



Vina Groundwater Sustainability Agency

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Rock Creek Reclamation District

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Board Members:

Evan Tuchinsky, Chair
Jeff Rohwer, Vice-Chair
Raymond Cooper
Tod Kimmelshue
Kasey Reynolds

Board Members:

Hal Crain, Chair
Darren Rice, Vice-Chair
Elvin Bentz
Jon Lavy
Bruce McGowan
Dan Paiva
Jay Payne

**VINA GROUNDWATER SUSTAINABILITY AGENCY AND
ROCK CREEK RECLAMATION DISTRICT
JOINT BOARD MEETING**
Meeting Agenda
May 10, 2023, at 5:30 p.m.
Chico City Council Chamber Building, 421 Main Street, Chico CA
IN PERSON AND ONLINE MEETING VIA ZOOM FOR VIEWING ONLY

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 - a. +16699006833, 86983600705# US (San Jose)
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 - a. 1 669 900 6833
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PUBLIC COMMENT INFORMATION:

Public comment will be accepted in-person at the meeting or may be submitted by email prior to the meeting to VINAGSAPUBLICCOMMENTS@CHICOCA.GOV. **If you would like to address the Board at this meeting, you are requested to complete a speaker card and hand it to the Board Clerk prior to the conclusion of the staff presentation for that item.** A time limit of three (3) minutes per speaker on all items and an overall time limit of thirty minutes for agenda items has been established. If more than 10 speaker cards are submitted for agenda items, the time limitation may be reduced to one and a half minutes per speaker.

When submitting public comments via email, please indicate the item number your comment corresponds to in the subject line. Comments submitted will be sent to the full GSA Board members electronically prior to the start of the meeting. Email comments will be acknowledged and read into the record by name only during the public comment period for each agenda item. Emailed comments received prior to the end of the meeting will be made part of the written record but not acknowledged at the meeting.

Agenda Prepared: 5/5/2023

Agenda Posted: 5/5/2023

Prior to: 5:30 p.m.



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**VINA GROUNDWATER SUSTAINABILITY AGENCY (GSA) AND
ROCK CREEK RECLAMATION DISTRICT GSA
JOINT BOARD MEETING OF MAY 10, 2023**

1. VINA GROUNDWATER SUSTAINABILITY AGENCY (GSA) REGULAR BOARD MEETING

1.1. Call to Order - Chair Tuchinsky

1.2. Roll Call

2. ROCK CREEK RECLAMATION DISTRICT (RCRD) GSA SPECIAL BOARD MEETING

2.1. Call to Order – Chair Crain

2.2. Roll Call

3. BUSINESS FROM THE FLOOR

Members of the public may address the Vina and RCRD GSA Boards at this time on any matter not already listed on the agenda; comments are limited to three minutes. The Boards cannot take any action at this meeting on requests made under this section of the agenda.

4. JOINT VINA/RCRD GSA BOARD MEETING REGULAR AGENDA

4.1. PRESENTATION OF THE 2022 WATER YEAR ANNUAL REPORT FOR THE VINA SUBBASIN

The Board will receive an overview of the Vina subbasin Annual Water Year Report for 2022. (*Report – Kelly Peterson and Luhdorff & Scalmanini*).

The Annual Report is available on the Vina GSA website at: <https://www.vinagsa.org/vina-gsp-annual-report>.

Recommendation: Accept as information and provide direction to Staff as appropriate.

5. **ADJOURNMENT** –The Vina GSA Board will adjourn to a Vina GSA Regular Meeting tonight in the Chico Council Chamber. The RCRD Board will adjourn to their next regular meeting which will be publicly announced and noticed.

*****RECONVENE TO A VINA GSA REGULAR BOARD MEETING*****

1. VINA GROUNDWATER SUSTAINABILITY AGENCY (GSA) REGULAR BOARD MEETING

1.1. Call to Order - Chair Tuchinsky

2. CONSENT AGENDA:

2.1 APPROVAL OF APRIL 12, 2023 VINA GSA BOARD MEETING MINUTES.

Action: Approve the Vina GSA meeting minutes.

3. ITEMS REMOVED FROM CONSENT – IF ANY

4. NOTICED PUBLIC HEARINGS – NONE

5. **REGULAR AGENDA**

5.1. **CONSIDERATION OF THE FINAL FEE REPORT REGARDING LONG-TERM FUNDING FOR THE VINA GSA.**

The Board will consider the final 2023 Fee Report prepared by the consultant regarding the findings and recommendations for the long-term fee options for the Vina GSA and proceeding with Proposition 218 public process. (*Report and Discussion Lead – Jacques DeBra and Eddy Teasdale, LSCE*).

Recommendation: That the Board approve the 2023 Fee Report and schedule a public hearing for July 12, 2023.

5.2. **CONSIDERATION OF HOLDING A PUBLIC WORKSHOP INSTEAD OF THE VINA GSA BOARD MEETING ON JUNE 14, 2023.**

The Board will consider cancelling its June Regular Meeting and holding a public workshop on the long-term funding decisions and Proposition 218 process. (*Verbal Report – Christina Buck*).

Recommendation: The Management Committee recommends the Board cancel the Board meeting and approve scheduling a public workshop for 6:00 p.m. on June 14, 2023 at the Chico Masonic Lodge:

6. **COMMUNICATIONS AND REPORTS**

These items are provided for the Vina GSA Board's information. Although the Board may discuss the items, no action can be taken at this meeting. Should the Board determine that action is required, the item or items may be included for action on a subsequent posted agenda.

6.1 Vina GSA Management Committee Updates (*Verbal Report-Kamie Loeser*)

- Email correspondence from Richard Harriman

6.2 Butte County Public Health Department Quarterly Well Permit Summary

7. **ADJOURNMENT:** The Vina GSA Board will adjourn to a regular Vina GSA Board Meeting to be held on July 12, 2023, at 5:30 p.m. at the Chico City Council Chamber Building, 421 Main Street. Chico, CA 95928.

**MINUTES OF THE
VINA GROUNDWATER SUSTAINABILITY AGENCY
REGULAR BOARD MEETING**

Meeting of
April 12, 2023, **5:00 p.m.**
Chico City Council Chamber Building, 421 Main Street, Chico CA
IN-PERSON AND ONLINE VIA ZOOM (viewing/listening only)

1. VINA GROUNDWATER SUSTAINABILITY AGENCY (GSA) REGULAR BOARD MEETING

1.1. Call to Order

The Vina GSA meeting was called to order by Chair Tuchinsky at 5:10 p.m.

1.2. Roll Call

Board Members Present:

Evan Tuchinsky
Jeffrey Rohwer
Raymond Cooper
Kasey Reynolds

Board Members Absent: Kimmelshue

Management Committee Members Present:

Christina Buck and Kamie Loeser (Butte County Department of Water & Resource Conservation (BCDWRC), Jeff Carter and Jeannie Trizzino (Durham Irrigation District), Linda Herman (City of Chico), He-Lo Ramirez (Mechoopda Tribe) and Valerie Kincaid (Legal Counsel).

2. CLOSED SESSION PUBLIC COMMENTS OR BOARD DISQUALIFICATIONS:

Members of the public may address the Board at this time on the closed session item; comments are limited to three minutes, or another time limit determined by the Chair.

2.1. ADJOURN TO CLOSED SESSION:

The Board adjourned and convened to a Closed Session in Conference Rm. 2 .

2.2. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION - Pursuant to Government Code Section 54956.9(e)(1).

*The Board reconvened to the Regular Meeting in the Council Chamber at 5:53 p.m.**

2.3. CLOSED SESSION ANNOUNCEMENT:

There was no action or direction taken by the Board in Closed Session.

3. CONSENT AGENDA:

3.1. APPROVAL OF MARCH 8, 2023 VINA GSA BOARD MEETING MINUTES.

Action: Approve the Vina GSA meeting minutes.

Board Member Rohwer motioned to approve the Consent Agenda. The motion was seconded by Board Member Reynolds.

Motion carried as follows:

AYES: Board Member Reynolds, Board Member Cooper, Vice-Chair Rohwer, and Chair Tuchinsky

NOES: None

ABSENT: Board Member Kimmelshue

4. **ITEMS REMOVED FROM CONSENT** None

5. **BUSINESS FROM THE FLOOR**

Members of the public may address the Board at this time on any matter not already listed on the agenda; comments are limited to three minutes. The Board cannot take any action at this meeting on requests made under this section of the agenda.

No public comments were received from Business From the Floor.

6. **NOTICED PUBLIC HEARINGS** - NONE

7. **REGULAR AGENDA**

7.1. **CONSIDERATION OF A DRAFT TECHNICAL MEMORANDUM PROVIDING RECOMMENDATIONS REGARDING LONG-TERM FUNDING OPTIONS.**

The Board considered the draft Technical Memorandum prepared by the consultant regarding the findings and recommendations from their evaluation of the long-term fee options for the Vina GSA. (***Report and Discussion Lead – Jacques DeBra and Eddy Teasdale, LSCE.***)

Recommendation: That the Board approve one or more of the following long term fee options to be included in the Fee Report:

1. The highest ranked Uniform Fee option for the lowest possible charge; and/or
2. The Irrigated/Non-Irrigated fee option as the most cost-effective way to achieve parcel benefit analysis.

The consultant and GSA Administrator Loeser provided an overview of the Technical Memorandum.

Board Member Cooper inquired if the irrigated versus non-irrigated option could be determined through the zoning classifications. The consultant said it could be an additional tool, but not necessarily a way to determine which parcels are irrigated or not.

The consultant informed the Board that the number of acres subject to the fee were refined and need to be reduced from \$181,434 to 174,327 acres. Board Member Rohwer asked that Attachment 4 to the Technical Memo be updated to reflect the correct acreage in the Final Fee Report.

SHAC member Greg Sohnrey, and Tovey Geizentanner provided comments at the meeting. SHAC member Dawson provided comments by an email to the Board on 4/12/23.

Chair Tuchinsky motioned to approve that both the Uniform and Irrigated/Non-Irrigated options be evaluated in the final Fee Report. The motion failed due to a lack of a second.

Board Member Rohwer motioned to approve that the Uniform Fee option be evaluated in the final Fee Report. The motion was seconded by Board Member Reynolds.

Motion carried as follows:

AYES: Board Member Reynolds, Board Member Cooper, and Vice-Chair Rohwer.

NOES: Chair Tuchinsky

ABSENT: Board Member Kimmelshue

8. COMMUNICATIONS AND REPORTS.

These items are provided for the Board's information. Although the Board may discuss the items, no action can be taken at this meeting. Should the Board determine that action is required, the item or items may be included for action on a subsequent posted agenda.

8.1 Management Committee Updates (*Verbal Reports – Kamie Loeser*)

- a. Form 700 Requirements
- b. Board Positions and Application Process

GSA Administrator Loeser provided an update on the above items.

8.2 Rock Creek Reclamation District Groundwater Sustainability Agency (GSA) Updates

Rock Creek Reclamation District Trustee McGowan provided an update to the Board.

9. ADJOURNMENT:

The Vina GSA Board meeting adjourned at 7:11 p.m. to the Vina GSA/Rock Creek Reclamation District GSA Joint Board Meeting on May 10, 2023, at 5:30 p.m. at the Chico City Council Chamber Building at 421 Main Street., Chico, CA and online via Zoom for viewing only.

ITEM 4.1 - 2022 ANNUAL WATER REPORT

is too large to print.

It is available on the Vina GSA website at

<https://www.vinagsa.org/vina-gsp-annual-report>.



Vina
Groundwater Sustainability Agency
Agenda Transmittal

Agenda Item: 5.1

Subject: Consideration of a Final Fee Report to establish a long-term funding source for the Vina GSA.

Contact: Kamie Loeser

Phone:

Meeting Date: 5/10/23

Regular Agenda

Department Summary:

At its 4/12/23 meeting, the VGSA Board considered a draft Technical Memorandum provided by Luhdorff & Scalomini that recommended the best long term fee options to provide funding for the ongoing GSA administration, GSP implementation activities, and SGMA compliance and reporting requirements. The Board also considered the following three fee options:

- 1) Uniform Fee (\$/acre).
- 2) Irrigated vs. Non-irrigated Fee; and
- 3) Land Use Hybrid model option.

The Board approved proceeding with the Uniform Fee option as the preferred option to pursue to provide long term funding for the VGSA. This option typically results in a \$/acre charge based on spreading the GSA revenue needs across the Subbasin on a per acre basis. This is the most common type of GSA fee in place throughout California. The fee is calculated by dividing the total GSA costs by the total net assessable acreage in the Subbasin, excluding Federal, State and Tribal lands which are exempt from SGMA related charges.

Because the Uniform Fee option is parcel based, the Board is using the Proposition 218 fee mechanism consistent with Water Code Section 10730 and the associated public process to establish the fee. Proposition 218 requires notices to be sent to all landowners subject to the charge at least 45-days prior to when the Board considers approving the proposed fees. A public hearing will be conducted by the GSA Board on July 12, 2023 in advance of considering the approval of the proposed fees subject to a majority protest vote whereby those subject to the proposed fee can submit written protest ballots voting against the proposed fees. If a majority protest vote is received, the Vina GSA cannot approve the proposed fees.

The Fee Options Evaluation Technical Memorandum (TM) evaluated various fee options including the evaluation of the Uniform Fee option which is incorporated into the Final Fee Report as required under Prop 218. The Final Fee Report is attached as Exhibit A for the Board Review and approval. The Fee Report and referenced Appendices are also available on the Vina GSA website. The annual proposed fees are shown in the following Tables. The budgeted operational expenses are in 2023 dollars and include an average annual inflation factor of 3% to adjust for the impact of future inflation on the GSA Operational Budget during the five-year Fee implementation period.

	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Vina GSA Operational Budget	\$539,125	\$495,250	\$485,772	\$508,685	\$519,071
Proposed Annual Fee (\$/ac)	\$3.09	\$2.84	\$2.79	\$2.92	\$2.98
5-Year Annualized Per Year Fee (\$/ac)	\$2.92	\$2.92	\$2.92	\$2.92	\$2.92

Example Lot Size	5000 sq. ft	10,000 sq. ft	0.5 Acres	1 Acre	10 acres
Annualized Cost Per Parcel Per Year	\$0.32	\$0.67	\$1.46	\$2.92	\$29.92

The Vina GSA is seeking approval of a maximum annualized fee of \$3.09 per acre for all assessable parcels so that there's sufficient revenues over the five-year period. The Fee applied by the VGSA may vary from year to year but will not exceed the maximum \$3.09/acre amount unless an increase in the fee is approved through a subsequent Proposition 218 proceeding. This proposed fee also provides landowners and properties SGMA compliance benefits and local representation for substantially lower costs than if no GSA was formed. If no GSA was formed, the landowners would be subject to regulation and oversight by the State Water Resources Regional Control Board (SWRCB) and would be subject to higher fees.

Recommendation: That the Board approve the 2023 Fee Report and schedule a public hearing for July 12, 2023.

Attachments:

Exhibit A: Final Fee Report (Appendices are available on the website at vinagsa.org under the May GSA Board meeting date)

VINA SUBBASIN

GROUNDWATER SUSTAINABILITY PLAN IMPLEMENTATION

Proposition 218 Fee Report

May 2023



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LIST OF ACROYNMS AND ABBREVIATIONS

AF	acre-feet (generally equivalent to 325,851 gallons)
APNs	Assessor’s parcel numbers
Budget	Five-Year Annual Budget
CASGEM	California State Groundwater Elevation Monitoring
County	County of Butte
CPI	Consumer Price Index
DACs	Disadvantaged Communities
DWR	California Department of Water Resources
CY	Calendar Year
FY	Fiscal Year
GSA	Groundwater Sustainability Agency
GSP	Groundwater Sustainability Plan
IRWMP	Integrated Regional Water Management Plan
JPA	Joint Powers Agreement/Authority
LAFCO	Local Agency Formation Commission
MOU	Memorandum of Understanding
RCGSA	Rock Creek Groundwater Sustainability Agency
SGMA	Sustainable Groundwater Management Act
Subbasin	DWR delineated alluvial groundwater areas in VGSA boundary
SWRCB	State Water Resources Control Board
VGSA	Vina Groundwater Sustainability Agency
TM	Technical Memorandum

ACKNOWLEDGEMENTS

VGSA Staff

Kamie Loeser, Vina GSA Program Manager

Christina Buck, Vina GSA Co-Program Manager

VGSA Board of Directors

Butte County, Board of Supervisors:

- Tod Kimmelshue (primary)
- Tami Ritter (alternate)

City of Chico, City Council:

- Kasey Reynolds (primary)
- Addison Winslow (alternate)

Durham Irrigation District, Board Directors:

- Raymond Cooper (primary)
- Matt Doyle (alternate)

Agricultural Well User Stakeholder:

- Jeffrey Rohwer (primary) (term expires 8/27/2023)
- Steven Koehnen (alternate) (term expires 8/27/2023)

Non-Agricultural Domestic Well User Stakeholder:

- Evan Tuchinsky (primary) (term expires 8/27/2023)
- Steve Kampfen (alternate) (term expires 8/27/2023)

Consultant Assistance: Luhdorff and Scalmanini Consulting Engineers (LSCE)

SECTION 1: INTRODUCTION AND SUMMARY

The Vina Subbasin Groundwater Sustainability Agency (Vina GSA) is an organization created through a Joint Powers Agreement (JPA) that was formed through adoption of a resolution in April 2019 (see **Appendix A**), which established the Vina GSA as a cost-effective regional governance model to achieve SGMA compliance and maintain local control over local groundwater resources. The Vina GSA is the Groundwater Sustainability Agency (GSA) responsible for compliance with the 2014 Sustainable Groundwater Management Act (SGMA) in its Vina GSA service area boundary. The Vina GSA coordinates and collaborates with the Rock Creek Reclamation District (RCRD) GSA (located within the Vina Subbasin GSA service area boundary) and serves as the fiscal agent on behalf of the GSAs in the Subbasin. The Vina GSA role serving as the administrative program manager lead in the Vina Subbasin was deemed as the most cost-effective governance model for achieving SGMA compliance. The Subbasin governance is more clearly depicted in the graphic below.

VINA SUBBASIN

Has 2 Groundwater Sustainability Agencies - 1. Vina GSA & 2. Rock Creek Reclamation District GSA

VINA GROUNDWATER SUSTAINABILITY AGENCY

Has 5 Board of Director seats (3 for Member Agency Directors, 2 for Stakeholder Directors)

<p>1. City of Chico</p> <p>Must:</p> <ul style="list-style-type: none"> • Be an elected official 	<p>2. County of Butte</p> <p>Must:</p> <ul style="list-style-type: none"> • Be an elected official 	<p>3. Durham Irrigation District</p> <p>Must:</p> <ul style="list-style-type: none"> • Be an elected official 	<p>4. Non-Agricultural Domestic Well User Stakeholder Director (Open application process, appointed by Butte BOS)</p> <p>Must:</p> <ul style="list-style-type: none"> • Reside in Vina GSA jurisdiction • Own or lease residential real property in the Vina GSA jurisdiction • Extract groundwater from Vina GSA jurisdiction for domestic water use only • Not be party to any pending litigation with Vina GSA or any Member Agency within the Vina GSA 	<p>5. Agricultural Stakeholder Director (Open application process, appointed by Butte BOS from list of 4 reps from the AGUBC* and considering recommendations from the Vina GSA ad-hoc committee and others see section 7.3 of the JPA)</p> <p>Must:</p> <ul style="list-style-type: none"> • Reside in Vina GSA jurisdiction • Own or lease residential real property in active commercial ag production within the Vina GSA jurisdiction OR • Be an employee of a commercial ag production operation with water use decisions • Not be party to any pending litigation with Vina GSA or any Member Agency within the Vina GSA jurisdiction <p>Also:</p> <ul style="list-style-type: none"> • The commercial ag production operation must extract groundwater from within the Vina GSA jurisdiction for irrigation/frost protection of at least 50 acres of ag crops in commercial operation • The business entity represented by the employee must have commercial interests
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*AGUBC – Agricultural Groundwater Users of Butte County

Vina GSA Stakeholder Advisory Committee Information (over)

Vina Subbasin governance is composed of a group of member agencies collaborating through a Memorandum of Understanding (MOU): Butte County, City of Chico, and Durham Irrigation District. The Vina GSA that develops the most cost-effective means to maintain GSA operations, comply with SGMA requirements, and implement the Vina GSA Groundwater Sustainability Plan (GSP) while maintaining local control over the management of groundwater resources within the Subbasin.

The Vina GSA will transition from the development of the GSA structure and the GSP to implementation of the GSP, achieve groundwater sustainability, and implement priority actions contained in the 2022 GSP submitted to the California Department of Water Resources in January 2022. The Joint Powers structure allows the Vina GSA to leverage the existing collaborative working relationships established through the GSP development phase. Ongoing collaboration provides economies of scale for sharing the cost of GSP implementation and SGMA compliance amongst the GSAs and stakeholders, while maintaining local control of its groundwater resources.

The VGSA is using a Proposition 218 process to approve a property related fee to fund overall GSP implementation costs. The proposed Vina GSA Fee is proposed to be initiated on December 10, 2023 through the Butte County Tax Roll to cover the everyday operations of the Vina GSA (including legal, technical, administrative, accounting, office, insurance, audits, and outreach materials) and GSP implementation costs (including annual monitoring and reporting, five-year GSP updates, Subbasin coordination and outreach, data management system maintenance, and grant funding services) required to achieve and maintain SGMA compliance for all landowners within the VGSA service area. The Vina GSA received Proposition 1 and 68 grant funding to develop the Vina Subbasin GSP; however, costs for GSP implementation that will not be covered by grants will need to be covered by the proposed Vina GSA Fee. It is anticipated that any necessary management actions resulting from GSP implementation will be funded by other localized fees or assessments, cost sharing arrangements, or through additional outside grant funding sources.

The Vina GSA fulfills its GSA role by facilitating SGMA compliance and support groundwater management actions that benefit VGSA stakeholders, while achieving long-term groundwater sustainability throughout the Vina GSA service area boundary. The Vina GSA will pursue outside funding sources to assist in securing additional grant funds to support cost-effective GSP implementation activities by the Vina GSA and its members. The Vina GSA will also participate in regional funding opportunities that benefit the VGSA to reduce long-term SGMA compliance costs and achieve long-term groundwater sustainability objectives.

The Vina GSA developed a Five-Year Budget which estimates the costs of SGMA compliance that includes both GSA operational and GSP implementation related costs. The budget estimates costs for the Vina GSA to achieve SGMA compliance (based on current requirements) at \$534,725 per year for GSP implementation related costs not covered by existing grant funding for a five-year period spanning fiscal years 2023-24 through 2027-28 (fiscal year beginning July 1, 2023). Based on the Vina GSA service of providing SGMA compliance and working toward achieving groundwater sustainability, the VGSA Board of Directors is seeking to collect the proposed Vina GSA Fee from each acre included in the Vina GSA service area to fund the Vina GSA operations for SGMA compliance and maintain local control as defined herein. The Vina

GSA Fee would cover GSP implementation costs beginning July 1, 2023 based on adoption and submittal of the Vina Subbasin GSP in accordance with the DWR GSP filing deadline of January 31, 2022. The proposed Vina GSA Fee would cover the ongoing Vina GSA operational and GSP implementation costs over the initial five-year implementation period.

The proposed Vina GSA Fee is a property-related service fee governed by Proposition 218 (as allowed by the Water Code) and are planned to apply on a cost of service per acre basis to lands within the Vina GSA boundaries within Butte County in the manner described in this Fee Report. SGMA provides authority for GSAs to Fee fees or Fees to support its operations to facilitate compliance with SGMA. Failure to adequately manage groundwater in the Subbasin may result in intervention by the State Water Resources Control Board (SWRCB). If the SWRCB were to intervene, it would be authorized to impose annual fees ranging from \$100 per de minimis well (using less than 2 ac-ft of water per year), to \$300 per well plus up to \$55 per acre-foot of groundwater pumped per well, with no guarantee of assistance in bearing costs to address the groundwater issues for which it intervenes (see **Appendix B**). By adopting the Vina GSA Fee, the Vina GSA will provide landowners with a more affordable and locally managed service for managing groundwater in the Vina Subbasin. The proposed Vina GSA Fee is based on the Vina GSA's service area boundary for parcels on the 2023 tax rolls of Butte County. The tax roll lists property owners and their associated assessor's parcel numbers (APNs) that would be subject to the proposed Vina GSA Fee and is included as **Appendix C**. The complete roll will be submitted to the County Assessor if the Vina GSA Board of Directors adopts the Vina GSA FEE in July 2023.

The City of Chico and Durham Irrigation District will have two options for paying their share of the proposed Fees. For option 1, these agencies would opt to have landowners within their respective service areas receive the Vina GSA Fee Proposition 218 Notice (see **Appendix D**) for payment of fees through the property tax bill. Option 2 would exclude those agencies from the protest process and instead those agencies would pay the Vina GSA Fee for lands within their district areas directly to the VGSA to cover the per acre cost of the Vina GSA service through a Funding Agreement and consistent with existing agreements for GSP implementation. In the event these agencies choose to enter into Funding Agreements to cover the Vina GSA FEE, payment of specified Fees would be paid to the Vina GSA in the middle of its fiscal year (beginning January 1, 2024 and every year thereafter through 2028). The Local Agency Formation Commission (LAFCO) boundaries and Butte County Fee Roll for each of these entities were used for assessable acreage and Fee calculations. The Vina GSA 2023 Funding Agreement List is included as **Appendix E**.

Parcels listed by the assessor as tax-exempt will not be included in the Vina GSA Fee, and therefore not included in assessable acreage and Fee calculations. These parcels primarily include the exclusion of Federal, Tribal, and State-owned parcels.

The following Table 1-1 provides an example schedule of the proposed Vina GSA Fee to be collected to proportionally fund operating expenses calculated using the Vina GSA's budget on a cost per acre basis during the next five years. The annual fee assessment will be set each year by the Board, based on the budget needs and to ensure the Vina GSA Fee does not exceed the cost of service, but it will not exceed the proposed maximum rate of \$3.07 per acre. The budgeted operations expenses are in 2023 dollars and include an inflation factor of 3% per annum based on

the expected average Consumer Price Index (CPI) during the period. The maximum annual inflation factor to be applied to the Vina GSA Fee would not exceed 3% annually, with the actual inflation factor applied each year at the discretion of the Vina GSA Board through Fiscal Year 2027-28. Operations expenses have not been projected beyond Fiscal Year 2027-28. The Board will update the Vina GSA Fee for Fiscal Year 2028 and beyond based on actual expenses experienced during the first five years of GSP implementation and projected expenses over the subsequent five-year period.

Table 1-1: Vina GSA Proposed Fee – For SGMA Compliance

Cost Category	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
GSA Annual Budget	\$539,125	\$495,250	\$485,772	\$508,685	\$519,071
Assessable Acreage	174,327	174,327	174,327	174,327	174,327
Proposed Total Annual Fee (\$/ac)	\$3.09	\$2.84	\$2.79	\$2.92	\$2.98

The Vina GSA operational and GSP implementation components comprise the total proposed Vina GSA Fee that covers the cost of SGMA compliance for the Vina GSA within its service area (and contributes to compliance for the Subbasin as a whole). Additional funds may be required to implement specific projects listed in the GSP. Project funding for these projects will come from other funding sources and be the responsibility of the project proponent(s) to identify funding sources and secure necessary funding for project implementation. The Vina GSA will assist project proponents with grant funding opportunities if available to improve groundwater management or lower future Vina GSA operations costs. Project funds could come from supplemental funding and/or local fees or assessments greater than the maximum fees recommended in this report, and approval by the landowners in a future Proposition 218 election will likely be required for those fees or assessments.

The component costs that make up the total budget are shown in the table and explained further in this Report. Note that the proposed Vina GSA Fee is expected to be the same from year to year but will not exceed the maximum amount unless an increase is approved through a subsequent Proposition 218 proceeding. **The necessary funding for the Vina GSA will be reviewed annually by the Board and, depending on the funds projected to be needed for the year, may be adjusted up to the maximum assessment rate.** The proposed maximum annual rate allows the Vina GSA to apply the approved Vina GSA Fee throughout the five-year period for services provided without any increases in operating expenses and fund special activities. Any additional costs having to be incurred would require an additional Proposition 218 process and associated expense.

The assessment process is being conducted in accordance with provisions of Proposition 218, as reflected in Article XIII D of the California Constitution and Sections 53750 through 53756 of the

State's Government Code. These constitutional and statutory provisions of Proposition 218 establish specified mandatory procedures that local agencies must follow.

Under the Proposition 218 process, prior to adopting the Vina GSA Fee, the Vina GSA Board must notify landowners of the proposed Vina GSA fee and provide the opportunity to protest the adoption of the Vina GSA Fee. At the public hearing, the Vina GSA will consider and address comments and questions from owners of land that would be subject to the proposed Vina GSA Fee. Landowner protests received at the protest hearing will be counted and the protest results will be certified. If owners of a majority of total assessed parcels included in the Vina GSA service area submit protests, the Vina GSA will not adopt the proposed Vina GSA Fee. Absent a majority protest, the Vina GSA is authorized to adopt the proposed Vina GSA Fee at its public adoption hearing starting at 5 p.m. on July 19, 2023, to be held at the City of Chico City Council Chambers, 421 Main Street, Chico, CA 95928.

Proposition 218 Process – Stakeholder Outreach

The Vina GSA plans to conduct public and stakeholder outreach prior to taking action on the proposed Vina GSA Fee on July 12, 2023. This may include public meetings, providing key information posted on the Vina GSA website, availability of Frequently Asked Questions (FAQ) information, Fact Sheet, and other outreach deemed appropriate to inform and involve those affected by the Vina GSA Fee (**Appendix F**). A Public Workshop was held on April 28, 2023 to discuss GSP implementation and long-term funding needs for SGMA compliance. This outreach and notification was provided in addition to that required for a Proposition 218 Fee process, including sending all affected parcel owners of the proposed Fees and noticing of planned Fee adoption at least 45-days prior to Vina GSA Board consideration for approval. Additional outreach may be conducted through other Vina GSA venues before consideration for Vina GSA Fee adoption by the VGSA.

SECTION 2: REPORT PURPOSE

This Fee Report is prepared to describe the basis for the Vina GSA’s proposed Vina GSA Fee to each assessable parcel within the Vina GSA jurisdiction. The proposal is for the Vina GSA to collect revenue in the form of that which will be used to cover everyday operations and SGMA compliance related costs of the Vina GSA providing groundwater management services. These operations include administration, legal services, technical services, funding services, insurance, consulting, office, outreach materials, accounting, annual monitoring and reporting, GSA coordination, five-year GSP updates to the Department of Water Resources (DWR), and potentially special studies on an as needed basis during GSP implementation. The cost of SGMA compliance characterized in this Report is based on current SGMA legislation requirements.

Sustainable Groundwater Management Act

On September 16, 2014, the Governor of California signed into law a three-bill legislative package (Senate Bill 1168, Assembly Bill 1739 and Assembly Bill 1319) that provided a state-wide framework for sustainable groundwater management for basins in California with a focus on those subbasins with a higher priority for formalized local and regional groundwater plans. These laws are collectively known as the Sustainable Groundwater Management Act (SGMA). SGMA defines sustainable groundwater management as the *management and use of groundwater in a manner that can be maintained during the planning and implementation horizon without causing undesirable results*. Undesirable results are defined in SGMA as any of six primary effects caused by groundwater conditions occurring throughout the basin:

Table 2-1: SGMA Legislation Primary Effect Descriptions

Groundwater Effects (1-6)	SGMA Legislation Primary Groundwater Effect Descriptions
1	Chronic lowering of groundwater levels indicating a significant and unreasonable depletion of supply
2	Significant and unreasonable reduction of groundwater storage
3	Significant and unreasonable seawater intrusion
4	Significant and unreasonable degraded water quality
5	Significant and unreasonable land subsidence
6	Depletions of interconnected surface water that have significant and unreasonable adverse impacts on

These potential undesirable results are the focus of SGMA and must be addressed in GSPs prepared by GSAs. GSPs will need to focus on assessing, monitoring, and mitigating undesirable results from groundwater use. Some of these undesirable results, such as sea water intrusion, are not applicable to the Vina GSA area, while others, such as lowering of groundwater levels and

reduction in groundwater storage are significant issues in some areas and will need to be addressed. Each of these undesirable results has been investigated and prioritized as part of the GSP development process. The GSP also includes measurable objectives and implementation actions to achieve and maintain groundwater basin sustainability in the Subbasin. SGMA requires the development and implementation of GSPs that document the proposed plans and programs for achieving groundwater basin sustainability within a prescribed 20-year window. During the GSP implementation phase, GSAs are required to adopt programs to facilitate measures outlined in the GSP, update the GSP every five years, conduct regular GSA coordination activities, and provide DWR with annual updates on the progress of achieving sustainability based on annual monitoring and reporting requirements for each GSP. The Vina GSA has received Proposition 1 and 68 grant funding to cover a majority of the work to develop the GSP; however, costs for GSP implementation that cannot be covered by SGMA grants will need to be funded through the proposed Vina GSA Fee. Projects and management actions required by GSP implementation may be funded by other local and regional cost sharing and funds, or through other grant funding programs.

Vina GSA's Authority to Levy Assessments

The Vina GSA is a multi-agency organization that was formed through the Vina Subbasin SGMA compliance formation process in 2017 with coordinating agreements executed in 2019 with DWR subbasin boundary amendments thereafter to facilitate cost-effective SGMA compliance for all GSAs with the Vina Subbasin in Butte County. A copy of the GSA formation resolution establishing the VGSA can be found in **Appendix A**. A description of its members follows.

VGSA Member Agencies

Membership:

- Butte County (Appointed by Board of Supervisors)
- City of Chico (Appointed by City)
- Durham Irrigation District (Appointed by Board)

The Vina GSA is the GSA responsible for the compliance and implementation of the provisions of SGMA for a portion of the DWR-defined Vina Subbasin (5-021.57) which is classified as a High Priority Basin by DWR encompassing approximately 184,917 acres in Butte County. **Appendix A** contains the adopted resolution establishing the Vina GSA to serve as the primary GSA for its service area within the Subbasin with one other GSA (RCRD) responsible for SGMA compliance within their respective service areas within the Vina Subbasin. The Rock Creek GSA overlays a portion of the Vina Subbasin (approximately 4,625 acres) which is located within Butte County with the Rock Creek GSA responsible for SGMA compliance for the portion within their GSA boundary. GSA responsibility for SGMA compliance is as follows:

Table 2-2: DWR Vina Subbasin – GSA Delineations

DWR GW Subbasin #	DWR GW Subbasin Name	GSAs	Total Area (Acres)
5-021.57	Vina Subbasin	VGSA	184,917
5-021.57	Vina Subbasin	RCRD	4,625

The Vina Subbasin is located within Butte County and the division of GSA jurisdiction is referenced in Table 2-2 above. The GSAs coordinated on the development of a single Subbasin GSP with responsibility for their respective Subbasin service area boundaries; the GSP approved by the GSAs was submitted to DWR by the January 31, 2022 regulatory deadline. There is a cooperating agreement (MOU) between the GSAs which was initially prepared to cover the GSP development phase of SGMA compliance. Any existing coordinating agreements required for effective GSP implementation will be approved as necessary between the parties. GSP implementation responsibility is demarcated as follows: each GSA is responsible for covering their GSA administration costs, and the GSAs jointly share the GSP implementation costs on a regional basis based on the relative acreage in each GSA. The Vina GSA may develop, adopt, and implement sustainable management of groundwater underlying the Vina GSA service area and take actions as necessary to ensure SGMA compliance for all landowners within its service area.

The Vina GSA will rely on the proposed Vina GSA Fee for the initial five years of GSA operations and SGMA compliance. The Vina GSA will update its long-term funding plan at least every five years to operate the GSA at the lowest possible costs while achieving the goals and objectives of the GSP and member agencies.

Pursuant to Chapter 8 (commencing with Section 10730) of Part 2.74 of Division 6 of the Water Code, a GSA 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 GSP, and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve.

State Intervention Alternative

If local GSAs are unable or unwilling to sustainably manage their portion of the groundwater Subbasin, the SWRCB may step in to protect the groundwater resources using a process called state intervention. The SWRCB is responsible for setting and collecting fees to recover the costs associated with state intervention and has established a fee structure as shown in **Appendix B**. The SWRCB fee schedule, if applied to the Vina GSA area, would cost overlying users of groundwater significantly more than current estimates under the local management option.

As illustrated in **Appendix B**, the SWRCB could intervene and implement the requirements of the SGMA legislation in the Vina GSA service area boundary (as well as other areas of the State) if local GSAs are unable or unwilling to comply with the law. In such a case, the Subbasin would be considered a “Probationary Basin” by the SWRCB and directly Fee the intervention fees to each groundwater extractor (landowner). The SWRCB fees would be as follows:

- Base Filing Fee: \$300 per well, plus \$40 per acre-foot (AF) per year (Probationary Basin) or \$55 per AF per year (Interim Plan), plus costs for needed studies.
- De minimis wells (less than or equal to 2 AF per year) would be Fee \$100 per year.

For perspective on these costs, if the SWRCB determines the basin to be a Probationary Basin and a landowner has 40 acres with one well and the demand is 3.0 AF per acre. The associated annual SWRCB fees would be \$300 (filing fee) plus \$4,800 (3.0 AF/acre x 40 acres x \$40/AF) for a total of \$5,100 per year. If the SWRCB determined the basin needed an Interim Plan, the annual cost would go to \$6,900. Over the next five years, the 40-acre landowner would pay \$25,500 to \$34,500 in SWRCB fees, without achieving the benefit of any project development to help comply with SGMA.

By comparison, under the Fees and schedule proposed for the Vina GSA through the proposed Vina GSA Fee, this same landowner would pay a maximum of \$123 per year (40 acres x \$3.07/acre) and \$614 over a five-year period, plus an annual inflation factor. From a cost and regulation standpoint, the desire is to prevent state intervention while maintaining local control in a cost-effective manner. As such, the purpose of the Vina GSA is to fully comply with SGMA on behalf of its landowners to avoid state intervention or excessive groundwater-related fees.

Proposition 218 Requirements

In November 1996, the California voters approved Proposition 218, the *Right to Vote on Taxes Act*, which added Article XIII D to the California Constitution. Proposition 218 imposes certain requirements relative to the imposition of certain assessments, fees, and Fees by local agencies. There are several processes for approval of revenue generation under Proposition 218 – Section 4 identifies revenue requirements, Section 5 identifies parcels subject to the Fee, and Section 6 is for calculating fees or Fees on a unit basis (i.e., per acre Fee) for land-based assessments based on revenue requirements and assessable acreage.

For this initial five-year budget, the VGSA Board of Directors would approve applying Fees under Section 6 of Proposition 218 for GSA operations. SGMA requires every acre in each high and medium priority subbasin to be managed by a GSA and guided to sustainability through a GSP. Therefore, the service provided by the Vina GSA covers mandatory SGMA compliance for each and every acre in the subbasin. The Vina GSA does not currently have pumping data for individual parcels, which disallows the Vina GSA from attempting to develop Fees proportional to extractions in a practical, applicable, or defensible manner. Therefore, collecting fees on a cost per acre basis fulfills the proportionality requirement by differentiating operational vs. GSP implementation costs with the cost allocation based on level of service required for SGMA compliance.

In general, before a local agency can levy new Fees subject to Section 6 of Proposition 218, the Agency (or VGSA) must comply with the following Proposition 218 requirements to achieve SGMA compliance in a reasonable fashion, while only charging customers for proposed fees that are necessary to achieve the goals and objectives of the VGSA and its members as follows:

1. Revenues derived from the fee or Fee must not exceed the funds required to provide the property-related service.
2. Revenue from the fee or Fee must not be used for any purpose other than that for which the fee or Fee is imposed.
3. No fee or Fee may be imposed for general governmental services, such as police, fire, ambulance, or libraries, where the service is available to the public in substantially the same manner as it is to property owners.
4. The amount of a fee or Fee imposed upon any parcel or person as an incident of property ownership must not exceed the proportional cost of the service attributable to the parcel.
5. The fee or Fee may not be imposed for service, unless the service is actually used by or immediately available to, the owner of the property in question.

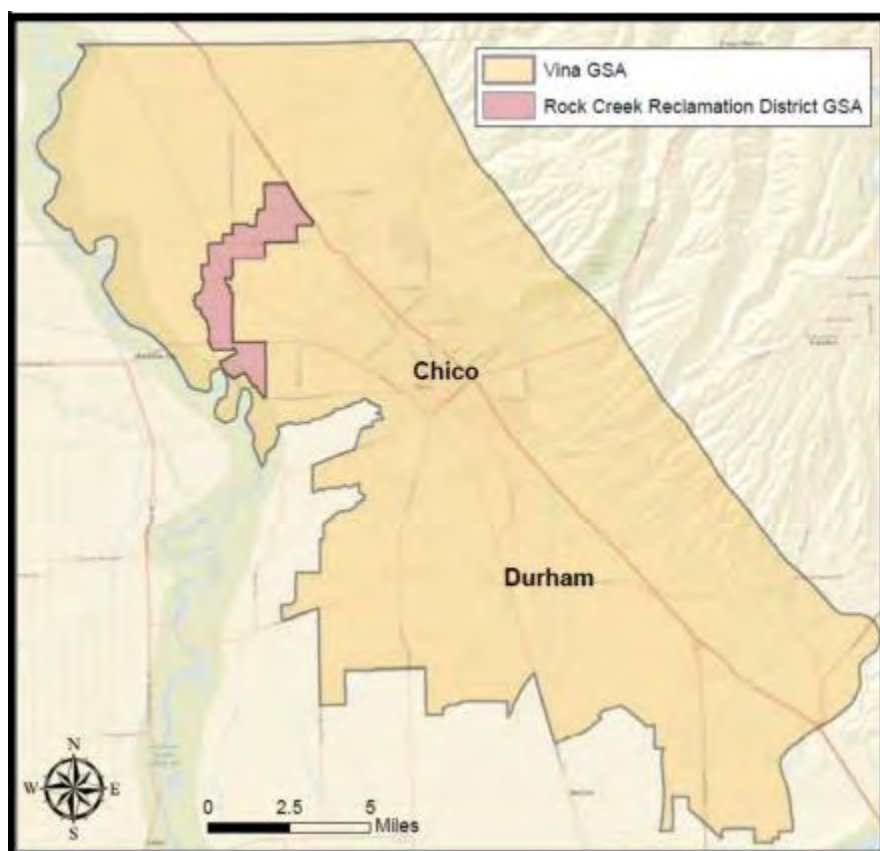
This Report is limited to the proposed assessments to fund the Vina GSA's annual operations and to comply with the requirements of the SGMA legislation forecast over the next five years. The Vina GSA will monitor DWR SGMA compliance requirements and policy direction to achieve SGMA compliance for its members at the lowest possible cost. To achieve SGMA compliance in the Subbasin, all GSAs serving a portion of the Subbasin must be in compliance with SGMA. The proposed Fee will enable the Vina GSA to meet its SGMA requirements within their service area boundary.

The proposed fees do not collect more funds than required for the Vina GSA to reliably provide SGMA compliance to all landowners subject to the fee in the Subbasin and will not be used for any other purposes. The service (SGMA compliance) is provided and used or immediately available to all landowners as long as the fee is in effect. And the SGMA compliance fee is not considered a general government service because it provides a specific property-based benefit.

SECTION 3: VGSA BACKGROUND INFORMATION

The VGSA was formed and established in 2017 and inter-agency coordination agreements executed in 2019 (see **Appendix A**) and is located in the Sacramento Valley Groundwater Basin – Vina Subbasin (5-021.57) in the central portion of the Sacramento Valley and encompasses a total area of approximately 185,000 acres within the VGSA jurisdiction. There are approximately 4,625 acres in the Vina Subbasin within the RCRD GSA service area boundary in Butte County within the VGSA jurisdiction that was a participant in the development and preparation of the Vina Subbasin GSP. The location of the VGSA is illustrated in **Figure 3-1**. The VGSA is within Vina County with the four (4) other GSAs serving the remaining portion of the Subbasin in Vina County designated by DWR’s basin prioritization policy as defined in DWR Bulletin No. 118. More information is available at <https://www.Vinagsp.com/Vina-subbasin/>.

Figure 3-1: VGSA Subbasin Service Area Boundaries



Butte County has a population of approximately 207,303 with a diversified economy. Agriculture is an important major producing industry in the VGSA service area dependent on both surface and groundwater. Top crops include rice, almonds, walnuts, prunes, and nursery stock products. There are areas in the VGSA service area that are identified by DWR as disadvantaged communities (DACs). The VGSA boundary service area includes Butte County, City of Chico, and Durham Irrigation District. Rock Creek Reclamation District is located within the VGSA service area. The City of Chico with a population of approximately 87,000 is the largest city located within the VGSA service area boundary.

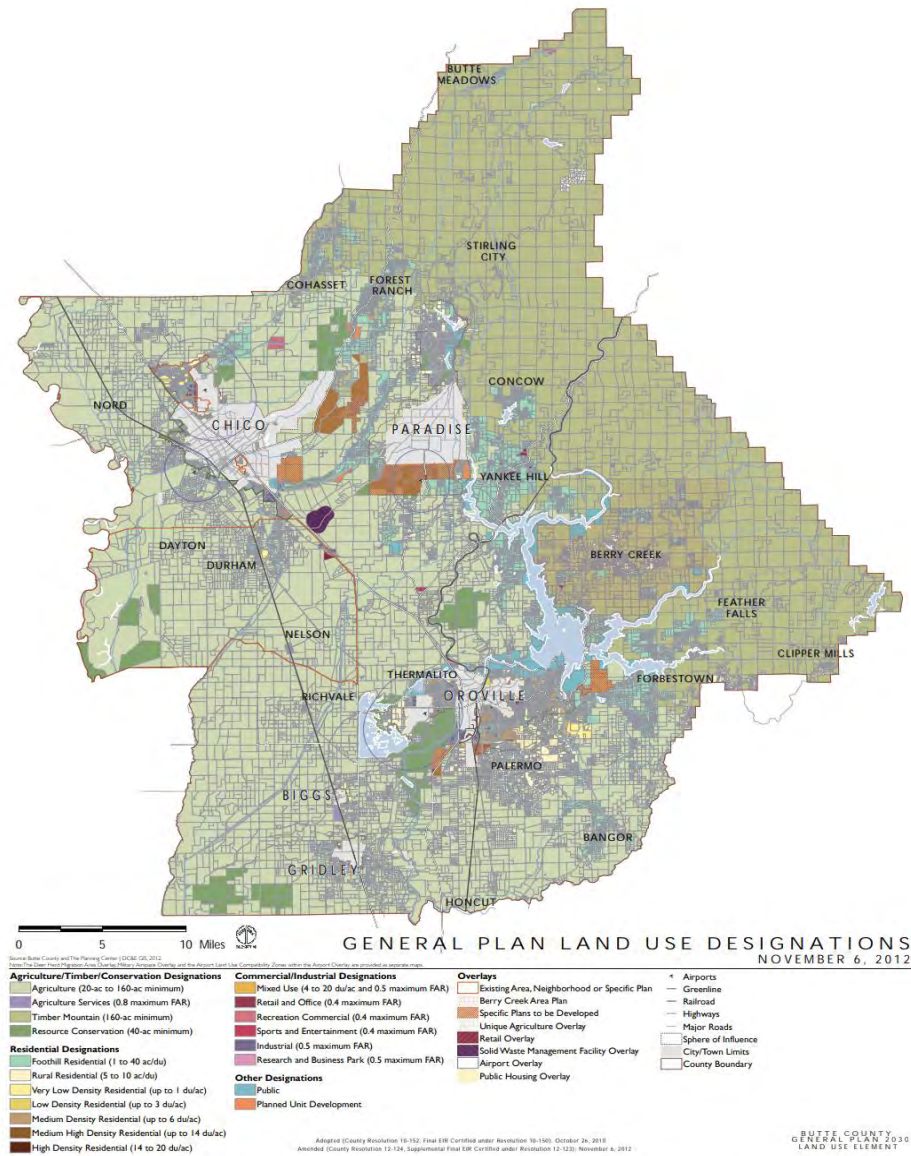
VGSA Service Area Climate Description

The climate in Butte County can vary within a moderate range in the valley areas with increased rainfall and snowfall in higher elevations. Hot, dry summers and temperate winters generally characterize the weather patterns in the County region. The average maximum temperature in July is approximately 93 degrees with average low temperatures of approximately 36 degrees. The average maximum temperature in January is approximately 59 degrees with average low temperatures of approximately 35 degrees. The average annual rainfall in the County is approximately 44 inches and average annual snowfall of approximately 3 inches. The majority of rainfall and snowfall occurs during the December through March period. The documented high and low annual rainfall amounts are approximately 84 and 12 inches respectively. There are about 245 sunny days per year with summer high temperatures above 90 degrees. January low temperatures are typically in the range of 30 to 40 degrees. The warm summer climate allows for an active and diverse agricultural and recreational economy with multiple crops to thrive. Water supplies in the County are from both surface and groundwater sources to meet agricultural, urban, and environmental water supply needs. Weather can vary drastically in the region with a high variability of hydrologic conditions resulting in a wide range of very wet to very dry years with multiple year dry periods not uncommon on a historic basis. These varying hydrologic conditions can impact the mix of annual surface and groundwater use allocations that may occur with groundwater extractions increasing during extended dry year periods when surface water allocations may be limited.

VGSA Service Area Demographics Description

The demographics in the region include a 2022 population of approximately 207,303 and Household Median Income of approximately \$59,863 with about 16% of the population living in poverty. The median age is 35 years old. The population grew by approximately 0% from the previous year. The labor force is approximately 60,377 with a 6.7% unemployment rate. There are jobs in the agricultural, government, retail, technology, manufacturing, health care, school district and other service industries. A land use map for the Butte County region is below as an excerpt from its General Plan.

Figure 3-2: Butte County Region Land Use Map



Butte County lies in north central California at the northern end of the Sacramento Valley, approximately 150 miles northeast of San Francisco and 70 miles north of Sacramento. Butte County's regional location is shown in Figure BC-1. Butte County is bounded on the west by Glenn and Colusa Counties, with the Sacramento River and Butte Creek forming portions of the westerly boundary. To the north and northwest, the county adjoins Tehama County; to the east, Plumas County; to the west Glenn and Colusa Counties; and on the south and southeast, Sutter and Yuba Counties. The South Fork of Honcut Creek forms the southeast boundary with Yuba County. Aside from the lines of demarcation created by the Sacramento River, Butte Creek and Honcut Creek, the county's boundaries do not reflect natural features or changes in landscape character.

Butte County is located in the northeastern part of the Sacramento Valley and extends into the northern Sierra Nevada Mountain range. The county's total land area including incorporated municipalities is approximately 1,680 square miles (1,073,000 acres) and ranges in elevation from approximately 60 feet above sea level in the southwest corner of the county, adjacent to the Sacramento River, to 8,100 feet above sea level in the northeast corner of the county, near Butte Meadows. Humboldt Peak, located in northeastern Butte County, is the county's highest point. The county's three general topographical areas, the valley region, the foothills east of the valley and the mountain region east of the foothills, are distinct environments each with their unique wildlife and natural resources.

Defined by mountains, hills and rivers, the valley is where Butte County shows off its agricultural bounty. Occupying almost half of the county's land, the valley is a wide and expansive green plain, neatly divided with hedge rows that protect acres of cropland, nut and fruit orchards, and meadows for livestock grazing. Late spring brings inundated wetlands with slim green rice stalks protruding from the water's surface, and migratory birds rising in their flocks from the wetlands. Fresh water from the Sierra Nevada snowpack is fed into the valley from the Feather River, the Sacramento River and Butte Creek, where wildflowers and butterflies bring color to the water's edge.

Agriculture has a major influence on the Butte County landscape and its economy and was the County's primary industry in the nineteenth and twentieth centuries. Manufacturing and service industries also flourished during the twentieth century, as exemplified by the Diamond Match Company, canning, lumber and wood processing enterprises. Other local industries included the manufacture of lead tube containers and prefabricated houses, structural steel fabrication, olive processing, sugar manufacturing, rice milling, walnut and almond processing and dairy processing.

Agriculture generates considerable economic activity and trends indicate that agriculture will maintain a strong position within Butte County's economy. Agriculture also supports other industrial sectors in Butte County, such as manufacturing, transportation and warehousing, which all generate a significant portion of the total sales volume in unincorporated Butte County. Other strong sales sectors in unincorporated Butte County are construction, wholesale and retail trades, and educational services.

All water users in the region require reliable long term water supplies that prudently manage available surface and groundwater sources within the safe yield of local groundwater aquifers.

VGSA Service Area – Single GSA Governance Approach

The VGSA manages groundwater in the Vina Subbasin in coordination with RCRD GSA. The Vina Subbasin GSP was prepared by the GSAs, including the Vina and RCRD GSAs, and submitted to DWR by the January 31, 2022 deadline. The VGSA will assist with and facilitate GSP implementation within and between the GSAs to achieve the GSP sustainability goal within twenty (20) years of implementation (by 2042). DWR classified medium and high priority subbasins must comply with the provisions of SGMA. The Vina Subbasin is classified as a High Priority subbasin with current groundwater withdrawals exceeding the safe yield. Working collaboratively through the single subbasin GSP will allow GSA members to cost-effectively achieve SGMA compliance and maintain local control over groundwater use and management decision-making and policy.

Projects that are recommended in the adopted Vina Subbasin GSP will be planned and implemented by the lead applicant(s) and through regional collaboration as needed to accomplish VGSA groundwater management objectives. The VGSA members will collaborate and coordinate on projects of mutual interest and maximize outside funding sources to deliver projects in a cost-effective manner and reduce long-term VGSA costs of service. The VGSA will maintain a list of GSP projects and work within its Subbasin and prioritize its project funding list accordingly to take advantage of grant funding sources as they become available. The VGSA will continue to apprise its members of upcoming grant funding opportunities and assist in securing funds for shovel ready projects and actions that can reduce long-term SGMA compliance costs for its members and achieve safe yield metrics by 2042.

SECTION 4: VGSA FINANCIAL INFORMATION

The VGSA is a relatively new organization and has obtained funding for administrative and GSP development related activities from inception to date primarily through secured grant funds and some in-kind voluntary contributions from member agencies. For the initial five years of GSP implementation, the VGSA is proposing to fund GSA operations, GSP implementation, and SGMA compliance actions through the Vina GSA Fee.

There have been approximately \$200,000 of in-kind agency contributions to date to supplement existing grant funded activities to ensure adequate staffing to complete the work on schedule given SGMA compliance schedule targets. In addition, there have been in-kind staff and GSP partner staffing contributions to ensure that the GSP was completed and submitted to DWR by January 31, 2022. As discussed above, the primary purpose of the VGSA is to organize and represent the landowners for the purposes of SGMA compliance while maintaining local control over groundwater policy and management. The VGSA's administrative activities are expected to continue annually to complete annual monitoring and reporting requirements and complete the Five-Year GSP update, which will be coordinated between each GSAs who participated in the approved GSP. It is also planned that in the initial several years of GSP implementation additional technical evaluations may be undertaken to better understand Subbasin groundwater characteristics, address data gaps, and refine preferred projects the VGSA members can implement to improve long-term groundwater resource sustainability for the region. The VGSA will also be coordinating with other GSAs on an inter-basin basis on a regular basis during GSP implementation consistent with the requirements of SGMA. The technical report evaluations and GSP development actions are intended to prioritize water resource actions that help reliably meet long-term agriculture, urban, and environmental groundwater supply needs within the Subbasin sustainable yield.

The VGSA projected Five-Year Annual Budget (Budget) is based on the GSA members using the single VGSA governance model to serve the VGSA service area in Butte County and coordinate with other GSAs in the Subbasin as required to update their GSP on a five-year basis. The VGSA Budget would be funded through the proposed Fees and all budget revenues and expenditures would be held in a special account that can only be used for approved VGSA activities related to GSA operations and GSP implementation costs. The Budget is presented over the initial five-year implementation period of the VGSA post-GSP development on annual fiscal year budget cycle of July 1 through June 30 on an annual basis. Any annual rate increase would be effective January 1 of the specified year as implemented through updated County Assessor tax roll assessments.

The GSA administration and GSP implementation costs were developed through a collaborative effort of the GSAs with SGMA compliance responsibilities. Member agencies working with the LSCE Team, prepared a technical memorandum (TM) to memorialize the agreed upon GSA cost estimates for SGMA compliance and cost allocation approach for sharing regional costs based on the best available acreage estimates for landowners subject to the proposed Vina GSA Fee within the VGSA service area. This information will be updated in the future based on the actual costs for GSP implementation, any revisions to the cost allocation formula, the availability of grant funds to offset GSA administration or changes in GSP implementation regional costs, or modifications to annual GSA revenue requirements because of any changes to the SGMA

legislation requirements constituting SGMA compliance for GSAs in the Subbasin. The VGSA will continue to work together with members and GSAs to comply with SGMA at the lowest possible cost to their respective GSA stakeholders. The VGSA will need the proposed Fee in place to serve as a dedicated revenue source to cover their costs for SGMA compliance during the first five years of GSP implementation broken down by Fiscal Year. The draft TM is included in **Appendix G**.

The VGSA’s projected Five-Year Budget in Table 4-1 is allocated into Operational Costs associated with maintaining the GSA as a functioning organization to meet SGMA compliance requirements. The budget projections also include GSP implementation related costs primarily for annual monitoring and reporting, five-year GSP updates, and Subbasin coordination activities required for SGMA compliance. The proposed Fees would be based on the Annual Avg. Costs in Table 4-1 which will enable the VGSA to meet SGMA compliance requirements in the most cost-effective manner on both a short- and long-term basis.

Table 4-1: Vina Subbasin GSA Five-Year Budget (FY23-24 through FY27-28)

Fee Cost Category	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
VGSA Admin. Budget					
Prof. Services (Admin)	\$167,500	\$167,500	\$167,500	\$167,500	\$167,500
Office Expenses	\$19,250	\$16,250	\$15,750	\$15,750	\$15,750
Prof. Services (GSP)	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Legal Services	\$100,000	\$50,000	\$30,000	\$30,000	\$30,000
County Tax Roll	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000
Contingency	\$32,075	\$26,775	\$24,725	\$24,725	\$24,725
Admin. Sub-total	\$352,825	\$294,525	\$271,975	\$271,975	\$271,975
SGMA Compliance	\$186,300	\$186,300	\$186,300	\$186,300	\$175,500
TOTAL VGSA Costs	\$539,125	\$495,250	\$485,772	\$508,685	\$519,071
Annual Avg. Costs	\$509,581	\$509,581	\$509,581	\$509,581	\$509,581
GSA Administration: Program Manager, Office Expenses, and legal services for GSA operations with VGSA serving as fiscal agent for members and stakeholders. GSA SGMA Compliance: Annual Reports, 5-Year GSP Updates, GSA coordination, Data Management, Financial Planning, Surface-Groundwater modeling, and grant funding. Total VGSA Costs include 3% annual inflation rate in FY2024-25 through FY2027-28.					

VGSA Operational Budget Overview

The VGSA will provide staffing through Butte County to support ongoing GSA operations, including administration and GSP compliance actions over the initial five-year implementation period post-GSP development and adoption by the Board of Directors. The VGSA operations budget is comprised of primary legal, technical, funding, and administrative (staffing responsibilities) service components which will include staff administration and Subbasin coordination tasks associated with an active GSA maintaining SGMA compliance. The VGSA staff will report to the Board of Directors and be assigned to, but not limited to, the following tasks:

1. Coordinate meetings, prepare and distribute agenda packets, attend VGSA Board meetings, establish action items, and brief the Board on all relevant issues in a timely manner.
2. Create, supervise and coordinate accounting, technical, legal and administration services, hydrogeological, and similar technical work necessary to accomplish the VGSA directives.
3. Conduct educational, outreach, and collaborative activities (within and between the GSAs).
4. Coordinate the annual collection and maintenance of general VGSA watershed information necessary to comply with SGMA, including land ownership, land use types and acreage, surface water deliveries, groundwater usage, key climate factors and data, and GSP management and project objective assessment tracking.
5. Facilitate timely completion of Annual Monitoring and Reporting requirements to maintain SGMA compliance.
6. Facilitate timely completion of Five-Year GSP Update requirements to maintain SGMA compliance.
7. Pursue outside grant funding sources that reduce SGMA compliance costs.

The VGSA will achieve SGMA compliance for its members to maintain local control of groundwater resources in its service area boundary with no State intervention or fees.

SECTION 5: VGSA MANAGEMENT BENEFITS

For the activities covered in this initial Five-Year Budget, the VGSA proposes to levy Fees equally to all assessable acreage based on the sum of VGSA administrative costs and VGSA GSP implementation costs as required to achieve SGMA compliance. The rationale is that the existence of the VGSA provides the benefit of SGMA compliance to all landowners within its boundaries and maintains local control with no State imposed fees. Although some properties might not presently utilize groundwater, all parcels have overlying groundwater rights. The information generated by the development of the Vina Subbasin GSP will inform the landowners about the available water supply to their land on a current and future basis, the potential for additional groundwater recharge, and allow them to be directly represented through the VGSA as it proceeds to meet the requirements of SGMA over the 2042 planning horizon.

This section provides the breakdown of the benefits that are to be attributed to landowners within the VGSA service area boundaries if the proposed Vina GSA Fee is approved. Table 5-1 summarizes the acreages used in the analyses.

Table 5-1. Acreage Subject to VGSA Fee

VGSA GSA Vina Sub-basin	VGSA Five-Year Budget Operational/GSP Costs	VGSA Five-Year Budget Data Source
Total Vina GSA	184,917 acres	Vina Subbasin GSP
Total Federal Lands	-934 acres	Vina Subbasin GSP
Total State Lands	-1,104.4 acres	Vina Subbasin GSP
Total Tribal Lands	-1,443.6 acres	Vina Subbasin GSP
Other Unbillable	-7,108 acres	Vina Subbasin GSP
NET ASSESSABLE ACRES	=174,327 acres	
Net acreage = Total VGSA – exempt parcels (e.g. Federal & State Lands) Other Unbillable = roads, surface water features, other similar items. <i>(source: Land IQ 2022 Data, County Assessor’s data for boundary and parcel data)</i>		

The lands have been identified as subject to the proposed Vina GSA Fee and would fund the required VGSA Five-Year Budget. The Operational and GSP Implementation Costs are applicable to all parcel owner acreages listed in Table 5-1 as reflected in net assessable acres above to all who will have an adopted 2022 GSP funded through the Proposition 1 and 68 programs. The proposed 2023 VGSA Fee Roll is based on the VGSA net assessable acreage located within portions within the VGSA, 2023 tax rolls of Butte County. The tax roll list of property owners and their associated APNs that would be subject to the proposed Fees are included as **Appendix C**. The complete roll will be submitted to the County Assessor upon implementation of the VGSA Fee by July 31, 2023.

The VGSA service area boundary includes the City of Chico, Durham Irrigation District, lands within the Rock Creek Reclamation District GSA boundary, and lands within Butte County. All property owners subject to the proposed Vina GSA Fee would pay the County through their property tax bill for specified Fees. The City of Chico and Durham Irrigation District may opt to pay the VGSA directly for their share of the VGSA costs based on applicable net assessable acres through a Funding Agreement with the VGSA. If so, these Cities would fund the Vina GSA Fee not through individual property tax collection, but pursuant to Funding Agreements between the VGSA and the member who agrees to pay the Vina GSA Fee directly. The Vina County Assessor's Office will verify the Butte County GIS boundaries for each of these entities to be used for assessable acreage and Fee calculations. The VGSA will maintain a Funding Agreement List and update as necessary to ensure that all parcels subject to the proposed Fee pay their fair share of the VGSA's total Five-Year Budget amount. **Appendix E** contains a current Funding Agreement List.

Parcels listed by the assessor as tax-exempt will not be included in the Fee Roll, and therefore are not included in assessable acreage and Fee calculations. These parcels include primarily Federal, Tribal, and State-owned parcels per SGMA legislation. And other non-billable acreage that would not be paying the Fee.

SECTION 6: VGSA PROPOSED FEES

This section describes the proposed Vina GSA Fee for funding Vina GSA operational and GSP implementation costs over the initial five-year period (FY2023-24 through FY2027-28) post-GSP adoption in January 2022. The Vina GSA Fee would cover the associated legal, technical and administrative costs, as well as GSP SGMA compliance costs associated with annual monitoring and reporting, five-year GSP updates, subbasin coordination, data management, financial planning, and grant funding procurement. Based on the services to be provided by the VGSA, the VGSA proposes to levy Fees to all assessable parcels within the service area boundary of the VGSA that are identified on the tax rolls of Butte County.

In conformance with this Report, the VGSA would seek to fund its GSA operational and GSP related implementation costs associated with SGMA compliance for all parcels in the Vina GSA service area boundary. Section 4 presents the proposed VGSA Five-Year Budget and total Fees needed to fund the VGSA efforts over the next five years and the methodology for setting Fees in proportion to cost of service based on available information. Proposition 218 requires that Fees levied to each parcel owner be proportional to the cost of service attributable to that customer. The costs of administering the GSA on behalf of the parcels within the VGSA includes the legal, technical and administrative costs for landowners in the VGSA service area boundary and are proportional to the number of acres covered by the VGSA with all parcels equally benefitting from the VGSA's single GSA low-cost governance model, SGMA compliance, and local control attributes (no State Intervention or imposed fees). Therefore, collecting the operational and GSP implementation portions of the Fee based on a cost per acre basis fulfills the proportionality requirement.

The proposed Vina GSA Fee includes the GSA operational and GSP implementation costs necessary for SGMA compliance that would be proportional to the number of acres covered in meeting the annual operational budget target over the five-year Fee period for the benefit of all landowners within the VGSA service area boundary and is presented in Table 6-1. Fiscal Year 2023-24 represents the maximum Fee allowed (\$3.09 per acre) during the initial five-year funding period. An annualized Fee (average annual Fee) option is presented.

Table 6-1. Recommended VGSA Fees

Fee Recommended	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
Operational Budget	\$539,125	\$495,250	\$485,772	\$508,685	\$519,071
Proposed Fee (\$/ac)	\$3.09	\$2.84	\$2.79	\$2.92	\$2.98
Annualized Fee (\$/ac)	\$2.92	\$2.92	\$2.92	\$2.92	\$2.92

Table 6-2. Best Option VGSA Fees – With DWR Grants

Fee Best Option	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
Operational Budget	\$401,425	\$353,419	\$339,810	\$508,685	\$519,071
Proposed Fee (\$/ac)	\$2.30	\$2.03	\$1.95	\$2.92	\$2.98
Annualized Fee (\$/ac)	\$2.43	\$2.43	\$2.43	\$2.43	\$2.43

The proposed Vina GSA Fee is the combination of the GSA Operational and GSP implementation and SGMA compliance portions based on updated revenue projections and assessable acreage in the VGSA service area.

Table 6-3. GSA & GSP Implementation Cost Elements For VGSA Fees

Fee Cost Category	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
GSA Admin. (\$/ac)	\$2.02	\$1.74	\$1.66	\$1.73	\$1.81
SGMA Fee (\$/ac)	\$1.07	\$1.10	\$1.13	\$1.19	\$1.17
Proposed Total Fee (\$/ac)	\$3.09	\$2.84	\$2.79	\$2.92	\$2.98

The VGSA is seeking to implement an annualized Fee in the maximum amount shown in Table 6-3, specifically \$3.09 per acre for all assessable parcels. The budgeted operational expenses are in 2023 dollars and includes an average annual inflation factor of 3% to adjust for the impact of future inflation on the GSA Operational Budget during the five-year Fee implementation period for the subsequent four years. Note that the Fee applied by the VGSA may vary from year to year but will not exceed the maximum amount unless an increase is approved through a subsequent Proposition 218 proceeding. **The necessary funding for the VGSA will be reviewed** annually by the Board and, depending on the projected funding level needed for the year, may be approved up to the maximum assessment rate. The proposed maximum annual Fee allows the VGSA to apply Fees to pay for anticipated increases in operating expenses and actions required to achieve SGMA compliance for members without having to incur the expense of routinely repeating the Proposition 218 process.

The Board has the option of adopting the proposed Vina GSA Fee during the five-year duration and can adopt the first annual fee in 2023 and perform the planned annual budget review assessment to determine if fees need to be adjusted for a given year during the five-year duration to cover the costs of providing service to landowners within the GSA service area boundary. If

annual fee adjustments are required within the approved maximum fee amount, the GSA would approve updated fees for the upcoming August Assessor's Office tax roll update deadline so that the appropriate revenues can be collected during a given fiscal year during the five-year duration of the proposed fees.

VGSA Service Area – Assessment Roll

Appendix C is the proposed 2023 VGSA Fee Roll. This roll serves as the basis for providing notice to each landowner in the VGSA service area boundary whose land will be subject to the Fee, identifying each landowner, the parcels they own as reflected in County records, and the acreage for each parcel. The protest is directly related to the number of owners of parcels subject to the VGSA Fee. The Fee will apply unless written protests accounting for a majority of the total assessed parcels are submitted at the public hearing. **Appendix D** includes the Public Notice, which would be distributed to all parcels subject to Fee.

VGSA Conclusion

The primary objective of the Vina GSA Fee is to ensure that the cost of the service provided is allocated in a fair and equitable manner to those lands receiving the benefit of service. Based on the revenue objectives, the VGSA's proposal is to fund its annual operational and GSP implementation related future activities identified in this five-year budget for the benefit of all parcels within the VGSA that pay the Fee. Absent the creation of the Vina GSA (or a similar entity) and funding by the proposed Fee, the VGSA landowners would have no direct representation or cost-effective means for complying with SGMA requirements. Without such representation, the SWRCB would take corrective action as provided by SGMA to achieve compliance at a higher cost without local control. However, with this proposed Fee, properties will receive SGMA compliance benefits with local representation for substantially lower costs than if no GSA were formed. If no GSA were formed, the landowners would pay much higher fees and be left subject to regulation and oversight by the SWRCB with no guarantee that costs for addressing groundwater issues would be shared by the State.

SECTION 7: VGSA IMPLEMENTATION PROCEDURES

The Vina GSA intends to consider the adoption of the Vina GSA Fee pursuant to the requirements in Article XIII D of the California Constitution.

The VGSA Board of Directors will consider the following actions: (a) approve and accept the Fee Report; (b) approve the notice for public hearing on the proposed Vina GSA Fee which includes (i) notices to these landowners informing them of the proposed Fees, and (ii) instructions for protest. At the public hearing, the VGSA will state its intentions and justifications for pursuing a Proposition 218 effort, take into consideration any objections received to the proposed Vina GSA Fee, and count any eligible written protests received as of the close of the public hearing. If written protests are submitted and received from a majority of the total assessed parcels by the close of the public hearing, the Vina GSA may not adopt the Vina GSA Fee. Absent a majority protest, the Vina GSA will adopt the proposed Vina GSA Fee to comply with SGMA and maintain local control over groundwater management decisions.

The VGSA shall maintain a record of the Report, protest notice and received protests, public outreach and notifications, and meeting agendas and minutes for all pre-Fee adoption actions consistent with Proposition 218 procedures and to document VGSA process transparency for the benefit of all stakeholders.

During the initial five-year Proposition 218 Fee period (FY2023-24 through FY2027-28) the VGSA will keep Fees as low as possible based on actual expenses associated with VGSA operations and GSP implementation activities as required to maintain compliance with SGMA requirements. The Vina GSA may not Fee more than the maximum fee during the initial five-year period. The Board will review the Vina GSA Fee annually and determine if any adjustments are necessary based on actual expenditures to date and projected expenses over the initial five-year implementation period.

The VGSA will provide members and stakeholders with updated Five-Year Budget financial information regarding the revenues and expenditures associated with VGSA Fee collections and SGMA compliance status. Subbasin coordination and grant funding efforts will be documented and updated on a regular basis. The VGSA will conduct periodic financial audits to ensure efficient use of Fees and maintain transparency to members and stakeholders.

SECTION 8: VGSA REFERENCES

The VGSA referenced and used information from the following sources to prepare this Fee Report for the VGSA and its members. All documents referenced are available as indicated on the website links below.

Vina Subbasin Groundwater Sustainability Agency

<https://www.vinagsa.org/>

Bulletin No. 118, California's Groundwater, 2003 and 2016 Interim Update

California Department of Water Resources

2014 Sustainable Groundwater Management Act (including Fee related provisions)

California Department of Water Resources

Vina County Assessor's Office, Parcel/Tax Data Year 2023, provided April 2023.

Vina County Crop Report

[Archive Center • Butte County, CA • CivicEngage](#)

Vina Subbasin – 2022 Groundwater Sustainability Plan

Vina Subbasin website: [Read the Groundwater Sustainability Plan \(GSP\) - Vina Groundwater Sustainability Agency \(vinagsa.org\)](#)

Department of Water Resources Disadvantaged Communities Mapping Tool

<https://gis.water.ca.gov/app/dacs/>

Proposition 218, Local Agency Guidelines for Compliance, 2007 Update

Association of California Water Agencies

Proposition 26 and 218, Local Agency Implementation Guide, 2019 Update

League of California Cities

Patrick Sullivan: Taking the Reins at New Mexico's Elephant Butte Irrigation District



The Rio Grande, flanked by irrigated fields.

For over 100 years, the Elephant Butte Irrigation District (EBID) has served the mission of delivering water efficiently to farmers in southern New Mexico. In this interview, Irrigation Leader talks with EBID's new treasurer-manager, Patrick Sullivan, about how the district plans to meet the challenges of delivering on that promise during a 20-year drought.

Irrigation Leader: Please tell us about your background and how you came to be in your current position.

Patrick Sullivan: I grew up in the Mesilla Valley and have worked for more than 35 years in agriculture and business management. I earned a bachelor's degree in agriculture, a master's degree in agricultural economics and economics, and a PhD in engineering, all at New Mexico State University (NMSU). Later, I taught classes in NMSU's College of Engineering and led a U.S. Department of Agriculture program focused on farm and conservation program compliance, agricultural credit, rural water loan programs, and other issues. Before coming to EBID, I

served as the executive director of both the New Mexico Cotton Boll Weevil Control Committee and the New Mexico Pink Boll Worm Control Committee. Both were very successful programs.

When this opportunity at EBID came up, farmers throughout the valley encouraged me to apply. I thought I was a pretty good fit. I am a member of EBID, and throughout my career, I have also managed organizations and taught people how to improve financial management, drawing on my strong background in finance, accounting, and business development. I started as the new treasurer-manager on June 1, 2022, the first day of our water season. On my first day, we headed straight to Caballo Reservoir for the release and got water running down our system.

Irrigation Leader: Please introduce EBID.

Patrick Sullivan: People have been irrigating out of the Rio Grande in the Rincon and Mesilla Valleys since the early 1800s. The Elephant Butte Dam was constructed by the Bureau of Reclamation as a primary feature of the



EBID employees installing a radial gate.

Rio Grande Project and was completed in 1916. It served two purposes: It gave people in this valley a reliable source of surface water, and it stopped the flooding that had occurred periodically down through the valley. Today, the district serves over 7,000 members across a territory of 90,640 acres. Our primary mission is to deliver water as efficiently as possible to those members through our system of canals and laterals. We have a lot of vegetable and nut production, including alfalfa, chilis, lettuce, onions, pecans, and small grains. Cotton is also a big part of the agricultural production in the valley, comprising about 15,000 acres, 70 percent of which is Pima cotton and the rest of which is upland cotton.

Irrigation Leader: Does the district own any infrastructure besides the dam, the canals, and the laterals?

Patrick Sullivan: Actually, the dams are owned by the United States and are overseen by Reclamation. The channel north of Caballo Reservoir is under the jurisdiction of Reclamation, and the channel south of Caballo Reservoir is administered by the International

Boundary and Water Commission (IBWC). EBID has three points of diversion into its system on the Rio Grande. Percha Dam is the first; it diverts to our irrigation delivery system in the Rincon Valley. The second is Leasburg Dam, which diverts water to the central part of the district, including Las Cruces. The third is Mesilla Dam, which diverts water to the southernmost part of the district and to parts of the El Paso Water Improvement District in Texas. We also have some supplemental diversion points, where we lift water from the river with pumps to improve the system along the way. We continue to develop these lift pump stations to gain efficiencies in our canal system, mostly on the tail end of long stretches of canals where we can use them as alternate diversion points and lift water to the EBID system. This provides EBID and its members efficiencies, both upstream and downstream.

Irrigation Leader: Please tell us about the drought you're experiencing. How long has it been going on, and what are your expectations for how it will develop?



An aerial image of the Rio Grande Valley.



Monsoon clouds above the Mesilla Valley Canal.



An EBID crew at work on a piping project west of Las Cruces.

Patrick Sullivan: If I had clear expectations as to how the drought would develop, I would go out and buy a lottery ticket. The drought we are currently experiencing is more than 20 years old, making it one of the longest in the history of the Rio Grande. In the lower Rio Grande, our 2022 rainfall totals were higher than normal, but over the last 20 years, the snowpack in northern New Mexico and southern Colorado has not been up to par. We have not gotten nearly the amount of runoff that we typically do. This is the third time the district has faced a serious drought. We experienced severe drought conditions in the 1950s and the 1970s. Snowpack and runoff were so abundant in the 1980s that water was going over the spillway at Elephant Butte Dam, but as the 2000s rolled in, we fell into the current drought. During the 2022 irrigation season, we only had a 3-inch allotment of surface water to deliver to members. The typical allotment for EBID is in the range of 3 acre-feet.

As a result, we continue to rely heavily on groundwater pumping in this area. We are fortunate that we sit on a deep, robust aquifer in the Mesilla basin, which is recharged by the river and by our conveyance system and the percolation of water following irrigation. There is a tremendous amount of recharge, especially from irrigation, but over the last decade, groundwater withdrawals have typically exceeded recharge. We continuously measure groundwater level fluctuations in the shallow aquifer and monitor the connectivity between the river and the shallow aquifer through a series of monitoring wells situated throughout the district that provide real-time data. This information is critical for understanding things like river efficiency and for making operational adjustments. New Mexico's Office of the State Engineer (OSE) has required the metering and reporting of groundwater diversions in the lower Rio Grande basin for many years. EBID sells meters fitted with radio telemetry units to interested farmers so that they can report groundwater diversions in real time. We know exactly what's going on with river flows, diversions, and the connectivity between the river and the groundwater, and the data are available to the public on our website.

In 2022, some storm water made it into our system and into Caballo and Elephant Butte Reservoirs. As a result, the water levels went up in both those lakes. We are fortunate to have a system of dams. Depending on how much of that storm water we get into the river, we can periodically divert it downstream for irrigation or store it for groundwater recharge. Major rain events are hard to predict, but when they do occur, we try to take full advantage of them. They not only provide our farmers with needed surface water, but equally importantly, they provide recharge for our aquifers, especially our shallow aquifer.

Irrigation Leader: You mentioned that your producers are relying more heavily on groundwater. Does EBID pump groundwater into its system, or do the producers draw it from their own wells?

Patrick Sullivan: The district does not pump groundwater. The wells in the district are private and are metered by the OSE.

Irrigation Leader: Looking more broadly at the drought situation in the Rio Grande basin, do you see opportunities for districts and other users to collaborate more closely?

Patrick Sullivan: We have good collaborative efforts going on right now. We collaborate well with Reclamation and the IBWC. We also have a good working relationship with the district to our north, the Middle Rio Grande Conservancy District, and the district to our south, the El Paso Water Improvement District. We all have the same goal, which is to get as much water through our systems to our farmers as we can.

We have been fortunate to be able to leverage resources with Reclamation to develop projects that have resulted in the piping of miles of our laterals and the establishment of lift-pump stations to create alternate diversion sites. These projects have created increased efficiencies in the EBID system and helped mitigate the effects of the drought.

Irrigation Leader: What are EBID's other top issues?

Patrick Sullivan: EBID's system is over 100 years old, and it requires upkeep. After the irrigation season, we start general canal maintenance almost immediately to improve our system of checks, ditches, and drains. We start cleaning canals, removing sediment, building banks, and fixing check structures and turnouts. In November, we start our major construction, which involves the continuation of piping projects in our laterals. We do that well into the spring, and in the late spring, we begin preseason maintenance prior to release. Maintenance and the monitoring of groundwater and storm events are also a big part of what we do. Continued maintenance is a big expense, but it's critical for the efficient delivery of water.

Irrigation Leader: What should your congressional delegation and other members of Congress know about EBID and irrigation on the Rio Grande?

Patrick Sullivan: The Mesilla and Rincon Valleys are two of the most productive farming regions in the West. EBID continues to champion projects to keep both agriculture and the broader community viable. However, the district continues to face economic challenges.

District projects have benefited not only farmers but the entire community. These projects have included the restoration of riparian and upland habitat, the improvement of floodplain connections to the river and to district facilities, the creation of a dedicated source for aquifer recharge, the construction of park and community recreation sites and flood control structures, and the improvement of existing flood control structures and measures.



An irrigation canal in the North Mesilla Valley.

We recognize that priority has been given to the Colorado River, but ignoring the Rio Grande is not an option. Funding projects that create surface water delivery efficiencies and maintaining the river channel are imperative for the maintenance of a sustainable system of food and fiber production. I hope that our political leaders recognize and embrace this.

Irrigation Leader: Is there anything you would like to add?

Patrick Sullivan: We are a service organization, and our people are our biggest asset. We have a great staff that works diligently to maintain and improve our system and keep it operating efficiently.

Irrigation Leader: What is your vision for the future?

Patrick Sullivan: Today, we operate under drought conditions, but we continue to look at the future with optimism. We are confident that we will come out of these drought conditions sooner rather than later, and our objective is to be prepared. We will continue to be vigilant in keeping our system in the best condition we can, because we know that at some point—hopefully soon—we will have enough water to run a full allotment. My biggest vision is to keep our system intact and functioning well so that our members have the most efficient delivery of surface water that we can possibly provide while managing costs. [®]



Dr. Patrick Sullivan is the treasury-manager of the Elephant Butte Irrigation District. He can be contacted at psullivan@ebid-nm.org.

**Butte County Public Health Department
Environmental Health Division**

Well Permit Summary

Quarter 2 (January 1, 2023 – March 31, 2023) of Water Year 2023

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Definitions

Permits Issued – Number of new water well permits issued as new construction. This excludes repairs, destructions, abandonments.

Permits Finaled – Number of water well permits that have been finaled (i.e. final construction completed and well is operational). This excludes repairs, destructions, abandonments.

Small Diameter Wells - A well with an eight-inch or smaller diameter well casing.

Large Diameter Wells - A well with larger than eight-inch diameter well casing.

Repair – Well repair; this includes but is not limited to casing replacement, re-lining or perforation.

Deepening – Well deepening; increasing the depth of an existing well.

Well Destruction – Well is destroyed (sealed off) by an approved method.

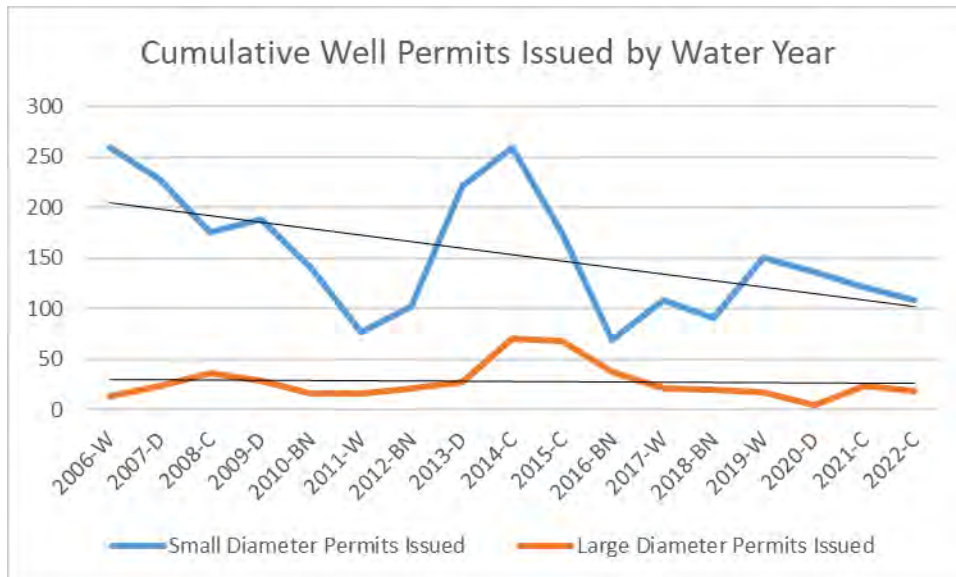
Dry Well – Well that is no longer producing water or has reduced production to a point where it can no longer sustain a residence (< 1 gpm).

Water Year - A water year is a 12-month period that extends from October 1st to September 30th. Water year can be classified into Wet (W), Above Normal (AN), Below Normal (BN), Dry (D) or Critical (C).

Executive Order N-7-22 – Effective March 28, 2022 and impacting permits that have not been issued to date. Implements increased drought response and established requirements for water well permit reviews to include Groundwater Sustainability Agencies (GSAs) and ground water impact considerations prior to permit issuance.

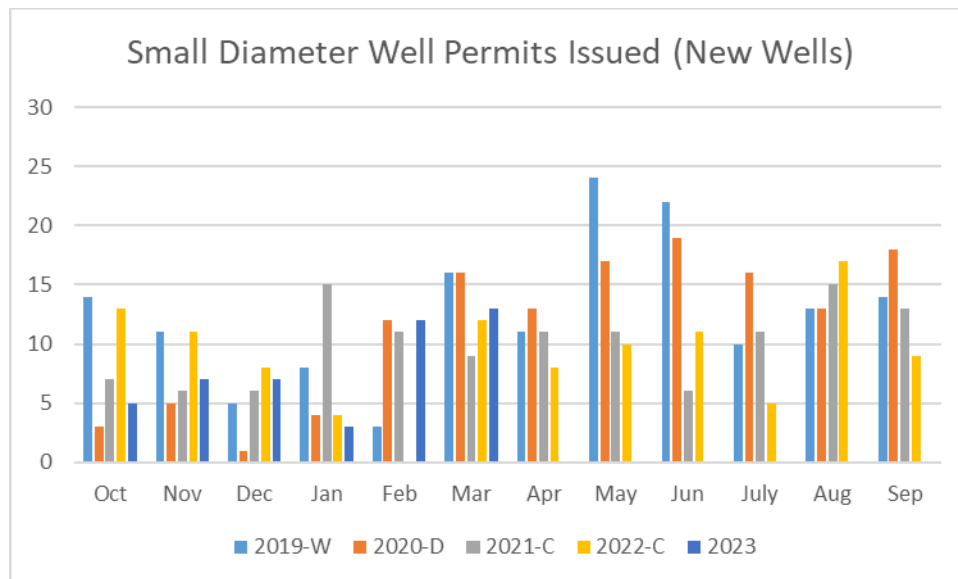
Cumulative Well Permit Data

Cumulative (WY) Well Permits Issued		
Water Year	Small Diameter Permits Issued	Large Diameter Permits Issued
2006-W	260	14
2007-D	228	24
2008-C	176	36
2009-D	188	29
2010-BN	140	16
2011-W	77	16
2012-BN	102	21
2013-D	221	28
2014-C	259	71
2015-C	175	68
2016-BN	69	38
2017-W	109	21
2018-BN	91	20
2019-W	151	18
2020-D	137	5
2021-C	121	24
2022-C	108	19
2023	47	12



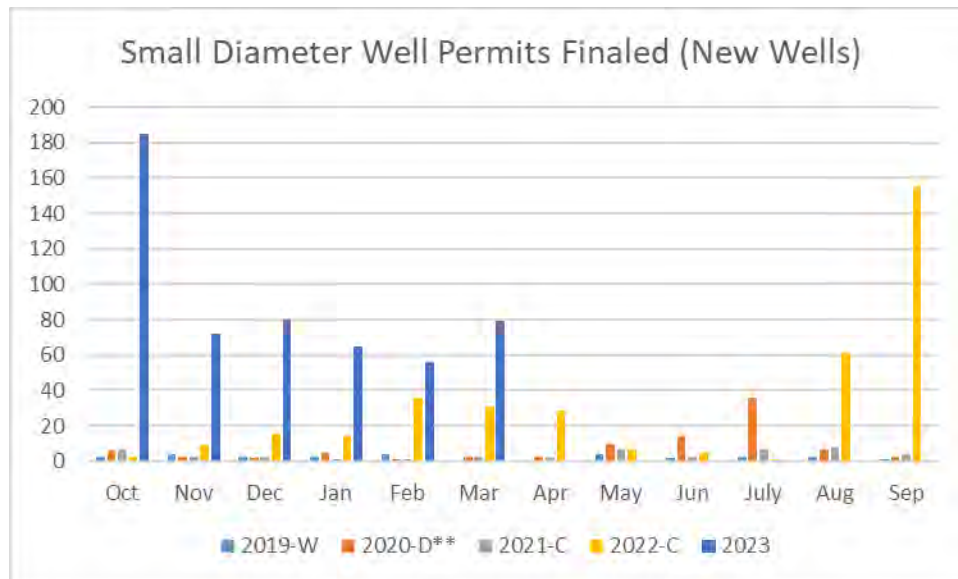
Small Diameter Well Permit Data - Issued

Water Year	Small Diameter Well Permits Issued (New Wells)												Total
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	
2006-W	34	13	18	17	21	21	16	19	36	19	26	20	260
2007-D	24	14	8	16	14	20	28	19	25	20	22	18	228
2008-C	16	15	10	8	7	15	19	17	15	20	22	12	176
2009-D	17	10	8	13	10	11	21	17	23	23	20	15	188
2010-BN	9	9	8	2	4	14	22	10	22	18	14	8	140
2011-W	7	2	1	2	4	6	4	14	16	5	11	5	77
2012-BN	8	2	4	10	8	6	11	18	9	16	6	4	102
2013-D	9	10	2	11	22	27	35	36	19	17	24	9	221
2014-C	9	10	10	24	14	20	33	32	34	31	23	19	259
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Total
2015-C	18	7	6	15	11	22	27	15	13	18	17	6	175
2016-BN	4	5	7	6	8	17	9	12	16	14	12	3	113
2017-W	7	7	5	2	8	19	19	17	17	5	2	1	109
2018-BN	6	3	2	3	6	4	10	13	12	10	13	9	91
2019-W	14	11	5	8	3	16	11	24	22	10	13	14	151
2020-D	3	5	1	4	12	16	13	17	19	16	13	18	137
2021-C	7	6	6	15	11	9	11	11	6	11	15	13	121
2022-C	13	11	8	4	0	12	8	10	11	5	17	9	108
2023	5	7	7	3	12	13							47



Small Diameter Well Permit Data - Finaled

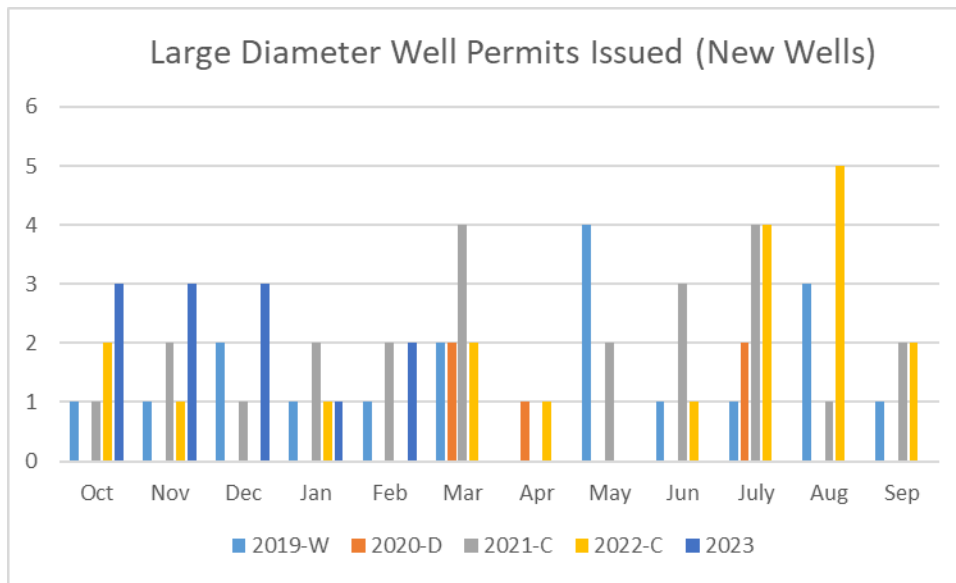
Water Year	Small Diameter Well Permits Finaled (New Wells)												Total
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	
2016-BN	7	4	3	4	3	1	1	4	5	1	3	0	36
2017-W	3	2	2	3	3	3	1	1	1	0	5	0	24
2018-BN	1	4	3	1	1	4	2	4	6	1	5	3	35
2019-W	3	4	3	3	4	0	0	4	2	3	3	1	30
2020-D**	6	3	2	5	1	3	3	10	14	36	7	3	93
2021-C	7	3	3	1	1	3	2	7	3	7	8	4	49
2022-C	3	9	16	14	36	31	29	7	5	1	61	155	367
2023	185	72	80	65	56	79							537



**Water Year 2020 and forward - Implemented improvements to the well permit process and working on backlog status updates.

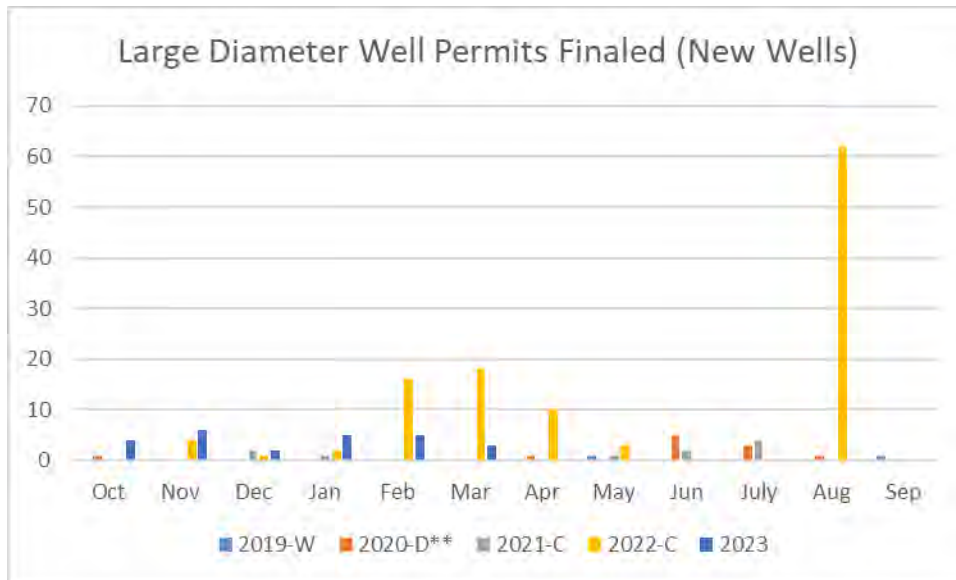
Large Diameter Well Permit Data - Issued

Water Year	Large Diameter Well Permits Issued (New Wells)												Total
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	
2006-W	2	1	0	4	0	4	1	1	0	1	0	0	14
2007-D	2	1	0	4	5	0	5	0	5	1	0	1	24
2008-C	2	1	6	1	3	0	2	2	15	3	0	1	36
2009-D	2	1	2	6	6	2	0	0	4	2	0	4	29
2010-BN	3	3	1	2	0	1	2	2	1	1	0	0	16
2011-W	3	1	0	3	3	0	0	2	1	2	1	0	16
2012-BN	1	1	1	2	0	0	1	1	0	4	8	2	21
2013-D	1	0	1	1	2	2	2	6	1	0	8	4	28
2014-C	2	0	3	15	12	10	5	2	5	6	6	5	71
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Total
2015-C	5	7	4	1	4	7	6	1	5	14	11	3	68
2016-BN	5	5	5	5	4	2	2	3	1	1	2	3	38
2017-W	1	0	1	2	2	3	3	2	2	0	5	0	21
2018-BN	1	3	0	0	0	3	1	2	1	4	2	3	20
2019-W	1	1	2	1	1	2	0	4	1	1	3	1	18
2020-D	0	0	0	0	0	2	1	0	0	2	0	0	5
2021-C	1	2	1	2	2	4	0	2	3	4	1	2	24
2022-C	2	1	0	1	0	2	1	0	1	4	5	2	19
2023	3	3	3	1	2	0							12



Large Diameter Well Permit Data – Finaled

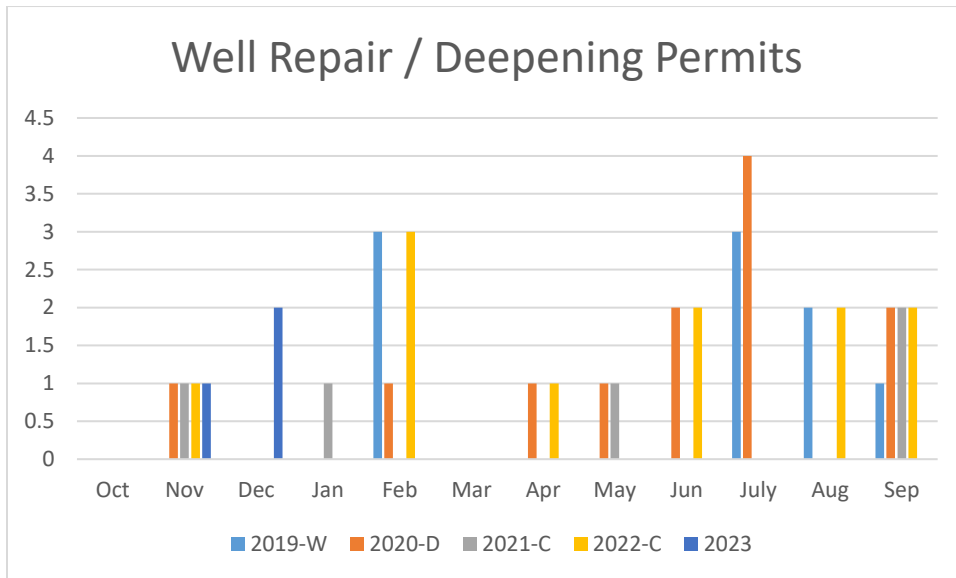
Water Year	Large Diameter Well Permits Finaled (New Wells)													
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Total	
2016-BN	2	0	0	0	0	0	0	0	0	1	0	0	0	3
2017-W	0	0	0	0	0	0	0	0	0	2	0	0	0	2
2018-BN	0	0	0	1	0	0	1	0	1	0	0	4	0	7
2019-W	0	0	0	0	0	0	0	0	1	0	0	0	1	2
2020-D**	1	0	0	0	0	0	0	1	0	5	3	1	0	11
2021-C	0	0	2	1	0	0	0	1	2	4	0	0	0	10
2022-C	0	4	1	2	16	18	10	3	0	0	62	0	0	116
2023	4	6	2	5	5	3								25



**Water Year 2020 and forward - Implemented improvements to the well permit process and working on backlog status updates.

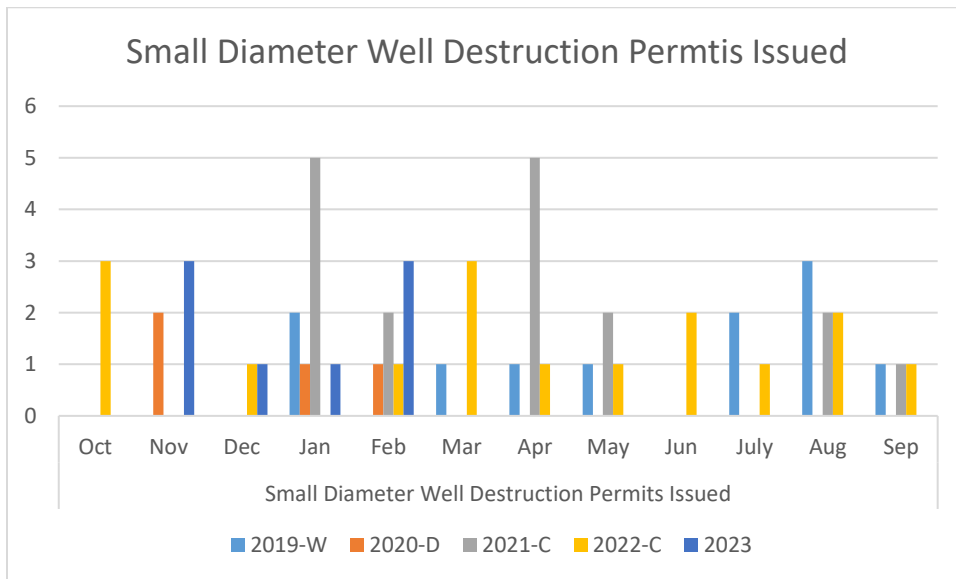
Well Repair and Deepening Data

Water Year	Well Repair/Deepening Permits Issued												Total
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	
2006-W	0	0	0	0	0	0	0	0	3	1	0	0	4
2007-D	0	0	0	0	1	0	0	1	0	2	2	3	9
2008-C	3	2	1	1	1	0	1	0	0	3	3	0	15
2009-D	0	1	2	2	3	0	1	2	1	4	1	3	20
2010-BN	0	1	0	0	0	3	0	3	1	1	1	0	10
2011-W	2	0	0	0	0	0	0	0	2	1	4	0	9
2012-BN	1	0	0	0	0	0	1	1	2	0	1	1	7
2013-D	0	0	1	0	2	0	0	2	0	2	0	3	10
2014-C	2	0	1	8	0	2	1	0	2	0	1	0	17
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Total
2015-C	1	0	1	0	1	3	2	1	1	3	4	2	19
2016-BN	2	1	0	0	0	0	0	0	0	1	4	1	4
2017-W	0	1	0	0	0	0	0	0	0	0	1	0	2
2018-BN	0	1	0	0	0	0	0	0	0	0	2	0	3
2019-W	0	0	0	0	3	0	0	0	0	3	2	1	9
2020-D	0	1	0	0	1	0	1	1	2	4	0	2	12
2021-C	0	1	0	1	0	0	0	1	0	0	0	2	5
2022-C	0	1	0	0	3	0	1	0	2	0	2	2	11
2023	0	1	2	0	0	0	0	0	0	0	0	0	3



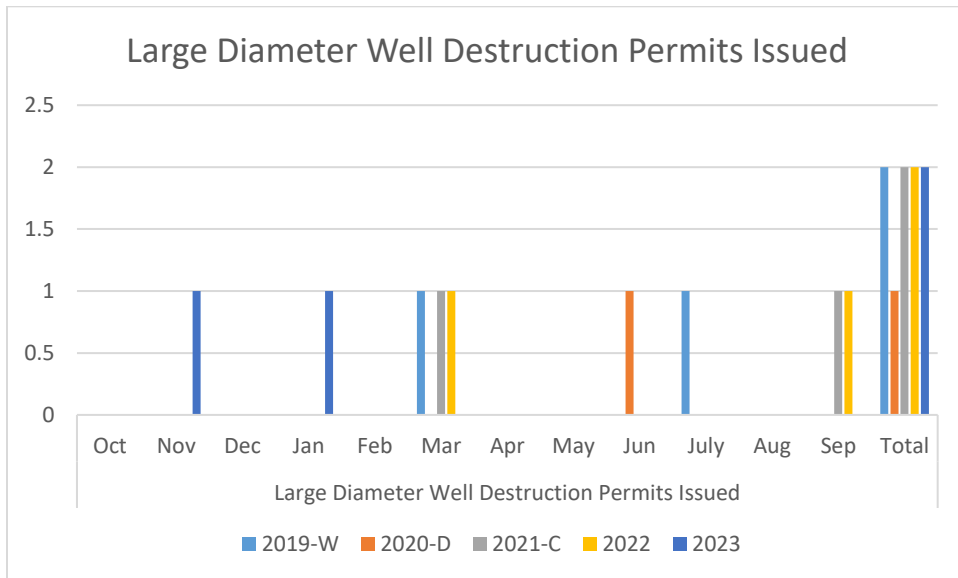
Well Destruction Data – Small Diameter Wells

Water Year	Small Diameter Well Destruction Permits Issued												Total	
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep		
2017-W	0	2	0	0	0	0	1	0	0	0	4	1	0	8
2018-BN	0	0	3	0	0	0	0	0	0	0	1	1	0	5
2019-W	0	0	0	2	0	1	1	1	1	0	2	3	1	11
2020-D	0	2	0	1	1	0	0	0	0	0	0	0	0	4
2021-C	0	0	0	5	2	0	5	2	0	0	0	2	1	17
2022-C	3	0	1	0	1	3	1	1	2	1	2	1	1	16
2023	0	3	1	1	3	0								8



Well Destruction Data – Large Diameter Wells

Water Year	Large Diameter Well Destruction Permits Issued												Total
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	
2017-W	1	1	0	0	0	1	0	0	0	0	1	0	4
2018-BN	0	0	0	0	0	0	0	0	0	0	1	0	1
2019-W	0	0	0	0	0	1	0	0	0	1	0	0	2
2020-D	0	0	0	0	0	0	0	0	1	0	0	0	1
2021-C	0	0	0	0	0	1	0	0	0	0	0	1	2
2022	0	0	0	0	0	1	0	0	0	0	0	1	2
2023	0	1	0	1	0	0							2



Dry Well Data

Water Year	Dry Small Diameter Wells												Total	
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep		
2021-C												11	7	18
2022-C	1	0	1	0	1	0	0	0	2	3	4	2	14	
2023	2	2	0	0	2	0							6	

Dry well data started being collected August 2021.

Water Year	Dry Large Diameter Wells												Total
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	
2021-C											1	0	1
2022-C	0	0	0	0	0	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0						0

Dry well data started being collected August 2021.

Cumulative Dry Wells by Water Year		
Water Year	Small Diameter Dry Wells	Large Diameter Dry Wells
2021-C	18	1
2022-C	14	0
2023	6	0

Cumulative Dry Wells By City	
Chico	20
Durham	11
Cohasset	2
Berry Creek	1
Oroville	2
Bangor	1
Forrest Ra	2
Palermo	1

Known Depth of Dry Wells		
Chico	Oroville	Forest Ranch
80 feet	95 feet	520 feet
172 feet	600 feet	
84 feet		
105 feet		
75 feet		
136 feet		

Executive Order N-7-22 Data

Cumulative Number of Wells Under Executive Oder N-7-22			
By Subbasin	Small Diameter	Large Diameter	Totals
BUTTE	0	20	20
VINA	4	8	12
WYANDOTTE	1	7	8
			40
By GSA	Small Diameter	Large Diameter	Totals
Biggs-West Gridley Water District	0	5	5
Butte County	0	5	5
Butte Water District	0	4	4
Richvale Irrigation District	0	2	2
Reclamation District No. 2106	0	2	2
Rock Creek Reclamation District	0	1	1
Vina	4	8	12
Western Canal	0	1	1
Wyandotte Creek	1	7	8
			40

