

Exhibit 2 (1 of 2)
Water Management Strategies in San Luis Obispo

Area	Conditions	Existing Management Activities	Programs Attempted	Under Consideration	Possible Actions	Issues
1	North coast—small, coastal basins with marginal yields. Subject to withdrawal permits.	Most basins currently managed by SWRCB permits.	Currently managed by SWRCB permits.	Coastal Commission reviewing planning area update	Basins probably too small for AB3030; permit management most likely; Santa Rosa Creek may benefit from formal agreements; Cambria CSD and San Simeon CSD would be appropriate agencies for initiation.	Modified SWRCB permits. Environmental demands will increase.
2	Cayocus—small basins, Whale Rock reservoir.	Whale Rock management controls most water in area			Continued management for Whale Rock	
3	Morro Bay watershed—Chorro and Los Osos basins. Two medium urban areas depend on groundwater. Los Osos basin is complex and a study is underway.	Los Osos CSA (#9) is local agency. City of Morro Bay is appropriate agency for management of Chorro basin area.	Sewer in Los Osos is in process-- would add significant quantities to basin	Los Osos basin study underway	Los Osos is prime candidate for AB 3030. Will require considerable effort to establish.	Cost of sewer is very high, strong local opposition
4	San Luis Obispo—includes portions of Edna Valley, contributes to San Luis Obispo Creek.	City of San Luis Obispo lost lawsuit for damages resulting from over-pumping basin		The Edna basin is awaiting results of a DWR study.	Appropriate for investi-gation. City demands must be coordinated with agriculture.	Agricultural demands increasing in Edna Valley. Has long been believed to be in overdraft. Additional vineyards will exacerbate.
5	Upper Edna Valley, Lopez, Arroyo Grande Valley	Several municipal purveyors in AG valley. Lopez is most significant water source for area. Subject to local control. AG currently subject to certain cooperative arrangements.			Management plan would assist with many necessary efforts.	Lopez Lake retrofit will require modifications in water supply for several years. Nitrates in AG valley from agriculture.
6	Nipomo—Large basin, agricultural and residential use. This is a portion of the Santa Maria Groundwater Basin.	Santa Maria Water Conservation District has AB3030 plan.	AB 3030 was attempted by Nipomo CSD—received strong opposition.		Key is inclusion of Black Lake and other large residential users with CSD and ag users.	As development increases on mesa, higher likelihood of serious disputes.
7	Cuyama—sparsely developed upper watershed to Santa Maria basin				Agricultural concerns should be polled.	May not have appropriate vehicle (public agency) for initiation.
8	California Valley. Small community and agriculture. Natural groundwater quality issues.				Uncertain of feasibility of management plan.	Water quality west of Soda Lake is poor.
9a	Salinas River. Paso Robles basin—	North County Water Task Force		Agreements among	Can support multiple plans,	In the next decade, this

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	considerable mix of urban and agricultural demands	is important step towards agreements.		various purveyors first step in development of comprehensive management plans.	unless agencies can cooperate in plan development. Should be a high priority for this area.	area will require considerable effort to manage groundwater competition. It is a possible target for adjudication.
9b	Creston—agricultural water demands.					Continued expansion of agricultural demands will increase need for management.
9c	Upper portion of Paso Robles basin. Large agricultural demands.				Area is large enough to support multiple AB3030 plans.	May lack sufficient public agency resources.
10	Nacimiento Lake---supply for Monterey and SLO Counties	Reservoir under control of Monterey County Water Resource Agency				Disputes regarding Nacimiento water.

Addendum

Water Purveyors of San Luis Obispo County

The following table lists most of the water purveyors in the County of San Luis Obispo. The center column identifies the Water Planning Area where most or all of the purveyor's service area is located. The third column identifies the geographic location of the service area (some references are to the nearest identifiable community). These purveyors would constitute the groups most likely involved in water management activities.

Water Purveyors

Purveyor/Owner Name	WPA	Location
Cities		
City of Arroyo Grande	5	Arroyo Grande
City of Grover Beach	5	Grover Beach
City of Paso Robles	9a	Paso Robles
City of Pismo Beach	5	Pismo Beach
City of San Luis Obispo	4	San Luis Obispo
Districts		
Avila Beach Community Services District	4	Avila Beach
California Valley Community Service District	8	California Valley
Cambria Community Service District	1	Cambria
Heritage Ranch Community Service District	10	Heritage Ranch
Nipomo Community Service District	6	Nipomo
Oceano Community Service District	5	Oceano
San Simeon Acres Community Service District	1	San Simeon
Templeton Community Service District	9a	Templeton
Garden Farms County Water District	9a	Garden Farms
County Waterworks District No. 1 San Miguel	9a	San Miguel
County Waterworks District No. 8 Santa Margarita	9a	Santa Margarita
County Service Areas		
County Service Area No. 9 – Los Osos	3	Los Osos
County Service Area No.10 Cayucos	2	Cayucos
County Service Area No. 16 Shandon	9c	Shandon
Private		
Atascadero Mutual Water Company	9a	Atascadero & unincorporated areas
S & T Mutual Water Company	3	Los Osos
Southern California Water Company	3	Los Osos
Southern California Water Company	5	Los Ranchos/Edna
Southern California Water Company	6	Nipomo
McNamara Water Supply	9a	Atascadero
Paso Robles Beach Water Association	2	Cayucos
Morro Rock MWC	2	Cayucos
Nacimiento Water Co	10	Nacimiento
Durand Water Co	9a	Paso Robles

Purveyor/Owner Name	WPA	Location
Adelaide Estates MWC	9a	Paso Robles
Almira Water Assn	9a	Kiler Canyon
Green River MWC	9c	Whitley Gardens
Town Creek Water Supply	9a	Allen Road, Paso Robles
McNamara Water Supply	9a	Atascadero
Red Wind Foundation		Carrisa Hwy
Via Condias Water Supply	9a	San Miguel
Atascadero Lake	9a	Atascadero
Babe Ruth Trailer Park	9a	Paso Robles
Black Mtn RV Resort	9b	Calf Canyon Hwy
Los Robles M.H. Estates	9a	Paso Robles
Mustang Mobile Village	9a	4700 Templeton Road
Rancho Colina M.H. Park	9a	Atascadero
Resthaven M.H. Park	9a	Paso Robles
Rinconada Trailer Park	9a	Santa Margarita
Santa Margarita Lake Campgrnd	9a	Santa Margarita Lake Road
Cal-Shasta Club, Inc.	9a	Running Deer Ranch Road
Christmas Cove Co.	9a	Lynch Canyon Road
Hazard Water Supply	9a	Bradley
Laguna Vista Boat Club, Inc.	10	Nacimiento Shores Road
North Shore Club, Inc	10	Bradley
South Shore Village Club	10	Running Deer Ranch Road
Atascadero State Hosp. Water	9a	Atascadero
Bee Rock Store Water Supply	9a	Bradley
Bow Valley Aquiland Wtr. Supply	9a	Atascadero
CDF-Simmler Fire Station	8	California Valley
California Valley Water	8	California Valley
Camp Emanuel Water Supply	11	Creston
Camp Wantala Water Supply	9a	Las Politas Road
Carrisa Plains Elem School	8	California Valley
Creston Elementary School	11	Creston
El Paso de Robles School	9a	Paso Robles
Ritchie's Water Supply	9a	Atascadero
Loading Chute Restaurant	11	Creston
Long Branch Saloon	11	Creston
Moe Water Supply	9a	Paso Robles
The Hillhouse Water Supply	9a	Atascadero
Pete Johnson Chevrolet	9a	Paso Robles
Phillips Elem School	9c	Whitney Gardens Drive
Pleasant Valley Elem School	9a	San Miguel
Port-a-Port West	9a	Paso Robles
Pozo Saloon	9a	Pozo
San Paseo Truck Stop	9a	North of Paso Robles
Santa Lucia School	9a	Templeton
Shandon Rest Stop	9c	Shandon
Hearst Corp-Cholame Store	9c	Cholame
Shan-Val Hills Vineyard	9a	Templeton

Purveyor/Owner Name	WPA	Location
Wine World Estates	9a	east of Paso Robles
Mustang Springs MWC	9a	Paso Robles
7X Youth Ranch	1	Cypress Mtn Road
Arroyo Grande Mushroom Farm	6	Arroyo Grande
Ball Tagawa Growers	5	Arroyo Grande
Biddle Regional County Park	5	Arroyo Grande
Black Lake Canyon Wtr. Supply	6	Nipomo
Blue Sky Water Assn.	5	Arroyo Grande
Branch Elementary School	5	Arroyo Grande
Callender Water Assn	6	Arroyo Grande
Country Hills Estates	6	Arroyo Grande
Deer Valley	5	Arroyo Grande
Fowler Mobile Home Estates	5	Arroyo Grande
Grande Mobile Home Manor	5	Arroyo Grande
Greenheart Farms	6	Arroyo Grande
Heritage Lane MWC	6	Arroyo Grande
Hetrick Water Co.	6	Arroyo Grande
Ken Mar Gardens	6	Arroyo Grande
La Mesa Water Co	6	Arroyo Grande
Lopez Recreational Area	5	Lopez Lake
Mesa Dunes MH Estates	5	Arroyo Grande
Mutual Water Assn	5	Arroyo Grande
Newsom Spring MWC	5	Arroyo Grande
Nunes Water Supply	5	Arroyo Grande
Oak Park Manor	5	Arroyo Grande
Rancho Nipomo Water Co.	6	Arroyo Grande
Sweet Springs Mobile Park	5	Arroyo Grande
Talley Farms Labor Housing	5	Arroyo Grande
Terra De Oro Water Co.	5	Arroyo Grande
Varian Ranch MWC	5	Orcutt Road
Vista De Las Flores Wtr Co	5	Arroyo Grande
Woodland Park	5	Arroyo Grande
Circle II (Tract 1323)	5	Grover Beach
Guadalupe Cooling	6	Guadalupe
Clearwater Nursery	6	Nipomo
Cuyama Lane Water Co	6	Nipomo
Dana Elementary School	6	Nipomo
La Colonia Water Assn	6	Nipomo
Laguna Negra (Tract 610)	6	Nipomo
Mesa Mutual Water Co	6	Nipomo
Rim Rock Water Co	6	Nipomo
Santa Maria Speedway	6	Nipomo
Speeding, Inc.	6	Nipomo
True Water Supply	6	Nipomo