

RESOLUTION NO. PV-003-2024

**RESOLUTION NO. PV-003-2024 OF THE BOARD OF DIRECTORS OF THE PETALUMA VALLEY
GROUNDWATER SUSTAINABILITY AGENCY ADOPTING THE GROUNDWATER SUSTAINABILITY
FEE**

RECITALS

WHEREAS, The Board of Directors of the Petaluma Valley Groundwater Sustainability Agency ("Agency") seeks to adopt its groundwater sustainability fee ("Fee") as authorized by Water Code section 10730 and pursuant to Agency Ordinance No. 22-01; and

WHEREAS, pursuant to Water Code section 10730, the Agency posted notice of the time and place of the public meeting at which the Fee was to be considered, the notice was published in the newspaper in compliance with Government Code section 6066, the notice was posted on the Agency's website and was mailed to interested parties, and the data to support the Fee was available to the public at least 20 days before the Agency's public meeting to impose the Fee; and

WHEREAS, pursuant to Water Code Section 10730, prior to imposing the Fee, the Agency reviewed and approved the Petaluma Valley GSA Rate and Fee Study supporting the Fee, and held a public meeting, at which written and oral presentations have been made; and

WHEREAS, upon adoption of the resolution, the Agency Administrator is hereby authorized and directed to cause the direct billing of the fee for entities that do not receive a tax bill; and

WHEREAS, the Agency Administrator has notified the California Public Utilities Commission (CPUC) of the Fee by way of letter to the Director of the Water Division; and

WHEREAS, the Agency Administrator and Agency Counsel are hereby authorized and directed to take such other and further steps as may be necessary or appropriate to implement the intent and purpose of this resolution.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Petaluma Valley Groundwater Sustainability Agency as follows:

1. The Agency hereby finds that the facts set forth in the Recitals to this Resolution are true and correct and establish the factual basis for the Agency's adoption of this Resolution
2. There is hereby established a Groundwater Sustainability Fee on the terms and conditions set forth in Attachment A, attached hereto and incorporated herein by reference; and
3. The Agency Administrator is hereby authorized and directed to file a certified copy of this resolution with the Auditor of the County of Sonoma. Upon such filing, the County Auditor shall enter on the County assessment roll opposite each lot or

parcel of land the amount of fee thereupon as shown in the levy roll. The fees shall continue to be collected at the same time and in the same manner as County taxes are collected and all the laws providing for collection and enforcement shall apply to the collection and enforcement of the assessments. After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the Agency; and

4. The Agency Administrator is hereby authorized and directed to cause the direct billing of the fee for entities that do not receive a tax bill; and
5. The Agency Administrator and Agency Counsel are hereby authorized and directed to take such other and further steps as may be necessary or appropriate to implement the intent and purpose of this resolution.
6. All former Resolutions or parts thereof conflicting or inconsistent with the provisions of this Resolution are superseded and repealed
7. Reference is hereby made to the direct charge levy roll on file with the Agency Administrator, as it is too voluminous to be bound with this resolution. This roll file contains a list of a parcels and the amount to be collected for each parcel.

This resolution shall become effective on the 30th day after adoption, which is July 20, 2024.

PASSED AND ADOPTED on this 20th day of June, 2024, by the following vote, to-wit:

Rabbitt: _____ Abelli-Amen: _____ Gorin: _____ Cader-Thompson: _____ Wasem: _____

AYES: _____ NOES: _____ ABSENT: _____ ABSTAIN: _____

By: _____
Chair Rabbitt

I certify that the foregoing Resolution was duly and regularly passed and adopted at a regular meeting of the Petaluma Valley Groundwater Sustainability Agency held on the 20th day of June, 2024, of which meeting all Directors were notified and at which meeting a quorum was present at all times and acting.

Dated: _____

Clerk of the Board of Directors of the Petaluma Valley Groundwater Sustainability Agency,
County of Sonoma, State of California

PETALUMA VALLEY GROUNDWATER SUSTAINABILITY AGENCY

GROUNDWATER SUSTAINABILITY FEE

ATTACHMENT A

SECTION 1. DEFINITIONS

1.1 "Acre-Foot" or "AF" of water is the equivalent amount of water covering 1 acre to a depth of 1 foot, and equals 325,851 gallons of water,

1.2 "Administrator" means the Administrator of the Agency.

1.3 "Agency" means the Petaluma Valley Groundwater Sustainability Agency.

1.4 "Subbasin" means the Petaluma Valley Groundwater Subbasin as set forth in Bulletin 118 of the California Department of Water Resources, as may be amended from time to time.

1.5 "Fee" means the Groundwater Sustainability Fee charges as set forth herein.

1.6 "Jurisdictional Area" means those parcels of real property within the Subbasin and those parcels of real property adjacent to the Subbasin that use groundwater or surface water derived, extracted, or otherwise obtain from within the Subbasin excluding therefrom any area for which the Agency has entered into an agreement that provides that the Fee shall not be charged within such area, or any portion thereof.

1.7 "Person" means the owner of the property charged the Fee, or a Public Water System, State Small Water System, or the owner of real property with a means of extracting groundwater.

1.8 "Extractor" means any person or commercial enterprise that uses groundwater either from a well on parcel within the Agency's jurisdiction or from any other groundwater source within the Agency's jurisdiction.

1.9 "Municipalities/Public Water Service Provider" means an entity owning or operating a system for the provision of water for human consumption through pipes or other constructed conveyances that has 5 or more service connections or regularly serves at least 25 individuals daily at least 60 days out of the year.

SECTION 2. ESTABLISHMENT OF FEE

2.1 There is hereby charged within the Jurisdictional Area a Fee pursuant to Section 10730 of the California Water Code, and as more fully set forth herein.

2.2 All Extractors, Persons, Municipalities/Public Water Service Providers determined to have extracted groundwater from the Subbasin shall pay a fee not to exceed \$316 per acre-foot annually beginning July 1, 2024. In the event that the County of Sonoma approves an adequate

appropriation to offset a portion of the rates for all Extractors those fees may be lowered to no less than \$43.65 per acre-foot annually for fiscal year 2024-25. This lower rate may or may not apply to municipal extractors (including the City of Petaluma).

2.3 The authorized maximum fee rate to be levied in future fiscal years may be adjusted based on the annual change in the San Francisco-Oakland-Hayward Consumer Price Index for All Urban Consumers ("CPI" or "CPI-U"), measured each December of the preceding calendar year, with an annual adjustment not to exceed 5% per year. Hence, the maximum authorized fee rate each year shall be equal to the previous year's rate, increased by the San Francisco Bay Area CPI or 5%, whichever is less. The Board may consider applying this increase based on increased cost projections for each upcoming fiscal year.

2.4 The Fee shall be payable to the Agency as follows:

2.4.1 The Agency shall determine those real properties that are subject to the Fee and shall submit their fee to the Auditor of the County of Sonoma, who shall then shall enter on the County assessment roll opposite each lot or parcel of land the amount of fee thereupon as shown in the levy roll. The fees shall continue to be collected at the same time and in the same manner as County taxes are collected and all the laws providing for collection and enforcement shall apply to the collection and enforcement of the assessments.

2.4.2 For Persons who do not typically receive a property tax bill, the Agency shall mail a bill directly to the Extractor, Person, Municipality/Public Water Service Provider at the address shown on the most recent equalized tax roll or other address on file with the Administrator.

2.4.3 If any Extractor, Person, Municipality/Public Water Service Provider fails to pay the Fee as charged, the Extractor, Person, Municipality/Public Water Service Provider shall pay interest to the Agency at the rate of one percent (1%) per month on the delinquent amount of the fee and a ten percent (10%) penalty, pursuant to Water Code section 10730.6.

2.4.4 In addition the interest and penalty set forth in Section 2.4.3, the Board of Directors may elect to utilize any of the remedies available to it for failure to pay the Fee as set forth in Water Code section 10730.6, in addition to any other applicable fees or penalties stated in Ordinance 22-01.

SECTION 3. APPEAL

3.1 Should an Extractor, Person, Municipality/Public Water Service Provider ("Appellant") wish to contest the projected amount of groundwater extraction on which the Fee is assessed, the Appellant shall first be required to pay the Fee as charged. Within thirty (30) days following payment of the fee, the Appellant may file an appeal with the Agency, on a form approved by the Administrator, setting forth the basis upon which the appeal is made. The appeal will be considered timely filed if, within the time allowed, 1) the form is postmarked, United States first

class mail, 2) delivered to the Administrator or Clerk of the Board of Directors by electronic mail, or 3) personally delivered to the Administrator.

3.2 Within thirty (30) days of filing the appeal, the Administrator shall meet with the Appellant to discuss the basis of the appeal. The Administrator is authorized to grant the appeal, in whole or in part, or deny the appeal. The determination shall be made no later than fifteen (15) days following the meeting, and shall be in writing and delivered to the Appellant in the same manner as the filing of the appeal.

3.3 If the Appellant who filed the appeal is dissatisfied with the determination of the Administrator, the Appellant may file an appeal to the Board of Directors within fifteen (15) days of delivery of the determination, following the procedures for filing of an appeal as set forth in Section 3.1, above, and in Ordinance 22-01.

SECTION 4. PERIODIC REVIEW

4.1 Annually during the budget process, the Board of Directors shall review the Fee to determine if the Fee is sufficient to cover expenses consistent with the California Constitution. The Board of Directors may increase or decrease the Fee as necessary or appropriate in compliance with the California Constitution.

4.2 At least every five (5) years, the Board of Directors shall perform a comprehensive review of the Fee and its methodology to determine if the methodology for calculating and charging the fee continues to be appropriate or should be changed. The Board of Directors may authorize the retention of a consultant to assist with the review, and shall hold at least one public meeting to receive testimony from the public regarding the Fee. Any change in methodology for calculating and charging the Fee shall be subject to the requirement of the California Water Code and the California Constitution.