

**TO:** James L. App, City Manager

**FROM:** Meg Williamson, Assistant to the City Manager 

**SUBJECT:** Draft Environmental Impact Report for the Nacimiento Water Project

**DATE:** July 29, 2003

**NEEDS:** For the City Council and Planning Commission to receive an informational presentation by the County of San Luis Obispo of the Draft EIR document.

- FACTS:**
- 1 The Draft Environmental Impact Report (DEIR) for the Nacimiento Water Project was released for public review on July 3, 2003, marking the start of a 45-day comment period under the California Environmental Quality Act (CEQA).
  2. This is a County initiated project which proposes a surface water delivery system from Lake Nacimiento to fifteen (15) purveyors within the County of San Luis Obispo. Paso Robles is among these purveyors.
  3. The purpose of this scheduled workshop is for the Council, Commission and community to receive updated information about this surface water project and to begin the process for providing comment on the adequacy of the environmental analysis. No action is requested at this time.
  4. The Draft EIR identifies project design alternatives and the potential environmental impacts associated with implementing any combination of those alternatives (the project). (See Attachment 1 – Draft EIR Executive Summary).
  5. At this phase of the process it is appropriate to focus on whether the document adequately addresses the potential impacts of the project (not to consider project participation).
  6. City staff will be evaluating the key issues within the environmental document that are of importance and/or concern to the City. This analysis will be presented to the City Council in late August for consideration prior to submittal to the County.
  7. All public comments on the Draft EIR must be provided to the County by September 5, 2003.
  8. After the close of the public comment period, responses to comments will be prepared by the County who will, in turn, generate a Final EIR for consideration by the County Board of Supervisors as early as December 2003.
  9. It is important to keep in mind that Board of Supervisor certification (approval) of the EIR will not signify approval of the water project.

10. The decision to participate in the project will be made by individual agencies after project cost and other participation information is made available.
11. Certification of the EIR will enable the County to move ahead with project design, including both final physical and fiscal details.

**ANALYSIS &**

**CONCLUSION:** The City Council has identified the need to generate additional high quality and reliable water resources for the community as their number one goal. The Paso Robles area is generally arid and has been limited to use of groundwater (from both the Paso Robles Groundwater Basin, as well as the Salinas River Underflow) as its sole water resource. The City, as well as areas beyond the City limits, need additional water in the years to come.

This surface water resource project, the Nacimiento Water Project (see Attachment 2 – Nacimiento Water Project Study Session Agenda Report), is a significant water resource opportunity for the city and the region. The City has the opportunity to shape the water resource decision, as a regional participant, to provide the community the long-term benefit envisioned by the City Council in February, 2003.

The Draft EIR specifically addresses the impacts associated with the project, both temporary and perpetual. At this public workshop, the community will be provided information on the project and the contents of the Draft EIR. It is the first opportunity to assess the adequacy of the environmental process, but it is not the time to determine participation (see Attachment 3- EIR and Project Participation decision matrix/schedule).

**POLICY**

**REFERENCE:** California Environmental Quality Act (CEQA) and City Council Goals for Fiscal Years 2004-2007.

**FISCAL**

**IMPACT:** There is no identifiable fiscal impact created in review and comment of the Draft EIR. The City Council and community will be provided specific, local fiscal impacts when a project participation decision is considered.

**OPTIONS:**

- a. Consider the informational presentation provided by the County of San Luis Obispo, and provide suggestions for areas of focus regarding the adequacy of the Draft EIR environmental analysis.
- b. Amend, modify or reject above option.

**Attachments:**

1. Executive Summary of the Nacimiento Water Project Draft EIR
2. Study Session Agenda Report prepared by Christine Ferrara, PE – County staff
3. EIR and Project Participation Decision Matrix/Schedule

**Executive Summary**

This Environmental Impact Report (EIR) assesses the environmental impacts associated with the Nacimiento Water Project (NWP). San Luis Obispo County Flood Control and Water Conservation District (SLOFCWCD) is the Applicant.

The location of the proposed project Treated and Raw Water Options are shown in Figures ES-1 and ES-2.

This EIR is an informational document that is being used by the general public and governmental agencies to review and evaluate the two proposed project options. The reader should not rely exclusively on the Executive Summary as the sole basis for judgment of the proposed project and alternatives. This EIR should be consulted for information about the environmental effects and associated mitigation measures. The remainder of the Executive Summary consists of the following sections:

- An introduction, which discuss the various governmental agencies that participated in preparation of this EIR;
- A brief description of the proposed project;
- A brief description of the alternatives evaluated throughout this EIR;
- A discussion of how the environmental setting (i.e., baseline) was established for the proposed project;
- A summary of key impacts for the project and the alternatives; and
- A discussion of the environmentally superior alternative.

A set of Impact Summary Tables is provided at the end of the Executive Summary. These tables summarize the impacts and mitigation measures for the project, alternatives, and cumulative projects. The impacts and mitigation measures are discussed in detail in Section 5.0 of the EIR.

**A. Introduction**

The purpose of the Executive Summary and Impact Summary Tables is to provide the reader with a brief overview of the proposed project, the anticipated environmental effects, and the potential mitigation measures that could reduce the severity of the impacts associated with the project.

This EIR was prepared in accordance with State and San Luis Obispo County (SLO County) administrative guidelines established to comply with the California Environmental Quality Act (CEQA). In compliance with the CEQA Guidelines, SLO County (Department of Planning and Building), as the Lead Agency, prepared a Scoping Document for the proposed project and solicited comments through distribution of a Notice of Preparation (NOP).

Figure ES-1 Location of Proposed Project – Treated Water Option







The Scoping Document and comments received in response to the NOP were used to help direct the scope of the analysis and the technical studies in this EIR. A copy of the Scoping Document and the comments received can be found in Appendix F.

A number of Federal, State and local governmental agencies require an environmental analysis of the proposed project consistent with the requirements of CEQA in order to act on the project. These agencies include SLO County, the California Department of Fish and Game (CDFG), and the SLO County Air Pollution Control District (SLOAPCD). The document has also been prepared to meet the requirements of the National Environmental Policy Act (NEPA), which should assist the Army Corps of Engineers (ACOE) in the decision making for the Camp Roberts lands and with issuing Section 404 permits (Clean Water Act).

## **B. Proposed Project**

The proposed NWP includes two co-equal water delivery options that were evaluated and compared equally throughout the EIR: a Treated Water Option and a Raw Water Option. The proposed project is in response to SLO County's need for future water supplies and to supplement existing groundwater sources. The proposed project would potentially supply up to 16,200<sup>1</sup> acre feet per year (afy) of water to augment the existing water supplies in various communities within SLO County.

The main objective of the proposed project is to provide a reliable supplemental water source for a variety of uses within SLO County by supplementing the local ground and surface water supplies with a new surface water source. The objective is also to increase reliability of water deliveries, to improve water quality and to lessen the extent of future ground water pumping to existing residents and provide sufficient supplies to support planning objectives in various communities of SLO County. The objective of the proposed project is, therefore, to ensure better management of water resources throughout the County.

The SLO County Flood Control and Water Conservation District has a 17,500 afy entitlement from Lake Nacimiento per agreement executed in 1959 with Monterey County. Of this 17,500 afy, 16,200 afy is slated for this project and the remaining 1,300 afy is being reserved for local lakeside use.

Fifteen (15) purveyors submitted their requests for Lake Nacimiento water. Of the 16,200 afy available for the project, 13,575 afy is being requested; the remaining 2,625 afy is considered a County-owned contingency capacity. Table ES.1 shows each purveyor allocation request and requested peaking factor (percent of extra project capacity requested by the purveyor).

The proposed project includes two co-equal water delivery options that were evaluated and compared throughout this EIR: Treated Water Option and Raw Water Option. Both options include construction of the water intake at Lake Nacimiento, water storage tanks, pump stations and a 64-mile water transmission pipeline. The differences between the options are that the Raw Water Option includes construction and operation of three water discharge facilities.

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<sup>1</sup> One acre foot equals 325,853 gallons.

Table ES.1 Tentative Nacimiento Water Project Allocations

Water Purveyor	Allocation	Peaking Factor	Flow Rate	
	afy	%	mgd	cfs
San Miguel CSD	610	10	0.60	0.93
Paso Robles City	4,000	30	4.64	7.18
Templeton CSD	250	30	0.29	0.45
Atascadero MWC	3,000	30	3.48	5.38
Santa Margarita Ranch	200	10	0.20	0.30
CSA 23-Santa Margarita	100	30	0.12	0.19
San Luis Obispo City	3,380	10	3.32	5.14
Camp San Luis Obispo	200	10	0.20	0.30
San Luis CUSD-Morro Bay	55	10	0.05	0.08
CSA 10A Cayucos	80	10	0.08	0.12
Lewis Pollard Trust-Cayucos	50	10	0.05	0.08
Morro Rock MWC-Cayucos	30	10	0.03	0.05
CSA 22-Airport Area	890	10	0.87	1.35
Fiero Lane WC-Airport Area	30	10	0.03	0.05
Edna Valley MWC-Airport Area	700	10	0.69	1.06
Subtotal	13,575		15.25	
SLO County (Contingency)	2,625	10	2.57	3.98
<b>Pipeline Total</b>	<b>16,200</b>		<b>17.82</b>	<b>27.57</b>
<b>Reserved for Lakeside use</b>	<b>1,300</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
<b>Total Allocation</b>	<b>17,500</b>			

Note: \* Peaking factor is the percent of extra capacity requested by the purveyors to allow short term flows higher than the average of their yearly allocation. For the purveyors that requested no peaking, 10% has been added to allow for system downtime.

afy=acre feet per year; mgd=million gallons per day; cfs=cubic feet per second; MWC=Mutual Water Company; CSD=Community Services District; CSA=County Service Area; SLO=San Luis Obispo; WC=Water Company; NA=Not Applicable

Source: Carollo Engineers, EIR Preparation Phase Engineering Report, April 2002.

Construction and operation of these water discharge facilities would be the responsibility of the purveyors benefiting from the water (Paso Robles, Templeton, and Atascadero). The Treated Water Option also includes construction and operation of a central Water Treatment Plant near Lake Nacimiento on Camp Roberts' property.

The various parts of the two proposed options are summarized in Table ES.2. The detailed descriptions of the two proposed options are given in Section 2.0 of the EIR.

### C. Description of Project Alternatives

Alternatives to the proposed project have been developed as per CEQA Guidelines Section 15126.6. This document has used an alternative screening analysis to limit the number of alternatives evaluated in detail throughout this EIR. The use of an alternative screening analysis provides the detailed explanation of why some of the alternatives were rejected for further analysis, and assures that only potentially environmentally preferred alternatives are evaluated and compared in the EIR. The following are alternatives selected as part of the screening analysis.



Table ES.2 Project Components as Related to the Two Proposed Options

Component	Option	Responsibility	Comments
Lake Nacimiento Intake Structure	Both	SLO County	Reservoir Intake is part of both project options
Intake Pump Station	Both	SLO County	Intake PS is part of both project options
WTP Storage Tanks Facility	Both	SLO County	
Nacimiento WTP	Treated Water	SLO County	
WTP Pump Station	Both	SLO County	In Treated Water Option this PS is part of Nacimiento WTP
Pipeline	Both	SLO County	Pipeline route differs slightly depending on the proposed option
Rocky Canyon Storage Tank	Both	SLO County	
Happy Valley PS	Both	SLO County	
Three Water Discharge Areas	Raw Water	local Water Purveyors	
Cuesta Tunnel Storage Tank	Both	SLO County	
local WTPs			Not part of the proposed project

Note: PS=pump station; WTP=Water Treatment Plant.

### ***No Project Alternative***

CEQA requires that the specific alternative of the “No Project” be evaluated along with its impacts as part of the EIR (CEQA Guidelines Section 15126.6(e)). NEPA Section §1502.14 also requires a No Action Alternative.

The No Project Alternative describes a water supply situation that acknowledges the Board of Supervisors’ decisions related to obtaining supplemental water from the State Water Project (SWP). However, it does not include assumptions that supplemental water supply projects will be developed when projects are either unfunded, unscheduled, or have not undergone environmental review.

Under the No Project Alternative, each project participant would need to evaluate their specific water supply needs and available alternatives, which in many cases are quite divergent amongst the participants. Beyond the continuing over reliance on groundwater resources, it would be speculative to undertake an evaluation of what alternative each participant would pursue in the absence of the NWP. Each of the projects discussed in Section 3.0 of the EIR (Alternatives) could serve, at least partially, as an alternative to the proposed project, especially for some project participants, and have been evaluated on their own merit instead of as part of the No Project Alternative.

With no action, groundwater overdraft in San Luis Obispo County is expected to continue to increase, resulting in lowered groundwater levels, deteriorating water quality, potential aquifer subsidence and damage, and increased pumping costs, and increased competition between agricultural interests and domestic users. Supply shortages during drought periods could occur in some communities.

### ***NWP 1997 EIR Alternative***

This alternative was the subject of a previous NWP EIR in 1997 and has been thoroughly evaluated under CEQA. The alternative is designed to take place in two timeframes. The first phase of the NWP 1997 EIR Alternative would include the construction and operation of an



intake and pump station at Lake Nacimiento; a construction corridor of approximately 66 miles for water pipelines, two storage tanks and three pump stations; development of water discharge facilities north of the Cuesta Grade; upgrading an existing WTP at the CMC south of the Cuesta Grade; and a limited number of water exchange agreements. The second phase of the project would take place 5–10 years after Phase I. It would include construction of a WTP for Paso Robles, Templeton, and Atascadero; in addition, one or two WTPs would be constructed at the same site to serve both Santa Margarita purveyors.

#### ***Phased Treated and Raw Water Alternative***

Similar to the NWP 1997 EIR Alternative, this alternative would be constructed in a phased approach, starting out as a raw water project, and upon completion, would be a treated water project. This alternative would not avoid or substantially lessen many of the impacts associated with the proposed project, but would spread many of the impacts out over a longer period of time. In addition, seasonally sensitive impacts could be avoided by scheduling construction activities during periods when impacts could be avoided or minimized, such as sensitive species breeding periods, or during rainy periods when erosion and sedimentation impacts would be greatest.

#### **D. Environmental Setting (i.e., Baseline) Determination**

The baseline should normally be the physical environmental conditions in the vicinity of the project, as they exist at the time the NOP is published (CEQA Guideline Section 15125). As such, current regional water supply and usage figures from the project area were utilized. While water use remains fairly constant, regional water supplies vary widely from year to year. To address the variability in local water supplies, sustainable yields were also evaluated for each groundwater basin.

#### **E. Impacts of the Proposed Projects and Alternatives**

In the Impact Summary Tables and throughout this EIR, impacts of the proposed project, alternatives, and the cumulative effects have been classified using the categories Class I, II, III, and IV as described below.

- Class I – Significant adverse impacts that are unavoidable,
- Class II – Not significant with mitigation impacts,
- Class III – Adverse but not significant impacts, and
- Class IV – Beneficial impacts

The term “significance” is used in these tables and throughout this EIR to characterize the magnitude of the projected impact. For the purposes of this EIR, a significant impact is a substantial or potentially substantial change to resources in the local project area or the area adjacent to the project in comparison to the thresholds of significance established for the resource or issue area. These thresholds of significance are discussed by issue area in Section 5.0.

To the extent feasible, distinctions are also made between local and regional significance and short- versus long-term duration. These levels of characterization are shown, along with mitigation measures for each impact, in the Impact Summary Tables, which is located directly after this Executive Summary.

- Short-term impacts – Impacts that would only be present during construction of the proposed project and would cease after or shortly after (within 6 months) construction of all phases is completed.
- Long-term impacts – Impacts that may or may not start with the start of construction, however will continue after construction is completed for longer than 6 months.

The remainder of this section provides a brief discussion of the Class I impacts identified for the proposed project as well as the alternatives. A detailed listing of the impacts can be found in the Impact Summary Tables.

#### **D.1 Significant Impacts Associated with the Proposed Project**

Numerous potentially significant impacts were identified for the proposed project, most of which could be mitigated to a level considered less than significant (Class II). One significant (Class I) impact was identified for the proposed project, both the Treated and Raw Water Options, and is summarized below. Significant (Class I) impacts are associated, in general, with only one aspect of the proposed project: the significant air pollutant emissions in the region that would occur during construction and as summarized as follows:

- Air Quality

- AQ.1 Construction activities would generate air emissions that would impact air quality in the area. Air pollutant emissions during pipeline and facility construction would exceed the San Luis Obispo County Air Pollution Control District's significance thresholds, even after implementation of all feasible mitigations. This impact would only last during the construction of the project, with air quality impacts during project operations being less than significant.

Several less-than-significant impacts were also identified for the Raw and Treated Water Options of the Proposed Project. Again, most of these impacts were identical for both options. While these impacts are considered less than significant, they represent the only differences between the two options that can be used to evaluate advantages or disadvantages of each option.

#### **D.2 Significant Impacts Associated with Alternatives**

This section provides a summary of the significant and unavoidable (Class I) impacts associated with the alternatives to the proposed project and compares them to those that were identified for the proposed project.

##### ***No Project Alternative***

Under the No Project Alternative, all of the proposed project significant (Class I) impacts would be eliminated since there would be no construction of the project facilities and water use and

distribution would not differ substantially from current conditions. The water purveyors that applied for the Lake Nacimiento water would need to search for other sources of water or rely on the existing sources currently available to them.

### ***NWP 1997 EIR Alternative***

The significant (Class I) impact associated with the proposed project would occur under this alternative as well. In addition, several other significant impacts were identified:

- **Hydrology and Water Quality**
  - WQ.10 – For the 1997 EIR Project south side intake location and design, there would be an increased potential for turbidity in discharges from the MCWRA power plant during NWP intake construction. Under the 1997 EIR preferred alternative, the intake was proposed to be tunneled from the south side of the dam, as opposed to the Proposed Project north side tunneling plan. In addition, the lowest level inlet was positioned at 660 feet elevation (10 feet below the current plan) and included a dredged channel leading into the inlet. This would result in an increased potential for turbidity in discharges from the MCWRA power plant during NWP intake construction.
- **Noise**
  - N.1 – Construction noise would temporarily increase ambient daytime noise levels along the pipeline route and near the pump station and WTP sites. Short term sound levels would exceed acceptable levels at nearby sensitive receptors during construction of project facilities.
- **Transportation/Circulation**
  - T.2 – Pipeline construction would require partial road closures and reduce the number of travel lanes during peak traffic periods for roadways with an LOS of D or worse, resulting in a disruption of traffic flow and/or traffic congestion. This impact would be more severe than in the proposed project due to the proposed route, and especially along Nacimiento Lake Drive.
  - T.3 – Partial street closures would temporarily restrict access to and from private property and adjacent land uses. Limited route alternatives along Nacimiento Lake Drive would result in substantial delays and impede access to private property.
  - T.8 – A pipeline failure could disrupt traffic during repairs. A failure along Nacimiento Lake Drive would result in substantial traffic delays, with no suitable alternative route available.
- **Aesthetics/Visual Resources**
  - T.2 – Visual impacts due to long-term presence of the pump station and water intake structures at Nacimiento Dam adjacent to Nacimiento Lake Drive and Lake Nacimiento Resort.

### ***Phased Treated and Raw Water Alternative***

Since this alternative is a combination of the co-equal project options of a Raw or Treated Water Project, the same significant (Class I) impact associated with the proposed project would occur under this alternative. These impacts include:

- Air Quality
  - AQ.1 – Construction activities would generate air emissions that would impact air quality in the area. Air pollutant emissions during pipeline and facility construction would exceed the San Luis Obispo County Air Pollution Control District's significance threshold, even after implementation of all feasible mitigation. This impact would only last during the construction of the project, with air quality impacts during project operations being less than significant.

#### **F. Mitigation Measures**

An extensive number of mitigation measures have been developed for a number of the impacts identified for the proposed project and alternatives. A comprehensive listing of the mitigation measures are listed in the Impact Summary Tables at the end of this section. In many cases, successful implementation of these measures is required to avoid potentially significant impacts to the environment. In some cases, mitigation measures have been proposed for Class III impacts to further reduce severity of these impacts. While these impacts did not exceed the significance criteria, it has been determined that additional; mitigation was available and warranted to minimize potential impacts to the maximum extent feasible. Should the Lead Agency decline implementation of several key mitigation measures, many of the Class II impacts identified in the EIR would be considered Significant Class I impacts under CEQA, thus requiring a Statement of Overriding Considerations from the Lead Agency.

#### **G. Environmentally Superior Alternative**

Based on an evaluation of feasible alternatives, the environmentally superior alternative is identified as required by CEQA. Alternatives evaluated included:

- Proposed Project – Treated Water Option
- Proposed Project – Raw Water Option
- No Project Alternative
- NWP 1997 EIR Alternative
- Phased Treated and Raw Water Alternative

Based on the evaluation of alternatives in Section 6.0, the No Project Alternative was clearly found to be the environmentally superior alternative. This alternative would eliminate all of the Class I impacts associated with the proposed project. However, with no action, groundwater overdraft in San Luis Obispo County is expected to continue to increase, resulting in lowered groundwater levels, deteriorating water quality, potential aquifer subsidence and damage, and increased pumping costs, and increased competition between agricultural interests and domestic users. Supply shortages during drought periods could occur in some communities.

The No Project Alternative would also not meet the Applicant's objectives of the project, which is to provide a reliable supplemental water source for a variety of uses within SLO County by supplementing the local ground and surface water supplies with a new surface water source. CEQA Guidelines Section 15126.6(e)(2) states "If the environmentally superior alternative is the



no project alternative, the EIR shall also identify an environmentally superior alternative among the other alternatives.” The proposed project with mitigation would be the next environmentally superior alternative. The EIR includes an analysis of the No Project Alternative, as required by CEQA and NEPA guidelines. However, pursuant to the requirements of NEPA Section §1502.14, the No Project Alternative may not be legally feasible to be identified as the federal agency’s preferred alternative.

The Environmentally Superior Alternative was selected based on the CEQA requirement to identify an environmentally superior alternative from the remaining alternatives. This selection was based, in part, on avoidance of Significant Class I Impacts, and to a lesser extent on avoidance of potentially significant impacts that can be mitigated to a level of insignificance.

The Proposed Project Treated and Raw Water Options are clearly superior to the NWP 1997 EIR Preferred Alternative due to the avoidance of several Significant Class I Impacts. Differentiating the differences between the Proposed Project Treated and Raw Water Options was much more subtle. Since the Treated Water Option avoided potential impacts to riparian areas in the Salinas River and resulted in better overall water quality, the Treated Water Option was selected over the Raw Water Option.

Finally, the Phased Raw/Treated Water Alternative would result in all of the impacts that are unique to the Treated or Raw Water Options, thus combining the less desirable aspects of each option. Therefore, the Treated Water Option would also be environmentally superior to a Phased Raw/Treated Water Alternative.

Based on the CEQA requirement to identify an environmentally superior alternative from the remaining alternatives, the Proposed Project Treated Water Option was identified as the Environmentally Superior Alternative. The Proposed Project Treated Water Option was also identified as the NEPA Preferred Alternative, as well as the Least Environmentally Damaging Practicable Alternative (LEDPA) under the Department of the Army, Section 404 of the Clean Water Act, permit requirements.

## **H. Growth Inducement**

CEQA Guidelines Section 15126 (g) states that an EIR must discuss the ways in which the proposed project could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment, using a reasonable worst case analysis. It specifically states that projects which would remove obstacles to population growth (such as bringing supplemental water supplies to an area), may “further tax” other existing community service facilities, and this impact must be addressed. Removing what was previously a constraint to development, by supplying supplemental water, could also affect the expected rate of growth in a community, unless adopted growth management policies exist to regulate the amount of development.

The analysis in the EIR makes the following assumptions:

- 1 The NWP, by supplying supplemental water, would remove an obstacle to growth, and lead to increased growth in SLO County communities and cities;

- 2 Growth in any area cannot be assumed to be beneficial, detrimental, or of little significance to the environment [CEQA Guidelines Sec. 15126(g)].**
- 3 Growth inducement is an indirect project impact, which has secondary effects that could be significant;**
- 4 It is recognized that roads, schools, air quality, water, sewer systems, and other resources in SLO County have become overtaxed. These resources could be impacted by growth resulting from the proposed project and would be considered secondary impacts.**

**CEQA Guidelines indicate that it is reasonable to conclude that if, as a result of a project, water is removed as a constraint to growth in a community, the project can be considered growth-inducing. Based on the EIR analysis of growth restraints in the County, growth inducement impacts associated with the proposed project would be considered significant and unavoidable.**

# Nacimiento Water Project

July 29<sup>th</sup> Paso Robles City Council

Study Session Agenda Report

July 22, 2003

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Regional water planning indicates that local ground water basins and reservoirs do not yield enough water to reliably meet the growing needs of both urban areas and agriculture. Water needs are projected to increase 26% countywide as more acreage goes into production and as local communities develop according to their general plans.<sup>1</sup> Nowhere is this more evident than in the North County. A study of the Paso Robles Ground Water Basin completed last year projects that water demand will increase from an estimated 82,600 AFY today to 120,000 AFY in the years ahead, exceeding the estimated safe yield of the ground water basin.<sup>2</sup> It is evident that supplemental water is needed to ensure continued, reliable water supplies in the North County. The Nacimiento Water Project is proposed to fill that need.

Water planners have looked to Lake Nacimiento as a cornerstone of water planning since the 1950's. With an entitlement to 17,500 AFY in the lake (approximately two and a half times the amount of water now used by the City of Paso Robles), a pipeline/delivery system is proposed to convey this water to areas of need. Engineers and environmental specialists have worked together to propose a 60+ mile pipeline route along with associated storage tanks, pumps, and turnouts to deliver 16,200 AFY of San Luis Obispo County's entitlement in Lake Nacimiento to communities from San Miguel and Paso Robles, south to Templeton, Atascadero, Santa Margarita, San Luis Obispo, and others.

A public works project of this scale warrants careful planning and review from many points of view. Engineering and economic impact reports were prepared in 2002 and the project environmental impact report is now underway. The Draft EIR for the project was released on July 3<sup>rd</sup> with a public comment period extending through September 5<sup>th</sup>. The document can be viewed on-line at [www.slocountywater.org](http://www.slocountywater.org), at local libraries and the public counters at most participating agencies. The Draft EIR examines possible environmental impacts associated with construction and operation of the proposed project. It examines various alternatives including installation of a 17 million gallon per day water treatment plant or as an option, the operation of several river recharge areas in lieu of centralized treatment.

The Draft EIR examines both short-term construction impacts such as traffic and air quality as well as lasting impacts such as operational impacts on recreation at

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<sup>1</sup> 1998 EDAW "Master County Water Plan"

<sup>2</sup> Fugro West, Inc. 2002 "Paso Robles Groundwater Basin Study"

the lake and growth inducement. Project team members will describe the scope of issues addressed in the Draft EIR and the process to be followed to address public comments and certify the EIR.

Water resource planning can be complex when considering the variety of water needs expressed by different communities. The Nacimiento Water Project is no exception to this. To address the complexities associated with this proposed project, the Draft EIR describes a variety of project alternatives that have been examined. Alternatives from the "no project alternative" to the pipeline route proposed in 1997 are examined in the EIR such that the public can assess the range of impacts associated with proposed variations to the proposed project.

Public meetings will be held to discuss the project and to assess the adequacy of the Draft EIR. Scheduled dates at this point are:

July 29<sup>th</sup> 7 pm City of Paso Robles Council Chambers

August 7<sup>th</sup> 5 pm North County Water Forum at Templeton CSD offices

August 4<sup>th</sup> 7 pm Templeton CSD Board study session

August 19<sup>th</sup> 7 pm City of San Luis Obispo Council Chambers

August 20<sup>th</sup> 7 pm Atascadero Mutual Water Company joint meeting with Atascadero City Council/Planning Commission at Lake Pavilion

December 9<sup>th</sup> County Board of Supervisors Public Hearing (tentative)

The issue before the City at this point is assessing the adequacy of the EIR. The project team seeks your support in certifying the EIR and is poised to answer impact questions that you may have. For more project information, feel free to call County Utilities Division Manager Christine Ferrara at (805) 781-5272 or County environmental specialist Nancy Orton at (805) 781-5008.

Submitted by:  
Christine Ferrara, PE





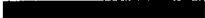



## NACIMIENTO WATER PROJECT FINANCIAL & CONTRACT REVIEW

ID	Task Name	3rd Quarter			4th Quarter			1st Quarter		
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
1	<b>Environmental Review</b>									
2	EIR Certification Hearing						◆ ↓ 12/9			
3										
4	<b>Financial review</b>									
5	Analyze Project Alternatives									
6	Organize Finance Committee									
7	Finance Committee Review									
8	Financial "Policy" Discussions									
9										
10	<b>Contract Review</b>									
11	Distribute "Draft" Contracts						◆ 7/31			
12	Organize Contracts Committee									
13	Prepare Governance "Alternative" White Paper									
14	Contracts Committee Review									
15	Policy Discussions on Contracting Issues									

ATTACHMENT 3

Nacimiento Water Project-Financial & Contract Review  
Paavo Ogren, Deputy Director Public Works Dept., (805) 781-5291 POGREN@CO.SLO.CA.US

Task		Project Summary	
Split		External Tasks	
Progress		External Milestone	◆
Milestone	◆	External Milestone	↓
Summary		Deadline	