

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, September 18, 2019** at the South Bay Community Center, 2180 Palisades Ave, Los Osos, CA, 93402.

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, all possible accommodations will be made for individuals with disabilities, so they may attend and participate in meetings.

BASIN MANAGEMENT COMMITTEE BOARD OF DIRECTORS AGENDA

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **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.
5. **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 However, any Director may request that any item be withdrawn from the Consent Agenda and moved to the "Action Items" portion of the Agenda to permit discussion or to change the recommended course of action.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 July 17, 2019 meeting**
- b. **Approval of Warrants, Budget Update and Invoice Register through August 2019.**

6. **EXECUTIVE DIRECTOR'S REPORT**

7. **ACTION ITEMS**

- a. **Update on Status of Basin Plan Infrastructure Projects**

Recommendation: Receive report and provide input to staff for future action.

- b. **Review and Approve Contract with MKN for Soil Aquifer Treatment Analysis for the Los Osos Creek Discharge Project**

Recommendation: Approve proposal from MKN in an amount not to exceed \$50,000.

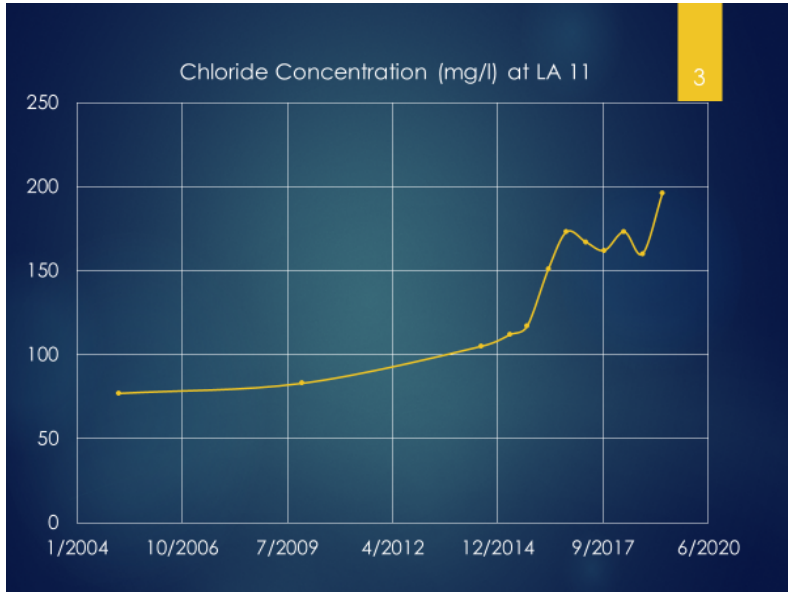
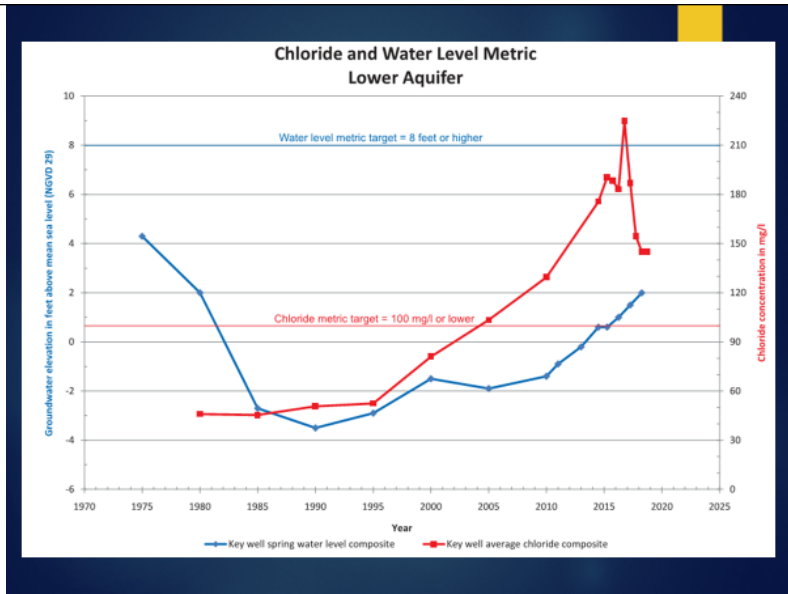
- c. **Approve BMC Selection of Executive Director and Review Proposed Scope and Fees**

Recommendation: Approve selection of Dan Heimel with WSC as Executive Director, approve scope and annual fee not to exceed \$69,330, and authorize use of up to \$5,000 of 2019 budget contingency funds for WSC to assist with the November 2019 BMC meeting.

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



Director Gibson: On the monitoring data, I wonder if you could write a short memo expanding on what's here differentiating E from D, as well as how you developed the strategies that might come into play? I think it would be helpful for the file. I think we could also drop reference to bringing Morro Bay wastewater to the Los Osos plant as they did get their permit last Thursday.

Director Cote: I think it would be best just to remove that part of the report (about bringing in Morro Bay wastewater).

Mr. Miller: I'd be happy to do that.

Director Zimmer: The monitoring and metrics that we are looking at, do they include D & E?

Mr. Miller: Our metric wells are Zone D wells. We look at E and track it as well.

Director Zimmer: E is not included in what we were looking at previously though, right?

	<p>Mr. Miller: We've always published all the data not necessarily in graph form though.</p> <p>Director Zimmer: So, the second to last graph, did it include LA 11?</p> <p>Mr. Miller: I don't believe so.</p> <p>Director Zimmer: Okay so I wanted to clarify that.</p> <p>So, to clarify the 12 J1, that's the one we'll start doing the graph for as well?</p> <p>Mr. Miller: Yes, which is LA 11. It has 3 different names.</p> <p>Director Ochylski: I think we should use one name and have consistency throughout the staff report.</p> <p>Mr. Miller: Agreed.</p> <p><u>Public Comment</u></p> <p>Mr. Edwards: The Basin Plan has a number of programs and I know staff will be preparing a worksheet for each of these projects. In preparing the priority list I'd like to make some comments on programs B & D. I would like to deemphasize Program B as we go forward.</p> <p>Director Cote: I make a motion to receive and file the Executive Director Report.</p> <p>Director Gibson: I second that.</p> <p>Ayes: Director Gibson, Director Zimmer, Director Cote and Chairperson Ochylski Nays: None Abstain: None Absent: None</p>
<p>7a. Update on Status of Basin Plan Infrastructure Projects</p>	<p>Mr. Miller: Gave a detailed overview of the Update on Status of Basin Plan Infrastructure Projects.</p> <p>Director Gibson: Regarding the expansion well, the next School Board Meeting is in August. If they need Board Approval will that work for the Program?</p> <p>Mr. Miller: That will work, and we do hope to hit that timeframe.</p> <p>Director Gibson: Has this been bid yet?</p> <p>Mr. Miller: Not yet.</p> <p>Director Ochylski: My understanding is the School Board does need to approve this.</p> <p>Director Gibson: Regarding the 8th St. Well, is the timing of the construction explicit in the grant? We couldn't arrange any bridge financing for that?</p> <p>Mr. Miller: It is explicit, and if we jump the gun on that we wouldn't be eligible for reimbursement. The work needs to be done in 2020.</p> <p>Director Zimmer: Item 10 in our budget, that talks about Perched Water Recovery, so we have some funding allocated for initial seed money for that. Maybe we should add that to</p>

	<p>Program U also so that we can track it as well?</p> <p>Mr. Miller: I agree.</p> <p><u>Public Comment</u></p> <p>Mr. Edwards: It's unfortunate to hear the school has not yet approved the right of entry agreement. We are wasting months if not years on this test well since the rest of Program C is waiting on this approval. The CSD should immediately start the CEQA process on the next well.</p> <p>Director Zimmer: Would that be the District's process on this, getting this test well and having to look at the other options?</p> <p>Mr. Miller: The District Board discussed it previously at a public hearing. They have the option of moving forward with CEQA but at this point they want to do the test well first.</p> <p>Director Zimmer: So, you don't have to look at all the options then?</p> <p>Director Ochylski: Correct.</p>
<p>7b. Review and Approve Construction Bid for Cuesta by the Sea Monitoring Well</p>	<p>Mr. Miller: Gave a detailed overview of the Construction bid for the Cuesta by the Sea Monitoring Well.</p> <p>Director Ochylski: The CSD did agree to take on this project but the other option we talked about was having a JPA, but we decided against going down that path.</p> <p>Director Zimmer: You mentioned an agreement between the County and LOCSD? Will there be a portion of that agreement that will be between the LOCSD and the BMC? I haven't seen the details of the agreement.</p> <p>Mr. Miller: In order to access the CASGEM Funds, the County has been entering into agreements with public agencies to access those funds. You would be welcome to all the content of that agreement, it's primarily to confirm that the County will have continued access under its biannual water monitoring event.</p> <p>Director Gibson: The financial aspects of this are included in the BMC budget. The negotiated contributions to the BMC budget go towards this. The County's contribution of \$20,000 is coming from CASGEM Funds which puts certain conditions on it. CASGEM is a public process so its public information.</p> <p>Director Zimmer: I'm just more thinking about operations down the roads. We mentioned potentially moving into the JPA. Do we need some OMOU or some sort of statement of intent of what this asset will be used for?</p> <p>Director Ochylski: That is a valid point, we want to make sure the attorneys for all the parties are on the same page.</p> <p>Director Cote: If S&T is going to own part of an asset, this will go into part of tax accounting.</p> <p>Director Ochylski: That is part of the reason this is between the County and the CSD, so your entities didn't have that issue.</p>

Director Zimmer: So, we're not going to own it. It will primarily be operated by the District, but we're making financial contributions to it. There needs to be something that clarifies our portion for when we go through our internal auditing for finance and things of that nature.

Mr. Ansolabehere: When you talk about operation, you are talking about information gathering. This is a monitoring well, so are we talking in terms of sharing of that information?

Director Zimmer: There is activity involved in the BMC pertaining to this asset that we're also funding. It's just in a realm outside of our normal business activities.

Ms. Acos: I think what might make Golden State more comfortable is a simple agreement between the LOCSD who owns the asset and the County who is making sure the funds are being properly allocated to a CASGEM well. I think Director Zimmer is expressing concern for an agreement between the LOCSD and the BMC for continuing access etc. It doesn't have to be something in depth.

Director Ochylski: If that addresses Director Zimmer's concerns, we can direct legal staff to prepare that and bring it back.

Director Cote: Is it proper to think of this as a tool that the LOCSD will own and maintain? The liabilities, depreciation, and maintenance of this tool will be the responsibility of the LOCSD?

Mr. Miller: Construction of the well is funded right now as part of BMC activity. The CSD has taken the lead on it, but it is part of the BMC.

Director Gibson: That would be a reasonable part of the agreement. If there is maintenance on the well that is needed, it will come back to the BMC.

Mr. Miller: I think the nature of the legal agreement would be a mutli-party agreement that allows the CSD to lead on the core construction

Director Gibson: Staff's recommendation is for legal staff to develop the two agreements that we just discussed and award the construction to Filipponi and Thompson.

Public Comment

None.

Board Comments

Director Gibson: I'll move to motion staff's recommendation for legal staff to develop the two agreements that we just discussed and award the construction to Filipponi and Thompson.

Director Zimmer: I second that.

Ayes: Director Gibson, Director Cote, Director Zimmer, and Chairperson Ochylski

Nays: None

Abstain: None

Absent: None

7c. Update on Request for Qualifications for BMC Executive Director

Mr. Miller Gave details on the Qualifications for BMC Executive Director.

Consultant List for Executive Director 7

- Monsoon Consultants from San Luis Obispo, with Blaine Reely, PhD, PE
- Water Systems Consultants, Inc from San Luis Obispo, with Dan Heimel, PE, MS
- James Bishop, PG (Professional Geologist) from Los Osos, acting as an independent consultant
- Hagemann & Associates from Atascadero, with Brad Hagemann, PE

Director Zimmer: During this closed session we'll discuss the qualifications, but as far as the compensation, that will be off limits during the closed session. I noticed we asked for a rate schedule as part of the submission however, there were a couple submissions where we didn't receive a rate schedule.

Mr. Miller: The individuals embedded their proposed hourly rate in the body of their proposal, so we have all the rates, just not a statement of what the annual amount would be. In qualification-based selection you would usually not solicit an amount. If you do, it's in a separate envelope that you don't open until after you've selected the most qualified applicant. Then you are able to negotiate with them, and if you are unable, then you would move on to the next qualified candidate.

Public Comment

Mr. Cesena: I wanted to propose a 5th cost saving option. The LOCSO is going to be hiring a new general manager, Mr. Munds. Perhaps there is an option for sharing some of his time and perhaps some cost savings. He will be coming on board in August.

Mr. Heath: I would not recommend the 5th option that was just mentioned.

Mr. Edwards: I would recommend, Mr. Munds, the 5th option that was just presented.

Director Gibson: We should direct staff to proceed in the path and manner that we directed previously with the 4 respondents we have and continue with the process.

Director Zimmer: I second that.

Director Ochylski: I would like Mr. Munds to be considered.

	<p>Director Gibson: I think that would be a mistake at this stage of the process.</p> <p>Director Ochylski: It just makes sense from a monetary point of view.</p> <p>Director Gibson: Understood.</p> <p>Ayes: Director Gibson and Director Zimmer. Nays: Chairperson Ochylski Abstain: Director Cote Absent: None</p>
<p>8. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA</p>	<p><u>Public Comment</u></p> <p>None.</p>
<p>9. ADJOURNMENT</p>	<p>Meeting was adjourned at 2:26 pm. The next meeting will be on September 18th at the South Bay Community Center in Los Osos at 1:30 pm.</p>

TO: Los Osos Basin Management Committee

FROM: Rob Miller, Interim Executive Director

DATE: September 18, 2019

SUBJECT: Item 5b – Approval of Warrants, Budget Update and Invoice Register through August 2019

Recommendations

Staff recommends that the Committee review and approve the report.

Discussion

Staff has prepared a summary of costs incurred as compared to the adopted budget through August 2019 (see Attachment 1). A running invoice register is also provided as Attachment 2. Staff recommends that the Committee approve all pending invoices, outlined in Attachment 3. Payment of invoices will continue to be processed through Brownstein Hyatt as noted in previous meetings.

Attachment 1: Cost Summary (Year to Date- August 2019) for Calendar Year 2019

Item	Description	Budget Amount	Costs Incurred	Percent Incurred	Remaining Budget
1	Monthly meeting administration, including preparation, staff notes, and attendance	\$50,000	\$31,486.56	63.0%	\$18,513
2	Meeting expenses - facility rent (if SBCC needed for larger venue)	\$1,000	\$300.00	30.0%	\$700
3	Meeting expenses - audio and video services	\$6,000	\$3,725.00	62.1%	\$2,275
4	Adaptive Management - Groundwater Modeling & Well Head Surveying	\$15,000	\$6,672.50	44.5%	\$8,328
5	Semi annual seawater intrusion monitoring	\$29,200	\$15,553.06	53.3%	\$13,647
6	2018 Annual Report	\$33,500	\$32,810.00	97.9%	\$690
7	Grant writing (outside consultant)	\$5,000	\$0.00	0.0%	\$5,000
8	Creek Recharge and Replenishment Studies	\$50,000	\$0.00	0.0%	\$50,000
9	Cuesta by the Sea Monitoring well	\$115,000	\$1,650.00	1.4%	\$113,350
10	Stormwater and Perched Water Recovery Project - Feasibility Study	\$15,000	\$0.00	0.0%	\$15,000
	Subtotal	\$319,700	\$92,197		\$227,503
	5% Contingency (rounded to nearest \$100)	\$16,500	\$0.00		
	Total	\$336,200	\$92,197	27.4%	\$244,003
	LOCSD (38%)	\$127,756			
	GSWC (38%)	\$127,756			
	County of SLO (20%)	\$67,240			
	S&T Mutual (4%)	\$13,448			

Attachment 2: Invoice Register for Los Osos BMC for Calendar Year 2019 (through August 2019)

Vendor	Invoice No.	Amount	Month of Service	Description	Budget Item	Date BMC. Approved
WG	47601	\$1,181.75	Dec '18	Monthly meeting administration	1	Jan-19
CHG	20190103	\$8,300.00	Jan.	2018 Annual Report Preparations	6	Mar-19
CHG	20190203	\$6,240.00	Feb.	2018 Annual Report Preparations	6	Mar-19
CHG	20190204	\$1,200.00	Feb.	Cuesta by the Sea Monitoring well	9	Mar-19
CHG	20190205	\$900.00	Feb.	Adaptive Management	4	Mar-19
SBCC	122	\$120.00	Jan.	Meeting expenses - facility rent	2	Mar-19
WG	47758	\$5,124.33	Jan.	Monthly meeting administration	1	Mar-19
AGP	7697	\$725.00	Mar	Meeting expenses - audio and video services	3	May-19
CHG	20190305	\$10,920.00	Mar	2018 Annual Report Preparations	6	May-19
CHG	20190403	\$7,350.00	Apr	2018 Annual Report Preparations	6	May-19
CHG	20190404	\$450.00	Apr	Cuesta by the Sea Monitoring well	9	May-19
CHG	20190405	\$10,963.06	Apr	Semi-Annual Groundwater Monitoring	5	May-19
CHG	20190306	\$2,580.00	Mar	Semi-Annual Groundwater Monitoring	5	May-19
WG	47948	\$3,271.25	Feb.	Monthly meeting administration	1	May-19
WG	48141	\$5,593.87	Mar	Monthly meeting administration	1	May-19
AGP	7615	\$675.00	Jan.	Meeting expenses - audio and video services	3	Mar-19
AGP	7799	\$725.00	Jun	Meeting expenses - audio and video services	3	19-Jun
CHG	20190502	\$1,680.00	May	Semi annual seawater intrusion monitoring	5	19-Jun
CHG	20190503	\$1,080.00	May	Adaptive Management - Groundwater Modeling & Well Head Surveying	4	19-Jun
CHG	20190604	\$192.50	June	Adaptive Management - Groundwater Modeling & Well Head Surveying	4	19-Jun
CHG	20190624	\$330.00	June	Semi-Annual Groundwater Monitoring	5	19-Jun

WG	48365	\$2,572.74	April	Monthly meeting administration	1	19-Jun
WG	48565	\$5,889.46	May	Monthly meeting administration	1	19-Jun
AGP	7764	\$800.00	May	Meeting expenses - audio and video services	3	19-Jun
SBCC	136	\$90.00	June	Meeting expenses - facility rent	2	
SBCC	138	\$90.00	July	Meeting expenses - facility rent	2	
AGP	7842	\$800.00	July	Meeting expenses - audio and video services	3	
CHG	20190803	\$4,500.00	August	Adaptive Management - Groundwater Modeling & Well Head Surveying	4	
WG	48992	\$5,350.83	July	Monthly meeting administration, including preparation, staff notes, and attendance	1	
WG	48781	\$3,684.08	June	Monthly meeting administration, including preparation, staff notes, and attendance	1	
Total		\$93,378.87				

Total 2019

\$92,197.12

To be approved
not included in total- applied to
2018

TO: Los Osos Basin Management Committee

FROM: Rob Miller, Interim Executive Director

DATE: September 18, 2019

SUBJECT: Item 6 – Executive Director’s Report

Recommendations

Staff recommends that the Committee receive and file the report and provide staff with any direction for future discussions.

Discussion

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

Funding and Financing Programs to Support Basin Plan Implementation

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 Proposition 1. 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. Staff had previously engaged in the IRWM process with SLO County for the Los Osos Creek Replenishment and Recharge Project (IRWM Project ID 2017 NT-07). However, it appears that only the Program A upper aquifer well at 8th Street will receive funding in this round. The concept of urban storm water recovery at 8th and El Moro was ranked in the draft County Stormwater Resource Plan, and future grant opportunities may be available. The draft Stormwater Resource Plan can be found here: <https://www.slocounty.ca.gov/Departments/Public-Works/Forms-Documents/Committees-Programs/Stormwater-Resource-Plan/Documents/2018-09-10-SWRP-Public-Draft.aspx>

Status of Zone of Benefit Analysis and Joint Powers Authority (JPA)

The BMC has requested an integrated funding plan for project implementation and BMC monitoring and administration. Discussions are expected to continue into the coming months 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.

Two staff level meetings have been held since the July 2019 BMC meeting. Discussion topics included the following:

- Legal structure for GSWC participation in a JPA was discussed, which will be important if a JPA is ultimately pursued. 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.
- 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. Further details are being developed, including the consideration of purveyor concerns regarding reliability and potential climate change.
- GSWC legal staff are preparing a simple operational agreement that will provide multi-party access to the new Cuesta by the Sea monitoring well, which would supplement the pending agreement between LOCSD and the County.

Los Osos Wastewater Project Flow and Connection Update

Influent flows to the treatment facility averaged 0.48 mgd. Recycled water deliveries to Sea Pines Golf Course began on June 10, 2019. The golf course received 3.4 million gallons of recycled water in July, and 5.9 million gallons in August. Effluent is also being disposed to both the Broderson and Bayridge leach fields. The cumulative effluent disposal for the calendar year (not including recycled water deliveries) as of 8/31/2019 is 331 AF, of which 320 AF went to Broderson leach field, and 11 AF went to the Bayridge leach field.

Enforcement: As of 9/3/2019, the sewer service area has a 98.9% connection status leaving 57 properties not yet connected to the sewer system. A Notice of Violation letter was sent to properties not connected to the Los Osos sewer system earlier this year in March.

Water Conservation Update

Since the last reporting period, there have been no new rebate requests. The County is currently processing DRC2018-00215 for a 22,000 square foot cannabis cultivation east of Los Osos Creek on APN 067-011-057. 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 concept of urban area retrofits to address agricultural area cannabis has not been discussed by the BMC. Staff can bring this issue back for a more detailed discussion if desired.

Pending Task List for Executive Director

As requested at the January 2019 meeting, the following list of pending tasks has been created for BMC input and reference.

Task Description	Estimated Schedule	Budget Consideration
Adaptive management – nitrate contamination in lower aquifer, Zone E chloride concerns, with summary description of Zone D/E management	Draft for November meeting	Previously budgeted
Recruitment for permanent Executive Director	Q3 of 2019	Included as item 7c
Seawater intrusion imaging in coordination with Cal Poly	Pending land owner approval	Minor – staff time only
8 th /EI Moro urban storm water recovery project	Proposals anticipated for November meeting due to needed school input on use of basin	Included in 2019 budget
Creek discharge project	Consultant proposal due on 9/1	Included as item 7b

Updates on Sustainable Groundwater Management Act (SGMA) and Basin Prioritization (minor changes from May 2019 update)

SGMA Overview: The Sustainable Groundwater Management Act took effect on January 1, 2015.¹ 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.²

Basin Boundary Modifications: On February 11, 2019, DWR published the 2019 Basin Boundary Modifications (BBM) to update the Bulletin 118 basin boundaries. A summary of DWR's Final BBM recommendations for the Los Osos Basin are listed below (see basin maps):

- DWR approved two jurisdictional subbasins:
 - Los Osos Area Subbasin – This subbasin includes the adjudicated area and the minor northern fringe area (outside of the adjudicated area)³.
 - Warden Creek Subbasin – This subbasin is east of the adjudicated area.

¹ 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 the Sustainable Groundwater Management Act (SGMA).

² 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.

³ DWR denied the removal of the minor northern fringe area in the 2019 Basin Boundary Modifications for Los Osos Basin.

- DWR approved the removal of the southern fringe area including Montana de Oro State Park (State Park Exclusion)

Basin Prioritization: SGMA requires DWR to reassess groundwater basin prioritization any time it updates Bulletin 118 basin boundaries. On April 30, 2019, DWR published the Draft SGMA 2019 Basin Prioritizations based on the 2019 Basin Boundary Modifications, and each subbasin received no comments during DWR's public comment period (closed on May 30, 2019). Basins / subbasins previously prioritized as high- or medium- priority that are now low- or very low-priority are **not** subject to SGMA requirements. A summary of DWR's Draft SGMA Prioritizations for the Los Osos Area Subbasin and Warden Creek Subbasin are listed below:

- Los Osos Area Subbasin is listed as **very low** priority for SGMA⁴ and in critical conditions of overdraft⁵
 - Under SGMA, the adjudicated area as defined in the Los Osos Basin Plan and court approved Stipulated Judgement is exempt from the requirements of SGMA, as long as certain requirements are met (e.g., submitting the annual groundwater monitoring to the Court and DWR).
- Warden Creek Subbasin is listed as **very low** priority for SGMA⁴

DWR's Steps to Finalize SGMA 2019 Basin Prioritizations

- DWR releases the Final SGMA 2019 Basin Prioritizations: As indicated in July, this was expected by the end of August, but as of this writing nothing has been posted by DWR.

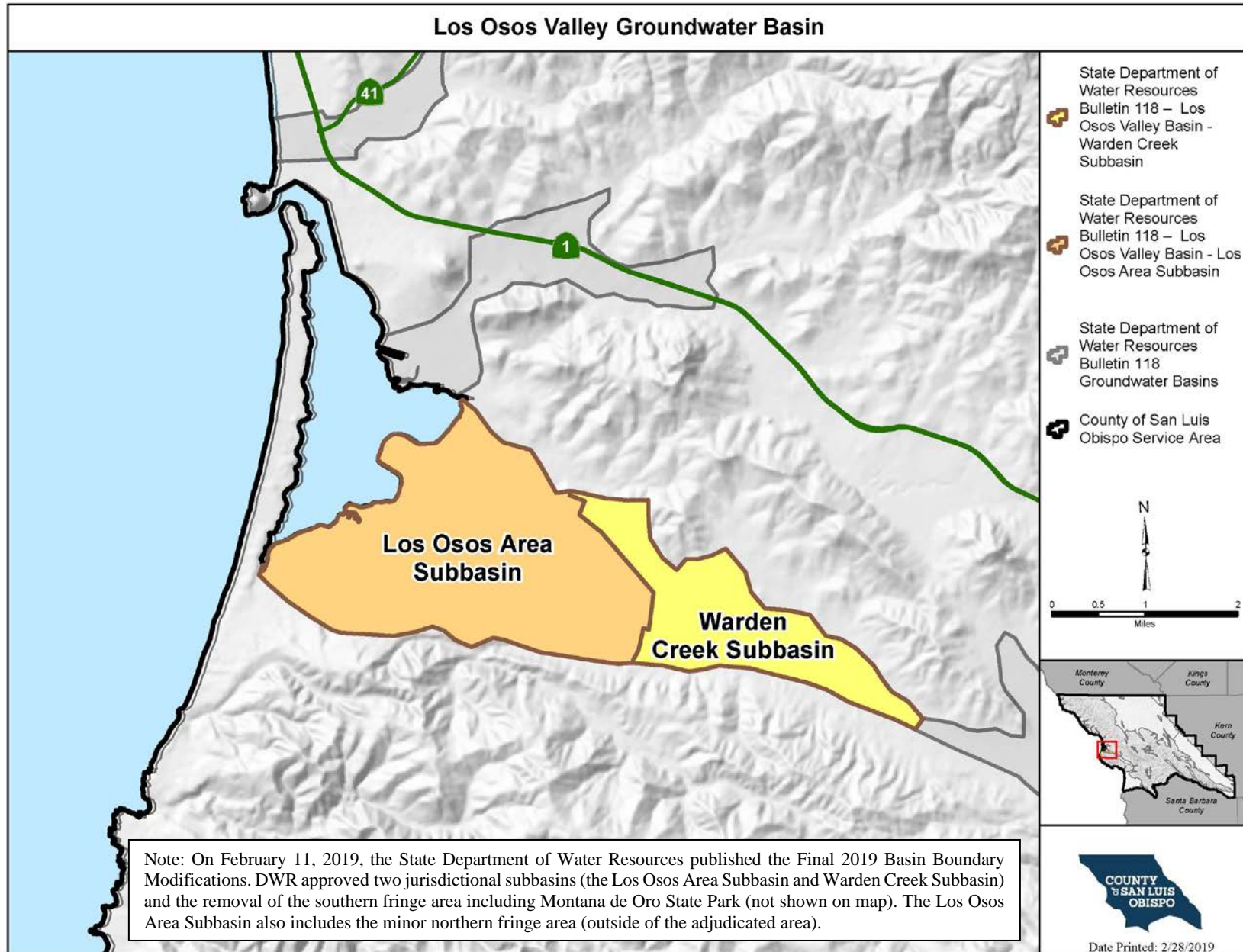
More information on DWR's basin boundary modification and prioritization process, please visit: <https://water.ca.gov/Programs/Groundwater-Management/Basin-Boundary-Modifications>
<https://water.ca.gov/Programs/Groundwater-Management/Basin-Prioritization>

⁴ 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 the sub-component C of the Draft SGMA 2019 Basin Prioritizations.

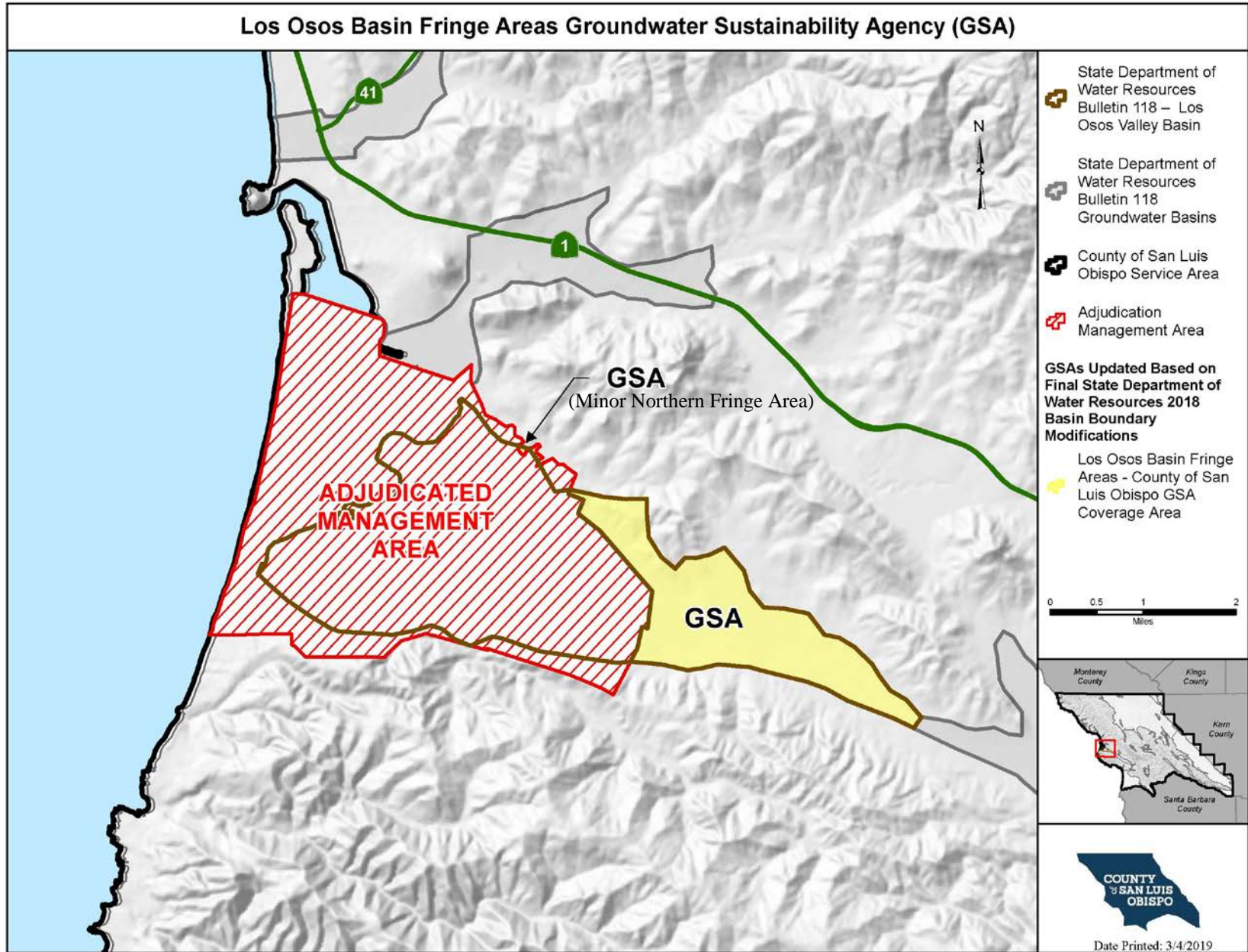
⁵ Critical conditions of overdraft have been identified in 21 groundwater basins as described in Bulletin 118 (Water Code Section 12924). Bulletin 118 (updates 2003) defines a groundwater basin subject to condition of critical overdraft as: "A basin is subject to critical conditions of overdraft when continuation of present water management practices would probably result in significant adverse overdraft-related environmental, social, or economic impacts."

⁴ 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 the sub-component C of the Draft SGMA 2019 Basin Prioritizations.

LOS OSOS VALLEY GROUNDWATER BASIN (DWR No. 3-008)



LOS OSOS VALLEY GROUNDWATER BASIN (DWR No. 3-008)



TO: Los Osos Basin Management Committee

FROM: Rob Miller, Interim Executive Director

DATE: September 18, 2019

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

Recommendations

Receive report and provide input to staff for future action.

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 also 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. 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.

Project Name	Parties Involved	Funding Status	Capital Cost	Status
Program A				
Water Systems Interconnection	LOCSD/ GSWC	Completed		
Upper Aquifer Well (8 th Street)	LOCSD	Fully Funded	\$250,000	Well was drilled and cased in December 2016. Budget remaining \$250,000 to equip the well. Design is 100% complete and project has been selected for IRWM matching funds which will be available in Q1 of 2020. Bidding will take place in Q4 of 2019, with completion of construction by Q3 2020.
South Bay Well Nitrate Removal	LOCSD	Completed		
Palisades Well Modifications	LOCSD	Completed		
Blending Project (Skyline Well)	GSWC	Fully funded	\$1.15 mil	Completed
Water Meters	S&T	Completed		
Program B				
LOCSD Wells	LOCSD	Not Funded	BMP: \$2.7 mil	Project not initiated
GSWC Wells	GSWC	Not Funded	BMP: \$3.2 mil	Project not initiated
Community Nitrate Removal Facility	LOCSD/GSWC	Partial, GSWC portion funded	GSWC: \$1.23 mil	GSWC's Program A Blending Project allows for incremental expansion of the nitrate facility and can be considered a first phase in Program B.

Project Name	Parties Involved	Funding Status	Capital Cost	Status
Program C				
Expansion Well No. 1 (Los Olivos)	GSWC			Completed
Expansion Well No. 2	LOCSD is currently leading the project with potential GSWC and S&T involvement, depending on final location	LOCSD is currently leading the project with respect to funding	BMP: \$2.0 mil	Property acquisition phase is on-going through efforts of LOCSD. Four sites are currently being reviewed and a community workshop was held on 8/30/2018. Due to community concerns over siting, environmental review and permitting is expected to be on going through Q1 of 2020, with construction complete by Q1 of 2021. The LOCSD authorized the preparation of bid documents for a test well at Site A (Los Osos Middle School) at their 11/1/18 meeting. School District approved the Right of Entry Agreement on 8/21/2019 and bidding will commence in late September for the temporary test well. Construction is expected in December 2019.
Expansion Well 3 and LOVR Water Main Upgrade	GSWC/LOCSD	Cooperative Funding	BMP: \$1.6 mil	This project has been deferred under Adaptive Management.
LOVR Water Main Upgrade	GSWC	May be deferred	BMP: \$1.53 mil	Project may not be required, depending on the pumping capacity of the drilled Program C wells. It may be deferred to Program D.
S&T/GSWC Interconnection	S&T/GSWC	Pending	BMP: \$30,000	In conceptual design
Program M				
New Zone D/E lower aquifer monitoring well in Cuesta by the Sea	All Parties	Funded through BMC Budget	\$115,000	A \$100,000 construction budget for the project was approved in July 2019 by the BMC based on the low bid from Filipponi and Thompson in the amount of \$90,720. Notice to proceed was issued on 9/3/2019 with construction completion anticipated this year. Final agreements between the County and LOCSD are expected in October 2019 to access CASGEM funding for County portion. A separate agreement between the LOCSD and the BMC parties is also

				being drafted to confirm continued access to the well for all funding parties.
Program U				
Creek Discharge Program	All Parties	Funded through BMC Budget/grants	\$582,000 through feasibility phase	The 2019 budget includes funding for limited baseline monitoring and Soil Aquifer Treatment evaluation in the amount of \$50,000. A consultant proposal is being considered under a separate agenda item.
8 th and El Moro Urban Storm Water Recovery Project	All Parties	BMC funding for initial study only	\$15,000 for initial study	Following the recent Right of Entry Agreement approval for the Program C test well at Los Osos Middle School, staff will now focus on discussions with the School District concerning use of the Baywood School storm water basin for water recovery.

TO: Los Osos Basin Management Committee

FROM: Rob Miller, Interim Executive Director

DATE: September 18, 2019

SUBJECT: Item 7b: Review and Approve Contract with MKN for Soil Aquifer Treatment Analysis for the Los Osos Creek Discharge Project

Recommendations

Staff recommends that the Committee approve the proposal from MKN in an amount not to exceed \$50,000

Discussion

Item 8 in the adopted 2019 BMC budget includes \$50,000 of funding to advance the proposed Groundwater Replenishment and Recharge Project (GRRP) in Los Osos Creek. Previous studies indicated that the total funding required to advance the project to final feasibility would exceed \$500,000 due to the extensive baseline water quality monitoring and studies required. Staff has elected to focus efforts on the project components that are the most critical to determining feasibility. Other GRRP projects that are currently being pursued in SLO County are located in areas that have access to an ocean outfall for brine disposal. The availability of brine disposal facilities is a critical prerequisite to the implementation of reverse osmosis technology for advanced treatment, which is a component of many GRRP projects. Given that brine disposal is not currently viable in Los Osos, advanced treatment will be limited to processes that do not use reverse osmosis. In order to establish overall feasibility, the supplemental treatment that can be expected from the Los Osos Creek alluvium must be analyzed, which is the subject of the attached proposal from MKN.

Financial Considerations

The adopted Committee budget for calendar year 2019 includes a specific line item for the proposed work as described above.



MKN & Associates, Inc.
P O Box 1604
Arroyo Grande, CA 93421
805.904.6530

August 30, 2019

Rob Miller, PE
Interim Executive Director
Los Osos Basin Management Committee
(Submitted Electronically)

RE: Proposal for Assessing Soil Aquifer Treatment, Los Osos Creek Recycled Water Project

Dear Rob,

PROJECT UNDERSTANDING

Michael K. Nunley & Associates, Inc. (MKN) is pleased to provide this proposal to the Los Osos Basin Management Committee (Committee) to complete an assessment of the soil aquifer treatment (SAT) potential associated with a possible future groundwater replenishment reuse project (GRRP) for Los Osos. The GRRP concept is to use recycled water from the Los Osos Water Recycling Facility (LOWRF), add advanced treatment if required, and discharge it to Los Osos Creek, which naturally recharges the Los Osos Groundwater Basin. Recycled water would be discharged during periods with very low or no flow in the Creek, in order to maximize the natural recharge of storm water. We have partnered with GSI Water Solutions, Inc. and the Civil and Environmental Engineering Department at California Polytechnic State University to develop this proposal for the next phase of work to evaluate the potential of a GRRP for Los Osos.

The GRRP may require treatment beyond the tertiary disinfected recycled water levels achieved at the LOWRF. To some extent these requirements may be fulfilled by retention time of the recharged water as it migrates downgradient in the aquifer between the points of application and extraction through SAT. The extent of this depends upon the water quality, retention time, as well as the physical and geochemical composition of the aquifer. The treatment which naturally occurs in the aquifer vadose zone is referred to as 'soil aquifer treatment'. While additional advanced treatment may be required to meet the GRRP regulatory requirements, it is also possible that the treatment requirements may be satisfied between the existing LOWRF tertiary treatment process and SAT.

In November 2017, MKN submitted the Los Osos Creek Groundwater Replenishment Reuse Project Treatment Evaluation Workplan (Workplan). The Workplan summarized results from the June 2016 Los Osos Creek GRRP Feasibility Study (Feasibility Study), also prepared by MKN, and described the required and recommended processes to develop the foundation for a robust and cost-effective design for the Los Osos Creek GRRP. Based on MKN's previous analysis, several work efforts were identified to complete the treatment evaluation. These efforts were divided into two phases of work in the 2017 Workplan and this proposal is for a portion of the Phase 1 recommended tasks consisting of completing a soil aquifer treatment (SAT) evaluation.

SCOPE OF WORK

If authorized, the MKN team will perform the following services for this project:

Task 1 – Coordinate with DDW Staff

GRRP regulations require that the SAT evaluation be approved by California Department of Drinking Water (DDW). It is important to ensure the SAT evaluation meets DDW's expectations. MKN, along with our subconsultant, GSI Water Solutions, Inc. (GSI), will coordinate with DDW on the current regulatory testing requirements for SAT evaluations and options to comply with GRRP regulations including any guidance based on recent testing for similar projects. This will be done concurrent with development of the SAT column testing procedures, described in Task 2.

Task 2 – Develop Procedures for SAT Column Testing

Based on input from DDW, GSI will develop procedures for SAT column testing. The procedures will be developed to mimic the interaction that will occur between the recycled water and the uppermost layers of the creek bed soil. We assume that the SAT column testing will be conducted with the current LOWRF tertiary-treated recycled water. The soil columns will be sized per regulatory requirements and are anticipated to be on the order of 10 inches in diameter and 6 to 10 feet tall. Water samples from each soil column will be collected at regular intervals (daily to weekly) to determine the rate of attenuation of total organic carbon (TOC) as a surrogate for other indicator compounds. It is assumed the column testing will include the following:

- Collection of bulk soil samples from the Los Osos Creek bed sediments and representative water samples from the LOWRF effluent;
- Preparation of SAT column apparatus to allow for uninterrupted flow of Los Osos recycled water through multiple, appropriately-sized SAT columns for a period of 2 to 3 months, and
- Preparation of a summary report in coordination with Cal Poly faculty.

Task 3 – Conduct SAT Column Testing

The proposed bench-top analytical testing will be coordinated by GSI staff and conducted by Dr. Rebekah Oulton of Cal Poly San Luis Obispo's Civil and Environmental Engineering department. GSI staff will coordinate soil and water sampling, documentation of the approved testing and analysis procedures with Cal Poly Civil and Environmental Engineering labs. Dr. Oulton has experience conducting similar studies and SAT column testing related to removal of contaminants during water & wastewater treatment. Dr. Oulton's laboratory is outfitted with appropriately-configured soil columns in which to conduct the testing.

Task 4 – Document Results of the Analysis

Following completion of the above testing, GSI will compile data, determine results and prepare a summary report to document the effectiveness of the SAT for TOC removal. MKN will review the findings from the summary report, compare the results to the SAT factors assumed in Feasibility Study, and provide the recommended next steps for the project development.

SCHEDULE

Table 1 outlines the anticipated project schedule. Time for DDW review and approval is unknown. The schedule assumes two weeks for the LOBMC review of the draft summary report. SAT column testing is anticipated to take three to four months, but this could vary depending on direction from DDW.

Project Task	Duration	Time from Notice to Proceed
Meet with DDW staff	2 weeks	2 weeks
Develop SAT Evaluation Workplan	4 weeks	6 weeks
Obtain approval from DDW (assumed)	4 weeks	10 weeks
Collect recycled water and soil (in coordination with LOWRF staff)	2 weeks	12 weeks
Complete SAT Column Testing	12 – 16 weeks	28 weeks
Draft Report	4 weeks	32 weeks
LOBMC Review	2 weeks	34 weeks
Final Report	2 weeks	36 weeks

BUDGET

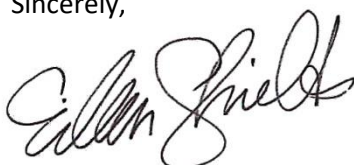
MKN proposes to complete this work on a time and materials basis in accordance with the attached Fee Schedule, with a not-to-exceed budget of \$50,000. A breakdown of costs is provided below.

Project Task	Budget
Task 1 – Coordinate with DDW Staff	\$5,990
Task 2 – Develop Procedures for SAT Column Testing	\$5,250
Task 3 – Conduct SAT Column Testing	\$27,300
Task 4 – Document Results of the Analysis	\$11,460
Total	\$50,000

The budget will not be exceeded unless prior written authorization is granted by the LOBMC. Rates are attached but may be revised annually. Subconsultants will be charged with a 5% markup.

Thank you for providing MKN with the opportunity to provide professional services for your project. If you have any questions regarding this proposal, please contact me at eshields@mknassociates.us or by phone at (805) 904-6530.

Sincerely,



Eileen Shields, PE
Principal

Attachments: 2019 Fee Schedule, Proposal from GSI Water Solutions, Inc.



MKN & Associates, Inc.
PO Box 1604
Arroyo Grande, CA 93421
805 904 6530

FEE SCHEDULE FOR PROFESSIONAL SERVICES

ENGINEERS AND TECHNICAL SUPPORT STAFF

Project Director/ Operations Manager	\$200/HR
Principal Engineer	\$185/HR
Senior Project Engineer	\$175/HR
Project Engineer/ Senior Scientist	\$152/HR
Water Resources Planner	\$142/HR
GIS Specialist	\$135/HR
Assistant Engineer II	\$130/HR
Assistant Engineer I	\$110/HR
GIS Technician	\$112/HR
Supervising Drafter	\$125/HR
Drafting/Design Technician II	\$118/HR
Drafting/Design Technician I	\$95/HR
Administrative Assistant	\$60/HR

Routine office expenses such as computer usage, software licenses and fees, telephone charges, office equipment and supplies, incidental postage, copying, and faxes are included as a 3% fee on labor cost.

DIRECT PROJECT EXPENSES

Outside Reproduction	Cost + 10%
Subcontracted or Subconsultant Services	Cost + 10%
Travel & Subsistence (other than mileage)	Cost
Auto Mileage	Current IRS Rate - \$.58/mi.



Scope of Work for Assessing Soil Aquifer Treatment, Los Osos Creek Recycled Water Project

To: Eileen Shields, PE
Principal Engineer
MKN & Associates

From: Tim Nicely, CHg
Tim Thompson, CHg

Date: August 30, 2019

Introduction

This scope of work identifies tasks to assess the benefits of a natural process known as soil aquifer treatment (SAT) as a preliminary step in a larger and future effort to fully determine the feasibility of implementing a groundwater recharge project in Los Osos Creek using recycled water from the Los Osos Water Recycling Facility (LOWRF). The work will be conducted collaboratively with GSI Water Solutions and MKN & Associates. Laboratory analyses for SAT column testing (discussed further below) will be performed by Dr. Rebekah Oulton of California Polytechnic State University's (Cal Poly's) Civil and Environmental Engineering department.

The proposed project has been categorized by the State Division of Drinking Water (DDW) as a Groundwater Replenishment Reuse Project (GRRP). Initial work by MKN (*Los Osos Creek Discharge Study* dated June 16, 2016) identified the use advanced-tertiary treated recycled water as the recharge source, relying on the seasonal flows of the Los Osos Creek to constitute the so-called 'diluent' water. Infiltration of the Creek water constitutes the principal recharge component to the Los Osos Groundwater Basin, and has been estimated to contribute an average of 600 acre-feet of water to the basin (Cleath Harris Geologists, *Recycled Water Discharges to Los Osos Creek*, dated March 18, 2014). It is anticipated that the tertiary-treated recycled water from the LOWRF will require additional treatment with ozone followed by biologically activated carbon to reduce TOC concentrations to meet regulatory requirements. Further reduction in the total organic carbon (TOC) concentration via SAT will occur within the surface and underlying vadose zone sediments. This proposed SAT testing will evaluate the magnitude of TOC removal that occurs via the SAT process.

Scope of Work

This scope of work presents the tasks required to evaluate of the water quality benefits of SAT and assess regulatory implications. During the evaluation we will:

1. Coordinate with DDW staff to ensure the proposed scope of work will meet both project and regulatory requirements,
2. Develop procedures for conducting SAT column testing,
3. Conduct the SAT column testing, and
4. Document results of the analysis.

Task 1 - Coordinate with DDW Staff

Concurrent with the development of the column testing procedures (discussed below), we will coordinate with DDW staff on the current regulatory testing requirements for SAT evaluations. In addition to the details about the SAT column testing being proposed, we will explore options with DDW staff to comply with GRRP regulations including any recent guidance with regard to testing for similar projects, the applicability of analogous testing for those projects and whether any recent lessons-learned from those analyses are applicable to this project.

This coordination will inform the design of the SAT column testing and overall GRRP development. The current testing will determine the degree to which SAT will reduce TOC sufficiently to fulfill the requirements for GRRP without further treatment of the LOWRF's recycled water. Pending coordination with DDW staff, we assume that this proposed SAT column testing will be conducted with the LOWRF's current advanced-tertiary treated recycled water without further treatment (ozone and biologically activated carbon).

Task 2 - Develop Procedures for SAT Column Testing

SAT column testing procedures will be developed based on DDW coordination to mimic the interaction that will occur in the uppermost two meters of soil, where the introduced recycled water is anticipated to remain well-aerated. The proposed column testing has been conducted on similar GRRP projects within the state in response to DDW regulations to aid in the establishment of a SAT factor, which will be used to estimate the TOC removal efficiency that occurs as the recharged water passes through the vadose zone.

In response to the regulatory requirements, appropriately-sized soil columns (on the order of 10-inches in diameter and 6- to 10-feet tall) will be prepared at Cal Poly's lab to mimic the interaction between the LOWRF water and creek soil to accomplish the TOC reduction goal. Inflow into the columns will be chosen to approximate the anticipated rate of percolation of the LOWRF water through the soil. Water samples from the end of each column will be collected at regular intervals (daily to weekly) to determine the rate of attenuation of TOC as a surrogate for other indicator compounds¹.

SAT column testing procedures vary with each GRRP in response to specific DDW requirements. Based on our review of similar recent projects occurring throughout the region, and more importantly, the input of DDW staff, the testing procedures will be refined to achieve the project's goals. Using LOWRF effluent and Los Osos Creek soil material, the proposed column testing will estimate the degree to which SAT is effective at removing TOC and other selected constituents.

This column testing will include the following:

- Collection of bulk soil samples from the Los Osos Creek bed sediments and representative water samples from the LOWRF effluent;
- Preparation of SAT column apparatus to allow for uninterrupted flow of Los Osos recycled water through multiple, appropriately-sized SAT columns for a period of 2 to 3 months, and
- Preparation of a summary report in coordination with Cal Poly faculty.

The proposed bench-top analytical testing will be coordinated by GSI staff and conducted by Dr. Rebekah Oulton of Cal Poly San Luis Obispo's Civil and Environmental Engineering department. Dr. Oulton has experience conducting similar studies and SAT column testing related to removal of contaminants during water & wastewater treatment. Dr. Oulton's laboratory is outfitted with appropriately-configured soil columns in which to conduct the SAT testing.

The analytical results of the column testing will be documented by the Cal Poly faculty into a format for inclusion in a later report (discussed below).

¹ Indicator compounds used at other sites have included: caffeine, DEET, sucralose, NDMA, gemfibrozil and others) and any surrogate parameters as approved by DDW.

Task 3 – Conduct SAT Column Testing

GSI staff will coordinate soil and water sampling, documentation of the approved testing and analysis procedures with Cal Poly Civil and Environmental Engineering labs. The column testing will be performed at Cal Poly’s labs under the direction of Dr. Oulton, two of her graduate students and staff from the Cal Poly Foundation. Following completion of the testing, the results will be provided in tabular and report format from the laboratory.

The turn-around time for this testing is tentatively expected to be between 3 and 4 months, pending the details of the procedure as determined by DDW staff.

Task 4 – Document Results of the Analysis

Following completion of the above tasks, GSI will compile data and results and prepare a summary report to document the effectiveness of the SAT for TOC removal as determined based on results from column testing. The report will present our analyses, which will provide a recommended SAT factor, which will in turn will be used to estimate the removal efficiency of SAT along Los Osos Creek.

Preliminary Cost Estimate & Schedule for Design

Our proposed fee to complete the tasks on a time-and-materials basis are presented below. This fee estimate includes a 10 percent markup on subconsultant work (Cal Poly and BC Labs).

	Labor Cost	Outside Services	Direct Expenses	Total
Task 1 - Coordinate with DDW Staff	\$5,000	\$0	\$0	\$5,000
Task 2 - Develop Procedures for SAT Column Testing	\$5,000	\$0	\$0	\$5,000
Task 3 – Conduct SAT Column Testing	\$5,000	\$20,000	\$1,000	\$26,000
Task 4 - Document Results of the Analysis	\$10,000	\$0	\$0	\$10,000
Project Totals	\$25,000	\$20,000	\$1,000	\$46,000

Note: The budget assumes the costs for DDW staff time for coordination of this testing will be paid directly by the Los Osos Basin Management Committee. We recommend budgeting \$3000 - \$5000 for Department of Drinking Water staff.

Schedule

We will meet with DDW staff within 2 weeks of notice to proceed. Following that meeting, we will:

- Develop a work plan and coordinate with Cal Poly: 1 month,
- Collect recycled water and soil in coordination with LOWRF staff: 2 weeks,
- Conduct SAT column testing: 3 to 4 months, and
- Document results of the analysis: 1 month.

TO: Los Osos Basin Management Committee

FROM: Rob Miller, Interim Executive Director

DATE: September 18, 2019

SUBJECT: Item 7c. Approve BMC Selection of Executive Director and Review Proposed Scope and Fees

Recommendations

Approve selection of Dan Heimel with WSC as Executive Director, approve scope and annual fee not to exceed \$69,330, and authorize use of up to \$5,000 of 2019 budget contingency funds for WSC to assist with the November 2019 BMC meeting.

Discussion

In May 2019 the BMC approved a Request for Qualifications to be sent to potential candidates for the Executive Director position. The schedule and process provided by staff in May is as follows:

- BMC to approve RFQ, issue document to consultants, and designate two directors to serve on interview team – May 2019
- Statements of Qualifications due from consultants – June 27, 2019
- Interviews and selection team assembles recommendation – July 2019
- BMC selects Executive Director – August 2019
- New Executive Director assists Rob Miller in preparation of agenda package for October and December meetings, including preparation of 2020 budget
- New Executive Director assumes full duties – January 2020

Four Statements of Qualifications have been received from interested consultants. The name of the firm and the individual proposed for the position are summarized below:

- Monsoon Consultants from San Luis Obispo, with Blaine Reely, PhD, PE
- Water Systems Consultants, Inc from San Luis Obispo, with Dan Heimel, PE, MS
- James Bishop, PG (Professional Geologist) from Los Osos, acting as an independent consultant
- Hagemann & Associates from Atascadero, with Brad Hagemann, PE

Closed session interviews of all four candidates were conducted by the BMC on August 8, 2019. The interview team consisted of each of the four BMC Directors. Rob Miller was also present to assist in the facilitation of the process, but the interviews and recommended selection were conducted solely by the Directors. Dan Heimel with WSC was unanimously selected as the most qualified candidate. As a follow up to the meeting, staff solicited the attached fee estimate and scope of work from WSC. It should be noted that fees were not discussed during the

interviews. The proposed fees are higher than the current annual budget of \$50,000 for BMC administration for the following reasons:

- WSC hourly billing rates are higher than the rates charged to date from Wallace Group. Mr. Miller currently bills out at \$176/hour versus Mr. Heimer's billing rate which is \$225/hour. It should be noted that the BMC is on an older Wallace Group rate structure, and current Wallace Group rates are more similar to WSC.
- Additional effort is budgeted to advance BMC objectives given that 2020 is expected to be a critical year with multiple capital projects, the pending Los Osos Community Plan, and other BMC studies.

In order facilitate a smooth transition, staff is proposing to provide a small 2019 budget allocation to WSC to assist in the administration of the November 2019 BMC meeting. Staff is proposing a budget allocation of \$5,000, which will be covered under the BMC contingency of \$16,500.

Financial Considerations

The BMC will set a calendar year budget for 2020 at the January 2020 meeting. If WSC's scope and fees are approved as recommended, staff will include \$70,000 in the draft 2020 budget for BMC administration.

Scope of Work

TASK 1.0 BMC ADMINISTRATION

1.1 BMC Administration

- Perform BMC administrative tasks necessary for facilitate BMC activities, including but not limited to:
 - (1) Coordination with BMC Board Members, Stipulating Parties, and the public
 - (2) Coordinate with San Luis Obispo County staff so that documents and agenda packages are published to the BMC website in a timely and accurate manner
- Prepare and provide monthly invoices and progress reports describing activities of the Executive Director.
- Budget based on an assumption of 5 hours per month.

1.2 Financial Oversight

- Oversee financial operation of the BMC, including recommending an annual budget and processing invoices.
- Coordinate with the law office of Brownstein Hyatt Farber Schreck (BHFS) which performs the accounting function for the BMC, including the payment of approved invoices.
- Budget based on an assumption of 2 hours per month.

Deliverables: Updated BMC financial updates and proposed budgets.

1.3 BMC Representation

- Represent the BMC as directed to other entities, including DWR, RWQCB, and other agencies, as needed.
- Budget based on an assumption of 2 hours per month.

TASK 2.0 BMC MEETINGS

2.1 Meeting Coordination

- In consultation with the BMC Chair, coordinate up to 8 public BMC meetings.
- Coordinate with Audio/Video Consultant to ensure that the BMC meeting venue and audio/visual services properly performed.
- Budget based on an assumption of 8 meetings per year and 2 hrs per meeting.

2.2 Agenda Preparation

- In consultation with the BMC Chair, prepared agenda packets for up to 8 public BMC meetings.
- Budget based on an assumption of 8 meetings per year and 8 hrs per meeting.

Deliverables: BMC Meeting agenda packets

2.3 Meeting Attendance

- Function as staff (including clerk) during BMC public meetings, including providing appropriate technical input on questions from both Directors and the public.
- Oversee the BMC's compliance with the Brown Act, with input from legal counsel provided by the BMC parties.
- Budget based on an assumption of 8 meetings per year and 4 hrs per meeting.

2.4 Meeting Minutes

- Prepare detailed minutes of all public meetings.
- Budget based on an assumption of 8 meetings per year and 5 hrs per meeting.

Deliverables: BMC Meeting minutes

TASK 3.0 PROGRAM MANAGEMENT

3.1 Annual Report Management

- Provide program management for the BMC on the Annual Report, including management of scope, schedule and budget, collection and incorporation of BMC and other comments, and publishing of approved work products.
- Participate in coordination meetings with the Annual Report consultant to provide work direction, receive project updates, and review consultant interim work products and deliverables.
- File required information to DWR's website by the April 1st deadline.
- Budget based on an assumption of 50 hours year to oversee the development and submission of the Annual Report.

3.2 BMC Project Management

- Provide program management for the BMC on other projects, including management of scope, schedule and budget, collection and incorporation of BMC and other comments, and publishing of approved work products.
- Participate in coordination meetings with BMC consultants to provide work direction, receive project updates, and review consultant interim work products and deliverables.
- Budget based on an assumption of 40 hours year to provide Project Management services.

Potential Optional Tasks

The following optional tasks could be provided to assist the BMC in implementing the Basin Plan and helping achieve and maintain sustainability of Los Osos's water supply. If the BMC is interested in these services, WSC can prepare a level of effort estimates to provide these additional support services.

Communication & Outreach Support

Funding/Financing Assistance

As-Needed Technical Support

Fee Estimate

Based on the scope outlined above, WSC developed the following fee estimate for providing services as the Executive Director for the Los Osos Basin Management Committee. The fee estimate was based on the assumed hours for each of the tasks outlined in the scope of work.

Los Osos Basin Management Committee
 Executive Director
 Cost Proposal
 8/23/2019



Task No.	Task Description	WSC							ALL FIRMS	
		Executive Director	Technical Advisor	Engineering/Admin Support	Project Administration	WSC Labor Hours	WSC Labor Fee	Expenses	WSC Fee	Total Fee
		Daniel Heime	Michael Cruikshank	Kendall Stahl	Kay Merrill					
	<i>Billing rates, \$/hr</i>	\$225	\$225	\$155	\$125					
1	BMC Administration									
1.1	BMC Administration & Coordination	36		12	12	60	\$ 11,460	\$ 200	\$ 11,660	\$ 11,660
1.2	Financial Oversight	12		12		24	\$ 4,560	\$ 100	\$ 4,660	\$ 4,660
1.3	BMC Representation	24				24	\$ 5,400	\$ 100	\$ 5,500	\$ 5,500
	SUBTOTAL	72	0	24	12	108	\$ 21,420	\$ 400	\$ 21,820	\$ 21,820
2	BMC Meetings									
2.1	Meeting Coordination	8		8		16	\$ 3,040	\$ 100	\$ 3,140	\$ 3,140
2.2	Agenda Preparation	32		32		64	\$ 12,160	\$ 200	\$ 12,360	\$ 12,360
2.3	Meeting Attendance	32				32	\$ 7,200	\$ 100	\$ 7,300	\$ 7,300
2.4	Meeting Minutes	8		32		40	\$ 6,760	\$ 100	\$ 6,860	\$ 6,860
	SUBTOTAL	80	0	72	0	152	\$ 29,160	\$ 500	\$ 29,660	\$ 29,660
3	Program Management									
3.1	Annual Report Management	20	10	20		50	\$ 9,850	\$ 200	\$ 10,050	\$ 10,050
3.2	BMC Project Management	20		20		40	\$ 7,600	\$ 200	\$ 7,800	\$ 7,800
	SUBTOTAL	40	10	40	0	90	\$ 17,450	\$ 400	\$ 17,850	\$ 17,850
	COLUMN TOTALS	192	10	136	12	350	\$ 68,030	\$ 1,300	\$ 69,330	\$ 69,330

Executive Director
 Los Osos Groundwater Basin - Basin Management Committee

