

Groundwater Funding

Funding Tehama's Groundwater: What it means for you

Summary:

- ~\$19M in State grants since 2016; expiring in 2026.
- A local fee is being developed. This page explains what we know and what's still being determined.
- **NOTE: These are preliminary estimates only. The final amounts have NOT been set.**
- A formal fee study is underway, and recommendations are expected in April/May 2026.
- A public hearing is required before any fee is adopted. You will have the right to comment and appeal.

Key Links

New: [2026 Fee Report](https://acrobat.adobe.com/id/urn:aaid:sc:VA6C2:12c245f8-3a86-4696-8167-d4d9d5898a61) (<https://acrobat.adobe.com/id/urn:aaid:sc:VA6C2:12c245f8-3a86-4696-8167-d4d9d5898a61>)
| [Fees FAQ](https://tehamacountywater.org/wp-content/uploads/2026/06/Tehama-Fees-FAQ-2026.pdf) (<https://tehamacountywater.org/wp-content/uploads/2026/06/Tehama-Fees-FAQ-2026.pdf>)

[Glossary of Common Terms](https://tehamacountywater.org/wp-content/uploads/2026/03/TehamaFundingGlossaryTerms-3.31.26.pdf) (<https://tehamacountywater.org/wp-content/uploads/2026/03/TehamaFundingGlossaryTerms-3.31.26.pdf>)

Tehama Resources: [Tehama GSA](https://tehamacountywater.org/gsa/) (<https://tehamacountywater.org/gsa/>) | [Tehama GSPs](https://tehamacountywater.org/gsa/groundwater-sustainability-plans-public-draft/) (<https://tehamacountywater.org/gsa/groundwater-sustainability-plans-public-draft/>) | [Well Registration](https://tehamacountywater.org/well-registration/) (<https://tehamacountywater.org/well-registration/>) | [Round 2 Grant Updates](https://tehamacountywater.org/sgmp-round2grant/) (<https://tehamacountywater.org/sgmp-round2grant/>)

Other Resources: [State SGMA Site](https://water.ca.gov/programs/groundwater-management/sgma-groundwater-management) (<https://water.ca.gov/programs/groundwater-management/sgma-groundwater-management>) | [SGMA Portal](https://sgma.water.ca.gov/portal/) (<https://sgma.water.ca.gov/portal/>) | [State Intervention](https://www.waterboards.ca.gov/water_issues/programs/sgma/intervention.html) (https://www.waterboards.ca.gov/water_issues/programs/sgma/intervention.html) | [Other factsheets](https://groundwaterexchange.org/faq-fact-sheets/) (<https://groundwaterexchange.org/faq-fact-sheets/>)

Background

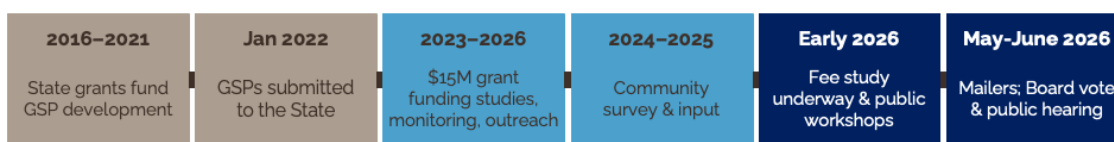
Groundwater is essential for supporting our homes, farms, and economy.

Tehama County groundwater basins are experiencing moderate overdraft in some areas, with documented declines in groundwater levels, particularly during the 2020-2022 drought, which caused some domestic wells to go dry. The situation is serious but manageable if we act now.

- For years, State grants paid for nearly all of the costs of managing Tehama's groundwater. No local cost to landowners
- 2023-2026: \$15 million in implementation grants fund monitoring wells, modeling, and recharge studies. Grant expires 2026 [[Learn more \(https://tehamacountywater.org/sgmp-round2grant/\)](https://tehamacountywater.org/sgmp-round2grant/)]
- State law requires a stable local funding source (grants are not a permanent solution)
- A local fee is being developed to continue the work and keep management decisions local and costs as low as possible.



SGMA Financial History and Your Input



In the next few months....

- **April 1-2: Public Meetings**
- **APRIL–MAY 2026:** Final fee study recommendations presented to Commission and Board.
- **SUMMER 2026:** Public hearing and formal fee adoption process. You will be notified and can formally comment or protest.
- **MID-2026:** Current state grants expire. Local fee must be in place to continue program.
- **2027:** Fees would first appear on property tax bills, if adopted.

What happens without local funding? State Intervention

If the county fails to establish funding for sustainable groundwater management, the State Water Resources Control Board can take over. [[Learn more \(https://www.waterboards.ca.gov/sgma/intervention.html\)](https://www.waterboards.ca.gov/sgma/intervention.html)]



The consequences of State Intervention are significant:

- **Much Higher Fees:** State fees are typically 5–10× higher than locally designed fees.
- **\$0 Goes Back Locally:** Every dollar collected goes to State administration. None returns to fund local support like recharge projects, water efficiency, or dry well programs.
- **Loss of Local Control:** Management decisions are made by the State not the locals who understand Tehama's needs.
- **Stricter Rules:** State management is more rigid with less flexibility to adapt to Tehama's specific conditions.

The purpose of developing a local fee is to prevent this outcome
and keep decisions and program dollars in Tehama County.

Proposed Fee Structure

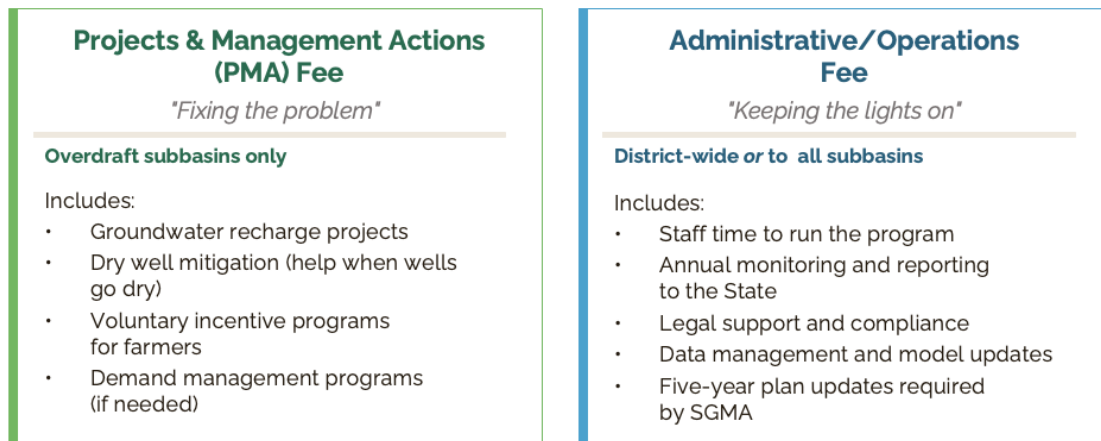
The proposed fee separates two types of costs:

1. Administrative/Operations
2. Projects & Management Actions (PMAs)

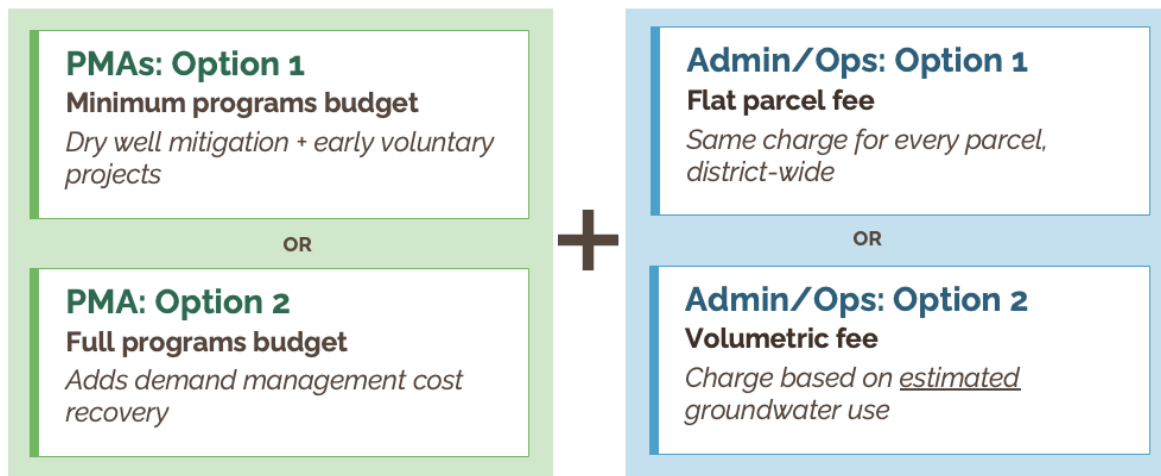
Everyone benefits from sustainable groundwater management, but people who use more water will generally pay more.



Your fee pays for two things, designed separately



Where we are: four options under study



Total Costs = PMA Fee (1 or 2) + Admin/Ops Fee (1 or 2)

What does this mean for you?

⚠ ALL NUMBERS BELOW ARE PRELIMINARY ESTIMATES – NOT FINAL AMOUNTS

While the parcel-based flat fee (for one of the Admin/Ops fee option) is relatively straightforward, the volumetric or water use-based calculations can differ based on several variables.

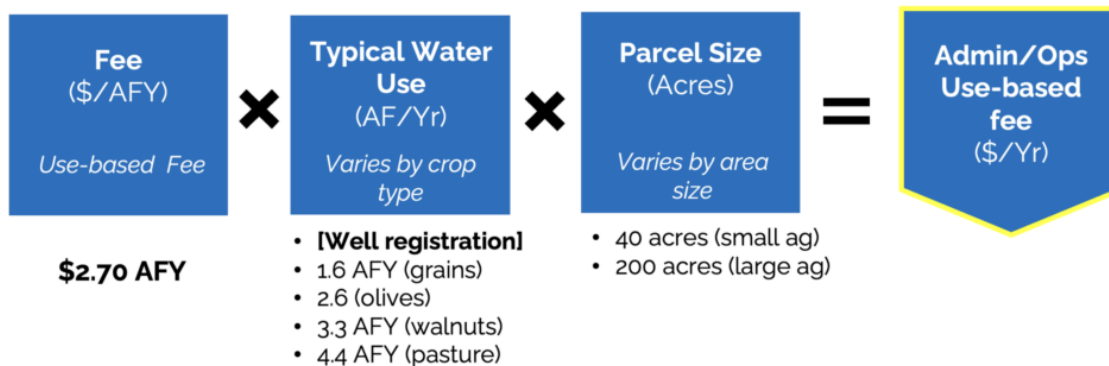
Hypothetical Scenario and Calculation Example

The following walks through a hypothetical scenario where:

- Both the Admin/Ops fee and the PMA fee are volumetric (water use)-based
- A farmer wants to estimate their total annual fee:
 - Small ag (40 acres)
 - Olive crops
 - In Red Bluff (an overdrafted basin)

Calculating the Volumetric Fees | Admin/Ops

Admin/Ops Use-based fee option:

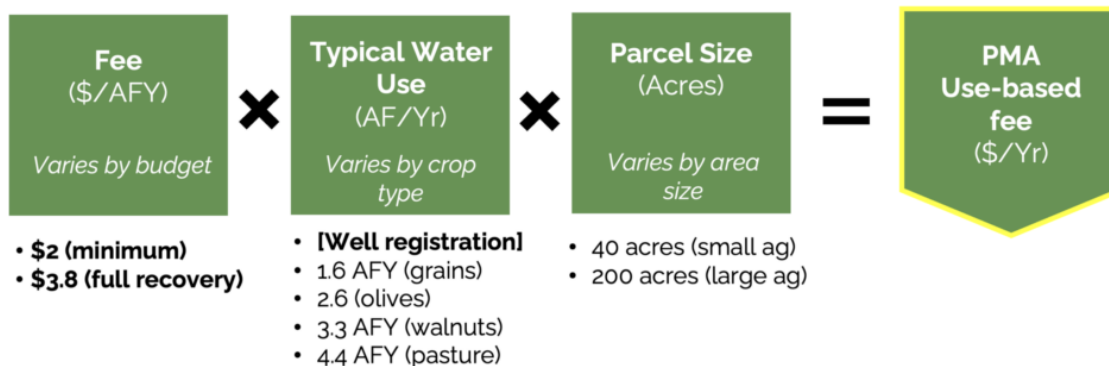


Example: 40 acres; growing olives

(\$2.70) (2.6AFY) (40 acres) = \$280.8 annual Admin/Ops fee

Calculating the Volumetric Fees | PMAs

PMA Use-based fee options (minimal or full budget)

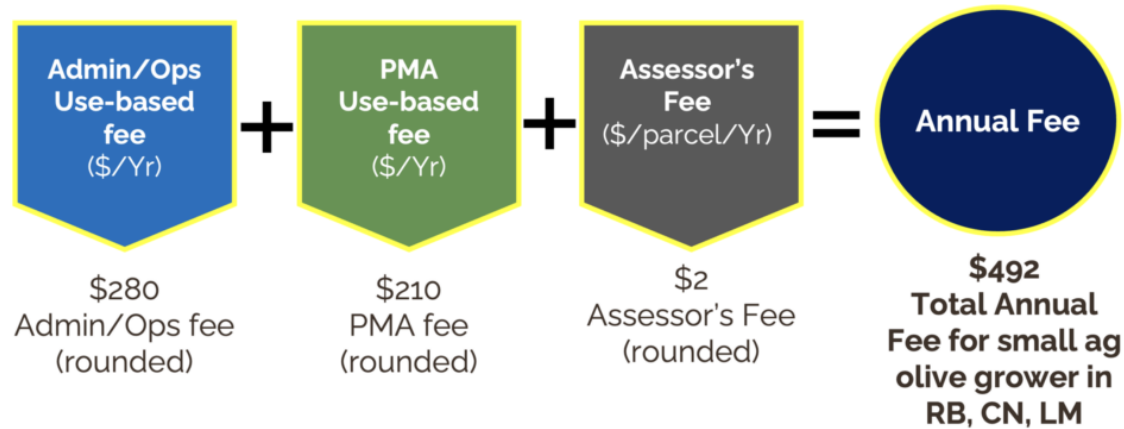


Example: 40 acres; growing olives; in overdrafted basin (CN, RB, LM); using minimum budget

(\$2.00) (2.6 AFY) (40 acres) = \$208 annual PMA fee

Calculating the Volumetric Fees | Totals

Example: 40 acres; growing olives; in overdrafted basin (RB, CN, LN); using minimum budget



Preliminary estimates only — final figures expected in April/May (presented to Commission and Board)

The table below shows the total estimated fee ranges depending on the user type. NOTE: The table focuses on fee estimates for those in overdrafted basins — those *not* in overdrafted basins would *only* pay the Admin/Ops fee.

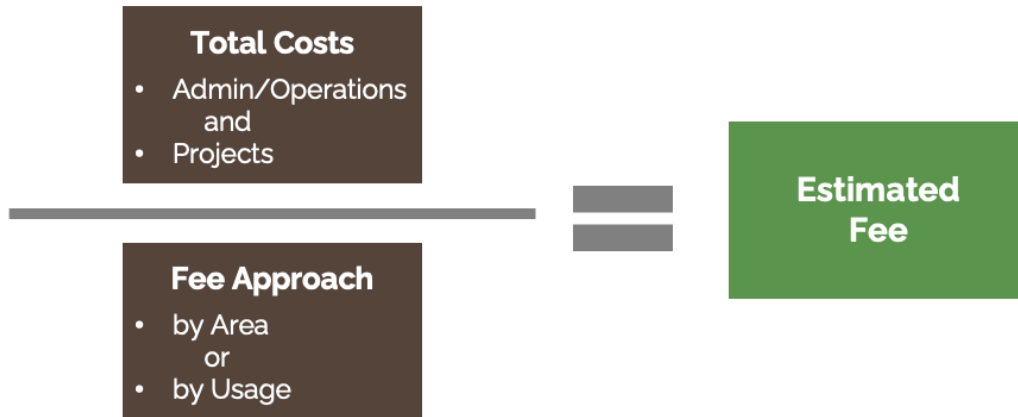
What does this mean for you?

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User type	PMA fee (prelim.) Volumetric only, choosing b/w smaller or larger budget <i>(Overdrafted basins only)</i> ~\$2.00 AFY	Admin/Ops fee (prelim.) Choosing b/w based on parcels or volumetric	TOTAL (PMA + Admin/Ops) Approx. annual fee range <i>(Overdrafted basins only)</i> (Add \$2 Assessor's Fee)
Urban Residential	\$0 (not irrigating)	Parcel-Based: ~\$30-40/yr	~\$3 – \$40 per year
		or if volumetric: ~\$3-5+	
Rural Residential	\$0 (not irrigating)	Parcel-Based: same flat fee	~\$15 – \$40 per year
		or if volumetric: ~\$15-20+	
Commercial	~\$30-40+	Parcel-Based: same flat fee	\$60 – \$80 per year <i>(Lower in non-overdrafted basin)</i>
		or if volumetric: possibly ~\$30-40+	
Small agricultural operation (Ave. 40 acres)	For 40 acres: ~\$130-400/yr (crop type varies)	Parcel-Based: same flat fee	~\$380 – \$800 per year (40 acres, crop type varies) <i>(Lower in non-overdrafted basin)</i>
		or if volumetric: (40 acres: ~\$175-475/yr)	
Large agricultural operation (Ave. 200+ acres)	For 200 acres: ~\$640-1,800/yr (crop type varies)	Parcel-Based: same flat fee	~\$670 – \$4175 per year (200 acres, crop type varies) <i>(Lower in non-overdrafted basin)</i>
		or if volumetric: (200 acres: ~\$865-2,375/yr)	

These are ballpark ranges only. Final amounts depend on fee method chosen and fee study results

How are fees and costs calculated?

Calculating the estimated fees



The estimated fees were calculated by:

First, estimating the costs for the District to manage groundwater: Administrative/Operations + Projects & Management Actions (see imaged of forecasted budget estimates below)

Then, divide the costs by the fee approach (TBD whether the fees are based by areas, usage, or a combination)

Forecasted Budget for Administrative / Operations

Category	Proposed
OPERATING EXPENSES	FY26/27
Legal Services	
General Legal Support	\$55,000
Total Legal Services	\$55,000
Technical Services	
Fee Process	\$7,000
Special Studies/Consultant Support	\$30,000
Total Technical Services	\$37,000
Administrative Services	
Administration and Management (0.75 FTE)	\$160,000
Administrative Support (0.5 FTE)	\$51,000
District Overhead	\$32,000
Audits	\$10,000
Outreach Materials/Printing & Copying	\$15,000
Postage	\$3,000
Website Development/Maintenance	\$6,000
Financial Services/Bookkeeping	\$12,000
Total Administrative Services	\$289,000.00
OPERATING EXPENSES SUBTOTAL	\$381,000.00
Operating Expenses Reserve (10%)	\$38,000
TOTAL OPERATING EXPENSES	\$419,000

SGMA COMPLIANCE EXPENSES	
GSP Annual Monitoring/Reporting	\$225,000
GSA Sub-basin Coordination	\$20,000
GSP Periodic Evaluation/Amendments (@ 5 Yrs.)	\$400,000
Monitoring/Data Management	\$25,000
GSP Implementation Grant Funding Application	\$20,000
SGMA COMPLIANCE EXPENSES SUBTOTAL	\$690,000
SGMA Compliance Expenses Reserve (10%)	\$69,000
TOTAL SGMA COMPLIANCE EXPENSES	\$759,000
TOTAL ANNUAL BUDGET	\$1,178,000

ADMIN TOTAL COSTS	
+ 3% Annual Inflation	
FY26/27	\$1,178,000
FY27/28	\$1,200,770
FY28/29	\$1,223,540
FY29/30	\$1,246,310
FY30/31	\$1,269,080

Preliminary estimates only — final figures expected in April/May (presented to Commission and Board)

Forecasted Budget for Projects & Management Actions (PMAs)

Category	Proposed
PMA EXPENSES	FY26/27
Demand Management Program	
Admin. Process	\$35,000
Voluntary Incentive Program	\$433,333
Total DM Program Costs	\$468,333
Well Mitigation Program	
Admin. Process	\$20,000
Well Replacement Costs	\$40,000
Total WM Program Costs	\$60,000
TOTAL MA EXPENSES	\$528,333.33
Total PA Costs/Water Purchases	FY26/27
Total Annual Overdraft (C, LM, RB)	65,000
Project Cost/Ac-Ft	\$400
Annual Adjustment Factor (2042)	7%
Annual Adjustment Factor (50%)	50%
Total Projects Costs	\$866,667
TOTAL PMA COSTS	\$1,395,000.00

PMA TOTAL COSTS	
+ 3% Annual Inflation	
FY26/27	\$ 1,395,000
FY27/28	\$ 1,421,000
FY28/29	\$ 1,447,000
FY29/30	\$ 1,473,000
FY30/31	\$ 1,499,000

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Total Projects Costs	\$866,667
FY 26/27 TOTAL PMA COSTS	\$1,395,000.00

COST CALCULATIONS

Demand Management Cost Basis	
Total Annual Overdraft (C, LM, RB)	65,000
Incentive Cost/Ac-Ft	\$200
Annual Adjustment Factor (2042)	7%
Annual Adjustment Factor (50%)	50%
Total Voluntary Incentive Costs	\$433,333

Well Mitigation Cost Basis	
Avg. Cost/Domestic Well Replaced	\$40,000
# Wells Replaced/Year	1
Total Annual Well Mitigation Costs	\$40,000

Preliminary estimates only — final figures expected in April/May (presented to Commission and Board)

How have these options evolved?

What has your input shaped?

- 110+ Demand management and funding community [survey responses](https://tehamacountywater.org/wp-content/uploads/2026/01/TehamaDemandManagementCommunitySurveyReport2025-12.pdf)
- Stakeholder advisory working group meetings
- Regular public comment at Commission and Board meetings
- Direct outreach to agricultural operators, domestic well owners, and ranchers

What we heard from you:

- Keep costs low
- Protect small farms and domestic wells
- Use fair, proportional charges
- Maintain local control
- Be transparent — tell us what things cost

What's Next?

Your chance to weigh in — don't miss it		
1	Register your well now Your well registration data determines your fee estimate. Unregistered wells get charged based on zoning assumptions, not actual use. Register at TehamaCountyWater.org .	Ongoing
2	Public workshops Dedicated sessions to present fee options, answer questions, and collect public input before the Board votes.	April 1 & 2, 2026
3	Board of Directors: Fee Report Approval Board – fee report	April 2026
4	Public mailers All residents receive mailers on approved fee report	May 2026
5	Board of Directors: public hearing, BOD vote Public hearing required. You can formally comment or protest before any fee is adopted.	June 2026
6	If adopted, you'll be notified All affected parties receive a written notice explaining their fee estimate and how to appeal.	After adoption



Stay Informed. Stay Involved.

Join the email list for updates. Register your well to protect the accuracy of your fee estimate.

Join the Email List (<https://tehamacountywater.org>) Register Your Well (<https://tehamacountywater.org>) Public Workshops (<https://tehamacountywater.org>) Board of Directors (<https://tehamacountywater.org>) Public Mailers (<https://tehamacountywater.org>) Public Hearing (<https://tehamacountywater.org>) BOD Vote (<https://tehamacountywater.org>) If Adopted, you'll be notified (<https://tehamacountywater.org>)

Tehama County Flood Control and Water Conservation District

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