



## ZONE 3 ADVISORY COMMITTEE

---

---

San Luis Obispo County Flood Control and Water Conservation District

### AGENDA

Thursday, September 15, 2016 6:30 p.m.  
City of Grover Beach

- 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 JULY 21, 2016
- IV. OPERATIONS REPORT
  - A. Water plant operations, reservoir storage, downstream releases – verbal update
- V. INFORMATION ITEMS
  - A. New Public Works Finance Staff - Introductions
  - B. Fourth Quarter Budget Status Report
  - C. Projected Reservoir Levels
  - D. Climate Update
  - E. Habitat Conservation Plan Update
- VI. CAPITAL PROJECTS UPDATE
  - A. Capital Projects & Recommended Budget Adjustments
- VII. ACTION ITEMS (No Subsequent Board of Supervisors Action Required)
- VIII. ACTION ITEMS (Board of Supervisors Action is Subsequently Required)
  - A. Weldon Annexation Request
  - B. Castaneda Easement Request
- IX. FUTURE AGENDA ITEMS
  - A. Contract Renegotiation Discussions
  - B. Funding Groundwater Modeling
- X. COMMITTEE MEMBER COMMENTS

---

Next Regular Meeting is Scheduled for  
Thursday, November 17, 2016 at 6:30 PM at City of Pismo Beach  
Agendas accessible online at [SLOCountyWater.org](http://SLOCountyWater.org)

---

**SAN LUIS OBISPO COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT  
ZONE 3 ADVISORY COMMITTEE  
DRAFT MEETING MINUTES  
THURSDAY JULY 21, 2016**

**I. Call To Order/Roll Call** - The Meeting was called to order at 6:30 PM at the Oceano Community Services District by Zone 3 Advisory Committee Chairperson, Brad Hagemann. County Public Works Department Utilities Program Manager and Secretary to the Zone 3 Advisory Committee, Andrea Montes, called role. Members in attendance were:

- Kristen Barneich, City of Arroyo Grande
- Karen Bright, City of Grover Beach
- Jim Garing, Member at Large
- Brad Hagemann, Chairperson and CSA 12 Representative
- Vard Ikeda, Agriculture Delegate
- Paavo Ogren, Oceano Community Services District
- Ed Waage, City of Pismo Beach

Quorum was established and the meeting continued.

**II. Annual Fiscal Year Rotation** – Per the Zone 3 Committee Bylaws, Brad Hagemann, as CSA 12 Representative rotated to Chairperson for the next fiscal year; and Brian Talley as Agriculture Member (Vard Ikeda in Brian Talley’s absence) rotated to Vice-Chairperson.

**III. Public Comment** – No public comment was given.

**IV. Approval of Special Meeting Minutes of May 26, 2016** – Ms. Montes pointed out that the Special Meeting was actually held on May 26, 2016, and therefore the minutes should reflect that. She also stated the correct date on the final page setting the next regularly scheduled meeting should be September 15 and not November 17 as indicated. Member Waage moved to approve the minutes as corrected, Member Barneich second the motion. Member Ogren abstained due to his absence at the May meeting. The minutes were approved as corrected, no public comment was given.

**V. Operations Report** – Ms. Montes reported the lake elevation was 464.28 feet. The storage was 13,256 acre-feet (AF) which is 27% capacity. “Rainfall to date” reset on July 1 and was 0 inches. The plant production was 1.9 million gallons per day (MGD). Downstream release was 4.1 MGD. State water was 3 MGD.

**VI. Information Items**

**A. Projected Reservoir Levels** – Jill Ogren, County Public Works Utilities Division Engineer presented the projected reservoir levels. Ms. Ogren indicated most of the projections made during the last couple of months are now occurring.

As of July 1, 2016, the lake was at 13,678 AF. Without rain, it is predicted to reach near 10,000 AF around November, 2016. The minimal pool for the reservoir is 4,000 AF. Without rain the reservoir will be close to minimal pool around November, 2016.

Although the elevation of the lake may be at 10,000 AF in November, because about 4,500 AF has been accumulated by all the agencies as “carryover water”, the lake will actually be close to minimal pool. Ms. Ogren indicated “carryover water” is any “unused entitlement water” that has been saved by agencies and can be utilized in the following year at each agency’s discretion.

**B. Climate Update** – Ms. Montes presented the Climate Update and indicated San Luis Obispo County is still experiencing exceptional drought with above average temperatures predicted for July.

**C. Habitat Conservation Plan (HCP) Update** – Ms. Ogren indicated not much has changed since January; however, water contractors have requested additional modeling from consultant, ECORP Consulting, Inc. to potentially model new scenarios for water supply contract changes, moving towards a storage model. Currently, the contracts are not written as such. ECORP submitted a proposal that was distributed to the Zone 3 Technical Advisory Committee (TAC) members.

Ms. Ogren reported on a meeting with the State Water Resources Control Board (SWRCB) in June regarding the Water Rights Permit. The meeting indicated the “extension of time” actually reflects the time to process any permit changes and the time it takes to observe how the changes work while operating the reservoir. This process could take 20 years, and during this time, if the SWRCB approve the changes, the license will then be issued. In addition, per the SWRCB, the permit cannot be completed without completion of the Habit Conservation Plan (HCP), which demonstrates releases--a component of the permit.

Member Ogren clarified that a Water Rights Permit perfects into a license. The HCP is necessary to modify the Permit. A Permit needs to be operated for a length of time in order to obtain License, which is what the District and Zone 3 ultimately wants because it provides more permanency with respect to water rights.

## **VII. Capital Projects Update**

**A. Bi-Monthly Update** – Ms. Ogren spoke in regards to the Bi-monthly Capital Projects Update.

Turnout Scada Project was about 94 percent complete. Once PG&E brings power to the last location in Oceano, the project will be completed by the end of August 2016.

Ms. Ogren indicated the Equipment Replacement Program includes the variable frequency drives (VFDs), the drives that operate the membrane feed pumps, were budgeted for in Fiscal Year 15/16 and were to be installed within a week.

Ms. Ogren reported there was no new progress on the Lopez Dam V-Ditch Project repair other than developing the Scope of Work.

The Membrane Strainer Replacement Project will involve replacing cast iron strainers with stainless steel.

The Coagulant Feed Alarm Meter Project involves the fastest repair option, which is pursuing a warranty claim and was anticipated to be repaired within two (2) to three (3) weeks.

The Terminal Reservoir Intake Repair Project was completed on June 28, 2016.

The Lopez PLC Replacement Project is on hold subject to Lopez 6<sup>th</sup> Rack Replacement Project, which is also on hold until the membrane strainer replacements have occurred.

Parking and Roadway Resurfacing Project is in the design phase and is scheduled to take place next spring, along with various County scheduled road paving projects.

According to Ms. Ogren, hard water has caused calcium buildup on equipment at the Lopez Water Treatment Plant (LWTP). Staff is dealing with this problem.

Ms. Ogren spoke in regards to projects currently on hold: 1.) Power Monitoring Project. The power issues which initiated the Project have seemed to be resolved for the moment; and 2.) 6<sup>th</sup> Rack Replacement Project, which is 80 percent complete and on hold due to membrane replacement.

No public comment was given.

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

No action items were discussed.

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

No action items were discussed.

**X. Future Agenda Items -**

**A. Contract Renegotiation Discussions**

**B. Funding Groundwater Modeling**

**C. Water Wheeling** – Member Ogren indicated he did see the need for this item to be listed as “Future Agenda Items” any longer.

**D. Stormwater Resource Plan** – Grant was approved. Update will be added for the November Zone 3 Advisory Committee Meeting.

**XI. Committee Member Comments** – Member Barneich indicated Arroyo Grande City Council voted to place a Locally Declared Emergency State Water initiative on the November ballot to give Arroyo Grande citizens an option to vote for State Water or not.

Ms. Montes informed the Committee that Joanne Hilker will no longer be working as the Public Works Accountant assigned to Zone 3.

Member Ikeda inquired what happens when the “carryover water” is available, but in actuality is unavailable due to the lake’s low elevation. Ms. Ogren indicated that it would be “ ‘carryover water’ that is unavailable” because it would be below the minimal pool of 4,000 AF. Zone 3 agencies will not operate outside of the Low-Level Response Plan (LLRP) until the lake reaches 20,000 AF. Per the contracts, after the \$20,000 AF, any “carryover water” agencies have would likely go away.

**Next Regularly Scheduled Meeting** Next Regular Meeting is Tentatively Scheduled for November 17, 2016 at 6:30PM at City of Pismo Beach.

Respectfully Submitted,

Andrea M Montes, County of San Luis Obispo Public Works



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



**September 15, 2016**

**MEMORANDUM**

**TO:** Flood Control Zone 3 Advisory Committee

**FROM:** Joanne Hilker, Accountant

**VIA:** Andrea Montes, Public Works Department Administrator

**SUBJECT:** Flood Control Zone 3, Fourth Quarter Budget Status Fiscal Year 2015/16

**Recommendation**

The item to be received and filed.

**Summary**

Attached please find the fourth quarter budget versus actual results for the fiscal year 2015/16. The \$4.7-million-dollar budget is broken into three categories: Routine O&M expenditures (\$3.3 million), Non-Routine O&M expenditures (\$616,000), and Capital Outlay expenditures (\$783,000).

As of 2015/16 fiscal year-end, expenditures were 84% of budget resulting in available balance of \$739,880. Of that amount, approximately \$577,829 will carry into fiscal year 2016/17 for ongoing non-routine efforts and capital outlay projects that span across the fiscal year, resulting in an approximate credit back to the Agencies in the amount of \$162,051.

Total Budget	Expenses through Q4	Balance Available	% of Budget Expended
4,700,257	3,990,377	739,880	84%
Estimated carryforwards into FY1617 for ongoing Non Routine efforts & Capital Outlay projects		(577,829)	
Estimated Year-End Credits back to Agencies		162,051	

**Routine O&M** annual budget is approximately \$3.3 million dollars. As of 2015/16 fiscal year-end, expenditures were 95% of the budget which results in approximately \$183,000 dollars of savings. Approximately \$21,000 dollars of available balance, which will carry into FY2016/17 for continued work.

Total Budget	Expenses through Q4	Balance Available	% of Budget Expended
3,331,420	3,148,465	182,955	95%

Most of this savings was due to staffing vacancies and related savings in labor. (The Water System’s Superintendent position was vacant since February 2015. The Administrative Assistance position was vacant for most of the third quarter. And a Water Worker was temporarily loaned to the Los Osos plant for a portion of the year, resulting in labor savings at Lopez Water Treatment Plant.)

**Non Routine O&M** annual budget is approximately \$616,000 dollars<sup>1</sup>. As of 2015/16 fiscal year-end, expenditures were 55% of budget, which results in approximately \$278,500 dollars of available balance, which will carry into FY2016/17 for continued work.

Total Budget	Expenses through Q4	Balance Available	% of Budget Expended
615,852	337,334	278,518	55%

The majority of the balance available in this category is due to the Lopez Water Rights/Habitat Conservation Plan (HCP). The status remains the same since last quarter. HCP efforts have been delayed pending possible Zone 3 municipal contract changes that could impact the modeling and draft downstream release program that ECORP developed in coordination with H.T. Harvey. Once the contract issue is resolved, work can move forward with modeling efforts and the District can re-engage regulatory agencies in permit requirement discussions. HCP efforts will continue into fiscal year 2016/17.

**Capital Outlay** annual budget is approximately \$783,000 dollars. As of 2015/16 fiscal year-end, expenditures were 64% of budget, which results in approximately \$278,000 dollars of available balance, which will carry into FY2016/17 for continued work.

Total Budget	Expenses through Q4	Balance Available	% of Budget Expended
782,985	504,578	278,407	64%

The balance available in this category is a result of staff vacancies in Utilities project management during portions of the fiscal year that reduced the ability to work on these projects.

**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

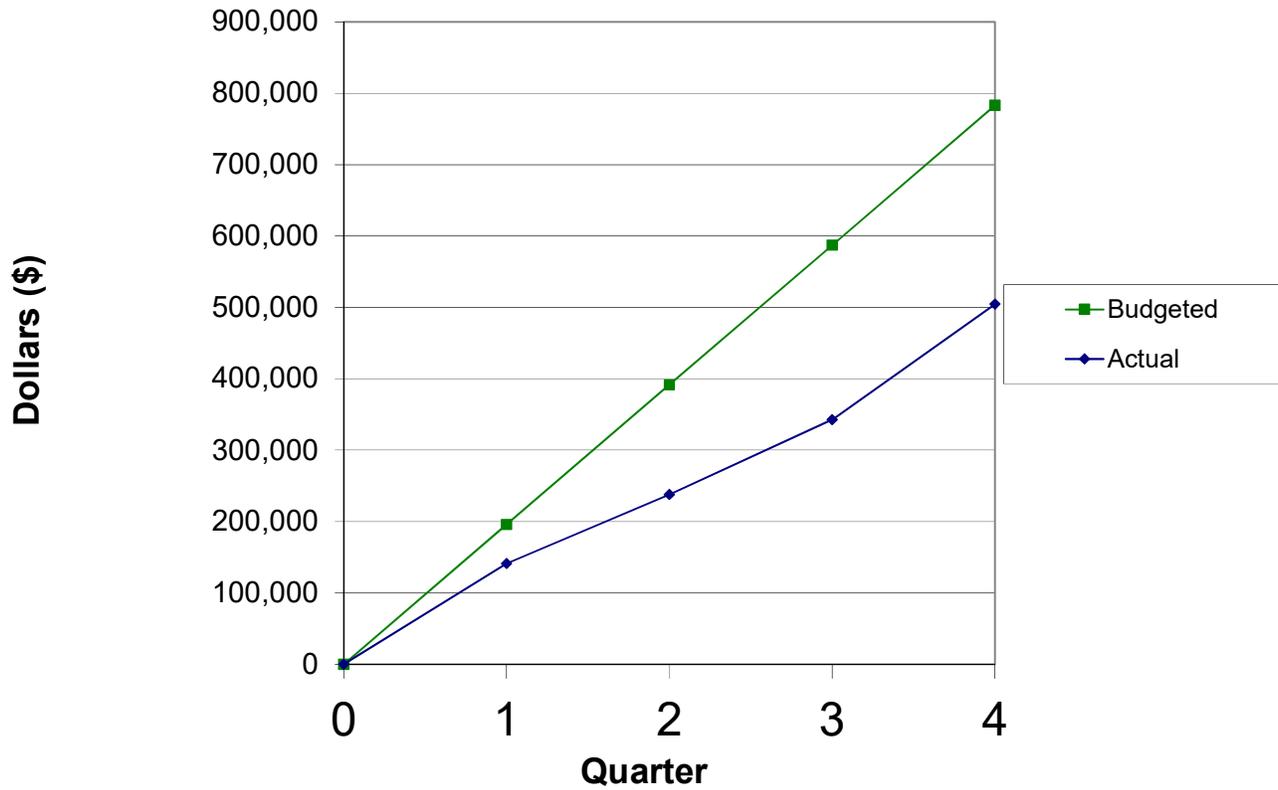
include Port San Luis Harbor District and Avila Beach Community Services District.

### **Financial Consideration**

All agencies are current on their payments. Estimated credits for FY2015/16 in the amount of \$162,000 will be allocated to the Agencies and mailed along with the FY2016/17 2<sup>nd</sup> installment invoices, due January 1, 2017.

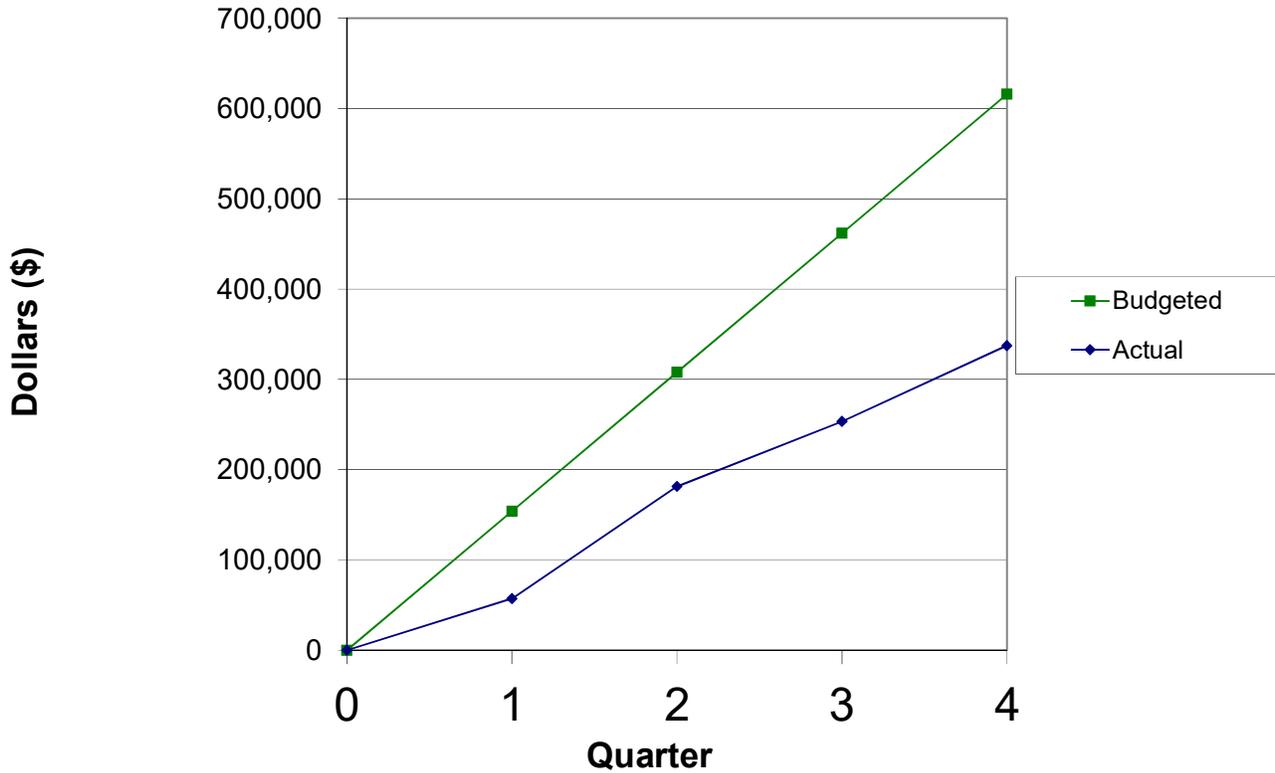
<sup>i</sup> (1) 11/19/15, \$100,000 of budget was transferred from Non Routine O&M Pigging to Capital Outlay 6<sup>th</sup> Membrane Filtration project (net zero); (2) 2/9/16, \$30,000 of budget was transferred from Reserves to Non Routine O&M Meadow Creek Diversion Channel (3) Qtr 3, \$25,000 of budget transferred from Capital Outlay for PLC Replacement and Programming project to Non Routine O&M due to project's reclassification between categories (net zero.)

### Capital Outlay



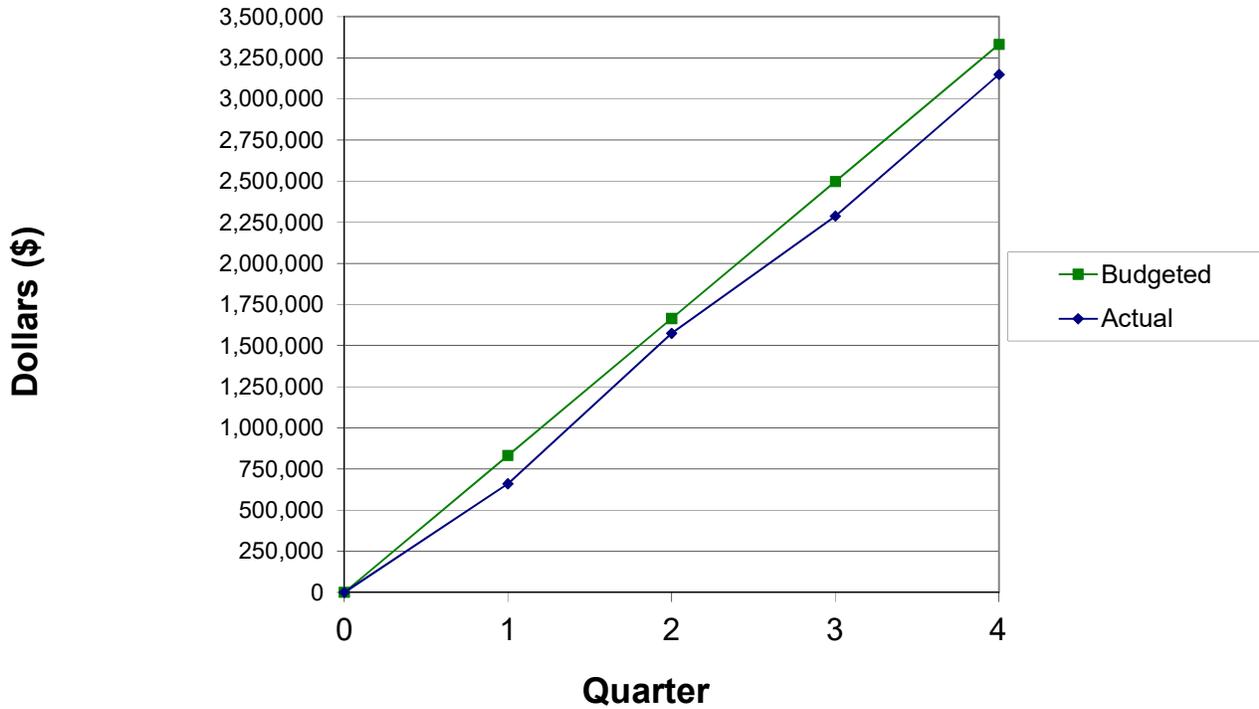
Capital Outlay Projects	Total Budget	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	Total Exp as % of Budget	Total Balance Avail
Lopez Turnouts SCADA System	309,539	115,019	67,083	7,116	4,955	194,172	63%	115,367
WTP 6th Membrane Filtration Module Addition	291,946	24,997	28,059	97,862	110,625	261,543	90%	30,403
VFD Replacement Project	45,000	317	-	71	35,424	35,812	80%	9,188
Power Monitoring Project	30,000	257	222	296	3,051	3,825	13%	26,175
Lopez Dam Repair V-Ditch Adjacent to Spillway	25,000	60	320	121	3,871	4,371	17%	20,629
WTP Resurface Parking Lot	81,500	317	320	246	3,971	4,854	6%	76,646
<b>Expenses</b>		141,284	96,399	105,000	161,895	504,578	64%	278,407
<b>Budget</b>	782,985	195,746	195,746	195,746	195,746	782,985		
<b>Variance (over)/under</b>		54,462	99,348	90,746	33,851	278,407		
<b>% Variance</b>		28%	51%	46%	17%	36%		

## Non-Routine Operation and Maintenance



O&M 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	104,411	13,743	28,032	26,199	35,811	103,785	99%	626
Lopez Water Rights /HCP	376,848	41,240	83,352	38,822	23,510	186,924	50%	189,924
Pigging	24,483	-	-	-	-	-	0%	24,483
Terminal Resvr Intake Repair	29,014	-	-	-	754	754	3%	28,260
Equipment Replacement Planning	25,000	-	7,767	-	-	7,767	31%	17,233
Meadow Creek Diversion Channel	30,000	-	-	16	670	686		29,314
PLC Replacement and Programming	25,000	-	-	-	-	-		25,000
Other	1,096	2,140	5,116	7,112	23,051	37,418	3414%	(36,322)
<b>Expenses</b>		<b>57,123</b>	<b>124,267</b>	<b>72,149</b>	<b>83,795</b>	<b>337,334</b>	<b>55%</b>	<b>278,518</b>
<b>Budget</b>	<b>615,852</b>	<b>153,963</b>	<b>153,963</b>	<b>153,963</b>	<b>153,963</b>	<b>615,852</b>		
<b>Variance (over)/under</b>		<b>96,840</b>	<b>29,696</b>	<b>81,814</b>	<b>70,168</b>	<b>278,518</b>		
<b>% Variance</b>		<b>63%</b>	<b>19%</b>	<b>53%</b>	<b>46%</b>	<b>45%</b>		

## Routine Operation and Maintenance

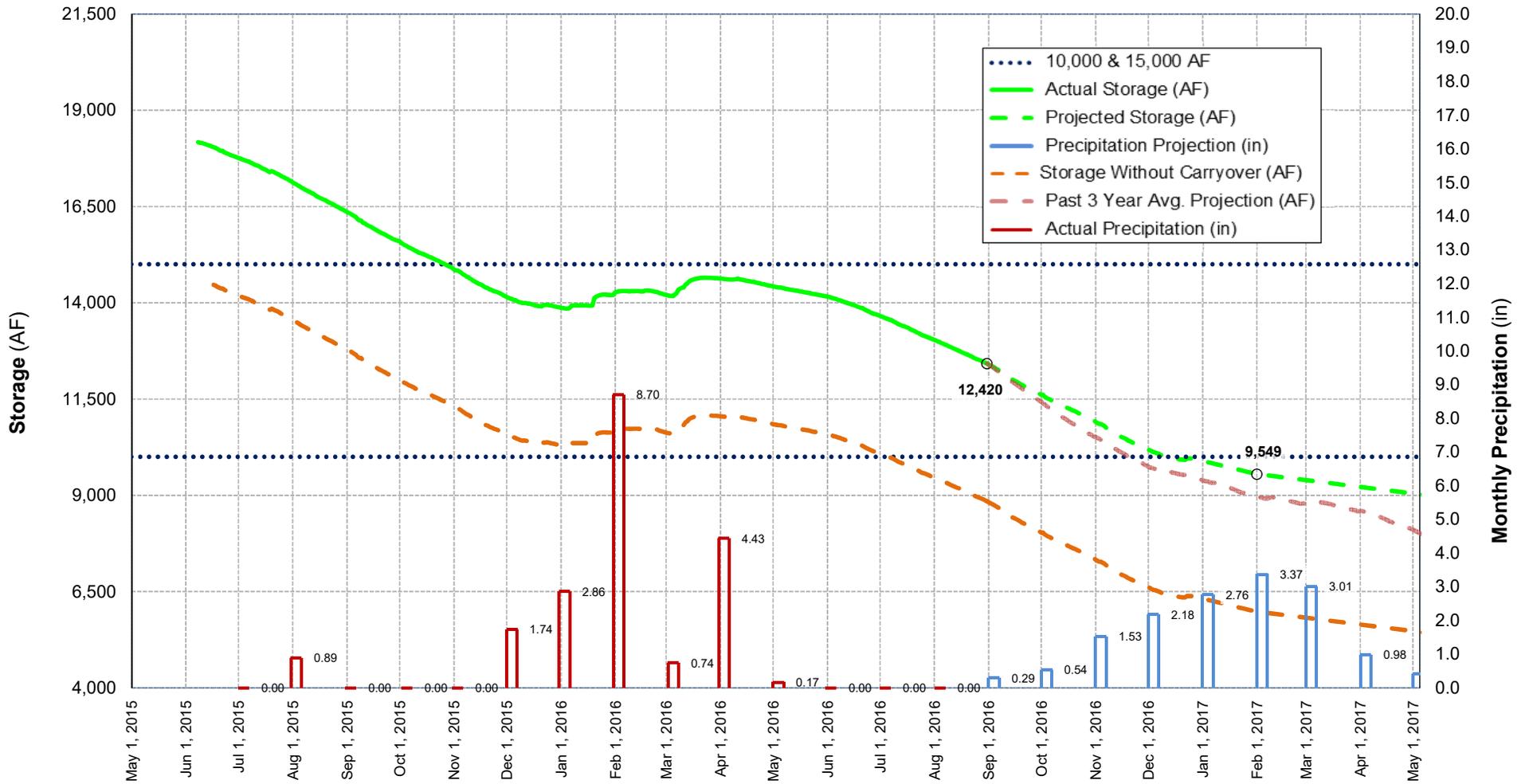


O&M Routine Category	Total Budget	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	Total Exp as % of Budget	Total Balance Avail
Labor and Overhead	2,034,901	429,734	531,100	392,457	514,707	1,867,998	92%	166,903
Chemicals - Water Treatment Plant	261,649	56,481	69,721	56,008	72,951	255,162	98%	6,487
Utilities - Water Treatment Plant	217,746	53,421	48,617	40,128	48,377	190,544	88%	27,203
Vendors - Water Treatment Plant	258,946	60,850	154,156	89,846	97,843	402,695	156%	(143,750)
Terminal	42,063	6,326	11,594	31,480	12,227	61,627	147%	(19,565)
Main Dam	104,517	17,350	23,332	36,903	21,807	99,392	95%	5,125
Other	411,599	35,897	76,534	65,226	93,390	271,047	66%	140,551
<b>Expenses</b>		<b>660,059</b>	<b>915,054</b>	<b>712,048</b>	<b>861,303</b>	<b>3,148,465</b>	<b>95%</b>	<b>182,955</b>
<b>Budget</b>	<b>3,331,420</b>	<b>832,855</b>	<b>832,855</b>	<b>832,855</b>	<b>832,855</b>	<b>3,331,420</b>		
<b>Variance (over)/under</b>		<b>172,796</b>	<b>(82,199)</b>	<b>120,807</b>	<b>(28,448)</b>	<b>182,955</b>		
<b>% Variance</b>		<b>21%</b>	<b>-10%</b>	<b>15%</b>	<b>-3%</b>	<b>5%</b>		

# Lopez Reservoir Storage Projections

(precipitation scenario source: www.LongRangeWeather.com)

Revised: 8/31/2016

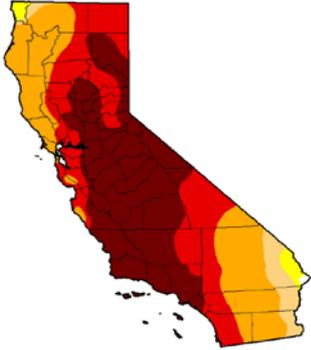


**Notes:**

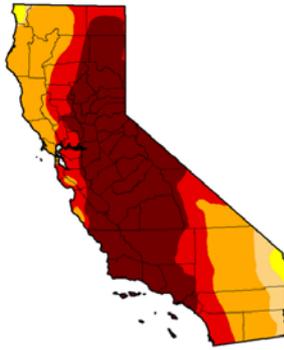
- For "Dry Months" (April - October), projected increases and/or decreases in storage estimated to mimic conditions from 2015.
- For "Wet Months" (November - March), projected storage declines assume LRRP annual downstream release of 3,800 AFY and deliveries of 4,077 AFY.
- For "Wet Months", projected storage increases based on historic trends from actual storm data for the period of 12/1993 through 6/2011.
- Storage projection for "Wet Months" assume that unsaturated conditions exist.
- Rainfall projection provided by www.LongRangeWeather.com, and updated 7/5/2016. Evaporation included in storage projection.
- Past 3 Year Avg. Projection uses historic daily capacity changes averaged from 2013, 2014, 2015

# U.S. DROUGHT MONITOR

February 2015



May 2015



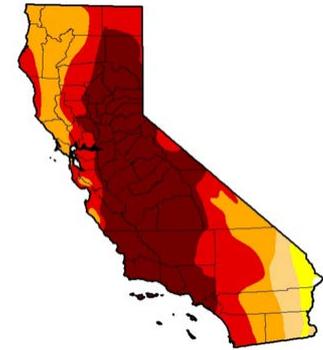
July 2015



September 2015



November 2015



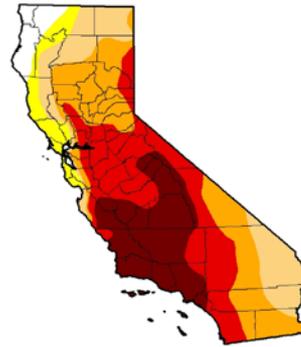
January 2016



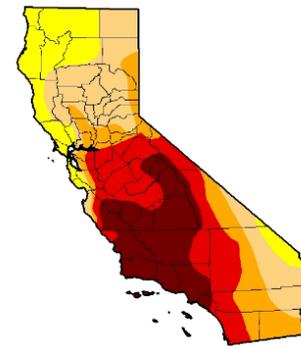
March 2016



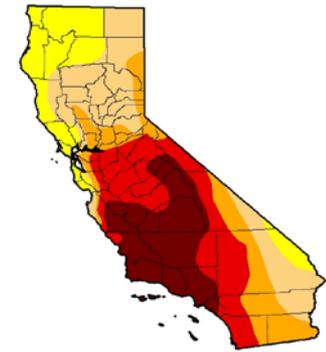
May 2016



July 2016



September 2016



## Intensity:

- D0 - Abnormally Dry
- D1 - Moderate Drought
- D2 - Severe Drought

- D3 - Extreme Drought
- D4 - Exceptional Drought

Permission to reproduce the map

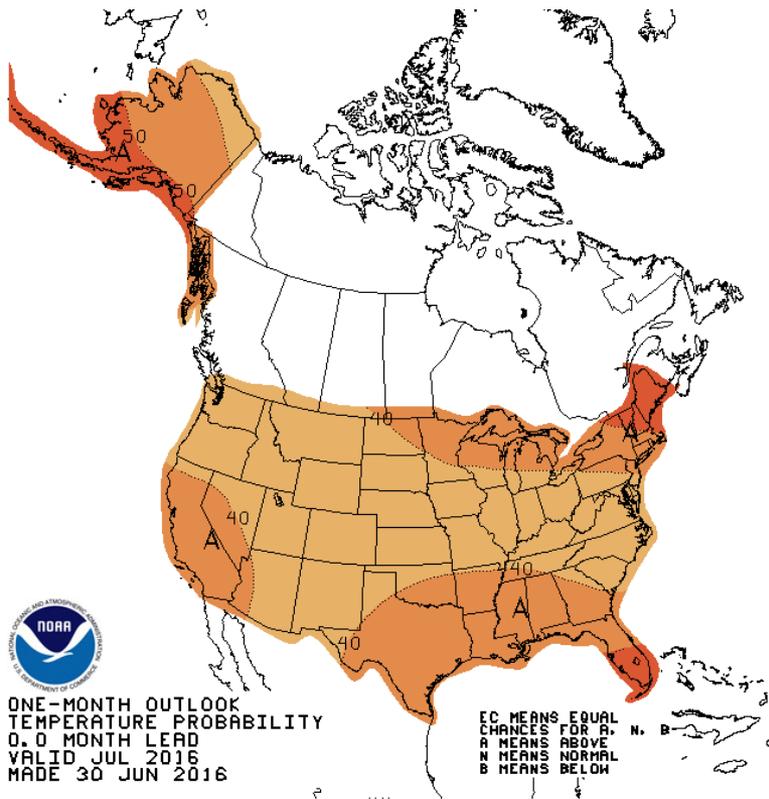
If you reproduce the U.S. Drought Monitor map, please use this wording:

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.

Item V. D.

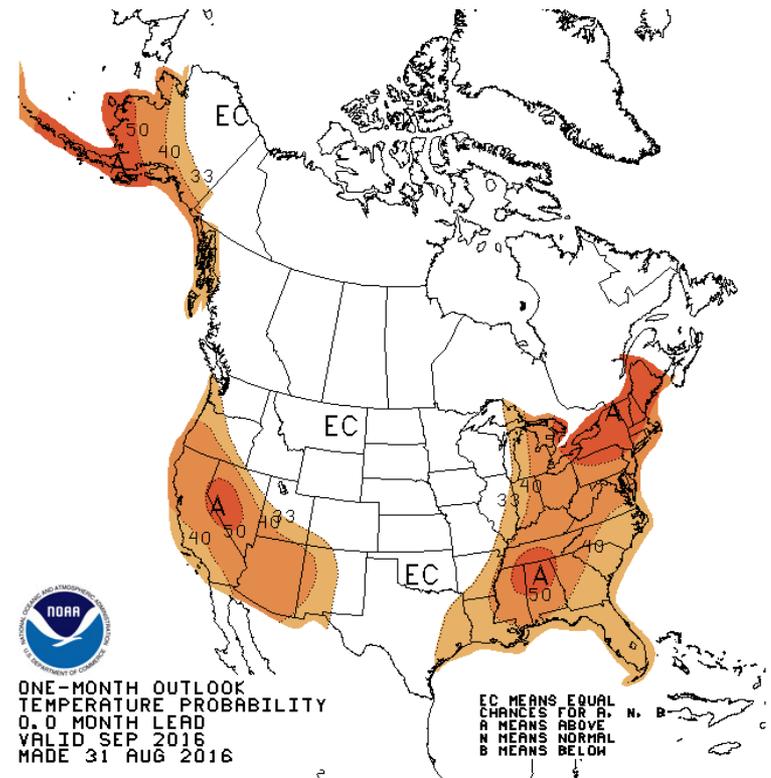
# NOAA TEMPERATURE FORECAST

## July



## July Meeting

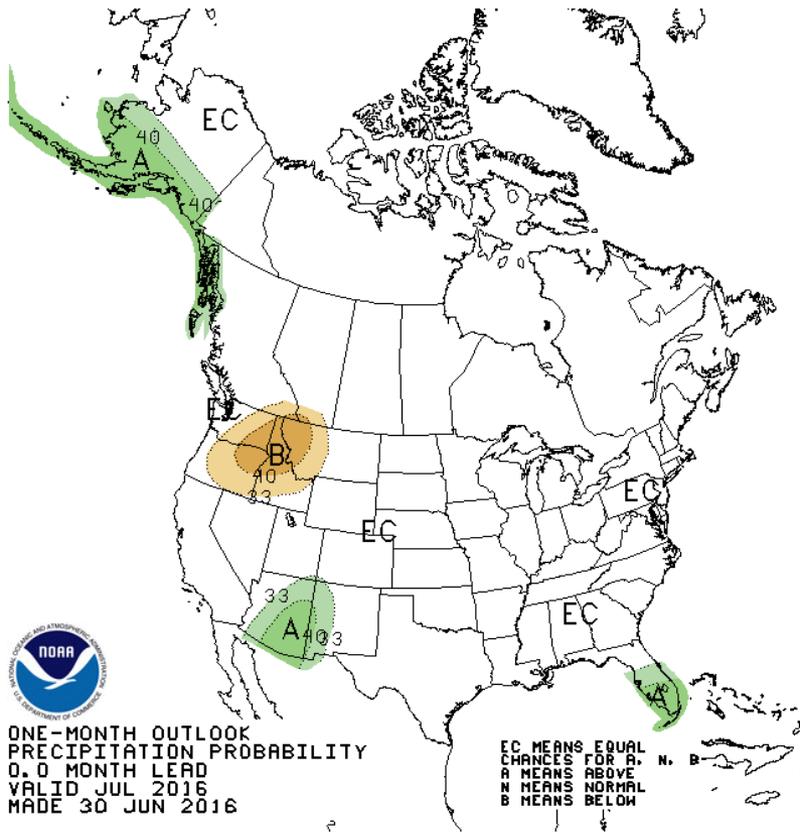
## September



## September Meeting

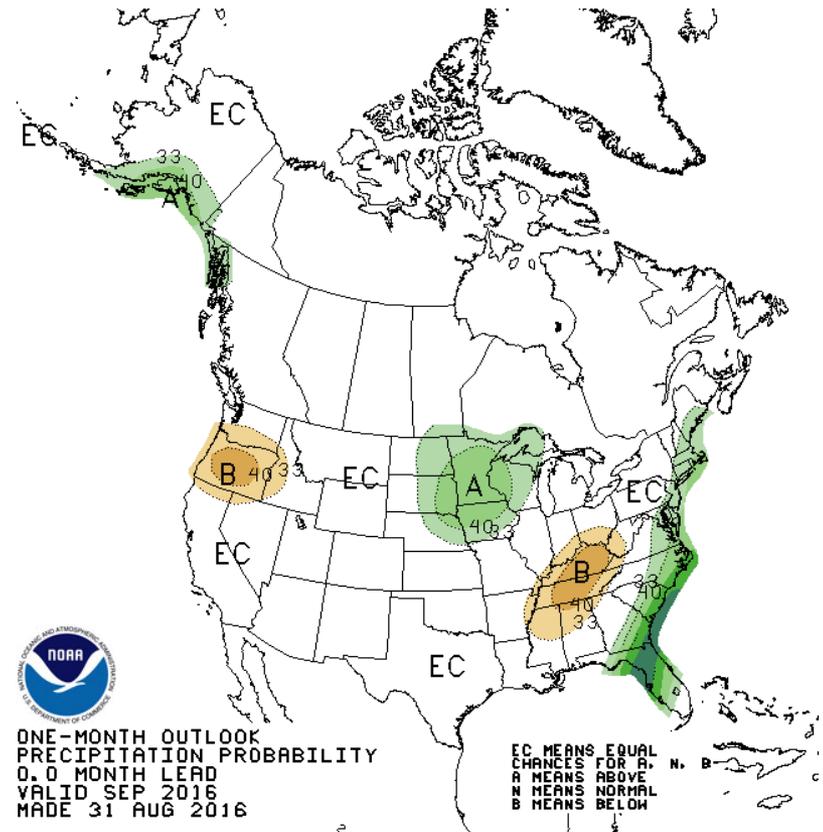
# NOAA PRECIPITATION FORECAST

## July



## July Meeting

## September



## September 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](mailto:pwd@co.slo.ca.us)



*MEMORANDUM*

TO: Zone 3 Advisory Committee

FROM: Katie Drexhage, Environmental Resource Specialist

DATE: September 15, 2016

SUBJECT: Lopez Water Project HCP Status Update

**HCP Status Update**

Further information was requested earlier this year by the Technical Advisory Committee (TAC) regarding water levels in the creek at the different flow rates proposed in the draft Downstream Release Program and information regarding potential effects on the availability of surplus water. Additionally, potential changes to the Zone 3 agencies' water supply contracts may result in revisions to the modeling that ECORP has done for the Downstream Release Program. At this time, work on the draft Downstream Release Program and coordination with the resource agencies is on hold until the District has more information regarding Lopez contractors desired water supply contract changes and how those changes work with the HCP effort.

District staff received a revised Hydrologic Report that ECORP produced in late May. The report is being reviewed by County Water Resources Division staff for consistency with other technical reports that have been developed for ongoing groundwater management efforts related to management of the adjudicated portion of the Santa Maria Groundwater Basin and concurrent efforts triggered by the Sustainable Groundwater Management Act (SGMA). Comments from the Water Resources Division will be submitted to District staff and the TAC for review this month.

In order to provide more information about the interplay between the water supply contracts and HCP efforts, a scope and cost estimate was requested from ECORP to research similar reservoirs with storage models and produce two or three concepts for contracts, ideas for appropriate limits on storage for contracts, and possibly modeling a short list of contract concepts. The modeling would provide each contractor with a picture of how the proposed contract changes would impact their water supply over time. The scope and cost estimate was presented to the TAC during their July 7 meeting for review. The TAC provided comments to District staff on the scope and cost

estimate on August 23rd. District staff has submitted those comments to ECORP who will revise their scope accordingly.

**Water Rights Permit Update**

No new action has occurred since the July 21 staff report.



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](mailto:pwd@co.slo.ca.us)



**TO:** Zone 3 Advisory Committee

**FROM:** Jill Ogren, PE - Capital Projects

**DATE:** September 15, 2016

**SUBJECT:** Zone 3 Capital Projects Update & Recommended Budget Adjustments

**Summary:**

The Zone 3 2016/17 Budget, which includes a capital outlay program, was approved by Zone 3 Advisory Committee in March and by the Board of Supervisors in June. The approved capital outlay program included \$550,000 to implement identified improvements. Staff is recommending changes to the Capital Outlay funding program to allow new projects that will address operational issues that were unforeseen as well as other critical smaller projects which were approved but now need additional funding this year. It is anticipated that additional costs to the capital outlay program will be approximately \$280,500 bringing the total capital outlay program to \$830,500.

**Requested Action:**

*Staff is seeking the Advisory Committee's support of the proposed budget changes to be presented for final approval by the Board of Supervisors.*

**Project Changes:**

The most significant project to be added to the Capital Outlay Program is pH suppression equipment. High intake water pH has been an on-going, but manageable issue at the plant. However, the change in the quality of the water now entering the plant, due in part to the low water levels in Lopez Reservoir, is causing higher than typical pH. Since July there has been an increase in water hardness and pH causing a buildup of scale throughout the plant which in turn results in high turbidity, clogged sample lines, valves and failing pumps. Attempts to simply increase maintenance of all the parts has not been successful. In August we engaged a consultant (Kennedy-Jenks) to provide a report on feasible methods to suppress pH of the intake water. The draft report is near completion.

In addition to the pH suppression project, there are two projects which require supplemental funding; membrane strainer replacement and membrane filter PLC replacements. The membrane strainers were previously scheduled to be replaced over the next three years, however complete replacement (and funding) is necessary this year in order to complete installation of the 6<sup>th</sup> membrane filter rack. Updating the PLC's on membrane racks 1 through 5 is required to comply with State reporting standards. The update requires additional hardware and funding not previously anticipated.

These projects are proposed to be funded in-part by deferring several 2016/17 capital projects until 2017/18; with no impacts to projects currently underway.

**Budget Changes:**

To fund these unanticipated work efforts, staff is recommending that funding come from several sources:

- 1) Defer some current year projects,
- 2) Eliminate contributions to Agency Reserves for current year,
- 3) Anticipated project savings, and
- 4) Use District Reserves.

No additional costs to the Agencies is being requested.

The table below outlines the funding amounts anticipated.

<b>Approved Capital Outlay Budget 16/17</b>	<b>\$550,000</b>
<b>Additional Budget</b>	<b>\$835,000</b>
<i>pH Suppression – New Project</i>	<i>\$625,000</i>
<i>Membrane Strainers (additional cost)</i>	<i>\$135,000</i>
<i>PLC Upgrades (additional cost)</i>	<i>\$75,000</i>
<b>Proposed Funding Make-Up</b>	<b>(\$835,000)</b>
<i>Project Savings (Deferred to 2017/18)</i>	<i>(\$387,000)</i>
<i>Eliminate Contributions to Agency Reserves</i>	<i>(\$48,000)</i>
<i>Carry Forward Anticipated Project Savings</i>	<i>(\$119,500)</i>
<i>Use from District Funded Designated Reserves</i>	<i>(\$280,500)</i>
<b>Additional Costs to Agencies</b>	<b>\$0</b>

It should be noted that if anticipated savings are not realized by year end, then funding can be provided either via year-end final billings to Agencies, or by a transfer from District Reserves. Any of these proposed budget adjustments will require a 4/5ths vote of approval by the Board of Supervisors.

A detailed outline of specific projects to be implemented as well as those deferred and their savings is shown on the attached spreadsheet.

## **Project Updates:**

- Turnout SCADA Project
  - 9 of 10 locations installation complete with punch list items (minor)
  - 10<sup>th</sup> location awaiting power from PG&E/Permit from City of AG
  - Cannon to install 10<sup>th</sup> and wrap punch list to go live following PG&E
- Equipment Replacement Program
  - VFD replacements in process – Install started week of 8/29
- Lopez Dam - Repair V-Ditch adjacent to Spillway
  - Developing scope of work for low pressure flushing
  - Permits Received
- Membrane Strainer Replacement Project
  - Ordering new all-stainless strainers (direct replacement) – approx. 90 day build/delivery
  - Obtaining quote for installation and flushing
  - Flush and inspect downstream piping
- Coagulant Feed Alarm/Meter
  - Replacement received (under warranty)
  - New readout device ordered
  - Bench testing equipment then install week of 9/12
- PLC Replacement & Programming
  - Top priority due to scaling/State Compliance
  - Working with Pall to update quote/require additional funding
- Parking & Roadway Resurfacing
  - In Design
  - Included with 16/17 Pavement Management – Spring 2017
- Dam Intake & Operations Assessment
  - RFP In Process

## **Deferred Projects** (possibly deferred based on revised budget):

- Improve Boat Access
- Cathodic Protection Survey
- Structural Assessment of Terminal Reservoir
- Pressure Transducers
- Replace Ammonia Analyzer
- Equipment Storage

## On Hold Projects:

- Power Monitoring
  - The initial concerns with PG&E have resolved
  - Staff still wants the project but has placed as low priority behind 6<sup>th</sup> Rack, Strainers, Scaling, etc.
  
- 6<sup>th</sup> Rack Addition
  - Construction 80% complete
  - Completion has been delayed until Membrane strainers have been resolved
  - Approximately 2 weeks required to complete install

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

# FY 2016-2017

PROJECT	IOWBS	NOTES	TOTAL	PREVIOUSLY APPROVED		Approved Budget	Proposed Additions or Reductions to Approved Budget	Proposed Total	FUTURE YEAR - ANTICIPATED BUDGETS									
				Total Project Expenses thru 6/30/15	Budget Carryovers				Budget Approved 2015/16	2016/17	2017/18	2018/19	2019/20	2020/21				
															Budget Carryovers	Budget Approved 2015/16		
Water Softening																		
Lopez Turnouts SCADA System	300500	1	\$ 350,000	\$ 105,461	\$ 234,539	\$ 75,000	\$ 625,000	\$ 625,000										
WTP 6th Membrane Filtration Rack Addition	300503	2	\$ 988,403	\$ 666,054	\$ 291,946	Rollover	\$ (65,000)	\$ (65,000)										
Terminal Reservoir Intake Repair	552R235644	3	\$ 30,000		\$ 30,000													
WTP Perimeter Security Fencing - Phase II		4	\$ 240,000															\$ 240,000
VFD Replacement Project	300539	6	\$ 54,188			\$ 45,000												
Power Monitoring Project	300540	7	\$ 33,175			\$ 30,000	\$ (24,500)	\$ (24,500)										
PLC Replacement & Programming	552R235723	8	\$ 194,227			\$ 25,000	\$ 75,000	\$ 75,000										
WTP Resurface Parking Lot	300543	9	\$ 98,146			\$ 81,500	\$ (30,000)	\$ (30,000)										
Lopez Dam - Repair V-Ditch adjacent to spillway	300542	10	\$ -			\$ 25,000	\$ 25,000	\$ 25,000										
Ammonia Analyzer Replacements (qty 2)	300569		\$ (30,000)				\$ (30,000)	\$ (30,000)										
Coagulant Feed Alarm System	Fixed Asset		\$ 25,000				\$ (25,000)	\$ (25,000)										
Pressure Transducers at Turnouts (qty 11)	552R235650		\$ 35,000				\$ (35,000)	\$ (35,000)										
Dam Intake Facility and Operations Assessment	552R235646		\$ -				\$ -	\$ -										
Structural Assessment of Terminal Reservoir Dam	552R235647		\$ 50,000				\$ (50,000)	\$ (50,000)										
Lab Equipment: Water Purification System (Milli-Q Double DI)	Fixed Asset		\$ 14,000				\$ (14,000)	\$ (14,000)										
Water Treatment Barge	Fixed Asset		\$ 28,000				\$ (28,000)	\$ (28,000)										
Cathodic Protection Survey	552R235616		\$ 140,000				\$ (140,000)	\$ (140,000)										
Service Membrane Strainer (qty 3)	Fixed Asset		\$ 135,000				\$ 40,000	\$ 135,000										
Equipment Storage Garage Design	552R235648	11	\$ 15,000				\$ (15,000)	\$ (15,000)										
Improved Boat Access at Terminal Reservoir	300658	12	\$ 50,000				\$ (50,000)	\$ (50,000)										
Unanticipated Equipment Purchases		13	\$ 25,000				\$ -	\$ -										
Pigging Unit B (aka 33" Pigging Project: Cleanwell to Wesley St)	552R235699	14	\$ 998,026	\$ 5,009	\$ 99,517	\$ 17,500	\$ -	\$ -										
Sludge Bed Upgrades (Beds 1 & 2)		15	\$ 650,000															
WTP Washwater Tank - Interior Repair & Recoat		16	\$ 287,000															
Fiber Optic Connectivity Project			\$ 100,000															
Tow-Behind Air-Vacuum System (Vac truck)			\$ 97,000															
WTP PAC Enclosure		17	\$ 150,000															
Repair fault zone issue at left abutment per M. Boyce (Feb 2016), needs to be addressed in 17-18																		
Orcutt Road Drainage Diversion		18	\$ 357,000															
<b>SUBTOTAL</b>						\$ 299,000	\$ 502,000	\$ 830,500	\$ 564,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 1,631,000	\$ 1,631,000
<b>Increase of Agency Reserves</b>																		
- Contributed by agencies for Equipment Replacement		19		\$ 140,000	\$ 50,000	\$ 50,000	\$ 48,000	\$ (48,000)										
<b>Use of Agency Reserves</b>																		
- Adjustment for advance for 6th rack Addition					\$ 176,000	\$ 176,000	\$ -	\$ -										
- Future Projects						\$ -	\$ -	\$ -										
<b>BILLING TO AGENCIES</b>						\$ 525,000	\$ 550,000	\$ 830,500	\$ 564,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 1,631,000	\$ 1,631,000

FROM DISTRICT FUNDED  
DESIGNATED RESERVES

Billed to Agencies



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](mailto:pwd@co.slo.ca.us)



**TO:** Zone 3 Advisory Committee  
**FROM:** Andrea M. Montes, MPA – Utilities Division Program Manager  
**DATE:** September 15, 2016  
**SUBJECT:** Weldon Annexation Request

**Summary**

County Public Works Staff wishes to inform the Zone 3 Advisory Committee of a County Service Area 12 (CSA 12) parcel annexation request from Applicant, Art Weldon.

This annexation request was presented to the Zone 3 Technical Advisory Committee (TAC) at the August 11, 2016 TAC meeting. This staff report includes feedback and comments from the meeting.

**Background and Proposed Annexation Request**

In 2015, Mr. Weldon purchased one (1) legal parcel consisting of 177 acres with two (2) Assessor Parcel Numbers (APNs): 1.) 076-114-052; and 2.) 075-241-016. The latter APN resides within the existing CSA 12 boundary, while the former does not. Please see attached Exhibits A and B.

Mr. Weldon is currently in discussions with the County Planning and Building Department to subdivide his property. In June 2016, the Public Works Department received a letter from Mr. Weldon requesting a Conditional Intent to Serve Letter for the single 177-acre lot and annexation of the non-CSA 12 APN into the CSA 12 boundary.

Public Works Staff met with Mr. Weldon and noted that any consideration for granting of an annexation into CSA 12 would involve the review of Zone 3 agencies and would require County Board of Supervisors approval.

**History and Proposed Annexation Use**

The previous property owner of Mr. Weldon's single 177-acre lot was allocated six (6) acre-feet per year (AFY) of CSA 12 water. Mr. Weldon's letter stated that he would like to sell eighty (80) acres of the 177-acre lot, with one (1) AFY of the existing CSA 12 six (6) AFY for domestic use. In addition, Mr. Weldon would like to build a home towards the back on the approximate remaining ninety-seven (97) acres utilizing one (1) AFY of the allocated water for domestic use. The remaining four (4) AFY of water would remain within the current CSA 12 boundary, possibly for agricultural use.

### **Technical Advisory Committee (TAC) Feedback**

At the August 11, 2016 TAC Meeting, the TAC was given the option to do any of the following in response to Mr. Weldon's CSA 12 Annexation request:

- designate each Zone 3 water agency to make its own recommendation to the Advisory Committee;
- recommend action for the Zone 3 Advisory Committee to consider; and/or
- draft a memo on behalf of the TAC to the Advisory Committee.

Although the TAC did not choose to make recommendations, individual TAC members voiced concerns over "setting precedents" for future CSA 12 annexation requests; while other members suggested Mr. Weldon's CSA 12 annexation request is unrelated to Zone 3 oversight.

### **Requested Action**

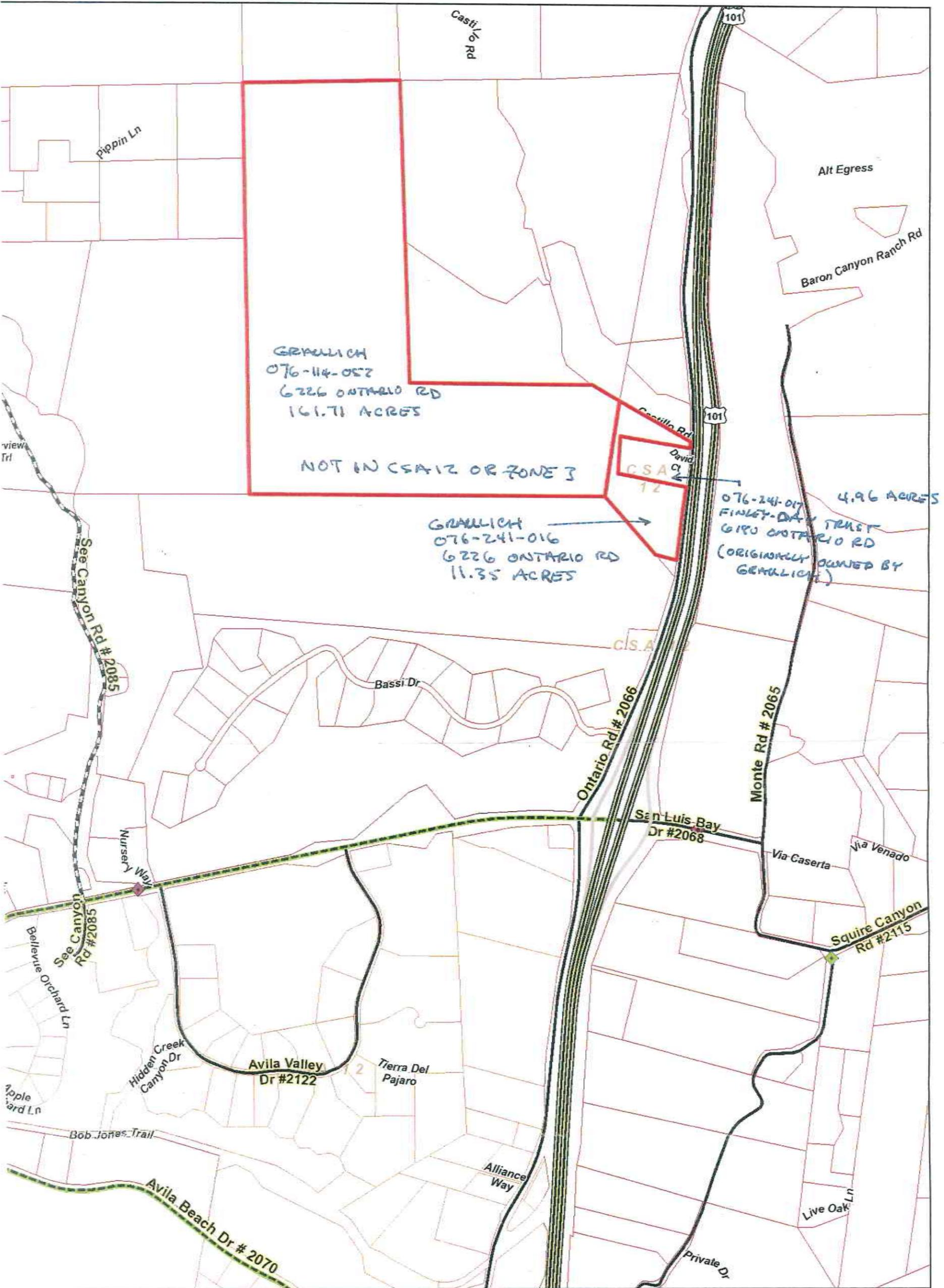
The Zone 3 Advisory Committee may consider the following recommendations:

- 1.) annex Mr. Weldon's land outside of the CSA 12 boundary, into Zone 3 as well as CSA 12;  
or
- 2.) support an "out of the zone" delivery of Zone 3 water with only the land annexed into CSA 12 and not Zone 3.

### **Next Steps**

Public Works Staff will submit Mr. Weldon's annexation request to the County Board of Supervisors to approve (or deny) an annexation agreement between Zone 3 and Mr. Weldon.

If approved, Zone 3 will conditionally agree to grant the annexation and Public Works will issue Mr. Weldon a Conditional Intent to Serve Letter. This action will allow the Applicant to proceed with the discretionary review process through the County Planning and Building Department.

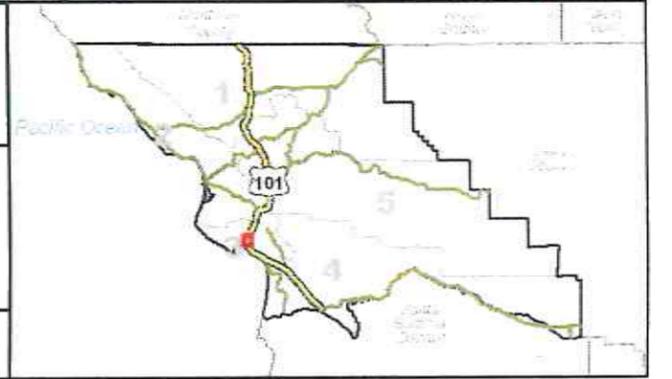


**PUBLIC WORKS**  
  
 SAN LUIS OBISPO COUNTY

1: 9,600

0 400 800 Feet

Map for Reference Purposes Only  
 he County of San Luis Obispo does not assume liability for any damages caused by errors or omissions in the data and makes no warranty of any kind, express or implied, that these data are accurate and reliable.





© 1997-2005 AirPhotoUSA



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](mailto:pwd@co.slo.ca.us)



**TO:** Zone 3 Advisory Committee  
**FROM:** Joshua Roberts, PE - Capital Projects  
**DATE:** September 15, 2016  
**SUBJECT:** Castaneda Easement Request

**Summary:**

Staff is requesting input from the Advisory Committee related to a request from Carlos Castaneda (Applicant) to be granted an easement through Flood Control District (Zone 3) property to access a land locked parcel. As an initial concept, a portion of the requested easement would utilize Chanterelle Lane (an existing easement within Zone 3), the remaining portion of the easement includes access for 1,300 to 1,900 feet through an undeveloped portion of Zone 3. See attached MBS Surveys concept easement exhibit.

**Requested Action:**

*Please provide feedback and comments, for consideration by the Applicant, related to the concept easement. The Applicant is seeking the Advisory Committee's support to work with County Counsel to draft an Agreement, to be approved by the Board of Supervisors, for the requested access easement.*

The easement request was presented to the Zone 3 Technical Advisory Committee on August 11, 2016. Their primary considerations are: impacts to the watershed, water quality, operations, and compliance with regulatory requirements.

Since the proposed easement is only conceptual at this point, they did not feel they had enough information to fully assess the request. Additionally, concern was expressed as to the ultimate use (unknown at this time) of the property and the easement. However, the majority of the TAC does support the concept moving forward for Advisory Committee input. TAC's recommendation to the Advisory Committee, should the AC choose to support the request moving forward, is to remain involved during the drafting of the easement agreement and discretionary review process (discussed later), in order to more fully understand the proposed project and to avoid adverse impacts to the watershed, water quality, and operations.

The major milestones to final granting of the easement are, 1) approval of an agreement by the Board of Supervisors on behalf of the Flood Control District and, 2) Planning Commission approval of discretionary permits. See attached flow chart.

**Background:**

The parcel in question (PIQ) was purchased in late 2013 by Carlos Castaneda. In January 2014 the District received a brief letter from Mr. Castaneda requesting to be “added to the existing easement”. The “existing easement” is Chanterelle Lane located on Zone 3 property, discussed further herein.

In the January 2014 response to the request, it was noted that consideration for granting of an easement within Zone 3 would require

- formal request/application (mapping),
- support of Zone 3 and Board of Supervisors acceptance,
- possible discretionary/CEQA review (and approval),
- agreement for payment to the District for the value (TBD) of the easement,
- resolution by the Board, and
- payment of processing fees

In April 2014, the District received a letter from Allen & Kimbell, LLP (attorney), stating that, in short, the District’s requirements were onerous since the requested easement was coincidental with the existing easement. The letter went on to state that the PIQ was entitled to the existing easement because Zone 3 is public land, and to theorize that the PIQ had been mistakenly overlooked during the original granting of the Chanterelle easement.

The District’s July 2014 response reiterated the requirements as previously stated, including steps forward to process an easement request; first being, execution of a reimbursement agreement for processing fees. The reimbursement agreement was executed in May 2016, along with payment of a \$10,000 deposit. A map of the proposed easement was submitted July 11, 2016. See attached MBS Surveys exhibit.

Other than the provided map, no additional information (such as proposed use) was made available by the applicant or representatives.

**Proposed Easement:**

The proposed easement consists of two segments. The first segment follows the physical location of Chanterelle Lane for about 1,000 feet. The second segment breaks away from Chanterelle, continuing westward to the northerly property line of the (PIQ). The second segment includes two options as shown on the attached exhibit. The entire proposed easement is within Zone 3 property. The proposed easement along the first segment follows physical Chanterelle Lane, but not the existing legal easement. As is often the case for rural driveways, the existing legal easement and the physical driveway/road do not exactly align. This discrepancy can be seen on the attached exhibit

**Proposed Easement Use:**

The purpose of the easement and intended use of the PIQ has not been made clear by the requesting party. However, the proposed easement exhibit indicates a 16% max slope access; consistent with CalFire standards for residential driveways.

### **Property Information:**

The undeveloped parcel totals approximately 335 acres and is made up of two APN's. It is zoned RL (Rural Lands). The property is within the Lopez Lake Sensitive Resource Area (SRA) per the Land Use and Circulation Element; lying entirely within the Lopez watershed, with portions being within the Lopez view shed. The property is almost entirely covered in brush or woodland. County GIS indicates that the average slope of the PIQ exceeds 50% slope. There is no evidence of any historic uses of the site, such as farming, grazing or agriculture.

### **Historic Access:**

The parcel in question is 'land locked'; it has no legal access. Research by County staff has determined that prior and current owners were and are fully aware of the parcel's 'land locked' nature. The PIQ is bound along its most northerly line by District property, and along all other sides by private property.

There is no evidence that the parcel has ever had a legal established right of access through Zone 3, or former ownership. Additionally, staff is unaware of access rights or agreements in favor of the PIQ through adjoining private properties.

It is unknown if access through private property to the PIQ is being pursued.

### **Chanterelle Lane:**

The private drive known as 'Chanterelle Lane' approximates a recorded access easement (1558 OR 527), through Zone 3 property, in favor of several parcels located in Clapboard Canyon, to the south of Zone 3 off of Lopez Drive. Chanterelle is a dirt road, gated at Lopez Drive, and is maintained, without written agreement, between the landowners who use it.

The most northeasterly corner of the PIQ touches a single point along the existing easement. However, there is no evidence that this point was intended or implied to provide access. In addition, the PIQ is not accessible at this point due to very steep terrain (~1:1 slope). As the existing Chanterelle easement continues easterly, it is separated from the PIQ by private property until its terminus.

### **Replacement Easements:**

The creation of Lopez reservoir recognized numerous adverse impacts, including the loss of legal access for certain parcels. Related Board action and project funding (Davis-Grunsky) was limited to mitigating the loss of legal access by way of 'replacement' easements, such as Chanterelle Lane. Landowners, whose access (or lack there-of) was unaffected by Lopez were not a party to these replacement easements.

The Chanterelle easement, like other similar easements replaced during creation of Lopez, was created to simply replace access to certain parcels whose existing legal access would be adversely impacted by creation/construction of the Lopez reservoir. Each affected parcel quitclaimed their respective existing easement/interest in exchange (replacement) for the Chanterelle easement.

Staff has conducted extensive research and is unaware of any easements having been granted through Zone 3 property since its creation; other than those meeting the conditions described above at the time Lopez was constructed. In addition, there were no net increases in established rights of access.

*The PIQ was not a party to the Chanterelle 'replacement' easement, due to having no previous established right of access affected by construction of Lopez.*

### **Considerations:**

In the past, the District has received informal inquiries from various private land owners, including former PIQ ownership, about obtaining access through Zone 3. In those cases, staff has advised the land owner to work with their private property neighbors to obtain legal access, without further action.

The Castaneda parcel is just one of about a dozen other parcels in the vicinity of Lopez that would benefit from an access easement through Zone 3 property. These other parcels, who's access disposition pre-dates construction of Lopez, are either land locked or possess inferior access. Access to these parcels could potentially be made either, directly through Zone 3 property, directly through adjoining private property, or in combination with private parcel(s) and Zone 3; not considering physical or regulatory limitations.

Granting of the requested Castaneda easement would be precedent setting; possibly providing a mechanism for other landowners to pursue easements through Zone 3.

### **Next Steps:**

#### Easement Agreement

As mentioned, the Applicant is seeking the Advisory Committee's support to work with County Counsel to draft an easement agreement. The agreement would contain terms and conditions such as compensation and receipt of discretionary approvals from all interested agencies. Once finalized, the agreement would be presented to the County Board of Supervisors.

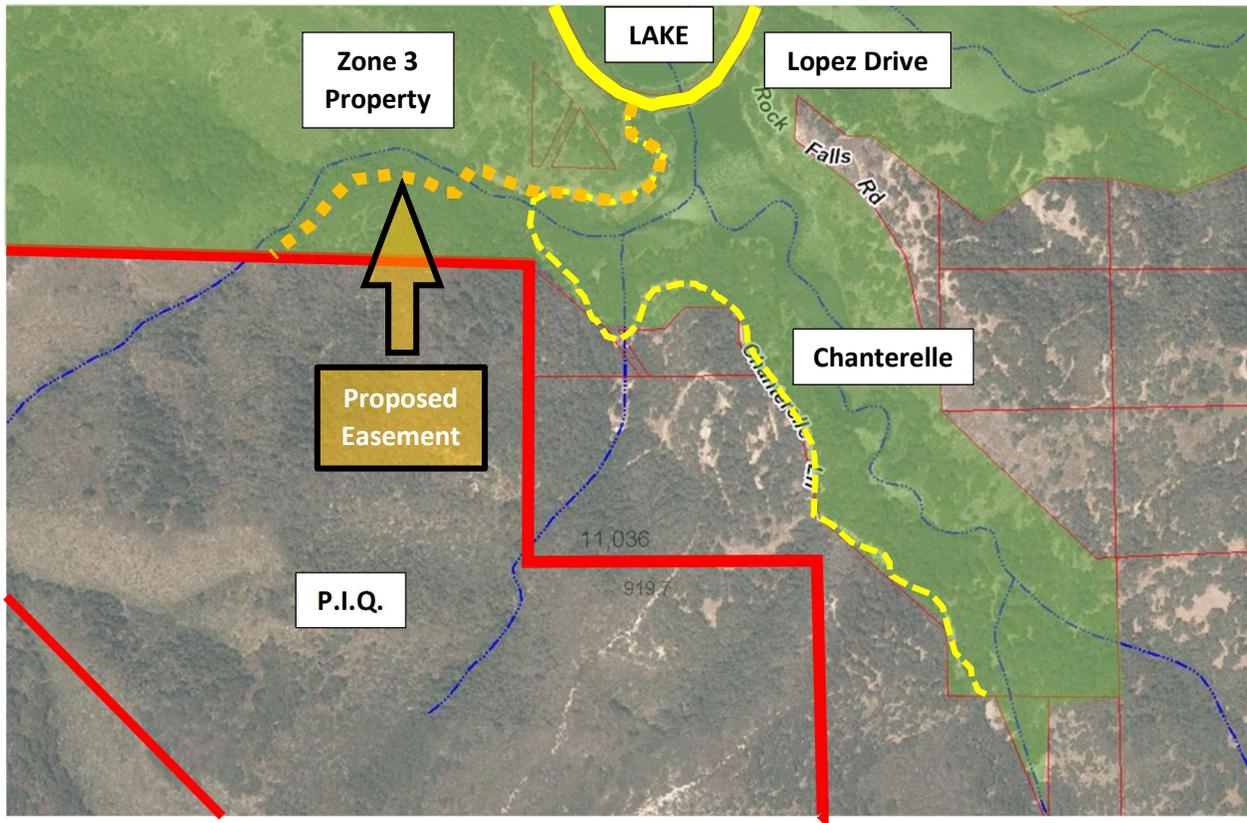
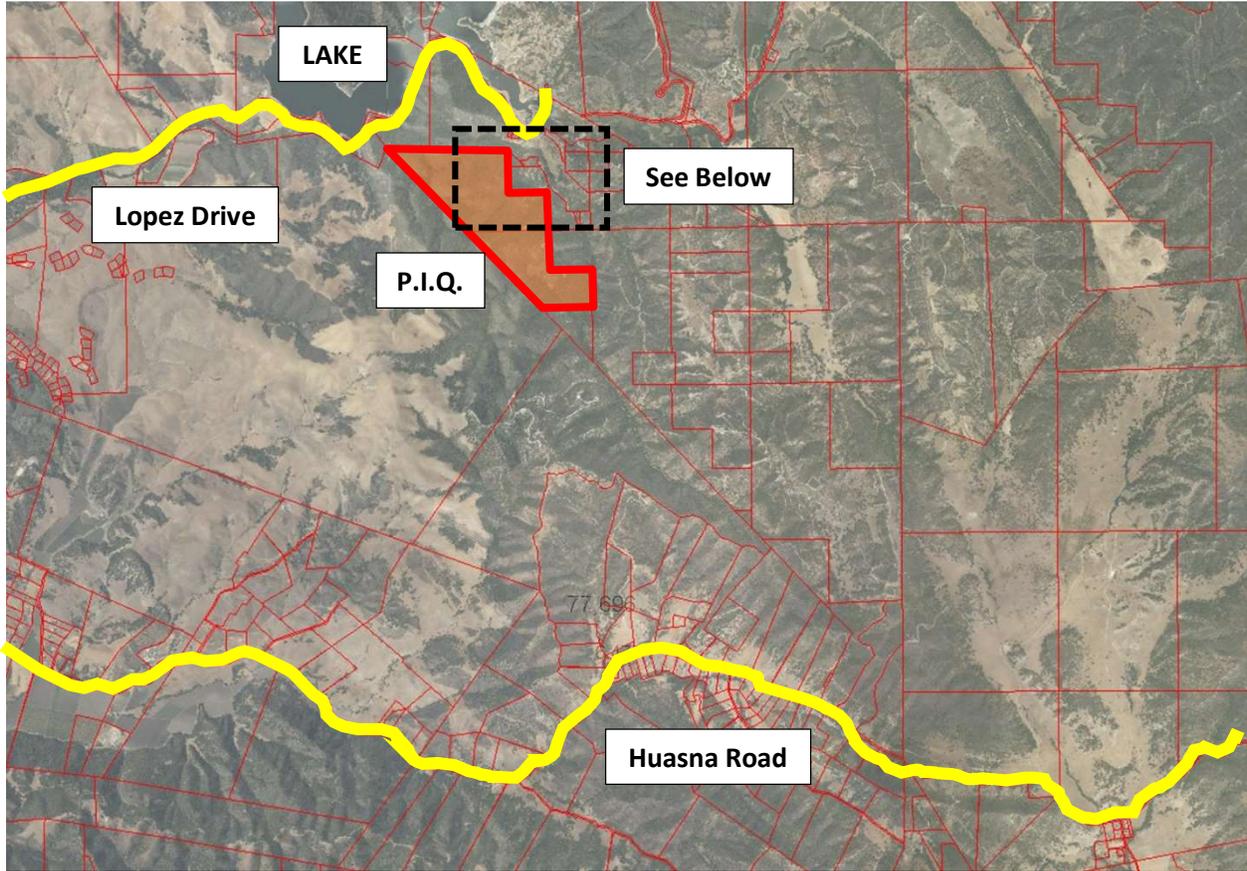
The Board, on behalf of the District, would take action to approve (or deny) an agreement between the District and Mr. Castaneda. Approving action would allow the applicant to proceed with the discretionary review process through Planning and Building. Staff would seek Advisory Committee input throughout the agreement and discretionary review processes.

#### Discretionary Review

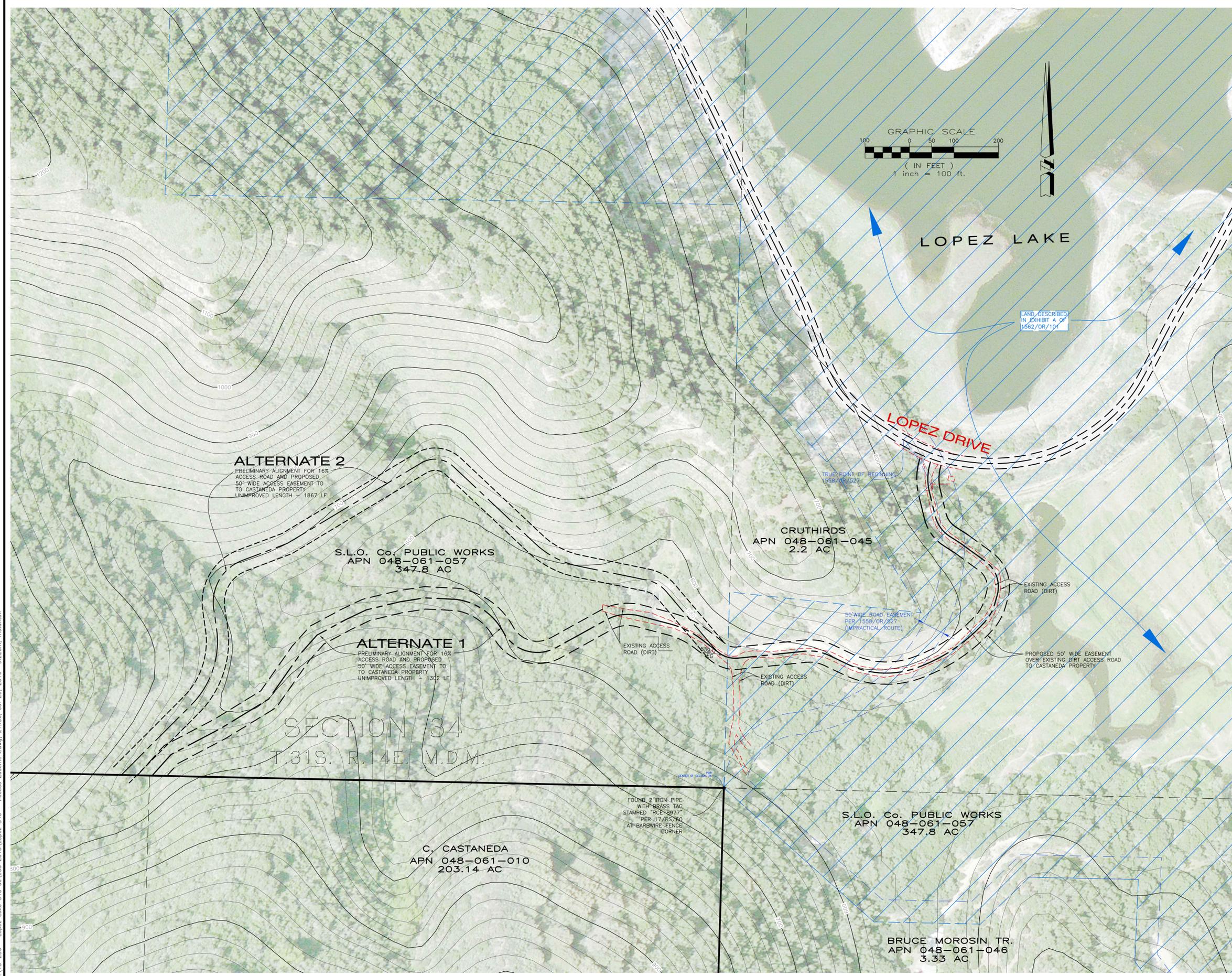
The discretionary review process will include analysis of the project's compliance with applicable regulations, such as the County Land Use Ordinance, and determine the appropriate level of environmental review. Reviewing agencies may include County Planning & Building, Cal Fish & Wildlife, Army Corp, etc.

Details, such as the full extent of the easement and its' ultimate use (over both the PIQ and District property) would typically be included with the application for review. Until such details are made available, the level of discretionary review required for possible future projects using the easement is unknown. However, since the proposed easement is located within an SRA, on property with average slopes exceeding 30%, staff has indicated that a Minor Use Permit (MUP) and Variance would be required.

The final project would be presented to the Planning Commission for review.



M:\13-236 Lopez Lake 340 ac\c39 2013\Lopez 340 - Access Easement.dwg, 2/4/16, Jul 20, 2016 9:22am, mstanton



**ALTERNATE 2**  
PRELIMINARY ALIGNMENT FOR 16%  
ACCESS ROAD AND PROPOSED  
50' WIDE ACCESS EASEMENT TO  
TO CASTANEDA PROPERTY  
UNIMPROVED LENGTH = 1867 LF

S.L.O. Co. PUBLIC WORKS  
APN 048-061-057  
347.8 AC

**ALTERNATE 1**  
PRELIMINARY ALIGNMENT FOR 16%  
ACCESS ROAD AND PROPOSED  
50' WIDE ACCESS EASEMENT TO  
TO CASTANEDA PROPERTY  
UNIMPROVED LENGTH = 1302 LF

SECTION 34  
T.31S. R.14E. M.D.M.

C. CASTANEDA  
APN 048-061-010  
203.14 AC

CRUTHIRDS  
APN 048-061-045  
2.2 AC

S.L.O. Co. PUBLIC WORKS  
APN 048-061-057  
347.8 AC

BRUCE MOROSIN TR.  
APN 048-061-046  
3.33 AC



LAND DESCRIBED  
IN EXHIBIT A OF  
1562/OR/101

**SURVEYOR'S STATEMENT:**  
THIS MAP REPRESENTS A FIELD SURVEY OF  
THE EXISTING ACCESS ROAD OVER PROPERTY  
OWNED BY THE COUNTY OF SAN LUIS OBISPO  
PERFORMED ON JULY 8, 2016.



**NOTES:**  
1. THIS MAP DEPICTS THE ACTUAL LOCATION OF THE EXISTING  
ACCESS ROAD FOR THE EASTERLY PORTION, WHICH IS SHOWN WITH A  
RED, DASHED LINE.  
2. THE WESTERLY PORTION OF THE ROAD DEPICTS A PRELIMINARY  
PROPOSED ALIGNMENT BASED ON APPROXIMATE TOPOGRAPHIC  
INFORMATION (QUAD MAP) AND CAL FIRE STANDARDS FOR SLOPE AND  
MINIMUM CURVE RADIUS.  
3. ONCE THIS ALIGNMENT IS APPROVED, THE ACTUAL ALIGNMENT  
WILL BE DETERMINED BASED ON A DETAILED TOPOGRAPHIC SURVEY  
AND TREE LOCATIONS ALONG THE PROPOSED ALIGNMENT TO INTERSECT  
THE CASTANEDA NORTH LINE.

**PROPOSED ACCESS EASEMENT EXHIBIT**  
OVER A PORTION OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4  
AND THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 14 IN  
TOWNSHIP 31 SOUTH, RANGE 14 EAST, MOUNT DIABLO MERIDIAN,  
COUNTY OF SAN LUIS OBISPO, CALIFORNIA  
AT THE REQUEST OF PAT KIMBELL & CARLOS CASTANEDA

JULY 2016 SCALE: 1"=100'  
MICHAEL B. STANTON, PLS 5702  
3563 SUELDON ST. UNIT 'C'  
SAN LUIS OBISPO, CA 93401  
805-594-1960

REVISION 7-20-2016 - ADDED ALT 2 JOB No. 13-236

# Easement Agreement & Discretionary Review

