CORNING SUB-BASIN

GROUNDWATER SUSTAINABILITY AGENCY

PROPOSITION 218 DRAFT FEE REPORT

June 2023

COUNTY OF GLENN

GCID
GLENN-COLUSA IRRIGATION DISTRICT

Monroeville
Water District

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LIST OF ACROYNMS AND ABBREVIATIONS

AF	acre-feet (generally equivalent to 325,851 gallons)
APNs	Assessor's parcel numbers
Basin/Subbasin	DWR delineated alluvial groundwater area
Budget	Five-Year Annual Budget
Corning Subbasin	DWR delineated alluvial groundwater areas in Glenn and Tehama areas
County	County of Glenn
CPI	Consumer Price Index
CSGSA	Corning Sub-basin Groundwater Sustainability Agency
DACs	Disadvantaged Communities
DWR	California Department of Water Resources
CY	Calendar Year
Fee	Annual amount charged landowners in CSGSA to fund total GSA Budget
FY	Fiscal Year
GSA	Groundwater Sustainability Agency
GSP	Groundwater Sustainability Plan
LAFCO	Local Agency Formation Commission
MOA	Memorandum of Agreement
SGMA	Sustainable Groundwater Management Act (2014)
Subbasin	Corning Subbasin
SWRCB	State Water Resources Control Board
TM	Technical Memorandum

ACKNOWLEDGEMENTS

Corning Sub-basin Groundwater Sustainability Agency

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SECTION 1: INTRODUCTION AND SUMMARY

The Corning Sub-basin Groundwater Sustainability Agency (CSGSA) is a groundwater sustainability agency (GSA) created through a Memorandum of Agreement (MOA) that was initially approved in July 2017 and amended in July 2020 (**see Appendix A**), which established the CSGSA as a cost-effective regional governance structure to achieve SGMA compliance and maintain local control over local groundwater resources. The CSGSA is the GSA responsible for compliance with the 2014 Sustainable Groundwater Management Act (SGMA) in the Glenn County portion of the Corning Subbasin which comprises the CSGSA service area boundary. The CSGSA is comprised of three member agencies (Glenn County, Glenn-Colusa Irrigation District, and Monroeville Water District) whose boundaries located within the Corning Subbasin outline the CSGSA service area boundary. The CSGSA is responsible for making decisions about the most cost-effective means to maintain GSA operations, complying with SGMA requirements, and implementing the Corning Subbasin Groundwater Sustainability Plan (GSP) in collaboration with the Tehama County Flood Control and Water Conservation District (TCFCWCD) GSA while maintaining local control over the management of groundwater resources within its service area.

There are two GSAs within the Corning Subbasin: the CSGSA and TCFCWCD. The two GSAs have coordinated on developing a single Corning Subbasin GSP and are committed to working together to effectively manage groundwater resources and achieve SGMA compliance throughout the Corning Subbasin. The GSAs have entered into a Memorandum of Understanding (MOU) outlining their commitment to collaborate and relationship for GSP development. The MOU also establishes the Corning Subbasin Advisory Board (CSAB), which is a venue for intra-basin collaboration and stakeholder outreach. The CSAB is comprised of membership from each GSA and makes recommendations to the GSAs regarding GSP development and basin-wide topics. All decision-making resides with the GSAs.

The Corning Subbasin has received Technical Support Services through the Department of Water Resources that will assist the GSAs in developing an operations plan and potentially update the existing MOA and/or MOU agreements on an as-needed basis. Now that GSAs are changing their focus from GSP development to implementation, it may be necessary to review existing agreements with a focus on GSP implementation efforts. Ongoing collaboration provides economies of scale for sharing the cost of GSP implementation and SGMA compliance amongst the GSAs and stakeholders, while maintaining local control of its groundwater resources.

The Subbasin governance for GSP development is expected to be similar for GSP implementation. The Tehama and Corning Subbasin GSAs coordinate to make management decisions about the entire Subbasin while the Corning Subbasin Advisory Board makes advisory recommendations to the Member agencies concerning development and implementation of the GSP. The Subbasin governance for GSP implementation is expected to be the same and is currently under evaluation.

The CSGSA served as the lead for SGMA compliance activities in the Glenn County portion of the Corning Subbasin through GSP preparation, adoption, and submittal to DWR by the January 31, 2022 deadline for SGMA compliance. The GSP development efforts were funded through Proposition 1 and 68 grant funds and member contributions to keep local costs as low as possible. The CSGSA continues to serve as the lead for SGMA compliance within their jurisdictional boundary and adopted a 2022/2023 budget utilizing member contributions to bridge the gap between grant funding and stable, long-term funding for GSA administration and SGMA compliance. The CSGSA approved Glenn County to serve as the fund administrator in August 2022. The CSGSA, on behalf of the member agencies and stakeholders, will formalize the development of a long-term funding plan to sustain CSGSA operations, achieve SGMA compliance, and implement the GSP recommendations.

The CSGSA is developing a long-term funding source to fund overall GSP implementation costs. If adopted, the proposed CSGSA Fees would be collected through the Glenn County tax bill and cover the everyday operations of the CSGSA (including legal, technical, administrative, accounting, office, insurance, audits, and outreach materials) and GSP implementation costs (including annual monitoring and reporting, five-year GSP updates, Subbasin coordination and outreach, data management system maintenance, and grant funding services) required to achieve and maintain SGMA compliance for all landowners within the CSGSA service area. The County of Glenn, on behalf of the GSAs in the Corning Subbasin, received Proposition 1 grant funding to develop the Corning Subbasin GSP; however, costs for GSP implementation that cannot be covered by grants will need to be covered by the proposed CSGSA Fees. It is anticipated that any necessary management actions resulting from GSP implementation that require additional funding will be funded by other localized fees or assessments, cost sharing arrangements, or through additional outside grant funding sources.

The CSGSA will pursue outside funding sources to assist in securing additional grant funds to support cost-effective GSP implementation activities by the CSGSA and its members. The CSGSA will also participate in regional funding opportunities that benefit the CSGSA to reduce long-term SGMA compliance costs and achieve long-term groundwater sustainability objectives.

The CSGSA has developed the proposed budget as reflected in Table 1-1 below (Five-Year Budget) to cover the costs of SGMA compliance that includes both GSA operational and GSP implementation related costs. Considerable effort went into developing the Five-Year Budget during GSP development with input from the GSA to identify SGMA compliance costs. The budget projection for the CSGSA to achieve SGMA compliance (based on current requirements) is a maximum of $346,448 per year for GSP implementation for a five-year period spanning fiscal years 2023-24 through 2027-28 (fiscal year beginning July 1, 2023). Based on the CSGSA funding needs, the CSGSA is seeking to collect the proposed Fees in the CSGSA service area to generate sufficient revenue to fund the CSGSA operations for SGMA compliance and maintain local control as defined herein. Fees would cover GSP implementation costs beginning July 1, 2023 based on adoption and submittal of the Corning Subbasin GSP. The proposed Fees would cover the ongoing CSGSA operational and GSP implementation costs over the initial five-year implementation period. The two GSAs within the Corning Subbasin will coordinate on cost-sharing appropriate expenses consistent with the MOU.

Table 1-1: Corning Subbasin GSA Five-Year Budget (FY23-24 through FY27-28)

Fee Cost Category	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
CSGSA Admin.					
General Management	$107,000	$107,000	$107,000	$107,000	$107,000
Technical Services	$70,000	$70,000	$70,000	$70,000	$70,000
Materials/Outreach	$4,000	$4,000	$4,000	$4,000	$4,000
Fees/Assessments	$4,000	$4,000	$4,000	$4,000	$4,000
Reserve/Contingency	$9,250	$9,250	$9,250	$9,250	$9,250
Admin. Sub-total (w/ inflation)	$194,250	$200,078	$205,905	$211,733	$217,560
SGMA Compliance (w/inflation)	$152,198	$156,763	$144,634	$148,728	$144,001
TOTAL CSGSA Costs (w/inflation)	$346,448	$356,841	$350,539	$360,461	$361,561
Annual Avg. Costs	$355,230	$355,230	$355,230	$355,230	$355,230
GSA Administration: Program Manager, Office Expenses, and legal services for GSA operations. GSA SGMA Compliance: Annual Reports, 5-Year GSP Updates, GSA coordination, Data Management, Financial Planning, Surface-Groundwater modeling, and grant funding procurement.					

The proposed Fees are authorized by SGMA and Proposition 218 and apply on a cost of service per acre basis to lands within the CSGSA boundaries in the manner described in this Fee Report. SGMA provides authority for GSAs to charge fees or charges to support its operations to facilitate compliance with SGMA. Failure to adequately manage groundwater in the Subbasin may subject the subbasin to intervention by the State Water Resources Control Board (SWRCB). If it intervenes, the SWRCB may impose annual fees for lands within the CSGSA ranging from $100 per de minimis well (using less than 2 ac-ft of water per year for domestic uses only), to $300 per well plus up to $55 per acre-foot of groundwater pumped per well, with no guarantee of assistance in bearing costs to address the groundwater issues for which it intervenes (see **Appendix B**). By collecting Fees, the CSGSA will provide SGMA coverage to landowners through local management of groundwater in the Corning Subbasin. The proposed 2023 CSGSA Fee Tax Roll is based on the CSGSA's service area boundary for parcels on the 2023 tax rolls of Glenn County. The tax roll lists the assessor's parcel numbers (APNs) that would be subject to the proposed Fees and is included as **Appendix C.** The complete file will be submitted to the County upon adoption of the CSGSA Fees by the CSGSA expected in July or early August 2023.

The Agencies within the CSGSA could have the option to pay their share of total GSA costs on behalf of the landowners through a Funding Agreement. The CSGSA will discuss the options for receiving future GSA fee revenues. For option 1, the lands within the boundaries of these member agencies would receive the CSGSA Fee Roll Proposition 218 Notice (see **Appendix D**), be provided the option for protest, and submit payment of fees through the property tax bill. Option 2 would exclude those agencies that choose to pay the appropriate charges directly to the CSGSA via self-billing process. In the event these agencies choose to enter into Funding Agreements for proposed charges with the CSGSA, the Funding Agreement will specify the terms of the payments. The Local Agency Formation Commission (LAFCO) boundaries and CSGSA Fee Roll for these entities will be used to determine assessable acreage and fee calculations if a Funding Agreement is desired. The CSGSA 2023 Funding Agreement List is included as **Appendix E**.

Parcels listed by the assessor as tax-exempt will not be included in the CSGSA Fee Roll, and therefore not included in assessable acreage and charge calculations. These parcels primarily include the exclusion of Federal and Tribal, with State-owned parcels considered uncollectible.

Table 1-2 provides an example schedule of the proposed Fees to be collected to proportionally recover operating expenses calculated using the CSGSA's budget on a cost per acre basis during the next five years. The actual Fees will be set annually by the CSGSA, based on the budget needs, but it will not exceed the proposed maximum Fee of $9.34 per acre for irrigated-surface water, $16.46 per acre for irrigated-groundwater, and $0.76 per acre for non-irrigated parcels. The budgeted operations expenses are in 2023 dollars and include an inflation factor of 3% per annum based on the expected average Consumer Price Index (CPI) during the period. The maximum annual inflation factor to be applied to the Fees would not exceed 3% annually, with the actual inflation factor applied each year at the discretion of the CSGSA through Fiscal Year 2027-28. Operations expenses have not been projected beyond the Fiscal Year 2027-28. The CSGSA will update its Fees for future years based on actual expenses during the first five years of GSP implementation and projected expenses over the subsequent multi-year period.

Table 1-2: CSGSA Proposed Irrigated/Non-Irrigated Fees

Table 1-2 Recommended Fees	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
Proposed Non-Irrigated Fee ($/ac)	$0.40	$0.40	$0.38	$0.38	$0.37
Fee Implementation Costs	$0.34	$0.35	$0.36	$0.38	$0.39
Proposed Total Non-Irrigated Fee ($/ac)	**$0.74**	**$0.75**	**$0.74**	**$0.76**	**$0.76**
Proposed Irrigated-SW Fee ($/ac)	$8.99	$8.99	$8.59	$8.59	$8.38
Fee Implementation Costs	$0.34	$0.35	$0.36	$0.38	$0.39
Proposed Total Irrigated-SW Fee ($/ac)	**$9.33**	**$9.34**	**$8.95**	**$8.97**	**$8.77**
Proposed Irrigated-GW Fee ($/ac)	$16.11	$16.11	$15.38	$15.38	$15.01
Fee Implementation Costs	$0.34	$0.35	$0.36	$0.38	$0.39
Proposed Total Irrigated-GW Fee ($/ac)	**$16.45**	**$16.46**	**$15.74**	**$15.76**	**$15.40**

The CSGSA operational and GSP implementation components comprise the total proposed Fees that cover the cost of SGMA compliance for the CSGSA within its service area and contribute to compliance for the Subbasin as a whole. Additional funds may be required to implement specific projects listed in the GSP. Funding for these projects will come from other funding sources and be the responsibility of the project proponent(s) to identify funding sources and secure necessary funding for project implementation. The CSGSA will coordinate with project proponents on grant funding opportunities if available to improve groundwater management or lower future CSGSA operations costs. Project funds could come from supplemental funding and/or local fees or assessments greater than the maximum fees recommended in this report. Approval by the landowners in a future Proposition 218 election will likely be required for those fees or assessments.

The CSGSA is seeking to implement a 3-tier Irrigated/Non-Irrigated charge within the maximum amount shown in Tables 1-2 above, specifically $9.34, $16.46, and $0.76 per acre for irrigated-

surface water, irrigated-groundwater, and non-irrigated respectively for all assessable parcels. The budgeted operations expenses are in 2023 dollars and include an annual inflation factor of 3% expected during the period. The components that make up the total are shown in the table and explained further in this report. Note that the proposed Fees applied by the CSGSA will not exceed the maximum amount unless an increase is approved through a subsequent Proposition 218 or other required proceeding. **The necessary funding for the CSGSA will be reviewed annually by the CSGSA and, depending on the funds projected to be needed for the year, may be adjusted up to the maximum assessment rate**.

The development and consideration of adopting the proposed Fee is being conducted in accordance with provisions of Proposition 218, as reflected in Article XIII D of the California Constitution and Sections 53750 through 53756 of the State's Government Code. These constitutional and statutory provisions establish specified mandatory procedures that local agencies must follow.

Under the Proposition 218 process, landowners must be notified and given the opportunity to protest prior to the adoption of any fee structure. Pursuant to these requirements, the CSGSA will hold a public hearing at which all landowners affected by the proposed charge may participate and will have the opportunity to protest the proposed charge. At the public hearing, the CSGSA will consider comments and questions from owners of land that would be subject to the proposed CSGSA charge. Landowner protests received at the CSGSA meeting prior to and by the close of the public hearing will be counted and the protest results will be certified. If a majority of the total assessed parcels submit written protests, the CSGSA will not adopt the proposed Fees. Absent a majority protest, the CSGSA is authorized to adopt the proposed Fees at its public adoption hearing. The public hearing and consideration of adoption of the proposed Fee is expected to be held in late July or early August 2023.

Proposition 218 Process – Stakeholder Outreach

The CSGSA has conducted significant public and stakeholder outreach in the development and consideration of technical memorandum, this Fee Study, and the development of the proposed fee. The CSGSA will continue to consider public comments prior to acting on the proposed CSGSA Fees through the close of the public hearing that will be scheduled for July or early August 2023. These actions include regular updates and discussion and CSGSA meetings that are open to the public, other public meetings, providing key information posted on the CSGSA website, availability of a Fact Sheet, and other outreach deemed appropriate to inform and involve those affected by the Fees (**Appendix F**). An additional Public Workshop will be held in July 2023 to discuss GSP implementation and long-term funding needs for SGMA compliance. This will supplement the outreach and notification required for a Proposition 218 charge process, including providing all affected parcel owners a notice of the proposed charges and protest process at least 45-days prior to CSGSA consideration for approval. Additional outreach may be conducted through other CSGSA venues before consideration for Fee adoption by the CSGSA.

SECTION 2: REPORT PURPOSE

This Fee Report is prepared to describe the basis for the CSGSA's proposed Fees to each assessable parcel within the CSGSA jurisdiction, unless covered by a CSGSA Fee Funding Agreement. The proposal is for the CSGSA to collect revenue in the form of that which will be used to cover everyday operations and SGMA compliance related costs of the CSGSA. These operations include administration, legal services, technical services, funding services, insurance, consulting, office, outreach materials, accounting, annual monitoring and reporting, GSA coordination, five-year GSP updates to the Department of Water Resources (DWR), and potentially special studies on an as needed basis during GSP implementation. The cost of SGMA compliance characterized in this Report is based on current SGMA legislation requirements. The CSGSA achieves SGMA compliance for all landowners within the Glenn County portion of the Corning Subbasin.

Sustainable Groundwater Management Act

On September 16, 2014, the Governor of California signed into law a three-bill legislative package (Senate Bill 1168, Assembly Bill 1739 and Assembly Bill 1319) that provided a state-wide framework for sustainable groundwater management for basins in California with a focus on those subbasins with a higher priority for formalized local and regional groundwater plans. These laws are collectively known as the Sustainable Groundwater Management Act (SGMA). 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 in SGMA as any of six primary effects caused by groundwater conditions occurring throughout the basin:

Table 2-1: SGMA Legislation Primary Effect Descriptions

Groundwater Effects (1-6)	SGMA Legislation Primary Groundwater Effect Descriptions
1	Chronic lowering of groundwater levels indicating a significant and unreasonable depletion of supply
2	Significant and unreasonable reduction of groundwater storage
3	Significant and unreasonable seawater intrusion
4	Significant and unreasonable degraded water quality
5	Significant and unreasonable land subsidence
6	Depletions of interconnected surface water that have significant and unreasonable adverse impacts on beneficial uses of surface water

These potential undesirable results are the focus of SGMA and must be addressed in GSPs prepared by GSAs. GSPs focus on assessing, monitoring, and mitigating undesirable results from groundwater use. Some of these undesirable results, such as sea water intrusion, are not applicable to the CSGSA area, while others, such as lowering of groundwater levels and reduction in groundwater storage are significant issues in some areas and will need to be addressed. Each of these undesirable results has been investigated and prioritized as part of the GSP development process. The GSP also includes measurable objectives and implementation actions to achieve and maintain groundwater basin sustainability in the Subbasin. SGMA requires the development and implementation of GSPs that document the proposed plans and programs for achieving groundwater basin sustainability within a prescribed 20-year window. During the GSP implementation phase, GSAs are required to adopt programs to facilitate measures outlined in the GSP, update the GSP at least every five years, conduct regular GSA coordination activities, and provide DWR with annual updates on the progress of achieving sustainability based on annual monitoring and reporting requirements for each GSP. Glenn County, on behalf of the GSAs in the Corning Subbasin received Proposition 1 grant funding to cover a majority of the work to develop the GSP; however, costs for GSP implementation that cannot be covered by grants will need to be funded through the proposed CSGSA Fee. To the extent that GSP implementation requires specific project development that requires additional funding, these projects will be funded by other local and regional cost sharing and funds, or through other grant funding programs.

CSGSA's Authority to Levy Assessments

The CSGSA is a multi-agency GSA that was formed through an MOA with the purpose of complying with SGMA. The MOA was initially approved in July 2017 and amended in July 2020. This governance model facilitates cost-effective SGMA compliance for the lands within the Glenn County portion of the Corning Subbasin. A copy of the MOA establishing the CSGSA can be found in **Appendix A**. A description of its members follows.

CSGSA Member Agencies

Membership:

Glenn County (Appointed by Board of Supervisors)
Glenn-Colusa Irrigation District (Appointed by District)
Monroeville Water District (Appointed by District)

The CSGSA is the exclusive GSA responsible for the compliance and implementation of the provisions of SGMA for a portion of the DWR-defined Corning Subbasin (5-021.51) which is classified as a High Priority Basin by DWR encompassing approximately 45,000 acres in Glenn County. **Appendix A** contains the MOA establishing the CSGSA to serve as the GSA for its service area within the Subbasin on behalf of its member agencies. GSA responsibility for SGMA compliance is as follows: submit Annual Reports to DWR on groundwater conditions, prepare five-year GSP updates, provide GSA coordination within the GSA and between neighboring GSAs, address surface-groundwater interactions and associated modeling updates, provide data management services for groundwater information and data, conduct long term financial planning to ensure long-term funding reliability, and secure future grants for GSP

implementation activities on behalf of landowners within the Subbasin. Table 2-2 highlights the GSAs within the Corning Subbasin boundary definition per DWR Bulletin 118.

Table 2-2: DWR Corning Subbasin – GSA Delineations

DWR GW Subbasin #	DWR GW Subbasin Name	GSAs	Total Area (Acres)
5-021.51	Corning Subbasin	CSGSA/TCGSA	207,342
	Corning Subbasin-Glenn	CSGSA	45,843
	Corning Subbasin-Tehama	TCGSA	161,499

The Corning Subbasin is located partially within Glenn County as depicted in DWR Bulletin 118 as cited in Table 2-2 above. The GSA coordinated the development of the Corning Subbasin GSP in collaboration with its member agencies, the TCFCWCD GSA, and stakeholders with responsibility for SGMA compliance within the Subbasin. The GSP was approved by the GSAs and was submitted to DWR by the January 31, 2022 regulatory deadline. There is a cooperating agreement (MOU) between the GSAs which was initially prepared to cover the GSP development phase of SGMA compliance. GSP implementation responsibility is demarcated as follows: the GSA is responsible for covering their GSA administration costs, and their portion of GSP implementation and SGMA compliance costs. All landowners benefit from the GSA budget and actions as part of the long term GSP implementation costs that must be supported by a long-term fee or funding source. The CSGSA may develop, adopt, and implement sustainable management of groundwater underlying the CSGSA service area and take actions as necessary to ensure SGMA compliance for all landowners within its service area. The CSGSA will also coordinate with its member agencies and participating partner agencies to secure project related funding upon GSP approval and readiness to proceed with project implementation by project partners.

The CSGSA will rely on the proposed Fees for the initial five years of GSA operations and SGMA compliance. The CSGSA will update its long-term funding projections as needed to operate the GSA at the lowest possible costs while achieving the goals and objectives of the GSP and member agencies.

Pursuant to Chapter 8 (commencing with Section 10730) of Part 2.74 of Division 6 of the Water Code, a GSA may impose 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 GSP, and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve. The GSA needs a long-term funding source to achieve SGMA compliance and maintain local control over its groundwater resources.

CSGSA's State Intervention Alternative

If local GSAs are unable or unwilling to sustainably manage their portion of the groundwater subbasin, the SWRCB may step in to protect the groundwater resources using a process called state intervention. The SWRCB is responsible for setting and collecting fees to recover the costs associated with state intervention and has established a fee structure as shown in **Appendix B**. The SWRCB fee schedule, if applied to the CSGSA area, would cost many overlying users of groundwater significantly more than current estimates under the local control option.

As illustrated in **Appendix B**, the SWRCB can and will intervene and implement the requirements of the SGMA legislation in the CSGSA service area boundary (as well as other areas of the State) if locals are unable or unwilling to comply with the law. In such a case, the Subbasin could be designated as a "Probationary Basin" by the SWRCB and directly charge the intervention fees to each groundwater extractor. In addition, landowners would be required to measure and report their groundwater use to the SWRCB. Landowners would have a direct relationship with the SWRCB rather than localized planning and implementation. The SWRCB fees would be as follows:

- Base Filing Fee: $300 per well, plus $40 per acre-foot (AF) per year (Probationary Basin) or $55 per AF per year (Interim Plan), plus costs for needed studies.
- De minimis wells (less than or equal to 2 AF per year for domestic purposes only) would be charged $100 per year.

For perspective on these costs, if the SWRCB were to designate the basin as probationary and an irrigated landowner has 40 acres with one well and the demand is 3.0 AF per acre. The associated annual SWRCB fees would be $300 (filing fee) plus $4,800 (3.0 AF/acre x 40 acres x $40/AF) for a total of $5,100 per year. If the SWRCB determined the basin needed an Interim Plan, the annual cost would go to $6,900. Over the next five years, the 40-acre landowner would pay $25,500 to $34,500 based on SWRCB designation, to help achieve and maintain sustainable groundwater conditions and comply with SGMA.

By comparison, under the rates and schedule proposed for the CSGSA through this Fee Report, this same landowner if classified as irrigated-surface water would pay a maximum of $374 per year (40 acres x $9.34/acre). A landowner if classified as irrigated-groundwater would pay a maximum annual fee of $658. From a regulation standpoint, the is the CSGSA would like to prevent state intervention while maintaining local control in a cost-effective manner. As such, the purpose of the CSGSA is to fully comply with SGMA on behalf of its landowners to avoid state intervention and maintain local control and a more tailored approach to groundwater management.

Proposition 218 Requirements

In November 1996, the California voters approved Proposition 218, the *Right to Vote on Taxes Act*, which added Article XIII D to the California Constitution. Proposition 218 imposes certain requirements relative to the imposition of certain assessments, fees, and charges by local agencies. There are several processes for approval of revenue generation under Proposition 218 – Section 4 identifies revenue requirements, Section 5 identifies parcels subject to the Charge, and

Section 6 is for calculating fees or charges on a unit basis (i.e., per acre charge) for land-based assessments based on revenue requirements and assessable acreage.

For this initial five-year budget, the CSGSA is considering adopting fees under Section 6 of Proposition 218 for GSA operations. Since the CSGSA does not currently have pumping data for individual parcels, fees proportional to extractions are not able to be estimated in any reliable manner, making this type of fee impractical, and difficult to calculate. Therefore, collecting fees on a cost per acre basis by user class fulfills the proportionality requirement by differentiating between how different user classes impact groundwater sustainability in the Subbasin by structuring cost allocation of GSA total costs based on level of service and benefits received as required for SGMA compliance.

In general, before a local agency can levy new fees subject to Section 6 of Proposition 218, the Agency (or CSGSA) must comply with the following Proposition 218 requirements to achieve SGMA compliance in a reasonable fashion, while only charging customers for proposed fees that are necessary to achieve the goals and objectives of the CSGSA as follows:

1. Revenues derived from the fee or charge must not exceed the funds required to provide the property-related service. The Fees will not exceed the Five-Year Budget projections.

2. Revenue from the fee or charge must not be used for any purpose other than that for which the fee or charge is imposed. The Fees will only be used for GSA operations and SGMA compliance purposes.

3. No fee or charge may be imposed for general governmental services, such as police, fire, ambulance, or libraries, where the service is available to the public in substantially the same manner as it is to property owners. The Fees are for the dedicated purpose of achieving SGMA compliance in the Subbasin for all landowners subject to the Fees.

4. The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership must not exceed the proportional cost of the service attributable to the parcel. The Fees are proportional to parcel benefit received by user class.

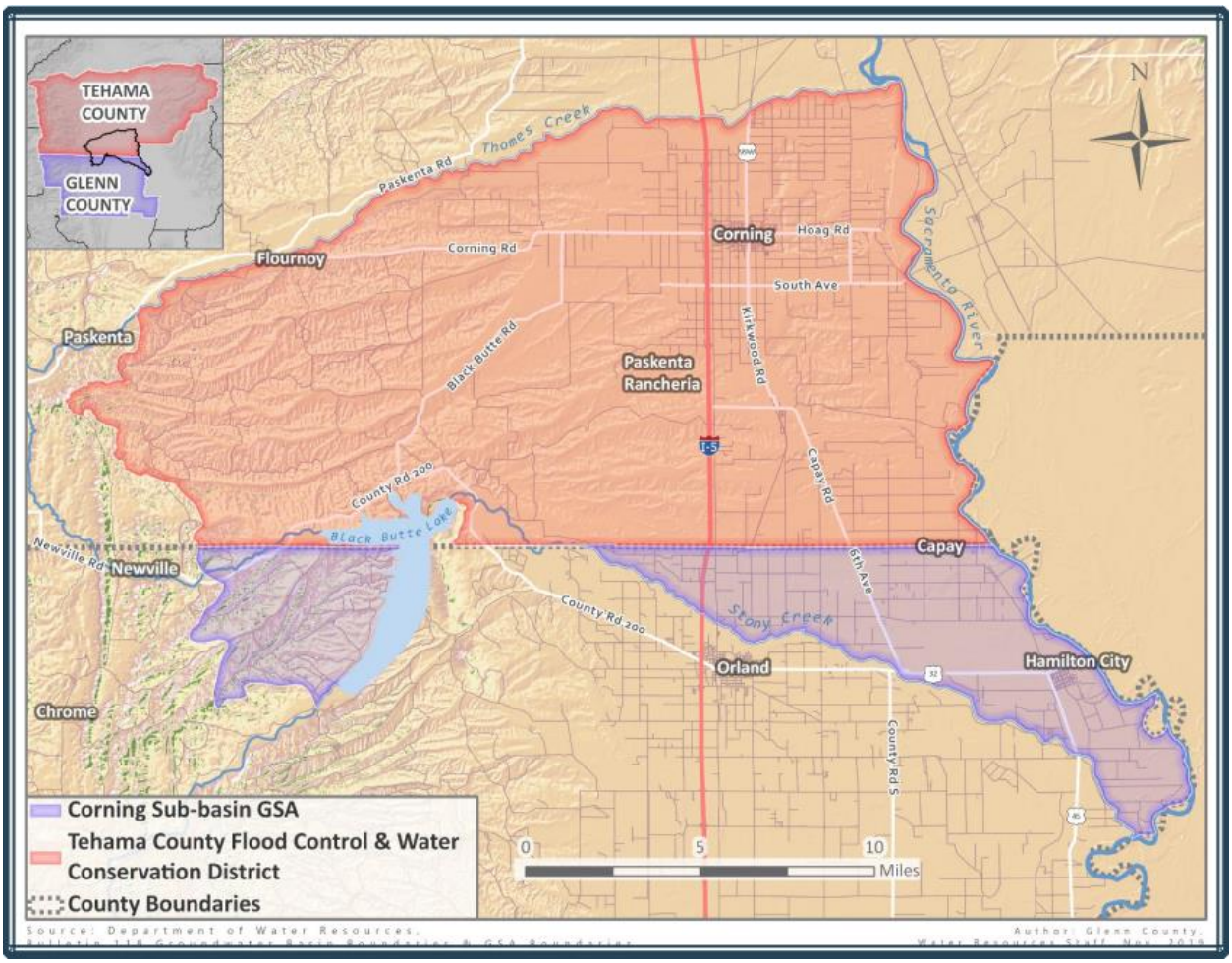
5. The fee or charge may not be imposed for service, unless the service is actually used by or immediately available to, the owner of the property in question. All landowners will realize immediate SGMA compliance benefits upon approval of the proposed Fees by the CSGSA.

This Report is limited to the proposed assessments to fund the CSGSA's annual operations and to comply with the requirements of the SGMA legislation forecast over the next five years. The CSGSA will monitor DWR SGMA compliance requirements and policy direction to achieve SGMA compliance at a reasonable cost for the Subbasin. To achieve SGMA compliance in the Subbasin, a GSA serving a Subbasin must maintain compliance with SGMA regulations. The proposed fee will enable the CSGSA to achieve SGMA compliance for all landowners within the GSA service area thereby meeting its SGMA requirements within their service area boundary.

SECTION 3: CSGSA BACKGROUND INFORMATION

The CSGSA was formed and established in 2017 and inter-agency coordination agreement (MOA) and amended in 2020 (see **Appendix A**). The CSGSA is located in the Sacramento Valley Groundwater Basin – Corning Subbasin (5-021.51) in the central portion of the Sacramento Valley and encompasses a total area of approximately 45,840 acres within the CSGSA jurisdiction. There are three member agencies (Glenn-Colusa Irrigation District, Monroeville Water District, and Glenn County) in the Corning Subbasin within the CSGSA service area boundary that participated in the development and preparation of the Corning Subbasin GSP. The location of the CSGSA is illustrated in **Figure 3-1**. The CSGSA service area is within Glenn County adjacent to the Tehama GSA portion of the Subbasin. The Corning Subbasin is designated by DWR's basin prioritization policy as defined in DWR Bulletin No. 118. More information is available ahttps://www.countyofglenn.net/dept/planning-community-development-services/water-resources/sustainable-groundwater-management-6t.

Figure 3-1: CSGSA Subbasin Service Area Boundaries



Glenn County has a population of approximately 29,000 with a diversified economy. Agriculture is an important major producing industry in the CSGSA service area dependent on both surface

and groundwater. Top crops include irrigated crops such as fruit and nut orchards, olives, field crops, and row crops as well as low water use operations such as livestock grazing. There are areas in the CSGSA service area that are identified by DWR as disadvantaged communities (DACs). The CSGSA boundary service area includes portions of Glenn County, Glenn-Colusa Irrigation District, and Monroeville Water District. Hamilton City, with a population of approximately 2,400, is the largest community located within the CSGSA service area boundary.
CSGSA Service Area Climate Description

The Corning Subbasin, consistent with the Sacramento Valley, has a Mediterranean climate characterized by warm, dry summers and cool, wet winters with transitional months in the spring and fall. A weather station at the Corning airport, maintained by Cal Fire, has reported daily temperature data from 2005 to present and precipitation data from 2000 to present. The average monthly precipitation and average monthly maximum daily temperatures are described as follows. Monthly average daily maximum temperatures range from 56.1˚ Fahrenheit (F) in December to 97.1˚F in July. Precipitation is greatest between October and April, with little precipitation in the months of May through September. Annual average precipitation is approximately 20 inches per year, similar to the rest of the Sacramento Valley.

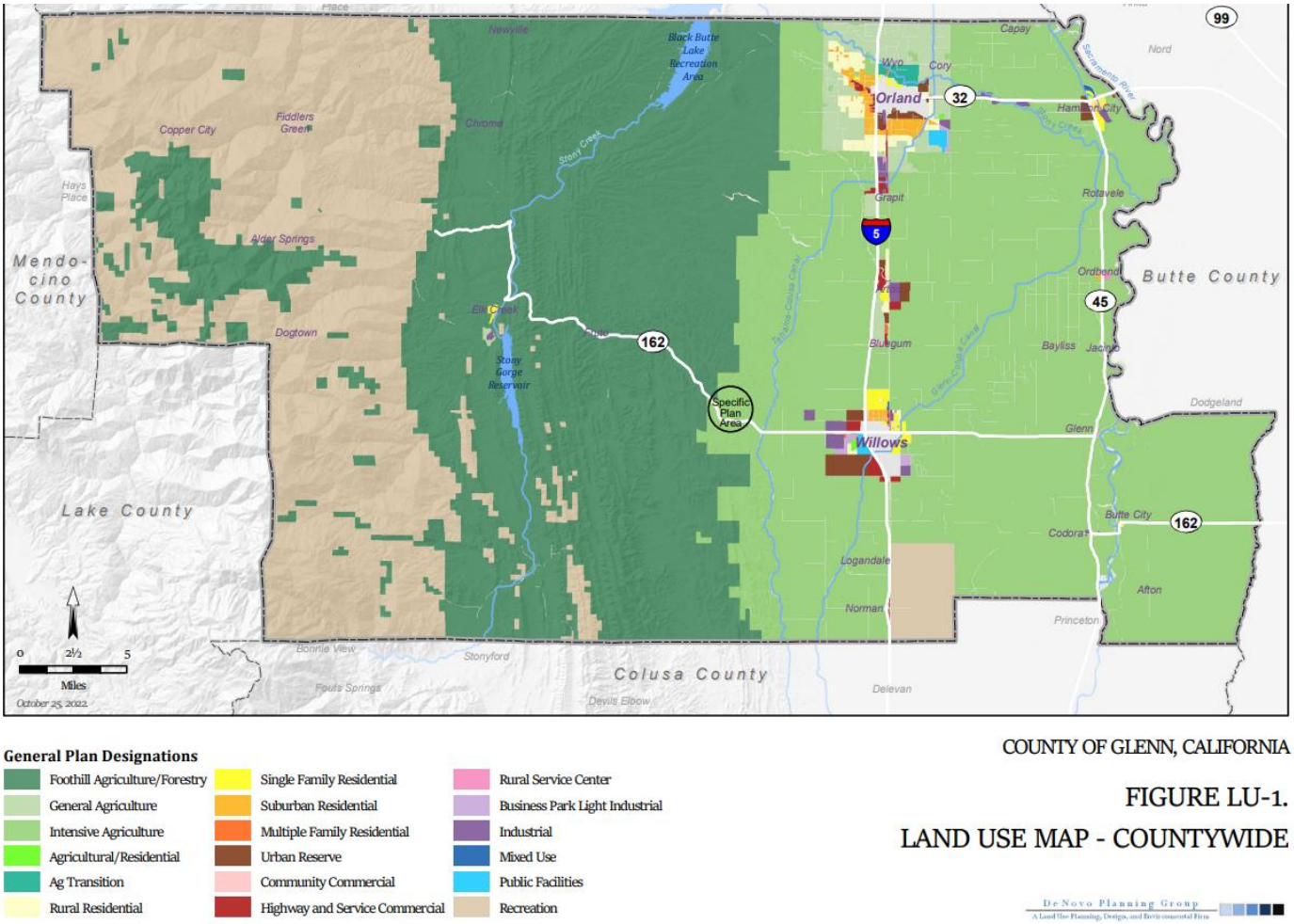
DWR determines a Water Year Type Index each year for the entire Sacramento Valley. The water year is from October 1 to September 30. The analysis to determine the water year type is based on unimpaired runoff calculations from several stream gauges dispersed throughout the region. Data collected each water year from 1906 to present are classified by the DWR as ‘wet,’ ‘above normal,’ ‘below normal,’ ‘dry,’ and ‘critical’ depending on the amount of precipitation and water availability in the Sacramento River and major tributaries. This information is used in this GSP to guide interpretation of natural water level fluctuations within the Subbasin. Annual precipitation records are correlated with water year type in accordance with the variation in hydrologic conditions in the Subbasin. In general, greater local precipitation occurs in wetter water year types, though there are some years where local precipitation was not aligned with the regional outlook for the Sacramento Valley, potentially due to carryover storage available in major Sacramento Valley reservoirs. Weather can vary drastically in the region with a medium variability of hydrologic conditions resulting in a wide range of very wet to very dry years with multiple year dry periods not uncommon on a historic basis. These varying hydrologic conditions can impact the mix of annual surface and groundwater use allocations that may occur with groundwater extractions increasing during extended dry year periods when surface water allocations may be limited.

CSGSA Service Area Land Use Description

Land in the Subbasin is widely utilized for agricultural purposes with the primary land uses being grassland or pasture, followed by agricultural crops. The eastern portion of the Subbasin is generally covered with irrigated crops such as fruit and nut orchards, olives, field crops, and row crops and in the independent grower areas along the Sacramento River, particularly in the southeast corner of the Subbasin near Hamilton City. Irrigated agricultural crops are less common in the majority of land west of I-5 which is often used for livestock grazing and open space with natural vegetation. Recently new ag expansion has occurred in the western Subbasin with new orchards developed. Figure 3-2 represents current land use patterns and types as

specified in the proposed Glenn County General Plan update including Subbasin areas within Glenn County.

Figure 3-2: Glenn County Region Land Use Map



Based on 2021 Land IQ data an estimated that 45% of the land within the CSGSA jurisdiction is characterized as non-irrigated (e.g. open space characterized as grassland, rangeland, shrubland, open water, wetlands, barren land, or forested land). Approximately 55% of the CSGSA jurisdiction was used for intensive agricultural and other irrigated purposes (including crop irrigation and urban areas).

Recent cropping trends are relatively stable in the last 2 decades, except for a recent increase in deciduous fruit and nut orchards that have replaced hay crops and pasture (Davids Engineering, 2017; Corning Water District [Corning WD], 2017). Annual crop acreage in the Glenn County portion of the Subbasin was estimated between 1990 and 2015 (Davids Engineering, 2018). The data suggest that total agricultural acreage decreased slightly since 1995. Over this same period, estimated orchard acreage steadily increased, displacing pasture and alfalfa and to a lesser extent idle lands and other row crops. Specifically, between 1990 and 2015, tree crop acreage in the Glenn County portion of the Subbasin increased from approximately 8,000 to 15,000 acres and pasture and alfalfa decreased from approximately 10,000 to 5,000 acres.

All water users in the region require reliable long term water supplies that prudently manage available surface and groundwater sources within the safe yield of local groundwater aquifers.

CSGSA Service Area – GSA Governance Approach

The CSGSA serves as the exclusive GSA for managing groundwater in the Glenn County portion of the Corning Subbasin in coordination with the TCFCWCD GSA in the northern portion of the Subbasin. Part of the responsibility of the CSGSA (in compliance with SGMA) is to conduct regular groundwater GSA coordination meetings during GSP implementation that would be supported by the proposed fee structure. The CSGSA will assist with and facilitate GSP implementation within and between the GSAs to achieve and maintain the GSP sustainability goal within twenty (20) years of implementation (by 2042). The Corning Subbasin is currently working toward maintaining groundwater withdrawals within the Subbasin's safe yield. Working collaboratively through the CSGSA governance model will allow GSA members to cost-effectively achieve SGMA compliance and maintain local control over groundwater use and management decision-making and policy.

Projects that are recommended in the adopted Corning Subbasin GSP will be planned and implemented by the lead applicant(s) and through regional collaboration as needed to accomplish CSGSA groundwater management objectives. The CSGSA members will collaborate and coordinate on projects of mutual interest and maximize outside funding sources to deliver projects in a cost-effective manner and reduce long-term CSGSA costs of service. Project funding will be accounted for as described in separate Project Agreements. The CSGSA will coordinate with the TCFCWCD GSA and partner agencies to assist in securing project level funding in a timely and cost-effective manner. The CSGSA will maintain a list of GSP projects and work within the Subbasin and prioritize its project funding list accordingly to take advantage of grant funding sources as they become available. The CSGSA will continue to apprise its members of upcoming grant funding opportunities and assist in securing funds for shovel ready projects and actions that can reduce long-term SGMA compliance costs for its members and achieve and maintain safe yield metrics through 2042.

SECTION 4: CSGSA FINANCIAL INFORMATION

The CSGSA is a relatively new organization and has obtained funding for GSP development related activities from inception to date primarily through secured grant funds (Glenn County served as the grant applicant and administrator) and some in-kind and start-up voluntary contributions from member agencies. CSGSA member agencies agreed to have the GSA lead the initial GSP development phase of the work and establish a functioning GSA to position the members for SGMA compliance once the grant funded GSP was prepared, approved by the GSAs, and submitted to DWR in January 2022. For the initial five years of GSP implementation, the CSGSA will rely on the proposed Fees to support GSA operations and GSP implementation and SGMA compliance actions. There have been in-kind agency contributions to date to supplement existing grant funded activities to ensure adequate staffing to complete the work on schedule given SGMA compliance schedule targets and to ensure that the GSP was completed and submitted to DWR by January 31, 2022 deadline. As discussed above, the primary purpose of the CSGSA is to organize and represent the landowners for the purposes of SGMA compliance while maintaining local control over groundwater policy and management. The CSGSA's administrative activities are expected to continue annually to complete annual monitoring and reporting requirements, complete the Five-Year GSP updates, maintain GSA coordination and continue GSA operations which will be coordinated with member agencies and stakeholders. It is also planned that in the initial several years of GSP implementation additional technical evaluations may be undertaken to better understand Subbasin groundwater characteristics, address data gaps, and refine preferred projects the CSGSA members can implement to improve long-term groundwater resource sustainability for the region. The CSGSA will also be coordinating with other GSAs on an inter-basin basis on a regular basis during GSP implementation consistent with the requirements of SGMA. The technical report evaluations and GSP development actions are intended to prioritize water resource actions that help reliably meet long-term agriculture, urban, and environmental groundwater supply needs within the Subbasin sustainable yield.

The CSGSA projected Five-Year Budget is based on the GSA members using the CSGSA governance model to serve the CSGSA service area and coordinate with other GSAs in the Subbasin as required to update the GSP on a five-year basis. The CSGSA Budget would be funded through the proposed Fees and all budget revenues and expenditures would be held in an account that can only be used for approved CSGSA activities related to GSA operations and GSP implementation costs. The Five-Year Budget is presented over the initial five-year GSP implementation period of the CSGSA post-GSP development on an annual budget cycle basis. Any annual rate increase would be effective for the specified year as implemented through updated County tax roll assessments.

The GSA administration and GSP implementation costs were developed through a collaborative effort of the GSA with SGMA compliance responsibilities. The CSGSA working with the LSCE Team, evaluated fee options based on updated agreed upon GSA revenue projections for SGMA compliance and cost allocation approach for sharing regional costs based on the best available acreage estimates to serve as a basis for the proposed Fee within the CSGSA service area. This information will be updated in the future and will consider the actual costs for GSP implementation, any revisions to the cost allocation formula, the availability of grant funds to offset GSA administration or changes in GSP implementation regional costs, or modifications to

annual GSA revenue requirements as a result of any changes to the SGMA legislation requirements constituting SGMA compliance for GSAs in the Subbasin. The CSGSA will continue to work together with members and the TCFCWCD GSA to comply with SGMA at the lowest possible cost to their respective GSA stakeholders. The CSGSA will need the proposed Fee in place to serve as a dedicated revenue source to cover their costs for GSA operations and SGMA compliance during the first five years of GSP implementation broken down by Fiscal Year. The Fee options evaluated based on the CSGSA Five-Year budget are included in **Appendix G**.

The CSGSA's projected Five-Year Budget in Table 4-1 is allocated into Operational Costs associated with maintaining the GSA as a functioning organization to meet SGMA compliance requirements. The budget projections also include GSP implementation related costs primarily for annual monitoring and reporting, five-year GSP updates, and Subbasin coordination activities required for SGMA compliance. The proposed Fees would be based on the Annual Average Costs in Table 4-1 which will enable the CSGSA to meet SGMA compliance requirements in the most cost-effective manner on both a short- and long-term basis.

Table 4-1: Corning Subbasin GSA Five-Year Budget (FY23-24 through FY27-28)

Fee Cost Category	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
CSGSA Admin.					
General Management	$107,000	$107,000	$107,000	$107,000	$107,000
Technical Services	$70,000	$70,000	$70,000	$70,000	$70,000
Materials/Outreach	$4,000	$4,000	$4,000	$4,000	$4,000
Fees/Assessments	$4,000	$4,000	$4,000	$4,000	$4,000
Reserve/Contingency	$9,250	$9,250	$9,250	$9,250	$9,250
Admin. Sub-total (w/ inflation)	$194,250	$200,078	$205,905	$211,733	$217,560
SGMA Compliance (w/inflation)	$152,198	$156,763	$144,634	$148,728	$144,001
TOTAL CSGSA Costs (w/inflation)	$346,448	$356,841	$350,539	$360,461	$361,561
Annual Avg. Costs	$355,230	$355,230	$355,230	$355,230	$355,230
GSA Administration: Program Manager, Office Expenses, and legal services for GSA operations. GSA SGMA Compliance: Annual Reports, 5-Year GSP Updates, GSA coordination, Data Management, Financial Planning, Surface-Groundwater modeling, and grant funding procurement.					

CSGSA Operational Budget Overview

The CSGSA staffing could provide ongoing support for GSA operations, including administration and GSP compliance actions over the initial five-year implementation period post-GSP development and adoption by the CSGSA. The CSGSA operations budget is comprised of primary legal, technical, funding, and administrative (staffing responsibilities) service components which will include staff administration and Subbasin coordination tasks associated with an active GSA maintaining SGMA compliance. The CSGSA staff will report to the CSGSA. The staff roles are being developed and are expected include, but not limited to, the following tasks:

1. Coordinate meetings, prepare and distribute agenda packets, attend CSGSA meetings, establish action items, and brief the CSGSA on all relevant issues in a timely manner.
2. Create, supervise and coordinate accounting, technical, legal and administration services, hydrogeological, and similar technical work necessary to accomplish the CSGSA directives.
3. Conduct educational, outreach, and collaborative activities (within and between the GSAs).
4. Coordinate the annual collection and maintenance of general CSGSA information necessary to comply with SGMA, including land ownership, land use types and acreage, surface water deliveries, groundwater usage, key climate factors and data, and GSP management and project objective assessment tracking.
5. Facilitate timely completion of Annual Monitoring and Reporting requirements to maintain SGMA compliance.
6. Facilitate timely completion of Five-Year GSP Update requirements to maintain SGMA compliance.
7. Pursue outside grant funding sources that reduce SGMA compliance costs.

The CSGSA will achieve SGMA compliance for its members to maintain local control of groundwater resources in its service area boundary with no State intervention or fees.

Alternative Fee Options – Considered by The CSGSA

The CSGSA considered various fee options and directed exploration of the three-tier Irrigated/Non-Irrigated fee structure option in the Fee Report to enable CSGSA to consider adopting a long-term GSA fee based on service area characteristics and known parcel level information. After deliberations at the April 27, 2023 and May 11, 2023 meetings, the CSGSA wanted the Fee Report to explore the Irrigated/Non-Irrigated Fees to assess whether this option was viable for CSGSA landowners. In providing this direction, the CSGSA considered other long term fee options including Uniform, Well Registration/Charge, and Land Use Hybrid based options which were generally more expensive to implement and, in some cases, may have required the GSA to become a billing collector, or were not reflective of the desired refined application of more detailed parcel level data. Metering all water sources was deemed to be the most expensive option and would have required several years for implementation. Other charge options required additional costs to collect, analyze and apply more detailed parcel level data

which would have increased the GSA's overall cost of implementing these other options. This discussion is included in **Appendix G** with fee option evaluation information and approaches the CSGSA reviewed and considered prior to directing the Fee Report review of proposed Fees recommended in this Report. The recommended Fees that will be considered at the public hearing expected to be scheduled for late July or early August 2023 represents the proposed 3-Tier Irrigated/Non-Irrigated Fees that charge landowners based on benefits received from the fee accounting for user class SGMA compliance costs and benefits differences.

The CSGSA also considered what impact the Corning Subbasin December 2022 DWR SGMA Implementation grant funding application could have on proposed Fees within the initial five-year GSP implementation period. LSCE evaluated the impacts DWR grant funding approvals could have on proposed revenue needs for the CSGSA during the Five Year Budget period. If certain components of the CSGSA grant funding application are approved by DWR by July 2023, the CSGSA could have more flexibility in establishing new GSA fees accounting for the benefit grant funds would have on GSA revenue projections and corresponding charges. Table 4-2 below summarizes the reduced SGMA compliance costs that could result from DWR grant awards during FY23-24 through FY25-26 on SGMA compliance costs. This option would allow the CSGSA fees to be maintained within the maximum fees over the five-year period and help to ease the transition into the new CSGSA fees needed for SGMA compliance.

Table 4-2: Corning Subbasin GSA Budget – With DWR Grant Funds

Fee Cost Category	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
CSGSA Admin.					
General Management	$107,000	$107,000	$107,000	$107,000	$107,000
Technical Services	$70,000	$70,000	$70,000	$70,000	$70,000
Materials/Outreach	$4,000	$4,000	$4,000	$4,000	$4,000
Fees/Assessments	$4,000	$4,000	$4,000	$4,000	$4,000
Reserve/Contingency	$9,250	$9,250	$9,250	$9,250	$9,250
Admin. Sub-total (w/inflation)	$194,250	$200,078	$205,905	$211,733	$217,560
SGMA Compliance (w/inflation)	$45,150	$46,505	$47,859	$148,728	$144,001
TOTAL CSGSA Costs (w/inflation)	$239,400	$246,583	$253,764	$360,461	$361,561
GSA Admin.: Program Manager, Office Expenses, and legal services for GSA operations. GSA SGMA Compliance: Annual Reports, 5-Year GSP Updates, GSA coordination, Data Management, Financial Planning, Surface-Groundwater modeling, and grant funding procurement.					

SECTION 5: CSGSA MANAGEMENT BENEFITS

For the activities covered in this initial Five-Year Budget, the CSGSA proposes to levy fees differently between user classes based on the net assessable acreage and allocation of CSGSA administrative costs and CSGSA GSP implementation costs as required to achieve SGMA compliance for all landowners within the Subbasin.

The rationale is that the existence of the CSGSA provides the benefit of SGMA compliance to all landowners within its boundaries and maintains local control with no State imposed fees. Although some properties might not presently utilize groundwater, all parcels have overlying groundwater rights. Furthermore, there is a different level of benefits received from the GSA fees by user class with Irrigated-Groundwater lands receiving the highest level of SGMA compliance benefits and Non-Irrigated lands receiving the lowest level of SGMA compliance benefits. The Irrigated-Surface Water user class has a lower cost allocation than Irrigated-Groundwater because of the net recharge benefit provided and lower impact on groundwater sustainability metrics. In addition, surface water users may only use the groundwater resource during dry years as a supplemental source of supply. Those that use the groundwater resource directly as a permanent long-term supply have the highest cost allocation and associated recommended fees.

Table 5-1. CSGSA Proposed Fee Cost Allocation User Classes

CSGSA User Class	CSGSA Acreage Data Land IQ/Glenn County	CSGSA Five-Year Budget Cost Allocation
Non-irrigated	18,387 acres	2.13% of total GSA costs: does not impact groundwater sustainability metrics
Irrigated-Surface Water	7,841 acres	Lower portion of 97.87% irrigated cost allocation: does provide some net groundwater recharge benefits
Irrigated-Groundwater	15,783 acres	Higher portion of 97.87% irrigated cost allocation: directly impacts groundwater sustainability metrics
NET BILLABLE ACRES	= 42,011 acres	Corning Subbasin GSA
Non-irrigated: open space, vacant, natural habitat, dry land farming, livestock rangeland. Irrigated-Surface Water: lands with access to and/or actively using surface water. Irrigated-Groundwater: lands with no access to surface water. *(Irrigated-Groundwater receives highest SGMA compliance benefits through Fees.*		

Table 5-2 summarizes the recommended cost allocation to structure fees based on benefits received by different user classes in the Subbasin.

Table 5-2. CSGSA Proposed Fee Cost Allocation By User Class

CSGSA User Class	Irrigated/Non-Irrigated Cost Allocation	Irrig-SW/Irrig-GW Cost Allocation
GSA Admin. Costs	97.87/2.13%	25/75%
SGMA Compliance Costs	97.87/2.13%	25/75%
Irrigated/Non-irrigated Cost Allocation: based on estimated annual water use by user type per 2023 Annual Report. Irrig-SW/Irrig-GW Cost Allocation: based on net groundwater impact differential between irrigated surface water and irrigated groundwater lands. *(Final cost allocation is weighted based on costs of providing service to different user classes and SGMA compliance benefits received through Fees.)*		

Structuring proposed Fees based on the different level of service received by each user class will allow landowners to be directly represented through the CSGSA as it proceeds to meet the requirements of SGMA over the 2042 planning horizon.

Based on the recommended cost allocation by user class, which represents the different level of benefits that are to be attributed to landowners within the CSGSA service area boundaries if the proposed fees are approved, Table 5-3 summarizes the acreages used in the analyses.

Table 5-3. Acreage Subject to CSGSA Fees

CSGSA	CSGSA Acreage Data Land IQ/Glenn County	CSGSA Five-Year Budget Data Source
Total CSGSA	45,843 acres	Corning Subbasin GSP
Total Federal Lands	-1,931 acres	Corning Subbasin GSP
Total State Lands	-0 acres	Corning Subbasin GSP
Total Tribal Lands	-0 acres	Corning Subbasin GSP
Other Unbillable	-1,901 acres	Corning Subbasin GSP
NET ASSESSABLE ACRES	= 42,011 acres	Corning Subbasin GSP
Net acreage = Total CSGSA – exempt parcels (Federal/Tribal Lands, State considered uncollectible). Other Unbillable = roads, surface water features, other similar items. *(source: Land IQ 2021 Data, County Assessor's data for boundary and parcel data)*		

The lands have been identified as subject to the proposed Fees and would fund the CSGSA Five-Year Budget. The Operational and GSP Implementation Costs are applicable to all parcel owner acreages listed in Table 5-3 as reflected in net assessable acres above to all who will have an adopted 2022 GSP funded through the Proposition 1 program. The proposed 2023 CSGSA Charge Roll is based on the CSGSA net assessable acreage located within the CSGSA, and 2023 tax rolls of Glenn County. The tax roll list of APNs that would be subject to the proposed Charges are included as **Appendix C.** The complete roll will be submitted to the County upon implementation of the CSGSA Fee by August 10, 2023.

The CSGSA service area boundary includes the lands in the Glenn-Colusa Irrigation District, Monroeville Water District, and Glenn County. All property owners subject to the proposed Fees would pay the County through their property tax bill for specified fees. The Agencies within the CSGSA could have the option to pay their share of total GSA costs on behalf of the landowners through a Funding Agreement. The CSGSA Board will discuss the options for receiving future GSA fee revenues. The Glenn County Assessor's Office will verify errors and updates in the parcel level data for each of these entities to be used for assessable acreage and fee calculations. The CSGSA will discuss payment options for those subject to the Proposed Fees as deemed necessary to ensure that all parcels subject to the proposed fee pay their fair share of the CSGSA's total Five-Year Budget amount. **Appendix E** contains information on this topic which will be finalized as part of the approval of the CSGSA Fee Report.

Under SGMA legislation Federal and Tribal lands are exempt from GSA fees, and State lands can be billed but should not be relied on for budget planning purposes. Other lands are considered non-billable including roadways and water features.

SECTION 6: CSGSA PROPOSED FEES

This section describes the CSGSA's proposed Fees for funding CSGSA operational and GSP implementation costs over the initial five-year period (FY2023-24 through FY2027-28) post-GSP adoption in January 2022. The Fee would cover the associated legal, technical and administrative costs, as well as GSP SGMA compliance costs associated with annual monitoring and reporting, five-year GSP updates, subbasin coordination, data management, financial planning, and grant funding procurement. Based on the services to be provided by the CSGSA, the CSGSA proposes to levy charges to all assessable parcels within the service area boundary of the CSGSA that are identified on the tax rolls of Glenn County.

In conformance with this Fee Report, the CSGSA would seek Fee revenues to fund its GSA operational and GSP related implementation costs associated with SGMA compliance for all parcels in the CSGSA service area boundary. Section 4 presents the proposed CSGSA Five-Year Budget and total revenues needed to fund the CSGSA efforts over the next five years and the methodology for setting charges in proportion to cost of service based on available information. Proposition 218 requires that charges levied to each parcel owner be proportional to the cost of service attributable to that customer. The costs of administering the GSA on behalf of the parcels within the CSGSA includes the legal, technical and administrative costs for landowners in the CSGSA service area boundary and are proportional to the number of acres covered by the CSGSA by each user class of the proposed Irrigated/Non-Irrigated fee structure (3-Tiers) with all parcels with each user class paying their share of benefits received from the CSGSA's GSA low-cost governance model, SGMA compliance, and local control attributes (no State Intervention or imposed fees). Therefore, collecting the operational and GSP implementation portions of the Fees based on a cost per acre basis fulfills the proportionality requirement. As the CSGSA currently does not have actual groundwater pumping volume data for individual parcels, or exact water sources data, charges proportional to extractions or water source would not be practical, applicable, or defensible under Proposition 218 requirements.

The proposed Fees include the GSA operational and GSP implementation costs necessary for SGMA compliance that would be proportional to the number of acres covered in meeting the annual operational budget target over the five-year charge period for the benefit of all landowners within the CSGSA service area boundary and is presented in Table 6-1. The maximum fees for irrigated-surface water, irrigated-groundwater and non-irrigated user classes allowed are $9.34, $16.46 and $0.76 per acre respectively during the initial five-year funding period. An annualized charge (average annual charge) option is presented.

The cost allocation for the recommended Irrigated/Non-Irrigated fees is 97.87/2.13% respectively based on their percentage of total annual groundwater use in the Subbasin. The cost allocation for the alternative fee proposes a 95/5% cost allocation of the total GSA costs based on benefits received from SGMA compliance. This cost allocation is based on the percentage of SGMA compliance costs each user class should be responsible for based on their impact on the ability of CSGSA to meet groundwater sustainability metrics by 2042. Non-irrigators have the lowest impact on CSGSA groundwater metrics and therefore pay the lowest percentage of SGMA compliance costs based on the premise that they use a very small percentage of total groundwater use in the Subbasin. Those that significantly impact the groundwater aquifer and sustainability metrics are the Irrigated-Groundwater users who directly impact the ability of the

CSGSA to meet groundwater sustainability metrics by 2042. Irrigators primarily affect the ability of the GSA to operate the Subbasin within the safe yield identified in the GSP and therefore would pay a much higher percentage of the total GSA costs. Therefore, the proposed Fees allocate the majority of the total GSA costs to the Irrigated-GW and Irrigated-SW user classes who have a direct impact on the ability of the GSA to operate the Subbasin within the safe yield and are responsible for virtually all groundwater use in the Subbasin. The Irrigated-Groundwater user class uses the majority of groundwater use in the CSGSA service area and therefore has the highest GSA fees. The recommended fees are presented in Table 6-1 followed by alternative fees the CSGSA can consider for approval in Table 6-2.

Table 6-1: CSGSA Proposed Irrigated/Non-Irrigated Fees

Table 6-1 Recommended Fees	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
Proposed Non-Irrigated Fee ($/ac)	$0.40	$0.40	$0.38	$0.38	$0.37
Fee Implementation Costs	$0.34	$0.35	$0.36	$0.38	$0.39
Proposed Total Non-Irrigated Fee ($/ac)	**$0.74**	**$0.75**	**$0.74**	**$0.76**	**$0.76**
Proposed Irrigated-SW Fee ($/ac)	$8.99	$8.99	$8.59	$8.59	$8.38
Fee Implementation Costs	$0.34	$0.35	$0.36	$0.38	$0.39
Proposed Total Irrigated-SW Fee ($/ac)	**$9.33**	**$9.34**	**$8.95**	**$8.97**	**$8.77**
Proposed Irrigated-GW Fee ($/ac)	$16.11	$16.11	$15.38	$15.38	$15.01
Fee Implementation Costs	$0.34	$0.35	$0.36	$0.38	$0.39
Proposed Total Irrigated-GW Fee ($/ac)	**$16.45**	**$16.46**	**$15.74**	**$15.76**	**$15.40**

The CSGSA directed LSCE to present two Irrigated/Non-Irrigated fee options in the Fee Report to give the CSGSA some flexibility in deciding on a final fee for the next five years of GSA operations. This will be the first long-term fee considered for approval by the GSA. The CSGSA can approve the recommended or the alternative fee option. The cost allocation for the recommended fee is different resulting in lower Non-Irrigated user class fees basing cost allocation on estimated groundwater use by those parcels within the Subbasin.

Table 6-2: CSGSA Alternative Irrigated/Non-Irrigated Fees

Table 6-2 Alternative Fees	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
Proposed Non-Irrigated Fee ($/ac)	$0.93	$0.93	$0.89	$0.89	$0.87
Fee Implementation Costs	$0.34	$0.35	$0.36	$0.38	$0.39
Proposed Total Non-Irrigated Fee ($/ac)	**$1.27**	**$1.28**	**$1.25**	**$1.27**	**$1.26**
Proposed Irrigated-SW Fee ($/ac)	$10.49	$10.49	$10.02	$10.02	$9.78
Fee Implementation Costs	$0.34	$0.35	$0.36	$0.38	$0.39
Proposed Total Irrigated-SW Fee ($/ac)	**$10.83**	**$10.84**	**$10.38**	**$10.40**	**$10.17**
Proposed Irrigated-GW Fee ($/ac)	$15.64	$15.64	$14.93	$14.93	$14.57
Fee Implementation Costs	$0.34	$0.35	$0.36	$0.38	$0.39
Proposed Total Irrigated-GW Fee ($/ac)	**$15.98**	**$15.99**	**$15.29**	**$15.31**	**$14.96**

Irrigated-Surface Water = Irrigated-SW; Irrigated-Groundwater = Irrigated-GW.

Both fee options will meet the GSA's Five-Year budget projections. The CSGSA can also consider fee adjustments that may be available once DWR grant funding agreements have been executed and grant funds are available for the GSA to offset some of the projected SGMA compliance costs. It is recommended that the CSGSA not make any adjustments to proposed fees based on DWR grant funding until year 2 in the fee cycle (for the FY24-25 budget).

It is important for the CSGSA to approve the Fee Report and approve a preferred long-term fee so that new long term GSA fees can be approved at the July or early August 2023 CSGSA meeting to establish new fees on the December 2023 property tax bill. The CSGSA has no other funding sources available to maintain GSA operations and achieve SGMA compliance for all landowners in the GSA service area.

The CSGSA is seeking to implement an Irrigated/Non-Irrigated fee with maximum fee amounts shown in Tables 6-1 for the recommended fee and Table 6-2 for the alternative fee. Separate Proposition 218 Notices would be mailed to Irrigated-Surface, Irrigated-Groundwater and Non-Irrigated classified parcels based on the final fees approved by the CSGSA at the July or early August 2023 CSGSA meeting. The maximum fees for the approved fee option will be included in the Proposition 218 Notices mailed to property owners within the CSGSA service area boundary who are subject to the proposed fees.

It is recommended that the CSGSA hold a public workshop in July 2023 to provide landowners with the opportunity to voice their questions and concerns about the CSGSA long term fees recommended for approval at the July or early August 2023 CSGSA meeting. The budgeted operational expenses are in 2023 dollars and includes an average annual inflation factor of 3% to adjust for the impact of future inflation on the GSA Operational Budget during the five-year fee implementation period for the subsequent four years. Note that the Fee applied by the CSGSA may vary from year to year but will not exceed the maximum amount unless an increase is approved through a subsequent Proposition 218 proceeding. **The necessary funding for the CSGSA will be reviewed annually by the CSGSA** and, depending on the projected funding level needed for the year, may be approved up to the maximum assessment rate. The proposed maximum annual charge allows the CSGSA to apply Fees to pay for anticipated increases in operating expenses and actions required to achieve SGMA compliance for members without having to incur the expense of routinely repeating the Proposition 218 process.

The CSGSA would adopt the first year of the proposed Fees not to exceed the maximum fee amount specified in the Proposition 218 Notice then annually review the budget and adjust the fees as necessary over the five-year fee implementation period. If DWR grant funds are approved in a timely manner the CSGSA would have the opportunity to keep their fees lower than projected during the five-year charge schedule.

CSGSA Service Area – Assessment Roll

Appendix C is the proposed 2023 CSGSA Fee Roll. This roll serves as the basis for providing notice to each landowner in the CSGSA service area boundary whose land will be subject to the Charge, identifying each parcel as reflected in County records, and the acreage for each parcel. The protest is directly related to the number of owners of parcels subject to the CSGSA Fees. The Fee will be considered and may be approved unless written protests accounting for a majority of the total assessed parcels are submitted at the public hearing.

Appendix D includes the Public Notices, which would be distributed to all parcels subject to Fees. The Protest Form will be included in the Proposition 218 Notice for those landowners who wish to file a protest against the proposed fees. More information will be available as part of the GSA's outreach and communication protocols.

CSGSA Conclusion

The primary objective of the CSGSA regarding revenues and financial sustainability is to ensure that its expenditures are truly necessary and reasonable for the stated purposes, and that those costs are allocated in a fair and equitable manner amongst the net assessable acres in its service area boundary. Based on the revenue objectives, the CSGSA's proposal is to fund its annual operational and GSP implementation future activities identified in this five-year budget for the benefit of all parcels within the CSGSA that pay the Fee. Absent the creation of the CSGSA (or a similar entity) and funding by the proposed charge, the CSGSA landowners would have no direct representation or cost-effective means for complying with SGMA requirements. Without such representation, the SWRCB would take corrective action as provided by SGMA to achieve compliance at a higher total cost to the Subbasin without local control. Note that under State control fees or costs to individual landowners may or may not be higher than the proposed CSGSA Fees. However, with this proposed fee, properties will receive SGMA compliance benefits with local and more tailored representation than the SWRCB can provide for substantially lower basin-wide costs than if no GSA were formed. If no GSA were formed, the landowners would be left subject to regulation and oversight by the SWRCB with no local representation, local control, or guarantee that costs for addressing groundwater issues would be shared by the State.

SECTION 7: CSGSA IMPLEMENTATION PROCEDURES

Based on legal and policy review of the procedural options available to the CSGSA, it has been determined that the proposed fee structure offers an equitable procedure, consistent with the precedent established from previously adopted similar Fees by other GSAs in California for SGMA compliance purposes. The CSGSA's proposed fee would generate revenues for its operations (including legal, technical, and administrative costs) and GSP implementation costs associated with SGMA compliance. Having the CSGSA serving its portion of the Subbasin located within Glenn County is the lowest cost GSA governance approach available to its members. The CSGSA intends to proceed with a protest hearing complying with the provisions of Article XIII D of the California Constitution to allow for adoption of proposed Fees.

The CSGSA will be asked to: (a) approve and accept the Fee Report; (b) set a public hearing on the proposed Fees; and (c) authorize a Proposition 218 effort to mail (i) notices to these landowners informing them of the proposed Fees, and (ii) instructions for protest. At the public hearing, the CSGSA will state its intentions and justifications for pursuing a Proposition 218 effort, take into consideration any objections received to the proposed Fees and count any acceptable written protests received as of the close of the public hearing. If written protests, following all protest procedures, are submitted and received from a majority of the total assessed parcels by the close of the public hearing, the CSGSA may not adopt the charge. Absent a majority protest, the CSGSA will consider adoption of the proposed charge to comply with SGMA and maintain local control over groundwater management decisions.

The CSGSA shall maintain a record of the Report, protest notice and received protests, public outreach and notifications, and meeting agendas and minutes for all pre-fee adoption actions consistent with Proposition 218 procedures and to document CSGSA process transparency for the benefit of all stakeholders.

During the initial five-year Proposition 218 fee period (FY2023-24 through FY2027-28) the CSGSA will strive to keep Fees as low as possible based on actual expenses associated with CSGSA operations and GSP implementation activities as required to maintain compliance with SGMA requirements. Proposition 218 establishes the maximum Fees the CSGSA may charge during the initial five-year period. The proposed Fees are planned to be implemented throughout the fee period with annual fee adjustments not to exceed the maximum rate implemented as needed during the five-year fee schedule. The CSGSA will maintain Fees within the maximum level as required to achieve and maintain compliance with SGMA requirements. The CSGSA will review the proposed Fees annually and determine if any Fee adjustments are necessary based on actual expenditures to date and projected expenses over the following FY.

The CSGSA will make updated Five-Year Budget financial information available regarding the revenues and expenditures associated with CSGSA Fee collections and SGMA compliance status. Subbasin coordination and grant funding efforts will be documented and updated on a regular basis. The CSGSA will conduct periodic financial audits to ensure efficient use of Fees and maintain transparency to members and stakeholders. The CSGSA will need to develop an Irrigated/Non-Irrigated Fee Policy for approval at the July/early August 2023 meeting when the CSGSA would consider approving the proposed fees.

SECTION 8: CSGSA REFERENCES

The CSGSA referenced and used information from the following sources to prepare this Fee Report for the CSGSA. All documents referenced are available as indicated on the website links below.

Corning Subbasin Groundwater Sustainability Agency
Corning Sub-basin Groundwater Sustainability Agency | County of Glenn

Bulletin No. 118, California's Groundwater, 2003 and 2016 Interim Update
California Department of Water Resources

California's Groundwater (Bulletin 118)

2014 Sustainable Groundwater Management Act (including Fee related provisions)
California Department of Water Resources

Sustainable Groundwater Management Act (SGMA) (ca.gov)

Glenn County*, Parcel/Tax Data Year 2023, provided May 2023.*

Glenn County Crop Report - 2021
Crop Reports (Statistics) | County of Glenn

Corning Subbasin – 2022 Groundwater Sustainability Plan
Corning Subbasin website: Final GSP | Corning Subbasin GSP

Department of Water Resources Disadvantaged Communities Mapping Tool

https://gis.water.ca.gov/app/dacs/

Proposition 218 Implementation Guide, 2007 Update
League of California Cities

PROPOSITION-218;-2007-Implementation-Guide (cacities.org)

Proposition 26 and 218, Local Agency Implementation Guide, 2021 Update
League of California Cities

Propositions 26 and 218 Implementation Guide | Cal Cities

APPENDIX A

Corning Sub-basin GSA –
Establishing Resolution/Agreements
GSP Executive Summary and Adoption documents

LSCE

BOARD OF SUPERVISORS, GLENN COUNTY, CALIFORNIA

RESOLUTION NO. 2017- 47

***

A RESOLUTION AUTHORIZING APPROVAL OF THE MEMORANDUM OF AGREEMENT ESTABLISHING THE CORNING SUB-BASIN GROUNDWATER SUSTAINABILITY AGENCY

***

WHEREAS, the California Legislature has adopted, and the Governor has signed into law, the Sustainable Groundwater Management Act of 2014 (SGMA), which authorizes local agencies to manage groundwater in a sustainable fashion; and

WHEREAS, Water Code Section 10723(a) authorized local agencies with water supply, water management or land use responsibilities overlying a groundwater basin to elect to become a Groundwater Sustainability Agency (GSA) to manage groundwater within the basin; and

WHEREAS, the County of Glenn (County) is a local agency qualified to become a GSA because the County either supplies water, manages water, or has land use responsibilities over a portion of the Corning Subbasin of the Sacramento Valley Groundwater Basin, California Department of Water Resources No. 5-21.5 (Basin), which is designated as a medium priority basin; and

WHEREAS, the Glenn Colusa Irrigation District (GCID) is also a local agency qualified to become a GSA because GCID either supplies water, manages water, or has land use responsibilities over a portion of the Basin; and

WHEREAS, the County and GCID desire to work collaboratively and have prepared a Memorandum of Agreement to Establish the Corning Sub-basin Groundwater Sustainability Agency (MOA), attached hereto as Exhibit 1, which will cover the Glenn County portion of the Basin shown on the map attached as Exhibit A to the MOA; and

WHEREAS, the MOA is to be executed by the County of Glenn and the Glenn-Colusa Irrigation District; and

WHEREAS, the County of Glenn has previously elected to become a GSA for lands within the jurisdictional boundaries of the County of Glenn overlying the Basin; and

WHEREAS, the MOA provides that the Corning Sub-basin GSA (CSGSA) will be the GSA for the Glenn County portion of the Basin and shall make any and all necessary filings with regulatory agencies to become and serve as the GSA for the Basin; and

WHEREAS, the County of Glenn published notice pursuant to Government Code section 6066 of its public hearing to consider adoption of this resolution authorizing approval of the Memorandum of Agreement establishing the Corning Sub-basin Groundwater Sustainability Agency, thereby forming the CSGSA and electing the CSGSA to serve as the GSA for the Basin, in the Sacramento Valley Mirror, a copy of which is attached hereto as Exhibit 2; and

WHEREAS, on this day, the County of Glenn held a public hearing to consider whether to adopt a resolution authorizing approval of the MOA; and

WHEREAS, the Board of Supervisors of the County of Glenn has determined that execution of the MOA is in the County of Glenn's best interest and in the public interest; and

WHEREAS, adoption of this resolution does not constitute a "project" under California Environmental Quality Act Guidelines section 15378(b)(5), including organization and administrative activities of government, because there would be no direct or indirect physical changes in the environment as a result of this action.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Glenn as follows:

1. The Chairman of the Board of Supervisors is hereby authorized to execute the MOA on behalf of the County of Glenn.

2. The Board of Supervisors hereby appoints Supervisor John Viegas and Supervisor Vince Minto as its initial Party Representatives to participate on the GSA Committee.

3. Supervisor John Viegas and Supervisor Vince Minto are authorized and directed to take all action appropriate and necessary to implement the terms and conditions of the MOA, subject to oversight by the Board of Supervisors.

4. Upon execution of the MOA by all the Parties, the Water Resource Coordinator shall notify the California Department of Water Resources that the County of Glenn rescinds its previous election to become a GSA for lands within the jurisdictional boundaries of the County of Glenn overlying the Basin.

THIS RESOLUTION was passed by the Board of Supervisors of the County of Glenn at a regular meeting held this June 27, 2017 by the following vote:

AYES: Supervisors Minto, Viegas, and Corum (Chairman)
NOES: Supervisors Foltz and McDaniel
ABSENT OR ABSTAIN: None

KEITH CORUM, CHAIRMAN
Glenn County Board of Supervisors

ATTEST:

Di Aulabaugh, Clerk of the Board of Supervisors
County of Glenn, California

APPROVED AS TO FORM:

ALICIA EKLAND, County Counsel
County of Glenn, California

The foregoing instrument is a correct copy of the original on file in this office
ATTEST: 6/28/17
Di Aulabaugh
Clerk of the Board of Supervisors
County of Glenn, State of California
By: _____ **Deputy**

Exhibit 1.

MEMORANDUM OF AGREEMENT FOR THE FORMATION OF THE CORNING SUB-BASIN GROUNDWATER SUSTAINABILITY AGENCY

THIS MEMORANDUM OF AGREEMENT (MOA) is made and entered into on _____, by and between the County of Glenn ("Glenn County" herein) and the Glenn Colusa Irrigation District ("GCID" herein) each a "Party" and collectively the "Parties".

WHEREAS, on September 16, 2014, Governor Jerry Brown signed into law Senate Bills 1168 and 1319 and Assembly Bill 1739, known collectively as the Sustainable Groundwater Management Act of 2014 ("SGMA") codified at Water Code Section 10720 *et seq.*; and

WHEREAS, SGMA went into effect on January 1, 2015; and

WHEREAS, SGMA was amended on January 1, 2016; and

WHEREAS, the purpose of SGMA is to create a comprehensive management system in the State of California by creating a structure to manage groundwater at the local level, while providing authority to the State to oversee and regulate, if necessary, local groundwater use; and

WHEREAS, Water Code Section 10720.7 requires that all basins designated as high-or-medium priority basins designated in Department of Water Resources Bulletin 118 be managed under a Groundwater Sustainability Plan, or coordinated Groundwater Sustainability Plans, pursuant to SGMA; and

WHEREAS, the Corning Sub-basin (Basin Number 5-21.51, DWR Bulletin 118) is located within the Sacramento Valley Groundwater Basin and is designated a medium-priority basin; and

WHEREAS, Water Code Section 10723.6 authorizes a combination of local agencies overlying a groundwater basin to elect to become a Groundwater Sustainability Agency ("GSA") by using a memorandum of agreement or other agreement; and

WHEREAS, each of the Parties to this MOA is a local agency with either water supply, water management, or land use responsibilities within the Glenn County portion of the Corning Sub-basin and are qualified to become a GSA and adopt a Groundwater Sustainability Plan ("GSP") under SGMA; and

WHEREAS, the Parties desire to collectively manage groundwater in the Corning Sub-basin within their jurisdictional boundaries and intend on working collaboratively with each other and other interested parties to develop and implement a single GSP within the Glenn County portion of the Corning Sub-basin to sustainably and cost-effectively manage groundwater in the Corning Sub-basin pursuant to the requirements of SGMA.

NOW THEREFORE, incorporating the above recitals herein and exhibits attached, it is mutually understood and agreed by the Parties as follows:

1. **PURPOSE.** This MOA is entered into by and between the Parties to facilitate a cooperative and ongoing working relationship to comply with SGMA in the Corning Sub-basin by, among other things, forming a GSA and developing and implementing a single GSP within the Glenn County portion of the Corning Sub-basin. This MOA is not intended to form a new legal entity.

2. **CORNING SUB-BASIN GROUNDWATER SUSTAINABILITY AGENCY.** The Parties hereby establish the Corning Sub-basin Groundwater Sustainability Agency ("CSGSA") to manage that portion of the Corning Sub-basin within Glenn County as set forth in Exhibit A, which exhibit shall be amended to reflect any future changes to the Corning Sub-basin boundary lines as determined by the California Department of Water Resources ("DWR").

3. **GSA GOVERNING BODY.**

   There is hereby established a GSA Committee for the Glenn County portion of the Corning Sub-basin, which shall be subject to the following:

   3.1 Each Party shall appoint two representatives ("Party Representative") to participate on the GSA Committee. Each Party may appoint an alternate representative ("Alternate Representative") in case a Party Representative cannot act. At its sole discretion, a Party may replace its Party Representatives or Alternate Representative at any time by providing notice to the other Party.

   3.2 The GSA Committee may adopt resolutions, bylaws and policies to provide further details for conducting its affairs consistent with the MOA and applicable law and amend the same from time to time. Meetings of the GSA Committee shall be called, noticed and conducted subject to the provisions of the Ralph M. Brown Act (Govt. Code sections 54950 et seq.)

   3.3 A quorum to transact business shall be a simple majority of the GSA Committee. All proposed actions or resolutions must pass by a simple majority vote, provided however, actions or resolutions to adopt budgets or any type of fee/charge, or to approve the GSP, must pass by a 75 percent vote.

   3.4 The GSA Committee shall have all powers that a GSA is authorized to exercise as provided by SGMA, including developing a GSP consistent with the SGMA and DWR's regulations and imposing fees to fund GSA and GSP activities.

4. **ROLES AND RESPONSIBILITIES OF THE PARTIES.**

4.1 The Parties agree, through the GSA Committee, to jointly develop and implement a GSP for the Glenn County portions of the Corning Sub-basin in accordance with SGMA.

4.2 The Parties agree, through the GSA Committee, to work in good faith and coordinate all activities to carry out the purposes of this MOA in implementing the policies, purposes, and requirements of SGMA in the Glenn County portion of the Corning Sub-basin, including, but not limited to: continuing to meet and confer, coordinate and collaborate to discuss and develop governance, management, technical, financial, and other matters, including respective roles and responsibilities for activities such as, but not limited to, the following: modeling, metering, monitoring, hiring consultants, conducting public outreach and engagement and developing and maintaining a list of interested persons pursuant to Water Code Section 10723.4, budgeting and other tasks determined by the Parties.

4.3 The Parties shall, through the GSA Committee, coordinate with each other to cause all applicable noticing and submission of required information to DWR regarding formation of the CSGSA.

5. **EXEMPTION FROM CEQA.** The Parties recognize and agree that, pursuant to Water Code Section 10728.6 and Public Resources Code 21065, neither this MOA nor the preparation or adoption of a GSP constitutes a "project" or approval of a project under the California Environmental Quality Act (CEQA) or the State CEQA Guidelines, and therefore, this MOA is expressly exempt from CEQA review.

6. **LAND USE AUTHORITY**. Nothing herein shall be construed or interpreted as superseding or restricting the land use authority of the County of Glenn within the Corning Sub-basin.

7. **FUNDING.** Unless agreed to otherwise, each Party's participation in this MOA is at its sole cost and expense. Costs incurred to retain consultants to assist with development of the GSP and perform related studies as approved by the GSA Committee, and to implement the GSP, shall be shared by the Parties as agreed to by the Parties. The Parties may consider levying a charge pursuant to SGMA. There are several vehicles to capture costs for implementing SGMA pursuant to section 10730 set seq. of SGMA.

8. **ADMISSION OF NEW PARTIES**. Additional parties that meet the definition of "local agency" under California Water Code Section 10721(n) may become signatories to this MOA upon approval by the Parties and execution of an amendment to this MOA by the new party's legislative body.

9. **TERM**. This MOA shall continue and remain in effect unless and until terminated by the consent of the Parties, or as otherwise provided in this MOA or as authorized by law.

10. **TERMINATION AND WITHDRAWAL.**
Upon termination of the MOA or withdrawal of any Party from the MOA, each Party reserves the right to become its own GSA, to the extent authorized by SGMA, and to thereafter exercise the powers conferred to a GSA, within the Party's boundaries.

10.1 Termination: Either Party may terminate this MOA upon 120-days written notice. If one Party provides notice of termination, the Parties shall meet and confer during the 120-day notice period regarding: (i) whether, as a result of the termination, a coordination agreement or other arrangement is necessary to satisfy the requirements of SGMA; and (ii) any other issues and steps that are necessary to avoid triggering a probationary status determination by the State Water Board. Any resolution of issues pertaining to termination and any other GSA issues shall be undertaken in a manner that satisfies all requirements of SGMA, including any requirement to file any new GSA notices.

In the event that there are more than two Parties to this MOA, this MOA shall continue and remain in effect unless and until terminated by the unanimous written consent of the Parties, or as otherwise provided in this MOA or as authorized by law. Upon termination of this MOA, each Party agrees to pay its share of any expenses incurred or accrued in accordance with section 7 of this MOA up to the date of termination.

10.2 Withdrawal: In the event there are more than two Parties to this MOA, any Party may decide, in its sole discretion, to withdraw from this MOA by providing 120-days written notice to the other Parties. A Party that withdraws from this MOA shall remain obligated to pay its share of costs and expenses incurred or accrued under this MOA and any related cost-sharing agreement or arrangement up to the date the Party provides its notice of withdrawal as provided herein. In the event of withdrawal by one of the Parties, the Parties shall meet and confer during the 120-day notice period regarding: (i) whether the withdrawing Party wishes to seek GSA status for a portion of the Corning Sub-basin underlying the jurisdictional area or service area of the withdrawing Party; (ii) whether, as a result of the withdrawal, a coordination agreement or other arrangement with the withdrawing Party is necessary to satisfy the requirements of SGMA; and (iii) any other issues and steps that are necessary to avoid triggering probationary status of the Corning Sub-basin and State Water Board intervention. Any resolution of issues pertaining to withdrawal and any other GSA issues shall be

undertaken in a manner that satisfies all requirements of SGMA and DWR, including any requirement to file any new GSA notices.

11. **AMENDING THE MOA.** This MOA and Exhibits hereto may only be amended by a subsequent writing, approved and signed by all Parties.

12. **JURISDICTION.** This MOA shall be governed by and construed in accordance with the laws of the State of California.

13. **ENTIRE AGREEMENT.** This MOA constitutes the entire agreement of the Parties with respect to the subject matter of this MOA and supersedes any prior oral or written agreement, understanding, or representation relating to the subject matter of this MOA.

14. **SEVERABILITY.** If one or more of the provisions contained in this MOA are invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not be affected or impaired in any manner.

15. **INDEMNIFICATION.** Each Party shall indemnify each of the Parties and their board members, officers, employees, agents or volunteers from and against any and all liabilities arising from or in connection with any negligent act or omission or willful misconduct taken by the indemnifying Party, its board members, officers, employees, agents or volunteers, under or in connection with this MOA. This indemnification provision will continue to bind the Parties after the termination of this MOA for liabilities that arise or arose from the indemnifying Party's negligent act or omission or willful misconduct in connection with this MOA.

16. **NOTICES.** All notices and other communications given under the terms of this MOA must be in writing and served personally or by certified US mail. Any such notices shall be addressed to the Parties as set forth as follows or to such other address as the Parties may hereafter designate by written notice. The date of receipt of the notice shall be the date of actual personal service or three days after the postmark on certified mail.

Glenn County
Marcie Skelton
Agricultural Commissioner
P.O. Box 351
Willows, CA 95988

Glenn Colusa Irrigation District
Thad Bettner
General Manager
P.O. Box 150
Willows, CA 95988

17. **RELATIONSHIP OF PARTIES**. The Parties shall remain at all times as to each other, wholly independent entities. No Party shall have the authority to incur any debt, obligation, or liability on behalf of another Party unless expressly provided by written

agreement of the Parties. No employee, agent, or officer of a Party shall be deemed for any purpose whatsoever to be an agent, employee or officer of another Party.

18. **NO THIRD PARTY BENEFICIARIES.** This MOA is not intended, and will not be construed, to confer a benefit or create any right on a third party or the power or right to bring an action to enforce any of its terms.

19. **WITHDRAWAL OF NOTICE TO DWR.** Upon execution of this MOA by both Parties, each Party shall formally notify DWR of its withdrawal or rescission of its previous notification to DWR regarding its intent to be a GSA in the Corning Sub-basin to allow the CSGSA to become the GSA for the Glenn County portion of the Corning Sub-basin.

20. **COUNTERPART EXECUTION.** This MOA may be executed in counterparts and each executed counterpart shall be effective as the original.

Glenn County

Keith Corum, Chairman
Board of Supervisors

Date June 27, 2017

Glenn Colusa Irrigation District

Donald R. Bransford, President
Board of Directors

Date_____

Approved as to Form:

Alicia Ekland, County Counsel
Glenn County, California

Exhibit A. Corning Sub-basin GSA

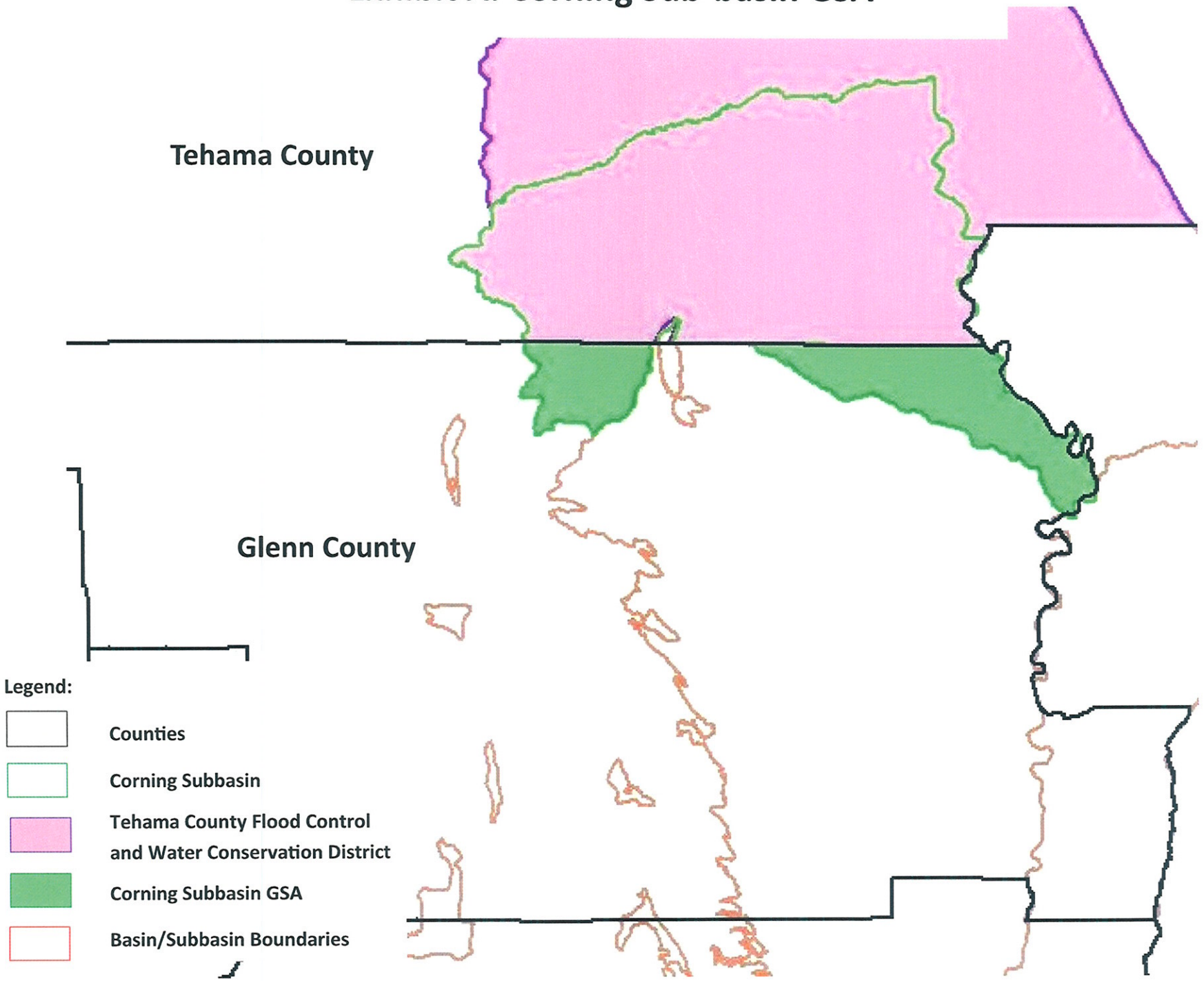


Exhibit 2.

PROOF OF PUBLICATION

No. 3198

In the Matter of
Legal - Glenn Co. Dept of Agriculture - PHN to consider actions relating to the management of groundwater Management -Groundwater sustainability Agency

State of California)
County of Glenn) ss

The undersigned resident of the County of Glenn, State of California, says:

That I am, and at all time herein mentioned was a citizen of the United States and not a party to nor interested in the above entitled matter; that I am the principal clerk of the publisher of:

The Sacramento Valley Mirror

That said newspaper is one of general circulation as defined by Section 6000 Government Code of the State of California, Case No. 27,207 by the Superior Court of the State of California, in and for the County of Glenn,Case #02CV00614; that said newspaper at all times herein mentioned was published twice a week (on Wednesdays and Saturdays) in the town of Willows and County of Glenn; that the notice of which the annexed is a true printed copy, was published in said newspaper on the following days:

June 10, and 17, 2017

I certify (or declare), under penalty of perjury, that the foregoing is true and correct, at the County of Glenn,Willows, California.

Date June 19, 2017
at Willows, California.

Tim Crews, Publisher

LEGAL NOTICE

NOTICE OF PUBLIC HEARINGS

Pursuant to Water Code section 10723(b) and Government Code section 6066, notice is hereby given that the County of Glenn will hold public hearings on **June 27, 2017** at the Glenn County Board of Supervisors' Chambers, 525 West Sycamore Street, Willows, CA 95988, to consider actions relating to the management of the groundwater subbasins mentioned below in compliance with the Sustainable Groundwater Management Act of 2014 (SGMA) (details on the times are set forth below). In September 2014, the California legislature enacted SGMA to require sustainable groundwater management statewide. Implementation of SGMA is achieved through the formation of Groundwater Sustainability Agencies (GSAs) and the preparation and implementation of Groundwater Sustainability Plans (GSPs).

The County Glenn will hold a public hearing at **9:00 AM**, or as soon thereafter as may be heard, to:

Consider the adoption of a resolution approving the Memorandum of Agreement Establishing the Corning Sub-basin Groundwater Sustainability Agency, which among other things will: (1) form the Corning Sub-basin Groundwater Sustainability Agency; (2) elect the Corning Sub-basin Groundwater Sustainability Agency to serve as the groundwater sustainability agency under the Sustainable Groundwater Management Act (Water Code §§ 10720, et seq.) for the Glenn County areas of the Corning Sub-basin of the Sacramento Valley Groundwater Basin; and (3) authorize the Corning Sub-basin Groundwater Sustainability Agency to make any and all necessary filings to formally confirm that it becomes the groundwater sustainability agency for the previously identified areas;

And the County Glenn will hold a public hearing at **9:30 AM**, or as soon thereafter as may be heard, to:

Consider the adoption of a resolution to modify the notice of election to become a Groundwater Sustainability Agency submitted to the California Department of Water Resources posted July 9, 2015 that will: (1) limit the boundaries of the Glenn County Groundwater Sustainability Agency within the West Butte Subbasin of the Sacramento Valley Groundwater Basin to the areas not being managed by another eligible local agency; (2) agree to work cooperatively on a single Groundwater Sustainability Plan or coordinated Groundwater Sustainability Plans for the West Butte Subbasin; and (3) authorize the County to make any and all necessary filings to formally confirm that it becomes the groundwater sustainability agency for the previously identified areas.

The Board of Supervisors may also discuss other hearings or business items before or after the items listed above. If you challenge the proposed action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Board of Supervisors at, or prior to, the public hearing. Comments may be either, (1) mailed or delivered in person to the Glenn County Board of Supervisors at 525 W. Sycamore St., Suite B1, Willows, CA 95988 or (2) provided in person at the Public Hearing. Failure of any person to receive the notice shall not constitute grounds for any court to invalidate the action of the legislative body for which the notice was given. Information regarding the proposed resolutions is on file at the Board of Supervisors' Office at 525 W. Sycamore St., Suite B1, Willows, CA 95988.

FIRST AMENDMENT TO
MEMORANDUM OF AGREEMENT FOR THE FORMATION OF THE CORNING SUB-BASIN GROUNDWATER SUSTAINABILITY AGENCY

THE MEMORANDUM OF AGREEMENT ("MOA"), a copy of which is attached hereto as Attachment 1 and incorporated herein by this reference, by and between the County of Glenn ("County") and Glenn Colusa Irrigation District ("GCID") is hereby amended as follows:

Pursuant to Paragraph 8 of the MOA, the parties agree as follows:

The Monroeville Water District ("MWD"), a local agency under California Water Code Section 10721(n), is hereby made a signatory to this MOA.

All other terms and conditions of the MOA shall remain in full force and effect.

In the event of any conflict or inconsistency between the provisions of this amendment and the MOA, it shall be resolved such that the provisions of this amendment shall control in all respects.

COUNTY OF GLENN:

_____ Date: 7/7/2020
LEIGH McDANIEL, CHAIRMAN
GLENN COUNTY BOARD OF SUPERVISORS

GLENN COLUSA IRRIGATION DISTRICT

_____ Date: 5/7/2020
DONALD R. BRANSFORD, PRESIDENT
GCID BOARD OF DIRECTORS

MONROEVILLE WATER DISTRICT

_____ Date: 6-3-2020
SETH FIACK, CHAIRMAN
MWD BOARD OF DIRECTORS

APPROVED AS TO FORM:

_____ Date: 7/6/20
WILLIAM J. VANASEK
GLENN COUNTY COUNSEL

Attachment 1.

MEMORANDUM OF AGREEMENT FOR THE FORMATION OF THE CORNING SUB-BASIN GROUNDWATER SUSTAINABILITY AGENCY

THIS MEMORANDUM OF AGREEMENT (MOA) is made and entered into on July 6, 2017, by and between the County of Glenn ("Glenn County" herein) and the Glenn Colusa Irrigation District ("GCID" herein) each a "Party" and collectively the "Parties".

WHEREAS, on September 16, 2014, Governor Jerry Brown signed into law Senate Bills 1168 and 1319 and Assembly Bill 1739, known collectively as the Sustainable Groundwater Management Act of 2014 ("SGMA") codified at Water Code Section 10720 *et seq.*; and

WHEREAS, SGMA went into effect on January 1, 2015; and

WHEREAS, SGMA was amended on January 1, 2016; and

WHEREAS, the purpose of SGMA is to create a comprehensive management system in the State of California by creating a structure to manage groundwater at the local level, while providing authority to the State to oversee and regulate, if necessary, local groundwater use; and

WHEREAS, Water Code Section 10720.7 requires that all basins designated as high-or-medium priority basins designated in Department of Water Resources Bulletin 118 be managed under a Groundwater Sustainability Plan, or coordinated Groundwater Sustainability Plans, pursuant to SGMA; and

WHEREAS, the Corning Sub-basin (Basin Number 5-21.51, DWR Bulletin 118) is located within the Sacramento Valley Groundwater Basin and is designated a medium-priority basin; and

WHEREAS, Water Code Section 10723.6 authorizes a combination of local agencies overlying a groundwater basin to elect to become a Groundwater Sustainability Agency ("GSA") by using a memorandum of agreement or other agreement; and

WHEREAS, each of the Parties to this MOA is a local agency with either water supply, water management, or land use responsibilities within the Glenn County portion of the Corning Sub-basin and are qualified to become a GSA and adopt a Groundwater Sustainability Plan ("GSP") under SGMA; and

WHEREAS, the Parties desire to collectively manage groundwater in the Corning Sub-basin within their jurisdictional boundaries and intend on working collaboratively with each other and other interested parties to develop and implement a single GSP within the Glenn County portion of the Corning Sub-basin to sustainably and cost-effectively manage groundwater in the Corning Sub-basin pursuant to the requirements of SGMA.

NOW THEREFORE, incorporating the above recitals herein and exhibits attached, it is mutually understood and agreed by the Parties as follows:

1. **PURPOSE.** This MOA is entered into by and between the Parties to facilitate a cooperative and ongoing working relationship to comply with SGMA in the Corning Sub-basin by, among other things, forming a GSA and developing and implementing a single GSP within the Glenn County portion of the Corning Sub-basin. This MOA is not intended to form a new legal entity.

2. **CORNING SUB-BASIN GROUNDWATER SUSTAINABILITY AGENCY.** The Parties hereby establish the Corning Sub-basin Groundwater Sustainability Agency ("CSGSA") to manage that portion of the Corning Sub-basin within Glenn County as set forth in Exhibit A, which exhibit shall be amended to reflect any future changes to the Corning Sub-basin boundary lines as determined by the California Department of Water Resources ("DWR").

3. **GSA GOVERNING BODY.**

   There is hereby established a GSA Committee for the Glenn County portion of the Corning Sub-basin, which shall be subject to the following:

   3.1 Each Party shall appoint two representatives ("Party Representative") to participate on the GSA Committee. Each Party may appoint an alternate representative ("Alternate Representative") in case a Party Representative cannot act. At its sole discretion, a Party may replace its Party Representatives or Alternate Representative at any time by providing notice to the other Party.

   3.2 The GSA Committee may adopt resolutions, bylaws and policies to provide further details for conducting its affairs consistent with the MOA and applicable law and amend the same from time to time. Meetings of the GSA Committee shall be called, noticed and conducted subject to the provisions of the Ralph M. Brown Act (Govt. Code sections 54950 et seq.)

   3.3 A quorum to transact business shall be a simple majority of the GSA Committee. All proposed actions or resolutions must pass by a simple majority vote, provided however, actions or resolutions to adopt budgets or any type of fee/charge, or to approve the GSP, must pass by a 75 percent vote.

   3.4 The GSA Committee shall have all powers that a GSA is authorized to exercise as provided by SGMA, including developing a GSP consistent with the SGMA and DWR's regulations and imposing fees to fund GSA and GSP activities.

4. **ROLES AND RESPONSIBILITIES OF THE PARTIES.**

4.1 The Parties agree, through the GSA Committee, to jointly develop and implement a GSP for the Glenn County portions of the Corning Sub-basin in accordance with SGMA.

4.2 The Parties agree, through the GSA Committee, to work in good faith and coordinate all activities to carry out the purposes of this MOA in implementing the policies, purposes, and requirements of SGMA in the Glenn County portion of the Corning Sub-basin, including, but not limited to: continuing to meet and confer, coordinate and collaborate to discuss and develop governance, management, technical, financial, and other matters, including respective roles and responsibilities for activities such as, but not limited to, the following: modeling, metering, monitoring, hiring consultants, conducting public outreach and engagement and developing and maintaining a list of interested persons pursuant to Water Code Section 10723.4, budgeting and other tasks determined by the Parties.

4.3 The Parties shall, through the GSA Committee, coordinate with each other to cause all applicable noticing and submission of required information to DWR regarding formation of the CSGSA.

5. **EXEMPTION FROM CEQA.** The Parties recognize and agree that, pursuant to Water Code Section 10728.6 and Public Resources Code 21065, neither this MOA nor the preparation or adoption of a GSP constitutes a "project" or approval of a project under the California Environmental Quality Act (CEQA) or the State CEQA Guidelines, and therefore, this MOA is expressly exempt from CEQA review.

6. **LAND USE AUTHORITY**. Nothing herein shall be construed or interpreted as superseding or restricting the land use authority of the County of Glenn within the Corning Sub-basin.

7. **FUNDING.** Unless agreed to otherwise, each Party's participation in this MOA is at its sole cost and expense. Costs incurred to retain consultants to assist with development of the GSP and perform related studies as approved by the GSA Committee, and to implement the GSP, shall be shared by the Parties as agreed to by the Parties. The Parties may consider levying a charge pursuant to SGMA. There are several vehicles to capture costs for implementing SGMA pursuant to section 10730 set seq. of SGMA.

8. **ADMISSION OF NEW PARTIES**. Additional parties that meet the definition of "local agency" under California Water Code Section 10721(n) may become signatories to this MOA upon approval by the Parties and execution of an amendment to this MOA by the new party's legislative body.

9. **TERM**. This MOA shall continue and remain in effect unless and until terminated by the consent of the Parties, or as otherwise provided in this MOA or as authorized by law.

10. **TERMINATION AND WITHDRAWAL.**
Upon termination of the MOA or withdrawal of any Party from the MOA, each Party reserves the right to become its own GSA, to the extent authorized by SGMA, and to thereafter exercise the powers conferred to a GSA, within the Party's boundaries.

10.1 Termination: Either Party may terminate this MOA upon 120-days written notice. If one Party provides notice of termination, the Parties shall meet and confer during the 120-day notice period regarding: (i) whether, as a result of the termination, a coordination agreement or other arrangement is necessary to satisfy the requirements of SGMA; and (ii) any other issues and steps that are necessary to avoid triggering a probationary status determination by the State Water Board. Any resolution of issues pertaining to termination and any other GSA issues shall be undertaken in a manner that satisfies all requirements of SGMA, including any requirement to file any new GSA notices.

In the event that there are more than two Parties to this MOA, this MOA shall continue and remain in effect unless and until terminated by the unanimous written consent of the Parties, or as otherwise provided in this MOA or as authorized by law. Upon termination of this MOA, each Party agrees to pay its share of any expenses incurred or accrued in accordance with section 7 of this MOA up to the date of termination.

10.2 Withdrawal: In the event there are more than two Parties to this MOA, any Party may decide, in its sole discretion, to withdraw from this MOA by providing 120-days written notice to the other Parties. A Party that withdraws from this MOA shall remain obligated to pay its share of costs and expenses incurred or accrued under this MOA and any related cost-sharing agreement or arrangement up to the date the Party provides its notice of withdrawal as provided herein. In the event of withdrawal by one of the Parties, the Parties shall meet and confer during the 120-day notice period regarding: (i) whether the withdrawing Party wishes to seek GSA status for a portion of the Corning Sub-basin underlying the jurisdictional area or service area of the withdrawing Party; (ii) whether, as a result of the withdrawal, a coordination agreement or other arrangement with the withdrawing Party is necessary to satisfy the requirements of SGMA; and (iii) any other issues and steps that are necessary to avoid triggering probationary status of the Corning Sub-basin and State Water Board intervention. Any resolution of issues pertaining to withdrawal and any other GSA issues shall be

undertaken in a manner that satisfies all requirements of SGMA and DWR, including any requirement to file any new GSA notices.

11. **AMENDING THE MOA.** This MOA and Exhibits hereto may only be amended by a subsequent writing, approved and signed by all Parties.

12. **JURISDICTION.** This MOA shall be governed by and construed in accordance with the laws of the State of California.

13. **ENTIRE AGREEMENT.** This MOA constitutes the entire agreement of the Parties with respect to the subject matter of this MOA and supersedes any prior oral or written agreement, understanding, or representation relating to the subject matter of this MOA.

14. **SEVERABILITY.** If one or more of the provisions contained in this MOA are invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not be affected or impaired in any manner.

15. **INDEMNIFICATION.** Each Party shall indemnify each of the Parties and their board members, officers, employees, agents or volunteers from and against any and all liabilities arising from or in connection with any negligent act or omission or willful misconduct taken by the indemnifying Party, its board members, officers, employees, agents or volunteers, under or in connection with this MOA. This indemnification provision will continue to bind the Parties after the termination of this MOA for liabilities that arise or arose from the indemnifying Party's negligent act or omission or willful misconduct in connection with this MOA.

16. **NOTICES.** All notices and other communications given under the terms of this MOA must be in writing and served personally or by certified US mail. Any such notices shall be addressed to the Parties as set forth as follows or to such other address as the Parties may hereafter designate by written notice. The date of receipt of the notice shall be the date of actual personal service or three days after the postmark on certified mail.

Glenn County
Marcie Skelton
Agricultural Commissioner
P.O. Box 351
Willows, CA 95988

Glenn Colusa Irrigation District
Thad Bettner
General Manager
P.O. Box 150
Willows, CA 95988

17. **RELATIONSHIP OF PARTIES**. The Parties shall remain at all times as to each other, wholly independent entities. No Party shall have the authority to incur any debt, obligation, or liability on behalf of another Party unless expressly provided by written

agreement of the Parties. No employee, agent, or officer of a Party shall be deemed for any purpose whatsoever to be an agent, employee or officer of another Party.

18. **NO THIRD PARTY BENEFICIARIES.** This MOA is not intended, and will not be construed, to confer a benefit or create any right on a third party or the power or right to bring an action to enforce any of its terms.

19. **WITHDRAWAL OF NOTICE TO DWR.** Upon execution of this MOA by both Parties, each Party shall formally notify DWR of its withdrawal or rescission of its previous notification to DWR regarding its intent to be a GSA in the Corning Sub-basin to allow the CSGSA to become the GSA for the Glenn County portion of the Corning Sub-basin.

20. **COUNTERPART EXECUTION.** This MOA may be executed in counterparts and each executed counterpart shall be effective as the original.

Glenn County

Keith Corum, Chairman
Board of Supervisors

Date June 27, 2017

Glenn Colusa Irrigation District

Donald R. Bransford, President
Board of Directors

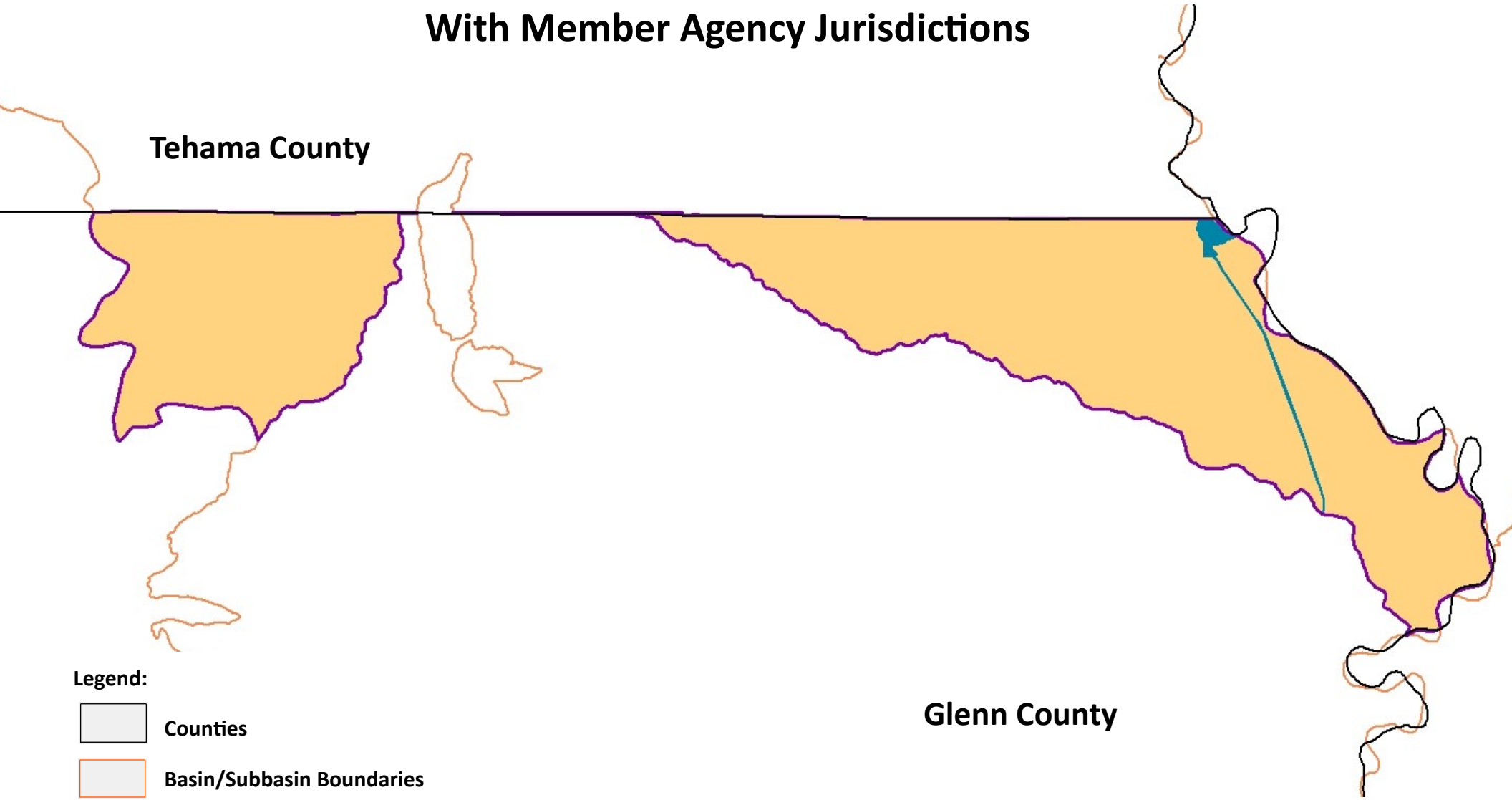
Date 7/6/17

Approved as to Form:

Alicia Ekland, County Counsel
Glenn County, California

Corning Sub-basin GSA

With Member Agency Jurisdictions



Notice and Agenda

Regular Meeting of the Corning Sub-basin GSA Committee
Glenn-Colusa Irrigation District Main Pump Station
7854 County Road 203, Orland, CA 95963
And
Teleconference
December 8, 2021
9:30 am

Zoom Information **Join Zoom Meeting by computer, smartphone, or tablet at:** **https://cbuilding.zoom.us/j/94856971846** **One tap mobile** **+16699006833,,94856971846# US (San Jose)**	Join by phone: **+1 669 900 6833 US** **833 548 0282 US Toll-free** **Meeting ID: 948 5697 1846** **Find your local number:** **https://cbuilding.zoom.us/u/ay20nvllX**

1. Call to Order
2. Roll Call
3. AB 361 Open Meetings: State and Local Agencies: Teleconferences
    a. *Discuss and consider approval of Resolution 2021-02 Authorizing Remote Teleconference Meetings in Accordance with Government Code Section 54953 (e)
4. Meeting Minutes
    a. *Approval of October 13, 2021, Meeting Minutes
5. Period of Public Comment
6. **9:30 am** Public Hearing: Adoption of the Corning Subbasin Groundwater Sustainability Plan
    a. Conduct a Public Hearing to receive public comments on the Corning Subbasin Groundwater Sustainability Plan
    b. *Consider approving the Corning Subbasin Advisory Board recommendation to adopt the Corning Subbasin Groundwater Sustainability Plan
7. Staff Reports
8. Corning Subbasin Advisory Board Report
9. *Approve 2022 Corning Sub-basin GSA Committee meeting schedule

10. Corning Sub-basin GSA Committee Member Reports and Comments
11. Next Meeting
12. Adjourn

A complete agenda packet, including back-up information, is available for public inspection during normal work hours at 225 North Tehama Street, Willows, CA 95988. After posting of this Meeting Agenda, the public may request copies of support information for public agenda items listed.

In compliance with the Americans with Disabilities Act, The Corning Sub-basin GSA Committee will make available to persons with a disability disability-related modification or accommodations. Notification two days prior to the meeting will enable the Corning Sub-basin GSA Committee to make arrangements to provide reasonable accommodations. If requested, this document and other agenda materials can be made available in an alternative format for persons with a disability who are covered by the Americans with Disabilities Act. Contact Lisa Hunter at 530-934-6540.

CERTIFICATION: Pursuant to Government Code § 54954.2 the agenda for this meeting was properly posted on or before 9:30 am on December 5, 2021.

CORNING SUB-BASIN GSA

County of Glenn
Glenn-Colusa Irrigation District
Monroeville Water District

August 27, 2021

City of Corning
794 Third Street
Corning, CA 96021

RE: Corning Subbasin Groundwater Sustainability Plan

Dear Honorable City Council,

The Corning Sub-basin Groundwater Sustainability Agency (CSGSA), in conjunction with the Tehama County Flood Control and Water Conservation District, is preparing a draft Groundwater Sustainability Plan (GSP) for the Corning Subbasin, as required by the Sustainable Groundwater Management Act (SGMA).

Water Code § 10728.4. reads in part:

> *A groundwater sustainability agency may adopt or amend a groundwater sustainability plan after a public hearing, held at least 90 days after providing notice to a city or county within the area of the proposed plan or amendment. The groundwater sustainability agency shall review and consider comments from any city or county that receives notice pursuant to this section and shall consult with a city or county that requests consultation within 30 days of the receipt of the notice.*

PLEASE TAKE NOTICE that the CSGSA will hold a Public Hearing in December 2021 to consider adopting the GSP for the Corning Subbasin.

Pursuant to SGMA, representatives of the CSGSA are available to provide consultation with, and receive comments on the GSP from your organization should consultation be requested. Comments may also be provided in writing during the public comment period beginning on September 10, 2021 and continue for 45 days closing on October 22, 2021.

Components of the plan and the complete plan, when available, may be reviewed at the Corning Subbasin GSP website at: https://www.corningsubbasingsp.org/

Consultations can be arranged, or questions can be answered by contacting Lisa Hunter, Glenn County Water Resources Coordinator, at lhunter@countyofglenn.net or by phone at 530-934-6540.

Sincerely,

Lisa Hunter
Glenn County Water Resource Coordinator

CORNING SUB-BASIN GSA

County of Glenn
Glenn-Colusa Irrigation District
Monroeville Water District

August 27, 2021

County of Tehama
P.O. Box 250
Red Bluff, CA 96080

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Sincerely,

Lisa Hunter
Glenn County Water Resource Coordinator

CORNING SUB-BASIN GSA

County of Glenn
Glenn-Colusa Irrigation District
Monroeville Water District

August 27, 2021

County of Glenn
525 West Sycamore Street, Suite B1
Willows, CA 95988

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Consultations can be arranged, or questions can be answered by contacting Lisa Hunter, Glenn County Water Resources Coordinator, at lhunter@countyofglenn.net or by phone at 530-934-6540.

Sincerely,

Lisa Hunter
Glenn County Water Resource Coordinator

Cc: Scott DeMoss, CAO

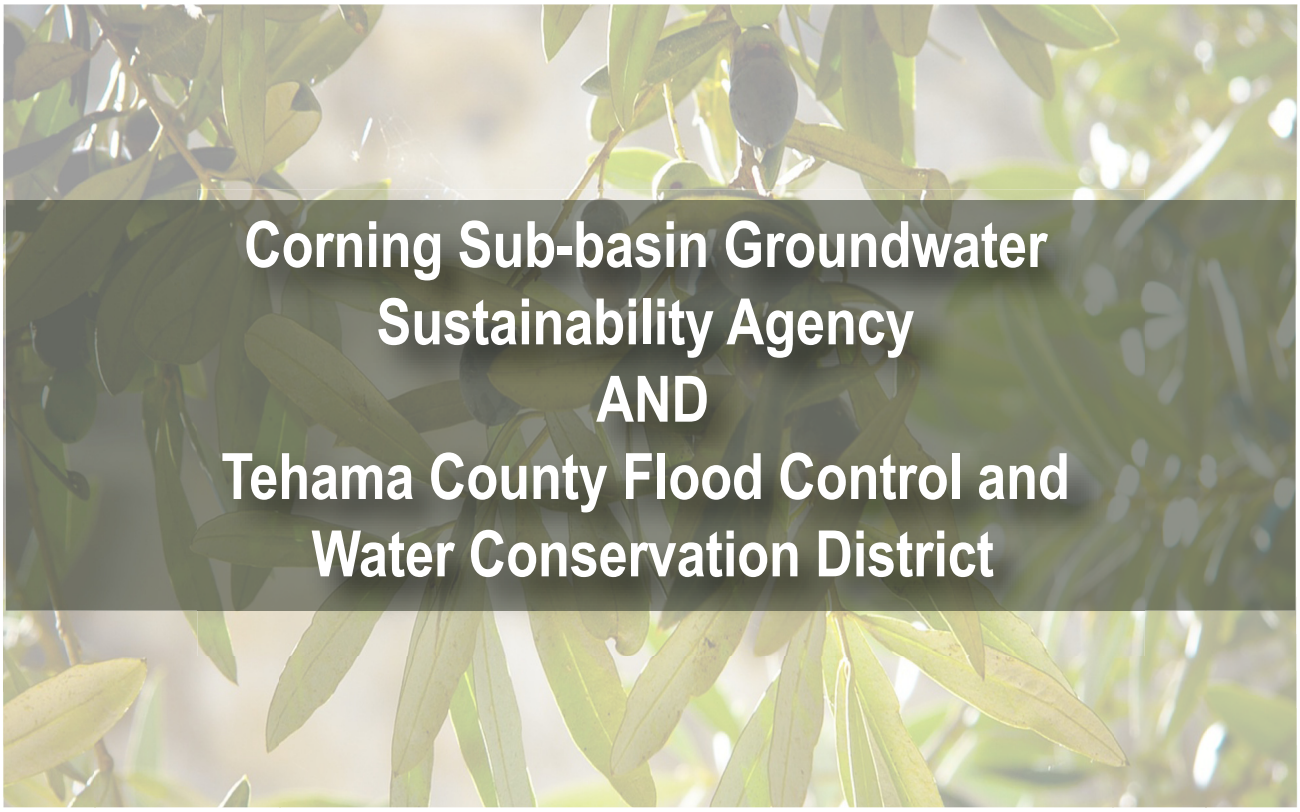
NOTICE OF PUBLIC HEARING FOR ADOPTION OF THE GROUNDWATER SUSTAINABILITY PLAN FOR THE CORNING SUBBASIN UNDER THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT

NOTICE IS HEREBY GIVEN that on December 20, 2021 at 11:00 a.m., or as soon thereafter as may be heard, in the Board Chambers located at 727 Oak Street, Red Bluff, California, the Tehama County Flood Control and Water Conservation District Board of Directors will conduct a public hearing to receive input regarding the adoption of the Groundwater Sustainability Plan (GSP) for the Corning Subbasin.

All interested persons are invited to attend and be heard. Information regarding the Corning Subbasin GSP is available on the Corning Subbasin GSP website (corningsubbasingsp.org/publicdraftgsp). The complete GSP is available for viewing at Tehama County Public Works, 9380 San Benito Avenue, Gerber, California.

Prior to the public hearing, written comments may be mailed or delivered the public hearing to the Clerk at Tehama County Public Works, 9380 San Benito Avenue. For more information, contact GSA Project Manager Justin Jenson at jjenson@tcpw.ca.gov or (530) 385-1462 ext. 3020.

Corning Subbasin Groundwater Sustainability Plan



Prepared by:

MONTGOMERY & ASSOCIATES
Water Resource Consultants

DAVIDS ENGINEERING, INC
www.davidsengineering.com

Hydrolytics

KEARNS & WEST

CBI
CATALYZING COLLABORATION

WestWater Research LLC

November 2021

corningsubbasingsp.org

Executive Summary

Corning Subbasin
Groundwater Sustainability Plan

November 2021

Contents

Figures

Tables

GSP DEVELOPMENT BACKGROUND

In 2014, the State Legislature passed the Sustainable Groundwater Management Act (SGMA) that fundamentally changes how groundwater is managed in the state. This legislative act requires the formation of Groundwater Sustainability Agencies (GSAs) responsible for preparing and implementing a Groundwater Sustainability Plan (GSP or Plan) for all high- and medium-priority groundwater basins in California. The Corning Subbasin (Subbasin) is a high-priority basin required to submit a GSA-adopted GSP to the California Department of Water Resources (DWR) by January 31, 2022. This document fulfills the requirements of SGMA and GSP Regulations developed by DWR. The GSAs will implement this Plan to achieve groundwater sustainability within the 20-year planning and 50-year implementation horizon. The Subbasin location and the GSAs that formed within the Glenn and Tehama County portions of the Subbasin are shown on Figure ES-1.

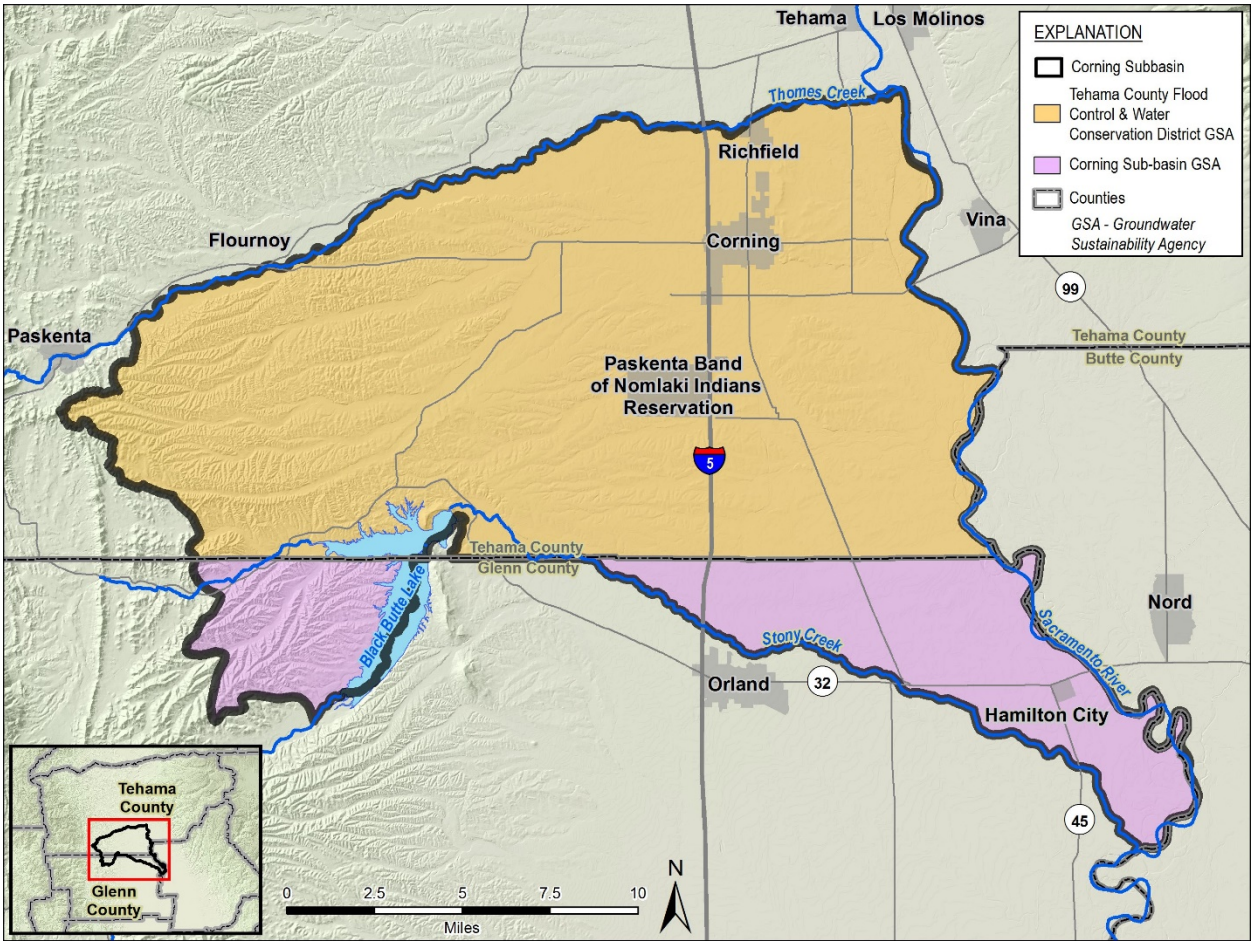


Figure ES-1. Corning Subbasin

The Corning Subbasin GSP is a local groundwater management plan developed by Glenn and Tehama County stakeholders within the Corning Subbasin to protect an agricultural way-of-life ingrained within the fabric of the local communities, while also providing access to groundwater for all residents and visitors to the Subbasin. Beneficial users relying on groundwater and its connection to rivers and creeks include municipal, rural, and tribal communities; agricultural, industrial, and commercial livelihoods; recreational activities, and plant and animal species. By addressing all beneficial uses and users of groundwater, the GSP has addressed California's Human Right to Water.

The GSP was developed collaboratively over the course of several years by the Corning Subbasin GSAs and technical consultants, with guidance from an Advisory Board and feedback from local stakeholders with a variety of interests. The iterative process for developing the GSP, general concepts shown on Figure ES-2, ensures that a sound and inclusive plan is in place to achieve groundwater sustainability per the requirements of SGMA. The iterative planning process will continue into the future as the GSP is implemented and progress is made to achieve groundwater sustainability.

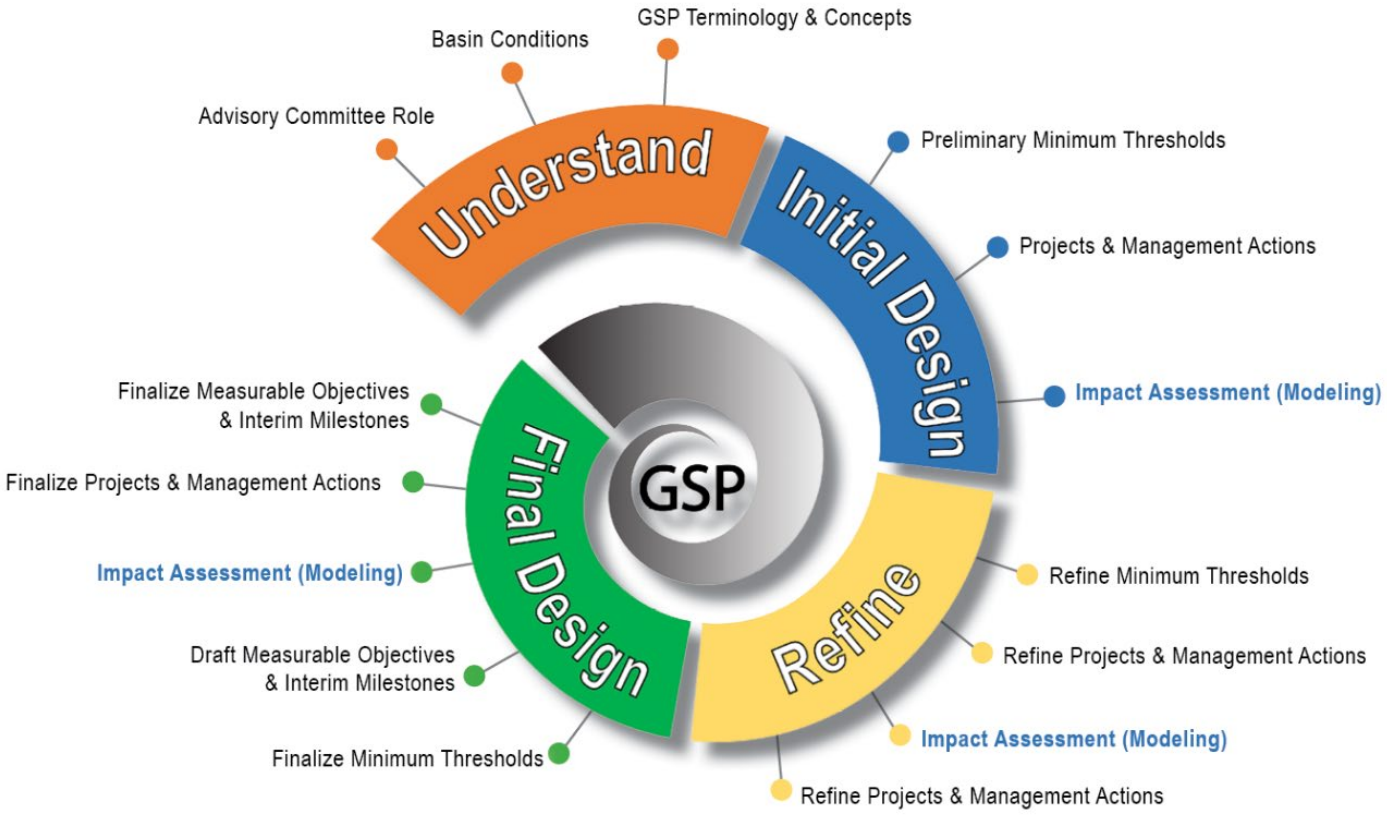


Figure ES-2. General GSP Development Process Overview

Figure ES-3 shows the key findings and goals of the GSP, developed through the process shown on Figure ES-2.

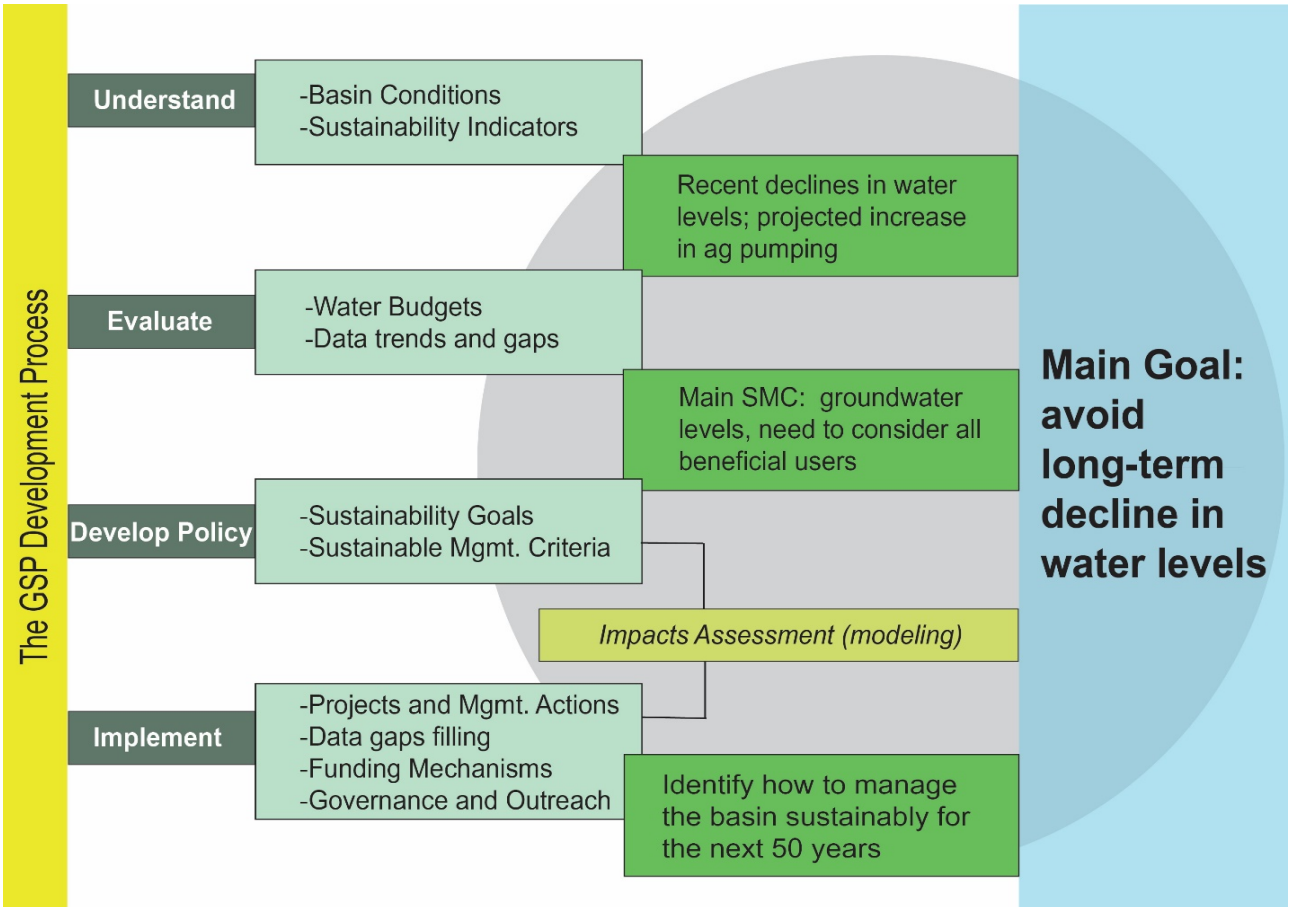


Figure ES-3. Corning GSP Development Approach and Goals

Total water use in the Subbasin is largely for agricultural irrigation, which uses over 90% of the water used in the Subbasin. Groundwater historically makes up about 75% of the total irrigation water supply and surface water contributes approximately 25%. Many growers within water districts are switching their supply from surface water to groundwater due to cost and supply reliability factors. Perennial orchards have expanded, replacing annual crops and previously uncultivated land. Increased groundwater use and dry conditions have led to a general groundwater level decline, particularly in the last decade and in portions of the Subbasin where groundwater is used extensively for irrigation and is not recharged by the Sacramento River or other creeks, such as in the western portion of the Subbasin. The decline has caused shallower wells to go dry and increased costs to access groundwater from greater depths.

Increased water use efficiency is key in preventing a continuation of the recent declines in groundwater levels and associated impacts, particularly with a projected increase in irrigated farmland and agricultural groundwater pumping along with projected climate change. Achieving

groundwater sustainability will require the GSAs, in collaboration with other water and conservation agencies in the Subbasin, to implement multi-benefit collaborative projects and management actions across water resources (conjunctive use), where surface water is used when available so that groundwater levels can recover during wet periods and can be pumped during drought periods when surface water supplies are not available.

Preparation of this GSP is the first step for the GSAs to achieve groundwater sustainability in the Corning Subbasin. To evaluate progress toward groundwater sustainability during implementation, annual reports and 5-year updates to the GSP will be prepared as required by SGMA. The GSAs recognize that sustainability is only possible with support of stakeholders and coordination of local, state, tribal and federal agencies and the managed use of both surface and groundwater resources. While SGMA does not require the Plan to address California's Public Trust Doctrine, a 2018 California Court of Appeal ruling found that groundwater pumping that reduces the flow or volume of water in a navigable stream (and tributaries that supply navigable streams) may violate the public trust. This Plan recognizes the importance of protecting public trust resources, including fish and wildlife, in the Subbasin's streams that are connected to groundwater.

The GSAs will collaborate with local stakeholders on a regular basis to develop local best practices for water management and projects and management actions to achieve and maintain sustainability. The GSAs will seek assistance for financial and technical support from the DWR, the United States Bureau of Reclamation (USBR), and other entities to help with the financial burden imposed by the monitoring and management requirements of the Plan.

ES-1 INTRODUCTION AND AGENCY INFORMATION (GSP SECTION 1)

The introduction section describes in detail the GSAs' organization and management structures and each agency's specific authorities granted by SGMA. The GSAs shown on Figure ES-1 include the Corning Sub-basin GSA (CSGSA) and the Tehama County Flood Control and Water Conservation District (TCFCWCD). The CSGSA is the exclusive GSA for the Glenn County portion of the Subbasin and consists of 3 individual agencies that formed a GSA under a Memorandum of Agreement: Glenn County, Glenn-Colusa Irrigation District (GCID), and the Monroeville Water District. The TCFCWCD is the exclusive GSA for the portion of the Subbasin within Tehama County.

The GSAs signed a Memorandum of Understanding (MOU) to collaboratively prepare and implement a single GSP while maintaining autonomy of the individual members. The MOU established the Corning Subbasin Advisory Board (CSAB or Advisory Board) to receive and review groundwater sustainability planning information during the GSP planning process. The Advisory Board made recommendations to the GSAs for the key Plan elements; the decision-making authority resided with the governing bodies of the GSAs.

ES-2 DESCRIPTION OF PLAN AREA (GSP SECTION 2)

The Subbasin lies within the northwestern portion of the Sacramento Valley hydrologic region, covering an area of 207,342 acres of which about 78% is within Tehama County and 22% within Glenn County. The Subbasin includes the City of Corning and the census-designated places of Richfield and Hamilton City (Figure ES-1). The Paskenta Band of Nomlaki Indians (Paskenta Band) is a federally recognized tribe with jurisdiction over the Paskenta Band of Nomlaki Indians Reservation (Paskenta Reservation).

The Subbasin extent is defined by a combination of geologic, hydrologic, and jurisdictional boundaries including the Coast Range to the west, Thomes Creek to the north, Sacramento River to the east, and generally Stony Creek to the south. The Subbasin is bounded by 5 neighboring Sacramento Valley subbasins for which GSPs are concurrently being developed.

Land use in the Subbasin is primarily agricultural, either for non-irrigated rangeland or irrigated farmland. Rangeland is generally used for seasonal cattle grazing. Within the irrigated lands, the most common crops are fruit and nut orchards, row crops, field crops, and pasture. Other prominent land uses include urban and rural residential, and open space or conservation land. Most of the irrigated farmland and residential land is east of Interstate 5 (I-5), although in recent decades agricultural development has expanded west of I-5. Urban land use is concentrated in the City of Corning and Hamilton City. Other residential and commercial centers are found in Richfield and the Paskenta Reservation. Rural residences are scattered throughout the Subbasin. State and federally managed conservation land is found along much of the Sacramento River riparian corridor and non-irrigated rangeland and open space covers large portions of the western portion of the Subbasin.

Primary water uses in the Subbasin are agriculture irrigation, public water supply, private domestic water supply, tribal water supply (through federally reserved water rights), and industrial food processing. Based on average water use inventories for 2000 to 2015 in Glenn County and 2000 in Tehama County, average water use is about 210,000 acre-feet per year (AF/yr), with 90% or 190,000 (AF) used for irrigation. Groundwater supplies about 75% or 157,000 AF/yr of average water used for irrigation, urban, private domestic, and industrial supply. Most of this pumping is for irrigation, with about 5,000 AF/yr for public supply and other uses. Surface water provides about 50,000 AF/yr for irrigation and about 3,000 AF/yr is reused from agricultural drains and canal tailwater.

Surface water is available through U.S. Bureau of Reclamation (USBR) contracts via the Central Valley Project (CVP), and the Orland Project. The Corning and Tehama-Colusa CVP canals convey surface water from the Sacramento River diversion in Red Bluff and are operated by the Tehama-Colusa Canal Authority (TCCA). The agencies with CVP surface water rights on the TCCA canals include the Corning Water District (WD), Thomes Creek WD, and Kirkwood WD.

The Orland Unit Water Users Association (OUWUA) utilizes pre-CVP Orland Project water rights from Stony Creek for irrigation through dam releases by the USBR at the Black Butte Dam. Although GCID's primary diversion on the Sacramento River is in the Subbasin near Hamilton City, all of the water diverted is used in the Colusa Subbasin to the South. The agricultural water providers and surface water conveyance canals are shown on Figure ES-4.

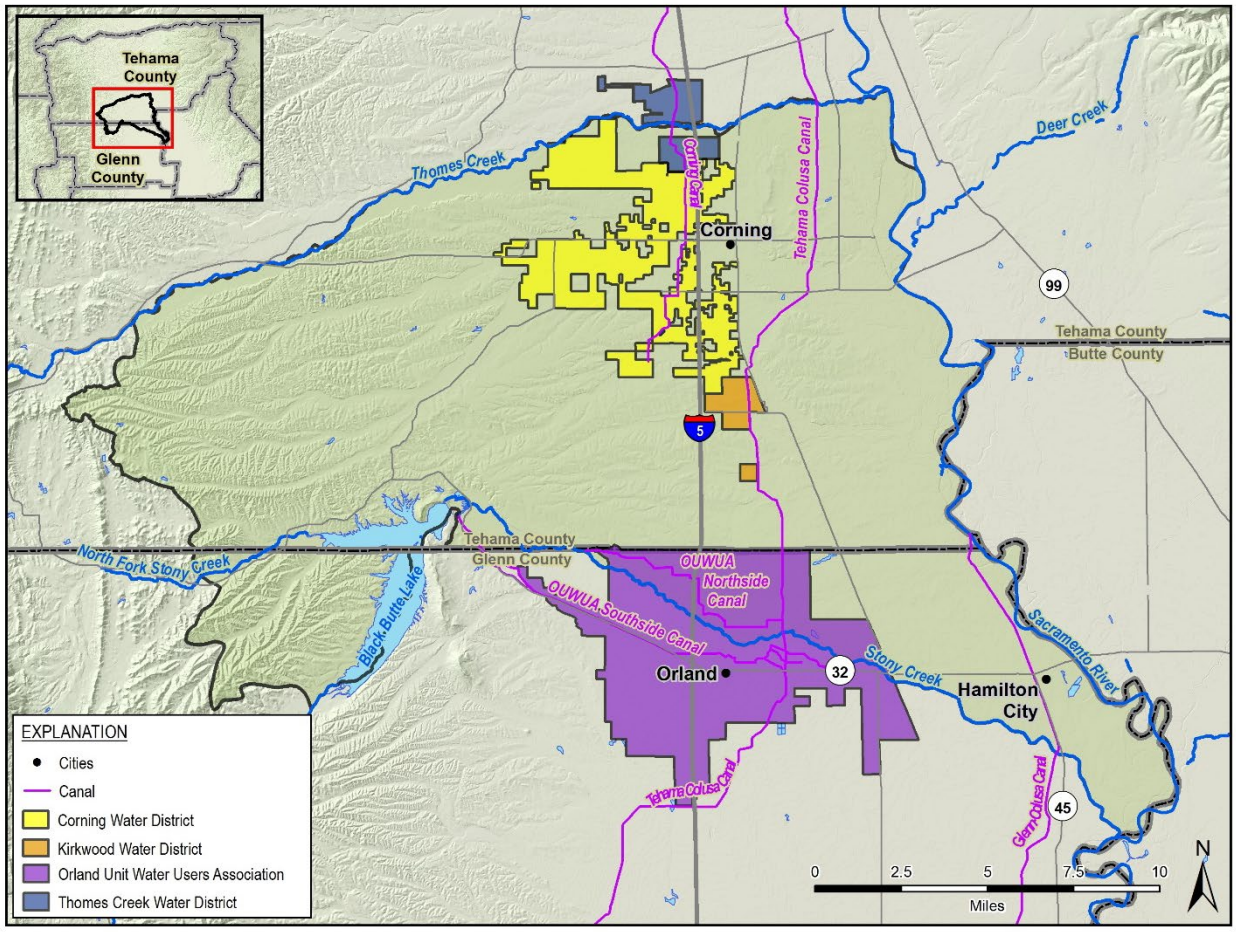


Figure ES-4. Agricultural Water Providers and Surface Water Conveyance in the Subbasin

Since the 2012-2016 drought, areas historically irrigated with surface water have been increasingly irrigated with groundwater. Factors that led to this conversion include decreased availability of CVP water supply during droughts, increased cost of surface water, investments made in groundwater well development, flexibility of groundwater use, surface water delivery systems that prevent on-demand irrigation, and cropping changes. All these factors have led to water districts not using all of their allocated surface water. In addition, some districts have sold some of their existing allocations back to the CVP to repay infrastructure costs.

Both Glenn and Tehama counties developed pre-SGMA groundwater management plans to establish regional groundwater level management goals in the counties. These plans established

the well networks for monitoring groundwater levels and triggers tied to groundwater levels. It became apparent that GSPs would have an impact on these management plans, and although no specific communications have transpired, it seems reasonable to assume the county's groundwater management plans will be replaced by GSPs. The counties also led the efforts to comply with the California Statewide Groundwater Elevation Monitoring (CASGEM) program, now being replaced by the GSP monitoring program.

Additional monitoring networks exist to meet the requirements of regional and state regulatory programs. Existing monitoring networks and programs that collect data relevant to the GSP include the following:

- Municipal, small water system, and other groundwater quality monitoring overseen by the State Water Resources Control Board (SWRCB) and Central Valley Regional Water Resources Control Board (CVRWQCB)
- Regional subsidence monitoring data collected by DWR including a network of survey monuments periodically monitored in collaboration with the counties and other local agencies, satellite data, and one well extensometer
- Stream stage and discharge monitoring performed by the USBR, the United States Army Corps of Engineers (USACE), and DWR

Other Glenn and Tehama County planning resources considered in development of the GSP include flood control portions of Hazard Mitigation Plans, existing water resource ordinances, well permitting policies, and General Plans. Local and regional planning resources reviewed to develop the GSP included the City of Corning General Plan, local Urban and Agricultural Water Management Plans, the Northern Sacramento Valley Integrated Regional Water Management Plan, and existing groundwater quality regulatory programs.

The GSP was developed through a robust and collaborative planning effort between the GSAs, technical consultants, Advisory Board, and stakeholders with groundwater and sustainability interests in the Subbasin. A Communications and Engagement Plan documents the public outreach efforts for development of this GSP and identifies the beneficial uses and users of groundwater in the Subbasin, including the threatened and endangered species that rely on groundwater-dependent ecosystems and the locations of disadvantaged communities by census block.

ES-3 BASIN SETTING (GSP SECTION 3)

The Basin Setting describes the hydrogeologic conceptual model (HCM) and summarizes groundwater conditions in the Subbasin. The HCM "provides an understanding of the general physical characteristics related to regional hydrology, land use, geology, geologic structure, water quality and aquifers" (DWR, 2016). The groundwater conditions subsection summarizes the current (after January 1, 2015) and historical conditions (before January 1, 2015) relevant to the GSP.

Subbasin geologic stratigraphy is marked by distinct deposition of marine and continental sediments. Marine formations were deposited early in the Subbasin's history, from the Jurassic through the Miocene. During this period, the majority of northern Sacramento Valley was a marine basin formed via action of the Pacific-North American plate subduction zone. Continental sedimentary formations were deposited in the Subbasin by alluvial and volcanic processes from the Pliocene onward, as uplift of the Coast Ranges created the Sacramento Valley as it stands today. The plate subduction processes shaped the local topography and subsurface geologic layers through faulting and folding of the geologic formations.

Water supply wells in the Subbasin are installed in coarse-grained sand and gravel layers within a fine-grained sedimentary matrix. There are no regionally extensive fine-grained layers or aquitards that prevent vertical flow of groundwater between geologic formations. This description is consistent with the definition of a principal aquifer in the GSP Regulations: "*…systems that store, transmit, and yield significant or economic quantities of groundwater to wells, springs, or surface water systems*". For this reason, the Subbasin is best described for the purposes of the GSP as a single principal aquifer, comprised of inter-fingered geologic units.

The 3 geologic formations that comprise the principal aquifer are, from shallowest to deepest:

1. Quaternary Alluvium - recent sedimentary deposits that form a relatively thin veneer on top of underlying Tehama Formation; local variation in sediment composition results in drainage and groundwater recharge through high permeability sediments and perching and runoff over low permeability sediments.
2. Tehama Formation – consolidated sandstone and siltstone deposited in a floodplain environment from west (Coast Range) to the east. The coarse-grained sandstone layers are the primary source for groundwater pumping in the Subbasin.
3. Tuscan Formation – consolidated volcanic-sedimentary deposits formed by volcanic debris flows and reworked by streams flowing from the east (Cascades) to the west. The coarse-grained layers are a major source of groundwater pumping regionally but are limited in extent in the Subbasin and only found east of I-5. The Tuscan and the Tehama Formations are inter-fingered within the Subbasin as they were deposited over the same geologic timeframe.

The base of the principal aquifer is defined as the base of the freshwater Tehama and Tuscan formations which varies between about 500 and 2,000 feet deep. Deeper sediments found below the Tehama and Tuscan Formations are not typically used as a water supply. These formations, including the Princeton Valley Fill and Great Valley Sequence, contain marine-deposited meta-sedimentary rocks that produce brackish and saline groundwater, respectively. In the western portion of the Subbasin, where these formations are closer to land surface, they may contribute to higher salinity in domestic and agricultural supply wells.

Groundwater is pumped from wells screened in the 3 formations of the principal aquifer. In general, domestic wells are installed at depths shallower than 450 feet below ground surface (bgs) in the Quaternary Alluvium and Tehama Formation, pumping at low but relatively constant rates. Irrigation wells are larger and deeper than domestic wells, pump at greater rates, and are mainly pumped during the irrigation season from April to October. The relatively few municipal supply wells that supply the City of Corning and Hamilton City (11 total wells) have similar designs to irrigation wells, though unlike irrigation wells, are pumped year-round. Many production wells have long screen intervals, or multiple screen intervals that intersect multiple geologic formations and productive layers of the aquifer.

Major surface water bodies in the Subbasin include the Sacramento River, Stony Creek, and Thomes Creek. The Sacramento River and Stony Creek are dammed and managed by USBR for irrigation supply and for flood control by USACE. In addition, the Sacramento River flows released at Shasta Dam are controlled to keep water temperature lower to accommodate fish. Thomes Creek and smaller ephemeral streams found within the Subbasin are not a significant source of water supply due to their intermittent nature and lack of storage reservoirs.

The Sacramento River and the two creeks are interconnected with groundwater at some locations and at certain times of the year. The Sacramento River and the other creeks, to a lesser extent, provides a significant source of groundwater recharge to the alluvial aquifer. Surface water flow and recharge of groundwater aquifers is greatest in the winter and spring when precipitation is highest; flow in the river and creeks in the summer and fall dry season is generally supported by baseflow from groundwater and very little groundwater recharge occurs.

Data gaps identified in the HCM that will be addressed with additional studies during GSP implementation include the following:

- **Western Boundary of the Subbasin:** there is some uncertainty as to the western boundary of the alluvial basin, as there is anecdotal evidence that some wells in this portion of the Subbasin are drilled into fractured rock and not the alluvial aquifer.

- **Tehama-Tuscan Transition Zone:** The geologically complex environment created by the contemporaneous deposition of the Tehama and Tuscan Formations is not completely

understood and further investigations could be used to refine the groundwater model that supports the GSP.

- **Hydrogeologic Parameters:** Existing knowledge of aquifer parameters is limited for some of the Subbasin's formations, namely the Tuscan and Tehama Formations. Refinement of aquifer properties could improve calibration of the groundwater modeling that supports the GSP.

Groundwater conditions for each of the 6 SGMA sustainability indicators are described below:

Groundwater Elevations – Groundwater level data collected from the 1920s to the 2000s reflect a long-term stable groundwater level trend, with groundwater level declines in dry period followed by recovery during wet periods. Since the early 2000s, most wells in the Subbasin show a general groundwater level decline, particularly in the last decade and in portions of the Subbasin where groundwater is used extensively for irrigation and is not recharged much by surface water. A representative hydrograph showing groundwater levels in a well over time is shown on Figure ES-5.

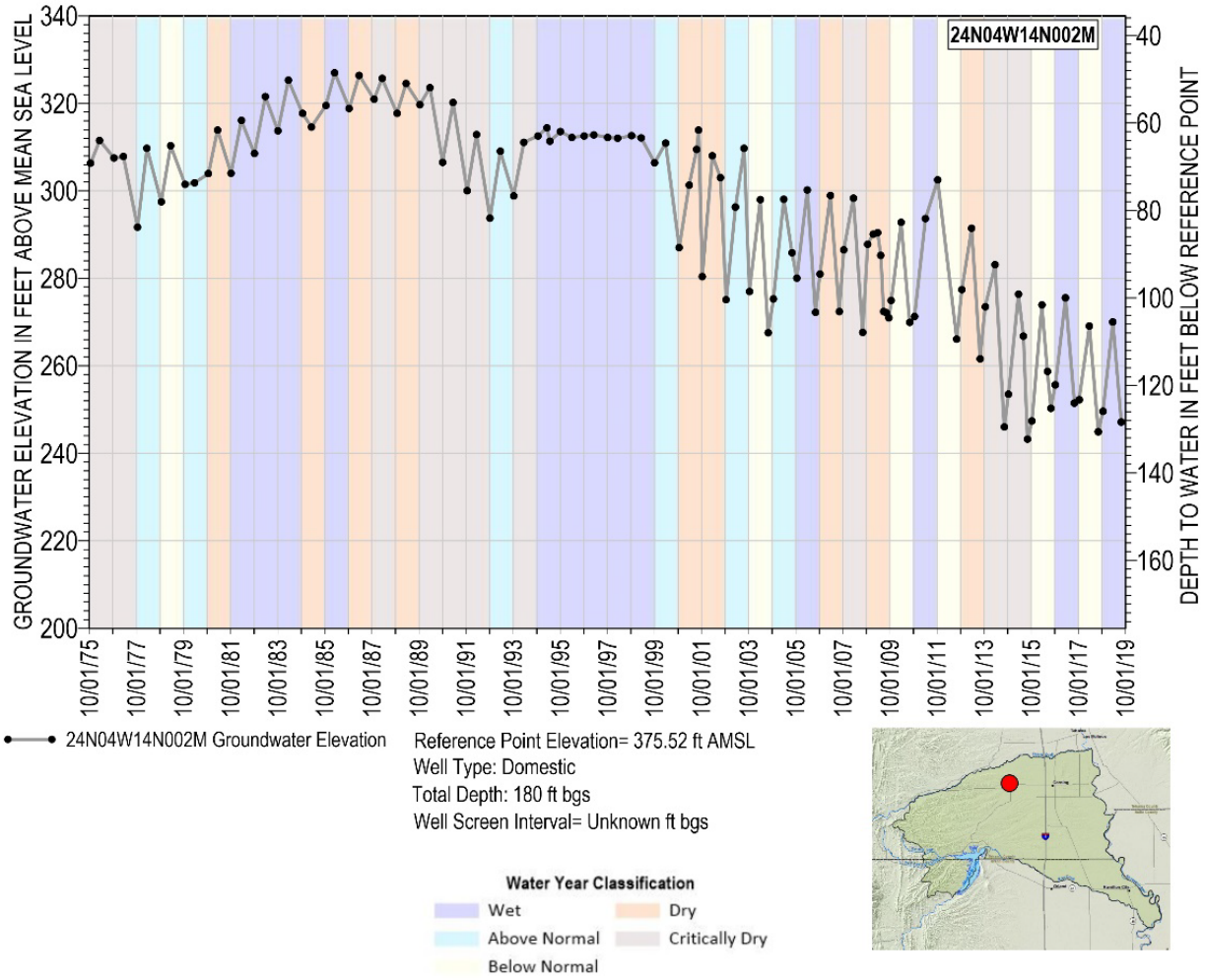


Figure ES-5. Representative Groundwater Level Hydrograph

Due to increasing water demands, groundwater levels are 40 feet lower than they were in the early 2000s in some areas, with the greatest declines found in the northern and western portions of the Subbasin. In the southern portion of the Subbasin where surface water supplies are more reliable and groundwater is recharged by Stony Creek, groundwater levels are relatively stable. Similarly, closer to the Sacramento River in the eastern portion of the Subbasin, groundwater levels are also stable. Seasonal groundwater level fluctuation on the order of 10 to 30 feet occurs in most wells, with seasonal highs around March/April and seasonal lows around October. Long-term groundwater level trends are consistent at various depths in the principal aquifer.

Change in Groundwater Storage – Change in groundwater storage is directly related to change in groundwater levels. Historically, the water levels fluctuated seasonally, and average change in storage over time was positive. Since 2000, groundwater levels have a net decline across portions of the Subbasin, causing an annual loss of groundwater in storage. Change in groundwater storage is estimated using the groundwater model developed for the GSP. The annual average

change in groundwater storage simulated by the groundwater model between 2000 and 2015 is about -7,600 AF/yr, resulting in a cumulative net loss of 114,500 acre-ft. More information on groundwater storage is provided in Section 4 - Water Budgets.

Subsidence – Land subsidence refers to the gradual lowering or sudden sinking of the land surface and if allowed to occur may impact critical infrastructure such as roads, bridges, irrigation canals, and wells. Aquifer-system compaction can occur in certain sedimentary basins where more groundwater is withdrawn than is being replenished, causing dewatering of sediments. Dewatering depressurizes the aquifer skeleton and compacts clay layering, leading to decline in the ground surface. There are many factors that can contribute to land subsidence, though per the GSP Regulations only inelastic, or irreversible, subsidence caused by groundwater pumping is the responsibility of the GSAs. Subsidence data collected during 2004 to 2017 land surface elevation surveys, since 2015 by satellite, and since 2004 at a single extensometer installed in a monitoring well have largely indicated that minimal inelastic subsidence has occurred to date. However, the southern portion of the Subbasin near Orland has some risk of future subsidence based on measured subsidence to the south in the Colusa Subbasin that is correlated with up to 50 feet of groundwater level decline since 2005.

Sacramento Valley-wide change in land surface elevation data from the Corning Subbasin between 2008 and 2017 was generally small, with one outlying measurement of 0.3 foot on the Colusa Subbasin border near Orland. Review of Interferometric Synthetic-Aperture Radar (InSAR) satellite data measured in the Subbasin since 2015 is also minimal, with cumulative subsidence of less than or equal to 0.1 foot throughout the Subbasin between 2015 and 2019. There have been no impacts to infrastructure reported in the Subbasin related to land surface subsidence.

Groundwater Quality – Groundwater quality in the Subbasin is typically very good and is suitable for all beneficial uses. Overall, the Subbasin relies on groundwater that generally meets or exceeds primary and secondary drinking water quality standards, or maximum contaminant levels (MCLs) established by the SWRCB.

- Anthropogenic contamination of groundwater is not extensive in the Subbasin with only a few known contaminant releases from dry cleaners, gas stations, and other industrial sites in urban areas. The assessment and remediation of these sites is being overseen by the CVRWQCB or other agencies.
- The primary non-point source constituents of concern in the Sacramento Valley are salinity and nitrate. Recent regional groundwater quality data from the Subbasin reflects that regional groundwater quality is generally high quality and suitable for all beneficial uses:
    - Elevated salinity in groundwater generally occurs from natural hydrogeologic factors, such as leaching from marine sediments on the Coast Range, and can be related to accumulation and flushing of salts from soil due to irrigation.

Salinity is commonly measured in drinking water wells using total dissolved solids (TDS). TDS has a lower secondary MCL (SMCL) of 500 milligrams per Liter (mg/L) and upper SMCL of 1,000 mg/L related to taste and odor, rather than health concerns. TDS concentrations in groundwater supply wells is less than the SMCL. There is a lack of salinity data collected in the western portion of the Subbasin; regional data suggests that TDS between the lower and upper SMCLs may be present because of shallower depths of the underlying marine-deposited sediments below the principal aquifer at the margins of the valley.

  - Nitrate in groundwater is typically anthropogenic and can originate from nitrogen fertilizers, dairy farms, and septic systems. The nitrate MCL is health-based and is 10 mg/L as nitrogen, which is equivalent to 45 mg/L as nitrate as it is sometimes reported. Recent nitrate detections above the health-based regulatory standard are limited to monitoring wells at point source contaminant sites and a single Irrigated Lands Regulatory Program (ILRP) domestic well to the northwest of the City of Corning. Nitrate concentrations are well below the MCL in public supply wells.

- Arsenic is commonly found throughout California due to its natural occurrence in some geologic formations. The health-based-arsenic MCL of 0.01 mg/L is low, making it a common risk driver. Arsenic is commonly detected in some wells in the Subbasin but is almost always at low concentrations and is below the MCL in public supply wells.

Interconnected Surface Water – Surface water connected to the groundwater system is referred to as interconnected surface water. If adjacent groundwater elevations are higher than the stream's water level, the stream is referred to as a gaining stream because it receives water from a connected aquifer. If groundwater elevations are lower than the water level in the stream, it is termed a losing stream because it loses water to the connected aquifer. If the groundwater elevation is below the streambed elevation, the stream and groundwater are considered to be disconnected. SGMA does not require that permanently disconnected stream reaches be managed, as pumping would no longer affect those streams. Interconnected surface water impacts prior to SGMA enaction in 2015 do not need to be addressed by the GSP. Interconnected surface water is assessed using the groundwater model discussed in Section 4 and in Appendix 4C, stream discharge measured at stream gauges, and groundwater levels in shallow wells near interconnected stream reaches.

The Subbasin's 3 major rivers and creeks are variably connected to groundwater. Areas of known interconnections between surface water and groundwater are described below:

- The Sacramento River is generally connected to shallow groundwater across the Northern Sacramento Valley Region. The Sacramento River is usually gaining, with groundwater discharging as baseflow into the river in most of the reach along the eastern boundary of the Subbasin. In periods of high river flows and in areas with lower groundwater elevations than the stream stage, the Sacramento River provides an important source of groundwater recharge to the Subbasin.
- Thomes Creek runs dry seasonally in much of the Subbasin and is mostly disconnected from groundwater as the groundwater level is much deeper than the creek bed. Where connected to groundwater closer to the Sacramento River, the creek generally recharges, or loses water to groundwater.
- Stony Creek is generally gaining baseflow from groundwater in the OUWUA service area where surface water is used for irrigation and is losing or recharging groundwater downstream of the OUWUA service area where groundwater is used for irrigation. Irrigation with surface water in-lieu of groundwater pumping by OUWUA growers both recharges the transmissive alluvial fan with applied water and avoids groundwater level declines caused by groundwater pumping. Further downstream where groundwater is the sole source of irrigation water supply, Stony Creek is an important source of groundwater recharge due to generally losing conditions induced by deeper groundwater levels.

Groundwater-Dependent Ecosystems (GDEs) - Although not a sustainability indicator, identification of groundwater-dependent ecosystems is required by §354.16(g) of the GSP Regulations as a beneficial user of groundwater, and for assessing interconnected surface water. GDEs are ecosystems with root systems that access shallow groundwater for sustenance and can only typically reach a maximum rooting depth of 30 feet. GDEs are present in the Subbasin, supported by groundwater at depths less than 30 feet below ground surface in close proximity to the Sacramento River and in the southeastern portion of the Subbasin near Hamilton City. Shallow groundwater is found in some portions of the Subbasin where ephemeral Burch Creek and Hall Creek merge before flowing into the Sacramento River; this could be due to perched groundwater fed by surface water runoff in this area.

Seawater Intrusion – The Corning Subbasin does not border any oceanic or deltaic environments and therefore seawater intrusion is not an applicable sustainability indicator.

Data Gaps

Data gaps identified in the historical and current groundwater conditions that will be addressed with installation of monitoring sites and/or additional data collection during GSP implementation include the following:

- Groundwater elevation and quality data is limited in some areas of the Subbasin, mainly in the western portion of the Subbasin and along Thomes Creek
- Stream flows are not well measured on Thomes Creek
- Additional evaluation of potential GDEs are necessary

ES-4 WATER BUDGET (GSP SECTION 4)

Water budgets provide an accounting and assessment of the total annual volume of groundwater, surface water, and precipitation entering and leaving the Subbasin. The water budgets are compiled over 3 time periods depicted on Figure ES-6 and simulated with the integrated hydrologic model developed for this GSP. For the current water budget, the 2018 land use in Tehama County, 2015 land use in Glenn County, and 2015 water use is held constant over the entire simulation period and applied to the historical hydrology. For the projected water budget, DWR-developed climate change scenarios were used to replace the climate and hydrology in the historical model.

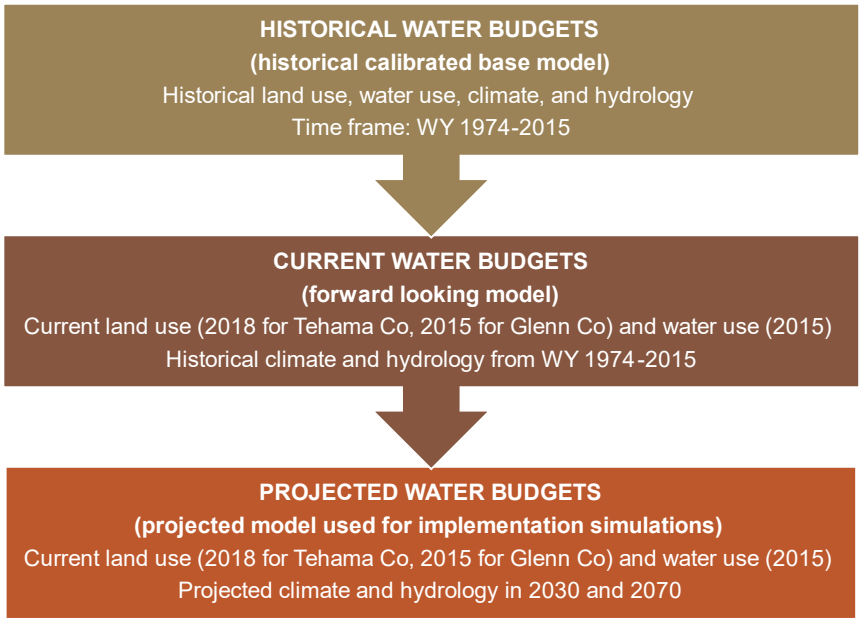


Figure ES-6. Water Budget Timeframes

The GSP Regulations require a surface water budget and a groundwater budget in addition to a total Basin-wide water budget. This GSP also describes a land-surface budget to evaluate water demands and sources of water to meet agricultural irrigation. Each water budget provides important information on relative contribution of each component to the overall water budget. When comparing the results from each of the time frames, potential trends in water budget gains and losses can be established for future groundwater management.

The groundwater budget summarizes total groundwater pumping and change in groundwater storage both annually and cumulatively over the full simulation period. The land surface budget provides information on the total water demand and relative use of surface water versus groundwater. The surface water budget primarily quantifies stream interactions with groundwater depletions. In this Subbasin, streams delineate the boundary with other subbasins which creates uncertainties in the Subbasin estimate of stream depletion due to actions in

neighboring subbasins. Water budget simulation results are summarized as annual average pie charts shown on Figure ES-7.

Key take-aways from the detailed water budgets are:

- The simulated historical average annual gain of groundwater in storage is 6,900 AF, which indicates that the Subbasin is generally in balance over the historical time period. The Subbasin displays a cumulative[1] gain in groundwater storage of 290,300 AF over the historical simulation period (1974-2015).
- An increase in irrigated farmland and decrease in surface water deliveries causes groundwater pumping for irrigation to increase over time. Average annual agricultural pumping increased by about 20,700 AF from the historical (132,300 AF/yr) to current simulation (153,000 AF/yr) and is projected to continue to increase in the future compared to current conditions, from 6,300 AF in 2030 (159,300 AF/yr) to 14,300 AF in 2070 (167,300 AF/yr).
- Cumulative and annual change in groundwater storage is slightly declining in the current water budget compared to the historical water budget; therefore, if water management stays the same, the Subbasin may continue to experience storage declines and water level declines and an overall worsening of conditions compared to historical conditions.
    - The average annual gain in groundwater in storage in the current simulation decreases in comparison to the historical timeframe, driven mainly by decreases in surface water availability. The annual average change in storage in the current simulation is 5,800 AF less than the historical period (Figure ES-7). This results in a cumulative gain of groundwater in storage of 56,100 AF over the 50-year simulation period, which is 234,200 AF less than for the historical groundwater budget.
    - Projected water budgets have further reductions of groundwater in storage compared to the current water budget with 700 AF/yr less storage on average in the 2030 simulation and 1,500 AF/yr less storage on average in the 2070 simulation. This results in a cumulative decrease of groundwater in storage of 34,900 AF in the 2030 projection and 75,800 AF in the 2070 projection. The 2070 projected water budget has a cumulative loss of groundwater in storage of 19,700 AF over the 50-year projected period, which is indicative of an imbalanced water budget.

[1] total annual change in storage over the simulation time frame

- The current, 2030, and 2070 water budgets have increasingly less groundwater discharge to streams and more streambed recharge to groundwater, indicating that progressively lowered groundwater elevations in the future may draw more water from the Subbasin's streams and contribute less groundwater baseflow in return.
- Overall observations on historical, current, and future baseline groundwater budgets:
    - Historical: Subbasin is generally in balance but the trend is downward in recent decades.
    - Current (if all things stay the same): Somewhat declining trend in groundwater levels due to increased pumping and decreased surface water deliveries. Overall a bit worse than historical.
    - Projected baseline with climate change: The Subbasin begins to experience continual imbalance, particularly in the 2070 projection; will probably need to implement projects and management actions to maintain groundwater levels.

The sustainable yield per the GSP Regulations is the volume of groundwater that can be pumped without causing undesirable results. Since undesirable results for the Sustainable Management Criteria (SMC) defined in Section 6 were not shown to occur in the 2070 simulation, this projection was used to define the sustainable yield. The annual average loss in storage in this simulation is 400 AF, so this volume of overdraft was subtracted from the average annual pumping of 172,200 AF, resulting in a sustainable yield of approximately 171,800 AF of groundwater pumping per year.

Simulated projected water budgets, along with sustainability indicator monitoring and SMC evaluation, will provide verification of sustainability during GSP implementation.

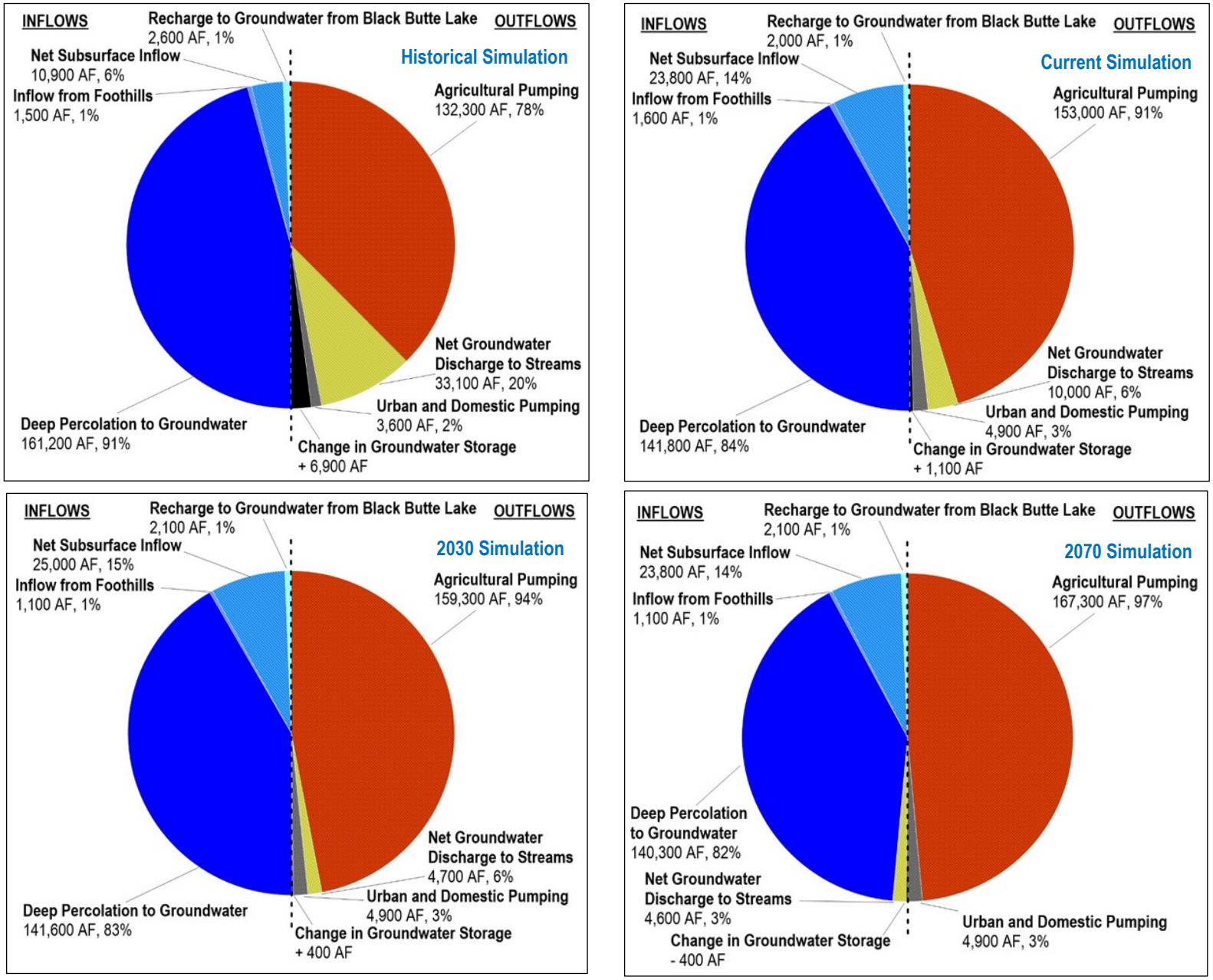


Figure ES-7. Groundwater Budget Pie Charts

ES-5 MONITORING NETWORK (GSP SECTION 5)

Monitoring networks are developed to promote the collection of data of sufficient quality, frequency, and distribution to characterize groundwater conditions in the Subbasin and to evaluate changing conditions that occur as the Plan is implemented. The GSP establishes monitoring networks for each of the 5 relevant sustainability indicators based on existing monitoring sites, with groundwater levels being used as a proxy to assess reduction of groundwater storage and depletion of interconnected surface water. For some sustainability indicators, it is necessary to expand existing monitoring systems to more effectively monitor conditions in all areas used for groundwater supply. Filling data gaps and developing more extensive and complete monitoring systems during GSP implementation will improve the GSAs' ability to manage for and demonstrate sustainability and help refine the HCM and groundwater model.

- **Groundwater Elevations** are actively measured in 102 designated monitoring wells which form a sufficient network to demonstrate groundwater occurrence, flow directions, and hydraulic gradients between the principal aquifer and surface water features. The 102 well GSP monitoring network includes 94 wells in the existing DWR CASGEM network and 8 new observation wells installed by DWR in 2021 to help Glenn and Tehama County fill data gaps for GSP groundwater level monitoring. The GSAs identified 58 representative monitoring points (RMPs) out of the 102 total wells for assessing the chronic lowering of groundwater level SMC during GSP implementation.
- **Groundwater Storage** is measured using groundwater levels as a proxy at chronic lowering of groundwater level RMP wells, and will be reevaluated every 5 years with the updated groundwater model.
- **Land Subsidence** data have historically been collected from a network of 20 survey monuments and 1 extensometer in the Subbasin. For SGMA implementation, DWR has also made available InSAR satellite data for subsidence analysis. The Subbasin will rely on the InSAR monitoring network as the RMP to assess sustainability during GSP implementation. Supplemental subsidence data from other networks will be collected and reviewed when available.
- **Groundwater Quality** is historically evaluated through a variety of groundwater quality programs, mainly overseen by the CVRWQCB, DWR, and county entities. Recent monitoring data are available from 28 public supply wells, 22 DWR observation wells, 1 ILRP supply well, 4 Dairy Program wells, 4 Glenn County irrigation supply wells, and from 6 environmental assessment and/or remediation sites. SMC for groundwater quality are based on TDS concentrations in public supply wells, so only public supply wells that are monitored for TDS are included in the groundwater quality RMP network. Other groundwater quality monitoring data collected in the Subbasin will be reviewed as

available to support understanding of regional groundwater quality, although these locations will not be used to formally assess sustainability. The GSAs will rely on other agencies to enforce ongoing regulatory programs to monitor and address point source and ambient groundwater quality impacts, and will coordinate with these agencies through GSP implementation to evaluate the ongoing health of the aquifer.

- **Interconnected Surface Water** depletion will be assessed using groundwater levels as a proxy, using a subset of the water level RMP wells that are near interconnected streams. Streamflow depletion can increase as groundwater levels decrease due to pumping. Stream stage and discharge data from stream gages will also be reviewed, although it will not be used to formally assess sustainability.

The GSAs have developed a Data Management System (DMS) to store, review, and upload data collected as part of GSP development and implementation. The Corning Subbasin DMS comprises an Access database and an initial ArcGIS Online web mapping application, including monitoring network well locations, groundwater level contours, and other data related to the GSP development process. The GSAs collaborated with Tehama County and Glenn County on the design of the DMS, and on the data upload process.

ES-6 SUSTAINABLE MANAGEMENT CRITERIA (GSP SECTION 6)

Sustainable Management Criteria (SMC) define the conditions that constitute sustainable groundwater management designed to achieve the locally defined sustainability goal:

> The sustainability goal of the GSP is to ensure sufficient and affordable water of good quality be available on a sustainable basis to meet the unique needs of agricultural, residential, municipal, industrial, recreational, tribal, and environmental users within the Corning Subbasin, both now and in the future. The GSAs recognize that sustainability can only be possible with the support of the public and coordination of local, state, tribal, and federal agencies and the utilization of both surface and groundwater resources.

The SMC were developed using publicly available information, feedback gathered during public meetings, and recommendations from GSA staff and CSAB members. A description of the SMC for each of the 5 applicable sustainability indicators is included in Table ES-1. Each sustainability indicator includes metrics for the following SMC:

- **Minimum thresholds** – specific, quantifiable values for each sustainability indicator used to define undesirable results *(i.e., indicators of unreasonable conditions that should not be exceeded)*
- **Measurable objectives** – specific, quantifiable goals that provide operational flexibility above the minimum thresholds *(i.e., goals the GSP is designed to achieve)*
- **Interim milestones –** target values representing measurable groundwater conditions, in increments of five years (*i.e., checkpoints to assess progress relative to the measurable objectives*)
- **Undesirable results** – quantitative combinations of minimum thresholds

These metrics were developed from the basis of what is locally defined as significant and unreasonable conditions for each sustainability indicator, as described in Section 6. The SMC detailed in Table ES-1 define the Subbasin's future conditions and commit the GSAs to actions that will meet these objectives. In general, the SMC are designed to maintain conditions similar to current conditions, while providing some flexibility to account for changes in climate and water availability in the future. The GSP addresses the impacts and benefits of meeting the SMCs on the beneficial uses and users of groundwater, including irrigation, public supply, domestic supply, and environmental uses both in the Subbasin and in neighboring Subbasins.

Table ES-1. Sustainable Management Criteria Summary

Sustainability Indicator	Measurement	Minimum Threshold	Measurable Objective	Interim Milestones	Undesirable Result
Chronic lowering of groundwater levels	Annual fall groundwater elevation measured in representative monitoring well network by county or DWR.	Stable wells: Minimum fall groundwater elevation since 2012 minus 20-foot buffer. Declining wells: Minimum fall groundwater elevation since 2012 minus 20% of minimum groundwater level depth.	Stable wells: Maximum fall groundwater elevation since 2012 Declining wells: Maximum fall groundwater elevation in 2015	Linear trend between current conditions and measurable objective.	20% of groundwater elevations measured at RMP wells drop below the associated minimum threshold during 2 consecutive years. If the water year type is dry or critically dry then levels below the MT are not undesirable if groundwater management allows for recovery in average or wetter years.
Reduction in groundwater storage	Using groundwater levels as a proxy - same as chronic lowering of groundwater levels network.	Amount of groundwater in storage when groundwater elevations are at their minimum threshold– since groundwater levels are used as a proxy, same as chronic lowering of groundwater levels minimum thresholds.	Amount of groundwater in storage when groundwater elevations are at their measurable objective – since groundwater levels are used as a proxy, same as chronic lowering of groundwater levels measurable objectives.	Same as chronic lowering of groundwater levels.	Same as chronic lowering of groundwater levels.
Degraded groundwater quality	Annual total dissolved solids (TDS) measured by water providers at public supply wells in the Subbasin.	TDS concentration of 750 mg/L at public supply wells.	California lower limit SMCL concentration for TDS of 500 mg/L measured at public supply wells.	Identical to current conditions	At least 25% of representative monitoring sites exceed the minimum threshold for water quality for 2 consecutive years at each well where it can be established that GSP implementation is the cause of the exceedance.
Land Subsidence	Inelastic land subsidence measured by InSAR data available from DWR, and periodic measurements at the survey monuments	No more than 0.5 foot of cumulative subsidence over a five-year period (beyond the measurement error), solely due to lowered groundwater elevations	Zero inelastic subsidence, in addition to any measurement error. If InSAR data are used, the measurement error is 0.1 ft and any measurement of 0.1 ft or less would not be considered inelastic subsidence.	Identical to current conditions	Any exceedance of a minimum threshold that is irreversible and caused by lowering groundwater elevations.
Depletion of interconnected surface water	A subset of shallow wells used for monitoring the chronic lowering of groundwater levels, of DWR observation wells near interconnected streams.	Same as chronic lowering of groundwater levels.	Same as chronic lowering of groundwater levels.	Same as chronic lowering of groundwater levels.	Same as chronic lowering of groundwater levels.

ES-7 PROJECTS AND MANAGEMENT ACTIONS (GSP SECTION 7)

Projects and management actions will be necessary during GSP implementation to maintain a viable and sustainable supply of groundwater for future generations.

Successful project and management action implementation to achieve sustainability in the Corning Subbasin will rely on the following approaches:

- Provide for more flexible use of existing water resources to increase conjunctive use. Conjunctive use means that surface water use is maximized so that groundwater in storage can be relied on when surface water is not available.
- Develop and incentivize best practices for on-farm and irrigation water management.
- Maximize groundwater recharge using available supplies.
- Facilitate collaboration with local, state, tribal, and federal agencies for successful water resources management.

The projects and management actions included in the GSP outline a framework for achieving sustainability. However, many details remain to be negotiated before most of the projects and management actions can be implemented, including:

- Additional vetting by all necessary stakeholders
- Acquisition of funding as most projects and management actions are beyond the agreed-upon scope for GSP implementation
- Coordination with neighboring GSAs for projects that benefit areas outside of the Subbasin

Negotiating project details, project leads, funding, commitments, among other aspects, will take place during GSP implementation.

The list of priority projects and management actions included in Table ES-2 and Table ES-3, respectively, will be refined during GSP implementation. Not all of the projects and management actions described are likely necessary to attain sustainability. Additional alternative projects are included in the GSP to provide conceptual approaches for projects that are not well-defined at this stage and will be considered, if necessary, at a later stage during GSP implementation. The GSAs will identify specific projects and management actions to pursue during the first few years of GSP implementation and initiate plans to address some of the most feasible measures. After narrowing the list of potential projects and management actions, the GSAs will coordinate with agencies and stakeholders to assess the feasibility, funding, and design during the first 5 years of GSP implementation.

Table ES-2. Priority Management Actions

Name	Management Action Type	Purpose	Location	Description
Well Management Program	Well management	Better understand well distribution in the Subbasin and protect well owners from future impacts	Entire Subbasin	Includes various projects, incentives, and actions, such as: 1. Compile well inventory 2. Provide education and outreach to well owners 3. Develop a dry well reporting system 4. Establish a well mitigation program
Grower Education	Grower education / best management practices	Grower education relating to on-farm practices for sustainable groundwater management. This includes promoting conjunctive water use and water use efficiency.	Initial focus on Corning, Thomes Creek, and Kirkwood WDs	Educate growers on the value of using surface water over groundwater when available, replacing inefficient wells, adding organic amendments to improve moisture retention, soil mapping for custom irrigation timing and duration. Explore starting a groundwater users cooperative to coordinate pumping schedules (this could also happen in the Capay Area).
Policies and Ordinances	Policies and ordinances that control pumping growth	Establish water and land use management restrictions on future well pumping and new agricultural growth, for better sustainable groundwater management.	Both counties starting with Tehama County	Coordinate with counties to establish or revise county well permitting, water use, and land use ordinance or policies to align with GSP.
Use of Full Surface Water Allocation	Grower education / best management practices and water transfers / contracting	Incentivize growers within districts to use all contracted surface water for better conjunctive use.	Water Districts	Implementation-Ready project in Corning WD. Needs infrastructure improvements in OUWUA, Thomes Creek WD, and Kirkwood WD

Table ES-3. Priority Projects

Project Name	Project Type	Purpose	Location	Project Development Status
OUWUA Infrastructure Improvements for In-Lieu Recharge	In-lieu groundwater recharge	Improve surface water conveyance and irrigation infrastructure for surface water use in lieu of groundwater pumping	Orland Project Area	Pre-Design / Planning Stage
Regional Surface Water Transfers for In-Lieu Recharge	In-lieu groundwater recharge	Incentivize the use of surface water within the subbasin by transferring water into the Subbasin from other CVP districts	Water Districts	Implementation-Ready
Invasive Plant Removal	Reduction of Non-Beneficial ET	Invasive plan removal to reduce shallow groundwater use and restore native habitat	Focus on Stony Creek	Pre-Design / Planning Stage
Groundwater Recharge through Unlined Conveyance Features	Direct Groundwater Recharge	Groundwater recharge through unlined canals and natural drainages including ephemeral streams	Tehama County	Conceptual
Off-stream Surface Water Storage	In-lieu groundwater recharge	Off-stream temporary storage of flood waters on private lands	Outside District Areas - Tehama County	Conceptual
City of Corning Stormwater Recharge	Direct Groundwater Recharge	City of Corning stormwater improvements/groundwater recharge	City of Corning	Conceptual

ES-8 PLAN IMPLEMENTATION (GSP SECTION 8)

The GSP provides a roadmap for addressing activities needed for GSP implementation between 2022 and 2042, focusing mainly on the activities to be started and completed within the first 5 years of implementation, between 2022 and 2027. Implementing the Plan requires the following formative activities:

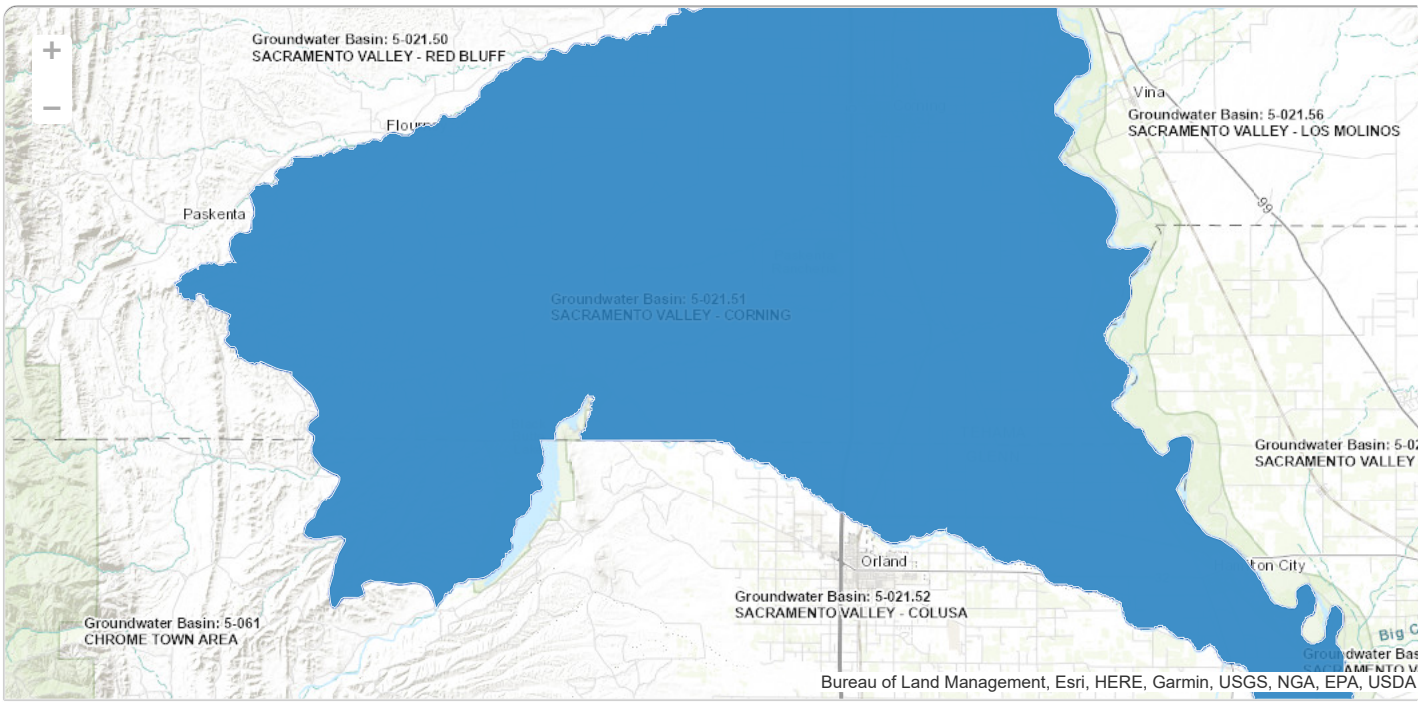
- Ongoing GSA administration, stakeholder outreach, and coordination with neighboring Subbasins' GSAs
- Develop and implement funding mechanisms to support the GSA functions
- Collect and compile groundwater, surface water, and subsidence data per the GSP monitoring plan
- Prepare GSP annual reports and 5-year GSP update reports to inform DWR and the public on the status of groundwater sustainability and other GSP implementation tasks
- Address identified data gaps
- Expand and improve the existing monitoring networks
- Update the data management system
- Update and refine the groundwater model
- Evaluate, prioritize, and refine projects and management actions

The GSAs estimate that planned activities will cost approximately $5,390,000 over the first 5 years of implementation (including a 10% contingency), or an estimated $1,078,000 per year. Potential funding mechanisms were initially reviewed during GSP development and will be refined and implemented during implementation. The GSAs assume that grant funds or assistance from the DWR, USBR, and other agencies will be available to help pay for some of the required GSP components such as monitoring network enhancement, addressing HCM data gaps, and implementing projects and management actions for groundwater sustainability.

The GSAs are prepared to begin implementation of the Plan upon adoption by the GSAs, followed by submittal of the GSP to DWR by January 31, 2022. During the first 5 years of GSP implementation, the GSAs strive to fill remaining data gaps, complete the monitoring networks, and begin to implement measures to achieve sustainability. GSP implementation is an iterative process and Plan elements will be revisited and revised as conditions change and in some cases are better understood. The ultimate goal of the GSP is groundwater sustainability in the Subbasin. This goal will be achieved by following the roadmap outlined in the Plan and through robust collaboration between the GSAs, stakeholders, agencies, growers, the tribes, neighboring subbasins, and the communities in the Subbasin over the next 50 years.

Groundwater Sustainability Plan

5-021.51 CORNING



Base Information

DATE SUBMITTED

01/28/2022

DATE POSTED

02/07/2022

END OF PUBLIC COMMENT PERIOD DATE

04/23/2022

Public Comments

GSP INITIAL NOTIFICATION(S)

Corning Subbasin GSA (Exclusive)
Tehama County Flood Control and Water Conservation District GSA - Corning (Exclusive)

PLAN MANAGER

Lisa Hunter (County of Glenn GSA - Corning)
225 North Tehama Street
530-934-6540
lhunter@countyofglenn.net

LIST OF GSA(S) THAT COLLECTIVELY PREPARED THE GSP

Corning Subbasin GSA (Exclusive)
Tehama County Flood Control and Water Conservation District GSA - Corning (Exclusive)

NOTICE ANNOUNCING THE PLANNED ADOPTION OF THE GSP

Notice Date: 08/27/2021
Tehama County GSA provided notice on 08/25/2021 CSGSA provided notice on 08/27/2021
TehamaCoGSA_NOI to Adopt Corning GSP - City of Corning.pdf (3.9MB)
TehamaCoGSA_NOI to Adopt Corning GSP - County of Glenn.pdf (2.1MB)
TehamaCoGSA_NOI to Adopt Corning GSP - TC BOS.pdf (3.9MB)
210827_CSGSA_ Corning GSP 90 day notice letters combined signed.pdf (189.1kB)

NOTICE OF THE PUBLIC HEARING

Public Hearing Date: 12/20/2021
CSGSA held a public hearing and subsequently adopted the GSP on 12/08/2021 Tehama County GSA held a public hearing and subsequently adopte on 12/20/2021

- 2021Dec8_CSGSA_Mtg_PublicHearing_Agenda_FINAL.pdf (196.5kB)
- Corning Subbasin GSP Public Hearing Proof of Publication.pdf (92.2kB)
- Corning GSP Public Hearing Notice.docx (12.9kB)
- December 20, 2021 Flood Control Board Agenda.pdf (144.3kB)

Plan Content

Supporting Information

References

Monitoring Site

APPENDIX B

Corning Sub-basin GSA – SWRCB Intervention Policy

LSCE

What is State Intervention?

The Sustainable Groundwater Management Act (SGMA) recognizes that groundwater management is generally most effective at the local level. SGMA requires local agencies in high- or medium-priority basins, as designated by the California Department of Water Resources (DWR), to form Groundwater Sustainability Agencies (GSAs). The GSAs, made up of one or more local agencies overlying a groundwater basin, are required to develop and implement Groundwater Sustainability Plans (GSPs) that outline how long-term sustainable management of their basins will be achieved within 20 years of implementation of the plans.

Other SGMA Links

SGMA Home | What is SGMA? | What is State Intervention? | Groundwater Basins | Reporting and Fees | More Information and Resources | Public Meetings

To ensure groundwater resources are sustainably managed, SGMA gives the State Water Resources Control Board (State Water Board) authority to protect groundwater resources through a process called “state intervention” when local agencies are unable or unwilling to sustainably manage their groundwater basins. State intervention is additional to local management and is intended to be temporary: lasting only until local agencies demonstrate that they are ready to adequately manage their respective basins.

State intervention is a process that could result in the State Water Board temporarily managing and protecting groundwater resources until local agencies are able and willing to do so adequately. There are several steps to the intervention process. An overview is provided below.

State intervention is triggered by one of the following events:

Effective Date	Triggering Event
July 1, 2017	Entire basin is not covered by a GSA(s) or an alternative to a GSP
Jan 31, 2020	Basin is in critical overdraft and there is no plan or DWR fails GSP
Jan 31, 2022	No plan in the basin or DWR fails GSP or GSP implementation AND basin is in long-term overdraft
Jan 31, 2025	DWR fails GSP or GSP implementation AND basin has significant surface water depletions (if no long-term overdraft)

Note: *DWR = Department of Water Resources. GSA = Local Groundwater Sustainability Agency. GSP = Groundwater Sustainability Plan*

Avoiding State Intervention

If DWR finds that the GSP(s) covering a basin are incomplete during their initial assessment and evaluation of the plans, DWR provides an additional 180 days for the GSA(s) to cure any deficiencies. DWR works with GSAs during this time to explain the issues that preclude the GSP from approval. After the GSP(s) are resubmitted, DWR then reviews the GSP(s) again and, if the deficiencies still are not cured, DWR will find the GSP(s) inadequate and intervention by the State Water Board is triggered.

State Intervention Process Overview

After state intervention is triggered in a groundwater basin, the next step is for the State Water Board to consider making a probationary determination of the basin. This is done using a public process that includes a public hearing. If the State Water Board designates a basin as “probationary,” a term used in the SGMA law, during the probationary period, GSAs have time to address the issues (deficiencies) that caused the basin to go into probation.

landowners of their extraction reporting requirements and associated filing fees. Fees are required because Water Code section 1529.5 directs the State Water Board to recover the costs of state intervention activities. For more information on groundwater extraction reporting and filing fees, visit the Reporting and Fees webpage and the State Water Board's SGMA fee regulations.

If the issues that caused the basin to be deemed probationary are not addressed during the probationary period, the State Water Board may begin another public process to determine whether or not to develop and implement an interim plan for the basin. Importantly, an interim plan cannot be implemented until the GSAs in a probationary basin are allowed at least one year to correct their deficiencies. If the State Water Board adopts an interim plan, the Board would temporarily manage groundwater in the basin until the local agencies could demonstrate their ability to manage the basin sustainably and resume management.

Visit the Probationary Designation and Groundwater Regulation by the State Water Board (PDF) fact sheet for more information.

Levels of State Intervention

- **Umanaged Area**
  An unmanaged area is a part of a groundwater basin that was not within the management area of a GSA by July 1, 2017, or became unmanaged after that date when a GSA withdrew. A well owner that extracts or pumps groundwater from an unmanaged area is required to submit a groundwater extraction report to the State Water Board each year. A well owner who extracts two acre-feet or less of groundwater per year (an acre-foot is enough water to cover an acre of land in one foot of water) from a parcel of land for domestic purposes only is a de minimis user of groundwater. De minimis users are exempt from annual groundwater extraction reporting in unmanaged areas. For more information on groundwater extraction reporting and filing fees, visit Reporting and Fees website.
- **Probationary Basin**
  If local agencies fail to form a GSA, fail to develop an adequate GSP, or fail to implement the plan successfully in a groundwater basin, the State Water Board may designate the entire basin probationary after providing notice and holding a public hearing. A probationary designation will identify the deficiencies that led to state intervention and potential actions to remedy the deficiencies. Any well owner who extracts or pumps groundwater from a probationary basin must file an annual groundwater extraction report with the State Water Board unless the State Water Board decides to exclude certain types of groundwater extractions. The State Water Board may require the use of a meter to measure groundwater extractions and the reporting of additional information.

the State Water Board visit Groundwater Basins.

- **Interim Plan**
  An interim plan is intended to be a temporary measure to protect groundwater until effective local management is in place. The State Water Board will allow local agencies a limited amount of time to fix the deficiencies in their basin that led to a probationary designation before developing an interim plan to manage groundwater. An interim plan will contain corrective actions, a timeline, and a monitoring plan to ensure corrective actions are working. The State Water Board will adopt the interim plan through a public hearing process, similar to the probationary designation public process.

Ending State Intervention

To end State Water Board management of a groundwater basin, GSAs in that basin will have to demonstrate to the State Water Board (in consultation with DWR) their ability and willingness to manage groundwater sustainably and address the issues that caused state intervention to occur. This may require changes to the GSPs, revision of coordination agreements among the GSAs, pumping restrictions, or other measures to provide assurances that ongoing local management will be effective.

Contact Us

If you have questions, please contact us at 916-322-6508 or email at SGMA@waterboards.ca.gov.

(Page last updated 03/02/2023)

Notice! As the state transitions from the COVID-19 emergency, please contact your local Water Board to arrange necessary file reviews.

- Board Agendas
- Fees
- Make a Payment
- Grievance Procedure
- Help / Business Help
- Uniform Grants Guidance

CALIFORNIA GRANTS PORTAL

Resources

OIMA
CEDEN
Data & Databases
Drought Information
FAAST
Language Access Form
Formulario de Acceso al Idioma
My Water Quality
Performance Report
Tribal Affairs
Wastewater Arrearage Payment
Website Index

Working with the Board

Abbreviations and Acronyms
Board Priorities
Decisions Pending &
Opportunities for Public Participation
Employment
Frequently Asked Questions
Grants & Loans

Notice! As the state transitions from the COVID-19 emergency, please contact your local Water Board to arrange necessary file reviews.

Website Accessibility Certification

The California Water Boards include the State Water Resources Control Board and nine Regional Boards
The State Water Board is one of six environmental entities operating under
the authority of the California Environmental Protection Agency
CalEPA | ARB | CalRecycle | DPR | DTSC | OEHHA | **SWRCB**

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Reporting and Fees

The Sustainable Groundwater Management Act (SGMA) requires those that extract or pump groundwater in unmanaged areas or probationary basins to file groundwater extraction reports with the State Water Resources Control Board (State Water Board) and to pay a report filing fee. For more information on the levels of state intervention, including unmanaged areas and probationary basins please visit the SGMA State Intervention website. The Groundwater Basins website provides information on basins that are subject to state intervention.

The information on this page will assist you in better determining if you are required to report your groundwater extractions annually to the State Water Board, and if so, what filing fees would apply. Any person who extracts or pumps groundwater from an unmanaged area or probationary basin must file a groundwater extraction report with the State Water Board each year. If you have any questions, please contact us at the contact information below.

Other SGMA Links

SGMA Home | What is SGMA? | What is State Intervention? | Groundwater Basins | Reporting and Fees | More Information and Resources | Public Meetings

? Reporting and Fees FAQs and Resources

Groundwater Extraction Reporting Filing Fees Frequently Asked Questions

Other Resources

- Example of Notification of Reporting Requirements Letter (PDF)
- Water Boards Options for Measuring Extraction Volumes (PDF)

Groundwater Extraction Annual Reporting System (GEARS)

Any person who extracts or pumps groundwater from an unmanaged area or probationary basin must file a groundwater extraction report with the State Water Board each year. Groundwater extraction reports must be completed and filed online through the State Water Board's online Groundwater Extraction Annual Reporting System (GEARS). Please refer to the Groundwater Extraction Reporting Frequently Asked Questions above for additional information on groundwater extraction reporting.

Tutorial videos for GEARS are available for:

- Registering for a GEARS account
- Plotting and describing your well(s) and extracted groundwater use in GEARS
- Submitting your groundwater extraction report in GEARS

Extraction Reporting System

Groundwater Extraction Report Filing Fees

Any person required to file an annual groundwater extraction report with the State Water Board must pay a report filing fee. The State Water Board is required to set report filing fees to recover the cost of state intervention activities in groundwater basins. The following table outlines current annual filing fees:

Fee Category	Fee Amount	Applicable Parties
Base Filing Fee	$300 per well	All extractors required to report (excludes de minimis

	$25 per AF (unmetered)	
Probationary Rate	$40 per AF	Extractors in probationary basins (excludes de minimis extractors).
Interim Plan Rate	$55 per AF	Extractors in probationary basins where the State Water Board determines an interim plan is required (excludes de minimis extractors).
De minimis Fee	$100 per well	De minimis extractors in probationary basins (if determined by the State Water Board at a public hearing).
Automatic Late Fee	25% per month	Extractors that do not file reports by the due date.

AF = acre-foot
An acre-foot is enough water to cover one acre of land with one foot of water.

Contact Us

If you have questions, please contact us at 916-322-6508 or email at SGMA@waterboards.ca.gov.

(Page last updated 03/03/2023)

Water is a precious resource in California, and maintaining its quality is of utmost importance to safeguard the health of the public and the environment.

Quick Links

- Board Agendas
- Fees
- Make a Payment
- Grievance Procedure
- Help / Business Help
- Uniform Grants Guidance

CALIFORNIA GRANTS PORTAL

Resources

OIMA
CEDEN
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SUSTAINABLE GROUNDWATER MANAGEMENT ACT

Probationary Designation and Groundwater Regulation by the State Water Board

This fact sheet offers summary information regarding how the state will regulate groundwater use if local management is found to be inadequate under the Sustainable Groundwater Management Act (SGMA). This fact sheet, and others, are available at the State Water Board's Groundwater Management Program webpage (www.waterboards.ca.gov/gmp).

Groundwater is a limited natural resource that Californians use for many purposes. In the state's high- and medium- priority groundwater basins, SGMA requires local groundwater sustainability agencies (GSAs) to develop and implement groundwater sustainability plans (plans) so that these uses can continue in the future.

If GSAs do not sustainably manage groundwater use in their basin, the State Water Resources Control Board (State Water Board or Board) can step in to manage the basin in a process called "state intervention." State intervention is SGMA's guarantee that sustainability goals are met. But state intervention may be costly for groundwater extractors and give them little influence over how the state regulates their groundwater extraction. The Board, the Department of Water Resources (DWR), and other organizations may be able to work with GSAs, groundwater extractors, and others to avoid state intervention. Please reach out if interested in assistance.

Steps in the Intervention Process

Triggers

The state will evaluate GSA efforts and basin conditions. During evaluation, lack of plans, lack of coordination, inadequate plans, or inadequate implementation can trigger the state intervention process for a high- or medium-priority basin. The specific state intervention triggers are listed in the table on the following page.[1]

[1] Please refer to the Act regarding triggers if you are in a region covered by an alternative plan submitted to the DWR.

***Any one* of these conditions makes the state intervention process possible**

Triggering Condition	If After
Basin is not covered by a GSA(s) Water code section 10735.2(a)(1)	June 30, 2017
Basin is in critical overdraft (DWR finding) *and* basin is not covered by plan(s) or plans in basin are not coordinated 10735.2(a)(2)	Jan. 31, 2020
Basin is in critical overdraft (DWR finding) *and* DWR, in consultation with the Board, fails a plan or determines a plan is not being implemented in a manner likely to achieve sustainability 10735.2(a)(2) and 10735.2(a)(3)	Jan. 31, 2020
Basin is not in critical overdraft (DWR finding) *and* basin is not covered by plan(s) or plans in basin are not coordinated 10735.2(a)(4)	Jan. 31, 2022
Basin is not in critical overdraft (DWR finding) but is in long-term overdraft (Board determination) *and* DWR, in consultation with the Board, fails a plan or determines a plan is not being implemented in a manner likely to achieve sustainability 10735.2(a)(4) and 10735.2(a)(5)(A)	Jan. 31, 2022
Basin is not in critical overdraft (DWR finding) nor long-term overdraft (Board finding) but there are significant depletions of interconnected surface waters (Board determination) *and* DWR, in consultation with the Board, fails a plan or determines a plan is not being implemented in a manner likely to achieve sustainability 10735.2(a)(5)(B)	Jan. 31, 2025

Hearing

After a triggering condition occurs, the State Water Board may designate a basin probationary after providing notice and holding a public hearing. At the hearing, interested parties will have the opportunity to address the Board. A probationary designation will identify the deficiencies that led to intervention and potential actions to remedy the deficiencies.

Probation

Once a basin has been designated probationary, the Board may require groundwater extractors to install meters, measure and report all groundwater extractions, and pay fees to cover the cost of Board activities. The Board may also conduct investigations and gather data necessary for sustainable groundwater management.

Opportunity to End State Intervention

Local efforts will have the opportunity to fix the deficiencies that resulted in designation of the basin as probationary. Deficiencies may include lack of an agreement among GSAs in the basin to coordinate multiple plans, data gaps in the plans, or insufficient groundwater management efforts to achieve the sustainability goal. Groundwater extractors will be given a limited time (perhaps as short as 180 days) to address deficiencies before the Board may develop an "interim plan."

State Water Board Imposition of Interim Plan

The Board may develop and implement an interim plan for a probationary basin if the Board determines that a local agency has not fixed the deficiencies that resulted in the probationary designation. The Board will adopt the interim plan through a hearing process, similar to the probationary designation. An interim plan is intended to be a temporary measure to protect groundwater until effective local management is in place.

An interim plan will include corrective actions, a schedule for those actions, monitoring, and enforcement. An interim plan will likely focus on reducing groundwater use in the basin to sustainable levels as soon as practical. An interim plan may include elements of an existing plan or adjudication that the Board finds would help meet the basin's sustainability goal.

End of State Water Board Management

To end State Water Board management of groundwater, GSAs will have to demonstrate to the Board (which will consult with DWR) their ability and willingness to manage groundwater sustainably and address the issues that caused state intervention. This may require changes to the groundwater sustainability plans, revision of coordination agreements among the GSAs, pumping restrictions, or other measures to provide assurances that ongoing local management will be effective.

Adjudication Proceedings: A Detour with the Same Destination

The Board has authority to act if a triggering event occurs, regardless of whether the basin is going through an adjudication. Filing an adjudication will not delay or avoid the SGMA process and will not prevent state intervention. Courts must manage any groundwater adjudication proceeding in a manner consistent with the attainment of sustainable groundwater management within the timeframes set by SGMA. Any judgment entered in an adjudication action must not impair the ability of the basin's GSAs to comply with SGMA.

Reporting Requirements Require Comprehensive and Accurate Data

Probationary designation and interim plans may require pumpers to submit groundwater extraction reports. These reports must be submitted by well owners or operators (or their agents) to the State Water Board electronically. Reporters are required to provide extraction volumes, well details, well locations, the locations of parcels where groundwater is used, and

other information deemed necessary by the Board. Extractions must be measured by a method satisfactory to the Board.

More information on reporting (https://www.waterboards.ca.gov/water_issues/programs/sgma/reporting_and_fees.html).

Required Fees

The Board is required to set fees to recover the cost of probation and intervention activities. The amount of the fees depends on factors such as costs associated with data gathering, enforcement activities, and California Environmental Quality Act (CEQA) compliance. The current annual fee for groundwater extractions in a probationary basin is a base fee of $300 per well and $40 per acre-foot of water extracted. Fees are collected with each annual groundwater extraction report. Late reporters are subject to late fees and may be subject to additional administrative liability or misdemeanor penalties.

More information on fees (https://www.waterboards.ca.gov/water_issues/programs/sgma/reporting_and_fees.html).

Sustainability is at the Basin Scale

The intent of SGMA is to reach groundwater sustainability at the basin scale. Close coordination at the local level will help. While the Board may focus probation and interim plan efforts in specific parts of basins, the Board must consider the entire basin when deciding on a course of action. Reasons for a basin-scale approach include:

- ✓ Pumping volumes must be made consistent with sustainable yield, which is defined at the basin scale.
- ✓ The Board's interim plan must be consistent with water right priorities, which typically requires consideration of all rights to extract groundwater at the basin scale.
- ✓ Basin-wide data collection is necessary to determine where efforts should be focused or if efforts should be basin-wide.

SGMA's Interaction with State and Regional Board Authorities

SGMA does not supersede any existing State Water Board or Regional Water Quality Control Board authorities nor do these other authorities supersede SGMA. The Board will take other legal and policy priorities into account when weighing how to proceed with state intervention. Intervention planning may include consideration of the effects of groundwater extraction on public trust resources, drinking water needs of disadvantaged communities, and the human right to water.[2]

[2] Information on human right to water (https://www.waterboards.ca.gov/water_issues/programs/hr2w/).

GSAs may find value in harmonizing their activities under SGMA with other efforts (of the GSAs or other parties) to meet requirements of other state or local regulatory programs. Contact the State Water Board's SGMA program at SGMA@waterboards.ca.gov to learn more about how SGMA can be coordinated with other programs at the State and Regional Water Boards.

For More Information

This fact sheet and additional information on SGMA are available at the: State Water Board Website (www.waterboards.ca.gov/gmp).

The Board's SGMA program can be contacted at SGMA@waterboards.ca.gov or 916-322-6508.

These online resources may be updated. Parties interested in updates are encouraged to subscribe to the State Water Board's Groundwater Management email list in the General Interests section (https://www.waterboards.ca.gov/resources/email_subscriptions/swrcb_subscribe.html).

Additional SGMA information from DWR (www.water.ca.gov/SGMA).

Last updated: November 2022

APPENDIX C

Corning Sub-basin GSA – Draft Glenn County Tax Roll

LSCE

Corning Subbasin GSA - 2023 Long Term Funding - Fee Report
Corning GSA 2023 Tax Roll
APPENDIX C

APN Number	Fee User Class	County	Assessable Acreage	Annual Assessment ($)
123-456-789	Irrigated-Groundwater	Glenn	1.35	$22.22

APPENDIX D

Corning Sub-basin GSA – Draft Proposition 218 Notice

Non-irrigated, Irrigated-Surface Water and Irrigated-Groundwater parcels in the CSGSA service area will receive attached Proposition 218 Notice and Cover Sheet with parcel billing summary information based on user classification.

CSGSA Proposition 218 Mailer - Draft Cover Sheet To Include in Prop. 218 Mailer.

Name
Address
City, State, Zip

User Class: Irrigated- Groundwater

		Acres	Proposed Maximum Annual Fee
Record Owner:			
	APN:		
	APN:		
	APN:		
Record Owner:			
	APN:		
	APN:		
Total Irrigated-Groundwater			

User Class: Irrigated- Surface Water

		Acres	Proposed Maximum Annual Fee
Record Owner:			
	APN:		
	APN:		
	APN:		
Total Irrigated-Surface Water			

User Class: Non-Irrigated

		Acres	Proposed Maximum Annual Fee
Record Owner:			
	APN:		
	APN:		
	APN:		
Total Non-Irrigated			
Total			

CORNING SUB-BASIN GROUNDWATER SUSTAINABILITY AGENCY
NOTICE OF HEARING TO ADOPT PROPOSED FEE

In compliance with California State Law, notice is hereby given that the Corning Sub-basin Groundwater Sustainability Agency (CSGSA) will hold a **public hearing on: DATE at the GCID Pump Station Conference Room, 7854 County Road 203, Orland, CA 95963 at TIME** to consider the adoption of a new annual per acre fee starting in Fiscal Year 2023-24 for CSGSA operations and implementation of the Corning Subbasin Groundwater Sustainability Plan (GSP) required by the State of California pursuant to the 2014 Sustainable Groundwater Management Act (SGMA).

Background:
The CSGSA is a Groundwater Sustainability Agency formed through a Memorandum of Agreement to comply with the requirements of SGMA for that portion of the Corning Groundwater Subbasin underlying GLENN COUNTY, GLENN-COLUSA IRRIGATION DISTRICT, and MONROEVILLE WATER DISTRICT. The Corning Subbasin area is described in California Department of Water Resources Bulletin 118 (2020), Sacramento Valley Groundwater Basin, Corning Subbasin, Number 5-021.51 which is classified as a High Priority Subbasin comprised of approximately 207,000 total acres, of which approximately 45,000 acres are within the CSGSA. As required by SGMA, the CSGSA adopted a GSP in 2022, and must now implement that GSP as required by law to prevent the State of California from stepping into manage the local groundwater basin and corresponding groundwater resources.

Basis of Proposed Fee:
To provide local groundwater management, sustainability, and SGMA compliance, the CSGSA must annually monitor and report groundwater conditions to the State, prepare required updates to the GSP, conduct required coordination among GSAs in the Sacramento Valley Groundwater Basin, and maintain GSA operations. GSA operations include but are not limited to legal, technical and administration costs (including consultant services, insurance, office and outreach materials, and accounting).

The proposed fee is a property-related fee governed by Proposition 218 and the California Constitution. California Water Code Section 10730 provides authority for the CSGSA to impose Fees to support GSA administration, GSP implementation, and SGMA compliance. The CSGSA has reviewed the available options to fund the GSA and associated activities over the next five years as explained and documented in the June 2023 Proposition 218 Fee Report.

The service of local groundwater management requires each landowner to cover the cost of groundwater management, GSA administration, GSP implementation, and SGMA compliance including groundwater monitoring, preparation of annual reports, and regulatory compliance activities to ensure that the Corning Subbasin is sustainable over the long term, as required by SGMA. Each acre in the Corning Subbasin is required to be managed by a GSP and land within the Glenn County portion of the Subbasin will receive the local management services of the CSGSA. Ensuring sustainability will allow the CSGSA to maintain local control and **avoid State intervention and operation of the Subbasin, which would result in higher Fees on a basin-wide scale**. If the State Water Resources Control Board intervenes in the Corning Subbasin, it may impose annual fees ranging from $100 per domestic well, to $300 per agricultural well, plus up to $55 per acre-foot of pumped water per well and require annual reporting of extractions to the State. For more information:
https://www.waterboards.ca.gov/water_issues/programs/gmp/docs/intervention/intervention_fs.pdf
Implementing the proposed fee allows the GSA to provide groundwater management services and ensures a more tailored and locally managed option for managing the Corning Subbasin while maintaining SGMA compliance for all landowners.

Proposed Property Fee:
The proposed per-acre fees fund the service of groundwater management including GSA operations and implementation of the GSP and compliance with SGMA. This fee is a per-acre fee that imposes a maximum fee based on each parcel's classification. There are three proposed maximum fee rates as follows: $0.76 per non-irrigated acre, $9.34 per irrigated-surface water acre, and $16.46 per irrigated-groundwater acre (in 2023 dollars, including inflation, for the subsequent four years). The proposed fee, if approved, will become effective for the 2023-24 fiscal year (beginning July 1, 2023), with the first payment due in December 2023 through the Glenn County property tax bill. **The actual amount of the fee will be set by Resolution of the CSGSA but cannot exceed the maximum per acre fee specified above, including the inflation factor, absent a subsequent Proposition 218 proceeding.**

Each parcel subject to the fee would only be charged one of these rates specified on the accompanying cover sheet.

For more information, including the Fee Report summarizing the findings, please visit the CSGSA website at: https://www.countyofglenn.net/dept/planning-community-development-services/water-resources/sustainable-groundwater-management-6.

Public Hearing and Majority Protest:
Under the California State Constitution, owners of land subject to the proposed fee have the right to protest its adoption. If you have received this notice, one or more parcels under your ownership will be subject to the proposed fee. If the identified parcel has more than one record owner only one written protest will be counted. In the event of a majority protest, the fee will not be instituted. There is a 120-day statute of limitations for challenging any new, increased, or extended fee or charge.

Landowners desiring to protest the proposed CSGSA fee should send their written protest prior to the public hearing to: Corning Subbasin Groundwater Sustainability Agency, PO BOX 1272, Hamilton City, CA 95951, or in person at the public hearing on DATE at TIME, so long as the protest is received prior to the close of the public hearing. **Protests submitted by e-mail, fax, or other electronic means are not valid and will not be counted as a protest.**

There are multiple ways to obtain additional information about this topic:

- View more information online at https://www.countyofglenn.net/dept/planning-community-development-services/water-resources/sustainable-groundwater-management-6.
- Call the CSGSA at **(530) 934-6540.**
- The CSGSA Fee Report will be available for public review during normal business hours at 225 N. Tehama St., Willows, CA 95988.
- For more information about SGMA, see the California Department of Water Resources website: https://water.ca.gov/Programs/Groundwater-Management/SGMA-Groundwater-Management

If you do not wish to protest the proposed CSGSA Fee, you do not need to take any action.

CSGSA PROPOSITION 218 PROTEST FORM

To protest, complete and detach this portion of the Notice and mail to CSGSA, P.O. Box 1272, Hamilton City, CA 95951, OR submit in-person at the Public Hearing on DATE, TIME, GCID Pump Station Conference Room, 7854 County Road 203, Orland, CA 95963. All protests must include:

- Landowner Printed Name(s):_____
- Assessor's Parcel Number: _____
- Statement of Protest:_____

Under penalty of law, I affirm that I am the owner(s) or authorized representative of the owner of the above parcel.

- Valid Landowner Signature(s):_____

Each parcel is entitled to one protest. If a parcel has more than one owner, all must sign one protest form.

Do You Have Questions About the Proposed Fee?

CORNING SUB-BASIN GROUNDWATER SUSTAINABILITY AGENCY

Learn More About the Proposed Groundwater Fee to Fund the Corning Sub-basin Groundwater Sustainability Agency

Come to Our Public Information Session!

DATE
TIME
LOCATION
ADDRESS

THIS IS NOT THE PUBLIC HEARING.
Proposition protests will not be collected at this session.
This event is for informational purposes only.

To learn more about the Corning GSA please contact: lhunter@countyofglenn.net | visit our website: https://www.countyofglenn.net/dept/planning-community-development-services/water-resources/sustainable-groundwater-management-6

APPENDIX E

Corning Sub-basin GSA – User Fee Payment Options

LSCE

Appendix E

Proposed 2023 Corning Subbasin Groundwater Sustainability Agency SGMA Compliance Fee Funding Agreements

All landowners within the GSA service area will receive a Proposition 218 Notice from the CSGSA for the 2023 proposed 2023 GSA Fees. The following entities would have the choice of paying their fees directly to the GSA per Agreement consistent with paying their fair share of total GSA costs.

1. Glenn County
2. Glenn Colusa Irrigation District
3. Monroeville Water District
4. Urban areas – cities/towns

The Corning Subbasin GSA will finalize this policy as part of the Board deliberations in reviewing and approving the CSGSA 2023 Fee Report.

APPENDIX F

Corning Sub-basin GSA – 2023 Long Term Funding Project Public Outreach

LSCE

CORNING SUBBASIN
Sustainable Groundwater Management

Groundwater is increasingly relied upon to provide our drinking water, nourish our agriculture, and support our environment. Long-term planning, collaboration, and engagement are crucial for the future of our groundwater.

Sustainable Groundwater Management Act

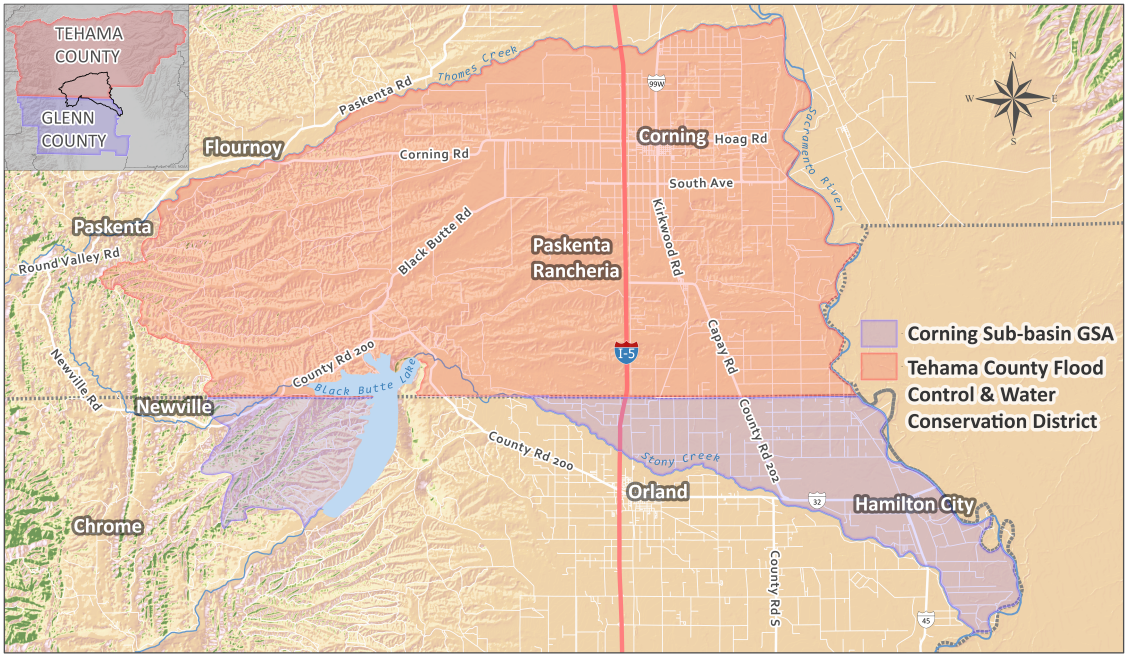
What is SGMA? California enacted the Sustainable Groundwater Management Act (SGMA) in 2014 to better manage our groundwater over the long term, emphasizing that groundwater is best suited to be managed at the local level.

What is sustainable groundwater management under SGMA? Management and use of groundwater in a way that avoids Undesirable Results. The undesirable results to be avoided in the Corning Subbasin* are:

- Lowering of Groundwater Levels
- Reduction of Groundwater Storage
- Land Subsidence
- Surface Water Depletion
- Water Quality Degradation

**Seawater intrusion is also an undesirable result under SGMA, but does not apply to the Corning Subbasin*

Corning Subbasin | Groundwater Sustainability Agencies



What does SGMA require?

Basins must be managed by Groundwater Sustainability Agencies (GSAs). GSAs must develop Groundwater Sustainability Plans (GSPs) that provide a detailed roadmap for reaching long-term sustainability.

There are two GSAs in Corning Subbasin:

- Tehama County Flood Control & Water Conservation District
- Corning Sub-basin GSA

(Refer to map.)

The Corning Sub-basin GSA, within the Glenn County portion of the basin, is composed of multiple agencies – Glenn County, Glenn-Colusa Irrigation District, and Monroeville Water District. The two GSAs in Corning Subbasin are working under a Memorandum of Understanding to develop a coordinated GSP for the subbasin.

What is contained in a Groundwater Sustainability Plan?

GSPs must assess groundwater conditions and articulate how groundwater management will avoid adverse impacts to beneficial users. GSPs must consider projected conditions such as changes in climate, water use demand, groundwater recharge, etc. Methods to achieve and maintain sustainability may include managing pumping, increasing water conservation, and creating additional water supplies.

Who will develop the GSP? The GSAs are coordinating the development of a single GSP for the Corning Subbasin. The **Corning Subbasin Advisory Board (CSAB)**, which meets monthly and is open to the public in compliance with the Brown Act, consists of representatives from each GSA and makes recommendations to their GSA Boards concerning development and implementation of the GSP. Public comments will be taken throughout, and there will be a public review period of the draft GSP in late 2021. The final adopted GSP is due to CA Department of Water Resources (DWR) by January 2022.

Groundwater Sustainability Plan

SGMA Timeline

Occurring throughout:
- Outreach & Engagement
- Monitoring & Adaptive Management
- Annual reports and 5-year updates

How might SGMA affect me?

If it is determined that groundwater is being depleted, projects or management actions will need to be implemented to bring the basin into long-term sustainability. Under SGMA, beneficial uses of groundwater include domestic, municipal, tribal, agricultural, industrial, and environmental uses. SGMA has the potential to impact those who heavily rely on groundwater, including agricultural and municipal users. Domestic users (single well, no crops or large landscapes) are managed differently under SGMA, but still have the potential to be affected under certain circumstances. Therefore, participation is integral for effective GSP development and implementation.

Your early and continued engagement is crucial to developing a groundwater sustainability plan that considers your interests!

Learn More & Get Involved

Receive Updates
Sign up for your GSA's interested parties list.

Contact Your GSA
Talk to your GSA representative

Attend Meetings
Attend public workshops, CSAB, and GSA Board meetings

Find more information, including contact and CSAB meeting information and links to GSA information at

CorningSubbasinGSP.org

Water Resources

Corning Sub-basin Groundwater Sustainability Agency

The Corning Sub-basin Groundwater Sustainability Agency (GSA) governs the Glenn County portion of the Corning Subbasin. Generally, the Corning Sub-basin GSA is bounded on the west by the Coast Ranges, on the north by Glenn-Tehama County boundary, on the east by the Sacramento River, and on the south by Stony Creek except for a small portion following the Glenn-Tehama County boundary. Visit the Department of Water Resources SGMA Portal (https://sgma.water.ca.gov/portal/gsa/print/390) for GSA Formation information.

GROUNDWATER SUSTAINABILITY MEMBER AGENCY	PHONE NUMBER
Glenn County	530.934.6540
Glenn-Colusa Irrigation District	530.934.8881
Monroeville Water District	530.934.7794

CORNING SUB-BASIN GSA COMMITTEE MEETINGS

2023 Meeting Schedule (/sites/default/files/Water_Resources/SGMA/CSGSA_2023MeetingSchedule_Approved%2022.12.01.pdf)

Click on the links below for meeting materials

CSGSA Committee (Cancelled)- May 25, 2023 (/resources/minutes-agendas-water/corning-sub-basin-groundwater-sustainability-agency-committee-may-25)

CSGSA Committee (Special Meeting)- May 11, 2023 (/resources/minutes-agendas-water/corning-sub-basin-groundwater-sustainability-agency-committee-may-0)

CSGSA Committee- April 27, 2023 (/resources/minutes-agendas-water/corning-sub-basin-groundwater-sustainability-agency-committee-21)

CSGSA Committee- March 23, 2023 (/resources/minutes-agendas-water/corning-sub-basin-groundwater-sustainability-agency-committee-20)

CSGSA Committee- February 23, 2023 (/resources/minutes-agendas-water/corning-sub-basin-groundwater-sustainability-agency-committee-19)

CSGSA Committee (Special Meeting)- February 3, 2023 (/resources/minutes-agendas-water/corning-sub-basin-groundwater-sustainability-agency-committee-18)

CSGSA Committee- January 26, 2023 (/resources/minutes-agendas-water/corning-sub-basin-groundwater-sustainability-agency-committee-17)

Corning Sub-basin GSA Meetings and Agendas

2023

05/25/2023 (/resources/minutes-agendas-water/corning-sub-basin-groundwater-sustainability-agency-committee-may-25)
05/11/2023 (/resources/minutes-agendas-water/corning-sub-basin-groundwater-sustainability-agency-committee-may-0)
04/27/2023 (/resources/minutes-agendas-water/corning-sub-basin-groundwater-sustainability-agency-committee-21)
03/23/2023 (/resources/minutes-agendas-water/corning-sub-basin-groundwater-sustainability-agency-committee-20)
02/23/2023 (/resources/minutes-agendas-water/corning-sub-basin-groundwater-sustainability-agency-committee-19)
02/03/2023 (/resources/minutes-agendas-water/corning-sub-basin-groundwater-sustainability-agency-committee-18)
01/26/2023 (/resources/minutes-agendas-water/corning-sub-basin-groundwater-sustainability-agency-committee-17)

2022

2021

2020

CSGSA Long-Term Funding

The CSGSA is embarking on a long-term funding process. Visit the long-term funding (/dept/planning-community-development-services/water-resources/sustainable-groundwater-management-9) page to learn more.

- Minutes & Agendas (/government/minutes-agendas)
- Project & Service Bids (/govt/bids)
- Calendar (/calendar)
- News (/government/news)
- Resources (/government/resources)
- Announcements (/government/announcements)
- Board of Supervisors (//www.countyofglenn.net/dept/board-supervisors/welcome)
- Social Media (/government/social-media)

Adopted Budget (/resources/county-budget/adopted-budget)

Maps (//countyofglenn.net/gis-data)

(http://www.adobe.com/products/acrobat/readstep2.html)

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Water Resources

Corning Sub-basin Groundwater Sustainability Agency Long-Term Funding

The Corning Sub-basin Groundwater Sustainability Agency (CSGSA) is embarking on a long-term funding process to fund the Groundwater Sustainability Plan implementation and administration for the next five years.

Public Workshop- Coming Soon!

Frequently Asked Questions- Coming Soon!

Fact Sheets- Coming Soon!

Draft Revenue Needs Projections (Budget)
(/sites/default/files/Water_Resources/SGMA/CSGSA%20Five%20Year%20Revenue%20Projections%20JD%20lh_3.23.23%20Board%20Mtg%20FINAL.p

Visit CSGSA Committee meeting pages (https://www.countyofglenn.net/dept/planning-community-development-services/water-resources/sustainable-groundwater-management-6) for additional information.

Resources (/business/resources)
Tax Information (/business/tax-information)

Minutes & Agendas (/government/minutes-agendas)
Project & Service Bids (/govt/bids)
Calendar (/calendar)
News (/government/news)
Resources (/government/resources)
Announcements (/government/announcements)
Board of Supervisors (//www.countyofglenn.net/dept/board-supervisors/welcome)
Social Media (/government/social-media)

Adopted Budget (/resources/county-budget/adopted-budget)

Maps (//countyofglenn.net/gis-data)

(http://www.adobe.com/products/acrobat/readstep2.html)

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Do You Have Questions About the Proposed Fee?

CORNING SUB-BASIN GROUNDWATER SUSTAINABILITY AGENCY

Learn More About the Proposed Groundwater Fee to Fund the Corning Sub-basin Groundwater Sustainability Agency

Come to Our Public Information Session!

DATE
TIME
LOCATION
ADDRESS

THIS IS NOT THE PUBLIC HEARING.
Proposition protests will not be collected at this session.
This event is for informational purposes only.

To learn more about the Corning GSA please contact: lhunter@countyofglenn.net | visit our website: https://www.countyofglenn.net/dept/planning-community-development-services/water-resources/sustainable-groundwater-management-6

Corning Subbasin GSA Meeting Long Term Funding Project Presentation

Eddy Teasdale and Jacques DeBra, LSCE

May 11, 2023

Luhdorff & Scalmanini
Consulting Engineers

Corning Subbasin GSA – 2023 Long Term Fee Options

Special Meeting Agenda

1. **Recap from 4.27.23 Board Meeting**
2. **Updated Fee Options – For Review and Discussion**
3. **Board decision on preferred fee option(s)**
4. **Next Steps**

Corning Subbasin SGMA compliance requires actions by both the Corning-Tehama and Corning-Glenn GSAs.
A long-term funding source is needed in FY23-24 or SGMA compliance will likely not happen in Corning-Glenn.

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Corning Subbasin GSA – Long Term Fee Project Schedule

CS GSA 2023 Long Term Funding Project - Primary Milestones								
Project Tasks	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**June**	**July**	**August**
CS GSA Project Outreach		>>>>>>>>>>	>>>>>>>>>>	>>>>>>>>>	>>>>>>>>>>	>>>>>>>>>>	>>>>>>>>>>	>>>>>>>>>>
CS GSA Board Meetings		**B**	**B**	**B**	**B** ★		**B**	
CS GSA Public Meetings				**Workshop**				
Project Development								
Update Revenue Projections	**Develop**	**Draft**	**Final**					
Evaluation Fee Options	**Develop**	**Draft**	**Final**					
Prepare Options TM				Final				
Prepare/Approve Fee Report					Final			
Approve Proposed Fees								
Tax Roll Data To Assessor								**8/10/2023**

B = WC GSA Board Meeting

LSCE is streamlining work products to keep costs below budget.

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CSGSA Long Term Funding Policy Actions Recap

- Initial costs during 2019-2022 period were covered by DWR grants and local cost share.
- Local contributions not available to fund GSP implementation and SGMA compliance costs.
  - Updated revenue projections require a long-term funding source to achieve SGMA compliance for all landowners.
- Developing long term charges through the 2023 Long Term Funding Project is important now.
- CS GSA's goal is to have charges in place in 2023 to cover increased GSA operational costs.

Corning Subbasin GSA – 2023 Long Term Fee Options

Special Meeting Agenda

1. **Recap from 4.27.23 Board Meeting**
2. **Updated Fee Options – For Review and Discussion**
3. **Board decision on preferred fee option(s)**
4. **Next Steps**

Long Term GSA Fee – Development Process

Establish Revenue Needs

(Operational and Implementation Costs)

- Revenue needs – GSA operations
- Revenue needs – SGMA Compliance
- Five-year Revenue Projections – planning horizon
- Adequate for GSA to comply with SGMA
- Meet GSA financial assurance/sustainability goal

Cost Allocation

- By type – operations vs. implementation
- By Subbasin GSA – weighted by effort
- By use – weight by groundwater use
- Proportional relative to user costs and service/benefit received

Proposed Fees/Charges

- Public notification
- Stakeholder outreach
- Public hearing and majority protest

LSCE

Corning Subbasin GSA – Long Term Fee Options To Evaluate

FEE OPTIONS TO EVALUATE (MARCH 2023 GSA MEETING)

- Parcel (Uniform) Charge - $/acre
- Irrigated/Non-Irrigated Charge – different $/acre charge for irrigated vs. non-irrigated parcels (urban areas considered irrigated)
- Well Registration and Charge Program

LSCE

Corning Subbasin GSA – Basis For Long Term Fee Options

BASED ON AVAILABLE PARCEL LEVEL DATA

- Parcel exemptions – Federal/State/Tribal
- Parcel location, size and boundaries (boundary conditions)
- Consider Land IQ 2022 parcel information
- Land use designations
- Water source (sometimes known)
- Water use (typically GSA accounts have been unmetered with no water use records available)

LSCE

Corning Subbasin GSA – Options Evaluation Criteria

CHARGE OPTION EVALUATION CRITERIA

- Revenue Sufficiency – Meets revenue projection targets
- Revenue Stability – over fee implementation period
- All Beneficiaries Pay – important for SGMA compliance benefit
- Equity – cost allocation
- Affordability – economic impacts
- Simplicity – easy to understand
- Administrative ease – low implementation costs
- Enforceability – potential costs for more complex fee structures
- Legality – defensible, challenge risk, potential long term legal fees

LSCE

Corning Subbasin GSA – Long Term Fee Options

FEE OPTIONS CONSIDERED INFEASIBLE – UNIFORM CHARGE

- Total annual revenue needs/net assessable acreage
- Total annual revenue needs – includes inflation and contingency
- Net Assessable Acreage – Federal/State/Tribal lands excluded
- Net Assessable Acreage – minus roads/highways, etc.
- Lowest implementation costs – easy to understand and implement
- Common GSA charge method

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Corning Subbasin GSA – 2023 Long Term Fee Options

FEE OPTIONS CONSIDERED FEASIBLE – UNIFORM CHARGE (NO DWR GRANTS)

CS GSA Uniform Charge Option Charge Basis	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
Total GSA Revenue Needs ($)	$346,448	$346,448	$330,698	$330,698	$322,823
Total GSA Net Assessable Acres	44,690	44,690	44,690	44,690	44,690
Proposed Total Charge ($/ac)	**$7.75**	**$7.75**	**$7.40**	**$7.40**	**$7.22**
Annualized Total Charge ($/ac)	**$7.51**	**$7.51**	**$7.51**	**$7.51**	**$7.51**

FY23-24

CS GSA Uniform Charge Option Annual Charge Impact	0.5 Acre Parcel	1.0 Acre Parcel	5 Acre Parcel	10 Acre Parcel	50 Acre Parcel
Proposed Total Charge ($/ac)	**$3.88**	**$7.75**	**$38.76**	**$77.52**	**$387.61**
Annualized Total Charge ($/ac)	**$3.75**	**$7.51**	**$37.53**	**$75.06**	**$375.28**

This fee option is considered infeasible for inclusion in the 2023 Fee Project due to its high-cost impact to non-irrigated parcels in the Subbasin.

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Corning Subbasin GSA – 2023 Long Term Fee Options

FEE OPTIONS CONSIDERED INFEASIBLE – WELL REGISTRATION AND CHARGES

- Well Charge = net revenues/total number of wells
- Requires complete, accurate and updated well inventory for equitable billing
- Current well inventory is lacking pre-1970 records and some of the recent data is not complete or accurate (574 wells in database, 10% or more missing)
- Would require 1-2+ years of project development to be charge option ready
- Would be an effective way to allocate costs to irrigators with wells
- Implementation: dealing with different well types (water production, monitoring, backup supplies, abandoned, domestic wells, etc.), more complex to implement

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Corning Subbasin GSA – Long Term Fee Options

FEE OPTIONS CONSIDERED INFEASIBLE – WELL REGISTRATION AND CHARGE

CSGSA Well Registration Option Charge Basis	Year 1	Year 2	Year 3	Year 4	Year 5
Total GSA Revenue Needs ($)	$346,448	$346,448	$330,698	$330,698	$322,823
Total GSA Wells	631	631	631	631	631
Proposed Total Charge ($/well)	**$548.70**	**$548.70**	**$523.75**	**$523.75**	**$511.28**
Annualized Total Charge ($/well)	**$531.24**	**$531.24**	**$531.24**	**$531.24**	**$531.24**

Example Well Charge concept. Recommend keeping this option in the mix for the next fee adjustment cycle. Number of wells increased 10% to reflect missing wells pre-1970 for this example.

This fee option is considered infeasible for inclusion in the 2023 Fee Project due to having an incomplete well inventory available for developing proposed charges.

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Corning Subbasin GSA – 2023 Long Term Fee Options

FEE OPTIONS CONSIDERED FEASIBLE – IRRIGATED/NON-IRRIGATED CHARGE

- Irrigated Charge = net revenues/net irrigable acreage
- Non-irrigated Charge = net revenues/net non-irrigable acreage
- Recognizes groundwater users should pay higher % SGMA compliance costs
- Groundwater users – will determine if water balance and sustainability metrics are achieved in the Subbasin
- Higher implementation costs, more complex to implement

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Corning Subbasin GSA – 2023 Long Term Fee Options

FEE OPTIONS CONSIDERED FEASIBLE – IRRIGATED/NON-IRRIGATED CHARGE (NO DWR GRANTS) – presented at 4.27.23 meeting

WC GSA Irrigated/Non-Irrigated Charge Option Cost Allocation Summary	Irrigated Parcels	Non-Irrigated Parcels
GSA Administration Costs	90%	10%
SGMA Compliance Costs	90%	10%

The Irrigated/Non-irrigated charge option shifts a higher cost allocation burden to irrigated parcels subject to the long-term charge who use the groundwater resource and directly influence the ability of the GSA to meet long term Subbasin water balance and sustainability metrics.

LSCE

Corning Subbasin GSA – 2023 Long Term Fee Options

FEE OPTIONS CONSIDERED FEASIBLE – IRRIGATED/NON-IRRIGATED CHARGE (NO DWR GRANTS) – 90/10% Cost Allocation for Irrigated/Non-Irrigated User Classes

WC GSA Irrigated/Non-irrigated Charge Option Irrigated Annual Charge	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
Irrigated Total Revenue Allocation	$311,803	$311,803	$297,628	$297,628	$290,540
Irrigated Total Net Assessable Acreage	30,687	30,687	30,687	30,687	30,687
Proposed Total Charge ($/ac)	**$10.16**	**$10.16**	**$9.70**	**$9.70**	**$9.47**
Annualized Total Charge ($/ac)	**$9.84**	**$9.84**	**$9.84**	**$9.84**	**$9.84**

WC GSA Irrigated/Non-irrigated Charge Option Non-Irrigated Annual Charge	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
Non-Irrigated Total Revenue Allocation	$34,645	$34,645	$33,070	$33,070	$32,282
Non-Irrigated Total Net Assessable Acreage	14,003	14,003	14,003	14,003	14,003
Proposed Total Charge ($/ac)	**$2.47**	**$2.47**	**$2.36**	**$2.36**	**$2.31**
Annualized Total Charge ($/ac)	**$2.40**	**$2.40**	**$2.40**	**$2.40**	**$2.40**

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Corning Subbasin GSA – 2023 Long Term Fee Options

FEE OPTIONS COMPARISON – UNIFORM vs. IRRIGATED/NON-IRRIGATED CHARGE (NO DWR GRANTS) – presented at 4.27.23 meeting

Parcel Type	Uniform Charge	Irrig/Non-irrig Charge
Irrigated	$7.51/year	$9.84/year
Non-irrigated	$7.51/year	$2.40/year

Irrigated/Non-irrigated shifts more of the cost burden to those that use the groundwater resource with higher implementation costs than the Uniform charge.

This version of Irrigated/Non-irrigated not considered feasible for 2023 CS GSA charge.

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Corning Subbasin GSA – 2023 Long Term Fee Options

APRIL 27 GSA MEETING – PRIMARY CONCERNS

- Irrigated/Non-Irrigated Charge Option
  - Impact too high on Non-Irrigated large parcels
  - Consider Different Irrigated Charges For SW and GW sources
  - Desire to see updated Irrigated/Non-Irrigated Option That Addresses Concerns
- Discussed Other Charge Remedies
  - Discuss well registration
  - Come back with options to address concerns
- Schedule special meeting to further discuss preferred charge option(s)

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Corning Subbasin GSA – 2023 Long Term Fee Options

Special Meeting Agenda

1. **Recap from 4.27.23 Board Meeting**
2. **Updated Fee Options – For Review and Discussion**
3. **Board decision on preferred fee option(s)**
4. **Next Steps**

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Corning Subbasin GSA – 2023 Long Term Fee Options

FEE OPTIONS CONSIDERED FEASIBLE – UPDATED IRRIGATED/NON-IRRIGATED CHARGE (NO DWR GRANTS) – with 95/5% cost allocation for Irrig/Non-Irrig parcels

CS GSA Irrigated/Non-Irrigated Charge Option Cost Allocation Summary	4/27 Irrigated Parcels	4/27 Non-Irrig. Parcels	5/11 Irrigated Parcels	5/11 Non-Irrig. Parcels
GSA Administration Costs	90%	10%	90-100%	0-10%
SGMA Compliance Costs	90%	10%	90-100%	0-10%

The Irrigated/Non-irrigated charge option shifts a higher cost allocation burden to irrigated parcels subject to the long-term charge who use the groundwater resource and directly influence the ability of the GSA to meet long term Subbasin water balance and sustainability metrics.

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Corning Subbasin GSA – 2023 Long Term Fee Options

FEE OPTIONS COST ALLOCATION – UPDATED IRRIGATED/NON-IRRIGATED CHARGE (NO DWR GRANTS) – 90/10% cost allocation

Cost Category-SGMA Compliance (Non-Irrigators)	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Annual Reporting (with continued DWR monitoring)	$0	$0	$0	$0	$0
Five Year GSP Update w/Modeling Calibrations	$0	$0	$0	$0	$0
Surface-GW Interaction Modeling	$0	$0	$0	$0	$0
GSA Coordination & Outreach (w/in and between GSAs)	$5,000	$5,000	$5,000	$5,000	$5,000
Data Management System Maintenance	$2,500	$2,500	$2,500	$2,500	$2,500
Long Term Financial Planning/Fees	$5,000	$5,000	$5,000	$5,000	$5,000
Grant Procurement	$0	$0	$0	$0	$0
GSP Project Implementation and Monitoring	$0	$0	$0	$0	$0
Contingency (8%)	$0	$0	$0	$0	$0
SGMA Compliance Sub-Total Non-Irrigators	**$12,500**	**$12,500**	**$12,500**	**$12,500**	**$12,500**
Non-Irrigated GSA SGMA Cost Share (10%)	10.0%	10.0%	10.0%	10.0%	10.8%
GSA Admin Total Annual Costs	$98,725	$101,687	$107,788	$119,645	$138,788
Non-Irrigated GSA Admin. Cost Share (10%)	**$9,873**	**$10,169**	**$10,779**	**$11,964**	**$13,879**
Total Non-Irrigated GSA and SGMA Cost Share (10%)	**$22,428**	**$23,100**	**$24,087**	**$25,901**	**$27,346**

Non-irrigated parcels pay 10% of the total GSA costs as summarized above.

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Corning Subbasin GSA – 2023 Long Term Fee Options

FEE OPTIONS CONSIDERED FEASIBLE – IRRIGATED/NON-IRRIGATED CHARGE (NO DWR GRANTS) – assumes 95/5% Irrig./Non-Irrig. cost allocation

CS GSA Irrig/Non-Irrig Charge Option Irrigated Charge Basis	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
Total Irrigated GSA Revenue Needs ($)	$329,125	$329,125	$314,163	$314,163	$306,681
Total Irrigated GSA Net Assessable Acres	30,687	30,687	30,687	30,687	30,687
Proposed Total Irrig Charge ($/ac)	**$10.73**	**$10.73**	**$10.24**	**$10.24**	**$9.99**
Annualized Total Irrig Charge ($/ac)	**$10.38**	**$10.38**	**$10.38**	**$10.38**	**$10.38**

CS GSA Irrig/Non-Irrig Charge Option Non-Irrigated Charge Basis	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
Total Non-Irrigated GSA Revenue Needs ($)	$17,322	$17,322	$16,535	$16,535	$16,141
Total Non-Irrigated GSA Net Assessable Acres	14,003	14,003	14,003	14,003	14,003
Proposed Total Non-Irrig Charge ($/ac)	**$1.24**	**$1.24**	**$1.18**	**$1.18**	**$1.15**
Annualized Total Non-Irrig Charge ($/ac)	**$1.20**	**$1.20**	**$1.20**	**$1.20**	**$1.20**

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Corning Subbasin GSA – 2023 Long Term Fee Options

FEE OPTIONS CONSIDERED FEASIBLE – IRRIGATED/NON-IRRIGATED CHARGE (NO DWR GRANTS) – 90/10, 95/5% and 100/0% Irrig./Non-Irrig. cost comparison

Cost Allocation Scenarios

User Class	90/10%	95/5%	100/0%
Irrigated	$9.84	$10.38	$10.93
Non-Irrigated	$2.40	$ 1.20	$ 0

Policy discussion on Two-Tier Irrigated/Non-Irrigated Charge.

Irrigators: parcels that use surface water and/or groundwater for irrigation uses; urban areas.
Non-irrigators: open space, vacant land, pasture, less than 2 afy usage generally.

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Corning Subbasin GSA – 2023 Long Term Fee Options

FEE OPTIONS CONSIDERED FEASIBLE – IRRIGATED/NON-IRRIGATED CHARGE (NO DWR GRANTS) – Non-Irrig/Irrig-SW/Irrig-GW 3 user class option

CS GSA Irrig/Non-Irrig Charge Option Cost Allocation Summary	Irrigated Parcels	Non-Irrigated Parcels	Irrigated-SW Parcel	Irrigated-GW Parcel
GSA Administration Costs	90.00%	10.00%	25.00%	75.00%
SGMA Compliance Costs	90.00%	10.00%	25.00%	75.00%

Policy discussion on Three -Tier Irrigated/Non-Irrigated Charge Option.

Irrigators: parcels that use surface water and/or groundwater for irrigation uses; urban areas.
Non-irrigators: open space, vacant land, pasture, less than 2 afy usage generally.

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Corning Subbasin GSA – 2023 Long Term Fee Options

FEE OPTIONS CONSIDERED FEASIBLE – IRRIGATED/NON-IRRIGATED CHARGE (NO DWR GRANTS) – Non-Irrig/Irrig-SW/Irrig-GW 3 user class option

CSGSA Irrigated/Non-irrigated Charge Option Irrigated Annual Charge-SW	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
Irrigated SW Total Revenue Allocation	$77,951	$77,951	$74,407	$74,407	$72,635
Irrigated Total Net Assessable Acreage	9,424	9,424	9,424	9,424	9,424
Proposed Total Charge ($/ac)	$8.27	$8.27	$7.90	$7.90	$7.71
Annualized Total Charge ($/ac)	$8.01	$8.01	$8.01	$8.01	$8.01

CSGSA Irrigated/Non-irrigated Charge Option Irrigated Annual Charge-GW	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
Irrigated GW Total Revenue Allocation	$233,852	$233,852	$223,221	$223,221	$217,905
Non-Irrigated Total Net Assessable Acreage	21,263	21,263	21,263	21,263	21,263
Proposed Total Charge ($/ac)	$11.00	$11.00	$10.50	$10.50	$10.25
Annualized Total Charge ($/ac)	$10.65	$10.65	$10.65	$10.65	$10.65

Irrigators: parcels that use surface water and/or groundwater for irrigation uses; urban areas.
Non-irrigators: open space, vacant land, pasture, less than 2 afy usage generally.

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Corning Subbasin GSA – 2023 Long Term Fee Options

FEE OPTIONS CONSIDERED FEASIBLE – IRRIGATED/NON-IRRIGATED CHARGE (NO DWR GRANTS) – 90/10, 95/5% and 100/0% Irrig./Non-Irrig. cost comparison

Cost Allocation Scenarios

User Class	90/10%	95/5%	100/0%
Irrigated-SW	$ 8.01	$ 8.45	$ 8.90
Irrigated-GW	$10.65	$11.24	$11.83
Non-Irrigated	$ 2.40	$ 1.20	$ 0

Policy discussion on Three-Tier Irrigated/Non-Irrigated Charge.

Non-Irrigators: what is correct cost allocation for CS GSA fee?
Non-irrigators: open space, vacant land, pasture/rangeland, less than 2 afy usage, other?

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Corning Subbasin GSA – Long Term Charge Option Decision

Option	Fee	Pros	Cons
Uniform	$7.51/ac/year	Easy to implement and understand	Not equitable for non-irrigators
Well Charge	$548/well/year	SGMA compliance cost allocation	Not ready to implement for 2023 Fee Project
Irrigator Non-Irrigator (Two-Tier)	$ 9.84/ac/year $ 2.40/ac/year	Low implementation costs	90/10 cost allocation too high non-irrig. rate
Irrigator-SW Irrigator-GW Non-Irrigator (Three Tier)	$ 8.01/ac/year $10.65/ac/year $ 2.40/ac/year	Recognizes SW benefits to Subbasin	More complex and costly to implement
Key Decision: make final decision about non-irrigated cost allocation approach.			

All landowners should pay a portion of GSA and SGMA compliance costs.

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Corning GSA – 2023 Long Term Fee Options

FEE OPTIONS COMPARISON – UNIFORM vs. IRRIG./NON-IRRIG. CHARGE COMPARISON (NO DWR GRANTS) - $/ac/yr.

	CS GSA 4/27/23 Board Meeting		CS GSA 5/11/23 GSA Meeting 95/5 CA	
Parcel Type	**Uniform**	**Irr/Non-Irr**	**Irr/Non-Irr (1)**	**Irr/Non-Irr (2)**
Irrigated-SW	$7.51	$9.84	$ 10.38	$ 8.45
Irrigated-GW	$7.51	$9.84	$ 10.38	$11.24
Non-irrigated	$7.51	$2.40	$ 1.20	$ 1.20 <address>

Irrigated/Non-irrigated shifts more of the cost burden to those that use the groundwater resource with higher implementation costs than the Uniform charge.

Assumes 90/10% Irrigated/Non-Irrigated cost allocation assumption. And 25/75% Irrigated-SW/Irrigated-GW cost allocation.

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Corning Subbasin GSA – 2023 Long Term Fee Options

FEE OPTIONS COMPARISON – FOR SELECTING PREFERRED CHARGE OPTION (NO DWR GRANTS)

GSA Charge Options Comparison	Ease of Understanding	Ease of Implementation	Customer Equity	Additional GSA Administration	Revenue Sufficiency
Uniform Charge	1	1	2/3	1	1
Irrigated/Non-Irrig (1)	2	2	2	2	1
Irrigated/Non-Irrig (2)	2/3	2/3	1	2	1
Well Charge	1	2	1/2	2/3	1

Option Ranking:
1= best, 3 = lowest

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Corning Subbasin GSA – 2023 Long Term Fee Options

FEE OPTION DECISION – NEXT STEPS TO ESTABLISH FY23-24 Fee

May 11: Decide on preferred Fee option
June 08: Approve Fee Report
June 12: Send out Prop. 218 Notice
July 27: Conduct Public Hearing; Approve Proposed Fees
Aug 10: Tax Roll data due to Assessor's Office

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Corning Subbasin GSA Next Steps – 5.11.23

CORNING SUBBASIN GSA ACTION

- Approve the preferred long term charge option for inclusion in the CSGSA Fee Report
  - Select preferred Irrigated/Non-irrigated Charge Option with higher implementation costs with more detailed parcel analysis and higher cost allocation to irrigated parcels
- Set special meeting for June 8, 2023 to approve CSGSA Fee Report and schedule public hearing at July 27, 2023 GSA meeting.
- Conduct public workshop in June to discuss need for fee and answer questions and concerns prior to July GSA Board meeting.

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CSGSA 2023 Long Term Funding Project

Public Outreach

2023 Project Fact Sheet

Coming Soon!

CSGSA 2023 Long Term Funding Project

Public Outreach

2023 Project Frequently Asked Questions

Coming Soon!

California

PROPERTY TAX
INFORMATION

Proposition 218 gave taxpayers the right to vote on all local taxes, and requires taxpayer approval of property related assessments and fees.

www.californiataxdata.com

100 Pacifica, Suite 470

Irvine, California 92618

Tel 949-789-0660

Fax 949-788-0280

What is Proposition 218?

Background

In November 1996, California voters passed Proposition 218, the "Right to Vote on Taxes Act". This constitutional amendment protects taxpayers by limiting the methods by which local governments can create or increase taxes, fees and charges without taxpayer consent. Proposition 218 requires voter approval prior to imposition or increase of general taxes, assessments, and certain user fees.

The Environment Prior to Proposition 218

Proposition 13 dramatically changed the California property tax landscape after its passage in 1978. The result was a severe limitation on ad valorem property taxes (property taxes based on assessed value of property). Consequently, local governments had to look elsewhere to find money to fund public services and improvements. These agencies turned to benefit-based assessments, special taxes and user fees, which were not subject to Prop. 13 limitations. However, this resulted in increasing property tax bills, the main concern that Prop. 13 attempted to control.

Proposition 218 Tax Reform

Prop. 218 radically changes the way in which local governments raise revenues by ensuring taxpayer approval of charges and increases to existing charges. Voters are also given the ability to repeal or reduce charges by voter initiative.

Specific Features of Proposition 218

The primary changes put in place by Proposition 218 are explained below.

1. **Voter Approval on Taxes.** Prop. 218 requires all local governments, including charter cities, to get majority voter approval for new or increased general taxes.

2. **Limits on Use of "General Taxes".** Proposition 218 restricts the use of general taxes, which require majority voter approval, to general purpose governments (i.e. cities and counties). School districts are specifically precluded from levying a general tax.

3. **Stricter Rules on Benefit Assessments.** Benefit assessments by definition must be calculated based on the benefit received by the parcel as a result of the project financed. Prop. 218 created stricter rules for initiating or increasing benefit assessments. Now, an agency must determine the specific benefit the project will have on individual parcels. A general enhancement to property values can no longer serve as the benefit.

4. **Increased Notification and Protest Requirements.** Proposition 218 will require that agencies put all assessments, charges and user fees out to a vote prior to creation or increase. In most cases, the vote will require individual notices be mailed to affected property owners. A formal protest hearing is also required to move forward with the charge or increase.

5. **Restrictions on Use of Fees.** Proposition 218 prohibits local governments from imposing fees on property owners for services that are available to the public at large (like garbage collection and sewer service). In any case, fees charged to property owners may not exceed the cost of providing the service.

6. **Government Owned Property No Longer Exempt.** Proposition 218 requires government agencies to pay their fair share of a benefit assessment, if the property receives benefit from the project or service financed.

7. **Initiative Power To Repeal.** Prop. 218 gives voters the power to reduce or repeal any existing local tax, assessment, or charge through the initiative process.

APPENDIX G

Corning Sub-basin GSA - 2023 Long Term Fee Option Information

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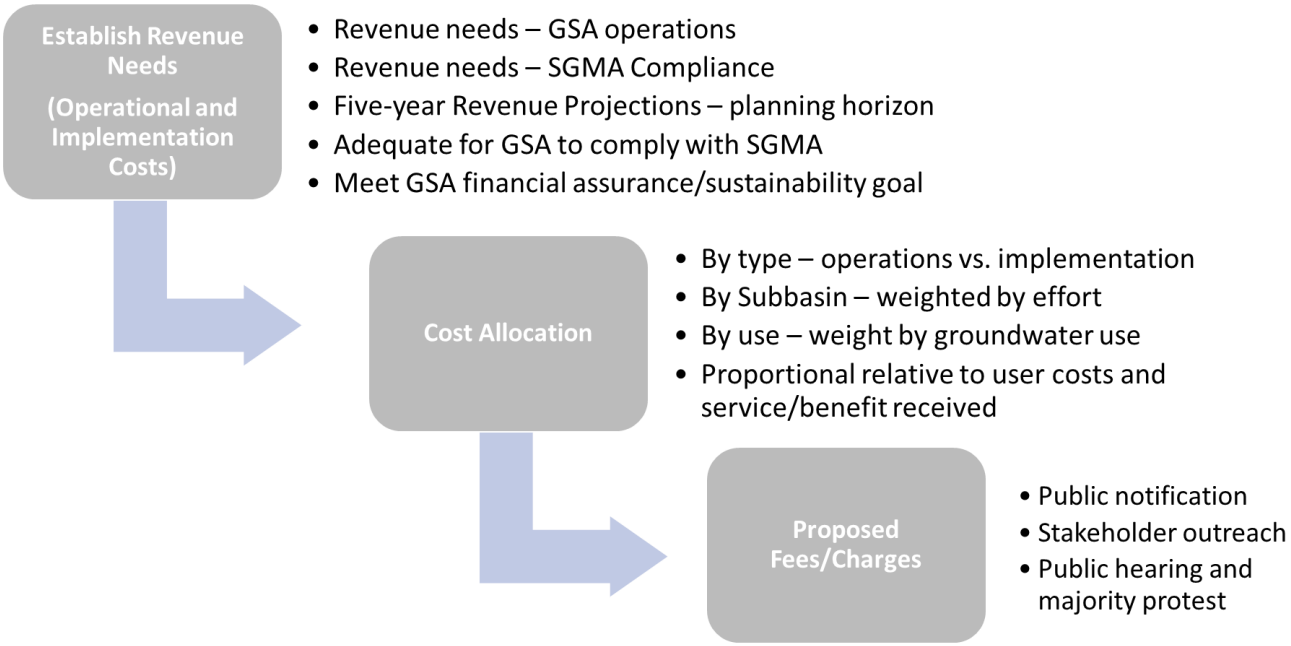
Corning Subbasin GSA

2023 Fee Report

CSGSA 2023 Long Term Fee Project – Fee Setting Process



The CSGSA following the above described fee setting process for developing its long term fees to sustain the GSA consistent with Proposition 218 and SGMA compliance requirements.

Corning Subbasin GSA

2023 Fee Report

Cost Allocation Information For Proposed Fees

CSGSA Revenue Projections – FY23-24 Through FY27-28

CORNING SUBBASIN GSA - Long Term Funding Strategy Five-Year DRAFT GSA Operational Budget - GSP Implementation With SGMA Compliance Costs					
5-Year GSP Implementation Inflation Adjustment	0%	3%	3%	3%	3%
Proposed	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Cost Category-GSA Administration	**FY2023-24**	**FY2024-25**	**FY2025-26**	**FY2026-27**	**FY2027-28**
General Management					
Administration- Contracted Services	$90,000	$90,000	$90,000	$90,000	$90,000
Accounting/County A-87 Costs	$5,000	$5,000	$5,000	$5,000	$5,000
Audits	$10,000	$10,000	$10,000	$10,000	$10,000
Insurance	$2,000	$2,000	$2,000	$2,000	$2,000
Technical Services					
Consulting Services	$20,000	$20,000	$20,000	$20,000	$20,000
Legal Services	$50,000	$50,000	$50,000	$50,000	$50,000
Materials and Outreach					
Supplies and Materials	$3,000	$3,000	$3,000	$3,000	$3,000
Legal Notices	$1,000	$1,000	$1,000	$1,000	$1,000
Fees and Assessments					
County Tax Roll Fee	$4,000	$4,000	$4,000	$4,000	$4,000
Reserve and Contingency					
GSA Admin. Contingency (5%)	$9,250	$9,250	$9,250	$9,250	$9,250
GSA Administration Sub-Total	$194,250	$194,250	$194,250	$194,250	$194,250
5-Year GSP Implementation Inflation Adjustment	0%	3%	3%	3%	3%
Cost Category-SGMA Compliance	**FY2023-24**	**FY2024-25**	**FY2025-26**	**FY2026-27**	**FY2027-28**
Annual Reporting (with continued DWR monitoring)	$14,850	$14,850	$14,850	$14,850	$14,850
Five Year GSP Update w/Modeling Calibrations (due 2027)	$37,500	$37,500	$37,500	$37,500	$30,000
Surface-GW Interaction Modeling	$8,000	$8,000	$8,000	$8,000	$8,000
GSA and Stakeholder Coordination & Outreach	$20,000	$20,000	$20,000	$20,000	$20,000
Data Management System Upgrade and Maintenance	$21,600	$21,600	$6,600	$6,600	$6,600
Long Term Financial Planning/Fees	$18,000	$18,000	$18,000	$18,000	$18,000
Grant Procurement	$10,000	$10,000	$10,000	$10,000	$10,000
GSP Project Implementation (e.g. address data gaps)	$15,000	$15,000	$15,000	$15,000	$15,000
SGMA Compliance Contingency (5%)	$7,248	$7,248	$6,498	$6,498	$6,123
SGMA Compliance Sub-Total	$152,198	$152,198	$136,448	$136,448	$128,573
TOTAL CSGSA Administration (w/inflation adjustment)	$194,250	$200,078	$205,905	$211,733	$217,560
TOTAL CSGSA SGMA Compliance (w/inflation adjustment)	$152,198	$156,763	$144,634	$148,728	$144,001
TOTAL CSGSA Operational Budget (without inflation)	$346,448	$346,448	$330,698	$330,698	$322,823

CSGSA revenue projections approved for use in developing long term fees to achieve SGMA compliance and implement the GSP for all landowners within the service area boundary.

Corning Subbasin GSA

2023 Fee Report

Cost Allocation Information For Proposed Fees

Irrigated/Non-Irrigated Fee Option Basis With 97.87/2.13% Cost Allocation

CSGSA Irrig/Non-Irrig Charge Option Cost Allocation Summary	Total Annual GW Use (afy)	Non-Irrigated Parcels
Irrigated Parcels	64,400.70	97.87%
Non-Irrigated Parcels (0.1 af/ac/yr)	1,400.30	2.13%
Total CSGSA Annual GW Use	65,801.00	100.00%

Data Source: 2023 DWR Annual Report – Corning Subbasin (Glenn portion).

Irrigated/Non-Irrigated Fee Option With 97.87/2.13% Cost Allocation

CSGSA Irrig/Non-Irrig Charge Option Cost Allocation Summary	Irrigated Parcels	Non-Irrigated Parcels	Irrigated-SW Parcel	Irrigated-GW Parcel
GSA Administration Costs	97.87%	2.13%	25.00%	75.00%
SGMA Compliance Costs	97.87%	2.13%	25.00%	75.00%

Basis For 97.87/2.13% Cost Allocation – 2.13% Allocated To Non-Irrigated Parcels

Cost Category-SGMA Compliance (Non-Irrigators)	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Annual Reporting (with continued DWR monitoring)	$316	$316	$316	$316	$316
Five Year GSP Update w/Modeling Calibrations	$799	$799	$799	$799	$639
Surface-GW Interaction Modeling	$170	$170	$170	$170	$170
GSA Coordination & Outreach (w/in and between GSAs)	$426	$426	$426	$426	$426
Data Management System Maintenance	$460	$460	$141	$141	$141
Long Term Financial Planning/Fees	$383	$383	$383	$383	$383
Grant Procurement	$213	$213	$213	$213	$213
GSP Project Implementation and Monitoring	$320	$320	$320	$320	$320
Contingency (5%)	$154	$154	$138	$138	$130
SGMA Compliance Sub-Total Non-Irrigators	**$3,242**	**$3,242**	**$2,906**	**$2,906**	**$2,739**
Non-Irrigated GSA SGMA Cost Share (2.13%)	5.0%	5.0%	5.0%	5.0%	5.0%
GSA Admin Total Annual Costs	$194,250	$194,250	$194,250	$194,250	$194,250
Non-Irrigated GSA Admin. Cost Share (2.13%)	**$4,138**	**$4,138**	**$4,138**	**$4,138**	**$4,138**
Total Non-Irrigated GSA and SGMA Cost Share (2.13%)	**$7,379**	**$7,379**	**$7,044**	**$7,044**	**$6,876**

Basis For 25/75% Cost Allocation - For Irrigated User Classes

Irrigated-Surface water parcels use about 25% of the total groundwater use vs. groundwater users over a typical 10-year hydrologic period including dry years when surface water supplies are cutback and supplemented with groundwater sources. This allocation spreads GSA costs based on relative groundwater impact.

Additional Data For 97.87/2.13% Cost Allocation Option

2023 DWR Annual Report – Total Groundwater Use Data

aoi	wb_region_id	wb_region_name	wb_region_area_ac	water_year	total_gw_extract
corning	703	Orland Unit WUA	8591.8	2022	**4380**
corning	706	Glenn-Colusa ID	920.2	2022	**2591**
corning	708	Hamilton City	282	2022	**322**
corning	710	Corning White Area Glenn	36091.1	2022	**58508**

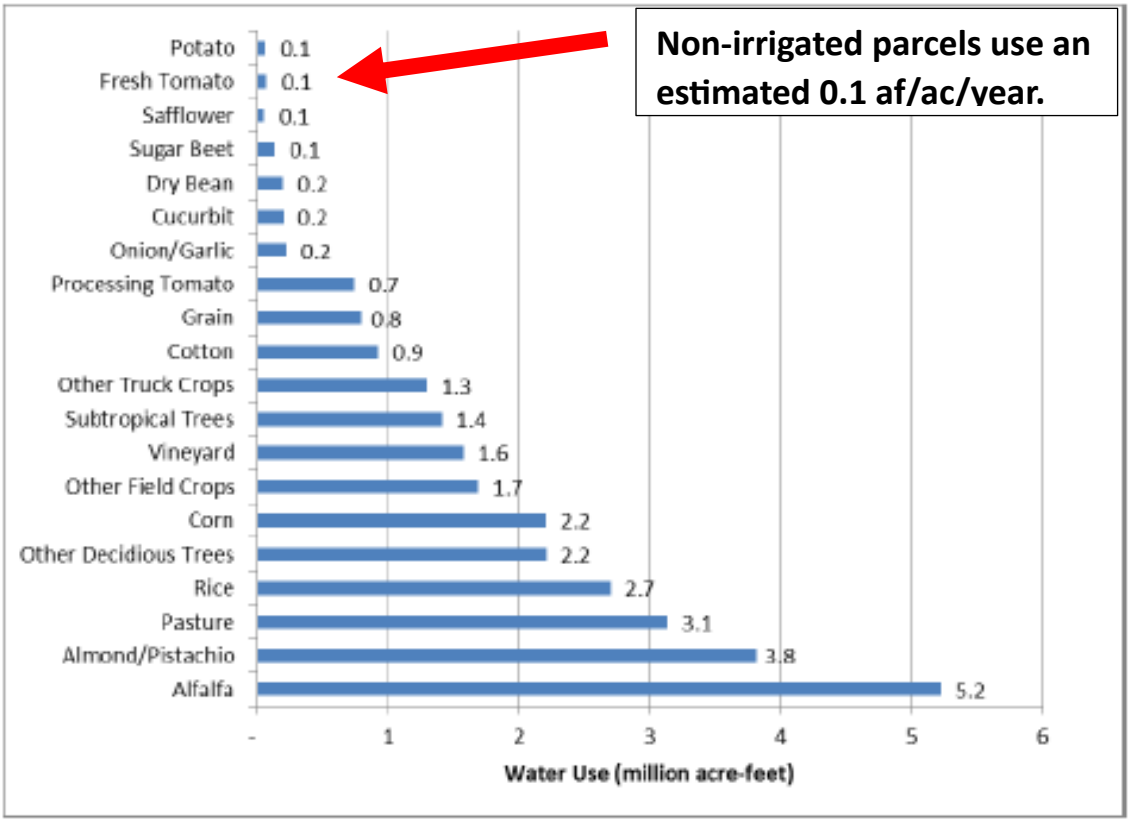
Total = 65,801

DWR Crop Water Use Data For Non-Irrigated Parcels

Non-irrigated parcels are estimated to use on average 0.1 acre feet/acre/year based on parcels included (open space, vacant land, dry farming, and rangeland

APPLIED WATER FOR CALIFORNIA CROPS

California produces a highly diverse array of agricultural products in varying amounts and with different water requirements. These crops are commonly grouped into 20 crop categories (Appendix). Figure 2 shows the applied water by crop type in 2010, the most recent year for which water data are available. In 2010, the single largest user of water was alfalfa, with an estimated 5.2 million acre-feet of applied water. A large and growing amount of water was also applied to almonds and pistachios, which together used 3.8 million acre-feet of water, 54% higher than in 2000. Irrigated pasture and rice represent the third and fourth largest water user, respectively, in California.



Corning Subbasin GSA

2023 Fee Report

Cost Allocation Information For Proposed Fees

Irrigated/Non-Irrigated Alternative Fee Option With 95/5% Cost Allocation

CSGSA Irrig/Non-Irrig Charge Option Cost Allocation Summary	Irrigated Parcels	Non-Irrigated Parcels	Irrigated-SW Parcel	Irrigated-GW Parcel
GSA Administration Costs	95.00%	5.00%	25.00%	75.00%
SGMA Compliance Costs	95.00%	5.00%	25.00%	75.00%

Basis For 95/5% Cost Allocation – 5% Allocated To Non-Irrigated Parcels

Cost Category-SGMA Compliance (Non-Irrigators)	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Annual Reporting (with continued DWR monitoring)	$743	$743	$743	$743	$743
Five Year GSP Update w/Modeling Calibrations	$1,875	$1,875	$1,875	$1,875	$1,500
Surface-GW Interaction Modeling	$400	$400	$400	$400	$400
GSA Coordination & Outreach (w/in and between GSAs)	$1,000	$1,000	$1,000	$1,000	$1,000
Data Management System Maintenance	$1,080	$1,080	$330	$330	$330
Long Term Financial Planning/Fees	$900	$900	$900	$900	$900
Grant Procurement	$500	$500	$500	$500	$500
GSP Project Implementation and Monitoring	$750	$750	$750	$750	$750
Contingency (5%)	$362	$362	$325	$325	$306
SGMA Compliance Sub-Total Non-Irrigators	**$7,610**	**$7,610**	**$6,822**	**$6,822**	**$6,429**
Non-Irrigated GSA SGMA Cost Share (4.0%)	5.0%	5.0%	5.0%	5.0%	5.0%
GSA Admin Total Annual Costs	$194,250	$194,250	$194,250	$194,250	$194,250
Non-Irrigated GSA Admin. Cost Share (5.0%)	**$9,713**	**$9,713**	**$9,713**	**$9,713**	**$9,713**
Total Non-Irrigated GSA and SGMA Cost Share (4.0%)	**$17,322**	**$17,322**	**$16,535**	**$16,535**	**$16,141**

Basis For 25/75% Cost Allocation - For Irrigated User Classes

Irrigated-Surface water parcels use about 25% of the total groundwater use vs. groundwater users over a typical 10-year hydrologic period including dry years when surface water supplies are cutback and supplemented with groundwater sources. This allocation spreads GSA costs based on relative groundwater impact.

Corning Subbasin GSA

2023 Fee Report

CSGSA Fee Option Review Summary

FUNDING OPTIONS - COST ALLOCATION APPROACHES

The CSGSA established updated revenue projections over the upcoming five-year period for use in evaluated long-term funding options. The CSGSA discussed a range of funding options and resulting cost allocation approaches. These included simpler options, such as combining GSA-level administration and its share of GSP implementation and SGMA compliance costs and uniformly distributing costs per acre within the GSA, and more complex options, such as distributing costs based on irrigator/non-irrigator delineations and considering land use hybrids that would consider land and/or water use factors. The CSGSA Board expressed support for cost allocation approaches that were easy to understand and implement, fair and equitable, reasonable, and had lower implementation costs that would not significantly increase final funding recommendations. All funding options being considered were based on meeting updated CSGSA revenue projections over the project planning horizon.

The CSGSA Board discussed long-term funding options while developing the updated revenue projections and wanted to consider any legal implications for different charge options that could further increase legal expenses for the GSA or result in new legal challenges. Legal challenges for any funding mechanism result in increased future charges for all landowners within the Subbasin.

The CSGSA Board approved the exploration of the following long-term charge options at the March 2023 meeting and directed LSCE to conduct a funding option evaluation process with more in-depth evaluation and analysis noting trade-offs (pros/cons) between the options that would assist the Board in selecting a preferred funding mechanism at the May 2023 Board meeting. The funding options considered as infeasible and prioritized for further evaluation are summarized below as follows:

- **Uniform**. A uniform cost allocation would combine all costs and evenly distribute them across the CSGSA service area on a per-acre basis. In a uniform approach, a flat fee per acre would be assessed to landowners within the CSGSA service area boundary. The uniform charge is supported because it provides SGMA compliance benefits to all landowners paying the charge. However, this fee option was considered infeasible for the 2023 Fee Project because of the significant financial impact on non-Irrigated parcels.
- **Irrigated/Non-irrigated**. This option would allocate a higher percentage of total GSA costs to irrigators who rely on groundwater resources and would benefit directly from achieving groundwater sustainability. Non-irrigators would be subject to lower GSA charges and pay a smaller proportion of total GSA costs. This method would require parcel-level data distinguishing between irrigated and non-irrigated parcels and would require the development of user class definitions. There would be additional implementation costs for the GSA. This is considered the best available fee option for the 2023 Fee Project to achieve improved equity amongst irrigated and non-irrigated parcels.
- **Land Use Hybrid**. This option could consider land use, Evapotranspiration (ET), and/or estimated groundwater use criteria to refine property fees based on the inclusion of more intricate parcel-level data. This option would focus on defining parcels by their respective dependence on groundwater use. More user classes would be included in this approach with distinct user class definitions based on levels of groundwater use. This method could include currently metered and acceptable estimated groundwater pumping based on a 15–20-year groundwater use dataset. This option was excluded from further exploration because it would have higher implementation costs than the uniform or irrigated/non-irrigated charge options and would be more challenging to understand and additional time would be needed to implement.
- **Metering Groundwater Extraction (excluded)**. Metering all groundwater use in the Subbasin would be extremely expensive to implement and would significantly increase GSA charges. This option was excluded from further

exploration because there is not sufficient information currently available and the projected costs to install meters and implement supporting meter reading program and data management system are high. Applying the meter information would take years to implement. Additionally, the GSA does not want to become the revenue and billing collector.

- **Well Registration Program (excluded)**. Establishing a well registration program is a substantial and expensive undertaking. A Well Registration Program would likely need to conduct a broad survey with field verification as to the location of all wells in the Subbasin and to document key information about each well including well casing size and pumping horsepower. Then the well information would need to be incorporated into a data management system for easy access, updating, and possible future charge assessments. This option was excluded from further exploration because this information is not currently available and would be expensive to develop the well database and apply the information to a future charge approach that would take years to implement. This approach could also result in the GSA becoming the revenue and billing collector. [NOTE: IT IS RECOMMENDED THAT THE CSGSA CONTINUE TO UPDATE ITS WELL INVENTORY AND CONSIDER THIS FEE OPTION IN THE FUTURE ONCE ALL WELL DATA HAS ACCURATELY BEEN CATALOGUED IN THE GSA WELL INVENTORY DATABASE.]
- **Land Use Hybrid-Real-time ET (excluded)**. Open ET and other tools such as Land IQ can make real-time ET information available as a surrogate for metering water use. ET based approaches for setting GSA charges are being utilized in other parts of the State where groundwater overdraft conditions exist. While the ET data can be collected and validated with in-field instrumentation, it is very costly to implement and would increase GSA administration costs. This option was excluded from further exploration because of the higher implementation costs and impacts on future GSA revenue projections and increased complexity for charge implementation and understanding. Additionally, the GSA does not want to become the revenue and billing collector.
- **Member Contributions (excluded)**. The CSGSA member agencies provided some financial contributions toward initial GSA operations. If the member agencies had adequate reserves or available funds in their respective budgets, they could each make annual contributions based on their fair share of total GSA revenue projections to fund the GSA operations and SGMA compliance action items. This option was excluded from further exploration because the member agencies do not have adequate funds available from their respective budgets and do not expect to have adequate funds available in their future budgets to pursue a member contribution approach for meeting future GSA revenue projections.
- **Land Use Hybrid-Parcel-Area Based Charges (excluded).** This option would have separate funding structures for GSA operational costs funded on a per parcel basis and SGMA compliance costs funded based on a per acre basis. This option is excluded from further exploration because the parcel charge would undercharge small parcels and overcharge large parcels and not provide a nexus between proposed fees and benefits received. In addition, this charge model has not been adopted by any other GSAs at this time.

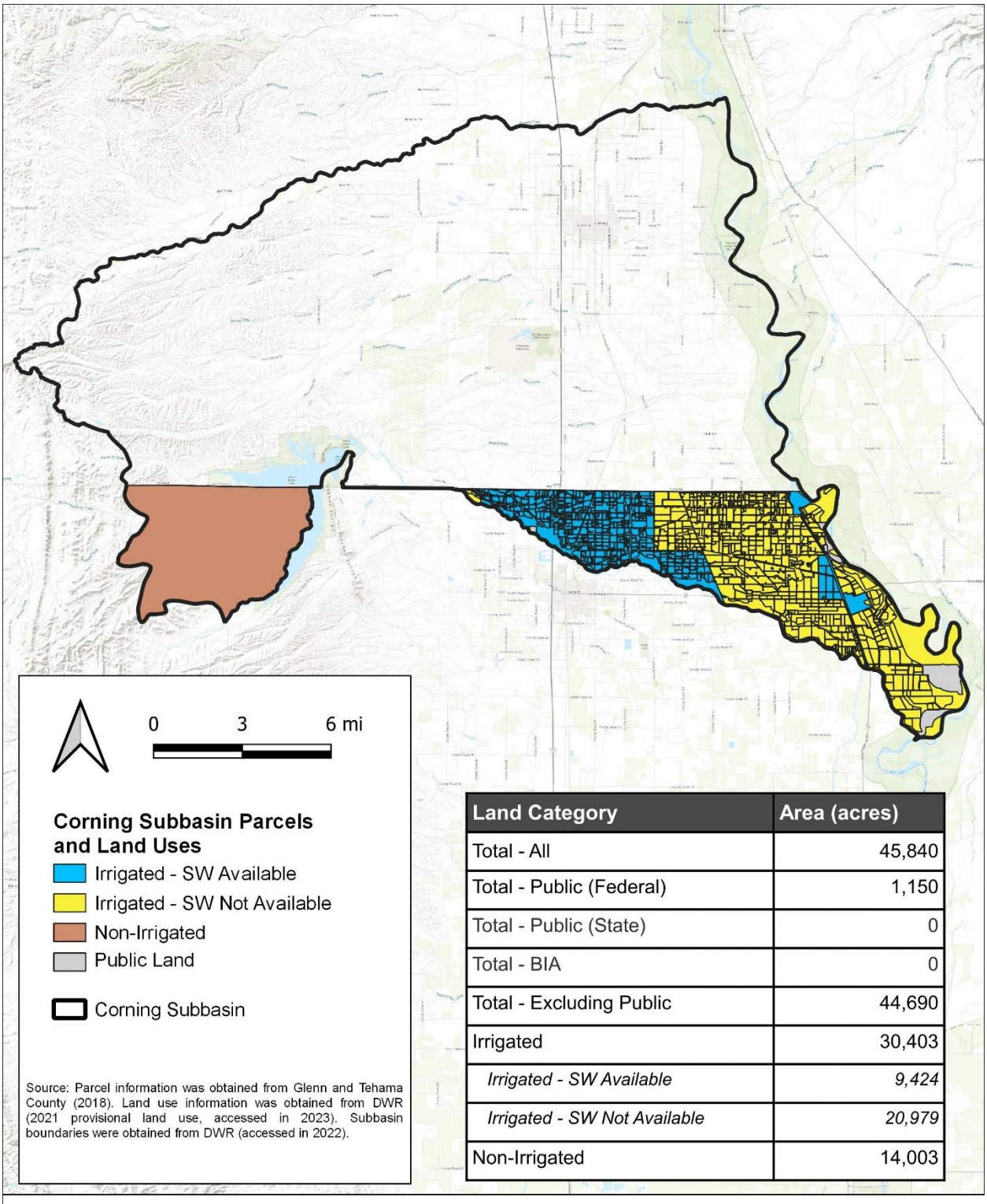
The CSGSA assessed the funding options analyzed as described above taking the option implementation costs into consideration. Several cost allocation methods, and revenue recovery methods, would result in additional implementation costs for additional data acquisition, monitoring and enforcement, such as remote sensing or metering, and technical support that would result in higher charges for those subject to the charges. The table below summarizes funding option implementation cost estimates. These implementation costs would add to actual charges calculated using any given option below.

CSGSA Charge Option Estimated Implementation Costs ($/ac)	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
Irrigated/Non-Irrigated	$0.34	$0.35	$0.36	$0.38	$0.39
Land Use Hybrid Crop Type	$1.16	$1.20	$1.23	$1.27	$1.30
Land Use Hybrid Crop ET	$2.06	$2.13	$2.19	$2.25	$2.31
Well Registration	$2.52	$2.83	$3.16	$3.50	$3.85
Metered Groundwater Extraction	$13.66	$14.31	$14.95	$15.60	$16.24

Corning Subbasin GSA

2023 Fee Report

CSGSA Service Area – Basis For Irrigated/Non-Irrigated Proposed Fees



Land Category	Area (acres)
Total - All	45,840
Total - Public (Federal)	1,150
Total - Public (State)	0
Total - BIA	0
Total - Excluding Public	44,690
Irrigated	30,403
Irrigated - SW Available	*9,424*
Irrigated - SW Not Available	*20,979*
Non-Irrigated	14,003

DRAFT EXHIBIT - Glenn County, Corning Subbasin Long-Term Funding Project
CONCEPTUAL Long-Term Fee Option