



SAN LUIS OBISPO COUNTY
DEPARTMENT OF PUBLIC WORKS



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**TO: Cayucos Citizens Advisory Council
Supervisor Bruce Gibson, Second Supervisorial District**

FROM: Doug Bird, Hydraulic Operations Administrator 
Department of Public Works 

VIA: Paavo Ogren, Public Works Director

DATE: May 7, 2008

SUBJECT: County Service Area No. 10A, Consideration of Water Will-Serve Policy; Staff Report

Recommendation

That the Cayucos Citizens Advisory Council considers developing a recommendation on when the Board of Supervisors should rescind existing restrictions on issuing County Service Area No. 10A water will-serve letters.

Discussion

County Service Area No. 10A (CSA 10A) is the water distribution system for the southern portion of the community of Cayucos. Since March 11, 1993 CSA 10A has been directed by the County Board of Supervisors to limit the issuance of water will-serve letters to ensure that the demand for water does not exceed the available water supply. At the same time the Board directed Public Works staff to pursue a supplemental water supply sufficient to meet CSA 10A's water needs at system buildout.

On October 24, 2006 CSA 10A entered into a Water Delivery Entitlement Contract with the Nacimiento Water Project for up to 25 acre-feet per year of supplemental water. Subsequently, the construction contracts for the Nacimiento Project were awarded by the Board of Supervisors on August 28 and September 11, 2007, thereby virtually assuring that the project would be constructed and completed by the end of December 2010.

Accordingly, it is now appropriate to consider the timing for rescinding Resolution No. 93-141, which declared a Water Shortage Emergency Condition pursuant to Sections 350 et seq of the California Water Code. Rescinding that Resolution would also rescind the existing will-serve policy that restricts issuance of will-serve letters. Consequently, development of vacant parcels within the boundaries of CSA 10A would be determined by the County's Growth Management Ordinance administered by County Planning and Building. Water will-serve letters will still include standard conditions for connection and service, including payment of connection fees for Nacimiento water.

Options for Rescinding Resolution No. 93-141

1. Rescinding Resolution No. 93-141 when the Nacimiento Project is complete and is operational, anticipated to be December 2010.
2. Rescinding Resolution No. 93-141 upon completion of the Estero Plan Update, which is now anticipated to be in December 2008. The Update is currently under consideration by the California Coastal Commission which has previously expressed concerns regarding the adequacy of the water supply for Cayucos.
3. Rescinding Resolution No. 93-141 once the Coastal Commission provides its written comments and recommendations to the County, anticipated to be July 2008. It is anticipated that the Commission's final direction with regard to the Plan Update and water supply concerns will be apparent at that time.
4. Rescinding Resolution No. 93-141 at this time based on current water consumption levels and available water supply, and in anticipation of completion of the Nacimiento Project.

Considerations

1. Currently CSA 10A uses between 130 and 140 acre-feet of water on an annual basis. The District's Whale Rock water allocation is 190 acre-feet per year which means that in recent years, on average, between 50 and 60 acre-feet of water is available for future development, emergencies and peak day demands, assuming that existing demographics remain constant over the long term future. Of this amount, the projected water usage for existing residences (including a 10% planning cushion) is 170.6 acre-feet per year.
2. The current development potential for the District is less than 170 single family residences, which is equivalent to approximately 40 acre-feet of water per year.
3. The concerns previously expressed by the Coastal Commission in the existing Area Plan are directed to the issue of limited water supplies for the community and were formulated prior to the acquisition of Nacimiento Project Water for CSA 10A and the implementation of certain water conservation programs in the community.

Summary

Since 1993 CSA 10A has limited the issuance of water will-serve letters and has concurrently pursued a source of supplemental water to address the impending water shortage emergency in the community and in response to concerns raised by the County Board of Supervisors, the California Coastal Commission and the community of Cayucos.

In securing an entitlement to water from the Nacimiento Water Project, the District is assured of having an adequate drinking water supply through buildout of the District's service area. Long term changes in demographics, should they create increases in water consumption greater than the 10% planning cushion, would require purchase of additional Nacimiento water over the current contract of 25 acre-feet per year. The existing exchange agreement with the City of San Luis Obispo would not need to be amended since it is already established at a quantity not-to-exceed 80 acre-feet for CSA 10A, which is the amount certified in the Nacimiento Water Project Environmental Impact Report.