

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS
GENERAL MANAGER



AGENDA ITEM E-1

DATE: JANUARY 19, 2017

JANUARY 25, 2017

REVIEW NIPOMO CSD WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN STAGES AND POSSIBLE ACTIONS

ITEM

Review Nipomo Community Services District ("NCSD") Water Shortage Response and Management Plan stages and possible actions. [RECOMMEND REVIEW AND DIRECT STAFF]

BACKGROUND

The groundwater basin that the NCSD draws on to provide water service to the community is managed by the Nipomo Mesa Management Area Technical Group ("NMMA-TG"). NMMA-TG is charged with protecting the groundwater basin for current and future users. It accomplishes this task by measuring and monitoring the basin's groundwater level. The groundwater basin water level is calculated using a number of wells on the Nipomo Mesa. These wells make up the Key Well Index ("KWI") and are measured by the NMMA-TG to determine the health of the groundwater basin.

When the KWI drops to levels defined by the NMMA-TG as being in Potentially Severe or Severe Criterion, water purveyors within the jurisdiction of the NMMA-TG are obligated to reduce their groundwater pumping. The amount of reduced groundwater pumping is dependent on the KWI level and identified in each of the five stages within the NMMA-TG Water Shortage Condition and Response Plan.

NCSD developed its own WSRMP using the NMMA-TG's responses and restrictions as they are defined in the five stages of NMMA-TG's plan. NCSD added possible actions in its WSRMP as there are no possible actions defined in NMMA-TG's plan. The NCSD Board of Directors has the discretion to impose on the community whatever possible actions they deem necessary to reach the groundwater pumping reduction percentage defined in each of the five stages.

On July 27, 2016, the NCSD Board of Directors declared Stage IV of the NCSD Water Shortage Response and Management Plan ("WSRMP") pursuant to the Nipomo Mesa Management Area Technical Group ("NMMA-TG") declaration of a Stage IV water shortage condition. Under Stage IV, NCSD and other water purveyors on the Nipomo Mesa are required to reduce groundwater pumping by 50%.

To achieve this level of pumping reduction, the Board can impose water use restrictions and take other actions at its discretion. The Board chose to take no additional actions at the July 27, 2016, Board Meeting because the community was close to meeting a 50% pumping reduction. Instead, your Board chose to reevaluate the community's water conservation efforts at the last meeting in January 2017 and evaluate the value of taking additional actions to reach the pumping reduction objective.

The Board has reviewed the list of Intent-to-Serve letters and the potential water service obligations should the associated projects be completed. It has also monitored water demand from the community and has been briefed by NCSD's hydrogeologist on the groundwater basin condition. During the past two months, your Board has provided opportunities for community input into the evaluation process. Your Board has heard from builders, business owners and

residents to develop an understanding of the community's wishes and align them with the required water conservation objective.

Your Board has at least three options in moving forward in your evaluation process: impose additional water conservation measures, conclude that no additional actions are needed, or continue the evaluation process and set a date in the future to review conditions.

FISCAL IMPACT

The fiscal impact of additional water conservation actions vary depending upon the actions taken by the Board. The Water Fund has been negatively impacted due to the mandatory water conservation measures that the long-running State wide drought has imposed on the community. Additional conservation efforts would exert additional pressure on the fiscal capacity of the Water Enterprise.

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.

- 1.6 Continue to monitor and participate in water supply issues and programs with other local and regional organizations

RECOMMENDATION

Staff recommends that the Board receive the Report and give direction to staff.

ATTACHMENTS

- A. WSRMP Review Presentation
- B. KWI Conditions and Stages Presentation

January 25, 2017

ITEM E-1

ATTACHMENT A



Nipomo Community Services District
REVIEW WATER SHORTAGE RESPONSE
AND MAMAGEMENT PLAN
EVALUATE STAGES & POSSIBLE ACTIONS

Purpose of Review:

Question:

Should the Board of Directors take additional action to reduce groundwater pumping?

Stage IV Possible Actions

- Suspend Intent-to-Serve Letters
- Restrict All Outside Irrigation

Status Report: WSRMP

SUMMARY NCSD WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN Key Features of the Plan					
	Stage I	Stage II	Stage III	Stage IV	Stage V
TARGET REDUCTIONS					
CONSERVATION OBJECTIVE	Ongoing conservation education	More intensive education	Target 30% reduction in District ground water production	Target 50% reduction in District ground water production	Target 60% reduction in District ground water production
IF TARGET REDUCTIONS NOT MET					
(POSSIBLE ACTIONS TO REACH CONSERVATION OBJECTIVE)					
APPLICATIONS FOR WATER SERVICE	Applications are accepted and processed	Applications are accepted and processed	New Applications NOT accepted.	New Applications NOT accepted. Suspend processing existing applications	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 (Will Serve Ltrs)	No new service connections are made

Community Engagement

- December 14, 2016 Board Meeting
 - Initial ITS Review – Generate Questions,
 - Geo-Hydrologist Fall Groundwater Presentation
- Jan 11, 2017 Board Meeting
 - Follow-up Presentation on ITS Review
 - Review Supplemental Water Accounting Policy
- Jan 25, 2017 Board Meeting
 - Review Groundwater Pumping Reduction
 - Board Decision on Additional Actions

Status Report: GW Pumping

	July-Dec 2016	January 2017	July 16 - January 17	Target
Total Calculated GW Production	700.1	45.4	745.5	763.4
Average GW Production for 2009-2013	1,384.7	142.1	1526.8	1,526.8
NCSD Percentage of GW Reduction	49.4%	68.1%	51.2%	50.0%

Status Report: ITS Total

Project Name	Issue Date	Expiration Date	Acre Feet
Hillside Terrace (530 Hill St)	7/24/2013	7/23/2017	10.6
OTNA Park	10/23/2013	10/22/2017	0.5
Hill Street Hotel (549 Hill St)	9/10/2014	9/9/2018	3.2
Blacklake Canyon	10/22/2014	10/21/2018	80.8
Tract 2441 (Grande/Blume)	12/10/2014	12/9/2018	20.1
719 W Tefft	12/10/2014	12/9/2018	0.5
CO 15-0055 (875 Theodora St)	2/11/2015	2/10/2019	1.6
Tract 2642 (S Oak Glen)	Outside User	3/15/2017	9.5
Tract 2650 (Via Concha)	Outside User	N/A	8.4
Tract 2652 (Mary Street)	5/12/2015	5/11/2019	36.3
Tract 2558 (Oak Terrace)	5/27/2015	5/26/2019	7.9
CO 15-0065 (1650 Rocky Place)	5/27/2015	5/26/2019	1.1
12 Projects with a Total Water Assignment			189.4

Status Report: ITS w/Fees

Project Name	Issue Date	Expiration Date	Acre Feet	Partial Fee Deposit Paid to NCSD
164 S. Mallagh	6/26/2013	6/25/2017	3.2	-
Hillside Terrace (530 Hill St)	7/24/2013	7/23/2017	10.6	-
OTNA Park	10/23/2013	10/22/2017	0.5	-
Hill Street Hotel (549 Hill St)	9/10/2014	9/9/2018	3.2	-
Blacklake Canyon	10/22/2014	10/21/2018	80.8	-
Tract 2441 (Grande/Blume)	12/10/2014	12/9/2018	20.1	-
719 W Tefft	12/10/2014	12/9/2018	0.5	-
CO-15-0055 (875 Theodora St)	2/11/2015	2/10/2019	1.6	-
Tract 2642 (S Oak Glen)	Outside User	3/15/2017	9.5	-
Tract 2650 (Via Concha)	Outside User	N/A	8.4	\$ 175,552.00
Tract 2652 (Mary Street)	5/12/2015	5/11/2019	36.3	-
Tract 2558 (Oak Terrace)	5/27/2015	5/26/2019	7.9	\$ 108,375.00
CO-15-0065 (1650 Reeky Place)	5/27/2015	5/26/2019	1.1	-
3 Projects with a Total Water Assignment			16.3	\$283,927

Status Report: Summary

1. Defined Purpose
2. Reviewed 7-month GW Pumping
3. Calculated Fees Paid to District by Applicants

Board Options:

1. Impose Additional Actions
2. No Additional Actions
3. Delay Additional Actions

January 25, 2017

ITEM E-1

ATTACHMENT B



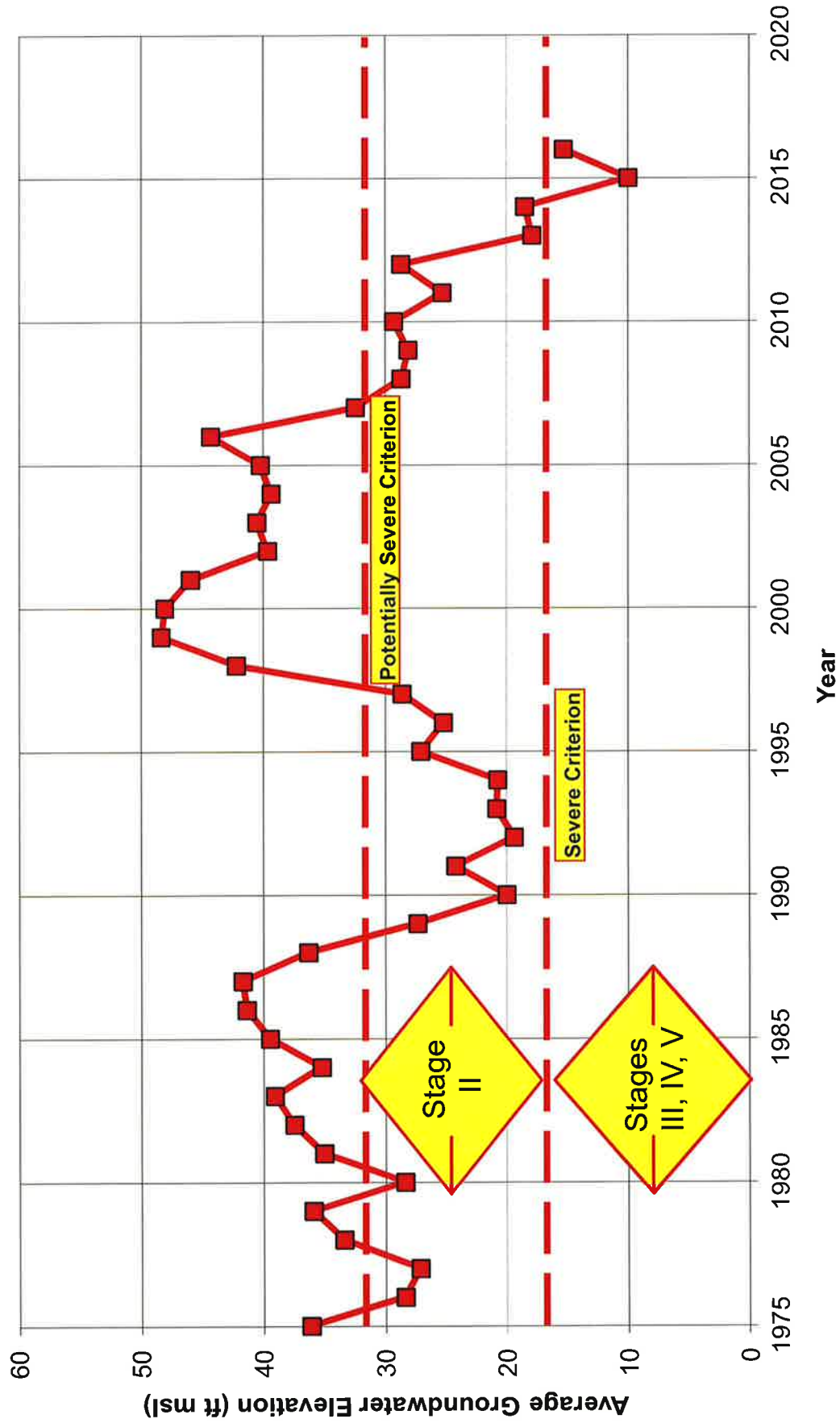
Nipomo Mesa Management Area Water Shortage Condition Response Plan Conditions for Entering and Exiting Stages

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.

Key Wells Index





Enter Stage II

KWI level drops below Potentially Severe threshold

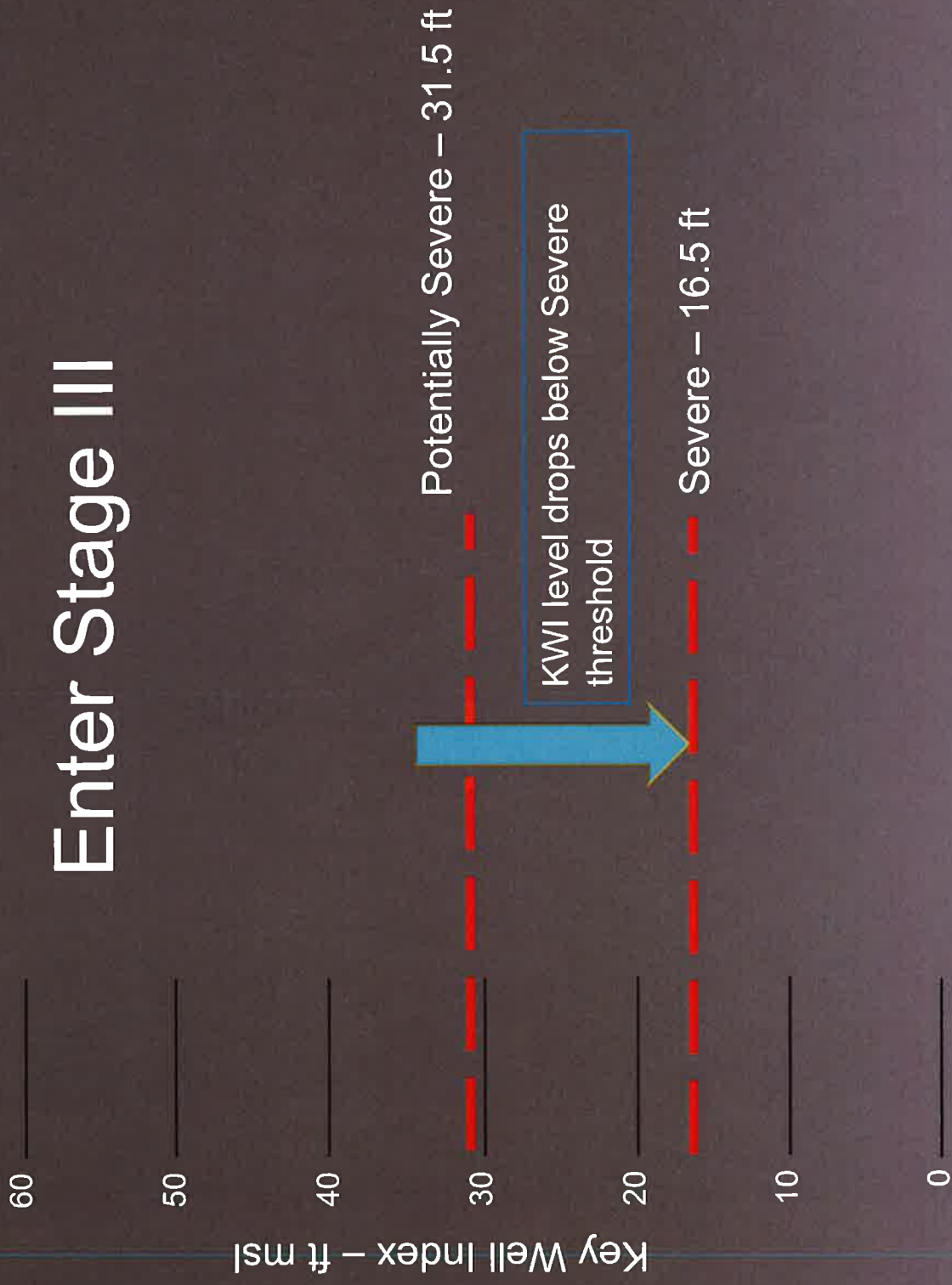


Potentially Severe - 31.5 ft

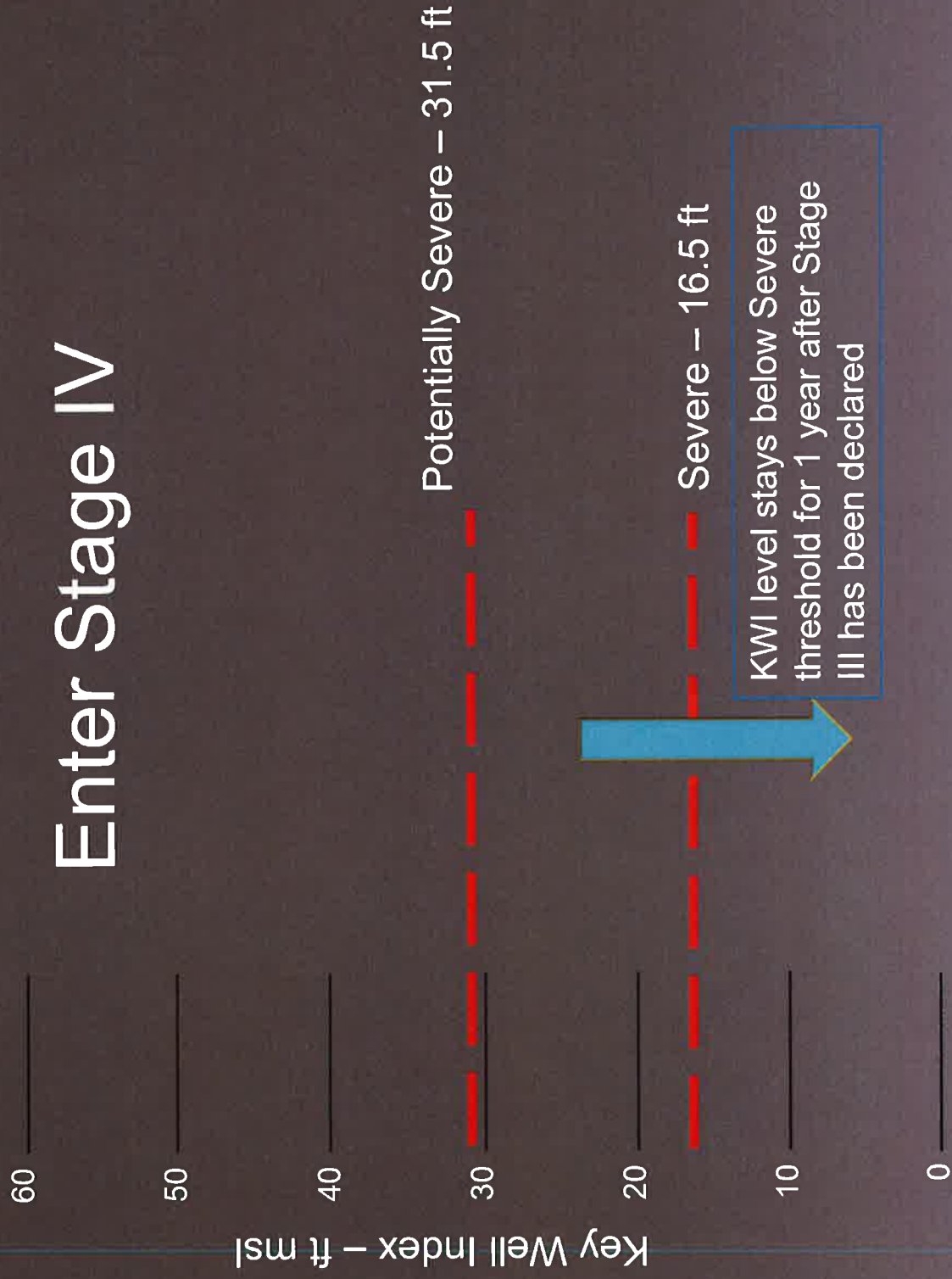
Severe - 16.5 ft



Enter Stage III



Enter Stage IV



Exit Stages III & IV



Potentially Severe – 31.5 ft

Level to exit Stages III & IV – 26.5 ft

Severe – 16.5 ft

Recovery level to reach after KWI level drops into Severe threshold

Exit Stage II

