



**Wyandotte Creek  
Groundwater Sustainability Agency  
Agenda Transmittal**

**Agenda Item: 6**

**Subject:** User Classification Change and Appeal Process Policy

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**Meeting Date:** October 26, 2023

**Regular Agenda**

**Department Summary:**

The Wyandotte Creek GSA used a Proposition 218 process to approve a property related fee to fund overall costs associated with GSA administrative, implementation of the Groundwater Sustainability Plan, and SGMA compliance costs. The Wyandotte Creek GSA approved a multiple user fee structure based on a parcel's use and source of water. The three user classes are: Non-Irrigated, Irrigated-Surface Water, and Irrigated-Groundwater each with a unique per-acre, per-year fee amount. The adopted fee is collected by the Butte County Auditor-Controller through the Tax Roll, beginning on December 10, 2023.

The long-term funding mechanism/fee consultant team and member agency staff (Management Committee), with review and input from the Wyandotte Creek Advisory Committee (WAC), have developed a draft User Classification Change and Appeal Process Policy (Policy) that would ensure that each parcel subject to the fee is properly classified into the correct user class and is being charged the correct fee amount on a per acre per year basis.

The User Classification Change and Appeal Process Policy includes definitions for the user classifications and describes how parcels classified under each user class (i.e., non-irrigated/irrigated land use and water source). Under the proposed process, landowners would have an opportunity to request reclassification of their parcel(s), and thus the fee charged, under the following circumstances.

1. Parcel is improperly classified (not in correct user class);
2. Parcel fee assessment amount is incorrect (based on acreage inaccuracy or incorrect user classification); or
3. Parcel land use and/or water source has changed requiring the parcel to be reclassified into a different user class.

In addition, the WAC discussed and proposes that the following condition/scenario be included in the User Classification Change and Appeal Process Policy that would allow a parcel's fees to be calculated using the acreages of two or more user classes if present on parcels over 10 acres. Specifically, the Policy proposes:

4. Parcels that are over 10 acres (or portions of boundary parcels located within the GSA boundaries that are over 10 acres) and 25% or more of assessed acres has two or more user classes.

The Policy identifies the Change Request Application Process, timeline for filing a request, staff review, landowner attestation of changes and GSA imposed conditions for changes, and refund of fees (if applicable). The Policy also identifies an Appeal Process if a classification change request is denied.

**Fiscal Impact:** None

**Staff Recommendation:** Approve the User Classification Change and Appeals Process Policy and/or provide direction to the Management Committee.

**Wyandotte Creek Groundwater Sustainability Agency  
Administration and Operations Fee  
User Classification Change and Appeal Process**

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*Wyandotte Creek*  
GROUNDWATER SUSTAINABILITY  
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**APPENDICES – TO BE ADDED**

- Appendix A** – Adopted Fees
- Appendix B** – Service Area User Class Parcel Map
- Appendix C** – User Classification Change Request Application
- Appendix D** – User Classification Appeal Application

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## **SECTION 1 – INTRODUCTION AND PURPOSE**

### Introduction

The Wyandotte Creek Subbasin Groundwater Sustainability Agency (Wyandotte Creek GSA) was established through a Joint Powers Agreement (JPA) between three member agencies, the County of Butte, City of Oroville, and Thermalito Water and Sewer District (TWSD). The Wyandotte Creek GSA is responsible for compliance with the 2014 Sustainable Groundwater Management Act (SGMA) and oversees the management of the Wyandotte Creek Groundwater Subbasin. The Wyandotte Creek GSA serves as the administrative and fiscal agent on behalf of its member agencies and is the most cost-effective regional governance structure for achieving SGMA compliance and managing local groundwater resources.

The Wyandotte Creek GSA used a Proposition 218 process to approve a property related fee to fund overall costs associated with GSA administrative, implementation of the Groundwater Sustainability Plan, and SGMA compliance costs. The adopted fee is collected by the Butte County Auditor-Controller through the Tax Roll, beginning on December 10, 2023. The Wyandotte Creek GSA administrative operations includes legal, technical, administrative, accounting, office, insurance, audits, and outreach materials. GSP implementation costs include annual monitoring and reporting, five-year GSP updates, Subbasin coordination and outreach, data management system maintenance, and grant funding services. These activities are required to achieve and maintain SGMA compliance for all landowners within the Wyandotte Creek GSA boundaries.

### Adopted Fees

The Wyandotte Creek GSA adopted the new fees in July for the 2023-2024 through 2027-2028 fiscal years. The FY spans from July 1 to June 30 of each year. The Wyandotte Creek GSA approved a multiple user fee structure based on a parcel's use and source of water. The three user classes are: Non-Irrigated, Irrigated-Surface Water, and Irrigated-Groundwater each with a unique per-acre, per-year fee amount. The Wyandotte Creek GSA Board of Directors will review and adopt a budget prior to July 1 for each fiscal year and adjust the fees to ensure that revenue needs are met. The adopted Wyandotte Creek GSA **maximum** annual per acre fee for each user class are presented in Table 1.

**Table 1**

#### **Adopted Wyandotte Creek GSA Maximum Annual Per Acre Fee For Each User Class**

<b>Maximum Fee Per Acre Per Year</b>	<b>Fee for 2023/2024 Fiscal Year</b>	<b>User Class</b>
<b>\$1.38</b>	\$1.16	Non-Irrigated Fee (\$ per acre per year)
<b>\$8.98</b>	\$7.39	Irrigated Surface Water User (\$ per acre per year)
<b>\$13.86</b>	\$11.40	Irrigated Groundwater User Fee (\$ per acre per year)

### Purpose

The Wyandotte Creek GSA has developed this fee policy to ensure that each parcel subject to the fee is properly classified into the correct user class and is being charged the correct fee amount on a per acre per year basis. The policy recognizes that the manner in which each parcel is charged under the adopted fees needs to be flexible to ensure billing equity for landowners and to accommodate changes in land use and/or water source that may necessitate reclassification of parcels into the correct user class for accurate fee assessment purposes.

## **SECTION 2 – USER CLASS / OTHER DEFINITIONS**

The Wyandotte Creek GSA fee charged is based on three (3) distinct user classes that are defined below. Each parcel has been designed as one user class. Definitions may be updated or refined as needed for accurate fee assessment purposes.

### Fee User Classification Definitions

**Non-Irrigated User Class:** Includes parcels within the Wyandotte Creek GSA service area that are considered open space, natural habitat, vacant, dry land farmed or rangeland. This may include parcels located within water provider’s service area boundaries, but are not irrigated.

**Irrigated-Surface Water User Class:** Includes parcels within the Wyandotte Creek GSA service area that primarily use surface water, which may include parcels within a water provider service area, such as Thermalito Water and Sewer District (TWSD), South Feather Water and Power Agency (SFWPA), California Water Service (Cal Water) or have individual water rights or permits for surface water allocations directly from a creek, stream, or another source. Parcels that use surface water in combination with groundwater in a supplemental fashion will be classified as irrigated-surface water users. This also includes urban areas that primarily use surface water and are served by water providers.

**Irrigated-Groundwater User Class:** Includes parcels within the Wyandotte Creek GSA service area that use groundwater and do not have access to or the right to use surface water supplies. These parcels will typically have a well(s) on the parcel serving as the primary source of water supply. This User Class includes unincorporated areas that are not within a water provider’s services area or communities serviced by a groundwater-based small community water system.

### Other Definitions

**County:** Butte County located in northern California.

**Wyandotte Creek GSA:** The Wyandotte Creek Groundwater Sustainability Agency.

**Landowner:** The landowner(s) of record for a parcel subject to the Wyandotte Creek GSA fee based on County assessor parcel data.

**Parcel address:** The address of the property subject to the Wyandotte Creek GSA fee based on County assessor parcel data.

**Parcel Acreage:** The total acreage of the parcel subject to the Wyandotte Creek GSA fee based on County assessor parcel data.

**Parcel Acreage for GSA Boundary Parcels:** Some parcels along the eastern portion of the Wyandotte Creek Subbasin are only partially within the Wyandotte Creek GSA service area boundary, as defined by the Department of Water Resources Bulletin 118 subbasin boundaries. The net acreage of the parcel subject to the Wyandotte Creek GSA fee located within the Wyandotte Creek GSA service area has been individually calculated based on County assessor data.

## **SECTION 3 – CURRENT USER CLASSIFICATIONS**

This section describes how parcels subject to the fee are classified under the Wyandotte Creek GSA fee structure with three (3) user classes. The Wyandotte Creek GSA will make parcel level fee data easily available to landowners subject to the fee.

### Wyandotte Creek GSA Service Area Boundary

Appendix B includes the Wyandotte Creek GSA service area boundary. Parcels with a portion of their acreage within the Wyandotte Creek GSA boundary (boundary parcels) will only be assessed fees based on their actual acreage within the Wyandotte Creek GSA service area boundary as defined by DWR's Bulletin 118 subbasin boundaries.

### Wyandotte Creek GSA Service Area Parcel User Classification Delineations

Appendix B includes a Wyandotte Creek GSA service area parcel map indicating user class delineations based on the approved 2023 fees and associated definitions included in this policy document. Landowners can view their parcel classifications from viewing this map which indicates how parcels were classified based on the three (3) user classes included in the approved fees for the fee assessment process.

The parcel map delineations will be updated periodically based on changes in user class definitions and/or changes in land use necessitating a change in user class for a given parcel for equitable fee assessment purposes.

## **SECTION 4 – USER CLASSIFICATION CHANGE REQUEST**

Landowners have the option of requesting a change in user classification (and associated fee) based on implementation of the Wyandotte Creek GSA Irrigated/Non-Irrigated fee structure approved in 2023 (see Appendix A). The purpose of this policy is to ensure that each parcel subject to the fee is properly classified into the correct user class and charged the correct fee amount on a per acre and annual basis based on the unique user class fees.

The policy recognizes the need for flexibility in the fee structure to accommodate changes in land use (non-irrigated/irrigated) and/or water source (groundwater or surface water) that necessitate parcel reclassification into the correct user class for accurate fee assessment purposes.

### Basis for User Classification Changes

There are separate fees for each of the three user classes subject to the fee. Each parcel was classified into the appropriate user class based on available information at the time the fees were approved and one user class was assigned to each parcel. The three user classes are:

1. Non-Irrigated,
2. Irrigated-Surface Water, and
3. Irrigated-Groundwater



Each user classification has its own unique per acre per year fee. Appendix A includes the resolution approving the Wyandotte Creek GSA fees.

Parcels within the Wyandotte Creek GSA service area have been assigned one user class based on land use (irrigated or non-irrigated) and water source (located within a water service provider's service boundaries or supplied by surface water or groundwater). As part of the User Classification Change request process, the Wyandotte Creek GSA Board has opted to allow landowners, with parcels that are 10 or more acres in size (or portions of boundary parcels located within the GSA boundaries that are 10 or more acres in size) may be reclassified with multiple user classes. Each user class must consist of at least 25% of the total parcel acreage to request that the user fees be recalculated using multiple user classes. The landowner must provide proof of the acreages, land use (irrigated or non-irrigated) and water source (within a water service provider boundaries, or supplied surface water or groundwater).

#### Request for Classification Changes

Landowners can request reclassification of their parcel(s), and thus the fee charged, under the following circumstances:

1. Parcel is improperly classified (not in correct user class);
2. Parcel fee assessment amount is incorrect (based on acreage inaccuracy or incorrect user classification);
3. Parcel land use and/or water source has changed requiring the parcel to be reclassified into a different user class; or,
4. Parcels that are 10 or more acres in size (or portions of boundary parcels located within the GSA boundaries that are 10 or more acres in size) may be reclassified with multiple user classes. Each user class must consist of at least 25% of the total parcel acreage to request that the user fees be recalculated using multiple user classes.

#### User Classification Change Request Application Process

A landowner can request a change to their assigned user classification by completing the User Classification Change Request Application (Application), Appendix C. A landowner must complete the Application in order for their change request to be processed.

Current and proposed user classification information will be verified by Wyandotte Creek GSA staff before a final determination is rendered. Approved Requests will be signed and dated by authorized staff and kept in the Wyandotte Creek GSA records. If requests are not approved, staff will indicate the reason denying the reclassification request. For the 2023/2024 fiscal year, there will be no Application fee levied by the Wyandotte Creek GSA in processing these Applications.

**Time to File:** Following payment of the fee under protest, and no later than January 15th of the fiscal year of the fee's levy, the landowner paying the fee may file a User Classification Change Request (see Appendix C). The form will be considered timely if filed within the time allowed, 1) the form is postmarked, United States via first class mail, 2) delivered to the Wyandotte Creek GSA via electronic mail, or 3) personally delivered to the GSA office.

**Initial Review:** Within thirty (30) days after the User Classification Change Request Application is received by the Wyandotte Creek GSA, the GSA Program Manager, or designee, shall review the request. The GSA Program Manager is authorized to make user classification changes, in whole or in part, or deny the request. A determination shall be provided within forty-five (45) days of the date of receipt of the request and shall be in writing and delivered to the person or entity via mail.

**Landowner Attestation of Changes and GSA Imposed Conditions:** The GSA will require a landowner signature attesting to the change(s) and Wyandotte Creek GSA-imposed conditions.

**Refund of Fees:** If, changes to the user classification(s) are made as a result of the Classification Change Request process, the landowner shall be entitled to a refund of the overpaid amount for the applicable year, which shall be processed through the Butte County Auditor-Controller's Office according to their timelines.

**Condition 1: Miscategorized as Non-Irrigated, Irrigated Surface Water, or Irrigated Groundwater**

1) Process

a) Landowner

- i) Pays the fee under protest by the due date.
- ii) Completes available User Classification Change Request Form and provide maps and other data as necessary.
- iii) Provides documentation that the original fee has been paid.

b) Wyandotte Creek GSA

- i) Staff reviews the User Change Classification Form and submitted data and is authorized to render a decision.
  - (1) Use other tools to check accuracy (e.g. Google Earth historical images, crop reports, land use data, field verification etc.)
- ii) Upon decision:
  - (1) If approved, staff will notify the landowner of reclassification approval and require landowner signature(s) attesting to the change(s) and the Wyandotte Creek GSA-imposed conditions. Staff will process a revised tax bill through the Butte County Auditor-Controller's Office according to their processes and timelines for a refund upon confirmation that the original fee has been paid and received.
  - (2) If denied, staff will notify the landowner of denial and indicate how the landowner may appeal the decision to the Wyandotte Creek GSA Board in writing.
- iii) Staff will update the tax roll for subsequent fiscal year tax roll.

- 2) Conditions placed on a parcel(s) by Wyandotte Creek GSA
  - a) The landowner agrees to notify the Wyandotte Creek GSA of any changes in land use, installation of groundwater wells, connection to a water purveyor system or similar activity that result in changes in irrigation practices (i.e., non-irrigated to irrigated or vice-versa), water supply source (i.e., groundwater to surface water), or similar activities. Notification of changes will be provided to Wyandotte Creek GSA by April 30<sup>th</sup> so that changes can be made for the subsequent fiscal year.

**Condition 2: Multiple User Classifications on Parcels 10 or More Acres in Size**

For parcels that are 10 or more acres in size (or portions of boundary parcels located within the GSA boundaries that are 10 or more acres in size) may be reclassified with multiple user classes. Each user class must consist of at least 25% of the total parcel acreage to request that the user fees be recalculated using multiple user classes.

- 1) Process
  - a) Landowner
    - i) Pays the fee under protest by the due date.
    - ii) Completes available User Classification Change Request Form and provide maps and other data as necessary.
    - iii) Provides documentation that the original fee has been paid.
  - b) Wyandotte Creek GSA
    - i) Staff reviews the User Classification Change Request Form and submitted data and is authorized to render a decision.
      - (1) Uses other tools to check accuracy (e.g. Google Earth historical images, crop reports, land use data, field verification etc.)
      - (2) Measures estimated non-irrigated acres, irrigated surface water acres, and irrigated groundwater acres, as applicable.
    - ii) Upon decision:
      - (1) If approved, staff will adjust the fee to the determined irrigated acres rounded up to the closest 5% increment (e.g. 62% of gross area being irrigated would be rounded to 65% for purpose of calculating the fee), and notify the landowner and require landowner signature(s) attesting to the change(s) and the Wyandotte Creek GSA-imposed conditions. Staff will process a revised tax bill through the Butte County Auditor-Controller's Office according to their timelines for a refund upon confirmation that the original fee has been paid and received.

- (2) If denied, staff will notify the landowner of the denial and indicate that the landowner(s) may appeal the decision to the Wyandotte Creek GSA Board in writing.
- 2) Conditions placed on parcel(s) by Wyandotte Creek GSA
- a) The landowner agrees to notify the Wyandotte Creek GSA of any changes in land use or expansion of irrigated acreage, installation and use of groundwater wells, connection to a water purveyor system, or similar activity, as applicable, that would result in changes in irrigation practices (i.e., non-irrigated to irrigated or vice versa), water supply source (i.e., groundwater to surface water), or similar activities. Notification of changes will be provided to Wyandotte Creek GSA by April 30<sup>th</sup> so that changes can be made for the subsequent fiscal year.

## **SECTION 5 – USER CLASSIFICATION APPEALS PROCESS**

Landowners who submitted a User Classification Change Request under Section 4 of this policy and are denied the request, may appeal the decision.

### **Appeal to the Board of Directors:**

- 1) Process
- a) Landowner
- i) If the person or entity who filed a User Classification Change Request met all requirements for the request and is dissatisfied with the determination of the GSA Program Manager, the person may file an Appeal to the Board of Directors within fifteen (15) days of delivery of the GSA Program Manager's determination.
- ii) Provides in writing the information supporting the Appeal.
- b) Wyandotte Creek GSA
- i) The Appeal will be placed on the agenda for the next available Board meeting for review and consideration.
- (1) The Board shall receive evidence, and hear from the appellant and staff regarding the merits of the Appeal.
- (2) The Board may grant the Appeal, in whole or in part, or deny the Appeal, in its sole discretion.
- ii) Upon decision:
- (1) The determination of the Board shall be memorialized in minutes of the Board meeting and shall be final, with no further Appeal to the Board or the Wyandotte Creek GSA, unless and until a different GSA fee is adopted.

- (2) The Wyandotte Creek GSA reserves the right to rescind any financial relief provided per this Appeal process where it determines that the information provided by the landowner filing the Appeal was not accurate.

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# APPENDICES

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Appendix A  
Adopted Fees

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Appendix B  
Service Area User Class Parcel Map

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Appendix C  
User Classification Change Request Application

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Appendix D  
Appeal Application

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Appendix E  
Interactive Parcel Map to Assist Landowners

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