

Cosumnes Groundwater Authority
Meeting of the Board of Directors
Agenda

When: 9:00 am – 11:30 am, Wednesday, November 1, 2023

Where: Galt Police Department Community Room
455 Industrial Drive
Galt, CA 95632

Zoom: Via Zoom: <https://us02web.zoom.us/j/85653148920>
Meeting ID: 856 5314 8920
Call in Number: 1-669-444-9171

PUBLIC COMMENT – Any member of the public may address the Board concerning any matter on the agenda before or during its consideration of the matter. Public comment is limited to three (3) minutes per person. For good cause, the Board Chair may waive these limitations.

ACCESSIBILITY - If you have a disability and require a reasonable accommodation to fully participate in this event, please contact Austin Miller (CGA Secretary) before the day of the meeting via email [info@CosumnesGroundwater.org] or telephone [916-526-5447] to discuss your accessibility needs.

Call to Order (10 minutes)

1. Introductions
 - a. Determine if Quorum is Present
2. Staffing Updates
3. Outreach Events Reminders

Consent Calendar

4. Consent Items (5 minutes)
 - a. Agenda – November 1, 2023
 - b. Minutes – October 4, 2023
 - c. Financial Report – November 2023

Regular Business Action Items

5. CA DWR Groundwater Sustainability Plan Determination Letter
6. Fall Monitoring Event and Water Year 2023 Annual Report Updates (20 minutes)
7. Member Contribution Agreements (25 minutes)

8. CGA Cost of Service Study Development Update (25 minutes)

Informational Items (30 minutes)

9. Committee Reports
10. CGA Staff Report
11. CGA Counsel Report
12. DWR North Central Regional Office Update
13. Director/Member GSA Comments
14. Upcoming Agenda Items

Public Comment on Non-Agenda Items (Limit of 3 minutes per speaker)

15. Public Comment: *Comment will be received for items not on the agenda, but within the jurisdiction of the agency. The Board will hear comment but may not act on issues raised on non-agenda items.*

Adjourn Meeting

Please note starting in October regular meetings of CGA will be held on the 1st Wednesday of each month and the next meeting will be December 6, 2023 from 9:00am-11:30am at the City of Galt Police Department Community Meeting Room.

**Cosumnes Groundwater Authority
Board of Directors Meeting**

Meeting Minutes
October 4, 2023 - 9:00am

Call to Order: 9:07am

1) Introductions / Determine if Quorum is Present

Directors in Attendance: Gary Thomas, Mike Selling , Leo VanWarmerdam , Mark Stretars , Pat Hume, Chris Hunley, John Mulrooney, Herb Garms, Gary Silva, Jay Vandenburg, Lindsay Liebig

Regular Business Action Items

2) Consent Items

- a. Agenda – September 18, 2023
- b. Minutes – September 18, 2023
- c. Financial Report – October 2023

Director Thomas moved to approve the Agenda and Minutes.

Director Liebig seconded the motion.

The motion passed with all in favor.

Staff discussed the financials which included an EKI Invoice, and in particular, who may be responsible for approving the payments of these invoices. Rebecca with Downey Brand noted that it is technically the CGA Chair and Staff's responsibility to approve these payments but that the CGA Treasurer Rick Ferriera and signers are certainly looped in, as well.

Director Thomas moved to approve the Financial Report.

Director Selling seconded the motion.

The motion passed with all in favor.

Informational Presentation

3) Sacramento County Agriculture Commissioner, Chris Flores

Chris Flores presented information regarding the future of Ag within the County, including background information on the department and what they do. The Department of Agriculture, Weights and Measures has 26 Full Time Employees and 15-25 seasonal staff to do pest detection tracking with an office in Sacramento and Galt. One of their programs is the inspections at certified farmers markets (108 certified producers in 2021, 656 commodities grown and 690 acres farmed by certified producers). Another program is their pest detection and pesticide use enforcement including seasonal trap servicings and delimitation trapping. In 2021, they conducted about 300 pesticide use enforcement (PUE) inspections with the top 5

Drafted on:
October 4, 2023

commodity exports being almonds, walnuts, pears, yams and american hazelnuts. The oriental fruit fly, in particular, was found in a high amount of exports. In terms of Summary of Production, it was found that the 2021 gross production value of agricultural commodities in Sacramento County was \$568 million dollars. The top 10 commodities in the County are: grapes, milk, pears, nursery stock, poultry, cherries, aquaculture, hay, corn and cattle.

There are 3 main groundwater subbasins in Sacramento County including: North American, South American and Cosumnes. Chris showed the Sac County's Department of Conservation (DOC) Farmland Mapping and Monitoring Program which shows the average annual acreage change from 1988 to present (a downward trend). Chris also shared her email and phone number with the Board so they may reach out to her if they have any questions. florescj@saccounty.gov and (916) 875-0538.

Regular Business Action Items

4) Fiscal Year 2023-2022 Audit

Richardson & Company, LLP conducted and completed CGA's FY 2021-2022 Audit. They are also working on closing out our FY 2022-2023 Audit. Several recommendations were included and discussed including a bank reconciliation process with established support from the Treasurer, "The Authority should consider approving accounting policies and procedures, an employee expense reimbursement policy, an anti-fraud policy and a whistleblower policy." Staff explained that they have met with Rick Wood at CSDA to further develop these policies to display before the Board in the coming months.

Director Selling made a motion to approve the FY '21 - '22 Audit Payment.

Director Thomas seconded the motion.

The motion passed with all in favor.

5) Member Contribution Agreements

At the October 4, 2023 CGA Board meeting, SCI will present a draft fee proposal for feedback and discussion by the CGA Board. These materials are intended as a resource for all members: CGA will not be directly implementing or adopting any fee.

Rather, under the current governance structure, CGA is responsible for: (1) Identifying an annual budget; (2) facilitating and funding the underlying work for the fee study; and (3) collecting member contributions. Members are responsible for: (1) Participating and providing feedback on budget discussions and the fee study; (2) remitting annual member contributions to CGA; and (3) developing and implementing a mechanism to fund their member contributions.

Staff shared the Member Contribution Commitments & CGA Budgeting documents led in conversation by Rebecca from Downey Brand. This document had three recommendations in total.

1. "Confirm each member agency's contributions during the 5-year period of the Draft Fee Proposal. Is each member willing to commit its identified "slice" of the pie? If yes, proceed to Recommendation #2. If no, provide direction to staff/SCI for modification."

2. Execute an updated funding agreement, memorializing each member's expected contributions for the 5 year term of the proposed fee study and identifying a path forward if actual contributions are less than budgeted.
3. : If members have consensus on contribution amounts, each member should consult with counsel to confirm (1) the total amount of revenue required by that member from fee collection, based on CGA participation and any other revenue needs (e.g., member-specific projects and costs); and (2) the appropriate mechanism for collecting that revenue.

The Board discussed the Revenue by GSA that was listed and noted that the numbers seemed a bit high. Rebecca explained that the numbers are not final and are subject to change. She also insisted that the Board is not required to use this methodology but if they do, they need to come to an agreement on what the numbers should be. One issue the Board brought up in terms of Amador is that these fees are based on irrigated lands and not surface water acres. No action was looked for in this conversation but Rebecca stressed that it is a decision that needs to be reached in the coming months as it could present a problem later on.

6) CGA Cost of Service Study Development Update

SCI Consulting has drafted a Draft Fee Implementation Memo recapping the status of our developing and updated cost of service study which staff showed to the Board. This will serve as the foundations of outreach efforts this fall and winter. On September 26th, staff received written public comment from Barbara Washburn which was also attached and displayed for the Board. Ryan from SCI went over the Draft Fee Memo to the Board going over specifically the Review Fee Structure (projected five-year budget, base charge fee, public water system fee and irrigated acreage fee), the Review Revenue Summary (revenue by groundwater user class and cost allocation) and Looking Forward (discussion of fee study needs, current tasks and fee implementation).

Ryan recommended that the PMA budget be looked over and reworked in order to adjust the budget. The Board noted that it seemed like base charges adding up to \$223,575 to run CGA are preferred over the \$800,000 proposed by Staff. Staff explained that this is truly just the base justification that does not allow CGA to do any projects, run committees, hold workshops, etc. Lindsay pointed out that 68% of administrative fees would be based on charges by the GSA's while 32% would be based on residential parcels-users in the basin. There was a discussion between Board members on how the parcel fees were broken down by GSA and parcel users. Rebecca explained that CGA is responsible for implementing a fee and that the Board will need to agree on how this is broken down and implemented, in the long-run.

In terms of the Public Water System Fee, the revenue added to \$35, 704 while the irrigated acre fee added to \$546, 199 (proposed). Agricultural users would be paying about 72% of the fees in terms of groundwater usage with residential users about 23%. Looking forward to fee study needs, Ryan spelled out the next steps needed including identification of specific PMAs to be funded by the fees, updated Amador parcel layer, determination of aquaculture approach, and more. In terms of a timeline, a final fee report will be presented to the Board by April 2024.

7) November Public Outreach Events

Theresa, the Chair of the Outreach and Engagement Committee, shared a quick update on the Workshops that will take place on November 1 and 4. Outlines of the poster topics were shared with the Board. Staff will be editing the outline into poster formats to display at the Workshops. The Committee has met several times to discuss the workshops and will meet once more in October to tie up any loose ends.

Informational Items

8) Monitoring Network Update

None.

9) Committee Reports

None.

10) CGA Staff Reports

11) CGA Counsel Reports

None.

12) DWR North Central Regional Office Update

None.

13) Received Correspondence

None.

14) Director/Member GSA Comments

None.

14) Upcoming Agenda Items

The following items were identified: None.

Public Comment on Non-Agenda Items

15) Public Comment

Adjourn Meeting

Chair Hunley adjourned the meeting by consensus at 11:32pm.

PLEASE NOTE STARTING IN OCTOBER, REGULAR MEETINGS OF CGA WILL BE HELD ON THE 1ST WEDNESDAY EACH MONTH. THE NEXT MEETING WILL BE HELD ON NOVEMBER 1, 2023.

Cosumnes Groundwater Authority

Balance Sheet

As of October 27, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Public Checking (4246) - 1	249,171.68
Total Bank Accounts	\$249,171.68
Accounts Receivable	
Accounts Receivable (A/R)	14,007.36
Total Accounts Receivable	\$14,007.36
Total Current Assets	\$263,179.04
TOTAL ASSETS	\$263,179.04
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	\$52,055.37
Total Current Liabilities	\$52,055.37
Total Liabilities	\$52,055.37
Equity	\$211,123.67
TOTAL LIABILITIES AND EQUITY	\$263,179.04

Cosumnes Groundwater Authority

Accounts Payable

As of October 27, 2023

VENDOR	MEMO/DESCRIPTION	AMOUNT	DATE
1 - 30 days past due			
Sloughhouse Resource Conservation District	SRCD Staff Services (Miller+Friedman) - October 2023	13,175.00	10/19/2023
Total for 1 - 30 days past due		\$13,175.00	
Current			
Austin Miller	Misc. Office Supplies	90.00	10/27/2023
Brittany Friedman	Mileage for Fall Monitoring Event	176.23	10/19/2023
EKI Environment & Water	Professional Services - through September 2023	31,164.64	10/19/2023
Downey Brand	Legal Services through September 2023	7,449.50	10/26/2023
Total for Current		\$38,880.37	
TOTAL		\$52,055.37	

Cosumnes Groundwater Authority

Accounts Receivable

As of October 27, 2023

	CURRENT	1 AND OVER	TOTAL
County of Sacramento	6,316.64		\$6,316.64
Galt Irrigation District (GID)	7,690.72		\$7,690.72
TOTAL	\$14,007.36	\$0.00	\$14,007.36

Cosumnes Groundwater Authority

Budget vs. Actuals: FY 23 - 24 Budget - FY24 P&L

July 2023 - June 2024

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	REMAINING
Income				
4100 Member Contributions	7,690.72	425,730.00	-418,039.28	418,039.28
Services	6,316.64		6,316.64	-6,316.64
Total Income	\$14,007.36	\$425,730.00	\$ -411,722.64	\$411,722.64
GROSS PROFIT	\$14,007.36	\$425,730.00	\$ -411,722.64	\$411,722.64
Expenses				
5000 Staff Personnel Expenses (Contract)				
Personnel - SRCD	58,325.00	161,000.00	-102,675.00	102,675.00
Personnel - SSCAWA	6,380.00		6,380.00	-6,380.00
Total 5000 Staff Personnel Expenses (Contract)	64,705.00	161,000.00	-96,295.00	96,295.00
5100 Legal Services	17,526.62	30,000.00	-12,473.38	12,473.38
5200 Public Outreach		5,000.00	-5,000.00	5,000.00
5400 Annual Report Technical Support		33,000.00	-33,000.00	33,000.00
5410 Data Management System	999.18	10,000.00	-9,000.82	9,000.82
5420 Other Technical Support	21,416.31	125,000.00	-103,583.69	103,583.69
5430 Monitoring	176.23	15,000.00	-14,823.77	14,823.77
5500 Miscellaneous. Expenses	623.20	3,000.00	-2,376.80	2,376.80
5600 Financial Audit and Accounting Services		12,500.00	-12,500.00	12,500.00
5640 Funding Exploration		20,000.00	-20,000.00	20,000.00
5650 Funding Study Development		65,000.00	-65,000.00	65,000.00
5700 Data Gaps	25,122.50	45,000.00	-19,877.50	19,877.50
Unapplied Cash Bill Payment Expense		10,000.00	-10,000.00	10,000.00
Total Expenses	\$130,569.04	\$534,500.00	\$ -403,930.96	\$403,930.96
NET OPERATING INCOME	\$ -116,561.68	\$ -108,770.00	\$ -7,791.68	\$7,791.68
NET INCOME	\$ -116,561.68	\$ -108,770.00	\$ -7,791.68	\$7,791.68

Cosumnes Groundwater Authority - DRAFT Cash Flow Projection 2023-2024

Budget Item	Total Budget	Total Cash Flow Estimate	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.2024
EXPENSES														
Personnel	\$ 161,000	\$ 122,525	\$ 13,200	\$ 13,200	\$ 13,200	\$ 11,000	\$ 6,375	\$ 6,375	\$ 6,375	\$ 13,200	\$ 13,200	\$ 13,200	\$ 13,200	\$ 13,200
Legal	\$ 30,000	\$ 29,000	\$ 3,300	\$ 4,000	\$ 3,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 4,000	\$ 4,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Public Outreach Supplies	\$ 5,000	\$ 5,000				\$ 2,500			\$ 2,500					
Annual Report		\$ 33,000								\$ 5,000	\$ 13,000	\$ 13,000	\$ 2,000	
Data Management System	\$ 10,000	\$ 4,000								\$ 4,000				
Other Technical Services	\$ 75,000	\$ 65,804		\$ 10,804	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500
Monitoring	\$ 15,000	\$ 18,000					\$ 10,000				\$ 8,000			
Miscellaneous	\$ 3,000	\$ 2,200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
Financial Audit	\$ 12,500	\$ 20,000					\$ 10,000			\$ 10,000				
Grant Funding Exploration	\$ 20,000	\$ -												
Post-GSP Fee Establishment	\$ 65,000	\$ 65,000			\$ 5,000	\$ 10,000	\$ 10,000	\$ 5,000	\$ 5,000	\$ 10,000	\$ 15,000	\$ 5,000		
Other PMAs + Data Gaps (New Hope Road Monitoring Well)	\$ 45,000	\$ 25,000					\$ 25,000							
Responding to State Comments	\$ 50,000	\$ 2,000						\$ 2,000						
Grant Development	\$ -	\$ -												
Contingency	\$ 10,000	\$ -												
EXPENSES Total	\$ 501,500	\$ 391,529	\$ 16,700	\$ 28,204	\$ 26,900	\$ 31,200	\$ 69,075	\$ 21,075	\$ 23,575	\$ 51,900	\$ 56,900	\$ 38,900	\$ 22,900	\$ 20,900
REVENUE (Member Contributions)														
Sloughhouse RCD	\$ 148,402	\$ 148,402										\$ 90,000		\$ 58,402
City of Galt	\$ 15,000	\$ 15,000						\$ 15,000						
Amador CGMA	\$ 5,000	\$ 5,000						\$ 5,000						
Galt Irrigation District	\$ 156,749	\$ 156,749										\$ 96,749		\$ 60,000
Clay Water District	\$ 21,737	\$ 21,737										\$ 21,737		
OH Water District	\$ 23,241	\$ 23,241										\$ 23,241		
County of Sacramento	\$ 55,601	\$ 55,601						\$ 55,601						
REVENUE Total	\$ 425,730	\$ 425,730	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,601	\$ -	\$ -	\$ -	\$ 231,727	\$ -	\$ 118,402
Difference	\$ (75,770)	\$ 34,201		\$ (28,204)	\$ (26,900)	\$ (31,200)	\$ (69,075)	\$ 54,526	\$ (23,575)	\$ (51,900)	\$ (56,900)	\$ 192,827	\$ (22,900)	\$ 97,502
August 1, 2023 Account Total	\$ -	\$ 278,186	\$ 249,982	\$ 223,082	\$ 191,882	\$ 122,807	\$ 177,333	\$ 153,758	\$ 101,858	\$ 44,958	\$ 237,785	\$ 214,885	\$ 312,387	\$ 312,387
Estimated End Total	\$ 202,416	\$ 312,387												
Projected Year End														

Drafted October 26, 2023 by A. Miller for Board Discussion

**Cosumnes Groundwater Authority
Board of Directors Meeting**

Agenda Date: November 1, 2023

Agenda Item #: 5

Agenda Item Subject: GSP Determination Letter

To: CGA Board of Directors

From: CGA Staff

Background

On October 26, 2023 the California Department of Water Resources (DWR) reported that the Cosumnes Subbasin Groundwater Sustainability Plan (GSP) (submitted in January 2022) has been approved!

DWR staff concur with the Cosumnes Subbasin GSP findings that identified areas for improvements are important and recommend the GSAs address them as soon as possible. DWR staff have also identified additional recommended corrective actions within this assessment that the GSAs should consider addressing by the first periodic evaluation of the Plan (2027). The recommended corrective actions generally focus on the following:

1. Further assessing the potential impact of the established minimum thresholds for chronic lowering of groundwater levels on domestic wells, as related data gaps are filled, and providing supporting documentation of the assessment.
2. Revising the undesirable results definition for chronic lowering of groundwater levels to be based on impacts (i.e., the number of wells impacted by the lowering of groundwater) and updating the minimum thresholds, as necessary, to be aligned with the revised definition of undesirable.
3. Conducting necessary investigations or studies to better understand the relationship between groundwater levels and degraded water quality, and describing the potential impacts of the minimum thresholds established for chronic lowering of groundwater levels on degraded water quality.
4. Establishing sustainable management criteria for land subsidence based on direct measurements of land elevation changes.
5. Continuing to fill data gaps, collecting additional monitoring data, coordinating with resources agencies and interested parties to understand beneficial uses and users that may be impacted by depletions of interconnected surface water caused by groundwater pumping, and potentially refine sustainable management criteria.
6. Expanding the land subsidence monitoring network to provide sufficient coverage of the Subbasin.

The full determination letter can be found here: https://www.cosumnesgroundwater.org/wp-content/uploads/2023/10/Cosumnes_GSP2023_Determination.pdf

**Cosumnes Groundwater Authority
Board of Directors Meeting**

Agenda Date: November 1, 2023
Agenda Item #: 6
Agenda Item Subject: Fall Monitoring Event and Water Year 2023 Annual Report Updates

To: CGA Board of Directors
From: CGA Staff

Background: Monitoring Network

Brittany Friedman has been working with our contract monitoring consultants to schedule groundwater elevation readings and water quality samplings for October 2nd and 3rd. Brittany will provide a verbal update on these efforts and a summary of findings will be provided at the November Board Meeting. GSAs collecting their own data should coordinate with Friedman/EKI to get final data to CGA by December 6, 2023.

In total, 23 of the 25 wells were able to be accessed by Brittany and the technical assistant from Confluence. One of the wells that was not able to be accessed will be circled back to in November. The other was not able to be accessed as the landowner did not return any of our calls or emails and this well may need to be removed from the supply list if we cannot access it again in Spring 2024.

Of the 23 wells accessed, 8 were sampled for water quality and all 23 had their water levels monitored. However, 3 wells had obstructions that did not allow us to gather their water levels. EKi is gathering the publicly available data for the remaining wells that make up the 44 total wells monitored in the Cosumnes Subbasin.

The virtual and hard-copy of the Monitoring Binder is up to date with Fall 2023 data as we have it now and will continue to be updated as we wrap up the Fall Monitoring in December.

**Cosumnes Groundwater Authority
Board of Directors Meeting**

Agenda Date: November 1, 2023

Agenda Item #: 7

Agenda Item Subject: Member Contributions

To: CGA Board of Directors

From: CGA Counsel; SCI Consultants

At the October 4, 2023 CGA Board meeting, SCI presented a draft fee proposal for feedback and discussion by the CGA Board. These materials are intended as a resource for all members: CGA will not be directly implementing or adopting any fee.

Rather, under the current governance structure, CGA is responsible for: (1) Identifying an annual budget; (2) facilitating and funding the underlying work for the fee study; and (3) collecting member contributions. Members are responsible for: (1) Participating and providing feedback on budget discussions and the fee study; (2) remitting annual member contributions to CGA; and (3) developing and implementing a mechanism to fund their member contributions.

This memorandum contains recommendations intended to facilitate those efforts. Three key recommendations are summarized below.

Member Contribution Commitments & CGA Budgeting

Recommendation #1: Confirm each member agency's contributions during the 5-year period of the Draft Fee Proposal. Is each member willing to commit its identified "slice" of the pie?

- If yes, proceed to **Recommendation #2**.
- If no, provide direction to staff/SCI for modifications.

CGA's joint powers agreement anticipates that each member entity will contribute to the agency's expenses based on CGA's annual budget, but does not specify a methodology to assign those contributions. Members currently rely on annual funding agreements that set out their respective contributions. For the 2023-2024 Fiscal Year, member contributions are as follows:

GSA	FY 23-23 Contributions
City of Galt	\$15,000
Amador CGMA	\$5,000
Galt Irrigation District	\$156,749
Clay Water District	\$21,737
OH Water District	\$23,241
Sloughhouse RCD	\$148,402
County of Sacramento	\$55,601

Total	\$425,730¹
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For the 5-year term of the draft fee proposal, CGA identified an anticipated annual budget of \$805,476. This increased expense is associated with increased costs of general administration, the need to further fund SGMA implementation measures, and a recognition that CGA's existing expenses already outpace annual member contributions. This planning assumption was informed by significant member agency feedback and Board discussion, recognizing both the significant need in the basin for CGA's services, and the associated desire to minimize the fiscal impact on the basin.

Because CGA did not receive a SGMA implementation grant, and does not levy direct fees on users or landowners, **CGA will continue to rely on member contributions to fund its budget.**

Those member contributions have not been finalized past the current fiscal year. In the absence of a longer-term funding agreement, CGA lacks certainty about whether the amounts budgeted in the draft fee study will in fact be collected and remitted to the agency. **It would be in the best interests of CGA and its members to clarify and memorialize these expectations for the 5-year term of the draft fee study.**

If each member's contribution was calculated based on anticipated revenue generated from the proposed fee in that member's service area, budgeted member contributions would be divided according to the table below (Refer to Table 13, October 4 2023 Draft Fee Implementation Memo).

Total Revenue By GSA, All Sources					
GSA	Base Charge Revenue	Irrigated Acre Revenue	PWS Revenue	Total Revenue	% of Total Revenue
Amador GSA	\$11,584.04	\$46,540.46	\$2,571.05	\$60,695.56	8%
City of Galt	\$724.88	\$0.00	\$32,712.76	\$33,437.64	4%
Clay WD	\$1,495.00	\$24,946.65	\$0.00	\$26,441.65	3%
Galt ID	\$97,121.44	\$195,806.25	\$2.00	\$292,929.69	36%
Omochumne Hartnell WD	\$15,783.56	\$32,253.75	\$69.20	\$48,106.51	6%
Sacramento County GSA	\$10,756.72	\$76,601.25	\$243.63	\$87,601.60	11%
Sloughhouse RCD	\$86,102.64	\$170,055.00	\$105.81	\$256,263.45	32%
Totals:	\$223,568	\$546,203	\$35,704	\$805,476	100%

Although no member is required to use the draft fee study to fund its member contributions, **all members should agree on what their net contributions will be.** Without that consensus, CGA and its members lack the certainty necessary to carry out the objectives identified in their budget and GSP. The allocation in the draft fee proposal is one such division; if members

¹ Note that the 2023-2024 budgeted member contributions reflect a deficit budget, as anticipated expenses are significantly lower than anticipated expenses.

intend a different division of contributions, this should be clarified and memorialized so that staff can appropriately support the fee development effort.

Recommendation #2: Execute an updated funding agreement, memorializing each member's expected contributions for the 5 year term of the proposed fee study and identifying a path forward if actual contributions are less than budgeted.

CGA lacks predictability in its long-term budget in part because it is reliant on member contributions that are set on a year-to-year basis. As to the 2023-2029 fiscal years, this uncertainty is exacerbated by the fact that each of its members must implement its own mechanism to fund that member's annual contributions---those mechanisms are still in development.

We recommend an updated funding agreement that explicitly defines member contributions over a 5 year period. This agreement should be finalized no later than March 2024, so that all members may rely on a defined contribution amount as they work toward fee implementation and 2024-2025 budgeting in their respective agencies.

We additionally recommend that this funding agreement memorialize how the group will handle a situation in which member contributions are less than originally budgeted. While CGA requires certainty in its planning, it must also recognize that members may not have finality about their funding streams until the early part of fiscal year 2024-2025. Given that, we suggest that the group discuss and memorialize how it intends to handle a circumstance in which one or more members' contributions are less than originally budgeted.

As with the allocation of contributions, discussed above, there is no perfect answer here: rather, members should come to the table with a shared understanding to avoid conflicts and/or uncertainty in the future.

Member Implementation of Fees

Recommendation #3: If members have consensus on contribution amounts, each member should consult with counsel to confirm (1) the total amount of revenue required by that member from fee collection, based on CGA participation and any other revenue needs (e.g., member-specific projects and costs); and (2) the appropriate mechanism for collecting that revenue.

By design, CGA does not dictate how members collect contribution amounts, and it does not impose any fees directly on CGA constituents. Each member entity has provided input to CGA and SCI in the development of the draft fee proposal, and each will be responsible for determining whether and how to implement that proposal in its own jurisdiction.

Members have asked whether CGA's draft fee proposal will be implemented under Proposition 26 or Proposition 218. **Ultimately, that decision is left to the implementing agency:** the draft fee proposal offers up data and supporting information that any member may use in explaining how its own fee was calculated. It is intended to be a tool and a framework, but is not prescriptive. As members continue to discuss this with their own governing boards and counsel, a few points of clarification may be helpful.

First, public agencies are constrained in the charges that they levy. These constraints come in two general forms:

1. Statutes/Authorizing Legislation: An agency must have the legal authority to collect a particular charge. That authority is typically spelled out in statutes, and varies from agency to agency. One authority that *all* members of CGA share the authority to levy charges as a GSA under Water Code 10730 and 10730.2. Each of these sections sets out specific requirements for the nature of the charge and the process for adopting it, which an implementing agency must incorporate in its process if it intends to levy charges under that authority.
2. Constitutional Limits on Taxes, Fees, and Charges: Separately, the California Constitution places specific procedural and substantive limits on charges imposed by public agencies. Proposition 26 and Proposition 218 are two such limits.

It is important to understand that Proposition 218 and Proposition 26 are not mutually exclusive, and neither is an independent authorization for an agency to impose charges. Instead, each defines part of the universe of government-imposed fees and charges that are not "taxes", and therefore not subject to the California Constitution's requirement of majority-approval vote for general taxes or the 2/3-approval vote for special taxes.

Proposition 26 identifies seven different kinds of charges that are not "taxes" under the constitutional requirements, and therefore do not fall into the default majority-vote rules. Four particular exemptions are relevant here:

- A charge imposed for a specific benefit conferred or privilege that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; **or**
- A charge imposed for a specific government service or product that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; **or**
- A charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; **or**
- Assessments and property-related fees imposed in accordance with the provisions of Article XIII D [Proposition 218].

Proposition 26 does not build in any additional procedural requirements for these exempt charges, which may make them easier to implement for some agencies. Courts have recognized

the legitimacy of charges for groundwater management as a charge for government services or a charge for specific benefits conferred. The agency imposing the charge will bear the burden of demonstrating that the charge does not exceed its reasonable costs, and that it bears a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity it funds. **But, that determination is extremely fact-intensive: there is no universal rule for what is "reasonable."** In recognition of that fact, the draft fee study is data-intensive, to maximize the information available to member agencies as they demonstrate how their own fees meet this threshold.

Property-related fees levied under Proposition 218 are one of the 7 exemptions identified in Proposition 26. Unlike Proposition 26, Proposition 218 imposes additional procedural requirements. These include:

- Written notice to the parcel owner, including the amount of the fee, the basis for calculating the fee, and the time, date, and location of the public hearing on the fee.
- A public hearing on the proposed fee, including an opportunity for opponents to protest the proposed fee.
- The limitation that if written protests "are presented by a majority of owners of the identified parcels, the agency shall not impose the fee." (Cal. Const. art. XIII D § 6.)

Like other fees levied under Prop 26's exemption, land-based charges under Prop 218 come with substantive limitations. These largely parallel Prop 26's reasonableness requirements, and include the following:

- Revenues derived from the fee or charge shall not exceed the funds required to provide the property-related service.
- Revenues derived from the fee or charge shall not be used for any purpose other than that for which the fee or charge was imposed.
- The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel.
- No fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question.
- No fee or charge may be imposed for general governmental services (e.g. fire, policy, ambulance).

Given the additional procedural hurdles, these sorts of charges may be more complicated or expensive to implement. At the same time, the nature of Prop 218's procedural requirements allows an agency to flesh out and adapt in response to potential challenges before the fee's final implementation, and funds collected under these sections have greater flexibility in what they can be used for. Finally, the statutory authorization that an agency relies upon in levying the fee may inform this choice: Water Code 10730.2, for example, requires an agency to proceed through the Prop 218 notice and hearing requirements before adopting a fee.

CGA members evaluating how to structure their fund recovery mechanism will need to consider:

- The agency's statutory authority to levy fees and charges (whether through SGMA or some other statute), including whether there are specific procedural or substantive requirements in that statute.
- What the proposed fee will fund, including whether the fee will fund only the agency's CGA member contributions or will include other SGMA/administration costs within the agency.
- Whether other considerations (ease of implementation, political climate, desires of board or stakeholders) make a certain structure more preferable.

Again, we strongly recommend that each CGA member consult with its counsel to identify the most appropriate path forward for that member agency.

**Cosumnes Groundwater Authority
Board of Directors Meeting**

Agenda Date: November 1, 2023

Agenda Item #: 8

Agenda Item Subject: Cost of Service Study Development Update

To: CGA Board of Directors

From: CGA Staff

Background

SCI Consulting drafted the attached memo for the October 4th CGA Board Meeting recapping the status of the development of an updated cost of service study. This will serve as the foundations of outreach efforts this fall and winter.



Cosumnes Groundwater Authority

Draft Fee Implementation Memo

October 2023

DRAFT



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I. Executive Summary

Background

The California Legislature enacted the Sustainable Groundwater Management Act (“SGMA”) in 2014, marking the first Statewide effort to manage its groundwater basins. The goal of this historical legislation is to ensure that groundwater is sustainably managed and protected for all beneficial users, both now and in the future. Although it was enacted at the State level, SGMA was envisioned to be carried out locally. As such, it mandates that local Groundwater Sustainability Agencies (“GSAs”) be formed in medium and high-priority basins in order to develop and implement Groundwater Sustainability Plans (“GSPs”).

The Cosumnes Groundwater Authority (“CGA” or “Authority”) was formed in November 2021 for the purpose of implementing the GSP for the Cosumnes Subbasin (“Subbasin”). The Authority is comprised of seven GSAs (“the GSAs” or “member GSAs”) that respectively manage the entirety of the Subbasin: Omoichumne-Hartnell Water District (“OHWD”) GSA, Sloughhouse Resource Conservation District (“SRCD”) GSA, Galt Irrigation District (“GID”) GSA, Clay Water District (“CWD”) GSA, City of Galt GSA, Amador County Groundwater Management Authority (“Amador County GSA”), and Sacramento County GSA. The Authority submitted the Cosumnes Subbasin GSP to the Department of Water Resources (“DWR”) in January of 2022. While the State may take up to two years to assess the GSP and determine if it complies with SGMA, the Agency is tasked with implementing the tasks laid out by the GSP immediately.

In the Summer of 2022, the Authority engaged a consultant team led by SCI Consulting Group (“SCI Team”) to develop a Rate and Fee Study for the Subbasin. This effort has included comprehensive data analysis, review of funding options, evaluation of rate structure alternatives, and the development of rate and fee schedules. The Board, Authority staff, and members of the public are providing input on this process. The scope of work also includes community meetings, to be held in late 2023 or early 2024, in order to incorporate community perspective and engagement into the Rate and Fee Study. If successfully implemented, the fee program that is being considered would replace the current fee program.

This Memorandum summarizes the work that has been done thus far, providing an overview of the rate structure and budget currently being considered. It also outlines a path forward for fee implementation in 2024. It should be noted that this document does not represent a final calculation of fees, but rather it is meant to document the evaluation of rate and fee options currently being conducted by the Authority. The summary of data and associated fee structures and rates included here are preliminary estimates.

Objectives

The objectives of this Memorandum include the following:

- To review the fee structure currently being considered for the Cosumnes Subbasin, including preliminary rates and budget.
- To provide an overview of the fee implementation process being considered for calendar year 2024, for placement of charges on fiscal year 2024-25 tax bills.
- To outline the preliminary allocation of costs across the Authority's member agency GSAs.
- To provide information in support of the Authority's planned outreach and engagement efforts in the Winter of 2023-24.

Context

In 2021, the Authority established a fee program to fund the cost of administration. Along with member agency contributions and grant awards, this program has funded the continued operations of the Authority to date. It is worth noting that the current fee program does not provide any funding for projects and management actions described in the GSP.

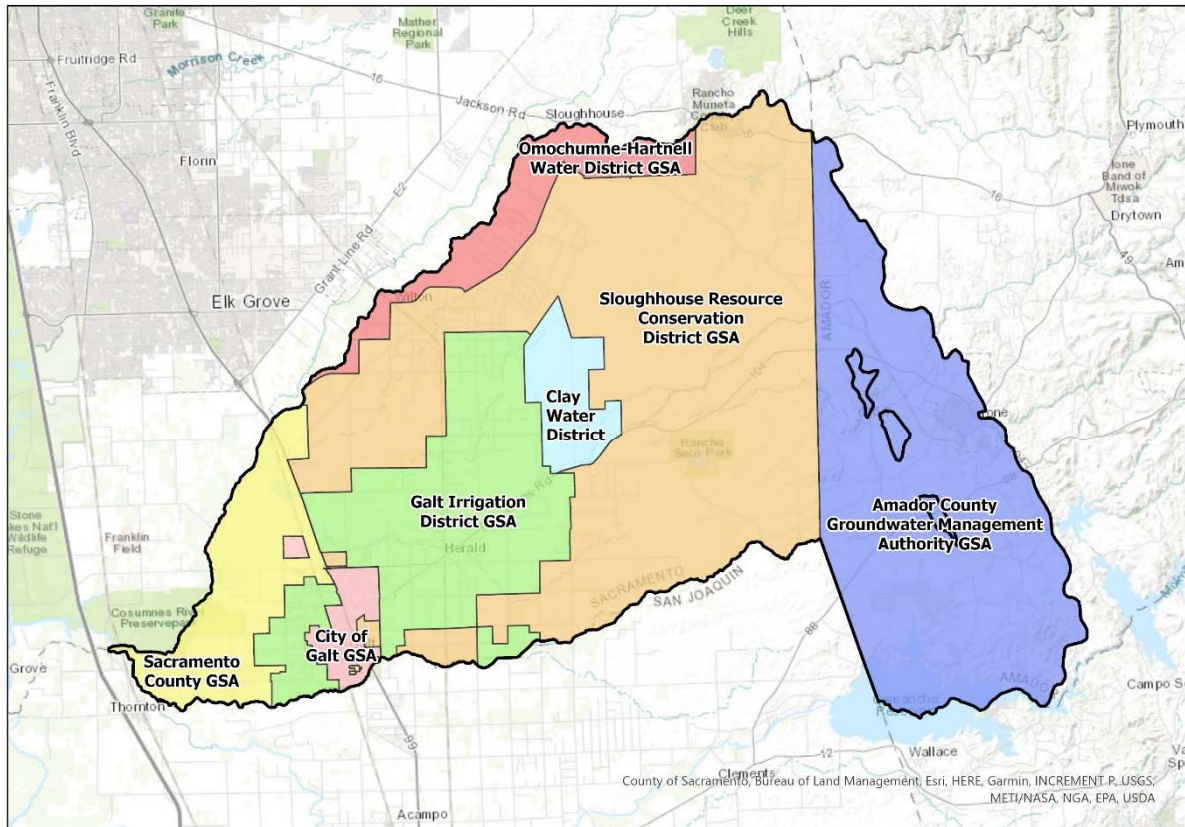
Development of the GSP was largely funded by a grant award from DWR's Sustainable Groundwater Management ("SGM") Program in the amount of \$1.75 million. The Authority applied for the most recent SGM grant round but was not awarded any funding.

Implementation of the Cosumnes GSP will require more resources, and as such, the Authority will see an increased need for revenue in the coming years. While the Agency has received grant funding in the past, and will actively pursue future grant solicitations, the need for independent revenue is apparent.

Just as SGMA envisions groundwater basins being locally governed, it also envisions GSAs to be locally funded. The intent of the Fee Study process is to update the rate and fee schedule for the Cosumnes Subbasin, providing a reliable stand-alone revenue source to ensure the Agency's ability to implement its GSP.

As noted above, The Authority is comprised of seven GSAs within the Cosumnes Subbasin. Each GSA is jointly tasked with implementing the Cosumnes Subbasin GSP. This relates to fee implementation in that each GSA will implement separate fee programs utilizing the Fee Study as the legal and methodological basis for any charges imposed on groundwater users. The boundaries of each GSA within the Subbasin is shown below for reference.

Figure 1 – Cosumnes Subbasin and Member GSA Boundaries



Basin Prioritization

The Department of Water Resources assigns each of California's 515 groundwater basins a prioritization rating. The Basin Prioritization rating dictates whether a basin is designated very low, low, medium, or high priority as shown below.

Table 1 – SGMA Priority Ranking Criteria

Priority	Total Priority Point Ranges			
Very Low	over	zero	up to	7
Low	over	7	up to	14
Medium	over	14	up to	21
High	over	21	up to	42

Medium and high priority basins are required to establish a groundwater sustainability agency and develop a groundwater sustainability plan. With a priority ranking score of 19.5, the Cosumnes Subbasin is classified by DWR as a medium-priority basin. The Subbasin’s priority point allocation is illustrated in Table 2.

Table 2 - Cosumnes Subbasin Priority Points

Criteria	Priority Points
1 Population	1
2 Population Growth	2
3 Public Supply Wells	2
4 Total Wells	3
5 Irrigated Acres	3
6 Groundwater Reliance	4.5
7 Impacts	2
8 Habitat and Other Information	2
Total Priority Points	19.5

II. Revenue Requirements

The revenue requirements of the Authority stem from the cost of implementing the Cosumnes Subbasin GSP. This budget is split into two primary categories: the administrative budget and the Project and Management Action (“PMA”) Budget. The annual budget to be funded by the fee program will be projected out for a five-year period from Fiscal year 2024-25 through fiscal year 2028-29. At this time, no fluctuation in annual costs is expected, though this may change prior to the implementation of the fee program. These cost projections are preliminary and may shift as the Authority finalizes the Fee Study process.

Table 3 - Annual Costs and Revenue Requirement

Cosumnes Groundwater Authority Projected Five-Year Budget					
Budget Category / Task	Year 1	Year 2	Year 3	Year 4	Year 5
	2024-25	2025-26	2026-27	2027-28	2028-29
Operational Budget					
Legal	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Financial Audit	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Personnel	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000
Outreach and Engagement	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Miscellaneous	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Appeals	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Contingency	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Annual Report	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Monitoring	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Data Management System (DMS)	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
<i>Administrative Subtotal</i>	\$ 328,000	\$ 328,000	\$ 328,000	\$ 328,000	\$ 328,000
Project and Management Action (PMA) Budget					
Project Management	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
GSP Update	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Conservation Program	\$ 272,000	\$ 272,000	\$ 272,000	\$ 272,000	\$ 272,000
ET Weather Stations	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000
<i>PMA Subtotal</i>	\$ 477,000	\$ 477,000	\$ 477,000	\$ 477,000	\$ 477,000
Total Expenses	\$ 805,000	\$ 805,000	\$ 805,000	\$ 805,000	\$ 805,000

The administrative budget is clearly defined, as the Authority understands the costs related to maintaining operational capacity. These costs, including those related to personnel, legal counsel, outreach, and State-mandated annual requirements are relatively established and planned for accordingly.

Items included in the PMA budget are currently being reviewed by the Authority's PMA Committee and will be approved by the Board prior to inclusion in the projected budget. Evaluation of desired projects to target a reduction in groundwater pumping in the Subbasin have led to discussion of two primary options: a voluntary conservation program and the installation of evapotranspiration ("ET") weather stations. These efforts will be refined in the coming months.

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III. Fee Structure and Methodology

Funding mechanism methodology is the basis by which beneficiaries are charged a fee. The methodology and associated proportionality of a funding mechanism are key aspects of its character and hold implications for its implementation, annual administration, corresponding outreach, and other aspects of how a funding program is rolled out.

Essentially, a funding program's rate is determined by a simple equation. However, the work that goes into developing the inputs to this equation can be quite complex. The revenue requirement, informed by the budget, is divided by the methodological unit (irrigated acres, acre feet extracted etc.) which produces the rate. A general rate determination equation is shown below for reference:

Figure 2 - Rate Determination Equation

$$\frac{\text{Revenue Requirement (\$)}}{\text{Methodology Unit (Parcels, AF, Acreage, etc.)}} = \text{Rate}$$

Depending upon the entity in question, a charge per acre foot ("AF"), charge per irrigated acre, or charge per groundwater-using parcel can be produced by this equation.

Cosumnes Subbasin Fee Methodology

After months of discussion, a multi-faceted approach to fee structure was deemed appropriate for the Cosumnes Subbasin. Several factors contributed to this determination. The Authority's current fee program primarily accounts for one type of groundwater user: agricultural irrigators. As entities that include public water systems, the City of Galt and Amador County GSA also contribute funding through the Authority's revenue sharing agreement.

Over the course of the last year, a fee structure has been developed that utilizes three types of charges: a "Base Charge" that charges all groundwater-using parcels and generates a portion of the Authority's operational revenue needs; a Public Water System Fee that charges public water systems based on groundwater extraction, and an Irrigated Acreage Fee that charges agricultural irrigators based on the number of irrigated acres they maintain. This structure allows for consideration of several distinct types of groundwater users.

Groundwater User Classes

In order to optimally structure groundwater fees, groundwater users are grouped into four user classes in the Subbasin. Different approaches were used to charge each user type.

Agricultural and other Irrigation Groundwater Users

Crop irrigation use represents a substantial portion of the total groundwater extraction in the Subbasin. Data from the best available crop map (From the California Department of Water Resources, 2019)¹ has been used to assign crop-specific acreage to each parcel. Prior to the final Fee Study, this data will be updated to either the 2020 or 2021 DWR dataset, depending on which is the most recent non-provisional data available at that time.

Residential and Commercial Groundwater Users

Residential and commercial groundwater users includes all parcels that utilize groundwater for residential or commercial purposes. While there is limited data available to support parcel-scale understanding of groundwater use in these instances, these parcels are charged the Base Charge, which acknowledges that they are provided a service by, and benefit from, the costs of sustainably managing the Subbasin.

Municipal and Other Public Service Providers Using Groundwater

Public water supply systems are the only user class in the Subbasin for which reported data is available regarding groundwater extraction. The Division of Drinking Water (“DDW”) collects and reports annual surface and groundwater extraction for public water systems, which is made available through the California State Water Resources Control Board (“SWRCB”)². This data, summarized in Table 4, was obtained and analyzed to obtain groundwater extraction from the period from 2018-2022 per water system.

Base Charge Fee

The Base Charge Fee is a parcel-based fee charged only to groundwater-using parcels. This fee brings residential and commercial groundwater users into the fee structure, incorporating all parcels that directly utilize groundwater throughout the Subbasin. This includes residential parcels, commercial parcels, and agricultural parcels.

¹ <https://data.cnra.ca.gov/dataset/statewide-crop-mapping>

² <https://ear.waterboards.ca.gov/>

As the methodology was developed, the development of the Base Charge was influenced by discussions surrounding the idea of fixed costs that are not tied to relative water use. This concept relates to the idea that some degree of costs related to the Authority's operational budget are fixed and are not tied to variation in water use across groundwater user classes.

For this reason, the Base Charge methodology establishes a baseline rate per groundwater-using parcel relative to the total amount of projected fixed costs. The administrative budget was analyzed, and costs were identified as those that either would or would not decrease if less groundwater were used in the Subbasin. It should be noted that this analysis is preliminary, and changes to this calculation of fixed costs may be necessary. Because the total amount of fixed costs feeds into the calculation of the Base Charge Fees, any change to this number would affect the Base Charge rates. Consequently, changes to this amount could require changing the overall revenue need established by the projected budget or changing the Irrigated Acreage Fee rate. A summary of this analysis is shown below in Table 4.

Table 4 - Summary of Projected Fixed Costs

	Total Costs	Fixed Costs
Administrative Budget		
Legal	\$ 30,000	\$ 25,000
Financial Audit	\$ 15,000	\$ 15,000
Personnel	\$ 175,000	\$ 112,000
Outreach and Engagement	\$ 10,000	\$ 6,000
Miscellaneous	\$ 3,000	\$ 3,000
Appeals	\$ 20,000	\$ 7,000
Contingency	\$ 10,000	\$ 8,575
Annual Report	\$ 35,000	\$ 35,000
Monitoring	\$ 20,000	\$ 10,000
Data Management System (DMS)	\$ 10,000	\$ 2,000
<i>Administrative Subtotal</i>	\$ 328,000	\$ 223,575

One of the assumptions of this evaluation is that the Project and Management Action ("PMA") budget is not fixed, and it was left out of this analysis for this reason. Projects in support of achieving Subbasin sustainability are considered to be tied to groundwater use and are assigned less broadly to agricultural irrigators and public water systems. The PMA budget was not incorporated into the Base Charge Calculation. The total amount of costs identified as fixed is \$223,575. This represents 68% of the administrative budget (\$328,000), and 28% of the overall budget (\$805,000).

In order to determine which parcels within the Subbasin utilize groundwater directly, parcels served by public water systems were removed from the Base Charge calculation. This has initially been completed using spatial analysis of the DDW database on water system boundaries, though further analysis is underway that includes obtaining data directly from water purveyors. Identification of vacant parcels, open space parcels, or other parcels that do utilize water was also necessary. Using a combination of County use codes and aerial imagery, these parcels were removed from the Base Charge calculation. Further analysis is being conducted to solidify this data. The total number of parcels identified as using groundwater directly is 5,282.

By utilizing the total projected amount of fixed costs and the total number of groundwater-using parcels, a rate per parcel can be calculated. This calculation is shown below for reference.

Figure 3 - Base Charge Calculation

$\frac{\$223,575}{5,282 \text{ Parcels}} = \42.33	<i>Parcels Charged Based on Allocated AF</i>
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While this equation provides the essential basis of the Base Charge, a slight variability was introduced to the rates based on parcel type. Parcels that have a residence are charged a small additional amount based on residential groundwater use. This additional charge is based roughly on the idea that a residence uses close to 0.5 AF annually. Parcels with commercial groundwater use are also charged slightly more for this same reason, based roughly on the idea that commercial use may require as much as 2.0 AF annually. This acknowledges the slight variation in relative service provided to, or benefit received from, the cost of managing groundwater in the Subbasin. Agricultural parcels were not charged any increase based on agricultural groundwater use, as they are charged both the Base Charge and the Irrigated Acreage Fee. However, agricultural parcels that include a residence are also charged according to this additional use. Aquaculture parcels are currently included in the commercial category, though the approach to these parcels may be refined in the coming months. A summary of Base Charges is provided below in Table 5.

Table 5 - Base Charge Summary

Base Charge - All GW-Using Parcels				
Property Type	Rates Per Parcel	Total GW-Using Parcels	% of Parcels	Total Revenue
Residential Parcels		4,287	81%	\$182,798
Base Charge:	\$42.64			
Commercial / Industrial Parcels		78	1%	\$4,178
Base Charge:	\$53.56			
Agricultural Parcels		689	17%	\$36,593
Base Charge	\$39.00			
Base Charge With Residence	\$42.64			
Total Agricultural Parcels:		917		
Totals, All GW-Using Parcels:		5,282	100%	\$223,568

Public Water System Charges

The Public Water System Fee assigns a charge per AF to water purveyors who extract groundwater within the Subbasin. Because extraction data is available for this user class, a charge per AF was determined to be the optimal method of charging these systems.

By utilizing the total annual revenue requirement and the total estimated annual groundwater extraction in the Subbasin, we can determine the appropriate rate for public water systems. The equation below provides the calculation for the charge assigned to water purveyors, based on the amount of AF extracted.

Figure 4 - Public Water System Charge Calculation

$\frac{\$805,000}{110,625 \text{ AF}} = \7.28	<p><i>Water Systems Charged Based on AF Extracted</i></p>
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In determining how to charge water systems for their groundwater extraction, a five-year average was selected as the optimal method for allocating charges. There are two primary benefits to this approach. First, using an average creates more uniform charges so that public water service suppliers do not incur large charges relative to previous years. Second, this contributes to revenue stability for the GSA, as changes in the cost allocation for this user class would not change as drastically from year to year as they would if a shorter range were used. As of September 2023, the five-year period being used ranges from 2018-2022. If appropriate, this may be updated to reflect the period of 2019-2023 prior to completion of the Fee Study. A summary of the average groundwater extraction and associated charges by public water systems on the Subbasin is provided below.

Groundwater Extraction of Public Water Systems in the Cosumnes Subbasin										
As Provided by Electronic Annual Reports (SWRCB)								Average Extraction (AF)	Revenue	
Name	PWS ID	Estimated Population	Reported Annual GW Extraction (AF)					5-Year Rolling	Rate Per AF	Revenue
			2018	2019	2020	2021	2022			
Hope Foundation/Moriah Heights	CA0300062	30	27.46		47.60	27.51	33.99	34.14	\$7.28	\$248.53
lone Band of Miwok Indians	CA0300078	62	5.90		5.93	7.49	7.78	6.77	\$7.28	\$49.32
MP Associates, Inc.	CA0300524	170	0.15	0.14	0.06	0.08	0.12	0.11	\$7.28	\$0.79
Camanche North Shore Inc	CA0310008	255	51.33	52.24	59.18	58.93	52.72	54.88	\$7.28	\$399.52
AWA - Camanche Village	CA0310021	2,384	239.89	244.06	262.31	258.69	244.06	249.80	\$7.28	\$1,818.565
Laguna Del Sol Inc	CA3400181	470	0.00	0.00	0.00	23.92	23.61	9.51	\$7.28	\$69.20
Rancho Seco NGS (SMUD)	CA3400232	27.00	1.00	0.35	0.39	0.23	0.61	0.51	\$7.28	\$3.75
Dillard Elementary School	CA3400254	350	1.74	1.67	1.30	12.83	14.54	6.42	\$7.28	\$46.71
Arcohe Elem School - Main Campus	CA3400271	465	0.00	0.94	0.10	0.00		0.26	\$7.28	\$1.89
Wilton Bible Church	CA3400273	125	0.13	0.13	0.09	0.12	0.12	0.12	\$7.28	\$0.85
Rancho Seco Park	CA3400302	40	4.88	7.18	7.11	8.88	9.39	7.49	\$7.28	\$54.51
Cosumnes River Preserve Visitor	CA3400432	300	0.36	0.31	0.21	0.13	0.22	0.25	\$7.28	\$1.81
Church of Latter Day Saints, Galt	CA3400460	800			0.03	1.14	1.14	0.77	\$7.28	\$5.59
River City Recovery Center, Inc	CA3400464	60			0.01	0.02	0.01	0.01	\$7.28	\$0.10
City of Galt	CA3410011	26,536	4,500.91	4,266.45	4,780.04	4,602.85	4,313.46	4,492.74	\$7.28	\$32,707.17
RANCHO DEL ORO MHP	CA0300053	44	8.50	8.69	7.63	6.84	5.65	7.46	\$7.28	\$54.33
Richard A. McGee Training Center	CA3410802	300	42.55	39.54	31.69	33.10	19.21	33.22	\$7.28	\$241.82
Totals:								4,904		\$35,704

Table 6 - Groundwater Extraction and Revenue of Public Water Systems

Note: Cells in grey indicate years in which a water system did not report any data.

Throughout the fee development process, the possibility of directly charging parcels served by public water systems that utilize groundwater was discussed. Questions surrounding the legal process for implementing such charges remain an issue with this approach. Should this type of charge be considered, there are both policy and legal questions that would need further exploration. At this time, this approach has not been deemed viable. Consideration is also being given to charging public water systems an additional amount based on the number of parcels they serve. This would also require further discussion.

Irrigated Acreage Fee

The Irrigated Acreage Fee assigns a charge per irrigated acre to all irrigated lands within the Cosumnes Subbasin. This portion of the fee methodology currently being considered is quite similar to the Authority's current fee program, implemented in 2021.

DWR crop maps from 2019 were used to establish irrigated acreage totals and assign those irrigated acres to specific parcels. This data will be updated in the coming months based on the 2020 or 2021 crop maps, depending on which is the most recent non-provisional dataset. Extensive analysis has been conducted to identify potential inaccuracies in this data, largely utilizing aerial imagery and County use codes. Modifications to irrigated acreage that have been incorporated into the Authority's current fee program were also brought into this analysis.

A key element of this process is currently under review relating to questions about groundwater use. There is a degree of uncertainty regarding a number of irrigated acres within the Amador County portion of the Subbasin and whether these parcels use groundwater or are served solely by surface water. This analysis, being conducted in conjunction with Amador Water Agency, will inform potential changes to the irrigated acreage rate. The current estimate of irrigated acreage within the Subbasin is approximately 48,500 irrigated acres. This spans across both Amador and Sacramento Counties.

It is also worth noting that as the fee approach is refined, additional consideration may be given to aquaculture parcels. These parcels are currently included only in the Base Charge commercial category but are not charged in any other way due to a limited understanding of their water use. If this understanding can be improved in the coming months, it may bring about additional charges. The ability to reasonably quantify water use on a parcel basis would be necessary to inform this approach.

By subtracting the total revenue estimated to be collected from the Base Charge and the Public Water System Fees, we can determine the total revenue requirement to be assigned to the Irrigated Acreage Fee.

Table 7 - Determination of Irrigated Acreage Revenue Need

Total Budget:	\$ 805,000
Base Charge Revenue:	\$223,568
Public Water System Fee Revenue:	\$35,701
Revenue Assigned to Irrigated Acreage Fee:	\$ 545,731

By utilizing the total annual revenue requirement assigned to the Irrigated Acreage Fee and the total estimated irrigated acreage in the Subbasin, we can determine the appropriate rate per irrigated acre. The equation below provides the calculation for the charge assigned to irrigators.

Figure 5 - Irrigated Acreage Charge Calculation

$\frac{\$545,731}{48,551 \text{ Irrigated Acres}} = \11.25	<i>Parcels Charged Based on Irrigated Acres</i>
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The total revenue derived from the Irrigated Acreage Fee is shown below in Table 8.

Table 8 - Irrigated Acreage Fee

Irrigated Acreage Fee			
Revenue Type	Rate Per Irrigated Acre	Total Irrigated Acres (Both Counties)	Revenue
Irrigated Acreage Fee	\$11.25	48,551	\$546,199

Revenue Summary

There are several primary summaries of the proposed fee structure for the Cosumnes Subbasin. First, it is helpful to understand the revenue breakdown by charge type, including the Base Charge Fee, Public Water System Fee, and Irrigated Acreage Fee. Second, a summary of revenue derived from different groundwater user classes is helpful to place the charges within the context of who will be paying. Third, a preliminary summary of costs allocated to each member GSA will help to inform a cost allocation agreement and help to prepare the GSAs for implementation.

Fee Structure Revenue

A summary of the three elements to the fee structure being considered is provided below in Table 9 in order to allow for consideration of them as a whole.

Table 9 - Summary, Fee Structure Revenue

Base Charge - All GW-Using Parcels				
Property Type	Rates Per Parcel	Total GW-Using Parcels	% of Parcels	Total Revenue
Residential Parcels		4,287	81%	\$182,798
Base Charge:	\$42.64			
Commercial / Industrial Parcels		78	1%	\$4,178
Base Charge:	\$53.56			
Agricultural Parcels		689 228	17%	\$36,593
Base Charge	\$39.00			
Base Charge With Residence	\$42.64			
Total Agricultural Parcels:		917		
Totals, All GW-Using Parcels:		5,282	100%	\$223,568

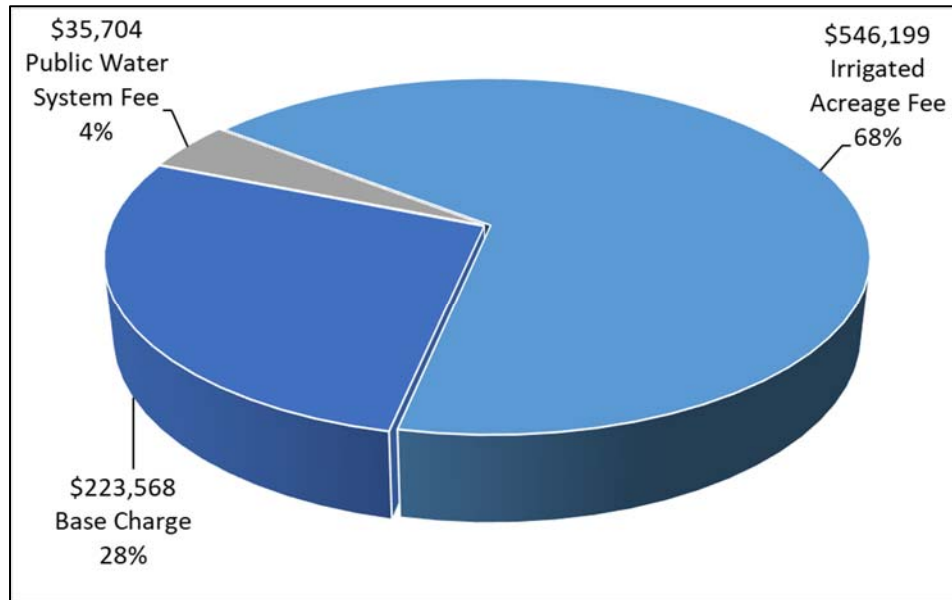
Public Water Systems - Extraction Rate			
Revenue Type	Rate Per AF Extracted	Average AF Extracted Annually	Revenue
Public Water Systems	\$7.28	4,904	\$35,704

Irrigated Acreage Fee			
Revenue Type	Rate Per Irrigated Acre	Total Irrigated Acres (Both Counties)	Revenue
Irrigated Acreage Fee	\$11.25	48,551	\$546,199

Total Revenue, All Sources:		\$805,471
Administrative Revenue:		\$328,000
Project Revenue:		\$477,471

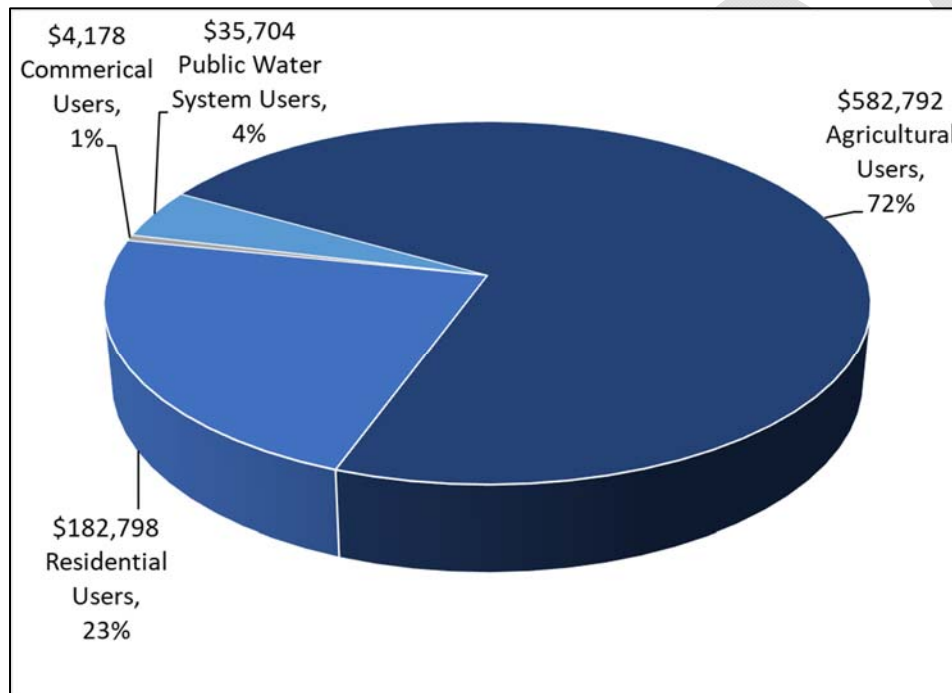
The percentage of each charge type is shown below, taken from the total revenue of \$805,000.

Figure 6 - Fee Revenue Summary



In order to illustrate the breakdown of charges allocated across the different groundwater user classes, a breakdown of revenue by user class across all charge types is provided below.

Figure 7 - User Class Revenue Summary



Summary of Allocation of Costs Across Member GSAs

As noted above, this fee program is being developed by the Authority, yet each member agency GSA will implement fee programs separately. As such, a key element of this process is the allocation of costs across the seven GSAs that operate with the Subbasin. A summary of these preliminary allocations is also provided below for consideration.

Table 10 - Base Charge Summary

Groundwater Using Parcels By GSA						
GSA	Residential Parcels	Commercial Parcels	Agricultural Parcels	Agricultural Parcels with a Residence	Total Parcels	Total Revenue
Amador GSA	169	11	72	23	275	\$11,584
City of Galt	17	0	0	0	17	\$725
Clay WD	11	2	17	6	36	\$1,495
Galt ID	1,845	32	322	98	2,297	\$97,121
Omochochumne Hartnell WD	291	3	54	26	374	\$15,784
Sacramento County GSA	167	8	56	24	255	\$10,757
Sloughhouse RCD	1,787	22	168	51	2028	\$86,103
Totals:	4,287	78	689	228	5,282	\$223,568

Table 11 - Public Water System Fee Summary

Public Water System Fees By GSA	
GSA	Total Charge For Public Water Systems
Amador County GSA	\$2,571
City of Galt GSA	\$32,713
Clay Water District GSA	\$0
Galt Irrigation District GSA	\$2
Omochochumne Hartnell Water District GSA	\$69
Sacramento County GSA	\$244
Sloughhouse Resource Conservation District GSA	\$106
Totals:	\$35,704

Table 12 - Irrigated Acreage Fee Summary

Irrigated Acreage Fee By GSA				
GSA	Number of Parcels with	Irrigated Acreage	Rate	Revenue
Amador GA	107	4,137	\$11.25	\$46,540.46
City of Galt	0	0	\$11.25	\$0.00
Clay WD	28	2,217	\$11.25	\$24,946.65
Galt ID	689	17,405	\$11.25	\$195,806.25
Omochochumne Hartnell WD	149	2,867	\$11.25	\$32,253.75
Sacramento County GSA	94	6,809	\$11.25	\$76,601.25
Sloughhouse RCD	327	15,116	\$11.25	\$170,055.00
Totals:	1,394	48,551		\$546,203

Table 13 - Summary, Total Revenue By GSA

Total Revenue By GSA, All Sources					
GSA	Base Charge Revenue	Irrigated Acre Revenue	PWS Revenue	Total Revenue	% of Total Revenue
Amador GSA	\$11,584.04	\$46,540.46	\$2,571.05	\$60,695.56	8%
City of Galt	\$724.88	\$0.00	\$32,712.76	\$33,437.64	4%
Clay WD	\$1,495.00	\$24,946.65	\$0.00	\$26,441.65	3%
Galt ID	\$97,121.44	\$195,806.25	\$2.00	\$292,929.69	36%
Omochochumne Hartnell WD	\$15,783.56	\$32,253.75	\$69.20	\$48,106.51	6%
Sacramento County GSA	\$10,756.72	\$76,601.25	\$243.63	\$87,601.60	11%
Sloughhouse RCD	\$86,102.64	\$170,055.00	\$105.81	\$256,263.45	32%
Totals:	\$223,568	\$546,203	\$35,704	\$805,476	100%

Data Sources

The process of evaluating rate and fee options and developing the preliminary methodology has relied on data from the State, technical studies, and available local data. At this time, using the best available sources to guide allocation of costs is the most optimal path forward for funding the Authority's efforts to implement its GSP.

A variety of data sources were used to develop the preliminary methodology. Below is a complete list of data used, followed by the source of the data in parenthesis, and a brief description of the data.

- Sacramento County parcel spatial database (Sacramento County): GIS-based spatial database of polygons that delineate parcel boundaries in Sacramento County as of March 2023. The most recent available database will be utilized for the final Fee Study.
- Amador County parcel spatial database (Amador County): GIS-based spatial database of polygons that delineate parcel boundaries in Amador County as of 2012. The most recent available database will be utilized for the final Fee Study.
- Cosumnes Subbasin boundaries (Bulletin 118 Groundwater Basin Boundary Assessment Tool): Basin boundary spatial polygons that delineate boundaries of the Cosumnes Subbasin as of September 2023.
- Crop mapping (CA-DWR): Crop layer polygons from the Department of Water Resources as of 2019. The most recent non-provisional layer will be utilized for the final fee study (either 2020 or 2021).
- Water system boundary information (State Water Resources Control Board): spatial polygons that delineate water system service boundaries as of September 2023.
- Public Water System Use (CA Division of Drinking Water): reported groundwater extraction per PWSID, between 2018-2022.

IV. Fee Implementation

The implementation of a new fee program for the Cosumnes Subbasin will be unique in that no fees will be imposed by the Authority itself; rather, individual GSA member agencies will impose fees according to their respective preferences. Alternatively, they may contribute their cost allocation in other ways. The intent of the Fee Study currently being developed is to provide the foundational methodology and cost allocation across different GSA jurisdictions and across different groundwater user classes.

Cost Allocation

One of the primary considerations that has informed the evaluation of rate and fee options thus far is the allocation of costs among the Authority's member GSAs. While each member agency maintains its own distinct jurisdiction and governing board, the costs associated with implementing the Cosumnes Subbasin GSP are meant to be shared by all supporting GSAs.

Consideration of the cost allocation detailed in this Memorandum will be a key part of successfully funding the Authority's efforts going forward. The intent is that this cost allocation will be refined in the coming months in a way that satisfies all member GSAs' perspective regarding an equitable allocation of costs across the Subbasin. A clear commitment to the final cost allocation will be necessary in order to move forward.

Potential Addendums to Fee Study

During the process of developing the Authority's projected budget and preliminary rates, there have been discussions related to revenue needs of the individual member GSAs. While the fee structure currently being developed is intended to fund the cost of the Authority's GSP implementation efforts, member agencies also incur costs related to administration and GSP implementation. Due to the envisioned dynamic of fee implementation, in which CGA procures the Fee Study while the GSAs implement fee programs based on the Study's methodology, the GSAs may consider incorporating some of their own costs into the fee calculation.

Should the GSAs consider adding additional revenue needs to the projected budget, thereby increasing the rates charged to their constituents, an addendum to the Fee Study that incorporates these additional costs into the methodology and fee structure described therein would serve as a practical means to justify a reasonable increase in rates. However, this justification would need to align with the stated goals and structure provided by the Fee Study itself, and additional revenue would need to be used for the purpose of implementing the Cosumnes Subbasin GSP.

Legislative and Legal Understanding

The Fee Study will serve as the legal basis for the establishment of fee programs by the Authority's member GSAs. Because each GSA may choose to implement different fee types, procedural requirements and other considerations are provided below for the two primary fee options described by SGMA, each with their respective legal and procedural requirements. These requirements are discussed below in detail.

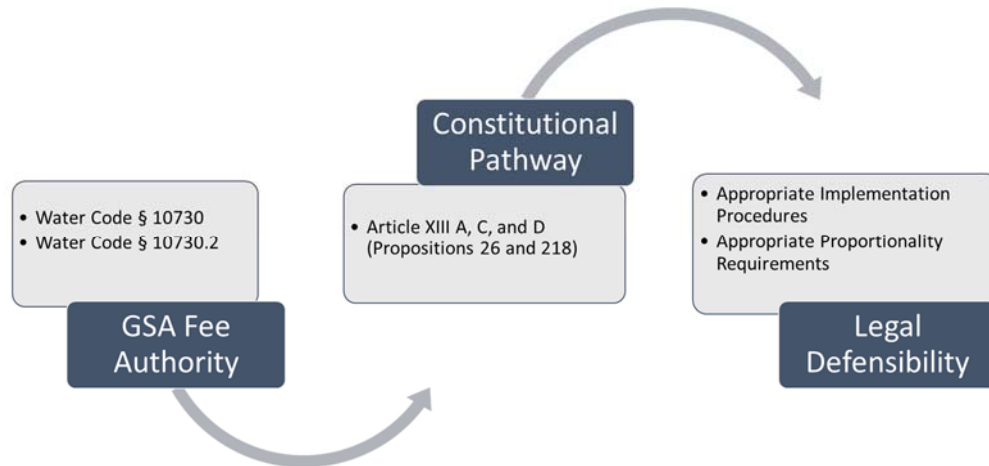
While this Memorandum is intended to provide guidance on fee implementation, it is imperative that each member GSA discuss these fee options with their respective legal counsel in order to determine the appropriate approach to various aspects of fee implementation.

Within SGMA, two revenue paths are specifically described to fund a groundwater sustainability agency: Water Code § 10730 describes fees that align with general GSA management and GSP implementation excluding major capital investments for improvements; and Water Code § 10730.2 describes fees at the full spectrum of GSA costs including major capital investments and facility operations and requires more rigorous and lengthy adoption procedures. These code sections are the legal apparatus that provide GSAs with the authority to charge fees, and they detail specific requirements related to fee structure and implementation. The descriptions of fees in each of these two sections provide guidance for the constitutional "pathways" that are applicable for their respective fee types. While these code sections do not explicitly state that the fees they describe are regulatory fees (§ 10730) or property related fees (§ 10730.2), they are generally interpreted as such due to shared characteristics between their descriptions.

An essential aspect of understanding the legal requirements of fee programs in support of groundwater management is the way in which various legal obligations interplay with one another. Appropriate sections of the California Water Code provide guidance for GSAs in establishing funding mechanisms, but all charges imposed by government agencies must adhere to the requirements set forth in the California Constitution. Both the appropriate Water Code Section and the appropriate Constitutional Articles must be identified and complied with.

The primary constitutional articles relevant for groundwater management fees are included in Article XIII of the California Constitution. Article XIII A and XIII C include Proposition 26 language and set forth general requirements for charges imposed by government agencies. Article XIII C and XIII D were initially added to codify Proposition 218, and they set forth requirements for property related fees and benefit assessments. The relationship between these constitutional articles and their associated Water Code Sections are shown in the figure below.

Figure 8 - GSA Funding Mechanism Legal Pathways



Water Code § 10730 Regulatory Fees

Water Code § 10730 provides the following description of groundwater sustainability fees:

A groundwater sustainability agency may impose fees, including, but not limited to, permit fees and fees on groundwater extraction or other regulated activity, to fund the costs of a groundwater sustainability program, including, but not limited to, preparation, adoption, and amendment of a groundwater sustainability plan, and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve.

It should be noted that the cost of program administration is included here as a viable funding purpose. This aligns with the funding needs of a GSA's regulatory program. However, this description does not provide for the purchasing of property or water and does not include reference to capital costs such as those required for infrastructure projects. This is perhaps the primary shortcoming of these fees. While the Authority's preliminary budget does not include costs related to capital projects, the flexibility provided by Water Code § 10730.2 property related fees may be desirable. Another consideration is that § 10730 regulatory fees have more streamlined implementation procedures, while § 10730.2 property related fees require a mailed notice and protest hearing that have the potential to halt the implementation process.

Outreach Requirements

Water Code § 10730 provides requirements regarding a public meeting prior to imposing a fee program:

Prior to imposing or increasing a fee, a groundwater sustainability agency shall hold at least one public meeting, at which oral or written presentations may be made as part of

the meeting. Notice of the time and place of the meeting shall include a general explanation of the matter to be considered and a statement that the data required by this section is available. The notice shall be provided by publication pursuant to Section 6066 of the Government Code, by posting notice on the Internet Web site of the groundwater sustainability agency.

At least 20 days prior to the meeting, the groundwater sustainability agency shall make available to the public data upon which the proposed fee is based.

De Minimis Extractors

Another relevant consideration regarding Water Code § 10730 fees is whether how member GSAs will implement the Base Charges, which include de minimis groundwater extractors. De minimis extractors are defined by Water Code § 10721 (a) as those who extract, for domestic purposes, two acre feet or less of groundwater per year. An important distinction is made by § 10730 regarding de minimis extractors:

A groundwater sustainability agency shall not impose a fee pursuant to this subdivision on a de minimis extractor unless the agency has regulated the users pursuant to this part.

This indicates that to charge de minimis extractors, a GSA must have regulated these users according to their GSP. This requirement is relatively vague, and there are differing opinions on what constitutes the regulation of de minimis users pursuant to a GSA's GSP. In some cases, registration of these users through ordinance has been used by GSAs to fulfil this requirement. Requesting data from these extractors regarding their groundwater use has also been used to comply with this code section.

Fee Collection

Another stipulation of Water Code § 10730 authorizes a GSA to collect fees pursuant to this section of the Water Code on the property tax bills furnished by the County in which its jurisdiction lies. It is recommended that The Authority utilize the tax bill method of collection to the extent possible. Charges assigned to public water systems, however, are not tied to parcels and would likely be billed directly to these entities.

Proposition 26

Proposition 26 was passed by voters in 2010, providing a broad constitutional definition of the term "tax", which was necessary in the wake of Proposition 218's limitations on local taxes.

Proposition 26, as included in Article XIII C of the California Constitution, defines a tax as "any levy, charge, or exaction of any kind imposed by a local government," with certain exceptions. Among these exceptions are:

- (1) *A charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege to the payor.*
- (2) *A charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product to the payor.*

Article XIII C goes on to stipulate that the governing agency must establish that any charges imposed by a government agency are not taxes:

The local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity.

One of the primary purposes of the Fee Study will be to establish compliance with Article XIII C, including that the fees are not a tax.

§ 10730 Fee (Regulatory Fee) Implementation Process

Neither a public noticing nor a balloting is required in order to adopt a regulatory fee; however, Water Code § 10730 provides the additional requirements of a 20-day posted notice and corresponding public meeting. Additionally, the need to regulate de minimis extractors pursuant to the Cosumnes GSP may require a mailing or similar direct outreach. The Fee Study will present findings to meet the procedural requirements of Proposition 26, which require analysis and support that the levy, charge, or other exaction is not a tax, that the amount is not more than necessary to cover the reasonable cost of the governmental activity, that the way those costs are allocated to a payor bears a fair or reasonable relationship to the payor's burden on or benefits received from the governmental activity, and that the governmental activity funded by the fee is not provided to those not charged.

§ 10730 Fee Implementation Procedures

- Ensure regulation of de minimis users.
- Provide notice of public meeting (20 days prior to meeting).
- Hold public meeting; provide overview of the Fee Study and data supporting the fee structure and amount.
- Fees imposed by ordinance or resolution.

Water Code § 10730.2 Property Related Fees

Water Code § 10730.2 provides the following description of groundwater sustainability fees:

A groundwater sustainability agency that adopts a groundwater sustainability plan pursuant to this part may impose fees on the extraction of groundwater from the basin to fund costs of groundwater management, including, but not limited to, the costs of the following:

- (1) Administration, operation, and maintenance, including a prudent reserve.*
- (2) Acquisition of lands or other property, facilities, and services.*
- (3) Supply, production, treatment, or distribution of water.*
- (4) Other activities necessary or convenient to implement the plan.*

This description provides a more comprehensive list of eligible funding purposes, including a “catch-all” of all activities necessary or convenient to implement the GSP. This flexibility is a key consideration for member GSAs as they plan to implement fee programs. However, § 10730.2 fees require a more challenging implantation process, in which property owners have the opportunity to protest. If more than 50% of property owners submit a protest, the fee program cannot be implemented.

Outreach Requirements

Related to required outreach, Water Code, § 10730.2 (c) states:

“Fees imposed pursuant to this section shall be adopted in accordance with subdivisions (a) and (b) of Section 6 of Article XIII D of the California Constitution.”

This refers to the procedural requirements related to property related fees, which entail a mailed notice and protest hearing. More detail related to these requirements is provided below.

De Minimis Extractors

Unlike § 10730, Water Code § 10730.2 does not establish any additional requirements related to de minimis users. For this reason, the extra consideration of these users required by § 10730 does not apply to these fees.

Proposition 218

Proposition 218 was passed by California voters in 1996, adding Articles XIII C and XIII D to the State Constitution. Proposition 218 outlined substantive and procedural guidelines for the imposition of taxes, benefit assessments, and property related fees, the latter of which applies to § 10730.2 Fees. Proposition 218 provides several notable requirements related to fee implementation, including that:

- The levy, charge, or other exaction is not a tax; and
- Revenues derived from the fee or charge shall not exceed the funds required to provide the property related service.
- Revenues derived from the fee or charge shall not be used for any purpose other than that for which the fee or charge was imposed.
- The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel.
- No fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question. Fees or charges based on potential or future use of a service are not permitted.

One of the primary purposes of the Fee Study will establish compliance with these proportionality requirements.

§ 10730.2 Fee (Property Related Fee) Implementation Process

As noted above, property related fees require more stringent implementation procedures. Water Code § 10730.2 provides specific reference to Proposition 218 procedures:

Fees imposed pursuant to this section shall be adopted in accordance with subdivisions (a) and (b) of Section 6 of Article XIII D of the California Constitution

Section 6 of Article XIII of the California Constitution, codified by the passage of Proposition 218, describes the specific requirements of the implementation of a property related fee, and most importantly, refers to subdivision (a) as the noticing requirement, (b) as the limitations on fees and services, and subdivision (c) as the balloting requirement. Because the legislature did not include subdivision (c) as a requirement of SGMA, it seems they intended GSA activities to fit the "water, sewer, and refuse collection exemption." This would mean that balloting is not required for property related fees in support of groundwater sustainability.

In the case of a water-related service, there are two distinct steps: a mailed noticing of all affected property owners and a protest hearing to provide all affected property owners the opportunity to submit written protest. Adoption of the fee program requires less than 50% protest for adoption.

§ 10730.2 Fee Implementation Procedures

- Mail notice to all property owners who will be charged the fee (45 days prior to protest hearing).
- Hold protest hearing; provide overview of the Fee Study and data supporting the fee structure and amount.
- Tabulate written protests submitted by property owners.

- If the amount of submitted written protests do not exceed 50% of the total affected property owners, fees are imposed by ordinance or resolution.

DRAFT

Cosumnes Groundwater Authority

Fee Implementation Memorandum

October 4th, 2023



Agenda

- I. Review Fee Structure
 - a) Projected Budget
 - b) Base Charge Fee
 - c) Public Water System Fee
 - d) Irrigated Acreage Fee
- II. Review Revenue Summary
 - I. Revenue by groundwater user class
 - II. Cost allocation by GSA
- III. Looking forward
 - a) Discussion of fee study needs
 - b) Current Tasks
 - c) Fee implementation

Implementation Memo Objectives

- To review the fee structure currently being considered for the Cosumnes Subbasin, including preliminary rates and budget.
- To provide an overview of the fee implementation process being considered for calendar year 2024, for placement of charges on fiscal year 2024-25 tax bills.
- To outline the preliminary allocation of costs across the Authority's member agency GSAs.
- To provide information in support of the Authority's planned outreach and engagement efforts in the Winter of 2023-24.

Revenue Needs

Projected Five-Year Budget

Cosumnes Groundwater Authority Projected Five-Year Budget						
Budget Category / Task	Year 1	Year 2	Year 3	Year 4	Year 5	
	2024-25	2025-26	2026-27	2027-28	2028-29	
Operational Budget						
Legal	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	
Financial Audit	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	
Personnel	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000	
Outreach and Engagement	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	
Miscellaneous	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	
Appeals	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	
Contingency	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	
Annual Report	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	
Monitoring	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	
Data Management System (DMS)	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	
Administrative Subtotal	\$ 328,000	\$ 328,000	\$ 328,000	\$ 328,000	\$ 328,000	
Project and Management Action (PMA) Budget						
Project Management	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	
GSP Update	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	
Conservation Program	\$ 272,000	\$ 272,000	\$ 272,000	\$ 272,000	\$ 272,000	
ET Weather Stations	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	
PMA Subtotal	\$ 477,000	\$ 477,000	\$ 477,000	\$ 477,000	\$ 477,000	
Total Expenses	\$ 805,000	\$ 805,000	\$ 805,000	\$ 805,000	\$ 805,000	

Base Charge Justification

	Total Costs	Fixed Costs
Administrative Budget		
Legal	\$ 30,000	\$ 25,000
Financial Audit	\$ 15,000	\$ 15,000
Personnel	\$ 175,000	\$ 112,000
Outreach and Engagement	\$ 10,000	\$ 6,000
Miscellaneous	\$ 3,000	\$ 3,000
Appeals	\$ 20,000	\$ 7,000
Contingency	\$ 10,000	\$ 8,575
Annual Report	\$ 35,000	\$ 35,000
Monitoring	\$ 20,000	\$ 10,000
Data Management System (DMS)	\$ 10,000	\$ 2,000
<i>Administrative Subtotal</i>	\$ 328,000	\$ 223,575

Base Charge

Base Charge - All GW-Using Parcels				
Property Type	Rates Per Parcel	Total GW-Using Parcels	% of Parcels	Total Revenue
Residential Parcels		4,287	81%	\$182,798
<i>Base Charge:</i>	\$42.64			
Commercial / Industrial Parcels		78	1%	\$4,178
<i>Base Charge:</i>	\$53.56			
Agricultural Parcels		689	17%	\$36,593
<i>Base Charge</i>	\$39.00			
<i>Base Charge With Residence</i>	\$42.64			
Total Agricultural Parcels:		917		
Totals, All GW-Using Parcels:		5,282	100%	\$223,568

Public Water System Fee

Groundwater Extraction of Public Water Systems in the Cosumnes Subbasin										
As Provided by Electronic Annual Reports (SWRCB)								Average Extraction (AF)	Revenue	
Name	PWS ID	Estimated Population	Reported Annual GW Extraction (AF)					5-Year Rolling	Rate Per AF	Revenue
			2018	2019	2020	2021	2022			
Hope Foundation/Moriah Heights	CA0300062	30	27.45		47.60	27.51	55.99	34.14	\$7.28	\$248.53
Ione Band of Miwok Indians	CA0300078	62	5.90		5.93	7.49	7.78	6.77	\$7.28	\$49.32
MP Associates, Inc.	CA0300524	170	0.15	0.14	0.06	0.08	0.12	0.11	\$7.28	\$0.79
Camanche North Shore Inc	CA0310008	255	51.33	52.24	59.18	58.93	52.72	54.88	\$7.28	\$399.52
AWA - Camanche Village	CA0310021	2,384	239.89	244.06	262.31	258.69	244.06	249.80	\$7.28	\$1,818.565
Laguna Del Sol Inc	CA3400181	470	0.00	0.00	0.00	23.92	23.61	9.51	\$7.28	\$69.20
Rancho Seco NGS (SMUD)	CA3400232	27.00	1.00	0.35	0.39	0.23	0.61	0.51	\$7.28	\$3.75
Dillard Elementary School	CA3400254	350	1.74	1.67	1.30	12.83	14.54	6.42	\$7.28	\$46.71
Arcohe Elem School - Main Campus	CA3400271	465	0.00	0.94	0.10	0.00		0.26	\$7.28	\$1.89
Wilton Bible Church	CA3400273	125	0.13	0.13	0.09	0.12	0.12	0.12	\$7.28	\$0.85
Rancho Seco Park	CA3400302	40	4.88	7.18	7.11	8.88	9.39	7.49	\$7.28	\$54.51
Cosumnes River Preserve Visitor	CA3400432	300	0.36	0.31	0.21	0.13	0.22	0.25	\$7.28	\$1.81
Church of Latter Day Saints, Galt	CA3400460	800			0.03	1.14	1.14	0.77	\$7.28	\$5.59
River City Recovery Center, Inc	CA3400464	60			0.01	0.02	0.01	0.01	\$7.28	\$0.10
City of Galt	CA3410011	26,536	4,500.91	4,266.45	4,780.04	4,602.85	4,313.46	4,492.74	\$7.28	\$32,707.17
RANCHO DEL ORO MHP	CA0300053	44	8.50	8.69	7.63	6.84	5.65	7.46	\$7.28	\$54.33
Richard A. Mcgee Training Center	CA3410802	300	42.55	39.54	31.69	33.10	19.21	33.22	\$7.28	\$241.82
Totals:								4,904		\$35,704

Irrigated Acreage Fee

Irrigated Acreage Fee			
Revenue Type	Rate Per Irrigated Acre	Total Irrigated Acres (Both Counties)	Revenue
Irrigated Acreage Fee	\$11.25	48,551	\$546,199

Revenue Structure, All Sources

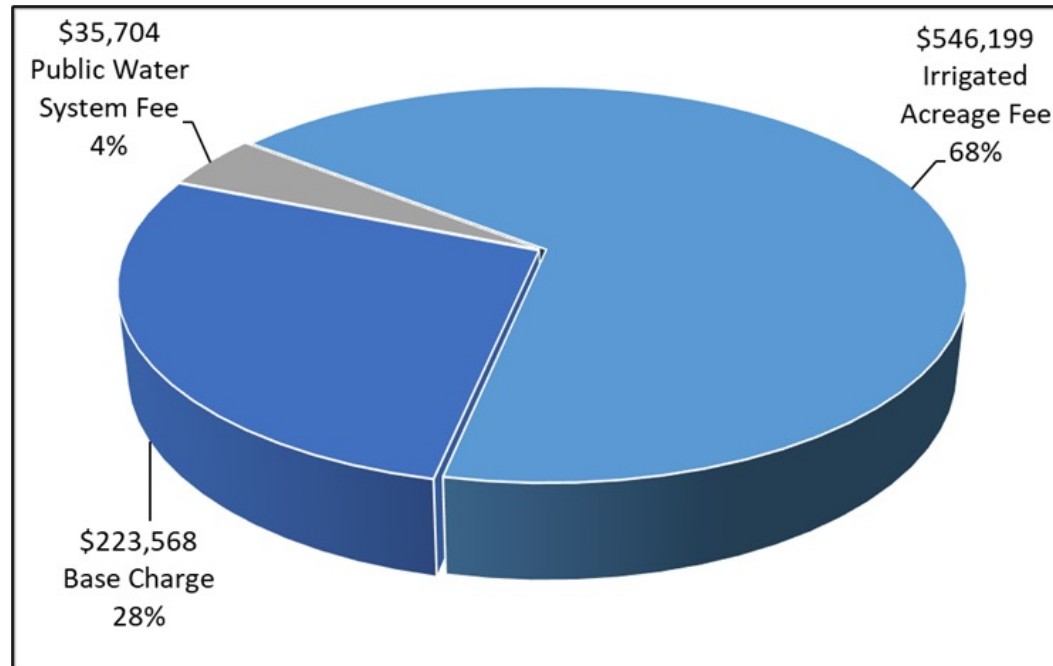
Base Charge - All GW-Using Parcels				
Property Type	Rates Per Parcel	Total GW-Using Parcels	% of Parcels	Total Revenue
Residential Parcels		4,287	81%	\$182,798
Base Charge:	\$42.64			
Commercial / Industrial Parcels		78	1%	\$4,178
Base Charge:	\$53.56			
Agricultural Parcels		689 228 917	17%	\$36,593
Base Charge	\$39.00			
Base Charge With Residence	\$42.64			
Total Agricultural Parcels:		917		
Totals, All GW-Using Parcels:		5,282	100%	\$223,568

Public Water Systems - Extraction Rate			
Revenue Type	Rate Per AF Extracted	Average AF Extracted Annually	Revenue
Public Water Systems	\$7.28	4,904	\$35,704

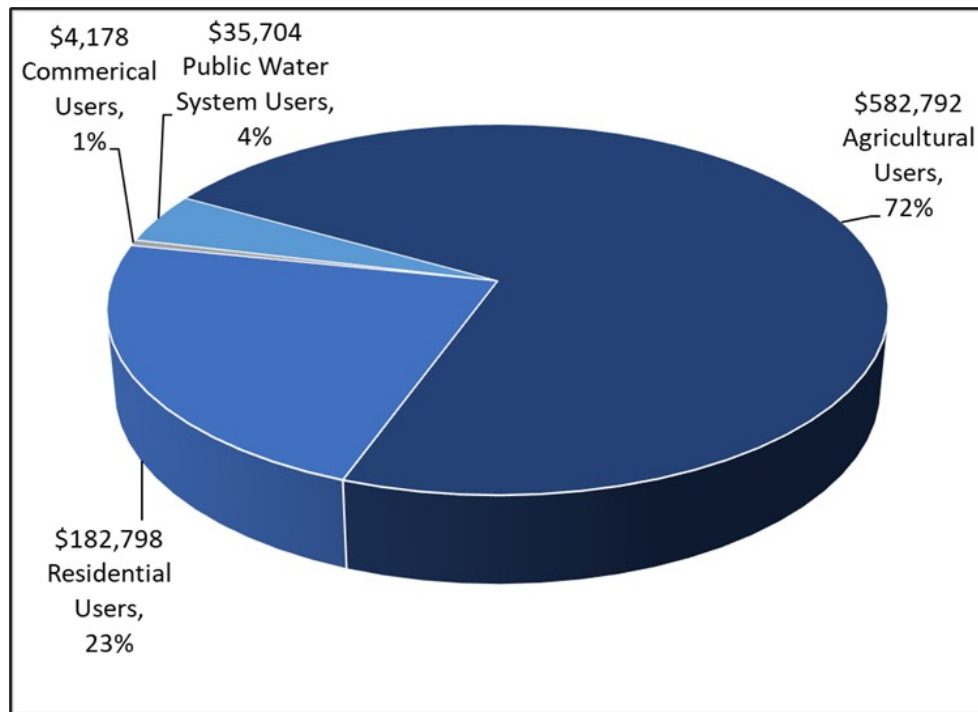
Irrigated Acreage Fee			
Revenue Type	Rate Per Irrigated Acre	Total Irrigated Acres (Both Counties)	Revenue
Irrigated Acreage Fee	\$11.25	48,551	\$546,199

Total Revenue, All Sources: \$805,471	
Administrative Revenue:	\$328,000
Project Revenue:	\$477,471

Revenue Structure by Charge Type



Revenue by Groundwater User Class



Base Charge Revenue by GSA

Groundwater Using Parcels By GSA						
GSA	Residential Parcels	Commercial Parcels	Agricultural Parcels	Agricultural Parcels with a Residence	Total Parcels	Total Revenue
Amador GSA	169	11	72	23	275	\$11,584
City of Galt	17	0	0	0	17	\$725
Clay WD	11	2	17	6	36	\$1,495
Galt ID	1,845	32	322	98	2,297	\$97,121
Omoichumne Hartnell WD	291	3	54	26	374	\$15,784
Sacramento County GSA	167	8	56	24	255	\$10,757
Sloughhouse RCD	1,787	22	168	51	2028	\$86,103
Totals:	4,287	78	689	228	5,282	\$223,568

Public Water System Revenue by GSA

Public Water System Fees By GSA	
GSA	Total Charge For Public Water Systems
Amador County GSA	\$2,571
City of Galt GSA	\$32,713
Clay Water District GSA	\$0
Galt Irrigation District GSA	\$2
Omochumne Hartnell Water District GSA	\$69
Sacramento County GSA	\$244
Sloughhouse Resource Conservation District GSA	\$106
Totals:	\$35,704

Irrigated Acreage Fee Revenue by GSA

Irrigated Acreage Fee By GSA				
GSA	Number of Parcels with	Irrigated Acreage	Rate	Revenue
Amador GA	107	4,137	\$11.25	\$46,540.46
City of Galt	0	0	\$11.25	\$0.00
Clay WD	28	2,217	\$11.25	\$24,946.65
Galt ID	689	17,405	\$11.25	\$195,806.25
Omochochumne Hartnell WD	149	2,867	\$11.25	\$32,253.75
Sacramento County GSA	94	6,809	\$11.25	\$76,601.25
Sloughhouse RCD	327	15,116	\$11.25	\$170,055.00
Totals:	1,394	48,551		\$546,203

Total Cost Allocation by GSA

Total Revenue By GSA, All Sources					
GSA	Base Charge Revenue	Irrigated Acre Revenue	PWS Revenue	Total Revenue	% of Total Revenue
Amador GSA	\$11,584.04	\$46,540.46	\$2,571.05	\$60,695.56	8%
City of Galt	\$724.88	\$0.00	\$32,712.76	\$33,437.64	4%
Clay WD	\$1,495.00	\$24,946.65	\$0.00	\$26,441.65	3%
Galt ID	\$97,121.44	\$195,806.25	\$2.00	\$292,929.69	36%
Omochumne Hartnell WD	\$15,783.56	\$32,253.75	\$69.20	\$48,106.51	6%
Sacramento County GSA	\$10,756.72	\$76,601.25	\$243.63	\$87,601.60	11%
Sloughhouse RCD	\$86,102.64	\$170,055.00	\$105.81	\$256,263.45	32%
Totals:	\$223,568	\$546,203	\$35,704	\$805,476	100%

Looking Forward – Fee Study Needs

- Confirmation of fee structure, including allocation of costs across user classes and GSAs
 - Parcel fee, PWS fee, and irrigated acreage fee
- Identification of specific PMAs to be funded by the fees
 - Conservation program and ET station installation currently being considered
- Updated Amador parcel layer
- Determination of Amador irrigated acreage
- Determination of GW-using parcels within City of Galt GSA
- Determination of aquaculture approach
 - Currently only charged Base Charge at the commercial rate
- Determination of recreational pond approach
 - Potentially charged irrigated acreage rate for surface area

Current SCI Team Tasks

- Updating irrigated acreage based on 2020 DWR crop layer
- Refining Irrigated acreage within Amador County GSA
- Refining Irrigated acreage within City of Galt GSA
- Calculating surface area of recreational ponds

Fee Implementation

- Each GSA should discuss implementation with their respective legal counsel
- Any additional charges on top of fee study rate will likely require brief addendum
 - Details related to additional costs
 - Tie-in to fee study
- If property related fees are selected, plan for allowance for the 45-day mailed notice period and protest hearing (Prop 218)
- If regulatory fees are selected, plan for allowance for 20-day mailed notice period and community meeting (Prop 26)
 - Regulatory fees can be used for both administrative costs and non-capital projects
 - Regulation of de minimis users pursuant to GSP required

Fee Study Timeline – 2024 Implementation

April – September 2023:

Continued fee refinement and community engagement

Fall 2023:

Reconvene for Fee Study Board Workshop

November-February 2024:

Community Outreach

March 2024:

Draft Fee Report presented to Board

April 2024:

Final Fee Report presented to Board

Cosumnes Groundwater Authority

Thank You!



**Cosumnes Groundwater Authority
Board of Directors Meeting**

Agenda Date: November 1, 2023

Agenda Item #: 9

Agenda Item Subject: Committee Reports

To: CGA Board of Directors

From: CGA Staff

[Link: Committee Meeting Materials](#)

Citizen Advisory Committee (CAC)

The CAC will serve an advisory role to the CGA Board of Directors and aims to develop a mutual understanding of the Cosumnes Subbasin GSP so the group can make informed recommendations on implementation of the Cosumnes Subbasin GSP.

Next Meeting: December TBD, 2023 at 5:30pm (location: Galt + Zoom)

Upcoming Committee Activities/Discussion Topics:

- Annual Report
- Fall Monitoring Conditions

Outreach and Engagement (O&E) Committee

The O&E Committee will serve an advisory role to the CGA Board of Directors, to provide the Board feedback/recommendations and support in the implementation of the Cosumnes Subbasin GSP's Outreach and Engagement Plan and to support CGA Staff's outreach efforts.

Next Meeting: December 7, 2023 at 2:00pm (location: Galt City Hall + Zoom)

Upcoming Committee Activities/Discussion Topics:

- Workshop Follow-up Discussion
- Farmers Survey
- Spring Activities
- Spring Newsletter Topics

Projects and Management Actions (PMA) Committee

The PMA will serve an advisory role to the CGA Board of Directors, to inform the Board's implementation of the Cosumnes Subbasin GSP, provide recommendations/feedback on the development and implementation of PMAs, review available data regarding groundwater conditions, and identify data/information needs.

Next Meeting: November TBD, 2023 (location: Galt+ Zoom)

Upcoming Committee Activities/Discussion Topics:

- Conservation Program Development
- Response to State Determination Letter

Finance Ad Hoc Committee

The Finance Ad Hoc was created to assist CGA Staff in developing the Board's budget and other financial processes.

Next Meeting: TBD

Upcoming Committee Activities/Discussion Topics:

-

Staff Recommendations

- Identify which aspects of CGA work the Board would like the committee to provide recommendations/insight on ahead of our next CGA Board Meeting.

October 2023 DWR Updates (from DWR's North Central Region Office)

Grants

California Grants Portal

The California State Library, in partnership with the Department of Water Resources and other state grantmaking agencies, has launched the California Grants Portal – your one destination to find all state grant and loan opportunities provided on a first-come or competitive basis. Visit grants.ca.gov to find funding opportunities for you and your community.

California Financing Coordinating Committee Virtual Funding Fair

The California Financing Coordinating Committee (CFCC) conducts free funding fairs statewide each year to educate the public and offer potential customers the opportunity to meet with financial representatives from each agency to learn more about their available funding. Dates: [Wed Nov 1, 9 am – noon](#) or [Wed Nov 8, 9 am – noon](#).

SB552: DWR's County Drought Resilience Planning Assistance for state small water system and domestic wells **DWR will provide financial or direct technical assistance to counties (up to \$125,000)** for developing their County Drought Resilience Plan per SB 552 to provide needed water shortage protection and emergency response for state small water systems and domestic wells. [Applications and additional information can also be found here.](#) For questions, email CountyDRP@water.ca.gov or call Julie Ekstrom at 916-612-4371. **Applications are being accepted now through December 29, 2023 for financial assistance and until May 2024 for direct technical assistance.**

USBR announces up to \$328 million for Drought and Climate Resiliency Projects (Announced 9/28/23)

The Department of the Interior has announced up to \$328 million in funding opportunities available to help communities address impacts of climate change through water recycling, water storage and desalination projects. The funds come primarily from the Bipartisan Infrastructure Law's WaterSMART and Small Storage programs, as well as through annual appropriations, and the Water Infrastructure Improvements for the Nation (WIIN Act).

As part of the announcement, the Bureau of Reclamation is opening three funding opportunities for water recycling and reuse, desalination construction and small water storage projects. Information on these funding opportunities is available at grants.gov or [Reclamation's Bipartisan Infrastructure Law webpage](#).

Build Better Communities: Grant Writing Assistance

The California Alliance for Jobs (CAJ), in partnership with the California Special Districts Association, Association of California Water Agencies, and League of California Cities, has launched the "Build Better Communities Grant Program" to help smaller and disadvantaged communities leverage federal and state funding to invest in local infrastructure. This service can be used by municipalities serving a population between 10,000-49,999, Special Districts providing critical infrastructure (I.E., Water Districts / Authorities, Irrigation Districts, Community Services Districts, Reclamation / Flood Control Districts, Transit Districts, and Transportation Authorities) or rural counties. Grant writing assistance will be targeting grants for transportation infrastructure improvements, water storage and resilience projects, rehabilitation of aging water infrastructure, clean drinking water infrastructure and wildfire mitigation projects. [More detailed information can be found here.](#)

DWR's Underrepresented Communities Technical Assistance Program

The mission of the Program is to determine the needs, risks, and vulnerabilities with the implementation of the SGMA for underrepresented communities in medium and high priority basins, including critically overdrafted (COD) basins. The types of services provided include, but are not limited to: Groundwater level monitoring; Aquifer testing to determine long-term yield and supply; Identifying Groundwater Dependent Ecosystems (GDEs) Analyze well interference; Identifying additional water supply; Analyze existing well condition using downhole video log; Rehabilitation of water storage tank; Long-term water supply and demand analysis; Analyze and help

October 2023 DWR Updates (from DWR's North Central Region Office)

to facilitate water transfers. [More information is available on the webpage](#). Local entities can request services by emailing SGM_TA@water.ca.gov.

Water tank program for dry wells

DWR in partnership with CalOES, DGS, and Water Boards has a new tank program for domestic wells that have gone dry. Eligible Applicants Include: public agencies, public utilities, special districts, colleges and universities, mutual water companies, nonprofit organizations, federally recognized tribes and state tribes listed on the NAHC's consultation list. Under the program, 2,500 gallon tanks are pre-purchased by DWR. The program includes funding for the tanks to be delivered to residence and connected to their existing plumbing with a small pump, and for water hauling to fill the tanks to meet basic health and sanitation needs. For more information contact: smallcommunitydrought@water.ca.gov or Alena Misaghi at (559) 230-3309.

Other state & federal grant websites for resources that may be helpful are:

- California Financing Coordinating Committee -- <https://cfcc.ca.gov/>, and
- CalOES grants -- <https://www.caloes.ca.gov/cal-oes-divisions/grants-management>
- US EPA -- <https://www.epa.gov/grants/specific-epa-grant-programs>, and
- Economic Development Administration -- <https://eda.gov/funding-opportunities/>

Upcoming conferences, webinars, new reports and data

DWR Releases October 2023 Groundwater Conditions Update

The Department of Water Resources (DWR) has released the [October 2023 Groundwater Conditions Update](#), which provides a look back at groundwater conditions during the 2023 Water Year informed by DWR's groundwater data and tools. This year's report shows that while the 2022/2023 storms relieved statewide drought conditions, California's groundwater aquifers, a significant source of water for the state, remain depleted. It will require several more wet years and more focused efforts to increase recharge and reduce pumping to recover from the cumulative depletion of groundwater aquifers that has occurred over the years. The report also describes this year's flood response and how state and local actions to expedite groundwater recharge projects played a critical role in helping to protect communities from flood impacts while replenishing depleted groundwater basins.

NEW: Fact Sheet Available on Future Interconnected Surface Water Guidance

DWR published the [Guidance on Interconnected Surface Water fact sheet](#) that provides a general overview of the timing and content of the technical aspects of interconnected surface water (ISW) and guidance for complying with Groundwater Sustainability Plan (GSP) Regulations for the depletions of ISW as part of the implementation of SGMA. Fact sheet details and a link to the pdf can be found on the "Guidance Documents" tab of the [Best Management Practices and Guidance Documents](#) website. .

Fall 2023 Groundwater Sustainability Agency Forum

DWR is hosting a virtual Fall 2023 Groundwater Sustainability Agency Forum (GSA Forum) for GSA members and representatives on **November 9, 2023, from 8:30 AM to noon**. The theme for the Fall 2023 GSA Forum is ***Well Management Approaches: from Enhancing Local Understanding to Leveraging Local Coordination***. An agenda for the event is attached [here](#). Please follow [this link to register](#) for the event.

DWR Releases Groundwater Recharge Guidance Documents

DWR has developed an [On-Farm Recharge Methods Manual](#), [District Recharge Program Guidance](#) and [Central Valley Groundwater Recharge Incentives and Strategies](#). The On-Farm Recharge Methods Manual, a summary of strategies and challenges. This document gathers observations and lessons learned from over a decade of Sustainable Conservation working directly with growers and irrigation districts to implement on-farm recharge, including methods to enhance recharge, avoid crop health problems, manage recharge events, and minimize

October 2023 DWR Updates (from DWR's North Central Region Office)

nutrient leaching. This document summarizes in-field practices with 10 grower case studies to provide practical information about on-farm recharge from growers to growers.

The two guidance documents will help water districts, Groundwater Sustainability Agencies (GSAs), and their technical consultants design and implement effective multi-benefit recharge programs and projects. These documents include a summary of necessary considerations, publicly available tools, and examples to design new or refine existing recharge and incentive programs that address the specific needs and priorities in a subbasin.

2023 Flood-MAR Forum and Quarterly Workshops

We are excited to announce the fourth biennial Flood-MAR Network Forum event will be held **November 7 & 8 at the CSUS Alumni Center in Sacramento**. [Registration now open](#), through October 31st and the [agenda](#) is available. We will reflect on five years of using floodwaters for managed aquifer recharge, share ideas and considerations to expand and improve Flood-MAR implementation statewide, and be better prepared for future wet years.

DWR launches permit portal for Delta Conveyance Project

DWR has launched a “[permit portal](#)” to help with plans and projects for the [Delta Conveyance Project](#). The portal includes access to information and resources related to some of the more critical environmental [compliance and permitting processes](#). The new website has all relevant California Environmental Quality Act information, along with the [draft environmental impact report](#). New [fact sheets](#) are available in English, Spanish and Chinese and cover topics such as soil testing, seismic resilience and project features. Several companion [videos](#) are also now available.

DWR is still on track to issue a Final EIR for the proposed Delta Conveyance Project in late 2023. The Final EIR will describe potential environmental impacts, identify mitigation measures that would help avoid or minimize impacts and provide responses to all substantive comments received on the Draft EIR.

California's Water Supply Strategy: Adapting to a Hotter, Drier Future

August 11, 2022 Governor Newsom announced a new strategic document to manage water in the face of a projected 10% reduction in supplies over the next 20 years. The strategy calls for investing in new sources of water supply, accelerating projects and modernizing how the state manages water through new technology to increase water supply and adapt to more extreme weather patterns caused by climate change. The [full strategy document](#) can be found here and a [press release here](#).

[Under this directive DWR is partnering with SWRCB to fast-track efforts to capture flood waters to recharge groundwater basins.](#) [A fact sheet on DWR Regulatory Assistance: Temporary Water Rights for Groundwater Recharge can be found here.](#) If you are interested in participating in this program, please email sgmps@water.ca.gov.

Executive Order N-7-22

On March 28, 2022 Governor Newsom signed [Executive Order N-7-22](#), updated in 2023 to [EO-N-3-23](#), which **included new well permitting requirements (Action 9) as well as CEAQ exemptions and permit streamlining for FloodMAR projects (Action 13)**. The materials including a fact sheets, recording and presentation materials from the April 13th and a self-certification form for the CEQA waiver are now posted on DWR's Drought Webpage, under the 'Drought Well Permitting Requirements' and the 'CEQA Suspension on Groundwater Recharge Projects' accordion dropdowns: <https://water.ca.gov/water-basics/drought>.

DWR's Climate Change Program Resources

DWR's Climate change program has lots of initiatives including resources for water managers. Check out their [webpage](#) and [factsheet](#) here.

October 2023 DWR Updates (from DWR's North Central Region Office)

California's Groundwater Live: Up-to-date data on groundwater conditions, well installations and subsidence

The Department of Water Resources (DWR) released the final [California's Groundwater – Update 2020 \(Bulletin-118\)](#), containing information on the condition of the State's groundwater, DWR has also developed a companion web-based application called [California's Groundwater Live](#) (CalGW Live), leveraging the [California Natural Resources Agency Open Data Platform](#) (Open Data) to improve the access and timeliness of statewide groundwater information. The easy-to-use interface will make many of the data sets used in CalGW Update 2020 available in an interactive map format that will be updated regularly for viewing and downloading. For more information, visit the updated [California's Groundwater website](#) Contact: CalGW@water.ca.gov.

SGMA & Drought

Update Your GSA and GSP Manager Point of Contact Information in DWR's SGMA Portal

If your GSA and/or GSP Plan Manager Point of Contact (POC) is not current, or you are not sure, please visit the SGMA Portal to ensure that your contact information is up-to-date. When logged in, the Portal allows edits to be made to previously submitted contact information. If you have SGMA Portal questions, please email them to: GSPSubmittal@water.ca.gov.

DWR Starting New Basin Characterization Work

DWR is seeking input on what areas of GSP implementation need the most support related to Basin Characterization? What types of information or data would support your short-term and long-term groundwater management actions and timelines for filling data gaps and refining HCMs. To provide information to these questions please [fill out the following survey](#). The survey is open to GSA representatives, consultants, researchers, and other interested parties. If you are interested in joining a workgroup for this effort, please email sgmps@water.ca.gov.

SGMA Overview Brochure Available Online

DWR released a new SGMA Overview Brochure that provides useful information for those interested in learning more about SGMA and local groundwater management, DWR's assistance resources, and DWR's SGMA Program benefits. You can view or download the SGMA Overview Brochure in [English](#) and [Spanish](#), in both an online version and an 11-inch by 17-inch printable version ([English](#) and [Spanish](#)).

DWR Releases 'Be Well Prepared' Initiative and Website

May 17, 2023, DWR released the [Be Well Prepared initiative](#). DWR is providing tools and resources to help communities that are dependent on groundwater and experiencing climate-driven weather extremes, to prepare for potential impacts to household water supplies. The Be Well Prepared initiative focuses on domestic well owners and residents that use and maintain their well. [The website includes resources and information](#) that every well owner should know and understand about: groundwater conditions, well maintenance, water quality, assistance, and additional articles, videos and resources. [A new flyer](#) from DWR provides the four initial steps for well owners to take if they think their well has gone dry. This flyer is also available in [Spanish](#) and [Hmong](#).

DWR Releases 'Drinking Water Well Impacts' Guidance and 'Water Shortage Planning' Brochure

April 7, 2023: DWR released the [Considerations for Identifying and Addressing Drinking Water Well Impacts](#) guidance document and technical assistance. This guidance document supports GSAs to fully consider and appropriately address potential impacts to drinking water well users during SGMA implementation. There is an [online accompanying toolkit](#). The Department also released a brochure, called [Alignment and Coordination: Water Shortage Planning](#) for Rural Communities and Sustainable Groundwater Management. This brochure encourages voluntary collaboration between counties and GSAs as they coordinate their respective responsibilities for drought and water shortage planning efforts, for rural communities under Senate Bill 552, and the long-term sustainability goals of groundwater basins under SGMA.

SB552: DWR's Water Shortage Vulnerability Scoring and Tool

October 2023 DWR Updates (from DWR's North Central Region Office)

As part of its technical assistance to support SB 552 implementation, DWR developed the [Water Shortage Vulnerability Scoring and Tool](#) to provide the foundational data and information statewide to counties for their water shortage risk assessment.

Dry Well Susceptibility Map

The DWR, in coordination with the State Water Resources Control Board, has developed an interactive mapping tool, called the Dry Well Susceptibility Tool. This tool identifies areas within groundwater basins that may be prone to water supply shortages in drinking water wells. State and local agencies and well owners can use this tool to anticipate where wells may go dry based on historical conditions to inform drought preparedness decision-making. To use this tool, navigate to [California's Groundwater Live website](#) and click the [Dry Domestic Well Susceptibility tab](#). A fact sheet on this tool, as well as DWR's Dry Well Reporting System, [is available here](#).

Dry Well Reporting Site

There is a website available to [report private wells going dry](#). Information reported to this site is intended to inform state and local agencies on drought impacts on household water supplies. The data reported on this site (excluding personal identifiable information) can be viewed on the [SGMA data viewer](#) or downloaded on the [CNRA Atlas](#). Individuals or local agencies can report water shortages and [a list of resources are included on the webpage](#). The reporting forms are available in both English and Spanish. Local agencies can now sign up to receive notifications of any dry wells reported in their area. To sign up please email sgmps@water.ca.gov.

DWR is developing eight Proposition 68-funded technical projects

Fact sheets on each project can be viewed under the "Prop 68" tab [here](#).

- [AEM webpage](#) contains information on the how the process works, safety, schedule, data submission by GSAs, TAC, pilot study data and more. [The final Data Reports, AEM data interpretations, and supporting data are available for the Central San Joaquin Valley groundwater basins \(Survey Area 5\) and the Northern San Joaquin Valley and Southern Sacramento Valley groundwater basins \(Survey Area 6\).](#) All reports and datasets are available for download on the [California Natural Resources Agency Open Data Portal](#) and AEM data can be viewed online on the [AEM Data Viewer](#). For more information about AEM, visit the AEM Project Webpage or check out "DWR's Airborne Electromagnetic (AEM) Surveys: The AEM Method" video in [English](#) and [Spanish](#).
- [2020 Statewide Crop Mapping data was released in March of 2023](#) and includes multi-cropping information. The [2020 final and 2021 provisional](#) datasets includes agricultural land use and urban boundaries for all 58 counties in California. The data can now be accessed at the following locations: [CA DWR Land Use Viewer](#) (viewing and downloading); [CNRA Webpage](#) (viewing and downloading); on the [SGMA Data Viewer](#) (viewing) and the [California State Geoportal](#) (viewing and downloading).
- [InSAR subsidence data is now available through April 1 of 2023](#) and can now be viewed on the [SGMA data viewer](#). The updated GIS services and data reports are also available [online](#).

Facilitation Support Services (FSS): [Funding still available](#)

- GSA's developing GSPs are eligible to receive funding for identification and engagement of interested parties, meeting facilitation, interest-based negotiation/consensus building, and public outreach facilitation
- More information [can be found here](#). [Written translation services available in 8 languages for outreach materials \(5,000 word maximum\).](#)
- DWR has a [new Verbal Interpretation service available to GSA's](#). The pilot project makes real-time interpretive services available to GSAs for virtual, hybrid, or in-person meetings in support of GSP implementation with the goal of engaging underrepresented communities within basins and encouraging equal access for non-fluent English speakers during the implementation of GSP's. If you are interested in learning more or receiving support from an interpretation team email sgmps@water.ca.gov.