



# County of Monterey

Item No.

## Board Report

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

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Consider recommending that the Monterey County Water Resources Agency Board of Supervisors approve and adopt the Fiscal Year (FY) 2025-26 Groundwater Monitoring Program Regulatory Fees of \$160.19 per well for Initial Well Registration, \$21.90 per well for Annual Well Registration Renewal, \$64.82 per well for Groundwater Extraction Reporting, \$117.63 per well for Groundwater Level Monitoring, and \$73.90 per well for Groundwater Quality Monitoring.

### RECOMMENDATION:

It is recommended that the Monterey County Water Resources Agency Board of Directors:

Recommend that the Monterey County Water Resources Agency Board of Supervisors approve and adopt the Fiscal Year (FY) 2025-2026 Groundwater Monitoring Program Regulatory Fees of \$160.19 per well for Initial Well Registration, \$21.90 per well for Annual Well Registration Renewal, \$64.82 per well for Groundwater Extraction Reporting, \$117.63 per well for Groundwater Level Monitoring, and \$73.90 per well for Groundwater Quality Monitoring.

### SUMMARY/DISCUSSION:

Historically, the Monterey County Water Resources Agency ("Agency") conducted groundwater monitoring across portions of the Salinas Valley in a discretionary manner as funding allowed. However, with passage of the Sustainable Groundwater Management Act ("SGMA") in 2014 came the establishment of local Groundwater Sustainability Agencies ("GSAs") and a need for consistent, reliable collection of groundwater and well data to develop, implement, and monitor progress of Groundwater Sustainability Plans ("GSPs"). In the interest of improving operational efficiency and reducing costs, some local GSAs have chosen to leverage the data collection, analysis, management, and reporting expertise of the Agency rather than creating a separate, parallel, monitoring program. This approach was solidified through approval and adoption of Agency Ordinance No. 5426 and the Groundwater Monitoring Program Manual by the Board of Supervisors in October 2024. The Agency's Groundwater Monitoring Program ("GMP") comprises four data collection and monitoring programs that, collectively, produce the data necessary to meet the rigorous reporting requirements mandated by SGMA to maintain local governance and oversight of water resources.

The geographic extent of the reconceived GMP is expanding to cover areas within the Salinas Valley Groundwater Basin that are within the jurisdiction of the Salinas Valley Basin Groundwater Sustainability Agency ("SVBGSA") (Attachment 1). Well registration and groundwater extraction reporting requirements will for most well owners within the historically monitored area will remain largely the same. New well registration and reporting requirements will apply to well owners in the new geographic areas. The most widespread difference for all well owners will be the proposed new annual

GMP Regulatory Fee to ensure program reliability, which will be billed directly by the Agency on an annual basis. Unlike other unrelated Agency assessments, this new fee will not be included on property tax bills.

The Agency Act (California Water Code, Appendix §52) and Ordinance No. 5426 authorize the Agency to "...recover costs associated with the development, implementation, enforcement, and perpetuation of a regulatory groundwater monitoring program on a per-well basis, not based on extraction data, within Monterey County." The Agency worked with Lechowicz & Tseng Municipal Consultants to establish a schedule of cost-based fees for the GMP (Attachment 2).

The Groundwater Monitoring Program Fee Study ("Study") describes the regulatory functions covered by the GMP and associated costs for staff time to implement the monitoring programs, including data collection, analysis, and reporting; equipment, vehicles, and supplies; technological support for data collection and management applications; and indirect costs. The indirect cost rate is 21% which consists of Agency overhead (approximately 12%) and County of Monterey overhead (approximately 9%). The indirect cost rate covers salary and benefits of Agency Administrative staff, insurance, office furnishings and supplies, computer hardware and software, internet service, communications devices, and County services such as Facilities, Auditor Controller, Human Resources, Records Retention, and County Counsel.

The proposed GMP Regulatory Fees are Proposition 26 regulatory fees and are imposed for regulatory costs that do not exceed the reasonable cost of providing the monitoring service. Proposition 26 fees can be adopted at any time through the approval of the respective legislative body.

The proposed GMP Regulatory Fees will be charged on per-well basis, regardless of how much water a well extracts from the groundwater basin. For FY 2025-2026, the fees will apply to water production wells in the six subbasins within the jurisdiction of the SVBGSA, namely the 180/400-Foot Aquifer, Eastside, Forebay, Langley, Monterey, and Upper Valley Subbasins (Attachments 3). Data collected and reported under programs funded by the GMP Regulatory Fees will be provided to the SVBGSA for use in implementing the GSPs for the aforementioned subbasins.

For FY 2025-2026, the recommended GMP Regulatory Fees, by category, are as follows: Initial Well Registration Fee of \$160.19 per well; Annual Well Registration Renewal Fee of \$21.90 per well; Groundwater Extraction Reporting Fee of \$64.82 per well; Groundwater Level Monitoring Fee of \$117.63 per well; and Groundwater Quality Monitoring Fee of \$73.90 per well. Additional information about each fee is available in the Study (Attachment 2) and on the summary table (Attachment 3).

The Agency's Finance Committee received presentations on the Study in March and April 2025, and the Agency also hosted a stakeholder workshop about the GMP Regulatory Fee on April 3, 2025. All of these meetings have informed refinements to the Study.

A presentation on the FY 2025-2026 GMP Regulatory Fee will be made to the Agency's Board of Supervisors on April 22, 2025. The FY 2025-2026 GMP Regulatory Fee considered by the Agency's Board of Supervisors on May 28, 2025 during the budget adoption process.

OTHER AGENCY INVOLVEMENT:

The Salinas Valley Basin Groundwater Sustainability Agency coordinated with Agency staff to identify the scope of data under the GMP that is required to satisfy their regulatory obligations for monitoring and reporting under SGMA.

FINANCING:

Financial impacts of the proposed GMP Fees were reviewed during the Agency's FY 2025-26 Budget Workshop, held on March 17, 2025. Total FY 2025-26 cost recovery for GMP is estimated at \$800,000.

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Attachments:

1. Map of FY 2025-2026 GMP Regulatory Fee Area
2. Draft GMP Fee Study
3. Summary Table of FY 2025-2026 GMP Regulatory Fees
4. Board Order