the office of the County Recorder. The assessment may be collected at the same time and in the same manner as ordinary ad valorem taxes are collected, and shall be subject to the same penalties and the same procedure and sale in case of delinquency as provided for such taxes. All laws applicable to the levy, collection and enforcement of ad valorem taxes shall be applicable to such assessment, except that if any real property to which such lien would attach has been transferred or conveyed to a bona fide purchaser for value, or if a of a bona fide encumbrancer for value has been created and attaches thereon, prior to the date on which the first installment of such taxes would become delinquent, then the which would otherwise be imposed by this section shall not attach to such real property and an assessment relating to such property shall be transferred to the unsecured roll for collection.

Section 5. Use of Extraction Surcharges and Late Penalties

Revenues generated from extraction surcharges and late penalties shall be used exclusively for authorized Agency purposes, including financial assistance to support Board approved water supply, conservation, monitoring programs and water reclamation projects that demonstrate significant reductions in overdraft.

ARTICLE 9. Appeals

Any operator aggrieved by a decision or determination made by the Agency Coordinator may appeal to the Board within thirty (30) calendar days thereof by filing with the Agency Coordinator a written request that the Board review the decision of the Agency Coordinator. The Board shall act on the appeal within 120 days after the filing.

ARTICLE 10. Severability

If any section, part, clause or phrase in this ordinance is for any reason held invalid or unconstitutional, the remaining portion of this ordinance shall not be affected but shall remain in full force and effect.

ARTICLE 11. Penalties

Any operator or person who intentionally violates any provision of this ordinance shall be guilty of an infraction and may be required to pay a fine to the Agency of not to exceed five hundred dollars (\$500).

Any operator or person who negligently or intentionally violates any provision of this ordinance may also be liable civilly to the Agency for a sum not to exceed one thousand dollars (\$1 000) per day for each day of such violation, in addition to any other penalties that may be prescribed by law.

