



San Luis Obispo County Region
Integrated Regional Water Management (IRWM)
Regional Water Management Group (RWMG)

Date: June 4, 2025
Time: 10:00 AM – 11:30 PM
Location: SLO City/County Library Community Room
995 Palm Street, San Luis Obispo, CA

Please note, this meeting will be in-person only

- 1) Introduction & Welcome
- 2) Public Comment and Member Updates
- 3) General Program and Funding Updates
- 4) Receive Update on the Central Coast Blue Project's Award in the Prop. 1, Round 2 IRWM Implementation Grant and Consider Actions.
- 5) Adjournment and Next Steps

NOTICE: All IRWM notices will be emailed only by the online mailing list service. Please sign-up for the IRWM Stakeholder mailing list online at www.slocounty.ca.gov/irwm

For more information, please contact
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www.slocountywater.org/irwm

TO: IRWM Regional Water Management Group

FROM: Brendan Clark, Supervising Water Resources Engineer

DATE: June 4, 2025

SUBJECT: Item #4: Receive Update on the Central Coast Blue Project's Award in the Prop 1, Round 2 IRWM Implementation Grant and Consider Actions

Recommendation

Recommend the District Board of Supervisors direct staff to return to the Board with a proposed project, or suite of projects, to replace Central Coast Blue in the Proposition 1, Round 2 IRWM Implementation Grant.

Discussion

In summary, District staff observe and assert that the Central Coast Blue project (Project) is significantly different from the project that was recommended by the RWMG, authorized by the BOS, and awarded by DWR¹.

Since the award of the grant (May 6th, 2023) and the Agreement between the State and District (Dec 7th, 2023), the Project has experienced several challenges, which have significantly delayed and scaled back its benefits. This includes a 1-year pause due to escalating costs² and a loss of project partners.

The table below summarizes the key differences in the current direction of the Project, and what was originally submitted to the RWMG for scoring and subsequently awarded by DWR:

	Original Project	Current Project ³
Benefits	900 AFY	350 AFY
Number of wells	4 Injection 9 Monitoring	1 Injection 2 Monitoring
Construction Completion	Sept. 1, 2026	After June 30, 2027
Multi-agency?	Yes	No

The Project's continued inclusion requires an amendment of the Scope, Budget, and Schedule of the P1R2 Grant Agreement as well as an extension of the Grant Term, all of which are subject to approval by DWR. Under normal circumstances, such as procurement delays, Staff would execute an amendment with DWR without consulting the RWMG or BOS. However, with the significant differences between the multi-agency, regional Project scored and recommended by the RWMG and its current approach, Staff cannot support an amendment and believe the Project should be replaced in the Agreement. Without an amendment, the District and its partner agencies in the RWMG risk losing \$1,000,000 in implementation grant funding.

¹ For a summary of the P1R2 Grant project selection process, recommended projects and more, please see attached BOS staff report from November 1, 2022: [https://www.slocounty.ca.gov/departments/public-works/forms-documents/committees-programs/integrated-regional-water-management-\(irwm\)/rwmg-agendas/2022/2022-09-07-rwmg-agenda-packet](https://www.slocounty.ca.gov/departments/public-works/forms-documents/committees-programs/integrated-regional-water-management-(irwm)/rwmg-agendas/2022/2022-09-07-rwmg-agenda-packet)

² <https://www.centralcoastblue.com/post/central-coast-blue-project-update>

³ Per conversation and correspondence with City Staff in April and May 2025

Next Steps

The Water Resources Advisory Committee will also consider staff's recommendation at their June 4th, 2025 meeting.

Staff expect to go to the Board of Supervisors in Summer 2025 with the recommendation for direction to return to the Board with a proposed project, or suite of projects, to replace Central Coast Blue in the P1R2 Grant.

Should the Board of Supervisors provide this direction, Staff would return promptly to the RWMG to initiate a Call for Projects and re-establish the Working Group in order to facilitate identifying a potential replacement project or suite of projects.