



CAMBRIA COMMUNITY SERVICES DISTRICT

I, Amanda Rice, President of the Cambria Community Services District Board of Directors, hereby call a Special Meeting of the Board of Directors pursuant to California Government Code Section 54956. The Special Meeting will be held: **Thursday, March 30, 2017, 10:00 AM, 1000 Main St. Cambria CA 93428**. The purpose of the Special Meeting is to discuss or transact the following business:

AGENDA

SPECIAL MEETING OF THE CAMBRIA COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS

**Thursday, March 30, 2017, 10:00 AM
1000 Main St. Cambria CA 93428**

Copies of the staff reports or other documentation relating to each item of business referred to on the agenda are on file in the Office of the District Clerk, available for public inspection during District business hours. If requested, the agenda and supporting documents shall be made available in alternative formats to persons with a disability. The District Clerk will answer any questions regarding the agenda.

1. OPENING

- A. Call to Order
- B. Pledge of Allegiance
- C. Establishment of Quorum

2. PUBLIC COMMENT ON AGENDA ITEMS

Members of the public wishing to address the Board on any item described in this Notice may do so when recognized by the Board President prior to Board consideration of each agenda item. Public Comment items on this agenda will be limited to three (3) minutes per person

3. REGULAR BUSINESS (Estimated time: 15 Minutes per item)

- A. DISCUSSION AND CONSIDERATION OF APPROVING LETTER OPPOSING PROPOSED FUNDING SOURCE FOR COUNTY GROUNDWATER SUSTAINABILITY AGENCY
- B. DISCUSSION AND CONSIDERATION OF APPOINTMENT OF AN AD HOC COMMITTEE TO DRAFT RESPONSES TO GRAND JURY REPORT ON THE RISK OF CATASTROPHIC FIRE IN CAMBRIA
- C. DISCUSSION AND CONSIDERATION OF ADOPTION OF RESOLUTION 13-2017 AUTHORIZING DESIGNATION OF APPLICANT'S AGENT TO BE FILED IN THE OFFICE OF EMERGENCY SERVICES (OES)

4. ADJOURN

CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

AGENDA NO. **3.A.**

FROM: Jerry Gruber, General Manager

Meeting Date: March 30, 2017

Subject: DISCUSSION AND CONSIDERATION OF APPROVING LETTER OPPOSING PROPOSED FUNDING SOURCE FOR COUNTY GROUNDWATER SUSTAINABILITY AGENCY

RECOMMENDATIONS:

Staff recommends that the Board of Directors discuss and consider approving the attached letter opposing the proposed funding source for San Luis Obispo County’s Groundwater Sustainability Agency.

FISCAL IMPACT:

There are no fiscal impacts associated with this item.

BACKGROUND:

On March 7, 2017 the San Luis Obispo County Board of Supervisors approved the County serving as the managing agency for the Groundwater Sustainability Agency. This would result in all San Luis Obispo County residents paying to manage the three affected groundwater basins through the use of the County’s general fund. The County will be revisiting the item at their April 4, 2017 meeting. The March 7, 2017 agenda materials for the matter are attached, as well as the minutes for the March 7, 2017 Board of Supervisors meeting.

Attachments: Board of Supervisors March 7, 2017 Agenda Materials for Item 18 - Receive an update on the implementation of the Sustainable Groundwater Management Act (SGMA) Strategy
Board of Supervisors Minutes of March 7, 2017
Letter to Board of Supervisors Opposing Proposed Funding Source

BOARD ACTION: Date _____ Approved: _____ Denied: _____

UNANIMOUS ___RICE ___SANDERS ___THOMPSON: ___BAHRINGER ___FARMER



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

(1) DEPARTMENT Public Works	(2) MEETING DATE 3/7/2017	(3) CONTACT/PHONE Carolyn K. Berg, Senior. Water Resources Engineer (805) 781-5536	
(4) SUBJECT Receive an update on the implementation of the Sustainable Groundwater Management Act (SGMA) Strategy. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board, acting as both the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District and for the County of San Luis Obispo, receive an update on the implementation of the Sustainable Groundwater Management Act (SGMA) Strategy adopted by the County and the San Luis Obispo County Flood Control and Water Conservation District (Flood Control District).			
(6) FUNDING SOURCE(S) Flood Control Water Conservation District (Fund 1300000000)	(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. 130 min)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's 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 11/1/2016, #21	
(17) ADMINISTRATIVE OFFICE REVIEW David E. Grim			
(18) SUPERVISOR DISTRICT(S) All Districts			

Reference: 17MAR07-BB-1



COUNTY OF SAN LUIS OBISPO

TO: Board of Supervisors

FROM: Public Works
Carolyn K. Berg, Senior Water Resources Engineer
Courtney Howard, Water Resources Division Manager

VIA: Mark Hutchinson, Deputy Director of Public Works
Wade Horton, Director of Public Works

DATE: 3/7/2017

SUBJECT: Receive an update on the implementation of the Sustainable Groundwater Management Act (SGMA) Strategy. All Districts.

RECOMMENDATION

It is recommended that the Board, acting as both the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District and for the County of San Luis Obispo, receive an update on the implementation of the Sustainable Groundwater Management Act (SGMA) Strategy adopted by the County and the San Luis Obispo County Flood Control and Water Conservation District (Flood Control District).

DISCUSSION

The Sustainable Groundwater Management Act (SGMA) took effect on January 1, 2015 and substantially changed California groundwater management. SGMA includes new financial and enforcement tools to carry out effective local sustainable groundwater management through formation of Groundwater Sustainability Agencies (GSAs), and development and implementation of Groundwater Sustainability Plans (GSPs) in high and medium priority basins.

The California Department of Water Resources (DWR) has identified six high and medium priority basins/subbasins located in whole or in part within the County:

Basin Name	State Designated Priorities and Conditions
San Luis Obispo Valley (Edna Valley)	Medium
Santa Maria Valley	High
Cuyama Valley	Medium, Condition of Critical Overdraft
Los Osos Valley	High, Condition of Critical Overdraft
Paso Robles	High, Condition of Critical Overdraft
Atascadero	Under assessment by DWR ¹

GSAs must be established in each basin no later than the deadline, June 30, 2017, or else any uncovered areas will be subject to mandatory extraction reporting (including payment of the accompanying fees) to the State and the whole basin will be at risk for additional forms of State intervention, in addition to the local SGMA efforts and costs represented in this update.

Staff and partner entities in each basin continue to work diligently to define governance and financial strategies, and to finalize GSA Agreements for consideration by each entity's decision making body by June 30, 2017. One key challenge in each basin is how to fund GSA operational/institutional elements and GSP development over the next three to five years.

The intent of this report is to provide a focused update on financial planning for SGMA implementation in response to the work efforts of the various GSA working groups. Partner entities in each basin are seeking to fully understand the County's approach to the financial aspects of SGMA implementation. In addition, today's discussion will assist staff to adequately address SGMA in the Fiscal Year 2017-2018 budget.

Implementation of the County/District SGMA Strategy

Eligible local agencies (e.g. counties, cities, special districts) may form a GSA or GSAs under a joint powers agreement, a memorandum of agreement, or other legal agreement. Mutual water companies and water corporations regulated by the Public Utilities Commission are also eligible to participate on GSA(s). Once formed, each GSA may exercise the authorities set forth in SGMA. Of course, this is contingent on GSAs having funding to conduct necessary efforts to comply with SGMA and operate the newly formed groundwater management program.

On November 1, 2016, the County Board revised the SGMA Strategy to provide staff with policy direction regarding the County's preferences for participation in and collaborative development of GSA Agreements with partner agencies (attached). The adopted policy supports funding by the affected landowners and/or groundwater extractors and provides that if a long-term funding mechanism for

¹ In October 2016, DWR approved a modified basin boundary to create a new subbasin of the Salinas Valley Groundwater Basin, referred as Bulletin 118 Basin No. 3-004.11 Atascadero Area Subbasin. Consistent with Water Code Section 10722.4(c), DWR will reassess statewide basin prioritization in early 2017. Pending the re-prioritization, the number of basins subject to SGMA in San Luis Obispo County could change.

County SGMA costs is not approved by the affected landowners and/or groundwater extractors, the County would no longer be a GSA or GSA member. In addition, on November 1, 2016, the Flood Control District Budget Policy set forth that the Flood Control District may contribute funding (contingent on availability of funds) toward the County's contributions to GSA startup funding (to be reimbursed), initial funding proceedings (e.g. Prop 218 proceeding), and/or specific technical studies.

There is no "one size fits all" for GSAs, given the variety of eligible entities in each basin and complexities specific to each basin. While the GSA formation agreement type varies basin-to-basin, there are two general categories of basins as it relates to financial strategies: multi-agency and sole-agency participation in SGMA compliance. The Cuyama, San Luis Obispo (Edna), Paso Robles, and Atascadero Basins/Subbasins are all multi-agency efforts. In contrast, the County is the sole agency eligible to act as the GSA in the Los Osos Valley Basin "fringe areas" (areas outside of the exempt adjudicated area), and to-date is the sole agency active in the San Luis Obispo County portion of the Santa Maria "fringe areas" (areas outside of the exempt adjudicated area). Staff and partner entities have been developing financial strategies to cover both GSA startup operation and initial funding proceedings, and ongoing GSA operation and GSP development costs.

The attached tables summarize each of the six basins' current draft budgets², anticipated contributions by the Flood Control District, and cost sharing under two scenarios over the next six years. The first scenario illustrates the estimated cost sharing if there is cost sharing between partners in the unincorporated areas. For comparative purposes, the second scenario depicts estimated cost sharing if there is no partner cost sharing in the unincorporated area.

Staff anticipates returning to the Board to conduct public hearings for individual basin GSA formation processes on April 4 and May 2, 2017. This will allow GSAs to be established in each basin no later than the deadline, June 30, 2017.

OTHER AGENCY INVOLVEMENT/IMPACT

Implementation of SGMA will involve all local public agencies, various water companies, and landowners concerned with the management of groundwater in San Luis Obispo County. Although SGMA specifies that local public agencies, mutual water companies and water corporations regulated by the Public Utilities Commission are the eligible GSA participants, stakeholder outreach requirements, coordination requirements, and the practical realities of preparing a GSP, require the involvement of the entire community. The attachment shows the current governance structures being developed and entities currently working together in each basin/subbasin.

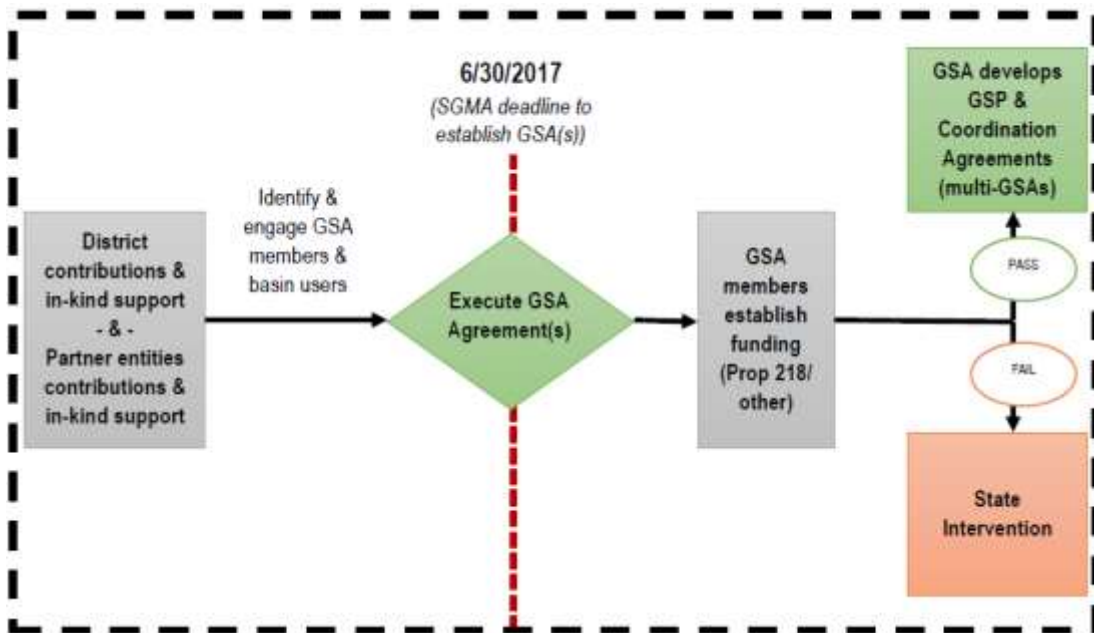
² The budgets are subject to change as partner entities refine basin budgets.

In addition to local efforts, DWR acts as the agency in charge of developing regulations, reviewing GSAs and GSPs, and providing technical assistance to local agencies. The State Water Resources Control Board acts as the agency in charge of enforcement, in situations of non-compliance specified in SGMA.

FINANCIAL CONSIDERATIONS

The support costs associated with GSA formation efforts in the six priority basins are included in the District’s Flood Control General FY 2016-2017 budget. Efforts may include the following: develop an outreach plan and engage basin users; develop governance structure, funding plan and GSA agreement(s); and conduct process for eligible entities to consider executing GSA agreement(s)/establish GSA(s).

Based on the Board’s adopted strategy, the following depicts the strategy’s near-term approach and anticipated sources of funding and resources:



The attached tables summarize each of the six basins’ current draft budgets³, anticipated contributions by the Flood Control District, and cost sharing under two scenarios over the next six years. The first scenario illustrates the estimated cost shares if there is cost sharing between partners in the unincorporated areas. In this scenario, the cost share for the areas not otherwise covered by another partner is estimated to be \$6,116,757. For comparative purposes, the second scenario depicts estimated costs if there is no partner cost sharing in the unincorporated area. In this scenario, the cost share for all unincorporated areas is estimated to be \$8,603,118.

³ The budgets are subject to change as partner entities refine basin budgets.

It is important to note that the attached cost estimates are rough estimates. Each basin's actual costs will vary depending on the "gap" between the current basin condition and sustainability as defined in SGMA, the number of partner agencies and/or GSAs involved, the complexity of the basin's GSP, the number of projects identified in the GSP, etc.

It is also important to recognize the indirect benefit of various Flood Control District work programs in support of successful SGMA implementation by the GSAs over time; including grant eligibility coverage through the Integrated Regional Water Management program; availability of long-term hydrologic data; technical groundwater and watershed planning support and staffing to serve as a liaison between GSA efforts and County efforts to facilitate coordination with land use and well permitting activities as required by SGMA.

Should a basin be subject to State intervention, the County would be subject to State intervention fees only in those areas that the County pumps groundwater (e.g. CSA 16 Shandon, CSA 23 Santa Margarita). The costs of State intervention are unknown at this time, and will be established under a State fee structure.

RESULTS

The SGMA Strategy provides a foundation for all actions and activities necessary to comply with SGMA, provides other agencies and the public with a clear statement regarding the Board's intentions for its level of involvement, coordination and financial support of SGMA, and provides direction to County staff, thereby contributing to a well governed community.

ATTACHMENTS

1. Vicinity Maps
2. Attachment A: SGMA Financial Considerations
3. Attachment B: SGMA Strategy
4. Attachment C: SGMA Draft Governance Model by Basin

File: CF 340.300.01 SGMA

Reference: 17MAR07-BB-1

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ATTACHMENT A

TABLE 1A: Summary of Costs Across "White Areas" of Unincorporated Parts of Basins

Revised on 2/24/2017

This table summarizes the calculations from the following Table 1B and provides basin-by-basin estimates of the distribution of costs to develop and begin implementation of GSPs in the "white areas". "White areas" is a map reference to areas not within an existing or proposed water management entity other than the County itself. The left side of the table summarizes total costs for the GSP Development Phase (first 3 - 5 years), the right side shows the same costs on an annualized basis.

"WHITE AREAS" OF UNINCORPORATED AREA SGMA FUNDING SCENARIO

Annualized Cost in "White Areas" of Unincorporated Parts of Basin
GSP Development Phase Transition to Implementation

BASIN	GSP Development Phase Cost (1),(2)	Flood Control District Funding	Funding Provided by Other Entities ⁽²⁾	Cost to "White Areas" of Unincorporated Parts of Basin	GSP Development Phase			Transition to Implementation		FY 2022 and beyond
					FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022	
Cuyama Basin	3,217,615	1,090,000	1,914,854	212,762	70,921	70,921	70,921	100,000	100,000	100,000
Los Osos Basin	3,217,615	840,000	0	2,377,615	792,538	792,538	792,538	250,000	250,000	250,000
Paso Robles Basin	2,245,000	1,040,000	819,400	385,600	128,533	128,533	128,533	320,000	320,000	320,000
SLO Basin	3,217,615	900,000	1,506,450	811,165	162,233	162,233	162,233	162,233	162,233	350,000
Santa Maria Basin	3,217,615	900,000	0	2,317,615	463,523	463,523	463,523	463,523	463,523	250,000
Atascadero Basin	1,215,000	615,000	588,000	12,000	2,400	2,400	2,400	2,400	2,400	5,000
Totals	\$16,330,460	\$5,385,000	\$4,828,703	\$6,116,757	\$1,620,148	\$1,620,148	\$1,620,148	\$1,298,156	\$1,298,156	\$1,275,000

(1) Estimates for Paso, Atascadero, and SLO have been refined by working groups. SLO refinements have been applied to Los Osos, Santa Maria and Cuyama.

(2) Estimates do not include partner agencies in-kind services. Costs would increase if partner agencies reduce contribution, and/or if number of anticipated partner agencies decreases.

ATTACHMENT A

TABLE 1B: Detailed Costs Across "White Areas" of Unincorporated Parts of Basins

Revised on 2/24/2017

Table Description

This table describes cost sharing under the County's SGMA Strategy and based on current negotiations with partner entities. The table focuses on the GSP development phase cost estimates, and contributions provided to cover these costs. Contributions include support costs by the Flood Control District, contributions by other partner entities, and negotiated cost sharing by basin users in the unincorporated areas not already represented by another entity ("white areas"). The table also shows conceptual cost estimates for ongoing GSA administration/operation and GSP implementation over the 20-year implementation phase. These costs have been annualized to facilitate discussion.

It is important to note that the draft budgets for each basin are subject to change as staff and partner entities continue to refine and develop basin budgets for GSA operation, GSP development, and GSP implementation. However, these values reflect the latest draft budgets and potential cost sharing, provided for update purposes.

	Cost Share of Total Remaining Costs									
	GSP Development Phase Cost ^{2,3}	FCD Direct Contribution ⁴	Remaining GSP Development Phase Cost	GSP Development Phase (3 - 5 Yrs)				GSP Implementation Phase (20 Yrs)		
				Cost Share of Other Entities ⁵	Estimated Funding Provided by Other Entities ⁵	Cost Share of Unincorporated Areas not Covered by Other Entities ("White Areas") ⁵	Estimated Funding Provided in "White Areas"	Annual Cost after GSP Adoption ⁷	Estimated Funding Provided by Other Entities ⁵	Estimated Annual Funding Provided in "White Areas"
Cuyama Basin	\$3,217,615	\$1,090,000	\$2,127,615	90%	\$1,914,854	10%	\$212,762	\$1,000,000	\$900,000	\$100,000
Los Osos Basin ¹	\$3,217,615	\$840,000	\$2,377,615	0%	\$0	100%	\$2,377,615	\$250,000	\$0	\$250,000
Paso Basin	\$2,245,000	\$1,040,000	\$1,205,000	68%	\$819,400	32%	\$385,600	\$1,000,000	\$680,000	\$320,000
SLO Basin	\$3,217,615	\$900,000	\$2,317,615	65%	\$1,506,450	35%	\$811,165	\$1,000,000	\$650,000	\$350,000
Santa Maria Basin ¹	\$3,217,615	\$900,000	\$2,317,615	0%	\$0	100%	\$2,317,615	\$250,000	\$0	\$250,000
Atascadero Basin	\$1,215,000	\$615,000	\$600,000	98%	\$588,000	2%	\$12,000	\$250,000	\$245,000	\$5,000
Totals	\$16,330,460	\$5,385,000	\$10,945,460		\$4,828,703		\$6,116,757	\$3,750,000	\$2,475,000	\$1,275,000

	Annualized Costs for "White Areas" of Unincorporated Areas GSP Development & Implementation Phases					Ongoing Annual Cost for 20 Year Implementation
	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022	
Cuyama Basin	\$70,921	\$70,921	\$70,921	\$100,000	\$100,000	\$100,000
Los Osos Basin ¹	\$792,538	\$792,538	\$792,538	\$250,000	\$250,000	\$250,000
Paso Basin	\$128,533	\$128,533	\$128,533	\$320,000	\$320,000	\$320,000
SLO Basin	\$162,233	\$162,233	\$162,233	\$162,233	\$162,233	\$350,000
Santa Maria Basin ¹	\$463,523	\$463,523	\$463,523	\$463,523	\$463,523	\$250,000
Atascadero Basin	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$5,000
Totals	\$1,620,148	\$1,620,148	\$1,620,148	\$1,298,156	\$1,298,156	\$1,275,000

- NOTES**
- 1 Assume boundary change requests denied, GSPs required
 - 2 Estimates for Paso Basin, Atascadero and SLO Basins have been refined by working groups; assume SLO Basin refined estimate for Los Osos, Santa Maria and Cuyama Basin
 - 3 Estimates do not include partner agencies in-kind services. Costs would increase if partner agencies reduce contribution, and/or if number of anticipated partner agencies decreases.
 - 4 Use of FCD budget and reserves for in-kind staff, and specific SGMA technical and start-up efforts; does not include FY 16/17 & prior contributions
 - 5 Other eligible entities could include: other counties, special districts, cities, etc.; Draft allocations are pumping based; under negotiation
 - 6 Anticipated share based on various factors including pumping estimates; subject to negotiation
 - 7 Annual costs for implementation of the GSPs over 20 years are highly speculative; assumed higher annual cost for stressed or larger basins; does not include infrastructure projects

ATTACHMENT A

TABLE 2A: Summary of Costs Across All Unincorporated Areas

Revised on 2/24/2017

This table summarizes the calculations from the following Table 2B and provides basin-by-basin estimates of the distribution of costs to develop and begin implementation of GSPs across all unincorporated areas of a basin. The left side of the table summarizes total costs for the GSP Development Phase (first 3 - 5 years), the right side shows the same costs on an annualized basis.

ALL UNINCORPORATED AREA SGMA FUNDING SCENARIO

Annualized Cost in All Unincorporated Areas

GSP Development Phase

Transition to Implementation

BASIN	GSP Development Phase Cost ^{(1),(2)}	Flood Control District Funding	Funding Provided by Other Entities ⁽²⁾	Cost to All Unincorporated Areas	Annualized Cost in All Unincorporated Areas					
					GSP Development Phase			Transition to Implementation		
					FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022 and beyond
Cuyama Basin	3,217,615	1,090,000	1,595,711	531,904	177,301	177,301	177,301	250,000	250,000	250,000
Los Osos Basin	3,217,615	840,000	0	2,377,615	792,538	792,538	792,538	250,000	250,000	250,000
Paso Robles Basin	2,245,000	1,040,000	180,750	1,024,250	341,417	341,417	341,417	850,000	850,000	850,000
SLO Basin	3,217,615	900,000	115,881	2,201,734	440,347	440,347	440,347	440,347	440,347	950,000
Santa Maria Basin	3,217,615	900,000	0	2,317,615	463,523	463,523	463,523	463,523	463,523	250,000
Atascadero Basin	1,215,000	615,000	450,000	150,000	30,000	30,000	30,000	30,000	30,000	62,500
Totals	\$16,330,460	\$5,385,000	\$2,342,342	\$8,603,118	\$2,245,126	\$2,245,126	\$2,245,126	\$2,283,870	\$2,283,870	\$2,612,500

(1) Estimates for Paso, Atascadero, and SLO have been refined by working groups. SLO refinements have been applied to Los Osos, Santa Maria and Cuyama.

(2) Estimates do not include partner agencies in-kind services. Costs would increase if partner agencies reduce contribution, and/or if number of anticipated partner agencies decreases.

ATTACHMENT A

TABLE 2B: Detailed Costs Across All Unincorporated Areas

Revised on 2/24/2017

Table Description

The table summarizes cost sharing between incorporated and unincorporated areas in each basin. The table focuses on the GSP development phase cost estimates. Contributions include support costs by the Flood Control District, Cities, and the unincorporated area. The table also shows conceptual cost estimates for ongoing GSA administration/operation and GSP implementation over the 20-year implementation phase. These costs have been annualized to facilitate discussion.

It is important to note that the draft budgets for each basin are subject to change as staff and partner entities continue to refine and develop basin budgets for GSA operation, GSP development, and GSP implementation. However, these values reflect the latest draft budgets and potential cost sharing, provided for update purposes.

	Cost Share of Total Remaining Costs									
				GSP Development Phase (3 - 5 Yrs)				GSP Implementation Phase (20 Yrs)		
	GSP Development Phase Cost ^{2, 3}	FCD Direct Contribution to GSA Startup ⁴	Remaining GSP Development Phase Cost	Cost Share of Incorporated Entities ⁵	Estimated Funding Provided by Incorporated Entities ⁵	Cost Share of Unincorporated Areas ⁵	Estimated Funding Provided in All Unincorporated Areas	Annual Cost after GSP Adoption ⁷	Estimated Funding Provided by Incorporated Entities ⁵	Estimated Funding Provided in All Unincorporated Areas
Cuyama Basin	\$3,217,615	\$1,090,000	\$2,127,615	75%	\$1,595,711	25%	\$531,904	\$1,000,000	\$750,000	\$250,000
Los Osos Basin ¹	\$3,217,615	\$840,000	\$2,377,615	0%	\$0	100%	\$2,377,615	\$250,000	\$0	\$250,000
Paso Basin	\$2,245,000	\$1,040,000	\$1,205,000	15%	\$180,750	85%	\$1,024,250	\$1,000,000	\$150,000	\$850,000
SLO Basin	\$3,217,615	\$900,000	\$2,317,615	5%	\$115,881	95%	\$2,201,734	\$1,000,000	\$50,000	\$950,000
Santa Maria Basin ¹	\$3,217,615	\$900,000	\$2,317,615	0%	\$0	100%	\$2,317,615	\$250,000	\$0	\$250,000
Atascadero Basin	\$1,215,000	\$615,000	\$600,000	75%	\$450,000	25%	\$150,000	\$250,000	\$187,500	\$62,500
Total	\$16,330,460	\$5,385,000	\$10,945,460		\$2,342,342		\$8,603,118	\$3,750,000	\$1,137,500	\$2,612,500

	Annualized Costs for All Unincorporated Areas GSP Development & Implementation Phases					
	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022	Ongoing Annual Cost for 20 Year Implementation
Cuyama Basin	\$177,301	\$177,301	\$177,301	\$250,000	\$250,000	\$250,000
Los Osos Basin ¹	\$792,538	\$792,538	\$792,538	\$250,000	\$250,000	\$250,000
Paso Basin	\$341,417	\$341,417	\$341,417	\$850,000	\$850,000	\$850,000
SLO Basin	\$440,347	\$440,347	\$440,347	\$440,347	\$440,347	\$950,000
Santa Maria Basin ¹	\$463,523	\$463,523	\$463,523	\$463,523	\$463,523	\$250,000
Atascadero Basin	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$62,500
Total	\$2,245,126	\$2,245,126	\$2,245,126	\$2,283,870	\$2,283,870	\$2,612,500

NOTES

- 1 Assume boundary change requests denied, GSPs required
- 2 Estimates for Paso Basin, Atascadero and SLO Basins have been refined by working groups; assume SLO Basin refined estimate for Los Osos, Santa Maria and Cuyama Basins
- 3 Estimates do not include partner agencies in-kind services. Costs would increase if partner agencies reduce contribution, and/or if number of anticipated partner agencies decreases.
- 4 Use of FCD budget and reserves for in-kind staff, and specific SGMA technical and start-up efforts; does not include FY 16/17 & prior contributions
- 5 Incorporated entities would include cities, while unincorporated entities could include: other counties, special districts, etc.; Draft allocations are pumping based; under negotiation.
- 6 Anticipated share based on various factors including pumping estimates; subject to negotiation
- 7 Annual costs for implementation of the GSPs over 20 years are highly speculative; assumed higher annual cost for stressed or larger basins; does not include infrastructure projects

Sustainable Groundwater Management Act (SGMA) Strategy

San Luis Obispo County Department of Public Works

Adopted January 13, 2015

Revised May 24, 2016

Addendum No. 1 Adopted November 1, 2016

Contents:

- A. Introduction**
- B. Overarching Strategy**
- C. Action Steps**
 - 1. Groundwater Sustainability Agencies
 - 2. Organizational Agreements
 - 3. Groundwater Sustainability Plans
 - 4. Stakeholder Involvement
- D. Schedule**
- E. Priorities**
- F. Fiscal Implications**
- G. Staffing**
- H. Addenda to SGMA Strategy**
 - 1. Addendum No. 1: County Participation Preferences for GSA Agreements

Appendices

- 1. Affected Areas and Agency Descriptions**
 - a. Cuyama Groundwater Basin
 - b. Santa Maria Groundwater Basin
 - c. San Luis Groundwater Basin
 - d. Los Osos Groundwater Basin
 - e. Paso Robles Groundwater Basin
- 2. Maps**
 - a. Countywide Groundwater Basins
 - b. Five High and Medium Priority Basins
 - c. Cuyama Groundwater Basin
 - d. Santa Maria Groundwater Basin
 - e. San Luis Groundwater Basin
 - f. Los Osos Groundwater Basin
 - g. Paso Robles Groundwater Basin
- 3. SGMA Background Information**
 - a. Association of California Water Agencies SGMA Materials:
 - i. Summary
 - ii. Fact Sheet
 - iii. Frequently Asked Questions
 - iv. Implementation Deadlines
 - v. Time Line

A. Introduction

California Senate Bills 1168 and 1319, and Assembly Bill 1739, signed by the Governor in September 2014, together comprise the “Sustainable Groundwater Management Act” (SGMA)¹. SGMA is ground breaking in that it requires local agencies to manage groundwater “...in a manner that can be maintained during the planning and implementation horizon without causing undesirable results”². SGMA, which took effect on January 1, 2015, provides for the preparation and implementation of Groundwater Sustainability Plans for all water basins in the State³, with High and Medium priority basins placed on a statutory schedule for identification of a Groundwater Sustainability Agency/Agencies (GSA), development of a Groundwater Sustainability Plan/Plans (GSP), and achieving sustainability. Based on the 2014 Final Basin Prioritization by the State Department of Water Resources (DWR), there are five⁴ high and medium priority groundwater basins mapped in San Luis Obispo County:

1. Paso Robles (High)
2. Santa Maria (High)
3. Los Osos (High)
4. San Luis (Edna) Valley (Medium)
5. Cuyama Valley (Medium)

B. Overarching Strategy

SGMA establishes the GSA process whereby local public agencies may organize themselves for the purpose of achieving sustainable groundwater management for the benefit of the community in and for the long term. Therefore, the overarching strategy is to:

Establish community focused GSA’s based on cooperative interagency and stakeholder relationships in order to comply with Sustainable Groundwater Management Act requirements.

C. Action Steps

¹ Various amendments to SGMA became effective January 1, 2016 (e.g. revisions to Water Code Sections 10723.6(b).

² CA Water Code Section 10721(u)

³ Groundwater basins and basin boundaries are defined by the State Department of Water Resources in Bulletin 118

⁴ In October 2016, DWR approved a modified basin boundary to create a new subbasin of the Salinas Valley Groundwater Basin, referred as Bulletin 118 Basin No. 3-004.11 Atascadero Area Subbasin. Consistent with Water Code Section 10722.4(c), DWR will reassess statewide basin prioritization in early 2017. Pending the re-prioritization, the number of basins subject to SGMA in San Luis Obispo County could change.

1. Groundwater Sustainability Agencies

SB1168 (Pavely) and AB1739 (Dickinson) both include: *“The Legislature finds and declares as follows: (6) Groundwater resources are most effectively managed at the local or regional level.”* To further this finding, SGMA requires the establishment of “Groundwater Sustainability Agencies” (GSAs), which are defined as *“...one or more local agencies that implement the provisions of this part [SGMA].”*⁵ Agencies eligible under SGMA to be or join a GSA include *“a local public agency that has water supply, water management, or land use responsibilities within a groundwater basin.”*⁶ In addition, a *“water corporation regulated by the Public Utilities Commission may participate in a groundwater sustainability agency if the local agencies approve.”*⁷

Although SGMA allows individual agencies to act as the GSA for the part of a basin that underlies that agency’s jurisdiction, and provides for multiple GSAs within a single basin, it is clear that the statute intends for local agencies to work cooperatively to satisfy SGMA requirements. This includes making the most efficient use of resources, including staff, consultants, and funding. It is also preferable for multiple agencies to form a limited number of GSAs so that stakeholders (the public, other agencies, private water purveyors) can effectively participate in all phases of the development and implementation of groundwater sustainability plans that affect their interests.

Therefore, this strategy focuses first and foremost on building GSAs with willing and eligible partner agencies, as defined in SGMA, as the first and key step. GSAs should be organized with the understanding that all other actions required under SGMA will be accomplished either through the GSA or as a result of the groundwater sustainability plan prepared by the GSA.

Further, it is recognized that there is no “one size fits all” for GSAs that will be formed to address groundwater management in San Luis Obispo County. As the interests of each agency and the community served and/or represented by each agency will differ among basins, it is expected that each GSA may have its own unique structure as necessary to accomplish the requirements of SGMA.

5 CA Water Code section 10721(j) [part]

6 CA Water Code section 10721(m)

7 CA Water code section 10723.6(b). Per revisions to SGMA (effective January 1, 2016), Water Code Section 10723.6(b) has been revised as follows: *“A water corporation regulated by the Public Utilities Commission or a mutual water company may participate in a [GSA] through a memorandum of agreement or other legal agreement. The authority provided by this subdivision does not confer any additional powers to a nongovernmental entity.”*

2. Organizational Agreements

In San Luis Obispo County, *“any local agency or combination of local agencies overlying a groundwater basin may elect to be a groundwater sustainability agency for that basin.”*⁸ Pursuant to section 10723.6 of the CA Water Code, a combination of local agencies may form a groundwater sustainability agency by using any of the following methods:

- (1) A joint powers agreement.
- (2) A memorandum of agreement or other legal agreement.

Numerous potential issues will likely arise as local agencies negotiate the details of Joint Powers Agreements/Joint Powers Authorities (JPAs) or Memorandums of Agreement (MOAs). One difficulty in formulating these agreements will be that the end result, implementation of the groundwater sustainability plan, will be unknown in as much as the plans will not yet be written.

Therefore, this strategy will focus first on establishing agreements that are initially intended to further the development and approval of the groundwater sustainability plans. Any such agreements will acknowledge the potential need to amend or replace the agreement once the details of the groundwater sustainability plans are known. The resultant management requirements of the groundwater sustainability plan will then form the basis for the interagency agreement that guides the actions of the GSA. The initial agreements must also conform to the regulations promulgated under SGMA by DWR, once they are adopted.

3. Groundwater Sustainability Plans

This strategy acknowledges that each GSA in San Luis Obispo County may have a unique structure, defined by the needs and interests of each participating agency and the community served and/or represented by each agency. Likewise, each Groundwater Sustainability Plan (GSP) will be defined by the conditions present in each groundwater basin, along with the benefits provided by that water.

Therefore, this strategy acknowledges that there is no “one size fits all” for GSPs that will be developed to manage individual groundwater basins in San Luis Obispo County. As the needs of each groundwater basin and the community dependent on groundwater will differ among basins, it is expected that each GSP may have its own unique approach as necessary to accomplish the requirements of SGMA.

⁸ CA Water Code section 10723(a)

4. Stakeholder Involvement

Section 10723.2 of the California Water Code requires that *“The groundwater sustainability agency shall consider the interests of all beneficial uses and users of groundwater, as well as those responsible for implementing groundwater sustainability plans. These interests include, but are not limited to, all of the following:*

- a) *Holders of overlying groundwater rights, including:*
 - 1) *Agricultural users.*
 - 2) *Domestic well owners.*
- b) *Municipal well operators.*
- c) *Public water systems.*
- d) *Local land use planning agencies.*
- e) *Environmental users of groundwater.*
- f) *Surface water users, if there is a hydrologic connection between surface and groundwater bodies.*
- g) *The federal government, including, but not limited to, the military and managers of federal lands.*
- h) *California Native American tribes.*
- i) *Disadvantaged communities, including, but not limited to, those served by private domestic wells or small community water systems.*
- j) *Entities listed in [CA Water Code] Section 10927 that are monitoring and reporting groundwater elevations in all or a part of a groundwater basin managed by the groundwater sustainability agency.”*

Therefore, this strategy includes the maximum feasible outreach to all potentially affected stakeholders.

D. Schedule

SGMA includes a detailed schedule for both information, guidelines, and regulations to be promulgated by the State as well as deadlines for actions by local agencies. Both a Time Line and an Implementation Deadlines Table are included in the appendices. Key dates applicable to this strategy include:

When	Who	What
January 1, 2016	CA Department of Water Resources	Adopt regulations for basin boundary adjustments
June 1, 2016	CA Department of Water Resources	Adopt regulations for evaluating GSPs and GSA agreements
January 1, 2017	CA Department of Water Resources	Publish groundwater sustainability best management practices
June 30, 2017	Local agencies in Medium & High Priority Basins	Establish GSAs
January 31, 2020	GSAs in medium- and high-priority basins in critical overdraft	Adopt GSPs and begin managing basins under GSPs
January 31, 2022	GSAs in other medium- and high- priority basins	Adopt GSPs and begin managing basins under GSPs
January 31, 2040	GSAs in medium- and high-priority basins in critical overdraft	Achieve groundwater sustainability goals
January 31, 2042	GSAs in other medium- and high- priority basins	Achieve groundwater sustainability goals

E. Priorities

SGMA requires that the organization of GSAs, development and implementation of GSPs, and achievement of sustainability, all occur on a defined time line. There are currently five⁹ groundwater basins in San Luis Obispo County that are subject to the prescribed timelines, either all or in part (High = Paso, Los Osos, Santa Maria, Medium = San Luis, Cuyama).

At the same time, there are 17 other designated groundwater basins in the County that, because they are designated as either “low” or “very low” priority by the State, are not mandated to comply with the prescribed timelines. However, SGMA provides that development of GSAs and GSPs is optional for these basins. Among the “low” priority basins are those serving Cambria (Santa Rosa Valley, San Simeon Valley), and Morro Bay (Chorro Valley, Morro Valley). These and other similarly situated agencies may request other agencies’, including the County and the San Luis Obispo County Flood Control and Water Conservation District, to participate in a voluntary SGMA process. Given the issues and time lines already presented by the current high and medium priority basins, full attention to these potential requests will present challenges to both fiscal and staff resources.

Therefore, this strategy provides that those basins designated by the State as high and medium priority will receive first priority for the resources necessary to meet the statutory deadlines. Additional capacity will be invested in additional groundwater basins as it is available.

⁹ See Footnote 4.

F. Fiscal Implications

Existing fiscal resources, primarily that of the San Luis Obispo County Flood Control and Water Conservation District general fund, are likely sufficient to initiate agency and stakeholder outreach necessary to form the initial GSA's. Costs associated with fully developing the information necessary to prepare a GSP will depend on the level of involvement of the GSA partner agencies, the amount of information already available in a particular groundwater basin, and the level of investment required to reach stakeholder agreement.

Therefore, this strategy applies a pay-as-you go approach focused on developing GSAs as described above. Once sufficient information is developed to accurately estimate the costs of finalizing GSA agreements, cost sharing agreements with the other GSA members will be sought. At the same time, it is anticipated that grant opportunities will be offered by the State, pursuant to the recently voter approved *Water Quality, Supply, and Infrastructure Improvement Act of 2014* (Proposition 1). This strategy includes seeking the maximum feasible funding through grant applications, and intends that sufficient FCWCD general funds be reserved to provide any necessary local match attributable to Flood Control Agency participation.

G. Staffing

Analysis of existing Public Works staffing resources shows a deficit when compared to existing and future water resource management needs. Public Works will present an organizational and funding plan for the Board of Supervisors, designed to establish adequate staffing levels within an appropriate organizational framework. These issues will be considered within the context of the Board's existing strategic planning and budgeting framework, and are therefore not a part of this SGMA strategy.

H. Addenda to SGMA Strategy

The following table includes a list of adopted addenda to the SGMA Strategy:

No.	Title	Date Adopted
1	County Participation Preferences for GSA Agreements	11/1/2016

Copies of each addendum are attached to this document, upon adoption.

Addendum No. 1 to SGMA Strategy: County Participation Preferences for GSA Agreements

The following Addendum No. 1 was adopted by the Board of Supervisors of the County of San Luis Obispo on November 1, 2016. This Addendum No. 1 supplements the County's adopted SGMA Strategy, but does not supersede it.

Purpose of Addendum No. 1:

The purpose of this addendum is to set forth policy statements that provide partner entities and basin users with a better understanding of the County's intent regarding SGMA implementation, and allow County staff to more effectively represent County interests in the collaborative development of Groundwater Sustainability Agency (GSA) agreements for future consideration by the Board. The following policy statements are laid out individually, but are intended to be read comprehensively in order to understand the terms under which the County would support participating on any GSA.

Policy Statement 1. Interests Potentially Represented by County on GSAs.

The County supports participating on a GSA in a basin in order to represent one or more of the following key roles and/or authorities:

- **Interest 1:** Representation of County Service Area(s),
- **Interest 2:** Representation of otherwise unrepresented beneficial uses/ users of groundwater (e.g. rural domestic, agricultural, environmental, etc. as defined by SGMA),
- **Interest 3:** Land use authority,
- **Interest 4:** Well construction permitting authority, and/or
- **Interest 5:** Integration and alignment of the County's discrete management actions (e.g. groundwater export ordinance) to the GSA's basin-wide, comprehensive management actions.

Policy Statement 2. County Preferences on Legal Agreement Type.

The County supports the agreement type that makes the best sense for a particular GSA, while protecting the County and interest(s) represented by the County to the greatest extent possible under the circumstances in the basin.

- The County recognizes that the GSA agreement type selected will be driven by basin-specific needs and entity negotiations.
- Both Memoranda of Agreement (MOA) and Joint Powers Agreements (JPA) offer certain benefits and challenges.

Policy Statement 3. County Preferences on Key Elements of GSA Agreements.

The County supports governance and finance strategies that are fair, equitable, and acceptable to potential partner entities and affected basin users, recognizing that "no one size fits all" and that agreement elements may vary with each basin.

**Addendum No. 1 to SGMA Strategy:
County Participation Preferences for GSA Agreements**

Policy Statement 3a. Financial Strategies

The County, either as a partner on a GSA or on its own, supports pursuing a funding mechanism (subject to all applicable Constitutional and other legal requirements) supported by and funded by the affected landowners and/or extractors. Should long-term funding mechanisms for County SGMA costs not be approved by the affected landowners and /or extractors, the County would no longer be a GSA or GSA member.

- The County acknowledges that basin users, as those subject to SGMA, should pay their fair share of SGMA compliance. The County supports evaluating and considering land use and/or pumping (to the extent known and/or that it can be estimated) to determine fair financial strategies, while minimizing costs to de minimis (domestic) extractors,¹ consistent with SGMA's treatment of said users.
- The County acknowledges that it may be challenging for GSAs to identify startup and ongoing funding sources. As such, the County advocates that GSAs pursue grants and other funding sources to the greatest extent feasible to offset local costs.
- Depending on the results of the November 1, 2016 Flood Control District Board's Budget Policy discussion, the County may pursue a loan from the Flood Control District to provide interim funding for GSA startup costs through 2018/19. It is intended that this funding would be reimbursed upon a successful Prop 218 proceeding, and/or identification of another funding source.
- Depending on the results of the November 1, 2016 Flood Control District Board's Budget Policy discussion, the Flood Control District may contribute funding towards initial funding proceedings and/or specific technical studies. If approved by the Flood Control District Board, the County supports negotiating use of that funding as a credit against any County cost share in GSA efforts.
- The County supports including agreement terms to allow member entity withdrawal and/or GSA termination, should the GSA be unsuccessful in identifying ongoing funding sources and/or in securing independent funding through a Prop 218 proceeding.

Policy Statement 3b. Membership and Participation on Governing Boards

The County supports 1) fair and equitable representation in decision making processes of GSAs that include participation by the County and/or an alternative, stakeholder-driven eligible entity, and 2) adequate consultation between any GSA efforts and related County authorities and/or planning/ management efforts.

- To the extent that eligible entities and basin users are supportive of the County's involvement in SGMA implementation, the County would intend to join a GSA to represent any and all of the interests identified in Policy Statement 1 (above) in a manner consistent with other Policy Statements.
- The County acknowledges that landowners and/or registered voters may prefer to form an eligible entity to ensure their representation on a GSA. The County supports landowner- and registered-voter-driven eligible entity formation processes. As such, if an eligible entity is formed by December 31, 2017, the County may decide (in consultation

¹ Water Code Section 10721 (e) "De minimis extractor" means a person who extracts, for domestic purposes, two acre-feet or less per year.

Addendum No. 1 to SGMA Strategy: County Participation Preferences for GSA Agreements

- with such agency and the other participants in the GSA) that it no longer needs to participate in the GSA (depending on e.g. the boundary of the newly formed agency).
- The County advocates for fair and equitable representation in the decision-making process (relating to Interests 1 and 2), and adequate consultation with the County as GSA efforts relate to County authorities, and planning/ management efforts (relating to Interests 3, 4, and 5).
 - Fair and equitable representation could be accomplished in a number of ways, such as through inclusion of appointed seats on a GSA board for certain beneficial user interests² (e.g. domestic well users, agricultural users, environmental users of groundwater), or through a robust public process and formation of representative advisory committees, and should be negotiated by the eligible entities in each basin.
 - Adequate consultation can be accomplished by a GSA's close coordination with the appropriate County processes (e.g. participation in and review of updates to the County General Plan).
 - Significant GSA decisions should require a greater majority vote.
 - For basins where the County is one partner on a multi-agency GSA/GSP effort; GSAs should use third party staff and resources to develop and implement GSPs, to the greatest extent possible. This will allow each entity's interest to remain independent during GSP development.
 - For basins where the County is the sole acting GSA, County staff could act as staff to the GSA, to the extent there are staff and resources to do so.

² Water Code Section 10723.2 "The groundwater sustainability agency shall consider the interests of all beneficial uses and users of groundwater, as well as those responsible for implementing groundwater sustainability plans. These interests include, but are not limited to, all of the following: interests include, but are not limited to, all of the following: (a) Holders of overlying groundwater rights, including (1) Agricultural users. (2) Domestic well owners. (b) Municipal well operators. (c) Public water systems. (d) Local land use planning agencies. (e) Environmental users of groundwater. (f) Surface water users, if there is a hydrologic connection between surface and groundwater bodies. (g) The federal government... (h) California Native American tribes. (i) Disadvantaged communities.... (j) Entities ...that are monitoring and reporting groundwater elevations..."

Appendix 1

Affected Areas and Agency Descriptions

(Basin information excerpted from San Luis Obispo County Master Water Report 2012
and Paso Robles Basin Model Update 2014)

a. Cuyama Groundwater Basin

The Cuyama Valley Groundwater Basin underlies the southeast corner of San Luis Obispo County and extends into Santa Barbara, Ventura, and Kern Counties. The Basin encompasses approximately 147,200 acres (230 square miles), of which approximately 32,600 acres (51 square miles) are within San Luis Obispo County. The basin underlies the valley drained by the Cuyama River and is bounded on the north by the Caliente range and on the Southwest by the Sierra Madre Mountains. Recharge to the basin comes primarily from seepage from Cuyama River, deep percolation of precipitation, and residential/agricultural return flows.

Basin groundwater users include oil field operators, residential, and agricultural. Perennial yield for the entire basin has been estimated between 9,000 and 13,000 AFY. A safe yield of 10,667 Acre Feet per Year (AFY¹⁰) was estimated in 1992 (Baca et al., 1992). Total groundwater pumpage is about 40,592 AFY, resulting in a deficit of 30,532 AFY (Anderson et al., 2009).

Potential local public agency GSA members in the Basin include the Counties of Santa Barbara, Ventura, and Kern, along with the New Cuyama Community Services District, in addition to the County and Flood Control District.

b. Santa Maria Groundwater Basin

The Santa Maria Valley Groundwater Basin encompasses approximately 184,000 acres (288 square miles), of which approximately 61,220 acres (95.7 square miles) is within San Luis Obispo County. This groundwater basin underlies the Santa Maria Valley in northern Santa Barbara and southern San Luis Obispo Counties. The basin also underlies Nipomo and Tri-Cities Mesas, Arroyo Grande Plain, with sub-basins in the Nipomo, Arroyo Grande and Pismo Creek Valleys. The basin is bounded on the north by the San Luis and Santa Lucia Ranges, on the east by the San Rafael Mountains, on the south by the Solomon Hills and the San Antonio Creek Valley Groundwater Basin, on the southwest by the Casmalia Hills, and on the west by the Pacific Ocean.

¹⁰ One acre foot equals 325,851 gallons, enough water to cover 1 acre one foot deep.

The majority of the Santa Maria Valley Groundwater Basin has been adjudicated since 2005, and is listed as such in SGMA. Therefore, a GSP for the Basin will apply only to those areas not included in the adjudication, which are the Nipomo, Arroyo Grande and Pismo Creek Valleys.

Potential local public agency GSA members in the applicable Basin areas include the Nipomo Community Services District, the City of Arroyo Grande, and the City of Pismo Beach, in addition to the County and Flood Control District.

c. San Luis Groundwater Basin

The San Luis Obispo Valley Groundwater Basin encompasses approximately 13,800 acres (21.6 square miles). The Basin is bounded by the Santa Lucia Range, the San Luis Range and the Los Osos and Edna faults. The safe yield of the San Luis Valley Groundwater Basin was determined in a 1991 study based on elements of recharge and discharge, and in a 1997 study using elements of recharge and discharge, the length of drought periods and the recovery time following them, and an assessment of the behavior of the basin. The 1991 study reported a value of sustained yield of 5,900 AFY. A 1997 DWR study reported a long-term dependable yield value for the San Luis Valley Sub-basin at 2,000-2,500 AFY, and a long-term dependable yield value for the Edna Valley Sub-basin at 4,000-4,500 AFY.

A potential local public agency GSA member in the Basin is the City of San Luis Obispo, in addition to the County and Flood Control District.

d. Los Osos Groundwater Basin

The Los Osos Valley Groundwater Basin encompasses approximately 10 square miles, of which 3.3 square miles underlie the Morro Bay estuary and sand spit, and 6.7 square miles underlie the communities of Los Osos, Baywood Park, and the Los Osos Creek Valley. The basin is bounded by the Pacific Ocean, and elsewhere by relatively impermeable rocks. The southern basin boundary also runs parallel to the main strand of the Los Osos fault. Basin groundwater users in the Los Osos Valley basin include Golden State Water Company, S&T Mutual, the Los Osos Community Services District, and overlying private well users.

The three local water purveyors, along with the County of San Luis Obispo, are currently preparing a Basin Management Plan (BMP) under a court-approved Interlocutory Stipulated Judgment (ISJ Working Group). At the point in time where the Basin (or a

portion of the Basin) concludes the adjudication process¹¹, that portion would no longer require or be subject to a GSP provided that the adjudication determines the rights to extract groundwater for that entire portion of the Basin. There are no potential public agency GSA members in the area of the Basin that is currently outside the adjudication process except for the County and Flood Control District.

e. Paso Robles Groundwater Basin¹²

The Paso Robles Groundwater Basin is located in both Monterey and San Luis Obispo counties and roughly 800 square miles in size. Roughly one-third of the areal extent of the Paso Robles Groundwater Basin extends into Monterey County. The basin ranges from the Garden Farms area south of Atascadero to San Ardo in Monterey County, and from the Highway 101 corridor east to Shandon. Groundwater in the basin is found in alluvium and in the Paso Robles Formation. Water users in the basin include municipalities, communities, rural domestic residences, and agricultural users. The major municipal water purveyors include the Atascadero MWC, City of Paso Robles, Templeton CSD, CSA 16-1 (Shandon), and San Miguel Community Services District (San Miguel CSD). The San Luis Obispo County Environmental Health Department also identified 36 small commercial and community water systems that extract groundwater from the basin. Overlying users include rural domestic residences and agricultural users. The perennial yield of the Paso Robles Groundwater Basin is estimated to be 89,700 AFY. Annual average change in groundwater storage for the period 1981-2011 is estimated at -2,400 AFY.

Potential local public agency GSA members in the Basin include the future Paso Robles Basin Water District, the City of Paso Robles, City of Atascadero, San Miguel CSD, and Templeton CSD, in addition to the County.

11 On October 14, 2015, Judge Martin J. Tangeman of the San Luis Obispo Superior Court signed an order approving the Stipulated Judgment and the Updated Basin Management Plan for the Los Osos Groundwater Basin.

12 See Footnote 4.

Appendix 2 Maps

- a. Countywide Groundwater Basins
- b. Five High and Medium Priority Basins
- c. Cuyama Groundwater Basin
- d. Santa Maria Groundwater Basin
- e. San Luis Groundwater Basin
- f. Los Osos Groundwater Basin
- g. Paso Robles Groundwater Basin

***NOTE: Maps pulled forward and updated
for this Board staff report.**

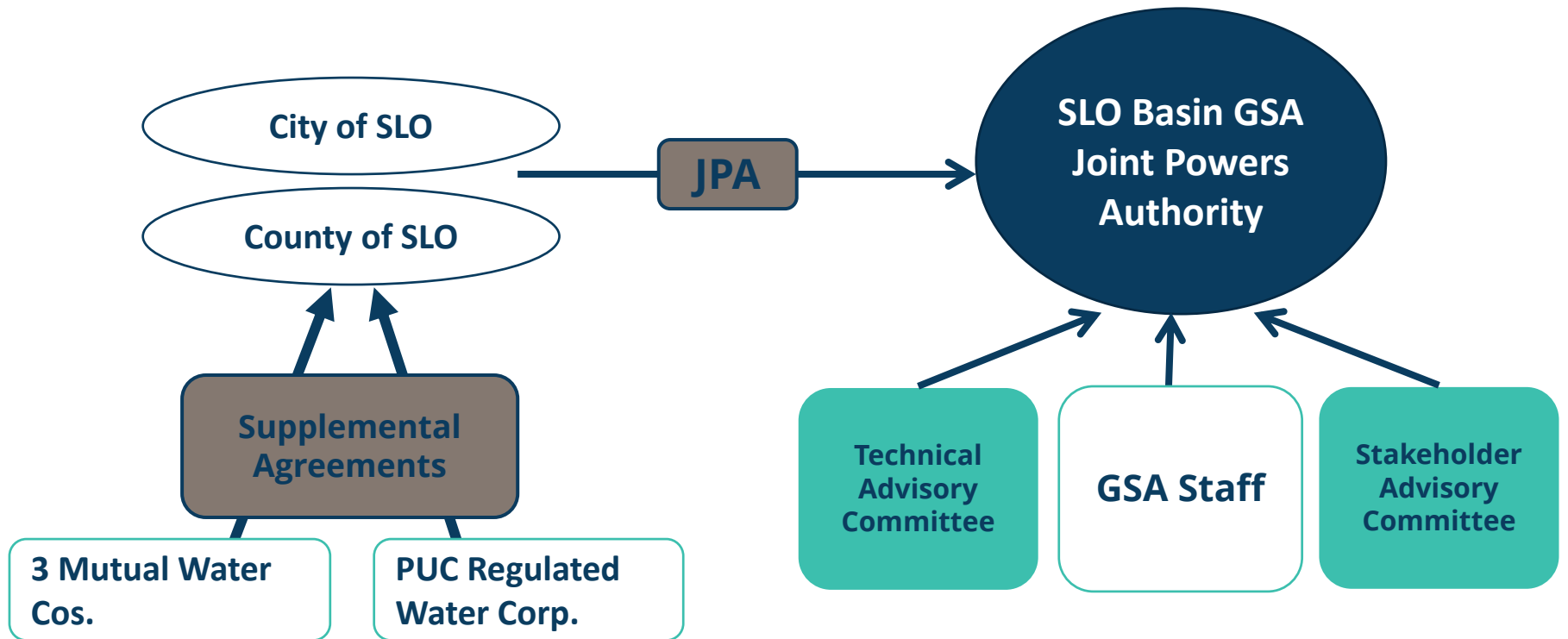
Appendix 3

SGMA Background Information

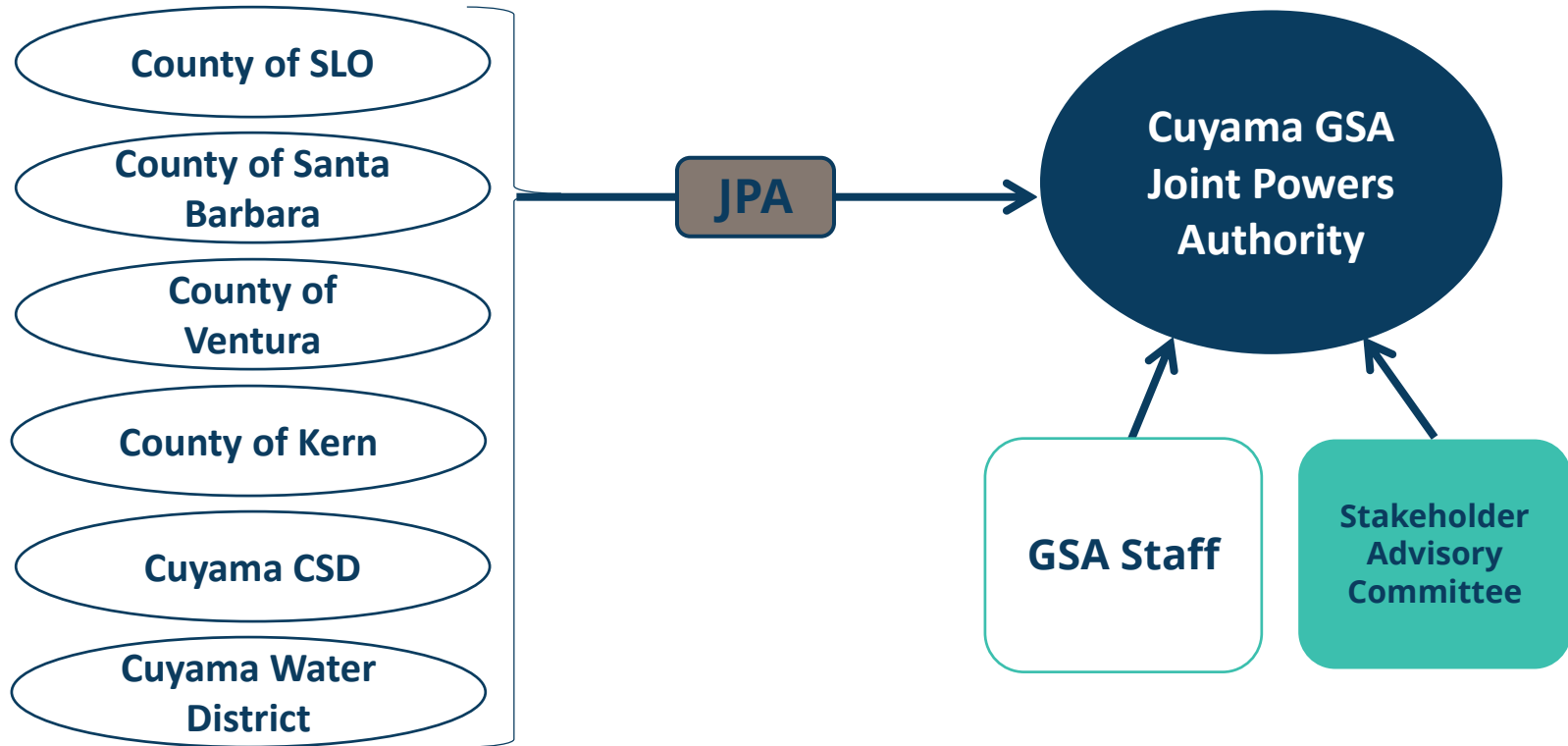
- a. Association of California Water Agencies SGMA Materials:
 - i. Summary
 - ii. Fact Sheet
 - iii. Frequently Asked Questions
 - iv. Implementation Deadlines
 - v. Time Line

***NOTE: Removed for this Board staff report.
However, these materials are available on:
www.slocountywater.org/sgma**

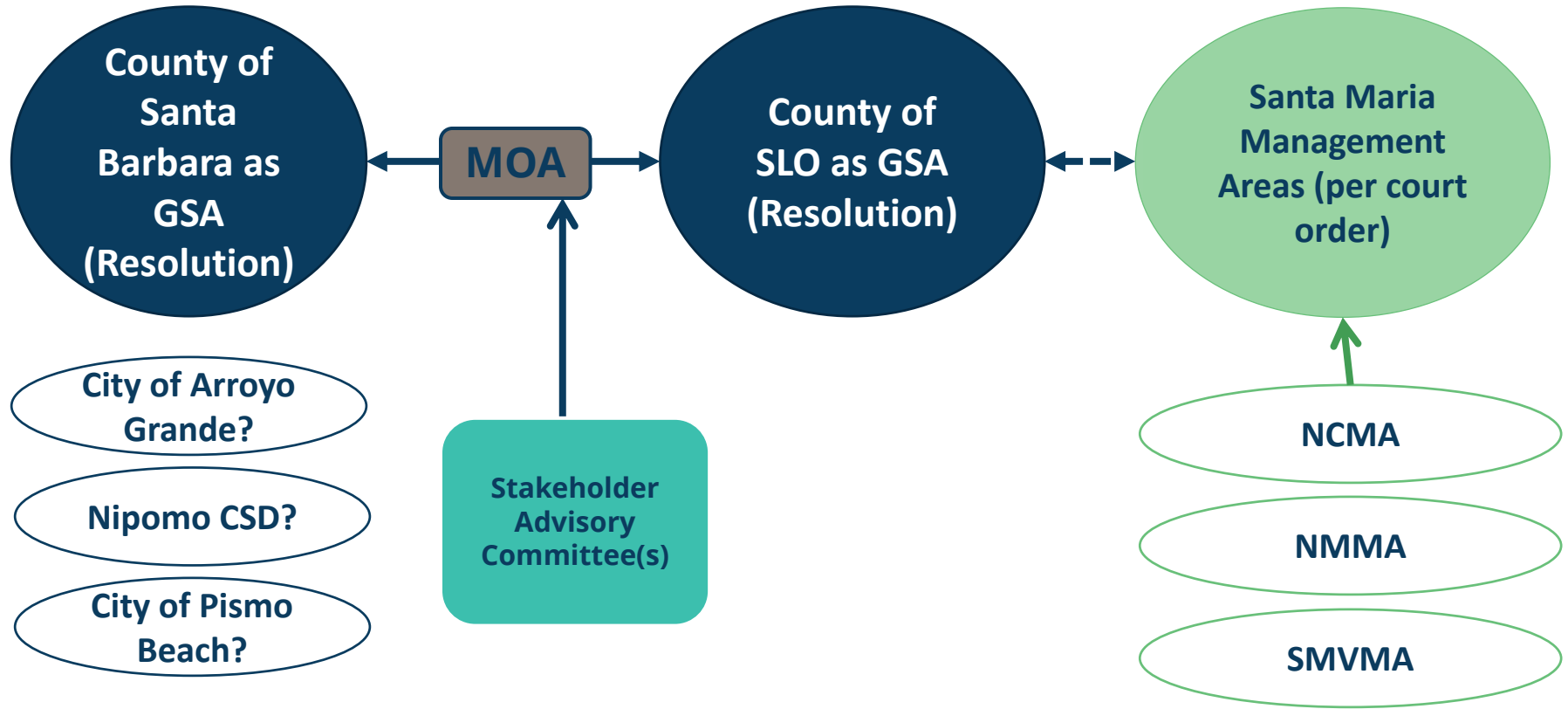
San Luis Obispo (Edna) Valley Groundwater Basin Governance Structure



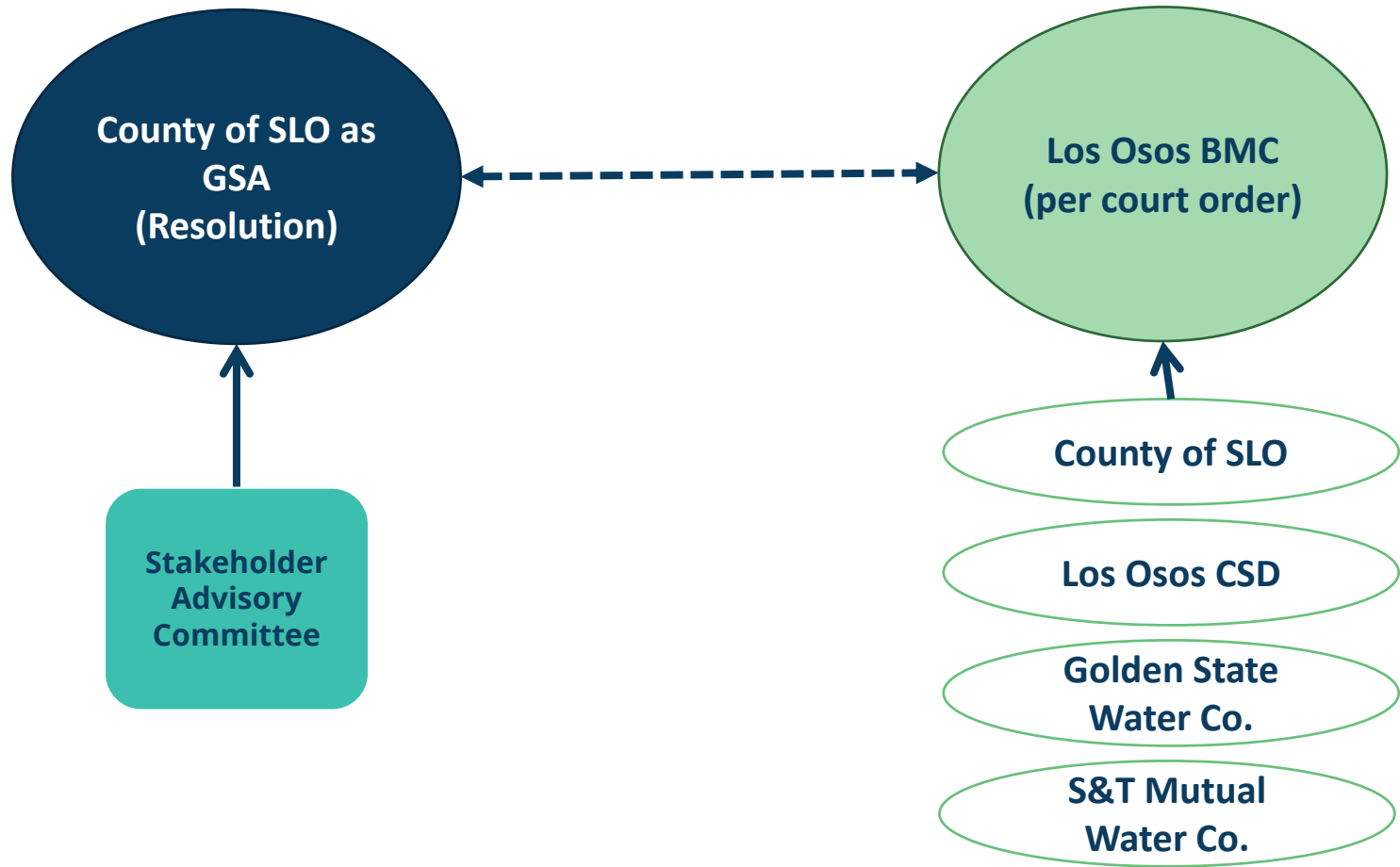
Cuyama Valley Groundwater Basin Governance Structure



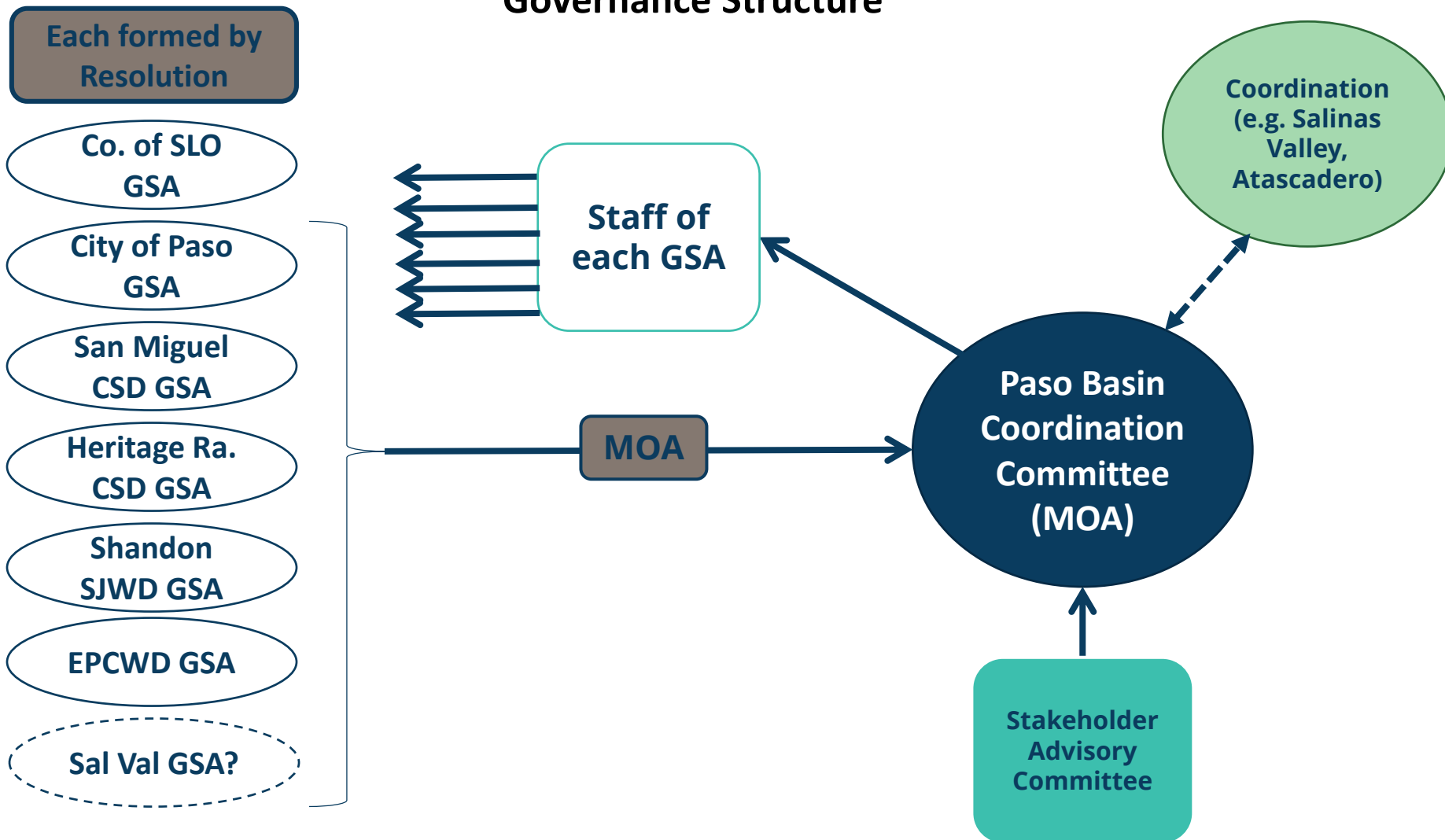
Santa Maria Valley Groundwater Basin Governance Structure



Los Osos Valley Groundwater Basin Governance Structure



Paso Robles Subbasin (of Salinas Valley Groundwater Basin) Governance Structure



Atascadero Subbasin (of Salinas Valley Groundwater Basin) Governance Structure



FW: ³⁶Water Resource Advisory Committee letter - for the 3/7 Item 18 SGMA

Blake Fixler

Fri 3/3/2017 9:51 AM

To: Adam Hill <ahill@co.slo.ca.us>; Bruce Gibson <bgibson@co.slo.ca.us>; Cherie McKee <cmckee@co.slo.ca.us>; Debbie Arnold <darnold@co.slo.ca.us>; District 4 <district4@co.slo.ca.us>; Hannah Miller <hmiller@co.slo.ca.us>; John Peschong <jpeschong@co.slo.ca.us>; Lynn Compton <lcompton@co.slo.ca.us>; Vicki Janssen <vjanssen@co.slo.ca.us>;

Cc: cr_board_clerk Clerk Recorder <cr_board_clerk@co.slo.ca.us>;

📎 1 attachments (415 KB)

20170302 WRAC letter on SGMA Strategy.pdf;

For your review.
Thank you.

Blake Fixler
Administrative Assistant III
Board of Supervisors
San Luis Obispo County
www.slocounty.ca.gov
Direct Line

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From: Ray Dienzo

Sent: Friday, March 03, 2017 9:41 AM

To: Blake Fixler <bfixler@co.slo.ca.us>

Cc: Vicki Janssen <vjanssen@co.slo.ca.us>; lindachipping_yahoo.com <lindachipping@yahoo.com>

Subject: Water Resource Advisory Committee letter - for the 3/7 Item 18 SGMA

Hi Blake,

Please receive this submittal letter on behalf of the Water Resources Advisory Committee(WRAC) and please forward copies to the Chair and to the other Board members.

We request the BOS review this letter as it relates to Agenda item 18 SGMA update on the March 7, 2017 Board of Supervisors meeting.

In summary, this letter asks the BOS to consider recommendations from the WRAC before making any final decisions that would impact the Flood Control and Water Conservation District Budget.

Thanks so much and let me know if you have any questions.

Agenda No. 18
Meeting Date: March 7, 2017
Presented By: WRAC
Rcv'd prior to the date of the meeting and posted to the web on: March 3, 2017
Page 1 of 3

Best,

Ray

Ray Dienzo, P.E.
Technical Unit Supervisor, Engineer IV

rdienzo@co.slo.ca.us

[Live Stream, Rain, and Reservoir Data](#)



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Coastal San Luis RCD
- Michael Broadhurst
Upper Salinas RCD
- George Kendall
County Farm Bureau
- Kurt Bollinger
Agriculture At-Large
- Lowell Zelinski
Agriculture At-Large
- Eric Greening
Environmental At-Large
- Sue Luft
Environmental At-Large
- David Chipping
Environmental At-Large
- Greg Nester
Development At-Large
- John Neil
Atascadero MWC
- Scott Buffaloe
California Men's Colony
- John Reid
Camp SLO
- Edralin Maduli
Cuesta College
- Anthony Lindstrom
Golden State Water

March 2, 2017

Honorable John Peschong, Chair
San Luis Obispo County Board of Supervisors
County Government Center
1055 Monterey Street, Room D-430
San Luis Obispo, CA 93408

Subject: March 7, 2017 Board of Supervisors Agenda Item 18, Update on the Implementation of the Sustainable Groundwater Management Act (SGMA) Strategy

Honorable Madams and Sirs,

At the March 1st regular meeting of the Water Resources Advisory Committee (WRAC), Water Resources Division Manager Courtney Howard provided a presentation on the county's SGMA Strategy progress to date, near term development of the Groundwater Sustainability Agencies and their required Groundwater Sustainability Plans.

On an annual basis at our meetings and through an ad hoc committee, the WRAC participates with Public Works Staff in discussion and review of the proposed Flood Control and Water Conservation District budget for the upcoming fiscal year. We expect to begin that dialog for the upcoming FY 2017/18 budget at our April meeting.

During our SGMA strategy discussion, the WRAC voted on a motion to request that the Board of Supervisors, before any final fiscal decisions are made, would seek recommendations and advice from the WRAC on SGMA actions that may impact the Flood Control and Water Conservation District budget. The motion passed 20-1-0.

Thank you for your consideration of this request. The WRAC looks forward to the opportunity to work with your Board and Public Works Staff to deliberate on water resource needs and financial capabilities.

Sincerely,

Linda Chipping
Chairperson, Water Resources Advisory Committee

cc: All District Supervisors

Purpose of the Committee

To advise the County Board of Supervisors concerning all policy decisions relating to the water resources of the SLO County Flood Control & Water Conservation District. To recommend to the Board specific water resource programs. To recommend methods of financing water resource programs.

WRAC By-Laws dated August 28, 2012

Agenda No. 18

Meeting Date: March 7, 2017

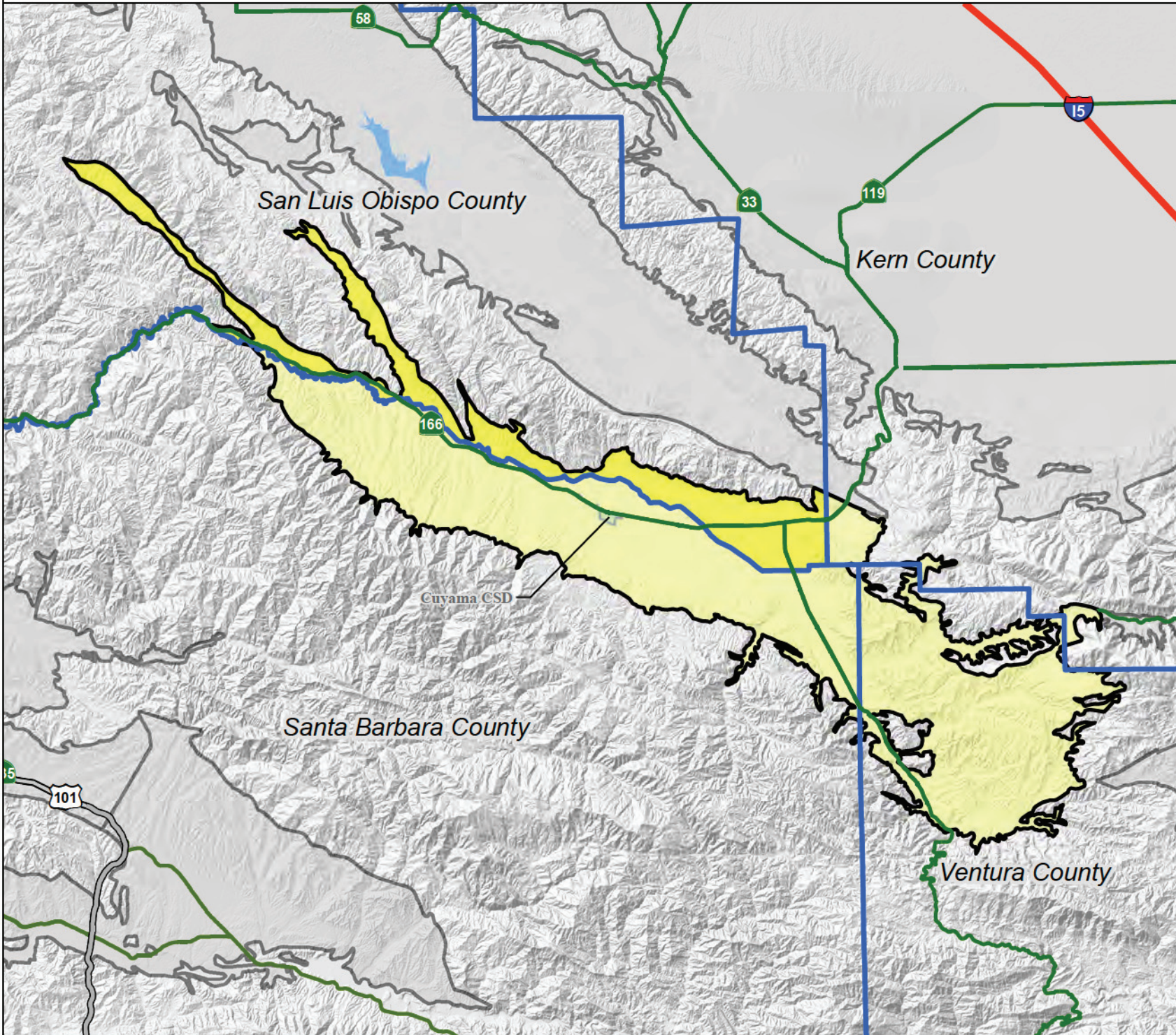
Presented By: WRAC




Rcv'd prior to the date of the meeting and posted to the web on: March 3, 2017

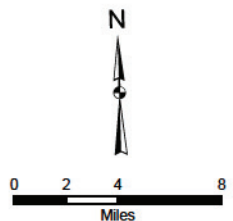
DWR Bulletin 118 Groundwater Basins in San Luis Obispo County



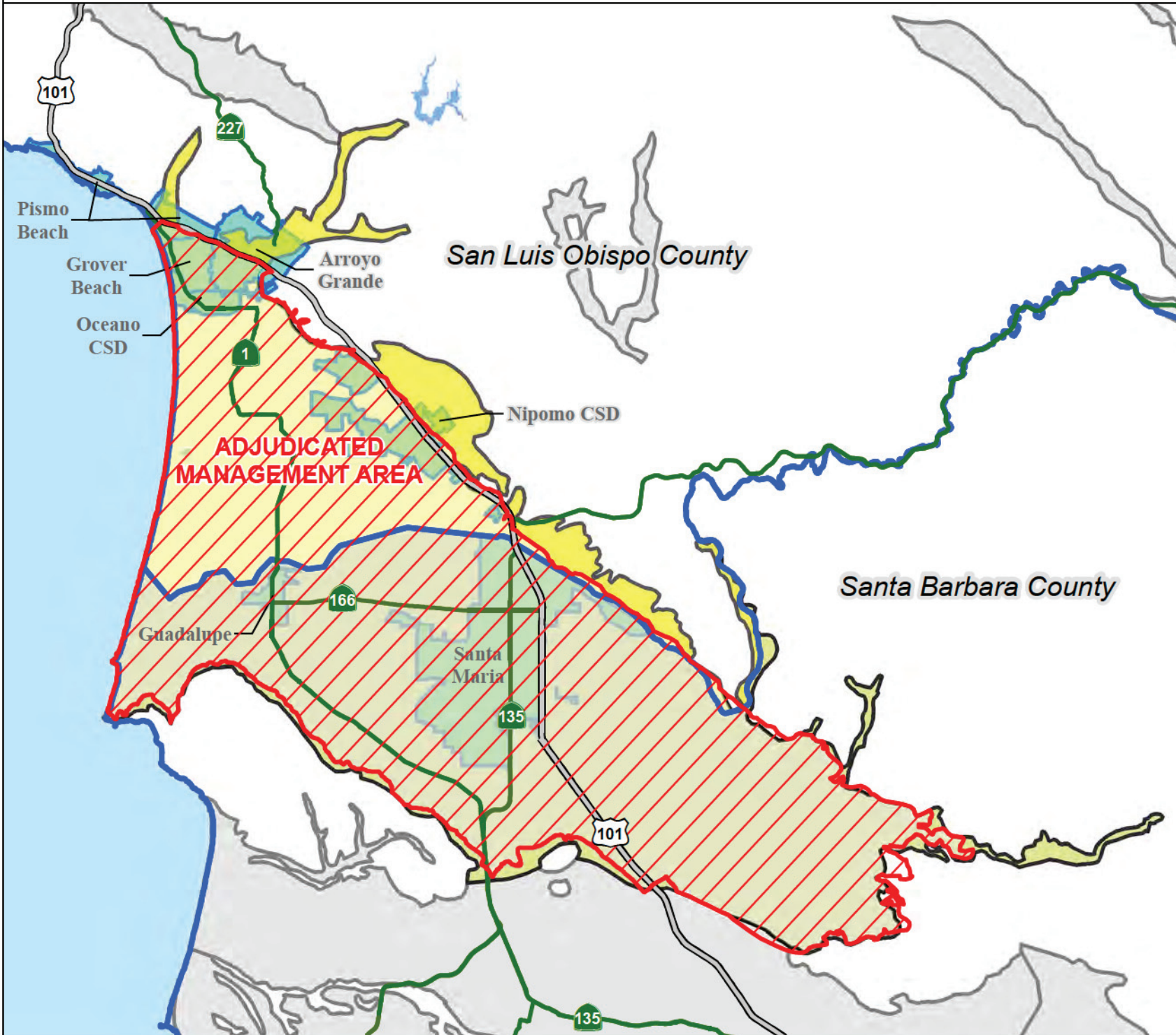
DWR Bulletin 118 - Cuyama Valley Groundwater Basin - Conceptual GSA Model



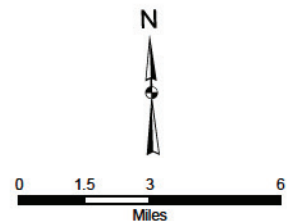
-  Local Agencies
-  DWR - Bulletin 118 Cuyama Valley Basin
-  Department of Water Resources (DWR) - Bulletin 118 Groundwater Basins



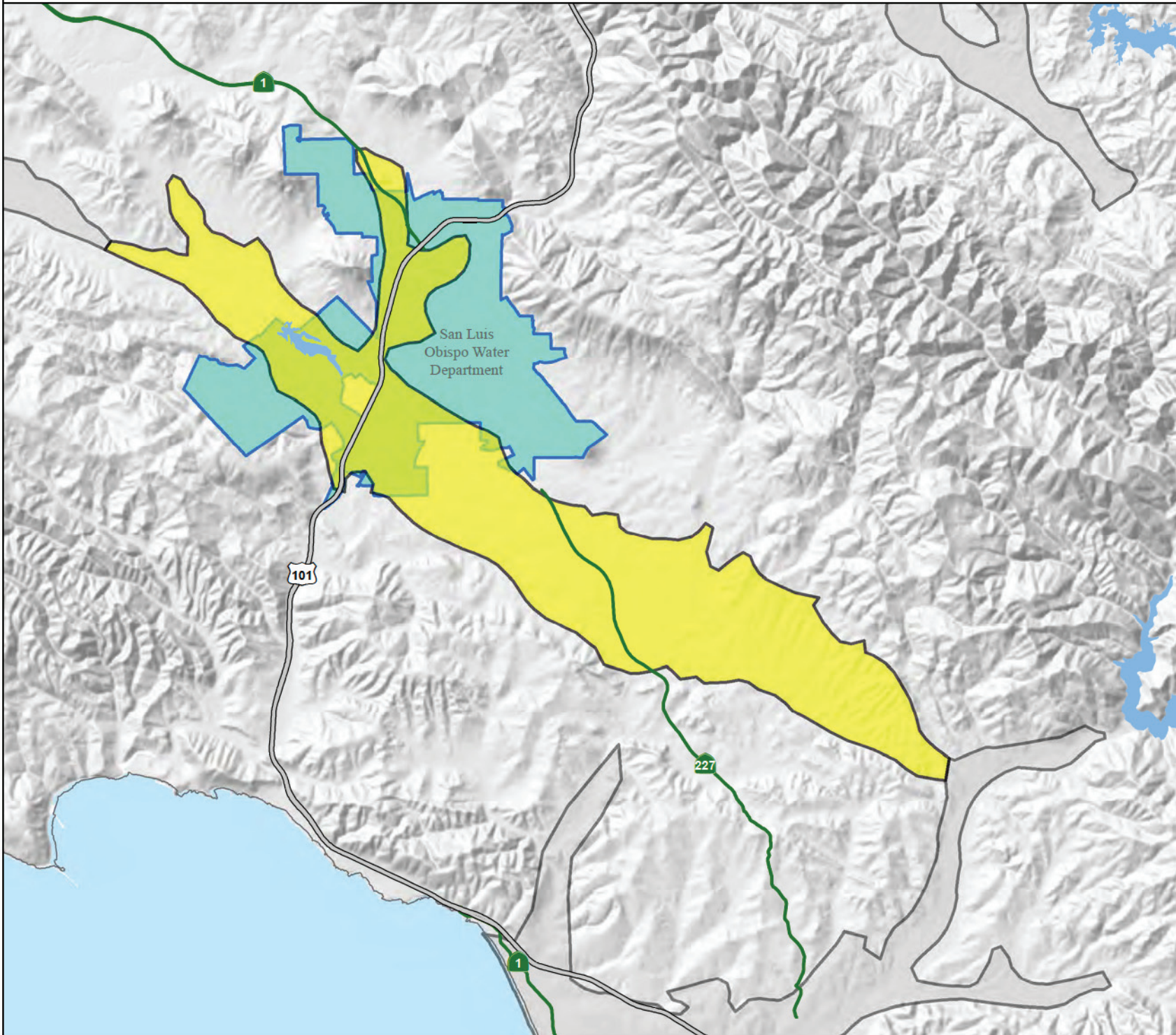
DWR Bulletin 118 - Santa Maria Groundwater Basin - Conceptual GSA Model




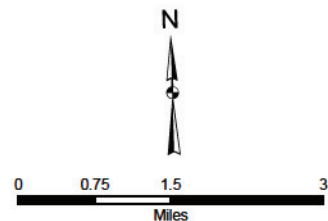
-  Adjudicated Management Area
-  Local Agencies
-  DWR - Bulletin 118 Santa Maria Basin
-  Department of Water Resources (DWR) - Bulletin 118 Groundwater Basins



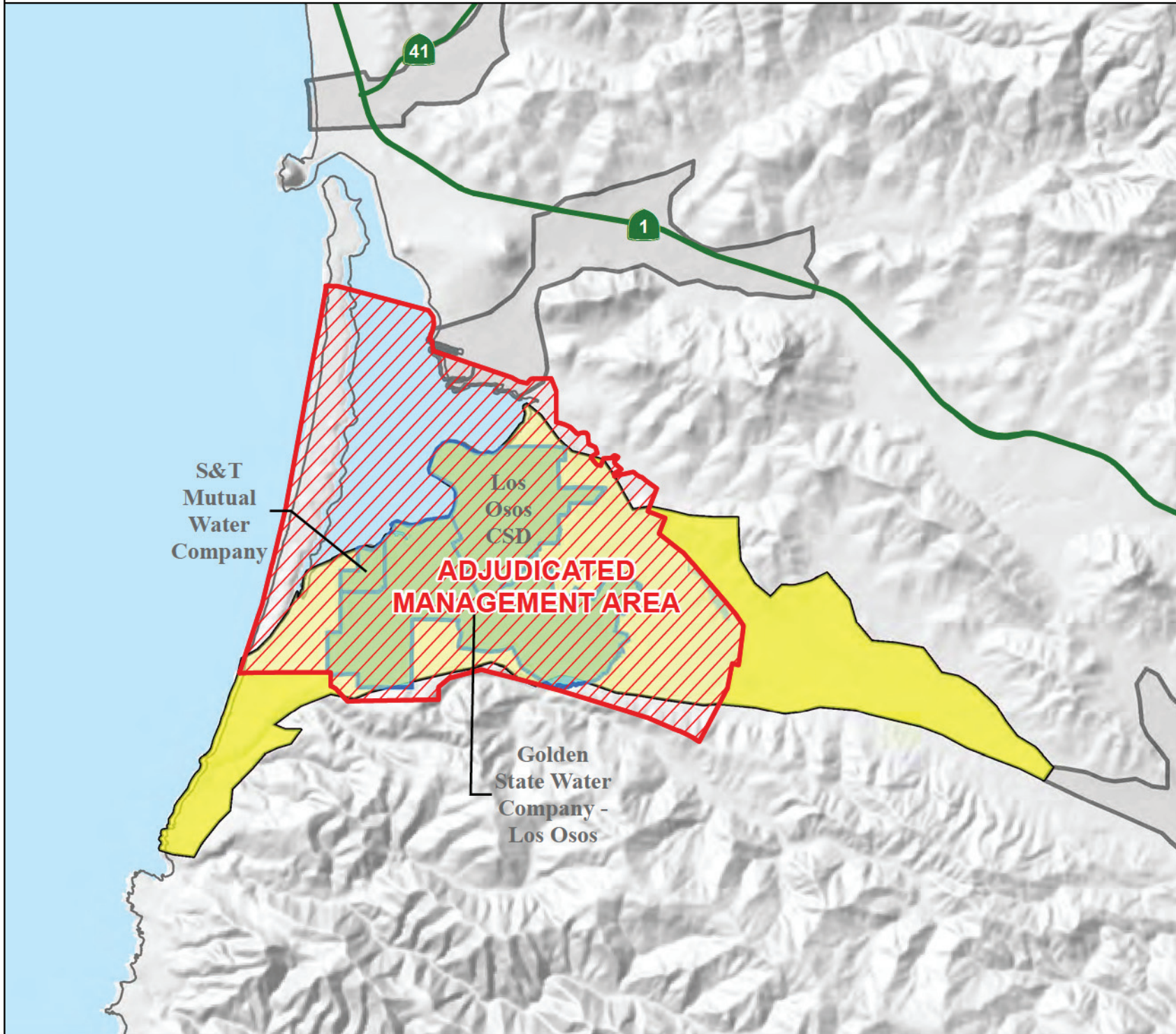
DWR Bulletin 118 - San Luis Obispo Valley Groundwater Basin - Local Agencies







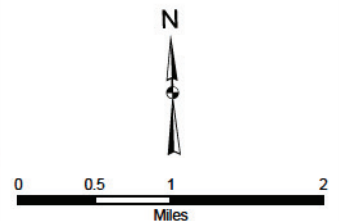
-  Local Agencies
-  DWR - Bulletin 118 San Luis Obispo Valley Basin
-  Department of Water Resources (DWR) - Bulletin 118 Groundwater Basins



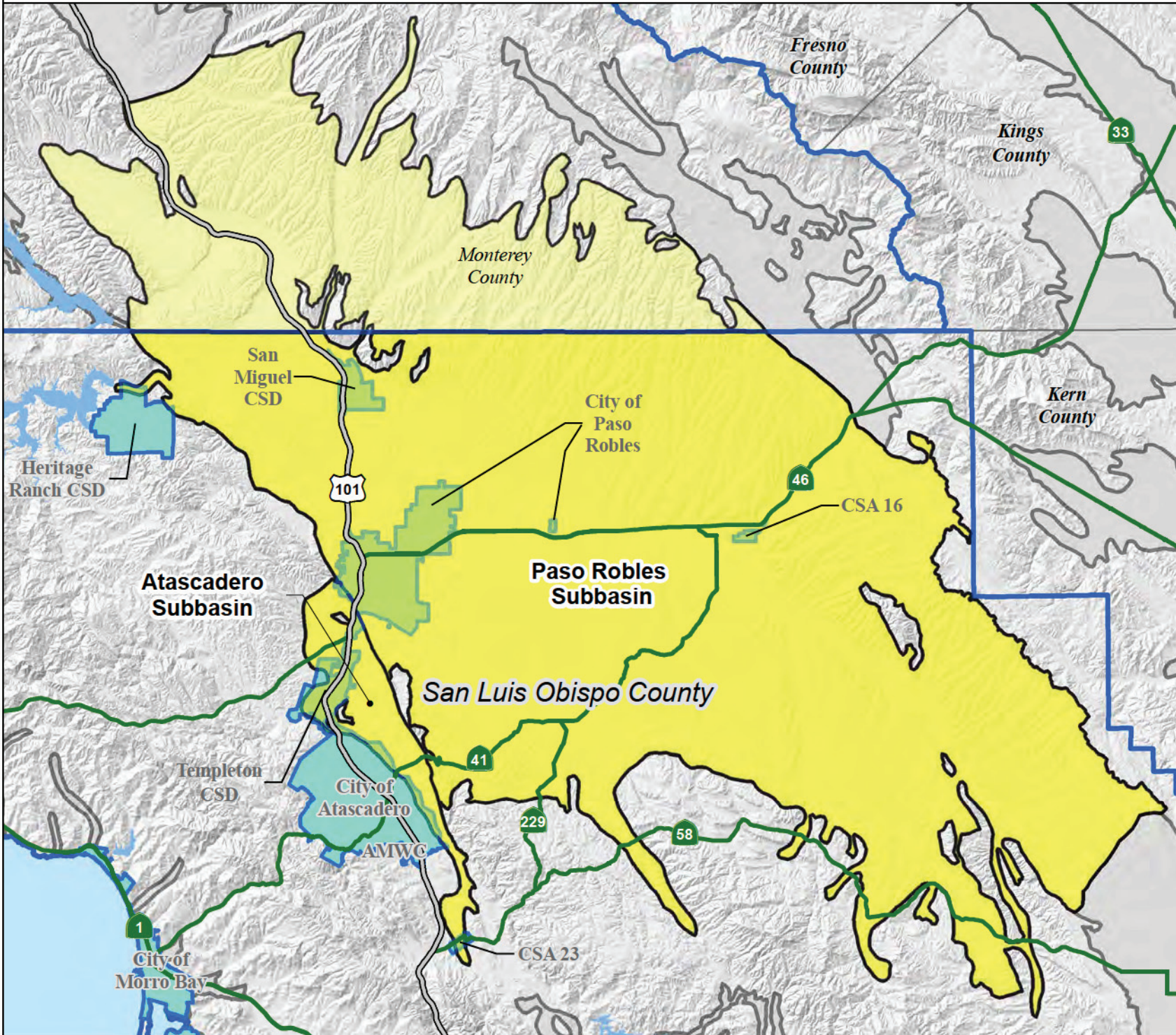
DWR Bulletin 118 - Los Osos Valley Groundwater Basin - Local Agencies






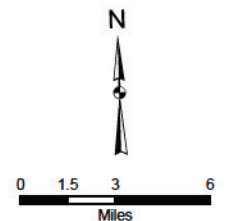
-  Local Agencies & Mutual Water Co.
-  Adjudication Basin Plan Area
-  DWR- Bulletin 118 Los Osos Valley Basin
-  Department of Water Resources (DWR) - Bulletin 118 Groundwater Basins



DWR Bulletin 118 - Paso Robles & Atascadero Groundwater Subbasins - Local Agencies



-  Local Agencies & Mutual Water Co.
-  DWR - Bulletin 118 Paso Robles Area & Atascadero Area Subbasins
-  Department of Water Resources (DWR) - Bulletin 118 Groundwater Basins



Tuesday, March 07, 2017

The Board of Supervisors of the County of San Luis Obispo, and ex-officio the governing body of all other special assessment and taxing districts for which said Board so acts, met in regular session at 9:00 AM.

PRESENT: Supervisors: Bruce S. Gibson, Adam Hill, Lynn Compton, Debbie Arnold, and Chairperson John Peschong

ABSENT: None

THE PLEDGE OF ALLEGIANCE IS LED BY CHAIRPERSON JOHN PESCHONG.

Consent Agenda – Review and Approval:

- 1- This is the time set for consideration of the Consent Agenda.
- 12.

Chairperson Peschong: opens the floor to public comment and requests Item No 20. be pulled for separate action.

The action taken for Consent Agenda items 1 through 12 on the following vote is indicated for each item. (Added Item No. 20 is pulled from the Consent Agenda for separate action.)

Motion by: Bruce S. Gibson
Second by: Debbie Arnold

SUPERVISORS	AYES	NOES	ABSTAIN	RECUSE
Peschong, John (Chairperson)	x			
Hill, Adam (Vice Chairperson)	x			
Gibson, Bruce S (Board Member)	x			
Compton, Lynn (Board Member)	x			
Arnold, Debbie (Board Member)	x			

Bid Opening:

- 1. Letter transmitting plans and specifications (Clerk’s File) for the Crisis Stabilization Unit (Health SLO CHFFA California Health Facilities Financing Authority) Project, located in San Luis Obispo, for Board approval; and advertisement for construction bids; submittal of a resolution making findings pursuant to Public Contract Code Section 3400 designating specific brand or trade name product requirements; and find that the project is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA). The recommended bid opening date is Thursday, April 6, 2017. All Districts.

The Board approves as recommended by the County Administrative Officer. RESOLUTION NO. 2017-57, adopted.

Consent Agenda - Administrative Office Items:

- 2. Thirty-day update on current drought conditions and related management actions for the Board’s review of the continuing need for the March 11, 2014 proclamation of local emergency pursuant to Government Code section 8630. All Districts.

Mr. Eric Greening: speaks.

The Board approves as recommended by the County Administrative Officer.

- 3. Request to appoint Supervisor Compton to the Adult Services Policy Council, and Supervisor Peschong to the Cal ID Advisory Board. All Districts.

The Board approves as recommended by the County Administrative Officer.

Consent Agenda - Airports Items:

- 4. Request to approve the creation of the project “Rental Carwash Facility Conversion - #330026” at the San Luis Obispo County Regional Airport and authorize a budget adjustment in the amount of \$145,045 from Customer Facility Charges to fund preparatory work including design, documentation for bidding, and subsurface assessment, analysis and geotechnical engineering, by 4/5 vote. District 3.

The Board approves as recommended by the County Administrative Officer.

Consent Agenda - Auditor - Controller - Treasurer - Tax Collector Items:

- 5. Request to approve three engagement letters with Brown Armstrong CPAs for FY 2016-17 audit services. All

Districts.

The Board approves as recommended by the County Administrative Officer.

Consent Agenda - Board of Supervisors Items:

6. Request to reappoint Beverly Rillo and Donald Thorndyke to the Templeton Public Cemetery District. District 1.

The Board approves as recommended by the County Administrative Officer.

Consent Agenda - Clerk-Recorder Items:

7. Request to authorize a budget adjustment in the amount of \$267,000 from unanticipated revenue to Fund Center (FC) 110 - Clerk-Recorder to offset unanticipated increases in election related expenditures, by 4/5 vote. All Districts.

The Board approves as recommended by the County Administrative Officer.

Consent Agenda - Planning & Building Items:

8. Request for approval for the Department of Planning and Building to submit a grant application to the California Energy Commission for support of a low-income energy independent neighborhoods feasibility study in the amount of up to \$1,000,000. All Districts.

Dr. C. Hite: speaks.

The Board approves as recommended by the County Administrative Officer.

Consent Agenda - Public Works Items:

9. Submittal of a resolution authorizing the execution and delivery of a facility sublease and ratifying all previous related actions for the Juvenile Hall Expansion Project in San Luis Obispo; and authorize the Director of Public Works to execute the facility sublease and any other documents necessary. All Districts.

The Board approves as recommended by the County Administrative Officer. RESOLUTION NO. 2017-58, adopted.

10. Request to approve an agreement for professional engineering services with Water Systems Consulting, Inc., in the amount of \$125,574 for the design of a Water Storage Tank Project in County Service Area 10A (Cayucos); and authorize the Director of Public Works to sign amendments to the agreement. District 2.

The Board approves as recommended by the County Administrative Officer.

Consent Agenda - Social Services Items:

11. Request to receive and file the Adult Services Policy Council (ASPC) Annual Report for FY 2015-16. All Districts.

Mr. Barry Johnson – Transitions Mental Health Association and Adult Services Policy Council Chairperson: speaks.

The Board approves as recommended by the County Administrative Officer.

Added Consent Agenda Item – pulled for separate action:

Chairperson Peschong steps down from the dais and is now absent.

Vice-Chairperson Hill takes over the meeting.

20. Request to approve a letter to the United States Department of the Interior opposing offshore oil and gas leasing on the California outer continental shelf. All Districts.

(Added Item, per the addendum to the agenda. Requirements of the Brown Act have been satisfied as this notice was posted prior to the 72-hour noticing requirement.)

The Board approves a letter to the United States Department of the Interior opposing offshore oil and gas leasing and directs the Vice-Chairperson Hill to sign the letter on behalf of the County.

Motion by: Bruce S. Gibson

Second by: Lynn Compton

SUPERVISORS	AYES	NOES	ABSTAIN	RECUSE
Hill, Adam (Vice Chairperson)	x			
Gibson, Bruce S (Board Member)	x			
Compton, Lynn (Board Member)	x			
Arnold, Debbie (Board Member)	x			

Chairperson Peschong is now present and takes over the meeting.

Public Comment Period:

12. This is the time set for members of the public to address the Board on matters that are not scheduled on the agenda.

Mr. Gary Kirkland: recommends reconsideration of the oak tree removal ordinance.

Mr. Eric Greening: discusses the public comment process for the upcoming Phillips 66 hearing; and Fukushima’s 6th Anniversary.

Mr. Mark Lowerison: addresses the recently approved ag pond ordinance by the Planning Commission; and a suggested addition to the alternative review process.

Ms. Linde Owen: speaks to “Sunshine Week”; and encourages transparency in local government.

Dr. C. Hite: announces “The Day Without a Woman”; and commends the Board for their conduct during last week’s meeting.

Mr. Ben DiFatta: comments on high employee salaries and benefits; and monetary impacts to Los Osos residents from the sewer project.

Mr. Greg Grewal: discusses concerns regarding the distribution of letter that was submitted to the Local Agency Formation Commission (LAFCO).

Ms. Jhonna Dowd: speaks to Nipomo Elementary School being a locked campus and its disadvantage to the community.

Mr. George Sullivan: thanks the Board for appropriating road infrastructure funding to a higher priority. **No action taken.**

Board Business:

13. Status Update on Public Facilities Financing Plan for Unincorporated Area Facilities.

Mr. Trevor Keith – Administration Office: provides the staff presentation (PowerPoint).

Supervisor Hill: comments on the use of Public Facilities Financing (PFF) funds; fee categories; legal requirements; PFF auditing; and public misinformation, with Mr. Keith and Mr. Jim Erb – Auditor-Controller, Tax-Collector, Public Administrator responding.

Supervisor Compton: outlines her concerns with South County not benefiting from collected PFF fees; suggests a nexus be established for a fair and equitable methodology for the distribution of PFF funds; and reviews PFF funding history.

Supervisor Arnold: recommends a more comprehensive review of PFF accounts, with Ms. Rita Neal – County Counsel and Mr. Dan Buckshi – County Administrative Officer responding (charts from staff powerpoint).

Supervisor Gibson: states improper use of PFF funds is not substantiated; and his support for the Nipomo Skate Park if the appropriate planning process is followed.

Chairperson Peschong: opens the floor to public comment.

Ms. Ruth Brackett; Mr. Jesse Hill (documents); Ms. Jacqueline Fredericks; Mr. Jeff Long – Nipomo Recreation Executive Director; Mr. Tim Krank; Mr. Tom Slater; Mr. Patrick Raymond; Ms. Rudy Stowell – Nipomo Chambers of Commerce President and Dana Adobe President; Ms. Erin Krier; Ms. Melissa Quaresma; Ms. Mary Lucey; Mr. Richard Malvarose; Mr. Bob McGill; Mr. Ian Wallace; Mr. Don Wells (document); Ms. Bridget Ready - Jack Ready Imagination Park (video and documents); Ms. Maria Washburn (documents); Ms. Gwen Pelfrey; Ms. Lynn McGill; Mr. Gary Havas; Mr. Clyde Cruise (letter); Mr. Alan Daurio; Mr. John Wallace (document); Ms. Rebecca Barks; Ms. Helen Daurio; Mr. Dale Sutliff – Bicycle Advisory Committee Chairperson; Mr. David Abrecht – San Luis Obispo Bicycle Club President; Ms. Karen Aydelott – Bike San Luis Obispo County Board Member; Mr. Kevin Beaucham; Mr. Bruce Hilton; Ms. Charlotte Gorton - County Trails Commission; Ms. Pandora Nash-Karner; Mr. Douglas Millhorn; Mr. Niko Hadden; Mr. Jim Philson; Mr. John Plunket; Mr. Jim Wray; Mr. Wayne Montgomery; Mr. Mike Brown – Coalition of Labor, Agriculture and Business (COLAB); Dr. C. Hite; Ms. Helene Finger; and Ms. Kaila Dettman: speak.

(Clerk's Note: Mr. Brent Jenkins; Ms. Kristin Scangerello; Mr. Robert Davis; Ms. Jenny Horstman submitted speaker slips but were not present to speak. Mr. R.J. Hansen submitted a speaker slip after the close of public comment period and did not speak.)

Chairperson Peschong: tables this item to the afternoon session following the presentation calendar.

Closed Session Items:

15. The Board announces they will be going into Closed Session regarding:

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Government Code section 54956.9.) It is the intention of the Board to meet in closed session concerning the following items: (1) Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of section 54956.9. Number of potential cases: Three; (2) Initiation of litigation pursuant to paragraph (4) of subdivision (d) of section 54956.9. Number of potential cases: Three.

CONFERENCE WITH LEGAL COUNSEL - PENDING LITIGATION (Government Code section 54956.9.) It is the intention of the Board to meet in closed session concerning the following items: Existing Litigation (Gov. Code, section 54956.9(a)). (Formally initiated.) (3) PG&E's 2017 General Rate Case A: 15-09-001; (4) Application Filed by PG&E for Retirement of Diablo Canyon Power Plant A: 16-08-006; (5) Golden State Water Company Advice Letter 1674-W CPUC Protest; (6) Mark Hanson v. County of San Luis Obispo.

CONFERENCE WITH LABOR NEGOTIATOR (Government Code section 54957.6.) It is the intention of the Board to meet in closed session to have a conference with its Labor Negotiator, Tami Douglas-Schatz, concerning the following employee organizations: (7) San Luis Obispo Government Attorney's Union (SLOGAU); (8) San Luis Obispo County Employees Association – Trades and Crafts (SLOCEA-T&C); (9) Deputy County Counsel's Association (DCCA); (10) Sheriffs' Management; (11) San Luis Obispo County Probation Peace Officers' Association (SLOCPPOA); (12) Deputy Sheriff's Association (DSA); (13) District Attorney Investigators' Association (DAIA); (14) San Luis Obispo County Probation Managers' Peace Officers' Association (SLOCPMPOA); (15) San Luis Obispo County Employees Association – Public Services, Supervisors, Clerical (SLOCEA – PSSC); (16) Unrepresented Management and Confidential Employees; and (17) Association of San Luis Obispo County Deputy Sheriffs (ASLOCDS).

(Added Closed Session, per the addendum to the agenda. CONFERENCE WITH LEGAL COUNSEL - PENDING LITIGATION (Government Code section 54956.9.) It is the intention of the Board to meet in closed session concerning the following items: Existing Litigation (Gov. Code, section 54956.9(a)). (Formally initiated.) (18) Dana Hansen v. County of San Luis Obispo (14 CV 0646). Requirements of the Brown Act have been satisfied as this notice was posted prior to the 72-hour noticing requirement.)

Chairperson Peschong: opens the floor to public comment without response.

Thereafter, pursuant to the requirements of the Brown Act, County Counsel reports out on the items discussed during Closed Session as follows: no report required as no final action was taken and the Board goes into Open Public Session.

Presentations:

16. Presentation of the 2016 Conservationist of the Year Award to John Swift from the Coastal San Luis Resource Conservation District. All Districts.

Mr. Neil Havlik - Coastal San Luis Resource Conservation District: recognizes Mr. John Swift as the 2016 Conversationalist of the year.

Mr. John Swift: speaks.

Supervisor Gibson: presents Mr. Swift with a Certificate of Appreciation on behalf of the Board.

Chairperson Peschong: opens the floor to public comment without response. **No action taken.**

17. Submittal of a resolution commending Pacific Wildlife Care for 30 years of wildlife rescue and rehabilitation and community educational outreach. All Districts.

Ms. Kim Perez - Pacific Wildlife Care President and Ms. Marcelle Bakula are presented with a resolution read by Supervisor Compton.

Ms. Perez: speaks.

Chairperson Peschong: opens the floor to public comment without response.

RESOLUTION NO. 2017-59, a resolution commending Pacific Wildlife Care for 30 years of wildlife rescue and rehabilitation and community educational outreach, adopted.

Motion by: Lynn Compton
Second by: Bruce S. Gibson

SUPERVISORS	AYES	NOES	ABSTAIN	RECUSE
Peschong, John (Chairperson)	x			
Hill, Adam (Vice Chairperson)	x			
Gibson, Bruce S (Board Member)	x			
Compton, Lynn (Board Member)	x			
Arnold, Debbie (Board Member)	x			

Board Business Brought Back:

13. Status update on the Public Facilities Financing Plan for Unincorporated Area Facilities, is brought back. All Districts.

On motion by Supervisor Compton, seconded by Chairperson Peschong, to direct staff to work with different organizations and representatives from different parks; submit priority list; and obtain initial funding for the FY 2017/18 budget, is discussed.

Supervisor Gibson: addresses the four different sites that were added to the Capital Improvement Project list; the two sites that have agreements with the county with regard to their interest moving forward; and questions if the motion involves a more comprehensive look at funding opportunities, with the motion maker responding.

Mr. Dan Buckshi - County Administrative Officer: suggests the four sites those be considered in the prioritization process; can discuss the Jim O. Miller Park priorities with the Nipomo Community Services District; and staff will look at the other parks priorities to consider during budgets hearings under parks funding.

The motion maker provides clarification that this is regarding the four parks that have been identified in South County, acknowledges the Jim O. Miller Park can be discussed when it comes back to the Board; that her motion is to direct staff to work with the different groups to develop a priority list; obtain initial funding for the FY 2017/18 budget; and explore any available financing tools, grants, or other sources of funding to move forward with all four projects in South County, is discussed.

Supervisors Gibson and Hill: address various process concerns and their oppositions to the motion on the floor.

The Board directs staff to work with different organizations and representatives from the different parks to develop a priority list; obtain initial funding for the FY 2017/18 budget; and explore any available financing tools, grants, or other sources of funding to move forward with all four projects in South County.

Motion by: Lynn Compton
Second by: Debbie Arnold

SUPERVISORS	AYES	NOES	ABSTAIN	RECUSE
Peschong, John (Chairperson)	x			
Hill, Adam (Vice Chairperson)		X		
Gibson, Bruce S (Board Member)		x		
Compton, Lynn (Board Member)	x			
Arnold, Debbie (Board Member)	x			

On motion by Supervisor Compton, seconded by Supervisor Arnold, to use \$300,000 of the \$1.4 million of PFF Reserve Funds, generated in Nipomo, for the Nipomo Skate Park, is discussed.

Mr. Dan Buckshi - County Administrative Officer: clarifies moving \$300,000 of Parks PFF Reserve Funds to a Capital Project for a Skate Park in the Nipomo Community Park will require a 4/5th vote.

Supervisor Hill: states his concerns regarding the continued misrepresentation of county processes and will not support the motion on the floor.

Supervisor Gibson: states he will not support the motion on the floor; does support the project if the appropriate steps are followed; and suggests staff be directed to develop an amount that covers the design and environmental work necessary to create a project.

Supervisor Compton: questions how much money is needed to start the project, with Mr. Nick Franco - Parks and Recreation Director responding.

The motion maker amends the motion to move forward with \$150,000 for the Nipomo Skate Park, with the second concurring.

Mr. Franco: clarifies to Supervisor Gibson that this project is already included in the Capital Improvement Project list as a future project and was approved by the Parks and Recreation Commission.

The Board directs staff to use \$150,000 of Parks PFF Reserve Funds for the Nipomo Skate Park in the Nipomo Community Park.

Motion by: Lynn Compton
Second by: Debbie Arnold

SUPERVISORS	AYES	NOES	ABSTAIN	RECUSE
Peschong, John (Chairperson)	x			
Hill, Adam (Vice Chairperson)		x		
Gibson, Bruce S (Board Member)	x			
Compton, Lynn (Board Member)	x			
Arnold, Debbie (Board Member)	x			

Chairperson Peschong: receives and files the status update on the Public Facilities Financing Plan for Unincorporated Area Facilities.

Board Business:

14. Presentation of the General Plan Annual Progress Report for Fiscal Year 2015-16. All Districts.

Mr. Jay Johnson – Planning and Building: provides the staff presentation (PowerPoint).

Chairperson Peschong: opens the floor to public comment without response and receives and files the General Plan Annual Progress Report for Fiscal Year 2015-16.

Board Business - Sitting as both the Flood Control District & the Board of Supervisors

18. Receive an update on the implementation of the Sustainable Groundwater Management Act (SGMA) Strategy. All Districts.

Mr. Wade Horton – Public Works Director; Mr. Mark Hutchinson – Public Works Deputy Director; Ms. Carolyn Berg – Public Works; and Ms. Courtney Howard – Public Works: provide the staff presentation (powerpoint), with Chairperson Peschong stepping down and absent for a portion of the presentation regarding the Atascadero Sub-Basin update.

Chairperson Peschong: opens the floor to public comment.

Mr. John Hollenbeck – Atascadero Mutual Water Company Consultant and Atascadero Sub-Basin Stakeholders Representative; Ms. Carrie Mattingly City of San Luis Obispo Utilities Director; Mr. John Crossland; Mr. Steve Sinton; Mr. Don Clark; Mr. Willy Cunha (document); Ms. Gwen Pelfrey; Ms. Mary Lucey; Mr. Jerry Reaugh; and Mr. Greg Grewal (letter): speak.

(Clerk’s Note: Ms. N. Giselle Naylor submitted a speaker slip after the close of public comment period and did not speak.)

On motion by Supervisor Arnold, seconded by Chairperson Peschong, to revise Addendum No. 1 to the SGMA Strategy: County Participation Preferences for GSA Agreements (Attachment B, page 10-11 of 16 (document)) as follows: under Policy Statement 3a. Financial Strategies, removing all the language except the second bullet that reads “The County acknowledges that it may be challenging for GSAs to identify startup and ongoing funding sources. As such, the County advocates that GSAs pursue grants and other funding sources to the greatest extent feasible to offset local costs”; adding to the end “Fund as part of the Fiscal Year 2017/18 County Budget”; under Policy Statement 3b. Membership and Participation on Governing Boards, modifying the first bullet to read “The County intends to form a GSA to represent any and all of the interests identified in Policy Statement 1 (above) in a manner consistent with other Policy Statements.”; removing from the second bullet “and registered-voter-driven” and “the County may decide (in consultation with such agency and the other participants in the GSA) that it no longer needs to participate in the GSA (depending on e.g. the boundary of the newly formed agency).”; removing the sixth bullet that reads “Significant GSA decisions should require a greater majority vote.”; and removing from the eighth bullet “to the extent there are staff and resources to do so”, is discussed. Further, the motion maker clarifies that this is changing the concept that the County is not going to do anything for their constituents unless they tax themselves for what she feels should be the County’s responsibility.

Chairperson Peschong: questions the impacts to water districts that are formed after the GSA deadline, with Mr. Horton responding.

Supervisor Hill: addresses concerns regarding the motion makers proposal; the County’s cost estimate to represent the unincorporated “white” areas; and the financial responsibility to those who reside in city municipalities, with Mr. Horton, Mr. Dan Buckshi - County Administrative Officer, and Supervisor Arnold responding.

A discussion occurs regarding the reasons for Chairperson Peschong’s participation during deliberations that

affect the Atascadero Sub-Basin in which he was earlier recused.

Supervisor Gibson: clarifies this is a State mandate to the basins not to the County; and questions the reasoning for changing a strategy that was previously approved, with Supervisor Arnold responding.

Supervisor Compton: questions the parcels in the unrepresented "white" areas; anticipated property tax costs; and estimated expenses for past studies conducted, with Mr. Horton, Ms. Berg and Mr. Buckshi responding.

Upon requested clarification to the motion by Mr. Horton, the motion is amended to revise the second bullet to read "The County acknowledges that landowners and/or registered voters may prefer to form an eligible entity to ensure their representation on a GSA. The County supports landowner-driven eligible entity formation processes. As such, if an eligible entity is formed by December 31, 2017, the County may decide (in consultation with such agency the other participants in the GSA) that it no longer needs to participate in the GSA within the boundary(ies) of the newly formed agency; and keeps the sixth bullet as presented in the SGMA strategy that reads "Significant GSA decisions should require a greater majority vote."

The Board, acting as the San Luis Obispo County Flood Control and Water Conservation District, receives the update on the implementation of the Sustainable Groundwater Management Act (SGMA) Strategy adopted by the County and the San Luis Obispo County Flood Control and Water Conservation District; and revises Addendum No. 1 to the SGMA Strategy: County Participation Preferences for GSA Agreements (Attachment B, page 10-11 of 16) as follows: under Policy Statement 3a. Financial Strategies, removes all the language except the second bullet that reads "The County acknowledges that it may be challenging for GSAs to identify startup and ongoing funding sources. As such, the County advocates that GSAs pursue grants and other funding sources to the greatest extent feasible to offset local costs"; add to the end of that section "Fund as part of the FY 2017/18 County Budget"; under Policy Statement 3b. Membership and Participation on Governing Boards, modifies the first bullet to read "The County intends to form a GSA to represent any and all of the interests indentified in Policy Statement 1 (above) in a manner consistent with other Policy Statements."; modifies the second bullet to read "The County acknowledges that landowners and/or registered voters may prefer to form an eligible entity to ensure their representation on a GSA. The County supports landowner-driven eligible entity formation processes. As such, if an eligible entity is formed by December 31, 2017, the County may decide (in consultation with such agency the other participants in the GSA) that it no longer needs to participate in the GSA within the boundary(ies) of the newly formed agency."; and removes from the eighth bullet "to the extent there are staff and resources to do so".

Motion by: Debbie Arnold

Second by: John Peschong

SUPERVISORS	AYES	NOES	ABSTAIN	RECUSE
Peschong, John (Chairperson)	x			
Hill, Adam (Vice Chairperson)		x		
Gibson, Bruce S (Board Member)		x		
Compton, Lynn (Board Member)	x			
Arnold, Debbie (Board Member)	x			

Hearings:

- 19. Hearing to consider amendments to The Rules of Procedure to Implement the Land Conservation Act of 1965 (LRP2016-00007) to add Residential Vacation Rentals to Table 2 "Agricultural and Compatible Uses for Lands Subject to Land Conservation Contracts and Farmland Security Zone Contracts"; exempt under CEQA. All Districts.

Mr. Terry Wahler - Planning and Building: provides the staff presentation (PowerPoint).

Chairperson Peschong: opens the floor to public comment.

Ms. Jamie Kirk (document); Ms. Patricia Wilmore – Paso Robles Wine County Alliance Government Affairs Director; Mr. Irv McMillan; Mr. Mike Brown – Coalition of Labor, Agriculture, and Business (COLAB); and Mr. James Green – Farm Bureau Government Affairs Specialist (letter): speak.

Supervisors Gibson and Hill: outline their concerns subjecting Williamson Act land for Vacation Rentals and non-ag uses.

The Board amends Exhibit A – LRP2016-00007 under Section 13 b. by adding the word "off-site" in the parenthesis to read "(or other designated off-site manager)"; and Section 13 d. by changing the total number of people from "not to exceed 18 people" to "not to exceed 30 people". Further, RESOLUTION NO. 2017-60, a resolution to amend the Rules of Procedure to implement the California Land Conservation Act of 1965 in the County of San Luis Obispo LRP2016-00007, adopted as amended.

Motion by: Debbie Arnold

Second by: Lynn Compton

SUPERVISORS	A YES	NOES	ABSTAIN	RECUSE
Peschong, John (Chairperson)	x			
Hill, Adam (Vice Chairperson)		x		
Gibson, Bruce S (Board Member)		x		
Compton, Lynn (Board Member)	x			
Arnold, Debbie (Board Member)	x			

On motion duly made and unanimously carried, the Board of Supervisors of the County of San Luis Obispo, and ex-officio the governing body of all other special assessment and taxing districts for which said Board so acts, does now adjourn.

I, **TOMMY GONG**, County Clerk-Recorder and Ex-Officio Clerk of the Board of Supervisors of the County of San Luis Obispo, and ex-officio clerk of the governing body of all other special assessment and taxing districts for which said Board so acts, do hereby certify that the foregoing is a fair statement of the proceedings of the meeting held Tuesday, March 07, 2017, by the Board of Supervisors of the County of San Luis Obispo, and ex-officio the governing body of all other special assessment and taxing districts for which said Board so acts.

TOMMY GONG, County Clerk-Recorder and Ex-Officio Clerk of the Board of Supervisors

By: /s/ Annette Ramirez, Deputy Clerk-Recorder

DATED: March 9, 2017

CAMBRIA COMMUNITY SERVICES DISTRICT

DIRECTORS:

AMANDA RICE, President
 GREG SANDERS, Vice President
 JIM BAHRINGER, Director
 MICHAEL THOMPSON, Director
 HARRY FARMER, Director


OFFICERS:

JEROME D. GRUBER, General Manager
 MONIQUE MADRID, District Clerk
 TIMOTHY J. CARMEL, District Counsel

1316 Tamsen Street, Suite 201 • P.O. Box 65 • Cambria CA 93428
 Telephone (805) 927-6223 • Facsimile (805) 927-5584

March 30, 2017

The Honorable John Peschong, Chair and
 Members of the Board of Supervisors
 County of San Luis Obispo
 County Government Center
 1055 Monterey Street
 San Luis Obispo, CA 93408

Re: Proposed County Formation of a Groundwater Sustainability Agency (Sustainable Groundwater Management Act)

Dear Chair Peschong and Members of the Board of Supervisors:

This letter is intended to convey to you the official position of the Cambria Community Services District (“CCSD”) Board of Directors (“Board”), adopted at a special meeting of the Board convened on March 30, 2017, regarding the Board of Supervisors proposal to fund the creation of a Groundwater Sustainability Agency (“GSA”) pursuant to the state Sustainable Groundwater Management Act (“SGMA”). For the reasons discussed below, the CCSD Board is opposed to formation and funding of a GSA as currently proposed.

The CCSD Board believes that County formation of a GSA represents a sharp departure from the SGMA Strategy adopted by the Board of Supervisors on January 13, 2015 and revised on May 24, 2016. Specifically, the adopted SGMA Strategy relies on local stakeholders to formulate plans for and manage the groundwater basins that require formulation of plans and management under the SGMA. As proposed, Policy No. 1 in the SGMA Strategy Addendum will be amended to state that, “The County intends to form a GSA to represent any and all of the interests [within the affected groundwater basin] in a manner consistent with all other policy statements.”

As currently proposed, the GSA would manage the Paso Robles Groundwater Basin, among other matters. The CCSD Board believes that the stakeholders within the Paso Robles Groundwater Basin including, but not limited to, landowners, public water agencies and consumers of groundwater should work collaboratively to create a GSA to manage the basin. We understand that the current proposal would require the annual expenditure of between \$1.6 million and \$2.2 million of County general fund money for three years to develop a plan for management of the basin. After the plan is adopted, there would be ongoing general fund expenditures to manage the basin and enforce the provisions of the plan.

We note that the Board of Supervisors spent considerable time, effort and money on a proposal to manage the Paso Robles Groundwater Basin. The Board of Supervisors, Local Agency Formation Commission and the State Legislature developed the proposal, including the means to pay for creation of a plan for

management of the basin groundwater in accordance with the SGMA. Unfortunately, the carefully crafted county proposal was rejected during a special election in March of 2016.

The CCSD Board believes that, as a policy, this would be an inappropriate use of general funds. Any GSA expenditures ought to be paid for by the direct beneficiaries of a GSA and its groundwater management plan. The stakeholders within the Paso Robles Groundwater Basin ought to bear the financial burden for groundwater management within the basin because they will benefit from creation and implementation of a plan. The general fund money that would be allocated to the proposed GSA and formulation of a groundwater management plan for the Paso Robles Groundwater Basin should be used instead to pay for more urgently needed projects throughout the county, including projects within the North Coast area.

As the agency charged with development and management of water resources, including management of those portions of the two watersheds from which water for the town of Cambria is extracted, the CCSD Board believes it is inappropriate for the Board of Supervisors to use general funds money to benefit the stakeholders within another watershed in the county. The CCSD receives no such subsidy. With very limited resources, the CCSD must develop and implement groundwater management plans on its own. We are aware of no rational public policy that justifies Cambrians subsidizing the stakeholders within the Paso Robles Groundwater Basin, as the proposed GSA will do.

We urge the Board of Supervisors to reject the strategy changes for funding and creation of a GSA as proposed and to confirm the policies set forth in the SGMA Strategy as adopted.

Sincerely,

Amanda Rice
President
Cambria Community Services District
Board of Directors

CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

AGENDA NO. **3.B.**

FROM: Jerry Gruber, General Manager

Meeting Date: March 30, 2017 Subject: DISCUSSION AND CONSIDERATION
 OF APPOINTMENT OF AN AD HOC
 COMMITTEE TO DRAFT RESPONSES
 TO GRAND JURY REPORT ON
 THE RISK OF CATASTROPHIC
 FIRE IN CAMBRIA

RECOMMENDATIONS:

Staff recommends that the Board of Directors discuss and consider appointing an Ad Hoc Committee to draft responses to the Grand Jury report “Is it Five Minutes to Midnight in Cambria? An Update on the Risk of Catastrophic Fire.”

FISCAL IMPACT:

There are no fiscal impacts to the CCSD by appointing an Ad Hoc Committee to draft responses to the Grand Jury report.

BACKGROUND:

On March 28, 2017 the Grand Jury issued a new report entitled “Is it Five Minutes to Midnight in Cambria? An Update on the Risk of Catastrophic Fire.” The report is a follow-up to the 2014-2015 Grand Jury reports on the risk of a catastrophic fire in Cambria.

The report acknowledges that “...many of the recommendations made by that Grand Jury have been adopted and the people charged with the fire management responsibility for Cambria have moved aggressively to attract additional funding for the equipment and manpower required.” The report also cites many “key accomplishments” since the earlier Grand Jury report, including: obtaining the SAFER grant; purchasing a new fire truck; updating water storage tanks; working with the County on tree removal permits; and working to provide evacuation route maps and improving local awareness of danger, emergency preparedness and reverse 911 sign-up.

The report makes several Findings and Recommendations relating to fire hydrant testing, removal of dead trees and broader steps for prevention and preparedness. The District is required by law to respond to these Findings and Recommendations. Accordingly, staff is recommending that the Board of Directors consider appointing an Ad Hoc Committee to draft responses to the Grand Jury report.

Attachment: March Grand Jury Report: Is it Five Minutes to Midnight in Cambria? An Update on the Risk of Catastrophic Fire.

BOARD ACTION: Date _____ Approved: _____ Denied: _____

UNANIMOUS ___RICE ___SANDERS ___THOMPSON: ___BAHRINGER ___FARMER



GRAND JURY

March 23, 2017

Confidential

Jerry Gruber, General Manager
Cambria Community Services District
1316 Tamsen Street, Suite 201
Cambria, CA 93428

Dear Mr. Gruber:

The San Luis Obispo County Grand Jury has completed the attached report titled "IS IT FIVE MINUTES TO MIDNIGHT IN CAMBRIA? AN UPDATE ON THE RISK OF CATASTROPHIC FIRE." This copy of the report is being provided to you two days in advance of its public release, as required by California Penal Code §933.05 (f), which states:

A grand jury shall provide to the affected agency a copy of the portion of the grand jury report relating to that person or entity two working days prior to its public release and after the approval of the presiding judge. No officer, agency, department, or governing body of a public agency shall disclose any contents of the report prior to the public release of the final report.

Responses are due pursuant to California Penal Code section 933(c). Sections 933 through 933.05 of the Penal Code are attached for your reference. Also attached is a form for your responses to Grand Jury findings and recommendations.

Please keep in mind that this report must be kept confidential until its public release by the Grand Jury.

Respectfully,

Lee Stephens, Foreperson
2016-17 San Luis Obispo County Grand Jury

LS:tlb
Enclosure

§933

(a) Each grand jury shall submit to the presiding judge of the superior court a final report of its findings and recommendations that pertain to county government matters during the fiscal or calendar year. Final reports on any appropriate subject may be submitted to the presiding judge of the superior court at any time during the term of service of a grand jury. A final report may be submitted for comment to responsible officers, agencies, or departments, including the county board of supervisors, when applicable, upon finding of the presiding judge that the report is in compliance with this title. For 45 days after the end of the term, the foreperson and his or her designees shall, upon reasonable notice, be available to clarify the recommendations of the report.

(b) One copy of each final report, together with the responses thereto, found to be in compliance with this title shall be placed on file with the clerk of the court and remain on file in the office of the clerk. The clerk shall immediately forward a true copy of the report and the responses to the State Archivist who shall retain that report and all responses in perpetuity.

(c) No later than 90 days after the grand jury submits a final report on the operations of any public agency subject to its reviewing authority, the governing body of the public agency shall comment to the presiding judge of the superior court on the findings and recommendations pertaining to matters under the control of the governing body, and every elected county officer or agency head for which the grand jury has responsibility pursuant to Section 914.1 shall comment within 60 days to the presiding judge of the superior court, with an information copy sent to the board of supervisors, on the findings and recommendations pertaining to matters under the control of that county officer or agency head and any agency or agencies which that officer or agency head supervises or controls. In any city and county, the mayor shall also comment on the findings and recommendations. All of these comments and reports shall forthwith be submitted to the presiding judge of the superior court who impaneled the grand jury. A copy of all responses to grand jury reports shall be placed on file with the clerk of the public agency and the office of the county clerk, or the mayor when applicable, and shall remain on file in those offices. One copy shall be placed on file with the applicable grand jury final report by, and in the control of the currently impaneled grand jury, where it shall be maintained for a minimum of five years.

(d) As used in this section "agency" includes a department.

§933.05

(a) For purposes of subdivision (b) of Section 933, as to each grand jury finding, the responding person or entity shall indicate one of the following:

(1) The respondent agrees with the finding.

(2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefor.

(b) For purposes of subdivision (b) of Section 933, as to each grand jury recommendation, the responding person or entity shall report one of the following actions:

(1) The recommendation has been implemented, with a summary regarding the implemented action.

(2) The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.

(3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.

(4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefor.

(c) However, if a finding or recommendation of the grand jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the board of supervisors shall respond if requested by the grand jury, but the response of the board of supervisors shall address only those budgetary or personnel matters over which it has some decisionmaking authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

(d) A grand jury may request a subject person or entity to come before the grand jury for the purpose of reading and discussing the findings of the grand jury report that relates to that person or entity in order to verify the accuracy of the findings prior to their release.

(e) During an investigation, the grand jury shall meet with the subject of that investigation regarding the investigation, unless the court, either on its own determination or upon request of the foreperson of the grand jury, determines that such a meeting would be detrimental.

(f) A grand jury shall provide to the affected agency a copy of the portion of the grand jury report relating to that person or entity two working days prior to its public release and after the approval of the presiding judge. No officer, agency, department, or governing body of a public agency shall disclose any contents of the report prior to the public release of the final report.

RESPONSE TO GRAND JURY REPORT

Report Title: _____

Report Date: _____

Response by: _____ Title: _____

FINDINGS

1. I (we) agree with the findings numbered: _____
2. I (we) disagree wholly or partially with the findings numbered: _____
(Attach a statement specifying any portions of the findings that are disputed; include an explanation of the reasons.)

RECOMMENDATIONS

1. Recommendations numbered _____ have been implemented.
(Attach a summary describing the implementation actions.)
2. Recommendations numbered _____ have not yet been implemented, but will be implemented in the future.
(Attach a timeframe for the implementation.)
3. Recommendations numbered _____ require further analysis.
(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of the publication of the Grand Jury report.)
4. Recommendations numbered _____ will not be implemented because they are not warranted or are not reasonable.
(Attach an explanation.)

Date: _____ Signed: _____

Number of pages attached: _____

IS IT FIVE MINUTES TO MIDNIGHT IN CAMBRIA? AN UPDATE ON THE RISK OF CATASTROPHIC FIRE

INTRODUCTION

The risk of a catastrophic fire in Cambria has been the subject of extreme urgency for several years. Two years ago, the 2014-2015 Grand Jury issued an in-depth report that identified areas for additional work and attention. Since then, many of the recommendations made by that Grand Jury have been adopted and the people charged with the fire management responsibility for Cambria have moved aggressively to attract additional funding for the equipment and manpower required.

The 2016-2017 Grand Jury chose to look again at the current fire risk and provide an updated assessment. We are issuing this investigative report to:

- Assure everyone remains focused on this imminent risk
- Make people aware of the advances that have been made
- Identify areas requiring additional attention

ORIGIN

The 2014-2015 Grand Jury issued two reports connected to Cambria on the topics of fire risk and emergency response. In 2016, the current Grand Jury received multiple, identical complaints individually submitted by several Cambria residents expressing concerns connected to the Cambria Community Services District, its focus on related water and fire issues and the agency's original response to the earlier reports. After a preliminary investigation into the elements of

these new complaints, the Grand Jury launched an in-depth investigation into the specific topic of fire hazard and the community response to date.

AUTHORITY

California Penal Code section 925 authorizes the Grand Jury to investigate and report on the operations, accounts and records of special districts within the county.

METHOD

The Grand Jury conducted the investigation by interviewing some of the complainants, as well as relevant staff members and board members of key organizations that included CAL FIRE, Cambria Community Services District (CCSD), CCSD Fire Department (Cambria FD), San Luis Obispo County Community Firesafe Council (SLO Firesafe Council), the Cambria Fire Safe Focus Group, the Cambria Emergency Response Team (CERT) and other concerned citizens. The Grand Jury also reviewed several relevant documents related to fire planning and forest management.

BACKGROUND

A serious fire risk has existed in Cambria for many years. Characteristics that make Cambria a highly desirable place to live contribute to this risk. The Monterrey pines are emblematic of the area yet the recent high mortality among these trees, due in part to the recent drought, enables fires to spread rapidly. Cambria's remote location makes it a serene haven, but that remoteness also makes rapid fire response more difficult. And while the narrow, winding roads in many areas create inviting, warm neighborhoods, those same streets make evacuation and emergency response vehicle access harder and at times impossible. Given these facts, eliminating the risk of

wildfire is virtually impossible. Reducing the risk through preparedness and prevention is an ongoing challenge.

NARRATIVE

In assessing the current fire risk, the Grand Jury first examined the impact of the dying forest and fire risk, then examined steps taken to date, the status of the community response services and finally evaluated other community activities related to preparedness.

THE DYING FOREST AND THE FIRE RISK

The U.S. Department of Agriculture estimates there are currently 102 million dead trees throughout California, with the majority located in the southern and central Sierra Nevada region¹.

Given the widespread nature of the problem within California, counties are vying for funds available from state and federal agencies. Even in this competitive environment, Cambria has been successful in obtaining grants and making progress in improving the situation.

The Monterrey pine forest in Cambria is a major example of this mortality, with estimates ranging from 40 to 80 percent of the trees dead within specific areas. But even if the forest were healthy, risk of a catastrophic fire would remain high. The area is a combination of urban and forest areas with limited entry and exit points. Its streets are often narrow and winding, with small lots and older construction which would enable fire to spread rapidly. The community is relatively remote from other potential mutual aid fire agencies. Its day-to-day population involves a mix of tourists, part-timers and retired residents. All in all, these factors that define Cambria also create a volatile mix for wildfire devastation.

Currently the community is serviced by its own fire department, Cambria FD, which is managed by CCSD, and by a CAL FIRE station.

¹ USDA Office of Communications News Release, November 2016

RECENT STEPS TO REDUCE FIRE RISK

Key accomplishments over the past two years noted by the Grand Jury include the following:

- CCSD obtained a SAFER (Staffing for Adequate Fire Emergency and Response) grant that allowed the Cambria FD to increase its standard staffing per shift from three to four people
- CCSD authorized the purchase of a new fire engine to replace the outdated engine that was noted in a 2014-2015 Grand Jury report²
- CCSD updated water storage tanks on the Fiscalini Ranch to better support firefighting needs
- CCSD worked with the County to get a blanket permit to simplify the homeowners' process of removing trees, with about 200 homeowners taking advantage of the program
- CCSD worked with CERT and local fire safety councils to provide evacuation route maps and improve local awareness of danger, emergency preparedness and reverse 911 sign-up

Finally, Cambria conducted a year-long trial of outsourcing the fire management responsibility for Cambria to CAL FIRE. While relevant parties reported that they found the trial very informative and helpful, the decision was made to maintain the Cambria FD as an independent agency. CAL FIRE continues to maintain its station as part of its state and county roles. Both agencies respond to emergency calls. All involved parties report a high level of satisfaction with this collaborative approach.

CONCERNS MOVING FORWARD

Three issues came to light during this investigation:

- Fire hydrant testing
- Removal of dead trees

² Making the Case for Efficiency: Maximizing Emergency Services in Cambria

- Broader steps for prevention and preparedness

Fire Hydrant Testing

Cambria fire hydrants have not been tested for several years. This was a subject of serious concern expressed to the Grand Jury by many residents. Cambria FD explained this was due to concerns over the need to conserve water. One complainant estimated that water usage for flushing all 357 fire hydrants in Cambria would be between 350,000 and 1,785,000 gallons of water, depending on the length of the operational flow. While Cambria FD reported it did spot testing, it acknowledged it did not conduct an ongoing, routine and thorough system check. Various officials interviewed agreed with the need to reinstate routine fire hydrant testing to bring the program back into compliance with state guidelines. These guidelines state that fire hydrants are required to be inspected, tested and maintained on a regulated schedule conducted annually with additional inspection criteria every five years in accordance with NFPA-291 Fire Code Inspection requirements.

Removal of Dead Trees

A second issue is the difficulty of removing dead trees. Diseased trees cannot be transported out of the area nor can they be used for firewood. To address this issue, CCSD is seeking to purchase a biomass machine which chops the trees into chips and converts the wood chips to thermal energy. That energy can then be used to power the wastewater treatment plant in Cambria. It is a product in high demand. Cambria is finalizing funding in advance of purchasing the equipment.

There has also been discussion of CCSD adopting an ordinance that will allow it to require property owners within the CCSD boundaries to remove dead trees. Currently CCSD is only able to require property owners to clear brush. Such an action would require amending the local fire code.

Broader Steps for Prevention and Preparedness

The third concern noted by some interviewees was that a long-term strategic plan for Cambria FD was written over three years ago, but was not adopted or reviewed by the CCSD Board of

Directors at that time. There is interest in updating and bringing the report back to CCSD for review and approval.

Various interviewees raised additional ideas which the Grand Jury feels are worth consideration:

- Aggressive removal of broom (an invasive type of non-native plant that greatly increases fire danger) and other flammables along Highway 1. It was noted that individual permits were required for this, and it would be helpful if Cal Trans, owner of the rights-of-way, would allow more removal per permit.
- Improving the reach of the reverse 911 program which warns citizens of existing hazards. This program needs to be revisited to assure total awareness.
- Posting evacuation route signs, particularly in areas of town with limited egress.
- Installing a siren system to support emergency notices.
- Creating a no-parking policy on certain extremely narrow streets to ensure fire truck access.

Finally, residents can take a more active role in both preparedness and response by removing fuel from their property, having an evacuation plan with a “go-bag” in place and registering their cell phones with the reverse 911 program.

CONCLUSIONS

The fire risk remains high. While significant work has been done to lower the danger, continuous improvement requires that all involved parties see it as the highest priority. The primary parties include CCSD and its fire department, with the support of CAL FIRE, the Fire Safe Council, the Cambria Fire Safe Focus group and, importantly, the citizens of Cambria.

FINDINGS

F1. Local agencies took the report issued by the 2014-2015 Grand Jury seriously and have made a positive impact by their responses to it.

F2. CCSD's continued lack of a fire hydrant testing program represents an unnecessary risk.

F3. The CCSD is currently limited in its ability to force removal of dead trees from private property which adds unnecessarily to the fire risk.

F4. Additional actions are warranted to further limit the critical fire danger and prepare for improved response to a critical fire.

RECOMMENDATIONS

R1. CCSD should resume a regular plan for fire hydrant testing as soon as possible and no later than the end of calendar year 2017.

R2. CCSD should amend their fire code to require the removal of dead trees from private property while exploring funding sources to help homeowners in need of financial assistance comply with that requirement

R3. CCSD should request its staff to evaluate and recommend whether any of the following actions should be pursued and funded:

- Post evacuation route signs on primary evacuation routes.
- Identify key streets presenting fire truck access challenges and develop a no-parking strategy for those streets.
- Work with the Fire Safe Council to seek additional funding and permits to allow for removal of broom and other flammable brush along Highway 1 rights-of-way within the general area of Cambria.

- Develop a strategic fire plan for Cambria. Gain approval by the CCSD Board of Directors, and implement the plan by the end of 2017.
- Renew efforts to ensure the reverse 911 plan is fully understood by Cambria residents and that everyone who should be registered is registered.

REQUIRED RESPONSES

The Board of Directors of CCSD is required to respond to findings F2 through F4 and to recommendations R1 through R3.

The responses shall be submitted to the Presiding Judge of the San Luis Obispo County Superior Court by _____. Please provide a paper copy and an electronic version of all responses to the Grand Jury.

Presiding Judge	Grand Jury
Presiding Judge Barry T. LaBarbera Superior Court of California 1035 Palm Street Room 355 San Luis Obispo, CA 93408	San Luis Obispo County Grand Jury P.O. Box 4910 San Luis Obispo, CA 93403

CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

AGENDA NO. **3.C.**FROM: Jerry Gruber, General Manager
Bob Gresens, District Engineer-----
Meeting Date: March 30, 2017Subject: DISCUSSION AND CONSIDERATION
OF ADOPTION OF RESOLUTION 13-
2017 AUTHORIZING DESIGNATION
OF APPLICANT'S AGENT TO BE
FILED IN THE OFFICE OF
EMERGENCY SERVICES (OES)
-----**RECOMMENDATIONS:**

Staff recommends the Board consider adopting Resolution 13-2017 authorizing designation of applicant's agent for disaster funds to be filed in the Office of Emergency Services (OES).

FISCAL IMPACT:

Subject to being deemed eligible by the Federal Emergency Management Agency (FEMA) and OES, there may be 75% Federal funding, and up to 18.75% Cal OES State funding available for damage related to storms that occurred between January 3-12, 2017, and January 18-23, 2017. This could result in savings of approximately \$221,250 when compared to a preliminary estimate of \$236,000 for the damages sustained during these two periods. Currently, staff is completing the application materials along with their existing duties. Should the District need to bring in outside assistance to further coordinate with FEMA and Cal OES on the application and reimbursement process, those costs could deduct approximately \$10,000-\$20,000 from the projected savings.

In addition to the January 2017 events, there may be a similar possibility for funding due to the February 2017 storm events; however, February 2017 storm-related assistance is still being decided upon between State and Federal agencies.

DISCUSSION:

Two major disaster declarations were announced by the Governor for storms occurring between January 3-12, 2017 and January 18-23, 2017. The storms that precipitated these two declarations (FEMA-4301-DR-CA and FEMA-4305-DR-CA, respectively) resulted in significant damages to infrastructure throughout San Luis Obispo County. FEMA has given public notice of its intent to provide financial assistance to the State of California, local and Indian tribal governments, and private nonprofit organizations under both of these declarations. On Monday, March 27, 2017, CCSD staff member Carolyn Winfrey attended an Applicant's Briefing for Requests for Public Assistance, which was hosted by Cal OES. The CCSD will be applying for financial assistance to cover costs related to storm damages as a result of both declarations. In order to apply for financial assistance, Cal OES requires form Cal OES 130, Designation of Applicant's Agent Resolution for Non-State Agencies, be submitted along with the Request for Public Assistance applications. This form indicates three individuals who are authorized to work with Cal OES on behalf of CCSD. As such, it is requested that the Board of Directors authorize General Manager Jerry Gruber, Finance Manager Patrick O'Reilly, and

District Engineer, Robert Gresens as designated agents for the purpose of applying for financial assistance. This Resolution will remain valid for three (3) years from the date of submission, or until new agents are authorized, whichever comes first. The primary agent listed on this form will be responsible for direct contact with Cal OES and FEMA, as well as coordinating the initial meeting, which will include a review of proposed projects to be funded. Requests for Public Assistance are due to Cal OES no later than Tuesday, April 11, 2017. Cal OES has indicated the Cal OES Form 130 may be submitted beyond this deadline; however, financial assistance will not be approved until it is submitted.

The adoption of Resolution 13-2017 authorizes staff to apply for FEMA and OES disaster funds to cover the cost of damages to District property due to the January 2017 storm events. Subject to the Board's approval, this will be provided to Cal OES and FEMA as part of the funding application process.

Attachments:
Resolution 13-2017

BOARD ACTION: Date _____ Approved: _____ Denied: _____
UNANIMOUS: __ RICE __ SANDERS __ THOMPSON __ BAHRINGER __ FARMER __

**DESIGNATION OF APPLICANT'S AGENT RESOLUTION
FOR NON-STATE AGENCIES**

BE IT RESOLVED BY THE _____ OF THE _____
(Governing Body) (Name of Applicant)

THAT _____, OR
(Title of Authorized Agent)

_____, OR
(Title of Authorized Agent)

(Title of Authorized Agent)

is hereby authorized to execute for and on behalf of the _____, a public entity
(Name of Applicant)
established under the laws of the State of California, this application and to file it with the California Governor's Office of Emergency Services for the purpose of obtaining certain federal financial assistance under Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act.

THAT the _____, a public entity established under the laws of the State of California,
(Name of Applicant)
hereby authorizes its agent(s) to provide to the Governor's Office of Emergency Services for all matters pertaining to such state disaster assistance the assurances and agreements required.

Please check the appropriate box below:

- This is a universal resolution and is effective for all open and future disasters up to three (3) years following the date of approval below.
- This is a disaster specific resolution and is effective for only disaster number(s) _____

Passed and approved this _____ day of _____, 20 _____

(Name and Title of Governing Body Representative)

(Name and Title of Governing Body Representative)

(Name and Title of Governing Body Representative)

CERTIFICATION

I, _____, duly appointed and _____ of
(Name) (Title)

_____, do hereby certify that the above is a true and correct copy of a
(Name of Applicant)

Resolution passed and approved by the _____ of the _____
(Governing Body) (Name of Applicant)

on the _____ day of _____, 20 _____.

(Signature)

(Title)

71
 STATE OF CALIFORNIA
 GOVERNOR'S OFFICE OF EMERGENCY SERVICES
 Cal OES 130 - Instructions

Cal OES Form 130 Instructions

A Designation of Applicant's Agent Resolution for Non-State Agencies is required of all Applicants to be eligible to receive funding. A new resolution must be submitted if a previously submitted Resolution is older than three (3) years from the last date of approval, is invalid or has not been submitted.

When completing the Cal OES Form 130, Applicants should fill in the blanks on page 1. The blanks are to be filled in as follows:

Resolution Section:

Governing Body: This is the group responsible for appointing and approving the Authorized Agents.

Examples include: Board of Directors, City Council, Board of Supervisors, Board of Education, etc.

Name of Applicant: The public entity established under the laws of the State of California. Examples include: School District, Office of Education, City, County or Non-profit agency that has applied for the grant, such as: City of San Diego, Sacramento County, Burbank Unified School District, Napa County Office of Education, University Southern California.

Authorized Agent: These are the individuals that are authorized by the Governing Body to engage with the Federal Emergency Management Agency and the Governor's Office of Emergency Services regarding grants applied for by the Applicant. There are two ways of completing this section:

1. **Titles Only:** If the Governing Body so chooses, the titles of the Authorized Agents would be entered here, not their names. This allows the document to remain valid (for 3 years) if an Authorized Agent leaves the position and is replaced by another individual in the same title. If "Titles Only" is the chosen method, this document must be accompanied by a cover letter naming the Authorized Agents by name and title. This cover letter can be completed by any authorized person within the agency and does not require the Governing Body's signature.
2. **Names and Titles:** If the Governing Body so chooses, the names **and** titles of the Authorized Agents would be listed. A new Cal OES Form 130 will be required if any of the Authorized Agents are replaced, leave the position listed on the document or their title changes.

Governing Body Representative: These are the names and titles of the approving Board Members.

Examples include: Chairman of the Board, Director, Superintendent, etc. The names and titles **cannot** be one of the designated Authorized Agents, and a minimum of two or more approving board members need to be listed.

Certification Section:

Name and Title: This is the individual that was in attendance and recorded the Resolution creation and approval.

Examples include: City Clerk, Secretary to the Board of Directors, County Clerk, etc. This person **cannot** be one of the designated Authorized Agents or Approving Board Member (if a person holds two positions such as City Manager and Secretary to the Board and the City Manager is to be listed as an Authorized Agent, then the same person holding the Secretary position would sign the document as Secretary to the Board (not City Manager) to eliminate "Self Certification.")