

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BST*
DATE: OCTOBER 5, 2007

**AGENDA ITEM
F
OCT. 10, 2007**

MANAGER'S REPORT

ITEM

Standing report to your Honorable Board --*Period covered by this report Sept. 19, 2007 through October 3, 2007*

DISTRICT BUSINESS

Administrative

Maria Vista Estates has set a total of ten water meters.

Attached is a copy of AB946, which has been signed by the Governor and will become state law as of January 1, 2008. AB 946 allows for offsite mitigation of up to 1 megawatt of new power demands by a public agency.

Attached is a notice from the IWMA announcing the imposition of a 2% surcharge on all Solid Waste bills in SLO County.

Staff expects to receive a summary of South County Sanitary's Clean-Up Event and staff will forward to the Board prior to or at the October 24, 2007 Board Meeting.

County Public Works Staff is proposing that NCSD's Southland WWTF be nominated for \$1 million in Round 2 of the County's Proposition 50 Grant Application.

Attached is a copy of an analysis of Judge Wanger's tentative decision regarding Delta Smelt.

Attached is a copy of the October WQ results from the Sentinel Well on the dunes.

Safety Program

No injury reports during the period.

Project Activity

Staff will provide a verbal projects update to the Board at the Board Meeting.

Conservation Program Activities

See Agenda Items E-2 and E-3.

RECOMMENDATION

Staff seeks direction and input from your Honorable Board.

ATTACHMENTS

- AB946
- IWMA Notice re Fee Surcharge
- Summary of Judge Wanger's Tentative Decision
- Sentinel Well WQ Results

BILL NUMBER: AB 946 CHAPTERED
BILL TEXT

CHAPTER 112
FILED WITH SECRETARY OF STATE JULY 20, 2007
APPROVED BY GOVERNOR JULY 20, 2007
PASSED THE SENATE JULY 9, 2007
PASSED THE ASSEMBLY MAY 24, 2007
AMENDED IN ASSEMBLY APRIL 16, 2007

INTRODUCED BY Assembly Member Krekorian

FEBRUARY 22, 2007

An act to amend Section 399.20 of the Public Utilities Code,
relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

AB 946, Krekorian. Electricity: renewable energy resources.

The Public Utilities Act imposes various duties and responsibilities on the Public Utilities Commission with respect to the purchase of electricity and requires the commission to review and adopt a procurement plan and a renewable energy procurement plan for each electrical corporation pursuant to the California Renewables Portfolio Standard Program. The program requires that a retail seller of electricity, including electrical corporations, community choice aggregators, and electric service providers, but not including local publicly owned electric utilities, purchase a specified minimum percentage of electricity generated by eligible renewable energy resources, as defined, in any given year as a specified percentage of total kilowatthours sold to retail end-use customers each calendar year (renewables portfolio standard). Existing law requires every electrical corporation to file with the commission a standard tariff for the renewable energy output produced at an electric generation facility, as defined, that, among other things, is an eligible renewable energy resource. Existing law requires the electrical corporation to make this tariff available to public water or wastewater agencies that own and operate an electric generation facility within the service territory of the electrical corporation, upon request, on a first-come-first-served basis, until the combined statewide cumulative rated generating capacity of those electric generation facilities equals 250 megawatts, with each electrical corporation required to offer service or contracts until that electrical corporation meets its proportionate share of the 250 megawatts based on the ratio of its peak demand to the total statewide peak demand of all electrical corporations.

The existing definition of an "electric generation facility" includes a requirement that the facility be owned and operated by a public water or wastewater agency that is a retail customer of an electrical corporation, that the facility have an effective capacity of not more than one megawatt and is located on or adjacent to a water or wastewater facility owned and operated by the public water or wastewater agency.

This bill would amend the definition of an "electric generation

facility" to require that the facility be owned and operated by a public water or wastewater agency that is a retail customer of an electrical corporation, that the facility have an effective capacity of not more than one megawatt, and that the facility is located on property owned or under the control of the public water or wastewater agency.

The bill would make other nonsubstantive technical changes.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 399.20 of the Public Utilities Code is amended to read:

399.20. (a) It is the policy of this state and the intent of the Legislature to encourage energy production from renewable energy resources at public water and wastewater facilities in an amount commensurate with water-related electricity demand.

(b) As used in this section, "electric generation facility" means an electric generation facility, owned and operated by a public water or wastewater agency that is a retail customer of an electrical corporation, and that meets all of the following criteria:

(1) Has an effective capacity of not more than one megawatt and is located on property owned or under the control of the public water or wastewater agency.

(2) Is interconnected and operates in parallel with the electric transmission and distribution grid.

(3) Is sized to offset part or all of the electricity demand of the public water or wastewater agency.

(4) Is strategically located and interconnected to the electric transmission system in a manner that optimizes the deliverability of electricity generated at the facility to load centers.

(5) Is an eligible renewable energy resource, as defined in Section 399.12.

(c) Every electrical corporation shall file with the commission a standard tariff for electricity generated by an electric generation facility.

(d) The tariff shall provide for payment for every kilowatthour of electricity generated by an electric generation facility at the market price as determined by the commission pursuant to Section 399.15 for a period of 10, 15, or 20 years, as authorized by the commission.

(e) Every electrical corporation shall make this tariff available to public water or wastewater agencies that own and operate an electric generation facility within the service territory of the electrical corporation, upon request, on a first-come-first-served basis, until the combined statewide cumulative rated generating capacity of those electric generation facilities equals 250 megawatts. An electrical corporation may make the terms of the tariff available to public water or wastewater agencies in the form of a standard contract subject to commission approval. Each electrical corporation shall only be required to offer service or contracts under this section until that electrical corporation meets its proportionate share of the 250 megawatts based on the ratio of its peak demand to the total statewide peak demand of all electrical corporations.

(f) Every kilowatthour of electricity generated by the electric generation facility shall count toward the electrical corporation's

renewables portfolio standard annual procurement targets for purposes of paragraph (1) of subdivision (b) of Section 399.15.

(g) The physical generating capacity of an electric generation facility shall count toward the electrical corporation's resource adequacy requirement for purposes of Section 380.

(h) Upon approval by the commission, any tariff or contract authorized by this section may be made available to an electric generation facility that has an effective capacity of not more than 1.5 megawatts if that electrical generation facility otherwise complies with all of the provisions of this section.

San Luis Obispo County Integrated Waste Management Authority

IWMA BOARD MEMBERS

Jerry Lenthall, President
San Luis Obispo County

Christine Mulholland, Vice President
City of San Luis Obispo

Ed Arnold,
City of Arroyo Grande

Ellen Beraud,
City of Atascadero

Chuck Ashton,
City of Grover Beach

Melody DeMeritt,
City of Morro Bay

John Hamon,
City of Paso Robles

Ted Ehring,
City of Pismo Beach

Katcho Achadjian,
San Luis Obispo County

Bruce Gibson,
San Luis Obispo County

Harry Ovitt,
San Luis Obispo County

Jim Patterson,
San Luis Obispo County

Dave Brooks,
Authorized Districts

Bill Worrell, Manager
Carolyn Goodrich, Secretary
Peter Cron, Staff Analyst
Raymond A. Biering, Counsel

870 Osos Street
San Luis Obispo, CA 93401

805/782-8530
FAX 805/782-8529
E-mail: iwma@iwma.com

Recycling, Compost & Haz.
Waste Info. 800/400-0811
School Programs Information
805/782-8424

September 18, 2007

NIPOMO C.S.D.
Mr. Bruce Buel, General Manager
P. O. Box 326
148 South Wilson Street
Nipomo, CA 93444

Subject: Solid Waste Management Fee

Buel
Dear Mr. Buel:

At the IWMA Board Meeting on September 12, the IWMA Board voted unanimously to implement an AB 939 fee on all solid waste and recycling collection service. Effective January 1, 2008 any company which has a solid waste and recycling franchise agreement will collect from residential customers a fee of 30 cents per month and from commercial customers a fee equal to 2 percent of the monthly bill. The company will pay this fee to the IWMA. For more details on this fee and when payment is due, please see the attached resolution.

Background

For the last several years, IWMA expenses have exceeded IWMA revenues. The IWMA has used its surplus to offset the shortfall, but the surplus is essentially gone.

The primary source of revenue for the IWMA is a \$3.00 per ton surcharge on garbage disposed of at the local landfills. This surcharge was implemented in 1991 and has not changed for the last 16 years. With the reduction in the amount of waste being landfilled, the revenue has decreased.

Since 1997, the IWMA has built and operates five household hazardous waste facilities. Each year the amount of household hazardous waste has increased and currently exceeds 600,000 pounds per year. This year more than 50 percent of the IWMA's revenue will be needed to offset the cost of operating the household hazardous waste program. The cost to operate this program was not anticipated when the tip fee surcharge was established in 1991.

RECEIVED

SEP 19 2007

NIPOMO COMMUNITY
SERVICES DISTRICT

Nipomo C.S.D.
September 18, 2007
Page 2

Beginning with our March Board Meeting, the IWMA Board looked at six alternatives to either increase revenues or decrease expenses. Based on the review of the alternatives, the Board approved the above-mentioned fee increase.

Necessary Action

The AB 939 fee is effective on January 1, 2008. The IWMA considers this fee a pass through cost in that neither the jurisdiction nor the company will receive any financial gain. Based on your specific franchise agreement, you may or may not need to take a formal action to implement this increase as a pass through. If your attorney has any questions regarding your specific situation, please feel free to contact IWMA's attorney, Ray Biering (543-0990).

As part of our outreach, the IWMA will also be working with the solid waste and recycling companies to ensure a smooth implementation of the AB 939 fee. If you have any questions or need any assistance, please call me (782-8530).

Sincerely,



William A. Worrell
Manager

Attachment: Resolution 07-03(c)

RESOLUTION NO. 07-03 (c)

**RESOLUTION OF THE SAN LUIS OBISPO COUNTY
INTEGRATED WASTE MANAGEMENT AUTHORITY
ADOPTING A SOLID WASTE MANAGEMENT FEE**

WHEREAS, this Resolution provides the revenue to fund the reasonable and necessary costs incurred by the San Luis Obispo County Integrated Waste Management Authority (IWMA) in the preparation, maintenance, adoption and implementation of the Countywide Integrated Waste Management Plan mandated by Section 40000 et seq. of the Public Resources Code, which includes, but is not limited to, providing IWMA staff, operation of the County level of the State's Disposal Reporting System, operating the Household Hazardous Waste Facilities and other functions included in the adopted FY 07-08 budget; and

WHEREAS, Sections 41901 and 41902 of the Public Resources Code authorize the establishment and collection of a fee in order to fund the reasonable and necessary costs incurred by the IWMA in the preparation, maintenance, adoption and implementation of the Countywide Integrated Waste Management Plan mandated by Section 40000 et seq. of the Public Resources Code; and

WHEREAS, Section 5.2 of the IWMA Joint Powers Agreement granted the IWMA such powers that each Member could exercise separately; and

WHEREAS, this Resolution imposes a solid waste management fee on any Company which has an agreement with a governmental entity to collect garbage in San Luis Obispo County;

WHEREAS, this Resolution imposes a solid waste management fee on any Company which possesses a permit issued by the County of San Luis Obispo, Division of Environmental Health pursuant to County Code Chapter 8.12.501.

NOW, THEREFORE, BE IT RESOLVED, that the San Luis Obispo County Integrated Waste Management Authority:

1. Payment of Fees.

Effective January 1, 2008, any company that has an agreement with a governmental entity (including the County of San Luis Obispo, an incorporated city, or a district empowered to regulate or provide for solid waste collection) to exclusively collect garbage in San Luis Obispo County, or possesses a permit issued by the County of San Luis Obispo, Division of Environmental Health pursuant to County Code Chapter 8.12.501, shall be liable for the payment of the applicable solid waste management fee.

The solid waste management fee shall become due and payable on the 15th day of each month for the solid waste disposed of during the preceding month. Fees shall be deemed delinquent 30 days after they are due and payable and shall be subject to the late-payment provisions set forth

4. Delinquent Solid Waste Management Fees.

In the event that any payment is not received within thirty (30) days after it is due, the hauler shall pay interest on the outstanding balance at the rate of one and one-half percent (1.5%) per month from the date of owner's failure to pay.

PASSED AND ADOPTED, this 12 day of September 2007, by the following roll call vote:

AYES: Achadjian, Ashton, Beraud, Brooks, DeMeritt, Ehring, Gibson, Hamon,
Mulholland, Ovitt, Patterson, Lenthall

NOES: None

ABSTAIN: None

ABSENT: Arnold




Jerry Lenthall, President

ATTEST:



William A. Worrell, Manager

APPROVED AS TO FORM AND LEGAL EFFECT:

By 

Raymond A. Biering, IWMA Counsel

Central Coast Water Authority Board of Directors Meeting

September 27, 2007

Judge Wanger's OCAP Remedy Decision

Background: *NRDC v. Kempthorne*

- May 2007: Court (Judge Wanger) rules that USFWS BO for operation of Banks Pumping Plant (DWR) and Jones Pumping Plant (BR) was inadequate and unlawful
- Summer 2007: BR & DWR request that USFWS revisit BO for Delta Smelt
- June 2007: Court denies NRDC's request for TRO and preliminary injunction
- August 2007: Evidentiary hearing on proposals for interim remedies (pending issuance of a new BO and ITP)
- August 31, 2007: Court imposes interim remedy largely fashioned on USFWS proposal

Evidentiary Hearing

- Parties:
 - NRDC and other environmental organizations
 - USFWS
 - DWR and BR
 - SWC
 - CVP contractors
- Four Interim Remedies Proposed:
 - NRDC, USFWS, DWR and SWC

Wanger's Remedy Decision

- Decision:
 - Adopts Interim Remedy based largely on USFWS 5-point action proposal, with minor modifications including increased monitoring plans requested by plaintiffs
 - Remands OCAP BO to USFWS for reconsultation
 - Operations continue to be covered by incidental take permit
 - Effective until new BO issued (September 2008)
 - Imposes injunction on SWP/CVP operations not consistent with ruling

Wanger's Remedy Decision

- Additional Delta smelt monitoring
- New Old and Middle River flow criteria
 - Late December through June
 - Range between -750 cfs and -5,000 cfs
 - Based on conditions
 - Operation triggers not yet defined
- No installation of the head of Old River barrier in the Spring
- No operation of South Delta ag barriers
 - ~April through June ?

Wanger's Remedy Decision

New Old and Middle River flow criteria

Life Stage	Timing	Action	USFWS Intention
Adults	Dec 25 – Jan 3	OMR \geq -2,000 cfs for 10 days	Keep spawning away from pumps
Adults	Dec. 25	OMR \geq -5,000 cfs (7 day ave.)	Keep spawning away from pumps
Larval and Juvenile	Winter/ Spring (12°C)	-750 cfs \geq OMR \geq -5,000 cfs	Minimize larval entrainment
All	Dec - Jun	No HORB or Ag Barrier Operations	Maximize SJR contribution to OMR, move smelt to confluence

Impacts to Contractors

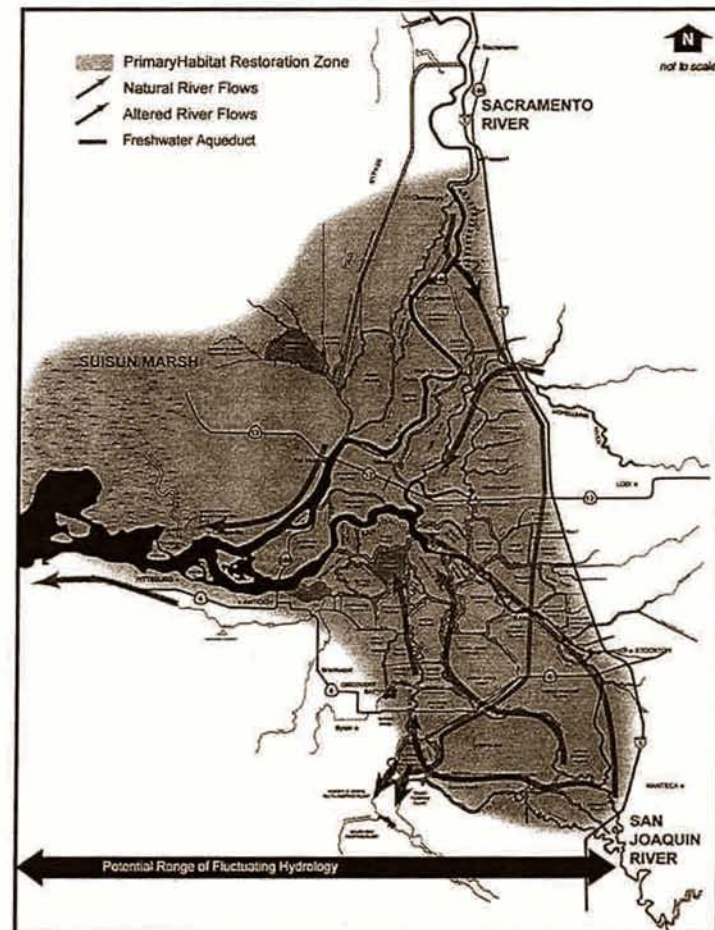
- Direct Monetary Costs
 - Cost of monitoring
- Water Supply Costs
 - Short-term (2008)
 - Based on hydrologic conditions
 - Reduction in Table A deliveries
 - Reduction/elimination of Article 21 availability
 - Mid-term (beyond 2008)
 - Increased risk
 - Depends on new OCAP BO
 - New BO anticipated to be similar to adopted proposal

Next Steps: Short-Term

- Legal
 - Parties to develop written order documenting Court decision (October 22)
 - Appeal?
- Implementation
 - Develop action triggers
 - Define OMR flows within range
 - Define rationale
 - Define CVP/SWP split
 - Define internal SWP split

Next Steps: Mid- to Long-Term

- Other measures
 - Eco-crescent/
Middle River
Corridor?
 - Dual conveyance/
Isolated Facility



Next Steps for Contractors

- Implement flow and monitoring requirements of decision
- Support OCAP BA preparation and BO negotiations
- Address individual Contractor impacts
- Modify demand patterns?
- Analyze transfer capability
- Develop Delivery Reliability Report with DWR

Estimated 2008 Delivery Impacts*

Total Table A Delivery (MAF)		Base	Remedy	% Reduction
50% Hydrology		3.16	2.48 - 2.96	6% - 21%
90% Hydrology		1.31	1.17 - 1.30	1% - 10%
Total Table A Delivery (w/Potential A-21) (MAF)		Base	Remedy	% Reduction
50% Hydrology		3.98	2.48 - 3.27	18% - 38%
90% Hydrology		1.31	1.17 - 1.30	1% - 10%

* Possible mitigation from EWA assets: Since 2001 EWA has acquired an average of 230 TAF/year

Monitoring Requirements (draft)

Monitoring	Timing	Life Stage	Action	Trigger	End of Action
1	Year-round as relevant to specific survey	All	Continue to fully implement all CDFG surveys for delta smelt, including (but not limited to) the FMWT, STN, Spring Kodiak, and 20-mm surveys	None	N/A
2	Dec 1 - Jul 31	All	Increase the frequency of sampling for entrained fish at the CVP fish protection facilities to a minimum of 25% of the time (e.g. 30 min. sampling during a 2 hour period).	Trigger this action based upon which every of the following three events occurs first: 1) Increase in Delta outflow caused by: a) An increase in the Sacramento River flow at Freeport to 25,000 cfs. b) An increase in the San Joaquin River flow at Vernalis by 10% over three days 2) FMWT and/or Kodiak survey data on delta smelt distribution indicating fish moving upstream of the confluence and into the Delta. 3) January 15	Action ends when the following criteria are achieved: 1) June 15. 2) 5 days after the last detection of larval or juvenile delta smelt at either Skinner or Tracy fish protection facilities. Detection can be either by salvage or the larval monitoring program.
3	Jan 1 - May 31	Larval and young juvenile	Implement a monitoring program for detection of larval delta smelt at both Skinner and Tracy fish protection facilities. Sampling should be conducted at a minimum of four times daily, evenly spaced in time during both the day and the night hours.	Trigger monitoring action based upon the onset of spawning as determined by: 1) Kodiak survey data of maturation stage of delta smelt or presence of "spent" delta smelt in survey samples. 2) Delta water temperature > 12 C. 3) Detection of larval delta smelt in the 20-mm survey or at Skinner and Tracy fish protection facilities	Action ends when the following criteria are achieved: 1) June 15. 2) 5 days after the last detection of larval or juvenile delta smelt at either Skinner or Tracy fish protection facilities. Detection can be either by salvage or the larval monitoring program.

Bruce Buel

From: Steve Bachman [steven.bachman@verizon.net]
Sent: Wednesday, October 03, 2007 11:05 PM
To: Parton, Craig; Newton, Bradley; Bruce Buel; Anderson, Jim;; Brown, Norm; Beeby, Bob
Subject: Results of September Nipomo Coastal Monitoring
Attachments: Results of Sept-07 Coastal Monitoring.doc

Attached are graphs indicating the latest monitoring results from the coastal monitoring well. Groundwater levels have dropped to their early 1990s level, as expected during this dry spell, but are still above sea level. It is a trend that we clearly need to keep our eye on. Water quality is pretty stable, with the C-1 chloride reversing its slight upward movement of the last monitoring run. We still don't have water levels from the C-1 well -- the obstruction will be fixed once the plover season is over.
Steve

