



Public Workshop on Long-Term Funding Options

March 28, 2023

Welcome

- 6:00 **Background** – Kamie and Christina, Butte County
- 6:15 **Funding Option Overview** – Eddy and Jacques, LSCE
- 6:35 **Question and Answer Session** – Marisa, Stantec
- 7:05 **Next Steps, Wrap up** – Kamie and Christina
- 7:10 **Poster Session, Open Q&A**
- 7:30 **Pack Up**

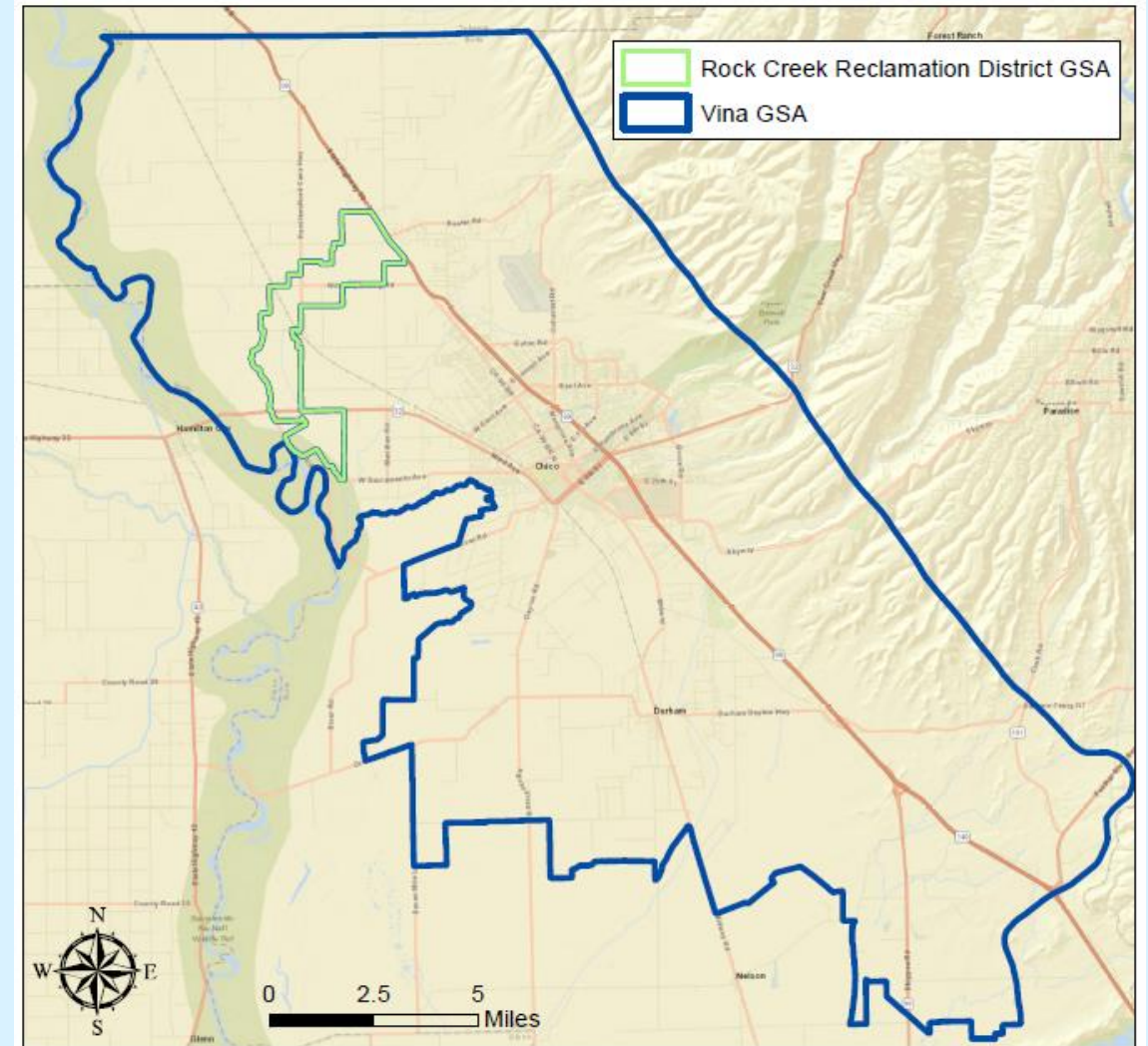


Introductions: People Behind the Process

Vina GSA Board

Stakeholder Advisory Committee

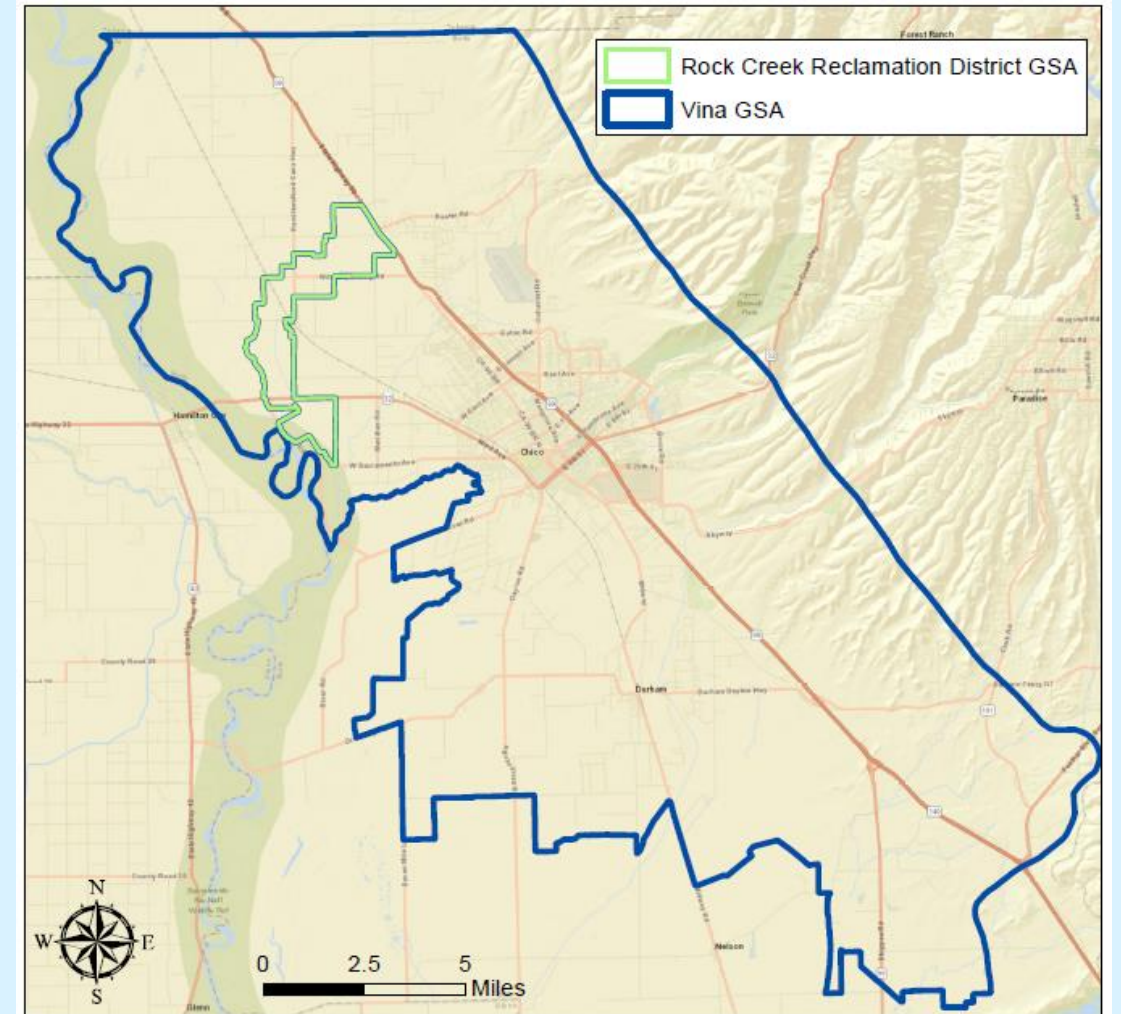
Staff from Butte County, City of Chico, Durham Irrigation District



Introductions: People Behind the Process

Vina GSA Board Members

- Butte County Supervisor **Tod Kimmelshue** (Alt: Supervisor Tami Ritter)
- Chico City Council Member **Kasey Reynolds** (Alt: Deepika Tandon)
- Durham Irrigation District Member **Raymond Cooper** (Alt: Matt Doyle)
- Agricultural Stakeholder **Jeffrey Rohwer** (Alt: Steven Koehnen)
- Domestic Well User Stakeholder **Evan Tuchinsky**, Chair (Alt: Steve Kampfen)



Introductions: People Behind the Process

Stakeholder Advisory Committee Members

Agricultural Groundwater Users

- Greg Sohnrey
- Samantha Lewis
- Joanne Parsley

Domestic Well Users

- Anne Dawson
- Sam Goepp

Environmental Representative

- Jim Brobeck

Business Association Representative

- Bruce Smith

Other Entities Represented

- Evan Markey- Cal Water Chico
- Todd Greene- CSU Chico
- Chris Madden- Butte College



Introductions: People Behind the Process

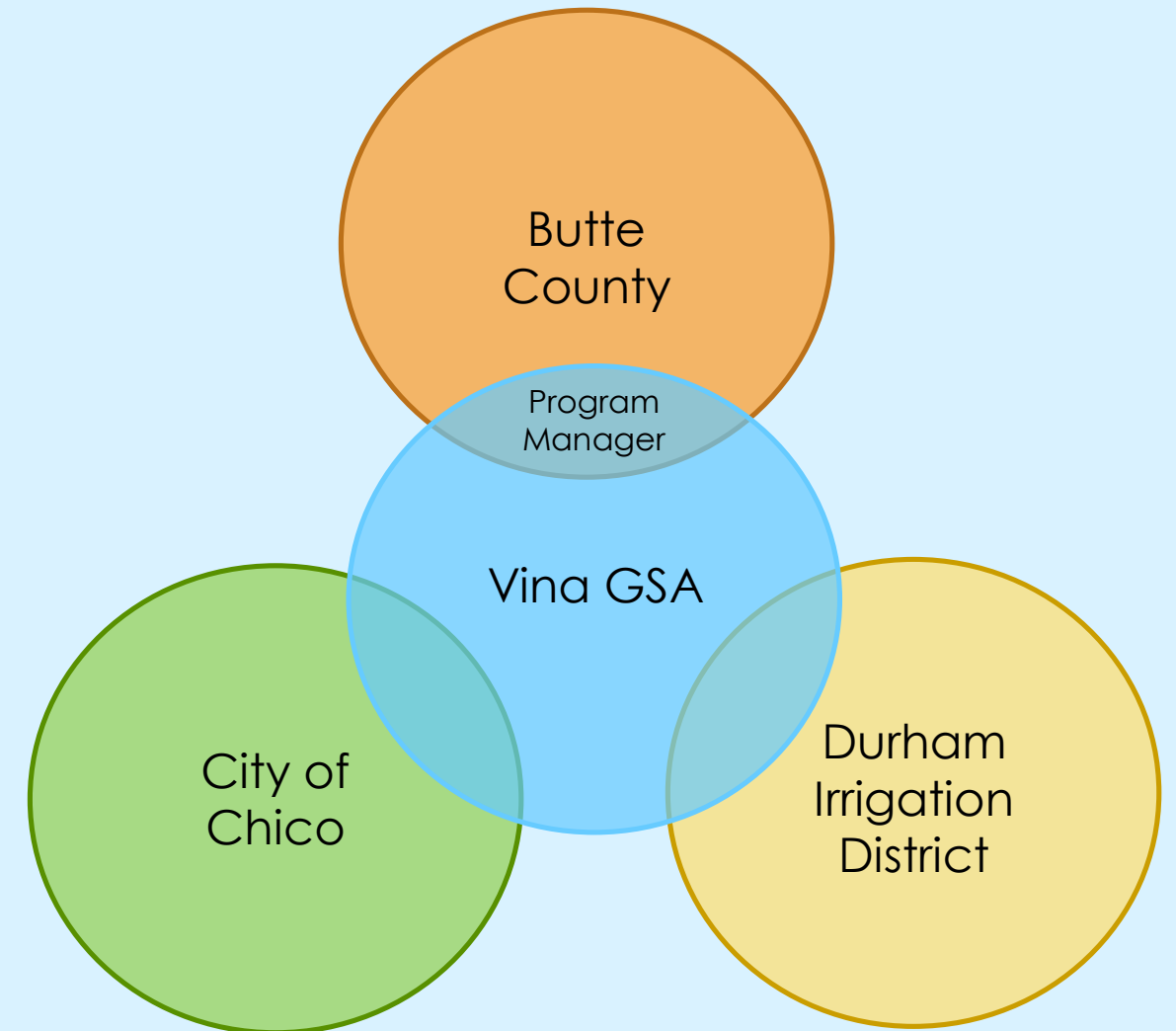
Staff from Butte County, City of Chico, Durham Irrigation District, and local Tribes form the Management Committee:

Kamie Loeser and Christina Buck, Butte County

Erik Gustafson and Linda Herman, City of Chico

Jeff Carter, Durham Irrigation District

He-Lo Ramirez, Mechoopda Tribe/Chico Rancheria



The Road to Sustainability

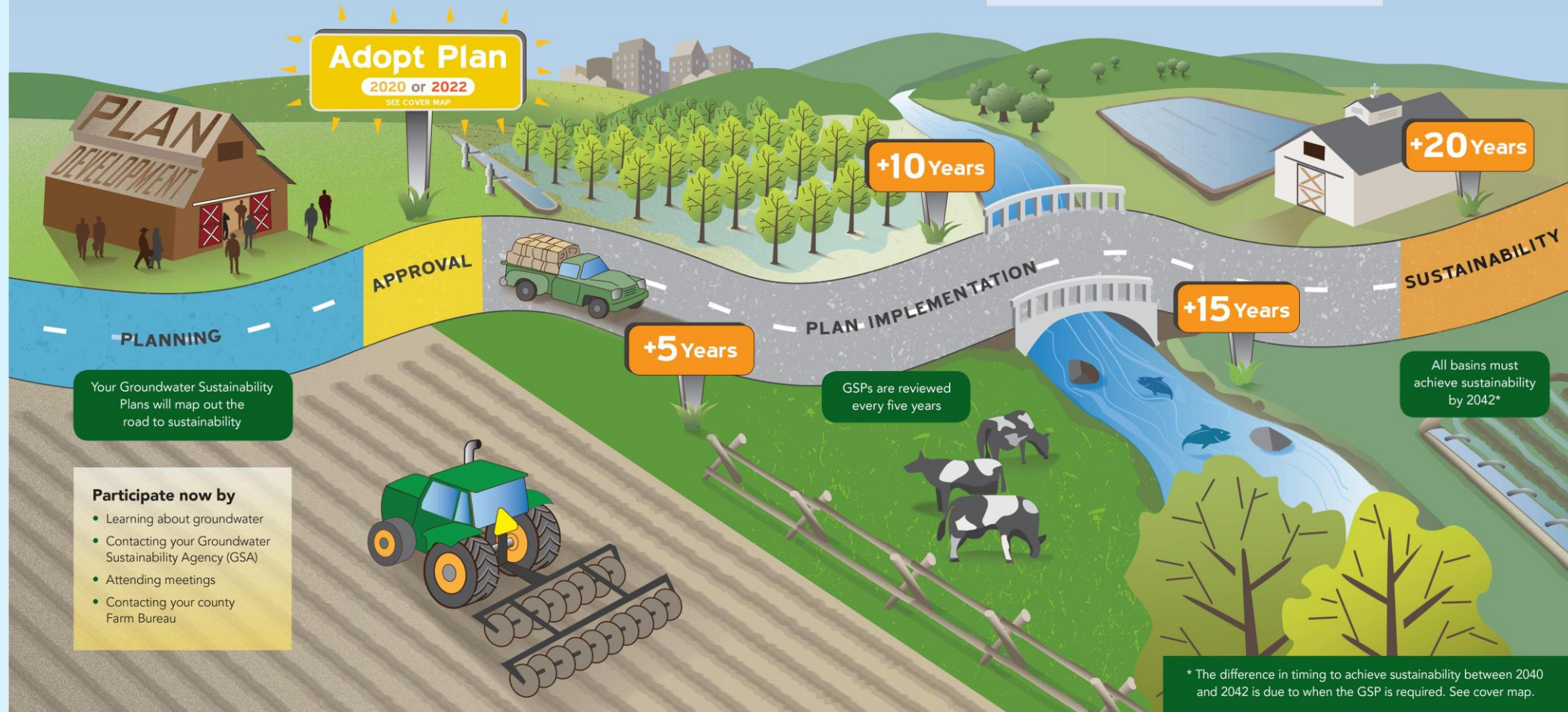
Learn and Engage!

Participate now to represent your interest. SGMA stresses local group formation, local plans and local management.

SGMA plans will reflect local conditions and can include local solutions. Once approved by the state, your local plan represents a commitment to future actions.

Let's be clear:

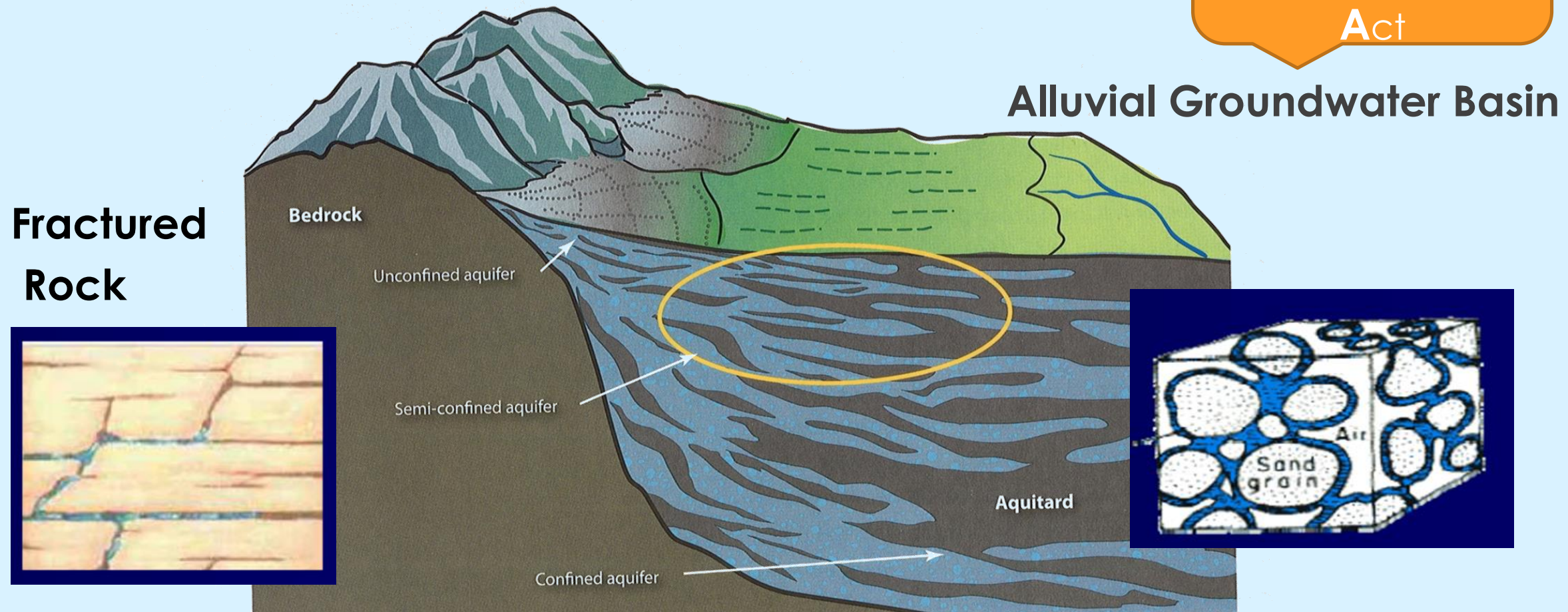
- SGMA will affect your groundwater pumping
- SGMA establishes new responsibilities to share groundwater
- SGMA will change how we use land and water
- SGMA does not change water rights



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Groundwater Basics

Sustainable
Groundwater
Management
Act



Harter and Rollins 2008: ANR Publication 3497



Lowering
GW Levels



Reduction
of Storage



Degraded
Quality



Land
Subsidence



Surface Water
Depletion



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SGMA and Groundwater Management

SGMA= Sustainable Groundwater Management Act

- State law passed in 2014
- Local agencies given authority and responsibility to manage groundwater: **G**roundwater **S**ustainability **A**gencies
 1. Develop and Adopt a Groundwater Sustainability Plan, by 2022
 2. Implement Projects and Policy actions to achieve Sustainability
 3. Monitoring and reporting every year
 4. Achieve sustainability by 2042



Lowering
GW Levels



Reduction
of Storage



Seawater
Intrusion



Degraded
Quality



Land
Subsidence

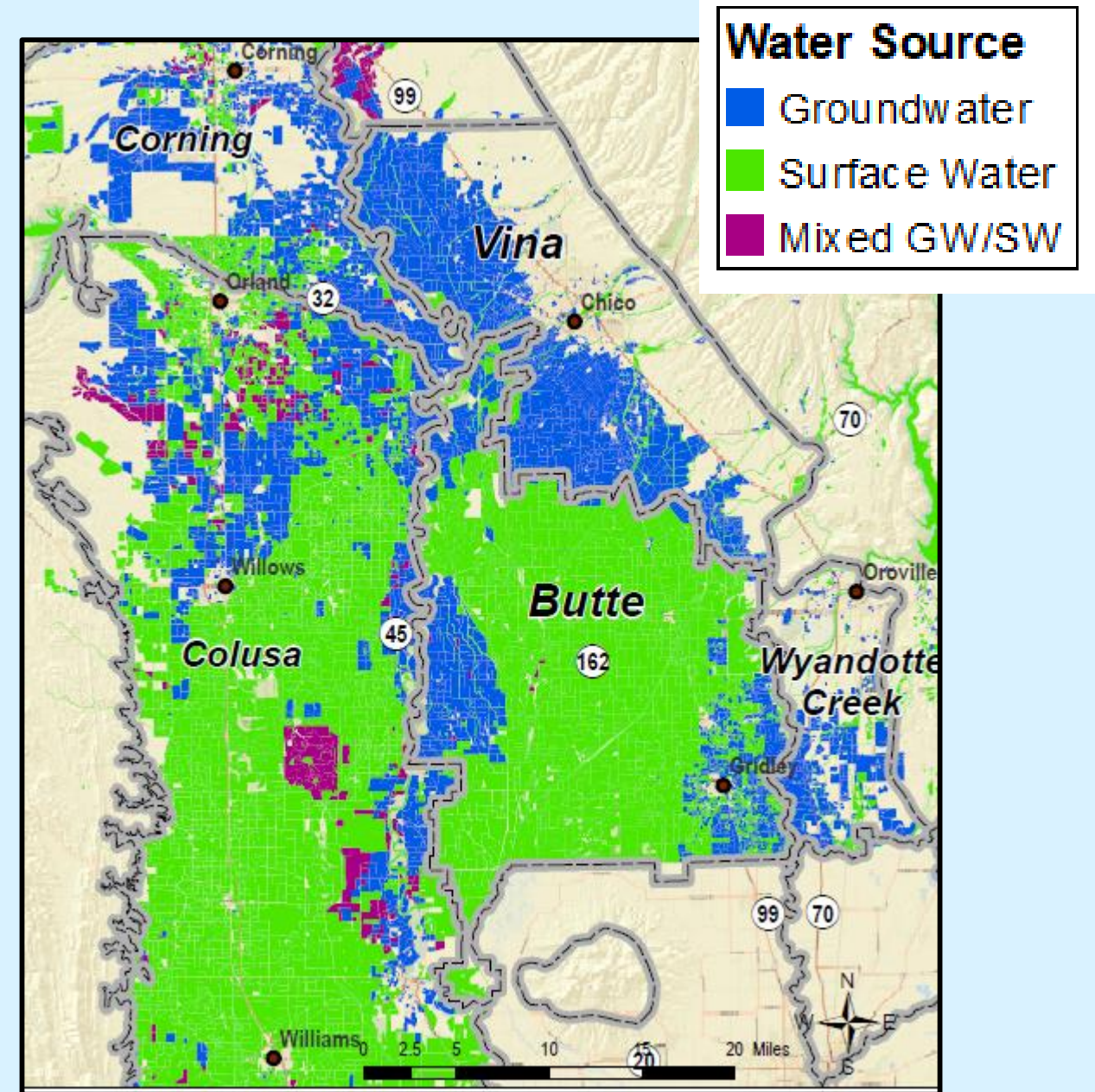
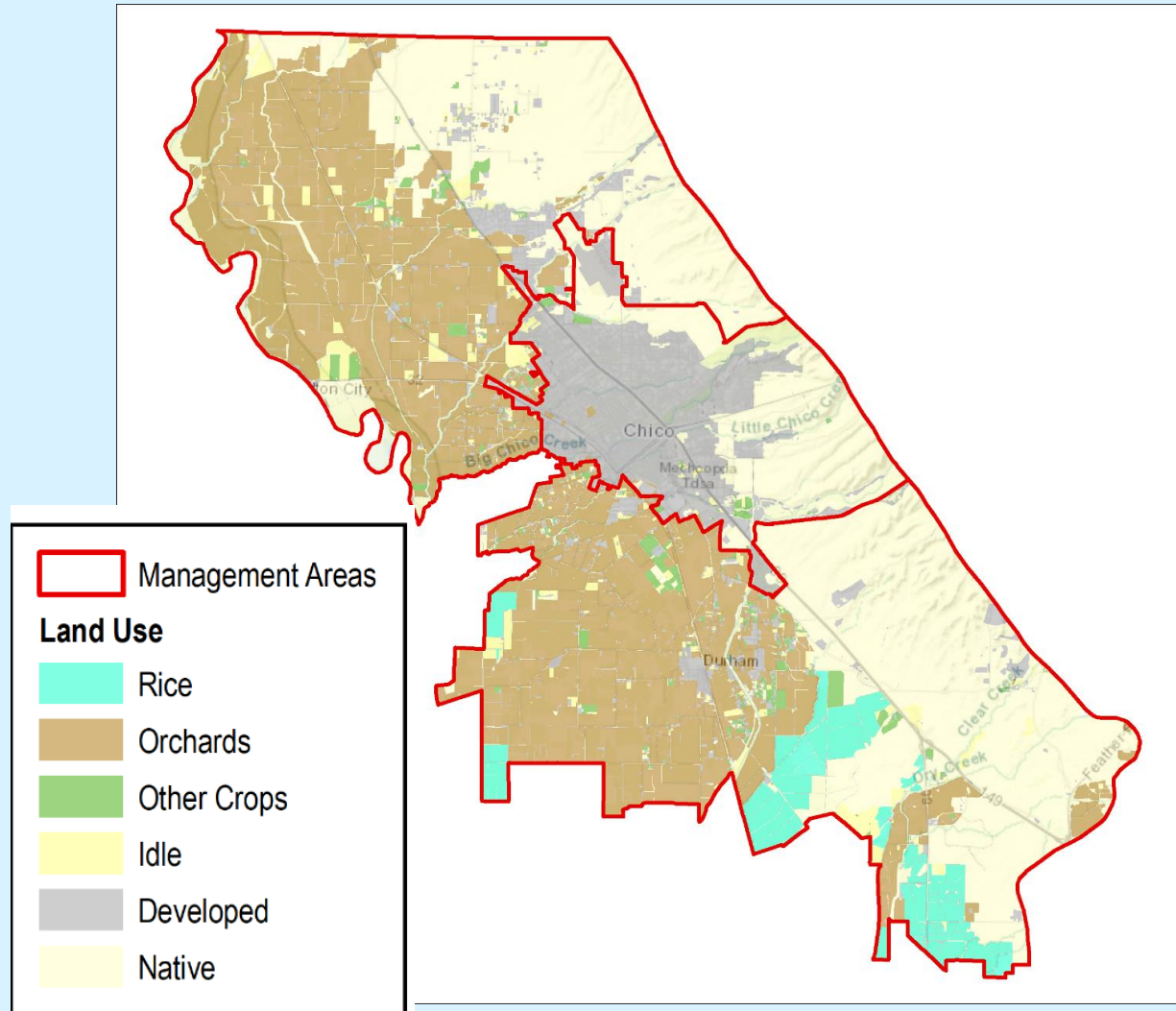


Surface Water
Depletion



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Land & Water Use in Vina

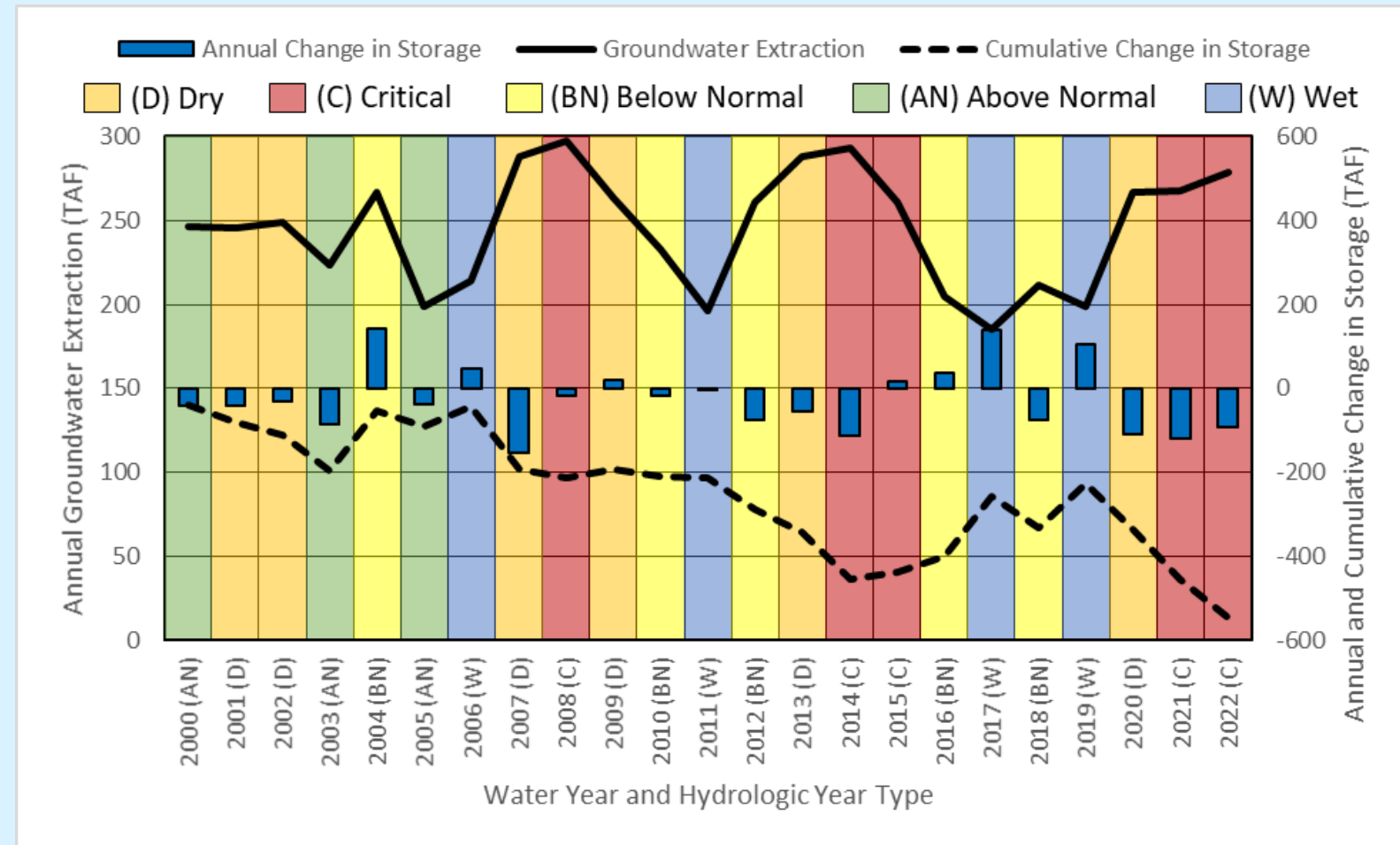


A Subbasin Out of Balance

Over the past 22 years:

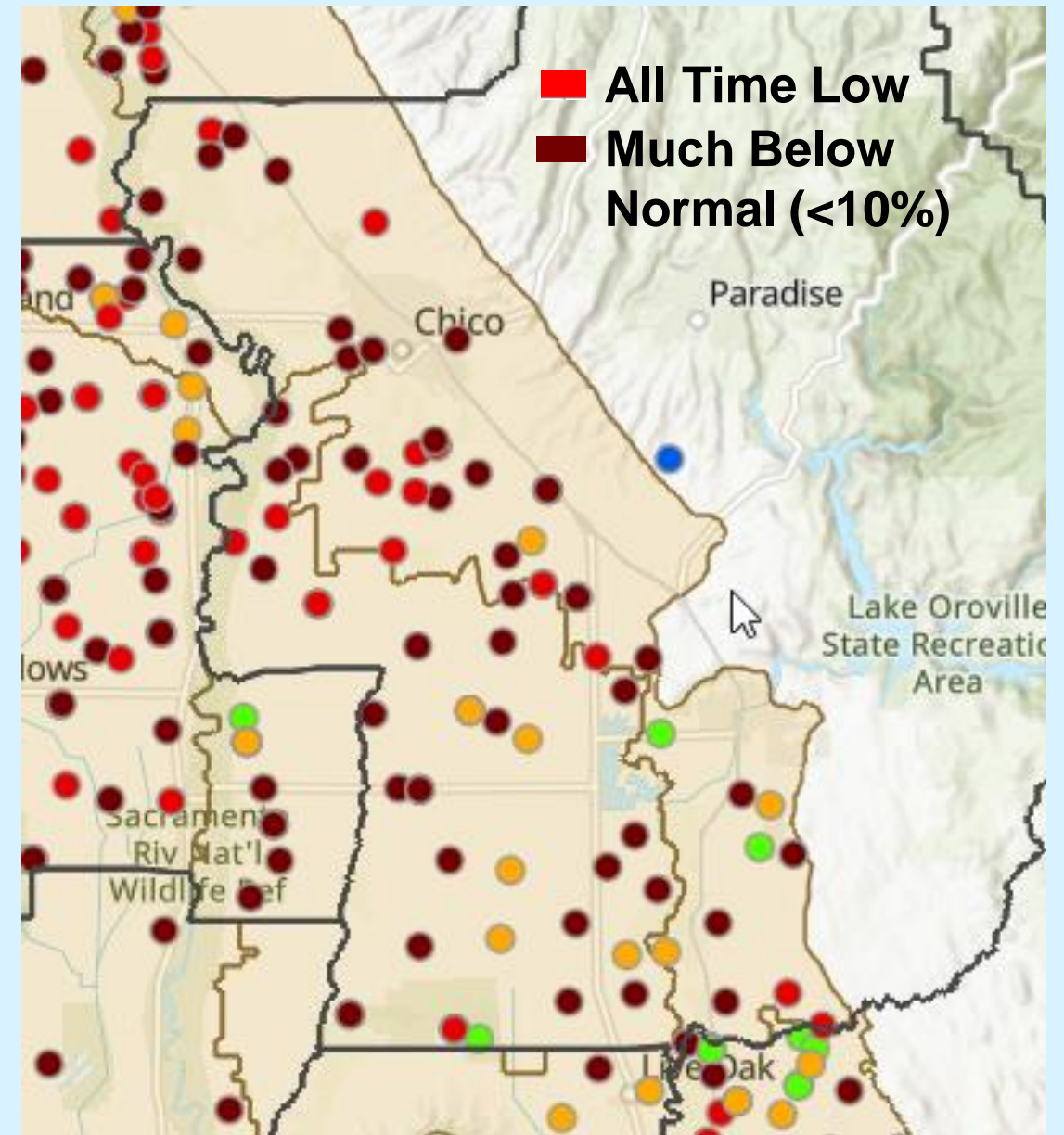
- Groundwater pumping is stable, but variable (sensitive to water year type)
- Groundwater in storage has declined about 500,000 AF from 2000 to 2022
 - Average almost 23,000 AF each year
 - Change in Storage is sensitive to water year type also

Action is needed to stabilize groundwater levels (and storage) and to reach sustainable groundwater conditions



Groundwater Management & Drought Emergency Response

- 26 Dry wells reported to State Dry Well Reporting System
- 33 Applicants to Butte County Off. Of Emergency Management Drought Assistance Program
- County program offers storage tank installation and water delivery



Fall 2022 Groundwater Level Conditions



Butte County Department of Water and Resource Conservation



Department Vision

To work cooperatively...to enhance the County's water supply...through creative water management...to ensure an abundant and sustainable water supply to support all uses in Butte County; and to ensure that local water resources are protected to meet local water needs.



Vina GSA Public Workshop Long Term Funding Project Presentation

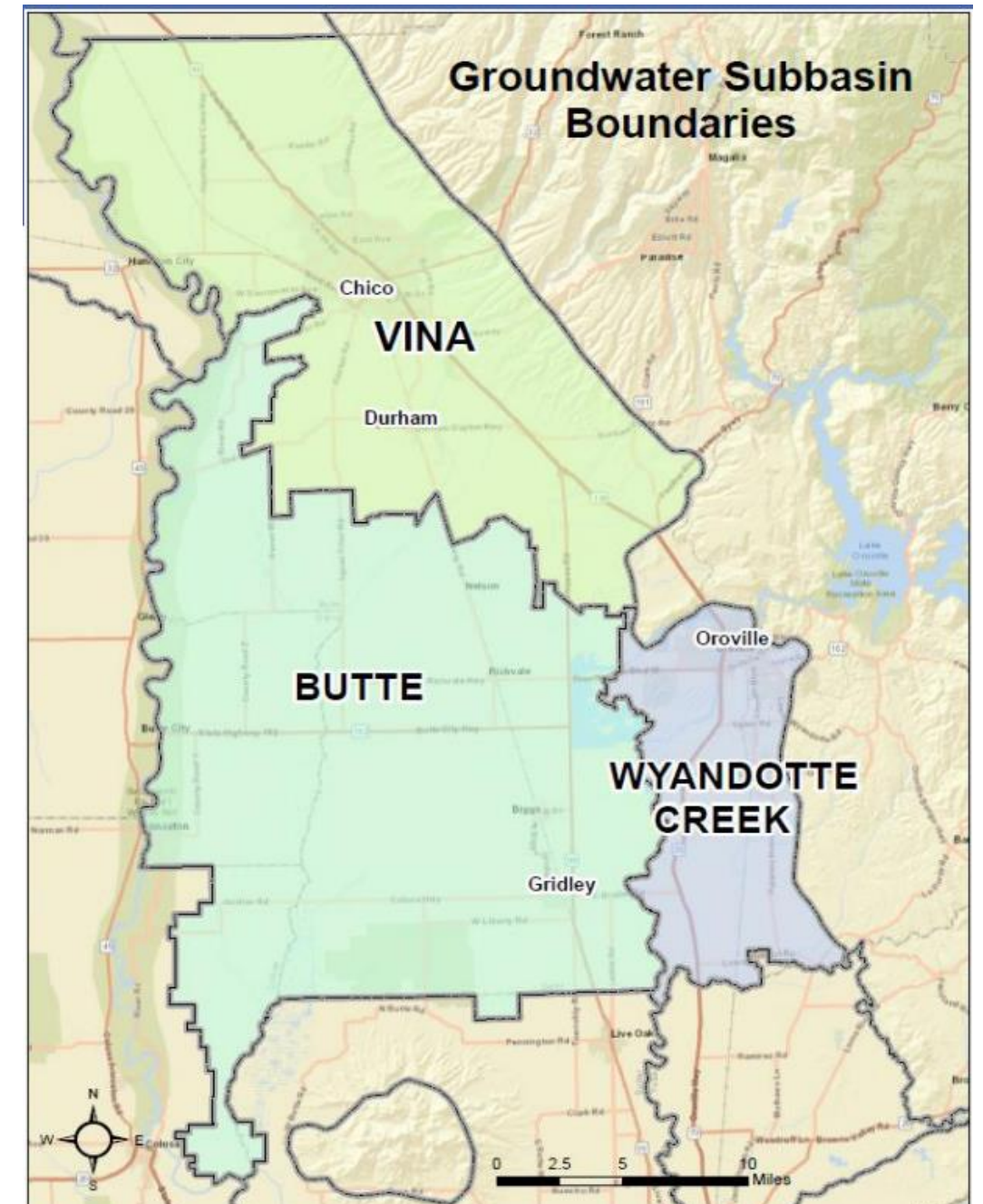
Eddy Teasdale and Jacques DeBra, LSCE

March 28, 2023



Overarching Goals for Long-Term Funding Strategy

- The Vina GSA and is working **to keep costs as low as possible for landowners**
- Long term funding will help the Vina GSA **maintain local control** over our groundwater resources



This is all in response to SGMA Requirements

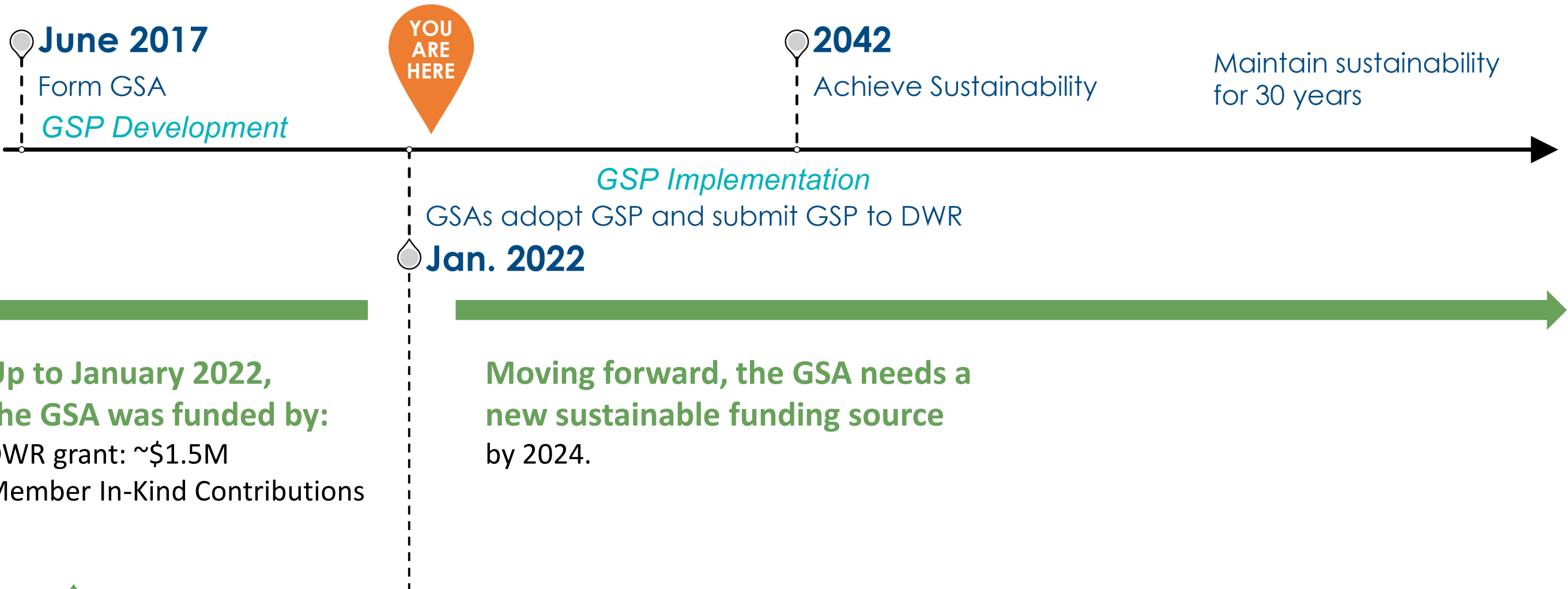
State of California 2014 Sustainable Groundwater Management Act

Required local formation of Groundwater Sustainability Agencies (GSAs) to:

- Sustain its GSA over the SGMA regulation time frame
- Implement and update its Groundwater Sustainability Plan (GSP)
- Prepare and submit annual reports to DWR documenting groundwater conditions
- Provide on-going GSA coordination
- Fill data gaps and address groundwater overdraft situations (e.g., subsidence)
- Plan and implement projects that achieve groundwater sustainability goals

SGMA Timeline and the Early Funding Strategy

SGMA Timeline



Up to January 2022,
the GSA was funded by:
DWR grant: ~\$1.5M
Member In-Kind Contributions

Moving forward, the GSA needs a
new sustainable funding source
by 2024.

Long Term Funding Strategy

Funding Mechanism
to cover costs
of SGMA
Compliance



Grant Funding
to cover costs
of Projects and
Management
Actions (PMAs)

Note: Some grants can fund both PMAs and costs associated with SGMA compliance, such as the Round 2 DWR SGM Implementation grant which the GSA applied for in December 2022.

That grant could cover up to \$5.5M in eligible projects and SGMA compliance activities. DWR is expected to announce grant awards in **June 2023**.

More on the next slide...

A Closer Look at the DWR SGMA Round 2 Application

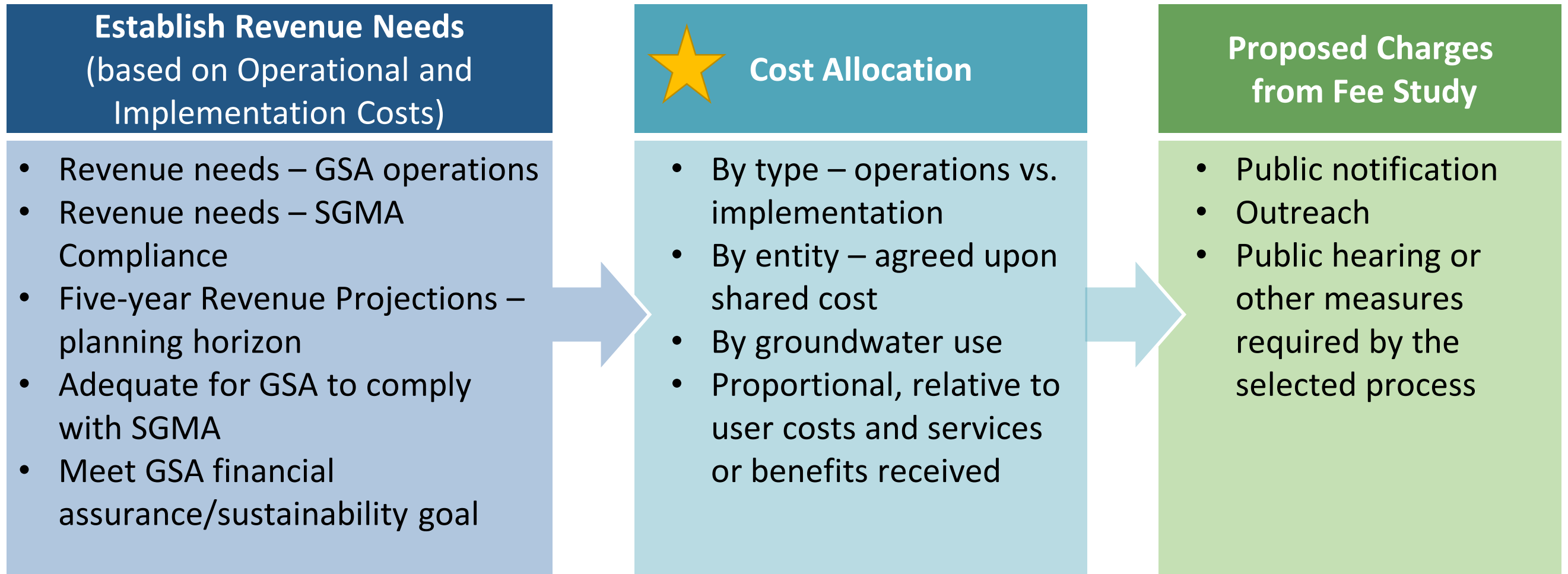
Vina GSA DWR SGMA Grant Application Task	Budget
Task 1: Grant Administration	\$200,000
Task 2: Monitoring Network Enhancements	\$400,000
Task 3: Community Monitoring - Domestic Wells	\$100,000
Task 4: GSP Implementation & Compliance Activities	\$660,000
Task 5: Inter-basin Coordination Activities	\$450,000
Task 6: Extend Orchard Replacement Program	\$1,500,000
Task 7: Lindo Channel Surface Water Recharge Implementation	\$350,000
Task 8: Ag Surface Water Supplies Feasibility Analysis	\$275,000
Task 9: Ag Irrig Efficiency Pilot Program and Education	\$1,000,000
Task 10: Groundwater Recharge Feasibility Analysis & Site Evaluation	\$600,000
Total DWR Grant Funding Request	\$5,535,000

Vina's \$5.5M application included:

- SGMA compliance activities
- Addressing data gaps
- Projects
- Programs

DWR grant award decision could reduce Vina GSA charges over the next five years.

Process for Studying Fee Options and Developing a Resulting Charge



Milestones in the Process for Studying Fee Options and Developing Charge

Vina GSA 2023 Long Term Funding Project - Primary Milestones								
Project Tasks	Jan	Feb	Mar	Apr	May	June	July	August
VGSA Project Outreach	>>>>>>>>>>	Develop Outreach	Public Workshop ★	Update Outreach	Public Notice	>>>>>>>>>>	Public Hearing	>>>>>>>>>>
VGSA Board Meetings		B	B	B	B		B	
VGSA SHAC Meetings			SHAC	SHAC				
Project Development								
Update Revenue Projections	Develop	Draft	Final					
Evaluation Fee Options		Develop	Draft	Final				
Prepare Options Technical Memo			Develop	Final				
Prepare/Approve Fee Report				Develop	Final			
Approve Proposed Fees								
Tax Roll Data To Assessor								8/10/2023

B = VGSA Board Meeting

SHAC = SHAC Meeting



Establishing Revenue Needs: Five-Year Projection

VINA GSA - Long Term Funding Fee Project					
Updated Five-Year Revenue Projections - GSA Operational Budget (assuming NO DWR SGMA Implementation Grant Funds)					
5-Year GSP Implementation Inflation Adjustment	0%	3%	3%	5%	5%
Proposed	Year 1	Year 2	Year 3	Year 4	Year 5
Cost Category-GSA Admin.	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Professional Services - Admin.					
Auditor	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Financial Services	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Legal Services	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Program Manager (w/County management)	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000
Professional Services - Admin. Sub-total	\$167,500	\$167,500	\$167,500	\$167,500	\$167,500
Office Expense					
Bank Fees	\$250	\$250	\$250	\$250	\$250
Insurance	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Outreach (per education and outreach plan)	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Website	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Supplies	\$5,000	\$2,000	\$1,500	\$1,500	\$1,500
Office Expense Sub-total	\$19,250	\$16,250	\$15,750	\$15,750	\$15,750
Professional Services - GSP Implementation	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Legal Defense Reserve	\$100,000	\$50,000	\$30,000	\$30,000	\$30,000
County Tax Roll Fee Support	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Contingency (10%)	\$31,675	\$26,375	\$24,325	\$24,325	\$24,325
GSA Admin. Sub-total	\$348,425	\$290,125	\$267,575	\$267,575	\$267,575
5-Year GSP Implementation Inflation Adjustment	0%	3%	3%	5%	5%
Cost Category-SGMA Compliance	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Annual Reporting (with continued DWR monitoring)	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Five Year GSP Update w/Modeling Calibrations	\$50,000	\$50,000	\$50,000	\$50,000	\$40,000
Surface-GW Interaction Modeling	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
GSA Coordination & Outreach (w/in and between GSAs)	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Data Management System Maintenance	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Long Term Financial Planning/Fees	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500
Grant Procurement	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Contingency (8%)	\$13,800	\$13,800	\$13,800	\$13,800	\$13,000
SGMA Compliance Sub-Total	\$186,300	\$186,300	\$186,300	\$186,300	\$175,500
TOTAL VGSA Administration (w/inflation adjustment)	\$348,425	\$298,829	\$283,630	\$297,008	\$310,387
TOTAL VGSA SGMA Compliance (w/inflation adjustment)	\$186,300	\$191,889	\$197,478	\$206,793	\$203,580
TOTAL VGSA Operational Budget	\$534,725	\$490,718	\$481,108	\$503,801	\$513,967



Closer Look at the Projected GSA Administration Costs

5-Year GSP Implementation Inflation Adjustment	0%	3%	3%	5%	5%
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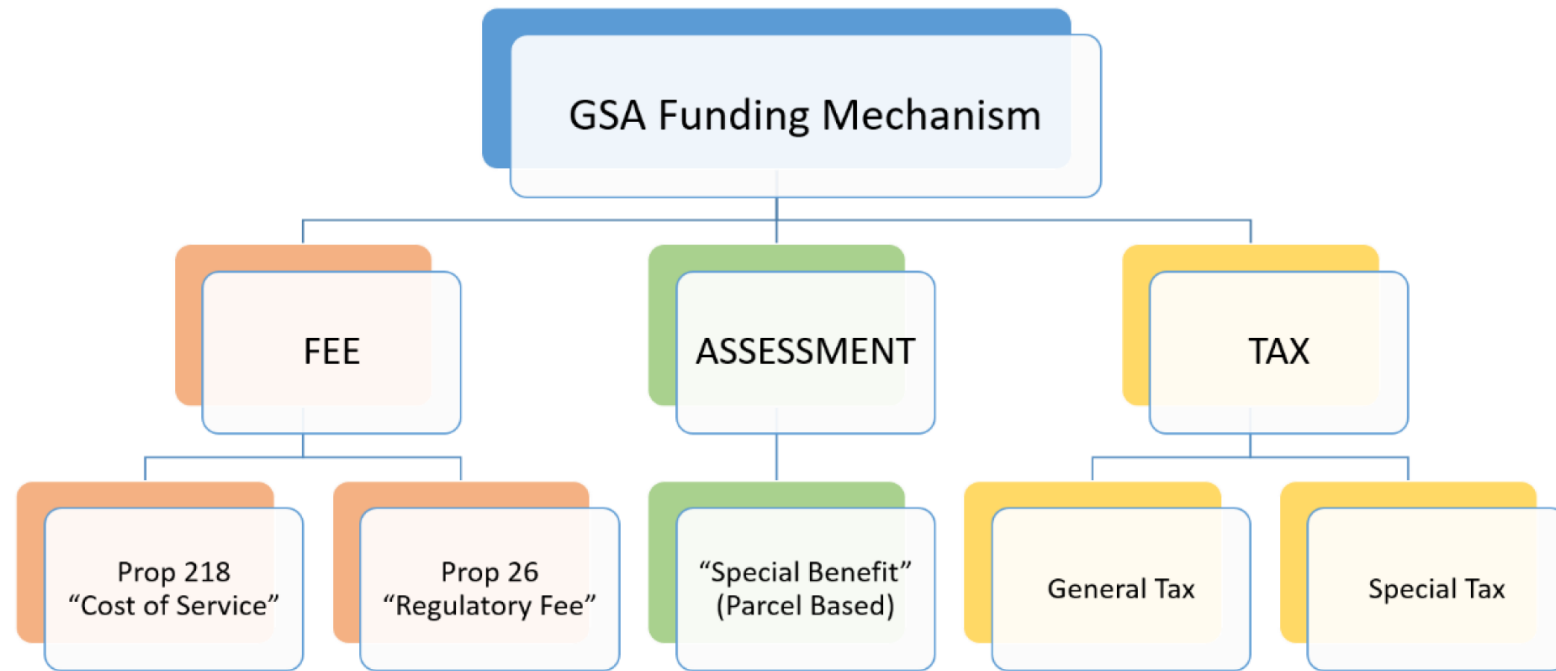
A Closer Look at the Projected SGMA Compliance Costs

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GSA Coordination & Outreach (w/in and between GSAs)	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
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SGMA Compliance Beyond the Five-Year Projection

Task Name	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
GSA Administration and Operations																					
Public Outreach	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Legal Services	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Community Outreach and Education																					
Community Outreach and Education ¹	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
GSP Monitoring and Data Management																					
Monitoring of Wells	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Data Management	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
GSP Reporting																					
Annual Reporting	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×
Responding to DWR Comments on GSP		×					×														
GSP Five-Year Updates						×					×					×					×
Grant Writing																					
Grant Writing	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█

Available Options for Long Term Funding



Prop. 218 is most common GSA charge method to date.
Includes customer notification and protest vote process.

- Due to Constitutional limitations imposed through California's Propositions 13, 218, and 26, there are strict distinctions between, and regulations associated with, fees, special assessments, and taxes.
- Taxes and assessments require voter approval.
- Property-related fees and assessments under Proposition 218 are subject to noticing, a majority protest proceeding, and when required, a subsequent ratification election.
- However, fees, as well as other charges, are identified as exempt from the definition of a tax under Proposition 26, and thus can be adopted by the governing body of the Agency imposing the fee.

Approach for Developing Charge

FOR REVENUE PROJECTIONS TO USE IN LONG TERM CHARGE STUDY

Reasonable

Contingency

Sufficient

Inflation

Reliable

Include adequate legal services

Scope (focus on GSA Admin. and SGMA Compliance)

Flexible – to address DWR requirements and compliance tasks

Common Evaluation Criteria for Charge Options

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

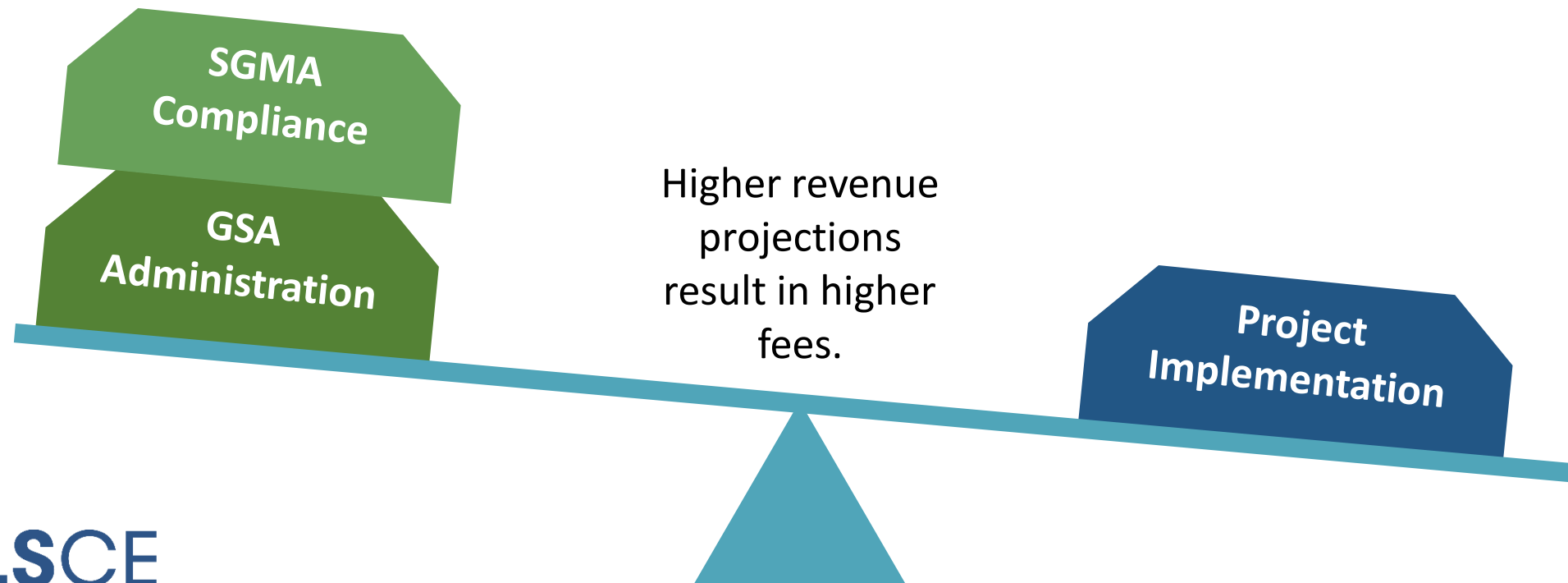
Can impact
revenue
projections



What should be included in the scope of charges?

- Update Vina GSA Five Year Revenue Projections focused on GSP implementation and SGMA compliance.
- Discuss key charge assumptions to be sufficient yet reasonable.
- Includes GSA cost sharing for SGMA compliance costs that benefit the Subbasin.
- Refine revenue projections to update GSA long term charge schedule.

A BALANCING ACT IN CONSIDERING SCOPE OF CHARGES



Charge Options To Evaluate

Examples of Potential Options	Notes
Charge per Acre, for parcels subject to the charge within the GSA service area	Most common charge structure
Hybrid Land Use Approach	Would include both irrigated and non-irrigated lands
Other options? <i>Offer your suggestions today!</i>	
Charge per Acre-foot of groundwater extraction	Would require metering
State Water Resources Control Board Intervention Fees	Vina GSA complying with SGMA

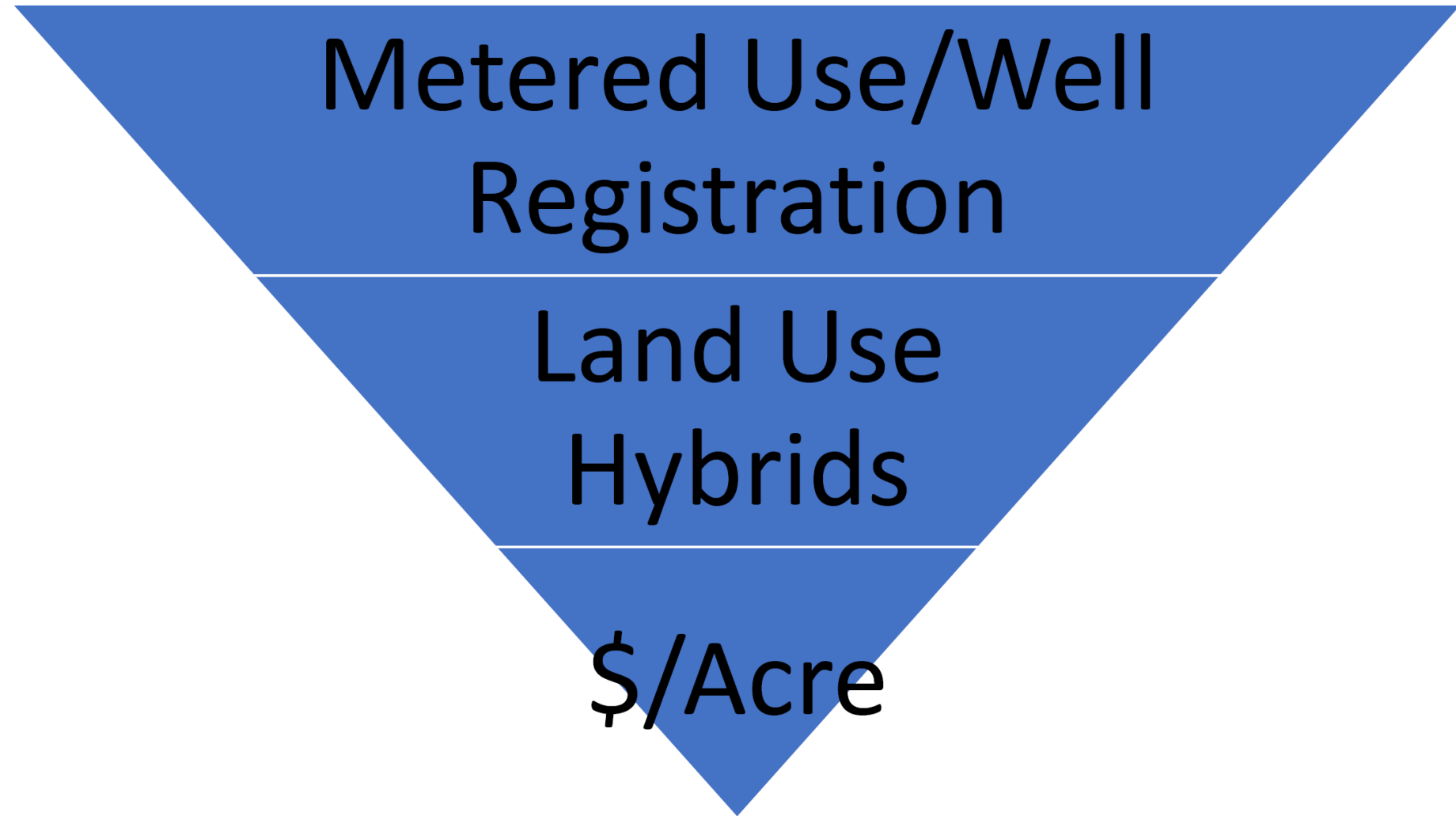
- Charge options will be evaluated to consider both GSA Admin and SGMA Compliance costs.
- Feasibility of options is based on available parcel level data for those subject to the charges.
- A charge option summary will be available that compares options including impacts of future charges.

Example Charge Option

Highest Charge Option
implementation costs.

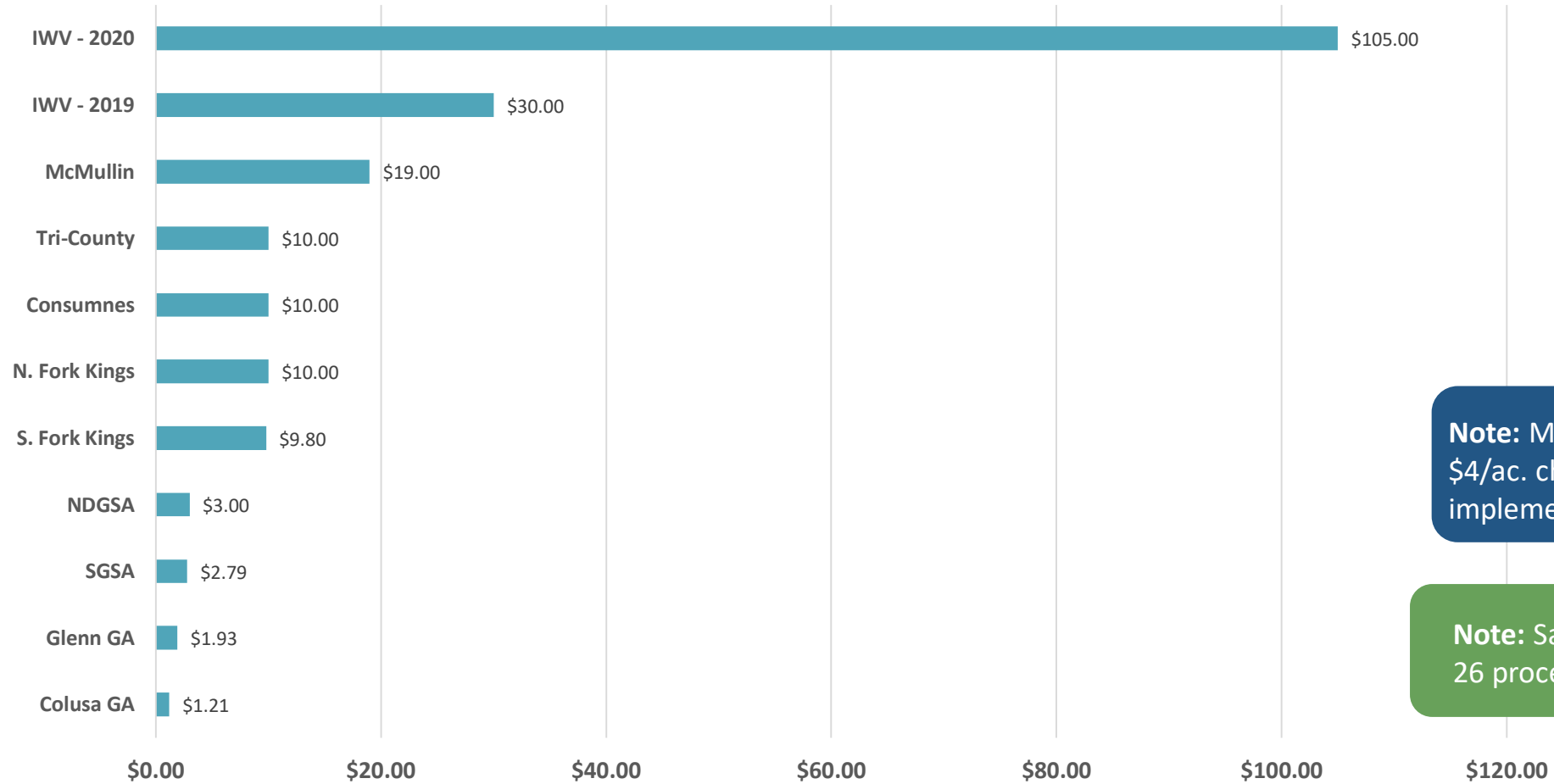


Lowest Charge Option
implementation costs (in
revenue projections).



Comparing Approaches Across the State

GSA Charge Comparison - \$/Acre



IWV = Indian Wells Valley

Note: Merced approved a Prop. 218 \$4/ac. charge, which has not been implemented to date.

Note: Santa Rosa Plain approved a Prop. 26 process with a \$40/ac-ft charge.

The Vina GSA needs a long-term funding source to sustain the GSA.

Considerations for Approved Charges

The Vina GSA will annually review its budget needs and determine appropriate GSA charges.

Approved Charges:

- Can only be used for tasks that are included in the Vina GSA updated revenue projections.
- Will be limited to a maximum allowable amount.
- Will be assessed through the Butte County Assessor's Office tax roll for each landowner.
- Will be available on the GSA website, in addition to detailed budget information.

Local Charges For Local Groundwater Management and Decision-making!

Vina GSA Wants Your Input!

Ways for you to provide us with your comments and ideas:

- Opt in to interested parties list on workshop sign-in sheet
- Question cards
- Common courtesy – one speaker at a time
- We have time to answer some questions now
- If we don't get to your question, follow up with us during the poster session or we can follow up with you post-meeting if we have your contact info.
- A summary of this public workshop will be available on the website
- Thank you for attending!

Question and Answer Session



Vina Subbasin – Public Workshop
March 28, 2023

Next Steps

2023 Milestone	Date	Action Items
Public Workshop	Mar 28	Presentation and Public Comments
Apr Board Meeting	Apr 12	Board Meeting (Approve Fee Options TM With Legal Review)
Apr SHAC Meeting	Apr 26	Annual Report Overview, Funding Project Update, Outreach Ambassadors
May Board Meeting [JOINT w RCRD]	May 10	Approve Fee Study
Anticipated Proposition Notice	May 23	Send out Proposition Notice via mail
May SHAC Meeting	May 24	Agenda – TBD - Project Funding and Outreach
Jun Board Meeting	Jun 14	Funding Discussion
Jul Board Meeting	Jul 19	Board Presentation (Public Hearing/Fee Approval Staff Report & items)
Oct SHAC Meeting	Oct 25	Project Funding and Outreach and Planning depending on grant outcome
Nov Board Meeting	Nov 8	GSP Implementation Updates



Next Steps

Meeting information, handouts and summaries will be available on the Vina GSA website.





Contact Us

Search... Go!

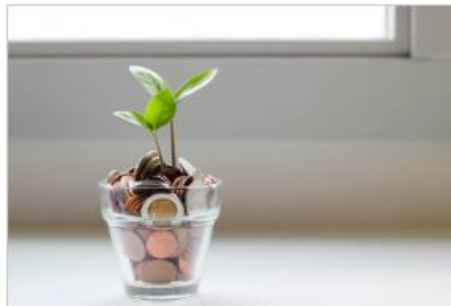
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GSP Submitted to DWR

Clicking the links on this page will take you to the DWR SGMA Portal.

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- CALENDAR
- LIBRARY



Funding the Vina GSA

Why is funding the Vina GSA Important?

[READ MORE >](#)



GSP Submitted to DWR

Clicking the links on this page will take you to the DWR SGMA Portal.



SGM Grant Program Workshop Series

The Vina and Rock Creek Reclamation

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



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We want your input!

Send comments to:

vinagsapubliccomments@chicoca.gov

Frequently Asked Questions (printed and online)

<https://www.vinagsa.org/faqs-frequently-asked-questions>

[Sign up for the interested parties list](#) (online or come find Marisa)

