

Santa Rosa Plain Groundwater Sustainability Agency Groundwater Fee Recommendation

May 19, 2022

Board of Public Utilities

Peter Martin, Deputy Director Water Resources



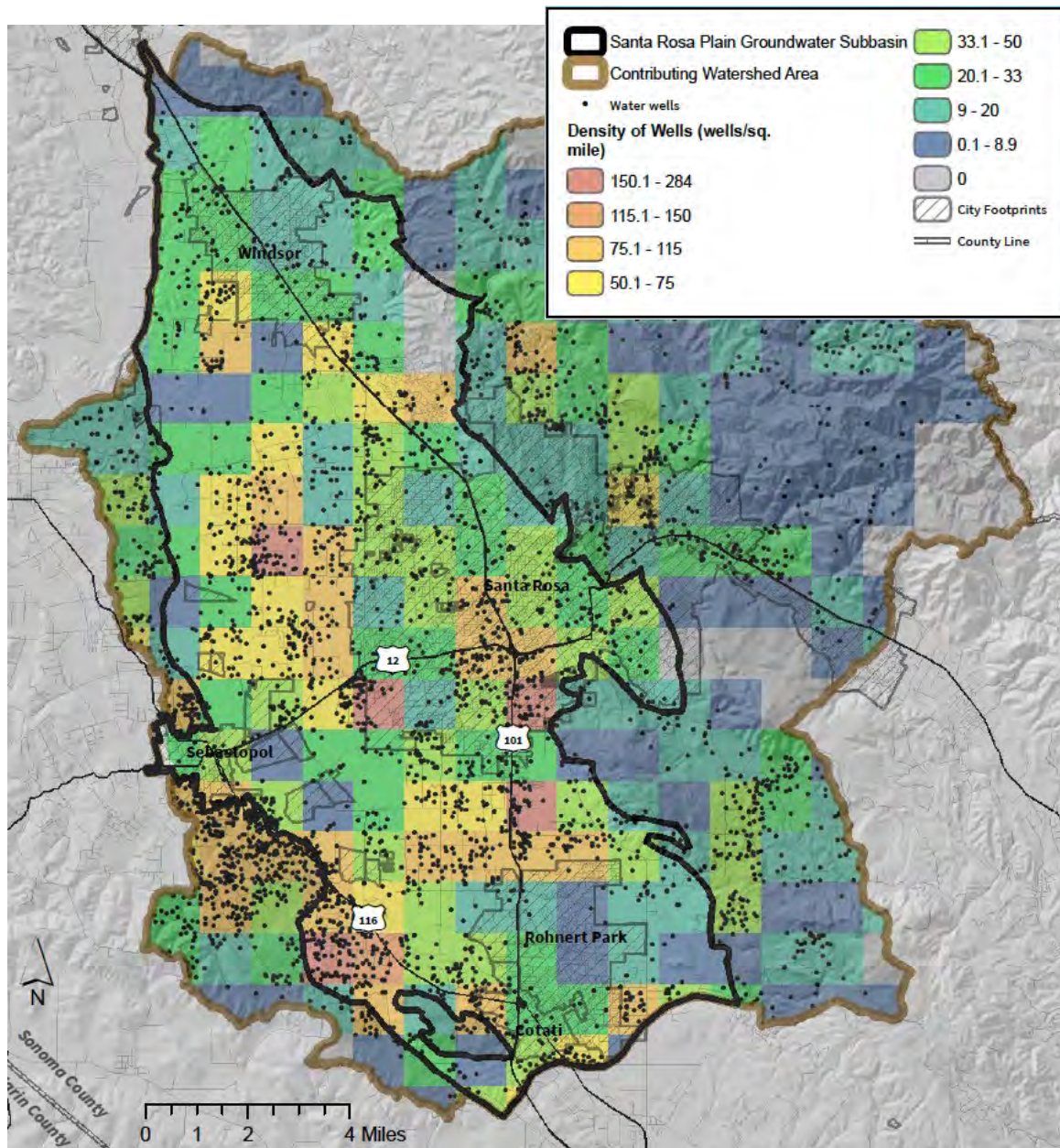
SANTA ROSA PLAIN
GROUNDWATER
SUSTAINABILITY AGENCY



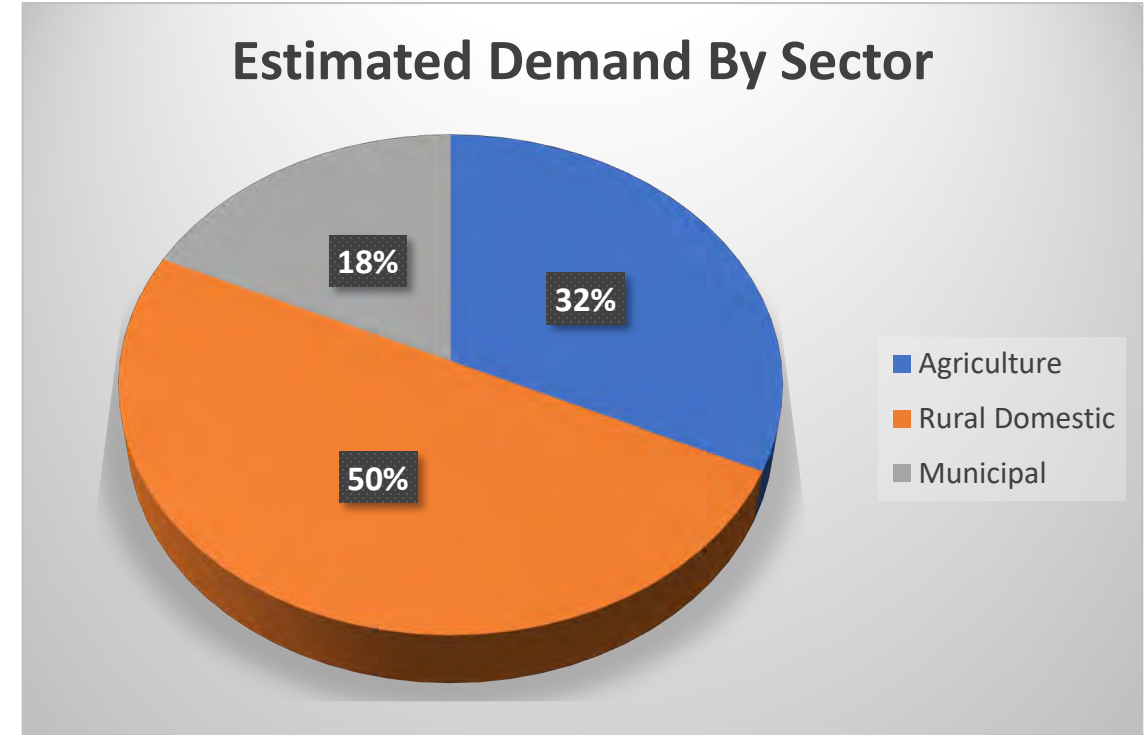
OUR FUTURE IN EVERY DROP

What does the Sustainable Groundwater Management Act Require?

- Law became effective January 1, 2015.
- Groundwater Sustainability Agencies (GSAs) must be formed and prepare and submit Groundwater Sustainability Plans (GSPs) by:
 - January 2020, for critically overdrafted basins
 - January 2022, for remaining high and medium priority basins
- GSPs must include measurable objectives and milestones in five year implementation increments to achieve sustainability within 20 years of GSP adoption



There are an estimated 7,000 wells in the basin, including rural domestic, mutual water companies, agricultural, and municipal supply



Existing Groundwater Sustainability Fee

Current fee, for development of Groundwater Sustainability Plan:

- In 2019, the Santa Rosa Plain GSA Board of Directors adopted a fee of \$19.90 per acre-foot of groundwater pumped annually
- Fee was meant to sustain the GSA for three-year development of GSP (July 2019 – June 2022)
- Fee is assessed on all groundwater **users** in the basin
- Rural homeowners are assessed a flat fee of \$9.95
- Sonoma County and Sonoma Water have covered costs for private wells from 2019 until June 30, 2022

Groundwater Sustainability Rate and Fee Study

SRP GSA Anticipated additional resources necessary for Implementation of Groundwater Sustainability Plan:

- Three Sonoma County GSAs are finalizing rate and fee study update for funding GSP implementation beginning July 1, 2022 (5 Years)
 - SCI Consulting Group and Larry Walker Associates
- Existing Rate of \$19.90 per acre foot of water extracted remains in effect
- Evaluated forecasted budget and multiple fee options

Fee Study & Adoption Schedule

Mar-Apr
Community
Meetings,
AC, Staff,
Liaison

April
Follow-up
Board to
finalize
fees, issue
hearing
notice

May
Additional
Board
meeting on
May 12

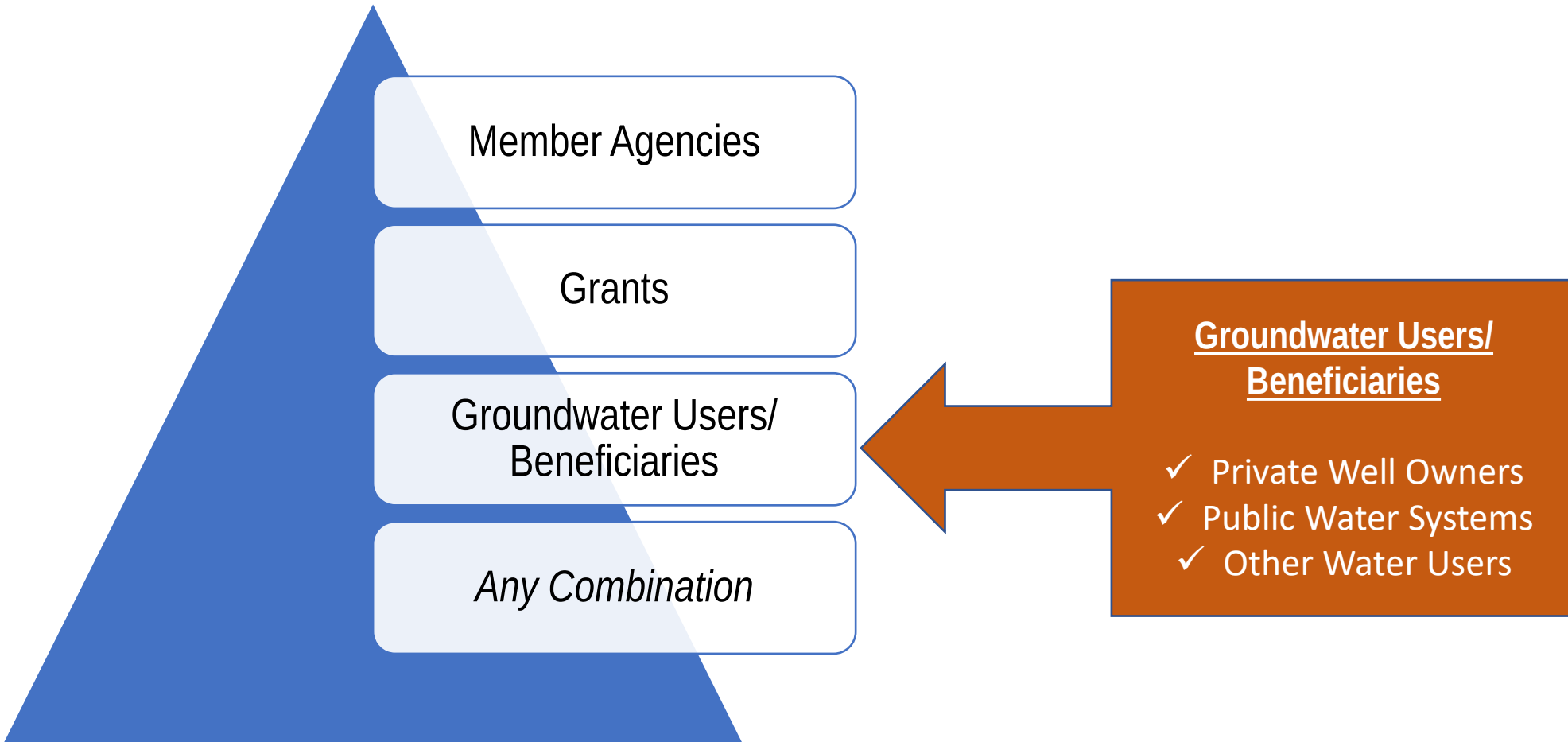
June
Public
Hearing on
Fees, Board
adoption

August
Annual
deadline for
billing on Tax
Bills



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Potential Funding Sources Evaluated



Projected SRP GSA Budget: 5 years

Average annual budget costs: FY 2022-23 through FY 2026-27

Item	Total Cost
Operations (administration, legal, insurance, audits, grant-seeking)	257,000
Closing data gaps	199,200
Monitoring	154,000
Projects & Actions	112,000
Outreach, communication, engagement, agency coordination	99,000
Groundwater Model Updates	70,000
5-year GSP Update	60,000
Contingency & Reserves	123,400
TOTAL	\$1,074,600

April SRP GSA Board of Directors Meeting

Gave Direction to the Rate and Fee Consultant to:

- Retain existing rate structure with updated fee level (groundwater fee)
- Did not support:
 - Wellhead fees
 - Parcel Tax
 - Benefit Assessment
- Assume 25% of 5-year budget will be met with grants
 - Significant funding from Proposition 68 is available for implementation of GSPs
- Complete analysis to be implemented by June 2022 – next year tax rolls

Proposed Fee: 5-year implementation

- Initial Draft Fee under consideration is \$38.28 per acre-foot of groundwater pumped annually.
- Equivalent to \$19-\$20 a year for rural homeowners (0.5 acre-feet annually)

Fee Calculation: Total Cost divided by Total Acre-Feet

$$\text{\$805,900} \div \text{\$21,100 AF} \approx \text{\$38.28 per acre-foot}$$

Fiscal Impacts – Santa Rosa Water

Historical Fee Contributions (FYs 2019 – 2021)

$$\text{\$19.90} \times \sim 1600 \text{ acre-feet} = \text{\$31,800}$$

Draft five-year Fee being Considered (FYs 2022 – 2026)

$$\text{\$38.28} \times \sim 1600 \text{ acre-feet} = \text{\$61,300}$$

Community Outreach

Public Meetings regarding Draft GSP

- The Santa Rosa Plain held four community meetings regarding the Rate and Fee Study and Proposals
 - Two virtual meetings via zoom (March)
 - In Person Meetings (April)
 - Town of Windsor
 - Santa Rosa
- SRP GSA Board of Directors Meetings
- SRP GSA Advisory Committee Meetings
- SRP GSA Board will consider adoption of a revised fee amount at a public hearing on June 9, 2022

Recommendation

It is recommended by Santa Rosa Water staff that the Board of Public Utilities consider the revised groundwater sustainability user fee for the Santa Rosa Plain Groundwater Sustainability Agency, and, by motion, recommend that Santa Rosa's GSA Board member support adoption of the revised fee at the SRP GSA June 9, 2022 Public Hearing.



Questions?