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July 28, 2003

Nipomo Community Services District  
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Dear Doug Jones:

I am requesting a copy of NCSD's Board meeting memo from Jon Seitz "RE Water Code 350 Report" July 25, 2003.

Thank You

Harold Snyder

Hand Delivered.

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GERALD W. SHIPSEY  
(RETIRED)

TO: BOARD OF DIRECTORS  
NIPOMO COMMUNITY SERVICES DISTRICT

RE: WATER CODE § 350 REPORT

FROM: JON S. SEITZ, DISTRICT LEGAL COUNSEL

DATE: JULY 15, 2003

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**Attachments:**

- 1) Prior memo re water shortages
- 2) California Urban Water Conservation Council's (Best Management Practices List)

**BOARD DIRECTION**

The Board of Directors, at its meeting of July 10, 2003, directed legal counsel to prepare a report regarding Water Code § 350 as it relates to:

- a. The District's ability to provide existing and future District customers with water.
- b. Alternatives if a water shortage is determined to exist.

**ASSUMPTIONS**

The following assumptions were made in preparing this report:

1. The Court through the adjudication process will impose limitations on the ability of the District to pump water from the Santa Maria Water Basin. In other words, the District supply from the ground water basin is finite.
2. Absent settlement, legal restriction on the District's ability to pump from the ground water basin will not be imposed for at least four years (appeals, etc.) and that the Court judgment will allow a minimum of three years for the District to implement restrictions once they are imposed.

3. The Black Lake Water Division is at or near build-out. Therefore, this analysis only applies to the Town Division.

### **TOWN DIVISION WATER SOURCE**

The Town Division presently has six (6) wells that pump from Nipomo Hydraulic Sub-Area (HSA), with a capacity of producing 4,100 AFY at 80% capacity. (The Urban Water Management Plan included the Church Well, which is analyzed separately below.)

### **CURRENT TOWN DIVISION WATER CONSUMPTION**

The District currently pumps 2,100 AFY from the HSA to serve approximately 2,900 customers within the Town Division. The average Town Division customer consumes approximately .72 AFY of water produced. The average Town Division customer actually consumes .68 AFY. The difference between the two numbers reflects systems losses (unaccounted for water).

The Boyle Water Master Plan sets the following targets for water actually consumed:

<u>User</u>	<u>Persons/Unit</u>	<u>AFY Per Unit</u>
Residential Unit – Large Lot	3.15	.61
Residential Unit – Small Lot	3.50	.45
Residential Multi-Family	2.90	.15
Average Residential Consumption	3.24	.42

(Not adjusted to production.)

### **CURRENT TOWN DIVISION WATER DEMAND**

There are approximately 700 unexercised “will-serve letters” and 260 “intent to serve letters” (intent to serve letters have a two-year life cycle). These unexercised commitments represent an additional water consumption demand of 653 AFY (960 x .68) and a additional production demand of 690 AFY (960 x .72). Total current production demand is estimated at 2,791 AFY (2,100 + 690). Total consumption demand is estimated at 2,753 AFY (2,100 + 653).

### **TOWN DIVISION WATER DEMAND AT BUILD-OUT**

Staff estimates there are approximately 200 parcels within the Town Division that have not received commitments from the District. Because of zoning and actual development requests, the water demand to serve these parcels is unknown. For the purposes of this report, Staff is assigning three residential equivalent connections for each

parcel for a total residential equivalent demand of 600 additional customers requiring 410 AFY of new water consumption demand (.68 x 600).

### **TOWN DIVISION DEMAND AT 2007**

Because of the declining number of parcels that are subject to future development, Staff believes there will be a decline in requests for intent to serve letters. Based on existing policy, Staff estimates the District would issue approximately an additional 250 residential equivalent intent to serve letters through 2007. This equates to an additional water consumption demand of 170 AFY (250 x .68). Therefore consumption demand at 2007 is estimated at 2,923 AFY (2,753 + 170).

### **TOWN DIVISION RELIABILITY**

The Nipomo Community Service District's wells are drilled into the deeper portion of the ground water basin, therefore, average water year along with single dry year and multiple dry year periods have not historically affected the District's supply.

The District's Sun Dale well has a natural gas engine, which is fully automated to operate during power outages. The District has standby generators to put other wells on line, if necessary, during prolonged power outages in the community.

Presently the District has the capacity to store three and a quarter million gallons of water in its storage reservoirs to serve the Town Division.

### **GROUND WATER ADJUDICATION**

The adjudication process represents the greatest unknown as it relates to water management of the District. If the Court determines the Nipomo Hydraulic Sub-Area is in overdraft, pumping limitations will be imposed on the HSA either through settlement or court judgment. The following scenarios (of literally hundreds) are presented:

1. The Court determines the HSA is not a separate sub-unit of the greater Santa Maria Ground Water Basin and there is no overdraft (this is not the District's position).
2. If the Court determines that the HSA is not a separate sub-unit of the greater Santa Maria Ground Water Basin and there is a limited overdraft (this is not the District's position).
3. The HSA is determined to be a separate sub-unit of the greater Santa Maria Ground Water Basin and the sub-unit is in overdraft (the District's position) and one of the following occurs:

- a. The District settles for a production limitation with other parties.
- b. The Court imposes a production limitation on all parties including water purveyors and farmers.

For the purpose of this report, I have selected 1,600 AFY to be imposed on the Town Division. However, it should be recognized there is the possibility under scenarios one and two above of the Court imposing no limitations. There is also the possibility under scenario three of the Court imposing greater limitations, or allowing for greater pumping from the HSA, or requiring the water master (pursuant to court judgment) to balance the HSA through importing supplemental water.

#### **TOWN DIVISION WATER BUDGET THROUGH BUILD-OUT WITHOUT WATER CONSERVATION AND EAST SIDE WATER PRODUCTION**

1. Total Residential Equivalent Connections 4,260 (2,900 Current + 960 Unexercised Commitments + 600 Vacant Parcels Without Commitments)
2. Total Production Demand at Build-Out = 3,067 AFY (4,260 AFY x .72)
3. Hypothetical Imposed Production Limitation to Serve Town Division = 1,600 AFY
4. Future Requirement = 1,467 AFY (3,067 AFY – 1,600 AFY)

If the Court imposes no limitations then there is no anticipated water shortage because the Town Division wells have a current pumping capacity of 4,100 AFY at 80% capacity.

#### **WATER CONSERVATION**

District staff believes that through imposing tiered rates, consumer education, mandatory/voluntary water conservation, landscape limitations and retrofits, the District can achieve significant water savings (Best Management Practices summary attached) under the following scenarios:

1. A 15% water reduction equates to a .59 AFY per residential equivalent or a total water demand of 2,513 AFY to serve the Town Division at build-out.
2. A 20% water reduction equates to a .54 AFY per residential equivalent or a total water demand of 2,300 AFY to serve the Town Division at build-out.
3. A 25% water reduction equates to a .51 AFY per residential equivalent or a total water demand of 2,173 AFY to serve the Town Division at build-out.

4. A 33% water reduction equates to a .45 AFY per residential equivalent or a total water demand of 1,917 AFY to serve the Town Division at build-out (consistent with Boyle report recommendation).

Under scenario number one, the District would be required to make up a shortfall of 913 AFY (2,513 – 1,600 AFY). Under scenario number two, the District would be required to make up 700 AFY (2,300 - 1,600 AFY). Under scenario number three, the District would be required to make up 573 AFY (2,173 – 1,600 AFY). Under scenario number four, the District would be required to make up 317 AFY (1,917 – 1,600 AFY).

### **EAST SIDE PUMPING**

The District owns three water production wells on the east side of Highway 101 that are outside the HSA as follows:

<u>Location</u>	<u>Capacity/Conservative</u>
Hermreck Well	300 AFY
Savage Well	100 AFY
Church Well	<u>200 AFY</u>
	<u>600 AFY</u>

The water aquifers on the east side of the District are not fully analyzed. Therefore, the reliability of the estimated water production is unknown. Further, as reported at the last meeting, the farming community may oppose pumping from the Nipomo Valley.

The Church Well was recently rebuilt during fiscal year 2002 and 2003 and has been pumping 200 AFY (prorated over last 6 months). The Hermreck Well is scheduled to be rebuilt during this fiscal year to produce water at historical pumping capacity (as noted above). In preparing this report, I have further discounted well production to 400 AFY to address the issue of reliability and potential of opposition. I have readjusted production to 500 AFY to represent a credit to the HSA for processing this water through the District's Waste Water Treatment Plant. It should be recognized these are estimates only.

### **OTHER WATER SOURCES**

As mentioned in the draft Urban Water Management Plan, there is the potential of developing additional wells on the east side of the District. Further, the District is negotiating with the City of Santa Maria for supplemental water.

## **URBAN WATER MANAGEMENT PLAN**

The District has circulated a Draft Urban Water Management Plan for Public Comment. District staff understands that various county departments, along with other interested persons, will comment on the draft plan. The analysis contained in this report relies on the findings of the Draft Urban Water Management Plan, which may be substantially revised as a result of comments/recommendations received. The final Urban Water Management Plan could alter the analysis of this report.

### **CONCLUSIONS**

1. Absent the imposition of pumping restrictions and the District continuing to implement the recommendations in the Boyle Water Master Plan, the District has the capacity to serve the Town Division through build-out.
2. Assuming there will be an imposed pumping limitation on the HSA and the District is unable to obtain a reliable supplemental water source by 2007, then it is likely the Town Division will have a shortfall in water production.
3. Assuming the District can achieve a 20% water production savings through a water conservation plan, and that the east side can reliably produce 500 AFY, and the District cannot obtain a reliable supplement water source, that shortfall will be approximately 200 to 400 AFY at build-out.
4. Assuming the District can achieve a 20% water production savings through a water conservation plan, and that the east side can reliably produce 500 AFY, and the District cannot obtain a reliable supplement water source, the shortfall at 2007 would be approximately 10 to 100 AFY.
5. The water budget analysis of this report may be altered as a result of the public comment process to the Draft Urban Water Management Plan.

### **RECOMMENDATIONS**

In order to evaluate water conservation and water budget assumptions in this report, the following recommendations are made:

1. Direct staff to return to the Board with an ordinance that is effective on or before April 1, 2004 that implements a four-tiered water rate and mandatory water conservation plan with a goal of achieving a 15% water reduction District wide for fiscal year 2003 – 2004 and a 20% reduction for 2004 – 2005.

2. Direct staff to require all intent to serve letters be further conditioned with:
  - a. A retrofit requirement of one to one.
  - b. A requirement of an engineer's certified water plan for each project as follows:
    - i. Multi-family at .2 AFY per unit maximum (including irrigation).
    - ii. Single family residential at .22 AFY per bedroom with a maximum of .5 AFY per unit (including landscaping).
3. Direct staff to hire a part-time water conservation coordinator to implement public information programs and school education programs related to water conservation (costs included in recommendation in number one).
4. Direct staff to deliver on a quarterly basis written staff report at a regular Board Meeting on well production, water storage, water consumption and trends.
5. Direct staff to expedite preparation of the Urban Water Management Plan and set date for next hearing.
6. Direct staff to include an allocation in the current contract negotiations with the City of Santa Maria to serve the Town Division.

### **OTHER OPTIONS**

The following options are also presented to the Board for the Board's consideration:

1. Direct staff to return to the Board as soon as possible with a District ordinance that includes a supplemental water charge as part of the District's capacity fees and charges for new will-serve letters.
2. Direct staff to return to the Board with a plan that allocates will-serve letters until such time as the District Board has greater assurances that water production will be available by 2007 for Town Division's demand at build-out. For example:
  - a. Impose the county's growth limitation ordinance to the District.



- b. Allocate \_\_\_\_\_ AFY (intentionally left blank) per year to be allocated through the District's intent to serve process. Examples could include 50% of the allocation for multi-family, 40% of the allocation for single family residential and 10% of the allocation for commercial. No one applicant entitled to any more than ten intent to serve letters during any one year (establish a waiting list procedure).
3. Direct staff to return to the Board with a plan that prohibits further allocation of will-serve letters until the Board has greater assurances that water production will be available by 2007 to meet Town Division's demand at build-out.
4. Consider two and three above after the final Urban Water Management Plan is adopted.
5. Other options resulting from Board discussion and direction to staff.



BMP Report

California Urban Water Conservation Council  
Best Management Practices List

Best Management Practices (BMPs)	Retail	Wholesale
BMP 01: Water Survey Programs for Single-Family and Multi-Family Residential Customers	✓	
BMP 02: Residential Plumbing Retrofit	✓	
BMP 03: System Water Audits, Leak Detection and Repair	✓	✓
BMP 04: Metering with Commodity Rates for all New Connections and Retrofit of Existing	✓	
BMP 05: Large Landscape Conservation Programs and Incentives	✓	
BMP 06: High-Efficiency Washing Machine Rebate Programs	✓	
BMP 07: Public Information Programs	✓	✓
BMP 08: School Education Programs	✓	✓
BMP 09: Conservation Programs for CII Accounts	✓	
BMP 10: Wholesale Agency Assistance Programs		✓
BMP 11: Conservation Pricing	✓	✓
BMP 12: Conservation Coordinator	✓	✓
BMP 13: Water Waste Prohibition	✓	
BMP 14: Residential ULFT Replacement Programs	✓	

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