



January 27, 2012

TO: LOCSD Board of Directors

FROM: Sandi L. Woods, Acting General Manager
Prepared by Wallace Group

S. Woods

SUBJECT: Agenda Item 5D – 2/2/2012 Board Meeting
Adopt Resolution 2012-03 Authorizing Application for Bureau of Reclamation WaterSMART: Water Efficiency Grant

President
Marshall E. Ochylski

Vice President
Leonard A. Moothart

Directors
Craig V. Baltimore
David S. Vogel
R. Michael Wright

General Manager
Dan Gilmore

District Accountant
Amparo Haber

Fire Chief
Robert Lewin

Battalion Chief
Phill Veneris

DESCRIPTION

Authorizing staff to apply for Bureau of Reclamation Grant (“Grant”) money to implement indoor water conservation measures outside the wastewater service area with minimal cost to the District. The Grant has the potential to provide up to \$300,000 in funding for rebates for toilets, faucets, and showerheads that will help reduce water basin demand.

SUMMARY OF STAFF RECOMMENDATION

Staff recommends that the Board adopt Resolution 2012-03 authorizing the application for Bureau of Reclamation Grant funding for indoor water conservation measures outside the wastewater service area.

STAFF RECOMMENDATION

Staff recommends that the Board adopt Resolution 2012-03, to wit:

Motion: I move that the Board adopt Resolution 2012-03 authorizing staff to apply for Bureau of Reclamation WaterSMART: Water Efficiency Grant funding for the purpose of providing rebates for indoor water conservation measures outside the wastewater service area.

DISCUSSION

The Bureau of Reclamation (Reclamation) requested applications for their WaterSMART: Water Efficiency Grant for 2012. The purpose of this Grant is to provide funding for water conservation and renewable energy project. Eligible applicants are public agencies, Indian Tribes, Irrigation Districts, Water Districts, and other organizations with water or power delivery authority that seek to conserve and use water more efficiently. Maximum Grant award is \$300,000 for Funding Group I per project; with more than 50% match. Applications must be submitted by January 19, 2012, or they will not receive consideration for this round of funding. The Grant application was submitted on January 19, 2012, but will not be fully executed until a resolution is provided as part of the application.

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The Los Osos CSD, along with the County of San Luis Obispo, Golden State Water Company and S&T Mutual Company have been working together to identify projects that will be beneficial to the overall health of the Los Osos Groundwater Basin. Included in these projects, is an emphasis of reducing water demand by promoting water conservation. The County of San Luis Obispo, as part of the Los Osos Wastewater Project is implementing indoor water conservation measures within the wastewater service area. The County will be spending \$5 million in funds for their entire water conservation program within the wastewater service area. The County's goal is to reduce indoor water use to below 50 gallons per capita per day. These County funds will not be made available to homeowners outside of the wastewater service area.

This grant funding will provide the District with additional funding for homeowners outside the wastewater service area to also replace inefficient toilets, faucets, and showerheads, which provide additional benefit to the Los Osos Groundwater Basin by further decreasing the demand on the basin. This measure, which was identified by Maddaus Water Management, provides one of the highest return of water savings to the cost to implement. The funds that will be used by the County for this measure within the Wastewater Service Area will be used as the matching funds for the \$300,000.

FINANCIAL IMPACT

The recommended action could result in some demands on staff to administer the rebate program. The costs of staff time and hired District Engineering support are included in the Grant application request. The Grant application does not commit the Los Osos Community Services District to matching funds. Any additional costs are expected to be minimal, and well worth the potential to receive \$300,000 in Grant funding.

Attachments

Date: February 2, 2012
Agenda Item: 5D
() Approved
() Denied
() Continued to

RESOLUTION NO. 2012-03

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LOS OSOS COMMUNITY SERVICES DISTRICT
AUTHORIZING APPLICATION FOR FEDERAL BUREAU OF RECLAMATION GRANT FUNDING FOR
INDOOR WATER CONSERVATION MEASURES OUTSIDE THE WASTEWATER SERVICE AREA**

WHEREAS, the Los Osos Community Services District (the DISTRICT) has the authority to construct, operate, and maintain the Los Osos CSD Water System within its Service Area; and

WHEREAS, it has been established by several studies that there are issues with the water basin in the community, primary of which are limited supply, salt water intrusion and nitrate pollution; and

WHEREAS, the DISTRICT and all other water purveyors in the community, including the County of San Luis Obispo,(the ISJ GROUP) are engaged in consolidated efforts to provide solutions to these water issues; and

WHEREAS, one of the key solutions that have been identified by the ISJ GROUP is the promotion of water conservation establishing indoor water consumption daily goal of no more than 50 gallons per capita; and

WHEREAS, a Wastewater Project (the "Project") for the Los Osos community is currently being constructed and managed by the County of San Luis Obispo; and

WHEREAS, this Project includes funding for water conservation efforts, such as retrofit of low-flow devices and equipment, for water consumers within the wastewater service area; and

WHEREAS, water consumers outside the wastewater service area who draw from the same water basin are left without any financial assistance to achieve the conservation goal as established;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LOS OSOS COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

1. That the findings and recitations in the preceding paragraphs are true and correct;
2. That a grant application for water conservation measures be submitted by the DISTRICT to the Federal Bureau of Reclamation;
3. That documents relative to this grant that will need District's signature will be signed by, Marshall E. Ochylski, President of the Board of Directors of the Los Osos Community Services District Services District, or in his absence the Vice President;

On the motion of Director _____, seconded by Director _____, and on the following roll call vote, to wit:

Ayes: _____
Noes: _____
Absent: _____
Conflicts: _____

The foregoing resolution is hereby passed, approved, and adopted by the Board of Directors of the Los Osos Community Services District this 2nd day of February 2012.

Marshall E. Ochylski
President of the Board of Directors
Los Osos Community Services District

ATTEST:
