

Los Osos Wastewater Project

Status Update – April 24, 2007

***San Luis Obispo County
Board of Supervisors***

Los Osos Waster Project

Status Update – April 24, 2007

- **Current Status - (Where we are)**
- **Future Efforts - (Where we are heading)**
- **The Technical Advisory Committee - (TAC)**
- **Frequently Asked Questions – (Q&A)**

Current Status

Scope, Schedule and Budget

● Project Scope

● Project Schedule

- Current Efforts (The Prop 218 Efforts)
- Future Efforts
 - Environmental (CEQA/NEPA)
 - Advisory Vote/Survey
 - Project Selection

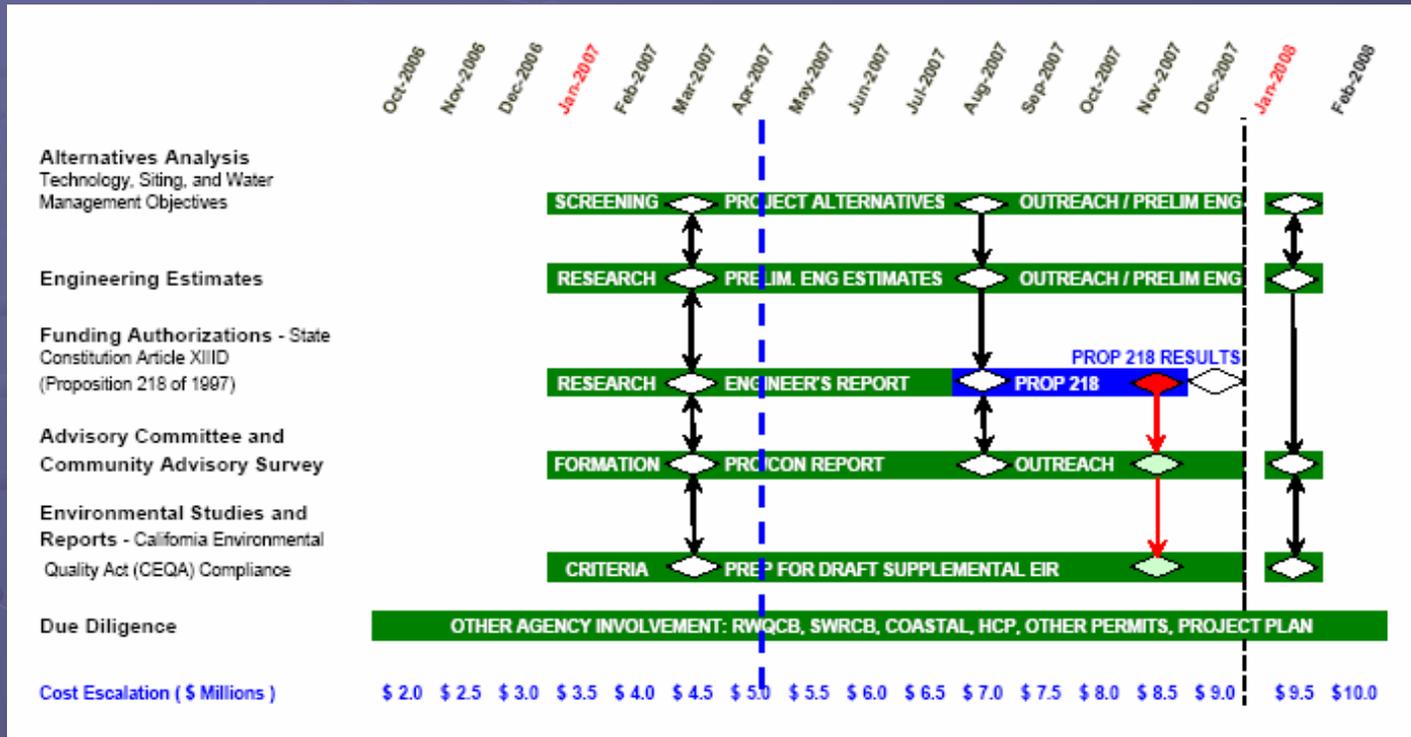
● Project Budget

- \$2.0 Million (Approved October 3, 2005)
 - For Current Efforts leading to Prop. 218 Vote

Current Status - Scope

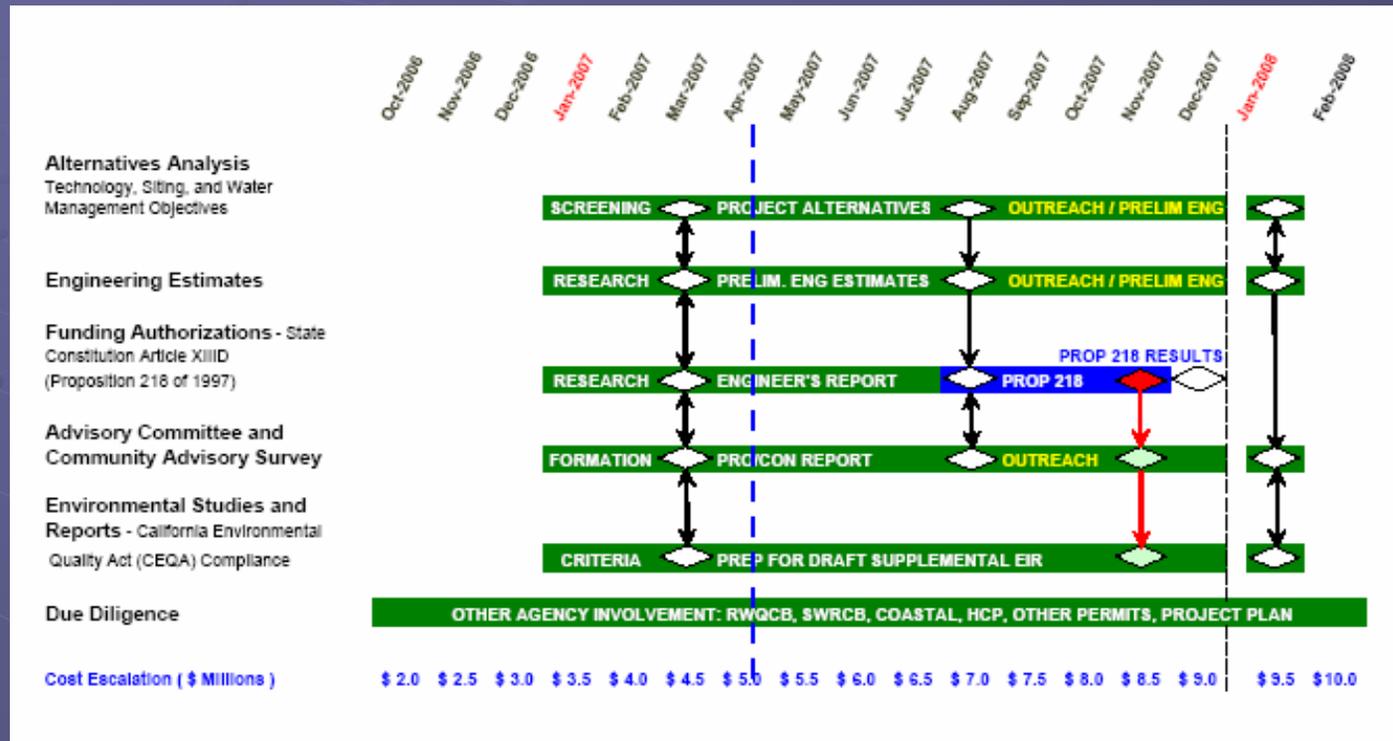
- Project Alternatives Analysis
 - Developing Options for the Community
 - Status of “Tri-W”
- Assessment Engineering
 - Preparing for Prop 218 Hearings
- The TAC Pro/Con Analysis
- Community Outreach

Current Status - Schedule



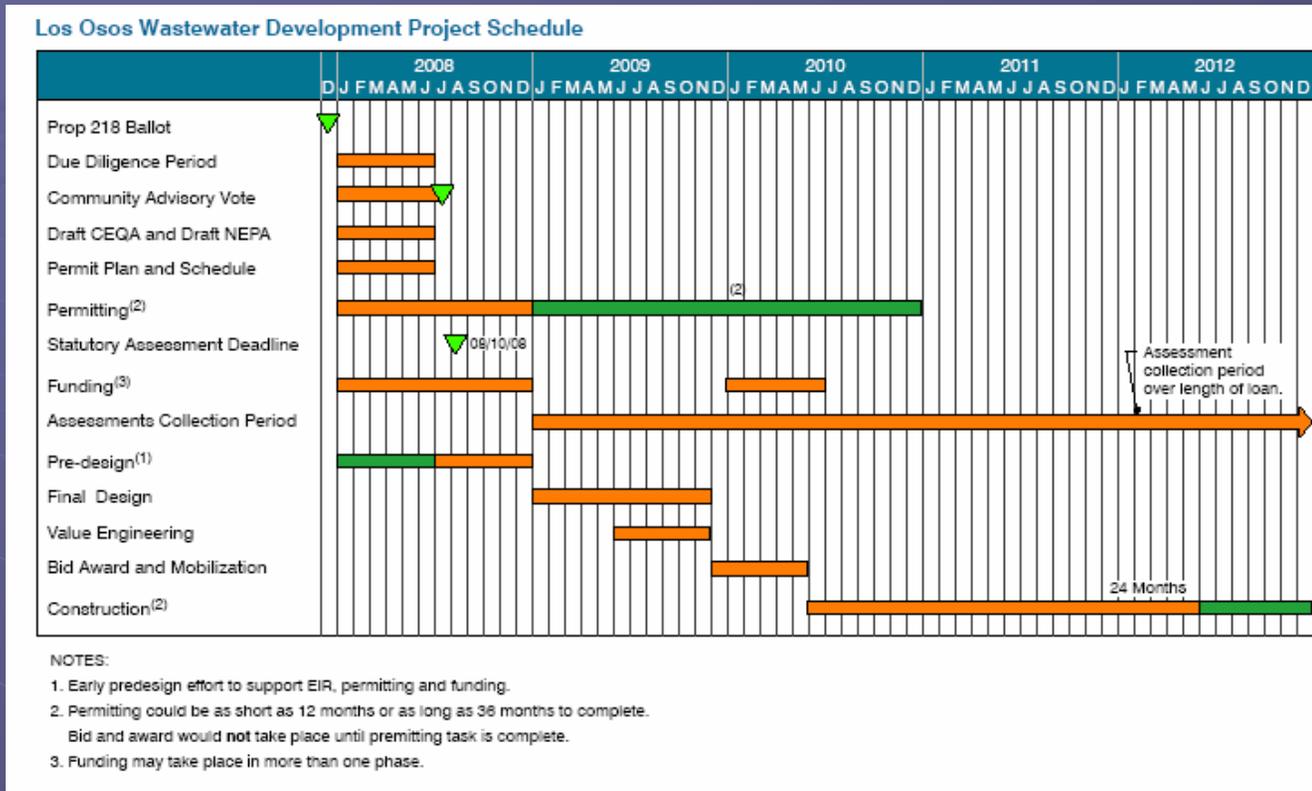
● Current Project Schedule with modifications

Current Status - Schedule



● Current Project Schedule with modifications

Schedule – Future Efforts



- Schedule of where we go after a successful Prop 218 vote

Technical Advisory Committee

- Engineering / Water Resources Working Group
- Environmental Working Group
- Finance Working Group

Engineering / Water Resources

Criteria for Evaluating Disposal Alternatives

- Level of control over disposal options, multi-faceted approach does not depend on 3rd parties



Engineering / Water Resources

Criteria for Evaluating Disposal Alternatives

- Cost of various Disposal options



Engineering / Water Resources

Criteria for Evaluating Disposal Alternatives



- Retain Water in the Basin for Sustainability and Increased Yield

Engineering / Water Resources

Criteria for Evaluating Disposal Alternatives



- Water Purveyors Input and Acceptance

Engineering / Water Resources

Criteria for Evaluating Disposal Alternatives



- Stakeholders Input and Acceptance

Engineering / Water Resources

Future Plans and Goals

● Create Additional Criteria for Pro/Con Analysis:

- Treatment Technologies
- Solids Treatment
- Disposal Alternatives
- Sites
- Collection System Alternatives

Engineering / Water Resources

Future Plans and Goals

- Incorporate Public comments and concerns into Criteria

Engineering / Water Resources

Future Plans and Goals

- Work with Project Team to get a full understanding of project alternatives

Environmental Working Group Core Values

- We are members of the Los Osos community and we are working on behalf of our community to help provide clear, objective, and accurate information about the environmental pros and cons of different alternatives.

Environmental Working Group Core Values

- ***Doing nothing is not an option*** – we need improved wastewater treatment in Los Osos to address ongoing and significant pollution of our aquifer and the Morro Bay Estuary.

Environmental Working Group Core Values



- All projects will have environmental positives and negatives

Environmental Working Group Core Values

- We encourage community input and participation and we will incorporate that input in our efforts and share it with the County Team.

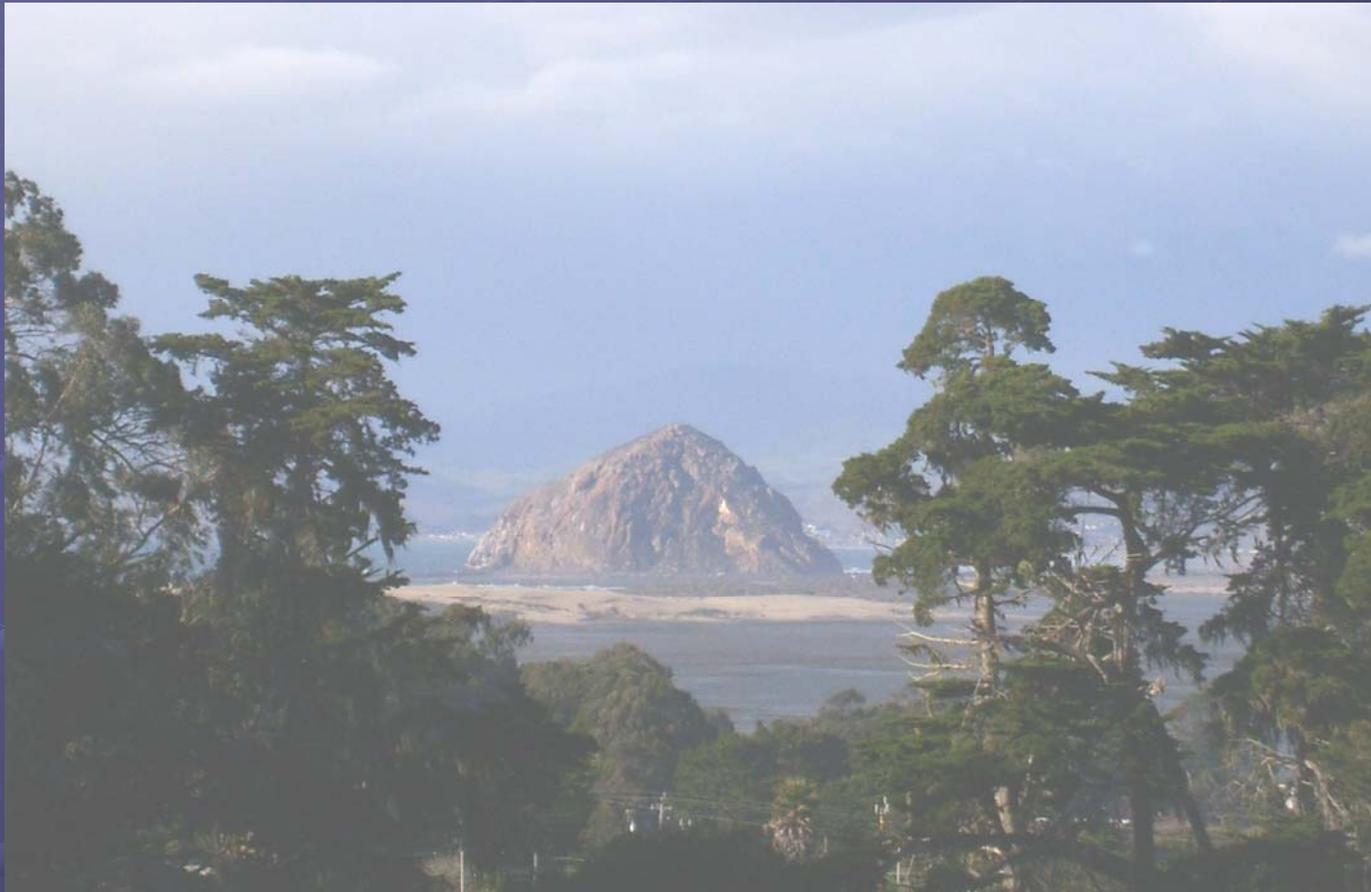
Environmental Working Group Criteria for Pro/Con Analysis

- Ground Water Management
 - Balance
 - Quality
- Surface Water Quality
 - Tributaries
 - Estuary
- Biological/Botanical Resources
- Archaeological Resources
- Land Use Compatibility
 - Impacts on Agricultural Lands
 - Odors
 - Noise
- Visual Resources
- Solids Handling
 - Air Pollution
 - Traffic
- Energy Use
 - Construction
 - Operation
- Growth Inducement



Environmental Working Group Future Plans

- Complete Criteria for Pro/Con Analysis



Environmental Working Group Future Plans

- Incorporate Public comments and concerns into Criteria

Environmental Working Group Future Plans

- Work with Project Team to get a full understanding of project alternatives

Finance Working Group Core Values

- Sustainability: Achieve groundwater balance and ensure source for clean drinking water.

Finance Working Group Core Values

- Community socio-economic well-being and diversity: “Nobody should have to leave their home to pay for a sewer.”

Finance Working Group Core Values

- Environmental stewardship: Protect this place we call “home” and love so dearly.

Finance Working Group Core Values

- Help rebuild relationships within the community.

Finance Working Group Criteria for Pro/Con Analysis

● Best Cost

- Lowest Cost to Construct
 - Land Acquisition
 - Road Impacts, Repairs
 - Potential Phases to ease project costs
- Cost for individual Hook-ups
- Lowest Cost for O & M
 - Energy Requirements
 - Labor
 - Disposal/ Sludge Management
 - Cost to repair, replace and upgrade
- Financial Risks
 - Potential spills and other fines
 - Potential Lawsuits
- Future Water Supply
 - Comparison of Imported water and higher level of treatment

● Best Funding

- Loan Constraints
 - Low Rate
 - Terms
 - Points, closing costs
 - Engineering Constraints
 - Flexibility and Timing
- Grants
 - Eligibility
 - Attraction
- Potential Participation from 3rd Parties
 - Water Purveyors
- Potential Sources of Revenue

Finance Working Group Future Plans

- Complete Criteria for Pro/Con Analysis
- Incorporate Public comments and concerns into Criteria
- Work with Project Team to get a full understanding of project alternatives

The background features a 3D grid of light blue spheres connected by thin lines, creating a perspective effect that recedes into the distance. The overall color scheme is a gradient of blue.

Frequently Asked Questions

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- Why is the Proposition 218 Vote first, and Project Selection second?
- Why is the “Tri-W” Project still being considered?

Frequently Asked Questions

- Who votes in the Prop. 218 proceedings?
- How much would it cost to prepare an Environmental Impact Report?

Frequently Asked Questions

- Why aren't "decentralized" systems being considered?
- When will a regional treatment plant be considered?

Frequently Asked Questions

- Will the County provide a project option that is Affordable?

Why Proposition 218 First, and Project Selection Second?

- Several reasons exist supporting the sequence of steps in the County process.
- The purpose of the Prop 218 ballots.
- In contrast, the Advisory vote and survey is needed to understand the type and location of wastewater project that best meets the preferences of the community.

Why Proposition 218 First, and Project Selection Second?

- Project selection decisions will be more efficient if they come after the Prop 218 vote.
 - Unpredictable previous efforts spent over \$6 million in selecting the previous County project and over \$24 million selecting the previous LOCSD project.

Why Proposition 218 First, and Project Selection Second?

- Public policy consideration for the financial cost to County-wide taxpayers that will be spent before the community's property owners decide if they will fund a project.

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Why Proposition 218 First, and Project Selection Second?

- Project selection must come after the Prop 218 funding vote or else the Prop 218 vote will be considered a “Project” under the California Environmental Quality Act (CEQA) resulting in:
 - Requirement for an Environmental Impact Report (EIR) to conduct the Prop 218 vote
 - Increase in project costs
 - Decrease in project flexibility

Why Proposition 218 First, and Project Selection Second?

- **The County process is consistent with Assembly Bill 2701 (AB 2701).**
 - AB 2701 established that the County will proceed to a Prop 218 assessment vote of property owners, with subsequent efforts to address project permitting and environmental efforts.
 - AB 2701 is the legislative/statutory authorization for the County efforts.
 - It is important that the County process is consistent with AB 2701 and the statements of County officials on the County process, that were made to State Legislators during the Senate and Assembly committee meetings on AB 2701.

Disadvantages to Reversing Board Authorized Direction

- Abandoning the existing process of moving forward will jeopardize the County's project credibility resulting in:
 - Decreased likelihood of obtaining grants
 - Other efforts needed to mitigate project affordability challenges will be hurt
 - Potential negative impact on other County water resource efforts

Disadvantages to Reversing Board Authorized Direction

- If the Prop 218 vote is project specific, and the “selected” project fails after the Prop 218 vote, then the efforts will need to be repeated.
 - The community cannot risk yet another project failure.

Disadvantages to Reversing Board Authorized Direction

- Impacts on Public Works Resources
 - Delays in Water Resource Programs
 - County wide MWP
 - Other Community specific efforts
 - Environmental Programs

Why is the “Tri-W” Project still being considered?

- Fully permitted
- No positive/negative project prejudices prior to CEQA / NOD
- Nevertheless, not preferred project
 - Co-equal alternatives (i.e. NEPA)

Who Votes in the Prop. 218 Proceedings?

- Property owners
- Prohibition Zone implications
- Developed/Undeveloped
- Special Benefits

How much would it cost to prepare an Environmental Impact Report?

- Several hundred thousand dollars based on existing approach
- Indeterminable if prior to Prop. 218 election due to additional requirements
 - One of many tasks required with change of process

Why aren't "decentralized" systems being considered?

- Two types of decentralized systems
- On-site systems are private facilities
- Cluster systems require multiple unavailable in town sites

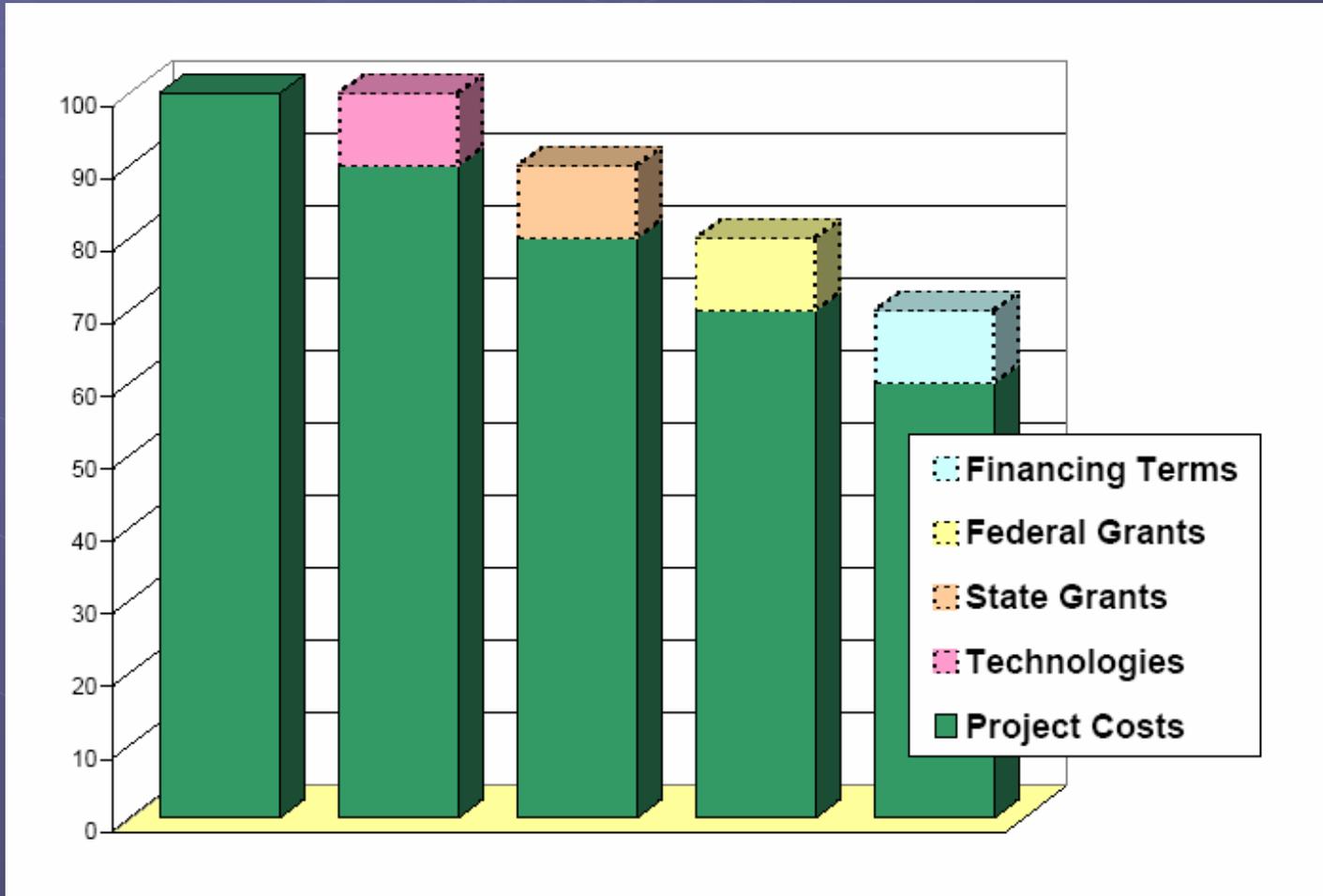
When will a Regional Treatment Plant be considered?

- 2008 – During CEQA Alternatives Review
- First Step - Determine Community Options
- Second Step – Determine whether regional components are feasible to replace or augment community components

Will the County provide a project option that is Affordable?

- Costs are driven by type of project
- Pursuing grants to mitigate affordability challenges
- Debt options (i.e. terms)

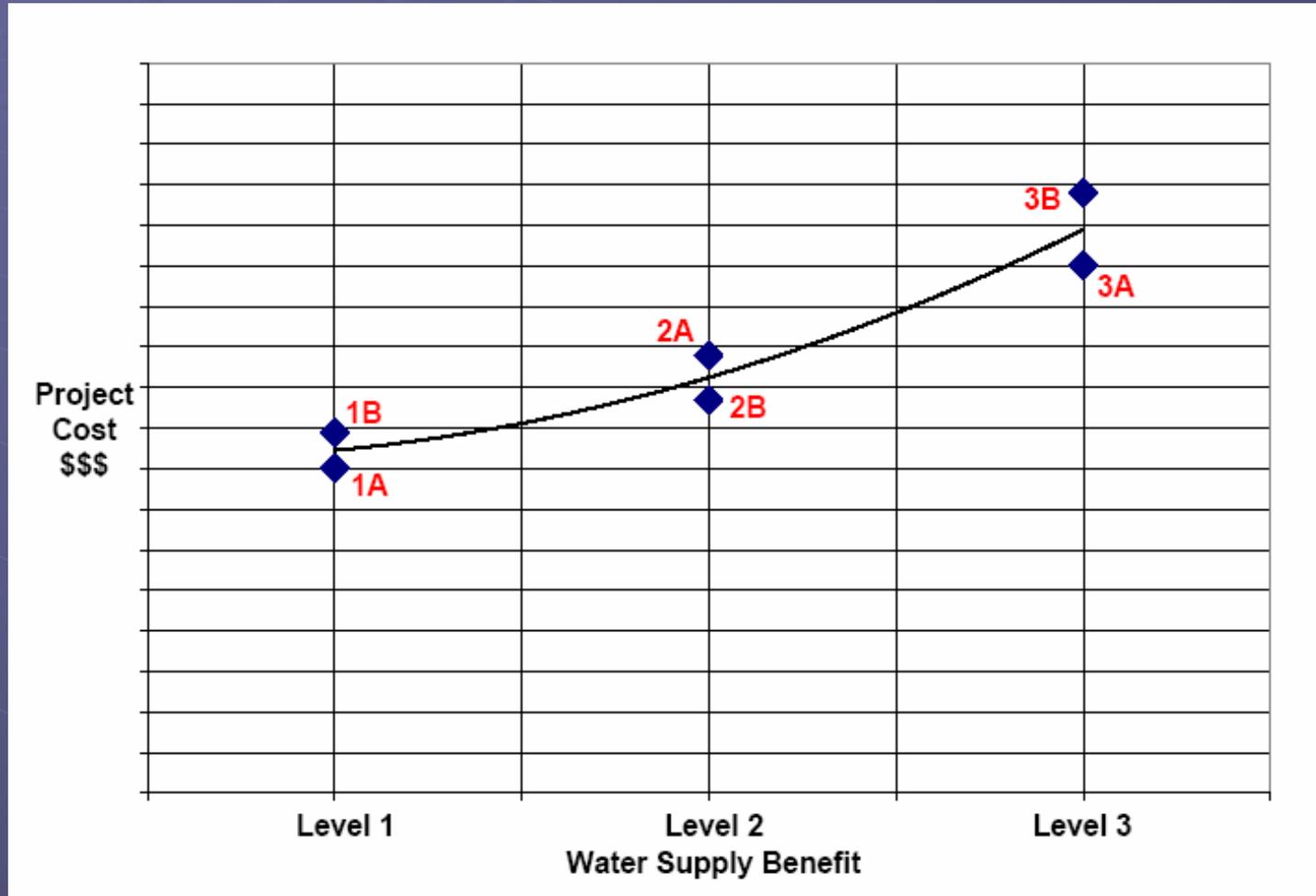
Mitigating Affordability Challenges



Summary / Wrap-Up



Costs are driven by type of project



HR 1495 – Approved April 19, 2007



HR 1495 – Approved April 19, 2007



HR 1495 – Approved April 19, 2007



Current Status - Budget

Exhibit A
Los Osos Wastewater Project Budget
As of March 31, 2007

	Budget	Actual Costs	Projected Future Costs	Estimated Total
Consultants				
Carollo Engineers	\$865,000	\$186,730	\$678,270	\$865,000
Cleath & Associates	50,000	16,590	33,410	50,000
Wallace Group (TAC)	45,000	8,831	36,169	45,000
Wallace Group (Assmnt Eng)	100,000	0	100,000	100,000
Crawford, Multari and Clark	150,000	33,294	116,706	150,000
Thoma Electric	19,500	0	19,500	19,500
Unallocated	40,000	0	40,000	40,000
Sub-Total Consultants	\$1,269,500	\$245,445	\$1,024,055	\$1,269,500
County Staff Labor	\$495,000	\$167,876	\$327,124	\$495,000
County Planning Staff Assistance	10,000	665	9,335	10,000
Training/Travel	10,000	8,044	1,956	10,000
Other/Public Outreach Brochures	50,000	10,409	39,591	50,000
Overhead	165,500	48,595	116,905	165,500
Sub-Total	\$730,500	\$235,589	\$494,911	\$730,500
Grand Totals	\$2,000,000	\$481,034	\$1,518,966	\$2,000,000

