

# STANISLAUS COUNTY WATER ADVISORY COMMITTEE

## Proposed ETSGSA Proposition 218 Groundwater Use Fee

January 29, 2025



# AGENDA






1. Background information
2. Proposed Fees and What They will be Used For
3. How Does the Proposed Fee Structure Work?
4. Groundwater Accounting Platform and Fee Calculator

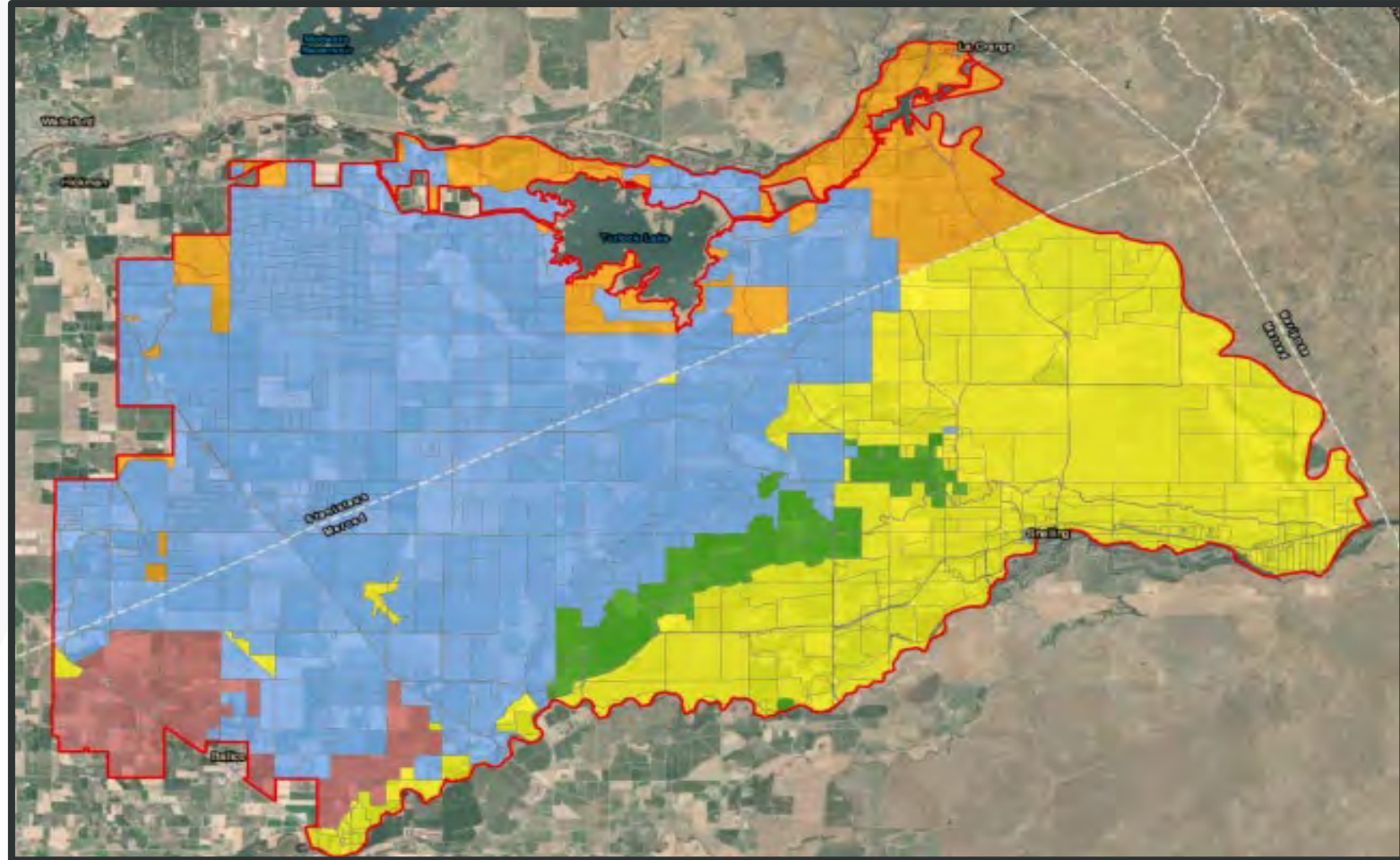


# BACKGROUND

SGMA and ETSGSA

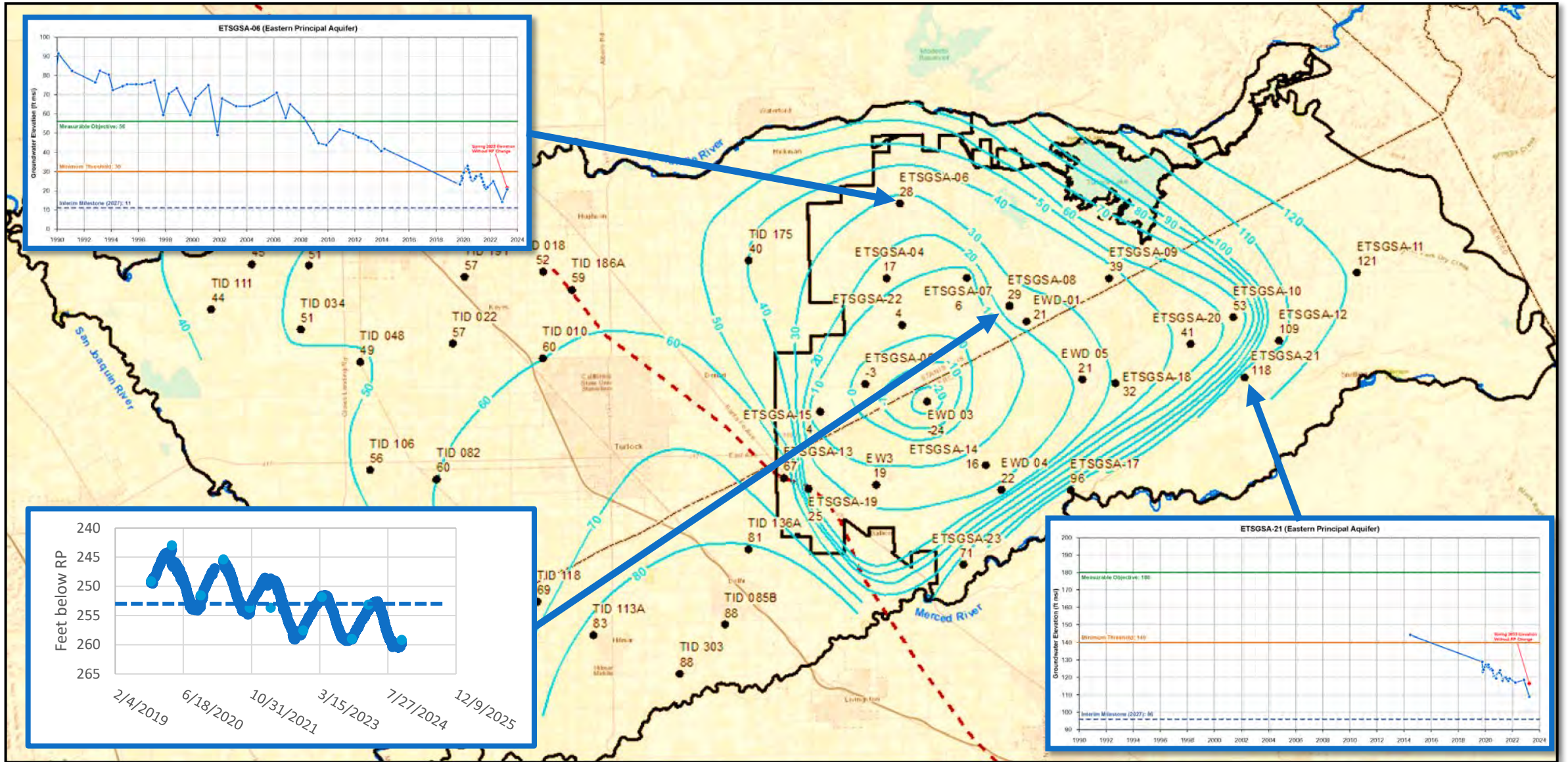
# East Turlock Subbasin GSA

-  Eastside Water District
-  Ballico-Cortez Water District
-  Merced Irrigation District
-  Merced County
-  Stanislaus County





# ETSGSA GROUNDWATER CONE OF DEPRESSION



# ETSGSA REQUIREMENTS AND AGREEMENTS WE ARE SEEKING TO FUND

## SGMA Compliance: Groundwater Sustainability Plan (GSP)

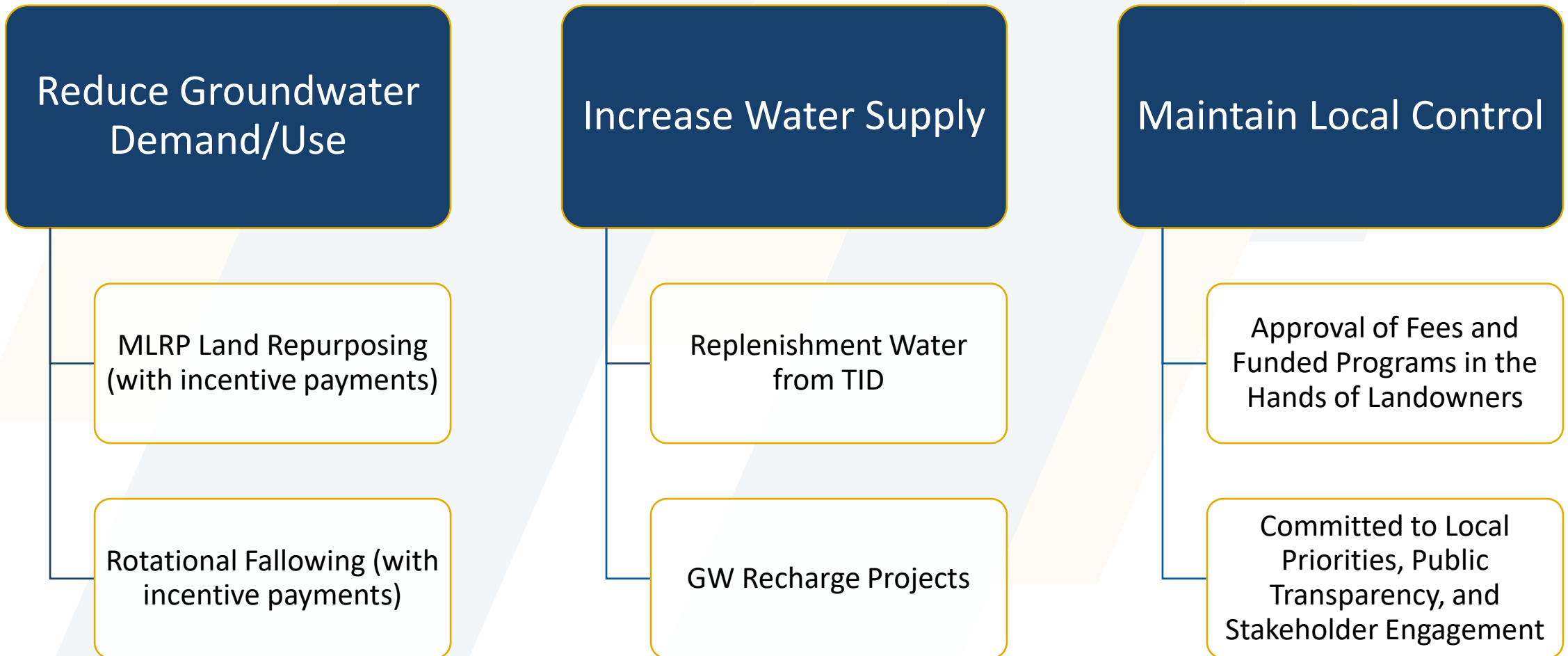
- Resubmitted to Department of Water Resources (DWR) July 2024; pending approval.
- Must implement the GSP and included Groundwater Demand Reduction Plan.
- Inadequate GSP or implementation results in State intervention, loss of local control.

## Water Accounting Framework Agreement with TID/WTSGSA

- ETSGSA will pay TID for 'Transitional Water' that enters the Subbasin from TID facilities; Revenue used to fund implementation of GSP Projects in the Turlock Subbasin.
- ETSGSA can now receive up to 35,000 AF/year of TID Replenishment Water when availability allows.
- GSA required to implement land fallowing program or equivalent demand reduction.

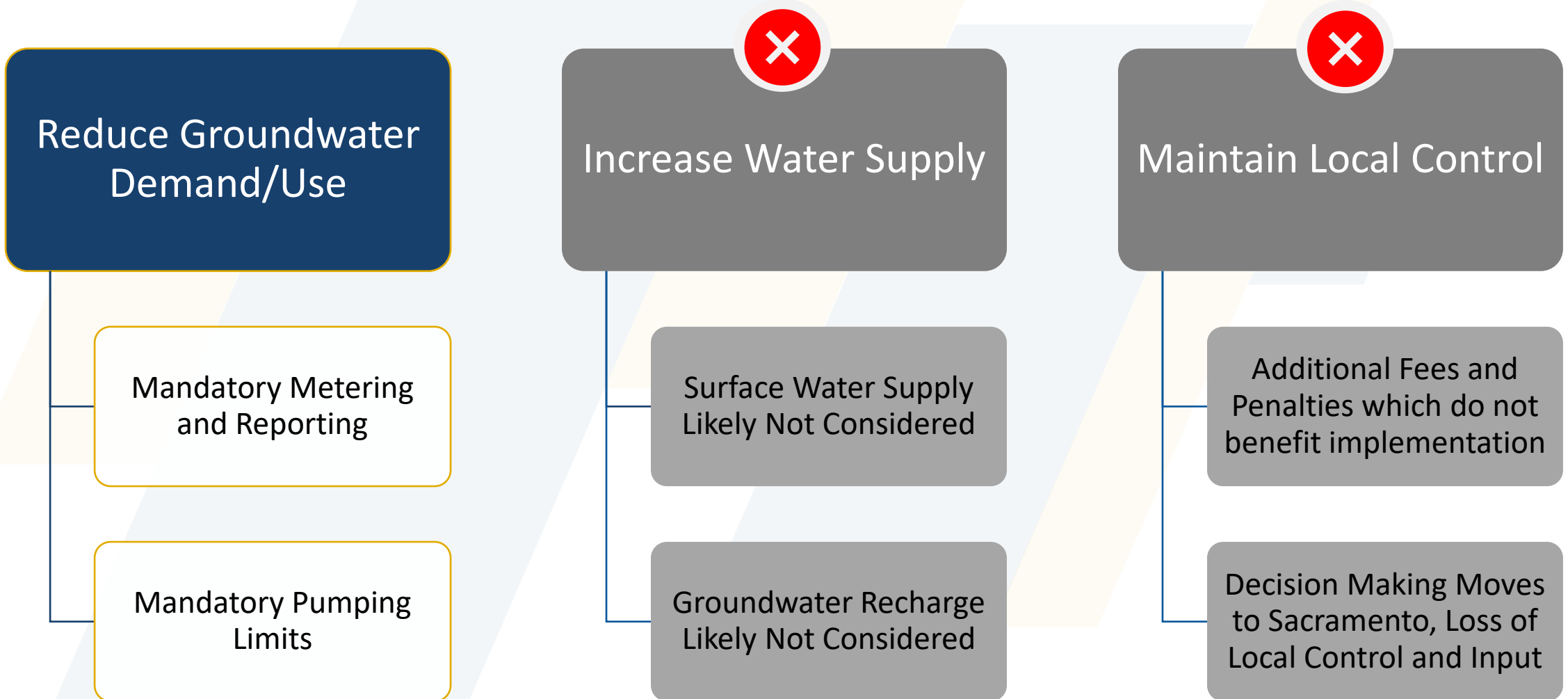
# ETSGSA'S SUSTAINABILITY STRATEGY

**Our Objective:** Achieve groundwater sustainability AND provide pathways for local groundwater users to adapt to the SGMA mandate while staying in business.



# WHAT DOES STATE INTERVENTION LOOK LIKE?

**State's Objective:** Achieve groundwater sustainability.





# STATE INTERVENTION COST IMPACTS

*Under State Intervention, the GSA is still responsible to implement its GSP and correct any deficiencies. The cost of State intervention is therefore in addition to ongoing costs.*

## Ongoing Costs:

Implement GSP  
Monitoring and Reporting  
Basic SGMA Compliance  
Projects & Management Actions  
GSA Operation

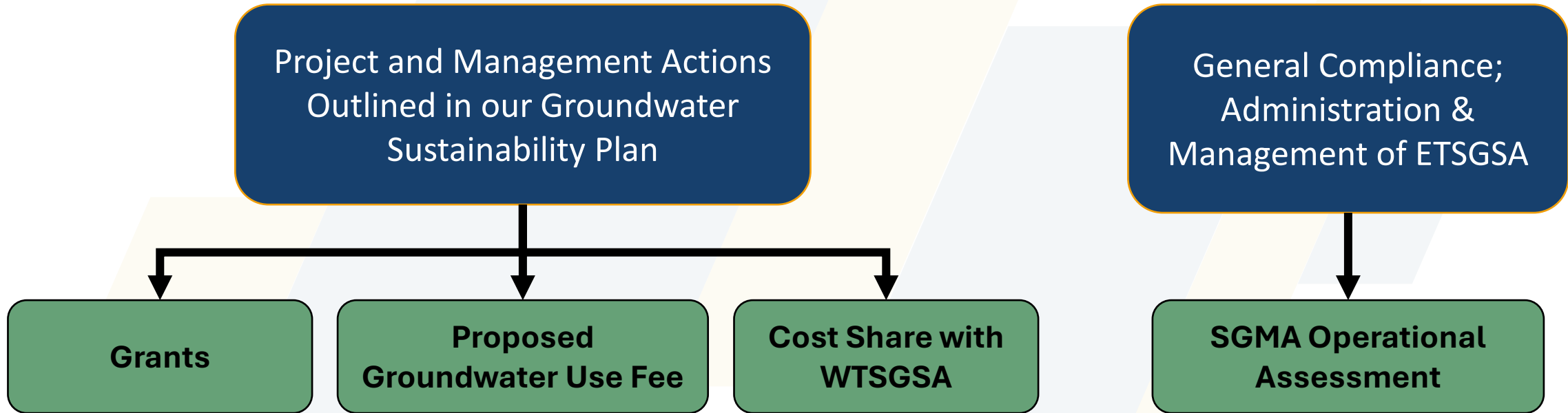
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## Additional Costs:

Well Registration\*  
Extraction Fees\*  
Penalties\*  
Corrective Actions and Reporting  
Mandatory Pumping Limits

\* Fees and penalties collected by the State are not obligated to be used for work in the Subbasin, and may be used elsewhere.

# HOW ARE WE PLANNING TO FUND IMPLEMENTATION OF OUR STRATEGY?





# PROPOSED FEES AND WHAT THEY WILL BE USED FOR

# PROJECTS AND MANAGEMENT ACTIONS FUNDED BY THE PROPOSED FEE

Program Costs to be Funded	Description
<b>Replenishment Water</b>	Up to 35,000 AF/year (25,000 AF/year long-term average) of surface water made available to be used instead of groundwater. Increase from 5,000 AF per year with buildout under GSP Projects.
<b>Transitional Water (Funds GSP Projects)</b>	Payments to TID that will be used to increase surface water supply capacity and recharge in the Subbasin.
<b>Multi-Benefit Land Repurposing Program (MLRP)</b>	Owners are given incentive payments to take irrigated land out of production and/or adopt practices that reduce groundwater demand <u>and provide additional benefits</u> to the GSA, the environment, and communities.
<b>Rotational Land Fallowing</b>	Owners are given incentive payments to take irrigated land out of production <u>temporarily on a rotational basis</u> to reduce groundwater consumption.
<b>Well Mitigation</b>	Implement protective measures to avoid significant adverse impacts to domestic wells from declining water levels.

*Increase  
Surface  
Water  
Supply*



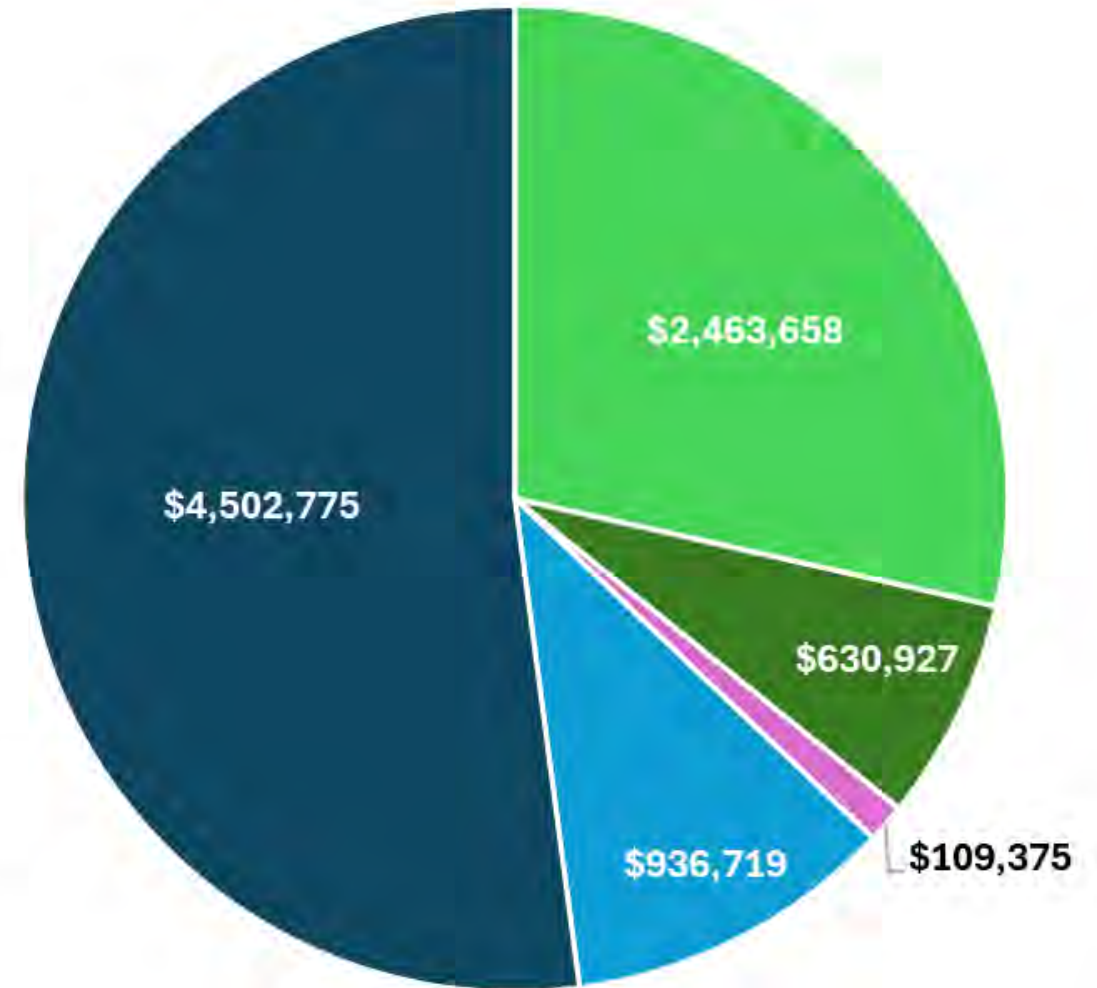
*Reduce  
GW  
Demand*



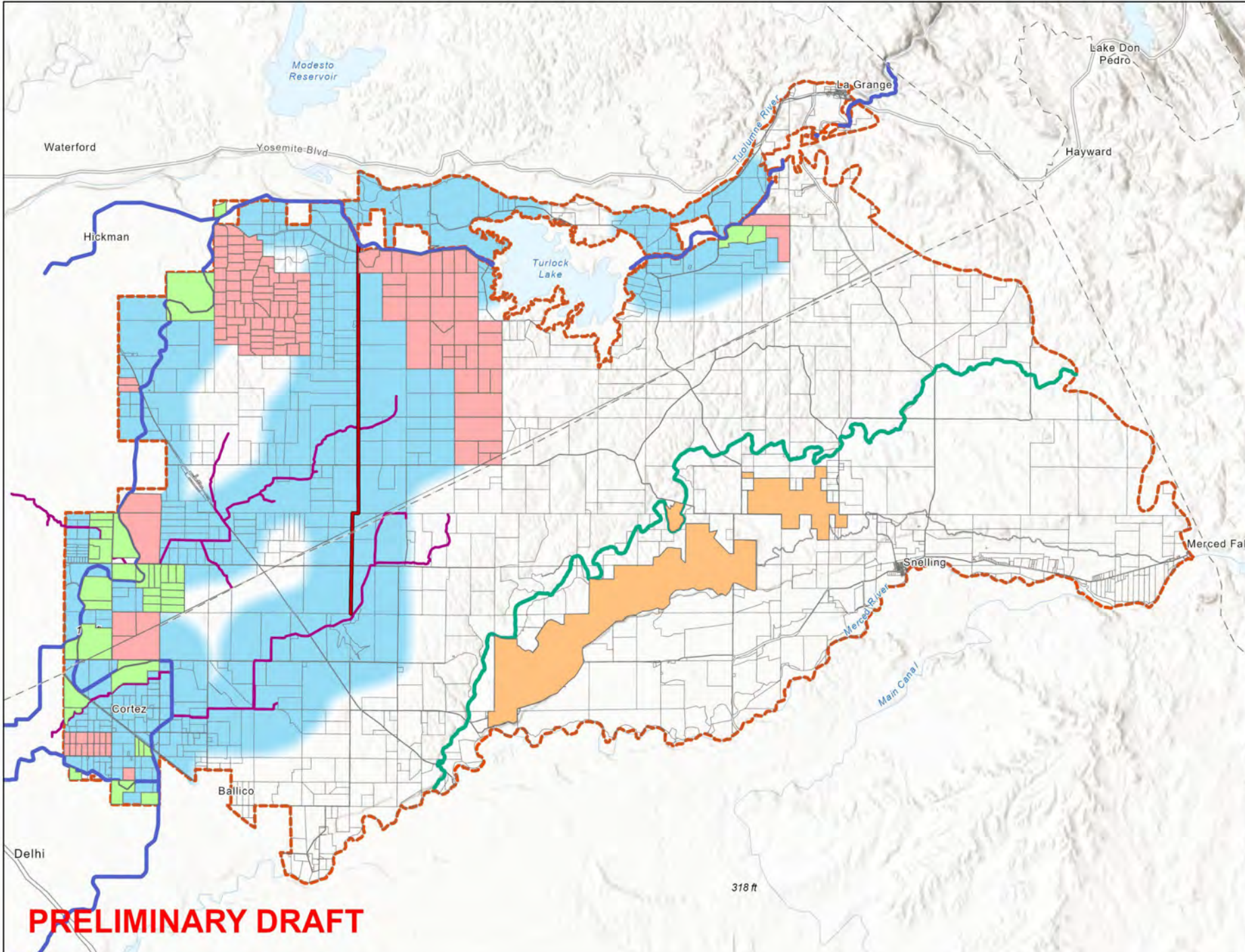
# WHAT THE PROPOSED FEES PAY FOR

## 2025 - 2032 Average Cost Distribution \$8.6 Million Average Annual Cost

- MLRP
- Rotational Land Fallowing Fund
- Well Mitigation Fund
- Replenishment Water Costs
- Transitional Water Costs (TID)







- ETGSA
  - Drains
  - Canal Centerlines
  - MID Northside Canal Service Area
  - Dry Creek
  - Potential Surface Water Delivery Expansion Area
- Proposed Distribution Lines**
- Pressurized Mainline
- Existing TID Replenishment Parcels**
- Stanislaus - 31 Parcels; 4,052.0 Acres
  - Merced - 11 Parcels; 735.5 Acres
- New Request TID Replenishment Parcels**
- Stanislaus - 117 Parcels; 8523.5 Acres
  - Merced - 18 Parcels; 709.7 Acres

Notes:  
 1. Final extent of "Potential Surface Water Delivery Expansion Area" layer is to be determined.

0 1.5 3 6  
 Miles

N

**East Turlock Subbasin GSA**

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**Replenishment Project**

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DATE: JAN 14, 2025

**FORMATION**  
 ENVIRONMENTAL

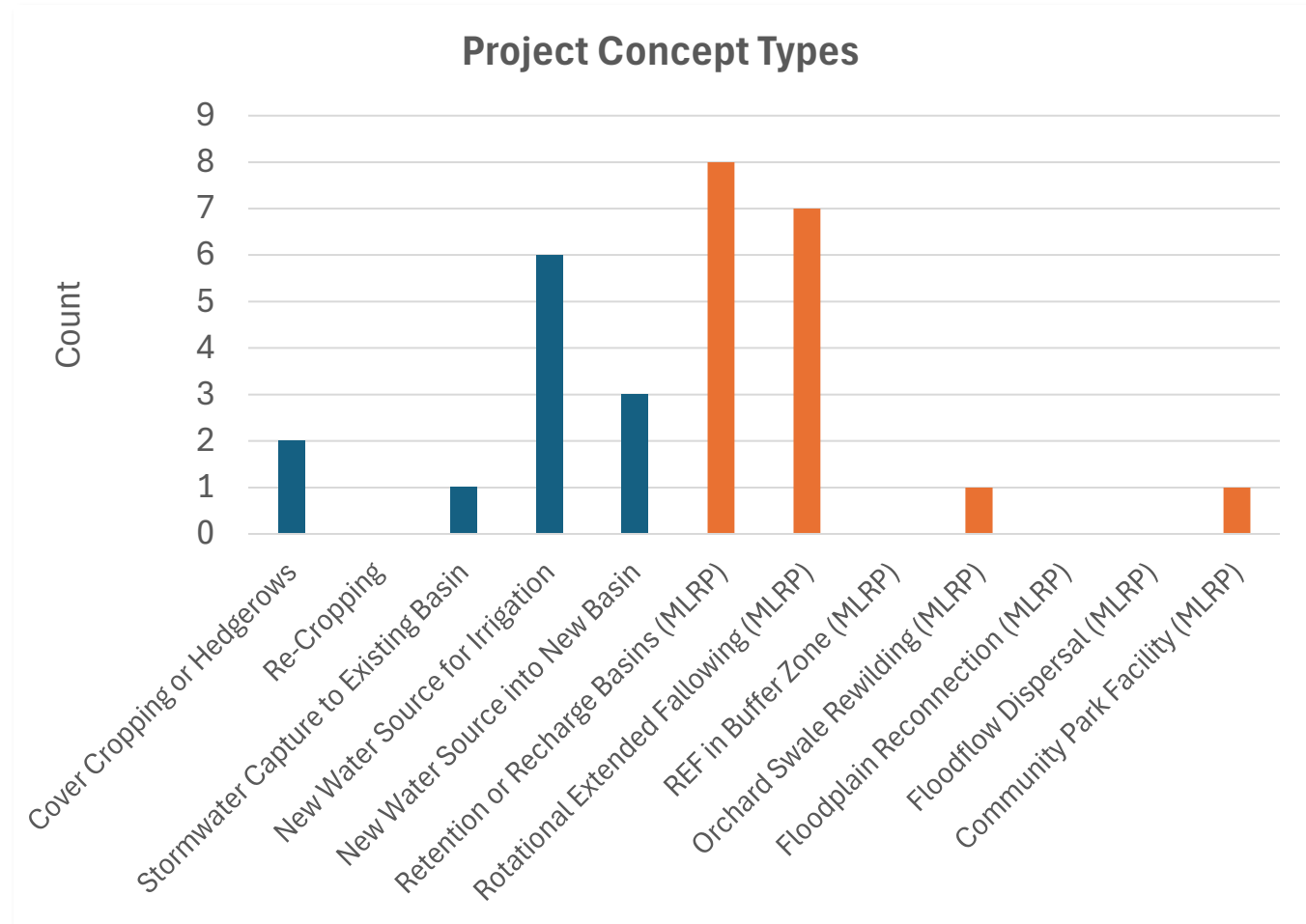
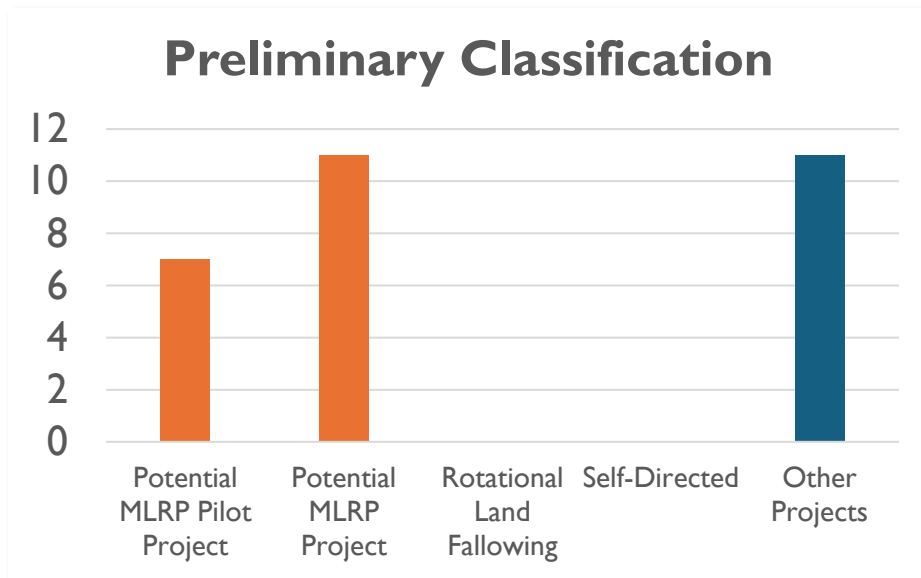
PRELIMINARY DRAFT

318 ft

M:\ETSGSA\MapData\Replenishment\Project\ETSGSA\_ReplenishmentProject\_20250113.aprx ETSGSA\_ReplenishProj

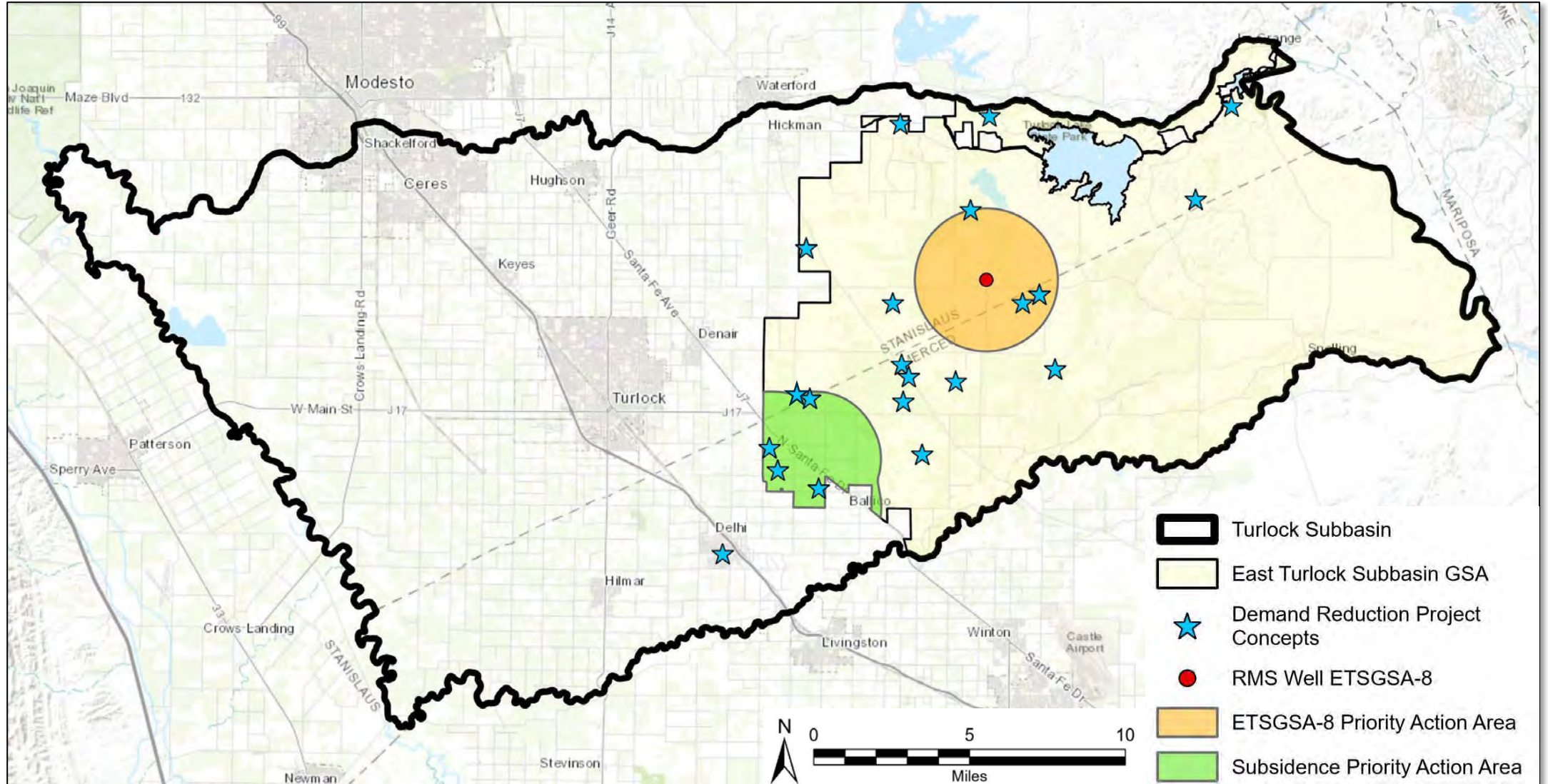
# UPDATE ON GW DEMAND REDUCTION PROJECT CONCEPTS RECEIVED (AS OF 1/22)

- 14 submittals received; 29 distinct concepts
- Approx. 3,000 acres affected
- MLRP/Projects Team review/assessment ongoing (demand reduction, CEQA/permitting, other “readiness” factors)





# LOCATIONS OF PROJECT CONCEPT SUBMITTALS





# HOW DOES THE PROPOSED FEE STRUCTURE WORK?

Groundwater Use Fee

# BASIS OF PROPOSED FEES

- For irrigated fields, groundwater use will be measured using *evapotranspiration* (ET) data which calculates of consumed groundwater use – **This is not the same as applied water use.**
- ET measurements are gathered using satellite data and on-field stations to determine the amount of groundwater consumed by crops.
- For non-agricultural users that exceed de minimis use or dairy, poultry, or food processing operations, fee calculations will rely on self-reporting.
- ETSGSA intends to allow property owners to appeal the use of ET data and seek to use metered extraction data instead, which would be converted to consumed groundwater use for the purpose of Fee calculation.



# PROPOSED FEE STRUCTURE CATEGORIES

Groundwater Use Fee Category	Category Description
<b>Category 3</b> Excess GW Use Fee	Groundwater Use Above the Use Reduction Target
<b>Category 2</b> Transitional GW Use Fee	Groundwater Use Above the Estimated Sustainable Yield
<b>Category 1</b> Base GW Use Fee	Groundwater Use Within the Intended Long-Term Additional Sustainable Yield Once Sustainable Thresholds are Met
<b>Category 0</b> No Fee Groundwater Use	Groundwater Use Within the Estimated Native Sustainable Yield

- Proposed fee categories are used to identify the cost of service tied to the amount of groundwater consumed (in ET per acre).

# PROPOSED FEE STRUCTURE CATEGORIES: COST OF SERVICE

## Category 0

- Assigned no costs (no service attributed)

## Categories 1 and 2

- Assigned all projected costs of GSP P&MAs (all planned service attributed)

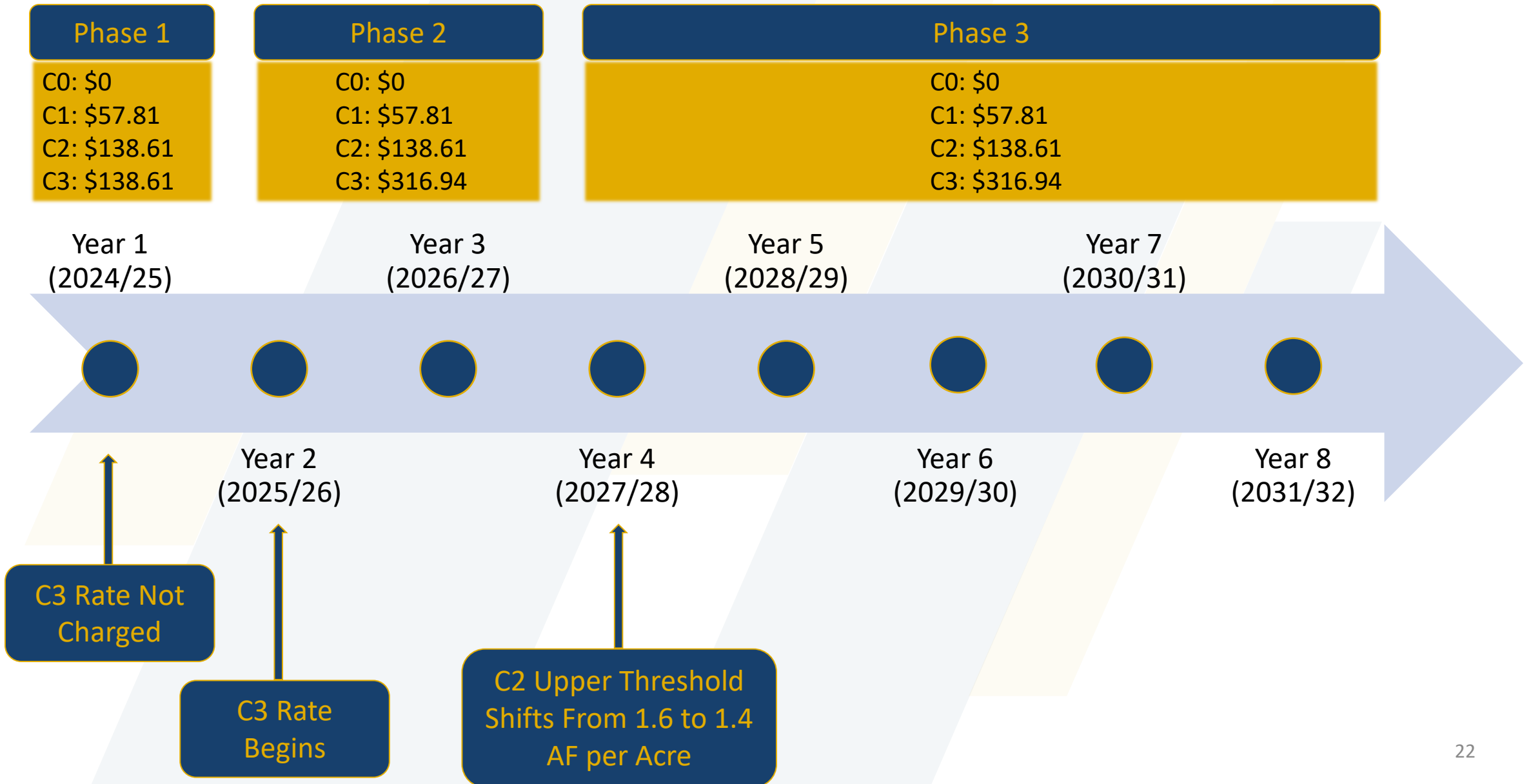
## Category 3

- Assigned additional costs to address pumping in excess of allowable limits in the GSP

# PROPOSED FEE RATES

Use Fee Category	Category Description	Phase 1		Phase 2		Phase 3	
		2025 - 2026		2026 - 2027		2028 - 2032	
		GW ET Category Threshold (Af per Acre)	Rate	GW ET Category Threshold (Af per Acre)	Rate	GW ET Category Threshold (Af per Acre)	Rate
<b>Category 3</b> Excess Groundwater Use	Groundwater Use Above the Use Reduction Target	Greater Than 1.6	<b>\$138.61</b>	Greater Than 1.6	<b>\$316.94</b>	Greater Than 1.4	<b>\$316.94</b>
<b>Category 2</b> Transitional Groundwater Use	Groundwater Use Above the Estimated Sustainable Yield and Below the Use Reduction Target	1.1 - 1.6	<b>\$138.61</b>	1.1 - 1.6	<b>\$138.61</b>	1.1 - 1.4	<b>\$138.61</b>
<b>Category 1</b> Long-Term Sustainable Groundwater Use	Groundwater Use Within the Intended Long-Term Sustainable Yield	0.5 - 1.1	<b>\$57.81</b>	0.5 - 1.1	<b>\$57.81</b>	0.5 - 1.1	<b>\$57.81</b>
<b>Category 0</b> Native Groundwater Use	Groundwater Use Within the Estimated Native Sustainable Yield	0.0 - 0.5	<b>\$0.00</b>	0.0 - 0.5	<b>\$0.00</b>	0.0 - 0.5	<b>\$0.00</b>

# PROPOSED FEE PROGRAM PHASES - TIMELINE



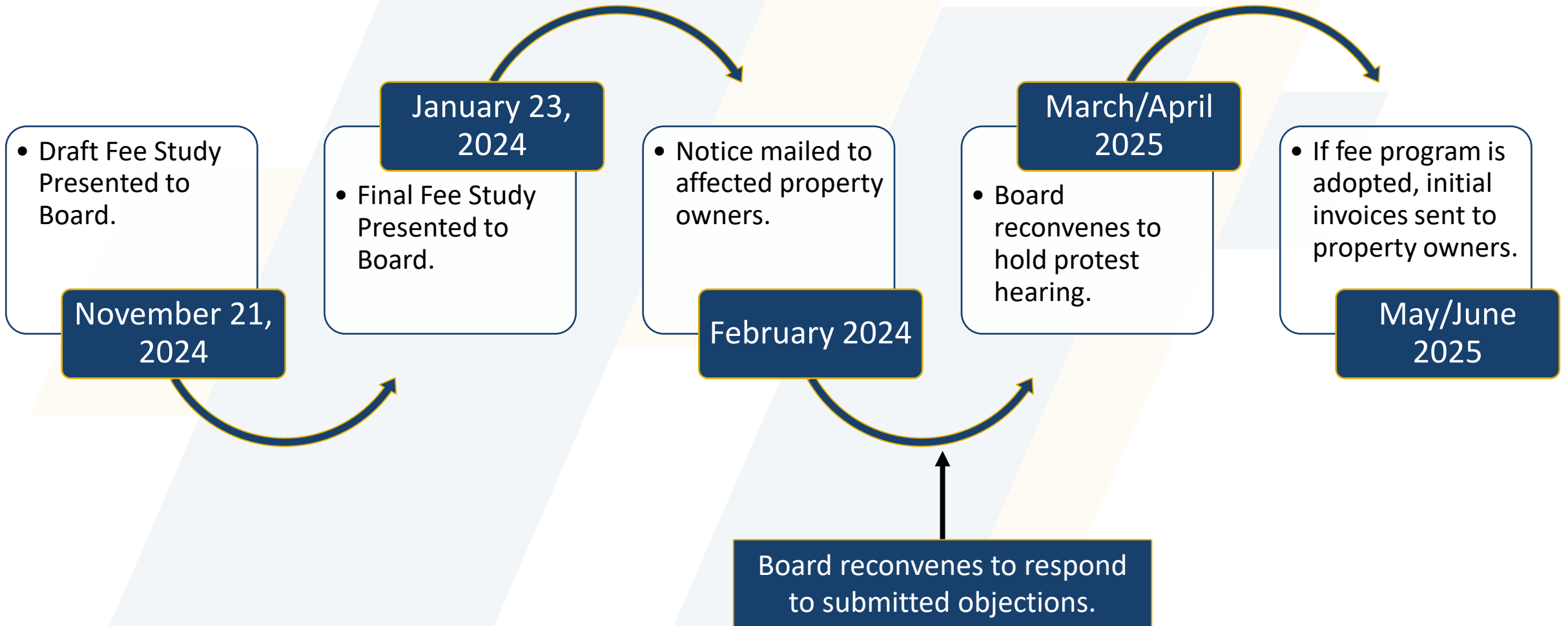
# PROPOSED FEE IMPLEMENTATION PROCESS

## Prop. 218 Property Related Fee and AB 2257 Implementation Procedures *(for water-related services)*

1. Notice of the proposed fee is mailed to owners of all affected parcels (45-day notice period required).
2. NEW: Property owners may submit written objection regarding proposed fee's alleged non-compliance with Prop. 218. Failure to submit an objection will prevent a property owner from later challenging the fee's compliance with Prop. 218 in litigation.
3. NEW: Staff will prepare written responses to timely received written objections and present to Board for consideration prior to close of protest hearing.
4. Property owners may submit written protest to the GSA until the close of the public hearing (1 protest per parcel).
5. GSA Board reconvenes to hold a protest hearing.
6. If the number of parcels for which protest was submitted represents a majority (50% + 1) of the affected parcels, the fee cannot be imposed ("majority protest").
7. Absent a majority protest, the Board may vote to adopt the proposed fee program.



# PROPOSED FEE IMPLEMENTATION PROCESS TENTATIVE TIMELINE



# Fee Calculation Example

- Parcel Acreage = 60 acres
- Irrigated Field Acreage = 50 acres
- Consumptive GW Use (ET) =  
2.3 ft x 50 acres = 115 acre-ft = 1.9 ft/parcel acre
- (Actual GW Pumping = 3.4 ft x 50 acres = 170 acre-ft)
- GW Use Allocation @ 10% Reduction Target =  
1.6 acre-ft/parcel acre x 60 acres = 96 acre-ft

Fee Cat	GW Use Category Range	Parcel Acres	GW Use (ET)	Fee/ acre-ft	Total Fee
0	0 – 0.5 ft	60	30 AF	\$0	\$0
1	0.5 – 1.1 ft	60	36 AF	\$57.81	\$2,081.16
2	1.1 – 1.6 ft	60	30 AF	\$138.61	\$4,158.30
3	> 1.6 ft	60	19 AF	\$316.94	\$6,021.10
Total			115 AF		\$12,260.56





REPORTING PERIOD

2024

UNITS

ac-ft/ac

ac-ft

Data last updated through 10/31/2024

Water Account

#17402

Water Budget

Fee Calculator

Parcels

Wells

Account Activity

Users & Settings

Admin Panel

Water Accounts

Parcels

Wells

Water Account 2024 Water Budget

PARCEL AREA

741.93 acres (6 parcels)

FIELD AREA

700.48 acres

CONTACT

TOTAL ET

3.50

ac-ft/ac

TOTAL EFFECTIVE PRECIP

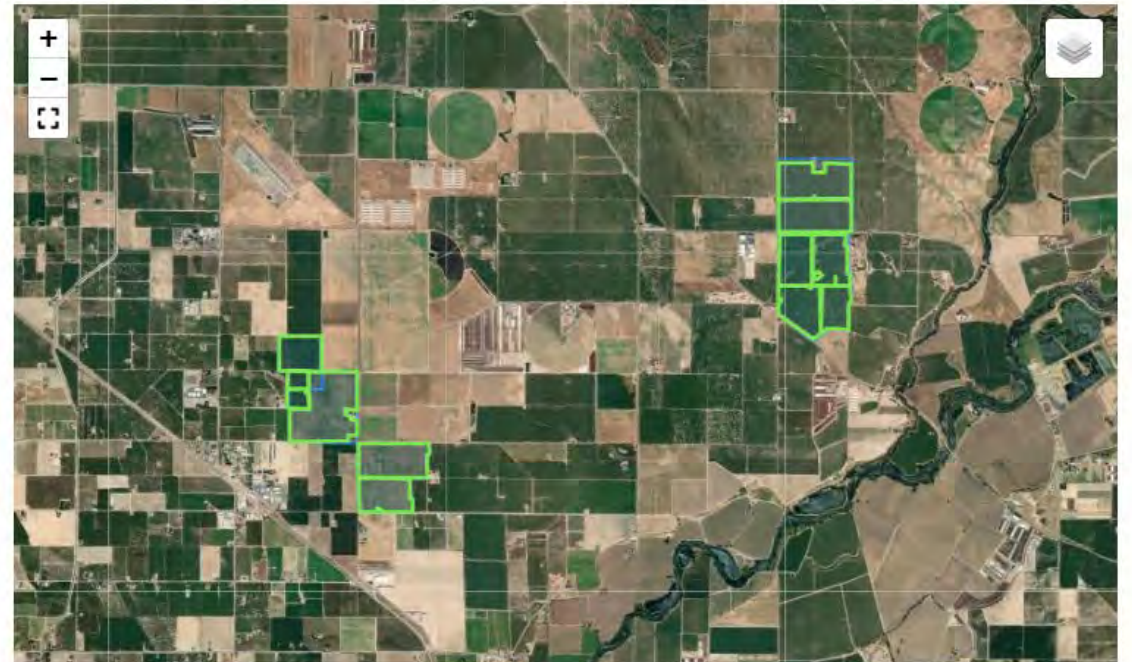
0.86

ac-ft/ac

ET MINUS EFFECTIVE PRECIP

2.65

ac-ft/ac





# ETSGSA Fee Calculator

## 1 Start your Scenario

Select a Water Account to explore potential fee structures and MLRP. A Water Account is a collection of Parcels / Fields managed together for groundwater allocation and fee purposes. If you are missing a Water Account in this list you can enter your Water Account PIN to gain access to the account. If you don't have a PIN or need help [contact your GSA](#).

### WATER ACCOUNT

### BASELINE WATER USE

### USING FEE STRUCTURE FOR

### DO YOU RECEIVE SURFACE WATER?

#17402 Tim Johnson / Johnson Brothers (1 of 2)

### CONTACT NAME

### CONTACT ADDRESS

### PARCELS (6)

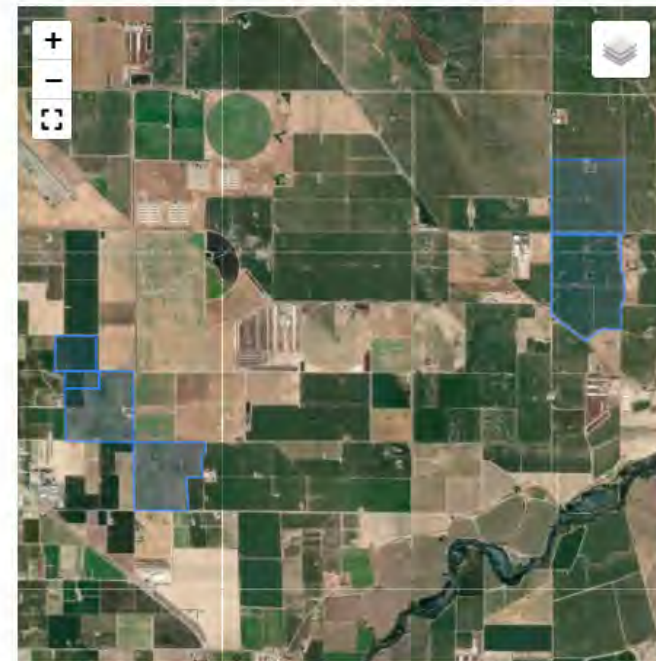
- 042-060-003
- 042-060-004
- 042-050-032
- 042-040-021
- 042-050-034
- 042-110-028

### ACRES

741.93 ac

### IRRIGATED ACRES

700.48 ac



### DO YOU RECEIVE SURFACE WATER?

### 2023 DELIVERY

 Acre-Feet

### IRRIGATION EFFICIENCY

 %



# Fee Calculator – 50 ac Self-Directed Following

Summary

2025 (Phase 1) Fee Structure Report

What is Consumed Groundwater?

## Baseline Scenario

<b>Fee Total</b>	<b>\$ 129,344.68</b>
\$/Acre-Foot	\$ 82.72
\$/Parcel Acre	\$ 174.34
\$/Irrigated Acre	\$ 184.65
<b>Area</b>	
Total Parcel Acres for Allocation	742
Total Irrigated Acres	700
<b>Average Consumed Groundwater</b>	
Acre-Feet/Parcel Acre	2.11
Acre-Feet/Irrigated Acre	2.23
<b>Total Allocation</b>	
Acre-Feet	1,187
Acre-Feet/Acre	1.6
<b>Usage</b>	
Total ET (Acre-Feet)	2,131
Total Precip (Acre-Feet)	799
Surface Water Consumed (Acre-Feet)	0
Total Annual Consumed Groundwater (Acre-Feet)	1,564

## Land Use Change Scenario

<b>Fee Total</b>	<b>\$ 113,874.3</b>
\$/Acre-Foot	\$ 78.43
\$/Parcel Acre	\$ 153.48
\$/Irrigated Acre	\$ 175.06
<b>Area</b>	
Total Parcel Acres for Allocation	742
Total Irrigated Acres	650
Acres Transitioned	50
<b>Average Consumed Groundwater</b>	
Acre-Feet/Parcel Acre	1.96
Acre-Feet/Irrigated Acre	2.23
<b>Total Allocation</b>	
Acre-Feet	1,187
Acre-Feet/Acre	1.6
<b>Usage</b>	
Total ET (Acre-Feet)	1,979
Total Precip (Acre-Feet)	742
Surface Water Consumed (Acre-Feet)	0
Total Annual Consumed Groundwater (Acre-Feet)	1,452

## \$ Savings & Incentives

<b>Fee Reduction Total</b>	<b>\$ 15,470.38</b>
\$/Acre-Foot	\$ 4.29
\$/Parcel Acre	\$ 20.86
\$/Irrigated Acre	\$ 9.59
<b>MLRP Incentives Total</b>	<b>\$ 0</b>

# Fee Calculator – 50 ac in MLRP Rotational Extended Following

Summary

2025 (Phase 1) Fee Structure Report

What is Consumed Groundwater?

## Baseline Scenario

Fee Total	\$	129,344.68
\$/Acre-Foot	\$	82.72
\$/Parcel Acre	\$	174.34
\$/Irrigated Acre	\$	184.65

### Area

Total Parcel Acres for Allocation	742
Total Irrigated Acres	700

### Average Consumed Groundwater

Acre-Feet/Parcel Acre	2.11
Acre-Feet/Irrigated Acre	2.23

### Total Allocation

Acre-Feet	1,187
Acre-Feet/Acre	1.6

### Usage

Total ET (Acre-Feet)	2,131
Total Precip (Acre-Feet)	799
Surface Water Consumed (Acre-Feet)	0
Total Annual Consumed Groundwater (Acre-Feet)	1,564

## Land Use Change Scenario

Fee Total	\$	119,763.55
\$/Acre-Foot	\$	82.48
\$/Parcel Acre	\$	173.09
\$/Irrigated Acre	\$	184.12

### Area

Total Parcel Acres for Allocation	692
Total Irrigated Acres	650

Acres Transitioned 50

### Average Consumed Groundwater

Acre-Feet/Parcel Acre	2.10
Acre-Feet/Irrigated Acre	2.23

### Total Allocation

Acre-Feet	1,107
Acre-Feet/Acre	1.6

### Usage

Total ET (Acre-Feet)	1,979
Total Precip (Acre-Feet)	742
Surface Water Consumed (Acre-Feet)	0
Total Annual Consumed Groundwater (Acre-Feet)	1,452

## \$ Savings & Incentives

Fee Reduction Total	\$	9,581.13
\$/Acre-Foot	\$	0.24
\$/Parcel Acre	\$	1.25
\$/Irrigated Acre	\$	0.53
MLRP Incentives Total	\$	42,500
Rotational Extended Following (MLRP)	\$	42,500

# QUESTIONS / DISCUSSION

## Proposed Proposition 218 Groundwater Use Fee Landowner Workshop

January 15, 2025

