

# **Estrella, El Pomar, Creston Water District (District) PLAN FOR SERVICES**

## **Background**

The County led initiative to create a Basin wide District failed dramatically in the formation election. Presently there is not a practical path to create a Basin Wide District and even less hope to successfully fund one. The rapidly approaching June 30th 2017 deadline for creating a GSA to manage our area leaves this local District Formation effort as one of our few viable alternatives. The District will be a significant part of the SGMA solution for the Paso Robles Groundwater Basin and will focus on groundwater sustainability for the agricultural related users in the proposed District. It is anticipated that there will be a group of GSAs working together under an MOU or JPA that will be the guiding body responsible for the Basin as a whole. The State has already set standards and will closely oversee the activities of the GSA(s).

## **Description of Services to be provided by the new District:**

The initial services provided by the District can be generalized as compliance with the Sustainable Groundwater Management Act (SGMA) and its goals. In addition, the District will operate as a California Water District supporting the needs of agriculture, ranching, grazing and open lands. If formed, the proposed Water District would be responsible for helping to stabilize the Paso Robles Groundwater Basin by complying with the new state law.

SGMA requires that the Paso Robles Groundwater Basin (a High Priority Basin) be managed by a Groundwater Sustainability Agency (GSA) with a Groundwater Sustainability Plan (GSP) created by the GSA. The proposed Water District would either become a GSA and/or be part of a GSA that manages the Basin. The deadline for forming a GSA is June 30, 2017. The County, along with other agencies, is in the process of forming a GSA for the Paso Robles Groundwater Basin. The applicants are in discussions with the County and other agencies about the best approach and structure for creating the GSA.

California Water Districts are formed and governed by landowners and are subject to the State Water Code 34000 et al. The Estrella, El Pomar Creston Water District is being proposed to include only landowners willing to form and fund the District. Therefore, participation in the Water District is voluntary. If formed, the landowners would be required to adhere to the policies and regulations adopted by the new Board of Directors.

The Water District would establish a local government agency for managing the portion of the Paso Robles Groundwater Basin for those landowners who want this type of structure. The Water District would have authority and jurisdiction only over those landowners and properties inside its boundaries. For the Water District to be formed, both the formation and funding must be approved by landowners. Formation depends

on voter approval by landowners within the Water District's boundary on a one vote per acre basis. The funding is proposed to be a benefit assessment voted on by the landowners within the proposed Water District's boundary and pursuant to Proposition 218.

Over a period of time, District services may include:

1. At every step of the SGMA process, representing the best interests of the members of the District while complying with State Law and working to ensure a sustainable source of water for all our area residents, farmers and neighbors for generations to come.
2. Working with the other agencies involved in managing groundwater in the Paso Robles Basin that are forming a GSA(s) and then cooperating to write the GSP(s) that will be critical in the sustainable management of the basin.
3. Collecting and reporting pumping data to the Board of Directors (Board) and Department of Water Resources (DWR).
4. In cooperation with existing California Stabilized Groundwater Elevation Monitoring (CASGEM) and SLO County efforts, collecting water level readings from across the District on a regular basis.
5. Compiling, analyzing and reporting that Data to the Board and DWR.
6. Enumerating wells with known screen elevations to track over time to help define aquifers.
7. Working to ensure the accuracy of the pumping data and to promote the necessity to have meters on ag wells.
8. To take water samples from these wells across seasons and years to document the nature of the aquifers feeding the basin and to document water quality in the basin's water.
9. To analyze and report the water quality data to the County, DWR and the State Water Quality Control Board.
10. Acquiring existing and new studies of the basin, the aquifers that feed it and the underground limits or boundaries that contain it. Reporting this data to DWR and SLO County.
11. To hire technical experts to analyze these various data streams and collect other data needed to define our basin. To create the technical reports required by DWR.
12. Documenting our groundwater management over time and reporting the ongoing results to DWR.
13. Promoting existing and developing local Best Management Practices (BMPs) for the conservation of water. Creating policies to ensure their implementation.
14. Identifying existing and developing new BMPs for improving water infiltration and recharge. Encouraging and ensuring implementation of those practices.
15. Pursuing projects to increase water infiltration in wet years to improve the total water supply available and to gradually raise water levels to former elevations.

16. Using all the powers given to a Water District to develop fair and equitable extraction limits to maintain sustainable groundwater levels in each portion of the District. When groundwater conditions necessitate it, implementing those extraction limits.
17. Enforcing District ordinances, rules or regulations.
18. If opportunities to acquire outside sources of water at economically feasible prices arise, to consider pursuing them.

**Indicate when services can be extended to the affected area**

These Services will be carried out across the District. They will commence directly after District Formation and election of a Board of Directors. However it is important to note that the District is aimed at providing these services to agricultural oriented properties and will not be able to service rural subdivisions and small domestic water customers that are not associated with agriculture.

**Boundary of the New District**

The boundary of the District is the Estrella, El Pomar, and Creston areas delineated in the SLO County studies of the Paso Robles Groundwater Basin. This area is defined by the area adjacent to the Cities of Paso Robles and Atascadero and excludes those cities, the CSDs and existing water districts in the boundary of the proposed district. The proposed boundary ranges north to the Monterey County line and southerly to the general area of Hwy 229. It includes portions of the Estrella and Salinas Rivers and includes those portions of their watersheds that lay within the State DWR Bulletin 118 Boundaries of the Paso Robles Ground Water Basin

**An indication of any improvement of structures, roads, sewer or water facilities, or other conditions the district would impose or require within the affected territory if the District is formed**

Beyond requiring meters on production wells no such improvements related to groundwater sustainability are anticipated to be imposed until after the development of the GSP. Under the SGMA, the final GSP must be submitted to DWR by 2020.

**Identification of existing service providers, if any, and the potential fiscal impact to the customers of those existing providers**

There is no existing provider of sustainable groundwater management services specifically described in SGMA in the proposed District. However, the County Flood Control District has adopted a Groundwater Management Plan pursuant to AB 3030 which is currently in effect. The County had adopted an Urgency Ordinance, No. 3246, that restricted new uses of groundwater within the Paso Basin and has supplanted that with Ordinances 3306, 3307, 3308 and 3309 all controlling different aspects of new water use within the Basin. Further the SLO County BOS has directed Public Work Staff to focus "on building GSAs with willing and eligible partner agencies." Aside from the foregoing, the area currently has individual well owners managing groundwater without the collaboration of others. There are, however, other existing water purveyors in the Paso Basin which will work collaboratively with the new District on matters related to groundwater management and SGMA compliance. These

agencies will work together under the framework of a "master" GSA or Group of GSAs coordinating the development of a GSP(s) under a MOU or other type of agreement.

**Plan for financing the establishment of the new district:**

**Total estimated cost to provide services within the special district's boundaries:**

Presently the estimated cost to provide District services is an average annual budget of \$500,000 for the first five years. A detailed budget is provided below. The projected Budget will be sufficient to successfully implement these steps in cooperation with other agencies. Once groundwater extraction metering has been established, if the District's Board so directs, the funding could switch to use basis. The Board may also pursue public and private grants to supplement the basic services outlined above to expand on potential conservation and water supplementation opportunities.

**Estimated cost of the services to customers within the special district's jurisdictional boundaries:**

A final determination of the funding mechanism under Proposition 218 (and the manner in which to impose a levy) has not been made at this time; therefore, the allocation of the \$500,000 annual budget has not been finalized. However, a licensed and experienced consulting firm, Wallace Group, is performing the necessary analysis.

**Identification and description of the revenue sources. Discuss the stability of the revenue sources and future availability:**

Special Benefit Assessments, pursuant to Proposition 218, will provide a stable source of revenue. Additionally, the State will be releasing grants to fund groundwater sustainability projects and to assist in SGMA compliance, and it is reasonable to assume the District will be competitive for many of these grants. The initial budget does not account for a grant award, but a grant would be a welcome source of funding and help with the overall financing of compliance with SGMA.

**Powers requested for the District:**

The District requests all the powers usual to a California Water District with the exclusion of the ability to export water beyond the Boundaries of the Paso Robles Ground Water Basin.