1.0 Introduction and Background

1.1 Introduction

This Final Environmental Impact Report (EIR) covers the construction and operation of the Nacimiento Water Project (NWP). The purpose of this EIR is to identify the proposed project's significant effects on the environment, to indicate the manner in which such significant effects can be mitigated or avoided, and to identify alternatives to the proposed project which avoid or reduce these impacts. The EIR is an informational document for use by San Luis Obispo (SLO) County, other responsible agencies, and the general public in their consideration and evaluation of the environmental consequences associated with implementation of the proposed project.

The EIR has been prepared in compliance with the criteria, standards, and procedures of the California Environmental Quality Act (CEQA) of 1970 and CEQA Guidelines, as amended. This document has also been prepared in compliance with the National Environmental Policy Act (NEPA) and will serve as NEPA documentation should any Federal permits be required. However, it should be noted that no Federal agencies are participating as a Lead Agency.

1.2 Project Background

The proposed project is in response to SLO County's need for future water supplies to supplement existing groundwater and surface water sources. The proposed project would potentially supply as much as 16,200 acre-feet per year (afy) of water to augment existing water supplies in various communities within SLO County. SLO County currently obtains all its water from local reservoirs and groundwater. In 1992, the SLO County Board of Supervisors approved the use of 4,830 afy of supplemental water supplies from the State Water Project (SWP) for eleven communities. In the EIR prepared to assess the impacts of the SWP, the California Department of Water Resources (DWR) estimated that without a supplemental water supply, extraction of groundwater in SLO County will exceed dependable water supplies by approximately 81,000 afy by the year 2035 (DWR 1991). With the exception of the City of SLO (which operates Whale Rock Reservoir and Santa Margarita Lake [also known as Salinas Reservoir]) and the Cayucos purveyors who use an entitlement to Whale Rock Reservoir, groundwater is the primary source of water for those communities applying for the construction and operation of the NWP. The recently completed Paso Robles Groundwater Basin Study also indicated areas of declining groundwater levels, mainly east of Paso Robles, but also indicated that many areas of the basin did not show an upward or downward trend in groundwater levels.

The use of water from Lake Nacimiento has long been recognized as a significant viable element in SLO County's regional water supply program. Water supply needs were anticipated in 1959 when the San Luis Obispo Flood Control and Water Conservation District (SLOFCWCD) entered into agreements with the Monterey County Water Resources Agency to appropriate 17,500 afy of water from the Nacimiento Dam and Lake. The NWP was highly ranked in the SLO County Master Water Plan Update as a water supply alternative, second only to the SWP. A series of studies on the NWP prepared under the direction of the SLO County Public Works

Department and reviewed by the SLO County Board of Supervisors indicated that the NWP was a viable water supply project. On May 5, 1995, the County Environmental Coordinator issued a Notice of Preparation (NOP) for an EIR (ED 92-271) on the NWP. On April 3, 1996 a revised NOP was issued based on changes in the project description for the NWP. The County Environmental Coordinator determined that a Program EIR should be prepared for the NWP, as defined in CEQA guidelines section 15168. A Program EIR is an EIR that is prepared for a series of actions that can be characterized as one large project and are related geographically or as part of a chain of contemplated actions. The purpose of a Program EIR is to ensure that the environmental impacts of the related actions are adequately considered early in the project approval process.

A draft EIR was circulated for public review in 1997 ("NWP 1997 EIR") (SCH# 95051022). This EIR was never certified by the San Luis Obispo County Board of Supervisors.

On May 31, 2002, the County Environmental Coordinator issued a new NOP for an EIR for the NWP that would cover a different project configuration than the NWP 1997 EIR (see Appendix F for the NOP).

1.3 Relationship to Other Documents

The development of supplemental water resources for SLO County, including the use of Lake Nacimiento was assessed in the EIR prepared by the DWR ("DWR EIR") for the "State Water Project Coastal Branch, Phase II and Mission Hills Extension", released for public review in June 1990 and finalized in May 1991 (DWR 1991). The DWR EIR was a Program EIR which described potential impacts and mitigation measures associated with the construction and operation of the Coastal Branch, Phase II project. As a Program EIR, it evaluated other potential water supply alternatives for SLO County which are summarized in Section 3 of this EIR. Copies of this document may be reviewed at the San Luis Obispo County Office of the Environmental Coordinator, or obtained from the State of California, Department of Water Resources, P.O. Box 942835, Sacramento, California, 94236-0001.

SLO County initiated a tiered EIR from the DWR EIR in 1990, which focused on the site-specific environmental impacts associated with the construction and operation of local SWP facilities for 18 water purveyors in SLO County. Tiering refers to the coverage of environmental impacts of a general program followed by narrower or site-specific environmental documents which incorporate by reference discussion of impacts in the prior, general document (Public Resources Code sections 21068.5 and 21094). In July 1991, the Draft State Water Project Coastal Branch (Phase II) Local Distribution Lines and Facilities EIR (ED 90-649) was released for public review, with the final EIR certified in March 1992. The State Water Project Coastal Branch (Phase II) Local Distribution Lines and Facilities EIR ("SLO EIR") evaluated: 1) nine local water pipelines which would allow for the distribution of SWP water to communities and cities within SLO County; 2) a water treatment plant located at Tank Site 1 near Polonio Pass; and 3) two hydroelectric plants: one located near the Chorro Reservoir, another located near the City of SLO. Information contained in the SLO EIR is relevant to the proposed NWP because of the similarities in proposed construction methods, pipeline corridor, and potential impacts of growth. Therefore, the NWP EIR summarizes information, when applicable, from the SLO EIR. Copies of the SLO EIR may be reviewed at the San Luis Obispo County Office of the

Environmental Coordinator, Room 310, County Government Center, San Luis Obispo, California 93408-2040, and at most public libraries in SLO County.

In 1992, following decisions by the County Board of Supervisors not to take the full 25,000 afy allotment of SWP supplies, SLOFCWCD began planning and environmental studies for the NWP. The "Preliminary Evaluation for the Nacimiento Water Supply Project, Phase I, Reliability Evaluation" contained research of SLOFCWCD's entitlement to water from Lake Nacimiento, and evaluated whether Lake Nacimiento was capable of supplying 17,500 afy, using an operational model of Lake Nacimiento and San Antonio Reservoir. Based on this report, SLOFCWCD initiated preliminary engineering and environmental assessment studies to define the Lake Nacimiento water supply delivery components, including pipeline corridor selection. In October 1993, a draft report entitled "Phase III Preliminary Engineering Evaluation and Environmental Assessment," was released with the Final Report published in May 1994. Copies of this report may be reviewed at the County Public Works Department, Room 207, County Government Center, San Luis Obispo, California 93408.

In June 1995, the SLO County Board of Supervisors established the Nacimiento Participants Advisory Committee (NPAC) to advise SLOFCWCD on the selection of qualified consultants to prepare preliminary engineering plans to be used in preparation of the EIR on the NWP. The NWP EIR is based on a detailed project description prepared by Carollo Engineers under the direction of NPAC. A series of draft documents entitled, "EIR Preparation Phase Engineering Report" may be reviewed at the County Public Works Department, Room 207, County Government Center, San Luis Obispo, California 93408.

The NWP EIR was prepared based on the project description contained in the EIR Preparation Phase Engineering Report, July 1996 draft, by Carollo Engineers and approved by the NPAC for environmental review. The 1997 EIR was circulated for public review in August 1997, but was never certified.

Based on issues raised and comments received during the public review period for the NWP 1997 EIR, SLO County revised the NWP project to avoid or minimize potential environmental and social impacts. The basis of the new NWP project design comes from a report prepared by Carollo Engineers entitled Nacimiento Project, EIR Preparation Phase Engineering Report, prepared in 2002.

1.4 Use of this Document

Approval and the eventual implementation of the NWP are dependent on local decisions of public agencies where NWP supplies would be utilized. The 15 water purveyors who comprise NPAC have tentatively subscribed to the NWP and agreed that SLO County should act as the Lead Agency in the preparation of this EIR on the NWP. This procedure is allowed under CEQA guidelines section 15051 (d). Under CEQA guidelines section 15381, all public agencies other than the Lead Agency that have discretionary approval power over the project are Responsible Agencies. As Responsible Agencies, these local purveyors will follow the requirements set forth in CEQA in order to complete the environmental process. This includes the certification that the decision-making body of the Responsible Agency has reviewed and considered the information in this EIR before approving the project, and that the filing of their Notices of Determination for their approval is in accordance with CEQA guidelines section 15096. As presently anticipated,

and unless other arrangements are made, SLOFCWCD will be responsible for securing any necessary permits and for constructing the intake at the lake, three pump stations, two storage tanks, water treatment plant, and pipelines. If additional environmental analysis becomes necessary at final design, such analysis will be prepared by the appropriate jurisdiction. Any new impacts identified as a result of final design will be studied and additional environmental documents prepared consistent with the CEQA tiering process.

The Nacimiento pipeline alignment generally coincides with the approximate 1-mile wide Juan Bautista de Anza trail corridor identified by National Park Service documents. Although the trail project is not part of the project description for the Nacimiento Water Project, it is intended that this EIR could be used in the future as the basis for an initial environmental assessment of a multi-use transportation trail for pedestrians, equestrians, and bicycles. CEQA Guidelines Section 15153 allows a lead agency to use an EIR from an earlier project under certain circumstances. In addition, depending on the ultimate alignment of a trail project, which is as yet undetermined, CEQA Guidelines Sections 15162 and 15162 would allow the preparation of either a subsequent or Supplemental EIR for a trail project, should one of the other documents be deemed necessary after a complete environmental assessment. However, at this time, the design and environmental analysis of a trail project will have to be processed as a separate project, and this EIR can be used initially as a constraints analysis for design of a future trail.

It should be noted that the context of the preceding discussion regarding the trail was a request in 2000 that the NWP pipeline also accommodate a trail within the alignment. The Board of Supervisors held a hearing in which they determined that a trail project would not be analyzed in the NWP EIR; it was merely recognized that information contained in the EIR could be used for future trails planning if an alignment was later authorized and developed which coincided with the study corridor for issues such as biology, archaeology, geology, etc. Much of the proposed NWP pipeline route would be located in existing roadways that would not be suitable for use as a multi-use transportation trail for pedestrians, equestrians, and bicycles. However, the NWP EIR provides a starting point for evaluating resource constraints associated with development of the Juan Batista de Anza trail.

1.5 EIR Contents

This EIR has been prepared in accordance with the State and County administrative guidelines established to comply with CEQA, as amended, as well as in accordance with the federal guidelines to comply with NEPA. Section 15151 of CEQA Guidelines provides the following standards for EIR adequacy:

> *"An Environmental Impact Report should be prepared with a sufficient degree of analysis to provide decision-makers with information which enables them to make a decision which intelligently takes account of environmental consequences. An evaluation of the environmental effects of a proposed project need not be exhaustive, but the sufficiency of an EIR is to be reviewed in light of what is reasonably feasible. Disagreement among experts does not make an EIR inadequate, but the EIR should summarize the main points of disagreement among the experts. The courts have looked not for perfection; but for adequacy, completeness, and a good faith effort at full disclosure."*

In compliance with CEQA guidelines, SLO County, as the Lead Agency, solicited public agency comments through distribution of an NOP. The scope of work developed for the preparation of the EIR and comments received in response to the NOP were the basis of the technical focus of this EIR.

Section 1502.1 of the Council on Environmental Quality Guidelines has provided the following standards for the preparation of an adequate EIS:

> *"The primary purpose of an environmental impact statement is to serve as an action-forcing device to insure that the policies and goals defined in the Act are infused into the ongoing programs and actions of the Federal Government. It shall provide full and fair discussion of significant environmental impacts and shall inform decision makers and the public of the reasonable alternatives which would avoid or minimize adverse impacts or enhance the quality of the human environment."*

The Final EIR is divided into the following major sections:

Executive Summary. Provides an overview of the project, and a summary of the major impacts identified in the analysis. A summary of the alternatives and cumulative analyses is also provided.

Impact Summary Tables. Provides a summary of the identified impacts by significance class, and where applicable provides a summary of proposed and/or recommended mitigation measures.

1.0 Introduction. Provides the Statement of Purpose and Need for the project.

2.0 Project Description. Identifies the project applicant, presents and discusses project objectives, project location, and specific project characteristics.

3.0 Alternatives. Describes the alternatives for the proposed project. A screening analysis is provided for the alternatives.

4.0 Cumulative Projects Descriptions. Discusses the cumulative impacts of reasonably foreseeable projects located in the vicinity of the proposed project that have either been proposed or are in their permitting stages. These reasonably foreseeable projects are described in this Section. The actual cumulative impact analysis associated with the NWP is presented in Section 5.0.

5.0 Analysis of Environmental Issues. Describes the existing conditions found on the project site and vicinity and assesses the potential environmental impacts that may be generated by implementation of the proposed project. These potential project impacts are compared to various "Thresholds of Significance" in order to determine the severity of the direct and indirect impacts. Mitigation measures, intended to reduce significant, adverse impacts to insignificant levels are proposed where feasible (Class II impacts). Those impacts which cannot be eliminated or mitigated to insignificant levels are also identified (Class I impacts). This Section also assesses the potential environmental impacts associated with the alternatives that passed the screening analysis presented in Section 3.0. In addition, cumulative impacts are assessed for the reasonably foreseeable projects located in the vicinity of the proposed project.

6.0 CEQA Environmentally Superior Alternative/NEPA Preferred Alternative/LEDPA. Summarizes the environmental advantages and disadvantages associated with the

proposed project and the alternatives. Based on this discussion, the environmentally superior alternative is identified as required by CEQA. The CEQA Guidelines, Section 15126 (d)(2) state that if the environmentally superior alternative is the No Project Alternative, then the next most environmentally preferred alternative must also be identified. NEPA requires that all reasonable alternatives, including the alternative of no action, should be analyzed, and the NEPA Lead Agency's preferred alternative, or alternatives, should be identified unless another law prohibits the expression of such a preference.

7.0 Growth Inducing Impacts. Identifies the spatial, economic, and/or population growth impacts that may result from development of the proposed project and provides a policy consistency analysis.

8.0 Other CEQA/NEPA Issues. Contains two elements required under CEQA/NEPA including:

Significant Irreversible Environmental Changes. Describes any changes to the existing environment which are irreversible in nature, such as use of nonrenewable resources or commitment of future generations to similar land uses.
Short-Term Use of the Environment vs. Maintenance of Long-Term Productivity. Describes the long-term effects of the project which narrow beneficial uses or eliminate future options of the area.

9.0 Summary of Mitigation Measures. Contains a listing of all mitigation measures proposed as part of the EIR.

10.0 List of References. Contains a list of references used throughout this EIR.

11.0 Response to Comments. Contains all comment letters received on the Draft EIR and responses to each comment.

Please note that a list of acronyms has been provided and is located in Appendix J, the final appendix of the EIR (this has been formatted as a pull-out list to aid the reader) and Mitigation Monitoring Plan is available in its entirety in Appendix G.