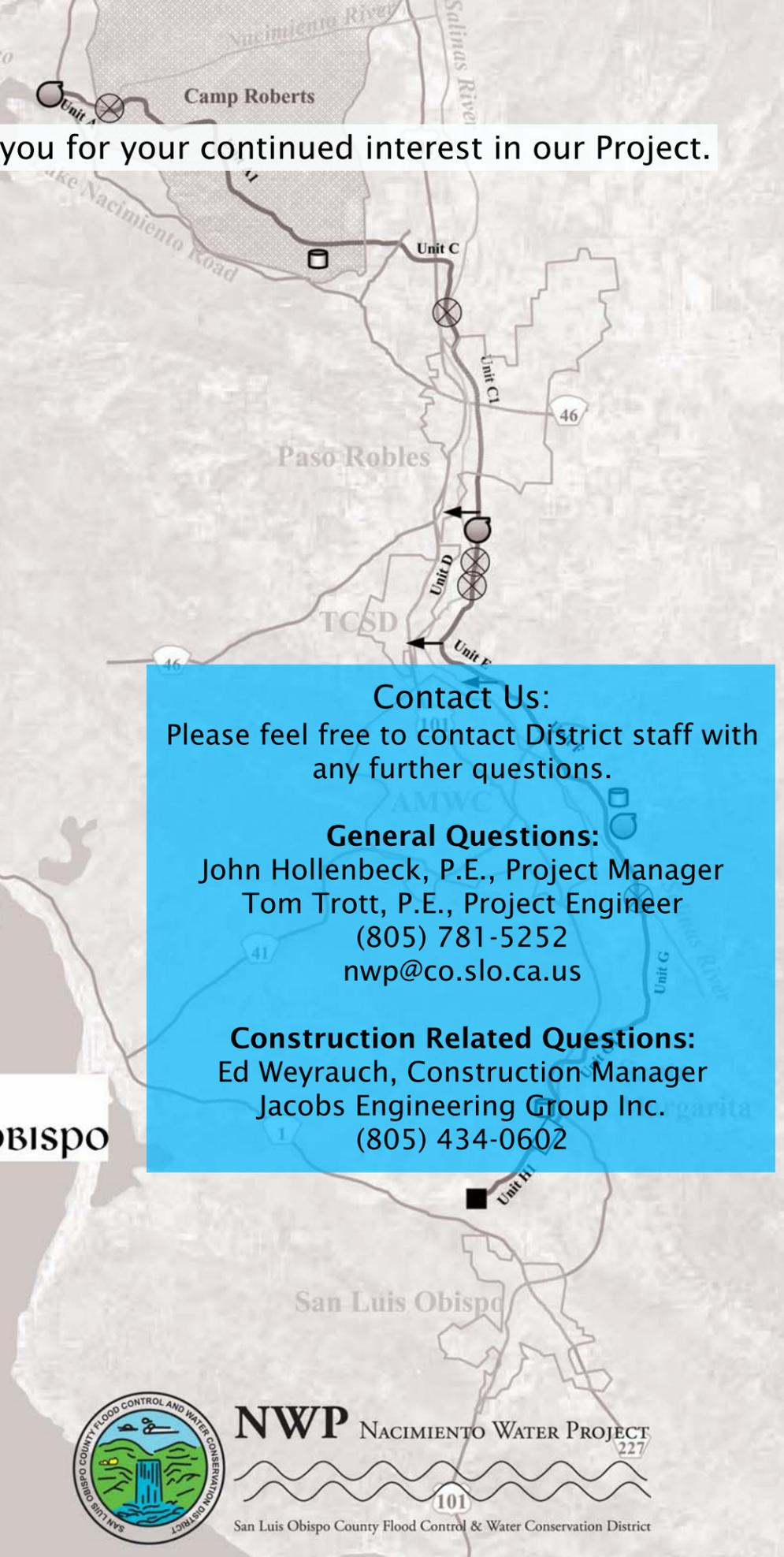
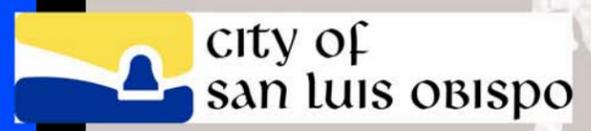


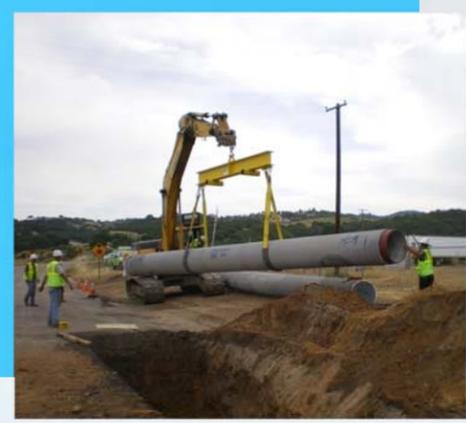
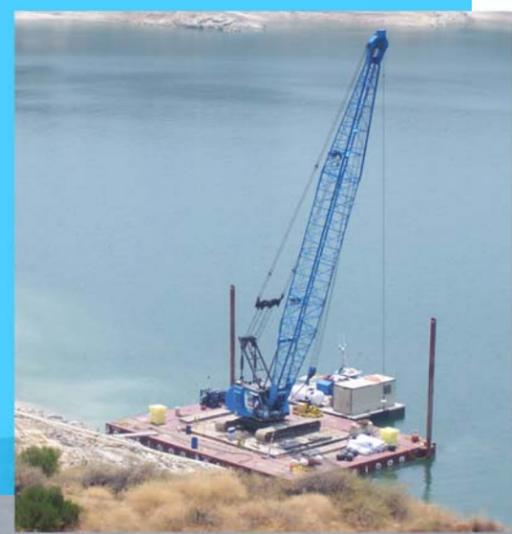
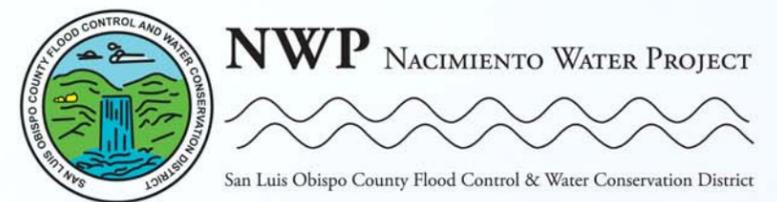
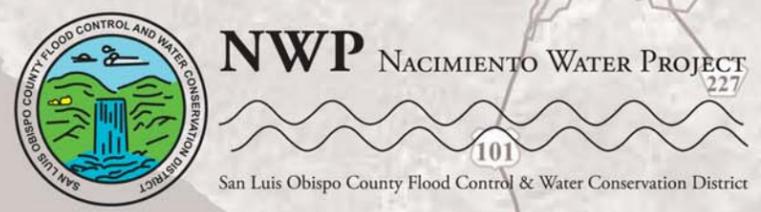
Thank you for your continued interest in our Project.



Contact Us:
Please feel free to contact District staff with any further questions.

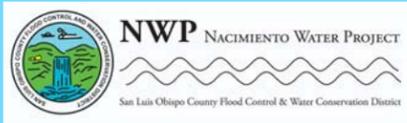
General Questions:
John Hollenbeck, P.E., Project Manager
Tom Trott, P.E., Project Engineer
(805) 781-5252
nwp@co.slo.ca.us

Construction Related Questions:
Ed Weyrauch, Construction Manager
Jacobs Engineering Group Inc.
(805) 434-0602



Nacimiento Water Project Newsletter
October 2008

Project Newsletter October 2008



In this Project Update

- Brief Introduction
- Current Water Supply
- Necessity for NWP
- Project Summary
- Current Project Status
- Project-Related Conferences

Brief Project Status

Percent Complete

- Lake Intake: 86.0
- Facilities: 11.7
- Pipeline-North: 30.1
- Pipeline-Central: 91.6
- Pipeline-South: 67.3

Participating Agencies:

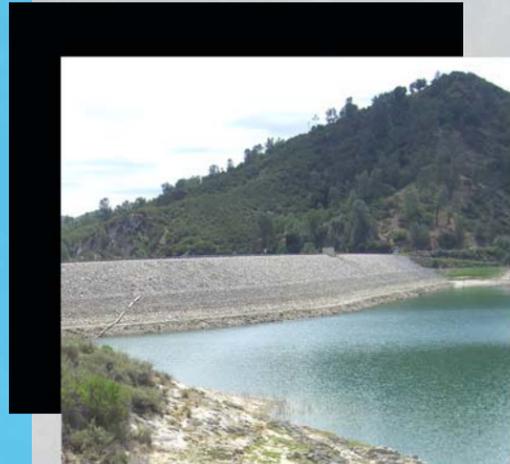
- City of el Paso de Robles
 - 4000 AFY
- Templeton CSD
 - 250 AFY
- Atascadero MWC
 - 2000 AFY
- City of San Luis Obsipo
 - 3380 AFY
- CSA No. 10A (Cayucos)
 - 25 AFY

Project Website

www.slocounty.ca.gov/PW/NacWP.htm

Brief Introduction:

In 1959, San Luis Obispo 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 Flood Control and Water Conservation District, now Monterey County Water Resources Agency, owner and operator of the reservoir and dam. The value of that local water resource became evident during the 1987-1991 Central Coast drought and the District put in motion the steps leading to construction of a pipeline. 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 began in December 2007, while water delivery is scheduled for late 2010.



County's Current Water Supply:

Currently 80% of the County'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 and agriculture continue to thrive and expand, our demand for additional water steadily increases. The County's entitlement from Lake Nacimiento stands as one of the leading sources for a reliable, efficient solution to the area's needs.

Project Summary:

Nearly five decades ago, the District had the foresight to ensure supplemental water for future generations. Now communities throughout our County collaborate to build a 45-mile pipeline delivering water to Paso Robles, Templeton, Atascadero, and San Luis Obispo with deliveries via exchange to Cayucos. The Nacimiento Water Project stands as the District's largest Public Works project embarked upon to date. Project costs are projected at \$176-million, which includes construction of 45-miles of 12-to 36-inch diameter pipeline, three storage tanks, three pump stations, and the intake facility at the lake, design, environmental permits, right-of-way, construction management, and other district costs.

The Project is financed with revenue bonds, which the Participating agencies will pay back over a 30-year period. Ultimately, water users and new connection fees will pay the bulk of the debt service associated with project implementation.

Current Project Status:



Spec 1: Lake Intake:

James W. Fowler, contractor for Spec 1, completed excavation of the 180-foot deep, 20-foot diameter Intake Shaft and the 520-foot long, 54-inch diameter Intake Tunnel. This contractor has finished all but one pipe support column and will set the Intake Pipe in early October or late November 2008.

Spec 2: Facilities:

Mountain Cascade, Inc., contractor for Spec 2, continues working to install on-site piping and retaining walls at both the Rocky Canyon tank and the Cuesta Tunnel tank sites. The contractor started excavation for the pump cans and began on-site piping at the Santa Ysabel Pump Station



Spec 3: Pipeline-North:

Teichert Construction, contractor for Spec 3, installed 7,699 feet of pipe during September 2008, reaching a total of 24,285 feet of pipe installed.

The Project mourns the tragic, fatal loss of two Teichert Construction workers, Jacob Gaines and Manuel Arriaga, in early October 2008.

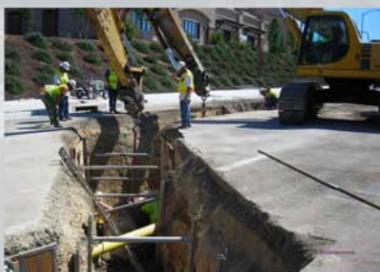
Spec 4: Pipeline-Central:

Whitaker Contractors, Inc., contractor for Spec 4, has installed 72,500 feet of pipe overall and repaved 6,650 feet during September 2008 and completed the 11-mile mainline pipe installation in October 2008. The contractor will continue working on the tie-ins, hydrostatic pressure testing and the fiber optic installation.



Spec 5: Pipeline-South:

Southern California Pipeline Construction, Inc., contractor for Spec 5, laid a total of 49,800 feet of pipe by October 2008. The contractor will continue hydrostatic pressure testing pipe, repaving tested areas, and will begin laying pipe on the south side of Cuesta Tunnel.



SPEC 4 Pipeline Complete!

Project-Related Conferences:

The Nacimiento Water Project proposed papers for the following conferences:

- ASCE Pipeline Conference 2009
- 2009 International No-Dig Show
- IAHR Water Engineering for a Sustainable Environment Conference 2009

These Papers detail the Project Construction methods and various Project development strategies used.

The Project is celebrating its one-year anniversary since its groundbreaking on October 25, 2008.



For current information on road conditions and traffic information go to:

<http://www.nwp2construction.com/news.htm>

