

# FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



## BOARD OF DIRECTORS

**Eugene F. West**, *Chair, Director, Camrosa Water District*  
**Kelly Long**, *Vice Chair, Supervisor, County of Ventura*  
**Michael Craviotto**, *Farmer, Agricultural Representative*  
**Lynn Maulhardt**, *Director, United Water Conservation District*  
**Tony Trembley**, *Councilmember, City of Camarillo*

## INTERIM EXECUTIVE OFFICER

**Jeff Palmer**

July 23, 2025

Board of Directors  
Fox Canyon Groundwater Management Agency  
800 South Victoria Avenue  
Ventura, CA 93009-1600

**SUBJECT: Adopt the Fiscal Year 2025-26 Las Posas Valley Watermaster Budget; Adopt Resolution No. 2025-05 Approving a \$60 Basin Assessment for Water Year 2025 [LPV Watermaster] – (New Item)**

**RECOMMENDATIONS:** (1) Receive a presentation on the proposed Watermaster Budget and Basin Assessment for Fiscal Year (FY) 2025-26; (2) Adopt the proposed Watermaster Budget for FY 2025-26; and (3) Adopt proposed Resolution No. 2025-05 approving a Basin Assessment of \$60 per acre-foot of Annual Allocation for Water Right Holders in the Las Posas Valley for Water Year (WY) 2025 to be invoiced quarterly.

## BACKGROUND:

Agency staff developed the current proposed draft FY 2025-26 Watermaster Budget (Exhibit 14A) through a series of Agency Fiscal Committee budget development sessions, February 27, March 18, April 15 and July 15, 2025. Each budget study session afforded stakeholders an opportunity to provide feedback and input into the next iteration of the proposed draft budget.

The Las Posas Valley Watermaster Policy Advisory Committee (PAC) considered the draft budget at March 6, and July 17, 2025, PAC meetings, and the PAC provided Recommendation Reports, dated March 13, and July 17, 2025, Exhibits 14B and 14C, respectively. The Judgment requires the Watermaster Budget be adopted at the same meeting the Agency adopts its annual budget (Judgment Exhibit A § 2.7.6). The Agency's budget is an earlier Item on this Agenda.

## DISCUSSION:

### WATERMASTER BUDGET

The draft Watermaster Budget for FY 2025-26, WY 2025, has been divided into seven principal tasks consistent with the requirements in the Judgment, and an eighth task to provide IT services and support during implementation of the Judgment:

1. Watermaster Administration
2. Allocations & Record Keeping
3. Basin Management
4. Committee Coordination and Consultations
5. Budget and Assessments
6. IT Services and Support
7. Calleguas Aquifer Storage & Recovery Project
8. Legal Services

The budget expenses are further divided into Ventura County Public Works Agency (PWA) Labor Costs versus contract costs. PWA labor costs are accompanied by the Labor Cost Support which breaks the principal tasks into subtasks listing the reference to the applicable Judgment section(s), the prior fiscal year's labor hours and cost as well as the next fiscal year's estimates of labor hours and costs (Labor Cost Support, Exhibit 14D).

The total Watermaster Budget for FY 2025-26 is estimated at \$2,468,375 consisting of \$378,862 in estimated labor costs, \$1,865,295 in contract or estimated contract costs, and a 10% contribution of total expenses to the operating reserves, \$224,398 (Exhibit 14A). Total revenues are estimated at \$2,530,401. Net operating results are therefore expected to be positive, \$62,026. However, the statement of financial position shows a healthy beginning year balance for FY 2025-26, thus staff prepared a budget assuming omission of the 4<sup>th</sup> installment of the WY 2024 Basin Assessment which results in a negative operating balance, \$564,325 (Statement of Financial Position, Exhibit 14E). The negative operating balance can be offset by the balance in the Watermaster account without affecting operations and cashflow such that the anticipated end year balance for FY 2025-26 will be \$448,236 with an additional \$409,080 in the operating reserves (Exhibit 14A). The fourth installment of the Basin Assessment for WY 2025 would be invoiced in the first quarter of FY 2026-27, pending your Board's direction after a review of the Watermaster finances, mid-year.

### **BASIN ASSESSMENT**

The Judgment requires that the Watermaster "shall assess all Water Right Holders a uniform Basin Assessment per acre-foot of Annual Allocation held by the Water Right Holder" (Judgment § 7.2). The Basin Assessment is calculated as the total budget divided by the Operating Yield. The Proposed Draft LPV Watermaster Budget for Fiscal Year 2025-26 of \$2,468,375, and your Board's direction to extend the initial Operating Yield of the LPV Basin at 40,000 acre-feet (AF) per year through WY 2025 at the January 22, 2025, FCGMA Board of Directors meeting, acting as the Watermaster, results in a \$61.71 Basin Assessment per acre-foot of Annual Allocation.

### **ADMINISTRATION OF WATERMASTER BUDGET**

Funds from the LPV Basin Assessments are held in a separate LPV Watermaster Fund, separate from the accounts in the FCGMA Fund, and are administered in accordance

with the Judgment (Judgment § 7.6). As with work conducted for FCGMA, County staff only charge for time spent on specific tasks with separate billing codes for LPV Watermaster tasks. Consultant and contractor invoices are coded and logged similarly. Any Basin Assessment funds that may remain at the end of the current Fiscal Year will be held in the LPV Watermaster Fund and will be available for the following Fiscal Year.

Watermaster finances are subject to an annual audit by a certified public auditing firm with a full certified audit every three years (Judgment § 7.7).

### **COMMITTEE RECOMMENDATIONS**

The proposed draft LPV Watermaster Budget for FY 2025-26 was developed substantially from the FY 2024-25 Watermaster Budget adopted September 25, 2024, and incorporates recommendations from both the Fiscal Committee and Policy Advisory Committee. Fiscal Committee recommendations are provided in detail below and the PAC's recommendations are contained in the attached recommendation reports (Exhibits 14B, and 14C).

Notably, the Fiscal Committee recommends:

1. Staff refine estimates included in the budget for the Calleguas ASR Study at midyear after the ASR Study Group has convened and has a better idea of its expenses and timeline.
2. Watermaster approve and authorize expenses of the ASR Study Group Landowner Representative. The PAC recommendation dated July 17, 2025 (Exhibit 14B), recommends the landowner Calleguas ASR Study Group representative be funded through the Basin Assessments at a cost not to exceed \$25,000, listed as a separate line in the budget. Watermaster staff have provisionally included this recommendation in the draft FY 2025-26 Budget, subject to your Board's approval and a Watermaster Response report as provided by the Judgment (Judgment § 6.3). This item will be brought before your Board at a future meeting.
3. Watermaster lower the WY 2025 (October 1, 2025 – September 30, 2026) Basin Assessment (BA) rate to \$60/AF. Staff recommends your Board consider approving and adopting this Basin Assessment rate during adoption of the FY 2025-26 Budget, via proposed Resolution 2025-05 (Exhibit 14F).
4. Watermaster should not levy the 4<sup>th</sup> quarter WY2024 BA. This recommendation is reflected in draft budget.
5. Fiscal Committee mid-year budget review meeting in late January or early February 2026, in order to perform a year over year comparison of actual expenses, so that they may consider recommending your Board permanently cancel the 4<sup>th</sup> quarter BA installment invoice in future years.

### **SUMMARY**

This proposed Watermaster Budget is an estimate of the labor hours and contract costs it will take to implement the Judgment in FY 2025-26. In the implementation of the Judgment, it is possible some tasks may take significantly more or less time than estimated. It is thus anticipated that Watermaster may consider reviewing the budget

against expenses midway through the fiscal year to adjust funding. Any mid-year adjustment of the Watermaster Budget may require an adjustment of the Basin Assessment as appropriate. Proposed Resolution No. 2025-05 (Exhibit 14F) sets the FY 2025-26, WY 2025, Basin Assessment at \$60.00 an acre foot of Annual Allocation following the Fiscal Committee's recommendation. The Agency will begin invoicing quarterly assessments of \$15.00 on October 1, 2025.

The Fiscal Committee's four LPV Watermaster Budget Development meetings provided opportunities for the public and the Committee to evaluate the proposed draft LPV Watermaster Budget for Fiscal Year 2025-26. The attached draft budget has been recommended by the Fiscal Committee and reviewed by the LPV Watermaster PAC.

### **CONCLUSION**

Agency staff recommends that your Board (1) receive and file this presentation; (2) adopt the proposed Watermaster Budget for Fiscal Year 2025-26, WY 2025; and (3) adopt proposed Resolution No. 2025-05 approving a Basin Assessment of \$60 per acre-foot of Annual Allocation for Water Right Holders in the Las Posas Valley for Water Year 2025 to be invoiced quarterly.

If you have any questions, please call me at (805) 654-2954.

Sincerely,



Kudzai Farai Kaseke (Ph.D., PH, PMP, CSM)  
Assistant Groundwater Manager

### **Attachments:**

- Exhibit 14A – FY 2025-26 Draft Watermaster Budget
- Exhibit 14B – PAC recommendation Report March 13, 2025
- Exhibit 14C – PAC recommendation Report July 17, 2025
- Exhibit 14D – Labor Cost Support
- Exhibit 14E – Statement of Financial Position
- Exhibit 14F – Proposed Resolution 2025-05

Item 14A - Draft FY 2025-26 Watermaster Budget  
July 23, 2025 FCGMA Board Meeting

Las Posas Valley Watermaster  
Draft Budget FY 2025-26

Description	Actuals FY 2023-24	Adopted Budget FY 2024-25	Actuals YTD FY 2024-25 (through Jun. 30, 2025)	Budget FY 2025-26	Budget FY 2025-26 (without 4th Assessment WY 2024-4) <sup>1</sup>	Increase/ Decrease over PY Budget	% Change over PY
REVENUES							
Operating:							
Basin Assessment Fee	\$ 1,259,607	\$ 2,583,200	\$ 1,864,759	\$ 2,468,375	\$ 1,851,281	\$ (114,825)	-4%
Basin Assesment Interest	\$ 20,026	\$ -	\$ 24,469	\$ 37,026	\$ 27,769	\$ 37,026	
Non-Operating:							
Investment Income (from County Pooled Investment fund)	\$ 9,846	\$ -	\$ 27,335	\$ 25,000	\$ 25,000	\$ 25,000	
Total REVENUES	\$ 1,289,479	\$ 2,583,200	\$ 1,916,563	\$ 2,530,401	\$ 1,904,051	\$ (52,799)	-4%
EXPENSES							
PWA Labor Cost							
Watermaster Administration	66,034.35	\$ 106,848	\$ 80,624	\$ 89,653	\$ 89,653	\$ (17,195.27)	-16%
Allocations & Record Keeping	3,071.70	\$ 217,088	\$ 71,196	\$ 121,144	\$ 121,144	\$ (95,944.41)	-44%
Basin Management	3,936.87	\$ 156,880	\$ 52,349	\$ 26,257	\$ 26,257	\$ (130,623.50)	-83%
Committee Coordination and Consultations	3,622.07	\$ 71,232	\$ 37,102	\$ 40,813	\$ 40,813	\$ (30,418.65)	-43%
Budget and Assessments	4,768.26	\$ 136,528	\$ 48,465	\$ 58,429	\$ 58,429	\$ (78,099.23)	-57%
IT Services and Support	3,338.46	\$ 40,704	\$ 20,434	\$ 23,794	\$ 23,794	\$ (16,910.23)	-42%
Calleguas Aquifer Storage & Recovery Project		\$ 81,408	\$ 717	\$ 10,087	\$ 10,087	\$ (71,321.13)	-88%
Staff time (ongoing or anticipated litigation)		\$ -	\$ 6,813	\$ 8,507	\$ 8,507	\$ 8,506.63	
Total PWA Labor Cost <sup>2</sup> :	\$ 84,772	\$ 810,688	\$ 317,700	\$ 378,682	\$ 378,682	\$ (432,005.78)	-53%
Contract Costs							
Allocations & Record Keeping							
Extraction Monitoring and Reporting <sup>3</sup> (Ex A <sup>4</sup> , Article V)	\$ 17,244	\$ 20,000	\$ 44,442	\$ 53,000	\$ 53,000	\$ 33,000	165%
Subtotal - Allocations & Record Keeping	\$ 17,244	\$ 20,000	\$ 44,442	\$ 53,000	\$ 53,000	\$ 33,000	165%
Basin Management							
Initial Basin Optimization Plan <sup>5</sup> (5.3)	-	\$ 78,000	\$ 78,840	\$ -	-	\$ (78,000)	-100%
2025 Basin Optimization Yield Study <sup>6</sup> (4.10)	-	\$ 122,000	\$ 31,698	271,302	\$ 271,302	\$ 149,302	122%
GSP Update (Periodic Evaluation) <sup>7</sup>		\$ 43,440	\$ 6,579	-	\$ -	\$ (43,440)	-100%
Annual Report <sup>8</sup>		\$ 48,860	-	-	\$ -	\$ (48,860)	-100%
Watermaster Technical Support <sup>9</sup>				\$ 50,000	\$ 50,000	\$ 50,000	
Subtotal - Basin Management	\$ -	\$ 292,300	\$ 117,117	\$ 321,302	\$ 321,302	\$ 29,002	10%
Committee Coordination and Consultations							
PAC Administrator <sup>10</sup>	-	\$ 170,000	\$ 22,349	\$ 175,100	\$ 175,100	\$ 5,100	3%
Technical Advisory Committee <sup>11</sup> (6.11, Ex A Article IV)	-	\$ 97,440	\$ 66,694	\$ 100,363	\$ 100,363	\$ 2,923	3%
TAC Member Cost <sup>12</sup>	-	\$ 259,200	\$ 148,399	\$ 276,480	\$ 276,480	\$ 17,280	7%
Insurance <sup>13</sup>		\$ 5,000	\$ -	\$ -	\$ -	\$ (5,000)	-100%
Subtotal - Committee Coordination and Consultations	\$ -	\$ 531,640	\$ 237,441	\$ 551,943	\$ 551,943	\$ 20,303	4%
Budget and Assessments							
Basin Assessments (7.1-7.3,7.6, Ex A 2.8)	-	\$ 25,000	\$ -	\$ -	\$ -	\$ (25,000)	-100%
Processing Fees (7.4)	-	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	
Audits (7.7)	-	\$ 20,000	\$ 17,650	\$ 14,150	\$ 14,150	\$ (5,850)	-29%
CSD Fiscal Services Staff <sup>14</sup>	-	\$ -	\$ 33,900	\$ 24,900	\$ 24,900	\$ 24,900	
Subtotal - Budget and Assessments	\$ -	\$ 45,000	\$ 51,550	\$ 64,050	\$ 64,050	\$ 19,050	42%
IT Services and Support							
Data Management and Support <sup>15</sup>	-	\$ 200,000	\$ 90,200	\$ 200,000	\$ 200,000	\$ -	0%
Subtotal - IT Services and Support	\$ -	\$ 200,000	\$ 90,200	\$ 200,000	\$ 200,000	\$ -	0%
Calleguas Aquifer Storage & Recovery Project							
Calleguas ASR Project Operations Study <sup>16</sup> (8.4)	-	-	-	\$ 100,000	\$ 100,000	\$ 100,000	
ASR Study Group Landowner Respresentative <sup>17</sup>	-	-	-	\$ 25,000	\$ 25,000	\$ 25,000	
Subtotal - Calleguas Aquifer Storage & Recovery Project	\$ -	\$ -	\$ -	\$ 125,000	\$ 125,000	\$ 125,000	
Legal Services*							
Agency Counsel (Ventura County Counsel's Office)**	\$ 59,959	\$ 248,640	\$ 185,434	\$ 175,000	\$ 175,000	\$ (73,640)	-30%
LPV WM Special Counsel (Stoel Rives)***	-	-	\$ 602,941	\$ 375,000	\$ 375,000	\$ 375,000	
LPV Water Rules Appeal <sup>18</sup> (9.2)	-	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ (200,000)	-100%
Subtotal - Legal Services *	\$ 59,959	\$ 448,640	\$ 988,375	\$ 550,000	\$ 550,000	\$ 101,360	23%
Total Contract Costs:	\$ 77,203	\$ 1,537,580	\$ 1,529,125	\$ 1,865,295	\$ 1,865,295	\$ 327,715	21%
Contribution to Reserves:	\$ -	\$ 234,827	\$ 184,682	\$ 224,398	\$ 224,398	\$ (10,429)	-4%
TOTAL EXPENSES:	\$ 161,974	\$ 2,583,095	\$ 2,031,507	\$ 2,468,375	\$ 2,468,375	\$ (114,720)	-4%
Net Operating Results	\$ 1,127,505	\$ 105	\$ (114,944)	\$ 62,026	\$ (564,325)		

Footnotes

- 1

LPV-2024-4 Basin Assessment (4<sup>th</sup> Quarter, July - September 2025) falls into FY 2025-26.
- 2

Labor cost estimate based on Ventura County Public Works Agency providing LPV Watermaster staff at actual rates for FY 2024-25. For FY 2025-26, Labor cost estimates are based on Ventura County Public Works Agency providing LPV Watermaster staff at actual rates, assuming a 10% increase from FY 2024-25 actual rates.
- 3

Contract costs for Regional Government Services assisting Extraction Monitoring and Reporting (approved 09/25/2024). The FY 2025-26 projection of \$53K is based on past actual contract spend plus estimates for the first and second Extraction and Use reporting periods.
- 4

Reference to LPV Adjudication Judgment section; "Ex A" is Exhibit A of the Judgment.
- 5

Contract costs for Dudek for assissting with preparation of BOP \$76,025 (approved 01/12/2024); projection based on actual contract spend.
- 6

Contract costs for Dudek for assissting with BOYS \$303,000 (modification approved 06/01/2025); projection based on actual contract spend.
- 7

Contract estimates for Dudek assisting with GSP Periodic Evaluation (Task 10.2.1, Committeee Evaluation Review and Response).
- 8

Annual Report costs are covered by FCGMA per the Fiscal Committee's recommendation.
- 9

Consultant to provide technical support to Watermaster as needed on Basin Management, proposed for FY 2025-26.
- 10

PAC Adminstrator contract \$170,000 (approved 09/25/2024).
- 11

Contract cost estimate for Dudek for assissting as Watermaster TAC member \$97,440 (approved 05/22/2024). Assumes two meetings per month.
- 12

Contract cost estimate for three TAC members including Administrator, and preparation of Recommendation Reports. Assumes two meetings per month.
- 13

PAC request for PAC and TAC members insurance; covered under FCGMA Budget.
- 14

CSD Fiscal services is an annual allocation. Costs are allocated quarterly between FCGMA and Watermaster; as of FY 2025-26, no longer an equivalent allocation but a split estimate based on past paid services.
- 15

IT Services and Support costs are split evenly between FCGMA and Watermaster. Increasing Watermaster FTEs to 0.825 from 0.5 proposed for FY 2025-26 (totals 1.7 FTEs for both).
- 16

Estimate provided by Calleguas Municipal Water District for \$100,000 for Watermaster's responsibility of 20% of ASR Study expenses with regard to total study cost.
- 17

Estimated expenses for ASR Study Group Landowner Representative; proposed for FY 2025-26 as recommended by PAC 07/17/2025).
- \*

Agency Counsel and Special Counsel FY 25-26 budget estimates are best estimates based on LPV WM legal work/services to date, current status of LPV ADJ, and experience in other similar matters. Estimates do include costs for work/services related to uncertainties/variables such as whether LPV ADJ overturned, and remand for further trial court proceedings.
- \*\*

Agency Counsel services include advising on LPV ADJ implementation, administration, compliance, and enforcement; LPV WM Board, PAC, TAC meetings, staff reports, presentations; coordination with LPV WM Special Counsel.
- \*\*\*

Special Counsel services include interpretation of LPV Judgment, Watermaster administration and Judgment implementation; initiation of compliance, enforcement actions; coordination with Agency Counsel.
- 18

Share of legal expenses for LPV Watermaster Rules Appeal (approved 9/13/2024).

Item 14B – PAC Recommendation Report March 13, 2025  
July 23, 2025 FCGMA Board Meeting

Gene West, Chair  
Las Posas Valley Watermaster  
800 S. Victoria Ave.  
Ventura, CA 93009

March 13, 2025

Re: PAC Review of 2/21/2025 Draft LPV FY 2025-2026 Watermaster Budget

Chair West:

At its March 6, 2025, meeting, the Las Posas Basin Policy Advisory Committee (PAC) reviewed the Draft Las Posas Valley Watermaster Budget for Fiscal Year 2025-2026 (FY25-26). PAC Vice Chairman Rob Grether provided an update on the February 18 Fox Canyon Groundwater Management Agency (FCMGA) Fiscal Committee meeting. The PAC appreciates the Fiscal Committee's diligence and thorough evaluation of the budget.

The PAC has identified several budget items that warrant revision, many of which align with the Fiscal Committee's recommendations.

1. The PAC recommends that the FY25-26 Watermaster Budget expenses be clearly described and segregated from any expenses incurred by FCGMA in its duties managing Ventura County water basins, including the Las Posas Valley Water Basin. The objective is that there is no duplication of expenses for the same task allocated to both Watermaster and FCGMA. In order to confirm appropriate segregation of expenses, the PAC requests review of the FY25-26 FCGMA Budget concurrently with review of the FY25-26 Watermaster Budget.
2. Year-to-date (YTD) actuals in the budget are through January 31, 2025, seven months into the fiscal year. PAC appreciates having YTD actuals but believes the budget would be much more informative if year-to-go (YTG) projections were included, as well, so that we can better estimate the total FY24-25 expenses and project ending reserves. Without refined YTG projections, the safest assumption is that YTG expenses will be approximately five-sevenths YTD expenses and carryover reserves will be approximately \$1.6 million.

	<b>FY 2024-25</b>
FY 2024-25 Beginning Year Account Balance	\$1,127,505
Basin Assessment Fee YTD (75% of 2 assessments @ \$16.145 x 40,000)	972,177
<b>Basin Assessment Fee YTG (2 assessments @ \$16.145 x 40,000)</b>	<b>1,291,600</b>
Basin Assessment Interest	16,283
Investment Income	6,167
Total Revenues	2,286,227
Total Expenditures YTD (7 of 12 months)	(931,991)
<b>Total Expenditures YTD (5 of 12 months)</b>	<b>(665,708)</b>
Operating Reserve	(214,827)
Total FY 2024-25 Expenditures	(1,812,526)
Projected Year End Watermaster Budget	\$1,601,206

3. This projected year-end surplus suggests the 3<sup>rd</sup> and 4<sup>th</sup> installments of the FY24-25 Watermaster Assessment will not be required for the Watermaster to maintain a positive cash balance, and therefore the assessments should not be levied. Or, per the PAC's February 7, 2025 letter, the assessments could be reserved for future replenishment actions.
4. Budget line items 16, 18, 19 and 20 should all be removed from the Watermaster Budget as they are all for work performed by Watermaster in response to a Water Rights Holder making a request or seeking approval. According to the Judgment, these costs should be borne by the Water Rights Holder:

*7.4 Processing Fees. Watermaster shall develop, impose, and publish a schedule of fees sufficient to offset the expenses borne by Watermaster in processing requests for approvals as specified in this Judgment.*

New Uses / Subscription Projects is described in section 4.6; Change of Point of Extraction is in section 4.13; New or Replacement Well is in section 4.14; and Transfers is in section 4.12, with fees specifically addressed in section 4.12.7:

*Transfer Costs. All costs of Transfers will be borne by the Parties to the Transfer. Watermaster shall develop a reasonable schedule of fees for processing Transfers.*

5. PAC appreciates the efforts by FCGMA staff to estimate expenses for FY25-26 by line item. However, PAC recommends that the combined budget for FY25-26 for Watermaster Administration and Allocations & Record Keeping be contemplated against the baseline of combined relevant expenses in FY24-25. YTD expenditures in these categories combined was only \$94,129. Assuming YTG expenses keep pace, total FY24-25 expenses will be ~\$161,000. The budget for FY25-26 is more than twice as high for the same responsibilities. In the table below, the section budgets are combined and then User Fee-Based Items and Enforcement (because it is new) are removed. PAC recommends the budgets for these sections be no more than \$200,000, which is still 23% higher than FY24-25.

	YTD through Jan 31, 2025	YTG Projections (5/7ths of YTD)	Total FY 2024-25	FY 2025-26 Budget
Watermaster Administration	77,421	55,301	132,722	249,057
Allocations & Record Keeping	16,708	11,934	28,642	206,355
				455,412
16 New Uses / Subscription				9,518
18 Transfers				22,962
19 Change of Point of Extraction				17,551
20 New or Replacement Well				17,551
User Fees-Based to be Removed				67,582
				387,830
Enforcement - new				56,947
Combined without User Fee Items and Enforcement	94,129	67,235	161,364	330,883



6. Budget item 23, Enforcement, should include appropriate funding for legal services to assist Watermaster in enforcing the Judgment, captured either here or in the Legal Services section below.
7. Item 25, GSP Update, should be removed from the Watermaster Budget as preparing the GSP Update is the responsibility of the FCGMA:

*Judgment Section 1.55 GSP Updates – The regular and periodic evaluations and updates to the GSP to be undertaken by the FCGMA pursuant to SGMA. (Wat. Code, § 10728.2.)*

8. Item 34, Insurance, should be removed as it was determined that the PAC and TAC are already covered by the existing policy:

2. Each of the following is also an insured:

a. **Elected Or Appointed Officials.** Your elected or appointed officials, including elected or appointed officials of your operating authorities, boards, commissions, districts, or other governmental units but only for acts within the course and scope of their duties for the insured public entity or its operating authorities, boards, commissions, districts or other governmental units.

**Your Public Officials and Management Liability coverage began upon appointment and covers acts within the course and scope of your duties for LPV Watermaster or its operating authorities.**

Attached is the 2024-2025 FCGMA Package Policy for the Committees to review.

Regards,

**LPV Watermaster**

9. Item 37, Basin Assessments, should be more clearly defined. The budget in FY25-26 appears to be \$65,704 (\$40,704 + \$25,000), but to date none of the budget for contract work has been spent and it is unclear how much of the \$6,238 spent YTD in the Budget & Assessments category was spent on Basin Assessments.
10. Item 38, Processing Fees. PAC has the same request for further definition and basis for the \$43,742 budget.
11. Item 44, Calleguas ASR Project Operations Study, should be removed from the budget as its development is a shared financial responsibility of Calleguas and the FCGMA:

*Section 8.4.7. Calleguas ASR Study Group Budget and Cost Sharing. The budget for the Calleguas ASR Study Group work to be performed pursuant to the Judgment shall be determined by unanimous agreement of all the members of the Calleguas ASR Study Group. The costs of the Calleguas ASR Study Group work, which must be unanimously authorized by the Calleguas ASR Study Group, shall be shared as follows: the FCGMA will pay 20% and Calleguas will pay 80%. Parties shall bear their own costs for attendance at meetings and analysis of completed work.*

12. Additionally, the Watermaster budget should not cover any expenses for FCGMA staff or consultants participating in the ASR Study Group, as this is the responsibility of the FCGMA, not the Watermaster:

*8.4.1. Participants. The Calleguas ASR Study Group shall consist of representatives, who shall be either licensed engineers with relevant Groundwater experience or certified hydrologists or similarly qualified, of the FCGMA, Calleguas, and the Landowners. It is anticipated the representatives will include equal representation of the overlying landowners and Calleguas, and a Watermaster representative.*

13. However, there should be a budget line created for the Landowners' representative on the Calleguas ASR Study Group as approved by the PAC. PAC will return to the Watermaster in the coming weeks with an estimated expense for this based on feedback from Calleguas regarding the anticipated time commitment.
14. Item 49, Judicial Review (outside counsel) should be broken into three explicitly defined line items:
  - a. Administrative – a modest amount to cover the expense of attending status conferences with the Court, etc.
  - b. Enforcement – noted above in item 6.
  - c. Defense of a Decision Appeal – a budget for Watermaster to defend an appeal by a Water Rights Holder against the Watermaster based on an action taken by Watermaster under the Judgment. PAC recommends Watermaster work with counsel to estimate the cost of defending one appeal per year, noting that we have not had an appeal to date.
15. Item 49, Judicial Review (outside counsel) should not include any additional, undefined budget for any activities that do not fall within the three categories listed in item 14. The PAC maintains its position that legal fees associated with the FCGMA's appeal of the Judgment should be borne by FCGMA as a party to the adjudication, recovered through FCGMA extraction fees, and not solely by the LPV landowners, recovered through the basin assessment.

The FCGMA agreed to serve as Watermaster for the Las Posas Basin and to perform the duties assigned to it under the Phase 3 Settlement and Judgment, consistent with the Judgment's terms and the Watermaster Rules and Regulations. This includes establishment of the Physical Solution, establishment of the PAC and TAC, and the Basin Optimization Plan.

The Judgment allows for certain legal fees to be borne by the Watermaster, but these are for implementation of the Judgment, not for contesting the Judgment. Contesting the Judgment via an appeal strikes the PAC as the FCGMA's "own costs" as described in Section 12.4 of the Judgment:

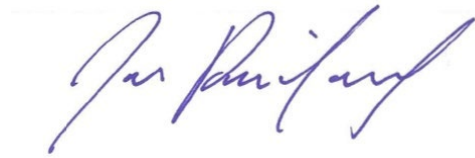
*12.4 Costs Except subject to any existing Court orders and stipulations or separate agreement of one or more Parties, each Party shall bear its own costs and attorneys' fees arising from the Comprehensive Adjudication.*
16. PAC anticipates that the final FY 2025-26 Watermaster Budget can be trimmed down by at least \$1,000,000 and the Basin Assessment can be reduced to \$50 per AF:

**Item 14B – PAC Recommendation Report March 13, 2025**  
**July 23, 2025 FCGMA Board Meeting**

	<b>Labor Cost</b>	<b>Contract Cost</b>	<b>Combined</b>
Watermaster Administration, Allocations & Record Keeping			
Combined Labor Cost Estimate - all activities	200,000		
Extraction and Use Monitoring and Reporting - contract		61,800	
Enforcement	56,947		
Subtotal - Admin and Allocation & Record Keeping	256,947	61,800	318,747
Basin Management			
2025 Basin Optimization Yield Study	34,346	125,000	
Annual Report	42,530	60,326	
Initial Basin Optimization Plan	35,649	58,000	
Subtotal - Basin Management	112,525	243,326	355,851
Committee Coordination - all items excl. insurance	62,919	542,233	605,152
Budgets and Assessments			
Watermaster Budget	27,805		
Basin Assessments	10,000		
Processing Fees	10,000		
Audits	6,063	15,000	
CSD Fiscal Services Staff		37,290	
Subtotal - Budget and Assessments	53,868	52,290	106,158
IT Services and Support	49,079	200,000	249,079
Calleguas ASR Study Group - Landowner Representative		25,000	25,000
Legal Services			
Advisory		125,000	
Staff Time - assuming this explicitly supports the 3 categories below	79,045		
Admin		25,000	
Enforcement		50,000	
Defense of Rights Holder Appeal		50,000	
	79,045	125,000	204,045
<b>TOTAL FY 2025-26 Budget</b>	<b>614,383</b>	<b>1,224,649</b>	<b>1,839,032</b>
Projected FY 2024-25 Expenditures			1,812,526
YOY Change			1.5%
Operating Reserves at 10%			181,253
<b>Grand Total:</b>			<b>1,993,778</b>
Total Annual Allocation (AF):			40,000
Basin Assessment per AF (rounded up to nearest dollar):			\$50.00
Quarterly Assessment			\$12.50

The PAC is grateful that the Watermaster has started the process of developing and refining the FY 2025-26 Watermaster Budget well in advance of the next fiscal year and believe that together we can shape it into a budget that is detailed and reasonable. Thank you for your consideration of PAC's recommendations.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ian Prichard", is positioned above the typed name.

Ian Prichard, Chair, Las Posas Valley Basin PAC

**Item 14C – PAC Recommendation Report July 17, 2025  
July 23, 2025 FCGMA Board Meeting**

**TO: Las Posas Valley Watermaster**

**FROM: Las Posas Valley Watermaster Policy Advisory Committee**

**RE: Recommendation Report – Calleguas ASR Study Group Landowner Representative Funding**

**DATE: July 17, 2025**

---

The Las Posas Valley Watermaster Policy Advisory Committee (PAC) provides this Recommendation Report on Committee Attendance.

Recommendation:

Fund the Landowners' representative on the Calleguas ASR Study Group, Bob Abrams, through the Basin Assessment.

Policy Rationale for Recommendation:

The Basin Assessment provides the simplest way to collect funds from Landowners in the Las Posas Valley. Given the breakdown of ASR Study Group participants described by Section 8.4.1 of the Judgment (Landowners, FCGMA, and Calleguas), the Landowner participant would represent all constituent groups paying a Basin Assessment (neither the FCGMA nor Calleguas pay a Basin Assessment). As such, the Basin Assessment is the logical mechanism by which to collect funds and the PAC, representing as it does all constituent groups covered under the Landowner participant as defined in Section 8.4.1 of the Judgment, is the logical body to recommend this mechanism.

The PAC anticipates the cost of the Landowner representative's participation shouldn't exceed \$25,000 and requests that this cost be included as a separate line item in the Watermaster budget and monthly reports.

Summary of Facts in Support of Recommendation:

See Sections 8.4, 8.4.1, and 8.4.7 of the Judgment.

Tally of Committee Member Votes: [see next page]

**Item 14C – PAC Recommendation Report July 17, 2025  
July 23, 2025 FCGMA Board Meeting**

	YES	NO	ABSTAIN	ABSENT
Ian Prichard, Calleguas MWD	X			
Jeff Palmer, VC WWD No. 1 & 19				X
John Menne, Zone MWC	X			
Rob Grether, West LPV Large Ag	X			
David Schwabauer, East LPV Large Ag	X			
Josh Waters, East LPV Small Ag				X
Richard Cavaletto, West LPV Small Ag	X			
Laurel Servin, East LPV MWC	X			
Steven Murata, West LPV MWC				X
Arturo Aseo, Commercial	X			

Report of Bases for Majority and Minority Committee Member Positions:

The Majority concurred that funding the Landowner representative on the Calleguas ASR Study Group through the Basin Assessment is logical and simple.

**Item 14D – Labor Cost Support**  
**July 23, 2025 FCGMA Board Meeting**

Labor Cost Support, as of June 2025

OPERATING EXPENSES <sup>1</sup>									
	Budget FY 2024-25 Labor Hours	Budget FY 2024-25 Labor Cost	Actuals YTD FY 2024-25 Labor Hours	Actuals YTD FY 2024-25 Labor Cost	Projections FY 2024-25 Labor Cost	Budget FY 2025-26 Labor Hours Estimate	Budget FY 2025-26 Labor Cost Estimate	Increase / Decrease Over Previous Year Labor Cost	% Change Over PY Labor Cost
<b>PWA LABOR COST</b>									
<b>Watermaster Administration</b>									
Watermaster Meetings and Notice (Ex A 2.5)	384	\$ 81,408	190	\$ 36,971	\$ 55,456	205	\$ 44,396	\$ (37,012)	-45%
Review of Records (Ex A 2.4 )	96	\$ 20,352	98	\$ 13,936	\$ 20,904	95	\$ 14,368	\$ (5,984)	-29%
Website (Ex A 2.4.1)	24	\$ 5,088	84	\$ 11,454	\$ 17,181	90	\$ 13,811	\$ 8,723	171%
Administration (customer inquiries and data requests, emails, staff meetings)	-		110	\$ 18,263	\$ 27,395	108	\$ 17,079	\$ 17,079	
				\$ -	\$ -				
<b>Subtotal - Watermaster Administration</b>	<b>504</b>	<b>\$ 106,848</b>	<b>482</b>	<b>\$127,392 (\$80,624)</b>	<b>\$ 120,936</b>	<b>498</b>	<b>\$ 89,653</b>	<b>\$ (17,195)</b>	<b>-16%</b>
<b>Allocations &amp; Record Keeping</b>									
Annual Allocations & Allocation Schedule (4.2, 4.3)	40	\$ 8,480	64	\$ 11,499	\$ 17,248	40	\$ 6,372	\$ (2,108)	-25%
New Uses / Subscription Projects (4.6)	40	\$ 8,480	-	\$ -	\$ -	-	\$ -	\$ (8,480)	-100%
Transfers (4.12) and change in WMID ownership	96	\$ 20,352	60	\$ 11,392	\$ 17,088	110	\$ 20,695	\$ 343	2%
Change of Point of Extraction (4.13)	96	\$ 20,352	35	\$ 6,567	\$ 9,851	90	\$ 17,296	\$ (3,056)	-15%
New or Replacement Well (4.14)	96	\$ 20,352	-	\$ -	\$ -	-	\$ -	\$ (20,352)	-100%
Carryover (4.11)	192	\$ 40,704	25	\$ 4,800	\$ 8,228	30	\$ 5,002	\$ (35,702)	-88%
Overuse (4.15)	80	\$ 16,960	-	\$ -	\$ -	-	\$ -	\$ (16,960)	-100%
Extraction and use Monitoring and Reporting (Ex A, Article V)	384	\$ 81,408	206	\$ 29,445	\$ 44,168	200	\$ 30,672	\$ (50,736)	-62%
Enforcement	-		37	\$ 7,492	\$ 11,239	300	\$ 41,107	\$ 41,107	
<b>Subtotal - Allocations &amp; Record Keeping</b>	<b>1,024</b>	<b>\$ 217,088</b>	<b>426</b>	<b>\$57,360 (\$71,196)</b>	<b>\$ 107,822</b>	<b>770</b>	<b>\$ 121,144</b>	<b>\$ (95,944)</b>	<b>-44%</b>
<b>Basin Management</b>									
GSP Update (5-year evaluation) (4.9.1)	220	\$ 46,640	-		\$ -	-	\$ -	\$ (46,640)	-100%
2025 Basin Optimization Yield Study (4.10)	220	\$ 46,640	119	\$ 22,873	\$ 34,310	130	\$ 26,257	\$ (20,383)	-44%
Annual Report (5.2.3, Ex A 2.7.10)	120	\$ 25,440	-	\$ -	\$ -	-	\$ -	\$ (25,440)	-100%
Initial Basin Optimization Plan (5.3)	180	\$ 38,160	146	\$ 29,475	\$ 44,213	-	\$ -	\$ (38,160)	-100%
<b>Subtotal - Basin Management</b>	<b>740</b>	<b>\$ 156,880</b>	<b>265</b>	<b>\$50,579 (\$52,349)</b>	<b>\$ 78,523</b>	<b>130</b>	<b>\$ 26,257</b>	<b>\$ (130,623)</b>	<b>-83%</b>
<b>Committee Coordination and Consultations</b>									
Policy Advisory Committee (6.1, Ex A Article III)	288	\$ 61,056	100	\$ 18,642	\$ 27,963	90	\$ 18,937	\$ (42,119)	-69%
PAC Administrator	-		9	\$ 1,164	\$ 1,746	10	\$ 1,422	\$ 1,422	
Technical Advisory Committee (6.11, Ex A Article IV)	48	\$ 10,176	96	\$ 17,297	\$ 25,945	100	\$ 20,454	\$ 10,278	101%
TAC Member Cost	-		-	\$ -	\$ -	-	\$ -	\$ -	
Insurance	-		-	\$ -	\$ -	-	\$ -	\$ -	
<b>Subtotal - Committee Coordination and Consultations</b>	<b>336</b>	<b>\$ 71,232</b>	<b>205</b>	<b>\$30,456 (\$37,102)</b>	<b>\$ 55,653</b>	<b>200</b>	<b>\$ 40,813</b>	<b>\$ (30,419)</b>	<b>-43%</b>
<b>Budget and Assessments</b>									
Watermaster Budget (7.5, Ex A 2.7.6)	80	\$ 16,960	113	\$ 19,236	\$ 28,854	100	\$ 20,689	\$ 3,729	22%
Basin Assessments (7.1-7.3,7.6, Ex A 2.8)	192	\$ 40,704	205	\$ 24,353	\$ 36,529	210	\$ 27,320	\$ (13,384)	-33%
Processing Fees (7.4)	192	\$ 40,704	0	\$ -	\$ -	16	\$ 3,628	\$ (37,076)	-91%
Audits (7.7)	180	\$ 38,160	33	\$ 4,877	\$ 7,315	35	\$ 6,791	\$ (31,369)	-82%
CSD Fiscal Services Staff	-		-	\$ -	\$ -	-	\$ -	\$ -	
<b>Subtotal - Budget and Assessments</b>	<b>644</b>	<b>\$ 136,528</b>	<b>351.25</b>	<b>\$30,565 (\$48,465)</b>	<b>\$ 72,698</b>	<b>361</b>	<b>\$ 58,429</b>	<b>\$ (78,099)</b>	<b>-57%</b>
<b>IT Services and Support</b>									
Data Management and Support	192	\$ 40,704	137	\$ 20,434	\$ 30,651	140	\$ 23,794	\$ (16,910)	-42%
<b>Subtotal - IT Services and Support</b>	<b>192</b>	<b>\$ 40,704</b>	<b>137</b>	<b>\$18,204 (\$20,434)</b>	<b>\$ 30,651</b>	<b>140</b>	<b>\$ 23,794</b>	<b>\$ (16,910)</b>	<b>-42%</b>
<b>Calleguas Aquifer Storage &amp; Recovery Project</b>									
Calleguas ASR Project Operations Study (8.4)	384	\$ 81,408	4	\$ 717	\$ 1,076	50	\$ 10,087	\$ (71,321)	-88%
<b>Subtotal - Calleguas Aquifer Storage &amp; Recovery Project</b>	<b>384</b>	<b>\$ 81,408</b>	<b>4</b>	<b>\$ 717</b>	<b>\$ 1,076</b>	<b>50</b>	<b>\$ 10,087</b>	<b>\$ (71,321)</b>	<b>-88%</b>
<b>Legal Services</b>									
Advisory (Implementation, administration, Board meetings, Staff reports)	576	\$ 149,184	-		\$ -	-		\$ (149,184)	-100%
Staff time (ongoing or anticipated litigation)	-		32	\$ 6,813	\$ 10,219	45	\$ 8,507	\$ 8,507	
Judicial Review (County Counsel) (9.2)	384	\$ 99,456	-		\$ -	-		\$ (99,456)	-100%
Judicial review (outside counsel)	-		-	\$ -	\$ -	-		\$ -	
LPV Water Rules Appeal (9.2)	-		-	\$ -	\$ -	-		\$ -	
<b>Subtotal - Legal Services</b>	<b>960</b>	<b>\$ 248,640</b>	<b>32</b>	<b>\$ 6,813</b>	<b>\$ 10,219</b>	<b>45</b>	<b>\$ 8,507</b>	<b>\$ (240,133)</b>	<b>-97%</b>
<b>Total PWA LABOR COST:</b>	<b>4,784</b>	<b>\$ 1,059,328</b>	<b>1,903</b>	<b>\$317,708 (\$317,700)</b>	<b>\$ 477,578</b>	<b>2,194</b>	<b>\$ 378,682</b>		

Footnote:

<sup>1</sup> Labor cost estimate based on Ventura County Public Works Agency providing LPV Watermaster staff at actual rates for FY 2024-25. For FY 2025-26, Labor cost estimates are based on Ventura County Public Works Agency providing LPV Watermaster staff at actual rates, assuming a 10% increase from FY 2024-25 actual rates.

Item 14E – Statement of Financial Position  
July 23, 2025 FCGMA Board Meeting

A B C D E F

**LPV Watermaster Statement of Financial Position**

		Actuals FY 2023-24	Adopted Budget FY 2024-25	Actuals YTD FY 2024-25 (through Jun. 30, 2025)	Draft Budget FY 2025-26	Budget FY 2025-26 (without 4th Assessment WY 2024- 4) <sup>1</sup>
1						
2	<b>Beginning Year Account Balance</b>	\$ -	\$ 1,127,505	\$ 1,127,505	\$ 1,012,561	\$ 1,012,561
3	<b>Revenues</b>	\$ 1,289,479	\$ 2,583,200	\$ 1,916,563	\$ 2,530,401	\$ 1,904,051
4	<b>Total Expenses</b>	\$ 161,974	\$ 2,583,095	\$ 2,031,507	\$ 2,468,375	\$ 2,468,375
5	<b>Net Operating Results</b>	\$ 1,127,505	\$ 105	\$ (114,944)	\$ 62,026	\$ (564,325)
6	<b>Ending Year Account Balance</b>	\$ 1,127,505	\$ 1,127,610	\$ 1,012,561	\$ 1,074,587	\$ 448,236
7	<b>RESERVES</b>					
8	<b>Beginning Year Balance</b>	\$ -	\$ -	\$ -	\$ 184,682	\$ 184,682
9	<b>Contribution from Operating</b>	\$ -	\$ 234,827	\$ 184,682	\$ 224,398	\$ 224,398
10	<b>Expenses</b>	\$ -	\$ -	\$ -	\$ -	\$ -
11	<b>Ending Year Balance</b>	\$ -	\$ 234,827	\$ 184,682	\$ 409,080	\$ 409,080
12	<b>AF</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>			
13	<b>Total Annual Allocation (AF):</b>	40,000	40,000			
14	<b>Basin Assessment per AF<sup>3</sup>:</b>	\$ 64.58	\$ 61.71			
15	<b>Quarterly Assessment</b>	\$ 16.14	\$ 15.43			

Footnotes:

- 1 LPV-2024-4 Basin Assessment (4th Quarter, July - September 2025) falls into FY 2025-26.
- 2 Operating reserves are calculated at 10% of annual budget and are cumulative.
- 3 Basin Assessment calculation based on the FY 2025-26 budget.



# **Resolution No. 2025-05**

of the

## **Fox Canyon Groundwater Management Agency**

### **A RESOLUTION ESTABLISHING THE AMOUNT AND AUTHORIZING THE LEVYING OF A BASIN ASSESSMENT ON WATER RIGHT HOLDERS IN THE LAS POSAS VALLEY GROUNDWATER BASIN FOR FISCAL YEAR 2025-26**

**WHEREAS**, the Fox Canyon Groundwater Management Agency (the Agency) is a groundwater sustainability agency under the Sustainable Groundwater Management Act (the Act) for the basins within the Agency's statutory boundaries; and

**WHEREAS**, on July 10, 2023, the Santa Barbara Superior Court entered final Judgment in *Las Posas Valley Water Rights Coalition, et al. v. Fox Canyon Groundwater Management Agency*, Santa Barbara Sup. Ct. Case No. VENC100509700 (Judgment); and

**WHEREAS**, the Judgment comprehensively determines and adjudicates all groundwater rights within the Las Posas Valley Groundwater Basin (Basin) and establishes and implements a Physical Solution for the Basin; and

**WHEREAS**, the Judgment appoints the Agency as Watermaster to administer the Judgment; and

**WHEREAS**, Section 7 of the Judgment requires the Watermaster to set, levy, and collect Basin Assessments from the Water Right Holders to fund implementation and administration of the Judgment; and

**WHEREAS**, the Agency Board of Directors adopted a Watermaster Budget of \$2,559,814 for Fiscal Year 2025-246at a regular meeting on July 23, 2025; and

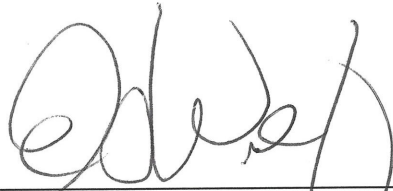
**WHEREAS**, at the July 23, 2025, meeting the Agency Board of Directors determined that a Basin Assessment of \$60.00 per acre-foot of Annual Allocation is required to fund the Watermaster's management of the Basin for Fiscal Year 2025-26, Water Year 2025.

**NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED** that effective July 23, 2025, a Basin Assessment of sixty dollars (\$60.00) per acre-foot of Annual Allocation is levied on all Water Right Holders in the Las Posas Valley Groundwater Basin to be invoiced quarterly.

On motion by Michael Cravotto and seconded by Tony Trombley, the foregoing resolution was passed and adopted on July 23, 2025, by the following vote.

AYES – 5  
NOES – 0  
ABSTAINS –  
ABSENT –

By:

  
\_\_\_\_\_  
Eugene F. West, Chair, Board of Directors  
Fox Canyon Groundwater Management Agency

ATTEST: I hereby certify that the above is a true and correct copy of Resolution No. 2025-05.

By:

  
\_\_\_\_\_  
Elka Weber, Clerk of the Board