



**Wyandotte Creek
Groundwater Sustainability Agency
Agenda Transmittal**

Agenda Item: 5

Subject: Consideration of Resolution No. 2024-01 to Adopt the Wyandotte Creek GSA Fiscal Year 2024/25 Operations Budget

Contact: Dillon Raney **Phone:** (530) 552-3589 **Meeting Date:** June 27, 2024 **Regular Agenda**

Department Summary:

The Wyandotte Creek Groundwater Sustainability Agency (GSA) is required to develop and adopt an annual budget before the beginning of each fiscal year, requiring a supermajority vote (4/5 vote) by the Board of Directors (Board) for approval.

The annual budget is based on the five-year fee revenue projection (Attachment A) from the independent Fee Report completed and adopted on July 27, 2023. This report details the anticipated costs associated with compliance with the Sustainable Groundwater Management Act (SGMA). The budget includes the operational activities related to the Vina GSA, costs associated with SGMA compliance requirements, and the implementation of the Groundwater Sustainability Plan (GSP).

On May 23th, 2024, member agency staff presented a draft budget proposal for the 2024/25 fiscal year, seeking direction on multiple line items. Adjustments were recommended based on the current needs of the GSA. By using last year's budget and gained operational experience, staff provided a more accurate estimate for certain line items, allowing for the removal of contingencies and inflation adjustments. Based on staff recommendations and board discussions, the board directed staff to proceed with the draft budget and incorporate board feedback.

According to the adopted Fee Report, the estimated revenue requirement for Fiscal Year 2024/25 was \$258,209, excluding funds from the Sustainable Groundwater Management (SGM) Grant Program. However, the proposed budget for FY 2024/25 is \$206,200, reflecting adjustments based on the current needs and financial strategies of the GSA.

The Wyandotte Creek GSA FY 2024/25 budget represents the most cost-effective approach to achieving SGMA compliance while maintaining local control over groundwater resources. The detailed budget is included as Attachment B for your review.

Staff Recommendations:

1. Approve Wyandotte Creek GSA FY24-25 Operations Budget (Attachment B)
2. Approve Resolution No. 2024-01 Approving the Fiscal Year 2024-25 Annual Operations Budget

Attachment A

Table 4-1: Wyandotte Creek Subbasin GSA Five-Year Budget (FY23-24 through FY27-28)

Charge Cost Category	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
WCGSA Admin.					
Prof. Services (Admin)	\$67,500	\$62,500	\$62,500	\$62,500	\$62,500
Office Expenses	\$7,250	\$6,750	\$6,750	\$6,750	\$6,750
Prof. Services (GSP)	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Legal Services	\$0	\$0	\$0	\$0	\$0
Fee Implementation	\$19,921	\$20,519	\$21,116	\$22,113	\$23,109
County Tax Roll	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Contingency	\$8,975	\$8,425	\$8,425	\$8,425	\$8,425
Admin. Sub-total (w/ inflation)	\$120,638	\$118,703	\$122,857	\$129,869	\$136,990
SGMA Compliance (w/inflation)	\$125,550	\$129,317	\$133,083	\$139,361	\$134,676
TOTAL WCGSA Costs (w/inflation)	\$246,188	\$248,020	\$255,940	\$269,229	\$271,666
Annual Avg. Costs	\$258,209	\$258,209	\$258,209	\$258,209	\$258,209
<p>GSA Administration: Program Manager, Office Expenses, and legal services for GSA operations with WCGSA serving as fiscal agent for members agencies.</p> <p>GSA SGMA Compliance: Annual Reports, 5-Year GSP Updates, GSA coordination, Data Management, Financial Planning, Surface-Groundwater modeling, and grant funding.</p>					

Attachment B

WYANDOTTE CREEK GROUNDWATER SUSTAINABILITY AGENCY Fiscal Year 2024/2025 Budget	
RESERVE	Estimated FY 24-25
2023/24 FY Reserve Balance	\$94,080
REVENUES	
Proposition 218 Landowner Fees	\$206,200
DWR SGMA Round 2 Grant Funding	\$1,840,741
FY23/34 Fee Rollover	\$0
Interest	\$200
TOTAL REVENUES	\$2,047,141
EXPENSES	
Cost Category-GSA Admin.	
<u>Professional Services - Admin.</u>	
Auditor	\$15,000
Financial Services	\$1,000
Legal Services	\$15,000
Legal Services Accrued FY 23/24	\$3,250
Legal Defense Reserve	\$50,000
Program Manager (w/County management)	\$50,000
Professional Services - Admin. Sub-total	\$134,250
<u>Office Expense</u>	
Bank Fees	\$0
Insurance	\$2,000
Outreach (per education and outreach plan)	\$0
Website	\$1,500
Supplies	\$2,000
Office Expense Sub-total	\$5,500
<u>Services</u>	
Professional Services	\$20,000
Irrigated/Non-Irrigated Fee Implementation Costs	\$20,000
County Assessor Charge	\$5,000
Future Fee Study Reserve	\$20,000
Services Sub-total	\$65,000
<u>SGMA Grant & Compliance - Fee</u>	
Annual Report Professional Services Accrued FY 23/24	\$1,450
SGMA Compliance Fee Based Sub-Total	\$1,450
GSA Admin. Sub-total	\$206,200
Cost Category-SGMA Grant & Compliance	
SGM Grant Administration, Projects, Compliance	\$1,840,741
<i>Grant Administration</i>	
<i>Regional Conjunctive Use Project</i>	
<i>Annual Reports & Monitoring</i>	
<i>Five Year GSP Evaluation w/Modeling Calibrations</i>	
<i>Surface-GW Interaction Modeling</i>	
<i>GSA Coordination & Outreach (w/in and between GSAs)</i>	
<i>Data Management System Maintenance</i>	
<i>Long Term Financial Planning/Fees</i>	
SGMA Compliance Sub-Total	\$1,840,741
TOTAL EXPENSES	\$2,046,941

WYANDOTTE CREEK SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY

RESOLUTION NO. 2024-01

RESOLUTION TO ADOPT THE WYANDOTTE CREEK GSA FISCAL YEAR 24-25 ANNUAL OPERATIONS BUDGET

WHEREAS the County of Butte, City of Oroville, and Thermalito Water and Sewer District entered into a Joint Powers Agreement (JPA) in 2019 to form the WYANDOTTE CREEK Subbasin Groundwater Sustainability Agency (WCGSA) pursuant to Water Code sections 10721, and 10723; and

WHEREAS the Wyandotte Creek GSA was formed to provide sustainable groundwater management to the Wyandotte Creek Subbasin in compliance with the Sustainable Groundwater Management Act (SGMA); and

WHEREAS section 15.2 of the JPA provides the Wyandotte Creek GSA authority to develop and adopt annual budgets which estimate the cost of operating the Vina GSA pursuant to SGMA and the JPA; and

WHEREAS section 15.2 in the JPAs say that the Board must adopt the annual budget prior to the beginning of the fiscal year; and

WHEREAS section 9.3 of the JPA requires a supermajority vote to approve the annual budget; and

WHEREAS based on an independent professional Proposition 2018 Final Fee Report, the Wyandotte Creek GSA adopted a five-year fee revenue projection on July 27, 2023; and

WHEREAS the proposed annual budget in Attachment A is based on the five-year revenue projection study and an economical approach to covering the Wyandotte Creek GSA projections of revenue, staff expenses, consultant expenses, office expenses, legal costs, and groundwater management related expenses.

WHEREAS the WCGSA Board will annually review the revenues and expenses of its budget and update long-term fees as required to achieve SGMA compliance benefits for all landowners within the Wyandotte Creek GSA service area; and

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE WYANDOTTE CREEK SUBBASIN GROUNDWATER SUSTAINABILITY

AGENCY does hereby resolve, declare and order as follows:

- 1) The Wyandotte Creek GSA Board so finds and determines the above recitals are correct.
- 2) Wyandotte Creek GSA 2024-25 annual budget attached hereto as Attachment A is hereby adopted.
- 3) Funding for the annual budget will be achieved through collection of a property related fee separately authorized and adopted by the Wyandotte Creek GSA.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the WYANDOTTE CREEK SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY this 27th day of June, 2024.

AYES:

NOES:

ABSENT:

ABSTAIN:

CERTIFICATE OF RESOLUTION

We, the undersigned, hereby certify as follows:

1. That we are the Board Chair and Secretary of the WYANDOTTE CREEK GROUNDWATER SUSTAINABILITY AGENCY; and
2. That the foregoing resolution, consisting of 2 pages, including this page, is a true and correct copy of a resolution of the Board of Directors of the WYANDOTTE CREEK Subbasin Groundwater Sustainability Agency, passed at the meeting of the Board of Directors held on June 27, 2024, at the Oroville City Council Chambers, 1735 Montgomery Street, Oroville, CA 95965.

IN WITNESS WHEREOF, we have signed this certificate this 27th day of June, 2024, at Oroville, California.

_____ Bill Connelly, Chair of the Board of Directors

_____ Kamala Loeser, Secretary