



Council Agenda Report

From: Christopher Alakel, Utilities Director

Subject: Participation in San Luis Obispo County Desalination Study

CEQA Determination: The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c) (2)-(3), 15378.

Date: January 31, 2023

Facts

1. The City of Paso Robles (City) utilizes a diverse water supply portfolio to serve the City's water customers and participates in regional water resources monitoring, management, and planning with the County of San Luis Obispo (County) and other agencies.
2. The City has continued to manage use of its existing water supplies and improve the City's water supply portfolio by developing projects that benefit the City, the Paso Robles Groundwater Basin and the Atascadero Groundwater Basin.
3. Portions of San Luis County remain vulnerable to water shortage and drought and the County has identified desalination as a water resource that can benefit coastal communities by providing a reliable supplemental water supply for the residents, economy and environment.
4. The San Luis Obispo County Board of Supervisors has authorized development of a desalination study in collaboration with participating agencies. The study will evaluate the feasibility and possible benefits of a desalination project to water purveyors in the county.
5. Although it is unlikely that a regional desalination project could cost-effectively provide desalinated water directly to Paso Robles, participation in a future project may provide indirect benefits to the City's water portfolio.
6. The County is requesting that water purveying agencies that wish to be included in the evaluation adopt resolutions approving participation in the study.
7. This is a County funded study, so there is no cost to the City for participating.

Options

1. Take no action;
2. Approve Resolution 23-XXX Authorizing the City's participation in the County desalination study; or
3. Provide alternative direction to staff.

Analysis and Conclusions

The City of Paso Robles participates in regional water resources monitoring, management, and planning with the County and other agencies. The City is committed to ensuring adequate water supplies are available to support urban, commercial, and environmental uses and has established several water supply planning goals which include increasing and diversifying water resources and increasing the reliability of water supplies.

The City benefits from its diversified water supply portfolio, especially during times of prolonged drought, by utilizing groundwater and surface water from the Salinas River and Lake Nacimiento. The City is also a participant in the Nacimiento Water Project and is developing a recycled water program. These projects benefit the City, Paso Robles Groundwater Basin and the Atascadero Basin. It remains critical that the City continue to improve the reliability of its water supplies.

Other areas of the county remain vulnerable to drought and water shortages. The County's 2019 San Luis Obispo County Integrated Regional Water Management Plan and 2012 Countywide Master Water Report acknowledge need for improved water supply reliability in southern portions of the county and identify desalination as a water resource management strategy to pursue in southern San Luis Obispo County due to proximity to the ocean, and future supplemental supply and reliability needs. Therefore, the County is undertaking a study and planning effort, referred to as the DESAL Plan, to evaluate desalination as a supplemental water supply for purveyors in San Luis Obispo County. The County has initiated the first phase of this study to consider the feasibility, benefits and impacts of a desalination project.

It is unlikely that a regional desalination project could cost-effectively provide desalinated water directly to Paso Robles due to the City's distance from the coast. However, future use of desalination by other water suppliers in the County could reduce demand for shared water supplies like surface water from the Nacimiento Water Project, which could provide indirect benefits to the City's water supplies and long-term reliability.

San Luis Obispo County has requested that water purveyors like the City of Paso Robles that wish to be included in the study adopt resolutions approving participation in the study. Participation in this phase of the project does not require funding from participating agencies and would not bind the City to participation in later phases or funding for the project.

Taking no action would exclude the City from participation in the County's desalination study including development of the project scope and evaluation as a potential beneficiary from a future desalination project.

Authorizing the City's participation in the County desalination study would allow the City's to contribute to development of the project scope, which should include evaluation of potential benefits to water agencies that are remote from prospective desalination facilities but may benefit indirectly through water exchanges or other mechanisms.

Fiscal Impact

Participation in this phase of the desalination study does not require funding from the City of Paso Robles or any commitment to future funding; however, participation will require staff time for collaboration with the County's project team and consultants.

CEQA Determination: The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.

Recommendation (Option 2)

Approve Resolution 23-XXX, authorizing the City's participation in the county desalination study.

Attachments

1. Resolution 23-XXX