



## REPORT TO CITY COUNCIL

### Groundwater Sustainability Agency

**Approved by:**

Keith Helmuth, Department Director

Arnoldo Rodriguez, City Manager

**Council Meeting of:** September 3, 2025

**Agenda Number:** E-2

**SUBJECT:**

Domestic Well Mitigation Program (DWMP)

**RECOMMENDATION:**

Receive update and provide direction regarding information provided as part of this report to City Council

**SUMMARY:**

The City of Madera (City) is one of seven agencies that have established a Groundwater Sustainability Agency (GSA) within the boundaries of Madera Groundwater Subbasin (Subbasin) pursuant to the 2014 Sustainable Groundwater Management Act (SGMA). The seven GSAs include the following members:

- |                                    |                                   |
|------------------------------------|-----------------------------------|
| ▪ City of Madera (City)            | ▪ Gravelly Ford Water District    |
| ▪ County of Madera (County)        | ▪ Root Creek Water District       |
| ▪ Madera Irrigation District (MID) | ▪ New Stone Water District (NWSD) |
| ▪ Madera Water District (MWD)      |                                   |

Four GSAs, including the City, County, MID, and MWD, prepared one joint Groundwater Sustainability Plan (GSP).

The original joint GSP, prepared in 2020, requires GSAs to achieve groundwater sustainability in the Subbasin by 2040. Combined, the original joint GSP GSAs are responsible for approximately 95 percent of the Subbasin.

The remaining three GSAs, Gravelly Ford Water District GSA, Root Creek Water District GSA and New Stone Water District GSA, each prepared their own individual GSPs, which, when combined with the joint GSP, collectively cover and manage the entire Subbasin as required by SGMA including impacts to domestic wells.

All GSAs are required to prepare and implement a DWMP for the Madera Subbasin. While not a direct component in reaching sustainability, the DWMP can be considered a factor in the time frame required to achieve sustainability. Without a DWMP to mitigate well impacts, the urgency of reaching sustainability would be heightened to avoid greater losses of residential wells.

## **DISCUSSION:**

At the meeting of the City Council (Council) on August 20, 2025, the Council was updated on the progress of the GSA Coordination Workgroup (Workgroup) and what staff referred to as a Separate GSA Discussion.

Staff described the Workgroup as being at a probable impasse relative to its ability to secure a DWMP that included all seven GSAs. As a result of the probable impasse, staff also described how the four GSAs associated with the joint GSP, City, County, MID, and MWD, met on August 13, 2025 to discuss paths forward if the other GSAs do, in fact, prepare their own DWMPs.

Subsequent to the August 20, 2025 Council meeting and the Separate GSA Discussion on August 13, 2025, the City met with the MID and MWD GSAs on Monday, August 25, 2025 to discuss possible preparation of a DWMP that included only these three GSAs. The proposal by MID was that the City now consider what staff will refer to as a hybrid Proximity based DWMP that addresses only those wells that go dry within the boundaries of City, MID and MWD. The highlights of that meeting include:

- Utilize same basic methodology as that presented under the Separate GSA Discussion section of the August 20 Council meeting wherein DWMP only addresses the first year and that Attachment 1 only be used as guidance for a fixed amount being applied to each agency. Proposed/offered amounts were:
  - MID - \$1,000,000
  - MWD - \$200,000
  - City - \$80,000
- At least two of the GSAs (City and MID) feel the calculated splits from Attachment 1 do not account for GSP projects completed in advance of that planned for in the joint GSP.
- It was stated at this meeting that most of the dry wells are being reported in the County GSA as opposed to MID GSA as the primary example. Based on staff observations of the reports as they become available, this does seem to be the case. Of note, since the

August 20 Council meeting, three more dry wells were reported. One in the City and two in the County GSA.

- While MID was supportive of the City's \$80,000 contribution toward dry wells, they hold a belief there may be a continuing need for some form of management contribution from all three GSAs. This is not necessarily from a monetary approach. Rather from a belief that the Department of Water Resources (DWR) might expect it.
- At the August 20 Council meeting, staff referenced a backlog of approximately 220 dry wells and an unknown number of future wells. Additional information presented at this meeting suggests the values range from optimistic lows to something much higher. If the pessimistic view of dry well becomes reality, County GSA costs could spread to other GSAs though it's the City's contention that the City would no longer participate in capital cost of replacements after 1 year dependent on completion of meters.
- Under the current proposal, the fixed amount would need to be revisited within a year for FYE 2027 similar to that under the Separate GSA Discussion from the last meeting.
- It was agreed by the three GSAs (i.e., MID, MWD, City) at the August 25 meeting that the group can probably structure a DWMP that is substantially simpler and less costly from a management standpoint. Reasonably speaking, this is probably possible regardless of the parties to the agreement.
- These three GSA representatives continue to agree that time is of the essence and that the program needs to be in place by the end of the year.

This staff report was completed after the scheduled Workgroup meeting on Friday morning of the previous week, August 29, 2025. During this meeting, MID indicated their intent to move toward a Proximity based approach that possibly included the City and MWD. As a result of this announcement, it was recognized that the Workgroup had moved past the impasse to a complete breakdown of the efforts to assure at least one Proportional based DWMP. The discussion that followed addressed the possibility of preparing a fact sheet of minimum standards under which all seven GSAs could agree. The fact sheet would be utilized as support with DWR as illustration that coordination between the Madera Subbasin GSAs is still ongoing. Attachment 2 includes a draft of that set of DWMP Standards for the Madera Subbasin as written down during last Friday's Workgroup meeting for review and possible acceptance by the City GSA.

Based on this report, staff is asking Council to:

- Consider participating in the DWMP planned by MID or direct that the City work with, as a possibility, participating with the County GSA. No discussion has occurred as of this time with the County regarding that possibility
- Confirm that it supports the terms of participation as discussed during the August 25

meeting with MID and MWD

**FINANCIAL IMPACT:**

It is not anticipated there would be any immediate impacts to the General Fund so long as cost of mitigation is built into the Water Fund as part of the next rate study.

**ALTERNATIVES:**

Alternatives include:

- Not participate in DWMP – As stated in previous Council meetings, it was staff's belief that this would likely be in violation of the SGMA and may result in litigation with one or more GSAs. The current statement of three GSAs to not participate and a statement from DWR staff that they may be conceding to the use of multiple GSA DWMPs within the subbasin may test this supposition.

A decision by the City to adopt its own DWMP comes with responsibility for managing a program and mitigating cost of all dry wells that occur in the City limits. Staff does not at present have a working theory on the cost of such a program beyond that presented in previous Council meetings. At \$35,000 per well combined with unknown management costs of a single agency, there appears to be a high likelihood the budgetary cost found in Attachment 1 would be exceeded. There may also be additional inherent risk that the program may last longer regardless of whether the City is balanced or not as lack of progress by other GSAs may affect the City's GSA.

**ATTACHMENTS:**

1. Draft Domestic Well Mitigation Program Cost Distribution
2. Draft DWMP Standards for the Madera Subbasin

## **Attachment 1**

Draft Domestic Well Mitigation Program Cost Distribution

**Madera Subbasin - Domestic Well Mitigation Program Cost Distribution**

Written By:

DE

Date:

25-Jul-25

**DRAFT - SUBJECT TO REVISION**

GSA <sup>2</sup>	Description	Proportionate Share <sup>1</sup>	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Madera County <sup>3</sup>	Capital Costs	69%	\$ 4,909,771	\$ 5,057,064	\$ 5,208,776	\$ 3,184,057	\$ 3,279,579
	Admin/Operating Costs		\$ 490,978	\$ 505,707	\$ 520,877	\$ 318,406	\$ 327,958
	Total Costs		\$ 5,400,748	\$ 5,562,771	\$ 5,729,653	\$ 3,502,463	\$ 3,607,536
MID	Capital Costs	19%	\$ 1,351,966	\$ 1,392,525	\$ 1,434,301	\$ 876,769	\$ 903,072
	Admin/Operating Costs		\$ 135,197	\$ 139,253	\$ 143,430	\$ 87,677	\$ 90,307
	Total Costs		\$ 1,487,163	\$ 1,531,777	\$ 1,577,731	\$ 964,446	\$ 993,380
MWD	Capital Costs	3%	\$ 213,468	\$ 219,872	\$ 226,469	\$ 138,437	\$ 142,590
	Admin/Operating Costs		\$ 21,347	\$ 21,987	\$ 22,647	\$ 13,844	\$ 14,259
	Total Costs		\$ 234,815	\$ 241,860	\$ 249,115	\$ 152,281	\$ 156,849
City of Madera	Capital Costs	2%	\$ 142,312	\$ 146,582	\$ 150,979	\$ 92,292	\$ 95,060
	Admin/Operating Costs		\$ 14,231	\$ 14,658	\$ 15,098	\$ 9,229	\$ 9,506
	Total Costs		\$ 156,543	\$ 161,240	\$ 166,077	\$ 101,521	\$ 104,566
Root Creek	Capital Costs	7%	\$ 498,093	\$ 513,035	\$ 528,427	\$ 323,020	\$ 332,711
	Admin/Operating Costs		\$ 49,809	\$ 51,304	\$ 52,843	\$ 32,302	\$ 33,271
	Total Costs		\$ 547,902	\$ 564,339	\$ 581,269	\$ 355,322	\$ 365,982
New Stone	Capital Costs	0%	\$ -	\$ -	\$ -	\$ -	\$ -
	Admin/Operating Costs		\$ -	\$ -	\$ -	\$ -	\$ -
	Total Costs		\$ -	\$ -	\$ -	\$ -	\$ -
Gravelly Ford	Capital Costs	0%	\$ -	\$ -	\$ -	\$ -	\$ -
	Admin/Operating Costs		\$ -	\$ -	\$ -	\$ -	\$ -
	Total Costs		\$ -	\$ -	\$ -	\$ -	\$ -
	% Responsibility	100%					
	Total Capital Costs		\$ 7,115,610	\$ 7,329,078	\$ 7,548,951	\$ 4,614,575	\$ 4,753,012
	Total Admin/Operating Costs		\$ 711,562	\$ 732,908	\$ 754,895	\$ 461,458	\$ 475,301
	Total Costs		\$ 7,827,171	\$ 8,061,986	\$ 8,303,845	\$ 5,076,033	\$ 5,228,314

**Notes:**

<sup>1</sup> Proportionate share of overdraft is as determined from MCSim as part of 2025 Plan Amendment and Periodic Eval.

<sup>2</sup> MID, MWD, City of Madera, Root Creek, New Stone, and Gravelly Ford GSA costs have been scaled from the Madera County GSA costs shown in the Raffetis memo dated July 3, 2025.

<sup>3</sup> Madera County GSA costs differ slightly from that shown in the Raffetis memo dated July 3, 2025 as a function of the proportionate share used herein.

## **Attachment 2**

Draft DWMP Standards for the Madera Subbasin

## **Draft DWMP Standards for the Madera Subbasin**

Cost Range with a Cap

Confirmation of Subbasin Coverage

Mitigation based on declining water levels **only**

Service area of respective GSAs

Coordinated annual reporting (per annual Subbasin Annual Report)

Annual public disclosure re; Coordination Workgroup

One time mitigation and recording

Public outreach

Inspection and Approval