

TO: JAMES L. APP, CITY MANAGER  
FROM: JOHN R. McCARTHY, DIRECTOR OF PUBLIC WORKS  
SUBJECT: SALINAS DAM EXPANSION  
DATE: AUGUST 17, 1999

*BE*

**Needs:** For the City Council to review action options available related to the Salinas Dam project proposed by the City of San Luis Obispo.

- Facts:**
1. The City of San Luis Obispo recently allocated \$828,000 to commission additional studies related to the Salinas Dam project. The studies would include review of issues such as transfer of ownership from the Army Corp. of engineers to San Luis Obispo County, provide detailed mitigation plans as required by the EIR, analysis of the dam structural stability and impact on steel head trout downstream of the dam.
  2. The City Council at their meeting of August 3, 1999 authorized the Mayor to send a letter to the City of San Luis Obispo raising concerns over this project. A copy of that letter is attached.
  3. There are a number of avenues available to the Council to pursue input to the process needed for the city of San Luis Obispo to move ahead with the project. These are discussed in more detail below.

**Analysis and**

**Conclusion:**

The City of San Luis Obispo is continuing to pursue increasing storage at the Salinas Reservoir by placement of flood gates on the existing dam. This would raise the water level in the dam by 19 feet increasing storage capacity from 23,843 acre feet to 41,792 acre feet. This represents a net capacity increase of approximately 18,000 acre feet and would increase the annual yield of the reservoir by 1,650 acre feet per year. Many in the North County feel this action would have a detrimental impact on the water resources of the area. In particular, the reduced flows in the Salinas River and potential impacts to the Paso Robles groundwater basin are of major concern.

At their 7/20/99 council meeting, the City of San Luis Obispo authorized \$828,000 for additional work by consultants to proceed forward with the project. The estimated time line is 12-24 months for completion of these studies.

The additional work consists of ;

- ◆ Transfer of the dam ownership from Army Corps to County of SLO
- ◆ Resolution of the protest of San Luis' water rights by the fisherman's association(CSPA)
- ◆ Development of detailed mitigation plans as required by the EIR
- ◆ Additional structure analysis of the dam

There are a number of alternatives available to the City of Paso Robles, should the City wish to challenge issues related to the expansion of the dam.

***WATER RIGHTS PERMIT HEARING***

The City of San Luis Obispo staff report on this item states that the City of San Luis Obispo's water rights permit (#5882) was issued by the State Water Resources Control Board (SWRCB) on June 4, 1941 for the diversion and storage of up to 45,000 acre feet per year of water from the Salinas River. Water rights permits are issued for a period of time (up to 10 years) to allow the permittee the ability to put the water to full beneficial use. Once the permittee has used the maximum amount of water allowed by the permit, the permittee can request a "license" for that amount. Since the gates were not installed during the original construction, the maximum storage stated in the original permit has not been accomplished by the City of San Luis Obispo. In 1991, the City of San Luis Obispo requested a ten year time extension for its permit from the SWRCB. A protest was filed by the California Sportfishing Protection Alliance (CSPA) claiming downstream impact to fishery sources. The City attorney is reviewing the case on file at the SWRBC. Based on discussions with the Water Board staff, it appears that the Board may set a hearing on this matter in October. Paso Robles has officially requested to be notified of the hearing. The attorney for CSPA has

requested the city assist with their preparation for the protest hearing. It is not known at this time what scope of issues that the Board will allow to be brought into testimony. This will be known only shortly prior to the hearing. The City is reviewing its ability to file a position statement as an interested party since our downstream water rights may be impacted. This action is being pursued by the City Attorney.

Time is very short to provide any type of professional assistance to the CSPA. However, it appears that some assistance may be helpful from the City in coordination of documents, providing assistance with professional expertise as may be needed regarding hydrology and biological impacts of the proposed project. Other agencies may also have some material developed that may assist in this effort. These agencies are being contacted to determine if they are willing to cooperate/participate.

It is estimated that preliminary costs to help the CSPA prepare for an October hearing date, could range from \$10,000 to \$30,000.

#### ***CEQA COMPLIANCE***

The Final EIR was certified by the city of SLO on June 2, 1998. The "Notice of Determination" has not been filed for the project.

Prior to filing the NOD, detailed mitigation plans must be prepared so the findings for potential project related impacts can be made. The City may have an opportunity to challenge the CEQA findings in court based on the previous City protests and environmental concerns. There may also be a challenge to raise the point that a revised EIR must be circulated once the total impacts of the mitigation plans are developed.

The City may want to hire experts to review the EIR findings and advise the City on potential challenges. This effort would be expensive for the City to undertake. Just a review and comment effort cost is estimated at a range of \$10,000-\$50,000. Should the City want to do independent field studies and evaluations, the costs are substantially higher and would be estimated in the range of \$200,000-\$400,000. However, this may be necessary to provide expert scientific data. Court costs and attorney fees are not included in the above estimates.

#### ***DAM TRANSFER***

The transfer of the dam will require NEPA compliance and coordination with other agencies. The City can review the process to determine compliance with NEPA once the paperwork is started on the proposed transfer. A joint effort by all north county agencies could have an impact on the Army Corps' willingness to transfer the dam. The city's attorney will check with the Corps to determine the schedule for this effort and determine what issues could be raised that would be most effective.

#### **Policy**

**Reference:** Protection of City water rights

#### **Fiscal**

**Impact:** CSPA assistance is estimated at \$10,000-\$30,000. CEQA review along with expert opinions on the dam EIR is estimated at \$10,000-\$400,000 depending on the level of effort the City want to put forth. Dam transfer review and challenge costs are unknown at this time.

#### **Options:**

- A.
  - 1. That the Council authorize the City Manager to hire the necessary consultants and take the appropriate actions to assist CSPA in the SLO permit hearing protest; and
  - 2. That the City Council authorize the City Attorney to proceed with review of the CEQA documents for compliance and advise the City Council on dam transfer issues.
- B. That the City Council amend, modify or reject the above option.

#### **Attachments:**

- 1) Mayor's letter to SLO
- 2) CSPA submittal to Water Board
- 3) SLO staff report of 7/20/99



# CITY OF EL PASO DE ROBLES

"The Pass of the Oaks"

8/4/99

Mayor Allen Settle  
City Council Members  
City of San Luis Obispo  
990 Palm Street  
San Luis Obispo, CA.

Subject: Salinas Dam Expansion Project-Agenda of 7/20/99

Dear Mayor Settle and Council Members:

This letter is to express our deep concern over your recent actions taken at your meeting of 7/20/99 to proceed with additional work on the Salinas Dam project. The City of Paso Robles has endeavored to work with you on water issues facing the North County and your city. We were confident that positive steps were being taken by all parties to promote coordination and mutual trust regarding major water projects that affect our joint interests. Placing this item on the consent calendar without informing and inviting North County water agencies to comment, was/is contrary to that effort.

Our understanding is that your recent actions authorize nearly one million dollars to forge ahead with the Salinas Dam project. This is a significant expenditure for a project you have represented as a backup to the Nacimiento project. Your current course of action would seem to place the Salinas project as your primary prospect for providing an additional water source.

In light of your actions, the City of Paso Robles will pursue all options to protect the interests of our citizens and neighbors in the North County. As a first step the City is joining in the CSPA protest against this project.

Sincerely,

Duane J. Picanco, Mayor  
City of El Paso de Robles

cc: City Council  
North County Water Agencies

1 LORRAINE SCARPACE, State Bar #79186  
2 ATTORNEY AT LAW  
3 Post Office Box 1981  
4 Paso Robles, California 93447  
5 (805) 239-1568; 238-5498

6 Attorney for Protestant,  
7 California Sportfishing Protection Alliance

8 BEFORE THE STATE WATER RESOURCES CONTROL BOARD  
9 OF THE STATE OF CALIFORNIA  
10 DIVISION OF WATER RIGHTS  
11

12 IN THE MATTER OF THE )  
13 PETITION FOR EXTENSION OF )  
14 TIME ON ENLARGEMENT OF )  
15 SALINAS RESERVOIR - PERMIT )  
16 5882 (APPLICATION 10216) OF )  
17 THE CITY OF SAN LUIS OBISPO, )

18 Petitioner, )

19 ENVIRONMENTAL PROTEST OF )  
20 PETITION AND APPLICATION, )  
21 BY CALIFORNIA SPORTFISHING )  
22 PROTECTION ALLIANCE, )

23 Protestant. )  
24 \_\_\_\_\_ )

25 WATER RIGHT )  
26 PERMIT 5882 )  
27 (APPLICATION 10216) )

28 PROTESTANT'S SUBMITTAL )  
OF ADDITIONAL )  
REQUESTED EVIDENCE; )

OBJECTIONS TO )  
PROPOSED CANCELLATION )  
OF CSPA'S PROTEST. )  
(WATER CODE §1335); )  
EXHIBITS D, E, F, G. )

29 I

30 THE ADMONITION UNDER WATER CODE §1335(d) IS PREMATURE  
31 BECAUSE THE PUBLIC REVIEW PERIOD HAS NOT EXPIRED FOR THE  
32 DRAFT EIS WHICH IS REQUIRED TO BE PREPARED PURSUANT TO NEPA.

33 A protest can only be cancelled under Water Code §1335(d) if the public review  
34 period has expired for any draft environmental document required to be circulated. The

1 FEIR states on p. 2.3-3 that compliance with NEPA subsequent to the EIR will be  
2 required, and that an Environmental Assessment (EA) or an Environmental Impact  
3 Statement (EIS) must be prepared. Neither a draft EIS nor an EA have been circulated  
4 for public review and comment in this proceeding. Therefore, the admonition for  
5 cancellation of the protest under Water Code §1335(d) is premature at best.  
6

7  
8 II

9 **THE FEIR IS INVALID BECAUSE PETITIONER VIOLATED CEQA AND**  
10 **NEPA BY FAILING TO CONSULT WITH U.S. NATIONAL MARINE**  
11 **FISHERIES SERVICE AND U.S. FISH AND WILDLIFE SERVICE PURSUANT**  
12 **TO SECTION SEVEN OF THE FEDERAL ENDANGERED SPECIES ACT.**

13 The Salinas River sustains steelhead, the arroyo southwestern toad, least Bell's  
14 vireo, willow flycatcher, and the red-legged frog, which are listed as threatened species  
15 under the Federal Endangered Species Act. (Protestant's Exhibit A.)

16 Section 7 of the Endangered Species Act requires Federal agencies to insure that  
17 any action authorized, funded, or carried out by them is not likely to jeopardize the  
18 continued existence of listed species or modify their critical habitat. Action agencies are  
19 required to consult with the USFWS and NMFS when there is discretionary Federal  
20 involvement or control over the action.

21 The transfer of the Salinas Reservoir from the Federal government to the City  
22 requires discretionary Federal involvement, which mandates consultation with the USFWS  
23 and NMFS. Petitioner is required by CEQA, Pub. Res. Code §21104(a) and Title 50 of  
24 the Code of Federal Regulations, Part 402 to consult with the obtain comments from the  
25 USFWS and NMFS prior to completing the FEIR. It appears that Petitioner has failed  
26 to do so.  
27

28 According to the letter dated July 14, 1997 from the Governor's Office of Planning

1 and Research, the State Clearinghouse only submitted the draft EIR to "selected state  
2 agencies for review". (FEIR Appendix J, Item 7-1.) There are no comments submitted  
3 by either the USFWS or NMFS, and there is no proof that either agency was consulted.  
4 Therefore, the FEIR is incomplete and invalid. The City has not complied with the  
5 Board's order to prepare an EIR, and its petition for extension of time on Permit 5882  
6 cannot be approved.  
7

### 8 III

#### 9 **THE PROPOSED CANCELLATION OF THE PROTEST UNDER WATER CODE** 10 **§1335 IS UNWARRANTED, AND WOULD VIOLATE DUE PROCESS OF LAW.**

11 No authority has been cited to allow the retroactive application of Water Code  
12 §1335 which was enacted in 1997, to CSPA's Protest which was filed on March 25, 1991.

13 CSPA has fully complied with all requests for information from the State Water  
14 Resources Control Board ("Board").

15 Moreover, the FEIR for the proposed Salinas Reservoir expansion project contains  
16 substantial evidence to support the allegations in the Protest. Such evidence is referred  
17 to herein, and in the letter submitted by Phil Ashley, Fisheries Biologist, in support of  
18 CSPA in this matter.  
19

20 A cancellation of the Protest would violate CSPA's constitutional right to due  
21 process of law. At a minimum, due process of law requires that each party be afforded  
22 a fair opportunity to present evidence, cross examine witnesses, and to refute allegations  
23 at a hearing, and that the decision be based upon an impartial evaluation of the evidence  
24 on each side. (U.S. Const., 14 Amendment; Cal. Constr. Art. I §7; County of Ventura v.  
25 Tillet (1982) 133 Cal. App. 3d 105, 112; Beaudreau v. Superior Court (1975) 14 Cal. 3d  
26 448, 458-460; Horn v. County of Ventura (1979) 24 Cal. 3d 605, 619; Bell v. Burnso  
27 (1971) 402 U.S. 535, 541-542; 91 S. Ct. 1586; Skelly v. State Personnel Board (1975) 15  
28

1 Cal. 3d 194.)

2 Giving CSPA only 45 days notice to unilaterally present its evidence on complex  
3 issues of hydrology, biology, and water rights, and depriving it of a hearing on these issues  
4 is unreasonable and violates due process of law. The time limit is inadequate to allow  
5 CSPA to subpoena evidence and obtain analytical reports by experts in the fields of  
6 hydrology and biology. CSPA has requested a 60-day time extension to provide further  
7 information in response to the proposal to cancel the Protest. CSPA has also requested  
8 the Board to issue subpoenas duces tecum to enable it to produce necessary information  
9 in this matter. To date, the Board has not issued the subpoenas.

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11  
12 IV

13  
14 **THE CITY'S PERMIT 5882 TO DIVERT AND STORE 45,000 AFY OF WATER**  
15 **IN THE SALINAS RESERVOIR HAS EXPIRED AS TO THE UNUSED**  
16 **PORTION BY REASON OF THE CITY'S FAILURE TO MAKE FULL**  
17 **BENEFICIAL USE OF THE WATER WITHIN THE TIME REQUIRED.**

18 The issue concerning the City of San Luis Obispo's ("City") failure to make full  
19 beneficial use of the water within the time required was raised by CSPA on page 3,  
20 paragraph 4 of its Protest.

21 Permit 5882 was issued to the City on October 9, 1941. Water storage by the City  
22 has been limited to about 23,000 af because the dam does not meet seismic safety  
23 requirements. The Board's Order dated June 1, 1972 requires the permitted water to be  
24 put to full beneficial use on or before December 1, 1981. The City has not met this  
25 requirement. Nor does it appear that the City applied for an extension of time to  
26 complete full beneficial use of the water until February 11, 1991, more than 10 years after  
27 the permitted use expired. The Board lacks authority to grant the City an extension of  
28 time on the expired permit.

1           The City's failure to put the water to full beneficial use for nearly 58 years since  
2 1941 compels the application of Water Code §1241. Section 1241 provides for th  
3 reversion to the public of the unused portion of the water, where the appropriator fails  
4 to beneficially use any part of the water for a period of five years.

5  
6           The City was ordered to complete construction of the dam on or before September  
7 30, 1970 pursuant to Permit 5882 and the Order dated August 25, 1969. To date, 29  
8 years later, the City has still failed to do so. The City could have obtained ownership of  
9 the dam from the federal government and completed construction long before now if it  
10 had exercised due diligence.

11           The City's failure to put the appropriated water to full beneficial use for the  
12 prolonged period of 58 years, and its failure to complete construction of the dam for 29  
13 years constitutes an inexcusable lack of due diligence. Such lack of due diligence  
14 mandates the application of Water Code §1202(c). Section 1202(c) declares the unuse  
15 portion of the appropriated water to constitute unappropriated water, where the  
16 appropriated water is not or has not been put from the date of the initial act of  
17 appropriation, to full the beneficial purpose for which it was appropriated, with due  
18 diligence.  
19

20  
21           During the prolonged period of non-use of the water by the City, the unused  
22 portion of the water has been put to full beneficial use by downstream uses for  
23 preservation and enhancement of fish and wildlife resources, aquatic and riparian habitat,  
24 recreation, groundwater recharge, municipal and agricultural water use by Santa  
25 Margarita, Atascadero, Templeton, Paso Robles, and other downstream users. Such  
26 downstream uses will be significantly adversely affected by the proposed storage and  
27 diversion of water by the City. (FEIR 5.2; 3.4.1.2.1; 3.4.2.2.3; 3.4.1.3.1; Letter from P  
28



1 Ashley, Biologist.)

2 There is no water available for appropriation by the City. (FEIR 5.2; 3.4.1.2.1;  
3 3.4.2.2.3; 3.4.1.3.1; Letter from Phil Ashley, Biologist.)

4 The City is barred by estoppel and laches from claiming the water. The prolonged  
5 58 years of non-use of the water by the City has caused prejudice to and detrimental  
6 reliance by the cities of Atascadero, Templeton, and Paso Robles upon the existing flow  
7 of the Salinas River. In detrimental reliance thereon, these cities rejected water  
8 entitlements in the California Coastal Aquaduct State Water Project. As a result, the  
9 Coastal Aquaduct was located several miles away from these cities. (FEIR Vol. 1, State  
10 Water Project (May 1991) p. 15, Protestant's Exhibit D herein.)

11  
12 In contrast, the City has a turnout from the Coastal Aquaduct (i.e., Tank No. 3)  
13 and can acquire a water entitlement from the State Water Project if it chooses to do so.  
14 (FEIR Vol. 1, State Water Project (May 1991) p. 15, Exhibit J); FEIR p. ES-11). Under  
15 these circumstances, Permit 5882 should be amended to be limited to the amount of  
16 water put to beneficial use at this time. (Water Code §1202(c).)

17  
18  
19 V

20  
21 **THE BOARD IS REQUESTED TO AMEND PERMIT 5882 TO PROVIDE**  
22 **ADEQUATE STREAMFLOW REQUIREMENTS AS REQUIRED BY WATER**  
**CODE §1257.5, §1243, and Fish & Game Code §5937.**

23 Water Code §1257.5 and §1243 require the Board to establish such streamflow  
24 requirements as are necessary to protect fish and wildlife as conditions in permits.

25 The CSPA requests the State Water Resources Control Board to re-establish  
26 mandatory daily minimum streamflow requirements below Salinas Dam to protect and  
27 conserve public trust threatened steelhead species and their habitat (all life stages), and  
28

1 also other aquatic species and their habitat (all life stages). This request is being made  
2 in conjunction with the petition for extension of time by the City of San Luis Obispo  
3 which is pending before the State Water Resources Control Board at this time. The  
4 reasons for re-establishing the mandatory daily streamflow requirements is because the  
5 Salinas River steelhead species were listed as threatened in 1997 and are protected by the  
6 provisions of the federal Endangered Species Act; the Live Stream Agreement was  
7 adopted many years ago before the Salinas River steelhead were listed for protection  
8 under federal law which is pertinent new information; and because the State Water Board  
9 has a duty and responsibility to protect public trust resources and modify water right  
10 permits to protect and conserve the public trust assets. (Water Code §1257.5, §1243, Fish  
11 & Game Code §5937.)  
12

13  
14 According to the records, the Live Stream Agreement provides annually only 2,189  
15 acre-feet of water to protect threatened Salinas River steelhead species and their habitat  
16 and other aquatic resources below Salinas Dam to a point about 30 miles below the dam.  
17 On an average, that is less than 3 cfs of water daily that flows from Salinas Dam. The  
18 Live Stream Agreement is an old fish agreement which was agreed to many years ago  
19 without supporting present day scientific studies and knowledge of the life stages of  
20 threatened steelhead species. The Live Stream Agreement does not provide for water  
21 temperature requirements to sustain the steelhead species (all life stages); does not  
22 provide for dissolved oxygen requirements to sustain the steelhead species; does not  
23 provide pulse flows to attract adult steelhead to their historic spawning area; does not  
24 provide pulse flows to allow for the downstream migration of juvenile steelhead from  
25 their rearing areas to the Pacific Ocean; and we believe does not comply with the  
26 mandatory provision of California Fish and Game Code §5937, which requires the d.  
27  
28

1 owner of the Salinas Dam to release sufficient amounts of water at all times from the  
2 dam to keep fish that exist or are planted in good condition at all times. (Refer to Letter  
3 by Phil Ashley, Biologist, submitted in support of CSPA.)  
4

5  
6 VI

7 **THE ADDITIONAL STORAGE OF WATER AT THE SALINAS RESERVOIR**  
8 **WILL HAVE SIGNIFICANT ADVERSE DIRECT, INDIRECT, AND**  
9 **CUMULATIVE IMPACTS TO THE FISH AND WILDLIFE RESOURCES**  
10 **BELOW THE RESERVOIR.**

11 Water Code §1243 provides that in determining the amount of water available for  
12 appropriation, the Board shall take into consideration the amounts of water required for  
13 recreation and the preservation and enhancement of fish and wildlife resources.

14 The FEIR indicates on p. ES-18 that raising the level of the dam will cause 395  
15 acres of botanical resources and wildlife habitat to be inundated, including 2,470 oak trees  
16 and 469 gray pines. Such a loss of riparian and pine-oak woodland will significantly  
17 diminish wildlife habitat in the area. (Refer to the letter by Phil Ashley, Biologist.)

18 A major impact to the fish and wildlife downstream of the dam will occur if the  
19 spillway height is increased. The impact will be particularly severe during years following  
20 a drought. (FEIR 3.4-19 and 3.4-20; Letter by Phil Ashley, Biologist.)

21 The FEIR states on p. 3.4-19:

22 "Based on this analysis, the expanded reservoir would reduce flows at downstream  
23 locations during some months while the reservoir was filling and capturing storm  
24 runoff. Downstream locations along the Salinas River evaluated for project-caused  
25 flow reduction include Atascadero, Paso Robles, Bradley, and Spreckels (refer to  
26 Figure 3.4-1). Spill reductions would occur 11 years out of the 24 years analyzed  
27 (refer to Table 3.4-13 and Figure 3.4-2). The largest project-related effects on  
28 downstream flows would occur in wet years following drought periods when the  
reservoir had below-average storage."

Refer to Final EIR Appendix J. Comment and Responses on Revised Draft EIR,

1 Comment #3, letter from Robert L. Roos, second table supplied by Mr. Roos - Spread  
2 sheet calculating spill reduction with a raised spillway an assumed city usage of 8977 ac-  
3 feet/year, the maximum permitted value.

4 According to Mr. Roos's spread sheet, several years (71/72, 72/73, 73/74, 83/84,  
5 92/93) will see spill reduction of over 90%. Over half of the years when there was spill  
6 would see reductions of over 50% if the spillway was raised and the city were to use the  
7 maximum permitted amount of water. Very wet years such as 79/80 and 82/83 see only  
8 small reductions in flow, but if the downstream fish and wildlife do not survive the dry  
9 years, what happens during the wet years is too late to help. (Refer to the Letter by Phil  
10 Ashley, Biologist.)  
11

12 Fish & Game Code §5937 requires the owner of any dam to release sufficient  
13 amounts of water at all times to keep any fish that may be planted or exist below the dam  
14 in good condition.  
15

16 According to Rick Hoffman, Engineering Geologist, during normal low flow  
17 periods within the Salinas River corridor, the slow moving waters tend to deposit fine-  
18 grained sediments including sand, silt, and clay. (Storm runoff events have the effect of  
19 scouring out the fine-grained sediments from the river corridor by an increase in flow  
20 velocity. (FEIR Appendix J, Item 22 F-4.)  
21

22 Mr. Hoffman further states that the expansion of the reservoir will cause the  
23 reservoir to spill less frequently. It will also cause a reduction in the peak monthly flow  
24 at Paso Robles gauging station of approximately 18 percent based on historic flow data  
25 and modeling analysis conducted in 1989 by Leedshill-Herkenhoff. This reduction in  
26 peak storm runoff cycles could reduce the amount of scouring effect within the Salinas  
27 River corridor. (FEIR Appendix J, Item 22 F-5.)  
28

1 The scouring effect of storm runoff is needed to remove sediment from pools and  
2 gravel in the Salinas River corridor which are necessary for the survival of fish below the  
3 dam. (Refer to Letter by Phil Ashley, Fisheries Biologist.)

4 The Live Stream Agreement is inadequate to keep fish that exist below the dam  
5 in good condition and to maintain the existence of steelhead below the dam, as required  
6 by Fish & Game Code §5937 and the Endangered Species Act, if the spillway height is  
7 increased. (Refer to Letter by Phil Ashley, Fisheries Biologist.)

8  
9 Rick Hoffman, Engineering Geologist, states:

10 "While the 'live stream agreement' will allow for the passage of surface water  
11 within the Salinas River during an average winter month, the amount of flow could  
12 be reduced because of the increased capacity of the Salinas Reservoir." (FEIR  
13 Appendix J, Item 22 F-6.)

14  
15 VII

16 **UNAPPROPRIATED WATER IS NOT AVAILABLE FOR THE PROPOSED  
17 APPROPRIATION.**

18 Petitioner has not submitted sufficient information to demonstrate that  
19 unappropriated water is available for the proposed appropriation in Permit 5882, as  
20 required by Water Code §1260(k).

21 The Board is only authorized to issue permits for the appropriation of  
22 unappropriated water. (Water Code §1201, §1252.)

23 The evidence demonstrates that there is no water available in the Salinas River  
24 for the proposed appropriation in Permit 5882. The permit allows the City to take from  
25 the Salinas Dam up to 12.4 cubic feet per second by direct diversion from January 1 to  
26 December 31 of each year, and 45,000 acre-feet per annum by storage to be collected  
27 from November 1 of each year to June 30 of the following year (i.e., the entire rain  
28

2 The project will install a gate in the existing spillway of Salinas Dam to raise the  
3 dam spill elevation from the existing 1301' to 1320'<sup>1</sup>. This will increase the storage  
4 capacity of Salinas Dam to about 18,000 acre feet. 23,843 acre feet to 41,792 acre feet.<sup>2</sup>  
5 Dam size will increase from 730 acres to 1195 acres.<sup>3</sup>  
6

7 This increase in surface area will result in a wasteful increase in evaporation of  
8 3520 AFY when the reservoir is full. (FEIR p. 3.4-17.)

9 The FEIR indicates that the following significant adverse impacts will result from  
10 the project:

11 **3.4.1.2.1 Downstream Hydrology.** "The river forms the western boundary of the  
12 Paso Robles Groundwater Basin and contributes substantial quantities of water to the  
13 aquifer."  
14

15 **3.4.2.2.8 Ground Water Recharge.** The primary potential impact of the proposed  
16 project on groundwater resources would be the potential reduction in groundwater  
17 recharge in the downstream areas affected by the reduced annual flow."

18 "Because the Atascadero sub-basin is relatively small, groundwater levels respond  
19 rapidly to changes in recharge or pumping." (3.4-23)

20 "Prolonged dry periods or droughts result in lower river flows and thus lower  
21 groundwater recharge. This ultimately results in lower groundwater levels. If a drought  
22 extends for several years, groundwater levels continue to decline and well production can  
23 be affected." (3.4-23)  
24  
25

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26 <sup>1</sup>FEIR Section 2.4.2.1, page 2.4-3

27 <sup>2</sup>FEIR Section 2.1, page 2.1-1

28 <sup>3</sup>FEIR Section 3.2.1.1.2, page 3.2-1

1           **3.4.2.1.3 Operational Impacts**

2           **Reservoir Operation/Downstream Flows**

3           "Based on this analysis, the expanded reservoir would reduce flows at downstream  
4 locations during some months while the reservoir was filling and capturing storm runoff.  
5 Downstream locations along the Salinas River evaluated for project-caused flow reduction  
6 include Atascadero, Paso Robles, Bradley, and Spreckels (refer to Figure 3.4-1). Spill  
7 reductions would occur 11 years out of the 24 years analyzed (refer to Table 3.4-13 and  
8 Figure 3.4-2). The largest project-related effects on downstream flows would occur in wet  
9 years following drought periods when the reservoir had below-average storage." (3.4-19)

10           **3.4.2.2.3 Operational Impacts**

11           **Groundwater Recharge**

12           "However, because the Paso Robles Basin is reportedly in a state of overdraft, a  
13 long-term cumulative impact potential reduced recharge may occur." (3.4-25)

14           **3.4.3.1.3 Operational Mitigation**

15           "The principal impacts of the expanded reservoir project on water resources are  
16 related to operational impacts on the downstream high-water flow regime. The expanded  
17 reservoir would reduce peak flows on downstream reaches of the Salinas River,  
18 particularly in the reach between the Salinas Dam and the confluence with the  
19 Nacimiento River." (3.4-29)

20           "The long-term cumulative effects of the project when taken together with overall  
21 surface water diversions and groundwater withdrawals by all downstream users could be  
22 considered potentially significant." (3.4-29)

23           **3.4.1.8.1 Paso Robles Groundwater Basin.** "During the 1960s and early 70s,  
24 overdraft in the Paso Robles groundwater basin is estimated to have been over 30,000  
25  
26  
27  
28

1 acre feet per year, and the water level in the aquifer had declined at an average of 0.9  
2 feet per year over the previous 10-15 years. (DWR 1979.) In 1985, overdraft was  
3 estimated to have increased to 40,000 AFY (DWR 1991), and by 1998, the basin was  
4 estimated to have a net annual overdraft of 57,621 AFY (Fugro-McClelland, 1998a)."

5 **5.2 Unavoidable Adverse Significant Effects - Water Resources/Quality.** "However  
6 the cumulative effects of the project when considered with the overall surface water  
7 diversions and groundwater withdrawals by all downstream users could be considered a  
8 significant environmental impact, especially with respect to groundwater quantity and  
9 quality, riparian habitat, and instream fishery habitat."  
10

11 Rick Hoffman, Engineering Geologist, described the potential adverse impacts on  
12 groundwater recharge for Atascadero Mutual Water Company (AMVC) wells, that would  
13 result from raising the level of the Salinas Dam as follows:  
14

15 "The Atascadero Mutual Water Company (AMWC) pumps water from underflow  
16 of the Salinas River (shallow aquifer) and from the Atascadero sub-basin of the  
17 Paso Robles Groundwater Basin (deep aquifer). In normal to wet rainfall/runoff  
18 years, two-thirds or more of the groundwater production is from underflow.  
19 However, in dry years more reliance is placed on the deep aquifer based on  
20 hydrologic analysis prepared by the Morro Group entitled *Long Term Viability of*  
21 *the Water Supply of the City of Atascadero, California* (April 1991). Recharge to  
22 the shallow (alluvial) aquifer is therefore very important to AMWC in terms of  
23 reliability and cost of operations. Estimates of recharge to the local aquifer was  
24 short of production by AMWC by an average of 4,000 acre feet per year (afy)  
25 during the drought of 1987-1990. Production also exceeded recharge in the  
26 drought cycle of 1976-1977, 1959-1961, and 1947-1951 (page 2, Morro Group,  
27 1991)." (FEIR Appendix J, Item 22F-2)

28 \* \* \*

29 "Recharge could be impacted by both a reduction in the scouring effect of the  
30 stream sediments during flood events and the decreased amount of time when  
31 there is "high water" within the recharge area along the Salinas River corridor."  
32 (FEIR Appendix J, Item 22F-3)

33 The FEI in the State Water Project Coastal Branch dated May 1991, shows on  
34 pages 3 and 4, that the area, designated as DAU 65, which includes Santa Margarita,



1 Atascadero, and Paso Robles, has a groundwater overdraft of 40,300 AFY. Whereas San  
2 Luis Obispo, DAU67 only has a groundwater overdraft of 4,400 AFY. (Protestant's  
3 Exhibit "D", herein.)

4 The Study of the Paso Robles Ground Water Basin, Final Report for the  
5 California Water Quality Control Board dated June 25, 1993, states on page 5-1:  
6

7 "The long-term water quality of the Paso Robles Ground Water Basin would be  
8 threatened if the basin was in overdraft. The Department of Water Resources  
9 (1979) concluded, as a result of mass balance calculations, that the basin was in  
10 overdraft. They calculated that a net annual reduction in storage of 30,300 acre-  
11 feet was taking place when average over the previous 10-15 years (1960s to 1975).  
Water quality may deteriorate during overdraft conditions as users may be forced  
12 to utilize the lower quality, deeper waters of the Basin. In the Paso Robles area  
13 these are known to be both salty and sulfurous." (Protestant's Exhibit "F", p. 5-1.)

14 The San Luis Obispo County Master Water Plan Update, Phase I Data  
15 Compilation Report, dated August 1998, indicates in its Exhibit 2 page 3 that the Salinas  
16 River corridor has an existing water demand of 47,080 acre feet/year and a future demand  
17 of 80,380 acre feet/year. (Protestant's Exhibit "G".) Whereas San Luis Obispo's existing  
18 water demand is 14,210 acre feet/year and its projected demand is only 18,380 to 21,650  
19 acre feet/year. (Protestant's Exhibit "G", p. WPA 4-1.)

20 The San Luis Obispo County Master Water Plan maps show the ground water  
21 basins and the ground water recharge areas. It indicates that the primary source of  
22 groundwater recharge for Santa Margarita, Atascadero, Templeton, and Paso Robles is  
23 the Salinas River. (Protestant's Exhibit "G".)

24 The overwhelming evidence shows that the Paso Robles groundwater basin is in  
25 overdraft and will continue to be so in the foreseeable future. Its future demands for  
26 water far exceed that of the City of San Luis Obispo. The towns and cities of Santa  
27 Margarita, Atascadero, Templeton, and Paso Robles, as well as other downstream users  
28 are dependent upon the Salinas River as their primary source of water. The City of San

1 Luis Obispo lies outside of the watershed of the Salinas River and has alternative sources  
2 of water. The raising of the level of the Salinas Dam and increased diversion of water  
3 therefrom proposed by the City will adversely affect groundwater recharge for the towns  
4 and cities of Santa Margarita, Atascadero, Templeton, and Paso Robles, and deprive  
5 them of the water from the Salinas River that they are already putting to full beneficial  
6 use.  
7

8 Where an area is in a condition of groundwater overdraft, or where appropriation  
9 of water will cause others with riparian rights to incur extra costs of seeking water from  
10 deeper wells, there is no water available for appropriation as a matter of law. (Allen v.  
11 California Water & Tel. Co. (1946) 29 Cal 2d 466, 483-486.)  
12

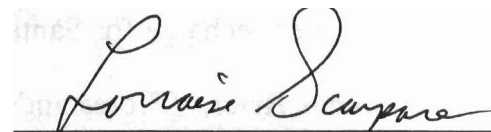
13 City of Los Angeles v. City of San Fernando (1975)  
14 14 Cal. 3d 199, 278.

15 "Thus on the commencement of overdraft there is no surplus available for the  
16 acquisition or enlargement of appropriative rights."

17 Under the circumstances herein, there is no water available in the Salinas River  
18 for the City to appropriate. Therefore, its petition for extension of time should be  
19 denied.  
20

21 **DATED: May 6, 1999**

22 **Respectfully submitted,**

23   
24 **LORRAINE SCARPACE**  
25 **ATTORNEY FOR PROTESTANT**  
26  
27  
28



# COUNCIL AGENDA REPORT

Meeting Date	11-23-1999
Item Number	

CITY OF SAN LUIS OBISPO

**FROM:** John Moss, Utilities Director  
Prepared By: Gary W. Henderson, Water Division Manager

**SUBJECT:** Contract with URS Greiner Woodward Clyde Consultants for the Salinas Reservoir Expansion Project.

## CAO RECOMMENDATION

By motion, (1) Approve the contract with URS Greiner Woodward Clyde for the Salinas Reservoir Expansion Project for a total compensation not to exceed \$828,610, and, (2) Approve advancing project funding identified as second year CIP project funding for this project in the amount of \$351,200.

## DISCUSSION

### *Background*

The City of San Luis Obispo has been pursuing the Salinas Reservoir Expansion Project for many years to increase available water supplies to meet existing and future community water needs. The project involves the installation of operable gates in the spillway which would increase the maximum water surface elevation by 19 feet. The project would increase the storage capacity from 23,843 acre feet (af) to 41,792 af which would increase the safe annual yield from the reservoir by 1,650 acre feet per year (afy)

In 1988, the City hired the firm of Woodward-Clyde Consultants to prepare studies relative to the potential expansion of the reservoir. The final studies associated with preliminary geotechnical evaluation, seismic analysis, increased reservoir yield, and evaluation of alternatives was completed in December of 1990. The studies indicated that with modifications in the area of the right abutment, the dam could safely be expanded with the installation of spillway gates.

Following completion of the feasibility studies, the City contracted with Woodward-Clyde to prepare the environmental impact report (EIR) for the proposed expansion project. The initial draft EIR for the Salinas Reservoir Expansion Project was released for public comment in November of 1993. The public comment period closed on January 3, 1994 and numerous comments and concerns were raised by individuals and agencies relative to the project related impacts. Based on the comments raised, the City Council approved an amendment to the contract for Woodward-Clyde to prepare a revised draft EIR for the project. The revised draft EIR was released for public comment in May of 1997. The Final EIR for the project addressed the comments received on both the initial and revised drafts of the EIR. The Final EIR was certified by the City Council on June 2, 1998 but the City has not made the determination to proceed with the project and therefore has not filed the formal "Notice of Determination" for the project.

17-19

**Council Agenda Report – Contract with URS Greiner Woodward Clyde**  
**Page 2**

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On March 23, 1999, the City Council had a study session relative the "Water Supply". The meeting focused on the water supply projects currently being pursued by the City to meet existing and future city water demands. In addition to an aggressive ongoing water conservation program, the City is pursuing the Water Reuse Project, Nacimiento Pipeline Project and the Salinas Reservoir Expansion Project. While the City is very supportive of the Nacimiento Project, there are indications that the project may not be supported at this time by all the agencies which are currently involved in the project. If the project fails to move forward in the near future, the City will need to quickly move forward with the Salinas Reservoir Expansion Project to meet our communities water needs. At the study session in March, the Council agreed that the City should move forward with the additional work for the Salinas Reservoir Expansion Project which is outlined in more detail in the following sections and in Exhibit A and B to this report (Exhibit A & B are in the Council Office for review).

***Additional Work Necessary for the Project***

There are several areas of work associated with the potential expansion of the reservoir which must be addressed prior to initiating final design and construction. The four main issues are 1.) transfer of ownership of the dam and surrounding property, 2.) resolution of the protest to the City's water rights permit, 3.) development of detailed mitigation plans, and 4.) additional structural analysis required for State Division of Dam Safety (DSOD) certification of the dam following ownership transfer. The work required for each of these areas is discussed in detail in the following sections.

***Ownership***

The U.S. Army Corps of Engineers (Corps) owns the dam, pipelines and pumping station as well as 4,400 acres surrounding the lake. The dam has not served a federal purpose for more than 40 years and the Corps has desired for many years (30+) to transfer the ownership of the dam and surrounding property to a local agency. For many years the City and the County have disagreed as to which agency should acquire ownership of the facilities and land. In 1992, the City Council supported transfer of the dam and property to the San Luis Obispo Flood Control and Water Conservation District (District). The District currently operates the dam and water delivery facilities. The intent is to maintain the existing conditions with the District providing operation and maintenance activities relative to the dam and pipelines. The County General Services Department would continue to operate and maintain the park and recreation facilities and management of the property surrounding the lake.

City and County staff have developed the draft agreements relative to transfer of the property and operations and maintenance of the facilities. There are three separate agreements: 1.) ownership transfer, 2.) operations and maintenance of dam and related facilities, and 3.) operation and maintenance of recreation facilities and surrounding property. These agreements are expected to be presented to the Council for approval later this year and then presented to the Board of Supervisors for their approval.

**Council Agenda Report – Contract with URS Greiner Woodward Clyde**  
**Page 3**

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The work required to allow the property to be transferred from the Corps to a local agency includes the following:

- ◆ National Environmental Policy Act (NEPA) compliance
- ◆ Hazardous Material Evaluation
- ◆ Cultural Resources Compliance
- ◆ Property Boundary Line Delineation
- ◆ Coordination with Corps and Other Agencies

The detailed scope of services for each of these areas is outlined in the proposal from URS Greiner Woodward Clyde dated June 25, 1999 (Exhibit A). The estimated budget for the activities listed above is \$292,910.

***Water Rights Permit Hearing***

The City's water rights permit (#5882) was issued by the State Water Resources Control Board (SWRCB) on June 4, 1941 for diversion and storage of up to 45,000 acre feet per year of water from the Salinas River. Water rights permits are issued for a period of time (up to 10 years) to allow the permittee the ability to put the water to full beneficial use. Once the permittee has used the maximum amount of water allowed by the permit, they can request a "license" for that amount. Since the gates were not installed during the original construction, the maximum permitted storage has not been accomplished and the City has requested numerous time extensions to our permit. This is a common practice for municipalities that are not using their full permitted water rights but will need the water to meet future growth within the community.

In 1991, the City requested a ten year time extension for our permit from the SWRCB. The time extension request was publicly noticed and one protest was received by the SWRCB during the formal protest period. The protest was filed by the California Sportsfishing Protection Alliance (CSPA) which claimed potential impacts to downstream fishery resources. The resolution of the protest will require a hearing before the SWRCB. Preparation for the hearing will require coordination with legal counsel and the consultants that prepared the analysis relative to downstream flow impacts, biological resources, etc.

The detailed scope of services for URS Greiner Woodward Clyde support for the hearing are outlined in Exhibit B. The estimated budget for these services is \$25,000. In addition to these costs, it is estimated that the legal counsel for the hearing will cost an additional \$25,000. A separate contract for legal services will be brought to Council for approval later this summer.

**Council Agenda Report – Contract with URS Greiner Woodward Clyde**  
**Page 4**

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***CEQA Compliance***

The Final Environmental Impact Report for the Salinas Reservoir Expansion Project was certified by the City Council on June 2, 1998. The "Notice of Determination" (NOD) has not been filed for the project and the final decision to proceed with the project has not been made. Prior to filing the NOD, the detailed mitigation plans must be prepared so that "findings" for potential project related impacts can be made.

Development of the detailed mitigation plans will require negotiations with private property owners in the vicinity of the reservoir. Surveys of potential mitigation sites will be undertaken to determine whether the site will be an appropriate site for proposed enhancements. The detailed work scope is outlined in Section 2 of Exhibit A and is estimated to cost \$174,200.

***Dam Engineering Studies***

The Salinas Dam is currently owned by the U.S. Army Corps of Engineers and as such falls under the federal guidelines for dam safety and oversight. Following the transfer of ownership to a local agency, the dam will be under the jurisdiction of the Department of Water Resources, Division of Safety of Dams (DSOD). Additional analysis is required to ensure that the dam can be certified by DSOD following the ownership transfer. The additional analysis includes hydrology and hydraulics studies, concrete sampling of the existing structure, seismic analysis, and abutment stability review.

Preliminary studies were completed in 1990 relative to the structural adequacy of the existing dam. Since that time, some of the design criteria for dams have been modified and more detailed analysis is required to insure that the dam can be expanded and meet the requirements of DSOD. The additional work related to the dam engineering studies are outlined in Section 4 of Exhibit A. The estimated budget for completion of these studies is \$336,500.

***Summary***

The additional work associated with the Salinas Reservoir Expansion Project, as outlined in this staff report and the attached exhibits, involves four main areas of work: 1.) transfer of ownership of the dam and surrounding property, 2.) resolution of the protest to the City's water rights permit, 3.) development of detailed mitigation plans, and 4.) additional structural analysis required for State Division of Dam Safety (DSOD) certification of the dam following ownership transfer. The total budget related to these activities is estimated at \$828,610. The nine to ten month schedule for the work (as shown in Exhibit A) is very optimistic and work is likely to extend into the next fiscal year.

**ALTERNATIVES**

- ***Use in-house staff resources.*** The studies and additional analysis require technical expertise which is beyond the capabilities of the city staff. There are some areas which are currently

**Council Agenda Report – Contract with URS Greiner Woodward Clyde**  
**Page 5**

proposed to be handled by city staff and these areas could be expanded if staff resources were available. Due to current city staff workloads, assumption of additional workload responsibilities would have impacts in other areas which would not be acceptable. Therefore, this alternative is not recommended.

- **Delay this work.** This option is not consistent with prior Council direction. The delay could impact the City's water rights relative to expanding the capacity of the reservoir. Delaying work to a later date would also impact the City's ability to quickly move forward with the project if the Nacimiento Project fails to move forward. For these reasons, this alternative is not recommended.

**FISCAL IMPACT**

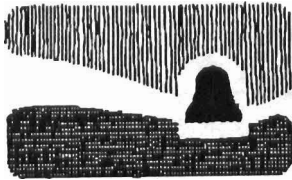
Approval of the contract with URS Greiner Woodward Clyde will provide for compensation for a total sum not to exceed \$828,610. Funding for this project will be provided from the Water Fund. The Salinas Reservoir Expansion Project is identified in the 1999/01 Financial Plan, Appendix B on pages 63-67. There is \$237,500 available from the 1998-99 budget, \$240,000 identified in the 1999/00 approved budget for additional studies, and \$930,000 identified in the 2000-01 budget for studies and design. This represents a total budget for the next two years of \$1,407,500. The design work associated with the dam engineering analysis was not anticipated to occur until the 2000-01 fiscal year at the time the Capital Improvement Plans were being prepared. During development of this Phase I consultant services agreement for the Salinas Reservoir Expansion Project, it was determined that some of the analysis necessary for design should occur earlier than originally planned, that is in the 1999-00 fiscal year. The approval of the contract for Phase I work is \$828,610. This will require approval to bring funding forward from the second year of the financial plan in the amount of \$351,200. \$578,800 will remain available in the 2000-01 budget for completing the additional design work associated with the next phase of the project.

<b>Approved Project Funding</b>				
Phase	Prior Budget	99-00	00-01	Total
Study	\$237,500	\$240,000	\$230,000	\$707,500
Design			\$700,000	\$700,000
Total	\$237,500	\$240,000	\$930,000	\$1,407,500

<b>Recommended Project Funding</b>				
Phase	Prior Budget	99-00	00-01	Total
Study	\$237,500	\$591,200	\$-0-	\$828,700
Design			\$578,800	\$578,800
Total	\$237,500	\$591,200	\$578,800	\$1,407,500

**Attachment:** Consultant Contract Agreement for Phase I for the Salinas Reservoir Expansion.  
**Council Office for Review:**

- Exhibit A: Phase I Scope of Services for Salinas Reservoir Expansion Project
- Exhibit B: Scope of Services to Support for Support for the SWRCB Hearing



# CITY OF SAN LUIS OBISPO

955 Moro Street • San Luis Obispo, CA 93401

July 23, 1999

Mr. Ken Weathers, Chairman  
North County Water Resources Forum  
P.O. Box 6075  
Atascadero, CA 93423

Subject: **Salinas Reservoir Expansion Project additional studies.**

Dear Ken and Forum Members:

On July 20, 1999, the Council for the City of San Luis Obispo approved an agreement with URS Greiner Woodward-Clyde consultants for additional studies and work associated with the Salinas Reservoir Expansion Project. Since so much has been said relative to this action by the City, I thought it would be prudent to clarify the action of the City with you.

The work approved by our Council will address four primary areas:

1. The transfer of the property at the dam and surrounding the lake from the Army Corps of Engineers (ACOE) to a local agency, most likely the County Flood Control District. Because of the Federal involvement in the transfer, this work will require full National Environmental Policy Act (NEPA) compliance, property surveys, cultural and historic resources survey, hazardous materials evaluation and special legislation to facilitate the transfer.
2. CEQA compliance. As you know the City Council certified the EIR for the expansion project on June 2, 1998. We have not yet filed the Notice of Determination (NOD) for the project and EIR however, because we have not completed the final mitigation and mitigation monitoring plans. These plans will require property surveys, soils analysis, negotiations with property owners, etc. This work is necessary to determine the costs and true extent of mitigation feasible so that Council may make the necessary findings to file the NOD.
3. Dam Engineering. Additional engineering study and analysis relative to the structural safety of the dam is required to not only determine the structural capability of the dam under an increased storage scenario, but also under the current storage scenario. Should the transfer of the dam from the ACOE to a local agency occur, something the City supports even if the actual expansion project does not proceed, the dam will then be regulated under the State of California Division of Safety of Dams (DSOD). DSOD has stringent safety requirements for dams and we need to ensure that the Salinas Dam meets these requirements, now and in the future.



The City of San Luis Obispo is committed to include the disabled in all of its services, programs and activities. Telecommunications Device for the Deaf (805) 781-7410.



17-24



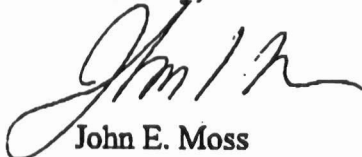
**North County Water Resources Forum****July 23, 1999****Page 2**

4. **Water Rights.** The City has long been pursuing the continuation and protection of its water rights to Salinas through a request for a time extension to our water rights permit from the State Water Resources Control Board (SWRCB). The SWRCB had delayed consideration of the City's request until completion of the project EIR which would be used to answer the questions relative to impacts to downstream fisheries resources, primarily steelhead trout, raised in a protest filed by the California Sportfishing Protection Alliance (CSPA). While we had hoped that the protest dismissal could have been handled administratively, it now appears that a hearing will be required and will require the assistance of our consultants relative to the biological and hydrologic analysis contained in the EIR.

All of the above work is necessary as a precursor to the actual decision to proceed forward with completion of the expansion project. While the City was hopeful that we would have been able to avoid many of these costs and focus solely on the Nacimiento project, the delay in that project's EIR and the subsequent full commitment to that project through binding participation agreements, the City has been forced to proceed with this additional work to ensure that we will have the additional supplies our community needs when we need them. We can not afford the cumulative delays that could occur if we were to do nothing until the decision on Nacimiento is final. That said, I must continue to emphasize that the Nacimiento project is the City's preferred project and that we remain committed to its completion.

I have attached a copy of the staff report which was considered by Council on July 20<sup>th</sup> for your review. The actions approved in this report mirror the direction provided by our Council at their March 23, 1999 Study Session on water supplies, which we have previously discussed with the Forum. I would be happy to discuss the City's actions further at a future Forum meeting or with any of the Forum agency Boards and Councils at their meetings.

Sincerely,



**John E. Moss**  
**Utilities Director**

c: w/o attachment

SLO City Council

17-25