

PUBLIC WORKSHOP



Paso Robles Area
Groundwater Authority

MARCH 12, 2026

5:30PM-7:30PM

Workshop Purpose

1. Provide detail review of draft Fiscal Year 2026-2027 Budget
2. Receive public feedback on specific funding mechanism options.

Feedback will be shared with the Board for the March 25, 2026 meeting



What This Workshop Is/Is Not

What This Meeting Is

- An opportunity to learn, ask questions, and share perspectives
- A chance to help shape how the Board approaches future decisions
- A listening session - no decisions will be made tonight

What This Meeting Is Not

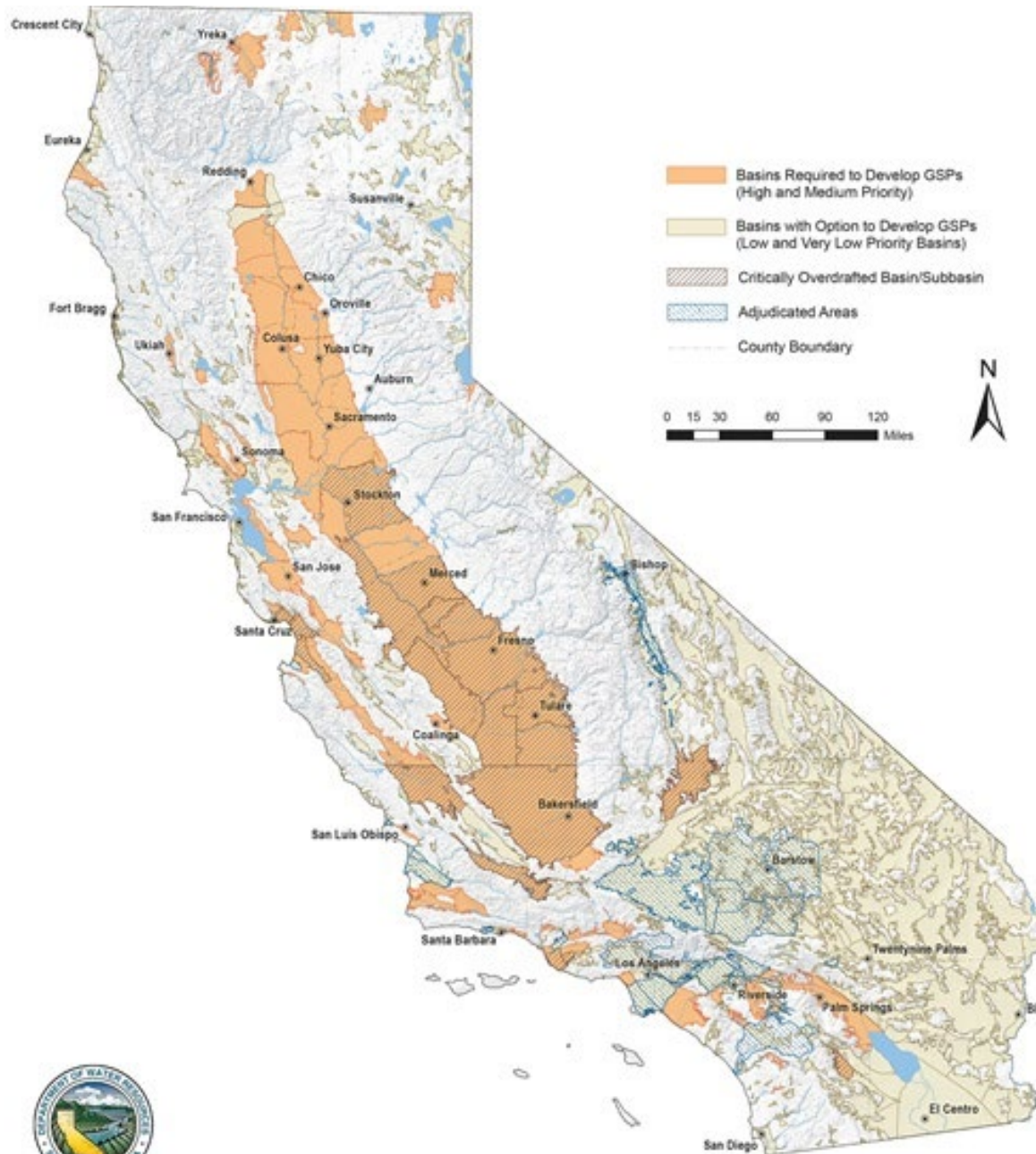
- A vote on a funding measure
- A final decision on fees
- A formal public hearing

Agenda

1. Overview of Sustainable Groundwater Management Act (SGMA)
2. Detailed Review of Fiscal Year 2026-2027 Budget
3. Overview of Funding Mechanism (Prop 26)



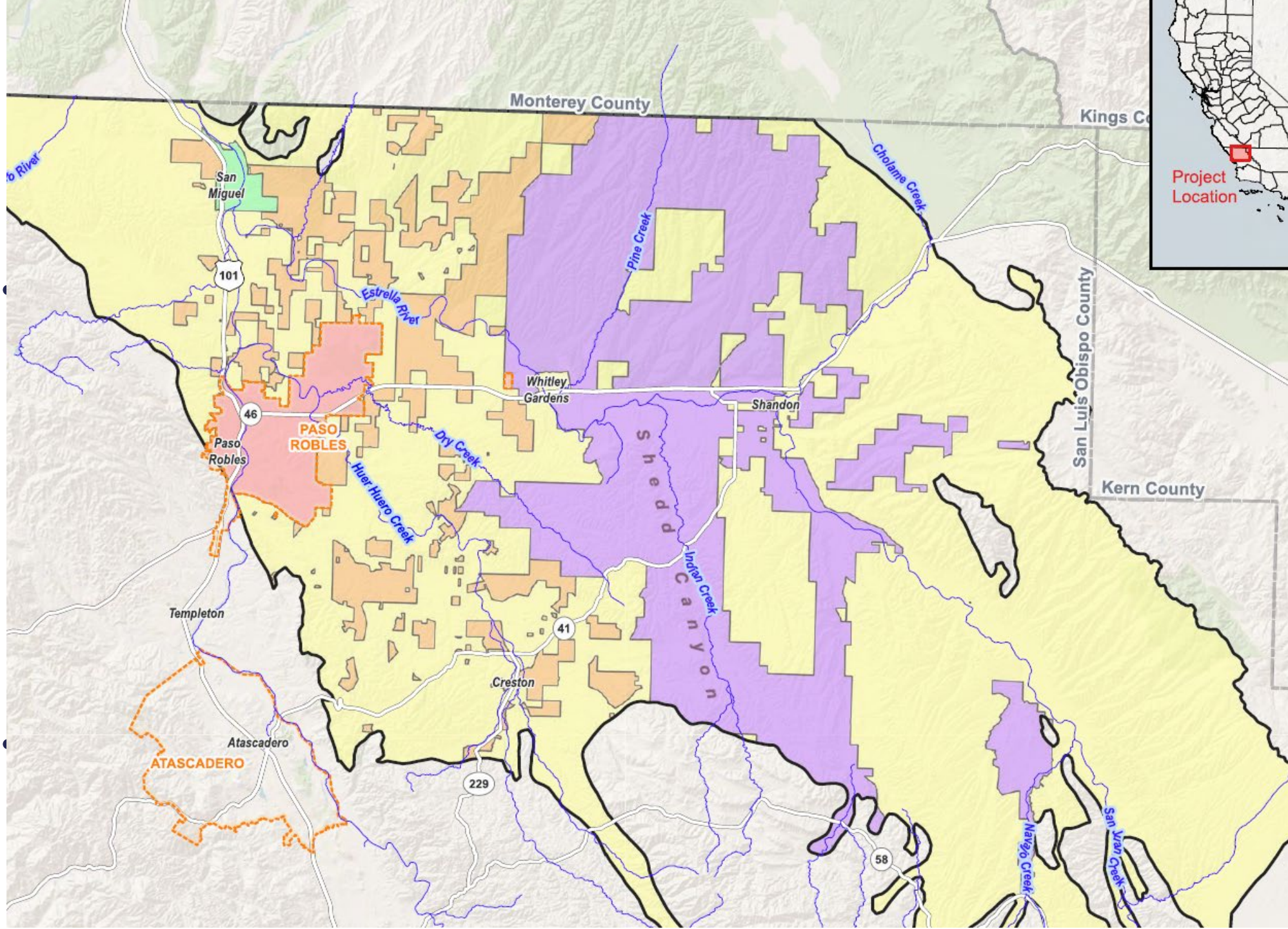
Why the Sustainable Groundwater Management Act (SGMA) Exists



- California relies heavily on groundwater, especially during drought
- Long-term overdraft led to falling water levels, dry wells, and land subsidence
- SGMA requires groundwater to be managed sustainably and locally if possible

SGMA was designed to keep groundwater decisions local - before the State steps in.





What is a Groundwater Sustainability Plan (GSP)?

- GSPs are the local plans used to meet SGMA requirements.
- Describe how groundwater will be managed sustainably over time and adjusted as conditions change.
- Aims to prevent problems like dry wells, land subsidence, and water supply instability
- A **living plan** that can be updated as conditions change and new information becomes available

Revised June 13, 2022

Paso Robles Subbasin **GROUNDWATER SUSTAINABILITY PLAN**

Paso Robles Subbasin Groundwater Sustainability Agencies

*County of San Luis Obispo
Shandon San Juan Water District
City of Paso Robles
San Miguel Community Services District*



Why the Paso Robles Area Groundwater Authority (PRAGA) was Created



- Implementing the GSP requires basin-wide coordination
- In 2025, four GSAs formed PRAGA as a Joint Powers Authority (JPA) to:
 - Coordinate basin-wide implementation of the GSP
 - Support shared technical and policy discussions
 - Provide a mechanism to fund basin-wide activities
 - Create a durable governance structure for long-term implementation

Where We Are Today

California adopted SGMA to address long-term groundwater overdraft

The Subbasin is in the implementation phase, where plans must be carried out in practice

2015–2022

2040

2014

Today

Local agencies developed groundwater sustainability plans for the Paso Robles Subbasin

By 2040: Groundwater conditions must be brought into balance

Fiscal Year 2026-2027 Budget Overview

- **Feb 10th**: FY 26-27 Budget presented to public, and public requested additional budget workshop to review budget in detail.
- **Feb 18th**: Board directed staff to hold another public workshop to review budget in detail.
- **Mar 25th**: the Board will consider adoption of the FY 26-27 budget.
- **The budget represents a minimal budget necessary to achieve compliance with SGMA.**

Funding Mechanism (Prop 26)

Board Direction

- During February 10 and 11 workshops, public provided feedback on funding mechanism and majority feedback was to use a Prop 26.
- On February 18, the PRAGA Board provided direction to staff to move forward with a Prop 26 as the funding mechanism for Fiscal Year 2026-2027.
 - This is a 1-year funding decision.
 - Minimal budget necessary to achieve compliance with SGMA.
 - Future projects and appropriate funding structures will be considered in the following year.

Water Code § 10730 Regulatory Fee

Use of Funds

- **Water Code § 10730** authorizes GSAs to charge fees to fund program administration (not a tax under Prop 26).
- Funding Purpose:
 - Preparation, adoption, and amendment of a groundwater sustainability plan;
 - Investigations, inspections, compliance assistance, enforcement;
 - Program administration, including a prudent reserve.
- *Cannot* fund capital projects.

Water Code § 10730 Regulatory Fee Implementation Procedure

1. Identify costs and allocate among appropriate payers.
2. Provide notice of public meeting on website and in local periodical.
3. Hold public meeting; provide overview of fee calculation methodology; provide opportunity for public comment.
4. Fee can then be imposed by Board resolution.

Who Could be Charged a Fee?

- **Agricultural extractors.**
 - Represent a majority of groundwater use in the Basin.
- **Public water system extractors.**
 - Public water systems extracting groundwater.
- **Commercial groundwater extractors.**
 - Commercial entities extracting groundwater (mostly wineries).
- **Rural domestic (de minimis) extractors (if regulated).**
 - Private domestic residents extracting groundwater.

How is the Fee Calculated?

Reminder: the fee will be set so that money is only collected to cover the amount approved in the adopted Fiscal Year 2026-2027 budget.

How is the Fee Calculated?

Options for Stakeholder Feedback

- Staff proposes ***no charge*** to de minimis users.
- **Volumetric (current staff recommendation)**
 - Proportional to use (use more, pay more).
 - Based on evapotranspiration (ET) data.
- **Parcel**
 - Based on a per parcel basis since SGMA requires all land in the basin to be accounted for.
- **Acreage**
 - Based on a per acre basis since SGMA requires all land in the basin to be accounted for.
- **Hybrid**
 - Combines two or more approaches.

How is the Fee Calculated?

Options for Stakeholder Feedback

Cost Scenarios:

WY 24-25 Water Use (Applied) = 56,900 AF

Parcels = 5,680 (excluding San Miguel, City, rangeland)

Acres = 105,000 (excluding San Miguel, City, rangeland)

Volumetric	Parcel	Acreage
Cost Per Acre-Foot	Cost Per Parcel	Cost Per Acre
~\$20-30	~\$194	~\$11

Volumetric Implementation Considerations

- Since August 2024, groundwater consumption is calculated using satellite-based evapotranspiration (ET) data from Land IQ.
- If a volumetric component is included, a public review of the evapotranspiration (ET) data will be implemented.
- Brief overview of ET.
- Q&A.

Other Implementation Considerations

- Options for how invoices are distributed/funds collected for ~800 landowners:
 - **Direct bill**
 - Ensures sufficient cashflow.
 - Higher initial cost to administer.
 - Invoices developed by PRAGA staff and mailed to parcel owners, payment due by June 30, 2026.
 - Any unpaid fees to be placed on County tax roll in August 2026 for collection in Jan-Mar 2027.

Other Implementation Considerations

- **County tax roll**
 - Would cause delayed cash flow.
 - Fees to be placed on the County tax roll in August 2026, for collection in Jan-Mar 2027.
 - PRAGA would have to obtain short-term funding (e.g. an interest-bearing loan).

Other Implementation Considerations

Late Penalties

- For non-payment after the June 30, 2026 deadline common penalty fee structures include:
 - 10% for the first month.
 - 1% escalator for the following months.