



## AVILA BEACH COMMUNITY SERVICES DISTRICT

Post Office Box 309, Avila Beach, CA 93424  
Office and Meeting Room - 191 San Miguel Street, Avila Beach  
Telephone (805) 595-2664 FAX (805) 595-7623  
E-Mail [Avilacsd@gmail.com](mailto:Avilacsd@gmail.com)

November 16, 2015

Mr. Wade Horton  
Director of Public Works  
San Luis Obispo County  
County Government Center  
San Luis Obispo, CA 93406


Subject: Zone 3 Emergency Water Supply Project

Dear Mr. Horton,

In response to your October 15, 2015 letter, the Avila Beach Community Services District would like to formally express our interest in continuing the Feasibility Study for an emergency supply water project that would utilize excess capacity at the P G & E desalination facility located at Diablo Canyon Power Plant. The Board considered this project as part of their regularly scheduled November 10, 2015, Board meeting and directed staff to express the District's interest.

This type of project is especially important to the Avila Beach CSD since the District's two water supply options are surface water sources. Please let me know if you need any further information or if I can be of assistance in your evaluation.

Sincerely,

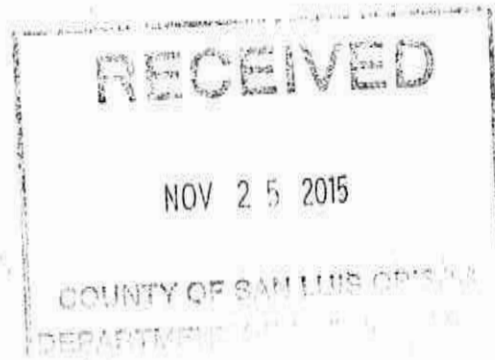
  
Brad Hagemann, PE  
General Manager



CITY OF  
**ARROYO GRANDE**  
CALIFORNIA

November 23, 2015

Wade Horton, Director  
County of San Luis Obispo  
Public Works Department  
County Government Center, Room #206  
San Luis Obispo CA 93408



**Subject: Confirmation of Interest in the Zone 3 Emergency Water Supply project.**

The purpose of this correspondence is to respond to the request for confirmation of Interest in the Zone 3 Emergency Water Supply project letter sent to the City of Arroyo Grande on October 15, 2015.

On Tuesday, November 10, 2015, the Arroyo Grande City Council voted unanimously to authorize City staff to respond affirmatively to your request and to begin discussions with San Luis Obispo County Public Works about the potential beneficial use of the excess water supply from the PG&E desalination treatment plant.

Please consider this letter to be a formal "Endorsement of Interest" from the City of Arroyo Grande. I will serve as the point of contact for the City regarding this matter. Please contact me directly regarding the coordination of future discussions.

If you have any questions, you can contact me directly at 805-473-5466 or via e-mail at [genGLISH@arroyogrande.org](mailto:genGLISH@arroyogrande.org).

Cordially,

Geoff English  
Director of Public Works

C: Dianne Thompson, City Manager  
Teresa McClish, Community Development Director  
Shane Taylor, Utilities Supervisor

Attachement



ADMINISTRATIVE OFFICE

15 DEC -2 AM 11:38

**From the Office of the City Manager**

James R. Lewis, City Manager

760 Mattie Road

Pismo Beach, CA 93449

(805) 773-7007

[jlewis@pismo-beach.org](mailto:jlewis@pismo-beach.org)

November 25, 2015

Dan Buckshi  
San Luis Obispo County  
Chief Administrative Officer  
1055 Monterey Street  
San Luis Obispo, CA 93408

Re: PG&E Desalinated Water

Mr. Buckshi: *Dan*

The City of Pismo Beach commends the County of San Luis Obispo for taking the lead on investigating the use of the Pacific Gas and Electric (PG&E) Desalination Plant as a potential water supply for the Zone 3 agencies and possibly other regions of San Luis Obispo County. A long term sustainable drought proof source of water is needed by our region to ensure our prosperity for generations to come. As you are aware, the City of Pismo Beach is pursuing a recycled water project at our wastewater treatment plant that is projected to deliver approximately 675 acre-feet (AF) of potable water to the South County through indirect potable reuse. Should the State regulations change, our project is anticipated to be able to deliver approximately 850 AF of direct reuse potable water.

Our City is very interested in investigating how desalinated water may be able to complement our current efforts and we encourage the County to continue its pursuit of delivering desalinated water from PG&E's plant. Clearly there are many factors that we need to consider before committing to the project, such as: cost per AF, contract terms and conditions, anticipated delivery date and how this project will affect the City's other interests.

If you have any questions please do not hesitate to call me at 773-7007, or if your questions are technical in nature you can call our Public Works Director, Ben Fine at 773-7037.

Thank you again for being the lead agency on these efforts and we look forward to working with you on this project.

Sincerely,

  
James R. Lewis  
City Manager

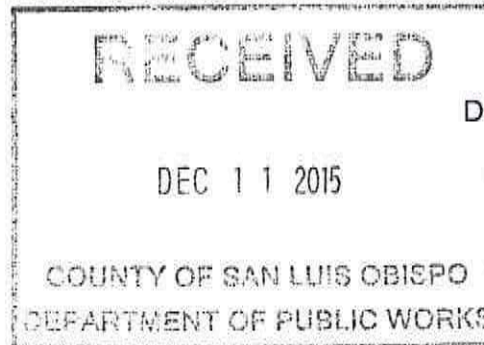


# City of Grover Beach

Mayor John P. Shoals      Mayor Pro Tem Jeff Lee

Council Member Karen Bright, Council Member Barbara Nicolls, Council Member Mariam Shah

Robert Perrault  
City Manager



December 8, 2015

Wade Horton, Public Works Director  
County of San Luis Obispo  
County Government Center, Room 206  
San Luis Obispo, CA 93408

**Subject: Letter of Interest Regarding the Zone 3 Emergency Water Supply Project**

Dear Mr. Horton:

The City of Grover Beach is in receipt of your letter dated October 15, 2015 requesting confirmation of the City's interest in the Zone 3 Emergency Water Supply Project. It is our understanding that the project would involve the delivery into the Zone 3 distribution system of up to an estimated 1,000 acre feet per year of desalinated sea water from PG&E's treatment facility, located next to the Diablo Canyon Power Plant. It is also our understanding that the San Luis Obispo County Flood Control District (District) is evaluating the feasibility of this project at the present time.

Following Council discussion at the November 30, 2015 and December 7, 2015 meetings, the City Council authorized sending a letter to the District confirming our interest in the project and to encourage the District to advance the project. Please be aware that ultimate support and participation by the City of Grover Beach will be dependent on project costs and an evaluation of water source priorities of the City. As you continue with this process, we would encourage the District to pursue grant and loan opportunities for the project in order to limit cost impacts to the potential participants.

We appreciate the District's leadership in developing this project as a possible contributor to solving the drought conditions in the South County. However, please recognize the City's need to look at and vet all water source opportunities as they present themselves.

Sincerely,

ROBERT PERRAULT  
City Manager

c: City Council  
Public Works Director/City Engineer Greg Ray

154 South Eighth Street ♦ Grover Beach, California 93433 ♦ FAX (805) 489-9657 ♦ [www.grover.org](http://www.grover.org)

Administrative Services/Water (805) 473-4550 ♦ City Council/City Manager (805) 473-4567 ♦ City Clerk (805) 473-4568  
Community Development - Building, Planning & Economic Development (805) 473-4520 ♦ Human Resources (805) 473-4564  
Parks & Recreation (805) 473-4580 ♦ Police/Non-Emergency (805) 473-4511 ♦ Public Works (805) 473-4520



## Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

---

Mr. Wade Horton, Public Works Director  
Public Works Department  
County of San Luis Obispo  
San Luis Obispo, CA 93408

Subject: Diablo Desalination Feasibility Study

Mr. Horton,

The purpose of this letter is to reply to your request for an understanding of the interest that the Oceano Community Services District (OCSD) may have in participating in a water supply project from the Diablo desalination facilities (Diablo). On August 12, 2015, the OCSD Board of Directors considered the status of the County's efforts in evaluating the feasibility of a supply from Diablo and expressed overall support for those efforts. The Board also expressed concerns on the cost implications. Additional consideration by the Board will be possible once a project update can be provided with cost and delivery details.

A specific point of interest is whether the project might be implemented through existing Zone 3 (Lopez) water supply contracts. The current water year for the Lopez project is the first in its history that has seen a reduction in deliveries. Since the Diablo supply can improve the reliability of the Lopez project, and will utilize the Zone 3 conveyance system, consideration for doing so under the existing Lopez contracts, with appropriate amendments, would be the preference of OCSD. Understandably this approach will best be accomplished if all the Zone 3 participating agencies choose to participate in the Diablo project utilizing the same water allocation percentages. Although it is premature to make such determination, OCSD would hope that the County will consider this contracting approach.

Sincerely

Paavo Ogren, General Manager  
Oceano Community Services District