

**UPPER SAN LUIS REY GROUNDWATER MANAGEMENT AUTHORITY**  
**NOTICE OF HEARING TO ADOPT PROPOSED FEE**

In compliance with California State Law, notice is hereby given that the Upper San Luis Rey Groundwater Management Authority ("USLRGMA") will hold a **public hearing on: July 16, 2024 at the Yuima Municipal Water District, 34928 Valley Center Road, Valley Center, CA 92082 at 3:40 p.m.** to consider the adoption of a new annual well fee and a new per acre extraction fee starting in Fiscal Year 2024-25 for implementation of the USLRGMA Groundwater Sustainability Plan ("GSP") required by the State of California pursuant to the 2014 Sustainable Groundwater Management Act ("SGMA").

**Background:**

The USLRGMA is a joint powers agency formed to comply with the requirements of SGMA for that portion of the Upper San Luis Rey Groundwater Subbasin ("Basin"). The Upper San Luis Rey Groundwater Subbasin Number 9-007.1 is described in California Department of Water Resources Bulletin 118 (2020) as a Medium Priority Subbasin. As required by SGMA, the USLRGMA adopted a GSP in 2022, and must now implement that GSP as required by law to prevent the State of California from stepping in to manage the local groundwater basin and corresponding groundwater resources.

**Basis of Proposed Fee:**

To provide local groundwater management, sustainability, and SGMA compliance, the USLRGMA must annually monitor and report groundwater conditions to the State, prepare required updates to the GSP, and maintain GSA operations. GSA operations include, but are not limited to, legal, technical and administration costs (including consultant services, insurance, office and outreach materials, and accounting).

The proposed fee is governed by Water Code section 10730 *et seq.* Water Code section 10730.2 applies to well fees and extraction fees imposed for the purpose of USLRGMA administration, GSP implementation, and SGMA compliance. Water Code section 10730.2(c) requires that groundwater extraction fees be adopted in accordance with article XIII D, section 6(a) and (b) of the California Constitution (part of what is commonly known as Proposition 218). The USLRGMA Board has reviewed the best options to fund the USLRGMA and associated activities as explained and documented in the 2024 Cost-of-Service Study.

The service of local groundwater management requires each landowner to cover the cost of groundwater management, GSA administration, GSP implementation, and SGMA compliance including groundwater monitoring, preparation of annual reports, and regulatory compliance activities to ensure that the Upper San Luis Rey Subbasin is sustainable over the long term, as required by SGMA. Each acre in the Upper San Luis Rey Subbasin is required to be managed by a GSP and will receive the local management services of the USLRGMA. Ensuring sustainability will allow the USLRGMA to maintain local control and **avoid expensive State intervention and operation of the Subbasin, which would result in much higher Fees.** Implementing the proposed fee allows the USLRGMA to provide groundwater management services and ensures a more affordable and locally managed option for managing the Upper San Luis Rey Subbasin while maintaining SGMA compliance for all landowners.

**Proposed Fee:**

The proposed fees fund the service of groundwater management including implementation of the GSP and compliance with SGMA. These fees consist of an annual fee of **\$300 per well** plus a per-acre foot water extraction fee that imposes a maximum fee of **\$24.59 per acre foot pumped**. The proposed fee, if approved, will become effective for the 2024-25 fiscal year (beginning July 1, 2024), with the first payment due by December 15, 2024. **The actual amount of the fees will be set by Resolution of the Upper San Luis Rey Groundwater Management Authority but cannot exceed the per well or maximum per acre foot fee specified above absent a subsequent Proposition 218 proceeding.**

The proposed annual fees to be assessed are provided in the table below:

<b>Annual Per Well Fee</b>	<b>Per Acre Foot Extracted (Pumped) Fee</b>
\$300.00 per well	\$24.59 per acre foot

Commencing July 1, 2025, and each July 1 thereafter through and including July 1, 2029, the USLRGMA Board is further proposing to annually increase the fees set forth above by the annual increase in the Consumer Price Index for All Urban Consumers for San Diego-Carlsbad (or a similar index should this index cease to exist), provided such increase shall not cause the rates for the fees described above to increase by more than 5% in any fiscal year.

***PLEASE NOTE THAT THE FEES DESCRIBED IN THIS NOTICE ONLY APPLY TO WELLS THAT EXTRACT GROUNDWATER. IF YOU DO NOT OWN A WELL THAT EXTRACTS GROUNDWATER, YOU ARE NOT SUBJECT TO THE FEES DESCRIBED IN THIS NOTICE.***

For more information, including the Fee Report summarizing the findings, please visit the Upper San Luis Rey Groundwater Management Authority website at: <https://uslrgma.com/>

**Public Hearing and Majority Protest:**

Under the California State Constitution, owners of land subject to the proposed fees have the right to protest its adoption. If you have received this notice, one or more parcels under your ownership will be subject to the proposed fee. If the identified parcel has more than one record owner or renter, only one written protest will be counted. In the event of a majority protest, the fee will not be instituted.

Landowners desiring to protest the proposed Upper San Luis Rey Groundwater Management Authority fee should send their written protest prior to the public hearing to: Upper San Luis Rey Groundwater Management Authority, PO BOX 984, Pauma Valley, CA 92061, or in person at the public hearing on July 16, 2024 at 3:40 p.m., so long as the protest is received prior to the close of the public hearing. **Protests submitted by e-mail, fax, or other electronic means are not valid and will not be counted as a protest.**

There are multiple ways to obtain additional information about this topic:

- View more information online at <https://uslrgma.com/>
- Call the USLRGMA at **(760) 742-3704**.
- For more information about SGMA, see the California Department of Water Resources website: <https://water.ca.gov/Programs/Groundwater-Management/SGMA-Groundwater-Management>

Each parcel is entitled to *one* protest. If a parcel has more than one owner, all must sign one protest form.

***If you do not wish to protest the proposed Upper San Luis Rey GMA Fee, you do not need to take any action.***