



**NWP NACIMIENTO WATER PROJECT**

San Luis Obispo County Flood Control & Water Conservation District

**Nacimiento Project Commission  
Notice of Meeting and Agenda  
Thursday, April 21, 2016 – 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 February 25, 2016
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. 2016 Delivery Report
5. PRESENTATIONS – no action required.

None
6. COMMISSION ACTION ITEMS  
(No Subsequent Board of Supervisors Action Required)

None
7. COMMISSION ACTION ITEMS  
(Board of Supervisors Action is Subsequently Required)
  - a. FY 2016/17 Nacimiento Water Operating Fund Budget
8. FUTURE AGENDA ITEMS DESIRED BY COMMISSION

Commissioners

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

**Grigger Jones, Vice Chair,** Atascadero MWC

**Frank Mecham,** SLO County Flood Control & Water Conservation District

**Judy Dietch,** Templeton CSD

**Carlyn Christianson,** City of San Luis Obispo

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**Next Commission meeting scheduled for  
Thursday, May 26, 2016 at 4:00 pm at  
Templeton Community Services District Offices**

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Nacimiento Project Commission  
April 21, 2016  
**Agenda Item 3.a – Meeting Notes from February 25, 2016**

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Agenda Item 1 – Call to Order

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

Chairperson Carlyn 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

Alternate John Neil, Atascadero Mutual Water Company

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

Commissioners Absent: None.

Staff Present:

Dean Benedix - District

Jeff Britz - Templeton Community Services District

Carrie Mattingly, Aaron Floyd, Dean Furukawa - City of San Luis Obispo

Agenda Item 1.b – Nomination and Election of Commission Officers

Upon motions and seconds by commissioners present, John Hamon was unanimously elected as Chairperson and Grigger Jones unanimously elected Vice-Chairperson. Chairperson Hamon took over presiding of the meeting.

Agenda Item 1.c – Conflict of Interest Filing

Dean reminded all commissioners of the requirement to file their annual Statement of Economic Interests –Form 700 by April 1.

Agenda Item 2 – Public Comment

There were no public comments.

Agenda Item 3 – Meeting Notes

Agenda Item 3.a – Meeting Notes from November 19, 2015

The meeting notes from the November 19, 2015 Commission meeting were unanimously approved without corrections.

Agenda Item 4 – Commission Informational Items

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

Dean briefly reviewed the items from the agenda report:

Nacimientto River Crossing Pipe Repair - The draft engineering assessment of lost capacity through the sleeved crossing pipeline has been provided to the District’s consultant counsel, and is available through each Participant’s counsel.

Operations Report – Deliveries were reported, including a water year cumulative delivery report which will be provided at future meetings.

Lake Nacimientto & Monterey County Water Resources Agency (MCWRA) Activities – Dean reported on winter storm totals into lake, MCWRA status on the Tunnel project, and the Reservoir Operations Policy Subcommittee update for both Nacimientto and San Antonio Dam and lake operation policies.

Reserve Water Project – Scheduled for District consideration and approval on April 19.

Agenda Item 4.b – Second Quarter Operations Budget Update

Dean reviewed this item as provided in the agenda package, there were no comments or questions.

Agenda Item 4.c – Southern California Pipeline Litigation Update

There were no questions regarding the tentative settlement with Southern California Pipeline Construction Co. as noted in the staff report.

Agenda Item 5 – Presentations

Agenda Item 5.a – FY 2016/17 Nacimientto Water Operating Fund Draft Budget

Dean presented the draft Nacimientto Water Operating Fund budget to Commissioners. Any detailed questions were to be directed to Wendy Hall of District staff in advance of the special Commission budget approval meeting scheduled for April 21.

Commissioner Mecham noted a number of State Assembly and Senate bills relating to water use and basin, groundwater and erosion issues.

Chairperson Hamon adjourned the meeting at 4:25 p.m.

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Nacimiento Project Commission  
 April 21, 2016  
**Agenda Item 4.a – Utilities Division Manager’s Report**  
 (Information Only – No Action is Required)

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**TO: Nacimiento Project Commission**

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

**SUBJECT: Utilities Division Manager’s Report**

**DATE: April 21, 2016**

**PROJECT UPDATES**

**1. Operations Report**

Deliveries through March 2016 totaled 2694 acre feet for the water year starting on October 1, 2015 as shown on the attached 2016 Delivery Report.

**2. Reserve Water Project**

Dean will report on the Board of Supervisors April 19 consideration of the participants request to take distribution of all Reserve Water. The final distribution of reserve water and costs are shown on the table below:

| Participant           | Acre Feet per Year |        |        | Buy In Fee   |
|-----------------------|--------------------|--------|--------|--------------|
|                       | Original           | New    | Change |              |
| Paso Robles           | 4,000              | 6,488  | 2,488  | \$ (450,830) |
| Templeton             | 250                | 406    | 156    | \$ (30,575)  |
| Atascadero            | 2,000              | 3,244  | 1,244  | \$ (377,010) |
| City of SLO           | 3,380              | 5,482  | 2,102  | \$ (792,812) |
| CSA 10A               | 25                 | 40     | 15     | \$ (16,739)  |
| Santa Margarita Ranch | 0                  | 80     | 80     | \$ 1,458,099 |
| Bella Vista MHP       | 0                  | 10     | 10     | \$ 209,867   |
|                       | 9,655              | 15,750 | 6,095  | 0            |
| Capacity              | 17,500             | 17,500 |        |              |
| Prior Comtmt.         | 1,750              | 1,750  |        |              |
| Reserve               | 6,095              | 0      |        |              |

### **3. Lake Nacimiento & Monterey County Water Resources Agency (MCWRA) Activities**

The MCWRA Reservoir Operations Policy Subcommittee is meeting bi-monthly to update the Nacimiento and San Antonio Dam Operations Policies, last updated in 2000 and 2001 respectively. The primary purpose is to bring current the MCRWA operation policies and procedures up to date specifically to include:

- i. National Marine Fisheries Service Biological Opinion of June 21, 2007.
- ii. Salinas Valley Water Project Flow Prescriptions for Steelhead Trout in the Salinas River
- iii. State Water Resources Water Control Board water rights permit 21089

Dean Benedix (Scott Duffield as alternate) is attending these meetings with the goal of cooperative involvement and assuring San Luis Obispo's water resource interests are recognized and protected.

MCWRA presented a preliminary Multi-Year (9 years) Maintenance plan for both San Antonio and Nacimiento dams at their April 7, 2016 monthly Reservoir Operations meeting. The draft plan shows expenditures of approximately \$504,000 for maintenance and operations of the San Antonio Dam for fiscal years 2016-2017 through 2019-2020 (the first 4 years). District staff will provide additional information on the impact of this at the Commission's May 26 meeting.

## Agenda Item 4.b - 2016 Delivery Report

### Nacimiento Water Project 2016 Delivery Report

| <b>Deliveries<sup>1</sup></b> |        |         |         |         |         |         |         |         |         |         |         |         |         |  |
|-------------------------------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--|
|                               | Oct-15 | Nov-15  | Dec-15  | Jan-16  | Feb-16  | Mar-16  | Apr-16  | May-16  | Jun-16  | Jul-16  | Aug-16  | Sep-16  | TOTAL   |  |
| City of Paso                  | 233.91 | 204.66  | 88.80   | 42.83   | 67.00   | 177.08  | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 814.28  |  |
| Ops Water                     |        |         |         |         |         |         |         |         |         |         |         |         |         |  |
| TCSD                          | 37.58  | 38.18   | 10.49   | 8.75    | 20.13   | 24.54   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 139.67  |  |
| Ops Water                     |        |         |         |         |         |         |         |         |         |         |         |         |         |  |
| AMWC                          | 251.40 | 13.77   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 265.17  |  |
| Ops Water                     |        |         |         |         |         |         |         |         |         |         |         |         |         |  |
| City of SLO                   | 303.45 | 251.10  | 230.92  | 221.97  | 238.23  | 229.53  | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 1475.20 |  |
| Ops Water                     |        |         |         |         |         |         |         |         |         |         |         |         |         |  |
| CSA 10A                       | 0.00   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    |  |
|                               |        |         |         |         |         |         |         |         |         |         |         |         |         |  |
| <b>TOTALS</b>                 | 826.34 | 507.71  | 330.21  | 273.55  | 325.36  | 431.15  | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 2694.32 |  |
| Cumulative                    | 826.34 | 1334.05 | 1664.26 | 1937.81 | 2263.17 | 2694.32 | 2694.32 | 2694.32 | 2694.32 | 2694.32 | 2694.32 | 2694.32 |         |  |

| <b>Requests<sup>2</sup></b> |         |         |         |         |         |         |         |         |         |          |          |          |          |  |
|-----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|----------|----------|----------|--|
|                             | Oct-15  | Nov-15  | Dec-15  | Jan-16  | Feb-16  | Mar-16  | Apr-16  | May-16  | Jun-16  | Jul-16   | Aug-16   | Sep-16   | TOTAL    |  |
| Deliveries                  | 966.75  | 551.00  | 382.00  | 401.25  | 516.00  | 561.75  | 551.00  | 561.75  | 1306.00 | 1320.75  | 1320.75  | 986.00   | 9425.00  |  |
| Reserve Water               | 750.00  | 400.00  | 150.00  | 175.00  | 200.00  | 450.00  | 550.00  | 550.00  | 800.00  | 800.00   | 800.00   | 700.00   | 6325.00  |  |
|                             |         |         |         |         |         |         |         |         |         |          |          |          |          |  |
| <b>TOTALS</b>               | 1716.75 | 951.00  | 532.00  | 576.25  | 716.00  | 1011.75 | 1101.00 | 1111.75 | 2106.00 | 2120.75  | 2120.75  | 1686.00  | 15750.00 |  |
| Cumulative                  | 1716.75 | 2667.75 | 3199.75 | 3776.00 | 4492.00 | 5503.75 | 6604.75 | 7716.50 | 9822.50 | 11943.25 | 14064.00 | 15750.00 |          |  |

ALL VALUES IN ACRE-FEET (AF)

Notes:

1. Deliveries input from monthly report provided by North County Operations.
2. Requests as submitted to MCWRA
3. Ops Water (Operations Water) is water sent through the turnout for operation & maintenance needs and not counted against Participants' Delivery Entitlement

Nacimiento Project Commission

April 21, 2016

**Agenda Item 7.a FY 2016/17 Nacimiento Water Operating Fund Budget**

(Commission Action Item – Board of Supervisors Action is Subsequently Required)

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**TO: Nacimiento Project Commission**

**FROM: Wendy Marie C. Hall, Administrative Services Manager**

**VIA: Dean Benedix, Utilities Division Manager**

**SUBJECT: FY 2016/17 Nacimiento Water Operating Fund Budget**

**DATE: April 21, 2016**

The 2016/17 Proposed Operating Budget was presented to your Commission February 25, 2016 along with hardcopies and an electronic copy to all TSG and Finance Committee members. **The budget is based on the full allocation of the Nacimiento Reserve Water and includes two New Participants, Bella Vista Mobile Home Park and SMR Mutual Water Company.**

Operations and Maintenance expenditures are proposed to increase by approximately 47.11%. The increase is due primarily to an estimated increase in billable variable energy costs attributable to higher delivery requests, increased Master Water Contract billings and new non-routine projects.

With the lake waters low, Monterey County took the opportunity to perform some extensive repairs and maintenance of the Dam, therefore resulting in higher than estimated billings.

Non-Routine billings are \$173,978 or 68.35% higher due to three new Non-Routine projects that are slated to take place in FY 2016/2017:

|  |          |
|--|----------|
| Electrical Evaluation of Pump Stations         | \$51,700 |
| Power Monitoring at Rocky Canyon Pump Station  | \$31,537 |
| SCADA Programming at Santa Ysabel Pump Station | \$25,850 |

And new budget for continued efforts on the following projects:

|   |           |
|---|-----------|
| 5 Year Pipeline Close Interval Potential Survey | \$175,780 |
| Booster Station Office Project                  | \$137,173 |

As discussed with the TSG on December 10, 2015 there are three new capital projects:

|                           |           |
|---------------------------|-----------|
| Turnout Strainers         | \$ 51,700 |
| Inline Valve Installation | \$258,500 |
| Pump Station Improvements | \$134,420 |

Debt Service increased \$673,626 or 6.12%. Billable Debt Service has been recalculated and adjusted for the 2015 bond refinancing and the District tax revenue that is no longer credited against the Debt Service Costs due to the full allocation of the Nacimiento Reserve Water.

A change was requested during the TSG and Finance Committee review of the budget, the Nacimiento River Crossing Ultimate Capacity Restore Project in the amount of \$134,420 was removed to be addressed at a later date. The proposed budget has been revised and this proposed final budget prepared for your approval.

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