

**STATE OF CALIFORNIA
REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL COAST REGION**

STAFF REPORT FOR REGULAR MEETING OF September 24 & 25, 2015

Prepared on August 24, 2015

ITEM NUMBER: 8

Drought Conditions Update by Regional Liaison to Water Rights Division

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KEY INFORMATION:

Location: Region-Wide
Type of Activities: Permitting, Interagency Coordination, Technical Assistance, Grant and Loan Funding, Stakeholder Involvement

THIS ACTION: Board Discussion/Information/Direction

DISCUSSION

Central Coast Water Board staff has seen a decline in specific tasks related to water rights, as the State Water Resources Control Board (State Water Board) staff has responded to the water rights and drinking water issues presented by the on-going drought conditions in the state. However, some drought-related tasks continue to emerge in the region through permitting, groundwater and spill cleanup and investigations, interagency coordination (since we regulate municipalities for wastewater discharges who also provide water supply), and grant-funding outreach. Staff remains flexible and available to facilitate or implement drought-related tasks regionally or to assist State Water Board staff as tasks emerge.

Staff continues to track and facilitate drought assistance and water supply improvement in critical areas. See the specific area information in the subsequent section of this report.

State-wide Drought Information and Activities

State Water Board Drought Updates

Conservation

According to the State Water Board's latest report on water conservation (data through June 2015), Central Coast Region water suppliers saved 29.6% more water in June 2015 compared to June 2013. This is above the statewide average of 25% called for by the Governor's Executive Order B-29-15, April 1, 2015. In addition, suppliers in the Central Coast Region used a monthly average of 74.3 residential gallons per capita per day (R-GPCD), second in the State after the San Francisco Bay Region which used 70.2 R-GPCD, and well below the Colorado

River Region which averaged the highest monthly average of 167.1 R-GPCD. The table below shows water conservation information by supplier.

June 2015 Water Conservation Report by Supplier (by hydro region, then R-GPCD)

Supplier Name	Hydrologic Region	Cumulative Savings (June 2015)*		Monthly Savings (June 2015)		
		Conservation Standard	Cumulative Percent Saved (as compared to June 2013)	Monthly Percent Saved (as compared to June 2013)	Estimated Monthly R-GPCD	Total Population Served
Golden State Water Company Orcutt	Central Coast	32%	38.2%	38.2%	145.4	31,872
Nipomo Community Services District	Central Coast	28%	32.5%	32.5%	133.9	12,512
Atascadero Mutual Water Company	Central Coast	28%	34.1%	34.1%	119.2	31,308
Paso Robles City of	Central Coast	28%	29.5%	29.5%	118.8	30,450
Alco Water Service	Central Coast	24%	25.2%	25.2%	110.3	29,179
Arroyo Grande City of	Central Coast	28%	32.6%	32.6%	104.2	17,121
Pismo Beach City of	Central Coast	24%	24.5%	24.5%	99.5	7,861
Hollister City of	Central Coast	20%	28.2%	28.2%	94.4	20,409
Morgan Hill City of	Central Coast	28%	34.6%	34.6%	92.6	41,779
Sunnyslope County Water District	Central Coast	28%	34.7%	34.7%	91.7	19,189
Gilroy City of	Central Coast	24%	33.4%	33.4%	88.8	53,095
Santa Maria City of	Central Coast	16%	18.2%	18.2%	82.6	102,087
Carpinteria Valley Water District	Central Coast	20%	31.8%	31.8%	78.0	14,616
Watsonville City of	Central Coast	20%	18.0%	18.0%	77.1	65,739
Greenfield, City of	Central Coast	16%	28.1%	28.1%	76.8	17,898
San Lorenzo Valley Water District	Central Coast	12%	22.0%	22.0%	72.9	19,000
Scotts Valley Water District	Central Coast	16%	31.0%	31.0%	72.7	10,509
California Water Service Company Salinas District	Central Coast	16%	29.2%	29.2%	67.6	121,063
California-American Water Company Monterey District	Central Coast	8%	19.7%	19.7%	66.1	100,623
Morro Bay City of	Central Coast	12%	12.0%	12.0%	66.1	10,234
Santa Barbara City of	Central Coast	12%	40.7%	40.7%	65.8	93,091
San Luis Obispo City of	Central Coast	12%	20.0%	20.0%	60.6	45,802
Lompoc City of	Central Coast	12%	32.9%	32.9%	59.0	41,541
Soquel Creek Water District	Central Coast	8%	34.8%	34.8%	57.0	39,054
Marina Coast Water District	Central Coast	12%	36.2%	36.2%	51.3	32,375
Goleta Water District	Central Coast	12%	30.9%	30.9%	50.8	86,946
California Water Service Company King City	Central Coast	12%	24.9%	24.9%	48.8	14,818
Santa Cruz City of	Central Coast	8%	32.3%	32.3%	42.7	95,224
Cambria Community Services District	Central Coast	8%	44.8%	44.8%	37.1	6,032

From:

http://www.waterboards.ca.gov/waterrights/water_issues/programs/drought/docs/rgpcd_2015june.pdf

Sustainable Groundwater Management Act

Department of Water Resources (DWR) is implementing the Sustainable Groundwater Management Act in coordination with the State Water Board. The most recent activities include:

- Released the draft list of critically overdrafted basins and is taking public comment from 8/25-9/25; Central Coast Water Board staff provided input to the Department of Water Resources to help them identify the basins but has no responsibility, authority or resources to direct basin protection activities (see additional discussion about each basin in the section below on Central Coast Water Board activities). The list includes the following Central Coast Region basins:
 - Soquel Valley
 - Pajaro Valley
 - Salinas 180/400 Foot Aquifer
 - Paso Robles Area
 - Los Osos Valley
 - Cuyama Valley;
- Released Discussion Papers regarding the Groundwater Sustainability Plan (GSP) Draft Regulations and is holding public meetings to discuss the issues.
- Provided a map showing local agencies that have elected to become Groundwater Sustainability Agencies (GSAs); no agencies in the Central Coast Region are shown on this map as GSAs at this time.

- Released Draft Emergency Regulations for Basin Boundary Modification and is holding public meetings to solicit comments.

Information and a link to an email list to keep up to date on State Water Board groundwater management activities can be found here:

http://www.waterboards.ca.gov/water_issues/programs/gmp/index.shtml

Funding

The State Water Board is currently administering the following Drinking Water and Water Supply Emergency Response Funding Programs.

The Division of Drinking Water (DDW) is responsible for providing funding through the Drinking Water State Revolving Fund (DWSRF) to correct public water system deficiencies based upon a prioritized funding approach that addresses the systems' problems that pose public health risks, systems with needs for funding to comply with requirements of the Safe Drinking Water Act, and systems most in need on a per household affordability basis.

The following entities/projects in the Central Coast Region are on the State's Comprehensive List to be considered for DWSRF Loans:

- Forest Springs (Santa Cruz Mountains)/ Water Upgrade
- Pajaro/Sunny Mesa Community Services District/Well Nitrate Treatment
- St. Francis Retreat Center (San Juan Bautista)/ Water Treatment Upgrade
- Bella Vista Mobile Lodge (Cayucos)/ Well Arsenic Treatment
- City of Santa Barbara/ Desalination Plant Reactivation

DDW is also providing funding through the Public Water System Drought Emergency Response (PWSDER) Program. This program provides assistance to community water systems or public water systems owned by a public school district experiencing drought related drinking water emergencies. Additional information can be found at:

http://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/documents/drought/PWSDER%20Final%20Drought%20Fact%20Sheet%20SWRCB.pdf

DDW is providing technical assistance to at-risk drinking water systems and working with them to identify potential solutions and funding sources (Drinking Water Drought Funding). DDW also works with state and federal partners to identify additional resources that may be available. The following entities in the Central Coast Region have received drought related funding and support:

Santa Clara County

- Lake Canyon MWC,
- Chemeketa Park MWC
- Aldercroft Heights CWD

Santa Cruz County

- Summit MWC
- Lompico County WD

Monterey County

- Arroyo Center WC

San Luis Obispo County

- Cambria CSD

Santa Barbara County

- Goleta WD

- Montecito WD
- Santa Barbara WD
- Carpinteria Valley WD

The State List of entities that have applied for and/or received Drinking Water Drought Funding can be reviewed at:

http://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/documents/drought/funding_map.pdf

The State Water Board Division of Financial Assistance (DFA) is providing funding for interim emergency drinking water needs for those communities with a contaminated water supply or that suffer drought related water outages or threatened emergencies. In an effort to distribute these funds from the Clean Up and Abatement Account as quickly and efficiently as possible, DFA is coordinating with the Regional Water Quality Control Boards, DDW district offices, the Office of Emergency Services, DWR, and other stakeholders (e.g., environmental justice groups, community assistance groups) to identify those communities that are most at risk and require financial assistance. In the Central Coast Region the following entities/projects have been funded through this program:

- Environmental Justice Coalition for Water/ Springfield Terrace, Moss Landing and Pajaro areas Community Outreach and Technical Assistance
- Oceano/ Well #5 Rehabilitation

Specific information on these funds can be found at:

http://www.waterboards.ca.gov/water_issues/programs/grants_loans/caa/dw_droughtfund/

DFA is also in progress to distribute \$625 million of Proposition 1 funds to finance water recycling projects throughout the state. Currently, the following projects in the Central Coast Region have applied for this financing:

- City of Pacific Grove, Local Water Project
- San Benito County Water District, Recycled Water Project
- Monterey Regional Water Pollution Control Agency, Groundwater Replenishment Project
- Pajaro Valley Water Management Agency, Recycled Water Treatment and Storage

Specific information on these funds can be found at:

http://www.waterboards.ca.gov/water_issues/programs/grants_loans/water_recycling/index.shtml

Central Coast Water Board General Activities Related to Drought

Drought-Related Complaints

Central Coast Water Board staff continues to refer people with complaints related to water use and diversions to the State Water Board's Water Rights Enforcement webpage and the complaint form:

http://www.waterboards.ca.gov/waterrights/water_issues/programs/enforcement/complaints/index.shtml

The State Water Board is giving highest priority to these types of complaints when they are in critical watersheds that have had water rights curtailed due to drought conditions or in watersheds that have resident endangered species.

Since the last Water Board Meeting and Drought Update Report, Central Coast Water Board received the following complaints: 1) domestic wells in rural areas going dry, 2) trucking water pumped out of Tres Pinos Creek to another location near Hollister, and 3) adjacent property owner using creek water (for which the owner has riparian rights) so much that the creek is drying up. The creek complaints were reported to the Division of Water Rights and staff provided the person who complained about the well with additional contacts and references to financial assistance resources.

Santa Cruz County

Soquel Valley

The Soquel Valley is one of the basins identified by DWR as in critical overdraft. The Soquel Creek Water District Board declared a Stage 3 Water Shortage Emergency and a Groundwater Emergency at their June 17, 2014 meeting. The primary measures and actions under a groundwater emergency include issuance of a formal request to the County of Santa Cruz and surrounding water providers (including Central Water District and the City of Santa Cruz) to discuss what actions can be taken within their respective jurisdictions to help protect the groundwater basin. The issue of a possible water service moratorium was under consideration at the same meeting on June 17th; however, the board did not vote on this. Instead, the Board has modified the Water Demand Offset Program with an interim program whereby developers would pay into a fund to pay for new projects that would reduce water use within the District's service area and only allow new development to occur if developers offset their anticipated use by 200%. These projects will result in additional water savings within the District-- they do not include traditional retrofits that would occur anyway, such as replacing residential toilets at houses. The information above is from this website: <http://www.soquelcreekwater.org/>.

Pajaro Valley

Pajaro Valley groundwater basin is also listed as in critical overdraft by DWR. The Pajaro Valley Water Management Agency partnered with the City of Watsonville to introduce the Watsonville Area Water Recycling Project as part of the agency's long-term plan to meet the water needs of our region. This recycling project will provide nearly a quarter of the water needed to halt seawater intrusion on coastal lands and is a cost-effective way to maximize local resources before turning to other supplemental sources. The Recycled Water Facility and Coastal Distribution System pipeline is the agency's most recent major construction project, designed to provide the only new source of water in the basin. These facilities will provide approximately 7,000 acre-feet of irrigation supply to coastal growers. Use of this water eliminates the need to pump groundwater within an area encompassing 7,700 acres. With the approval of the Basin Management Plan Update (February 2014), in combination with the recent Integrated Regional Water Management Plan Drought Funding Opportunity, we hope to expand the facilities and improve delivered water quality. The information above is from this website: <http://www.pvwma.dst.ca.us/about-pvwma/purpose.php>.

In addition, a community group is forming and a recent advertisement included the following information:

Community Commitment for Groundwater

Groundwater in the Pajaro Valley is being used at a rate which has led to our basin being in a state of overdraft. Climate change, including drought, only

exacerbates the problem. Together we can become the first high-priority basin in California to assure a dependable supply of groundwater to residents and agriculture. As a community, we are making a commitment to protect the Pajaro Valley as an important agricultural resource, enhance our local economy and conserve our natural resources. A Basin Management Plan was developed by the Pajaro Valley Water Management Agency and meeting the objectives defined in the Plan is a critical step towards achieving our groundwater goals by the year 2025. Broad-based community representation and involvement will need to continue in order to achieve the goal of conserving 5000 acre feet, as outlined in the Plan, and to ensure that we are pursuing diverse strategies to bring our aquifer into balance. We recognize that reaching our goals will take shared sacrifice and a shared commitment.

Join the Community Water Dialogue in our Community Commitment for Groundwater

What the Pajaro Valley Community Commitment for Groundwater Means:

I/my business/my farm/my interest group:

- recognize that water conservation will help our community remain viable.
- will create specific water conservation goals and take action to meet those goals.
- will participate in the Community Water Dialogue by sharing these conservation goals, water conservation strategies and success stories.
- will engage others to join the Community Commitment for Groundwater.

Together, we will bring our aquifer into balance.

To sign on to the Community Commitment for Groundwater...contact info@communitywaterdialogue.org or call 831-464-2950x27.

Monterey County

The Salinas 180/400 Foot Aquifer is also listed as in critical overdraft by DWR. Water Board staff has been tracking development of water sources in Monterey County to address this groundwater basin.

The Monterey County Water Resources Agency, the Monterey Peninsula Water Management District, the Monterey Regional Water Pollution Control Agency, the city of Salinas, and the Marina Coast Water District continue to pursue water sources for expanding the recycled water supply. Agreements to date consider tapping Peninsula wastewater and storm runoff and Salinas-area produce wash water and contaminated runoff to help meet regional water needs. Some water would be steered to a project known as Pure Water Monterey, in which treated water would be pumped into and stored in the Seaside groundwater basin. The project is coordinated with California American Water's desalination plant as part of the Peninsula water supply project, which is designed to help replace state-mandated pumping reductions from the Carmel River. The deal would also provide additional irrigation water for the existing Castroville Seawater Intrusion Project, which delivers recycled water for crop irrigation.

The Executive Officer and staff members attended a stakeholder meeting with the Monterey County Water Resources Agency, the Monterey Peninsula Water Management District, the Monterey Regional Water Pollution Control Agency, the city of Salinas and the Marina Coast

Water District on July 2, 2015. The various agencies presented the project timeline and key milestones related to permitting agencies' processes and expectations, the status of responding to comments on the Draft Environmental Impact Report and certifying the Final Environmental Impact Report, an update on water rights issues and applications to the State Water Board, issues and plans to manage Blanco Drain water, financing (including status of applications to the State Water Board for Proposition 1 funds), and status of inter-agency agreements. The agencies are making good progress in all these areas and are pushing hard to resolve all issues, finalize agreements and secure necessary permits in about 18 months.

Related to this project, California American Water and the Castroville Community Services District are in preliminary talks about water-short Castroville taking most of the "returned" water from the proposed Monterey Peninsula desalination project. With the Monterey County Water Resources Agency (Agency) as go-between, Cal Am officials and Castroville Community Services District have discussed sending 800 acre-feet of desalinated water per year to the unincorporated town whose wells have been hit hard by overpumping and the drought, and have dropped to as much as 100 feet below sea level. Under the Agency Act, Cal Am is required to return any portion of "fresh water" drawn from its proposed slant well feeder system on the North Marina Cemex sand mining plant, which is within the Salinas Valley groundwater basin, to the basin after it's desalinated. Castroville, which is also in the basin, would qualify as an "end user" for the returned water. (See the article at this link for more information: <http://www.montereyherald.com/environment-and-nature/20150824/cal-am-castroville-in-early-talks-over-desal-water>)

The agencies still have several hurdles to overcome for this project to succeed, including State Water Board approval of an extension of the deadline for the state-ordered cutback in pumping from the Carmel River (not expected for several months to a year), extension of the public comment period on the desalination project's draft environmental impact report (necessary to be certified to trigger other permit approvals), and agreements about end-users of the desalinated water.

On August 20, 2015, the Executive Officer met with the General Managers of the Monterey County Water Resource Agency and the Monterey Regional Water Pollution Control Agency (PCA) to discuss the Pure Water Project and the broader topic of water recycling in the Monterey-Salinas area. The agencies have completed a comprehensive draft agreement "*Amended and Restated Water Recycling Agreement Between Monterey Regional Water Pollution Control Agency and Monterey County Water Resources Agency*". Review of the 47 page document illustrates the complexities of recycling water on a regional scale. The Pure Water Project will provide both water supply and water quality benefits. PCA's General Manager will make a presentation to the Central Coast Water Board at its September 24 Board Meeting in Watsonville.

SLO County

In response to the ongoing water scarcity concerns throughout San Luis Obispo County, the Board of Supervisors declared three groundwater basins, Nipomo Mesa (part of Santa Maria Groundwater Basin), the Los Osos Groundwater Basin, and the Paso Robles Groundwater Basin, at Level of Severity (LOS) III, which indicates that groundwater demand has met or exceeded the dependable supply.

In addition, the Board of Supervisors authorized the Department of Planning and Building to process several amendments to the County General Plan and County Codes with the objective of the development and implementation of a Countywide Water Conservation Program to halt

increase in groundwater extraction in areas that have been certified LOS III; provide a mechanism to allow new development and new or altered irrigated agriculture to proceed in certified LOS III areas, subject to the requirements of the County General Plan and County Code, in a manner that fully offsets projected water use; and to reduce the wasteful use of water in the county.

On August 25, 2015, The Tribune of San Luis Obispo reported that desalinated water from Diablo Canyon nuclear power plant could be made available to South San Luis Obispo County residents under a preliminary plan approved by the San Luis Obispo County Supervisors. The Supervisors approved a plan to construct a 7-mile emergency water pipeline that would carry drinking water to Avila Beach, where it could be fed into the water distribution system from Lopez Lake (in Port San Luis). The article can be reviewed at:
http://www.sanluisobispo.com/2015/08/25/3777708_desalinated-water-diablo-canyon.html?rh=1

Los Osos

The Los Osos Valley Groundwater Basin is listed as in critical overdraft by DWR.

The Los Osos water purveyors and the County of San Luis Obispo, the “working group” pursuant to the Interlocutory Stipulated Judgment, expects court approval of their updated Basin Management Plan and the Stipulated Judgment soon.

On April 2, 2015, the Los Osos Community Services District Board of Directors declared a Stage III emergency per the District’s Water Shortage Contingency Plan. The latest restrictions include an allocation of 50 gallons per day per person, and added penalties up to two times the established rate for usage above the allocation, no credits for leak adjustments, and no allocations may be transferred to another property. These are in addition to existing prohibitions such as no outdoor irrigation except between dusk and dawn, no use of potable water for washing driveways and hard surfaces, no fountains, no excessive use resulting in runoff, no car-washing at residences unless using shut-off nozzle and no runoff.

Paso Robles

The Paso Robles Area Groundwater Basin is also listed as in critical overdraft by DWR.

The application to form the Paso Robles Basin Water District submitted by the County of San Luis Obispo is currently being reviewed by the San Luis Obispo Local Area Formation Committee (LAFCO). LAFCO held the first public hearing on August 20, and will hold a second public hearing on September 17, as well as additional hearings as needed. Additional information can be found at:
http://www.slolafco.com/Staff_Reports_2.htm

Cambria

Staff has been carefully tracking the success, permit compliance and need for adjustments to the permit for long-term water augmentation and water quality protection.

Cayucos

Cayucos and Morro Bay currently operate a wastewater treatment plant jointly in Morro Bay. That plant needs to be moved away from the coast (as Coastal Commission did not approve a rebuild at that location due to future sea level rise). Cayucos was negotiating with Morro Bay about location, operation, financing and producing recycled water. Those negotiations resulted in Cayucos’s determining to build their own plant. Staff recently met with staff from the Cayucos Sanitary District who provided an update on their proposed options for sites and operations and

represented an optimistic view that they could begin construction on a new plant that would treat water for reuse in the next two years.

Santa Barbara County

Cuyama Valley

The Cuyama Valley groundwater basin is listed as in critical overdraft by DWR.

Currently, groundwater is the only source for domestic, agricultural and municipal water use in the Cuyama Valley. Groundwater withdrawals, mainly to irrigate agricultural crops, have resulted in water-level declines of as much as 300 feet in the area since the 1940s. To plan for sustainable future use of the groundwater, the U.S. Geological Survey (USGS), in cooperation with the Santa Barbara County Water Agency (SBCWA) have conducted research aimed at defining the quantity and quality of the groundwater supply, and are establishing tools to allow users to efficiently utilize the available groundwater resources. Between 2008 and 2012, geologic, water-quality, hydrologic and geomechanical data were collected from selected sites throughout the Cuyama Valley groundwater basin to assess the water resources of the area. Information from the USGS study can be found at:

<http://ca.water.usgs.gov/projects/cuyama/cuyama-valley-groundwater.html>

The SBCWA prepared a technical memorandum dated July 13, 2015 that summarizes the conclusions from the Cuyama Valley Groundwater Availability Study in regard to Basin Balance for the recent period (2000-2010). This memorandum reports that the use of water from the basin is greater than the replenishment by 34,900 acre-feet per year.

The Cuyama Community Services District is the purveyor of water in the valley, has declared a Stage II Drought Emergency, and implements State drought and conservation regulations.

Other Municipalities

Most of the cities in southern Santa Barbara County have declared a drought emergency and are implementing conservation regulations and searching for alternative water supplies. Carpinteria Valley Water District is Stage II. Goleta Water District and the City of Santa Barbara are Stage III. Montecito Water District is Stage IV.

CONCLUSION

Given the severity of the drought and the high volume of work in response for the State Board Division of Water Rights, Central Coast Water Board staff will continue to track drought-related activities and issues in the region and provide assistance to stakeholders and the State Water Board as needed. Additionally, Central Coast Water Board staff will take drought conditions and impacts to beneficial uses and water quality into account as we continue to conduct permitting, groundwater and spill cleanup and investigations, interagency coordination and grant-funding outreach or other business affected by the drought.