TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS
GENERAL MANAGER

DATE: JUNE 16, 2016

AGENDA ITEM
E-1
JUNE 22, 2016

CALIFORNIA SPECIAL DISTRICT ASSOCIATION 2016 BOARD ELECTION BALLOT

ITEM

Consider the individuals nominated to fill the California Special District Association (CSDA) Board of Directors Seat B Coastal Network [RECOMMEND REVIEW BALLOT AND BY MOTION AND ROLL CALL VOTE, DIRECT STAFF TO VOTE BOARD CANDIDATE IF ONE IS CHOSEN]

BACKGROUND

CSDA Board of Directors is comprised of eighteen Directors representing six Networks across California. NCSD is within the Coastal Network. Three individuals have been nominated to fill Coastal Network, Seat B, on the CSDA Board of Directors.

Ballot Information, a copy of the Ballot, and candidate statements are attached. Your Board may vote for one candidate.

Your Board's completed Ballot must be returned by August 5, 2016.

FISCAL IMPACT

None

STRATEGIC PLAN

Goal 7. COMMUNICATION.

7.2 - Maintain productive communication and relationships with key stakeholders, such as city, County, State and Federal legislators, service clubs, etc. As appropriate, plan and assign for this role.

RECOMMENDATION

Review Ballot and by motion and roll call vote, direct staff to file completed ballot with CSDA no later than August 5, 2016.

ATTACHMENTS

A. CSDA Ballot Materials and Candidate Statements

June 22, 2016

ITEM E-1

ATTACHMENT A

CSDA BOARD OF DIRECTORS
2016 ELECTION

OFFICIAL BALLOT

COASTAL NETWORK

SEAT B
term ends 2019

Please vote for only one.

- ☐ **Anthony Kalvans**
  San Miguel Community Services District
- ☐ **Jeff Hodge**
  Santa Ynez Community Services District
- ☐ **Sharon Rose**
  Goleta Sanitary District

All fields must be completed for ballot to be counted. * *incumbent running for re-election*

SIGNATURE:	DATE:
MEMBER DISTRICT:	

Must be received by **5pm, August 5, 2016**. CSDA, 1112 I Street, Suite 200, Sacramento, CA 95814

California Special
Districts Association
Districts Stronger Together

CALIFORNIA SPECIAL DISTRICTS ASSOCIATION

2016 BOARD ELECTIONS

MAIL BALLOT INFORMATION

Dear Member:

A mail ballot has been enclosed for your district's use in voting to elect a representative to the CSDA Board of Directors in your Network for Seat B.

Each of CSDA's six (6) networks has three seats on the Board. Each of the candidates is either a board member or management-level employee of a member district located in your network. Each Regular Member (district) in good standing shall be entitled to vote for one (1) director to represent its network.

We have enclosed the candidate information for each candidate who submitted one. Please vote for **only one** candidate to represent your network in Seat B and be sure to sign, date and fill in your member district information. If any part of the ballot is not complete, the ballot will not be valid and will not be counted.

Please utilize the enclosed return envelope to return the completed ballot. Ballots must be received at the CSDA office at 1112 I Street, Suite 200, Sacramento, CA 95814 by **5:00pm on Friday, August 5, 2016.**

If you do not use the enclosed envelope, please mail in your ballot to:
California Special Districts Association
Attn: 2016 Board Elections
1112 I Street, Suite 200
Sacramento, CA 95814

Please contact Charlotte Lowe toll-free at 877.924.CSDA or charlottel@csda.net with any questions.

California Special Districts Association
CSDA *Districts Stronger Together*

2016 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information MUST accompany your nomination form and Resolution/minute order:

Name: Anthony Kalvans

District/Company: San Miguel community Services District

Title: Director

Elected/Appointed/Staff: Elected

Length of Service with District: 3 years

1. **Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):**

only in county chapter

2. **Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):**

NO

3. **List local government involvement (such as LAFCo, Association of Governments, etc.):**

VP San Miguel Advisory council, VP SLO county chapter CSDA, citizens transportation advise and water resources advisory committee

4. **List civic organization involvement:**

vice president San Miguel lions club,

****Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after June 2, 2016 will not be included with the ballot.**

California Special
Districts Association
Districts Stronger Together

2016 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information MUST accompany your nomination form and Resolution/minute order:

Name: Jeff Hodge

District/Company: Santa Ynez Community Services District

Title: General Manager

Elected/Appointed/Staff: Staff

Length of Service with District: 2.5 years

1. **Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):**

   None

2. **Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):**

   Association of California Water Agencies (ACWA), California Association of Sanitation Agencies (CASA).

3. **List local government involvement (such as LAFCo, Association of Governments, etc.):**

   None

4. **List civic organization involvement:**

   None

****Candidate Statement –** Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after June 2, 2016 will not be included with the ballot.**

Jeff is currently the General Manager of the Santa Ynez Community Services District.

Jeff has a Bachelor of Arts degree in Political Science and a Master's degree in Business Administration.

He has over 20 years' experience managing Special Districts in Colorado, Arizona and California. He has managed special districts that provided Fire, Police, Water, Sewer, Trash, Cemetery, Roads, Street Lights, Parks and Recreation, and Drainage.

Jeff has a California Grade IV Wastewater Plant Operator certification and the highest Wastewater treatment certification level in Colorado and Arizona, He also holds certification in Water Treatment and Water Distribution in Arizona. He was elected to a Fire District Board and Park and Recreation District Board for four years.

Jeff was instrumental in helping form a Park and Recreation District in Southern Colorado.

He was appointed to an airport advisory board in Colorado and Arizona and is a two time past president of different local Rotary Clubs.

He has experience in writing, introducing and shepherding legislation for Special Districts, permitting and constructing new water and wastewater facilities and upgrading existing facilities.

Jeff is married to Christine and has two daughters and one granddaughter.

Jeff enjoys flying, sailing, kayaking and exploring all the great things California and the world has to offer.

Jeff Hodge

California Special Districts Association
CSDA *Districts Stronger Together*

2016 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information MUST accompany your nomination form and Resolution/minute order:

Name: Sharon Rose

District/Company: Goleta Sanitary

Title: Board President

Elected/Appointed/Staff: Elected

Length of Service with District: 4 years

1. **Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):**

   Attend local chapter meetings

   Attended first governance academy

2. **Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):**

   GSMOL - Golden State Manufactured Homeowners League

   CA Dept. of Health -

4. **List local ~~government~~ civic involvement (such as LAFCo, Association of Governments, etc.):** SCAMPR - Vice President (So. Coast Alliance of Mobile Home Park Residents

   Member: The Goleta Coalition, CSPA - Local Chapter

   University Park Homeowners Association (President)

3. **List ~~civic~~ govt. organization involvement:**

   Goleta Sanitary Board Member (President)

   Retired: Santa Barbara Co. Alcohol & Drug Program Prevention Manager

****Candidate Statement** -- Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after June 2, 2016 will not be included with the ballot.**

Dear CSDA Members:

My name is Sharon Rose. I have served as an elected board member of Goleta Sanitary District for three and a half years. I have also served actively in two statewide associations engaged in passing legislation: The Golden State Manufactured Home Owners League and The CA Tobacco Control Program.

My professional experience includes: government and non-profit management, private industry news media and raising a family.

After years in public service in the High Sierras, I moved to the Central Coast 11 years ago. I feel my skills will help CSDA meet their organizational needs, both in Sacramento and at the chapter level.

Local government is the strongest branch of our democracy. It's where "we the people" know each other personally and get things done. As a former county official who served in rural and urban areas, I learned the value of finding common goals, innovation and vision. Good governance exists in the smallest and largest places. It builds trust; which in turn builds healthy, resilient communities.

With politics as our backdrop, we know the wind changes. What's important to me is when change occurs, good people remain who are dedicated to working together—regardless of alliance. I know we all share a common goal of protecting California's quality of life–economically, socially and environmentally.

The drought crisis, coupled with energy and economic challenges, teach the future calls for innovation and collaboration.

My toolkit includes a willingness to serve, an open mind, creativity, collaborative decision-making and networking, communications and fundraising skills, a sense of humor, the ability to listen, a willingness to study the issues, ability to borrow and share ideas, and the ability to compromise.

Thank you. I respectfully request your vote to the CSDA board.

Sharon Rose

Goleta, California

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS
GENERAL MANAGER

DATE: JUNE 16, 2016

AGENDA ITEM
E-2
JUNE 22, 2016

REVIEW NIPOMO COMMUNITY SERVICES DISTRICT (NCSD) WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN

ITEM

Review and Discuss Nipomo CSD Water Shortage Response and Management Plan (WSRMP) [RECOMMEND REVIEW AND DISCUSS WSRMP, CONSIDER POSSIBLE RESPONSE ACTION IF ANY AND PROVIDE DIRECTION TO STAFF]

BACKGROUND

The Nipomo Mesa Management Area (NMMA) Technical Group adopted a *Water Shortage Conditions and Response Plan, April 2009* (Attachment A). Development of shortage criterion and response plans is a requirement of 2005 Stipulation agreed to by all members of the NMMA. In its 2008 Final Judgment, the court ordered the Stipulation to be implemented. The Water Shortage Conditions and Response Plan define two water shortage condition criteria: Potentially Severe Conditions and Severe Conditions.

The 2005 Stipulation and April 2009 Plan require the purveyor members of the NMMA, namely Nipomo CSD, Golden State Water Company, and Woodlands Mutual Water Company, to develop response plans in the event Potentially Severe or Severe conditions are triggered. Attachment B is the *NMMA Purveyor, NMMA Well Management Plan*, *January 2010*, and includes the April 2014 NMMA endorsed Water Shortage Response Stages. These documents combined are herein referenced as the NMMA Water Shortage Response and Management Plan (WSRMP).

The management area entered Potentially Severe conditions in 2008. In response to Potentially Severe conditions, the area purveyors instituted voluntary conservation measures. Groundwater pumping across the management area dropped by more than 15% between 2008 and 2011. In 2012 and 2013, dry conditions prevailed across the area while development and the local economy began to recover. Throughout this time, the District aggressively pursued supplemental water sources. Additionally, new development continued to be permitted throughout the area – although the Stipulation specifically lists a moratorium on new development as one of the possible action to be considered during Potentially Severe conditions.

In Spring 2013, the Key Wells Index (KWI), an index of wells the NMMA Technical Group uses as a criteria for shortage conditions, dropped to its lowest level on record and nearly reached Severe condition. On April 9, 2014 your Board adopted Resolution 2014-1335 approving the Water Shortage Response and Management Plan (WSRMP). A summary of the WSRMP's key features is provided as Attachment C. The summary identifies key elements of the WSRMP such as when a stage is triggered on or off, what conservation objective is targeted for the stage, and a list of possible actions NCSD could use, as needed, to reach the targeted conservation objective.

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JUNE 22, 2016

On May 19, 2015, the NMMA Technical Group announced the Spring 2015 KWI entered Severe Water Shortage condition. This condition warranted your Board's action to declare a Water Shortage Stage III condition on May 21, 2015, in accordance with the District's WSRMP.

Drought conditions have prevailed across most of California leading to an extension of the Governor's Executive Order for State-wide water conservation. In light of the real possibility that the NMMA Technical Group will announce the Spring 2016 KWI shortly and the Index may indicate the groundwater basin remains in a Severe condition and therefore move NMMA to declare Stage IV of its WSRMP, a review of NCSD's WSRMP may be beneficial to your Board in preparing for a timely response.

While the proposed triggers and responses have been developed in concert with the other NMMA purveyors, each entity has developed its own specific drought response program. NCSD's drought response program has been successful to this point. The community has surpassed the established Stage III targeted conservation level and the State mandated conservation level.

The Nipomo Supplemental Water Project (NSWP) will convey, at a minimum, the 645 acre-feet per year (AFY) of water NCSD has contracted with City of Santa Maria to take-or-pay for in fiscal year 2016. For fiscal year 2017, NCSD is contracted with the City of Santa Maria to take-or-pay for a minimum of 800 AFY and is positioned to do so.

With the community's current conservation level and the import water from the NSWP, NCSD has reduced groundwater pumping by 47% year-to-date. This is a significant and noteworthy achievement by the community. It is also significant because this level of reduced groundwater pumping is close to the Stage IV conservation target of 50% groundwater pumping reduction identified in NMMA's WSRMP and NCSD's WSRMP.

Based on the current circumstances and in the event the NMMA Technical Group finds cause to declare Stage IV of their WSRMP, your Board may need to consider possible actions as listed in NCSD's WSRMP to reduce groundwater pumping.

FISCAL IMPACT

Reducing groundwater production during drought equates to reducing water sales and income to the water fund. Additionally, the cost of providing water service during drought typically increases due to the administrative burden of implementing new rate structures. When active enforcement of detailed policy is required, cost can increase drastically. A point of rate volatility can be reached where high rates drive usage lower than expected, which in turn requires further rate increases to maintain solvency of the water fund.

STRATEGIC PLAN

Goal 1. WATER SUPPLIES. Actively plan to provide reliable water supply of sufficient quality and quantity to serve both current customers and those in the long-term future.

1.3 Develop water shortage response and management plan to respond to drought and other supply emergencies.

1.6 Continue to be a leader in management of area water resources.

AGENDA ITEM E-2
JUNE 22, 2016

RECOMMENDATION

Staff recommends your Board review the materials and provide direction to staff.

ATTACHMENTS

A. NMMA Water Shortage Conditions and Response Plan, April 2009
B. NMMA Purveyor: NMMA Well Management Plan, January 2010
C. Summary of NCSD Water Shortage Response and Management Plan
D. NCSD Resolution 2015-1374, Revised District Water Shortage Response and Management Plan.

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June 22, 2016

ITEM E-2

ATTACHMENT A

FINAL 4/13/09

Nipomo Mesa Management Area

Water Shortage Conditions and Response Plan

Nipomo Mesa Management Area
Technical Group

April 2009

The Santa Maria basin was divided into three management areas as a result of the adjudication of the Santa Maria groundwater basin. The June 30, 2005 Stipulation ("Stipulation"), the terms of which are incorporated into the Court's Judgment dated January 25, 2008 ("Judgment"), established the boundaries of the Nipomo Mesa Management Area ("NMMA"), and provided for a technical group (NMMA Technical Group) to oversee management of the NMMA. As part of the Stipulation, the Technical Group was tasked to develop a Monitoring Program that shall include the setting of well elevations and groundwater quality criteria that trigger the responses set forth in Paragraph VI(D) of the Stipulation.

The NMMA Technical Group prepared a Monitoring Program dated August 5, 2008 that was submitted to the Court in accordance with the Judgment. This Water Shortage Conditions and Response Plan is an addendum to the Monitoring Program and completes the Monitoring Program requirements as defined in the Stipulation.

This document is divided into three sections:

I. Water Shortage Conditions Nipomo Mesa Management Area,
II. Response Plan for Potentially Severe and Severe Water Shortage Conditions, and
III. Discussion of Criteria for Potentially Severe and Severe Water Shortage Conditions.

I. Water Shortage Conditions Nipomo Mesa Management Area

Water shortage conditions are characterized by criteria designed to reflect that groundwater levels beneath the NMMA as a whole are at a point at which a response would be triggered to avoid further declines in groundwater levels (Potentially Severe), and to declare that the lowest historic groundwater levels beneath the NMMA as a whole have been reached or that conditions constituting seawater intrusion have been reached (Severe).

Groundwater levels beneath the NMMA as a whole impact the cost of pumping, the quality of groundwater pumped, and the overall flow of fresh water to the ocean that balances potential seawater intrusion. Lowering of groundwater levels below certain thresholds is to be curtailed by importing supplemental water, increasing conservation, and decreasing consumptive use of groundwater produced.

The NMMA Technical Group has developed criteria for declaring the existence of Potentially Severe and Severe Water Shortage Conditions. These criteria represent the conditions in both coastal and inland wells, and depend upon measurements of groundwater elevation and groundwater quality.

While this Response Plan relies on quantitative measurements of groundwater levels, the Technical Group acknowledges these measurements are subject to many variables so that

any given measurement may only be accurate within a percentage range; no given measurement is exact or precise. For example, water level measurements obtained from groundwater production wells may be influenced by a range of factors, including but not limited to temperature, the method, protocol, and equipment used to obtain the measurement, the condition of the well, the time allowed for water levels in a previously producing well to equilibrate, and any nearby wells that remain pumping while the measurements are taken. As well, the historic data used as the basis to set action levels for Severe and Potentially Severe Water Shortage Conditions may be influenced by these and other factors. Finally, while there is sufficient historical data to reliably set Severe and Potentially Severe Water Shortage Conditions criteria, as more data is gathered pursuant to the NMMA Monitoring Plan, the Technical Group expects its understanding of NMMA characteristics will become increasingly more sophisticated and accurate. As a result of these considerations, the Technical Group acknowledges and expects that it will recommend modifications to the Severe and Potentially Severe Water Shortage Conditions criteria as more data are obtained on a consistent basis and as the Technical Group's understanding of the NMMA characteristics improves over time.

Seawater intrusion is a condition that could permanently impair the use of the principal producing aquifer to meet water demands of the NMMA. For coastal areas, the criteria described here are set either to indicate conditions that, if allowed to persist, may lead to seawater intrusion or increasing chloride concentrations, or that actual seawater intrusion has occurred.

Monitoring Wells

As with the NMMA Monitoring Plan, primary data for this Water Shortage Conditions and Response Plan is derived from a select group of wells located within the NMMA. Identification of these wells and the selection criteria are as follows.

Coastal sentinel wells, installed by the Department of Water Resources in the 1960s, are monitored to characterize any condition for the advancement of seawater into the freshwater aquifer. Specifically, the groundwater elevation and concentration of indicator constituents are evaluated to determine the threat or presence of seawater intrusion to the fresh water aquifer. These coastal monitoring wells are as follows:

Coastal Well	Perforation Elevation (ft msl)	Aquifer
11N/36W-12C1	-261 to -271	Paso Robles
11N/36W-12C2	-431 to -441	Pismo
11N/36W-12C3	-701 to -711	Pismo
12N/36W-36L1	-200 to -210	Paso Robles
12N/36W-36L2	-508 to -518	Pismo

For inland areas, criteria for water shortage conditions are based on annual Spring groundwater elevation measurements made in key wells located inland from the coast (the "Key Wells Index"). The inland Key Wells are as follows:

Key Wells
11N/34W-19
11N/35W-5
11N/35W-8
11N/35W-9
11N/35W-13
11N/35W-22
11N/35W-23
12N/35W-33

Potentially Severe Water Shortage Conditions

The Stipulation, page 25, defines Potentially Severe Water Conditions as follows:

Caution trigger point (Potentially Severe Water Shortage Conditions)[1]

(a) Characteristics. The NMMA Technical Group shall develop criteria for declaring the existence of Potentially Severe Water Shortage Conditions. These criteria shall be approved by the Court and entered as a modification to this Stipulation or the judgment to be entered based upon this Stipulation. Such criteria shall be designed to reflect that water levels beneath the NMMA as a whole are at a point at

[1] The multiple citations to and partial restatements of the Stipulation are intended to provide context to this Water Shortage Conditions and Response Plan. However, neither the restatement of a portion of the Stipulation herein, nor the omission of a portion of a quotation from the Stipulation, is intended to override or alter the mutual obligations and requirements set forth in the Stipulation.

which voluntary conservation measures, augmentation of supply, or other steps may be desirable or necessary to avoid further declines in water levels.

Inland Areas: The NMMA Technical Group set the criteria for a Potentially Severe Water Shortage Condition to the elevation of groundwater as determined by the Key Wells Index. If the Spring groundwater elevations indicate that the Key Wells Index is less than 15 feet above the Severe Water Shortage criterion (equal to **31.5 ft msl**[2]), the Technical Group will notify the Monitoring Parties of the current data, and evaluate the probable causes of this low level as described below. If the Key Wells Index continues to be lower than **31.5 ft msl** in the following Spring, the Technical Group will report to the Court in the Annual Report that Potentially Severe Water Shortage Conditions are present and provide its recommendations regarding the appropriate response measures. During the period a Potentially Severe Water Shortage Condition persists, the NMMA Technical Group shall include in each Annual Report an assessment of the hydrologic conditions and any additional recommended response measures. A discussion of how the groundwater elevations criteria were determined is presented in discussion Section III. Potentially Severe Water Shortage Conditions will no longer be considered to exist when: 1) the Key Well Index is above the Potentially Severe criterion of 31.5 ft msl for two successive Spring measurements, or 2) the Key Well Index is 5 ft or higher above the Potentially Severe criterion (which calculates to 36.5 ft msl) in any Spring measurement. Alternatively, the NMMA Technical Group may determine that the Potentially Severe Water Shortage Condition no longer exists when the Key Well Index is above the Potentially Severe criterion of 31.5 ft msl and conditions warrant this conclusion.

The Key Well Index criteria for Potentially Severe Water Shortage Conditions may be modified in the future by the Technical Group as more data are developed on the accuracy of measured data and Key Well construction or condition.

Coastal Areas: The NMMA Technical Group set the coastal criteria for a Potentially Severe Water Shortage Condition using both groundwater surface elevation and groundwater quality measured in the coastal monitoring wells, as presented in the table below. The groundwater elevation criteria are discussed in Section III. The groundwater quality portion of the coastal criteria is set at **250 mg/L** chloride. There is no water quality criterion for the shallow alluvium. Potentially Severe Water Shortage Conditions are determined if either the Spring groundwater elevation drops below the criteria elevation, or chloride concentration exceeds the criteria concentration, in any of the coastal monitoring wells subject to the Response Plan data analysis and verification described below.

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[2] The decimal point does not imply the accuracy of the historical low calculation.

The NMMA Technical Group will report to the Court in the Annual Report that Potentially Severe Water Shortage Conditions are present and provide its recommendations regarding the appropriate response measures. During the period a Potentially Severe Water Shortage Condition persists, the Technical Group shall include in each Annual Report an assessment of the hydrologic conditions and any additional recommended response measures.

When Spring groundwater elevations or groundwater quality subsequently improves so that the criteria threshold for two successive measurements are no longer exceeded, Potentially Severe Water Shortage Conditions will no longer be considered to exist. Alternatively, the Technical Group may determine that the Potentially Severe Water Shortage Condition no longer exists when the Spring groundwater elevation or groundwater quality criteria threshold are no longer exceeded in a single measurement and conditions warrant this conclusion.

The coastal threshold criteria for Potentially Severe Water Shortage Conditions may be modified in the future by the Technical Group as more data are developed on the accuracy and extent of the coastal data, including the potential for inclusion of additional coastal monitoring wells into the Monitoring Plan.

Criteria for Potentially Severe Water Shortage Conditions, Coastal Area

Well	Perforation Elevation (ft msl)	Aquifer	Elevation Criteria (ft msl)	Chloride Concentration Criteria (mg/L)
11N/36W-12C1	-261 to -271	Paso Robles	**5.0**	**250**
11N/36W-12C2	-431 to -441	Pismo	**5.5**	**250**
11N/36W-12C3	-701 to -711	Pismo	**9.0**	**250**
12N/36W-36L1	-200 to -210	Paso Robles	**3.5**	**250**
12N/36W-36L2	-508 to -518	Pismo	**9.0**	**250**

Severe Water Shortage Conditions

The Stipulation, page 25, defines Potentially Severe Water Conditions as follows:

Mandatory action trigger point (Severe Water Shortage Conditions)

(a) Characteristics. The NMMA Technical Group shall develop the criteria for declaring that the lowest historic water levels beneath the NMMA as a whole

have been reached or that conditions constituting seawater intrusion have been reached. These criteria shall be approved by the Court and entered as a modification to this Stipulation or the judgment to be entered based upon this Stipulation.

Inland Areas: A Severe Water Shortage Condition exists when the Key Wells Index is less than **16.5 feet msl**, using Spring groundwater elevation measurements. The Mandatory Response Plan will remain in effect until groundwater elevations as indicated by the Key Wells Index are 10 ft above the Severe criterion (which calculates to **26.5 feet msl**). Alternatively, the NMMA Technical Group may determine that the Severe Water Shortage Condition no longer exists when the Key Well Index is above the Severe criterion of 16.5 ft msl and conditions warrant this conclusion.

The criteria for Severe Water Shortage Conditions may be modified in the future by the Technical Group as more data are developed on the accuracy of measured data and Key Well construction or condition.

Coastal Areas: The NMMA Technical Group set the coastal criteria for Severe Water Shortage Condition to the occurrence of the chloride concentration in groundwater greater than the drinking water standard in any coastal monitoring well. Thus, the coastal criterion for a Severe Water Shortage Condition is the chloride concentration exceeding **500 mg/L** in any of the coastal monitoring wells. If the criterion is exceeded, an additional sample will be collected and analyzed from that well as soon as practicable to verify the result. The response triggered by the measurement will not be in effect until the laboratory analysis has been verified. If the chloride concentration subsequently improves above the criterion threshold for two successive Spring measurements, Severe Water Shortage Conditions will no longer be considered to exist. Alternatively, the Technical Group may determine that the Severe Water Shortage Condition no longer exists when groundwater quality criteria threshold are no longer exceeded in a single measurement and conditions warrant this conclusion.

The coastal threshold criteria for Severe Water Shortage Conditions may be modified in the future by the Technical Group as more data are developed on the accuracy and extent of the coastal data, including the potential for inclusion of additional coastal monitoring wells into the Monitoring Plan.

II. Response Plan for Potentially Severe and Severe Water Shortage Conditions

("Response Plan")

Introduction

This Response Plan is triggered by criteria designed to reflect either Potentially Severe Water Shortage Conditions or Severe Water Shortage Conditions. Nothing in this Response Plan is intended to, nor shall operate so as to reduce, limit or change the rights, duties, and responsibilities of the parties to this Response Plan as those rights, duties, and responsibilities are stated in the Stipulation and the Judgment.

1. Potentially Severe Water Shortage Conditions

The responses required by the Stipulation are set forth as follows:

VI(D)(1b) Responses [Potentially Severe]. *If the NMMA Technical Group determines that Potentially Severe Water Shortage Conditions have been reached, the Stipulating Parties shall coordinate their efforts to implement voluntary conservation measures, adopt programs to increase the supply of Nipomo Supplemental Water*[3] *if available, use within the NMMA other sources of Developed Water or New Developed Water, or implement other measures to reduce Groundwater use.*[4]

VI(A)(5). ...In the event that Potentially Severe Water Shortage Conditions or Severe Water Shortage Conditions are triggered as referenced in Paragraph VI(D) before Nipomo Supplemental Water is used in the NMMA, NCSD, [GSWC[5]*], Woodlands and RWC agree to develop a well management plan that is acceptable to the NMMA Technical Group, and which may include such steps as imposing conservation measures, seeking sources of supplemental water to serve new customers, and declaring or obtaining approval to declare a moratorium on the granting of further intent to serve or will serve letters.*[6]

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[3] A defined term in the parties' Stipulation. The following terms, when used in this Response Plan, are terms whose definitions are found in the Stipulation and that definition is specifically incorporated herein and adopted as the meaning of these terms: "Developed Water," "Groundwater," "Native Groundwater," "New Developed Water," "Nipomo Supplemental Water," "Nipomo Supplemental Water Project," "Stipulating Parties" and "Year."

[4] Ibid at p.25.

[5] Name changed from Southern California Water Company (SCWC) in 2005.

[6] Ibid at p.22.

The Response Plan shall be implemented when the Potentially Severe Water Shortage Conditions occur within the NMMA. The Response Plan is a combination of technical studies to better determine the nature of the threat, water supply and demand actions to mitigate overall conditions in the NMMA, and compliance with the Stipulation and the Judgment. The Response Plan includes, where applicable, the following:

1. Coastal Groundwater Elevation and/or Groundwater Quality Conditions:
   a. Verify that the measurement is not an anomaly by retesting at the site(s) of exceedence as soon as practicable and again in the following month.
   b. Characterize the extent of either low groundwater elevation(s) or increased chloride concentration(s) near the coast, which might include adding and/or installing additional monitoring points.
   c. Identify, to the extent practical, factors that contributed to the low groundwater elevations in coastal monitoring wells.
   d. Investigate whether increased chloride concentration(s) indicate intrusion of seawater or other causes through chemistry/geochemistry studies.

2. Inland Groundwater Elevation Condition:
   a. Verify that the measurement is not an anomaly by retesting at the site(s) of exceedence as soon as practicable and again in the following month.
   b. Characterize the extent of the area where groundwater elevation(s) have decreased sufficiently to lower the Key Wells Index.
   c. Identify factors that contributed to the low groundwater elevation(s) in coastal monitoring wells.

3. Implement sections VI(D)1(b) and VI(A)(5) of the Stipulation, as reproduced above.

4. When either the groundwater quality or groundwater elevation conditions are confirmed, the following provisions apply to the Response Plan for Potentially Severe Water Shortage Conditions:

   a. ConocoPhillips shall have the right to the reasonable and beneficial use of Groundwater on the property it owns as of the date of the Stipulation located in the NMMA without limitation.[7]

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[7] Ibid at p. 23.

b. Overlying Owners that are Stipulating Parties that own land located in the NMMA as of the date of the Stipulation shall have the right to the reasonable and beneficial use of Groundwater on their property within the NMMA without limitation.[8]

c. Woodlands shall not be subject to restriction in its reasonable and beneficial use of Groundwater, provided it is concurrently using or has made arrangements for other NMMA parties to use within the NMMA, the Nipomo Supplemental Water allocated to Woodlands. Otherwise, Woodlands shall be subject to reductions equivalent to those imposed on NCSD, GSWC, and RWC.[9]

2. *Severe Water Shortage Conditions*

The responses required by the Stipulation are set forth following:

VI(D)(1b) Responses [Severe]. *As a first response, subparagraphs (i) through (iii) shall be imposed concurrently upon order of the Court. The Court may also order the Stipulating Parties to implement all or some portion of the additional responses provided in subparagraph (iv) below.*

(i) For Overlying Owners other than Woodlands Mutual Water Company and ConocoPhillips, a reduction in the use of Groundwater to no more than 110% of the highest pooled amount previously collectively used by those Stipulating Parties in a Year, prorated for any partial Year in which implementation shall occur, unless one or more of those Stipulating Parties agrees to forego production for consideration received. Such forbearance shall cause an equivalent reduction in the pooled allowance. The base Year from which the calculation of any reduction is to be made may include any prior single Year up to the Year in which the Nipomo Supplemental Water is transmitted. The method of reducing pooled production to 110% is to be prescribed by the NMMA Technical Group and approved by the Court. The quantification of the pooled amount pursuant to this subsection shall be determined at the time the mandatory action trigger point (Severe Water Shortage Conditions) described in Paragraph VI(D)(2) is reached. The NMMA Technical Group shall determine a technically responsible and consistent method to determine the pooled amount and any individual's contribution to the pooled amount. If the NMMA Technical Group cannot agree upon a technically responsible and consistent method to determine the pooled amount, the matter may be determined by the Court pursuant to a noticed motion.

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[8] Ibid.
[9] Ibid at p. 23.

(ii) ConocoPhillips shall reduce its Yearly Groundwater use to no more than 110% of the highest amount it previously used in a single Year, unless it agrees in writing to use less Groundwater for consideration received. The base Year from which the calculation of any reduction is to be made may include any prior single Year up to the Year in which the Nipomo Supplemental Water is transmitted. ConocoPhillips shall have discretion in determining how reduction of its Groundwater use is achieved.

(iii) NCSD, RWC, SCWC, and Woodlands (if applicable as provided in Paragraph VI(B)(3) above) shall implement those mandatory conservation measures prescribed by the NMMA Technical Group and approved by the Court.

(iv) If the Court finds that Management Area conditions have deteriorated since it first found Severe Water Shortage Conditions, the Court may impose further mandatory limitations on Groundwater use by NCSD, SCWC, RWC and the Woodlands. Mandatory measures designed to reduce water consumption, such as water reductions, water restrictions, and rate increases for the purveyors, shall be considered.

(v) During Severe Water Shortage Conditions, the Stipulating Parties may make agreements for temporary transfer of rights to pump Native Groundwater, voluntary fallowing, or the implementation of extraordinary conservation measures. Transfer of Native Groundwater must benefit the Management Area and be approved by the Court.[10]

The following Response Plan for Severe Water Shortage Conditions is premised on the assumption that the Nipomo Supplemental Water Project within the NMMA is fully implemented and yet Severe Water Shortage Conditions exist.

If either the coastal or inland criteria occur for Severe Water Shortage Conditions within the NMMA, a Response Plan shall be implemented. The Response Plan is a combination of technical studies to better determine the nature of the threat, water supply and demand actions to mitigate overall conditions in the NMMA that triggered a Response Plan, and compliance with the terms of the Stipulation and the Judgment. It includes, where applicable, the following NMMA Technical Group actions:

1. Groundwater Quality Condition:
   a. Verify data.

[10] Ibid at pp. 25-27.

b. Investigate whether increased chloride concentration(s) indicate intrusion of seawater or result from other causes through chemistry/geochemistry studies.

c. Characterize the extent of the increase in chloride concentration(s), which may include adding additional monitoring points and/or installing new monitoring points.

d. Given information from sections (a) and (b) above, identify the factors that may have caused the groundwater quality degradation.

2. Groundwater Elevation Condition:

a. Verify that the measurement is not an anomaly by retesting at the site(s) of exceedence as soon as practicable and again in the following month.

b. Characterize the extent of the area where groundwater elevation(s) have decreased sufficiently to lower the Key Wells Index.

c. Identify the factors that contributed to the low groundwater elevation(s) in key wells.

3. As a first response, the NMMA Technical Group shall request the Court to order concurrently sections VI(D)(1b)(i) through (iii) of the Stipulation, as reproduced above.

4. Prepare a semi-annual report on the trend in chloride concentration for the Court. If chloride concentration(s) continue to increase at the coastline, request the Court to implement section VI(D)(1b)(iv) of the Stipulation, as reproduced above.

5. During Severe Water Shortage Conditions, the Stipulating Parties may make agreements for temporary transfer of groundwater pumping rights in accordance with section VI(D)(1b)(v) of the Stipulation, as reproduced above.

III. Discussion of Criteria for Potentially Severe and Severe Water Shortage Conditions

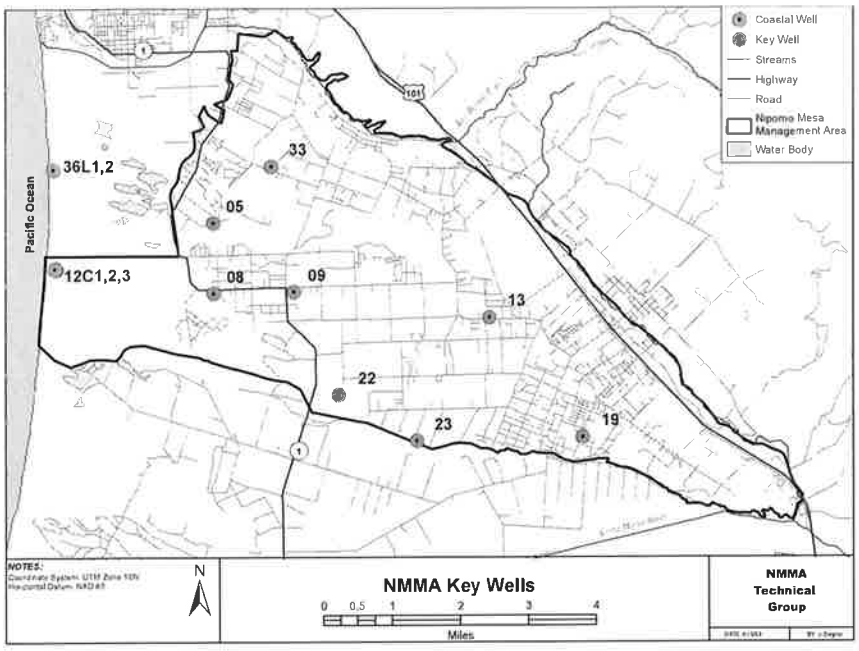
1. Water Shortage Conditions as a Whole

The Stipulation established that the Severe Water Shortage Conditions is characterized by the lowest historic groundwater levels beneath the NMMA as a whole. The NMMA Technical Group selected the data from eight inland key wells to represent the whole of the NMMA. These wells are listed in the following tabulation and are shown on the

figure entitled "NMMA Key Wells". The average Spring groundwater elevation of these key wells is used to calculate the Key Wells Index ("Index").

Key Wells For Inland Criterion

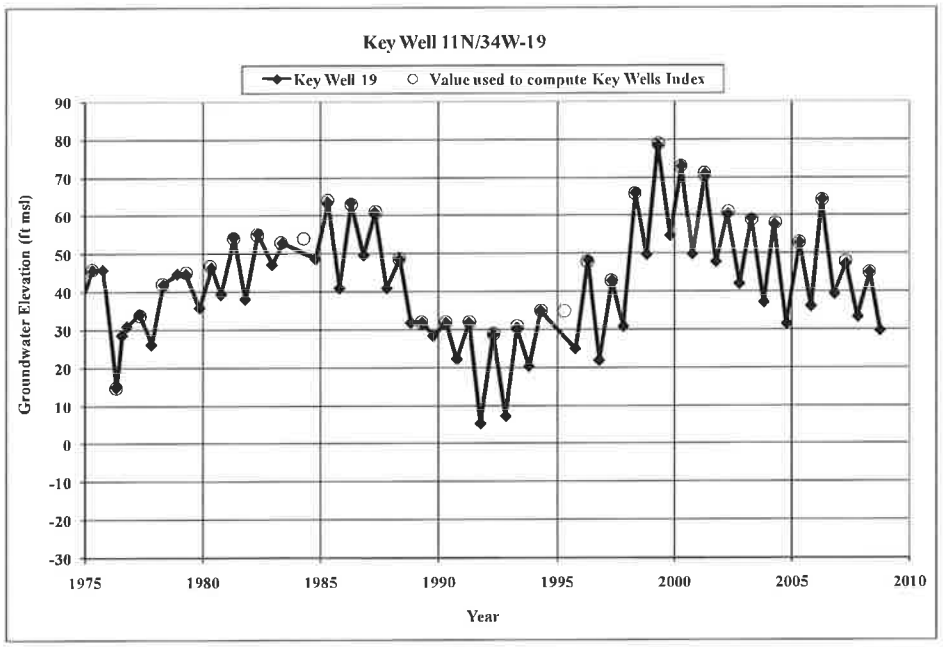
11N/34W-19
11N/35W-5
11N/35W-8
11N/35W-9
11N/35W-13
11N/35W-22
11N/35W-23
12N/35W-33

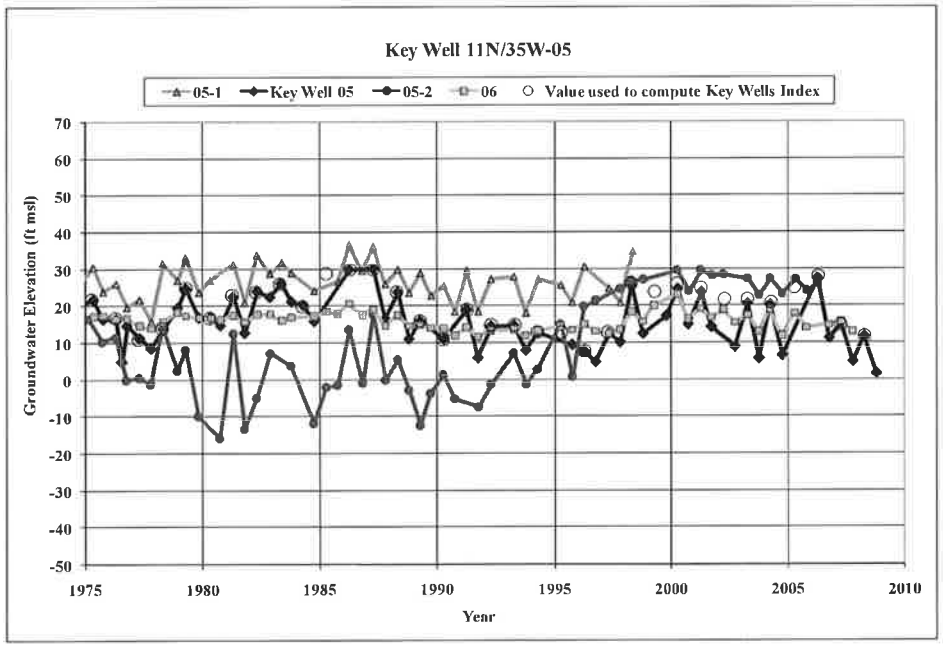


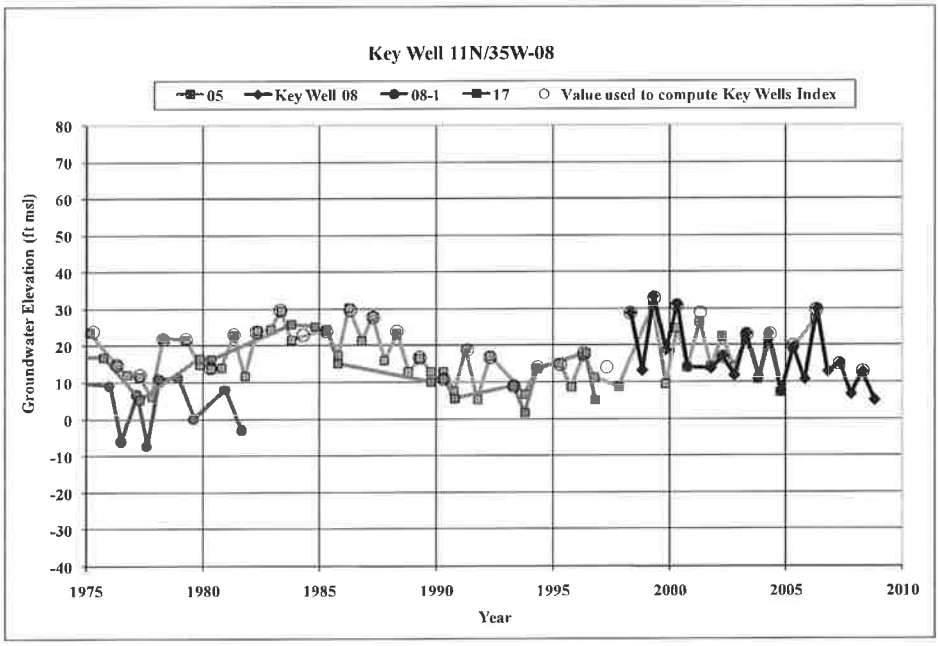
The Index was calculated annually using Spring groundwater elevation measurements from 1975 to 2008. The Key Wells were selected to represent various portions of the groundwater basin within the NMMA. The following charts display the hydrographs for each Key Well and surrounding wells. The open circles represent the actual Spring value for that year or a correlation of that value for each year that was used to compute the Index.

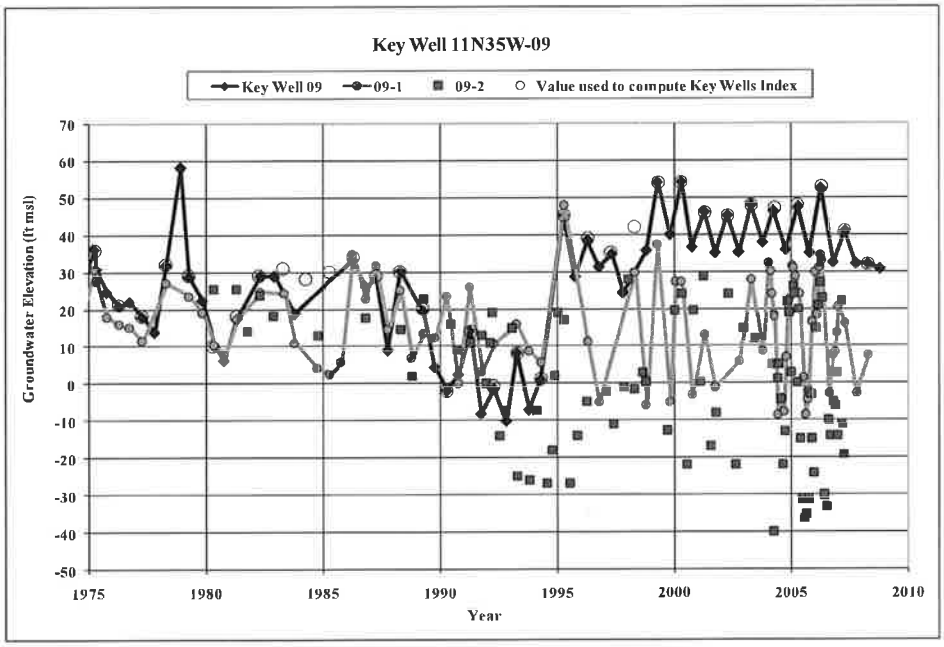
When there was no Spring groundwater elevation measurement for a particular year, the value was determined by either 1) interpolating between Spring measurements in adjacent years or 2) computing the Spring elevation by taking the Fall measurements in adjacent years and increasing the value by the typical increase in groundwater elevations

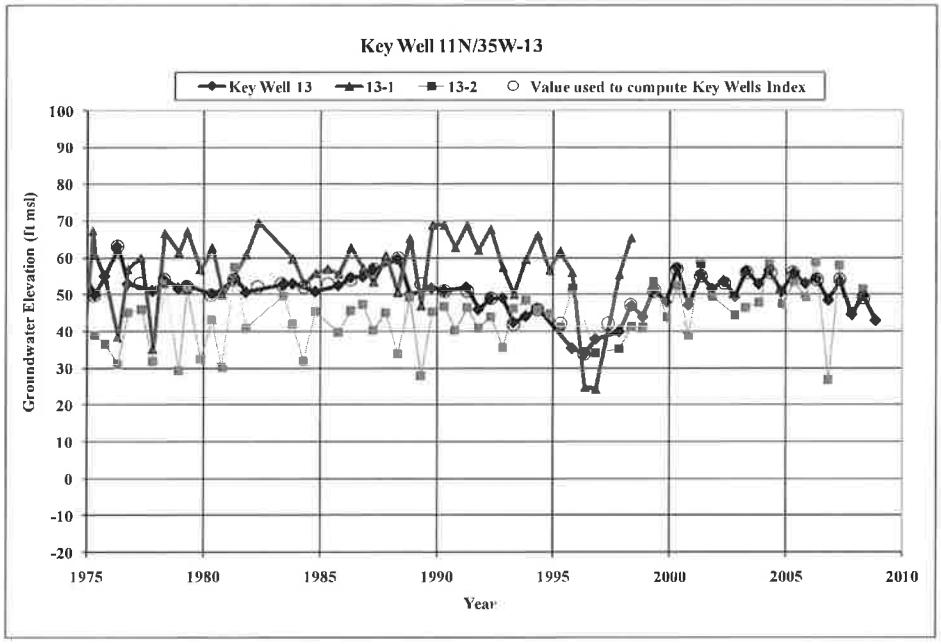
between Spring and Fall measurements in that well. If there is a significant data gap in the record for a particular well (e.g., 22 well below), a nearby well was used to fill the gap.

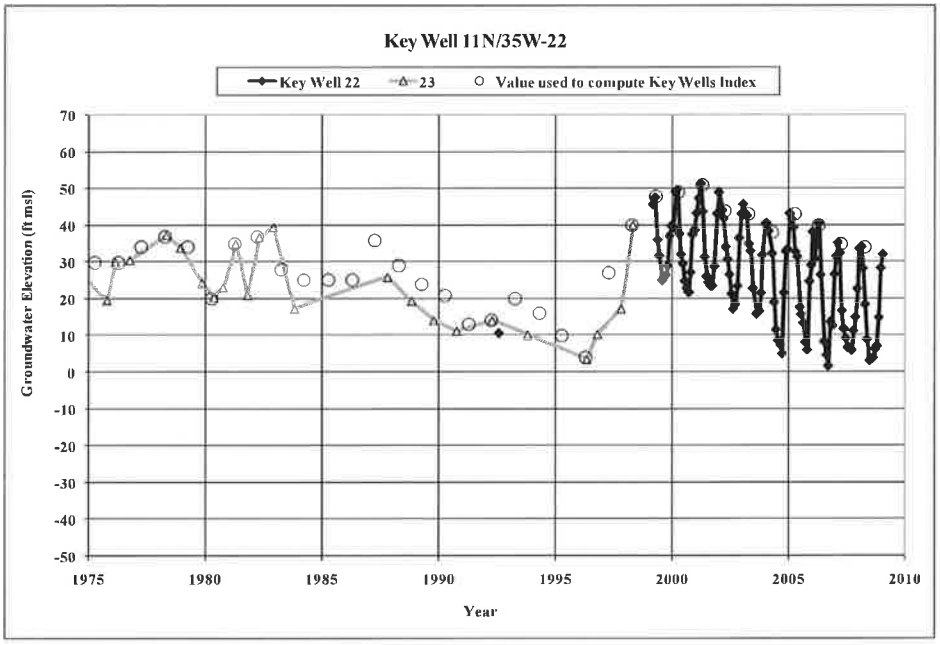


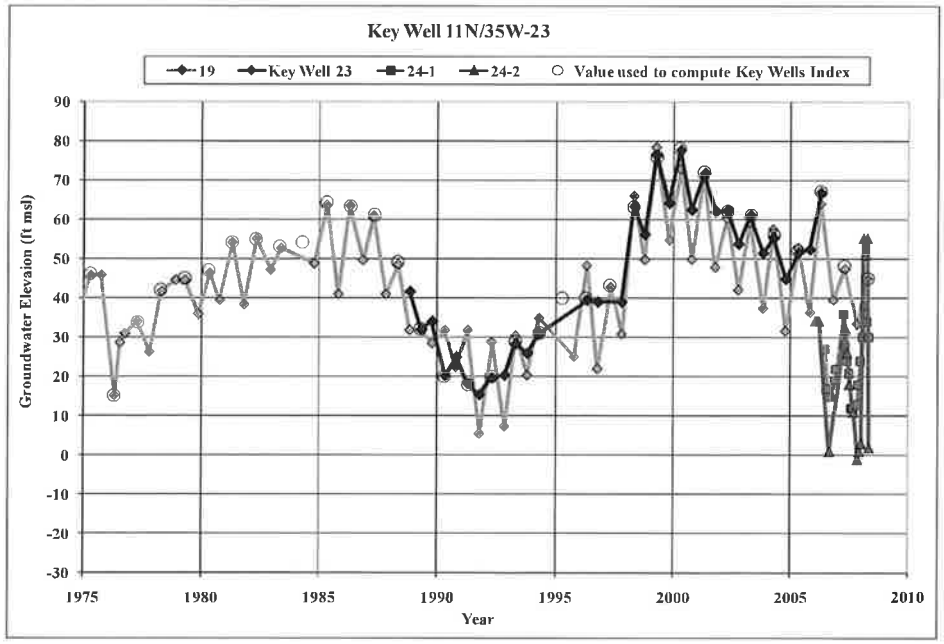


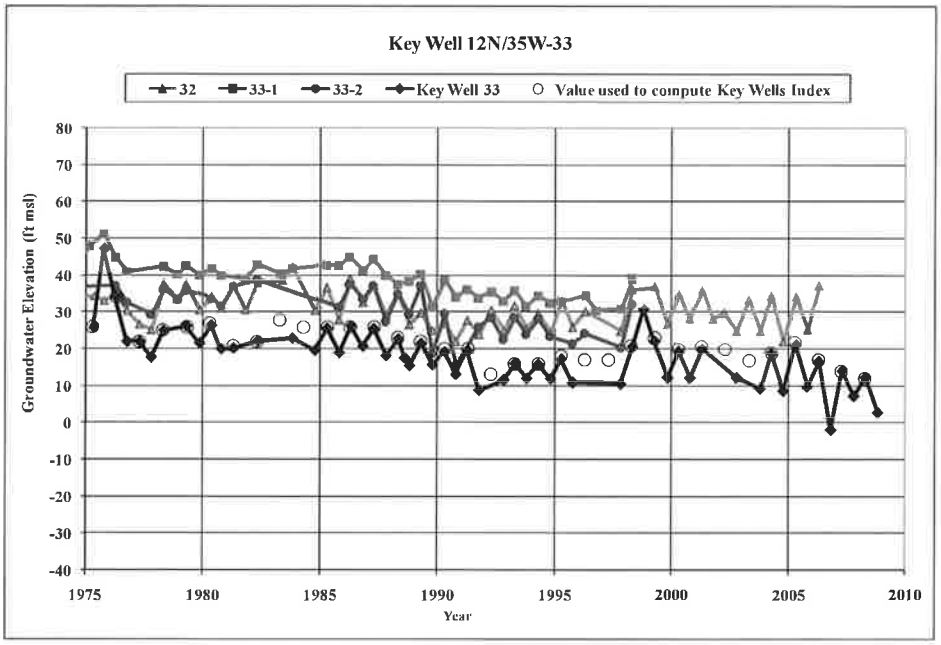

Key Well 11N/35W-08
05
Key Well 08
08-1
17
Value used to compute Key Wells Index
Groundwater Elevation (ft msl)
80
70
60
50
40
30
20
10
0
-10
-20
-30
-40
1975
1980
1985
1990
1995
2000
2005
2010
Year


Key Well 11N35W-09
Key Well 09
09-1
09-2
Value used to compute Key Wells Index
Groundwater Elevation (ft msl)
70
60
50
40
30
20
10
0
-10
-20
-30
-40
-50
1975
1980
1985
1990
1995
2000
2005
2010
Year


Key Well 11N/35W-13
Key Well 13
13-1
13-2
Value used to compute Key Wells Index
Groundwater Elevation (ft msl)
100
90
80
70
60
50
40
30
20
10
0
-10
-20
1975
1980
1985
1990
1995
2000
2005
2010
Year


Key Well 11N/35W-22
Key Well 22
23
Value used to compute Key Wells Index
Groundwater Elevation (ft msl)
70
60
50
40
30
20
10
0
-10
-20
-30
-40
-50
1975
1980
1985
1990
1995
2000
2005
2010
Year





In selecting the eight key wells, the following criteria were applied so that the wells generally represent the NMMA as a whole:

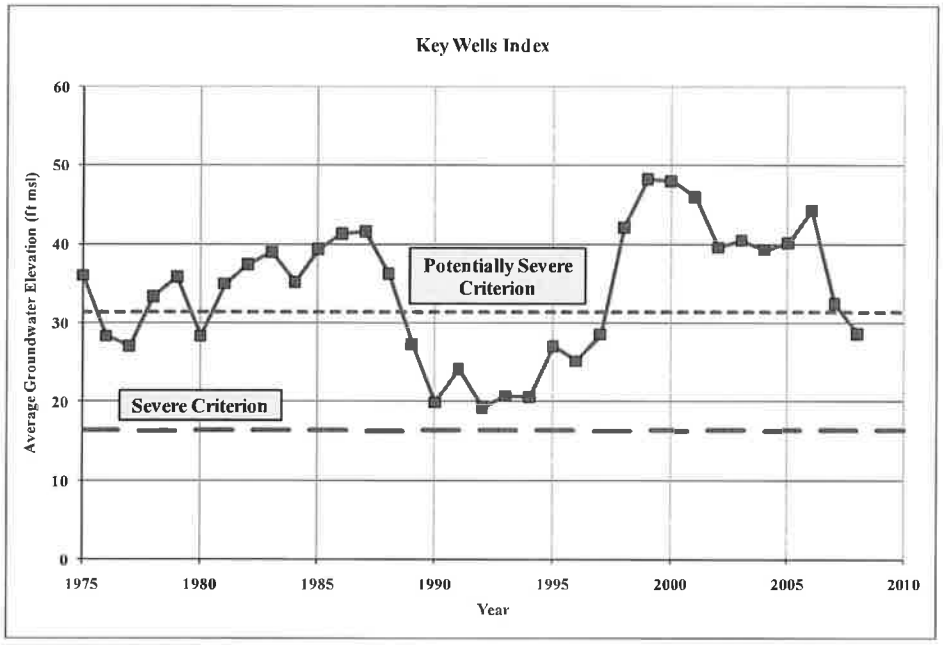
(1) The wells are geographically distributed.

(2) No single well overly influences the Index.

The first criterion was met in the selection of the wells. To meet the second criterion, groundwater elevations from each well were normalized so that any well where elevations were on the average higher or lower than the other wells did not overly influence the overall Index. This normalization was accomplished by dividing each Spring groundwater elevation measurement by the sum of all the Spring groundwater elevation data for that well.

The Index was defined for each year as the average of the normalized Spring groundwater data from each well. The lowest value of the Index could be considered the "historical low" within the NMMA. The sensitivity of that "historical low" was tested by examining the effect of eliminating a well from the Key Wells Index. Eight separate calculations of the Index from 1975 to 2008 were made by excluding the data from one of the eight wells, and computing the average value for each year from the remaining wells' normalized Spring groundwater data.

The criterion for a Potentially Severe Water Shortage Conditions should provide for enough time before the Severe criterion occurs to allow pumpers time to implement voluntary measures to mitigate a falling Key Wells Index. Based on the assumption that two years is adequate for this early warning, then the historical Index can be used to determine the potential rate of fall of the Index. The maximum drop in the historical Index over a two-year period was about 15 feet, during the last two years of the 1986-1991 drought. Thus, the criterion for Potentially Severe Water Shortage Conditions is set at 15 feet above the Severe Water Shortage Condition criterion, which calculates to **31.5 ft msl**. The Key Wells Index for all eight wells, which will be computed each year in the future, will be compared to the Potentially Severe and Severe criteria discussed above. The Index through 2008 is shown below.



Key Wells Index for the period 1975 to 2008. Upper dashed line is criterion for Potentially Severe Water Shortage Conditions and lower dashed line is criterion for Severe Conditions.

The Index generally tracks wet and dry climatic cycles, indicating the importance of natural recharge in the NMMA. Significant deviations from this climatic tracking could occur if supplemental water deliveries reduced pumping, if overlying land use changed the return flows to the aquifer, or if there was a large change in groundwater extractions in addition to those resulting from the introduction of the Supplemental Water.

A. Seawater Intrusion Criteria for Potentially Severe Water Shortage Conditions

The criteria for potentially severe conditions in coastal areas are either gradient conditions that could pull seawater into the principal aquifer, or threshold chloride concentrations detected in coastal monitoring wells. Whereas chloride is the principal indicator for the groundwater quality portion of this criteria, other groundwater quality constituents may be considered for future refinement of this criteria.

To avoid seawater contamination, groundwater elevations in the coastal monitoring wells must be sufficiently high to balance higher-density seawater (about 2.5 of extra head is required for every 100 ft of ocean depth of an offshore outcrop of the aquifer). Thus, if an aquifer is penetrated at 100 ft below sea level in a coastal well, it is assumed that groundwater elevations in that aquifer must be at least 2.5 ft above sea level to counteract the higher density of seawater. Although offshore outcrop areas are not currently defined, it is assumed that some hydraulic connection between the onshore aquifers and seawater at the sea floor is possible or even probable.

Historical groundwater elevation data from these coastal wells indicate that groundwater elevations have not always been higher than the theoretical elevations of fresh water to balance sea water, described in the preceding paragraph. It is not known to what extent (if any) that seawater has advanced toward the land during the periodic depression of groundwater elevation, nor has any groundwater quality data supported the indication that seawater has contaminated the fresh water aquifer at the coastal monitoring well locations. Thus, coastal groundwater elevation criteria must take into account the periodic depression of groundwater elevations. To accommodate these fluctuations and until further understanding is developed, the coastal criteria are presented in the table below, based on the lower of 1) historical low groundwater elevations in the coastal monitoring wells or 2) a calculation of 2.5 ft of elevation for every 100 ft of aquifer depth in the well. If the historical low elevation is used, the value is reduced by one foot and rounded to the nearest half-foot. Similarly, if a calculated value is the lower option, it is rounded to the nearest half-foot. The results of these criteria are indicated in the following table.

Criteria for Potentially Severe Water Shortage Conditions

Well	Perforations Elevation (ft msl)	Aquifer	Historic Low (ft msl)	2.5' per 100' Depth (ft msl)	Elevation Criteria (ft msl)	Highest Chloride (mg/L)	Chloride Concentration Criteria (mg/L)
11N/36W-12C1	-261 to -271	Paso Robles	5.8	6.5	**5.0**	81	**250**
11N/36W-12C2	-431 to -441	Pismo	6.3	10.8	**5.5**	55	**250**
11N/36W-12C3	-701 to -711	Pismo	10.1	17.5	**9.0**	98	**250**
12N/36W-36L1	-200 to -210	Paso Robles	4.3	5.7	**3.5**	38	**250**
12N/36W-36L2	-508 to -518	Pismo	10.1	13.4	**9.0**	127	**250**

The groundwater quality portion of the criteria is set at 250 mg/L chloride. There is no groundwater quality criterion for the shallow alluvium. Although there is no assumption that seawater intrusion has occurred at this concentration, the cause of the rise in chloride concentration must be investigated and appropriate mitigation measures taken. Thus, Potentially Severe Water Shortage Conditions are established if either the groundwater elevation or groundwater quality criteria are met.

B. Seawater Intrusion Criteria for Severe Water Shortage Conditions

One criterion for Severe Water Shortage Conditions is the occurrence of conditions that result in chloride concentration(s) in groundwater greater than the drinking water standard in any of the coastal monitoring wells.

A principal threat for such occurrence is from seawater intrusion. The first evidence of seawater intrusion can occur very quickly or may involve a slower and more subtle change. Because the rate of change for chloride concentrations during seawater intrusion is difficult to predict for the NMMA, the criterion is set to the Maximum Contaminant Level for chloride in drinking water.

The Nipomo Mesa Technical Group set the coastal criterion for Severe Water Shortage Conditions at a chloride concentration at or above **500 mg/L** in any of the coastal monitoring wells. If the criterion is exceeded, an additional sample will be collected and analyzed from that well as soon as practically possible to verify the result. The Severe Water Shortage Condition will not be in effect until the laboratory analysis has been verified.

June 22, 2016

ITEM E-2

ATTACHMENT B

NMMA PURVEYOR

NMMA WELL MANAGEMENT PLAN[1]

Adopted January 21, 2010

Stage 1: Potentially Severe Water Shortage Conditions

- Potentially Severe Water Shortage Conditions Triggered[2];
- Voluntary measures urged by Water Purveyors (NCSD, GSWC, Woodlands, and RWC). See list of "Recommended Water Use Restrictions;"
- Voluntary evaluation of sources of new supplemental water;
- Voluntary purveyor conservation goal of 15% (Baseline to be suggested by the NMMA TG);
- Voluntary/Recommended public information program;
- Voluntary evaluation and implementation of shifting pumping to reduce GW depressions and/or protect the seaward gradient. This includes the analysis and establishment of a potential network of purveyor system interties to facilitate the exchange of water;

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[1] This Well Management Plan is required by the terms of the Stipulation (page 22). The Well Management Plan provides for steps to be taken by the NCSD, GSWC, Woodlands and RWC under a factual scenario where Nipomo Supplemental Water (a defined term in the Stipulation) has not been "used" in the NMMA (page 22). The Well Management Plan, therefore, has no applicability to either ConocoPhillips or Overlying Owners as defined in the Stipulation (page 22).

[2] Water shortage conditions are characterized by criteria designed to reflect that groundwater levels beneath the NMMA as a whole are at a point at which a response would be triggered to avoid further declines in the groundwater levels (potentially severe), and to declare that the lowest historic groundwater levels beneath the NMMA as a whole have been reached or that conditions constituting seawater intrusion have been reached (severe). See current version of Water Shortage Conditions and Response Plan – appendix to Annual Report.

Stage 2: Severe Water Shortage Conditions

- Severe Water Shortage Conditions Triggered and Nipomo Supplemental Water has been used in the NMMA (see footnote 1)[3];
- Overlying landowners other than Woodlands and ConocoPhillips shall reduce groundwater use to no more than 110% of the highest pooled base year prior to the transmittal of Nipomo supplemental water. The NMMA TG will determine a technically responsible and consistent method to determine the pooled amount and an individual's contribution (To be determined when trigger occurs). The method of reducing pooled production to 110% is to be prescribed by the TG and approved by the court. Landowners may consider using less water for consideration received;
- ConocoPhillips shall reduce its yearly groundwater use to no more than 110% of the highest amount it used in a single year prior to the transmittal of Nipomo supplemental water. ConocoPhillips may consider using less water for consideration received and has discretion to determine how its groundwater reduction is achieved;
- Water Purveyors (NCSD, GSWC, Woodlands, and RWC) shall implement mandatory conservation measures. Where possible, institute mandatory restrictions with penalties;
- The mandatory conservation goals will be determined by the NMMA TG when the Severe water shortage trigger is reached. Annually, should conditions worsen; the NMMA TG will re-evaluate the mandatory conservation goal;
- Measures may include water reductions, additional water restrictions, and rate increases. GSWC and RWC shall aggressively file and implement[4] a schedule 14.1 mandatory rationing plan with the CPUC consistent with the mandatory goals;
- Penalties, rates, and methods of allocation under the rationing program shall be at the discretion of each entity and its regulating body;

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[3] [see comment at footnote #1] Water shortage conditions are characterized by criteria designed to reflect that groundwater levels beneath the NMMA as a whole are at a point at which a response would be triggered to avoid further declines in the groundwater levels (potentially severe), and to declare that the lowest historic groundwater levels beneath the NMMA as a whole have been reached or that conditions constituting seawater intrusion have been reached (severe). See current version of Water Shortage Conditions and Response Plan (appendix to Annual Report).

[4] CPUC has the authority to set rates and allow mandatory conservation actions. As CPUC regulated entities, GSWC and RWC cannot implement such programs without CPUC approval.

- Aggressive voluntary public information program which includes discussions with high use water users such as school districts, parks, and golf courses to seek voluntary reductions in potable water irrigation;

List of Recommended Water Use Restrictions

The following provisions are examples of what may be considered prohibited, nonessential, and/or unauthorized water use:

1) Prohibit nonessential and unauthorized water use, including but not limited to:
   a) Use of potable water for more than minimal landscaping, as defined in the landscaping regulated of the jurisdiction or as described in Article 10.8 of the California Government Code in connection with new construction;
   b) Use through any meter when the company has notified the customer in writing to repair a broken or defective plumbing, sprinkler, watering or irrigation system and the customer has failed to effect such repairs within five business days;
   c) Use of potable water which results in flooding or runoff in gutters or streets;
   d) Individual private washing of cars with a hose except with the use of a positive action shut-off nozzle. Use of potable water for washing commercial aircraft, cars, buses, boats, trailers, or other commercial vehicles at any time, except at commercial or fleet vehicle or boat washing facilities operated at a fixed location where equipment using water is properly maintained to avoid wasteful use;
   e) Use of potable water washing buildings, structures, , driveways, patios, parking lots, tennis courts, or other hard-surfaced areas, except in the cases where health and safety are at risk;
   f) Use of potable water to irrigate turf, lawns, gardens, or ornamental landscaping by means other than drip irrigation, or hand watering without quick acting positive action shut-off nozzles, on a specific schedule, for example: 1) before 9:00 a.m. and after 5:00 p.m.; 2) every other day; or 3) selected days of the week;
   g) Use of potable water for watering streets with trucks, except for initial wash-down for construction purposes (if street sweeping is not feasible), or to protect the health and safety of the public;
   h) Use of potable water for construction purposes, such as consolidation of backfill, dust control, or other uses unless no other source of water or other method can be used.

i) Use of potable water for construction purposes unless no other source of water or other method can be used;

j) Use of potable water for street cleaning;

k) Operation of commercial car washes without recycling at least 50% of the potable water used per cycle;

l) Use of potable water for watering outside plants, lawn, landscape and turf areas during the hours of 9:00 am to 5:00 pm;

m) Use of potable water for decorative fountains or the filling or topping off of decorative lakes or ponds. Exceptions are made for those decorative fountains, lakes, or ponds which utilize recycled water;

n) Use of potable water for the filling or refilling of swimming pools.

o) Service of water by any restaurant except upon the request of a patron; and

p) Use of potable water to flush hydrants, except where required for public health or safety.

NMMA WATER SHORTAGE RESPONSE STAGES

Endorsed by NMMA Technical Group April 14, 2014

STAGE	GROUNDWATER SUPPLY CONDITION	RESPONSE - GENERAL DESCRIPTION*	DURATION of RESTRICTION
I	Always in place.	Voluntary measures and outreach to encourage best water management practices and conservation.	Always in place.
II	Potentially Severe Water Shortage Condition declaration pursuant to NMMA Water Shortage Condition and Response Plan.	Goal: voluntary 20% reduction in groundwater production – supported with aggressive public outreach and customer communications.	Until Potentially Severe Water Shortage Condition does not exist.
III	Severe Water Shortage Condition declaration pursuant to NMMA Water Shortage Condition and Response Plan.	Goal: 30% reduction in groundwater production – supported with mandatory conservation restrictions.	Until Severe Water Shortage Conditions no longer exist pursuant to NMMA criteria.**
IV	Severe Water Shortage Condition declaration pursuant to NMMA Water Shortage Condition and Response Plan, lasting more than 1 year from the initial declaration; or Severe Water Shortage declaration pursuant to NMMA declaration triggered by both the Key Well Index and the Coastal Area Criterion.	Goal: 50% reduction in groundwater production – supported with mandatory conservation restrictions.	Until Severe Water Shortage Conditions no longer exist pursuant to NMMA criteria.
V	Severe Water Shortage Condition declaration pursuant to NMMA Water Shortage Condition and Response Plan, lasting more than 2 years from the initial declaration, based on both the Key Well Index and Coastal Area Criterion.	Goal: 60% reduction in groundwater production – supported with mandatory conservation restrictions.	Until Severe Water Shortage Conditions no longer exist pursuant to NMMA criteria.

* This is a general descriptor. Detailed response to meeting the applicable goal is the responsibility of each NMMA purveyor. The NMMA parties acknowledge that Golden State Water Company and Rural Water Company must obtain CPUC approval and hold public hearings before implementing any aspect of this water shortage response.

** The Technical Group may determine Severe Water Shortage Conditions no longer exists when groundwater quality criteria threshold are no longer exceeded in a single measurement.

General Notes

1. Potentially Severe and Severe Water Shortage Conditions, Key Well Index and Coastal Area Criteria are defined in the NMMA Water Shortage Conditions Response Plan, April 13, 2009.
2. Reductions goals are to be based on average usage, prior to the delivery of supplemental water, as follows:
    a. For Woodlands Mutual Water Company – based on average same month production for a single year prior to declaration of Stage III.
    b. For Nipomo CSD, Golden State Water Company and Rural Water Company – based on average same month production for the five years prior to declaration of Stage III. Individual purveyors may use other baselines in their respective responses if dictated by their respective regulatory bodies.
3. Each NMMA purveyor will implement programs to meet the reduction levels.
4. When drought Stage III or higher is in effect, Managers will meet monthly to report previous months production and coordinate efforts.
5. The Technical Group may revisit and revise this response plan should conditions change and after the full implementation of the Nipomo Supplemental Water deliveries.

June 22, 2016

ITEM E-2

ATTACHMENT C

NCSD WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN

Key Features of the Plan

	Stage I	Stage II	Stage III	Stage IV	Stage V
TRIGGER ON	No trigger	Potentially Severe Water Shortage exists	Severe Water Shortage declared	Severe Water Shortage for more than 1 year or is triggered by both Key Wells Index and Coastal Criterion	Severe Water Shortage for more than 2 years AND is triggered by both Key Wells Index and Coastal Criterion
TRIGGER OFF	Normal usage	Potentially Severe Water Shortage ends	Severe Water Shortage ends	Severe Water Shortage ends	Severe Water Shortage ends
TARGET REDUCTIONS					
CONSERVATION OBJECTIVE	Ongoing conservation education	More intensive education	Target 30% reduction in District ground water production	Target 50% reduction in District GW production	Target 60% reduction in District GW production
IF TARGET REDUCTIONS NOT MET (POSSIBLE ACTIONS TO REACH CONSERVATION OBJECTIVE)					
WATER RATES	Four Tier escalating	Four Tier escalating	Stage III Drought rates	Stage IV Drought rates	Stage V drought rates
CUSTOMER CONSERVATION MEASURES	• Fix plumbing and irrigation leaks • Irrigate 8PM to 9AM only. • Check irrigation systems monthly • Avoid excessive run off • Recirculate water in water features • Mandates issued by State of CA	• All Stage I Measures • Cover Swimming Pools and spas • Do not use water on exterior surfaces	• All Stage I and II measures • Turn off irrigation systems. Minimum irrigation to preserve high-value landscape. • Do not fill swimming pools or spas. Drain ornamental water features • No water for dust control, construction. • No water to wash cars or equipment	• All Stage I, II, and III measures. • No District water for irrigation or any outdoor uses. • All customers are asked to use the minimum amount of water necessary.	• All Stage I, II, and III measures. • No District water for irrigation or any outdoor uses. • All customers are asked to use the minimum amount of water necessary.
APPLICATIONS FOR WATER SERVICE	Applications are accepted and processed	Applications are accepted and processed	New applications NOT accepted. Existing applications processed with supplemental water	New applications NOT accepted. Suspend processing existing applications	New applications NOT accepted. Suspend processing existing applications
SUPPLEMENTAL WATER	Allocated to All New Projects	Allocated to All New Projects	Allocated to All New Projects	No Water Allocated to Projects in the application process.	No Water Allocated to Projects in the application process.
NEW SERVICE CONNECTIONS	New service connections are made	New service connections are made	New service connections are made	New connections Only to completed commitments	No new service connections are made

June 22, 2016

ITEM E-2

ATTACHMENT D

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2015-1374

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT REVISING DISTRICT WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN PURSUANT TO WATER CODE § 375

WHEREAS, the Nipomo Community Services District ("District") provides water service within the District's water service area pursuant to § 61100 (a) of the Community Services District Law which provides:

> "(a) Supply water for any beneficial uses, in the same manner as a municipal water district, formed pursuant to the Municipal Water District Law of 1911, Division 20 (commencing with Section 71000) of the Water Code. In the case of any conflict between that division and this division, the provisions of this division shall prevail"; and

WHEREAS, § 61060 (b) of the Community Services District Law provides in relevant part:

"A district shall have and may exercise all rights and powers, expressed and implied, necessary to carry out the purposes and intent of this division, including, but not limited to, the following powers:

> (b) To adopt, by ordinance, and enforce rules and regulations for the administration, operation, and use and maintenance of the facilities and services listed in Part 3 (commencing with Section 61100)"; and

WHEREAS, California Water Code Section 375 States in pertinent part:

> "(a) Notwithstanding any other provision of the law, any public entity which supplies water at retail or wholesale for the benefit of persons within the service area or area of jurisdiction of the public entity may, by ordinance or resolution adopted by a majority of the members of the governing body after holding a public hearing upon notice and making appropriate findings of necessity for the adoption of a water conservation program, adopt and enforce a water conservation program to reduce the quantity of water used by those persons for the purpose of conserving the water supplies of the public entity; and"

WHEREAS, it is essential for the protection of the health, welfare, and safety of the residents of the District and the public benefit of the State of California ("State"), that the groundwater resources of the Nipomo Mesa be conserved; and

WHEREAS, Governor Jerry Brown on January 17, 2014 proclaimed that the entire State of California to be in a Drought State of Emergency and made subsequent Executive Orders to address drought on April 25, 2014 and April 1, 2015; and

WHEREAS, on March 27, 2015, the State Water Resources Control Board adopted emergency regulation to encourage conservation and respond to drought conditions; and

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2015-1374

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT REVISING DISTRICT WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN PURSUANT TO WATER CODE § 375

WHEREAS, the District's water supply is reliant on area groundwater extracted from the Nipomo Mesa Management Area (NMMA) (also referred to as the Nipomo Mesa Water Conservation Area (NMWCA) by the County of San Luis Obispo), of the Santa Maria Groundwater Basin; and

WHEREAS, the District is a party to groundwater adjudication, Santa Maria Valley Water Conservation District v. City of Santa Maria, etc. et al., Case No. CV 770214 ("Groundwater Litigation"); and

WHEREAS, pursuant to Section VI D(1) of the June 2005 Stipulation as incorporated into the January 25, 2008 Final Judgment in the Groundwater Litigation the Nipomo Mesa Management Area Technical Group declared that a Potentially Severe water shortage condition has existed within the Nipomo Mesa Management Area since the spring of 2008 and during the intervening years drought conditions have prevailed; and

WHEREAS, the San Luis Obispo County Department of Planning and Building's 2004 Resource Capacity Study for the Water Supply in the Nipomo Mesa Area recommended a Level of Severity III (existing demand equals or exceeds dependable supply) be certified for the Nipomo Mesa Water Conservation Area (NMWCA) and that measures be implemented to lessen adverse impacts of future development (said Study and referenced documents are incorporated herein by reference); and

WHEREAS, on June 26, 2007, the San Luis Obispo County Board of Supervisors certified the groundwater resources underlying the NMWCA at a Severity Level III (most severe); and

WHEREAS, the resource protection goals of the San Luis Obispo County South County Area Plan include the following:

- Balance the capacity for growth allowed by the Land Use Element with the sustained availability of resources.

- Avoid the use of public resources, services and facilities beyond their renewable capacities, and monitor new development to ensure that its resource demands will not exceed existing and planned capacities or service levels; and

WHEREAS, District Code §3.28.020 provides:

"...all intent-to-serve letters shall be based on findings that sufficient excess water and sewer capacity exists to serve the project..."; and

WHEREAS, Water Code § 71640 of the Municipal Water Service District Law provides:

"A district may restrict the use of district water during any emergency caused by drought, or other threatened or existing water shortage, and may prohibit the

wastage of district water or the use of district water during such periods for any purpose other than household uses or such other restricted uses as the district determines to be necessary. A district may also prohibit use of district water during such periods for specific uses which it finds to be nonessential"; and

WHEREAS, The District Board of Directors wishes to set forth a Water Shortage Response and Management Plan that provides a range of alternative actions that allows for flexibility in responding to a water shortage emergency; and

WHEREAS, based on the Staff Report, staff presentation, the reports and studies referenced in this Resolution and public comment, the District Board of Directors finds that:

(a) That the Nipomo Mesa Management Area Technical Group has declared the Mesa to be in a Potentially Severe water shortage condition for the past six years; and

(b) That based upon the lack of rainfall during the last three winters and the increase pumping by District and other purveyors in response to drought, it is probable that the Nipomo Mesa Management Area Technical Group may find that the Nipomo Mesa is in a Severe water shortage condition; and

(c) That it is necessary for the District to adopt a Water Shortage Response and Management Plan to be able to respond to the lack of available groundwater for the purpose of serving District residents.

WHEREAS, based on the Staff Report, staff presentation and public comment, the Board further finds:

A. That the purpose and intent of this Resolution is consistent with the purposes found in the Judgment and Stipulation in the Groundwater Litigation imposing a physical solution to assure long-term sustainability of the groundwater basin and the San Luis Obispo County's certification of a Severity Level III for the waters underlying the NMWCA; and

B. That adoption of the Water Shortage Response and Management Plan will provide greater assurances that there will be adequate groundwater to meet the present needs of District residents consistent with District Code §3.28.020 and the resource protection goals of the San Luis Obispo County South County Area Plan; and

C. That adopting this Resolution will further conserve the water supply for the greater public benefit, with particular regards to domestic use, sanitation and fire protection; and

D. That this Resolution adopts Rules and Regulations for the administration, operation and use of District services; and

E. The Board of Directors of the District finds that the policies and procedures adopted by this Resolution are exempt from the California Environmental Quality Act pursuant to CEQA Guidelines Section 15378 (b) (2) because such policies and procedures constitute general policy and procedure making. The Board of Directors further finds

that the adoption of the policies and potential actions established by this Resolution is not a project as defined in CEQA Guideline Section 15378, because it can be seen that the adoption of a Water Shortage Response and Management Plan will not result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. The District incorporates by reference the CEQA findings in support of San Luis Obispo County Ordinance 3090, the County of San Luis Obispo's certification of a Severity Level III for the NMWCA; and

WHEREAS, by readopting this Resolution, the District does not intend to limit other means of managing, protecting and conserving the groundwater basin by the District. Further, the District intends to work cooperatively with the NMMA Technical Group and other agencies, such as the County of San Luis Obispo, to implement regional solutions such as groundwater management and the importation of Supplemental Water to the NMMA\NMWCA; and

WHEREAS, based on the Staff Report, staff presentation and public comment, the District Board of Directors further finds this Resolution is adopted for the protection of the health, safety and welfare of District water customers who depend on the underlying groundwater basin as their source of water supply.

NOW, THEREFORE BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the Nipomo Community Services District, as follows:

1. That the above recitals are true and correct.

2. The Board approves the Water Shortage Response and Management Plan, attached as Exhibit "A" to this Resolution.

3. The Board of Directors reserves the right to order or not order all of the provisions within the Water Shortage Response and Management Plan based upon the circumstances at the time that this policy needs to be enforced.

4. The General Manager is directed to prepare and file an appropriate notice of exemption and file a Certificate of Exemption.

5. The General Manager is directed to publish this Resolution in a newspaper of general circulation in the District within ten (10) days.

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Upon motion by Director Eby, seconded by Director Gaddis, on the following roll call vote, to wit:

AYES: Directors Eby, Gaddis, Blair, Woodson, and Armstrong
NOES: None
ABSENT: None
ABSTAIN: None

the foregoing Resolution is hereby passed and adopted this 22nd day of April, 2015.

CRAIG ARMSTRONG,
President of the Board of Directors

ATTEST:

MICHAEL S. LEBRUN
General Manager and Secretary to the Board

APPROVED:

MICHAEL W. SEITZ
District Legal Counsel

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EXHIBIT "A"

NCSD WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN

STAGE	GROUNDWATER CONDITION	RESPONSE ACTIONS	RELIEF OF RESTRICTIONS

I	All times	• Active outreach and education programs regarding water conservation best management practices and mandates as issued from the State of California from time to time.
		• Four Tier escalating water rates.
		• Recommended Customer Measures:
		  ○ Fix all plumbing and irrigation leaks immediately.
		  ○ Irrigate after 8PM and before 9AM.
		  ○ Minimum to no irrigation in winter months.
		  ○ Check all irrigation systems monthly.
		  ○ Do not allow excessive run off.
		  ○ Recirculate water in ornamental water features (fountains)
		• New applications for water service are accepted and processed.
		• Supplemental water is allocated to all new projects
		• New water service connections are made.
			Not Applicable.

II	Potentially Severe Water Shortage Conditions exists	• More aggressive conservation outreach and education efforts.
		• Four-Tier escalating water rates.
		• Encourage customers to implement the following practices:
		  ○ All Stage I Measures
		  ○ Cover Swimming Pools and spas.
		  ○ Do not use water to wash down exterior surfaces (e.g. driveway, deck, home)
		• New applications for water service are accepted and processed.
		• Supplemental water is allocated to new
			Potentially Severe Water Shortage no longer exist.

STAGE	GROUNDWATER CONDITION	RESPONSE ACTIONS	RELIEF OF RESTRICTIONS
		projects. • New water service connections are made.	
III	Severe Water Shortage conditions exists	• District targets a 30% reduction in production (Equating to a 736 acre foot or 240 million gallons of reduction in production on an annual basis). • Implement Stage III Drought Rates to encourage reduction in customer water demand. • Encourage customers to implement the following practices. o All Stage I and II measures. o Turn off all automated irrigation systems. o Provide minimum necessary irrigation to preserve trees and high-value landscape. o Do not drain or fill swimming pools or spas. o Do not use water for dust control or construction. o Do not use hoses to wash cars or equipment. o Turn off and drain ornamental fountains and water features • Suspend accepting applications for new water service. • Existing applications for new water service continue to be processed with allocations of supplemental water. • New water service connections are made.	Severe Water Shortage no longer exist.**
IV	Severe Water Shortage conditions exists for >1YEAR or is triggered by both the Key Wells Index and the	• District targets a 50% reduction in production (Equating to a 1,227 acre foot reduction in production on an annual basis). • Implement Stage IV Drought Rates to encourage reduction in customer water demand.	Severe Water Shortage conditions no longer exist.

STAGE	GROUNDWATER CONDITION	RESPONSE ACTIONS	RELIEF OF RESTRICTIONS

	Coastal Criterion.	• Encourage customers to implement the following practices:
		  ○ All Stage I, II, and III measures.
		  ○ Do not use District water for irrigation/outdoor uses of any sort.
		• New applications for water service are NOT accepted (Stage III)
		• Cease processing existing applications for new water service. No allocation of supplemental water is made.
		• New water service connections are made only to projects with preexisting service commitments.	

V	Severe Water Shortage conditions for >2 years with BOTH triggers (Key Wells Index and Coastal Area Criterion).	• District targets a 60% reduction in production. (Equating to a 1,473 acre foot reduction in production on an annual basis).
		• Implement Stage V Drought Rates to encourage additional reduction in customer water demand.
		• Declaration of a Water Shortage Emergency in accordance with CA Water Code Section 350.
		• Suspend all new water service connections.
		• Encourage customers to implement all Stage I-IV measures and to use only the absolute minimum water necessary for health and sanitation purposes.
		  ○ All Stage I, II, and III measures.
		  ○ Do not use District water for irrigation/outdoor uses of any sort.
		  ○ Do not drain or fill swimming pools or spas.
		  ○ All measures possible to reduce water use.
		• New applications for water service are NOT accepted (Stage III)
		• Existing applications for new water
			Severe Water Shortage conditions no longer exist.

STAGE	GROUNDWATER CONDITION	RESPONSE ACTIONS	RELIEF OF RESTRICTIONS
		service are not processed (Stage IV)	

** The Nipomo Mesa Management Area (NMMA) Technical Group may determine Severe Water Shortage Conditions no longer exist when groundwater quality criteria threshold are no longer exceeded in a single measurement.

General Notes

1. The implementation of all rate increases and changes in the acceptance and processing of new services applications are subject to approval by the Board of Directors at the time each stage is triggered.
2. Potentially Severe and Severe Water Shortage conditions, Key Wells Index, and Coastal Criterion are as defined in the NMMA Technical Group, Water Shortage Conditions Response Plan, dated April 2009. Key criterion are as follows:

Potentially Severe Water Shortage Conditions	***Severe Water Shortage Conditions***
• *Key Wells Index less than 31.5 ft msl* • *Greater than 250 mg/l chloride in any NMMA coastal monitoring well*	• *Key Wells Index is less than 16.5 ft. msl* • *Greater than 500 mg/l chloride in any NMMA coastal monitoring well*

3. Reduction goals are a percentage of average annual production volumes for the five calendar years prior to the first year Nipomo Supplemental Water is delivered. NCSD's 2010-2014 average (2455 AFY) is used in the table above.