Call for Projects
Project Information Form (PIF)

A. PROJECT INFORMATION

1. Project Title: City of San Luis Obispo Groundwater Cleanup Project
2. Project Sponsor(s): City of San Luis Obispo
3. Eligible Applicant Type: Public Agency
4. IRWM Project Region(s): San Luis Obispo County
5. Does the project provide benefits directly to a Disadvantaged Communities (DAC) and/or Economically Distressed Areas (EDA) (minimum 75% by population or geography)?
   ☐ Yes ☑ No If yes, please complete D.8 and/or D.9. Show on map if applicable.
6. Is the Project Sponsor a Tribe, or does the project provide benefits to a Tribe (minimum 75% by population or geography) as defined by Proposition 1?
   ☐ Yes ☑ No If yes, please complete D.10. Show on map if applicable.
7. Provide project map. Include location of project, project benefit and/or service area, and other applicable information.
8. Funding Category:
   ☐ DAC Implementation Project
   ☑ General Implementation Project
9. Project Type: Groundwater aquifer cleanup Other:
   Select most applicable project type. See Section II.C. of the 2019 Guidelines for full description of eligible project types. If "Other" is selected, please write in the space provided the proposed project type.

B. SELECTED ELIGIBILITY REQUIREMENTS

1. Will the project be included in the IRWM Plan, that will be adopted prior to anticipated Agreement Execution?
   ☑ Yes ☐ No
2. Does the project address a critical need(s) and/or priority(ies) of the IRWM Region as identified in the IRWM Plan?
   ☑ Yes ☐ No If yes, complete part a:

a. What IRWM Plan goal(s)/objective(s) does the project address? Identify and explain.

1. Water Supply Goal
The project strengthens the City's water supply portfolio in multiple ways:

Maximize Accessibility of Water & Provide Adequate Supply: By developing an additional source of water independent from the Water Treatment Plant, the project expands the City's accessible supply and ensures adequate water to meet both current and projected demands.

Water Quality Improvements to a Water System: This new source will improve the overall reliability and quality of the City's water system by providing a safe and high-quality supply that complements existing treatment processes.

Develop/Implement Water Management Plans: The project directly supports the City's Water and Wastewater General Plan Element goal of ensuring a long-term, reliable water supply, and aligns with adopted water management

3. Does the project have an expected useful life consistent with Government Code §16727 (generally 15 years)? If not, explain why this requirement is not applicable.

Yes. Per the Proposition 1 Groundwater Grant agreement between the City of San Luis Obispo and the State Water Resources Control Board, the useful life of the project is twenty (20) years.

4. Does the project address and/or adapt to the effects of climate change? Does the project address the climate change vulnerabilities assessed in the IRWM Plan?

☑ Yes ☐ No If yes, please explain below.

The project both addresses existing climate vulnerabilities (drought, water quality, extreme events) and advances adaptation strategies identified in the 2019 IRWM Plan by protecting a critical groundwater source, improving operational resiliency, and safeguarding long-term drinking water reliability for the community.

5. Does the project contribute to regional water self-reliance?

☑ Yes ☐ No If yes, please explain below.

The PCE Plume Characterization and Remediation Project strengthens regional water self-reliance by removing contamination from the San Luis Obispo Valley Groundwater Basin and supplying 600 acre-feet per year of drinking water to the City of San Luis Obispo. Safeguarding this source ensures that the City can continue to rely on a safe, reliable supply and reduces the potential for future demand on regional or imported water sources. In addition, the project supports regional self-reliance goals outlined in the Central Coast IRWM Plan by safeguarding water quality, reducing vulnerability to drought, and advancing climate adaptation. The expanded monitoring network and fate and transport modeling will generate data shared through GeoTracker and GAMA, contributing to basin-wide understanding and management under the San Luis Obispo Valley Groundwater Sustainability Plan (GSP). By preventing the loss of a critical local supply, the project contributes to broader regional resilience and aligns with SGMA and the California Water Resilience Portfolio.

6. Does the project provide a benefit that meets at least one of the Statewide Priorities as defined in the 2019 IRWM Grant Program Guidelines?

☑ Yes ☐ No If yes, please identify below.

7. Provide Safe Water for All Communities

7. Will CEQA be completed within 12 months of Final Award?

☑ Yes
☐ NA, project is exempt under CEQA
☐ NA, not a project under CEQA
☐ NA, project benefits DAC/EDA/Tribe (minimum 75%), or a Tribe is a local project sponsor
☐ No

8. Will all permits necessary to begin construction be acquired within 12 months of Final Award?

☑ Yes
☐ NA, project benefits DAC/EDA/Tribe (minimum 75%), or a Tribe is a local project sponsor
☐ No

C. WORK PLAN, BUDGET, and SCHEDULE SUMMARY

1. Project Description: Provide a brief project description summarizing major components, objectives, goals, and intended outcomes/benefits (quantitative and qualitative).

The City of San Luis Obispo (City) is implementing the Groundwater Cleanup Project to safeguard municipal drinking water wells in the San Luis Valley portion of the San Luis Obispo Groundwater Basin. The project includes developing a groundwater fate and transport model, installing at least eight new monitoring wells, and constructing two extraction wells with granular activated carbon (GAC) treatment systems. These facilities will capture and treat contaminated groundwater, prevent PCE migration into supply wells, and preserve approximately 700 acre-feet per year of reliable groundwater production. By protecting this critical local source, the project ensures a safe, resilient drinking water supply for residents and businesses.

Beyond direct water quality improvements, the project enhances operational resiliency by maintaining a groundwater supply that does not require treatment at the City's Water Treatment Plant. This diversifies the City's water portfolio and provides flexibility during droughts, emergencies, or treatment plant disruptions. In addition, new monitoring and modeling data will guide adaptive groundwater management and long-term planning.

The project supports regional and state water management goals, including Central Coast IRWM and SGMA priorities. It improves basin resilience, protects a vital local source, and advances management actions identified in the San Luis Obispo Valley Groundwater Sustainability Plan (GSP). Funding demonstrates strong leverage of multiple sources: $7.8M from the State Water Resources Control Board, supplemented by City funds and IRWM grant funding, maximizing benefits while reducing costs to ratepayers. The project also includes a comprehensive public engagement program with bilingual outreach, a project website, and a public workshop to promote transparency and community participation.

Grant-funded tasks include:

Purchasing pumps and control panels for the Bob Jones Trail Well and Highway 101 Well sites.

Purchasing the GAC vessels for the new well-head treatment system.

2. Budget: Provide cost estimates for each Budget Category listed in the table below. (Required for Pre-Application Material Submittal; not required for Final Application Submittal)

Table 1 - Project Budget

Category		(a) Cost Share: Non-State Fund Source	(b) Requested Grant Amount	(c) Other Cost Share (including other State Sources)	(d) Total Cost
(a)	Project Administration	-	-	$69,025	$69,025
(b)	Land Purchase/ Easement	-	-	-	-
(c)	Planning/Design /Engineering /Environmental Documentation	-	-	$18,090	$18,090
(d)	Construction/ Implementation	$2,668,693	$1,000,000.00	$6,083,564.00	$9,752,257
(e)	Grand Total (Sum rows (a) through (d) for each	$2,668,693.00	$1,000,000.00	$6,170,679	$9,839,372

Note: Provide information or other documentation to support the cost estimate in a separate attachment. Identify the source of all cost share and other funds. If other funds are not used, describe efforts to obtain other funding and/or why other funding sources were not used.

1. Cost Share: Non-State Fund Source is the City of San Luis Obispo Water Fund (local)
2. The funding shown in colum (c) Other Cost Share is from Proposition 1 Groundwater grant funding and will not be applied as a match to work funded by this grant opportunity. These are shown to illustrate the total cost of the project and to show the support for the project.

3. Cost Share Waiver Requested (DAC or EDA)? ☐ Yes ☑ No If yes, continue below:
   Cost Share Waiver Justification: Describe what percentage of the proposed project area encompasses a DAC/EDA, how the community meets the definition of a DAC/EDA, and the need of the DAC/EDA that the project addresses. In order to receive a cost share waiver, the applicant must demonstrate that the project will provide benefits (minimum 25% by population or geography) that address a need of a DAC and/or EDA.

<Approximately 250 words>

4. Schedule: Include reasonable estimates of the start and end dates for each Budget Category listed in Table 1 - Project Budget. (Required for Pre-Application Material Submittal; not required for Final Application Submittal)

Table 2 - Project Schedule

Category		(a) Start Date	(b) End Date
(a)	Direct Project Administration	4/1/2026	12/31/2026
(b)	Land Purchase/Easement	-	-
(c)	Planning/Design/Engineering/Environmental Documentation	-	-
(d)	Construction/Implementation	4/1/2026	12/31/2026

D. OTHER PROJECT INFORMATION

1. Provide a narrative for project justification. If applicable, include references to supporting documentation such as models, studies, engineering reports, etc. Include any other information that supports the justification for this project, including how the project can achieve the claimed level of benefits.

The Groundwater Cleanup Project is a direct continuation of the City of San Luis Obispo's prior PCE Plume Characterization Project, which was funded through the State Water Board and the Proposition 1 Groundwater Grant Program. Both projects have received strong support from the Regional Water Quality Control Board and the Department of Drinking Water, and both projects have been partially funded through the Proposition 1 Groundwater Grant Program administered by the State Water Board. The PCE Plume Characterization Project conducted extensive remedial investigation and feasibility studies to characterize the extent of tetrachloroethylene (PCE) contamination in the San Luis Valley area of the San Luis Obispo Valley Groundwater Basin. The Remedial Investigation Report delineated a PCE plume with concentrations exceeding the maximum contaminant level (MCL), confirming a significant risk to municipal drinking water supplies. Particle-tracking analyses demonstrated that the plume was migrating with regional groundwater flow from sources in the north toward discharge points along San Luis Obispo Creek and into deeper portions of the aquifer in the south.

The Feasibility Study Report (FSR) evaluated a range of remedial alternatives and recommended the installation of up to two groundwater extraction wells equipped with granular activated carbon (GAC) wellhead treatment systems. This approach was determined to be the most effective strategy to remove PCE from pumped groundwater, prevent migration into production wells, and allow safe use of the treated water in the City's drinking water system. These findings provide the technical foundation for the current project.

The current Groundwater Cleanup Project builds on this foundation by incorporating both the recommendations of the FSR and the strategies outlined in the San Luis Obispo Valley Groundwater Sustainability Plan (GSP). The GSP provides important context on sustainable pumping levels, water quality protection measures, and monitoring requirements. The project uses this guidance to estimate the volume of water that can be safely produced, quantify basin-wide benefits of contaminant removal, and integrate long-term monitoring of groundwater conditions to ensure compliance with SGMA sustainability indicators.

In addition, the current project has already advanced critical technical work that supports implementation. Using grant and City funding, the City developed a fate and transport groundwater flow model to refine well siting and operational strategies. This model integrates regional hydrogeologic data and particle-tracking simulations to identify optimal well locations that maximize both pumping capacity and contaminant capture while minimizing undesirable effects such as drawdown impacts to the aquifer. This modeling effort provides high confidence that the project can achieve the claimed benefits by targeting the most effective extraction points in the plume and balancing remediation with sustainable basin management.

The claimed benefits of the project are both feasible and measurable. By installing extraction wells and treating contaminated groundwater through GAC systems, the project will:

Remove PCE from the aquifer and reduce concentrations migrating toward active municipal wells.

Preserve more than 600 acre-feet per year of safe groundwater production capacity for the City of San Luis Obispo, directly protecting drinking

2. Project Benefits Table:

Table 3 - Project Benefits		
Anticipated Useful Life of Project (years):	**20**	
Primary (Required)		
Type of Benefit Claimed:	Water Quality - Groundwater	**Benefit Units*:** Other
Secondary (Optional)		
Type of Benefit Claimed:	Water Supply - Groundwater	**Benefit Units*:** AFY
Physical Benefits (At project completion or lifetime, as appropriate)		
(a)	**(b)**	**(c)**
Benefit	**Added Physical Benefit Description**	**Quantitative Benefit**
Primary	Constituent concentration reduced in mg/L	0.007
Secondary	Potable drinking water	600

Qualitative Benefits (For Decision Support Tools, please describe non-physical benefits.)

Public Health Protection: Prevents exposure to tetrachloroethylene (PCE), ensuring continued delivery of safe drinking water.
Operational Resiliency: Preserves a groundwater source that can bypass the City's Water Treatment Plant, providing flexibility during droughts, wildfires, seismic events, or treatment plant disruptions.
Community Confidence: Builds trust through bilingual outreach, public workshops, and transparent reporting.
Environmental Stewardship: Protects the San Luis Obispo Valley Groundwater Basin from further degradation and avoids costly future remediation.
Policy Alignment: Advances the Central Coast IRWM Plan, the San Luis Obispo Valley GSP, and the California Water Resilience Portfolio, all of which emphasize water quality protection, drought preparedness, and climate change adaptation.
Knowledge Sharing: Generates groundwater monitoring and modeling data for submission to GeoTracker and GAMA, strengthening regional and statewide decision-making.

Comments: [Include narrative on additional benefits, as warranted.]

The project will reduce PCE groundwater concentrations from greater than 12 ug/L to less than the MCL of 5 ug/L (reduction of at least 0.007 mg/L). The total estimated mass removal of PCE for the 20-year life of the project is 4.5 gallons, a 17 percent improvement over baseline conditions.
The potable drinking water supply provided by this project is in line with the safe annual yield of the basin, which is estimated as 700 AFY in the San Luis Obispo Valley Groundwater Basin Groundwater Sustainability Plan.

* DWR may require applicant to convert or modify Benefit Claimed and/or Benefit Units. Where applicable, select one of the following units that corresponds to the benefit claimed:

- For water supply produced, saved, or recycled, enter acre-feet per year (AFY)
- For water quality, enter constituent concentration reduced in mg/L
- For flood damage reduction, enter inundated acres reduced in acres
- For habitat improved, restored or protected, enter habitat restored in acres
- For fishery benefits, enter increased fishery flow rate in cubic feet per second (cfs)
- For species protection, enter number of species benefited

3. Does the proposed project provide benefits to multiple IRWM regions [or funding areas]? If the project is located in another funding area, please provide the information requested in the 2019 Guidelines, Section 1.A.

☐ Yes ☑ No If yes, provide a description of the benefits to the various regions.

4. Provide a narrative on cost considerations. For example, were other alternatives to achieve the same types and amounts of physical benefits as the proposed project evaluated? Provide a justification as to why the project was selected (e.g., if the proposed project is not the lowest cost alternative, why is it the preferred alternative? Are there any other advantages that the proposed project provides from a cost perspective?)

Several alternatives were evaluated to remediate the PCE plume in the San Luis Valley Subarea and provide the same physical benefits of contaminant removal, aquifer protection, and supplemental drinking water supply. Alternatives considered included different well locations, decentralized versus centralized treatment facilities, and multiple options for water and power connections.

The Feasibility Study Report (December 2022), completed as part of the earlier PCE Plume Characterization study, established the initial framework for comparing treatment technologies and siting scenarios. That report identified multiple alternatives, assessed their relative costs, and highlighted the long-term operation and maintenance considerations that would weigh heavily in the final project design.

The subsequent Preliminary Design and Siting Report (April 2024), prepared as part of the current study, built on that

5. a. Does the project address a contaminant listed in AB 1249?

☐ Yes ☑ No If yes, complete parts b and c:

b. Describe how the project helps address the contamination.

c. Does the project provide safe drinking water to a small disadvantaged community?

☐ Yes ☑ No If yes, provide an explanation on how the project benefits a small disadvantaged community as defined in the 2019 IRWM Guidelines.

<DAC with population less than 10,000 persons>

6. Does the project provide safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes (consistent with AB 685) to meet a specific need(s) of a community?

☑ Yes ☐ No If yes, please describe.

The Groundwater Cleanup Project advances the human right to water, as established in AB 685, by ensuring a safe, clean, affordable, and accessible source of drinking water for the community. By removing tetrachloroethylene (PCE) contamination from the San Luis Obispo Valley Groundwater Basin and treating extracted water to meet all State drinking water standards, the project directly protects public health and secures the reliability of the City's supply.

The project will produce an estimated 600 acre-feet per year of potable water, equivalent to approximately 12 percent of the City's current annual demand. This contribution strengthens the City's overall supply portfolio, ensuring that residents and businesses have continued access to water adequate for drinking, cooking, and sanitary purposes. By utilizing this local groundwater resource, the project helps to reduce the operational costs of providing drinking water that are associated with the current use of imported supplies, thereby supporting affordability and

7. Does the project employ new or innovative technologies or practices, including decision support tools that support the integration of multiple jurisdictions, including, but not limited to, water supply, flood control, land use, and sanitation?

☐ Yes ☑ No If yes, please describe.

8. If the project provides benefits (75% by population or geography) to a DAC, explain the need of the DAC and how the project will address the described need. Explain how the area/community meets the definition of a DAC.

9. If the project provides benefits (75% by population or geography) to an EDA, explain the need of the EDA and how the project will address the described need. Explain how the area/community meets the definition of an EDA.

10. If the project provides benefits (75% by population or geography) to a Tribe or a Tribe is the sponsor of the project, explain the need of the Tribe and how the project will address the described need.

11. Does the project sponsor have legal access rights, easements, or other access capabilities to the property to implement the project?

- ☑ Yes — If yes, please describe.
- ☐ NA — If NA, please describe why physical access to a property is not needed.
- ☐ No — If no, please provide a clear and concise narrative with a schedule to obtain necessary access.

The project is being done on City-owned property.

E. ENVIRONMENTAL

1. Please fill out the CEQA Timeline Table below, if applicable:

Table 4 - CEQA Timeline

CEQA STEP	COMPLETE? (y/n)	ESTIMATED DATE TO COMPLETE
Initial Study	Y	Dec-24
Notice of Preparation	na	
Draft EIR/MND/ND	Y	Dec-24
Public Review	Y	December 12, 2024 - January 10, 2025
Final EIR/MND/ND	Y	25-Feb-25
Adoption of Final EIR/MND/ND	Y	4-Mar-25
Notice of Determination	Y	5-Mar-25

a. If additional explanation or justification of the timeline is needed, please describe below (optional).

2. Permit Acquisition Plan:

List all permits needed to complete the project. If the project does not provide benefits to a DAC, EDA, or Tribe (min 75%), all permits needed to begin construction must be acquired within 12 months of Final Award.

No.	Type of Permit	Permitting Agency	Date Acquired or Anticipated
1.	NPDES Construction General Permit	Regional Water Quality Control Board	2025
2.	Construction Stormwater General Permit	Regional Water Quality Control Board	2025
3.	Amended water supply permit	California Department of Drinking Water	2026
4.	Grading permit and encroachment permit	City of San Luis Obispo	2025
5.	Well Permit	County of San Luis Obispo	2025 and 2026
6.	Authority to construct and permit to operate	APCD	2026
7.	Encroachment permit	Caltrans	2026

For each permit not yet acquired, describe the following:

No.	a. Actions taken to date (include dates of any key meetings, consultations, submittals, etc.)	b. Any issues or obstacles that may delay acquisition of permit
1.		
2.		
3.	City staff have received consultation from DDW and re activ	
4.		
5.	The City has obtained a permit for one of the new wells, and	
6.	This will be done as part of the well equipping construction	

3. Permitting Checklist: This checklist is provided as a courtesy for documentation purposes. Not all permits which may apply are listed. (Required for Pre-Application Material Submittal; not required for Final Application Submittal)

a. Does the project involve any activities that may affect federally or state listed threatened or endangered species or their critical habitat that are known, or have a potential, to occur on-site, in the surrounding area, or in the service area? (i.e. Federal Endangered Species Act Section 7 Consultation and Incidental Take Authorization and Section 10 Incidental Take Permit, California Endangered Species Act Permit, and/or ESA & CESA Consistency Determination)

☑ Yes ☐ No If yes, please explain:

Each of the monitoring well locations outside of the treatment well site would be developed on locations that are paved and feature existing infrastructure, and thus do not present the potential for encountering sensitive plant species. The CNDDB and CNPS review identified five plant species with a moderate potential to occur and four plant species with a high potential to occur at the treatment well site. Based on the results of the Botanical Memorandum (Appendix B), no federallisted, state-listed, or other special-status plant species were observed at the treatment well site during the botanical surveys. Therefore, no special-status plant species are present at the treatment well site, and the project would have no impact on special-status plant species.

Each of the monitoring well locations outside of the treatment well site would be developed on locations that are paved and feature existing infrastructure, and thus would not affect animal species or their habitats. As summarized

b. Would the proposed project work in, over, or under navigable waters of the US or discharge dredged or fill material in waters of the US? (i.e. Rivers & Harbors Act Section 10 Permit and/or Clean Water Act Section 404 Permit)

☐ Yes ☑ No If yes, please explain:

c. Will the proposed project have the potential to affect historical, archaeological, or cultural resources? (i.e. National Historic Preservation Act and/or State Historic Preservation Officer Consultation)

☑ Yes ☐ No If yes, please explain:

Although the treatment well site has been previously disturbed, the treatment well site is nevertheless considered sensitive for archaeological resources, consistent with the City's Archaeological Resource Preservation Program Guidelines and Conservation and Open Space Element. If project related construction activities were to interfere with subsurface archaeological resources, this would be a potentially significant impact.

d. Will the proposed project discharge into a water of the US? (i.e. Clean Water Act Section 401 and/or 404 Permit)

☐ Yes ☑ No If yes, please explain:

e. Will the proposed project divert the natural flow of a river, stream, or lake? (i.e. Lake or Streambed Alteration Agreement)

☐ Yes ☑ No If yes, please explain:

f. Will the proposed project change the bed, channel, or bank of a river, stream, or lake? (i.e. Lake or Streambed Alteration Agreement)

☐ Yes ☑ No If yes, please explain:

g. Will the proposed project use any material from the bed, channel, or bank of a river, stream, or lake? (i.e. Lake or Streambed Alteration Agreement)

☐ Yes ☑ No If yes, please explain:

h. Will the proposed project deposit or dispose of debris, waste, or other material containing crumbled, flaked, or ground pavement where it can pass into a river, stream, or lake? (i.e. Lake or Streambed Alteration

☐ Yes ☑ No If yes, please explain:

i. For water supply projects, do you need to obtain a water right? (Water Rights Permit)

☐ Yes ☑ No If yes, please explain:

j. Is the proposed project within the defined coastal zone? (Coastal Development Permit)

☐ Yes ☑ No If yes, please explain: