



August 19, 2026

TO: Utilities Advisory Committee
FROM: Greg Kwolek, General Manager
SUBJECT: **Agenda Item 5 – 08/19/26 UAC Meeting**
Utilities Department Updates

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Water Resiliency Intertie Pipeline Project (Intertie Pipeline Project) Update

The 30% design documents have been received by CSD staff. They are currently under review. Once CSD review is completed, work on the Coastal Development Permit will begin and will continue in parallel with the design work.

16th Booster Pump Replacement Project Update

At their meeting on August 6, 2026, the Los Osos CSD Board of Directors approved a contract amendment for Change Order 4 to perform the 16th Street booster station controller upgrade. The contract amendment has been executed and staff is coordinating with Cannon to perform the work.

Assistant General Manager/District Engineer Introduction

Eric Riddiough, P.E., has been selected as the District's Assistant General Manager/District Engineer. Eric is a licensed Professional Civil Engineer with more than 20 years of public works and engineering experience. Most recently, he has served as a Senior Transportation Engineer with Caltrans District 5. Prior to that, he was the City Engineer for the City of Morro Bay, where he led the Engineering Division, managed capital improvement projects (including water/sewer) and construction contracts, supervised engineering staff, and regularly presented to the City Council and advisory bodies. He also brings prior municipal engineering experience with the City of Santa Maria and a strong background in capital project delivery, grant administration, infrastructure planning, and public agency operations.

Joint Comment Letter on County Project Focus for Nexus Study for Potential Title 19 In-Lieu Fee

At their meeting on August 6, 2026, the Los Osos CSD Board of Directors approved execution of a joint comment letter from Los Osos CSD, Golden State Water Company, and S&T Mutual Water Company regarding the project focus for an upcoming County nexus study evaluating a potential Title 19 in-lieu fee.

The potential in-lieu fee would provide an alternative to plumbing retrofit requirements under the County's Title 19 water conservation program, with fee revenues used to support projects that provide water supply or resiliency benefits to the Los Osos Groundwater Basin.

The joint letter recommends that the County evaluate the Water Resiliency Intertie Project as the project basis for the nexus study. The proposed intertie would bring a new water supply to the basin and has the potential to restore the Los Osos Groundwater Basin.

The letter is focused on identifying an appropriate project for purposes of the nexus study and does not endorse a particular fee amount or even conclude that an in-lieu fee should be adopted. The water purveyors reserve judgment on whether an in-lieu fee is warranted until the nexus study is completed and the resulting analysis can be evaluated.