



## ZONE 3 ADVISORY COMMITTEE

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San Luis Obispo County Flood Control and Water Conservation District

### AGENDA

Thursday, May 21, 2026, at 10:30 A.M.

City of Grover Beach Council Chambers  
154 S. Eighth Street, Grover Beach

- I. CALL TO ORDER AND ROLL CALL
- II. PUBLIC COMMENT  
This is an opportunity for members of the public to address the Committee on items that are not on the agenda.
- III. MEETING MINUTES
  - A. March 19, 2026, Meeting – [Attachment 1](#)
- IV. OPERATIONS REPORT
  - A. Water Plant Operations, Reservoir Storage, Downstream Releases - [Verbal Update](#)
  - B. Projected Reservoir Levels – [Attachment 2](#)
  - C. March and April Monthly Operations Report – [Attachment 3](#)
  - D. Projects Updates - [Attachment 4](#)
- V. LOPEZ RECREATION REPORT
- VI. INFORMATIONAL ITEMS
  - A. 3rd Quarter Budget Status Report – [Attachment 5](#)
- VII. ACTION ITEMS (No Subsequent Board of Supervisors Action Required)
  - A. Declare Surplus Water – [Attachment 6](#)
- VIII. ACTION ITEMS (Board of Supervisors Action is Subsequently Required)
- IX. FUTURE AGENDA ITEMS
- X. COMMITTEE MEMBER COMMENTS

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Next Regular Meeting is Scheduled for  
July 16, 2026, at 10:30 AM at 760 Mattie Road, Pismo Beach  
Agendas accessible online at [www.slocounty.ca.gov/pw/zone3](http://www.slocounty.ca.gov/pw/zone3)

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**SAN LUIS OBISPO COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT  
ZONE 3 ADVISORY COMMITTEE  
MEETING MINUTES  
THURSDAY March 19, 2026  
PISMO BEACH**

**I. CALL TO ORDER AND ROLL CALL**

- **Action:** The Zone 3 Advisory Committee meeting was called to order at 10:30 AM by Ron Reilly Member At Large
- **Action:** Roll call conducted by David Spiegel

**Members in Attendance:**

- Byron Talley, Agriculture
- Brad Hagemann, CSA-12
- Ron Reilly, Member At Large
- Marcia Guthrie, Pismo Beach Member
- Shirley Gibson, Oceano CSD
- Aileen Loe, City of Arroyo Grande

**II. PUBLIC COMMENT**

Katie Franco presented a correction to the Second Quarter Budget Status Report, recommending the use of district operating reserves to increase the litigation line item by \$1,100,000 for the remainder of the fiscal year. She explained that the budget book was not presented because it requires updates to reflect this change and a proposed reserve policy revision. Brad Hagemann added that the original recommended amount was \$900,000, and the revision increases it by \$200,000.

**III. MEETING MINUTES- Attachment 1**

Ron Reilly presented item for approval of January 15, 2026, minutes.

Motion for approval: Brad Hagemann; Seconded: Marica Guthrie; The motion was approved with all ayes and no nays.

**IV. OPERATIONS REPORT**

**A. Water Plant Operations, Reservoir Storage, Downstream Release**

- Lopez WTP operating at 4.2 MGD.
- State Water project operating at 0.7 MGD.

- Downstream release at 2.4 MGD
- Reservoir elevation at 515.58 feet; 87.5% capacity
- Total storage at 43,269.2 acre-feet
- Rainfall to date reported 21.42 inches, which is 107% of the seasonal average.

**B. Projected Reservoir levels- Attachment 2**

- Current lake conditions are stable.
- The green line on the chart represents storage projections assuming additional rainfall, while the yellow line represents projections assuming no further rainfall for the remainder of the year.

**C. January and February Monthly Operations Report – Attachment 3**

- Water usage is consistent with expected levels for this time of year.
- The water year concludes in March, at which time a year-end reconciliation “true-up” will occur.
- Updated entitlement and surplus storage allocations will be provided effective April 1.
- David Spiegel noted that the State typically declares surplus water around April or May. However, due to the injunction, downstream releases exceeded the typical 4,200 acre-feet. As a result, it is anticipated that no surplus water will be generated this year.

**D. Project Updates-Attachment 4**

**David Spiegel, County Public Works Department, provided updates on current and ongoing projects**

- **Spillway assessment:** David Spiegel reported that GEI is preparing an alternatives analysis based on comments received from the County. The analysis is also undergoing additional quality assurance and quality control review by another branch of the firm. Once the revised analysis is received, it will be circulated to the Zone 3 Technical Advisory Committee (TAC) for review and to determine which alternatives should move forward for further investigation. Approximately \$200,000 to \$250,000 remains in the project budget.
- **Geotechnical Testing and Seismic Alternatives;** Staff met with the Division of Safety of Dams (DSOD) to discuss current funding constraints within Zone 3. DSOD has requested completion of a two-dimensional (2D) FLAC analysis and a fault rupture assessment. Preliminary cost estimates for these studies range from \$200,000 to \$250,000. The results will determine whether a seismic retrofit of the Terminal Reservoir is necessary. Staff are considering issuing a bid solicitation to obtain more competitive pricing. DSOD indicated that deferring portions of the work is acceptable, provided the County demonstrates due diligence in advancing the project, such as allocating budget and obtaining cost estimates.
- **Cathodic Protection repair:** Staff are continuing coordination with the Department of Water Resources (DWR) and are currently addressing plan check comments related to a proposed transient monitoring test station. David Spiegel noted

concerns regarding the necessity of the station, stating that the County's pipeline predates the State Water Project infrastructure and has an existing cathodic protection system. Staff are advocating that, if required, the State should bear the cost of installation. Updates will be provided as discussions progress.

- **Fire tank replacement:** The fire Flow Tank project remains on hold pending available funding. David Spiegel clarified that previously referenced budgeted funds of approximately \$500,000 are no longer allocated to this project, as those funds were reassigned to the membrane module rack project at the direction of the TAC to prioritize completion of a single project.
- **Urban Water Management Plan:** David Spiegel stated that the Urban Water Management Plan, which is updated every five years, is currently under development by a consultant and is approximately 90% complete. Comments are being addressed, and finalization is anticipated by the July 2026 deadline. Due July 2026; consultants engaged; estimated cost \$60,000.
- **Lopez Water Treatment Plant – Lightning Strike update:** David Spiegel provided a project review regarding a recent lightning strike at the Lopez Water Treatment Plant during a storm event. The strike caused damage primarily to low-voltage equipment, including components of the plant's SCADA system. High-voltage equipment, such as pumps and motors, was not affected. Due to the loss of SCADA functionality, key monitoring and control systems were temporarily inoperable. County staff completed repairs and restored plant operations within approximately one and a half weeks. The incident highlighted the importance of maintaining spare parts and backup equipment. An insurance claim has been filed, and all associated costs, including staff time, are being tracked. The applicable deductible is \$50,000. Staff obtained a proposal from Electricraft to conduct a lightning strike assessment at an estimated cost of \$18,000. This item will be brought to the Technical Advisory Committee (TAC) for further consideration. A site tour of the Lopez Water Treatment Plant was suggested to provide stakeholders with a better understanding of plant operations and system complexity.

Ron Reilly asked, was there any indication that the water quality was impeded at the time of the lightning strike? David Spiegel responded, regarding water quality impacts, staff confirmed that water quality was not affected. The plant shut down as designed, preventing any untreated water from reaching the Clear water reservoir. All regulatory requirements were met, and appropriate reporting was completed with the State. During the outage, there were also communication issues with the State water connection due to related equipment damage. These issues were resolved promptly, allowing flow rates to be set at the turnout. A district-initiated exchange with Zone 3 agencies was implemented to maximize the use of State water during the outage.

#### **Completed Projects:**

Membrane Module Replacement  
Steelhead Passage Feasibility Assessment of Lopez Dam  
Lopez Dam Flow Sensor

**E. 2<sup>nd</sup> Quarter Budget Status Report – Attachment 5**

- The committee received the Second Quarter Budget Status Report and accompanying recommendation regarding a proposed adjustment to the litigation line item. David Spiegel reported that, at the midpoint of the fiscal year, approximately 50% of the total budget has been expended, with \$4.6 million in expenditures to date and an estimated \$3.5 million remaining. Routine Operations and Maintenance (O&M) expenditures total \$3.7 million, representing approximately 55% of the allocated budget, and are generally tracking as expected. Non-routine O&M expenditures total \$963,000, exceeding the budget by approximately \$259,000 (130% expended) primarily due to ongoing litigation costs totaling approximately \$931,000. Capital project expenditures through the second quarter total \$1,464,000 with approximately \$844,000 remaining. It was noted that final invoicing, from the Pall Membranes, estimated at \$600,000 is pending resolution of an invoice discrepancy and is expected to reconcile the capital budget. It was noted that chemical costs are trending higher than anticipated at approximately 60% of the total budget. Expenditures for Lopez Water Rights and Habitat Conservation Plan (HCP) are at approximately 76%, with work activity expected to increase following a temporary slowdown after submittal on October 1.

**Committee/Public Comment**

Aileen Loe (City of Arroyo Grande) asked whether litigation costs are tracked separately from Habitat Conservation Plan (HCP) development costs. David Spiegel confirmed they are, with HCP costs reflected under Routine O&M.

Stacy Inman (City of Pismo Beach) asked for the total litigation cost for the current fiscal year. David Spiegel stated the cost is approximately 931,831 dollars. When asked why an increase in the litigation budget is needed, he explained that actual expenses have already exceeded the original budget and total costs are now projected to reach 900,000 to 1.1 million dollars. Inman also asked whether the request is based on past expenses or future projections and how the increased costs would be funded. Katie Franco explained that the request reflects both incurred and projected expenses, and the proposal is to use agency reserves to avoid large year-end true-up billings.

Marcia Guthrie (City of Pismo Beach) asked whether the County could consider a smaller increase to city billings, suggesting a 25 percent increase instead of the approximately 57 percent initially indicated.

Katie Franco noted that the updated second quarter report includes revised reserve balance information. The projected FY 2026-27 O&M budget is 6.5–6.6 million dollars, with current operating reserves at 2.8 million dollars (about 43 percent). Using 1.1 million dollars from reserves would reduce the balance to approximately 1.7 million dollars (about 26 percent). She added that if litigation costs decrease or the matter is resolved, unused funds could be returned to reserves or carried forward for future stabilization efforts.

Stacy Inman asked whether the 1.1 million dollars is being taken from reserves rather than billed to agencies, and how this differs from past practices. David Spiegel confirmed that the funds would come from reserves and that this is consistent with prior practices when reserves are used to cover budget shortfalls.

Motion for approval: Aileen Loe; Seconded: Marica Guthrie; The motion was approved with all ayes and no nays.

## **V. LOPEZ RECREATION REPORT**

### **Craig Duprey, Supervising Ranger, reporting period: January- February**

- Approximately 28,000 visitors to Lopez Lake since January, with visitation increasing due to warm weather.
- The Cal Poly Triathlon was held on March 7<sup>th</sup> with no major issues; a bass tournament is scheduled for the upcoming weekend.
- The water tank replacement project is complete and in the curing phase, with transition to the new tank expected by the end of April.
- Ongoing work includes erosion control, facility maintenance, water and sewer repairs, and weed abatement.
- Staff are coordinating efforts to address seasonal bear activity, including upgrading trash receptacles.
- Three trout stockings totaling approximately 5,000 pounds have been completed since January.
- The Aquatic Invasive Species program conducted nearly 1,000 vessel inspections, with 16 failed inspections.
- Staff are preparing a grant application for invasive species prevention funding for 2026-2028.
- Continued grant funding is critical to maintain inspection efforts; without it more restrictive measures such as vessel quarantines may be required in the future.

### **Committee/Public Comment**

Brad Hagemann asked about the size of the new water tank and the contractor. Craig Duprey reported that the tank will hold over 200,000 gallons and is being built by Crosno Construction.

Shirley Gibson asked about recent bear activity at the lake. Craig Duprey stated that no recent activity has been observed in the past few months, though activity typically increases during peak visitation seasons.

Marcia Guthrie asked how competitive the invasive species prevention grant is. Craig Duprey explained that it is highly competitive, with about 2 million dollars available in the last cycle. Lopez Lake previously received 318,000 dollars due to its vulnerability to mussel infestation, and staff are confident in submitting a strong application, though full funding is not guaranteed.

No Public Comment

**VI. INFORMATIONAL ITEMS**

None

**VII. ACTION ITEMS (No Subsequent Board of Supervisors Action Required)**

None

**VIII. ACTION ITEMS (Board of Supervisors Action is Subsequently Required)**

**A Fiscal Year 2026-27 Budget Endorsement – Attachment 6**

Kristina Borges (County Public Works) presented the proposed FY 2026-27 budget, following review by the Finance Committee and the Technical Advisory Committee. She reported that total O&M costs are projected to increase by 4.63%, while contractor billings to agencies are projected to rise by 10.74% due to the expiration of approximately 706,000 dollars in one-time reserve funding used in FY 2025-26. Without that prior-year adjustment, billings would increase by about 213,000 dollars, or 2.49%. Routine expenditures are expected to increase by about 148,000 dollars (2.31%) due to overhead, engineering, SCADA work, and meter station needs, with decreases in HCP and Urban Water Management Plan costs. Non-routine expenditures are projected to grow by 31.61%, mainly from new DSOD-required dam safety compliance studies not included in last year's budget. No new capital outlay projects are proposed. A revision to the reserve policy was also presented, reducing the minimum operating reserve requirement from 50% of routine O&M to 25%, with a target of maintaining 50%.

The committee expressed appreciation for the report. Staff recommended both items for approval, the revised reserve policy language and the 2026-27 Budget to the Board of Supervisors.

Motion for approval: Brad Hagemann; Seconded: Aileen Loe; The motion was approved with all ayes and no nays

No Public Comment

**IX. FUTURE AGENDA ITEMS**

None

**X. COMMITTEE MEMBER COMMENTS**

None

**ADJOURNMENT**

- **Action:** The meeting was adjourned at 11:15 AM by Ron Reilly

**Next Meeting:** Scheduled for May 21, 2026, Grover Beach

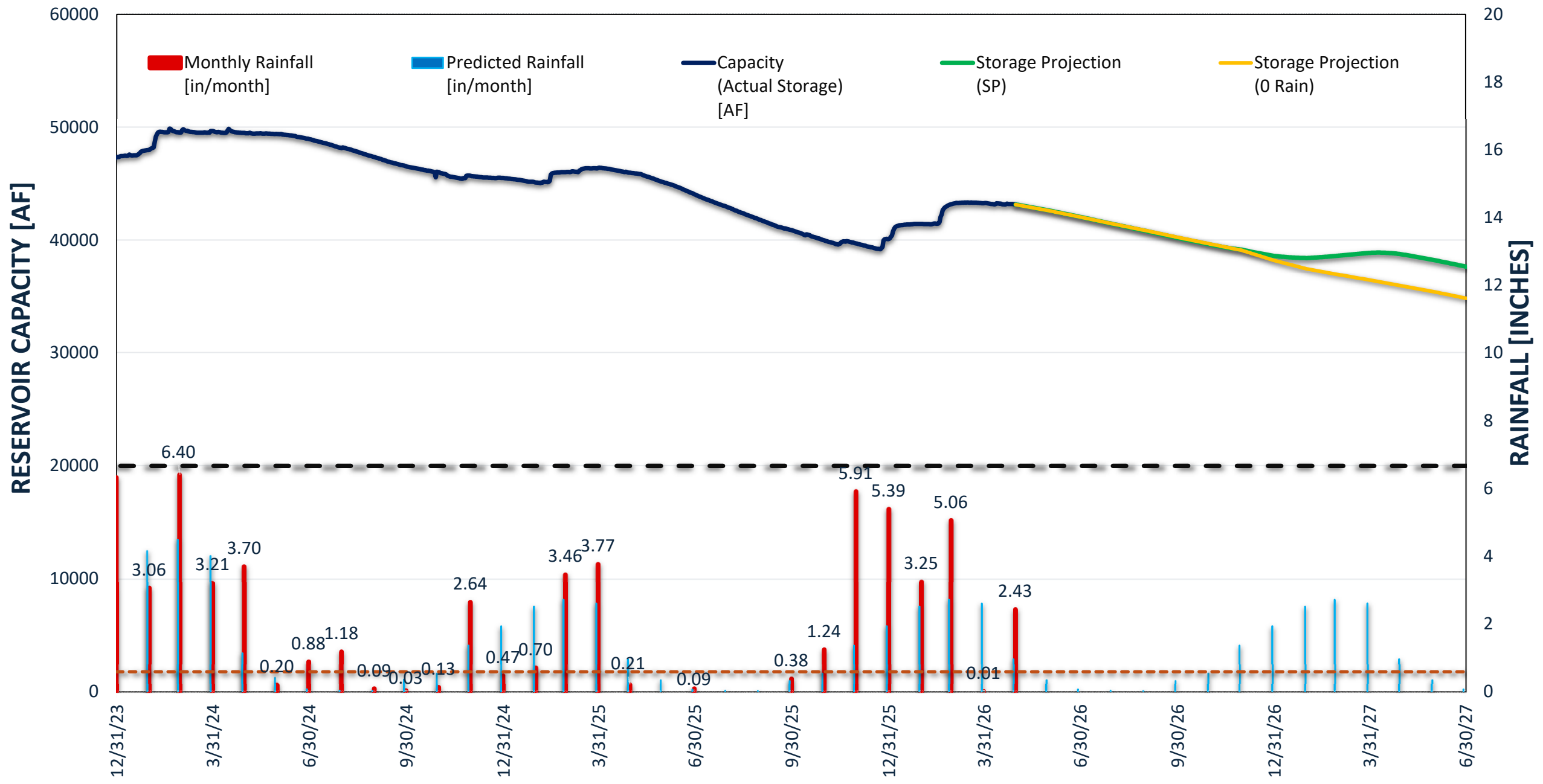
**Respectfully Submitted,**

Darla Budge

County of San Luis Obispo Public Works Department

DRAFT

# LOPEZ RESERVOIR STORAGE PROJECTON CHART



**San Luis Obispo County Flood Control and Water District  
Zone 3 - Lopez Project - Monthly Operations Report  
March, 2026**

PROJECT WATER																						
AVAILABLE WATER (APR-MAR)						DELIVERIES																
CONTRACTOR	ENTITLEMENT	STORED PW* [subject to evaporation]	SURPLUS WATER AVAILABLE	STORAGE EVAPORATION LOSSES (WYTD)	TOTAL AVAILABLE PW	THIS MONTH								APRIL TO PRESENT								
						ENTITLEMENT		STORED PW	SURPLUS PW	DELIVERIES DURING DIE	DELIVERIES DURING SPILL	TOTAL		ENTITLEMENT		STORED PW	SURPLUS PW	DELIVERIES DURING DIE	DELIVERIES DURING SPILL	TOTAL USAGE		
						USAGE	%	USAGE	USAGE	USAGE	USAGE	USAGE	%	USAGE	%	USAGE	USAGE	USAGE	USAGE	USAGE	USAGE	
AG	2290	690	470	17	3433	131.99	6%	0.00	0.00	0.00	0.00	131.99	4%	717.4	31%	673.70	470.33	0.00	0.00	1861.47	54%	
OCSD	303	65	0	1	367	0.00	0%	0.00	0.00	0.00	0.00	0.00	0%	319.8	106%	65.21	0.00	0.00	0.00	385.02	105%	
GB	800	507	164	17	1454	58.95	7%	0.00	0.00	0.00	0.00	58.95	4%	639.9	80%	0.00	0.00	4.75	0.00	695.33	48%	
PB	892	387	183	7	1456	23.18	3%	0.00	0.00	0.00	0.00	23.18	2%	544.6	61%	387.39	183.20	50.01	0.00	1221.70	84%	
CSA 12	245	181	50	6	471	4.16	2%	0.00	0.00	0.00	0.00	4.16	1%	99.8	41%	0.00	0.00	0.00	0.00	105.12	22%	
SM	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>TOTAL</b>	<b>4530</b>	<b>1831</b>	<b>868</b>	<b>48</b>	<b>7181</b>	<b>218.28</b>	<b>4.8%</b>	<b>0.0</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>218.28</b>	<b>3.0%</b>	<b>2321.53</b>	<b>51.2%</b>	<b>1126.3</b>	<b>653.53</b>	<b>54.76</b>	<b>0.00</b>	<b>4268.64</b>	<b>59%</b>	

STATE WATER PROJECT WATER														
CONTRACTOR	ANNUAL REQUEST**	CUMULATIVE AIE SSWPW ***	DELIVERIES											
			THIS MONTH						JANUARY TO PRESENT					
			REQUEST	USAGE	%	DIE STORAGE USAGE	AIE USAGE	TOTAL USAGE	ALLOCATION USAGE	%	DIE STORAGE USAGE	AIE USAGE	TOTAL USAGE	
AG	N/A	0.0	N/A	N/A	N/A	N/A	N/A	0.0	0.00	N/A	N/A	N/A	0.00	0.00
OCSD	150.0	0.0	40.0	28.22	18.8%	19.4	0.0	47.62	104.6	70%	19.40	0.00	123.96	
GB	N/A	0.0	N/A	N/A	N/A	N/A	0.0	0.00	N/A	N/A	N/A	0.00	0.00	
PB	1000.0	0.0	100.0	67.92	7%	32.1	0.0	100.00	67.9	7%	32.08	0.00	100.00	
CSA 12	96.0	0.0	7.5	4.12	4%	3.3	0.0	7.41	16.5	17%	3.29	0.00	19.83	
SM	90.0	0.0	8.0	7.17	8%	N/A	0.0	7.17	17.1	19%	N/A	0.00	17.05	
<b>TOTAL</b>	<b>1336.0</b>	<b>0.0</b>	<b>155.5</b>	<b>107.43</b>	<b>8%</b>	<b>54.77</b>	<b>0.0</b>	<b>162.20</b>	<b>206.07</b>	<b>15%</b>	<b>54.77</b>	<b>0.00</b>	<b>260.84</b>	

DISTRICT INITIATED EXCHANGE		
PW STORAGE DURING DIE		
THIS MONTH	JAN TO PRESENT	
ADDITIONAL SW BROUGHT IN	ADDITIONAL SW BROUGHT IN	STORAGE BALANCE
N/A	N/A	N/A
0.00	19.40	0.00
N/A	N/A	N/A
0.00	32.08	0.00
0.00	3.29	0.00
N/A	N/A	N/A
0.00	54.77	0.00

CONTRACTOR	TOTAL MONTHLY DELIVERIES [AF]
AG	131.99
OCSD	47.62
GB	58.95
PB	123.18
CSA 12	11.57
SM	7.17
<b>TOTAL</b>	<b>380.48</b>

DAM & OTHER OPERATIONS				
	THIS MONTH	WY TO DATE	MAX CAPACITY	
LAKE ELEVATION (ft)	515.50	N/A	522.60	
STORAGE [AF]	43,200	N/A	49,476	87%
MONTHLY RAINFALL [in] (Annual: July 1- June 30)	5.06	26.79	N/A	
DOWNSTREAM RELEASES [AF]	200.12	5,289.69	4,200.00	
LAKE TO TERMINAL [AF]	222.56	4,796.41	N/A	
SPILLAGE [AF] (WY)	-	-	N/A	
AG WHEELING OCEANO WATER	1.51	N/A	N/A	

District Stored SWPW	
	[AF]
PREVIOUS DISTRICT SSWPW	-64.60
DWR METER DELIVERIES	138.00
CHANGE IN STORAGE	30.57
EVAPORATION	0.00
LOSSES DUE TO SPILL	0.00
<b>REMAINING DISTRICT SSWPW</b>	<b>-34.03</b>

WATER ACCT. AFFECTED DUE TO SPILLAGE	
	[AF]
DISTRICT SSWPW LOST DURING SPILL	0.00
CUMULATIVE SSWPW LOST	0.00
STORED PW LOST	0.00

GLOSSARY	
AIE:	Agency Initiated Exchange
DIE:	District Initiated Exchange
N/A:	Not Applicable
PW:	Project Water aka Lopez Water
Stored PW:	Generated from unused entitlement water at end of WY
Surplus Water:	Generated from unused DS Releases at end of WY
SWP:	State Water Project
SSWPW:	Stored SWP Water
*	Stored PW includes Declared Surplus Water
**	Actual amount available is dependent on DWR's delivery %
***	Stored SWP water resulting from AIE

NOTES	
1)	District Initiated Exchange (DIE): In effect from February 11 - March 2, 2025 due to the LWTP shutdown; deliveries were supplemented with State Water.
2)	DWR delivered 214 AF of SW, of which 99.79 AF was delivered to SW contractors per their SW requests. This resulted in 114.21 AF of SW available for District Initiated Exchanges (DIE).
3)	On 4/29/25 Arroyo Grande requested all 470.33 AF of Surplus Water Available for immediate delivery
4)	On 5/5/25 Pismo Beach requested all 183.2 AF of Surplus Water Available to be converted to storage after spill
5)	On 5/12/25 OCSD requested all 62.23 AF of Surplus Water Available to be converted to storage for immediate delivery
6)	On 7/9/25 Arroyo Grande requested all 739.71 AF of Stored PW available for immediate delivery.
7)	On 7/10/25 Pismo Beach requested all 330.91 AF of Stored PW available for immediate delivery.
8)	On 9/15/2025 Legal clarification of DIE prompted recalculation of End of Year Stored Project Water calculations. Unused entitlement of 1,169.69 AF plus unused surplus of 751.39 AF totaled 1,921.09 AF of Lopez Water converted to storage available as of April 1, 2025.
9)	Agencies requested a total of 930.39 AF of Surplus Water for the 2025-2026 Water Year.
10)	On 1/15/2026 PB Requested all available Surplus to be delivered.
11)	Evaporation losses for stored water have been calculated for calendar year 2025 in accordance with Article 7(B)(2)(a) of the Water Supply Contract. These losses are reflected in the Storage Evap Losses" column and reduce each Agency's available water balances, resulting in a corresponding increase in entitlement usage.
12)	District Initiated Exchange (DIE): In effect from February 17 - March 3, 2025 due to LWTP shutdown; deliveries were supplemented with State Water.
13)	In February, of the 105 AF of SW delivered by DWR, 50.23 AF was delivered to SW contractors per their requests, and the remaining 54.77 AF was used for District Initiated Exchanges (DIE).

**San Luis Obispo County Flood Control and Water District  
Zone 3 - Lopez Project - Monthly Operations Report  
April, 2026**

CONTRACTOR	PROJECT WATER																					
	AVAILABLE WATER (APR-MAR)					DELIVERIES																
	ENTITLEMENT	STORED PW	SURPLUS WATER AVAILABLE	YTD STORAGE LOSSES (Evap & Spill)	TOTAL AVAILABLE PW	THIS MONTH							APRIL TO PRESENT									
						ENTITLEMENT		STORED PW	SURPLUS PW	DELIVERIES DURING DIE	DELIVERIES DURING SPILL	TOTAL		ENTITLEMENT		STORED PW	SURPLUS PW	DELIVERIES DURING DIE	DELIVERIES DURING SPILL	TOTAL USAGE		
USAGE						%	USAGE	USAGE	USAGE	USAGE	USAGE	%	USAGE	%	USAGE	%	USAGE	USAGE	USAGE	USAGE	USAGE	%
AG	2290	1573	0	5.60	3857	157.23	7%	0.00	0.00	0.00	0.00	157.23	4%	157.2	31%	0.0	0.0	0.0	0.0	0.0	157.23	4%
OCSD	303	0	0	0.00	303	34.75	11%	0.00	0.00	0.00	0.00	34.75	11%	34.8	100%	0.0	0.0	0.0	0.0	0.0	34.75	11%
GB	800	757	0	2.70	1555	58.56	7%	0.00	0.00	0.00	0.00	58.56	4%	58.6	87%	0.0	0.0	0.0	0.0	0.0	58.56	4%
PB	892	234	0	0.84	1126	22.91	3%	0.00	0.00	0.00	0.00	22.91	2%	22.9	74%	0.0	0.0	0.0	0.0	0.0	22.91	2%
CSA 12	245	362	0	1.29	605	6.00	2%	0.00	0.00	0.00	0.00	6.00	1%	6.0	44%	0.0	0.0	0.0	0.0	0.0	6.00	1%
SM	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>TOTAL</b>	<b>4530</b>	<b>2926</b>	<b>0</b>	<b>10.42</b>	<b>7446</b>	<b>279.45</b>	<b>6.2%</b>	<b>0.0</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>279.45</b>	<b>3.8%</b>	<b>279.45</b>	<b>6.2%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>279.45</b>	<b>4%</b>

CONTRACTOR	STATE WATER PROJECT WATER											
	ANNUAL REQUEST*	DELIVERIES										
		THIS MONTH				JANUARY TO PRESENT						
		REQUEST	ALLOCATION		DIE STORAGE	AIE	TOTAL	ALLOCATION		DIE STORAGE	AIE	TOTAL
	USAGE	%	USAGE	USAGE	USAGE	USAGE	%	USAGE	USAGE	USAGE		
AG	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
OCSD	150.0	15.00	10.0%	0.00	0.00	15.00	119.66	80%	19.40	0.00	139.06	
GB	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
PB	1000.0	103.00	10%	0.00	0.00	103.00	170.92	17%	32.08	0.00	203.00	
CSA 12	96.0	8.50	9%	0.00	0.00	8.50	25.05	26%	3.29	0.00	28.34	
SM	90.0	8.00	8%	N/A	N/A	7.46	24.51	27%	N/A	N/A	24.51	
<b>TOTAL</b>	<b>1336.0</b>	<b>134.50</b>	<b>10%</b>	<b>0.00</b>	<b>0.00</b>	<b>133.96</b>	<b>340.14</b>	<b>25%</b>	<b>54.77</b>	<b>0.00</b>	<b>394.91</b>	

CONTRACTOR	TOTAL MONTHLY DELIVERIES [AF]
AG	157.23
OCSD	49.75
GB	58.56
PB	125.91
CSA 12	14.50
SM	7.46
<b>TOTAL</b>	<b>413.41</b>

GLOSSARY	
AIE:	Agency Initiated Exchange. SW brought in and stored; subject to evap. & spill losses.
DIE:	District Initiated Exchange. Additional SW used to offset PW deliveries during LWTP shutdowns.
DSSWPW:	District Stored SWP Water; subject to evap. & spill losses.
N/A:	Not Applicable
PW:	Project Water (Lopez Water)
Stored PW:	Water stored from unused PW entitlement and or converted surplus water remaining at the end of a water year. Subject to evaporation & spill losses.
Surplus Water:	Generated from unused downstream releases remaining at end of WY.
SWP:	State Water Project
* Actual amount available is dependent on DWR's delivery %	

DAM & OTHER OPERATIONS				
	THIS MONTH	WY TO DATE	MAX CAPACITY	
LAKE ELEVATION (ft)	515.45	N/A	522.60	
STORAGE [AF]	43,158	N/A	49,476	87%
MONTHLY RAINFALL [in] (Annual: July 1- June 30)	2.43	23.67	N/A	
DOWNSTREAM RELEASES [AF]	205.99	205.99	4,200.00	
LAKE TO TERMINAL [AF]	359.28	359.28	N/A	
SPILLAGE [AF] (WY)	-	-	N/A	
AG WHEELING OCEANO WATER	1.55	N/A	N/A	

CONTRACTOR	DISTRICT INITIATED EXCHANGE		
	PW STORAGE DURING DIE		
	THIS MONTH	JAN TO PRESENT	
	ADDITIONAL SW BROUGHT IN	ADDITIONAL SW BROUGHT IN	STORAGE BALANCE
AG	N/A	N/A	N/A
OCSD	0.00	19.40	0.00
GB	N/A	N/A	N/A
PB	0.00	32.08	0.00
CSA 12	0.00	3.29	0.00
SM	N/A	N/A	N/A
<b>TOTAL</b>	<b>0.00</b>	<b>54.77</b>	<b>0.00</b>

CONTRACTOR	AGENCY INITIATED EXCHANGE			
	SW STORAGE			
	THIS MONTH	JANUARY TO PRESENT		
	CREATED	CREATED	LOSSES (Evap & Spill)	STORAGE BALANCE
AG	N/A	N/A	N/A	N/A
OCSD	0.00	0.00	0.00	0.00
GB	N/A	N/A	N/A	N/A
PB	0.00	0.00	0.00	0.00
CSA 12	0.00	0.00	0.00	0.00
SM	N/A	N/A	N/A	N/A
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

DSSWPW ACCOUNTING	
	[AF]
PREVIOUS DISTRICT SSWPW	-38.36
DWR METER DELIVERIES	113.00
CHANGE IN STORAGE	-20.96
EVAPORATION	0.00
LOSSES DUE TO SPILL	0.00
<b>REMAINING DISTRICT SSWPW</b>	<b>-59.32</b>

**NOTES**

•On January 15, 2026, Pismo Beach requested immediate delivery of all available Surplus Water.  
 •District Initiated Exchange (DIE): Implemented from February 17 through March 3, 2026 due to the Lopez Water Treatment Plant (LWTP) shutdown. During this period, deliveries were supplemented with State Water (SW).  
 •During February 2026, DWR delivered 105 AF of SW. Of this amount, 50.23 AF was delivered to SW contractors in accordance with their requests, while the remaining 54.77 AF was used for District Initiated Exchanges (DIE).  
 •In March 2026, evap. & spill loss calcs for stored water were completed per Article 7(B)(2)(a) of the Contract changes. These losses are reflected in the "YTD Storage Losses (Evap & Spill)" column and reduce each Agency's "Total Available PW" balance. Updated loss calcs also affected EOWY true-up calcs and may have affected previously reported usage between April 2025–March 2026. Monthly Operations Reports reprinted on May 5, 2026 reflect final quantities and true-up calcs.



## ZONE 3 Lopez Project

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San Luis Obispo County Flood Control and Water Conservation District

**TO:** Zone 3 Advisory Committee  
**FROM:** David Spiegel, PE, Utilities Engineer  
**DATE:** May 21, 2026  
**SUBJECT:** Zone 3 Projects Update

### **Project Updates:**

- Spillway Assessment and Investigation
  - GEI responding to County comments
  - Geotechnical Data Report submitted to DSOD
  - Remainder of project ~ minimum of \$300,000
- Geotechnical Testing & Seismic Alternatives Study of Terminal Reservoir Dam (No Change)
  - DSOD requested 2DFIac and Fault Displacement Hazard Analysis
  - Getting quotes for additional work effort
  - Budget needed ~\$200,000
- Cathodic Protection Repair Project
  - Performing CP testing of new and existing test stations (1 Year)
  - Working on transient monitoring station plans for DWR/State water line crossing
  - System working well
  - Remaining Budget ~\$20,000
- Fire Flow Tank Replacement (on hold)
  - Reviewing grant opportunities
  - \$0 remaining in Zone 3 Funds, \$500k budget was moved to membrane rack project
  - Required Budget ~\$1,400,000
- UWMP
  - Wallace group working on revisions to PW comments
  - Budget ~\$60,000

### Complete

- Membrane Module Replacement



# ZONE 3 Lopez Project

San Luis Obispo County Flood Control and Water Conservation District

May 21, 2026

**MEMORANDUM**

**TO:** Flood Control Zone 3 Advisory Committee

**FROM:** Kristina Borges, Accountant

**SUBJECT:** Flood Control Zone 3, Third Quarter Budget Status, Fiscal Year 2025-26

**Recommendation**

1. The third quarter budget status for FY 2025-26 to be received and filed.

**Summary**

In the tables below and the following pages of the update, please find a comparison of the budget to actual expenses for the third quarter of fiscal year 2025-26. The \$8,244,054 budget is broken into three categories: Routine Operations & Maintenance, Non-Routine Operations & Maintenance, and Capital Outlay. At the end of the third quarter, 87% of the annual budget was expended.

25/26 Budget	24/25 Budget Carryforward	Total Budget	Expenses through Q3	Budget Remaining	% of Budget Expended
7,086,127	1,157,927	8,244,054	7,190,457	1,053,597	87%

**Routine O&M:** This category has a budget of \$6,694,981. At the end of the third quarter, 77% of the annual budget has been expended, which leaves \$1,551,329 available for the remainder of the year. Expenses in this category are slightly above budget at this time of the year by 2%.

25/26 Budget	24/25 Budget Carryforward	Total Budget	Expenses through Q3	Budget Remaining	% of Budget Expended
6,433,727	261,254	6,694,981	5,143,652	1,551,329	77%

**Non-Routine O&M:** This category has a budget of \$703,202. Some items in this category have had the budget carried forward from the prior year to continue work efforts. At the end of the third quarter, the non-routine O&M budget was overspent by \$713,218, due in large part to the ongoing litigation costs that total \$1,378,633.

25/26 Budget	24/25 Budget Carryforward	Total Budget	Expenses through Q3	Budget Remaining	% of Budget Expended
557,400	145,802	703,202	1,416,420	(713,218)	201%



## ZONE 3 Lopez Project

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San Luis Obispo County Flood Control and Water Conservation District

**Capital Outlay:** This category has a budget of \$845,871. At the end of the third quarter, expenses were 75% of the annual budget, which leaves \$215,486 available for the remainder of the year. The unspent budget from the prior year has been carried forward for several projects and accounts for the majority of this category's budget.

25/26 Budget	24/25 Budget Carryforward	Total Budget	Expenses through Q3	Budget Remaining	% of Budget Expended
95,000	750,871	845,871	630,385	215,486	75%

### **Other Agency Involvement/Impact**

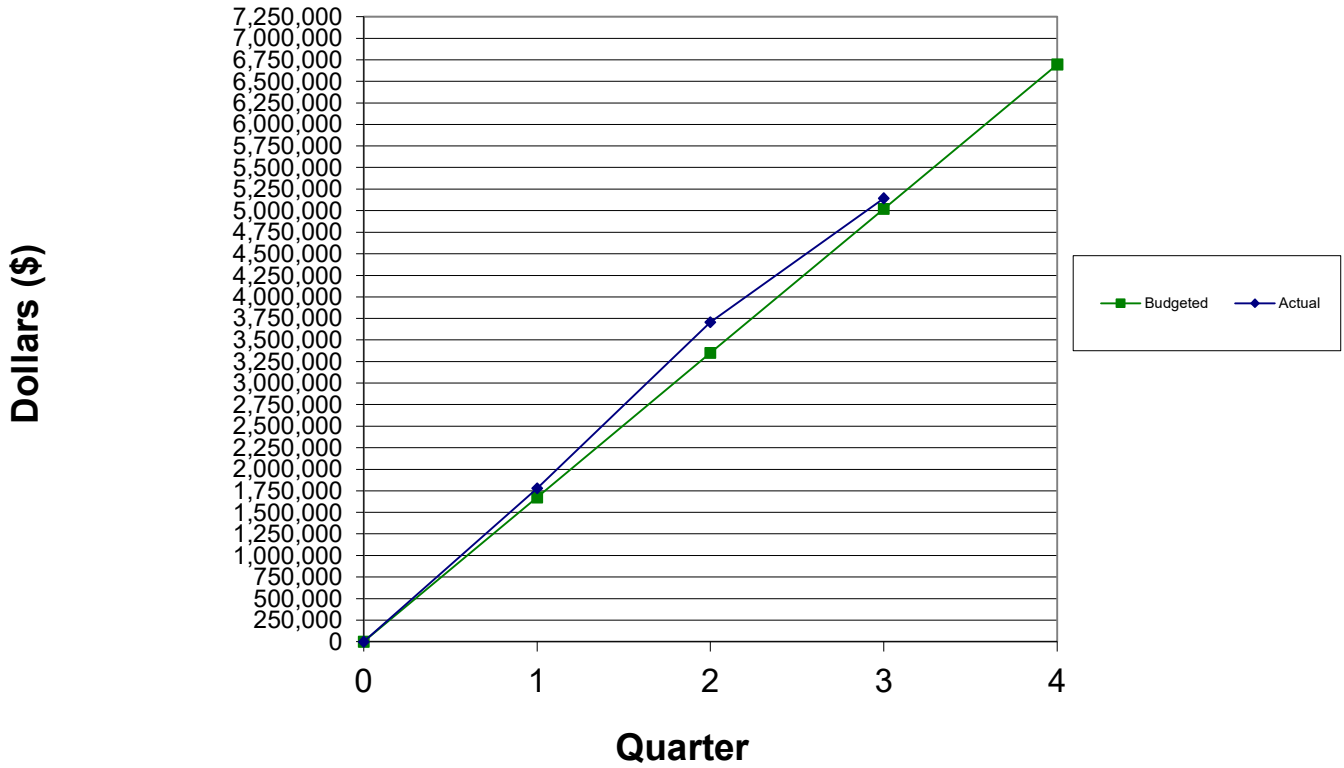
The agencies involved: City of Arroyo Grande, City of Grover Beach, City of Pismo Beach, Oceano Community Services District, and County Service Area 12. Subcontractors of CSA 12 include Port San Luis Harbor District and Avila Beach Community Services District.

### **Financial Consideration**

All agencies are current on their payments.

Zone 3 Budget Status  
3rd Quarter FY25/26

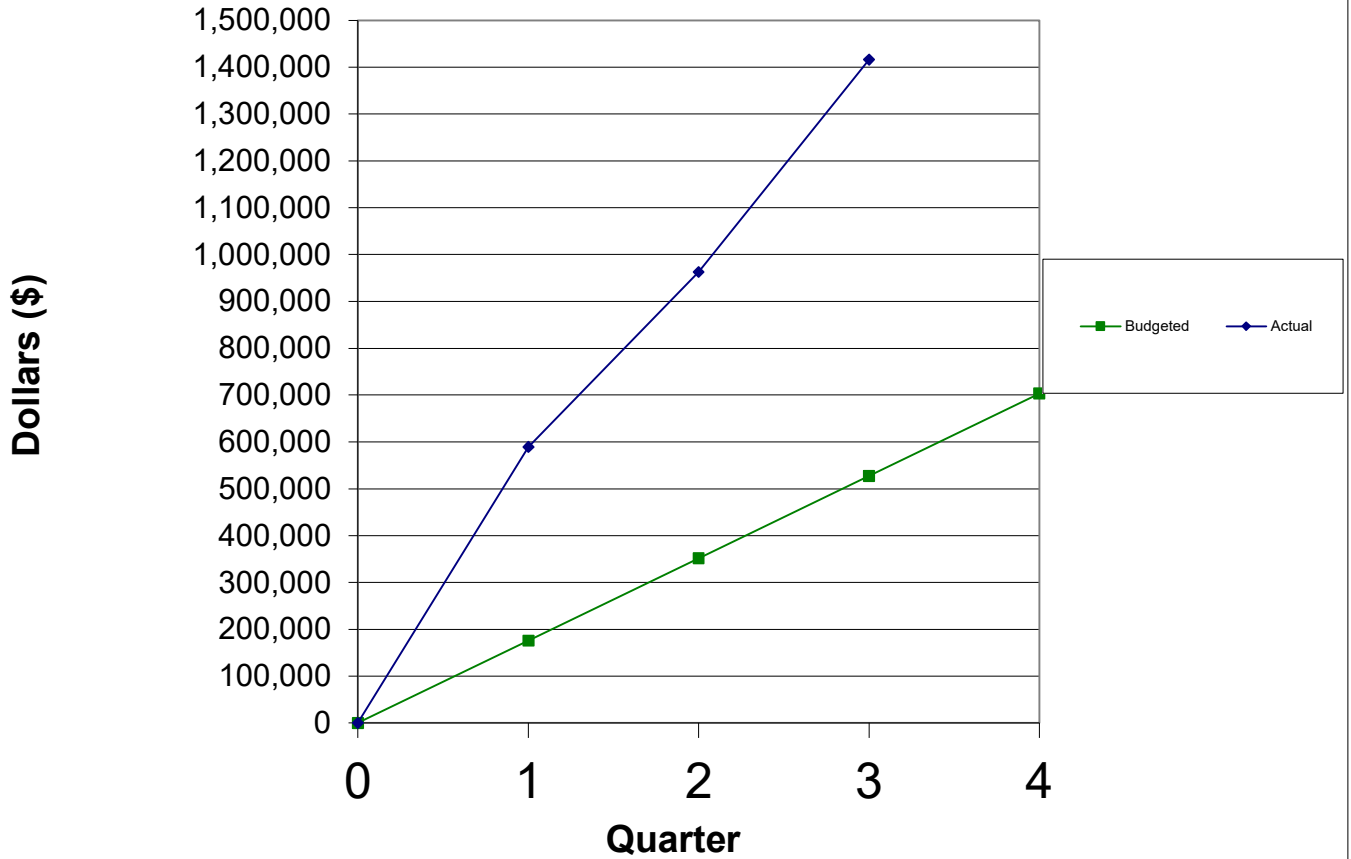
## Routine Operation and Maintenance



O&M Routine Category	Total Budget	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	Total Exp as % of Budget	Total Balance Avail
Labor Hours	25,705	6,522	7,050	6,066	-	19,638	76%	
Chemicals - Water Treatment Plant	\$ 570,000	\$ 177,382	\$ 204,967	\$ 156,553	\$ -	\$ 538,902	95%	\$ 31,098
Water Quality Testing - Treatment Plant	\$ 51,807	\$ 15,177	\$ 12,809	\$ 11,671	\$ -	\$ 39,657	77%	\$ 12,150
Electricity - Water Treatment Plant	\$ 380,000	\$ 95,806	\$ 73,417	\$ 58,343	\$ -	\$ 227,565	60%	\$ 152,435
All Other Costs - Water Treatment Plant	\$ 2,200,167	\$ 448,593	\$ 576,047	\$ 548,248	\$ -	\$ 1,572,887	71%	\$ 627,280
Terminal	\$ 295,934	\$ 34,578	\$ 51,684	\$ 45,527	\$ -	\$ 131,788	45%	\$ 164,146
Main Dam	\$ 464,927	\$ 83,295	\$ 74,376	\$ 86,665	\$ -	\$ 244,336	53%	\$ 220,591
Lopez Water Rights /HCP	\$ 936,454	\$ 428,608	\$ 285,499	\$ 62,714	\$ -	\$ 776,821	83%	\$ 159,633
Other	\$ 1,795,693	\$ 496,990	\$ 647,191	\$ 467,515	\$ -	\$ 1,611,696	90%	\$ 183,997
<b>Expenses</b>		\$ 1,780,429	\$ 1,925,988	\$ 1,437,235	\$ -	\$ 5,143,652	77%	1,551,329
<b>Budget</b>	\$ 6,694,981	\$ 1,673,745.25	\$ 1,673,745.25	\$ 1,673,745.25	\$ 1,673,745.25	\$ 6,694,981		
Variance (over)/under		\$ (106,684)	\$ (252,243)	\$ 236,510	\$ 1,673,745	\$ 1,551,329		
% Variance		-6%	-15%	14%	100%			

Zone 3 Budget Status  
3rd Quarter FY25/26

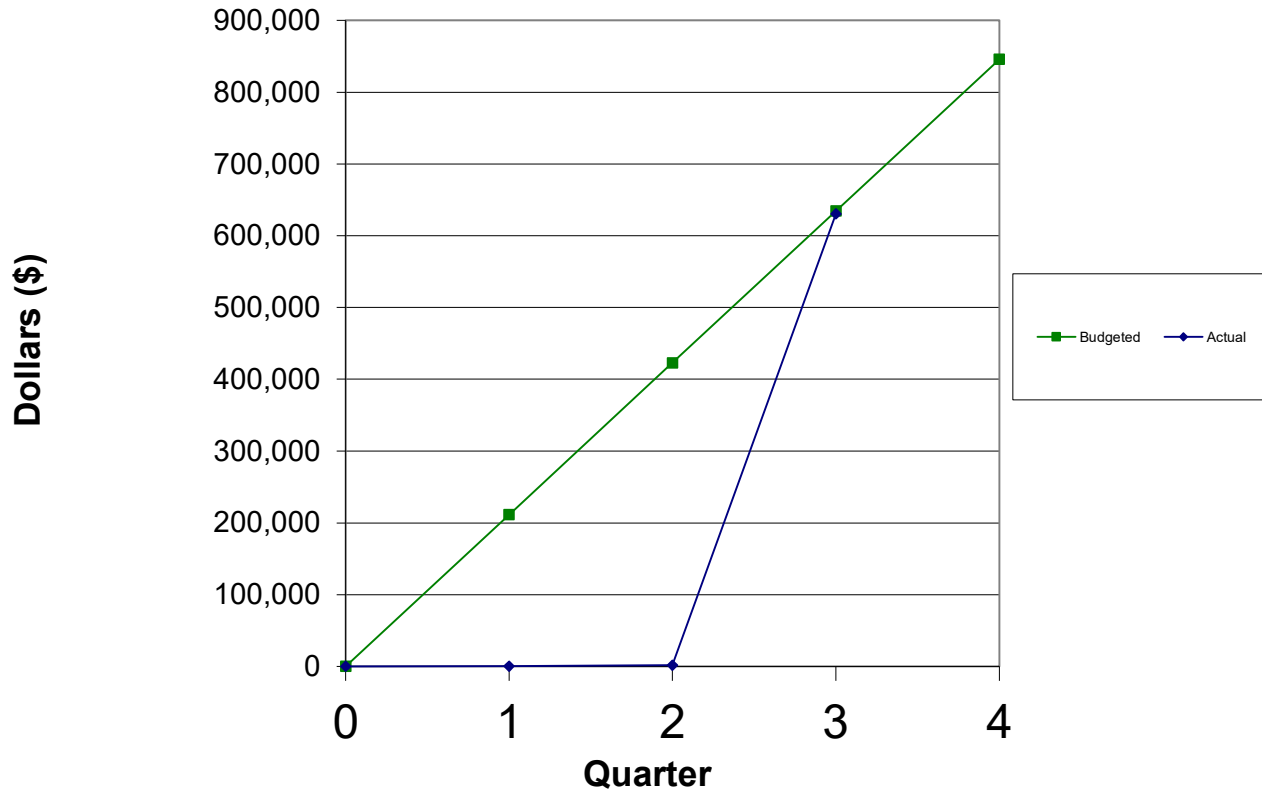
## Non-Routine Operation and Maintenance



O&M Non Routine Category	Total Budget	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	Total Exp as % of Budget	Total Balance Avail
Contribution to ISF/New Equip	-	\$ -	\$ -	\$ -	-	\$ -	0%	\$ -
Geotech Test/Seismic Alt Study Terminal Dam	44,888	\$ -	\$ -	\$ -	-	-	0%	44,888
Safety Upgrades to WTP	-	\$ -	\$ -	\$ -	-	-	0%	-
Cloud Seeding Program	3,148	\$ -	\$ -	\$ -	-	-	0%	3,148
Spillway Physical Investigation	100,914	\$ 8,245	\$ 23,029	\$ 6,512	-	37,787	37%	63,127
Lopez HCP Litigation Expenses	554,252	\$ 581,044	\$ 350,788	\$ 446,801	-	1,378,633	249%	(824,381)
		589,289	373,817	453,314	-	1,416,420	201%	(713,218)
<b>Budget</b>	<b>703,202</b>	<b>175,800.50</b>	<b>175,800.50</b>	<b>175,800.50</b>	<b>175,800.50</b>	<b>703,202</b>		
Variance (over)/under		(413,488)	(198,017)	(277,513)	175,801	(713,218)		
% Variance		-235%	-113%	-158%	100%			

Zone 3 Budget Status  
3rd Quarter FY25/26

### Capital Outlay



Capital Outlay Projects	Total Budget	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	% of Budget	Avail
Improved Boat Access at Term Res	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
Fireflow Tank Repair	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	-
Cathodic Protection Units 1-3	\$ 19,735	\$ 243	\$ -	\$ -	\$ -	\$ 243	1%	19,492
Mower	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	-
REPLACE CARBON FEED SYSTEM	\$ 28,649	\$ -	\$ -	\$ -	\$ -	\$ -	0%	28,649
TBD - MEMBRANE RACK VALVE INSTALLATION	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	0%	75,000
TBD - TERMINAL DAM PEIZOMETER REPLACEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	-
TBD - MEMBRANE RACK PIPE REPLACEMENTS	\$ 54,722	\$ -	\$ -	\$ -	\$ -	\$ -	0%	54,722
Upgrade EQ Pump	\$ 37,623	\$ -	\$ -	\$ -	\$ -	\$ -	0%	37,623
CARBON DIOXIDE INJECTION SYSTEM	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	-
WTP-Membrance Filter Modules (2 Racks)	\$ 630,142	\$ -	\$ 1,220	\$ 628,921	\$ -	\$ 630,142	100%	0
CHEMICAL TANK REPLACEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	-
<b>Expenses</b>		243	1,220	628,921	-	630,385	75%	215,486
<b>Budget</b>	845,871	211,467.75	211,467.75	211,467.75	211,467.75	845,871		
<b>Variance (over)/under</b>		211,224	210,247	(417,453)	211,468	215,486		
<b>% Variance</b>		100%	99%	-197%	100%			

## WATER YEAR (WY) STORED PROJECT WATER (PW) AND SURPLUS WATER CALCULATIONS

WY 2026-2027 Total Stored PW Available	[AF]
Entitlement	4,530
Previous WY Delivered Entitlement	2,482
Previous WY Undelivered Entitlement	2,048
Previous WY Unused Surplus	215
Previous WY Unused Stored PW	663
<b>Total Stored Project Water Available (Available as of April 1)</b>	<b>2,926</b>

WY 2026-2027 Surplus Water Available	[AF]
Max Downstream Releases	4,200
Previous WY Water Released Downstream	5,130
Previous WY Water Released Downstream during Spill Event	-
Previous WY Water Released Downstream (No Spill)	5,130
<b>Surplus Water Generated</b>	<b>-</b>

2026/2027 STORED PW AND SURPLUS WATER CALCULATIONS								
CONTRACTOR	ENTITLEMENT [AF]	WY 2025/26 USED ENTITLEMENT	ENTITLEMENT [%]	WY 2025/26 UNDELIVERED ENTITLEMENT [AF]	WY 2025/26 UNUSED SURPLUS [AF]	WY 2025/26 UNUSED STORED PW [AF]	WY 2026/27 STORED PW AVAILABLE [AF]	WY 2026/27 AVAILABLE SURPLUS WATER [AF]
Arroyo Grande	2290	717	0	1573	0	0	1573	0
Oceano CSD	303	303	0	0	0	0	0	0
Grover Beach	800	695	0	105	164	488	757	0
Pismo Beach	892	658	0	235	0	0	235	0
CSA 12	245	108	0	137	50	175	362	0
AVMWC	12	12	0	0	2	2	5	0
SLCUSD	5	0	0	5	1	4	10	0
ABCSD	68.31	48	0	21	14	57	91	0
CSA 12 PW USERS	159.69	49	0	111	33	112	256	0
San Miguelito	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>TOTAL</b>	<b>4775</b>	<b>2590</b>	<b>1</b>	<b>2048</b>	<b>215</b>	<b>663</b>	<b>2926</b>	<b>0</b>