Atascadero Mutual Water Company

ESTABLISHED 1913

April 11, 2023

The Honorable John Laird California State Senate 1021 O Street, Suite 8720 Sacramento, CA 95814

The Honorable Robert Rivas California State Assembly 1021 O Street, Suite 5110 Sacramento, CA 95814 The Honorable Anna Caballero California State Senate 1021 O Street, Suite 7620 Sacramento, CA 95814

The Honorable Dawn Addis California State Assembly 1021 O Street, Suite 5350 Sacramento, CA 95814

Re: Nacimiento and San Antonio Dams Capital Asset Management Program (CAMP) Funding

Dear Senators Laird and Caballero, and Assemblymembers Rivas and Addis:

On behalf of Atascadero Mutual Water Company, I write to respectfully urge that you put forth a request for funding in the FY 23/24 State Budget for critical operational and safety upgrades at the Nacimiento and San Antonio Dams located in Monterey and San Luis Obispo counties. Nacimiento and San Antonio dams provide flood control, drought resiliency, water supply, groundwater recharge, recreational, and other benefits to the California Central Coast. The Nacimiento and San Antonio Dams Capital Asset Management Program (CAMP) projects include a series of subprojects to fully rehabilitate the original dams, built in the 1950s and 1960s, to ensure their continued service for Salinas Valley flood control and to provide critical water supplies to cities and over-drafted water basins in Monterey and San Luis Obispo counties. The estimated cost for the CAMP projects is \$160 million.

The Monterey County Water Resources Agency owns and manages the dams and identified subprojects comprising the CAMP in compliance with Federal Energy Regulatory Commission (FERC) and California Department of Water Resources, Division of Safety of Dams (DSOD) regulations and to ensure long-term operability and safety of these facilities. The proposed high priority subprojects were identified based on three goals: (1) compliance with federal and state regulatory requirements; (2) restoring full operational functionality; and (3) public and employee safety.

Both Dams are designated by the State as Extremely High Hazard Dam facilities providing critical flood protection to the greater Salinas Valley and mitigating downstream flooding including regions where flooding could cut off the Monterey Peninsula and its member cities. In Monterey County, the reservoirs recharge groundwater basins that serve over 200,000 residents in five cities and unincorporated areas that utilize wells for their primary drinking water supply. The reservoirs support more than 418,000 acres of highly productive farmland known as the "salad bowl of the world" that

Senators Laird and Caballero Assemblymembers Rivas and Addis Page 2 April 11, 2023

exports across the globe to 13 major trading partner countries. The agricultural industry is the foundation of Monterey County's economy generating an estimated \$11.7 billion annually and sustaining over 63,900 jobs critical to supporting disadvantaged communities in the region.

In San Luis Obispo County, water from Nacimiento reservoir is delivered via the Nacimiento Water Project (NWP), a 45-mile-long pipeline connected to five participating agencies and cities, serving approximately 120,000 people. The San Luis Obispo County Flood Control and Water Conservation District (District) owns and operates this water project to deliver up to 15,750 acre-feet (AF) of water from the Nacimiento reservoir annually. The largest of the District's NWP participants are the cities of San Luis Obispo and Paso Robles, which have contractual entitlements to 5,482 AF and 6,488 AF per year, respectively, and Atascadero Mutual Water Company with an entitlement of 3,244 AF. All three entities rely on this supply to enhance water resiliency for their communities and support groundwater management objectives. This supply is also particularly important to the long-term groundwater sustainability objectives identified in the groundwater sustainability plan for the Atascadero Basin.

These reservoirs provide a buffer against drought conditions in both Monterey and San Luis Obispo Counties, mitigating seawater intrusion in critically over-drafted groundwater basins and facilitating implementation of Groundwater Sustainability Plans. These beautiful reservoirs also serve as regional recreational watersports and camping destinations for central coast and southern California counties residents and visitors.

We are grateful for your leadership and ongoing support to our residents and communities in the central coast region and appreciate your consideration of funding these critical flood control and water supply infrastructure projects. Should you have any questions regarding this request please contact the County of Monterey's Public Policy Advisor, Ashley Walker of Nossaman LLP at (916) 442-8888

Sincerely,

John B Neil, PE

General Manager