

Santa Ynez River Groundwater Basin

Governance and Funding Proposals

Agenda

- Governance and Funding Issues for Resolution
- Potential Basin-Wide Governance Models
- Primer on Prop 13/218/26 and SGMA Funding Authorities
- Potential SGMA Fee Designs

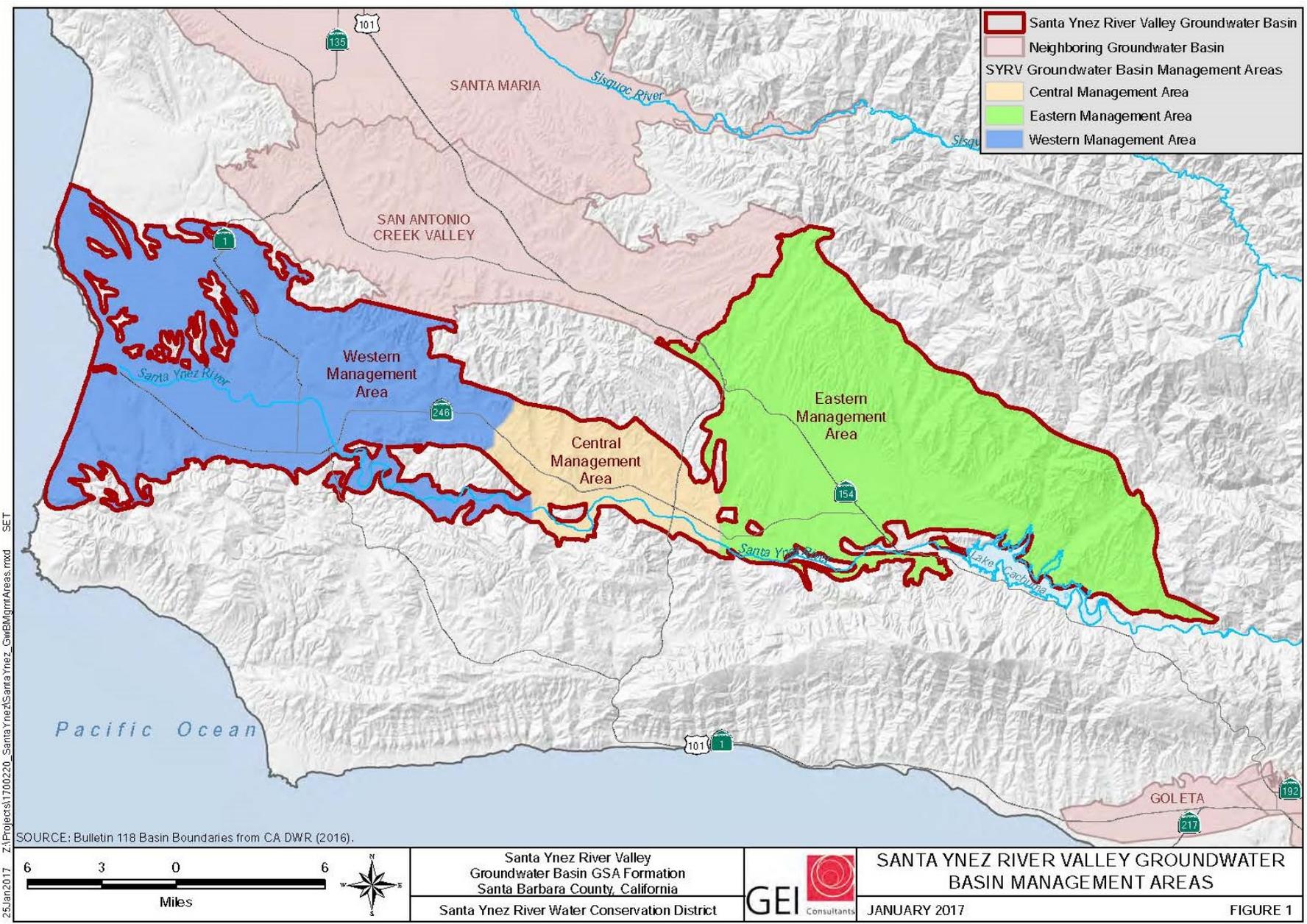
Governance and Funding Issues

Governance Issues

- Coordinating Future Technical Work (Consultant Contracts)
- Implementing and Enforcing Plans
- Annual Reporting to DWR
- Dispute Resolution Processes

Funding Issues

- Future Grant Administration
- Cost-Sharing
- Funding Technical Work
- Imposing and Collecting Fees and Charges



Santa Ynez River Valley
 Groundwater Basin GSA Formation
 Santa Barbara County, California
 Santa Ynez River Water Conservation District



**SANTA YNEZ RIVER VALLEY GROUNDWATER
 BASIN MANAGEMENT AREAS**
 JANUARY 2017 FIGURE 1

Governance

Option 1: Three GSA Model

- Revised MOAs or JPAs for each GSA
- Maintain separate GSPs
- Each GSA implements and enforces its GSP
- Each GSA makes annual reports
- Separate staff and consulting agreements
- Separate funding structures
- Ad hoc cost sharing agreements for joint work



Governance

Option 2: Single GSA Model

- Form JPA to replace MOAs
- Revise Notices of GSA Formation
- Create consolidated GSP
- New JPA implements all three plans in interim, then implements consolidated plan
- Common staff and consulting agreements
- Unified funding structure

Santa Ynez Valley
Groundwater Basin
Authority

Governance Option 3: Umbrella JPA Model

- Form JPA to implement GSPs
- Maintain separate GSPs, approved by the GSAs
- JPA implements all three GSPs
- JPA prepares annual reports
- Common staff and consulting agreements
- Unified funding structure
- JPA administers future grants

Santa Ynez Valley Groundwater Basin Authority

WMA
GSA

CMA
GSA

EMA
GSA

Governance Option 4: Modified Umbrella JPA Model

- Same as Option 3, but...
- JPA board committee for each GSA
- Committees handle enforcement and implementation in their management areas
- Full JPA board and staff handle technical work

Santa Ynez Valley Groundwater Basin Authority

WMA
GSA

CMA
GSA

EMA
GSA

Primer on Prop 218/26

Assessments

Procedures:

- Engineer's Report
- Majority Protest Hearing (Weighted)

Substantive Limitations:

- Identify benefitted parcels
- Assess special, not general, benefits
- Distribute assessment to parcels in proportion to special benefits

Property-Related Fees

Procedures:

- Fee Study (Best Practice)
- Majority Protest Hearing

Substantive Limitations:

- Total charge no more than needed for service
- Funds used for no other purpose
- Burden on any parcel must not exceed proportional benefit
- Must be for service actually used, not potential or future use
- Not for general governmental services

Non-Tax Fees

Procedures:

- Fee Study (Best Practice)
- Board Resolution

Substantive Limitations:

- Fits a Prop 26 category
- Total fee no more than needed for funded activity
- Burden on any parcel bears fair and reasonable relationship to burden on government or benefit to payor

SGMA Funding Authorities

Section	Type of Fee	Purposes	Procedures
§ 10730	"fees, including, but not limited to, permit fees and fees on groundwater extraction or other regulated activity"	"to fund the costs of a groundwater sustainability program, including, but not limited to, preparation, adoption, and amendment of a groundwater sustainability plan, and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve"	"Prior to imposing or increasing a fee, a groundwater sustainability agency shall hold at least one public meeting, at which oral or written presentations may be made as part of the meeting." "Any action by a groundwater sustainability agency to impose or increase a fee shall be taken only by ordinance or resolution."
§ 10730.2	"fees on the extraction of groundwater from the basin," which "may include fixed fees and fees charged on a volumetric basis, including, but not limited to, fees that increase based on the quantity of groundwater produced annually, the year in which the production of groundwater commenced from a groundwater extraction facility, and impacts to the basin"	"to fund costs of groundwater management, including, but not limited to, the costs of the following: (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."	"Fees imposed pursuant to this section shall be adopted in accordance with subdivisions (a) and (b) of Section 6 of Article XIII D of the California Constitution."

Potential SGMA Fee Designs

Administrative Costs

(Office, Staff, Consultants, Legal)

- Per-Acre Fee (Flat or Tiered)
- Per-Well Fee (Flat or Tiered)
- Extraction Fees

Projects and Enforcement

- Extraction Fee
- Extraction Budget w/ Penalties
- New Lands Surcharge
- Improvement Districts