



Ukiah Valley Basin

Groundwater Sustainability Agency

RATE AND FEE STUDY

PRESENTED BY THE HANSFORD
ECONOMIC CONSULTING PROJECT TEAM

Fee Study Purpose

Consultant Team was engaged to create a dependable long-term funding mechanism that will support the UVBGSA's activities to comply with the Sustainable Groundwater Management Act.

Ukiah Valley Basin must demonstrate progress each year toward achieving sustainability and must achieve sustainability within 20 years (by 2043).

Consultant Team includes:

- Catherine Hansford, Fee Consultant
- Schaelene Rollins, Public Outreach
- Elizabeth Schlegel, Project Cost Estimation and Prioritization
- Diego Ramirez, GIS Mapping

Funding Background

Equal annual contributions from the Joint Powers Agreement members:

- City of Ukiah
- County of Mendocino
- Russian River Flood Control & Water Conservation District
- Upper Russian River Water Agency

JPA specifies the GSA may be funded as authorized by SGMA (commencing with Section 10730 of the Water Code)

Fee Study Goals

1. Eliminate contributions from member agencies and establish a fair fee structure that generates a sufficient, stable revenue stream based on best available data and developed information.
2. Secure a fee structure adopted with maximum buy-in from stakeholders.
3. Maintain transparency throughout the project.

How are GSA Activities Funded?

SGMA Tools

Regulatory Fees

Water Code 10730
Permits, Inspections
Government Services/Products

Property Related Fees

Water Code 10730.2

Meter Installation Cost Recovery

Water Code 10725.8(b)

General Tools

Contributions

Memberships
Partnerships

Grants

Debt

Specialized Tools

Special Taxes
Assessments
Mitigation Fees

Land-Secured Special
Taxes or Assessments

Tax Increment

Decide Purpose of the New Fee

Regulatory Activity Only

- Report to the Department of Water Resources on mandated items
- Document well and pumping activity
- Conduct studies and run programs
- Fill data gaps (monitoring wells, weather stations etc.)
- Inspections/enforcement of regulations adopted by the GSA
- General program administration expenses



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Management Activity

- Land acquisition for projects
- Build projects (recharge basins, surface water delivery pipelines etc.)

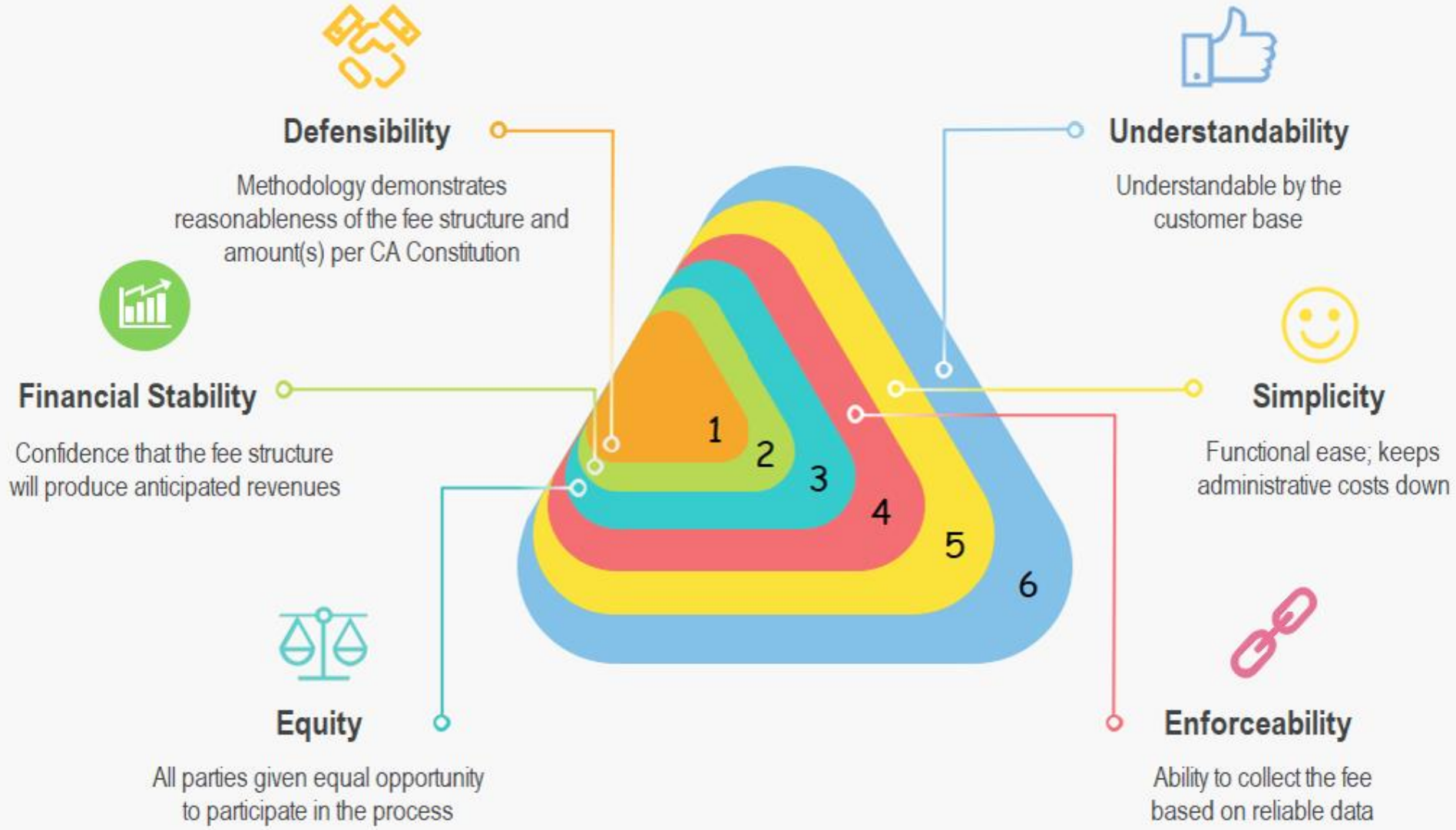


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Fee Structure Options

Fee Structure Goals



Options

- Wellhead Fee
- Parcel Fee
- Acreage Fee
- Point of Connection Fee
- Extraction Fee
- Hybrid – combination of options

Consultant will provide up to 3 fee structures based on stakeholder input and data limitations

How is the Fee Best Determined?

- ❑ Available reliable data
- ❑ Input from the Customer Base
- ❑ Resource capabilities of the GSA and participating agencies
- ❑ Legal guidance

Considerations of:

- Reasonable relationship between the charge and benefit received
- Disparities in ability to pay
- Language and cultural barriers

Estimated Revenue Requirement

Best estimate of costs for the next 5 years based on staff knowledge and consultant expertise and experience

Administrative Costs

- ❑ General (County charges, Board meetings, Website, Legal services, Insurance, Fee Program costs)
- ❑ GSP-Driven (GSP implementation oversight, contracts/fiscal management, outreach and engagement, grant writing)

GSP Implementation Actions

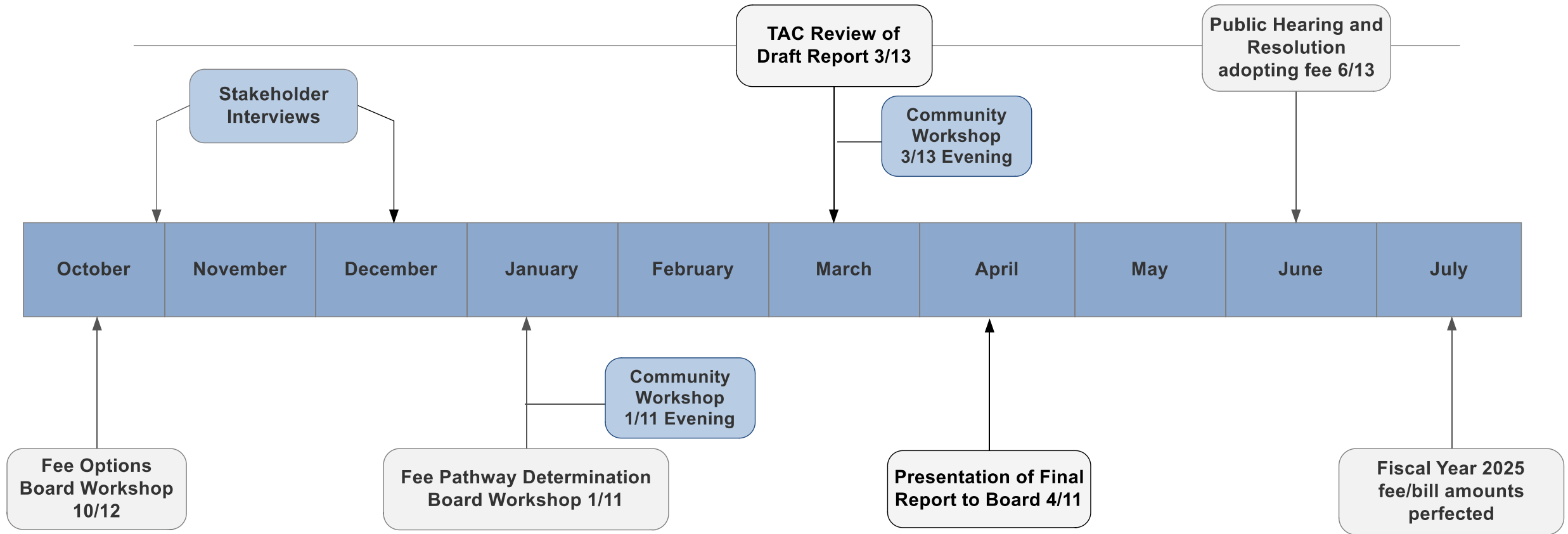
- ❑ Monitoring & Reporting (DWR reporting, data collection)
- ❑ Studies (Recharge Master Plan, Water Supply Resiliency Study)
- ❑ Programs (Voluntary metering program, assisting partners with implementation projects, land repurposing program)

Prudent Reserves



Estimated Schedule & Outreach Efforts

Schedule to Completion



Fee Study Messaging

- The new fee will be specifically used for the UVBGSA operations and is not a part of, or associated with, any existing fees/charges/assessments imposed by other agencies in the Ukiah Valley Basin.
- The Fee Study is looking at several factors in determining possible funding options and will consider the unique needs of the communities within the basin.
- The public will be invited to attend workshops to learn about the fee study and offer comments to be considered while developing funding options.

Public Outreach

Public Workshops in Ukiah

Education

- Email
- UVBGSA Electronic Newsletters
- UVBGSA Website
- Articles for Local Organizations' Newsletters
- Media Outlets
- Presentations as requested