

1 **SACRAMENTO CENTRAL GROUNDWATER AUTHORITY**

2
3 **ORDINANCE NO. _____**

4
5 **AN ORDINANCE ESTABLISHING THE**
6 **CENTRAL BASIN WELL PROTECTION PROGRAM**

7
8 The Board of Directors of the Sacramento Central Groundwater Authority ordains as
9 follows:

10
11 **SECTION 1**

12
13 **1. PURPOSE**

14
15 Protection of Sacramento County’s groundwater resource within the Central Basin
16 and the domestic and agricultural wells located within said Basin is of fundamental
17 importance to the Sacramento Central Groundwater Authority (“Authority”).

18
19 The purpose of this Ordinance is to provide the method for reimbursement for the
20 costs of deepening or replacing any existing well that provides water for agricultural
21 or domestic use that may be impacted by future development, within the Central
22 Basin, that is dependent upon groundwater.

23
24 **2. FINDINGS**

25
26 The Board of Directors of the Sacramento Central Groundwater Authority Board
27 finds and determines as follows:

28 a. On February 26, 2002, the first meeting of the Central Sacramento County
29 Groundwater Forum (“Groundwater Forum”) was held including 40
30 stakeholder participants representing agriculture, agriculture/residential
31 users, business, environmental/community organizations, local
32 governments/public agencies and water purveyors.

33 b. In March 2004, the Groundwater Forum completed negotiations on 28
34 agreements-in-principle to guide development of the Central Sacramento
35 County Groundwater Management Plan (“Central Basin GMP”) and
36 provided recommendations on governance. These were presented to the

1 Water Forum Successor Effort and were reviewed and approved by all
2 stakeholder organizations.

- 3 c. In February 2006, the Central Basin GMP was completed and accepted by
4 the Groundwater Forum. The Central Basin GMP provides for the
5 protection of groundwater wells and describes a program to be developed
6 and implemented by the governance body to provide said protection.
- 7 d. On August 29, 2006 the Cities of Folsom, Elk Grove, Rancho Cordova
8 and Sacramento and the County of Sacramento executed a joint powers
9 agreement creating the Authority. One of the identified purposes of the
10 Authority in the joint powers agreement is to oversee the operation of any
11 Well Protection Program that may be prescribed by the Central Basin
12 GMP (Section 3(c)). Section 17(c)(v) of the joint powers agreement
13 grants the Authority the power to levy fees to accomplish the purposes of
14 the Authority.
- 15 e. On November 8, 2006, the Authority adopted the Central Basin GMP.
- 16 f. Development and implementation of the Central Basin Well Protection
17 Program is not intended to change or modify any provisions of the North
18 Vineyard Well Protection Program Agreement, or to relieve any party of
19 their obligations as set forth in that agreement.

20
21 **3. DEFINITIONS**

22
23 As used in this Ordinance, the following terms shall be ascribed the following meanings:

- 24
25 a. **Administrative Costs:** those costs attributed to the cost of operating and
26 maintaining the Central Basin Well Protection Program.
- 27 b. **Agent:** land use agency which has entered into an agreement with the
28 Groundwater Authority to collect the Well Protection Fee.
- 29 c. **Agricultural Well:** well that is primarily used for crop and pasture
30 irrigation.
- 31 d. **Authority:** the Sacramento Central Groundwater Authority (SCGA).
- 32 e. **Board:** the Sacramento Central Groundwater Authority Board of
33 Directors.

- f. **BMO:** Basin Management Objective.
- g. **Central Basin:** refers to the groundwater basin underlying the area within the boundaries of the Authority.
- h. **Central Basin GMP:** the Central Sacramento County Groundwater Management Plan.
- i. **Central Basin JPA:** the Joint Powers Agreement, as it may be modified or amended, between and among the County of Sacramento, City of Sacramento, City of Elk Grove, City of Folsom and City of Rancho Cordova establishing the Sacramento Central Groundwater Authority.
- j. **Eligible Well:** an Agricultural Well or Rural Domestic Well that has been properly registered under the provisions of this Ordinance.
- k. **Equivalent dwelling unit or EDU:** a unit of measure for assigning financial responsibility. One (1) EDU represents a single family residence.
- l. **Qualified Inspector:** a licensed hydrogeologist or licensed well driller.
- m. **Rural Domestic Well:** wells that produce water for domestic and agricultural use in agricultural residential areas.
- n. **Trust Fund:** Fund to operate the Well Protection Program.
- o. **Well Protection Fee:** fee collected to support the Central Basin Well Protection Program.
- p. **Well Protection Program:** Central Basin Well Protection Program.

4. DEPOSIT AND USE OF WELL PROTECTION FEES

a. All Well Protection Fees collected pursuant to this Ordinance shall be placed in the Well Protection Program Trust Fund ("Trust Fund") and shall be expended solely to pay the costs of the Central Basin Well Protection Program ("Well Protection Program").

- b. The Trust Fund is a financial component of the Authority.
- c. Any fund or funds required to be established and maintained herein may be established and maintained in the accounting records either as an account or fund and may, for the purpose of such accounting records, XXX. Any audits thereof and any reports or statements with respect thereto, may be treated either as an account or fund; but all such records

1 with respect to such fund shall be at all times maintained in accordance
2 with sound accounting practice.

- 3 d. In the event of the termination of the Well Protection Program, as
4 described under the Sunset Provisions of this Ordinance, any funds
5 remaining in the Trust Fund shall be transferred, without restriction, to the
6 Authority to fund other activities consistent with the purposes of the
7 Central Basin GMP.

8
9 **5. PAYMENT OF WELL PROTECTION FEES**

- 10
11 a. The Well Protection Fee imposed pursuant to this Ordinance shall be paid
12 by property owners within the Central Basin Well Protection Program
13 Area (see **Appendix B**) to the Authority through their agent in an amount
14 calculated pursuant to **Appendix A, Schedule 1** ("**Schedule 1**") attached
15 hereto and incorporated by reference. The fee shall be both calculated and
16 paid upon the issuance of a building permit for new construction or a well
17 drilling permit for a new well.
- 18 b. Remediation wells that are required by regulatory compliance orders and
19 all monitoring wells are exempt from paying the Well Protection Fee.
- 20 c. Any property within the City of Sacramento that is served exclusively by
21 surface water is exempt from paying the Well Protection Fee.

22
23 **6. CALCULATION OF WELL PROTECTION FEES**

24
25 Beginning March 1, 2007 and thereafter each year no later than March 1, the
26 Executive Director shall determine whether an adjustment of the Well Protection Fees
27 contained in **Schedule 1** is required. **Schedule 1** fees shall be shown until at least
28 February 28, 2008. Beginning March 1, 2007, **Schedule 1** fees may be adjusted by
29 the Executive Director effective March 1 of each year as follows:

- 30
31 a. That year's January 1 construction cost index for 20 cities and that year's
32 January 1 construction cost index for San Francisco shall be determined
33 by resort to the appropriate January issue of the Engineering News Record

1 magazine. The average of these two indexes shall be calculated and if it
2 equals 8490.1, **Schedule 1** shall not be adjusted.

- 3 b. If the average of the two indexes does not equal 8490.1, then an
4 adjustment factor shall be calculated by dividing the average of the two
5 indexes by 8490.1. This adjustment factor shall then be multiplied by
6 each fee rate set forth in **Schedule 1** that was in effect on the date of the
7 adoption of this Ordinance. The result shall constitute the adjusted
8 **Schedule 1**.

9
10 The Authority can adjust the amount of the Well Protection Fee by conducting a
11 nexus study, including an impacts analysis, if it is believed to be warranted from
12 actuarial studies. The Authority shall provide reasonable notice of any such
13 intended Fee adjustment.

14
15 In the event that the Trust Fund experiences a shortfall so that the Authority is not
16 able to pay benefits as hereinafter described, the Executive Director shall provide
17 written notice to the Board of said shortfall. The Board will advance sufficient
18 funds from the Groundwater Authority's fund balance, if available; to make up
19 such shortfall within thirty (30) days of the date of said written notice. The Trust
20 Fund will return a like amount of funds to the Groundwater Authority's fund as
21 soon as sufficient funds are available.

22
23 **7. ELIGIBILITY AND BENEFITS**

24
25 During the term of the Well Protection Program, any owner of land who owns and
26 operates a well on a legal parcel which lies within the Central Basin Well Protection
27 Program Area shown on the map attached hereto as **Appendix B** and made a part
28 hereof, shall be eligible for benefits under the Well Protection Program, provided
29 such owner registers such well pursuant to the following:

- 30
31 a. The Authority shall provide timely written notice of the Well Protection
32 Program to all owners of land within the Central Basin area and of the
33 requirement to register his/her well in order to qualify for the payment of
34 benefits hereunder. Each such owner shall be required to request

1 registration of his/her well not later than ninety (90) days after the date of
2 the first written notice; failure to request registration of a well with the
3 Authority within said time period shall disqualify any owner from
4 receiving benefits hereunder without exception, unless approved by the
5 Board.

- 6 b. Upon receipt of written request for registration of one or more wells from
7 an owner, the Authority shall inspect each well to verify its existence and
8 operating condition. Only a well that can be shown to operate and be in
9 good working order at the time of registration is eligible for coverage
10 under the Well Protection Program. Only an owner of land who has
11 requested registration of his/her well, as herein provided, and whose well
12 has been inspected as provided in this paragraph (hereinafter, "Eligible
13 Well") shall be eligible for the payment of benefits under the program.
- 14 c. Once a well has been registered, coverage by the Well Protection Program
15 shall continue for as long as the Well Protection Program remains active.
16 Coverage of the well is not affected by a change in ownership of the
17 property on which it is located.

18
19 Benefits from the Trust Fund shall be paid to the owner of an Eligible Well as
20 follows:

- 21
22 a. If an Eligible Well fails for any reason, other than mechanical or electrical
23 failure of the pump and/or motor, to provide sufficient water capacity for
24 its intended purpose, as determined by a qualified inspector, the Executive
25 Director (or Appointed Designee) shall authorize payment from the Trust
26 Fund to reimburse the owner of such Eligible Well an amount sufficient to
27 restore said water capacity, but in no event more than the amount shown
28 on Reimbursement Schedule in **Appendix C** for each such failed Eligible
29 Well. The Authority has no additional obligation to pay for well failure
30 other than under the terms of this Ordinance.
- 31 b. Reasonable actions shall be taken to verify the loss of capacity of any
32 Eligible Well; the cost of any such verification shall be included in the
33 administrative costs for the Well Protection Program. To be eligible for

1 the benefit hereunder, the owner of an Eligible Well must submit a written
2 claim to the Authority for such benefit not later than sixty (60) days after
3 the cost of restoration is incurred. Verification of the cost of restoration
4 may be evidenced by an affidavit from a qualified inspector. The
5 Executive Director (or Appointed Designee) will determine
6 reimbursement eligibility within sixty (60) days after receipt of claim.

- 7 c. Under this program, the Authority shall not pay more than amount shown
8 on Reimbursement Schedule in **Appendix C** for any one Eligible Well.
9 The Authority does not assume any liability and does not acknowledge
10 that any well failure is caused in any manner or to any extent by further
11 development of the Central Basin.

12
13 **8. SUNSET PROVISION**

14
15 Not earlier than five years after implementing the Well Protection Program, nor later
16 than the beginning of the eleventh year after surface water from the Freeport Regional
17 Water Project is delivered to the Central Basin area, the Authority shall conduct a
18 comprehensive evaluation of the Basin to determine whether a continuing need exists
19 to maintain the Well Protection Program. In conducting this evaluation the Authority
20 shall consider the following factors: groundwater levels, number of claims against the
21 Trust Fund, rate of claims filed over time, and status of urbanization. A decision on
22 whether or not to continue the Well Protection Program shall be reserved to the
23 Board.

1 **APPENDIX A**

2
3 **SCHEDULE 1**

4 **WELL PROTECTION FEE**

5
6 **I. Building Permit**

7
8 **A. RATE PER EDU - \$100.00**

9 a. The Well Protection Fee shall be as follows

- 10 i. 1-inch service or smaller shall be assigned 1.0 EDU per
11 unit.
12 ii. 1-1/2-inch service or larger shall be assigned EDU's in
13 accordance with the following table.

14 **B. EDU Assignment**

Service Size	EDUs
1-inch	1
1-1/2-inch	2.3
2-inch	4.0
3-inch	9.0
4-inch	16.0
6-inch	36.0

15
16 **II. Well Drilling Permit (private wells only)**

17
18 **A. RATE PER DIAMETER INCH - \$20.00**

APPENDIX B

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Map of Central Basin Program Area

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1 **APPENDIX C**

2 **MAXIMUM REIMBURSEMENT SCHEDULE**

3
4 A. Rural Domestic Well

5 a. Maximum Reimbursement shall be \$20,000.

6 B. Agricultural Well

7 a. Maximum Reimbursement shall be \$220,000.

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1 **SECTION 2.** This Ordinance shall become operative December XX, 2007.

2 **SECTION 3.** This ordinance was introduced and the title thereof read at the
3 regular meeting of the Board of Directors of the Sacramento Central Groundwater
4 Authority on _____, 2007 and on _____, 2007;
5 further reading was waived by unanimous vote of the Directors present.

6 This ordinance shall take effect and be in full force on and after thirty (30) days
7 from the date of its passage, and before the expiration of fifteen (15) days from the date
8 of its passage it shall be published once with the names of the members of the Board of
9 Directors voting for and against the same, said publication to be made in a newspaper of
10 general circulation published in the County of Sacramento.

11 On a motion by Director _____, seconded by Director
12 _____, the foregoing ordinance was passed and adopted by the Board of
13 Directors of the Sacramento Central Groundwater Authority, State of California, this
14 _____ day of _____ 2007, by the following vote:

15
16 AYES: Directors,

17 NOES: Directors,

18 ABSENT: Directors,

19 ABSTAIN: Directors,

20 _____
21 Chair of the Board of Directors
22 Sacramento Central Groundwater Authority

23 (SEAL)

24
25
26
27
28
29
30 ATTEST: _____
31 Clerk, Board of Directors
32