



Yolo Subbasin Groundwater Agency Special Board of Directors Meeting Agenda

Monday, February 9, 2026
3:00 p.m. to 5:00 p.m.

Woodland Police Department

1000 Lincoln Ave, Woodland, CA 95695

The public may participate in the meeting remotely via Zoom using the following information:

Please join my meeting from your computer, tablet or smartphone.

<https://us06web.zoom.us/j/7847507621>

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NOTICE TO PUBLIC

Public documents relating to any open session item listed on this agenda that are distributed to all or most of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the Yolo Subbasin Groundwater Agency's Administrative Office at 34274 State Highway 16, Woodland 95695. The full agenda packet can also be found on www.yologroundwater.org.

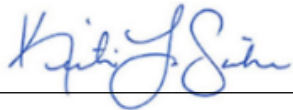
In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting please contact YSGA office at (530) 662-3211. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

All items on the agenda will be open for public comment before final action is taken. Speakers are requested to restrict comments to the item as it appears on the agenda and stay within a three-minute time limit. The Chair has the discretion of limiting the total time for an item. Comments may also be submitted via email to info@yolosga.org prior to the meeting or via teleconference chat during the meeting.

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- 3:00 1. **CALL TO ORDER AND DETERMINATION OF QUORUM**
 - 3:03 2. **ADDING ITEMS TO THE POSTED AGENDA** -- In order to add an agenda item, it must fit into one of the following categories: a) A majority determination that an emergency (as designed by the Brown Act) exists; or b) A 4/5ths determination that the need to take action arose subsequent to the agenda being posted.
 - 3:05 3. **PUBLIC FORUM** -- The Public may address the Yolo Subbasin Groundwater Agency Board of Directors on any item of interest not appearing on the agenda that is within the subject matter of the YSGA.
 - 3:08 4. **CONSIDERATION: FEE PATHWAY**, [pages 3-5](#)
 - 3:20 5. **CONSIDERATION: FEE STRUCTURE**, [pages 6-8](#)

- 4:10 6. **CONSIDERATION: DRAFT 5-YEAR BUDGET AND FEE LEVEL**, [pages 9-11](#)
- 4:55 7. **MEMBERS' REPORTS AND FUTURE AGENDA ITEMS** -- Yolo Subbasin Groundwater Agency Members are invited to briefly report on current issues and recommended topics for future Yolo Subbasin Groundwater Agency Board of Directors meetings.
- 4:59 8. **NEXT MEETING** – Request to Reschedule Regular Meeting from March 16 to March 23, 2026
- 5:00 9. **ADJOURNMENT**

Consideration of items not on the posted agenda includes items in the following categories: 1) majority determination that an emergency (as defined by the Brown Act) exists; or 2) a 4/5ths determination that the need to take action arose subsequent to posting of the agenda. I declare under penalty of perjury that the foregoing agenda was posted by February 5, 2026 and made available to the public during normal business hours at the following location: Woodland Police Department 1000 Lincoln Ave, Woodland, CA 95695 and YSGA's office at 34274 State Highway 16, Woodland 95695.



Kristin Sicke, Executive Officer

Constitution, specifically the requirements of Proposition 26 (Regulatory Fees) or Proposition 218 (Property-Related Fees), which are summarized below.

Pathway A: Proposition 26 (Regulatory Fees)

This pathway is used when the costs being funded are for specific regulatory activities. It provides GSAs the most flexibility to set a fee to fund regulatory-related activities (administration, reporting, planning, etc.).

- **Legal Basis:** Article XIII C of the CA Constitution. Fees must not exceed the "reasonable cost" of the regulatory program.
- **Adoption Process:** Requires a public meeting, 20 days of data availability, and a Resolution/Ordinance. No ballot or protest process is required.
- **Best Use Case:** Funding administrative operations, Groundwater Sustainability Plan (GSP) development, monitoring, and "investigative" projects.
- **Limitation:** Cannot be used to fund large capital infrastructure or "service" projects that look like a property-related service.

Pathway B: Proposition 218 (Property-Related Fees and Assessments)

This pathway is used for fees that are "an incident of property ownership" or would fund capital projects in addition to regulatory activities described above.

- **Legal Basis:** Article XIII D of the CA Constitution. Requires a "Cost of Service" analysis showing proportional benefit to each parcel.
- **Adoption Process:** Requires a 45-day notice mailed to all affected landowners followed by a Public Hearing.
- **Majority Protest:** If 50% + 1 of the affected property owners submit a written protest, the fee cannot be imposed.
- **Best Use Case:** Funding capital projects (e.g., water conveyance infrastructure) and any GSA costs when the fee payors are homogeneous (such as all agricultural).

Fee Pathway Recommendation from the YSGA Ad Hoc Finance Committee

Upon review and discussion of the two fee pathways (Pathway A: Proposition 26 and Pathway B: Proposition 218), the YSGA Finance Committee unanimously recommended that the YSGA Board proceed with Pathway A: Proposition 26 (Regulatory Fee) for these key reasons:

- Stakeholders have expressed greater support for a Water Code 10730 regulatory fee because it more accurately describes GSA activities paid for by the fee.
- All activities proposed by YSGA staff for completion over the next 5 years fall under the 'Regulatory Activity' category.
- A Regulatory Fee (Proposition 26) is flexible for annual updates if there is a need for adaptively managing a GSAs budget and expected workload. Should any adjustments be needed within the first five years of fee implementation, they can be made more readily than if the fee was a property-related fee.

- Because regulatory fees require that YSGA demonstrate a reasonable relationship between the fee amount and activities being funded, but does not require benefits to be directly quantified, the fee offers some flexibility to YSGA as it finalizes and documents the actual costs of the regulatory activities needed over this early SGMA implementation period. Notwithstanding the fact that no formal cost-of-service study is required, YSGA has done extensive research, with the support of the Ad Hoc Finance Committee, to forecast the expected costs of these activities and to appropriately allocate them among participants.

RECOMMENDATION

- a. The YSGA Ad Hoc Finance Committee recommends proceeding with Pathway A: Proposition 26 (Regulatory Fee).

Incorporating this information, HEC set out to develop a fee structure that reflects these priorities and stakeholder feedback as faithfully as possible. HEC developed a tiered fee structure that reflects the priorities and feedback.

Tier 1 Costs

Tier 1 costs include YSGA general administrative and GSP administrative costs. Tier 1 costs will be allocated across all parcels within the Subbasin as follows:

- All parcels will be charged a minimum fee to cover the cost of administering the fee, which includes county charges, consultant fees, and YSGA staff time and supplies.
- To distribute the remaining Tier 1 costs equitably, an acreage fee will be applied in addition to the minimum charge.

Tier 2 Costs

Tier 2 includes costs for data collection and project planning implementation as described in the GSP. Tier 2 costs will be allocated between the two different types of groundwater users, agricultural and domestic users, within the Subbasin. The allocation of cost between the user types is based on historical estimates of groundwater use. Data developed for the YSGA's five annual reports starting in Water Year 2020 demonstrate that 95% of groundwater is used by agriculture and 5% of groundwater is used by domestic water users.

Agricultural Water Users

Tier 2 fees will apply to the cropped and/or managed wetland acres (collectively "agricultural acres") within each parcel. Further, there will be a distinction between agricultural acres within Districted areas and Undistricted ("White") areas. The fee will be lower for Districted parcels because water resources in Districted areas are being actively managed by a YSGA member or affiliate. The water resources of Undistricted parcels are not being actively managed by a YSGA member or affiliate and will therefore pay a higher Tier 2 fee. State owned Yolo Bypass Wildlife Area parcels will not pay the Tier 2 fee because these parcels do not fall under the definition of Districted or Undistricted, but water resources are being managed by the California Department of Fish and Wildlife. The State manages the water resources within this area to mimic natural flooding and drainage that once occurred in the Yolo Bypass region.

Domestic Water Users

Domestic water users include users inside regulated water system boundaries (i.e., cities, CSA's, small water systems), as well as rural residential and non-residential users. Domestic water users located within incorporated City service areas (including Davis, Woodland, West Sacramento, and Winters) and community water systems that may be publicly or privately owned (such as Cal American Water – Dunnigan, UC Davis, and Community

Service Districts) will have their Tier 1 and Tier 2 fees paid for by the City or water system, and the YSGA will directly bill those community water systems. All other Domestic water users will pay the fee with their property taxes. The Tier 2 fee will be calculated on the total number of Domestic Water Equivalents (DWEs). The fee will be charged to rural users per developed parcel, to state small water systems and community water systems per connection, and to non-community water systems per person. Charging by connection and per person is consistent with how the State Water Board charges annual fees to regulated water systems.

RECOMMENDATION

- a. The YSGA Ad Hoc Finance Committee recommends proceeding with the Tier 1 and Tier 2 Fee Structure described in this staff report.

Tier 2

Tier 2 expenses include data collection and project planning implementation as described in the GSP, which is expected to cost approximately \$1,095,300. Tier 2 costs will be allocated between agricultural and domestic users within the Subbasin. In preparing the draft budget, YSGA staff prioritized the 76 projects listed in the 2022 GSP and grouped the high priority projects under encompassing Management Actions. Management Actions are further grouped into Foundational Actions that reflect YSGA's highest priorities over the next 5 years. They involve collecting valuable data, completing analyses and investigations, communicating results, building trust with the community, and developing frameworks and policies for Board consideration.

The proposed Foundational Actions for 2026-2031 are as follows:

<i>Foundational Action</i>	<i>Estimated Annual Cost</i>
<i>Hydrogeologic Characterization and Yolo Subbasin Model</i>	\$ 419,143
<i>Water Supply Resilience</i>	\$ 206,500
<i>Groundwater Accounting</i>	\$ 49,000
<i>Management Area Establishment</i>	\$ 253,680
<i>Outreach & Coordination</i>	\$ 119,000
<i>Technical Assistance</i>	\$ 48,000
<i>Grand Total</i>	\$ 1,095,323*

*does not include contingency applied for establishing a reserve

Specific benefits from each Foundational Action are as follows:

- **Hydrogeologic Characterization and Yolo Subbasin Model:** YSGA staff and member agencies will be equipped with a more refined, higher quality groundwater model to better inform future policy decisions and future project and management action (PMA) development. Hydrogeologic data and outputs from the model will be shared with landowners, drillers, and member agencies to promote increased awareness of groundwater conditions and dynamics.
- **Water Supply Resilience:** Ensure continued access to both surface and groundwater supplies for beneficial users in the Yolo Subbasin by expanding conjunctive use and groundwater recharge opportunities.
- **Groundwater Accounting:** Improve data collection on groundwater use, benefits from recharge activities, and partner with various landowners to start developing an appropriate framework for potential demand management and incentives for participating in recharge activities. Minimizes likelihood of exceedance of GSP defined minimum thresholds resulting in undesirable results that could trigger state intervention or implementation of demand management.

- **Management Area Establishment:** Facilitate public advisory committees for Management Areas engaging local landowners in groundwater sustainability. Increase public visibility and opportunities to solicit landowner feedback and coordinate project implementation.
- **Outreach & Coordination:** Facilitate more frequent learning and data sharing opportunities and increase the credibility and visibility of the YSGA among stakeholders. Improve coordination between YSGA, landowners, and other agencies.
- **Technical Assistance:** Provide technical and grant funding acquisition support to landowners that have the desire to proactively implement small- and large-scale projects and management actions.

Fee Level and 5-year Budget Recommendation

Based on the resources needed to administer the YSGA and implement the Foundational Actions for working towards the 2042 sustainability goal, YSGA staff and HEC propose a Fiscal Year 2026/2027 fee level of \$1,600,000. The fee level will be adjusted in subsequent years using a cost index; provided however, that the increase is capped by either a percentage (4% for example) or by the projected amount of unrestricted or undesignated cash reserves at fiscal year-end. The reserves cap has yet to be determined and will be adopted as a policy of YSGA. At this time, the YSGA anticipates ending Fiscal Year 2025/2026 with approximately \$800,000 that could be considered as “reserve”. Restricted cash (an imposition by a third party) and Designated cash (an imposition by the YSGA Board) should not be included in the reserve cap because these funds will be set aside for specific spending whereas the reserve cap is for unspecified, but qualified regulatory activity, spending. Note that the reserve cap would also increase each year by a cost index or as updated by the YSGA. This was reviewed and discussed with the YSGA Ad Hoc Finance Committee.

Upon review and discussion of the 5-year budget and proposed Fiscal Year 2026/2027 fee level, the YSGA Finance Committee recommended the YSGA Board proceed with a Draft 5-Year Budget and Fiscal Year 2026/2027 fee level set at \$1,600,000 per year to support the preparation of the Draft Fee Study Report.

YSGA staff and HEC will be soliciting feedback from landowners on the draft budget at public workshops to be held in March 2026.

RECOMMENDATION

- a. The YSGA Ad Hoc Finance Committee recommends proceeding with a Draft 5-Year Budget and Fiscal Year 2026/2027 fee level set at \$1,600,000 per year to support the preparation of the Draft Fee Study Report.