

# 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

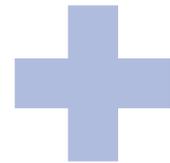
## Why Are Fees Needed?

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
<b>Total Legal Services</b>	<b>\$55,000</b>	<b>\$55,000</b>	<b>\$55,000</b>	<b>\$55,000</b>	<b>\$55,000</b>
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
<b>Total Technical Services</b>	<b>\$37,000</b>	<b>\$37,000</b>	<b>\$37,000</b>	<b>\$37,000</b>	<b>\$37,000</b>
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
<b>Total Administrative Services</b>	<b>\$289,000</b>	<b>\$289,000</b>	<b>\$289,000</b>	<b>\$289,000</b>	<b>\$289,000</b>
<b>OPERATING EXPENSES SUBTOTAL</b>	<b>\$381,000</b>	<b>\$381,000</b>	<b>\$381,000</b>	<b>\$381,000</b>	<b>\$381,000</b>
Operating Expenses Reserve (10%)	\$38,000	\$38,000	\$38,000	\$38,000	\$38,000
<b>TOTAL OPERATION EXPENSES</b>	<b>\$419,000</b>	<b>\$419,000</b>	<b>\$419,000</b>	<b>\$419,000</b>	<b>\$419,000</b>
<b>SGMA COMPLIANCE EXPENSES</b>					
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
<b>SGMA COMPLIANCE EXPENSES SUBTOTAL</b>	<b>\$690,000</b>	<b>\$690,000</b>	<b>\$690,000</b>	<b>\$690,000</b>	<b>\$690,000</b>
SGMA Compliance Expenses Reserve (10%)	\$69,000	\$69,000	\$69,000	\$69,000	\$69,000
<b>TOTAL SGMA COMPLIANCE EXPENSES</b>	<b>\$759,000</b>	<b>\$759,000</b>	<b>\$759,000</b>	<b>\$759,000</b>	<b>\$759,000</b>
<b>TOTAL ANNUAL BUDGET</b>	<b>\$1,178,000</b>	<b>\$1,200,770</b>	<b>\$1,223,540</b>	<b>\$1,246,310</b>	<b>\$1,269,080</b>



# 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
<b>PMA EXPENSES</b>					
<b>Demand Management Program</b>					
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
<b>Total DM Program Costs</b>	<b>\$468,333</b>	<b>\$468,333</b>	<b>\$468,333</b>	<b>\$468,333</b>	<b>\$468,333</b>
<b>Demand Management Cost Basis</b>					
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%
<b>Total Voluntary Incentive Costs</b>	<b>\$433,333</b>	<b>\$433,333</b>	<b>\$433,333</b>	<b>\$433,333</b>	<b>\$433,333</b>
<b>Well Mitigation Program</b>					
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
<b>Total WM Program Costs</b>	<b>\$60,000</b>	<b>\$60,000</b>	<b>\$60,000</b>	<b>\$60,000</b>	<b>\$60,000</b>
<b>Well Mitigation Cost Basis</b>					
Avg. Cost/Domestic Well Replaced	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
# Wells Replaced/Year	1	1	1	1	1
<b>Total Annual Well Mitigation Costs</b>	<b>\$40,000</b>	<b>\$40,000</b>	<b>\$40,000</b>	<b>\$40,000</b>	<b>\$40,000</b>
<b>TOTAL PMA EXPENSES</b>	<b>\$528,333.33</b>	<b>\$528,333.33</b>	<b>\$528,333.33</b>	<b>\$528,333.33</b>	<b>\$528,333.33</b>
<b>Total PMA Costs-Water Purchases</b>					
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%
<b>Total PMA Costs-Water Purchases</b>	<b>\$866,667</b>	<b>\$866,667</b>	<b>\$866,667</b>	<b>\$866,667</b>	<b>\$866,667</b>
<b>TOTAL PMA COSTS</b>	<b>\$1,395,000</b>	<b>\$1,421,000</b>	<b>\$1,447,000</b>	<b>\$1,473,000</b>	<b>\$1,499,000</b>

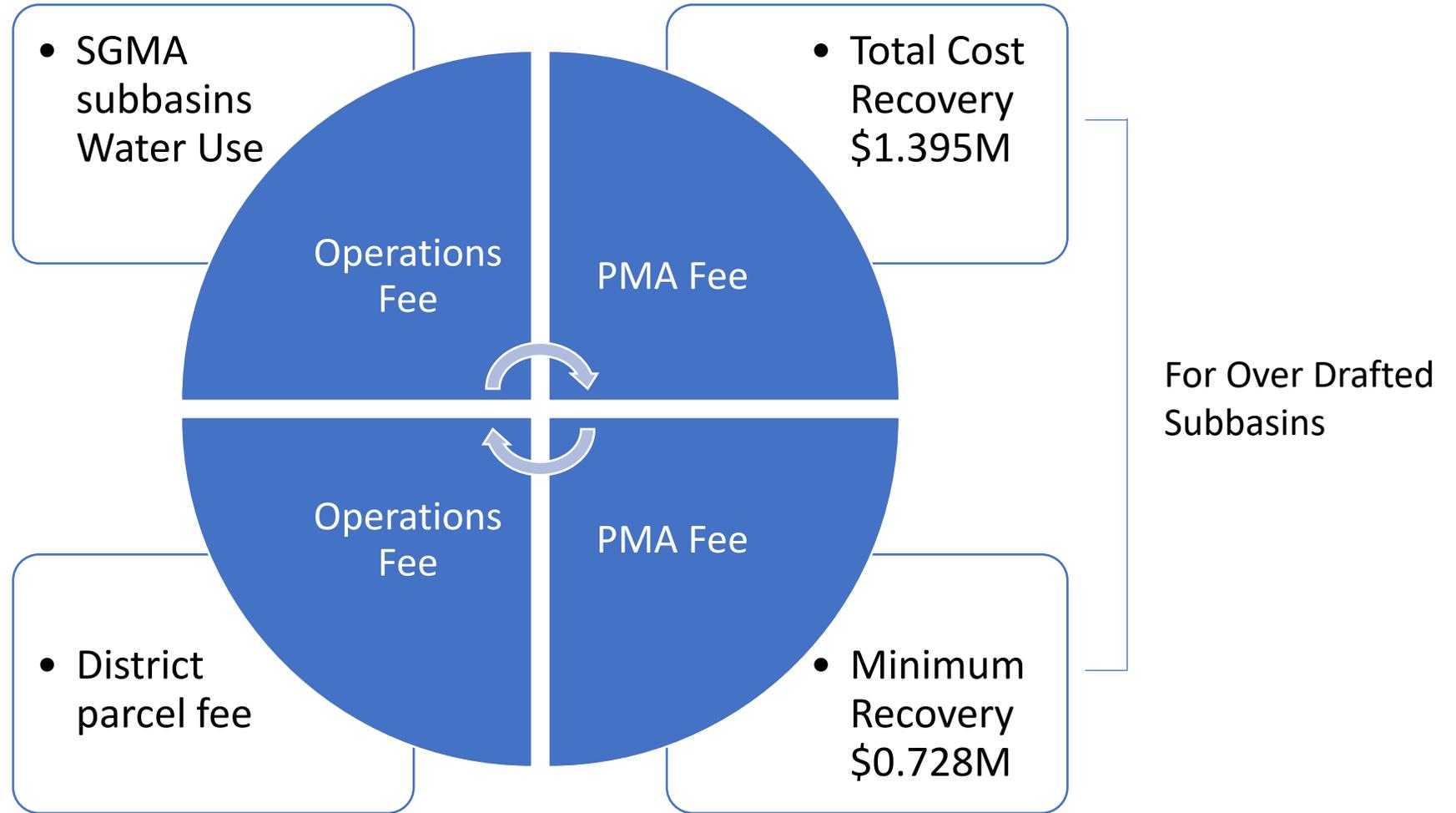
PMA fees focused on addressing groundwater overdraft.



# 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

# Overview of Fee Options Evaluated

<b>Overview Description of Tehama County APN Parcel Data Alternatives</b>			
<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
<b>Est. Annual GSP Operations Fee</b>	
Annual GSP Operations Fee (\$/Parcel/Year)	<b>\$30.50</b>

### 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].

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

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.)	<b>\$0.69</b>	<b>\$0.67</b>

#### Key Assumptions:

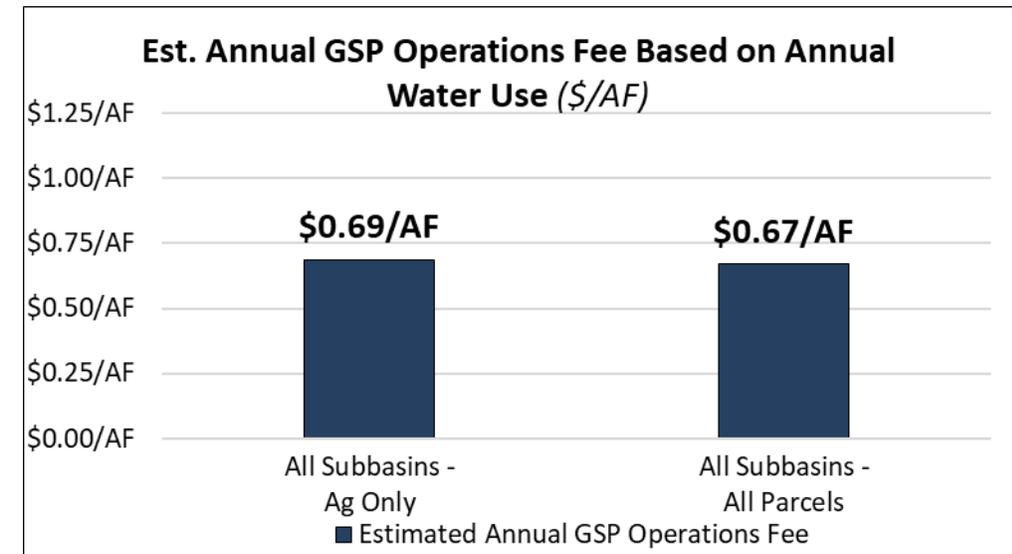
SGMA Subbasin parcels.

Estimated water use.

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].

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

# 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	Overdraft Subbasins - Ag Only
<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>
<b>Estimated Annual PMA Fees (\$/AF/Yr.)</b>	
Annual PMA Fee - Recom. Funding Level	<b>\$0.98</b>

### Key Assumptions:

SGMA Over Drafted Subbasin parcels.  
 Estimated water use [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].

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

# Tehama GSA – GSP Implementation Project

## Annual Fee Options Analysis – Preliminary Review

### PMA Fee – Minimal Cost Recovery \$0.728M.

<b>Estimated Annual PMA Fees - Based on Estimated Annual Water Use</b>	
<b>Fee Component</b>	<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>
<b>Estimated Annual PMA Fees</b>	
<b>Annual PMA Fee (\$/AF/Yr.) - Min. Funding Level</b>	<b>\$0.51</b>

### Key Assumptions:

SGMA Over Drafted Subbasin parcels.

Estimated water use [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].

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

# Tehama GSA – GSP Implementation Project

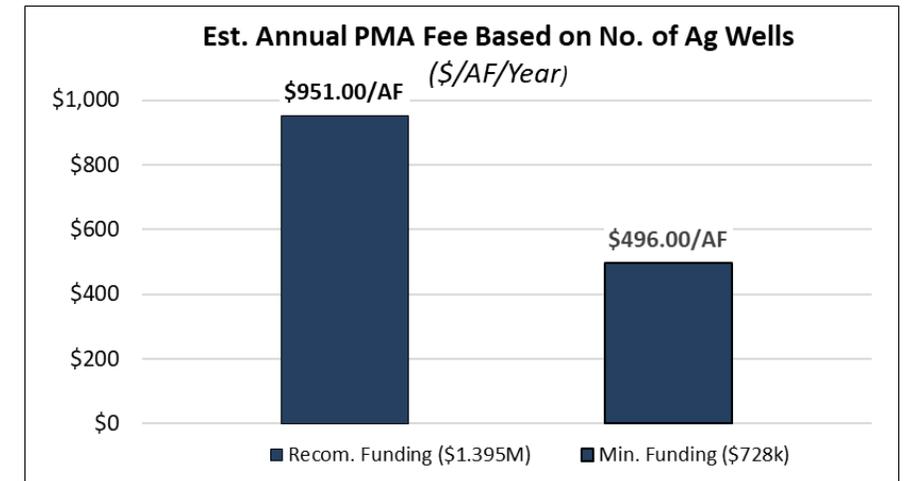
## Annual Fee Options Analysis – Preliminary Review

### PMA Fee – Fee Based on Number of Ag Wells.

Estimated Annual PMA Fees - Based on Estimated Number of Ag Wells (1,467 Wells)		
Fee Component	Overdraft Subbasins - Ag Only	Overdraft Subbasins - Ag Only
<b>Estimated Annual PMA Fees - Based on Number of Ag Wells</b>		
PMA Funding (\$/Yr.) - Recom. Funding Level	\$1,395,000	
PMA Funding (\$/Yr.) - Min. Funding Level		\$728,000
<i>Est. Number of Wells - Ag Only</i>	1,467	1,467
PMA Fee - Recom. Funding (\$1.395M)	<b>\$951.00</b>	
PMA Fee - Min. Funding (\$0.728M)		<b>\$496.00</b>

### Key Assumptions:

SGMA Over Drafted Subbasin parcels.  
 Ag Wells Only (1,467 Wells by zoning)  
 PMA Cost Recovery = \$1.395M/year  
 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 – Based on Number of Ag Wells [Customer Impact].

<b>Estimated Annual PMA Fee - Typical Fees Based on Number of Ag Wells (1,467 Wells Total)</b>		
<b>Fee Component</b>	<i>Approx. Typical Acreage Per Parcel</i>	<i>Overdraft Subbasins - Ag Only</i>
<b>Estimated Annual PMA Fees - Minimum Funding Level (\$1.395M)</b>		
Typical Small Ag (AG-2) - <i>Overdraft Subbasin Wells</i>	41.0	<b>\$951.00</b>
Typical Large Ag ( AG-1) - <i>Overdraft Subbasin Wells</i>	200.0	<b>\$951.00</b>
<b>Estimated Annual PMA Fees - Minimum Funding Level (\$728k)</b>		
Typical Small Ag (AG-2) - <i>Overdraft Subbasin Wells</i>	41.0	<b>\$496.00</b>
Typical Large Ag ( AG-1) - <i>Overdraft Subbasin Wells</i>	200.0	<b>\$496.00</b>

# Tehama GSA – GSP Implementation Project

## Fee Options Analysis – Preliminary Review

### PMA Fee – Based on Number of Ag Wells [Customer Impact with Small/Large Ag Adjustment].

<b>Estimated Annual PMA Fee - Typical Fees Based on Number of Ag Wells (1,467 Wells Total)</b>				
<b>Fee Component</b>	<i>Approx. Typical Acreage Per Parcel</i>	<i>Overdraft Subbasins - Ag Only</i>	<i>Overdraft Subbasins - Ag Only</i>	
			<i>Adjusted - Small Ag</i>	<i>Adjusted - Large Ag</i>
<b>Estimated Annual PMA Fees - Minimum Funding Level (\$1.395M)</b>				
Typical Small Ag (AG-2) - <i>Overdraft Subbasin Wells</i>	41.0	<b>\$951.00</b>	<b>\$690.00</b>	
Typical Large Ag ( AG-1) - <i>Overdraft Subbasin Wells</i>	200.0	<b>\$951.00</b>		<b>\$3,260.00</b>
<b>Estimated Annual PMA Fees - Minimum Funding Level (\$728k)</b>				
Typical Small Ag (AG-2) - <i>Overdraft Subbasin Wells</i>	41.0	<b>\$496.00</b>	<b>\$360.00</b>	
Typical Large Ag ( AG-1) - <i>Overdraft Subbasin Wells</i>	200.0	<b>\$496.00</b>		<b>\$1,700.00</b>

# 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