NOTICE
SPECIAL MEETING OF THE BOARD OF DIRECTORS
SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN
CENTRAL MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY
will be held on **Tuesday, April 22, 2025**, at 10:00 a.m.
at Buellton City Council Chambers, 140 West Highway 246, Buellton, California

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Optional remote public participation is available via Telephone or ZOOM
To access the meeting via telephone, please dial: 1-669-444-9171 or via the Web at: **http://join.zoom.us**
"Join a Meeting" - **Meeting ID:** 854 2452 9800 **Meeting Passcode:** 463951

***** Please Note *****
The above teleconference option for public participation is being offered as a convenience only and may limit or otherwise prevent your access to and participation in the meeting due to disruption or unavailability of the teleconference line. If any such disruption of unavailability occurs for any reason the meeting will not be suspended, terminated, or continued. Therefore in-person attendance of the meeting is strongly encouraged.

AGENDA OF SPECIAL MEETING

1. Call to Order and Roll Call
2. Pledge of Allegiance
3. Public Comment (Any member of the public may address the Committee relating to any non-agenda matter within the Committee's jurisdiction. The total time for all public comment shall not exceed fifteen minutes and the time allotted for each individual shall not exceed five minutes. No action will be taken by the Committee at this meeting on any public comment item.)
4. Review and consider approval of Minutes of the CMA GSA Board Special Meetings of March 3, March 25, April 9, and April 11, 2025 Pages 2-7, 8-9, 10-11, and 12-13
5. Receive updates on Proposition 68 GSP Implementation Projects
6. Receive and Consider CMA GSA Sustainable Groundwater Management Fee Rate Study Report Presentation: Pages 14-25 Report: Pages 31-53
7. Consider Resolution No. 2025-01 Fixing Procedures for a Proposition 218 Majority Protest Hearing Regarding a Sustainable Groundwater Management Fee Pages 26-58
8. Next CMA GSA Board Regular meeting Monday, May 19, 2025, 10 AM at Buellton CCC
9. CMA GSA Board Public Hearing will be Monday, June 23, 2025, 10 AM at Buellton CCC
10. CMA GSA Board of Director Reports and Requests for Future Agenda Items
11. Adjournment

[This agenda was posted 24 hours prior to the scheduled regular meeting at 3669 Sagunto Street, Suite 101, Santa Ynez, California, and SantaYnezWater.org in accordance with Government Code Section 54954. In compliance with the Americans with Disabilities Act, if you need special assistance to review agenda materials or participate in this meeting, please contact the Santa Ynez River Water Conservation District at (805) 693-1156. Advanced notification as far as practicable prior to the meeting will enable the GSA to make reasonable arrangements to ensure accessibility to this meeting.]

MEETING MINUTES

Santa Ynez River Valley Groundwater Basin Central Management Area Groundwater Sustainability Agency Board of Directors March 03, 2025

A special meeting of the Santa Ynez River Valley Groundwater Basin Central Management Area Groundwater Sustainability Agency (CMA GSA) Board of Directors was held on Monday, March 3, 2025, at 10:00 a.m. at the City of Buellton, City Council Chambers, 140 West Highway 246, Buellton, California.

Directors Present: Larry Lahr and John Sanchez

Non-Voting Directors Present (Teleconference): Mike Anderson

Non-Voting Alternate Directors Present (In Person): Sara Rotman

Others Present (In Person): Bill Buelow, Mary Heyden, Rose Hess, and Amber Thompson

Others Present (Teleconference): Theresa Jurotich (Raftelis), Deby Laranjo, Curtis Lawler (Stetson Engineers), Kadie McShirley, Tim Nicely (GSI), Sudhir Pardiwala (Raftelis), Carol Redhead, Legal Counsel Steve Torigiani, Susan Xie (EKI), and Matt Young

1. Call to Order and Roll Call

CMA GSA Board Chair Lahr called the meeting to order at 10:05 a.m. Ms. Thompson called roll. Two Directors were present providing a quorum.

One non-voting Agricultural Director was appointed during discussion of Agenda item No. 8 and participated by teleconference.

2. Pledge of Allegiance

Chair Lahr led the Pledge of Allegiance.

3. Public Comment

There were no public comments.

4. CMA Board of Directors Officer and Committee Appointments for 2025

Director Sanchez made a MOTION for Director Lahr to serve as Chair, Director Sanchez as Vice-Chair, Bill Buelow as Treasurer, and Amber Thompson as Secretary of the CMA GSA Board of Directors. Director Lahr seconded the motion. There was no discussion or public comment. The motion passed unanimously by voice vote.

5. Consent Agenda

a. Minutes of the Special Meeting of October 15, 2024
b. Quarterly Financial Reports and Warrant List

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Item 5.b. was pulled from Consent Agenda.

Director Lahr made a **MOTION** to approve the Consent Agenda Item 5.b., as presented. Director Sanchez seconded the motion. The motion passed unanimously by voice vote.

Discussion followed regarding Consent Agenda Item 5b. (Quarterly Financial Reports and Warrant List).

Director Sanchez made a **MOTION** to approve the Quarterly Financial Reports and Warrant List, as presented. Director Lahr seconded the motion. The motion passed unanimously by voice vote.

6. Receive updates on Proposition 68 Projects.

a. Component 4: (Stetson)

Mr. Curtis Lawler, Stetson Engineers, presented Water Year 2024 information that will be included in the Annual Report to be submitted to DWR. He explained the new format for the Annual Report being a single Basin report submission containing a joint Basin summary and separate sub-reports for each GSA of the Basin. He reported that work has begun on the GSP Periodic Update and recommended the Board establish an Ad Hoc Committee to review and address the GSP recommended corrective actions received from DWR. Discussion followed. Public comments were received. There was no action.

b. Components 2, 5: (EKI)

Ms. Susan Xie, EKI Environment and Water, presented Proposition 68 Grant Funded Projects Update on Component 2 (Well Extraction Measurement and Reporting) and Component 5 (Monitoring Improvements) efforts by EKI for the CMA GSA. Discussion followed. Public comments were received. There was no action.

c. Component 3: Rate Study (Raftelis)

Ms. Theresa Jurotich, Raftelis, presented about the Groundwater Sustainability Agency Fee Study for the CMA GSA. Mr. Torigiani provided review of the legal framework and explained the difference between Proposition 26 and 218 processes. Discussion occurred during the presentation and continued afterward. Public comments were received.

Director Lahr and Director Sanchez wanted more public input on the Fee Study and directed staff to set up a public meeting and workshop for Tuesday, March 25, 2025, 10 a.m. and increase public outreach including a public notice in the Santa Ynez newspaper.

Mr. Torigiani requested Agenda Items No. 10 and 11 be moved up and addressed after this item. The Board approved and addressed Agenda Item No. 10 and 11 before Item No. 7.

7. Report on Correspondence Received

a. Consider approval of SYRWCD's request provided in their February 25, 2025 letter

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Mr. Buelow reviewed a letter received from the Santa Ynez River Water Conservation District ("District") dated February 27, 2025 regarding Proposition 68 Reimbursement Owed to Santa Ynez River Water Conservation District. The District requested that the deposit of the CMA portion of the grant reimbursement received for the Action Plan development be credited to the District as a Voluntary Contribution from the District to the CMA GSA, subject to reimbursement, in lieu of the reimbursment being directly paid to the District. Discussion followed. There was no public comment.

Director Sanchez made a MOTION to approve the Santa Ynez River Water Conservation District ("District") request in the February 27, 2025 letter that the $43,875.54 deposit to CMA GSA of Proposition 68 Grant Reimbursement be credited as a Voluntary Contribution from the District, subject to reimbursement. Director Lahr seconded the motion. There was no discussion or public comment. The motion passed unanimously by voice vote.

8. Review proposed slate of Agricultural Representatives for the CMA Board of Directors by the Water Group and consider possible appointment of same

Mr. Buelow introduced Ms. Mary Heyden, Treasurer of the Santa Ynez Water Group. Ms. Heyden introduced two candidates nominated by the Santa Ynez Water Group for the positions of Agricultural Director and Alternate Agricultural Director for the CMA GSA Board of Directors: Mr. Michael Anderson from Peake Ranch as Agricultural Director and Ms. Sara Rotman from Tres Osos Ranch as Alternate Agricultural Director. Discussion followed. There was no public comment.

Director Sanchez made a MOTION to APPOINT Michael Anderson as Agricultural Director and Sara Rotman as Alternate Agricultural Director to the CMA GSA Board of Directors. Director Lahr seconded the motion. There was no discussion or public comment. The motion passed unanimously by voice vote.

9. Consider establishing an Ad-Hoc advisory committee for:

a. GSP Periodic Update

b. Groundwater Production Measurement and Reporting Policy Development

Mr. Buelow explained the benefits and need of having a GSP Periodic Update Ad-Hoc advisory committee and a Groundwater Production Measurement and Reporting Policy Development Ad-Hoc advisory committee. Discussion followed. Director Sanchez volunteered for the GSP Periodic Update Ad Hoc Advisory Committee and Director Lahr volunteered for the Groundwater Production Measurement and Reporting Policy Development Ad-Hoc advisory committee. There was no public comment.

Director Lahr appointed Director Sanchez, Mr. Buelow, Member Agency staff representatives, and the Agricultural Director, if participation of the non-voting Director does not cause a quorum of the Board, to the GSP Periodic Update Ad-Hoc advisory committee.

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Director Lahr appointed Director Lahr, Mr. Buelow, Member Agency staff representatives, and the Agricultural Director, if participation of the non-voting Director does not cause a quorum of the Board, to the Groundwater Production Measurement and Reporting Policy Development Ad-Hoc advisory committee.

He requested legal counsel verify if participation of a non-voting Director to the Ad-Hoc committees along with a voting Director would create a quorum of the Board and advise staff.

10. Consider Approval of Form of Real Property Access Agreement for Applicable Prop 68 Grant Agreement Project Component(s) and Authorize the Executive Director/Plan Manager to Execute Such Agreements

Agenda Item No. 10 was addressed after Item No. 6.c.

Mr. Torigiani gave an overview of the Access Agreement standard provisions and advised that the agreement was developed by all three GSA's legal counsels and is required by DWR Prop 68 Grant for applicable projects. Discussion followed. There was no public comment.

Director Sanchez made a MOTION to approve as to form the real property Access Agreement for applicable Prop 68 Grant Agreement project component(s) and authorized the Plan Manager to execute Access Agreements and authorized Plan Manager to make any minor change, as approved by legal counsel. Director Lahr seconded the motion. There was no discussion or public comment. The motion passed unanimously by voice vote.

11. Authorize Executive Director/Plan Manager to process, execute, and file associated Notices of Exemption as required by the Grant Agreement

Mr. Torigiani informed the Board about Notices of Exemptions that may need to be filed as required by the Prop 68 Grant Agreement. Discussion followed. There was no public comment.

Director Sanchez made a MOTION to authorize the Plan Manager to process, execute, and file associated Notices of Exemption as required by the Prop 68 Grant Agreement. Director Lahr seconded the motion. There was no discussion or public comment. The motion passed unanimously by voice vote.

Legal Counsel Steve Torigiani left the meeting. The meeting continued with Agenda Item No. 7.

12. Review letter from GSRMA and consider voting for one of the two districts on the candidate list or authorizing a board member or Plan Manager to vote on behalf of the CMA GSA

Mr. Buelow presented the GSRMA letter and ballot for GSRMA Governing Board Position Special District Director for July 1, 2025 – June 30, 2027. Discussion followed. There was no public comment

Director Sanchez made a MOTION to authorize William Buelow, Plan Manager, to cast the CMA GSA vote for Tehama Colusa Canal Authority and submit ballot to GSRMA. Director

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Lahr seconded the motion. There was no discussion or public comment. The motion passed unanimously by voice vote.

13. Review and Consider taking action on the following Joint Special Meeting Items:

a. Approve Minutes of the Joint Special Meeting of December 6, 2024

b. Receive and consider approval of the First Joint Annual Report for the Santa Ynez Valley Groundwater Basin

c. Receive Verbal update on the status of developing metering policy(ies) in the Basin

d. Receive update on the Above Narrows Alluvium Action Plan

e. Approve a Joint GSAs contract services agreement with GSI Water Solutions to implement the Action Plan

f. Approve a Joint GSAs contact service agreement with Ag Monitor to implement Component 2

g. Approve a Joint GSAs Cost Shre and Reimbursement Agreement between the CMA GSA, EMA GSA, and WMA GSA to hire GSI and Ag Monitor

Item No. 13.a. through 13.g. were tabled until the March 7, 2025 Joint GSAs Special Meeting.

14. Receive Information on field visit to United WCD's Freeman Diversion, March 26, 2025

Mr. Buelow reported there is still room in the carpool van if anyone want to join the field trip and anyone wanting to go is required to a completed Visitor Liability Release and email ASAP. Discussion followed. There was no public comment or action.

15. Review and discuss 2025 schedule of Regular CMA meetings and Basin-Wide Joint meetings

The Board reviewed the 2025 quarterly schedule of regular meetings and unanimously agreed to the schedule and meeting time. There was no public comment.

16. Next Special Basin-Wide Joint Meeting is set for March 7, 2025, 9 AM, at the Buellton City Council Chambers

Chair Lahr announced a Special Basin-Wide Joint meeting is scheduled for March 7, 2025, 9 AM, at the Buellton City Council Chambers. There was no public comment or action.

17. Next CMA GSA Board Regular Meeting is Monday, May 19, 2025, 10:00 AM, at the Buellton City Council Chambers

The next CMA GSA Board regular meeting is scheduled to be held on Monday, May 19, 2025, at 10:00 a.m. at the Buellton City Council Chambers, 140 West Highway 246, Buellton, California. Discussion followed.

The Board decided to also schedule a special meeting to be held on March 25, 2025, 10 AM, at the Buellton City Council Chambers to discuss the CMA Fee Study and directed

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staff to make efforts to increase public awareness of and participation in the March 25th special meeting including posting a notice in the Santa Ynez paper.

18. CMA GSA Board reports and requests for future agenda items

There were no reports or requests.

19. Adjournment

Chair Lahr adjourned the meeting at 12:24 p.m.

Larry Lahr, Chair	Amber Thompson, Secretary

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MEETING MINUTES

Santa Ynez River Valley Groundwater Basin Central Management Area Groundwater Sustainability Agency Board of Directors March 25, 2025

A special meeting of the Santa Ynez River Valley Groundwater Basin Central Management Area Groundwater Sustainability Agency (CMA GSA) Board of Directors was held on Tuesday, March 25, 2025, at 10:00 a.m. at the City of Buellton, City Council Chambers, 140 West Highway 246, Buellton, California.

Directors Present: Larry Lahr and John Sanchez

Acting Alternate Director Present (In Person): Sara Rotman

Others Present (In Person): Bill Buelow, Deby Laranjo, Kadie McShirley, Amber Thompson, and Legal Counsel Steve Torigiani

Others Present (Teleconference): Mike Anderson, Gina DePinto (Raftelis), Len Fleckenstein, Paeter Garcia, Theresa Jurotich (Raftelis), Curtis Lawler (Stetson Engineers), Mayra Molina, Sudhir Pardiwala (Raftelis), Isaac Perez, Matt Scrudato, and Al Wagner

1. Call to Order and Roll Call

CMA GSA Board Chair Lahr called the meeting to order at 10:00 a.m. Ms. Thompson called roll. Two Directors and one Acting Alternate Director were present providing a quorum.

2. Pledge of Allegiance

Chair Lahr led the Pledge of Allegiance.

3. Public Comment

Public comments and questions were received. Mr. Buelow and Legal Counsel Mr. Torigiani responded to questions.

4. PUBLIC WORKSHOP: SGMA Groundwater Extraction Fee Rate Study and GSP Implementation

a. Sustainable Groundwater Management Act (SGMA) Overview

b. The Importance of Groundwater Management and SGMA Compliance

c. Funding the GSA Operation and Activities Described in the GSP

d. Overview of the Rate Study Presently Underway

e. Schedule for GSP Implementation

Mr. Buelow introduced the workshop agenda and gave an overview of the Sustainable Groundwater Management Act (SGMA) in the Santa Ynez Basin, SGMA background, SGMA requirements, history of SGMA in the Santa Ynez Basin, phases of SGMA funding, and Rate Study process to adopt fees.

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Mr. Torigiani reported on the legal framework regarding Proposition 218 process. He advised on the need to conclude this process by the end of June 2025 for the GSA billing to be included in the next cycle of billing through the County tax roll.

Ms. Theresa Jurotich and Mr. Sudhir Pardiwala from Raftelis provided a presentation on the Financial Plan Review including six-year financial plan, projected budget for Fiscal Year Ending June 30, 2025-Fiscal Year Ending June 30, 2030, summary of revenue requirements, smoothed cash flow, review of previous rate recommendations, volumetric calculation, and proposed rate per acre-foot pumped for Fiscal Years ending June 30, 2025 through Fiscal Year Ending June 30, 2030.

Discussion occurred during and after the presentation. Public comments were received during and after the presentation.

5. Consider Date/Time for the Next Special Meeting of the CMA GSA

The Board discussed the need for a special meeting to be held in April. A special meeting will be scheduled for Tuesday, April 22, 2025, 10 am at the Buellton City Council Chambers.

The Board discussed the need to hold a public hearing for the Proposition 218 process in the month of June. A special meeting including a public hearing will be scheduled for Monday, June 23, 2025, 10 am at the Buellton City Council Chambers.

6. Next CMA GSA Board Regular Meeting is Monday, May 19, 2025, 10:00 AM, at the Buellton City Council Chambers

The next CMA GSA Board regular meeting is scheduled to be held on Monday, May 19, 2025, at 10:00 a.m. at the Buellton City Council Chambers, 140 West Highway 246, Buellton, California.

7. CMA GSA Board reports and requests for future agenda items

There were no reports or requests.

8. Adjournment

Chair Lahr adjourned the meeting at 11:31 p.m.

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Larry Lahr, Chair Amber Thompson, Secretary

MEETING MINUTES

Santa Ynez River Valley Groundwater Basin Central Management Area Groundwater Sustainability Agency Board of Directors April 9, 2025

A special meeting of the Santa Ynez River Valley Groundwater Basin Central Management Area Groundwater Sustainability Agency (CMA GSA) Board of Directors was held on Wednesday, April 9, 2025, at 10:00 a.m. at the City of Buellton, City Council Chambers, 140 West Highway 246, Buellton, California.

Directors Present: Mike Anderson, Larry Lahr and John Sanchez

Acting Alternate Director Present: Meigan Dietenhofer

Alternate Director Present: Sara Rotman

Others Present (In Person): Bill Buelow, Rose Hess, and Amber Thompson,

Others Present (Teleconference): Doug Circle, Gina DePinto (Raftelis), Dan Drugan, Paeter Garcia, Theresa Jurotich (Raftelis), Curtis Lawler (Stetson Engineers), Miles McCammon (Stetson Engineers), Kadie McShirley, Alex Pappas, Sudhir Pardiwala (Raftelis), Matt Scrudato, Legal Counsel Brett Stroud (Young Wooldridge), Scarlett Tovar (DWR), and Matt Young

1. Call to Order and Roll Call

CMA GSA Board Chair Lahr called the meeting to order at 10:00 a.m. Ms. Thompson called roll. Three Directors and one Acting Alternate Director were present providing a quorum. In addition, one Alternate Director was present.

2. Pledge of Allegiance

Chair Lahr led the Pledge of Allegiance.

3. Public Comment

There were no public comments.

4. Receive update and provide direction on the CMA GSA Rate Study

Mr. Buelow introduced the CMA Groundwater Sustainability Agency Fee Study presentation including purpose of presentation. Mr. McCammon, Stetson Engineers, explained the technical factors of the CMA Rate Discussion Methodology Update. Mr. Pardiwala, Raftelis, provided a presentation on the Financial Plan Review including a six-year financial plan, projected budget for Fiscal Year Ending June 30, 2025-Fiscal Year Ending June 30, 2030, summary of revenue requirements, smoothed cash flow, and proposed rate and revised recommendations for Fiscal Years ending June 30, 2025, through Fiscal Year Ending June 30, 2030. Mr. Stroud, legal counsel, provided a legal explanation of the requirements of Proposition 218 for the CMA GSA to establish fees.

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Discussion occurred during and after the presentation. Public comments were received during and after the presentation.

The Board directed staff, consultants, and legal counsel to revise the fee basis to include cost per acre-foot groundwater pumping and a cost per acre for each parcel in CMA with the following changes: minimum acre per parcel set at 1 acre (increased from 0.5 acre); increase the cost per acre-foot groundwater pumping by $10; and reduce the cost per acre for each parcel, in accordance to Prop 218 rules and regulations, and schedule a special meeting of the CMA GSA Board to present the revised rate study information.

5. Next CMA GSA Special Board meeting Tuesday, April 22, 2025, 10 AM at Buellton CCC

Per direction given under Agenda Item No. 4, a special meeting was scheduled for Friday, April 11, 2025, 2 pm at the Buellton City Council Chambers.

Another special meeting will be scheduled for Tuesday, April 22, 2025, at 10 am at the Buellton City Council Chambers.

6. Next CMA GSA Board Regular Meeting is Monday, May 19, 2025, 10:00 AM, at the Buellton City Council Chambers

The next CMA GSA Board regular meeting is scheduled to be held on Monday, May 19, 2025, at 10:00 a.m. at the Buellton City Council Chambers, 140 West Highway 246, Buellton, California.

7. CMA GSA Board of Directors Reports and Requests for Future Agenda Items

There were no reports or requests.

8. Adjournment

Chair Lahr adjourned the meeting at 12:16 p.m.

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Larry Lahr, Chair

Amber Thompson, Secretary

MEETING MINUTES

Santa Ynez River Valley Groundwater Basin Central Management Area Groundwater Sustainability Agency Board of Directors April 11, 2025

A special meeting of the Santa Ynez River Valley Groundwater Basin Central Management Area Groundwater Sustainability Agency (CMA GSA) Board of Directors was held on Friday, April 11, 2025, at 2:00 p.m. at the City of Buellton, City Council Chambers, 140 West Highway 246, Buellton, California.

Directors Present: Mike Anderson, Acting Alternate Meigan Dietenhofer,

Acting Alternate Robert Dunlap, and John Sanchez

Alternate Director Present: Sara Rotman

Others Present (In Person): Bill Buelow, and Amber Thompson,

Others Present (Teleconference): Doug Circle, Gina DePinto (Raftelis), Len Fleckenstein, Paeter Garcia, Theresa Jurotich (Raftelis), Curtis Lawler (Stetson Engineers), Kadie McShirley, Sudhir Pardiwala (Raftelis), Legal Counsel Brett Stroud (Young Wooldridge), and Matt Young

1. Call to Order and Roll Call

CMA GSA Board Vice-Chair Sanchez called the meeting to order at 2:01 p.m. Ms. Thompson called roll. Two Directors and two Acting Alternate Directors were present providing a quorum. In addition, one Alternate Director was present.

2. Pledge of Allegiance

Vice-Chair Sanchez led the Pledge of Allegiance.

3. Public Comment

There were no public comments.

4. Receive update and provide direction on the CMA GSA Rate Study

Mr. Buelow introduced the CMA Groundwater Sustainability Agency Fee Study presentation including two fee options for consideration which were in response to Board direction received on April 9, 2025. Mr. Pardiwala and Ms. Jurotich, Raftelis, provided explanations on the basis and criteria used to develop the presented fee options. Mr. Stroud, legal counsel, provided an explanation on requirements of Proposition 218 for the CMA GSA to establish fees.

Discussion occurred during and after the presentation. Public comments were received during the presentation.

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Director Sanchez made a MOTION to accept Fee Option 2: combination groundwater extraction fee per acre-foot of groundwater pumped **and** a fee per acre for all parcels in CMA, rounding all partial acres to 1 acre, and directed Raftelis to prepare a Rate Study Report using Option 2. Acting Alternate Director Dunlap seconded the motion. There was no discussion or public comment. The motion passed unanimously by voice vote.

Director Sanchez thanked staff and Raftelis for all their efforts.

5. Next CMA GSA Special Board meeting Tuesday, April 22, 2025, 10 AM at Buellton CCC

A special meeting will be scheduled for Tuesday, April 22, 2025, at 10:00 a.m. at the Buellton City Council Chambers to receive and consider the Rate Study Report.

6. Next CMA GSA Board Regular Meeting is Monday, May 19, 2025, 10:00 AM, at the Buellton City Council Chambers

The next CMA GSA Board regular meeting is scheduled to be held on Monday, May 19, 2025, at 10:00 a.m. at the Buellton City Council Chambers, 140 West Highway 246, Buellton, California.

7. CMA GSA Board of Directors Reports and Requests for Future Agenda Items

There were no reports or requests.

8. Adjournment

Vice-Chair Sanchez adjourned the meeting at 2:50 p.m.

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John Sancez, Vice-Chair

Amber Thompson, Secretary

Groundwater Sustainability Agency Fee Study

Board Meeting – April 22, 2025

CMA
Santa Ynez River Valley Groundwater Basin
Central Management Area
Groundwater Sustainability Agency

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Agenda

- Review Basin GW Characteristics
- Financial Plan Update
- Proposed Fee structure
- Next Steps

CMA Rate Discussion Methodology Update

Coverage of Basin

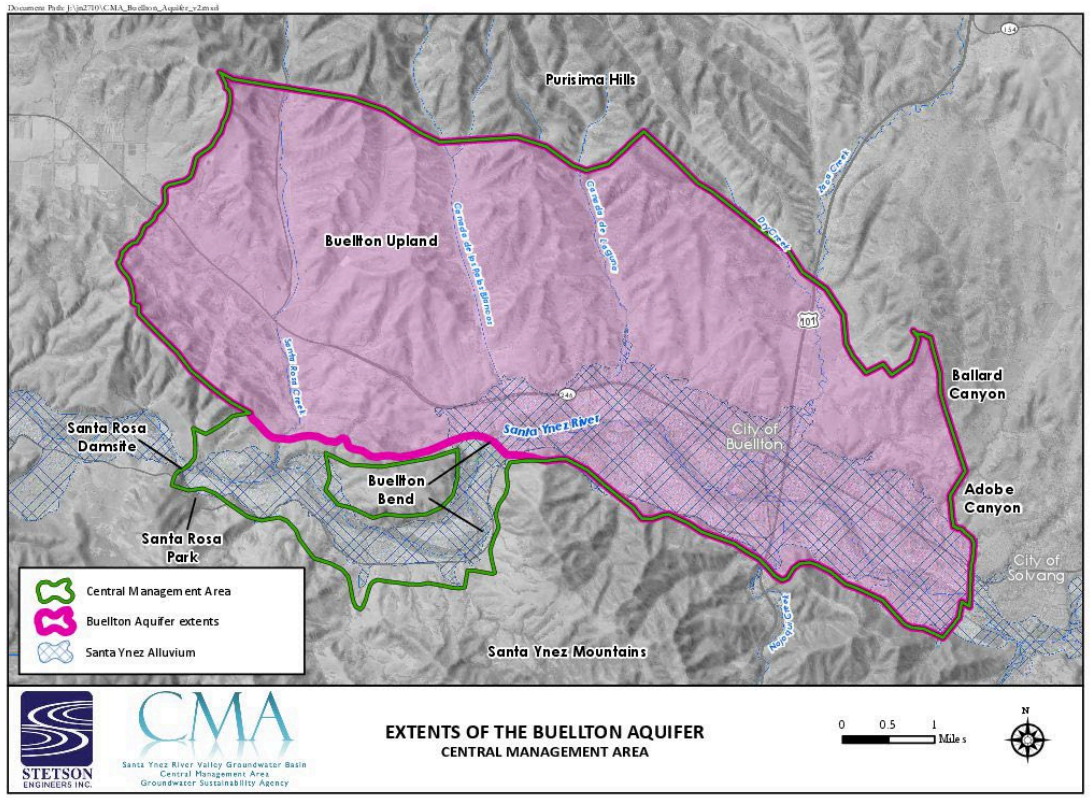
STETSON ENGINEERS INC.

CMA

Santa Ynez River Valley Groundwater Basin
Central Management Area
Groundwater Sustainability Agency

April 2025

CMA General Groundwater Setting



"'Groundwater' means water beneath the surface of the earth within the zone below the water table in which the soil is completely saturated with water **but does not include water that flows in known and definite channels** […]".
(Wat. Code, § 10721, subd. (g).)

- SGMA requires coverage up to DWR defined basin boundary.
  (*E.g.,* Wat. Code §10724, §10727, §10727.6, 22 CCR §§ 355.4)

- Some GSA costs are fixed and independent of actual groundwater use.

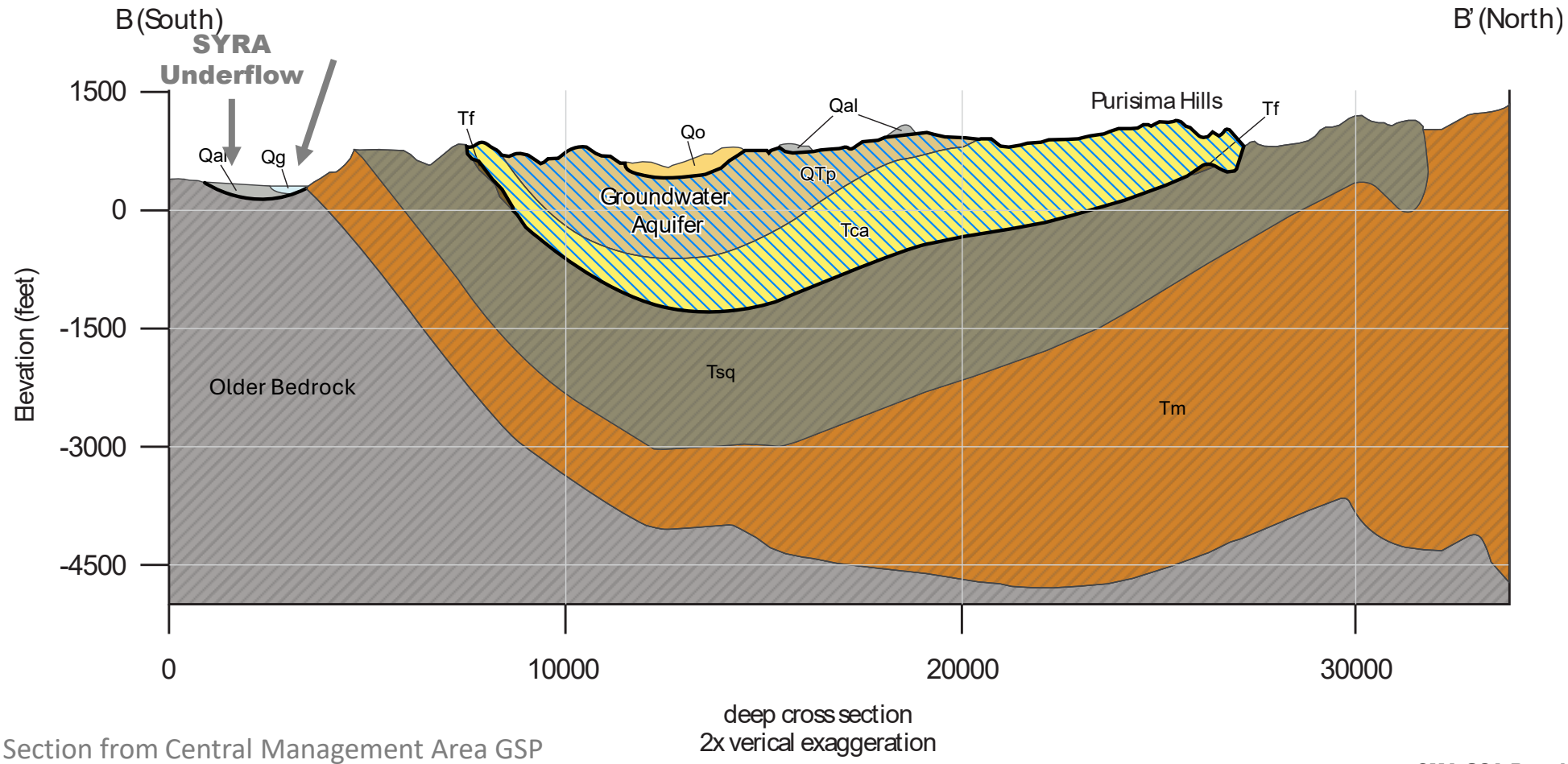
EXAMPLE:

- Buellton Aquifer Covers most of the CMA. In some areas the Buellton Aquifer underlies the Santa Ynez River Alluvium.

- Flow of Santa Ynez River flow through alluvium in a known and definite channel means it is not SGMA groundwater under SGMA Statute. However, significant effort has and will go into addressing this in the CMA.

Work Required to Accurately Characterize Known and Definite Channel in CMA

Typical Geological Cross Section Above Narrows
Showing Alluvial Channel Separated from Groundwater Aquifer by Non-Water Bearing Formations



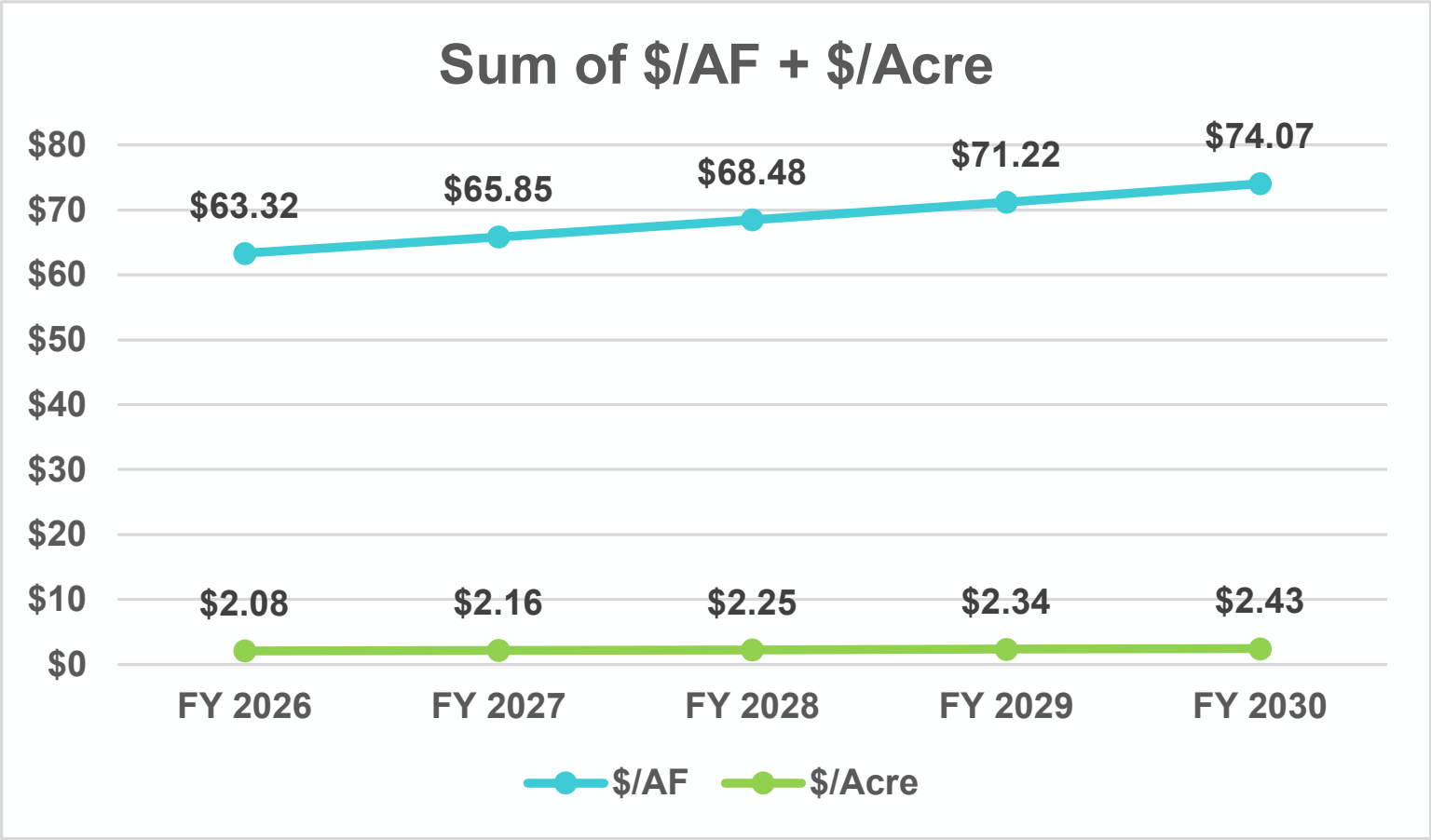
Annotated Cross Section from Central Management Area GSP
Cross sections based on 3D geologic model Geosyntec (2020).

	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Beginning Balance	$135,368	$146,618	$311,714	$222,760	$134,185	$47,199
Revenue						
Other	$224,000	$1,091,168	$0	$0	$0	$0
Interest	$850	$5,729	$6,681	$4,462	$2,267	$1,592
GSA	$0	$184,815	$192,207	$199,896	$207,891	$216,207
Total Rev	$224,850	$1,281,712	$198,888	$204,357	$210,159	$217,799
Expenses & Contingency	$213,600	$1,116,616	$287,842	$292,932	$297,145	$184,799
End Balance	$146,618	$311,714	$222,760	$134,185	$47,199	$80,199
Reserve Target *	$0	$79,900	$79,900	$79,900	$79,900	$79,900
Above/Below Target	Above	Above	Above	Above	Below	Above

* Annual reserve target is based on 6 months of operating costs in FYE 2030.

Recommendation

- Groundwater Extraction Fee: Water usage charge/pump charge ($/AF pumped)
  - Billed usage based on 5-year rolling average starting with FYE 2024 data.
- **AND** Acreage Fee to all benefitting parcels in the CMA including parcels in the city, county, and mutual and other water companies
- Billing on County Tax-roll
- Municipalities/CSDs/Mutual Water Companies: Billed Directly



Minimum Charge per parcel is for a whole acre and parcels will be grouped in whole acre increments

Sample Bills

Example	AF	Acre	Charge
Ex. 1	0	1	$2
Ex. 2	5	4	$325
Ex. 3	53	35	$3,429
Ex. 4	80	100	$5,274
Ex. 5	250	55	$15,944
Ex. 6	300	100	$19,204
Ex. 7	300	7000	$33,556

- Receive direction on issuing Prop 218 notice
- Proposition 218 rate adoption process
  - Board meeting to receive report (April 22, 2025)
  - Proposition 218 notice mailed (~April 28, 2025)
  - Public hearing (June 23, 2025)
- Submit to County by August 10, 2025

RAFTELIS

Questions?

BEFORE THE BOARD OF DIRECTORS OF

THE SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN CENTRAL MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY

IN THE MATTER OF: RESOLUTION NO. 2025-01

FIXING PROCEDURES FOR A PROPOSITION 218 MAJORITY PROTEST HEARING REGARDING A SUSTAINABLE GROUNDWATER MANAGEMENT FEE

WHEREAS, the Santa Ynez River Valley Groundwater Basin Central Management Area Groundwater Sustainability Agency ("Agency") is a public entity formed and existing, separate and apart from its member agencies, pursuant to the California Joint Exercise of Powers Law (Gov. Code, §§ 6500 *et seq.*).

WHEREAS, the Agency is the local Groundwater Sustainability Agency ("GSA") exclusively responsible for sustainable groundwater management within the Central Management Area of the Santa Ynez River Valley Groundwater Basin ("Basin"), pursuant to the Sustainable Groundwater Management Act ("SGMA"), including Water Code section 10720 *et seq*., and, to that end, the GSA has adopted a Groundwater Sustainability Plan ("GSP") as required by SGMA and approved by the California Department of Water Resources ("DWR") for sustainable groundwater management of the central management area of the Basin.

WHEREAS, Water Code section 10730 authorizes the Agency to "impose fees, including but not limited to, …fees on groundwater extraction or other regulated activity, to fund the costs of a groundwater sustainability program, including but limited to, preparation, adoption, and amendment of a groundwater sustainability plan, and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve."

WHEREAS, Water Code section 10730.2 authorizes the Agency to "impose fees on the extraction of groundwater from the basin to fund costs of groundwater management, including, but not limited to, the costs of the following: administration, operation, and maintenance, including a prudent reserve. … [and] … other activities necessary or convenient to implement a plan."

WHEREAS, the Agency proposes a Sustainable Groundwater Management Fee with two components: a charge per acre-foot of groundwater extraction ("Extraction Charge") and a separate per-acre charge ("Acreage Charge"), sometimes collectively referred to herein as the "Charges," to be imposed, respectively, on the extraction of groundwater and the parcels within the Agency to fund the GSA's costs of groundwater management.

WHEREAS, the Agency's staff and consultants have prepared a "Central Management Area Sustainable Groundwater Management Fee Study" dated April 21, 2025 ("Fee Study") analyzing the appropriate rate for the Charges for 2025 and an appropriate schedule of increases for five years, attached hereto as Exhibit A.

WHEREAS, the Agency proposes to approve this two-component Fee as a "property-related fee" within the meaning of Article 13D, Section 6 of the California Constitution ("Prop 218") and Water Code sections 10730 and 10730.2, and the Agency is thus required to conduct a majority protest hearing under Prop 218 before imposing the Fee.

NOW, THEREFORE, IT IS RESOLVED by the Board of Directors that:

1. **Recitals.** The Board finds that each of the above recitals is true and correct.

2. **Statement of Legislative Intent.** The Board's intent, in adopting this Resolution, is to call for "majority protest" proceedings ("Proceedings") that comply with the requirements of Prop 218, the Proposition 218 Omnibus Implementation Act (Government Code sections 53750, *et seq.*, the "Prop 218 Act"), and SGMA. The Board's intent is to opt-in to the procedures provided for in Government Code sections 53759, 53759.1, and 53759.2.

3. **Extraction Charge.** The proposed Extraction Charge will be a volumetric charge on extraction of groundwater in the Agency. Extraction of underground water from the Santa Ynez River Alluvium characterized as surface water by the GSP will not be subject to this charge. Domestic de minimis extraction less than 2 AF/yr is also exempted, as long as total extraction for the year for all purposes does not exceed 2 AF/yr.

   (a) The maximum per acre-foot charge for groundwater extraction subject to the Extraction Charge will be as shown in the table

GSA Fee Component	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Effective Date	1-Jul-25	1-Jul-26	1-Jul-27	1-Jul-28	1-Jul-29
Extraction ($/AF)	$63.32	$65.85	$68.48	$71.22	$74.07

4. **Acreage Charge.** The proposed Acreage Charge will be a per-acre charge on each parcel in the Agency. Parcel sizes will be rounded up to the nearest whole acre. Federal parcels are exempt.

   (a) The maximum per acre charge for each parcel subject to the Acreage Charge will be as shown in the table.

GSA Fee Component	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Effective Date	1-Jul-25	1-Jul-26	1-Jul-27	1-Jul-28	1-Jul-29
Acreage ($/Acre)	$2.08	$2.16	$2.25	$2.34	$2.43

5. **Collection of Fee.** The GSA intends to take action to provide for the Fee to be billed and collected in the same manner as ordinary municipal ad valorem taxes, i.e., through the County of Santa Barbara's property tax billing collection process, except for Fees applicable to municipalities, community services districts, mutual water companies and other entities, including, but not limited to, entities that own property tax exempt parcels, directly billed as determined appropriate by the GSA.

6. **Majority Protest Hearing.** The Board hereby calls a public hearing with respect to the proposed Fee, to be held on **June 23, 2025 at 10:00 a.m., at the Buellton City Council Chambers, 140 W. Hwy 246, Buellton, CA 93427**, at which time and place any person interested, including all persons owning land subject to the proposed fee, may appear and be heard.

7. **Notice of Public Hearing.** Notice of the hearing will be given subject to this section.

   (a) The record owner(s) of each parcel upon which the Fee will be imposed shall be determined from the last equalized secured property tax assessment roll. Notice will be provided to the record owners at the contact address on the roll. Only property

owners, not lessees or licensees, shall receive notice, because the record owner is responsible for payment of the Fee

(b) Notice will be given in substantially the form attached to this resolution as Exhibit B in accordance with Prop 218. Notice shall be sent at least forty-five (45) days prior to the date set for the public hearing.

(c) Notice of the time and place of the public hearing shall also be provided by publication pursuant to Section 6066 of the Government Code, by posting notice on the Internet website of the GSA, and by mail to any interested party who files a written request with the GSA for mailed notice of the meeting on new or increased fees.

(d) At the Buellton City Council Chambers, 140 West Highway 246, Buellton, CA 93427 and Buellton Library, 202 Dairyland Road, Buellton, CA 93427a notice will be posted during the 45-day notice period indicating the date, time, and place of the public hearing.

8. **Hearing Procedures.** The public hearing will be conducted according to the procedures set forth herein.

(a) At the public hearing, the Board of Directors shall hear public comments and consider all written protests of the proposed Fee until the close of the public hearing. The President or Chair of the Board of Directors may impose reasonable time limits on both the length of the hearing and the length of each speaker's testimony.

(b) Staff and consultants will also present responses to all timely Objections received under Government Code section 53759.1, and the Board will consider whether to take any action under subsection (d) of that section prior to proceeding. To be considered timely, an Objection must be received by 5 p.m. on June 11, 2025, at one of the Submittal Locations identified in the hearing notice.

(c) The Board of Directors may, in its discretion, adjourn the hearing to another time and place in compliance with Government Code sections 54955 and 54955.1.

(d) Any protest, to be received and counted for the purposes of the Proceeding, must be provided in writing to the District before the close of the public testimony portion of the public hearing. The written protest must contain the following:

(i) The identity of each parcel represented by the protest;

(ii) The name and address of the protester; and,

(iii) A signed statement, containing an original signature, indicating that the writing is a written protest on behalf of the parcel(s) listed in the protest and that the person signing the protest is an owner of the parcel.

(e) At the conclusion of the hearing, or shortly thereafter, the Secretary of the Board of Directors, or some other person designated by the Board of Directors, shall tabulate the written protests, including those received during the public hearing, to determine whether a majority protest exists.

(f) If, according to the final tabulation of the written protests, owners of a majority of parcels entitled to protest the Fee do so, the Board of Directors shall not impose the Fee. However, if no majority protest exists as to the Fee, the Board of Directors may adopt the Fee.

All the foregoing, being on motion of Director _____, seconded by Director _____, is authorized by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

I HEREBY CERTIFY that the foregoing resolution is the resolution of said District as duly passed and adopted by said Board of Directors on the 22nd day of April 2025.

WITNESS my hand and seal of the Board of Directors on this 22nd day of April 2025.

_____

(District Seal) Secretary

Pages 19-41

EXHIBIT A

RATE STUDY

CENTRAL MANAGEMENT AREA

Sustainable Groundwater Management Fee Study

REPORT / APRIL 21, 2025

RAFTELIS

CMA
Santa Ynez River Valley Groundwater Basin
Central Management Area
Groundwater Sustainability Agency

RAFTELIS

April 21, 2025

Mr. William Buelow
Plan Manager
CMA GSA
3669 Sagunto St, Suite 101
Santa Ynez, CA 93460

Subject: Central Management Area Sustainable Groundwater Management Fee Study

Dear Mr. Buelow:

Raftelis is pleased to provide this Central Management Area Sustainable Groundwater Management Fee Study ("Fee Study") to the Central Management Area Groundwater Sustainability Agency (CMA GSA or CMA), which determines the cost-of-service for the CMA's groundwater sustainability program and the appropriate allocation of those costs in the proposed Sustainable Groundwater Management Fee.

The primary objectives of the study include the following:

- Identify the properties that overlie the CMA and the groundwater extraction from those properties
- Create a five-year financial plan for the CMA GSA to identify the cost of service and the revenue that must be recovered to finance the CMA SGMA groundwater sustainability program
- Derive fees that align with the requirements of Proposition 218

Our report details the key assumptions and analyses. It proposes an initial maximum fee and a five-year escalation schedule. The report includes a brief Executive Summary followed by a description of the process undertaken during the study.

It has been a pleasure working with you, and we thank you and the CMA staff for the support provided during the course of this study.

Sincerely,

Sudhir Pardiwala
Senior Principal

Theresa Jurotich
Manager

611 Wilshire Blvd., Suite 900, Los Angeles, CA 90017
www.raftelis.com

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Line-Item Allocation

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1. Executive Summary

1.1. Sustainable Groundwater Management Act

The Sustainable Groundwater Management Act (SGMA), comprised of AB 1739, SB 168, and SB 1319, was enacted in September 2014, and became effective January 1, 2015, to provide a framework for managing groundwater supplies in the State of California. The State identifies basins that are critically over-drafted, high-priority, and medium-priority as the focus of the legislation. These basins are required to achieve sustainability within 20 years from Groundwater Sustainability Plan (GSP) implementation. Critically over-drafted basins must reach sustainability by 2040 while high- and medium-priority basins have until 2042. Reprioritized basins have until 20 years after reprioritization to reach sustainability. The Central Management Area Groundwater Sustainability Agency (CMA) is one part of the Santa Ynez River Valley Groundwater Basin (Basin). The Basin was designated by the California Department of Water Resources (DWR) as medium priority. Figure 1-1 shows the SGMA timeline as well as the funding phases, pre- and post-GSP implementation. The proposed fees found in this report address what we refer to as "Phase 3" funding requirements.

Figure 1-1: SGMA Timeline

1.2. Study Background

In 2024, Raftelis was contracted by the CMA to develop the Sustainable Groundwater Management Fee for Phase 3. Phase 3 includes the GSP implementation as well as CMA operations, administration, professional services, and establishment of a prudent cash reserve, which all support the GSP. Member agencies have been providing loans to the CMA to support the development and implementation of the CMA's GSP.

In November 2023, The CMA GSA was reformed as a Joint Powers Authority (JPA) between the City of Buellton, Santa Ynez River Water Conservation District (SYRWCD), and the Santa Barbara County Water

Agency (County). The County is a non-voting member with no financial responsibility. Since its original formation in 2017, the CMA has been staffed and managed by SYRWCD staff, as requested by the CMA members. Additionally, the CMA GSA has been funded through loans from the member agencies. As a JPA, the CMA GSA is a separate public entity, with its own boundaries as a management area within the Santa Ynez River Valley Groundwater Basin. To continue to provide for local sustainable groundwater management within the CMA, the CMA GSA requires a dedicated funding source for the financial independence and financial sustainability of the CMA and to accomplish its sustainability goals stated in its GSP.

1.3. Study Objectives

The CMA GSA's mission is to ensure a reliable and sustainable groundwater supply for the community through effective basin management pursuant to SGMA. The primary objectives of the fee study update include the following:

- Develop a five-year financial plan for CMA GSA to identify rate revenue required to fund the CMA GSA
- Update the parcels and acreage overlying the CMA groundwater basin subject to the GSA fee
- Derive fees that align with SGMA, Proposition 218, and other applicable legal requirements

This study derives a GSA fee to fund the mandate of SGMA, achieve CMA GSA objectives, and independently fund the CMA's ongoing operations and administration.

1.4. Context and Benefits of Sustainably Managed Groundwater

Sustainably managed groundwater basins reduce the risk of undesirable results including, the chronic decreases in groundwater-levels and groundwater in storage, water quality deterioration, land subsidence, impacts to surface water, and seawater intrusion.

Implementation of the GSP will provide a roadmap to sustainably manage the CMA's groundwater resources.

SGMA defines sustainable groundwater management as "the management and use of groundwater in a manner that can be maintained during the planning and implementation horizon without causing undesirable results." Undesirable results are defined as any of the following:

- Chronic lowering of Groundwater levels
- Significant and unreasonable reduction in Groundwater Storage
- Significant and unreasonable degradation of water quality
- Land subsidence
- Surface water depletions
- Seawater Intrusion (not applicable to CMA)

The CMA does not currently have any undesirable results occurring, as described in the CMA's most recent annual report, but nevertheless must continue to implement its groundwater sustainability program, including its GSP, to avoid undesirable results. To continue to do so, that requires the CMA to create an independent funding source.

1.5. Basin Characteristics[1]

The Basin is designated as Basin Number 3-015 by the State of California DWR. The basin is located in central Santa Barbara County and borders the Los Padres National Park to the east and south, the San Antonio Creek Valley Basin to the north, and the Pacific Ocean to the west. A map of the Basin is provided in Figure 1-2. As of 2010, the Basin's population was estimated at 75,446. DWR estimates that approximately 94 percent of the Basin's total water supply is met by groundwater. Of the 1,429 wells reported by the DWR, approximately 8 percent are public supply wells. Groundwater is heavily relied upon for agricultural uses.

The Basin has been divided into three management areas. The CMA boundaries are shown in Figure 1-3. The CMA is almost 33 square miles with 2,000 parcels. It has two subareas: the Buellton Aquifer and the Santa Ynez River Alluvium. The Buellton Aquifer roughly corresponds to SYRWCD's Zone D. The surface water and underflow of the Santa Ynez River is not considered groundwater under SGMA. While the CMA GSA does not currently manage extractions within the river alluvium, as a corrective action DWR has required the CMA and other GSAs in the Basin to implement an action plan including further investigation of the alluvial basin and related extractions. The alluvium roughly corresponds to the portion of SYRWCD's Zone A in the CMA[2].

The total groundwater extraction (in acre-feet (AF)) from the CMA portion of the Basin (Buellton Aquifer) between Fiscal Year Ending[3] (FYE) 2018 and FYE 2024 is shown in Table 1-1. This period includes very wet years and very dry years.

Table 1-1: Historical Reported Pumping in the Buellton Aquifer[4]

FYE	AF
2018	3,252
2019	2,520
2020	3,167
2021	2,714
2022	2,232
2023	3,579
2024	4,804

[1] https://gis.water.ca.gov/app/bp-dashboard/final/

[2] Stetson et al, "Groundwater Sustainability Plan for the Santa Ynez River Valley Groundwater Basin Bulletin 118 No. 3-15 Central Management Area Groundwater Sustainability CMA", January 2022.

[3] Fiscal years run from July 1 through June 30. Fiscal Year Ending references the end year of the fiscal year. For example, FYE 2025 is the period July 1, 2024, through June 30, 2025.

[4] Stetson Engineers' *Forty-Seventh Annual Engineering and Survey Report on Water Supply Conditions of the Santa Ynez River Water Conservation SYRWCD* dated March 3, 2025,

Figure 1-2: Santa Ynez River Valley Groundwater Basin

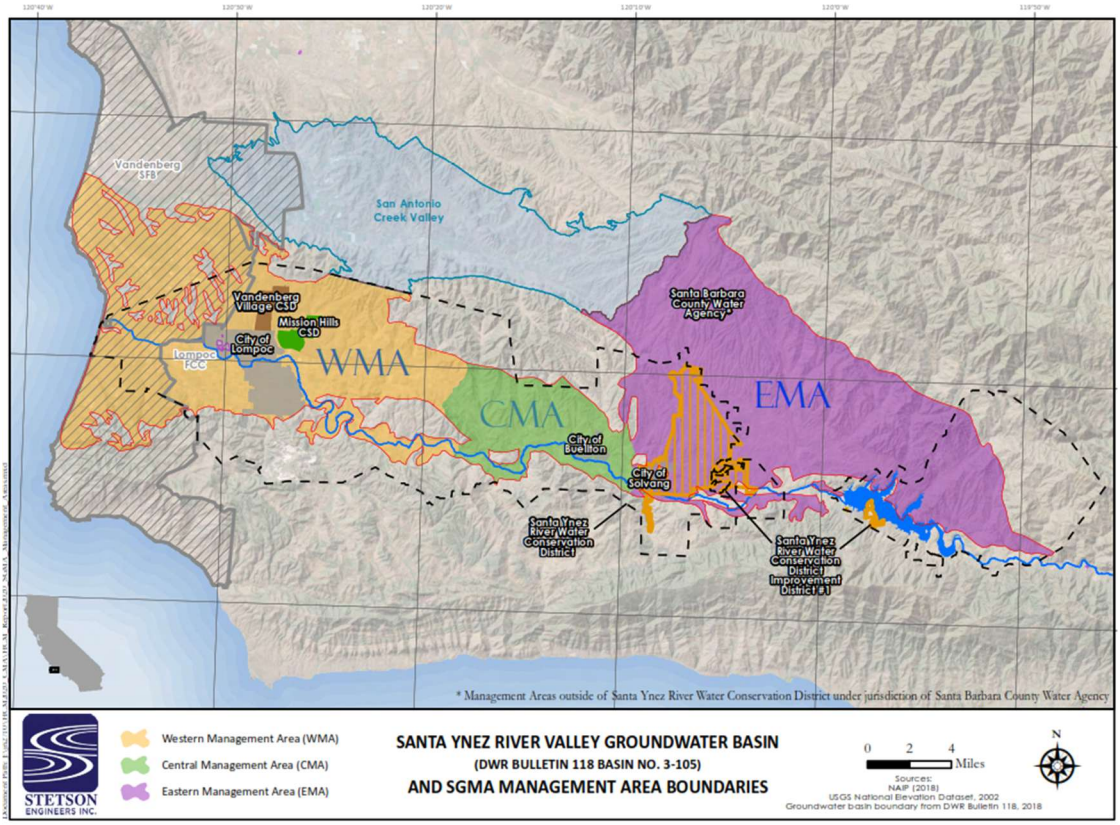
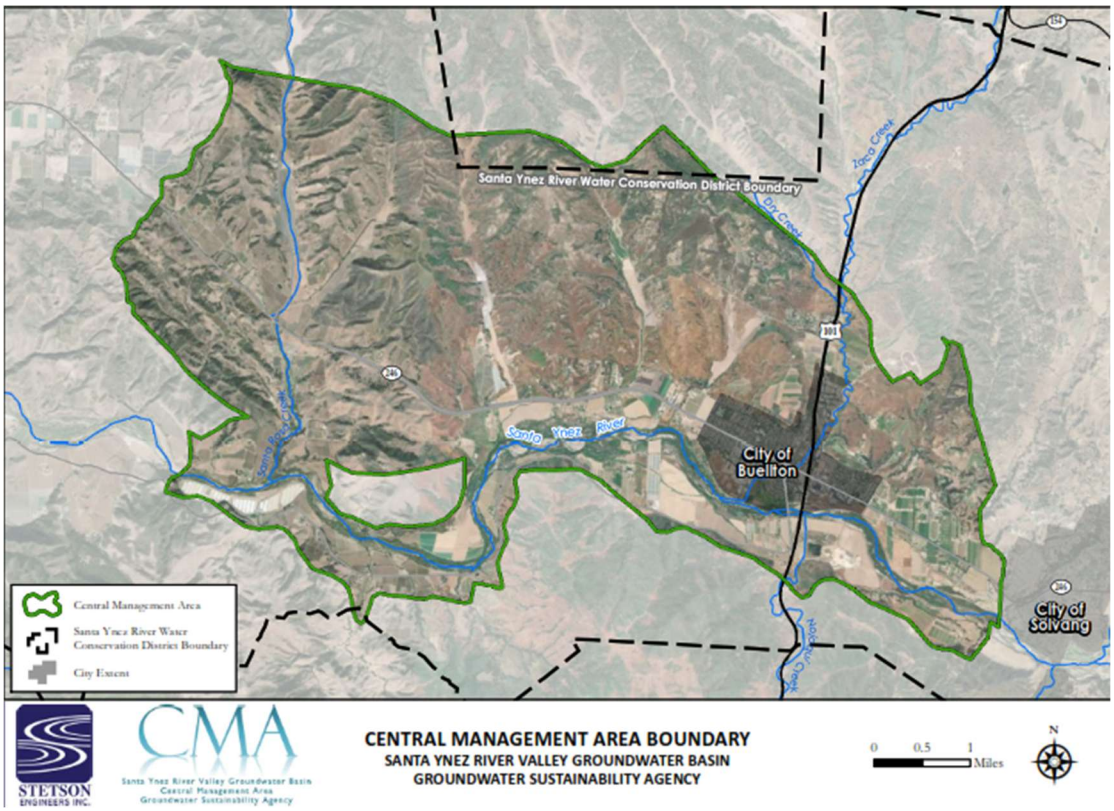


Figure 1-3: Central Management Area



1.6. Fee Setting Legal Mechanism

A critical component of the study is evaluating funding mechanisms to determine the most appropriate methodology for recovering the costs of the CMA. CMA staff and Raftelis discussed the benefits, challenges, policy considerations, legal considerations, and procedural requirements associated with each funding approach. A summary of Raftelis' understanding of and assumption regarding the proposed fee is that both components (extraction and per-acre) are subject to Proposition 218 is summarized in Section 2.

1.7. Proposed Fee

Several funding methods are available to the CMA for consideration. The chosen method is informed by basin characteristics, available data, and rationale for the allocation of costs as required by Proposition 218. Records of groundwater pumping, parcel information, and acreage data were obtained from SYRWCD for FYE 2023 and cross-referenced with parcel information from the County of Santa Barbara assessor Geographic Information System (GIS) data. The selected structure is a two-component fee, including both a volumetric Extraction Charge on groundwater extraction in the Buellton Aquifer and an Acreage Charge on all parcels within the CMA. The Extraction Charge component of the Fee is based on the amount of groundwater pumped from the groundwater basin within the Buellton Aquifer. CMA pumping data for FYE 2018 – FYE 2024 was reviewed for the fee calculation. To be conservative, the analysis is based on the lowest annual pumping reported during that period, which is for FYE 2022. Basing the fee on the lowest consumption during the last seven years results in the maximum fee that can be charged in any given year and ensures that the CMA will collect enough revenue to meet its expenses. It also means that if the groundwater extraction in any given year is higher than the number used to calculate the fee, the actual fee charged can be lower, with Board approval. The fee calculations and rationale for the fee structure are described in detail in Section 6. Table 1-2 shows the maximums for the two components of the proposed fee for FYE 2026 through FYE 2030. The calculated fee per acre-foot is rounded up to the nearest penny. In the first year, the fee will be based on the total AF of groundwater production in FYE 2024 for each parcel. In the second year, it will be the average of production in FYE 2024 and FYE 2025. This will continue until there is a 5-year running average. After that time, the fee will be calculated using a rolling 5-year running average. This will minimize the effect of variation in extraction due to climatic or other short-term changes. The calculated fee per acre is also rounded up to the nearest penny. The total acreage for each parcel is rounded up to the nearest whole acre. Therefore, the minimum charge for any parcel is the per acre charge.

Table 1-2: Proposed CMA GSA Fee Components

GSA Fee Components	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Effective Date	1-Jul-25	1-Jul-26	1-Jul-27	1-Jul-28	1-Jul-29
Extraction ($/AF)	$63.32	$65.85	$68.48	$71.22	$74.07
Acreage ($/Acre)	$2.08	$2.16	$2.25	$2.34	$2.43

2. SGMA Fee-setting and California's Legal Framework

2.1. Funding Methods

A critical component of the study is selecting which funding mechanism to use and the legal requirements that govern the selected funding mechanism. CMA GSA staff, the Board of Directors, legal counsel, and Raftelis discussed the substantive requirements, procedural requirements, and policy considerations associated with several funding approaches[5] .

2.2. Selected Funding Mechanism – Proposition 218 Property-Related Fee

Proposition 218 was passed by the California voters in 1996 and governs property-related fees including water, wastewater, and solid waste service. The measure created an amendment to the California Constitution (Article XIII D, Section 6). It was enacted to ensure, in part, that fees and charges imposed for ongoing delivery of a service to a property are proportional to, and do not exceed, the cost of providing service. Proposition 218 defines property-related fees for service and the criteria for such fees. The principal requirements, as they relate to public water service fees and charges, are as follows:

- Revenues derived from the fee or charge shall not exceed the costs required to provide the property-related service.
- Revenues derived by the fee or charge shall not be used for any purpose other than that for which the fee or charge was imposed.
- The amount of the fee or charge imposed upon any parcel shall not exceed the proportional cost of service attributable to the parcel.
- No fee or charge may be imposed for a service unless that service is used or immediately available to the owner of property.
- A written notice of the proposed fee or charge shall be mailed to the record owner of each parcel not less than 45 days prior to a public hearing, when the CMA considers all written protests against the charge.

Procedurally, Proposition 218 requires noticing of all affected properties with each property allowed to protest the proposed rates, with one protest permitted per parcel. Absent a majority written protest, rates may be adopted by the governing body at a public hearing at least 45 days after providing notice to affected properties. SGMA explicitly states that fees imposed based on the extraction of groundwater "shall be adopted in accordance with subdivisions (a) and (b) of Section 6 of Article XIII D of the California Constitution" [commonly referred to as Proposition 218][6] .

The CMA has opted to pursue a property-related fee subject to the substantive and procedural requirements of Proposition 218.

[5] Raftelis is not a law firm.

[6] Water Code 10730.2(c)

3. CMA Groundwater Basin Overview

For purposes of SGMA, "groundwater" is defined as "water beneath the surface of the earth within the zone below the water table in which the soil is completely saturated with water but does not include water that flows in known and definite channels." (Wat. Code, § 10721(g)). Using this definition, the CMA has one "groundwater" aquifer, the "Buellton Aquifer" (2022 CMA GSP). The Buellton Aquifer consists of the Paso Robles and Careaga Sand Formations. These two formations are located in a wide geologic syncline fold that covers a majority of the CMA. Figure 3-1 shows where this aquifer is located within the extent of the CMA. Figure 3-2 shows the locations and extents of the geographic subareas in the CMA. Figure 3-1 shows that the Buellton Aquifer includes all the Buellton Aquifer and extends underneath a part of the Santa Ynez River Alluvium subarea (Figure 3-2).

The CMA is unique within the Santa Ynez River Valley Groundwater Basin in that the Santa Ynez River Alluvium subarea represents roughly 32 percent of the total management area. For comparison, the Santa Ynez River alluvium in the other management areas (Western and Eastern) represents about 5 percent of their respective management areas. The SGMA "groundwater" aquifer lies beneath a portion of the Santa Ynez River Alluvium subarea near the City of Buellton, which is also unique among the management areas of the Santa Ynez River Valley Groundwater Basin. While the shallow alluvial deposits in the CMA occur in a known and definite channel and are not part of the SGMA "groundwater" aquifer, the alluvial subarea still needs to be addressed by the CMA to accurately characterize the extent of the "groundwater" in the area as defined by SGMA consistent with DWR's corrective actions in its review of the GSP.

Figure 3-1: Extents of the Buellton Aquifer

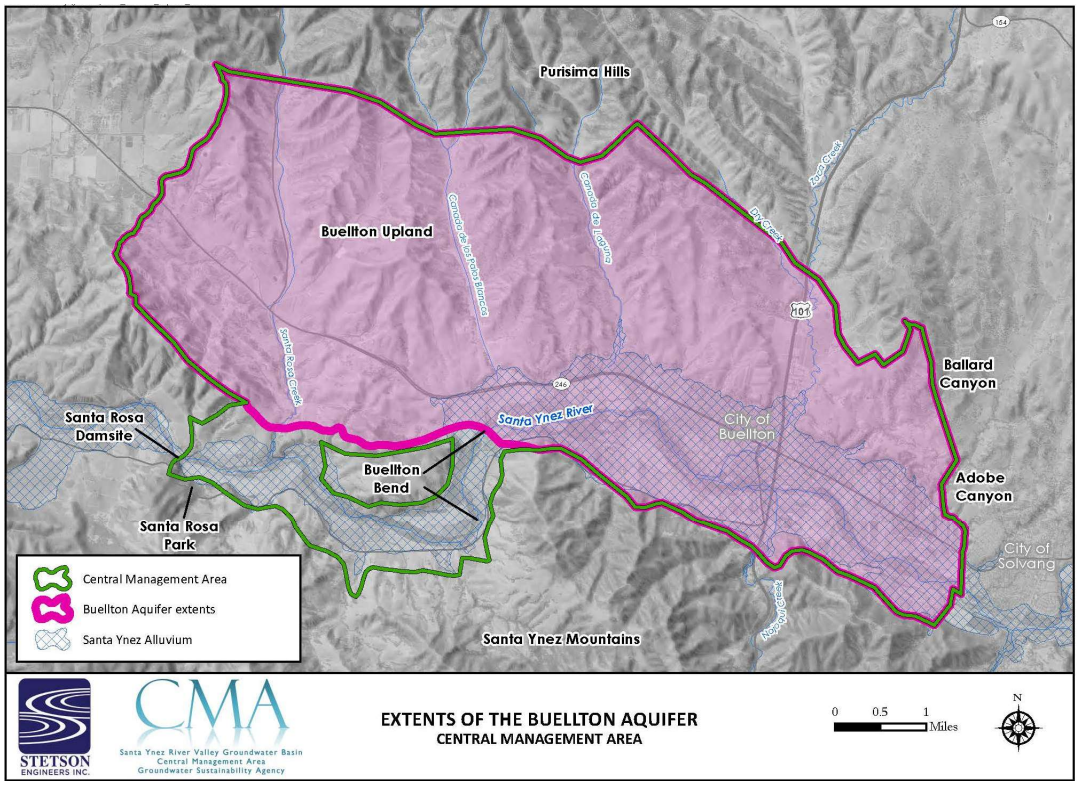
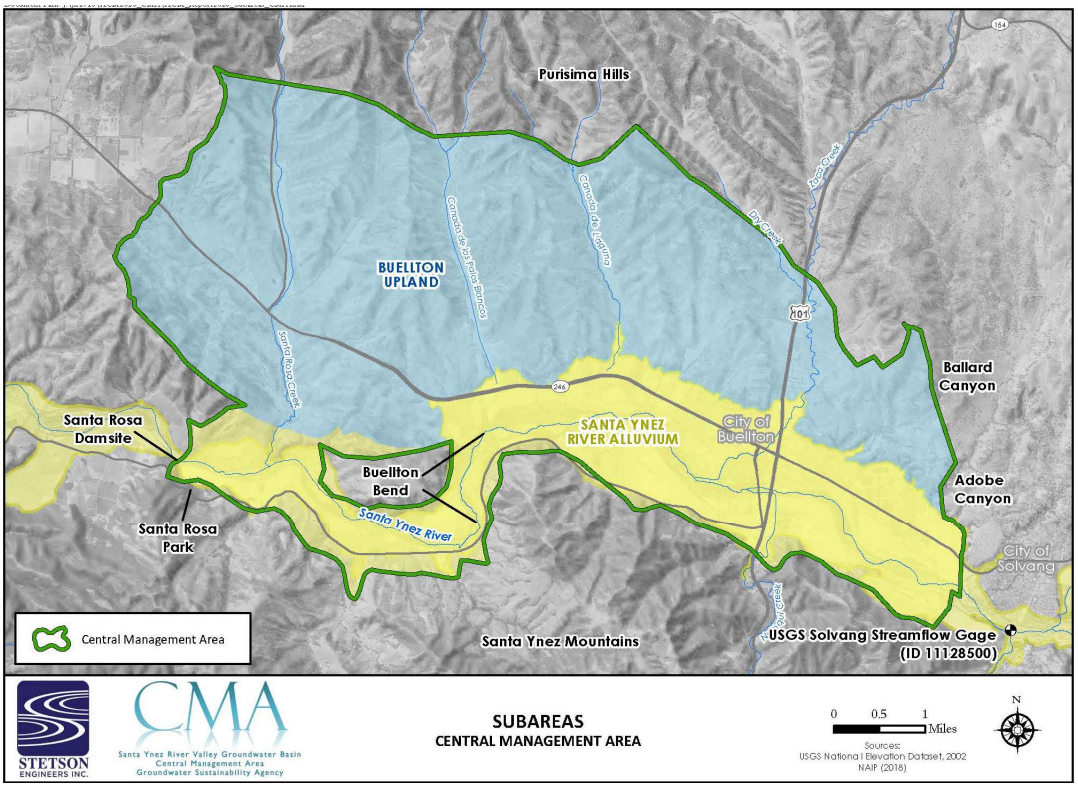


Figure 3-2: Subareas of the CMA



4. Fee Structure Evaluation

4.1. Fee Structure Options

Several fee options considered for evaluation by the CMA are briefly discussed below. Table 4-1 shows the three options and their relative strength (shown by the number of asterisks) on four scores: Administration, equity, financial stability, and affordability. The selected fee structure uses data that is currently available and applied in a reasonable way, while recognizing that all data is subject to further refinement and that CMA GSA will develop additional data through its GSP implementation.

4.1.1. All Parcels – Flat Charge

Advantages: Parcel-based approaches are generally simple to understand and to administer. There are few data requirements as the data necessary is simple and readily available.
Disadvantages: Generally inequitable. No relation to groundwater extraction or parcel size.
Data requirements: County Assessor's parcel data.
Other/Policy Requirements: None identified.

4.1.2. Per Parcel Fee – Total Acreage

Advantages: Simple to understand and to administer. Minimal data requirements. Data is readily available from the County Assessor and in GIS. Acts as a proxy for the benefit of sustainably managed groundwater. Provides a mechanism to charge acreage, which benefits from the activities of the CMA.
Disadvantages: Not related to actual groundwater extraction.
Data requirements: County Assessor's parcel database.
Other/Policy requirements: None identified.

4.1.3. Fee on Reported Groundwater Extraction (AF)

Advantages: Greater equity with fee based on actual extraction. Easy to understand. Pumping already reported to the SYRWCD.
Disadvantages: Need a means of sharing / reporting information to the CMA. May require direct metering to better record groundwater pumping. Those who currently do not pump, but have correlative rights in the groundwater basin, are not paying for the benefit received by having that water locally managed by a GSA.
Data requirements: Reported pumping or eventually validated metered data.
Other/Policy requirements: Requires adoption of metering plan or access to SYRWCD data.

4.1.4. Combined Fee on Reported Groundwater Extraction (AF) and Parcel Acreage

Advantages: Best equity with fee based on a combination of the volume of groundwater production and the total acreage of each parcel. Groundwater production data is already reported to the SYRWCD. The acreage of each parcel is readily available from the County Assessor and in GIS.
Disadvantages: Need a means of sharing / reporting information to the CMA. May require direct metering to accurately record groundwater pumping.

Data requirements: Self-reported or metered groundwater production data; County Assessor's parcel database.
Other/Policy requirements: Requires adoption of metering plan or access to SYRWCD data.

Table 4-1: Fee Structure Options

Policy Objective	All Parcels	Total Acreage	Reported Pumping	Reported Pumping & Total Acreage
Administration	****	****	**	***
Equity	*	**	****	***
Financial Stability	****	****	***	***
Affordability	*	***	***	***

4.2. Selected Approach

The CMA has decided to develop a fee based on two components: an Extraction Charge based on extractions in AF within the Buellton Aquifer and an Acreage Charge for each parcel in the CMA. The CMA may request the semi-annual groundwater pumping data from the SYRWCD, and the parcel/acreage data from the County Assessor and GIS. The Extraction Charge per AF will be based on a five-year rolling average of pumping data to smooth out customer bills as well as revenues received by the GSA. The first-year quantity will be the FYE 2024 extractions, and future years will be added to the rolling average until there is a five-year average. The rolling average will help stabilize revenues as groundwater extraction may vary from year-to-year based on several variables including climate change, short term drought or excessive rainfall, and changes in cropping. The Acreage Charge will be based on the total acreage of each parcel, rounded up to the nearest whole acre

5. Required Revenue and Six-Year Financial Plan

The overall purpose of the financial plan is to determine annual revenues required to provide adequate cash flow for GSA operations and administration, reimbursement of existing loans from the member agencies, and to maintain adequate cash reserves. The following subsections include estimates and projections of annual expenses. Revenues and expenses are projected over the six-year planning period from FYE 2025 through FYE 2030.

Raftelis worked with CMA GSA staff to create a multi-year financial plan for the CMA. The first step in determining the GSA fee is determining how much revenue the CMA will require to recover its costs over six years (the current fiscal year plus five additional years). The six-year forecast for the CMA is shown in Table 5-1. The CMA provided a forecast of costs and non-rate revenue for FYE 2025 to FYE 2029. Raftelis projected the FYE 2030 budget based on three percent inflation. Revenues comprise member CMA contributions, SGMA grant reimbursement, and estimated interest earnings. Expenses rely on best available estimates of costs and inflationary assumptions, among other factors. The budget also includes paying back the member agencies' loans. Reserves are used to help minimize the GSA fee revenue and draws on reserves are projected to reduce the reserve level over the study period to be near the recommended FYE 2030 target

Table 5-1: CMA GSA Six-Year Revenue and Expense Projection

Revenue	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Member Agency Contributions	$100,000	$100,000	$0	$0	$0	$0
SGMA Grant Reimbusement	$124,000	$991,168	$0	$0	$0	$0
Interest Income	$850	$1,000	$1,150	$1,250	$1,500	$1,500
Total Revenue Before GSA Fees	$224,850	$1,092,168	$1,150	$1,250	$1,500	$1,500

Expenses	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Internal Operations						
Executive Director Services	$42,000	$43,260	$40,314	$41,524	$42,769	$44,052
Outside Services	$1,600	$1,648	$1,697	$1,748	$1,801	$1,855
Travel & Training	$500	$500	$500	$500	$500	$515
Annual Audit	$0	$0	$10,000	$10,300	$10,609	$10,927
Insurance & Worker's Comp	$5,500	$5,665	$5,835	$6,010	$6,190	$6,376
Dues (ACWA, CSDA etc)	$0	$0	$0	$0	$0	$0
Fees Collection	$0	$4,000	$2,120	$2,184	$2,249	$2,317
Payback Agencies	$0	$0	$116,000	$117,000	$117,000	$0
Miscellaneous (internet, webpage, postage etc)	$1,000	$1,030	$1,061	$1,093	$1,126	$1,159
Legal						
General & Misc.	$27,000	$27,810	$28,644	$29,504	$30,389	$31,300
Employment/HR	$1,000	$1,030	$1,061	$1,093	$1,126	$1,159
Fees Development	$10,000	$10,300	$10,609	$10,927	$11,255	$11,593
Engineering & Environmental						
General & Misc.	$1,000	$5,000	$10,000	$10,000	$10,000	$10,300
Annual DWR Report	$0	$0	$35,000	$36,050	$37,132	$38,245
Grant Components 2-8 Jul 24-Jun 25	$124,000	$0	$0	$0	$0	$0
Grant Components 2-8 Jul 25-Jun 26	.	$991,373	$0	$0	$0	$0
Subtotal Expenses	$213,600	$1,091,616	$262,842	$267,932	$272,145	$159,799
Contingency	$0	$25,000	$25,000	$25,000	$25,000	$25,000
Reserve Contribution/Draws*	$0	-$13,900	-$13,900	-$13,900	-$13,900	-$13,900
Net Revenue Requirement	**-$11,250**	**$10,548**	**$272,792**	**$277,782**	**$281,745**	**$169,399**

* Targeting 6 months of O&M by FYE 2030.

A contingency of $25,000 per year is recommended since the CMA is beginning operations and costs are more uncertain. This will help to ensure adequate revenue recovery due to changes in the cost estimates as well as changes in groundwater extraction.

Reasonable and achievable reserves are a financial tool to aid in cash flow timing and secure against unforeseen expenditures. Generally, a reserve for operations targets a specific percentage of annual operating costs or days of cash on hand. The reserve target is influenced by several factors including the frequency of billing and the recurrence of expenses. The GSA fees will be submitted for collection by the County of Santa Barbara with the GSA receiving bulk of the revenues only twice per year in December and April. To ensure adequate cash reserves are available to fund operations, we recommend a reserve equivalent to six months of expenses, which should help cover the period from July to receipts of revenues in December when most customers pay their tax bills.

6. CMA Groundwater Basin Extractions and Acreage

Section 4.2 discussed the selected approach of reported pumping (AF) and acreage. This section describes groundwater production in the CMA. as well as the acreage within the CMA.

6.1. Extractions

The following is based on the extractions reported in FYE 2020 – FYE 2024. The SYRWCD provided billed AF for FYE 2023. Additionally, the CMA's engineer, Stetson, provided historical groundwater pumping for FYE 2020-FYE 2024 to determine the lowest amount of annual extractions. Using the lowest amount of extractions should provide a conservative estimate for a volumetric charge for the CMA. It also means that if the reported extraction is higher, the fee per AF could be lowered by the CMA Board.

De minimis domestic use less than or equal to 2 AF per year is exempted from this Extraction Charge. However, if a pumper uses more than 2 AF/year, then the de minimum exemption does not apply. Table 6-1 shows the net groundwater extractions (AF) used to calculate the unit rates. The FYE 2023 data from SYRWCD was used to estimate the percent of usage that is de minimis. That percentage was applied to the total FYE 2022 production to determine the net volume of groundwater extracted (AF).

Table 6-1: CMA FYE 2023 and FYE 2022 SGMA-Related Groundwater Pumped (AF)

	FYE 2023	FYE 2022
Total Use	2,823	2,232
De minimis	30	24
Net Use	2,792	2,208
% De minimis	1.1%	1.1%

6.2. Acreage

The County Assessor and overlaying GIS data for the CMA were analyzed to calculate the total acreage for each parcel in the CMA. Acre size for each parcel was rounded up to the nearest whole acre. The total acreage is calculated to be 21,687 acres.

7. Fee Calculation & Impacts

7.1. Smoothed Revenue Requirement

Net revenue requirements vary significantly from year to year, which would cause the rates to be variable. This is due to the tax payment schedule cash flow, the schedule of grant reimbursements, and the payback of member agency loans. To reduce fee variability, the CMA will adopt a "smoothed" revenue requirement approach. The result is a fee that increases slightly from year-to-year and is easier to explain and for extractors to understand and plan their operations. The smoothed revenue requirement builds in a four percent increase per year instead of remaining flat for five years. The smoothed revenue required from the GSA fee is presented in Table 7-1. The total of the "Net Revenue Requirement" line and the "Smoothed Net Rev. Req." line for the six years both equal $1,001,016.

Table 7-1: Smoothed Revenue Requirement

	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Revenues						
Member Agency Contributions	$100,000	$100,000	$0	$0	$0	$0
SGMA Grant Reimbusement	$124,000	$991,168	$0	$0	$0	$0
Interest Income	$850	$1,000	$1,150	$1,250	$1,500	$1,500
Subtotal Revenues	$224,850	$1,092,168	$1,150	$1,250	$1,500	$1,500
Expenses, Contingency, Reserve	$213,600	$1,102,716	$273,942	$279,032	$283,245	$170,899
Net Revenue Requirement	-$11,250	$10,548	$272,792	$277,782	$281,745	$169,399
Smoothed Net Rev. Req.	$0	$184,815	$192,207	$199,896	$207,891	$216,207

The projected cash flow for the GSA and the reserve target is shown in Table 7-2.

Table 7-2: Cashflow Including Projected GSA Revenue

	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Beginning Balance	$135,368	$146,618	$311,714	$222,760	$134,185	$47,199
Revenue						
Other	$224,000	$1,091,168	$0	$0	$0	$0
Interest	$850	$5,729	$6,681	$4,462	$2,267	$1,592
GSA	$0	$184,815	$192,207	$199,896	$207,891	$216,207
Total Rev	$224,850	$1,281,712	$198,888	$204,357	$210,159	$217,799
Expenses & Contingency	$213,600	$1,116,616	$287,842	$292,932	$297,145	$184,799
End Balance	$146,618	$311,714	$222,760	$134,185	$47,199	$80,199
Reserve Target *	$0	$79,900	$79,900	$79,900	$79,900	$79,900
Above/Below Target	Above	Above	Above	Above	Below	Above

* Annual reserve target is based on 6 months of operating costs in FYE 2030.

7.2. Allocation of Net Revenue Requirements

To estimate the line-item allocations, Raftelis worked with CMA staff to allocate non-rate revenues and costs between groundwater extraction, acreage, and/or general, as shown in the appendix. These allocations were then summed over the 6-year period to determine an overall allocation between groundwater extraction and acreage that could be applied to the smoothed net revenue requirement. The resulting allocations are shown in Table 7-3.

Table 7-3: Allocation of Total Costs to AF and Acres

Component	6-Yr Total	Allocation
AF	$757,127	76%
Acreage	$243,888	24%
Total	$1,001,016	100%

7.3. Fee Calculation

The fee is comprised of two components: extraction (AF) and acreage.

7.3.1. Extraction Charge

To develop the Extraction Charge, the smoothed net revenue requirement allocated to the Extraction Charge, shown in Table 7-4, is divided by the net pumping in the CMA portion of the Basin from Table 6-1. The fee per acre-foot is rounded up to the nearest penny. The fee per acre-foot is the same fee for all Buellton Aquifer extraction, regardless of the nature of the use.

Table 7-4: Derivation of Proposed Extraction Charge

	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Smoothed AF Net Rev. Req.	$139,786	$145,378	$151,193	$157,240	$163,530
Acre-Feet (AF)	2,208	2,208	2,208	2,208	2,208
Extraction Charge ($/AF)	**$63.32**	**$65.85**	**$68.48**	**$71.22**	**$74.07**

In the first year, the total extraction (AF) will be based on the FYE 2024 production data provided by SYRWCD. In the second year, it will be the average of FYE 2024 and the FYE 2025. This will continue until there is a 5-year average. Individual parcel charges will be calculated based on production from a rolling 5-year average.

Table 7-5 shows an example of how the 5-year rolling average will be built up over the first five years. In the Year 1, the total volume (AF) for billing is based on FYE 2024 reported groundwater extractions (Column C, Line 1). In Year 2, the total volume (AF) for billing is the average of the prior two years (Column C, Lines 1 and 2). In Year 5, the total volume (AF) for billing is the average of the prior five years (Column C, Lines 1 through 5). In Year 6, the total volume (AF) for billing is the average of Years 1 through 5 pumping (Column B, Lines 2 through 6).

Table 7-5: Example of Build-up to 5-Year Rolling Average

Year	Year (A)	Reporting Year (B)	Reported Total Pumpage, AF (C)	AF for Billing (D)	Basis for Rate (E)
1	FYE 2026	FYE 2024	4,750	4,750	FYE 2024
2	FYE 2027	FYE 2025	3,250	4,000	FYE 2024 - FYE 2025
3	FYE 2028	FYE 2026	3,100	3,700	FYE 2024 - FYE 2026
4	FYE 2029	FYE 2027	3,300	3,600	FYE 2024 - FYE 2027
5	FYE 2030	FYE 2028	3,275	3,535	FYE 2024 - FYE 2028
6	FYE 2031	FYE 2029	3,250	3,235	FYE 2025 - FYE 2029
7	FYE 2032	FYE 2030	3,150	3,215	FYE 2026 - FYE 2030

7.3.2. Acreage Charge

To develop the acreage charge, the smoothed net revenue requirement allocated to the Acreage Charge, shown in Table 7-6, is divided by the total acres within the CMA as discussed in Section 6.2. The fee per acre is rounded up to the nearest penny.

Table 7-6: Derivation of Proposed Acreage Charge

	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Smoothed Acre Net Rev. Req.	$45,028	$46,830	$48,703	$50,651	$52,677
Billed Acres	21,687	21,687	21,687	21,687	21,687
Acreage Charge, $/AF	**$2.08**	**$2.16**	**$2.25**	**$2.34**	**$2.43**

7.4. Fee Impacts

Table 7-7 shows sample charges for different amounts of reported pumping using proposed FYE 2026 rates.

Table 7-7: Sample Groundwater Management Fee Charge

Reported AF	Billed Acres	FYE 2026
0	1	$2.08
5	4	$324.92
53	35	$3,428.76
80	100	$5,273.60
250	55	$15,944.40
300	100	$19,204.00
300	7000	$33,556.00

APPENDIX:

Line-Item Allocation

Table A-1 Line-Item Allocation

Category	6-Year Total	AF	Acre	General
Revenues				
Member Agency Contributions	$200,000	95%	5%	0%
SGMA Grant Reimbusement	$1,115,168	95%	5%	0%
Interest Income	$7,250	95%	5%	0%
Revenue Allocation	$1,322,418	$1,256,297	$66,121	$0
Expense				
Internal Operations	$0	0%	0%	0%
Executive Director	$126,960	95%	5%	0%
Administrative Support	$126,960	95%	5%	0%
Outside Services	$10,349	95%	5%	0%
Travel & Training	$3,015	95%	5%	0%
Annual Audit	$41,836	95%	5%	0%
Insurance & Worker's Comp	$35,576	95%	5%	0%
Dues (ACWA, CSDA etc)	$0	95%	5%	0%
Fees Collection	$12,869	95%	5%	0%
Payback Agencies	$350,000	95%	5%	0%
Miscellaneous (internet, webpage, postage etc)	$6,468	95%	5%	0%
Legal	$0	0%	0%	0%
General & Misc.	$174,647	95%	5%	0%
Employment/HR	$6,468	95%	5%	0%
Fees Development	$64,684	95%	5%	0%
Engineering & Environmental	$0	0%	0%	0%
General & Misc.	$46,300	0%	100%	0%
Annual DWR Report	$146,427	0%	100%	0%
Grant Components 2-8 Jul 24-Jun 25	$124,000	95%	5%	0%
Grant Components 2-8 Jul 25-Jun 26	$991,373	95%	5%	0%
Subtotal Expenses				
Contingency	$125,000	0%	0%	100%
Reserve Contribution/Draws*	-$69,500	0%	0%	100%
Expenses Allocation	$2,323,434	$1,971,446	$296,487	$55,500
Net Allocation (Exp. less Rev.)	$1,001,016	$715,149	$230,366	$55,500
Reallocate General	$0	$41,978	$13,522	-$55,500
Reallocated Net Costs	$1,001,016	$757,127	$243,888	$0
Percent Allocation	100%	76%	24%	0%

EXHIBIT B

PROP 218 NOTICE

Central Management Area GSA
P.O. Box 719
Santa Ynez, CA 93460

NOTICE OF PUBLIC HEARING

To Consider a Proposed Groundwater Management Fee Within the Central Management Area (CMA) Groundwater Sustainability Agency (GSA)

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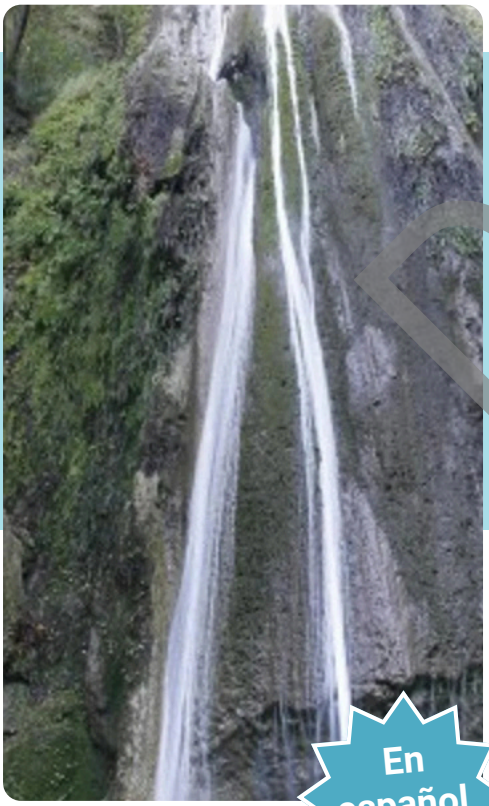

Nojoqui Falls Park

Hearing Date:	**Monday, June 23, 2025**
Hearing Time:	**10 a.m.**
Location:	**Buellton City Council Chambers 140 W Hwy 246 Buellton, CA 93427**

This Notice is being provided to you by the **Central Management Area Groundwater Sustainability Agency** (CMA; CMA-GSA; Agency) in accordance with Article XIII D, Section 6 of the California Constitution (Proposition 218), which requires the Agency to notify property owners of record of a proposed property-related fee and their right to protest. ***This Notice is available on the website in English and Spanish. The printed notice is also available at the local library.***

En español

El Aviso está disponible en español en el sitio web www.CMA-SantaYnezWater.org. El aviso impreso está disponible en la biblioteca local.

CMA@SantaYnezWater.org
www.cma-santaynezwater.org/

NOTICE TO PROPERTY OWNERS

This serves as notice that the Central Management Area (CMA) Groundwater Sustainability Agency (GSA) Board of Directors (Board) will conduct a Public Hearing to consider a proposed groundwater management fee on Monday, June 23, 2025, at 10 a.m. at the Buellton City Council Chambers, 140 W Hwy 246, Buellton, CA 93427.

All those interested are invited to appear at the Public Hearing to give oral or written testimony or to submit written protests regarding the proposed fee. The CMA-GSA Board of Directors will hear and consider all oral testimony and written materials submitted at the Public Hearing. The Board has the authority to adjust the proposed groundwater management fee in response to oral testimony and written materials submitted for consideration, provided the fee is not increased beyond what is proposed in this Notice. If adopted by the CMA-GSA Board of Directors, the proposed fee would take effect July 1, 2025, and each July 1 thereafter. Property owners would see the fee on their next and future property tax bills.

BACKGROUND - California's Sustainable Groundwater Management Act (SGMA)

The California Sustainable Groundwater Management Act (SGMA), passed in 2014, created a statewide framework to help protect groundwater resources over the long-term. SGMA requires local agencies to form Groundwater Sustainability Agencies (GSAs) for high and medium priority basins and develop and implement Groundwater Sustainability Plans (GSPs) to avoid undesirable results and mitigate overdraft, ensuring sustainable conditions by 2042 for non-critically overdrafted basins.

The California Department of Water Resources (DWR) supports local SGMA implementation through regulatory oversight and the evaluation and assessment of GSPs. Prudent groundwater management will contribute to a reliable source of water supplies for future generations. A lack of proactive management could result in failure of public and/or private water wells and jeopardize supply.

Sustainable Groundwater Management in the Santa Ynez River Valley Groundwater Basin

The CMA is one of three GSAs (Western, Eastern, and Central Management Areas) within the Santa Ynez River Valley Groundwater Basin (Basin), as shown in the map below. The Basin encompasses approximately 317 square miles (203,100 acres). Each GSA is independent regarding management decisions and responsibility for collecting groundwater and related data within their respective area.

The CMA-GSA covers 32.8 square miles including the Santa Ynez River alluvium east of Santa Rosa Park to just west of the City of Solvang and the Buellton Aquifer.

CMA-GSA Board Member Agencies:

- City of Buellton
- Santa Ynez River Water Conservation District
- Santa Barbara County Water Agency (non-voting member)

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REASONS FOR PROPOSED GROUNDWATER MANAGEMENT FEE

In April 2022, the CMA-GSA submitted its Groundwater Sustainability Plan (GSP) to the Department of Water Resources (DWR), which was approved in 2024, marking a significant milestone for the Member Agencies and landowners by allowing the CMA-GSA to locally carry out sustainability efforts.

The value of GSP approval cannot be overstated. It means the GSA can continue to be a locally run agency, managed with direct stakeholder input. Although GSP approval was received, funding is required to implement GSP activities and programs essential to keep the CMA-GSA's good standing with DWR. Failure to act locally will result in state intervention and additional fees.

The CMA-GSA is required by state law to manage its portion of the Basin and must collect revenue sufficient to cover the costs of operating the GSA and funding the groundwater sustainability program, including a prudent reserve.

Costs that must be recovered through rate or fee revenue include GSA and program administration, professional services, monitoring groundwater conditions in the CMA, preparing and adopting GSP updates and annual reports required by DWR, investigations, inspections, compliance assistance, and enforcement.

Based upon the analysis in the Fee Study, the CMA-GSA is proposing to establish an annual groundwater management fee applicable to the parcel(s) for which you are listed as the official property owner in the county property records.

As proposed, the fee would be collected through the County of Santa Barbara property tax roll to ensure ongoing local control and management of groundwater and prevent expensive and intrusive state intervention that may otherwise result. This will be a new fee in addition any other fees you may currently be paying.

The fee proposed herein was developed through a comprehensive Fee Study that is available for review on the CMA-GSA website at www.cma-santaynezwater.org/.

PROPOSED GROUNDWATER MANAGEMENT FEE

The proposed Groundwater Management Fee includes two components: a per-acre charge on all land within the CMA and a per-acre-foot charge on all groundwater extraction within the CMA (excluding extractions from the alluvial aquifer, which is not "groundwater" as defined in SGMA). The five-year schedule of proposed maximum charges is based on the Fee Study, which relies on the County's tax roll and the minimum historical reported groundwater extraction data for fiscal years 2020 through 2024. If adopted, the fee will be billed to landowners on their Santa Barbara County tax bill for the next five years beginning on July 1, 2025, through July 1, 2029, except for fees applicable to municipalities, community services districts, mutual water companies and other entities, including but not limited to, entities that own property tax exempt parcels, which will be directly billed as determined appropriate by the GSA.

Table 1. Proposed Five-Year Schedule of an Annual Groundwater Management Fee

	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Proposed Acreage Charge ($/Acre) Component	**$2.08**	**$2.16**	**$2.25**	**$2.34**	**$2.43**
Proposed Groundwater Extraction Charge ($/AF) Component	**$63.32**	**$65.85**	**$68.48**	**$71.22**	**$74.07**

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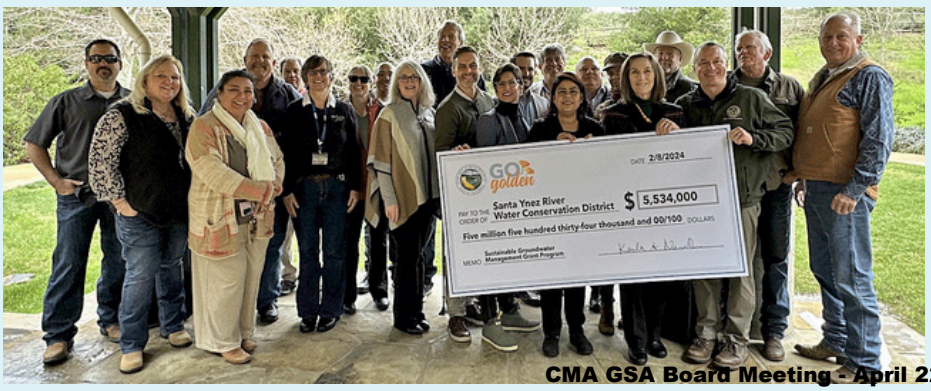
Santa Ynez River Valley GSAs Awarded $5.5 million Grant from DWR in 2024

In January 2024, representatives of the three Santa Ynez River Valley GSAs accepted an award of $5.5 million from DWR's SGMA Grant Program. The $5.5 million grant will be used to implement projects and management actions outlined in the Groundwater Sustainability Plans for the Western, Central, and Eastern Management Area GSAs. The projects and actions include:

- Well extraction measurement and reporting.
- Infrastructure and monitoring improvements to fill gaps in the available data.
- Identify strategies and performance tracking procedures that improve water utilization and save groundwater.
- Recycled Water Feasibility Study to investigate potential uses and users of surplus recycled water and reduce the demand for groundwater.
- Capture rainfall runoff from urban areas and creek and river flows to provide aquifer recharge.
- Fee studies to identify revenue needs and rate alternatives.
- Annual reporting to DWR and periodic update of the three GSPs as required by the State of California.



HOW TO SUBMIT A PROTEST OR OBJECTION

Any objection OR protest must: (1) be in writing identifying the name of the property owner and the street address or other clear identification of the property subject to the fee; (2) be signed by the property owner; and (3) comply with the relevant requirements for a written protest or written objection as outlined below.

The main differences between a protest and an objection are, a) the deadline for timely submission; b) the additional information required; and c) a timely written objection is required to subsequently bring a legal challenge to the proposed fee.

ADDITIONAL REQUIREMENTS: Timely Written PROTEST

A written protest must clearly state that the property owner opposes the GSA groundwater management fee. To be considered timely, a written protest must be received by the CMA-GSA via a "SUBMITTAL LOCATION" listed herein, **prior to the close of the public testimony portion of the Public Hearing on June 23**. Any timely written objection submitted will also be considered to be a timely written protest.

Only one protest will be counted per parcel. Owners of multiple parcels may file one protest for each parcel owned within the CMA-GSA jurisdictional area. If timely written protests are received from owners of a majority of parcels (50%+1) within the CMA-GSA's jurisdictional area, the proposed fee will not be implemented.

ADDITIONAL REQUIREMENTS: Timely Written OBJECTION

Under Government Code section 53759.1, a timely written objection must specify the grounds for alleging that the proposed fee does not comply with Prop 218. The Central Management Area GSA has documented how the proposed fee complies with Prop 218 in the Groundwater Fee Setting Procedures Resolution posted at www.cma-santaynezwater.org/. **The deadline for written objections is 5 p.m. on June 12**. To be considered timely, such objection must be received by the CMA-GSA via a "SUBMITTAL LOCATION" listed herein prior to the deadline.

Failure to submit a timely written objection bars any right to challenge the proposed fee through a legal proceeding. (Gov. Code, § 53759.1, subd. (c).)

DRAFT

SUBMITTAL LOCATIONS:

Mail: P.O. BOX 719, SANTA YNEZ, CA 93460

Email: CMA@SantaYnezWater.org

In Person: 3669 Sagunto St., Suite 101, Santa Ynez

Landowners are invited to attend the Public Hearing and provide comments. Written objections are due by 5 p.m. on June 12. Written protests may be submitted in person at the Hearing before the close of the Hearing on June 23.

If adopted, the proposed fee will take effect beginning July 1, 2025.

The reasons for the fee, the basis upon which it was calculated, and the amount of the proposed fee are described in more detail in the Fee Study Report posted at **www.cma-santaynezwater.org/**.

Scan this code to be taken directly to the webpage.

Statute of Limitations for Challenging the Proposed Fee:

Please note that pursuant to California Government Code section 53759, there is a 120-day statute of limitations for judicially challenging the fee set forth in this Notice that runs from the effective date of or the date of the final passage, adoption, or approval of the Resolution approving the fee, whichever is later.

Credit: Hidden California at hiddenca.com