



# FY 2021-2022 GROUNDWATER EXTRACTION FEE REPORT

CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY

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## SECTION 1 – ACRONYMS

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AF	Acre-feet
CBGSA	Cuyama Basin Groundwater Sustainability Agency
GSA	Groundwater Sustainability Agency
GSP	Groundwater Sustainability Plan
SGMA	Sustainable Groundwater Management Act

## SECTION 2 – DEFINITIONS

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### **De Minimis User – Commercial**

Uses 1.5 acre-feet or less in a year per well. De minimis users do not have to pay a fee.

### **De Minimis User – Domestic (Non-Commercial)**

Uses 2 acre-feet or less in a year per well. De minimis users do not have to pay a fee.

## SECTION 3 – CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY BACKGROUND

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The Cuyama Basin Groundwater Sustainability Agency (CBGSA) was formed in 2017 under the Sustainable Groundwater Management Act (SGMA) to develop and implement a Groundwater Sustainability Plan (GSP). The purpose of the GSP is to achieve groundwater sustainability for the Cuyama Basin by 2040. The CBGSA is governed by an 11-member board with representatives from the four counties that intersect the Basin (Kern, Santa Barbara, San Luis Obispo, and Ventura), the Cuyama Community Services District, and the Cuyama Basin Water District.

## SECTION 4 – ESTABLISHING A FEE

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Water Code section 10730 authorizes Groundwater Sustainability Agencies (GSAs) to establish a groundwater extraction fee to fund, among other things, the costs of a groundwater management program, including administration of a GSP. The CBGSA has set the fee over the Fiscal Year 2021-2022 period and is based on (i) the CBGSA’s draft budget for Fiscal Year 2021-2022; and (ii) 2020 water consumption.

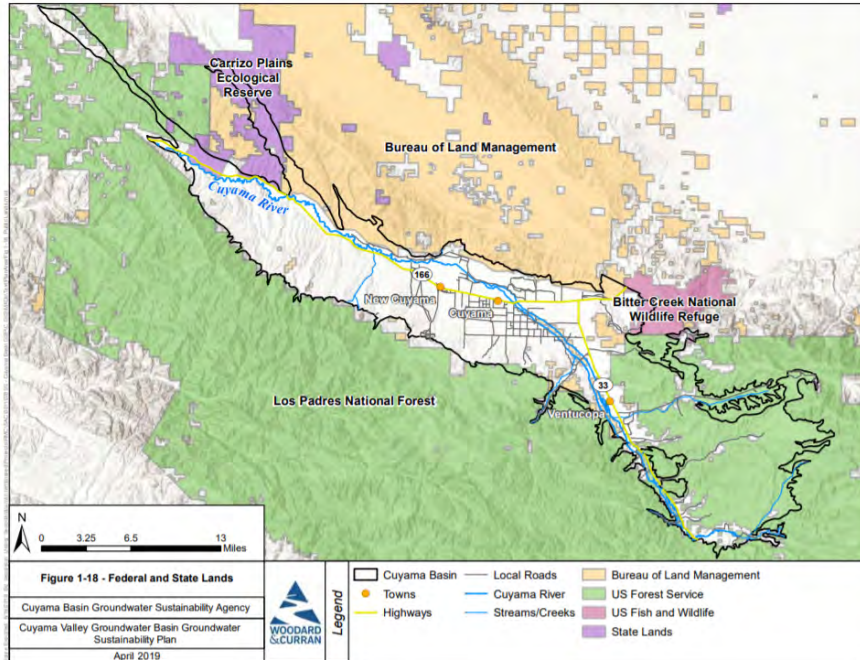
### **Section 4.1 – Definition of an “Extractor”**

An extractor is defined as a pumper of groundwater within the Cuyama Basin groundwater basin boundary as defined by California Department of Water Resources’ Bulletin 118 (see Figure 1 below). The below groups are not considered extractors:

#### *Exclusions:*

- De minimis user – Wells that use 1.5 acre-feet or less per year for commercial purposes, or wells that use less than 2 acre-feet per year for residential purposes. De minimis users do not have to pay a fee.
- State and federal lands – Non-commercial water use on State and federal lands. Well use on State and federal lands do not have to pay a fee.

FIGURE 1 – GROUNDWATER BASIN IN CUYAMA



#### Section 4.2 – Fee Basis

The proposed groundwater extraction fee is based on the CBGSA’s fiscal year budget and includes an estimated delinquency rate of 10 percent. The budget for Fiscal Year 2021-2022 will be presented for consideration of adoption at the May 5, 2021 regular meeting of the CBGSA Board of Directors. The draft budget for Fiscal Year 2021-2022 currently totals \$1.18 million, and \$1.3 million with the 10 percent delinquency rate. A copy of the draft budget for Fiscal Year 2021-2022 is attached hereto as Exhibit “A.” While the current budget total is subject to change, CBGSA does not anticipate the total budget amount to exceed \$1.3 million (including the delinquency rate).

Water consumption was based on user-reported data from 2020 and was based on evapotranspiration crop factors developed by a Cal Poly Irrigation Training & Research Center (ITRC) as shown in Form I included as Exhibit B. The 2020 water consumption estimate totals 28,000 acre-feet and is used as the basis for this fee.

**Based on the budget for Fiscal Year 2021-2022, less reimbursable costs, inclusion of a 10 percent delinquency rate, and user-reported 2020 water use data, the CBGSA recommends a basin-wide groundwater extraction fee of \$46 per acre-foot.**

**CBGSA acknowledges that this proposed fee amount is based on the draft budget for Fiscal Year 2021-2020 and, while the current total may be amended, CBGSA does not anticipate the total budget amount to exceed \$1.3 million, nor the proposed fee to exceed \$46 per acre-foot.**

## Section 5 – ADMINISTRATION OF FEE

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### Section 5.1 – Invoices

Invoices and instructions for payment will be sent to water users in May 2021 and will be based on the 2020 water use previously reported by Cuyama extractors. If payments are not received by the due date of June 30, 2021, a past due notice will be mailed in July 2021 and late penalties will apply (see section 6 below).

### Section 5.2 – Schedule/Reporting period

The below schedule outlines the groundwater extraction fee process:

<b>May 5th</b>	Fiscal Year Budget Adopted
<b>May 5th</b>	Public Hearing to Establish Fee
<b>May 14</b>	Invoices and Forms are Mailed Out
<b>May-Jun</b>	Payment Collection Period
<b>June 30, 2021</b>	Payment Due Date
<b>July 1, 2021</b>	Late penalties assessed (10% and then 1% per month)

## SECTION 6 – PENALTIES

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Well owners will be charged a 10 percent penalty after the June 30, 2021 due date with an escalation rate of 1 percent for each month late after the initial due date.

# Exhibit A

## DRAFT FISCAL YEAR 2021-2022 BUDGET

# DRAFT CBGSA FY 2021-22 BUDGET

Category		Budget FY 21-22
<b>A HALLMARK GROUP</b>		
1	CBGSA Board of Directors Meetings	\$ 80,950
2	Consultant Management and GSP Implementation	\$ 59,288
3	Financial Information Coordination	\$ 36,738
4	Cuyama Basin GSA Outreach	\$ 9,625
5	Annual Groundwater Extraction Fee	\$ 15,238
6	Support for CBGSA Response to DWR and Public Comments	\$ 5,600
7	Other Direct Charges (Mileage, conference lines, copies)	\$ 2,988
	Subtotal	\$ <b>210,425</b>
<b>B LEGAL</b>		
1	General Legal Counsel	\$ 60,000
	Subtotal	\$ <b>60,000</b>
<b>C ADMIN</b>		
1	Audit (FY 20-21)	\$ 9,000
2	Insurance (D&O, General Liability)	\$ 12,000
3	California Association of Mutual Water Co. Membership	\$ 200
4	Prop 218 (Management Area Delegation Measures)	\$ 60,000
5	Contingency	\$ 20,000
	Subtotal	\$ <b>101,200</b>
<b>D WOODARD &amp; CURRAN &amp; TECHNICAL</b>		
1	Grant Proposals	\$ 80,256
2	Stakeholder/Board Engagement	
3	SAC meetings	\$ 26,364
4	Board meetings	\$ 34,836
5	Board Ad-hoc calls	\$ 15,276
6	Public Workshops	\$ 15,816
7	Outreach	
8	General, Newsletter Development, etc.	\$ 8,704
9	Website Updates - Maintenance / Hosting	\$ 6,385
10	Support for DWR Technical Services	\$ 16,520
11	GSP Implementation Support	
12	GSP Implementation Program Management	\$ 39,036
13	GW Levels and GWQ Monitoring Network Coordination and Data Mgmt - W&C	\$ 16,167
14	DMS Ongoing Maintenance	\$ 5,272
15	Support for CBGSA Response to DWR and Public Comments	\$ 51,520
16	Support for Adaptive Management of Groundwater Levels	\$ 16,640
17	Prepare Annual Report for Cuyama Basin	\$ 37,640
18	Meter Implementation - Ongoing Support	\$ 7,408
19	Cuayam Basin Model Refinement	
20	Update Model Data to Incorporate Additional Data and Extend to 2020	\$ 43,736
21	Perform Model-Recalibration	\$ 43,736
22	Meetings with Technical Forum Members	\$ 15,792
23	Develop Updated Historical and Projected Water Budget Estimates	\$ 43,736

Category		Budget FY 21-22	
24	Evaluate Range of Uncertainty for Re-Calibrated Model	\$	21,376
25	Update Crop ET Estimates	\$	26,536
26	Select Aquifer Test Locations and Perform Aquifer Testing (4 wells)	\$	101,556
		Subtotal	\$ 746,056

#### **E OTHER TECHNICAL**

1	Quarterly GW Levels and Piezometer Monitoring (Contractor TBD)	\$	42,000
2	Annual WQ Monitoring (Contractor TBD)	\$	32,000
3	Annual Stream Gauge Maintenance (USGS)	\$	52,600
4	Permits for Dedicated Monitoring Wells	\$	5,000
		Subtotal	\$ 131,600

<b>FY 2021-2022 TOTAL (Less Grant-Funded Items)</b>	<b>\$</b>	<b>1,177,533</b>
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#### **F PREVIOUSLY GRANT-FUNDED ITEMS**

1	Category 1 (Funded) - field work (Stream Gauges and Transducers)	\$	10,000
2	DWR Grant Administration (Prop 68 GSP Development)	\$	6,000
		Subtotal	\$ 16,000

<b>FY 2021-22 TOTAL</b>	<b>\$</b>	<b>1,193,533</b>
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# Exhibit B

## CROP FACTORS

# Crop Factors

## Source Information

Crop Factors are evapotranspiration (ET) values from California Polytechnic State University’s Irrigation Training and Research Center (ITRC) California Crop and Soil Evapotranspiration Report (Crop Report), ITRC Report No. R 03-001 accessible at [www.itrc.org/reports/pdf/californiacrop.pdf](http://www.itrc.org/reports/pdf/californiacrop.pdf).

The below values were calculated using ET reference averages for zone 10 from the Crop Report (see below figure).



**Avg Annual Reference ET by Zone (inches/yr)**

Zone	Total
1	33.0"
2	39.0"
3	46.3"
4	45.5"
5	43.9"
6	49.7"
7	43.4"
8	49.4"
9	55.1"
<b>10</b>	<b>49.1"</b>
11	53.0"
12	53.3"
13	54.3"
14	57.0"
15	57.0"
16	62.5"
17	66.5"
18	71.3"

## Crop Factors

Crop	ET	Crop	ET
Alfalfa Hay	4.02	Melon, Radish, Squash, & Cucumbers	1.62
Alfalfa Seed, Sudan	3.60	Olives, Mature	3.27
Almonds	3.32	Olives, Deficit	2.58
Apples <sup>1</sup> (Drip)	2.50	Onions and Garlic	1.99
Apples, Pear, Cherry, Plum, and Prune	3.33	Permanent Pasture	3.93
Barley Wheat, Oats	1.97	Pistachios	2.99
Blackeyed Peas	1.97	Potatoes	3.00
Carrots	2.20	Rootstock	2.23
Corn	2.43	Sorghum Grain	2.43
Cotton	2.70	Sugar Beets	2.70
Citrus	3.45	Tomatoes	2.20
Grapes with 40% cover crop	1.56	Walnuts	3.53
Grapes with 60% cover crop	2.02	Cannabis <sup>2</sup>	TBD
Grapes with 100% cover crop	2.24	Hemp <sup>3</sup>	TBD
Lettuce	2.20		

<sup>1</sup>Value determined by local expertise in the Cuyama Valley.

<sup>2</sup>Value based on \_\_\_\_.

<sup>3</sup>Value based on \_\_\_\_.