

Pleasant Valley Groundwater Sustainability Agency (PVGSA)

March 2022, Proposition 218

Fee Study Memo

The following provides detail and justification for the proposed extraction fees and well registration charges for the Pleasant Valley Groundwater Sustainability Agency service area, beginning in June of 2022.

Pleasant Valley Groundwater Sustainability Plan

The PVGSA has recently finalized a Groundwater Sustainability Plan (GSP) that will be submitted to the Department of Water Resources (DWR), by April 2022. This plan highlights various capital projects and policy developments that the PVGSA may choose to pursue, in their efforts to become sustainable by 2040. In order to raise funds for proposed projects and to provide ongoing administrative support and monitoring, a Proposition 218 Hearing has been proposed and is scheduled for May 17th at 10:00am at Harris Ranch Inn & Restaurant.

The proposed projects are outlined in the draft GSP that is available for public review on PVGSA's website <https://sgma.pleasantvalleywaterdistrict.com/reports/>

PVGSA 2022 Budget

In March, the PVGSA Board adopted the updated 2022 Annual Budget of \$316,500 (Exhibit A). This budget directly supports groundwater monitoring and administration. The budget includes a one-time capital expenditure for monitoring well installations as well as the charges associated with PVGSA administration, legal consultations, and the annual report required by DWR. The budget considers a one-time well registration fee of \$1,500 per well and an extraction fee of no more than \$10/AF (set annually). For the year 2022, the Board is intending to set a fee of \$7.50/AF.

PVGSA Pumping

According to the Pleasant Valley GSP draft out for public review, Section 3.3.6 – C.1 states, “Agricultural groundwater pumping during the 2011-2021 current period was estimated to average about 43,100 AF/year based on land use maps and crop evapotranspiration rates” (pg. 3-83). For additional details on the water budget for PVGSA, see also Table 3-8 in the GSP for the Current Water Budget.

Pleasant Valley GSA
2022 Budget

Revenue	Total
Well Registration Fee (79 wells @ \$1,500) - One Time Payment	\$ 118,500.00
Jun 1 - Jun 30 Extraction Fees (Assumes 3,758 AF pumped)	\$ 28,000.00
Jul 1 - Dec 31 Extraction Fees (Assumes 22,550 AF pumped)	\$ 170,000.00
	<u>\$ 316,500.00</u>
Expenses	
Administration (P&P)	\$ 12,000.00
SGMA GW Monitoring/Meter Reading (Field Tech w/truck rental)	\$ 18,000.00
Legal (Kahn Soares & Conway)	\$ 6,000.00
DWR Annual Report	\$ 50,000.00
Grant Applications	\$ 20,000.00
Coordination with Adjacent Basins	\$ 10,000.00
Accounting (Bookkeeping)	\$ 1,000.00
Supplemental Water Pursuits	\$ 18,000.00
	<u>\$ 135,000.00</u>
Monitor Well Installations - One time Capital Expenditure	\$ 180,000.00
	<u>\$ 315,000.00</u>
Net Balance	<u>\$ 1,500.00</u>

Number of wells	79
Estimated Pumping Volume	43,100
Operating Expenses not including the GSP completion	\$315,000
Well pumping fee per acre foot (set annually by Board)	\$7.50

*Implementation grant may not be used for administrative expenses