



# Our Mission Statement

The Montecito Groundwater Basin Groundwater Sustainability Agency’s mission is to ensure a reliable and sustainable groundwater supply for the community through effective basin management pursuant to the Sustainable Groundwater Management Act.

Dear Neighbor,

When it comes to groundwater sustainability, we have a big job to do, and with your help we’ll be successful.

California’s 2014 Sustainable Groundwater Management Act (SGMA) recognized that groundwater provides a significant portion of our state’s water supply, and those resources are most effectively managed at the local level.

Public and private wells draw from the Montecito Groundwater Basin providing water for residential, commercial and agricultural needs. Available data suggests that groundwater levels are low following the most recent and worst drought in our region’s history. As a “medium priority” basin, compliance with SGMA is mandatory.

## ABOUT US

Established in late-2018, the Montecito Groundwater Basin Groundwater Sustainability Agency is charged with ensuring ongoing groundwater supply for those that rely on the basin. It is our job to prevent undesirable results such as:


- Chronic lowering of groundwater levels and supply
- Reduction in groundwater storage
- Seawater intrusion
- Water quality degradation
- Land subsidence
- Depletions of interconnected surface water

We welcome public involvement and have formed advisory committees. The Communications and Engagement Plan available on our web site ([www.montecitogsa.com](http://www.montecitogsa.com)) explains ways to participate and stay informed.

## FUNDING

While Montecito GSA has secured state grants and funding, it’s not enough. We’re proposing a fee to help fund the development of the plan required to ensure the health of the Montecito Groundwater Basin. More information is available in subsequent pages of this notice, and on our website. If you have questions or would like to get involved in the process, please contact our offices through the channels listed below.

 805.324.4207

 [www.montecitogsa.com](http://www.montecitogsa.com)

 [info@montecitogsa.com](mailto:info@montecitogsa.com)



**Public Hearing:**  
June 24, 2020 | 9:30 a.m.  
583 San Ysidro Road  
Montecito, CA 93108  
COVID-19 remote/virtual  
access information inside

*This notice was mailed using a legally mandated property roll list. You may receive more than one notice if you own multiple properties or own property under multiple names. We regret any inconvenience.*



# NOTICE OF PUBLIC HEARING

## On Proposed Groundwater Sustainability Agency (GSA) Parcel Fee

Notice is hereby given that the Board of Directors of the Montecito Groundwater Basin Groundwater Sustainability Agency (“Agency” or “Montecito GSA”) will conduct a public hearing on Wednesday, June 24, 2020 at 9:30 a.m. at 583 San Ysidro Road, Santa Barbara, CA 93108 to consider the adoption of a parcel fee based on acreage. If California Governor Gavin Newsom’s Executive Order N-29-20 has not been rescinded or modified to allow for public gathering or in-person participation (due to COVID-19), remote participation information will be posted at the above location, on the website [www.montecitogsa.com](http://www.montecitogsa.com), and available by calling 805-324-4207. The proposed charges are the result of a detailed financial analysis and a GSA Fee Study Report prepared by Raftelis, an independent financial consulting firm, to determine the charge amounts. The proposed fee affects parcel owners overlying the basin. The impact of the proposed fee on parcel owners will vary based upon the size (total acreage) of the parcel(s).

## WHY AM I RECEIVING THIS NOTICE?

You are receiving this notice because you are the owner of record of one or more parcels overlying the Montecito Groundwater Basin, as determined by California's Department of Water Resources bulletin 118. You are receiving this notification consistent with the California Constitution, Article XIII D, Section 6 (Proposition 218) requirements that all affected parcel owners are mailed notice of proposed rate changes at least forty-five (45) days prior to a public hearing.

## BACKGROUND

In September 2014, Governor Brown signed historic groundwater legislation requiring California's medium and high-priority groundwater basins be sustainably managed by local agencies called Groundwater Sustainability Agencies (GSA). This legislation, known as the Sustainable Groundwater Management Act (SGMA), imposes upon local agencies (like cities, counties, and special districts) the obligation to sustainably manage groundwater resources. Sustainability is achieved through the development and implementation of Groundwater Sustainability Plans (GSP). As a medium-priority basin Montecito GSA is required to prepare and adopt a GSP.

Developing and implementing a GSP is a significant and costly multi-year undertaking. Montecito GSA applied for and received a Proposition 68 Sustainable Groundwater Management (SGM) grant to fund a significant portion of the development of the GSP. The Agency was awarded the full requested grant funding amount of \$1.6 million. The grant requires a 25% cost share from the Agency.

Budget Categories	Requested Grant Amount	Local Cost Share: Non-State Fund Source	Total Cost	% Local Cost Share
GSP Development	\$1,627,205	\$542,402	\$2,169,607	25%

In addition to funding a portion of the GSP, the newly formed Agency will incur costs of permanent staffing, administration of the GSP, Agency operations, and long-term monitoring, assessment, and reporting costs. These activities require a dedicated funding source for the development of a compliant GSP and for the long-term financial independence and financial sustainability of the Agency. Montecito GSA is proposing a property-related acreage fee on all parcel owners overlying the basin. The proposed fee will be considered at a public hearing on **Wednesday, June 24, 2020 at 9:30 a.m.** If approved, the charges will commence July 1, 2020 and be recovered on a parcel's property tax statement from the County of Santa Barbara Treasurer-Tax Collector.

## BASIS OF PROPOSED FEE

Montecito GSA is authorized by state law to collect revenues sufficient to cover the costs of operating the GSA, developing a GSP, and funding the activities necessary to develop and implement the GSP, including a prudent cash reserve. These revenues allow Montecito GSA to develop a GSP satisfying the requirements of SGMA and ensuring sustainability of the Montecito Groundwater Basin. Costs that must be recovered through fee revenue include GSA administration, professional services, and monitoring of the groundwater conditions in the Montecito Groundwater Basin. Additionally, a portion of revenues would be used to fund the costs, net of grants, to prepare and adopt a GSP over the next several years. The fees proposed herein were developed through a comprehensive GSA Fee Study Report that is available for review at MGBGSA's website at: <https://www.montecitogsa.com>. By state law, Montecito GSA may not collect more revenue than is necessary to recover the costs of providing these services.

## PROPOSED PARCEL CHARGE

The proposed fee would levy an annual charge on all affected parcels overlying the Montecito Groundwater Basin. All properties and land uses would pay the same fee per acre, or portion thereof, which overlies the Montecito Groundwater Basin. The charge to each parcel represents the proportional benefit properties receive from the GSA and being covered by the GSP. Proposed fees would be adopted for a period of five years. The table below shows the proposed fee per acre over the five-year study period. Revenue required from parcels represents the average annual costs of the Agency for years 1-3 of the proposed fee and the average annual costs for years 4-5 of the proposed fee. Montecito GSA chargeable acreage represents the net acreage overlying the Montecito Groundwater Basin subject to the GSA fee. Proposed fees are rounded to the nearest whole dollar. If adopted, the Montecito GSA Board of Directors reserves the right to implement fees lower than those noticed, if financially prudent. The Board of Directors does not have the right to increase fees greater than those noticed without re-noticing affected parcels and adopting new fees, subject to a majority protest.

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Revenue Required from Parcels	\$1,085,563	\$1,085,563	\$1,085,563	\$669,140	\$669,140
Total Chargeable Acreage	5,597	5,597	5,597	5,597	5,597
Fee per Acre per year	\$194.00	\$194.00	\$194.00	\$120.00	\$120.00

## DATA AVAILABILITY

The data supporting the fee is publicly available at the Montecito GSA website: <https://www.montecitogsa.com/funding>. For information on your specific parcel's acreage and proposed fee, contact Montecito GSA at 805.324.4207 or [info@montecitogsa.com](mailto:info@montecitogsa.com).

## NOTICE

In addition to this mailed Notice, notice of the public hearing on the proposed fee is also being provided by publication and by posting on the Agency's internet website, <https://www.montecitogsa.com> pursuant to Government Code section 6066 and Water Code section 10730.

## PUBLIC NOTICE AND MAJORITY PROTEST

Montecito GSA has elected to submit the proposed fees to Proposition 218 protest voting procedures. Any property owner of record subject to the proposed charges may submit a written protest against the proposed fees. If a majority of the affected property owners submit protests, Montecito GSA may not adopt the fees as proposed. Absent a majority protest, the fees may be implemented once adopted by the Montecito GSA Board of Directors at the public hearing. A written protest must: 1) identify the property owner and state that the property owner opposes the proposed fees; 2) provide the location of the identified parcel (by assessor's parcel number or street address); and 3) include the name and signature of the property owner submitting the protest. Written protests may be submitted by mail or in person (via door mail slot if COVID-19 restrictions remain in place) to the Montecito GSA office at 583 San Ysidro Road, Montecito, CA 93108. All written protests must be received prior to the conclusion of the public comment portion of the public hearing. Any protest submitted via e-mail, fax, or other electronic means will not be accepted. The Montecito GSA Board of Directors will hear and consider all written and oral protests to the proposed charges at the Public Hearing. Oral comments at the public hearing will not qualify as formal protests unless accompanied by a written protest meeting the above criteria. Upon conclusion of the public hearing, the Board of Directors will consider adoption of the proposed charges. If written protests against the proposed rates and charges as outlined above are not presented by a majority of property owners of the identified parcels upon which the fees are proposed to be imposed, Montecito GSA may proceed to adopt and implement the charges at the public hearing.



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