

Groundwater Commission Agenda Item

Tehama GSA Annual GSP Implementation Fee Update

3.11.2026 Meeting



**Luhdorff &
Scalmanini**
Consulting Engineers

Tehama GSA – Annual GSP Implementation Fees

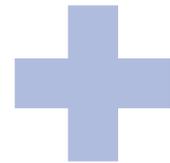
Why Are Fees Needed?

2021-2026:

\$19M in grants covered
GSA costs.

2027-2042:

Sustainable Fees are
needed with no grant
funds available.



261 GSAs in California

- Medium;
- High; and
- Critically Over drafted subbasins.

Most GSAs have long term fees or charges in place to achieve SGMA compliance with local control.

Annual GSP Implementation Fee Item Outline

- Annual Fee Development Status:
 - Five-Year GSP Implementation Budget Established Oct. 2025
 - GSA Administration Revenue Requirements.
 - PMA Revenue Requirements
 - Fee Options Evaluated - Prioritized For Review Dec. 2025
 - Two (2) GSA Operations Fee Options.
 - Two (2) Project Management Action Fee Options.
 - Fee Options Analysis – Preliminary Review Mar. 2026
 - Groundwater Commission and TCFCWCD Board
 - Fee Report Approval April 2026
 - Based on GWC and Board review comments in March 2026.
 - Includes two public workshops (April 1, 2, 2026).
 - Board approval at April meeting.



Five-Year GSP Implementation Budget

GSA Operations Revenue Requirements

GSA Operations fees focused on achieving SGMA compliance with local control.

Tehama County Groundwater Sustainability Agency Budget Forecast					
EXHIBIT "A"					
FIVE YEAR TEHAMA GSA BUDGET					
Inflation Adjustment Factor - 3% Recommended		1.5% Assumed	1.5% Assumed	1.5% Assumed	1.5% Assumed
Category	Proposed	Proposed	Proposed	Proposed	Proposed
OPERATING EXPENSES	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31
Legal Services					
General Legal Support	\$55,000	\$55,000	\$55,000	\$55,000	\$55,000
Total Legal Services	\$55,000	\$55,000	\$55,000	\$55,000	\$55,000
Technical Services					
Fee Process	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000
Special Studies/Consultant Support	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Total Technical Services	\$37,000	\$37,000	\$37,000	\$37,000	\$37,000
Administrative Services					
Administration and Management (0.75 FTE)	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000
Administrative Support (0.5 FTE)	\$51,000	\$51,000	\$51,000	\$51,000	\$51,000
District Overhead	\$32,000	\$32,000	\$32,000	\$32,000	\$32,000
Audits	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Outreach Materials/Printing & Copying	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Postage	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Website Development/Maintenance	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Financial Services/Banking/Bookkeeping	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
Total Administrative Services	\$289,000	\$289,000	\$289,000	\$289,000	\$289,000
OPERATING EXPENSES SUBTOTAL	\$381,000	\$381,000	\$381,000	\$381,000	\$381,000
Operating Expenses Reserve (10%)	\$38,000	\$38,000	\$38,000	\$38,000	\$38,000
TOTAL OPERATION EXPENSES	\$419,000	\$419,000	\$419,000	\$419,000	\$419,000
SGMA COMPLIANCE EXPENSES					
GSP Annual Monitoring/Reporting	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000
GSA Sub-basin Coordination	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
GSP Periodic Evaluation/Amendments (@ 5 Yrs)	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Monitoring/Data Management	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
GSP Implementation Grant Funding	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
SGMA COMPLIANCE EXPENSES SUBTOTAL	\$690,000	\$690,000	\$690,000	\$690,000	\$690,000
SGMA Compliance Expenses Reserve (10%)	\$69,000	\$69,000	\$69,000	\$69,000	\$69,000
TOTAL SGMA COMPLIANCE EXPENSES	\$759,000	\$759,000	\$759,000	\$759,000	\$759,000
TOTAL ANNUAL BUDGET	\$1,178,000	\$1,200,770	\$1,223,540	\$1,246,310	\$1,269,080



Five-Year GSP Implementation Budget Project Management Action (PMA) Revenue Requirements

Tehama County Groundwater Sustainability Agency Budget Forecast

EXHIBIT "A"

Cost Avoidance Strategy-List

FIVE YEAR TEHAMA GSA BUDGET - PMA Program Costs

Category	Proposed FY26/27	Proposed FY27/28	Proposed FY28/29	Proposed FY29/30	Proposed FY30/31
PMA EXPENSES					
Demand Management Program					
Admin. Process	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
Voluntary Incentive Program	\$433,333	\$433,333	\$433,333	\$433,333	\$433,333
Total DM Program Costs	\$468,333	\$468,333	\$468,333	\$468,333	\$468,333
Demand Management Cost Basis					
Total Annual Overdraft (C, RB, LM)	65,000	65,000	65,000	65,000	65,000
Incentive Cost/Ac-Ft	\$200	\$200	\$200	\$200	\$200
Annual Adjustment Factor (2042)	7%	7%	7%	7%	7%
Annual Adjustment Factor (50%)	50%	50%	50%	50%	50%
Total Voluntary Incentive Costs	\$433,333	\$433,333	\$433,333	\$433,333	\$433,333
Well Mitigation Program					
Admin. Process	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Well Replacement Costs	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Total WM Program Costs	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
Well Mitigation Cost Basis					
Avg. Cost/Domestic Well Replaced	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
# Wells Replaced/Year	1	1	1	1	1
Total Annual Well Mitigation Costs	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
TOTAL PMA EXPENSES	\$528,333.33	\$528,333.33	\$528,333.33	\$528,333.33	\$528,333.33
Total PMA Costs-Water Purchases					
Total Annual Overdraft (C, RB, LM)	65,000	65,000	65,000	65,000	65,000
Project Cost/Ac-Ft	\$400	\$400	\$400	\$400	\$400
Annual Adjustment Factor (2042)	7%	7%	7%	7%	7%
Annual Adjustment Factor (50%)	50%	50%	50%	50%	50%
Total PMA Costs-Water Purchases	\$866,667	\$866,667	\$866,667	\$866,667	\$866,667
TOTAL PMA COSTS	\$1,395,000	\$1,421,000	\$1,447,000	\$1,473,000	\$1,499,000

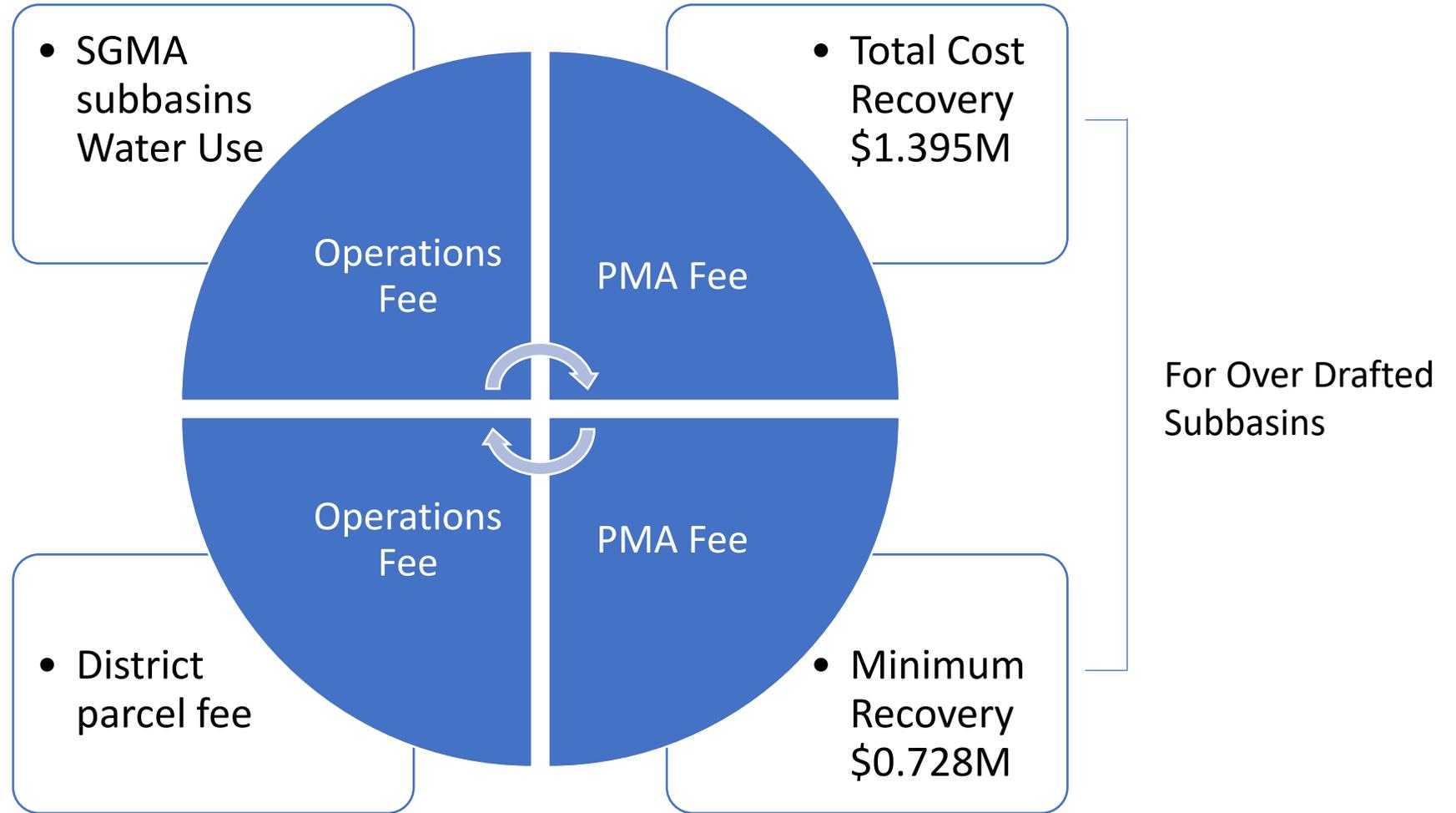
PMA fees focused on addressing groundwater overdraft.



Tehama GSA – GSP Implementation Project

Annual Fee Options Evaluated – Prioritized For Review

Based on direction from the Groundwater Commission and Flood Control Board.



Tehama GSA – GSP Implementation Project

Annual Fee Options Analysis – Preliminary Review

Fee Option Evaluation – Factors to Consider.

- Meets Annual GSA Revenue Requirements
- Supports SGMA Compliance Through Local Actions
- Reasonable – only includes necessary costs
- Easy to Understand
- Easy to Implement
- Low Implementation Costs
- Annual Budget Reviews and Audits
- Includes Fee Appeal Process-Updates
- Compliance With Prop. 26/218 Requirements

Fees are established based on available information and known SGMA requirements when fees are established.

Fee updates are generally recommended every five years or on as-needed basis.

Overview of Fee Options Evaluated

Overview Description of Tehama County APN Parcel Data Alternatives			
<i>APN Data Alternative</i>	<i>Description</i>	<i>Ag Only</i>	<i>Ag, Resid., Comm</i>
All Parcels	County-wide data		✓
All Subbasins	5 Managed Subbasins (Antelope, Bowman, Corning, Red Bluff, Los Molinos)	✓	✓
Overdraft Subbasins	Three Overdrafted Subbasins (Corning, Red Bluff, Los Molinos)	✓	
Overdraft Subbasin Wells	Overdrafted Subbasins (Wells Only)	✓	

Tehama GSA – GSP Implementation Project

Annual Fee Options Analysis – Preliminary Review

GSA Operations Fee – All Parcels (District-wide Parcel Fee).

Estimated Annual GSP Operations Fee - District-wide Parcel Fee	
Fee Component	<i>District-wide (All Parcels)</i>
Annual GSP Operations Costs (\$/Yr.)	\$1,178,000
Est. No. of Parcels (Ag/Resid./Comm.)	38,627
Est. Annual GSP Operations Fee	
Annual GSP Operations Fee (\$/Parcel/Year)	\$30.50

Key Assumptions:

District-wide parcels.

Exceptions: Timber Land/Water Resources.

Annual fees collected on property tax bill.

Lowest Fee implementation cost option.

Tehama GSA – GSP Implementation Project

Annual Fee Options Analysis – Preliminary Review

GSA Operations Fee – All Parcels District-wide Parcel Fee [Customer Impact].

Estimated Annual GSA Operations Fee - Typical Fees Based on District-wide Number of Parcels (Ag/Residential/Commercial)¹			
Fee Component	<i>Number of Parcels</i>	<i>Typical Acreage Per Parcel</i>	<i>District-wide (All Parcels)</i>
GSA Operations Fee - Annual Charge (Funding Level = \$1.178 M/Year)			
Typical SFR - All Parcels/Subbasins	17,704	0.58	\$30.46
Typical Small Ag (AG-2) - All Parcels/Subbasins	6,047	40.7	\$30.46
Typical Large Ag (AG-1) - All Parcels/Subbasins	3,540	195.7	\$30.46
All Other Parcels (AG-3, AG-4, Commercial) ¹	11,382	47.7	\$30.46

1. Excluded parcels are those designated Natural Resource (NR), Floodplain (FP), and Timber (TPZ).

Not excluding any parcels, fee is \$29.19/Parcel.

Tehama GSA – GSP Implementation Project

Annual Fee Options Analysis – Preliminary Review

GSA Operations Fee – All Subbasins (By Water Use Fee).

Estimated Annual GSP Operations Fee - Based on Estimated Annual Water Use		
Fee Component	All Subbasins - Ag Only	All Subbasins - All Parcels
Annual GSP Operations Costs	\$1,178,000	\$1,178,000
Est. Annual Volume (AF/Yr.) - Ag Only	1,712,615	
Est. Annual Volume (AF/Yr.) - All Parcels		1,755,569
Estimated Annual GSP Operations Fee		
Annual GSP Operations Fee (\$/AF/Yr.)	\$0.69	\$0.67

Key Assumptions:

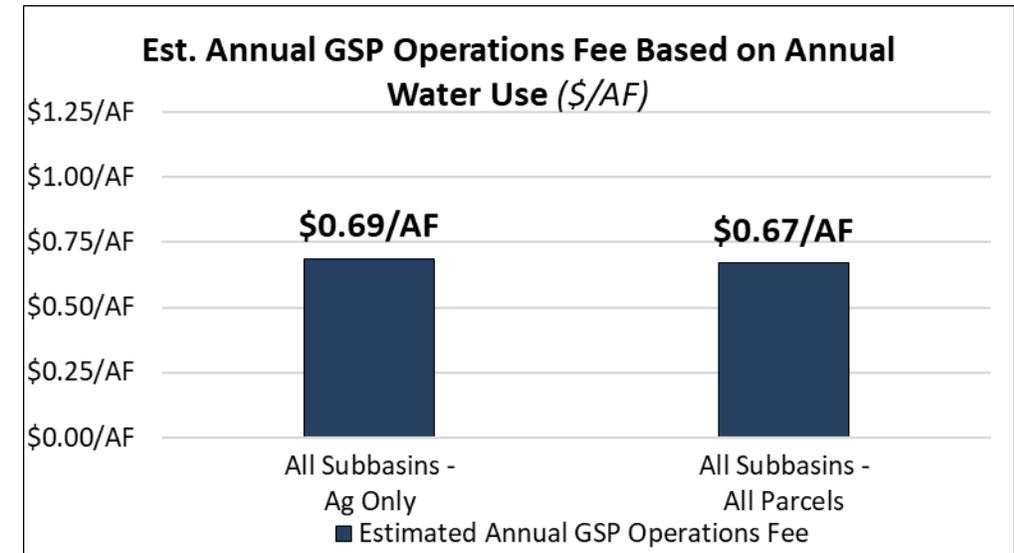
SGMA Subbasin parcels.

Estimated water use – zoning data.

Exceptions: Timber Land/Water Resources.

Annual fees collected on property tax bill.

Potential Fee implementation costs.



Tehama GSA – GSP Implementation Project

Annual Fee Options Analysis – Preliminary Review

GSA Operations Fee – All Subbasins By Water Use Fee [Customer Impact].

Estimated Annual GSA Operations Fee - Typical Fees Based on Annual Water Use				
Fee Component	<i>Typical Acreage Per Parcel</i>	<i>Typical Water Use (AF/Parcel/Yr.)</i>	<i>Managed Subbasins - Ag Only</i>	<i>Managed Subbasins - Ag, Resid., Comm.</i>
Estimated Annual GSA Operations Fee - Recommended Funding Level (\$1.178 M)				
Typical SFR - Managed Subbasins	0.58	0.74	\$0.51	
Typical Small Ag (AG-2) - Managed Subbasins	40.8	140.8	\$96.81	
Typical Large Ag (AG-1) - Managed Subbasins	199.4	688.5	\$473.56	
<i>GSA Operations Fee Based on Water Use (\$/AF/Yr)</i>			\$0.69	
Typical SFR - Managed Subbasins	0.58	0.74		\$0.50
Typical Small Ag (AG-2) - Managed Subbasins	40.8	140.8		\$94.44
Typical Large Ag (AG-1) - Managed Subbasins	199.4	688.5		\$461.97
<i>GSA Operations Fee Based on Water Use (\$/AF/Yr)</i>				\$0.67

Tehama GSA – GSP Implementation Project

Annual Fee Options Analysis – Preliminary Review

GSA Operations Fee – All Subbasins (By Water Use Fee).

Estimated Annual GSP Operations Fee - Based on Estimated Annual Water Use (Annual Report data for WY2025)		
Fee Component	Managed Subbasins - Ag Only	Managed Subbasins - Ag, Resid.,
Annual GSP Operations Costs	\$1,178,000	\$1,178,000
Est. Annual Volume (AF/Yr.) - Ag Only	296,500	
Est. Annual Vol. (AF/Yr.) - Ag, Resid., Comm.		373,700
Estimated Annual GSP Operations Fee		
Annual GSP Operations Fee (\$/AF/Yr.)	\$3.97	\$3.15

Key Assumptions:

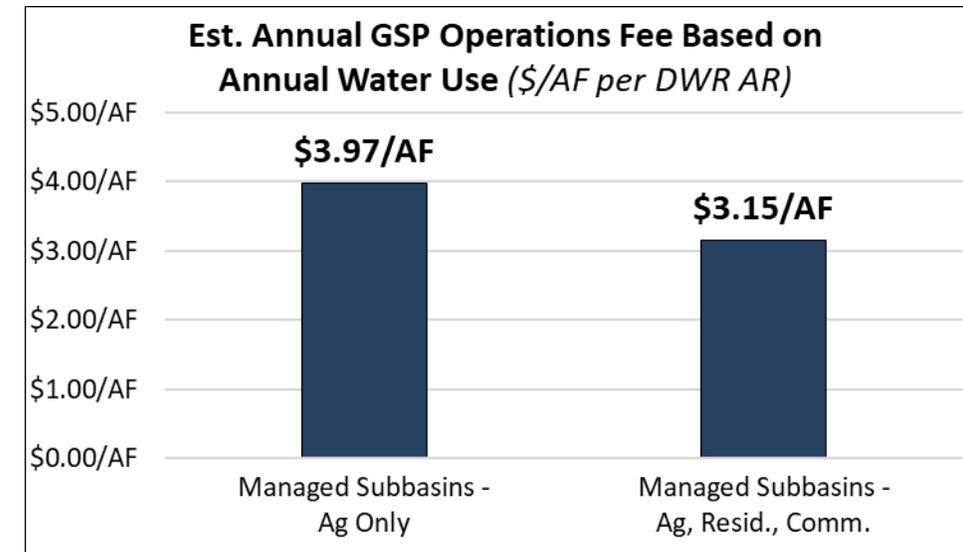
SGMA Subbasin parcels.

Estimated water use (AR WY2025).

Exceptions: Timber Land/Water Resources.

Annual fees collected on property tax bill.

Potential Fee implementation costs.



Tehama GSA – GSP Implementation Project

Annual Fee Options Analysis – Preliminary Review

PMA Fee – Full Cost Recovery \$1.395M.

Estimated Annual PMA Fees - Based on Estimated Annual Water Use	
Fee Component	<i>Overdraft Subbasins - Ag Only</i>
<i>PMA Funding (\$/Yr.) - Recom. Funding Level</i>	<i>\$1,395,000</i>
<i>Est. Annual Volume (AF/Yr.) - Ag Only</i>	<i>1,428,565</i>
Estimated Annual PMA Fees (\$/AF/Yr.)	
Annual PMA Fee - Recom. Funding Level	\$0.98

Key Assumptions:

SGMA Over Drafted Subbasin parcels.
 Estimated water use – zoning data [Ag Only].
 PMA Cost Recovery = \$1.395M/year.
 Exceptions: Timber Land/Water Resources.
 Annual fees collected on property tax bill.
 Potential Fee implementation costs.

Tehama GSA – GSP Implementation Project

Annual Fee Options Analysis – Preliminary Review

PMA Fee – Full Cost Recovery \$1.395M [Customer Impact].

Estimated Annual GSA Operations Fee - Typical Fees Based on Annual Water Use			
Fee Component	<i>Typical Acreage Per Parcel</i>	<i>Typical Water Use (AF/Parcel/Yr.)</i>	<i>Overdraft Subbasins - Ag Only</i>
Estimated Annual PMA Fees - Recommended Funding Level (\$1.395 M)			
Typical Small Ag (AG-2) - <i>Overdraft Subbasins</i>	41.9	144.7	\$141.33
Typical Large Ag (AG-1) - <i>Overdraft Subbasins</i>	202.1	697.9	\$681.48
<i>PMA Fee Based on Water Use (\$/AF/Yr)</i>			\$0.98

Tehama GSA – GSP Implementation Project

Annual Fee Options Analysis – Preliminary Review

PMA Fee – Full Cost Recovery \$1.395M.

Estimated Annual GSP Operations Fee - Based on Estimated Annual Water Use <i>(Annual Report data for WY2025)</i>	
Fee Component	Overdraft Subbasins - Ag Only
PMA Funding (\$/Yr.) - Recom. Funding Level	\$1,395,000
Est. Annual Volume (AF/Yr.) - Ag Only	275,100
Estimated Annual PMA Fees - Based on Water Use	
PMA Fee (\$/AF) - Recom. Funding Level	\$5.07

Key Assumptions:

SGMA Over Drafted Subbasin parcels.
 Estimated water use – AR WY2025 data [Ag Only].
 PMA Cost Recovery = \$1.395M/year.
 Exceptions: Timber Land/Water Resources.
 Annual fees collected on property tax bill.
 Potential Fee implementation costs.



Tehama GSA – GSP Implementation Project

Annual Fee Options Analysis – Preliminary Review

PMA Fee – Minimal Cost Recovery \$0.728M.

Estimated Annual PMA Fees - Based on Estimated Annual Water Use	
Fee Component	<i>Overdraft Subbasins - Ag Only</i>
<i>PMA Funding (\$/Yr.) - Min. Funding Level</i>	<i>\$728,000</i>
<i>Est. Annual Volume (AF/Yr.) - Ag Only</i>	<i>1,428,565</i>
Estimated Annual PMA Fees	
Annual PMA Fee (\$/AF/Yr.) - Min. Funding Level	\$0.51

Key Assumptions:

SGMA Over Drafted Subbasin parcels.
 Estimated water use - zoning [Ag Only].
 PMA Cost Recovery = \$0.728M/year.
 Exceptions: Timber Land/Water Resources.
 Annual fees collected on property tax bill.
 Potential Fee implementation costs.

Tehama GSA – GSP Implementation Project

Fee Options Analysis – Preliminary Review

PMA Fee – Minimal Cost Recovery \$0.728M [Customer Impact].

Estimated Annual GSA Operations Fee - Typical Fees Based on Annual Water Use			
Fee Component	<i>Typical Acreage Per Parcel</i>	<i>Typical Water Use (AF/Parcel/Yr.)</i>	<i>Overdraft Subbasins - Ag Only</i>
Estimated Annual PMA Fees - Minimum Funding Level (\$728k)			
Typical Small Ag (AG-2) - <i>Overdraft Subbasins</i>	41.9	144.7	\$73.75
Typical Large Ag (AG-1) - <i>Overdraft Subbasins</i>	202.1	697.9	\$355.64
<i>PMA Fee Based on Water Use (\$/AF/Yr)</i>			\$0.51

Tehama GSA – GSP Implementation Project

Annual Fee Options Analysis – Preliminary Review

PMA Fee – Minimal Cost Recovery \$0.728M.

Estimated Annual GSP Operations Fee - Based on Estimated Annual Water Use (Annual Report data for WY2025)	
Fee Component	Overdraft Subbasins - Ag Only
PMA Funding (\$/Yr.) - Min. Funding Level	\$728,000
Est. Annual Volume (AF/Yr.) - Ag Only	275,100
Estimated Annual PMA Fees - Based on Water Use	
PMA Fee (\$/AF) - Min. Funding Level	\$2.65

Key Assumptions:

SGMA Over Drafted Subbasin parcels.
 Est. water use – AR WY2025 data [Ag Only].
 PMA Cost Recovery = \$0.728M/year.
 Exceptions: Timber Land/Water Resources.
 Annual fees collected on property tax bill.
 Potential Fee implementation costs.



Next Steps

- March 2026 Flood Control Board Meeting
 - preliminary fee option review
- April 2026 Outreach
 - April 1 and 2 public workshops
- April 2026 Groundwater Commission Meeting
 - finalize fee recommendations
- April 2026 Flood Control Board Meeting
 - approve fee report with recommended fees