

Phase 1 Funding Mechanism – Fee Appeal Process

Purpose: This appeal process is intended to allow irrigated landowners to reduce or remove their Phase 1 Funding Mechanism fee if either condition is relevant:

1. The parcel was miscategorized by the Merced County Assessor as “irrigated”
2. Less than 75% of the gross parcel area is irrigated.

Condition 1: Miscategorized as “irrigated”

1. Process
 - a. Landowner
 - i. Complete available appeal form and provide maps and other data as necessary.
 - ii. Provide documentation that the original fee has been paid
 - b. MSGSA
 - i. Staff reviews the appeal form and submitted data and is authorized to render a decision.
 1. Use other tools to check accuracy (e.g. Google Earth historical images, crop reports, etc.)
 - ii. Upon decision:
 1. If approved, staff will notify the landowner of approval and require signature attesting to change and MSGSA-imposed conditions. Staff will process a refund of the fee amount appealed upon confirmation that the original fee has been paid and received.
 2. If denied, staff will notify the landowner of denial and indicate landowner may appeal decision to the MSGSA Board in writing.
 - iii. Staff will notify Woodard and Curran (for future tracking)
2. Conditions placed on parcel by MSGSA
 - a. The parcel may not be eligible for a groundwater allocation expected to be established by the MSGSA by the end of Water Year 2025, recognizing that the future allocation policy may or may not include opportunities to opt-in non-irrigated acreage.
 - b. The landowner agrees to properly destroy all irrigation wells determined by MSGSA staff as necessary to be destroyed within the timeline determined by MSGSA and not pump groundwater for irrigation (domestic wells would be allowed as a use on the parcel)

Condition 2: Irrigating less than 75% of APN Gross Acres

1. Process
 - a. Landowner
 - i. Complete available appeal form and provide maps and other data as necessary.
 - ii. Provide documentation that the original fee has been paid
 - b. MSGSA
 - i. Staff reviews the appeal form and submitted data and is authorized to render a decision.
 1. Use other tools to check accuracy (e.g. Google Earth historical images, crop reports, etc.)
 2. Measure irrigated acres (including turnarounds, etc.)
 - ii. Upon decision:
 1. If approved, staff will adjust the fee to the determined irrigated acres rounded up to the closest 5% increment (e.g. 62% of Gross Area being irrigated would be rounded to 65% for purpose of calculating the fee), and notify the landowner and require signature attesting to change and MSGSA-imposed conditions. Staff will process a refund of the fee amount appealed upon confirmation that the original fee has been paid and received.
 2. If denied, staff will notify the landowner of denial and indicate landowner may appeal decision to the MSGSA Board in writing.
 - iii. Staff will notify Woodard Curran (for future tracking)
2. Conditions placed on parcel by MSGSA
 - a. The parcel may not be eligible for a portion of a groundwater allocation expected to be established by the MSGSA by the end of Water Year 2025, (e.g. a “transition” allocation would be limited to just the irrigated acres), recognizing that the future allocation policy may include opportunities to re-establish irrigated acreage quantities.
 - b. The landowner agrees to not expand irrigated acreage on the subject parcel beyond the irrigated acreage value determined through this process.