



ZONE 3 ADVISORY COMMITTEE

San Luis Obispo County Flood Control and Water Conservation District

AGENDA

Thursday, November 19, 2015 6:30 p.m.

City of Arroyo Grande

- I. CALL TO ORDER AND ROLL CALL
- II. PUBLIC COMMENT
This is an opportunity for members of the public to address the Committee on items that are not on the Agenda
- III. APPROVAL OF MEETING MINUTES OF September 17, 2015
- IV. APPROVAL OF 2016 MEETING SCHEDULE
- V. OPERATIONS REPORT
 - A. Water plant operations, dam storage, and creek releases
- VI. FIRST QUARTER BUDGET STATUS FY 2015/16
- VII. INFORMATION ITEMS
 - A. Climate Update
 - B. PG&E Diablo Canyon Power Plant Desalination Update
- VIII. CAPITAL PROJECTS UPDATE
 - A. Bi-Monthly Update
- IX. ACTION ITEMS (No Subsequent Board of Supervisors Action Required)
 - A. Lopez Water Treatment Plant 6th Rack Budget Transfer
 - B. Habitat Conservation Plan Update
- X. ACTION ITEMS (Board of Supervisors Action is Subsequently Required)
 - A. Emergency Water Supply Options Evaluation Letter Update
- XI. FUTURE AGENDA ITEMS
 - A. Contract Renegotiation Discussions
 - B. Water Wheeling
 - C. Funding Groundwater Modeling
- XII. COMMITTEE MEMBER COMMENTS

Next Regular Meeting is Tentatively Scheduled for
Thursday, January 21, 2016 at 6:30 PM at City of Grover Beach
Agendas accessible online at www.SLOCountyWater.org

**SAN LUIS OBISPO COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT
ZONE 3 ADVISORY COMMITTEE
DRAFT MEETING MINUTES
THURSDAY September 17, 2015**

I. Call To Order/Roll Call

The Meeting was called to order at 6:30 pm at the City of Grover Beach by Zone 3 Advisory Committee Chairman, Paavo Ogren. County Public Works Department Utilities Program Manager and Secretary to Committee, Andrea Montes called role. Members in attendance were:

Karen Bright, City of Grover Beach

Brian Talley, Agriculture Delegate

John Wallace, Vice Chair - County Service Area 12 Member at Large

Paavo Ogren, Chairperson - Oceano Community Services District

Kristen Barneich, City of Arroyo Grande

Ed Waage, City of Pismo Beach

Quorum was established and the meeting continued.

- II. Public Comment**—Steph Wald with the Central Coast Salmon Enhancement (CCSE), gave an update on the Arroyo Grande Creek Stream Gauge Modification Project. In 2008, HCP resolution was made identifying that the Central Coast Salmon Enhancement partnered with the County of San Luis Obispo to pursue funding to design and implement a stream gauge modification project at the gauge. CCSE was awarded implementation funds; however, the submitted bids were over the amount funded. CCSE is continuing to pursue funds to implement the stream gauge modification project. Recently, applied to the Prop. 1 Watershed Restoration Grant program. Wald went on to ask the Zone 3 Advisory Committee Board to consider to help fund the Arroyo Grande Creek stream gauge modification project, either partially or in whole. The project will cost approximately \$350,000. Wald stated that she would like to see this item hopefully in the future agenda. Vice Chair Wallace asked what data would be available from the stream gauge. Wald stated the County has been a

partner in the project all along, and would like to see the stream gauge updated so that it is taking accurate readings. The stream gauge data will continued to be shared with the County.

III. Approval of Meeting Minutes July 16, 2015 – Ms. Montes stated that on page 6, rather than the word “or” it should state “and” for the "Perimeter Security Fence Project *and* the Piggings Project". The motion was modified and the minutes of July 16, 2015 passed unanimously.

IV. Operations Report – County Public Works Deputy Director Mark Hutchinson provided the operations report. Basic reservoir data states that Lopez Lake elevation was 471.29 feet. Lopez Storage was 15,909 Acre-Feet (AF), which is a record low, and was at approximately 32 percent capacity. Rainfall to date, since water year beginning April 1 was 1.44 inches. The plant production was 2.5 Million Gallons per Day (MGD). State Water delivery is 2.8 MGD. The terminal visibility was 13 feet. There is a press release to the public regarding increase in blue-green algae bloom both in the State and Lopez Water. The algae produces a chemical called MIB which is the cause of the odor and taste of the water. Lopez Treatment Plant is looking to find methods of decreasing the algae production. Moreover, the water is up to drinking standards despite the odor. Ms. Montes stated that the press release will be released September 18, 2015. Member Barneich asked if the MIB was a naturally occurring chemical. Mr. Hutchinson stated that it is indeed a natural chemical, byproduct from the algae.

V. 4th Quarter Budget Status – Joanne Hilker, County Public Works Finance Accountant, presented the 4th Quarter Budget Status Report for Flood Control Zone 3. Ms. Hilker referred to graphs in the agenda packet and indicated the budget is broken into three categories: Routine Operations and Maintenance expenditures was slightly over budget by less than 1% or about \$29,000 due to the Water Treatment Plant's chemicals, utilities, and vendor related costs; the Non-Routine Operations and Maintenance expenditures had a 61% savings in budget producing savings of approximately \$282,000 in savings from the HCP and Piggings efforts; and Capital Outlay expenditure had a 36% savings or about \$500,000 of savings between budgeted and actual costs as a result of the: Lopez Turn-Out SCADA Project; 6th Rack Filtration Module; Lopez Equipment Replacement Project.

The revised billing for FY 2014/15 will be reflected on the bills due January 1, 2016. Ms. Hilker indicated overall estimated credits to be \$127,000.

VI. Information Items

A. **Climate Update** – Ms. Montes reported via map slides included in the Agenda Packet, US Drought Monitor, still experiencing severe drought mode for most of California due to lack of precipitation since July.

Based off of the NOAA forecast have cooler temperatures are predicted. The El-Nino rains appears to not be hitting the Central Coast, as much as they will hit Southern California.

B. **Habitat Conservation Plan (HCP) Update** – Mr. Hutchinson, indicated the County continues to make progress with the Habitat Conservation Plan (HCP) and that ECORP Consulting Inc. completed their baseline modeling run and presented a couple of downstream release scenarios based on their review of data. After HT Harvey, the consultant for the HCP on the environmental side, reviewed the models, they appear to be more beneficial to in-stream species and present a far more efficient use of water in reservoir to accomplish better results.

ECORP Consulting Inc. is working with the State Water Resources Control Board regarding water rights permit and will work together with watershed partners on the release schedule and meeting downstream needs with the same water we're using now.

Mr. Hutchinson indicated the HCP models and downstream release for the HCP will be utilized for the Groundwater Sustainability Plan for the Arroyo Grande Valley. Mr. Hutchinson confirmed with Member Waage the manner in which the releases are being phased has been beneficial to the habitat and the species. Mr. Hutchinson indicated the phasing, which includes identified base flows and higher flows, mimics more natural conditions essential to fish habitat. Whereas, mimicking storm events through dam releases alone can have unintended biological effects with less opportunities for success downstream.

Member Barneich asked whether the increase of recent water flow in the Arroyo Grande Creek near the Village is due to recent rain or the release of more water. Mr. Hutchinson stated little more water is being released downstream to reach groundwater below Highway 101, and the temperature and weather induced irrigation is changing. Member Wallace asked whether it's a foregone conclusion under SGMA that we will have to do an agency and plan for a portion outside the groundwater basin. Mr. Hutchinson indicated in some form, such as an alternative plan, although this plan is not well defined. The degree of specificity is directly related to the complexity of the management plan, which is why it is believed the HCP (the management program) is the way to go. Member Wallace asked how the water availability analysis will affect the water rights the District will have. Mr. Hutchinson indicated that it will not have an

effect at this point. Member Ogren inquired whether the beaver dams will be a problem in the future. Mr. Hutchinson stated that most beaver dams will likely naturally washed out of the channel.

VII. Capital Projects Update

- A. **Bi-Quarterly Update** – County Public Works Engineer, Jeff Lee, indicated the Lopez Water Treatment Plant (LWTP) 6th Rack Project coordination will coincide with the State Water shutdown in late October through about November 23. He further indicated materials will be built during State Water shutdown, tested following the shut down, and then turned on. The LWTP shutdown will not occur during the same time as State Water shutdown.

In regards to the Turnout SCADA Project, the building of screens and installation of panels into the turnouts have begun. According to Mr. Lee, Zone 3 Agencies will be contacted to coordinate training and how to access and view turnout information.

Mr. Lee further indicated the Equipment Replacement Program and the audits are continuing as well, with the PLC Replacement project being the first project, as existing racks will need the power monitoring control system brought up-to-date then, reprogrammed. He made note of looking into whether agencies will need to purchase software to access SCADA information.

VIII. Action Items - (No Subsequent Board of Supervisors Action Required)

- A. **Technical Advisory Committee's (TAC) Extended Drought Emergency Water Supply Options Evaluation** -- Geoff English, City of Arroyo Grande Public Works Director, and Dan Heimel with Water Systems Consulting Inc., presented an overview of long-term water supply options on behalf of the Zone 3 Technical Advisory Committee (TAC). The TAC has been investigating potential "proactive" water supply options for extended droughts and recommended the Zone 3 Advisory Committee submit a letter prepared by the TAC to the San Luis Obispo County Flood Control and Water Conservation District Board of Supervisors (BOS) requesting a study session to further evaluate emergency water supply options for San Luis Obispo County. The TAC is requesting that the Advisory Committee review the draft letter and the emergency water supply options evaluation and submit a letter to the BOS requesting a study session to further investigate potential actions that could be taken to ensure sufficient water supply in extended droughts. Discussed was also preliminary emergency supply options (cloud seeding, State Water Project, Water Market Purchases, water conservation, etc.). Member Ed

Waage motioned District staff to prepare the letter as revised based on proposed changes to the language. Motion passed unanimously.

- B. Cost Implications of the IDRES, LRRP and Water Recharacterization-** Mr. Hutchinson spoke upon request for information on the cost implications of the implementation of the Low Reservoir Response Plan (LRRP) and the Lopez/State Water Accounting Change. Mr. Hutchinson provided a memorandum that describes how Lopez and State Water costs are derived and allocated to the participants, and how the allocations are affected by the LRRP and Water Accounting Change. For reference, Water Recharacterization has been renamed to the Lopez/State Water Accounting Change. In summary, the LRRP will result in no additional or changed costs to any agency because although Surplus Water has been generated, no water is being bought or sold between agencies. Therefore, no costs need to be reallocated. State Water costs to agencies participating in the Water Accounting Change will increase, as those agencies will assume the variable charges associated with treating and conveying additional State Water. To date, these charges (approximately \$200/acre foot), have been carried by the District in order to convey State Water to Lopez Reservoir. Variable energy charges associated with treating Lopez Water will remain unchanged, as adjustments to those charges is not included in the contract waiver agreements. It was discussed between Member Bright and Mr. Hutchinson that the wheeling cost for Zone 3 is paid on a basis of what the contractor is entitled to.
- C. How the IDRS works with the LRRP-** Mr. Hutchinson spoke upon on how the Interim Downstream Release Schedule (IDRS) works with the Low Reservoir Response Plan (LRRP). In summary, both the IDRS and LRRP work together to manage the reservoir in a way that provides the maximum benefit to both municipal and agricultural water needs without resulting in harm to sensitive species. The IDRS guides winter time downstream release rates with the intent to increase storage and provide more water for both municipal and downstream uses. During times when reservoir levels fall, the LRRP “takes over” and reduces both municipal deliveries and downstream releases. As reservoir levels approach minimum pool, the LRRP matches downstream releases to reservoir inflows (up to the IDRS minimums), thereby mimicking natural stream flow conditions.
- D. Declaration of Surplus Water and 2014 Water Recharacterization-** Mr. Hutchinson spoke in regards to a staff report the Board of Supervisors were to receive for two (2) consecutive Board business items for the September 22, 2015 meeting: 1.) acting as the Board of Supervisors of the County on behalf

of County Service Area 12 it's recommended they approve the contract waiver, allowing for the retroactive water accounting change/recharacterization; and 2.) sitting as the San Luis Obispo County Flood Control and Water Conservation District Board of Supervisors, adopt the resolution approving the waiver and other contract parts.

IX. Action Items (Board of Supervisors Action is Subsequently Required)

No items noted on Agenda to discuss.

X. Future Agenda Items – Chairperson Ogren stated that the future agenda items will be discussed as a group. Furthermore, Chairperson Ogren indicated the Arroyo Grande Creek stream gauge modification project will be taken to the TAC for further discussion due to the fiscal implications. All Zone 3 members motioned for agreement.

A. Contract Renegotiation Discussions – Chairperson Ogren sent out an agenda for September 21, 2015 in which all of the agencies will be present. Will be a preliminary discussion.

B. Water Wheeling – With Mr. Hutchinson's presentation on recharacterization there will be future discussion for future meetings.

C. Funding Groundwater Modeling – Chairperson Ogren stated that a letter was drafted for the funding of the groundwater modeling. Discussion on Public Works staff level will be moving forward around this fall. Mr. Hutchinson stated that the new Water Resources Division in Public Works will head the groundwater modeling and monitoring.

XI. Committee Member Comments- Vice-Chair member Wallace wanted to hear more upon the Diablo desalination status at the next Zone 3 Advisory meeting.

Next Regularly Scheduled Meeting will be held Thursday November 19, 2015 at 6:30 pm at the City of Arroyo Grande. The meeting was adjourned at 8:45 pm.

Respectfully Submitted,

Andrea M. Montes

**SAN LUIS OBISPO COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT
ZONE 3 ADVISORY AND TECHNICAL ADVISORY COMMITTEES**

2016 MEETING SCHEDULE

Date	Group	Location¹	Purpose
Jan 7, 2016	TAC ²	Arroyo Grande, 10:00AM	Discuss anticipated budget items
Jan 21, 2016	Advisory Committee	Grover Beach, 6:30PM	Distribute proposed FY16/17 budget; present 2 nd quarter FY 15/16 budget
Feb 4, 2016	TAC	Arroyo Grande, 10:00AM	Present draft budget
Mar 3, 2016	TAC	Arroyo Grande, 10:00AM	Budget discussion/ recommendation; proposed surplus water amount
Mar 17, 2016	Advisory Committee	Oceano CSD, 6:30PM	Present proposed FY16/17 budget; endorse FY16/17 budget; declaration of surplus water
Apr 7, 2016	TAC	Arroyo Grande, 10:00AM	
May 5, 2016	TAC	Arroyo Grande, 10:00AM	
May 19, 2016	Advisory Committee	Pismo Beach, 6:30PM	3 rd Quarter Budget Status
Jun 2, 2016	TAC	Arroyo Grande, 10:00AM	
Jul 7, 2016	TAC	Arroyo Grande, 10:00AM	
Jul 21, 2016	Advisory Committee	Oceano CSD, 6:30PM	Officer Rotations
Aug 4, 2016	TAC	Arroyo Grande, 10:00AM	
Sep 1, 2016	TAC	Arroyo Grande, 10:00AM	Request Water Delivery Schedule - due Oct 1
Sep 15, 2016	Advisory Committee	Grover Beach, 6:30PM	4 th Quarter Budget Status
Oct 6, 2016	TAC	Arroyo Grande, 10:00AM	
Nov 3, 2016	TAC	Arroyo Grande, 10:00AM	
Nov 17, 2016	Advisory Committee	Arroyo Grande, 6:30PM	1 st Quarter Budget Status
Dec 1, 2016	TAC	Arroyo Grande, 10:00AM	Distribute Water Delivery Schedule by Jan 1

¹ All locations noted are at City Hall or District Board chambers unless otherwise noted

² TAC - Technical Advisory Committee



SAN LUIS OBISPO COUNTY
DEPARTMENT OF PUBLIC WORKS

Wade Horton, Director

County Government Center, Room 206 • San Luis Obispo CA 93408 • (805) 781-5252

Fax (805) 781-1229

email address: pwd@co.slo.ca.us



November 19, 2015

MEMORANDUM

TO: Flood Control Zone 3 Advisory Committee

FROM: Joanne Hilker, Accountant

VIA: Andrea Montes, Utilities Division Program Manager

SUBJECT: Flood Control Zone 3 First Quarter Budget Status FY 2015/16

Recommendation

The item to be received and filed.

Discussion

Attached please find the first quarter budget versus actual results for the fiscal year 2015/16. The \$5 million dollar budget is broken into three categories: Routine O&M expenditures (\$3 million), Non Routine O&M expenditures (\$600,000), and Capital Outlay expenditure (\$700,000). Total expenditures ended the quarter under quarterly budgeted levels by \$316,000.

Routine O&M annual budget is approximately \$3 million dollars. At 25% of the fiscal year, the actual expenditures were approximately 20% of the budget, resulting in \$174,000 of savings. The savings were primarily in labor due to staff vacancies in the process of being filled.

Non Routine O&M annual budget is approximately \$650,000 dollars. At 25% of the fiscal year, the actual expenditures were approximately 9% of budget, resulting in \$107,000 of savings. Savings were realized primarily in the Lopez Water Rights/Habitat Conservation Plan (HCP). HCP efforts were delayed pending a Hydrogeologic Services contract with ECORP. Approval of the contract work on the Water Availability Analysis and revised Downstream Release Schedule is ongoing. HCP efforts assigned to H.T. Harvey & Associates have resumed in support of said Hydrogeologic Services. HCP efforts will continue into FY 16/17.

Capital Outlay annual budget is approximately \$1.5 million dollars. At 25% of the fiscal year, the actual expenditures were approximately 20% of budget, resulting in \$36,000 of savings, which occurred primarily in the WTP Resurface Parking Lot project.

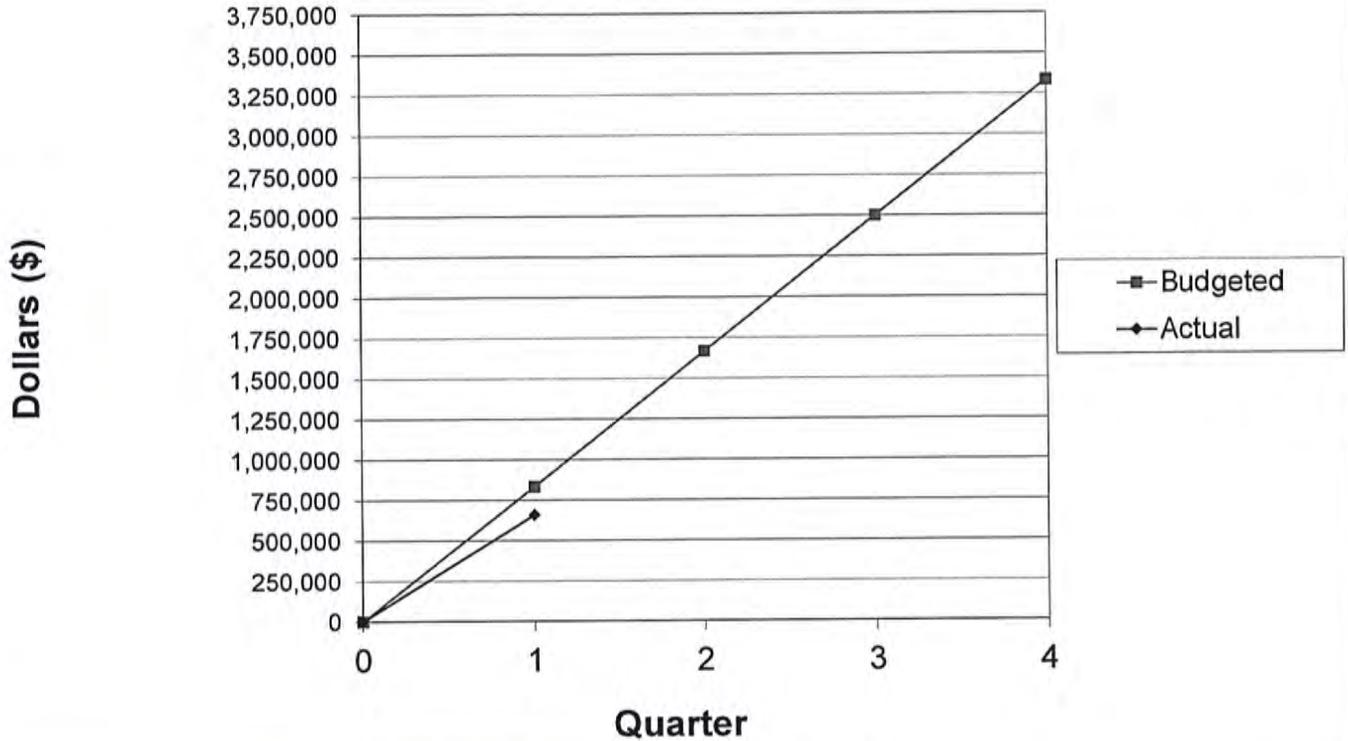
Other Agency Involvement/Impact

The agencies involved are: City of Arroyo Grande, City of Grover Beach, City of Pismo Beach, Oceano Community Services District, and County Service Area 12. Subcontractors of CSA 12 include Port San Luis Harbor District and Avila Beach Community Services District.

Financial Consideration

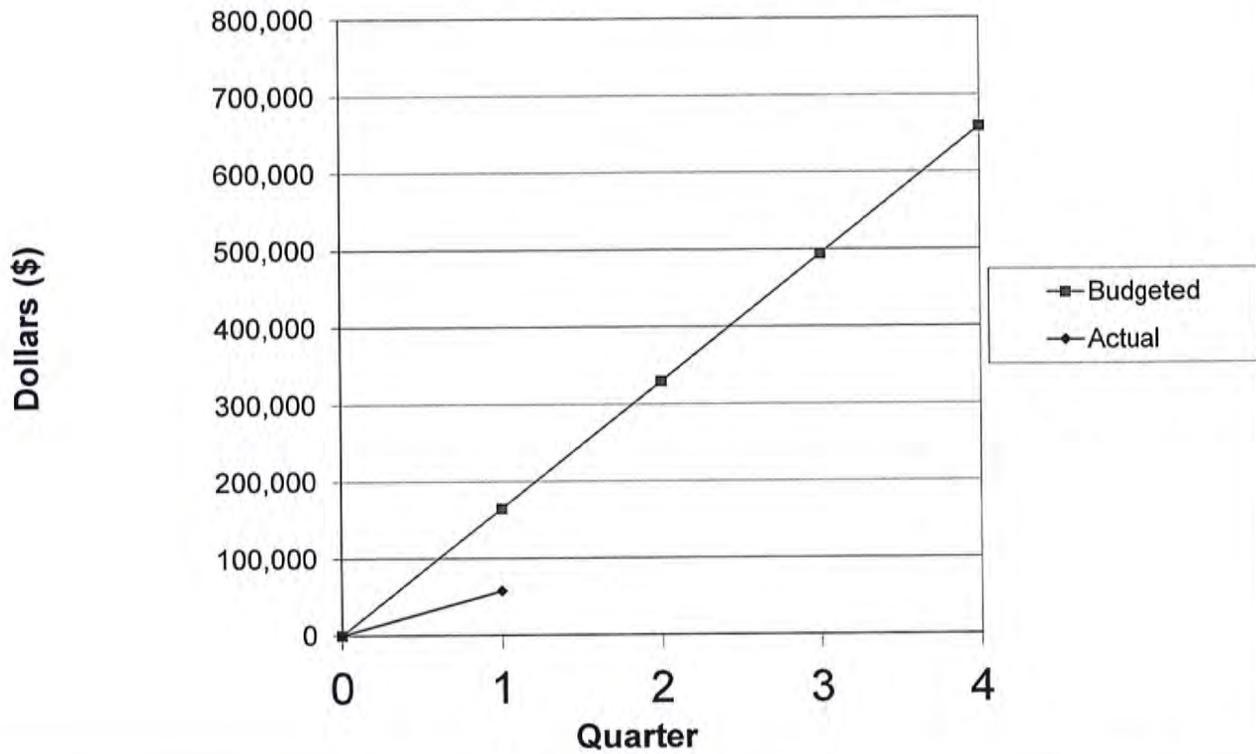
All agencies are current on their payments. The revised billing for FY 2014/15 will be reflected on the invoices due January 1, 2016.

Routine Operation and Maintenance

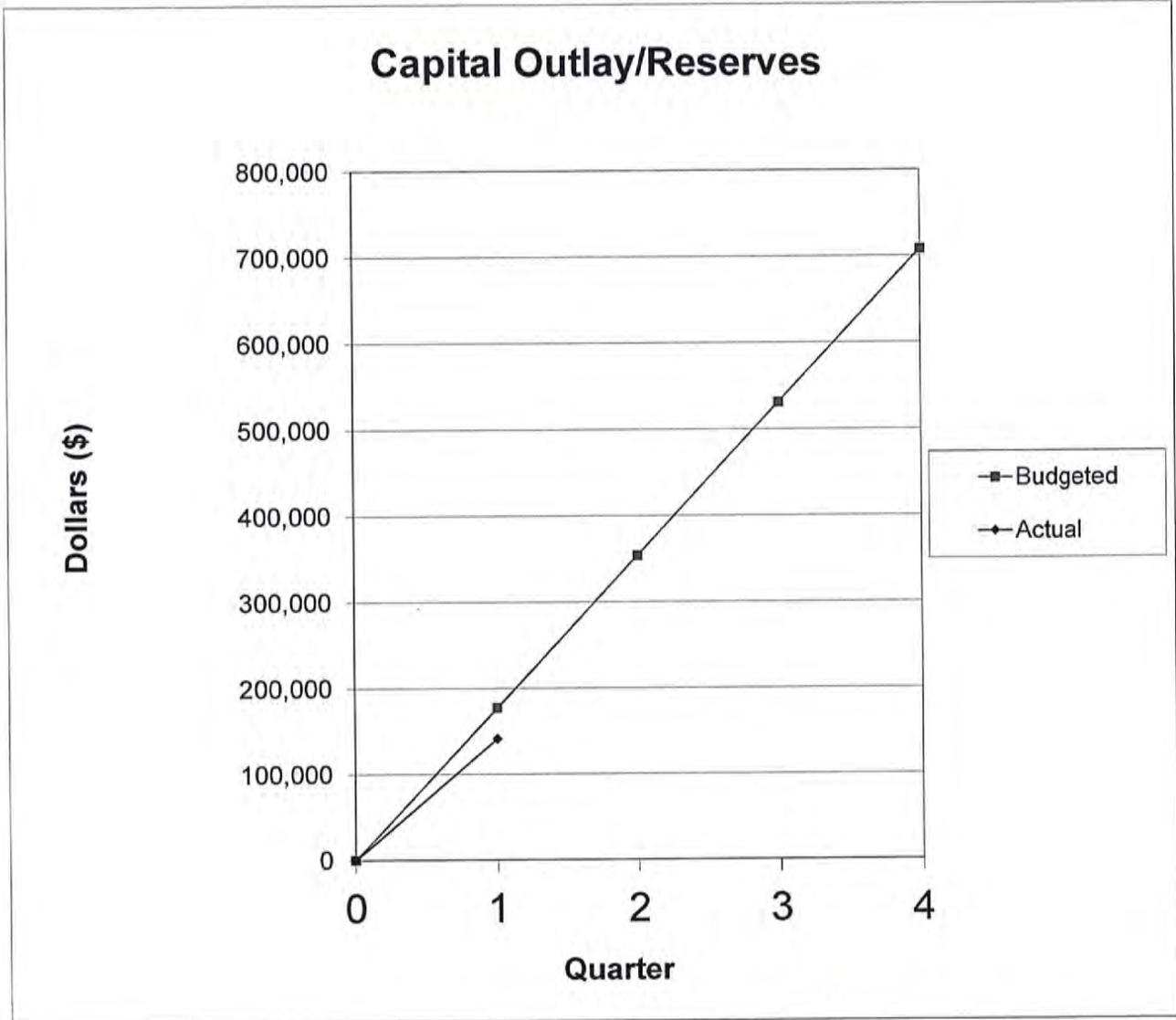


O&M Routine Category	Total Budget	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	Total Exp as % of Budget	Total Balance Avail
Labor and Overhead	2,047,563	431,632	-	-	-	431,632	21%	1,615,931
Chemicals - Water Treatment Plant	261,649	56,481	-	-	-	56,481	22%	205,168
Utilities - Water Treatment Plant	217,746	53,421	-	-	-	53,421	25%	164,325
Vendors - Water Treatment Plant	258,946	60,850	-	-	-	60,850	23%	198,095
Terminal	42,063	6,326	-	-	-	6,326	15%	35,737
Main Dam	104,517	17,350	-	-	-	17,350	17%	87,167
Other	401,031	33,469	-	-	-	33,469	8%	367,562
Expenses		659,530	-	-	-	659,530	20%	2,673,985
Budget	3,333,515	833,379	833,379	833,379	833,379	3,333,515		
Qtr Variance (over)/under		173,849						
% Variance		21%						

Non-Routine Operation and Maintenance



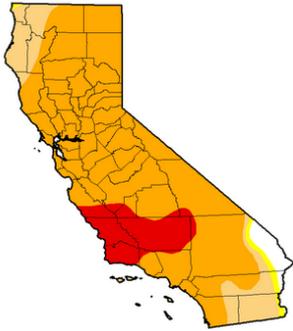
Non Routine Category	Total Budget	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	Total Exp as % of Budget	Total Balance Avail
Labor and Overhead	91,749	11,845	-	-	-	11,845	13%	79,904
Lopez Water Rights /HCP	376,848	41,240	-	-	-	41,240	11%	335,608
DBP Rule	10,600	2,620	-	-	-	2,620	25%	7,980
Pigging	124,483	-	-	-	-	-	0%	124,483
Terminal Resvr Intake Repair	29,014	-	-	-	-	-	0%	29,014
Equipment Replacement	25,000	-	-	-	-	-	0%	25,000
Other	1,064	1,948	-	-	-	1,948	183%	(884)
Expenses		57,653	-	-	-	57,653	9%	601,105
Budget	658,757	164,689	164,689	164,689	164,689	658,757		
Qtr Variance (over)/under		107,037						
% Variance		65%						



Capital Outlay Project	Total Budget	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	Total Exp as % of Budget	Total Balance Avail
Lopez Turnouts SCADA System	309,539	115,019				115,019	37%	194,520
WTP 6th Membrane Filtration Module Addition	191,946	24,997				24,997	13%	166,949
VFD Replacement Project	45,000	317				317	1%	44,683
Power Monitoring Project	30,000	257				257	1%	29,743
PLC Replacement and Programming	25,000	317				317	1%	24,683
Lopez Dam Repair V-Ditch Adjacent to Spillway	25,000	60				60	0%	24,940
WTP Resurface Parking Lot	81,500	317				317	0%	81,183
Expenses		141,284				141,284	20%	566,701
Budget	707,985	176,996	176,996	176,996	176,996	707,985		
Qtr Variance (over)/under		35,712						
% Variance		20%						

U.S. DROUGHT MONITOR

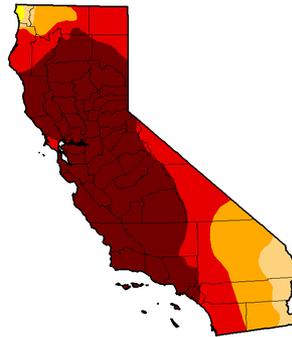
November 2013



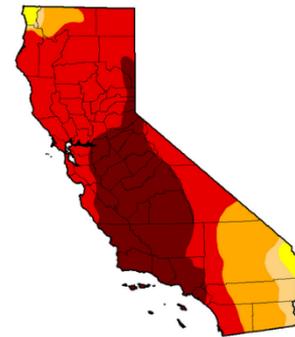
September 2014



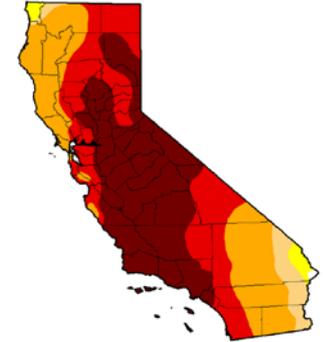
November 2014



January 2015



February 2015



May 2015



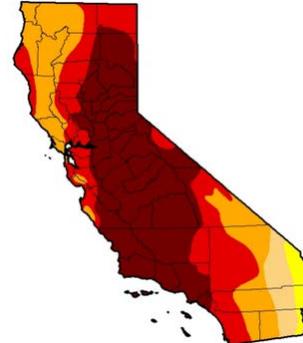
July 2015



September 2015



November 2015



Intensity:



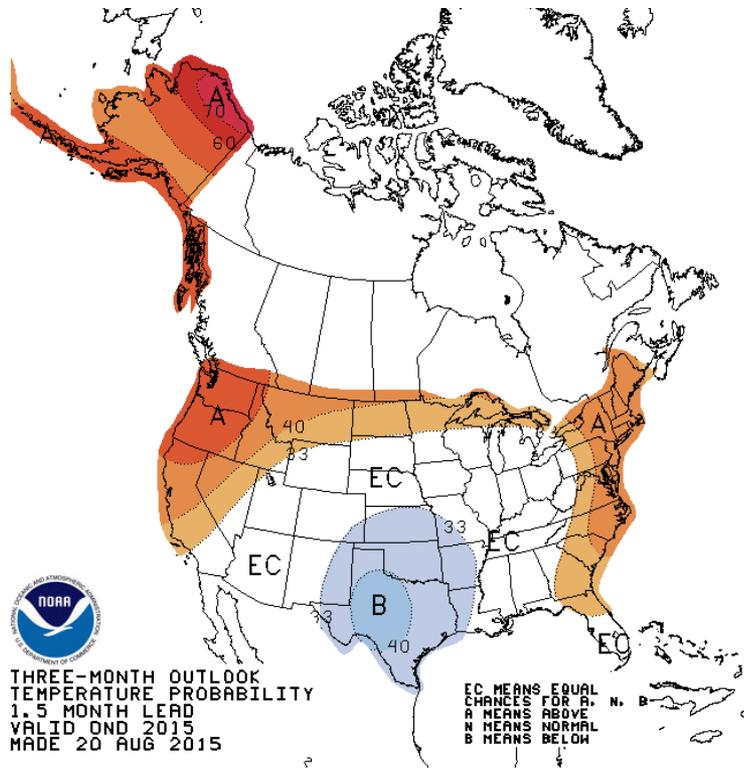
Permission to reproduce the map

If you reproduce the U.S. Drought Monitor map, please use this wording:

The U.S. Drought Monitor is jointly produced by the National Drought Mitigation Center at the University of Nebraska-Lincoln, the United States Department of Agriculture, and the National Oceanic and Atmospheric Administration. Map courtesy of NDMC-UNL.

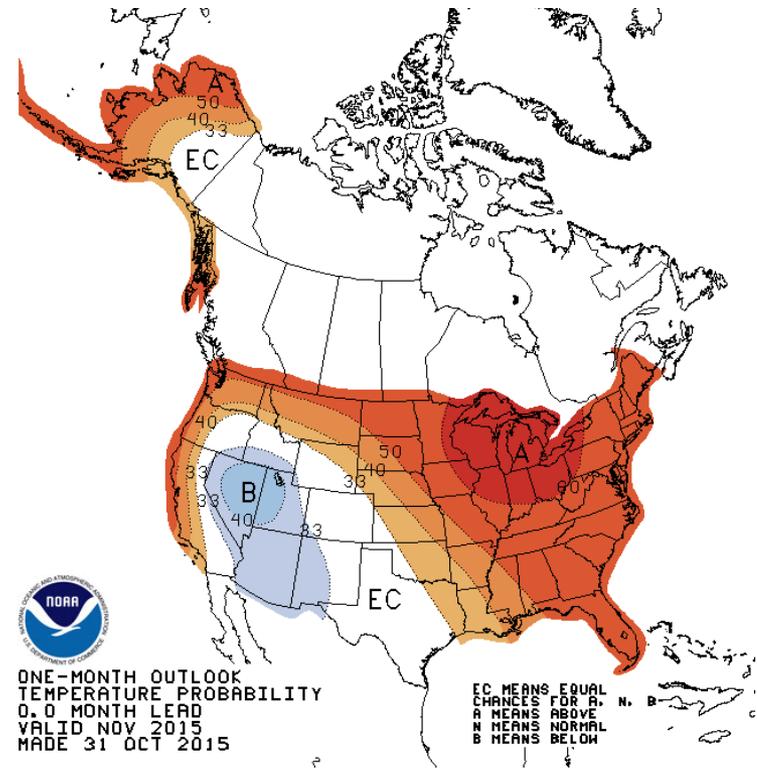
NOAA TEMPERATURE FORECAST

September



September Meeting

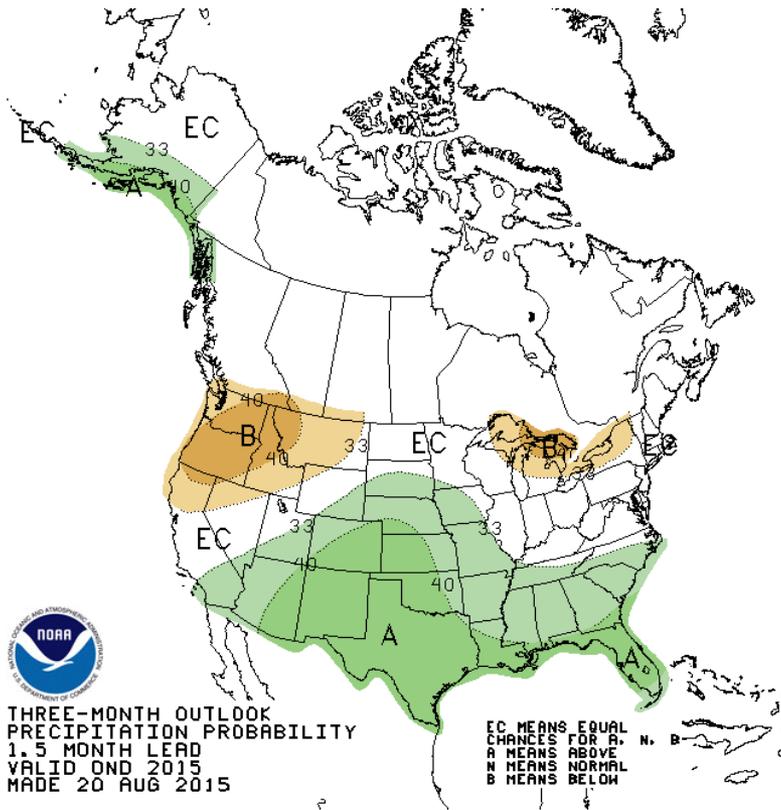
November



November Meeting

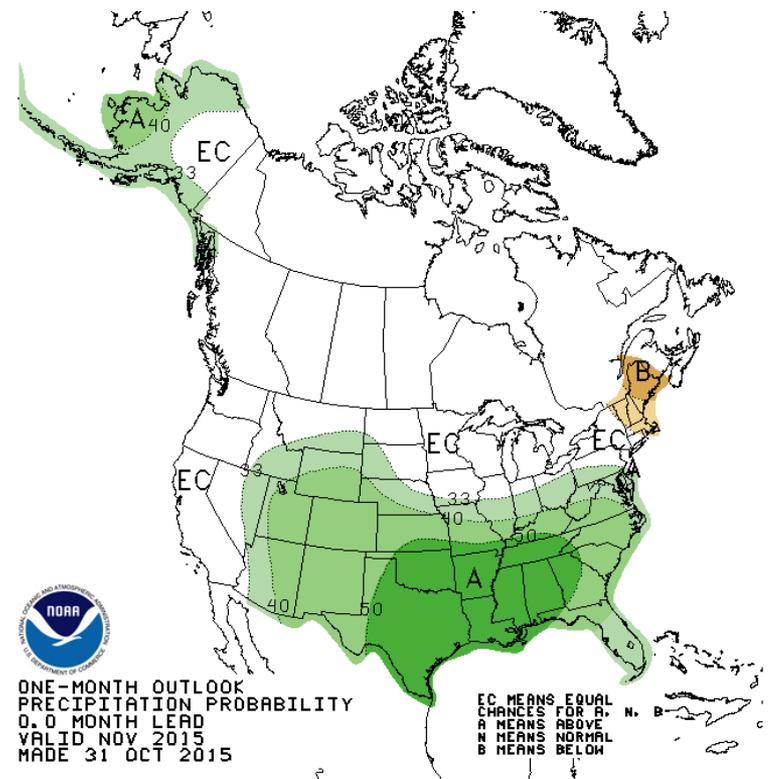
NOAA PRECIPITATION FORECAST

September



Sept. Meeting

November



Nov. Meeting



SAN LUIS OBISPO COUNTY
DEPARTMENT OF PUBLIC WORKS

Wade Horton, Director

County Government Center, Room 206 • San Luis Obispo CA 93408 • (805) 781-5252

Fax (805) 781-1229

email address: pwd@co.slo.ca.us



TO: Zone 3 Advisory Committee

FROM: John Waddell, Utilities Project Manager

DATE: November 19, 2015

SUBJECT: PG&E Diablo Canyon Desalination Project Update

The following is a summary of efforts to date on the above project:

- County staff are evaluating the feasibility of providing desalinated water from Diablo Canyon Power Plant to the Zone 3 system, with a goal of bringing recommendations to the County Board of Supervisors in January 2016.
- The County is evaluating the potential for an emergency project to address the current drought impacts. The amount of water supply is expected be from 500 to 1,300 acre-feet per year.
- A letter has been sent to each Zone 3 contracting agency requesting their confirmation of interest in this emergency water supply. County staff are willing to attend agency governing board meetings if desired.
- The County has been meeting with PG&E and regulatory agencies to determine financial and permitting requirements.
- The County is working with Water Systems Consulting and Hollenbeck Consulting to use an existing hydraulic model of the Zone 3 system to evaluate the capacity for delivering this new source. Additional flow data has been requested from the operations staff of each of the Zone 3 contractors.



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Fax (805) 781-1229

email address: pwd@co.slo.ca.us



MEMORANDUM

TO: Zone 3 Advisory Committee

FROM: Eric Laurie, Project Manager

DATE: November 19, 2015

SUBJECT: Capital Projects Update

Project Updates:

- 6th Rack Addition
 - Pall equipment was shipped to LWTP
 - Rack installation and improvements plans
 - Contract Awarded to Cushman Contracting
 - Construction to begin 11/18/15
- Turnout SCADA Project
 - Panel construction complete;
 - Cannon and County operations staff are currently installing panels and configuring SCADA equipment
- Equipment Audit and Replacement Program
 - VFD Project
 - Power Monitoring Equipment
 - PLC Replacement & Programming
- Repair Projects for FY15-16
 - Lopez Dam: Repair V-ditch adjacent to spillway
 - Parking Lot resurfacing at the Water Treatment Plant
 - Water Treatment Plant Intake Repair (Dept. of Safety of Dams)

**Flood Control Zone 3 (Lopez Project)
5-Year Capital Outlay Plan**

Approved FY 15-16

PROJECT	IO/WBS	Notes	TOTAL	PREVIOUSLY APPROVED				Mid-Year Request 2015/16	ANTICIPATED BUDGETS			
				Project Expenses thru 6/30/15	Budget Carryovers	Budget Approved 2015/16	Mid-Year Approved 2015/16		2016/17	2017/18	2018/19	2019/20
WTP Perimeter Security Fencing	300291	1	\$ 500,000	\$ 222,652	\$ 37,349	Rollover	\$ (30,000)					\$ 240,000
Lopez Turnouts SCADA System	300500	2	\$ 415,000	\$ 105,461	\$ 234,539	\$ 75,000						
Pigging Unit B (aka 33" Pigging Project: Clearwell to Wesley St)	552R235699	3	\$ 845,000	\$ 5,009	\$ 199,517	\$ 17,500		\$ (100,000)	\$ 484,957	\$ 238,017		
Lopez Dam - Repair V-Ditch adjacent to spillway	300542	4	\$ 50,000			\$ 25,000			\$ 25,000			
Equipment Audit Project	552R235691	5	\$ 60,232	\$ 35,232		\$ 25,000						
- Equipment Replacement Fund		5a	\$ 190,043			\$ 50,000			\$ 40,043	\$ 50,000	\$ 25,000	\$ 25,000
- Computer Equipment Project	300534	5b	\$ -	\$ 68,551		complete						
- VFD Project	300539	5c	\$ 45,000			\$ 45,000						
- Power Monitoring Project	300540	5d	\$ 30,000			\$ 30,000						
- PLC Replacement & Programming	300541	5e	\$ 25,000			\$ 25,000						
WTP 6th Membrane Filtration Rack Addition	300503	6	\$ 958,000	\$ 666,054	\$ 191,946	Rollover		\$ 100,000				
WTP Resurface Parking Lot	300543	7	\$ 81,500			\$ 81,500						
WTP PAC Enclosure		8	\$ 120,000								\$ 65,000	\$ 55,000
WTP Washwater Tank Interior Repair & Recoat		9	\$ 225,000								\$ 100,000	\$ 125,000
Sludge Beds Upgrade (Beds 1 & 2)		10	\$ 650,000						\$ 261,983	\$ 388,017		
Orcutt Road Drainage Diversion		11	\$ 160,000									\$ 160,000
Terminal Reservoir Intake Repair		12	\$ 30,000				\$ 30,000					
SUBTOTAL			\$4,384,775	\$1,102,957	\$ 663,351	\$ 374,000	\$ -	\$ -	\$ 550,000	\$ 550,000	\$ 578,017	\$ 605,000
Adjustment for advance for 6th rack Addition						\$ 176,000						
NET BILLINGS TO AGENCIES				\$1,102,957	\$ 663,351	\$ 550,000	\$ -	\$ -	\$ 550,000	\$ 550,000	\$ 578,017	\$ 605,000
TOTAL					\$1,766,308	\$374,000			\$2,283,017			

NOTES:

- 0 Inflation is 5% per year after original estimate unless noted otherwise
- 1 Install and replace security fence around terminal reservoir and water treatment plant property. Phasing dependent upon available funding.
- 2 Upgrade Lopez turnouts & WTP SCADA to include control and monitoring of turnouts. Z3 AC approved transfer of \$75,000 from project to Computer Equipment Project with budget replacement in FY15-16
- 3 Pig 33"/30" pipe per WSC's recommendations. Valve removal and pipe assessment in FY15-16, valve replacement and pig launch installation in FY15-16 and pigging in FY16-17 and complete in FY17-18. Budget estimate, 1/9/12. (Includes 552R235699)
- 4 Inspect, investigate and repair the spillway drain system at Lopez Dam per DWR/DSOD letter. Estimate
- 5 Completion of plant system audit to determine scope of replacement/upgrades and costs. The estimate is based upon prior years expenses and the FY1516 budget allocation of \$25,000.
- 5a Miscellaneous treatment plant equipment replacement; actual project to be determined by plant system audit. Unspent funds are transferred to reserves for future equipment replacement.
- 5b Project completed in FY14-15. Project Savings (credits) of \$6,449 to be included in FY1415 final billings.
- 5c Based on plant audit; project replaces outdated VFDs with current models and technology. Estimate from preliminary costs by audit consultant.
- 5d Transfer of IQ Analyzer at the LWTP to the SCADA system to evaluate the power quality and system health. Estimate from preliminary costs from consultant
- 5e Replacement of PLCs in existing Pall Membrane Racks; estimate based on preliminary costs from Pall and discussions with plant staff
- 6 Install a sixth membrane filtration rack at the Lopez WTP to add plant capacity. Budget estimate 12/12/13. Request budgets repayment of \$176,000 to Reserves in FY15-16
- 7 Micro-Surface parking lots and all access roads around Lopez WTP. Prep. Work to be completed by County crews. Budget estimate 12/18/14. Project Savings (credits) of \$7,349 to be included in FY1415 final billings.
- 8 Metal building enclosure. Dean Benedix budget estimate 1/08 for \$80,000. 5% inflation added per year
- 9 Recoat/repair of washwater tank interior. Operator request; 2006 budget estimate of \$160,000. 5% inflation added per year after FY 07-08
- 10 Upgrade sludge bed #1 & #2 with liner and new piping. Trott budget estimate (Jan 2011) based on Sludge Beds Upgrade (Beds 3 & 4). Project pending on observed efficiency of upgraded sludge beds #3 and #4.
- 11 Install drainage improvements to capture and divert Orcutt Road runoff to prevent contamination of Lopez Terminal Reservoir. Project dependent upon available external/grant funding.



SAN LUIS OBISPO COUNTY
DEPARTMENT OF PUBLIC WORKS

Wade Horton, Director

County Government Center, Room 206 • San Luis Obispo CA 93408 • (805) 781-5252

Fax (805) 781-1229

email address: pwd@co.slo.ca.us



TO: Zone 3 Advisory Committee

FROM: Eric Laurie, Project Manager

VIA: Dean Benedix, Utilities Division Manager

DATE: November 19, 2015

SUBJECT: Filtration Rack Addition - Budget Transfer

Recommendation

It is recommended that the Zone 3 Advisory Committee endorse the transfer of \$100,000 from the Pigging Unit B (552R235699) budget to the budget for the LWTP 6th Membrane Rack Addition (WB 300503).

Discussion

The requested additional funding will allow the sixth membrane filtration rack project to be completed. Adding a sixth rack allows cleaning and maintenance to occur while producing peak contractual water allocation demands. The original budget for Zone 3 capital improvement projects included \$858,000 for the LWTP Membrane Filtration Rack Addition. The requested budget transfer of \$100,000 will bring total funding to \$958,000.

Preliminary design, design procurement of the membrane filtration rack from Pall Corporation, and the award of the construction contract to Cushman Contracting have been completed. Many of these phases exceeded their initial budget due to additional time need for design. Also due to the delay in the completion of the design of the project, Pall Corporation has provided storage for the rack for five months at a monthly fee. The Purchase Order with PALL for the Microfiltration Rack in the amount of \$566,930 excluded sales tax in the amount of \$42,520 (7.5%). The project's budget was developed using the PALL purchase order amount, therefore funding is not sufficient to cover the sales tax. These costs are shown in the attached Exhibit A. An additional \$100,000 in funding is needed, for a total project budget of \$958,000.

The Pigging Unit B rollover budget from FY 2014/15 was shown on the Approved 5-yr Capital Outlay Plan as \$97,543. The Pigging Unit B capital outlay project should have been combined with two other pigging budgets to add an additional \$101,974 to the overall budget. This action corrects the Pigging Unit B rollover budget to the amount of \$199,517 (\$97,543 + 101,974), then transfers \$100,000 from the Pigging Unit B project into the WTP 6th Membrane Filtration Rack project. The effect of this request provides the funding necessary for the 6th Membrane Rack project, without affecting the overall funding necessary for the Pigging Unit B project.

Funding Recommendation

On November 5, 2015, the Zone 3 Technical Advisory Committee recommended that your Committee support the transfer of \$100,000 from the Pigging Unit B (552R235699) budget to

the budget for the LWTP 6th Membrane Rack Addition (WB 300503).

Attachments: Exhibit A – Cost Summary
 Exhibit B – Budget Transfer
 Flood Control Zone 3 – 5-Year Capital Outlay Plan
File: CF 340.120.01

Exhibit A

Lopez WTP - Additional 6th Membrane Filtration Rack

Project Cost Estimate
County of San Luis Obispo

Project Item	Budget	Projection	Over/(Under)
Construction			
New Filtration Rack Purchase	\$525,000	\$ 609,450	\$ 84,450
Rack Installation	\$70,000	\$ 127,163	\$ 57,163
Contract Administration	\$20,000	\$ 44,000	\$ 24,000
30% Contingency	\$178,500		\$ (178,500)
Rack Storage by Pall		\$ 10,000	\$ 10,000
Subtotal	\$793,500	\$ 790,613	-\$2,887
Project Development			
Preliminary Engineering	\$4,000	\$ 31,751	\$ 27,751
Design	\$44,000	\$ 115,895	\$ 71,895
Environmental	\$1,000	\$ 294	\$ (706)
Project Management	\$15,000	\$ 19,000	\$ 4,000
Subtotal	\$64,000	\$166,941	\$102,941
Total Project Estimate (Rounded)	\$858,000	\$958,000	\$100,000

Exhibit B

FY15/16
 LWTP 6th Rack Addition Project, WB300503
 Budget Transfer Request
 10/21/2015

	Project Name	Project No.	Funding Source	FY15/16 Bgt	Transfer Request	FY15/16 Revised Bgt
FROM	Pigging Unit B	552R235699	14/15 Carryfwd Bgt	199,517	(100,000)	99,517
TO	WTP 6TH MEMBRANE FILTRATION RACK ADDITION	300503	14/15 Carryfwd Bgt	191,946	100,000	291,946



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Fax (805) 781-1229

email address: pwd@co.slo.ca.us



TO: Zone 3 Advisory Committee
FROM: Katie Drexhage, Environmental Resource Specialist
DATE: November 19, 2015
SUBJECT: Lopez Water Project HCP Status Updates

Monthly Representation of ECORP and H.T. Harvey’s Work on the Lopez Water Project in 2015

February	Contract awarded; ECORP began data collection & developed a draft technical system description; initiated simulation model development.
April	ECORP attended a kick-off meeting with District staff & an introductory meeting with the TAC; conference call was held with NMFS to update them on the project team and anticipated actions to move the HCP forward.
May	Cleath-Harris gathered groundwater data and information from growers for hydrologic data; ECORP presented a proposed technical approach for the WAA and a baseline model to District staff.
June	ECORP refined model after receiving downstream demand (grower information); ECORP began discussions with State Water Resources Control Board (SWRCB) staff regarding the Water Rights Permit and the WAA process to be sure adequate information will be gathered to meet SWRCB needs.
August	ECORP met with SWRCB staff to discuss Water Rights Permit options for Lopez; ECORP and H.T. Harvey worked on two draft scenarios for a Downstream Release Program for the HCP; although the baseline of the Program made sense from an operations stand-point, it was determined that further work would be required between H.T. Harvey and ECORP to identify a Program that would benefit habitat/make biological sense for listed species.
October	ECORP presented a Downstream Release Program to District staff after further coordination with H.T. Harvey to focus on habitat for listed species; District provided comments on the Program to make the Program more feasible from an operational standpoint.
November	ECORP presented a Downstream Release Program to District staff which addressed comments from October; it was agreed by District staff, ECORP, and H.T. Harvey that this Program would meet all requirements for M&I needs, downstream demand for growers, and enhance habitat for listed species.

Water Rights Permit 12814

During the August meeting with SWRCB staff, ECORP discovered that the District has two options to move forward with the existing water rights permit for Lopez. The options include:

1. Continuing to process the pending water rights application 30826, or,
2. Filing a change petition for the existing permit 12814.

Both options will secure water entitlements that will match the operations of the Lopez Water Project. The District determined that in either case a petition for extension of time on existing Permit 12814 should be completed as it is a requirement and protects the permit. Additionally, under option #2, filing a change petition to the existing Permit 12814 to include direct diversion streamlines the process, maintains all Lopez Water Project rights in one permit, and provides a more senior direct diversion right as compared to option #1 (filing a change petition on the existing Application 30826). The District has decided to proceed with option #2 which was discussed in detail with SWRCB staff as a streamlined way to move forward. This option requires a hydrologic report rather than a Water Availability Analysis. ECORP has enough information to complete the hydrologic report and the change in document will not result in additional work outside of their original scope of work.

Next Steps

District staff will submit a petition for extension of time on the existing permit. ECORP will have a draft hydrological report for District review by the end of November.

Hydrologic Modeling

Two alternative Downstream Release Programs were reviewed during a webinar in late August. The scenarios included an option with a steady release rate throughout the year, and an option that included different release rates during the summer and winter. H.T. Harvey and ECORP then coordinated on a Program that would encourage steelhead migration and emigration, as well as possible scouring of sediments throughout the creek, revealing gravels more conducive for spawning. The draft Program was presented to District staff in October and District staff provided comments on the Program to make it more feasible from an operational standpoint, and take into account historic (albeit irregular) weather-related and/or emergency situations.

The Program was revised and presented to District staff on November 4. The revisions include release triggers based on the measured flow of Arroyo Grande Creek at Arroyo Grande rather than when the sandbar is breached. When modeled against historic operations, the Downstream Release Program still allows full contractual deliveries, meets downstream (agricultural) demand, and would result in increased habitat for federally listed species. The Downstream Release Program may trigger the Low Reservoir Response Plan (LRRP) more frequently than historic release practices; however, modeling of the proposed release program shows that the Lopez Reservoir does not dip below 10,000 acre feet. The Low Reservoir Response Plan could be revised so that the trigger is slightly lower than the current trigger of 20,000 acre feet.

Next Steps

Present the Downstream Release Program to the Zone 3 Technical Advisory Committee, then to the National Marine Fisheries Service (NMFS).



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email address: pwd@co.slo.ca.us



November 19, 2015

MEMORANDUM

TO: Flood Control Zone 3 Advisory Committee

FROM: Mark Hutchinson, Deputy Director of Public Works

SUBJECT: Board of Supervisors Emergency Water Supply Options Study Session

Update

On September 17, 2015 your Advisory Committee sent a letter to the Board of Supervisors (copy attached) requesting a Board Study Session to investigate and evaluate emergency water supply options that could be used to provide south county residents with supplemental water in the event the drought persists.

County Public Works staff have presented your letter to Board members and reviewed the proposal and Board schedule with the County Administrative Office. We note that on August 25, 2015 the Board directed County staff to *“move forward on a parallel track to develop, in concert with PG&E, an emergency project to make desalinated water available to south County communities in the event of continued drought conditions”*. Desalination is listed in the Technical Advisory Committee’s *“Initial Emergency Water Supply Options”* memorandum. Therefore, we will expand our planned desalination update to the Board to include the larger range of emergency water supply options developed by the Technical Advisory Committee.

Working in concert with the Technical Advisory Committee the approach will be to present these options and opportunities in a Study Session format before the Board in the late January time frame. The exact timing will depend on the progress of the emergency desalination project development effort, the availability of Technical Advisory Committee members' time to fully develop the study session materials, and the availability of sufficient Board hearing time to fully explore the options.

We will keep your Advisory Committee and individual agencies update on the progress of this effort as we move forward.



ZONE 3 ADVISORY COMMITTEE

San Luis Obispo County Flood Control and Water Conservation District

September 30, 2015

San Luis Obispo County
Board of Supervisors
County Government Center
San Luis Obispo, CA 93408

Subject: Supplemental Water to Ensure Health and Safety

Dear Supervisors,

For nearly 50 years, Lopez Lake has been an integral component of the south county water resources portfolio and for the first time in its history, deliveries to the Zone 3 agencies have been reduced. Additionally, the Zone 3 agencies' other water supply sources have been severely impacted as well. The Zone 3 Advisory Committee recommends, and believes it is imperative, that the Board of Supervisors holds a study session to investigate and evaluate emergency water supply options that could be used to provide the south county residents with supplemental water to ensure that health and safety needs can be met as the drought persists.

Along with reductions in available Lopez water, groundwater levels are also declining. Since 2009, when evidence of seawater intrusion was detected in the Santa Maria Groundwater Basin, the Zone 3 agencies that rely upon the basin have been forced to limit their pumping to approximately 30% of their groundwater entitlements to protect this critical water supply. Additionally, in 2014 and 2015 State Water Project Allocations have been at unprecedented levels. Therefore, it is imperative that emergency sources of water are identified and secured to ensure that the Zone 3 and other south county agencies can continue to supply safe, reliable drinking water.

We appreciate the County's efforts to continue investigation of potential desalination options for San Luis Obispo County and look forward to additional information about the potential Diablo Desal project. The Zone 3 Technical Advisory and Advisory Committees have also been investigating and evaluating emergency water supply options that could be implemented to assist agencies in the continuing drought. Through this effort, we have developed a preliminary list of potential options and utilized a systematic screening and ranking process to evaluate them. We look forward to sharing and discussing the results of these evaluations with the Board.

The large amount of time and energy devoted to flood control and habitat conservation has also diverted attention away from efforts to improve our preparedness. For well over a decade, the Zone 3 communities have been responding to and evaluating environmental water needs, and funding the preparation of a Habitat Conservation Plan for species dependent on water

from Lopez Reservoir. Extensive work by the County has also covered flood control needs along Arroyo Grande creek, although delays continue with state and federal permitting agencies. These lengthy and resource intensive issues have redirected work efforts and funding from maintaining secure and reliable water supplies for our communities. The emergency is now upon us and we must look closely at our preparedness for continued drought. We have to move expediently to identify emergency supplies and improve overall regional water supply reliability.

Clean and affordable water is needed for families, businesses, and agriculture and the role of counties throughout California is growing as the state legislature establishes new visions for water resources management, and as local communities need leadership and regional collaboration. We understand that local community leaders are responsible to meet the needs of their respective communities. Nevertheless, the County of San Luis Obispo has long promoted collaboration, and as the single agency with the greatest options, we believe that a Board workshop will be important to identify options and to provide staff with direction so that all agencies can coordinate and collaborate while developing solutions and actions. We hope you agree and will work to schedule time on your agenda in the near future.

Sincerely,



PAAVO OGREN
Chair, Zone 3 Advisory Committee

c: Dan Buckshi, County Administrator
Zone 3 Advisory Committee

File: CF 340.120.02 Zone 3 Advisory Committee - Correspondence/Claims

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