

RESOLUTION NO. 25-_____

**RESOLUTION NO. 25-__ OF THE NAPA COUNTY GROUNDWATER
SUSTAINABILITY AGENCY ADOPTING A GROUNDWATER SUSTAINABILITY
FEE IN THE NAPA VALLEY SUBBASIN**

RECITALS

WHEREAS, the State of California enacted the Sustainable Groundwater Management Act (SGMA) in 2014 to provide for the sustainable management of groundwater basins, to enhance local management of groundwater consistent with rights to use or store groundwater, to provide local groundwater agencies with the authority and the technical and financial assistance necessary to sustainably manage groundwater, and to manage groundwater basins through the actions of local governmental agencies to the greatest extent feasible (Wat. Code § 10720.1 et seq.); and

WHEREAS, the stated purpose of SGMA is to provide for the sustainable management of groundwater basins by providing groundwater sustainability agencies (GSAs) with the authority, and technical and financial assistance necessary to sustainably manage groundwater resources; and

WHEREAS, said powers and authorities include, but are not limited to the imposition and collection of fees on all applicable properties to fund regulatory activities within the GSAs' jurisdictional boundaries; and

WHEREAS, the California Department of Water Resource (DWR) has designated the Napa Valley Subbasin (DWR Bulletin 118 Basin Number 2-002.01) as a high priority basin under SGMA; and

WHEREAS, the Napa County GSA is the exclusive GSA over the Napa Valley Subbasin and developed a Groundwater Sustainability Plan (GSP) covering the entire basin, which DWR approved on January 26, 2023; and

WHEREAS, the implementation of the Napa Valley Subbasin GSP requires exercising regulatory powers and authorities provided in SGMA for all applicable parcels within the Napa County GSA's boundaries, including de minimis extractors (i.e., a person who extracts, for domestic purposes, two acre-feet or less per year); and

WHEREAS, the Board of Directors of the Napa Valley Basin GSA seeks to impose a groundwater sustainability fee authorized by Water Code section 10730 to fund the costs of a groundwater sustainability program, including implementation of the Napa Valley Basin GSP; and

WHEREAS, the Napa County Groundwater Sustainability Agency Rate and Fee Study ("Fee Study"), prepared by SCI Consulting Group, a recognized public finance and urban economic consulting firm for public agencies, has been provided to the Board of Directors and in which is set forth the proposed methodology for charging a regulatory fee to be known as the Napa Valley Subbasin GSA Groundwater Sustainability Fee ("Fee") for the purpose of managing the sustainability of Basin Number 2-002.01 that constitutes (1) a charge imposed for a specific benefit conferred directly to the payor that is

not provided to those not charged, and (2) a charge imposed for a specific government service provided directly to the payor that is not provided to those not charged; and

WHEREAS, the Fee Study shows that the fee adopted herein is not a tax, the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity; and

WHEREAS, the Fee Study is hereby incorporated by reference into this Resolution; and

WHEREAS, the implementation of the GSP requires exercising the regulatory powers and authorities provided in SGMA for all applicable parcels within its boundaries, of which, include de minimis extractors.

WHEREAS, the Napa County GSA has determined that it will regulate de minimis extractors pursuant to administrative actions, implementation of project management actions, groundwater pumping reduction workplans, other activities necessary to administer the GSP, and this Resolution because de minimis extractors cumulatively account for approximately 18% of the groundwater extracted from the Napa Valley Subbasin; and

WHEREAS, pursuant to Water Code section 10730(d), prior to imposing the Fee, the Napa County GSA has held a public meeting, at which written or oral presentations have been made; and

WHEREAS, pursuant to Water Code section 10730(d), the Napa County GSA posted notice of the time and place of the public meeting at which the Fee will be considered, the notice was published in the newspaper in compliance with Government Code section 6066, the notice was posted on the Napa County GSA'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 Napa Valley Basin GSA's public meeting to impose the Fee; and

WHEREAS, the Napa County GSA Executive Officer and 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 Napa County Groundwater Sustainability Agency as follows:

1. The Napa County GSA hereby finds that the facts set forth in the Recitals to this Resolution are correct and establish the factual basis for the Napa County GSA's adoption of this Resolution; and
2. The Napa County GSA finds that all prerequisites required before adopting the Fee have been met, including the proper public noticing of the hearing and the conduct of the public hearing; and
3. The Napa County GSA approves the Regulatory Fee Study and finds that it is the proper basis on which to establish the Fee, and that the Fee adopted herein is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a

payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity; and

4. The Napa County GSA hereby adopts the Fee, including a Fee on self-supplied groundwater users (including de minimis extractors), agricultural groundwater users, and public water systems using groundwater as set forth in Attachment A hereto; and
5. The Napa County GSA will regulate de minimis extractors pursuant to Water Code section 10730(a); and
6. Upon request of the Napa County GSA, all groundwater extraction facilities within the boundaries of the Subbasin shall be registered with the Agency within thirty (30) days of notice given to the operator. The Operator of an Extraction Facility will be registered by the GSA and provide at a minimum the following information on a form provided by the Agency. The Agency form may ask for, and the Operator may supply additional information if requested.
 - Name, mailing address, and email address of the operator.
 - Name and address of the owner of the land upon which the Extraction Facility is located.
 - A description of the equipment associated with the Extraction Facility.
 - Location of the water Extraction Facility.
7. The Executive Officer and Legal Counsel of the Napa County GSA 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.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED by

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the Napa County GSA Board of Directors, State of California, at a regular meeting of the Board held

on the 9th day of December 2025 by the following vote:

AYES: SUPERVISORS _____

NOES: SUPERVISORS _____

ABSTAIN: SUPERVISORS _____

ABSENT: SUPERVISORS _____

ANNE COTTRELL, Chair of the
Napa County GSA

<p>APPROVED AS TO FORM Office of County Counsel</p> <p>By: <i>Chris R.Y. Apallas</i> Deputy Agency Counsel</p> <p>Date: <u>November 21, 2025</u></p>	<p>APPROVED BY THE NAPA COUNTY BOARD OF SUPERVISORS</p> <p>Date: _____</p> <p>Processed By: _____</p> <p>_____ Deputy Clerk of the Board</p>	<p>ATTEST: NEHA HOSKINS Clerk of the Board of Supervisors</p> <p>By: _____</p>
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NAPA COUNTY GROUNDWATER SUSTAINABILITY AGENCY

GROUNDWATER SUSTAINABILITY FEE

ATTACHMENT A

SECTION 1. DEFINITIONS

- 1.1 “Applied Groundwater Use Costs” refers to costs that both focus on large-scale applied groundwater use and are necessitated by agricultural irrigation and water suppliers.
- 1.2 “Common Costs” means those costs typically incurred every year by the Napa County GSA to operate; examples include, but are not limited to, County administration costs, insurance, legal costs, fee program administration, and Board and committee costs.
- 1.3 “Executive Officer” means the Executive Officer of the Napa County GSA.
- 1.4 “Fee” means the Groundwater Sustainability Fee charges as set forth herein.
- 1.5 “Napa County GSA” means the Napa County Groundwater Sustainability Agency.
- 1.6 “Agricultural Groundwater Users” means a person extracting groundwater for agricultural purposes, including, but not limited to, crop irrigation.
- 1.7 “Self-Supplied Groundwater Users” means a person extracting groundwater for domestic or commercial purposes.
- 1.8 “Public Water System Groundwater Users” means any Public Water System or State Small Water System extracting groundwater for distribution for domestic or commercial purposes.
- 1.9 “Public Water System” means an entity owning or operating a system for the provision of water for human consumption through pipes or other constructed conveyances that has five (5) or more service connections or regularly serves at least 25 individuals daily at least 60 days out of the year.
- 1.10 “Person” means the owner(s) of real property, or a Public Water System charged the Fee.
- 1.11 “Subbasin” means the Napa Valley Subbasin as set forth in Bulletin 118 of the California Department of Water Resources, as may be amended from time to time.

SECTION 2. ESTABLISHMENT OF FEE

- 2.1 There is hereby charged within the Subbasin a Fee pursuant to Section 10730 of the California Water Code, and as more fully set forth herein.
- 2.2 The Fee may consist of one or more of the following charges as follows:

2.2.1 Agricultural User Base Rate –All agricultural groundwater user parcels within the Subbasin boundary shall pay the Agricultural User Base Rate. The Agricultural User Base Rate is \$38.58 per planted acre within the Napa Valley Subbasin boundary for Fiscal Year 2025. The Agricultural User Base Fee is subject to an annual adjustment as set forth in the Annual Fee Adjustment Section below.

2.2.2 Agricultural User Additional Rate – This rate is charged only to those users who consistently irrigate with groundwater. This rate is intended to be an additional rate specifically for groundwater irrigated acres. The Agricultural User Additional Rate is \$60.16 per groundwater-irrigated acre. The Agricultural User Additional Rate is subject to an annual adjustment as set forth in the Annual Fee Adjustment Section below.

2.2.3 Self-Supplied User Rate – The rate charged to self-supplied users is based on the total Common Costs allocated to this user class and the total number of parcels where self-supplied use was identified. This Self-Supplied User Rate is \$62.58 per parcel.

2.2.4 Public Water System Rate – The rate charged to public water system users is based on the total Common Costs and Applied Groundwater Use Costs allocated to this user class and the groundwater extraction applied by these systems. The Public Water System Rate is \$129.87 per acre-foot of water extracted. The Public Water System Rate is subject to an annual adjustment as set forth in the Annual Fee Adjustment Section below.

2.2.5 Annual Fee Adjustment - To keep pace with inflationary costs of service in carrying out the Napa County GSA's purposes for which the Fees are collected, the Board may adopt an annual fee increase based on annual data updates and the adopted budget. 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 4% 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 4%, whichever is less. The Board may consider applying this increase based on increased cost projections for each upcoming fiscal year.

2.3 The Fee shall be payable to the Napa County GSA as follows:

2.3.1 The Napa County GSA shall determine those real properties that are subject to the Fee and shall submit their Fee to the Auditor-Controller of the County of Napa, who 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.

2.3.2 For Persons who do not typically receive a property tax bill, the Napa County GSA shall mail a bill directly to the property owner at the address shown on the most recent equalized tax roll or other address on file with the Executive Officer.

2.3.3 If any Person fails to pay the Fee as charged, that Person shall pay interest to the Napa County GSA 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.

2.3.4 In addition to the interest and penalty set forth in Section 2.3.3, 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 or otherwise provided by law.

SECTION 3. APPEAL

3.1 Should a Person ("Appellant") wish to contest the Fee billed to their Public Water System or property, the Appellant shall first be required to pay the Fee as charged. Appellant may file an appeal with Napa County GSA, on a form approved by the Executive Officer, setting forth the basis upon which the appeal is made. Any appeal shall be filed no later than 2:00 p.m. on the 30th calendar day from the date the Fee is paid. The appeal shall be considered timely filed if, within the time allowed, the form is either: 1) delivered to the Executive Officer or Clerk of the Board of Directors by electronic mail, or 2) personally delivered to the or Clerk of the Board of Directors at 1195 Third Street, Suite 310, Napa, CA 94559.

3.2 Within sixty (60) calendar days of filing the appeal, the Executive Officer shall meet with the Appellant and serve as the hearing officer to discuss the basis of the appeal. The Executive Officer is authorized to uphold, modify, suspend, or cancel the fees imposed. The determination shall be made no later than fifteen (15) business 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 The Executive Officer's written decision on the appeal shall be final and exhaust the Appellant's administrative remedies.

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 requirements of the California Water Code and the California Constitution.