

Corning Subbasin GSA Meeting Long Term Funding Project Presentation

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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**

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.

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 |

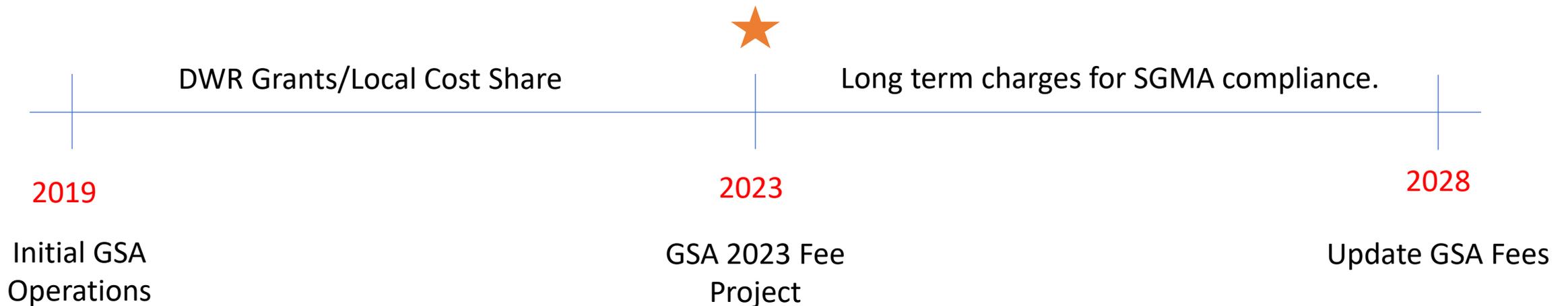
B = WC GSA Board Meeting

LSCE is streamlining work products to keep costs below budget.



CS GSA 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

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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

YOU ARE HERE

Proposed Fees/Charges

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

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

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)

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

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

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 |

| 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 |

FY23-24

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.

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

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.

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

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 | Irrigated | Non-Irrigated |
|---|------------------|----------------------|
| Cost Allocation Summary | Parcels | 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.

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 |

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

| <u>Parcel Type</u> | <u>Uniform Charge</u> | <u>Irrig/Non-irrig Charge</u> |
|--------------------|-----------------------|-------------------------------|
| 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.

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)**

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 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 | 4/27 Irrigated | 4/27 Non-Irrig. | 5/11 Irrigated | 5/11 Non-Irrig. |
|---|-----------------------|------------------------|-----------------------|------------------------|
| Cost Allocation Summary | Parcels | Parcels | Parcels | 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.

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.

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 |

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

| <u>User Class</u> | <u>90/10%</u> | <u>95/5%</u> | <u>100/0%</u> |
|-------------------|---------------|--------------|---------------|
| 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.

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.

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 | Fiscal Year |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Irrigated Annual Charge-SW | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 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 | Fiscal Year |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Irrigated Annual Charge-GW | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 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.

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

| <u>User Class</u> | <u>90/10%</u> | <u>95/5%</u> | <u>100/0%</u> |
|-------------------|---------------|--------------|---------------|
| 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?

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.

Wyandotte Creek 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

| <u>Parcel Type</u> | <u>Uniform</u> | <u>Irr/Non-Irr</u> | <u>Irr/Non-Irr (1)</u> | <u>Irr/Non-Irr (2)</u> |
|--------------------|----------------|--------------------|------------------------|------------------------|
| 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.

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

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

Corning Subbasin GSA Action – 5.11.23

CORNING SUBBASIN GSA ACTION

- Approve the preferred long term charge option for inclusion in the CS GSA 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 CS GSA 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.