



SANTA ROSA PLAIN  
**GROUNDWATER**  
SUSTAINABILITY AGENCY

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Santa Rosa Plain GSA  
Board Meeting

MARCH 25, 2024

# Roll Call

<b>Member Agency</b>	<b>Directors</b>	<b>Alternates</b>
City of Cotati	Susan Harvey <i>Chair</i>	Sylvia Leymus
City of Rohnert Park	Emily Sanborn	Jackie Elward
City of Santa Rosa	Mark Stapp	Dianna MacDonald
City of Sebastopol	Neysa Hinton	Jill McLewis
County of Sonoma	Chris Coursey	Susan Gorin
Gold Ridge Resource Conservation District	Mel Sanchietti	Elias Zegarra
Independent Water Systems	Evan Jacobs	Michael Spielman
Sonoma County Water Agency	Lynda Hopkins	Susan Gorin
Sonoma Resource Conservation District	John Nagle <i>Vice Chair</i>	Bruce Abelli-Amen
Town of Windsor	Sam Salmon	Rosa Reynoza

# Agenda

1. Call to Order and Roll Call
2. Public comment on matters not listed on the agenda but within the subject matter jurisdiction of the board
3. Action Items
  - a) **Fiscal Year 2023-24 Budget Adjustment.** Consider adjustment to Fiscal Year 2023-2024 Budget for adoption.
  - b) **Fiscal Year 2024-25 Budget Preliminary Adoption.** Consider Fiscal Year 2024-2025 Budget for preliminary adoption.
4. Administrator, Plan Manager and Legal Counsel Report
5. Adjournment

Public comment  
on matters not  
listed on the  
agenda but  
within the  
subject matter  
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the Board

# Action Items

1. Action Items
  - a) **Fiscal Year 2023-24 Budget Adjustment.** Consider adjustment to Fiscal Year 2023-2024 Budget for adoption.
  - b) **Fiscal Year 2024-25 Budget Preliminary Adoption.** Consider Fiscal Year 2024-2025 Budget for preliminary adoption.

# a) FY23-24 Budget Adjustment

*Andy Rodgers, Administrator*

Consider adjustment to Fiscal Year 2023-2024 Budget for adoption.

# Background

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- The FY23-24 budget was approved by the Board on June 8, 2023.
- In September 2023, the GSA was notified of final approval for approximately \$5.4 million under the SGM Implementation – Round 2 grant program, with all funds to be expended by March 2026.
- Because these expenses and revenues were not originally projected in the FY23-24 budget, a budget adjustment is needed.
- Staff are also proposing reallocation of some contingency funds to cover unexpected costs and reduced fee revenue.

Account	Account Description	Approved Budget	FY2023-24 Adjustment	Revised Budget
42360	State Grant Revenue (SGM Implementation Grant)	\$0	+\$589,000	\$589,000
<b>42000</b>	<b>Total Intergovernmental Revenues</b>	<b>\$0</b>		<b>\$589,000</b>
45221	Sewer/Water Usage Fees	\$779,259	-\$11,759	\$767,500
<b>46000</b>	<b>Total Miscellaneous Revenues</b>	<b>\$779,259</b>		<b>\$767,500</b>
<b>Grand Total Revenues</b>		<b>\$779,259</b>	<b>+\$577,241</b>	<b>\$1,356,500</b>



Account	Account Description	Approved Budget	FY2023-24	Revised Budget
			Adjustment	
51021	Communication Expense (Outreach)	\$60,000	+\$43,500	\$103,500
51204	Property Tax/Assessment Admin (Tax Roll Mgmt)	\$15,000	+\$10,370	\$25,370
51213	Engineer Services (Technical Services incl. Annual Report, Data Gaps, Planning for Projects)	\$328,500	+\$374,300	\$702,800
51226	Consulting Services (Grant Admin)	\$45,000	+\$67,000	\$112,000
51244	Permits/License/Fees (GUIDE & Fee Operations)	\$30,000	+\$8,000	\$38,000
51803	Other Contract Services (Legislative Advocacy)	\$0	+\$6,000	\$6,000
<b>Grand Total Expenditures</b>		<b>\$743,300</b>	<b>+\$509,170</b>	<b>\$1,252,470</b>

Account Description	FY2023-24 Approved Budget	FY2023-24 Revised Budget
<b>Total Revenues</b>	<b>\$779,259</b>	<b>\$1,356,500</b>
<b>Total Expenditures</b>	<b>\$743,300</b>	<b>\$1,252,470</b>
<b>Total Appropriations for Reserve/ Contingencies</b>	<b>\$35,000</b>	<b>\$18,630</b>
<b>Increase/(Decrease) to Fund Balance</b>	<b>+\$959</b>	<b>+\$85,400</b>

# Staff Recommendation

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Staff recommends that the Board approve the proposed Fiscal Year 2023-24 budget adjustment.

Supermajority needed.

## b) FY 24-25 Budget Preliminary Adoption

*Andy Rodgers, Administrator*

Consider Fiscal Year 2024-2025 Budget for preliminary adoption.

Account	Account Description	FY2023-24	FY2024-25
		Adjusted Budget	Preliminary Budget
42360	State Grant Revenue (SGM Implementation – Round 2)	\$588,949	\$3,124,820
<b>42000</b>	<b>Total Intergovernmental Revenues</b>	<b>\$588,949</b>	<b>\$3,124,820</b>
45221	Sewer/Water Usage Fees (Groundwater Sustainability Fee)	\$767,516	\$851,340
<b>46000</b>	<b>Total Miscellaneous Revenues</b>	<b>\$767,516</b>	<b>\$851,340</b>
<b>Grand Total Revenues</b>		<b>\$1,356,465</b>	<b>\$3,976,160</b>

<b>Account</b>	<b>Account Description</b>	<b>FY2023-24</b>	<b>FY2024-25</b>
51021	Communication Expense (outreach, including grant reimbursable work)	\$103,549	\$233,700
51041	Insurance - Liability	\$4,000	\$4,000
51201	Administration Services	\$135,000	\$135,000
51204	Property Tax/Assessment Admin (tax roll mgmt. & direct billing)	\$25,373	\$15,400
51206	Accounting/Auditing Services	\$12,500	\$15,000
51207	Client Accounting Services (County & private banks)	\$11,500	\$11,500
51211	Legal Services (Kronick)	\$50,000	\$50,000
51213	Engineer Services (Technical & monitoring, including grant reimbursable work)	\$702,824	\$3,150,600
51226	Consulting Services (grant application & admin)	\$112,000	\$143,600
51244	Permits/License/Fees (GUIDE & fee operations)	\$38,000	\$39,000
51301	Publications and Legal Notices	\$2,000	\$2,000
51421	Rents and Leases - Bldg/Land	\$1,000	\$1,000
51801	Other Services (EO Referral, Well Ordinance Updates, GP Consultation)	\$40,000	\$35,000
51803	Other Contract Services (Legislative Advocacy)	\$6,000	\$24,000
51601	Training/Conferences	\$2,000	\$2,000
51916	County Services Chgs (Accounting Fees & Tax Roll Fees)	\$4,800	\$4,800
<b>Subtotal Services</b>		<b>\$1,250,546</b>	<b>\$3,866,600</b>
<b>Subtotal Supplies</b>		<b>\$2,000</b>	<b>\$2,000</b>
<b>51000</b>	<b>Total Services and Supplies</b>	<b>\$1,252,546</b>	<b>\$3,868,600</b>

Account Description	FY2023-24 Adjusted Budget	FY2024-25 Preliminary Budget
<b>Total Revenues</b>	<b>\$1,356,465</b>	<b>\$3,976,160</b>
<b>Total Expenditures</b>	<b>\$1,271,173</b>	<b>\$3,904,600</b>
<b>Total Appropriations for Reserve/ Contingencies</b>	<b>\$18,627</b>	<b>\$36,000</b>
<b>Increase/(Decrease) to Fund Balance</b>	<b>+\$85,292</b>	<b>+\$71,560</b>

# Staff Recommendation

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Staff recommends that the Board approve the proposed preliminary Fiscal Year 2024-25 budget.

Supermajority needed.



# Administrator, Plan Manager and Legal Counsel Report

*Andy Rodgers, Administrator*

*Marcus Trotta, Plan Manager*

# Rate and Fee Update

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## Updates to 2022 Rate and Fee Study:

- Estimated groundwater extraction updates.
- Revenue requirement update to reflect three-year budget projection.

# Updated Groundwater Use Estimates

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- Between July 2022 and present, systemic corrections and GUIDE survey adjustments produced an updated groundwater use estimate of 19,187 AFY (a reduction of 1,387 AFY.)
  - This exceeded the 2022 fee study appeals allowance of ~636 AFY.
- Applying an appeals allowance of three percent to the updated 2024 groundwater use estimates would produce an extraction amount (revenue denominator) of approximately **18,612 AFY.**

# Rate per Acre Foot

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**2022-PRESENT**

$$\frac{\$823,700}{20,574.4 \text{ AF}} = \$ 40.00 \text{ per AF per Year}$$

**EXTRACTION  
CORRECTIONS**  
*(with 3% Appeals  
Allowance)*

$$\frac{\$823,700}{18,612.8 \text{ AF}} = \$ 44.26 \text{ per AF per Year}$$

# Changes in GSA Revenue Need

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Santa Rosa Plain GSA's revenue need has changed since 2022:

1. Since 2022, GSA operations and GSP implementation costs have increased by **3.36%** due to new requirements and initiatives.
  - Inflation over this period of time has increased by **7.8%** (*San Francisco Bay CPI*)
2. The GSA was awarded a grant from the California Department of Water Resources in the amount of **\$5,383,730**.
  - Grant revenue and staff efficiencies explain why costs are not as high as 2-year CPI.

# Rate per Acre Foot

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**2022-PRESENT**  $\frac{\$823,700}{20,574.4 \text{ AF}} = \$ 40.00 \text{ per AF per Year}$

**EXTRACTION  
CORRECTIONS**  
*(with 3% Appeals  
Allowance)*  $\frac{\$823,700}{18,612.8 \text{ AF}} = \$ 44.26 \text{ per AF per Year}$

**EXTRACTION  
CORRECTIONS &  
BUDGET  
ADJUSTMENTS**  $\frac{\$851,340}{18,612.8 \text{ AF}} = \$ 45.74 \text{ per AF per Year}$

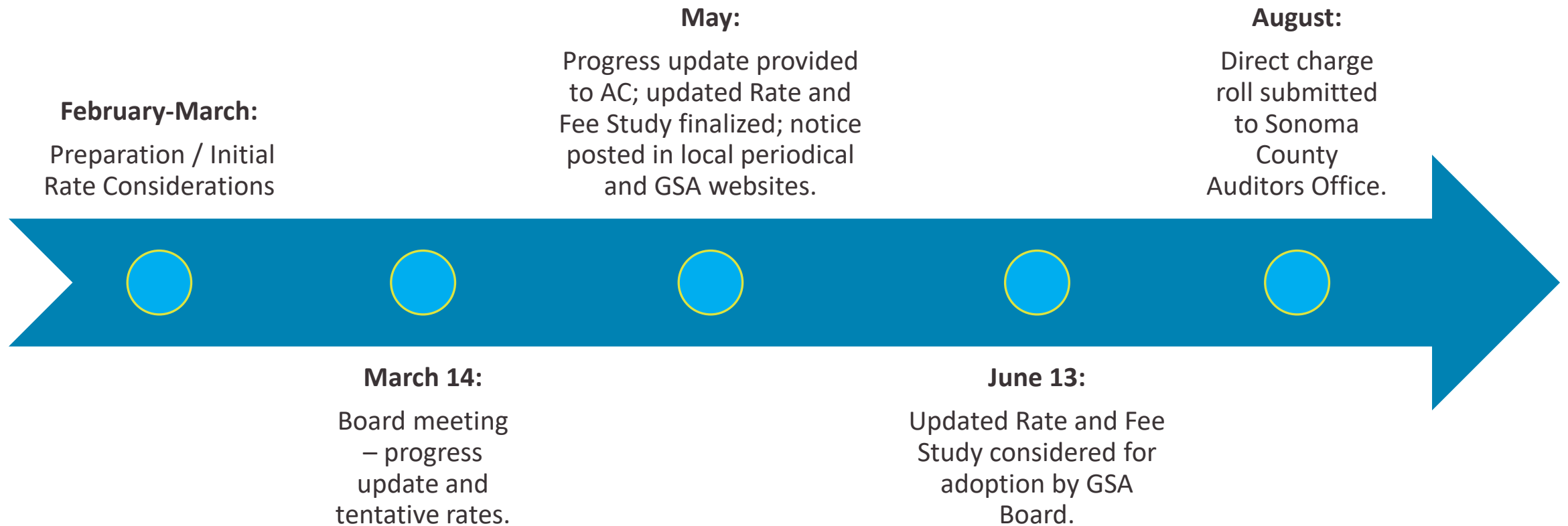
# Next Steps

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- GSA staff with rate/fee consultant team are
  - Meeting with member agency staff to identify further potential cost-saving measures.
  - Evaluating further refinements to the budget and developing options for consideration.

# Tentative Timeline

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# Adjournment

## Upcoming Meetings:

- Board of Directors: June 13, 2024
- Advisory Committee: May 21, 2024