

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

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 2/3/2015	(3) CONTACT/PHONE Xzandrea Fowler/ (805) 781-1172	
(4) SUBJECT Report on the status of the development of a Countywide Water Conservation Ordinance (Countywide Water Program) authorized for processing by the Board on March 4, 2014 and May 20, 2014, including discussion and consideration of the scope of specific program components. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board receive and file this status report on the development of a Countywide Water Conservation Ordinance (Countywide Water Program) and consider providing further direction regarding the scope of specific program components.			
(6) FUNDING SOURCE(S) Department Budget	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT { } Consent { } Presentation { } Hearing (Time Est. ___) { X } Board Business (Time Est. <u>60 minutes</u>)			
(11) EXECUTED DOCUMENTS { } Resolutions { } Contracts { } Ordinances { X } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: { } 4/5 Vote Required { X } N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { } N/A Date: <u>3/4/14 & 5/20/14</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Lisa M. Howe			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Planning and Building / Xzandrea Fowler, Planner

VIA: Trevor Keith, Division Manager

DATE: 2/3/2015

SUBJECT: Report on the status of the development of a Countywide Water Conservation Ordinance (Countywide Water Program) authorized for processing by the Board on March 4, 2014 and May 20, 2014, including discussion and consideration of the scope of specific program components. All Districts.

RECOMMENDATION

It is recommended that the Board receive and file this status report on the development of a Countywide Water Conservation Ordinance (Countywide Water Program) and consider providing further direction regarding the scope of specific program components.

DISCUSSION

San Luis Obispo County is in the midst of an “exceptional drought” that has lowered water levels in groundwater basins and surface lakes and reservoirs throughout the County. An “exceptional drought” is characterized by the United States Department of Agriculture (USDA) and the National Drought Mitigation center as having exceptional and widespread crop and pasture losses, shortages of water in reservoirs, streams and wells creating water emergencies. In response, your Board declared three groundwater basins, Nipomo Mesa (part of Santa Maria Groundwater Basin), the Los Osos Groundwater Basin, and the Paso Robles Groundwater Basin, to be at Level of Severity (LOS) III, which indicates that groundwater demand has met or exceeded the dependable supply.

The objective of the development and implementation of a Countywide Water Conservation Ordinance (Countywide Water Program) is to halt increase in groundwater extraction in areas that have been certified LOS III; provide a mechanism to allow new development and new or altered irrigated agriculture to proceed in certified LOS III areas, subject to the requirements of the County General Plan and County Code, in a manner that fully offsets projected water use; and to reduce the wasteful use of water in the county.

Board Direction

On March 4, 2014, your Board authorized staff to proceed with the processing of various General Plan and Code amendments to develop and implement a Countywide Water Conservation Ordinance (Countywide Water Program), consisting of New Landscape requirements, Retrofit-on-Sale, Water Waste Prevention, and Water Neutral New Development. The timeframe authorized for completion was 6 to 12 months.

On May 20, 2014, your Board directed staff to include incentive based programs that could result in reductions of outdoor water use to the previously authorized processing of the Countywide Water Conservation Ordinance (Countywide Water Program).

On October 28, 2014, your Board directed staff to continue (to a date uncertain) the establishment of a Water Conservation Program (Agricultural Offset program) for new irrigated agriculture in the Paso Robles Groundwater Basin. The Agricultural Offset program was developed by the Upper Salinas-Las Tablas Resource Conservation District (RCD) to implement a portion of the urgency ordinance covering new development and new irrigated agriculture overlying the Paso Robles Groundwater Basin. Since staff intended to incorporate this Agricultural Offset program into the Water Neutral

New Development component of the Countywide Water Conservation Ordinance (Countywide Water Program) which would be applied to other certified LOS III areas, the Board directed staff to have further discussions with the RCD on this matter; evaluate legal issues raised during the hearing; gather more information on the model update; and consider the consequences of Sustainable Groundwater Management Act (Pavley-Dickinson) rules and regulations as they start to unfold.

Background

The Countywide Water Conservation Ordinance (Countywide Water Program) includes amendments to the County General Plan and County Code that will affect water use in both new and existing development, as well as in agricultural operations. Implementation of the Countywide Water Program will be primarily achieved through two components, the Water Neutral New Development (WNND) program and the Water Waste Prevention (WWP) program.

The WNND program would apply only in areas of the County that have been certified as being at Level of Severity (LOS) III. The WNND program is intended to serve as an interim measure to halt increase in groundwater extraction and the lowering of groundwater levels in certified LOS III groundwater basins. Proposed implementation tools for the WNND program are land use programs, such as Agricultural Water Conservation Offset, Urban/Rural Water Conservation Offset (Plumbing Retrofit Requirements), and Turf Removal Incentive ("Cash for Grass"). Those implementation tools require amendments to Title 8 (Health and Sanitation Code), Title 19 (Building and Construction Ordinance), Title 22 (Land Use Ordinance) and Title 23 (Coastal Zone Land Use Ordinance) of the County Code, as well as amendments to policies and implementation strategies identified in the Agricultural Element and the Conservation and Open Space Element of the General Plan.

The Water Waste Prevention (WWP) program would apply to all existing and proposed development within the unincorporated areas of the county where a similar ordinance (or comparable program) is not already in place. The intent of the WWP program is to develop and implement a permanent water waste prevention ordinance that encourages behavioral measures that improve agricultural and urban/rural water conservation efforts. The proposed implementation tool for the WWP program is an agricultural and urban/rural water waste prevention ordinance that would incorporate behavioral measures such as limiting irrigation times for landscaping, prohibiting the washing of hard or paved surfaces, and controlling excessive runoff. The agricultural water waste portion of the WWP program would apply to all rural areas of the county. Implementation would require amendments to Title 8 (Health and Sanitation Code) of the County Code, as well as amendments to policies and implementation strategies in the Agricultural Element of the General Plan to address agricultural and urban water waste prevention efforts.

An Environmental Impact Report (EIR) is currently being prepared to evaluate the impacts associated with the implementation of the Water Neutral New Development (WNND) program and the Water Waste Prevention (WWP) program components that are being proposed to implement the Countywide Water Conservation Ordinance (Countywide Water Program). Currently, the Draft EIR is in the final stages of preparation and is expected to be released in late February 2015; however the final content of the Draft EIR is contingent upon any subsequent direction from the Board that may change the current project description (i.e., modification, addition or elimination of the proposed program components).

Status Update

Provided below is a summarized status update on the Countywide Water Program components [Water Neutral New Development program (includes Agricultural Water Conservation Offset, Urban/Rural Water Conservation Offset, and Turf Removal Incentives "Cash for Grass"), Water Waste Prevention program, Retrofit-on-Sale, New Landscape requirements, and incentives to reduce outdoor water use for new and existing development] and Water Supply Studies. Each summary consists of a brief description, current development/implementation status, and the next steps. In addition, as applicable, some summaries include discussion of any existing or anticipated consultant assistance; items where staff seeks further clarification to complete the development/implementation of the program component; identification of possible program component options; and recommendations.

Water Neutral New Development Program

The proposed Water Neutral New Development (WNND) program requires that new development and new or more intensively irrigated agriculture offset new water use at a minimum 1:1 ratio in certified Level of Severity (LOS) III groundwater basins. The WNND program would effect, enhance, alter and/or extend the water neutral new development programs already in place for the Los Osos Groundwater Basin, the Nipomo Mesa Management Area (NMMA), and areas of the Paso Robles Groundwater Basin (PRGWB) that are subject to the PRGWB Urgency Ordinance, which is set to

expire on August 26, 2015.

Amendments to the Agricultural and Conservation and Open Space Elements of the County General Plan are required in order to implement the WNND program. The Agricultural Element contains goals and policies to address agricultural issues such as agricultural land protection, water availability, and conversion of agricultural lands to other uses. Each Agricultural Element policy includes an implementation strategy along with a discussion of the policy and its intent. Possible amendments include Agricultural Policy (AGP) 10 to determine the feasibility for major land uses to conserve water in groundwater basins certified LOS III, and AGP 11 to address groundwater supplies in groundwater basins certified LOS III, such as balancing long-term overdraft and including water neutral new development strategies in certified LOS III groundwater basins could allow for adequate recharge and continued availability of groundwater resources for all major basin users.

The Conservation and Open Space Element (COSE), Chapter 10, of the County General Plan contains goals, policies, and implementation strategies to employ those policies in ordinances and the decision making process. Possible amendments to COSE Water Resources (WR) Chapter Implementing Strategies include WR 1.12.2 (Water Supply Assessments), WR 2.2.2 (Improve Well Permit Data), WR 2.2.4 (Groundwater Collection), WR 4.1.1 (Identify Per Capita Water Use Baselines, Using Sub-regional or Community Data Where Available), and WR 4.1.2 (Countywide Water Conservation Ordinance).

Current Status: Staff is finalizing draft amendment language for both the Agricultural and the COSE Elements, to reflect the intent of the proposed Countywide Water Program.

Consultant Assistance: The need for consultant assistance is not anticipated at this time.

Next Steps: Public Review draft – available February 2015; Planning Commission review – tentatively scheduled May 2015; and Board of Supervisors review – tentatively scheduled June 2015.

Recommendation: See specific recommendations for each component of the WNND program, as discussed below.

Agricultural Water Conservation Offset Program

The implementation tool for the agricultural component of the WNND program is the proposed Agricultural Water Conservation Offset (Ag Offset) program. The Ag Offset program seeks to offset new water use due to crop conversions, new irrigated agriculture, increased crop density, and the outdoor use component of rural groundwater use not covered by the new development water offset program already in operation. The Ag Offset program's major steps include:

1. Determine water amount currently used
2. Determine acreage and water use of new crops
3. Proximity analysis required on a case by case basis
4. Evaluate drawdown impacts on neighboring irrigation and domestic wells to demonstrate that new groundwater pumping will not have the effect of lowering well levels in the area of the new pumping
5. Issue Offset Clearance and conduct third party monitoring. As part of the Offset Clearance, deed restrictions and property owner agreements will be recorded

Current Status: The proposed Agricultural Water Conservation Offset (Ag Offset) program for the Paso Robles Groundwater Basin (PRGWB), which was implemented as part of the Urgency Ordinance, was considered by the Board on October 28, 2014. At the meeting, concerns were raised regarding the use of deed restrictions for properties participating in the program, and the use of certain well impact analysis methods. Staff is currently exploring a modified approach to agricultural offsets based on the RCD program to address the concerns raised. Alternatives to the use of the deed restrictions as an implementation tool are also being considered. The Ag Offset program, as currently proposed, is intended by staff to be applied to other certified LOS III basins through the Water Neutral New Development component of the Countywide Water Conservation Ordinance (Countywide Water Program) and would be written as amendments to Titles 22 and 23 of the County Code.

Consultant Assistance: Consultant assistance may be desired by the Board to provide expertise during the administration of the program if some form of annual verification is included as a program requirement. Currently staff consults with the Agriculture Department on a case by case basis when analyzing proposed agricultural offsets.

Next Steps: Staff is waiting to finalize development of ordinance language based on further Board direction.

Program Development/Implementation Options: Below is a summary of the Agricultural Water Conservation Offset (Ag Offset) program modification options.

Option 1: Countywide applicable RCD Program

Implementation of an Ag Offset program that is similar to the draft RCD program presented to the Board on October 28, 2014, with some modifications to enable the application of the program in all LOS III groundwater basins.

Option 2: Simplified countywide applicable RCD program

This option differs from Option “1” in that implementation would not require complex analyses, such as a well impact analysis or a proximity analysis. Option “2” also addresses the issues that were raised by the Board on at the meeting on October 28, 2014.

Option 3: Simplified PRGWB applicable RCD program

This option differs from Option “2” in that implementation would only apply to the PRGWB. Option “3” is limited to the PRGWB because there is significantly lower demand and/or opportunities for new irrigated agricultural plantings within the other certified LOS III groundwater basins.

Option 4: No Agricultural Water Conservation Offset Program

Following the expiration of the Urgency Ordinance on August 27, 2015, Option “4” would impose no requirements for agricultural offsets of new irrigated agricultural plantings anywhere in the County, regardless of the identified LOS. This option is being considered should the Board choose to pursue no program for agricultural water conservation offsets at this time.

Recommendation: Proceed with Option “2”, simplified countywide applicable version of the RCD program, with engagement of consultant assistance to develop and simplify the implementation of a countywide Ag Offset program.

Urban/Rural Water Conservation Offset (Plumbing Retrofit Requirements) Program

The Urban/Rural Water Conservation Offset program is one of several components of the WNNND program. It will be implemented through the proposed Plumbing Retrofit requirements that will be used to offset the water use associated with development of new buildings. The program utilizes two primary methods to generate offset credits: plumbing retrofits and the Turf Removal Incentive program (“Cash for Grass,” discussed below). While the plumbing retrofits continue to be a viable option in the Paso Robles Groundwater Basin (PRGWB) due to the large number of structures that were built pre-1994, opportunities for plumbing retrofits are vastly limited in the Nipomo Mesa Management Area due to the large number of structures that were built post-1994 and existing retrofit-on-sale requirements.

Current Status: A consultant-run plumbing retrofit program is currently in place in the PRGWB as a result of the Urgency Ordinance. The Los Osos Groundwater Basin has an existing system where builders hire plumbers to perform retrofits on existing dwelling and provide verification to the County.

Consultant Assistance: Consultant assistance will be necessary to continue to implement a plumbing retrofit program in the PRGWB.

Next Steps: PRGWB: Extend contract with current consultant – August 2015.

Los Osos Groundwater Basin: Continue with current builder-run program – Ongoing.

Recommendation: Continue with existing programs.

Turf Removal Incentive (“Cash for Grass”) Program

The “Cash for Grass” turf removal incentive program is another implementation tool included in the proposed urban/rural water conservation offset component of the WNNND. The “Cash for Grass” program could help to offset the water use associated with urban/rural new development by offering cash incentives for property owners to replace turf with low-water demand landscaping. Although many water providers administer similar turf removal incentive programs throughout the state, this program would be unique in that as proposed the County would use the generated water savings as an offset credit that could be purchased by developers to comply with the offset requirements associated with their proposed new development within specific urban/rural areas. The “Cash for Grass” program, as proposed, could effectively achieve

water use savings while encouraging development within specific urban/rural areas of the County.

Current Status: The County has issued a RFP for firms to possibly administer a turf removal incentive (“Cash for Grass”) program that could be applied to all certified LOS III areas.

Consultant Assistance: A consultant will be selected to administer a countywide turf removal incentive (“Cash for Grass”) program.

Next Steps: Review RFPs – January 2015; firm selection – February 2015; contract approval - March 2015.

Program Development/Implementation Options: Since one of the primary objectives of the program is to be utilized as a means to allow new development, the program should accurately verify actual water savings and ensure that those water savings will be maintained into the future. Verifying that water savings are achieved can be accomplished by requiring installation of individual water meters, annual inspections of removed turf and replacement landscaping, or by relying on standard water savings calculations and verification of installation of low water use landscaping.

Recommendation: Continue development of a turf removal incentive (“Cash for Grass”) program that relies on standard water savings calculation amounts and inspection at time of new landscaping installation to verify that water savings have been achieved.

Water Waste Prevention Program

The primary objective of the Water Waste Prevention (WWP) program is to develop and implement a permanent water-waste prevention ordinance that addresses behavioral measures to improve agricultural and urban/rural water conservation. Measures include limiting irrigation times for landscaping, prohibiting the washing of hard or paved surfaces, and controlling excessive runoff, among others. In urban areas where a water rate structure exist enforcement of water waste is normally handled through the issuance of fines and one-time rate increases, but water rate structures typically do not exist in rural and agricultural areas, therefore that natural incentive for water rate payers to conserve water by means of monthly water rate savings does not exist. Development of an agricultural and urban/rural water waste prevention ordinance was identified as an effective tool to implement the WWP objectives.

Unfortunately, there are no examples to guide staff in the development of the agricultural component of the proposed ordinance, so through consultation and coordination with the Agriculture Department, agricultural industry stakeholders, and small agriculturalist groups; and education and information obtained through round table discussions, field visits and research, issues with the effectiveness and feasibility of the agricultural component of the proposed water waste prevention ordinance have come to the surface.

Current Status: Staff is preparing some draft ordinance language for Title 8 (Urban/Rural) to bring the County in line with strict water conservation efforts that have been implemented across the state. For agricultural uses, staff has prepared some draft language to amend the Agricultural Element of the County General Plan.

Consultant Assistance: Consultant assistance is not required. However, depending on further Board direction regarding the agricultural component of the WWP program, the development and implementation of the educational component may require expertise from the Agriculture Department, Farm Bureau, etc.

Next Steps: Public Review Draft – available February 2015; Public Hearing Draft – tentatively scheduled April 2015; Board of Supervisors review – tentatively scheduled July 2015.

Program Development/Implementation Options: To consolidate staffs efforts in the development and implementation of the agricultural component of the proposed water waste prevention ordinance, staff is presenting the Board with three implementation options for consideration and direction.

Option “A” – No Ordinance

This stakeholder-proposed option is to not pursue an ordinance or any other measures. It reflects views expressed by agriculturalists with which staff surveyed and consulted. They believe that County Ordinance imposed measures are not necessary due to following:

- 1) The efficiency of agricultural water use in the County is already much greater than in the rest of the state due to the predominant use of groundwater and precision micro-irrigation with high-value crops, and this shift towards such crops is increasing;
- 2) Certain irrigation practices may be perceived by the public as wasteful, but are a normal and necessary part of agricultural operations;
- 3) Agriculturalists have an economic incentive to use water efficiently and not waste it because pumping costs are one of the largest single farming expenses, and;
- 4) Agriculturalists fix broken irrigation equipment promptly when discovered and notify fellow agriculturalists if they discover such equipment.

Option “B” – Best Management Practices in the Ag Element and ongoing education

This option has two parts: expansion of existing policy and clarification regarding increased water efficiency efforts and educational outreach, as explained below. It recognizes the progress made over the decades in agricultural water use efficiency, while also encouraging continued innovation.

- 1) Identify best management practices (BMPs) for efficient agricultural water use that apply to different types of agricultural operations. The BMPs could include the following:
 - a. Increased adoption of crop water status monitoring, such as soil moisture monitoring technology
 - b. More precise irrigation scheduling
 - c. Enhanced irrigation monitoring practices
 - d. Use of tail water return systems for any surface water application
 - e. Use of covers or other evaporation reducing systems for agricultural irrigation ponds
 - f. Use of wind machines for frost protection, rather than overhead sprinklers where feasible

The County could encourage these measures by establishing or amending policies in the Agriculture Element, which is currently the approach that is being taken and based on staff's research it appears to be the most affective at achieving the stated WWP program objectives of the County General Plan or by a resolution.

- 2) Educate interested parties on how agriculture uses water and the purpose behind certain practices. A website would be developed to educate the public on agricultural water use as well as to provide industry a clearinghouse of the newest water-efficient practices. Information on best management practices could also be provided to agriculturalists during the pesticide permit and operator identification number issuance process. Additionally, the “Ag in the Classroom” program could be restarted with field trips for students. This option could also include field visits for elected and other key officials.

Educational programs could ultimately be implemented by the future water management districts as part of their mandate to manage the local groundwater as efficiently as possible.

Option “C” – Ordinance with Mandated Irrigation Practices with ongoing education

This option is an ordinance that would prohibit certain activities that are deemed to waste water, for example:

- 1) Broken irrigation lines that are not promptly repaired
- 2) Excessive irrigation water leaving the property

Furthermore, the Land Use Ordinance could be amended to require that projects needing a land use permit, for example, larger agricultural ponds include one or more water efficiency measures from a menu of possible options. In addition, a hotline and web page could be set up to field complaints.

Educational outreach could also be included in this option to help reduce instances of enforcement action. Continued dialogue and education for staff, stakeholders, and other interested parties will be an ongoing process.

Recommendation: Implementation of Option “B”, per initial feedback from stakeholders in the agricultural community and staffs research, is considered to be a reasonable approach to address agricultural water waste concerns.

Retrofit-on-Sale Program

The Retrofit-on-Sale program is another implementation tool that has been identified to achieve the objective of enhanced overall countywide water use efficiencies resulting in increased sustainability of the County’s water supply. The program

would require properties being sold to remove toilets using more than 1.6 gallons per flush (GPF) and to replace them with toilets that use 1.28 GPF or less. Sellers must also replace older, higher water using showerheads with more efficient models. A licensed plumber or home inspector is required to sign a retrofit verification form in order to obtain a County issued Title 8 Water Conservation Certificate for the property to be sold. Retrofit-on-sale ordinances were enacted in 2008 in the Los Osos Groundwater Basin and in the Nipomo Mesa Management Area. The proposed expansion of the Retrofit-on-Sale program involves amendments to Title 8 (Health and Sanitation Code) to address water conservation and implementation of state-wide water conservation requirements.

Staff is concerned that there is limited potential for long term future water savings if a retrofit-on-sale program is implemented Countywide. This concern stems from that fact that Countywide, approximately 8000 parcels (the majority of which are primarily located in South Atascadero and the Arroyo Grande Fringe) have been identified as likely having pre-1994 structures. The identified structures located in South Atascadero are served by the Atascadero Mutual Water Company which already has a retrofit program. Additionally, a significant number of identified structures in the Arroyo Grande Fringe are not located atop a basin (they are located on fractured rock); therefore it would be difficult to identify a nexus for water savings of a shared public resource.

Additionally, based on the average lifespan of plumbing fixtures and the successful implementation of similar retrofit programs in the Los Osos Groundwater Basin and the Nipomo Mesa Management Area, the ability to capture additional water savings will be limited. Many homes may already have been retrofitted, and more will continue to be retrofitted each year as fixtures reach the end of their lifespan regardless of whether or not the residence is listed for sale. An additional concern is that the implementation of the program may duplicate a new state law that will go into effect on January 1, 2017. At that time, all single-family residences in California must have water efficient plumbing, pursuant to SB 407 (2009).

Below is a table summarizing the points supporting a countywide program and also the points supporting no further expansion of the Retrofit-on-Sale program.

Table 1: Points of Support for a Retrofit-on-Sale Countywide Program Or No Retrofit-on-Sale Countywide Program

Countywide Program	No Countywide Program
<ul style="list-style-type: none"> • Water savings • Potential to bring water savings to Paso Robles Groundwater Basin • Electronic automation of water conservation certificate programs (less staff time) • Uniformity reduces confusion of areas covered by program (though still could have some provider areas excluded) • Helps property owners with personal wells/water levels • Could allow properties to align with future State policy (SB 470) • Places responsibility for some water savings on existing development 	<ul style="list-style-type: none"> • Additional burden on sellers and realtors • Small return of water savings for time invested in program • Most plumbing fixtures already nearing end of usable life • Most potential properties on fractured rock (not a shared resource) • Decreases credit supply for Water Neutral New Development in LOS III areas (if applicable) • Largest concentration of potential properties is within a water provider's jurisdiction • Little potential to help improve conditions in Level of Severity (LOS) III basins • Atascadero Mutual Water Company already has a retrofit program • Upcoming State requirements could make effort be duplicative or require future modification • Increased demand on staff resources

Current Status: Staff is developing a public review draft and exploring the possibility of automating the program so that it could be administered with an online system.

Consultant Assistance: The need for consultant assistance is not anticipated at this time.

Next Steps: Public Review Draft – available February 2015; Planning Commission review – tentatively scheduled March 2015; Board of Supervisors review – tentatively scheduled April 2015.

Program Development/Implementation Options: With the recent passage of Groundwater Legislation (Sustainable Groundwater Management Act), SB 1168 (Pavley) and AB 1739 (Dickinson), staff is exploring the feasibility and potential merits of implementing the proposed Retrofit-on-Sale program now when effective January 1, 2017 all single-family residences will be required to retrofit regardless of intention to sale the residence. Staff is also exploring the feasibility and potential merits of applying the proposed Retrofit-on-Sale program Countywide, instead of limiting it to only areas within certified Los III groundwater basin status.

Recommendation: Based on the limited potential for future water savings, continuing with development of this program is not recommended. Additionally, State requirements could make an expanded effort duplicative.

New Landscape Requirements

The objective of the New Landscape Requirements is to enhance water-efficient landscaping plans and landscaping for new residential and commercial developments. The most effective implementation tool to achieve this objective would be the amendment of the Title 22 (Land Use Ordinance), Section 22.16 (referred to as the Landscape Ordinance) of the County Code. Outreach regarding requirement details and implementation are currently underway with builders and landscape professionals.

Current Status: Development of the public review draft and outreach with water providers, builders, and landscape professionals.

Consultant Assistance: Refinement of the New Landscape Requirements could require consultant assistance in the future.

Next Steps: Public Review Draft – available Spring 2015; Public Hearing Draft – anticipated June 2015; Planning Commission review – tentatively scheduled August 2015; and Board of Supervisors review – tentatively scheduled September 2015.

Recommendation: Continue development of New Landscape Requirements.

Water Supply Studies

As proposed, the amendments to Title 21 (Real Property Division Ordinance) will mandate the preparation of Water Supply Studies (WSSs) for any land division within any certified LOS III basin. The intent of the mandate is to provide proof of a consistently reliable water source by evaluating whether the project supply will meet the demand projected for the land division. In the process of vetting the proposed mandate staff has sought input from other California Counties with similar rural development and has discovered that no other counties mandate the preparation of WSSs. Instead, they rely solely on the CEQA process to determine when a land division would warrant a WSS. Therefore, the potential for the mandate to result in duplicative efforts has surfaced, because land divisions that require environmental review through the CEQA process already include the evaluation of adequate water supply is part of that review process.

The State currently requires preparation of Water Supply Assessments (WSAs) for land divisions of 500 or more lots, as well as industrial and commercial projects of a certain size. However, that threshold is too large to apply in our County, since the vast majority of land divisions proposed in our County are for 100 or less lots. In addition to the concern over duplicative efforts, the mandate would not be applicable to the Paso Robles Groundwater Basin, since land divisions are already prohibited due to the LOS III certification. Land divisions are also essentially prohibited in the Los Osos Groundwater Basin due to both water supply and water quality issues.

Current Status: Staff is conducting outreach with water providers and finalizing the public review draft of the proposed ordinance amendments.

Consultant Assistance: The need for consultant assistance is not anticipated at this time.

Next Steps: Public Review Draft – available February 2015; Public Hearing Draft – anticipated April 2015; Planning Commission review – tentatively scheduled July 2015; and Board of Supervisor review – tentatively scheduled August 2015.

Program Development/Implementation Options: Staff is exploring the feasibility and potential merits of implementing a “one-size fits all” mandate for the preparation of Water Supply Studies for all subdivisions within any certified LOS III basin, what an appropriate threshold could be to trigger the preparation of a WWS instead of the “one-size fits all” approach, and the impacts if land divisions were prohibited in certified LOS III basins..

Recommendation: Halt development of this program. This program is potentially duplicative with State law or as part of the CEQA analysis is already done for larger new residential, commercial, or industrial development project.

BOARD DIRECTION

An Agricultural Offset program is the means to implement a water neutral new development ordinance for new irrigated agricultural uses. In light of the Board’s action on October 28, 2014, that continued to a date uncertain the review of this program for the Paso Robles Groundwater Basin, staff would like to get a reading on how the Board sees such a program being applied to other certified LOS III basins.

After doing initial work on the above mentioned programs, staff has identified some issues, questions and options described in the preceding sections of this staff report regarding the effectiveness and implementation of the Agricultural Water Offset Program, the Outdoor Water Use Incentive program, the Water Waste Program, and the proposed mandate for the preparation of Water Supply Studies for all subdivisions within a certified LOS III area. Given the volume and potential complexity involved with the implementation of some components of the proposed Countywide Water programs, staff is seeking direction from the Board that staffs continued development of these programs reflects the Board’s intent and continued interest.

OTHER AGENCY INVOLVEMENT/IMPACT

Depending on the direction of the Board regarding the Countywide Water Program, staff will, consult, collaborate and coordinate with County Counsel, Public Works, Agriculture Department, Environmental Health, water providers and other interested organizations and agencies.

FINANCIAL CONSIDERATIONS

Implementation of some of the potential actions, such as the proposed revisions to the Conservation and Open Space Element (COSE) and the Agriculture Element of the County General Plan, and amendments to the Titles 8, 19, 22, and 23 of the County Code, identified in this staff report require environmental review. The proposed revisions to the identified General Plan elements and applicable ordinance amendments involve substantial staff time due to the complexity and likely controversy that has been and will continue to be generated by these efforts to establish a Countywide Water Program. Staff does not foresee the necessity, given the options identified in the staff report for the Board’s consideration, to request additional funding for completion of the ongoing CEQA review. Modifications to the proposed revisions and amendments can be completed using the current Department budget.

RESULTS

Discussion with the Board will provide more clarity about the overall direction to continue the further development and implementation of the Countywide Water Program, and the specific program components for the department to focus on, revise or eliminate, that will result in review and possible revisions to various elements of the County General Plan and various Titles of the County Code to implement Conservation and Open Space Element water resource polices and other measures discussed in this report.