

Colusa Groundwater Authority Board of Directors

P.O. Box 475, Colusa, CA 95932 | www.colusagroundwater.org

SPECIAL MEETING AGENDA

June 10, 2025 | 1:00 p.m.

2970 Davison Ct, Colusa, CA 95932

Alternate meeting location(s):
244 SE Piper Dr, Holt, MO 64048
344 E Laurel St, Willows, CA 95988
373 Gold Mountain Drive, La Porte, CA 95981
27791 N Highway 1, Fort Bragg, CA 95437

**Note different
meeting location!**



Members of the public may attend this meeting in person or through Zoom:

<https://us06web.zoom.us/j/81043773690>

Full Agenda Packet: <https://colusagroundwater.org/agendas-and-meetings-2025/>

* Indicates action item

1. Call To Order and Determination of Quorum

- a. Roll Call of Directors and Alternates
- b. Introductions of others in attendance

2. Period Of Public Comment

At this time, members of the public may address the CGA Board regarding items that are not on the agenda but are of relevance to the CGA. The Board may not act on items not on the agenda.

3. *Adoption of Resolution 2025-01 Adopting Proposition 218 Assessment Ballot Procedures and Calling for an Assessment Ballot Proceeding on a Proposed Adoption of the Authority's SGMA Operational Assessment; Adopting Findings and Conclusions of Engineer's Report; Approving Form of Notice and Ballot; and Setting of Noticed Hearing

- a. Review revised Engineer's Report and proposed fees for SGMA Operational Assessment
- b. Review Form of Notice and Ballot
- c. Determine dates of public outreach meetings and set date for Public Hearing
- d. *Adopt Resolution 2025-01

4. Closed Session:

- a. Conference with Legal Counsel (Gov't Code 54956.9) – Potential litigation
- b. Conference with Legal Counsel (Gov't Code 54956.9) – Existing litigation:
 - i. *Aqualliance et al. v. Colusa Groundwater Authority, Glenn Groundwater Authority*
Colusa County Superior Court – Case Number CV24584
 - ii. *Aqualliance et al. v. Biggs-West Gridley Water District, et al.*
Butte County Superior Court – Case Number 22CV00348

5. Report Out of Closed Session

CGA Board of Directors Meeting, June 10, 2025

6. Adjourn

The full agenda packet can be found on the CGA website: <https://colusagroundwater.org>. In compliance with the Americans with Disability Act, if you require special accommodation to participate in CGA Board or committee meetings, please contact the Colusa Groundwater Authority Program Manager at 650-587-7300, extension 17, prior to any meeting for accommodations.

Colusa Groundwater Authority Board of Directors Meeting

June 10, 2025 | 1:00 p.m.

AGENDA SUPPORT MATERIALS

AGENDA ITEM 3: Adoption of Resolution 2025-01 Adopting Proposition 218 Assessment Ballot Procedures and Calling for an Assessment Ballot Proceeding on a Proposed Adoption of the Authority's SGMA Operational Assessment; Adopting Findings and Conclusions of Engineer's Report; Approving Form of Notice and Ballot; and Setting of Noticed Hearing

ACTION ITEM

BACKGROUND:

CGA's Long Term Funding ad hoc committee has been working closely with consultants SCI and team, Thad Bettner, and CGA counsel to prepare a recommendation for a new fee structure to support implementation of Groundwater Sustainability Plan programs and activities, including a groundwater demand management program and a domestic well mitigation program. A draft Engineer's Report, along with the proposed fees and fee structure, has been prepared and updated based on comments received at the CGA June 3 Board Workshop. Fees are now proposed to be classified in four landowner categories -- Non-irrigable, Groundwater Only, and Conjunctive Use, and Surface Water -- as follows:

Non-Irrigable Parcels	\$ 0.53 per acre
Groundwater Only Parcels	\$ 11.19 per acre
Conjunctive Use Parcels	\$ 7.42 per acre
Surface Water Parcels	\$2.66 per acre

Additionally, an operating budget has been prepared identifying an initial budget of \$1.991 million for Fiscal Year 2025-26 to support CGA's administration costs and the required GSP compliance and implementation activities.

To initiate the Proposition 218 process necessary for CGA to adopt and impose these necessary fees, CGA Counsel has prepared Resolution 2025-01, Adopting Proposition 218 Assessment Ballot Procedures and Calling for an Assessment Ballot Proceeding on a Proposed Adoption of the Authority's SGMA Operational Assessment; Adopting Findings and Conclusions of Engineer's Report; Approving Form of Notice and Ballot; and Setting of Noticed Hearing. In considering adoption of this resolution, the Board should:

- a. Review the revised Engineer's Report and proposed fees for SGMA Operational Assessment;
- b. Review the proposed Form of Notice and Ballot to be sent to land owners;
- c. Confirm dates and locations of public outreach meetings;
- d. Set the date for a Public Hearing to tabulate votes and consider adoption of fees.

The public hearing date has been identified as Thursday, August 7, 2025. Due to timing constraints associated with assessment notice requirements and the date that direct charge information must be delivered to counties for their tax rolls, the **CGA Board should confirm that its Public Hearing will be set for Thursday, August 7, 2025, at 1:00 p.m.**

RECOMMENDATION:

Following review of the revised Engineer's Report, proposed fees, and notice and ballot materials, as well as determination of outreach and Public Hearing dates, the CGA Board should consider adoption of Resolution 2025-01.

ATTACHMENTS:

- Resolution 2025-01 Adopting Proposition 218 Assessment Ballot Procedures and Calling for an Assessment Ballot Proceeding on a Proposed Adoption of the Authority's SGMA Operational Assessment; Adopting Findings and Conclusions of Engineer's Report; Approving Form of Notice and Ballot; and Setting of Noticed Hearing
- CGA SGMA Operational Assessment Draft Engineer's Report, June 2025
- CGA Assessment Notice and Information Guide
- CGA Official Ballot

**BEFORE THE BOARD OF DIRECTORS OF
THE COLUSA GROUNDWATER AUTHORITY**

RESOLUTION NO. 2025-01

**ADOPTING PROPOSITION 218 ASSESSMENT BALLOT PROCEDURES
AND CALLING FOR AN ASSESSMENT BALLOT PROCEEDING
ON A PROPOSED ADOPTION OF THE AUTHORITY'S SGMA OPERATIONAL
ASSESSMENT; ADOPTING FINDINGS AND CONCLUSIONS OF ENGINEER'S
REPORT; APPROVING FORM OF NOTICE AND BALLOT;
AND SETTING OF NOTICED HEARING**

WHEREAS, through the adoption of Proposition 218 which added Article XIIIID, Section 4, the State of California's Constitution requires that public agencies present proposed assessments on property (including the initial adoption of those assessments) to the owners of said property for approval or rejection; and,

WHEREAS, Article XIIIID of the California Constitution and Government Code sections 53750 *et seq.* ("Implementation Act") impose certain procedural and substantive requirements relating to adoption of assessments (as defined therein); and

WHEREAS, Government Code section 53759.1 authorizes the Authority to adopt certain exhaustion of remedy procedures which can affect a party's ability to legally challenge the adoption of a special benefit assessment; and

WHEREAS, as authorized by the Sustainable Groundwater Management Act (Water Code Sections 10720 *et seq.*) and specifically Water Code section 10730, this Board intends to establish a SGMA Operational Assessment (the "Assessment") for the lands within the Authority's jurisdiction; and

WHEREAS, the Board has determined that it is necessary and in the best interests of the Authority and its landowners to establish the Assessment; and,

WHEREAS, the Board has determined that it is necessary and in the best interest of the Authority to record its decisions regarding implementation of Proposition 218's provisions and to provide Authority landowners with a guide to those decisions and how they have been made; and,

WHEREAS, the Board is in receipt of the *Colusa Groundwater Authority SGMA Operational Assessment Engineer's Report* (the "Engineer's Report") regarding, among other things, the Authority's operating revenues, which was prepared for the Authority in compliance with Proposition 218 by SCI Consulting Group, and which is attached to this Resolution as Exhibit A; and,

WHEREAS, the Engineer's Report recommends adoption of the Assessment for all lands classified as: (1) Non-Irrigable of \$0.53 per acre; (2) Groundwater Only of \$11.19 per acre; (3) Conjunctive Use of \$7.42 per acre; and (4) Surface Water of \$2.66 per acre, and an automatic annual increase in the Assessment for all lands based on the Consumer Price Index concluding with the 2029-30 assessment.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS AS FOLLOWS:

1. Statement of Legislative Intent.

A. The foregoing findings and recitals are true and correct.

B. It is the Authority's intent in adopting this resolution, to adopt assessment ballot proceedings which are consistent, and in compliance with Article XIID, Section 4(d) of the California Constitution, the Implementation Act, and SGMA.

C. It is the Authority's intent in adopting this resolution, to implement exhaustion of remedy procedures consistent with the terms of Government Code section 53759.1.

2. Assessment Ballot Proceedings. As required by Article XIID, Section 4 of the California Constitution, the Implementation Act, SGMA, and Government Code section 53759.1, the following procedures shall be used in the assessment ballot proceeding:

A. **Amount of Assessment.** As more particularly described in the Engineer's Report, the Assessment will be proportionate to and no greater than the benefits conferred on each parcel to be assessed. In particular, the amount of the Assessment is each identified parcel's proportionate share on a pro rata per acre basis of the funds necessary to provide for and to recover the Authority's annual cost of providing services and benefits to certain lands within the Authority's jurisdiction. If approved, the Assessment may be imposed annually up to the maximum approved value.

The Board of Directors Proposes adoption of the Assessment for the following Land Use Groups in the following amounts, and described in the Engineer's Report:

1. Non-Irrigable of \$0.53 per acre.
2. Groundwater Only of \$11.19 per acre.
3. Conjunctive Use of \$7.42 per acre.

4. Surface Water of \$2.66 per acre.

The Board of Directors may increase the Assessment annually at a rate commensurate with the Consumer Price Index, as particularly described in the Engineer's Report.

B. Engineer's Report. The Engineer's Report more thoroughly explains the special benefit conferred on parcels subject to the Assessment. The Engineer's Report also provides the evidence upon which this Board finds that a special benefit is conferred upon each parcel to be assessed and that the Assessment imposed on each parcel does not exceed the reasonable cost of the proportional special benefit conferred on each parcel.

C. Notice. The following guidelines shall apply to giving notice of the proposed Assessment.

1. The record owner(s) of each parcel to be assessed, as shown in the assessment roll attached to the Engineer's Report, shall be given notice of the public hearing described in Section F, below. If the roll indicates more than one owner, each owner shall receive notice. If the property is held in trust, the notice shall be sent to the trustee. Only property owners shall receive notice.
2. The form of notice is attached to this resolution as Exhibit B.
3. The final as adopted notice shall be mailed to the record owner of each identified parcel at least forty-five (45) days prior to the date set for the public hearing on the proposed increases.
4. Notice of the public hearing shall also be published in the manner provide for in Government Code section 6066, consistent with Water Code section 10730(b)(2).
5. The notices provided for in this section and in accordance with Article XIID, Section 4(d) of the California Constitution, Government Code Section 53753(a), and SGMA, shall supersede and be in lieu of any other statutes requiring notice to levy or adopt an assessment.
6. Failure of any person to receive notice shall not invalidate the proceedings.

D. Assessment Ballot. The following guidelines shall apply to the assessment ballot:

1. The official adopted ballot required by Article XIID, Section 4(d) of

the California Constitution shall be mailed to all property owners of record receiving notice as described in section C(1) herein at least forty-five (45) days prior to the date of the public hearing on the proposed Assessment.

2. The form of the ballot is attached to this resolution as Exhibit C.
3. All ballots must be returned to the Authority's office by mail or in person, sealed in the envelope provided no later than the date for return of ballots described in the notice accompanying the ballot.
4. A ballot must be signed under penalty of perjury. For properties with more than one owner of record, ballots will be accepted from each owner of record. Each owner of record is entitled to vote. The Authority's authorized representative shall apportion the voting rights between owners based upon the respective interests as the Authority's designated representative deems correct, proper and appropriate. However, if only one owner of record votes, the Authority shall tabulate and designate that vote on behalf of the entire parcel. Additionally, if a parcel has more than one owner but not all of the owners submit a ballot, the Authority will apportion the received ballots in proportion to reflect a one-hundred percent (100%) vote for the parcel. Therefore, if a parcel has three (3) recorded owners but only two (2) ballots are submitted, the submitted ballots will each be apportioned to reflect fifty percent (50%) of the vote for the parcel so that a total vote of one-hundred percent (100%) is recorded for the parcel.
5. Only landowners shall have the authority to vote on the proposed Assessment (even in cases where the land is leased or rented) because it is ultimately the responsibility of the owner of the parcel of land to pay the Assessment.
6. Only ballots with original signatures, not photocopies, will be accepted.
7. The Authority may issue a duplicate ballot to any property owner who wishes to change their submitted ballot or whose original ballot was lost or destroyed. Such duplicate ballot shall be clearly marked as duplicate and shall be accompanied by sufficient information for the Authority to verify the location and ownership of the property in question and the identity of the individual casting the ballot in order to verify its authenticity.
8. As provided for in Government Code section 53753(e)(6), this "assessment ballot proceeding" is not an election for purposes of conforming to the Election Code or Article II of the California

Constitution.

9. Although an assessment ballot is a “public record” as that phrase is defined by the Public Records Act, the ballots will not be counted until the end of the noticed hearing. Therefore, to prevent possible harassment and intimidation of property owners, the ballots shall not be open to public inspection until the conclusion of the assessment ballot proceedings, as provided for in Government Code Section 53753(e)(2). During and after the tabulation, the assessment ballots and the information used to determine the weight of each ballot shall be available for inspection.
10. A property owner’s failure to receive an assessment ballot shall not invalidate the proceedings conducted under this section and Article XIID, Section 4(d) of the California Constitution.

E. Procedures for Tabulating Ballots. The following guidelines shall apply to the tabulating of the assessment ballots:

1. This Board designates the Authority’s Engineer as a disinterested party to tabulate the ballots. To the extent the Authority’s Engineer relies on additional staff to assist in the tabulation of ballots, the Authority’s Engineer shall directly oversee their activities.
2. In accordance with Article XIID, Section 4(d) of the California Constitution and Government Code Section 53753(b), the ballots will be weighted according to the proportional financial obligation on the affected property.
3. The Authority shall determine the validity of all ballots and shall accept as valid all ballots except those in the following categories:
 - a) A photocopy of a ballot which does not contain an original signature;
 - b) An unsigned ballot;
 - c) A ballot which lacks an identifiable “yes” or “no” vote;
 - d) A ballot which appears to be tampered with or otherwise invalid based upon its appearance, method of delivery or other circumstances.
4. The Authority’s determination, after consultation with Authority Counsel, that a ballot is invalid shall be final.

5. The Authority may not, and will not, begin tabulation of the ballots prior to the conclusion of the public hearing. All ballots are to remain sealed until the tabulation begins after the conclusion of the public hearing.
6. A property owner has the right to withdraw a ballot submitted previously and to submit a new ballot up until the conclusion of the public hearing. To facilitate this submission of a new ballot, the Authority shall issue a duplicate ballot. Such duplicate ballot shall be clearly marked as duplicate and shall be accompanied by sufficient information for the Authority to verify the location and ownership of the property in question and the identity of the individual casting the ballot in order to verify its authenticity. The withdrawn ballot, or ballots, shall not be used in vote tabulation even if the newly submitted ballot is rejected.

F. **Public Hearing.** In accordance with Article XIID, Section 4(d) of the California Constitution, Government Code Section 53753(b), and SGMA, a public hearing shall be commenced to hear comments on the ballot measure. The hearing is set to be held at 1:00 p.m. on August 7, 2025, at Colusa Industrial Properties, 100 Sunrise Blvd., Colusa, CA 95932. The hearing will follow the procedures set forth herein:

1. At the public hearing, the Board of Directors shall hear public testimony regarding the proposed Assessment.
2. The Director presiding at the hearing may impose reasonable time limits on both the length of the hearing and the length of each speaker's testimony.
3. The Board of Directors may continue the hearing as it deems appropriate.
4. The Board of Directors shall accept ballots on the proposal until the close of the public hearing. No Ballots shall be accepted for tabulation after the conclusion of the public hearing.
5. Upon conclusion of the hearing, the Authority's Secretary shall deliver certified copies of this resolution to the Tax Collector and Treasurer and to the Auditor-Controller of Colusa County, California.
6. Upon conclusion of the hearing, or shortly thereafter, a disinterested party designated by the Board of Directors shall begin the tabulation of the ballots, including those received during the public hearing.

7. If according to the final tabulation, weighted according to the proportional financial obligation of the affected property, ballots submitted against the proposed Assessment exceed the ballots submitted in favor of the proposed Assessment, a “majority protest” shall exist and the Board of Directors shall not impose the proposed Assessment.
8. If the proposed Assessment is ratified by the voters in the assessment ballot proceeding, then as soon thereafter as deemed appropriate by the Board of Directors, a resolution shall be considered which both certifies the results and formally adopts the proposed Assessment.
9. If approved, the Assessment shall become effective for the collection in 2025.

G. Exhaustion of Administrative Remedies. In accordance with Government Code section 53759.1, the Authority hereby confirms, orders and adopts the following:

1. The Engineer’s Report has been publicly available as of June 10, 2025.
2. The Engineer’s Report has been posted to the Authority’s web site, <https://colusagroundwater.org/>, as of June 10, 2025, and will remain on the web site during the pendency of the assessment ballot proceeding provided for in this resolution.
3. The Authority will mail a copy of the Engineer’s Report to any landowner subject to the proposed Assessment upon request.
4. Any property owner subject to the proposed Assessment shall have until August 1, 2025, to review the Engineer’s Report and submit a written objection regarding the proposed Assessment to the Authority that specifies the grounds for alleging the proposed Assessment’s noncompliance with Proposition 218. To be timely, any objection must be received by the Authority by August 1, 2025. Objections shall be mailed to “Colusa Groundwater Authority, P.O. Box 475, Colusa, CA 95932-9804”.
5. Authority staff and consultants are authorized and directed to consider and respond in writing to any timely submitted objections in consultation with designated members of the Board of Directors constituting less than a quorum of the Authority Board. Such responses shall explain the substantive basis for retaining or altering the proposed Assessment, and timely submitted objections and responses shall be presented to the Authority Board for consideration prior to or during the

hearing called for in this resolution.

6. As provided in the notice approved in connection with the adoption of this resolution, any written objection must be sent separately from the ballot. Written objections that are not timely submitted, or that are enclosed with a ballot, will not be considered and will not qualify to serve as the basis of a claim of an exhaustion of an administrative remedy.
 7. The form of notice attached as Exhibit B includes a prominently displayed statement that written objections must be received by the August 1, 2025, deadline, and that failure to timely object in writing will bar any right to legally challenge the Assessment. The notice also includes in the prominently displayed statement all substantive and procedural requirements for submitting an objection to the proposed Assessment.
 8. In connection with the hearing provided for in this resolution, the Authority Board shall determine as follows:
 - a) Whether the written objections and the Authority's response warrant clarifications to the proposed Assessment.
 - b) Whether to reduce the proposed Assessment.
 - c) Whether to further review before making a determination on whether clarification or reduction is needed.
 - d) Whether to proceed with the assessment ballot proceeding.
- 3. Call for Assessment Ballot Proceeding.** Having carefully and fully reviewed the Engineer's Report, the Board of Director's hereby:
- A. Calls for an "assessment ballot proceeding" for the proposed Assessment.
 - B. Adopts the findings and conclusions of the Engineer's Report.
 - C. Approves the form of Notice and form of Assessment Ballot attached as Exhibit B and Exhibit C, respectively.
 - D. Calls for a Public Hearing on the changes to be held at 1:00 p.m. on August 7, 2025, at Colusa Industrial Properties, 100 Sunrise Blvd., Colusa, CA 95932.
 - E. Directs and authorizes Authority consultants to prepare and mail notices and

ballots as described herein for the assessment ballot proceeding, and to take all actions necessary and proper to prepare for and carry out the same.

ALL THE FOREGOING, being on motion of Director _____, seconded by Director _____, was hereby authorized by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

I HEREBY CERTIFY that the foregoing is a true copy of the Resolution of the Board of Directors of Colusa Groundwater Authority as duly passed and adopted by said Board of Directors at an adjourned meeting held this 10th day of June, 2025.

WITNESS my hand and official seal of said Board of Directors this 10th day of June, 2025.

Secretary of the Board of Directors

- Attachments: Exhibit A: Engineer’s Report
- Exhibit B: Form of Notice
- Exhibit C: Form of Assessment Ballot

EXHIBIT A

ENGINEER'S REPORT

[Incorporated By Reference]

EXHIBIT B

NOTICE OF PUBLIC HEARING

EXHIBIT C

OFFICIAL ASSESSMENT BALLOT

Colusa Groundwater Authority

SGMA Operational Assessment

DRAFT ENGINEER'S REPORT

June 2025

Pursuant to California Water Code § 10730 et seq., California Government Code § 6502, and Articles XIII C and XIII D of the California Constitution.



Colusa Groundwater Authority

District Board

Board Member	Alternate	Entity Name
Janice Bell	Jose Merced Corona	County of Colusa
Jeremy Cain	Jesse Cain	City of Colusa
Kate Dunlap	Alfred Sellers, Jr.	City of Williams
Kelly Ornbaun	Jeff Sutton	Glenn-Colusa Irrigation District
Frank A. Nobriga	Halbert Charter, Shelly Murphy	Colusa County Water District
Jim Campbell	Jered Shipley	PCG Irrigation District
Zachary Dennis	Mike Urkov	Westside Water District
Hilary Reinhard	Lewis Bair	Reclamation District 108
Derrick Strain	<i>Vacant</i>	Reclamation District 479
Jim Wallace	Lynell Pollock	Colusa Drain Mutual Water Company
Chris Dobson	Barbara J. Sachs	Maxwell Irrigation District
Jered Shipley	Jim Campbell	Provident Irrigation District
Deke Dormer	<i>Vacant</i>	Private Pumper
Jeff Moresco	<i>Vacant</i>	Private Pumper

Authority Counsel

Alan Doud, Young Wooldridge, LLP

Assessment Engineer of Work

John Bliss, P.E., SCI Consulting Group

Table of Contents

I. Introduction.....	5
Background.....	5
Subbasin Characteristics.....	6
CGA Characteristics	7
Subbasin Conditions and Approach	9
Assessment Approach	13
II. Description of Services.....	19
III. Cost and Budget Estimate.....	22
IV. Method of Apportionment	23
Discussion of Benefit	23
Sustainable Groundwater Management Is a Special Benefit.....	24
General Versus Special Benefits	24
Method of Assessment.....	27
Land Use Groups	28
Special Benefit Service Categories	30
Background on Benefit Factors	30
Methodology Approach	31
V. Assessment Implementation.....	40
Criteria and Policies.....	40
Assessment.....	42
VI. Assessment Diagram	43
VII. Appendices	45
Appendix A – Detailed Budget Table.....	45
Appendix B – Estimated Groundwater Extraction and Parcel User Class Assignments.....	46
Appendix C – Assessment Roll, FY 2025-26.....	49

List of Tables

Table 1 – SGMA Priority Ranking Criteria	11
Table 2 – Colusa Subbasin Priority Points.....	12
Table 3 – Fiscal Year 2025-26 Proposed Budget	22
Table 4 – Professional Services Percentage Allocation and Rate/Acre	32
Table 5 – Planning Services Percentage Allocation and Rate/Acre	34
Table 6 – Groundwater Sustainability Services Percentage Allocation and Rate/Acre	36
Table 7 - Reliance on Groundwater Calculation	37
Table 8 – Summary of Rate per Acre	38
Table 9 - Detailed Budget Table	45

List of Figures

Figure 1 – Colusa Subbasin Boundary.....	7
Figure 2 -- Colusa Groundwater Authority Boundary.....	8
Figure 3 – GSA Assessment Diagram FY 2025-26	44

DRAFT

I. Introduction

Background

The California Legislature enacted the Sustainable Groundwater Management Act (“SGMA”) in 2014, establishing the first comprehensive, statewide framework for managing groundwater resources. SGMA was designed to ensure the long-term sustainability of groundwater basins and is implemented locally through Groundwater Sustainability Agencies (“GSAs”). Each GSA is responsible for preparing and carrying out a Groundwater Sustainability Plan (“GSP”) in its jurisdiction and for securing the funding needed to implement the Projects and Management Actions (“PMAs”) identified in the GSP.

The Colusa Groundwater Authority (“CGA” or “Agency”) was formed in 2017 to serve as the GSA for a portion of the Colusa Subbasin, in accordance with SGMA. CGA and the Glenn Groundwater Authority (“GGA”) jointly developed the Colusa Subbasin GSP, which was submitted to the California Department of Water Resources (“DWR”) in January 2022. Following DWR’s issuance of an incomplete determination in October 2023, the GSAs revised and resubmitted the GSP on April 23, 2024. The revised GSP was approved by DWR on February 27, 2025.

To meet its obligations under SGMA and implement the GSP, CGA requires an ongoing, reliable funding source. In December 2024, CGA engaged a consultant team led by SCI Consulting Group (“SCI Team”) to develop and assist with the implementation of a new funding mechanism to support implementation of the GSP. This effort involved financial analysis, review of land use and groundwater data, evaluation of alternative rate structures, development of supporting documents, and coordination with CGA staff, the Board of Directors, and local stakeholders.

This Engineer’s Report (“Report”) supports the implementation of a Proposition 218-compliant benefit assessment, referred to herein as the “SGMA Operational Assessment” or simply the “Assessment,” beginning in Fiscal Year (“FY”) 2025–26. The proposed Assessment would replace CGA’s current fee, which has supported CGA operations since 2019. The new Assessment is intended to generate sufficient revenue to support long-term implementation of the Colusa Subbasin GSP. This Report sets forth the method for levying an assessment on parcels that receive a special benefit from CGA’s groundwater sustainability services.

This Report and the proposed Assessment have been developed in accordance with California Water Code section 10730 et seq., the Proposition 218 Omnibus Implementation Act (California Government Code section 53750 et seq.), and Articles XIIC and XIID of the California Constitution (sometimes referred to as “Proposition 218”).

This Report was prepared to:

- Describe the groundwater sustainability services to be funded by the proposed Assessment (“the Services”) (See page 14).
- Establish a budget for the Services beginning in FY 2025–26 and into future years.
- Determine the special benefits received by parcels within CGA from the Services.
- Quantify and separate the general benefits, if any, from the special benefits.
- Describe the method of apportionment to parcels that receive such benefit.

Only parcels that directly receive the benefit of the Services to be funded by the proposed Assessment, would be subject to the proposed Assessment.

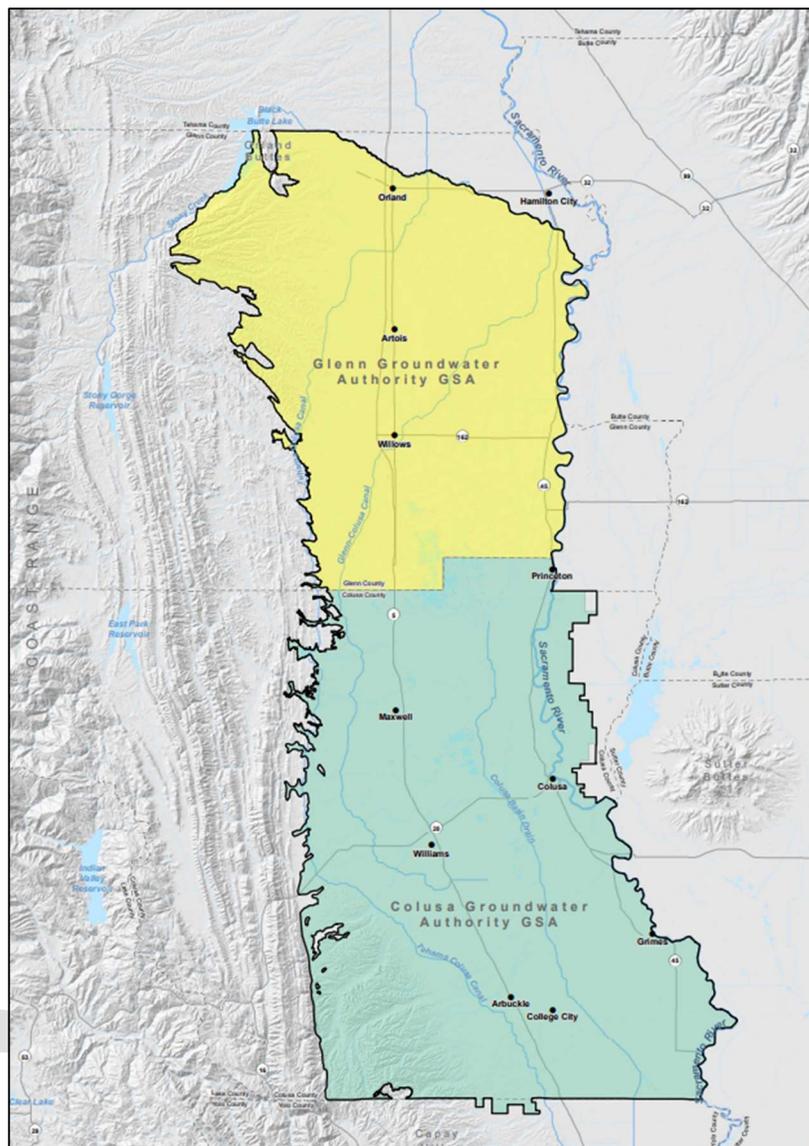
Subbasin Characteristics

The Colusa Subbasin underlies approximately 723,823 acres (1,131 square miles) in the northern Sacramento Valley and is identified in DWR’s Bulletin No. 118 as Groundwater Subbasin 5-021.52. It is bounded by the Corning Subbasin to the north, the Butte and Sutter Subbasins to the east, and the Yolo Subbasin to the south. The Subbasin’s western boundary is defined by the eastern edge of the Coast Range foothills, while the Sacramento River forms a portion of its eastern margin.

The Colusa Subbasin spans portions of both Colusa and Glenn Counties and contains a mix of agricultural, municipal, and environmental water uses. The Subbasin includes incorporated cities such as Colusa, Williams, Orland, and Willows, as well as rural communities including Arbuckle, Maxwell, and Princeton.

In 2017, two exclusive Groundwater Sustainability Agencies (GSAs) were formed to manage the Subbasin: the Colusa Groundwater Authority overlying the Colusa County portion, and the Glenn Groundwater Authority (“GGA”) overlying the Glenn County portion. Together, CGA and GGA collaboratively developed a single GSP for the entire Subbasin. The GSP outlines strategies and PMAs to achieve groundwater sustainability by 2042, as required under SGMA in light of DWR’s designation of the Subbasin as a medium priority, non-critically overdraft basin. Each GSA is responsible for implementing the GSP within its jurisdiction and for coordinating with the other GSA on Subbasin-wide efforts, including monitoring, data sharing, and joint reporting.

Figure 1 – Colusa Subbasin Boundary

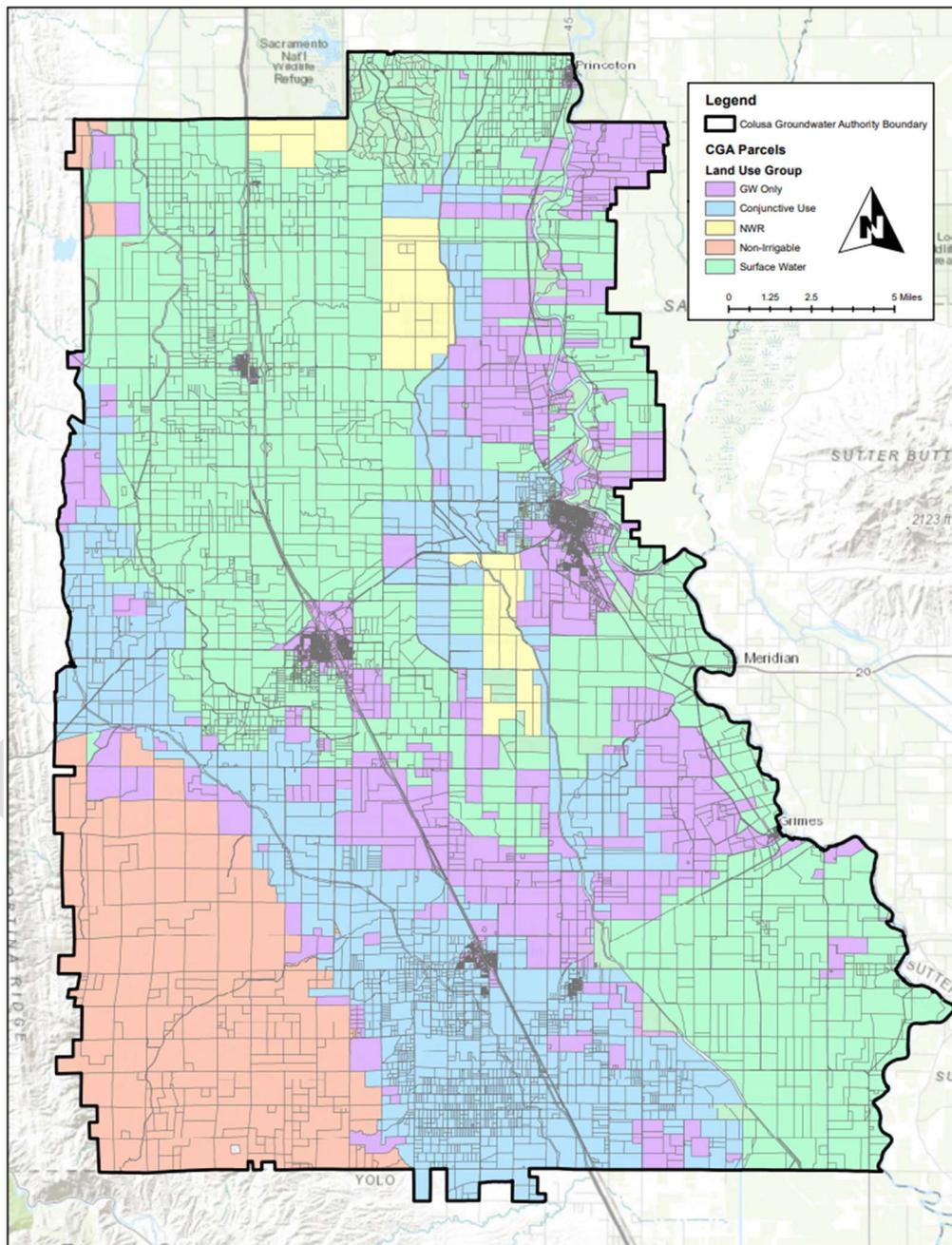


CGA Characteristics

The CGA is a Joint Powers Authority formed in 2017 to implement the SGMA within the Colusa County portion of the Colusa Subbasin. CGA’s jurisdiction encompasses approximately 417,914 acres, representing just over 57 percent of the total Subbasin area.

CGA consists of ten member agencies, comprising reclamation districts, water districts, cities, and the County of Colusa, as well as two representatives of private groundwater pumpers. Governance is carried out by a twelve-member Board of Directors, with one Director appointed by each member agency and two private pumper representatives recommended by the Colusa County Groundwater Commission and appointed by the County Board of Supervisors.

Figure 2 -- Colusa Groundwater Authority Boundary



Financial Context

Just as SGMA envisions groundwater basins being locally governed, it also anticipates GSAs being locally funded. When the CGA was established in 2017, its member agencies agreed to fund CGA's operations during its initial years. To support the early development of the Colusa Subbasin GSP, CGA secured grant funding through Proposition 1 and Proposition 68. CGA implemented a fee in 2019 charged to each parcel within the Authority's jurisdictional boundary (known as the "Operations Fee"). Together, these funding sources have supported CGA's GSP development and administrative operations through the early compliance phase of SGMA.

Implementing the Colusa Subbasin GSP and ensuring compliance with SGMA requires additional resources and, therefore, additional revenue over the coming years. Although CGA has historically secured external grant funding and will continue to pursue these opportunities, a consistent, annual source of revenue is necessary to meet its SGMA compliance obligations, supporting CGA's ability to provide Services.

Subbasin Conditions and Approach

The conditions of the Colusa Subbasin are discussed in detail in the Colusa Subbasin GSP¹. Land use in the Subbasin is primarily agricultural, with a significant portion of the land area used for irrigated crops. The primary agricultural commodities include rice, almonds, walnuts, and tomatoes, with other crops such as alfalfa and orchards also contributing to the region's agricultural output. While much of the irrigated land is concentrated in areas served by local water districts, groundwater is still a critical source of supply – particularly during dry years or when surface water allocations are curtailed. For a portion of irrigated lands, groundwater is the only available water source.

Groundwater in the Colusa Subbasin supports a range of beneficial uses, including agricultural irrigation, municipal and small water system supply, domestic wells, and critical habitat needs. Groundwater also sustains environmentally sensitive areas, such as managed wetlands and groundwater-dependent ecosystems within the Sacramento National Wildlife Refuge Complex. As described in the GSP, the majority of groundwater demand is tied to agriculture, while municipal and domestic groundwater use is concentrated near urban centers such as Colusa, Williams, Orland, and Willows.

¹ <https://sgma.water.ca.gov/portal/gsp/preview/92>

SGMA identifies six “undesirable results”, which are the effects caused by groundwater conditions occurring throughout the Subbasin. These include: chronic lowering of groundwater levels, groundwater storage, land subsidence, water quality, depletion of interconnected surface water, and seawater intrusion. As detailed in the GSP, it was determined that five sustainability indicators (each pegged to an undesirable result) are potentially applicable to the Colusa Subbasin, with seawater intrusion being the exception because the Subbasin is land-locked and 30 to 60 miles from the Coast. (GSP, 5-2.) The GSP elaborates on the technical considerations associated with each applicable sustainability indicator in the Colusa Subbasin, and these considerations served as the foundation for establishing the criteria for sustainable management. Each sustainability indicator has associated undesirable results that impair beneficial uses of groundwater.

Within the CGA’s jurisdiction, the three *primary* sustainability concerns out of the five sustainability indicators are chronic lowering of groundwater levels, reduction of groundwater storage, and inelastic land subsidence (GSP, ES-20).

Groundwater level declines have occurred in parts of the Subbasin, largely due to increased groundwater pumping during drought and reductions in surface water availability (GSP, 6-4). These declines have led to adverse impacts such as dry wells and localized land subsidence, which has raised concerns about future damage to infrastructure and water conveyance systems. As described by the GSP, declining groundwater levels create conditions that cause significant and unreasonable reduction in sustainable groundwater supplies needed to meet the needs of beneficial uses and users of groundwater over the GSP planning and implementation horizon (GSP, 5-5). Such conditions cause wells to fall below established thresholds, resulting in impaired access for drinking water and agriculture, or contributing to subsidence and environmental degradation. The risk of undesirable results is greatest during multi-year droughts or in areas with limited surface water access. To address these issues, the CGA and GGA have committed to implementing PMAs, including demand reduction programs, in-lieu recharge, and domestic well mitigation programs (GSP, 6-18). The GSP defines undesirable results for groundwater level declines as results that “would cause significant and unreasonable reduction in sustainable groundwater supplies needed to meet the needs of beneficial uses and users of groundwater over the GSP planning and implementation horizon” (GSP 5-6).

Reduction of groundwater storage relates closely to groundwater level declines, and had been identified within the Subbasin (GSP, ES-15). The GSP defines undesirable results for reduction in groundwater as results “that would cause significant and unreasonable reduction in the long-term viability of beneficial uses and users over the planning and implementation horizon of this GSP” (GSP 5-13).

Though not widespread at present, land subsidence has been observed in parts of the Subbasin, particularly in the Arbuckle area, and has been linked to declining groundwater levels. The GSP defines undesirable results for subsidence as significant and unreasonable inelastic deformation that affects land use or infrastructure viability (GSP, 6-3).

Depletion of interconnected surface water is also monitored, as reductions in groundwater levels may lower baseflows to streams or impact wetland hydrology (GSP, 5-50). This can result in cascading effects that intensify demand for groundwater supplies and further complicate sustainability efforts. The GSP defines undesirable results for interconnected surface water as results that “causes significant and unreasonable adverse effects on beneficial uses and users of interconnected surface waters within the Subbasin over the planning and implementation horizon of this GSP” (GSP 5-26).

Degraded water quality is currently limited in scope but remains a monitored issue, particularly with respect to nitrate concentrations and naturally occurring salinity in some areas. The GSP defines undesirable results for this indicator as degradation of water quality due to groundwater management actions that impair beneficial uses or impose increased treatment costs (GSP, 5-41). The GSP defines undesirable results for interconnected surface water as results that “would cause a significant and unreasonable reduction in the long-term viability of beneficial uses and users, including domestic, agricultural, municipal, environmental, or other beneficial uses and users over the planning and implementation horizon of this is GSP” (GSP 5-14).

Basin Prioritization

DWR assigned each of California’s 515 groundwater basins a prioritization rating. The Basin Prioritization rating dictates whether a basin is designated very low, low, medium, or high priority as shown in Table 1.

Table 1 – SGMA Priority Ranking Criteria

Priority	Total Priority Point Ranges			
Very Low	<i>over</i>	<i>zero</i>	<i>up to</i>	<i>7</i>
Low	<i>over</i>	<i>7</i>	<i>up to</i>	<i>14</i>
Medium	<i>over</i>	<i>14</i>	<i>up to</i>	<i>21</i>
High	<i>over</i>	<i>21</i>	<i>up to</i>	<i>42</i>

Medium and high priority basins were required to establish a groundwater sustainability agency and develop a GSP. With a priority ranking score of 23.5, the Colusa Subbasin is classified by DWR as a high-priority basin, requiring full compliance with SGMA. The Subbasin’s priority point allocation, based on population, well counts, irrigated acreage, groundwater reliance, and other factors, is illustrated in Table 2.

Table 2 – Colusa Subbasin Priority Points

Criteria	Priority Points
1 Population	1
2 Population Growth	3
3 Public Supply Wells	1
4 Total Wells	3
5 Irrigated Acres	4
6 Groundwater Reliance	3.5
7 Impacts	4
8 Habitat and Other Information	4
Total Priority Points	23.5

Colusa Subbasin Sustainability Goal

The Colusa Subbasin GSP sets forth a long-term sustainability goal that frames all groundwater management activities through 2042. This goal emphasizes a locally driven approach to managing groundwater in a manner that preserves beneficial uses, protects economic and environmental values, and avoids undesirable results.

The sustainability goal for the Subbasin is:

To maintain, through a cooperative and partnered approach, locally managed sustainable groundwater resources to preserve and enhance the economic viability, social well-being and culture of all Beneficial Uses and Users, without experiencing undesirable results (GSP, ES-18).

To achieve this outcome, the GSP establishes specific minimum thresholds, measurable objectives, and interim milestones tied to basin conditions. These metrics are used to evaluate progress and determine whether additional management actions are needed.

The goal is supported by the following prioritized actions, which guide project planning and monitoring efforts across the Subbasin:

- Maintain groundwater levels within established thresholds to avoid significant impacts to drinking water wells, agriculture, and the regional economy (GSP, 5-6, 5-8).

- Manage groundwater and surface water interactions to sustain ecosystems and protect interconnected surface waters (GSP, 5-8).
- Prevent inelastic land subsidence that could damage infrastructure or reduce aquifer storage capacity (GSP, 5-7).
- Protect groundwater quality by monitoring for and managing contaminants that could impair beneficial uses (GSP 5-14).
- Promote efficient water use and conservation practices across all user types (GSP, 2-22, 5-8).
- Implement adaptive management to address changing hydrologic, regulatory, or land use conditions (GSP, 5-9).
- Coordinate with adjacent subbasins to support regional sustainability and minimize undesirable results along shared boundaries (GSP, 5-56).

This approach is rooted in adaptive management, allowing for responsive adjustments to projects and strategies as new data becomes available. It ensures that CGA can remain compliant with SGMA, respond to emerging challenges, and maintain local control over groundwater management. The Services to be funded through CGA's proposed Assessment are directly aligned with this objective and serve to maintain Subbasin stability and long-term groundwater reliability.

Assessment Approach

Since 2019, CGA has primarily funded its efforts through the Operations Fee. This Fee has supported basic GSA administration. However, two elements of this Fee render it insufficient to support GSP implementation going forward: (1) it was designed to support a smaller budget and revenue need, and (2) it included an annual rate increase based on the Consumer Price Index ("CPI") that expired in FY 2023-34. As of FY 2024–25, CGA no longer has the ability to increase this Fee. Recognizing the need for a reliable, long-term revenue source to support ongoing SGMA implementation, CGA is establishing a new benefit assessment through this Engineer's Report in accordance with Proposition 218, Gov. Code Sections 53750 et seq., and Water Code Sections 10730 et seq. If approved by landowners, this proposed Assessment will replace the Operations Fee program and serve as CGA's ongoing funding mechanism.

Hence, to meet the expanding revenue needs required by GSP implementation, CGA is proposing a new SGMA Operational Assessment beginning in FY 2025-26. The proposed Assessment will cover the entirety of CGA's jurisdiction, which includes approximately 412,420 total parcel acres. Due to their exempt status, approximately 10,734 acres, including federally and tribally owned lands and other exempt properties, will not be assessed. These lands are either exempt from SGMA's mandate or would not be subject to regulation in the event of State intervention under SGMA. For these reasons, these lands do not receive the special benefit provided by CGA's Services. This results in approximately 401,686 assessable acres across the CGA service area (GSP, 2-11).

While the proposed Assessment is intended to support CGA's operational funding needs, including administration and PMA planning, further funding for PMAs may be necessary in the future. CGA is evaluating options for additional revenue generation in addition to the proposed Assessment, including voluntary self-funding models and extraction-based fees. The proposed Assessment is intended to support CGA's operational capacity and expand analysis of local groundwater use, which will help to better inform the potential need for PMA funding in the future.

A key component of developing the proposed Assessment is evaluating the degree of special benefit conferred by CGA's Services to different land use types. As described in the section below titled "Benefit Factors," the degree of special benefit conferred on parcels varies depending on several factors including whether they are irrigated, whether they have access only to groundwater, whether they have access to both groundwater and surface water, or whether they primarily use surface water.

CGA's assessable acreage, grouped by "Land Use", includes approximately:

- 67,945 acres of "Non-Irrigable" land,
- 70,908 acres of land that relies exclusively on groundwater ("Groundwater Only")
- 89,660 acres of land classified as "Conjunctive Use" (where both surface water and groundwater are used).
- 173,764 acres of land classified as "Surface Water" (where surface water is used as the primary or only source).

The proposed Assessment structure includes "per-acre" rates that vary depending on each parcel's classification across these four distinct Land Use Groups (or "rate categories"). These variable rates reflect the variable proportional special benefit provided to each Land Use Group. This Engineer's Report utilizes Benefit Factors, which are used to score the benefit of costs separated into three Service Categories:

- Professional Services costs, scored based on Basin Management and SGMA Compliance.
- Planning Services costs, scored based on Project Preparation and Data Management.

- Groundwater Sustainability Services costs, scored based on Reliance on Groundwater.

These Service Categories, and the Benefit Factors that inform the proposed rate proportionality, are discussed in detail in Section IV., below.

There are two types of land within CGA that are not assigned any Land use Group. These lands include Tribal Lands and State and National Wildlife Refuges (“NWR”).

Tribal Lands within the Subbasin includes those owned by the Cachil DeHe Band of Wintun Indians/Colusa Rancheria and the Cortina Indian Rancheria of Wintun Indians Public and Tribal Lands (GSP 2-11). Pursuant to Water Code § 10720.3, participation of tribes in SGMA activities is voluntary. Specifically, this Section notes that “any exercise of regulatory authority, enforcement, or imposition and collection of fees is pursuant to the tribe’s independent authority and not pursuant to authority granted to a groundwater sustainability agency under this part.” For this reason, the sovereignty of Tribal Lands will be respected, and they shall not be included in the Assessment schedule outlined by this Study, or it’s associated methodology.

State and National Wildlife Refuges are also not subject to the proposed Assessment. This is due to two primary factors. Their status of State or Federal ownership is relevant in the context that under potential State intervention in the Subbasin, they would not likely be subject to regulation. National Wildlife Refuges are subject to their own regulatory frameworks, each referred to as a Comprehensive Conservation Plan (CCP), which guides the management of the Refuges and includes a variety management tools, including Water Management Plans (GSP 2-11). State Refuges are managed by the California Department of Fish and Wildlife (GSP 2-11).

The proposed Assessment will fund CGA’s operational budget, which supports a range of administrative, planning, and technical services required to implement the Colusa Subbasin GSP and comply with SGMA. These Services include GSA administration and oversight; legal and financial support; stakeholder coordination and inter-GSA collaboration; and technical functions such as annual reporting, groundwater level monitoring, and the five-year GSP update. The assessment also supports development and maintenance of a groundwater accounting system, management of well data, satellite imagery analysis, and program delivery for both the Demand Management and Domestic Well Mitigation Programs. Additional efforts include data management, long-term financial planning, and early-stage project evaluation and preparation. These Services are essential to CGA’s ability to implement the GSP.

To meet its operational needs, CGA must generate approximately \$1,991,000 in FY 2025-26. In future years, the budget will be evaluated and determined by the Board but is expected to remain relatively stable.

This Assessment will provide a reliable, locally controlled source of revenue to fund the Services described herein and ensure continued progress toward sustainable groundwater management within the Subbasin.

For FY 2025–26, the proposed CGA Assessment rates are:

- Non-Irrigable Parcels: \$0.53 per acre
- Groundwater Only Parcels: \$11.19 per acre
- Conjunctive Use Parcels (surface water and groundwater use): \$7.42 per acre
- Surface Water Parcels (primarily surface water use): \$2.66 per acre

These proposed rates are reasonable and comply with the proportionality requirements of Article XIII D of the California Constitution because they do not exceed the reasonable cost of the proportional special benefit conferred on each parcel.

The Assessment will be subject to an annual adjustment tied to the change in the U.S. Department of Labor, Bureau of Labor Statistics Consumer Price Index (“CPI”) for the Western Region, not to exceed 3% per year, for each of the four (4) years following its adoption. Thereafter, the Assessment cannot be increased without approval from property owners in another assessment ballot proceeding. The December to December CPI will be used to calculate the CPI. In the case of a negative December to December CPI, a 0.0% CPI will be used. The increase in the Assessment under this framework is not automatic; rather, it will be subject to Board determination and must be justified by an increase in costs.

Legal Authority

Water Code § 10730 provides as follows:

A groundwater sustainability agency 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, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve.

The Services funded by the Assessment comport with the “groundwater sustainability program” described in Section 10730 and is the statutory basis on which the CGA plans to adopt and levy the Assessment.

Additionally, Water Code Section 10730.8 explicitly states, “nothing in this chapter shall affect or interfere with the authority of a groundwater sustainability agency to levy and collect taxes, assessments, charges, and tolls as otherwise provided by law.” This code section provides a further statutory basis for the Assessment.

All special benefit assessments must comply with Article XIID of the California Constitution. Proposition 218 allows for special benefit assessments to be levied to fund the cost of providing services and improvements, as well as maintenance and operational expenses of a public improvement that provides a special benefit to the assessed property.

Proposition 218 (as manifested in Article XIID of the California Constitution) and the corresponding Omnibus Implementation Act (Government Code § 53750, et seq.) impose a number of procedural and substantive requirements to implement a special benefit assessment, including property-owner balloting. The assessment ballot proceeding pursuant to which CGA is developing and proposing these assessments complies with those requirements. The assessment ballot proceeding also conforms to the substantive and procedural requirements of Water Code Section 10730.

Assessment Process and Future Continuation of Assessment

Following submittal of this Report to CGA for preliminary acceptance, the Board may call for an assessment ballot proceeding and public hearing on the proposed establishment of a SGMA Operational Assessment.

If the Board approves such action, a notice of assessment and assessment ballot shall be mailed to the owner of each parcel that will be subject to the proposed Assessment. Such notice will include a description of CGA Services to be funded by the proposed Assessment, the total amount of the proposed Assessment chargeable to the parcels within CGA, the amount chargeable to the specific parcel, the reasons for the proposed Assessment, the basis upon which the Assessment was calculated, and an explanation of the process for submitting a ballot. Each notice will include a postage prepaid return envelope and a ballot on which the parcel owner may mark their approval or disapproval of the proposed Assessment as well as affix their signature.

After the ballots are mailed to parcel owners subject to the Assessment, a minimum 45-day time period must be provided for the return of the Assessment ballots and before the hearing on the Assessment may be held. Following this balloting time period, a public hearing must be held for the purpose of allowing public testimony regarding the proposed Assessment. At the public hearing, the public will have the opportunity to speak on the issue. The public hearing will be held on a date to be determined by the CGA Board.

At that public hearing, all ballots returned (and not withdrawn) will be tabulated in accordance with the requirements of Proposition 218 and the Proposition 218 Omnibus Implementation Act and will not be opened or tabulated before the close of the public input portion of the hearing. At the conclusion of the public hearing, an impartial person designated by CGA who does not have a vested interest in the outcome of the proceeding shall tabulate the assessment ballots. Ballots will be unsealed and tabulated in public view. If it is determined that the Assessment ballots submitted in opposition to the proposed Assessment do not exceed the Assessment ballots submitted in favor of the Assessment (weighted by the proportional financial obligation of the parcel for which ballots are submitted), the Board may take action to approve the imposition of the Assessment for FY 2025-26 and each fiscal year thereafter. The levy and collection of the Assessment would continue year-to-year until terminated by the Board.

As outlined in Government Code Section 53739, the Board may levy the Assessment in future years without conducting a new proceeding, as long as the Assessment is less than or equal to the Assessment rates authorized in the original proceeding. The Board will not levy the full authorized amount of the Assessment unless it is necessary to do so.

II. Description of Services

CGA's Services support the continued implementation of the Colusa Subbasin GSP and are essential to achieving and maintaining compliance with SGMA.

The operational budget to be funded by this proposed Assessment includes expenses associated with CGA's ongoing administrative, technical, and compliance responsibilities under SGMA. These expenses fall into three primary Service Categories: Professional Services, Planning Services, and Groundwater Sustainability Services.

The formula below describes the relationship between the final level of service, the baseline level of service if the Assessment is not instituted, and the enhanced level of service funded by the Assessment:

$$\text{Final Level of Service} = \text{Baseline Level of Service} + \text{Enhanced Level of Service}$$

CGA's Services to be funded by the proposed Assessment include all operational Services necessary to maintain sustainable groundwater management within CGA's jurisdiction.

Specifically, these Services include:

Professional Services

The Professional Services Category includes core functions that support the day-to-day operation of CGA and ensure continued compliance with SGMA. Altogether, the total cost for all Professional Services Costs is \$706,000 per year.

- Administration covers essential functions such as coordination, agency management, Board support, scheduling, auditing, and general office operations. These administrative activities are foundational to CGA's functionality.
- Office Expenses account for routine costs including insurance, printing and mailing for outreach, website maintenance, and basic office supplies. These expenses are necessary to support the Authority's operations and communications with stakeholders.
- Compliance with SGMA relates to specific State-mandated requirements evaluated by DWR and, if found deficient, referred to the SWRCB for enforcement. CGA must adhere to SGMA requirements regarding mandated monitoring and reporting. The risk of State intervention is real and significant. The loss of local control in the Subbasin would represent a shift away from locally designed solutions and governance.

- Administrative Components consist of additional administrative services that support compliance with SGMA and PMA implementation. This includes public engagement, grant procurement, PMA planning, and an administrative contingency reserve (10% of administrative costs) set aside to address unforeseen costs.
- Finally, Services and Contingency includes support for legal reserves, long-term financial planning, tax roll coordination, and a SGMA compliance contingency reserve (10% of operational costs) that may be required to address future regulatory needs or unexpected developments.

Planning Services

The Planning Services Costs Category includes technical and financial planning efforts necessary to support long-term groundwater sustainability in the Colusa Subbasin. The total cost for all Planning Services Costs is \$185,000 per year.

- Long Term Funding Planning covers activities such as updating revenue requirements, funding-focused public engagement, and budget management. These functions help ensure the financial stability of CGA's programs over time.
- Project Planning includes the planning for implementation of PMAs identified in the GSP. This includes tasks such as preparing environmental impact reports and refining project scopes to support efficacy and implementation readiness.
- Study Implementation funds technical studies that support GSP goals and address key data gaps. These activities include refining or developing studies to improve CGA's understanding of groundwater use, implementing efforts to fill data deficiencies, and expanding the subsidence monitoring network with real-time data collection tools.

Groundwater Sustainability Services

The Groundwater Sustainability Services Category includes focused efforts to ensure that the basin remains sustainable. The Domestic Well Mitigation Program and the Demand Management/Groundwater Accounting System Program are key groundwater management programs identified in the revised GSP (GSP, 2). Both programs are identified in the GSP and required by DWR's GSP Determination Letter. The total cost for all Groundwater Sustainability Services Costs is \$1,100,000 per year.

- The Domestic Well Mitigation Program will mitigate the effects of undesirable results on domestic groundwater wells. The GSAs agree to implement the Program no later than January 2026 with the goal of mitigating drinking water well impacts resulting from declining groundwater levels and subsidence (GSP 6-61). Between April 2024 and January 2026, the GSAs will work in close partnership to develop Program measures and an effective implementation strategy that will avoid undesirable results for beneficial uses and users of groundwater.

- The Demand Management/Groundwater Accounting System Program funds the design and operation of a comprehensive groundwater accounting system. This includes the setup and ongoing operations of the accounting platform, interpretation of satellite imagery to monitor land and water use, collection and quality control of groundwater well data, and the implementation of board-approved demand management policies when necessary to prevent or respond to minimum threshold exceedances. These measures help CGA maintain reliable data and responsive tools to actively manage demand and reduce risks of overdraft.

The Services to be funded by the proposed Assessment provide a special benefit to parcels within CGA by ensuring that SGMA compliance is achieved efficiently, GSP implementation activities can be carried out with local control and regional coordination, and groundwater availability is protected. Table 3 below summarizes costs related to the Services to be provided. A detailed budget table, including costs related to all budget line items within the Service Categories, is provided in Appendix A.

III. Cost and Budget Estimate

The annual operational revenue need of \$1,991,000 is shown below in the proposed budget. Table 3, below provides a proposed budget for 2025-26:

Table 3 – Fiscal Year 2025-26 Proposed Budget

Costs		Total Amount	
Beginning Unrestricted Net Assets		\$0	
Professional Services			
Administrative		\$349,250	
SGMA Compliance		\$72,500	
Admin Components		\$284,250	
Subtotal (a)		\$706,000	
Planning Services			
Long Term Funding Planning		\$50,000	
Project Implementation		\$40,000	
Study Implementation		\$95,000	
Subtotal (b)		\$185,000	
Groundwater Sustainability Services			
Domestic Well Mitigation		\$250,000	
Demand Management Mitigation		\$850,000	
Subtotal (c)		\$1,100,000	
Annual Operations and Maintenance Costs (a+b+c=d)		\$1,991,000	
Contributions from other sources (e)		\$0	
Total Annual Costs (d+e)		\$1,991,000	
Assessment Calculator			
Total Annual Costs		\$1,991,000	
Balance to Assessment		\$1,991,000	
	<u>Acres (f)</u>	<u>Rate(g)</u>	<u>Total (f*g)</u>
Non-Irrigable	54,972	\$0.53	\$29,193
Groundwater Only	70,642	\$11.19	\$790,351
Conjunctive Use	90,899	\$7.42	\$674,516
Surface Water	186,712	\$2.66	\$496,941
Total Assessment Amount =		\$1,991,000	

IV. Method of Apportionment

This section includes an explanation of the special benefits to be derived from the Services, the criteria for the expenditure of Assessment funds, and the methodology used to apportion the total Assessment across all properties subject to the Assessment.

Pursuant to Proposition 218, the method used for apportioning the Assessment is based upon the proportional special benefits conferred to the parcels over and above the general benefits conferred upon property in CGA, or to the public at large. Special benefits are calculated for each parcel subject to the Assessment using the following process:

- 1.) Identification of all benefit factors derived from the Services.
- 2.) Calculation of the proportion of these benefits that are general.
- 3.) Determination of the relative special benefit conferred upon each parcel type.
- 4.) Calculation of the specific Assessment for each individual parcel based upon land use, size and potentially other factors.

Discussion of Benefit

The Professional, Planning and Groundwater Sustainability Services identified in this Report support SGMA compliance, reduce the risk of State intervention, and support continued local control, which preserves the long-term functionality, utility, and value of assessed property.

The Services are over and above the baseline level of activity and are structured to ensure that the cost to each parcel does not exceed the reasonable cost of the proportional special benefit received. The following sections provide further detail on how special and general benefits are identified and apportioned.

Proposition 218 prohibits any assessment “imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel” (Cal. Const., art. XIII C). Accordingly, the proposed Assessment is based solely on the special benefit conferred to assessed parcels; i.e., benefits that exceed any general benefit provided to the public at large or to parcels outside CGA.

All parcels subject to the proposed Assessment benefit, though the degree of benefit varies. Groundwater-only parcels receive the most direct benefit due to their full reliance on groundwater. Conjunctive use parcels benefit from preserving groundwater as a supplemental source. Non-Irrigable parcels, such as rangeland, benefit through the protection of future groundwater access. These differences are reflected in the proposed variable assessment rates.

Sustainable Groundwater Management Is a Special Benefit

Sustainable groundwater management Services confer special benefits to assessed parcels within the CGA service area. As defined by Article XIII D, Section 2(i) of the California Constitution, a special benefit is a particular and distinct advantage conferred directly to real property, above and beyond any general benefits provided to the public at large or to properties outside the assessment area.

The Services are designed to protect assessed parcels from undesirable results identified under SGMA and in the GSP. If left unaddressed, these conditions would diminish the utility, productivity, and long-term value of real property. Avoiding undesirable results and maintaining SGMA compliance represents a special benefit that is measurable and directly related to a parcel's use and dependence on sustainable groundwater conditions.

The Assessment Engineer has determined that CGA's services provide an enhanced level of management above baseline conditions and confer special benefits by preserving groundwater resources, supporting future land use options, and ensuring sustainable water availability. These benefits are specific to the parcels subject to the Assessment and are not shared equally by the public or by properties located outside CGA.

Through ongoing SGMA compliance activities such as monitoring, reporting, Subbasin coordination, stakeholder engagement, and local implementation, CGA supports groundwater reliability and protects landowners from potential State intervention. These activities result in special benefits that preserve the viability of assessed parcels for continued agricultural production, domestic use, or future development.

A detailed explanation of the benefit factors used to apportion costs among parcels is provided in the following section. These benefit factors demonstrate how and why the services being funded deliver distinct, proportional special benefits to each parcel assessed.

General Versus Special Benefits

A special benefit is a particular and distinct benefit over and above the general benefits conferred on real property located outside but proximate to an assessment area, within an assessment area, or to the public at large. The total cost of the Services must be apportioned among the properties being assessed, based on the proportionate special benefit the properties will receive. Proposition 218 requires any local agency proposing a new special assessment to "separate the general benefits from the special benefits conferred on a parcel." (Cal. Const. art. XIID §4.)

The basis for separating special and general benefits is to ensure that certain parcel owners are not charged for CGA Services provided to the general public or to property outside the assessed area. (*See Silicon Valley Taxpayers' Assn., Inc. v. Santa Clara County Open Space Authority (2008) 44 Cal. 4th 431, 450.*) All property that is specially benefited by the Services will be assessed.

The Assessment Engineer has developed an approach described below, which is now the industry standard. Below is a description of the calculations used to separate the general benefit from special benefit, and to quantify the general benefit. In each step of this analysis, more liberal assumptions and determinations have been used in order to protect property owners against over-assessment consistent with the goals of Proposition 218, by ensuring that the total calculated general benefit is maximized and not understated.

Hence:

$$\text{Total Benefit} = \text{Special Benefit} + \text{General Benefit}$$

A well-established formula to estimate the general benefit is listed below which relies on a three-component analysis of potential general benefit:

$$\text{General Benefit} = \text{Benefit to Real Property Outside of Assessment District} + \text{Benefit to Real Property Inside of Assessment District} + \text{Benefit to Public at Large}$$

Benefit to Parcels that are Outside, But Proximate to CGA

To determine the benefit to parcels outside, but proximate to the proposed assessed acres in CGA, the Assessment Engineer has analyzed parcels adjacent to CGA's jurisdiction.

The area north, south and east of CGA, contains parcels within the Colusa and other subbasins. While these proximate parcels may receive some degree of benefit from the Services funded by this proposed Assessment, the efforts of neighboring GSAs also provide some degree of benefit to parcels within CGA. For this reason, the benefit provided to parcels to the north, south, and east is offset by and reciprocal to the benefit provided to CGA parcel owners through similar sustainable groundwater management efforts in adjacent GSA jurisdictions.

Parcels to the West of CGA lie within the Coastal mountains. These properties are largely non-irrigated rangeland parcels at higher elevations outside the Subbasin, where groundwater use is more limited. Additionally, these parcels do not benefit from compliance with SGMA, as they are not within a Bulletin 118 basin designated and high or medium priority and subject to SGMA. For these reasons, the special benefit, if any, to parcels to the east of CGA is negligible.

Total General Benefit to Parcels Outside, but Proximate, To CGA = ~ 0%

Benefit to Parcels within CGA

The Engineer has determined that all benefits provided to parcels within CGA can be considered special benefits, and that general benefits, if any, are negligible. As such, all parcels subject to SGMA within CGA will be included in the proposed assessment and charged according to the relative special benefit they receive.

Total General Benefit to Parcels Within CGA = ~ 0%

Benefit to the Public at Large

This Report uses any benefit to the “public at large” as the third component of the overall general benefit quantification. In *Beutz v. County of Riverside* (2010) 184 Cal.App.4th 1516, the Court opined that general benefits from parks and recreation facilities could be quantified by measuring the use of parks and recreation facilities by people who do not live within the assessment boundaries. Therefore, the general benefit to the public at large can be estimated by the proportionate amount of time that the Services are used and enjoyed by individuals who are not residents, employees, customers, or parcel owners in CGA.

Here, any general benefit to the public at large within the Authority’s boundaries would primarily be made up of non-resident visitors who are not associated with any parcel owners – (e.g., sightseers, etc.) of which there are very few. Most of CGA is not readily accessible or desirable to the “touring” public. The need for access (and water use) by those who are not subject to the Assessment in any way (e.g., visitors to CGA who are not residents, employees, customers, or parcel owners) in CGA is very limited. This small component of general benefits within CGA, if any, is negligible.

Total General Benefit to Public at Large = ~ 0%

Special Note on General Benefits

In *Dahms v. Downtown Pomona Property* (2009) 174 Cal.App.4th 708, the court upheld an assessment that was 100% special benefit on the rationale that the services and improvements funded by the assessments were directly provided to property in that district. Similar to the assessments in Pomona that were validated by *Dahms*, the Assessment described in this Engineer's Report fund groundwater sustainability Services that are directly provided to property in the Assessment area. Therefore, *Dahms* establishes a basis for minimal or zero general benefits from the assessments. However, in this report, the general benefit is more liberally estimated and described, and then budgeted so that it is funded by sources other than the assessment.

Total General Benefits

Using a sum of these three measures of general benefit, we find that none of the benefits conferred by the Services are general in nature, and no offsetting general benefit reimbursement is required.

<p>General Benefit =</p> <p>~ 0 % (Outside CGA)</p> <p>+ ~ 0 % (Property within CGA)</p> <p>+ ~ 0 % (Public at Large)</p> <p>=0.0% (Total General Benefit)</p>
--

Method of Assessment

The next step in apportioning assessments is to determine the relative special benefit for each parcel. This process involves determining the special benefit received by each parcel in relation to a "benchmark" acre.

The relative special benefit to parcels from the GSA Administration and GSP Implementation Services provided by CGA is best illustrated with several fundamental formulas as shown below:

Equation 1

The special benefit to a parcel is a function of factors such as land use and size:

$$\text{Special Benefit}_{\text{parcel}} = f(\text{land use and size})$$

Equation 2

The base dollar rate to be assessed to each parcel is the quotient of the sum of the costs divided by the sum of the special benefit units.

$$\text{\$ Rate} = \frac{\sum \text{Costs}}{\sum \text{Special Benefit Units}}$$

Equation 3

The specific dollar assessment on a parcel is the product of the area (acres) and the rate.

$$\text{Assessment}_{\text{parcel}} = \text{\$ Rate} \times \text{Area}$$

Land Use Groups

Benefit-receiving parcels within CGA's jurisdiction are categorized into three Land Use Groups, as introduced above, based on water use characteristics. Each group receives a different degree of special benefit from CGA's services under SGMA:

- Non-Irrigable
- Groundwater Only
- Conjunctive Use
- Surface Water

Non-Irrigable

The Non-Irrigable Land Use Group includes lands that are located in the southwest portion of the CGA portion of the Subbasin and generally do not irrigate nor have access to groundwater or surface water. This Group is primarily rangeland and includes other non-irrigable lands adjacent to drains and waterways. Non-irrigable parcels receive a relatively low special benefit from CGA's Services. Since these parcels do not actively use groundwater or surface water, they do not directly benefit from programs like demand management or well mitigation. However, since the State has included this land within the subbasin, they do receive benefit from broader outcomes, such as protection of underlying water resources and avoiding State intervention. As such, they are assigned a lower share of the cost to reflect their more limited benefit.

Groundwater Only

The Groundwater Only Land Use Group includes irrigated lands that have no access to surface water and are reliant exclusively on groundwater. Both agricultural and municipal lands are included in this Group Parcels that use groundwater exclusively for irrigation or municipal needs and receive substantial benefit from CGA's Services. They rely entirely on groundwater and directly benefit from monitoring, Subbasin management, and protection programs that help ensure continued access to groundwater resources. Their higher special benefit level is reflected in a higher proposed Assessment rate per acre. The Groundwater Only land use group on an aggregate basis uses greater than 1.3 AF per acre.

Conjunctive Use

The Conjunctive Use Land Use Group includes irrigated lands that have access to both surface and groundwater. They typically rely on surface water under normal hydrologic conditions but often use groundwater during dry years, periods of curtailed surface supply, or when demand exceeds their surface water access. Parcels within this group receive significant benefit from CGA Services that support sustainable groundwater availability. Their need for reliable access to groundwater means they receive a similar yet slightly reduced benefit from CGA's Services than the Groundwater Only Land Use Group. Parcels within this group were assigned to "Conjunctive Use" if within a water agency where groundwater pumping on an aggregate basis is between 0.15 AF per acre and 1.3 AF per acre.

Surface Water

The Surface Water Land Use Group includes irrigated lands that primarily use surface water. These parcels rely heavily on surface water supplies but may occasionally use groundwater to supplement their needs, primarily in drought years. These parcels receive benefit from CGA Services that support groundwater sustainability, particularly related to local control of the Subbasin and water resource management. However, they receive a lesser degree of benefit than lands that use groundwater only or lands that regularly rely on groundwater. Parcels within this group were assigned to "Surface Water" if within a water agency where the historical aggregate groundwater pumping is less than 0.15 AF per acre.

Further information on parcel Land Use Group assignments and estimated groundwater extraction is provided in Appendix B.

Special Benefit Service Categories

The CGA's Services are organized into three distinct operational categories that reflect the nature, purpose, and intensity of Services provided to different parcel types. These categories, referred to as Special Benefit Service Categories, form the structure for evaluating and allocating Assessment rates. Each group is associated with specific budget line items (as discussed above) and evaluated through one or more benefit factors that measure the relative value delivered to groundwater-reliant parcels. The three Service categories are:

- Professional Services
- Planning Services
- Groundwater Sustainability Services

Each category provides varying levels of benefit to parcel groups based on their groundwater reliance and participation in CGA-managed activities. The distribution of costs is directly linked to these benefit levels, which are quantified and validated in the supporting tables.

Background on Benefit Factors

Each of the three Special Benefit Service Categories—Professional Services, Planning Services, and Groundwater Sustainability Services—relies on two or more benefit factors to apportion costs among Land use Groups. The selected factors are tailored to the nature of the Services in each category and are weighted to reflect the level of direct benefit provided to each land use class. This structure ensures that only parcels receiving a distinct special benefit from CGA's Services contribute proportionally to the cost of those Services.

The benefit factors used for each Service category are listed below.

- Professional Services.
 - Basin Management.
 - SGMA Compliance.
- Planning Services.
 - Project Preparation.
 - Data Management.
- Groundwater Sustainability Services.
 - Reliance on Groundwater.

Methodology Approach

The CGA's approach to determining special benefit and the corresponding per-acre assessment rate is structured, quantitative, and grounded in the principle of proportionality. For every parcel, the special benefit is determined by summing the benefits received from CGA's three core operational service groups:

Equation 4

- Special Benefit_{parcel} =
- Special Benefit from **Professional Services** +
- Special Benefit from **Planning Services** +
- Special Benefit from **Groundwater Sustainability Services**

This directly informs the proposed assessment rate per parcel:

Equation 5

- Proposed Assessment \$ Rate_{parcel} =
- Rate from **Professional Services** (Table 4) +
- Rate from **Planning Services** (Table 5) +
- Rate from **Groundwater Sustainability Services** (Table 6)

...as summarized in Table 8.

To quantify these values, CGA evaluated the four Land Use Groups: Non-Irrigable, Groundwater Only, Conjunctive Use, and Surface Water against each of the three special benefit Service groups: Professional Services, Planning Services, and Groundwater Sustainability Services. Each land use group was scored on a scale from 1 to 10 for each benefit factor within each Service category, using criteria relevant to the specific benefit provided. The scoring included weights based on the relative importance of each criterion and was developed through input from CGA staff, Board members, consulting engineers, and other stakeholders. Scores were supported by measurable data and sound engineering judgment.

This collaborative, evidence-based process ensures that each parcel is assigned a cost that reflects the actual level of benefit it receives from CGA Services. The scoring and weighting system provides a consistent and transparent method for translating Service demand into proportional cost responsibility.

Tables 4, 5, and 6 present the results of this analysis for each Service group. Each table includes the scoring criteria, weightings, percentage allocations, and calculated per-acre rates for each Land Use Group. These tables serve as a verification tool, showing that cost allocations are tied directly to documented special benefits.

Professional Services

Costs in this category are allocated using two benefit factors: Basin Management and SGMA Compliance. These factors account for the varying level of benefit different land use types receive from CGA's foundational Services. These Services benefit all parcels within CGA's jurisdiction, with elevated benefit to those that actively use groundwater and are most affected by regulatory outcomes.

Table 4 – Professional Services Percentage Allocation and Rate/Acre

Land Use	1. Basin Management	2. SGMA Compliance	Subtotal	Percentage Allocation (a)
<i>Relative Weight (%)</i>	50%	50%	100%	81.5%
	<i>(Scored 1 to 10)</i>	<i>(Scored 1 to 10)</i>		
Non-Irrigable	2	2	2	7.4%
Groundwater Only	10	10	10	37.0%
Conjunctive Use	10	10	10	37.0%
Surface Water	5	5	5	18.5%

Costs				
Professional Services Total Annual Costs				\$706,000
Land Use	% Allocation (a)	Total Acres (b)	Benefit Units (a*b)	Rate/Acre (c)
Non-Irrigable	7.4%	54,972	4,072.00	\$0.53
Groundwater Only	37.0%	70,642	26,163.70	\$2.66
Conjunctive Use	37.0%	90,899	33,666.30	\$2.66
Surface Water	18.5%	186,712	34,576.30	\$1.33

Notes:

- The Subtotal is calculated as the sum of the score * the weighting of each special benefit.
- The Percentage Allocation (a) is calculated as Subtotal for a land use divided by the sum of all Subtotals.
- The Rate/Acre (c) is calculated as the total costs divided by the sum of the benefit units multiplied by the allocation for that land use. Hence \$ Rate/Acre = Allocation*(Total Costs/ΣBenefit Units).

As shown in Table 4, Land Use Groups were evaluated using two equally weighted criteria: Basin Management and SGMA Compliance.

Basin Management refers to general management of the Subbasin, including landowner communications, holding public meetings, inter-agency coordination, and similar aspects of CGA's governance. While all parcels within CGA's boundaries benefit from a stable and open governance structure, parcels that actively use groundwater receive a greater degree of benefit, as their water access and regulatory exposure are more directly affected by CGA's actions. Accordingly, Non-Irrigable parcels are assigned a lower benefit weight of 2, while Groundwater Only and Conjunctive Use parcels are assigned a full benefit of 10. Surface Water parcels are assigned a weight of 5 based on the concept that they receive half of the benefit provided to other irrigated lands.

SGMA Compliance reflects the ongoing effort to meet State requirements such as monitoring and reporting and five-year GSP updates. These Services protect properties within the Subbasin by ensuring continued local control and preventing State intervention. Groundwater Only and Conjunctive Use parcels derive an elevated benefit from these Services, as their current use of groundwater resources would be negatively affected by SGMA non-compliance. Non-Irrigable parcels benefit from these services in that groundwater resources are protected for future use. Similar to Basin Management above, Groundwater Only and Conjunctive Use parcels are assigned a maximum score of 10 for SGMA Compliance. Non-Irrigable parcels are assigned a lower benefit weight of 2, acknowledging their lesser, albeit distinct, special benefit. Lastly, Surface Water parcels are assigned a score of 5 in acknowledgement of their reduced benefit from Professional Services.

The scoring and allocation structure clearly aligns cost responsibility with the degree of special benefit received. For reasons already stated, Non-Irrigable parcels are assigned 7.4% of the Professional Services allocation, Groundwater Only and Conjunctive Use parcels are assigned an equal weighting of 37.0%, and Surface Water parcels are assigned a weighting of 18.5%.

Planning Services

Planning Services encompass Subbasin-scale coordination, program planning, and long-term financial planning activities. These Services support the ongoing preparation and readiness of the Subbasin to meet SGMA milestones, adapt to emerging demands, and secure future funding opportunities.

Table 5 – Planning Services Percentage Allocation and Rate/Acre

Land Use	1. Project Preparation	2. Data Management	Subtotal	Percentage Allocation
Relative Weight (%)	50%	50%	100%	80.0%
	<i>(Scored 1 to 10)</i>	<i>(Scored 1 to 10)</i>		
Non-Irrigable	0	0	0	0.0%
Groundwater Only	10	10	10	40.0%
Conjunctive Use	10	10	10	40.0%
Surface Water	5	5	5	20.0%

Costs				
Planning Budget Total Annual Costs				\$185,000
Land Use	% Allocation (a)	Total Acres (b)	Benefit Units (a*b)	Rate/Acre (c)
Non-Irrigable	0.0%	54,972	0.00	\$0.00
Groundwater Only	40.0%	70,642	28,256.80	\$0.73
Conjunctive Use	40.0%	90,899	36,359.60	\$0.73
Surface Water	20.0%	186,712	37,342.40	\$0.36

Notes:

- The Subtotal is calculated as the sum of the score * the weighting of each special benefit
- The Percentage Allocation (a) is calculated as Subtotal for a land use divided by the sum of all Subtotals.
- The Rate/Acre (c) is calculated as the total costs divided by the sum of the benefit units multiplied by the allocation for that land use. Hence \$ Rate/Acre = Allocation*(Total Costs/ΣBenefit Units).

As shown in Table 5, the two benefit factors used to allocate Planning Services costs across Land Use Groups are equally weighted Project Preparation (50%) and Data Management (50%). These benefit factors reflect the relative degree to which each Land Use Group benefits from CGA's Services.

Project Preparation refers to the technical, administrative, and planning efforts required to move groundwater sustainability projects from concept to implementation. This includes early-stage feasibility studies, scoping and prioritization of management actions, coordination with local partners, regulatory review, funding application support, and preliminary design work. Non-Irrigable parcels are assigned 0 allocation for this benefit factor, as their lack of direct groundwater use precludes them from near-term planning input and benefit. Direct users of groundwater have a stake in the planning of PMAs described in the GSP, and their input and perspective will help to shape project outcomes. As such, both Groundwater Only and Conjunctive Use parcels are assigned equal scores of 10. Surface Water parcels are assigned scores of 5 stemming from a lesser degree of benefit provided by Planning Services. While Surface Water parcels are less affected by CGA's Planning Services, they still have a stake in the future management of the Subbasin.

Data Management refers to the collection, maintenance, and analysis of technical data that informs CGA's groundwater planning and reporting. This includes compiling data used to support long-term funding strategies, evaluating project performance or feasibility, and producing documentation for SGMA reporting and stakeholder transparency. These activities ensure that decisions about groundwater management policies are based on accurate, current information for the means of supporting sound project implementation and funding efforts. Similar to Project Preparation, Non-Irrigable parcels do not benefit from these activities, as management of groundwater data does not relate to parcels without any such data. This is reflected in their score of 0 under this factor. Both Groundwater Only and Conjunctive Use parcels are assigned scores of 10 based on the benefit from the management of water use data that will inform planning efforts. Similar to Project Preparation, Surface Water Parcels are assigned a score of 5 for Data Management. While these parcels use minimal (if any) groundwater, certain elements of CGA's Planning Services will require consideration of surface water use and provide a benefit to surface water users.

The sum of this scoring exercise produces a 0% allocation of Planning Services costs to Non-Irrigable parcels. Groundwater Only and Conjunctive Use parcels are assigned an equal weighting of 40% percent, as both Land Use Groups benefit equally from Project Preparation and Data Management related to planning efforts. Surface Water parcels are assigned a weighting of 20%.

Groundwater Sustainability Services

The Groundwater Sustainability Services category supports CGA's responsibility to ensure that groundwater use remains within sustainable limits throughout the CGA area of the Colusa subbasin. These Services include planning for and implementing programs that produce groundwater demand reduction, as well establishing the ability to evaluate groundwater trends in order to inform policy. This work allows CGA to fulfill GSP commitments that require action if groundwater levels fall below minimum thresholds or if certain user groups are at risk. The costs in this category are allocated using a single benefit factor: Reliance on Groundwater.

Table 6 – Groundwater Sustainability Services Percentage Allocation and Rate/Acre

Land Use	3. Reliance on Groundwater	Subtotal	Percentage Allocation
<i>Relative Weight (%)</i>	<i>100%</i>	<i>100%</i>	<i>100.0%</i>
<i>(Scored 1 to 10)</i>			
Non-Irrigable	0.00	0.00	0.0%
Groundwater Only	6.09	6.09	60.9%
Conjunctive Use	3.15	3.15	31.5%
Surface Water	0.76	0.76	7.6%

Costs				
Groundwater Sustainability Total Annual Costs				\$1,100,000
Land Use	% Allocation (a)	Total Acres (b)	Benefit Units (a*b)	Rate/Acre (c)
Non-Irrigable	0.0%	54,972	0.00	\$0.00
Groundwater Only	60.9%	70,642	43,027.40	\$7.81
Conjunctive Use	31.5%	90,899	28,646.96	\$4.04
Surface Water	7.6%	186,712	14,144.85	\$0.97

Notes:

- The Subtotal is calculated as the sum of the score * the weighting of each special benefit.
- The Percentage Allocation (a) is calculated as Subtotal for a land use divided by the sum of all Subtotals.
- The Rate/Acre (c) is calculated as the total costs divided by the sum of the benefit units multiplied by the allocation for that land use. Hence $\$ \text{Rate/Acre} = \text{Allocation} * (\text{Total Costs} / \sum \text{Benefit Units})$.

As shown in Table 6, benefit allocation for Groundwater Sustainability Services is based on a single benefit factor: Reliance on Groundwater (100%). This weighting reflects the technical and operational focus of these Services on monitoring, modeling, and sustaining groundwater supply.

Reliance on Groundwater accounts for how heavily different land use types depend on groundwater for their water supply. Irrigated parcels that lack surface water access receive the highest level of benefit under this factor because they are most vulnerable to changes in groundwater availability. CGA’s Groundwater Sustainability Services help safeguard these users by supporting monitoring efforts that will help to maintain groundwater levels and inform strategies for Subbasin resilience. The Reliance on Groundwater factor is used to apportion costs in a way that reflects the level of dependency, assigning a greater share of costs to parcels with the highest need for sustained and secure groundwater access. The scoring for Reliance on Groundwater was calculated based upon the estimated demand, and the associated inferred special benefit, of groundwater reliance for each group. Because Non-Irrigable parcels have no groundwater demand, they are excluded from this calculation and assigned a score of 0. Table 7 below illustrates how measured groundwater demand, as stated for each Land Use Group within the GSP, is used to calculate a ratio of measured groundwater demand.

Table 7 - Reliance on Groundwater Calculation

User Class	AF per Acre (a)	% of GW Use (b)	Scoring Factor (c)
Groundwater Only	2.01	60.9%	6.09
Conjunctive Use	1.04	31.5%	3.15
Surface Water	0.25	7.6%	0.76
Total	NA	100%	10.00

Notes:

- AF per acre (a) is derived from the GSP, which estimates the groundwater demand for regions of the Subbasin and is used to identify demand for the Groundwater Only, Conjunctive Use, and Surface Water Groups.
- Percentage of groundwater use (b) is calculated by dividing each Group’s estimated demand, in acre feet per acre (a) by the sum of demand.
- Scoring factor (c) is calculated by multiplying (b) by 10 (in order to generate a score out of 10 possible points).

Non-Irrigable parcels scored 0 across all factors, reflecting their status of having no current groundwater reliance. As a result, they receive 0% of the costs, consistent with their lack of special benefit from these services. Groundwater Only parcels, which depend entirely on groundwater for irrigation needs, are scored the highest with a benefit score of 6.09. Their full reliance on the aquifer and the direct support they receive from CGA’s management and protection efforts justify their 60.9% cost allocation. Conjunctive Use parcels, while not fully dependent on groundwater, still rely on it during dry years and when surface water is unavailable. With a total score of 3.15, they receive a 31.5% allocation. This reflects their partial but significant benefit from Groundwater Sustainability Services. Surface Water parcels, although not often dependent on groundwater, still receive a minimal benefit from Services that contribute to domestic well mitigation and demand management. This is reflected in their score of 0.76 and allocation of 7.6%.

The distribution in Table 6 reinforces a core principle of this methodology: special benefit increases with reliance on groundwater. Those who use and rely on the resource most, Groundwater Only and Conjunctive Use parcels, receive the greatest benefit from sustainable management of the Subbasin’s groundwater resources and are appropriately assigned a larger share of the cost. This approach ensures that the cost burden is shared equitably and tied directly to the special benefit provided.

Table 8, below, presents the total proposed rate per acre for each land use group, combining the allocations from CGA’s three core service categories: Professional Services, Planning Services, and Groundwater Sustainability Services.

Table 8 – Summary of Rate per Acre

Land Use	Professional Services	Planning Services	Groundwater Sustainability Services	Total Rate per Acre
Non-Irrigable	\$0.53	\$0.00	\$0.00	\$0.53
Groundwater Only	\$2.66	\$0.73	\$7.81	\$11.19
Conjunctive Use	\$2.66	\$0.73	\$4.04	\$7.42
Surface Water	\$1.33	\$0.36	\$0.97	\$2.66

These rates represent the cumulative outcome of the allocation methodology detailed in Tables 4 through 6. As the final step in the process, Table 8 confirms that the assessment structure is equitable, data-driven, and grounded in clearly defined special benefit. It reflects CGA’s commitment to a transparent and legally defensible funding approach.

Non-Irrigable parcels are assigned a total rate of \$0.53 per acre. This cost is derived solely from Professional Services, as these parcels receive no direct benefit from Planning or Groundwater Sustainability Services. Their lack of groundwater use results in the lowest rate of any group.

Groundwater Only parcels bear the highest total rate, \$11.19 per acre, reflecting their full dependence on the Subbasin’s groundwater. They receive substantial benefit from all Service Categories, governance, strategic planning, and groundwater protection, and are appropriately assigned the largest cost share.

Conjunctive Use parcels are assessed at \$7.42 per acre. While they supplement surface water with groundwater, their need for a reliable groundwater supply makes them participants in CGA’s Planning and Groundwater Sustainability programs. Their rate reflects a significant, though slightly lesser, level of benefit compared to Groundwater Only parcels.

Surface Water parcels are assessed the lowest rate of all irrigated lands at \$2.66 per acre. While they primarily use surface water for irrigation, they benefit from efforts to maintain local control and protect the health of the Subbasin. These efforts contribute to a resilient local water supply, which provides a benefit to all agricultural irrigators.

DRAFT

V. Assessment Implementation

Criteria and Policies

Parcel Changes

The signatory Assessment Engineer is responsible for a parcel-by-parcel analysis, to determine the special benefit and assessment amount for each parcel in CGA. Each year, CGA will re-analyze and re-calculate individual benefits and corresponding assessments for each assessed parcel in accordance with the methodology described in this Report, incorporating parcel splits and combinations, land use changes, etc. The Assessment Engineer shall use the lien date roll obtained from the Counties of Colusa and Yolo, or a third-party distributor of this data as the basis for the Assessment roll. Review of aerial photos and other data including real estate data, and site visits may be necessary.

Appeals of Assessments Levied to Property

Any parcel owner who feels that the Assessment levied on their parcel(s) is the result of incorrect information being used to apply the foregoing method of Assessment may notify the CGA in writing during the pendency of the Assessment Ballot proceeding and request the Assessment as to that landowners parcel(s) be reevaluated. In subsequent years, a landowner may file a written appeal in accordance with the appeal process to be developed and adopted by the CGA Board of Directors.

Duration of the Assessment

If approved by parcel owners in an assessment ballot proceeding conducted pursuant to Proposition 218 and Government Code Section 53750 et seq., the Assessment can be levied annually commencing with FY 2025-26 and continuing each year at the discretion of the CGA Board.

Assessment Funds Must Be Expended Within CGA

The net available Assessment funds, after incidental, administrative and other costs, shall be expended exclusively for the CGA Administration and GSP Implementation Services provided to parcels within the boundaries of CGA.

Exhaustion of Remedies

AB 2257, effective January 1, 2025, codifies Government Code §§ 53759.1 and 53759.2. Government Code § 53759.1 authorizes public agencies to implement an exhaustion of administrative remedies requirement in the context of Proposition 218 proceedings. If the local agency complies with certain specified requirements, any party wishing to preserve their right to legally challenge the Assessment after its adoption is required to submit a written objection regarding a proposed assessment during the assessment ballot proceeding and by a specified deadline not less than 45 days after mailing of the ballot and notice pursuant to Proposition 218. Failure to do so will preclude a party from filing a legal challenge to the assessment. To implement this requirement, the local agency is required, among other things, to prepare written responses to the timely submitted objections and present them to the local agency governing body, which will make certain specified determinations prior to the close of the Proposition 218 proceeding. This process is intended to run concurrently with the Proposition 218 timeline and does not impact a property owner's ability to submit a protest pursuant to Proposition 218.

Government Code § 53759.2 specifies the scope of a Court's review of the administrative record of the underlying ratemaking proceeding, if the local agency complied with Government Code § 53759.1 in adopting the property related fee or assessment being challenged.

CGA intends to comply with and implement Government Code § 53759.1 with respect to the proposed Assessment. Property owners will be informed of the deadline and process to submit a written objection, and other dates related to CGA's compliance with this provision.

Assessment

The amount to be paid for said CGA Administration and GSP Implementation Services and the expense incidental thereto, to be paid by the parcels in CGA for the FY 2025-26 is generally as follows:

Costs	
Beginning Unrestricted Net Assets	\$0
Total Annual Costs	\$1,991,000
Less Contribution from other Sources	<u>\$0</u>
	\$1,991,000
Net Amount to Assessment	\$1,991,000

The Assessment is subject to an annual adjustment tied to the annual change in the Consumer Price Index for the Western Region as of January of each succeeding year, with the maximum annual adjustment not to exceed 3% for each of the four (4) years following its adoption. Thereafter, the Assessment cannot be increased without approval from property owners in another assessment ballot proceeding. In the event that the actual assessment rate for any given year is not increased by an amount equal to the maximum of 3% or the yearly CPI change plus any CPI change in previous years that was in excess of 3%, the maximum authorized assessment shall increase by this amount. In such an event, the maximum authorized assessment shall be equal to the base year assessment as adjusted by the increase to the CPI, plus any and all CPI adjustments deferred in any and all prior years. The CPI change above 3% can be used in a future year when the CPI adjustment is below 3%.

The Assessment Diagram attached hereto and incorporated by reference herein shows the exterior boundaries of CGA. The distinctive number of each parcel or lot of land in CGA is its County Assessor’s Parcel Number appearing on the Assessment Roll.

Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor’s Maps of the Counties of Colusa and Yolo for the fiscal year 2025-26. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorders of Colusa and Yolo County.



Engineer of Work

By John W. Bliss

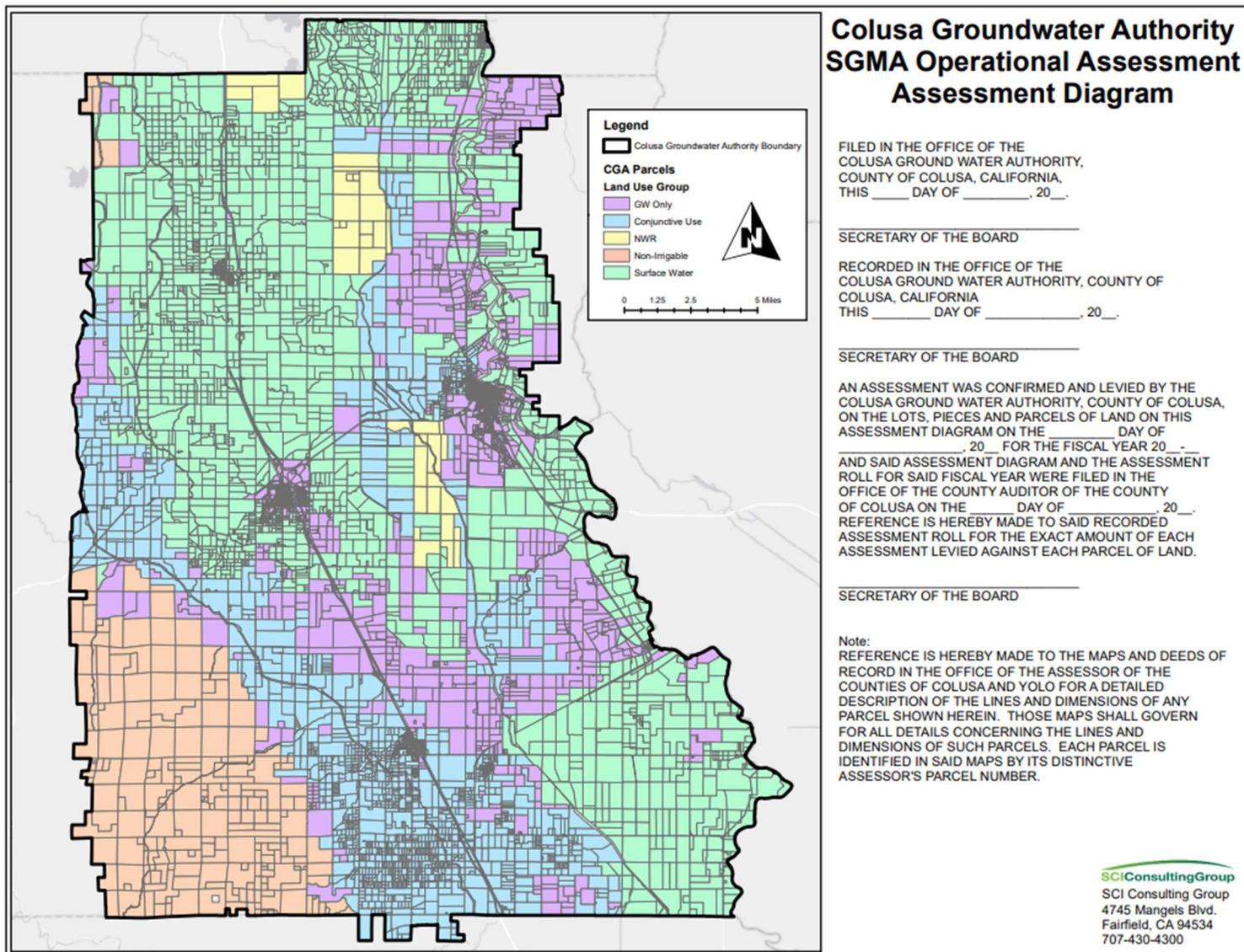
John Bliss, License No. C052019

VI. Assessment Diagram

The assessed acres include all parcels within the boundaries of CGA. The boundaries of CGA are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within CGA are those lines and dimensions as shown on the maps of the Assessor of the Counties of Colusa and Yolo, for FY 2025-26, and are incorporated herein by reference, and made a part of this Diagram and this Report.

DRAFT

Figure 3 – GSA Assessment Diagram FY 2025-26



VII. Appendices

Appendix A – Detailed Budget Table

Table 9 - Detailed Budget Table

Professional Services Budget	
Administrative	
Auditor	\$10,500
Financial Services	\$5,000
Legal Services	\$55,000
Program Manager	\$175,000
Prop. 218 Parcel Update	\$0
Administrative Subtotal	\$245,500
Office Expenses	
JPA Insurance	\$2,000
Outreach (mailings/copying/printing)	\$5,500
Website	\$1,500
Supplies	\$500
Admin Contribution -Butte Sub Basin GSP	\$12,500
Office Expenses Subtotal	\$22,000
SGMA Compliance	
GSP Annual Reports	\$35,000
GSP Periodic Evaluation and Updates (5 Year Update)	\$37,500
SGMA Compliance Subtotal	\$72,500
Additional Administrative Components	
Public Engagement & Outreach	\$30,000
GSP Implementation Manager	\$75,000
Grant Procurement	\$30,000
Contingency (10%)	\$149,250
Admin Components Subtotal	\$284,250
Services and Contingency	
Professional Services - GSP Implementation	\$15,000
Professional Services - Long Term Financial Planning	\$20,000
Legal Defense Reserve	\$10,000
County Tax Roll Fee Support	\$5,000
Contingency (10%)	\$31,750
Services and Contingency Subtotal	\$81,750
Professional Services Subtotal	\$706,000
Planning Services Budget	
Long Term Funding Planning	
Update Revenue Requirements	\$20,000
Implement New Rates (PR + Challenges)	\$30,000
Long Term Funding Planning Subtotal	\$50,000
Project Planning	
Obtain Programmatic EIR for Projects	\$20,000
Refine/Develop Projects	\$20,000
Project Implementation Subtotal	\$40,000
Study Implementation	
Refine/Develop Studies	\$20,000
Implement Studies to Fill Data Gaps	\$25,000
Subsidence Monitoring Network; Realtime Monitoring	\$50,000
Study Implementation Subtotal	\$95,000
Professional Services Subtotal	\$185,000
Groundwater Sustainability Services Budget	
Domestic Well Mitigation	
Administer Domestic Well Mitigation Program	\$25,000
Implement Domestic Well Mitigation Program (Dedicated Fund)	\$225,000
Domestic Well Mitigation Subtotal	\$250,000
Demand Management Mitigation	
Groundwater Accounting Program Setup	\$200,000
Groundwater Accounting Program Annual Ops	\$300,000
Satellite Imagery Input	\$250,000
Groundwater Well Measurements/Data QA/QC	\$50,000
Demand Management Actions/Board Policy	\$50,000
Demand Management Mitigation Subtotal	\$850,000
Groundwater Sustainability Services Subtotal	\$1,100,000
Total Budget:	\$1,991,000

Appendix B – Estimated Groundwater Extraction and Parcel User Class Assignments

Historical subarea water budgets from Appendix 3F of the Colusa GSP were used to estimate groundwater pumping by subarea. Generally, subareas were classified as either “Surface Water,” “Conjunctive Use,” or “Groundwater Only” based on the following criteria:

- Surface Water → areas that use less than 0.15 AF per acre of groundwater
- Conjunctive Use → areas that use between 0.15 AF per ac and 1.3 AF per acre of groundwater
- Groundwater Only → areas that use more than 1.3 AF per acre of groundwater

Table B.1. summarizes historical groundwater use by subarea. Groundwater use ranges from 0.05 AF per acre for rangeland to approximately 2.0 AF per acre for groundwater only subareas with an average use of 0.66 AF per acre across the CGA.

Table B.1. Historical (1990 – 2015) Groundwater Pumping Estimates by Subarea (source: Colusa GSP, Appendix 3F).

Subarea Name ¹	Total Acreage	Groundwater Pumping, AF	GW Pumping, AF/ac	User Class
Colusa GW - SW	51,123	2,740	0.05	Rangeland / Not Irrigable
GCID - Colusa	105,199	7,250	0.07	Surface Water
PCGID - Colusa	6,275	460	0.07	Surface Water
Holthouse WD	1,428	140	0.10	Surface Water
RD108	34,208	4,660	0.14	Surface Water
Westside WD	17,803	3,350	0.19	Conjunctive Use
LaGrande WD	1,267	480	0.38	Conjunctive Use
Sycamore MWC	7,742	3,180	0.41 ²	Surface Water**
4MWD	2,070	1,000	0.48	Conjunctive Use
Maxwell ID	7,028	4,020	0.57 ²	Surface Water**
PID – Colusa	8,876	9,170	1.03 ²	Surface Water**
Colusa GW - M	5,194	5,820	1.12	Conjunctive Use
Roberts Ditch ID	2,794	3,180	1.14	Conjunctive Use
CCWD	49,335	59,250	1.20	Conjunctive Use
CDMWC	30,943	39,790	1.29	Conjunctive Use
Colusa GW – SE	17,722	25,770	1.45	GW Only
Colusa GW – E	42,360	67,150	1.59	GW Only
Glenn Valley WD	893	1,570	1.76 ³	Conjunctive Use**

Subarea Name ¹	Total Acreage	Groundwater Pumping, AF	GW Pumping, AF/ac	User Class
Colusa GW – S	16,036	32,310	2.01	GW Only
Total:	408,296	271,290	0.66	

¹A map of subareas is available in Colusa GSP, Appendix 3F.

² Sycamore Mutual Water Company, Maxwell Irrigation District, and Provident Irrigation District were changed from “Conjunctive Use” to “Surface Water.” The GSP subarea water budgets do not accurately account for drain water reuse which may significantly overestimate groundwater pumping for these subareas.

³ Glenn Valley Water District (GVWD) was changed to “Conjunctive Use” from “Groundwater Only.” USBR reports surface water diversions to GVWD (USBR website: <https://www.usbr.gov/mp/cvo/23deliv.html>).

Table B.2. summarizes estimated groundwater use by User Class. Groundwater use for “Surface Water,” “Conjunctive Use,” and “Groundwater Only” areas are estimated as 0.25 AF/acre, 1.04 AF/acre, and 2.01 AF/acre; respectively.

Table B.2. Groundwater Pumping Estimates by User Class.

User Class	GW Pumping, AF/acre (based on Total Acres)	User Class Fee Weights
Surface Water	0.25 ¹	0.076
Conjunctive Use	1.04 ²	0.314
Groundwater only ²	2.01 ³	0.610

¹ Surface water subareas historical groundwater use is approximately 0.1 AF/acre according to GSP Appendix 3F. Assumed 0.25 AF/acre to account for projected future use.

² Groundwater extractions for “Conjunctive Use” is estimated as the sum of all groundwater pumping from conjunctive use subareas divided by the total acreage within the subareas.

³ Groundwater extractions from subarea “Colusa GW – S” assumed representative of pumping from “Groundwater Only areas across the CGA.

Generally, parcels within Sacramento River Settlement Contractor (SRSC) boundaries were assigned to “Surface Water” and parcels within Central Valley Project (CVP) Contractor and Colusa Drain Mutual Water Company boundaries were assigned to “Conjunctive Use.” Other parcels likely to have riparian surface water rights along the Sacramento River were identified using DWR’s 2014 Colusa County Land Use Survey. Riparian parcels were assigned to “Surface Water.” Cities of Williams and Colusa, Arbuckle PUD, and Maxwell PUD were assigned to “Groundwater Only.” Assignments are further summarized in Table B.3.

Table B.3. Subarea User Class Assignments.

Subarea	User Class	Acres
Colusa County Water District	Conjunctive Use	46,105
Colusa Drain Mutual Water Company	Conjunctive Use	21,926
Westside Water District	Conjunctive Use	13,552
Delevan NWR	Conjunctive Use	5,613
Colusa NWR	Conjunctive Use	4,045
Sacramento NWR	Conjunctive Use	2,214

Subarea	User Class	Acres
Davis Water District	Conjunctive Use	2,064
Roberts Ditch Irrigation Company	Conjunctive Use	1,721
4-M Water District	Conjunctive Use	1,715
La Grande Water District	Conjunctive Use	1,446
Glenn Valley Water District	Conjunctive Use	728
Cortina Water District	Conjunctive Use	603
Colusa County GDA - Irrigated	GW Only	64,849
City of Williams	GW Only	2,898
City of Colusa	GW Only	2,382
Wetlands / Native (outside surface water provider)	GW Only	523
Arbuckle Public Utilities District	GW Only	454
Maxwell Public Utilities District	GW Only	174
Colusa County GDA (Non-Irrigable)	Rangeland / Non-Irrigable	54,398
Glenn - Colusa Irrigation District	Surface Water	87,941
Reclamation District No. 108	Surface Water	32,938
Other Sac River	Surface Water	16,753
Wetlands / Native (within surface water provider)	Surface Water	11,086
Other Sac River - SRSC	Surface Water	8,395
Maxwell Irrigation District	Surface Water	7,683
Sycamore Family Trust	Surface Water	7,631
Princeton - Codora - Glenn Irrigation District	Surface Water	5,492
Provident Irrigation District	Surface Water	4,926
Holthouse Water District	Surface Water	2,044
	Total:	412,301

* Acreage is based on actual parcel acreage, not taxable acreage.

Appendix C – Assessment Roll, FY 2025-26

Reference is hereby made to the Assessment Roll in and for CGA on file in the office of the General Manager of CGA, as the Assessment Roll is too voluminous to be bound with this Report.

DRAFT

Please Complete Your Ballot and Mail It Back Promptly

Public Hearing

A public hearing will be held Thursday, August 7, 2025, at 1:00 p.m. at Colusa Industrial Properties, 100 Sunrise Boulevard, Colusa, CA 95932. You are invited to attend the public hearing.

Tabulation of the returned ballots will commence after the close of the public input portion of the hearing. The results of the tabulation are expected to be announced at the Wednesday, August 7, 2025 public hearing.

Method of Voting

To complete the enclosed ballot, mark the oval next to either "Yes" or "No," sign the ballot, place it in the provided postage-paid return envelope and mail it to:

Colusa Groundwater Authority
P.O. Box 475
Colusa CA 95932-9804

Only official ballots that are signed and marked with the property owner's (or authorized representative's) support or opposition and are received before the end of the public input portion of the public hearing on August 7, 2025, will be counted.

Ballots are weighted by the amount of the proposed assessment and will be tabulated accordingly. The assessment shall not be imposed if, upon conclusion of the public hearing, weighted ballots submitted in opposition of the assessment exceed the weighted ballots submitted in favor of the assessment. If a majority of weighted ballots returned are in support, the assessment may be levied for fiscal year 2024-25 and would be continued in future years to fund CGA Administration and GSP Implementation Services.

If you lose your ballot, require a replacement ballot, want to change your vote, or believe your parcel has been misclassified, call (XXX) XXX-XXXX for another ballot. See the enclosed ballot for additional instructions.

Community Meetings

Community meetings to provide an overview of the proposed Assessment are scheduled for Wednesday, June 25, 2025, at X:XX p.m. and X:XX p.m. at XXXXXXXX, XXX XXXXXX XXXXX, XXXXX, CA XXXXX, or on Zoom at XXXXXXXXXXXX. You are invited to attend the community meetings.

Public Accountability Safeguards

If approved by property owners, the funds from this assessment can only be used for sustainable groundwater management improvements that benefit properties in the assessment area. The revenues and expenditures will be regularly audited by an independent auditor and the results presented at a public meeting.

Written Objections

If you wish to object to this assessment on the grounds that you allege it does not comply with the California Constitution, please submit a written objection to:

Colusa Groundwater Authority
P.O. Box 475
Colusa CA 95932-9804

Written Objections must be clearly labeled on the outside of an envelope. To be considered timely, all written objections must be received by August 1, 2025. The objection must contain the property owner's full name and identification of the parcel(s) by assessor's parcel number(s), and specify the grounds on which you are alleging noncompliance with the California Constitution. It must also include an address where we can respond to your concern(s) in writing. If you fail to submit a timely objection in writing your right to challenge the assessment will be barred. Do not enclose this objection with your ballot - it must be mailed separately.

Additional Information

If you have questions regarding the proposed assessment, your ballot, the services provided by CGA, or to view the Engineer's Report, please visit <https://colusagroundwater.org> or call: (XXX) XXX-XXX. Your call will be directed to the appropriate party.

All Ballots Must Be Received by August 7, 2025 To Be Counted

**Official Notice And Ballot Information Guide
Colusa Groundwater Authority's
SGMA Operational Assessment**

Why Did You Receive This Ballot?

Properties located within the boundaries of the Colusa Groundwater Authority ("CGA") are subject to the requirements of the Sustainable Groundwater Management Act ("SGMA"). This state law was enacted to ensure that groundwater is managed sustainably and reliably over the long term. The Colusa Subbasin has experienced groundwater level declines, making the Subbasin subject to SGMA regulation and prompting the need for local solutions that address these challenges.

Property owners are being asked to vote on a proposed funding measure to replace CGA's current fee program. The proposed Assessment would support CGA's implementation of the Colusa Subbasin Groundwater Sustainability Plan ("GSP"). The GSP includes programs and projects designed to protect groundwater access and avoid future state intervention. Please review the following information and return your completed ballot.

Your participation in this ballot proceeding is important. Only returned ballots will be counted, and your vote determines whether local funding is secured to advance groundwater sustainability and maintain local control within the CGA service area.

Why Is a Funding Measure Needed?

SGMA mandates that CGA develop and implement a GSP to define and achieve sustainability within its jurisdiction. A revised GSP was developed in collaboration with Glenn Groundwater Authority ("GGA") and submitted to the State in January 2022. The State approved the GSP in February 2025. Implementing the GSP and complying with the requirements of SGMA will require additional resources and revenue in the coming years. CGA has continued to operate at the highest level of effectiveness within the current budget; however, this budget is no longer sufficient to cover the costs of sustainable groundwater management in our subbasin.

About Colusa Groundwater Authority

CGA is a joint powers authority formed in 2017 to manage groundwater in the Colusa Subbasin under SGMA. CGA's jurisdiction covers over 400,000 acres across Colusa County and includes a mix of agricultural, residential, and small community lands. As the designated GSA for this area, CGA is responsible for implementing the GSP and achieving groundwater sustainability by 2042. The Subbasin is bordered by Stony Creek to the north, the Sacramento River to the east, and the Colusa-Yolo County line to the south, with the Coast Ranges forming its western edge.

What Benefits Would this Assessment Provide?

If approved, this assessment would fund essential services that protect and sustain groundwater resources for all parcels within CGA. It supports implementation of the GSP, including groundwater monitoring, data management, technical analysis, and development of programs to address water supply challenges. These efforts are designed to maintain reliable access to groundwater, prevent long-term declines in groundwater levels and storage, and avoid other "undesirable results" identified in the GSP, such as land subsidence and stream depletion. Funding would also support coordination with landowners, local agencies, and neighboring basins—ensuring CGA's approach remains collaborative, locally responsive, and based on the best available data.

The assessment would also help CGA comply with SGMA and avoid State intervention. If CGA cannot meet SGMA requirements, the State could assume control of the Subbasin, impose well registration and metering, and impose charges on wells and groundwater extraction. These requirements would remove local control of Subbasin management and could raise costs or decrease water availability. Sustained local funding is the most effective way to keep groundwater decisions and oversight in local hands.

**Please Complete Your Ballot and Mail It Back Promptly
All Ballots Must Be Received by August 7, 2025 To Be Counted**

Official Notice And Ballot Information Guide

Colusa Groundwater Authority's SGMA Operational Assessment

How was the Assessment Determined?

The total annual cost to be funded by the proposed Assessment is allocated to each property based on the special benefit provided to each parcel. The benefit provided to each parcel is estimated based property type, water source availability, and parcel size. Parcels are classified as Non-Irrigable, Groundwater Only (parcels with access only to groundwater), Conjunctive Use (parcels with access to both groundwater and surface water), or Surface Water (parcels that primarily use surface water). These categories reflect how parcels benefit from CGA's Services, which ensure SGMA compliance, protection of groundwater resources, and continuation of local control. A proportional weighting system was applied to the total budget to calculate per-acre rates. Each parcel's assessment equals its acreage multiplied by the applicable rate. A full Engineer's Report is available at www.colusagroundwater.org.

How Much Is the Proposed Assessment?

The total proposed assessment for your property for fiscal year 2025-26 is printed on the Official Ballot included with this notice and information guide. The proposed rates for fiscal year 2025-26 and future years are summarized below:

Non-Irrigable Parcels	\$ 0.53 per acre
Groundwater Only Parcels	\$ 11.19 per acre
Conjunctive Use Parcels	\$ 7.42 per acre
Surface Water Parcels	\$2.66 per acre

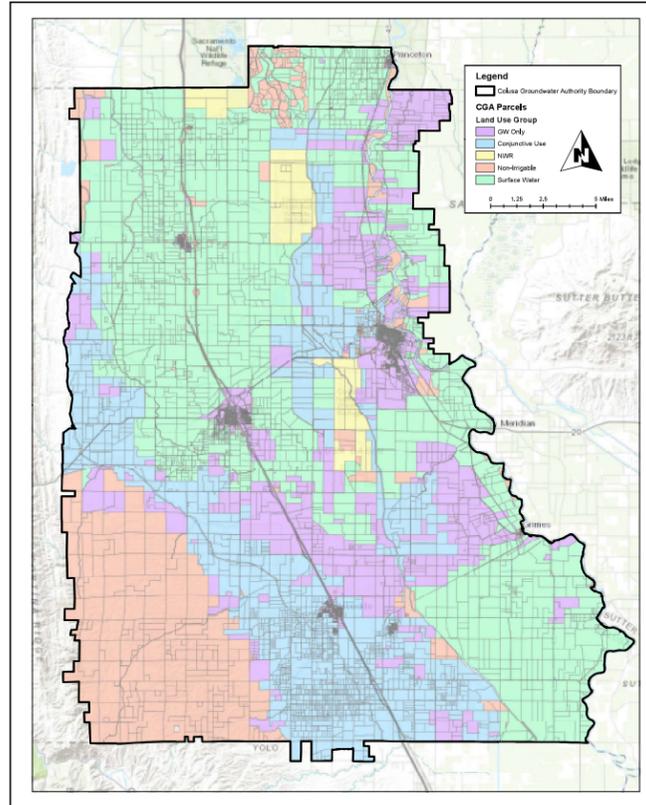
Each parcel's charge is calculated by multiplying its acres by the corresponding rate. The total revenue projected for FY 2025–26 is approximately \$1,991,000. For questions about your parcel or rate, call (XXX) XXX-XXXX.

Will the Assessment Increase in the Future?

Yes, but only by the annual rate of inflation. If approved, the assessment may be increased each year by up to the maximum allowable increase in the Consumer Price Index (CPI) for five years, as specified in the Engineer's Report. No other increases would be permitted without additional property owner approval.

Existing Assessments and Fees and County Property Tax Bills

If the proposed assessment is approved by property owners and adopted by the CGA Board, it would replace the current Operational Fee. If adopted, the new assessment is expected to appear on property tax bills issued by Colusa and Yolo Counties beginning in fiscal year 2025-26.



Colusa Groundwater Authority Boundary

Cost of Groundwater Sustainability in Nearby Areas

Per acre rates to support the operational efforts of GSAs vary greatly across California. These proposed rates are within the range of typical rates in other GSAs and do not exceed the cost of the proportional special benefit conferred on each parcel, in compliance with Articles XIII C and D of the California Constitution.

What This Measure Would Provide

If approved by property owners, the proposed assessment would provide funding for compliance with SGMA and related State requirements and improved water resource management. Approval of this assessment would:

- Support improved water resource management within CGA.
- Support compliance with SGMA, including monitoring and reporting, and actions to implement the GSP and achieve Subbasin sustainability.

The Need to Improve Groundwater Management in the Colusa Subbasin

The Colusa Subbasin is classified by DWR as a “high-priority” basin, which required the formation of local GSAs and preparation of a Groundwater Sustainability Plan under SGMA. CGA, formed in 2017 as a Joint Powers Authority, is the exclusive GSA for the Colusa County portion of the Subbasin and is responsible for implementing the GSP alongside the Glenn Groundwater Authority GSA. The GSP identifies five sustainability indicators that require monitoring and management: chronic lowering of groundwater levels, reduction in groundwater storage, degraded water quality, land subsidence, and depletions of interconnected surface water.

To address these concerns and meet SGMA compliance standards by 2042, CGA and its partners are advancing a coordinated, adaptive implementation strategy that includes the following key activities:

Groundwater Monitoring and Reporting

Conducting annual monitoring of groundwater levels, land subsidence, and water quality, and submitting annual reports and five-year GSP updates to DWR.

Data Management and Modeling

Managing groundwater data, addressing data gaps, and updating the groundwater flow model to support water supply accounting, sustainability evaluations, and interbasin coordination.

Project and Management Action (PMA) Planning

Planning a suite of PMAs including in-lieu and direct recharge projects, surface water transfers, and groundwater recharge feasibility studies.

Demand Management Program

Developing a demand management program to reduce overdraft and mitigate undesirable results.

Domestic Well Mitigation Program

Establishing a well mitigation program to protect domestic water users in areas where declining groundwater levels may lead to well failure.

Stakeholder Engagement and Regional Coordination

Holding public meetings, working with local agencies & stakeholders, and coordinating with neighboring subbasins ensuring consistent & effective groundwater management.

Through these efforts, the CGA is working to protect water supply reliability for agriculture, cities, and other lands; prevent State Water Board intervention; and ensure that groundwater use remains sustainable and locally managed in the decades ahead.

Please Complete Your Ballot and Mail It Back Promptly

All Ballots Must Be Received On or Before August 7, 2025 To Be Counted

Colusa Groundwater Authority
P.O. Box 475
Colusa, CA 95932

OFFICIAL ASSESSMENT BALLOT COLUSA SUBBASIN GROUNDWATER AUTHORITY SGMA OPERATIONAL ASSESSMENT

YES, I approve the proposed yearly SGMA assessment*

NO, I do not approve the proposed yearly SGMA assessment*

Signed _____ **Date** _____
Signature of Record Property Owner, or Authorized Representative

Print Name _____
I hereby declare, under penalty of perjury, that I am the property owner or owner's authorized representative of the parcel(s) identified on this official ballot.
**(The proposed assessment amount is printed on the back of this ballot.)*

INSTRUCTIONS FOR THE COMPLETION AND RETURN OF OFFICIAL ASSESSMENT BALLOTS

This assessment ballot may be completed by the person(s) or firm(s) owning the property or properties identified by parcel number on this ballot. An explanation of who may complete the assessment ballot on behalf of the recorded property owner and additional instructions are provided on the other side of this Official Assessment Ballot.

To be tabulated, assessment ballots MUST be received before the close of the public hearing scheduled for **Thursday, August 7, 2025 at 1:00 p.m.** at the Colusa Industrial Properties located at 100 Sunrise Blvd., Colusa, CA 95932.

You are invited to attend the public hearing. You may return your ballot in the following ways:

- 1) Mail your assessment ballot to the address shown on the enclosed return envelope so that it is received before August 7, 2025.
- 2) Deliver it in person at the August 7, 2025 public hearing so that it is received before the close of the public hearing on August 7, 2025.

FOLD SO THAT THIS SIDE IS ON THE INSIDE OF THE FOLD BEFORE PLACING THIS BALLOT IN THE RETURN ENVELOPE

Who May Complete this Official Assessment Ballot

1. If the property is owned by an individual, the individual may sign.
2. If a property is owned by more than one person, any one owner may sign for all.
3. If the property is owned by a corporation, the assessment ballot may be signed for the corporation by an officer or officers authorized to make contracts or by resolution of the corporation's Board of Directors.
4. If the property is owned by another legal entity, the assessment ballot may be signed by any person authorized by law to make contracts for the entity.
5. If the property is owned by a public agency, the assessment ballot may be signed by any person authorized by law to make contracts for the agency or by resolution of the agency's Governing Board.

Please see other side to complete this assessment ballot.

Steps for Completing the Official Assessment Ballot

1. Verify that the owner name, address, and parcel number(s) listed on the assessment ballot are correct. If they are not correct call (XXX) XXX-XXXX.
2. Fill in or clearly mark the oval next to the word "YES" or "NO" to approve or disapprove of the proposed assessment. You may use a pen only.
3. Sign and date the assessment ballot. Only official assessment ballots which are signed and marked with the property owner's support or opposition will be counted. After marking your vote, simply FOLD the assessment ballot so that your vote is on the inside of the fold. Then place the assessment ballot in the return envelope provided. No postage is necessary to mail back your assessment ballot.
4. If you make a mistake in completing your assessment ballot or wish to change or withdraw your assessment ballot, please call (XXX) XXX-XXXX.
(See enclosed notice for further information)

← **FOLD HERE** (this side should be on outside after fold)