

Water Crisis on the Nipomo Mesa **Fact or Fiction??**

Prepared by the Mesa Community Alliance
Spring 2011

Who are the Mesa water users?

water use in AF/yr

- **Nipomo Community Services District (NCSD)** 2,560
- **Woodlands Mutual Water Company** 810
- **Golden State Water Company** 1,290
- **Rural Water Company** 880
- Conoco Phillips 1,200
- Private wells – both agriculture and households 5,500

Total water used in 2009

12,240 Acre feet/year

What is the Waterline Intertie Project?

- Construction of a pipeline to connect the City of Santa Maria water system to NCSD water system
- Plan is to import 3,000 acre feet/year
- Nipomo Community Services District pushed the plan in aquifer water litigation that began in 1997
- Plan is binding on signers to the 2005 Stipulation Agreement and commits signers to support the WIP
- **Stipulation provides for cancellation if not feasible**

What is the total 30-year cost?

Total \$400 Million

- \$ 80 M Capital Costs (pipeline, bond costs, interest)
- \$ 52 M Operation & Maintenance to Santa Maria
- \$268 M Water cost to Santa Maria (includes 5%/yr increase)

Source: Capital and O&M Costs are based on a Wallace Group report to NCSD on September 9, 2009

Water cost is based on City of Santa Maria charge of \$1,443/acre foot in 2011 with 5% projected increase each year

How will we pay costs?

- NCSD asked the County to establish an **assessment district that includes the four Mesa water companies**. If approved, bonds would be sold to pay capital costs over 30 years.
- Water and some maintenance costs will be added to monthly or bimonthly water bills
- Homeowners will be mailed a weighted ballot to approve or disapprove the project this fall or in 2012
- If 50% plus 1 of the **returned** ballots approve the bond, the proposal will pass

What will we pay?

Each supplier will pay a portion based on the following formula specified in the Stipulation:

- Nipomo CSD – 66.7% ~\$268 Million
- Woodlands – 16.7% ~ \$66.8 Million
- Golden State – 8.3% ~ \$33.2 Million + profit
- Rural – 8.3% ~ \$33.2 Million + profit

The costs on your water bills will be in addition to other water and sewer costs from your supplier.

Who will use the WIP water?

- NCSD will use **ALL** the water imported and has committed to decrease the amount of water pumped by its wells but expects to continue to pump water from 4 of its wells.
- **Woodlands, Golden State and Rural customers will PAY for the construction and the water but will not use any of the water imported.**

What are annual tax costs?

Woodlands Units of Benefit	1,566	
Capital costs (P&I)		\$350,000
Operations & Maintenance		<u>240,000</u>
Total per year for 30 years		590,000
Cost per UB		376
~440 properties sold @ \$376		165,000
Cost for Monarch Club (90 UB)		\$33,840

What are annual water costs?

Woodlands share = 16.7% of total cost

3,000 Acre feet of water imported /year

Assume 5% increase in cost per year

	Total	Woodlands	Per home (UB)
Year 1 – 2012	\$4.5M	\$759K	\$485
Year 5 – 2017	5.8M	970K	619
Year 10 – 2023	7.8M	1.3M	829

How did we get here?

The Story of Water Litigation
and our Aquifer

OR

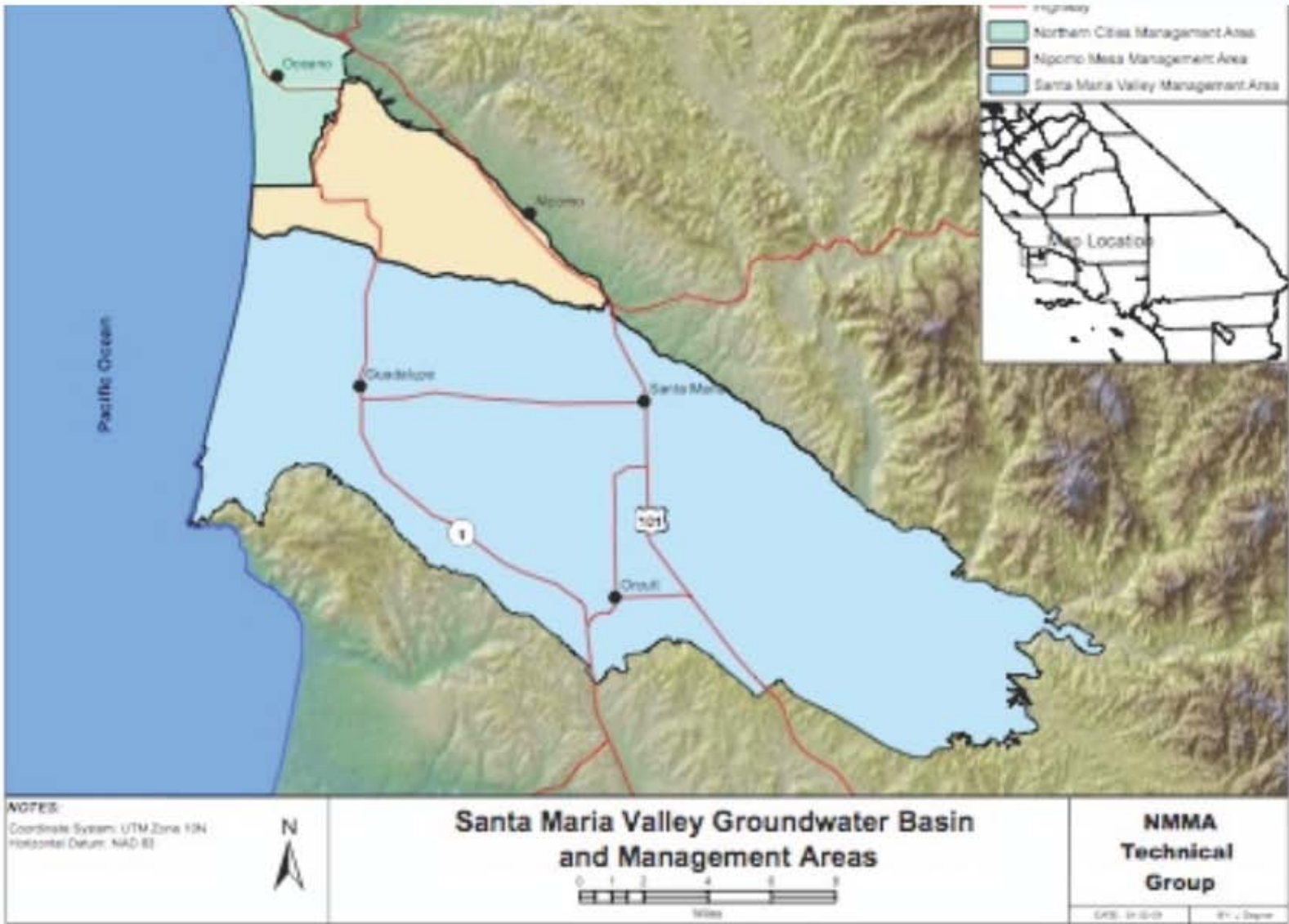
“Whiskey is for drinking, water is for
fighting”

Why was there water litigation?

- In 1997, major lawsuit was filed to determine water rights within the Santa Maria water basin
- 100s of litigants including all Mesa water companies
- Santa Clara Superior Court heard 6+ years of testimony from water experts
- 2005 Judgment affirmed overlying water rights and approved the 2005 Stipulation Agreement
- **The Court determined that the basin was NOT in overdraft now or at any time in the past**

What were the results of the litigation?

- The Court set up 3 basin management areas: Santa Maria, Nipomo Mesa (NMMA), Northern Cities (NCMA)
- A majority of the litigants signed the Stipulation including all of the Mesa water companies. Others, including long-time area growers, are still litigating
- Each area must submit an annual report to the Court regarding the health of the water supply



Who protects the MESA water?

- The Stipulation established the **Nipomo Mesa Management Area** (NMMA) and a technical committee of experts from the four suppliers plus Conoco Phillips to monitor and analyze water conditions on the Mesa
- All 3 management areas have prepared and submitted reports for 2008, 2009 and 2010.
- The Mesa has very specific criteria to protect our water supply, based on work by this technical group

NMMA: 35 years of data— aquifer mirrors rainfall



What does this show?

- Over 35 years the level of water in the key wells on the Mesa correlates closely with rainfall
- Although water usage has steadily increased from 4,000 acre/feet/year in 1975 to 12,000 acre feet/year in 2010, the increased usage does not appear to affect the key wells levels
- **There is no study or research that suggests the WIP will have any effect on the key well index**
- **The key well index is the basis for trigger points that protect our water supply**

NMMA: Trigger points protect our water supply

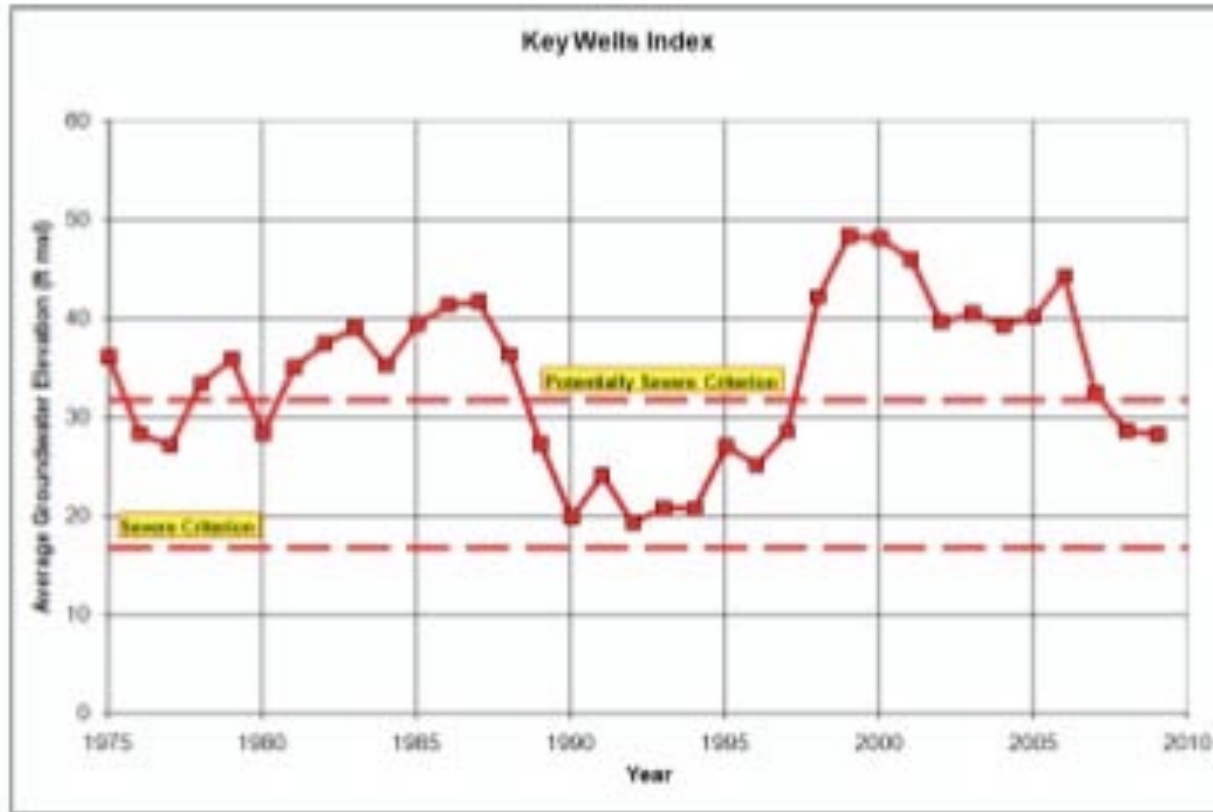


Figure 7-3. Key Wells Index. *The upper dashed line is the criterion for Potentially Severe Water Shortage Conditions and the lower dashed line is the criterion for Severe Conditions.*

What is NCSD's justification for the WIP?

NCSD claims seawater intrusion is imminent

However, a 2004 study commissioned by SLO County states:

“associated potential impact such as seawater intrusion ... is not an imminent threat ... a time lag of many decades is likely before heavy groundwater pumping... results in evidence of seawater intrusion near the coastline”

Underlining has been added

Will the WIP HELP our water supply?

- The Waterline Intertie Project will NOT guarantee a good reliable source of supplemental water to the Mesa in times of drought
- Extended drought will also affect Santa Maria and State Water Project water supply inhibiting water delivery
- Pumping and transporting water that will flow north anyway may deplete the Mesa's normal flow, especially in times of drought
- **We have time to explore better options:** rainfall doubled the average this past winter and will keep our aquifer strong for quite a while

Final thoughts

The MCA committee suggests the following:

- In 2011 our basin is healthy
- The Court (through its technical groups) is monitoring the basin conditions to ensure the basin remains healthy and to protect our water supply from sea water intrusion and over-pumping
- Use our Nipomo Mesa Management Area technical group expertise to evaluate the technical merits of all proposed water projects on the Mesa
- **For the future, the County needs to establish regional planning efforts to develop cost-effective solutions that are fair to ALL present and future Mesa residents**

PLEASE SIGN our petition

- Asks SLO County to file a brief with the Santa Clara Court **to remove Section VI A that describes the pipeline project in the Stipulation** because the cost of the WIP is unreasonable, does not improve the health of the Basin, and will not provide protection from inadequate water supplies or seawater intrusion.
- Petitions will be presented to the SLO Board of Supervisors