

ORDINANCE No. 98-3

**AN ORDINANCE OF THE PAJARO VALLEY WATER MANAGEMENT AGENCY AUTHORIZING THE BOARD OF DIRECTORS TO INCREASE THE AUGMENTATION FEE TO AN AMOUNT NOT TO EXCEED \$95 UPON FINDING THAT AN ENGINEER'S ESTIMATE OF COST TO IMPLEMENT LOCAL PROJECTS, AS AUTHORIZED MEASURE D, DEMONSTRATES THE NEED TO INCREASE THE FEE ABOVE \$50 PER ACRE FOOT AS APPROVED BY MEASURE D
MEASURE L**

The people of the Pajaro Valley Water Management Agency District do ordain as follows:

FINDINGS

WHEREAS, the Pajaro Valley Water Management Agency ("Agency") has developed a long-term Basin Management Plan ("BMP") to balance water demands with water supplies in the Pajaro basin; and

WHEREAS, the people of Pajaro Valley, through the adoption of Measure D in June of 1998, have directed the Agency to focus for the next ten (10) years on conservation measures and local water supply projects; and

WHEREAS, as part of the BMP and as presented in the Water Supply Project Summary Report dated May 19, 1998, the Agency has identified a number of viable local water projects including, College Lake, Murphy's Crossing, Watsonville and Harkins Slough, and use of recycled water; and

WHEREAS, the Agency desires to develop the local solutions mandated by Measure D; and

WHEREAS, the Agency may not have sufficient funds available for such purposes with the present \$50 per acre-foot augmentation fee mandated under Measure D; and

WHEREAS, the Agency, in order to increase the augmentation fee above \$50 per acre-foot must obtain the consent of voters in the district.

ORDINANCE

SECTION 1: STATEMENT OF PURPOSE

The people of the Pajaro Valley Water Management Agency ("Agency") hereby enact this ordinance in order to fund implementation of local water supply projects as provided under the Basin Management Plan ("BMP") and authorized under Measure D, approved by voters in June of 1998.

SECTION 2: AUGMENTATION FEE

The Board of Directors of the Pajaro Valley Water Management Agency may increase the Augmentation Fee, authorized pursuant to Section 124-1001 of the Pajaro Valley Water Management Agency Act, up to an amount not to exceed ninety-five dollars (\$95) per acre-foot if the Board finds that based on an Engineers Estimate of the cost to implement the local projects (including paying all costs associated with purchasing, capturing, storing and distributing supplemental water) the costs will exceed fifty dollars (\$50) per acre foot, as approved by Measure D. Any increase in the Augmentation Fee adopted by the Board of Directors pursuant to this section shall be completed in compliance with the requirements of Sections 124-1001, 124-1002, and 124-1003 Pajaro Valley Water Management Agency Act.

SECTION 3: EFFECTIVE DATE

If approved by the voters, this Ordinance shall take effect ten days after certification of the election results.

SECTION 4: SEVERABILITY

If any subdivision, paragraph, sentence, clause or phrase of this Ordinance is, for any reason, held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not effect the validity or enforcement of the remaining portions of this Ordinance. It is the people's express intent that each remaining provisions of this Ordinance would have been adopted irrespective of the fact that one or more subdivisions, paragraphs, sentences, clauses, or phrases be declared invalid or unenforceable.

**JOINT IMPARTIAL ANALYSIS BY COUNTY COUNSEL
MEASURE L**

The Pajaro Valley Water Management Agency is established by California law for the purpose of managing water resources within Agency boundaries.

State law sets out a procedure whereby the Agency's Board of Directors can set a groundwater augmentation fee to be collected within Agency boundaries.

An Agency ordinance, adopted as Measure D by the voters of the Agency in June 1998, limited the maximum groundwater augmentation charges within the Agency to \$50 per acre-foot unless modified by a vote of the people.

This measure, if approved by a majority of those voting, will become an Agency ordinance. Its passage would not directly cause any fees to change. If the ordinance is approved, the board could propose increased fees up to the maximum limit of \$95 per acre-foot if it finds, based on an engineer's estimate, that the cost of implementing the local water supply projects exceeds the current amount available based on the maximum augmentation fee of \$50 per acre foot. The Board would also be required to comply with various state laws governing an increased fee, including the ballot approval provisions of Proposition 218 to the extent applicable, before it would take effect.

A "yes" vote is to approve the ordinance.

A "no" vote is against approving the ordinance.

Dated: August 13, 1998

s/ DWIGHT L. HERR
SANTA CRUZ COUNTY COUNSEL

s/ DOUGLAS C. HOLLAND
MONTEREY COUNTY COUNSEL

s/ STEVEN R. SANDERS
SAN BENITO COUNTY COUNSEL

**MEASURE L CONTINUED ON
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ARGUMENT IN FAVOR OF MEASURE L

Your Water agency has adopted a Basin Management Plan aimed at solving the problems of basin overdraft and seawater intrusion which threaten our well water. The Plan consists of building a pipeline to import delta water, and also three local projects which involve using water in College Lake for irrigation, and taking water from the Pajaro River and Harkins Slough for percolation ponds to recharge the ground water. Voters recently passed Measure D, directing the Agency to carry out the local projects first, and to postpone pipeline construction for 10 years. But Measure D also restricted augmentation charges for water to no more than \$50 per acre foot unless the voters approve an increase in that amount. There is every indication that the \$50 fee is not enough to carry out the local projects. Measure L is designed to permit the Agency to raise the fee if it can be proven that more funds are necessary to carry out these local projects. The Agency has no present intention to raise the augmentation fee, but passage of this measure will allow an increase if the increase is shown by firm engineering estimates to be required. It is important that your water agency have this very limited latitude to finance the local projects without an expensive special election. Vote YES on Measure L.

s/ James R. Dutra
Pajaro Valley Water Management Agency (PVWMA) Chair
s/ Brad Bennett
PVWMA Vice-Chair
s/ Howard Mauthe
PVWMA Director
s/ "Gwen" Wanda W. Carroll
PVWMA Director

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE L

When the P.V.W.M.A. states that there is an indication that the \$50 per acre foot Augmentation Fees are insufficient to construct local projects, it should be pointed out that the P.V.W.M.A presently has over \$5,000,000 in the bank and an income of \$3,000,000 annually with the Augmentation Fee at \$50 per acre foot.

Let us be positive of the need for additional taxation, rather than an increase based upon an indication!

No firm cost estimates have been established for any of the local projects to be constructed, one at a time, on a pay as you go basis.

Voters, don't be misled, don't increase this tax burden of additional augmentation fees.

A yes vote on Measure L will allow the P.V.W.M.A. to nearly double the fees that are now allowed under Measure D which was overwhelmingly passed in June of 1998, limiting the Augmentation Fee to \$50.00 per acre foot. This is like signing a blank check, that the agency can increase at will!

VOTE NO ON MEASURE L

Committee for "NO OVERPRICED PIPELINE EVER" (N.O.P.E.)

s/ Bonnie Matulich
s/ Douglas McKinney
s/ Nita Gizdich
s/ Hank Schimpeler

ARGUMENT AGAINST MEASURE L

The voters of the Pajaro Valley passed Measure D this past June, 1998 which limits water fees to \$50.00 per acre foot.

The PVWMA is brazen enough to tell us that we did not know what we were voting for.

The voters have said that \$50.00 per acre foot is sufficient money to construct necessary local water projects over time to combat our seawater intrusion and overdrafting problems.

The PVWMA does not even have a project to show you what they will do with your money but they want you to pay more. They want you to vote to give them the right to almost double their water tax on you without any plan at all of what they will give you for it. Basically they just want more money!

The PVWMA presently has over \$5,000,000 in the bank which is sufficient to complete the first local project and the current \$50.00 augmentation charge gives them \$3,000,000 more per year. Do not vote for higher augmentation taxes unless we positively know that they are needed.

If they think they can justify this increase, let them show us what we will get for it, then we can decide if this is what we want.

VOTE NO on this proposed augmentation increase and stop this unnecessary bureaucratic taxation burden now!

AGAIN, VOTE NO!

N.O.P.E. (No Overpriced Pipeline Ever)

s/ Hank Schimpeler
s/ Dick Peixoto
s/ Douglas McKinney
s/ Bonnie Matulich
s/ Nita Gizdich

REBUTTAL TO ARGUMENT AGAINST MEASURE L

The persons who drew up Measure D knew nothing about the cost of the local projects which Measure D demands, and Measure D supporters have no facts to support their cost estimates. So in a very real sense, when the voters voted for a \$50 augmentation fee, NOBODY knew exactly what they were voting for. The voters DID vote to have your Water Agency carry out local projects first, and that is what the agency wants to do. The voters also said the Agency should come to them if larger fees were necessary. That is exactly what we are doing! Your Agency's Plan contains local projects. Voters should not be deluded by claims that these local projects will be cheap. We already have cost estimates that indicate the most effective local projects will cost more than the \$50 augmentation fees allowed under Measure D. Measure L gives the Agency permission to increase fees, but it restricts the Agency from raising them until the increase is justified by more refined engineering estimates at the time of implementation. If the voters act now, the Agency will not be faced with delaying construction while waiting for an election at the turn of the century or later. This more than meets the objection against Measure L. Don't listen to those who want to stall or stop the local projects voters voted for, and choke off our water supply. Vote YES on Measure L.

s/ James R. Dutra
Pajaro Valley Water Management Agency (PVWMA) Chair
s/ Brad Bennett
PVWMA Vice-Chair
s/ "Gwen" Wanda W. Carroll
PVWMA Director
s/ Howard Mauthe
PVWMA Director

END OF MEASURE L

