

**DRAFT**  
**Memorandum of Understanding**  
**Defining Colusa Subbasin Groundwater Sustainability Interests**  
**Version 2 – December 2, 2016**

This Memorandum of Understanding (MOU) is made and entered into by and among the (names of parties) which are referred to herein individually as a “Party” and collectively as “Parties,” for the purposes of potentially forming a joint powers agency to serve as the Groundwater Sustainability Agency in the Glenn County portion of the Colusa Subbasin in support of Senate Bills 1168, 1319 and 13, and Assembly Bill 1739, known collectively as the Sustainable Groundwater Management Act (the Act). This MOU shall hereinafter be known as the Glenn County Groundwater Sustainability Agency MOU.

**Recitals**

WHEREAS, on September 16, 2014 Governor Jerry Brown signed the Act into law; and

WHEREAS, the Act went into effect on January 1, 2015; and

WHEREAS, the Act was amended on January 1, 2016; and

WHEREAS, the Act seeks to provide sustainable management of groundwater basins, enhance local management of groundwater, establish minimum standards for sustainable groundwater management, and provide local groundwater agencies with the authority and the technical and financial assistance necessary to sustainably manage groundwater; and

WHEREAS, section 10720.7 of the Act requires all basins designated as high-or-medium priority basins designated in Bulletin 118 be managed under a Groundwater Sustainability Plan or coordinated Groundwater Sustainability Plans pursuant to the Act; and

WHEREAS, the Colusa Subbasin within the Sacramento Valley Basin is a Bulletin 118 designated medium priority basin; and

WHEREAS, a local public agency is defined in Section 10721 of the Act as a having water supply, water management, or land use responsibilities within a groundwater basin; and

WHEREAS any local public agency is an eligible Groundwater Sustainability Agency; and

WHEREAS, each of the Parties to this MOU is a local public agency within or partially within the jurisdictional footprint of the County of Glenn; and

WHEREAS, groundwater extractors in the County portion of the Colusa Subbasin also include private individuals and corporations unaffiliated with local public agencies within the County; and

WHEREAS, groundwater extractors in the County portion of the Colusa Subbasin also include Tribes and other Federal agencies; and

WHEREAS, the parties acting through this MOU intend to maintain an open line of communication and to work cooperatively with local Tribes and other Federal agencies during SGMA planning and implementation: and

WHEREAS, the Parties, acting through this MOU intend to work cooperatively with other Groundwater Sustainability Agencies operating in the Colusa Subbasin to manage the subbasin in a sustainable manner pursuant to the requirements set forth in the Act; and

WHEREAS, any parties that have noticed themselves as independent Groundwater Sustainability Agencies plan to withdraw said notices and will agree to be part of a multi-agency Groundwater Sustainability Agency and eliminate all jurisdictional overlaps by June 30, 2017 (as per section 10723.8(c) of the Act),

NOW, THEREFORE, in consideration of the promises, terms, conditions, and covenants contained herein, the Parties hereby agree as follows.

### **Section 1. Definitions**

As used in this MOU, unless context requires otherwise, the meanings of the terms set forth below shall be as follows:

1. "Act" refers to the Sustainable Groundwater Management Act.
2. "Agency" means the Glenn County Groundwater Sustainability Agency.
3. "Beneficial Use and Users" is defined in Section 10723.2 of the Act as holders of overlying groundwater rights, including: Agricultural users, Domestic well owners, Municipal well operators, Public water systems, Local land use planning agencies, Environmental users of groundwater, Surface water users, if there is a hydrologic connection between surface and groundwater bodies, the federal government, including, but not limited to, the military and managers of federal lands, California Native American tribes, Disadvantaged communities, including, but not limited to, those served by private domestic wells or small community water systems, Entities listed in Section 10927 of the Act that are monitoring and reporting groundwater elevations in all or a part of a groundwater basin managed by the groundwater sustainability agency.
4. "Committee" shall mean any committee established pursuant to this MOU
5. "County" shall mean the County of Glenn in its role as a local public agency (as defined in the Act) and as a governing jurisdiction.
6. "Effective Date" means the date on which the last Party executes this MOU.
7. "Fiscal Year" means July 1 through June 30.
8. "Governing Board" means the governing body of the Agency.
9. "Member's Governing Body" means the Board of Directors or other voting body that controls the individual local public agencies that are signatory to this MOU.
10. "Party" and "Parties" shall mean all organizations, individual and collective that are signatories to this MOU.
11. "Plan" refers to one or more Groundwater Sustainability Plans
12. "State" means the State of California
13. "Subbasin" means the Colusa Subbasin as defined in State of California Bulletin 118.

### **Section 2. Purpose**

1. The purpose of this MOU is to define general and specific principles that reflect mutual understanding by the Parties about commitments and requirements associated with implementing the Act and creating a multi-party Agency.
2. This MOU also defines mutually understood tasks and associated potential costs of tasks that may be necessary as the Parties implement the Act through a multi-party Agency. (TBD)

### Section 3. Term

1. This MOU shall become effective upon execution by each of the Parties and shall continue in full force and effect until terminated pursuant to the provisions of a subsequent joint powers agreement (JPA) (as per California Government Code Section 6500).

### Section 4. General Principles of Understanding

1. A partnered approach should be fostered for groundwater management that: supports the Act; achieves sustainable conditions in the Subbasin; reflects mutual respect for each Party's discretion, governmental authority, expertise, knowledge of groundwater conditions, demands and concerns; and ensures a **balanced** representation of beneficial users.
2. Local control of groundwater must be ensured, locally controlled compliance with the Act must be ensured, and State intervention to implement the Act must be avoided.
3. Implementation of the Act may be expensive and all beneficial users will need to contribute to implementation. Failure to implement the Act locally would result in State intervention and even more excessive costs and regulation.
4. A partnered approach to groundwater management and implementation of the Act is in the best interest of beneficial users within the Agency boundaries because it will maximize efficiencies, keep costs at a minimum and capitalize on skills and strengths of various partners provided such partnership also creates and maintains collegial relationships and flexible implementation of the Act.
5. As allowed for in Section 10723.6 (5) of the Act, the Parties support formation of, and participation in, one (1), multi-agency GSA covering the portions of the Subbasin that lies within the County.
6. All beneficial users of groundwater will be required to cooperate with the Agency and abide by the guidelines put forth in the Plan(s) for the County and the Subbasin.
7. Being a Party to this MOU is not a condition to participate in Plan development. All beneficial users have an equal opportunity to participate in Plan development.
8. No Party's land use or other authority is limited by this MOU.
9. Sustainable groundwater conditions must support, preserve, and enhance the economic viability and social well-being of all beneficial uses and users.

**Comment [dmc1]:** To be determined

10. Increased extractions threaten the groundwater resources of well owners with smaller, shallow wells and such impacts must be avoided and/or mitigated.
12. Aquifers within the basin can be threatened by unsustainable management of groundwater resources.
11. The economic and cultural future of agriculture in the County can be threatened by the lack of available groundwater and surface water resources.
12. Threats to the natural resources of the County resulting from impacts to groundwater resources must be avoided.
13. All beneficial users must have an open, transparent, timely opportunity to be engaged with the Agency and provide their input on Plan development and implementation of the Act. Extensive outreach shall be a priority of all Agency Parties to inform and update all beneficial users about SGMA implementation and potential impacts, and to ensure beneficial users are involved in the SGMA process where applicable.
14. Implementation and enforcement of the Plan should take place at the most local level possible and should allow each Party to approve its Plan chapter or section, and to preserve the Party's respective authority to manage the water resources available to their constituents or customers as long as said conditions are consistent with sustainability requirements of the Act and Plan.
15. All overlying landowners in the Colusa Subbasin have a right to share the Subbasin's natural recharge for beneficial use on their overlying land.
16. Act implementation is new for all County beneficial users and there are many unknowns. Willingness by all participants to adapt and adjust during Agency formation and Plan development and implementation is crucial to success.
17. Achieving and maintaining groundwater sustainability for the good of all groundwater users in the County should be the Agency's first priority and main focus, especially in the early stages of Act implementation while all beneficial users work together and strive to alleviate any existing fear and distrust.

### **Section 5. Specific Principles of Understanding**

#### Governance and Implementation of the Act

1. The Agency will represent the common and unique interests of groundwater beneficial users located in the unmanaged areas of the County's portion of the Subbasin as per Section 10724 of the Act
2. The Agency will implement the Act in a manner that optimizes the Act's beneficial opportunities to achieve sustainable groundwater conditions to support our vital agricultural economy, other industry, and domestic and public water uses.
3. The Agency Board will reflect diverse representation of beneficial users and will include all local public agencies willing to serve, mutual water companies as invited by the conveners of the

Agency, and private groundwater pumpers that are unaffiliated with any other organization and as appointed by the County.

4. The Agency will pursue financial and infrastructure solutions and beneficial partnerships with other Parties to provide sustainable water supplies for all constituents.
5. Local public agencies retain discretion to determine whether to be an individual Agency, join in an Agency created by another party that to this MOU, or where a separate JPA is created, to have the JPA serve as the Agency for the local agency's area (and, if desired, to include the member on the JPA's governing board).
6. Governance and implementation must avoid duplicative or conflicting governmental authorities. Each Party will have the right to approve the provisions of the Plan governing Act implementation within its own boundaries and to implement the Act within its boundaries. Subject to those limitations, each Party retains and preserves any police powers or other authority it has to regulate groundwater use within its boundaries so long as its actions are achieving sustainability consistent with the GSP.
7. As parties implement the Act within their respective boundaries, they will coordinate efforts with any adjacent white areas.

#### Sustainability

1. Data collection and groundwater studies are essential to increase knowledge and to support groundwater management decisions. Funding and implementing such studies is a priority and a shared responsibility among all Agency Parties and Subbasin beneficial users.
2. Groundwater impacts throughout the County and Subbasin are not equal. Conditions will vary by location and water year type. While all beneficial users will share the burden to achieve sustainability, solutions will need to reflect these differences.
3. Surface water supplies should be used conjunctively with groundwater. All water users should be encouraged to utilize surface water to its full extent as feasible and groundwater (attributable to leakage of surface water from canals and distribution and drainage systems, and the deep percolation of applied surface water for crop irrigation) should be available for use during dry periods when surface water is not readily available.
4. All Parties recognize the interconnectedness of groundwater and surface water resources, and contributions to the system from surface water applications.
5. All beneficial users, whether using surface water or groundwater in the basin, have an obligation to use water consistent with their respective rights, which may include an obligation to mitigate impacts on waterways, creeks, streams and rivers.
6. Districts act on behalf of and represent all landowners within their service area to ensure collective compliance with the Act. Districts will coordinate with their landowners on the use of the natural recharge of the Subbasin, while respecting groundwater law.

7. Districts recharge the groundwater basin with surface water through leakage from canals and distribution and drainage systems and deep percolation of applied crop water. If cutbacks to surface water supplies occur to the extent that Districts must supplement their supplies with groundwater, Districts reserve the right to manage and use water attributable to such recharge. Studies will quantify availability of such recharge, and provisions will be in place, such as targeted monitoring and mitigation programs.
8. Districts anticipate that groundwater use within their boundaries may be necessary to offset dedication of surface water to environmental requirements in reservoirs, rivers, or the Bay-Delta, which is a shared obligation of all groundwater users.
9. Districts will use surface water and groundwater for in-basin transfers to meet local demands. , following transfers will also occur both in and outside of the groundwater subbasin, with transfer quantities based on avoided consumptive use.
10. Surface water transfers will potentially serve as a tool to settle disputes over environmental obligations or to mitigate impacts during drought periods. Districts and Agency members agree to coordinate and partner on actions that attempt to balance environmental solutions with groundwater sustainability.

#### Agency Financing and Support

1. Provisions are included for Party contributions of capital and operating funds, personnel, services, equipment or property to convening the Agency and Plan development.
2. Recognizing that there will be costs for the development, implementation and administration of the Plan, the Parties must agree on governance that maximizes the potential for State funding, and to allocate the local share of these costs by one or more mutually agreeable and equitable formulas (to be determined)

**Comment [mmf2]:** To be further defined regarding near term studies and actions (e.g. water balance)

#### Future Modifications to this Memorandum

1. Maximum flexibility will be provided to adapt to changes in Agency membership, funding, planning oversight, et cetera, as the parties build their relationships and mutual trust.