

*John Jayden*

  
**NIPOMO COMMUNITY SERVICES DISTRICT**  
**AGENDA**

September 5, 2001

**REGULAR MEETING 10:30 A.M.**  
**BOARD ROOM 148 S. WILSON STREET NIPOMO, CA**

**BOARD MEMBERS**

ROBERT BLAIR, PRESIDENT  
RICHARD MOBRAATEN, VICE PRESIDENT  
MICHAEL WINN, DIRECTOR  
JUDITH WIRSING, DIRECTOR  
CLIFFORD TROTTER, DIRECTOR

**STAFF**

DOUGLAS JONES, GENERAL MANAGER  
DONNA JOHNSON, SEC. TO THE BOARD  
JON SEITZ, GENERAL COUNSEL

**NOTE: All comments concerning any item on the agenda are to be directed to the Board Chairperson.**

**A. CALL TO ORDER AND FLAG SALUTE**

**B. ROLL CALL**

**C. PUBLIC COMMENTS PERIOD**

**PUBLIC COMMENTS**

Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction, provided the matter is not on the Board's agenda, or pending before the Board. Presentations are limited to three (3) minutes or otherwise at the discretion of the Chair.

**D. ADMINISTRATIVE ITEMS (The following may be discussed and action may be taken by the Board.)**

**D-1) KENNEDY/JENKS CONSULTANTS - DRAFT REPORT ON SUPPLEMENTAL WATER**

Presentation by Lynn Takaichi of Kennedy/Jenks - Evaluation of Water Supply Alternatives for the Nipomo CSD

**D-2) MITIGATED ENVIRONMENTAL NEGATIVE DECLARATION - TEFPT ST WATER LINE PROJECT**

Public Hearing - Consideration of a Mitigated Negative Declaration on construction project

**E. OTHER BUSINESS**

**E-1) REVIEW DRAFT WOODLAND SPECIFIC PLAN SUPPLEMENTAL EIR REPORT**

Review District's comments on the draft supplemental EIR report

**E-2) CEQA REVIEW OF THE MONTECITO VERDE II SEWER TIE-IN PROJECT**

Set a Public Hearing for October 17, 2001 to review a Negative Declaration for MVII Sewer Project

**F. CONSENT AGENDA** *The following items are considered routine and non-controversial by staff and may be approved by one motion if no member of the Board wishes an item be removed. If discussion is desired, the item will be removed from the Consent Agenda and will be considered separately. Questions or clarification may be made by the Board members without removal from the Consent Agenda. The recommendations for each item are noted in parenthesis.*

**F-1) WARRANTS [RECOMMEND APPROVAL]**

**F-2) BOARD MEETING MINUTES [RECOMMEND APPROVAL]**

Minutes of August 15, 2001 Special Board meeting

Minutes of August 15, 2001 Regular Board meeting

**G. MANAGER'S REPORT**

**G-1) The attached articles are for the Board's information**

- Affordable Housing
- Septic Tanks Seepage
- Water Rates

**G-2) Semi-Annual CA-NV AWWA Conference**

**H. DIRECTORS COMMENTS**


**CLOSED SESSION**

CONFERENCE WITH LEGAL COUNSEL Pending Litigation GC\$54956.9

- a. SMWCD vs NCSA Santa Clara County Case No. CV 770214 and all consolidated cases.
- b. NCSA vs State Dept of Health Services CV 990716
- c. Istar Holliday, Jesse Hill vs. NCSA CV 010563

**ADJOURN**

The next regular Board meeting will be held on September 19, 2001.

TO: BOARD OF DIRECTORS  
FROM: DOUG JONES   
DATE: SEPTEMBER 5, 2001

**AGENDA ITEM**  
**SEP 05 2001**



SUPPLEMENTAL WATER  
DRAFT REPORT ON EVALUATION OF WATER SUPPLY ALTERNATIVES

**ITEM**

Lynn Takaichi of Kennedy/Jenks Consultants will report on their draft Evaluation of Water Supply Alternatives for the District.

**BACKGROUND**

The District has hired Kennedy/Jenks Consultants to evaluate supplemental water supplies for the District. Mr. Lynn Takaichi has been the project manager for the report and will be making a presentation to your Honorable Board.

The object is to present the findings of Kennedy/Jenks Consultants and receive input from your Honorable Board to be included in the final report.

**RECOMMENDATION**

After the Board hears the presentation and makes comments that may be incorporated into the final report, staff recommends that the Water Committee review the final report and make recommendations to the Board of an alternative water supply for the District.

Board 2001\Supplemental Water Report.DOC

# **Kennedy/Jenks Consultants**

1000 Hill Road, Suite 200  
Ventura, CA 93003  
805-658-0607  
805-650-1522 (fax)

## **DRAFT REPORT Evaluation of Water Supply Alternatives**

15 August 2001

Prepared for


### **Nipomo Community Services District**

148 South Wilson St.  
P.O. Box 326  
Nipomo CA 93444-0326

K/J Project No. 014603.00

TO: BOARD OF DIRECTORS  
FROM: DOUG JONES <sup>19</sup>  
DATE: SEPTEMBER 5, 2001

AGENDA ITEM  
SEP 05 2001



MITIGATED ENVIRONMENTAL NEGATIVE DECLARATION  
TEFFT STREET WATER LINE PROJECT

**ITEM**

Public Hearing

CEQA consideration of a Mitigated Negative Declaration for the Tefft Street Water Line Project.

**BACKGROUND**

The District Water and Sewer Master Plan requires additional capacity for the District water system on an east-west direction across the freeway. Also, with the extraterritorial agreement with the Lucia Mar Unified School District to provide water to the new high school, additional transmission mains need to be constructed between the Dana Elementary School Well-site and the high school area. The proposed alignment of the new waterline will be from the Dana School along Tefft Street, across the 101 freeway bridge and terminating at Thompson Avenue. Design of the improvements is presently being performed by Garing, Taylor and Associates (GT&A).

The CEQA requirements for this project have been prepared by GT&A. Notification have been filed. Now is the time to have the CEQA Public Hearing on this project. The following comments have been received:

- The District has received a letter from Department of Health Services about the physical location of the water line.
- A letter from DWR about the tie-in of the line at Thompson Street concerning the DWR Coastal Branch State Water Line.
- A letter from RWQCB regarding permitting requirements.

These three inquiries are related to the physical construction of the line and are not CEQA issues.

**RECOMMENDATION**

Staff recommends that your Honorable Board have the Public Hearing on the CEQA consideration of a Mitigated Negative Declaration for the Tefft Street Water Line Project. After the hearing, the Board may adopt the attached Mitigated Negative Declaration resolution.

**RESOLUTION NO. 2001-Mit Neg**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
NIPOMO COMMUNITY SERVICES DISTRICT  
ADOPTING A MITIGATED NEGATIVE DECLARATION AND  
AUTHORIZING THE GENERAL MANAGER TO FILE A NOTICE OF DETERMINATION FOR  
THE TEFFT STREET WATERLINE PROJECT**

**WHEREAS**, the Nipomo Community Services District is in the process of implementing its water Master Plan by constructing the Tefft Street Waterline to meet the community's needs (herein "the Project"); and

**WHEREAS**, the Project will be constructing a new water line in Tefft Street from the Dana Elementary School to Thompson Avenue, Nipomo, California; and

**WHEREAS**, California Environmental Quality Act (CEQA) requires the District to assess the impact of the Project on the environment, circulate such assessment and hold a public hearing on the findings thereof; and

**WHEREAS**, Garing, Taylor & Associates, Inc. has prepared an initial study for this Project which proposes that a Mitigated Negative Declaration be approved. The analysis and findings of said study are incorporated herein by reference; and

**WHEREAS**, public notice of the proposed negative declaration was given as required by Section 21092 of the Public Resource Code; and

**WHEREAS**, on Wednesday, September 5, 2001, the District held a Public Hearing on the proposed Mitigated Negative Declaration, reviewed written comments, and accepted public testimony regarding the proposed Mitigated Negative Declaration; and

**WHEREAS**, the hearings on this Project have been appropriately noticed under the Brown Act and the California Environmental Quality Act; and

**WHEREAS**, the Nipomo Community Services District, based on information contained in the initial study prepared for this Project, the study of Cultural Resources Management Services, the staff report and the testimony received, the District, using its own independent judgement and review, finds that there is no substantial evidence that the Project may have a significant effect on the environment that was not otherwise considered by Environmental Impact Reports referenced in the initial study.

**RESOLUTION NO. 2001-Mit Dec**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
NIPOMO COMMUNITY SERVICES DISTRICT  
ADOPTING AN MITIGATED NEGATIVE DECLARATION AND  
AUTHORIZING THE GENERAL MANAGER TO FILE A NOTICE OF DETERMINATION FOR THE  
TEFFT STREET WATERLINE PROJECT**

**PAGE TWO**

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED THAT THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT** does hereby adopt the Mitigated Negative Declaration for the Tefft Street Waterline Project and authorize the General Manager to file a Notice of Determination in compliance with Section 21108 or 21152 of the Public Resource Code and the State Department of Fish & Game, Certificate of Fee Exemption.

**PASSED AND ADOPTED** by the Board of Directors of the Nipomo Community Services District this 5th day of September, 2001, on the following roll call vote:

AYES: Directors

NOES:

ABSENT:

ABSTAIN:

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Robert L. Blair, President  
Nipomo Community Services District

ATTEST:

APPROVED AS TO FORM:

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Donna K. Johnson  
Secretary to the Board

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Jon S. Seitz  
District Legal Counsel

## Notice of Determination

**TO:** County Clerk  
San Luis Obispo County  
Government Center Room 385  
San Luis Obispo, CA 93408

**FROM:** Nipomo Community Services District  
P O Box 326  
Nipomo, CA 93444-0326

**SUBJECT:** Filing of Notice of Determination in compliance with  
Section 15072 and 15094 of the Public Resources Code

**PROJECT TITLE:** Tefft Water Line Project

**CONTACT PERSON:** Doug Jones      **TELEPHONE:** (805) 929-1133

**PROJECT LOCATION:** Nipomo

**PROJECT DESCRIPTION:** Construct water line in Tefft Street between Dana Elementary School and Thompson Avenue.

This is to advise that the **NIPOMO COMMUNITY SERVICES DISTRICT** has approved the above described project and has made the following determinations regarding the above described project on September 5, 2001.

1. The Project will not have a significant effect on the environment.
2. An Environmental Impact Report (EIR) was prepared for this project pursuant to the provisions of CEQA.

The Mitigated Negative Declaration and record of project approval may be examined at:

Nipomo Community Services District Office  
148 S. Wilson Street  
Nipomo, CA 93444

3. A statement of Overriding Considerations was not adopted for this project.

Date Rec'd for Filing: \_\_\_\_\_ Signature: \_\_\_\_\_  
General Manager

**CALIFORNIA DEPARTMENT OF FISH AND GAME**  
**CERTIFICATE OF FEE EXEMPTION**

**De Minimis Impact Finding**

**Project Title/Location**

Nipomo Community Services District  
Osage/Tefft Water Line Project  
Post Office Box 326  
Nipomo, California 93444-0326

**Project Description:** Construct a waterline in Tefft Street between Dana Elementary School and Thompson Avenue.

**Findings of Exemption:**

Based upon the evidence in the initial environmental study, which has been completed on the proposed improvement, the Board of Directors of the Nipomo Community Services District have found no evidence that this project will have an adverse effect on wildlife resources or the habitat upon which wildlife depends.

**Certification:**

I hereby certify that the lead agency has made the above findings of fact and that based upon the initial study and hearing record the project will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 711.2 of the Fish and Game Code.

\_\_\_\_\_  
Doug L. Jones, General Manager  
Nipomo Community Services District

Date \_\_\_\_\_



**DEPARTMENT OF HEALTH SERVICES**  
**DIVISION OF DRINKING WATER AND ENVIRONMENTAL MANAGEMENT**  
1180 Eugenia Place, Suite 200  
Carpinteria, CA 93013  
(805) 566-1326  
FAX (805) 745-8196



August 14, 2001

**Nipomo Community Services District**  
**P.O. Box 326**  
**Nipomo, CA 93444**

**ATTN: Mr. Doug Jones**  
**General Manager**

**SCH# 2001071119**

**Tefft Street Water Transmission Line Project**

The State Department of Health Services, Drinking Water Field Operations Branch (SDHS-DWFOB) has reviewed the Mitigated Negative Declaration for the Nipomo Community Services District (NCSD) – Tefft Street Water Transmission Line Project. The project summary includes the construction of approximately 8,500 feet of 12-inch and 16-inch water line in Tefft Street from the Dana School site to Thompson Avenue. The new water lines will parallel and cross existing lines. The new lines will be tied into existing NCSD water lines at approximately 4 to 5 locations. The purpose of the project is to provide additional transmission and to provide adequate fire flow and domestic peaking capability as currently needed and forecasted by the 1995 Boyle Engineering Report. The NCSD has additional areas with low water pressure problems which are included in the Boyle Report and need to be addressed with the addition of new facilities.

The installation of new water mains needs to be located at least ten feet horizontally from and one foot higher than existing water mains. The separation distances shall be measured from the nearest edges of the pipe. When the horizontal or vertical separation between water and sewer mains cannot be achieved, the utility must receive special approval from the SDHS-DWFOB, using special construction.

If you have any questions concerning this letter, please contact me at (805) 566-1326.

Sincerely,

A handwritten signature in black ink that reads "Kurt Souza".

Kurt Souza, P.E.  
District Sanitary Engineer  
Santa Barbara District (SDHS-DWFOB)

RECEIVED

AUG 15 2001

COMMUNITY  
SERVICES DISTRICT

Cc: San Luis Obispo County EHD  
State Clearinghouse



# California Regional Water Quality Control Board Central Coast Region



Winston H. Hickox  
Secretary for  
Environmental  
Protection

Internet Address: <http://www.swrcb.ca.gov/~rwqcb3>  
81 Higuera Street, Suite 200, San Luis Obispo, California 93401-5427  
Phone (805) 549-3147 • FAX (805) 543-0397

Gray Davis  
Governor

August 15, 2001

Mr. Doug Jones, General Manager  
Nipomo Community Services District  
P.O. Box 326  
Nipomo, CA 93444

*Clear  
8/21/01  
late  
e*

SEP 22 2001  
STATE OF CALIFORNIA

Dear Mr. Jones:

**NIPOMO COMMUNITY SERVICES DISTRICT; MITIGATED NEGATIVE DECLARATION-  
TEFFT STREET WATER TRANSMISSION LINE PROJECT; NIPOMO; SAN LUIS OBISPO  
COUNTY (SCH# 2001071119)**

Thank you for the opportunity to review and comment on your July 23, 2001 Notice of Intent regarding the proposed project. We understand that the project involves the construction of approximately 8, 500 feet of 12-inch and 16-inch waterline in Tefft Street from the Dana School site to Thompson Avenue. The new water lines will cross and parallel existing lines. The new lines will be tied into existing District water lines at approximately 4-5 locations. The following water quality concerns must be addressed:

The Regional Board must certify that any permit issued by the Army Corps of Engineers pursuant to Section 404 of the Clean Water Act complies with state water quality standards, or waive such certification. Section 401 Water Quality Certification is necessary for all Section 404 permits, including reporting and non-reporting Nationwide permits. Any project requiring a Section 404 permit from the Army Corps of Engineers should apply for Section 401 Water Quality Certification by submitting a Form 200 Report of Waste Discharge Application. Applications may be obtained from this office. Additionally, any project that involves disturbance of a stream bank or riparian area must also obtain a Streambed Alteration Agreement from California Department of Fish and Game.

If you have any questions or require application packets, please call **Scott Phillips at (805) 549-3550**.

Sincerely,

*for*  
Roger W. Briggs  
Executive Officer

cc: State Clearinghouse  
P.O. Box 3044  
Sacramento, CA 95812-3044  
**Water Quality Certification**

S:\Wb\Coastal Watershed\Staff\Scott\Kristy's\CEQA\Tefft Street Water Transmission Line.doc

**California Environmental Protection Agency**



DRAFT NO. 1  
August 16, 2001  
Prepared by: Eva Begley  
Reviewed by:      Date:  
Dan Peterson  
Gary Gravier

APPROVED FOR FINAL:

\_\_\_\_\_  
David V. Starks, Acting Chief

Date \_\_\_\_\_

Mr. Doug Jones  
Nipomo Community Services District  
148 South Wilson Street  
Nipomo, California 93444

Negative Declaration for the Tefft Street Water Transmission Line, State Clearinghouse  
No. 2001071119

Dear Mr. Jones:

Thank you for the opportunity to review and comment on the Negative Declaration for the proposed Tefft Street water transmission line, located in the City of Nipomo in San Luis Obispo County. We realize that you will probably not receive this response until after the end of the public review period and appreciate your willingness to accept late comments, per your recent telephone conversation with our staff. The proposed project consists of construction of approximately 8,500 feet of new water line which will tie into existing lines at several locations. One of these locations is at Thompson Avenue, just west of Mile Post 98 of the Coastal Branch of the State Water Project.

The City of Nipomo is aware of the proximity of the proposed work to the Coastal Branch and in fact obtained an encroachment permit, Department of Water Resources Permit No. 1139, for previous work at this location. Although the proposed new project would apparently occur outside the Coastal Branch right of way, the Department of Water Resources, Division of Operations and Maintenance, requests the opportunity to review the plans and specifications for the proposed work. Please send these items to Mr. Dick Jacobi, Chief, Civil Maintenance Branch, Department of Water Resources, 1416 Ninth Street, Room 641, Sacramento, California 95814 for review and comment.

In addition, the Division requests notification prior to the start of ground-disturbing activities so that it may, if it elects to do so, have an observer present to ensure that no inadvertent damage occurs to the State Water Project. Please call Mr. Terry Stutz, Acting Chief, San Joaquin Field Division, at (661) 858-5500 at least five working days before any such activities begin near the Thompson Avenue tie-in.

If you have any questions, please call Dr. Eva Begley, Chief, License and Regulatory Compliance Section, at (916) 653-5951.

Sincerely,

David V. Starks, Acting Chief  
Division of Operations and Maintenance

cc: State Clearing House  
Office of Planning and Research  
1400 Tenth Street, Room 121  
Sacramento, California 95814

bcc: Nadell Gayou/901 P Street  
Terry Stutz/San Joaquin FD  
Gary Gravier/649-1  
Dick Jacobi/641  
Eva Begley/620

EBegley:Darlene Quinn  
M:\users\hq\darlene\Tefft Street Water Line Neg Dec.doc

## DEPARTMENT OF WATER RESOURCES

## FAX COVER SHEET

8-16-01

DATE

4  
NUMBER OF PAGES, INCLUDING FAX COVERSHEET

## FAX TRANSMITTED TO:

NAME:

MR. Doug Jones

DEPARTMENT/DIV./OFFICE:

Nipomo Community Service

LOCATION  
(BLDG.-ROOM)

CITY:

FAX TELEPHONE NO.

805-929-1932

OFFICE NUMBER:

## FAX FROM:

NAME:

Eva Begley

DEPARTMENT/DIV./OFFICE:

DWR

LOCATION  
(BLDG.-ROOM)

CITY:

Sacramento

FAX TELEPHONE NO.:

(916) 653-8250

OFFICE NUMBER:

916-653-5951

## COMMENTS:

The final letter will be mailed  
to you as soon as it is signed.  
This is a Draft.  
Thanks

# NOTICE OF INTENT TO ADOPT A MITIGATED NEGATIVE DECLARATION

**Project Description:** The project will include the construction of approximately 8,500 feet of 12-inch and 16-inch water line in Tefft Street from the Dana School site to Thompson Avenue. The new water lines will parallel and cross existing lines. The new lines will be tied into existing District water lines at approximately 4-5 locations.

**Project Location:** Tefft Street from the Dana School site to Thompson Avenue, Nipomo, San Luis Obispo County, CA

**Review Period Starting and Ending Dates During Which the Agency Will Receive Comment:** 8 am, July 20, 2001 to 5 pm, August 24, 2001.

**Date of Agency Public Hearing for Project and Consideration of Mitigated Negative Declaration Adoption:** September 5, 2001, 10:30 AM, NCSD Board Regular Meeting, NCSD Board Meeting Room, 148 South Wilson Street, Nipomo, CA. The public is invited to attend.

**Address Where All Documents Pertinent to This Matter May Be Accessed:** The proposed Mitigated Negative Declaration, Initial Study and Checklist with supporting documents are available for public review at the Nipomo Community Service District offices, 148 South Wilson Street, Nipomo, CA 93444 during regular office hours, Monday through Friday, 8 AM to 4:30 PM.

**Hazardous Waste Facilities, Property or Disposal Site On or Adjoining Project Site:** None.

Signature

R. James Garing, District Engineer  
Nipomo Community Services District

July 17, 2001  
Date

TOTAL P.01

Initial Study for Tefft Street Water Transmission Line  
Nipomo Community Services District - County of San Luis Obispo

**CEQA Initial Study and Checklist  
for  
TEFFT STREET WATER TRANSMISSION LINE  
DANA SCHOOL TO THOMPSON ROAD**

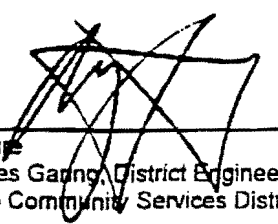
July 11, 2001

Prepared By: Garing, Taylor & Assoc., Inc.  
Contact: R. James Garing, R.C.E.

Agency: Nipomo Community Services District  
Nipomo, California

Agency Contact: Doug Jones, General Manager  
(805) 929-1133

On the basis of this initial evaluation I find that the proposed project could not have a significant effect on the environment and a ~~mitigated negative declaration~~ will be prepared.



Signature  
R. James Garing, District Engineer  
Nipomo Community Services District

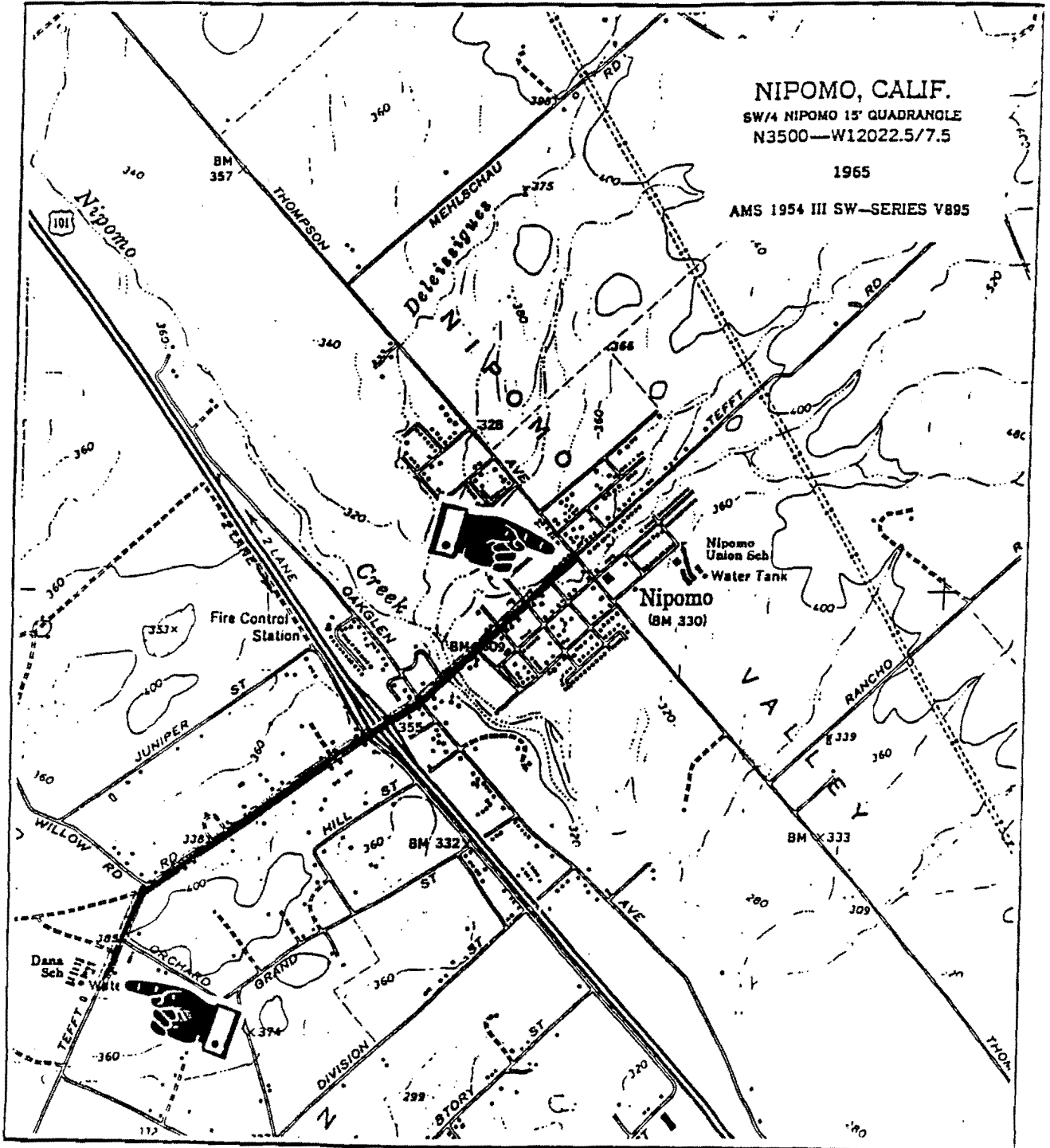
July 16, 2001  
Date



# TEFFT STREET WATER TRANSMISSION LINE

Dana School to Thompson Road

Nipomo, San Luis Obispo County, California



## Environmental Checklist Form

**Project Title:** Tefft Street Water Transmission Line  
Dana School to Thompson Road

**Lead Agency:** Nipomo Community Services District  
148 S. Wilson Street  
Nipomo, California 93444

**Contact:** Doug Jones, General Manager  
(805) 929-1133

**Project Location:**

**Project Sponsor:** Nipomo Community Services District

**General plan designation:**

**Zoning:** Residential and Commercial

**Description of Project:** The project will include the construction of approximately 8,500 feet of 12-inch and 16-inch water line in Tefft Street from the Dana School site to Thompson Avenue. The new water lines will parallel and cross existing lines. The new lines will be tied into existing District water lines at approximately 4-5 locations.

**Surrounding Land Uses and Setting:** Tefft Street and its frontage are within a developing commercial district, which serves a rapidly expanding surrounding residential population. The Tefft Street commercial district provides the greatest number of consumer services between Santa Maria and Arroyo Grande.

The street also serves as a major collector for both the easterly and westerly sections of the Nipomo community, which is dissected by Highway 101. Tefft Street is impacted by on and off ramps to Highway 101, particularly during commuting hours.

**Environmental Impacts:** Explanations of all answers to the Initial Study are on attached sheets.

**Discussion of environmental evaluation:** The purpose of this project is to meet the recommendations of the Boyle report and Title 22 of the California Code of Regulations. The project is within the scope, and is consistent with, the South County Area Plan and its updates, which are summarized in the context of this project as follows:

The South County Area Plan consists of text and maps describing and delineating land use categories and density. It also contains a detailed land use map for the Nipomo Community Service District depicting land use categories within the District ranging from open space through single family residential, multi family residential, office and commercial. The Area Plan sets forth and predicts future population density, land use, water use and wastewater generation throughout the District.

CEQA mandates that projects which are consistent with the development density established by existing zoning, community plan, or general plan policies for which an EIR was certified shall not require additional environmental review, except as may be necessary to examine whether there are project-specific significant effects which are peculiar to the project or its site.

The build out population for Nipomo specified by the Plan in its most recent amendment is 18,438 persons, who is an increase over the existing, estimated 10,618 populations. The District estimates the population will be 15,050 in 2020.

The FEIR for the South County Area Plan also analyzes water balances for low-density single-family, medium density single-family, and typical industrial development on the Nipomo mesa. Summarizing the impacts of this development on the mesa, the report indicates, 'The impact scenario developed above indicate that medium-to-low density residential development can be accommodated on the mesa with essentially no significant impact on water resources. High density multi-family and most industrial development will have a beneficial impact on water resources due to the elimination of use by existing natural vegetation and very low consumption of water by these lands.'

The FEIR update indicates that 'Continued build out under the proposed plan may require expansion of facilities of the NCSD ..... to provide service to the Nipomo Urban Area ....'

There are no current growth restrictions upon the NCSD due to water supply. The construction of the project is consistent with the current demands of the District and the population densities established by the South County Area Plan and will not increase densities as provided in the Area Plan.

The project is necessary to provide additional transmission and to provide adequate fire flow and domestic peaking capability as currently needed and forecasted by the 1995 Boyle Engineering Water and Sewer Master Plan for the District.

**Conclusions:** The South County Area Plan Update establishes land use and future growth within the District and the Final Environmental Impact Report for the South County Area Plan Update analyzes the water resource impact of that growth and concludes that the impacts of accommodating growth are mitigable. Growth framed by the South County Area Plan Update requires the District to extend and expand facilities. The District employs other mitigations such as requiring ultra-low flow fixtures in new development and mandating drought resistant landscaping in all new development have been implemented. In addition, the District has water reduction measures for its own facilities.

This project is within the scope and is consistent with the Plan Update and the project is found to be de minimis in its effect on fish and wildlife. There are no negative cumulative effects due to operation or construction of the project.

The environmental impact of the project is determined to be 'not significant'.

## Explanation of Responses to CEQA Initial Study Checklist

### I. Aesthetics. Less than significant impact.

a. - c. This underground project will be constructed within existing street right-of-way and largely within existing pavement and will not disturb views or existing aesthetics. Some people may view construction equipment objectionably, but its presence is temporary.

d. No permanent light or glare will be created by this underground project. There may be some temporary, minor light or glare from construction equipment.

### II. Agriculture Resources. No impact.

a. The project site is zoned residential and commercial.

b. The land is not under Williamson Act contract. The project is limited to reconstruction within existing street pavement and right of way.

c. The project is based upon the needs of the existing and future population of the District as identified in the General Plan. The project will not induce land conversion other than parcels that have the legal right to do as provided by the General Plan.

### III. Air Quality. Less than significant impact.

a. During construction and operation the project will be in compliance with all air quality plans.

b. To alleviate air quality impacts during construction, the District will require all contractors to maintain the equipment used on the project to satisfy all emission requirements.

c. The contractor is required to meet regulations for dust control, particulate control and watering during construction

d. When in operation, the equipment will not violate any air quality standard or contribute to an existing or projected air quality violation. Once the project is operable, there will be no increase of any criteria pollutant for which the project region is non-attainment under air quality standards.

e. The project will not produce objectionable odors.

### IV. Biological Resources. Less than significant impact.

a. The project site does not offer substantial habitat for native zoological or botanical species and does not provide habitat necessary for any rare, threatened, or endangered species, with the possible exception of the red-legged frog.

No red-legged frog sightings have been reported in Nipomo Creek, however, the potential exists. Construction activity will not take place within the habitat of the red-legged frog as a result of the project water line being suspended within the Nipomo Creek bridge.

- b. The project crosses an unnamed drainage east of Burton Street, which contains no native riparian vegetation. The drain contains a Peruvian pepper tree and wild oats. The project will not disturb the drain.

The project also crosses Nipomo Creek, which contains riprap. The project will be suspended approximately fifteen feet above the creek ravine on the Tefft Street bridge. No construction or disturbance shall take place on ravine slopes and bottomland or within Nipomo Creek waters.

- c. An on-site biological monitor shall ensure the Creek's integrity during construction on the Nipomo Creek bridge and any damage shall be corrected with introduction of native flora and fauna species.

Fueling will not be permitted within 50 feet of Nipomo Creek and construction vehicles will be inspected daily for hazardous materials leaks.

- d. The project will not interfere with the movement of wildlife.
- e.- f. The project does not conflict with any adopted protective habitat or conservation ordinances, plans or policies.

#### **V. Cultural Resources. No Impact.**

- a. There are no known cultural resources on or near the project site.
- b. There are no known archaeological resources on or near the project site.
- c. There are no unique paleontological resources or unique geologic features on or near the site.
- d. It is unlikely cultural resources would be encountered. However, if such resources are found all work will stop until compliance with all laws has taken place.

#### **VI. Geology and Soils. Less than significant impact.**

- a. i – iv, b. c. The project will not result in or expose people or structures to potential impacts involving rupture of a known earthquake fault, significant seismicity or landslides. The site area is limited to the roadway and right-of-way areas and will not contribute to soil erosion or any substantial reduction in topsoil.
- d. The soil does not create a substantial risk to life or property.
- e. Not applicable.

**VII. Hazards and Hazardous Materials - No significant impact.**

- a. No hazardous materials will be used or transported in the construction of this project.
- b.- c. No hazardous materials will be stored or generated by the project.
- d. – f. Not applicable.
- g. The project will not interfere with an emergency response or evacuation plan for any significant period of time during the course of construction. All emergency service providers will be identified and notified by the District of traffic conditions and traffic control activities related to the project.
- h. There will be no increase in fire hazards in the area of the project site.

**VIII. Hydrology and Water Quality. No impact.**

- a. No.
- b. No.
- c. – e. The existing drainage patterns and generated runoff will not be changed. The amount and direction of the runoff from the site will not be affected.
- f. No pollutants will be generated by this project. There will be no impact on water quality.
- g. Not applicable.
- h. Not applicable.
- i. Not applicable.
- j. Not applicable.

**IX. Land Use and Planning. No impact.**

- a. b. No. The project is based upon the needs of the existing population and the future population of the District projected by the General Plan. Neither the District's service area or capacity is being expanded or increased.
- c. No.

**X. Mineral Resources - No impact**

- a. Not applicable.
- b. Not applicable.

- c. The project will not cause direct or indirect substantial adverse effects on human beings.

**Note:** This checklist is based on information found in the General Plan for San Luis Obispo County; information gathered pertinent to the project site and surrounding area as a result of a Biological Survey by Mike McGovern, Ph. .D., Biologist/Ecologist (April 2, 2001); and an Inspection by Bob Mack and Jim Garing which determined the absence of bats at bridge locations (July 11, 2001); and information provided by the Archaeological Survey, C.A. Singer & Associates, Inc. (March 15, 2001); and information provided by the Revised Initial Study and Checklist for Tefft Street Water Line and Storage Facility, Nipomo Community Services District (May 11, 1999). This information is on file and available for review at the District offices.

The South County Area Plan - Inland Area and the Final Environmental Impact Report for that Plan (certified by the Board of Supervisors on March 15, 1994) are hereby incorporated by reference and are on file and available for public review at the District offices.

T:\WD01-056\Initial Study & Check List.doc

TO: BOARD OF DIRECTORS  
FROM: DOUG JONES *DJ*  
DATE: SEPTEMBER 5, 2001

**AGENDA ITEM**

SEP 11 2001



REVIEW OF WOODLANDS SPECIFIC PLAN  
SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT

**ITEM**

Review of Woodlands Specific Plan Supplemental Environmental Impact Report (SEIR)

**BACKGROUND**

The San Luis Obispo County has requested the Woodland Project to do a Supplement Environmental Impact Report (SEIR) for their project on water supply issues. The District has received the report from Mr. McKenzie, Environmental Specialist from the County. Comments on the SEIR should be received by September 4, 2001. Mr. McKenzie was contacted and asked if the District could send their comments in after the September 5<sup>th</sup> Board meeting. He agreed.

Enclosed are the comments from staff for the Board to review. After receiving public comments, you may wish to add, modify or alter the staff comments.

**RECOMMENDATION**

After the Board has reviewed the SEIR report, your Honorable Board may approve sending District comments to Mr. McKenzie.

Board 2001\Woodland Report.DOC



# NIPOMO COMMUNITY

## BOARD MEMBERS

ROBERT BLAIR, PRESIDENT  
RICHARD MOBRAATEN, DIRECTOR  
MICHAEL WINN, DIRECTOR  
JUDITH WIRSING, DIRECTOR  
CLIFFORD TROTTER, DIRECTOR



# SERVICES DISTRICT

## STAFF

DOUGLAS JONES, GENERAL MANAGER  
JON SEITZ, GENERAL COUNSEL  
LEE DOUGLAS, MAINTENANCE SUPERVISOR

148 SOUTH WILSON STREET POST OFFICE BOX 326 NIPOMO, CA 93444 - 0326  
(805) 929-1133 FAX (805) 929-1932 Email address gm@nipomocsd.com

September 6, 2001

Draft

John McKenzie  
County Planning and Building Department  
SLO County Government Center  
San Luis Obispo, CA 93408

SUBJECT: WOODLAND SPECIFIC PLAN  
SUPPLEMENTAL EIR

The following are District comments on the Environmental Science Associates Supplemental Environmental Impact Report. Comments from Jim Garing are attached as a separate letter.

<ul style="list-style-type: none"><li>• Page 1</li></ul>	<p>Nipomo Mesa Sub-unit of the Santa Maria groundwater basin The District is unaware of any boundaries being established with respect to the on-going adjudication. It should be pointed out that this is a portion of the larger Santa Maria groundwater basin, presently adjudicated, extending from Pismo Beach to the north to Orcutt to the south. For the purposes reached in the conclusion of the SEIR there is not definition of this sub-unit. The EIR should refer to a portion of the groundwater basin which should be analyzed and managed separately because it is distinct from other areas in the basin in that the water production within the Mesa sub-unit is not impacted by and should not impact water production in other areas.</p>
<ul style="list-style-type: none"><li>• Page 3</li></ul>	<p>There is the first statement of the conclusion that there is not an overdraft (condition). Throughout the SEIR, it is submitted that the groundwater levels on the Mesa are declining so that water production must be exceeding supply. The reason for the conclusion that there is no overdraft is that there is no consequence undesirable effects which has occurred due to declining water levels and a reduction in water storage.</p> <p>There are undesirable effects which are as follows: Reports indicate there has been a reversal of the groundwater flow from the Mesa to the Santa Maria Valley. Historically, approx. 2000 ac/ft/yr have flowed from the Mesa to the Valley. The reversal has indicated approx. 2800 ac/ft/yr of water now flowing from the Valley to the Mesa. This reversal must be considered as an undesirable effect because those persons who rely on production of water in the Valley portion will claim that the gradient should be corrected so their supply is not intercepted. This matter is already an issue in the adjudication of the groundwater basin. The gradient can be corrected only by reducing present pumping and/or relying on a supplemental water source. This reversal may also affect water purveyors with respect to maintaining Twitchell Reservoir. Since the Twitchell Reservoir recharges the Santa Maria Valley groundwater basin and possibly the Mesa with the flow, those on the</p>

	<p>Mesa may have to pay the repair costs and the annual maintenance costs of operating the Twitchell Reservoir which is the undesirable effect. In the adjudication, various parties have asserted pumping priorities and the end result would be that some parties will have to rely, at least in part, on a supplemental water source rather than meet all the parties' needs from the groundwaters on the Mesa. This is obviously an undesirable effect in that it will increase the cost of water availability to meet the Mesa demands.</p> <p>The possible southerly reversal of the groundwater flow, is at least some indication of overdraft on the Mesa and by lowering the groundwater table may generate a reverse flow in the western portion of the basin, creating sea water intrusion. There is no data in the SEIR to reach a conclusion that the continual lowering of the groundwater table under the Mesa may not result in undesirable effects, especially related to sea water intrusion.</p> <p>The location of the Woodland Project, in an area of pumping depression, is expected to generate an increased demand of 1200-1300 ac/ft/yr. in extraction from this area. An increase in reduction of groundwater levels at this location would not only deplete some of the storage but may increase the flows from the Valley to the Mesa. It is estimated that there is approx. 49,000 ac/ft of storage. There is an estimated overdraft of 2,000 to 3,000 ac/ft/yr. With this magnitude of overdraft, along with the Woodland project storage would be depleted in 15-20 years, not a long period of time considering the fact that groundwater resources need to be maintained and balanced. Also, there is no significant data indicating how much of the storage can continue to be completed without incurring sea-water intrusion.</p>
<ul style="list-style-type: none"> <li>• Pages 9 &amp; 19</li> </ul>	<p>The Scalmanini model is not a model of the Mesa sub-unit area. The model encompasses part of the Mesa, but mostly the Santa Maria Valley and has no application to determining what the impact the project will have on the Mesa water supply. The model indicates that there is an equilibrium in this study area but also essentially admits that the equilibrium is dependent on the continued operation of the Twitchell Reservoir so that between 15,000 and 20,000 ac/ft/yr of supplemental water to the Santa Maria Valley is maintained. Without substantial repairs and implementing an expensive maintenance program, the supplemental water source from the Twitchell project may not be available.</p>
<ul style="list-style-type: none"> <li>• Page 3</li> </ul>	<p>The SEIR has no new mitigation measures proposed, there is no discussion on adjudication, and there is no recitation to any of the studies which has produced a water budget after defining the sub-area being analyzed. All these items will probably be done in the course of the adjudication.</p>

<ul style="list-style-type: none"><li>• Page 16</li></ul>	One mitigation proposed a toilet retrofit program. The NCSD has implemented a toilet retrofit program where it takes four (4) existing residences to be retrofitted for the equivalent of water use of one new home. There is no mention how this toilet retrofit program will be implemented to try to offset the 1,200-1,300 ac/ft of new production. It is doubtful that there would be 5,000-6,000 existing residences built before 1990 which would qualify for the toilet retrofit program to offset the production of the Woodland Project.
<ul style="list-style-type: none"><li>• General</li></ul>	The SEIR concludes that the subject project will not contribute to the overall groundwater deficit on the Mesa. It should be pointed out that this project will increase the Mesa production by 10% in a sensitive pumping depression area. Their conclusion that there is no overdraft due to the depletion of the basin resources because of the alleged lack of negative impacts, as commented, is completely fallacious. There is no basis for the conclusion that a faster build-out of the Woodland Project would not have a significant adverse environmental impact due to the depletion of the available water resources.

Very truly yours,

NIPOMO COMMUNITY SERVICES DISTRICT

Doug Jones  
General Manager

Enclosure

cc: NCSD Board of Directors

TRACTS/Woodlands/SEIR Report

August 21, 2001

Mr. Doug Jones ,General Manager  
Nipomo Community Services District  
P O Box 326  
Nipomo CA 93444

SUBJECT: DRAFT WOODLANDS SPECIFIC PLAN SUPPLEMENTAL ENVIRONMENTAL  
IMPACT REPORT

Apparently, the San Luis Obispo County Board of Supervisors adopted the Woodlands Specific Plan and certified the Environmental Impact Report (1998 EIR) for the plan in December, 1998. The 1998 EIR describes the existing condition of the groundwater basin in the Nipomo mesa and clarifies the meaning of the term "overdraft." The following definition from the 1998 EIR is provided with the backdrop that groundwater levels have historically declined in the area of the specific plan.

"Although groundwater levels have historically declined in this area, the lack of adverse effects would suggest that the sub-area is not in an 'overdraft' condition." "The term overdraft essentially means that extractions are exceeding the perennial yield of a basin. The perennial yield is the amount of water that can be withdrawn perennially without causing an undesirable effect."

The revised final draft of Water Resources of the Arroyo Grande-Nipomo Mesa Area, January 2000, prepared by the Department of Water Resources, Southern District of the State of California, in the definitions section, states: "**Overdraft** The condition of a groundwater basin or aquifer in which the amount of groundwater extracted exceeds the amount of water that recharges the basin over a period of years during which average precipitation and water management in the basin remain approximately the same."

Since groundwater levels have historically declined in the area of the specific plan, one can conclude that the amount of groundwater extracted exceeds the amount of water that recharges the basin over recent history. In fact, in recent history, precipitation has been average or above average and water management in the basin has remained approximately the same. From the above, one could reasonably conclude that using the State of California Department of Water Resources' definition, the Nipomo Mesa sub-area is in a condition of overdraft. In addition, using the definition provided in the 1998 EIR, undesirable effects have resulted from the historically declining groundwater levels in the area of the Specific Plan. In fact, anytime groundwater levels decline, pumping groundwater becomes increasingly expensive. In fact, a continuation of this effect will result in significant social or economic impacts. It is also clear that declining groundwater levels on the mesa will reduce the outflow of groundwater from the mesa to the ocean and neighboring groundwater basins. This effect clearly will cumulatively be adverse.

At Page 18 of the Supplemental Environmental Impact Report, the definition of overdraft is advanced to mean that extractions are exceeding the pcrennial yield of a basin. "The perennial yield is the amount of

water that can be withdrawn perennially without causing an undesirable effect." It is unknown where the wording "without causing an undesirable effect" originates, however, the common definition of perennial includes "continuing without interruption; permanent; enduring."

The 1998 EIR apparently states that approximately 49,000 acre feet of water are stored in the Nipomo Basin (above sea level) and at this volume of water is so large as to not be affected materially by the existing rate of groundwater decline in the Nipomo Basin. The 1998 EIR indicates a current groundwater decline of 375 acre feet per year and the Woodlands project will add 1,241 acre feet per year of decline. Dividing 49,000 acre feet of above sea level storage by the sum of 375 acre feet per year current decline in groundwater, plus 1,241 acre feet per year of Woodlands project demand yields a period of 30 years until the amount of storage above sea level would be zero. This would seem quite significant, since portions of the basin would likely be far below sea level long before the expiration of a 30-year horizon. A horizon of 30 years is not permanent; enduring; without interruption.

It should be clarified whether or not the stated demand for the Woodlands project (1,241 acre feet per year) represents the demand of the development in consumptive use – after the effects of toilet retrofit; implementation of the water conservation education program; employment of low water-use techniques including drip-irrigation and maximum of 50 percent lawn surface; installation of drought-tolerant plants, including natives.

The impacts and methods of implementation of Mitigation Measure 4.1-6D should be clarified to include description of how the applicant will implement "means to allow for continued production of wells" which become impacted, "additional measures necessary to avoid significant impacts" to well operation as well as how to bind successors in interest, including bonding or other financial security necessary to insure responsibility in the future.

Very truly yours,

GARING, TAYLOR & ASSOCIATES INC.

Jim Garing  
District Engineer

JG/bah

T:\ND-1\admin\letter1

TO: BOARD OF DIRECTORS

FROM: DOUG JONES 

DATE: SEPTEMBER 5, 2001

AGENDA ITEM  
SEP 05 2001



ENVIRONMENTAL NEGATIVE DECLARATION  
MONTECITO VERDE II SEWER TIE-IN PROJECT

**ITEM**

Set a Public Hearing for October 17, 2001 at 10:30 a.m. for CEQA consideration of a Negative Declaration for the Montecito Verde II sewer tie-in project.

**BACKGROUND**

The Montecito Verde II subdivision, consisting of 32 homes, has five (5) on-site disposal systems providing sewer service to this People's Self Help Housing development. The State Regional Water Quality Control Board has requested that the District abandon the on-site systems and tie the project systems into the area-wide sewer collector system.

The District has requested a Community Block Grant funding to assist in financing the construction to tie in the Montecito Verde II sewer system. Approx. \$100,000 has been tentatively approved by the Community Block Grant Program. It should be confirmed in the fall.

Part of the process of this project is having the CEQA requirements reviewed, prior to the project going forward. The consulting firm, EDA, has prepared the environmental review. A copy of the report is in the office. It is suggested that the CEQA Public Hearing for this project be on October 17, 2001.

**RECOMMENDATION**

Staff recommends that your Honorable Board set a Public Hearing for October 17, 2001 at 10:30 a.m. in the District Board Room to hear the CEQA consideration for the Montecito Verde II sewer tie-in project.



EDUCATION  
DEVELOPMENT  
AND  
ACTIVITIES

## INITIAL STUDY

### ENVIRONMENTAL CHECKLIST FORM

1. Project Title: Montecito Verde II Sanitary Sewer
2. Lead Agency Name and Address: Nipomo Community Services District  
148 South Wilson Street  
Nipomo, CA 93444
3. Contact Person and Phone Number: Doug Jones  
(805) 929-1133
4. Project Location: West of Highway 101, between Division and Story  
Streets, in the town of Nipomo
5. Zoning: Residential
6. Project Description: Please see attached Project Description
7. Surrounding Land Uses and Setting: Residential
8. Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement):
  - San Luis Obispo County Dept. of Planning and Building
  - Financial Approval from U.S. Dept. of Housing and Urban Development (Community Block Grant)



## Project Description

The purpose of this project is to replace the existing on-site sewage leach field and collection system at Montecito Verde II subdivision (MVII) with a collection system that ties MVII to Nipomo Community Services District (NCSD) wastewater treatment facilities.

MVII is a residential subdivision located in south San Luis Obispo County, on the southerly edge of Nipomo. It consists of approximately 35 lots and is bounded by Division Street to the northwest, Nipomo Palms subdivision to the southwest, Montecito Verde I subdivision to the northeast, and by undeveloped property to the southeast.

The existing sewage collection system in MVII consists of six and eight-inch sewer lines running in Meridith Avenue, Allegre Avenue, and Quito Street. These lines then discharge to one of the five on-site septic tanks. The septic tanks and disposal fields are located within the boundaries of MVII. There are between four and eight houses contributing effluent to each disposal field.

MVII was developed prior to the construction of the District-wide sewer system, and therefore uses an on-site system for sewage disposal. The on-site system consists of five separate septic tanks and disposal fields.

Over the years, hydrogen sulfide gases have caused deterioration of the concrete collection system pipes to the point where these pipes are showing signs of failure. The failure of the existing collection system is one of the reasons that NCSD is analyzing options for connecting to the District-wide system. Another reason is that the California Regional Water Quality Control Board (RWQCB) has mandated that the MVII connect to a wastewater treatment system when a suitable system is available; the District-wide system meets the requirements of the RWQCB mandate.



**ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:**

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

- |  |   |  |
|--|---|--|
| <input type="checkbox"/> Aesthetics                    | <input type="checkbox"/> Agriculture Resources              | <input checked="" type="checkbox"/> Air Quality            |
| <input type="checkbox"/> Biological Resources          | <input type="checkbox"/> Cultural Resources                 | <input type="checkbox"/> Geology /Soils                    |
| <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Hydrology / Water Quality          | <input type="checkbox"/> Land Use / Planning               |
| <input type="checkbox"/> Mineral Resources             | <input type="checkbox"/> Noise                              | <input type="checkbox"/> Population / Housing              |
| <input checked="" type="checkbox"/> Public Services    | <input type="checkbox"/> Recreation                         | <input checked="" type="checkbox"/> Transportation/Traffic |
| <input type="checkbox"/> Utilities / Service Systems   | <input type="checkbox"/> Mandatory Findings of Significance |  |

On the basis of this initial evaluation:

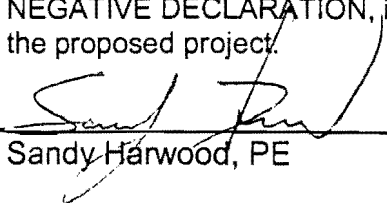
I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described on an attached sheet have been added to the project. A MITIGATED NEGATIVE DECLARATION will be prepared.

I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

I find that the proposed project MAY have a "potentially significant effect" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

I find that although the proposed project could have a significant effect on the environment, there WILL NOT be a significant effect in this case because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project.

  
Sandy Harwood, PE

August 21, 2001  
Date

**EVALUATION OF ENVIRONMENTAL IMPACTS:**

- 1) A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a Lead Agency cites following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g. the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g. the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
- 2) All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- 3) "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect is significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.
- 4) "Potentially Significant Unless Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less than Significant Impact." The Lead Agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from Section XVII, "Earlier Analyses," may be cross-referenced).
- 5) Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). Earlier analyses are discussed in Section XVII at the end of the checklist.
- 6) Lead Agencies are encouraged to incorporate into the checklist references information sources for potential impacts (e.g. general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated. A source list should be attached. Other sources used or individuals contacted should be cited in the discussion.

AGENDA ITEM  
SEP 05 2001



TO: BOARD OF DIRECTORS  
FROM: DOUG JONES  
DATE: SEPTEMBER 5, 2001

### CONSENT AGENDA

The following items are considered routine and non-controversial by staff and may be approved by one motion if no member of the Board wishes an item be removed. If discussion is desired, the item will be removed from the Consent Agenda and will be considered separately. **Questions or clarification may be made by the Board members without removal from the Consent Agenda.** The recommendations for each item are noted in parenthesis.

- F-1) WARRANTS [RECOMMEND APPROVAL]
- F-2) BOARD MEETING MINUTES [RECOMMEND APPROVAL]
  - Approval of Minutes of August 15, 2001 Special Board meeting
  - Approval of Minutes of August 15, 2001 Regular Board meeting

**WARRANTS SEPTEMBER 5, 2001**

**AGENDA ITEM**  
**SEP 05 2001**



**HAND WRITTEN CHECKS**

**COMPUTER GENERATED CHECKS**

18460	08/15/01	STEVE BAKER	1,200.00
18461	08/17/01	SLO COUNTY CLERK RECORDER	25.00
18462	08/24/01	R MOBRAATEN	50.00
18463	08/24/01	M WINN	50.00
18464	09/05/01	PHIL ARMIJO	200.00
VOID	NONE		
6180	09/05/01	MCI01 MCI WORLD COM	34.60 3.69
		Check Total.....:	38.29
6181	09/05/01	MID03 MIDSTATE BANK MASTERCARD	72.27
6182	09/05/01	MOB01 RICHARD MOBRAATEN	100.00
6183	09/05/01	NIP03 NIPOMO SHELL	1239.35
6184	09/05/01	NIP06 NIPOMO AUTO PARTS	5.22
6185	09/05/01	PAC01 PACIFIC BELL	35.58 71.25 49.41
		Check Total.....:	156.24
6186	09/05/01	PER01 PERS RETIREMENT	2060.15
6187	09/05/01	PER02 PERS HEALTH BENEFITS	3540.28
6188	09/05/01	PGE01 P G & E	65603.41
6189	09/05/01	FRE01 PRECISION JANITORIAL	275.00
6190	09/05/01	RBA01 R BAKER, INC	774.11
6191	09/05/01	REL01 RELIABLE	271.63
6192	09/05/01	RIC01 RICHARDS, WATSON, GERSHON	11372.83
6193	09/05/01	SAI01 SAIC	15049.72
6194	09/05/01	SLO02 DIV OF ENVIRON HEALTH	703.00
6195	09/05/01	THE01 THE GAS COMPANY	12.22
6196	09/05/01	TRO01 TROTTER, CLIFFORD	100.00
6197	09/05/01	VER01 VERIZON	25.48 24.89
		Check Total.....:	50.37
6198	09/05/01	VER02 VERIZON WIRELESS	118.03
6199	09/05/01	WIN01 MICHAEL WINN	100.00
6200	09/05/01	WIR02 WIRSING, JUDY	100.00

6161	09/05/01	ADV01 ADVANTAGE ANSWERING PLUS	106.00
6162	09/05/01	ASM01 FRED ASMUSSEN	1000.00
6163	09/05/01	BAK01 STEVE BAKER	600.00
6164	09/05/01	BCS01 BASIC CHEMICAL SOLUTIONS	719.00 352.74
		Check Total.....:	1071.83
6165	09/05/01	BLA01 ROBERT L BLAIR	100.00
6166	09/05/01	BOB01 BOB'S RUBBER STAMPS	20.43
6167	09/05/01	CHA02 CHARTER COMMUNICATIONS	46.55
6168	09/05/01	COR02 CORRPRO WATERWORKS	3550.00 1110.00
		Check Total.....:	4660.00
6169	09/05/01	CRE01 CREEK ENVIRONMENTAL LABS	30.00 30.00 30.00 30.00 75.00 30.00 30.00 30.00
		Check Total.....:	285.00
6170	09/05/01	DAN01 DANONE WATERS	26.30
6171	09/05/01	FED01 FED EX	16.00
6172	09/05/01	FGL01 FGL ENVIRONMENTAL	44.80 44.80 44.80 44.80 44.80
		Check Total.....:	268.80
6173	09/05/01	FIR01 FIRST AMERICAN REAL EST	101.07
6174	09/05/01	GRO01 GROENIGER & CO	2960.74
6175	09/05/01	GWA01 GWA INC	25.00
6176	09/05/01	IKO01 IKON OFFICE SOLUTIONS	47.17
6177	09/05/01	JOH01 DONNA JOHNSON	28.99 16.11
		Check Total.....:	45.10
6178	09/05/01	KEN01 KENNEDY/JENKS CONSULTANTS	3624.16
6179	09/05/01	LUC01 LUCIA MAR UNIFIED SCHOOL	1550.00

# NIPOMO COMMUNITY SERVICES DISTRICT

F 2

SEP 05 2001

## MINUTES

### SPECIAL MEETING

AUGUST 15, 2001 WEDNESDAY 9:00 A.M.

BOARD ROOM 148 S. WILSON STREET NIPOMO, CA

#### **BOARD MEMBERS**

ROBERT BLAIR, PRESIDENT  
RICHARD MOBRAATEN, VICE PRESIDENT  
MICHAEL WINN, DIRECTOR  
JUDITH WIRSING, DIRECTOR  
CLIFF TROTTER, DIRECTOR

#### **STAFF**

DOUGLAS JONES, GENERAL MANAGER  
DONNA JOHNSON, SECRETARY TO THE BOARD  
JON SEITZ, GENERAL COUNSEL

#### **ROLL CALL**

#### **Public Comment on Agenda Items**

The public has the right to comment on any item on the Special Meeting Agenda. Comments are limited to 3 minutes or otherwise at the discretion of the Chair.

District Legal Counsel, Jon Seitz, announced the need to go into Closed Session concerning the matter below.

#### **CLOSED SESSION**

CONFERENCE WITH LEGAL COUNSEL GC§54956.9

SMVWCD vs NCSD Santa Clara County Case No. CV 770214 and all consolidated cases.

The Board came back into Open Session and had no reportable action.

#### **OPEN SESSION**

#### **ADJOURN**

President Blair adjourned the meeting at 10:15 a.m.

**MINUTES SUBJECT TO BOARD APPROVAL**

# NIPOMO COMMUNITY SERVICES DISTRICT

## MINUTES

August 15, 2001

REGULAR MEETING 10:30 A.M.  
BOARD ROOM 148 S. WILSON STREET NIPOMO, CA

### **BOARD MEMBERS**

ROBERT BLAIR, PRESIDENT  
RICHARD MOBRAATEN, VICE PRESIDENT  
MICHAEL WINN, DIRECTOR  
JUDITH WIRSING, DIRECTOR  
CLIFFORD TROTTER, DIRECTOR

### **STAFF**

DOUGLAS JONES, GENERAL MANAGER  
DONNA JOHNSON, SEC. TO THE BOARD  
JON SEITZ, GENERAL COUNSEL

*NOTE: All comments concerning any item on the agenda are to be directed to the Board Chairperson.*

#### **A. CALL TO ORDER AND FLAG SALUTE**

President Blair called the meeting to order at 10:34 a.m. and led the flag salute.

#### **B. ROLL CALL**

At Roll Call all Board members were present.

#### **C. PUBLIC COMMENTS PERIOD**

##### **PUBLIC COMMENTS**

Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction, provided the matter is not on the Board's agenda, or pending before the Board. Presentations are limited to three (3) minutes or otherwise at the discretion of the Chair.

Jesse Hill, 1910 Grant Ave, Arroyo Grande - NCAC has a 3/4 map on order and would like to hang it in the District Board room.

#### **D. ADMINISTRATIVE ITEMS** (The following may be discussed and action may be taken by the Board.)

##### **D-1) REVIEW OF DISTRICT WILL-SERVE LETTER**

Possible revision to language within existing Will-Serve letter

Legal Counsel, Jon Seitz, explained that the SLO County has been rejecting some of the Will-Serve letters and Intent-to-Serve letters because the language within the letters contained the District's disclaimer referencing the Santa Maria Valley Groundwater adjudication. Staff and counsel met with County officials to meet the needs of the County.

The following members of the public spoke:

Jim McGillis, local surveyor - Asked that the change be made soon because August 28 is the date the County Road tax will increase.

John Snyder, 662 Eucalyptus Rd., Nipomo - asked a question about the new wording.

Upon motion of Director Winn and seconded by Director Mobraaten, the Board unanimously approved the changes in the Intent-to-Serve letter and the Will-Serve letter sent out by this District. Vote 5-0

##### **D-2) AMENDMENT TO THE REVENUE SHARING AGREEMENT**

Possible amendment to existing revenue sharing agreement with the Nipomo Oaks

A request was received from representatives of the Nipomo Oaks to amend the lease agreement for the cell sit at the standpipe water storage facility.

Upon motion of Director Mobraaten and seconded by Director Winn, the Board unanimously approved to amend the Revenue Sharing Agreement on Page 2, Section B. Vote 5-0

D-3) CELL SITE LEASE AGREEMENT

Approve a lease agreement with Verizon Wireless to use the standpipe for communication facilities

Director Mobraaten excused himself from this item because of a conflict of interest.

Mr. Seitz provided an overview of the agreement between NCSD, Nipomo Oaks and GTE Mobilnet. There were no public comments.

Upon motion of Director Trotter and seconded by Director Winn, the Board unanimously approved the agreement and Resolution 2001-783. Vote 4-0 with Director Mobraaten excused from the vote.

**RESOLUTION 2001-783  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
APPROVING A COMMUNICATION SITE LEASE AGREEMENT  
WITH GTE MOBILNET OF SANTA BARBARA LIMITED  
PARTNERSHIP dba VERIZON WIRELESS**

D-4) REIMBURSEMENT AGREEMENT - ASHLAND LANE (NEWDOLL)

Set a Public Hearing (9/19/01) to review cost spread of developer-installed sewer line in Ashland Lane

The Board reviewed the cost spread for a developer-installed sewer line in Ashland Lane. There were no public comments.

Upon motion of Director Mobraaten and seconded by Director Wirsing, the Board unanimously agreed to set a Public Hearing to be held September 19, 2001 at 10:30 a.m. in the District Board room to hear comments on the sewer reimbursements for the Ashland Lane development by Robert Newdoll Construction. Vote 5-0

D-5) REQUEST FOR SERVICE - APN 092-381-016, 020 (KESHTGAR)

Request for water & sewer service for commercial/storage development at S. Frontage & Division

Mr. Robert Armet - representative for Amid Keshtgar, developer of proposed commercial/storage at S. Frontage & Division - explained the possible uses for this development.

The following members of the public spoke:

Jim McGillis, local surveyor - In favor of project

Jesse Hill, 1910 Grant Ave, Arroyo Grande - In favor of project

Upon motion of Director Mobraaten and seconded by Director Trotter, the Board unanimously approved the issuance on an Intent-to-Serve letter for APN 092-381-016/020, a commercial/storage development. Vote 5-0

**E. OTHER BUSINESS**

E-1) REVIEW BIDS TO PAINT WATER STORAGE TANKS

Consideration to award painting contract to the lowest responsible bidder

The Board considered the bid to paint the Dana-Foothill and Black Lake water storage facilities.

There were no public comments.

Upon motion of Director Trotter and seconded by Director Winn, the Board unanimously approved Resolution 2001-784, awarding the contract to lowest responsible bidder (West Coast Industrial Coatings) and authorized staff to transfer reserves to pay for the difference between the bid and the budgeted amounts. Vote 5-0

**RESOLUTION 2001-784  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
AWARDING A CONTRACT TO PAINT THE  
DANA-FOOTHILL AND BLACK LAKE WATER STORAGE FACILITIES  
TO WEST COAST INDUSTRIAL COATING**

- E-2) CALIFORNIA SPECIAL DISTRICT ASSOCIATION - Board Elections  
Voting for CSDA Board of Directors Election

There were no public comments.

Upon motion of Director Trotter and seconded by Director Winn, the Board unanimously agreed to send the ballot for the open seat on the Board of the California Special District Association to vote for William Miller. Vote 5-0

- E-2) PRIMARY & GENERAL ELECTION - 2002  
Request from SLO County Elections Office to use District Board room to hold the 2002 elections.

There were no public comments.

Upon motion of Director Trotter and seconded by Director Winn, the Board unanimously agreed to allow the SLO Elections to use the District Board room for March 5 & Nov. 5, 2002 for elections at no charge. Vote 5-0

**F. CONSENT AGENDA** *The following items are considered routine and non-controversial by staff and may be approved by one motion if no member of the Board wishes an item be removed. If discussion is desired, the item will be removed from the Consent Agenda and will be considered separately. Questions or clarification may be made by the Board members without removal from the Consent Agenda. The recommendations for each item are noted in parenthesis.*

- F-1) WARRANTS [RECOMMEND APPROVAL]  
F-2) BOARD MEETING MINUTES [RECOMMEND APPROVAL]  
Minutes of August 1, 2001 Regular Board meeting

There were no public comments.

Upon motion of Director Mobraaten and seconded by Director, the Board unanimously approved the items on the Consent Agenda. Vote 5-0

**G. MANAGER'S REPORT**

The Manager had no report.

**H. DIRECTORS COMMENTS**

Director Wirsing asked to have video taping of meetings be placed on future agenda.

Director Winn - October 221, 2001 Clean up

President Blair - SLO COG meeting, will be a center divider on Hwy 101

District Legal Counsel, Jon Seitz, announced the need to go into Closed Session concerning the matters below. Counsel gave a report on the Closed Session held before the meeting. Water Law Attorney, James Markman updated the Board, but had no reportable action.

**CLOSED SESSION**

CONFERENCE WITH LEGAL COUNSEL Pending Litigation GC\$54956.9

- a. Litigation CPUC Appl. No. A 00-03-029
- b. NCSO vs State Dept of Health Services CV 990716
- c. Istar Holliday, Jesse Hill vs. NCSO CV 010563
- d. Anticipated Litigation, Linda Hubler, copy in office GC\$54956.9(b) 3(d) & (c)
- e. Anticipated Litigation, one case

The Board came out of Closed Session and reported the following:

- a. Legal counsel gave update and had no reportable action.
- b. Legal counsel gave update and had no reportable action.
- c. Legal counsel gave update and had no reportable action.
- d. On a 5-0 vote, the Board rejected the claim
- e. Legal counsel gave update and had no reportable action.


**ADJOURN**

President Blair adjourned the meeting at 12:55 p.m.

The next regular Board meeting will be held on September 5, 2001.



TO: BOARD OF DIRECTORS  
FROM: DOUG JONES *DJ*  
DATE: SEPTEMBER 5, 2001

AGENDA ITEM   
SEP 05 2001

MANAGER'S REPORT

ITEM

- G-1) The attached articles are for the Board's information
- Affordable Housing  
Article from "American City and County" magazine
  - Septic Tanks Seepage  
Article from "Governing" magazine
  - Water rates  
Article from "Water Engineering and Management" magazine
- G-2) Attached is the California-Nevada AWWA Conference information  
Please let staff know prior to September 14, 2001 if you plan to attend the conference.

Board 2001\mgr09-05-01.DOC



FOCUS ON WASTEWATER

# The Hazard of Ooze

Seepage from outmoded septic tanks is a major threat to groundwater. And it's not just a rural phenomenon.

BY TOM ARRANDALE

Cities and counties have been spending billions of dollars over the past 30 years to do a better job of collecting and treating sewage from homes and businesses in urbanized areas.

But those improvements—and the benefits they bring to the cleanliness of water supplies—are missing something. Millions of Americans are moving out into the countryside where municipal sewers don't reach, and the waste that household systems deposit in backyards poses one of the gravest remaining threats to the country's water quality.

Primitive outhouses are not the problem. They've all but vanished. Local regulations require homeowners without access to central wastewater systems to install septic tanks to dispose of their sewage.

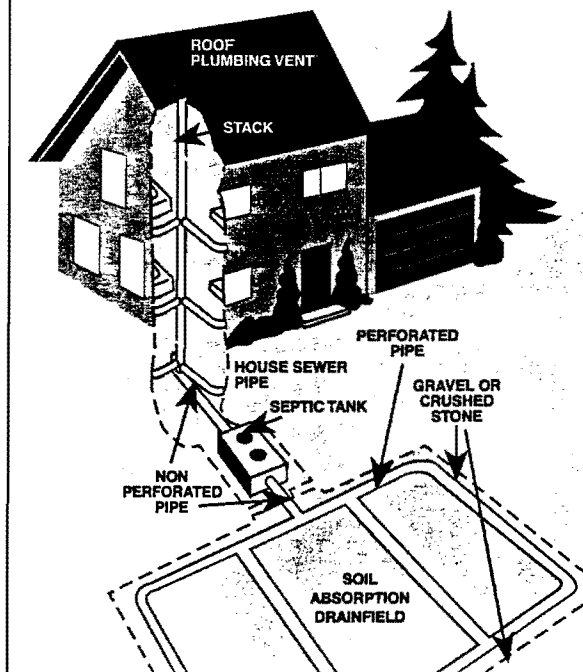
Secluded farmhouses and countryside cabins aren't the only places using their own detached septic systems: so are homes, businesses, and public facilities in once-pastoral resort towns and semi-rural subdivisions close to major population centers. Many of these bedroom communities were laid out just beyond existing sewer systems and never have been hooked up.

All totaled, a quarter of the U.S. population lives in homes that are not connected to wastewater systems, and only half of them are in rural areas. Moreover, with 5-acre homesites cropping up in the midst of sparsely settled farmlands and forests, a third of the nation's new houses are being built with on-site wastewater disposal mechanisms.

Septic tanks are a vast improvement over their predecessors, outhouses and rudimentary cesspools. But they don't provide the fail-safe protection against polluted water that municipally operated sewer systems more often than not deliver. The U.S. Census Bureau calcu-

mission's wastewater program director. Groves speaks for other state and local officials around the country who express a growing concern about the cumulative impact that polluted septic tank discharges have on rivers, lakes, coastal waters and underground aquifers.

## A Septic-Tank Primer



## A SIMPLE SCIENCE

When a septic tank works properly, it's a pretty good technology. Septic tanks hold sewage temporarily while solids partially decay, then they release leftover liquids to be absorbed by an underground drainfield lined with sand or gravel.

When properly sited and maintained, the systems pose no environmental threat. Over the decades, however, many tanks have been installed too close to groundwater or in sandy soils that readily transmit leaking fecal coliform, other pathogens or nitrates. Under the best conditions, septic tank residues need to be pumped out on a regular schedule to keep the system functioning properly. That doesn't always happen.

Then there are capacity issues. In some resort towns, systems installed in summer homes become overloaded when families decide to live there year round. In

semi-rural regions on the fringe of booming metropolitan areas, builders equipped new houses with septic tanks they assumed would do the job until sewage agencies ran sewer pipes to newly constructed neighborhoods. That isn't happening in many places, partly because federal sewer construction grants have been replaced with less generous loans. In addition, steel tanks installed decades ago have begun rusting out, and poorly designed drainfields are frequently over-

lates that up to 10 percent of the septic tank systems nationwide don't work properly. The U.S. Environmental Protection Agency estimates that 2 million or more malfunction every year, and that translates into 700 million gallons of untreated sewage oozing into the country's watersheds every day.

"Some systems that are failing now should never have been built," says Thomas W. Groves, the New England Interstate Water Pollution Control Com-

SMALL FLOWS CLEARINGHOUSE

whelmed by overflow from inadequate holding containers.

## TAKING ACTION

The issue has captured attention in some states and localities where rules are being written for on-site sewage treatment. Massachusetts now requires septic tank inspections when houses are sold and sets professional standards for firms that install on-site systems. In Pennsylvania, where one-third of the state's residents use septic tanks, local sewage enforcement officers test soils and review plans before granting permits for new installations.

There are roughly 140,000 septic tanks in Rhode Island, and owners are required to get permits for each from the state Department of Environmental Management. DEM regulators have authority to inspect those tanks—and theoretically force owners to repair or replace them—but officials know that many homeowners can't afford the cost. If Rhode Island

really cracked down, "you might have a lot of people out on the streets," says M. James Riordan, Rhode Island's non-point water pollution coordinator. "There are a lot of things government could do that government doesn't do."

It costs \$10,000 to \$15,000 to replace a malfunctioning septic system, and many homeowners prefer to avoid the costs by simply assuming their systems work fine. Nor do all pay attention to state and local recommendations that they hire somebody to inspect their tanks on a regular basis, much less pay \$80 to \$100 to have them pumped out every few years—or more frequently for homes where large families are living. "Most people have no idea what a septic system is or how it works," says Susan Licardi, the acting water supply director for North Kingstown, Rhode Island.

## THE LOCAL ISSUE

Rhode Island's smaller towns offer a microcosm of the septic-tank problem.

North Kingstown, for instance, relies on perhaps 10,000 septic tanks to handle sewage in what has become a densely filled suburban area in the southernmost county of the state. Concerned that pollutants are draining into drinking water, town officials in 1999 gave residents three years to have systems inspected and pumped or repaired if necessary. For homes occupying fewer than two acres, the town also can order owners to install nitrogen-treatment systems whenever they expand or improve their houses.

The town of New Shoreham, which is near Block Island Sound, has ordered residents to replace 220 cesspools and renovate failing septic tanks by the end of 2005. Existing tanks also must be retrofitted with filters and other equipment to meet new standards the town has adopted for treating the sewage the tanks handle.

Charlestown, a resort town of 6,500 people on Rhode Island's Narragansett Bay, has had to close salt ponds to shell-fishing, partly because fecal coliform and

nitrogen are seeping from nearly one-third of the community's 4,500 septic tanks and elementary cesspools where untreated sewage goes straight into holes below the ground. The Charlestown Town Council is moving to require mandatory inspections every three years and fine property owners \$500 a day if they don't fix problems within 60 days.

For now, Charlestown residents won't have to replace cesspools "unless the grass is growing green on the lawn and things are backing up into the house," says Roger Pease, the town's wastewater committee chairman. Starting in 2005, however, Charlestown also plans to require that remaining cesspools be eliminated.

Pease figures putting in the simplest modern septic system will cost a resident between \$5,000 and \$6,000. On more sensitive lands near water, state and town regulations will require more elaborate treatment devices costing up to \$15,000. Charlestown has set up a \$250,000 wastewater management program that provides

low-interest, federally subsidized loans to improve or replace failing septic systems. The town also uses federal grants to help low-income residents cover their initial costs. So far, the town has funded eight loans for upgraded systems that state rules require owners to install when they significantly enlarge their houses.

Charlestown officials figure it would cost millions of dollars to install a central sewage-treatment system. Replacing or repairing an inadequate septic system "is the property owners' responsibility," Pease says. Compared to what they'd have to pay for municipal sewage service, he adds, "property owners are better off with on-site systems."

## THE NEW NEW THING

Homeowners' costs go up, of course, if they live over shallow sandy soils or near wetlands or easily polluted waters. In those areas, state and local policies force them to install more sophisticated on-site technologies that perform much like

advanced municipal treatment plants. The most elaborate innovations use greenhouses and artificial wetlands to hold effluent in place while natural processes cleanse it. More commonly, advanced systems inject air to break down septic effluent contaminants or filter it through boxes of sand, peat or another medium such as crushed glass or recycled textiles. Some systems use ozone or ultraviolet light to disinfect the discharges before they're released.

The University of Rhode Island is testing 10 alternative treatment systems in Charlestown. The town now requires schools and commercial developments—as well as apartments built near sensitive waters—to install enhanced systems. North Kingstown requires new commercial developments to install enhanced systems to remove nitrates from effluent unless they demonstrate that conventional septic tanks will be adequate. New or expanded homes in areas where groundwater is close to the surface can be

forced to use upgraded effluent-treatment equipment, as well.

In a few communities, neighborhoods have banded together to install cluster septic systems. These collect sewage from a number of homes, apartments or commercial buildings and then run effluent through what amounts to scaled-down municipal treatment plants.

"There's a whole lot of new technologies out there," Pease says. "Some of them are great and others are a little shaky."

Building his new house in Crawford, Texas, President Bush installed a compli-

cated aeration and filtration system that treats sewage and pumps effluent to a drip irrigation system on the ranch. Such elaborate systems use fans, pumps and other mechanical gear that must be maintained more vigilantly than simple gravity septic systems.

## THE TRADE-OFF

Provided they're kept up, the innovations could correct the threats that poorly functioning septic tanks now pose where homes have been built on porous soils or close to sensitive waters. Potentially, they

also make it feasible to build more houses on terrain where conventional systems don't provide enough protection.

In Wisconsin, that's sparked an intense debate pitting local governments against state regulators. Builders and developers had been pushing for years for changes to 1980 regulations for new construction. These regulations limited on-site sewage disposal to sites with enough native soil to provide a 3-foot buffer between the septic system and bedrock or groundwater. In effect, the code has functioned as an indirect land-use control that's kept rocky or thinly soiled tracts off limits for development.

Last year, however, the Wisconsin Commerce Department revised the state plumbing code to approve use of sand filters, aerobic treatment and other advanced on-site technologies on parcels with much thinner soil covers. Wisconsin water-quality regulators signed off on the revised code after Commerce agreed to keep 3-foot buffers from groundwater in porous sandy soils. But the League of Wisconsin Municipalities, allied with Wisconsin environmentalists, went to court to challenge regulations they contend will open 9 million acres of poorly drained lands to potentially destructive development.

While it's hard to criticize improved sewage-treatment technologies that work, they doubt the new systems will be reliable enough to allow development to spread safely into some of Wisconsin's most fragile environments.

The issue for many environmentalists is that homeowners aren't answerable to the same sewage-disposal responsibilities as municipalities. To operate wastewater-treatment plants, municipal governments must obtain federal discharge permits and build up financial capacity to replace systems when necessary.

Homeowners who use on-site disposal don't have similar obligations, and local officials remain reluctant to crack down even when the most primitive septic systems start failing. Eventually, "every sewage-treatment system ever built has a 100 percent failure rate," notes Dan Thompson, a former city manager who now directs the Wisconsin municipal league. When that starts happening to on-site systems, "it's very difficult for town supervisors and county supervisors to enforce septic laws on their friends and neighbors." **G**



## *Water Rates: Is It Time for a New Paradigm?*



Many people are predicting that the biggest battle over resources, both in the United States and worldwide, in the next 25 to 50 years will be over water, not oil or energy.

Shortages and limitations in water supply already have surfaced. Some growing cities are facing the possibility that their water supplies may no longer sustain unlimited growth or even any growth. Aquifers are diminishing, rivers and lakes are shrinking and conflicts are arising between classes of water users such as agricultural irrigation versus residential or industrial use.

For example, even though the Chicago metropolitan area is adjacent to Lake Michigan, the source of water supply for much of the area, a water shortage by 2020 is predicted for a dozen faster growing townships in the region, according to a new report by the Northeastern Illinois Planning Commission.

Arguably, there are several ways to preserve or allocate water supply as a limited resource such as mandatory restrictions on use, imposition of limits on new real estate developments, manufacture of more efficient appliances and rationing. However,

these objectives also may be fulfilled through the water pricing process if designed to recognize the resource value of water.

In addition to source of supply concerns, there are other pressures on water utilities arising from the need to replace aging infrastructure, the need to upgrade plants to meet more stringent standards and the need to satisfy growth in demand. Again, the ratemaking process may be appropriate to help resolve these issues.

### **What Is the Theory of Water Utility Ratemaking?**

The theoretical model for water utility ratemaking for the past one hundred years has been cost of service. That is, rates should be set at levels that recover a utility's costs to serve the particular customer classes. Costs should be assigned to the "cost causers." For regulated water utilities, cost of service ratemaking generally requires rates sufficient to recover reasonable operating expenses and to yield a rate of return, measured as cost of capital, on rate base. Each of these factors—reasonable operating expenses, rate base and fair rate of return—are issues to be determined by the regulatory agency.

## **LEGAL STREAM**

For unregulated utility systems, generally municipal-owned, cost of service theoretically is determined by using the regulated utility model or by using the cash basis. Under the cash basis, rates are to be sufficient to recover operating expense and debt service, issues generally adjudicated by the water utility itself.

### **What Is the Reality of Water Ratemaking?**

In actuality, for regulated utilities, the ratemaking model often does not produce adequate revenue. Rate recovery of some expenses may be disallowed by a commission for a variety of reasons such as "nonrecurring," "excessive" and "speculative." For example, it is not unusual to see quibbling over the number of employee vacancies in calculating labor expense. Portions of plant included in rate base may be disallowed because construction is not completed or the facility is deemed not used or useful, or the plant may be deemed to be contributed. Estimates of cost of equity, generally the component of cost of capital having the greatest impact and reflecting risk, may be depressed by various rationales designed to come up with a number lower than that proposed by the utility. The end result is that any allowed rate increase may be significantly less than actual revenue requirements by the time a rate order is entered.

In the case of unregulated municipal systems, rates often are based on political or perceived equity or affordability considerations.

With the purpose of keeping rates artificially low or minimizing rate increases. As a result, rates may not cover cost of service under any model and may be adjusted infrequently. In reality, some systems may have no idea what are their full costs of service.

### **Why Is New Thinking Needed?**

When water rates do not fully recover all costs of service, several adverse consequences may arise.

- Someone other than ratepayers is subsidizing the ratepayers. It may be other taxpayers, future rate payers or other classes of current ratepayers. Insufficient rates are illusory rates because they unfairly shift cost burdens to someone else.
- Inadequate rates create the misperception that water is cheap and plentiful and can be wasted without significant consequence. They provide a disincentive to use water wisely.
- Unreasonably low rates can cause misallocation of water as a resource and premature depletion of the source of supply.
- Insufficient rates for unregulated municipal water systems can result in a dependence upon grants, which in reality are cross-subsidies by other taxpayers. While grant programs alleviate financing burdens for favored recipients, they can obliterate the incentive to be fiscally responsible by charging rates to anticipate and support necessary investments and financing.

- Insufficient revenue can frustrate necessary replacement of aging infrastructure. A recent study estimates that \$250 billion over 30 years may be required by water utilities in the United States just to replace old plants (*Reinvesting in Drinking Water Infrastructure*, AWWA [May 2001]). Who will pay the revenue requirements for such an investment? In addition, many water utilities have acquired plants through contributions in aid of construction. Generally, regulatory agencies do not permit contributed plants to be included in the rate base. Thus, current rates may not produce revenues sufficient to enable utilities to replace contributed plants.
- Insufficient rates can deny a utility adequate resources to satisfy the increasingly more stringent Safe Drinking Water Act standards, treatment techniques and monitoring/reporting requirements. For example, many water utilities will face the need to install ultrafiltration or similar technology to meet enhanced treatment requirements. Will such utilities have in place rates sufficient to support such plant upgrades?
- Insufficient rates are inequitable and discriminatory in that they shift to future ratepayers the cost burden to finance replacement of the plant and supply being used by current ratepayers.
- Insufficient rates provide no recovery for depletion of aquifers and other sources of supply. In other words, the rates may not recognize the value of water as a limited resource.

### What Innovative Ratemaking Adjustments May Be Available?

As a general proposition, to meet the challenges of this new century, the ratemaking process may have to be restructured to remove the historic bias for low rates and against full cost recovery rates. This bias is founded in the political thinking that water rates must be low and someone other than ratepayers should pay for capital improvements. The mold of thinking that water should be cheap or subsidized must be broken to enable water utilities to be viable in the future.

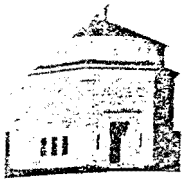
A second general concept will be to discard the notion that rates should be increased only infrequently. Since ratemaking is not retroactive, it makes no sense to tolerate inadequate rates on an ongoing basis based on a fear of antagonizing customers. Similarly, it is questionable to continue to use historic test years to develop revised rates. With all the rapid changes in the water industry, the only logical approach is to use a future test year.

More specifically, what changes could be made to the water utility ratemaking process? It would seem that the following should be considered.

- Water should be priced to recover fully all costs of service incurred for the benefit of current ratepayers, including all operating expenses and adequate return on rate base. It is important that the rate of return be set at levels that properly reflect the higher risks faced by water utilities rather than the historic misperception that water utilities have little risk.
- Revenue requirements recovered in rates should include an allowance for depreciation or reserve for replacement of infrastructure, including contributed plants. "Replacement" should recognize that a new plant will be priced higher than original cost of the old plant and may have to be upgraded.
- Revenue requirements also should include allowances to create reserves for source of supply depletion and alternative source of supply development, where appropriate; watershed protection; and other environmental impacts.
- Alternatives to general rate adjustments should be considered, including the use of automatic adjustment clauses for the cost of purchased water, energy or chemicals; surcharges to provide for reserves or recovery of specific capital costs; and single-tariff pricing for regional utilities.
- Utilities should consider use of a separate line item rate with an automatic adjustment provision for Safe Drinking Water Act compliance costs. This approach would enable customers to understand directly the impact of compliance requirements while permitting the utility more speedy cost recovery.
- Utilities should consider implementation of infrastructure maintenance surcharges to recover revenue requirements resulting from replacement of aging mains.

While water utility ratemaking may not require deregulation or a new paradigm, it would appear to deserve more realistic thinking, which will help to continue to assure both the financial health of the utilities and the quality of service to their customers. ■





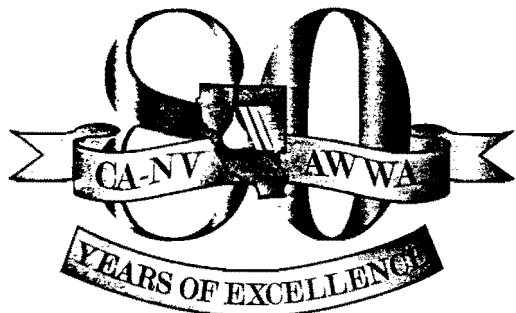
HEAD HOUSE  
Sacramento Filter Plant

# American Water Works Association CALIFORNIA SECTION

5th Annual Convention  
October 23-25, 1924  
Sacramento, California

MEMBER

## REGISTRATION NOTICE



CALIFORNIA-NEVADA  
SECTION AWWA  
2001 FALL CONFERENCE  
OCTOBER 9-12, 2001  
PALM SPRINGS, CA

## 80 YEARS OF EXCELLENCE



California-Nevada Section  
American Water Works Association

2001 Fall  
Conference  
And Exhibits  
Palm Springs

ANNUAL DINNER DANCE  
AMERICAN WATER WORKS ASSOCIATION  
CALIFORNIA SECTION  
BILTMORE BOWL LOS ANGELES  
OCTOBER 26, 1944



# TECHNICAL PROGRAMS AT A GLANCE

## **BUSINESS ADMINISTRATION DIV.**

**WEDNESDAY, OCTOBER 10, 2001- SES. 1**

### **CUSTOMER SERVICE COMMITTEE**

- 1:30 p.m.-2:15 p.m. Better Customer Service through Mobile Technology
- 2:15 p.m.-3:00 p.m. Lessons Learned from Using a Mobile Field Computing System

**THURSDAY, OCTOBER 11, 2001 - SES. 7**

### **MANAGEMENT DEVELOPMENT COMMITTEE**

- 8:45 a.m. - 9:45 a.m. Training - One Size Doesn't Fit All

### **INFORMATION MANAGEMENT COMMITTEE**

- 10:15 a.m. - 11:00 a.m. Web-based CMMS
- 11:00 a.m. - 11:45 a.m. Process Automation & SCADA Using Wireless Technology

### **PUBLIC INFORMATION COMMITTEE**

- 3:30 p.m. - 4:00 p.m. Building Community on the Internet
- 4:00 p.m. - 4:30 p.m. Installing a Traffic Jam: Constructing Recycled Water Lines in Developed Communities

## **OPERATIONS & MAINTENANCE DIV.**

**WEDNESDAY, OCTOBER 10, 2001- SES. 2**

### **TANKS, RESERVOIRS & STRUCTURE MAINTENANCE COMMITTEE**

- 1:30 p.m.-2:15 p.m. Lakeview Reservoir - 30 MG Open Reservoir to a Public Use Facility
- 2:15 p.m.-3:30 p.m. Building a Reservoir in Partnership with the Community - The Success Story
- 3:30 p.m.-4:15 p.m. Repair or Replace the Wood Roof on Your Steel or Concrete Reservoir - Help is on the Way
- 4:15 p.m.-5:00 p.m. Lead Abatement and Tank Recoating Options

**THURSDAY, OCTOBER 11, 2001- SES. 8**

### **ENVIRONMENT COMPLIANCE COMMITTEE**

- 8:00 a.m.-8:45 a.m. Impact of California's New Underground Storage Tank Regulations
- 8:45 a.m.-9:15 a.m. Underground Storage Tanks vs. Aboveground Storage Tanks: Case Study
- 9:15 a.m.-9:45 a.m. New Regulatory Requirements for Applying Aquatic Pesticides

### **EMERGENCY PLANNING COMMITTEE**

- 10:15 a.m.-10:45 a.m. California's Water Agency Response Network (WARN): Profiling a New, User-Friendly Internet Based Resource Database to Enhance your Emergency Preparedness and Response District
- 10:45 a.m.-11:30 a.m. An Important Panel Discussion on California's Energy Crisis: A look back at summer 2001, what's happening now, and what we may have to plan for in the future.
- 1:30 p.m.-2:00 p.m. Remote Vibration Monitoring of Power Generators at Pardee Dam
- 2:00 p.m.-2:30 p.m. Implementation of RCM (Reliability Centered Maintenance) at East Bay Municipal Utilities District
- 2:30 p.m.-3:00 p.m. Maintenance and Operation of Automatic Control Valves

### **SAFETY COMMITTEE**

- 3:30 p.m.-4:00 p.m. TeleTrac: Knowing where your vehicles are 24 hrs/day
- 4:00 p.m.-4:30 p.m. Material Safety Data Sheets (MSDS) On line

## **STANDING OPERATORS COMMITTEE**

**WEDNESDAY, OCTOBER 10, 2001- SES. 3**

- 1:30 p.m.- 5:00 p.m. Operator Round table - Operators Talk to Educators About Training and Continuing Education- Part II

**THURSDAY, OCTOBER 11, 2001- SES. 9**

- 8:00 a.m.-12:00 p.m. Featured Topics: 1. Oxygen and Ozone Safety  
2. One Year Later - Operators perspective on the privatization of a major public utility  
3. SCADA development with in house personnel & Operator Input  
4. Rehabilitation of a Multimedia Filter Basin  
5. Section Wide Training of Operators through plant tours  
6. Operator Security on a night shift. What a utility can do to increase Security
- 1:30 p.m.-5:00 p.m. Operator Round table #2 - The Good the BAD and the Ugly ... Operators Discuss (and cuss) the pros and cons of every kind of Shift Schedule Imaginable.

**FRIDAY, OCTOBER 12, 2001- SES. 13**

- 8:00 a.m.-12 p.m. Twenty First Century Jar Testing

## **WATER DISTRIBUTION DIV.**

**WEDNESDAY, OCTOBER 10, 2001- SES. 4**

### **METERS COMMITTEE**

- 1:30 p.m.-2:00 p.m. Water Meter Testing and Maintenance For Water Industry Professionals
- 2:00 p.m.-2:30 p.m. The Effective Metering Program For Large Meters
- 2:30 p.m.-3:30 p.m. Lowering Your Pumping Costs Through Your Large Meters
- 3:30 p.m.-4:00 p.m. AMR - History, Today and the Future
- 4:00 p.m.-4:30 p.m. Calculating the Return Investment For AMR

**THURSDAY, OCTOBER 11, 2001- SES. 10**

### **CORROSION CONTROL COMMITTEE**

- 8:15 a.m.-8:45 a.m. Dehumidification and How It Pertains to Corrosion Control
- 8:45 a.m.-9:15 a.m. Corrosion Control by the use of Protective Coatings
- 9:15 a.m.-9:45 a.m. Extending the Life of Prestressed Concrete Cylinder Pipe with Pulse Cathodic Protection

### **WATER SYSTEMS CONTROLS COMMITTEE**

- 10:00 a.m.-10:30 a.m. The Future of PLC's in the World of SCADA- Part I
- 10:30 a.m.-11:00 a.m. The Future of PLC's in the World of SCADA- Part II
- 11:00 a.m.-11:30 a.m. SCADA for Early Warning and Security Systems
- 11:30 a.m.-12:00 p.m. Utilizing WEB Technologies for SCADA
- 1:30 p.m.-2:00 p.m. Understanding Fiber Optic Cable Systems
- 2:00 p.m.-2:30 p.m. DCS vs. PLC: Why Hybrid DCS
- 3:30 p.m.-4:00 p.m. Utilizing Historical Process Data for Energy Savings Analysis

### **BACKFLOW PROGRAMS COMMITTEE**

- 4:00 p.m.-4:30 p.m. California Public Utilities Commission Ruling on Backflows on Fire Sprinkler Systems
- 4:30 p.m.-5:00 p.m. Current State of California Title 22 Recycled Water Regulations

# TECHNICAL PROGRAMS AT A GLANCE

## WATER DISTRIBUTION DIV. - CONT.

FRIDAY, OCTOBER 12, 2001 - SES. 14

### PIPELINE REHABILITATION COMMITTEE

- 8:15 a.m.-8:45 a.m. Keep Them In Service With Temporary By-Pass Systems
- 8:45 a.m.-9:15 a.m. Pigging Is Not Just For Oil Lines - Case Studies In Water
- 9:15 a.m.-9:45 a.m. New Twists To Pipe Bursting
- 10:15 a.m.-10:45 a.m. The Latest In Rehabilitation - Epoxy Spray Lining
- 10:45 a.m.-11:15 a.m. P.E. Pipe - Is It Here To Stay?

## WATER QUALITY DIV.

WEDNESDAY OCTOBER 10, 2001- SES. 5

### WATER QUALITY COMMITTEE

- 1:30 p.m.-2:00 p.m. Federal Regulatory Update
- 2:00 p.m.-2:30 p.m. State Regulatory Update
- 2:30 p.m.-3:30 p.m. Ethics Issues facing the Water Industry

### RESEARCH COMMITTEE

- 3:30 p.m.-4:00 p.m. Removal of Volatile Organic Compounds Using Combined Vacuum/Sweeping-Gas Membrane Distillation
- 4:00 p.m.-4:30 p.m. Evaluation of Nanofiltration Membranes for Treating Long Beach's Colored Groundwater
- 4:30 p.m.-5:30 p.m. Evaluation of Chlorine Dioxide and Ozone for Control of Disinfection By-products in a Full-scale Demonstration.

THURSDAY, OCTOBER 11, 2001- SES. 11

### RESEARCH COMMITTEE

- 8:15 a.m.-8:45 a.m. Chromium 6 in Drinking Water: Update
- 8:45 a.m.-9:15 a.m. Reducing the cost of chromium monitoring - studies on the stability of hexavalent chromium in drinking water
- 9:15 a.m.-9:45 a.m. The Environmental Chemistry, Toxicology, and Epidemiology of Chromium

### WATER TREATMENT COMMITTEE

- 10:15 a.m.-10:45 a.m. UV Treatment for NDMA Reduction in Recycled Water and Groundwater in Orange County
- 10:45 a.m.-11:15 a.m. UV Disinfection Guidelines
- 11:15 a.m.-1:30 p.m. Conversion of a utility from one ton chlorine cylinders to tank cars
- 1:30 p.m.-2:00 p.m. Improving Waste Washwater Quality at the Rio Vista Treatment Plant
- 2:00 p.m.-2:30 p.m. Membrane Filtration and Microbial Risk: Operational Limitations
- 2:30 p.m.-3:00 p.m. The Changing Face of a Water Treatment Operator

### SYSTEM WATER QUALITY COMMITTEE

- 3:30 p.m.-4:00 p.m. Effects of Chlorine Dioxide on Distribution System Water Quality
- 4:00 p.m.-4:30 p.m. Effects of Source Blending and ASR Wells on Distribution System Water Quality
- 4:30 p.m.-5:00 p.m. Monitoring Nitrification in the Distribution System

## WATER QUALITY DIV. - CONT.

FRIDAY, OCTOBER 12, 2001- SES. 15

### WATER QUALITY COMMITTEE

- 8:15 a.m.-9:45 a.m. Source Water Quality Protection of the Two Major River Systems in the Sacramento Area: The Sacramento and American Rivers
- 10:00 a.m.-10:30 a.m. Drinking Water Source Assessment Program - Turbo SWAP Computer Program Demonstration and Completed Source Assessment using Turbo SWAP
- 10:30 a.m.-11:00 a.m. Drinking Water Source Assessment Program - Turbo SWAP Computer Program Demonstration and Completed Source Assessment using Turbo SWAP
- 11:00 a.m.-11:30 a.m. Preparing a Practical Emergency Chlorination Plan
- 11:30 a.m.-12:00 p.m. Lead Leaching from Water Meters and Stops

## WATER RESOURCES DIV.

WEDNESDAY, OCTOBER 10, 2001- SES. 6

### WATER WELL TECHNOLOGY COMMITTEE

- 1:30 p.m.-2:00 p.m. "Go Big or Go Home" Construction of the 3500-foot Virgin Valley Water District Production Well # 32
- 2:00 p.m.-2:30 p.m. Water Well Planning Using Subsurface Characterization-Integrated Services and Technology
- 2:30 p.m.-3:00 p.m. Directional Drilling of a Vertical Borehole

### DESALINATION COMMITTEE

- 3:30 p.m.-4:00 p.m. Upgrading Older Reverse Osmosis Treatment Plants
- 4:00 p.m.-4:30 p.m. Responding to the Salt Problem in the Inland Empire
- 4:30 p.m.-5:00 p.m. Update on DRIP - Cost Effective Desalination Alternatives - Representative, Desalination Research and Innovation Partnership

THURSDAY, OCTOBER 11, 2001- SES. 12

### WATER MANAGEMENT COMMITTEE

- 8:15 a.m.-8:45 a.m. Groundwater Recharge Programs in California
- 8:45 a.m.-9:15 a.m. Groundwater Recharge Programs in Arizona
- 9:15 a.m.-9:45 a.m. Groundwater Recharge Programs in Nevada

### WATER CONSERVATION COMMITTEE

- 1:30 p.m.-3:00 p.m. Panel Discussion

### ENERGY COMMITTEE

- 3:30 p.m.-5:00 p.m. Last Summer's Blackouts - What Really Happened? What's Next? Panel Presentations with Q&A Session

**Please Note: We have made every attempt to insure accuracy in these technical program listings; however, all times, programs and speakers are subject to change. Please refer to the On-Site Program for the latest changes.**