



LAFCO - San Luis Obispo - Local Agency Formation Commission
SLO LAFCO - Serving the Area of San Luis Obispo County

TO: MEMBERS, FORMATION COMMISSION

FROM: DAVID CHURCH, AICP, EXECUTIVE OFFICER *DC*

DATE: NOVEMBER 19, 2015

SUBJECT: IMPARTIAL ANALYSIS - PASO ROBLES BASIN WATER DISTRICT FORMATION - LAFCO FILE NO. 2-R-15

RECOMMENDATION: It is respectfully recommended that your Commission approve the attached impartial analysis regarding the formation of the Paso Robles Basin Water District and authorize its submittal to the County Clerk.

DISCUSSION: The California Water Code requires the LAFCO Executive Officer to prepare an impartial analysis regarding the formation of Paso Robles Basin Water District (Water District). On September 17, 2015 LAFCO approved the formation of the Water District subject to, among other things, a successful vote on formation in accordance with Water Code Section 37905. Pursuant to the Cortese-Knox-Hertzberg Act, LAFCO requested that the Board of Supervisors call for the necessary election. The request from LAFCO was sent to the County Clerk on September 30, 2015. The County Board of Supervisors has 45 days to call for and direct the Clerk to conduct the election.

The Board of Supervisors called for the election on November 10, 2015. The Water Code states that within five days after a district formation election has been called, the legislative body which called for the election shall submit a written notification to the Executive Officer of the Local Agency Formation Commission. Such written notice shall include the name and a description of the proposed district, and may be in the form of a certified copy of the resolution adopted by the legislative body calling the district formation election. The Executive Officer, within five days after being notified that a district formation election has been called, shall submit to the LAFCO Commission, for its approval or modification, an impartial analysis of the proposed district formation.

The impartial analysis shall not exceed 500 words in length and shall include a specific description of the boundaries of the district proposed to be formed. The Local Agency Formation Commission, within five days after the receipt of the Executive Officer's analysis, shall approve or modify the analysis and submit it to the officials in charge of conducting the district formation election (Water Code § 34402.1). The LAFCO Counsel has also reviewed the recommended analysis. Due to the time constraints specified in the law for action on this matter, it is recommended that the LAFCO Commission take action on November 19, 2015.

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**IMPARTIAL ANALYSIS - MEASURE ____
FORMATION OF THE PASO ROBLES BASIN WATER DISTRICT**

The proposed Paso Robles Basin Water District (Water District) is approximately 350,000 acres (552 square miles). Generally, the Water District lies east of the cities of Paso Robles and Atascadero, and east of the unincorporated community of Templeton. To the north the Water District boundary is the Monterey-San Luis Obispo county line. The Water District's service area boundary includes the unincorporated properties in San Luis Obispo County that overlie the Paso Robles sub-basin as defined by the Fugro Basin Study (2002) (Fugro). The Atascadero sub-basin, as identified and described in Fugro, is excluded from the Water District's boundary.

The purpose of the Water District is to provide for the protection, restoration, maintenance, or enhancement of the Paso Robles Groundwater Basin, excluding the Atascadero sub-basin. The responsibilities of the Water District would include compliance with the Sustainable Groundwater Management Act (SGMA). SGMA requires the preparation of a Groundwater Sustainability Plan (GSP) for basins identified by the Department of Water Resources (DWR) as medium and high priority basins. DWR has identified the Paso Robles Basin as a high priority basin. The Water District would be responsible for preparing the GSP for areas within its boundary. The proposed annual budget for the Water District is \$950,609. Future water supply or other projects and additional funding would be subject to the Water District's approval and other state laws such as CEQA and Proposition 218.

The formation process and powers of the proposed Water District are described in Assembly Bill 2453, which became law on January 1, 2015. For the Water District to be formed, the following must occur: 1) a majority of the landowner-voters who submit ballots, as defined in AB 2453, must approve the formation, and 2) the special tax to fund SGMA compliance within the Water District boundaries must be approved by two-thirds of the registered voters who cast votes (Proposition 218). The Water District's nine-member Board of Directors would be elected by landowners and registered voters within the Water District. Three of the board members would be registered voters elected by registered voters from within the proposed Water District. The six other board members would be landowners. The landowners' votes are cast based on the acreage owned: 1 vote per acre owned formula.

A "yes" vote on this measure is a vote to form the Paso Robles Basin Water District. A "no" vote on this measure is a vote against forming the Paso Robles Basin Water District. A majority of the votes cast by the landowner-voters is needed to approve the formation. If the measure fails to receive a majority of the votes cast, the formation of the Water District would be terminated. Also, if the funding vote for the Water District does not pass the formation is terminated.

The above statement is an impartial analysis of Measure _____. If you desire a copy of the measure, please call the County Elections Office at 781-5228 and a copy will be mailed at no cost to you.

by/David A. Church, AICP, Executive Officer
San Luis Obispo Local Agency Formation Commission