



MEMORANDUM

TO: City Council

FROM: Brian Pedrotti, Director of Community Development

BY: Patrick Holub, Associate Planner

SUBJECT: Amendments to Title 13 of the Arroyo Grande Municipal Code Regarding the Regulation of Water Wells

DATE: March 11, 2024

RECOMMENDATION:

- 1) Introduce by title only and waive further reading of an Ordinance amending Chapter 13.08 of the Arroyo Grande Municipal Code regarding regulations for the installation, maintenance, and destruction of wells titled "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE AMENDING CHAPTER 13.08 OF THE ARROYO GRANDE MUNICIPAL CODE REGARDING WATER WELLS"; and
- 2) Find that the Ordinance is exempt from the California Environmental Quality Act (CEQA) because it will not result in a direct, or reasonably foreseeable indirect, physical change in the environment (State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15061, subd. (b)(3); 15307; 15308; and 15378, subd. (b)(5)).

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

No financial impact is projected.

BACKGROUND:

The Arroyo Grande City Council adopted Ordinance 576 on November 22, 2005, which is codified in Chapter 13.08 of the Arroyo Grande Municipal Code. This Chapter regulates the creation of new wells in the City, as well as the destruction of existing or abandoned wells. This proposed ordinance updates and clarifies the City's regulation of water wells within the City, including the responsibilities of the City and San Luis Obispo County Environmental Health Services Department (County). Currently, the City Council considers approval of new or replacement wells. This proposed ordinance before City Council would modify that process to place initial review of new well applications with the Planning Commission.

During hearings associated with the consideration of a domestic well application in 2024, the City Council and staff noted that the existing ordinance would benefit from an update

Item 10.a.

City Council
Amendments to Title 13 of the Arroyo Grande Municipal Code Regarding the
Regulation of Water Wells
March 11, 2025
Page 2

and clarification of the well permit process, definitions, and other modifications to provide a more simplified and clear framework for the community and decision makers. Therefore, staff has returned with proposed amendments for this purpose. Staff is recommending the ordinance remain under Title 13, recognizing the unique role of well applications that touch both the Public Works and Community Development Departments. By remaining under Title 13, the health and safety regulations associated with well permits are proximate to other local laws on water service and water conservation efforts.

ANALYSIS OF ISSUES:

Proposed Revisions

The proposed revisions aim to simplify the permit process and responsibilities, clarify the justification for well approvals, and align with current environmental and public health priorities. Below are the key changes:

1. Title Simplification:

The chapter title was shortened from "Water Wells" to "Wells," reflecting a broader scope that encompasses various well types beyond just water wells.

2. Purpose and Intent Expansion:

Section 13.08.010's purpose was expanded to emphasize the intent of the City Council to prevent depletion or other adverse impacts to the City's water supply, and reflect the intent that any construction, repair, modification, or destruction of wells should not adversely impact the health, safety, or welfare of City residents or visitors.

3. Administrative Authority Established:

A new Section 13.08.011 was added, designating the Director of Community Development (or designee) as the administrative authority, clarifying responsibility for the initial review of submitted well applications, as well as the enforcement and execution of the Chapter.

4. Refined Definitions:

Several definitions in Section 13.08.020 were updated to provide additional clarity to applicants. As above, the administrative authority is defined and placed with the Director of Community Development. A new definition of "agricultural well" clarifies that this well references commercial production of crops or livestock. Additional clarity was added to the definitions of "private domestic well" and "irrigation well," also. The definition of what constitutes a "well" also includes more descriptive

City Council

Amendments to Title 13 of the Arroyo Grande Municipal Code Regarding the Regulation of Water Wells

March 11, 2025

Page 3

language of various activities. Finally, separate definitions were created between the County permit and the City permit, to aid the public in understanding the requirements associated with building a well within the City.

5. Permitting Process Enhancements:

Staff coordinated with County staff to ensure the permit process in the ordinance reflects the permitting process and the County's distinct role. Section 13.08.030 notes that approvals are required from both the County, which issues a construction permit, and the City, which issues a discretionary well permit that, under these revisions, would be approved by the Planning Commission. The Planning Commission's decision may be appealed to the City Council.

6. Detailed Permit Submittal Requirements:

Section 13.08.040 was expanded with specific submittal requirements, including a completed application, plot plan, hydrogeologist report, and well capacity estimates, ensuring thorough evaluation of well impacts. The approval of the City's well permit is contingent on the well being constructed and used in a manner consistent with those plans.

This section also clarifies the duration that the permit is valid before construction is complete. The applicant has two years to complete construction, with two optional one-year extensions when justified by exceptional circumstances.

7. Clarification of Connection Restrictions:

conditions were added that are applicable to private irrigation, agricultural, and domestic wells. For private irrigation and agricultural wells, applicants are required to demonstrate the proposed well will not contaminate the City's water supply nor impact the volume and distribution and that proposed wells will be used as described in the application. Meanwhile, private domestic well applicants must demonstrate that City water service cannot reasonably be provided to the project site, and that the well is only for the use described in the application.

Private domestic wells and private irrigation or agricultural wells in adjudicated areas of the Northern Cities Management Area (NCMA) of the Santa Maria River Groundwater Basin (SMGB) shall not be considered, unless considering such well is otherwise required by law, protecting managed groundwater resources.

City Council

Amendments to Title 13 of the Arroyo Grande Municipal Code Regarding the Regulation of Water Wells

March 11, 2025

Page 4

8. Inspection and Enforcement Updates:

Section 13.08.050 now references revocation procedures per Chapter 16.16.220 if violations occur, strengthening enforcement mechanisms.

Section 13.08.060 expands examples of public nuisances (e.g., excessive pumping, improper abandonment), providing clearer abatement criteria.

9. Well Destruction Procedures:

A new Section 13.08.071 formalizes the process for well destruction, requiring a County permit, City inspection, and submission of a Certificate of Destruction within 30 days, ensuring proper closure of unused wells.

Overall Impact:

The revisions reflect a more robust and clear regulatory framework, emphasizing protection of the City's water supply, including groundwater protection, public health, and integration with the City water systems, while aligning with state laws and local environmental concerns. The proposed amendments will avoid environmental impacts through preservation of the City water supplies and water quality and the prevention of trenching and grading. Private domestic, irrigation and agricultural wells are associated with higher levels of water use and potential for contamination. These code amendments will help limit the impacts to City groundwater supplies.

ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. Introduce and conduct the first reading of the proposed Ordinance by title only and waive further reading;
2. Modify as necessary and introduce the Ordinance; or
3. Provide other direction to staff.

ADVANTAGES:

Revisions to the Ordinance governing City wells will help to improve clarity of the application process for both applicants and City, including a clearer procedure, necessary findings and applicable conditions of approval associated with that use. Generally, most potential water users will now be required to connect to the City's water supply, unless actual practical inability to connect to such supply can be demonstrated.

DISADVANTAGES:

New requirements are applicable to well applications moving forward, and this ordinance will modify the procedure for well applications to place initial review with the Planning Commission rather than the City Council, creating new matters for the Planning Commission's consideration.

Item 10.a.

City Council

Amendments to Title 13 of the Arroyo Grande Municipal Code Regarding the Regulation of Water Wells

March 11, 2025

Page 5

ENVIRONMENTAL REVIEW:

It has been determined that this Ordinance is exempt from CEQA under State CEQA Guidelines section 15061(b)(3), which exempts projects from CEQA “[w]here it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” In the alternative, the Ordinance does not qualify as a “project” under CEQA because it will not result in a direct or reasonably foreseeable indirect physical change in the environment. (State CEQA Guidelines section 15060, subd. (c)(2), (3).) Section 15378 of the State CEQA Guidelines defines a project as the whole of an action, which could potentially result in either a direct physical change, or reasonably foreseeable indirect physical change, in the environment. Adopting the Ordinance relates to organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment, and therefore is not a project within the meaning of the California Environmental Quality Act (“CEQA”) and the State CEQA Guidelines, section 15378(b)(5). Here, the ordinance will not result in any construction or development, and it will not have any other effect that would physically change the environment. Approval of the Ordinance therefore does not qualify as a project subject to CEQA. Finally, the Ordinance is adopted with the intent to protect natural resources and the environment, specifically the City’s water resources. This Ordinance will regulate and restrict the installation of private, domestic, irrigation and agricultural wells for nonresidential, residential, and mixed uses. Accordingly, this Ordinance is also categorically exempt under either State CEQA Guidelines section 15307 or 15308.

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City’s website in accordance with Government Code Section 54954.2. A public hearing notice was published in the New Times on Friday, February 27, 2025.

ATTACHMENTS:

1. Proposed Ordinance