



**Nacimiento Project Commission
Notice of Meeting and Agenda
Thursday, May 28, 2015 – 4:00 pm**

Templeton Community Services District Offices

1. Call to Order
 - a. Call to Order, Roll Call, and Flag Salute
2. Public Comment
This is the opportunity for members of the public to address the Commission on items that are not on the agenda, subject to a three minute time limit.
3. Meeting Notes (RECOMMEND APPROVAL)
 - a. From April 16, 2015
4. COMMISSION INFORMATION ITEMS – written reports with brief verbal overview by staff or consultant. No action is required.
 - a. Utilities Division Manager’s Report
 - b. Status of Paso Robles Groundwater Basin Supply Option Study Technical Memorandum Regarding Nacimiento Project Water
 - c. Third Quarter Operations Budget Update
5. PRESENTATIONS – no action required.
None
6. COMMISSION ACTION ITEMS
(No Subsequent Board of Supervisors Action Required)
 - a. EIR and Non-EIR Entities Requests to Become a New Participant
7. COMMISSION ACTION ITEMS
(Board of Supervisors Action is Subsequently Required)
None
8. FUTURE AGENDA ITEMS DESIRED BY COMMISSION

Commissioners

Carlyn Christianson, Chair, City of San Luis Obispo

John Hamon, Vice Chair, City of El Paso de Robles

Frank Mecham, SLO County Flood Control & Water Conservation District

Judy Dietch, Templeton CSD

Grigger Jones, Atascadero MWC

**Next Commission meeting scheduled for
Thursday, August 27, 2015, at 4:00 pm at
Templeton Community Services District Offices**

Nacimiento Project Commission
May 28, 2015
Agenda Item 3.a – Meeting Notes from April 16, 2015

Agenda Item 1 – Call to Order

Agenda Item 1.a – Call to Order, Roll Call, Flag Salute

Chairperson Christianson convened the meeting at 4:00 p.m.

Commissioners Present:

Chairperson Carlyn Christianson, City of San Luis Obispo

Vice Chairperson John Hamon, City of Paso Robles

Judith Dietch, Templeton Community Services District

John Neil, Atascadero Mutual Water Company (Alternate Commissioner)

Frank Mecham, San Luis Obispo County Flood Control and Water Conservation District

Commissioners Absent:

Grigger Jones, Atascadero Mutual Water Company

Staff Present:

Dean Benedix, Scott Duffield - District

Jeff Briltz - Templeton Community Services District

Aaron Floyd, Dean Furukawa - City of San Luis Obispo

Agenda Item 2 – Public Comment

There were no public comments.

Agenda Item 3 – Meeting Notes

Agenda Item 3.a – Meeting Notes from February 26, 2015

The meeting notes from the February 26, 2015 Commission meeting were unanimously approved without corrections.

Agenda Item 4 – Commission Informational Items

Agenda Item 4.a – Utilities Division Manager's Report

Dean reviewed the Nacimiento River Crossing Pipe Repair status and stated that the project is now delivering water to the Participants. Scott Duffield gave a verbal update of the construction status, ongoing and anticipated operations, and presented a brief photographic slideshow of the Nacimiento River Crossing Pipe Repair progress.

Dean presented an item that was referred from the TSG. The TSG recommended discussion and that the Commission consider sending a letter to the Board of Supervisors

regarding the MCWRA Interlake Tunnel Project (ITP). A draft letter was presented within the Commission packet. Dean stated that County Counsel cautioned on the timing and tone of the letter. Commissioner Mecham also cautioned on the timing and advised not sending a letter unless the Monterey County Board of Supervisors Chairperson is informed prior to the letter being sent. It was also suggested that the Monterey County Board of Supervisors be copied on the letter.

A motion for the Commission to send a letter to the District Board of Supervisors was made by Commissioner Hamon. The motion was seconded by Alternate Commissioner Neil. The motion was approved unanimously.

There were no other significant updates or questions to the Utilities Division Manager's Report.

Agenda Item 7 – Commission Action Items (Subsequent Board action required)

Agenda Item 7.a – FY 2015/16 Nacimiento Water Operating Fund Budget

Dean Benedix reviewed the staff report, proposed budget, and presented a short power point with the recommended action that the Commission approve the FY 2015/16 budget.

A motion to approve the recommendation was made by Commissioner Mecham. The motion was seconded by Commissioner Dietch. The motion was approved unanimously.

Agenda Item 8 – Future Agenda Items Desired by Commission

An informational item on the status of the Paso Robles Groundwater Basin Supply Option Study Technical Memorandum regarding Nacimiento Project Water.

Chairperson Christianson adjourned the meeting at 4:50 p.m.

* * *

Nacimiento Project Commission
May 28, 2015
Agenda Item 4.a Utilities Division Manager's Report
(Information Only – No Action is Required)

TO: Nacimiento Project Commission

FROM: Dean Benedix, P.E., Utilities Division Manager

SUBJECT: Utilities Division Manger's Report

DATE: May 28, 2015

PROJECT UPDATES

1. Nacimiento River Crossing Pipe Repair

The repair project is complete and on May 19, 2015 the San Luis Obispo County Board of Supervisors adopted a resolution which authorized the execution of a notice of completion and acceptance of the construction of the Nacimiento Water Project Nacimiento River Crossing Pipe Repair project, and authorized Contract Change Order No. 7 in the amount of \$50,000 for the early completion incentive provision.

Discussion

The project addressed leaks at the Nacimiento River Crossing for the pipeline by providing a plastic pipe liner for a distance of approximately 1800 linear feet. The construction contract was awarded to V. Lopez Jr. & Sons, G.E.C., Inc. on January 6, 2015 in the amount of \$841,417 and was constructed within the allowable working days. The pipeline was targeted to be brought back into service by April.

Due to this service requirement, in addition to the typically specified liquidated damages assessed if contract working days are exceeded by the contractor, this construction contract also included an incentive provision for construction completion ahead of the contract working days. The contract specifies that additional payment will be allowed in the amount of \$5,000 per working day for achievement of Substantial Completion in advance of the expiration of the allotted number of working days, with a maximum limit of \$50,000. The contractor achieved Substantial Completion on April 7, 2015; eleven days in advance of the allotted number of working days to reach the Substantial Completion milestone.

The Contract Change Order No. 7 provided for additional payment to the contractor for the inventive provision. The Contract Change Orders (CCO) and costs are described below:

CCO No.	Description	Estimated Cost
CCO 1	Increase 8 Steel Flanges to 32" at East & West Connect	\$19,000.00
CCO 2	Install Link Seals at East & West Connections	\$6,000.00
CCO 3	Increase Reducers Length at East & West Connections	\$7,000.00
CCO 4	CWI Welding Inspection & Testing	\$6,200.00
CCO 5	Install Manway Access Boxes Extend Comm. Conduits	\$3,500.00
CCO 6	Reconstruct Access Roadway Embankment	\$4,800.00
CCO 7	Incentive Payment	\$50,000.00
TOTAL		\$96,500.00

Financial Considerations

The Nacimiento River Crossing Pipe Repair project is being paid from construction fund savings and by participating agencies and is budgeted in the FY 2014-2015 Nacimiento Water Project Fund at \$1,544,701. The total repair project costs (including change orders 1-7) are estimated at \$1,434,391. This does not include costs associated with investigation of the leaks in the pipe. Ultimately the District will be seeking full reimbursement of all damage repair costs from the original Pipeline Contractor, Teichert Construction, and will then credit the participating agencies when/if reimbursement is received.

2. Operations Report

The project continues to deliver water to all participating agencies and the District is coordinating operation efforts and schedules with the Participants in order to deliver as much of the 2015 Water Year Delivery Entitlement as possible.

All scheduled maintenance has been completed. Some other tasks are summarized below:

- Initiated implementation of the power monitoring projects at Santa Ysabel and Rocky Canyon Pump Stations.
- Serviced A/C systems at all pump stations.
- Serviced air compressor units at all pump stations.
- Completed weed abatement at all pump stations and tanks.
- Calibrated pressure transmitters at Rocky Canyon Pump Station.
- Serviced and calibrated automated valves at Rocky Canyon Pump Station.
- Serviced and calibrated automated valves at Santa Ysabel Pump Station.
- Completed hydraulic power unit modifications at Intake Pump Station.
- Calibrated mercury switches at Intake Pump Station.
- Serviced flow control valve at AMWC Turnout.

3. Invasive Species Prevention Program

Regional Program:

On April 24th, District staff attended an informational meeting at Lake Piru in Santa Paula with other regional representatives from the counties of Monterey, Ventura, Santa Barbara, and Los Angeles. The United Water Service District, who manages the reservoir, and the California Department of Fish and Wildlife had first detected the infestation of quagga mussels at Lake Piru in December of 2014. United Water shared their experiences with the first discovery, their current control measures, and offered advice to other water managers in attendance that may help them to make their various prevention programs more robust. At the end of the meeting, it was clear that our prevention efforts were far less expensive than trying to mitigate an infestation of quagga or zebra mussels.

Local Program:

The District, Monterey County Parks, and Nacimiento Regional Water Management Advisory Committee (NRWMAC) have been busily preparing for the upcoming boating season by holding both Level I Screener classes and Level I Screener recertification education classes. To date, three recertification classes have been completed with approximately 80 volunteers in attendance. District staff intends to hold one more recertification class before the end of the boating season.

Ten additional volunteers/ambassadors to the program have joined us by attending a Level I Certification class on May 16th at Heritage Ranch.

Resident Vessel Program:

Staff continues to receive Resident Vessel applications from lakeside residents. Thus far, only a few residents have decided to enroll their kayaks and canoes into the Resident Vessel Program. SLO District has seen a small decline in the number of enrolled residents this year as compared to 2014. We hypothesize that this current trend may be due to lower lake levels and community ramp availability.

Community	Mussel Coordinator	Vessels Enrolled	
		<u>2014</u>	<u>2015</u>
Cal Shasta Club Inc.	Phil Humfrey	46	42
Oak Shores	Dennis Javens	59	52
Tri Counties Club Inc.	Eric Gamble	15	13
South Shore Village	Todd Sorenson	10	5
Running Deer Ranch	Chuck Enterline	6	1
Christmas Cove	Tim Batinovich	8	10
Total		144	123

New Signage for the Mussel Prevention Program:

A new billboard design has been placed on Hwy 101 to help spread the word about protecting our lakes from invasive mussels. The new billboard is south facing just prior to the Del Rio exit in Atascadero. In preparation for the upcoming Memorial

Day weekend, flashing road signs on Nacimiento Lake Drive have been placed to inform boaters of the upcoming mussel inspection at the lake. These signs will be operating for the two weeks surrounding Memorial Day Weekend (May 20th-June 3rd). In the near future, five newly designed regulatory signs will be placed along the roadways to Lake Nacimiento to catch the attention of boaters who may be heading to the lake. These signs will warn boaters that all vessels will require a vessel inspection prior to launch.

4. Potential New Participants

The process to become a new participant starts with a written request addressed to the Public Works Director specifying the requested annual entitlement and the point of delivery. The potential new participant is required to execute a reimbursement agreement to pay for all staff work to evaluate and provide information in response to the request. After the reimbursement agreement is executed and a deposit provided, the District will review whether sufficient Reserve Water and system capacity exists to meet the request. The District will then provide a letter to the requestor with an estimate of the “buy in” costs and yearly delivery costs.

- a. Bella Vista Mobile Home Park (BVMHP) – This property is one included in the Project EIR for up to 50-acre feet per year (afy). The owners have provided a letter confirming their request to obtain up to 12-afy. The District has an executed reimbursement agreement with BVMHP for District services and is working on several water agreements associated with their request.
- b. Maino property – This property is not one included in the Project EIR. A representative for this property at the north end of Cayucos has provided a letter requesting 5-acre feet per year.
- c. Santa Margarita Ranch Mutual Water Company (SMRMWC) – SMRMWC is one included in the Project EIR for up to 200-acre feet per year (afy). The District recently met with representatives from SMRMWC to discuss their participation in the project. Their initial request previously received in November 2012, was for 4-afy for fire protection for existing and future structures. The recent discussion indicated that they still want the initial 4-acre feet; however, they also indicated an intention to request the balance of the 200-afy at a later time. The District has an executed reimbursement agreement with SMRMWC for District services and is developing a Water Delivery Entitlement Contract. The District also provided SMRMWC with additional information and requirements associated with their request.

The TSG discussed water allocation requests to EIR and Non-EIR entities at the past two meetings. The TSG recommendation is that any new participant (EIR or Non-EIR entity) receive a water allocation from an allocation the San Luis Obispo County Flood Control and Water Conservation District (District) would receive as a result of negotiations and a contract amendment which would allocate all of the

existing reserve water to the existing participants. This issue is the subject of a Commission action item herein. The District has not yet received a draft contact amendment which details this concept.

5. Reserve Water Project

The TSG advised that the draft amendment to the WDEC regarding the Nacimiento Reserve Water full allocation proposal continues to be circulated amongst the Participants and will be provided to the District for review and comment upon agreement of the draft by the Participants.

6. Monterey County Water Resources Agency (MCWRA) Interlake Tunnel Project

At the April 16, 2015 Commission meeting, a motion for the Commission to send a letter to the District Board of Supervisors was approved unanimously. The letter (Attachment 4.a) was sent to Chairperson Christianson for signature and action on May 20, 2015.

* * *

Attachment 4.a



NWP NACIMIENTO WATER PROJECT
San Luis Obispo County Flood Control & Water Conservation District

San Luis Obispo County FC&WCD

Dean Benedix, P.E.
Utilities Division Manager

Commissioners

Frank Mecham, SLO County FC&WCD
John Hamon, City of Paso Robles
Judy Dietch, Templeton CSD
Grigger Jones, Atascadero MWC
Carlyn Christianson, City of San Luis Obispo

May 20, 2015

Chairperson Debbie Arnold
Board of Supervisors
San Luis Obispo County Flood Control and Water Conservation District
County Government Center
1055 Monterey St., D430
San Luis Obispo, CA 93408

Subject: MCWRA Interlake Tunnel Project

Dear Chairperson Arnold:

The Nacimiento Project Commission is concerned the proposed Monterey County Water Resources Agency (MCWRA) Interlake Tunnel project connecting the Nacimiento Reservoir with the San Antonio Reservoir could impact the reliability of San Luis Obispo County Flood Control and Water Conservation District (District) water entitlement. We hereby request and advise that a review of this project by the District regarding the impacts and opportunities it could have on the Nacimiento Water Project participants be undertaken.

The proposed Interlake Tunnel project consists of a 12,000 foot long, 10 foot diameter, gravity flow tunnel from the Nacimiento Reservoir to San Antonio Reservoir with spillway modifications at San Antonio to increase water storage. The Interlake Tunnel is reported to be designed to divert water from the Nacimiento Reservoir to San Antonio Reservoir that would have otherwise been spilled at Nacimiento Dam during high rainfall years. The Nacimiento River basin produces nearly three times the average annual flow compared to the San Antonio River basin, therefore, capturing high Nacimiento River flows and diverting those flows to San Antonio Reservoir increases the overall storage capacity of the reservoir system.

We believe the idea behind the Interlake Tunnel is good as it could save water that would spill over the Nacimiento Dam and flow to the ocean during high rain years and send it to San Antonio which historically has capacity for additional water because of its less productive watershed. However, the Interlake Tunnel will provide MCWRA a mechanism to transfer Nacimiento water potentially on an annual basis to San Antonio regardless of rainfall, thus reducing water storage in Nacimiento, due to the elevation of the inlet to the tunnel. Our primary concerns with the project is the actual operation of

Attachment 4.a

Letter to Board of Supervisors
MCWRA Interlake Tunnel Project

May 20, 2015
Page 2

the tunnel, how it will be used, how much water will actually be transferred from Nacimiento to San Antonio, and under what circumstances.

The Nacimiento Project Commission believes that the District should request that MCWRA provide a plan that details how the Interlake Tunnel project will be operated with assurance it will not reduce the reliability of the District's annual Nacimiento water rights. The plan should address issues including at what reservoir water elevation/inflow rates the tunnel will be operated and how flows from San Antonio will be managed to reduce the outflows from the Nacimiento Dam. In addition to requesting this operations plan, we advise the District to independently review the proposed project and analyze the potential impacts to the reliability of our water supply.

Additionally, the Nacimiento Project Commission believes that MCWRA's pursuit of the Interlake Tunnel project may provide an opportunity for the District to expand or improve its water rights which could benefit all of the Nacimiento Project participants (including potential new participants). Improvements that could be explored include the ability to have "carry-over" storage in the reservoir, or an increase in the annual allocation of 17,500 acre-feet. We urge the District to explore these options, and engage in discussion with MCWRA about these opportunities. We believe that any reduction in the reliability of water allocation due to this project should be offset. Furthermore, there may be willingness on the part of some of the Nacimiento Project participants (or future participants) to support or participate in the proposed Interlake Tunnel Project in some way if new benefits are made available.

Finally, the Nacimiento Project Commission requests that the District provide regular updates on the Interlake Tunnel project, including actions taken relative to the recommendations above and positions taken on the proposed project. These updates can be provided to our agencies through the Technical Support Group.

Sincerely,

Carlyn Christianson
Chairperson
Nacimiento Project Commission

cc: Wade Horton, San Luis Obispo County Public Works Director
Simon Salinas, Monterey County Board of Supervisors District 3 Supervisor

Nacimiento Project Commission

May 28, 2015

**Agenda Item 4.b Status of Paso Robles Groundwater Basin Supply Option
Study Technical Memorandum Regarding Nacimiento Project Water**

(Information Only – No Action is Required)

TO: Nacimiento Project Commission

FROM: Dean Benedix, P.E., Utilities Division Manager

**SUBJECT: Paso Robles Groundwater Basin Supply Option Study Technical
Memorandum Regarding Nacimiento Project Water**

DATE: May 28, 2015

This item is an informational item requested by the Commission at the April 16, 2015 meeting. An administrative draft of the subject technical memorandum was released to the participating agencies in April, and a second draft was released to the Paso Robles Basin Advisory Committee in May. The final draft is anticipated to be released to the public in early June 2015.

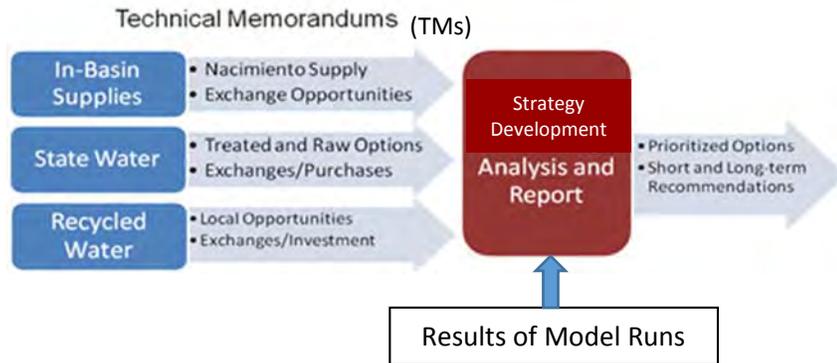
Attachment 4.b outlines the Paso Basin Supply Options Study Status as of May 2015.

* * *

Attachment 4.b

Paso Basin Supply Options Study Status – May 2015

- ▶ How much State Water, Nacimiento Water and Recycled Water are available?
- ▶ What time of the year is it available and for how long into the future?
- ▶ At what points geographically is the water available?
 - ▶ What would it take to get it there?
 - ▶ Is it treated or raw water? Suitable uses?
 - ▶ What would it take to make it available to a Basin Management District?
 - ▶ How much does it cost?



Timeline

- ✓ Contract Signed – May 2014
- ✓ Project deferred – June – Aug 2014 (Drought Priorities)
- ✓ Project Restarted – Sept – Oct 2014 (TM #1 – Project Approach)
- ✓ Develop Nacimiento, Recycled and State Water Tech Memos (Nov 14 – Jan 15)

TM Review/Release Steps Anticipated Completion Timing:

Water Option	Recycled	Nacimiento	State Water
Admin Draft Received	✓	✓	✓
Staff Review	✓	✓	✓
Release Approval	✓	✓	Mid May
Agency Review	✓	✓	Late May
Subcommittee/Public	✓	✓	June
Final Draft	May	June	July

- Town Hall Meeting to engage the public in the process (June 10, 2015)
- Model Runs (Summer 2015)
- Strategy Development Workshop with Subcommittee (Summer 2015)
- Reporting of Results and Public Meetings (Fall 2015)

Nacimiento Project Commission
May 28, 2015
Agenda Item 4.c Third Quarter Operations Budget Report
(Information Only – No Action is Required)

TO: Nacimiento Project Commission

FROM: Wendy Hall, Administrative Services Manger

VIA: Dean Benedix, P.E., Utilities Division Manager

SUBJECT: Second Quarter Operations Budget Update

DATE: May 28, 2015

Figures summarizing the Quarterly Operating Fund Budget are provided for your information. Actual expenditures are at 55.8% with 75% of the year elapsed.

If you have any questions please feel free to contact me at either (805) 781-5295 or via e-mail at whall@co.slo.ca.us. Staff will be available to answer specific questions at the meeting.

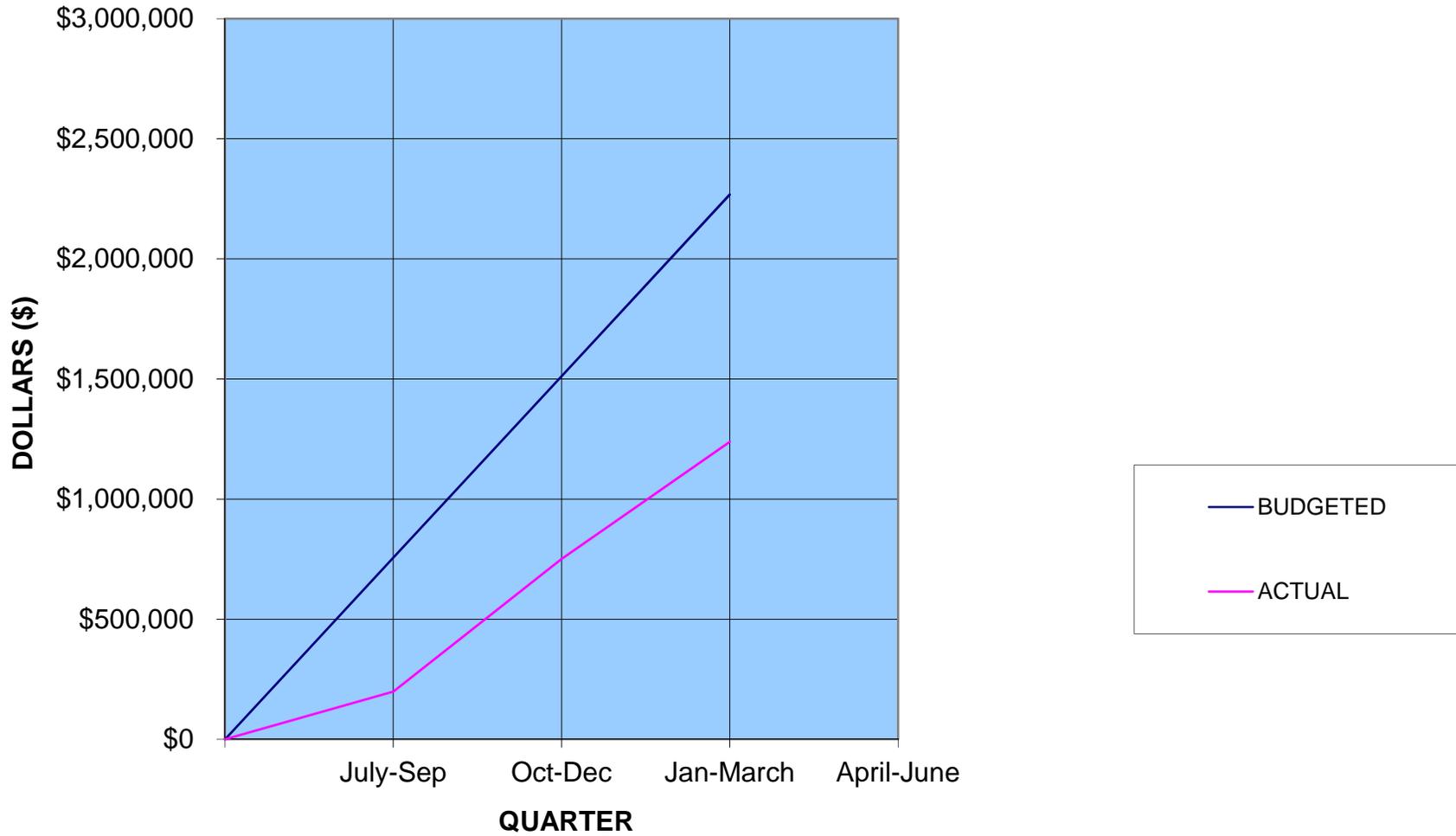
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Attachment 4.c

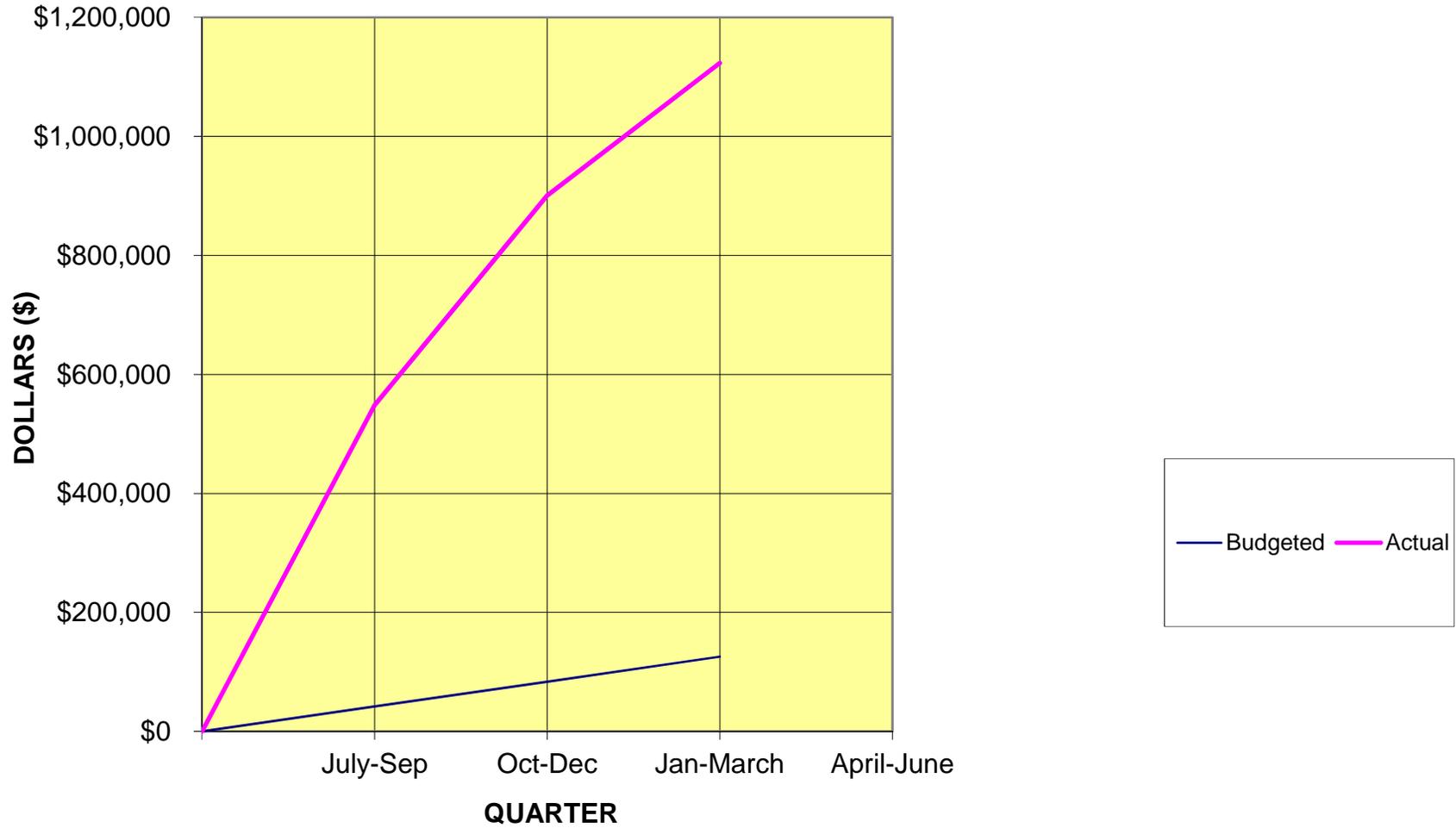
Nacimiento Water Operating Fund Operation and Maintenance FY 2014-2015

		Budget	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total	% of Budget	Actual
	WBS Element	FY 2014-15	July-Sep	Oct-Dec	Jan-March	April-June			Variance
Routine Operation and Maintenance									
Master Water Contract	300420.01.03	\$204,730	\$0.00	\$0.00	\$0.00		\$0.00	0.0%	\$204,730.00
Variable Energy Costs	300420.03	\$1,106,855	\$6,819.56	\$0.00	\$0.00		\$6,819.56	0.6%	\$1,100,035.44
Water Conservation Management	300420.04	\$0	\$0.00	\$0.00	\$0.00		\$0.00	0.0%	\$0.00
Water Quality Analysis	300420.05	\$65,965	\$14,409.94	\$7,891.36	\$8,500.00		\$30,801.30	46.7%	\$35,163.70
Water Quality Support	300420.06/.06.01.03/.06.02/.06.03	\$132,637	\$11,751.02	\$23,346.32	\$13,664.61		\$48,761.95	36.8%	\$83,875.00
Regulatory Agency/Department of Public Health	300420.02	\$35,291	\$0.00	\$590.29	\$221.31		\$811.60	2.3%	\$34,479.31
Invasive Species/Quagga Mussels	300420.09.02/.06.01/.06.02	\$160,600	\$24,270.30	\$23,480.81	\$16,244.69		\$63,995.80	39.8%	\$96,604.62
Environmental Mitigation	300420.09/09.01	\$0	\$0.00	\$78.41	\$122.13		\$200.54	0.0%	(\$200.54)
Utilities Operations and Office Engineering	300420.07	\$363,335	\$36,901.67	\$38,452.21	\$33,757.33		\$109,111.21	30.0%	\$254,223.79
Lakeside Contracts	300420.01.05	\$22,390	\$712.43	\$3,774.64	\$2,756.49		\$7,243.56	32.4%	\$15,146.44
Water Rights	300420.01.04	\$0	\$0.00	\$0.00	\$0.00		\$0.00	0.0%	\$0.00
General Accounting	300420.01	\$145,840	\$14,284.64	\$15,482.71	\$15,658.39		\$45,425.74	31.1%	\$100,414.26
County wide Overhead	300420.01.01	\$2,631	\$0.00	(\$3,458.00)	\$546.00		(\$2,912.00)	-110.7%	\$5,543.00
Contributions to ISF/New Equipment	300420.01.02	\$0	(\$132.39)	\$1,849.51	\$162.84		\$1,879.96	0.0%	(\$1,879.96)
General Units	300420.10	\$84,356	\$14,037.80	\$14,277.36	\$12,043.12		\$40,358.28	47.8%	\$43,997.72
Unit A, Intake Pump Station	300420.10.A	\$174,393	\$19,388.92	\$22,402.21	\$37,618.41		\$79,409.54	45.5%	\$94,983.46
Unit A1, Camp Roberts Tank	300420.10.A1	\$36,592	\$1,648.03	\$2,551.60	\$10,990.60		\$15,190.23	41.5%	\$21,401.77
Unit B, Santa Ysabel Pump Station	300420.10.B	\$118,773	\$22,278.92	\$15,579.27	\$22,514.03		\$60,372.22	50.8%	\$58,400.78
Unit C, Pipe, Monterey Road to Wellsona	300420.10.C	\$25,084	\$2,585.65	\$294.47	\$964.25		\$3,844.37	15.3%	\$21,239.63
Unit C1, Pipe, Monterey Road/Wellsona	300420.10.C1	\$23,991	\$4,770.45	\$3,310.17	\$5,408.79		\$13,489.41	56.2%	\$10,501.59
Unit D, Pipe, Paso Turnout to Templeton CSD	300420.10.D	\$16,550	\$1,361.04	\$970.66	\$687.58		\$3,019.28	18.2%	\$13,530.72
Unit E, Pipe, Templeton CSD to Atascadero MWC	300420.10.E	\$15,744	\$225.99	\$666.21	\$4,000.42		\$4,892.62	31.1%	\$10,851.38
Unit F, Pipe, Atascadero MWC to Rocky Canyon Tank	300420.10.F	\$16,092	\$630.77	\$432.33	\$1,324.64		\$2,387.74	14.8%	\$13,704.26
Unit F1, Rocky Canyon Tank	300420.10.F1	\$13,376	\$2,590.14	\$1,929.33	\$1,686.64		\$6,206.11	46.4%	\$7,169.89
Unit F2, Rocky Canyon Pump Station	300420.10.F2	\$101,544	\$6,120.07	\$11,303.38	\$13,871.74		\$31,295.19	30.8%	\$70,248.81
Unit G, Rocky Canyon PS to Route 58/Maria Avenue	300420.10.G	\$15,694	\$2,620.91	\$1,819.91	\$1,531.22		\$5,972.04	38.1%	\$9,721.96
Unit G1, Route 58/Maria Ave. to Cuesta Tunnel Tank	300420.10.G1	\$17,303	\$283.78	\$2,750.25	\$1,214.44		\$4,248.47	24.6%	\$13,054.53
Unit G2, Cuesta Tunnel Tank	300420.10.G2	\$22,861	\$1,160.49	\$715.32	\$2,821.48		\$4,697.29	20.5%	\$18,163.71
Unit H, Cuesta Tunnel	300420.10.H	\$1,970	\$0.00	\$0.00	\$135.51		\$135.51	6.9%	\$1,834.49
Unit H1, Cuesta Tunnel to San Luis Obispo Turnout	300420.10.H1	\$37,185	\$3,287.63	\$1,803.66	\$13,425.46		\$18,516.75	49.8%	\$18,668.25
Unit T-2, City of Paso Robles Turnout	300420.10.T2	\$16,372	\$994.01	\$1,411.09	\$17,092.65		\$19,497.75	119.1%	(\$3,125.75)
Unit T-4, Templeton CSD Turnout	300420.10.T4	\$11,574	\$542.81	\$898.78	\$1,310.98		\$2,752.57	23.8%	\$8,821.43
Unit T-6, Atascadero MWC Turnout	300420.10.T6	\$14,678	\$1,135.90	\$1,576.96	\$6,266.32		\$8,979.18	61.2%	\$5,698.82
Unit T-11/11a, City of San Luis Obispo Turnout	300420.10.T11/T11a	\$19,149	\$2,545.15	\$987.01	\$1,160.62		\$4,692.78	24.5%	\$14,456.22
Reimbursable Billings	300420.11	\$0	\$458.98	\$3,628.72	\$11,420.11		\$15,507.81	N/A	(\$15,507.81)
Nacimiento Reserve Water Project	300420.12	\$0	\$0.00	\$0.00	\$5,773.29				
Total Routine Operation and Maintenance		\$3,023,555	\$197,684.61	\$200,796.95	\$264,896.09	\$0.00	\$657,604.36	21.7%	\$2,381,458.73
Non-Routine O&M									
Misc. Fiber Optic Repair		\$25,850	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.0%	\$25,850.00
Booster Station Upgrade		\$141,550	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.0%	\$141,550.00
Pipeline Emergency Repair, WO #40108876		\$0	\$503,763.35	\$242,302.95	\$217,205.71		\$963,272.01	N/A	(\$963,272.01)
Pressure Test Salinas Crossing, WO#40112585		\$0	\$44,386.06	\$110,118.47	\$5,243.93		\$159,748.46	N/A	(\$159,748.46)
Total Non-Routine Operation and Maintenance		\$167,400	\$548,149.41	\$352,421.42	\$222,449.64	\$0.00	\$1,123,020.47	670.9%	(\$955,620.47)
Capital Outlay									
		\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.0%	\$0.00
Total Capital Outlay		\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.0%	\$0.00
Grand Total		\$3,190,955	\$745,834	\$553,218	\$487,346	\$0	\$1,780,625	55.8%	\$1,425,838

Total Routine Operations and Maintenance

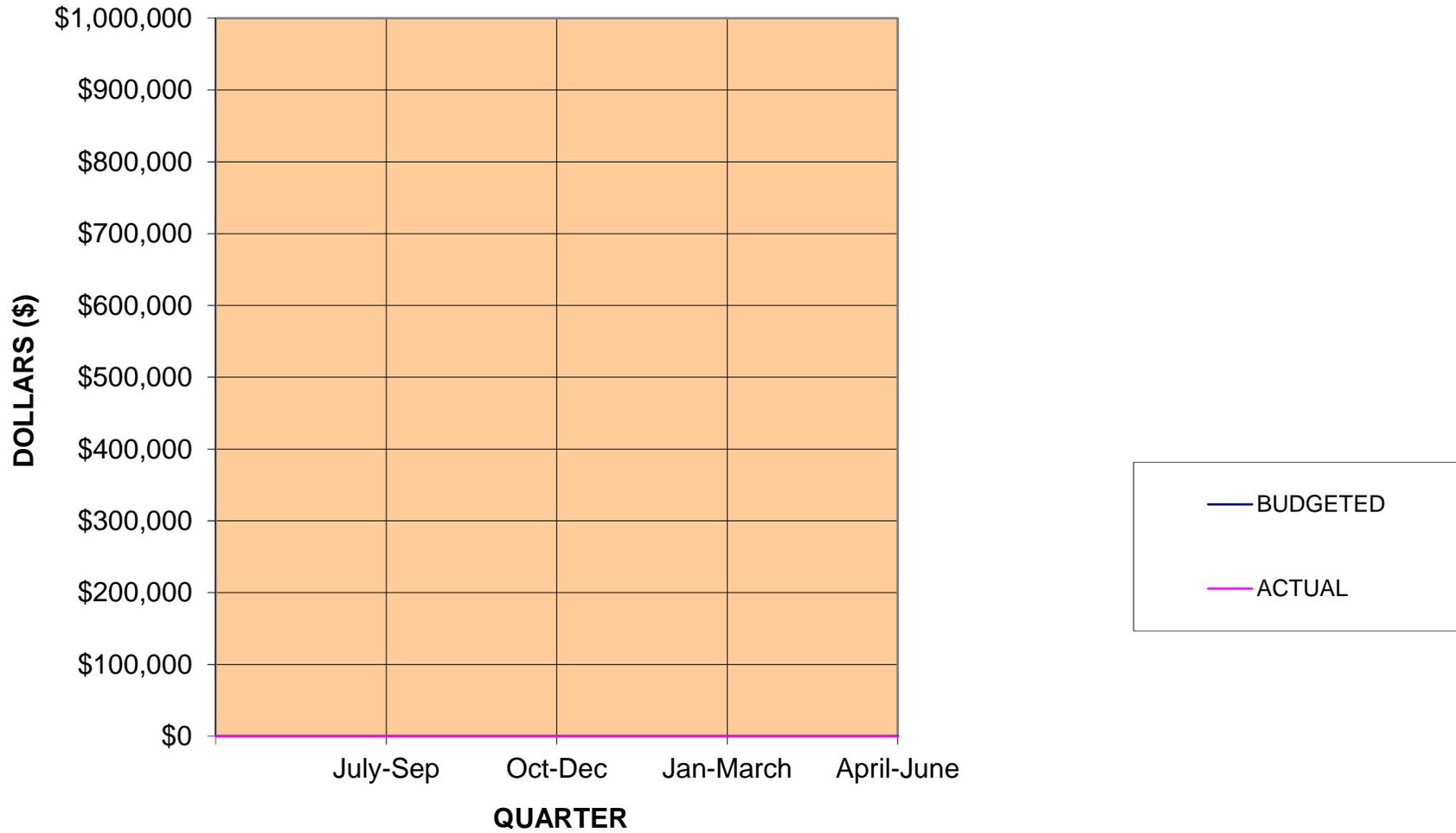


Total Non-Routine Operations and Maintenance



Attachment 4.c

Total Capital Outlay



Nacimiento Project Commission
May 28, 2015
Agenda Item 6.a EIR and Non-EIR Entities Requests to Become a New Participant

(Commission Action – No Subsequent Board Action Required)

TO: Nacimiento Project Commission

**FROM: Nacimiento Project Technical Support Group
Dean Benedix, P.E., Utilities Division Manager**

VIA: Mark Hutchinson, Deputy Public Works Director

SUBJECT: EIR and Non-EIR Entities Requests to Become a New Participant

DATE: May 28, 2015

Recommendation

The Commission is requested to:

1. Consider and discuss the TSG recommendation that allocation to any New Participant be provided from an allocation the District would receive as a result of current negotiations and subsequent contract amendment which is intended to allocate all of the Reserve Water to the existing Participants; and
2. Direct staff how the Commission would like to respond to requests to become a New Participant from Non-EIR entities.

Discussion

The District is currently working on requests for allocation of Nacimiento Project Water from two entities identified in the Project EIR (EIR entity). The District has recently received a letter dated March 18, 2015 (Attachment 6.a) from a representative of a property in Cayucos (a Non-EIR entity). These requests have been regularly discussed with the Technical Support Group, most recently at the May 14, 2014 meeting.

Article 29(C) of the Water Delivery Entitlement Contracts (WDEC) identifies how to address requests from potential New Participants. That language basically states that the entities identified in the Project EIR and Exhibit "B" of the WDEC can enter into a Like-Contract for delivery of water without consultation from the Commission, provided that they pay the required costs. Project participation by potential New Participants not addressed in the EIR (Non-EIR entity) would also require the written approval from Participants representing at least 55% of delivery entitlements at that time.

Considering terms set forth in Article 29(C) and other pertinent terms of the WDEC, as well as the ongoing negotiations related to the use of Reserve Water, the Technical Support Group recommends that allocation to any New Participant (EIR or Non-EIR entity) be provided from an allocation the District would receive as a result of the negotiations and subsequent WDEC amendment which is intended to allocate all of the Reserve Water to the existing Participants.

Other Agency Involvement

New Participants must be a water-distributing public agency, city, mutual water company or other entity established under the laws of the State of California, which having the legal power to do so, is able to execute a Like Contract. New Participants would also need to perform CEQA review, and may need to execute other water agreements, including but not limited to an agreement with another water distributing agency that would serve the property, water treatment agreement, etc.

Financial Considerations

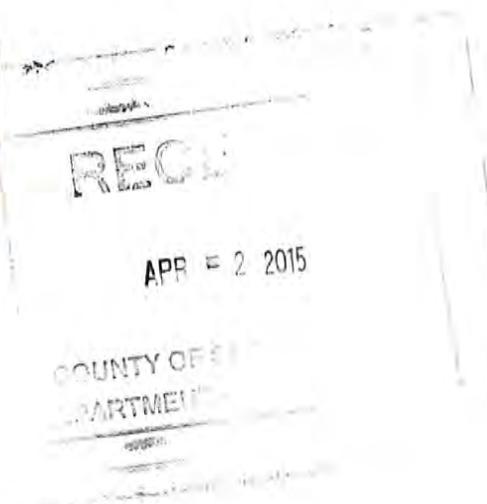
All potential New Participants are responsible for any and all costs associated with their request. Welcoming New Participants to the project would shed some of the financial burden associated with Reserved Capacity costs among more entities.

Results

The action before the Nacimiento Project Commission is to consider actions to continue to work towards fully subscribing the Project.

* * *

Attachment 6.a



March 18, 2015

Wade Horton
Director of Public Works
County of San Luis Obispo
County Government Center, Rm 206
966 Osos Street
San Luis Obispo, CA 93408

Re: Request for Allocation of Nacimiento Water for James Maino Property in Cayucos

Dear Mr. Horton,

I represent Mr. James Maino who has owns property at the north end of Cayucos (apn 064-481-005). In the past when the County was soliciting interest from property owners to step forward to apply for water from the Nacimiento Water Project, Mr. Maino was not certain about his future plans for the property. However, in an effort to finalize his personal estate plan, he would like to purchase a small amount of Nacimiento water for his property.

The property is included in the County's Estero Plan for the community of Cayucos and can be developed with up to 15 units. The property is zoned Residential Multi-family and has several development criteria prescribed for the site. Considering that all of the existing Cayucos water purveyors do not have any water available for this property, the only viable means to provide water for this property is to purchase it from the Nacimiento Water Project.

Another issue for your consideration is that the Bella Vista Mobile Home Park, which did participate in the environmental review for allocation of water for its needs, is only going to purchase a fraction of the water that it had originally requested. This would appear to make some of that water available for distribution to the Maino property without increasing the burden on the Nacimiento Water Project or exceeding the environmentally reviewed and approved allocation.

Our request is for the County to consider allocating up to 5-AFY to Mr. Maino for his use. We welcome the opportunity to discuss this request with your staff or the Technical Advisory Committee at any time. From our perspective, it appears to us that now is a good time to plan for acquiring water for zoned property in the Cayucos community that has no other water source alternatives.

Please let me know how we can proceed with this request. Thank you for your consideration.

Sincerely,

Daniel R. Lloyd
Daniel R. Lloyd
Principal

cc: Mark Hutchinson

Post Office Box 378 · Cayucos, CA 93430 Phone: 805-995-1618 Fax: 805-995-1678