

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS
GENERAL MANAGER



DATE: June 7, 2019

AGENDA ITEM

F

JUNE 12, 2019

GENERAL MANAGER'S REPORT

ITEM

Standing report to your Honorable Board -- *Period covered by this report is May 5, 2019 through June 8, 2019.*

DISTRICT BUSINESS

Administrative

The District encourages residents to provide reports of any observed water waste. The District keeps an accounting of leak adjustments as a measure of non-revenue water lost to leaks. The table below provides the April data and the cumulative data for these activities.

Office Activities

	May-19	Jul-May 2019
Reports of water waste followed up on	0	4
Leak Adjustments	2	22
Leak Adjustment Amount	\$833	\$7,496

Water Resources

Table 1. Total Production Acre Feet (AF)

	May-19	Jul 18 - May 19
Groundwater Production	72.8	782.8
Supplemental Water Imported	<u>84.3</u>	<u>888.1</u>
Total Production	<u>157.1</u>	<u>1,670.8</u>

NCSD imported 84.3 AF of water over the 30 day period in May averaging 636 gallons per minute for a daily total of 915,641 gallons per day. For fiscal year 2018-19 [July-2018 through June-2019] the District must import 800 AF of supplemental water. However, at the current import level, the District could see up to 960 AF for this time period. The District's total production, including groundwater wells and imported water measured at the Joshua Road Pump Station, registered 1,670.8 AF of water for the current fiscal year.

On the following page, Table 2 compares the District's total water production for the month of May and the fiscal year (July 2018 through June 2019) year-end total against those same periods for 2013 (pre-drought production). 2013 is the year the Department of Water Resources ("DWR") designated as the pre-drought production year. The pre-drought production data is included in the monthly water production report and compared to current usage, all of which is submitted by water purveyors statewide to DWR. For May 2019, the community's water conservation effort reached approximately 41% compared to May 2013. The District's year-end conservation effort for fiscal year 2019 will continue to be monitored throughout the year.

Table 2. FY 2019 Total Demand To-date Compared to 2013

	May-19	Jul 18 - May 19
Total Production (AF) for FY 2018-19	157.1	1,670.8
Total Production (AF) for 2013	<u>265.4</u>	<u>2,257.0</u>
Reduction (AF)	<u>108.4</u>	<u>586.2</u>
Percentage Reduction	40.8%	26.0%

NCS D GW Reduction

The District's purveyor customers, Golden State Water Company and Woodlands Mutual Water Company, each claim 16.66% (cumulatively 33.33%) of the imported water NCS D brings onto the basin through the NSWP. Of the 800 AF minimum imported water from the City of Santa Maria, 266.6 AF will be credited to these two purveyor customers. The credited amount must be added to the District's groundwater pumping total every month to reflect the groundwater pumped by these customers in-lieu of taking imported water from the District. Table 3 below demonstrates the calculus for determining the District's groundwater pumping reduction.

Table 3. NCS D GW Production (NCS D GW Well Production plus Purveyor Credit)

	May-19	Jul 18 - May 19
NCS D GW Well Production	72.8	782.8
Purveyor Customer Credit (33.3% of Import Water)	<u>28.1</u>	<u>296.4</u>
NCS D Total Calculated GW Production	100.9	1,079.2
Average GW Production for 2009-2013	<u>261.6</u>	<u>2,269.7</u>
NCS D Percentage of GW Reduction	61%	52%

Taking into consideration the above referenced purveyor customer credit, the District can claim a groundwater pumping reduction of 61% for the month of May compared to the 5-year average from 2009 to 2013 (NMMA-TG assigned comparator). For Fiscal Year 2019, the cumulative groundwater pumping reduction for the District is 52%. At the current Stage IV level of NMMA's Water Shortage Condition and Response Plan, the District continues to achieve its targeted groundwater pumping reduction level of 50% for the year.

Table 4. 2019 Fiscal Year Forecasted Groundwater Pumping

	May-19	Jun-19	Jul 18-Jun 19	Target	Over_(Under)
NCS D GW Well Production	72.8	120.3	903.1		
Purveyor Customer Credit (33.3% of Import Water)	<u>28.1</u>	<u>25.3</u>	<u>321.6</u>		
NCS D Total Calculated GW Production	100.9	145.6	1,224.8	1,266.7	42
Average GW Production for 2009-2013	<u>261.6</u>	<u>263.6</u>	<u>2,533.4</u>	<u>2,533.4</u>	
NCS D Percentage of GW Reduction	61%	45%	52%	50%	

AcFt

Table 4 is a forward looking view of the District’s groundwater pumping reduction efforts for Fiscal Year 2019. The targeted groundwater pumping reduction is 50%. For usage in future months, Fiscal Year 2018 production values from the previous year are inserted. Looking at the 11 months of actual data, July 2018 through May 2019, and completing the year using last year’s monthly data where necessary, the District can forecast an “Over_(Under)” value. By using this method to forecast groundwater pumping into fiscal year 2019, it can be estimated that the District will be 42 acre-feet under the groundwater reduction target. Each year trends slightly different depending upon the weather, a major factor that drives consumer water demand. As actual data replaces projected data, the reliability of the table to provide year-end groundwater reduction becomes more reliable and aids staff in recognizing opportunities for shifting water production strategies.

Table 5. FY 2018 v. FY 2019 Groundwater Pumping

	<u>May-19</u>	<u>Jul 18-May 19</u>	<u>May-18</u>	<u>Jul 17-May 18</u>
NCSD GW Well Production	72.8	782.8	107.1	909.6
Purveyor Customer Credit (33.3% of Import Water)	<u>28.1</u>	<u>296.4</u>	<u>25.9</u>	<u>299.8</u>
NCSD Total Calculated GW Production	100.9	1,079.2	133.0	1,209.4
Average GW Production for 2009-2013	<u>261.6</u>	<u>2,269.7</u>	<u>261.6</u>	<u>2,269.7</u>
NCSD Percentage of GW Reduction	61%	52%	49%	47%

Table 5 compares the previous year’s groundwater pumping with the current year groundwater pumping for the same time period (July through May). The comparison demonstrates a favorable consumption forecast emerging where demand on groundwater supplies diminished over time putting the District in a stronger position to sustain the target groundwater pumping reduction level of 50%.

Rainfall Gauge

(Reported in inches)	Nipomo East (Dana Hills Reservoirs)	Nipomo South (Southland Plant)
May 2019 Total	1.93	1.49
July-2018 through May-2019 (Seasonal Total)	19.58	16.97
June 1, 2019 to June 7, 2019	<u>0.00</u>	<u>0.00</u>
Total Rainfall to date	<u>19.58</u>	<u>16.97</u>
Average Annual Year Rainfall	18.0	16.0

Safety Program

No Items

Other Items and News of Interest

Proposition 1 Grant Funding Update [Attachment A]

Supplemental Water Capacity Accounting

As of May 9, 2019, the District began accepting applications for new water service.

Supplemental Water Available for Allocation	500 AFY
Supplemental Water Reserved (Will Serve Letter Issued)	-51.2 AFY
Subtotal Net Supplemental Water Available for Allocation	448.8 AFY
Supplemental Water Assigned (Intent-to-Serve Issued)	-45.8 AFY
Total Remaining Supplemental Water Available for Allocation	403.0 AFY

This information is accurate through April 2019.

Connection Report

Nipomo Community Services District
 Water and Sewer Connections

END OF MONTH REPORT

	Jan-19	Feb-19	Mar-19	Apr-19	May-19
Water Connections (Total)	4434	4434	4437	4437	4437
Sewer Connections (Total)	3197	3197	3199	3199	3200
New Water Connections	0	0	3	0	0
New Sewer Connection	0	0	2	0	1
Galaxy & PSHH at Orchard and Division Sewer Connections billed to the County	475	475	475	475	475

The Connection Report is current through May 2019.

Meetings (May 5, through June 8)

Meetings Attended (telephonically or in person):

- May 6, SLOEWP Civic Spark Presentation
- May 7, Eng./Admin. Bi-monthly Meeting
- May 7, BLMA, Blacklake Meeting
- May 8, Rotary
- May 8, Regular NCSD Board Meeting
- May 8, Exec. Team After Board Meeting
- May 9, Blacklake\NCSD Oversight Comm.
- May 10, Quarterly All-hands Safety Meeting
- May 14, Board Officer Meeting
- May 14, Management Team Meeting
- **May 15 – May 29 Vacation**
- May 30, RWMG Working Group – SLO Cnty
- June 3, Management Team Meeting
- June 3, Board Officer Meeting
- June 4, City of Santa Maria – SW
- June 5, Rotary
- June 5, IRWM Monthly Meeting

- June 5, WRAC Meeting
- June 6, Chamber of Commerce
- June 6, MKN – SWP Hydraulic Study
- June 7, New Employee - Interview

Meetings Scheduled (May 5 through May 11):

Upcoming Meetings (telephonically or in person):

- June 11, Eng/Admin Mtg.
- June 12, Rotary
- June 12, Regular NCSD Board Meeting
- June 12, Exec. Team After Board Meeting

Upcoming Water Resource and Other Meetings

Upcoming Standing Meetings:

- NMMA-TG: June 27th (Thursday) @ 10:00 AM, NCSD Board Room
- RWMG: September 4th @ 10:00 AM, SLO Library
- WRAC: September 4th @ 1:30 PM, SLO Library
- NMMA Purveyor Meeting: June 20th @ 11:00 AM, NCSD Admin Office

RECOMMENDATION

Staff seeks direction and input from your Honorable Board

ATTACHMENTS

Attachment A: RWMG June 5, 2019 Meeting Agenda and Staff Report:
Item #3: Prop 1, Round 1 Application Recommendation

JUNE 12, 2019

ITEM F

ATTACHMENT A



San Luis Obispo County Region
Integrated Regional Water Management (IRWM)
Regional Water Management Group (RWMG)

Date: June 5, 2019
Time: 10:00 AM – 12:00 PM
Location: SLO City/County Library Community Room
995 Palm St, San Luis Obispo, CA

- 1) Introduction, Public Comment and Member Updates
- 2) 2019 IRWM Plan and Program Updates
- 3) Consider recommending the RWMG Working Group-selected projects and funding to the Board of Supervisors for an application for the Prop 1, Round 1 Implementation Grant.
 - a) Review of Selection Process
 - b) RWMG Working Group Meeting Recap
 - c) Selected Projects and Funding

NOTICE: All IRWM notices will be emailed only by the online mailing list service. Please sign-up for the IRWM Stakeholder mailing list online at <http://www.slocountywater.org/irwm>

UPCOMING RWMG MEETINGS:

1. Wednesday **September 4, 2019** at 10:00 AM – 12:00 PM
SLO City/County Library Community Room, 995 Palm St, San Luis Obispo, CA
2. **Summer/Fall TBA, 2019** – Public Draft Presentation of 2019 IRWM Plan

For more information, please contact
Brendan Clark, County of San Luis Obispo Public Works Department
bclark@co.slo.ca.us
(805) 788-2316
www.slocountywater.org/irwm



San Luis Obispo County Region
 Integrated Regional Water Management (IRWM)
slocountywater.org/irwm

2019 RWMG SCHEDULE

IRWM Plan Adoption and Prop 1 Grant Application

The following meetings, workshops, and actions are scheduled to achieve adoption of the 2019 Integrated Regional Water Management (IRWM) Plan and respond to Proposition 1 IRWM grant opportunities for San Luis Obispo County.

For notices via e-mail, please sign up for the IRWM Stakeholder Mailing List online at <http://www.slocountywater.org/irwm>

Date	Activity	Location	Key Actions
2019			
January 2, 2019	No RWMG Meeting		
February 6	RWMG Meeting	SLO City Council Chambers	<i>Prop 1 Grant Project Selection Process</i>
March 6	No RWMG Meeting		
April 3	RWMG Meeting	SLO City/County Library Community Room	<i>Grant Updates and Project Showcase</i>
June 5	RWMG Meeting	SLO City/County Library Community Room	<i>Project Selection for Prop 1 Grant</i>
July 3	No RWMG Meeting scheduled at this time		
August 7	No RWMG Meeting scheduled at this time		
September 4	RWMG Meeting	SLO City/County Library Community Room	<i>TBA</i>
Mid 2019	IRWM Public Draft Presentation		
Late 2019	Round 1 Grant Applications Due to DWR.		

RWMG = Regional Water Management Group
 WRAC = Water Resources Advisory Committee
 SLO City/County Library Community Room is located at 995 Palm Street in San Luis Obispo, CA
 SLO City Council Chambers is located at 990 Palm St, San Luis Obispo, CA 93401
 County of SLO Board of Supervisors Chambers is located at 1055 Monterey Street in San Luis Obispo, CA
 University of California Coop. Ex. Auditorium is located at 2156 Sierra Way, Suite C, in San Luis Obispo, CA

TO: IRWM Regional Water Management Group
FROM: Brendan Clark, Water Resources Engineer
DATE: May 31st, 2019
SUBJECT: Item #3: Prop 1, Round 1 Application Recommendation

Recommendation

1. Consider recommending the RWMG Working Group-selected projects and funding to the Board of Supervisors for an application to DWR for the Prop 1, Round 1 Implementation Grant.

Discussion

1. Review of Grant & Selection Process
2. RWMG Working Group Meeting Recap
3. Selected Projects and Funding
4. Staff Recommendation

1. Review of Grant & Selection Process

The schedule for our local solicitation was/is as follows:

1. *March 5th – 27th, 2019.* Call for projects is open (23 days).
2. *April 3rd, 2019, Project Showcase @ RWMG Meeting, 10am – 12pm.* Applicants presented projects to members and public stakeholders.
3. *April 5th-12th, 2019.* Initial project scoring by staff-level team.
4. *April 22nd, 2019.* DWR Releases Final Guidelines and PSP
5. *May 29th, 2019.* RWMG Working Group meets to score, select and assign funding to submitted projects.
6. *June 5th, 2019 @ RWMG Meeting, 10am – 12pm.* Members to vote on the projects and funding recommendation by the Working Group for the DWR application.
7. *June 5th, 2019 @ WRAC Meeting, 1:30pm – 3:30pm.* Assuming the RWMG makes a suite-of-projects recommendation to the Board of Supervisors for a grant application, the projects will be presented to the WRAC and WRAC will consider support for the application.

DWR Process for Selecting Projects (dates are pending final DWR approval):

1. **September 10, 2019.** Pre-Workshop Submittal of Project Information Form to DWR
2. **September 23-24, 2019.** Funding Area presentations of projects to DWR, SWRCB, others. Each applicant agency/organization is encouraged to present their project at this event.
3. **December 13, 2019.** Final applications due to DWR.
4. **Feb/March, 2019.** Grant awards announced by DWR
5. **Summer, 2020.** Agreement development and finalization.

Final PSP Funding Update:

One change made by DWR was to increase the maximum DAC-specific implementation funding from 35% to 50% for the Central Coast Funding Area (CCFA). The funding Prop 1, Round 1 maximum funding is in the table below, which accounts for the MOA between the CCFA regions.

	Total Prop 1 Funds (per MOA)	Available for Round 1 (per DWR)	Available for Round 1	Available for Round 2
DAC Involvement (2017)	\$938,570	n/a	n/a	n/a
DAC Implementation (future)	\$774,099	50%	\$387,050	\$387,049
Planning Grant (2017)	\$204,183	n/a	n/a	n/a
Implementation Grants (future)	\$5,790,160	50%	\$2,895,080	\$2,895,080
Total for SLO Region (Per CCFA MOA)	\$7,707,012		\$3,282,130	\$3,282,129

Scoring:

As presented at the 2/6/19 and 4/3/19 regular RWMG meetings, the scoring metrics used were selected directly from what DWR will use to evaluate submitted projects. The selected metrics key in on the merits of the project, rather than how well an application is put together. For example, our region evaluated projects for multiple benefits, but not if the work plan, budget and schedule completely matched. A detailed work plan, budget and schedule were not required submittals for our local process. The metrics used for our local process are highlighted in the attached excerpt of the final proposal solicitation package (PSP).

Submitted Project Information Forms (PIF), presentations, and all relevant reference materials are available at www.slocountywater.org/irwm in the "Prop 1, Round 1 - Call for Projects" module.

2. RWMG Working Group Meeting Recap

The RWMG Working Group, as established at the 2/6/19 RWMG meeting, met on May 29th from 9am to 12:30pm. The agenda for that meeting is attached.

Prior to scoring the projects, the Working Group established guidelines for scoring two of the questions where responses varied and required a level of judgment to score. These questions were related to climate change and innovative technology. In regard to climate change, with the varying styles of answers, the group decided to assign full points to a response that included a clear paragraph response with vulnerabilities identified within the text as well as full points for a list of addressed vulnerabilities. Partial credit was awarded for projects that did not connect to the vulnerabilities or provide a clear paragraph of how the project mitigates, adapts to or addresses climate change. The second question was related to innovative technology. Staff identified that between the various wastewater treatment plant projects, similar tertiary treatment technologies (i.e. MBR, UV) were treated by some as an innovative technology and by others as not. The group consensus was that these tertiary treatment methods were not innovative technologies.

The group then went project-by-project, point-by-point to assign points based on the submitted answers and subsequent clarifications initiated by staff. This process took approximately 2 hours. At the conclusion of this effort, a finalized scoring for each eligible, submitted project was determined and a ranked list was prepared. The complete list of project scores are attached.

After a brief break, the group reconvened to select projects for funding. The group felt the top 5 scoring projects best met the intentions of the grant, provided benefits that matched with the requested funds, and captured a significant portion of the County geographically. As shown in the attached voting record, these projects were selected 6-0 by the group with a motion by Cambria CSD and a second by Los Osos CSD.

Finally, the group evaluated the selected project against the available funding. The group began with assigning full funding to Los Osos CSD and Oceano CSD's projects, because the request was relatively low, and the benefits were clearly in line with DWR's priorities and aligned with the lower request. From there, the funds were split among the remaining top projects based on population, total project cost and project score. As shown in the attached voting record, these funding recommendations were selected 6-0 by the group with a motion by Los Osos CSD and a second by the City of San Luis Obispo.

For specific questions regarding the scoring, please contact the IRWM Program Manager, Brendan Clark.

3. Selected Projects and Funding

As indicated by the higher scores, the selected suite of projects provides a clear response to many DWR priorities for the Prop 1, Round 1 Implementation Grant:

- Respond to Climate Change (PSP pg. 6)
- Contribute to Regional Water Self-Reliance (PSP pg. 6)
- Address the most critical needs of the IRWM Region (PSP pg 6)
- Leverage non-state funds (Guidelines pg. 6)
- Implement projects with greater watershed coverage (Guidelines pg. 6)
- Provide multiple benefits (Guidelines pg. 6)
- A number of Statewide Priorities (Guidelines pgs. 7-8) including:
 - Make Conservation a California Way of Life
 - Increase Regional Self-Reliance
 - Protect and Restore Important Ecosystems
 - Manage and Prepare for Dry Periods
 - Improve Groundwater Management
 - Provide Safe Water for All Communities

In addition to these written guidelines, DWR's messaging of their intentions for this round of funding has included meeting these 4 goals:

1. Support the "best of the best of projects".
2. Support projects that meet critical needs of regions, and specifically DACs.
3. Support projects that capture the spirit of IRWM.
4. Maximized benefits for grant funds awarded.

The table on the next page details the selected projects, scoring, requested funding, recommended funding and the type of funding.

Project Sponsor	Project Name	Project Score	Funding Requested	Funding Recommended	Type of Funding
City of San Luis Obispo	One Water SLO MBR/UV Component	11	\$ 3,166,014	\$ 1,314,530	General
Nipomo CSD	Supplemental Water Project, Final Phase	11	\$ 1,000,000	\$ 800,000	General
Los Osos CSD	8th Street Well Construction	10	\$ 238,100	\$ 238,100	General
Oceano CSD	Water Resource Reliability Projects #1-2 & #1-9	10	\$ 274,500	\$ 274,500	DAC
San Simeon CSD	Reservoir Expansion Project - Phase 1 Distribution System	10	\$ 1,400,000	\$ 500,000	DAC & General
SLO County Flood Control & Water Conservation District	Grant Admin	n/a	\$ 155,000	\$ 155,000	General
Total			\$ 6,233,614	\$ 3,282,130	

4. Staff Recommendation

Staff recommends the RWMG consider recommending the RWMG Working Group-selected projects and funding to the Board of Supervisors for an application to DWR for the Prop 1, Round 1 Implementation Grant.

Attachments

1. DWR Scoring Metrics, highlighted.
2. RWMG Working Group Meeting Agenda
3. RWMG Working Group Voting Record
4. Project Scores and ranks by RWMG Working Group