

**EXHIBIT A**

April 20, 2026

### MEMORANDUM

**To:** Dana Jacobson, Brett Miller and Jeff Cattaneo, San Benito County Water District and Russell Frink, Kronick Moskovitz Tiedemann & Girard

**From:** Chad Taylor, PG, CHG, Principal Hydrogeologist

**Re:** North San Benito Basin Sustainable Groundwater Management Act (SGMA) Implementation Fee Structure Five Year Land Area Assessment

## 1. BACKGROUND

San Benito County Water District (SBCWD) is the Groundwater Sustainability Agency (GSA) for the San Benito County portion of the North San Benito Groundwater Basin (Basin, Figure 1). Together with the Santa Clara Valley Water District (Valley Water), the GSA for the Santa Clara County portion of the Basin, SBCWD completed a GSP for the Basin and submitted it to the California Department of Water Resources (DWR) in 2022. SBCWD has been implementing the initial GSP since adoption in late 2021 and the GSP was approved by DWR in 2024.

As part of development of the initial GSP in 2021, SBCWD developed a mechanism for funding GSP implementation. That funding mechanism was on a land area basis for parcels in San Benito and Santa Clara counties that were identified as receiving specific benefits from Basin groundwater management. Todd Groundwater (Todd) assisted SBCWD in developing a database of parcels in the Basin that benefit from groundwater management using remote sensing techniques to identify parcel location relative to productive portions of the Basin and the service areas of existing water purveyors. The methodologies and outcome of that classification was documented in a memorandum titled *North San Benito Basin Parcel Attribution for Sustainable Groundwater Management Act (SGMA) Implementation Funding, San Benito and Santa Clara Counties, CA*, dated July 9, 2021. In addition to this memorandum, Todd also provided a database of then-current parcels identified by San Benito County Assessor's Parcel Number (APN).

## 2. EXISTING FEE STRUCTURE

The SBCWD Board adopted a resolution on July 14, 2021 (Resolution 2021-13) establishing an annual land area based fee for the parcels identified as receiving specific benefits from groundwater management. The Resolution established the existing fee for fiscal years 2021-22 through 2025-26 to "cover the actual and estimated costs to develop the initial [GSP] and to fund the ongoing annual expenses for the 5-year period after plan adoption." That resolution also established a process through which property owners could appeal the

classification of their parcel(s) and request a reduction in the area of benefit or be exempted from the fee.

As noted above, the 2021 Resolution established the existing fee structure through fiscal year 2025-26. The 2021 Resolution does not allow for a simple extension of the fee as it requires that SBCWD review the fee and methodology to assess if it continues to be appropriate or should be changed. The original assessment of the parcels in the Basin benefiting from groundwater management referenced a satellite-based methodology for estimating water use that was intended to be implemented within five years that could be used to aid SBCWD in developing a use-based fee structure. However, the specialty contractor that was attempting to develop a satellite imagery analysis at the time of the initial fee development was not able to deliver a product acceptable to SBCWD.

Since adoption of the 2021 Resolution, SBCWD staff have maintained the database of parcels receiving specific benefits from groundwater management originally developed by Todd. This has included review and assessment of properties for which owners have requested complete or partial exemption from the fee. To date, a total of 24 parcels have requested complete or partial exemption from the fee, and all of them have been approved by SBCWD management.

### **3. REVIEW OF GROUNDWATER MANAGEMENT AREA OF BENEFIT**

Todd Groundwater was asked to review the basis for identifying parcels receiving specific benefits from groundwater management. This review included assessment of:

1. The area identified in the 2021 analysis
2. The parcels subject to the groundwater management fee in 2025
3. The parcels exempted from the fee to date
4. The specific 2026 APN's within the area receiving specific benefits from groundwater management

Our evaluation first considered the methodology applied in 2021 as documented in the original parcel assessment memorandum. That methodology remains appropriate for establishing the areas receiving specific benefits from groundwater management in the Basin and no modifications to the methodology were identified. The areas identified in the 2021 assessment are shown in Figure 1.

SBCWD provided tabular datasets listing the APNs subject to the groundwater management fee in 2025. These datasets were linked through APN to Geographic Information Systems (GIS) datasets from the San Benito County and Santa Clara County Assessor's Offices to review the spatial distribution of the most recent parcels subject to the fee. APNs were used to map the SBCWD list of parcels to 2026 geographic datasets for this purpose. This comparison showed that the parcels SBCWD has assessed for groundwater management are still within the area receiving specific benefits from sustainable management of the Basin. This assessment included the properties that have been granted complete or partial

exemption from the groundwater management fee. No issues with these exemptions were identified.

The San Benito County Assessor routinely modifies parcel map datasets to reflect changes in property boundaries, property subdivisions, and other changes. As a result, there were parcels in the SBCWD lists that could not be located in the current San Benito County Assessor's map dataset. To address this, the parcels receiving specific benefits from groundwater management that were identified in 2021 were compared to the parcels in the 2026 Assessor's Parcel map datasets to generate an updated diagram of parcels that receiving specific benefits from groundwater management. This area is shown in Figure 2 and the GIS data will be provided to SBCWD staff.

#### **4. CONCLUSIONS AND RECOMMENDATIONS**

The following conclusions and recommendations have been identified based on the assessment summarized above:

##### **Conclusions:**

- The approach to identifying parcels within the North San Benito Basin receiving specific benefits from groundwater management remains appropriate
- SBCWD's management of the list of parcels receiving specific benefits from groundwater management, including parcels that are exempt from the fee, has been consistent with the methodology established in 2021
- There have been changes in parcel boundaries and numbering that may affect the identification of the parcels

##### **Recommendations:**

- The general area of the Basin receiving specific benefits from groundwater management should be reevaluated periodically to account for changes in parcel boundary mapping and APN assignment by the San Benito and Santa Clara county assessor's
- Annual assessment of the parcels within the area receiving specific benefits from groundwater management will assist SBCWD in maintaining an accurate list of those parcels subject to the SGMA implementation fee



