

## LOS OSOS GROUNDWATER BASIN, BASIN MANAGEMENT COMMITTEE

### NOTICE OF MEETING

**NOTICE IS HEREBY GIVEN** that the Los Osos Groundwater Basin, Basin Management Committee Board of Directors will hold a **Regular Board Meeting** at **1:30 P.M.** on **Wednesday, May 20, 2020**. In accordance with State and County Shelter in Place orders, and consistent with the directives provided by Governor Newsom (Executive Order N-29-20), this meeting will be conducted as a phone-in/web-based meeting only. There will be no physical meeting location for this BMC Meeting. Members of the public can participate via phone or by logging into the web-based meeting.

For quick access, go to <https://us04web.zoom.us/j/778762508>  
(This link will help connect both your browser and telephone to the call)

**If not using a computer**, dial 1 (669) 900-6833 or 1 (346) 248-779 and enter **778 762 508**

All persons desiring to speak during any Public Comment can submit a comment by:

- Email at [dheimel@wsc-inc.com](mailto:dheimel@wsc-inc.com) by 5:00 PM on the day prior to the Committee meeting.
- Teleconference by phone at 1 (669) 900-6833 and enter **778 762 508**
- Teleconference by phone at 1 (346) 248-7799 and enter **778 762 508**
- Teleconference meeting at <https://us04web.zoom.us/j/778762508>
- Mail by 5:00 PM on the day prior to the Committee meeting to:  
Attn: Dan HeimeI (Basin Management Committee)  
2122 9th St.  
Suite 110  
Los Osos, CA 93402

Additional information on how to submit Public Comment is provided on page 3 of this Agenda

*Directors: Agenda items are numbered for identification purposes only and may not necessarily be considered in numerical order.*

*NOTE: The Basin Management Committee reserves the right to limit each speaker to three (3) minutes per subject or topic. In compliance with the Americans with Disabilities Act and Executive Order N 29-20, all possible accommodations will be made for individuals with disabilities, so they may participate in the meeting. Persons who require accommodation for any audio, visual or other disability in order to participate in the meeting of the BMC are encouraged to request such accommodation 48 hours in advance of the meeting from Dan HeimeI at [dheimel@wsc-inc.com](mailto:dheimel@wsc-inc.com).*

### BASIN MANAGEMENT COMMITTEE BOARD OF DIRECTORS AGENDA

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **BOARD MEMBER COMMENTS.** Board members may make brief comments, provide project status updates, or communicate with other directors, staff, or the public regarding non-agenda topics.
4. **CONSENT AGENDA**

The following routine items listed below are scheduled for consideration as a group. Each item is recommended for approval unless noted and may be approved in their entirety by one motion. Any member of the public who wishes to comment on any Consent Agenda item may do so at this time. Consent items generally require no discussion. However, any Director may request that any item be withdrawn from the Consent Agenda and moved to the "Action Items" portion of the Agenda to permit

discussion or to change the recommended course of action. The Board may approve the remainder of the Consent Agenda on one motion.

- a. **Approval of Minutes from April 15, 2020 meeting**
- b. **Approval of Warrants, Budget Update and Invoice Register through May 2020**

## **5. EXECUTIVE DIRECTOR'S REPORT**

## **6. ACTION ITEMS**

### **a. Update on Status of Basin Plan Infrastructure Projects**

Recommendation: Receive report and provide input to staff on future direction.

### **b. Basin Management Committee CY 2020 Budget**

Recommendation: Review potential additional CY 2020 BMC Budget items, provide input to staff on 2020 BMC Budget and authorize initiation of Strategic Planning initiative to help guide future BMC budget development.

### **c. Presentation of Draft 2019 Annual Report**

Recommendations: Receive a presentation from BMC staff regarding the draft 2019 Annual Report; confirm June date for BMC meeting to approve final 2019 Annual Report for submission to the Court and authorize use of Contingency Funds to cover CHG attendance at BMC Meetings.

### **d. BMC Invoice Procedure Modification**

Recommendation: Review BMC invoice approval procedures and provide authorization for staff to modify procedures to allow Executive Director and a designated BMC Director to approve invoices for payment by Brownstein Hyatt Farber Schreck for previously approved BMC budget items.

## **7. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA**

The Basin Management Committee will consider public comments on items not appearing on the agenda and within the subject matter jurisdiction of the Basin Management Committee. The Basin Management Committee cannot enter into a detailed discussion or take any action on any items presented during public comments at this time. Such items may only be referred to the Executive Director or other staff for administrative action or scheduled on a subsequent agenda for discussion. Persons wishing to speak on specific agenda items should do so at the time specified for those items. The presiding Chair shall limit public comments to three minutes.

## **8. ADJOURNMENT**

*Notice of Meeting*  
**LOS OSOS GROUNDWATER BASIN, BASIN MANAGEMENT  
COMMITTEE**

**\*\*\*CONFERENCE CALL/WEBINAR ONLY\*\*\***

Wednesday, May 20, 2020 at 1:30 PM

**Important Notice Regarding COVID-19: Based on guidance from the California Department of Public Health and the California Governor's Office, in order to minimize the spread of the COVID-19 virus, please note the following:**

1. The meeting will only be held telephonically and via internet via the number and website link information provided on the agenda. After each item is presented, Committee Members will have the opportunity to ask questions. Participants on the phone or on the computer will then be provided an opportunity to speak for 3 minutes as public comment prior to Committee deliberations and/or actions or moving on to the next item. If a participant wants to provide public comment on an item they should select the "Raise Hand" icon on the Zoom Online Meeting platform or press \*9 if on the phone. The meeting host will then unmute the participant when it is their turn to speak and allow them to provide public comment.
2. The Committee's agenda and staff reports are available at the following website:  
[https://www.slocounty.ca.gov/Departments/Public-Works/Committees-Programs/Los-Osos-Basin-Management-Committee-\(BMC\).aspx](https://www.slocounty.ca.gov/Departments/Public-Works/Committees-Programs/Los-Osos-Basin-Management-Committee-(BMC).aspx)
3. If you choose not to participate in the meeting and wish to make a written comment on any matter within the Committee's subject matter jurisdiction, regardless of whether it is on the agenda for the Committee's consideration or action, please submit your comment via email or U.S. Mail by 5:00 p.m. on the day prior to the Committee meeting. Please submit your comment to Dan Heibel at [dheibel@wsc-inc.com](mailto:dheibel@wsc-inc.com). Your comment will be placed into the administrative record of the meeting.
4. If you choose not to participate in the meeting and wish to submit verbal comment, please call (805) 457-8833 x104 and ask for Dan Heibel. If leaving a message, state and spell your name, mention the agenda item number you are calling about and leave your comment. The verbal comments must be received by no later than 9:00 a.m. on the morning of the noticed meeting and will be limited to 3 minutes. Every effort will be made to include your comment into the record, but some comments may not be included due to time limitations.

Mailing Address:  
Attn: Dan Heibel  
Basin Management Committee  
2122 9<sup>th</sup> St.  
Suite 110  
Los Osos, CA 93402

*All Americans with Disabilities Act (ADA) accommodations shall be promptly reviewed and resolved.* Persons who require accommodations for any audio, visual or other disability in order to review an agenda, or to participate in the meeting of the Basin Management Committee per the ADA, are encouraged to request such accommodation 48 hours in advance of the meeting from Dan Heibel at (805) 457-8833 x104.

**BASIN MANAGEMENT COMMITTEE BOARD OF DIRECTORS**

**Agenda Item 4a: Minutes of the Meeting of April 15<sup>th</sup>, 2020**

Agenda Item	Discussion or Action
1. <b>CALL TO ORDER</b>  2. <b>ROLL CALL</b>	Chairperson Ochylski called the meeting to order at 1:30 pm.  Mr. Heimel, acting Clerk, called roll to begin the meeting. Chairperson Ochylski, Director Gibson, Director Cote, and Vice Chairperson Zimmer were all present.
3. <b>BOARD MEMBER COMMENTS</b>	<u><b>Board Comments</b></u> None.
<b>4. CONSENT AGENDA</b>	
4a. <b>Minutes of the Meeting of January 15<sup>th</sup>, 2020</b>	Review of minutes from January 15, 2020 Meeting  <u><b>Public Comment</b></u> None
4b. <b>Approval of Budget update and Invoice Register through April 2020</b>	<u><b>Board Direction</b></u> Research and agendize potential modifications to the invoice approval process to expedite payment of BMC invoices at a future meeting.  <u><b>Board Action</b></u> The Board of Directors approves Item 4a and 4b.  <b>Ayes: Chairperson Ochylski, Director Gibson, Director Cote, and Vice Chairperson Zimmer</b> <b>Nays: None</b> <b>Abstain: None</b> <b>Absent: None</b>
5. <b>EXECUTIVE DIRECTOR'S REPORT</b>	Staff recommends that the Committee receive and file the report and provide staff with any direction for future discussions.  <u><b>Public Comment</b></u> None
<b>6. ACTION ITEMS</b>	
6a. <b>Update on Status of Basin Plan Infrastructure Projects</b>	Receive report and update on the results of the LOCSD Program C Expansion Well Site A Test Hole and provide input to staff for future action.  <u><b>Public Comment</b></u> None  <u><b>Board Action</b></u> None

<b>6b. Consideration of Additional Basin Management Committee CY 2020 Budget Items</b>	<p>Review the proposed alternatives for the CY 2020 BMC Budget and approve the Transient Model budget alternative (outlined below) or provide staff input on the remaining items to be included in the CY 2020 Budget.</p> <p><b><u>Public Comment</u></b> Lynette Tornatzky Jeff Edwards</p> <p><b><u>Board Direction</u></b> Clarify current budget commitments for previously approved BMC Budget Items, continue dialog with BMC Party Staff regarding BMC budget priorities and bring this item back at the next meeting.</p>
<b>6c. 2019 Annual Report Preview</b>	<p>Receive a brief update on early findings from BMC staff on the development of the 2019 BMC Annual Report.</p> <p><b><u>Public Comment</u></b> None</p>
<b>6d. Draft Annual Report and BMC Document Release Authorization</b>	<p>Authorize the Executive Director to release BMC documents for public review through the Los Osos BMC Mailing List and the Los Osos BMC Website.</p> <p><b><u>Public Comment</u></b> None</p> <p><b><u>Board Action</u></b> Approval for the Executive Director to release BMC documents for public review.</p> <p><b>Ayes: Director Cote, Chairperson Ochylski, Director Gibson, and Vice Chairperson Zimmer</b> <b>Nays: None</b> <b>Abstain: None</b> <b>Absent: None</b></p>
<b>7. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA</b>	<p><b><u>Public Comment</u></b> None</p> <p><b><u>Board Comments</u></b> None</p>
<b>9. ADJOURNMENT</b>	<p>Meeting was adjourned at approximately 3:15 PM. The next meeting will be held online on May 20<sup>th</sup>, 2020.</p>

**TO: Los Osos Basin Management Committee**

**FROM: Dan Heimel, Executive Director**

**DATE: May 20, 2020**

**SUBJECT: Item 4b – Approval of Budget Update and Invoice Register through May 2020**

### **Recommendations**

Staff recommends that the Committee review and approve the report.

### **Discussion**

Staff has prepared a summary of costs incurred for the current budget year 2020 through May 20, 2020 (see Attachment 1). A running invoice register is also provided as Attachment 2.

Staff recommends that the Committee approve all pending invoices, outlined in Attachment 3. Payment of invoices will continue to be processed through Brownstein Hyatt Farber Shreck as noted in previous meetings.

**Attachment 1: Cost Summary (January 2020 to Current Date) for Calendar Year 2020 Preliminary Budget**

<b>Item</b>	<b>Description</b>	<b>Budget Amount</b>	<b>Costs Incurred</b>	<b>Percent Incurred</b>	<b>Remaining Budget</b>
1	Monthly meeting administration, including preparation, staff notes, and attendance	\$70,000	\$23,355.00	33.4%	\$46,645
2	Meeting expenses - facility rent (if SBCC needed for larger venue)	\$1,500	\$120.00	8.0%	\$1,380
3	Meeting expenses - audio and video services	\$6,000	\$725.00	12.1%	\$5,275
4	Adaptive Management - Groundwater Modeling & Well Head Surveying	\$15,000	\$0.00	0.0%	\$15,000
5	Semi annual seawater intrusion monitoring	\$40,000	\$14,739.27	36.8%	\$25,261
6	2020 Annual Report	\$38,000	\$37,987.50	100.0%	\$13
7	Grant writing (outside consultant)	\$5,000	\$0.00	0.0%	\$5,000
	Subtotal	\$175,500	\$76,927		\$98,573
	5% Contingency (rounded to nearest \$100)	\$8,800			
	<b>Total</b>	<b>\$184,300</b>	<b>\$76,927</b>	<b>41.7%</b>	<b>\$107,373</b>
	LOCS D (38%)	\$70,034			
	GSWC (38%)	\$70,034			
	County of SLO/SLOCFC&WCD (20%)	\$36,860			
	S&T Mutual (4%)	\$7,372			

**Attachment 2: Invoice Register for Los Osos BMC for Calendar Year 2020 (through May 2020)**

<b>Vendor</b>	<b>Invoice No.</b>	<b>Amount</b>	<b>Month of Service</b>	<b>Description</b>	<b>Budget Item</b>	<b>Date BMC Approved</b>
MKN	110519	\$4,377.13	Oct-19	Soil Aquifer Treatment	8	Jan-2020
MKN	123119	\$92.50	Dec-19	Soil Aquifer Treatment	8	Jan-2020
LOCS	32018	\$86,393.00	Oct-19	Cuesta by the Sea Monitoring well	9	Apr-2020
WSC	4380	\$4,900.00	Nov/Dec-19	Monthly meeting administration	1	Apr-2020
SBCC	101	\$120.00	Sep-19	Basin Management Meeting	2	Apr-2020
AGP	8001	\$725.00	Dec-19	Video Production Services	3	Apr-2020
AGP	7893	\$775.00	Sep-19	Video Production Services	3	Apr-2020
AGP	7568	\$800.00	Nov-18	Video Production Services	3	Apr-2020
CHG	20200109	\$9,292.50	Jan-20	Annual Report Preparation	6	Apr-2020
CHG	20200208	\$15,495.00	Feb-20	Annual Report Preparation	6	Apr-2020
SBCC	104	\$120.00	Jan-20	Basin Management Meeting	2	Apr-2020
AGP	8073	\$725.00	Jan-20	Video Production	3	Apr-2020
CHG	20200304	\$11,760.00	Mar-20	Annual Report Preparation	6	Apr-2020
CHG	20200305	\$2,115.00	Mar-20	2020 Semi-annual Groundwater Monitoring	5	Apr-2020
CHG	20200403-REV	\$1,440.00	May-20	Annual Report Preparation	6	
CHG	20200404-REV	\$12,624.67	Apr-20	2020 Semi-annual Groundwater Monitoring	5	
WSC	4524	\$9,802.50	Jan/Feb 2020	Monthly meeting administration	1	
WSC	4654	\$13,552.50	Mar/Apr 2020	Monthly meeting administration	1	
	<b>Total</b>	<b>\$175,109.80</b>				
	<b>2020 Total</b>	<b>\$76,927.17</b>		not included in total- applied to 2019		To be approved





**TO: Los Osos Basin Management Committee**

**FROM: Dan Heimel, Executive Director**

**DATE: May 20, 2020**

**SUBJECT: Item 5 – Executive Director’s Report**

## Recommendations

Staff recommends that the Committee receive and file the report and provide staff with any direction for future discussions. Sections of the Executive Director’s Report that have been updated or significantly changed from the previous meeting’s version are underlined.

## Discussion

This report was prepared to summarize administrative matters not covered in other agenda items and to provide a general update on staff activities.

## Funding and Financing Programs to Support Basin Plan Implementation

**Prop 1 GWGP:** As indicated in the January 2018 meeting the State Board confirmed that sea water intrusion mitigation projects under Program C are eligible for low interest loans but are not currently eligible for grants under the Proposition 1 Groundwater Grant Program (GWGP). New wells in the upper and lower aquifer are viewed as aquifer management, not aquifer clean-up as defined by the State, therefore we will need to look for future funding rounds and other opportunities.

**IRWM:** The Program A upper aquifer well at 8th Street was submitted by Los Osos CSD to the local IRWM process in 2019 and was subsequently selected to be a part of the application for the current funding opportunity. The application for this grant was submitted in December 2019 and the Project was included in the Department of Water Resource’s May 7<sup>th</sup>, 2020 Draft Recommended Funding List for the full grant request.

**Prop 1 SWGP:** The concept of urban storm water recovery at 8th and El Moro was ranked in the County Stormwater Resource Plan, and a grant opportunity may be available through the Prop 1 Storm Water Grant Program (SWGP). Round 2 of Stormwater Grant Program funding is now open and accepting applications until July 2nd. The Stormwater Resource Plan can be found here: <https://www.slocounty.ca.gov/Departments/Public-Works/Committees-Programs/Stormwater-Resource-Plan.aspx>

And information about the Storm Water Grant Program can be found here: [https://www.waterboards.ca.gov/water\\_issues/programs/grants\\_loans/swgp/prop1/](https://www.waterboards.ca.gov/water_issues/programs/grants_loans/swgp/prop1/)

The BMC previously included in the CY 2019 Budget \$15k to perform an Urban Stormwater Recovery Evaluation. Additional discussion regarding this initiative will occur in Agenda Item 6b.

**WRFP:** The State Water Resource Control Board (SWRCB) recently increased the amount for Water Recycled Program Planning (WRFP) grants from \$75k to \$150k. This could provide a grant funding opportunity to advance Basin Plan initiatives with a reduced cost to the community of Los Osos. Potential scope items for the RWFPS could include:

- Transient Groundwater Model Development
- Soil Aquifer Treatment (SAT) Assessment
- Broderson/Creek Discharge Scenario Analysis
- Stormwater and Perched Water Recovery Project – Feasibility Study
- Adaptive Management Groundwater Modeling
- RWFPS Report Development

See Agenda Item 6b for additional discussion for how a WRFP Grant could be utilized to support BMC initiatives.

### Status of Basin Plan Implementation and Funding Plans

The BMC has requested an integrated funding plan for project implementation and BMC monitoring and administration. Discussions are expected to continue into the coming months with the following goals:

- Funding plan for on-going BMC administration and monitoring, with options for funding in the absence of a community-wide special tax.
- Funding and execution plan for Basin Infrastructure Programs B and D, as appropriate. Note that funding already exists for Programs A and C.
- Additional progress for plans to supplement basin yield and provide for the community's needs consistent with the Los Osos Community Plan, including creek discharge, storm water recovery, or other supply augmentation projects.
- Clear governance structure to accomplish objectives, including detailed consideration of a JPA if needed as discussed in previous meetings.

Recent discussions with BMC Party Staff have identified that the BMC could benefit from a Strategic Planning initiative to establish a common baseline understanding for the roles and responsibilities and to guide future actions and investments. Additional discussion regarding a BMC Strategic Plan initiative is included in Agenda Item 6b.

**JPA Formation:** Staff level discussions focused on need for, and benefits of, forming a JPA, see table below, to assist with implementation of the Basin Plan.

Table 1. JPA Formation Considerations

Pros	Cons
• Common ownership of basin assets	• Complexity and community perception
• Ability to contract for services as an entity	• Potential for more difficulty in formal proceedings - less nimble
• GSWC can participate as a director	• More difficult to exit/change if needed
• Could cover entire limits of basin for funding	
• If carefully done, incremental costs could be limited to insurance and up-front legal expenses	
• <u>Ability to carry-over funds from one budget year to another</u>	

As indicated in previous meetings, it was determined that GSWC could serve as an appointed JPA director without forming a separate Mutual Water Company entity, which would simplify the process.

Recent discussions with BMC Party Staff indicate that the BMC Parties would like to execute the Strategic Planning initiative to first develop a roadmap for the BMC and then evaluate the potential formation of a JPA or other governance structure once there is a more defined plan for future BMC initiatives.

**Program B Implementation Process and Funding:** The existing nitrate removal facility owned by GSWC is intended to serve existing development, so it is likely that a Program B facility intended for future development would be jointly owned by either a JPA or by one of the public agencies.

- Likely next steps for the implementation of Program B projects include:
  - Technical Studies in 2020 to validate and update cost estimates
  - Siting Studies to identify project locations
  - AB 1600 analysis to evaluate funding options relative to future development, in coordination with the Los Osos Community Plan
  - Environmental Review (CEQA)
  - Land Use Permitting (e.g. Coastal Development Permits, etc.)

BMC staff is continuing to investigate funding frameworks that would provide for equitable implementation of the Basin Plan. The Funding and Organization Studies Budget Item (Budget Item 10) in the proposed CY 2020 BMC Budget would provide the BMC with funds to coordinate with consultants to update basin plan project cost estimates, review different governance/funding alternatives and develop recommendations for the governance structures and funding mechanisms necessary to implement the Basin Plan.

## Land Use Planning Process Update

**Los Osos Community Plan:** The Board authorized preparation of this update on December 11, 2012. A Public Review Draft Community Plan was released in January 2015. A series of community outreach meetings to unveil the Community Plan were conducted in the Spring of 2015. The plan was prepared to be consistent and coordinated with the draft groundwater basin management plan and the draft Habitat Conservation Plan. The plan may be reviewed at the Department of Planning and Building, the Los Osos Library and on the Department's website. The draft Environmental Impact Report was released on September 12, 2019, comments were due December 11, 2019. A Community Meeting on the Draft Environmental Impact Report for the Los Osos Community Plan and the Habitat Conservation Plan and associated Environmental Documents was held on October 28, 2019. Staff is currently finalizing the Environmental Impact Report and preparing a Public Hearing Draft. Planning Commission hearings are expected to begin this summer 2020.

**Habitat Conservation Plan:** The public review draft HCP and the associated Environmental Impact Report and Environmental Assessment was released on October 2, 2019 and the comment period ended on November 18, 2019. A Community Meeting on the HCP and associated Environmental Documents as well as the Draft Environmental Impact Report for the Los Osos Community Plan was held on October 28, 2019. Staff is currently working on finalizing the Environmental Documents and the Management Plan for the Preserve system.

**Accessory Dwelling Units (ADU):**

On January 28, 2020, the Board of Supervisors considered and adopted a resolution to amend Title 22 and 23 for the replacement of the Secondary Dwelling Ordinance with a new ordinance for Accessory Dwelling Units (ADUs). Final action on the amendments to Table "O" of the Coastal Framework for Planning was originally scheduled to be taken by the Board of Supervisors on April 7, 2020, but has been postponed due to the COVID-19 pandemic.

The adopted ordinance would allow ADUs to be established in the Community of Los Osos. It is anticipated that the amendments to Title 23 and Table "O" of the Coastal Framework for Planning will be going before the California Coastal Commission for approval later this year. Until such amendments are approved by the California Coastal Commission, the County will review ADU applications for consistency with State ADU law, which would allow for the construction of ADUs in the Coastal Zone.

**Los Osos Wastewater Project Flow and Connection Update**

**Wastewater Flows:** Influent flows to the treatment facility averaged 0.50 for the month of April, and 0.49 MGD since January 1, 2020

**Recycled Water:** Sea Pines Golf Course received:

- 620,000 gallons of recycled water in January;
- 1,412,000 gallons in February; and
- 1,131,400 gallons in March
- 2,355,100 gallons in April

**Effluent Disposal:** Effluent disposal was:

- 40.80 AF to Broderson and 0.02 AF to Bayridge Leach Fields in January;
- 37.20 AF to Broderson and 0.00 AF to Bayridge Leach Fields in February;
- 45.68 AF to Broderson and 0.08 AF to Bayridge Leach Fields in March;
- 35.46 AF to Broderson and 0.99 AF to Bayridge Leach Field in April; and
- The cumulative effluent disposal for the calendar year as of 5/1/2020 was 160.23 AF.

**Enforcement:** A list of properties that were not connected were transferred to County Code Enforcement and Notice of Violations were issued last year in Feb. 2019. That list was about 70 properties. As of 4/2/2020, the sewer service area had a 99.2% connection status with a total of 44 properties not yet connected. Of those, one is not required to connect because there is no structure (demolished), 24 have expired building permits, and the rest have an open Code Enforcement case. Expired permits did not receive a Code Enforcement case because those properties have their own noticing process through the Building Department which, if not corrected, could result in a Notice of Violation. The County has assigned new staff in code enforcement to Los Osos. They will be reviewing the status of cases that were issued earlier last year.

### Water Conservation Update

**Rebate Update:** There has been no change in issued rebates since the last report from 1/15/20. For this fiscal year, there have been rebates for six (6) toilets, one (1) showerhead, three (3) washing machines and (1) one hot water recirculatory. Average indoor water usage for 2019 was estimated to be 40 gpd per person.

### Cannabis and Hemp Information

**Hemp:** According to the Ag Commissioners Office there is one Hemp grow located at APN 067-011-057 with approximately 5 acres planted outdoor and .1 acre indoor, total 5.1 acres. Hemp is not currently regulated under a land use permit, therefore no DRC tracking number has been assigned.

**Cannabis:** The County is processing DRC2018-00215 a Development Plan to establish a cannabis cultivation site. The County is requiring the applicant to offset the increased water use for the project, and the current proposal is to retrofit urban reverse osmosis systems to increase their efficiency. The total proposed offset volume is 3.5 acre feet per year. Staff will work with County Planning to bring a more detailed description of the urban retrofit program at the next BMC Meeting.

### Pending Task List for Executive Director

As requested at the January 2019 meeting, the following list of pending tasks has been created for BMC input and reference.

Task Description	Estimated Schedule	Budget Consideration
Seawater intrusion imaging in coordination with Cal Poly	Pending land owner approval	Minor – staff time only
8 <sup>th</sup> /EI Moro urban storm water recovery project	Proposal included January 2020 BMC agenda packet. This effort is being considered as part of WRFPP grant and will be considered as part of CY 2020 BMC Budget	Included in proposed 2020 budget
Creek discharge project	SAT Consultant was authorized to proceed at the December 2019 BMC Meeting. However, NTP has not been issued pending the discussion regarding a potential WRFPP Grant, see CY 2020 BMC Budget	Included in proposed 2020 budget

**Sustainable Groundwater Management Act (SGMA)**

**SGMA Overview:** The Sustainable Groundwater Management Act took effect on January 1, 2015.<sup>1</sup> SGMA provides new authorities to local agencies with water supply, water management or land use responsibilities and requires various actions be taken in order to achieve sustainable groundwater management in high and medium priority groundwater basins. Los Osos Valley Groundwater Basin (Los Osos Basin) was subject to SGMA based on the 2014 Basin Prioritization by the California Department of Water Resources (DWR) that listed the Los Osos Basin as high priority and in critical conditions of overdraft.<sup>2</sup>

**Basin Prioritization:** On December 18, 2019, DWR released the SGMA 2019 Basin Prioritizations. Basins or subbasins reassess to low or very low priority basins or subbasins are not subject to SGMA regulations. A summary of DWR’s Final SGMA Prioritizations for the Los Osos Area Subbasin and Warden Creek Subbasin are listed below:

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<sup>1</sup> On September 16, 2014, Governor Jerry Brown signed into law a three-bill legislative package, composed of AB 1739 (Dickinson), SB 1168 (Pavley), and SB 1319 (Pavley), collectively known as SGMA

<sup>2</sup> SGMA mandates that all groundwater basins identified by DWR as high- or medium-priority by January 31, 2015, must have groundwater sustainability agencies established by June 30, 2017. The act also requires that all high- and medium-priority basins classified as being subject to critical conditions of overdraft in Bulletin 118, as of January 1, 2017, be covered by groundwater sustainability plans, or their equivalent, by January 31, 2020. Groundwater sustainability plans, or their equivalent, must be established for all other high- and medium-priority basins by January 31, 2022.

- Los Osos Area Subbasin is listed as **very low** priority for SGMA<sup>3</sup> and in critical conditions of overdraft<sup>4</sup>
  - SGMA does not apply to the portions of Los Osos Basin that are adjudicated provided that certain requirements are met (Water Code §10720.8).
- Warden Creek Subbasin is listed as **very low** priority for SGMA<sup>3</sup>

For more information on DWR's basin boundary modification and prioritization process, please visit:

<https://water.ca.gov/Programs/Groundwater-Management/Basin-Prioritization>

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<sup>3</sup> As noted by DWR, the priority for the subbasin has been set to very low (0 total priority points) as a result of conditions being met under sub-component C of the Draft SGMA 2019 Basin Prioritizations.

<sup>4</sup> Critical conditions of overdraft have been identified in 21 groundwater basins as described in Bulletin 118 (Water Code Section 12924). Bulletin 118 (updates 2003) defines a groundwater basin subject to condition of critical overdraft as: "A basin is subject to critical conditions of overdraft when continuation of present water management practices would probably result in significant adverse overdraft-related environmental, social, or economic impacts."



**TO: Los Osos Basin Management Committee**

**FROM: Dan Heimel, Executive Director**

**DATE: May 20, 2020**

**SUBJECT: Item 6a – Update on Status of Basin Plan Infrastructure Projects**

**Recommendations**

Recommendation: Receive report and provide input to staff on future direction.

**Discussion**

The Basin Management Plan for the Los Osos Groundwater Basin (Plan) was approved by the Court in October 2015. The Plan provided a list of projects that comprise the Basin Infrastructure Program (Program) that were put forth to address the following immediate and continuing goals:

Immediate Goals

1. Halt or, to the extent possible, reverse seawater intrusion into the Basin.
2. Provide sustainable water supplies for existing residential, commercial, community and agricultural development overlying the Basin.

Continuing Goals

1. Establish a strategy for maximizing the reasonable and beneficial use of Basin water resources.
2. Provide sustainable water supplies for future development within Los Osos, consistent with local land use planning policies.
3. Allocate costs equitably among all parties who benefit from the Basin's water resources, assessing special and general benefits.

The Program is divided into five parts, designated Programs A through D and Program M. Programs A and B shift groundwater production from the Lower Aquifer to the Upper Aquifer, and Programs C and D shift production within the Lower Aquifer from the Western Area to the Central and Eastern Areas, respectively. Program M was also established in the Basin Management Plan for the development of a Groundwater Monitoring Program (See Chapter 7 of the BMP), and a new lower aquifer monitoring well in the Cuesta by the Sea area was recommended in the 2015 Annual Report and completed in December 2020. Program U is the Urban Water Reinvestment Program that addresses the use of recycled water within the Basin. The attached table provides a comprehensive project status and summary.



Program Name	Project Name	Parties Involved	BMC Budgeted Amount	Funding Status	Anticipated Planning/Pre-Construction Cost	Anticipated Capital Cost	Status/Notes
<b>Program D</b> - Shift production within the Lower Aquifer from the Western Area to the Central and Eastern Areas							Currently being considered for deferment through Adaptive Management. BMC to review on an annual or semi-annual basis.
<b>Program M</b> – Groundwater Monitoring Plan	New Zone D/E lower aquifer monitoring well in Cuesta by the Sea	All Parties	NA	NA	NA	NA	<b>Completed</b>
<b>Program U</b> - Urban Water Reinvestment Program	Creek Discharge Program	All Parties	\$50k included and approved in the CY 2019 BMC Budget	\$50k Approved for Soil Aquifer Treatment Evaluation	\$582,000 through feasibility phase required	TBD	The 2019 budget includes funding for Soil Aquifer Treatment evaluation in the amount of \$50,000. BMC authorized completion of the Soil Aquifer Testing to support implementation of the Creek Discharge Program. These activities are currently on hold pending outcome of the CY 2020 BMC Budget discussion.
	8 <sup>th</sup> and El Moro Urban Storm Water Recovery Project	All Parties	\$15k included in CY 2019 BMC Budget for initial study	Budgeted		TBD	On hold, pending BMC decisions regarding the CY 2020 BMC Budget.

**TO: Los Osos Basin Management Committee**

**FROM: Dan Heimel, Executive Director**

**DATE: May 20, 2020**

**SUBJECT: Item 6b – Basin Management Committee CY 2020 Budget**

### **Recommendations**

Recommendation: Review potential additional CY 2020 BMC Budget items, provide input to staff on 2020 BMC Budget and authorize initiation of Strategic Planning initiative to help guide future BMC budget development.

### **Discussion**

Section 5.13.2 of the Stipulated Judgment requires that the BMC Parties develop an annual budget to fund its activities. At the January 2020 BMC Meeting, the Committee approved Budget Items 1-7 and requested that Staff work together with the BMC Parties to further discuss the remaining budget items (8-11) and prepare a recommendation for the Committee.

After discussions with BMC Party Staff, it was determined that there was not clear consensus amongst the BMC Parties on which initiatives were critical for the BMC to focus its limited resources and budget on for CY 2020. Therefore, it is recommended that the BMC initiate a Strategic Planning initiative that would include the following elements:

- Outline the accomplishments that the BMC and the BMC Parties have achieved toward implementation of the Basin Plan
- Establish a baseline understanding of the roles and responsibilities of the BMC
- Develop/update mission statement and goals and objectives for the BMC
- Identify list of potential BMC water resources initiatives (e.g. Creek Discharge, Urban Stormwater Capture; evaluation of Basin Metrics, Transient Model, Funding & Organization Studies, etc.)
- Develop evaluation criteria and criteria weighting factors for initiative evaluation; including cost/benefit assessments
- Score and rank initiatives to develop prioritized list of strategic initiatives
- Utilize prioritized list of strategic initiatives to develop an implementation plan for BMC that:
  - Includes a schedule/roadmap for completion of strategic BMC initiatives;
  - Identifies budget requirements for near-, mid- and long-term initiatives to assist the BMC and BMC Parties in developing future BMC budgets.

It is anticipated that developing a Strategic Plan for the BMC will help build consensus around how the BMC focus its efforts and funds for future water resources initiatives and to aid in the further implementation of the Basin Plan.

However, in the event that the BMC would like to move forward with some of the previously identified potential budget items for the CY 2020 Budget, a description and estimated costs for each item is outlined below:

- **Well-Head Survey:** Well elevation survey to improve accuracy of the Los Osos Basin Groundwater Monitoring Program and the Water Level Metric. This was a previously approved and contracted budget item from the BMC CY 2019 Budget that did not get completed in 2019. Based on discussions with BMC Party Staff, it was determined that individual BMC Parties' unspent funds from previous year's BMC budgets do not carry-over for use in upcoming BMC budgets. For this task to move forward, it needs to be included in the CY 2020 Budget so that funding is available to pay for the well-head survey. Contract Cost (\$3,500).
- **Creek Recharge and Replenishment Studies:** Previously funded budget item and approved study to analyze Soil Aquifer Treatment to inform the Creek Discharge alternative. Estimated Cost (\$45k).
- **Urban Stormwater and Perched Water Recovery Project:** Previously funded budget item to study to evaluate stormwater and perched water recovery opportunities to increase flow to the LOWRF and recharge of the basin. Estimated Cost (\$15k).
- **Funding and Organization Studies:** Consultant services to investigate and evaluate funding opportunities for implementation of the Basin Plan. Estimated Cost (\$40k)
- **Transient Model Development and Scenario Analysis:** Development of a Transient Groundwater Model would help improve the understanding of the basin and provide a valuable toolset to evaluate potential future conditions including, but not limited to: creek discharge implementation; urban storm/perched water capture; climate change impacts; seawater intrusion scenarios; nitrate fate and transport; conjunctive use opportunities and others. Estimated Cost (\$185k)

### **Financial Considerations**

The BMC previously approved the Baseline BMC Budget, shown below, at their January 2020 Meeting. Inclusion of additional budget items would increase the CY 2020 BMC Budget by a corresponding amount. It is anticipated that development of a Strategic Plan, with assistance from BMC Party Staff, could be completed within the existing Executive Director administration budget.

If the BMC chooses to not include additional budget items beyond Budget Items 1 – 7 in the CY 2020 budget, it is recommended that the Contingency Budget increase from 5% to 10% of the Budget Item 1 – 7 Subtotal. This was done in previous CY BMC budgets and would provide additional flexibility should additional costs be identified in CY 2020. This would increase the Contingency budget by approximately \$8,800. Contingency Budget funds would not be utilized without authorization from the BMC.

**Baseline CY 2020 BMC Budget**

<b>Table 1: CY 2020 Budget (Baseline)</b>			
Item	Description	Cost	Comments
1	Monthly meeting administration, including preparation, staff notes, and attendance	\$70,000	Assumes 25 hours per month, on average
2	Meeting expenses - facility rent (if SBCC needed for larger venue)	\$1,500	\$30/hr for non-profit
3	Meeting expenses - audio and video services	\$6,000	
4	Adaptive Management Studies	\$15,000	Analysis of new monitoring well data, Program D deferral, other studies
5	Semi-annual seawater intrusion monitoring	\$40,000	
6	2019 Annual Report	\$38,000	Not including services contributed directly from BMC member staff
7	Grant Application	\$5,000	BMC member staff may also contribute to grant efforts
	Subtotal	\$175,500	
	5% Contingency (rounded to nearest \$100)	\$8,800	
	<b>Total</b>	<b>\$184,300</b>	
	LOCSD (38%)	\$70,034	
	GSWC (38%)	\$70,034	
	County of SLO/SLOCFC&WCD (20%)	\$36,860	
	S&T Mutual (4%)	\$7,372	

**TO:** Los Osos Basin Management Committee

**FROM:** Dan Heimel, Executive Director

**DATE:** May 20, 2020

**SUBJECT:** Item 6c – Presentation of Draft 2019 Annual Report

**Recommendations**

Recommendations: Receive a presentation from BMC staff regarding the draft 2019 Annual Report; confirm June date for BMC meeting to approve final 2019 Annual Report for submission to the Court and authorize use of Contingency Funds to cover CHG attendance at BMC Meetings.

**Discussion**

Section 5.8.3 of the Final Judgment requires that the preparation of an Annual Report by June 30 of each year. The BMC retained Cleath Harris Geologists (CHG) to prepare the fourth Annual Report for calendar year 2019. The draft work product prepared by CHG is attached, and a staff summary will be provided at the meeting.

**Financial Considerations**

Budget items 5 and 6 in the adopted calendar year 2020 budget address monitoring and preparation of the annual report. These budget items did not include time for Spencer Harris to attend the BMC Meetings that included the presentation of the Draft and Final BMC Annual Reports. It is recommended that BMC Contingency Funds be utilized to fund Spencer's participation in these BMC Meetings to be able to answer technical questions regarding the Annual Report. It is anticipated that preparation for and participation in the BMC Meetings would costs approximately \$1,200 in CY 2020.

**TO: Los Osos Basin Management Committee**

**FROM: Dan Heimel, Executive Director**

**DATE: May 20, 2020**

**SUBJECT: Item 6d: BMC Invoice Procedure Modification**

### **Recommendations**

Recommendation: Review BMC invoice approval procedures and provide authorization for staff to modify procedures to allow Executive Director in coordination with a BMC Director to approve invoices for payment by Brownstein Hyatt Farber Schreck (BHFS) for previously approved BMC budget items.

### **Discussion**

The BMC invoice review and approval procedure takes an extended amount of time for the BMC to receive, review, approve and process invoices for payment. A description of the current process is provided below:

1. BMC Executive Director and BHFS are invoiced for work completed for the BMC
2. Invoices are included in the Invoice Register for the next available BMC Meeting
3. BMC approves the Invoice Register at the BMC Meeting
4. BHFS invoices the BMC Parties for the approved invoices
5. BHFS pays consultants/contractors for services provided once it receives payment from each of the BMC Parties

This process can take an extended period of time to complete. BMC staff reviewed and discussed potential opportunities to streamline the process and prepared the following modified process for BMC consideration and approval.

1. BMC Executive Director and BHFS are invoiced for work completed for the BMC
2. BMC Executive Director approves the invoices if they are for authorized work included in the approved BMC Budget. Invoices for work not included in the approved BMC Budget after presenting said invoices and supporting documentation to one of the BMC Directors (as selected by the BMC) for review. Invoices for work not included in the approved BMC Budget or costs in excess of the approved budget amount for the task would require approval by the BMC and would be included in the Invoice Register for the next BMC Meeting.
3. BHFS invoices the BMC Parties for the approved invoices
4. BHFS pays consultants/contractors for services provided once it receives payment from each of the BMC Parties

It is anticipated that this modification would significantly reduce the invoice processing time and allow the BMC to more rapidly pay consultants/contractors for their services in support of the



BMC. An additional opportunity to reduce invoice processing time would be for the BMC Parties to pre-pay for approved BMC Budget items. However, based on discussions with BMC Party Staff it was determined that the current BMC structure and accounting system would likely prevent some of the BMC parties from providing BHFS with funds for work that has yet to be provided by the consultants/contractors and would otherwise make it challenging to implement such an approach.