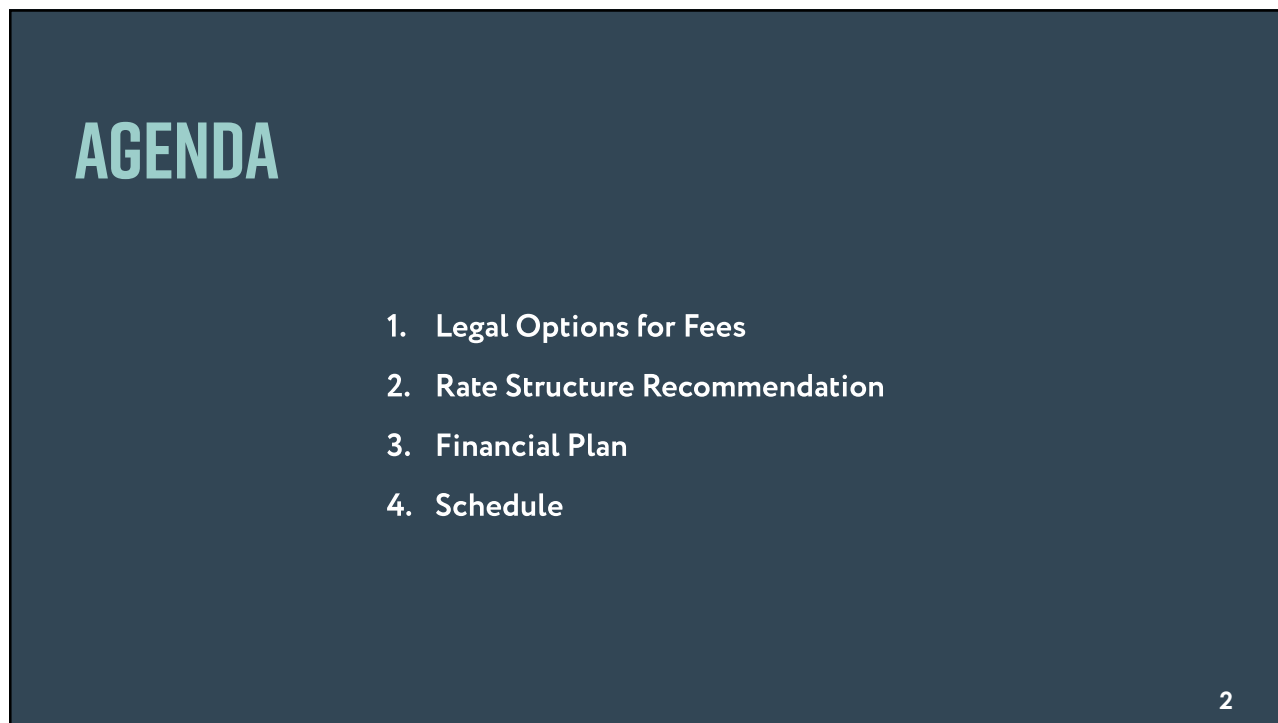




1



2

Funding Options Overview

Pre-GSP

Funding authority: “may impose fees, including, but not limited to, permit fees and fees on groundwater extraction or other regulated activity”

Silent whether Prop 26 or Prop 218 apply.

Eligible costs: Preparation, adoption, and amendment of a GSP, and investigations, inspections, compliance assistance, enforcement, and program admin, including prudent reserve.

Post-GSP

Funding authority: Fees must be adopted in accordance with Prop 218.

Eligible costs: Groundwater management, including, but not limited to, the costs of:

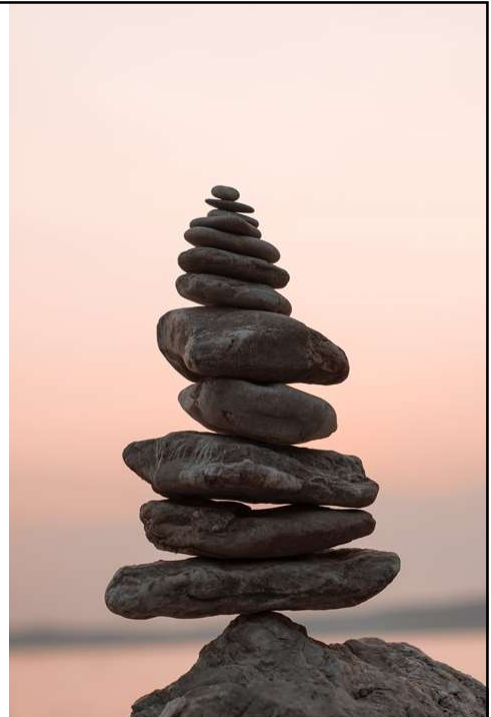
- (1) Administration, operation, and maintenance, including a prudent reserve.
- (2) Acquisition of lands or other property, facilities, and services.
- (3) Supply, production, treatment, or distribution of water.
- (4) Other activities necessary or convenient to implement the plan.

3

3

Fee Goals

- ✓ Fiscally responsible
- ✓ Equitable
- ✓ Legal defensible
- ✓ Implementable (data)
- ✓ Buy-in from stakeholders



4

Pre-GSP Fee Legal Vehicles



Prop. 26 (CA Constitutional Art. XIII C)

- ☒ 1) Specific benefit/service exception
- ☒ 2) Reasonable regulatory costs exception
- ☒ 3) Special tax: Approval by 2/3 vote

Prop. 218 (CA Constitutional Art. XIII D)

- ☒ 4) Property-related fee (subject to majority protest process)
- ☒ 5) Special assessment (approval by 2/3 vote)

Water Code 10730 (SGMA)

- ☒ 6) Fees to fund the cost of a groundwater sustainability program

5

5

De minimis extractors

"De minimis extractor" is a person who extracts, for domestic purposes, two acre-feet or less per year.

GSA is not authorized to impose a fee on a de minimis extractor unless the GSA has "regulated the user pursuant to (SGMA)." Authority to regulate is conferred to the GSA after the GSP is adopted.



6

6

Basin Statistics - Acreage

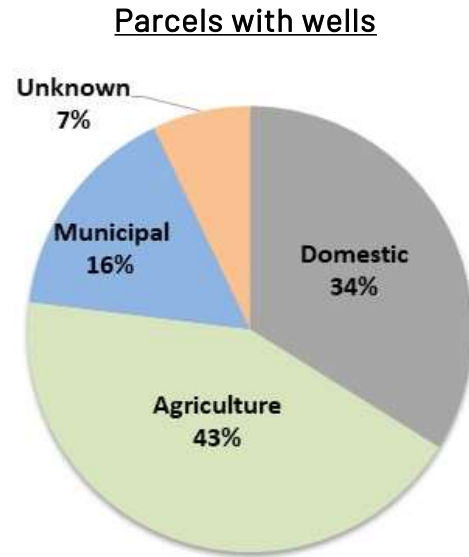
Total Basin: 4,800 acres¹

Parcels with wells: 2,197 acres²

- Public Agencies: 350 acres
- Agricultural: 946 acres
- Domestic: 744 acres

¹ Source: Basin Boundary Modification Memo

² Source: Flight Parcel Analysis



7

Basin Statistics – Groundwater Usage

- Public Agencies: 4,030 AF¹
 - City of Ventura 2,384 AF
 - Meiners Oak 667 AF
 - Ventura River WD 821 AF
 - Casitas 58 AF
- Agricultural: 862 AF²
- Mutual Water Co.³ 59 AF⁴
- De minimus: (TBD)

Total Usage for Fee Calculation: 4,950.9 AF

¹ Source: Pumping records

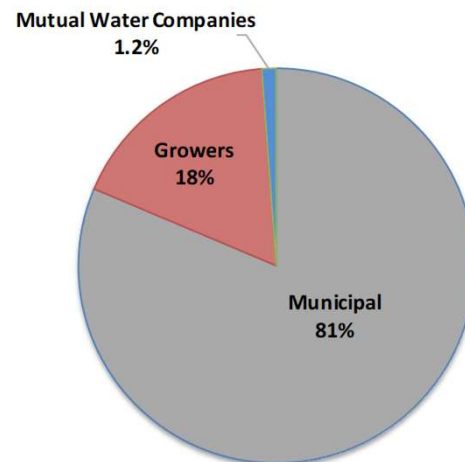
² Source: estimated based on land use and self-reporting

³ MWC = Mutual Water Companies (domestic)

⁴ Source: estimated based on land use and self-reporting

⁵ Source: UVRB Wells SWN and APN (County)

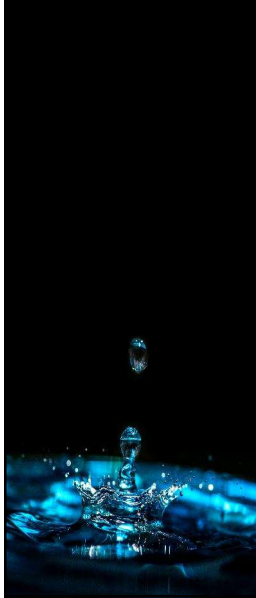
Estimated Groundwater Usage



8

8

Pre-GSP Fee Structure Options



- ✓ 1. Estimated usage extraction fee
 - Most feasible and equitable
- ✗ 2. Flat parcel fee
 - Not as equitable
- ✗ 3. Metered extraction fee
 - Not feasible within timeframe
- ✗ 4. Voluntary/obligatory contributions from member agencies
 - Not equitable
- ✗ 5. Parcel tax
 - Expensive, lengthy and unreliable process
- ✗ 6. Special assessment
 - Expensive, lengthy and unreliable process

9

9

Financial Plan #1 (Smooth Rates)

		FY2018/19	FY2019/20	FY2020/21	FY2021/22	FY2022/23	FY2023/24	
	Expenses							
1	Labor	\$31,000	\$31,930	\$32,888	\$33,875	\$34,891	\$35,937	
2	Office	\$9,000	\$9,270	\$9,548	\$9,835	\$10,130	\$10,433	
3	Professional Services	\$127,000	\$130,810	\$134,734	\$138,776	\$141,381	\$145,622	
4	Grant Tasks	\$116,836	\$195,641	\$231,413	\$120,776	\$0	\$0	
5	Contribution Reimbursement*	\$0	\$0	\$4,188	\$76,692	\$126,105	\$3,664	
6	Total Expenses	\$283,836	\$367,651	\$412,771	\$379,953	\$312,506	\$195,657	
	Sources							
7	DWR Grant Revenue	\$35,784	\$89,046	\$212,771	\$179,953	\$112,506	\$0	
8	Scheduled Contributions	\$249,200	\$0	\$0	\$0	\$0	\$0	
9	Additional Contributions*	\$0	\$187,709	\$0	\$0	\$0	\$0	
10	Subtotal for Other Sources	\$284,984	\$276,755	\$212,771	\$179,953	\$112,506	\$0	
11	Fee Revenue Requirement	\$0	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	5-Year Total \$1,000,000
12	Use of Reserves	(\$1,148)	(\$109,104)	\$0	\$0	\$0	(\$4,343)	
14	Beginning Fund Balance	\$69,748	\$70,896	\$180,000	\$180,000	\$180,000	\$180,000	
15	Ending Fund Balance	\$70,896	\$180,000	\$180,000	\$180,000	\$180,000	\$184,343	

* Additional contributions from member agencies will be reimbursed at a 5% interest rate.

Fee = \$40.40 / AF per year

10

10

**Financial
Plan #2**
(Just-in-time Rates)

	FY2018/19	FY2019/20	FY2020/21	FY2021/22	FY2022/23	FY2023/24
Expenses						
1 Labor	\$31,000	\$31,930	\$32,888	\$33,875	\$34,891	\$35,937
2 Office	\$9,000	\$9,270	\$9,548	\$9,835	\$10,130	\$10,433
3 Professional Services	\$127,000	\$130,810	\$134,734	\$138,776	\$141,381	\$145,622
4 Grant Tasks	\$116,836	\$195,641	\$231,413	\$120,776	\$0	\$0
5 Contribution Reimbursement*	\$0	\$0	\$0	\$0	\$0	\$0
6 Total Expenses	\$283,836	\$367,651	\$408,583	\$303,261	\$186,401	\$191,993
Sources						
7 DWR Grant Revenue	\$35,784	\$89,046	\$212,771	\$179,953	\$112,506	\$0
8 Scheduled Contributions	\$249,200	\$0	\$0	\$0	\$0	\$0
9 Additional Contributions*	\$0	\$0	\$0	\$0	\$0	\$0
10 Subtotal for Other Sources	\$284,984	\$89,046	\$212,771	\$179,953	\$112,506	\$0
11 Fee Revenue Requirement	\$0	\$387,710	\$195,812	\$123,309	\$73,895	\$191,992
						5-Year Total \$972,718
12 Use of Reserves	(\$1,148)	(\$109,105)	\$0	(\$1)	(\$0)	\$1
14 Beginning Fund Balance	\$69,748	\$70,896	\$180,001	\$180,001	\$180,001	\$180,001
15 Ending Fund Balance	\$70,896	\$180,001	\$180,001	\$180,001	\$180,001	\$180,001
* Additional contributions from member agencies will be reimbursed at a 5% interest rate.						
	Rates (\$/AF):	\$78.31	\$39.55	\$24.91	\$14.93	\$38.78

11

11

Fee Adoption Process

- ✓ Publish notice of meeting once a week for two weeks prior to public hearing
- ✓ Mail notice to interested parties
- ✓ Make available report and data upon which proposed fee is based
- ✓ Hold public hearing
- ✓ Fee must be adopted by ordinance or resolution

12

12

Fee Collection

✗ • Ad valorem property tax bill (complicated and not timely)

- ✓ • "Hand" bills
- One time
 - Biannually
 - Quarterly

If an owner / operator fails to pay the fee within 30 days of it becoming due, they shall be liable to the Agency for interest at the rate of 1% per month on the delinquent amount of the groundwater fee and a 10-percent penalty

13

13

LOCAL GSA EXTRACTION CHARGE SURVEY

Mound Basin GSA - \$74 / AF (decreasing to \$38 / AF in 4 years)

Annual revenue: \$194 thousand

Fillmore – Piru Basin GSA - \$8.50 / AF

Annual revenue: \$213 thousand

Fox Canyon Groundwater Management Agency = \$6.50 / AF

Annual revenue: \$670 thousand

14

14

Schedule & Next Steps

✓ Jan 10

TBD

July 1

Fee Structure Board Workshop

Public Hearing

Fees Due

Board Actions

☐ Vote whether to move forward with Estimated Extraction Fee

☐ Vote on the form of the Fee (smooth vs. just-in-time)

☐ Discuss public hearing and notification process

15

15