August 30, 2016

MEMORANDUM

Transmitted via e-mail

To: Darren Nash and Susan DeCarli, City of El Paso de Robles

From: Iris Priestaf, PhD, President, and Kate White, PE, Senior Engineer

Re: Final Water Supply Evaluation for the Destino Paso Hotel Project, Paso Robles, California

This memorandum was prepared in response to a request by the City of Paso Robles for an abbreviated Water Supply Evaluation (WSE) for the Destino Paso Hotel Project. The proposed Project is located on Airport Road north of Highway 46 East (**Figure 1**). The Project was originally approved by the City in 2009 but the applicant is requesting to modify the Project from three hotels and individual casitas to four hotels. Both the proposed original and modified projects include 291 visitor-serving accommodations. Revisions will require modification of the Vesting Tentative Map, the Conditional Use Permit, and the Existing Planned Development (Stanton, 2016).

The revised Project will include four separate hotels, built in phases, on a 40.3-acre site (**Figure 2**). The number of rooms and associated hotel amenities for each hotel are summarized below (Stanton, 2016).

- **Hotel 1**. Main Hotel: 136 rooms, pool, fitness center, restaurant, bar, offices, and small functional space for meetings and social gatherings.
- **Hotel 2**. Phase II Hotel: 80 extended-stay suites, pool, small fitness center, and breakfast room.
- **Hotel 3**. Lodge: 28 one-bedroom suites, pool, and breakfast room.
- **Hotel 4**. Boutique Hotel: 47 one-bedroom suites and breakfast room.

The City will provide potable water supply, recycled water and wastewater collection to the Project. Recycled water will be available in the future, possibly between 2020 and 2025.

The City of Paso Robles requires that certain California Environmental Quality Act (CEQA) documents (e.g., an Environmental Impact Report or Mitigated Negative Declaration) be informed by an independent evaluation of the project's water supply needs and impacts on the City's water supply as set forth in the City's 2015 Urban Water Management Plan (UWMP) (Todd, 2016). Each independent evaluation is to be prepared by a consultant of the City's choice based on demonstrated competence in water supply evaluation and familiarity with the UWMP. The City will determine the scope of work for the evaluation, which may include elements specified in California Water Code Sections 10910 et seq.

The California Water Code Section 10910 (also termed Senate Bill 610 or SB610) requires that a Water Supply Assessment be prepared for a project that is subject to the CEQA and is considered a project subject to SB610 as defined in Water Code Section 10912. The Destino Paso Resort Hotel Project is subject to CEQA, but is not subject to SB610 according to Water Code Section 10912 because the hotel project has fewer than 500 rooms. Therefore, this analysis (required under the City's CEQA rules and regulations) is a water supply *evaluation* (WSE) rather than a water supply *assessment*. This WSE provides a comparison of projected water supplies and demands to form the basis for an assessment of water supply sufficiency for the Project. The analysis extends to 2045 and is based on supply and demand projections provided in the City of Paso Robles 2015 UWMP (Todd, 2016).

Airport Land Use Plan

The Project is within the City's Airport Land Use Plan, which sets limits on maximum land use densities and minimum percent open space for various Airport Zones within the Project area. The Main Hotel (Hotel 1), Phase II Hotel (Hotel 2), and Lodge (Hotel 3) are in Airport Safety Zone 3. The Boutique Hotel (Hotel 4) is in Airport Safety Zone 4. Limitations for these zones are listed below:

Zone 3: Use intensity shall not exceed an average of 60 persons per gross acre, maximum 120 persons per single acre, at any time. Usage calculations shall include all people who may be on the property at any single point in time, whether indoors or outdoors.

Zone 4: Use intensity shall not exceed an average of 40 persons per gross acre, maximum 120 persons per single acre, at any time. Usage calculations shall include all people who may be on the property at any single point in time, whether indoors or outdoors.

Land use density of hotels, motels, bed and breakfasts in the City's Airport Land Use Plan is 1.8 persons per room or group of rooms to be occupied as a suite; plus one person per 60 sq. ft. floor area of any restaurants, coffee shops, bars, or night clubs; plus one person per 10 sq. ft. of floor area of meeting rooms.

The City will determine Project compliance with its Airport Land Use Plan.

Current Site Conditions

The Project site consists of an oak filled ravine and several flat mesa areas. A farmhouse, outbuildings and pond occupy the site between the proposed Boutique Hotel (Hotel 4) and Lodge (Hotel 3) on Parcel 5 (see **Figure 2**). A private well supplies water to this farm. The Project proposes that the farmhouse and outbuildings remain as is with no new construction. The groundwater well for the farmhouse parcel will be properly abandoned at the time of the recordation of the subdivision, or prior to the issuance of a building permit for a hotel, and the farm will be connected to City-supplied water (Nash, 2016).

Project Water Demands

The Project will use City-supplied potable water and recycled water, when it becomes available between 2020 and 2025. Project water demand was broken down into four categories:

- Water needed for inside hotel operations, including guest rooms

- Water needed to replenish pools and spa water
- Water needed to replenish water features (at the Main Hotel), and
- Water needed for landscaping.

Recycled water will be used for landscaping and the water features when it becomes available. Potable water will be used until that time. **Table 1** summarizes buildout water use for the various Project components. Also included in the table are water sources for each of the Project components.

Table 1 Destino Paso Resort Hotel Buildout Water Use

Project Component		Buildout Total Water Use, AFY	Buildout Water Use Sources, AFY		
			Direct City Supplied Water	Non-Revenue City Water[1]	Recycled Water Use[2]
1	Hotel 1 136 rooms	15.49	14.41	1.08	-
2	Hotel 1 Pool, Spa	1.08	1.00	0.08	-
3	Hotel 1 Water Features	0.13	-	-	0.13
4	Hotel 1 Landscaping	1.25	-	-	1.25
5	Hotel 2 80 rooms	9.11	8.47	0.64	-
6	Hotel 2 Pool, Spa	0.65	0.60	0.05	-
7	Hotel 2 Landscaping	1.23	-	-	1.23
8	Hotel 3 28 rooms	3.19	2.97	0.22	-
9	Hotel 3 Pool, Spa	0.45	0.42	0.03	-
10	Hotel 3 Landscaping	1.00	-	-	1.00
11	Hotel 4 47 rooms	5.35	4.98	0.37	-
12	Hotel 4 Landscaping	0.33	-	-	0.33
Buildout Water Use		**39.26**	**32.85**	**2.47**	**3.94**

AFY=acre-feet/year

Water use rates from North Coast Engineering, 2016a. Assumes 84.2% room occupancy and 94.6 gallons/day room use. Landscaping assumes low water use plants.

Preliminary water use estimates may be refined during the Project planning process. Does not include water needed to initially fill pools, spas and water features (~0.42 acre-feet) nor construction water demands. Water use of the existing farm is also not included.

1. Assumes that non-revenue (unaccounted-for) water is 7% of total water use: (e.g., 14.41 AFY x 0.07/0.93 = 1.08 losses). Non-revenue water typically includes unmetered use (e.g. main flushing or firefighting), meter error, and leaks.

2. Recycled water will be available between 2020 and 2025. City-supplied potable water will be used for irrigation in these areas in the interim.

The buildout water use of the Project is estimated to be 39.26 AFY. This equates to an average use of about 0.135 AFY per room, based on a total of 291 rooms. Typical hotel use ranges between 0.1 and 0.2 AFY per room (MPWMD, date unknown and Todd, 2015). Of this 39.26 AFY, 35.32 AFY will be City-supplied potable water and 3.94 AFY will be recycled water, once recycled water becomes available to the Project site.

City Water Demands and Supply

The City has relied on groundwater from the Paso Robles Groundwater Basin, water from the Salinas River, and more recently, Nacimiento water. The City has fulfilled water demand in years that have included both extreme dry years (such as 2013) and prolonged severe drought extending over seven years (1984-1990) (see **Figure 3** for annual rainfall data). Recycled water is planned for the future. Discussion of current and projected City water demands and supplies has recently been updated and documented in the City's 2015 UWMP and will not be repeated in detail here. The UWMP can be found on the City's website:
http://www.prcity.com/government/departments/publicworks/water/uwmp.asp

Table 2 summarizes projected population and water demands to buildout and the supplies projected to be used to meet those demands.

Table 2 City of Paso Robles Supply and Demand Projections

	2020	2025	2030	2035	2040	Buildout (2045 or later)
Population	32,300	34,400	37,700	39,900	41,900	44,000
Water Demands (AFY)	7,089	7,575	8,061	8,546	9,032	9,519
Water Supply Sources to Meet Demands (AFY)						
Basin Wells	2,600	2,506	2,602	2,124	2,610	2,200
River Wells	3,100	3,500	3,800	4,558	4,558	4,558
Nacimiento Water from Water Treatment Plant	1,120	1,120	1,120	1,120	1,120	2,017
Nacimiento Water from the Recovery Well	269	269	269	269	269	269
Recycled Water for Potable Offset	0	180	270	475	475	475
Total Supply	7,089	7,575	8,061	8,546	9,032	9,519

Note: Supply amounts shown above do not reflect total supply available to the City from each source, nor do they reflect any limits on the City's groundwater rights, but instead the water planned to supply projected demand.

City Demands. Water demand projections in the 2015 UWMP were developed using representative water demand factors, anticipated future conservation, and City General Plan growth assumptions and buildout conditions. Projected water savings are included in these demand projections. Water demand at buildout is projected to be 9,519 AFY. Project water demands are included in these projections.

The supply amounts listed in the table above represent the water planned to supply projected demands and are not the total supply available to the City from each source. More detail on supply sources is provided below.

Basin Wells. Groundwater from the Paso Robles Groundwater Basin (DWR Basin No. 3-4.06) has been and will continue to be an important component of the City's water supply. The City operates 13 deep wells that are dispersed across the City east of the Salinas River. All are screened in the Paso Robles Formation as are the many nearby rural residential and agricultural wells surrounding the City.

The Paso Robles Groundwater Basin has not been adjudicated but it has been designated as high priority and critically overdrafted by the State, requiring management under the Sustainable Groundwater Management Act.

River Wells. The City currently pumps Salinas River water from river wells pursuant to appropriative surface water rights and a permit issued by the State Water Resources Control Board. The City has eight river wells and one Nacimiento water recovery well. Approximately half of the City's current water supply comes from its shallow Salinas River wells in the Atascadero subarea of the Paso Robles Groundwater Basin (**see Figure 4**).

Nacimiento Water. The City of Paso Robles holds a 6,488 AFY delivery entitlement for Lake Nacimiento water with the San Luis Obispo County Flood Control and Water Conservation District. In order to directly use its Nacimiento supply, the City constructed a 2.4 million gallon per day (mgd) surface water treatment plant which became fully operational in early 2016. The City anticipates operating the plant approximately five to nine months out of the year to serve peak summer demands, yielding approximately 1,120 AFY to 2,017 AFY. Treatment plant operation could be increased to provide up to 2,688 AFY.

In addition to direct deliveries, Nacimiento water also can be utilized by the City through a recovery well. This operation allows Nacimiento water to be turned into the Salinas River channel and captured through the recovery well (as distinct from River water which the City produces pursuant to its water rights Permit issued by the State Board). It is estimated that the recovery well will be operated at a rate of 400 gallons per minute (gpm) for five months out of the year, averaging 269 AFY.

Finally, in times of drought Nacimiento water can be used to augment surface water and improve water supply reliability. Similar to the operation of the recovery well, Nacimiento water can be turned into the Salinas River channel adjacent to City's river wellfield. This allows the river wells to operate when native supplies are low.

Comparison of Supply and Demand

To determine water supply sufficiency, water supply assessments must include a comparison of supply and demand during normal, single dry and multiple dry years during a 20-year projection. **Tables 3** and **4** compare City supply and demand projections in five year increments between 2020 and buildout (anticipated to occur after 2045) for normal and dry climatic years. These tables are based on 2015 UWMP tables. Project water use is included in these UWMP projections. On an annual basis, the City has been able to provide sufficient supplies to meet demand during normal, single-dry, and multiple-dry year periods. Because historical annual pumping has not been greatly affected by drought, the percentage of that supply is considered 100 percent of normal.

Table 4 shows supply and demand in drought years in five year increments between 2020 and buildout (2045 or later). Though customer water use in dry years generally increases as a result of increased irrigation, water use in a drought year was assumed to be the same as a normal year because water use restrictions would limit additional water use, especially for landscape irritation. Supply totals are the supply that will be used to meet demands. For the reasons explained above, the amount of water supply available in times of drought is considered to be the same as that available during normal years, and within historical pumping volumes.

Table 3 City of Paso Robles Normal Year Supply and Demand Projections

Acre-feet/year	2020	2025	2030	2035	2040	Buildout (2045 or later)
Supply totals	7,089	7,575	8,061	8,546	9,032	9,519
Demand totals	7,089	7,575	8,061	8,546	9,032	9,519
Difference	0	0	0	0	0	0

NOTES: Supply totals are the supply that will be used to meet demands.

Table 4 City of Paso Robles Dry Year Supply and Demand Projections

Acre-feet/year	2020	2025	2030	2035	2040	Buildout (2045 or later)
Supply totals	7,089	7,575	8,061	8,546	9,032	9,519
Demand totals	7,089	7,575	8,061	8,546	9,032	9,519
Difference	0	0	0	0	0	0

NOTES: Supply totals are the supply that will be used to meet demands.

Conclusions

The findings of this WSE are summarized below.

- The proposed Destino Paso Resort Hotel Project, located on Airport Road north of Highway 46 East, will consist of four hotels with a total of 291 rooms or bedroom suites and associated amenities. The hotels will be built in phases.
- The Project was approved in 2009 with a total of 291 accommodations but the applicant is requesting to modify the configuration and types of lodgings.
- A farmhouse and outbuildings currently exist on the property and a private well supplies water to this farm. The farmhouse and outbuildings will remain as is with no new construction but the farm will connect to City-supplied water at the time of the recordation of the subdivision, or prior to the issuance of a building permit for a hotel. The groundwater well will then be properly abandoned.
- Water supply for the Project will include City-supplied potable water and recycled water. Recycled water will be available between 2020 and 2025.
- Project water use is included in the UWMP projections.
- Buildout water use of the Project is estimated at 35.32 AFY of City-supplied potable water and 3.94 AFY of recycled water, once it becomes available. In the interim, City-supplies potable water will be used for irrigation and water features.

In conclusion:

The City has adequate potable supply to provide a reliable long-term water supply for the Project under normal and drought conditions. The Project will need to use recycled water when it becomes available.

References

Monterey Peninsula Water Management District (MPWMD), date unknown, *Monterey Peninsula Water Management District (California) Annual Water Use Figures for Commercial Users*, http://ceprofs.civil.tamu.edu/kbrumbelow/CVEN664/CVEN664_Handouts.htm, accessed April 27, 2015.

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Stanton Architecture, 2016, *Destino Paso Resubmittal*, June 3.

Todd Groundwater, 2015, Water Supply Evaluation, Paso Robles Vista Resort Project, Draft, July 1.

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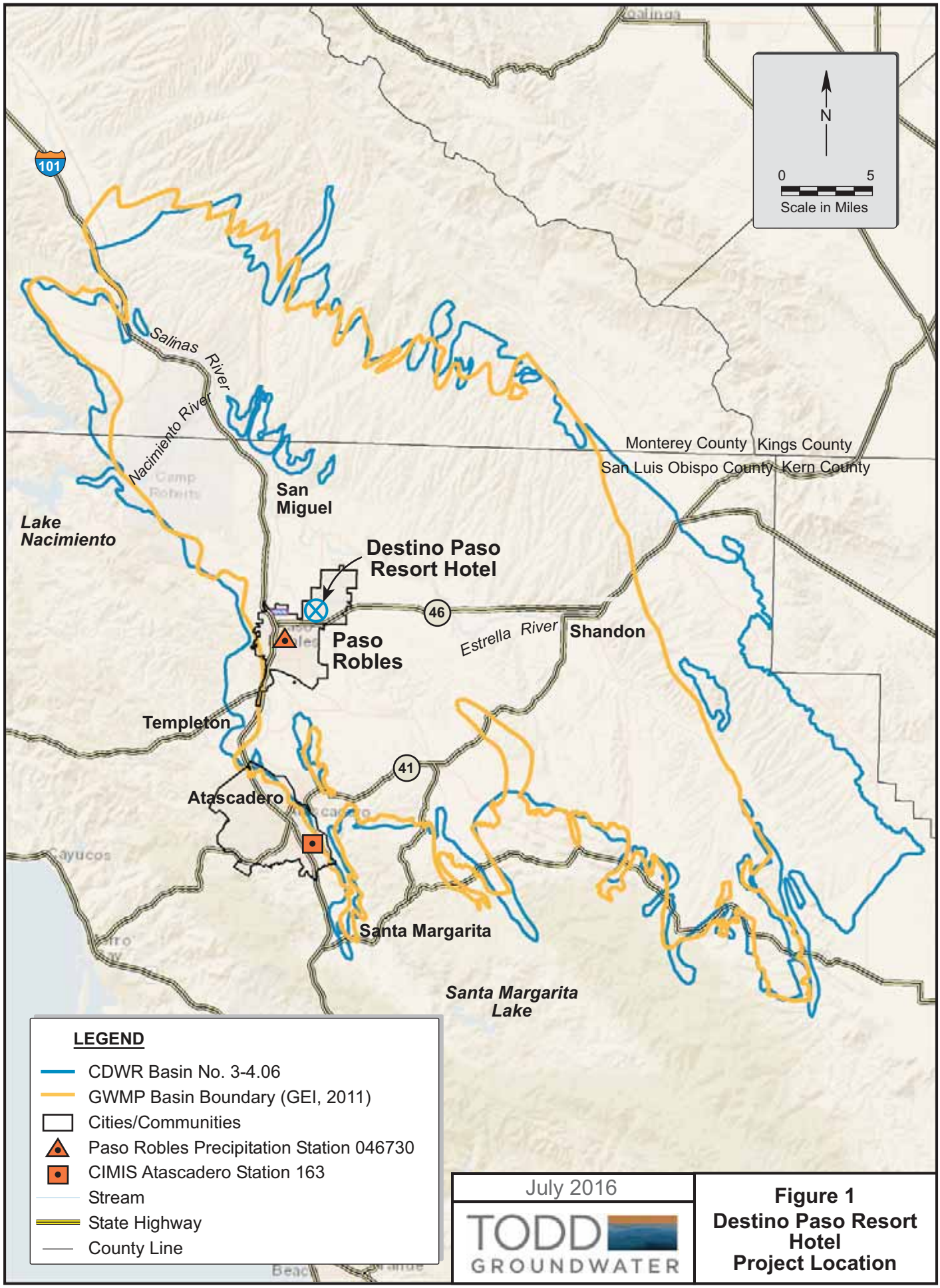
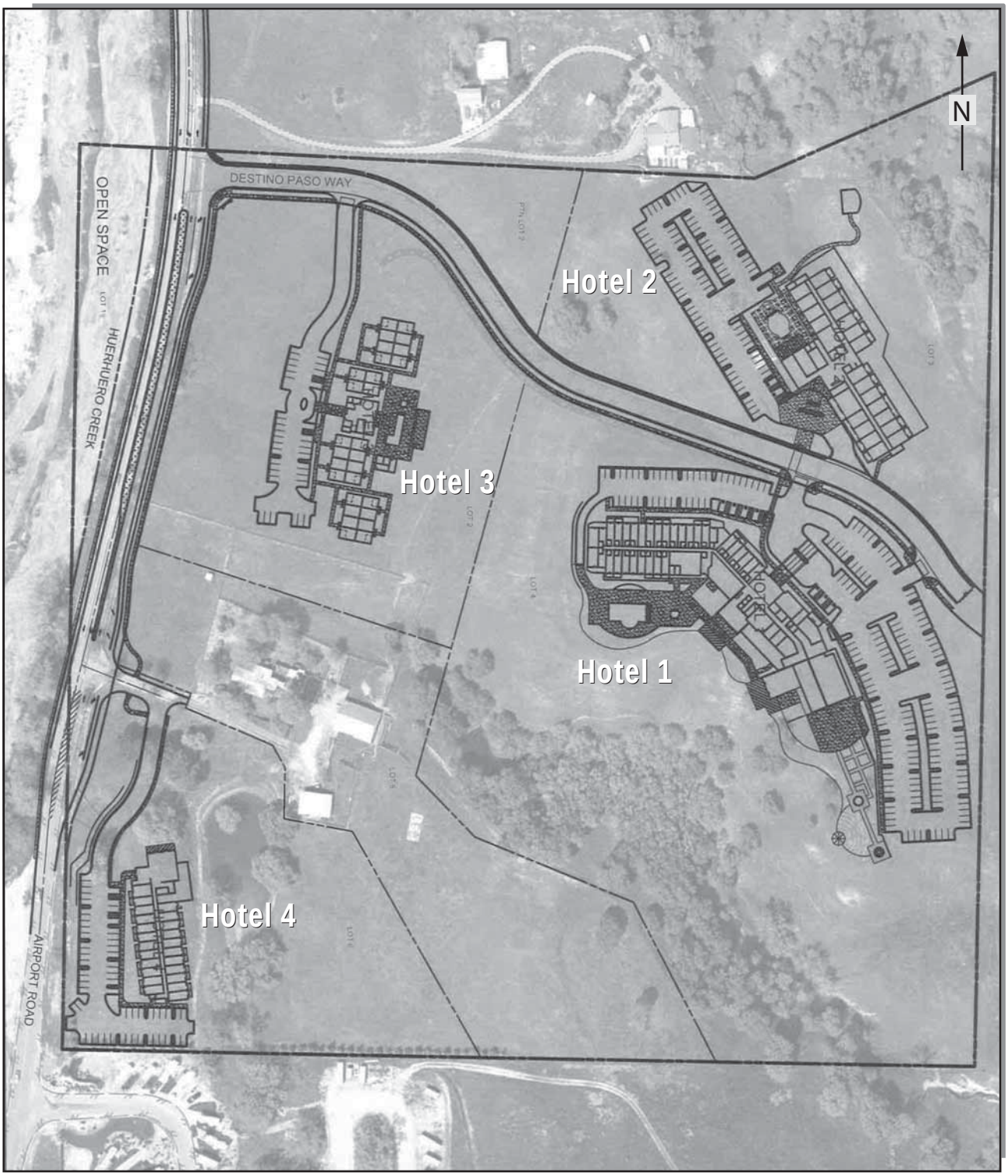


July 2016

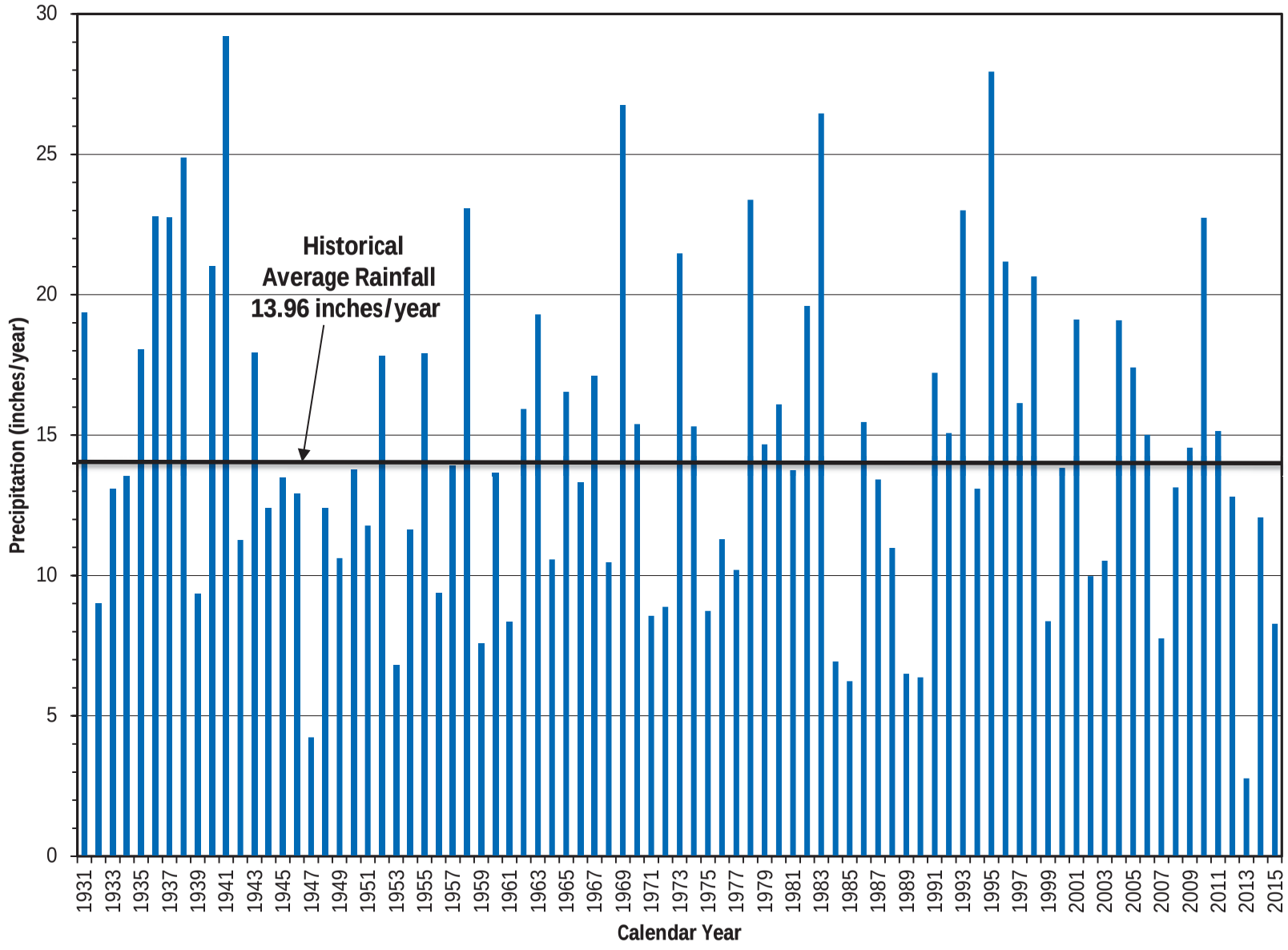
TODD GROUNDWATER

Figure 1
Destino Paso Resort Hotel
Project Location



From: North Coast Engineering, 2016b.

July 2016	**Figure 2**
TODD GROUNDWATER	**Destino Paso Resort Hotel Conceptual Project**

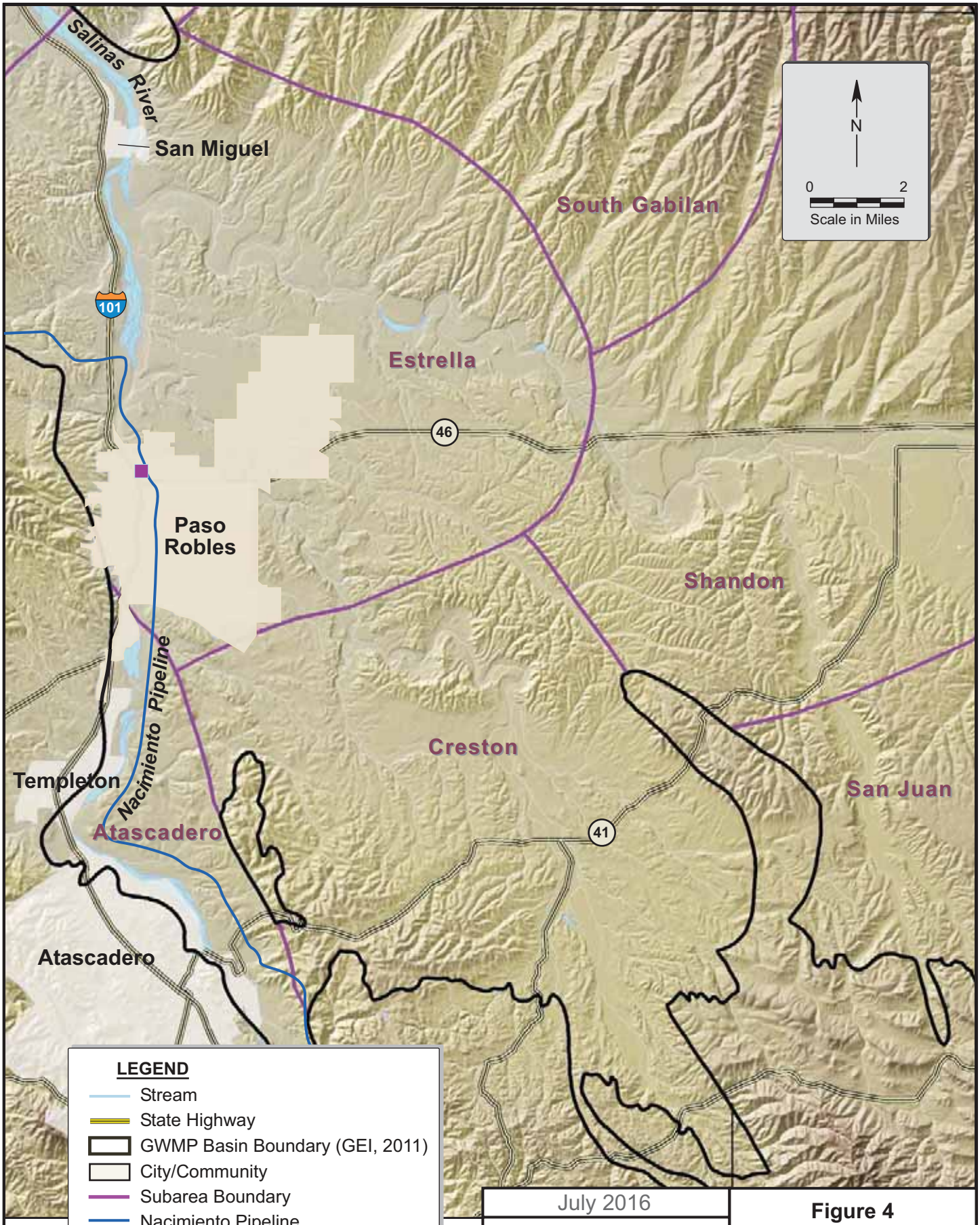


Precipitation data from Paso Robles Station 046730.

July 2016

TODD GROUNDWATER

Figure 3
Paso Robles
Annual Rainfall



July 2016

TODD GROUNDWATER

Figure 4
Paso Robles Subarea Boundaries and Facilities