

## LOS OSOS GROUNDWATER BASIN, BASIN MANAGEMENT COMMITTEE

### NOTICE OF MEETING

**NOTICE IS HEREBY GIVEN** that the Los Osos Groundwater Basin, Basin Management Committee Board of Directors will hold a **Regular Board Meeting at 1:30 P.M. on Wednesday, October 21, 2020**. Based on the threat of COVID-19 as reflected in the Proclamations of Emergency issued by both the Governor of the State of California and the San Luis Obispo County Emergency Services Director, as well as the Governor's Executive Order N-29-20 issued on March 17, 2020 relating to the convening of public meetings in response to the COVID-19 pandemic, this meeting will be conducted as a phone-in/web-based meeting only. There will be no physical meeting location for this BMC Meeting. Members of the public can participate via phone or by logging into the web-based meeting.

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

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

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

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

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

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

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

### BASIN MANAGEMENT COMMITTEE BOARD OF DIRECTORS AGENDA

#### 1. CALL TO ORDER

#### 2. ROLL CALL

#### 3. BOARD MEMBER COMMENTS

Board members may make brief comments, provide project status updates, or communicate with other directors, staff, or the public regarding non-agenda topics.

#### 4. CONSENT AGENDA

The following routine items listed below are scheduled for consideration as a group. Each item is recommended for approval unless noted and may be approved in their entirety by one motion. Any

member of the public who wishes to comment on any Consent Agenda item may do so at this time. Consent items generally require no discussion. However, any Director may request that any item be withdrawn from the Consent Agenda and moved to the "Action Items" portion of the Agenda to permit discussion or to change the recommended course of action. The Board may approve the remainder of the Consent Agenda on one motion.

- a. **Approval of Minutes from August 26, 2020 meeting**
- b. **Approval of Minutes from September 16, 2020 meeting**
- c. **Approval of Warrants, Budget Update and Invoice Register through October 2020**

**5. EXECUTIVE DIRECTOR'S REPORT**

**6. SPECIAL PRESENTATION**

**a. Los Osos Water Recycling Facility Presentation**

Recommendation: Receive an update presentation from San Luis Obispo County Flood Control & Water Conservation District Staff on the Los Osos Water Recycling Facility and the Recycled Water Program.

**7. ACTION ITEMS**

**a. Implementation Plan Preliminary Scoring and Ranking**

Recommendation: Review preliminary findings from the Implementation Plan planning and implementation initiative scoring and ranking and provide direction to staff.

**b. Update on Status of Basin Plan Infrastructure Projects**

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

**8. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA**

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

**9. ADJOURNMENT**

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

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

Wednesday, October 21, 2020 at 1:30 PM

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

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

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

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

**BASIN MANAGEMENT COMMITTEE BOARD OF DIRECTORS**

**Agenda Item 4a: Minutes of the Meeting of August 26, 2020**

<b>Agenda Item</b>	<b>Discussion or Action</b>
<b>1. CALL TO ORDER</b>	Chairperson Ochylski called the meeting to order at 1:30 pm.
<b>2. ROLL CALL</b>	Mr. Heimel, acting Clerk, called roll to begin the meeting. Chairperson Ochylski, Director Gibson, Director Cote, and Vice Chairperson Zimmer were all present.
<b>3. BOARD MEMBER COMMENTS</b>	<b><u>Board Comments</u></b> Director Cote provided presentation on S&T Mutual Telemetry Upgrade Project for Point-of-sale Water Meters completed in June 2020.
<b>4. CONSENT AGENDA</b>	
<b>4a. Minutes of the Meeting of June 17<sup>h</sup>, 2020</b>	Review of minutes from June 17, 2020 Meeting  <b><u>Public Comment</u></b> Lindy Owen
<b>4b. Approval of Warrants, Budget update and Invoice Register through August 2020</b>	<b><u>Board Action</u></b> The Board of Directors approved Items 4a and 4b.  <b>Ayes: Chairperson Ochylski, Director Gibson, Director Cote, and Vice Chairperson Zimmer</b> <b>Nays: None</b> <b>Abstain: None</b> <b>Absent: None</b>
<b>5. EXECUTIVE DIRECTOR'S REPORT</b>	Staff recommends that the Committee receive and file the report and provide staff with any direction for future discussions.  <b><u>Public Comment</u></b> Jeff Edwards Lindy Owen  <b><u>Board Direction</u></b> None
<b>6. ACTION ITEMS</b>	
<b>6a. Draft 2020 Spring Lower Aquifer Groundwater Basin Monitoring</b>	Receive an update on early findings for the Spring 2020 Lower Aquifer Groundwater Monitoring results.  <b><u>Public Comment</u></b> None  <b><u>Board Direction</u></b> None

<p><b>6b. Implementation Plan and Budget Authorization</b></p>	<p>Review and provide direction on the proposed approach for preparing an Implementation Plan for the BMC and provide authorization for staff to use additional budget to complete the Implementation Plan development; or provide alternate direction to staff.</p> <p><b><u>Public Comment</u></b>  Jeff Edwards  Lindy Owens</p> <p><b><u>Board Action</u></b>  Authorize the Executive Director up to 20 hours for Implementation Plan development.</p> <p><b>Ayes: Chairperson Ochylski, Director Gibson, Director Cote, and Vice Chairperson Zimmer</b>  <b>Nays: None</b>  <b>Abstain: None</b>  <b>Absent: None</b></p>
<p><b>6c. AB1600 Study</b></p>	<p>Review the provided description of an AB1600 Funding Study and provide direction to staff on how to proceed.</p> <p><b><u>Public Comment</u></b>  Jeff Edwards  Lindy Owens</p> <p><b><u>Board Direction</u></b>  Continue Staff discussions and bring this back to the BMC at the October 2020 BMC Meeting.</p>
<p><b>6d. Update on Status of Basin Plan Infrastructure Projects</b></p>	<p>Receive report and provide input to staff on future direction.</p> <p><b><u>Public Comment</u></b>  Jeff Edwards</p> <p><b><u>Board Direction</u></b>  None</p>
<p><b>7. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA</b></p>	<p><b><u>Public Comment</u></b>  Lindy Owen</p> <p><b><u>Board Comments</u></b>  None</p>
<p><b>9. ADJOURNMENT</b></p>	<p>Meeting was adjourned at approximately 3:43 PM.  The next meeting is scheduled for Sept. 16, 2020.</p>

**BASIN MANAGEMENT COMMITTEE BOARD OF DIRECTORS**

**Agenda Item 4b: Minutes of the Meeting of September 16, 2020**

<b>Agenda Item</b>	<b>Discussion or Action</b>
<b>1. CALL TO ORDER</b>	Chairperson Ochylski called the meeting to order at 1:30 pm.
<b>2. ROLL CALL</b>	Mr. Heimel, acting Clerk, called roll to begin the meeting. Chairperson Ochylski, Director Gibson, Director Cote, and Vice Chairperson Zimmer were all present.
<b>3. BOARD MEMBER COMMENTS</b>	<u><b>Board Comments</b></u> None
<b>4. ACTION ITEMS</b>	
<b>4a. Implementation Plan Study Session</b>	Receive an update on the Implementation Plan Strategic Initiatives and Scoring Criteria and provide direction to staff.  <u><b>Public Comment</b></u> Jeff Edwards Chris Gardner  <u><b>Board Direction</b></u> Approve contingency authorization of \$1,500 for Cleath-Harris Geologist involvement in the Implementation Plan. Proceed with Implementation Plan scoring and ranking and bring back preliminary results to the next meeting.
<b>5. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA</b>	<u><b>Public Comment</b></u> None  <u><b>Board Comments</b></u> None
<b>6. ADJOURNMENT</b>	Meeting was adjourned at approximately 2:15 PM. The next meeting is scheduled for October 21, 2020.

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

<b>Item</b>	<b>Description</b>	<b>Budget Amount</b>	<b>Approved Contingency Allocation</b>	<b>Updated Allocated Budget Amount</b>	<b>Costs Incurred</b>	<b>Percent Incurred</b>	<b>Remaining Budget</b>
1	Monthly meeting administration, including preparation, staff notes, and attendance	\$70,000	\$4,500	\$74,500	\$44,485.00	59.7%	\$30,015
2	Meeting expenses - facility rent (if SBCC needed for larger venue)	\$1,500		\$1,500	\$120.00	8.0%	\$1,380
3	Meeting expenses - audio and video services	\$6,000		\$6,000	\$875.00	14.6%	\$5,125
4	Adaptive Management - Groundwater Modeling & Well Head Surveying	\$15,000		\$15,000	\$1,012.50	6.8%	\$13,988
5	Semi annual seawater intrusion monitoring	\$40,000		\$40,000	\$23,418.19	58.5%	\$16,582
6	2020 Annual Report	\$38,000	\$2,700	\$40,700	\$40,387.50	99.2%	\$313
7	Grant writing (outside consultant)	\$5,000		\$5,000	\$0.00	0.0%	\$5,000
	Subtotal	\$175,500		\$182,700	\$110,298		\$72,402
	10% Contingency (rounded to nearest \$100)	\$17,600					
	<b>Total</b>	<b>\$193,100</b>			<b>\$110,298</b>	<b>57.1%</b>	<b>\$82,802</b>
	LOCSO (38%)	\$73,378					
	GSWC (38%)	\$73,378					
	County of SLO/SLOCF&WCD (20%)	\$38,620					
	S&T Mutual (4%)	\$7,724					



ATTACHMENT 3

Current Invoices Subject to Approval for Payment (Warrant List as of October 2020):

<b>Vendor</b>	<b>Invoice #</b>	<b>Amount of Inv.</b>	<b>Date of Services</b>
WSC	4935	\$6,541.25	Aug-20
CHG	20200807	\$1,012.50	Aug-20
CHG	20200905	\$1,200.00	Sep-20
CHG	20200904	\$2,565.00	Sep-20

**TO:** Los Osos Basin Management Committee

**FROM:** Dan Heimel, Executive Director

**DATE:** October 21, 2020

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

## Recommendations

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

## Discussion

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

## Funding and Financing Programs to Support Basin Plan Implementation

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

**IRWM:** The Program A upper aquifer well at 8th Street was submitted by Los Osos CSD to the local IRWM process in 2019 and was subsequently selected to be a part of the application for the current funding opportunity. The application for this grant was submitted in December 2019 and the Project was included in the Department of Water Resource’s July 2020 Final Funding Award List for the full grant request (\$238,000). Additional details regarding status are included in the Basin Plan Status Update.

**Prop 1 SWGP:** The concept of urban storm water recovery at 8th and El Moro was ranked in the County Stormwater Resource Plan, and a grant opportunity may be available through the Prop 1 Storm Water Grant Program (SWGP). Round 2 of SWGP funding is now open and accepting applications until July 2nd. The Stormwater Resource Plan can be found here:

<https://www.slocounty.ca.gov/Departments/Public-Works/Committees-Programs/Stormwater-Resource-Plan.aspx>

And information about the Storm Water Grant Program can be found here:

[https://www.waterboards.ca.gov/water\\_issues/programs/grants\\_loans/swgp/prop1/](https://www.waterboards.ca.gov/water_issues/programs/grants_loans/swgp/prop1/)

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

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

## Status of Basin Plan Implementation and Funding Plans

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

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

Recent discussions with BMC Party Staff have identified that the BMC could benefit from a Strategic Planning initiative to establish a common baseline understanding for the roles and responsibilities and to guide future actions and investments. This process is ongoing.

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

Table 1. JPA Formation Considerations

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

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

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

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

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

BMC staff is continuing to investigate funding frameworks that would provide for equitable implementation of the Basin Plan.

### Land Use Planning Process Update

**Los Osos Community Plan:** The Board authorized preparation of this update on December 11, 2012. A series of community outreach meetings to unveil the Community Plan were conducted in the Spring of 2015. The plan was prepared to be consistent and coordinated with the draft groundwater basin management plan and the draft Habitat Conservation Plan. The plan may be

reviewed at the Department of Planning and Building, the Los Osos Library and on the Department's website. The draft Environmental Impact Report was released on September 12, 2019, comments were due December 11, 2019. A Community Meeting on the Draft Environmental Impact Report for the Los Osos Community Plan and the Habitat Conservation Plan and associated Environmental Documents was held on October 28, 2019. The Final Environmental Impact Report and Public Hearing Draft were released on June 8, 2020. The Planning Commission held hearings on July 9, 2020, August 13, 2020, and October 8, 2020. At the October 8, 2020 hearing, the Planning Commission recommended approval of the Plan to the Board of Supervisors. The Board of Supervisors will consider the Plan on December 15, 2020.

**Growth Management Ordinance:** Establish a growth rate for the community of Los Osos (a companion to the Los Osos Community Plan). The Planning Commission held hearings on July 9, 2020, August 13, 2020, and October 8, 2020. At the October 8, 2020 hearing, the Planning Commission recommended approval of the ordinance amendments to the Board of Supervisors. The Board of Supervisors will consider the amendments on December 15, 2020.

**Habitat Conservation Plan:** The public review draft HCP and the associated Environmental Impact Report and Environmental Assessment was released on October 2, 2019 and the comment period ended on November 18, 2019. A Community Meeting on the HCP and associated Environmental Documents as well as the Draft Environmental Impact Report for the Los Osos Community Plan was held on October 28, 2019. Staff is currently working on finalizing the Environmental Documents and the Management Plan for the Preserve system. The Board of Supervisors will consider the Memorandum of Understanding between the County and the California Department of Fish and Wildlife to allow enhanced management and restoration activities at the Morro Dunes Ecological Reserve.

**Resource Summary Report:** Submittal of a revised 2016-2018 Resource Summary Report that includes the District 2 sections that were previously extracted, with an updated assessment of the Los Osos water supply to reflect the most recent annual monitoring reports prepared for the Los Osos Basin Management Committee and clarification of agricultural and rural water supply and demand estimates. Recommends maintaining a Level of Severity III for the Los Osos Groundwater Basin water supply. The Board of Supervisors will consider the submittal of the revised report on December 15, 2020.

**Accessory Dwelling Units (ADU):**

On January 28, 2020, the Board of Supervisors considered and adopted a resolution to amend Title 22 and 23 for the replacement of the Secondary Dwelling Ordinance with a new ordinance for Accessory Dwelling Units (ADUs). The Board of Supervisors adopted amendments to Table "O" of the Coastal Framework on June 16, 2020. These amendments would allow ADUs to be established in the Community of Los Osos. It is anticipated that the amendments to Title 23 and Table "O" of the Coastal Framework for Planning will be going before the California Coastal Commission for approval later this year. Until such amendments are approved by the California

Coastal Commission, the County will review ADU applications for consistency with State ADU law, which would allow for the construction of ADUs in the Coastal Zone.

## Los Osos Wastewater Project Flow and Connection Update

**Wastewater Flows:** Influent flows to the treatment facility averaged 0.50 MGD for the month of September.

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

- 620,000 gallons of recycled water in January;
- 1,412,000 gallons in February; and
- 1,131,400 gallons in March
- 2,355,100 gallons in April
- 3,972,800 gallons in May
- 3,337,100 gallons in June
- 3,372,900 gallons in July
- 1,827,300 gallons in August
- 1,864,000 gallons in September

**Effluent Disposal:** Effluent disposal was:

- 40.80 AF to Broderson and 0.02 AF to Bayridge Leach Fields in January;
- 37.20 AF to Broderson and 0.00 AF to Bayridge Leach Fields in February;
- 45.68 AF to Broderson and 0.08 AF to Bayridge Leach Fields in March;
- 35.46 AF to Broderson and 0.99 AF to Bayridge Leach Field in April;
- 32.92 AF to Broderson and 1.07 AF to Bayridge Leach Field in May
- 31.50 AF to Broderson and 1.03 AF to Bayridge Leach Field in June;
- 33.20 AF to Broderson and 1.04 AF to Bayridge Leach Field in July;
- 37.78 AF to Broderson and 0.96 AF to Bayridge Leach Field in August;
- 36.94 AF to Broderson and 0.93 AF to Bayridge Leach Field in September; and
- The cumulative effluent disposal for the calendar year as of 10/1/2020 was 338.4 AF

**Enforcement:** A list of properties that were not connected were transferred to County Code Enforcement and Notice of Violations were issued last year in Feb. 2019. That list was about 70 properties. As of 10/1/2020, the sewer service area had a 99.2% connection status with a total of 44 properties not yet connected. Of those, one is not required to connect because there is no structure (demolished), 24 have expired building permits, and the rest have an open Code Enforcement case. Expired permits did not receive a Code Enforcement case because those properties have their own noticing process through the Building Department which, if not corrected, could result in a Notice of Violation.

The County has assigned new staff in code enforcement to Los Osos. They will be reviewing the status of cases that were issued earlier last year.

## Water Conservation Update

**Rebate Update:** Average indoor water usage for 2019 was estimated to be 40 gpd per person and remains at that number currently.

## Cannabis and Hemp Information

**Hemp:** According to the Ag Commissioners Office there is no hemp cultivation currently registered in Los Osos. The hemp grow approval for APN 067-011-057 expired earlier this year.

**Cannabis:** The County is processing DRC2018-00215 a Development Plan to establish a cannabis cultivation site. The County is requiring the applicant to offset the increased water use for the project, and the current proposal is to retrofit urban reverse osmosis systems to increase their efficiency. The total proposed offset volume is 3.5 acre feet per year. The project is tentatively scheduled for Planning Commission consideration in January 2021. The Draft MND is tentatively scheduled be released for public review before the end of the year.

## Pending Task List for Executive Director

The following list of pending tasks has been created for BMC input and reference.

Task Description	Estimated Schedule	Budget Consideration
<u>Implementation Plan</u>	<u>Completed by end of 2020</u>	<u>20 hours of Executive Director budget approved</u>

## Sustainable Groundwater Management Act (SGMA)

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

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

---

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

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

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

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

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

---

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

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

**TO: Los Osos Basin Management Committee**

**FROM: Dan Heimel, Executive Director**

**DATE: October 21, 2020**

**SUBJECT: Item 7a – Implementation Plan Preliminary Scoring and Ranking**

## **Recommendations**

Review preliminary findings from the Implementation Plan planning and implementation initiative scoring and ranking and provide direction to staff.

## **Discussion**

### *Background*

During the development of the CY 2020 BMC Budget, it was identified that the BMC could benefit from an updated evaluation of the water resource initiatives potentially available to the BMC parties. This evaluation is described as an Implementation Plan and is intended to help the BMC build consensus around how to focus its efforts and funds for future water resources initiatives, provide a structure for developing future BMC budgets, and to aid in the further implementation of the Basin Plan.

At the June 2020 BMC Meeting, the BMC directed the Executive Director to initiate the initial phases of the Implementation Plan development, which included summarizing roles and responsibilities for the BMC, and coordinating with BMC Party Staff to develop a list of initiatives and initiative scoring criteria.

At the August 2020 BMC Meeting, the BMC reviewed the initial list of initiatives and preliminary scoring criteria and authorized the Executive Director to work with BMC Party Staff to refine the list of initiatives, develop brief summary descriptions of each initiative, and populate the scoring criteria framework.

At the September 2020 BMC Meeting, the BMC reviewed the updated lists of planning and implementation initiatives and proposed scoring criteria and authorized BMC Party Staff to initiate the scoring and ranking evaluation.

Additional detail regarding the information provided at these meetings can be found in the Staff Reports.

### *Current Status*

Provided below are the planning and implementation initiatives and scoring frameworks that the BMC and BMC Party Staff utilized for the scoring and ranking evaluation. The lists below include modifications from the previously provided lists based on changes that were identified as beneficial by BMC Party Staff during the scoring and ranking evaluation, including: renaming the Jurisdiction Alignment planning initiative scoring criteria to Multi-Agency Benefits; adding

Supplemental Water Supply implementation scoring criteria; separating of the Program D wells into two separate initiatives (w/ and w/o Agriculture Exchange) and addition of the Upper Aquifer Capture and LOWRF Treatment implementation initiative.

**Planning Initiatives**

<b>Initiatives (Planning)</b>	<b>Description</b>
Recycled Water Beneficial Use Evaluation	Updated modeling evaluation to analyze benefits of discharging recycled water to Broderson, Bay Ridge, Sea Pines and/or other future locations (e.g. ag reuse, school landscape irrigation, etc.).
Pumping Management/Intertie Utilization Evaluation	Study to evaluate opportunities to increase sustainable yield and reduce the threat of seawater intrusion through coordinated pumping management program and/or use of interties between water purveyors.
Evaluation of Growth Allowance Criteria	Evaluation of existing metrics and potential growth rates and development of BMC recommendations for threshold criteria and adaptive management provisions associated with new growth.
Funding & Organization Studies	Study to evaluate potential funding mechanism for BMC Programs B & D, other potential water resource resiliency improvement projects (e.g. AB1600 Study, etc.) and ongoing BMC administration.
Basin Monitoring Metric Evaluation	Evaluation of existing metrics and potential for additional metrics to track the threat of seawater intrusion, Nitrate contamination and the overall status of the basin.
Monitoring Well Network Improvements Study	Study to evaluate potential modifications to existing wells and/or new monitoring wells to improve the basin monitoring program.
Rating curve for Los Osos Creek stream flow sensor	Field study to develop correlation between flow rate and water depth to improve ability to measure flow rate in Los Osos Creek.
Metering of Private Wells	Investigation of opportunities for voluntary or mandatory monitoring of pumping from private wells in the basin.
Formalize adaptive management procedures	Develop formal BMC procedures and approval requirements for modifying Basin Plan Programs through Adaptive Management.
Broderson Mound Transducer Installation	Installation of groundwater level and/or water quality transducers in existing wells near the Broderson disposal site to collect additional data on the formation of the groundwater mound.
Transient Groundwater Model	Development of a transient model to provide an improved toolset for evaluating different water resource scenarios.
Model Improvements and Peer Review of Existing Groundwater Model	Implement recommendations from previous Peer Review and procure an outside consultant to peer review the updated basin groundwater model.
Climate Change Assessment	Updated modeling evaluation of impacts of climate change on the sustainable yield of the basin, accounting for sea level rise, changing temperatures, and variations in precipitation patterns that incorporates latest estimates/assumptions of climate change impacts.
Water Supply Resiliency Study	Alternatives evaluation of different projects available to the BMC for increasing water supply resiliency.

**Planning Initiatives Scoring Criteria Framework**

Cost	<ul style="list-style-type: none"> <li>1- &gt;\$100,000</li> <li>2- \$50,000 - \$100,000</li> <li>3- \$25,000 - \$50,000</li> <li>4- \$10,000 - \$25,000</li> <li>5- &lt;\$10,000</li> </ul>
Multi Agency Benefits	<ul style="list-style-type: none"> <li>1- Individual BMC Party</li> <li>2-</li> <li>3- Multiple BMC Parties</li> <li>4-</li> <li>5- Entire BMC</li> </ul>
Resiliency Improvement	<ul style="list-style-type: none"> <li>1- Limited resiliency improvement benefits</li> <li>2-</li> <li>3- Moderate resiliency improvement benefits</li> <li>4-</li> <li>5- Significant resiliency improvement benefits</li> </ul>
Water Quality Improvement	<ul style="list-style-type: none"> <li>1- Limited water quality benefits</li> <li>2-</li> <li>3- Moderate water quality benefits</li> <li>4-</li> <li>5- Significant water quality benefits</li> </ul>
Enhanced Management	<ul style="list-style-type: none"> <li>1- Limited water resource management benefits</li> <li>2-</li> <li>3- Moderate water resource management benefits</li> <li>4-</li> <li>5- Significant water resource management benefits</li> </ul>
Grant Funding Opportunities	<ul style="list-style-type: none"> <li>1- Limited grant funding opportunities</li> <li>2-</li> <li>3- Moderate grant funding opportunities</li> <li>4-</li> <li>5- Significant grant funding opportunities</li> </ul>
Legally Required	<ul style="list-style-type: none"> <li>1- Requires modification of Basin Plan/Stipulated Judgement/BMC Rules and Regulations</li> <li>2-</li> <li>3- Not required and doesn't require modification of Basin Plan/Stipulated Judgement/BMC Rules and Regulations</li> <li>4-</li> <li>5- Required by Basin Plan/Stipulated Judgement/BMC Rules and Regulations</li> </ul>
Timeline to Implementation	<ul style="list-style-type: none"> <li>1-&gt; 5 years</li> <li>2-</li> <li>3- 2 years</li> <li>4-</li> <li>5- 0-6 Months</li> </ul>
Feasibility/Complexity	<ul style="list-style-type: none"> <li>1-Significant regulatory, environmental, political, or social challenges</li> <li>2-</li> <li>3- Potential significant regulatory, environmental, political, or social challenges</li> <li>4-</li> <li>5- Limited regulatory, environmental, political, or social challenges</li> </ul>

### **Implementation Initiatives**

<b>Implementation Strategic Initiatives</b>	<b>Description</b>
Creek Discharge Program	Treatment and distribution infrastructure improvements to allow for disposal/recharge of water from the Los Osos Water Reclamation Facility to Los Osos Creek.
Enhanced Water Conservation Programs	Increased investment in water conservation programs to reduce water demand.
Surface Water Intertie (Drought Resiliency)	Construction of an intertie pipeline to connect the purveyors to the regional water conveyance infrastructure to provide access to State Water and/or other water supplies to enable conjunctive use opportunities and improve water supply resiliency for the community.
Urban Stormwater Capture	Low Impact Development and/or other infrastructure improvements to improve stormwater capture and recharge.
Warden Creek Stormwater Capture	Capture of surface water runoff from Warden Creek, delivering to the Wastewater Reclamation Facility and increasing recycled water flows.
Community Nitrate Removal Facility	Community Nitrate Removal Facility to treat water from the upper aquifer and distribute it to Los Osos water purveyors.
Program D Expansion Wells w/o Ag Exchange Program	New potable water wells in the Lower Aquifer in the Eastern Area of the Basin without the Agriculture Exchange Program.
Program D Expansion Wells w/ Ag Exchange Program	New potable water wells in the Lower Aquifer in the Eastern Area of the Basin with the Agriculture Exchange Program.
Program C Expansion Wells	New (third) potable water wells in the Lower Aquifer in the Central Area of the Basin.
Sewer Area Expansion	Expansion of sewer collection system to capture wastewater discharges from septic users to reduce nitrate load on the basin and provide additional water for the recycled water program.
Upper Aquifer Capture and Treatment at WRF	Pumping nitrate contaminated upper aquifer water to the collection system for delivery and treatment at the LOWRF.

**Implementation Initiatives Scoring Criteria Framework**

Improves Resiliency	1- < 50 AFY Sustainable Yield 2- 50-100 AFY Sustainable Yield 3- 100-250 AFY Sustainable Yield 4- 250-500 AFY Sustainable Yield 5- > 500 AFY Sustainable Yield
Supplemental Water Supply	1- Does not provide access to additional water supply or enhance access to water within the Los Osos Basin watershed 2- 3-Enhances ability to access water within Los Osos Basin watershed 4- 5- Provides access to a supplemental water supply outside Los Osos Basin watershed
Beneficiaries	1- Individual Purveyor 2- 3- Multiple Purveyors 4- 5- All Basin Pumpers
Capital Cost	1->\$5M 2- 3- \$2.5M 4- 5- \$0
O&M Cost	1- >\$2,000/AF 2- \$1,000 - \$2,000/AF 3- \$500 - \$1,000/AF 4- \$100 - \$500/AF 5- < \$100/AF
Grant Funding Opportunities	1- Limited grant funding opportunities 2- 3- Moderate grant funding opportunities 4- 5- Significant grant funding opportunities
Timeline to Implementation	1- > 10 years 2- 7 years 3- 5 years 4- 3 years 5- <1 year
Feasibility/Complexity	1- Significant regulatory, environmental, political, or social challenges 2- 3- Potential significant regulatory, environmental, political, or social challenges 4- 5- Limited regulatory, environmental, political, or social challenges

Utilizing the planning and implementation scoring criteria frameworks, BMC and BMC Party Staff (including a designated representative from each BMC Party) performed a preliminary

scoring and ranking of the planning and implementation initiatives. To develop the scores for each of the initiatives relative to the scoring criteria, the BMC and BMC Party Staff utilized findings from previously completed analyses or studies, information from comparable projects and the collective knowledge of the participating individuals. The BMC and BMC Party Staff were able to reach consensus agreement for the scores presented in the preliminary scoring and ranking tables, but did recognize that some of the initiatives could benefit from further definition or analysis to more accurately score relative to the scoring criteria. The results of this preliminary scoring and ranking are included in the following tables.

The Implementation Plan initiative scoring and ranking is not intended to be a prescriptive roadmap for the future of the BMC. However, it is intended to be a framework for the BMC Parties to discuss and evaluate different potential planning and implementation initiatives, identify areas of alignment and help build consensus on how the BMC and BMC parties want to invest their staff and funding resources to improve the sustainability of the Los Osos Basin.

Additionally, while presented below, there is a defined or absolute score for each initiative, the value of the scoring and ranking exercise is in the development of a general ranking of the initiatives relative to the other initiatives. As such, it is more appropriate to group initiatives into tiers of high-ranked, medium-ranked and low-ranked initiatives rather than focusing on the small differentiations in total score for each of the initiatives. To aid in this, conditional color coding was applied to group the initiatives into the top (green), middle (orange) and lower (red) third ranked initiative groupings.

**Planning Initiative Preliminary Scoring and Ranking**

<b>Planning Strategic Initiatives</b>	<b>Cost</b>	<b>Multi Agency Benefits</b>	<b>Resiliency Improvement</b>	<b>Potential to Improve Water Quality</b>	<b>Potential to Enhance Management</b>	<b>Grant Funding Opportunities</b>	<b>Legal Requirements</b>	<b>Timeline to Implementation</b>	<b>Feasibility/Complexity</b>	<b>Total</b>
Recycled Water Beneficial Use Evaluation	4	5	4	3	5	4	3	5	5	38
Basin Monitoring Metric Evaluation	4	5	5	3	4	2	4	5	5	37
Broderson Mound Transducer Installation	5	5	5	3	4	2	3	5	5	37
Climate Change Assessment	5	5	4	2	4	4	3	5	5	37
Monitoring Well Network Improvements Study	5	5	4	3	4	2	3	5	5	36
Pumping Management/Intertie Utilization Evaluation	3	5	4	3	5	3	3	4	5	35
Model Improvements and Peer Review of Existing Groundwater Model	3	5	4	3	3	3	4	5	5	35
Water Supply Resiliency Study	3	5	5	3	4	3	3	4	4	34
Metering of Private Wells	5	5	3	1	4	2	3	5	4	32
Transient Groundwater Model	1	5	4	4	5	3	3	3	4	32
Rating Curve for Los Osos Creek Stream Flow Sensor	4	5	3	1	3	1	3	4	5	29
Evaluation of Growth Allowance Criteria	5	5	3	1	3	1	3	4	2	27

**Implementation Initiative Preliminary Scoring and Ranking**

Implementation Strategic Initiatives	Improves Resiliency	Supplemental Water Supply	Beneficiaries	Capital Cost	O&M Cost	Grant Funding Opportunities	Timeline to Implementation	Feasibility/Complexity	Total
Enhanced Water Conservation Programs	2	1	5	5	3	4	3	4	27
Surface Water Intertie (Drought Resiliency)	4	5	5	2	1	4	2	2	25
Community Nitrate Removal Facility	4	1	5	2	3	3	4	3	25
Upper Aquifer Capture and LOWRF Treatment	3	1	5	4	1	4	4	3	25
Program C Expansion Wells	1	1	5	4	4	2	4	3	24
Program D Expansion Wells w/o Ag Exchange Program	3	1	4	3	4	2	4	2	23
Program D Expansion Wells w/ Ag Exchange Program	4	1	5	1	4	4	2	2	23
Urban Stormwater Capture	2	3	3	2	4	3	3	2	22
Warden Creek Stormwater Capture	3	3	4	3	1	3	2	1	20
Creek Discharge Program	2	1	3	1	1	4	3	2	17
Sewer Area Expansion	2	1	5	1	1	3	2	2	17

## **Implementation Plan Findings and Next Steps**

### *Findings*

As the BMC Staff worked through the Implementation Plan scoring and ranking, there were numerous key findings that were identified and are described below:

**Essential Initiatives** – The Funding and Organizational Studies and Formalized Adaptive Management Procedures planning initiatives were identified by BMC Party Staff as critical for the ongoing operation of the BMC and the implementation of the Basin Plan and are recommended for inclusion in the BMC’s efforts moving forward.

**Cost Sharing** – The planning and implementation initiatives included criteria that looked to differentiate between projects that would benefit one party, multiple parties or all parties. However, at this point the characterization of the initiatives does not include identification of a cost share structure. The intent of the scoring and ranking evaluation was to identify which initiatives may have the greatest benefits to the sustainability of the basin and the BMC Parties. If there is alignment amongst the parties on which initiatives the BMC and/or the individual BMC Parties want to move forward with, then it is envisioned that the cost share structure for each initiative will be evaluated and negotiated amongst the BMC parties as the plan to implement the initiatives (Implementation Plan) is further developed.

**Weighting Factors** – The scoring and ranking results presented were developed utilizing equally weighted criteria for the planning and implementation initiatives. However, based on direction from the BMC, the weight of the scoring criteria could be adjusted to emphasize certain criteria if they are of significant importance to the BMC or BMC Parties. The updated scoring and ranking, with the weighted scoring criteria, could be evaluated to determine if it impacts how the initiatives are ranked and may better align with the priorities of the BMC and the BMC Parties.

**Updated Recycled Water Estimates** – There is a need to develop updated estimates of recycled water availability. Flows to the Los Osos Water Recycling Facility (LOWRF) and the amount of recycled water available for disposal, recharge and/or offsetting irrigation demands are lower than anticipated in the Basin Plan and other previous evaluations. To better evaluate potential implementation initiatives, updated estimates of current and future recycled water availability are needed to help identify the highest and best use of this critical resource.

**New Implementation Initiative** – Through the scoring and ranking evaluation process a new implementation initiative was identified that could warrant further investigation. The Upper Aquifer Capture and LOWRF Treatment initiative would include pumping high nitrate groundwater from the upper aquifer to the collection system for treatment at the LOWRF to provide additional recycled water for disposal, recharge and/or offsetting irrigation demands. This initiative could utilize existing well, pipeline and treatment infrastructure to provide an additional high-quality water source for the basin. However, there are a number of constraints that require further investigation (e.g. pumping capacity, conveyance capacity, treatment compatibility, etc.) before this initiative could be determined to be viable. Regardless, this

initiative warrants further evaluation as it could potentially achieve the objectives for Program B (i.e. upper aquifer nitrate removal and provide additional sustainable yield) with existing infrastructure and without the development of a brine waste stream.

**Enhanced Project Definition** – Several of the implementation initiatives (i.e. Morro Bay Intertie, Urban Stormwater Capture, Warden Creek Stormwater Capture, Sewer Area Expansion, Upper Aquifer Capture and LOWRF Treatment) were challenging to evaluate utilizing the implementation initiative scoring criteria because of the limited project definition at this time. To better evaluate these implementation alternatives requires additional study and conceptual project development.

#### *Next Steps*

Based on the scoring and ranking evaluation results and the findings above, the next steps for the Implementation Plan could include:

1. BMC provides input and direction to staff on the scoring and ranking of the planning and implementation initiatives.
2. BMC Staff utilizes the planning and implementation initiative scoring results to help inform recommendations regarding future investments of BMC staff time and funding investments. Funding evaluation to include not only evaluation of which are the best projects to invest in, but also what are the appropriate costs share structures or arrangements for each of the projects to help ensure alignment between costs and benefits.
3. BMC Staff to prepare a draft Calendar Year 2021 BMC Budget and present it at the next BMC Meeting.
4. BMC Staff to begin development of longer term plan for the implementation of mutually agreed upon initiatives that lays out how the BMC and the BMC Parties will invest its staff and funding resources in time (multi-year budget) to aid in future budgeting for the BMC Parties.

**TO: Los Osos Basin Management Committee**

**FROM: Dan Heimel, Executive Director**

**DATE: October 21, 2020**

**SUBJECT: Item 7b – Update on Status of Basin Plan Infrastructure Projects**

**Recommendations**

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

**Discussion**

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

Immediate Goals

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

Continuing Goals

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

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



Program Name	Project Name	Parties Involved	BMC Budgeted Amount	Funding Status	Anticipated Planning/Pre-Construction Cost	Anticipated Capital Cost	Status/Notes
<b>Program D</b> - Shift production within the Lower Aquifer from the Western Area to the Eastern Area of the Basin							Currently being considered for deferment through Adaptative Management. BMC to review on an annual or semi-annual basis.
<b>Program M</b> – Groundwater Monitoring Plan	New Zone D/E lower aquifer monitoring well in Cuesta by the Sea	All Parties	NA	NA	NA	NA	<b>Completed</b>
<b>Program U</b> - Urban Water Reinvestment Program	Creek Discharge Program	All Parties	\$50k included and approved in the CY 2019 BMC Budget	Not included in CY 2020 BMC Budget	\$582,000 through feasibility phase required	TBD	These activities are currently on hold pending the outcome of the BMC Implementation Plan initiative.
	8 <sup>th</sup> and El Moro Urban Storm Water Recovery Project	All Parties	\$15k included in CY 2019 BMC Budget for initial study	Not included in CY 2020 BMC Budget		TBD	These activities are currently on hold pending the outcome of the BMC Implementation Plan initiative.