

Q3 2026

JUNE 2026 – AUGUST 2026

Q3 2026 QUARTERLY REVIEW

SGMA in a Nutshell

Quarterly Groundwater & SGMA updates for Walnut Growers

PERIOD

June 2026 – August 2026

PREPARED BY

California Walnut, powered by WaterOne.ai

THE QUARTER IN ONE LOOK

California's Q3 in a single contrast: full reservoirs, vanished snowpack.

California closed this water year with full reservoirs and almost no snow: statewide storage held near 117% of average while the Sierra snowpack melted roughly two months early and finished around 12% — yet the State Water Project still climbed to a 45% allocation and Friant held a full Class 1 supply. That cushion is the backdrop for a quarter in which SGMA itself got harder. In the **North Valley**, the shift was from monitoring to management, as Colusa, Corning and Glenn-Colusa began building the allocation machinery the south has run for years. In the **Mid Valley**, deadlines hardened into dates and dollars — meter compliance in Delta-Mendota, allocation criteria in Modesto, unpaid balances moving to tax rolls in Madera and East Turlock. In the **South Valley**, the state itself arrived — mailing extraction invoices to Tule Subbasin growers and floating a pumping shutoff along the Friant-Kern Canal. A good surface water year softened the blow — but the shell of voluntary compliance is cracking.

MUST-KNOW UPDATES THIS QUARTER

The Four Stories That Defined Q3

This quarter SGMA moved from planning into collection. Agencies set next year's pumping limits, sent unpaid bills to county tax collectors, and braced for the state's most aggressive proposal yet.

MUST-KNOW · 01

The state raised the bar on land sinking — and floated a pumping shutoff along the Friant-Kern Canal

The Department of Water Resources tightened its land-subsidence standard this year, pushing agencies toward a "critical head" test — groundwater must be brought back above historic lows, not simply held there — on a faster timeline than SGMA originally contemplated, Chowchilla Water District reported. The sharpest consequence is a State Water Board interim plan for the probationary Tule Subbasin, which discusses halting pumping within about two miles on either side of the Friant-Kern Canal, where land has sunk an estimated one to three feet. Agencies put the potential footprint at 60,000 to 90,000 acres, with adoption discussed for early 2027. Porterville Irrigation District GSA cautioned that no draft has been released and the proposal remains conceptual, and Tri-County said the state would hold off if local agencies produce their own urgency plan.

What to watch: Ask your GSA whether your parcels sit inside the canal corridor or a subsidence management area.

READ MORE

[Lower Tule River ID Aug 2026](#) · [Water Blueprint Aug 2026](#)

MUST-KNOW · 02

The state's groundwater bill arrived — and in the Tule Subbasin it goes straight to the grower

Invoices from the State Water Board began mailing August 6 to growers in the probationary Tule Subbasin, charging \$300 per registered well plus \$20 per acre-foot of reported extraction, based on each grower's own annual reporting filing. They apply to the eight districts whose exemption requests the state denied — Lower Tule River, Pixley, Tri-County Water Authority, Tea Pot Dome, Terra Bella, Porterville, Saucelito and Vandalia — while Delano-Earlimart Irrigation District is exempt through the 2026 water year. Growers have 30 days from receipt to petition for reconsideration. Porterville staff reported the state has acknowledged the fees should not apply to surface water previously stored underground.

What to do: Check your invoice against your own filing, and petition within 30 days if it bills you for banked water.

READ MORE

[Lower Tule River ID Aug 2026](#) · [Delano-Earlimart ID Jun 2026](#)

MUST-KNOW · 03

Unpaid groundwater bills are moving onto property tax rolls — and turning into liens

Agencies across the Valley lost patience with unpaid pumping penalties and turned to the county tax collector. Madera County's GSA committee recommended moving roughly \$900,000 in unpaid 2025 penalties across about 80 parcels onto the tax roll, while 2024's unpaid penalties receive a Notice of Levy that attaches a lien to the property. East Kaweah approved placing about \$450,000 in unpaid fees on the county tax roll, and Greater Kaweah authorized liens on roughly \$1.2 million in delinquent over-pumping penalties. Tri-County Water Authority went furthest, approving liens and cease-extraction orders against four delinquent parcels, and East Turlock reported about \$1.9 million unpaid across 92 accounts.

What to do: Settle any disputed invoice before your county's tax-roll cutoff — a lien is far costlier to unwind than a bill.

READ MORE

Madera County GSA Jul 2026 · Tri County WA Aug 2026

MUST-KNOW · 04

Pumping limits are coming to the Sacramento Valley

The North Valley spent this quarter building the machinery the South Valley has had for years. Colusa Groundwater Authority told its board it needs a demand management framework — rules that trigger reductions in pumping when groundwater conditions worsen — in place by the start of 2027, and began mailing personalized water accounting statements and scheduling grower workshops. Corning Subbasin GSA approved up to \$184,800 for a consultant to build its program, deliberately hiring experience from Madera County, which has run allocations and penalties since about 2021. Glenn-Colusa Irrigation District's board backed moving past warnings toward enforcement with real financial consequences.

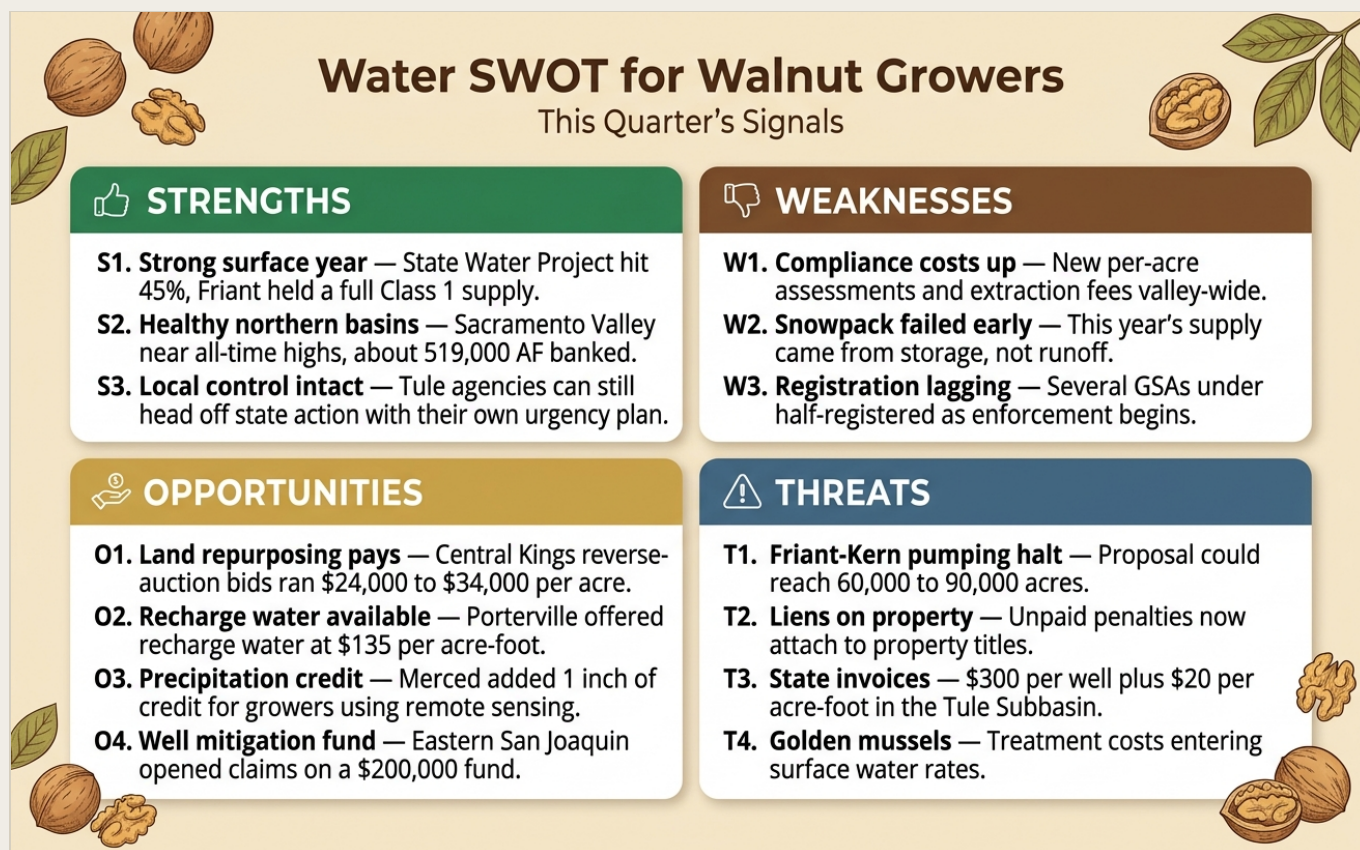
What to watch: The allocation and penalty rules your agency drafts over the next few months are the ones you will farm under.

READ MORE

Colusa GA GSA Jun 2026 · Corning Subbasin GSA Jul 2026

WATER SWOT FOR WALNUT GROWERS

This Quarter's Signals at a Glance



The infographic is titled "Water SWOT for Walnut Growers" with the subtitle "This Quarter's Signals". It is decorated with illustrations of walnuts and walnut leaves in the corners. The content is organized into four colored boxes: a green box for Strengths, a brown box for Weaknesses, a yellow box for Opportunities, and a blue box for Threats. Each box contains a list of numbered items with brief descriptions of water-related signals for walnut growers.

Water SWOT for Walnut Growers

This Quarter's Signals

STRENGTHS

- S1. Strong surface year** — State Water Project hit 45%, Friant held a full Class 1 supply.
- S2. Healthy northern basins** — Sacramento Valley near all-time highs, about 519,000 AF banked.
- S3. Local control intact** — Tule agencies can still head off state action with their own urgency plan.

WEAKNESSES

- W1. Compliance costs up** — New per-acre assessments and extraction fees valley-wide.
- W2. Snowpack failed early** — This year's supply came from storage, not runoff.
- W3. Registration lagging** — Several GSAs under half-registered as enforcement begins.

OPPORTUNITIES

- O1. Land repurposing pays** — Central Kings reverse-auction bids ran \$24,000 to \$34,000 per acre.
- O2. Recharge water available** — Porterville offered recharge water at \$135 per acre-foot.
- O3. Precipitation credit** — Merced added 1 inch of credit for growers using remote sensing.
- O4. Well mitigation fund** — Eastern San Joaquin opened claims on a \$200,000 fund.

THREATS

- T1. Friant-Kern pumping halt** — Proposal could reach 60,000 to 90,000 acres.
- T2. Liens on property** — Unpaid penalties now attach to property titles.
- T3. State invoices** — \$300 per well plus \$20 per acre-foot in the Tule Subbasin.
- T4. Golden mussels** — Treatment costs entering surface water rates.

Quarter's signals across strengths, weaknesses, opportunities, and threats. Read alongside the Must-Knows.

WHAT WE'LL BE WATCHING NEXT QUARTER

Three Signals to Track

Three watch-items shaping how the next quarter lands on Central Valley walnut orchards — from the Tule Subbasin's urgency plan to October deadlines to the Sacramento Valley's first pumping limits.

SIGNAL • 01

The Tule Subbasin's Urgency-Plan Test

The Tule Subbasin is the one to watch: whether local agencies deliver an urgency plan credible enough to head off the proposed Friant-Kern restrictions, with a State Water Board decision possible in early 2027.

SIGNAL • 02

October 1 Deadlines Across the Mid Valley

Across the Mid Valley, several subbasins face an October 1 deadline to answer state comments, and Modesto's management areas will publish the plans that set local allocation criteria.

SIGNAL • 03

The Sacramento Valley Draws Its First Limits

In the North Valley, Colusa and Corning put demand management frameworks on paper for the first time — the Sacramento Valley's first real look at its own limits.

WaterOne.ai attends 100+ GSA, Irrigation District, and Water Agency Board Meetings to keep you up to date on all the SGMA updates. Go to waterone.ai to sign up for their free email newsletter, and access their database.

This article is for informational purposes only and does not constitute legal, financial, or technical advice. Please confirm details with your local agency or GSA.

— APPENDIX —

Main Changes by Region

Detail-level snapshots of the most consequential GSA, irrigation-district, and water-agency board actions across the Central Valley this quarter. Organized North to South.

North Valley

SACRAMENTO VALLEY / NORTH OF CHICO

Vina GSA set new fees and added an early-warning trigger.

The board approved 2026-27 fees of \$5.60 per cropped acre plus \$16.58 per parcel, and kept existing minimum thresholds while adding early-warning levels 20 feet below its objectives.

Grower Impact: A modest new per-acre cost, plus triggers that can prompt action before thresholds are breached.

Yolo GSA is correcting misclassified parcels under its new two-tier fee.

The agency adopted the fee in May and is correcting dry and grazing land placed in the wrong tier before billing.

Grower Impact: Check your parcel's tier now — a misclassification is easier to fix before the bill than after.

Sacramento Groundwater Authority reported groundwater near all-time highs.

A new accounting system showed roughly 519,000 acre-feet of banked water basin-wide, with the updated plan set for adoption in December.

Grower Impact: One of the healthiest basins in the state, though December is when the next management criteria get settled.

Mid Valley

SAN JOAQUIN / STANISLAUS / MERCED / MADERA

Merced Subbasin GSA reopened its inactive-parcel window.

Growers using remote sensing received an extra inch of precipitation credit for Water Year 2026, and the inactive-parcel deadline moved to May 1 with a one-time reopening through August 31.

Grower Impact: If a block went unirrigated this year, designate it before that window closes.

Delta-Mendota moved its meter deadline to October 1.

The coordination committee pushed the date back from September, set an August 27 hearing on meter penalty fees, and directed staff to build an exemption process for inactive wells.

Grower Impact: Wells need meters by October 1, with a likely exemption path for those out of service.

Modesto Irrigation District is moving toward January 2027 groundwater management.

Its groundwater use management and well mitigation programs are advancing, with each management area drafting an action plan.

Grower Impact: Identify your management area — that plan is where local allocation criteria get set.

South Valley

FRESNO / KINGS / TULARE / KERN

North Kings GSA passed 8,200 registered wells as enforcement approaches.

Staff reported 8,229 wells registered, with an enforcement policy expected this fall and notices going to owners who have not registered.

Grower Impact: Registering now keeps you eligible for programs like domestic well mitigation and ahead of penalties.

Mid-Kaweah GSA held Water Year 2027 allocations steady.

Allocations remain unchanged at 9 inches tiered and 10 inches of native yield, though staff flagged possible supply stress in the 2030-2033 window.

Grower Impact: No reduction next year, but the medium-term outlook is where pressure is expected.

Central Kings GSA's next land reverse auction closes September 30.

Usable bids last round ran roughly \$24,000 to \$34,000 per acre for ground taken out of irrigation, though one earlier deal remains stalled.

Grower Impact: A priced option for marginal blocks, with bids due end of September.