



Estrella-El Pomar-Creston Water District (EPCWD)
Estrella-El Pomar-Creston Groundwater Sustainability Agency (EPCGSA)
Regular and Special Meeting Minutes
Monday October 28, 2024

J.Lohr Administration Building, 6169 Airport Road, Paso Robles

ITEM 1: CALL TO ORDER AND ROLL CALL

The meeting was called to order at 2:03PM by Dana Merrill

Directors Roll Call:

Dana Merrill – present
Lee Nesbitt - present
Jerry Reaugh – present
Hilary Graves – present
Ryan Scott - present

Others present:

Guests (in person and by teleconference)

ITEM 2: PUBLIC COMMENT

None presented

ITEM 3: DISCUSSION AND POSSIBLE ACTION ON DISTRICT DIRECTION TO THE PBCC REGARDING THE PROPOSED 5-YEAR BUDGET FOR BASIN MANAGEMENT AND FUNDING OF PROJECTS

The meeting was well-attended with approximately 24 in-person and 12 video/teleconference attendees. The discussion was intended to be open session with dialogue exchanged freely among all attendees. By the end of the meeting, almost everyone had the opportunity to speak.

Dana Merrill opened the discussion with a reminder that this item presents the opportunity for District members to provide feedback on the proposed 5-year PBCC budget, which will likely exceed the approved 24/25 limited budget of \$600,000 allotted to SGMA-required costs. Jerry Reaugh continued with opening slides giving background. The \$600,000 limited budget required increasing the District's member assessments levels from \$5.00 to \$16.50 per irrigated acre. Because the 5-year budget (starting with 25/26) drives the rate study, it is important to gather as much input/feedback from our members on the proposed budget as possible to pass along to the PBCC.

Slide prepared by Jerry Reaugh outlined the proposed 5-year Budget, divided into two main categories: SGMA-required activities and administrative activities in one category, commonly called "Keep the Lights On funding (KTLO)", and project and management actions as the second category. The question to the members is whether it makes sense to formulate a budget that is made up in major part by projects that are expensive, have costs estimates that could vary widely depending on the nature of the project, and are of unknown benefit depending on the state of the Basin. Hilary Graves added to the discussion the fact that currently, landowners within the County-overseen "White Area" are paying nothing towards Basin management, while Shandon-San Juan and EPC Water District members have been being assessed along the way, creating an inequity. The question put to

the membership is how does the District want to move forward with input for the PBCC on the proposed Budget, whether to continue to look at KTLO and projects, or focus on KTLO and projects as represented in the proposed budget or pursue another path.

Blaine Reely suggested that we should consider this Budget a starting point. As the numbers firm up for projects, the PBCC will review and recommend whether to include projects in the Rate Study. The discussion elicited comments from nearly all the attendees with comments including: "Don't pump the brakes on looking at projects." "Keep the Lights On' funding seems reasonable." "Focus on KTLO and develop projects later." "Do we prefer extraction-based fees or per irrigated acre?" "Conservation may happen as a result of paying for KTLO." "We are beyond using meters for measuring extraction; use tech approaches instead." "Start with the KTLO basics and then review the Rate Study to be sure we are on track." "Charge for KTLO based on acreage (which doesn't change) in order to maintain a stable base of funding, rather than extraction which will vary."

It was mentioned that perhaps moving from the current Memorandum of Agreement to a Joint Powers Authority could be tied to the proposed budget. Both a budget and a governance structure are crucial, along with something (projects) for the budget to fund and a governance structure to pursue. There was a reminder that if we cannot show progress, there is a chance that the State will come in to manage the Basin, and it will certainly charge for management and potential projects (likely more than the proposed 5-year budget under discussion). The MILR project is something that can be done on a shorter timeframe and possibly be more affordable than other projects being considered. The MILR program could also address not losing pumping rights when fallowing land for more than the five-year lookback period currently in place. It was pointed out that the County white-area landowners need to be given the opportunity to be more engaged; to date, there have been no County GSA meetings for overlies. We should keep projects in mind as they will never get less expensive, but consider smaller projects first.

Considering rural resident overlies and their needs is important. The final consensus was to take these comments and continue the "conversation" at the next scheduled meeting on November 13 to determine what position to take on the Rate Study that best represents our members' input.

ITEM 4: ADJOURNMENT

MOTION TO ADJOURN made by Jerry Reaugh, seconded by Lee Nesbitt, voice vote, passed 5-0 .

Meeting adjourned at 3:52PM.

Respectfully submitted,

Jerry Reaugh, Secretary/Treasurer

Accepted:

Dana Merrill, President

Date