NIPOMO COMMUNITY SERVICES DISTRICT

OCTOBER 2, 2012

1:30 P.M.

SPECIAL MEETING NOTICE & AGENDA

SUPPLEMENTAL WATER ALTERNATIVES EVALUATION COMMITTEE

APPOINTED COMMITTEE MEMBERS
MICHAEL K. NUNLEY, CHAIRMAN (NON-VOTING)
PETER V. SEVCIK, VICE CHAIRMAN (NON-VOTING)
CRAIG ARMSTRONG (VOTING)
DAN GARSON (VOTING)
DENNIS GRAUE (VOTING)
KATHIE MATSUYAMA (VOTING)
ROBERT MILLER (VOTING)
DAVE WATSON (VOTING)
DAN WOODSON (VOTING)

PRINCIPAL STAFF
MICHAEL S. LEBRUN, **GENERAL MANAGER**
LISA BOGNUDA, **ASST GM/FINANCE DIRECTOR**

MEETING LOCATION - District Board Room
148 S. Wilson Street, Nipomo, California

1. CALL TO ORDER, FLAG SALUTE AND ROLL CALL

2. GENERAL MANAGER'S REPORT

RECOMMENDATION: Receive updates and reports from the General Manager on items relevant to the Committee's work.

3. REVIEW DRAFT MINUTES FROM SEPTEMBER 24, 2012, COMMITTEE MEETING

RECOMMENDATION: Provide revisions or corrections to meeting minutes from the September 24, 2012, Committee meeting. Accept meeting notes as revised.

4. PRESENTATION OF THE ORANGE COUNTY GROUNDWATER REPLENISHMENT SYSTEM AND OXNARD GREAT PROGRAM

RECOMMENDATION: Receive a presentation from the Committee Chairman providing a brief overview of both the Orange County Water Replenishment and Oxnard GREAT Programs.

5. ASSIGN ALTERNATIVES TO SUBCOMMITTEES

RECOMMENDATION: Develop subcommittees and assign alternatives for evaluation to subcommittees

6. DEVELOP WORK PLAN FOR PERFORMING ALTERNATIVE EVALUATION

RECOMMENDATION: Develop an outline for the alternative evaluation and establish a schedule for completing the work.

7. DISCUSS NEED FOR SPOKESPERSON TO PROVIDE UPDATE TO THE BOARD

RECOMMENDATION: Discuss whether an update should be provided by the Committee to the Board. Nominate a voting member of the committee to serve as spokesperson for an upcoming Board meeting, if desired.

8. PRESENT REFERENCE DOCUMENTS FOR REVIEW AND ACCEPTANCE

RECOMMENDATION: Identify and propose reference documents to be used by Committee members in the evaluation. Approve or reject these documents as acceptable reference materials for conducting the evaluation.

9. SET NEXT COMMITTEE MEETING DATE AND TIME

10. ADJOURN

TO: EVALUATION COMMITTEE

FROM: MICHAEL K. NUNLEY, PE
CHAIRMAN

DATE: October 1, 2012

AGENDA ITEM #2

OCTOBER 2, 2012

GENERAL MANAGER'S REPORT

ITEM

Nipomo CSD General Manager, Michael LeBrun, will provide an update to the Committee on activities relevant to the Committee's work.

BACKGROUND

The General Manager will present updates relevant to the Committee's work and will also respond to questions posed by the Committee to District staff at prior meetings. This is anticipated to be a standing item for each Committee meeting.

RECOMMENDATION

Receive the report from the General Manager

ATTACHMENT

NONE

TO: EVALUATION COMMITTEE

FROM: MICHAEL K. NUNLEY, PE
CHAIRMAN

DATE: October 1, 2012

AGENDA ITEM #3

OCTOBER 2, 2012

REVIEW DRAFT MINUTES FROM SEPTEMBER 24, 2012, COMMITTEE MEETING

ITEM

Review the Meeting Minutes from the September 24, 2012, Supplemental Water Alternatives Evaluation Committee (Committee) meeting.

BACKGROUND

According to the Bylaws, the Committee must approve the meeting minutes. Draft minutes are to be posted online. If revised by the Committee during the approval process, final minutes will be posted to replace the draft minutes.

RECOMMENDATION

Provide revisions or corrections to the meeting minutes from the September 24, 2012, Committee meeting. Accept minutes as revised.

ATTACHMENT

SWAEC Meeting Minutes – September 24, 2012

NIPOMO COMMUNITY SERVICES DISTRICT

Monday, September 24, 2012

1:30 P.M.

SPECIAL MEETING MINUTES

SUPPLEMENTAL WATER ALTERNATIVES EVALUATION COMMITTEE

APPOINTED COMMITTEE MEMBERS
MICHAEL K. NUNLEY, CHAIRMAN (NON-VOTING)
PETER V. SEVCIK, VICE CHAIRMAN (NON-VOTING)
CRAIG ARMSTRONG (VOTING)
DAN GARSON (VOTING)
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KATHIE MATSUYAMA (VOTING)
ROBERT MILLER (VOTING)
DAVE WATSON (VOTING)
DAN WOODSON (VOTING)

PRINCIPAL STAFF
MICHAEL S. LEBRUN, **GENERAL MANAGER**
LISA BOGNUDA, **ASST GM/FINANCE DIRECTOR**

MEETING LOCATION - District Board Room
148 S. Wilson Street, Nipomo, California

1. CALL TO ORDER, FLAG SALUTE AND ROLL CALL

Chairman Nunley called the Special Meeting of September 5, 2012, to order at 1:30 p.m. and led the flag salute. At roll call, all committee members were present.

2. GENERAL MANAGER'S REPORT

Nipomo CSD General Manager Michael LeBrun provided a report to the Committee summarizing a recent action by the Board. At the September 12, 2012, Board meeting, a contract with AECOM was approved for final design of the Phased Santa Maria Intertie Project. It would take four months to complete the work, and the Board included a commitment in the approval motion to allow the Committee to finish its work prior to awarding construction bid of a Phased Santa Maria Intertie project. The General Manager provided a news article from the San Luis Obispo Tribune that accurately summarized the Board's decision.

Member Woodson asked if the original Environmental Impact Report (EIR) for the full Santa Maria Intertie Project would require revision and the General Manager responded the EIR covered a full range of phased project delivery up to and including 6200 acre-feet per year (AFY). Therefore, it would not require revision.

Later in the meeting, General Manager LeBrun responded to a question from the Committee regarding personal liability related to the Committee's work. He discussed with District counsel and since the Committee has no decision-making authority, members are not liable for District decisions. He also noted there are no federal or state filing requirements associated with membership in the Committee.

3. REVIEW DRAFT MINUTES FROM SEPTEMBER 5, 2012, COMMITTEE MEETING

Member Miller requested that the minutes identify members voting for/against motions, in the case of split votes in the future.

Member Watson requested that the 5th paragraph on Page 3 be revised as follows:

Member Watson suggested that the list of alternatives not be limited, and noted that he would like the committee to look at ~~connecting the Five Cities distribution system(s) to Nipomo as an alternative~~ the relationships within the groundwater basin among the Five Cities, Nipomo, and Santa Maria.

The Committee approved the meeting minutes as revised. There was no public comment.

4. DISCUSS PROPOSED EVALUATION PROCESS

General Manager LeBrun discussed how the Committee's work to identify a water supply that met the Bylaw requirements would tie into the District's ongoing conservation efforts; regional coordination throughout the groundwater basin; long-term water planning including their Desalination Work Plan; and other elements of the Board's Strategic Plan.

Member Watson requested direction on the long-term water supply need for the District. He noted multiple development scenarios were presented in the District's 2010 Urban Water Management Plan. General Manager LeBrun stated the Committee should consider the initial phase of 600 AFY deliveries proposed for the Phased Santa Maria Intertie Project through the ultimate need of 6200 AFY established in the EIR as a possible future phase. He also noted the District has no control over development or land use planning since those decisions are within the County's jurisdiction. Vice Chair Sevcik noted that the 2010 UWMP spent a considerable amount of effort on evaluating historical demand patterns. Member Watson asked if the Committee would need to look at reliability up to the 6200 AFY limit. Chairman Nunley noted that the Committee would establish an evaluation process within the Bylaw requirements and could define supply criteria for the project

Member Graue asked if one definitive groundwater basin study or model had been prepared that covered the entire basin, or whether the numbers and directives provided for imported supply were based on legal requirements or estimates. General Manager LeBrun responded that there were a number of competing groundwater basin models, but the work by the California Department of Water Resources (DWR) was the most authoritative source in information on safe yield and general groundwater availability. He also noted that San Luis Obispo County was coordinating a $200,000 modeling effort in addition to a similar effort by Santa Barbara County related to salt and nutrient management.

Member Garson stated that he had not heard the District Board was actively pursuing the Santa Maria Intertie Project as a shorter-term solution and additional supplies such as desalination as a longer-term, reliable water supply. The General Manager noted that desalination would require regional coordination, and that partnering with Santa Maria could enhance the potential for regional solutions like desalination.

Chairman Nunley noted that the Committee could send specific questions to the Board if direction was needed regarding supply goals, or other issues. He noted the committee Spokesperson (to be discussed later) could be an interface to ask those questions at Board meetings.

Member Miller stated one of the questions that arose at Woodlands meetings was why the District was using 30-year projections for the Santa Maria Intertie Project and why other long-term solutions such as desalination were not being discussed. He noted it would be important for the District to communicate their long-term vision related to the Supplemental Water Project and how it would enhance the potential for long-term, regional solutions such as desalination.

Chairman Nunley presented a draft evaluation process for consideration by the Committee. The proposed major tasks include:

- Task 1 - Identification and selection of alternatives to be evaluated (by Committee – Item 4 for today's meeting), including additional subtask for rough screening (Item 5 for today's meeting) if deemed necessary by the Committee – to be determined during Item 5 discussion
- Task 2 - Evaluation of each selected alternative (by Subcommittees)
- Task 3 - Ranking of alternatives (by Committee)
- Task 4 - Compilation of the report and presentation to the Board (by Committee)

Member Matsuyama asked if Committee members could bring back new alternatives later in the process if they feel they are promising. Chairman Nunley noted that nothing in the Bylaws would preclude that and the Committee members could bring any new alternatives back to the full Committee for consideration.

Public Comment:

Larry Vierheilig: Nipomo resident and CSD Director, noted the supplemental water source must deliver 1000 AFY by July 15th according to the bylaws. Board wants to look at the "upper limit" of what a project could provide and they prefer larger projects.

Bill Kengel Nipomo resident, noted the District was working on a reduced-cost pipeline to receive water from Santa Maria.

Robert Lorance presented a letter describing legal issues related to BenIng Co., and would like the Committee to consider utilization of wells constructed as part of the Maria Vista development for a supplemental water supply. Chairman Nunley asked Mr. Lorance to discuss this in more detail as part of Item 5, which addresses supplemental water alternatives.

The Committee approved the proposed evaluation process as follows:

- Task 1 - Identification and selection of alternatives to be evaluated (by Committee – Item 4 for today's meeting), including additional subtask for rough screening (Item 5 for today's meeting) if deemed necessary by the Committee – to be determined during Item 5 discussion
- Task 2 - Evaluation of each selected alternative (by Subcommittees)
- Task 3 - Ranking of alternatives (by Committee)
- Task 4 - Compilation of the report and presentation to the Board (by Committee)

5. IDENTIFY SUPPLEMENTAL WATER ALTERNATIVES FOR INCLUSION IN THE EVALUATION

This item was an open discussion among the Committee members with input from the public. Chairman Nunley introduced the item and asked Committee members to begin listing alternatives. The list was compiled and projected as members and the public identified them. This list is attached (see Item 5 Notes). Pages 1 and 2 identify each alternative listed by the Committee and public.

The Committee members agreed that conservation and gray water, while not meeting the criteria specified in the Bylaws for the evaluation process, are important and should be addressed by the Committee in the evaluation. Member Matsuyama stated that not enough was being done to address conservation and the tiered rate structure was viewed as a penalty instead of a conservation tool. Member Miller noted that the NMMA Technical Group has tools to help project the potential savings from conservation.

Member Watson asked if recycled water from treatment plants could be included as supplemental water. Chairman Nunley noted that return flows from District plants are already included in the water balance considered in the Stipulation. General Manager LeBrun discussed the return flow from Southland Wastewater Treatment Facility (WWTF) and septic tank users and the use of Black Lake WWTF effluent for irrigation of the golf course. He stated that recycling from the WWTFs would not be considered a new supply per the Committee Bylaws or stipulation.

Chairman Nunley asked if the stipulation required importation of new water onto the Nipomo Mesa. General Manager LeBrun responded that it did, and the Santa Maria Intertie Project was identified in the stipulation as a method for importing water. In addition, water from an ocean outfall (such as refinery discharge) could be considered a new water supply, since it is currently 'lost' directly to the ocean. Member Matsuyama noted that agricultural runoff could also be considered a new water supply based on that description.

Member Watson asked if future discharges (in addition to those previously considered at the time of the stipulation) could be considered as "imported water" toward the 3000 AFY goal. General LeBrun stated that it would not help reduce pumping of groundwater; therefore it would not qualify. Several Committee members noted that receiving treated effluent from a plant outside of the Mesa (such as the South SLO County Sanitation District or City of Pismo Beach WWTFs) would qualify as imported water.

Member Graue discussed concerns with location of the District's primary groundwater wells and their proximity to the ocean, and the resulting potential for seawater intrusion. Chairman Nunley noted that was a groundwater management issue, not an imported supply. Member Graue stated it could affect where imported water should be applied relative to the greatest potential for seawater intrusion.

Member Graue also noted there could be an incentive to siting any facility that needs heat next to a refinery to take advantage of waste heat.

Member Matsuyama suggested the Committee look at the Orange County water management program in addition to regional coordination with neighboring water agencies.

Public Comment:

Chairman Nunley discussed emails from the public regarding this topic:

> Margaret Lange suggested the Committee look at the Oxnard GREAT (Groundwater Replenishment, Enhancement, and Treatment) program in addition to conservation and reuse.
>
> A Group Calling Itself "Mesa Community Alliance" (email from Pat Eby) suggested the Committee look at reuse of water from the ConocoPhillips refinery. A representative of their group, John Sonksen, attended the meeting and offered to share information with the Committee. He noted his group had met with ConocoPhillips and found the refinery cooperative. He suggested the Committee look at utilizing existing pipelines to convey water and also importing water from the South SLO County Sanitation District.
>
> Samuel Saltoun recommended the Committee investigate brackish water desalination.

Robert Lorance suggested the Committee look at the "Dana" wells as a supplemental water supply and referred to a letter he provided discussing some legal issues regarding BenIng Co. He also mentioned that surface water supplies such as the Santa Maria River and its tributaries should be explored. General Manager LeBrun noted that bringing in additional groundwater solely from the Santa Maria Valley Groundwater basin would not satisfy the

requirements for an imported water supply and placing a dam on the Santa Maria River would not likely be feasible due to regulatory and legal constraints.

Bill Kengel, Nipomo resident, would like the committee to look into dual irrigation/potable water systems and also ConocoPhillips wastewater.

Erik Benham noted that the court recognized the Dana wells as supplemental water. He discussed concerns about project financing.

Margaret Lange, Nipomo resident, would like the Committee to look at gray water reuse by single residents. She noted that water from showers and kitchens could be applied for irrigation or toilet-flushing at individual homes. She noted concerns about conservation, and that conservation may not be successful if new water is available in the near-term.

The Committee voted to move onto the next item and discuss the screening process.

6. **DEVELOP ROUGH SCREENING PROCESS (IF NEEDED)**

Chairman Nunley provided a review of the Bylaw requirements for consideration of projects in this evaluation:

- *Deliver an uninterrupted supply of 3000 AFY of imported potable water to the Nipomo Mesa region, with the capability to increase the delivery to 6,200 AFY at minimum cost increase*
- *Provide initial water deliveries of +/- 1000 AFY by June 2015*
- *Lowest construction, system operation and maintenance, and delivered water cost*
- *Provide compliance with the 2008 Court Order*

Member Garson stated that Conservation should be on the list even though it does not meet the Bylaw requirements.

The Committee categorized all the alternatives identified in Item 5 into major supply categories listed below. The attached Item 6 Notes summarize the categories, as well as the abbreviations used to categorize the alternatives listed in the Item 5 Notes attachment. These abbreviations are included below.

- State Water (SW)
- Conservation/ Domestic Graywater (C)
- Seawater (SEA)
- Agricultural and Irrigation Reuse (AIR)
- Recycled Wastewater From Municipal Facilities (RWW)
- Santa Maria Intertie Project (SM)
- Local Groundwater (LG)
- Surface Water (SFW)

Chairman Nunley offered to provide an overview of the Orange County and Oxnard GREAT program elements, in addition to websites or other sources of information on both programs that could relate to the Committee's work.

Chairman Nunley and Member Miller discussed the concept of establishing each supply as an alternative for the evaluation, and considering all the different delivery & treatment options identified in Item 5 during optimization of those alternatives.

Member Armstrong asked if subcommittees could be assigned at the end of the meeting to begin the evaluation process. Chairman Nunley suggested the Committee reconvene at the

next meeting with a draft list of criteria for consideration in order to make sure all the subcommittees follow the same general approach.

Public Comment:

Bill Kengel, Nipomo resident, said there may be groundwater supplies below the Mesa that could be used as a water supply.

John Sonksen, Nipomo resident, asked if all the alternatives discussed in Item 5 would be addressed by the Committee. Chairman Nunley responded that they would be included in the meeting notes.

The Committee voted to establish these eight alternatives and discuss the evaluation approach and subcommittee assignments at the next meeting:

- State Water
- Conservation/ Domestic Graywater
- Seawater
- Agricultural and Irrigation Reuse
- Recycled Wastewater From Municipal Facilities
- Santa Maria Intertie Project
- Local Groundwater
- Surface Water

7. NOMINATE SPOKESPERSON FOR THE COMMITTEE

Chairman Nunley stated the Committee could appoint a spokesperson to report progress at meetings and to lead presentation of the Committee's deliverables as required in the Bylaws.

Member Miller asked if other members are regularly attending the Board meetings. Member Armstrong noted that he did attend since he was running for the Board.

Member Matsuyama asked if being a Board member would prevent involvement as a voting member of the Committee. General Manager LeBrun noted that it would.

The Committee voted to reconsider this item in the future and assign a spokesperson as needed for specific Board reports or presentations.

Public Comment:

Margaret Lange, Nipomo resident, asked how replacement Committee members would be appointed if a member must step down. General Manager LeBrun noted the voting members of the Committee could nominate a replacement for Board ratification. Mr. LeBrun further noted that the Bylaws require the Committee to proceed with their efforts while a replacement is sought.

8. PRESENT REFERENCE DOCUMENTS FOR REVIEW AND ACCEPTANCE

The Committee discussed reference documents to be included as acceptable resources for use by the Committee.

Member Miller stated he was working on acquiring the latest recycled water studies from South SLO County Sanitation District.

Member Watson asked to include the 2011 Technical Reports from the Santa Maria Valley Groundwater Basin and the Northern Cities Management Area.

The Committee voted to include the documents.

9. SET NEXT COMMITTEE MEETING DATE AND TIME

The Committee scheduled the next meeting for October 2 at 1:30 PM.

10. ADJOURN

Chairman Nunley adjourned the meeting at 5:01 PM.

Attachments:
Final September 5, 2012, Meeting Notes
Item 5 Notes
Item 6 Notes

NIPOMO COMMUNITY SERVICES DISTRICT

Wednesday, September 5, 2012

1:30 P.M.

SPECIAL MEETING MINUTES

SUPPLEMENTAL WATER ALTERNATIVES EVALUATION COMMITTEE

APPOINTED COMMITTEE MEMBERS
MICHAEL K. NUNLEY, CHAIRMAN (NON-VOTING)
PETER V. SEVCIK, VICE CHAIRMAN (NON-VOTING)
CRAIG ARMSTRONG (VOTING)
DAN GARSON (VOTING)
DENNIS GRAUE (VOTING)
KATHIE MATSUYAMA (VOTING)
ROBERT MILLER (VOTING)
DAVE WATSON (VOTING)
DAN WOODSON (VOTING)

PRINCIPAL STAFF
MICHAEL S. LEBRUN, **GENERAL MANAGER**
LISA BOGNUDA, **ASST GM/FINANCE DIRECTOR**

MEETING LOCATION - District Board Room
148 S. Wilson Street, Nipomo, California

1. CALL TO ORDER, FLAG SALUTE AND ROLL CALL

Chairman Nunley called the Special Meeting of September 5, 2012, to order at 1:30 p.m. and led the flag salute. At roll call, all committee members were present except member Matsuyama who joined the meeting during the discussion of Item 2.

2. REVIEW COMMITTEE PURPOSE, GOALS, AND PROCESS

Chairman Nunley introduced the item and gave an overview of the purpose, goals, and process as described in the Bylaws. There was no public comment.

Member Watson asked Vice Chair Sevcik to describe the "TBD AFY Phased Pipeline" identified in the Committee Bylaws as one of the projects to be evaluated. Mr. Sevcik stated that it was a modification of the Supplemental Water Project that would deliver a lower initial flow during the first project phase and allow less initial investment.

Member Graue asked the District to review Committee members' protection against liability. General Manager LeBrun said he would talk to District Counsel and respond to the Committee.

3. INTRODUCTIONS BY COMMITTEE MEMBERS

All committee members gave a brief introduction of themselves and described their backgrounds. There was no public comment.

4. PRESENTATION OF COMMITTEE BYLAWS

Chairman Nunley provided an overview of the Committee Bylaws, and particularly those sections not addressed in Item 2 above.

Member Miller asked if ranking and discussion of all alternatives by subcommittees or working groups would be brought back to the full Committee. Chairman Nunley said it would.

5. PRESENTATION OF BROWN ACT AND DISCUSSION OF COMMUNICATION PROTOCOL FOR COMMITTEE MEMBERS

General Manager LeBrun provided an overview of the Brown Act and discussed the communication protocol to be followed by Committee members. Working subcommittees will be established with no more than 3 members so that a majority (4 of 7) Committee members is not meeting without public notification and involvement. No emails or written correspondence should be directed from Committee members to all the other Committee members. However, emails or written correspondence can be directed to the non-voting Committee members. Mr. LeBrun advised Committee members to include SWAEC in the subject line of their emails to protect their other personal emails against possible public records requests in the future.

Member Watson asked if any special disclosures or filings would be required by Committee members. Mr. LeBrun stated he would ask District Counsel.

Public Comment:

Ed Eby, Nipomo CSD Board of Directors, asked the General Manager to look into any punitive issues if Committee members inadvertently violate the Brown Act.

Bill Kengel, Nipomo resident, said he had applied to the Committee and asked to stay in touch with the Committee. He asked if talking to each Committee member would violate the Brown Act. Mr. LeBrun responded that it would not violate the Brown Act.

6. **PRESENTATION OF THE HISTORY OF NIPOMO CSD SUPPLEMENTAL WATER PROJECTS**

Chairman Nunley presented a brief overview of prior Nipomo CSD supplemental water studies and major project milestones. Members discussed the range and type of alternatives that could be brought back to the Committee for consideration. Member Garson asked if the committee will select the alternatives to be evaluated, and whether projects such as reuse of petroleum refinery water could be reconsidered even though they had been previously evaluated. Chairman Nunley noted they could all be reconsidered. Member Matsuyama asked if new alternatives, beyond those previously reviewed, could be evaluated and Chairman Nunley answered they could. Member Matsuyama also requested clarification as to whether the Committee will be bringing back alternatives in addition to those in the Bylaws and the Chairman responded that they would.

Public Comment:

Bill Kengel, Nipomo resident, said he had an alternative that had not been considered previously. He asked how to incorporate them. Chairman Nunley asked Mr. Kengel to provide his information and the Chairman would determine how to get it to the Committee. (Following the meeting, the General Manager directed Mr. Kengel to bring the information to the next Committee meeting.)

Margaret Lange, Nipomo resident, asked if all previously-reviewed alternatives (including those that had not been considered preferred alternatives) are on the table. Chairman Nunley responded that they were.

7. DISCUSSION OF ASSIGNMENTS FOR NEXT MEETING

The Committee discussed the assignment for next meeting: Each member would develop a list of alternatives to be evaluated by the Committee. An initial limit of 4 alternatives was presented in the Staff Report for this Item.

Various members discussed a preference to expand the list of alternatives beyond 4 per member. Member Miller asked how alternatives would be analyzed if they had not been

considered before and original analytical work would be required. Chairman Nunley responded that it would depend on the alternative and what original work would be required to properly analyze it. General Manager LeBrun referred the Committee back to the Bylaws for guiding the analytical approach, and stated that many alternatives had been reviewed in the past and significant information is available for many alternatives.

Member Graue asked how to bring back reference documents to the Committee for use in the evaluation, other than those listed in the Bylaws. Chairman Nunley suggested the members bring the documents to the meetings for review and discussion by the Committee prior to incorporating them as approved reference materials. Chairman Nunley noted that any documents could be used for identifying alternatives – not just the documents identified in the Bylaws. The documents referenced in the Bylaws can be considered reliable information sources for performing the actual evaluation.

Member Woodson asked about grant issues associated with the current project. General Manager LeBrun noted the District had received a $2.3M grant from the Proposition 84 Integrated Regional Water Management Plan program for the Supplemental Water Project, and the District was working with the County to determine impact of project changes on the ability of the District to use that grant. The Committee will not be responsible for considering the grant funding or timeline in their analysis.

Member Watson asked if resource documents for the phased Supplemental Water Project and the technical reports for the Nipomo Mesa Management Area, Santa Maria Valley technical group, and Northern Cities Management Area could be provided. General Manager LeBrun stated that access would be provided through the District's website.

Member Watson suggested that the list of alternatives not be limited, and noted that he would like the Committee to look at relationships in the groundwater basin among the Five Cities, Nipomo, and Santa Maria. The Committee discussed expanding the list of alternatives beyond 4 per member and inviting the public to bring alternatives as well.

Public Comment:

Tom Rinn, Arroyo Grande area resident, asked if target dates had been established for completing the analysis. Chairman Nunley said they had not, and timing would depend on the number of alternatives and type of alternatives, but the Committee would move as quickly as possible.

Bill Kengel, Nipomo resident, asked how the working subcommittees would be formed to perform the analysis so the different disciplines would work together (financial, engineering, environmental, etc.) Chairman Nunley stated that it was the intention of the Board of Directors that the Committee would have balanced teams reviewing each alternative – all disciplines should be represented in these working groups to the extent possible.

Greg Nester, Nipomo resident, suggested the Committee and Board of Directors look at different methods to finance the project. He noted that he serves on the San Luis Obispo County Water Resources Advisory Committee and that many agencies are competing for the County's share of the Proposition 84 grant money, including Nipomo's grant for the Supplemental Water Project. In his opinion, the grant money could be unavailable by next month.

Margaret Lange, Nipomo resident, asked if it would be possible to combine alternatives to create projects. Chairman Nunley replied that any projects that meet the goals and constraints could qualify even if there are multiple components.

The Committee voted to direct the Committee members to review prior supplemental water studies, the Northern Cities Management Area technical reports, Santa Maria Valley technical reports, and phased Supplemental Water Project report; and develop a list of supplemental water alternatives for discussion at the next Committee meeting, prior to establishing the list of alternatives to be evaluated by the Committee.

8. SET NEXT COMMITTEE MEETING

The Committee tentatively set Monday September 24, 1:30 PM, as next meeting.

9. ADJOURN

Chairman Nunley adjourned the meeting at 3:13 PM.

Item 5 Notes (Alternatives)– P. 1 of 2

Name
Santa Barbara desal – exchange for state water (SW)
Conservation/local graywater (quantity achievable) (C)
Reuse of agric irrigation tailwater (Incl Santa Maria Valley) (AIR)
Reuse of petroleum refinery discharge (AIR)
Offset petroleum refinery pumping with recycled wastewater (RWW)
Five Cities (South SLO County San District)– reuse of wastewater plant effluent (RWW)
State Water (SW)
Increase capacity of pipeline (ex. polymers, pumping) (SW)
Reuse of industrial gray water – Cat Cyn oilfield, Orcutt oilfield, greenhouses (AIR)
Seawater desalination – VSEP, solar distillation (SEA)

Item 5 Notes (Alternatives) – P 2 of 2

Name
Orange County, Oxnard GREAT program elements
Phased Santa Maria Intertie Project – delivery schedules (SM)
Shallow aquifer supply – intercepting flow to ocean (LG)
Regional groundwater recharge (Northern Cities, Santa Maria) (RWW)
Riverside wells to intercept flow to SM River (LG/SFW)
Brackish water desalination (treatment technology)
Dana wells (LG)
Santa Maria River water (SFW)
Dual plumbing / irrigation supply
Oso Flaco and dune lakes (SFW)

Item 6 Notes - Final List of Alternatives

Name
State Water (SW)
Conservation/domestic graywater (C)
Seawater (SEA)
Ag/Industrial reuse (AIR)
Santa Maria Intertie Project– Phased/full project (SM)
Recycled Wastewater from Municipal Facilities (RWW)
Local Groundwater (LG)
Surface Water (SFW)

TO: EVALUATION COMMITTEE

FROM: MICHAEL K. NUNLEY
CHAIRMAN

DATE: October 1, 2012

AGENDA ITEM #4

OCTOBER 2, 2012

PRESENTATION OF THE ORANGE COUNTY GROUNDWATER REPLENISHMENT SYSTEM AND OXNARD GREAT PROGRAM

ITEM

The Committee Chairman will present a brief overview and direct Committee members toward informational websites about the Orange County Groundwater Replenishment System and the Oxnard GREAT Program.

BACKGROUND

At the September, 24, 2012 Committee meeting, the Committee members requested information on the Orange County Groundwater Replenishment System and the Oxnard GREAT Program. The Chairman was directed to provide an overview of both programs so the Committee could determine if elements of the program would be appropriate to meet NCSD's supplemental water needs.

RECOMMENDATION

Recommend that the Evaluation Committee members receive the presentation and provide questions or comments regarding the programs.

ATTACHMENT

HANDOUT OF SLIDE PRESENTATION

Overview
Oxnard GREAT Program
Orange County Groundwater Replenishment System

Supplemental Water Alternatives Evaluation Committee

October 2, 2012

Oxnard GREAT Program

Overview

- City Concerned about water supplies
  - State Water from Calleguas Municipal Water District
  - Groundwater from United Water Conservation District
  - City wells
- Partners began Program in 1999
  - Water recycling – exchange for groundwater "credits"
  - Groundwater desalination
  - Brine discharge to ocean
  - Salt marsh recovery
  - Aquifer storage/recovery
  - Injection wells to prevent seawater intrusion

GREAT Program
Groundwater Recovery Enhancement And Treatment

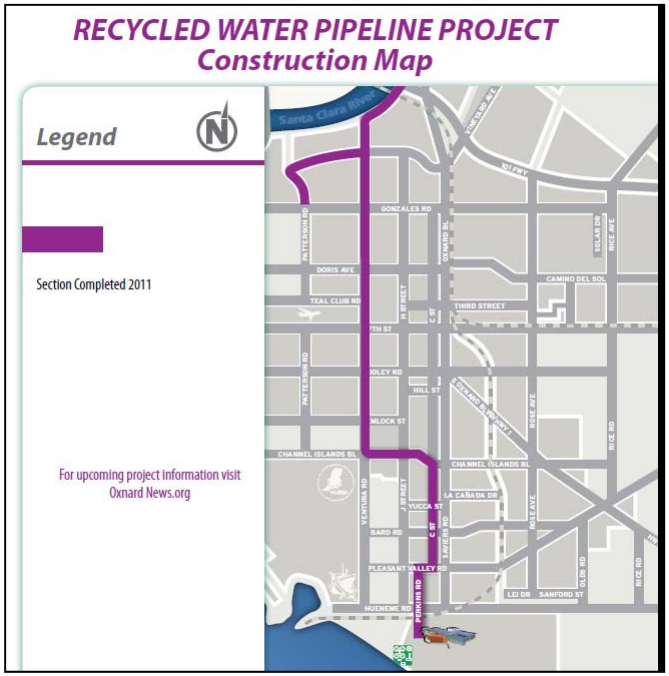
Partnership among

- City of Oxnard
- Port Hueneme Water Agency
- Calleguas Municipal Water District
- United Water Conservation District
- Agricultural industry

Oxnard GREAT Program (Cont.)

Existing Facilities

- 7.5 MGD (~8300 AFY) GREAT Desalter constructed in 2008
- GREAT Ph I -September 2011
  - $75MM WW reverse osmosis, advanced oxidation (UV/H2O2), recycled water main
  - Can deliver 6.25 MGD (7000 AFY)
  - RW to irrigation customers and injection wells
  - Brine to existing Oxnard WWTP ocean outfall or salt marshes



Oxnard GREAT Program (Cont.)

Future Plans

- 1500 AFY recycled water delivery in 2013
- Injection wells for seawater barrier
- Aquifer storage and recovery capability
- Phase II – Expansion of RO permeate delivery system, brine collection system, and aquifer storage/recovery system

Oxnard GREAT Program (Cont.)

For More Information

- http://www.oxnardnews.org/great.aspx

Includes links to:

Oxnard 2010 UWMP

GREAT Program EIR

Program brochures

Advanced Water Purification Facility (AWPF)

Orange County Groundwater Replenishment System

Overview

- Orange County Water Factory 21 (WF-21) built in mid-70s
  - Reverse osmosis treatment
  - Injects highly-treated wastewater into 23 wells along the cost for seawater intrusion barrier
  - WF-21 production (22.6 MGD) not sufficient to maintain barrier
- GWRS developed to enhance seawater intrusion barrier
- Began pilot testing in 1997
- Operational since January 2008
  - 70 million gallons per day (MGD) treatment capacity
  - Equivalent to 600,000 residents

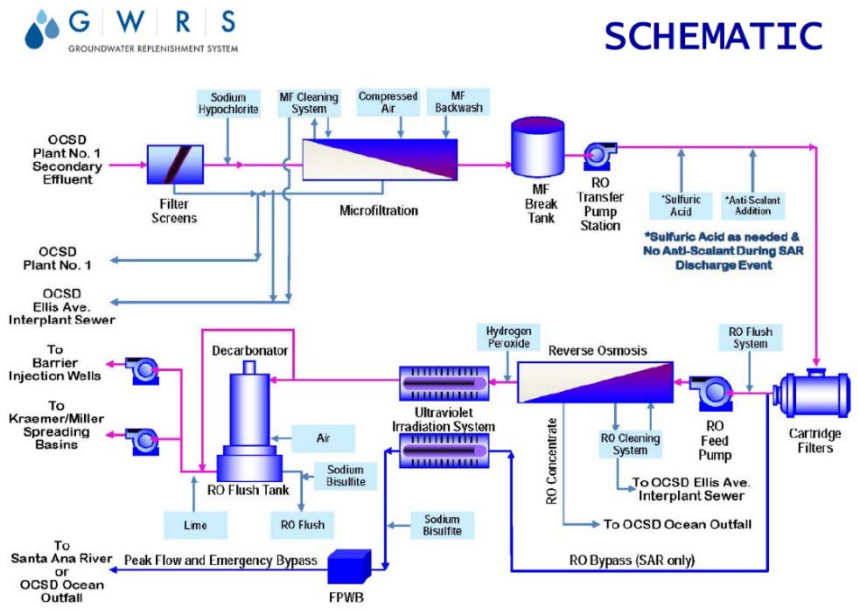
Partnership between

- Orange County Water District
- Orange County Sanitation District

OC GWRS (Cont.)

Treatment Facilities

- Orange County Sanitation District Plants Nos. 1 and 2
  - Treat 200 MGD
  - Activated sludge and disinfection
- Groundwater Replenishment System
  - Receives effluent from Plant No. 1
  - Microfiltration, reverse osmosis, and UV/H2O2 treatment
  - 35 MGD to injection wells
  - 35 MGD to infiltration basins
  - $481M Construction – finished in 2008



For More Information

http://www.ocwd.com

TO: EVALUATION COMMITTEE

FROM: MICHAEL K. NUNLEY, PE
CHAIRMAN

DATE: October 1, 2012

AGENDA ITEM #5

OCTOBER 2, 2012

ASSIGN ALTERNATIVES TO SUBCOMMITTEES

ITEM

Identify subcommittees and assign alternatives for evaluation to subcommittees. [RECOMMENDATION: ASSIGN SUBCOMMITTEES AND ALTERNATIVES AS PROPOSED IN THE STAFF REPORT; OR DEVELOP SUBCOMMITTEES FROM AMONG THE VOTING COMMITTEE MEMBERS AND ASSIGN ALTERNATIVES FOR EVALUATION TO EACH SUBCOMMITTEE.]

BACKGROUND

On August 14, 2012, the NCSD Board of Directors held a Special Meeting to appoint members to the Supplemental Water Alternatives Evaluation Committee based on recommendations from the Nomination Committee. The objective of this committee is to evaluate and rank alternatives to provide supplemental water to the Nipomo Community Services District that meet criteria specified in the Committee Bylaws (July 25, 2012). Committee members were selected to fill various roles (or "seats") identified by the Board as necessary for completing the evaluation.

The committee roster is provided below:

VOTING MEMBERS	SEAT
Armstrong, Craig	Finance
Garson, Dan	Citizen at Large
Graue, Dennis	Engineering
Matsuyama, Kathie	Environmental
Miller, Robert	Engineering
Watson, Dave	Finance
Woodson, Dan	Environmental
NON-VOTING MEMBERS	**SEAT**
Nunley, Michael	Chair
Sevcik, Peter	Vice Chair

At the Committee meeting on September 24, 2012, the Committee agreed on a four-task process to perform the supplemental water evaluation:

- Task 1 - Identification and selection of alternatives to be evaluated
- Task 2 - Evaluation of each selected alternative (by Subcommittees)
- Task 3 - Ranking of alternatives (by Committee)
- Task 4 - Compilation of the report and presentation to the Board (by Committee)

At the same meeting, the Committee identified the following alternatives for evaluation, completing Task 1:

- State Water (SW)
- Conservation/domestic graywater (C)
- Seawater (SEA)
- Agricultural and industrial reuse (AIR)
- Santa Maria Waterline Intertie Project (including Phased Project)
- Recycled wastewater from municipal facilities (RWW)
- Local groundwater (LG)
- Surface water (SFW)

In order to balance the teams by "Seats", to keep subcommittee size below a quorum of voting members (less than 4), and to balance the workload among the members, the Committee may want to consider the following proposal for subcommittee assignments. The Committee may elect to put subcommittees together differently – this is only one option:

Subcommittee	Members	Alternatives for Evaluation
1	Armstrong Graue Matsuyama	• State Water • Seawater • Agricultural and industrial reuse
2	Miller Watson Woodson	• Santa Maria Waterline Intertie Project • Surface water • Recycled wastewater from municipal facilities
3	Matsuyama Garson Graue	• Conservation/ Graywater • Local Groundwater

Conservation and domestic graywater do not represent new supplies, but were identified as a focus area by the Committee at the September 24, 2012, meeting. An option for addressing this topic within the evaluation process could be development of a position paper or recommendations by the Committee to encourage these water management activities regardless of the ranking process.

RECOMMENDATION

Recommend that the Committee members either:

1) Assign subcommittees and alternatives for evaluation as proposed in the Staff Report; or
2) Develop different subcommittee assignments from among the voting members and assign alternatives to the subcommittees.

ATTACHMENT

None

TO: EVALUATION COMMITTEE

FROM: MICHAEL K. NUNLEY, PE
CHAIRMAN

DATE: October 1, 2012

AGENDA ITEM #6

OCTOBER 2, 2012

DEVELOP WORK PLAN FOR PERFORMING ALTERNATIVE EVALUATION

ITEM

Develop a work plan (including general outline and schedule) for the subcommittees to utilize in performing the evaluation.

BACKGROUND

As discussed in Item #5, the Committee identified a general four-task approach as well as a list of supplemental water alternatives for evaluation at the September 24, 2012, Committee meeting. After subcommittees are selected in Item #5, the next step is development of a work plan so that the subcommittees can begin meeting in working groups to analyze each alternative.

A proposed outline is provided as an attachment for consideration by the Committee. It follows the general format presented in the 2007 Evaluation of Supplemental Water Alternatives performed by the District and also addresses the Committee Bylaw requirements. The Committee may wish to begin with this outline and modify it to suit their needs, or develop a different outline for use by the subcommittees.

In addition to the outline, the Committee should discuss a schedule for performing this work. A proposed schedule is provided below for consideration by the Committee:

Selection of Subcommittees and Beginning of Evaluation	October 2, 2012
Development of Alternative Analysis by Subcommittees (Including Subcommittee Meetings)	October 2 through week of November 12th, 2012
Committee Meeting - Development of Ranking Criteria	Week of November 12th, 2012
Completion of Alternative Analysis by Subcommittees	Through Week of January 7th, 2012
Committee Meeting - Subcommittees to Present Alternatives	Week of January 7th, 2013
Committee Meeting – Perform Ranking	Week of January 14th, 2013
Committee Meeting – Review Rough Draft of Report	Week of January 28th, 2013
Committee Meeting – Finalize Report	Week of February 11th, 2013

RECOMMENDATION

Recommend that the Committee either:

1) Accept the outline and schedule proposed above; or
2) Develop and accept a different outline and schedule for completion of the evaluation

ATTACHMENT

PROPOSED DRAFT OUTLINE FOR EVALUATION

NIPOMO COMMUNITY SERVICES COMMUNITY DISTRICT

SUPPLEMENTAL WATER ALTERNATIVES EVALUATION COMMITTEE

DRAFT OUTLINE – EVALUATION OF SUPPLEMENTAL WATER ALTERNATIVES

1. Introduction (Draft by Chair)
    a. Objectives
    b. Supply goals
        - 1000 AFY by June 2015
        - 3000 AFY
        - 6200 AFY (Future)
2. State Water (Subcommittee)
    a. Brief description
        - *Options considered / evaluated (from 9/24/12 Meeting Notes and other sources)*
    b. Supply
    c. Quality
    d. Reliability
    e. Required facilities
    f. Implementation schedule
        - *1000 AFY delivery*
        - *3000 AFY delivery*
        - *6200 AFY delivery (if feasible)*
    g. Constraints
        - *Institutional*
        - *Legal*
        - *Regulatory (including permitting requirements and effluent disposal requirements, if any*
        - *Cost range*
            - *Capital cost*
            - *Operating or ongoing cost*
        - *Capacity*
3. Demand Management - Conservation / Domestic Graywater (Subcommittee unless otherwise noted)
    a. Brief description
        - Current District efforts/policies (NCSD Staff)
        - Options considered/evaluated
    b. Goals
    c. Institutional requirements
    d. Legal requirements
    e. Cost range & responsibility
4. Agricultural and Industrial Reuse (Subcommittee)

Comment [M1]: Standard format for all sections except Conservation/Domestic Graywater

5. Santa Maria Waterline Intertie Project (Subcommittee)
6. Recycled Wastewater from Municipal Facilities (Subcommittee)
7. Local Groundwater (Subcommittee)
8. Surface Water (Subcommittee)
9. Ranking (Committee)
    a. Evaluation Criteria and Definitions
    b. Priority and Weighting
    c. Summary of Ranking

TO: EVALUATION COMMITTEE

FROM: MICHAEL K. NUNLEY, PE
CHAIRMAN

DATE: October 1, 2012

AGENDA ITEM #7

OCTOBER 2, 2012

DISCUSS NEED FOR SPOKESPERSON TO PROVIDE UPDATE TO THE BOARD

ITEM

If determined appropriate by the Committee, identify and select a member of the Committee to serve as a spokesperson for the Committee at an upcoming Board meeting.

BACKGROUND

Paragraph 7A of the Bylaws requires that "The Committee will provide written reports and oral presentations to the NCSD Board of Directors". The Chairman's and Vice Chair's responsibilities do not include regular reporting and correspondence with the Board. The Committee can select a Spokesperson from among the voting members to represent them before the Board. The Spokesperson's responsibilities may include:

- Providing updates to the Board of Directors at major milestones in the evaluation process; and
- Leading the presentation of the findings of the Committee.

At the September 24, 2012, Committee meeting, the Committee decided to select a spokesperson on an "as-needed" basis, depending on whether an update should be provided to the Board at an upcoming meeting. A different Spokesperson could be selected for each update or presentation, if desired.

Also as directed at the September 24 meeting, this discussion and selection will be a standing item at each Committee meeting.

The Bylaws direct the Committee to inform the Board regarding the alternatives to be evaluated and the individuals assigned to each evaluation. Therefore, this may be an appropriate time to identify a Spokesperson to provide an update of the Committee's activities. The next Board of Directors meeting is at 9:00 AM on October 10, 2012.

RECOMMENDATION

Discuss whether an update should be provided by the Committee to the Board. Nominate a voting member of the Committee to serve as Spokesperson at the October 10 Board meeting, if desired by the Committee.

ATTACHMENT

NONE

TO: EVALUATION COMMITTEE

FROM: MICHAEL K. NUNLEY, PE
CHAIRMAN

DATE: October 1, 2012

AGENDA ITEM #8

OCTOBER 2, 2012

PRESENT REFERENCE DOCUMENTS FOR REVIEW AND ACCEPTANCE

ITEM

Identify and propose reference documents to be used by Committee members in the evaluation.

BACKGROUND

The Bylaws list the following "primary" reference documents to be used in the Committee evaluation:

- *2010 Santa Maria Urban Water Management Plan*
- *2010 NCSD Urban Water Management Plan*
- *2010 CCWA Urban Water Management Plan*
- *2007 Boyle Alternatives Analysis*
- *2011 NMMA TG Annual Report*
- *2009 NCSD Supplemental Water Project EIR*
- *2005 Stipulation*
- *2008 Court Order*

The Bylaws also state that, "*Other published technical analyses may be used if the SWAEC finds them to be rigorously accurate.*" The list was amended at the September 24, 2012, Committee meeting to include the following documents:

- *2011 Northern Cities Management Area Monitoring Report*
- *2011 Santa Maria Valley Management Area Monitoring Report*
- *Final Supplemental Water Project Phasing Study (August 8, 2012)*

As discussed in our September 5, 2012, meeting, Committee members are encouraged to bring documents to Committee meetings for their consideration as additional reference documents. The Committee would need to determine that the documents are "rigorously accurate" as required in the Bylaws.

It is assumed this will be a standing item for each Committee meeting.

RECOMMENDATION

Identify, discuss, and vote on documents presented by Committee members for use as reference materials in the Committee's evaluation.

ATTACHMENT

NONE

TO: EVALUATION COMMITTEE

FROM: MICHAEL K. NUNLEY
CHAIRMAN

DATE: October 1, 2012

AGENDA ITEM #9

OCTOBER 2, 2012

SET NEXT COMMITTEE MEETING DATE AND TIME

ITEM

Committee members to set the next meeting date and time.

BACKGROUND

As directed by the Board, the Committee is directed to meet as needed to perform the Supplemental Water Alternatives Evaluation in an efficient and thorough manner.

RECOMMENDATION

Recommend that the Committee members schedule the next meeting during the week of November 12th, if possible.

ATTACHMENT

NONE