Items V & VI

- November 30th Kick-off Meeting Recap
- Summary of Needs Assessment
- Input on Draft SLO County Goals
- Recommendation to approve Water Management Amendment
- Next Steps
Kick Off Meeting Recap & Needs Assessment Summary
Input on Draft SLO County Goals

Diversified Long-Term Water Portfolio

Maintain Essential Community Water Supply

Reduce Districtwide Taxpayer Obligation
Subcontractor Considerations

- Determine reliability needs
  - Additional drought buffer, utilize available storage programs and/or buy at market rate at time of need
- Open to local wheeling to non-subcontractors?
  - E.g., local water purveyors and/or agricultural users
  - Acceptable pricing and contract terms would need to be developed
  - Shared infrastructure may require cooperative approach
- Ongoing District oversight or other governance model?
- Relationship to Delta Conveyance participation decision
District-wide Taxpayer Considerations

• Interest in relieving tax roll of unsubscribed amount
  • Continuing to invest to reserve for emergencies/future needs vs. funding other projects

• Less certainty of tax roll relief when relying on annual transfers vs. more certainty with a longer-term transfer
  • Ability to get it back for emergencies subject to negotiation

• Interest in long-term and/or permanent transfers uncertain if there are no local buyers
New Participants Considerations

• Local interest in State Water as a supplemental supply for resiliency and to address groundwater declines
  • Different participation levels possible – full buy-in vs. annual or multi-year purchase from an existing subcontractor/the District
  • No harm to existing participants

• Acceptable pricing and contract terms would need to be developed
  • More expensive water supply for buyer; degree of cost recovery for seller
  • Water rights issues
Draft Goals/Considerations Discussion
Recommendation

- Recommendation that the Board approve the Water Management Amendment on February 9th
  - No obligation to use the tools provided for in the amendment
  - Specific use of the tools would be separate actions
  - Would put District staff in a position to engage when DWR starts implementing in March
  - Two lawsuits filed against DWR (not individual Contractors)

- March 2nd Board update on study and input on goals
  - May include recommendation for pilot program for 2021 only
Next Steps

• State Water Subcontractors Advisory Committee Meeting
  • Friday, January 8th, 10 – 11 am

• Water Management Tools Study Public Meeting
  • Thursday, January 14th, 10:30 am

• February 3rd WRAC Meeting
  • Input on goals and recommendation to approve amendment

• February 9th Board of Supervisors Meeting
  • Recommendation to approve amendment

• March 2nd Board of Supervisors Meeting
  • Input on goals and potential pilot project for 2021
State Water Project Recommendations