

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 12/16/2014	(3) CONTACT/PHONE Mark Hutchinson, Deputy Director of Public Works (805) 781-5458	
(4) SUBJECT Submittal of a resolution adopting certain policies and procedures set forth in the Low Reservoir Response Plan (LRRP) for San Luis Obispo County Flood Control and Water Conservation District Zone 3, Authorizing the Director of Public Works to implement the LRRP; and finding that the project is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA). District 4.			
(5) RECOMMENDED ACTION It is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District, adopt the attached resolution adopting certain policies and procedures set forth in the Low Reservoir Response Plan (LRRP) for San Luis Obispo County Flood Control and Water Conservation District Zone 3, authorizing the Director of Public Works to implement the LRRP; and find that the project is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA).			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? N/A
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input checked="" type="checkbox"/> Board Business (Time Est. <u>30 min.</u>)			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: 4/24/07, #B-13	
(17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i>			
(18) SUPERVISOR DISTRICT(S) District 4			

Reference: 14DEC16-BB-1

County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works

Mark Hutchinson, Deputy Director of Public Works

DATE: 12/16/2014

SUBJECT: Submittal of a resolution adopting certain policies and procedures set forth in the Low Reservoir Response Plan (LRRP) for San Luis Obispo County Flood Control and Water Conservation District Zone 3, Authorizing the Director of Public Works to implement the LRRP; and finding that the project is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA). District 4.

RECOMMENDATION

It is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District, adopt the attached resolution adopting certain policies and procedures set forth in the Low Reservoir Response Plan (LRRP) for San Luis Obispo County Flood Control and Water Conservation District Zone 3, authorizing the Director of Public Works to implement the LRRP; and find that the project is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA).

DISCUSSION

In 2007 the San Luis Obispo County Flood Control and Water Conservation District (District) adopted a Low Reservoir Response Plan (LRRP) for Zone 3 of the District. Zone 3 is the Lopez Water Project in the south county¹. The LRRP provides a methodology to assess near term reservoir levels and a set of actions that could be taken to mitigate the impacts of low reservoir levels. In response to recent drought conditions, the Zone 3 contractors Technical Advisory Committee (TAC) along with District staff have met together with representatives of the agricultural community to update the LRRP. The goal of the LRRP is to reduce downstream releases and municipal diversions from Lopez Reservoir, when the lake falls below 20,000 acre feet of storage, to preserve water within the reservoir for three to four years under continuing drought conditions.

¹ The Zone 3 contractors are the Cities of Arroyo Grande, Pismo Beach, and Grover Beach; the Oceano Community Services District; and County Service Area 12.

In consideration of current drought conditions, the TAC has reviewed the LRRP and has considered the results of different water supply projections. The LRRP uses data on rainfall and reservoir inflow selected from four different time periods to develop drought scenarios. These scenarios were then input into a model for use in determining the effect of reduced downstream releases and municipal deliveries on reservoir storage. The LRRP sets forth municipal delivery and downstream release reductions in an effort to extend and conserve the Lopez Reservoir supply to the greatest extent possible. The municipal delivery reductions proposed will be triggered at milestones in the reservoir level as shown in the table below:

LOPEZ RESERVOIR WATER DELIVERY REDUCTION SCENARIO		
% Available Storage	Total Storage in Acre Feet	Percent Delivery Reduction
35	20,000	0% No deliveries above contract entitlements
24	15,000	10% Delivery reduction
13	10,000	20% Delivery reduction
2	5,000	35% Delivery reduction
0	4,000	100% NO WATER DELIVERIES

The LRRP also provides for two temporary changes related to the declaration of “Surplus Water” (that is, unused entitlement water from the previous year). Reductions in downstream releases will not be counted as surplus water, and any surplus water generated by an individual agency will only be available for use by that agency. This temporary water banking mechanism would only apply during the enactment of the LRRP.

The proposed reductions in downstream releases, which provide water for environmental habitat and agriculture irrigation, were developed through collaboration with the local agricultural community and are shown in the table below:

LOPEZ RESERVOIR DOWNSTREAM RELEASE REDUCTIONS		
Total Storage in Acre Feet	Downstream Release Reduction	Downstream Releases (Acre Feet)
20,000	9.5%	3,800
15,000	9.5%	3,800
10,000	75.6%	1,026
5,000	92.9%	300
4,000	100%	0

The effect of the downstream release reductions is to maintain agricultural and environmental releases at near average amounts for the first two years, thereby allowing agriculture to continue unabated. The release then drops to an “environmental only” release as amounts under 3,800 will not sustain stream dependent irrigated agriculture. The 300 acre foot number represents an estimated “pass-through” during summer months as required by the project’s water rights permit.

OTHER AGENCY INVOLVEMENT/IMPACT

At their September 2014 meeting the Zone 3 Advisory Committee² heard a presentation on the contents and status of the LRRP. That presentation reported that a public review draft of the LRRP had been completed and that representatives of the agricultural community had reviewed and accepted the Plan. In response, the Committee recommended moving the LRRP forward for consideration by the individual City Councils and Governing Boards of the Zone 3 contractors. All of the Zone 3 contractors have taken action to adopt resolutions supporting, approving or endorsing the LRRP:

October 14: Avila Beach Community Services District
October 14: City of Arroyo Grande
October 21: City of Pismo Beach
October 28: County of San Luis Obispo (CSA12)
November 12: Oceano Community Services District
November 17: City of Grover Beach (Approved in concept on October 6)

The agencies that have approved or endorsed the LRRP have acted on the “Public Review Draft” of the LRRP. No agencies requested changes in the draft, therefore, the attached document is identical to the draft. Copies of the individual resolutions are attached to this report.

At their November 20, 2014 meeting the Zone 3 Advisory Committee recommended that the Board of Supervisors adopt a resolution implementing the Low Reservoir Response Plan as reviewed and endorsed by the Zone 3 contractors.

County Counsel has reviewed the Resolution as to form and legal effect. The Environmental Coordinator has reviewed the proposal and determined that the project is exempt from CEQA.

FINANCIAL CONSIDERATIONS

The water supply contracts for Zone 3 are described as “take-or-pay,” meaning that all of the costs of the system are paid for by the Zone 3 contractors at percentages based on the amount of entitlement water in their respective contracts, plus their distance down the delivery system. The majority of costs are for the capital costs of the system, in the form of debt service. Therefore, a temporary reduction in the amount of water delivered will not reduce the financial obligations of the Zone 3 contractors.

RESULTS

Adoption of the Resolution and finding the project exempt from CEQA will help ensure that water supplies from Lopez Lake are managed in as prudent a manner as possible should the current drought continue, thereby contributing to a well governed community.

² The Zone 3 Advisory Committee consists of representatives from the Cities of Arroyo Grande, Pismo Beach, and Grover Beach; the Oceano Community Services District; County Service Area 12; an Agricultural Representative; and a Member-at-Large.

File: CF 340.101.01

Reference: 14DEC16-BB-1

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ATTACHMENTS

1. Vicinity Map
2. Notice of Exemption (CEQA)
3. Resolution of the Avila Beach Community Services District
4. Resolution of the City of Arroyo Grande
5. Resolution of the City of Pismo Beach
6. Resolution of the County of San Luis Obispo (CSA12)
7. Resolution of the Oceano Community Services District
8. Resolution of the City of Grover Beach (at the time of submittal of the agenda item, the executed resolution was not yet available)
9. Resolution adopting policies and procedures set forth in the Low Reservoir Response Plan (LRRP) for San Luis Obispo County Flood Control and Water Conservation District Zone 3, Authorizing the Director of Public Works to implement the LRRP, and finding that the project is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA) (With Low Reservoir Response Plan)