RESOLUTION NO. 19-18
(AMENDING RESOLUTION NO. 17-24)

A RESOLUTION OF THE SOQUEL CREEK WATER DISTRICT PERTAINING TO THE WATER DEMAND OFFSET POLICY FOR NEW DEVELOPMENT AND EXISTING DEVELOPMENT UNDERGOING CHANGE IN USE

WHEREAS, pursuant to the following legal authorities:

1. California Government Code Section 66000-66008, known as the Mitigation Fee Act, provides that local agencies (including special districts) may charge an applicant a fee in connection with approval of a development project for the purpose of defraying all or a portion of the costs attributable to the increased demand for public facilities reasonably related to the development project; and

2. California Water Code Section 31020 provides authority for county water districts to do any act necessary to furnish sufficient water in the district for any present or future beneficial use; and

3. California Water Code Section 31023 provides that a district may operate water rights, works, property rights, and privileges useful or necessary to convey, supply, store, or make use of water for any authorized purpose, including the conservation of water to protect the water supply and preserve water for future use; and

4. California Water Code Section 31035 authorizes county water districts to undertake water conservation programs to reduce water use and require as a condition of new service that reasonable water-saving devices be installed to reduce water use; and

5. California Water Code Section 375 authorizes any public entity which supplies water at retail or wholesale for the benefit of persons within its service area to adopt a water conservation program by ordinance or resolution adopted by a majority of the members of the governing body after holding a public hearing upon notice and making appropriate findings of necessity for the adoption of a water conservation program which specifically requires the installation of water-saving devices designed to reduce water consumption; and

6. Soquel Creek Water District (District) Ordinance No. 17-01 establishes rules and regulations for water service by the District.

WHEREAS, the Board of Directors of the SOQUEL CREEK WATER DISTRICT hereby makes the following findings of necessity for conditioning water service to new development:

1. District customers currently receive water from only one source — local groundwater aquifers; and

2. The local groundwater basin that provides water to the District is in a serious state of overdraft; and

3. There is undisputed hydrogeologic evidence that current demands are in excess of the pre-recovery pumping goal for the basin, thereby creating conditions that could potentially induce future contamination from seawater intrusion; and
4. On June 17, 2014, the Board of Directors adopted Resolution 14-22 declaring a 
Groundwater Emergency due to the long-term overdraft of the coastal aquifers and 
seawater intrusion; and

5. Actions are needed to supplement current groundwater supplies in order to continue to 
maintain current and future demand, and the District is examining alternatives to that end; 
and

6. Under current conditions, continuing to add new water services or allowing existing 
customers to expand water services or undergo changes in use that require additional 
water would increase the annual demand on the groundwater basin during the period 
when sufficient long-term sources of supply are unavailable, thereby further 
exacerbating already depressed groundwater levels; and

7. Given that water demand varies and can only be estimated prior to actual usage 
records, and given that water saving devices lose efficiency over time, it is prudent to 
require an offset of estimated demand in a ratio higher than estimated use.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the SOQUEL CREEK 
WATER DISTRICT that the development projects listed below are subject to the Water Demand 
Offset (WDO) Policy:

1. Development projects requiring a new water service, excluding accessory dwelling units; 
and
2. Development projects with an existing water service that are undergoing a change in use 
that is expected to increase water demand, as determined using District established water 
use factors.

The WDO Policy shall remain in effect until the Board of Directors determines the findings of 
necessity are no longer appropriate or the requirements are otherwise amended or revoked. It is 
the District’s intention to terminate the WDO Policy only if the District secures and begins to 
operate or receive a supplemental source of water supply that allows groundwater levels to recover 
to and be maintained at levels that are protective against seawater intrusion.

The goal of the WDO Policy is for development projects to offset 200 percent of their expected use; 
thus, they not only have “no net impact” on the District’s groundwater supply, they actually have a 
positive impact. Thus, a multiplier shall be applied to all projected water-use calculations to achieve 
this goal.

Applicants for new or expanded existing development projects shall meet their project’s calculated 
WDO requirement by purchasing an equivalent amount of offset credit at the current Board-
established offset credit sale price or implementing a specified project. Additionally, the applicants 
shall pay any associated fees set by the District to reimburse administrative and inspection costs in 
accordance with District procedures for implementing this program.

The District will use the WDO fees to fund water conservation and/or water supply projects within 
the groundwater basin that offset the new or expanded existing development’s WDO requirement. 
The District Board of Directors will review and select projects to receive WDO fees (during 
scheduled Board meetings) as needed to create offset credits for purchase by new or expanded 
water service applicants.
PASSED AND ADOPTED by the Board of Directors of the SOQUEL CREEK WATER DISTRICT this 5th day of November, 2019, by the following vote:

AYES: Directors LaHue, Christensen and Lather

NOES: Directors Daniels and Jaffe

ABSENT: None

ABSTAIN: None

APPROVED:

[Signature]

Thomas R. LaHue, President

ATTEST:

[Signature]

Emma Olin, Board Clerk