

Receive a presentation on the
Groundwater Monitoring Program
Regulatory Fee Study; and provide
direction to staff as appropriate.

April 22, 2025

Monterey County Water Resources Agency Board of Supervisors



Monterey County has a groundwater dependent economy

Source: County of Monterey 2023 Crop & Livestock Report and 2022 Economic Development Strategy Update

- Agricultural production and associated jobs (\$4.4B)
- Tourism and related industries (\$1.8B)
- Approximately 40% of the County workforce is associated with agriculture
- Domestic, municipal, and agricultural water supplies rely heavily on groundwater



Protecting today's groundwater for tomorrow

- 2014 – Sustainable Groundwater Management Act becomes law
 - The California Department of Water Resources responsibilities:
 - ✓ Primary State technical assistant and oversight agency
 - ✓ Establishes and prioritizes groundwater basins
 - ✓ Approves plans and monitors progress
 - ✓ Determines sustainability and compliance with SGMA
 - The State Water Resources Control Board responsibilities:
 - ✓ The State “backstop” when groundwater sustainability plans (GSPs) in a basin fail
 - ✓ Receives referrals from DWR for those GSAs whose plans are not compliant with SGMA
 - ✓ Will intervene in the management of a groundwater basin – “intervention”
- 2017 – In lieu of State intervention, the Salinas Valley Basin Groundwater Sustainability Agency is formed.

SVBGSA

Established in 2017 under California's Sustainable Groundwater Management Act, the Salinas Valley Basin Groundwater Sustainability Agency is tasked with the ambitious goal of developing a comprehensive groundwater sustainability plan by 2020 and implementing the plan to achieve basin sustainability by 2040.












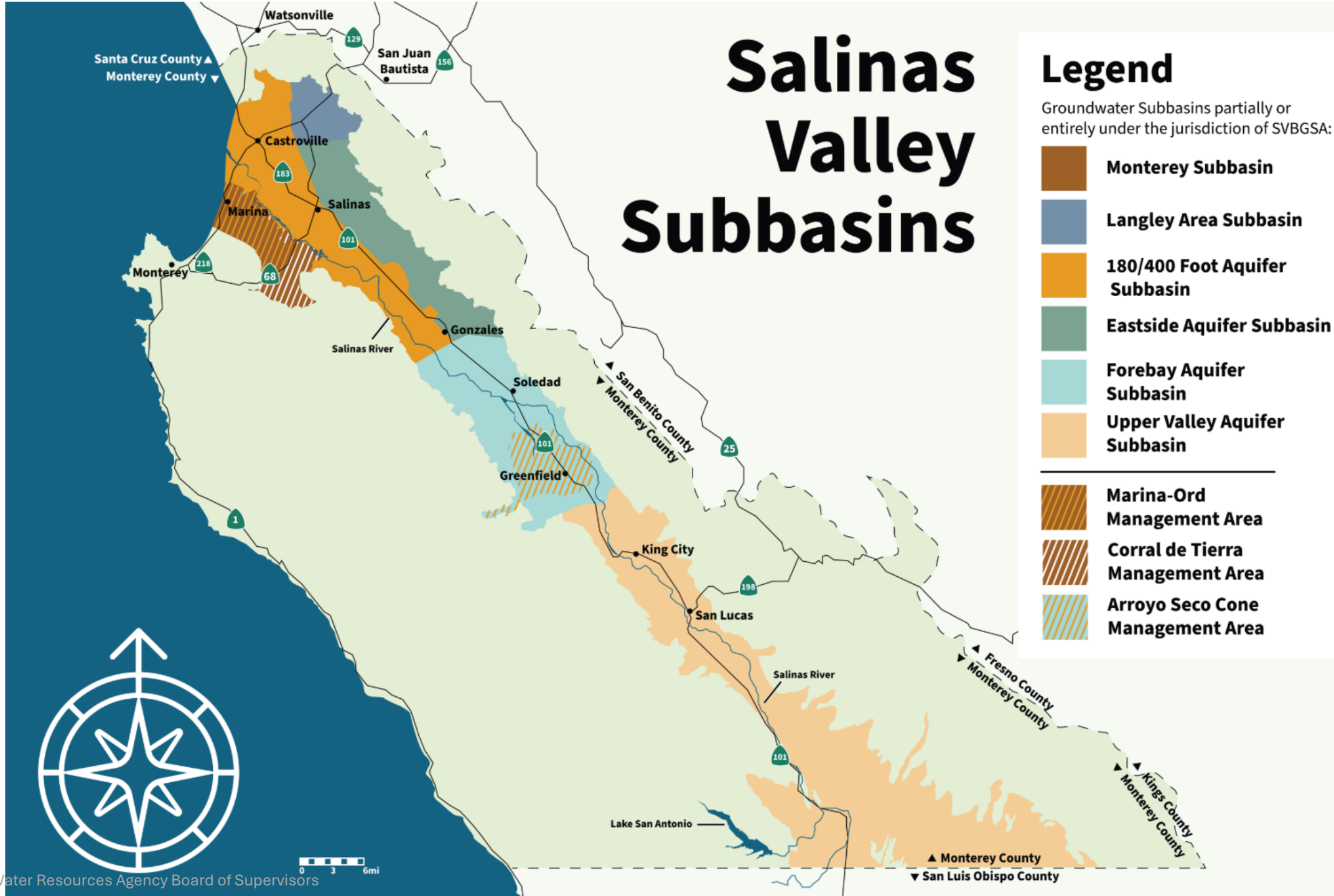
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Salinas Valley Subbasins

Legend

Groundwater Subbasins partially or entirely under the jurisdiction of SVBGSA:

-  Monterey Subbasin
 -  Langley Area Subbasin
 -  180/400 Foot Aquifer Subbasin
 -  Eastside Aquifer Subbasin
 -  Forebay Aquifer Subbasin
 -  Upper Valley Aquifer Subbasin
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-  Marina-Ord Management Area
 -  Corral de Tierra Management Area
 -  Arroyo Seco Cone Management Area



SVBGSA needs going forward

- All GSAs are dependent upon reliable and regular groundwater monitoring and data management to inform GSP development and assess efficacy
- DWR requires 5-year evaluations of the SVB's GSPs – due in January 2025 for its high priority basins and January 2027 for its medium
- The SVB must also address DWR's "Recommended Corrective Actions" requiring additional well data to resolve data gaps and more rigorous reporting requirements.
- In 2023, the SVB and Water Resources Agency began meeting with stakeholders to determine the best path forward

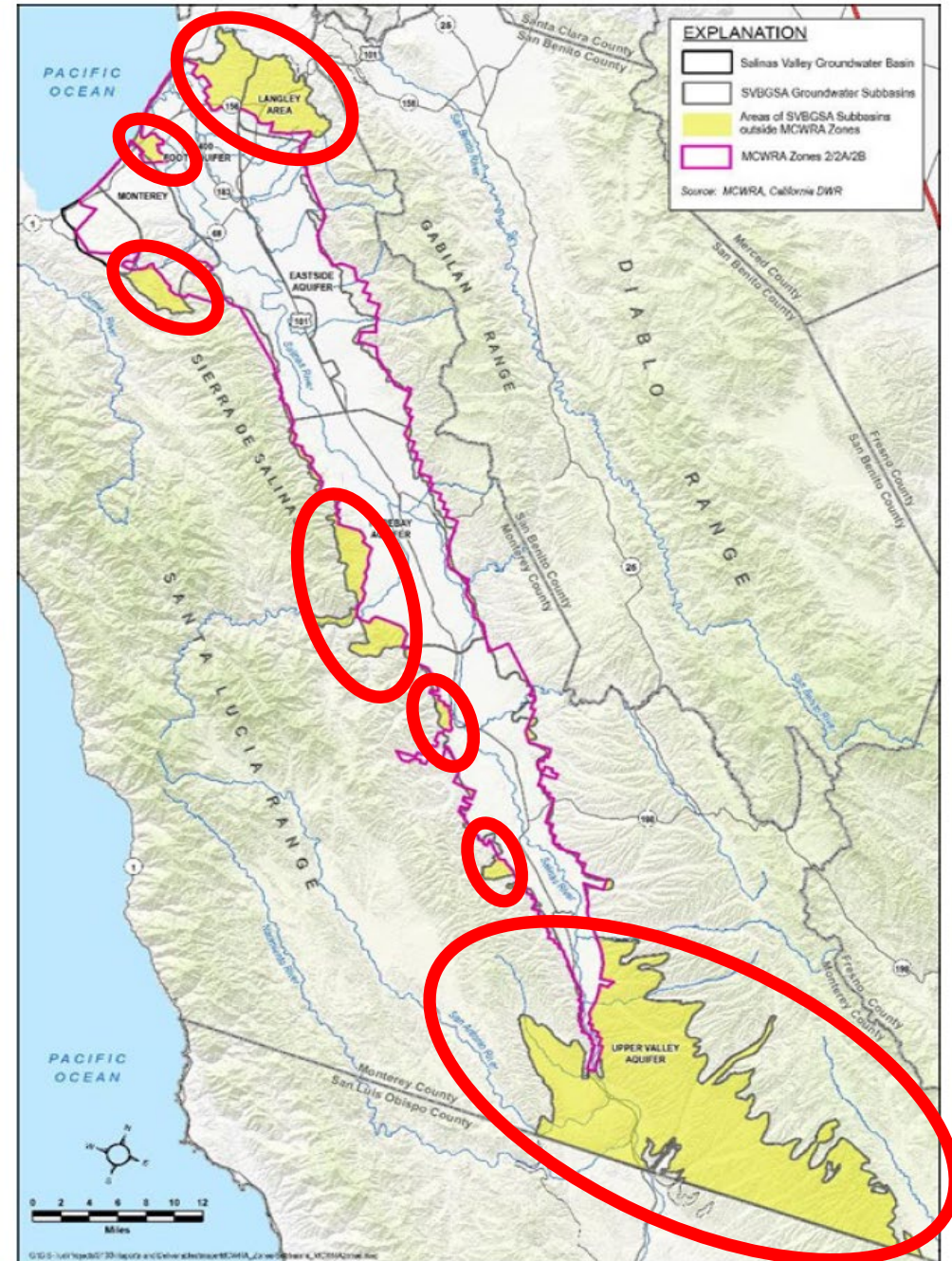
Red circles are outside of the Agency's historical monitoring, DWR requires a solution

3 alternatives considered to address data gaps:

- The SVB develops a “GEMS like” program to address the areas currently not reporting;
- The Agency transfers its historical monitoring program to the SVB for all future administration, or;
- ✓ The Agency expands its historical monitoring program to include the new areas currently not reporting

October 1, 2024, the Agency's Board of Supervisors approved Ordinance No. 5426 and the proposal to establish a well fee and expand the Agency's work.

Areas of groundwater extraction data gaps for the SVBGSA



What remains the same, what's changing?

- Unchanged in the near-term:
 - The Agency's current approach to groundwater monitoring – water level and quality – and data management;
 - Registration and reporting requirements for **MOST** well owners within historical boundaries – if you're registered and reporting, that will continue.
- Changes on the horizon:
 - New registration and reporting requirements for **SOME** well owners within the historical boundaries – below 3" inch outlet but greater than 2 acre-feet per year – and in new the geographic areas;
 - New annual fee to ensure program reliability, billed per well directly by the Agency, on an annual basis – **NOT** part of future property tax bills.

Benefits of the reconceived Groundwater Monitoring Program are:

- Sustaining the Salinas Valley's groundwater and quality of life for future generations;
- Maintaining local governance and oversight;
- Meeting rigorous SGMA regulatory mandates and DWR reporting requirements by leveraging Agency experience;
- Expanding historical monitoring and improving reliability to meet today's information needs;
- Improving local agencies processes and efficiencies, avoiding duplication;
- Establishing an equitable approach to cost allocation and recovery;
- Providing opportunities to meet the future needs of others.

Regulatory Fee Proposal

- MCWRA has authority to monitor groundwater and set fees under the Agency Act and Ordinance No. 5426
- The Fee Study recommends five new fees to cover:
 - Initial Well Registration (one-time)
 - Annual registration renewal (annual)
 - Groundwater extraction reporting (annual)
 - Groundwater level monitoring (annual)
 - Groundwater quality monitoring (annual)
- Proposed fees will be administered on a per-well basis, not a per-acre basis.

Funding for past activities

- Historically, the Agency's groundwater monitoring activities have been funded by grants, ad valorem taxes, and/or per-acre, special benefit assessments;
- As past revenue streams have varied, so have past groundwater monitoring activities with varying scope, scale, and frequency;
- Instituting a new regulatory fee to support the adopted Groundwater Monitoring Program will ensure reliable compliance with SGMA mandates and DWR reporting requirements;
- Historical funding sources will continue to be used for ongoing operations, maintenance, and surface water monitoring activities.

Proposition 26

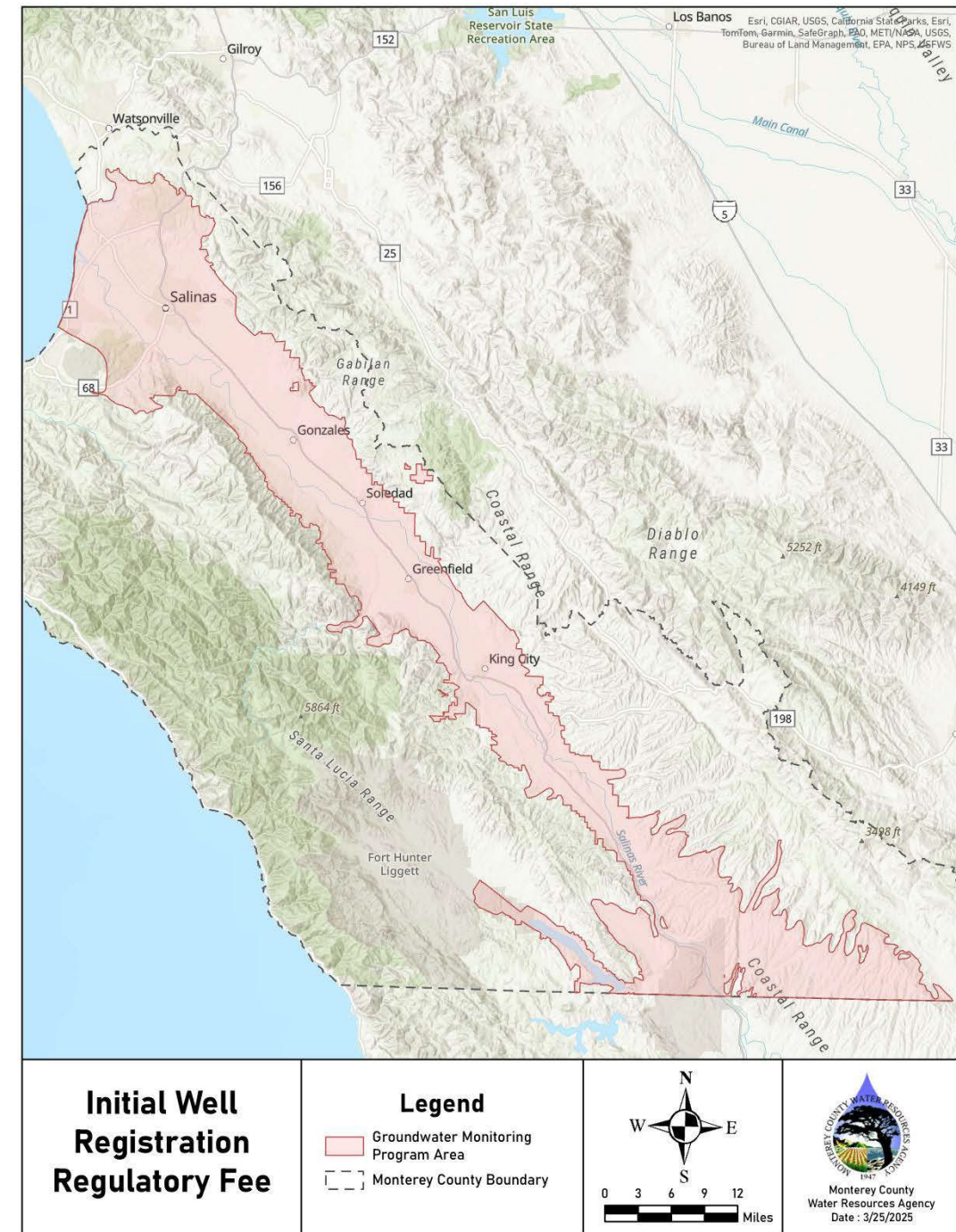
- GMP Regulatory Fees are not taxes, per Prop. 26 regulatory fee exemption
- GMP Regulatory Fees are imposed for reasonable regulatory costs that do not exceed the reasonable cost of service, including:
 - Staff time
 - Materials, supplies, equipment, laboratory costs, and vehicles
 - Agency/County indirect costs
- Prop. 26 fees can be adopted at any time through a vote of elected officials and will be billed by the Agency directly to well owners or designees.
- If adopted by the Board of Supervisors, the annual fees for the FY 2025-2026 will go into effect July 1, 2025.

Indirect Costs – What's included?

- Overall percentage is approximately 21%
 - Agency portion (approx. 12%)
 - Insurance, office supplies and furnishing, internet service, communication devices, information technology hardware and software
 - County portion (approx. 9%)
 - Facilities, Auditor Controller, Human Resources, Records Retention, County Counsel

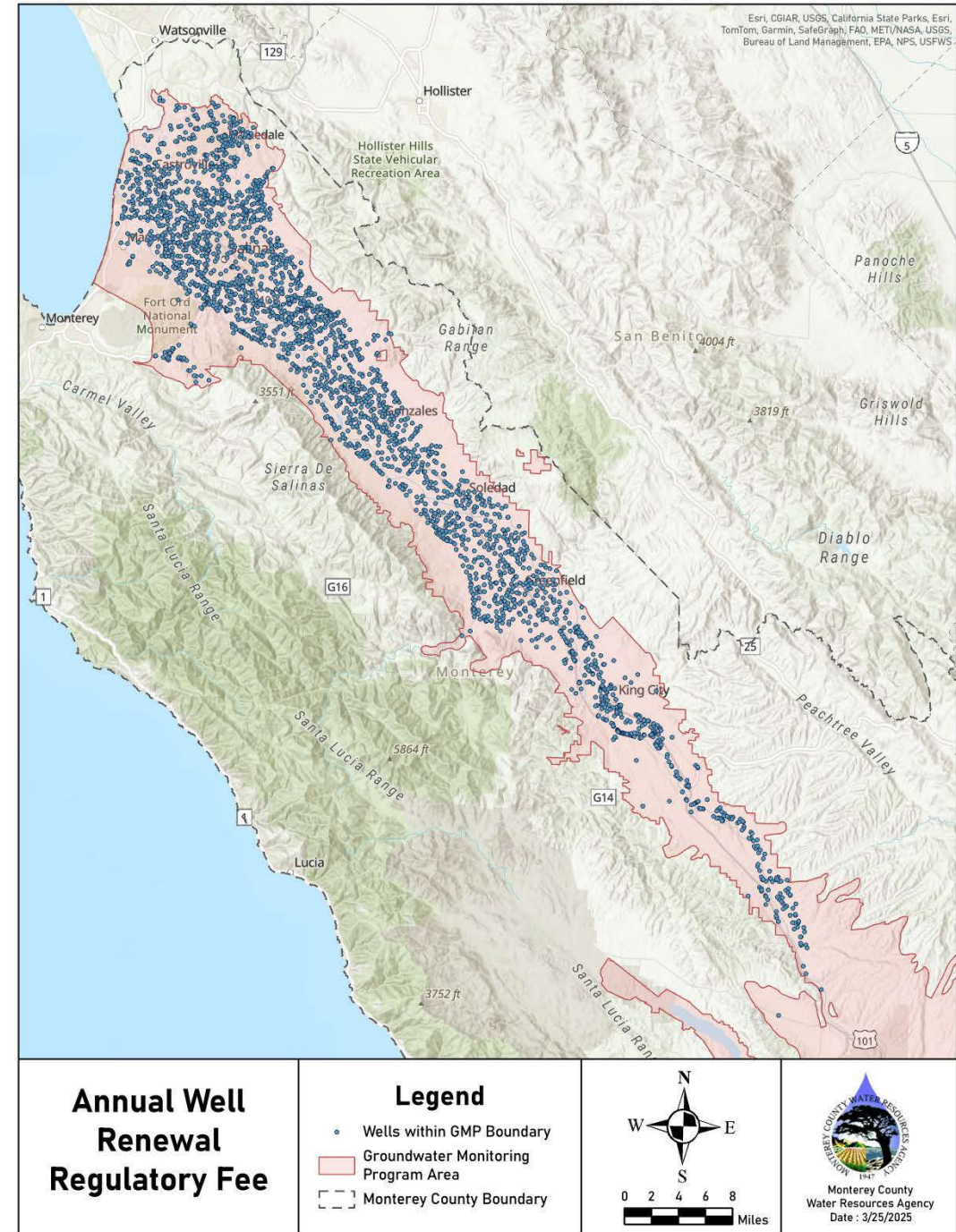
Initial Well Registration Fee

- Purpose: initial registration of a well following construction or a request by the Agency
 - Does not apply to wells already registered with the Agency
 - Involves providing information about the well's location, owner, operator, status, and construction
- Fee is \$160.19 per well (one-time only)
- Estimated to be billed to 50 wells per year
- Applies to water production wells within the jurisdictional area of the SVBGSA



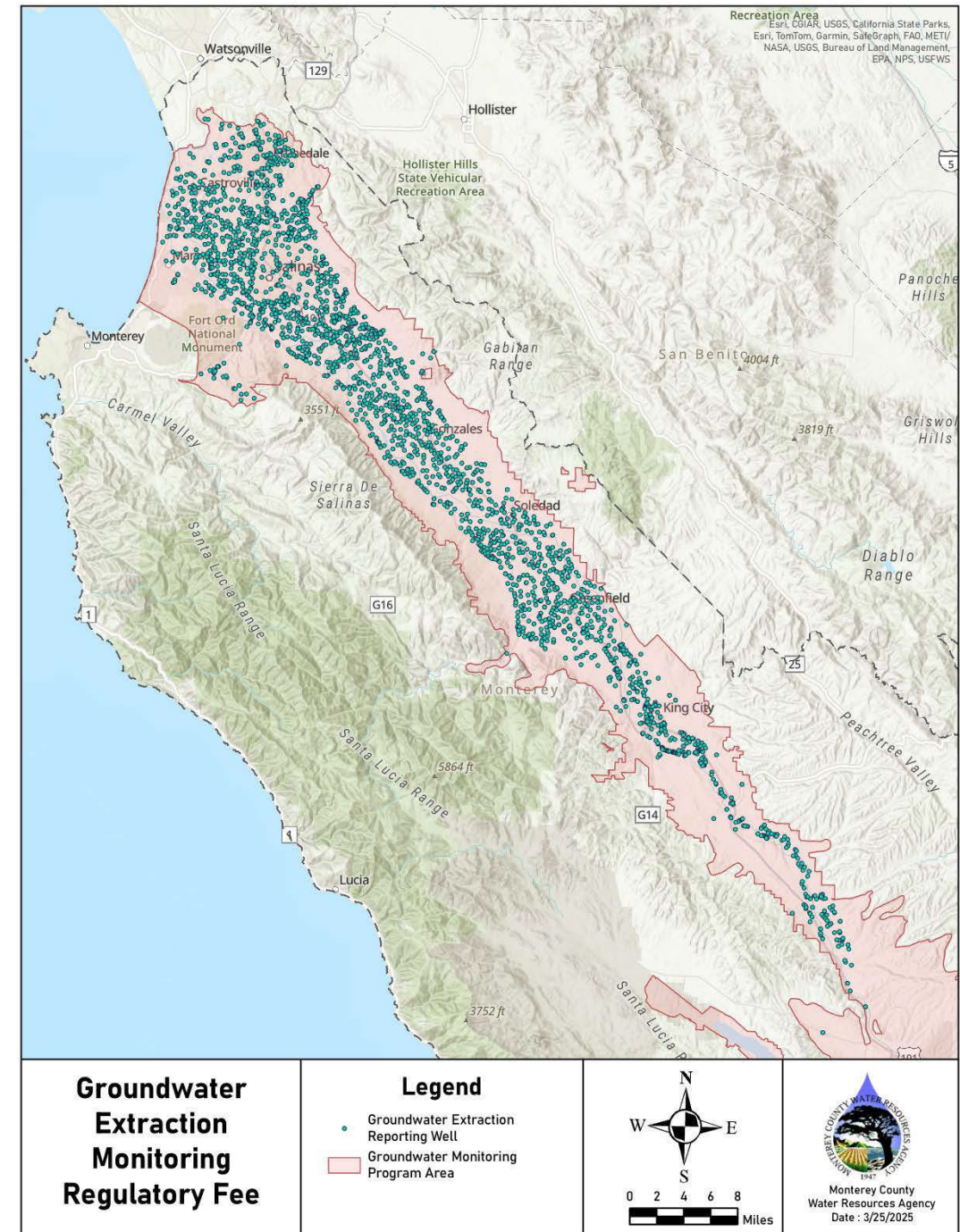
Annual Renewal Fee

- Purpose: all registered wells are required to annually renew their registration and verify the data on file
- Fee is \$21.90 per well (paid annually) and recovers the costs of:
 - Staff time for data verification
 - IT support and software licensing
 - Printing of notifications and billing
- Estimated to be billed to 3,500 wells per year
 - Applies to water production wells within the jurisdictional area of the SVBGSA



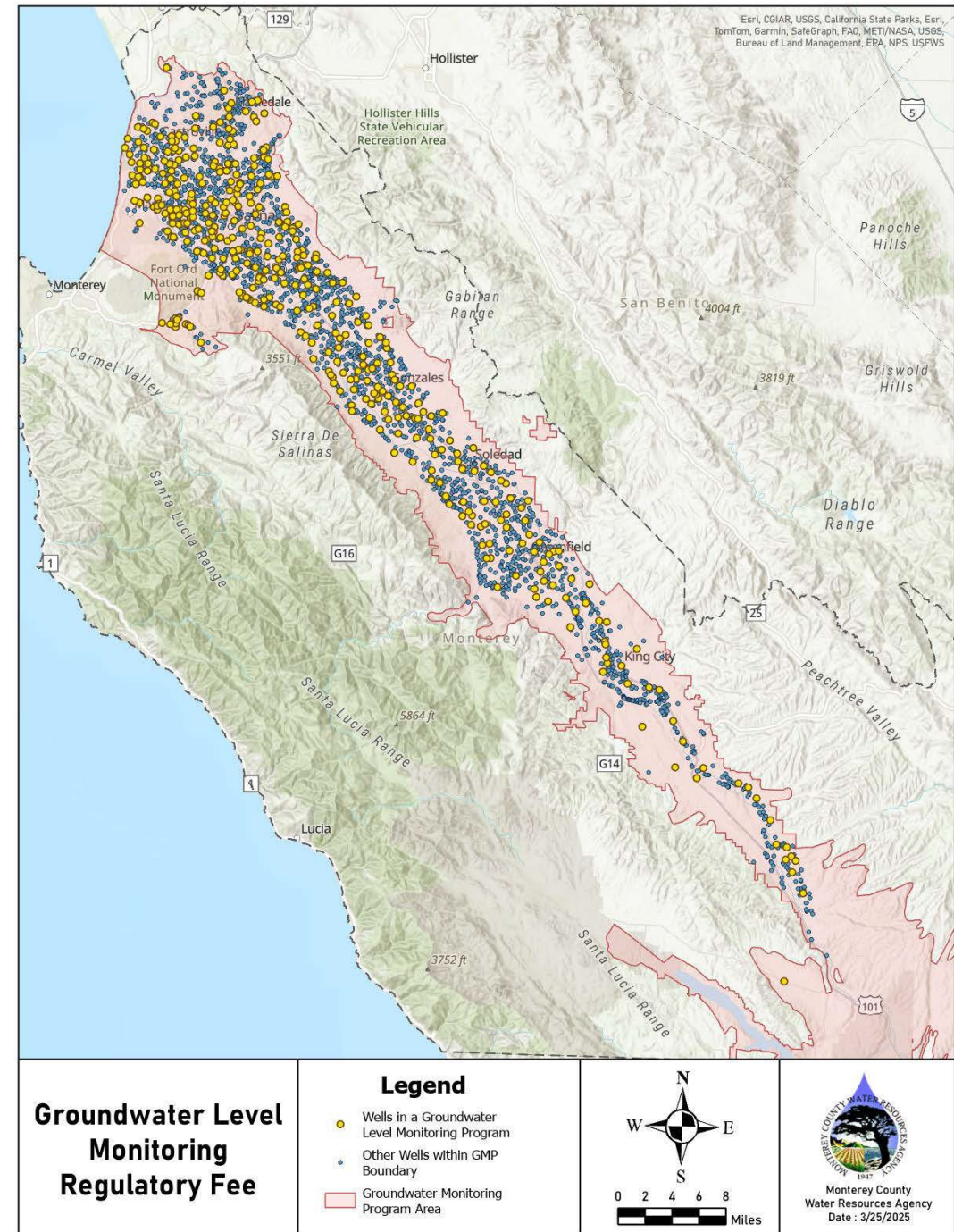
Groundwater Extraction Reporting

- Purpose: all wells extracting more than 2 acre-feet/year must maintain an Agency-approved monitoring device and report monthly extraction data
- Fee is \$64.82 per well (paid annually) and recovers the costs of:
 - Staff time for data verification and auditing
 - IT support and online reporting application
 - Printing of notifications and billing
- Estimated to be billed to 2,100 wells per year

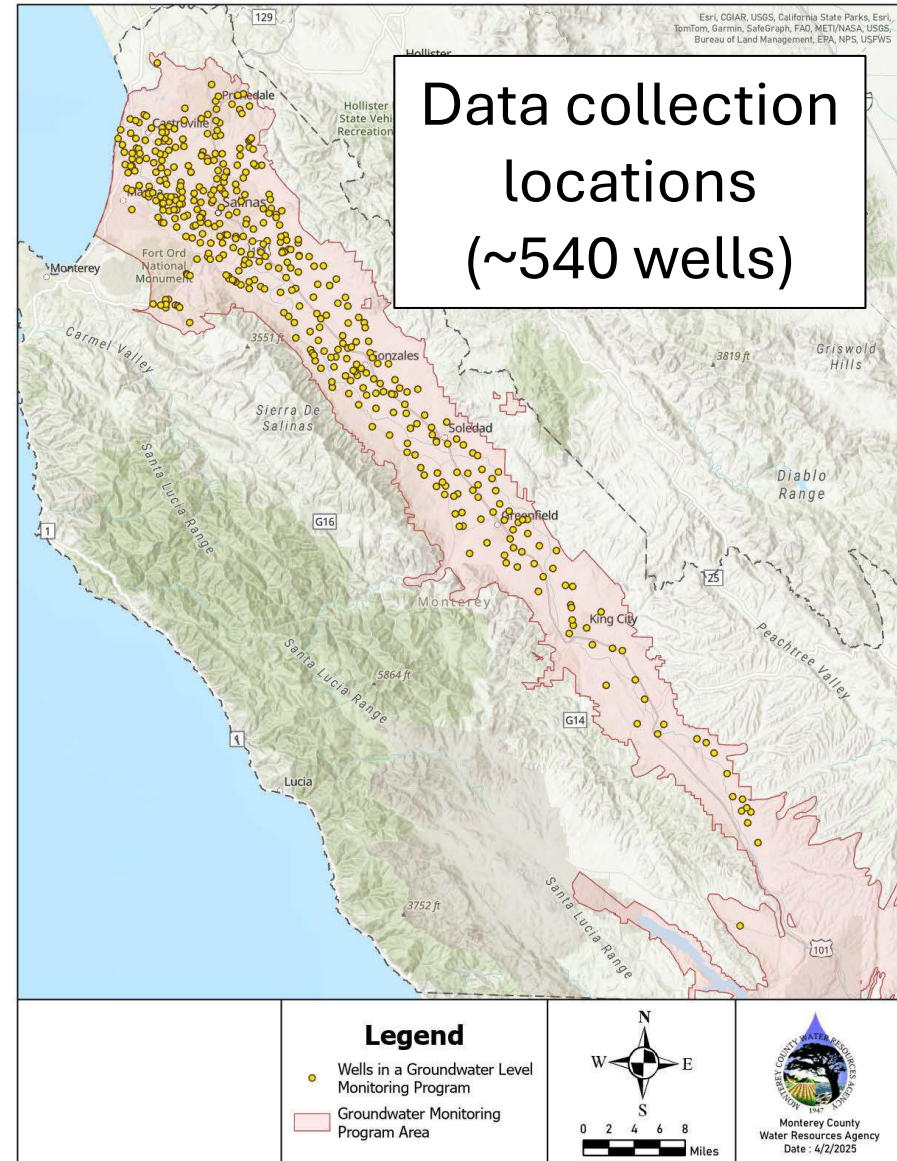
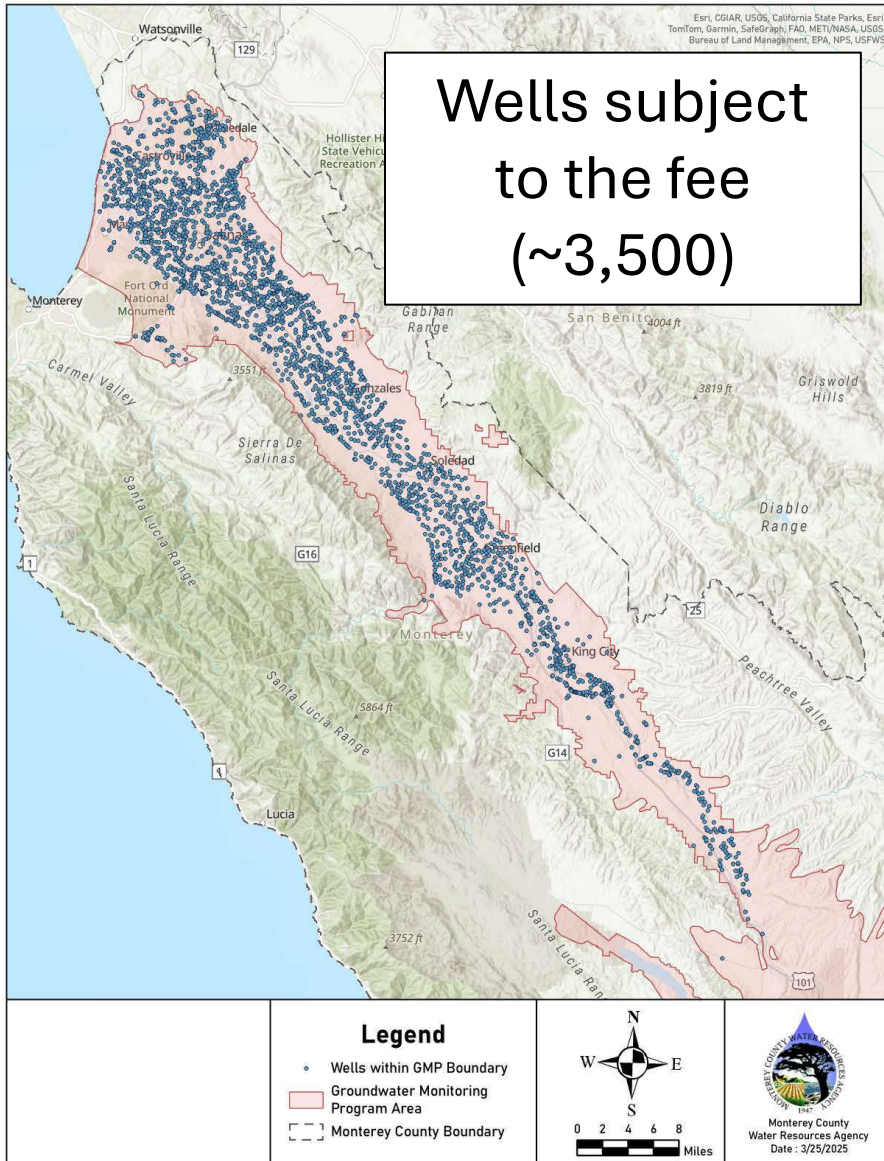


Groundwater Level Monitoring

- Purpose: measurement of groundwater levels to quantify impacts to the groundwater basin from well extraction and climatological events
- Fee is \$117.63 per well (paid annually) and recovers the costs of:
 - Staff time for field visits, data collection, analysis and reporting
 - Vehicles, equipment, and supplies
 - Monitoring well maintenance
- Estimated to be billed to 3,500 wells per year
 - Applies to water production wells within the jurisdictional area of the SVBGSA

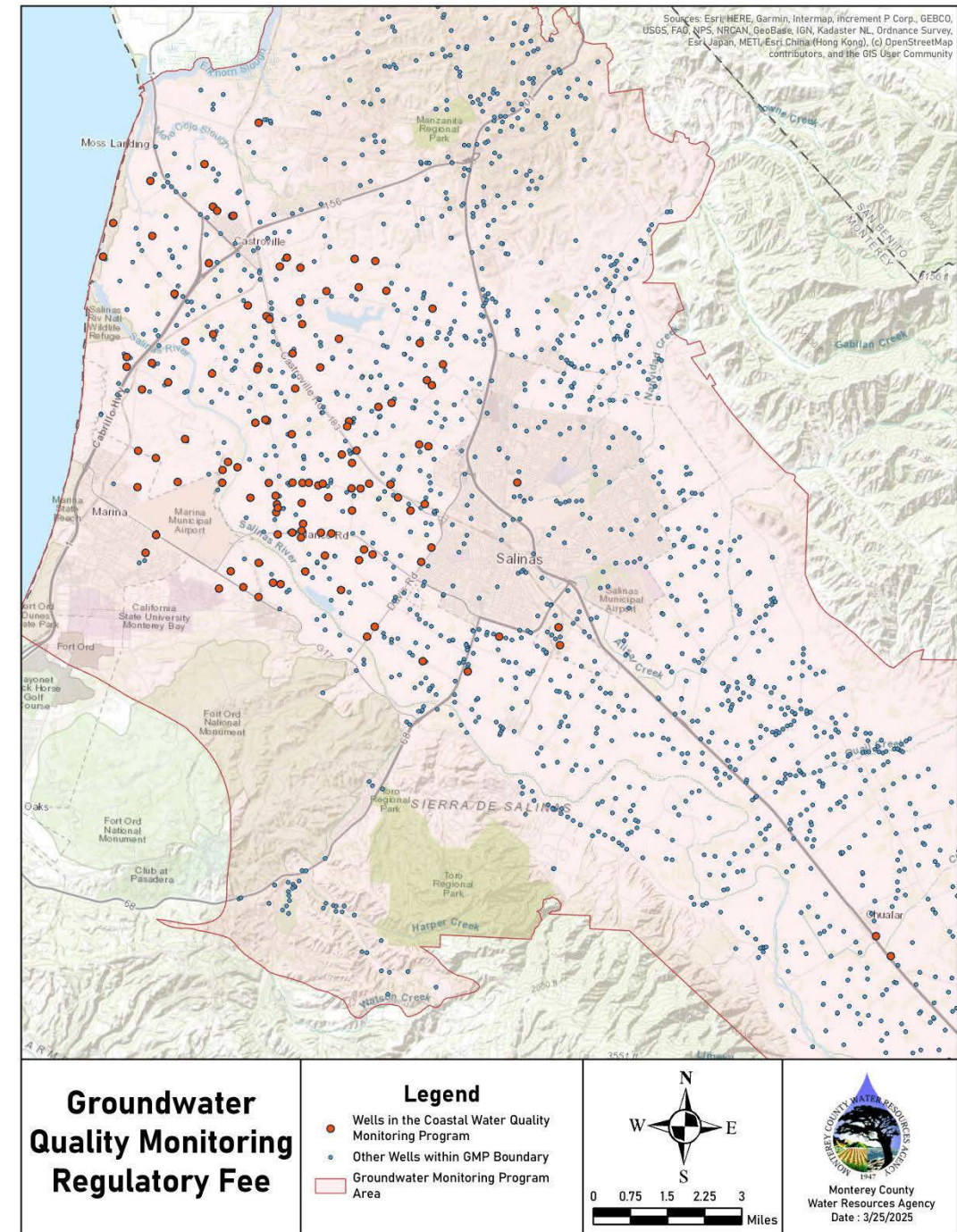


Groundwater Level Monitoring



Groundwater Quality Monitoring

- Purpose: sampling of groundwater in areas that are monitoring water quality conditions
- Fee is \$73.90 per well (paid annually) and recovers the costs of:
 - Staff time for field visits to ~150 wells, data collection, analysis and reporting
 - Vehicles, equipment, and supplies
 - Laboratory costs
- Estimated to be billed to 2,300 wells per year
 - Applies to water production wells in the 180/400 Foot Aquifer, Eastside, Langley, and Monterey subbasins



Summary of FY 25-26 GMP Reg. Fees

GMP Regulatory Fee per Category *	FY 25-26 Fee
Initial Well Registration (one-time)	\$ 160.19
Annual Well Registration Renewal	\$ 21.90
Groundwater Extraction Reporting	\$ 64.82
Groundwater Level Monitoring	\$ 117.63
Groundwater Quality Monitoring	\$ 73.90

* Annual fees subject to change reflective of actual program costs.

Summary of FY 25-26 GMP Reg. Fees

SV Subbasin Total Annual Fee per Well *	FY 25-26
Initial Well Registration (one-time)	\$ 160.19
Upper Valley/Forebay De Minimis Wells (R + WL)	\$ 139.53
Upper Valley/Forebay (R + WL + WR)	\$ 204.35
180/400/Eastside/Langley/Monterey De Minimis wells (R + WL + WQ)	\$ 213.43
180/400/Eastside/Langley/Monterey (R + WL + WR + WQ)	\$ 278.25
* Annual fees subject to change reflective of actual program costs.	
R = Annual Registration Renewal WL = Groundwater level monitoring WQ = Groundwater quality monitoring WR = Groundwater extraction reporting	

What has
changed
since the
initial draft
study?

Revised indirect cost rate

Decreases to all fees

Added figures to the Fee Study

Researching potential program
for low income well owners

Process and Next Steps

