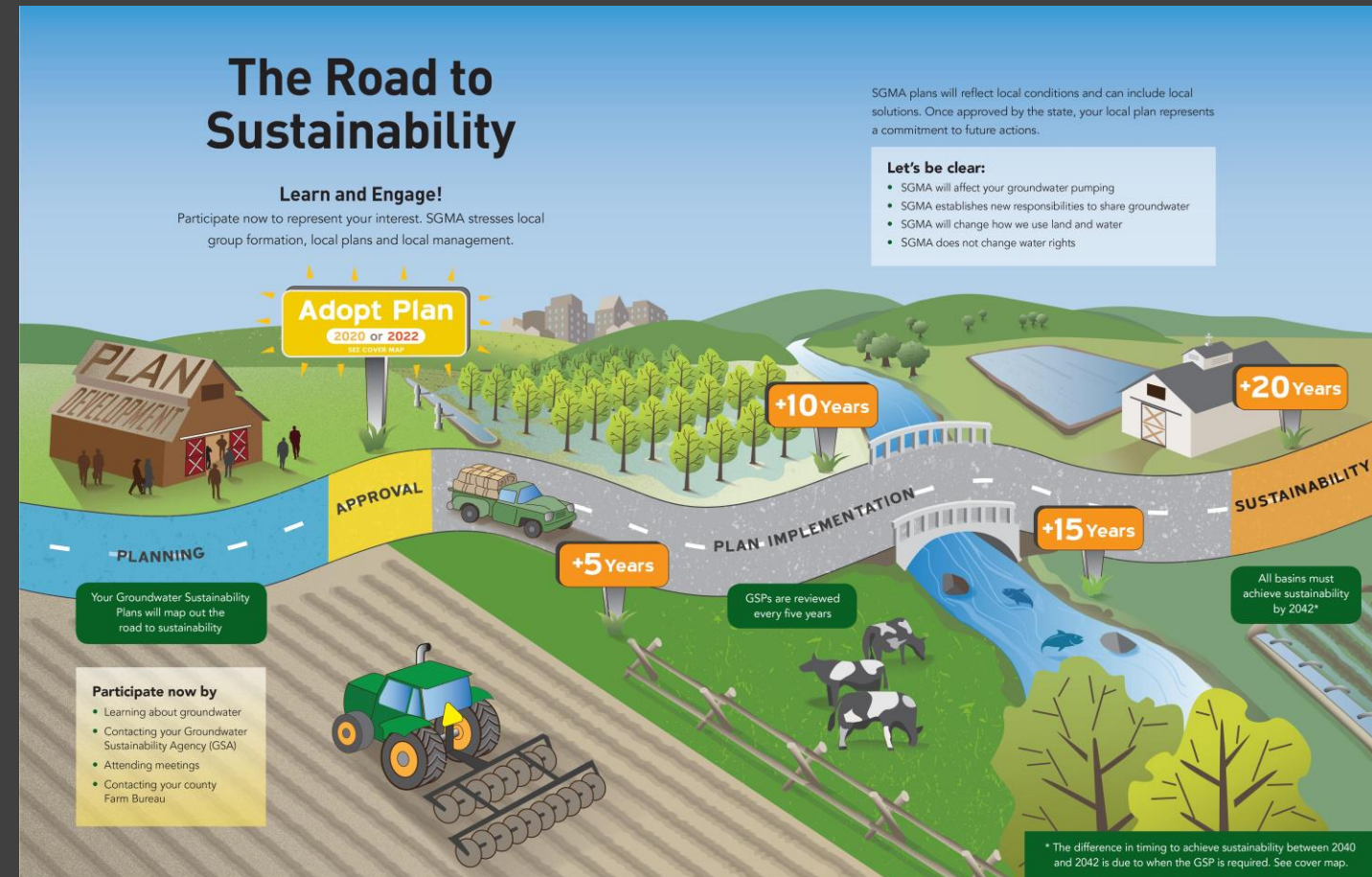


Wyandotte Creek

GROUNDWATER SUSTAINABILITY
AGENCY

Overview of the Long-Term Funding Mechanism



Welcome

- 3:30 p.m. **Welcome & Introductions**
GSA Background
Subbasin Conditions
The Proposed Fee
- 4:15 p.m. **Questions & Answers**
- 5:00 p.m. **Closing**

SGMA and Groundwater Management

SGMA = Sustainable Groundwater Management Act

- State law passed in 2014
- Local agencies given authority and responsibility to manage groundwater: **G**roundwater **S**ustainability **A**gencies = **GSA**
 1. Develop and Adopt a **G**roundwater **S**ustainability **P**lan = **GSP** by 2022
 2. Groundwater Monitoring and Reporting Every Year
 3. Implement Projects and Policy Actions to Achieve Sustainability
 4. Achieve Sustainability by 2042



Lowering
GW Levels



Reduction
of Storage



Seawater
Intrusion



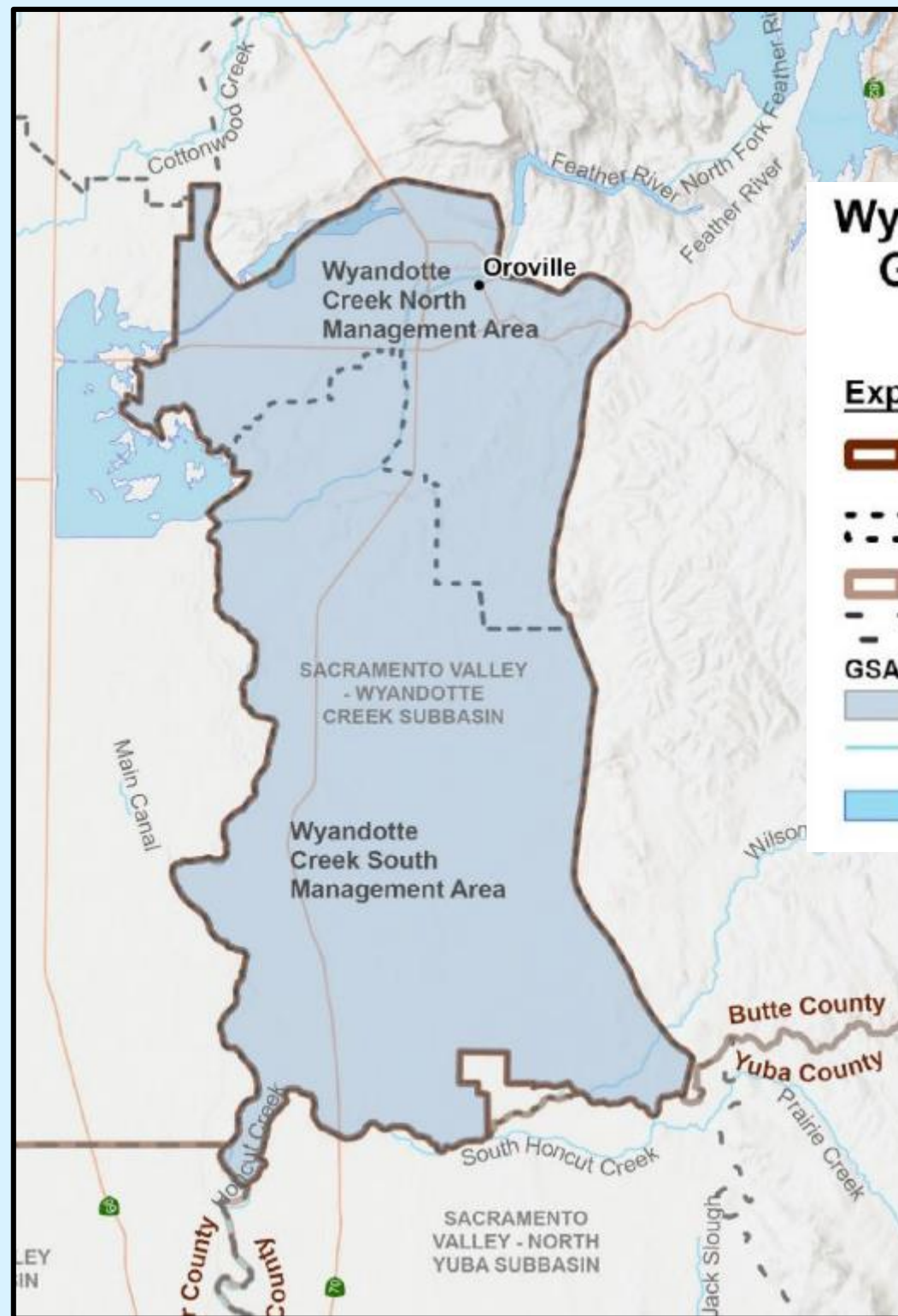
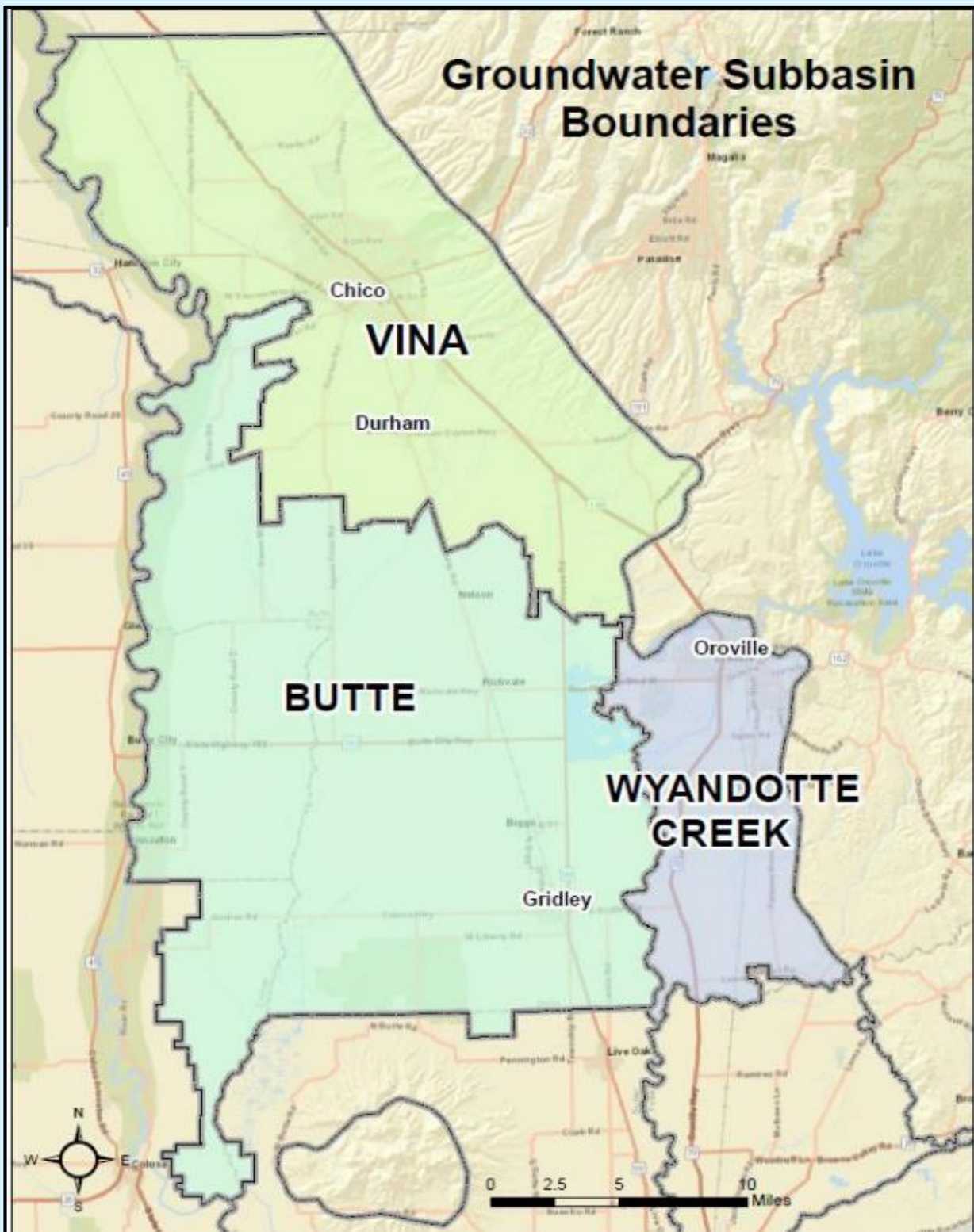
Degraded
Quality



Land
Subsidence










Surface Water
Depletion



Wyandotte Creek Groundwater Subbasin

Explanation

-  Wyandotte Creek Subbasin Boundary
-  Management Area Boundaries
-  County Boundaries
-  Other Subbasins
- GSA Name**
-  Wyandotte Creek GSA
-  Major Rivers and Creeks
-  Major Lakes and Reservoirs

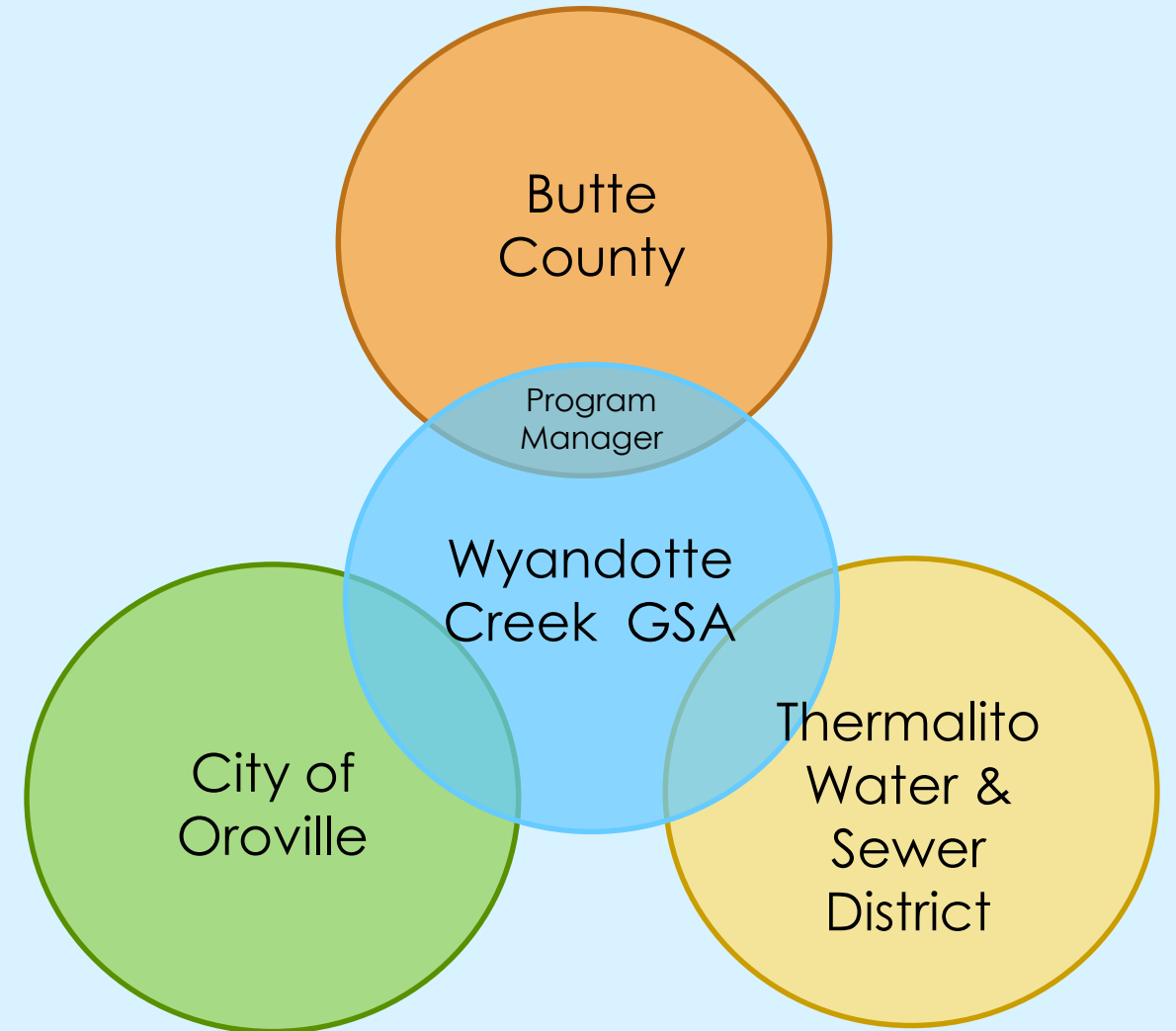
Overview of the GSA

3 Member Agencies - Joint Powers Agreement

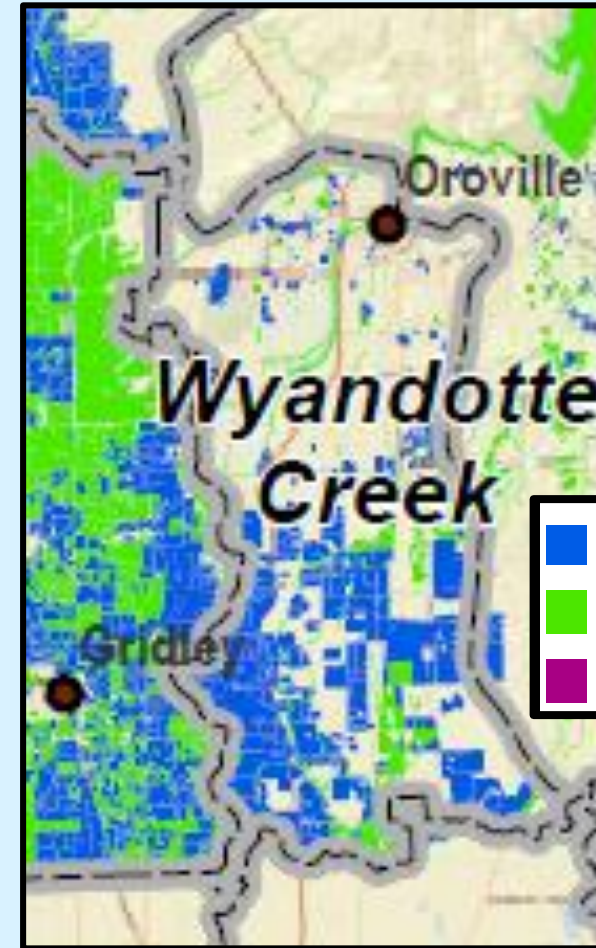
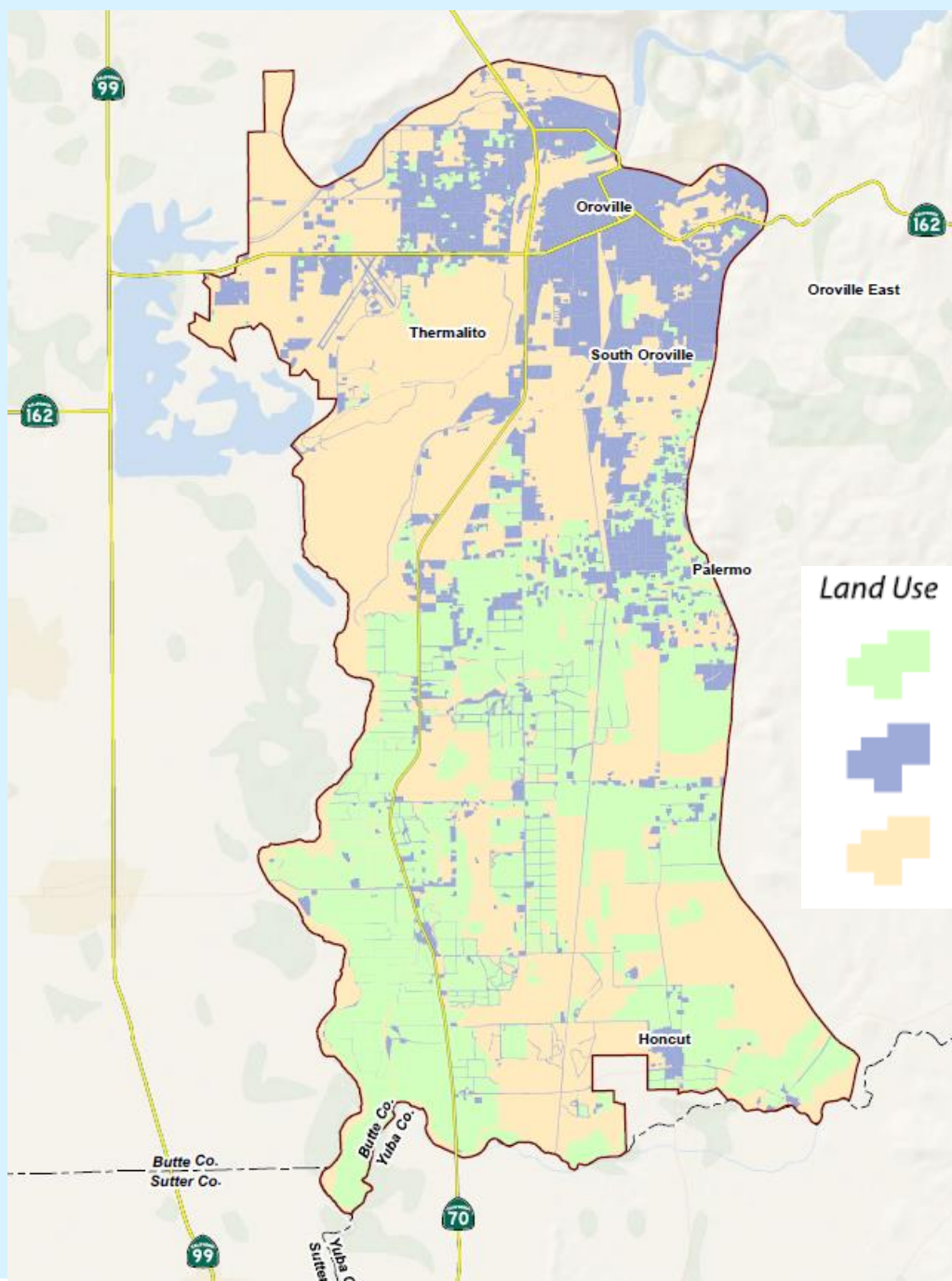
5 Member Board of Directors

Wyandotte Creek Advisory Committee (WAC)

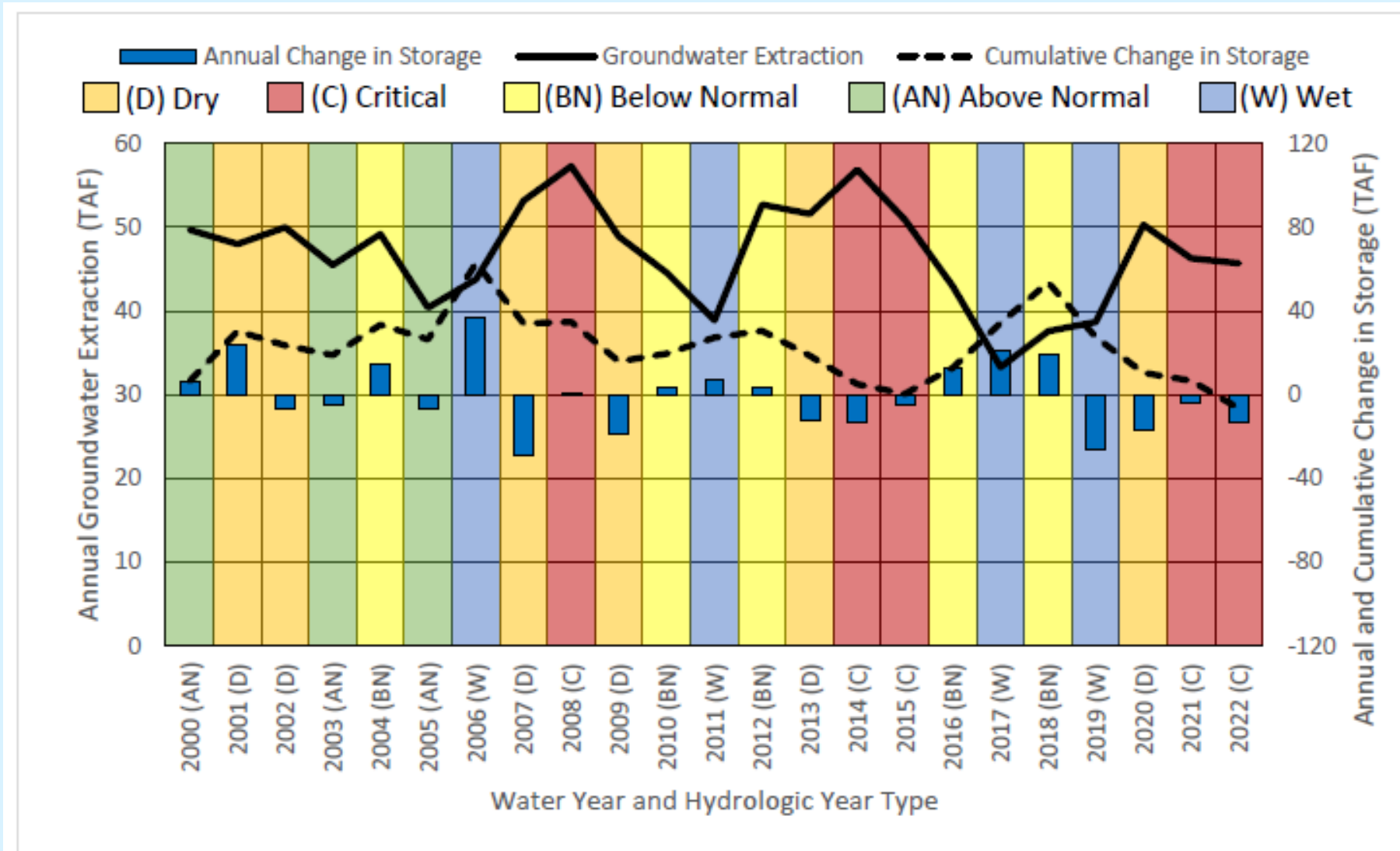
Management Committee



Lay of the Land in the Wyandotte Creek Subbasin

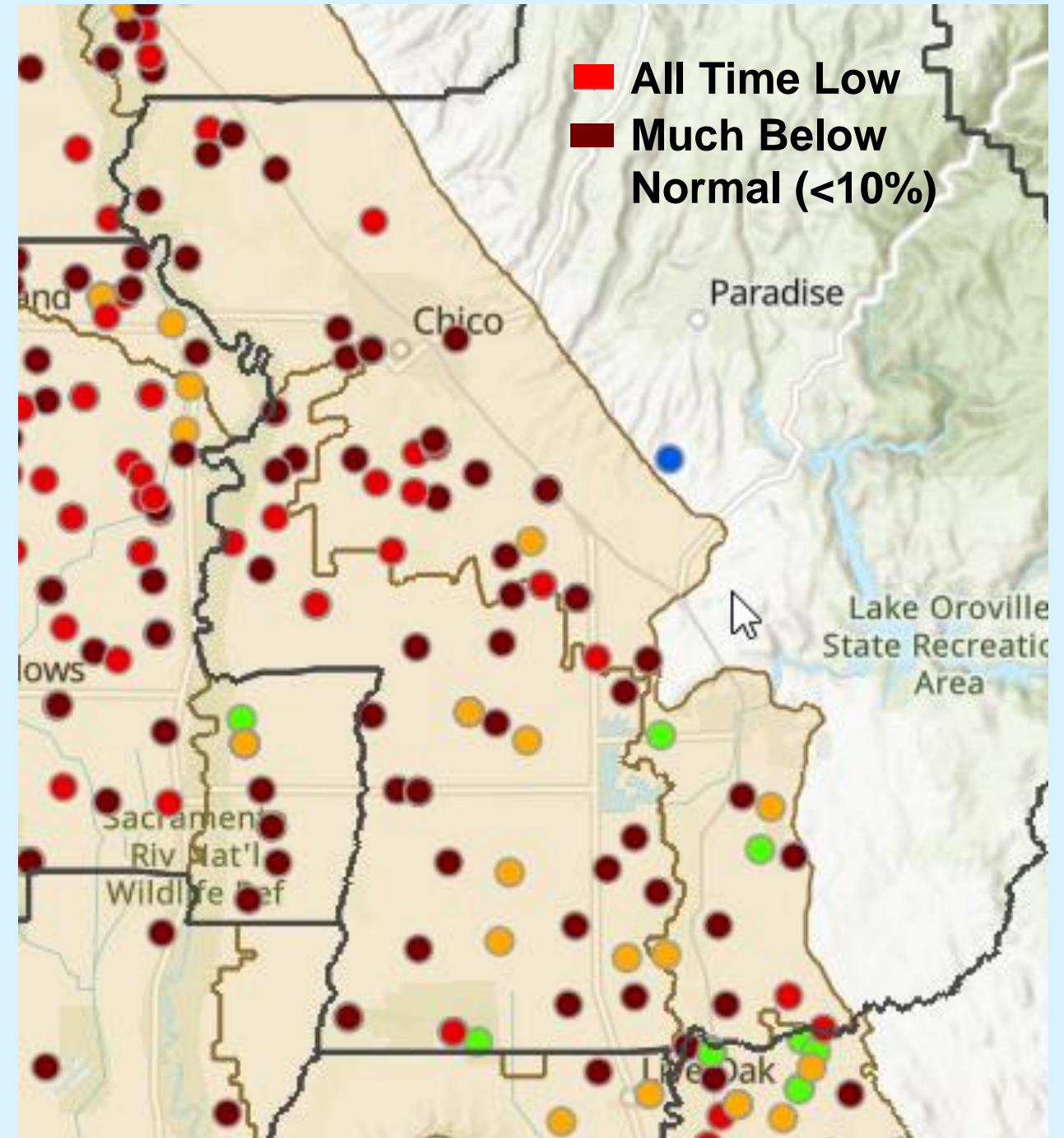


Goal: Maintain Sustainability



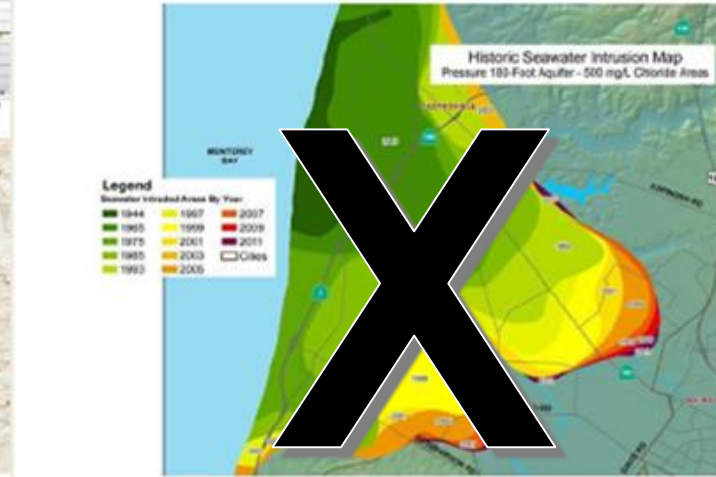
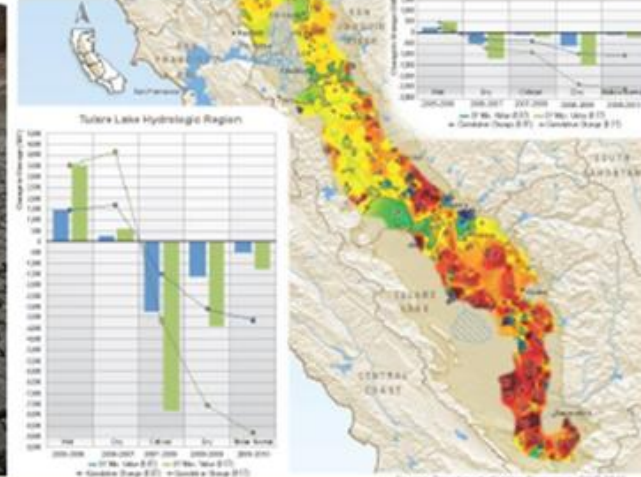
Groundwater Management & Drought Emergency Response 2021-2022

- 9 Dry wells reported to State Dry Well Reporting System
- 20 Applicants to Butte County Office Of Emergency Management Drought Assistance Program
- County program offers storage tank installation and water delivery



Fall 2022 Groundwater Level Conditions

Why is Groundwater Management Important?



Not managing groundwater can lead to negative impacts to:

- Wells and water supply
- Increased Pumping costs
- Ag production
- Infrastructure
- Aquatic ecosystems
- Economy and increased costs
- Quality of life



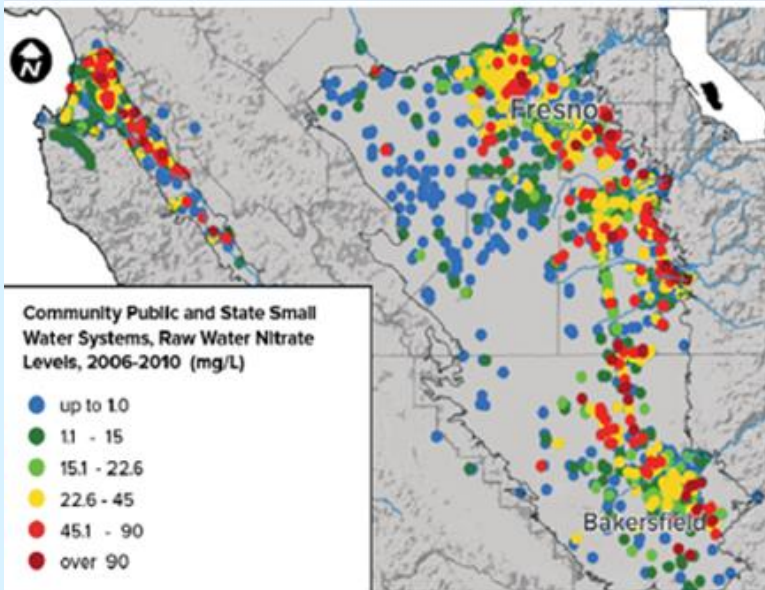
Lowering of GW Levels



Reduction of GW Storage



Seawater Intrusion



Water Quality Degradation



Land Subsidence



Depletion of Interconnected Streams

What Does the GSA Do?

- Manages groundwater resources to avoid “Undesirable Results”
- Prepared the GSP, prepares 5-year updates and amendments
- Policy development, ordinances, and regulatory enforcement
- Ensures compliance with SGMA
 - Tracks groundwater conditions and conducts groundwater monitoring
 - Prepares and submits Annual Reports
- Pursues grant funding for and implements projects
- Coordinates GSA Board and WAC meetings
- Facilitates community outreach/education
- Inter- and intra-basin coordination
- Coordination with local, state and federal agencies
- Prevents state intervention and maintains local control of groundwater

SGM Grant Program Application

Ranking	Project Name	Implementing GSA	Grant Request
1	Grant and Project Administration	Wyd Crk GSA	\$200,000
2	GSP Implementation, Outreach, and Inter-basin Coordination Activities	Wyd Crk GSA	\$1,175,000
3	Agricultural Surface Water Supplies and Irrigation Efficiency Evaluation	Wyd Crk GSA	\$400,000
4	Monitoring Network Enhancements to Address Data Gaps	Wyd Crk GSA	\$1,433,750
5	TWSD Water Treatment Plant Capacity Upgrade	Thermalito Water and Sewer District	\$2,318,534
6	Groundwater Recharge Feasibility Analysis and Site Evaluation	Wyd Crk GSA	\$1,840,000
Grant Requested			\$7,367,284

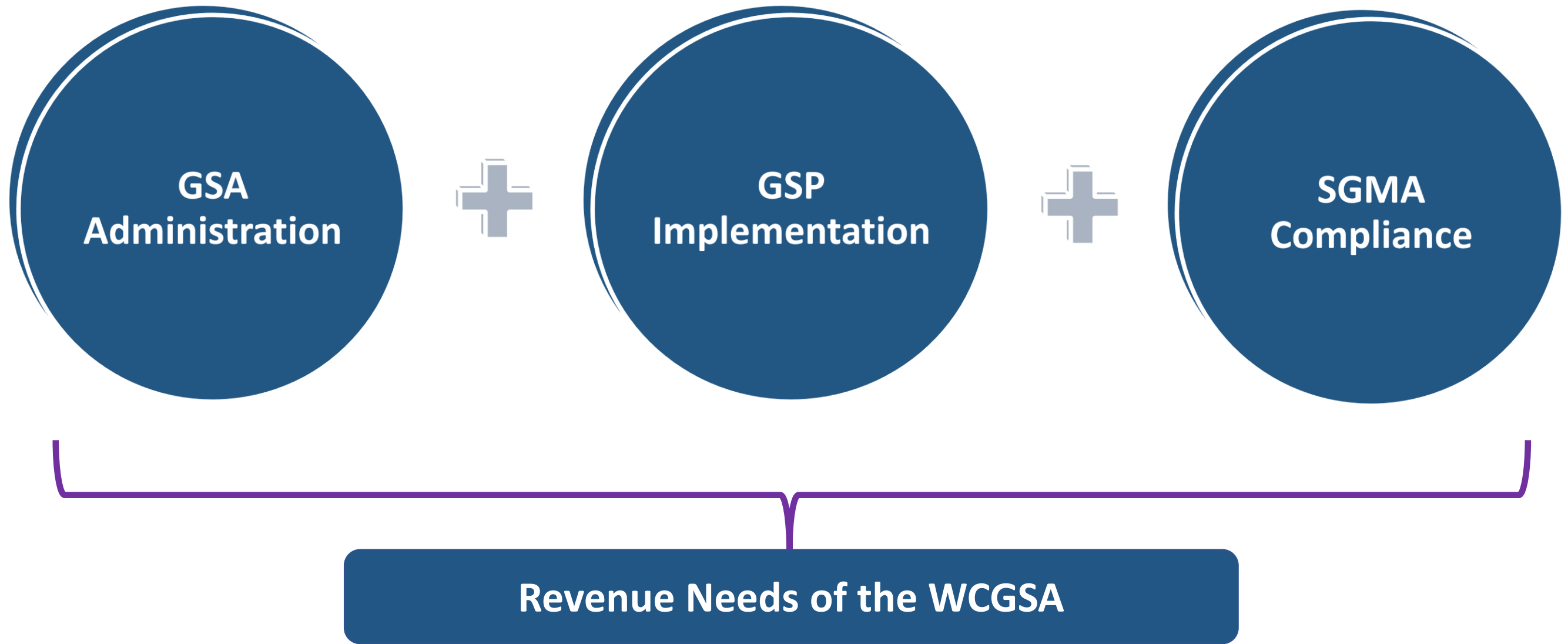
SGMA Grant Funding- Draft Award

Ranking	Project Name	Implementing GSA	Grant Request
1	Grant and Project Administration	Wyd Crk GSA	\$200,000
2	GSP Implementation, Outreach, and Inter-basin Coordination Activities	Wyd Crk GSA	\$1,175,000
3	Agricultural Surface Water Supplies and Irrigation Efficiency Evaluation	Wyd Crk GSA	\$400,000
4	Monitoring Network Enhancements to Address Data Gaps	Wyd Crk GSA	\$1,433,750
5	TWSD Water Treatment Plant Capacity Upgrade	Thermalito Water and Sewer District	\$2,318,534
Grant Requested			\$5,527,284

Developing a Fee under Prop 218

1. Governance, Structure and Funding for GSA and Consideration of Options for Administration – 2/23/23
2. Revenue projections – 3/23/23
 - Identify costs
 - Confirm revenue needs
3. Review of a Technical Memorandum (TM) – 4/27/23
4. Special Board Meeting for further review of Fee Options – 5/11/23
5. Engineer's Report/Fee Study – 5/25/23

Need for Long-Term GSA Funding – (no other funding source)



What Do WCGSA Fees Pay For?

Managing Groundwater and SGMA compliance for all landowners in the WCGSA service area to maintain local control over our water resources!

Alternative: State Intervention subject to SWRCB SGMA compliance fees!

Establishing Revenue Needs: WCGSA Five-Year Projections

Administration
and Operations
(42%)

Compliance
(58%)



Wyandotte Creek GSA - Long Term Funding Strategy					
Five-Year GSA Operational Budget - GSP Implementation and SGMA Compliance Costs					
5-Year GSP Implementation Inflation Adjustment	0%	3%	3%	5%	5%
Proposed	Year 1	Year 2	Year 3	Year 4	Year 5
Cost Category-GSA Admin.	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Professional Services - Admin.					
Auditor	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Financial Services	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Legal Services	\$10,000	\$5,000	\$5,000	\$5,000	\$5,000
Program Manager (w/County management)	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Professional Services - Admin. Sub-total	\$67,500	\$62,500	\$62,500	\$62,500	\$62,500
Office Expense					
Bank Fees	\$250	\$250	\$250	\$250	\$250
Insurance	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Outreach (education and outreach)	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Website	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Supplies	\$1,000	\$500	\$500	\$500	\$500
Office Expense Sub-total	\$7,250	\$6,750	\$6,750	\$6,750	\$6,750
Professional Services - GSP Implementation	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Legal Defense Reserve (build \$150,000/yr. balance)	\$0	\$0	\$0	\$0	\$0
County Tax Roll Fee Support	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
Contingency (10%)	\$8,875	\$8,325	\$8,325	\$8,325	\$8,325
GSA Admin. Sub-total	\$97,625	\$91,575	\$91,575	\$91,575	\$91,575
5-Year GSP Implementation Inflation Adjustment	0%	3%	3%	5%	5%
Cost Category-SGMA Compliance	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Annual Reporting (assumes DWR monitoring continues)	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Five Year GSP Update w/Modeling Calibration	\$43,750	\$43,750	\$43,750	\$43,750	\$35,000
Surface-GW Interaction Modeling	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
GSA Coordination & Outreach (w/in and between GSAs)	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Data Management System Maintenance	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Long Term Financial Planning/Fees	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Grant Procurement	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Contingency (8%)	\$9,300	\$9,300	\$9,300	\$9,300	\$8,600
SGMA Compliance Sub-Total	\$125,550	\$125,550	\$125,550	\$125,550	\$116,100
TOTAL WDCGSA Administration (w/inflation adjustment)	\$97,625	\$100,554	\$106,587	\$118,312	\$137,241
TOTAL WDCGSA SGMA Compliance (w/inflation adjustment)	\$125,550	\$129,317	\$137,075	\$152,154	\$176,498
TOTAL WDCGSA Operational Budget	\$223,175	\$229,870	\$243,662	\$270,465	\$313,740

See Handout

WCGSA Fee Options Considered

Examples of Potential Options	Notes
Uniform Cost / Fee per Acre	Most common fee structure
Irrigated/Non-Irrigated Lands	Identify irrigated and non-irrigated lands; differentiate between surface and groundwater users
Land Use Hybrid - Crop Type	Would consider land use, combined with irrigated and non-irrigated lands
Land Use Hybrid - Crop ET	Would consider land use, combined with evapotranspiration calculations
Groundwater extraction - \$/af	Would require metering of water sources, most expensive option

Estimated Cost for Fee Options

Additional implementation costs for non-uniform funding options.

Table 5. WCGSA Funding Option Estimated Implementation Cost (\$/ac.)

<u>Fee Option</u>	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Irrigated/Non-Irrigated	\$0.39	\$0.40	\$0.41	\$0.42	\$0.44
Land Use Hybrid Crop Type	\$1.10	\$1.13	\$1.16	\$1.20	\$1.23
Land Use Hybrid Crop ET	\$1.95	\$2.01	\$2.06	\$2.12	\$2.18
Well Registration/Permit System	\$4.28	\$4.41	\$4.54	\$4.75	\$4.96
Metered Groundwater Extraction	\$11.59	\$12.13	\$12.68	\$13.23	\$13.77

WCGSA – Fee Options Evaluation Criteria

FEE OPTION EVALUATION CRITERIA

- Revenue Sufficiency – Meets revenue projection targets
- Revenue Stability – over fee implementation period
- All Beneficiaries Pay – important for SGMA compliance benefit
- Equity – cost allocation
- Affordability – economic impacts
- Simplicity – easy to understand
- Administrative ease – low implementation costs
- Enforceability – potential costs for more complex fee structures
- Legality – defensible, challenge risk, potential long term legal fees

WCGSA Preferred Fee Option

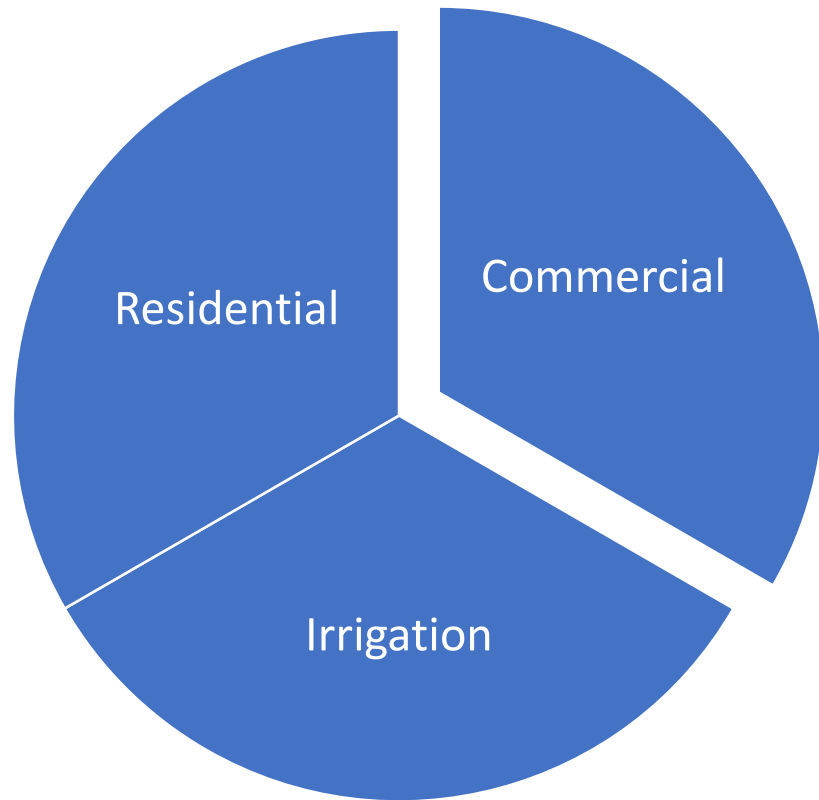
Preferred Fee Option	Description
Irrigated and Non-Irrigated Lands	Three User Classes: <ul style="list-style-type: none">• Non-irrigated Land• Irrigated Surface Water• Irrigated Groundwater

WCGSA – Preferred Long Term Fee Option

PREFERRED FEE OPTION – IRRIGATED/NON-IRRIGATED

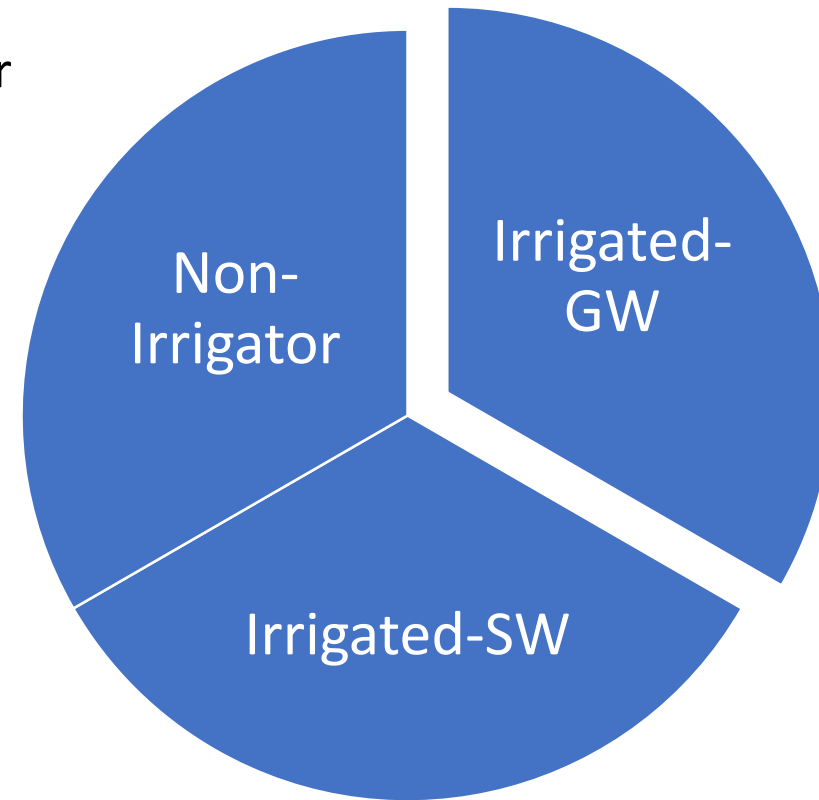
- Adjusted cost allocation to reflect SGMA compliance benefit received by different user classes
- Lower implementation costs than other non-uniform fee options
- 3-Tier User Class Structure
 - Non-Irrigated
 - Irrigated-Surface Water
 - Irrigated-Groundwater
- Highest cost allocation to Irrigated-Groundwater user class (greatest potential impact to and benefit from groundwater sustainability)
- Reduced cost to Irrigated-Surface Water class since with access to surface water, these lands have less potential impact to and benefit from groundwater sustainability
- Lowest cost allocation to Non-Irrigated user class (very little/no impact on groundwater sustainability)

WCGSA – Preferred Long Term Fee Option



Urban Fee User Classes Example

User Class: grouping similar customers into a user class



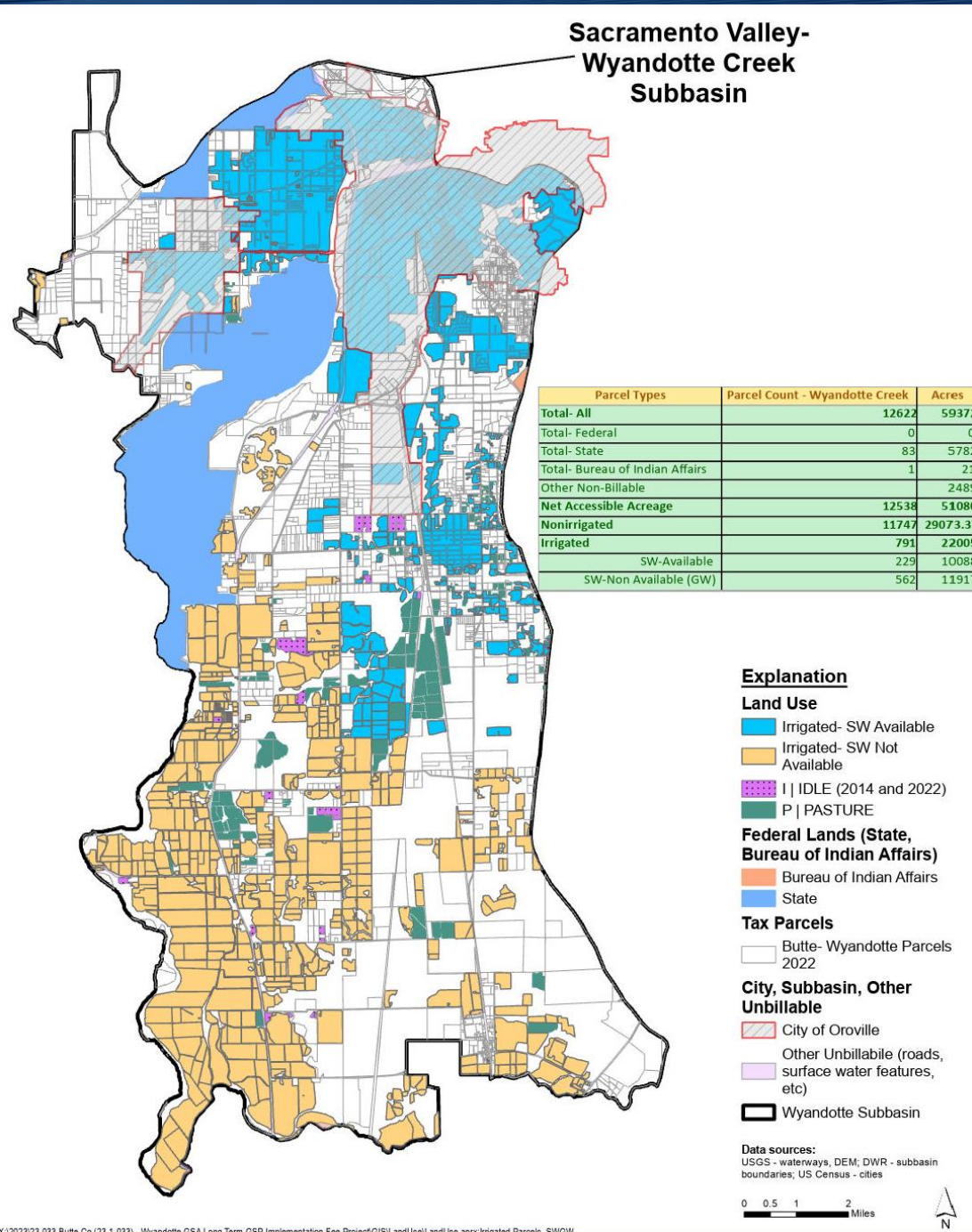
WCGSA Fee User Classes Example

WCGSA – Preferred Long Term Fee Option

PREFERRED FEE OPTION – IRRIGATED/NON-IRRIGATED USER CLASS DEFINITIONS

- Non-Irrigated User Class
 - Open space, vacant land, natural habitat, dry land farming, rangeland
 - Identified using Land Use data each year
- Irrigated-Surface Water User Class: Potential to use SW to meet water demands on the property
 - Parcels within entity service areas that provide surface water supplies
 - Includes Urban areas/Residential parcels within these service areas (i.e. Thermalito Water and Sewer District)
- Irrigated-Groundwater User Class
 - Parcels with no access to surface water supplies
 - Includes Urban areas/Residential parcels with sole access to groundwater as a supply

WCGSA – Fee User Class Map



Non-Irrigated = 29,075 acres
 Irrigated-SW = 10,088 acres
Irrigated-GW = 11,917 acres
 Total = 51,080 acres

Cost allocation to each user class based on benefit received for those customers.

WCGSA Proposed Maximum Fees (\$/ac/year) Non-Irrigated, Irrigated-SW, Irrigated-GW User Classes

WCGSA Proposed Fees 3 User Classes Recommended	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
Proposed Non-Irrigated Fee (\$/ac)	\$1.16	\$1.19	\$1.25	\$1.32	<u>\$1.38</u>
Proposed Irrigated-SW. Fee (\$/ac)	\$7.39	\$7.61	\$7.94	\$8.52	<u>\$8.98</u>
Proposed Irrigated-GW Fee (\$/ac)	\$11.40	\$11.74	\$12.24	\$13.14	<u>\$13.86</u>

Maximum Fees for each class underlined over five-year period.

WCGSA Proposed Maximum Fees (\$/ac/year)

Non-Irrigated User Class Calculation

Table 6-2. Recommended WCGSA Irrigated/Non-Irrigated Fee – Non-Irrigated

Table 6-2 Non-Irrig. Charge Recommended	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
Non-Irrigated Budget	\$22,428	\$23,100	\$24,087	\$25,901	\$27,346
Proposed Non-Irrig. Charge (\$/ac)	\$0.77	\$0.79	\$0.83	\$0.89	\$0.94
GSA Implementation Costs	\$0.39	\$0.40	\$0.42	\$0.43	\$0.44
Proposed Non-Irrig. Total Charge (\$/ac)	\$1.16	\$1.19	\$1.25	\$1.32	<u>\$1.38</u>

WCGSA Proposed Maximum Fees (\$/ac/year)

Irrigated-Surface Water User Class Calculation

Table 6-4. Recommended Irrigated/Non-Irrigated Fee Option (w/Irrigated-SW)

Table 6-4 Irrig.-SW Charge Alternative	Calendar Year 2023	Calendar Year 2024	Calendar Year 2025	Calendar Year 2026	Calendar Year 2027
Irrig-SW Budget	\$70,647	\$72,766	\$75,874	\$81,587	\$86,141
Proposed Irrig-SW Charge (\$/ac)	\$7.00	\$7.21	\$7.52	\$8.09	\$8.54
GSA Implementation Costs	\$0.39	\$0.40	\$0.42	\$0.43	\$0.44
Proposed Irrig-SW Charge (\$/ac)	\$7.39	\$7.61	\$7.94	\$8.52	<u>\$8.98</u>

WCGSA Proposed Maximum Fees (\$/ac/year) Irrigated-Groundwater User Class Calculation

Table 6-5. Recommended Irrigated/Non-Irrigated Fee Option (w/Irrigated-GW)

Table 6-5 Irrig.-GW Charge Alternative	Calendar Year 2023	Calendar Year 2024	Calendar Year 2025	Calendar Year 2026	Calendar Year 2027
Irrig-GW Budget	\$131,201	\$135,137	\$140,910	\$151,518	\$159,976
Proposed Irrig-GW Charge (\$/ac)	\$11.01	\$11.34	\$11.82	\$12.71	\$13.42
GSA Implementation Costs	\$0.39	\$0.40	\$0.42	\$0.43	\$0.44
Proposed Irrig-GW Charge (\$/ac)	\$11.40	\$11.74	\$12.24	\$13.14	<u>\$13.86</u>

How Will The WCGSA Fee Impact My Parcel?

Visit the Wyandotte Creek GSA Website to access an easy App to see what your annual maximum fees could be:

[Funding the Wyandotte Creek GSA - Wyandotte Creek Groundwater Sustainability Agency](#)

Look for this QR Code on the poster in the back of the room and use your phone to access the GSA maximum fee for your parcel.



State Water Board Intervention*

Fee Category	Fee Amount	Applicable Parties
Base Filing Fee	\$300 per well	All extractors required to report (excludes *de minimis extractors).
Probationary Rate	\$40 per AF	Excludes de minimis extractors).
Interim Plan Rate	\$55 per AF	Excludes de minimis extractors).
De minimis Fee	\$100 per well	De minimis extractors in probationary basins
Automatic Late Fee	25% per month	Extractors that do not file reports by the due date.

*Well owner who extracts two acre-feet or less of groundwater per year for domestic purposes

Process Needs

- Appeal Process / Policy
 - July – framework for policy
 - October – WAC review and recommendations
 - October – Review and consideration by Board

Next Steps for the Fee

- July 27 - Protest Hearing/Fee Approval
- August 10 - Fee to Assessor's Office for Tax Roll

Public Hearing and Majority Protest

July 27, 2023 at 2:00 p.m.

City of Oroville Council Chambers, 1735 Montgomery St., Oroville

- Under the California State Constitution, owners of land subject to the proposed fee have the right to protest its adoption. Only written protests received prior to the end of the hearing will be counted as valid official protests.
- Official protests can be mailed or submitted in person at the hearing. Written protests **must** include the following information to be considered valid:
 1. Landowner name(s),
 2. Assessor's parcel number,
 3. Statement of protest,
 4. Valid landowner signature(s).

Mail to: Wyandotte Creek GSA, PO Box 745, Oroville, CA 95965

Protests submitted by e-mail, fax, or other electronic means are not valid and will not be counted as a protest.

Clarifying Questions & Answers

If you have questions about SGMA, the GSA, GSP, or the proposed fee, please **raise your hand** or fill out a **question card**.

Please note, this is not the protest hearing for the fee.

Protests should be mailed in advance of the public hearing or submitted at the public hearing on

July 27, 2023 at 2:00 p.m.

City of Oroville Council Chambers

1735 Montgomery St., Oroville



GSA MAP



LEARN MORE ABOUT THE
SUSTAINABLE GROUNDWATER
MANAGEMENT ACT (SGMA)



FAQS



MEETINGS



CONTACT

APR
11
2023

Webinars & Workshops Long-term Funding Public Workshop

Tuesday, April 11, 2023
6:00-7:30 PM
Butte County HR Training
Room
3 County Center Drive,
Oroville, CA



Funding the Wyandotte Creek
GSA



Sustainable Groundwater
Management Act (SGMA)



<https://www.wyandotecreekgsa.com>

Stay Informed!

Send comments to:

wyandottecreekgsa@gmail.com

Frequently Asked Questions

<https://www.wyandottecreekgsa.com/funding-frequently-asked-questions>

Sign up for the interested parties list on the website:

<https://www.wyandottecreekgsa.com/contact-us>