

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

(1) DEPARTMENT Emergency Services	(2) MEETING DATE 5/19/2015	(3) CONTACT/PHONE Ron Alsop 781-5011	
(4) SUBJECT Request to authorize and instruct the Chairperson to sign a water sale agreement with Pacific Gas and Electric Company for emergency use of desalinated water. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board of Supervisors authorize and instruct the Chairperson to sign a Water Sale Agreement with Pacific Gas and Electric Company for emergency use of desalinated water.			
(6) FUNDING SOURCE(S) General Fund	(7) CURRENT YEAR FINANCIAL IMPACT \$1,000.00	(8) ANNUAL FINANCIAL IMPACT \$1,000.00	(9) BUDGETED? No
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" 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 N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY Date: October 14, 2014, Item 5	
(17) ADMINISTRATIVE OFFICE REVIEW Guy Savage			
(18) SUPERVISOR DISTRICT(S) All Districts			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Emergency Services / Ron Alsop  
781-5011

DATE: 5/19/2015

SUBJECT: Request to authorize and instruct the chairperson to sign a water sale agreement with Pacific Gas and Electric Company for emergency use of desalinated water. All Districts.

## **RECOMMENDATION**

It is recommended that the Board of Supervisors authorize and instruct the Chairperson to sign a Water Sale Agreement with Pacific Gas and Electric Company for emergency use of desalinated water.

## **DISCUSSION**

The Pacific Gas and Electric (PG&E) Company's Diablo Canyon Power Plant uses a reverse osmosis desalination facility to produce water for their onsite operations. The desalination facility has the capacity to produce more water than needed for such day-to-day onsite operational needs. The desalination facility can produce more than 450 gallons per minute and the system currently runs between 40% - 50% capacity.

During the Board of Supervisor's meeting of October 14, 2014 (Agenda item 5, related to the drought conditions presentation) the potential use of the Diablo Canyon water source for emergencies was discussed.

While initial discussion on the use of the Diablo Canyon desalination plant was prompted by a Drought Task Force sponsored tabletop drill that involved discussion on how water could be provided to the community of Cambria in an emergency, the most likely uses would involve replenishment for water used for general fire suppression or for public health or safety emergencies throughout the County. It could also be used to replenish a community water system that has failed in order to provide essential water for hygiene and standby fire protection storage water.

Since Diablo Canyon is not connected to any public water conveyance system, moving water is logistically challenging and will require water trucks. The County Fire Department has three 2500 gallon trucks available and has a means of ordering additional ones as needed from other agencies or private vendors.

Various ongoing discussions with PG&E have resulted in a proposed Water Sale Agreement being developed. The agreement is to make non-potable water available to the County or other governmental agencies acting on behalf of the County for public health and safety reasons.

While this agreement is between the County and PG&E, during a wildfire the State (CAL FIRE) or Federal wildland fire agencies (U.S. Forest Service or Bureau of Land Management) will establish a separate agreement with PG&E if they have a need for emergency water. Generally this is for replenishing water used from sources such as agriculture used for fire suppression. Water trucks could be used to obtain the water from Diablo Canyon and transport back to the locations where water was taken during a fire emergency. The water can also be temporarily stored in 20,000 gallon inflatable water bladders to be accessed for immediate fire suppression use. It would thus be provided directly to fire suppression forces such as fire engines or helicopters. Per the agreement, for any fire on PG&E property, PG&E will provide the water at no cost.

In addition to the above noted uses, the water could be used for urgent short falls elsewhere with the understanding it is non-potable water.

#### **OTHER AGENCY INVOLVEMENT/IMPACT**

Other agencies involved included CAL FIRE and discussion was held on this proposal during various County Drought Task Force meetings. County Counsel reviewed the agreement and approved it as to form and legal effect.

#### **FINANCIAL CONSIDERATIONS**

The initial rate the County shall pay PG&E is \$3.34 per 1,000 gallons (\$1,086 per acre foot) for the non-potable water. Starting January 1, 2016 and each year thereafter for the duration of the contract, the non-potable sale rate will be escalated at the rate of three (3%) percent each year.

There are no funds budgeted for the water purchase by any County department. Until and if the water is used it is difficult to even determine what amount would be needed or requested to be budgeted. As such, under authority of the drought Proclamation of Local Emergency, County OES is requesting that the agreement be approved with no budget adjustment with costs to be borne by County OES (Fund Center 138). With the above noted cost rate, each 100,000 gallons of water to be used will cost \$334. It is proposed that County OES pay the water costs through its existing budget. County OES will report in regular quarterly report updates or during regular drought updates to the Board if any costs are incurred. Should the costs become significant and have an impact on the OES budget that will need Board attention, a budget adjustment request may then need to be made from contingency or other funding sources.

For initial reference purposes we are noting a projected cost of \$1,000 for purposed of this agenda item.

#### **RESULTS**

Having this agreement in place will help ensure the Diablo Canyon water can immediately be obtained as needed and available. This in turn will directly benefit public health and safety. This also helps involved County departments with meeting the communitywide goal of a safe community.

#### **ATTACHMENTS**

1. Attachment 1 - Water Sale Agreement with PG&E