

## FOR IMMEDIATE RELEASE

Date: May 3, 2013

Contact: Michael S. LeBrun, General Manager

Nipomo Community Services District 148 S. Wilson St., Nipomo, CA 93444

Phone: (805) 929-1133 - Email: mlebrun@ncsd.ca.gov

## Law Suit Challenges District Water Project Financing Plan

On May 3, 2013, the Mesa Community Alliance served a lawsuit on the Nipomo Community Services District challenging the District's financing plan for building a \$17.5 million water line project. MCA's lawsuit challenges the District's use of water reserve funds to pay a portion of the District's most important water supply project of the past 30 years. The District's project is designed to provide a needed supplement to the area's groundwater-only supply, and address environmental issues associated with continued excessive groundwater extraction across the Nipomo Mesa. The project is intended to both extend the life of existing wells and provide additional water supply decreasing the need for new and replacement groundwater wells and increasing long-term supply dependability.

Further, the District's project specifically is ordered by the Final Judgment in the Santa Maria Groundwater Basin adjudication.

District counsel states the Board is well within authority to use District water reserves to provide a portion of project funding. Should the project not move ahead in a timely fashion, \$2.2 million in State grant funds could be lost and the timeline for completing the proposed project will become highly uncertain. In light of the lawsuit, the expense of carrying out the Court Ordered supplemental water project is likely to increase.

Next Scheduled Board Meeting: Wednesday, May 08, 2013, 9AM, District Board Room 148 South Wilson, Nipomo

For more information, please contact the Nipomo Community Services District at 929-1133 or visit www.ncsd.ca.gov.

###

Established in 1965 to meet the health and sanitation needs of the local community, Nipomo Community Services is pleased to provide a wide variety of services throughout its district including the provision of water, sewer, and waste management services as well as lighting and drainage in limited areas. The mission of Nipomo Community Services District is to provide its customers with reliable, quality, and cost-effective services now and in the future.