SALINAS VALLEY -PASO ROBLES AREA GROUNDWATER SUBBASIN

Status of SGMA Implementation

March 3, 2025

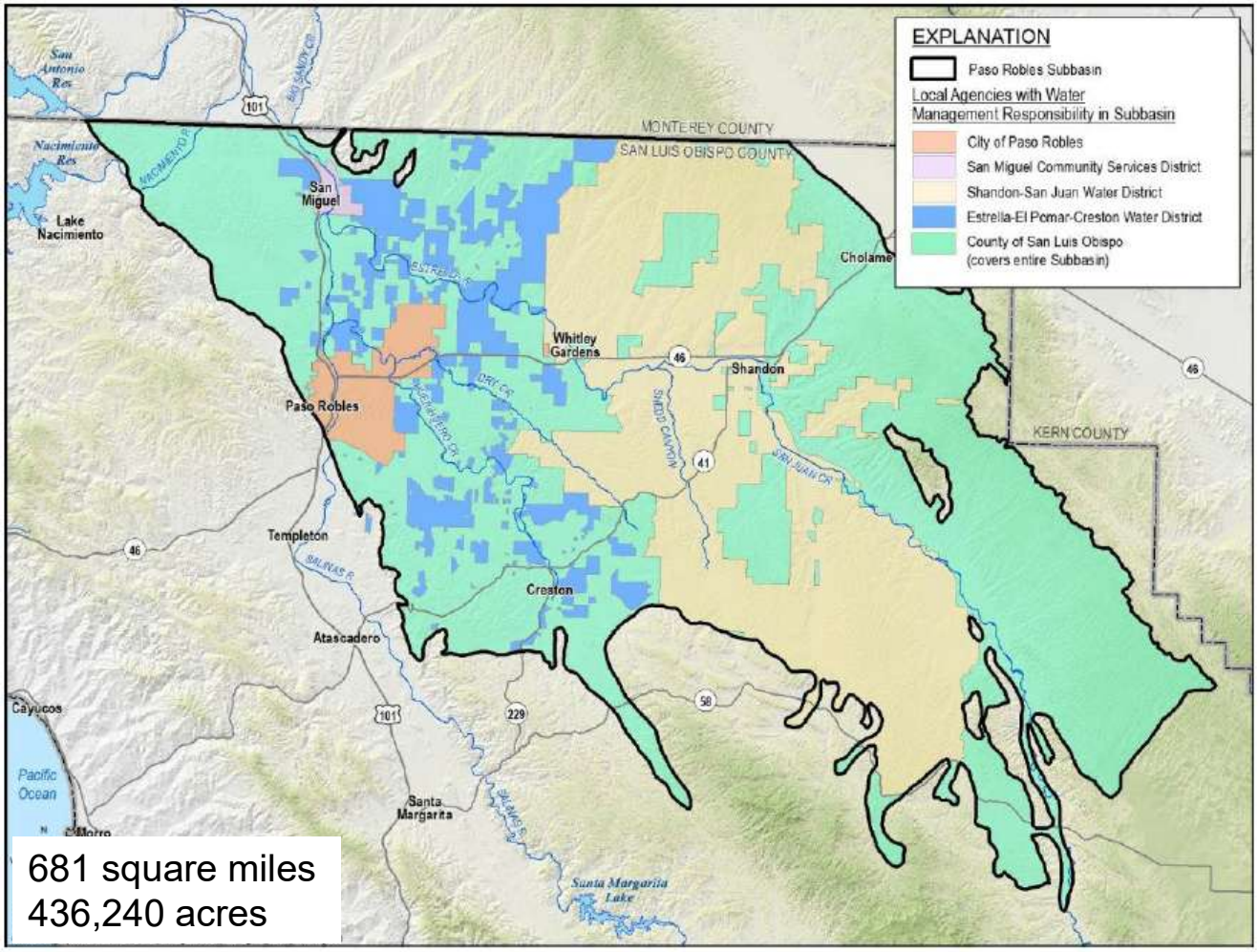
Blaine Reely, Director
Groundwater Sustainability Department
County of San Luis Obispo

SGMA Timeline

- **Sep 2014:** Sustainable Groundwater Management Act **(**SGMA) adopted by Legislature
- 4 Groundwater Sustainability Agencies (GSAs) formed in the Basin
- **Jan 2020:** Groundwater Sustainability Plan **(**GSP) submitted to DWR
- **Jan 2022:** DWR Initial Review of GSP "Incomplete"
- **Jul 2022:** Amended GSP submitted to DWR
- **Mar 2023:** GSP recommended "approved" with ***suggested corrective changes (Official Letter from DWR Received June 20, 2023)***
- ***June 2023:*** Estrella-El Pomar-Creston (EPC) GSA Formed & Adopts GSP
- **Jan 2025:** GSP 5-yr Evaluation due (Submitted in January 2025)
- **Annually:** Water Year Annual Reports on basin conditions and GSP implementation (Submitted annually by April 1st)

Paso Basin Cooperative Committee

- SLO County GSA
- City of Paso Robles GSA
- San Miguel CSD GSA
- Shandon-Jan Juan GSA
- Estrella-El Pomar-Creston (EPC) Water District (GSA Approved by DWR on September 20, 2023)



SGMA Requirements and GSA Authorities

- SGMA requires all medium- and high-priority groundwater basins, as designated by the Department of Water Resources, to form GSAs and develop localized sustainability plans.
- SGMA granted GSAs new authorities to manage groundwater and implement their GSPs, including:
  - The authority to conduct investigations
  - Require registration of groundwater wells
  - Determine the sustainable yield of a groundwater basin
  - Measure and limit groundwater extraction
  - Impose fees for groundwater management
  - Enforce the terms of a GSP

Paso Basin Governance – MOA / PBCC

- September 2017 – Paso Basin GSAs entered into a Memorandum of Agreement (MOA) for purposes of coordinating preparation of a single groundwater sustainability plan for the Basin.
- Among other things, the MOA created the Paso Basin Cooperative Committee ("PBCC"), an advisory body composed of one member from each of the GSAs, to conduct activities related to groundwater sustainability plan ("GSP") development and Sustainable Groundwater Management Act ("SGMA") implementation under the guidance of the GSAs.
- **PBCC has no powers or authority. It serves solely as an advisory body to the five (5) GSAs.**
- The MOA and the GSP always contemplated that "*the GSAs will consider developing a refined governance structure to implement the GSP. The governance structure would be established in a new agreement between the GSAs. The agreement would outline details and responsibilities for GSP administration among the participating entities.*"
- It has become apparent that an agreement creating a single separate agency to levy the fee(s) and conduct implementation activities funded by said fee(s) would likely be the best option to ensure a unified / coordinated approach to Basin management. As a result, and in coordination with efforts on the fee study, GSA legal counsel began preparing a Joint Exercise of Powers Agreement to replace the MOA.

Paso Basin Governance – PBCC to JPA

Goal of the GSAs

Develop a long-term governance structure for the Paso Robles basin, currently basin governed by MOA (short-term solution).

Progress Update

- JPA drafted that GSAs are considering

Next Steps

- Early-2025 – Finalize the JPA and form new entity to implement GSP

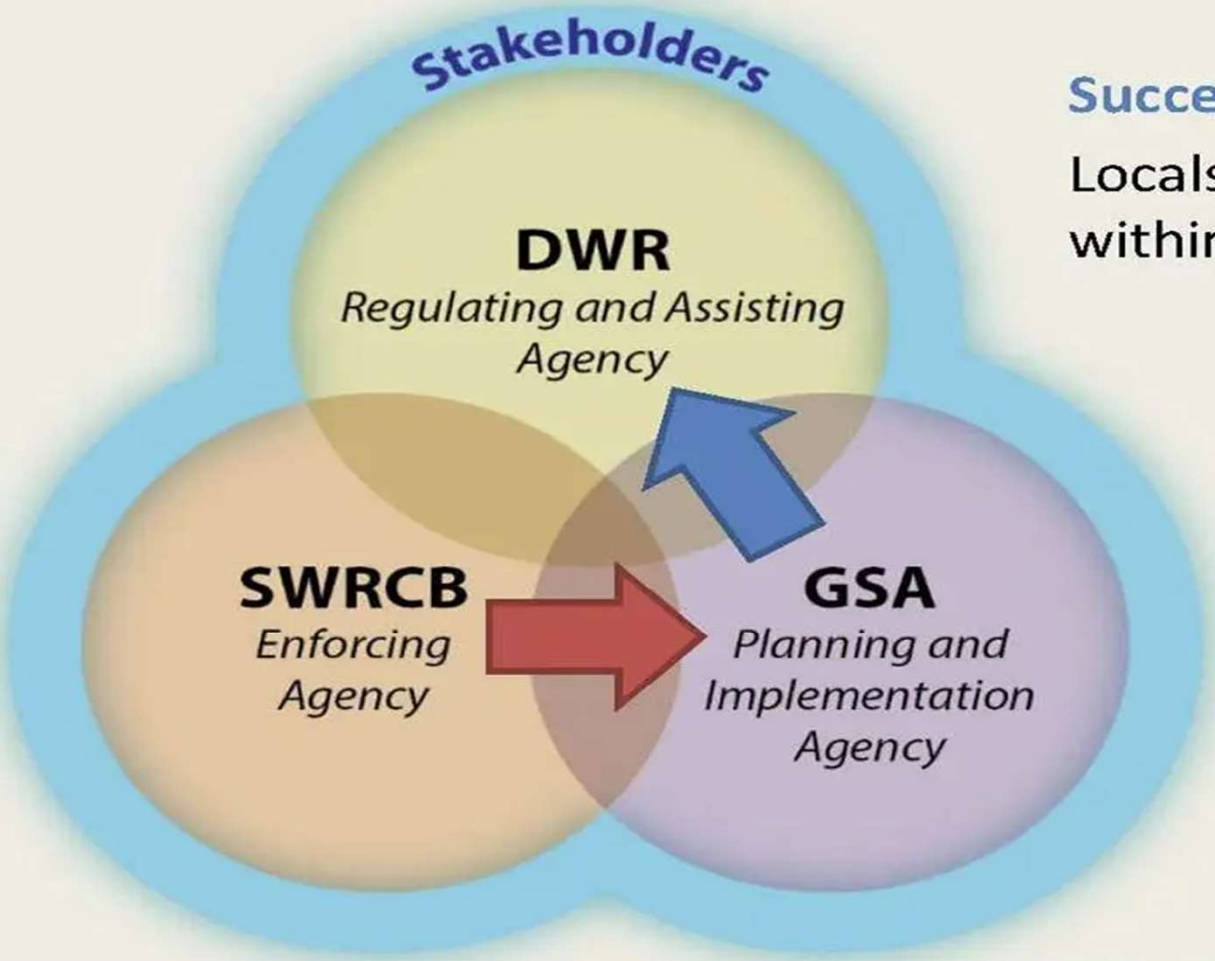
Paso Basin Governance – Joint Powers Authority (JPA)

- December 2024 - A substantially completed version of the agreement was presented at the PBCC meeting on December 16, 2024. The PBCC unanimously voted to recommend that each of the GSAs consider execution of the agreement, subject to additional refinements required to satisfy statutory refinements.
- The proposed JPA creates a new Authority, as a separate / distinct legal entity, the boundaries of which are coterminous with the collective areas over which each Member is a GSA. The Members retain their GSA status, and the Authority only has the powers delegated to it.
- The following are the initial authorities granted to the Authority:
  - Completion of the regulatory requirements under SGMA including Preparing and submitting GSP Annual Reports and 5-yr Evaluations.
  - Development and implementation of the Communication and Engagement Plan
  - Development and implementation of the Data Gap Plan and to otherwise develop and implement an enhanced basin monitoring program.
  - Development and implementation of a voluntary groundwater demand reduction program, which may include fallowing and other water demand reduction or land repurposing strategies (MILR Program).
  - Development and adoption of an annual budget to exercise the authorities granted by the JPA.
  - Development and adoption of a plan to fund exercise of the authorities granted hereunder or as may be subsequently delegated by the Members.

Paso Basin Governance – Joint Powers Authority (JPA) (continued)

- Adoption or establishment of rules, regulations, policies, bylaws and procedures related to exercise of the authorities granted by the JPA or as may be subsequently delegated by the Members, including, but not limited to, adoption of a procurement and purchasing policy and a conflict-of-interest code.
- Retention of consultants, contractors, or employees to assist the Authority in carrying out its purposes and day-to-day operations, including, without limitation, a financial consultant, legal counsel, accountant, administrative personnel, hydrogeologist, executive director, or other specialty services as may be deemed appropriate to carry out the terms of the JPA.
- Perform all other acts reasonably necessary for the Authority to exercise the powers of the Authority set forth in the JPA. This includes authorization to: make and enter contracts; employ agents and employees; acquire, hold or dispose of property; incur debts, liabilities or obligations; and to sue or be sued in the Authority's own name.

NOTE: There is no provision in the proposed JPA that provides authority to enact an ordinance or regulation imposing mandatory extraction limitations or other mandatory demand reduction measures or establish groundwater extraction allocations.



Success – "Local Control"

Locals develop and implement plans within new regulatory framework

Failure – "State Backstop"

State develops Plan for GSA to Implement

Water Use

Water Year	Municipal PWS (AF)		Small PWS, Golf and Rural Domestic (AF)	Agriculture (AF)	Total (AF)
Source:	Groundwater	Surface Water[1]	Groundwater	Groundwater	–
2017	1,626	4,301	3,313	65,300	74,500
2018	1,677	4,829	4,445	80,200	91,200
2019	1,729	4,259	3,553	68,800	78,300
2020	1,509	4,589	4,477	72,600	83,200
2021	1,553	4,861	5,052	74,800	86,300
2022	1,982	4,250	4,332	76,900	87,500
2023	1,134	4,562	3,053	59,600	68,300
Method of Measure:	Metered	Metered	2016 Groundwater Model, varied by water year type	OpenET	–
Level of Accuracy:	high	high	low-medium	medium	–

Notes

[1] Includes imported Salinas River underflow, which is regulated as surface water by the State Water Resources Control Board.

– = not applicable

AF = acre-feet

PWS = public water system

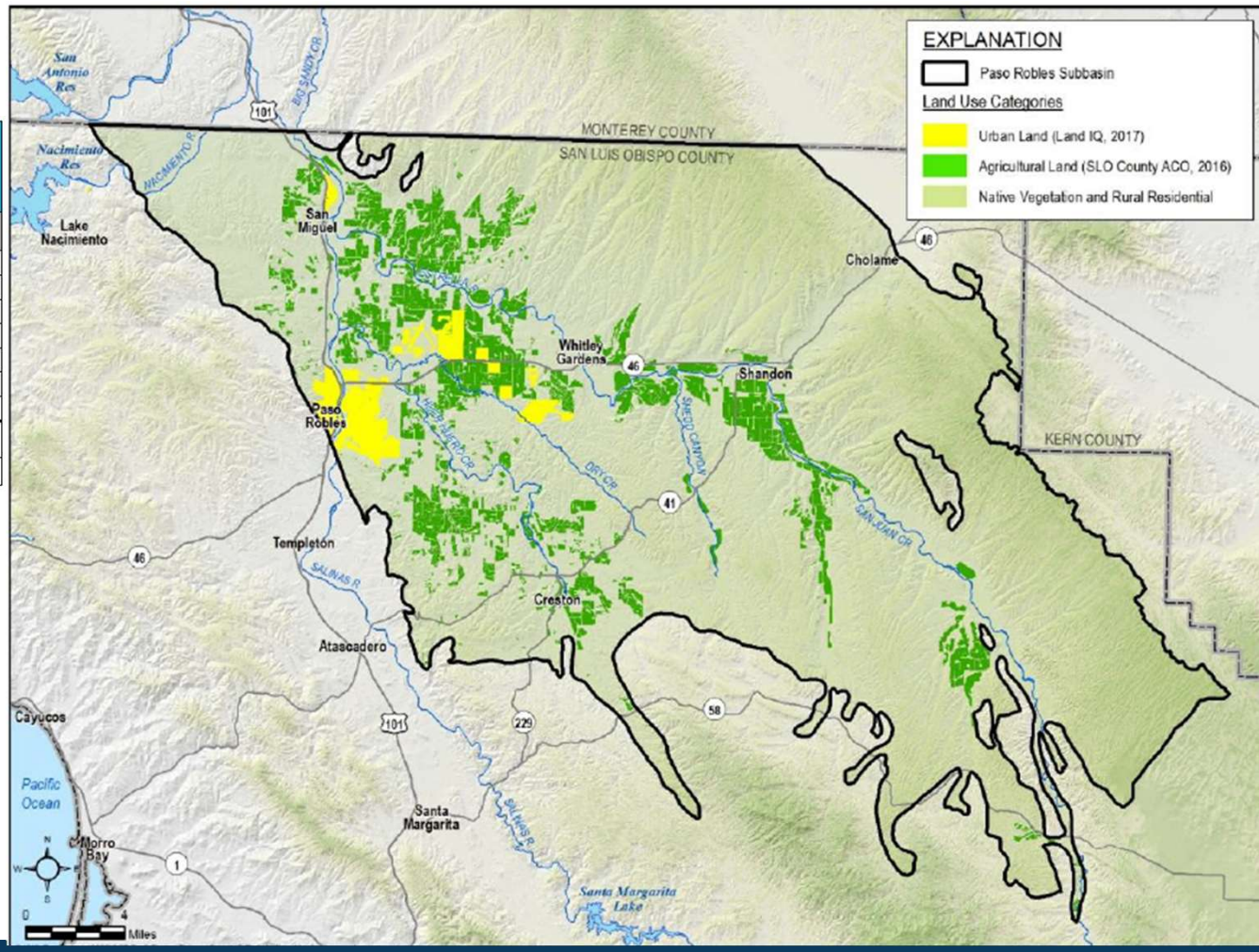
Agricultural GW Pumping = 85% (+/-) of Water Use

Water Budget

(Future Conditions)

- Sustainable Yield = 61,100 AFY
- Average GW Storage Deficit = 13,700 AFY

NEED TO REDUCE GW PUMPING BY 13,700 AFY



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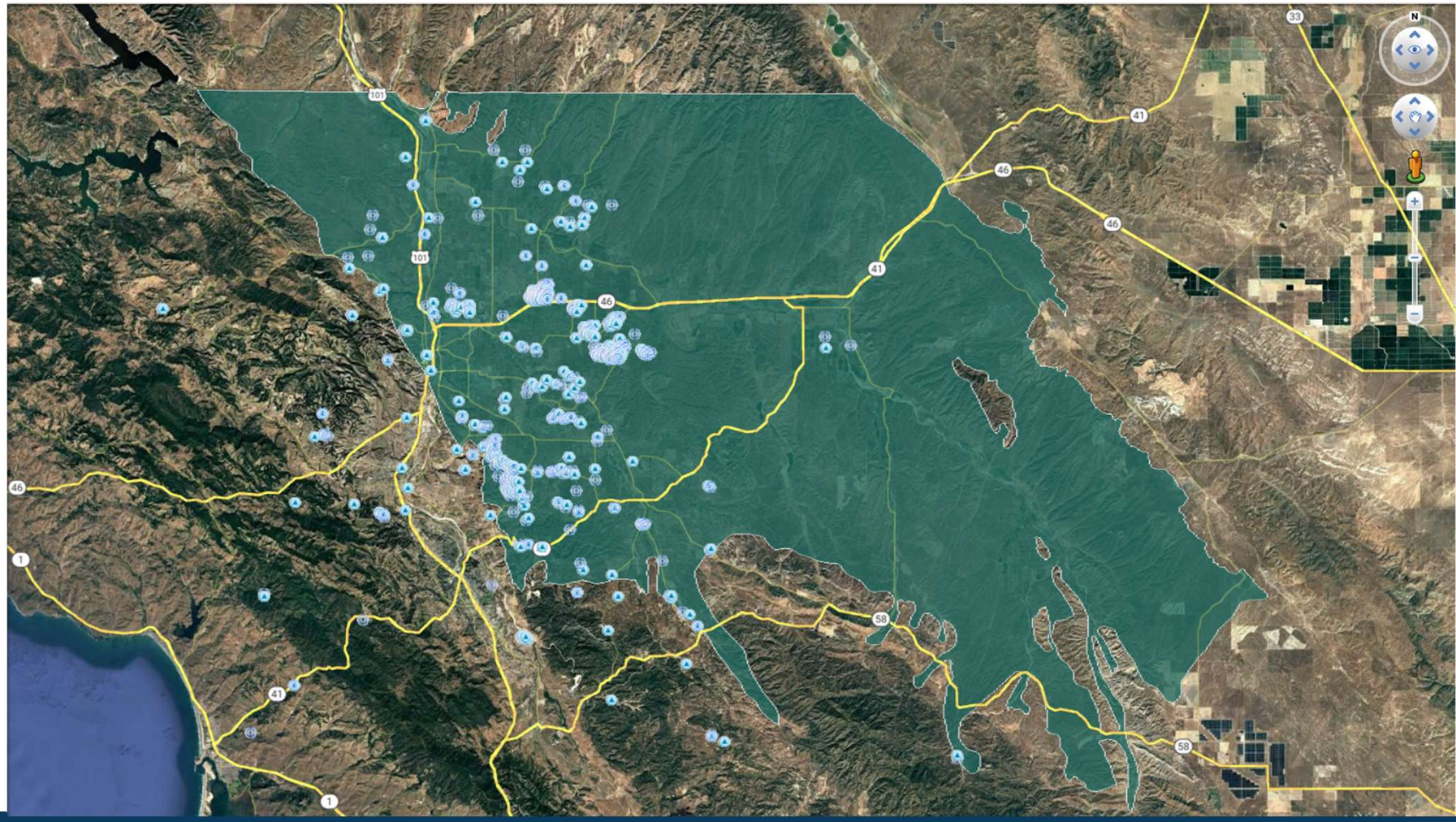
Paso Robles Groundwater Basin

Reported Dry Wells

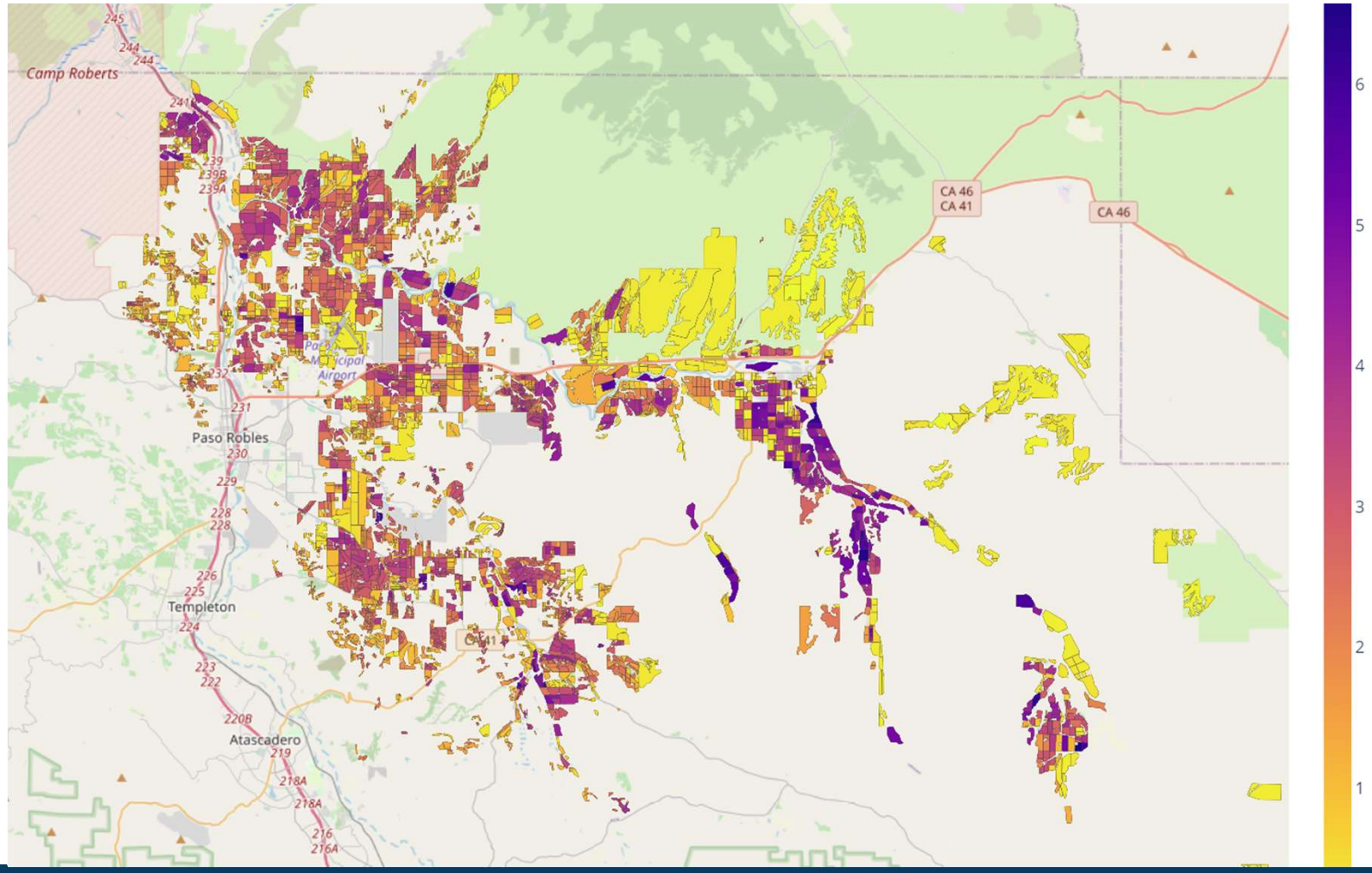


Funded Projects and Programs

No.	Description	Awarded	Est. Cost
1	**Grant Admin**	✓	**$250,000**
2	**Recycle Water Project** a. City of Paso Robles Salinas Segment	✓	**$3,500,000**
3	**Recycle Water Project** a. San Miguel CSD	✓	**$1,000,000**
4	**Data Gaps – High Priority** a. Expand/Improve Existing Basin Monitoring Network b. Supplemental Hydrogeologic Investigations c. Install New Monitoring Wells, Stream Gauges, Climatologic Stations	✓	**$1,400,000**
5	**Management Actions – High Priority** a. Well Verification and Registration Program b. Groundwater Extraction Measurement Program c. Well Interference Mitigation Program d. Multi-Benefit Land Repurposing (MILR) Program	✓	**$800,000**
6	**Supplemental Water Supply Feasibility / Engineering Studies** a. Nacimiento Lake b. State Water Project c. Rate Study	✓	**$650,000**
	TOTAL FUNDED		**$7,600,000**

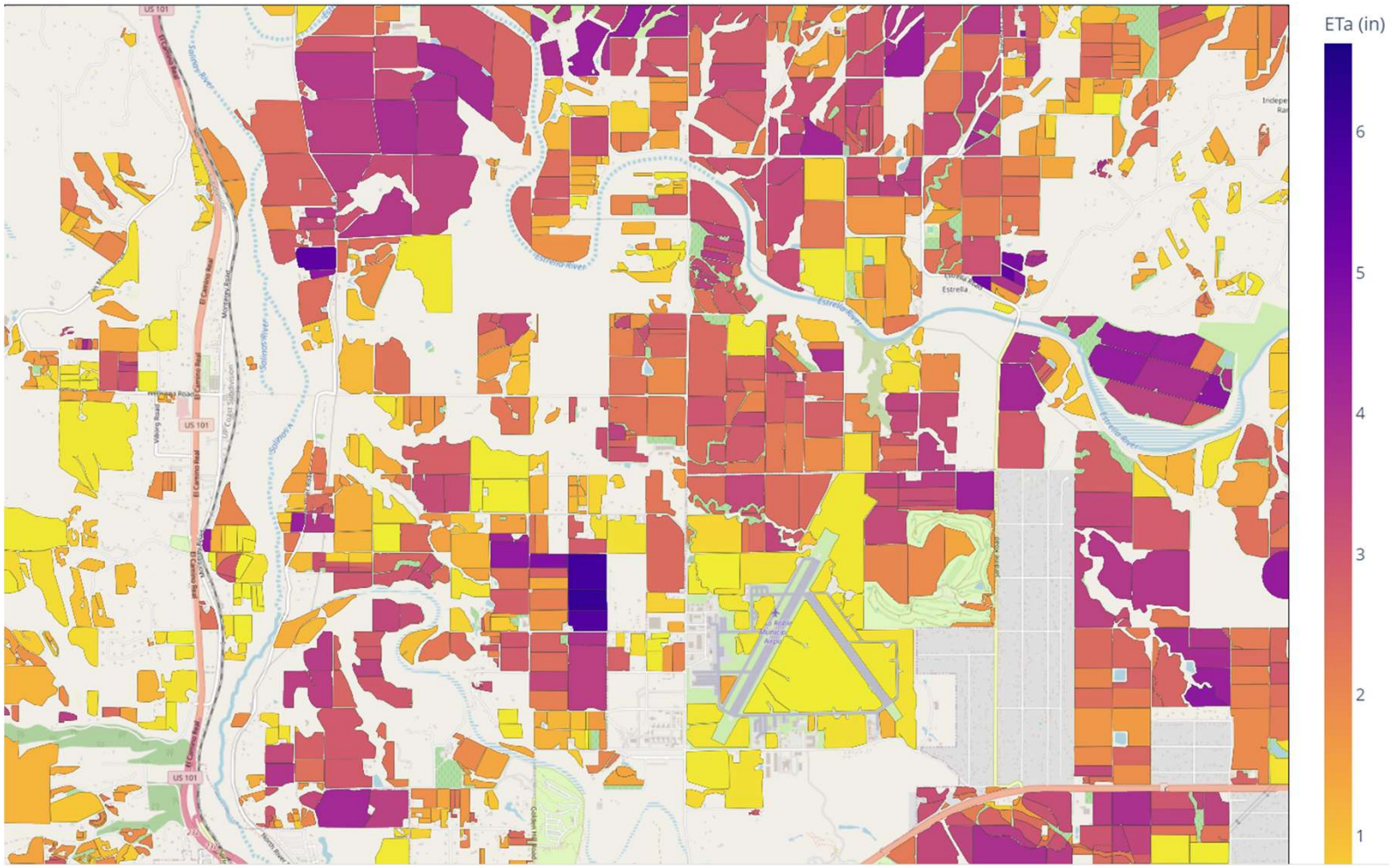
Paso Robles Groundwater Basin

Satellite-Based Et Consumptive Water Use August 2024



Paso Robles Groundwater Basin

Satellite-Based Et Consumptive Water Use August 2024



Paso Basin - Fee Options Under Consideration

Full Implementation

- Includes the costs of Program Administration (admin and SGMA-required costs).
- Includes the costs of all Projects and Management Actions described in the GSP.
- Requires the use of a Water Code Section 10730.2 Fee (Prop 218).

Administrative Costs Only

- Includes only the cost of Program Administration (admin and SGMA-required costs).
- Does not include any costs related to Projects and Management Actions.
- Requires the use of a Water Code Section 10730.2 Fee (Prop 218) if charging all users.

Middle Ground

- Includes the costs of Program Administration (admin and SGMA-required costs).
- Includes scaled back costs of Projects and Management actions. Both Alternative Water Supply Projects (Blended Water Supply Program and State Water Project Supply Program) would be removed, reducing costs and fee rates.
- Requires the use of a Water Code Section 10730.2 Fee (Prop 218).

SCENARIO 3A: REDUCED PROJECT COST BUDGET *MODIFIED*

GSA STAFF RECOMMENDATION

- Both alternative water supply programs removed from budget (State Water Supply Program and Blended Water Supply Program).

➔ Additional funding provided for:

- MILR Program (additional $2,000,000 over 5 years).
- Water Conservation and Irrigation Efficiency Program (additional $375,000 over 5 years).

Key
Base Costs (all extractor categories)
Supplemental Non-De Minimis Costs (water system, agricultural, commercial extractors)
Supplemental Agricultural / Commerical Costs (agricultural and commerical extractors)

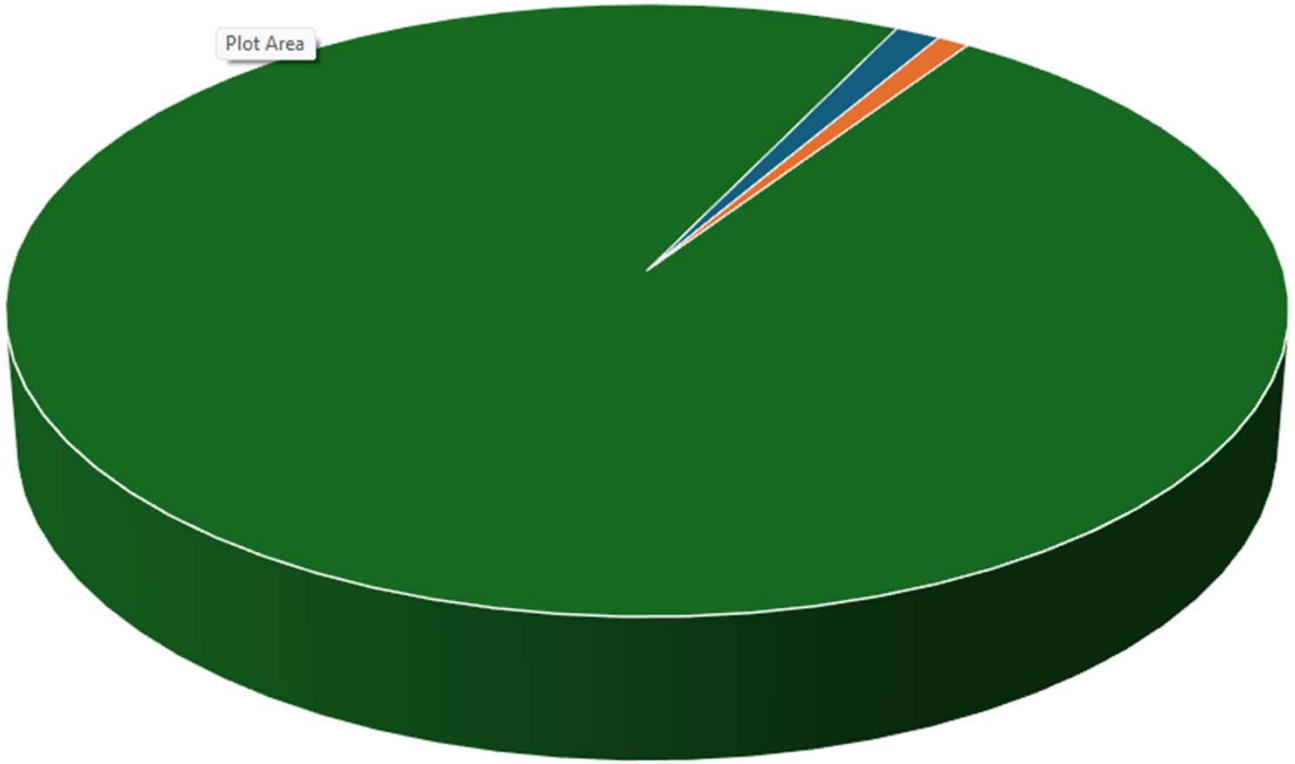
PBCC / Successor Agency Funded Budget Components	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	Average Costs
	Year 1	Year 2	Year 3	Year 4	Year 5	5 - Year Average
Program Administration			% Increase			168
SGMA-Required		2.5%	2.5%	2.5%	2.5%	
Annual Report WY 2024	$110,000	$112,750	$115,569	$118,458	$121,419	$ 115,639
GSP Fifth Year Evaluation	$0	$0	$0	$0	$350,000	$ 70,000
GSP Amendment	$0	$0	$0	$100,000	$100,000	$ 40,000
Groundwater Model Use/Update	$0	$50,000	$50,000	$150,000	$100,000	$ 70,000
Ongoing Basin Monitoring Operations & Maintenance	$300,000	$307,500	$315,188	$323,067	$331,144	$ 315,380
Data Management System (DMS)	$75,000	$76,875	$78,797	$80,767	$82,786	$ 78,845
ET Ag Water Usage Program (LandIQ)	$150,000	$153,750	$157,594	$161,534	$165,572	$ 157,690
SGMA-Required Subtotal	$635,000	$700,875	$717,147	$933,826	$1,250,921	$ 847,554
Administrative						
Executive Director and Support Staff	$234,000	$257,400	$263,835	$270,431	$277,192	$ 260,572
Legal Counsel	$82,500	$84,563	$86,677	$88,843	$91,065	$ 86,729
IT Support	$50,000	$51,250	$52,531	$53,845	$55,191	$ 52,563
Office Space (incluing utilities, janitorial, etc)	$60,000	$61,500	$63,038	$64,613	$66,229	$ 63,076
Agency Administrative Costs (Insurance, Audit, Accounting, etc.)	$82,500	$84,563	$86,677	$88,843	$91,065	$ 86,729
Grant Development (2 grants)	$60,000	$61,500	$63,038	$64,613	$66,229	$ 63,076
Technical Consultant(s) to support administrative services	$110,000	$112,750	$115,569	$118,458	$121,419	$ 115,639
Outreach Program	$82,500	$84,563	$86,677	$88,843	$91,065	$ 86,729
Website Creation and Management	$15,000	$2,500	$2,563	$2,627	$2,692	$ 5,076
GW Fee Billing & Collection	$50,000	$51,250	$52,531	$53,845	$55,191	$ 52,563
Adminstrative Subtotal	$826,500	$851,838	$873,133	$894,962	$917,336	$ 872,754
Program Administration Subtotal	$1,461,500	$1,552,713	$1,590,280	$1,828,787	$2,168,257	$ 1,720,307
Projects and Management Actions						
Regulatory Projects						
Domestic Well Impact Mitigation Program	$50,000	$51,250	$52,531	$53,845	$55,191	$ 52,563
Address Additional GSP Data Gaps (Monitoring Network, etc.)	$75,000	$76,875	$78,797	$80,767	$82,786	$ 78,845
Well Verification/Registration Program	$25,000	$25,625	$26,266	$26,922	$27,595	$ 26,282
Demand Reduction Projects						
MILR Program	$750,000	$1,000,000	$1,500,000	$2,000,000	$2,500,000	$ 1,550,000
Demand Management Program	$100,000	~~$100,000~~	~~$100,000~~	~~$100,000~~	$100,000	$ 120,000
Water Conservation and Irrigation Efficiency Program	$100,000	$100,000	$150,000	$150,000	$200,000	$ 140,000
Alternative Water Supply Projects						
Blended Irrigation Water Supply Infrastructure Costs	*$0*	*$0*	*$0*	*$0*	*$0*	$ -
SWP Supply Program	*$0*	*$0*	*$0*	*$0*	*$0*	$ -
Groundwater Recharge Program	$25,000	$150,000	$150,000	$1,000,000	$1,000,000	$ 465,000
Project Feasability Reserve	$200,000	$205,000	$210,125	$215,378	$220,763	$ 210,253
Subtotal	$1,325,000	$1,758,750	$2,317,719	$3,626,912	$4,186,335	$ 2,642,943
Total	**$2,786,500**	**$3,311,463**	**$3,907,999**	**$5,455,699**	**$6,354,582**	**$ 4,363,250**
Base Costs	$ 1,511,500	$ 1,603,963	$ 1,642,812	$ 1,882,632	$ 2,223,448	$ 1,772,871
Supplemental Non-De Minimis Costs	$ 100,000	$ 102,500	$ 105,063	$ 107,689	$ 110,381	$ 105,127
Supplemental Agricultural / Commercial Costs	$ 1,175,000	$ 1,605,000	$ 2,160,125	$ 3,465,378	$ 4,020,763	$ 2,485,253

COUNTY OF SAN LUIS OBISPO

SCENARIO 3A:
REDUCED PROJECT COST BUDGET *MODIFIED* RATES

1. 10730.2 Funding All Costs		FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	Year 1 Revenue	
Averaged Rate	Charge Basis	Year 1	Year 2	Year 3	Year 4	Year 5	Revenue by Category	Total - All Revenue
Domestic Rate	*Per AF*	$31	$33	$34	$36	$38	$57,439	$4,363,250
Water System Rate	*Per AF*	$33	$35	$36	$38	$41	$41,263	
Agricultural / Commercial Rate	*Per AF*	$79	$83	$88	$93	$98	$4,264,549	

Year 1 Revenue by Extractor Category



Rural Domestic Pumpers	$57,439
Water System Pumpers	$41,263
Agricultural Irrigation Pumpers	$4,364,549

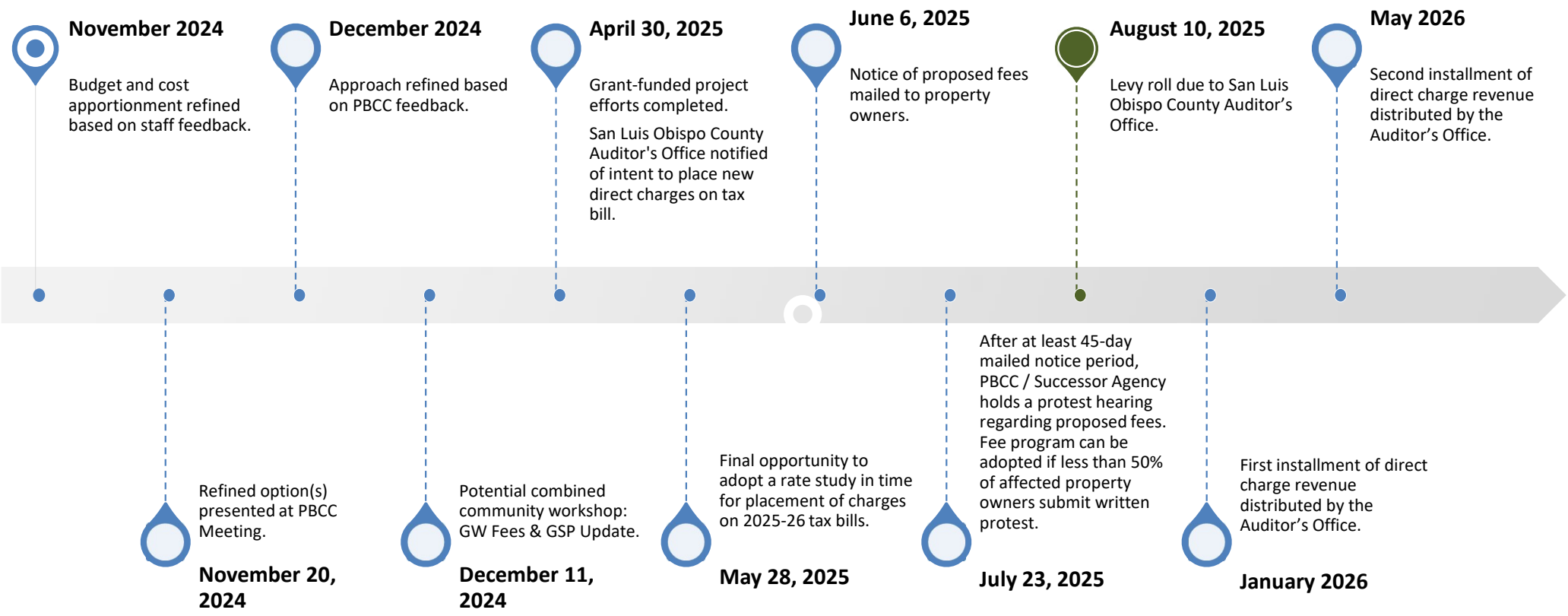
COUNTY OF SAN LUIS OBISPO

Rural Domestic GW User Rates Under Consideration

- The updated estimate of rural domestic groundwater use produces an applied water amount of 0.62 AFY.
- A preliminary consumptive use calculation reduces this amount by 26% to 0.46 AFY.
- Multiplying this preliminary consumptive use estimate by a rate of $35 produces an annual charge of about **$16 per rural domestic parcel**.
- This amount would then be either charged to domestic extractors directly or paid for by GSA members.

Potential Domestic Rate Per AF	$35.00
Domestic Applied GW Use Estimate	0.62 AFY
Domestic Consumptive GW Use Estimate	0.46 AFY
Potential Annual Domestic Fee Amount	**$16.14**

Paso Basin -10730.2 (Prop 218) Fee Timeline



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Questions?

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