

June 28, 2019

The Honorable John Peschong

San Luis Obispo County Supervisor, District 1

County Government Center

1055 Monterey Street

San Luis Obispo, CA 93408

RE: Comments on Chapter 9 of the Paso Robles Basin Groundwater Sustainability Plan

Dear Supervisor Peschong,

I think it is quite clear that Paso Robles Groundwater Basin's (PRB) declining water levels are currently unsustainable. Reductions in groundwater pumping will be required and hopefully new sources of water (supplemental water) will become available through successful "Projects". The public and agricultural pumpers have heard some about this, but actions may not be taken until pumping ramp downs are required or threatened. This might cause litigation. Litigation can be a long and unproductive process during which time water levels continue to fall and the eventual remedial cost becomes much greater. The GSP is our best opportunity to reach accord amongst all stakeholders and avoid litigation.

Chapter 9 is about Management Actions and Projects.

Management Actions are "non-structural programs or policies that are intended to reduce or optimize local groundwater use". Some of the Management Actions under consideration are the following and I encourage the GSP Cooperative Committee to make specific policy recommendations in these areas and provide clear direction for Basin users.

- 1. Metering, water usage reporting, flowmeter program
- 2. Better understanding of Basin science
- 3. Basin best management practices
- 4. Pumping Allowance System
- 5. Well monitoring network and additional reference wells
- 6. Pumping fees and excessive pumping penalties
- 7. Fallowing both temporary and permanent
- 8. Restricting new groundwater pumping
- 9. The endorsement by the GSP of specific Projects "involving new or improved infrastructure to import or develop new water supplies".

I believe Chapter 9 should identify and endorse "projects" that are feasible and can have immediate impact on Basin Sustainability.

At J. Lohr, we have long practiced efficient use of irrigation water. In line with our interest in optimal farming practices, J. Lohr Vineyards and Wines have set a meeting for our growers on July 10, 2019 to discuss currently available research and best practices for vineyard irrigation. We have always taken a proactive approach to best practices and have supported research in farming practices for decades.

Supplemental Water should be the cornerstone of the Paso Robles Groundwater Sustainability Plan. Agricultural and rural water users are totally dependent on groundwater and the choices for these users is to either reduce pumping or find sources of supplemental water or both.

J. Lohr Vineyards and Wines has been working since 2014 to obtain supplemental irrigation water from the Nacimiento pipeline (NPW). Since 2015 we have been working very constructively with the City of Paso Robles to purchase recycled water (RW) from the City. We and other local vineyard owners have formed an LLC, have a State of California approved Mutual Water Company, retained many of the necessary consultants, and the project team is well along with a comprehensive design for the Blended Supplemental Water Project (BSWP). The project entails purchasing RW from Paso Robles and NPW from the Nacimiento Commission and blending and distributing the water through 6 miles of pipeline to areas northeast of Paso Robles and west and north of the Paso Robles airport. This system has the ability to deliver thousands of acre feet of supplemental water to users of the Basin's groundwater which will result in actual reduction in groundwater pumping. This project will have 3 phases:

- 1. Design, approvals and obtaining commitments to purchase public water for the benefit of the Basin
- 2. Funding and Construction
- 3. Providing blended water to offset groundwater pumping and the opportunity for pumpers to purchase in-lieu pumping credits to supplement their water needs.

The design and approval phase of this BSWP is being privately financed through the LLC and can be completed in the next 6 months to a year.

The funding and construction phase will not be able to start prior completion of the first phases of the GSP/SGMA process in which comprehensive landowners pumping allowances and potential cutbacks have been decided in a series of public meetings. Once cutback levels have been established and pumpers understand impacts on their operations, pumpers will be able to assess the need and value of supplemental water and their ability to purchase supplemental water. Commitments by pumpers to buy into the use of supplemental water will determine the funding mechanisms to construct the BSWP Pipeline. Private investors may initiate the funding but ultimately users of groundwater who benefit from the use of supplemental water will have to pay for the BSWP. This can be done without public funding.

I encourage the GSA's to include the Blended Supplemental Water Project as an integral part of the Paso Robles Groundwater Basin's Sustainability Plan. It is vital that the GSP addresses the issues of responsible basin management as well as exploring sources of new supplemental water. Without a balance between these factors and without meaningful options for groundwater users, the threat of litigation looms even larger.

Thank you for your consideration.

Regards,

Jerome J Lohr

Founder J. Lohr Vineyards and Wines