



NCSD considers 'drought rates'

APRIL 17, 2014 12:00 AM • BY MIKE HODGSON/MHODGSON@THEADOBEPRESS.COM

Proposed rate increases designed to encourage customers to use less water are scheduled to come before the Nipomo Community Services District board at its first meeting in May.

In the meantime, the board wants district staff to conduct two town-hall workshops to explain the proposal to customers and get their feedback (see related story).

Directors then would review the draft "drought rates" when they meet at 9 a.m. Wednesday, May 14, in the district board room at 148 S. Wilson St.

The drought rates would escalate as customers reach higher tiers of water use, and higher rates for those tiers would be instituted if and when the drought's level of severity increases.

Rising bimonthly bills are expected to induce customers to cut back on water use to save money.

But the rates also include an increment to make up for the loss in revenue expected from people buying less water.

"The escalating-rates approach lowers impacts on customers who are already conserving," NCSD General Manager Michael LeBrun explained. "Those who use less, pay less."

He said the board chose not to use mandatory conservation measures in addition to "price-induced" conservation.

"If we use mandatory measures along with the rates, it would cost half a million dollars more," LeBrun said. "If you make rules, you must define a fine schedule and be prepared to implement enforcement."

That equates to increased costs for legal services, staff time and "water cops," he said.

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Higher rates for water are one part of NCSD's proposed multipronged approach to dealing with the ongoing drought, which has left Nipomo in a stage 2 "potentially severe water shortage" for about six years.

District officials anticipate the measurements from key wells to be released next month will push the area into a stage 3 "severe water shortage."

That would trigger the drought rates under the water shortage response and management plan NCSD directors adopted April 9.

Declaring a stage 3 shortage would require the district to reduce pumping by 30 percent, stop accepting applications for new water service and add seven voluntary conservation measures to those already recommended for stages 1 and 2.

"We strongly recommend customers follow those measures, or their rate is going to be ugly," LeBrun said.

The Nipomo Mesa Management Area Technical Group, which will issue the report on the key wells index, adopted the same plan Monday, April 14, LeBrun said.

That means the same

30 percent reduction applies to all the water purveyors who are members of the NMMA — Golden State Water Co., Woodlands Mutual Water Co. and Rural Water Co. as well as NCSD.

However, it will not apply to those who pump groundwater for domestic and agricultural use from private wells, a practice virtually unregulated by the county.

LeBrun said it will be up to the other water purveyors to develop their own measures for meeting the 30 percent pumping reduction.

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Another prong in NCSD's plan is importing water purchased from Santa Maria and delivered by a pipeline currently under construction and scheduled to go online in summer 2015.

That project will also benefit the other purveyors and, indirectly, private pumpers by offsetting some of what's being pumped from the aquifer.

It is being developed by the district at an estimated cost of about \$22.7 million for the first phase.

When it goes online, it will initially deliver 650 acre-feet of water a year at a cost tentatively set by Santa Maria at \$1,718 per acre-foot for a total annual fee of almost \$1.12 million.

An acre-foot is about 326,000 gallons, or the amount generally considered necessary to supply four to 10 people a year.

NCSD will be responsible for 70 percent of the construction and water purchase costs in addition to operating and maintenance expenses, LeBrun said.

District officials hope the other purveyors will pick up the remaining 30 percent, as they agreed to in the Santa Maria Valley Groundwater Basin lawsuit settlement.

However, LeBrun noted no contracts are in place for what Santa Maria will charge for the water or other purveyors' reimbursement.

To cover NCSD's share, next week directors will consider a supplemental water charge that would be levied when water begins flowing into NCSD's system from Santa Maria.

At present, a flat fee per customer is proposed, but the board also directed the staff to look into a volume-based fee that would have less impact on the lowest tier of users.

"There's no getting around the fact that supplemental water is expensive, far more expensive than groundwater," LeBrun said. "That's why it's so important to protect the groundwater supply."

Posted Friday April 18, 2014