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 Colusa 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 Colusa 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 the jurisdictional footprint of the County of Colusa; 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, 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.

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:

2. “Agency” means the Colusa 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 Colusa 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.

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 encountered 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 private pumper interests.
2. Local control of groundwater must be ensured and State intervention to implement the Act must be avoided.

3. Locally controlled compliance with the Act must be ensured.

4. Implementation of the Act will be expensive and all beneficial users need to contribute to implementation.

5. A partnered approach to groundwater management and implementation of the Act is in the best interest of County beneficial users 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.

6. 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 Colusa County.

7. 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 Colusa County and the Subbasin.

8. 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.

9. No Party’s land use or other authority is limited by this MOU.

10. Sustainable groundwater conditions must support, preserve, and enhance the economic viability and social well-being of all beneficial uses and users.

11. Large, deep wells may threaten the groundwater resources of well owners with smaller, shallow wells and such impacts must be avoided and/or mitigated.

12. Domestic wells, community wells, and industrial use wells can be threatened by unsustainable management of groundwater resources.

13. The economic and cultural future of agriculture in Colusa County can be threatened by the lack of available groundwater and surface water resources.

14. Threats to the natural resources of Colusa County resulting from impacts to groundwater resources must be avoided.

15. 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 landowner 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.
16. 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.

17. All overlying landowners in the Colusa Subbasin have a right to share the Subbasin’s natural recharge for beneficial use on their overlying land.

18. The County supports formation of, and participation in, one multi-agency GSA covering the portions of the basins that lie within county boundaries (Water Code §10723.6) (5)

19. 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.

20. 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 County will represent the common and unique interests of groundwater users located in the unmanaged areas of the County’s portion of the Subbasin as per Section 10724 of the Act

2. The Act affects all citizens of the County. The County 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 County will preserve and exercise all existing authorities necessary to protect its citizens while working cooperatively with other agencies.

5. The County will pursue financial and infrastructure solutions and beneficial partnerships with other Parties to provide sustainable water supplies for all constituents.

6. Implementation of the Act should preserve local public agency discretion to determine whether to be an Agency individually, join in a Agency created by another agency that is a Party 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).
7. 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 in order to achieve sustainability.

**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. The County requires a permit to extract groundwater for transfer purposes outside of the county. (County Ordinance No. 770, Chapter 43).

4. Surface water supplies should be used conjunctively with groundwater. Surface water diverters and landowners should be incentivized to utilize surface water to its full extent as feasible and groundwater should be available for use during dry periods when surface water is not readily available.

5. All Parties recognize the interconnectedness of groundwater and surface water resources, and the contributions to the system from surface water applications.

6. Importers of surface water have a right to use the recharge attributable to leakage of surface water from canals and distribution and drainage systems, and the deep percolation of applied surface water for crop irrigation.

7. 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.

**Water District and Irrigation District (District)-Specific Principles (applicable to all Districts and their members / constituents overlying the groundwater basin)**

1. Landowners within Districts are overlying landowners and have the same overlying rights to groundwater as overlying landowners in the unrepresented areas.
2. **Districts** act on behalf of and serve as trustee for all landowners within their service area to ensure collective compliance with the Act. Districts will cooperate with their landowners to manage and optimize their share of the natural recharge to the Subbasin.

3. 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 the water attributable to such recharge. Districts will provide professional studies to quantify availability of such recharge, and provisions will be in place, such as targeted monitoring programs, to ensure that no harm will come to adjacent landowners.

4. To the extent that additional groundwater pumping is needed within Districts to offset dedication of surface water to environmental requirements in reservoirs, rivers, or the Bay-Delta, or for other purposes, the additional groundwater pumping, although pumped within the Districts, is a shared obligation of the entire Subbasin and must be borne by all groundwater users in the Subbasin.

5. **Districts** will use surface water and groundwater for in-basin transfers to meet local demands. When the subbasin is considered sustainable per the Act, following transfers will also occur both in and outside of the groundwater subbasin, with transfer quantities based on avoided consumptive use.

6. Surface water transfers will potentially serve as a tool to settle disputes over environmental obligations or to mitigate impacts during drought periods.

7. Where local actions are necessary to address falling groundwater levels and subsidence caused by localized groundwater extraction in excess of sustainable yield, Districts will attempt to contribute to solutions, but all beneficial users will be required to contribute.

**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).

**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.
COUNTY OF COLUSA DRAFT PRINCIPLES 11.1.2016

POTENTIAL THREATS/RISKS TO COUNTY CITIZENS AND LAND USE
1. High costs of SGMA implementation
2. Larger, deeper wells threatening the groundwater resources of smaller well owners
3. Domestic wells, community wells, industry threatened by impacts to groundwater resources
4. Future of Agriculture threatened by lack of available water resources
5. State Intervention
6. Lack of organization, engagement among private citizens
7. Threats to the natural resources of the County resulting from impacts to groundwater resources

PRINCIPLES
(Numbers in parentheses after each Principle correspond to the numbers on the potential threats/risks above.)

SGMA and GSA Formation
1. Colusa County (County) is committed to achieve local solutions to SGMA compliance and avoid at all costs State intervention and management of the groundwater resource. (5)

2. The County is committed to represent the common and unique interests of groundwater users located in the white areas of the County (Water Code §10724). (5, 6)

3. The Sustainable Groundwater Management Act (SGMA) affects all citizens of Colusa County. The County will implement SGMA in a manner that optimizes the law’s beneficial opportunities to achieve sustainable groundwater conditions to support our vital agricultural economy, other industry, and domestic and public water uses. (2, 3, 4, 6, 7)

4. The County supports diverse representation on a multi-agency GSA board including all eligible local agencies (Water Code §10723), mutual water companies, and private groundwater pumpers that are unaffiliated with any other organization. (5, 6)

5. The County supports a partnered approach to SGMA implementation. A partnered approach to groundwater management is in the best interest of County citizens because it will maximize efficiencies, keep costs at a minimum and capitalize on skills and strengths of various partners. (1, 5)

6. The County supports formation of, and participation in, one multi-agency GSA covering the portions of the basins that lie within county boundaries (Water Code §10723.6) (5)

7. SGMA implementation is new to all of us and there are many unknowns. Willingness by all participants to adapt and adjust during GSA formation and GSP development and implementation is crucial to our success. (5)

Sustainability
1. Achieving and maintaining groundwater sustainability for the good of all groundwater users in the County should be a GSA’s first priority and main focus, especially in the early stages of SGMA implementation while agencies learn to work together and strive to alleviate any existing fear and distrust. (2, 3, 4, 5)
2. 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 GSA members and landowners. (1, 2, 3, 4, 5, 7)

3. The County intends to preserve and exercise all existing authorities necessary to protect its citizens while working cooperatively with other agencies. (1, 2, 3, 4, 5, 6, 7)

4. The County is committed to pursue financial and infrastructure solutions and beneficial partnerships with other agencies to provide sustainable water supplies for all constituents. (2, 3, 4)

5. Groundwater impacts throughout the County and region are not equal. Conditions will vary by location and water year type. While all beneficial users (Water Code §10723.2) will share the burden, solutions will need to reflect these differences. (1)

6. The County requires a permit to extract groundwater for transfer purposes outside of the county. (Ord. No. 770, Chapter 43). (2, 3, 4, 5, 7)

7. Surface water supplies should be used conjunctively with groundwater. Surface water diverters and landowners should be incentivized to utilize surface water to its full extent as feasible and groundwater should be available for use during dry periods when surface water is not readily available. (2, 3, 4)

8. The County recognizes the interconnectedness of groundwater and surface water resources, and the contributions to the system from surface water applications. (4, 7)

Community

1. Extensive landowner outreach shall be a priority among GSA members 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. (6)

2. The County expects all beneficial users of groundwater to cooperate with the GSA(s) and abide by the guidelines put forth in the Groundwater Sustainability Plan(s) for Colusa County. (1, 2, 3, 4, 5, 6, 7)
Consolidated Comments on Draft District Principles (11.15.2016)

The following provides verbatim excerpts from commenters on the current Draft Principles prepared by Surface Water Districts in Glenn and Colusa Counties. Comments were provided by the following: 2 individuals that are private pumpers only, 2 individuals that are private pumpers and members of a district, 1 City, 1 County, one advocacy organization outside of the Colusa Subbasin, and an emerging water district.

Commenter 1

A couple of comments on surface water district’s proposed principles relate to: 1) pumping groundwater without being able to demonstrate that any claimed recharge will, in fact, recharge aquifers from which water is being drawn (e.g. gcid’s Hamilton city "test" wells pumping water from relatively deep aquifers for some use at least 15-20 miles south of the wells) and 2) total lack of concern for protection of interests of groundwater users within the boundaries of surface water districts (how about a "private pumpers' advisory group of well-owners in the districts?)

A couple of comments on "management areas' " principles will relate to : 1) using groundwater on only the acreage from which the water is pumped (directly pumping into a canal next to the parcel from which water is pumped does not count as use on the parcel); 2) not having the "zone of depression" of a well extend beyond the property lines where the well is located; and 3) having a permitting process in place which identifies future use of the new pumped ground water, the potential future environmental impacts of said well on other environmental considerations, and, in fact is, a meaningful permitting process that goes through a serious, multifaceted review before the well is even drilled.

Commenter 2

After reading through the material, quite frankly, it sounds pretty good. After attending many meetings, it seems our biggest stumbling blocks are the private pumpers not feeling that are adequately represented to protect themselves against their perceived fear of what the Districts may do. There is a lack of trust, and they have to sit down with the County, and agree to whatever assurances the group can agree to. The elephant in the room is getting a plan that ALL the private pumpers feel comfortable with.

Commenter 3

These proposals of governing principals and District- Specific Principles, show a lack of understanding of the main principals of SGMA. Many of the stated proposals are suggesting their rights to leverage control of Groundwater to makeup for surface water cutbacks, or to be able to use groundwater transfers to pay for implementation of plans or increasing surface water costs.

In Governing Principals, bullet 2 states “Importers of surface water have a right to use the recharge attributable to leakage of surface water from canals.......etc. How is this “historical banking” of groundwater proved and calculated? What are they saying by this? Because we’ve contributed to these many ways of recharge, we reserve the right to pump groundwater?

Bullet number 6, is questionable, “preserving the members respective authority to manage the water resources available to their constituents or customers.” Could be abused, seen as a taking or power to use stakeholders wells, groundwater.
Bullet #7, last sentence “each member agency retains and preserves any police powers or other authority it has to regulate groundwater use within its boundaries in order to achieve sustainability.” I just question police powers, and authority to regulate. This power should be only with the County, after all, the coordination and implementation has to be the same for the whole county.

**District-Specific Principles**

Bullet 2. “ WD’s/ID’s act as trustee for all landowners in their service area. Will help landowners manage and optimize their share of the natural recharge to the Basin. This needs to be explained.

Bullet #3. Again as in other section bullet 2, How is this calculated and determined?

Bullet #4. To the extent that additional Groundwater pumping is needed within WD’s/ID’s to offset dedication of surface water to environmental requirements.....shared obligation of the entire basin and must be borne by all groundwater users in the basin. Very opposed to this. We are responsible to the sustainability of our Groundwater in our County, and protecting the interest of our neighbors. Surface Water Districts with water rights to the Sacramento River, they own those issues. It is not realistic to expect us to manage our Counties’ sustainability and at the same time meet the needs of the Delta and beyond. And, “or for other purposes”. The Districts need to define this better.

Bullet #5. Here is discussed surface and groundwater for local “in-county” use and demand. Fallowing transfers both in and outside of the groundwater basin, and revenue from transfers (in-county or out- of county?) to fund WD’s many costs. All of this needs clarification. Many of these actions happen only in extreme years.

**Commenter 4**

[Comments were only editorial in nature and were hand written on a copy of the original and then sent as a pdf scan to CCP]

**Commenter 5**

[Comments were embedded as track changes straight into the digital version of the DistrictPrinciples and were incorporated in the DRAFT MOU distributed on 11/14.]

**Commenter 6**

We prefer that when surface WD’s are supplementing their water deliveries with groundwater, the groundwater is drawn from a dispersed area in order to avoid local impacts or draw-downs that might happen if it’s drawn from a concentrated area.

**Commenter 7**

The one principle I had a problem with was the irrigation district principle of the right to use the recharge attributed to their surface water use. I am of the opinion all beneficial water users have the right to extract groundwater regardless of whether they have the benefit of a surface water right or not. I do support the position that surface water does contribute to groundwater recharge, but I don’t think it grants a surface water right holder a “special right” to groundwater extraction apart from any other groundwater user. I did not
include anything about water transfers. I wasn’t sure this topic is necessary for the common principles. If the irrigation districts want that included, that is fine. It might be better to avoid that topic for now, to proceed forward.

**NOTE:** The following comments are presented verbatim as provided by an advocacy representative located outside of the Colusa Subbasin. These comments are provided for public review but were not incorporated into the suggested revisions and compilation of principles that make up the DRAFT MOU.

**Commenter 8**

These comments were drafted 09/30/2016 and shared via a presentation during a poorly attended, public working group meeting 10/11/2016. Does a list of the SW districts who met 09/29/2016 exist? Why is this list not included? The title of this draft document indicates it was produced by surface water districts, but midway through there exists a shift to use of more inclusive terms (Water/Irrigation Districts). Do the original authors believe that other ELA’s, not signatory to these principles as of date of adoption, willingly accept these guidelines as they stand? Which districts have signed off on these principles? Have these principles been vetted by the entire board of each respective district (SW, WD, ID)? Why is a list of board members not part of this publication? Where are the voices of those district representatives that supported the need for both private pumper representation and a voice in this process?

It would be helpful if this document was consistent in use of terms.

1) Private Pumpers, overlying landowners, and groundwater users are all used at least once. Are these terms representative of one category of stakeholder? Please define each if meaning is different.

2) Does “groundwater user” also apply to habitat and streams reliant on groundwater?

3) Why the use of the term “white areas” in the varying contexts found in this draft?

4) How is “natural recharge” defined in the context of this document?

The SGMA and corresponding regulations will affect water resource management, land use decision making, municipal and agricultural water use, and many other aspects of California life. We need to embrace these facts now and begin working cooperatively to form the appropriate County entities for governance that is equitable for all stakeholders.

The following comments reflect the structure of the “Draft Joint Proposal” and cover only those sections addressing principles.

**Background**

B1: The underlying principles for groundwater sustainability found in the SGMA negate surface water districts from becoming a GSA for any area where groundwater dependent citizens live.
B2: The overlap issue is very specific to jurisdictional authorities of land use and groundwater management and the associated police powers granted only to cities and counties.

B3: The SGMA requires that ELAs form to govern the entire B-118 subbasin. Local agencies are expected to collaborate and coordinate the GSA(s) on a basin-wide scale to sustainably manage groundwater at a local level. Multiple-agency governance places a considerable burden on the Counties to manage and maintain coordination agreements and limits their ability as an equitable voice in the management of the commons for the whole.

Primary Themes
Surface water and groundwater are considered “common pool.” Groundwater usage is based upon correlative rights that cannot be overturned by implementation of the SGMA.

Top-down methodologies invoke images of protecting and improving the resource as a whole; whereby, each member agency works for the betterment of the “common pool” resource for all, not just agency membership.

Bottom-up methodologies invoke images of team work and decision-making by all stakeholders. Any GSA structure must implement the best of both methodologies.

An interesting application of the term “white areas” to private pumpers. Use of the term appears to demand jurisdictional rights not previously afforded surface water districts and comes across antithetical of stated aversion to a top-down methodology. How do the districts propose to ensure balanced representation for private pumpers outside of district boundaries? The use of “balanced” and not “equitable” also speaks volumes to the economic interests and intent of the surface water districts.

As a community dependent for life on a regionally-shared resource, it is inconceivable that we would allow surface water districts to establish sustainability thresholds for water quality and groundwater elevations.

Governing Principles
B1: All overlying landowners have a correlative right to groundwater for beneficial use on their overlying land and duty to sustainably maintain that supply for all beneficial users. All private pumpers must be recognized as holding senior priority water rights to those previously dependent on surface water.

B2: Recharge must be reasonably calculated based on a publicly vetted water balance. Water leaving district distribution networks will have to be measured for a substantive and quantitative water balance assessment. If shallow percolation is shown to occur that is attributable to leakage of surface water from canals, distribution, drainage systems and applied surface water for crop irrigation then a thorough analysis will have to be developed that shows how that percolation moves laterally to supply water for recovery in production locations (where pumping occurs) and vertically for recharge calculations. And further analysis must be completed that clearly quantifies and qualifies deep percolation to aquifer production zones. Flux and flow calculations across service area boundaries will also have to be developed.

Recognition that groundwater users also contribute to deep percolation and their net groundwater
use must be based on same calculations used for surface water use and presence.

B4-B8: Surface water districts were formed to provide water for agricultural purposes only. SGMA loosely provides a mechanism to manage water as a common pool resource and provide local governance (with associated police powers) for broad social welfare. Collegial implies a shared responsibility for the good of the whole. A member cannot decide in a vacuum to pull out of a cooperative, collaborative system.

The Counties have and maintain the only authority and policy power over groundwater resources. They alone hold land use and well permitting authority. The districts’ never had authority over domestic use of groundwater and should not. Districts cannot gain authority over individual landowners any more than their willingness to give up discretion or authority to the Counties.

District-Specific Principles:
B1: It should be argued that landowners with rights to surface water do not hold the same first in time, first in right priorities of landowners fully dependent on groundwater.

B2: Objection to this ‘principle’ has been stated above.

B3: Arguments to this ‘principle’ have stated above.

B4: This ‘principle’ should be recognized as a violation of Article X, Section 2 of the CA Constitution.

B5-B6: These are bold statements in light of other stated principles throughout this document. What would groundwater users be expected to “contribute?”
KEY POINTS FOR AN AGREEMENT FOR JOINT MANAGEMENT OF A GROUNDWATER BASIN UNDER SGMA
Joint Proposal by Surface Water Districts in Glenn and Colusa Counties

BACKGROUND

• The Sustainable Groundwater Management Act (SGMA) provides for a local agency or group of agencies to form one or more Groundwater Sustainability Agencies (GSA) to manage groundwater in any medium or high-priority basin or subbasin.

• In Colusa and Glenn Counties, multiple agencies have elected to be GSAs in the subbasins throughout the counties, thereby resulting in overlapping GSA elections. *Local agencies and landowners are discussing solutions to address the overlapping elections to prevent state takeover and assessment of oversight fees in July 2017, and establish a long-term management framework for the subbasins.*

• A number of multi-agency agreements are taking shape around the Valley under SGMA’s recognition that local agencies seeking to coordinate groundwater management may choose to enter into either an agreement to create a joint powers authority (JPA) that will serve as the GSA for its members, or a memorandum of agreement (MOA) where the individual member agencies directly coordinate their groundwater planning. The following summarizes the key points to be included in any collaborative agreements that are used in Colusa and Glenn counties for implementation of SGMA.

Primary Themes

• Full, locally-controlled compliance with SGMA.

• Mutual cooperation, flexibility and fiscal management.

• Respect for each member agency’s discretion, governmental authority, and expertise and knowledge of its groundwater conditions, demands and concerns.

• Avoidance of “top down” planning and implementation.

• Balanced representation of private pumpers (“white areas”) interests

Governing Principles

• All overlying landowners in the groundwater basin have a right to share the Basin’s natural recharge for beneficial use on their overlying land.

• Importers of surface water have a right to use the recharge attributable to leakage of surface water from canals and distribution and drainage systems, and the deep percolation of applied surface water for crop irrigation.

• All water 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 obligations to mitigate impacts on waterways, creeks, streams and rivers.

• Preservation of each member agency’s discretion to determine whether to be a GSA individually, join in a GSA created by another agency that is a member of the MOA, or where a separate JPA
is created, to have the JPA serve as the GSA for the member’s area (and, if desired, to include the member on the JPA’s governing board).

- Cooperation among member agencies to create a collegial, cost-effective and flexible organization.

- Collaboration among member agencies to develop and implement a Groundwater Sustainability Plan (GSP) or multiple plans that will meet the law’s requirements, allowing each member to approve its GSP chapter or section, and preserving the members’ respective authority to manage the water resources available to their constituents or customers.

- SGMA governance and implementation must avoid duplicative or conflicting governmental authorities. Each member agency will have the right to approve the provisions of the GSP governing SGMA implementation within its own boundaries and to implement SGMA within its boundaries. Subject to those limitations, each member agency retains and preserves any police powers or other authority it has to regulate groundwater use within its boundaries in order to achieve sustainability.

- Recognizing that there will be costs for the development, implementation and administration of GSP’s, 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. For instance, these may be in proportion to the quantity of water extracted from the basin or acreage.

- **District-Specific Principles (applicable to all districts and their landowners overlying the groundwater basin)**
  
  - Landowners within Water/Irrigation Districts (WD's/ID's) are overlying landowners and have the same overlying rights to groundwater as overlying landowners in the unrepresented “white areas”.
  
  - WD's/ID's act on behalf of and serve as trustee for all landowners within their service area. WD's/ID’s will cooperate with their landowners to manage and optimize their share of the natural recharge to the Basin.
  
  - WD's/ID's recharge the groundwater basin with surface water through leakage from canals and distribution and drainage systems and deep percolation of applied crop water. WD's/ID’s reserve the right to manage and use the water attributable to such recharge.
  
  - To the extent that additional groundwater pumping is needed within WD’s/ID’s to offset dedication of surface water to environmental requirements in reservoirs, rivers, or the Bay-Delta, or for other purposes, the additional groundwater pumping, although pumped within the WD’s/ID’s, is a shared obligation of the entire basin and must be borne by all groundwater users in the basin.
  
  - WD's/ID's will use surface water and groundwater for local transfers to meet local demands. Fallowing transfers will also occur both in and outside of the groundwater basin, with transfer quantities based on avoided consumptive use. Revenue from transfers will be used by WD’s/ID’s to help fund their increasing surface water costs, sustainable groundwater
management, infrastructure improvements, restoration activities, and other water management obligations, including SGMA, and initiatives. Surface water transfers will potentially serve as a tool to settle disputes over environmental obligations or to mitigate impacts during drought periods.

- Where local actions are necessary to address falling groundwater levels and subsidence caused by localized groundwater extraction in excess of sustainable yield, WD’s/ID’s will attempt to contribute to solutions, but groundwater users will be required to contribute.

- **Membership and Governance**
  - The parties define whether the agreement simply provides the mechanism for the individual members to cooperate in SGMA matters, or instead forms a separate public entity, with a formal board of directors.
  - Membership is open to any SGMA eligible local agency that either has, or may wish to become a GSA but becoming one is not a condition of participating in developing a GSP. No member’s land use or other authority is limited by the agreement.
  - Assure representation of the white areas through the county or other means.
  - The agreement describes the oversight of developing and implementing a GSP, for instance, membership on the governing committee or board of directors, any officers or staff-level positions created by the members, allocation of voting, addition of new parties or withdrawal of ones that desire to do so, selection and management of consultants, *et cetera*.

- **Member Financing and Support**
  - Provisions are included for governing member contributions of capital and operating funds, personnel, services, equipment or property to the GSP process or any newly created JPA.

- **Future Modifications**
  - Maximum flexibility to adapt to changes in membership, funding, planning oversight, *et cetera*, as the parties build their relationships and mutual trust.