

RESOLUTION NO. 2022-051

**A RESOLUTION OF
THE BOARD OF DIRECTORS OF
CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY
REDUCING ITS GROUNDWATER EXTRACTION FEE AGAINST ALL
PERSONS OPERATING GROUNDWATER EXTRACTION FACILITIES
WITHIN THE CUYAMA BASIN**

WHEREAS, pursuant to the Sustainable Groundwater Management Act (SGMA), Groundwater Sustainability Agencies (GSA) are authorized to collect regulatory fees (Wat. Code, § 10730); and

WHEREAS, SGMA authorizes a GSA to impose fees and increase those fees to fund the cost of a groundwater sustainability program, including the preparation, adoption and amendment of a groundwater sustainability plan (GSP), and investigations, compliance assistance, enforcement, and program administration, including a prudent reserve; and

WHEREAS, the types of fees that can be imposed include fees on groundwater extraction; and

WHEREAS, on November 6, 2019, pursuant to Water Code section 10730, the Board of Directors (Board) of the Cuyama Basin Groundwater Sustainability Agency (Agency) authorized the imposition of a \$19 per acre foot groundwater extraction fee; and

WHEREAS, on August 13, 2020, pursuant to Water Code section 10730, the Board authorized the increase of the existing \$19 per acre foot groundwater extraction fee to \$44 per acre foot; and

WHEREAS, on May 3, 2021, the Board authorized the reduction of the existing \$44 per acre foot groundwater extraction fee to \$39 per acre foot; and

WHEREAS, after a review of the financial standing of the Agency, the Board has again determined that the existing foot groundwater extraction fee may be reduced; and

WHEREAS, the Agency gave notice concerning this proposed reduction as follows:

1. By posting on the Agency's website at www.cuyamabasin.org.
2. By mailing all landowners within the Agency's boundaries notice of the public fee hearing.
3. By posting the data upon which the reduced fee is based on the Agency's website.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Cuyama Basin Groundwater Sustainability Agency that the existing \$39 per acre foot groundwater extraction fee shall be reduced as follows:

1. The existing \$39 per acre foot groundwater extraction fee shall be reduced to \$38 per acre foot and such reduced fee shall be levied on all groundwater extracted from within the Agency boundary. Commercial water users using 1.5 acre feet or less in a year per well and domestic water users using 2.0 acre feet or less in a year per well are deemed to be de minimis users and exempt from this fee.

2. The 2022-2023 Groundwater Extraction Fee Report (Report) on which this reduction is based is attached as **Exhibit A** and incorporated herein by reference. The Report is approved and adopted, and Agency staff is directed to comply with its provisions.

3. The Board makes the following findings, based upon the testimony and evidence (including exhibits) presented at the public hearing on the fee reduction:

(a) Revenues derived from the groundwater extraction fee will not exceed the costs of Agency's groundwater sustainability program.

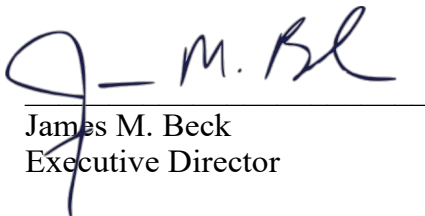
(b) Revenues derived from the groundwater extraction fee shall not be used for any purpose other than that for which the groundwater extraction fee is imposed.

PASSED, APPROVED, AND ADOPTED this 4th day of May 2022.



Derek Yurosek, Board Chair

ATTEST:



James M. Beck
Executive Director

Exhibit A

FISCAL YEAR 2022-2023 BUDGET AND CASH FLOW

DRAFT CBGSA FY 2022-23 BUDGET

A		B	C	D	E	F
Category		3-Yr Grant Funded	Grant Budget	2022-23 Budget	2023-24 Budget	2024-25 Budget
A HALLMARK GROUP						
1	CBGSA Board of Directors Meetings	Y	\$ 870,000	\$ 111,397	\$ 111,397	\$ 111,397
2	Consultant Management and GSP Implementation	Y		\$ 73,351	\$ 73,351	\$ 73,351
3	Financial Information Coordination	Y		\$ 51,357	\$ 51,357	\$ 51,357
4	Cuyama Basin GSA Outreach	Y		\$ 10,721	\$ 10,721	\$ 10,721
5	Annual Groundwater Extraction Fee	Y		\$ 5,562	\$ 5,562	\$ 5,562
6	Support for CBGSA Response to DWR and Public Comments	Y		\$ 18,217	\$ 18,217	\$ 18,217
7	Central Management Area Support	Y		\$ 11,768	\$ 11,768	\$ 11,768
8	Adjudication Discussions	Y		\$ 1,935	\$ 1,935	\$ 1,935
9	Other Direct Charges (Mileage, conference lines, copies)	Y		\$ 5,694	\$ 5,694	\$ 5,694
	Subtotal		\$ 870,000	\$ 290,000	\$ 290,000	\$ 290,000
B LEGAL						
1	General Legal Counsel	Y	\$ 300,000	\$ 100,000	\$ 100,000	\$ 100,000
	Subtotal		\$ 300,000	\$ 100,000	\$ 100,000	\$ 100,000
C ADMIN						
1	Audit (FY 21-22)	N		\$ 9,800	\$ 9,800	\$ 9,800
2	Insurance (D&O, General Liability)	N		\$ 14,000	\$ 14,000	\$ 14,000
3	California Association of Mutual Water Co. Membership	N		\$ 200	\$ 200	\$ 200
4	Contingency	N		\$ 20,000	\$ 20,000	\$ 20,000
	Subtotal		\$ -	\$ 44,000	\$ 44,000	\$ 44,000
D WOODARD & CURRAN & TECHNICAL						
1	Grant Proposals	N	\$ -	\$ 42,000	\$ 42,000	\$ 42,000
2	Stakeholder/Board Engagement					
3	SAC meetings	Y	\$ 81,000	\$ 27,000	\$ 27,000	\$ 27,000
4	Board meetings	Y	\$ 120,000	\$ 40,000	\$ 40,000	\$ 40,000
5	Board Ad-hoc calls	Y	\$ 48,000	\$ 16,000	\$ 16,000	\$ 16,000
6	Tech Forum calls (new item)	Y	\$ 36,000	\$ 10,000	\$ 16,000	\$ 10,000
7	Public Workshops	Y	\$ 65,000	\$ 16,000	\$ 33,000	\$ 16,000
8	Outreach					
9	General, Newsletter Development, etc.	Y	\$ 45,000	\$ 15,000	\$ 15,000	\$ 15,000
10	Website Updates - Maintenance / Hosting	Y	\$ 20,000	\$ 6,667	\$ 6,667	\$ 6,667
11	Support for DWR Technical Services (TSS)	N	\$ -	\$ 20,000	\$ 20,000	\$ 20,000
12	GSP Implementation Support					
13	GSP Implementation Program Management	Y	\$ 170,000	\$ 55,000	\$ 60,000	\$ 55,000
14	GW Levels and GWQ Monitoring Network Coordination and Data Mgr	Y	\$ 60,000	\$ 20,000	\$ 20,000	\$ 20,000
15	DMS Ongoing Maintenance and Enhancements	Y	\$ 75,000	\$ 25,000	\$ 25,000	\$ 25,000
16	Support for CBGSA Response to DWR and Public Comments / Modify	Y	\$ 70,000	\$ 40,000	\$ -	\$ -
17	Support for Adaptive Management of Groundwater Levels	Y	\$ 180,000	\$ 80,000	\$ 50,000	\$ 50,000
18	Prepare Annual Report for Cuyama Basin	Y	\$ 135,000	\$ 45,000	\$ 45,000	\$ 45,000
19	Meter Implementation - Ongoing Support	Y	\$ 30,000	\$ 10,000	\$ 10,000	\$ 10,000
20	Grant Admin (SGM Round 1)	Y	\$ 300,000	\$ 100,000	\$ 100,000	\$ 100,000
21	Perform Monitoring and Monitoring Network Enhancements					
22	Install Piezometers for GW-SW and GDE Monitoring	Y	\$ 45,000	\$ 45,000	\$ -	\$ -
23	Driller Cost	Y	\$ 165,000	\$ 165,000	\$ -	\$ -
24	Install Dedicated Monitoring Wells	Y	\$ 415,000	\$ 415,000	\$ -	\$ -
25	Driller Cost	Y	\$ 2,000,000	\$ 2,000,000	\$ -	\$ -
26	Improve Understanding of Basin Water Use					
27	Perform updated land use survey	Y	\$ 30,000	\$ 30,000	\$ -	\$ -
28	Perform river channel survey	Y	\$ 45,000	\$ 45,000	\$ -	\$ -
29	Enhance existing CIMIS station & implement new stations	Y	\$ 80,000	\$ 80,000	\$ -	\$ -
30	Project & Management Action Implementation					
31	CBWRM model update and re-calibration	Y	\$ 200,000	\$ -	\$ 200,000	\$ -
32	Incorporate AEM data into model update	Y	\$ 90,000	\$ -	\$ 90,000	\$ -
33	Pumping allocation implementation	Y	\$ 200,000	\$ 100,000	\$ 50,000	\$ 50,000
34	Analysis of management action implementation options	Y	\$ 240,000	\$ 96,000	\$ 96,000	\$ 48,000
35	Precipitation enhancement feasibility study	Y	\$ 30,000	\$ 30,000	\$ -	\$ -
36	Flood and Stormwater Capture - water rights analysis	Y	\$ 55,000	\$ -	\$ 55,000	\$ -
37	GSP Implementation, Outreach, and CBGSA Management					
38	Outreach - domestic well owners	Y	\$ 15,000	\$ 15,000	\$ -	\$ -
39	5-year GSP update	Y	\$ 983,500	\$ -	\$ 688,450	\$ 295,050

Category	3-Yr Grant Funded	Grant Budget	2022-23 Budget	2023-24 Budget	2024-25 Budget
Subtotal		\$ 6,028,500	\$ 3,588,667	\$ 1,705,117	\$ 890,717
E OTHER TECHNICAL					
1	Quarterly GW Levels and Piezometer Monitoring (Contractor TBD)	Y \$ 135,000	\$ 45,000	\$ 45,000	\$ 45,000
2	Annual WQ Monitoring (Contractor TBD)	Y \$ 96,000	\$ 32,000	\$ 32,000	\$ 32,000
3	Perform One-Time Nitrate and Arsenic Testing	Y \$ 5,500	\$ 5,500		
4	Annual Stream Gauge Maintenance (USGS)	Y \$ 165,000	\$ 55,000	\$ 55,000	\$ 55,000
Subtotal		\$ 401,500	\$ 137,500	\$ 132,000	\$ 132,000
Grant Funded			\$ 4,054,167	\$ 2,165,117	\$ 1,350,717
CBGSA Funded (non grant-eligible costs)			\$ 106,000	\$ 106,000	\$ 106,000
TOTAL		\$ 7,600,000	\$ 4,160,167	\$ 2,271,117	\$ 1,456,717

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PROJECTED FISCAL YEAR 2022-2023

Month	Beginning Cash	Expenses						Revenues			Projected Ending Cash Balance	
		Hallmark Group	Legal	W&C & Technical	Other Technical <small>Monitoring, etc.</small>	Non Grant Reimb Exp <small>Audit, Insurance, Contingency, Grant Proposal, TSS</small>	Total Expenses	DWR SGM Grant	GW Extraction Fee	Total Revenues		
<i>Dec 17-Jun 30 Reir</i>	907,128						30,000		1,064,000	1,064,000	1,971,128	
July-22	1,971,128	24,167	8,333	299,056	48,750	8,833	389,139		-	-	1,581,989	Draft FY 22-23 Fee
August-22	1,581,989	24,167	8,333	299,056		8,833	340,389		-	-	1,241,600	
September-22	1,241,600	24,167	8,333	299,056	55,000	8,833	395,389		-	-	846,211	
October-22	846,211	24,167	8,333	299,056	11,250	8,833	351,639	27,000	27,000	27,000	521,573	
November-22	521,573	24,167	8,333	299,056		8,833	340,389		-	-	181,184	
December-22	181,184	24,167	8,333	299,056		8,833	340,389		-	-	(159,205)	
January-23	(159,205)	24,167	8,333	299,056	11,250	8,833	351,639	988,575	988,575	988,575	477,731	
February-23	477,731	24,167	8,333	299,056		8,833	340,389		-	-	137,342	
March-23	137,342	24,167	8,333	299,056		8,833	340,389		-	-	(203,047)	
April-23	(203,047)	24,167	8,333	299,056	11,250	8,833	351,639	905,325	905,325	905,325	350,639	
May-23	350,639	24,167	8,333	299,056		8,833	340,389		-	-	10,250	
June-23	10,250	24,167	8,333	299,056		8,833	340,389		-	-	(330,139)	
Total		290,000	100,000	3,588,667	137,500	106,000	4,222,167	1,920,900	1,064,000	2,984,900		

PROJECTED FISCAL YEAR 2023-2024

July-23	(330,139)					8,833	189,260	905,325	140,000	1,045,325	525,927	Draft FY 23-24 Fee
August-23	525,927					8,833	189,260		-	-	336,667	
September-23	336,667					8,833	189,260		-	-	147,407	
October-23	147,407					8,833	189,260	905,325	905,325	905,325	863,473	
November-23	863,473					8,833	189,260		-	-	674,213	
December-23	674,213					8,833	189,260		-	-	484,953	
January-24	484,953					8,833	189,260	487,151	487,151	487,151	782,845	
February-24	782,845					8,833	189,260		-	-	593,585	
March-24	593,585					8,833	189,260		-	-	404,325	
April-24	404,325					8,833	189,260	487,151	487,151	487,151	702,217	
May-24	702,217					8,833	189,260		-	-	512,957	
June-24	512,957					8,833	189,260		-	-	323,697	
						106,000	2,271,117					

PROJECTED FISCAL YEAR 2024-2025

July-24	323,697		10,600	145,672	487,151	140,000	627,151	805,177	Draft FY 24-25 Fee
August-24	805,177		10,600	145,672			-	659,505	\$ 5
September-24	659,505		10,600	145,672			-	513,834	
October-24	513,834		10,600	145,672	487,151		487,151	855,313	
November-24	855,313		10,600	145,672			-	709,641	
December-24	709,641		10,600	145,672			-	563,970	
January-25	563,970		10,600	145,672	364,694		364,694	782,992	
February-25	782,992		10,600	145,672			-	637,320	
March-25	637,320		10,600	145,672			-	491,648	
April-25	491,648		10,600	145,672	364,694		364,694	710,670	
May-25	710,670		8,833	95,833			-	614,837	
June-25	614,837		8,833	95,833	1,246,258		1,246,258	1,765,261	
			<u>123,667</u>	<u>1,648,383</u>					

PROJECTED FISCAL YEAR 2025-2026

July-25	1,765,261			95,833		140,000	140,000	1,809,428	Draft FY 25-26 Fee
August-25	1,809,428			95,833			-	1,713,595	\$ 5
September-25	1,713,595			95,833			-	1,617,761	
October-25	1,617,761			95,833			-	1,521,928	
November-25	1,521,928			95,833			-	1,426,095	
December-25	1,426,095			95,833			-	1,330,261	
January-26	1,330,261			95,833			-	1,234,428	
February-26	1,234,428			95,833			-	1,138,595	
March-26	1,138,595			95,833			-	1,042,761	
April-26	1,042,761			95,833			-	946,928	
May-26	946,928			95,833			-	851,095	
June-26	851,095			95,833			-	755,261	
				<u>95,833</u>					
				1,150,000					