\$6.3 million outside water purchase

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WATSONVILLE — The Pajaro Valley is one step closer to importing water from central California after the Pajaro Valley Water Management Agency agreed to sign the Mercy Springs Water Purchase Escrow Instructions during a contentious meeting Wednesday.

A draft ordinance to prohibit the export of water outside the district was sent back to the drawing board.

Since 1993, the board has been exploring new sources of water. The most economically feasible, according to board members, is a plan to purchase an annual 6,200 acre/foot water entitlement from the Mercy Springs Water District in the northwestern part of Fresno County.

By signing the escrow instructions, the board took one more step in a seven step process leading to the eventual purchase of the water. Once the formal agreement is completed and the environmental competence document is finished, at the close of escrow the district will own an entitlement to an additional 6,260 acre/feet of water. When the deal is finalized, the board's next task will be to decide what to do with the water.

Actual delivery of the water will not take place until completion of a proposed pipeline, known at the Water Supply Project. The pipeline would be bond-financed, but ultimately, the project will be paid for by increased water rates in the form of augmentation fees.

Board member Tom AmRhein expressed doubts, saying he was "uncomfortable spending \$6.3 million for water we won't use for five or six years."

Board Chairman Howard Mauthe said that until the pipeline is completed the board would sell the water on the open market.

"This is good insurance for the Pajaro Valley. Owning a supply of water in California is like money in the bank," PVWMA General Manager Dave McCabe said.

Despite no votes from board members AmRhein, Bill Jensen and Jon Friesell, the decision to sign the purchase escrow instructions was passed.

The board also discussed drafting an ordinance prohibiting the exportation of water outside of the district.

During the last meeting, the board, concerned that exportation could get out of hand, asked Bruce Richardson, board attorney, to draft an ordinance allowing the board to stop the exportation of water outside the political boundaries.

The need for the ordinance was prompted by a proposal from the Aromas Water District to deliver water to 22 homes in Ballantree Estates after receiving administrative approval from Monterey LAF-CO to extend service without annexation. Richardson's draft will be refined and brought back to the next board meeting for further discussion.

"It's basically the consensus of the board to go forward with the ordinance," McCabe said. "It's disturbing to the board that the county of Monterey seems to be in a great rush to get Ballantree annexed into the Aromas Water District. Especially since the board is in the process of deliberating on an ordinance prohibiting or at least regulating the exportation of valley water."