

P.V. water agency eyes new rates, pipeline
Santa Cruz Sentinel-2/1/10
By Donna Jones

Pajaro Valley water officials are poised to ditch a controversial plan to build a pipeline to import Central Valley water as they prepare to seek approval of new fees.

Foes have fought the pipeline through the ballot box and in the courts for more than a decade, and political, environmental and financial considerations appear to have finally won out.

Both the new rates, which have been in the works for two years, and the removal of the proposed pipeline from a long-range plan to fix a deficit between groundwater pumping and replenishment will come before the Pajaro Valley Water Management Agency board of directors for a vote Wednesday.

"(The pipeline's) been dead for a long time," said director Dennis Osmer. "We're just having the funeral."

Osmer said scrapping the pipeline now "may take the bite out of some opposition" as the agency seeks support for new rates, but he's been pushing for its removal for the past two years.

Not only is the idea unpopular, but the combination of high cost and uncertainty over federally controlled Central Valley water in the face of drought and environmental concerns in the Sacramento River Delta make the project increasingly unlikely.

The proposed rates, which range from \$157 to \$273 per acre foot of water, wouldn't generate enough money to pay for a pipeline in any case.

The rate proposal is designed to raise about \$10 million annually, enough to operate the agency at current levels and pay off debts for completed projects, such as the plant which specially treats Watsonville sewage for reuse as irrigation water.

The new rates would replace an existing fee and one thrown out by a state court in 2007.

General Manager Mary Bannister said there also would be enough money to revise the nearly decade-old groundwater basin management plan, seeking in particular a way to fill a gaping hole left behind by the removal of the pipeline.

"It's an opportunity to take a fresh look, taking into consideration the new conditions in the state and the valley," Bannister said.

Whether dumping the pipeline will earn support for the rates is unclear.

Organic vegetable grower Dick Peixoto has been on the front lines of the fight against the project.

"It's about time," he said of the proposal to abandon it.

But Peixoto said the agency's a long way from gaining his support for the rate proposal. He favors a land-based tax over a consumption fee, which he says will never be enough if grower conserve water.

He said the new rates will keep the agency afloat, paying for projects that have done too little to address the groundwater supply.

"As soon as we get the agency to survive, the next thing we get to is the solution," Peixoto said. "Solving it, that's going to be expensive."#

http://www.santacruzsentinel.com/ci_14312664?IADID=Search-www.santacruzsentinel.com-www.santacruzsentinel.com