

SGMA Fee Study Summary and Roadmap

- Sloughouse Resource Conservation
District Board of Directors
November 15, 2023



CGA Fee Study

- SCI completing the Fee Study
- Fees will not be collected by CGA
- Fee Study will serve as basis for Member Agencies to collect fees to support CGA SGMA compliance work
 - Member Agencies responsible for Fee Collection and compliance with statutes
 - Member Agencies can modify/supplement SCI Study for individual Agency Needs

CGA Fee Study

- CGA Board Direction to SCI
 - Directors asked SCI to concentrate on Fees for Administrative actions (Proposition 26 Process)
 - Can return later for Project Fees (Proposition 218)
 - SCI to work with CGA Finance Committee to develop several draft Fee proposals for CGA Board consideration

SRCD SGMA Fees

- Currently SRCD has Fee in-place for Administrative Activities (Prop 26)
 - Mostly provided to CGA
 - Fee primarily falls on irrigated agriculture
 - Does not include de minimis (less than 2 AFA) gw users
- Fee on de minimis users will require those users to be regulated by SRCD
 - Can be minimally intrusive, such as well registration program

SRCD SGMA Fees

- Regulation needs to be through an Ordinance passed by SRCD Board through appropriate process
- Sonoma GSAs can serve as model if desired
 - Well Registration Ordinance – Notices and hearings
 - Post card registration – seeking information only

SRCD SGMA Fees -- Tasks

- Review and analyze CGA SCI Fee Study when available
- Review acceptability of CGA budget and fees due from SRCD for Administrative tasks
 - Review CGA Member Agency Funding Agreement(s)
- Determine revenue requirements for Fees
 - CGA requirements
 - Additional SRCD Requirements
 - Reserve Funds?
 - Other needs?

SRCD SGMA Fees -- Tasks

- Based on revenue needs and Fee design determine if CGA SCI Fee Study needs modifications to support SRCD Fees
 - Changes for de minimis users (Ag/Res)?
 - Changes for reserve?
 - Replacement of existing Fee program?
- Separate agreement with SCI needed to create SRCD supplemental Fee Study

SRCD SGMA Fees -- Tasks

- Once SRCD Fee Study is complete, normal Water Code 10370 and Proposition 26 process to implement Fee.

Considerations for SRCD Board

- Board needs to determine if the CGA budgets/funding requests are OK
- Board needs to determine if it needs a reserve – Amount?
- Board needs to determine if the SCI Studies meet it's needs
- Board needs to decide if it wants to regulate de minimis users (Ag/Res) and if so, how?

Considerations for SRCD Board

- If de minimis users (Ag/Res) regulated, must implement by ordinance with notice/hearings
- Remember, Fee Assessment methodologies cannot be increased once implemented so maximum needed fee should be considered
 - Full fee need not be actually assessed if needs decrease or other funds available
- Fee should include CPI annual increases
 - Can only be implemented for 5-year period