

Preserve and Protect the Basin

Position Paper:

There are two major issues as it relates to water.

In recent years the Paso Robles Groundwater Basin has experienced a significant and serious decline in water levels. This has caused concern regarding both the near term access to water and the long-term sustainability of the groundwater water supply. There is widespread consensus that the basin now needs a governing water district, but disagreement over whether the district should be controlled by the general public, or by those who will have to pay for district operations, basin management measures and new water supply projects. PRAAGS has taken a leadership role in identifying and pursuing a water district best suited to meet the needs of all the basin users and that is a California Water District (Water Code Section 34000 et. seq.). The following covers both the issues and the basis for our decisions.

- 1. <u>Drought/Emergency Action</u> We are in a major drought with current rainfall far below average. Lower rainfall coupled with existing areas of decline in certain areas of the Basin creates the need for immediate attention.
- 2. <u>Health of the Basin</u> We are seeking immediate and long-term solutions to preserve and maintain the Basin for all users. Solutions will require financial resources that will lean heavily on the agricultural community. We must take into consideration the balance of preserving the viability of agriculture and the quality of life for all overlying land owners of agriculturists, towns and communities, and rural residents. We all enjoy our rural agricultural environment and thus we all must work together in defining equitable solutions for all users of the Basin.

We are all at risk. We must educate our community on the critical need for water as agriculturists and residents alike and take necessary actions for the immediate and long-term health of our shared water supply. There are several immediate steps that by working together can create solutions and not disenfranchise those who will need to provide financial resources for these solutions.

Finger pointing will not resolve the situation. Nobody has done anything wrong; no laws have been violated. Yet the agriculture industry led by winegrapes have been characterized as both a villain for taking an excessive share of ground water and yet also a hero for creating an economically viable and thriving community including a regional appreciation of real estate enjoyed by all rural

residents, vineyards, and farmers alike. Agricultural accepts its responsibility to help and lead in the solving of the water balance issue. While we have been criticized and told by some that our approach is "unacceptable", we remain committed to provide leadership and find solutions that benefit all overliers and firmly believe that cooperation is the better path. We must balance our available water resource to support our economy with long-term, sustainable solutions. This benefits all stakeholders.

Drought/Emergency Action:

2012-13 California rainfall totals are very low. Locally, we are extraordinarily dry, one of the driest periods in San Luis Obispo County's history. Lack of rainfall in the last two years exacerbates the problem of general long-term basin decline. This year's Paso Robles Airport rainfall was 4.63 inches, one of the lowest rainfall years ever recorded and only 36% of normal.

• Winegrapes are among the lowest per acre users of irrigation water. Agriculture turns to the wine industry to look at efficiencies for other crops as a model.

Many of us enjoy the pleasures of living the rural life. In doing so, we accept the realities and the risks of being dependent on groundwater. Wells and pumps are expensive, troublesome and fragile and it is easy to take them for granted. Wells for rural residential owners are some of the biggest investment associated with rural living. Wells need maintenance, repairs and special attention as the environment changes, including dropping pumps and even drilling deeper wells.

Well installation needs special engineering and geology considerations to establish the proper drill-depth into the water bearing strata. Reasonable science and technical foresight is needed to establish the depth of the well to manage the risks associated with ownership. Wells drilled too shallow to minimize cost of installation do not provide the risk protection against drought.

Ag wells are the same. Well drilling is an expensive undertaking and we all know that it can only be an interim measure until the basin is stabilized or recovering. The health of the Basin is a critical economic factor for Ag and that is the reason we are taking action.

There are many stories about wells failing and going dry during this drought year. We all need to cooperate with County Public Works, which is seeking specific information on properties where wells have failed. This information allows Public Works to evaluate locations, understand the depth of the wells and to confirm that the aguifer drop is the reason for failure.

- Well owners should contact County Public Works at 805-781-5252. This data will help Public Works understand supply issues and determine solutions based on options for each situation. For example, is it a case of needing to drill a deeper well and/or is a supplemental water supply necessary?
- PRAAGS members are offering to help our neighbors with emergency water supplies. We will provide water at cost to those who need it.
- A California Water District will have the capability to secure loans and grants to help those who need to deepen their wells, but lack current funds to pay for it. There are also existing loan programs that individuals may be able to use in this difficult time.
- A California Water District will be able to drill a community well for any landowners who wish to organize a shared undertaking.
- PRAAGS will continue to seek other interim remedies that will enable local landowners to bridge the time needed to secure sound permanent groundwater basin solutions.

Health of the Basin:

The Paso Robles Basin is one of the most significant agricultural areas between San Francisco and Los Angeles that does not have a water district in place. Our common goal is to stabilize, preserve and maintain the Basin for all users by establishing an effective, responsive district.

Establishing a landowner supported California Water District creates the necessary framework and sufficient <u>financials resources</u> to address short-term problems while ultimately bringing long-term solutions to sustain the health of the Paso Robles Groundwater Basin.

- A Board of Directors will be responsible for representing all users of the basin. This elected group will concentrate exclusively on water issues.
- The California Water District is the same type of district found in most agricultural areas throughout the State and is best suited to serve landowners in a rural setting.
- The California Water District for the Paso Robles Basin will look at solutions ranging from conservation projects to supplemental water for recharge or delivery.
- The California Water District is the best vehicle to access loans, grants, cost sharing and other assistance programs for projects large and small - from individual wells to large projects.
- The California Water District has similar powers of the other districts under consideration.

When you look at the various types of water districts being proposed one needs to ask themselves three questions:

- 1. Who would be called upon to financially support the district? The answer is the landowners.
- 2. <u>Can landowners be forced to support a district?</u> No! Proposition 218 simply states that all assessments and charges on property owners are subject to approval of those to be assessed.
- 3. Why would the landowners vote for a district in which they have little say? A California Water District is the only viable structure connecting governance with financial resources.

The **Paso Robles Agriculture Alliance for Ground Water Solutions** (PRAAGS), an association representing agriculturists ranging from small vineyards to large ranches and is already moving forward. This group of agriculture leaders is in a position to get results immediately ... as early as 2014.

- Our mission is to work cooperatively to stabilize, preserve and maintain a sustainable groundwater supply.
- We complement the Blue Ribbon Committee, which was created by the County to identify solutions to preserve and sustain the Basin. PRAAGS members have been very active in the Committee and support its efforts. We believe the California Water District will be the best tool to implement the viable solutions identified by the Blue Ribbon Committee.
- We have already used our financial and technical resources to hire expert teams that will help us create a fully functioning water district in the shortest possible time.
- We envision that the proposed District would pursue projects to import available supplemental water supplies and through various means encourage conservation of groundwater supplies in order to stabilize, preserve and maintain a sustainable groundwater supply for all.

- Agriculture has made great strides in conserving water over the past 20 years. PRAAGS recognizes that although reducing our water use is important, more must be done for the longevity of our livelihoods in the North County.
- We want to work cooperatively with our colleagues in agriculture, rural residents, elected officials and agency representatives. The first step is to create broad base recognition among the industry that there are declining water levels in parts of the basin. Then collectively, with a unified voice, we can create proactive solutions.

PRAAGS will "Preserve and Protect the Basin"

Establishing a California Water District gives rural landowners the infrastructure necessary for long-term solutions. We want to avoid an adjudication, which we believe will be unproductive and expensive for agriculturists and rural residents alike. An adjudication would draw money, resources and time away from solutions and redirect it to attorneys and litigation experts.

• Agriculture has rights to water. Agriculture has a shared priority right to water among all overlying users.

Economic Impact of the Agriculture/Wine Community:

We must balance our resources and the impact it has on our economy to create long-term, sustainable solutions. The agricultural industry is a diverse make up of winegrapes, olives, cattle and livestock, ranching, vegetable row crops and others.

Agriculture in San Luis Obispo County is an \$861,803,000 industry in 2012, a 17.7% increase over 2011. This is a three-year increase in value. Agriculture is extremely diverse in San Luis Obispo County, yet its diversity is the industry's greatest strength. A new report "Economic Contributions of San Luis Obispo County Agriculture" report will be out summer 2013 to quantify the economic impact of agriculture in San Luis Obispo County.

The wine industry particularly is unique in that it is vertically integrated, keeping much of its beneficial impact within San Luis Obispo County. In addition, many other businesses are supported and have been created as a result of the growing and successful wine industry.

A few compelling facts on the economically viability of the wine industry in San Luis Obispo County:

- The wine industry has a \$1.8 Billion economic impact
- The wine industry employs more than 8,000 full-time equivalent jobs
- The wine industry pays \$86 Million in state and local taxes annually
- Related business revenues account for \$51 Million
- The wine industry gives back more than \$1.1 Million annually to the local community (a huge majority of which is in North County)
- The wine industry is a key tourism asset creating \$113 Million in wine tourism revenues
- The wine industry and ranches provides the scenic, open vistas that help make the North County so beautiful and inviting.

We must balance the economic well being of our community with the beauty of our rural character, which is the quality of life for which we all strive in Paso Robles.

A stable Paso Robles Basin is vital to both homeowners and agriculturists alike and PRAAGS is working to accomplish that goal with specific expertise and industry funding.