



EDMUND G. BROWN JR.
GOVERNOR



MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board

AUG 21 2014

In Reply Refer to:
MSM: A028158

Cambria Community Services District
c/o Mr. Jerome Gruber
P.O. Box 65
Cambria, CA 93428

Dear Mr. Gruber:

ORDER APPROVING PETITION FOR TEMPORARY URGENCY CHANGE FOR PERMIT 20387
(APPLICATION 28158) OF CAMBRIA COMMUNITY SERVICES DISTRICT TO APPROPRIATE
WATER FROM SANTA ROSA CREEK IN SAN LUIS OBISPO COUNTY

Enclosed is a copy of the Order approving the petition for temporary urgency change for the above
referenced water right. The Order is also available for viewing at:

http://www.waterboards.ca.gov/waterrights/water_issues/programs/applications/transfers_tu_orders/

Mitchell Moody is the staff person presently assigned to this matter, and he may be contacted at
(916) 341-5383 or mitchell.moody@waterboards.ca.gov. Written correspondence or inquiries should
be addressed as follows: State Water Resources Control Board, Division of Water Rights,
Attn: Mitchell Moody, P.O. Box 2000, Sacramento, CA 95812-2000.

Sincerely,

A handwritten signature in cursive script, appearing to read "Matt McCarthy".

Matt McCarthy, Senior
Coastal Streams Unit
Division of Water Rights

Enclosure: Order

cc: (See next page.)

FELICIA MARCUS, CHAIR | THOMAS HOWARD, EXECUTIVE DIRECTOR

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STATE OF CALIFORNIA
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
STATE WATER RESOURCES CONTROL BOARD

DIVISION OF WATER RIGHTS

In the Matter of Permit 20387 (Application 28158)

Cambria Community Services District

**ORDER APPROVING PETITION FOR
TEMPORARY URGENCY CHANGE**

SOURCES: Santa Rosa Creek tributary to the Pacific Ocean

COUNTIES: San Luis Obispo

BY THE DEPUTY DIRECTOR FOR WATER RIGHTS:

1.0 SUBSTANCE OF PETITION

On July 25, 2014, pursuant to Water Code section 1435, Cambria Community Services District (right holder) filed a Petition for Temporary Urgency Change for Permit 20387 (Application 28158) with the State Water Resources Control Board (State Water Board). Permit 20387 currently requires the right holder to cease diversion when the level of its monitoring well falls below a limit of 3 feet above mean sea level. The right holder requests authorization from the State Water Board to temporarily reduce the limit to 2 feet.

2.0 BACKGROUND

2.1 Water Rights

The State Water Board issued Permit 20387 to the right holder on November 7, 1989. The permit authorizes the right holder to divert water at a rate of 2.67 cubic feet per second (cfs) from three subterranean wells (SR-1, SR-2, and SR-3) on Santa Rosa Creek. The authorized season of diversion is from January 1 to December 31 of each year and the total amount diverted may not exceed either (1) 260 acre-feet (af) during the period of May 1 through October 31 of each year or (2) 518 af in each calendar year. On July 8, 2009, the State Water Board approved a petition to add a new well (SR-4) as an additional point of diversion.

For the protection of water quality from increased salinity due to seawater intrusion in the lower sub basin of Santa Rosa Creek, and for protection of instream resources, Permit 20387 required the right holder to construct and operate a monitoring well suitable for water quality sampling and water level monitoring. The monitoring well is located approximately 1,000 feet upstream of the mouth of the Santa Rosa Creek lagoon. The right holder is required to cease diversion under Permit 20387 if the water level in the monitoring well falls below the limit of 3 feet.

Health has identified as vulnerable to acute drinking water shortages in implementing solutions to those water shortages.

- b. Directive 14. For the protection of health, safety, and the environment, CAL FIRE, the Office of Emergency Services, the Department of Water Resources, and the Department of Public Health, where appropriate, may enter into contracts and arrangements for the procurement of materials, goods, and services necessary to quickly mitigate the effects of the drought.

In addition to the state drought declaration, the San Luis Obispo County Board of Supervisors proclaimed a local emergency due to the ongoing severe drought conditions on March 11, 2014.

In response to the drought emergency proclamations, several federal, state and local agencies have coordinated to resolve the water supply needs of vulnerable communities, including the right holder. CDPH and the Office of Emergency Services (OES) have been actively working with the right holder along with other government agencies to facilitate the right holder's efforts to upgrade its current system and construct the emergency backup project on San Simeon Creek mentioned below.

On January 30, 2014, the right holder's Board of Directors adopted Resolution No. 04-2014 declaring a Stage 3 water shortage condition and implementing a Stage 3 water conservation program with enhanced water conservation measures and restrictions on the use of potable water. The right holder's Board of Directors found that, based upon the existing water supply conditions and extreme drought, the demands and requirements of water consumers could not be satisfied without depleting the water supply of the right holder to the extent that there would be insufficient water for human consumption, sanitation and fire protection. Under the Stage 3 water conservation program, the right holder is restricting water use by assigning monthly maximum allotments and limiting outdoor use of potable water. Residential water use is limited to no more than 50 gallons per person per day, all commercial use is reduced by 20%, and penalties are assessed for noncompliance with these restrictions. These measures place the right holder's operations within the Governor's request in the January 17, 2014 proclamation to reduce water consumption by 20%.

In response to Resolution No. 04-2014, the right holder initiated a proposal to construct and operate an emergency water supply project on San Simeon Creek. The right holder has expended a considerable effort in exploring various supply alternatives, including an extensive series of publicly facilitated workshops in 2012 that were completed as provided by the Water Resources Development Act and funded through the U.S. Army Corps of Engineers. This workshop effort found that a brackish water supply alternative on the right holder's San Simeon Creek would be the most technically feasible alternative. In compliance with recommendations of a December 26, 2013 notification from the CDPH, and in response to the drought emergency, the right holder modified and updated the most technically feasible alternative. The current emergency water supply project is self-contained on the right holder's property, reuses as much of the existing infrastructure as possible, pre-fabricates major equipment in shipping containers, and uses special piping that is laid on the ground surface as opposed to being trenched underground.

On May 22, 2014, the right holder initiated construction of the emergency project. The right holder has applied to the CDPH for a 3.75 million dollar grant pursuant to Proposition 84. Proposition 84 provides funding for safe drinking water supplies, including emergency and urgent funding, infrastructure improvements, and groundwater quality.

The project is anticipated to be in operation by late October 2014 and will pump water from a brackish well for treatment by means of a reverse osmosis process. The brackish subsurface water will consist of a combination of creek underflow, treated wastewater effluent that has percolated through the ground, and a mixture of freshwater and saltwater from a lower saltwater wedge. Once treated, the water will be pumped by means of an injection well to recharge the underlying basin to make available up to 250 af of additional water for the right holder's San Simeon Creek wells. The right holder has been working to develop the proposal and obtain the necessary approvals from various regulatory agencies.

5.0 CRITERIA FOR APPROVING THE PROPOSED TEMPORARY URGENCY CHANGE

Water Code section 1435 provides that a right holder who has an urgent need to change the point of diversion, place of use, or purpose of use from that specified in the water right may file a Petition for Temporary Urgency Change with the State Water Board. The State Water Board's regulations set forth the filing and other procedural requirements applicable to a Petition for Temporary Urgency Change. (Cal. Code Regs., tit. 23, §§ 805, 806.) The State Water Board's regulations also clarify that requests for changes to permits or licenses other than changes in point of diversion, place of use, or purpose of use may be filed, subject to the same procedural requirements that apply to changes in point of diversion, place of use, or purpose of use. (*Id.*, § 791, subd. (e).)

Before approving a Petition for Temporary Urgency Change, the State Water Board must make the following findings (Wat. Code, § 1435, subd. (b).):

- a. The right holder has an urgent need to make the proposed change;
- b. The proposed change may be made without injury to any other lawful user of water;
- c. The proposed change may be made without unreasonable effect upon fish, wildlife, or other instream beneficial uses; and,
- d. The proposed change is in the public interest.

A discussion of each finding and the information necessary to support each finding is provided below.

5.1 Urgency of the Proposed Change

Under Water Code section 1435, subdivision (c), an "urgent need" means "the existence of circumstances from which the board may in its judgment conclude that the proposed temporary change is necessary to further the constitutional policy that the water resources of the state be put to beneficial use to the fullest extent of which they are capable and that waste of water be prevented"

Recent well production totals show a significant drop in the right holder's production of water to supply its service area. Compared to 2013 production, the right holder's May 2014 production totals were down 44%. Similarly, for June 2014, well production was down 44%. As noted previously, the decrease was driven by a combination of lack of supply and the aggressive conservation measures imposed by the right holder. Despite the right holder's conservation efforts, it is unclear whether the springs that provide underflow to Santa Rosa and San Simeon Creeks during the dry season will cease earlier than normal due to the current extreme drought conditions. If the subsurface flow from the springs is reduced, this could lead to water supply shortages, seawater intrusion, pumps losing suction, and potential land subsidence. The right holder does not have adequate water storage capacity to provide water in the event that water is not available from the two creeks.

It was in light of this uncertainty, and in anticipation of future water shortages due to drought conditions, that the right holder initiated planning and development for the emergency water supply project on San Simeon Creek. As discussed in section 2.2, the right holder is required to conduct a 67-day tracer test during which the right holder cannot divert water from its San Simeon Creek wells. The tracer test began on July 21, 2014. With the San Simeon Creek wells unavailable, the right holder must rely solely on the Santa Rosa Creek wells, which are subject to the requirement to cease diversion when the monitoring well reaches the limit of 3 feet.

The right holder has considered numerous alternatives to the emergency water supply project. The Cambria community is remotely located along Highway 1, and has no interconnecting pipelines with other water purveyors. The closest water purveyor is the San Simeon Community Services District to the north,

(NMFS) to avoid harm to tidewater goby, steelhead or other instream resources in Santa Rosa Creek and the Santa Rosa Creek lagoon. Should stranding of tidewater goby or steelhead trout occur during the period of this order, the right holder must consult with CDFW, USFWS and NMFS and may be required to conduct rescue operations or other actions. The monitoring program will ensure that the right holder is able to take appropriate action, where necessary, to prevent or reduce any adverse effects to tidewater goby, steelhead or other instream resources in Santa Rosa Creek.

5.4 The Proposed Change is in the Public Interest

The Governor's January 17, 2014 and April 25, 2014 Drought State of Emergency Proclamations call on Californians to reduce water use. The right holder has imposed comprehensive water conservation requirements upon its customers, which have significantly reduced consumption during the drought. Scarce supplies and stringent conservation measures have been reflected in the right holder's May and June monthly production amounts, which have decreased as much as 44% over last year. The right holder has committed to continue water conservation during the term of this Order.

The proposed change to Permit 20387 will serve the public interest in several ways. First, it will provide temporary drought relief to the right holder in the form of additional water supplies. Second, it will support the right holder's efforts to complete tests necessary for the construction of its emergency project, which is projected to provide significant relief to the right holder by reducing the likelihood of water shortages during the current drought and any future droughts. The emergency project is expected to maintain adequate groundwater levels, prevent seawater intrusion and avoid potential land subsidence while also allowing the right holder to meet essential public health and safety, sanitation and fire protection needs.

Absent approval of the proposed change, the right holder will be forced to either (1) reduce or stop municipal water deliveries or (2) cancel the emergency project well test that is currently underway. Because there are no other feasible water supply alternatives, should the current drought continue, the right holder may be forced to rely on State or federal emergency funding to provide municipal water to the local community, which is not in the public interest.

6.0 STATE WATER BOARD AUTHORITY

Resolution 2012-0029 delegates to the Deputy Director for Water Rights the authority to act on temporary urgency change petitions, and the Deputy Director for Water Rights has redelegated the authority.

7.0 CONCLUSIONS

The State Water Board has adequate information in its files to make the evaluation required by Water Code section 1435, subdivision (b).

Based on the available information, the State Water Board finds that:

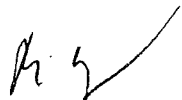
1. The right holder has an urgent need to make the proposed change;
2. The proposed change will not operate to the injury of any other lawful user of water;
3. The proposed change will not have an unreasonable effect upon fish, wildlife, or other instream beneficial uses; and,
4. The proposed change is in the public interest.

5. The right holder shall immediately contact the State Water Board, California Department of Fish and Wildlife, National Marine Fisheries Service and the U.S. Fish and Wildlife Service if tidewater goby (*Eucyclogobius newberryi*), steelhead trout (*Oncorhynchus mykiss*), or any other special status species are found stranded or dead during the effective period of this Order.
6. Should the level in the wells of diverters of water under valid claim of riparian right located downstream of any of the right holder's authorized points of diversion reach a depth which renders them unusable, the right holder shall either (1) deliver water from its point of diversion to the riparian place of use served by the well or (2) provide an alternate supply. Any water supplied for satisfaction of riparian rights shall not be considered as water appropriated under this permit.

On or about the beginning of each month, the right holder shall contact the following riparian diverters to confirm that their riparian wells are still usable: Taylor Family Trust, Charles Molinari, Gary Black, Bruce Black and Clyde Warren.

7. By March 1, 2015, the right holder shall submit to the Deputy Director for Water Rights a written report that summarizes all activities conducted, and the results of such activities, to ensure compliance with the requirements of this Order. At a minimum, the right holder shall include the following activities: monitoring well levels, water demand reduction efforts, monitoring of instream resources in Santa Rosa Creek and the Santa Rosa Creek lagoon, communication with downstream riparian diverters, and an update on the status of the San Simeon Creek emergency water supply project.
8. The right holder shall immediately notify the State Water Board if any significant change in flow conditions in Santa Rosa Creek occurs that warrants reconsideration of this Order.
9. The Deputy Director for Water Rights may rescind this Order upon a finding that the right holder's tracer study in San Simeon Creek is complete and the San Simeon Creek wells under Permit 17287 are available for the diversion of water to supply the right holder's place of use.
10. This Order does not authorize any act that results in the taking of a candidate, threatened or endangered species, or any act that is now prohibited, or becomes prohibited in the future, under either the California Endangered Species Act (Fish & G. Code, § 2050 et seq.) or the federal Endangered Species Act (16 U.S.C. § 1531 et seq.). If a "take" will result from any act authorized under this Order, the right holder shall obtain any required authorization for an incidental take prior to construction or operation of the project. The right holder shall be responsible for meeting all requirements of the applicable Endangered Species Act for the temporary urgency change authorized under this Order.
11. The State Water Board reserves jurisdiction to supervise the temporary urgency change under this Order, and to coordinate or modify terms and conditions, for the protection of vested rights, fish, wildlife, instream beneficial uses and the public interest as future conditions may warrant.

STATE WATER RESOURCES CONTROL BOARD



*Barbara Evoy, Deputy Director
Division of Water Rights*

Dated:

AUG 21 2014