

**RESOLUTION NO. 2022-07**

**A RESOLUTION OF  
THE BOARD OF DIRECTORS OF MOUND BASIN  
GROUNDWATER SUSTAINABILITY AGENCY  
DETERMINING AND ESTABLISHING A  
GROUNDWATER EXTRACTION FEE AGAINST ALL PERSONS  
OPERATING GROUNDWATER EXTRACTION FACILITIES WITHIN  
THE MOUND BASIN FOR THE 10<sup>th</sup> AND 11<sup>th</sup> SEMIANNUAL BILLING  
PERIODS (JULY-DECEMBER 2022 AND JANUARY-JUNE 2023)**

**WHEREAS**, pursuant to the Sustainable Groundwater Management Act (SGMA), a Groundwater Sustainability Agency (GSA) is authorized to collect regulatory fees such as permit fees and groundwater extraction fees, among other things (Wat. Code, § 10730); and

**WHEREAS**, a GSA may levy these fees to fund the costs of a groundwater sustainability program, including the preparation, adoption, and amendment of a groundwater sustainability plan (GSP), and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve; and

**WHEREAS**, a GSA may levy these fees both pre- and post-adoption of a GSP as long as those funds collected are used for the enumerated activities set forth under Water Code section 10730; and

**WHEREAS**, on November 18, 2021, the Mound Basin Groundwater Sustainability Agency (Agency) adopted a GSP for the Mound Basin; and

**WHEREAS**, on May 19, 2022, the Agency adopted a budget for Fiscal Year 2022-2023 and updated its multi-year financial projection; and

**WHEREAS**, after a review of the financial standing of the Agency, the Board of Directors (Board) determined the need for a groundwater extraction fee of \$62 per acre foot for (a) the 10<sup>th</sup> Semi-annual Billing Period (July – December 2022 extractions) and (b) the 11<sup>th</sup> Semi-Annual Billing Period (January – June 2023 extractions); and

**WHEREAS**, the Agency provided notice regarding this proposed groundwater extraction fee and the associated public meeting, as follows:

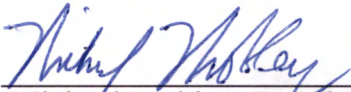
1. By publication of notice pursuant to Government Code section 6066 in the Ventura County Star on June 1, 2022, and June 8, 2022;
2. By posting notice on the website of the Agency at [www.moundbasingsa.org](http://www.moundbasingsa.org), and on the Facebook page of the Agency at <https://www.facebook.com/moundbasingsa/>; and

3. By mailing notice to any interested party who filed a written request with the Agency for mailed notice of the public fee meeting.
4. This notice included:
  - The time and place of the meeting,
  - A general explanation of the fee under consideration; and
  - A statement that the data on which the fee is based is publicly available.
5. At least 20 days prior to the public meeting, the Agency made the data upon which the fee is based, the Agency's 2022-2023 fiscal year budget and multi-year financial projection, available to the public on the Agency's website.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of Mound Basin Groundwater Sustainability Agency that a groundwater extraction fee shall be levied as follows:

1. A groundwater extraction fee of \$62 per acre foot shall be levied on all groundwater extracted from within the Agency boundary, regardless of whether that groundwater is derived from the native or an augmented supply, during (a) the 10<sup>th</sup> Semi-Annual Billing Period (July-December 2022 extractions) and (b) the 11<sup>th</sup> Semi-Annual Billing Period (January-June 2023 extractions).
2. The data upon which this groundwater extraction fee is based is attached hereto as **Exhibit A** and incorporated herein. This data is approved and adopted, and Agency staff is directed to comply with its provisions.
3. The Agency shall bill this groundwater extraction fee semiannually with billing periods covering January through June and July through December. Unless otherwise determined by the Board, the Agency shall endeavor to adopt groundwater extraction fees concurrently with its annual budgeting process.
4. The Board makes the following findings, based upon the testimony and evidence (including exhibits) presented at the public meeting regarding the groundwater extraction fee:
  - a. Revenues derived from this groundwater extraction fee will not exceed the amounts required to provide for implementation of the GSP and related administrative services.
  - b. Revenues derived from this groundwater extraction fee shall not be used for any purpose other than that for which the groundwater extraction fee is imposed.

**PASSED, APPROVED, AND ADOPTED** this 16th day of June 2022.



Michael Mobley, Board Chair

ATTEST:



Bryan Bondy, Executive Director

# EXHIBIT A

## Resolution 2022-07 Attachment

3:19 PM  
02/05/20  
Accrual Basis

### Mound Basin Groundwater Sustainability Agency FY 2023 Budget and Long-Range Budget Projections **ADOPTED May 19, 2022**

	FY 2021-22 Adopted Budget	Q1 - Q3 Jul - Mar 2022 Actuals	Q4 April - June 2022 Projection	FY 21-22 Year End Projection	FY 22-23 Proposed Budget	FY 23-24 Projected Budget	FY 24-25 Projected Budget	FY 25-26 Projected Budget	FY 26-27 Projected Budget	Comments
<b>Income</b>										
<i>Groundwater Extractions City of Ventura (AF)</i>		735	800	1,535	3,000	3,500	3,500	3,500	3,500	City of Ventura repaired its wells in 2022 and expects new well "Mound 3" to come on-line in late 2022.
<i>Groundwater Extractions Others (AF)</i>		1,891	1,025	2,916	2,900	2,900	2,900	2,900	2,900	
<i>Groundwater Extractions Total (AF)</i>	4,831	2,626	1,825	4,451	5,900	6,400	6,400	6,400	6,400	
<i>Groundwater Extraction Fee (\$/AF)</i>	\$ 59.00	\$ 59.00	\$ 59.00	\$ 59.00	\$ 62.00	\$ 65.10	\$ 68.40	\$ 71.80	\$ 75.40	Extraction fee is escalated 5% per year in-line with new inflation assumption (see later comment). Results are rounded.
<b>40001 - Groundwater Extraction Fees</b>	<b>\$285,000</b>	<b>\$154,945</b>	<b>\$107,675</b>	<b>\$262,620</b>	<b>\$365,800</b>	<b>\$416,640</b>	<b>\$437,760</b>	<b>\$459,520</b>	<b>\$482,560</b>	
<b>41001 - State Grants</b>	\$278,000	\$167,870	\$110,130	\$278,000	\$0	\$0	\$0	\$0	\$0	Although it is anticipated that MBGSA will apply for a Round 2 GSP Implementation Grant in late 2022, future potential grant revenue is not included in budget because it is not guaranteed.
<b>47001 - Late Fees</b>	-\$222	-\$222	\$0	-\$222	\$0	\$0	\$0	\$0	\$0	
<b>Total Income</b>	<b>\$562,778</b>	<b>\$322,593</b>	<b>\$217,805</b>	<b>\$540,398</b>	<b>\$365,800</b>	<b>\$416,640</b>	<b>\$437,760</b>	<b>\$459,520</b>	<b>\$482,560</b>	
<b>Expense</b>										
<i>All expenses are now escalated 5% per year instead of 3% previously to account for increased inflation.</i>										
<b>52200 - Professional Services</b>										
<b>52240 - Prof Svcs - IT Consulting</b>	\$1,000	\$612	\$388	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216	\$1,276	
<b>52252 - Prof Svcs - GSP Consultant</b>	\$166,967	\$167,226	\$1,868	\$169,094	\$0	\$0	\$0	\$0	\$0	Q4 is grant administration for grant close-out charged to grant.
<b>52250 - Prof Svcs - Post GSP Adoption</b>	\$80,000	\$64,580	\$10,000	\$74,580	\$98,374	\$144,069	\$95,920	\$198,784	\$184,074	FY 23 includes \$25K unused from FY 22 for grant application.
<b>52270 - Prof Svcs - Accounting</b>	\$25,000	\$16,090	\$4,500	\$20,590	\$9,481	\$23,798	\$10,382	\$26,675	\$11,450	
<b>52275 - Prof Svcs - Admin/Clerk of Bd</b>	\$10,000	\$6,560	\$3,000	\$9,560	\$5,097	\$5,352	\$5,620	\$5,901	\$6,196	
<b>52280 - Prof Svcs - Executive Director</b>	\$20,000	\$13,277	\$5,500	\$18,777	\$18,375	\$19,294	\$20,258	\$21,271	\$22,335	
<b>Total 52200 - Professional Services</b>	<b>\$302,967</b>	<b>\$268,345</b>	<b>\$25,256</b>	<b>\$293,601</b>	<b>\$132,376</b>	<b>\$193,616</b>	<b>\$133,337</b>	<b>\$253,846</b>	<b>\$225,331</b>	
<b>52501 - Legal Counsel</b>	\$10,000	\$7,904	\$4,000	\$11,904	\$12,000	\$12,600	\$13,230	\$13,892	\$14,586	
<b>53000 - Office Expenses</b>										
<b>53010 - Public Information</b>	\$1,250	\$565	\$685	\$1,250	\$1,325	\$1,391	\$1,461	\$1,534	\$1,611	
<b>53020 - Office Supplies</b>	\$200	\$115	\$85	\$200	\$210	\$221	\$232	\$243	\$255	
<b>53070 Licenses, Permits &amp; Fees</b>	\$1,000	\$1,458	\$0	\$1,458	\$1,100	\$1,155	\$1,213	\$1,273	\$1,337	
<b>53026 - Postage &amp; Mailing</b>	\$400	\$558	\$0	\$608	\$650	\$683	\$717	\$752	\$790	
<b>53110 - Travel &amp; Training</b>	\$500	\$98	\$110	\$208	\$500	\$525	\$551	\$579	\$608	
<b>53000 Office Expenses Other</b>	\$118	\$197	\$50	\$247	\$300	\$315	\$331	\$347	\$365	
<b>Total 53000 - Office Expenses</b>	<b>\$3,468</b>	<b>\$2,991</b>	<b>\$980</b>	<b>\$3,971</b>	<b>\$4,085</b>	<b>\$4,289</b>	<b>\$4,504</b>	<b>\$4,729</b>	<b>\$4,965</b>	
<b>53510 - Liability Insurance</b>	\$5,106	\$5,106	\$0	\$5,106	\$5,361	\$5,629	\$5,911	\$6,206	\$6,517	
<b>70120 - Interest Expense</b>	\$1,238	\$0	\$1,238	\$1,238	\$1,238	\$0	\$0	\$0	\$0	
<b>70130 Principal Payment</b>	\$0	\$0	\$0	\$0	\$55,000	\$0	\$0	\$0	\$0	
<b>Total 70000 - Interest &amp; Debt Service</b>	<b>\$1,238</b>	<b>\$0</b>	<b>\$1,238</b>	<b>\$1,238</b>	<b>\$56,238</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Total Expense</b>	<b>\$322,779</b>	<b>\$284,346</b>	<b>\$31,474</b>	<b>\$315,819</b>	<b>\$210,061</b>	<b>\$216,134</b>	<b>\$156,982</b>	<b>\$278,673</b>	<b>\$251,399</b>	
<b>Net Income</b>	<b>\$239,999</b>	<b>\$38,247</b>	<b>\$186,332</b>	<b>\$224,579</b>	<b>\$155,739</b>	<b>\$200,506</b>	<b>\$280,778</b>	<b>\$180,847</b>	<b>\$231,161</b>	
<b>Contingency - Non Capital</b>	\$0	\$0	\$0	\$0	\$21,006	\$21,613	\$15,698	\$27,867	\$25,140	10% of expenses
<b>Capital Project Expenditures</b>	\$30,000	\$0	\$0	\$0	\$41,694	\$31,176	\$63,563	\$814,291	\$0	FY 22 unused budget carried over to FY 23
<b>Contingency - Capital</b>	\$3,000	\$0	\$0	\$0	\$4,169	\$3,118	\$6,356	\$81,429	\$0	10% of budgeted capital expenditures; FY 22 unused carried over to FY 23
<b>Capital Projects Total</b>	<b>\$33,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$45,864</b>	<b>\$34,294</b>	<b>\$69,920</b>	<b>\$895,720</b>	<b>\$0</b>	
<b>Cash Flow</b>										
Beginning Cash Balance, July 1	\$ 191,046			\$ 180,146	\$ 557,194	\$ 643,831	\$ 788,429	\$ 983,589	\$ 240,848	July 1, 2021 starting cash reduced by \$10,900 to account for uncleaned transactions previously not accounted for.
Cash Inflows	\$ 693,045			\$ 692,867	\$ 365,800	\$ 416,640	\$ 437,760	\$ 459,520	\$ 482,560	No grant revenue assumed after FY 2021-22. See earlier comment.
Cash Outflows	\$ (322,779)			\$ (315,819)	\$ (279,164)	\$ (272,042)	\$ (242,600)	\$ (1,202,261)	\$ (276,539)	Some June expenses may actually be paid during the subsequent fiscal year.
Projected Ending Cash Balance, June 30	\$ 561,313			\$ 557,194	\$ 643,831	\$ 788,429	\$ 983,589	\$ 240,848	\$ 446,870	
Designated for Capital Reserve	\$ 536,313			\$ 532,194	\$ 593,831	\$ 735,929	\$ 928,464	\$ 182,967	\$ 386,094	Capital reserve in FY 25-26 and 26-27 is building for second monitoring well scheduled for construction during FY 31/32.
Designated for General Reserve	\$ 25,000			\$ 25,000	\$ 50,000	\$ 52,500	\$ 55,125	\$ 57,881	\$ 60,775	Assume increase in General Reserve to \$50K for FY 23 and increase at 5% thereafter.
<b>Projected Net Available, June 30</b>	<b>\$ -</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	