



Tehama County
Thursday, April 23, 2026 10:00 AM
Flood Control and Water Conservation
District
Meeting Minutes

Tehama County Board of Supervisors
Chambers
727 Oak Street, Red Bluff, CA 96080
<https://tehamacounty.legistar.com/Calendar.aspx>

10:00 AM

Chairperson: Tom Walker Vice-Chairperson: Greg Jones
Directors: Matt Hansen, Rob Burroughs, Steve Zane

Justin Jenson, Deputy Director of Public Works-Water Resources; Lena Sequeira,
Administration

Call to Order / Pledge of Allegiance / Introductions

10:08AM

Present Director Matt Hansen, Vice Chair Greg Jones, Director Rob Burroughs, Chairperson Tom Walker, and Director Steve Zane

Public Comment

A resident commented on the Brown Act and their opinion of additions to the agenda. They also discussed proposed changes to the fee structure and ordinance properties.

A resident presented figures from annual reports and commented on increases in reported numbers and changes made to records online. Also discussed corrections made in other basins but not in the Corning Subbasin and questioned the accuracy of base numbers used by consultants.

A resident stated their public comment had been submitted via email and expressed concerns regarding the Groundwater Commission not reviewing the fee report, resolutions, and revised ordinances prior to presentation. Also commented on the agenda order and timing of the fee study adoption.

A resident from Corning called in to advise they would be participating via phone.

Walker reported receiving some public comment via email, which would be included in the finalized minutes.

1. Draft Demand Management Program Framework

26-0627

Jenson noted that the Groundwater Management (DM) Working Group had requested an extension for review of the DM plan through today, and provided an update. He explained that the working group has developed proposed methodologies and a step-by-step roadmap to achieve DM, including near-term voluntary measures to reduce groundwater use or increase surface water use.

He stated the approach is intended to address data gaps and outline how future actions will be implemented. Jenson noted the document is a preliminary framework and has not yet received final legal review. He requested Board feedback on whether the draft is acceptable to forward to legal for review and whether a two-month extension is appropriate. He also asked the Board to identify any concerns before final legal review.

Jones stated that in a deficit situation, actions would need to be taken and asked whether fees collected for an over drafted basin would remain within that basin or could be used in other basins.

Jenson clarified that this is not addressed in the current document.

Walker commented that this would be above and beyond PMA fees.

Jenson confirmed.

Hansen stated charges should only apply where problems exist.

Jenson stated the goal is for funding to come from parcels or areas benefiting from or contributing to projects, emphasizing incentives to reduce groundwater use through efforts such as shifting to surface water or recharge projects. He noted this is why the funding structure needs to remain separate.

Jones stated he had no concerns with that approach.

Hansen commented that the document reflects good progress, includes common-sense phased actions, and provides a process to address undesirable results if they occur.

Jenson stated there had been difficulty gaining movement on the item and significant effort was made to bring a draft forward in a short timeframe. He noted the document reflects much of the group's agreement moving forward, with smaller items still to be worked through as identified in the attached discussion points. He added that some items may involve longer-term planning discussions and continued to clarify discussion points.

Walker asked about the terminology used for triggers.

Jenson explained that a trigger is currently a set point for a sustainability indicator, though it could evolve into a management threshold in the future. He noted the definition is intentionally general at this stage. He added that undesirable results would be brought to the Board and considered a trigger, and that additional triggers may be incorporated into the process over time rather than relying on a single defined factor.

Walker expressed appreciation for the work and noted the Board's desire to move forward with voluntary measures. He stated he was willing to allow the additional time requested by the group.

Jones agreed and stated he was also okay with extending the timeframe.

Burroughs asked whether the extension would be up to two months.

Jenson confirmed the extension would be up to two months and explained the reasoning behind the request.

Burroughs expressed appreciation for the effort and stated agreement with granting the group the requested extension.

Zane also agreed to the extension.

Hansen stated his agreement, noting it is better to take the time to get it right than to meet the original deadline.

A resident asked about overlapping areas in Glenn County and whether coordination with them is included in the document.

Jenson stated that both entities have separately passed resolutions committing to develop a DM program, each working toward implementation independently but in a similar direction.

Hansen requested that Jenson send a copy to Glenn County.

Jenson agreed, stating that once a working document is available, it will be shared with them for review.

Walker asked whether a formal vote or direction was needed.

Klausner responded that the Board could simply ask for objections.

Walker stated there were none and indicated he was okay with the two-month extension.

2. Flood Flow Diversion Program - Review of Policy

26-0621

Jenson described a proposed diversion program that would allow diversions under defined threshold conditions, with set points determining when conditions are met. He explained that a notification system would inform participants when they may begin or must stop diverting, with the program brought forward as a complete package for Board approval.

He requested input on whether administration should be handled by District staff or consultants, noting cost and staffing considerations. He added that participation would likely begin small but could grow if the program is successful in incentivizing participation. He also identified future considerations such as equipment standards, screening requirements, and compliance oversight.

Walker asked whether the office would already be in the field or conducting oversight during flood stage conditions.

Jenson responded that it depends on conditions and noted the District typically relies on notifications from the State regarding river stages. He explained that those notifications help determine whether inspections are conducted, though it is more difficult to predict conditions in smaller watersheds compared to the main river system. He added that staff would likely be out in the field during known flooding conditions, but that there is not a fixed trigger and decisions are made based on judgment.

Burroughs asked whether all creeks are capable of being used for water diversions during flood stages.

Jenson responded that yes, all creeks could potentially be used, but noted that data will be built over time. He explained that the initial focus would be on creeks with existing monitoring where flooding has occurred and caused impacts in the past, identifying approximately six creeks to start. He added that the stream gage inventory and available data will be expanded over time to support broader implementation.

Burroughs asked whether there is a specific reason District staff cannot perform the work, and suggested exploring ways to complete it in-house before paying outside entities, emphasizing a preference to keep work within the community rather than contracting outside the area.

Jenson responded that the work could be completed in-house if that is determined to best serve the program, but noted that the District also has the option to pursue outside support if needed.

Zane stated that, in his opinion, it would be best to keep the work in-house.

Hansen asked whether these costs were included in the PMA fees.

Jenson responded that some creeks are located within over drafted subbasins and others are not. He explained that costs would be covered within the areas being assessed, but fees are not recommended in non-over drafted basins, so those costs would not be covered there.

Hansen asked whether the program would fall under beneficial use rights.

Jenson noted that some systems are operated by USGS with telemetry, allowing the District to obtain data from those sources.

Hansen stated he did not see how a consultant would be effective.

Jenson stated that the intent would be for consultants to determine the thresholds, though noted staff could also perform the work, with a potential for error in either approach. He clarified he was not recommending one option over the other, but was seeking Board direction on how to proceed, noting that the decision often comes down to agency risk tolerance.

Hansen emphasized the importance of documentation when text notifications are sent to start and stop diversions, noting it is the responsibility of the landowner to follow the rules. He stated he believes the work should be done in-house and suggested PMA as an appropriate funding

source.

Jenson stated he would bring forward a funding approach within the management zones in over drafted areas for cost coverage. He noted there may be a small funding source for flood-related activities and that it could potentially be incorporated into the flood budget.

Walker asked whether there are any legal issues regarding ownership of water after it has been diverted under the proposed program.

Jenson stated the District holds temporary permits for the creeks, making the water subject to District control under those permits. He noted that diversion users operate under District rules, and policy will determine whether diverted water is treated as belonging to the user or not. He added that agreements and related language will be brought back for Board consideration.

Burroughs asked whether water diverted and recharged in the same area would be considered as not having changed ownership or been transferred.

Jenson provided clarification and further explanation.

Discussion followed regarding the concept of recharge from flood flow diversion.

Public comment

A resident expressed the opinion that the item should be addressed as a flood control issue rather than an SGMA effort. They also commented on what they believe is covered under SGMA, discussed their views on who should be paying for the program, and shared opinions regarding jurisdiction of the item.

A resident commented on water storage regulations and flood control, referencing limits on holding water and past issues with stock ponds. They shared views on floodwater capture and governance of river notifications, noted the rapid and unpredictable nature of flooding, and referenced historical conditions of Deer Creek. They also discussed stream monitoring and expressed concern that readings are not always accurate.

Jenson stated that any instrument has the potential to be incorrect and that decisions must rely on available equipment and data.

Walker stated a preference to keep the program in-house for now. He noted that in efforts to incentivize participation, it can be difficult for early participants to see immediate benefits, and suggested that those who pilot the program should be appropriately rewarded.

3. Exhaustion of Remedies Ordinance 2026-1

26-0625

Jenson stated this was the ordinance introduced at the previous meeting with no requested changes and is now being brought forward for adoption. He explained the process encourages resolving disagreements prior to litigation and emphasized working through issues first before filing a lawsuit.

Walker asked what recourse is available if someone does not follow the required steps before pursuing litigation.

Jenson explained that there are statutes of limitation requiring challenges to be filed within a

certain timeframe. He stated the ordinance clarifies the District's position and provides a process for parties to contest decisions prior to litigation.

Klausner stated that if someone fails to follow the required process and later pursues legal action, the ordinance provides the District with a legal defense.

Walker stated that parties are being asked to follow the established process before bringing legal action forward.

Public comment

A resident commented on a section of the ordinance and expressed opinions regarding the formation and authority of the GSA, as well as the ordinance itself.

Burroughs asked whether the Board has the legal authority to act as the governing body.

Klausner responded affirmatively and explained that the Flood Control District itself serves as the GSA, rather than being a separate entity.

Burroughs commented that the Board governs both the County and related agency functions.

Klausner further explained that the District has groundwater authority throughout the County, and that the GSA is responsible for reporting to the State and working toward groundwater sustainability under SGMA. He also discussed the authorities and powers granted under SGMA.

Burroughs asked whether, based on the concerns raised, the Board is proceeding on the correct path.

Klausner responded that, based on the information available today, the District is in a good position.

Hansen moved to adopt the item.

RESULT: APPROVE
MOVER: Matt Hansen
SECONDER: Greg Jones

AYES: Director Hansen, Vice Chair Jones, Director Burroughs, Chairperson Walker, and Director Zane

4. Water Extraction Fees Ordinance 2026-2

26-0626

Klausner addressed the Brown Act concerns raised earlier in the meeting and clarified the District's responsibilities related to public access to meeting materials. He also noted that documents submitted via email as public comment could be included in the meeting minutes.

He discussed the redlined version of the ordinance, explaining that a technical error occurred during submission but that the updated redlined document was available for presentation at the meeting. Klausner reviewed the document in detail, explained the reasoning behind the

revisions, highlighted changes specifically requested by the Board, and discussed the administrative appeal process and how it would function.

Hansen asked Klausner to read the section regarding the appeal process.

Klausner reviewed the revisions and changes related to the appeals process, explained the reasoning behind them, and outlined how the appeal process would function. He noted that if the process is adopted, the Board would need to enter into an agreement with the County for hearing officer services.

Klausner also reviewed the final page of the document and clarified that Brown Act requirements mandate documents be made available to the public upon request. He stated that the District office had the redlined version of the document, posted it as soon as possible, and made it available to anyone requesting it.

Hansen asked how the ordinance relates to the previously approved appeals process.

Klausner explained that the prior ordinance addressed objections to the fee methodology itself, while this ordinance addresses appeals related to how individual fees are calculated and applied. He noted that property owners could submit independent data, such as water meter information, to challenge an assessed fee.

Jenson agreed with the explanation.

Burroughs asked whether someone with a dispute would be able to speak with staff in the office before entering the formal appeal process.

Jenson responded that staff would always be available to address questions or clarify issues, and noted that matters requiring a formal determination could then proceed through the appeals process. He provided an example and further explanation.

Burroughs stated he wanted to ensure that people with legitimate concerns have an opportunity to be heard before involving attorneys.

Klausner explained that the process would depend on who the Board designates to make those determinations, noting that currently Justin serves in that role, and that the formal appeal process serves as recourse when informal resolution is unsuccessful.

Burroughs stated he wanted to ensure there is a process for addressing concerns before legal actions.

Jenson responded that staff is always available to meet with the public regarding concerns.

Klausner explained the ordinance would return in May for adoption and noted that any additional changes before then would require a special meeting.

Burroughs asked whether the item would return to the Commission.

Jenson explained that the Commission is an advisory body, while ordinances creating legal

outcomes fall under the Board's jurisdiction.

Public Comment

A resident shared their opinion on changing the ordinance to state groundwater extractor, the accuracy of the document and shared what they thought the rules meant.

A resident asked for clarification on the meaning of de minimis use and referenced a specific section of the ordinance related to a threshold.

Jenson stated that this allows thresholds to be set in the future.

Discussion followed regarding the issue.

The resident continued speaking.

Hansen asked whether a definition is needed for groundwater extractor.

Walker asked about the difference between a user and an extractor.

Discussion followed regarding whether there is a distinction between a groundwater extractor and a user.

A resident reviewed the ordinance and suggested some language could be cleaned up. He discussed volumetric versus per-parcel fee structures, noting volumetric methods can be more complex, and expressed a preference to remove the highlighted language.

Walker commented that the section was intentionally left vague to address in the next phase of the process.

The resident continued to elaborate their thoughts.

Walker stated he is working with counsel and staff to stay informed, and noted that a per-parcel fee structure may carry more legal risk compared to a volumetric approach.

Klausner noted that the ordinance should be viewed as a framework for regulating all fees. He explained that the language could be narrowed to apply only to fees under a specific methodology, but if the Board later adopted a different approach, the ordinance would need to be amended to account for those changes.

Jones stated the ordinance should provide flexibility for both the current Board and future Boards.

The resident continued sharing opinions regarding proposed language changes.

Zane agreed with the resident and stated that if exemptions are not clearly spelled out, the language could be left open to interpretation. He expressed the opinion that some ground should be exempt.

Hansen responded that the ordinance does specify exemptions, including land outside of the

subbasins.

The resident expressed confusion with the language and suggested the ordinance could be cleaned up for clarity.

A resident questioned the authority to establish fees and commented on the Board's authority within the GSA. The resident also shared interpretations of sections of the ordinance.

Klausner responded to concerns about the ordinance language, explaining that although the wording may appear broad, the definition specifically applies only to groundwater extracted within the basin, including situations where water may later be moved outside the basin.

A resident expressed concerns regarding how the ordinance was presented to the public and encouraged clear and accurate communication of information.

Hansen stated he agreed with the resident's concerns, but noted that the process has evolved and some changes were made to ensure the ordinance is legally defensible. He added that maintaining flexibility is beneficial and expressed support for the item.

Jenson clarified that the ordinance itself does not establish a fee, and that the subsequent steps in the process are what would create the actual fees.

Jones stated that the fees are created later in the process, and noted that future Boards would have the ability to make changes if needed.

Hansen moved to waive the reading and accept the language changes to the previously introduced ordinance. Jones seconded the motion.

Burroughs asked for clarification on the language changes.

Walker referred to the redline version previously presented.

Burroughs noted that other areas are covered and stated that if a property is not in the basin, it would not be subject to the fee.

Klausner clarified that if groundwater is not being extracted from the basin, then no fee would be applied.

Zane stated he would like to see additional work done on the item and voted no.

RESULT:	APPROVE
MOVER:	Matt Hansen
SECONDER:	Greg Jones
AYES:	Director Hansen, Vice Chair Jones, and Chairperson Walker
NAYS:	Director Burroughs, and Director Zane

Klausner suggested holding a special meeting to bring back proposed changes.

Jones asked whether that would prevent addressing the next item.

Klausner responded that the Board could still proceed, including passing resolutions and adopting fees, and explained the process.

Jenson clarified that the fee comes later and is not set by the ordinance.

Jones asked whether fees could still be set without an ordinance defining the parameters.

Klausner stated that they could and provided further explanation.

Walker asked about forming an ad hoc committee before a special meeting.

Klausner noted the importance of the issue and emphasized the need to ensure all voices are heard.

Walker proposed forming an ad hoc committee with the two members who voted no, followed by a special meeting if needed, or continuing if concerns were resolved.

Klausner confirmed.

Walker asked if the ad hoc needed to be formally established.

Klausner stated that it was up to the Chair.

Hansen suggested addressing the matter during Board matters.

The meeting recessed for lunch at 12:00 and reconvened at 1:00.

Zane made a motion to reconsider Item #4, Ordinance 2026-2. Jones seconded the motion.

Discussion followed regarding the rules and procedures for reconsidering the item.

RESULT: APPROVE
MOVER: Steve Zane
SECONDER: Greg Jones
AYES: Director Hansen, Vice Chair Jones, Director Burroughs,
Chairperson Walker, and Director Zane

Klausner reads proposed language addition presented to him during the break, which would be added to Subarticle A of the administrative fee section stating that no administrative fee shall be imposed on parcels located outside of the basin and that do not receive extracted groundwater from within a basin.

Hansen asked whether a similar change would also be made in the PMA section.

Klausner explained that the PMA fee language does not currently include provisions addressing parcels receiving water transferred from within a basin to outside the basin. He noted that similar changes could be made to the PMA fee section if the Board chooses, but

stated that this was not the original intent and would be up to the Board to decide.

Discussion followed regarding wells being drilled outside the basins and their potential impacts on aquifers within the basins.

Walker asked if, in addition to Director Zane's amendment, Burroughs had any proposed changes.

Burroughs responded that he had none and that the clarification was sufficient.

Discussion followed regarding the language in the PMA fee section and which parties would be subject to the fee.

Klausner stated that the changes could be accommodated and, if the Chair preferred to see them displayed in that format, they could be brought back at the end of the meeting.

Public comment

A resident asked for clarification on the definition of basin versus subbasin.

Klausner clarified.

A resident discussed water as being transient and shared views on fee responsibility, stating that wells should be responsible for the administrative fee.

A resident stated they do not extract water in Manton.

Jenson stated the key issue is that the Water Code allows fees to be charged only for groundwater extracted from within the basin, and noted that charging an "extractor" outside the basin would exceed the agency's authority.

Klausner responded that the language could be adjusted and brought back later in the meeting for further consideration.

5. Resolutions to Set Fees

26-0628

Klausner explained that the two resolutions are similar in structure and that the detailed fee explanation, which is not yet finalized, will later be attached to the resolutions. He stated that the first portion outlines the intent and purpose supporting the legislative action.

Walker asked whether there were any changes to the administrative fee resolution.

Klausner responded that staff is currently seeking recommendations, with the item expected to return next month for approval. He explained the resolution would not be finally adopted until the public hearing on the fees, and that the Board would consider adoption after the ballot tally is completed.

Jenson stated that the purpose of bringing the resolutions forward now was to allow the Board time to review them, read through the language, and provide comments prior to adoption.

Klausner explained that the administrative fee resolution contains three sections and reviewed them, noting that the second resolution is similar but specific to PMA.

Walker asked whether the fee amounts listed are only approximations and whether that would limit the Board to collecting only those amounts over the identified time period.

Jenson explained that the proposed fees apply to the current time period and can be adjusted in the future. He stated staff had been advised to identify both an initial fee amount and a maximum allowable fee. He added that the resolution itself would establish the fee structure, while the Board would later take action on the actual fee amounts when the item returns with staff recommendations.

Discussion followed regarding language related to future fee increases.

Burroughs noted that the Bowman Subbasin is not considered over drafted and therefore recommended removing Bowman from matters related to overdraft issues.

Klausner clarified that Bowman is not included in the PMA fee resolution, but is included in the administrative fee resolution because the District still has obligations to take certain actions and report to DWR. He explained that the administrative fee is intended to cover those costs and further elaborated on the distinction.

Discussion followed regarding Bowman and associated fees.

A resident commented on basin and countywide fee distribution, questioned the basis for the administrative fee, and expressed concerns regarding the explanation of costs and proposed figures.

A resident was commented on Exhibit A, stating that there is irrigated land within the Bowman Subbasin that utilizes both surface water and groundwater. The resident expressed the opinion that Bowman should be included in the management fee structure.

A representative from Farm Bureau commented on SGMA implementation and expressed support for the work toward groundwater sustainability. They noted discussions with staff and the Farm Bureau Board regarding volumetric fees, referenced a proposed \$2.70 per acre-foot rate, and raised concerns about how fees account for partially irrigated acreage and changing land use conditions. They then read and explained the proposal supported by Farm Bureau.

Walker asked for proposed changes from Board members.

Jones stated he had none.

Hansen stated he had no changes, but suggested leaving the fee numbers out until they are formally voted on.

Discussion followed regarding whether the numbers should remain included in the document.

Walker stated he was comfortable leaving the numbers in place, noting that although the administrative fee amount had changed when first presented to the Board, it has remained unchanged since the public outreach process.

Hansen stated he had no other concerns.

6. Set Public Hearings for Fee Setting

26-0629

Jenson stated the item was intended to direct staff to send flyers and set public hearing dates as part of the fee-setting process. He noted that June 18 was a tight turnaround to complete and distribute all required materials but may be the best available date.

Discussion followed regarding scheduling constraints and timing.

It was proposed to hold the public hearings on June 18, with the administrative fee hearing at 9:00 a.m. and the PMA fee hearing at 11:00 a.m.

RESULT: APPROVE

MOVER: Greg Jones

SECONDER: Steve Zane

AYES: Director Hansen, Vice Chair Jones, Director Burroughs, Chairperson Walker, and Director Zane

7. Fee Study

26-0630

Jenson introduced the item and noted that LSCE would be presenting fee recommendations developed by LSCE and Colantuono.

Walker asked whether the Groundwater Commission had reviewed the document. Jenson responded that the Commission had reviewed the data and made recommendations but had not seen the final document.

Jacques DeBras with LSCE explained that the information being presented was similar to that shared at the public meetings and reviewed the fee study process. He then presented a PowerPoint.

DeBras turned the presentation over to Greg Clumpner with LSCE, who reviewed the fee calculations and presented the available fee options for the various water user categories.

Walker asked whether an ADU would be considered a connection. Jenson confirmed that it would.

Clumpner continued the PowerPoint presentation, noting that the Groundwater Commission had recommended reducing the budget to \$1 million.

Discussion followed regarding annual versus five-year fees and what would be accomplished under the proposed budget.

Clumpner continued reviewing the recommendations and provided summaries of the fee options.

Walker asked about the Assessor's fee. Jenson explained that it would require an agreement with another agency and would need to be renegotiated.

Walker asked whether a fee was already being collected through property taxes.

Jenson responded that it was not, noting that a previous \$0.29 fee had expired.

Clumpner with LSCE continued the presentation, reviewing the recommended PMA and administrative fees.

Jones asked whether PMA fees would remain within the basin generating the revenue. Jenson provided clarification.

DeBras commented on the outreach efforts and explained how the fee framework would operate, including an overview of the preliminary budget. He also reviewed the process for fee adoption and the upcoming public hearing.

Jenson clarified the process, reviewed the Groundwater Commission's recommendation, and restated the action being requested of the Board.

Burroughs asked about well moratoriums.

Discussion followed regarding well permits and related restrictions.

Public Comment

A resident commented that farmers have not had sufficient opportunity to address groundwater issues and shared concerns regarding the proposed fee structure and projects. Jenson responded to the concerns raised.

A resident commented on the proposed budget and shared their opinion. Jenson clarified the budget and cost accounting structure.

Discussion followed regarding the process.

A resident expressed concerns regarding groundwater management and the proposed fee structure.

Jones expressed appreciation for the concerns raised and shared his views on the matter. He discussed sharing the burden of administrative fees and stated that he favored a per-parcel administrative fee.

Hansen shared his views on the proposed model, stating that while assumptions are required, it is based on the best available information and is equitable. He discussed challenges facing local farmers and groundwater management efforts.

Jenson clarified that grant-funded projects have contributed to groundwater recharge.

Hansen stated that consultant input indicates recharge alone will not resolve overdraft conditions and that groundwater use reductions will also be necessary.

Zane noted the Groundwater Commission's significant work and stated that some areas in the

county will require addressing ongoing groundwater issues. He added that the proposed fees are a reasonable starting point to move forward.

Burroughs stated that administrative fees are necessary and noted that agreement could be reached once final numbers are established.

Jenson clarified that the figures presented were based on examples and that the Groundwater Commission had provided recommendations regarding potential changes. He added that the Board could accept or modify the recommendation, but final numbers could not be finalized without direction.

Burroughs stated that recharge is part of the solution and expressed support for being more aggressive with recharge efforts. He emphasized the importance of public participation in solutions and stated concerns about expanding orchards and increasing groundwater stress.

Walker stated that he agreed with the Groundwater Commission's perspective and noted that his understanding had evolved since the beginning of the process. He expressed hope that continued learning would occur among stakeholders and stated his support for using volumetric-based calculations for both Administrative and PMA fees.

Hansen stated he would consider a \$1 million cap if farmers were willing to assume the associated risk. Walker agreed and explained his reasoning.

Burroughs also supported the \$1 million budget cap but emphasized the importance of ensuring funding is available for potential well replacement needs.

Jenson commented on well mitigation concerns and available funding.

Burroughs asked whether any of the \$1 million budget would be used for well mitigation. Jenson confirmed that some funding is included for that purpose.

Walker called for a motion to accept the fee study and direct staff to send mailers, using the volumetric approach and incorporating the Groundwater Commission's recommendation.

RESULT:	APPROVE
MOVER:	Matt Hansen
SECONDER:	Rob Burroughs
AYES:	Director Hansen, Director Burroughs, Chairperson Walker, and Director Zane
NAYS:	Vice Chair Jones

8. Updates

26-0622

Groundwater Recharge

Jenson noted that the proposed fees include funding for recharge activities.

Demand Management Plan Working Group

Covered earlier in the meeting.

Outreach Ad Hoc

Jenson added that they had recently met to discuss the fees.

9. Flood Related Items

26-0613

Jenson stated that the Calsip grant is now in place to install flood gages on streams.

The meeting recessed at 3:05PM and reconvened at 3:10PM

4. Water Extraction Fees Ordinance 2026-2

26-0626

The Board returned to Item #4 to revisit proposed language changes.

Klausner read the proposed language changes for Item #4 as follows:

For the administrative fee: no administrative fee shall be imposed on a parcel that is outside of a basin and does not receive extracted groundwater from within a basin.

For the PMA fee: the language was updated to mirror the administrative fee, stating that each parcel which receives extracted groundwater from an over drafted basin shall be subject to the PMA fee in the amount established by resolution of the Board of Directors, and that no PMA fee shall be imposed on a parcel that is outside an over drafted basin and does not receive extracted groundwater from an over drafted basin.

RESULT: APPROVE AS AMENDED

MOVER: Steve Zane

SECONDER: Matt Hansen

AYES: Director Hansen, Vice Chair Jones, Director Burroughs,
Chairperson Walker, and Director Zane

10. Board Matters

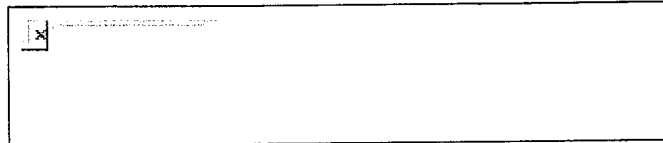
Burroughs stated he would like to revisit the moratorium issue. Walker responded that it would be addressed after Demand Management.

Adjourn

3:12PM

Lena Sequeira

From: Gail Wallace <gnerdtude@aol.com>
Sent: Tuesday, April 21, 2026 7:58 AM
To: tcbos@tehama.gov; rburroughs@tehama.gov; gjones@tehama.gov; Justin Jenson; lizmerry58@gmail.com; mhansen@tehama.gov; twalker@tehama.gov; Gabriel Hydrick; Lena Sequeira; mward5577@outlook.com; szane@tehama.gov; susanpriceconsulting@gmail.com; production@redbluffdailynews.com; tprovine@tehama.gov; Red Bluff Daily Editor
Subject: Formal Complaint Regarding GSA Agency Fee setting ordinance, Financial Oversight, Accounting Practices, and Agency Authority and Public Comment.
Attachments: Public comment 4232026 fees.pdf
Follow Up Flag: Follow up
Flag Status: Flagged



Formal Complaint Regarding GSA Agency Fee setting ordinance, Financial Oversight, Accounting Practices, and Agency Authority.

To: Clerk of the Board
Tehama County Board of Supervisors,
Tehama County Flood Control and Water Conservation District (Flood Control Board, FCB), the
Groundwater Commission (GWC), and the Groundwater Sustainability Agency (GSA)
Tehama County Grand Jury,
District Attorney,
State Controllers Office
Tehama County Auditor

Complaint 1: The Public requires full financial accounting and an accurate description of how the Agency's power and Authority are excersed. The Ordinance says "A statement of the factual basis for the determination of the fee" is required and has not been presented. To insure Integrity this "factual basis statement" would be prepared by a qualified Financial Analyst, Auditor or a Cost Estimator. When preparing the statements of facts it is crucial to represent only factual conditions, and misrepresentations have significant consequences. Excluded would be non-Governmental Accounting Staff, Consultant's, County counsel, or Board members.

Tehama County Charter say no entity except the Board of Supervisor's can assess fees. The Tehama County Charter Article 1, Sec. 2: The powers mentioned in the preceding section can be exercised only by a Board of Supervisors, or by agents and officers acting under their authority or by authority of law or of this Charter.

In the Agenda fee report "Tehama GSA's (who is this newly named Tehama GSA?) fee authority is derived from the SGMA-specific legislation codified in Water Code 10730 through 10731 "Financial Authority." The Board of Supervisors has conveyed no authority to "determine whether, when, and how SGMA-related fees, assessments, or other funding mechanisms will be considered and adopted, subject to applicable law. " Declaring authority from SGMA legislation does not mean you are a Groundwater Sustainability Agency (GSA) and you have to be a GSA to have Fee authority. Just because you state you have authority doesn't mean it is true, prove it Public Hearing, Joint Power Authority, Memorandum of Agreements.

Complaint 2: The Ordinance states that "The District bears the initial burden of producing evidence supporting the fee determination or the action". I'm respectfully requesting all financial evidence be available for public review for the Ordinance reading and adoption meeting on Wednesday April 22, 2026.

Thus far the initial Agency’s Producing Evidence supporting the fee amount has not been established. Greg Clumpner, Fee Consultant states that “No responsibility is assumed for inaccuracies in reporting by Tehama GSA, its consultants and representatives”. Additionally; he is a self-styled fee sub-consultant whose qualifications and proposal were never agonized or presented in a public record A Brown Act issue. When questioned staff indicated that No Request for proposals was conducted, No Contract terms were brought forward before the board and the work was “under threshold” and “paid by Grant funding which are simply false statements”.

Also please provide publication notices and publish dates information to comply with Government code 6066.

Complaint 3: The County misrepresents collection of GSA administrative fees which overlap and are a duplication of GSA Administrative fees when this Ordinance is adopted.

- 1.) Tehama County General Fund Taxes Budget 603 page 277
- 2.) GSA Fee Ordinance presented here \$ 1.78 Million
- 3.) GSA SGMA Reimbursement (unreported amounts)

The Sustainable Groundwater Management Act (SGMA) states that “The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement”. What amount has the been billed and collected according to this provision? Your fee study says nothing of the amounts paid or this funding source. (GSA has received approx. 6-10 million to date). The state Controller’s office states that “Tehama County has been reimbursed 100% for SGMA related expenses”. The old “.29 per acre Well Registration fees are not covered under SGMA.

Complaint 4: Demonstrate Equitable distribution of program expenses over basins by parcel area. The Ordinance does not address the actual cost of service or explain and different between Administrative costs only necessary in the managed sub-basins of Red Bluff, Corning, Antelope and Los Molinos for SGMA compliance, financial reporting, coordination, data management (non duplicated items).

Not including the Administrative revenue the ordinance does not taking into account proportionality reflecting the actual cost of service of the the unmanaged areas nor it take into account GSA Grant Administrative fees paid reimbursed by the state in an undetermined amounts but at least \$91,400 9/22 (see invoice) A Fee study should identify the full costs of service for recovery from fees and then translates it’s costs into a workable fee structure. Your presented pages for the public (Appendix A) does not identify any service costs to recover. It uses an amount of \$1.78 million unapproved planning budget this does not meet the initial burden of producing evidence to support this action. Prop 218, specifically, its requirement that a property-related fee or charge “shall not exceed the proportional cost of the service attributable to the parcel.”

The Table below is the adopted GSA Budget (page 277) which represents all GSA administrative fees Countywide collected.

The GSA’s actual adopted budget Schedule 9 for FUND 603

Adopted Budget	Actual GSA Administrative fee collected	Adjustments State Paid Admin	Adjusted Totals
FY 22/23	\$470,457	-91,400	470,457
FY 23/23	828,733		828,733
FY 24/25*	6,693,170	-6,100,000	593,170

* FY 24/25 \$6,693,170 Prop 68 Grant Funding removed Corning sub basin \$3,500,000, Red Bluff sub-basin \$800,000, Antelope \$1,000,000, Los Molinos \$800,000 Total \$6,100,000

You can’t charge twice for the same thing your fee study needs to address multiple collections of GSA Administrative fees.

Identify the “old” .29 per acre Countywide Administrative Well Registration Fees Costs of Service and amounts collected and held for “Data Management costs, Legal Services, Staff time, and deduct those costs”. GSA Budget Fund 603 Schedule 9 2024-25 page 277 Budget Book. Revenue lists Property tax revenue of \$ 192,524. The presented fee study does not include any mention of secured tax revenue. The General fund tax source from these funds is from Assessor Property tax Valuations for wells. This is an already existing Fee structure collected/collecting amount for “Regulatory Well Values secured tax taxation”. The Board needs to document the amounts on the official administrative record

for the disposition of these funds and any changing conditions and document the methodology, criteria, and the evidence of those costs of service in the (the official decision-making file) Deduct those costs.

Existing Contractual obligations between CSGSA and Flood Control for GSA administrative fees expenses were not included in the presented fee study. The GSA is paying the CSGSA GSA Administrative Fees for ASSESSMENTS to Corning Sub Basin Parcels/wells/Acres for \$4,950. Why? See page 4 of the Corning GSA fee study and I quote “For option 1 the lands within the boundaries would receive a CSGSA prop 218 Fee roll notice and collect fees through the (Tehama County) property tax bill. “ deadlines have already past and the grand jury said nope and the County has a judgement against them for that. Define the Administrative fee amount and explain why Corning GSA Administrative costs of service (duplicated fee studies for one) is twice as expensive as other sub-basins.

Section F. “The Executive Director may impose a fine on any property owner that fails to submit a GSA Well Registration form”. Due process is being violated here. How much, How often, Who is the “Executive Director? The vacant Public Works Director? Staff any person opening mail. The Fee Administer, GOD.

Section H. The fine may be tripled if a property owner submits a GSA Well Registration form which fraudulently states that there is no well on a parcel. What no hearing process, Who decides just a guy decides if he likes you or not?

It is unacceptable from an accounting and formula standpoint to say that all costs will be charged for only 17,149 parcels pay 100% of the cost of service.

Key Components of Allowable Administrative Expenses sub-basin only not reimbursed by SGMA.

- Personnel Costs: Salaries and benefits for staff involved in groundwater management.
- Operational Expenses: Costs related to office supplies, utilities, and communication.
- Consulting Fees: Payments for external consultants or experts assisting in groundwater sustainability efforts.
- Program Development: Expenses incurred in developing and implementing groundwater sustainability programs, including research and data collection

Revenues are used only for their intended purpose “not for past legal appeals for what staff believes is to be true” GSA Directors note that the governmental activity funded by the fee is not provided to those not charged.

GSA/FCB/TCGSA terms for Assumed volumetric and the recommended methodology must be followed for Corning basin.
No itemized breakdown showing how staff hours or enforcement costs are allocated
No confirmation that fees collected in one basin stay in that basin
No publicly accessible tracking system for SGMA-related charges

Grant reimbursements Amounts need to be identified and removed per SGMA and GAAP accounting rules.

Recommendation 1: When the Board deliberates the fee ordinance; I respectfully request the addition of a “trust styled” management oversight and accounting policy or ad-hoc committee for the use of these proposed Administrative and Program Fee funds.

- A Separate Fund Accounting: Establish distinct accounts for different fees to track revenue and expenditures accurately due to the new fee types and program requirements. Demand management should be treated as a specific matter to manage with differing sub-basin programs and retention policies. This requires a Board motion to direct Auditor to accomplish this.
- This includes perhaps defining the purpose, eligibility criteria, and spending limits to ensure funds are used appropriately.
- Regular Audits and Reporting
- Implement regular audits to assess the financial health and compliance of fee and program trust funds and its objectives. Mandate regular financial reports to be submitted to the governing body and made available to the public.
- Fee and program funds reporting Quarterly with the results agenda can enhance transparency and build public trust
 - Enhance financial management and reporting for

Under **Water Code §10730(a)***, a groundwater sustainability agency (GSA) may impose fees only to:

Fund groundwater management activities, which = ?\$\$\$\$. “do impose identifiable administrative costs on the District”. What is the amount identified?

Reflect the costs attributable to groundwater extraction or related benefit. Which is = ?\$\$\$\$

“Parcels with verified de-minimus use below a Board-established threshold;” Define this.

“Do impose identifiable administrative costs on the District”. You stated it but not quantified costs. The public hearing process requires simple amounts identified. The District bears the initial burden of producing evidence supporting the fee determination or the action.

Board of Directors shall consider and the District shall respond in writing to, any timely written objections. The Board of Directors may adjourn the Hearing to another date if necessary to respond to comments received after the agenda is posted for the meeting at which the Hearing occurs. The District’s responses shall explain the substantive basis for retaining or altering the proposed fee, charge, or assessment in response to written objections, including any reasons to reject requested amendments. I submitted many written objections letter’s the latest is March 26, 2026 and am still waiting for the District’s written response.

Complaint 5 : ORDINANCE NO. 2026-1

The District Fee Remedies Procedure

Issue: Funding

7.1 Board Authority; Separate Fee Process

“The GSA Board retains sole authority”

There is no GSA Board, or agendas. Refer to the meeting minutes from March Flood Control Board to verify this status.

The GSA is an improperly formed entity. Flood Control published a “Notice of Intent” dated November 3, 2015 stating that the Flood control Board will be the GSA and filed this with the state Water Board and has used “GSA Requirements Water Code 10723.8 (a)(4). “A combination of local agencies may form a groundwater sustainability agency through use of a joint powers agreement or other legal agreement (10723.6 (a). Filing a Notice of Intent means the Board intends to form an entity but has done nothing thus far to form this agency at a minimum; you need for the administrative record (the official decision-making file). Bylaws, meeting schedules, filings with State Controller, Agency members and makeup, formation authority (BOS to GSA). Budget, Accounting, and Funding identified i.e. Tehama County property tax commitment, User fees costs, in-Lieu fees from Water extractors , The incorporated Cities legal agreement and commitments from others like prisons, hospitals, state, and federal agencies use and benefit all are reflective of an attributable cost and benefit.

Why is the Flood Control Board stating they are the legal authority when they have only filed a “Notice of Intent”? A Notice of Intent is a formal declaration that you plan to do something specific, sent early enough to give the other side time to respond.

See City of Red Bluff Response letter Dated Oct 9, 2025 stating “That the City interests must be considered... in the development and operation”. The fee study does not appear to consider “the largest supplier of municipal water” In some contexts, like SGMA the law requires it before you can take action.

This is your stated process how about you use this as a test case:

1. The written objections and the District’s response warrant clarifications to the proposed fee, charge, or assessment.
2. To reduce the proposed fee, charge or assessment.
3. To further review the proposed fee, charge, or assessment before determining whether clarification or reduction is needed.
4. To proceed with the Hearing, to continue it, or to abandon the proposal.

Gail Wallace
8305 Willie way
Los Molinos, Ca. 96055
530 386-3193 or 530-200-2314

gnerdtude@aol.com

Public comment 4/23/2026

Good evening Board Members,

I am here today to raise serious concerns regarding transparency, legal authority, and financial accountability in this proposed ordinance.

First, the public is entitled to a full financial accounting and a clear explanation of how this agency is exercising its authority. The ordinance itself requires “*a statement of the factual basis for the determination of the fee.*” That statement has not been provided.

A proper factual basis must come from qualified financial professionals—such as an auditor, financial analyst, or cost estimator—not from consultants, staff, or legal counsel. Without that, the integrity of the fee structure is fundamentally compromised.

Second, authority is being asserted—but not proven.

The Tehama County Charter is clear: only the Board of Supervisors, or those legally authorized by it, may impose fees. Yet the agenda report claims that “Tehama GSA” derives authority from SGMA. Declaring authority under state law does not make it so. You must demonstrate that authority through formal action—such as a Joint Powers Agreement, Memorandum of Agreement, or official delegation from the Board of Supervisors. To date, that proof has not been presented.

Third, the ordinance requires that the District bear the initial burden of producing evidence to support the fee. That evidence has not been made available.

The fee consultant has explicitly disclaimed responsibility for inaccuracies, and there was no transparent procurement process—no RFP, no contract approval, and no public review. That raises serious concerns under the Brown Act.

Additionally, required publication notices under Government Code 6066 have not been clearly documented.

Fourth, the financial structure itself appears duplicative and noncompliant.

You are proposing \$1.78 million in new fees while existing revenues already include in general fund taxes, property tax allocations, prior well registration fees, and millions in state SGMA reimbursements. The State Controller indicates these costs may already be fully reimbursed.

You cannot charge the public twice for the same service.

Under Proposition 218, fees must not exceed the proportional cost of service attributable to each parcel. Yet this ordinance does not identify actual service costs, does not allocate costs by basin, and does not demonstrate proportionality. Instead, it relies on an unapproved planning budget—not evidence.

Finally, there are serious due process concerns.

The ordinance allows fines to be imposed—and even tripled—without a defined hearing process, without clear authority, and without identifying who is making those decisions. That is not acceptable.

In closing, I respectfully request that the Board pause this process and require:

A complete and verified financial accounting

Clear legal proof of authority

Full public disclosure of all supporting evidence

And a compliant fee structure based on actual, proportional cost of service

Until those conditions are met, proceeding with this ordinance would not meet the legal or ethical standards required.

Thank you.

Gail Wallace

8305 Willie way

Los Molinos

530-200-2314 or 530-386-3193

gnerdtude@aol.com

Lena Sequeira

From: Andrew Grady <gradydrew87@gmail.com>
Sent: Wednesday, April 22, 2026 8:43 AM
To: Lena Sequeira
Subject: Public Comment (4/23/26) TCFCWCD Meeting
Attachments: To Board of Directors.pdf; Objection to the proposed Tehama County GSA administrative f (2).pdf



Hi Lena,

I attached two PDFs that contain my public comments for the 4/23/26 TCFCWCD Meeting. I have already emailed the two documents directly to the Directors, but I'm requesting that they be included in the meeting minutes. Thank you!

Best Regards,

Andrew Grady

Tehama County resident and property owner

April 21, 2026

Formal Protest of Groundwater Fee Methodology and Applicability to Rural Residential Groundwater Users -- As Presented in the 4-23-27 Tehama County Flood Control and Water Conservation District Meeting Agenda

To the Tehama County GSA Directors,

1. PURPOSE OF PROTEST

This written protest is submitted to object to the proposed groundwater user fee as applied to rural residential parcels. The objection concerns: lack of transparent derivation for rural residential per-acre coefficients, discrepancy between household water use and billing assumptions, lack of proportionality, and insufficient evaluation of de minimis user exemption under SGMA (Water Code §10730(a)).

2. SGMA STATUTORY FRAMEWORK – DE MINIMIS USERS

Water Code §10730(a) provides:

“A groundwater sustainability agency (GSA) may impose fees... to fund the costs of a groundwater sustainability program... A groundwater sustainability agency shall not impose a fee pursuant to this subdivision on de minimis extractor unless the agency has regulated the users pursuant to this part.”

This statutory language establishes two key principles:

1. GSAs have authority to impose fees to fund groundwater sustainability programs.
2. GSAs may not impose fees on de minimis extractors unless those users are regulated under SGMA.

Accordingly, any fee imposed on de minimis users must be supported by a determination that such users:

1. are not de minimis
2. or have been regulated in a manner that justifies fee imposition.

No such explicit determination is provided in the 2026 Tehama GSA Fee Report pertaining to de minimis (residential) groundwater extractors.

April 21, 2026

3. BASIN-WIDE WATER USE FINDINGS (FROM STUDY DATA)

The Fee Report provides the following groundwater use distribution:

- A. Total groundwater use: ~1,770,169 acre-feet/year.
- B. Agriculture: ~1,712,615 acre-feet (~96.7%).
- C. Commercial/Industrial: ~39,866 acre-feet (~2.3%).
- D. Residential: ~17,688 acre-feet (~1.0%).

These figures demonstrate that groundwater demand is overwhelmingly agricultural, with residential use representing approximately one percent of total basin-wide extraction.

4. EMPIRICAL RESIDENTIAL WATER USE METHODOLOGY

The Fee Report derives domestic residential water use using the *2020 City of Red Bluff Urban Water Management Plan* and Census data:

- A. Per capita use: ~253 gallons per person per day.
- B. Household size: 2.6 persons.
- C. Total households: 24,934.

This results in:

Total domestic use: ~18,370.5 acre-feet/year*

*The study concludes an average per household/parcel use of ~0.74 acre-feet per household per year. This average includes commercial water use, and therefore total residential water use is likely overestimated in this study.

5. CONVERSION TO LAND-USE COEFFICIENTS AND METHODOLOGICAL GAP

While residential use is derived at the household (parcel) level, the proposed/presented fee structure converts residential parcels into land-use intensity coefficients:

- A. Urban residential: 0.75 acre-feet per acre
- B. Rural residential: 1.25 acre-feet per acre

The 2026 fee report does not provide:

1. A derivation linking the household-based estimate (~0.74 AF/household) to per-acre coefficients.

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2. Documentation explaining how rural residential differs from urban residential in hydrologic demand.
3. Any validation of these coefficients against groundwater extraction data.

This creates a discrepancy between the presented empirical estimation of residential water use and the fee allocation methodology.

6. DISCREPANCY BETWEEN MODELED USE AND BILLING ASSUMPTIONS

Based on the fee study data, residential water use equates to approximately:

- **~0.19** acre-feet per acre per year (modeled equivalent)

Compared to billing assumptions:

- Urban residential: 0.75 AF/acre (~3.9× higher)
- Rural residential: 1.25 AF/acre (~6.6× higher)

This indicates a substantial divergence between empirically derived residential use and assigned billing intensity.

7. PROPORTIONALITY CONCERNS UNDER PROP 26 AND PROP 218

- Under Proposition 26, regulatory fees must not exceed the reasonable cost of providing the service or mitigating the burden imposed
- Under Proposition 218, property-related fees must be proportional to the special benefit or burden associated with the property.

Given that:

1. Residential use represents approximately **~1% of total basin groundwater extraction.**
2. Rural residential coefficients significantly exceed modeled residential use intensity.
3. No derivation is provided linking empirical household data to per-acre billing factors.

There is a substantial question whether the residential fee structure maintains a reasonable proportional nexus to actual groundwater burden.

8. DE MINIMIS STATUS UNDER SGMA

Under Water Code §10730(a), GSAs may not impose fees on de minimis extractors unless such users have been regulated under SGMA.

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Given that:

1. Residential users collectively represent approximately **1% of total groundwater use**.
2. Individual rural residential parcels represent a fraction of that total Agricultural pumping constitutes approximately 97% of basin demand.
3. There is a credible basis to consider rural residential users as de minimis extractors in the context of basin-wide groundwater sustainability.
4. No explicit finding in the fee study supports a need to regulate rural residential water users
5. The cost and burden to “regulate” de minimis users outweighs any negligible gain.

I respectfully request that the Tehama County GSA Board:

Provide a documented derivation for the 1.25 AF/acre rural residential coefficient, including:

- A. Data sources and methodology.
- B. Explain how household-based empirical water use (~0.74 AF/household) was converted into land-use coefficients.
- C. Make an explicit determination as to whether rural residential users are considered de minimis under SGMA Water Code §10730(a) and if de minimis users will receive an exemption from GSA admin and demand management fees.
- D. Justify how the current residential allocation methodology satisfies proportionality requirements.

9. CONCLUSION

This protest does not oppose groundwater sustainability funding obligations. Rather, it challenges whether the residential fee methodology is supported by a transparent, empirically derived nexus between actual groundwater use and assigned billing coefficients, and whether rural residential users have been properly evaluated under SGMA’s de minimis exemption provisions. The fee report provides household-based water use estimates but lacks a corresponding derivation for rural residential per-acre coefficients. This discrepancy warrants formal review prior to adoption of the proposed fee structure.

In addition, I heard there is an updated fee report being sent out to some Tehama County residents. I have not received this updated fee report, and I am on the mail chimp mailing list, nor have I seen the updated fee report publicly published.

Respectfully submitted,

Andrew Grady (Tehama County resident and groundwater user)

March 27, 2026

Objection to the proposed Tehama County GSA administrative fee (as applied to de minimis domestic users) presented at the 3/26/26 TCFCWCD Meeting

To the Tehama County GSA Directors,

I submit this objection to the proposed Administrative Fee on the grounds that, as applied to de minimis domestic groundwater users, the fee violates Proposition 26 of the California Constitution (Article XIII C, section 1(e)(3)). In addition, the proposed fee violates prop 218.

1. The proposed fee lacks the required nexus to regulatory activity

Proposition 26 permits regulatory fees only to the extent they reflect the reasonable costs of regulating the fee payer's activities. As explained in *Sutter's Place v. City of San Jose (2024)*, a local agency must demonstrate that costs are tied to specific, permissible regulatory activities—such as permitting, inspections, or enforcement—performed in connection with the payor.

De minimis (domestic) users (in Tehama County) are not subject to meaningful regulatory GSA oversight. They are not metered, and their groundwater use—generally limited to two acre-feet for domestic purposes, consistent with the highest beneficial use of water—is presumptively reasonable and non-injurious. This user groups' negligible impact is demonstrated by reviewing the Tehama County GSA annual reports submitted to DWR. Accordingly, such users (in Tehama County) are not required to annually report groundwater use, as their extraction is consistent, predictable, and does not create impacts warranting monitoring or enforcement. As such, this level of extraction does not require ongoing permitting, monitoring, or enforcement. Under Proposition 26, the District (in its Groundwater Sustainability Agency capacity) bears the burden of demonstrating that any fee does not exceed the reasonable costs of regulating the payor's activities. Here, the GSA cannot meet that burden, as it has not identified any specific regulatory activity performed for, or necessitated by, de minimis domestic users, nor shown any reasonable relationship between such users and the costs the Administrative Fee seeks to recover. The GSA has not demonstrated that it incurs significant regulatory costs attributable to these users. Instead, the Administrative Fee appears to fund generalized groundwater management activities, including basin-wide planning, modeling, and program administration. These are programmatic costs and are not chargeable under Proposition 26 Exception 3.

Water Code 10730(a) states: A groundwater sustainability agency (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 groundwater sustainability plan, and investigations,

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inspections, compliance assistance, enforcement, and program administration, including a prudent reserve. A groundwater sustainability agency shall not impose a fee pursuant to this subdivision on de minimis extractor unless the agency has regulated the users pursuant to this part.

In an informational document titled *Domestic Well Users and the Sustainable Groundwater Management Act (SGMA)* found at www.waterboards.ca.gov (March 2016). The document states:

1. *Domestic well users generally fall within the SGMA definition of a de minimis extractor*
2. *Most private users of domestic wells use less than two acre-feet of water per year*
3. *Each GSA will determine the management policies that will apply to domestic well users under a groundwater sustainability plan. One GSA may choose to exempt domestic well users from management altogether, while another GSA may need to incorporate domestic well users into basin management in order to address negative effects caused by groundwater extraction in the basin*
4. *SGMA does not authorize GSA's to require domestic well users to meter their wells*
5. *Domestic well owners may be required to report groundwater information to a local GSA **as part of a sustainability plan***
6. *Domestic users are not automatically exempt from management by state intervention. The State Water Resources Control Board may place requirements or restrictions on domestic well users in a basin that has been designated probationary. If domestic well extractions are likely to have a **substantial impact on the basin**, domestic well owners may be required to report individual well locations and extraction information directly to the State Water Resources Control Board*

In a study titled, *How do Private Wells and Small Water Systems Impact the Basin*, presented by John Ricker, Santa Margarita Groundwater Agency (December 2, 2020) it states:

1. Indoor domestic water use accounts for 70% of overall water used by this user group
2. 90% of indoor water use is returned via septic system
3. Outdoor use accounts for 30% and a portion of that is recharged
4. Depending on the geology, a significant portion of rural domestic water use is recharged

How has the Tehama County GSA objectively determined that regulating de minimis users is necessary within SGMA regulated subbasins, but not in the low priority subbasins in which they are also the responsible GSA? Are (domestic) de minimis users engaged in a behavior that warrants regulation in some subbasins but not others – even though their water use is minimal and primarily used for activities of daily living? Has the Tehama County GSA conducted a similar study to the Santa Margarita Groundwater Agency? Has the GSA formally decided to regulate de minimis users?

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2. The Fee improperly recovers costs caused by other users

The administrative structure described in the proposed Ordinance exists primarily due to groundwater overdraft conditions and the need to regulate high-volume extractors. De minimis domestic users do not materially contribute to overdraft conditions.

The GSA's decision to exclude these users from the PMA (demand management) fee acknowledges that their impact is negligible. However, the GSA simultaneously seeks to impose Administrative Fees that are driven by the same underlying conditions. This creates an internal inconsistency and demonstrates that the Administrative Fee is not based on costs caused by de minimis (domestic) groundwater users. As a result, the fee unlawfully shifts costs attributable to large-scale groundwater users onto de minimis domestic users.

California Water Code 106

106. It is hereby declared to be the established policy of this State that the use of water for domestic purposes is the highest use of water and the next highest use is for irrigation.

3. The Fee is disproportionate to any cost imposed by domestic users

Even if some minimal administrative activity (such as well registration) applies to domestic users, the District (acting as the GSA) must show that the amount charged is proportional to those costs.

The proposed ordinance does not provide a cost-of-service analysis demonstrating:

- A. The actual cost of regulating domestic wells;
- B. How those costs differ from those attributable to larger extractors; or
- C. How the fee amount reflects those differences.

Without such evidence, the fee is disproportionate and invalid under Proposition 26.

4. Similarly situated users are not charged

Domestic users outside of over drafted subbasins (in Tehama County) engage in the same activities (groundwater extraction) and are subject to similar baseline requirements such as mandatory well registration (for future fee calculations), and monitoring. However, they are not charged comparable fees. This disparity demonstrates that the fee is not based on the regulated

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activity itself, but rather on subbasin-wide conditions. Proposition 26 does not permit fees based on generalized program needs or geographic conditions absent a direct connection to the payor's conduct. In addition, it appears vacant parcel owners that don't use groundwater are being exempted from the proposed programmatic fees without justification. Is it because these parcel owners are not engaged in activities that justify groundwater extraction oversight? Is the GSA claiming that any groundwater extraction (even if negligible) warrants disproportionate regulatory oversight?

5. The Fee funds programmatic SGMA obligations

The GSA obligations under the Sustainable Groundwater Management Act are programmatic in nature. While those obligations may justify regulatory actions, they do not permit the GSA to recover broad program implementation costs through fees imposed on individuals unless those costs are tied to specific regulatory activities attributable to those individuals. The Administrative Fee, as structured, improperly recovers such programmatic costs.

Conclusion:

For the foregoing reasons, the Administrative Fee, as applied to de minimis (domestic) users, does not qualify as a valid regulatory fee under Proposition 26. The District in its capacity as the GSA, has failed to demonstrate the required nexus and proportionality, and the fee improperly shifts costs caused by other users.

Accordingly, I respectfully request that the GSA:

1. Exempt de minimis (domestic) users from the programmatic Administrative Fee by not "regulating" them or,
2. Base the fee on a documented, activity-specific cost-of-service analysis limited to the actual cost of regulating such users and justify the need to "regulate" such users to meet the sustainability goals identified in the relevant groundwater sustainability plans.

Additional items of concern:

1. The GSA is inconsistently defining who is being regulated or charged, which shows the fee is not tied to actual regulatory activities but instead designed to broadly capture revenue.

By extending the fee to parcels that do not themselves extract groundwater but utilize groundwater from neighboring wells, the GSA confirms that the charge is not tied to the regulation of specific extraction activity. Instead, it is imposed based on land ownership and

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perceived benefit, which is characteristic of a property-related fee subject to Proposition 218 — not a regulatory fee under Proposition 26. For example: If the County regulates a restaurant, it does not charge the customers eating there for the cost of inspections. Regulation applies to the operator—not everyone who benefits from the activity. This also applies to charges to municipal, or community water customers.

- A. How is the GSA “regulating” parcels that use groundwater but don’t extract groundwater? Is the GSA “regulating” customers that use water, or the well owner?
- B. Are parcels being charged a prop 218 fee, or are well owners being charged a prop 26 regulatory fee, or is it a combination of both?

It appears the GSA is imposing a property fee (related to groundwater use) that is being presented as a regulatory fee. Also, it seems the only reason that (domestic) de minimis users are being charged a “regulatory fee”, is because their parcel of land (that utilizes groundwater) happens to reside in an area regulated by the SGMA and not because they impose actual costs from their reasonable beneficial use of groundwater — the same reasonable beneficial use of water neighboring domestic wells (outside of the proposed fee area) utilize without “required” regulation “for groundwater extraction oversight”.

2. Will the GSA inform the public by mailers of the prop 218 majority protest process and will the GSA halt adoption of the fee if a majority protest occurs — even though they are not stating it’s a property related fee? In other words, will the fee be implemented fully to comply with prop 218, or will it be a prop 218 “like” process. If stated by the GSA to be a prop 218 “like” process, will the GSA define and explain the proposed process so impacted parties can be adequately informed and prepared?

3. Will the GSA demonstrate how providing evolving information about long term fees best serves the public and why the GSA failed to provide ongoing public fee discussions and meeting agendas over the last few years?

From a Tehama County GSA well registration letter:

Data collected through the well registration program will be used to support the development of a well size/type based funding mechanism to provide long term funding for the GSA. All properties that extract groundwater will be levied a fee. All future fees will be approved by the Tehama County Flood Control and Water Conservation District Board of Directors at public meetings, with opportunities for public comment. After the initial data collection period, a long term funding mechanism will be established. (GSA Well Registration Letter)

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A member of the public could reasonably conclude that all wells in Tehama County will be charged a well size/type fee – not just the wells in impacted subbasins.

From the 11/18/24 Tehama County Flood Control and Water Conservation District Agenda Packet:

*Requested Actions – Approve the new FAQ sheets for the final Well Registration Mailer
Background Information – The fee in Resolution 9-2022 sunsets after the 2025 tax season. This we be the final form mailed **before** the fee expires. Attached is the updated FAQ sheet representing new round specific information, stating that the sunset of the fee does not eliminate the requirement to register, and clarifying potential consequences for failure to comply with the requirement to register.*

A member of the public could reasonably conclude that the mailer would be sent before the fee expires.

From the 3/26/26 Tehama County Flood Control Agenda Packet (item 9):

Section 8. Required response to the well registration survey – A. Pursuant to Resolution 9-2022, the District Groundwater Executive has been directed to survey the properties within the District. 2026 shall be the final year for this survey and shall hereinafter be referred to as the 2026 Well Registration Survey.

A member of the public could reasonably conclude that the 2024 registration letter wasn't sent before the fee expired as directed.

From A KRCTV news article:

Ultimately, those who think they are unfairly charged because they don't use groundwater will be eliminated from the long term costs of water regulation within the county. So, it's in their best interest to go through this process now so they don't pay in the future. (Tehama County agency to appeal court ruling on well registration fees, krcvtv.com, 2/10/25)

A member of the public could reasonably conclude that a decision was made (by the Directors) to exclude these individuals from long term fees.

Refer to the 2/23/2022 Tehama County Groundwater Commission Meeting audio recording for (agenda item 7) *Groundwater Sustainability Funding Mechanism Recommendation* available at Tehamacounty.legistar.com

A member of the public could reasonably conclude from attending this meeting, or listening to the recording, that all APN owners (in the County) will receive an administrative fee based off

March 27, 2026

parcel size, and that a second fee would be assessed based on potential water use which would be calculated by the number of wells one owns and their diameter.

From the 2/28/22 Tehama County Flood Control and Water Conservation District Meeting Minutes:

Director Moule asked how fees for parcels less than one acre will be determined. Mr. Jenson stated initially they will be charged a percentage of 0.29 based on their parcel size. Mr Jenson clarified that following implementation of the well diameter-based fee, the fees will be combined. Mr Jenson discussed the well permit data available since mid 1980s and the well registration data needed to effectively charge the fees necessary to run the Groundwater Sustainability Program; fees will be based on well casing diameter.

A member of the public could reasonably conclude that there will be a long-term parcel-based fee and a well casing diameter fee across all of Tehama County and not just specific subbasins. One likely would assume this is the reason the well registration was sent Countywide and was not subbasin specific.

From the 3/21/22 Tehama County Flood Control and Water Conservation District Meeting Minutes:

Consider acceptance of the Tehama County Groundwater Commission funding recommendation of 0.29/per acre countywide on the next tax roll, with a countywide per well fee to be placed on the 2024 tax roll.

A member of the public would likely conclude that a countywide per well fee would be placed on the 2024 tax roll.

One might reasonably question why this didn't occur in 2024 and why ongoing long-term fee discussions were not engendered until the end of 2025. One might also question why years went by that could have been utilized for public long-term GSA fee discussions.

I hope to see these concerns considered and discussed before adopting long term GSA fees. I also hope to see more open public discussion among the GSA Directors regarding fees, and reasonable time given to stakeholders to comment on proposed fees. In addition, I hope this provides perspective on why some might feel confused and frustrated with how the GSA communicates information and operates.

Regards,

Andrew Grady

Tehama County resident and property owner

March 27, 2026

**GSP ANNUAL REPORTS
LOS MOLINOS**

Rural Residential
CORRECTED

4/22/2026

YEAR	AG- (af)	RURAL RESIDENTIAL		
		URBAN	NATIVE VEG	RESIDENTIAL
2025	13,200	300		3,600
2024	17,700	100		1,000
2023	30,000	300		40
2022	48,000	750	5,900	3
2021	40,000	990	2,500	NA

ANTELOPE

2025	18,900	300		5,100	1,400
2024	17,700	300		1,400	
2023	17,000	400		300	
2022	23,000	1,700	1,300	130	
2021	26,000	1,000	460	NA	

CORNING

2025	166,600	31,500	(Metered-2,300)	8,900	NO CORRECTIONS
2024	149,500	2,300		1,800	AG USE
2023	171,000	4,000		300	166,600
2022	230,000	4,600	7,300	220	Urban and Rural Res
2021	252,400	3,000	NA	250	At 25%

RED BLUFF

2025	95,300	6,000		11,600	3,300
2024	88,900	3,600		3,300	
2023	91,000	4,000		2,000	
2022	110,000	6,400	5,400	980	
2021	123,700	5,500	3,300	NA	

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