Overview

- Budget Management Policy
- Priorities
- FY 2020/21 Proposed Budget and 5-Year Plan
The Budget Management Policy calls for funding activities that support the following:

- Understanding Conditions
- Establishing Sustainability Goals
- Identifying Opportunities
- Supporting Solution Start-Up

Existing Needs, Resiliency, and the Future

The Budget Management Policy calls for the following funding priority order:

First Funding Priority:
Existing **regional** programmatic services and commitments

Second Funding Priority:
District **financing needs** and other County-provided services related to water resources

Third Funding Priority:
Other **sub-regional** projects and programs
District services are organized into the following programs:

**Flood Control District Programs**

- **GROUNDWATER PROGRAM**
  - SGMA & Groundwater Studies

- **WATERSHED PROGRAM**
  - Flood Management, Stormwater & Drainage Studies

- **MANAGEMENT**
  - Management, Operations & WRAC

- **REGIONAL PROGRAM**
  - IRWM Program & Grants, Water Conservation & Regional Resiliency

- **TECHNICAL PROGRAM**
  - Hydrological Monitoring & Data Management

**Priority Special Projects**
Consultants, Equipment, Cost Match, etc.

---

**District Annual Revenue Estimate and Use:**

- **$3.2 M**
  - **$800,000**, 25% Labor
  - **$2,400,000**, 75% Operations
The following slides summarize key accomplishments in Fiscal Year 2019/20 and objectives for Fiscal Year 2020/21 based on:

- Existing contractual obligations and commitments
- Board of Supervisors priorities
- Grant eligibility requirements
- Regional services that support Groundwater Sustainability Agencies’ compliance with the Sustainable Groundwater Management Act

Management Program Priorities

Accomplishments
- Regional Resiliency Planning
- Website update to match County’s new platform

Current Objectives
- State Water Contract Policy Issues
- Regional Infrastructure and Housing Plan Support
Regional Program Priorities

Accomplishments
• IRWM Plan update, Part 1
• $3M IRWM Grant Application, Rnd 1
• Drought planning (Local Hazard Mitigation Plan)

Objectives
• Resource Management System support via IRWM
• $3M IRWM Grant Application, Rnd 2
• Disadvantaged Community Needs Assessment

Watershed Program Priorities

Accomplishments
• Countywide Stormwater Plan Finalization
• Cambria Flood Map Analysis
• Pilot program for vegetation management in County areas (Zone 9)

Objectives
• Countywide Stormwater Plan Implementation
• Community Drainage Study Updates
• East Fork Study (Zone 9)
Technical Program Priorities

Accomplishments
• New rain gauges in Creston and Upper Lopez Canyon
• Grant for improved real-time telemetry
• Continued stream, rain and groundwater level measuring

Objectives
• Data Management System upgrade to support SGMA
• Implement grant-funded project
• Continued stream, rain and groundwater level measuring

Groundwater Program Priorities

Accomplishments
• Paso Basin GSP adoption
• Aerial Groundwater Mapping
• Cuyama GSP adoption
• SLO Basin GSP progress
• Arroyo Grande Basin GSP kick off
• Los Osos Basin support
• Adelaida area study contract

Objectives
• Salinas Dam Disposition Study/Paso Basin Recharge
• USBR Salinas River Basin Study
• Integration of data into Paso Basin model
• Continue GSP efforts in SLO and Arroyo Grande Basins
• Support transition to Paso Basin GSP implementation
• Continued Adelaida and Los Osos Basin support
A Regional Resiliency Reserve has been established to support:

- Start-up efforts associated with implementing GSPs
- Cash-flow loans for other County efforts
- Future cost match for regional infrastructure partnerships

One-time money

Several documents have been provided to communicate budget information and work efforts.

- Budget Summary and 5-Year Plan
- Budget Management Policy
- Description of District Work Programs
Thank You!

Please send comments to: choward@co.slo.ca.us

www.slocounty.ca.gov
### San Luis Obispo County Flood Control and Water Conservation District

#### Flood Control Zone General

#### Budget Comparison

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<tr>
<th>OPERATIONS</th>
<th>A</th>
<th>B</th>
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<td>PROPERTY TAX INCOME</td>
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<td>166,585</td>
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| WATERSHED PROGRAM |   |   |   |   |
| DRAINAGE STUDIES & COORDINATION | 276,218 | 195,115 |   |
| WINTER STORM PREP | 5,188 | 5,188 |   |
| SUBTOTAL | 282,106 | 200,303 | -81,803 |

| GROUNDWATER PROGRAM |   |   |   |   |
| GROUNDWATER MANAGEMENT FROG | 1,547,122 | 1,026,656 | -521,066 |
| SUBTOTAL | 1,547,122 | 1,026,656 | -521,066 |

| TECHNICAL PROGRAM |   |   |   |   |
| HYDROLOGIC DATA MANAGEMENT | 605,026 | 652,737 |   |
| CASGEN | 136,346 | 136,265 |   |
| PRELIMINARY ANALYSIS/USISUS COOP | 50,358 | 50,071 |   |
| SUBTOTAL | 790,939 | 839,973 | 48,034 |

| REGIONAL PROGRAM |   |   |   |   |
| WATER CONSERVATION MANAGEMENT | 13,635 | 22,947 |   |
| IRWM GRANT PREPARATION | 4,013 | 2,934 |   |
| RCO MOBILE LAB EVALUATIONS | 33,844 | 33,850 |   |
| CLOUD SEEDING PROGRAM | 0 | 0 |   |
| IRWM GRANT ADMINISTRATION | 130,894 | 142,126 |   |
| IRWM PLAN IMPLEMENTATION | 345,486 | 763,355 |   |
| REGIONAL RESILIENCY | 260,385 | 325,773 |   |
| IRWM PLANNING GRANT (2015) STORMWATER | 47,352 | 0 | -47,352 |
| SUBTOTAL | 841,994 | 1,365,050 | 523,056 |

| TOTAL USES | 3,906,785 | 4,350,972 | 444,187 |

### Labor Extract

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<th>Labor Extract</th>
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<td>WATER RESOURCES</td>
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<td>LABOR HDR</td>
<td>19,113</td>
<td>21,560</td>
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<td>LABOR DOLLARS (Including OH)</td>
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<td>$185,722</td>
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<td>5.6</td>
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<td>BALANCE AS OF 6/30/2019</td>
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<td>8,402,164</td>
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<td>PROJECTED INCREASE / (DECREASE) TO RESERVES</td>
<td>1,455,359</td>
<td>(605,121)</td>
<td>850,238</td>
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<td>LESS $3.1 MINIMUM THRESHOLD (BOS 11/1/16)</td>
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<td>$902,402</td>
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**Footnotes:**

1. Operations budget excludes Non Operations budgets involving timing differences between years: grants (net zero over length of grant), loans (net zero over length of loan), and budget carryfowards from prior year. Non Operations budget available upon request.
2. Annual repayment of Loans: Los Osos Fund FY1516 $1,567,000 (Debt Reserve requirement) and FY1617 $1,185,000 (cash flow) and to CSA16 FY1516 $89,662 (cash flow.)
3. Auditors Office charge to pay for their costs associated with the collection of property taxes.
4. Labor increase due to an increase in student interns and staff focusing on FCZG efforts.
5. Influences on Reserves include Operations (above), and Non Operations (primarily grants and loans timing differences between fiscal years.)
6. Reserve accounts 325015 “Facilities” and 325004 “Monitoring Equipment” were replaced with 325015 “Emergencies” to isolate the $3.1M emergency threshold and 325004 “Projects and Seeds” (balance of reserves). This change does not change the cumulative dollar amounts in Reserves.
7. Anticipated Reserve Balance Available as of 6/30/20 ties to Water Resources 5 Year Plan.
### Flood Control General

#### 5-Year Special Priority Project Plan

**SUMMARY:**

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<tr>
<td><strong>REVENUES</strong></td>
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<td><strong>Operations</strong></td>
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<td>Beginning Balance</td>
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<td>$25,000</td>
<td>$25,000</td>
<td>$25,000</td>
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<td><strong>Subtotal</strong></td>
<td>$3,106,567</td>
<td>$3,272,080</td>
<td>$3,292,242</td>
<td>$3,390,260</td>
<td>$3,491,217</td>
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<td><strong>Other</strong></td>
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<tr>
<td>From Other Funds</td>
<td>$60,000</td>
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<td>Loan Reimbursements</td>
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<td>$1,878,271</td>
<td>$1,877,198</td>
<td>$1,877,198</td>
<td>$1,877,198</td>
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<td>Grants Pass-Through (Budgeted)</td>
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<td><strong>Subtotal</strong></td>
<td>$8,499,666</td>
<td>$1,878,271</td>
<td>$5,287,778</td>
<td>$5,287,778</td>
<td>$1,877,198</td>
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<td><strong>Total Revenues</strong></td>
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<td>$5,150,351</td>
<td>$8,580,021</td>
<td>$8,678,038</td>
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<td><strong>EXPENSES</strong></td>
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<tr>
<td><strong>Operations</strong></td>
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<td>$2,521,839</td>
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<td>Ongoing Operations and Overhead</td>
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<td>$474,221</td>
<td>$497,932</td>
<td>$522,829</td>
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<td>$2,681,785</td>
<td>$2,875,972</td>
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<td><strong>Money Available for Special Projects Categories A, B, and C</strong></td>
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<td>$9,031,902</td>
<td>$11,462,652</td>
<td>$11,058,851</td>
<td>$7,011,890</td>
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<td><strong>Assuming allocation to Special Projects Categories A and B, Remainder Available for Category C</strong></td>
<td>$83,481</td>
<td>$6,252,402</td>
<td>$5,911,080</td>
<td>$5,372,771</td>
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<td>$1,125,000</td>
<td>$500,000</td>
<td>$675,000</td>
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<td><strong>Maintain $3.1M Minimum Threshold (BOS 11/1/16)</strong></td>
<td>$(3,100,000)</td>
<td>$(3,100,000)</td>
<td>$(3,100,000)</td>
<td>$(3,100,000)</td>
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<td>$5,551,572</td>
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## Flood Control General
### 5-Year Special Priority Project Plan

**District General Fund 5-Year Projection**

### PRIORITY: PAGE 2 OF 2

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<td>Agreement with USBR</td>
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<td>RW/WM Lead Agency</td>
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<td>$25,000</td>
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<td>$25,000</td>
</tr>
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### B Organizational Needs

- [D] To Other Funds
  - To FCZ4 for Basin Maintenance | | $18,000 | $4,000 | - | - | - |
  - To FCZ16 for Basin Maintenance | | $20,500 | $20,500 | $20,500 | $20,500 | $20,500 |

- [E] Loans issued
  - Los Osos WWPR Conservation Program Loan | $50,000 | $50,000 | |
  - 1917 Los Osos cash flow loan (pending) | $1,580,000 | $1,580,000 | $1,580,000 | $1,580,000 | $1,580,000 |

- [F] Grants Pass-Through (Budgeted)
  - RW/WM Prop 84 Implementation Grant 2011: To FCZ1/1A | $2,200,000 |
  - RW/WM Prop 84 Flood Emergency Response Grant | $195,105 |
  - RW/WM Prop 84 Implementation Grant 2015 | $3,289,709 |
  - RW/WM Prop 1 Disadvantaged Communities Involvement 2017 | $877,563 |
  - RW/WM Prop 1 Implementation Grant 2018 & 2020 | |

### C Other Projects and Programs

- Regional Resiliency
  - Initial Implementation/Partner Share | Potential | Beneficiaries | $115,000 |
  - Technical Support | Potential | Beneficiaries | |
  - Cost Share Contribution | Potential | Beneficiaries | $50,000 | $50,000 | $50,000 | $50,000 | $50,000 |

### Anticipated Project Costs

- Subtotal | $675,000 | $350,000 | $400,000 | $400,000 | $5,011,390 |

**NOTES:**

1. This Plan identifies non-labor funding needs (e.g., consultants, equipment, etc.) that are timed in accordance with prioritization of needs and available staff time. Advancing efforts may require additional staff.
2. Projection includes a 3% annual increase in tax revenue and a 5% payroll inflation factor per year for step increases, compensation increases, and equity adjustments after original estimate.
3. Difference between Grant Pass-Through in the Revenue section and the Grant Pass-Through in the Expense section is the amount anticipated to be retained by Public Works to fund internal administration costs (labor).

WRAC 3-26-2020 Packet  | Item 5-15
BEFORE THE BOARD OF SUPERVISORS

of the

SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

Tuesday, November 1, 2016

PRESENT: Supervisors Frank R. Mecham, Bruce S. Gibson, Adam Hill, Debbie Arnold, and Chairperson Lynn Compton

ABSENT: None

RESOLUTION NO. 2016-281

RESOLUTION ESTABLISHING A POLICY REGARDING MANAGEMENT OF THE SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT GENERAL FUND BUDGET AND RESERVES

The following resolution is now offered and read:

WHEREAS, in 1968, the San Luis Obispo County Flood Control and Water Conservation District (District) Board of Supervisors approved Resolution No. 68-223 which established a policy regarding surveillance of potential drainage problems within the District and the manner in which any necessary remedial measures (planning, design, construction, financing and maintenance of drainage facilities) would be funded (1968 Policy); and

WHEREAS, consistent with the objects and purposes of the District set forth in the San Luis Obispo County Flood Control and Water Conservation District Act, the District provides services that extend beyond drainage and flood control services, including, without limitation, services related to the prevention of waste or diminution of the water supply in the District; and

WHEREAS, in addition to being narrowly focused, the 1968 Policy contains provisions, particularly provisions related to financing, that have not been updated to reflect changes in law, including, without limitation, Proposition 218; and

WHEREAS, based on the foregoing, the District has determined that the 1968 Policy should be replaced with an updated policy that reflects the broad range of services provided or anticipated to be provided by the District to help achieve sustainable water resources in all areas of the District and that is consistent with public financing laws.
NOW, THEREFORE, BE IT RESOLVED, ORDERED AND DETERMINED by the Board of Supervisors of the San Luis Obispo County Flood Control and Water Conservation District, State of California, that the District General Fund budget and reserves shall be managed in accordance with the following principles:

1. The District shall use available funds for services intended to result in the following:
   a. Development of a common understanding of conditions (e.g. regional data collection, technical studies);
   b. Definition of sustainability goals (e.g. Integrated Regional Water Management (IRWM) Program implementation);
   c. Identification of feasible solutions to meet goals (e.g. feasibility studies); and
   d. Facilitation of the initial implementation of identified solutions (e.g. District zones of benefit)

2. In its determination of the manner in which various services falling within Section 1 will be funded through the development of the annual District General Fund budget, the District shall allocate funding in accordance with the following priority order:
   a. Existing regional programmatic services and commitments;
   b. District financing needs and other County-provided services related to water resources; and
   c. Other projects and programs that come forward through the IRWM project solicitation and grant application process or are otherwise identified by regional and/or sub-regional stakeholder groups and are financially supported by entities other than the District (e.g. cost-shared, grant-funded or otherwise cost-recoverable area-specific services such as basin characterizations/models and drainage studies).

3. When a long-term solution(s) is identified for implementation, such as an infrastructure project, management of a shared source of supply or management of flood and/or storm waters, use of the annual District General Fund budget shall be limited to facilitating services related to its initial implementation, including institutional structure formation (e.g. creation of a zone of benefit of the District) and funding processes (e.g. establishment of a fee, assessment or tax), preliminary project
development and cash flow/start-up costs. If such services become 
funded, the District shall seek reimbursement (e.g. from a successfully 
formed and funded zone of benefit of the District) to the extent possible.

4. The annual District General Fund budget shall be developed and 
managed in a manner that builds reserves in times while needs beyond 
existing regional programmatic services are still being identified so that 
funding is available when services to address such needs are ready for 
implementation.

5. For annual budgeting and emergency preparedness purposes, the 
minimum threshold for District reserves shall be $3,100,000.

6. This policy shall supersede the 1968 Policy.

Upon motion of Supervisor Gibson, seconded by Supervisor Mecham, and on the following roll call vote, to wit:

AYES: Supervisors Gibson, Mecham, Hill, Arnold and Chairperson Compton

NOES: None

ABSENT: None

ABSTAINING: None

the foregoing Resolution is hereby adopted on the 1st day of November, 2016.

Lynn Compton
Chairperson of the Board of Supervisors

ATTEST:

Tommy Gong
Clerk of the Board of Supervisors

By: Sandy Curran
Deputy Clerk
STATE OF CALIFORNIA, } ss.
County of San Luis Obispo,

I, Tommy Gong, County Clerk and ex-officio Clerk of the Board of Supervisors of the San Luis Obispo County Flood Control and Water Conservation District, do hereby certify the foregoing to be a full, true and correct copy of an order made by the Board of Supervisors, as the same appears spread upon their minute book.

WITNESS my hand and the seal of said Board of Supervisors, affixed this 15th day of November, 2016.

Tommy Gong
County Clerk and Ex-Officio Clerk of the Board of Supervisors

By Sandy Duron
Deputy Clerk
A. **Management**

Efforts in this category include supporting the Water Resources Advisory Committee (WRAC), District strategic planning and budgeting efforts, public information requests and inter/intra-department coordination. Staff has created a multi-department water “superteam” that meets monthly to discuss key interrelated water management efforts such as the Resource Management System, data collection and organization efforts and other projects and programs with water resources implications. Its mission is to influence and create consistency amongst water-related policies and programs for the purpose of achieving sustainable communities in alignment with the County’s values.

B. **Regional Program**

   a. **Integrated Regional Water Management (IRWM) Program**

IRWM Program efforts include implementing and updating the Plan, coordinating with the Regional Water Management Group (RWMG), monitoring State and funding area activities relevant to IRWM, administration of the implementation and planning grant agreements with the State and project proponents, and the development of future implementation grant applications. The District is the lead agency for the program in accordance with State regulations and the Memorandum of Understanding between the RWMG member organizations. Participation in the IRWM Program has resulted in over $23M in grant awards for local needs.

   b. **Water Conservation Management**

A condition of obtaining an IRWM grant includes compliance with AB 1420, which requires implementation of certain conservation best management practices (BMPs) by wholesalers. Certain BMPs are best implemented by the District on a regional basis, while others should be addressed in the Lopez Zone 3 Funds. For example, BMPs 1.11, 2.1, 2.2 – Conservation Coordinator, Public Information and School Education should be implemented regionally, while BMP 1.13– Wholesale Agency Assistance Programs and BMP 1.2 – System Water Audits, Leak Detection/Repair are specific to the wholesale operations. In addition to labor, funding is included to cover the cost of outreach materials and programs, and supporting the Resource Conservation Districts’ mobile irrigation audit lab programs.

   c. **Regional Resiliency Planning**

Due to concerns associated with extended drought, and stressed groundwater basins and watersheds, efforts under the regional program include preliminary, updated investigations into
the feasibility of additional regional infrastructure, installing the gates on Salinas Dam, recharge
with stormwater and desalination as options to address drought resiliency, existing deficiencies
and future needs.

C. **Technical Program**

Overall, the Program, as described below, includes ongoing Hydrologic Data collection and
management efforts, California Statewide Groundwater Elevation Monitoring (CASGEM)
Program compliance efforts and a contract with the US Geological Survey to share the cost of 3
stream gauges. The data is used by entities charged with water resource management and
technical analysis, including the State, Groundwater Sustainability Agencies, and other local
entities.

a. **Hydrologic Data**

This budget allocation covers the following efforts:

**Data Management System.** This includes processing and entering all historical hydrologic data
into the data management software and web interface, developing standardized reports for the
data to support Sustainable Groundwater Management Act efforts, and utilizing Geographic
Information Systems (GIS) to report and organize the information. Other efforts include trouble
shooting data errors as well producing guidance manuals for the overall program.

**Groundwater Data.** This includes groundwater data collection efforts including groundwater
monitoring, measuring, management, and analysis, and both field and office work related to
groundwater sites and the associated data.

**Stream Data.** This includes stream data collection efforts including stream calibrating,
management, and analysis, and both field and office work related to stream gauging sites and the
associated data.

**Precipitation Data.** This includes rain data collection efforts including rain gauge maintenance,
management, and rainfall/intensity analysis, and both field and office work related to rain sites
and the associated data.

**Hydrologic Reporting.** Once the Data Management System is implemented, it is anticipated that
the District will generate a periodic Hydrologic Report, using the Data Management System
report formatting and a GIS interface.

**Office Technical Support.** This includes technical support of computer software and equipment
related to the automated collection and reporting of groundwater data, stream data, or
precipitation, and other office-related efforts such as maintenance and enhancement of the
SLOCountyWater website.

**CIMIS (California Irrigation Management Information System) Stations.** This includes working
on existing CIMIS station maintenance efforts.
b. CASGEM

The budget allocation is for CASGEM program compliance tasks such as efforts to add new volunteer wells to the program, developing and implementing monitoring plans, and coordinating with State and local agencies.

c. Joint Monitoring with USGS

This budget allocation is for sharing the cost of the operation and maintenance of three stream gauges: one on the Salinas River (in Paso Robles), a second station is upstream of the Lopez Reservoir and the third is in Santa Barbara Canyon Creek near Ventucopa.

D. Groundwater Management Program

Work efforts under this program include coordination with stakeholders in groundwater basins that are subject to the Sustainable Groundwater Management Act (SGMA), and with stakeholders in other groundwater basins or areas as resources allow, in accordance with the County’s SGMA Implementation Strategy. Tasks include participating on or coordinating with Groundwater Sustainability Agencies, monitoring State activities, helping to establish formal groundwater basin boundaries with the State, providing data and other requested technical support as resources allow in the development of Groundwater Sustainability Plans (GSPs).

E. Watershed Management Program

This allocation supports general drainage and flood control efforts in 25 watersheds including responding to constituents, investigating drainage issues, programs, and flooding problems for all County areas, consistent with the Board of Supervisors adopted policy on surveillance of drainage and flood control problems. Efforts to update drainage studies are anticipated to involve consideration of integrated water management objectives of supply enhancement and water quality improvement. The intent of the program is to provide the technical support needed should communities wish to pursue grants and/or establish Zones of Benefit that would fund maintenance, design, and implementation of watershed/drainage/flood management projects.

Zones of Benefit

The following is a brief description of the various funding efforts for the established Zones of Benefit.

a) Zone 1/1A - This zone’s budget includes annual vegetation and maintenance for the 3.5 miles of the Arroyo Grande Creek Levee system.

b) Zone 3 - This budget includes all tasks related to Lopez dam maintenance, the Lopez water treatment plant, water deliveries, and associated water distribution system.
c) **Zone 4** - Funding transferred to Santa Barbara County for the maintenance of the Santa Maria levee system.

d) **Zone 9** - Funding for the San Luis Obispo Creek Watershed. The City of San Luis Obispo and County coordinate on vegetation and sediment management of San Luis Obispo Creek and its tributaries as well as project development of flood control improvement projects such as the Mid-Higuera By-Pass project.

e) **Zone 16** – Provides for maintenance of thirty-five (35) drainage basins throughout the District.

f) **Zone 18** – Funding for maintenance of the Cambria detention basin. The basin was constructed with FEMA grant funding and is required to have separate funding for its maintenance and environmental compliance measures.