

**BOARD OF DIRECTORS**

**UPPER VENTURA RIVER GROUNDWATER AGENCY**

**RESOLUTION NO. 2019-4**

**A RESOLUTION OF THE UPPER VENTURA RIVER GROUNDWATER AGENCY ESTABLISHING A REGULATORY FEE WITHIN THE UPPER VENTURA RIVER SUB-BASIN OF THE VENTURA RIVER VALLEY GROUNDWATER BASIN (DEPARTMENT OF WATER RESOURCES SUB-BASIN # 4-003.01) TO FUND THE COSTS OF A GROUNDWATER SUSTAINABILITY PROGRAM**

**WHEREAS**, the California Legislature has adopted, and the Governor has signed into law, the Sustainable Groundwater Management Act of 2014 ("Act"), which authorizes local agencies to manage groundwater in a sustainable fashion; and

**WHEREAS**, the legislative intent of the Act is to provide for sustainable management of groundwater basins, to enhance local management of groundwater, to establish minimum standards for sustainable groundwater management, and to provide local agencies with the authority to sustainably manage groundwater; and

**WHEREAS**, the Act requires the formation and/or designation of Groundwater Sustainability Agencies ("GSA") for the purpose of achieving groundwater sustainability through the development, adoption, and implementation of a Groundwater Sustainability Plans ("GSP") for all groundwater basins designated by the Department of Water Resources ("DWR") as medium- or high-priority; and

**WHEREAS**, DWR has designated the Upper Ventura River Valley Sub-basin of the Ventura River Valley Groundwater Basin (DWR Sub-Basin # 4-003.01) ("Basin") as a medium-priority basin; and

**WHEREAS**, on March 9, 2017, the Upper Ventura River Groundwater Agency ("Agency") adopted Resolution No. 2017-2 electing to become the GSA for the Basin; and

**WHEREAS**, prior to the adoption of a GSP, the Act authorizes a GSA to impose regulatory fees to fund the costs of a groundwater sustainability program, including, but not limited to, preparation, adoption, and amendment of a GSP, and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve; and

**WHEREAS**, the Agency has undertaken a study to determine its annual expenses associated with funding the costs of a groundwater sustainability program; and

**WHEREAS**, on May 9, 2019, the Agency adopted a report entitled *Upper Ventura River Groundwater Agency 2019 GSA Fee Study* ("Report"), which details the data upon which the Agency's proposed regulatory fee on groundwater use ("Regulatory Fee") is based; and

**WHEREAS**, the Regulatory Fee complies with the requirements of the California Constitution and state law, including the Act; and

**WHEREAS**, the Agency has held numerous public meetings concerning development and establishment of the Regulatory Fee and undertaken extensive efforts to individually contact Basin stakeholders subject to the Regulatory fee, including sending notices advising each stakeholder subject to the Regulatory Fee of his or her estimated groundwater extraction and associated estimated Regulatory Fee; and

**WHEREAS**, the Agency has complied with all applicable noticing requirements for the public hearing by (1) publishing the public hearing notice pursuant to Government Code section 6066 in the Ojai Valley News and the Ventura County Star on May 31, 2019 and June 7, 2019, (2) posting the public hearing notice on the Agency's website (available at <https://uvrgroundwater.org/>), and (3) mailing the notice to any interested party who filed a written request with the Agency for mailed notices; and

**WHEREAS**, the Agency has uploaded the Report to its website (<https://uvrgroundwater.org/>) and otherwise made it available to the public at least ten (10) days before the public hearing; and

**WHEREAS**, on this day, the Agency held a public hearing to consider establishment of a Regulatory Fee to fund the costs of a groundwater sustainability program.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Upper Ventura River Groundwater Agency, as follows:

1. **Incorporation of Recitals.** All recitals in this resolution are true and correct and supported by substantial evidence in the record.
2. **Findings.** Based upon substantial evidence in the record, the Agency's Board of Directors makes the following findings: The revenues derived from the Regulatory Fee (a) will not exceed the funds required to fund the costs of a groundwater sustainability program, as authorized by Water Code section 10730, and will not be used for any other purpose; and (2) bear a fair or reasonable relationship to the payor's benefits received from development and adoption of a groundwater sustainability program.
3. **Establishment of Regulatory Fee.** In accordance with the Report, the Agency hereby adopts and establishes an annual Regulatory Fee not to exceed \$79.16 per acre-foot on all persons who extract groundwater from the Basin, except for those persons who extract, for domestic purposes, two (2) acre-feet or less per year (i.e. de minimis extractors as defined by section 10721(e) of the Water Code). This Regulatory Fee will become effective July 1, 2019 and will remain in effect unless superseded or rescinded by action of the Agency's Board of Directors.
4. **Setting of Regulatory Fee for 2019/2020 Fiscal Year.** Based on adopted budgetary requirements for the Agency's 2019/2020 fiscal year, the Agency hereby sets its Regulatory Fee at \$77.89 per acre-foot.

5. **Review of Regulatory Fee.** Annually during its budget review and adoption process, the Agency will review the Regulatory Fee to determine if the Regulatory Fee is sufficient to cover its authorized expenses and, based on that review, the Agency has the authority to increase or decrease the Regulatory Fee up to the not-to-exceed amount of \$79.16 per acre-foot. Notwithstanding the previous sentence, the Agency may increase the Regulatory Fee above \$79.16 per acre-foot amount as necessary or appropriate in compliance with the California Constitution, section 10730 of the Water Code, and other applicable state law.
6. **Billing and Collection of Regulatory Fee.** The Regulatory Fee will be billed semiannually with billing periods covering January 1 through June 30 and July 1 through December 31 of each calendar year. The Agency directs the Executive Director to prepare and send out invoices in accordance with this schedule.
7. **Penalties and Interest for Nonpayment.** Consistent with section 10730.6 of the Water Code, persons who fail to pay his or her Regulatory Fee within thirty (30) days of it becoming due will be charged interest at the rate of one percent (1%) per month on the delinquent amount of the Regulatory Fee and a ten percent (10%) penalty. Any interest payments, penalties or overdue fees may be waived upon a finding of good cause by an affirmative vote of the Agency's Board of Directors.
8. **Protest.** In compliance with section 10731 of the Water Code, any person subject to the Regulatory Fee may file a protest of the Agency's determination of his or her estimated amount of groundwater production, the Regulatory Fee, interest, and/or penalties no later than twenty (20) days after the Agency has mailed a written notice of such determination. If a protest is filed pursuant to this authority, the Agency will hold a hearing to determine the total amount of the groundwater production and the Regulatory Fee, interest, and penalties. Notice of the hearing will be mailed to each protestant at least twenty (20) days before the date fixed for the hearing. Following the hearing, notice of the Agency's determination will be mailed to each protestant who will have twenty (20) days from the date of mailing of the determination to pay the Regulatory Fee, interest, and penalties determined by the Agency.
9. **Additional Authorization.** The Executive Director is hereby authorized and directed to take such other and further actions as may be necessary or appropriate to implement the intent and purposes of this resolution.
10. **Effective Date of Resolution.** This resolution will take effect immediately upon passage and adoption.

**WE, THE UNDERSIGNED**, do hereby certify that the above and foregoing Resolution No. 2019-4 was duly adopted and passed by the Board of Directors of the Upper Ventura River Groundwater Agency as a public hearing held on the 13th day of June 2019, by the following vote:

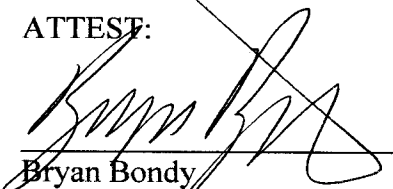
**AYES:**

**NOES:**


**ABSENT:**

  
\_\_\_\_\_  
Bruce Kuebler, Board Chair

**ATTEST:**

  
\_\_\_\_\_  
Bryan Bondy  
Executive Director

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Upper Ventura River Groundwater Agency  
General Counsel