



FY 2020-2021 GROUNDWATER EXTRACTION FEE REPORT

CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY

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SECTION 1 – ACRONYMS

AF	Acre-feet
CBGSA	Cuyama Basin Groundwater Sustainability Agency
GSA	Groundwater Sustainability Agency
GSP	Groundwater Sustainability Plan
SGMA	Sustainable Groundwater Management Act

SECTION 2 – DEFINITIONS

De Minimis User – Commercial

Uses 1.5 acre-feet or less in a year per well. De minimis users do not have to pay a fee but must still provide well information on Form D as found in Exhibit C.

De Minimis User – Domestic (Non-Commercial)

Uses 2 acre-feet or less in a year per well. De minimis users do not have to pay a fee but must still provide well information on Form D as found in Exhibit C.

SECTION 3 – CUYAMA BASIN GROUNDWATER SUSTAINABILITY AGENCY BACKGROUND

The Cuyama Basin Groundwater Sustainability Agency (CBGSA) was formed in 2017 under the Sustainable Groundwater Management Act (SGMA) to develop and implement a Groundwater Sustainability Plan (GSP). The purpose of the GSP is to achieve groundwater sustainability for the Cuyama Basin by 2040. The CBGSA is governed by an 11-member board with representatives from the four counties that intersect the Basin (Kern, Santa Barbara, San Luis Obispo, and Ventura), the Cuyama Community Services District, and the Cuyama Basin Water District.

The CBGSA adopted a groundwater extraction fee in November 2019 to fund the administration of its groundwater management program and GSP. That fee was based on water use in 2019 and was to cover the Calendar Year 2020 period. After the CBGSA collected a majority of the fees, the CBGSA determined that the collected fees would not be sufficient to fully fund administration costs. The primary reason for this under collection was the difference in estimated water used in the Cuyama Basin over which the CBGSA spread the budget when setting the fee. The original modeling showed irrigated water use of 60,000 AF for 2019. Once land use was updated in late 2019, the model projection was revised to 47,000 AF. Another issue was that some landowners with water measuring meters reported water use using meters, a gross method, while those without water-measuring meters provided estimates of irrigated use via crop factors that were provided which is a net calculation of water use.

To address the under collection, resolve the inconsistency between gross and net reporting methods and to streamline the fee process, in March 2020, the CBGSA Board set the fee using a fiscal year, rather than calendar year. In addition, on June 25, 2020, the CBGSA Board took action to administer a supplemental fee based on revised crop factors for irrigated lands for the Fiscal Year 2020-2021 period (July 1, 2020 through June 30, 2021).

SECTION 4 – ESTABLISHING A FEE

Water Code section 10730 authorizes Groundwater Sustainability Agencies (GSAs) to establish a groundwater extraction fee to fund, among other things, the costs of a groundwater management

program, including administration of a GSP. The CBGSA has set the fee over the Fiscal Year 2020-2021 period and is based on 2019 water consumption.

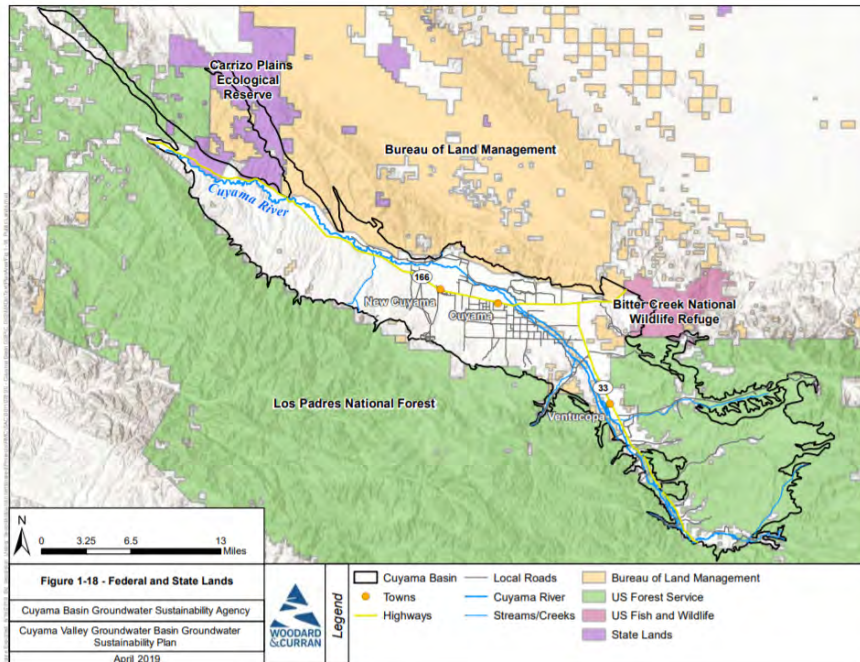
Section 4.1 – Definition of an “Extractor”

An extractor is defined as a pumper of groundwater within the Cuyama Basin groundwater basin boundary as defined by California Department of Water Resources’ Bulletin 118 (see Figure 1 below). The below groups are not considered extractors:

Exclusions:

- De minimis user – Wells that use 1.5 acre-feet or less per year for commercial purposes, or wells that use less than 2 acre-feet per year for residential purposes. De minimis users do not have to pay a fee but must still provide well information on Form D as found in Exhibit C.
- State and federal lands – Non-commercial water use on State and federal lands. Well use on State and federal lands do not have to pay a fee but must still provide well information on Form D as found in Exhibit C.

FIGURE 1 – GROUNDWATER BASIN IN CUYAMA



Section 4.2 – Fee Basis

The proposed groundwater extraction fee is based on the CBGSA’s fiscal year budget and includes an estimated delinquency rate of 10 percent. The fiscal year budget for 2020-2021 was adopted on May 6, 2020 and totals \$1,355,321.00, which is included as Exhibit A. However, for the fee, the CBGSA is only collecting money for non-grant reimbursable items equaling \$1,014,264.00, as shown in the attached budget.

Water use for the Fiscal Year 2020-2021 fee is based on user-reported water use from 2019 based on evapotranspiration crop factors developed by a Cal Poly Irrigation Training & Research Center (ITRC) report as shown in Exhibit B. Water use for 2019 is calculated to be 25,132 AF.

Based on the Fiscal Year 2020-2021 budget less reimbursable costs, inclusion of a 10 percent delinquency rate and user-reported 2019 water use, the CBGSA recommends a groundwater extraction fee of \$44 per acre-foot to cover the Fiscal Year 2020-2021 CBGSA administration costs (July 1, 2020 through June 30, 2020).

Section 5 – ADMINISTRATION OF FEE

Section 5.1 – Invoices

Invoices and instructions for payment will be sent to irrigators in August 2020. If a landowner can show that their metered water use is less than the crop factor result, they may use the metered water use value for payment. If payments are not received by the due date of August 30, a past due notice will be mailed out in September 2020.

Section 5.1.1 – Non-Irrigation Water Use

For landowners using water that are not irrigators, Form M “Municipal and Industrial” will be sent to all parcel owners in the Cuyama Basin to calculate if non-irrigated water use is above the de minimis threshold and requires payment to the CBGSA. Form M is included in Exhibit C of this report.

Section 5.1.2 – De Minimis

De minimis users (see Section 2 for definitions) do not have to pay a fee but must still provide well information on Form D as found in Exhibit D. This form will be sent to all parcel owners in the Cuyama Basin.

Section 5.2 – Schedule/Reporting period

The below schedule outlines the groundwater extraction fee process:

May	Fiscal Year Budget Adopted
Aug	Public Hearing to Establish Fee
Aug	Invoices and Forms are Mailed Out
Aug-Sep	Payment Collection Period
Sep 30, 2020	Payment Due Date
Oct	Late penalties assessed (10% and then 1% per month)

SECTION 6 – PENALTIES

Well owners will be charged a 10 percent penalty after the September 30, 2020 due date with an escalation rate of 1 percent for each month late after the initial due date.

Exhibit A
FISCAL YEAR 2020-2021 BUDGET

DRAFT CBGSA FY 2020-21 BUDGET

FY 20-21

A HALLMARK GROUP

1	CBGSA Board of Directors Meetings	\$	51,900
2	Consultant Management and GSP Implementation	\$	40,800
3	Financial Information Coordination	\$	17,450
4	Cuyama Basin GSA Outreach	\$	8,900
5	Funding Process (Currently Extraction Fee) - Administration	\$	18,850
6	Management Area Admin - Initial Coordination with CBWD	\$	3,000
7	Management Area Admin - Document Policies and Guidelines	\$	2,250
8	Management Area Admin - Monthly coordination calls	\$	9,000
9	Support for CBGSA Response to DWR and Public Comments	\$	1,200
10	Other Direct Charges (Mileage, conference lines, copies)	\$	2,335
		\$	155,685

B LEGAL

1	General Legal Counsel, Including:	\$	60,000
2	Funding Process (Currently Extraction Fee) - Public Hearing, Notice, etc.		
3	Management Area Admin - Initial Coordination with CBWD		
4	Management Area Admin - Document Policies and Guidelines		
		\$	60,000

C ADMIN

1	Audit	\$	12,000
2	Insurance	\$	11,000
3	California Association of Mutual Water Co. Membership	\$	200
4	Contingency	\$	20,000
		\$	43,200

D WOODARD & CURRAN & TECHNICAL

1	Grant Proposals	\$	40,400
2	Indirect Economic Analysis	\$	90,000
3	Funding Process (Currently Extraction Fee) - Public Hearing, ET Analysis, etc.	\$	25,076
4	Management Area Admin - Initial Coordination with CBWD	\$	9,712
5	Management Area Admin - Review CBWD Progress	\$	12,872
6	Stakeholder/Board Engagement		
7	SAC meetings	\$	23,766
8	Board meetings	\$	35,946
9	Board Ad-hoc calls	\$	14,868
10	Public Workshops	\$	15,472
11	Outreach		
12	General, Newsletter development, etc.	\$	11,864
13	Website Updates - Maintenance / Hosting	\$	6,193
14	Support for DWR Technical Support Services	\$	32,192
15	GSP Implementation Support		
16	GSP Implementation Program Management	\$	38,624
17	GW Levels Monitoring Network Coordination and Data Mgmt - W&C	\$	43,504

		FY 20-21
18	GW Levels Monitoring Network Phase 2 (field work subcontracted)	\$ 180,950
19	WQ Monitoring Network Implementation (field work subcontracted)	\$ 80,188
20	Subsidence Monitoring Implementation	\$ -
21	GDE Monitoring Network Identification and Planning	\$ 16,044
22	Data Management	\$ 15,028
23	Support for Adaptive Management of GW Levels	\$ 16,232
24	Prepare Annual Report for Cuyama Basin	\$ 36,728
26	Strategy for Model Update/Refinement	\$ 40,984
27	DWR Grant Administration (Prop 68)	\$ 50,020
28	Support for CBGSA Response to DWR and Public Comments	\$ 20,548
29	Category 1 (Funded) - <i>field work</i> (Stream Gauges and Transducers)	\$ 175,961
30	Annual maintenance costs for USGS stream gauges	\$ 63,264
31	GSP 5-year Evaluation/Update	\$ -
		\$ 1,096,436
E	TOTAL	\$ 1,355,321
F	Grant Funded Costs	\$ 341,057
G	Budget Less Grant Funded Costs	\$ 1,014,264

Exhibit B
IRRIGATION USE FORM



Form I IRRIGATOR

WATER USE ESTIMATE WORKSHEET – 2019
Cuyama Basin Groundwater Sustainability Agency

Please use one form per well

LATE FEE
Extraction Statement and Fees are due by September 30, 2020. A 10% late penalty will be assessed for payments received after this date with a 1% escalation rate for each additional month late.

Name _____

Address _____

Phone Number _____

Well ID _____

Well Location (APN or address) _____

Instructions:

- For 2019, input crop name(s) in column A, the associated acres in column B, and the corresponding crop factors from the attached Exhibit C-1 in column C.
- Multiply acres (column B) by the crop factor (column C) and input result in column D.
- Total the acre-feet from column D in row 2 and multiply by the groundwater extraction fee in row 3 and enter in row 4 to determine the amount owed to the Cuyama Basin Groundwater Sustainability Agency (CBGSA).
- Make payment to the following address:

Attn: Cuyama Basin Groundwater Sustainability Agency
500 Capitol Mall, Suite 2350
Sacramento, CA 95814

	A	B	C	D
	Crop Name	Acres	Crop Factor	Water Use (acre-feet)
1			X	=
			X	=
			X	=
			X	=
			X	=
			X	=
			X	=
2	Total Acre-feet (sum column D)			
3	Groundwater Extraction Fee (\$/af)			\$44
4	Total Cost			\$

Exhibit I-1 – Crop Factors

Source Information

Crop Factors are evapotranspiration (ET) values from California Polytechnic State University’s Irrigation Training and Research Center (ITRC) California Crop and Soil Evapotranspiration Report (Crop Report), ITRC Report No. R 03-001 accessible at www.itrc.org/reports/pdf/californiacrop.pdf.

The below values were calculated using ET reference averages for zone 10 from the Crop Report (see below figure).



Avg Annual Reference ET by Zone (inches/yr)

Zone	Total
1	33.0"
2	39.0"
3	46.3"
4	45.5"
5	43.9"
6	49.7"
7	43.4"
8	49.4"
9	55.1"
10	49.1"
11	53.0"
12	53.3"
13	54.3"
14	57.0"
15	57.0"
16	62.5"
17	66.5"
18	71.3"

Crop Factors

Crop	ET	Crop	ET
Alfalfa Hay	4.02	Melon, Radish, Squash, & Cucumbers	1.62
Alfalfa Seed, Sudan	3.60	Olives, Mature	3.27
Almonds	3.32	Olives, Deficit	2.58
Apples ¹ (Drip)	2.50	Onions and Garlic	1.99
Apples, Pear, Cherry, Plum, and Prune	3.33	Permanent Pasture	3.93
Barley Wheat, Oats	1.97	Pistachios	2.99
Blackeyed Peas	1.97	Potatoes	3.00
Carrots	2.20	Rootstock	2.23
Corn	2.43	Sorghum Grain	2.43
Cotton	2.70	Sugar Beets	2.70
Citrus	3.45	Tomatoes	2.20
Grapes with 40% cover crop	1.56	Walnuts	3.53
Grapes with 60% cover crop	2.02	Cannabis ²	TBD
Grapes with 100% cover crop	2.24	Hemp ³	TBD
Lettuce	2.20		

¹Value determined by local expertise in the Cuyama Valley.

²Value based on ____.

³Value based on ____.

Exhibit C
NON-IRRIGATION WATER USE FORM



Form M
MUNICIPAL & INDUSTRIAL
 WATER USE ESTIMATE WORKSHEET – 2019
 Cuyama Basin Groundwater Sustainability Agency

LATE FEE
Extraction Statement and Fees are due by September 30, 2020. A 10% late penalty will be assessed for payments received after this date with a 1% escalation rate for each additional month late.

Please use one form per well

Name _____

Address _____

Phone Number _____

Well ID _____

Well Location (APN or address) _____

Instructions:

1. Water usage is for 2019.
2. For wells with meters, enter the water usage for 2019 in column E in the below table for the appropriate corresponding water use category found in column A.
 - a. If reporting gallons, sum the results from column E to row 12 and follow the calculations from row 12-16.
 - b. If reporting in acre-feet, sum the column E results in row 13, multiply by the rate in row 14 and follow row 15 and 16 instructions.
3. If you **do not** have a meter, calculate water use by inputting units used for municipal & industrial water use in column B (see Exhibit M-1 below to calculate units) for the appropriate corresponding water use categories found in column A.
 - a. Multiply units used (column B) by the water consumption factor in column C and input result in column D.
 - b. Total the gallons from column D and convert to acre-feet on row 13.
 - c. Multiply acre-feet used from row 13 by the groundwater extraction fee on row 14 and follow row 15 and 16 instructions.
4. Make payment from row 16 to the following address:
 Attn: Cuyama Basin Groundwater Sustainability Agency
 500 Capitol Mall, Suite 2350
 Sacramento, CA 95814

	A	B	C	D	E	
	Type of Use	Units Used	Water Consumption Factor (Gal)	=	Water Use (Gal)	Metered Use
1	Chicken Ranches	X	3,532	=		
2	Livestock Drinking Water		5,520			
	No. of cows, bulls and horses	X	2,760	=		
	No. of stockers		1,100			
	No. of sheep and goats					

3	Hotels No. of rooms		X	46,000	=		
4	Office Buildings; including Churches No. of offices		X	38,600	=		
5	Restaurants Seating capacity		X	11,400	=		
6	Service Stations No. of stations		X	350,000	=		
7	Stores Sq ft of building		X	50	=		
8	Trailer Court Avg no. of people		X	36,800	=		
9	Elementary Schools No. of students x No. of school days		X	80	=		
10	Junior & Senior High Schools, Colleges and Churches No. of students x No. of school days		X	160	=		
11	Watered Land; non-ag No. of acres		X	5	=		
12	Total Gallons (sum column D and/or E)						
13	Convert to Acre-feet (Row 12 / 325,850)						
14	Groundwater Extraction Fee					\$44	\$44
15	Subtotal					\$	\$
16	Total of Columns D & E						\$

If your total in row 16 is \$88 or less, you are considered a de minimis user and not required to pay. If this is the case, please fill out and return Form D "De Minimis User".

Exhibit M-1 – Unit(s) Calculations

Unit Calculation

	Type of Use	Units Used
1	Chicken Ranches	Avg number of units of 100 chickens on hand for the reporting period.
2	Livestock Drinking Water	Average number of livestock on hand for the reporting period (drinking water only). Amounts derived from NDSU Extension Service report from July 2015 entitled "Livestock Water Requirements."
3	Hotels	Total number of rooms.
4	Office Buildings; including Churches	Total number of offices in building, or offices served.
5	Restaurants	Total number of seats including seats at the counter, chairs, stools, benches and patio seating.
6	Service Stations	Number of stations served.
7	Stores	Square feet of any store, supermarket or shop. Calculation includes employee, customer and maintenance water use.
8	Trailer Court	Average number of people in the trailer court.
9	Elementary Schools	Total number of students, faculty, custodians, and maintenance staff multiplied by the number of school days. If there was non-ag watered land input amount in row 11.
10	Junior & Senior High Schools and Churches	Total number of students, faculty, custodians, and maintenance staff multiplied by the number of school days. If there was non-ag watered land input amount in row 11. For churches, figure total hours and divide by 8 to determine number of "school days."
11	Watered Land; non-ag	All lands, ornamental plants, shrubs, etc., watered but not qualifying for agricultural rate.

Exhibit D
DE MINIMIS FORM



Form D DE MINIMIS USER

WATER USE WORKSHEET – 2019
Cuyama Basin Groundwater Sustainability Agency

Name _____

Address _____

Phone Number _____

Reporting:

While de minimis users do not have to pay the groundwater extraction fee, they must file their water use, type and well information in the below table.

De Minimis User Definitions:

- **Commercial** – Uses 1.5 acre-feet or less in a year per well.
- **Domestic (Non-Commercial)** – Uses 2 acre-feet or less in a year per well.

A	B	C	D	E
Well ID	Well Location (APN or Address)	Use Type (Commercial or Domestic; Non-Commercial)	Type of Commercial Use <i>*If applicable</i>	Estimated Water Use (acre-feet)