


TO: BOARD OF DIRECTORS
 FROM: MARIO IGLESIAS
 GENERAL MANAGER 
 DATE: August 4, 2023

**AGENDA ITEM
 F
 AUGUST 9, 2023**

GENERAL MANAGER’S REPORT

ITEM

Standing report to your Honorable Board -- *Period covered by this report is July 23, 2023 through August 5, 2023.*

DISTRICT BUSINESS

Administrative

The District encourages residents to provide reports of any observed water waste. The District also keeps an accounting of leak adjustments as a measure of non-revenue water lost to leaks, as well as tracking late fee waivers. The table below provides June data, the most recent data available.

OFFICE ACTIVITIES

	July 23	Jan 23 - July 23
Reports of Water Waste	0	0
Leak Adjustments	3	16
Leak Adjustment Amount	\$1,019	\$5,323
Late Fee Waivers	12	80
Late Fee Waiver Adjustment Amount	\$240	\$6,937

Water Resources

For the first month of the 2023-24 Fiscal Year, the District’s total combined production, including groundwater production wells and supplemental water imported through the Joshua Road Pump Station, registered 192.6 AF. Contrary to past trends, imported water through the Joshua Road Pump Station was less than groundwater production. This trend will shift through the year as the District strives to maintain the 50% groundwater reduction goal and to reach the District’s contract take amount of 1,000 AFY minimum.

Table 1. Total Production Acre Feet (AF)

	July - 23	Jul 23 - June 24
Groundwater Production	110.0	110.0
Supplemental Water Imported	<u>82.6</u>	<u>82.6</u>
Total Production	192.6	192.6

NCSD GW Reduction

The District’s purveyor customers, Golden State Water Company and Woodlands Mutual Water Company, each are responsible for 16.66% (cumulatively 33.33%) of the imported water NCSD brings onto the basin through the NSWP. Of the 1,000 AF minimum imported water from the City of Santa Maria, 333 AF or 33.33% of the total imported water – whichever is greater – 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 2, below, captures this data.

	July - 23	Jul 23 - June 24
NCSD GW Well Production	110.0	110.0
Purveyor Customer Credit (33.3% of Import Water)	<u>27.5</u>	<u>27.5</u>
NCSD Total Calculated GW Production	137.5	137.5
Average GW Production for 2009-2013	<u>291.2</u>	<u>291.2</u>
NCSD Percentage of GW Reduction	52.8%	52.8%

2022 Fiscal Year Groundwater Pumping Forecast

Table 3 projects the District's groundwater pumping reduction for the 2023-24 Fiscal Year. Under the current Stage 4 of the NMMA Water Shortage Response Stages, the District's targeted groundwater pumping reduction goal is to pump no more than 1,266 AFY (50% of 2009-2013 average District GW Pumping). The first month of fiscal year 2023-24 actual – July – shows an actual groundwater pumping reduction of 53% while projected year end groundwater reduction estimates a 61.6% level of reduction.

	Year-to-Date		Target	Over/(Under)
	Jul-23	Jul-Jun 2024		
NCSD GW Well Production	110.0	609.7		
Purveyor Customer Credit (33.3% of Import Water)	<u>27.5</u>	<u>366.2</u>		
NCSD Total Calculated GW Production	137.5	975.9	1,266.7	291
Average GW Production for 2009-2013	<u>291.2</u>	<u>2,533.4</u>	2,533.4	
NCSD Percentage of GW Reduction	53%	61.5%	50.0%	AcFt

As demonstrated in Table 3 above, the District has anticipates it will achieve its 50% groundwater pumping reduction target by 291 AcFt under the conditions stated in the previous paragraph.

The Table 4 data provides operations personnel with insight into year-end water production values and assists in their efforts to balance import and groundwater production with the purpose of reducing groundwater pumping to meet the self-imposed 50% pumping groundwater reduction – the current stage IV objective.

Below, Table 4 compares groundwater pumping for the same periods in 2023 and 2022.

Table 4. FY 2023 vs. FY 2022 Groundwater Pumping

	Jul-23	Jul 23 - Jun 24	Jul-22	Jul 22 - Jun 23
NCSD GW Well Production	110.0	110.0	101.0	101.0
Purveyor Customer Credit (33.3% of Import Water)	27.5	27.5	32.6	32.6
NCSD Total Calculated GW Production	137.5	137.5	133.6	133.6
Average GW Production for 2009-2013	291.2	291.2	291.2	291.2
NCSD Percentage of GW Reduction	52.8%	52.8%	54.1%	54.1%

Rainfall Gauge

July starts a new water year for rainfall accumulation. There is typically no measurable rainfall in July through September; probabilities for rain increase beginning in October. Table 4, below provides the most recent available rain data for the Fiscal Year 2023-24.

(Reported in inches)	Nipomo East (Dana Hills Reservoirs)	Nipomo South (Southland Plant)
July 2023 Total	0.00	0.03
July-2023 through June-2024 (Season Total)	0.00	0.03
Aug 1, through Aug 4, 2023	0.00	0.03
Total Rainfall to date	0.00	0.03
County Reported Avg. Ann. Year Rainfall ¹	18.00	14.00
2006 - 2020 Avg. Ann. Year Rainfall ¹	15.39	13.30
2006 - 2020 Median Ann. Rainfall ¹	12.64	11.30

Note:

1. Data from County website

Connection Report

WATER	1/31/23	2/28/23	3/31/23	4/30/23	5/31/23	6/30/23	7/31/23	8/31/23	9/30/23	10/31/23	11/30/23	12/31/23
Water Connections - Total	4506	4508	4508	4508	4509	4509	4509					
New Water Connections	0	2	0	0	1	0	0	0	0	0	0	0
SEWER CONNECTIONS												
Sewer Town connections	2735	2736	2736	2736	2736	2736	2736					
Galaxy and PSSH at Orchard and Division Sewer connections billed to the County	484	484	484	484	484	484	484					
Subtotal	3219	3220	3220	3220	3220	3220	3220	0	0	0	0	0
BLACKLAKE	559	559	559	559	559	559	559					
Sewer Connections - Total	3778	3779	3779	3779	3779	3779	3779	0	0	0	0	0
New Sewer Connections Town and Blacklake	0	1	0	0	0	0	0	0	0	0	0	0
New Sewer Connections Galaxy	0	0	0	0	0	0	0	0	0	0	0	0

The Connection Report as of August 4, 2023

Other Items

No additional items of interest.

Safety Program

No Safety Issues

Supplemental Water Capacity Accounting

Summary Since January 25, 2008

	Number of Equivalent Meters	AFY
Supplemental Water Available for Allocation	947.0	500.0
Supplemental Water Reserved (Will Serve Letter Issued)	149.0	-78.1
Subtotal Net Supplemental Water Available for Allocation	798.0	421.9
Supplemental Water Assigned (Intent-to-Serve Issued)	173.8	-91.8
Total Remaining Supplemental Water Available for Allocation	624.2	330.1

Updated August 4, 2023

Meetings (July 23 through August 5)

Meetings Attended (telephonically or in person):

- July 24, Staff Mtg. - Admin Supervisor Mtg.
- July 26, Rotary
- July 26, NCSD Regular Board Meeting
- July 26, After-Board Exec. Team Meeting
- July 28, Staff Mtg. - Cust. Service Specialist
- July 31, Staff Mtg. - Admin Supervisor Mtg.
- July 31, Management Team Meeting
- July 31, NCSD Executive Team – Dana Reserve Planning
- Aug 1, City of Santa Maria Utility Meeting
- Aug 1, BLMA Monthly Meeting
- Aug 1, Board Officer Meeting
- Aug 2, Rotary
- Aug 2, CSDA GM Monthly Meeting
- Aug 3, Clever Ducks/Dir. Gaddis Computer
- Aug 3, IWMA Compliance Review Meeting
- Aug 3, Steele GM Negotiations Meeting
- Aug 4, NCSD Personnel Appointment
- Aug 4, Staff Mtg. - Cust. Service Specialist

Meetings Scheduled (August 6 through August 12):

Upcoming Meetings (telephonically or in person):

- Aug 7, Staff Mtg. - Admin Supervisor Mtg.
- Aug 8, Eng/Admin Coordination Meeting
- Aug 9, Rotary
- Aug 9, NCSD Regular Board Meeting
- Aug 9, After-Board Exec. Team Meeting
- Aug 10, Staff Mtg. - Cust. Service Specialist

Upcoming Water Resource and Other Meetings

Upcoming Standing Meetings:

- *NMMA-TG: August 24th (Thursday) @ 10:00 AM, Zoom Meeting*
- *RWVG: No Meeting Scheduled for the Month*
- *WRAC: September 6th (Wednesday) @ 1:30 pm, County Library*
- *NMMA Manager's Meeting: August 24th (Thursday) @ 9:00 AM, Zoom Meeting*
- *NCSD Board Officer Meeting: August 15th (Tuesday) @ 3:30 pm, NCSD Board Rm*
- *BLMA: September 5th (Tuesday) 2:00 pm, BL Community Center*

RECOMMENDATION

Staff seeks direction and input from your Board.

ATTACHMENTS

- A. Dana Reserve Schedule (Updated)
- B. Desal Meeting Schedule (No Change)

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ATTACHMENT A

DANA RESERVE REVIEW SCHEDULE (AS OF 8/4/2023)

Status Update: No Change

Date	Description	Comment
April 24, 2022	NCS D Review "Utility" Section of EIR	
June 16, 2022	Release of EIR	Extended from May 16, 2022
July 14, 2022	SLO County Planning Comm. Study Session	Zoom Meeting
July 21, 2022	LAFCO Study Session	County Lead Agency (9:00 am)
Aug. 1, 2022 ¹	Close Public Comment - DEIR	Was June 20, 2022 (Mario on Vaca)
Sept. 2022	Consider Ad-hoc Comm. (Annexation Agr.)	Establish January 2023
Nov. 17, 2022	NOTICE OF PETITION OF APPLICATION FOR ANNEXATION #30 DANA RESERVE ¹	60 Day Letter
Jan. 9, 2023	Ad-hoc Com. – Response to Notice of Petition	Prepare for Jan. 11 th Board Mtg.
July 24, 2023	SCAC – Town Hall Meeting, Nipomo H.S.	Community Meeting
August 30, 2023	County Planning Commission ²	Two days (8/30 & 8/31)
September 2023	Review of revised EIR impact	
September 2023	Tax Sharing Agreement (NCS D/SLO Cnty)	Start 60 day Period of Negotiations
October 2023	1 st Meeting: County Board of Supervisors	Consider recommendation of PC to Certify EIR, General Plan Amendment, Approve Subdivision Map, Issue Conditional Use Permits
November 2023	2 nd Meeting: County Board of Supervisors	
December 2023	NCS D Board Negotiations with Developer [Infrastructure Improvements/Costs]	Adopt Annexation Agreement Between Developer and NCS D
January 2024	LAFCO Review & Approval	

The above schedule is suggested and drawn from conversations with staff from the County, LAFCO, and the Developer. This schedule is a rough outline and is subject to change over time.

Notes:

1. NCS D Staff will provided a staff report at the January 11th Board Meeting that provided the Board of Directors with more information and possible actions.
2. The Commission action is to consider a recommendation to the Board of Supervisors to: Certify the Final EIR, Adopt the CEQA findings, Approve the Specific Plan, Approve the Vesting Tentative Tract Map, Approve related General Plan and Ordinance amendments, Approve a related Conditional Use Permit.
3. Developer shifted to an annexation process that focuses first on LAFCO application and second the District's application process. Under this format, LAFCO will be the agency that coordinates communication between the Developer and NCS D.
Developer mailed letter September 20, 2022 to residents in Nipomo directing their attention to District website and the three reports addressing utilities – focus on explaining water situation.

RWG submitted comments on the Dana Reserve Specific Plan DEIR, August 1, 2022, to the County of San Luis Obispo supervision planner, Jennifer Guetschow.

Phasing Plan Schedule – Defines the fee schedule for the development. (May slip do to key NCSO staff shortage)

Administrative Draft Final Report	June 2023
District Comments on Admin Draft Final Report	July 2023
Draft Final Report	August 2023*
District Board Presentation	September 2023 (1 st Board Meeting)
Final Report	September 2023

* Previously July 2023 (Changed on the 7/26/2023 Report)

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ATTACHMENT B

Update: August 4, 2023

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County Water Action Team (CWAT)

County DESAL Meetings

Date	Speaker	Item/Issue/discipline	Company
1/10/2023	Dmitry Semenov	Financing Projects	Ridgeline Municipal Strategies, LLC
1/12/2023	Eric Miller	Fisheries Biologist	Miller Marin Science Consultants
1/17/2023	Did Not Attend		
1/19/2023	Tim Hogan	Biologist	TWB Environmental Research Consulting
2/6/2023	Rob Morrow	Engineering/Planning Team	WSC Inc. (Local Group)
2/7/2023	Did Not Attend		
2/7/2023	Lydia	Planning and Feasibility	Carollo Engineering
2/9/2023	Larry Kraemer	Engineering Firm	Cannon Eng.
2/9/2023	Daniel Heimel	Program Management/Engineering Services	Confluence Engineering Solutions
4/4/2023	Floyd Wicks	Sea-Well Buoy – Another solution	Seawell LLC
4/5/2023	Michael Wasgatt	Wind powered DESAL – Ocean Mounted	Offshore Wind Power Systems of Texas, Inc.
4/6/2023	Mr. Yamada		
4/24/2023	Neal Aronson	Oceanus Power and Water	is an infrastructure development company
4/25/2023	Antoine Vuillermet	Waterise (subsea tech)	subsea tech combined w/ membrane desal
6/2/2023	County CWAT Committee	Next Steps	(Conflicting Meeting – Didn't attend)
6/14/2023	Jennifer Jacobus	Everything but physically building a Plant	RINCON

1. **DESAL Plan participation:** The following agencies have adopted resolutions or submitted letters agreeing to participate: the Cities of San Luis Obispo, Arroyo Grande, Morro Bay, Paso Robles, the Community Services Districts of Avila Beach, Cambria, Los Osos, Nipomo, San Miguel, Templeton, Oceano and other water purveyors, such as Atascadero Mutual, Golden State, San Miguelito and Santa Barbara County
 - a. Grover is targeting next week for consideration
2. **DESAL Plan scope / grant:** We submitted an application (attached) to USBR and anticipate hearing about awards no later than June. To fit the timing required for USBR's grant (project must be completed w/in 24 months), Phase 2 was broken into Phase 2a and Phase 2b (snippet of 5 phases below)
 - a. **Phase 2a (proposed grant scope)**
 - i. Will be completed within 24 months and, if awarded grant, will cost District \$550K and USBR \$550K for total \$1.2M project
 - ii. Will include public engagement, identifying/vetting/analyzing project concept alternatives
 - iii. Outcome will be "short-list" of potential projects to further pursue and scope/schedule/budget to do so in Phase 2b

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b. Phase 2b (not proposed in grant scope)

- i. Will include more detailed analysis/studies of projects on “short-list”
- ii. Outcome will be selection of single preferred project to move forward to Phase 3

3. Desal planning meetings:

- a. CWAT meetings (TBD) – we’ll be reaching out for your availability soon to schedule the next CWAT meeting and round of working group / consultant meetings
 - the request for your availability may come from Jenny Williamson in our office – please respond at your earliest convenience so we can continue coordination with the consultants’ availabilities, etc.
- b. Board of Supervisors (April) – The grant application requires the District to adopt a resolution within 60 days of submitting the grant application. We plan to go to our Board on April 18 with the required resolution, along with an update on the scope and request for direction to return with a consultant contract

4. Misc. desal info just fyi

- a. Glenn Farrel (CalDesal Executive Director) sent over the CalDesal Regulatory Committee Meeting Agenda Packet; it includes a brief write-up on Innovations in Desalination and newly-introduced legislation relevant to desal projects
- b. Paul Herman (GHD contact) sent over the International Weekly Desal Report; it includes a brief write-up on the CalDesal conference (key note: the SWRCB representative said the State’s desal siting guidelines anticipated this summer will be out for public comment in April!)