

**SAN LUIS OBISPO COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT
ZONE 3 ADVISORY COMMITTEE
MEETING MINUTES
THURSDAY MARCH 21, 2019**

- I. **Call to Order and Roll Call** -- The Zone 3 Advisory Committee Meeting was called to order at 6:30 PM at the City of Arroyo Grande Council Chambers by Committee Chair and Member at Large Representative, Jim Garing.

County Public Works Utilities Division Program Manager and Secretary to the Advisory Committee, Andrea Montes, called roll. Members in attendance were:

- Kristen Barneich, City of Arroyo Grande
- Marcia Guthrie, City of Pismo Beach
- Jim Garing, Member at Large
- Shirley Gibson, Oceano Community Services District
- Desire Lance, City of Grover Beach

- II. **Public Comment** -- No public comment given

III. **Approval of Meeting Minutes**

A. **January 17, 2019** -- Member Barneich motioned approval; Member Gibson second. *All approved; quorum was met, and motion passed.*

IV. **Operations Report**

A. **Water Plant Operations, Reservoir Storage, Downstream Releases** -- Ms. Montes indicated: Lopez Lake elevation was 495.88 feet; storage was 28,551 acre-feet (AF), which is 58% capacity; rainfall to date, since July 1, 2018, was 26.04 inches; plant production was 3.0 million gallons per day (MGD); downstream release was 1.9 MGD; and State Water was 0.7 MGD.

B. **Projected Reservoir Levels** -- Jill Ogren, Senior Engineer with the Public Works Utilities Division, referring to the Lopez Reservoir Projections Chart, indicated that Lopez reservoir was above what was projected. Reservoir is still slowly rising from water runoff as the water shed is currently saturated. Member Barneich asked if all other reservoirs in the County are full as well. Ms. Ogren responded they are close to being full; Salinas Reservoir is currently spilling, Nacimiento is estimated at 75% capacity and Whale Rock Reservoir is above 50% capacity. Ms. Ogren noted that she has received numerous inquiries into why Lopez Reservoir is not gaining in elevation, the watershed characteristics, such as soil type and slopes, and overall rainfall patterns for the area compared to other areas in the County have an effect on amount of runoff and therefore the level of the reservoir. Ms. Ogren assured the Advisory Committee the required minimum downstream releases of 1.9 MGD are not significantly affecting the elevation levels. No public comment was given.

C. **January & February Monthly Operations Report** -- Ms. Ogren, reviewed the monthly operations reports with the committee. Total deliveries including State Water for January were 320 AF and February was 350 acre-fee (AF). As of March 1st, three of the agencies are on target to use all of their annual entitlement. Oceano and Pismo

have also begun using their Surplus water allocation. Grover Beach is anticipated to use all its entitlement by the end of the year.

Downstream releases year-to-date are at 3,600 AF, which is on target for what was planned, allowed maximum annual release is 4,200 AF, downstream releases are being kept to a minimum of 1.9 MGD to satisfy environmental mitigations related to the Rodriguez Bridge site.

No public comment was given.

V. Information Items

A. Climate Update -- Ms. Montes reported that according to the United States Drought Monitor, the County is not in a drought. Ms. Montes cautioned against assuming water conservation is no longer needed as conditions may change. According to National Oceanic and Atmospheric Administration, the temperature forecast for the month of March is 40% below average temperatures when compared to the month of March in prior years. The rainfall forecasted for March was 50% above average for the month.

No public comment was given.

B. 2nd Quarter FY 2018/19 Budget Status -- Kristi Smith, Public Works Finance, reviewed her staff report on the 2nd quarter budget status. She indicated agency total expenses at the end of the 2nd Quarter (50% of the year) were 34% of the annual budget. Routine O&M expenses were 45% of the budget leaving \$2.1 million available. Non-Routine O&M expenses were 16% of the budget leaving \$643,000 available, roughly half of the amount is for the HCP efforts and any unspent funds will be carried over into the following year. Some projects had savings and will be presented in the 3rd quarter budget update those savings will be credited back to the agencies. Capital Outlay Projects (CIP) expenses were \$0, leaving \$752,000 available, a 3rd of the budget had been carried over from the prior year and savings from completed projects will be credited back to the agencies. Ms. Smith noted all agencies are current on their payments.

No public comment was given.

VI. Capital Projects Update

A. Lopez Spillway Assessment Update -- Ms. Ogren gave an update of the Department of Water Resources (DWR) Division Safety of Dams' (DSOD) required assessment of the Lopez Spillway, in response to the Oroville Dam failure. Action Plan will be submitted to DSOD for review the week of March 25th. Once Action Plan is approved, the next step is physical destructive testing that will provide additional information for analysis as only a visual and desk top inspection has taken place. Testing may encompass core sampling, underdrain flushing, underdrain video, etc. Ms. Ogren noted the funding for the testing is not included in the 19/20 budget as estimated costs cannot be determined until after DSOD reviews and approves our recommendations for the next phase of testing. Member Guthrie requested clarification on if the Destructive Testing will be related to previously reported vulnerabilities of the Spillway. Ms. Ogren confirmed the testing will be related to those reported vulnerabilities and added that if during testing further concerns of other vulnerabilities appear, that will trigger another Action Plan and DSOD would need to review for approval.

B. Floating Solar at Terminal Reservoir -- Ms. Ogren referenced the staff report in the agenda packet that discussed an option to help battle algae growth and associated odor issues at the Lopez Terminal Reservoir. Three alternatives were presented to resolve the issue; 1) Aerators, 2) Armor Balls and 3) Floating Solar. Of these alternatives, an acre of Floating Solar at the Terminal Reservoir would reduce algae growth by minimizing sunlight and provide a power saving alternative to offset costs for the Lopez Treatment Plant. Ms. Ogren explained the power purchase agreement being offered and any shortage of power would be supplemented through the current PG&E contract. Floating Solar will be discussed in further detail, once more is known about the program and needed approvals.

Member Guthrie requested clarification regarding who would maintain the Floating Solar System. Ms. Ogren confirmed the company would manage and maintain the solar once installed at the site.

Member Lance questioned if the Floating Solar would be done in addition to the current algae treatment. Ms. Ogren confirmed that the chemical treatment for algae would continue while the Floating Solar would reduce the volume of algae growth in the Reservoir. The hope would be to scale back treatment compared to what is being done presently. Member Lance requested clarification that the energy savings with Floating Solar would be strictly for the Lopez Treatment Plant. Ms. Ogren confirmed it would only be used to offset energy costs related to the plant.

Member Barneich requested clarification on how large of an area would be used for the Floating Solar, referencing an illustration included in the Agenda Packet. Ms. Ogren stated only one (1) acre of the 4-acre Terminal Reservoir surface would be covered near the intake structure.

Member Gibson requested clarification on the percentage of power to be received from Solar and PG&E, 85% Solar and 15% PG&E. Ms. Ogren confirmed those percentages.

Member Garing questioned if this option would be considered as a Net Metering System. Ms. Ogren stated that the contract with the solar energy company would be set to receive a certain amount of generated energy to avoid cases of lost energy from generating too much energy that would never be used.

No Public comment was given.

C. Bi-Monthly Update – Ms. Ogren, referencing the staff report on Capital Improvement Project Updates, presented the current list of projects to be completed and a brief discussion of the status of each project. Since the January meeting, there has not been much change in project status.

No Public comment was given.

VII. Action Items (No Subsequent Board of Supervisors Action Required)

No Action Items discussed.

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

A. Fiscal Year 2019/20 Budget Presentation and Recommended Endorsement – Ms. Smith reviewed the 19/20 Proposed Budget covering the budget review process and budget overview. Overall billings will increase 3.1% from prior year's budget.

Routine O&M will drop by 2.5% due to reduction in budgeted hours for Utilities Division Engineer. Non-Routine O&M & Capital Outlay will increase 54.3% from prior year's budget. Over the last decade the average budget for both categories combined equaled \$750,000. This year would have been \$686,000 if not for the \$300,000 Cloud Seeding item. \$15,000 was budgeted to Contractor Funded Reserves. TAC suggested that up to \$110,000 in savings from not proceeding with Cloud Seeding in 18/19 could be used to increase the reserves instead of being credited back at the end of FY 19/20. Debt Service will drop by -0.9% as costs should remain level until the bonds are paid of in 2030 or refinanced.

Ms. Smith reviewed the labor hours, noting since the start-up of the Lopez Treatment Plant 07/08 hours had decreased. Hours increased again in 16/17 and 17/18. In 16/17, operations staff battled scaling of equipment. In 17/18, removal of wastewater duties allowed staff to concentrate on plant. A decrease is expected for 18/19 from several staff taking an extended leave due to health issues or family leave.

Endorsement for Fiscal Year 2019/20 Budget - Member Barneich motioned approval; Member Gibson seconded. Member Lance abstained; quorum was met, and motion passed

B. Estimated Surplus Water for Water Year 19/20 – Ms. Ogren referred to the staff report for the agenda item and noted that there is an estimated 786 AF at this time. Clarification was given that the term Surplus does not mean “extra” water, but the difference between the agencies entitlement versus what they actually had delivered and the difference between the 4,200 AF downstream releases allotted vs what was actually released downstream. Actual Surplus Water amounts for Water Year 19/20 will be presented to the Board of Supervisors on May 14th for approval. Once approved, the Surplus Water will appear on the Monthly Operations Report under the Surplus Water column for the next water year. Ms. Ogren requested endorsement for recommending the Board of Supervisors declare Surplus Water as described in the Water Supply Contracts in an estimated amount of 786 AF.

Endorsement for Declaring Estimated Surplus Water for Water Year 19/20 – Member Barneich motioned approval; Member Gibson second. All approved; quorum was met, and motion passed.

No Public comment was given.

IX. Future Agenda Items

A. Contract Changes

B. Cloud Seeding

C. Low Reservoir Response Plan (LRRP)

X. Committee Member Comments -- No comments made.

Meeting Adjourned at 8:01 PM

Respectfully Submitted,

Jenny Williamson
County of San Luis Obispo Public Works Department