

Exhibit C

GLENN COUNTY EXPORT WATER TRANSFER GUIDELINES

Part 1: Background

The Preliminary Plan for Groundwater and Coordinated Water Management (Preliminary Plan) was approved by the Glenn County Water Advisory Committee (WAC) in 2004 and adopted by the Glenn County Board of Supervisors (Board) in May 2006. The Preliminary Plan identified “next steps” that should be undertaken as components of a program to facilitate the management of water resources by local entities within Glenn County, which included the development of Water Transfer Guidelines (“Guidelines”). Accordingly, these Guidelines have been developed by the County in consultation with the local water agencies in Glenn County, in order to facilitate the management of water resources within the County. The County recognizes that local water agencies are in the best position to manage their water resources within the County, and that these agencies’ delivery of surface water to their landowners for irrigation contributes substantially to maintaining and enhancing groundwater levels in the County

Definitions:

Export and Groundwater Substitution Program

“Export” means the use of County groundwater outside of the boundaries of the County and outside of the boundaries of any district that is partially within the County. Surface water that is sold or exchanged outside of the boundaries of the County and outside of the boundaries of any district that is partially within the County that is replaced by groundwater extraction shall be considered export.

The transfer of Surface Water by fallowing/crop substitution within a Water Agency is **not** considered an export and is not subject to the Ordinance or these Guideline

"Groundwater Substitution" means the voluntary substitution of an available surface water supply by a groundwater supply for the purposes of enhancing in-stream flow or export.

“Water Agency” means a district or municipality wholly or in part located within the boundaries of the County, which is a purveyor of waters for agricultural, domestic or municipal use. The Orland Unit Water Users Association and Willow Creek Mutual Water Company are included in this definition.

Enforcement

Enforcement will be undertaken as described in Section 20.03.140 of the Ordinance.

Other definitions are described in County Code Section 20.03.020.

Part 2. Water Transfer Notice Process

A Water Agency shall notify the Glenn County Department of Agriculture or the Board of its intent to transfer water out of the County as soon as reasonably feasible, and once the terms and conditions of a proposed water transfer project have been finalized. As an example, a Water Agency preparing and publishing a Notice of Preparation (NOP) pursuant to CEQA, and providing a copy to the Clerk of the Board, would satisfy this notification requirement. Water Agencies should include the County in the distribution of any and all environmental documentation that is prepared and completed for the transfer.

In preparing any environmental documentation required under CEQA, a Water Agency should identify if local public health and safety and other resources may be adversely affected by water being exported out of the County.

Water transfer programs should incorporate effective mechanisms to ensure that injury to other legal users of the water involved is identified and avoided or mitigated. In addition, the County will evaluate the possible economic and environmental effects of the transfer at the county wide level. Real-time monitoring programs may need to be developed to trigger corrective actions that help avoid possible significant environmental impacts as they may develop. Groundwater substitution transfers should be developed with a well-defined mitigation program specifying the actions the seller will take to prevent injury from occurring.

Environmental Documentation

Water Agencies shall comply with the California Environmental Quality Act and/or the National Environmental Policy Act (CEQA/NEPA) and provide the County with review and input on the document preparation.

Groundwater Substitution

After the County is noticed by the Water Agency of a transfer, the agency shall develop a groundwater substitution transfer proposal and provide it to the County. Such proposal may, but need not, be included with any required CEQA documentation. The proposal will include a detailed description of any transfer-related changes to water management operations and a description of the facilities used in the operation. The CEQA documentation prepared for the water transfer proposal shall include a description of the following program components:

- Surface water source that will be replaced by groundwater pumping
- Location and construction details of wells that will be pumped
- Schedule and volume of water to be pumped
- Baseline from which the additional pumping will be measured
- Method of measuring and reporting the volume of water pumped
- Monitoring program

Fallowing/Crop Shifting

Prior to initiation of a fallowing/crop shifting water transfer program, the Water Agency will provide notification thereof to the County. Providing any required CEQA documentation to the County will satisfy this notification requirement. The proposal will include a detailed description of any transfer-related changes to water management operations that will be undertaken by the seller. At a minimum, the proposal shall include the number of acres, acre feet, property location if known at the time of submittal, and recent crop history. Crop shifting that makes a contribution to a transfer/export program will be assessed in a cumulative acre foot manner consistent with a substitution program description.

For land fallowing, Water Code Section 1745.05(b) states that no more than 20 percent of the water that would have been applied by the water supplier can be transferred unless the agency approves, following reasonable notice and a public hearing, a larger percentage .

Part 3: Monitoring and Reporting

Monitoring - General

Incorporated into Guidelines will be program specific components of the Draft Sacramento Valley Water Resource Monitoring, Data Collection, and Evaluation Framework (developed by the Department of Water Resources, DWR) and the Preliminary Plan Comprehensive Groundwater Monitoring Plan (Glenn County), as either document may be amended. The Framework document was developed in 2007 by the DWR staff with valuable assistance from a panel of local and regional water resource scientists and engineers that have a vast knowledge of the region. The Comprehensive Groundwater Monitoring Plan was completed in 2007 as part of an AB 303 Local Groundwater Assistance grant with the work performed by Wood Rodgers Inc. Specific monitoring requirements will be identified, discussed, and agreed upon by the County and Water Agency. Every effort will be made to design program monitoring to gather information beneficial to overall water resource planning, and in a manner that promotes sound coordinated water management activities.

Mitigation

All water transfers that result in significant environmental impacts will be accompanied by a mitigation plan that addresses environmental impacts that may arise as a result of the transfer. The monitoring program required of each transferor is an important component of the mitigation plan. The level of detail in the mitigation plan will be a factor in determining the success of the transfer. Specific mitigation factors will be identified and incorporated into the water transfer program requirements. Every effort will be made to design a mitigation plan that is intended to adequately address responsibility, response, and methods of avoiding third party impact or injury.

Verification and Reporting

Verification of the actions taken to make water available in a crop shifting or fallowing program will be conducted by the participating local agencies, and possibly in conjunction with DWR and the USBR if they participate, and the resulting information

shall be made available to the County. Water transfers are based on estimates of water made available through fallowing/crop shifting. Accurate reporting of the activities undertaken as part of a crop shifting and fallowing program is an essential provision of any water transfer program. Reporting requirements will be outlined in the contracting process and communicated to Glenn County staff.

Project Agency Approvals

If a Water Agency proposes an export that is subject to approval by USBR or DWR as identified in the Technical Information for Water Transfers in 2012¹ (and as may be amended in future years), the Water Agency shall provide to the County any information that it provides to the USBR or DWR in accordance with said Technical Information.

Part 4: Water and Technical Advisory Committee's Roles and Responsibilities

After the Water Agency notifies the County with a notice pursuant to Part II, the County shall provide transfer documentation to the WAC and to the TAC from any local agency (and) or person engaged in an export/transfer program. During the export/transfer program, the County will inform the WAC and TAC, the weekly amounts of groundwater extracted from each well, the precise location of the wells, all pumping and non-pumping groundwater level and water quality measurements made before, during, and after the groundwater substitution period. It shall be the responsibility of the local agency to provide information to the County which will then provide this information to the WAC and TAC. Water Agencies are also encouraged to discuss and/or present their water transfer projects at a WAC and/or TAC meeting.

In the event that the TAC identifies an area of noncompliance with the BMO, perceived to be caused by an export/transfer program based on substantial scientific evidence, the committee shall report to the WAC on the regional extent and magnitude of the noncompliance. The TAC shall then collect and evaluate all available pertinent hydrologic data and investigate possible causes for the BMO noncompliance, and recommend actions to resolve the BMO noncompliance to the WAC. In performing this evaluation and developing any recommendation, the TAC shall consider the involved water agencies' delivery of surface water for irrigation, and the extent to which the groundwater recharge from those surface water deliveries contributes to maintaining or enhancing groundwater levels in the affected area. This report shall be made in a timely manner not to exceed fourteen (14) days from the time at which BMO noncompliance was identified. The WAC shall evaluate the water agency's monitoring and mitigation plan to determine if that plan includes provisions which would address the noncompliance issue. The WAC will then provide notification to the Board. This information shall also be released to the public. .

The County shall focus on resolving the BMO non-compliance through negotiations with the parties in the affected area, including any mitigation actions within the water agency's transfer proposal and environmental documentation. If negotiations with parties in the affected area do not result in a timely and positive action to reestablish BMO compliance, the TAC may recommend an adaptive management plan to the WAC, with the WAC

¹ <http://www.water.ca.gov/drought/docs/TechInfoDoc-WaterTransfers-2011.pdf>

advising the Board to modify, reduce or terminate groundwater extraction in the affected area for the remainder of export/transfer period. This action will only be taken on the recommendation of the TAC after a thorough technical review of the issue. The general sequence of modification, reduction, or termination of groundwater extraction in the affected area, shall be as follows:

- Wells involved in exports
- Other agricultural wells
- All other wells

Conflict Resolution

In the event of a conflict, the procedure for dispute resolution is the procedure incorporated by reference into County Code 20.03 (Appendix A of Exhibit A), which shall be used under these Guidelines. The process begins when a report is received and reviewed by the TAC who then prepares an initial investigation report and notifies the local sub-watershed WAC member(s). Local groundwater information is assembled and committee representatives make site visits, collect and assemble additional data, and prepare and present their findings and recommendations to the Board for action. County Code 20.03 and the adopted Basin Management Objective (BMO) concept have provisions for the County's authority to intervene in a tiered fashion that include the implementation of an adaptive management program.

Part 5: Fees

The County is considering the development and adoption of water transfer fees in the future in accordance with the applicable provisions of the County Code, and any applicable laws.

Use of Fees

In the event water transfer fees are adopted, fees received by the County will be placed in trust and utilized only for groundwater and coordinated water management (Preliminary Plan) activities in the County.