

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.

Comment:

Rates should be set high enough to provide a reasonable buffer to compensate for potential revenue shortfall due to reduced consumptive use, collection problems, other unforeseen events.



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, staff recommends:
 1. Charging based on January-December 2025 ET.
 2. Providing a 60-day public review period of the ET data.
- **Does the Board agree with these recommendations?**

Policy Decision Needed:

Will?

- Current year fees be based on **prior** year ET consumption, or
- Current year fees be based on **estimation** of current year ET consumption, or
- Some other method.



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, staff recommends:
 1. Charging based on January-December 2025 ET.
 2. Providing a 60-day public review period of the ET data.
- **Does the Board agree with these recommendations?**

Discussion:

- Using prior year ET may not reflect on current farming plans.
- Using prior year ET may require landowners to pay for someone else's activities.
- Estimating current year consumption will inevitably be based on prior year activity.



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, staff recommends:
 1. Charging based on January-December 2025 ET.
 2. Providing a 60-day public review period of the ET data.
- **Does the Board agree with these recommendations?**

Discussion (continued):

These methods may require a:

- Pre-invoicing “appeal process” where landowners can propose their own estimation, and a
- Year-end “True-up” adjustment based on actual ET.

Other Implementation Options



- Options for how invoices are distributed/funds collected for ~800 landowners.

	Option	Consideration	Stakeholder Feedback	Staff Recommendation
1	Direct bill	<ul style="list-style-type: none"> 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. 		
2	County Tax Roll	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> General preference. More efficient process. Improved payment rates. 	✓

Discussion:

- County Tax Roll is the right recommendation.
- County Tax Roll method will create a one-time, 6-month gap in revenue.
- JPA will need to cover the gap by:
 - GSA direct funding
 - Loan
 - Other method