

TO: BOARD OF DIRECTORS  
FROM: MARIO E. IGLESIAS   
GENERAL MANAGER  
DATE: SEPTEMBER 23, 2016

**AGENDA ITEM  
E-1**

**SEPTEMBER 28, 2016**

**HEARING REGARDING PROPOSED RESOLUTION OF NECESSITY FOR  
THE ACQUISITION OF PERMANENT INTEREST FOR THE WATERLINE  
INTERTIE PROJECT: LOS PRIMOS PROPERTIES, LLC, ASSESSOR'S  
PARCEL NUMBER 090-291-046**

**ITEM**

The Board of Directors will conduct a hearing to determine whether to adopt or not adopt the proposed Resolution of Necessity declaring certain real property – described on Exhibit “1” and depicted on Exhibit “2” to this staff report and incorporated by this reference – necessary for the Waterline Intertie Project (“Project”).

The owners set forth on Exhibit “1” have been given written notice of this hearing pursuant to statute.

[RECOMMEND – It is recommended that the Board of Directors open and conduct a hearing on the adoption of the proposed Resolution of Necessity, receive from the staff the evidence stated and referred to herein, take testimony from the property owner or its representatives if they ask to be heard on issues A, B, C, and D set forth below, and consider all the evidence. If the Board of Directors finds, based on its consideration of this staff report and testimony submitted in connection thereto, the staff report and other materials submitted in connection with the District’s certification of the EIR and the Addendum to the EIR for the Project, all other testimony that may be presented, and all other evidence and records pertaining to this matter, that the evidence warrants the necessary findings as to the proposed Resolution of Necessity, then staff recommends that the Board of Directors, in the exercise of its discretion, adopt the Resolution of Necessity and authorize and direct that eminent domain proceedings be filed to acquire the subject easement interest.]

**BACKGROUND**

The Board of Directors has before it a request from staff to consider adoption of a Resolution of Necessity regarding the taking of real property interests (consisting of a permanent subsurface utility easement) located in San Luis Obispo County, as more fully described in the accompanying Resolution of Necessity. The environmental impacts of the acquisitions described in the proposed Resolutions of Necessity were considered in connection with the certification of the Environmental Impact Report and Addendum for the Project on April 22, 2009 and April 25, 2012, respectively. The proposed acquisitions are in furtherance of the Project.

In order to adopt a Resolution of Necessity, the Board of Directors must find and determine that:

- A. The public interest and necessity require the project;
- B. The project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury;
- C. The property is necessary for the proposed project; and
- D. The offer required by Section 7267.2 of the Government Code has been made to the owners of record.

This hearing relates only to issues A, B, C, and D above as they may apply to the subject property. Any other issues, including value, are not proper subjects for this hearing. Staff recommends the following:

A. The Public Interest and Necessity Require the Project.

The Waterline Intertie Project ("Project") is a District project for the purpose of obtaining a supplement to its water supply from the City of Santa Maria. Pursuant to the stipulated agreement in the Santa Maria Groundwater Basin adjudication, the District is to purchase and transmit to the Nipomo Mesa Management Area (NMMA) in excess of 2,500 acre-feet of supplemental water each year. In furtherance of that requirement, the District entered into a Wholesale Water Supply Agreement with the City of Santa Maria ("Agreement") for the purchase of supplemental water. The Project and the Agreement will implement the District's obligations under the stipulated agreement in the groundwater adjudication.

The Project has already been constructed and is in use. It includes construction of a water pipeline beginning at a pipeline connection and pump station at the intersection of West Taylor Street and North Blosser Road approximately one mile south of the Santa Maria River in the City of Santa Maria. The District's pipeline runs north on Blosser Road to the Santa Maria River levee. The pipe then proceeds under the levee towards the bank of the river through an agricultural area, then was directionally drilled beneath the Santa Maria River to a point on the Nipomo Mesa. Connection then has been made to an existing pipeline on Orchard Road, and to an upgraded District water distribution system on Orchard Road north of Southland Street.

Phase I of the Project includes an increment of 650 to 900 acre-feet per year. This will offset current groundwater production in order to avoid further depletion and assist in balancing of groundwater levels of the Nipomo Mesa Management Area (NMMA). It will also reduce the potential for seawater intrusion on the Nipomo Mesa.

This acquisition of easements necessary for construction of the pipeline system for the Water Intertie Project is required in the public interest, in order to replenish groundwater supplies within the NMMA and to provide a more reliable water supply for the District's customers.

A map and property description which generally depict the proposed easement acquisition are attached to this staff report as Exhibits "1" and "2". The easement acquisition is necessary for proper operation of the existing Project pipeline, and for access to it should repairs be necessary. In addition, there are permanent electrical utilities which have already been installed in the easement area, and need to be maintained permanently in that location.

B. The Project is Planned and Located in the Manner That Will be Most Compatible With the Greatest Public Good and the Least Private Injury.

The permanent easement is described in the accompanying Resolution of Necessity. The District's pipeline has already been constructed and is in operation. The proposed easement has been designed to allow for proper protection of the pipeline and utilities. The owner will continue to be allowed to farm over the easement.

C. The Property is Necessary for the Project.

The subject easement will be used for the operation of the Project, for access to the Pipeline should repairs be necessary, and for operation of utilities. The subject easement is important and integral to the Project, and is thus necessary for the overall Project. If the easement is not

acquired, the District would not have proper access to its Pipeline for maintenance and/or repairs, and would be required to move its existing electrical utilities, at a great expense. The Pipeline location cannot be changed, as it is already in operation and connects to the pump station located on the property already acquired from Los Primos Properties.

**D. The Offer Required by Government Code Section 7267.2 Has Been Made to the Owners of Record.**

The District retained Les Gilman, an appraiser in Santa Maria, to prepare appraisal of the easement to be acquired. The appraisal was just recently updated. A formal detailed offer has been provided to the property owner, including all of the pertinent appraisal data.

The offer has not resulted in a negotiated agreement of sale. The adoption of the Resolution of Necessity will not terminate negotiations with the property owner. Negotiations will continue. The adoption of the Resolution will allow the eminent domain process to commence, including securing rights of possession so that the District can have possession of all required property rights for the Project.

**FISCAL IMPACT**

The cost of acquisition of the subject easement interest has not been included in the District's proposed budget for fiscal year 2016/17. A budget adjustment would need to be requested out of the District's Supplemental Water Fund 500.

**STRATEGIC PLAN**

Goal 1.2 – Secure New Water Supplies

**RECOMMENDATION**

If the Board of Directors finds, based on its consideration of this staff report and testimony submitted in connection thereto, the staff report and other materials submitted in connection with the District's certification of the EIR and the Addendum to the EIR for the Project, all other testimony that may be presented, and all other evidence and records pertaining to this matter, that the evidence warrants the necessary findings as to the proposed Resolutions of Necessity, then staff recommends that the Board of Directors, in the exercise of its discretion, adopt the Resolution of Necessity and authorize and direct that eminent domain proceedings be filed to acquire the subject property.

**ATTACHMENTS**

- A. Resolution of Necessity 2016-XXXX LOS PRIMOS PROPERTIES LLC
- B. Exhibit 1 Property Description
- C. Exhibit 2 Property Depiction

September 28, 2016

ITEM E-1

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2016-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT DECLARING CERTAIN REAL PROPERTY NECESSARY FOR THE OPERATION AND MAINTENANCE OF THE WATERLINE INTERTIE PROJECT AND AUTHORIZING THE ACQUISITION THEREOF (LOS PRIMOS PROPERTIES, LLC, APN 090-290-046)**

THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT DOES HEREBY FIND, DETERMINE, ORDER AND RESOLVE AS FOLLOWS:

**WHEREAS**, the Nipomo Community Services District wishes to acquire a certain parcels of real property described herein below for public use by the exercise of the power of eminent domain and,

**WHEREAS**, the acquisition of such property is required to operate and maintain the improvements approved in connection with the Nipomo Community Services District Waterline Intertie Project ("the Project"). A general description of the Project is contained in the Staff Report dated September 28, 2016, and incorporated by reference and,

**WHEREAS**, the Nipomo Community Services District previously certified an Environmental Impact Report for the Project on April 22, 2009 and also certified an Addendum to said Environmental Impact Report on April 25, 2012. The staff reports and other materials submitted at those hearings are incorporated by reference and,

**WHEREAS**, pursuant to Chapter 4, Title 7, Part 3 of the Code of Civil Procedure, written notice of the intent to consider the adoption of this resolution of necessity was sent on September 9, 2016 to the owner of record of the said property. A written request to appear was received from Vincent Martinez, counsel for property owner, Los Primos Properties, LLC and,

**WHEREAS**, due consideration of all oral and documentary evidence introduced has been given;

**NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE NIPOMO COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS AS FOLLOWS:**

1. The findings and declarations contained in this resolution are based upon the record with respect to the Project before the Board of Directors at its hearing of September 28, 2016, the Staff Report dated September 28, 2016, and the hearings regarding the Environmental Impact Report, and the Addendum thereto of April 22, 2009 and April 25, 2012, the staff reports relating thereto dated April 22, 2009 and April 25, 2012 and the testimony, records and documents produced at all referenced hearings, all of which are incorporated by this reference.
2. The real property to be acquired consists of a permanent subsurface utility easement, over and through that certain parcel of real property more specifically described in Exhibit "1" attached hereto and made a part hereof.

3. The said property is to be acquired as permanent easement for public waterline purposes, pursuant to the authority granted in California Constitution Article I Section 19; California Government Code Sections 61060 and 61100; Title 7, Part 3 of the Code of Civil Procedure; and other provisions of law;
4. The public interest and necessity require the proposed project;
5. The proposed project is planned and located in the manner which will be most compatible with the greatest public good and the least private injury;
6. The real property described herein is necessary for the proposed project;
7. The offer required by Section 7267.2 of the Government Code has been made to the owners of record.
8. The District's General Counsel, and/or counsel designated by the General Counsel, are hereby AUTHORIZED AND EMPOWERED;

To acquire in the Nipomo Community Services District's name, by condemnation, the said real property in accordance with the provisions of the eminent domain law, the Code of Civil Procedure and the Constitution of California;

To prepare and prosecute in the Nipomo Community Services District's name such proceedings in the proper court as are necessary for such acquisition; and

To deposit the probable amount of compensation based on an appraisal, and to apply to said court for an order permitting the Nipomo Community Services District to take possession and use said property for said public uses and purposes.

On the motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, and on the following roll call vote, to wit:

**AYES:**  
**NOES:**  
**ABSENT:**  
**CONFLICTS:**

The foregoing resolution is hereby passed, approved and adopted by the Board of Directors of the Nipomo Community Services District this 28<sup>th</sup> day of September, 2016.

\_\_\_\_\_  
**Craig Armstrong**  
 President, Board of Directors

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
**Mario E. Iglesias**  
 General Manager and Secretary to the Board

\_\_\_\_\_  
**Michael S. Seitz**  
 District Legal Counsel

September 28, 2016

ITEM E-1

ATTACHMENT B

EXHIBIT 1

Resolution No.	Parcel Number	Name of Owner	Date of Offer
	090-291-046	Los Primos Properties LLC	April 13, 2016

September 28, 2016

ITEM E-1

ATTACHMENT C

SEPTEMBER 28, 2016

PERMANENT EASEMENT EXHIBIT  
PORTION OF LOT 4 TRACT 2034  
COUNTY OF SAN LUIS OBISPO, CA

ENGINEERING PLANNING SURVEYING  
4580 E. Thousand Oaks Blvd, Ste 101  
Westlake Village, CA 91362  
805.648.4840 Phone  
NIPCS:131209 \* ESMT Exhibit B.dwg \* 11/06/2015 \* RCS \* E-FILE

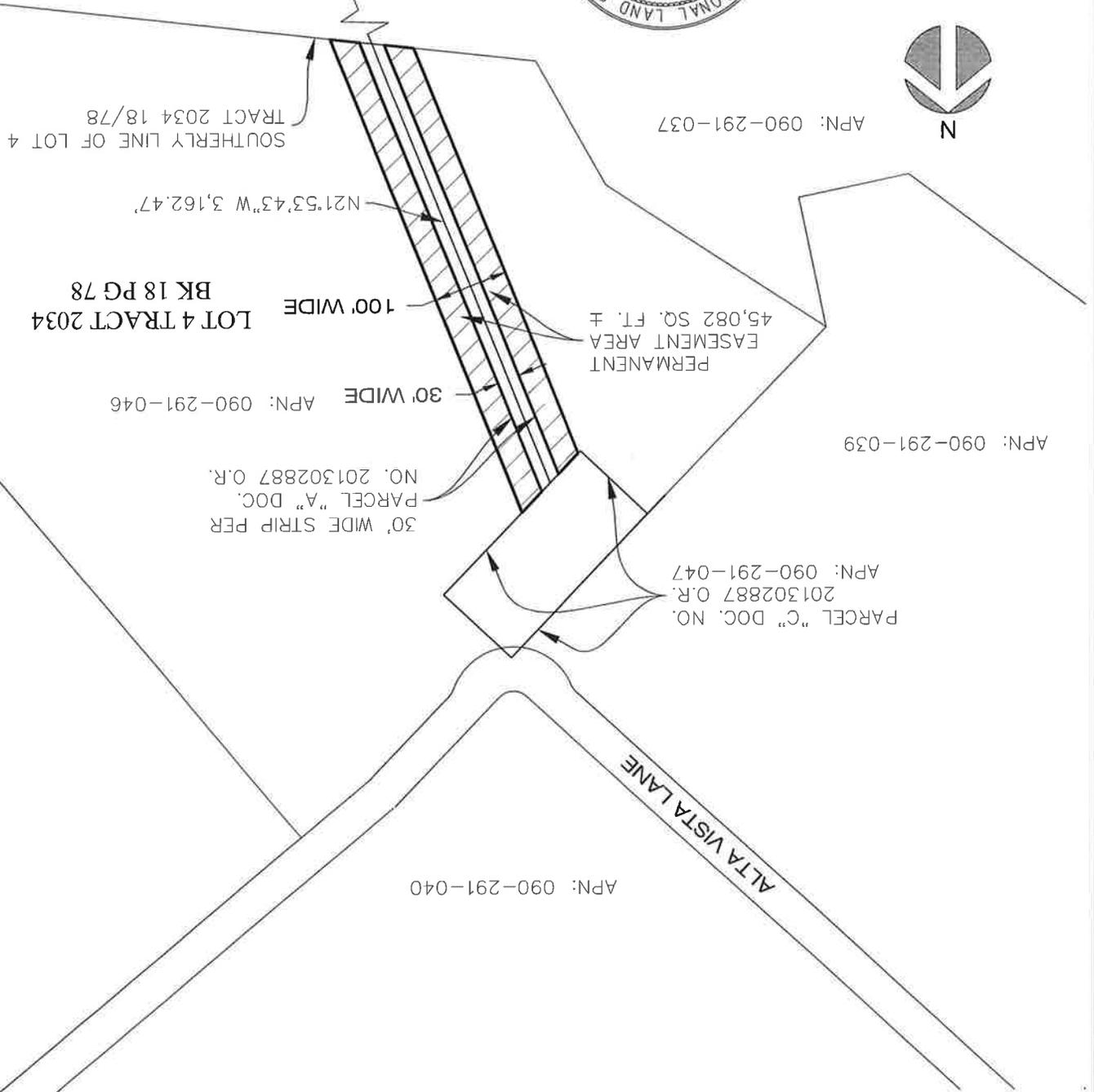


EXHIBIT 2



PERMANENT EASEMENT AREA

TRUE POINT OF BEGINNING



SOUTHERLY LINE OF LOT 4 TRACT 2034 BK 18 PG 78

N21°53'43"W 3,162.47'

LOT 4 TRACT 2034 BK 18 PG 78

100' WIDE

PERMANENT EASEMENT AREA 45,082 SQ. FT. ±

30' WIDE APN: 090-291-046

30' WIDE STRIP PER PARCEL "A" DOC. NO. 201302887 O.R.

PARCEL "C" DOC. NO. 201302887 O.R. APN: 090-291-047

APN: 090-291-039

APN: 090-291-037

APN: 090-291-040

ALTA VISTA LANE

TO: MARIO IGLESIAS  
GENERAL MANAGER

FROM: PETER V. SEVCIK, P.E.  
DIRECTOR OF ENGINEERING AND OPERATIONS

DATE: SEPTEMBER 21, 2016

**AGENDA ITEM  
E-2  
SEPTEMBER 28, 2016**

**SERVICE REQUEST – 1020 DIVISION STREET  
MIXED USE DEVELOPMENT**

**ITEM**

Consider request for sewer service only (Intent-to-Serve Letter) for a single lot mixed use (commercial and residential) development located at 1020 Division Street [RECOMMEND CONSIDER INTENT TO SERVE LETTER AND APPROVE WITH CONDITIONS].

**BACKGROUND**

The District received an application for sewer service only (Intent-to-Serve Letter) for 1020 Division Street, APN 092-451-048, a mixed use (commercial and residential) development, on August 31, 2016. The project is within the sewer service boundary of San Luis Obispo County Service Area (CSA) 1. Connection to District sewer facilities will be made via the County owned sewer collection system. The CSA 1 Sewer Service Agreement between the County and the District will need to be amended to include additional sewer allocation for the proposed project.

The project will consist of 3 commercial units with a total of 7600 square feet of commercial retail space, 6 residential units with a total of 4800 square feet, gas pumps, and a parking garage. The existing 26,800 SF parcel is zoned Commercial Retail and the District does not currently provide sewer service for the parcel. A Sewer Demand Estimate for the project was included with the application.

The project will be required to obtain sewer service in compliance with current District standards. Sewer demand was estimated by the applicant at 378,315 gallons per year, or 1,036 gallons per day. Sufficient capacity for the project is available in the District's Southland Wastewater Treatment Facility.

Water service will be provided by Golden State Water Company (GSWC). A Can and Will Serve letter for water service issued by GSWC was included in the application.

**FISCAL IMPACT**

Sewer capacity fees will be based on the domestic meter size requested for the final County approved project.

The estimated fee deposit for the project is \$26,975 based on the current District fee schedule and a 1.5 inch domestic water service.

**RECOMMENDATION**

Staff recommends that the Board approve the Applicant's request for a Sewer Only Intent-to-Serve letter for the project with the following conditions:

**PROJECT-SPECIFIC CONDITIONS**

- Enter into a Plan Check and Inspection Agreement and provide a deposit to cover all District costs to process project including CSA 1 Sewer Service Agreement amendment.
- The CSA 1 Sewer Service Agreement between the County and the District needs to be amended to include additional sewer allocation for proposed project. Property owner is responsible for all District costs to amend agreement.
- District will bill CSA 1 on monthly basis and County will bill property owner annually on tax roll for sewer service in accordance with the CSA 1 Sewer Service Agreement.
- Connection to the District sewer facilities will be made via County owned collection system.
- Owner's use of the Property that increases or has the potential to increase sewer discharges or sewer strength from those uses identified in the project application or approved plans are prohibited unless specifically authorized in writing by District. Sewer strength for this project is classified as non-residential, low strength. Applicant shall provide the District, for District's approval, a recordable document referencing the prohibited use restrictions. Prohibited uses include, but are not limited to, the following:
  - Restaurants
  - Commercial laundries
  - Car washes
  - Athletic clubs, gymnasiums, or similar uses
  - Swimming pools
  - Photographic film processing
  - Nail Salons
- The use of self-regenerating water softeners within the Project is prohibited. Applicant shall provide District, for District's approval, a recordable document, prohibiting the use of self-regenerating water softeners within the Project.
- A Will-Serve letter for the project will be issued after County approved improvement plans are submitted and reviewed by the District.
- Sewer connection fees will be based on County approved development plans and size of domestic water service.
- The District retains the right to increase sewer fees in the event of a change in use for the property.
- Written confirmation from GSWC that the project will be served with a supplemental source of water must be received by the District before a Sewer Will-Serve letter can be issued.

**STANDARD CONDITIONS**

- Project shall obtain sewer service for all parcels and buildings.
- Pay all appropriate District fees associated with this development.
- Applicant shall provide the District with a copy of County application approval and County project conditions of approval.
- Applicant shall make a non-refundable deposit ("Deposit") at the time the District issues a Will Serve Letter in an amount equal to the then calculated Fees for Connection.

- Fees for Connection shall be calculated and owing as of the date the County issues the Certificate of Occupancy for the property from which the amount of the Deposit shall be deducted.
- This letter is void if land use is other than mixed use residential and commercial use as defined by the District.
- Intent-to-Serve letters shall automatically terminate three (3) years, from date of issuance. However, Applicant shall be entitled to a one-year extension upon the following conditions:
  - Applicant makes written application for the extension prior to the expiration of the Intent-to-Serve Letter.
  - Applicant provides proof of reasonable due diligence in processing the Project.
  - Applicant agrees to revisions of the conditions contained in the Intent-to-Serve letter consistent with then existing District policies.
- This Intent-to-Serve letter shall be subject to the current and future rules, agreements, regulations, fees, resolutions and ordinances of the District.
- This Intent-to-Serve letter may be revoked, or amended, as a result of conditions imposed upon the District by a court or availability of resources, or by a change in ordinance, resolution, rules, fees or regulations adopted by the Board of Directors.
- The District reserves the right to revoke this Intent-to-Serve letter at any time.
- The Applicant shall provide a signed copy of the Intent-to-Serve letter within thirty (30) days of issuance.

**ATTACHMENTS**

- A. Application
- B. Site Plan
- C. Sewer Demand
- D. GSWC Water Will Serve Letter

September 28, 2016

ITEM E-2

ATTACHMENT A



# NIPOMO COMMUNITY SERVICES DISTRICT

148 SOUTH WILSON STREET  
POST OFFICE BOX 326 NIPOMO, CA 93444 - 0326  
(805) 929-1133 FAX (805) 929-1932  
Website: ncsd.ca.gov

Office use only:  
Date and Time  
Complete  
Application and  
fees received:  
**RECEIVED**  
AUG 3 2016

NIPOMO COMMUNITY  
SERVICES DISTRICT

## INTENT-TO-SERVE APPLICATION

- This is an application for:  Sewer and Water Service  Water Service Only
- SLO County Planning Department/Tract or Development No.: \_\_\_\_\_
- Attach a copy of SLO County application.
- Project location: 1020 Division Street Nipomo, CA
- Assessor's Parcel Number (APN) of lot(s) to be served: 092-451-048
- Owner Name: GEORGE GHAZALY
- Mailing Address: 495 W. TEFFT STREET, NIPOMO, CA 93444
- Email: g.ghazaly@hotmail.com
- Phone: \_\_\_\_\_ FAX: \_\_\_\_\_
- Agent's Information (Architect or Engineer):  
Name: MW ARCHITECTS ATTN: C.J. HORSTMAN  
Address: 330 S. HALCYON ROAD, ARROYO GRANDE, CA 93420  
Email: christopherh@mwa.bz  
Phone: 544.4334 ex 104 FAX: 805.904.6268

11. Type of Project: (check box) (see Page 3 for definitions)

<input type="checkbox"/> Single-family dwelling units	<input type="checkbox"/> Multi-family dwelling units
<input type="checkbox"/> Commercial	<input checked="" type="checkbox"/> Mixed Use (Commercial and Residential)

- Total Number of Dwelling Units 6 Number of Low Income Units \_\_\_\_\_
- Does this project require a sub-division?  Yes  No  
If yes, number of new lots created \_\_\_\_\_

14. Site Plan:  
For projects requiring Board approval, submit six (6) standard size (24" x 36") copies and one reduced copy (8½" x 11"). Board approval is needed for the following:

- more than four dwelling units
- property requiring sub-divisions
- higher than currently permitted housing density
- commercial developments

**All other projects**, submit three (3) standard size (24" x 36") and one reduced copy (8½" x 11").

Show parcel layout, water and sewer laterals, and general off-site improvements, as applicable.

**Note: NCSD only provides one domestic meter per Assessor Parcel Number**

**15. RESIDENTIAL SERVICE**

<del>Single Family Residential (SFR)</del>			
<del>Number of APN's created</del>		<del>Number of SFR to be built</del>	
<del>Multi-Family Residential (MFR)</del>			
<del>Number of APN's created</del>			
<del>Number of Domestic Meter(s)</del>		<del>Estimated Meter Size(s)</del>	
<del>Number of Landscape Meter(s)</del>		<del>Estimated Meter Size(s)</del>	
<del>Number of Fire System(s)</del>		<del>Estimated Meter Size(s)</del>	

**16. Commercial Projects Service Demand Estimates:**

**NOTE: Water provided by Golden State Water Co. Will Serve Letter attached Commercial and Mixed Use**

<del>Number of APN's created</del>			
Number of Domestic Meter(s)	1	Estimated Meter Size(s)	1.5"
Number of Landscape Meter(s)		Estimated Meter Size(s)	
Number of Fire System(s)	1	Estimated Meter Size(s)	1.5"

Provide an estimate of yearly water (AFY) and sewer (gallons) demand for the project prepared by a licensed Engineer/Architect.

**Agreement:**

The Applicant agrees that in accordance with generally accepted construction practices, Applicant shall assume sole and complete responsibility for the condition of the job site during the course of the project, including the safety of persons and property; that this requirement shall apply continuously and not be limited to normal working hours; and the Applicant shall defend, indemnify, and hold the District and District's agents, employees and consultants harmless from any and all claims, demands, damages, costs, expenses (including attorney's fees) judgments or liabilities arising out of the performance or attempted performance of the work on this project; except those claims, demands, damages, costs, expenses (including attorney's fees) judgments or liabilities resulting from the negligence or willful misconduct of the District.

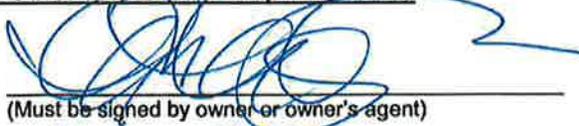
Nothing in the foregoing indemnity provision shall be construed to require Applicant to indemnify District against any responsibility or liability or contravention of Civil Code §2782

**Application Processing Fee.....See Attached Fee Schedule on Page 4**

The District will only accept cashier's check or bank wire for the payment of Water Capacity, Sewer Capacity and other related development fees.

Date \_\_\_\_\_

Signed \_\_\_\_\_

  
(Must be signed by owner or owner's agent)

Print Name \_\_\_\_\_

Michael Peachey

**Definitions**

(Please note – these definitions do NOT reconcile with standard SLO County Planning department definitions)

**Single-family dwelling unit** – means a building designed for or used to house not more than one family.

**Secondary dwelling units** – means an attached or detached secondary residential dwelling unit on the same parcel as an existing single-family (primary) dwelling. A secondary unit provides for complete independent living facilities for one or more persons.

**Multi-family dwelling unit** – means a building or portion thereof designed and used as a residence for three or more families living independently of each other under a common roof, including apartment houses, apartment hotels and flats, but not including automobile courts, or boardinghouses.

**Two-family dwelling units (duplex)** – means a building with a common roof containing not more than two kitchens, designed and/or used to house not more than two families living independently of each other.

**Commercial** – all non-residential and mixed-use projects.

**APPLICATION FEES AND CHARGES**  
**Effective July 1, 2016**

PROJECT SIZE/TYPE	TOTAL AMOUNT DUE AT TIME OF APPLICATION**
Residential <4 units	\$1,119.33
Residential 4-20 units	\$1,537.50
Residential > 20 units	\$1,810.21
Commercial <1 acre	\$1,537.50
Commercial 1-3 acres	\$1,810.21
Commercial > 3 acres	\$2,501.08
Mixed Use with less than 4 Dwelling Units	\$1,810.21
Mixed Use with four or more Dwelling Units	\$2,501.08
*Outside Consulting and Legal fees will be billed to the Applicant at direct rate.	

\*\*Commencing on July 1, 2008 and each year thereafter the Application Fees shall be adjusted by a Consumer Price Index formula.

September 28, 2016

ITEM E-2

ATTACHMENT B



September 28, 2016

ITEM E-2

ATTACHMENT C



## SEWER AND WATER USAGE ESTIMATE - 1020 DIVISION STREET

ESTIMATED SEWER FLOW RATE					
SQ FT	Percent Of Total Development	Site acreage by Percentage	Rate gal/day (per Appendix D)	Estimated Sewer Flow Rate	Estimated Sewer Flow Rate
Residential Multi Family	4800	39%	0.24 Acres	1 acre = 2634 gal/day	230,738 gal / yr
Commercial Retail	7600	61%	0.38 Acres	1 acre = 1064 gal/day	147,577 gal / yr
				<b>Total</b>	<b>378,315 gal / yr</b>
			0.62 Total Site Acres		

ESTIMATED WATER DEMAND RATE - WATER TO BE PROVIDED BY GOLDEN STATE WATER COMPANY					
SQ FT	Percent Of Total Development	Site acreage by Percentage	Rate gal/day (per Appendix C)	Estimated Sewer Flow Rate	Estimated Sewer Flow Rate
Residential Multi Family	4800	39%	0.24 Acres	1 acre = 3,350 gal/day	293,460 gal / yr
Commercial Retail	7600	61%	0.38 Acres	1 acre = 1,270 gal/day	176,149 gal / yr
				<b>Total</b>	<b>469,609 gal / yr</b>
			0.62 Total Site Acres		

Calculations were prepared in accordance with Appendix C and Appendix D of Standard Specifications for Water and Sewer System Improvements, Napa Community Services District, Revised May 2011



September 28, 2016

ITEM E-2

ATTACHMENT D



**Golden State**  
**Water Company**  
A Subsidiary of American States Water Company

June 3, 2016

**George Ghazaly**  
459 W Tefft Street  
Nipomo, CA 93444

**Reference: CAN AND WILL SERVE LETTER**  
**1020 Division Street, Nipomo**  
**Mixed-Use Project**

This letter is to inform you that Golden State Water Company (GSWC) can and will provide domestic water and fire protection service to the proposed mixed-use project at 1020 Division Street, Nipomo (Project) from its Nipomo water system, subject to the requirements listed below. As a general matter, Golden State Water Company's ability to extend water service to new customers is done pursuant to General Order 103-A of the California Public Utilities Commission (CPUC), and the approved Main Extension Rules and Regulations applicable to GSWC.

It is my understanding that the mixed-use project is proposed to consist of a 4,000 sq. ft. grocery store, two 2,000 sq. ft. commercial units and nine 600 sq. ft. residential units.

**A. Special Facilities**

In accordance with the CPUC rules, special facilities may be necessary to provide service to this project. Special facilities are specific system upgrades that are needed to provide for water requirements based on the project impact to the GSWC's existing system. They may consist of upgrades to existing wells, pumps reservoirs or mains; new wells, water supplies, pumps, reservoirs or mains; upgrades and modifications to operational methods; or some combination. An analysis of the project impact on the existing system and the need and identification of special facilities will be determined when an application and preliminary development drawings are submitted to:

**Bill McDonald, New Business Manager**  
New Business Department  
Golden State Water Company  
1920 Corporate Way, Anaheim CA 92801.  
billmcdonald@gswater.com

Use of water resources within the Santa Maria Groundwater Basin (Basin) is subject to a legal judgment (Santa Maria Valley Water Conservation District v. City

**CAN AND WILL SERVE LETTER**

**1020 Division Street, Nipomo**

**Page 2 of 2**

of Santa Maria (Santa Clara County Superior Court (Case No. CV 770214 and consolidated cases), judgment dated January 25, 2008 (Judgment)). The Judgment requires that all water demand associated with new development to be served from GSWC's public water system is to be offset by a "supplemental water" (non-groundwater) supply source. The supplemental water requirement applies to the construction of new residences on your property.

Please be advised that at the present time, there is no available source of supplemental water that satisfies the requirements under the Judgment. GSWC is working with the other public water suppliers in the region to resolve this issue. Until a source of supplemental water is available that satisfies the requirements of the Judgment, provision of water service from GSWC to your project may be delayed.

Low-flow water fixtures must be used indoors and drip and micro spray systems be used for irrigation outside of new constructed homes and buildings. California Governor Jerry Brown issued on April 1, 2015 an Executive Order that included a directive to implement mandatory water reduction across California. In response to this directive and regulations approved by the CPUC, GSWC has implemented water conservation measures. Construction water for this project will be subject to these measures.

**B. Financial Arrangements**

All costs associated with improvements to or new main extensions, water supply, water storage and any additional water appurtenances will be paid by the applicant and contributed to GSWC without refund unless otherwise noted in written agreements.

This can and will serve commitment expires one year from the date of the letter. If construction of the water system improvements has not started within one year, a time extension may be requested. Such time extension will be subject to any governmental requirements in place at the time of the request.

Sincerely,

 Date:  
2016.06.03  
15:56:59 -07'00'

Larry Dees, P.E.  
Operations Engineer

cc: Mark Zimmer, GSWC  
Mike Babb, GSWC  
Bill McDonald, GSWC