



Notice of Meeting

STATE WATER SUBCONTRACTORS ADVISORY COMMITTEE

SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

Friday, Sept. 1, 2023 – 10:00 – 11:30 AM

County Government Center, Rm. D361, 1055 Monterey St., San Luis Obispo, CA 93408

For agenda packet attachments and more information: <https://www.slocounty.ca.gov/Departments/Public-Works/Committees-Programs/State-Water-Project-and-Subcontractors-Advisory-Co.aspx>

Chair: Will Clemens (Oceano CSD)

Vice Chair: Nola Engelskirger (CSA 16)

AGENDA

1. **CALL TO ORDER** – Roll Call & Quorum Count
2. **PUBLIC COMMENT** (*For matters within Committee's jurisdiction, not on agenda. Limited to 3 minutes each.*)
3. **MEETING MINUTES**
Staff Recommendation: Approve the Minutes from May 2023.
4. **REPORTS FROM THE DISTRICT**
 - A. Water Supply & Delivery Operations:
2023 & 2024 Deliveries; Devil's Den Emergency Repair; Annual Shutdown
Staff Recommendation: Informational Item Only.
 - B. DCP Planning Update
Staff Recommendation: Informational Item Only.
 - C. Finance Update: DWR's 2024 Statement of Charges
Staff Recommendation: Informational Item Only.
 - D. SWSAC Membership Update
Staff Recommendation: Informational Item Only.
5. **SCHEDULED DISCUSSION ITEMS**
 - A. Water Management Subcommittee Update
Staff Recommendation: Informational Item Only.
 - B. Groundwater Sustainability Dept. Initiatives
Staff Recommendation: Informational Item Only.
 - C. District's Unsubscribed "Excess" Table A Allocation
Staff Recommendation: Informational Item Only.
6. **SCHEDULED ACTION ITEMS** (NONE)
7. **REPORTS FROM SUBCONTRACTORS** (FOR INFORMATION ONLY)
8. **FUTURE AGENDA ITEMS**
9. **DATE OF NEXT REGULAR MEETING:** Nov. 3, 2023, at 10:00 AM.
10. **ADJOURNMENT**

Attachments

1. Agenda Item 3 – Draft Minutes, May 2023
2. Agenda Item 4.A – Staff Report

CONTACT: Please contact SWSAC Secretary, Wes Thomson, with any questions: wthomson@co.slo.ca.us or (805) 781-5252. *All Americans with Disabilities Act (ADA) accommodations shall be promptly reviewed and resolved.*

County Gov't Center, Rm. D361
San Luis Obispo, CA

**MINUTES OF THE
STATE WATER SUBCONTRACTORS ADVISORY COMMITTEE
MAY 5, 2023
(DRAFT)**

Interim Chair: Ben Fine (absent)
Vice Chair: Nola Engelskirger
Secretary: Wes Thomson

The following minutes are listed as they were acted upon by the State Water Subcontractors Advisory Committee (SWSAC) and as listed on the Regular Meeting agenda for May 5, 2023, together with staff reports and related documents attached thereto and incorporated therein by reference.

1. CALL TO ORDER & ROLL CALL

Call to order at approx. 10:03 AM; quorum established (5 or more). Nola Engelskirger presided as chair. Subcontractors Present:

<u>Representative</u>	<u>Agency</u>
Nola Engelskirger	CSA 16 Shandon
Scott Buffaloe	CMC
Scott DeMello	Cuesta
Greg Kwolek	Morro Bay
Brad Hagemann	Avila Beach CSD
Wes Thomson	District (non-voting)

2. PUBLIC COMMENT (NONE)

3. REVIEW OF LAST MEETING'S MINUTES

The Committee approved the draft SWSAC minutes from March 3, 2023, as distributed. Kwolek motioned to approve, Engelskirger seconded; minutes approved with a simple verbal vote.

4. SWP WATER STORAGE OPPORTUNITIES – PRESENTATION

Presentation by Dan Heibel (Confluence Engineering Solutions), summarized drivers leading the District & Subcontractors to look for storage opportunities and gave a brief introduction to groundwater banking for SWP storage. The four storage drivers highlighted included:

- 1) Record precipitation in 2023 which resulted in spilled storage (District's loss of pre-2023 "Table A" water) at DWR's San Luis Reservoir ("SLR"), and the opportunity cost of losing District surplus 2023 "Table A" water (loss of availability for use in a subsequent "dry" year),
- 2) historically, District has spilled/lost greater than 211,000 AF since 1996 (~8,500 AFY),
- 3) Delta Conveyance Project will increase frequency of SLR spill events, and
- 4) Water Management Amendment (2021) provides additional options for SWP Contractors.

5. SCHEDULED DISCUSSION ITEMS

A. District's Unsubscribed ("Excess") Allocation

- Thomson reported that several Subcontractors responded by April 30 as requested to let the District know of their interest in increasing their drought buffer contracts (Pismo Beach, Oceano CSD, and Cuesta). Assuming those contracts are amended accordingly, the District would still have approximately 11,000 AF of "Table A" unsubscribed (the portion funded by the District's SWP Tax Fund).
 - Kwolek added that Morro Bay is hesitant to increase their contracted allocation without having reliable long-term storage capacity.
 - Hagemann noted that Avila Beach CSD is potentially interested in another hundred acre-feet of drought buffer.
- Thomson pointed out that there are other local entities (non-SWP Subcontractors) interested in utilizing the District's SWP water associated with the unsubscribed "Table A" allocation. If the Subcontractors want to take a more active role in determining the future of the District's unsubscribed "Table A" allocation and how it is managed, then the drought buffer program is the existing mechanism for the Subcontractors to step up their contractual commitment. The Subcontractors have been given the first priority opportunity to contract for the remaining "Table A," but at some point, consistent with the District's priorities outlined in the 2003 Excess Allocation policy, the District will likely consider opening up the opportunity for others (presuming there is excess available). Going forward from that point, staff anticipate the excess allocation will not be available to the Subcontractors as it has been – as stated in the formal notice sent out to Subcontractors in January 2023.
 - Kwolek asked when the District anticipates giving the "last call" for Subcontractors to make a formal request for more. He added that for Morro Bay, it seems like they need to determine if/how they would store the water – and would like more time to consider the storage question first.
 - Kate Ballantyne responded to acknowledge that drought buffer has been used as an insurance policy to ensure a certain amount of "Table A" water would be available for Subcontractors to use, and that storage would certainly enhance that insurance policy, and the District can see how the storage question goes "hand in hand" with considering the excess allocation. She added that the District needed to take steps to let Subcontractors know where it is going, and that there is not yet a firm date on the "last call" – but noted the District appreciates those who have responded with numbers; it helps the District's planning effort. She also reiterated the interest in the excess allocation, saying there's a lot of people knocking on the District's door.
- Brief discussion on the potential options that could become available to the Subcontractors if they were to significantly increase their subcontracted share of the District's SWP contract – perhaps even taking an approach to that of the District's Nacimiento Water Project "Participants" in 2016 (the Participants are a group of agencies which have a similar relationship to the District as the SWP Subcontractors). Potential options noted included:
 - 1) the option to restructure their contracts in a way that would provide Subcontractors with more supply management options (including storage), and

- 2) the option to gain more influence or control over the development of policies guiding how the District's SWP water is managed.

B. Supply Management Challenges & Opportunities, Technical Advisory Committee Concept.

- Engelskirger asked the Committee if there was any interest in forming a technical subcommittee that could take a more focused look at the supply challenges and opportunities and then report back to the SWSAC on the findings.
- After Committee discussion, the consensus was to form a technical subcommittee to review SWP supply management challenges and opportunities – i.e., to investigate, vet, and report back to the SWSAC (Committee).
 - It was noted that the Committee Bylaws authorize the chair to form a subcommittee, and the agenda scheduled discussion on the concept of a “technical advisory committee” for addressing supply management challenges and opportunities. (This item was on the agenda in response to the Committee comments following the District's “Water Supply & Operations Report” to the Committee at the March 2023 meeting.)
- Motion to form a “Technical Advisory Committee” as a Subcommittee of Subcontractor representatives, comprising less than the SWSAC quorum of five (5), to review SWP water management challenges and opportunities. Motion by Kwolek, Seconded by Hagemann; simple verbal vote, none opposed/abstained – Motion Passed.
 - Engelskirger mentioned that anyone interested in being a part of the Technical Advisory Committee (Subcommittee) could reach out later via email. Meeting schedule coordination to follow via email.

6. SCHEDULED ACTION ITEMS (NONE)

7. REPORTS FROM THE DISTRICT

A. Water Supply & Operations Report.

Thomson reported that DWR increased the SWP water supply allocation to 100% (25,000 AF for the District).

8. REPORTS FROM SUBCONTRACTORS (FOR INFORMATION ONLY)

Nothing to report.

9. FUTURE AGENDA ITEMS

- Continuation of the discussion on storage opportunities.
- Committed interest in learning more about groundwater banking opportunities and from those with experience utilizing the those for SWP supply management (e.g., Dwayne Chisam & AVEK; Alameda County Water District & Semitropic, etc.).

10. DATE OF NEXT MEETING

SWSAC's next regular meeting is scheduled for July 7, 2023, at 10:00 AM.

11. ADJOURNMENT

Engelskirger adjourned the meeting at approximately 11:02 AM.

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DRAFT MINUTES BY: JT / WT

2023 STATE WATER DELIVERY REPORT (DRAFT)

-- Actual deliveries thru July 2023 --

Current SWP "Table A" allocation (per DWR, 4/20/2023) = 100%

For the District's 25,000 AF contract, this equates to >> **25,000** AF

DELIVERIES TO SUBCONTRACTORS (2023)

	AGENCY	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
<i>SHANDON TO</i>	CSA 16	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0.0
<i>CHORRO V. TO</i>	CMC	31.5	28.7	34.9	30.4	25.9	28.1	26.0	0	0	0	0	0	205.4
	County Ops	33.4	30.4	37.0	32.3	27.5	29.8	27.5	0	0	0	0	0	217.8
	Cuesta	15.9	14.5	17.6	15.4	13.1	14.2	13.1	0	0	0	0	0	103.7
	City of Morro Bay	81.3	72.5	75.5	79.0	91.5	96.9	105.4	0	0	0	0	0	602.1
<i>LOPEZ TO</i>	City of Pismo Beach	97.1	92.2	89.1	0.0	0.0	0.0	160.0	0	0	0	0	0	438.5
	Oceano CSD	62.5	62.5	62.5	0.0	0.0	0.0	0.0	0	0	0	0	0	187.5
	San Miguelito MWC	7.9	2.7	4.2	8.0	6.0	4.0	0.35	0	0	0	0	0	33.2
	Avila Beach CSD	4.8	4.7	4.3	6.0	6.0	6.0	6.0	0	0	0	0	0	37.8
	Avila Valley MWC	1.0	0.5	1.0	2.0	2.0	2.0	2.0	0	0	0	0	0	10.5
	San Luis Coastal USD	0.10	0.26	0.08	0.29	0.29	0.29	0.50	0	0	0	0	0	1.81
	TOTAL	335.4	308.8	326.2	173.3	172.3	181.3	340.9	0	0	0	0	0	1838.2

Notes: 1. Deliveries based on CCWA monthly delivery reporting and subcontractor request.

2. All delivery values reported are in volumetric units of acre-feet (AF).

SUBCONTRACTOR DELIVERY REQUEST SCHEDULE^{1,2}

	AGENCY	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
<i>SHANDON TO</i>	CSA 16	0	0	0	0	0	0	0	0	0	0	0	0	0
<i>CHORRO V. TO</i>	CMC	33	33	33	33	33	33	33	33	33	33	33	33	396
	County Ops	35	35	35	35	35	35	35	35	35	35	35	35	420
	Cuesta	16.7	16.7	16.7	16.7	16.7	16.7	16.7	16.7	16.7	16.7	16.7	16.7	200
	City of Morro Bay	100	100	100	100	100	100	100	100	100	100	100	100	1200
<i>LOPEZ TO</i>	City of Pismo Beach	103.3	103.3	103.3	0	0	0	160	150	120	120	120	90	1070
	Oceano CSD	62.5	62.5	62.5	0	0	0	0	0	0	0	0	0	187.5
	San Miguelito MWC	7	7	8	8	8	8	8	8	7	7	7	7	90
	Avila Beach CSD	5	5	6	6	6	6	6	7	6	6	6	5	70
	Avila Valley MWC	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0	2.0	20
	San Luis Coastal USD	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	6
	TOTAL	364	364	366	201	201	201	361	352	320	320	319	289	3659

Notes: 1. Assumes District can supply 100% of requested delivery, to meet requests that exceed current DWR allocation.

2. Updated schedule reflects mid-year revisions requested by Pismo and OCSD; changes effective 4/1/2023.

3. Revised schedule starting 7/1/23 to reflect changes at Lopez for Pismo (updated totals at Lopez only, July-Dec).