



Groundwater Monitoring Program Fee Study for the Monterey County Water Resources Agency

**Draft Report
February 2025**



LECHOWICZ + TSENG
MUNICIPAL CONSULTANTS

909 Marina Village Parkway #135
Alameda, CA 94501
(510) 545-3182
www.LTmuniconsultants.com

TABLE OF CONTENTS

SECTION 1:	INTRODUCTION AND EXECUTIVE SUMMARY	1
SECTION 2:	LEGAL REQUIREMENTS & METHODOLOGY	6
2.1	Legal Requirements	6
2.2	Methodology.....	6
SECTION 3:	PROPOSED COST-BASED FEES.....	10
3.1	Initial Registration.....	10
3.2	Annual Renewal & Billing.....	11
3.3	Groundwater Extraction Monitoring	11
3.4	Monitoring Groundwater Levels.....	13
3.5	Groundwater Quality Monitoring.....	15
SECTION 4:	CONCLUSIONS AND RECOMMENDATIONS.....	17

LIST OF TABLES

Table 1:	Summary of Proposed Annual Fees for Fiscal Year 2025-2026 (“FY26”)	5
Table 2:	Estimated FY26 Cost Recovery from Fees.....	5
Table 3:	Staff Hourly Rates for FY26	7
Table 4:	Total Staffing by Fee Category	7
Table 5:	Multi-year Supplies	9
Table 6:	Initial Wellhead Registration or Registration Charge Proposed for FY26	10
Table 7:	Annual Wellhead Registration Renewal.....	11
Table 8:	Groundwater Extraction Monitoring Fee Proposed for FY26	12
Table 9:	Groundwater Level Monitoring Fee Proposed for FY26	14
Table 10:	Groundwater Quality Monitoring Fee Proposed for FY26	16

LIST OF FIGURES

Figure 1:	Well Registration and GEMS Area.....	4
-----------	--------------------------------------	---

SECTION 1: INTRODUCTION AND EXECUTIVE SUMMARY

The Monterey County Water Resources Agency (“Agency” or “MCWRA”) or was formed under Chapter 699 of the Statutes of 1947 as the Monterey County Flood Control and Water Conservation District. In 1990, the State Legislature updated the Agency’s mandate through passage of the Monterey County Water Resources Agency Act: to provide for the control of flood and storm waters, conservation of such waters through storage and percolation, control of groundwater extraction, protection of water quality, reclamation of water, exchange of water, and the construction and operation of hydroelectric power facilities (California Water Code Appendix, Chapter 52 {“Agency Act”}). The Agency has jurisdiction over matters pertaining to water within the entire area of Monterey County, including both incorporated and unincorporated areas (Agency Act, Section 4).

In addition to the Agency’s responsibility for stream monitoring, flood management, and emergency flood-related preparedness, the Agency is authorized to conserve water in any manner; to buy, sell, and purvey water; and to prevent the waste or diminution of the water extractions which are determined to be harmful to the groundwater basin. Relevant here, the Agency Act authorizes the MCWRA Board of Supervisors to impose fees. (Agency Act, Section 70(c)). More specifically, as it relates to the establishment of this Groundwater Monitoring Program regulatory fee, under the Agency Act and Agency Ordinance No. 5426, the Agency has authority to carry on technical and other necessary investigations, make measurements, collect data, make analyses, studies, and inspections pertaining to water supply. Section 10 of Ordinance No. 5426 states, “[f]or the purposes of implementing this Ordinance, the Agency may allocate and 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. Such regulatory fees shall be established by a resolution of the Board.”

Since 1947, the Agency has performed groundwater monitoring in the Salinas Valley, initially of groundwater levels and later expanded to include groundwater quality. In the 1990s, the Agency voluntarily created the Groundwater Extraction Monitoring System (“GEMS”) to monitor the use of groundwater throughout Agency Zones 2, 2A, and 2B of the Salinas Valley Groundwater Basin which necessitated well registration and reporting requirements. The purpose of GEMS and water quality/level monitoring was to investigate and produce the data necessary to perform a thorough review, or audit, of the hydrologic budget within the monitored area. Investigations conducted as part of the Agency’s previous programs furthered the purposes of the Agency, such as protection of water quality, and conservation of flood and storm waters. Data resulting from these programs facilitated implementation and enforcement of the Agency Act and supported management that allowed for continued well owner operations throughout community.

In 2014, the State enacted the Sustainable Groundwater Management Act (“SGMA”), which established new regulatory requirements to achieve the sustainability of groundwater basins throughout California by 2040 or 2042, depending on subbasin. Subsequently, Groundwater Sustainability Agencies (“GSAs”)

including the Arroyo Seco GSA, County of Monterey GSA, Marina Coast Water District GSA, and Salinas Valley Basin Groundwater Sustainability Agency (“SVBGSA”) were formed to achieve the State’s SGMA mandates within the Salinas Valley Groundwater Basin which substantially, but not entirely, overlaps with Agency Zones 2, 2A, and 2B.

To meet its SGMA regulatory obligations, each GSA needed to address the data gaps between its areas of responsibility and the Agency’s previous groundwater level, water quality, and groundwater extraction monitoring programs. In the interest of improving operational efficiency and reducing costs, rather than creating a separate, parallel monitoring program, the SVBGSA chose to leverage the data collection, analysis, management, and reporting expertise of the Agency. SVBGSA’s request to expand the Agency’s work resulted in the Agency’s Board of Supervisors repealing the three 1990s ordinances that established the original GEMS program and related well registration and reporting requirements, and the adoption of a new ordinance and Groundwater Monitoring Program Manual, on October 1, 2024, to support current regulatory mandates. The new ordinance, Ordinance No. 5426, also established a regulatory fee, which is the subject of this fee study, to sustain the new Groundwater Monitoring Program.

The Groundwater Monitoring Program (“GMP”) is comprised of four components and proposed fees: Well Registration, Groundwater Extraction Monitoring, Groundwater Level Monitoring, and Groundwater Quality Monitoring. The purpose of the GMP is to continue the investigation and auditing of the hydrologic budget within the Salinas Valley Groundwater Basin. The GMP regulatory fees will cover the reasonable costs of identifying the location of wells and collecting data necessary to perform hydrologic investigations on a scale and schedule compatible with needs of GSAs operating in the Salinas Valley Groundwater Basin. The proposed GMP regulatory fees currently only cover the Salinas Valley Groundwater Basin. However, Ordinance No. 5426 and the GMP Manual authorize the Agency to collect data anywhere within Monterey County. As such, the GMP regulatory fees may be modified in the future if other groundwater sustainability agencies request the Agency collect data.

The Well Registration component is necessary for obtaining data on the location, construction, and operation of wells in the Salinas Valley Groundwater Basin which, in turn, can be linked to data collected through other components of the Groundwater Monitoring Program. The Groundwater Extraction Monitoring component provides data on the location and volume of water extracted on an annual basis, which is a critical element of the hydrologic budget. Data collected from the Groundwater Level Monitoring component are the basis for the Agency’s evaluation of regional seasonal and long-term trends in groundwater levels. Groundwater level data are also used to investigate the following: changes in groundwater storage for the hydrologic budget; the regional direction of groundwater movement; mechanisms for seawater intrusion; quantification of short- and long-term impacts to the groundwater basin from public and private well extraction; conservation releases from the reservoirs; and operation of water projects like the Salinas Valley Water Project or Castroville Seawater Intrusion Project. The Groundwater Quality Monitoring component is conducted biannually to investigate changes to the extent of seawater intrusion in the Salinas Valley Groundwater Basin. Samples collected through Groundwater Quality Monitoring provide laboratory-derived chemistry data that is analyzed using a

suite of geochemical tools and paired with groundwater level and extraction data to evaluate the movement of seawater intrusion and accompanying change in usable groundwater storage. Coupling this analysis with data obtained through the Well Registration component allows for the identification of wells that may be experiencing adverse water quality impacts.

The GMP, as contemplated for this fee study, consists of well registration and monitoring of public and private wells within the 180/400-Foot Aquifer, Eastside Aquifer, Forebay Aquifer, Langley Area, Monterey, and Upper Valley Aquifer Subbasins of the Salinas Valley Groundwater Basin (Figure 1). As described above, the Groundwater Monitoring Program is accomplished via five regulatory functions or services:

- 1) Initial wellhead registration (“Reg”)
- 2) Annual wellhead registration renewal (“Renew”)
- 3) Groundwater extraction monitoring (“Extract”)
- 4) Monitoring groundwater levels (“GWL”)
- 5) Monitoring water quality (“WQ”)

The goal of this study is to establish a schedule of cost-based fees for these regulatory functions. This study was conducted consistently with the Agency’s 2020 Strategic Plan to identify more targeted funding sources for regulatory programs and more fairly recover costs from regulated entities.

The GMP fees are not a tax and are exempt from voter approval under section 1(e)(3) of Article XIII C of the California Constitution (Proposition 26). The fees are imposed for the reasonable regulatory costs to the Agency for conducting the Groundwater Monitoring Program, and do not exceed the reasonable costs to the Agency of providing these services. The fees were calculated based on staff time and materials. A summary of the proposed fees is provided below in Table 1.

Figure 1: Groundwater Monitoring Program Area

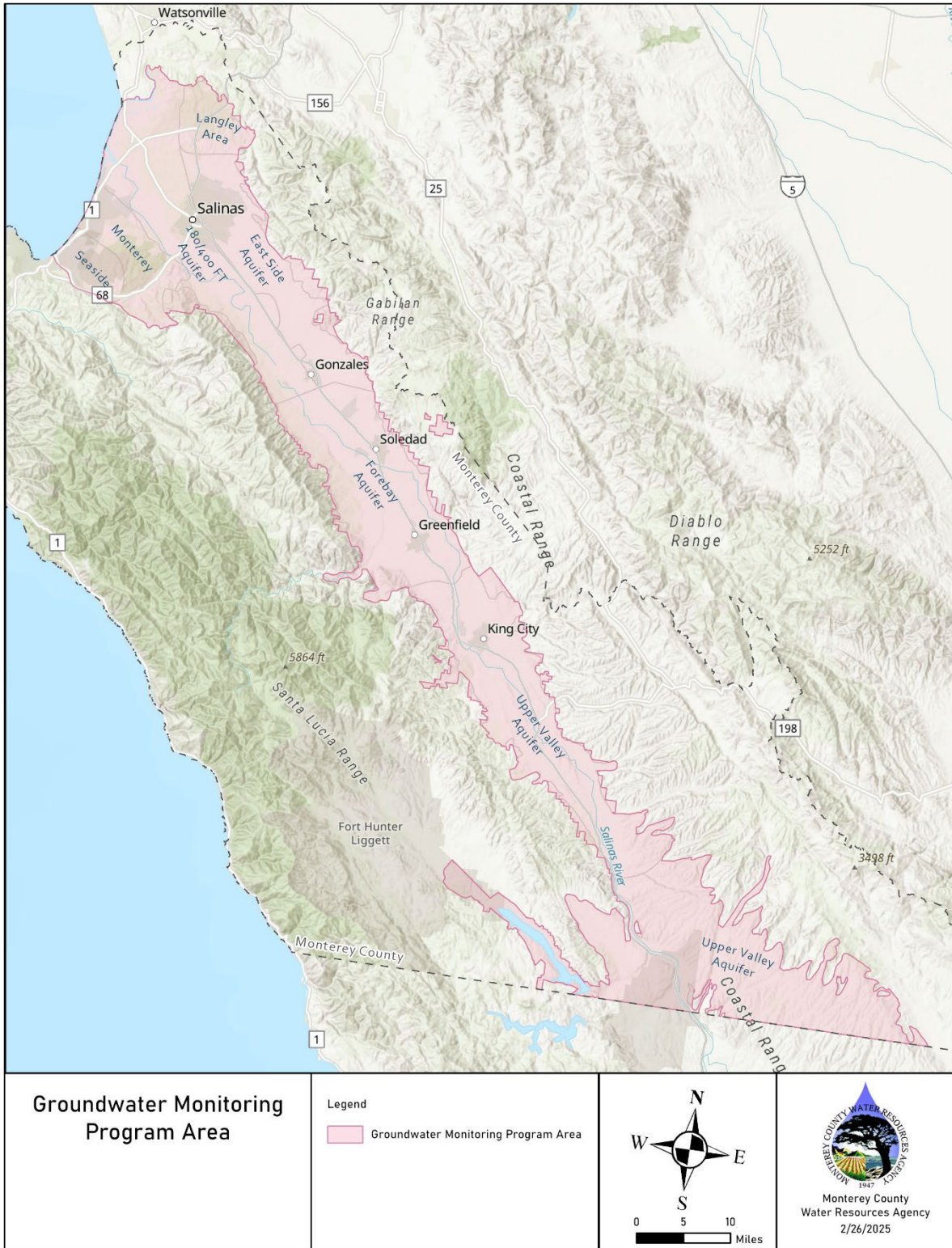


Table 1: Summary of Proposed Annual Fees for Fiscal Year 2025-2026 ("FY26")

Fee Category	Proposed FY26 Annual Fee per participating well
Initial wellhead registration	\$163.19
Annual wellhead registration renewal	\$31.06
Groundwater extraction monitoring	\$68.94
Monitoring groundwater levels	\$166.89
Monitoring water quality	\$143.37

This fee study does not include delinquency or penalty fees for noncompliant well owners. Section 11 of Ordinance No. 5426 provides for the enforcement, penalties, and appeal process for the GMP.

Table 2 estimates the cost recovery for the Groundwater Monitoring Program resulting from the proposed fees for FY26. Cost recovery per fee type varies based on the amount of the fee and the number of annual services to which the fee applies. In total, the fees proposed in this report are estimated to cover about \$813,000 of Agency expenses. This revenue will be used to directly offset the cost of implementing the monitoring programs and will not be used for non-regulatory functions or programs.

Table 2: Estimated FY26 Cost Recovery from Fees

Fee Category	Abbreviation	Proposed FY26 Fee	Estimated Number of Annual Services	Total Annual Cost Recovery
Initial wellhead registration	Reg	\$163.19	50	\$8,160
Annual wellhead registration renewal	Renew	\$31.06	2,500	\$77,650
Groundwater extraction monitoring	Extract	\$68.94	2,000	\$137,880
Monitoring groundwater levels	GWL	\$166.89	2,500	\$417,225
Monitoring water quality	WQ	\$143.37	1,200	<u>\$172,044</u>
				\$812,959

SECTION 2: Legal Requirements & Methodology

2.1 Legal Requirements

California voters enacted Proposition 26 in 2010 to define the term “tax” for purposes of Articles XIII A and XIII C of the California Constitution. Under Proposition 26, all levies, charges, and exactions “imposed” by local governments are considered taxes, unless they fit into one of the seven stated exceptions for local government:

- 1) A charge that is imposed for a special benefit or privilege provided to an individual, does not exceed the reasonable cost of service, and does not provide broad, general benefits to others in the community;
- 2) A charge imposed for a specific government service or product provided directly to the person paying the fee, that does not exceed the reasonable cost of providing service;
- 3) A charge imposed for reasonable regulatory costs (i.e. licenses, audits, inspections, permits) that does not exceed the reasonable cost of service;
- 4) A charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property;
- 5) Fines or penalties imposed for violations of the law;
- 6) A charge imposed as a condition of property development; and
- 7) Assessments and property-related fees imposed under the provisions of Proposition 218, such as water and sewer service charges.

The fees proposed in this study are exempt from voting requirements as they are regulatory fees (exemption #3 listed above) that do not exceed the cost of the Agency’s regulatory action.

2.2 Methodology

To calculate the cost of service for each fee, the Agency estimated the number of staff hours needed to complete each groundwater monitoring service, the hourly rate for each staff member, and the cost of applicable materials, vehicles, and supplies. Table 3 provides a list of staff and hourly rates. The hourly rates represent the fully burdened rate of each staff member including the cost of salary and benefits.

Table 3: Staff Hourly Rates for FY26

Staff Member	Fully Burdened Hourly Rate
Accountant II	\$88.10
Accounting Technician	\$77.17
Deputy General Manager	\$206.09
Finance Manager III	\$175.53
General Manager	\$224.87
Office Assistant III	\$63.69
Senior Water Resources Hydrologist	\$156.11
Water Resources Hydrologist	\$80.27
Water Resources Technician	\$67.07

Table sorted alphabetically

For all fees except initial wellhead registration, staff time and materials costs were determined on a programmatic level. Total costs to provide each regulatory function over the course of the year were divided by the estimated number of services provided each year to determine a fee (i.e. cost per service). Table 4 provides the total staff hours estimated for each regulatory service as well as the number of full-time equivalents (FTEs) based on 1,700 hours of productive time. The Groundwater Monitoring Program functions described in this report reflect a staff time of about 3.47 FTEs over the course of each fiscal year.

Table 4: Total Staffing by Fee Category

Staff Member	Reg	Renew	Extract	GWL	WQ	Total	FTE
Accountant II		120				120	0.07
Accounting Technician		200				200	0.12
Deputy General Manager			8	8	8	24	0.01
Finance Manager III		40				40	0.02
General Manager			8	8	8	24	0.01
Office Assistant III			24			24	0.01
Senior Water Hydrologist	7.5	3	150	120	75	364	0.21
Water Resources Hydrologist	25	10	300	700	100	1,135	0.67
Water Resources Technician	<u>50</u>	<u>20</u>	<u>650</u>	<u>2,500</u>	<u>750</u>	<u>3,970</u>	<u>2.34</u>
Total Hours	82.5	401	1,140	3,336	941	5,901	3.47
Total Full Time Equivalents	0.05	0.24	0.67	1.96	0.55	3.47	

The proposed fees also include the Agency's cost of supplies, materials, and vehicles needed to provide each regulatory function. The cost of materials or supplies for each fee is calculated as the total annual cost of materials for each service divided by the estimated number of annual regulatory functions the Agency will provide. Some materials and supplies are longer-lived assets that the Agency will use over multiple years. The annual cost of multi-year supplies is calculated as the purchase price of the supplies divided by the expected useful life, see Table 5. The cost of vehicles is based on prevailing hourly rental rates multiplied by the number of hours to perform each regulatory function. The supplies and materials listed in Table 5 are used by one or more of the monitoring programs to collect groundwater level measurements, collect groundwater samples, label wells using information obtained through well registration, and electronically store data gathered while in the field.

Each fee also includes an indirect cost rate of 22.49% which is added to the cost of staff time, supplies, materials, and vehicles. The indirect cost rate was determined by the Agency and consists of approximately 13.55% of Administration/Department overhead and 8.95% of County of Monterey overhead. The indirect cost rate covers items such as computer hardware and software, internet service, communications devices, and rental costs of Agency buildings. The calculations for each cost-based fee are provided in Section 3.

Table 5: Multi-year Supplies

Material or Supply	Cost Per Item	# Needed	Total Cost	Purchasing Frequency	Useful Life (years)	Annual Cost [1]	Applicable Program
Electronic sounder	\$760	3	\$2,280	1 every 3 years	9	\$253.33	GWL
Steel tape	\$1,000	3	\$3,000	1 every 2 years	6	\$500.00	GWL
Nylon-coated steel tape	\$200	2	\$400	1 every 2 years	4	\$100.00	GWL
Sonic water level meter	\$2,200	1	\$2,200	1 every 10 years	10	\$220.00	GWL
Well labeling equipment	\$400	1	\$400	1 every 5 years	5	\$80.00	GWL
Pump and Variable Frequency Drive	\$10,000	1	\$10,000	1 every 10 years	10	\$1,000.00	WQ
Generator for pump operation	\$1,500	1	\$1,500	1 every 10 years	10	\$150.00	WQ
Tablets for data collection	\$5,000	3	\$15,000	1 every 3 years	9	\$1,666.67	GWL and WQ

1 – total cost divided by useful life

SECTION 3: Proposed Cost-Based Fees

This section provides the calculation of each cost-based regulatory fee. The total cost of each fee includes the cost of staff time required to complete each regulatory function, the cost of materials, vehicles, and supplies, and an indirect cost rate of 22.49%.

3.1 Initial Registration

A well must be registered with the Agency if it is in one of the following six subbasins: 180/400-Foot Aquifer, Eastside Aquifer, Forebay Aquifer, Langley Area, Monterey, or Upper Valley Aquifer (see Figure 1). The initial registration of a well occurs once and is required within 30 days of completed construction or upon request from the Agency, per Ordinance No. 5426. Registration requires providing general information about the well's location, owner, operator, status, and construction specifications.

The initial wellhead registration fee amount per well is calculated in Table 6. The initial registration fee is calculated as \$163.19 and is proposed to be the same for all types and sizes of wells. In addition to the estimated staffing costs per well, the initial registration fee is proposed to recover portions of the Information Technology (IT) support required for the well registration software and supplies for printing notifications. IT support and printing charges are shared with the annual renewal fee and are divided by an estimated 2,500 renewals and registrations per year to calculate a fee per well.

Table 6: Initial Wellhead Registration or Registration Charge Proposed for FY26

Staffing	Hours	Hourly rate	Total Cost	Identifier	Calculation
Water Resources Technician	1	\$67.07	\$67.07	A	
Water Resources Hydrologist	0.5	\$80.27	\$40.14		
<u>Senior Water Resources Hydrologist</u>	0.15	\$156.11	<u>\$23.42</u>		
Subtotal Staffing			\$130.63		
Supplies, Materials, and Vehicles					
County IT support			\$5,000.00	B	
<u>Supplies for printing notifications</u>			<u>\$1,500.00</u>		
Subtotal Supplies, Materials and Vehicles			\$6,500.00		
# of annual renewals & new registrations			2,500		
Supplies, Materials and Vehicles			\$2.60	C	C = A + B
Total Direct Costs (Staffing, Supplies, Materials, and Vehicles)			\$133.23		
Indirect Cost Rate		22.49%	<u>\$29.96</u>	D	D = C x 22.49%
Total Fee			\$163.19		C + D

3.2 Annual Renewal & Billing

Following initial registration, all registered wells are required to annually renew their registration. Registered well owners will be asked to verify well registration data on file with the Agency and provide updates as applicable. Table 7 summarizes the proposed fee for annual wellhead registration renewal. The total fee amount per well is \$31.06 based on the estimated total annual costs for the program (staff time throughout the year and direct expenses) divided by an estimated 2,500 renewals and registrations per year. Costs for the registration renewal program include staffing costs and costs for software, IT support, and printing notifications.

Table 7: Annual Wellhead Registration Renewal

Staffing	Hours	Hourly rate	Total Cost	Identifier	Calculation
Accountant II	120	\$88.10	\$10,572.00		
Accounting Technician	200	\$77.17	\$15,434.00		
Finance Manager III	40	\$175.53	\$7,021.20		
Water Resources Technician	20	\$67.07	\$1,341.40		
Water Resources Hydrologist	10	\$80.27	\$802.70		
<u>Senior Water Resources Hydrologist</u>	11	\$156.11	<u>\$1,717.21</u>		
Subtotal Annual Staffing			\$36,888.51		
# of annual renewals			2,500		
Staffing cost per renewal			\$14.76	A	
Supplies, Materials, and Vehicles					
Well registration software [1]			\$20,000.00		
County IT support			\$5,000.00		
<u>Supplies for printing notifications</u>			<u>\$1,500.00</u>		
Subtotal Supplies, Materials and Vehicles			\$26,500.00		
# of annual renewals & new registrations			2,500		
Supplies, Materials and Vehicles			\$10.60	B	
Total Direct Costs (Staffing, Supplies, Materials, and Vehicles)			\$25.36	C	C = A + B
Indirect Cost Rate		22.49%	<u>\$5.70</u>	D	D = C x 22.49%
Total Fee			\$31.06		C + D

1 – Initial software cost of \$50,000 amortized over five years plus \$10,000 annual subscription cost.

3.3 Groundwater Extraction Monitoring

In addition to well registration, the Agency's Groundwater Monitoring Program includes Groundwater Extraction Monitoring. The Groundwater Extraction Monitoring program requires all wells located within the area shown in Figure 1 that are extracting more than two acre-feet per year (i.e. non-de minimis users) to report extraction data to the Agency through the online reporting portal in accordance with the criteria specified in the Agency's Groundwater Monitoring Program Manual. SGMA defines "de minimis extractor" as a person who extracts, for domestic purposes, two acre-feet or less per year

(California Water Code Section 10721) so the same threshold is being used by the Agency for the Groundwater Monitoring Program to ensure consistency with meeting the regulatory needs of the Agency and/or Requesting Entities. The Agency will be contacting well owners required to report groundwater extraction data by mail with instructions on how to register for the program and will also send at least one annual reminder notice.

To comply with the GMP, extractors are required to purchase and install an approved measuring device at each well then use it to collect monthly data and report that data at least annually. Groundwater extraction data must be collected on a monthly basis for each Water Year (i.e. October 1 through September 30), and monthly totals of groundwater extracted must be self-reported to the Agency no later than November 1 for the prior Water Year. Agency staff then audit all data collected and produce an annual summary report.

The groundwater extraction monitoring fee is intended to recover the cost of implementing this regulatory program and is proposed to be \$68.94 per well, as shown in Table 8. The Agency has an estimated 2,000 extractors who will share the annual staffing costs of about \$96,000 and materials costs of \$16,500 to run the program.

Table 8: Groundwater Extraction Monitoring Fee Proposed for FY26

Staffing	Hours	Hourly rate	Total Cost	Identifier	Calculation
Water Resources Technician	650	\$67.07	\$43,595.50		
Water Resources Hydrologist	300	\$80.27	\$24,081.00		
Senior Water Resources Hydrologist	150	\$156.11	\$23,416.50		
Office Assistant III	24	\$63.69	\$1,528.56		
Deputy General Manager	8	\$206.09	\$1,648.72		
<u>General Manager</u>	8	<u>\$224.87</u>	<u>\$1,798.96</u>		
Subtotal Annual Staffing			\$96,069.24		
# of annual services			2,000		
Staffing cost per service			\$48.03	A	
Supplies, Materials, and Vehicles					
County IT support of GEMS application			\$5,000.00		
County IT app. development			\$10,000.00		
Supplies for printing mailouts			\$500.00		
<u>Postage for mailouts</u>			<u>\$1,000.00</u>		
Subtotal Supplies, Materials and Vehicles			\$16,500.00		
# of annual services			2,000		
Supplies, Materials and Vehicles			\$8.25	B	
Total Direct Costs (Staffing, Supplies, Materials, and Vehicles)			\$56.28	C	C = A + B
Indirect Cost Rate		22.49%	<u>\$12.66</u>	D	D = C x 22.49%
Total Fee			\$68.94		C + D

3.4 Monitoring Groundwater Levels

MCWRA monitors groundwater levels throughout Monterey County, primarily within the 180/400 Foot Aquifer, Eastside Aquifer, Forebay Aquifer, Langley Area, Monterey, and Upper Valley Aquifer Subbasins of the Salinas Valley Groundwater Basin.. Wells that are part of the Agency's groundwater level monitoring program are required to be registered. The Agency measures groundwater levels on a monthly basis at some well sites and biannually, annually, or continuously at other well sites. Data collected from the Groundwater Level Monitoring program are the basis for the Agency's evaluation of regional seasonal and long-term trends in groundwater levels. Groundwater level data are also used to investigate changes in groundwater storage for the hydrologic budget, understand the regional direction of groundwater movement, evaluate mechanisms for seawater intrusion, and quantify short- and long-term impacts to the groundwater basin from public and private well extraction, conservation releases from the reservoirs, and operation of water projects like the Salinas Valley Water Project or Castroville Seawater Intrusion Project.

Agency staff use one of several standardized data collection methods to take measurements at each site, using either graduated steel tape, electric water level meters, sonic water level meters, or pressure transducers. Best efforts are made to ensure that wells have not recently been pumped when collecting a groundwater level data point.

Table 9 provides the calculation for the proposed groundwater level monitoring fee. Most costs for the program are divided between all 2,500 wells within the groundwater level monitoring program, with the exception of the costs for tablets for data collection which are shared between the program for monitoring groundwater levels and the program for testing groundwater quality. Total costs exclusive to monitoring groundwater levels include about \$246,000 for staff time and about \$94,000 for supplies, materials, and vehicles. The proposed fee per well for FY26 for the groundwater level monitoring program is \$166.89.

Table 9: Groundwater Level Monitoring Fee Proposed for FY26

Staff	Hours	Hourly rate	Total Cost	Identifier	Calculation
Water Resources Technician	2,500	\$67.02	\$167,550.00		
Water Resources Hydrologist	700	\$80.27	\$56,189.00		
Senior Water Resources Hydrologist	120	\$156.11	\$18,733.20		
Deputy General Manager	8	\$206.09	\$1,648.72		
<u>General Manager</u>	8	\$224.87	<u>\$1,798.96</u>		
Subtotal Annual Staffing			\$245,919.88		
# of annual services			2,500		
Staffing cost per service			\$98.37	A	
Supplies, Materials, and Vehicles					
Jeep or similar off-road capable truck (1 of 3)	600	\$37.19	\$22,314.00		
Jeep or similar off-road capable truck (2 of 3)	600	\$37.19	\$22,314.00		
Jeep or similar off-road capable truck (3 of 3)	600	\$37.19	\$22,314.00		
Monitoring well maintenance			\$20,000.00		
Equipment decontamination supplies and PPE			\$300.00		
Repair of sounders			\$2,000.00		
In-Situ Aqua Troll 200 Level Sensor [1]			\$1,995.00		
In-Situ Rugged Twist Lock cable (vented), 200 ft [1]			\$1,000.00		
In-Situ large desiccant [1]			\$85.00		
Toolbox with equipment and supplies			\$100.00		
Electronic sounder [2]			\$253.33		
Steel tape [2]			\$500.00		
Nylon-coated steel tape [2]			\$100.00		
Sonic water level meter [2]			\$220.00		
<u>Well labeling equipment [2]</u>			<u>\$80.00</u>		
Subtotal Supplies, Materials and Vehicles			\$93,575.33		
# of annual services			2,500		
Supplies, Materials and Vehicles			\$37.43	B	
Tablets for data collection [2]			\$1,666.67		
# of annual services (GW + WQ)			3,700		
Tablets divided by total annual services			\$0.45	C	
Total Direct Costs (Staffing, Supplies, Materials, and Vehicles)			\$136.25	D	D = A + B + C
Indirect Cost Rate		22.49%	<u>\$30.64</u>	E	E = D x 22.49%
Total			\$166.89		D + E

1 – One purchased per year

2 – See Table 5

3.5 Groundwater Quality Monitoring

Groundwater quality is monitored in the coastal region of the Salinas Valley Groundwater Basin and at selected monitoring wells in the Forebay Aquifer and Upper Valley Aquifer Subbasins to inform an understanding of the groundwater quality in the 180/400-Foot Aquifer, Eastside Aquifer, Langley Area, and Monterey Subbasins. The Agency collects groundwater quality samples twice per year from wells in the groundwater quality monitoring program. Additional samples are occasionally collected for special projects or to meet the needs of a requesting entity. Wells in the program are required to be registered. Once groundwater samples are collected from each well, the sample containers are brought to the Monterey County Consolidated Chemistry Laboratory where they are analyzed by lab personnel. Data from the groundwater quality program are utilized for developing data products, such as seawater intrusion contour maps, and understanding regional changes in groundwater quality that are relevant to all well owners.

The annual cost of supplies for the groundwater quality monitoring program includes supplies, materials, and vehicles to collect, store, and transport samples as well as \$40,000 annually in laboratory costs. The total annual cost of supplies including laboratory costs is estimated at about \$66,000. The annual cost for staff time is about \$73,000. Both staffing and supplies costs are divided between 1,200 wells in the area where the water quality monitoring occurs to calculate the proposed fee as shown in Table 10. The cost of tablets for data collection is shared between 3,700 annual services since the tablets are used for both the groundwater level monitoring and groundwater quality monitoring programs. The proposed fee for testing groundwater quality is \$143.37 per well.

Table 10: Groundwater Quality Monitoring Fee Proposed for FY26

Staff	Hours	Hourly rate	Total Cost	Identifier	Calculation
Water Resources Technician	750	\$67.02	\$50,265.00		
Water Resources Hydrologist	100	\$80.27	\$8,027.00		
Senior Water Resources Hydrologist	75	\$156.11	\$11,708.25		
Deputy General Manager	8	\$206.09	\$1,648.72		
<u>General Manager</u>	8	\$224.87	<u>\$1,798.96</u>		
Subtotal Annual Staffing			\$73,447.93		
# of annual services			1,200		
Staffing cost per service			\$61.21	A	
Supplies, Materials, and Vehicles					
Bottles and lids			\$600.00		
Labels			\$100.00		
Ice			\$200.00		
Ice chests			\$100.00		
Jeep or similar off-road capable truck (1 of 3)	200	\$37.19	\$7,438.00		
Jeep or similar off-road capable truck (2 of 3)	200	\$37.19	\$7,438.00		
Jeep or similar off-road capable truck (3 of 3)	200	\$37.19	\$7,438.00		
Laboratory costs			\$40,000.00		
Pump supplies and generator fuel			\$2,000.00		
Pump and VFD for dedicated monitoring well sampling [1]			\$1,000.00		
<u>Generator for pump operation [1]</u>			<u>\$150.00</u>		
Subtotal Supplies, Materials and Vehicles			\$66,464.00		
# of annual services			1,200		
Supplies, Materials and Vehicles			\$55.39	B	
Tablets for data collection [1]			\$1,666.67		
# of annual services (GW + WQ)			3,700		
Tablets divided by total annual services			\$0.45	C	
Total Direct Costs (Staffing, Supplies, Materials, and Vehicles)			\$117.05	D	D = A + B + C
Indirect Cost Rate		22.49%	<u>\$26.32</u>	E	E = D x 22.49%
Total			\$143.37		D + E

1 – See Table 5

SECTION 4: Conclusions and Recommendations

The purpose of the Groundwater Monitoring Program is to gather data on wells, groundwater levels, groundwater quality, and groundwater extractions to complete the investigation of short- and long-term changes to the hydrologic budget and do analyses pertaining to water supply of the Salinas Valley Groundwater Basin. Fees for the Groundwater Monitoring Program are being proposed to cover the reasonable regulatory costs to the Agency conducting the Groundwater Monitoring Program, and do not exceed the reasonable costs to the Agency of providing these services.

It is proposed that after initial adoption of the Groundwater Monitoring Program regulatory fees as part of the Agency's FY26 budget, the Agency will evaluate and adopt the Groundwater Monitoring Program fees annually to continue implementation of the Groundwater Monitoring Program. The level of effort necessary to implement the program may increase or decrease based upon changes in the regulatory environment or utilization of technology, as example variables. The annual fees may go up or down depending on changes in the Groundwater Monitoring Program's level of effort, costs, or the number of wells subject to a specific regulatory function.

The Agency's annual fees and assessment of charges, including the Groundwater Monitoring Program fees, are subject to public engagement through multiple meetings of the Agency's committees, Board of Directors, and Board of Supervisors, including public workshops and hearings generally held in March and May, respectively. Final adoption of fees is performed by the Agency's Board of Supervisors in June of each year.

The Agency may therefore set fines and penalties, as described in Ordinance No. 5426, for noncompliant well owners at its discretion, provided, however, that the penalties are not "grossly disproportional" to each offense. Additionally, the Agency should ensure that it documents how and why the amount of each delinquency or penalty fee is related to the seriousness of the offense.