



Notice of Meeting

STATE WATER SUBCONTRACTORS ADVISORY COMMITTEE

SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

Library Conference Rm., City/Co. Library – 995 Palm St., San Luis Obispo, CA 93401

Friday, Feb. 7, 2025 – 10:00 – 11:30 AM

For agenda packet attachments and more information: <https://www.slocounty.ca.gov/Departments/Public-Works/Committees-Programs/State-Water-Project-and-Subcontractors-Advisory-Co.aspx>

Chair: Greg Kwolek (Morro Bay)

Vice Chair: Brad Hagemann (Avila Beach CSD)

AGENDA

1. **CALL TO ORDER** – Roll Call & Quorum Count
2. **PUBLIC COMMENT** – For matters not on the agenda, within the Committee's jurisdiction. Limited to 3 minutes each.
3. **MEETING MINUTES**
Staff Recommendation: Approve the Minutes from Dec. 2024.
4. **SELECTION OF 2025 SWSAC OFFICERS**
Staff Recommendation: Nominate and Approve Chair and Vice Chair for 2025.
5. **REPORTS FROM THE DISTRICT**
 - A. Water Supply & Delivery Operations
Staff Recommendation: Informational Item Only.
 - B. Update on the 2024 Westside Water Transfer
Staff Recommendation: Informational Item Only.
 - C. DCP Planning Update
Staff Recommendation: Informational Item Only.
 - D. Water Management Working Group Update
Staff Recommendation: Informational Item Only.
 - E. Update on the Draft Policy (SWP Priorities and Criteria for Use)
Staff Recommendation: Informational; consider calling for a special meeting on March 7, 2025, to take action on the proposed policy updates before they are presented to the District Board of Supervisors.
6. **REPORTS FROM SUBCONTRACTORS** (FOR INFORMATION ONLY)
7. **FUTURE AGENDA ITEMS**
8. **DATE OF NEXT REGULAR MEETING** (Friday, May 2, 10:00-11:20a)
9. **ADJOURNMENT**

Attachments

1. Agenda Item 3 – Draft Minutes, Dec. 2024
2. Agenda Item 4 – Bylaws and Current Members List
3. Agenda Item 5.A – Staff Report
4. Agenda Item 5.B – Staff Report
5. Agenda Item 5.C – Staff Report
6. Agenda Item 5.E – Policy References
7. Agenda Item 8 – 2025 Calendar

CONTACT: Please contact SWSAC Secretary, Wes Thomson, with any questions: wthomson@co.slo.ca.us or (805) 781-5252. *All Americans with Disabilities Act (ADA) accommodations shall be promptly reviewed and resolved.*

1120 Mill Street,
San Luis Obispo, CA

MINUTES OF THE DECEMBER 06, 2024
STATE WATER SUBCONTRACTORS ADVISORY COMMITTEE
San Luis Obispo County Flood Control and Water Conservation District
(DRAFT FOR REVIEW)

Chair: Greg Kwolek (absent)
Vice Chair: Brad Hagemann
Secretary: Wes Thomson

The following minutes are listed as they were acted upon by the State Water Subcontractors Advisory Committee (SWSAC) and as listed on the Regular Meeting agenda for December 06, 2024, together with staff reports and related documents attached thereto and incorporated therein by reference.

1. CALL TO ORDER & ROLL CALL – Call to order at approx. 10:05 AM; quorum was established (5 or more Members present).

<u>Representative</u>	<u>Agency</u>
Nola Engelskirger	CSA 16 Shandon
Cindy Treichler	County Ops Center
Scott DeMello	Cuesta
Peter Brown	Oceano CSD
Dwayne Chisam	San Miguelito MWC
Brad Hagemann	Avila Beach CSD
Kate Ballantyne	District

2. PUBLIC COMMENT: None

3. REVIEW OF LAST MEETING'S MINUTES

Staff Recommendation: Approve the Minutes from Sept. 2024.

- The minutes are from September 13, 2024. Dwayne Chisam motioned to approve the minutes, Nola Engelskirger seconded, all in favor. Meeting minutes were approved by a simple verbal vote.

4. SET DATES FOR THE 2025 CALENDAR

Staff Recommendation: Approve the Proposed 2025 SWSAC Calendar.

- Peter Brown motioned to approve the 2025 Calendar, Chisam seconded, all in favor. The 2025 SWSAC Calendar was approved by a simple verbal vote.

5. UPDATE ON COUNTY GSD STUDY: "PASO BASIN SWP SUPPLEMENTAL SUPPLY"

Staff Recommendation: Informational Item Only.

- Terry Erlewine, currently working with Blaine Reely with SLO County GSA's in the Paso Basin, presented the recent updates on the GSD Study for the Paso Basin SWP Supplemental Supply. Erlewine gave a brief overview of how the Paso Basin could be used to store water and decrease

the chances of water loss due to spill; showing the available capacity of Reaches 31A & 33A to support delivery to the Paso Basin with available capacity in Reach 33B constrained in the months of May-September due to the higher deliveries to the rest of the Coastal Branch. He also discussed the cost comparison of the water delivered to the Paso Basin depending on the level of compensation or cost recovery that is decided upon.

- Chisam noted that current subcontractors have made a considerable investment in the SWP and that the costs charged for the ability to deliver this water to others is an equity issue that would need to be addressed (i.e., what is fair compensation for use of the conveyance capacity).
- Erlewine discussed the project Alternatives – delivery of SWP as treated or raw water. The raw water pipeline option has the major advantage of not being subject to the capacity issues on Reach 33B.

6. REPORTS FROM THE DISTRICT

A. Water Supply & Delivery Operations:

Staff Recommendation: Informational Item Only.

- Wes Thomson reported that based on the 2024 allocation at 40%, current Subcontractor demand, and carryover from previous year, the District will be going into 2025 with around 6400 AF of carryover. The initial allocation for 2025 is 5% and the state forecasts indicate there are about equal chances of seeing a wet or dry year ahead.
- Thomson noted the new Golden Mussel detection in the Delta and that the state (both DWR and CDFW) is now monitoring the presence of this invasive species and considering ways to control or mitigate its impact to the regions served by the SWP. The mussels can grow very quickly and clog pipelines and/or significantly impair the operational capability of water conveyance infrastructure.

B. Westside Water Transfer Update

Staff Recommendation: Informational Item Only.

- Thomson reported that it is expected that the Westside will take the full amount of water made available; DWR is coordinating approval of the agreement among the parties; the District expects to have another update at the next meeting.

C. DCP Planning Update

Staff Recommendation: Informational Item Only.

- Thomson reported that the next funding round request to the Board of Supervisors has been pushed to January; discussed the costs of the planning for 2026-27 at about \$37/AF. Thomson reiterated the primary objective of the project is to protect reliability of SWP water delivery to SLO County. Additionally, SWP provides geographic diversity to our water supplies, not only with our connection to the SWP supply, but with the connections to other SWP Contractors.

D. Water Management Group Update

Staff Recommendation: Informational Item Only.

- Thomson briefly discussed the continued effort of the working group with respect to the Draft Policy and priority/criteria for use.

E. Update on the Draft Policy (SWP Priorities and Criteria for Use)

Staff Recommendation: Informational Item Only.

- Thomson reported that the target Board date is May 6, 2025.

7. REPORTS FROM SUBCONTRACTORS: None.

8. FUTURE AGENDA ITEMS: None.
9. DATE OF NEXT MEETING – February 7th, 2025, at 10:00 AM.
10. ADJOURNMENT – Hagemann adjourned the meeting at approximately 11:15 AM.

-- DRAFT MINUTES BY: JT / WT

AGENDA ITEM 4

BYLAWS & CURRENT MEMBERS LIST

STATE WATER SUBCONTRACTORS ADVISORY COMMITTEE (SWSAC)

2/7/25

ATTACHMENTS

1. Current Members List
2. SWSAC Bylaws

SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
2024 STATE WATER SUBCONTRACTORS ADVISORY COMMITTEE

Per BOS Approval Action (11/12/2024) & PWD Approval (11/25/2024).

STATE WATER SUBCONTRACTORS ADVISORY COMMITTEE MEMBERSHIP*	
Flood Control and Water Conservation District Member	Courtney Howard
Alternate	Kate Ballantyne
County Services Area 16 (Shandon) Member	Nola Engelskirger
Alternate	Jessica Suchecki
California Men's Colony Member	Scott Buffaloe
Alternate	John Philbrick
County Operations Center Member	Cindy Treichler
Alternate	Aaron Tonkin
Cuesta College Member	Brian McAlister
Alternate	Scott DeMello
City of Morro Bay Member	Greg Kwolek
Alternate	Damaris Hanson
City of Pismo Beach Member	Mike James
Alternate	<i>Vacant</i>
Oceano CSD Member	Peter Brown
Alternate	Charles Varni
San Miguelito MWC Member	Dwayne Chisam
Alternate	Michael Nordstrom
Avila Beach CSD Member	Brad Hagemann
Alternate	<i>Vacant</i>
Avila Valley MWC Member	Mike Ritter
Alternate	Bob Owen
San Luis Coastal Unified School District Member	<i>Vacant</i>
Alternate	<i>Vacant</i>

**District (non-voting) and County representation per Committee Bylaws (Section 4, BOS-approved 2/4/2020): "The member and alternate member representing the District and County Subcontractors shall be County staff from the Public Works Department appointed by and serving at the pleasure of the San Luis Obispo County Director of Public Works."*

BYLAWS

STATE WATER SUBCONTRACTORS ADVISORY COMMITTEE

SAN LUIS OBISPO COUNTY FLOOD CONTROL & WATER CONSERVATION DISTRICT

Adopted November 2019; Approved by the Board of Supervisors February 4, 2020

1. NAME

The name of the advisory committee described herein shall be the State Water Subcontractors Advisory Committee ("Committee").

2. BACKGROUND

The San Luis Obispo County Flood Control and Water Conservation District ("District") entered into an agreement with the State of California ("State") pursuant to which the State furnishes a water supply ("State Water") to the District. The District subsequently entered into subcontracts ("Water Supply Agreements") with various water suppliers ("Subcontractors") pursuant to which the District furnishes State Water to the Subcontractors. Article 31 of the Water Supply Agreements provides for the formation of an advisory group as more specifically described below.

3. PURPOSE, RESPONSIBILITY, AND AUTHORITY

- a. **Purpose:** Pursuant to Article 31 of the Water Supply Agreements, the purpose of the Committee is *"to monitor all aspects of [the Water Supply Agreements] [...] and to advise the governing bodies of District and [Subcontractors] on the functioning of [the Water Supply Agreements] [...], and to recommend to the governing bodies of District and [Subcontractors] any modifications to said agreements that may, from time to time, be appropriate."*
- b. **Authority and Limitations:** The Committee's authority is that of an advisory committee to the San Luis Obispo County Board of Supervisors in its capacity as the San Luis Obispo County Flood Control and Water Conservation District Board of Supervisors ("District Board of Supervisors") regarding the needs and desires of the Subcontractors.
- c. **Role of the District Board of Supervisors:** The District Board of Supervisors may approve, alter, or return any recommendation of the Committee.
- d. **Brown Act Compliance:** The Committee shall comply with all applicable laws, including, but not limited to, the Ralph M. Brown Act (Government Code §§ 54950 et seq.).

4. MEMBERS AND TERMS OF MEMBERSHIP

General Membership: Membership on the Committee shall be available to representatives from all Subcontractors and the District. The Committee shall consist of one member (and one alternate member) representing each Subcontractor and one non-voting member (and one non-voting alternate member) representing the District. The alternate member representing each Subcontractor and the District is only authorized to participate as a member on the Committee in the absence of the member.

- a. **Appointment of Members:** Each Subcontractor may nominate a member and an alternate member to represent them on the Committee subject to confirmation by the District Board of Supervisors. Said members shall serve at the pleasure of the governing board of the respective Subcontractor and may be removed at any time by either the District Board of Supervisors or the Subcontractor's governing body, provided that the District Board of Supervisors shall have no authority to replace a removed member with an individual who has not been nominated by the relevant Subcontractor. The member and alternate member representing the District and County Subcontractors shall be County staff from the Public Works Department appointed by and serving at the pleasure of the San Luis Obispo County Director of Public Works.
- b. **Subcontractors:** Committee membership is available to the following District Subcontractors:
 - i. County Service Area No.16 (Improvement District No. 1, Shandon)
 - ii. State of California Department of Corrections (California Men's Colony, San Luis Obispo)
 - iii. County of San Luis Obispo (County Operations Center and El Chorro Regional Park)
 - iv. San Luis Obispo County Community College District (Cuesta College Campus, San Luis Obispo)
 - v. City of Morro Bay
 - vi. City of Pismo Beach
 - vii. Oceano Community Services District
 - viii. San Miguelito Mutual Water Company
 - ix. Avila Beach Community Services District
 - x. Avila Valley Mutual Water Company
 - xi. San Luis Coastal Unified School District
- c. **Vacancies:** Should a member resign or leave the Committee, the alternate member shall serve until a new appointment is made.

5. OFFICERS

- a. **Officers:** Officers of the Committee shall consist of a Chair and Vice Chair who shall be elected by the Committee at the first regular meeting of each year.
- b. **Chair Duties:** It shall be the duty of the Committee Chair to (1) preside over all meetings of the Committee, (2) call special meetings of the Committee when necessary consistent with all legal requirements, and (3) appoint subcommittees subject to the confirmation of the Committee.
- c. **Vice Chair Duties:** It shall be the role of the Vice Chair to fulfill the duties of the Chair in his or her absence, and then the Vice Chair shall become the Chair in the following year.
- d. **Committee Administrative Duties:** The administrative duties that are of a secretarial nature shall be handled by District Staff, including keeping meeting minutes, agenda preparation, and correspondence.
- e. **Term:** No elected officer of the Committee shall serve more than two (2) consecutive full one-year terms in the same office.
- f. **Vacancies:** The Vice Chair shall assume the role of Chair in the absence or resignation of the Chair. Vacated officer positions shall be filled by election of the Committee at the next meeting.

6. SUBCOMMITTEES

- a. **Purpose:** Subcommittees shall be formed for the limited purpose of providing in-depth knowledge on specific issues related to the interest of the Subcontractors.
- b. **Formation:** Subcommittees shall be formed, and its members appointed by the Chair, subject to the confirmation of the Committee.

7. MEETING CONDUCT AND ADMINISTRATION

- a. **Notice of Meetings:** Meetings shall be noticed and conducted in accordance with all applicable laws, including but not limited to the Ralph M. Brown Act (Government Code §§ 54950 et seq.).

- b. **Preferred Meeting Dates, Duration and Location:** Regular meetings of the Committee shall be held on a schedule established by the Committee at the first meeting of each year.
- c. **Frequency:** Meetings of the Committee shall meet at least four times per year. Additional meetings may be scheduled as agreed upon by a majority vote of the Committee.
- d. **Presiding Officer:** If both the Chair and the Vice Chair are unable to preside, District Staff shall assume the role of Chair for the Committee meeting.
- e. **Minutes and Other Records of Business:** District Staff shall keep written notes and an audio recording of each Committee meeting, and shall also be responsible for correspondence, files, and general administration of the Committee. Audio recordings will be kept on file in the San Luis Obispo County Public Works Department office until meeting minutes have been approved by the Committee.
- f. **Special Meetings:** Special meetings of the Committee may be called at any time by the Chair or a majority of the Committee members subject to satisfaction of all legal requirements.
- g. **Quorum:** A quorum of the Committee shall consist of 5 members.
- h. **Voting:** With the exception of the District, each member of the Committee shall be entitled to one (1) vote on all matters before the Committee and any decision (i.e. election of Chair and Vice Chair) or recommendation to the District Board of Supervisors shall be supported by a majority vote.
- i. **Alternate Notification:** It shall be the responsibility of a Committee member who will be absent to contact said member's alternate to attend the meeting in his or her place.
- j. **Member Updates:** Members are encouraged to provide an update on water resource issues relevant to his or her agency at least once per year.

8. BYLAW REVISIONS

Bylaws shall be reviewed every two (2) years for recommended updates, or more often if requested by the Committee.

2025 STATE WATER REQUESTED (REV 0)

2025 SWP Delivery Schedule (Adjusted for DWR); WT, 12/24/2024

Updated available supply, 1/17/2025.

District's Projected Stored Carryover Water (C/O) at SLR, 1/1/2025 =	6,294	AF
Current 2025 SWP "Table A" allocation (as of 12/23/2024) =	15%	
The District's allocation per the 25,000 AF "Table A" contract =	3,750	AF
*Reserved for Transfer (CY 2025) =	0	AF
Total SWP Water Available (CY 2025), minus the Reserve =	10,044	AF

	AGENCY	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
SHANDON	CSA 16	0	0	0	0	0	0	0	0	0	0	0	0	0
	<i>adjusted for DWR²</i>	0	0	0	0	0	0	0	0	0	0	0	0	0
	Coastal Branch Flow Rate (cfs)	0	0	0	0	0	0	0	0	0	0	0	0	
	Turnout Flow Rate (gpm)	0	0	0	0	0	0	0	0	0	0	0	0	
CHORRO V.	CMC	33	33	33	33	33	33	33	33	33	33	33	33	396.0
	County Ops	35	35	35	35	35	35	35	35	35	35	35	35	420.0
	Cuesta	16	16	16	16	16	16	16	16	16	16	16	16	192.0
	City of Morro Bay	90	90	100	100	109	109	109	109	109	95	90	90	1200.0
	Subtotal	174.00	174.00	184.00	184.00	193.00	193.00	193.00	193.00	193.00	179.00	174.00	174.00	2208
	<i>adjusted for DWR²</i>	174	174	184	184	193	193	193	193	193	179	174	174	2208
	Coastal Br. Flow Rate (cfs)	2.83	3.13	2.99	3.09	3.14	3.24	3.14	3.14	3.24	2.91	2.92	2.83	
LOPEZ	Turnout Flow Rate (gpm)	1270	1406	1343	1388	1409	1456	1409	1409	1456	1307	1312	1270	
	City of Pismo Beach ³	95	95	100	103	103	103	103	103	100	95	95	95	1190.0
	Oceano CSD ³	0	0	0	0	0	0	20	20	20	15	0	0	75.0
	San Miguelito MWC	7	7	8	8	8	8	8	8	7	7	7	7	90.0
	Avila Beach CSD	5	5	6	6	6	6	6	7	6	6	6	5	70.0
	Avila Valley MWC	1	1	1	2	2	2	2	2	2	2	1	2	20.0
	San Luis Coastal USD	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	6.0
	Subtotal	108.50	108.50	115.50	119.50	119.50	119.50	139.50	140.50	135.50	125.50	109.50	109.50	1451
	<i>adjusted for DWR²</i>	109.00	109.00	116.00	120.00	120.00	120.00	140.00	141.00	136.00	126.00	110.00	110.00	1457
	Coastal Br. Flow Rate (cfs)	1.77	1.96	1.89	2.02	1.95	2.02	2.28	2.29	2.29	2.05	1.85	1.79	
	Turnout Flow Rate (gpm)	796	881	847	905	876	905	1022	1029	1026	920	830	803	
TOTAL		282.50	282.50	299.50	303.50	312.50	312.50	332.50	333.50	328.50	304.50	283.50	283.50	3659.00
ADJUSTED TOTAL²		283.00	283.00	300.00	304.00	313.00	313.00	333.00	334.00	329.00	305.00	284.00	284.00	3665.00
Coastal Br. Flow Rate (cfs)		4.60	5.10	4.88	5.11	5.09	5.26	5.42	5.43	5.53	4.96	4.77	4.62	

Note: 1. All delivery values reported are in volumetric units of acre-feet (AF).

2. Whole acre-feet; max monthly contracted delivery: Shandon (8.33 AF), Chorro (194.83 AF), Lopez (199.33 AF) = (402.5 AF Total).

3. REV 0 = Initial schedule planned for calendar year 2025 (Jan 1 - Dec 31).

2024 STATE WATER: Estimated Cost Recovery
Under Proposed Water Transfer with WS5

Based on deliveries to Subcontractors (thru July 2024)

District's Stored Carryover Water (C/O) at SLR, 1/1/2024 = 12,500 AF of C/O
Current SWP "Table A" (TBLA) allocation (per DWR, as of 4/23/2024) = 40%
The District's 25,000 AF "Table A" contract at current allocation = 10,000 AF of TBLA
Total SWP Water Available for 2024 = 22,500 AF

District Table A >>		25,000	Year 2024		Potential
2024 "Table A" Contract Share			TBLA Alloc. (AF)	8,500	Transf (est.)
Excess >	14,423	0.57692	5,769		4,904
Subs >	10,577	0.42308	4,231		3,596

ESTIMATED MIN. COST RECOVERY - EXISTING SUBCONTRACTOR DELIVERY SCHEDULE (2024)³

ESTIMATED MIN. COST RECOVERY - EXISTING SUBCONTRACTOR DELIVERY SCHEDULE (2024) ³																			SUBS		\$440
AGENCY		SCHEDULED	TLBA	C/O	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	Mx.TBLA	UNUSED TBLA	Min. \$ Rec.	
SHANDON TO CHORRO V. TO	CSA 16	0	0	0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0.0	40	40	\$ 17,600	
	CMC	396	320	76	18.4	17.8	22.6	18.7	24.1	33	33	33	33	33	33	33	332.5	320	0	\$ -	
	County Ops	420	340	80	19.5	18.8	24.0	19.9	25.5	35	35	35	35	35	35	35	352.7	340	0	\$ -	
	Cuesta	192	160	32	8.9	8.6	11.0	9.1	11.7	16	16	16	16	16	16	16	161.2	160	0	\$ -	
	City of Morro Bay	1,180	1,441	0	76.2	63.8	79.5	76.3	91.7	105	105	105	105	100	90	90	1,088	1,441	353.7	\$ 155,606	
LOPEZ TO	City of Pismo Beach	412	992	0	90.6	84.2	102.1	0.0	0.0	103	0	0	0	0	0	0	380.0	992	612.0	\$ 269,298	
	Oceano CSD	357.5	600	0	42.4	38.9	45.0	43.3	51.9	60	0	0	0	0	0	0	281.5	600	318.5	\$ 140,144	
	San Miguelito MWC	90	220	0	4.4	7.8	3.1	1.2	5.1	8	8	8	7	7	7	7	73.6	220	146.4	\$ 64,434	
	Avila Beach CSD	70	80	0	4.4	4.6	6.0	6.0	6.0	6	6	7	6	6	6	5	68.9	80	11.1	\$ 4,884	
	Avila Valley MWC	20.0	32	0	0.9	0.7	1.0	1.1	2.0	2	2	2	2	2	1	2	18.8	32	13.2	\$ 5,826	
	San Luis Coastal USD	6.0	5.6	0.4	0.17	0.29	0.31	0.50	0.4	1	1	1	1	1	1	1	5.19	5.6	0	\$ -	
TOTAL		3,144	4,231	188	265.8	245.5	294.5	176.1	218	369	206	207	205	200	189	189	2,762	4,231	1495	\$ 657,792	

- Notes: 1. Deliveries based on CCWA monthly delivery reporting and subcontractor request.
2. All delivery values reported are in volumetric units of acre-feet (AF).
3. Deliveries to Lopez during March were increased to supplement during the tank replacement project at the Lopez WTP.

ESTIMATED MAX. COST RECOVERY - FOR SUBCONTRACTORS CONSIDERING A REVISED SCHEDULE (2024)³

ESTIMATED MAX. COST RECOVERY - FOR SUBCONTRACTORS CONSIDERING A REVISED SCHEDULE (2024) ³																		SUBS		\$440
AGENCY		SCHEDULED	TLBA	C/O	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	Mx.TBLA	UNUSED TBLA	Max. \$ Rec.
SHANDON TO CHORRO V. TO	CSA 16	0	0	0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0.0	40	40	\$ 17,600
	CMC	135	143	0	18.4	17.8	22.6	18.7	24.1	33	33	0	0	0	0	0	167.5	320	152	\$ 67,085
	County Ops	143	152	0	19.5	18.8	24.0	19.9	25.5	35	35	0	0	0	0	0	177.7	340	162	\$ 71,417
	Cuesta	65	70	0	8.9	8.6	11.0	9.1	11.7	16	16	0	0	0	0	0	81.2	160	79	\$ 34,659
	City of Morro Bay	493	501	0	76.2	63.8	79.5	76.3	91.7	105	105	0	0	0	0	0	597.5	1,441	843.7	\$ 371,206
LOPEZ TO	City of Pismo Beach	380	380	0	90.6	84.2	102.1	0.0	0.0	103	0	0	0	0	0	0	380.0	992	612	\$ 269,298
	Oceano CSD	281	290	0	42.4	38.9	45.0	43.3	51.9	60	0	0	0	0	0	0	281.5	600	319	\$ 140,144
	San Miguelito MWC	30	32	0	4.4	7.8	3.1	1.2	5.1	8	0	0	0	0	0	0	29.6	220	190.4	\$ 83,794
	Avila Beach CSD	33	33	0	4.4	4.6	6.0	6.0	6.0	6	0	0	0	0	0	0	32.9	80	47.1	\$ 20,724
	Avila Valley MWC	8	8	0	0.9	0.7	1.0	1.1	2.0	2	0	0	0	0	0	0	7.8	32	24.2	\$ 10,666
	San Luis Coastal USD	2.2	2.3	0.0	0.17	0.29	0.31	0.50	0.4	1	0	0	0	0	0	0	2.19	6	3	\$ 1,500
	TOTAL	1,569	4231	0	265.8	245.5	294.5	176.1	218	369	189	0	0	0	0	0	1,758	4,231	2,473	\$ 1,088,094

- Notes: 1. Deliveries based on CCWA monthly delivery reporting and subcontractor request.
2. All delivery values reported are in volumetric units of acre-feet (AF).
3. Deliveries to Lopez during March were increased to supplement during the tank replacement project at the Lopez WTP.



TO: State Water Subcontractors Advisory Committee
FROM: Wes Thomson, Supervising Engineer
DATE: February 7, 2025
SUBJECT: Update on the Delta Conveyance Project

Recommendation

Informational item only.

Discussion

The objective of the proposed Delta Conveyance Project (DCP) is to protect the ability of the State Water Project (SWP) to deliver water by modernizing the aging SWP infrastructure and providing two complementary methods to divert and convey water south of the Delta. This would be accomplished by constructing two new points of diversion in the north Delta along the Sacramento River with a single tunnel to convey water to existing SWP facilities in the south Delta. Modeling shows that the proposed DCP would protect against reductions of 10-17% in the annual average SWP water deliveries compared to existing conditions. The SWP provides the District with greater geographical diversity of water supplies, and the DCP adds needed safeguards to mitigate for the risk of extended supply interruptions due to known seismic vulnerabilities of the Delta levee system.

In 2024, DWR released updated modeling data with an updated project cost estimate, which was used to develop the latest benefit-cost analysis which concluded the DCP would deliver nearly \$38 billion in benefits: *"For every \$1 spent, the project will generate \$2.20 in benefits, which include critical climate change adaptation, improved resilience to sea level rise and earthquakes that can disrupt deliveries, and improved water quality and reliability for the 27 million Californians, 750,000 acres of farmland, and countless businesses that depend on State Water Project supplies."*

In November 2020, the District authorized \$750,000 to participate in the first two years of the initial four-year preliminary planning effort. In 2022, the District authorized \$1,296,000 to cover 2023 and 2024. DWR completed the environmental review in December 2023 and identified a preferred project alternative (per CEQA). The funding from 2023/24 was sufficient to cover 2025, and the next funding commitment (if approved by the District Board) would cover the planning, environmental permitting, design and related pre-construction¹ work in 2026 and 2027.

¹ "Pre-construction work" includes efforts to identify geotechnical, hydrogeologic, agronomic, and other field conditions that will guide appropriate construction methods and monitoring programs for final engineering

Although DWR has approved the DCP, **the District is not yet being asked to approve or commit to the broader Delta Conveyance Project.** The District anticipates having to consider the long-term participation and funding commitment decision in 2027.

Previous Recommendations & Actions:

On November 20, 2019, the SWSAC voted 4-0 with 3 abstentions to recommend participating during the planning and design phase.

On 11/4/2020, the Water Resources Advisory Committee voted 10-7-1 to not recommend that the District BOS participate in the Preliminary Planning and Design Phase for the DCP.

On 11/17/2020, the District Board of Supervisors committed funding for its share of the DCP preliminary planning costs in 2021-2022, and then committed additional funding on 10/18/2022, which covers years 2023-2025.

Financial Considerations

As of this recent benefit-cost analysis, the total project cost is estimated to be \$20.1 billion. Accounting for inflation, this is comparable to the preliminary cost assessment from 2020, showing that costs are holding steady.

DWR funds the SWP capital project costs by issuing revenue bonds, which are not taxpayer-funded (not the State of California liabilities). Participating public water agencies will pay for the bonds, and the bonds are the sole obligation of the SWP and are repayable from SWP revenue.

As a participating agency, the District's proportional share of the next phase of DCP planning costs is \$1.86 million (Attachment 1).

Revenues from the 2024 water transfer could be used to help offset these costs.

REFERENCES

CEQA Documents (Dec. 2023): DWR's Certified Final Environmental Impact Report (Final EIR), adopted Findings of Fact (Findings), Statement of Overriding Considerations (SOC), Mitigation Monitoring and Reporting Program (MMRP), and filed Notice of Determination (NOD):
<https://www.deltaconveyanceproject.com/planning-processes/california-environmental-quality-act/final-eir/final-eir-document>

design and construction data collection and field work investigations, including ground-disturbing geotechnical work, water quality and hydrogeologic investigations, agronomic testing, the installation of monitoring equipment, construction test projects, pre-construction design work, and engineering work.

Benefit-Cost Analysis of the DCP (5/16/2024): https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/Delta-Conveyance/Public-Information/DCP-Benefit-Cost-Analysis-2024-05-13_ADA.pdf

Updated DCP Cost Estimate (5/14/2024): <https://www.dcdca.org/wp-content/uploads/2024/05/2023-Bethany-Total-Project-Cost-Estimate.pdf>

The Economy of the State Water Project (12/14/2023): <https://water.ca.gov/-/media/DWR-Website/Web-Pages/News/Files/FINAL-12-14-2023---The-Economy-of-the-State-Water-Project.pdf>

DCP Round 3 Planning Cost (ESTIMATE)

SLO County FCWCD

11/28/2024, WT

Total District Cost Share = **CY 2026/27**
\$ 1,860,000
 District "Table A" Contract (AFY) >> 25,000
\$ 37 \$/AF per Year

Annual Cost - 2026 & 2027	
CY 2026	CY 2027
\$930,000	\$930,000
50%	50%

SUBCONTRACTOR	Water Service Contract	Drought Buffer Contract	Total Contract	Subscription Percentage	Est'd Cost of DCP Round 3 Planning	Commitment Year (2026)	Commitment Year (2027)
CSA 16 (Shandon)	100	0	100	0.40%	\$ 7,440	\$ 3,720	\$ 3,720
City of Morro Bay	1,313	2,290	3,603	14.41%	\$ 268,063	\$ 134,032	\$ 134,032
CMC	400	400	800	3.20%	\$ 59,520	\$ 29,760	\$ 29,760
County Ops Center	425	425	850	3.40%	\$ 63,240	\$ 31,620	\$ 31,620
Cuesta College	200	200	400	1.60%	\$ 29,760	\$ 14,880	\$ 14,880
City of Pismo Beach	1,240	1,240	2,480	9.92%	\$ 184,512	\$ 92,256	\$ 92,256
Oceano CSD	750	750	1,500	6.00%	\$ 111,600	\$ 55,800	\$ 55,800
San Miguelito MWC	275	275	550	2.20%	\$ 40,920	\$ 20,460	\$ 20,460
Avila Beach CSD	100	100	200	0.80%	\$ 14,880	\$ 7,440	\$ 7,440
Avila Valley MWC	20	60	80	0.32%	\$ 5,952	\$ 2,976	\$ 2,976
San Luis Coastal USD	7	7	14	0.06%	\$ 1,042	\$ 521	\$ 521
Subcontractor Total >>	4,830	5,747	10,577	42.3%	\$ 786,929	\$ 393,464	\$ 393,464
District's Unsubscribed Total >>			14,423	57.7%	\$ 1,073,071	\$ 536,536	\$ 536,536
Total Due to DWR >>					\$ 1,860,000	\$ 930,000	\$ 930,000

TO: State Water Subcontractors Advisory Committee

FROM: Wes Thomson, Supervising Engineer

DATE: February 7, 2025

SUBJECT: Draft Policy on SWP Priorities and Criteria for Use

RECOMMENDATION

Review & comment on updated draft policy document.

DISCUSSION

Attachment 1 is a draft policy document intended to capture the District Board’s priorities for using the SWP water supply within the County and provide guidance on the criteria that would be considered when evaluating requests to establish a new SWP water service contract.

Timeline

Jun 2024 to Feb 2025	- Review of draft policy updates with Subcontractor representatives and WRAC.
Feb 21, 2025	- Comment period closes for input on draft that will be presented for the March 2025 advisory votes. Comments must be received by Feb 21.
Mar 2025	- Advisory votes of draft policy updates with SWSAC and WRAC.
May 2025	- District Board: Review/adoption of draft proposed policy updates.

ATTACHMENTS

- 1. 2003 Excess Entitlement Policies
- 2. Summary of District SWP Subcontracts
- 3. SWP Priorities and Criteria for Use (Dec 2024 Draft)

State Water Project
Excess Entitlement Policies
Approved by Board of Supervisors January 14, 2003

Excess Entitlement - Definition

The District State Water Project “Excess” Entitlement is the portion of the District’s total entitlement that is not contracted to others for their deliverable or drought buffer uses.

Priority of Use

1. Prior to transferring the excess entitlement for any other use, contractors of state water entitlement with capacity in Phase II of the Coastal Aqueduct shall have the first right to utilize the excess entitlement for “drought buffer” (reliability) purposes under the terms of a drought buffer agreement.
2. Preference shall be given to local agencies and water purveyors regardless of whether a transfer is on an annual, multi-year, or a permanent basis.
3. No permanent transfer of the excess entitlement for use outside District boundaries shall be made prior to a final update of the District’s Master Water Plan adopted by the Board of Supervisors, and then only if the transfer is consistent with the then adopted Master Plan. (See ‘Note’ below)
4. No multi-year transfer for use outside District boundaries shall be made with a term in excess of five years prior to a final update to the District’s Master Water Plan adopted by the Board of Supervisors, and then out of District transfers can only take place if the transfer is consistent with the adopted Master Plan.
5. On any out -of-District transfer, preference shall be given to those that provide: a) revenues that recover current costs and some or all of the District’s past costs, b)

maintain the District's right to use the water in the future, or c) which are used for environmental mitigation.

6. The Public Works Director is authorized to determine the annual amount of the excess entitlement to transfer to the State Water Project "Turnback Pools" established under the existing terms of State Water Agreements. In making that determination, the Public Works Director shall first consider local needs and how the use of the Turnback Pool might impact other potential transfers.

Note:

These policies were adopted by the Board of Supervisors "with the understanding there will be no permanent sales outside the District."

Subcontractor Delivery Contracts

9/29/2023 (REV), WT

	SUBCONTRACTOR	Annual Water Service Contracted (AF)	Max. Monthly Delivery Contracted (AF)	Max. Flowrate Contracted (at Turnout) (cfs)	Drought Buffer Contracted (AF)	Water Service + Drought Buffer (AF)
<u>DISTRICT TURNOUT</u>						
SHANDON**	CSA 16 (Shandon)	100	8.33	0.14	0	100
	Subtotal	100	8	0.14	0	100
CHORRO VALLEY (CV Pipeline)	CMC	400	33.33	0.56	400	800
	County (Ops Center)	425	35.42	0.60	425	850
	Cuesta College	200	16.67	0.28	200	400
	City of Morro Bay	1,313	109.41	1.84	2,290	3,603
	Subtotal	2,338	195	3.28	3,315	5,653
LOPEZ (District Zone 3)	City of Pismo Beach	1,240	103.33	1.74	1,240	2,480
	Oceano CSD	750	62.50	1.05	750	1,500
	San Miguelito MWC	275	22.92	0.38	275	550
	Avila Beach CSD	100	8.33	0.14	100	200
	Avila Valley MWC	20	1.67	0.03	60	80
	San Luis Coastal USD	7	0.58	0.01	7	14
	Subtotal	2,392	199	3.35	2,432	4,824
	Total Contracted*	4,830	402.49	6.77	5,747	10,577

* Contracted Capacity to Chorro Valley Turnout (AFY) 4,830

* Contracted Capacity to Lopez Turnout (AFY) 2,392

<<<<

**District has contracted capacity in Coastal Branch for Shandon's 100 AF all the way to the CV Turnout.

District's "Table A" Allocation (AF) 25,000

Total "Table A" Subcontracted (AF) 10,577

Unsubscribed (Excess) "Table A" Allocation (AF) 14,423

State Water Project Policies

State Water Project Allocation - Definition

The State Water Project Allocation is the total amount of State Water Project water that the San Luis Obispo County Flood Control and Water Conservation District (“District”) is entitled to have delivered under its contract with the California Department of Water Resources (“Master Contract”) on an annual basis. The District has entered into subcontracts with a number of entities (collectively, “Subcontractors”) for the potential “Table A” benefit of up to 10,577 acre feet of the State Water Project Allocation on an annual basis.

Relationship to Previously Adopted Policies

These Policies replace / supersede the District’s 2003 Excess Entitlement Policies (Approved by Board of Supervisors January 14, 2003).

Purpose

The Purpose of these Policies is to establish policies that will guide both District staff and the Board in implementing the existing Subcontracts and / or preparing amendments to the Subcontracts that address ways in which water that is not needed under the Subcontracts can be utilized. These policies shall not be deemed to limit future discretionary actions by the District Board of Supervisors or be read as directing action that is any way contrary to existing contractual obligations.

Priority of Use

1. Domestic use shall be considered the highest priority use of water made available under the Master Contract. Domestic use is needed for sustenance, public health and safety, and welfare. State Water shall be used first to address public health, ensure reliable access to safe, affordable drinking water and sanitation.
2. Subcontractors with capacity in Phase II of the Coastal Aqueduct shall have the first right to utilize water made available under the Master Contract.
3. Preference will be given to uses that:
 - a) address a water shortage emergency pursuant to Water Code Section 350,
 - b) provide water supply resiliency,
 - c) store and/or put to beneficial use all available water for priority purposes such as:
 - i. municipal, ii. basin replenishment, iii. agricultural, and iv. environmental,
 - d) provide revenues that recover current costs and some or all of District’s past costs.

State Water Project Policies

4. Preference will be given to local agencies and water purveyors regardless of whether the use is on an annual, multi-year, or permanent basis.
5. Preference will be given to the use at the same (or upstream) financial reach in which the capacity for that allocation terminates. This avoids the “allocation without capacity” issue.
6. Uses terminating downstream of the original place of use (beyond financial reach with capacity for that allocation) would be on a “second priority” or short-term (year-to-year) basis. This ensures deliveries of transferred allocation do not detrimentally impact deliveries of existing allocation to subcontractors.
7. Uses must meet the Board-established Criteria for Use of State Water.

State Water Project Policies

Criteria for Use

The following criteria would be used to evaluate requests for use of State Water:

1. Water be available to existing public agencies, public water companies regulated by the PUC and existing mutual water companies with no water being contracted to individuals.
2. Water may be used as a supplemental supply within the service area of an established public water system only if the water purveyor approves or requests the use.
3. New uses should be consolidated with existing subcontractors, wherever possible.
4. Uses shall not compromise system reliability or reduce delivery capabilities to existing subcontractors.
5. All costs must be paid by the water user.
6. Uses shall not detrimentally impact existing subcontractors from a financial standpoint.
 - a. There shall be no increase in administrative costs to existing subcontractors. No new allocations of less than 20 acre-feet will be allowed.
 - b. There shall be an equitable investment recovery program for existing subcontractors that recover current costs and some or all of past costs.



APPROVED DATES, 12/6/2024.

2025 SWSAC CALENDAR

State Water Subcontractors Advisory Committee (SWSAC) & Water Management Working Group (WMG)

SWSAC (Public Meetings): Dates as shown, from 10:00 -11:30 AM – quarterly meetings in San Luis Obispo, downtown at the City/County Library Conference Room (unless noticed otherwise).

WMG (District & Subcontractor Staff): Technical review/coordination as needed; dates/times TBD.

<u>JAN</u> SWSAC – Dark	<u>FEB</u> SWSAC – Feb 7 (Fri.) -- <i>(1) Annual election of Chair & Vice Chair; (2) Approval of 2025 Calendar.</i>	<u>MAR</u> SWSAC – Dark
<u>APR</u> SWSAC – Dark	<u>MAY</u> SWSAC – May 2 (Fri.)	<u>JUN</u> SWSAC – Dark
<u>JUL</u> SWSAC – Dark	<u>AUG</u> SWSAC – Aug 1 (Fri.)	<u>SEP</u> SWSAC – Dark -- <i>Subcontractors submit SWP water delivery request for 2026 (on or before 9/1/25).</i>
<u>OCT</u> SWSAC – Dark -- <i>District submits SWP water delivery request for 2026 to DWR (on or before 10/1/25).</i>	<u>NOV</u> SWSAC – Nov 7 (Fri.) --	<u>DEC</u> SWSAC – Dark -- <i>(1) DWR issues Initial SWP Allocation for 2026 (on or before 12/1/25); (2) District furnishes 2026 delivery schedule to Subcontractors (on or before 12/15/25); (3) Distribution of draft proposed calendar for 2026.</i>

***Meeting logistics are subject to change.** Please contact County Public Works at 805-781-5252 or pwd@co.slo.ca.us for confirmation of date, location & time.