

GGA GSA Board Meeting Long Term Funding Project Presentation

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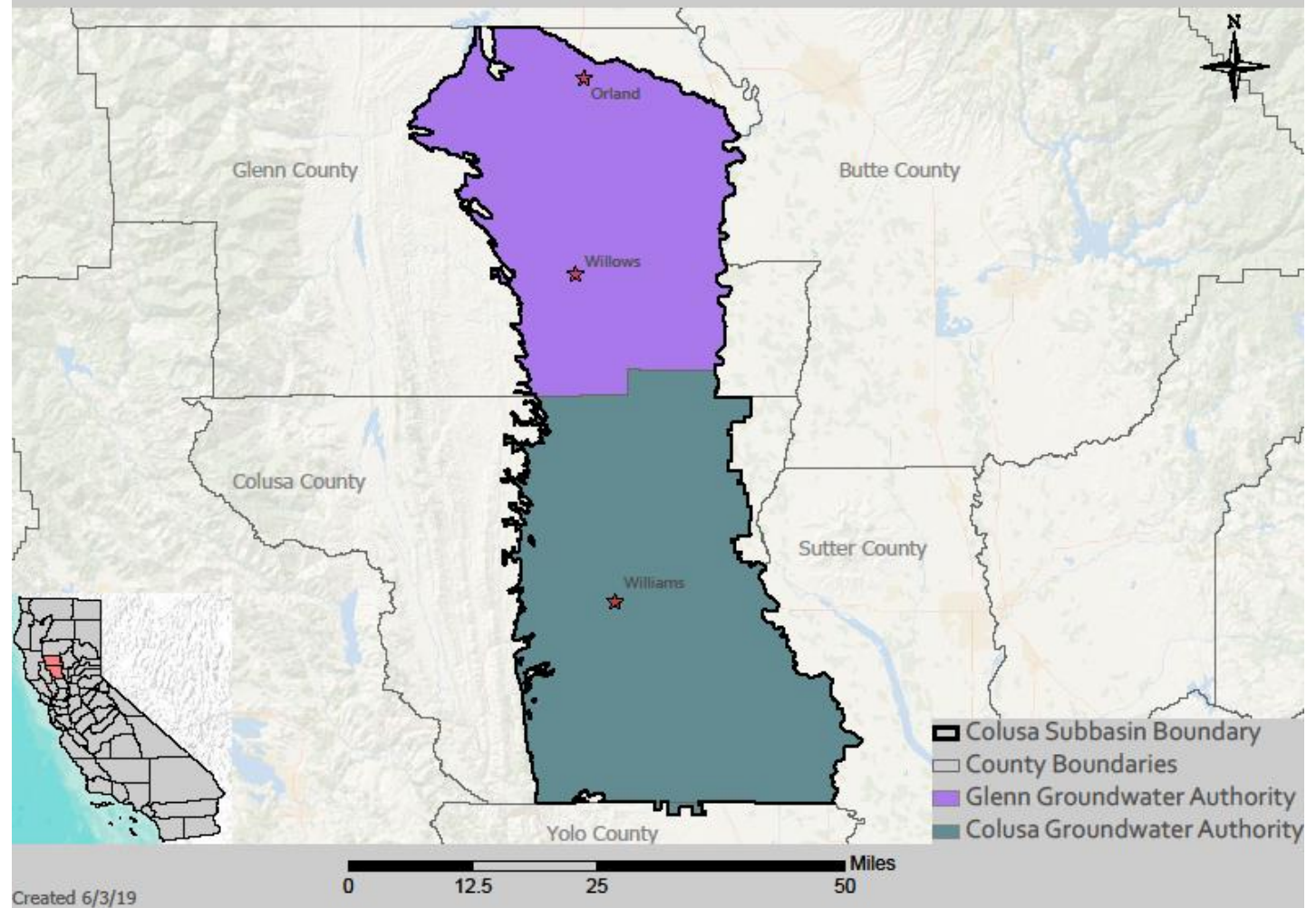
March 22, 2023



Welcome – Glenn Groundwater Authority (GGA)

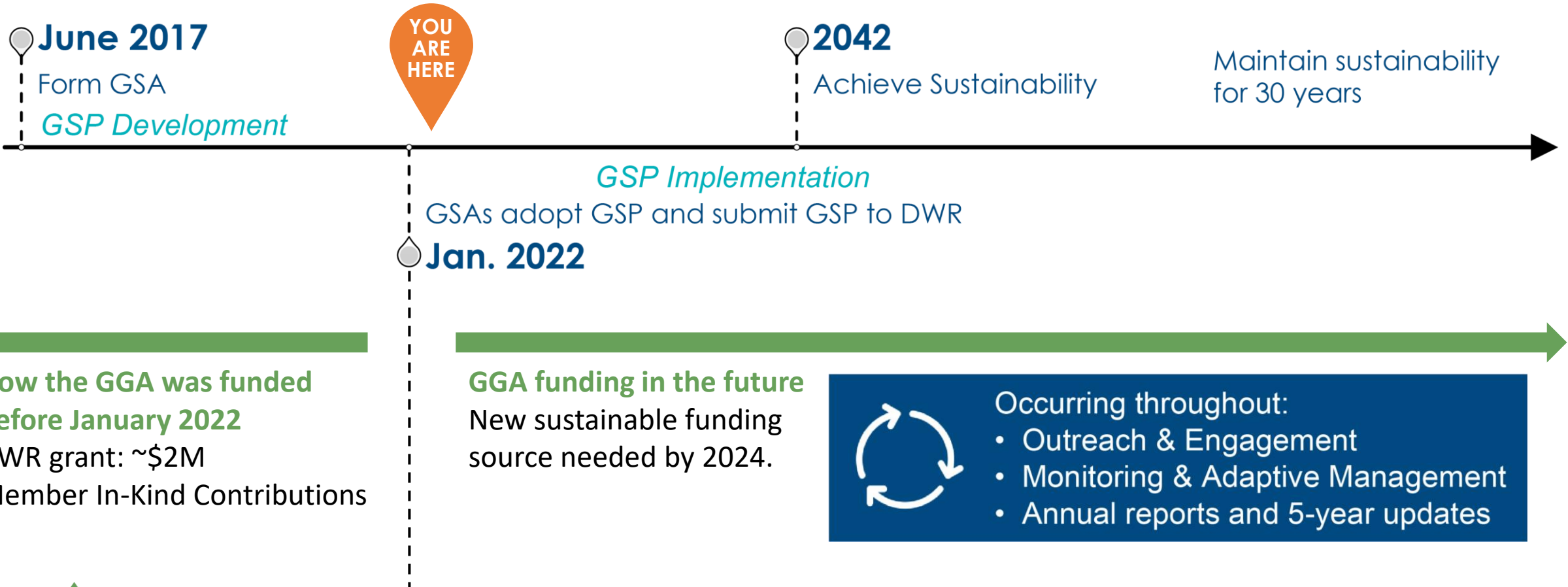
- GGA Member Agencies
 - City of Orland
 - City of Willows
 - County of Glenn
 - Glenn-Colusa Irrigation District
 - Glide Water District
 - Kanawha Water District
 - Monroeville Water District
 - Orland-Artois Water District
 - Princeton-Codora-Glenn Irrigation District
 - Provident Irrigation District
- The GGA is the GSA and is keeping costs as low as possible for landowners
- The GGA has been maintaining local control over our groundwater resources

Colusa Subbasin Groundwater Sustainability Agencies




GGA GSA – Long-Term Funding Strategy

SGMA Timeline



GGA GSA – Long Term Fee Project Schedule

GGA GSA 2023 Long Term Funding Project - Primary Milestones								
Project Tasks	Jan	Feb	Mar	Apr	May	June	July	August
GGA Project Outreach	>>>>>>>>>>	>>>>>>>>>>	>>>>>>>>>>	>>>>>>>>>>	>>>>>>>>>>	>>>>>>>>>>	>>>>>>>>>>	>>>>>>>>>>
GGA Board Meetings		B	B 	B	B		B	
GGA Ad-hoc Meetings	Ad-hoc	Ad-hoc	Ad-hoc	Ad-hoc				
Project Development								
Update Revenue Projections	Develop	Draft	Final					
Evaluation Fee Options	Develop	Draft	Final					
Prepare Options TM								
Prepare/Approve Fee Report								
Approve Proposed Fees								
Tax Roll Data To Assessor								8/10/2023

B = GGA GSA Board Meeting



Additional Public Workshop Dates

March 9, 2023
6:00 PM

**Glenn Success Square
Conference Center
131 E Walker St.
Orland, CA 95963**

March 13, 2023
6:00 PM

**Willows City
Council Chambers
201 N Lassen St.
Willows, CA 95988**

March 15, 2023
6:00 PM

**Jacinto Grange Hall
7254 County Road 39
Glenn, CA 95943**

GGA March 2023 Public Workshops A Success

Public Workshop Highlights Workshop Summaries Available On GGA GSA Website

Highlights:

- Attendees happy with Board's ability to keep current charges as low as possible
- Encouraged Board to consider fee option with lower charges to non-irrigators
- Continue with long term fee project outreach and website updates
- FAQs – added several questions received at Public Workshops
- Desire to prioritize charge options with lower implementation costs
- Support local control and funding through the GSA to keep future charges as low as possible
- Interested in seeing groundwater recharge projects implemented and grant funded if possible

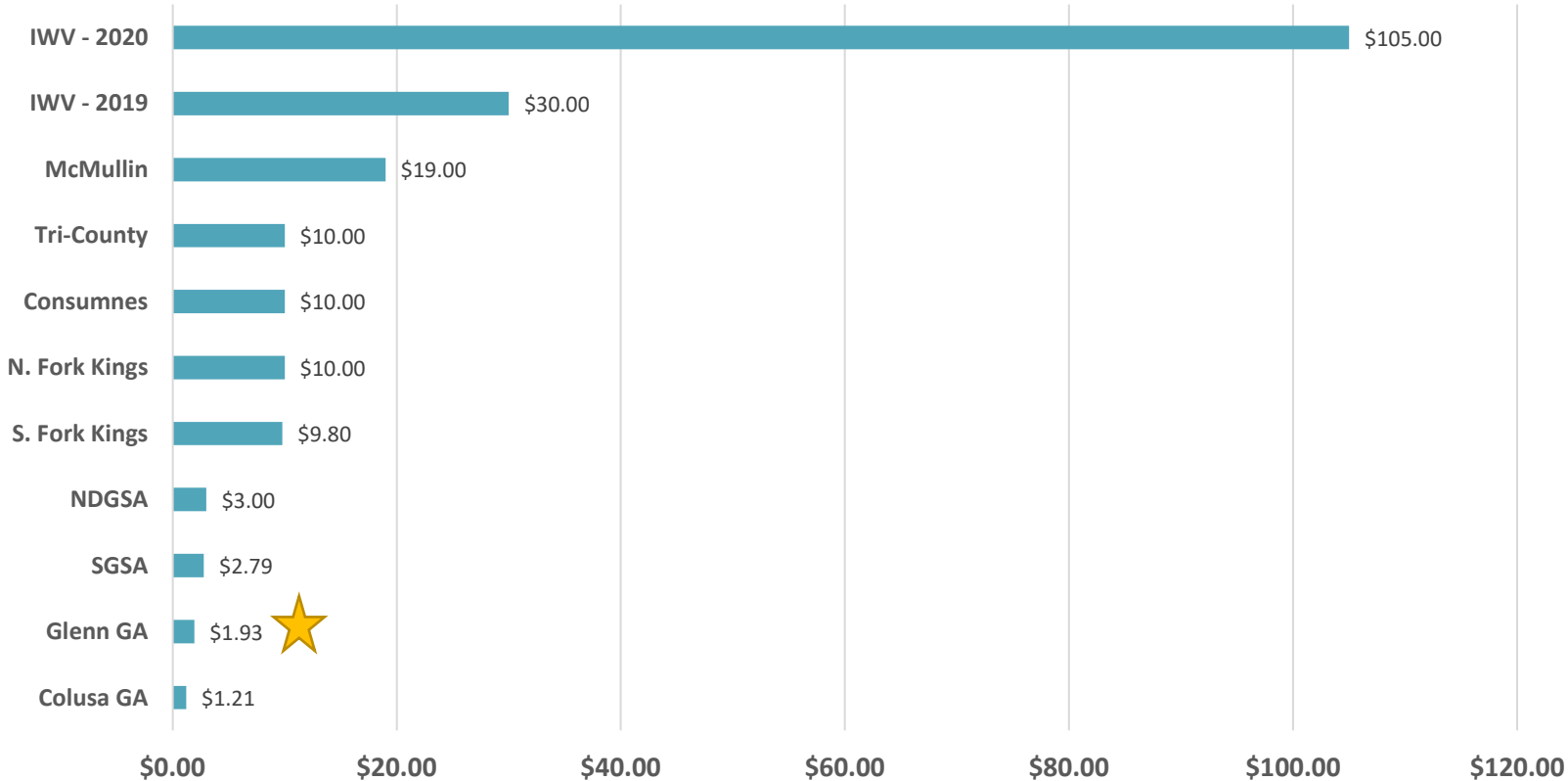
Available GGA GSA Website Information

ITEMS AVAILABLE ON GGA WEBSITE DURING PROJECT

- Colusa Subbasin Groundwater Sustainability Plan
- Annual Reports submitted to DWR
- 2019 GSA long term funding information
- 2023 GSA charge project information – include, if so, how much and for what
- Information on March 2023 Public Workshops – meeting recaps
- Long term funding Fact Sheet (printed versions available at this meeting)
- Frequently Asked Questions & Answers – to be updated during project
- <https://www.countyofglenn.net/dept/planning-community-development-services/water-resources/glenn-groundwater-authority>

Other GSA Charges Through 2022

GSA Charge Comparison - \$/Acre



IWV = Indian Wells Valley.

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

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

Prop. 218 process includes 45-day public notification, public hearing, and protest vote by parcel.

Proposition 26 requires at least one public meeting at least 20-days before Board fee approval.

Long Term GSA Funding – GGA Charge History

GGA Fees Year	Proposed Prop. 218 Charges	Actual Prop. 218 Charges	Max. Charge
FY19/20	\$1.61/ac.	\$1.61/ac.	\$1.93/ac.
FY20/21	\$1.62/ac.	\$1.50/ac.	\$1.93/ac.
FY21/22	\$1.73/ac.	\$1.50/ac.	\$1.93/ac.
FY22/23	\$1.93/ac.	\$1.50/ac.	\$1.93/ac.
FY23-24	\$1.93/ac.	TBD	\$1.93/ac.

The GGA Board has kept existing charges as low as possible during GSP development phase.

GGA Board Direction

FOR REVENUE PROJECTIONS TO USE IN FEE STUDY

Reasonable

Contingency

Sufficient

Inflation

Reliable

Include adequate legal services

Scope (GSA Admin., SGMA Compliance, Projects?)

Flexible – to address DWR requirements and compliance tasks

GGA GSA – Updated Revenue Projections For GSP Implementation and SGMA Compliance

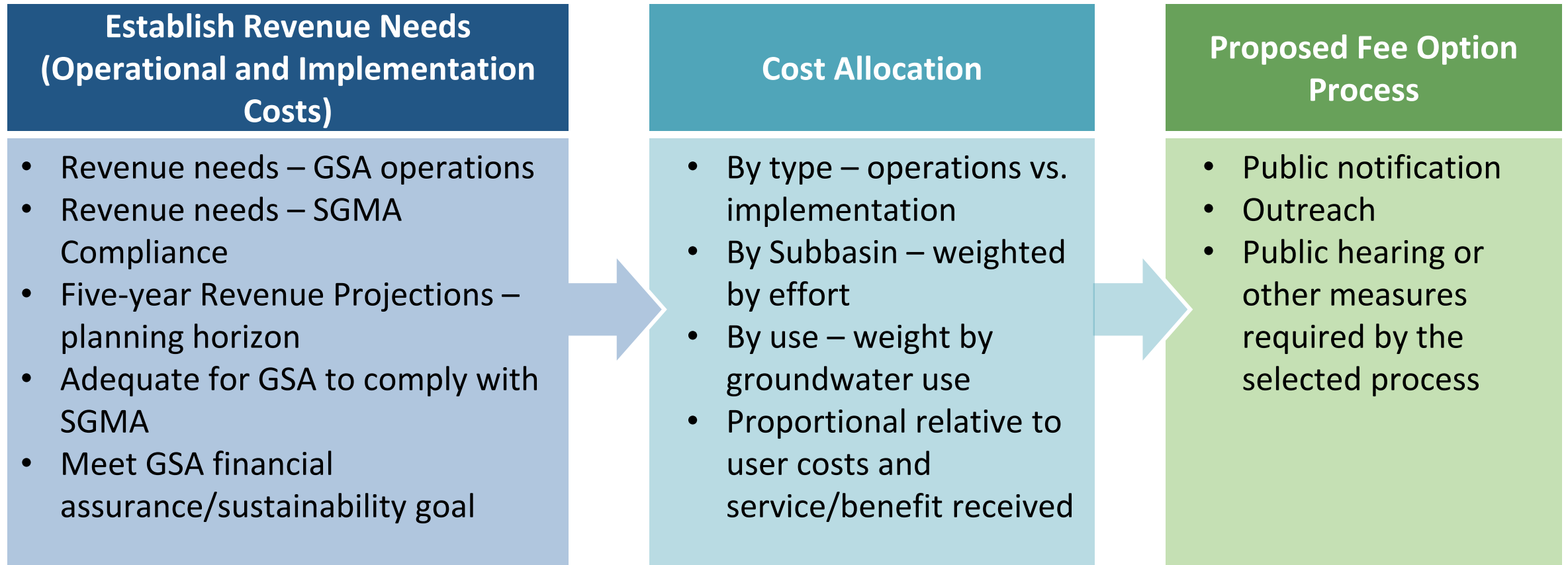
Posted on website
and may be updated
through May 2023.

COLUSA SUBBASIN GGA GSA - Long Term Funding Strategy					
Five-Year DRAFT GSA Operational Budget - GSP Implementation With SGMA Compliance Costs					
5-Year GSP Implementation Inflation Adjustment	0%	CPI Index	CPI Index	CPI Index	CPI Index
Proposed	Year 1	Year 2	Year 3	Year 4	Year 5
Cost Category-GSA Administration	2024	2025	2026	2027	2028
Administration - Contracted Services	\$170,000	\$200,000	\$220,000	\$170,000	\$170,000
Legal Services	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
CPA Audit Services - Financial	\$10,000	\$10,500	\$11,000	\$11,500	\$11,500
JPA Insurance	\$2,000	\$2,500	\$2,500	\$2,500	\$2,500
County A-87 Cost Allocation (Bookkeeper services)	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Professional Services	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Board Expenses	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Special Department Expenses	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Legal Notices	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
County Tax Roll Fee	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Contingency (10%)	\$40,750	\$43,850	\$45,900	\$40,950	\$40,950
GSA Administration Sub-Total	\$448,250	\$482,350	\$504,900	\$450,450	\$450,450
5-Year GSP Implementation Inflation Adjustment	0%	CPI Index	CPI Index	CPI Index	CPI Index
Cost Category-SGMA Compliance	2024	2025	2026	2027	2028
Annual Reporting	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
Five Year GSP Update w/Modeling Calibrations (due 2027)	\$60,625	\$60,625	\$60,625	\$60,625	\$48,500
Surface-GW Interaction Modeling	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
GSA Coordination & Outreach (w/in and between GSAs)	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Data Management System Upgrades and Maintenance	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Long Term Financial Planning/Fees	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500
Grant Procurement	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
GSP Project Implementation and Monitoring	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Contingency (8%)	\$24,650	\$24,650	\$24,650	\$24,650	\$23,680
Sub-Total	\$332,775	\$332,775	\$332,775	\$332,775	\$319,680
TOTAL GGA Administration (w/3% inflation adjustment)	\$448,250	\$496,821	\$535,194	\$490,991	\$504,504
TOTAL GGA SGMA Compliance (w/3% inflation adjustment)	\$332,775	\$342,758	\$352,742	\$362,725	\$358,042
TOTAL GGA Operational Budget	\$781,025	\$839,579	\$887,936	\$853,715	\$862,546



Long Term GSA Fee – Development Process

This is the step the GGA is currently at.



GGA Future Charge Options – Public Workshops

Potential Options - Examples	Consider
Charge/Acre for parcels subject to charge in GGA service area	Basis for current charges
Hybrid Land Use Approach	Include irrigated/non-irrigated
Other Option Ideas?	For Discussion at Public Workshop
Charge/Acre foot of groundwater extraction	Would require metering
State Water Resources Control Board Intervention Fees	GGA complying with SGMA

- Charge options evaluated will consider the implementation costs including GGA administration.
- 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.

GGA GSA – Charge Options To Evaluate

CHARGE OPTIONS TO CONSIDER

- \$/acre charge – total revenue needs/total assessable acreage
- Irrigated/Non-irrigated – to provide non-irrigators with lower charge option
- Land Use Hybrid – average crop water use and crop ET options
- Metered Use – most expensive (see implementation costs)
- Other?

GGA GSA – \$/acre Charge Option

COMMON CHARGE OPTIONS CONSIDERED

- \$/acre charge – total revenues/total acres subject to charge
- Has the lowest charge implementation costs
- Ease to implement and understand
- Does not account for land or water use factors
- Primary benefit – SGMA compliance
- Example Glenn Groundwater Authority GSA Charge = \$1.50/acre

GGA GSA – Irrigated/Non-Irrigated Charge Option

COMMON CHARGE OPTIONS CONSIDERED

- \$/acre charge – GSA Admin. Costs (all parcels share GSA costs by area) charge
- \$/acre charge – SGMA compliance charge lower for non-irrigated lands
- Ease to implement and understand
- Accounts for irrigated vs. non-irrigated lands
- Primary benefit – SGMA compliance
- Example Glenn Groundwater Authority GSA Charge = \$1.50/acre

GGA GSA – Irrigated/Non-Irrigated Charge Option

IRRIGATED/NON-IRRIGATED CHARGE EXAMPLE

GSA Example Charge – Year 1	Non-Irrigated	Irrigated
Tier 1: GSA Admin. Charge	\$1.92/acre	\$1.92/acre
Tier 2: SGMA Compliance Charge	\$0.88/acre	\$1.15/acre
Total	\$2.80/acre	\$3.07/acre

Concept is non-irrigated lands do not impact groundwater use or sustainability and would pay less than irrigated lands.

GGA GSA – Land Use Hybrid Charge Option

COMMON CHARGE OPTIONS CONSIDERED

- \$/acre charge – GSA Admin. Costs (all parcels share GSA costs by area)charge
- \$/acre charge – SGMA compliance charge lower non-irrigated lands
- More challenging to implement and understand
- Accounts for irrigated vs. non-irrigated lands
- Primary benefit – SGMA compliance
- Examples in Critically over drafted Subbasins.

GGA GSA – Land Use Hybrid Charge Option

LAND USE HYBRID CHARGE OPTION EXAMPLE

GSA Example Charge – Year 1	Non-Irrigated	Irrigated (Non-Orchard)	Irrigated (Orchard)
Tier 1: GSA Admin. Charge	\$1.92/acre	\$1.92/acre	\$1.92/acre
Tier 2: SGMA Compliance Charge	\$0.44/acre	\$1.22/acre	\$1.53/acre
Total	\$2.36/acre	\$3.14/acre	\$3.45/acre

Based on average water use by crop type to allocate costs between irrigated and non-irrigated lands.

GGA GSA – Land Use Hybrid (Water Use) Charge Option

LAND USE HYBRID (WATER USE) CHARGE OPTION EXAMPLE

Table ES-2. Vina Subbasin Total Water Use by Water Use Sector

Sector	WY 2022 (AF)		
	Groundwater	Surface Water	Total
Agricultural	253,800	20,500	274,300
Municipal	22,300	0	22,300
Rural Residential	2,600	0	2,600
Native Vegetation (Plant groundwater uptake)	76,000	0	76,000
Total	354,700	20,500	375, 200
Total (excluding Native Vegetation¹)	278,700	20,500	299,200

¹Since environmental groundwater use involves natural plant uptake of shallow groundwater, not direct pumping and extraction, a total volume is calculated that excludes it.

Table 1-2. Agricultural Acreages for Major Crop Types in Subbasin (2018 & 2022)

Land Use	2018 (Acres 1,000x)	2022 (Acres 1,000x)	Change (Acres 1,000x)	Change (%)
Rice	7.9	8.3	0.35	4.43
Walnuts	25.8	27.3	1.54	5.97
Idle or Fallow	2.9	4.3	1.45	49.96
Almonds	30.9	30.1	-0.83	-2.67
Deciduous*	6.4	8.4	1.97	30.57
Grain	2.4	1.7	-0.70	-28.57
Pasture	0.7	0.6	-0.05	-7.33

Based on average water use or ET by crop type to allocate costs between irrigated and non-irrigated lands. Land use hybrid charge methods generally have higher charge implementation costs.

GGA GSA – Options Evaluation Criteria

COMMON OPTION EVALUATION CRITERIA

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

Can impact
revenue
projections



GGA GSA Charge Options – Implementation Costs

GGA Board Meeting 3.22.23 from LSCE					
GGA Charge Options - Implementation Costs					
OPTION 1: \$/Ac	Year 1	Year 2	Year 3	Year 4	Year 5
County Tax Roll Fee Support	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Irrig/Non-Irrigated Admin.					
Land Use Hybrid Crop Type					
Land Use Hybrid ET Based					
Metered Use					
Total Option 1 Implem Costs	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Equivalent \$/ac cost	\$0.019	\$0.019	\$0.019	\$0.019	\$0.019
Current Charge Structure					
OPTION 2: Irrig/Non-Irrig	Year 1	Year 2	Year 3	Year 4	Year 5
County Tax Roll Fee Support	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Irrig/Non-Irrigated Admin.	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Land Use Hybrid Crop Type					
Land Use Hybrid ET Based					
Metered Use					
Total Option 2 Implem Costs	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Equivalent \$/ac cost	\$0.056	\$0.056	\$0.056	\$0.056	\$0.056
Lower Non-Irrigated Charge					
OPTION 3: Land Use Hybrid Crop Type	Year 1	Year 2	Year 3	Year 4	Year 5
County Tax Roll Fee Support	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Irrig/Non-Irrigated Admin.	\$0	\$0	\$0	\$0	\$0
Land Use Hybrid Crop Type	\$168,795	\$168,795	\$168,795	\$168,795	\$168,795
Land Use Hybrid ET Based					
Metered Use					
Total Option 3 Implem Costs	\$173,795	\$173,795	\$173,795	\$173,795	\$173,795
Equivalent \$/ac cost	\$0.64	\$0.64	\$0.64	\$0.64	\$0.64
Avg Crop Water Use Charge					
OPTION 4: Land Use Hybrid Crop ET	Year 1	Year 2	Year 3	Year 4	Year 5
County Tax Roll Fee Support	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Irrig/Non-Irrigated Admin.	\$0	\$0	\$0	\$0	\$0
Land Use Hybrid Crop Type	\$0	\$0	\$0	\$0	\$0
Land Use Hybrid ET Based	\$283,576	\$283,576	\$283,576	\$283,576	\$283,576
Metered Use	\$0	\$0	\$0	\$0	\$0
Total Option 4 Implem Costs	\$288,576	\$288,576	\$288,576	\$288,576	\$288,576
Equivalent \$/ac cost	\$1.07	\$1.07	\$1.07	\$1.07	\$1.07
Monthly ET Based Charge					
OPTION 5: Metered Use	Year 1	Year 2	Year 3	Year 4	Year 5
County Tax Roll Fee Support	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Irrig/Non-Irrigated Admin.	\$0	\$0	\$0	\$0	\$0
Land Use Hybrid Crop Type	\$0	\$0	\$0	\$0	\$0
Land Use Hybrid ET Based	\$0	\$0	\$0	\$0	\$0
Metered Use	\$1,968,750	\$2,062,500	\$2,156,250	\$2,250,000	\$2,343,750
Total Option 5 Implem Costs	\$1,973,750	\$2,067,500	\$2,161,250	\$2,255,000	\$2,348,750
Equivalent \$/ac cost	\$7.31	\$7.66	\$8.00	\$8.35	\$8.70
Metered Charge - 2,500 wells					



GGA Board Direction – 2023 Long Term Fee Project

RECOMMENDATIONS

- Approve recommended charge options to evaluate for Fee Project
- Provide any additional direction regarding Fee Project outreach activities
- Next Step – Approve Charge Options TM at April 2023 Board meeting