

TO: BOARD OF DIRECTORS
FROM: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER
DATE: AUGUST 8, 2014

**AGENDA ITEM
E-1
AUGUST 13, 2014**

**GROUND WATER INDEX UPDATE
AND PROPOSED IMPROVEMENTS
BRAD NEWTON, Ph.D, PG OF NEWTON GEO-HYDROLOGY
CONSULTING SERVICES, LLC**

ITEM

Brad Newton, Ph.D, PG of Newton Geo-Hydrology Consulting Services, LLC will review the Ground Water Index and recommended improvements. [RECOMMEND RECEIVE PRESENTATION AND DIRECT STAFF]

BACKGROUND

Working as a consultant to the District, Doctor Brad Newton and his colleagues at SAIC laid the foundation for the District's Ground Water Index in 2006/2007. Your Board desired to better understand the health of the local groundwater basin and tasked Dr. Newton with developing a measure.

Initially developed by the District as a theoretical estimate of water in storage above mean sea level (GWS), the storage estimate is based on a 40-50 separate groundwater well elevation measurements made each Spring and Fall, an estimate of basin-wide specific yield and other approximations of underlying geo-hydrology.

In 2008, the Nipomo Mesa Management Area Technical Group was formed. The Group refined and updated a number of the reference points for wells on the Mesa and developed an eight well 'Key Wells Index' or "KWI" that became the court recognized measure of local groundwater basin health and the basis for basin management criteria. Your Board decided to not update the reference point elevations used in the GWS calculation.

In 2009, the District renamed the "GWS" to "Ground Water Index" or "GWI" and defined it as a measure of general basin health versus groundwater in storage.

Since the reference elevations in the GWI are not updated, the Index infers an erroneous horizontal orientation when referenced to mean sea level. In the fall of 2013, the GWI was reformatted as a unit-less value indicating basin health. The unit-less index presents a current measure of basin health, as a function of groundwater level, against a nearly 40 year record and tracks identical to the unit version of the GWI and the KWI.

At your Board's direction, staff requested Dr. Newton provide a review and proposal to update and improve the current Index, including the potential for a re-introduction of units in the presentation.

Dr. Newton will present his proposal and take direction from your Board.

FISCAL IMPACT

Dr. Newton has provided a written proposal for the proposed improvements with an estimated budget of \$5,500 on a time and materials basis. Depending on Board direction received, the project costs may vary.

STRATEGIC PLAN

Goal 1. WATER SUPPLIES. Actively plan to provide reliable water supply of sufficient quality and quantity to serve both current customers and those in the long-term future.

- 1.6 Continue to monitor and participate in water supply issues and programs with other local and regional organizations

RECOMMENDATION

Staff recommends that the Board receive the Report and give direction to staff.

ATTACHMENTS

None

TO: BOARD OF DIRECTORS
FROM: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER
DATE: AUGUST 8, 2014

**AGENDA ITEM
E-2
AUGUST 13, 2014**

ADOPT 2014 SAN LUIS OBISPO COUNTY INTEGRATED REGIONAL WATER MANAGEMENT PLAN

ITEM

Approve a resolution adopting the 2014 San Luis Obispo County Integrated Regional Water Management (IRWM) Plan and find that the Project is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA). [RECOMMEND ADOPT RESOLUTION APPROVING PLAN]

BACKGROUND

Integrated Regional Water Management Background

Senate Bill 1672 established the Integrated Regional Water Management (IRWM) Act in 2002, intended to promote collaborative, integrated management of water resources. California voters passed a series of propositions, thereby establishing and funding efforts under the State's IRWM Program. These propositions authorized the Legislature to appropriate grant funds for IRWM plans and projects, and to establish eligibility requirements. The IRWM Program is administered by the State's Department of Water Resources (DWR).

As a regional collaboration, local IRWM efforts are conducted under the auspices of a Memorandum of Understanding (MOU) with 23 local agencies, including County Flood Control District, Cities, Community Services Districts, Resource Conservation Districts, and Non-Governmental Organizations (NGO's), who support multiple water resource efforts.

The Flood Control District is the lead agency under the MOU, and collectively, the agencies are referred to as the Regional Water Management Group (RWMG). The Flood Control District is also responsible for development and implementation of San Luis Obispo County (SLOCo) Region's IRWM Plan (Plan). The Plan was initially developed and adopted by multiple agencies in the county in 2005 and updated in 2007.

One of the drivers behind agency participation in Plan development is the opportunity for grant funding. Agencies must participate in the IRWM program to be eligible for DWR grants. Below is a table of the grants that have been awarded to the SLOCo Region since the adoption of the initial plan in 2005.

To comply with the Proposition 84 2011 Implementation and 2012 Planning Grant Agreements and to meet DWR eligibility requirements, the 2007 IRWM Plan needed to be updated to meet current State standards.

In December 2012, the Flood Control District Board of Supervisors approved a contract with GEI Consultants, Inc., to update the IRWM Plan. The plan update is now complete.

SLO County IRWM Region Grants Awarded

Grant Funding Source	Funded Projects	Grant Funding Allocation	Year Awarded
Prop 50 Planning	Four (4) Planning Studies	\$500,000	2005
Prop 84 Implementation	Los Osos Wastewater Project Flood Control Zone 1/1A Nipomo Supplemental Water Project	\$10,401,000	2011
Prop 1E Implementation	Flood Control Zone 1/1A –Waterway Management Program	\$2,800,000	2011
Prop 84 Planning	IRWMP Update Five (5) Planning Studies	\$1,000,000	2012
Total IRWM Grant SLO County		<u>\$14,701,000</u>	

Process Requirements

One of the eligibility requirements of the IRWM Program is that an IRWM Plan be formally accepted, as evidenced by a resolution or other written documentation, by the governing bodies of each agency that is part of the RWMG responsible for the development of the Plan and have responsibility for implementation of the Plan (California Water Code Section 10543). Therefore staff recommends that the Board approve the attached resolution adopting the 2014 San Luis Obispo County IRWM Plan for the Flood Control District and the County. The MOU for the RWMG is attached to the resolution since the IRWM Plan needs to demonstrate the governance under which the SLOCo regional efforts are conducted.

IRWM Plan Content

The IRWM Plan has been developed in accordance with State standards and with extensive participation from the RWMG, the County Water Resources Advisory Committee and the general public. The IRWM Plan is on file with the County Clerk’s office, and posted on line at www.slocountywater.org and the District’s website (www.ncsd.ca.gov). The Executive Summary for the IRWM Plan is attached and posted on the District’s website.

Through its governance, goals and objectives and project review process sections, the IRWM Plan provides a united framework among SLOCo Region stakeholders for sustainable water resource management. The IRWM Plan also provides a “one stop shop” for information on the water resources of the county, and related planning and project efforts.

The 800 some odd page IRWM Plan is intended to be a “living” document, with the ability to update information and the project list within it as needed. A detailed discussion of IRWM Plan implementation and update efforts are described in Sections J (Plan Implementation and Monitoring) and Q (Plan Implementation and Maintenance Activities). DWR requires the IRWM Plan be updated every five years.

FISCAL IMPACT

Nipomo Community Services District contributed \$32,970 to the update of the IRWM Plan as a requirement for receiving a \$2.2 Million portion of the Proposition 84 Implementation grant mentioned above.

STRATEGIC PLAN

Goal 1. WATER SUPPLIES. Actively plan to provide reliable water supply of sufficient quality and quantity to serve both current customers and those in the long-term future.

- 1.6 Continue to monitor and participate in water supply issues and programs with other local and regional organizations

RECOMMENDATION

By motion and roll call vote, approve a resolution adopting the 2014 San Luis Obispo County Integrated Regional Water Management Plan and finding that the Project is exempt from Section 21000 et seq. of the California Public Resources Code, and direct staff to file a Notice of Exemption in accordance with provisions of the California Environmental Quality Act.

ATTACHMENTS

- A. Draft Resolution with Attachments
- B. SLO County 2014 Integrated Regional Water Management Plan Executive Summary

AUGUST 13, 2014

ITEM E-2

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2014-XXX**

**RESOLUTION ADOPTING THE 2014 SAN LUIS OBISPO COUNTY
INTEGRATED REGIONAL WATER MANAGEMENT PLAN AND
FINDING THAT THE PROJECT IS EXEMPT FROM SECTION 2100 ET SEQ.
OF THE CALIFORNIA PUBLIC RESOURCES CODE (CEQA)**

WHEREAS, the State of California has established an Integrated Regional Water Management grant program pursuant to the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Public Resources Code Section 75001 et seq.) (also known as Proposition 84); and

WHEREAS, the Regional Water Management Group for the San Luis Obispo County Region as of the date of this resolution consists of agencies including the Nipomo Community Services District, that have signed a Memorandum of Understanding (Attachment "1") and are listed in Attachment "2"; and

WHEREAS, the concepts, direction and approach to water resources management embodied in the State's Integrated Regional Water Management program guidelines closely match those of the San Luis Obispo County Region; and

WHEREAS, the San Luis Obispo County Integrated Regional Water Management Plan was initially developed and adopted by multiple agencies in the County in 2005 and updated in 2007; and

WHEREAS, an update to the 2007 San Luis Obispo County Integrated Regional Water Management Plan is needed in order to effectively and efficiently integrate the region's water resources management planning objectives and implementation strategies in the following five key areas: Water Supply, Groundwater Monitoring and Management, Flood Management, Ecosystems and Watershed, and Water Resources Management and Communications; and

WHEREAS, the San Luis Obispo County Flood Control and Water Conservation District has coordinated with the Regional Water Management Group to produce the 2014 San Luis Obispo County Integrated Regional Water Management Plan in accordance with 2012 State standards; and

WHEREAS, the 2014 San Luis Obispo County Integrated Regional Water Management Plan identifies goals, objectives, strategies and projects designed to improve regional water supply reliability, water recycling, water conservation, water quality improvement, stormwater capture and management, flood management, recreation and access, wetland enhancement and creation, and environmental and habitat protection and improvement; and

WHEREAS, the Nipomo Community Services District Board of Directors has reviewed the 2014 San Luis Obispo County Integrated Regional Water Management Plan and has determined that the Plan is exempt from Section 21000 et seq. of the California Public Resources Code (California Environmental Quality Act) pursuant to Section 21150 of the California Environmental Quality Act, and Guidelines Section 15262 because the Plan is a planning study which identifies potential projects, programs, and policies for possible future actions, and includes possible actions, subject to future adoption and approval.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

1. The 2014 San Luis Obispo County Integrated Regional Water Management Plan for the San Luis Obispo County Region is hereby adopted, and Staff of the Nipomo Community

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2014-XXX

RESOLUTION ADOPTING THE 2014 SAN LUIS OBISPO COUNTY
INTEGRATED REGIONAL WATER MANAGEMENT PLAN AND
FINDING THAT THE PROJECT IS EXEMPT FROM SECTION 2100 ET SEQ.
OF THE CALIFORNIA PUBLIC RESOURCES CODE (CEQA)
Page 2

Service District is hereby authorized and directed to implement actions consistent with participating in updates to the plan on a five-year cycle as a Regional Water Management Group Member as described within the plan.

2. The adoption of the 2014 San Luis Obispo County Integrated Regional Water Management Plan for the San Luis Obispo County Region is hereby determined to be exempt from the requirements of the California Environmental Quality Act pursuant to Section 21150 of Section 21150 of the California Public Resources Code and Section 15262 of the State California Environmental Quality Act Guidelines.

3. The Staff of the Nipomo Community Services District is hereby directed to file a Notice of Exemption in accordance with provisions of the California Environmental Quality Act.

On the motion of Director _____, seconded by Director _____, and on the following roll call vote, to wit:

AYES:
NOES:
ABSENT:
CONFLICTS:

The foregoing resolution is hereby passed, approved and adopted by the Board of Directors of the Nipomo Community Services District this 13th day of August, 2014.

CRAIG ARMSTRONG
President of the Board

ATTEST:

APPROVED AS TO FORM:

MICHAEL S. LEBRUN
Secretary to the Board

MICHAEL W. SEITZ
District Legal Counsel

ATTACHMENT 1

San Luis Obispo County Region Integrated Regional Water Management Program Participants Memorandum of Understanding

San Luis Obispo County Region
Integrated Regional Water Management Program Participants
Memorandum of Understanding

The undersigned agencies and organizations hereby agree as follows:

1. BACKGROUND

The State of California has established an Integrated Regional Water Management (IRWM) planning and grant program pursuant to the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Public Resource Code (PRC) Section 75001 et seq., also known as Proposition 84). This program is anticipated to be perpetuated and/or modified by future Bond acts. The IRWM program provides guidance for collaborative efforts to manage all aspects of water resources in a region by crossing jurisdictional, watershed, and political boundaries to involve multiple agencies, stakeholders, individuals, and groups in order to address issues and differing perspectives of all entities involved through mutually beneficial solutions. Regions that develop IRWM plans in accordance with the guidelines are eligible for certain water resources grant funding opportunities.

In accordance with PRC Section 75001 (et seq.) and State IRWM Program guidelines, a Memorandum of Understanding (MOU) (dated 2009), signed by eleven agencies within San Luis Obispo County, established a Regional Water Management Group (RWMG) for the San Luis Obispo County IRWM Region, and the San Luis Obispo County IRWM Region was officially accepted by the State in May 2009.

The San Luis Obispo County IRWM Region water resources stakeholders have determined the need to update the IRWM MOU in order to meet new State IRWM guidelines, to clarify the governance structure for IRWM planning in the San Luis Obispo County IRWM Region, and encourage broader participation. This MOU, in conjunction with the current IRWM Plan, sets forth the San Luis Obispo County IRWM Region's governance structure thereby allowing members and other stakeholders to understand how to participate in the IRWM Plan development and implementation.

2. PURPOSE, GOALS, AND APPROACH

2.1 Purpose. The purpose of this MEMORANDUM OF UNDERSTANDING (MOU) is to establish the mutual understandings among the San Luis Obispo County Region participants with respect to their joint efforts to develop and implement an Integrated Regional Water Management (IRWM) Plan for the San Luis Obispo County Region, including the definition of common IRWM terms, roles and responsibilities of IRWM Program Participants, and decision-making processes.

2.2 Goals. The goal of the IRWM program is to provide a reliable, long-term, and high-quality water supply, and to establish a unified vision among the participants' goals for water quality improvement, ecosystem preservation, water supply protection and enhancement, ground water management and flood management, in the context of social justice and climate change adaptation, while protecting the environment. The adopted IRWM plan will identify major water-related goals, objectives and conflicts within the region, consider a broad variety of water management strategies, identify the appropriate mix of water demand and supply management alternatives, water quality protections, flood management strategies, and environmental stewardship actions.

2.3 Approach. The San Luis Obispo County Region participants are specifying their shared intent to coordinate and collaborate on water management issues, giving consideration to disadvantaged communities and Native American tribes and their water related needs. In order to

enhance participation of stakeholders, it will be necessary to work at a sub-regional level to better understand the water resources needs and priorities throughout the region. When applying for grants, the San Luis Obispo County Region will strive to distribute the grant funding request fairly across the geographic region. The goal is to distribute awarded funding from each grant cycle equally across the sub-regions (i.e. one quarter of the overall funding to benefit each of the three sub-regions' projects/programs and one quarter of the overall funding to benefit regional projects/programs), to the extent feasible.

3. DEFINITIONS

3.1 Integrated Regional Water Management Plan (Plan). A comprehensive plan for a defined geographic area which shall satisfy the requirements of California's IRWM Program.

3.2 San Luis Obispo County Region (Region). The geographic area of San Luis Obispo County, which is coterminous with the San Luis Obispo County Flood Control and Water Conservation District (District) boundary.

3.3 Local Agency. Any city, county, city and county, special district, joint powers authority, or other political subdivision of the state, a public utility as defined in Section 216 of the Public Utilities Code, or a mutual water company as defined in Section 2725 of the Public Utilities Code.

3.4 Program Participants. Development and implementation of the Region's Plan is a collaborative effort undertaken by the Region's participants, as further discussed in Section 4. The effort is being led by the District, in partnership with the Regional Water Management Group, Water Resources Advisory Committee, Implementation Affiliates, and Interested Stakeholders. Only regional projects and programs to be implemented by those agencies which have adopted the Plan will be eligible for grant applications. The Region categorizes IRWM Program Participants into the following:

3.4.1 **Regional Water Management Group (RWMG).** A group in which three or more local agencies, at least two of which have statutory authority over water supply or water management, as well as those other persons who may be necessary for the development and implementation of the Plan, participate by means of this memorandum of understanding, in accordance with requirements of the California Water Code (CWC § 10539). The Region's RWMG members are signatories to this MOU, have adopted the current Plan, and may designate a representative to participate in RWMG activities and its Working Group. The entities must be either a Local Agency or an IRS 501(c)(3) nonprofit organization. The RWMG has the capacity to carry out projects (i.e. financial resources, management structure, adequate staffing). The agencies/organizations that form the RWMG may have planning or implementation projects eligible for State IRWM grants.

3.4.2 **Water Resources Advisory Committee (WRAC).** This is the committee comprised of water purveyor, resource conservation district, environmental and agricultural, and other water resources representatives that was originally established in the 1940s to advise the District Board of Supervisors on water resource issues. The WRAC is a Brown Act committee that meets monthly, with the exception of July and August. Many participants are actively engaged in issues relevant to Plan development and implementation, and will represent important stakeholder groups throughout the program.

3.4.3 **RWMG Working Group (Working Group).** The Working Group will involve representatives from the RWMG who have technical expertise and are able to work on the details associated with IRWM efforts. The Working Group will engage stakeholders at a sub-regional level in order to better understand the specific water resources needs and priorities of that sub-region.

3.4.4 **Implementation Affiliates.** These entities will adopt the Plan by resolution, but would not be signatories of the MOU. The entities must be either a Local Agency or an IRS 501(c)(3) nonprofit organization. The Implementation Affiliates have the capacity to carry out projects (i.e. financial resources, management structure, adequate staffing). In order to have a planning or implementation project eligible for State IRWM grants, agencies must be an Implementation Affiliate if they are not a part of the RWMG.

3.4.5 **Interested Stakeholders.** These individuals, organizations, and nonprofits (including those that are not IRS 501(c)(3) nonprofit organizations) who are interested in the IRWM program. The Interested Stakeholders may sign a letter of support for the Plan, or otherwise provide input to the RWMG, but would not be eligible for directly receiving State IRWM grant funds.

3.5 Sub-regions. The Region's IRWM program seeks to engage stakeholders and understand the water resources needs of the Region. To adequately ensure this balanced access and opportunity for participation in the IRWM program, the RWMG will utilize a sub-regional geographic structure, allowing more focused planning and local outreach efforts that are later brought into the context of the overall IRWM Region. These sub-regions have been deliberately defined in terms of logical planning and watershed/ hydrogeologic unit boundaries. These "sub-regions" include the North Coast, North County, and South County (see Attachment 1).

3.6 Regional Projects or Programs. Projects or programs to be implemented by the RWMG and/or Implementation Affiliates are identified in the Plan and are based upon the State's IRWM Guidelines under which the current Plan was adopted, which includes but is not limited to: reducing water demand through agricultural and urban water use efficiency, increasing water supplies for any beneficial use, improving operational efficiency and water supply reliability, improving water quality, improving resource stewardship, and improving flood management.

3.7 Integration. Assembling into one document the water-related management strategies, projects, programs, and plans of the Region. The development and implementation of the Plan should demonstrate the RWMG is forming, coordinating and integrating separate efforts in order to function as a unified effort in a collaborative manner that balances interests and engages a variety of stakeholders and seeks to efficiently integrate regional resources. The Plan development will identify water management strategies for the Region and the priority projects and programs that demonstrate how these strategies work together to meet goals identified in Section 2. It will also identify regional benefits of linkages between projects and plans that address different primary water-related objectives (for example, identifying regional benefits of linkages between a water supply project and a flood management project in the same watershed).

4. IRWM PROGRAM PARTICIPANTS

4.1 Program Participant Structure. Elements of the Plan will be developed and implemented by the Program Participants. The RWMG, including the District as the Lead Agency, and the Implementation Affiliates are responsible for Plan development and implementation.

4.2 Plan Development and Implementation. The Region's Plan that was adopted by the District, developed in coordination with and approved by stakeholders in 2005, and updated in 2007, will be the basis for subsequent adopted Plans for the Region. The Working Group will propose changes to the previous versions of the Plan to comply with new State guidelines and incorporate new information and projects. Since a key element of the IRWM Program is integration, the RWMG will work with Program Participants to identify water management strategies for the Region and sub-regions and the priority projects that demonstrate how these strategies work together to meet the purpose and goals in Section 2. How each Program

Participant contributes and participates in Plan development and implementation is described below:

4.2.1 Lead Agency. The District will act as the lead agency for Plan development, will execute this MOU, and will adopt the Plan in accordance with 4.3 and 4.4 below. The District will ultimately be responsible for the final production of the Region's Plan, hiring consultant(s) to develop the Plan, and presentations to stakeholders, submittal of IRWM grant applications, and execution and administration of grant agreements with the State. As the Lead Agency, the District will execute and administer agreements with RWMG members and Implementation Affiliates responsible for the implementation of projects that are awarded grants, including data collection relevant to grant agreements, project reporting, etc. Efforts described in Section 4.2.1 are subject to the availability of funding.

4.2.2 RWMG. Members will execute this MOU and adopt the Plan in accordance with 4.3 and 4.4 below. RWMG members will designate a representative with clear authority to represent the agency or organization, provide expertise, provide information in a timely manner, participate in meetings, review and approve technical documents as needed, and will provide the District with their designated representative's contact information. This representative will be eligible to participate on the Working Group. All RWMG members, whether or not their representative is participating in the Working Group, hereby agree to provide information sufficient to meet State guidelines for their regional projects and programs to be included in the Plan and participate in the review of the Plan. RWMG members will consider integrating projects and programs with other agencies when possible, especially with disadvantaged communities and Native American tribes, in accordance with State IRWM Guidelines. RWMG members responsible for the implementation of regional projects and programs awarded grant funding will be responsible, through contract with the District, for complying with the provisions of the District's grant agreement with the State. The RWMG will provide updates to the WRAC and seek WRAC support of recommendations at key decision points.

4.2.3 WRAC. The WRAC will provide a forum for public meetings/ workshops related to Plan development and implementation at key decision points. The WRAC will review and comment on the RWMG recommendations to the District's Board of Supervisors at key decision points.

4.2.4 Working Group. Representatives of the Working Group will be designated by the RWMG member and will have clear authority to represent the agency or organization, provide expertise, provide information in a timely manner, participate in meetings, review and approve technical documents as needed, and will provide the District with their designated representative's contact information. The District will provide materials with sufficient lead time for RWMG member and Working Group engagement. The Working Group will develop information, draft documents and recommendations pertaining to the Plan update consistent with current State IRWM Guidelines during Plan development. Efforts are anticipated to include stakeholder outreach, collection and incorporation of updated data, etc. The Working Group will develop information and recommendations for IRWM program planning and implementation, stakeholder outreach, and pursuit of funding opportunities. All RWMG members will participate in the process to select the Region's IRWM projects and programs for grant applications by way of the Working Group, who will conduct project/program solicitations and evaluations, and will make recommendations on grant funding allocations. The Working Group will need to conduct sub-regional public meetings during Plan development and implementation to facilitate stakeholder participation.

4.2.5 Implementation Affiliates. Implementation Affiliates shall adopt the Plan in accordance with Section 4.3. Implementation Affiliates will designate a representative with clear authority to represent the agency or organization, provide expertise, provide information in a timely manner, participate in meetings, review and approve technical documents as needed, and will provide the District with their designated representative's contact information. All

Implementation Affiliates will provide information sufficient to meet State guidelines for their regional projects and programs to be included in the Plan and participate in the review of the Plan and for implementation activities, such as project status updates, project reporting, data collection, etc. Implementation Affiliates will consider integrating projects and programs with neighboring agencies when possible, especially with disadvantaged communities and Native American tribes, in accordance with State IRWM Guidelines. Implementation Affiliates responsible for the implementation of regional projects and programs awarded grant funding will be responsible, through contract with the District, for complying with the provisions of the District's grant agreement with the State.

4.2.6 **Interested Stakeholders.** Interested Stakeholders may participate in the Plan development and implementation process by way of participation at WRAC and/or RWMG meetings. Interested Stakeholders that are not WRAC members will be notified when an IRWM program item will be reviewed by the WRAC if they request inclusion on the IRWM contact list (Section 5.6). Sub-regional meetings will be required to ensure Interested Stakeholders, including disadvantaged communities, who may not necessarily be able to attend WRAC meetings, can participate in Plan development and implementation.

4.3 **IRWM Plan Adoption.** Plan approval and adoption will be required of the governing bodies of RWMG members and Implementation Affiliates. Plan updates to meet new State guidelines, add new RWMG Members, add or remove and evaluate regional projects and programs, or other updates to information do not require Plan re-adoption. Significant changes to the Plan, including revised goals and objectives, revised methodologies (such as methodology for evaluating, ranking, and prioritizing projects and programs), revised regional boundaries, or other changes deemed significant by the RWMG and the Lead Agency, will require Plan re-adoption via the decision-making process described in Section 4.5.

4.4 **Personnel and Financial Resources.** It is expected that Program Participants will contribute the resources necessary to fulfill the responsibilities listed within Section 4 of this MOU. Program Participants that receive implementation grant funding, shall contribute a proportionate share of non-project costs associated with the grant agreement, based on awarded implementation funding (for example, contributing toward the cost of updating the Plan, should that be a condition of grant award)..

4.5 **Decision Making.** The RWMG shall develop IRWM program materials and will make recommendations to the Lead Agency at key decision points of the IRWM program. Written input will be sought between the representatives of RWMG members in the event the need for a decision arises that cannot be brought forth to the RWMG before a decision needs to be made. The District, by way of its Public Works Department, shall notify the RWMG agencies of recommendations being taken to the District's Board of Supervisors for action. The District's Board of Supervisors may approve, alter, or return any said recommendation of the RWMG. Furthermore, if the District's Board of Supervisors intends to alter an item or proposition approved by the RWMG, the District's Board of Supervisors shall set forth in writing its findings, after which the Board will hold a public hearing. The RWMG agencies shall have the right to appear and address the District's Board of Supervisors.

5. MUTUAL UNDERSTANDINGS

5.1 **Need for the Region's IRWM Plan**

5.1.1 To improve communication and cooperation between public and private agencies and minimize conflict-generated solutions.

5.1.2 To enhance our existing water management efforts by increasing stakeholder awareness of important issues, providing more opportunities for collaborative efforts and improving efficiencies in government and water management.

5.1.3 To qualify for state grants and other funding opportunities only available to those regions which have developed IRWM plans.

5.2 Subject matter scope of the IRWM Plan. The Plan focuses on water supply, water quality protection and improvement, ecosystem preservation and restoration, groundwater monitoring and management, and flood management as these are the most prevalent water resource issues facing the Region.

5.3 Geographical scope of the IRWM Program. The Region for this memorandum is coterminous with the boundary of San Luis Obispo County. This is an appropriate geographic region for integrated regional water management planning because it encompasses all aspects of water management generally within the same physical, political, environmental, social, and economic boundaries. The Region may engage stakeholders within the three sub-regions in order to better understand the specific water resources needs and priorities of that sub-region, which would then be incorporated into the context of the greater IRWM Region planning and implementation.

The Region is bordered by the Greater Monterey County IRWM region to the north, the Santa Barbara County and Watersheds Coalition of Ventura County IRWM regions to the south, and the Kern County IRWM region to the east.

Water resources issues that overlap neighboring regional boundaries are either covered by existing cooperative water management plans (i.e. Nacitone Watershed Management Plan), adjudication (i.e. Santa Maria Groundwater Basin), and operational agreements (i.e. Nacimiento Reservoir), or have no defining water resource management issue. All of these items are to be included in the Region's Plan consistent with the plans of neighboring regions. The RWMG will continue to coordinate with neighboring regions to address additional water resources issues and possible integrated water management strategies in our respective IRWM plans.

5.4 Non-binding nature. This document and participation in the IRWM program efforts are nonbinding, and in no way suggest that a RWMG member or Implementation Affiliate may not continue its own planning and undertake efforts to secure project funding from any source. An agency/ organization may withdraw from participation in accordance with Section 5.7.

5.5 Other on-going regional efforts. Development of the Plan is separate from efforts of other organizations to develop water-related plans on a regional basis. As the Plan is developed, work products can be shared with these separate efforts to provide them with current information.

5.6 Reports and communications. The WRAC, an IRWM contact list, and the District's website will serve as the forum for updates and correspondence relating to the IRWM program and Plan development.

5.7 Termination. Because the Plan will require periodic review and updating for use into the future, it is envisioned that the joint efforts of those involved will be ongoing in maintaining a living document. Thus this MOU will remain as a reflection of the understandings of the RWMG Members. As indicated, parties to this MOU may terminate their involvement at any time, but must provide all RWMG agencies with 30 days' advance notice of intent to terminate.

5.8 Superseded Prior MOU. This MOU supersedes the MOU dated April 21, 2009 (2009 MOU).

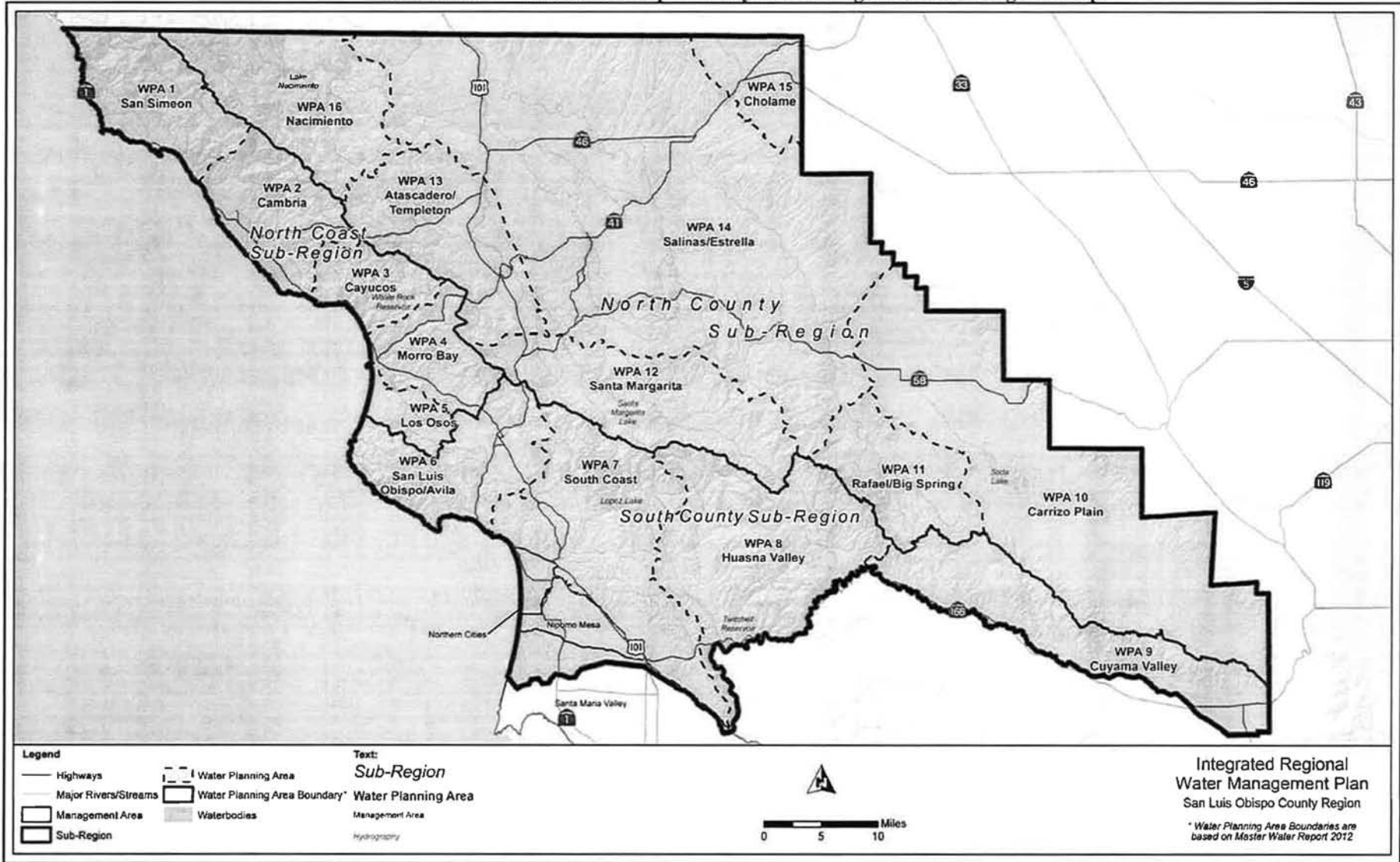
5.9 Counterparts. This MOU may be executed in counterparts and has the same force and effect as if all the signatures were obtained in one document.

6. SIGNATORIES TO THE MEMORANDUM OF UNDERSTANDING

We, the undersigned representatives of our respective agencies or organizations, acknowledge the above as our understanding of how the San Luis Integrated Regional Water Management Plan will be developed.

Michael S. LeBrun signature
MICHAEL S. LEBRON printed name
Nipomo CSD agency
10/15/2012 date

Attachment 1 – San Luis Obispo County IRWM Region and Sub-Regions Map



Attachment 2

Memorandum of Understanding Signatories for
San Luis Obispo County Region IRWM Participants

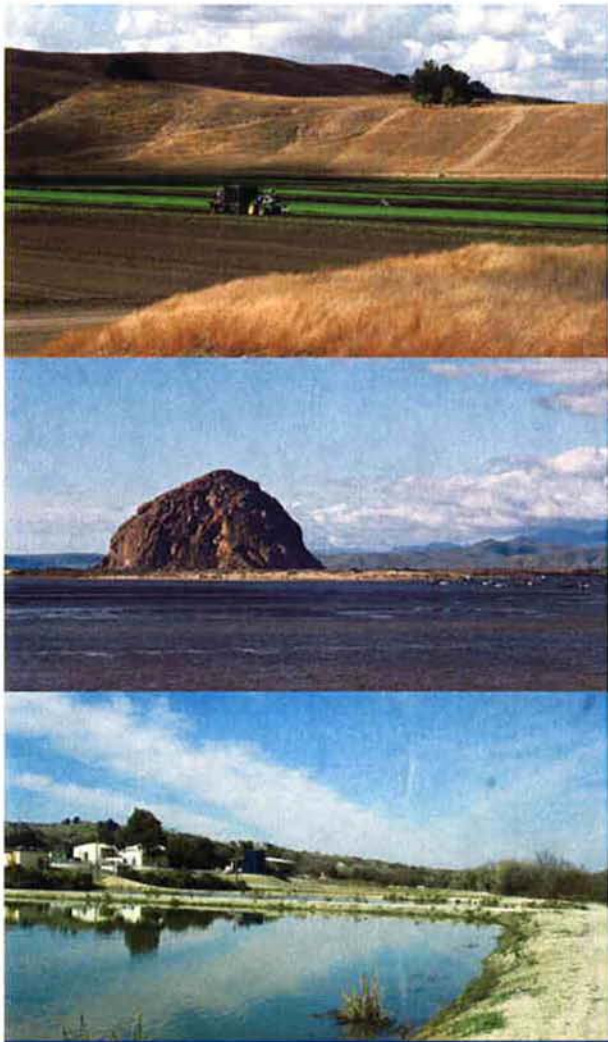
Agency or Organization

San Luis Obispo County
San Luis Obispo County Flood Control and Water Conservation District
California Men's Colony
Cambria Community Services District
Central Coast Salmon Enhancement
City of Arroyo Grande
City of Grover Beach
City of Morro Bay
City of Paso Robles
City of Pismo Beach
City of San Luis Obispo
Coastal San Luis Resource Conservation District
Heritage Ranch Community Services District
Land Conservancy
Los Osos Community Services District
Morro Bay National Estuary Program
Nipomo Community Services District
Oceano Community Services District
Templeton Community Services District
San Miguel Community Services District
San Simeon Community Services District
S&T Mutual Water Company
Upper Salinas - Las Tablas Resource Conservation District

AUGUST 13, 2014

ITEM E-2

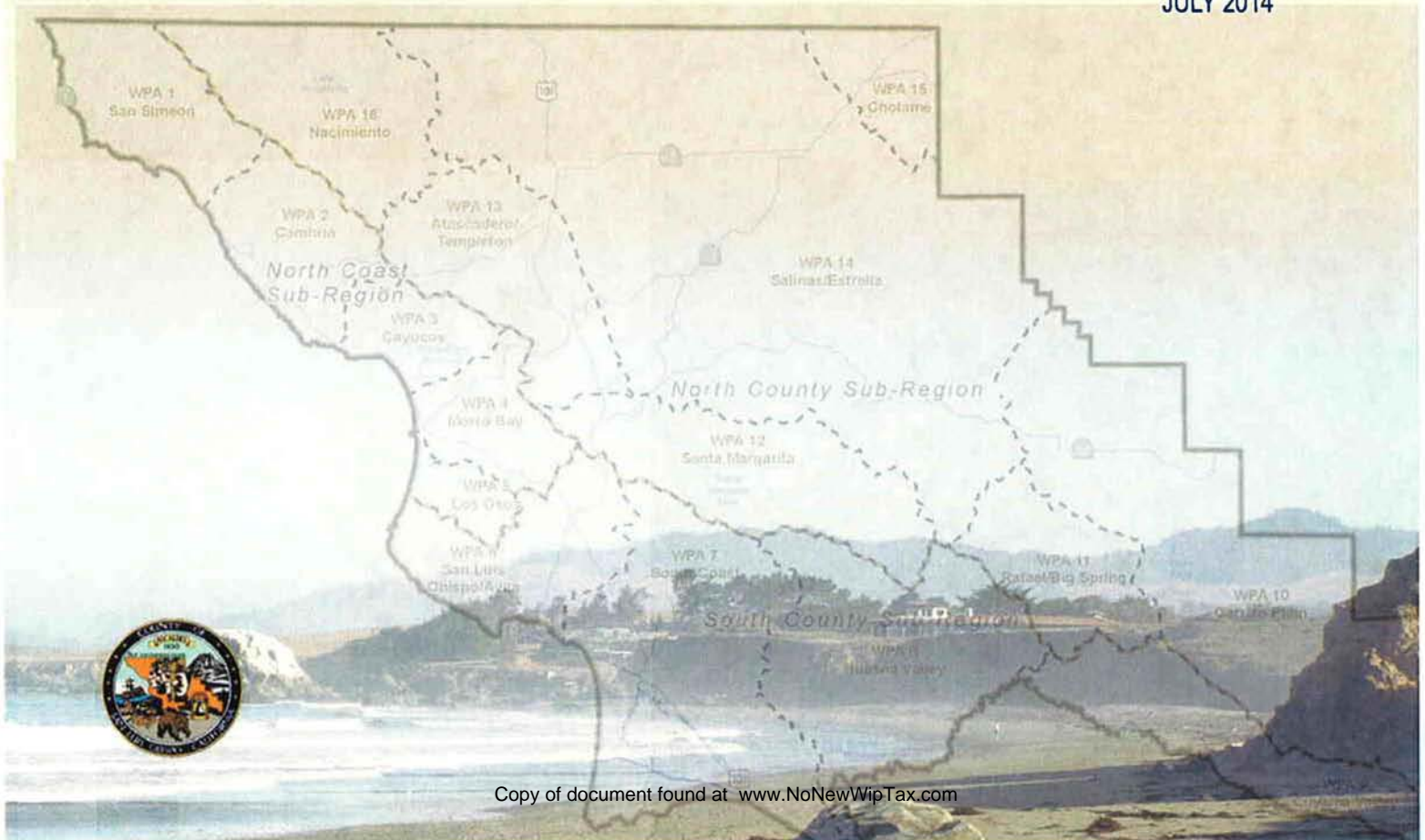
ATTACHMENT B



San Luis Obispo County
 2014 Integrated Regional Water
 Management Plan

Executive Summary

JULY 2014





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Executive Summary

Various agencies, non-governmental organizations, and advisory groups actively participate in the management of water resources available to San Luis Obispo County (County). The San Luis Obispo County Flood Control and Water Conservation District (District) was formed in 1945 to implement projects and programs to manage and conserve water resources within the County. The District, in coordination with the San Luis Obispo County Region's Regional Water Management Group (RWMG) and the Water Resources Advisory Committee (WRAC), has been acting as the Lead Agency responsible for development and implementation of the Region's Integrated Regional Water Management (IRWM) Plan. The 2014 San Luis Obispo County IRWM Plan identifies the current challenges facing the County and provides the framework for these agencies to work together to address these challenges for a more sustainable water management future.

The purpose of this 2014 San Luis Obispo County IRWM Plan Executive Summary is to provide a high level overview of how the IRWM process is being used to address the challenges and to provide a framework for ongoing water resources management in the future.

Water Management in San Luis Obispo County

The IRWM Plan was initially developed and adopted by multiple agencies in the county in 2005, and updated in 2007. The 2014 IRWM Plan was developed with the help of volunteer agencies and stakeholders over a two year period following a public process that included over 20 meetings and subregional workshops throughout the County, and was sponsored in part by a Department of Water Resources (DWR) Proposition 84 IRWM Planning Grant, the District, the County, and the Nipomo Community Services District.

The completion of the 2014 IRWM Plan has added focus given the recent drought declaration, the release of the Governor's *California Water Action Plan*, and potential groundwater legislation.

What Are We Trying to Accomplish?

In San Luis Obispo County we are trying to:

- Improve **resiliency** in the face of uncertain hydrology and climate change
- Improve **interconnections** between our existing supplies and infrastructure to improve reliability, especially in dry years
- Establish and maintain **sustainable** groundwater and watershed management practices

What Are the Challenges?

The Central Coast and San Luis Obispo County face several challenges:

- The County is located in a relatively dry part of the state and is subject to uncertain and highly variable hydrologic conditions
- Constantly changing and growing agricultural, urban, and environmental water demands create a challenging planning environment and increased competition for the finite water supplies
- With a low and dispersed population, the Central Coast region has a limited ability to generate local funding to develop new projects and faces challenges in identifying regional opportunities to take advantage of economies of scale
- Local surface water supplies are limited, and imported water supplies (i.e., State Water Project) are expensive and subject to hydrologic variability
- Groundwater has been relied upon too heavily, leading to the need for increased and sustainable management to maintain both water quantity and quality
- Regulatory requirements/processes, and permitting constraints have limited potential project opportunities, such as desalination



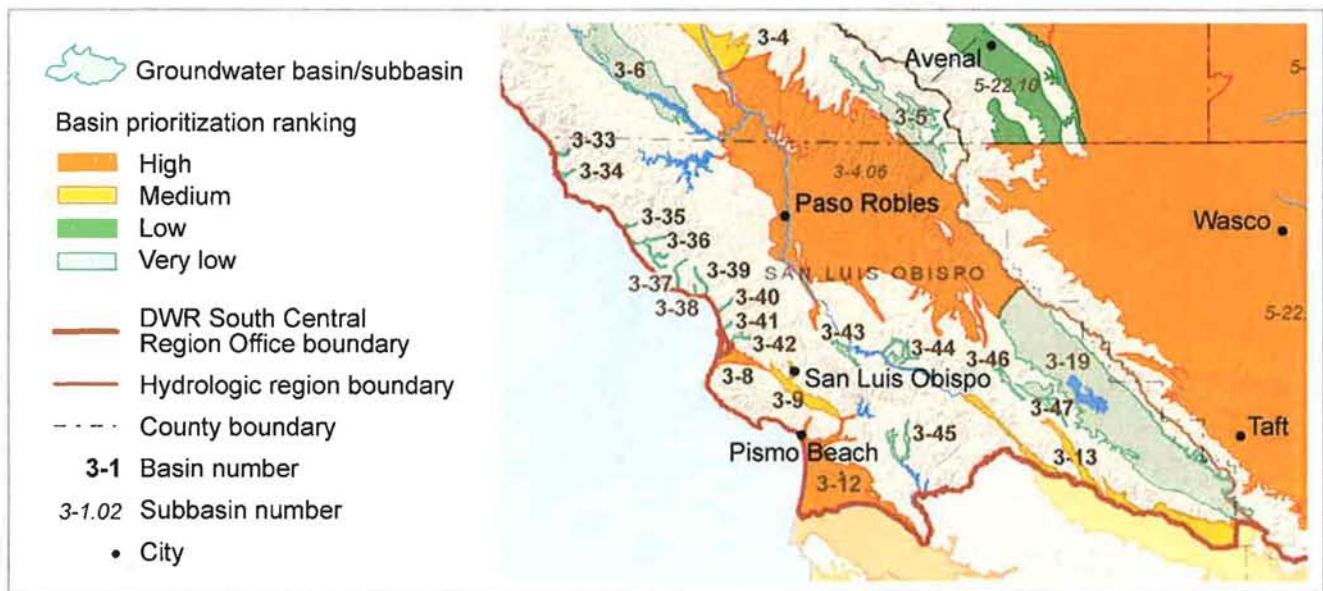
Water Supply Challenges within San Luis Obispo County

The challenges described above come together in the water supply challenges that face the County. Because much of the County is dependent upon groundwater for a significant portion of its water supply, sustainable management of groundwater supplies is one of the significant challenges facing the County. The District serves as the monitoring entity for the County, reporting groundwater levels to the California Department of Water Resources (DWR) through their California Statewide Groundwater Elevation Monitoring (CASGEM) Program. DWR uses the CASGEMs information to evaluate all groundwater basins in the State to identify the highest priority basins that are threatened by present or future changes in water demand. Five groundwater basins within San Luis Obispo County have been identified as medium or high priority basins (see Table ES-1 and Figure ES-1).

Table ES-1. CASGEM Priority Basins in San Luis Obispo County

Basin Name	IRWMP Subregion	CASGEMs Priority
Paso Robles	North County	High
Los Osos	North Coast	High
Santa Maria	South County	High
San Luis Obispo Valley	South County	Medium
Cuyama Valley	South County	Medium

Figure ES-1. Portion of DWR’s CASGEM Groundwater Basin Prioritization Map, South Central Region



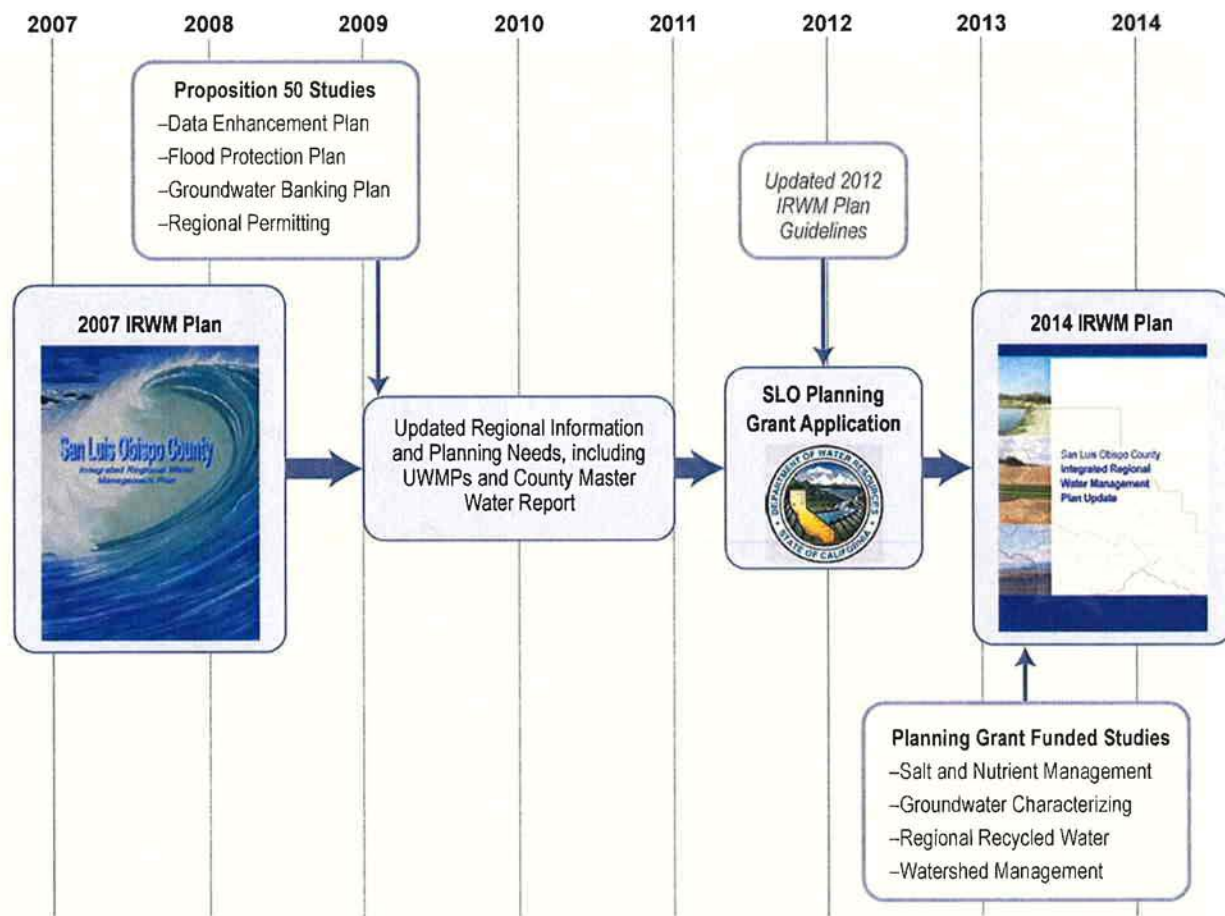
Source: California Department of Water Resources South Central Region CASGEM Groundwater Basin Prioritization Results; June 2, 2014.

Using IRWM Approach to Address These Challenges

As mentioned above, San Luis Obispo County has a long history of water management. Since 2005, comprehensive water management in the county has been guided by the Integrated Regional Water Management (IRWM) approach as shown in **Figure ES-2**.

Each individual participating member agency of the RWMG is required by the State Guidelines to also adopt the DWR approved plan to be eligible to receive future State grant funding. Plan adoption by a member agency also ensures regional support for locally sponsored water resources projects funded through all State, federal, and local grant and loan programs. The IRWM Plan is considered to be a living guidance document for all member agencies to support, and re-adopt if necessary, with each IRWM Plan update which is planned to occur approximately every five years.

Figure ES-2. SLOC IRWM Plan Approach



California Water Action Plan

In December 2013, the State of California released the *California Water Action Plan* (CWAP) which outlined the State's near-term and long-term water priorities. The CWAP provides the State focus and vision for the next five years to guide the State's efforts to:

- Enhance water supply reliability
- Restore damaged and destroyed ecosystems
- Improve the resilience of our infrastructure

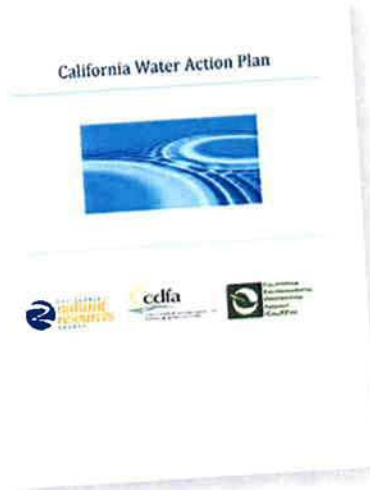
While the CWAP demonstrates and focuses the State's commitment, it recognizes that the State government cannot do it alone. Collaboration with the local and federal partners is essential to address the immediate challenges facing the State which include:

- Uncertain water supplies
- Declining groundwater supplies
- Floods
- Declining native fish species and loss of wildlife habitat
- Population growth and climate change which further increase the severity of these risks
- Water scarcity/drought
- Poor water quality
- Supply disruptions

The State's commitment is demonstrated by the Governor's proposed 2014-2015 budget which is intended to provide a financial foundation for implementing near-term actions for the CWAP, recommending over \$600 million in funding for water efficiency projects, wetland and watershed restoration, groundwater programs, conservation, flood control, and integrated water management.

The CWAP identified the following actions to address the most pressing water issues facing Californians:

1. Make conservation a California way of life;
2. Increase regional self-reliance and integrated water management across all levels of government;
3. Achieve the co-equal goals for the Delta;
4. Protect and restore important ecosystems;
5. Manage and prepare for dry periods;
6. Expand water storage capacity and improve groundwater management;
7. Provide safe water for all communities;
8. Increase flood protection;
9. Increase operational and regulatory efficiency;
10. Identify sustainable and integrated financing opportunities.



The Governor's Final California Water Action Plan was released in January 2014.

Elements Guiding the Development of the 2014 IRWM Plan

The IRWM Plan looks to implement the San Luis Obispo County *Vision* and *Mission*.

The 2014 IRWM Plan:

- Builds on the successful collaboration and planning presented in the 2007 SLO IRWM Plan;
- Incorporates and considers regional planning studies and data generated since 2007;
- Considers and addresses the enhanced State IRWM planning standards;
- Considers changed regional conditions and enhanced planning approaches, including a revised governance approach;
- Addresses the highest priority data gaps and planning needs as determined through a public solicitation and review process; and
- Maintains eligibility for future implementation grants.

San Luis Obispo County IRWM Plan Vision

Create a united framework among SLO County Stakeholders for sustainable water resource management.

San Luis Obispo County IRWM Mission

Facilitate regional plans, programs, and projects to further sustainable water resource management.



Past County Success at Integrated Water Management

The Region has successfully participated in the IRWM Process to leverage local funding by obtaining over \$14 million in grants from the State programs as listed in **Table ES-2**. More importantly, the Region has actively pursued implementation of projects and programs utilizing local funding sources, such as the Nacimiento Water Project (a \$176.1 million, regional, supplemental water supply project funded by a local bond).

Table ES-2. State Grants Successfully Obtained by San Luis Obispo County

Grant Funding Source & Funded Projects	Grant Funding Allocation	Lead Agency
Prop 50 Planning Grant	\$500,000	
Data Enhancement Plan	\$72,500	Flood Control District
Flood Management Plan	\$55,000	Flood Control District
Groundwater Banking Plan	\$185,000	Flood Control District
Regional Permitting Plan	\$187,500	County of San Luis Obispo
Prop 84 Implementation Grant	\$10,401,000	
Grant Administration	\$84,400	Flood Control District
Los Osos Wastewater Project	\$ 5,945,444	County of San Luis Obispo
Flood Control Zone 1/1A – Modified 3c Project	\$2,200,000	Flood Control District
Nipomo Supplemental Water Project	\$2,200,000	Nipomo CSD
Prop 1E Implementation Grant	\$2,800,000	
Flood Control Zone 1/1A –Waterway Management Program	\$2,800,000	Flood Control District
Prop 84 Planning Grant	\$1,000,000	
Update Plan to Meet Standards	\$185,000	Flood Control District
SNMP/Recycled Water Planning		
<i>Identification of Basins Requiring SNMPs</i>	\$15,000	Flood Control District
<i>Santa Maria Groundwater Basin Study</i>	\$200,000	Flood Control District
<i>Paso Robles Groundwater Basin SNMP</i>	\$100,000	City of Paso Robles
<i>Paso Robles Groundwater Basin Model</i>	\$50,000	Flood Control District
<i>Regional Recycled Water Planning</i>	\$200,000	Flood Control District
Watershed Management Planning	\$250,000	Upper Salinas RCD Coastal San Luis RCD
Total IRWM Grant Successes in SLO County IRWM Region	\$14,729,844	



Figure ES-3. Los Osos Wastewater Project Pipe Installation (2013)



Figure ES-4. Nacimiento Water Project, Rocky Canyon Water Storage Tank Construction (2008)

2014 IRWM Plan Projects

During the first half of 2013, the San Luis Obispo County IRWM Plan Update established goals and objectives related to water resources planning and management. To achieve those goals, the Region's participants and stakeholders implement projects and programs. Recent activity on the Plan Update included the creation of the **2014 IRWM Plan Project List**. The IRWM Plan includes both planned projects and programs, and describes how those projects and programs address the IRWM Plan goals, and specifically how each will be implemented. The IRWM Plan also maintains a list of water resources concepts (projects in the preliminary or planning stages) for stakeholders to consider over the Plan's long term implementation.

San Luis Obispo County stakeholders have been actively engaged in the IRWM Plan Update's project solicitation and review process. Altogether, agencies, organizations, and individual stakeholders submitted 91 abstracts for the 2013 call for projects and programs. The proposed abstracts can add value to San Luis Obispo County's integrated management of water resources in the areas of water supply, groundwater management, flood management, ecosystem restoration, and general water resources management.

Current High Priority Projects

The High Priority Project List (**Table ES-3**) identifies the 15 projects/programs that are technically feasible and strategically suited to be fully described in the IRWM Plan. The location of the high priority projects, and subsequently added drought emergency projects, are shown in **Figure ES-6**. See the next section to understand how the recent drought led to additional critical projects being added to the Project List.

Table ES-3. High Priority Projects

Project Title, Sponsor	
1.	Livestock & Land Program, <i>Coastal San Luis Resource Conservation District (CSLRCD) and Upper Salinas-Las Tablas Resource Conservation District (US-LTRCD)</i>
2.	LID Pilot Program, <i>Upper Salinas-Las Tablas Resource Conservation District (US-LTRCD)</i>
3.	North County Fertilizer Regions– Precision Agriculture, <i>Upper Salinas-Las Tablas Resource Conservation District (US-LTRCD)</i>
4.	Attiyeh Ranch Conservation Easement, <i>Land Conservancy</i>
5.	Upper Salinas River Basin Water Conservation/Conjunctive Use Project, <i>Templeton CSD</i>
6.	Community Based Social Marketing, <i>Upper Salinas-Las Tablas Resource Conservation District (US-LTRCD)</i>
7.	Improving On-Farm Water Management Through Demonstration, Research & Outreach of Precision Agricultural Best Management Practices, <i>Vineyard Team and Upper Salinas-Las Tablas Resource Conservation District (US-LTRCD)</i>
8.	City of Paso Robles Lake Nacimiento WTP Construction, <i>City of Paso Robles</i>
9.	San Miguel Critical Water System Improvements, <i>San Miguel CSD</i>
10.	8th Street Upper Aquifer Well and Nitrate Removal Facility, <i>Los Osos Community Services District</i>
11.	Los Padres CCC Center– Stormwater LID Treatment Project, <i>Morro Bay National Estuary Program</i>
12.	Oceano Drainage Improvement Project– Hwy 1 & 13th Street, <i>County of San Luis Obispo, Department of Public Works</i>
13.	Lopez Water Treatment Plant Membrane Rack Addition, <i>San Luis Obispo County Flood Control and Water Conservation District</i>
14.	Recycle Water Distribution System Expansion, <i>City of San Luis Obispo</i>
15.	Pismo Beach Recycled Water Project, <i>City of Pismo Beach</i>

Response to Emergencies: 2014 Drought Relief Projects

On January 17, 2014, Governor Edmund G. Brown Jr. proclaimed a State of Emergency as a result of the multi-year drought causing significant impacts throughout California. The San Luis Obispo IRWM Region is experiencing severe drought impacts. As shown in the adjacent *U.S. Drought Monitor* map (Figure ES-5), the Region is located in the hardest hit area of the State. The *U.S. Drought Monitor* has classified the County’s drought condition as D4: Exceptional drought – the highest drought classification possible. As of May 20, 2014, total annual rainfall in the region was approximately 34% of the historical annual average, with annual precipitation below average for the third consecutive year. It is unlikely that precipitation totals will increase substantially this year, as most of the annual precipitation falls between November and April. Given the severe drought conditions and impacts to the Region, the District Board of Supervisors proclaimed a state of local emergency on March 11, 2014. A number of local agencies declared similar emergencies and/or implemented various water conservation measures. The declaration of emergency facilitates the immediate implementation of drought responses, including projects to provide relief from the drought.



Figure ES-5. U.S. Drought Monitor Map indicating “Exceptional Drought” throughout Central Coast

Figure ES-6. High Priority and Drought Emergency Project Locations



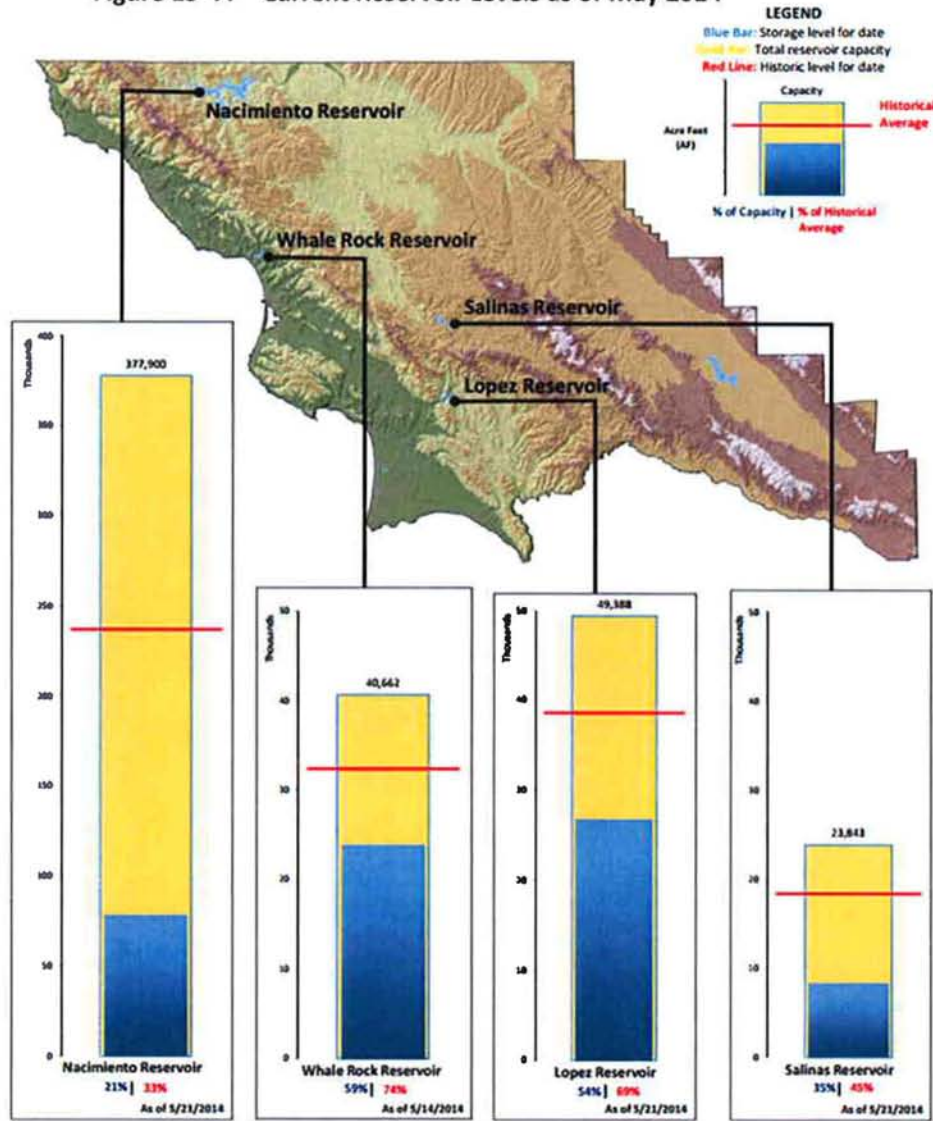
The Region is predominantly supplied by groundwater, with supplemental supplies from local reservoirs and the State Water Project, and several communities are entirely dependent on just one of these sources. Each of these drinking water supplies is severely impacted by the drought, putting communities at risk of having adequate supplies to meet demands. With the 2014 drought, water levels in the groundwater basins have decreased and aquifers along the coast suffer from increased seawater intrusion. **Figure ES-7** shows San Luis Obispo reservoirs' current water levels compared to both reservoir capacity and historical reservoir levels for this time of year. As shown in the figure, current water levels are well below historical values. It is critical that the regional partners implement projects and programs that improve water supply reliability.

In response to the current drought, the RWMG conducted a drought relief specific project solicitation and prioritization process. Although 18 projects were submitted and incorporated into the IRWM Full Project List, the RWMG prioritized five projects (project locations shown on **Figure ES-6**) that provide relief to communities at risk of not meeting drinking water needs in this drought (see **Table ES-4**).

Table ES-4. San Luis Obispo Region Drought Emergency Projects

Project Title, Sponsor	
D1	CSA 23-Atascadero MWC-Garden Farms CWD Emergency Intertie Project, <i>San Luis Obispo County Flood Control & Water Conservation District</i>
D2	Emergency Water Turnout for Heritage Ranch CSD, <i>Heritage Ranch CSD</i>
D3	Emergency Water Supply Project, <i>Cambria Community Services District</i>
D4	San Simeon Small Scale Recycled Water Project – Purple Pipe Distribution, <i>San Simeon CSD</i>
D5	Salinas Pipeline-Nacimiento Pipeline Emergency Intertie and Pipeline Extension Project, <i>San Luis Obispo County Flood Control & Water Conservation District</i>

Figure ES-7. Current Reservoir Levels as of May 2014



The San Luis Obispo IRWM Region has historically gone through cycles of drought and flood. The region will continue to face fluctuating conditions that affect water resources and may require emergency response planning. The region continues to improve its emergency planning, response and adaptation to these challenges.

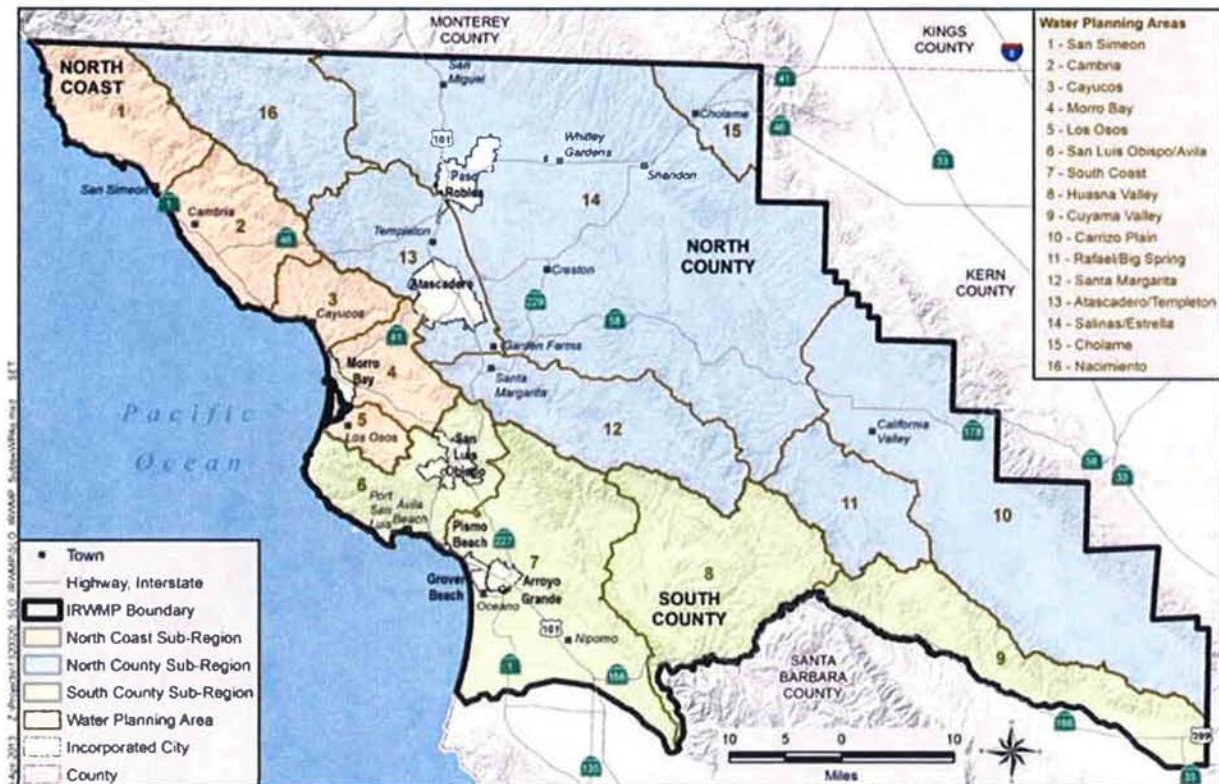


High flows and debris in Arroyo Grande Creek at the railroad bridge (1999 flood event).

San Luis Obispo IRWM Region

The San Luis Obispo County IRWM Region covered by the IRWM Plan is coincident with the boundaries of the San Luis Obispo County Flood Control and Water Conservation District (District) and the County of San Luis Obispo (see **Figure ES-8**). The County's 3,304 square miles can be broken down further into the North Coast Sub-Region, North County Sub-Region, and South County Sub-Region. The sub-region scale acknowledges each area's unique attributes and challenges, and differentiates the local issues to allow for meaningful, focused stakeholder involvement. Past planning efforts, including the *County Master Water Report* completed in 2012, used Water Planning Areas (WPAs) to provide increased resolution to local areas within the Sub-Regions. As an additional level of resolution to the WPA concept, watershed "snapshots" are now used as a means of further capturing detailed descriptive information for the Sub-Regions as the plan is updated over time. The Coastal San Luis and Upper Salinas-Las Tablas Resource Conservation Districts took the first step towards inventorying and reporting on information available in each watershed. More information can be found at: <http://slowatershedproject.org/>.

Figure ES-8. San Luis Obispo County IRWM Region, Sub-Regions, and Water Planning Areas (WPAs)



The **North Coast Sub-Region** spans from the County line (San Luis Obispo/Monterey) southward to the community of Los Osos, bounded to the west by the Pacific Ocean and to the east by the Santa Lucia Range. This Sub-Region includes WPAs 1 through 5. This sub-region includes the urban areas of San Simeon, Cambria, Cayucos, Morro Bay and Los Osos.

The **South County Sub-Region** spans from the City of San Luis Obispo south to the County line (San Luis Obispo/Santa Barbara), east to the Cuyama Valley, and west to the community of Avila Beach, and includes WPAs 6 through 9. This Sub-Region includes the urban areas of San Luis Obispo, Avila Beach/Port San Luis, Pismo Beach, Arroyo Grande, Grover Beach, Oceano, and Nipomo.

The **North County Sub-Region** includes the WPAs that do not drain directly to the ocean through the County’s coastal regions, and includes WPAs 10 through 16. The North County Sub-Region extends inland from the San Luis Obispo/Santa Barbara County line north to the San Luis Obispo/Monterey County line, bounded to the east by Kern and Fresno Counties, and to the west in part by the Santa Lucia range. This Sub-Region includes urban areas of Paso Robles, Atascadero, Templeton, San Miguel, and Santa Margarita.

Regional Water Management Group

The legislation and the State IRWM Guidelines defines a RWMG as a group to include three or more local agencies, at least two of which have statutory authority over water supply or management, as well as those other persons necessary for the development and implementation of the IRWM Plan. The purpose of the RWMG is to:

- Engage elected officials and water resource management leaders,
- Represent public and stakeholder groups,
- Resolve conflicts,
- Build political support, and
- Achieve a unified front for the Plan’s implementation of regional water projects.

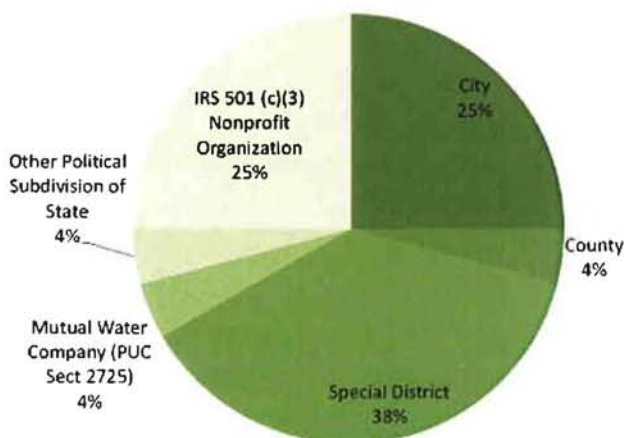


Figure ES-9. RWMG Member Agency Categories

Through the San Luis Obispo County Region Integrated Regional Water Management Program Participants Memorandum of Understanding (MOU), San Luis Obispo local water agencies and IRS 501(c)(3) nonprofit organizations came together and formed the RWMG. The categorical make-up of the RWMG among municipalities (includes land-use), water resources agencies, environmental/non-profit organizations, and special districts is shown in Figure ES-9 (current list of RWMG agencies is on the back sheet). The number of agencies will likely continue to grow over time.

Disadvantaged Communities

Based on DWR’s 2012 analysis, the IRWM Region has four (4) designated Disadvantaged Communities (DACs), including the Communities of San Miguel, Oceano, San Simeon, and the City of San Luis Obispo. All four DACs are signatories to the MOU and represented in the RWMG. All public outreach and communication efforts include and support the involvement of the Region’s DACs. In fact, Plan kick-off included six (6) introductory DAC workshops.

It’s important to note that the Region faces other obstacles beyond communities challenged by low income. A majority of the Region’s land is unincorporated, rural and agricultural land use. Because of this, communities throughout the Region are disadvantaged in terms of their low and dispersed populations, distance to adjacent communities and water systems, and limitations of resources available. This creates difficulties when attempting to achieve economies of scale, or even when simply seeking to implement programs, projects, or system upgrades.

Tribal Councils

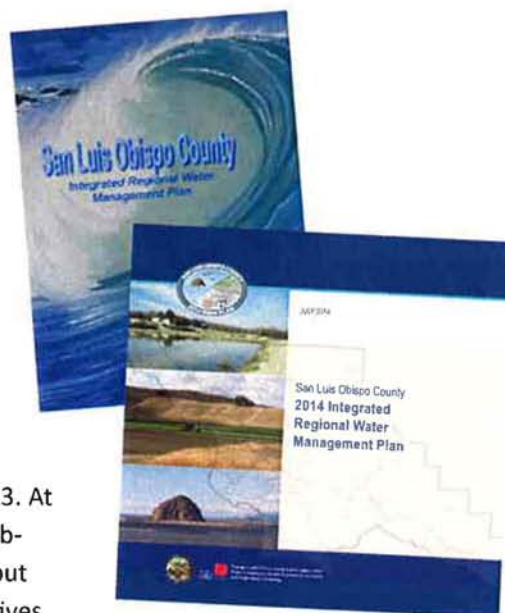
The two prominent Native American Tribes of San Luis Obispo are the Salinan and Northern Chumash Indian tribes. There are no tribal lands with specific water resources management needs; however, members of these tribes are encouraged to engage in the IRWM Program through notifications using the Native American Heritage Commission contact list.

San Luis Obispo Region IRWM Plan Goals and Objectives

The Region’s IRWM Plan goals and objectives provide the basis for decision-making and are used to evaluate project benefits in terms of implementing the Region’s IRWM Plan. The goals and objectives respond to input on what the RWMG and interested stakeholders perceive to be the Region’s major water resources issues. The goals and objectives:

- Focus the IRWM Plan
- Provide a basis for determining the most appropriate resource management strategies for the Region
- Are used to evaluate project benefits
- Guide IRWM project/program prioritization, development, and implementation

A consensus-based approach was used to develop the goals and objectives which included three Sub-Region workshops in March 2013. At the workshops, stakeholders were asked to provide input on their Sub-Region’s three most critical water resources issues. Answers varied, but the results show that many of the 2007 IRWM Plan Goals and Objectives remain as important issues facing the Region.





Top Three Issues Identified by Stakeholders:

- Water supply
- Groundwater management
- Water reclamation from wastewater treatment

The three issues with the largest number of occurrences, water supply, groundwater management, and water reclamation from wastewater treatment, represent the majority of stated needs for improving the Region's water resources.

North Coast Priority Issues

In the North Coast, the most pressing water issues include water reclamation from wastewater treatment, sustainable water supplies, and addressing seawater intrusion into fresh groundwater aquifers. These issues reflect the need for increasing water supply reliability in part through water reuse and recycling opportunities, and decreasing groundwater pumping in the coastal groundwater basins.

South County Priority Issues

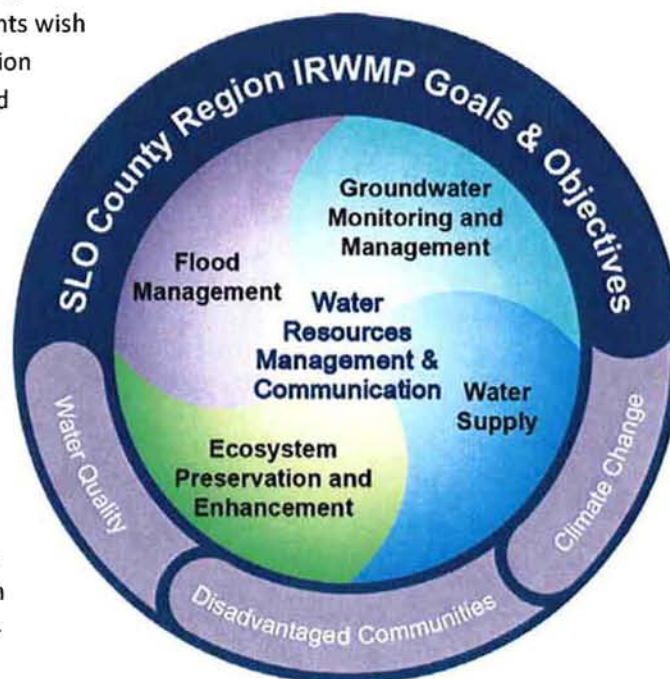
In the South County, the most pressing water issues include groundwater management, flood control, water reclamation from wastewater treatment, and adaptation to climate change. Flood control and adaptation to the impacts of climate change were identified as more pressing issues here compared to the other Sub-Regions.

North County Priority Issues

In the North County, the most pressing water issues include groundwater management, water supply, and groundwater quality. These issues reflect the need for increasing the overall water supply in part through better groundwater management, which is generally considered to include providing additional supplies for conjunctive use with surface water or groundwater recharge.

IRWM Plan Goals

The most pressing issues were translated into the IRWM Plan goals which identify what the RWMG and other IRWM Program Participants wish to accomplish under the broader IRWM Plan Vision and Mission statements. In addition, IRWM Plan objectives were identified that provide more specific, tangible, and measurable activities to ensure the goals' implementation. The goals of this IRWM Plan encompass five categories of water resources management that define the focus of this Region's IRWM Planning effort. These categories are illustrated as a collection of goals that work together to bring synergy to address important issues related to water quality, disadvantaged communities (DACs), and climate change.



Water Supply Goal

The intent of the Water Supply Goal is to maintain or improve water supply quantity and quality for potable water, fire protection, ecosystem health, and agricultural production needs; as well as to cooperatively address limitations, vulnerabilities, conjunctive-use, and water-use efficiency.

Ecosystem and Watershed Goal

The intent of the Ecosystem and Watershed Goal is to maintain or improve the health of the Region's watersheds, ecosystems, and natural resources through collaborative and cooperative actions; with a focus on assessment, protection, and restoration/enhancement of ecosystem and resource needs and vulnerabilities.

Groundwater Monitoring and Management (Groundwater) Goal

The intent of the Groundwater Management and Monitoring Goal is to achieve sustainable use of the Region's water supply within groundwater basins through collaborative and cooperative actions.

Flood Management Goal

The intent of the Flood Management Goal is to foster an integrated, watershed approach to flood management and improved storm water quality through collaborative community supported processes in order to ensure community health, safety, and to enhance quality of life.

Water Resources Management and Communications (Water Management) Goal

The intent of the Water Resources Management and Communications Goal is to promote open communications and regional cooperation in the protection and management of water resources, including education and outreach related to water resources conditions, conservation/ water use efficiency, water rights, water allocations, and other regional water resource management efforts.

Prioritization of IRWM Goals and Objectives

The RWMG has made a deliberate decision not to prioritize the IRWM Plan Objectives on a regional level, but to prioritize them separately for each Sub-Region. The rationale for this decision results from the Region having a broad and complex geographic area made up of a diverse group of stakeholders having varying water resources issues depending on their location. The RWMG has aimed to be as inclusive as possible of all stakeholders in the Region, encouraging their active participation in the IRWM Planning process and considering their concerns and needs. The IRWM Plan Objectives are based on the water resources issues described in the Region, as identified by the three Sub-Region stakeholder groups.

The purpose of introducing the Sub-Region Priorities is to allow for a ranking to take place within each of the Sub-Regions. The Sub-Region Priorities stem from the regional objectives, but speak specifically to local issues and what local objectives are going to be committed to in the implementation of IRWM Projects within each of the Sub-Regions. This approach provides for a discussion of relevant importance and prioritization to the regional Objectives based on the geographic location of the projects.

Sub-Region Priorities Lists

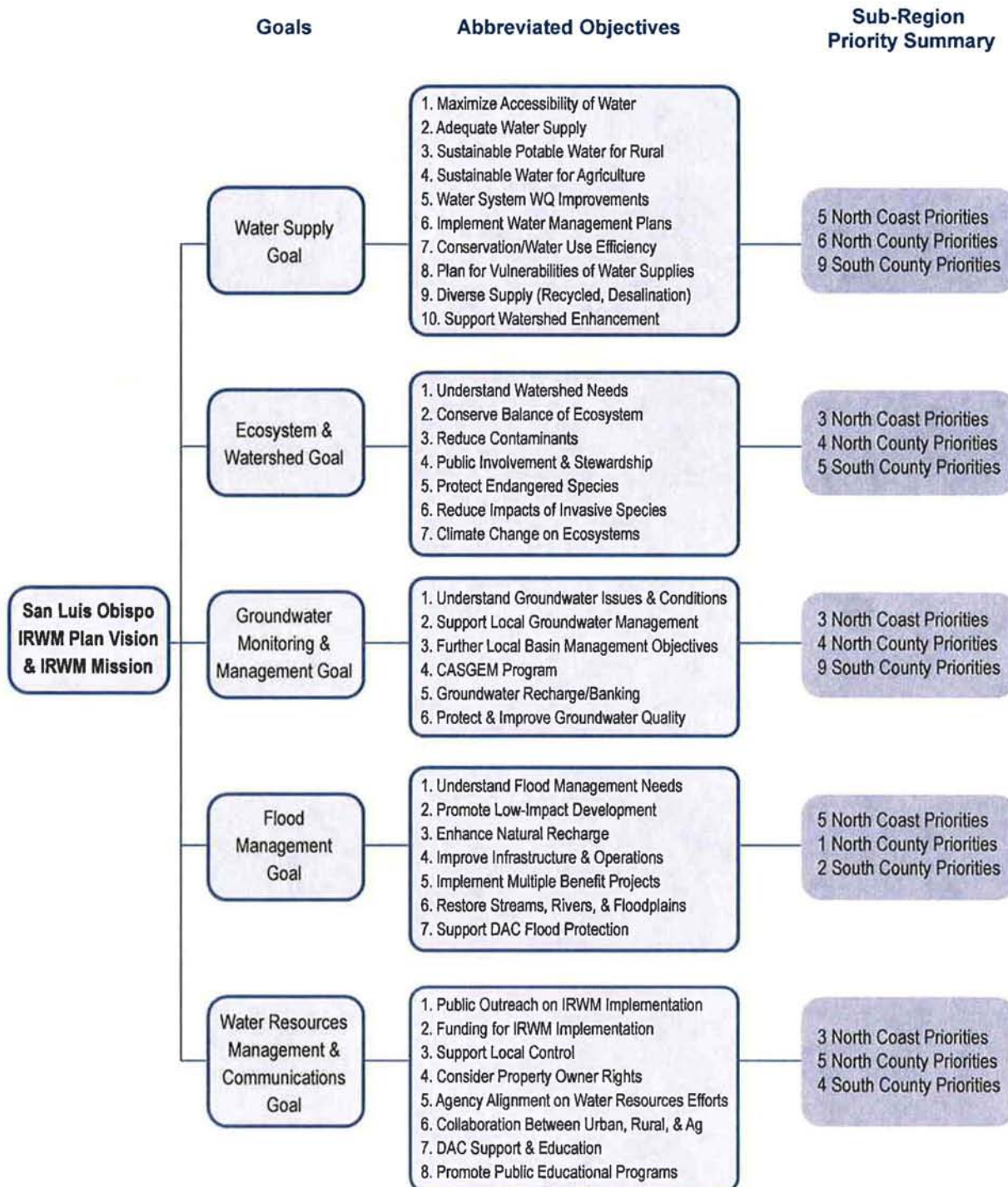
A Sub-Region Priority is defined as an issue or conflict (i.e., not a project or single action) that is taking place in the Sub-Region, which can be resolved through local (or regional) actions within the control and jurisdiction of local agencies. Additionally, a Sub-Region Priority meets one or more of the IRWM Plan Objectives and results in measurable physical benefits.

Described more simply, Sub-Region Priorities are locally driven objectives that are tied to the IRWM Plan's Objectives at the regional level, but hold the emphasis and priority of the Sub-Region stakeholders. In this way, local projects can be formed around objectives that are meaningful to the Sub-Region, and inherently result in physical benefits and synergies with the regional Goals and Objectives.

The method for determining the Sub-Region Priorities began with the Sub-Region's workshop list of issues and concerns. The Sub-Region Priorities were approved by the Sub-Region representatives and have the support of the local stakeholders. It is the intent that each Sub-Region takes ownership of these priorities and updates the list and continues to prioritize it to reflect changes occurring within their Sub-Region over the life of the IRWM Plan.

Figure ES-10 shows the relationship of the Sub-Region Priorities (on the right) to the specific objectives for each IRWM Plan goal (on the left and middle).

Figure ES-10. Sub-Region Priorities



North Coast Sub-Region

This Sub-Region (Figure ES–11) includes WPAs 1 through 5 and is characterized by its small coastal watersheds and communities dependent on groundwater and local surface water supplies; its communities, watersheds, water suppliers, and groundwater basins are listed in Table ES–5. Figure ES–12 displays the water resource issues of concern provided by North Coast Sub-Region stakeholders identifying water reclamation and water supply as the issues of greatest concern. Both of these issues highlight small coastal communities not having sufficient groundwater supplies or sea water intrusion limiting groundwater basins’ safe yield.

Figure ES–11. North Coast Sub-Region



Table ES–5. North Coast Sub-Region Characteristics

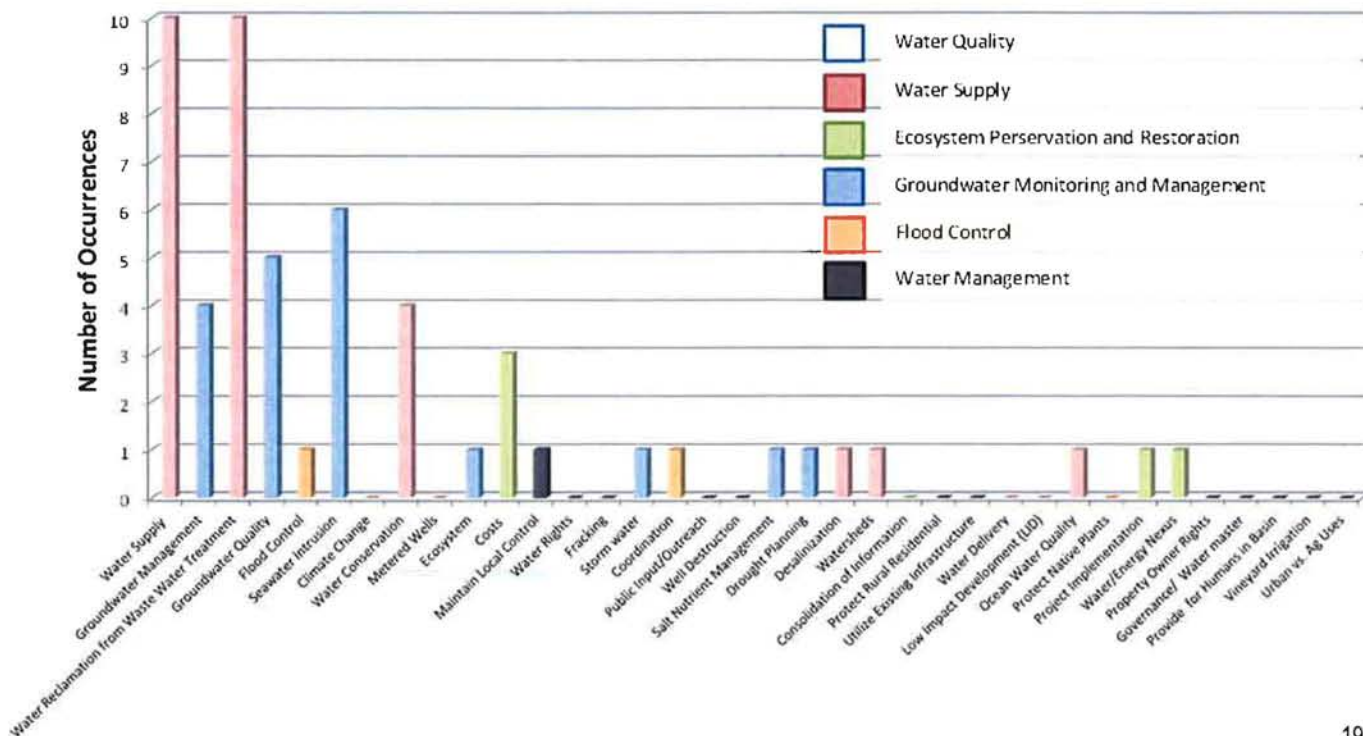
WPA	Local Governments, Communities, Places of Interest	Watersheds	Water Suppliers	Groundwater Basins
1 San Simeon	<ul style="list-style-type: none"> Community of San Simeon Hearst Ranch 	<ul style="list-style-type: none"> San Simeon-Arroyo de la Cruz 	<ul style="list-style-type: none"> San Simeon CSD* 	<ul style="list-style-type: none"> San Carpoforo Valley Arroyo De La Cruz Valley Pico Creek Valley
2 Cambria	<ul style="list-style-type: none"> Town of Cambria 	<ul style="list-style-type: none"> Big Creek–San Carpoforo Santa Rosa Creek 	<ul style="list-style-type: none"> Cambria CSD* 	<ul style="list-style-type: none"> San Simeon Valley Santa Rosa Valley Villa Valley
3 Cayucos	<ul style="list-style-type: none"> Community of Cayucos 	<ul style="list-style-type: none"> Cayucos Creek–Whale Rock Area 	<ul style="list-style-type: none"> Morro Rock MWC Paso Robles Beach Water Association CSA 10A Cayucos Cemetery District 	<ul style="list-style-type: none"> Cayucos Valley Old Valley Toro Valley
4 Morro Bay	<ul style="list-style-type: none"> California Men’s Colony Cuesta College Camp San Luis Obispo (National Guard) County Office of Education County Operational Center City of Morro Bay 	<ul style="list-style-type: none"> Cayucos Creek–Whale Rock Area Morro Bay 	<ul style="list-style-type: none"> California Men’s Colony* Cuesta College Camp San Luis Obispo (National Guard) County Office of Education County Operational Center City of Morro Bay* 	<ul style="list-style-type: none"> Morro Valley Chorro Valley
5 Los Osos	<ul style="list-style-type: none"> Community of Los Osos 	<ul style="list-style-type: none"> Morro Bay 	<ul style="list-style-type: none"> Los Osos CSD* S&T MWC* Golden State Water Company 	<ul style="list-style-type: none"> Los Osos Valley

*RWMP Member

North Coast Sub-Region Priorities–Key Issues

- Update Water Supply Capital Programs for small coastal communities with alternatives analysis and financial requirements.
- Conduct Sub-Region study on maximum use of recycled water.
- Study the impacts of climate change on coastal community water supplies.
- Seek agency cooperation in regionalizing drinking water, recycled water for irrigation and wastewater.
- Implement water conservation programs and measures.
- Conduct a study on cost-effective methods of improving wastewater discharge quality including improving source quality (i.e., reduced natural contaminants in groundwater) of potable water.
- Understand flow needs and watershed functionality and identify priority areas for water supply enhancement and conservation projects to ensure watershed health.
- Conserve the balance of ecosystem functions/ services.
- Develop a Groundwater Management Plan for all groundwater basins used as drinking water supply.
- Create a State-approved groundwater monitoring program at community or Sub-Region level.
- Determine the safe yield of coastal aquifers.
- Identify, protect, and enhance aquifer recharge areas.
- Distinguish the root cause of flooding problems.
- Restore floodplains, streams, and rivers.
- Promote low impact development projects.
- Develop financial programs for drainage and flood management projects.
- Develop methods to reach out to community on local water-related information and dates for Sub-Region meetings and workshops.
- Initiate inner- and inter-watershed discussions on conservation and reuse options.

Figure ES–12. North Coast Public Concerns of Water Resources Issues



South County Sub-Region

This Sub-Region (Figure ES-15) contains a mixture of small coastal communities and higher elevation inland regions dependent on groundwater, and local and State Water Project supplies; it includes WPAs 6 through 9, with communities, watersheds, water suppliers, and groundwater basins listed in Table ES-7. Figure ES-16 displays the issues of concern provided by the South County Sub-Region stakeholders identifying groundwater management and flood control as the issues of greatest concern. The groundwater management issues are due in part to the challenges of managing the adjudicated Santa Maria Groundwater Basin and water shortage problems.

Figure ES-13. South County Sub-Region

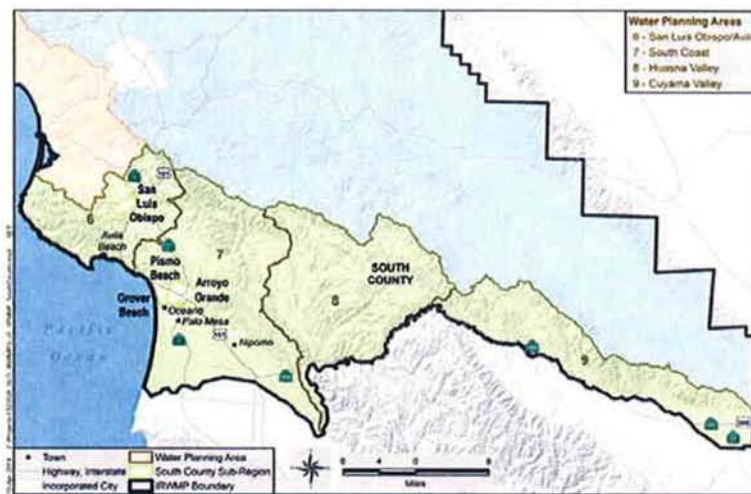


Table ES-6. South County Sub-Region Characteristics

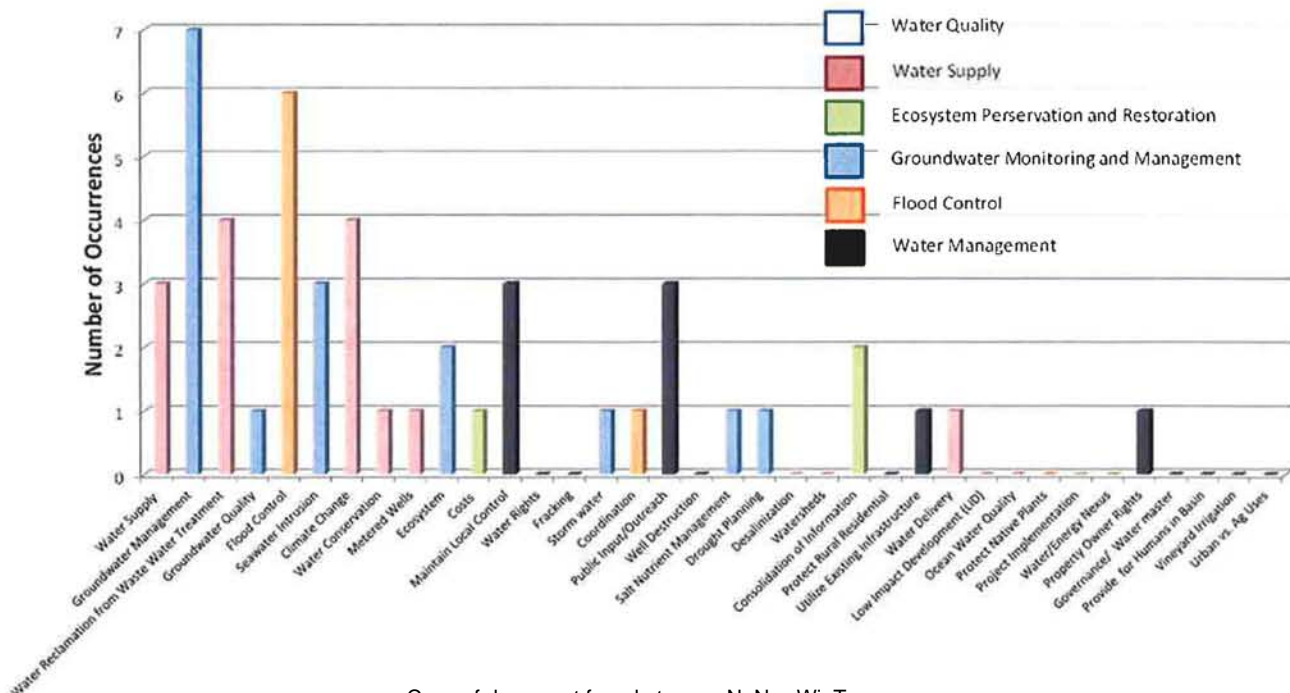
WPA	Local Governments, Communities, Places of Interest	Watersheds	Water Suppliers	Groundwater Basins
6	San Luis Obispo/Avila	<ul style="list-style-type: none"> Irish Hills Coastal Watershed San Luis Obispo Creek 	<ul style="list-style-type: none"> Cal Poly San Luis Obispo Avila Beach CSD Avila Valley MWC San Miguelito MWC CSA 12 Port San Luis City of San Luis Obispo* 	<ul style="list-style-type: none"> San Luis Obispo Valley San Luis Valley Sub-Basin Avila Valley Sub-Basin
7	South Coast	<ul style="list-style-type: none"> Arroyo Grande Creek Nipomo Suey Creeks Pismo Creek Santa Maria River 	<ul style="list-style-type: none"> Oceano CSD* City of Pismo Beach* City of Arroyo Grande* City of Grover Beach* Golden State Water Company Nipomo CSD* Rural Water Company Woodlands Mutual Water Company Conoco Phillips 	<ul style="list-style-type: none"> Edna Valley Sub-Basin Santa Maria River Valley Arroyo Grande Valley Sub-Basin Nipomo Valley Sub-Basin Pismo Creek Valley Sub-Basin
8	Huasna Valley	<ul style="list-style-type: none"> Alamo Creek Cuyama River Huasna River 		<ul style="list-style-type: none"> Huasna Valley
9	Cuyama Valley	<ul style="list-style-type: none"> Cuyama River 		<ul style="list-style-type: none"> Cuyama Valley Basin*

*RWGM Member

South County Sub-Region Priorities—Key Issues

- Seek agricultural and urban supplemental water supplies.
- Study the impacts of sea level rise on coastal community water supplies.
- Develop supplemental water supplies.
- Evaluate potential for groundwater banking/conjunctive use programs and policies (locally or within State Water Project system).
- Investigate options for optimizing use of local surface water storage.
- Maximize production and delivery capacity of the local water supply infrastructure (e.g., capacity improvements to Lopez WTP, pipeline pigging, etc.).
- Evaluate potential for enhanced rainfall.
- Improved diversification of water supply resources for the South County agencies.
- Implementation of coordinated regional conservation programs.
- Finalize/Implement AG Creek Habitat Conservation Plan.
- Develop an inventory of diversions from surface water bodies.
- Install stream gauges on key regional creeks.
- Develop groundwater facilities or projects that increase operational and management flexibility.
- Avoid seawater intrusion (identify risk measures/ management thresholds, develop coordinated response).
- Develop management tools (conceptual and groundwater flow models).
- Develop a uniform groundwater monitoring program for the South County groundwater basins.
- Develop uniform metering and reporting for all groundwater pumping in the South County.
- Increase groundwater monitoring (focused on storage).
- Install additional dedicated monitoring wells including down hole transducers in high priority areas.
- Investigate and quantify subsurface flows between the Santa Maria Groundwater Basin management areas.
- Investigate and quantify available storage and reliable yield.
- Establish policies to maintain health of the South County’s groundwater basins.
- Prepare Salt and Nutrient Management Plan(s) to cover the Sub-Region.
- Develop projects to improve the levels of flood protection in urbanized areas.
- Increase storm water retention and percolation.
- Improve collaboration and data-sharing between urban, agricultural, and rural pumpers.
- Maintain collaborative efforts between basin and watershed management groups.

Figure ES–14. South County Public Concerns of Water Resources Issues



North County Sub-Region

Along with a growing urban population, the North County Sub-Region (Figure ES-13) is predominantly agriculture and native lands with a dry arid climate dependent on the larger Paso Robles Groundwater Basin and to a lesser extent both local and State surface water supplies. This Sub-Region includes WPAs 10 through 16, with communities, watersheds, water suppliers, and groundwater basins listed in Table ES-6. Figure ES-14 displays the issues of concern provided by the North County stakeholders identifying water supply and groundwater management as the issues of greatest concern. The most significant example of these issues is the debate over how to manage and stabilize water levels in the Paso Robles Basin and associated watersheds for human and environmental needs.

Figure ES-15. North County Sub-Region

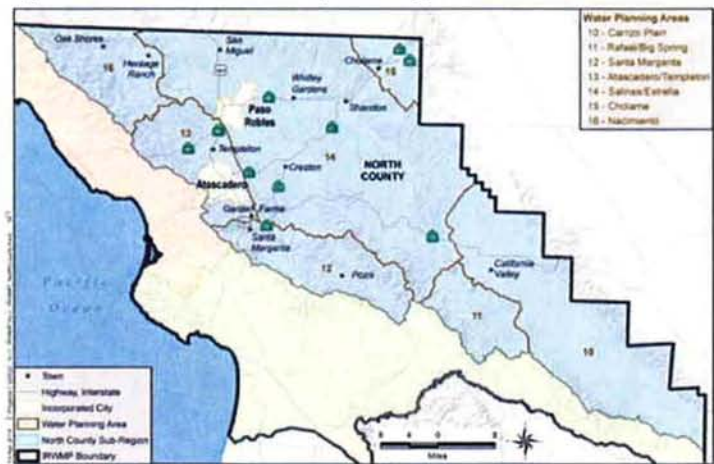


Table ES-7. North County Sub-Region Characteristics

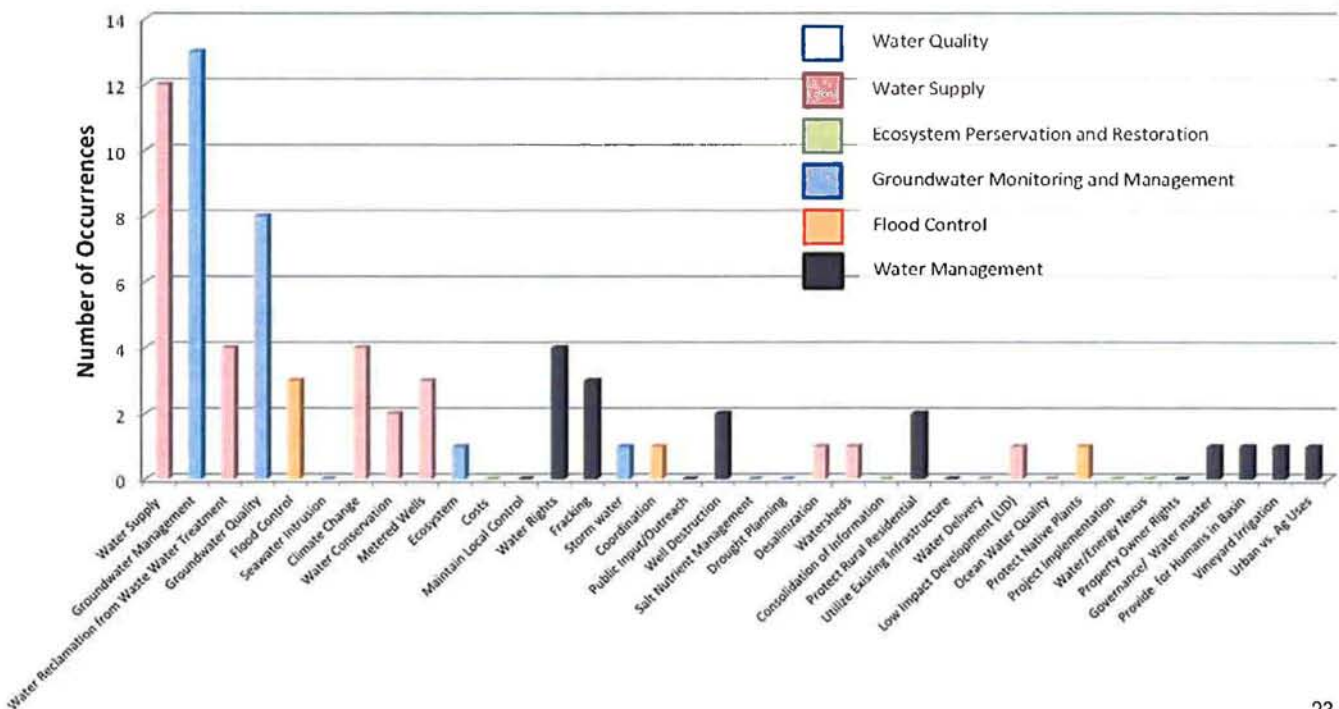
WPA	Local Governments, Communities, Places of Interest	Watersheds	Water Suppliers	Groundwater Basins
10 Carrizo Plain	<ul style="list-style-type: none"> Community of California Valley 	<ul style="list-style-type: none"> Black Sulphur Spring Soda Lake 		<ul style="list-style-type: none"> Carrizo Plain
11 Rafael/ Big Spring		<ul style="list-style-type: none"> Upper San Juan Creek Lower San Juan Creek 		<ul style="list-style-type: none"> Rafael Valley Big Spring Area
12 Santa Margarita	<ul style="list-style-type: none"> Village of Pozo Community of Santa Margarita Santa Margarita Ranch 	<ul style="list-style-type: none"> Upper Salinas–Santa Margarita Area 	<ul style="list-style-type: none"> CSA 23 Santa Margarita Ranch 	<ul style="list-style-type: none"> Pozo Valley Rinconada Valley Santa Margarita
13 Atascadero/ Templeton	<ul style="list-style-type: none"> Community of Templeton Community of Garden Farms City of Atascadero 	<ul style="list-style-type: none"> Mid Salinas–Atascadero Area 	<ul style="list-style-type: none"> Garden Farms CWD Templeton CSD* Atascadero MWC 	<ul style="list-style-type: none"> Paso Robles Atascadero Sub-Basin
14 Salinas/ Estrella	<ul style="list-style-type: none"> Community of San Miguel Community of Shandon Village of Whitley Gardens Village of Creston Camp Roberts City of Paso Robles 	<ul style="list-style-type: none"> Estrella River Huer Huero Creek Lower San Juan Creek Upper San Juan Creek 	<ul style="list-style-type: none"> San Miguel CSD* Camp Roberts CSA 16 (Shandon) City of Paso Robles* 	<ul style="list-style-type: none"> Paso Robles
15 Cholame	<ul style="list-style-type: none"> Community of Cholame 	<ul style="list-style-type: none"> Cholame Creek 		<ul style="list-style-type: none"> Cholame Valley
16 Nacimiento	<ul style="list-style-type: none"> Heritage Ranch Community of Oak Shores 	<ul style="list-style-type: none"> Nacimiento River 	<ul style="list-style-type: none"> Nacimiento Water Company Heritage Ranch CSD* 	

22 *RWMP Member

North County Sub-Region Priorities—Key Issues

- Update Water Supply Capital Programs for small inland water systems with alternatives analysis and financial requirements.
- Seek agricultural, rural, and urban opportunities, working with other agencies and regional partners, to develop conjunctive use and drought year water supplies, including private groundwater pumpers.
- Pursue water conservation efforts in all use sectors and supplemental supply projects (non-groundwater) to reduce dependence on groundwater.
- Pursue cost-effective and technically feasible conjunctive use projects to increase water supplies for agricultural, rural, and urban water users.
- Ensure potable water is available for rural residents.
- Seek funding for supplemental water supply.
- Develop quantifiable control studies on manmade actions to improve groundwater quality and/or increase groundwater elevations using currently adopted best management practices.
- Understand watershed functionality and identify specific priorities for ensuring watershed health.
- Protect the Salinas River corridor.
- Pursue land conservation projects that protect watersheds.
- Improve groundwater monitoring programs with participation from urban and agricultural pumpers to track changes in groundwater levels and groundwater quality.
- Establish sustainable yields with an emphasis of improving the larger regional basin.
- Seek funding for supplemental water, conjunctive use and/or groundwater banking programs to provide greater operational flexibility.
- Work to balance groundwater basin through demand management and supply options.
- Identify, protect, and enhance aquifer recharge areas.
- Perform an assessment study on current water rights within the Paso Robles Basin and Salinas River.
- Maintain collaborative efforts with groundwater basin and watershed stakeholders.

Figure ES-16. North County Public Concerns of Water Resources Issues



Plan Update Process

The 2014 IRWM Plan is a living document that will change over time. It documents current and relevant water resources issues facing the Region. The goal is to keep the plan current by incorporating new information as it becomes available. For example, water resources information contained within Urban Water Management Plans (UWMPs), new capital improvement project lists, and DWR IRWM Plan Guidelines are expected to change over time.

The update frequency of the IRWM Plan for re-adoption by the Region’s stakeholders is planned to be every five years. The time in-between each update is spent on a myriad of critical and required tasks to ensure compliance with the IRWM Plan requirements and its implementation, assuming a funding source is available to support this effort. Outreach efforts during the intervening years should strive to keep the IRWM Plan and related activities fresh in the minds of RWMG member agencies, Sub-Region stakeholders, DACs, and project sponsors.

How the IRWM Plan Update meets the 2012 IRWM Plan Guidelines and Plan Review Process

As the 2014 IRWM Plan was developed, the RWMG considered the list of November 2012 DWR IRWM Guidelines to ensure acceptance and approval by the State. **Figure ES–17** shows how the San Luis Obispo 2014 IRWM Plan is organized. **Table ES–8** summarizes where the sections meet the DWR Guideline Standards. A more detailed review table is provided in Appendix Q of the IRWM Plan.

Figure ES–17. IRWM Plan Sections

IRWM Plan Organization

Section A. Introduction	Section J. Plan Performance and Monitoring
Section B. Governance, Stakeholder Involvement, and Outreach	Section K. Data Management
Section C. Region Description	Section L. Financing Strategies
Section D. Water Supply, Demand, and Water Budget	Section M. Technical Analysis
Section E. IRWM Goals and Objectives	Section N. Relation to Local Water and Land Use Planning
Section F. Resource Management Strategies	Section O. Planning Coordination
Section G. Project Solicitation, Selection and Prioritization	Section P. Climate Change
Section H. Project Integration and Alternatives	Section Q. Plan Implementation and Maintenance Activities
Section I. Plan Benefits and Impacts	Section R. References

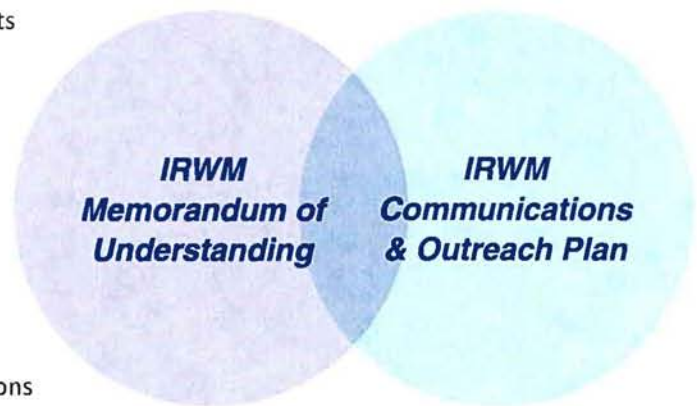
Table ES-8. DWR IRWM Plan Update Standards Reference

DWR IRWM Plan Standard	Section Where Addressed
Governance	B
Region Description	C, D
Goals & Objectives	E
State Resource Management Strategy	F
Integration	H
Project Review Process	G
Impacts and Benefits	I
Plan Performance and Monitoring	J
Data Management	K
Finance	L
Technical Analysis	M
Relation to Local Water Planning	N
Relation to Local Land Use Planning	N
Stakeholder Involvement	B, E, F, G, K, Q
Coordination	O
Climate Change	P

Governance/Stakeholder Outreach

The governance and stakeholder outreach process which guided the preparation of this IRWM Plan is based upon two documents created to define governance and participation in the local IRWM program. The *San Luis Obispo County Region Integrated Regional Water Management Program Participants Memorandum of Understanding* (MOU) establishes the Regional Water Management Group (RWMG) and essential governance structure inclusions.

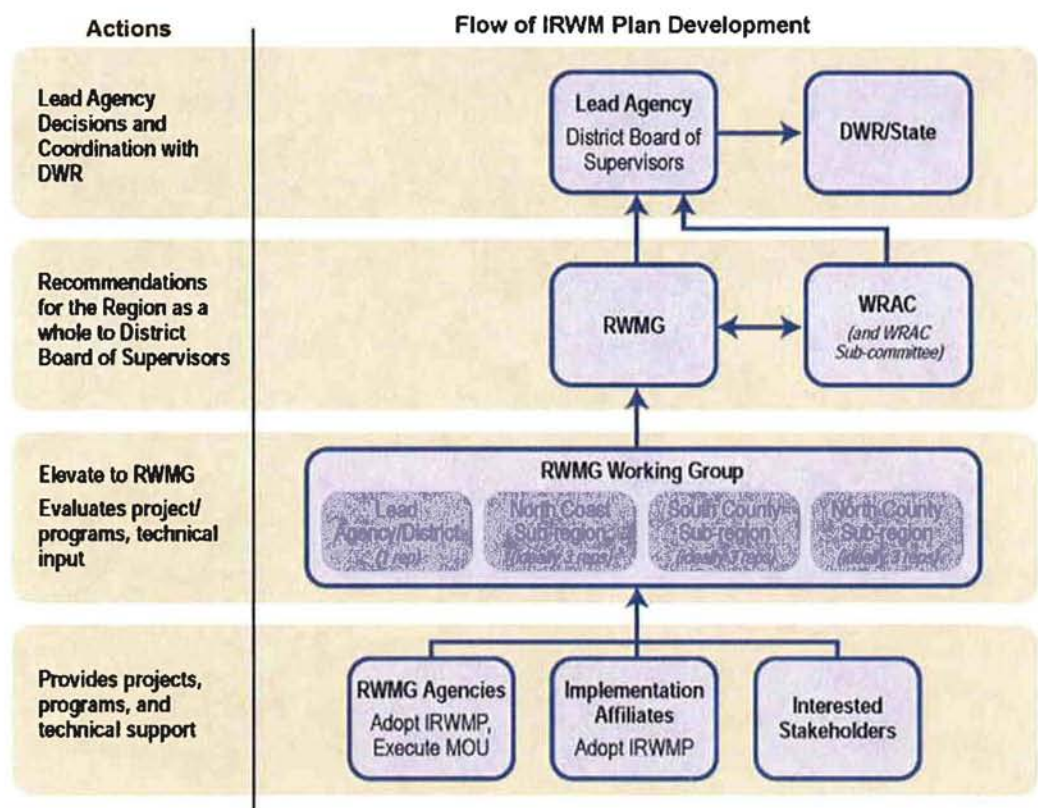
Based upon this MOU, the Region’s Program Participants developed a *Communications and Outreach Plan* – further defining details of governance, outreach, and communications processes utilized to prepare the 2014 IRWM Plan.



Governance Structure

The MOU defines the purpose of the RWMG, its membership, other Program Participants, and each participant’s role and responsibility in program development and implementation. **Figure ES–18** illustrates the IRWM Plan’s governance and organizational structure, as well as functional relationships of the various IRWM Program Participants. Decisions are made at the RWMG meetings and then elevated to the District’s (Lead Agency) Board of Supervisors as-needed for final approval and coordination with DWR.

Figure ES–18. IRWM Governance Structure



Stakeholder Involvement and Public Outreach Process

Public and stakeholder involvement have been integrated into the decision-making process in a manner that ensures education, awareness, balanced opportunity to participate, and clear communication conduits. One of the goals of the public and stakeholder involvement was to strengthen overall regional capacity for carrying on the goals of IRWM throughout future years.

Communications and Outreach

One of the two IRWM governance guidance documents is the Communications and Outreach Plan. The Communications and Outreach Plan is a simple guide on how com-

munication will flow and be managed through the life of the IRWM Program. The purpose is stated as follows:

The purpose of the Outreach Plan is to satisfy DWR outreach requirements and build a solid, inclusive, and representative agency, stakeholder, and DAC base that is supportive of the aims of the IRWM Plan.

The Communications and Outreach Plan built upon the MOU that identifies the IRWM Program Participants (RWMG, WRAC, RWMG Working Group, Implementation Affiliates and stakeholders) involved in the IRWM Plan Update, and describes the planned and periodic communications that will occur between the entities. The County's IRWMP Plan website (hosted at www.slocountywater.org) shown on Figure ES-20 was used as a repository of information for the RWMG members, stakeholders, and the public. Key Plan development milestones and decision processes were documented in a series of brochures like the ones shown on Figure ES-19 to elevate the awareness of these accomplishments.

Climate Change

Consistent with DWR IRWM Guidelines, Climate Change Analysis is now considered a critical component in the planning and implementation of water resources management projects and programs. The 2012 IRWM Guidelines require that IRWM Plans address both adaptation to the effects of climate change and mitigation of greenhouse gas (GHG) emission resulting from IRWM project implementation. As a result, the Region identifies and prioritizes the Region's vulnerabilities to climate change, ranking project impacts and identifying potential mitigation and adaptation responses.

In the process of evaluating climate change for the San Luis Obispo County IRWM Plan area, a Vulnerability Assessment Checklist was prepared that considers GHG emissions between possible project alternatives occurring in the Region. As part of this analysis and with the knowledge of the three Sub-Regions (i.e., climate and socio-economic variables), each Sub-Region is examined individually using a list of questions intended to better understand the unique vulnerabilities of climate change. Each Sub-Region includes a set of categories

Figure ES-19. SLOC IRWM Plan Update Brochures



Figure ES-20. SLOC IRWM Plan Update Website



and a scoring system to assist in prioritizing projects intended to address the vulnerabilities based on the level of impact and the ability to mitigate for climate change in whole or in part. Prioritization of each Sub-Region is as follows:

Priority Rating 1 – significant vulnerabilities that have far-reaching impacts, are very likely to occur, have a willingness to pay and can be addressed through well-defined near-term projects where/when feasible.

Priority Rating 2 – significant vulnerabilities with a high adaptive capacity and can be addressed through specific projects and planning studies and/or monitoring programs where/when feasible.

Priority Rating 3 – less than significant vulnerabilities for consideration in future long-term projects and planning studies and/or monitoring programs where/when feasible.

Shown in **Table ES-9** are the rating categories and their ranking for each Sub-Region. The listing of vulnerabilities begins below the table.

Table ES-9. Sub-Region Vulnerability Rating Categories and Ranking

Sub-Region	Rating Categories	Rating
North Coast Sub-Region	Inadequate Storage Capacity	1
	Saltwater Intrusion and Coastal Inundation	1
	Ecosystems and Habitat	2
	Water Quality	2
	Water Demand	3
	Flooding	3
South County Sub-Region	Decreased Water Supply	1
	Coastal Inundation	1
	Water Demand	2
	Water Quality	2
	Ecosystems and Habitat	2
	Flooding	2
North County Sub-Region	Water Supply	1
	Water Demand	1
	Water Quality	2
	Ecosystems and Habitat	2
	Flooding	3

Project Identification and Selection Process

Project Solicitation Process

San Luis Obispo County stakeholders have been actively engaged in the IRWM Plan Update's project solicitation and review process. From June to December 2013, water resources concepts and projects/programs were solicited from stakeholders. Altogether, agencies, organizations, and individual stakeholders submitted 91 abstracts for the 2013 call for projects and programs. Stakeholders submitted abstracts that should add value to the Region's integrated management of water resources in the areas of water supply, groundwater management, flood management, ecosystem restoration, and general water resources management.

Compiling the Full Project List

The submitted projects were reviewed and initially ranked in accordance with the RWMG-approved project review guidelines (follow the IRWMP quicklink at www.slocountywater.org). Some submittals were either not IRWM-related or were integrated into another project submittal. Of the 91 submittals, 81 were added to the Full Project List - 52 of those were classified as concepts and 29 were classified as projects/programs. Concepts, programs, and projects from the 2007 IRWM Plan were also reviewed, 34 of which were added to the Full Project List as well. As a result of this project screening, the 2013 IRWM Plan Full Project List includes 115 projects.

Creating the Final IRWM Plan Project List

On October 2nd, 2013, the IRWM review process and resulting Full Project List was presented to the RWMG. Various integration opportunities were noted at that meeting. The RWMG asked the RWMG Working Group (and Project Sponsors) to meet and integrate/finalize the IRWM Plan Project List (includes both the Full Project List and Project Short List).

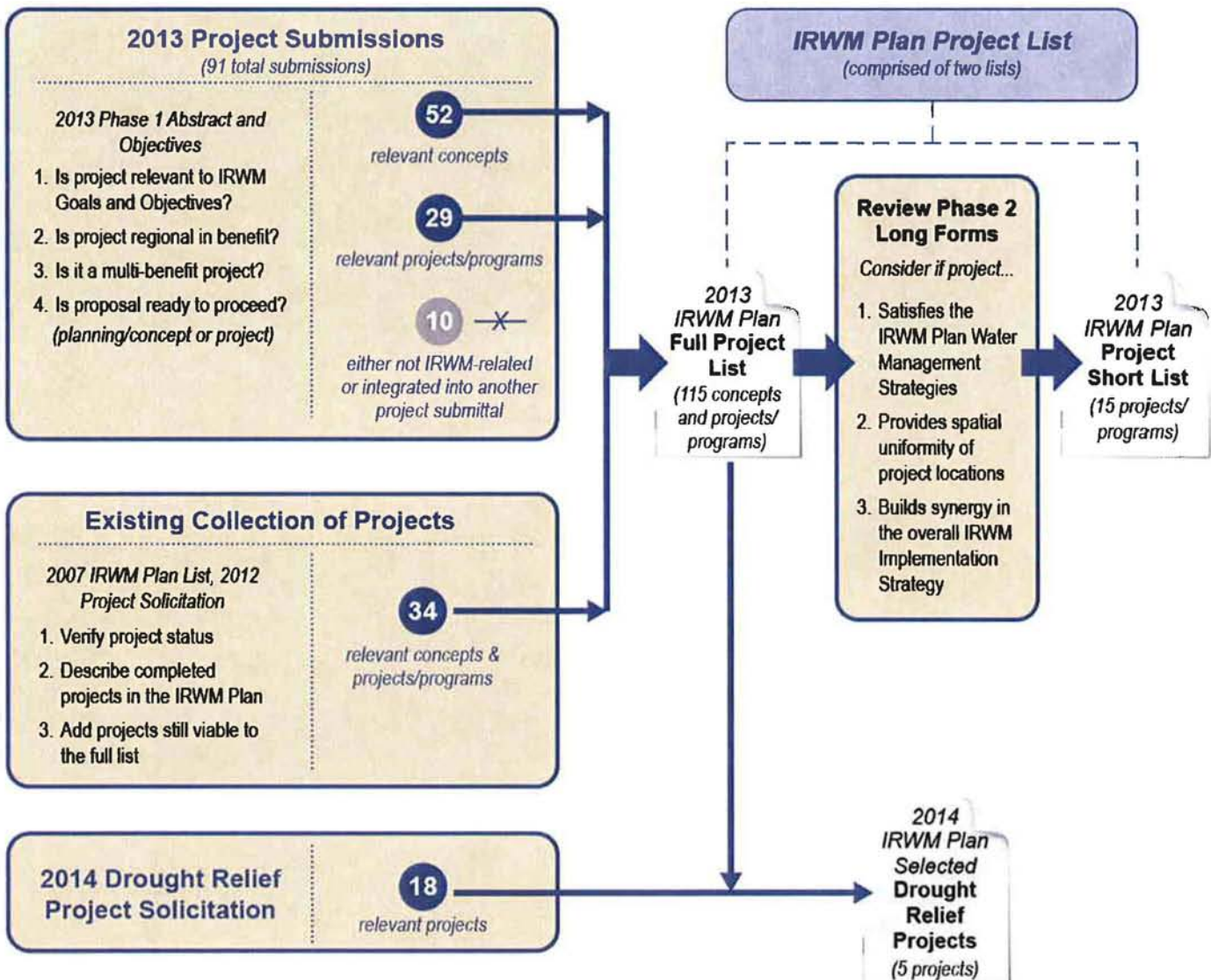
The RWMG Working Group held that public meeting on October 16th, 2013 to review the IRWM Plan Project List. The whole process and resulting integrated IRWM Project List was published as a brochure (Volume 5) and sent out to the RWMG and interested stakeholders in order to seek input, inform the public, and solicit comments. This brochure memorializes the results of this six month process to develop both the Full Project List and the Project Short List to be included and evaluated in the IRWM Plan.

Why Two Lists?

The purpose of having two lists is to satisfy the State's requirements of an IRWM Plan (Final IRWM Project List), and to constantly maintain a list of the region's most current projects for use in selection upon notification of regional or local funding opportunities (Full Project List). The Full Project List is updated on an as-needed basis (at a minimum of every two years) such as was described earlier with the emergency drought project solicitation. All projects included on this list are considered to be a part of the IRWM Plan and will be considered for future funding and implementation opportunities.

Figure ES-21 visually describes how the collection of projects from the 2007 IRWM Plan, the 2012 project solicitation, the Phase 1 2013 Project Abstracts (and Objective Worksheet), and the Phase 2 Project Long Forms were combined to form the Full Project List and which was further screened to create the Project Short List.

Figure ES-21. Project Solicitation and Selection Process



Financing Strategies

To date, the IRWM Planning effort has been funded through the District. The District serves as the approving body and lead agency for the IRWM Plan's development and implementation. While the District is governed by the San Luis Obispo County Board of Supervisors, its Board members and shared County staff act separately, depending on assigned responsibilities, on behalf of both the County of San Luis Obispo and the District.

The District receives local funding through its general property tax allocations and from revenues provided by participating agencies, organizations, and other parties benefiting from District services. Both the District and DWR provide funding for developing and updating the IRWM Plan. DWR funding for planning and implementation of the IRWM Plan has historically been obtained through the District's application for publically supported grants issued as part of Propositions 50 and 84; both being water bond measures voted by the people of California to support integrated water resources management in the State.

Local Agency Funding

Sources of local funding in the IRWM Region are constrained for direct use in implementing new capital projects and management programs identified in the IRWM Plan. This includes sources of funding that RWMG member agencies will use to meet maintenance and operations obligations for IRWM projects. Each member that seeks grant funding to supplement local funding programs will need to demonstrate that maintenance and operations funds are to be committed to the projects. Proof of local funding can be accomplished through an adopted capital improvement plan, other engineering feasibility studies and reports, rate studies, or an approved funding program adopted pursuant to California requirements.

Grants

Like other regions of the state, the IRWM Region has a limited ability to pay for further projects or programs. With numerous areas of the Region being designated in the 2010 census as low income (i.e., in addition to State designated DACs), there is a limited ability to raise local revenue. This makes grants and loans an important element in leveraging the limited local financing capacity. Fortunately, grants and/or loans are available from time to time that can facilitate implementation of IRWM Plan projects and programs. One of the keys for successful pursuit of grants for project implementation includes having well-developed projects to the appropriate level of detail that meet grant funding requirements.

Plan Implementation

An adaptive management process has been adopted to create a balance between a stable Plan that guides action, and a resilient Plan that allows for responding to changed circumstances. The approach to updating and amending the IRWM Plan is intended to ensure its effective implementation over time and to make the San Luis Obispo County IRWM Plan a living document.

Changes to regional and Sub-Region planning assumptions and priorities, to State and federal legislative and/or policy (i.e., responsiveness to the *California Water Action Plan*), or climate conditions could create a need to update the list of projects and programs. Areas of uncertainty that could drive a Plan update include litigation, changes in on-farm water use practices, State and federal coastal plans, and major changes in land use that would have an effect on the Region's water use.

As a result, the IRWM Plan Update schedule provided in **Figure ES-22** provides for periodic and on-going activities with one or more taking place each year to maximize efficiencies and utilization of staff and financial resources.

Plan Performance and Monitoring

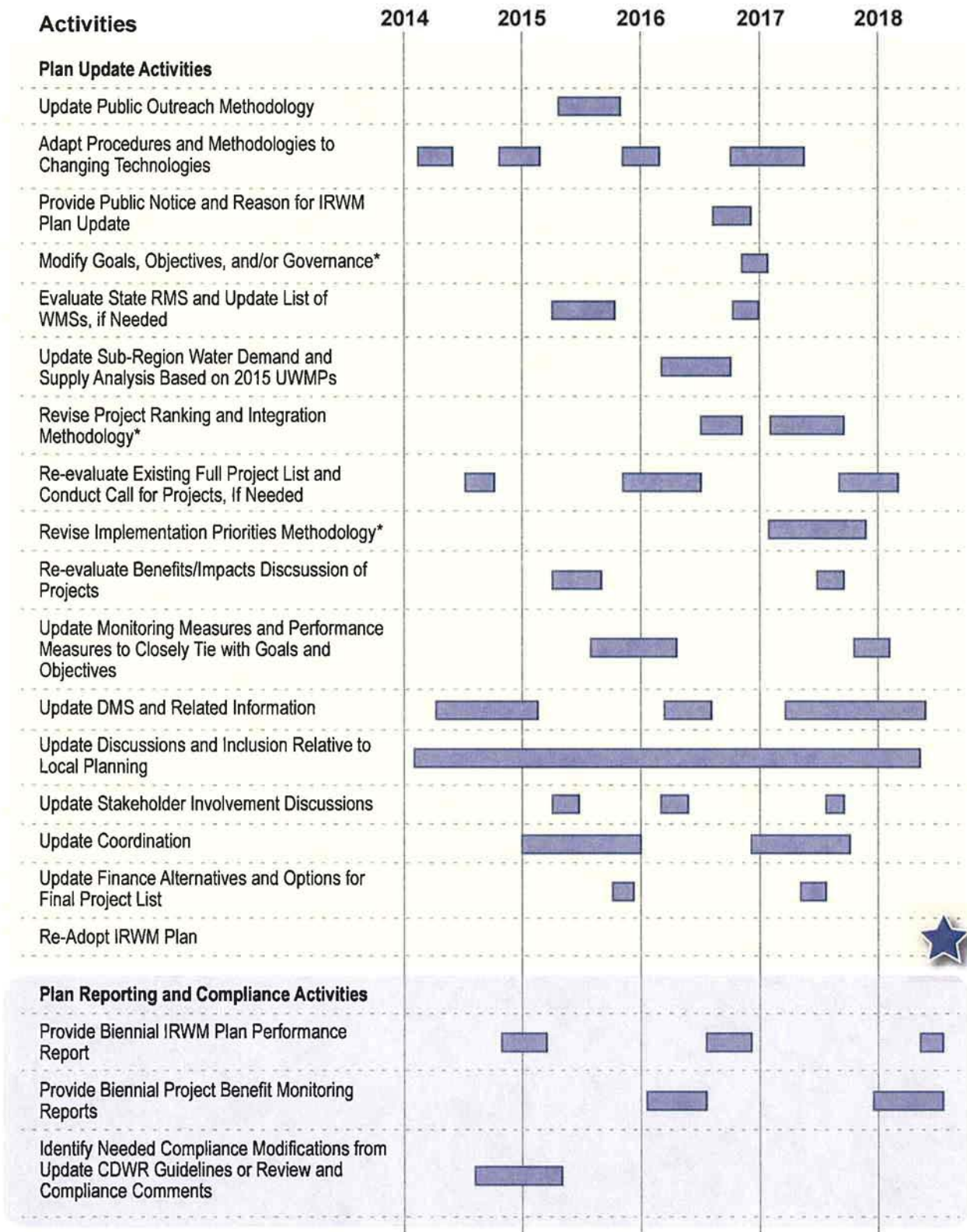
The IRWM Plan legislation and DWR standards require that IRWM Plans include performance measures and a monitoring program to document progress towards meeting IRWM Plan Objectives, and a methodology that the RWMG can use to oversee and evaluate implementation of plan and projects. The purpose of the Plan Performance and Monitoring strategy is to document how the IRWM Plan Objectives are to be measured and how the projects will be overseen and evaluated in order to ensure the anticipated IRWM Plan objectives are being met.

IRWM Plan Structure

In response to the stated accomplishments and challenges facing the State and San Luis Obispo County Region, the 2014 IRWM Plan contains a set of publicly supported strategies for addressing those challenges with projects, programs, and policies that will help the Region meet statewide priorities and regional needs. The IRWM Plan also describes potential impacts and benefits of the projects, programs and policies, and how they will be financed and monitored to ensure the intended objectives are met.

In the end, the document must address specific requirements in the DWR IRWM Guidelines (DWR, November 2012). The IRWM Plan's organization (shown in **Figure ES-17**) is intentionally structured around the State requirements to assist in the review and approval of the document.

Figure ES-22. IRWM Plan Update Schedule



* Constitutes Plan Re-Adoption



SAN LUIS OBISPO REGION'S IRWM PLAN VISION AND MISSION STATEMENTS

IRWM PLAN VISION

*Create a united framework
among SLO County
Stakeholders for sustainable
water resource management.*

IRWM PLAN MISSION

*Facilitate regional plans,
programs, and projects to
further sustainable water
resource management.*

For additional information about the 2014 IRWM Plan and access to the electronic documents associated with this effort, visit:

<http://www.slocountywater.org/>

PROJECT CONTACT

SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

IRWM Program Manager

County of San Luis Obispo, Department of Public Works
County Government Center, Room 206
San Luis Obispo, CA 93408
(805) 781-5252
PWD@co.slo.ca.us

REGIONAL WATER MANAGEMENT GROUP

San Luis Obispo County	Heritage Ranch CSD
San Luis Obispo County Flood Control and Water Conservation District	Land Conservancy
California Men's Colony	Los Osos CSD
Cambria CSD	Morro Bay National Estuary Program
City of Arroyo Grande	Nipomo CSD
City of Grover Beach	Oceano CSD
City of Morro Bay	Templeton CSD
City of Paso Robles	San Miguel CSD
City of Pismo Beach	San Simeon CSD
City of San Luis Obispo	S&T Mutual Water Company
Central Coast Salmon Enhancement	Upper Salinas - Las Tablas Resource Conservation District
Coastal San Luis Resource Conservation District	



San Luis Obispo County
2014 Integrated Regional Water Management Plan
Executive Summary



Prepared by GEI Consultants with support from Fugro Consultants, Dudek, Gutierrez Consultants, and Hollenbeck Consulting

MODIFIED JULY 28, 2014

Copy of document found at www.NoNewWipTax.com

TO: BOARD OF DIRECTORS
FROM: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER
DATE: AUGUST 8, 2014

**AGENDA ITEM
E-3
AUGUST 13, 2014**

**CONSIDER SUPPLEMENTAL WATER PRICING AND RATE STUDY
STATUS**

ITEM

District Rate Consultant Clayton Tuckfield will overview the status of the ongoing water rate study [RECOMMEND RECEIVE PRESENTATION AND DIRECT STAFF]

BACKGROUND

On September 25, 2013, your Board awarded a contract to Tuckfield & Associates to conduct a water rate study. On February 19 and March 6, the Finance and Audit Committee received presentations by Clayton Tuckfield on the status of the rate study and preliminary work products.

On April 9, 2014, your Board considered supplemental water rate and drought rate setting and directed staff to conduct public workshops to seek community input on rate setting.

On May 5, 2014, staff and Mr. Tuckfield conducted two public workshops. On May 14, 2014, your Board considered a presentation on supplemental water rate setting approaches by Mr. Tuckfield and directed staff to further develop 'pass-through' variable rate structures for assigning supplemental water cost to customers. Your Board also directed staff to finalize supplemental water sales agreements with area purveyors in accordance with the Stipulated Settlement.

On June 26, 2014, the Finance and Audit Committee met and directed Staff to present an approach that includes stronger justification for the fixed and variable components of the proposed rates. The committee directed that the reserve component be included in the variable rate not the fixed rate and should be the minimum necessary, rational and understandable.

On July 14, 2014, the Finance and Audit Committee received a presentation on Supplemental Water pricing alternatives. The Committee agreed to a basis for Supplemental water reserve goal and selected volume rates with a small fixed charge to cover project fixed costs and the reserve.

Today, Mr. Tuckfield with overview the status of the ongoing rate study.

FISCAL IMPACT

Conservative rate setting is the cornerstone of fund stability and financial fitness.

STRATEGIC PLAN

Goal 1. WATER SUPPLIES. Actively plan to provide reliable water supply of sufficient quality and quantity to serve both current customers and those in the long-term future.

Goal 4. FINANCE. Maintain conservative, long-term financial management to minimize rate impacts on customers while meeting program financial needs.

4.1 Ensure that purveyors and others pay their fair share of financing water supply, supplemental water, conservation, and sustainability of the regional water supply. Purveyors should pay their share up front before getting water in order to help finance next phases of supplemental water program.

4.4 Maintain adequate rates to fund future capital replacements.

RECOMMENDATION

Consider the presentation, direct staff to develop a comprehensive draft Rate Study for Board review and consideration at the September 10, 2014 Regular Board Meeting.

ATTACHMENTS

None