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February 4, 2009

Honorable Bruce Gibson  
Chairman, Board of Supervisors  
County of San Luis Obispo  
976 Osos Street  
San Luis Obispo, CA 93408-2040

**Subject:** Water Resources Advisory Committee Comments on Water Sections of DEIR for San Miguel Ranch Ag Cluster

Dear Chairman Gibson:

The San Luis Obispo County Water Resources Advisory Committee (WRAC) formed an ad hoc subcommittee to review and comment on the Draft Environmental Impact Report (DEIR) for the San Miguel Ranch. At its February 4, 2009 meeting, the WRAC voted to submit this letter and the attached detailed comments.

The San Miguel Ranch DEIR indicates that the project will result in a decrease in aquifer storage of between 5,393 and 5,554 acre-ft annually; however, the potential impacts to groundwater are listed as less than significant. The subcommittee has a number of concerns with this conclusion as discussed below.

The project violates Ag Policy 11, GM9 of the Conservation Element, and Policy WR 1.6 of Draft Conservation and Open Space Element, since groundwater which should be reserved for agriculture is impacted. These policies are listed at the end of this document for convenience.

The Paso Robles Groundwater Basin Study shows the basin to be in decline at "buildout". The applicant is requesting a General Plan Amendment, but the impacts of this project on the basin were not included in the "buildout" numbers. This project will add further to the decline in an already impacted groundwater basin.

The threshold for groundwater impacts was evaluated based on drawdown in existing wells within 0.25 mile from the project site. This short distance seems arbitrary and may not be adequate to evaluate the impact on the basin. Further, this evaluation does not determine whether the threshold of "substantially deplete groundwater supplies" is exceeded.

**Purpose of the Committee:**

To advise the County Board of Supervisors concerning all policy decisions relating to the water resources of the SLO County Flood Control & Water Conservation District. To recommend to the Board specific water resource programs. To recommend methods of financing water resource programs.

*Excerpts from WRAC By-Laws dated 3/6/07*

Water use by residences appears to be underestimated when compared to other agency documents.

Detailed page-by-page comments are attached.

The WRAC hopes its comments will prove helpful to all parties involved in the environmental review process for this project.

Respectfully,



Michael Winn  
Chairman, Water Resources Advisory Committee

cc: SLO County Board of Supervisors  
SLO County Planning Commissioners  
Steve McMasters, SLO County Planning Department  
Dean Benedix, SLO County Public Works Department

Attachments: Detailed Comments on DEIR from WRAC ad hoc subcommittee  
Applicable SLO County Policies

## San Miguel Ranch DEIR – Detailed Comments from WRAC Subcommittee

### Comments on Section 4.14 – Water and Wastewater

1. “In general, groundwater recharge in the Paso Robles Formation comes primarily from subsurface flows through the Salinas River alluvium.” This statement is incomplete and should be revised, since the Paso Robles Formation is recharged by numerous streams and watersheds, including the Estrella River and Huer Huero Creek.

The existing environmental setting should be expanded to include the entire Paso Robles Groundwater Basin, including the northern portion of the basin within Monterey County. Impacts should be evaluated within this larger area.

4.14-8. The draft 2008 Annual Resource Summary Report lists a Level of Severity II for the Paso Robles Groundwater Basin, due to growth of the pumping depression. We understand that a Resource Capacity Study is being performed for the Paso Robles Groundwater Basin. The data and results of this study should be reviewed and incorporated into the DEIR.

4.14-10, 11, and 12. The impacts from the construction of the proposed water treatment or distribution facilities do not appear to have been analyzed. Therefore, the conclusion of a Class III impact is not justified.

4.14-10 and Table 4.14A. An existing on-site well, the North Well, is proposed to be improved to provide a minimum capacity of 500 gpm to the project. However, this well may not satisfy the 540 gpm peak hour demand that is listed in the table.

Water use appears to be underestimated, and should be reviewed. The residential usage numbers are substantially less than those used in other analyses. The WRAC subcommittee reviewed a readily available document for comparison. Listed in the table below are project water demand numbers from the Templeton CSD’s Water Master Plan, dated November 2005, compared to the San Miguel DEIR water demand values, as an example.

Land Use Category	San Miguel DEIR	Templeton CSD
RR	$2.0/4=0.50$	1.04
RS	$11.6/23=0.50$	1.08
RSF	$124.7/318=0.39$	0.64
RMF	$14.8/44=0.34$	0.24
Total AFY for units in San Miguel DEIR	153.1	243.1

Page 4.14-14. "The landowner of the Development project site already has rights to the water supply from the North Well, which would be transferred to the San Miguel CSD if San Miguel CSD were to accept the North Well into its water supply system." However, no evidence of a contract or memorandum of agreement or other legally enforceable document with San Miguel CSD is provided.

The DEIR is correct that the landowner already has overlying water rights to the water supply from the North Well. However, when those rights are transferred to the CSD, they become "municipal" in nature and are no longer entitled to be considered overlying. The California Supreme Court has ruled that these municipal rights are appropriative the moment the water enters the public system. Therefore, the landowner's rights become reduced to an appropriative water right that is junior to all surrounding overlying right holders the moment the CSD takes over the well and begins using it for municipal purposes. Only CSD water that is used on CSD land for irrigation would retain the overlying priority. Theoretically, once the Paso Robles Groundwater Basin reaches overdraft, the CSD's use of the North Well is subject to enforced reduction in use to accommodate the prior rights of the overlying landowners' uses. The EIR should address this potential shortfall.

Page 4.14-15 through 4.14-17. No evidence is provided that construction of wastewater facilities and wastewater transmission lines will not cause significant environmental effects.

Threshold 4.14.4. No analysis of the impacts of construction of the water treatment plant expansion were found in this portion of the DEIR. Therefore, the conclusion of a Class III impact is not justified. Furthermore, the proposed expansion of the plant to 400,000 gpd will not meet the projected demand of 441,523 gpd at buildout.

Threshold 4.14.5. "Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level."  
The first part of this threshold – whether the project will substantially deplete groundwater supplies - has not been evaluated. In the case of an aquifer that is in decline, any decrease in aquifer storage is a negative impact that should be mitigated.

Page 4.14-16. Since the water treatment plant expansion is considered part of the project, it must be analyzed in this EIR. However, the DEIR offers scant analysis and instead proposes to defer development of the necessary information about the plant expansion until later and then let the plant owner, San Miguel CSD, determine whether the impacts were fully analyzed in this EIR and whether

additional review would be necessary. This approach does not comply with CEQA, especially as interpreted by the *Vineyard* decision.

The DEIR dismisses the necessary analysis of the timing of the water treatment plant expansion by saying it is not “anticipated until Phase II or Phase III of the proposed project.” But this statement is not supported by any analysis with numbers and dates that includes the impacts of wastewater generated by other projects that may be built in San Miguel. This is another reason why the expansion of the plant must be fully analyzed in this EIR.

Page 4.14-17 and 18. Under Scenarios A and B, the 4,000 acre-ft difference between pumping and storage is stated as being due to recharge from the Salinas River alluvium. In the case of the Salinas River, any decrease in downstream flow is a negative impact that should be mitigated.

Page 4.14-18. “There are no federal, State, or local thresholds that allow a quantitative evaluation of the project's potential drawdown impacts; therefore the following analysis of drawdown impacts is a qualitative evaluation.”

A threshold for an acceptable drawdown, particularly the impact on neighboring wells and agricultural operations, should be established.

The conclusion that “potential impacts related to groundwater levels and production rates of preexisting wells would be less than significant” appears to be unsupported and requires substantiation.

Page 4.14-19. Cumulative impacts for water were only reviewed within 0.25 mile of the project site. The impacts on the entire Paso Robles Groundwater Basin and on the surrounding agriculture need to be evaluated. Any cumulative impact on water should be mitigated. Since no single project by itself could ever significantly decrease water levels in the extensive Paso Robles Groundwater Basin, the DEIR conclusion that cumulative impacts due to just this project are less than significant is a logical fallacy.

Page 4.14-20. The statement that cumulative water and wastewater impacts would be less than significant does not appear to be justified, since the cumulative impacts of the wastewater facilities have not been analyzed and the impact on water has only been evaluated for the short distance of 0.25 mile from the project site.

The statement that “all of potential impacts related to water supply, treatment, and distribution facilities would be less than significant prior to mitigation” should be revised for the reasons stated above.

Mitigation measures should include the suggested measures listed in the Water Resources Evaluation, as follows.

- Establishment of a comprehensive groundwater monitoring program in and around San Miguel Ranch.
- Implementation of water conservation and water use efficiency methods to residential, landscape, and crop water uses.
- Importation of surface water supplies.

Mitigation Measure 4.14.1. Recommend clarifying the wording of the measure as follows: Water Treatment capacity. Issuance of construction permits for each phase of development on the San Miguel Ranch Development project site shall be contingent upon the prior submission by the project applicant of a letter plus supporting calculations from the San Miguel Community Services District (CSD) to the County of San Luis Obispo Department of Planning and Building proving that sufficient wastewater treatment capacity is on line as a result of expansion of the CSD Wastewater Treatment Plant and available to serve that phase of the development.

#### **Comment on Section 4.4 - Ag Resources, related to water**

Page 4.4-39. To the contrary, the proposed project is inconsistent with Agricultural Policy 11 since groundwater which should be reserved for agriculture is impacted.

#### **Comment on Section 4.15 – Hydrology and Water Quality**

Water softeners which recharge onsite are not currently allowed within San Miguel CSD due to the impact on the discharge from the wastewater treatment plant. The EIR must state that this restriction must apply to the project.

#### **Comments on Water Resources Evaluation**

Page 11. “As a requirement for annexation of the Ranch into the CSD, at least one water well capable of yielding 750 gpm is needed on the project site . . .” Section 4.14, on page 4.14-10 states that an existing on-site well, the North Well, will be improved to provide a minimum capacity of 500 gpm to the project, so this criterion has not been addressed.

Page 14. “For the future scenario . . . the natural hydrology from 1981 to 1997 was repeated twice to provide a reasonable representation of future fluctuations of climate.” Past climate data may not be representative of future conditions, particularly with the impact of climate change.

Figure 4 in the Update for the Paso Robles Groundwater Basin, dated December 2007, shows annual rainfall at Paso Robles for the years 1957 through 2007. This figure clearly shows that a few years have much higher than average

rainfall. Removing these occasional high rainfall years from the total rainfall would result in a much lower average rainfall value. The rainfall data used in the Water Resources Evaluation should be reviewed.

## **Applicable SLO County Policies – For Information**

### AGP11 – Agricultural Water Supplies

- Maintain water resources for production agriculture, both in quality and quantity, so as to prevent the loss of agriculture due to competition for water with urban and suburban development.
- Do not approve proposed general plan amendments or rezonings that result in increased residential density or urban expansion if the subsequent development would adversely affect: (1) water supplies and quality, or (2) groundwater recharge capability needed for agricultural use.

### GM9 of the Conservation Element

- Priority should be given in meeting the needs of agricultural operations in water resources management. Agricultural water supplies should be protected from usurpation by incompatible development through land use controls.

### Policy WR 1.6 of Draft COSE – Agricultural operations

- Groundwater management strategies will give priority to agricultural operations. Protect agricultural water supplies from competition by incompatible development through land use controls.