

Vina GSA Funding Mechanism Special Board Meeting

Kamie Loeser, Director

Butte County Department of Water and Resource Conservation

May 18, 2023



Special Board Meeting Presentation

1. Review activities to date
2. Review Uniform Fee
3. Provide clarification regarding available data, process needs and costs for the Irrigated/Non-Irrigated Fee Option
4. Updated Cost Estimates for Irrigated/Non-Irrigated Fee Option
5. Comparison with Wyandotte Creek GSA Allocation of GSA Administration and SGMA Compliance
6. Review of State Intervention Fees
7. Review of City of Chico and Durham Irrigation District's Prop 218 participation/payment options
8. Updated Schedule (if applicable)
9. Options for Reconsideration



Review Activities to Date

1. Review of Governance, Structure and Funding for GSA and Consideration of Options for Administration – 2/8/23
2. Special Board Meeting / Strategic Planning – 2/22/23
3. Revenue projections – 3/8/23
 - Identify costs
 - Confirm revenue needs
4. Review of a Technical Memorandum (TM) – 4/12/23
5. Engineer's Report/Fee Study – 5/10/23
6. Special Board Meeting – 5/18/23



Next Steps

Fee Report describes the Fee that can be adopted by the Board (defines the maximum fee that can be adopted in any given year)

1. Send Fee Notice to all parcels subject to the fee
2. Hold public information meeting (June)
3. Hold protest hearing and adopt the Fee for fiscal year 2024-2025 (July)



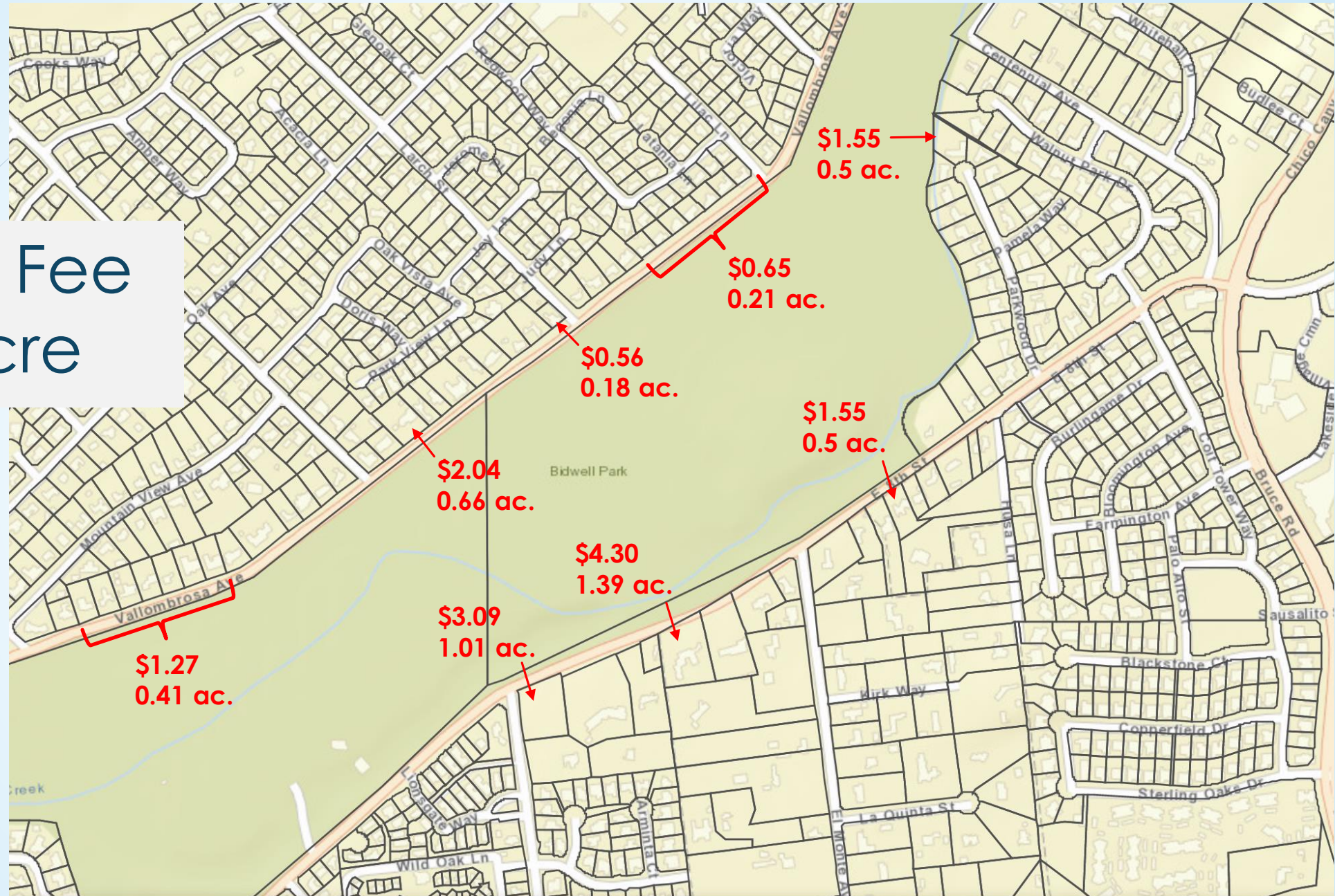
Uniform Fee

- **Fee Report** proposes implementing a Fee of the maximum amount of \$3.09/per acre for all assessable parcels.

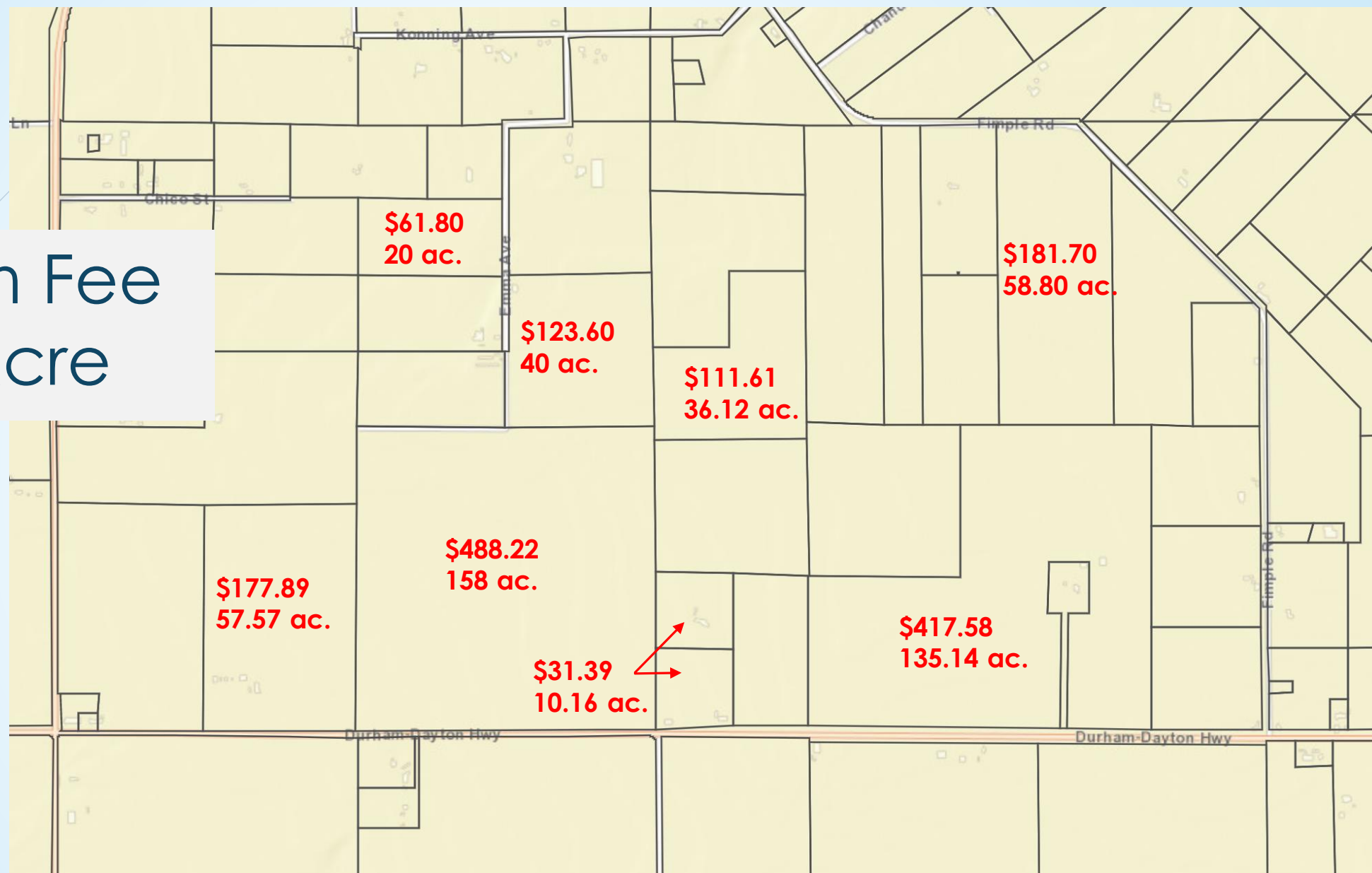
Vina GSA Uniform Cost/Acre Fee					
	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
Operational Budget	\$539,125	\$495,250	\$485,772	\$508,685	\$519,071
Assessable Acreage	174,327	174,327	174,327	174,327	174,327
Uniform Cost/Acre	\$3.09	\$2.84	\$2.79	\$2.92	\$2.98



Uniform Fee Cost/Acre

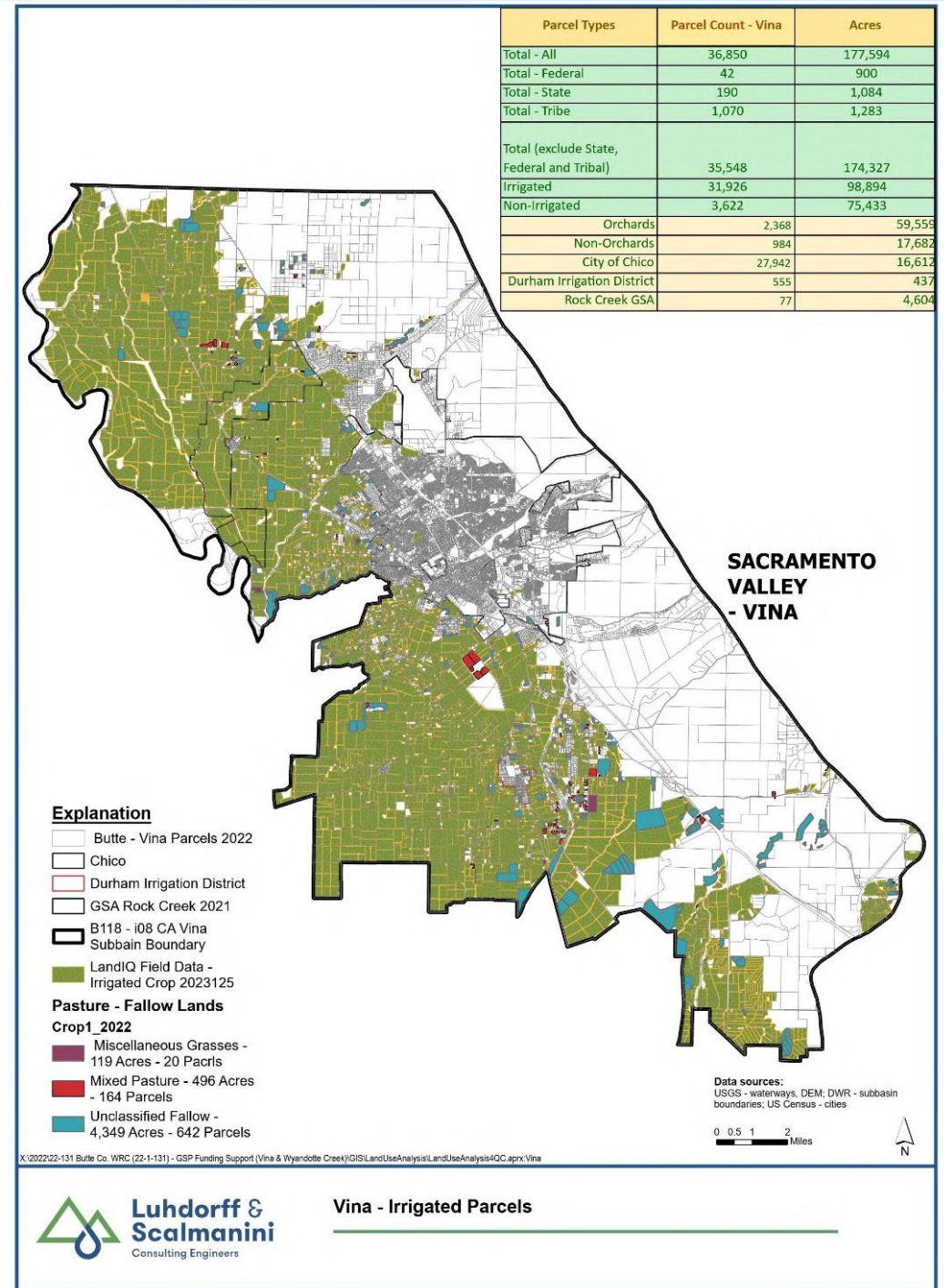


Uniform Fee Cost/Acre



Irrigated / Non-Irrigated Cost Option

- **Have:** Data to differentiate Irrigated and Non-Irrigated Land Uses (also used for Annual Report)
- **Need:** Appeal Process/Policy
 - Ag footprint is relatively stable/built out, not much change expected
 - Land Use (irrigated / non-irrigated) is part of database



- Total Assessable Acres 174,327
- 93% Groundwater Dependent
- **Irrigated**
 - Agriculture (Orchard/Non-Orchard)
 - City of Chico, DID
 - Unincorporated residential, commercial, industrial and similar land uses
- **Non-Irrigated**
 - Rangeland
 - Open Space / Undeveloped
 - Native Grassland
 - Dry-land Farming



Parcel Types	Parcel Count - Vina	Acres
Total - All	36,850	177,594
Total - Federal	42	900
Total - State	190	1,084
Total - Tribe	1,070	1,283
Total (exclude State, Federal and Tribal)	35,548	174,327
Irrigated	31,926	98,894
Non-Irrigated	3,622	75,433
Orchards	2,368	59,559
Non-Orchards	984	17,682
City of Chico	27,942	16,612
Durham Irrigation District	555	437
Rock Creek GSA	77	4,604

Additional Cost Per Acre for Other Funding Options

- **Technical Memo - Table 5** summarizes the additional administration or analysis costs associated with the other funding options that would be added to their respective calculated fee.
- Irrigated / Non-Irrigated option generates \$29,635 - \$33,122 additional revenue per year.

Table 5. VGSA Funding Option Estimated Implementation Cost (\$/ac.)					
Charge Option	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Irrigated/Non-Irrigated	\$0.17	\$0.17	\$0.18	\$0.18	\$0.19
Land Use Hybrid Crop Type	\$0.88	\$0.90	\$0.93	\$0.96	\$0.98
Land Use Hybrid Crop ET	\$1.78	\$1.83	\$1.88	\$1.94	\$1.99
Well Registration/Permit System	\$3.03	\$3.12	\$3.21	\$3.30	\$3.40
Metered Groundwater Extraction	\$10.88	\$11.40	\$11.91	\$12.43	\$12.95

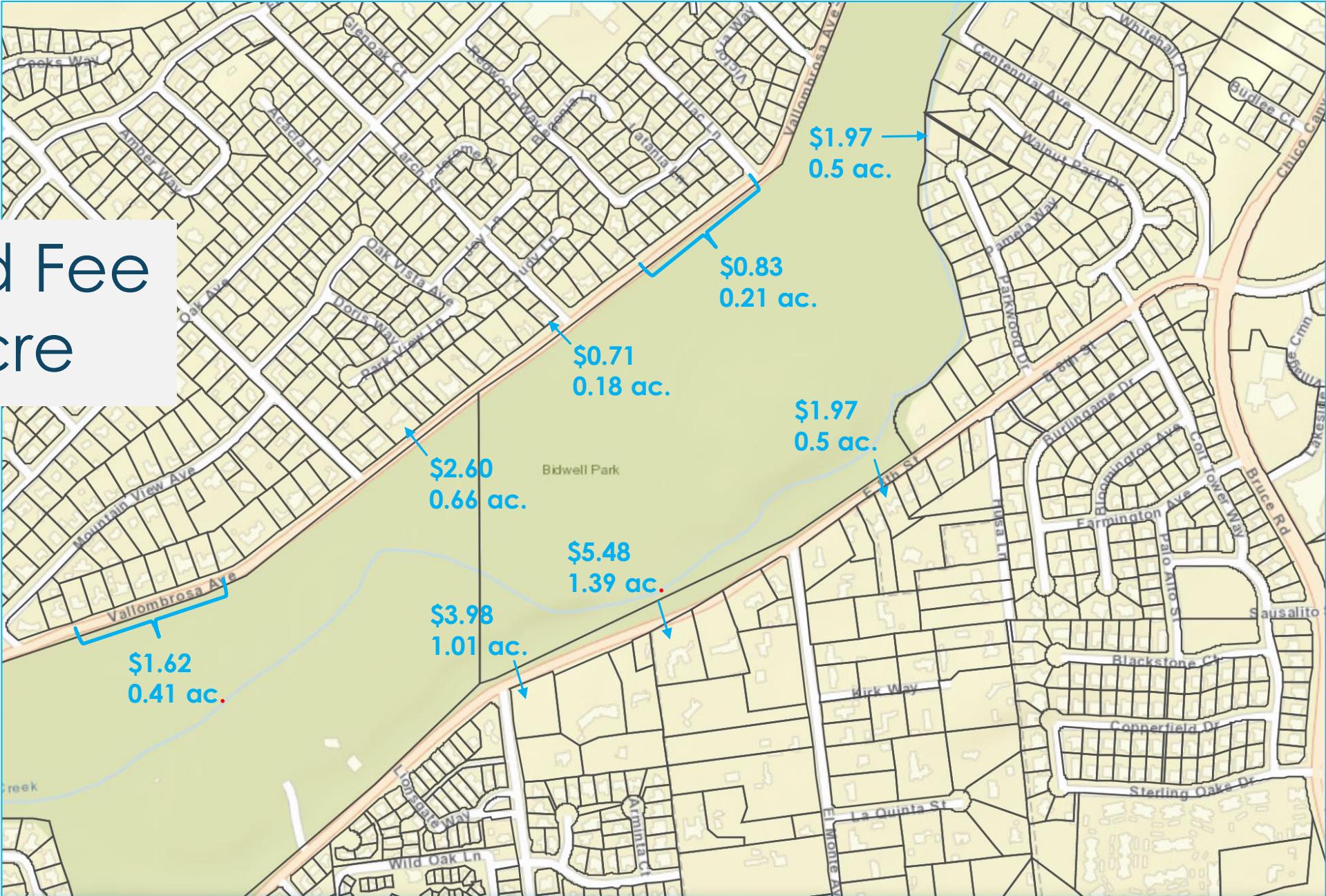


Irrigated Fee / Acre (from TM)

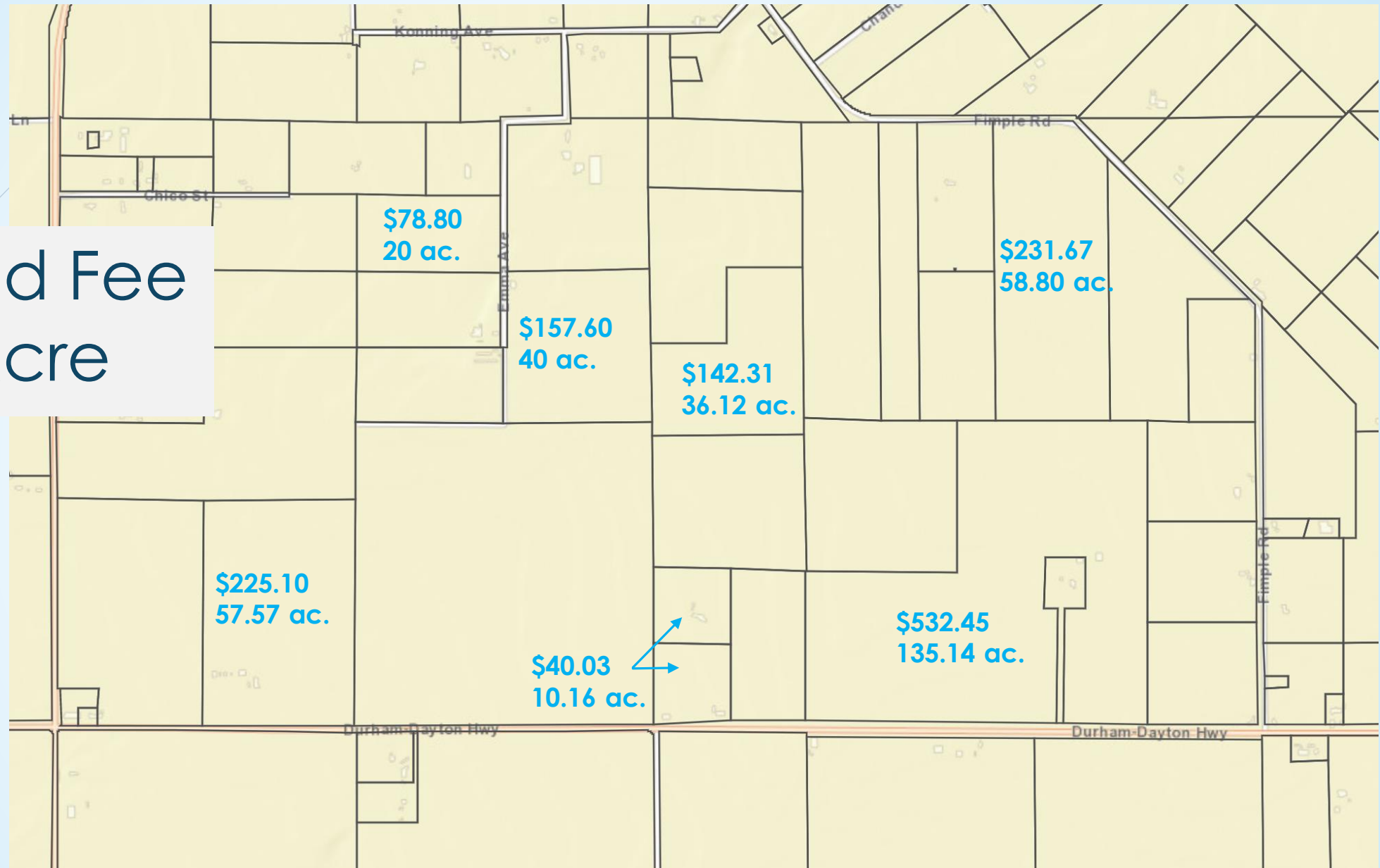
Vina GSA Irrigated and Non-Irrigated Cost/Acre					
IRRIGATED Charge					
	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
Total Irrigated Revenue Needs	\$363,170	\$342,718	\$341,364	\$361,413	\$370,500
Irrigated Assessable Acres	98,894	98,894	98,894	98,894	98,894
Total Irrigated Cost/Acre	\$3.67	\$3.47	\$3.45	\$3.65	\$3.75
Additional Admin Costs/Acre	\$0.17	\$0.17	\$0.18	\$0.18	\$0.19
Total Irrigated Cost/Acre with Additional Cost	\$3.84	\$3.64	\$3.63	\$3.83	\$3.94



Irrigated Fee Cost/Acre



Irrigated Fee Cost/Acre



Non-Irrigated Fee / Acre (from TM)

Vina GSA Irrigated and Non-Irrigated Cost/Acre NON-IRRIGATED Charge					
	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
Total Non-Irrigated Revenue Needs	\$175,955	\$152,532	\$144,408	\$147,272	\$148,571
Non-Irrigated Assessable Acres	75,433	75,433	75,433	75,433	75,433
Total Non-Irrigated Cost/Acre	\$2.33	\$2.02	\$1.91	\$1.95	\$1.97
Additional Admin Costs/Acre	\$0.17	\$0.17	\$0.18	\$0.18	\$0.19
Total Non-Irrigated Cost/Acre with Additional Cost	\$2.50	\$2.19	\$2.09	\$2.13	\$2.16



Alternative Irrigated Fee using 90/10 Allocation

The 90/10 method is being considered by the Wyandotte Creek GSA. It allocated 90% of the cost for GSA Admin and SGMA Compliance to Irrigated land and 10% to Non-Irrigated land.

90/10 Allocation – Vina GSA IRRIGATED Charge					
	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
Operational Budget	\$539,125	\$495,250	\$485,772	\$508,685	\$519,071
Total Irrigated Revenue Needs	\$485,213	\$445,725	\$437,195	\$457,817	\$467,164
Irrigated Assessable Acres	98,894	98,894	98,894	98,894	98,894
Total Irrigated Cost/Acre	\$4.91	\$4.51	\$4.42	\$4.63	\$4.72
Additional Admin Costs/Acre	\$0.17	\$0.17	\$0.18	\$0.18	\$0.19
Total Irrigated Cost/Acre with Additional Admin Cost	\$5.08	\$4.68	\$4.60	\$4.81	\$4.91



Alternative Non-Irrigated Fee using 90/10 Allocation

90/10 Allocation – Vina GSA NON-IRRIGATED Charge					
	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
Operational Budget	\$539,125	\$495,250	\$485,772	\$508,685	\$519,071
Total Non-Irrigated Revenue Needs	\$53,913	\$49,525	\$48,577	\$50,869	\$51,907
Non-Irrigated Assessable Acres	75,433	75,433	75,433	75,433	75,433
Total Non-Irrigated Cost/Acre	\$0.71	\$0.66	\$0.64	\$0.67	\$0.69
Additional Admin Costs/Acre	\$0.17	\$0.17	\$0.18	\$0.18	\$0.19
Total Non-Irrigated Cost/Acre with Additional Admin Cost	\$0.88	\$0.83	\$0.82	\$0.85	\$0.88



Comparison of Uniform Fee and Irrigated / Non-Irrigated Fee

Vina GSA Comparison of Uniform Fee and Irrigated / Non-Irrigated Fee					
	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
Uniform Cost/Acre	\$3.09	\$2.84	\$2.79	\$2.92	\$2.98
Total Irrigated Cost/Acre	\$3.84	\$3.64	\$3.63	\$3.83	\$3.94
Total Non-Irrigated Cost/Acre	\$2.50	\$2.19	\$2.09	\$2.13	\$2.16
Vina ESTIMATES using <i>90/10 Percentage Allocation</i> for GSA Admin and SGMA Compliance between Irrigated and Non-Irrigated Land					
Total Irrigated Cost/Acre	\$5.08	\$4.68	\$4.60	\$4.81	\$4.91
Total Non-Irrigated Cost/Acre	\$0.88	\$0.83	\$0.82	\$0.85	\$0.88



State Water Board Intervention*

Fee Category	Fee Amount	Applicable Parties
Base Filing Fee	\$300 per well	All extractors required to report (excludes *de minimis extractors).
Probationary Rate	\$40 per AF	Extractors in probationary basins (excludes de minimis extractors).
Interim Plan Rate	\$55 per AF	Extractors in probationary basins where the State Water Board determines an interim plan is required (excludes de minimis extractors).
De minimis Fee	\$100 per well	De minimis extractors in probationary basins (if determined by the State Water Board at a public hearing).
Automatic Late Fee	25% per month	Extractors that do not file reports by the due date.



* Triggering Event – No plan in basin, DWR fails GSP or GSP implementation AND basin is in long-term overdraft; becomes probationary basin - fail to implement the plan successfully (includes SGMA compliance)

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

Member Agencies Payment Options

1. April 18, 2023 - Durham Irrigation District (DID) opted to pay the District's per acre cost for lands within their boundaries directly to the Vina GSA through a funding agreement.
 - 555 parcels and 437 acres
 - Uniform Fee = $\$3.09/\text{acre} \times 437 \text{ acres} = \$1,350.33$ member agency contribution
 - Irrigated Fee = $\$3.94/\text{acre} \times 437 \text{ acres} = \$1,721.78$
2. May 2, 2023 - City of Chico voted to have landowners within the city limits will receive the Vina GSA Fee Proposition 218 Notice.
 - 27,942 parcels and 16,612 acres
 - Uniform Fee = $\$3.09/\text{acre}$ landowner fee
 - Irrigated Fee = $\$3.94/\text{acre}$ landowner fee



Potential Revised Schedule

- May 18 - Special Board Meeting
- May 30 or 31- Approve Fee Report
- Week of June 5 - Mailing of Public Notice of Fee
- June 14 – Informational Workshop
- **July 26** – Protest Hearing/Fee Approval
- August 10 – Fee to Assessor's Office for Tax Roll



Options for Reconsideration

1. Reconsideration of the Vina GSA Board's approval of the Fee Report. Consider the Uniform Cost, Irrigated/Non-Irrigated Cost Option, or variation thereof in the Final Fee Report.
2. Reconsideration of the approval to develop a Fee Report based only on the Uniform Fee option.
3. Consideration of changes to the meeting calendar for approving the Funding Mechanism for the Vina GSA (if applicable).

