

Los Osos Community Services District
Committee Report

Committee: Water Advisory Committee
Date: Wednesday, May 13, 2009

Committee Members Present:

Linde Owen
Chuck Snead
Gordon Taylor
Lynette Tornatzky
Dominic Roques

Mitch Cooney, CSD General Manager
Maria M. Kelly, CSD Director

Agenda Items:

Call to Order – 5:35

A – Review Current Rate Structure

- 1. Evaluate built in mechanism for conservation incentive**
- 2. Establish next steps-if any-regarding rate structure**
- 3. Develop a “Public Facilities” policy regarding rates**

Discussion: The committee began with item #3 for clarification of where this came from and what it meant. We talked about the water rates and the school districts impact due to our current rate structure. Director Kelly had asked some questions prior to the meeting and was presented information that showed that in one year's time, the SLCUSD expense had increased by approximate \$6000.00 in one month. With the current structure and potential rate increases in the future, what were the impacts on the school district and potential impacts on the district? There are equal protection issues with all rate payers that need to be kept in consideration as well as the potential for revenue sharing with the tax that is applied to the water department. The committee requested IGM Mitch Cooney to come back to the board with a staff report with some scenarios, including purple pipe, regarding how to address this issue from a “Good Neighbor” standpoint. It was also discussed that as a community we are looking for a 10-20% reduction in water use and the first step is to address our largest user and how this is a comprehensive approach to policy development as well as a tie in to the current resolution regarding reserve appropriations and budget setting. There was agreement to approach the school district with a hope for a partnership as the community benefits from the irrigation of the play fields.

After the budget is developed, the committee would like to see the LOCSO Directors address some of the following aspects of funding the water department as it relates to the discussion of future water rate increases and funding needs:

- Water Meter Plan- Updated
- Conservation - planning and implementation
- Rates matching/meeting reserve policies
- Review current rate structure and FCS recommendations - take action if necessary
- Capital Improvements: list and prioritize
- Examine potential loss of revenue in excess as anticipated by our reserve policy

Action: Chuck Snead to follow up with Margaret about how many meters the schools have and size. Response: LOMS has one 4 inch meter and 3 backflow devices; Baywood has two 2 inch meters and 3 backflow devices. Request a comparison chart of SLCUSD expenses over a 2 year period for informational purposes, and present to committee.

B –Review Reserve Policy Resolution

Discussion: The committee and public reviewed and provided feedback to Mitch for consideration prior to presentation to the board.

Member Comments: Linde Owen volunteered to review Spanish translations prior to being sent out with the billings for the benefit of the Spanish speaking community - she has noted some errors and we discussed the concern around the perception this puts on the district.

Public Comment Received and Meeting adjourned @ 7:30

Los Osos Community Services District
Ad Hoc Committee Report

Committee: Ad Hoc Strategic Planning Committee
Date: Thursday, May 21, 2009

Committee Update and Recommendations:

The committee met with Mitch Cooney and discussed next steps. We agreed that looking for an outside facilitator would be beneficial to this process. It was also agreed that all the directors would attend a training with Mitch Cooney and Jon Seitz to receive a comprehensive overview of the district and the roles and responsibilities of being a director. This initial step in the process is to ensure that all the directors are starting with the same information regarding the functions of the district. Mitch and Jon to schedule with Chuck, Steve and Joe. Marshall and Maria have completed the workshop with Jon.

On Monday May 11th, Maria met with a highly recommended facilitator from San Luis Obispo - Brad Isaacs. We spent approximately one hour discussing the development of the process to approach our strategic planning and the following recommendations and requests come from this meeting:

Brad:

- With approval from the board- Mitch, Steve and Maria meet on May 22nd to begin developing the agenda for June 6th
- Meet the board provide agenda time for June 4th
- June 6th meeting be 3.5 hours total and would include public comment.
- Compensation not to exceed \$1750.00 with a minimum of \$1500.00

Committee:

- Request that the board approve the requests and consider "donating" their time on June 6th to help provide the funding for the first step: Maximum amount \$500.00, minimum amount \$100.00.
- To keep process moving forward, request a line item in the budget for long term strategic planning and development for 2009/2010
- If the board is comfortable with Brad after initial workshop, request a proposal from him for assistance with long term planning efforts.
- Maria will continue to search for an appropriate venue

Ongoing Considerations:

- Prioritizing by the committees of plans and goals
- Board to review previous planning documents of the district
- Opportunities for broader stakeholder participation
- June 6th meeting planning and execution not to exceed \$2000.00

Respectfully Submitted by:
Maria M. Kelly

Water Resource Advisory Committee: May 6th, 2009
Submitted By Director Kelly

Introductions and Comments by the Chair:

Check regional board re: Conservation 2020 -

DWR highlights from Friday May 1- statewide plan. Also look at Central Coast plan as well. Online.

Approve Minutes with amendments.

RMS: County Resource Management System - no subcommittee required at this time but will re address in September. Possible sub-committee so that WRAC can respond more efficiently to the issues tht come up with this topic. Discuss scope and responsibility of sub-committee.

Mike: Is recommending that the WRAC meet during the summer.

James: This wouldn't change the Sept. recommendation as there is so much work to do, as he won't be able to speed up because we are meeting.

Conservation and Open Space Element:

James: Informed that hearing for planning commission was moved from 28th to the 14th - study session. Additional time reserved for July and August. Other hearing dates are set. Dates moved due to Los Osos taking the 28th.

Public Hearing notice will be sent out when James writes it.

Sub-committee to comment on Element will report via email and then to Planning Commission directly.

Changes out of WRAC comments: Two of the most important: Water resource policy 1.2; Policy 1.3 - addressing conservation and water. Will become backbone of county water policy.

Integrated Regional Water Management Program:

Courtney - new requirements under Prop 84- all agencies and governing bodies enter into MOU with county.

Must be on MOU to be a part of grant requests/funding.

Stronger if all stakeholders are part of group. Discussion of multiple hydrological regions within the county - multiple basins, multiple issues.

Question: Will there be a time when only members of the WRAC's who represent agencies that are in the MOU vote on those issues?

Courtney - intent was that that the WRAC would vote as a group and still recommend to MOU Stakeholders.

Water Conservation Plans and Strategies:

Prioritize, fund, outreach etc.

Agencies and Districts should have conservation plans in one central place @ County/WRAC website: www.SLOCountyWater.org via links vs. actual

plans so that all updates are reflected. In addition, add contacts information.

Could be summarized in one page.

Motion made and passed.

Invasive Mussels:

No change. Two new check sites added at Lake San Antonio.

Discussion regarding protocols. Discussion regarding this issue as a vector control issue and public health.

Issue could be included as a part of the body of information included in vector control so techniques and strategies could be utilized.

Rainfall and Reservoir Update:

Question: Can a trends analysis be included? Yes

Information can also be accessed at the SLOCountywater.org website.

County-wide Master Water Plan-Consideration of Mechanism for WRAC Involvement:

Sub-committee to follow this project/process? WRAC will likely be following but may take further analysis on Water Demand Methodology and Supply Inventory.

Discussion: Deserving of special meeting times. Some people prefer weekdays vs. Saturday meetings so that staff and project team could be available.

Staff will look at scheduling extra Wednesday meetings or extend current Wednesdays - extend to morning of October and November to start.

Review and endorse attached WRAC Priorities for 2000:

Discussion: Address the inclusion of pump test issues for analyzing water resources. Could be included in "Data" or "Methods" or "Information Systems". Regardless, standards should be identified and included.

Discussion of Nipomo RCS Level - Rep would like to see additional info included so the importance of issues doesn't get forgotten.

Consideration of the Fiscal Year 2009/2010 San Luis Obispo County Flood Control and Water Conservation District Budget:

~Coordination with CCWA on evaluating the capacity of the Central Coast Branch of the SWP
~Continue to collect and publish hydrological data as well as implement several data collection program improvements that were identified in the

Data Enhancement Plan

~New Master Water Plan is fully funded and contracts have been awarded

~IRWM Program efforts include updating the IRWM Plan to incorporate new guidelines/develop guidelines for applying for Prop 84/1E grant monies

~Budget has been organized to highlight flood control and drainage efforts

Discussion regarding reserves being used/budgeted/pay back. Additional Q&A on funds and zones- additional county staff arrived to discuss the reserve balances and how the funds were broken down.

~Funding of studies

~Facilities-no specific project but put in reserves if needed but could be cancelled mid-year

~CCWA - water sales to CCWA from County: \$100,000 on top of \$160 per/acre foot purchase. Will be used for analysis re: deliveries and additional flows - unknown

Further analysis will be provided via email to WRAC.

Los Osos Community Wastewater Project Subcommittee Report:

Staff:

Response to sub-committee and the feasibility of disposal options. Recommend revised condition with historical CC Permit.

Future development will not happen until Water Management Plan resolved, additional condition that long term needs be addressed.

HCP,LCP & Water Management Plan.

Attach: Sub-Committee Report and County team response

Discussion: Tertiary treatment- ag-reuse; feasibility determinations; ag-exchange; if included would be identified in the PFP as part of the project.

Conservation - The water purveyors did not have comprehensive conservation plans posted. Sub committee would like county to help "push" this issue via pressure on the purveyors. The county has the nexus in regards to mitigation but not beyond. The water conservation can be addressed with retrofit and how it is directly tied to the project.

Spray fields - Initial appearance was concerning but they were included as a "bullet proof" way to get address disposal as a fail safe plan. Members of the public disagree and separate out wet/dry weather flows.

Motion passed to submit report to the Board of Supervisors and the Planning Commission

Meeting Adjourned @ 4:10 p.m.

TO: San Luis Obispo County Water Resources Advisory Committee
FROM: Paavo Ogren, Director of Public Works
DATE: May 6, 2009
SUBJECT: Report of the WRAC Subcommittee on the Los Osos Wastewater Project

Recommendation

That you consider the attached report from the subcommittee and develop recommendations to the Board of Supervisors as you deem appropriate.

Discussion

The attached report was prepared by the subcommittee, who provided a copy for technical review by the Project Team. The Project Team had no technical comments for the subcommittee. This staff report is our response.

Tertiary Treatment:

Tertiary treatment is a condition that is recommended, and that the Project Team supports, based on the proposed methods of disposal and identified impacts. The use of sprayfields, with agricultural impacts, is the nexus. If in the final decision making process, the methods of disposal are changed such that the nexus no longer exists, then the requirement for tertiary treatment should be deleted.

We also agree that tertiary treatment provides other disposal options, but agricultural reuse requires partnering, and is uncertain. Consequently, the uncertainty of Sea Water Mitigation measures 2a and 2c, at this time, would need to be weighed in considering a phasing plan. In our responses to the Planning Commission on April 30th, this concept is intended to be part of our responses to the Commission. To simply state the concept, under a phasing approach, the disposal methodology at this time would only be approved for the Project's initial flows, with a condition requiring a final disposal plan for build-out prior to the connection of any currently undeveloped lots to the wastewater project. This concept is consistent with the Coastal Development Permit conditions issued on the previous project for the development of the Water Management Plan, the Habitat Conservation Plan, and an updated Local Coastal Plan before any undeveloped lots could be connected. In essence, it is a refinement of the condition associated with the Water Management Plan.

Water Conservation

We will continue to work with the County Planning Department and the Los Osos Water Purveyors in promoting water conservation programs in addition to those anticipated for the Los Osos wastewater project. Our current agricultural programs included in the Flood Control budget promote agricultural best management practices and we will provide some focused education in the Los Osos area.

Use of Sprayfields

We agree that a phasing plan is a valid perspective and include impacts and issues that need to be weighed by decision makers.

Alternate Treatment Plant Sites

We agree that alternate treatment plant sites have validity and include impacts and issues that need to be weighed by decision makers.

Scope of Project

We agree that the project should not be delayed. We agree with comments on water purveyor responsibilities. Injection wells require reverse osmosis, and brine disposal is not feasible at this time. Nevertheless, we agree with its inclusion under the discussions of the ISJ, and the comments on other future work efforts for the ISJ.

WRAC Los Osos Wastewater Project Subcommittee Report

Subcommittee Purpose

The WRAC formed a subcommittee to look at the Los Osos Wastewater Project, and the ancillary items discussed at the April 4, 2009 meeting, with the intent of bringing their comments to the WRAC in May. (Motion passed 14-0-1)

Subcommittee met on April 10 and April 16, 2009. The report was finalized via email.

Subcommittee members

Chair – Sue Luft – Environmental at Large
Mike Winn – District 4, WRAC Chair
Maria Kelly – Los Osos CSD
Linda Chipping – Coastal San Luis RCD
Joy Fitzhugh – Farm Bureau

Issues Considered

Subcommittee considered the issues brought up by WRAC members at the April 4, 2009 meeting, as follows:

- Tertiary treatment – The WRAC moved to recommend to the Board that the project scope include tertiary treatment and that the budget for the project scope include the costs for tertiary treatment. (Passed 15-0) [Note: Tertiary treatment implies Reclaimed Title 22 Water.]
- Conservation – The WRAC moved to recommend that the County start encouraging, as they may, every water purveyor to develop and implement water conservation programs now. (Passed unanimous)
- STEP/STEG – A motion failed to recommend to the Board to have staff keep all technologies open, including STEP-STEG, within the design-build process. (2 votes in favor)
- Removal of agricultural land – alternate sites – to the extent this impacts water resources.
- Use of spray fields / effluent disposal.
- Scope of project, that it should be more comprehensive.

Summary of Discussion

General

The subcommittee had some general comments that they want to include in their report.

We are pleased that the County's process has worked, and that the County is carrying it forward. The subcommittee's intent is not to delay the project. Our concern is protection of water resources. The sewer project is a necessary project that must go forward to meet the RWQCB's mandate, alleviate nitrate contamination of groundwater, and allow for pumping pressure on the lower aquifer to be reduced.

We hope that the County will continue to move the process forward with flexibility in the decision making process so that the final project that is approved is the best, all things considered, even if it is not the currently Proposed Project. The process has studied all of the components of the Los Osos Wastewater Project (LOWWP). The specific project that is constructed will include various pieces which have been studied. We urge the County to keep in mind the long-term design of the project even if some other temporary measures are needed.

Tertiary Treatment

The subcommittee is very pleased that tertiary treatment of the wastewater effluent to Title 22 (unrestricted reuse) will be part of the project. Tertiary treatment allows many options for the use of the treated water, which were not available with only secondary treatment.

Since tertiary treated water will be available, the subcommittee asks that the County consider moving the LOWWP Seawater Intrusion Mitigation Level from a Level 2b to Level 2a or 2c (pages 7-58 through 7-61 of LOWWP Draft EIR). Levels 2a and 2c both incorporate agricultural reuse and require much smaller sprayfields – which should be temporary, as discussed below.

Water Conservation

Water conservation was discussed at length by the subcommittee. Los Osos CSD and Golden State Water Company have some conservation measures in place. SLO County has adopted toilet and showerhead retrofit ordinances for new development and all properties in Los Osos at the point of sale. The subcommittee believes that more needs to be done by all users of the basin.

Los Osos CSD, Golden State Water, and S & T Mutual need to develop water conservation plans, with information on consumption rates and consideration of

tiered rate structures and other measures (Nipomo CSD and SLO City were provided as examples). SLO County needs to assist by developing ordinances to address landscape water use, which is the largest water consumption on larger lots, and to encourage water conservation by properties which use individual water wells. The County also needs to encourage best management practices for agriculture and by rural water users. Short courses in irrigation management, soil moisture monitoring, ET water budgeting, etc. are helpful.

Use of Sprayfields

The subcommittee believes that sprayfields are acceptable during startup of the wastewater project. Their use will be discontinued after the upper aquifer is dewatered adequately so that the Broderson leachfield can accept all of the water from the project and/or other options – purple pipe for reclaimed water, agricultural exchange, etc. – can be put to full use. Since the wastewater will be treated to tertiary standards, a crop can also be grown on the sprayfields while they are in use. The disadvantage to sprayfields outside the Los Osos basin at the Tonini site is that they do not provide any seawater intrusion mitigation benefits. (Page 7-63 of the Draft EIR)

Since tertiary treatment will be utilized, the subcommittee also requests that the County consider other methods – recharge ponds or constructed wetlands overlying the basin or creek discharges – instead of, or in addition to, the sprayfields. A phased approach of adding connections to the sewer system and removing the septic discharge might allow dewatering of the upper aquifer to occur in conjunction with testing of the full potential of the Broderson leachfield, possibly rendering the sprayfields unnecessary.

Alternate Treatment Plant Sites

The subcommittee understands that most of the potential treatment sites are constrained by either biological resources or agricultural resources. Each site will involve a trade off. However, since the sprayfields should be removed in the future, consideration should be given to a treatment site within the basin. Ultimately, the treated water should be used entirely within the basin. Proposed Projects 1, 2, and 3 (Table 2-2, page 2-8 of the Draft EIR) and the Mid-Town site, as they are all located within the basin, should be strongly considered.

Scope of Project

The subcommittee discussed the concern of some WRAC members that the project should be more comprehensive. Since the sewer project is long overdue, supported by the majority of the community, and mandated by the Regional Water Quality Control Board within a short timeframe, the subcommittee feels that the wastewater project should not be further delayed.

Seawater intrusion mitigation measures should be considered by the water purveyors in parallel with the wastewater project. These measures can include additional water conservation measures, reduced municipal pumping, additional ag exchange to reduce agricultural pumping within the basin, use of additional leachfields to introduce fresh water into the lower aquifer, re-injection of fresh water, etc. Investigation of these measures should be done through the Interlocutory Stipulated Judgment (ISJ).

The ISJ appears to provide an avenue for development of a groundwater management authority – once all basin users are included. However, the ISJ process is closed to the public, which is normal. An open process would create greater understanding, assuring the public that progress is being made towards resolution of the seawater intrusion issue.

The subcommittee requests that the County negotiate an interim report of the ISJ process to the community in the near future. The public needs to understand the ISJ process and how it can enable a solution to the seawater intrusion issue. Injection wells, leachfields, reduced pumping and other technologies involve a great deal of studies and testing in order to determine their effectiveness. Regular reports to the community would provide a level of understanding of the progress in remediating the seawater intrusion problem.