



The residents of Ridgecrest and surrounding communities need a reliable and affordable water supply

Replenishment Fee 101

The Indian Wells Valley Groundwater Authority (IWVGA) introduced a “Replenishment Fee” to manage the region’s overdrafted groundwater basin. Here's what you need to know:

Government Overreach

The fee targets Searles Valley Minerals with a hefty new charge, effectively choosing winners and losers in the Indian Wells Valley Basin.

Historic Water Rights Ignored

The arbitrary application of this exorbitant fee disregards Searles' historic water rights, the most senior rights in the Basin.

Excessive Cost Increase

The fee increases water costs for Searles by 7,000%, amounting to approximately \$6 million per year.

Economic Strain

Such a significant cost increase forces the company to make tough decisions that affect its operations and contributions to the local economy.

Funding the Pipeline Project

The Replenishment Fee is intended to fund the proposed Pipeline Project, which will ultimately cost residents of the Ridgecrest and Trona communities millions of dollars. This project requires vast new infrastructure, has uncertain feasibility, and will take many years before any water can reach the Basin.

Understanding SGMA

In 2014, the State of California adopted the Sustainable Groundwater Management Act (SGMA) to address the critical issue of groundwater overdraft. SGMA requires the formation of local Groundwater Sustainability Agencies (GSAs) to develop and implement plans for sustainable groundwater management by 2040. The IWVGA is one such agency, tasked with creating a plan to balance the region’s groundwater use.

While SGMA aims to ensure long-term groundwater sustainability, the approach taken by the IWVGA through the Replenishment Fee and the proposed Pipeline Project raises significant concerns. The lack of transparency, excessive costs, and uncertain water supply solutions highlight the need for more equitable and effective groundwater management strategies.

Government Gone Wrong

The actions of the IWVGA illustrate a significant mismanagement issue, endangering local livelihoods and economic stability with their current plans:

Unrealistic Cost Projections

The IWVGA’s proposal to purchase water rights and construct new infrastructure throughout California is based on speculative planning. The plan does not provide clear timelines or methods for securing actual water delivery to the Basin. Instead, it relies on an enormously expensive and uncertain strategy that requires vast new infrastructure and will cost countless millions of dollars. This project is expected to take many years before even a single drop of water reaches the Basin.

Impact on Water Rights

The Replenishment Fee neglects to recognize Searles' historic water rights, which are the oldest in the Basin. Ignoring these rights in favor of an arbitrary fee undermines long-standing water usage agreements and creates an unfair burden on businesses like Searles.

Financial Burden on Residents

The financial strain of funding the Pipeline Project will ultimately fall on residents of the Ridgecrest and Trona communities, who will bear the increased costs. This financial burden is particularly concerning given the already challenging economic conditions faced by many in the area.

Searles Valley Minerals (SVM) is one of the region's leading economic contributors.

SVM produces compounds used in everyday products, including glass, detergents, flat-screen monitors, electronic parts, and fiberglass insulation. The company provides hundreds of high-wage jobs that fuel growth and opportunity for the residents of Ridgecrest and Kern County.

Richard Chapman

President and CEO
Kern Economic
Development Corporation



These are pass-through fees implemented by the Authority. Though they will appear on your water bill, the money collected goes to the Authority and not the District...This fee, as drafted, applies only to customers of the District and to Searles Valley Minerals.

Don Zdeba

General Manager
Indian Wells Valley
Water District

Questionable Reliability of the Pipeline Project

The IWVGA's plan includes acquiring water rights from multiple locations across California and building significant new infrastructure. Recent financial evaluations have shown that the project's expenses are much higher than initially anticipated. The direct construction costs, including a 20% contingency, have increased by \$47 million. The pipeline construction alone is \$30 million above earlier projections. Factoring in future cost increases, the total expense may climb as high as \$491 million.

There is also considerable uncertainty about the water supply from the State Water Project (SWP). The availability of water allocations from the SWP has been highly variable, with annual rates changing significantly due to varying hydrological conditions. These fluctuations result in inconsistent water delivery, which undermines the project's reliability and cost-effectiveness. This variability introduces further financial and operational risks to an already expensive and complex undertaking.

The Community Relies on Companies like Searles, and Searles Relies on Affordable and Sustainable Water Supply

- The company is proud to be the largest employer in the Searles Valley.
- The employees are the backbone of the company – many have 20+ years of service and generations of families have worked for Searles.
- Searles supports a total of 1,189 jobs in the region, including both direct and indirect jobs.
- Approximately 75% of the employees live in Ridgecrest, contributing significantly to the local economy.
- Searles supplies water to the community of Trona, ensuring essential resources for local residents.

Collaborative & Fair Approach Needed

- The Authority's efforts to manage the groundwater basin for the thousands of people who rely on it for their homes, farms, and businesses must be more transparent, collaborative, and fair to our entire community.
- In 2024, Searles Valley Minerals created Protect Our Valley's Water to gather more community support calling for a more just and equitable process – one that respects Searles' historic water rights and recognizes the invaluable role the company plays in supporting the region's economy and quality of life.
- Protect Our Valley's Water agrees that all must work together to balance the Valley's groundwater basin. However, implementing measures without concrete plans for our water supply future undermines the stability of our community and local economy.

HOW CAN I GET MORE INFORMATION?

To request to be added to our email list, email info@protectourvalleyswater.com.