



John Neil
Chairperson

Patricia Wilmore
Vice Chairperson

Courtney Howard
Secretary

Room 206, County Government Center
San Luis Obispo CA 93401

PH (805) 781-1016
FAX (805) 788-2182

**AGENCIES, ORGANIZATIONS
AND ASSOCIATIONS**

John Neil
Atascadero MWC

Kris Beal
Central Coast Vineyard Team

Vacant
City of Atascadero

Christopher Alakel
City of Paso Robles

Carlyn Christianson
City of San Luis Obispo

Vacant
*County of Monterey
(Resource Management Agency)*

Robert Johnson
*Monterey County Water
Resources Agency*

Steve Sinton
*Paso Robles Imperiled
Overlying Rights (PRIOR)*

Patricia Wilmore
*Paso Robles Wine
Country Alliance*

Anthony Kalvans
San Miguel CSD

Donna Ellis
Shandon CSA 16

Kurt Bollinger
*SLO County Cattlemen's
Association*

Paul Clark
SLO County Farm Bureau

Jeff Britz
Templeton CSD

Laura Edwards
*Upper Salinas –
Las Tablas RCD*

AT-LARGE

Dana Merrill
*Viticulture Agriculturalist
At-Large*

Bill Spencer
*Non-Viticulture Irrigated Crop
Agriculturalist At-Large*

Sue Harvey
Environmental At-Large

Sue Luft
Rural Resident At-Large

Claudia Engel
Rural Resident At-Large

Edward C. Redig
Rural Resident At-Large

Steve Crouch
Rural Resident At-Large

George Tracy
Rural Resident At-Large

Randy Diffenbaugh
*Rural Resident At-Large
District 1*

Greg Grewal
*Rural Resident At-Large
District 5*

Larry Werner
Undesignated At Large

September 19, 2014

Honorable Bruce Gibson, Chairperson of the Board of Supervisors
County of San Luis Obispo
1050 Monterey Street
San Luis Obispo, CA 93408

Re: Release of Nacimiento Surplus Water for North County Benefit

Your Paso Basin Advisory Committee unanimously advises use of available surplus water from the Nacimiento Water Project for release into the Salinas River for the general benefit of North County water supplies.

Background on that recommendation follows.

Background

On November 21, 2013, the Nacimiento Project Commission declared 9,287 acre-feet of “Surplus Water” available for Water Year 2014 and approximately 8,280 acre-feet is expected to be declared for the coming Water Year.¹ Surplus Water refers to the portion of the County’s Nacimiento entitlement that remains after satisfying Participant delivery requests and other obligations.

Surplus Water is intended to be put to beneficial use within San Luis Obispo County and the delivery entitlement contracts describe how available water may be put to use under short-term (i.e. up to 5 year terms) arrangements. The County’s entitlement to Nacimiento water is such that water does not carry over from year to year and it is said that the County may either “use it or lose it” each year.

The Nacimiento Water Project delivery system has the capacity to deliver Surplus Water once the pipeline is back in operation and there are three permitted Salinas River release points:

1. Atascadero Mutual Water Company’s “T6” turnout
2. Templeton Community Services District’s “T4”
3. City of El Paso de Robles “T2”

¹ Nacimiento Project Commission Agenda Item No. 6.b dated Nov 21, 2013; Water Year 2014, for example, ends 9/30/14.

Each of these Participants had been making river releases and observed favorable recovery of pumping water levels in their river wells. Releases could be made in addition to individual Participant releases for the regional benefit of the Salinas River corridor and for its connectivity to the deep underlying groundwater basin.

As for estimated costs, surplus water pricing would include a share in Nacimiento Water Project operations and maintenance cost and the cost of variable energy. An initial estimate is that Surplus Water could be delivered to the three North County turnouts at an approximate cost of \$385 per acre-foot.² Actual costs would be determined in accordance with the cost-sharing provisions of the delivery entitlement contracts, but a 1,000 acre-foot release of water may cost on the order of \$385,000 presumably from the Flood Control General Fund (Fund No. 1300000000).

The Flood Control General Fund appears to be a \$1.2 million/year fund with \$9-\$10 million in reserves³ and it apparently is the fund that is used for current professional services contracts (Carollo's Supplemental Water Study, GEI Basin Model Update, etc.). Using available funds for actual delivery of water is advisable.

On a related note, 64,750 acre-feet remains in storage in Lake Nacimiento as of September 19, 2014, with releases to Nacimiento River reported at 30 cfs. San Luis Obispo's deliveries are suspended pending the pipeline's return to service.

Recommendation

Nacimiento water is available to put to regional use. Discharge permits are in hand for releases at three locations along the Salinas River. Using Flood Control General funds for actual water delivery is an advisable water management step, especially given the current drought conditions and the fact that the County may not carry over unused water from year to year. Thus, the Paso Basin Advisory Committee's recommendation to the Board of Supervisors is:

1. To use available surplus water from the Nacimiento Water Project for release into the Salinas River for the general benefit of North County water supplies;
2. To allocate sufficient funding to make such releases; and
3. To monitor the results of releases as data points for ongoing/future similar actions.

Sincerely,

John Neil
Chairperson, Paso Basin Advisory Committee

cc: San Luis Obispo County Board of Supervisors, All Districts

² Budgeted O&M for three North County turnouts plus budgeted variable energy costs per Fiscal Year 2014 Nacimiento Water Operating Fund Budget.

³ Fiscal Year 2014 SLO County Special District proposed budget.