



MANAGED BASIN PLAN CONCEPTS



June 12, 2014

MISCONCEPTIONS

- **Overconfidence:** Consequences of overdraft will happen in distant future. **Fact:** The aquifer is being depleted NOW; 50-years is considered minimum planning horizon for water supply issues
 - **Conjunction Fallacy:** Studying the problem will make it go away. **Fact:** We do not need more water supply studies. We need to act
 - **Free Lunch:** Someone else will pay to resolve our problem. **Fact:** There is no free lunch. Resolving the overdraft will cost each of us something
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WHY NOW?

- Overdraft is like mining - depleting a non-renewable resource
 - Overdraft is expensive. Presently, on the order of \$63 - \$148/AF
 - Water saved today will be worth more in the future if we want the community to grow
 - Waiting for free markets to correct problem in future is too expensive
 - State regulators will not allow overdraft to continue
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PROPOSED STATE REQUIREMENTS OF A GWMP

- Balanced Basin within State-mandated timeframe
 - Wells must be metered
 - Producers must participate in water quality monitoring
 - The Plan must provide means to pay for implementation
 - The Plan must have reduction objectives every 5-years
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OTHERWISE,

LOSE LOCAL
CONTROL OF
BASIN



LOCAL CONTROL & MANAGED TRANSITION PLAN

- Reductions to "balance" in State-mandated timeframe
 - Metering of production wells
 - Producers participate in water quality monitoring. Fees for non-compliance
 - Producers pay fees for Plan administrative costs, and pay fees if they do not meet their targets
 - 5-year target reductions across all sectors
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DESIRED OUTCOME

- Recreation lowers water use; spends \$\$ to buy Production credits from Ag
 - Municipal lowers water use; spends \$\$ to buy Production credits from Ag
 - Agriculture lowers water use; sells Production credits to others, and largely leaves valley
 - Risk: Everyone will not cooperate. Potential high cost for litigation.
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ADMINISTRATION

- Producers pay annual fees for Plan implementation
 - Water manager administers Plan and maintains local control, collects fees
 - Coalition recommends annual budgets; annual fees required to fund Plan
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IF LOSE LOCAL CONTROL



- Courts take control. Legal costs added to ratepayers' bills
 - State takes control. Additional costs for all Producers
 - Costs are NOT reduced or avoided. Costs would increase if local control is lost
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LOCAL PLAN GOVERNANCE

- Coalition is in process to determine appropriate plan to retain local control through a water manager
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PLAN FUNDING

- Implementation financing is necessary to fund Plan. Without financing, Plan will not be acceptable to State
 - Funds to purchase Ag Production credits will largely come from future development, recreation owners, and private donors
 - Some funds may come from foundations and State
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PLAN FUNDING

- Fees may only be spent on Plan. Fees must have an analytical basis, not be arbitrary
 - Plan funds must be segregated and accounted for.
 - District is best positioned to apply for State funds; Anza-Borrego Foundation best positioned to apply for foundation grants
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NEXT STEPS

- Agree on State requirements to maintain local control
 - Agree on reduction plan
 - Agree on implementation financing plan. Required to maintain local control. State will need to know how we plan to pay for implementing Plan
 - Agree on governance
 - Coalition submits policy recommendations to District
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SUMMARY

- Without a plan, groundwater will become more expensive and potentially have diminished quality
 - Then, at some point, groundwater may become unaffordable: for irrigation use; for use by businesses; for use by homeowners
 - Why Plan: **ACT NOW TO ENSURE WATER FOR THE FUTURE**
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