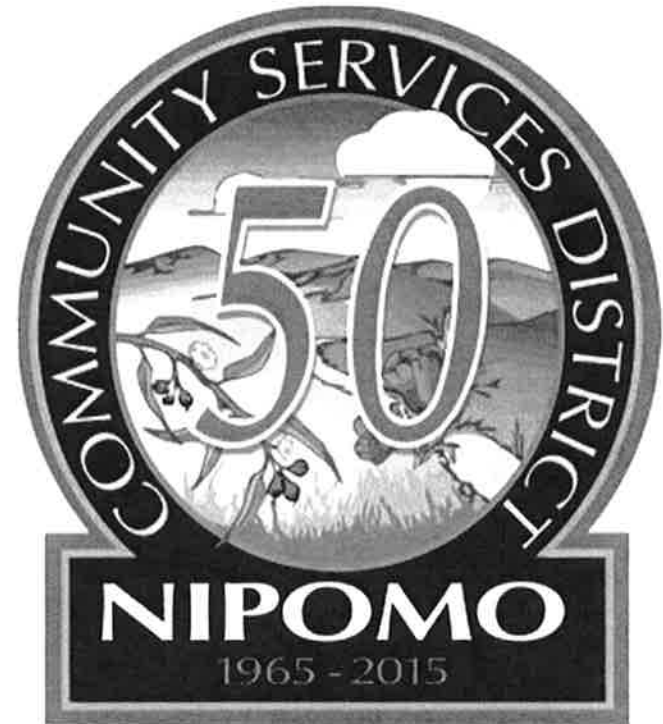




Nipomo Community Services District **Water Shortage Conditions 2015**

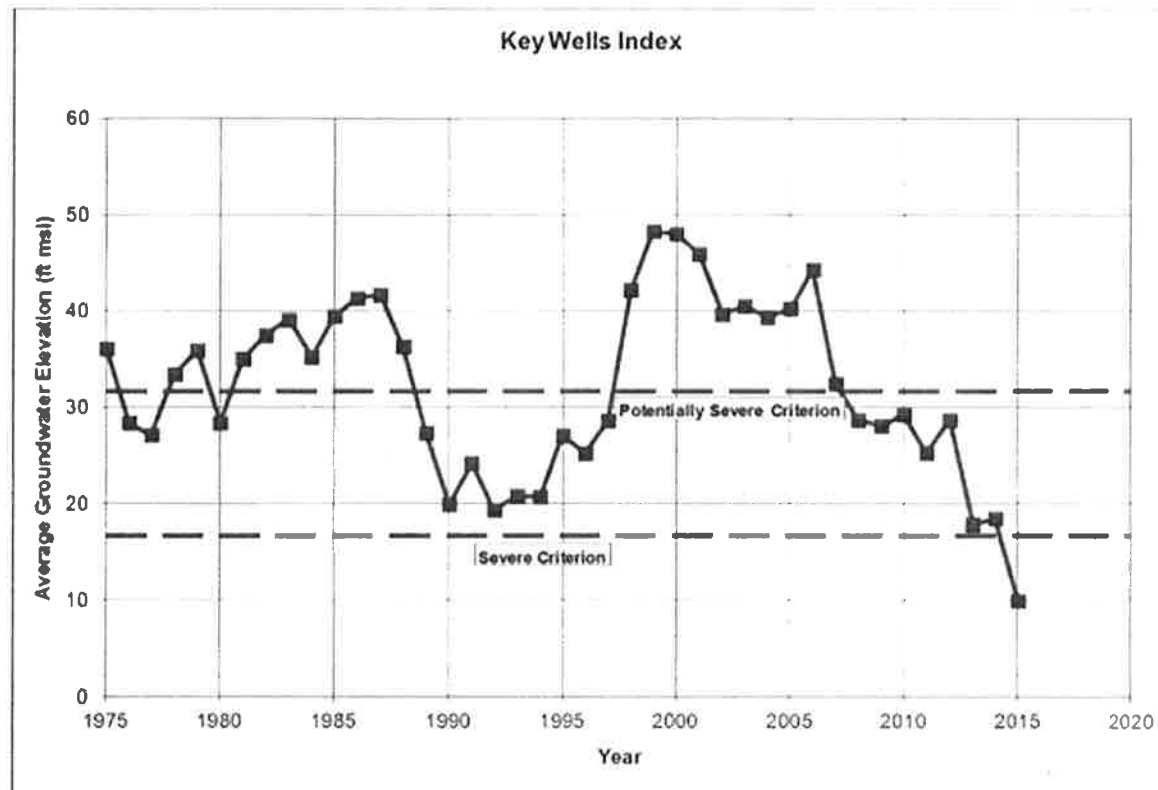
Special Board Meeting, May 21, 2015

- Current Conditions
- Required Response
- Actions Underway and
Planned



Current Conditions

- NMMA Technical Group Spring 2015 Key Wells Index in Severe Shortage Condition





Severe Water Shortage Conditions

Required Response: *NMMA TG Well Mgmt. Plan*

- Overlying landowners shall reduce groundwater use to no more than 110% of the highest pooled base year prior to the transmittal of Nipomo supplemental water
- 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
- Water Purveyors (NCSD, GSWC, Woodlands, and RWC) shall implement mandatory conservation measures. Where possible, institute mandatory restrictions with penalties
- Mandatory conservation goals will be determined by NMMA TG when Severe water shortage trigger is reached
- NMMA TG will re-evaluate the mandatory conservation goals annually
- Measures may include water reductions, additional water restrictions, and rate increases
- GSWC and RWC shall aggressively file and implement⁴ 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



Severe Water Shortage Conditions

Required Response: *TG Shortage Response Stages*

- Severe Water Shortage Condition declaration pursuant to NMMA Water Shortage Condition and Response Plan (Key Wells or Coastal Quality)
- Goal: 30% reduction in groundwater production by Purveyors (NCSD, Woodlands, GSWC, RWC) – supported with mandatory conservation restrictions
- Reductions goals are to be based on average usage, prior to the delivery of supplemental water, as follows:
 - Woodlands Mutual Water Company – based on average same month production for a single year prior to declaration of Stage III
 - 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
- Each NMMA purveyor will implement programs to meet the reduction levels
- When drought Stage III or higher is in effect, Managers will meet monthly to report previous months production and coordinate efforts

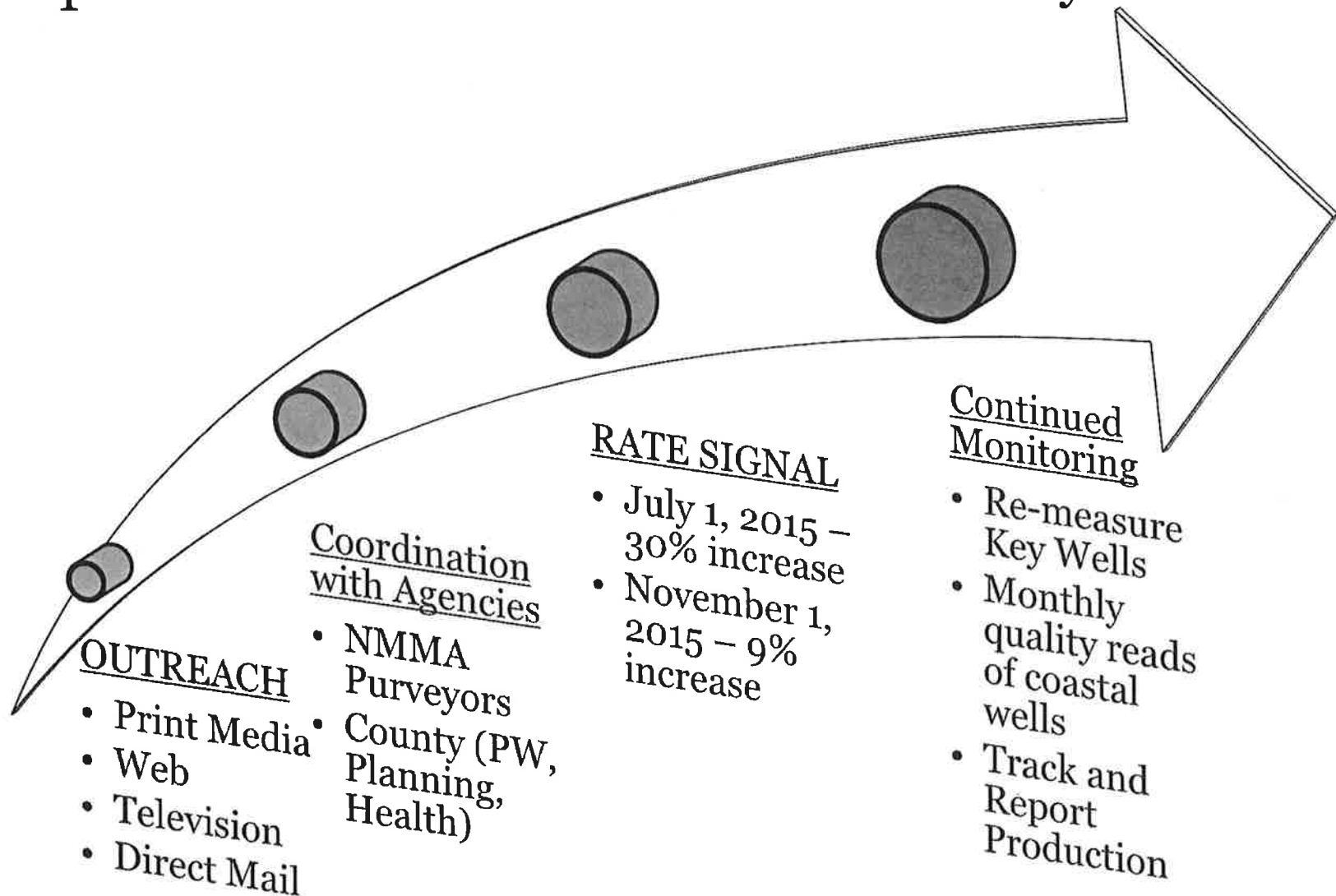


Severe Water Shortage Conditions

Required Response: *NCSD Shortage Response Plan*

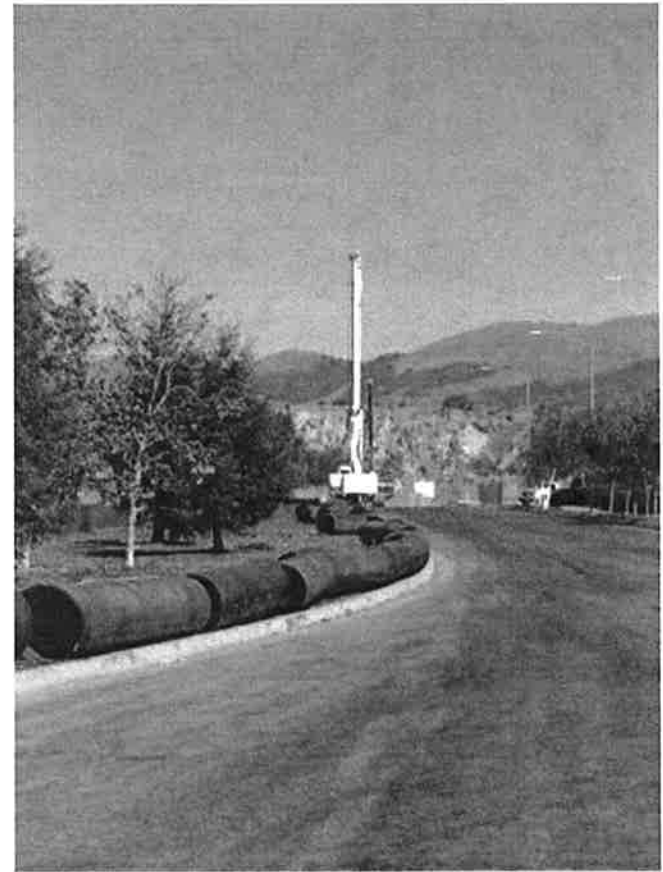
- 30% reduction in production (Equating to a 736 acre foot or 240 million gallons of reduction in production on an annual basis)
- Implement Stage III Drought Rates to encourage reduction in customer water demand
- Encourage customers to implement the following practices:
 - All Stage I and II measures
 - Turn off all automated irrigation systems
 - Provide minimum necessary irrigation to preserve trees and high-value landscape
 - Do not drain or fill swimming pools or spas
 - Do not use water for dust control or construction
 - Do not use hoses to wash cars or equipment
 - 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

Response Actions Planned and Underway



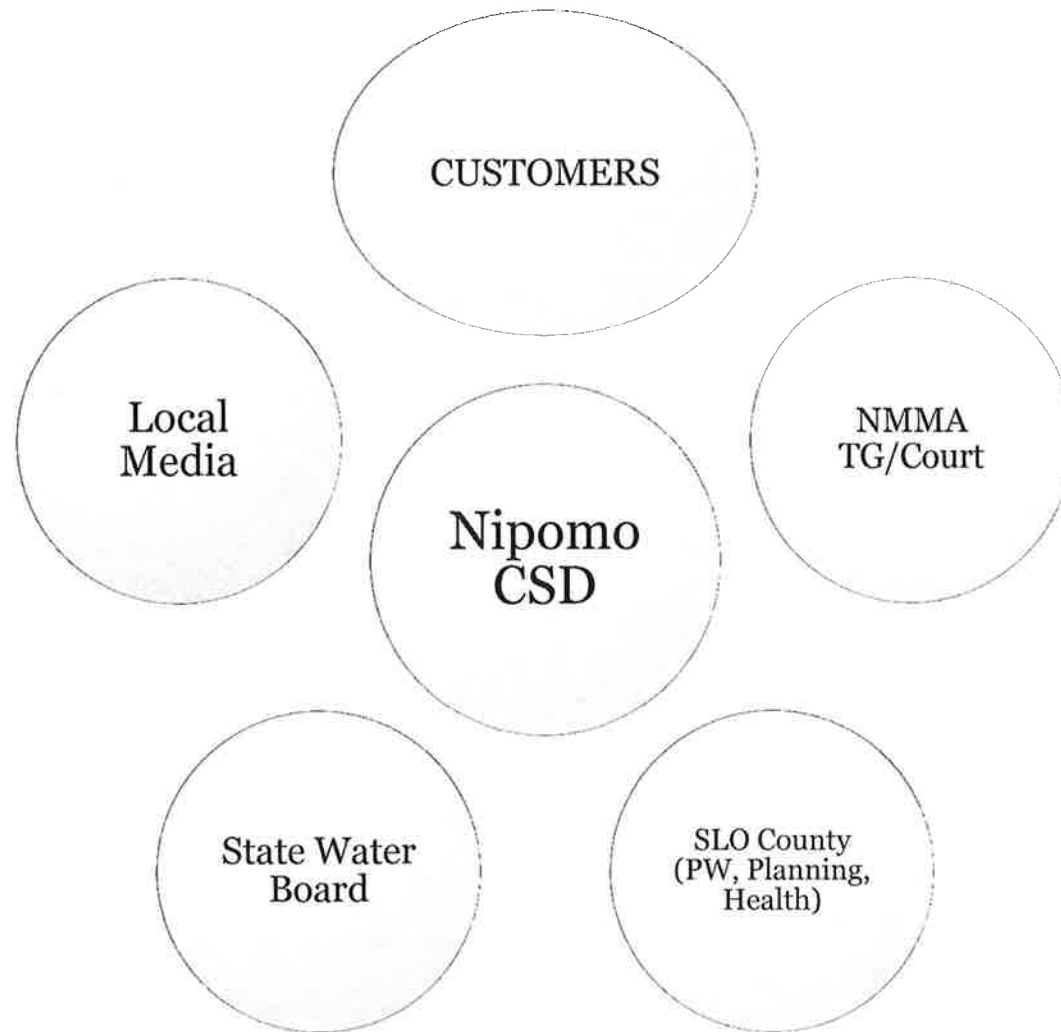
Looking Ahead

- July 2015; Supplemental Water Deliveries Commence
- Fall/Winter 2015; Increase SW Project Delivery Capacity – Build 0.5 MG reservoir
- Drought Conditions
 - Plan for continued drought, hope for rain
- 2016; In absence of connection fees, consider additional water rate increases to support borrowing to complete Supplemental water project and increase delivery volumes





Communication is Key





Residential Water Cost – Fixed and Volume Charges

(Two Months Use)

Description	Use (Billing Units)	Current Rates	Rates on July 1, 2015	Difference
Very Low	10	\$56.85	\$77.79	\$20.94
Low	20	\$78.45	\$107.13	\$28.68
Median	22	\$82.77	\$113.00	\$30.23
Average	36	\$119.37	\$160.43	\$41.06
High	80	\$281.33	\$356.45	\$75.12
Very High	120	\$486.33	\$592.41	\$106.08

These rates equate to 1/2 penny to 1 penny per gallon of safe reliable drinking water, available for delivery to customer tap 24 hours/day, 365 days/year.