

APPENDIX A

Santa Margarita Groundwater Agency Board of Directors GUIDING PRINCIPLES

1. The Santa Margarita Groundwater Basin (Basin) is located entirely within Santa Cruz County (County). The Basin is a diverse area. It:
 - Is characterized by different communities with various land uses, and land and water management approaches.
 - Is defined by a complex set of aquifers through which groundwater passes and on which residents and ecosystems depend.
 - Has extensive biodiversity hotspots that support important terrestrial and aquatic ecosystems and species, many of which are protected by the California and Federal Endangered Species Acts.
 - Provides essential connectivity between groundwater and surface water on which the base flows of several creeks and rivers (including the San Lorenzo River) depend.
 - Is subject to climatological changes that alone, can significantly impact the availability of water.
 - Is hydrogeologically disconnected from other groundwater basins. There are no current plans to receive imported water from outside of the county. The Basin's Beneficial Users (as defined in the Sustainable Groundwater Management Act [SGMA] – See Attachment A) rely on effective management of a water budget to achieve sustainable groundwater and surface water conditions.
2. SGMA affects all Beneficial Users in the Basin. It describes groundwater sustainability requirements and mandates that Beneficial Users are able to fully participate to achieve and maintain sustainable groundwater conditions in the Basin.
3. The Santa Margarita Groundwater Agency (SMGWA) represents and preserves the water interests of all Beneficial Uses / Users in the Basin equitably and transparently. The SMGWA is a governing public agency, granted with regulatory authorities as provided in SGMA, to ensure that the Basin achieves and maintains sustainable groundwater conditions.
4. Consistent with SGMA, groundwater users that extract two acre-feet of groundwater or less per year for domestic purposes are defined as “de minimis”. This classification limits the statutory financial and measurement responsibilities of these groundwater extractors and is a means through which some SGMA-related burdens are minimized. The SMGWA is committed to the definition of de minimis and opportunities to minimize SGMA-related impacts to groundwater extractors.

5. While the Member agencies and participants serving as Directors of the SMGWA Board have unique responsibilities to serve their respective organizations and interests, these individuals also have a sworn responsibility (as signatory parties to the Joint Powers Agreement that formed the SMGWA) to serve the interests and regulatory authorities of the SMGWA in its required role to identify, achieve and maintain sustainable groundwater conditions in the Basin. SMGWA Directors and staff are committed to fulfill this SGMA- specific responsibility.
6. In addition to its statutory responsibilities and authorities, the SMGWA is committed to provide consistent, transparent educational opportunities for all Beneficial Users about water resources, land uses and water management in the Basin.
7. Historic groundwater management, surface water management and land use practices in the Basin have created overdraft conditions in some of the underlying aquifers. The practices that created overdraft conditions were not sustainable and the practices that took place will not be repeated by any member of the SMGWA nor any Beneficial User in the Basin.
8. Future sustainable groundwater conditions will depend on Basin land uses and water demand targets being in balance with available water resources. The SMGWA is committed to work with land use agencies in the Basin to promote land use practices and water demand targets that achieve sustainable water resources.
9. The SMGWA will ensure that a Groundwater Sustainability Plan (GSP) is in place by and after January 2022. Actions to achieve sustainable conditions will be described in the GSP for the Basin. Objectives and thresholds may be set Basin-wide or may be defined differently for unique parts of the Basin in "Management Areas" (as allowed for under SGMA).
10. Beyond minimum sustainability thresholds and objectives described in the GSP, the SMGWA will examine possibilities to recover / restore the Basin's aquifers and restore tributary base flows to the best extent possible.
11. SMGWA members and Beneficial Users may have different requirements under different water resource conditions to ensure that minimum thresholds are achieved or exceeded. These potential different requirements will be defined in the GSP and implemented by the SMGWA.
12. Actions to achieve sustainable outcomes, report outcomes to the State and maintain the daily activities of the SMGWA will require consistent funding. Financial contributions to support this work will be proportionally distributed among the SMGWA membership and many Beneficial Users, based on impacts and benefits to groundwater and surface water resources. Specific proportional contributions will be determined in the future.
13. The SMGWA recognizes its duty to tax payers and future generations to ensure that our critically important water and financial resources are managed effectively to achieve and maintain sustainable groundwater conditions and fiscal responsibility.

14. Integrated water management is a set of methods to extract, transport, store, use and share groundwater and surface water throughout a groundwater basin to ensure a resilient water supply for all water users. To support SGMA objectives and Basin-wide water needs, the SMGWA will pursue an integrated water management approach for this Basin. An integrated water management approach will honor the social, cultural, natural and economic diversity of the Basin. It will capitalize on the diverse water resources throughout the Basin and will seek to ensure that all Beneficial Users have necessary water resources. An integrated water management approach may rely on but may not be limited to:

- Science-based decision-making.
- Projects and Methods to recover and restore the Basin aquifers.
- Collective and individual groundwater use requirements to ensure that groundwater elevations are not depleted below minimum thresholds.

15. Discussions between SMGWA Directors, Directors and staff, and SMGWA representatives and Beneficial Users to address the above responsibilities and outcomes may be challenging at times. Consistent with the SMGWA Board of Directors Code of Conduct (as presented in Appendix A of the SMGWA Bylaws), the SMGWA will conduct these discussions at all times in a collaborative manner with a commitment to respectful civil discourse between all participants.

I agree to uphold the mutual core values and commitments that the current Board and future Boards will ideally live by and do my work by.

Board of Directors

Name/ Title

Date

APPENDIX A

Guiding Principles Attachment A

10723.2. CONSIDERATION OF ALL INTERESTS OF ALL BENEFICIAL USES AND USERS OF GROUNDWATER

The groundwater sustainability agency shall consider the interests of all beneficial uses and users of groundwater, as well as those responsible for implementing groundwater sustainability plans. These interests include, but are not limited to, all of the following:

- (a) Holders of overlying groundwater rights, including:
 - (1) Agricultural users.
 - (2) Domestic well owners.
- (b) Municipal well operators.
- (c) Public water systems
- (d) Local land use planning agencies.
- (e) Environmental users of groundwater.
- (f) Surface water users, if there is a hydrologic connection between surface and groundwater bodies.
- (g) The federal government, including, but not limited to, the military and managers of federal lands.
- (h) California Native American tribes.
- (i) Disadvantaged communities, including, but not limited to, those served by private domestic wells or small community water systems.
- (j) Entities listed in Section 10927 that are monitoring and reporting groundwater elevations in all or a part of a groundwater basin managed by the groundwater sustainability agency.