



# Wyandotte Creek Groundwater Sustainability Agency Agenda Transmittal

Agenda Item: 6

**Subject:** Consideration of a draft Technical Memorandum providing recommendations regarding long-term funding options.

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**Meeting Date:** 4/27/2023

**Regular Agenda**

Department Summary: The Wyandotte Creek Groundwater Sustainability Agency (WCGSA) was established to develop the Wyandotte Creek Groundwater Sustainability Plan (GSP). The WCGSA collaborated with stakeholders to develop the GSP and is now focused on GSP implementation and SGMA compliance, while maintaining local control over its groundwater resources. The WYGSA is also implementing a Long Term Funding Project (Project) to establish a reliable long term funding source for on-going GSA operations, and GSP implementation and SGMA compliance costs. The consultant retained for this Project is Lohdorff & Scalmanini, Consulting Engineers (LSCE).

At its 3/23/23 meeting, the WYGSA Board approved updated revenue projections to be used as the basis for evaluating long term fee options. The revenue projections used in the evaluation are: (a) projections assuming no DWR grant funding; and (b) projections assuming DWR approval to fund the priority projects in the WCGSA’s SGMA grant application. The Board also provided direction on evaluating three fee options: 1) a Uniform Charge (\$/acre); 2) an Irrigated vs. Non-irrigated Charge; and 3) a Land Use Hybrid model option. A public workshop providing an overview of the WCGSA, GSP, and potential funding needs was also held on 4/11/23. Attendance at the public workshop included member agency staff, consultant team and the General Manager from South Feather Water and Power Agency. The meeting was recorded and is available on the GSA’s website. The evaluation of the three funding options is comprised in a draft Technical Memorandum (Draft TM). The purpose of the TM is to recommend the best long term option(s) for the WCGSA Board consideration based on available parcel level information, and overall impact on landowners within the Subbasin subject to the long-term fees.

LSCE will provide a presentation on the findings and recommendations in the Draft TM. Discussion includes options that were considered feasible and further evaluated, and options not considered feasible for this funding cycle. LSCE will also provide information on recommended annual fee schedules, general customer impacts, and the pros and cons of each option. Implementation costs were also considered in the evaluation process. Some options were deemed infeasible because the implementation costs far exceed the actual fee for a particular option. For example, implementing a hybrid fee comes at a higher price due to the cost to collect, evaluate, and apply the additional parcel level data needed. The TM Table 16 – Funding Option Comparison ranks the three primary options.

The Draft TM is attached for Board review and approval. The Board can approve the TM as is or approve it with revisions that would be included in the Final TM. The Fee Report, which will be considered by the Board at its 5/25/23 meeting, will reflect the recommendations in the Final TM. As the Project evolves, additional outreach will be conducted to engage stakeholders and answer questions as needed. A Frequently Asked Questions and Answers, Funding Fact Sheet, and Public Workshop information will also be available as to help achieve a transparent and informative process.

Recommendation: Attachments:

Exhibit A: Technical Memorandum

**Fiscal Impact:** The Board is considering a long-term funding option for the WCGSA. Approval of this document would not result in a fiscal impact at this time.

**Staff Recommendation:** That the Board approve one or more of the following long term fee options to be evaluated in additional detail in the Fee Report for Board consideration: 1) Uniform Fee option that would result in a fee per acre, and/or 2) the Irrigated/Non-Irrigated fee option based on allocating a higher percentage of the total revenue to irrigated acreage, and/or 3) Land Use Hybrid Option that could allocate funding by other parcel-specific data.