# Paso Robles Area Groundwater Authority Notice of Meeting

#### AGENDA

## April 7, 2025

NOTICE IS HEREBY GIVEN that the Paso Robles Area Groundwater Authority will hold a meeting at **4:00 p.m.** on **April 7, 2025,** at the Paso Robles Council Chambers, 1000 Spring Street, Paso Robles, CA 93446.

 Zoom Link:
 https://us06web.zoom.us/j/83359446962?pwd=bGJFK3pXYitOQ0hWdk5mZTBXWDFoZz09

 Meeting ID:
 833 5944 6962

 Passcode:
 068456

 Call-in:
 +16694449171,,83359446962#,,,,\*068456# US

NOTE: The Paso Robles Area Groundwater Authority (Paso Authority) reserves the right to limit each speaker to three (3) minutes per subject or topic. In compliance with the Americans with Disabilities Act, all possible accommodations will be made for individuals with disabilities, so they may participate in the meeting. Persons who require accommodation for any audio, visual or other disability in order to participate in the meeting of the Paso Authority are encouraged to request such accommodation 48 hours in advance of the meeting from Taylor Blakslee at (661) 477-3385.

Directors	Alternates
Matt Turrentine, Shandon-San Juan WD	Marshall Miller, Shandon-San Juan WD
John Hamon, City of Paso Robles	Kris Beal, City of Paso Robles
Bruce Gibson, County of SLO	Heather Moreno, County of SLO
Jerry Reaugh, Estrella El-Pomar Creston WD	Hilary Graves, Estrella El-Pomar Creston WD

- 1. Call to Order (Turrentine) (1 min)
- 2. Pledge of Allegiance (Turrentine) (1 min)
- 3. Roll Call (Blakslee) (1 min)
- 4. Introduction of Representatives and Opening Comments (Directors) (10 min)
- 5. Meeting Protocols (Blakslee) (2 min)

## **ACTION ITEMS**

- 6. Election of Officers (Reely) (5 min)
- 7. Set the 2025 Meeting Calendar and Provide Direction on Meeting Format (Blakslee) (10 min)
- 8. Direction on Paso Authority Funding for Fiscal Year 2024-2025 (Reely) (20 min) Verbal
- Discuss and Consider Appointing a Paso Authority Ad hoc Committee to Develop Recommendations for Selecting the Interim Executive Director, Executive Director and Legal Counsel (Turrentine) (20 min) – Verbal
- 10. Consideration and Approval of the Water Year 2023-2024 Annual Report, Ratify the County Director of Groundwater Sustainability's (GSD) Submission of Said Report to the California Department of Water Resources and Authorize the GSD to Serve as the Plan Manager on Behalf of the Authority until the Authority Hires an Executive Director or Otherwise Appoints Another Plan Manager (Reely) (15 min)

## **REPORT ITEMS**

- 11. Update on Rate Study (Reely) (15 min)
- 12. Public Comment Items not on Agenda (Turrentine) (3 min/speaker)
- 13. Upcoming meeting(s) (Blakslee) (2 min)
  - a. Select Dates for Special Meetings in April and May
- 14. Correspondence (2 min)
- 15. Future Items (2 min)
- 16. Adjourn (5:37 p.m.)

To join the Paso Basin email list, please sign-up at: https://mailchi.mp/co.slo.ca. us/paso-basin-email-sign-up

#### Paso Robles Area Groundwater Authority April 7, 2025

Agenda Item #7 – Set the 2025 Meeting Calendar and Provide Direction on Meeting Format

#### Recommendation

Adopt the meeting calendar for 2025. Provide direction

#### **Prepared By**

Taylor Blakslee, Hallmark Group

#### Discussion

The Paso Robles Area Groundwater Authority (Authority) staff are seeking Board direction on the following topics:

- 1. Meeting cadence
- 2. Meeting time
- 3. Meeting format

#### Meeting Cadence

The proposed 2025 meeting calendar for the Paso Robles Area Groundwater Authority (provided as Attachment 1) follows a bi-monthly schedule, every other month on the fourth Wednesday, except in November where it is moved up a month due to holidays. Authority staff is looking for direction on setting the calendar for 2025.

# **Meeting Time**

Authority staff is requesting Board direction on the meeting start time and several options are listed below:

- 9:00 a.m.
- 1:00 p.m.
- 4:00 p.m.
- Other

## **Meeting Format**

Authority staff is requesting Board direction on whether to continue providing a hybrid, remote option for Authority meetings.

\* \* \*

# Paso Robles Area Groundwater Authority Meeting Schedule

January 2025								
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
			1	2	3	4		
5	6	7	8	9	10	11		
12	13	14	15	16	17	18		
19	20	21	22	23	24	25		
26	27	28	29	30	31			

Proposed Meeting Date

		rch 20			
Mon	Tue	Wed	Thu	Fri	Sat
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3	4	5	6	7	8
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31					
	3 10 17 24	3         4           10         11           17         18           24         25	3         4         5           10         11         12           17         18         19           24         25         26	3         4         5         6           10         11         12         13           17         18         19         20           24         25         26         27	Image: Market Ma Market Market Mark

May 2025							
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18	19	20	21	22	23	24	
25	26	27	28	29	30	31	

	July 2025							
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
		1	2	3	4	5		
6	7	8	9	10	11	12		
13	14	15	16	17	18	19		
20	21	22	23	24	25	26		
27	28	29	30	31				

September 2025								
Sun	Sun Mon Tue Wed Thu Fri Sat							
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7	8	9	10	11	12	13		
14	15	16	17	18	19	20		
21	22	23	24	25	26	27		
28	29	30						

	November 2025								
Sun	Mon	Tue	Wed	Thu	Fri	Sat			
						1			
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9	10	11	12	13	14	15			
16	17	18	19	20	21	22			
23	24	25	26	27	28	29			
30									

Holiday

February 2025							
Sun   Mon   Tue   Wed   Thu   Fri   Sat							
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23	24	25	26	27	28		

April 2025								
Sun	Sun Mon Tue Wed Thu Fri Sat							
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6	7	8	9	10	11	12		
13	14	15	16	17	18	19		
20	21	22	23	24	25	26		
27	28	29	30					

June 2025							
Sun	Mon	Tue	Wed	Thu	Fri	Sat	
1	2	3	4	5	6	7	
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15	16	17	18	19	20	21	
22	23	24	25	26	27	28	
29	30						

August 2025								
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
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24	25	26	27	28	29	30		
31								

	October 2025							
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19	20	21	22	23	24	25		
26	27	28	29	30	31			

December 2025									
Sun	Mon	Tue Wed		Thu	Fri	Sat			
	1	2	3	4	5	6			
7	8	9	10	11	12	13			
14	15	16	17	18	19	20			
21	22	23	24	25	26	27			
28	29	30	31						

### Paso Robles Area Groundwater Authority April 7, 2025

**Agenda Item #10** – Consideration and Approval of the Water Year 2023-2024 Annual Report, Ratify the County Director of Groundwater Sustainability's (GSD) Submission of Said Report to the California Department of Water Resources and Authorize the GSD to Serve as the Plan Manager on Behalf of the Authority until the Authority Hires an Executive Director or Otherwise Appoints Another Plan Manager

#### Recommendation

(1) Consider and approve the Water Year 2023-2024 Annual Report, and (2) ratify the County Director of Groundwater Sustainability's (GSD) submission of said Report to the California Department of Water Resources and (3) authorize the GSD to serve as the Plan Manager on behalf of the Authority until the Authority hires an executive director or otherwise appoints another Plan Manager.

#### **Prepared By**

Blaine Reely, County of San Luis Obispo Groundwater Sustainability Director

#### Discussion

On March 31, 2025, the County Director of Groundwater Sustainability submitted the Water Year 2023-2024 Annual Report to the California Department of Water Resources (DWR) in order to meet the statutory deadline and for the reasons articulated in the transmittal letter to the State (provided as Attachment 1). The purpose of today's item is for the Paso Robles Area Groundwater Authority (Authority) to consider and authorize submission of the Water Year 2023-2024 Annual Report consistent with the Joint Exercise of Powers Agreement and to authorize the Groundwater Sustainability Director to continue to serve as the single point of contact with DWR consistent with the Groundwater Sustainability Plan Regulations until the Authority is able to hire its own staff.

#### Public Comments: Water Year 2023-2024 Annual Report

On March 7, 2025, the draft Water Year 2023-2024 Annual Report was distributed to stakeholders for public review. Comments were due on March 26, 2025, and comments received were included and addressed in the public comment matrix which is Appendix I to the Annual Report and are provided as Attachment 2.

Currently, the public has the opportunity to comment on the Water Year 2023-2024 Annual Report since it has been submitted and posted on the California Department of Water Resources' portal at the following location: <u>https://sgma.water.ca.gov/portal/gspar/preview/399</u>.

\* \* \*



COUNTY OF SAN LUIS OBISPO GROUNDWATER SUSTAINABILITY Blaine Reely Director

March 31, 2025

# Re: PASO ROBLES BASIN GROUNDWATER SUSTAINABILTY PLAN - WATER YEAR 2024 ANNUAL REPORT

On or about March 14, 2025, four of the groundwater sustainability agencies within the Paso Robles Area Groundwater Subbasin (Basin), namely the County of San Luis Obispo (County), the City of Paso Robles, the Shandon-San Juan Water District and the Estrella-El Pomar-Creston Water District (collectively, Members) entered into a Joint Exercise of Powers Agreement (JPA Agreement) forming the Paso Robles Area Groundwater Authority (Authority). The purpose of the Authority is to provide more formal coordinated governance with respect to implementation of the groundwater sustainability plan adopted by each of the Members; and the JPA Agreement and Authority replace the Memorandum of Agreement regarding Preparation of a Groundwater Sustainability for the Paso Robles Groundwater Basin and the Paso Basin Cooperative Committee (Cooperative Committee), respectively. The Authority is holding its first meeting early next week, on April 7, 2025.

In the past and pursuant to authorization provided by each of the groundwater sustainability agencies for County staff to serve as the Plan Manager, the County Director of Public Works or County Groundwater Sustainability Director has submitted the annual reports to the Department of Water Resources (DWR) after consideration by the Cooperative Committee. Given this historic designation as well as recent authorization to assist the Authority during this transition phase, the fact that Member staff have all endorsed the 2024 Annual Report, the upcoming Authority meeting and that the Cooperative Committee will not meet again, that the JPA Agreement expressly authorizes the Authority to submit annual reports to DWR and otherwise serve as the Plan Manager and the April 1, 2025 deadline, I am submitting the Annual Report at this time. However, please be aware that I have included consideration of the Annual Report on next week's Authority agenda as well as ratification of my submission. If the Authority's action necessitates any updates to this filing, I will promptly notify DWR.

If you have any questions, please contact me at (805) 781-4206 or breely@co.slo.ca.us.

COUNTY OF SAN LUIS OBISPO

Blaine T. Reely

Blaine T. Reely, PhD, PE Director – Groundwater Sustainability

## County of San Luis Obispo / Department of Groundwater Sustainability

1055 Monterey Street STE D430 | San Luis Obispo, CA 93408 | (P) 805-781-4206 | (F) 805-781-5023 breely@co.slo.ca.us | www.slocounty.ca.gov/Departments/Groundwater-Sustainability.aspx

## Paso Robles Subbasin Water Year 2024 Annual Report – Comments and Responses

Commenter	Section	Page/ Figure/ Table	Comment	Response		
Gustave Stroes	N/A	N/A	As a property owner in the Paso Robles Water Basin I would like to urge that small family wells are not over-regulated in comparison to large commercial users (wineries mostly). All parties must work to ensure that the Paso Robles Water Basin is properly managed. Thank you, Gustave Stroes - Family Well Owner - East Templeton	Comment noted. No changes made.		
Jerry Lohr	Sec. 3.2.3	Page 30 / Table 2	The Water Duty Factor for vineyards is listed at 1.7. We have worked with a highly respected French PhD consultant who also consults for most of the European companies who now own California brands. Our water use on average is about 2/3 or less than the 1.7 factor. Thus, I see good possibilities for more efficient use in California vineyards, especially in the Paso Robles area.	Your shared information is appreciated. No changes made.		
Jerry Lohr	Sec. 3.2.4.1	Page 32	In the middle of the page "the estimated average applied water for rural residential landscape irrigation is 4.48 feet/year." Seems inconsistent with other data on the page.	The math is correct as stated. Clarifying text has been added to the report.		
Jerry Lohr	Sec. 3.2.4.2	Page 34	Near the top of the page, it quotes "applying 5 gallons of water per gallon of wine produced." We use less than 2.0 gallons of water per gallon of wine produced at J. Lohr Winery. In general, it would be very good, if many growers could see a summary, or maybe under Land IQ, will get to compare their data to this. At J. Lohr Vineyards we have 10 years of water use data on many blocks to establish our more efficient use. All in all, a very good and complete Annual Report.	Your shared information is appreciated. No changes made.		
Kathleen Hernandez	N/A	N/A	To the Public Comment GSP Annual Report, My name is Kathleen Hernandez an im an a resident of Creston and I vive over the Paso Robles Water Basin. I'm strongly against being charged a fee or a tax for my home Water use ! I do not agree with having a Water district to tell me how I can use my water or charge me for my right of being a land owner in Creston! I feel I shouldn't be charged for my well or electricity and all the materials that I use to keep my well up and running to provide my home with Water. I also feel that having a meter on my well violates my rights. Sincerely land owners Kathleen Hernandez	Comment noted. No changes made.		
Travis Wollerman	N/A	N/A	Dear San Luis Obispo County Officials, I am writing as a concerned landowner and well owner regarding the recently released Public Draft of the Paso Robles Subbasin Water Year 2024 Annual Report. After reviewing the draft, I am deeply concerned that it provides little to no value to individual landowners and appears heavily focused on preserving groundwater access primarily for large commercial pumpers. This raises serious concerns about the long-term sustainability and fairness of the groundwater management strategy being employed in our region. As a residential well owner, I see no meaningful efforts in the draft report to address or protect the interests of domestic users. The absence of balanced representation and data on how these policies impact residential property owners is troubling—especially when many of us rely solely on groundwater for daily living. Groundwater is a shared resource, and it is vital that all stakeholders—particularly those who live on and steward this land—are fairly represented in any groundwater sustainability planning. Prioritizing commercial use at the expense of rural residents not only undermines the intent of the Sustainable Groundwater Management Act (SGMA) but also places the burden of depletion and cost onto those least equipped to absorb it. I urge the County and the Groundwater Sustainability Agencies involved to re-evaluate the direction and content of these reports and ensure they reflect the interests of all groundwater users, not just commercial agriculture. Transparent, inclusive, and equitable groundwater management must be the standard moving forward. Thank you for your attention to this matter. I would appreciate confirmation of receipt and a response regarding how these concerns will be considered in finalizing the current draft and in future reporting and planning. Sincerely, Travis Wollerman - Barley Grain Rd. Paso Robles			

in accordance with the Sustainable Groundwater s (GSPs). Pursuant to the SGMA regulations, a GSP Annual es (DWR) by April 1 of each year following the adoption of Appendix A. This Annual Report is intended to satisfy ct the interests of any particular groundwater user. No

Commenter	Section	Page/ Figure/ Table	Comment	Response
Victoria Spratt	N/A	N/A	To whom it may concern: This report seems to be run of the mill but what is really does is places undue burden on residential well owners to compensate for the overdraft by commercial interests. Residents should not be held responsible for fixing what commercial interests have harmed. We rely on this water for our daily living and do so without overdrafting the basin whereas commercial interests consistently overdraft and are not being held responsible. Please consider residents with overlier access who cannot afford to supplement commercial interests at personal cost. Best, Victoria Spratt	Your comment and concerns are noted. GSP Annual Reports are prepared in Management Act (SGMA) regulations for Groundwater Sustainability Plans ( Report must be submitted to the California Department of Water Resources the GSP. The specifc requirements for GSP Annual Reports are included in A these specific requirements. GSP Annual Reports are not intended to place b groundwater user. No changes made.
Chris Winsor	Exec Summary	Pages 14&15	The "tone" of the 2024 annual report is an improvement over the recent 5 Year Evaluation report that was clearly overly-optimistic focusing on recent wet years and not the 40 year history and downward trends of the Basin. However, the 2024 report executive summary includes some conflicting and misleading statements including: <ul> <li>First paragraph on page 14 that starts "Actions are underway", states that actions are underway to develop solutions to reach 2040 goal</li> <li>Last sentence on page 15 states actions underway are expected to significantly affect the ability of the Subbasin to meet 2040 goal</li> <li>Second to last sentence on page 15 says "it is clear actions in place are on track towards reaching sustainability goals These 3 statements, all included in the executive summary, say different things and present the reader with vastly different probability of solutions of success.</li> <li>The executive summary needs to provide a true picture of the likelihood/probability that current actions and projects will allow the entire basin to reach the 2040 goal. The overly positive statements in the report provide the public with a false sense of security and results in a focus on tangential issues like the "Water Tax". The public and DWR need to know how the 12 projects and actions listed on page 13 will benefit the entire basin and assist in reaching the 2040 goal. Of the 12 items on page 13, six have the potential to reduce the demand on the basin, however all 6 are at best in the Conceptual Development stage of the 5 traditional project management phases.</li> </ul> <li>What is needed now includes: <ul> <li>1.A matrix heads to identify where mandatory pumping reductions and/or land repurposing will be necessary to meet sustainability goals</li> <li>3.For each project/action including mandatory pumping restriction and land repurposing the PBCC/JPA needs to approve advancing each to the "Planning" phase to develop a preliminary process flow, key actions or decision making points and associat</li></ul></li>	The Executive Summary has been modified to provide a more consistent me regulations require that an Annual Report include "A description of progress intermim milestones, and implementation of projects or management action complies with this requirement. While the utility of the suggested matrix is a prediction of "likely groundwater deficit" by key area, prediction of how each deficit, and identification of "mandatory pumping reductions and/or land rep Report.
Chris Winsor	Sec. 4.1	Page 43	This section does a reasonable job stating that certain current actions/projects and that additional new actions/projects will be necessary to achieve the 2040 goal and avoid undesirable results. This information should be moved to executive summary along with a discussion of what undesirable results includes (expected number of dry wells by 2040).	Text modified accordingly.
Chris Winsor	Sec. 4.3.4	Page 48	Phases 3 and 4 should be completed for each key subbasin area.	Comment noted. No changes made.
Chris Winsor	Sec. 4.3.7	Page 50	Last sentence in this section discussed an RFP issued in the Spring of 2024 for support in developing a domestic well mitigation program. What is the status of the effort and has a preliminary plan been developed that is available for public review?	The scope of work/RFP refered to is currently in development. The intention report text has been modified accordingly.
Chris Winsor	Sec. 4.4	Page 51	The status of these recycled water projects should be discussed. Are they in the planning stage or still in conceptual evaluation?	Updates that occurred during Water Year 2024 are provided for both recycle
Chris Winsor	Sec. 3.5	Figure 15	Figure 15 Paso Formation GW Levels Fall 23 vs Fall 24 Illustrates that water levels in the Pomar area have declined between 10 and 30 feet in the period between Fall 2023 and Fall 2024. This should trigger an immediate investigation and be a top priority for the Drinking Water Well Impact Mitigation Program.	As stated in Section 3.1.4.1 of the report, three Paso Robles Formation Aquif groundwater elevations below the minimum threshold established in the GS groundwater elevations below the minimum threshold for two or more cons year, 27S/13E-30J01 for the third consecutive year and 27S/12E-13N01 for th these three wells constitutes a chronic lowering of groundwater elevation un Section 8.4.5.1 of the GSP, the GSAs must initiate an investigation to determ address this undesirable result. No changes made.
Chris Winsor	Appendix C	Table C-1	<ul> <li>This table illustrates that of the 22 Paso Formation wells in the network:</li> <li>4 wells are below the minimum threshold</li> <li>13 wells are between the measurable objective and the minimum threshold</li> <li>5 wells are above the measurable objective</li> <li>Conclusion is that 77% of the wells in the network do not meet 2040 sustainability goals and groundwater monitoring trends indicate that the percentage will increase. This fact belongs in the executive summary.</li> </ul>	As stated in Section 3.1.4.1 of the report and depicted in hydrographs preser groundwater elevations in Paso Robles Formation Aquifer RMS wells are: - below the minimum threshold in 3 wells, - between the measurable objective and the minimum threshold in 8 wells, a - above the measurable objective in 6 wells. [Note that Water Year 2024 groundwater elevation data is not available for 9 This summary has been added to the Executive Summary.

I in accordance with the Sustainable Groundwater is (GSPs). Pursuant to the SGMA regulations, a GSP Annual ces (DWR) by April 1 of each year following the adoption of a Appendix A. This Annual Report is intended to satisfy re burden, undue or otherwise, on any particular
message regarding the status of the Subbasin. SGMA ess towards implementing the Plan, including achieving tions since the previous annual report." This Annual Report is appreciated, the identification of "key subbasin areas", each project or managment action would eliminate said repurposing" areas is beyond the scope of this Annual
ion is to publish the RFP by the end of June 2025. The
cled water projects in Section 4.4. No changes made.
uifer RMS wells located in the area you reference exhibit GSP. In WY 2024, each of these three wells are exhibiting onsecutive years (27S/13E-28F01 for the fifth consecutive r the second consecutive year). The condition exhibited in n undesirable result as defined in the GSP. According to ermine if local or Subbasin-wide actions are required to
sented in Appendix E, average of Water Year 2024
is, and
or 5 wells]

Commenter	Section	Page/ Figure/ Table	Comment	Response
Murray Powell and Greg Grewal	N/A	N/A	We are responding to a March 7, 2025 emailed notice sent by SLO County's Sustainability Groundwater Director Blaine Reely advising that a two week public comment period was "open" to allow the public to submit written comments regarding a DRAFT Paso Robles Groundwater 2024 Annual Report. This public comment period expires today March 26th. The Final Annual Report must be submitted to the Calif. Department of Water Resources (DWR) in four days on April 1, 2025. This report technically covers the "Basin Water Year October 1, 2023 through September 30, 2024" (WY 2024). Our review of this draft discloses a number of inaccurate and misleading statements, comments and conclusions not adequately supported by reliable supporting information and documentation. It is obvious that two weeks of public comments will not be considered by the County and the Basin's GSA's by April 1st that will any significant relevant revisions to the existing DRAFT 2024 Water Year Annual Report for the following reasons. Given that the Final Report is due in four days there is no opportunity for the County to conduct a public hearing to determine and disclose publicly what revisions should be considered and revisions made to the existing current DRAFT REPORT as a result the public comment responses and then convene a publicly noticed meeting before April 1st to review a "Final" report draft in accordance with State Brown Act law. Accordingly, we object to this existing DRAFT REPORT being submitted to the DWR by April 1, 2025. Failure to convene public hearings on this matter, which requires at least 72 hours of prior public hearing notices, cannot be accomplished within the four day April 1, 2025 final due date. We are in the process of preparing a very detailed opposition complaint detailing numerous misleading and inaccurate disclosures presented in the Report and that the 2024 ANNUAL REPORT be rejected. We will be asking the State DWR and other State agencies to initiate an investigation of this matter regarding the intentional untimely s	Please note that there is no requirement in the SGMA regulations to provide a public review period during the preparation of GSP Annual Reports. The public review period offered during preparation of this annual report is offered as a courtesy to the stakeholders in the Subbasin. Additionally, there is opportunity to provide public comment on the Annual Report after it has been submitted to DWR, through the SGMA Portal. Please consult this resource for further information: https://water.ca.gov/-/media/DWR-Website/Web- Pages/Programs/Groundwater-Management/Sustainable-Groundwater-Management/Groundwater-Sustainability- Plans/Files/GSP/GSP_Public_Comments_FAQs.pdf

#### Paso Robles Area Groundwater Authority April 7, 2025

Agenda Item #11 – Update on Rate Study

**<u>Recommendation</u>** None; informational only.

#### **Prepared By**

Blaine Reely, San Luis Obispo County Groundwater Sustainability Director

#### Discussion

SCI Consulting Group (SCI) is in the process of finalizing the draft Paso Robles Area Subbasin Fee Study (Draft Fee Study) which we anticipate will be made available for public review in the next few weeks; and a special Paso Robles Area Groundwater Authority (Authority) meeting will likely be scheduled in the middle of the month to receive direction on the Draft Fee Study and related next steps.

There are two elements of the current working Draft Fee Study that depart from previous discussions surrounding the fee structure.

First, the San Miguel Community Services District's (CSD) decision not to join the Authority requires that they be removed from the fee structure. SCI is working with Land IQ to revise the historical baseline of consumptive use so that it excludes properties within the CSD boundary. In sum, <u>no fees based on</u> groundwater use by the CSD or within the CSD's boundary will be incorporated into the fee program.

The second element relates to de minimis users (the Sustainable Groundwater Management Act defines a "de minimis extractor" as "a person who extracts, for domestic purposes, two acre-feet per year"). From the time that SCI commenced work, all involved expressed a desire to exclude small domestic groundwater users from the fee structure. However, given the number of uncertainties, including how the basis of the fee was going to be determined and the costs the fee was going to cover as well as the applicability of certain California constitutional requirements, SCI initially proposed to include domestic users within the fee program such that they would be required to pay a small annual fee.

At this time, however, based on the refinements that have been made during the fee program development process, including in response to Paso Basin Cooperative Committee input, the working Draft Fee Study now excludes small domestic extractors. Most significantly although not exclusively, because the fee is proposed be the based on consumptive use and because the share of such use attributable to small domestic extractors is negligible (many of whom are on septic systems), we believe excluding small domestic users is supportable under applicable California constitutional and statutory requirements (e.g. under a "cost of service" / "specific benefit conferred" analysis). In sum, no fees on de minimis extractors will be incorporated into the proposed fee structure.

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Estrella-El Pomar-Creston Water District Estrella-El Pomar-Creston GSA P.O. Box 1499 (805)354-5158 Paso Robles, CA 93447 www.epcwd.org info@epcwd.org

April 3, 2025

Matt Turrentine, Shandon-San Juan WD/GSA John Hamon, City of Paso Robles/GSA Bruce Gibson, County of SLO/GSA Jerry Reaugh, Estrella El-Pomar Creston WD/GSA

Dear Paso Robles Area Groundwater Authority Officers,

On April 2<sup>nd</sup>, 2025, the Board of the Estrella-El Pomar-Creston Water District/GSA reviewed and discussed the most current version of the proposed Rate Study Budget (version dated 3/13/25). In light of the economic conditions of the wine industry, the Board passed a resolution in support of a more prudent 5-year budget for the Authority. A suggested version of a "Prudent Budget" is attached. Additionally, the EPCWD/GSA Board also recommends that the Rate Study adopt a fixed annual maximum rate for five years rather than annual maximum rates.

The Board of the Estrella-El Pomar-Creston Water District/GSA requests that the Paso Robles Area Groundwater Authority consider adopting this more conservative budget during the Authority's deliberations on the Rate Study.

Thank you for your consideration of this matter.

Sincerely,

a 2 bot

Dana M Merrill President

## Item No. 14 - Correspondence

## EPC Proposed 5-year Prudent Budget II without Big Projects

Program Administration	Year 1	Year 2	Year 3	Year 4	Year 5	Т	otal Cost	5-Year	Verag
Program Administration									
			% Increase						
SGMA-Required		15%	10%	8%	5%				
Annual Report WY 2024	\$100,000	\$115,000	\$126,500	\$135,988	\$142,787	\$	620,274	\$	124,05
GSP Fifth Year Evaluation	\$0	\$0	\$0	\$0	\$350,000	\$	350,000	\$	70,00
GSP Amendment	\$0	\$0	\$0	\$100,000	\$100,000	\$	200,000	\$	40,00
Groundwater Model Use/Update	\$0	\$50,000	\$50,000	\$100,000	\$100,000	\$	300,000	\$	60,00
Ongoing Basin Monitoring Operations & Maintenance	\$100,000	\$115,000	\$126,500	\$135,988	\$142,787	\$	620,274	\$	124,0
Data Management System (DMS)	\$40,000	\$46,000	\$50,600	\$54,395	\$57,115	\$	248,110	\$	49,6
ET Ag Water Usage Program (Land IQ)	\$90,000	\$103,500	\$113,850	\$122,389	\$128,508	\$	558,247	•	111,6
SGMA-Required Subtotal	\$330,000	\$429,500	\$467,450	\$648,759	\$1,021,197	\$	2,896,905		579,3
Administrative	+	+ ·,- • •	+,	<i>•••••••••••••••••••••••••••••••••••••</i>	+_,,	_ +	_,	•	,-
Executive Director and Support Staff	\$234,000	\$269,100	\$296,010	\$318,211	\$334,121	\$	1,451,442	\$	290,2
Legal Counsel	\$75,000	\$86,250	\$94,875	\$101,991	\$107,090	\$	465,206	\$	93,0
IT Support	\$30,000	\$34,500	\$37,950	\$40,796	\$42,836	\$	186,082	\$	37,2
Office Space (incluing utilities, janitorial, etc)	\$0	\$50,000	\$55,000	\$59,125	\$62,081	\$	226,206	\$	45,2
Agency Administrative Costs (Insurance, Audit, Accounting, etc.)	\$60,000	\$69,000	\$75,900	\$81,593	\$85,672	\$	372,165	\$	74,4
Grant Development (2 grants)	\$40,000	\$46,000	\$50,600	\$54,395	\$57,115	\$	248,110	\$	49,6
Technical Consultant(s)	\$125,000	\$143,750	\$158,125	\$169,984	\$178,484	\$	775,343	\$	155,0
Outreach Program	\$25,000	\$28,750	\$31,625	\$33,997	\$35,697	\$	155,069	\$	31,0
Website Creation and Management	\$25,000	\$15,000	\$16,500	\$17,738		\$	92,862	\$	18,5
GW Assessment Fee Billing & Collection	\$60,000	\$40,000	\$44,000	\$47,300		\$	240,965	\$	48,1
Adminstrative Subtotal	\$674,000	\$782,350	\$860,585	\$925,129	\$971,385	\$	4,213,449	\$	842,6
Program Administration Subtotal	\$1,004,000	\$1,211,850	\$1,328,035	\$1,573,888	\$1,992,582	\$	7,110,355	\$ 1,	422,0
Management Actions & Programs									
Projects and Operations									
Domestic Well Impact Mitigation Program	\$30,000	\$34,500	\$37,950	\$40,796	\$42,836	\$	186,082	\$	37,2
Address Additional GSP Data Gaps (Monitoring Network)	\$75,000	\$86,250	\$94,875	\$101,991	\$107,090	\$	465,206	\$	93,0
Water Accounting, Analysis, and Data Management	\$200,000	\$230,000	\$253,000	\$271,975	\$285,574	\$	1,240,549	\$	248,1
Fallowing & MILR Program	\$100,000	\$115,000	\$126,500	\$135,988	\$142,787	\$	620,274	\$	124,0
Other Programs									
"Prudent Reserve" for Future Projects & Programs	\$200,000	\$230,000	\$253,000	\$271,975	\$285,574	\$	1,240,549	\$	248,1
recognized Programs & Projects for consideration:									
Well Verification/Registration Program Water Conservation and Irrigation Efficiency Program									
Groundwater Recharge Program									
Total MAP	\$605,000	\$695,750	\$765,325	\$822,724	\$863,861	\$	3,752,660	\$	750,5
Grand Total - Program Administration & MAP	\$1,609,000	\$1,907,600	\$2,093,360	\$2,396,612	\$2,856,443	\$	10,863,015	\$2,	, <b>172</b> ,6
Estimated Annual Water Usage AF/YR	52,000	52,000	52,000	52,000	52,000				
Yearly Max Rate per AF	\$31	\$37	\$40	\$46	\$55	1			
יד במונץ ויומג וומנכ אבו או									