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NACIMIENTO WATER PROJECT
 Newsletter May 2007



Supplementing the San Luis Obispo County Water Supply





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Project Website:
www.slocounty.ca.gov/PW/NacWP.htm

Participating Communities:

- City of El Paso de Robles
 - 4000 AFY
- Templeton CSD
 - 250 AFY
- Atascadero MWC
 - 2000 AFY
- City of San Luis Obispo
 - 3380 AFY
- CSA No. 10A (Cayucos)
 - 25 AFY

Project Cost Estimates

Expenditures	Estimated Project Cost
Preliminary Engineering	\$2.2 Million
Environmental Design	\$8.1 Million
Right-of-Way	\$12.3 Million
Construction	\$3.2 Million
TOTAL	\$164 Million

NACIMIENTO WATER PROJECT

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BRIEF INTRODUCTION TO THE PROJECT

In 1959, San Luis Obispo County Flood Control and Water Conservation District (District) obtained entitlement to 17,500 acre-feet of water per year from Lake Nacimiento by an Agreement with the Monterey County Water Resources Agency, owner and operator of the lake and dam. In recent years, the District staff has worked with consultants to confirm the pipeline route, complete the Project design, and receive the necessary environmental permits. Project construction will begin in fall 2007, while actual water delivery is scheduled for late 2010.

CURRENT PROJECT STATUS

Plans are in place to build a 45-mile pipeline to deliver water from Lake Nacimiento to Paso Robles, Templeton, Atascadero, and San Luis Obispo with deliveries via exchange to Cayucos. This Project ensures a supplemental water supply to our communities.

The Nacimiento Water Project stands as the District's largest Public Works project embarked upon to date. Project costs are projected at \$190-million, which includes:

- Construction
 - 45-miles of pipeline ranging in diameter from 12-36 inches
 - three tanks
 - multi-port intake facility at the lake
- Design
- Environmental Permits
- Right-of-Way
- Construction Management
- Other District costs

The Project will be financed with revenue bonds, which are to be paid back by Participating agencies over a 30-year period. Ultimately, water rate payers and new connection fees will pay the bulk of the debt service associated with construction.

Environmental permits are in hand, design is complete, and right-of-way acquisition is well underway. Advertisement for construction bids began May 22, 2007 and construction itself is anticipated to begin this coming fall and continue over the next three years. Participating agencies are currently preparing for water delivery to begin in 2010.

NACIMIENTO WATER PROJECT

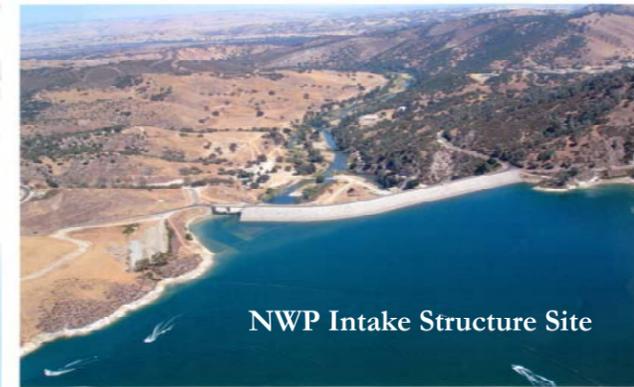
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COUNTY'S CURRENT WATER SUPPLY

San Luis Obispo County encompasses a broad spectrum of people including those related to the agricultural economy, the tourism industry, residential communities, among others. Currently 80% of the area's water needs are met through groundwater, while the remainder comes from the existing surface water sources: Lopez Lake, Santa Margarita Lake, Whale Rock Reservoir, and the State Water Project.

NECESSITY FOR ADDITIONAL WATER

As our local communities continue to thrive and expand, our demand for additional water steadily increases. The County's entitlement from Lake Nacimiento stands out as one of the leading options for a reliable, efficient solution to the area's water needs.



NWP Intake Structure Site



End of NWP Pipeline
SLO Water Treatment Plant

WATER QUALITY

The California Department of Health Services and the Environmental Protection Agency issued a report in November 2006, along with an advisory, that recommends restrictions on fish consumption for fish caught in Lake Nacimiento.

For over a decade, water quality analyses at Lake Nacimiento have shown that mercury levels sampled near the face of the dam (i.e. near the NWP intake structure) are low, less than one part per billion, which is well within the drinking water allowable limit. Higher levels of mercury are found in sediments along tributaries into the lake, not in the water column.

How is it possible that the water is safe to drink while eating too much fish could be hazardous? This is the case because bacteria in the sediments convert mercury to methylmercury, and in this form it is taken up by tiny aquatic plants and animals. Fish that eat these organisms have a build up of methylmercury in their bodies. As every bigger fish eats smaller ones, the methylmercury is concentrated further up the food chain. Mercury does not migrate miles to the deeper part of the lake nor does it stay in suspension within the lake. That is why levels at the intake site are so low and the lake water meets the drinking water standards for mercury- even before treatment.

THANK YOU for your interest and continuing support of our Project.