February 27, 2019

TO: LOCSD Board of Directors, General Manager Renee Osborne, and

Utility Systems Manager Jose Acosta

CC: UAC Committee Members

FROM: Director Chuck Cesena, Utilities Advisory Committee (UAC) Chairperson

SUBJECT: Agenda Item 9H – 3/7/219 Board Meeting

Summary of the February 20, 2019 UAC Meeting

The meeting was called to order at 5:30 and the minutes approved as presented.

As directed by the Board, the Committee reviewed the District's Water Shortage Contingency Plan and Title 2 of the District Code. This was primarily in response to a customer's request for relief from a large bill resulting from an undetected leak on their side of the meter. While the Committee recognized that under the current Title 2 language there was no way to grant relief (credit) and seemed disinclined to open the door the making this decision on a case by case basis, there was some interest in possibly reducing the punitive aspect of a large bill by adjusting the way in which the tiered rates are applied. The Committee recommended that the possible amendments to Title 2 be examined by the Rate Structure Subcommittee when they reconvene in the near future and that District staff make revisions to the District's Water Shortage Contingency Plan as discussed that night.

The Work Plan was updated for 2019 with minor changes to one item. The Rate Study Subcommittee is now referenced in #7 of the Work Plan so that they would be included in any review of the existing Rate Study.

Utility Systems Manager Acosta presented the Utility Department update and the Committee was pleased with the accomplishments of the Department.

Chairperson Cesena presented his notes from the monthly Water Resources Advisory Committee meeting, a copy is attached. As noted, within the next few months I would like to present that group with an update on the management of our groundwater basin. I would share a copy of anything to be presented with the Board prior to such an occurrence.

The most significant non-agenda item public comment related to the Zatt settlement. Some didn't want the costs to be the responsibility of the water customers and - not understanding how the District is structured to operate - thought that this was an item that should be charged to the Administration Department "budget". I suggested that the settlement could be paid from the property taxes that had been allocated to the Utilities Department until our recent efforts to wean the Department from this revenue stream. That way the water customers would not be paying an undue share of the cost.

Attachment

February 20, 2019

To:

LOCSD Board of Directors

LOCSD Utility Advisory Committee

Chuck Cesena, UAC Chair Class

Subject: Notes from February 6, 2019 San Luis Obispo County Water Resources Advisory Committee

Meeting (WRAC)

Attached is the agenda and staff reports for the above referenced meeting, which I attended on behalf of the District; of particular interest to Los Osos are Agenda Items 3b and 3e.

Item 3b references the recent minor adjustments to the LO groundwater basin boundaries made by the State Department of Water Resources. The removal of the southern fringe area refers to the exclusion of the area west of Sea Pines Golf Resort and south of Shark Inlet from our Basin. The minor northern fringe area refers to a small area along Los Osos Creek near South Bay Boulevard. The Warden Creek Sub-basin refers to the groundwater basin near Warden Lake, which is now considered a separate Sub-basin distinct from the Los Osos Sub-basin which provides our community drinking water.

Item 3e refers to the current status of the County program which allows new construction based upon retrofit credits.

Most of the meeting was spent on Agenda Item 4, the report from the Ad Hoc Subcommittee regarding additional water conservation measures that could be implemented by the County Board of Supervisors.

In accordance with Agenda Item 5, I intend to provide the WRAC with an update on the activities of the LO Basin Management Committee in the near future. Potential items for discussion include our efforts to divert stormwater runoff that now empties directly to the bay for use at the County water recycling facility (wastewater treatment plant), the controversy regarding our efforts to drill the new Program C well in a neighborhood of private wells and the County contracts regarding the sale of recycled water to dryland farmers. Please feel free to suggest any additional items to include in that update.

Attachment