



November 7, 2019

TO: LOCSD Board of Directors

FROM: Ron Munds, General Manager

SUBJECT: Agenda Item 7H – 11/7/2019 Board Meeting

Adopt a Resolution Supporting the Grant Application for the 8th Street Well Project, Authorizing the General Manager to Submit a Grant Proposal to the State of California's Department of Water Resources (DWR) and Execute an Agreement to Receive the Grant Funds, and Authorize the General Manager to Enter into an Agreement with San Luis Obispo County Flood Control and Water Conservation District (Flood Control District) to Pay for the LOCSD's Share of Costs.

President
Marshall E. Ochylski

Vice President
Charles L. Cesena

Directors
Matthew D. Fourcroy
Vicki L. Milledge
Christine M. Womack

General Manager
Ron Munds

District Accountant
Robert Stilts, CPA

Unit Chief
Scott M. Jalbert

Battalion Chief
George Huang

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P.O. Box 6064
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2122 9th Street, Suite 110
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DESCRIPTION

The District must provide a resolution adopted by the Board designating an authorized representative to submit the proposal and execute an agreement with the State of California for a Round 1 Integrated Regional Water Management (IRWM) Implementation Grant. Additionally, the District must enter into a reimbursement agreement with Flood Control District to pay the associated costs for the grant submittal. This report provides an update to the ongoing efforts of the IRWM working group to secure grant funding for the region and the attached resolution designating the General Manager as the District's authorized agent.

SUMMARY OF STAFF RECOMMENDATION

This item will be approved along with the Consent Calendar unless it is pulled by a Director for separate consideration. If so, Staff recommends that the Board adopt the following motion:

Motion: I move that the Board adopt Resolution 2019-28 designating the General Manager as the authorized representative to submit the proposal, execute an agreement with the State of California for a Round 1 IRWM Implementation Grant and entering into a reimbursement agreement with the Flood Control District.

DISCUSSION

For the past year, the District has been working closely with the San Luis Obispo IRWM work group on securing funds from the Round 1 IRWM Implementation Grant from Proposition 1 passed by California voters in 2014. The Central Coast Funding Area (CCFA), which San Luis Obispo County is a part of, entered into a Memorandum of Agreement to divide the CCFA allocated funds equitably between the 6 regions. Based on this agreement, the funding available to San Luis Obispo County is \$7.7 million.

Through a competitive and iterative process, the District's 8th Street Well Project (Phase 2, equipping the well) is one of five final projects being recommended for funding CCFA allocated funds. The grant request is for \$238,100 which will supplement District funding to complete Phase 2 of the project which is estimated to cost \$280,000. The estimated total cost of the entire project is \$523,000.

One of the final steps in the grant award process is for the District to designate a representative authorized to submit a final grant proposal and execute an agreement with DWR to receive the funding. Additionally, the District will need to enter into a reimbursement agreement with the Flood Control District to pay of the District's share of the grant submittal costs. Staff is recommending that the General Manager be named the authorized representative for the grant and the given the authority to enter into the reimbursement agreement with the Flood Control District.

The completed San Luis Obispo County IRWM Implementation Grant submittal package is due to DWR on December 17, 2019. It is anticipated the awarding of the grant funds will be June 2020.

FINANCIAL IMPACT

There is no direct financial impact associated with adopting a resolution designating an authorized District representative for the Round 1 IRWM Implementation Grant submittal and agreement execution. As previously discussed, if awarded, the grant will supplement the cost of equipping the upper aquifer 8th Street well. The 2019-20 budget has \$315,824 in the Capital Outlay line item (9006) designated for this project.

Attachment

Date: November 7, 2019
Agenda Item No: 7H
() Approved
() Denied
() Continued to

RESOLUTION 2019-28

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS OSOS COMMUNITY SERVICES DISTRICT DESIGNATING THE GENERAL MANAGER AS THE AUTHORIZED REPRESENTATIVE TO FILE APPLICATION AND EXECUTE AGREEMENTS FOR THE 2019 PROPOSITION 1 INTEGRATED REGIONAL WATER MANAGEMENT IMPLEMENTATION GRANT PROGRAM

WHEREAS, the State of California has established an Integrated Regional Water Management (IRWM) grant program pursuant the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (also known as Proposition 1); and

WHEREAS, the Los Osos Community Services District approved a Memorandum of Understanding, incorporated herein as Attachment No. 1, which established the Los Osos Community Services District as a member of the Regional Water Management Group for the San Luis Obispo County Region, and which also designates the San Luis Obispo County Flood Control and Water Conservation District (the "Flood Control District") as the lead agency to submit Integrated Regional Water Management grants; and

WHEREAS, the Los Osos Community Services District General Manager, Ron Munds, or his Designee, is especially suited to ensure the grant application materials submitted by and on behalf of the Los Osos Community Services District are prepared in a complete, efficient and adequate manner; and

WHEREAS, the Los Osos Community Services District General Manager, Ron Munds, has the authority to ensure that projects are carried out in full compliance with the applicable permits and agreements; and

WHEREAS, the Los Osos Community Services District submitted the 8th Street Well project for inclusion in the San Luis Obispo County Region's 2019 Proposition 1 Round 1 IRWM grant program application; and

WHEREAS, the 8th Street Well project was endorsed by the Regional Water Management Group and the San Luis Obispo County Water Resources Advisory Committee; and

WHEREAS, Attachment No. 2 includes a list of all the local projects endorsed to be in the Region's application to the California Department of Water Resources; and

WHEREAS, in anticipation of the final application submittal, Flood Control District staff has requested that local agencies adopt a resolution verifying support for the project, authorization to proceed with the IRWM grant application, and authorization to enter into reimbursement agreement to fund a share of the Flood Control District's costs; and

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Los Osos Community Services District that:

1. The Los Osos Community Services District Board of Directors supports the 8th Street Well project as described in Attachment No. 2, and that the application be made to the California Department of Water Resources to obtain a 2019 Proposition 1 Round 1 Integrated

Regional Water Management Implementation Grant pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 in coordination with the Flood Control District and the Regional Water Management Group.

2. The General Manager, Ron Munds, or his Designee, of the Los Osos Community Services District is hereby authorized and directed to prepare the necessary data, conduct investigations, file such application required for grant funding, and to execute a grant agreement (which must first be approved as to form by Los Osos Community Services District Legal Counsel) with the San Luis Obispo County Flood Control and Water Conservation District.
3. The General Manager, Ron Munds, or his Designee, of the Los Osos Community Services District is hereby authorized to enter into a reimbursement agreement to pay for Los Osos Community Services District share of the Flood Control District costs.

On the motion of Director _____, seconded by Director _____ and on the following roll call vote, to wit:

AYES: Directors _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

he foregoing resolution is hereby passed, approved and adopted by the Board of Directors of the Los Osos Community Services District this 7th day of November 2019.

Charles Cesena, Vice President
Los Osos Community Services District

ATTEST:

APPROVED AS TO FORM:

Ron Munds
General Manager and Secretary to the Board

Jeffrey A. Minnery
District Legal Counsel



COUNTY OF SAN LUIS OBISPO
Department of Public Works
John Diodati, Interim Director

Los Osos Community Services District
Attn.: Ron Munds
2122 9th Street
Los Osos, CA 93402

October 23, 2019

SENT VIA EMAIL

Subject: Response Requested by November 22, 2019 – Proposition 1, Round 1 Integrated Regional Water Management Implementation Grant Application; Commitments Needed for Project’s Inclusion in Application (8th Street Well Construction)

Dear Mr. Munds

Thank you for your interest in the Proposition 1, Round 1 Integrated Regional Water Management (IRWM) Implementation Grant funding. We are pleased to inform you that on June 5, 2019, the San Luis Obispo County Regional Water Management Group (RWMG) selected the subject project submittal for potential inclusion in a regional grant application.

As a result of this action, the San Luis Obispo County Flood Control and Water Conservation District (District), as the Lead Agency of the RWMG, and it’s consultant, Water Systems Consulting, Inc. (WSC), will be working with Project Sponsors to collect the documents listed below prior to proceeding, in order to establish eligibility and commitment to the grant application development process.

- Governing Body Resolution(s) with:
 - Verification of support for the 8th Street Well Construction project
 - Authorization to proceed forward with the IRWM Grant application
 - Authorization to enter into a Reimbursement Agreement with the District to fund the subject grant application (estimate \$15,000 per project).
- Documentation that the subject project has funding match. Eligible expenses incurred on or after January 1st, 2015 can be used for funding match.
- Documentation and/or acknowledgement that your agency recognizes that State grants work on a reimbursement basis, where even after potential grant award in mid-2020, it can take 6- 12 months to receive grant reimbursement funds for eligible costs.

County of San Luis Obispo Department of Public Works

County Govt Center, Room 206 | San Luis Obispo, CA 93408 | (P) 805-781-5252 | (F) 805-781-1229
pwd@co.slo.ca.us | slocounty.ca.gov

- Submittal of current design documents/ plans.

These documents must be received by **November 22, 2019**.

In addition to receipt of these commitments, District staff and WSC will work with your agency to collect documents needed to submit the grant application, and to confirm your agency's eligibility under State requirements. We urge your agency to closely review the State's Grant Proposal Solicitation Package requirements, and terms and conditions of the State's Grant Agreements (if awarded funding). If you are starting work now, all applicable terms and conditions need to be incorporated as directed by your legal counsel.

DWR's Prop 1, Round 1 Proposal Solicitation Package:

<https://water.ca.gov/-/media/DWR-Website/Web-Pages/Work-With-Us/Grants-And-Loans/IRWM-Grants/Files/Prop-1-Implementation/Prop1ImplementationFinalWeb42319.pdf?la=en&hash=FFDCB9018110FC206982EF6362B0E843F1011FD9>

DWR's Template Grant Agreement: <https://water.ca.gov/-/media/DWR-Website/Web-Pages/Work-With-Us/Grants-And-Loans/IRWM-Grants/Files/Prop-1-Implementation/Resource-Documents/AgreementTemplateProp1ImplementationUpdated51019.pdf?la=en&hash=5089037FBFEBBA51F80FAD0B2306266C272BB414>

Please return the requested information by November 22, 2019 to Brendan Clark at:

bclark@co.slo.ca.us

County of San Luis Obispo
Public Works Department
County Government Center, Room 206
San Luis Obispo, CA 93408

Thank you in advance for your response to this letter. If you have any questions, please contact me at (805) 788-2316.

Sincerely,

Brendan Clark

Brendan Clark, PE
Water Resources Engineer
IRWM Program Manager

ATTACHMENT 1

San Luis Obispo County Region Integrated Regional Water Management Program Participants Memorandum of Understanding

The undersigned agencies and organizations hereby agree as follows:

1. BACKGROUND

The State of California has established an Integrated Regional Water Management (IRWM) planning and grant program pursuant to the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Public Resource Code (PRC) Section 75001 et seq., also known as Proposition 84). This program is anticipated to be perpetuated and/or modified by future Bond acts. The IRWM program provides guidance for collaborative efforts to manage all aspects of water resources in a region by crossing jurisdictional, watershed, and political boundaries to involve multiple agencies, stakeholders, individuals, and groups in order to address issues and differing perspectives of all entities involved through mutually beneficial solutions. Regions that develop IRWM plans in accordance with the guidelines are eligible for certain water resources grant funding opportunities.

In accordance with PRC Section 75001 (et seq.) and State IRWM Program guidelines, a Memorandum of Understanding (MOU) (dated 2009), signed by eleven agencies within San Luis Obispo County, established a Regional Water Management Group (RWMG) for the San Luis Obispo County IRWM Region, and the San Luis Obispo County IRWM Region was officially accepted by the State in May 2009.

The San Luis Obispo County IRWM Region water resources stakeholders have determined the need to update the IRWM MOU in order to meet new State IRWM guidelines, to clarify the governance structure for IRWM planning in the San Luis Obispo County IRWM Region, and encourage broader participation. This MOU, in conjunction with the current IRWM Plan, sets forth the San Luis Obispo County IRWM Region's governance structure thereby allowing members and other stakeholders to understand how to participate in the IRWM Plan development and implementation.

2. PURPOSE, GOALS, AND APPROACH

2.1 Purpose. The purpose of this MEMORANDUM OF UNDERSTANDING (MOU) is to establish the mutual understandings among the San Luis Obispo County Region participants with respect to their joint efforts to develop and implement an Integrated Regional Water Management (IRWM) Plan for the San Luis Obispo County Region, including the definition of common IRWM terms, roles and responsibilities of IRWM Program Participants, and decision-making processes.

2.2 Goals. The goal of the IRWM program is to provide a reliable, long-term, and high-quality water supply, and to establish a unified vision among the participants' goals for water quality improvement, ecosystem preservation, water supply protection and enhancement, ground water management and flood management, in the context of social justice and climate change adaptation, while protecting the environment. The adopted IRWM plan will identify major water-related goals, objectives and conflicts within the region, consider a broad variety of water management strategies, identify the appropriate mix of water demand and supply management alternatives, water quality protections, flood management strategies, and environmental stewardship actions.

2.3 Approach. The San Luis Obispo County Region participants are specifying their shared intent to coordinate and collaborate on water management issues, giving consideration to disadvantaged communities and Native American tribes and their water related needs. In order to

enhance participation of stakeholders, it will be necessary to work at a sub-regional level to better understand the water resources needs and priorities throughout the region. When applying for grants, the San Luis Obispo County Region will strive to distribute the grant funding request fairly across the geographic region. The goal is to distribute awarded funding from each grant cycle equally across the sub-regions (i.e. one quarter of the overall funding to benefit each of the three sub-regions' projects/programs and one quarter of the overall funding to benefit regional projects/programs), to the extent feasible.

3. DEFINITIONS

3.1 Integrated Regional Water Management Plan (Plan). A comprehensive plan for a defined geographic area which shall satisfy the requirements of California's IRWM Program.

3.2 San Luis Obispo County Region (Region). The geographic area of San Luis Obispo County, which is coterminous with the San Luis Obispo County Flood Control and Water Conservation District (District) boundary.

3.3 Local Agency. Any city, county, city and county, special district, joint powers authority, or other political subdivision of the state, a public utility as defined in Section 216 of the Public Utilities Code, or a mutual water company as defined in Section 2725 of the Public Utilities Code.

3.4 Program Participants. Development and implementation of the Region's Plan is a collaborative effort undertaken by the Region's participants, as further discussed in Section 4. The effort is being led by the District, in partnership with the Regional Water Management Group, Water Resources Advisory Committee, Implementation Affiliates, and Interested Stakeholders. Only regional projects and programs to be implemented by those agencies which have adopted the Plan will be eligible for grant applications. The Region categorizes IRWM Program Participants into the following:

3.4.1 Regional Water Management Group (RWMG). A group in which three or more local agencies, at least two of which have statutory authority over water supply or water management, as well as those other persons who may be necessary for the development and implementation of the Plan, participate by means of this memorandum of understanding, in accordance with requirements of the California Water Code (CWC § 10539). The Region's RWMG members are signatories to this MOU, have adopted the current Plan, and may designate a representative to participate in RWMG activities and its Working Group. The entities must be either a Local Agency or an IRS 501(c)(3) nonprofit organization. The RWMG has the capacity to carry out projects (i.e. financial resources, management structure, adequate staffing). The agencies/organizations that form the RWMG may have planning or implementation projects eligible for State IRWM grants.

3.4.2 Water Resources Advisory Committee (WRAC). This is the committee comprised of water purveyor, resource conservation district, environmental and agricultural, and other water resources representatives that was originally established in the 1940s to advise the District Board of Supervisors on water resource issues. The WRAC is a Brown Act committee that meets monthly, with the exception of July and August. Many participants are actively engaged in issues relevant to Plan development and implementation, and will represent important stakeholder groups throughout the program.

3.4.3 RWMG Working Group (Working Group). The Working Group will involve representatives from the RWMG who have technical expertise and are able to work on the details associated with IRWM efforts. The Working Group will engage stakeholders at a sub-regional level in order to better understand the specific water resources needs and priorities of that sub-region.

3.4.4 **Implementation Affiliates.** These entities will adopt the Plan by resolution, but would not be signatories of the MOU. The entities must be either a Local Agency or an IRS 501(c)(3) nonprofit organization. The Implementation Affiliates have the capacity to carry out projects (i.e. financial resources, management structure, adequate staffing). In order to have a planning or implementation project eligible for State IRWM grants, agencies must be an Implementation Affiliate if they are not a part of the RWMG.

3.4.5 **Interested Stakeholders.** These individuals, organizations, and nonprofits (including those that are not IRS 501(c)(3) nonprofit organizations) who are interested in the IRWM program. The Interested Stakeholders may sign a letter of support for the Plan, or otherwise provide input to the RWMG, but would not be eligible for directly receiving State IRWM grant funds.

3.5 Sub-regions. The Region's IRWM program seeks to engage stakeholders and understand the water resources needs of the Region. To adequately ensure this balanced access and opportunity for participation in the IRWM program, the RWMG will utilize a sub-regional geographic structure, allowing more focused planning and local outreach efforts that are later brought into the context of the overall IRWM Region. These sub-regions have been deliberately defined in terms of logical planning and watershed/ hydrogeologic unit boundaries. These "sub-regions" include the North Coast, North County, and South County (see Attachment 1).

3.6 Regional Projects or Programs. Projects or programs to be implemented by the RWMG and/or Implementation Affiliates are identified in the Plan and are based upon the State's IRWM Guidelines under which the current Plan was adopted, which includes but is not limited to: reducing water demand through agricultural and urban water use efficiency, increasing water supplies for any beneficial use, improving operational efficiency and water supply reliability, improving water quality, improving resource stewardship, and improving flood management.

3.7 Integration. Assembling into one document the water-related management strategies, projects, programs, and plans of the Region. The development and implementation of the Plan should demonstrate the RWMG is forming, coordinating and integrating separate efforts in order to function as a unified effort in a collaborative manner that balances interests and engages a variety of stakeholders and seeks to efficiently integrate regional resources. The Plan development will identify water management strategies for the Region and the priority projects and programs that demonstrate how these strategies work together to meet goals identified in Section 2. It will also identify regional benefits of linkages between projects and plans that address different primary water-related objectives (for example, identifying regional benefits of linkages between a water supply project and a flood management project in the same watershed).

4. IRWM PROGRAM PARTICIPANTS

4.1 Program Participant Structure. Elements of the Plan will be developed and implemented by the Program Participants. The RWMG, including the District as the Lead Agency, and the Implementation Affiliates are responsible for Plan development and implementation.

4.2 Plan Development and Implementation. The Region's Plan that was adopted by the District, developed in coordination with and approved by stakeholders in 2005, and updated in 2007, will be the basis for subsequent adopted Plans for the Region. The Working Group will propose changes to the previous versions of the Plan to comply with new State guidelines and incorporate new information and projects. Since a key element of the IRWM Program is integration, the RWMG will work with Program Participants to identify water management strategies for the Region and sub-regions and the priority projects that demonstrate how these strategies work together to meet the purpose and goals in Section 2. How each Program

Participant contributes and participates in Plan development and implementation is described below:

4.2.1 Lead Agency. The District will act as the lead agency for Plan development, will execute this MOU, and will adopt the Plan in accordance with 4.3 and 4.4 below. The District will ultimately be responsible for the final production of the Region's Plan, hiring consultant(s) to develop the Plan, and presentations to stakeholders, submittal of IRWM grant applications, and execution and administration of grant agreements with the State. As the Lead Agency, the District will execute and administer agreements with RWMG members and Implementation Affiliates responsible for the implementation of projects that are awarded grants, including data collection relevant to grant agreements, project reporting, etc. Efforts described in Section 4.2.1 are subject to the availability of funding.

4.2.2 RWMG. Members will execute this MOU and adopt the Plan in accordance with 4.3 and 4.4 below. RWMG members will designate a representative with clear authority to represent the agency or organization, provide expertise, provide information in a timely manner, participate in meetings, review and approve technical documents as needed, and will provide the District with their designated representative's contact information. This representative will be eligible to participate on the Working Group. All RWMG members, whether or not their representative is participating in the Working Group, hereby agree to provide information sufficient to meet State guidelines for their regional projects and programs to be included in the Plan and participate in the review of the Plan. RWMG members will consider integrating projects and programs with other agencies when possible, especially with disadvantaged communities and Native American tribes, in accordance with State IRWM Guidelines. RWMG members responsible for the implementation of regional projects and programs awarded grant funding will be responsible, through contract with the District, for complying with the provisions of the District's grant agreement with the State. The RWMG will provide updates to the WRAC and seek WRAC support of recommendations at key decision points.

4.2.3 WRAC. The WRAC will provide a forum for public meetings/ workshops related to Plan development and implementation at key decision points. The WRAC will review and comment on the RWMG recommendations to the District's Board of Supervisors at key decision points.

4.2.4 Working Group. Representatives of the Working Group will be designated by the RWMG member and will have clear authority to represent the agency or organization, provide expertise, provide information in a timely manner, participate in meetings, review and approve technical documents as needed, and will provide the District with their designated representative's contact information. The District will provide materials with sufficient lead time for RWMG member and Working Group engagement. The Working Group will develop information, draft documents and recommendations pertaining to the Plan update consistent with current State IRWM Guidelines during Plan development. Efforts are anticipated to include stakeholder outreach, collection and incorporation of updated data, etc. The Working Group will develop information and recommendations for IRWM program planning and implementation, stakeholder outreach, and pursuit of funding opportunities. All RWMG members will participate in the process to select the Region's IRWM projects and programs for grant applications by way of the Working Group, who will conduct project/program solicitations and evaluations, and will make recommendations on grant funding allocations. The Working Group will need to conduct sub-regional public meetings during Plan development and implementation to facilitate stakeholder participation.

4.2.5 Implementation Affiliates. Implementation Affiliates shall adopt the Plan in accordance with Section 4.3. Implementation Affiliates will designate a representative with clear authority to represent the agency or organization, provide expertise, provide information in a timely manner, participate in meetings, review and approve technical documents as needed, and will provide the District with their designated representative's contact information. All

Implementation Affiliates will provide information sufficient to meet State guidelines for their regional projects and programs to be included in the Plan and participate in the review of the Plan and for implementation activities, such as project status updates, project reporting, data collection, etc. Implementation Affiliates will consider integrating projects and programs with neighboring agencies when possible, especially with disadvantaged communities and Native American tribes, in accordance with State IRWM Guidelines. Implementation Affiliates responsible for the implementation of regional projects and programs awarded grant funding will be responsible, through contract with the District, for complying with the provisions of the District's grant agreement with the State.

4.2.6 **Interested Stakeholders.** Interested Stakeholders may participate in the Plan development and implementation process by way of participation at WRAC and/or RWMG meetings. Interested Stakeholders that are not WRAC members will be notified when an IRWM program item will be reviewed by the WRAC if they request inclusion on the IRWM contact list (Section 5.6). Sub-regional meetings will be required to ensure Interested Stakeholders, including disadvantaged communities, who may not necessarily be able to attend WRAC meetings, can participate in Plan development and implementation.

4.3 **IRWM Plan Adoption.** Plan approval and adoption will be required of the governing bodies of RWMG members and Implementation Affiliates. Plan updates to meet new State guidelines, add new RWMG Members, add or remove and evaluate regional projects and programs, or other updates to information do not require Plan re-adoption. Significant changes to the Plan, including revised goals and objectives, revised methodologies (such as methodology for evaluating, ranking, and prioritizing projects and programs), revised regional boundaries, or other changes deemed significant by the RWMG and the Lead Agency, will require Plan re-adoption via the decision-making process described in Section 4.5.

4.4 **Personnel and Financial Resources.** It is expected that Program Participants will contribute the resources necessary to fulfill the responsibilities listed within Section 4 of this MOU. Program Participants that receive implementation grant funding, shall contribute a proportionate share of non-project costs associated with the grant agreement, based on awarded implementation funding (for example, contributing toward the cost of updating the Plan, should that be a condition of grant award)..

4.5 **Decision Making.** The RWMG shall develop IRWM program materials and will make recommendations to the Lead Agency at key decision points of the IRWM program. Written input will be sought between the representatives of RWMG members in the event the need for a decision arises that cannot be brought forth to the RWMG before a decision needs to be made. The District, by way of its Public Works Department, shall notify the RWMG agencies of recommendations being taken to the District's Board of Supervisors for action. The District's Board of Supervisors may approve, alter, or return any said recommendation of the RWMG. Furthermore, if the District's Board of Supervisors intends to alter an item or proposition approved by the RWMG, the District's Board of Supervisors shall set forth in writing its findings, after which the Board will hold a public hearing. The RWMG agencies shall have the right to appear and address the District's Board of Supervisors.

5. MUTUAL UNDERSTANDINGS

5.1 **Need for the Region's IRWM Plan**

5.1.1 To improve communication and cooperation between public and private agencies and minimize conflict-generated solutions.

5.1.2 To enhance our existing water management efforts by increasing stakeholder awareness of important issues, providing more opportunities for collaborative efforts and improving efficiencies in government and water management.

5.1.3 To qualify for state grants and other funding opportunities only available to those regions which have developed IRWM plans.

5.2 Subject matter scope of the IRWM Plan. The Plan focuses on water supply, water quality protection and improvement, ecosystem preservation and restoration, groundwater monitoring and management, and flood management as these are the most prevalent water resource issues facing the Region.

5.3 Geographical scope of the IRWM Program. The Region for this memorandum is coterminous with the boundary of San Luis Obispo County. This is an appropriate geographic region for integrated regional water management planning because it encompasses all aspects of water management generally within the same physical, political, environmental, social, and economic boundaries. The Region may engage stakeholders within the three sub-regions in order to better understand the specific water resources needs and priorities of that sub-region, which would then be incorporated into the context of the greater IRWM Region planning and implementation.

The Region is bordered by the Greater Monterey County IRWM region to the north, the Santa Barbara County and Watersheds Coalition of Ventura County IRWM regions to the south, and the Kern County IRWM region to the east.

Water resources issues that overlap neighboring regional boundaries are either covered by existing cooperative water management plans (i.e. Nacitone Watershed Management Plan), adjudication (i.e. Santa Maria Groundwater Basin), and operational agreements (i.e. Nacimiento Reservoir), or have no defining water resource management issue. All of these items are to be included in the Region's Plan consistent with the plans of neighboring regions. The RWMG will continue to coordinate with neighboring regions to address additional water resources issues and possible integrated water management strategies in our respective IRWM plans.

5.4 Non-binding nature. This document and participation in the IRWM program efforts are nonbinding, and in no way suggest that a RWMG member or Implementation Affiliate may not continue its own planning and undertake efforts to secure project funding from any source. An agency/ organization may withdraw from participation in accordance with Section 5.7.

5.5 Other on-going regional efforts. Development of the Plan is separate from efforts of other organizations to develop water-related plans on a regional basis. As the Plan is developed, work products can be shared with these separate efforts to provide them with current information.

5.6 Reports and communications. The WRAC, an IRWM contact list, and the District's website will serve as the forum for updates and correspondence relating to the IRWM program and Plan development.

5.7 Termination. Because the Plan will require periodic review and updating for use into the future, it is envisioned that the joint efforts of those involved will be ongoing in maintaining a living document. Thus this MOU will remain as a reflection of the understandings of the RWMG Members. As indicated, parties to this MOU may terminate their involvement at any time, but must provide all RWMG agencies with 30 days' advance notice of intent to terminate.

5.8 Superseded Prior MOU. This MOU supersedes the MOU dated April 21, 2009 (2009 MOU).

5.9 Counterparts. This MOU may be executed in counterparts and has the same force and effect as if all the signatures were obtained in one document.

6. SIGNATORIES TO THE MEMORANDUM OF UNDERSTANDING

We, the undersigned representatives of our respective agencies or organizations, acknowledge the above as our understanding of how the San Luis Integrated Regional Water Management Plan will be developed.

**COUNTY OF SAN LUIS OBISPO
FLOOD CONTROL AND
WATER CONSERVATION DISTRICT**

By: JAMES R. PATTERSON
Chairman,
Board of San Luis Obispo County
Flood Control and
Water Conservation District

ATTEST:

JULIE L. RODEWALD
Clerk of the Board of Supervisors

By: Sandy Currens
Deputy Clerk

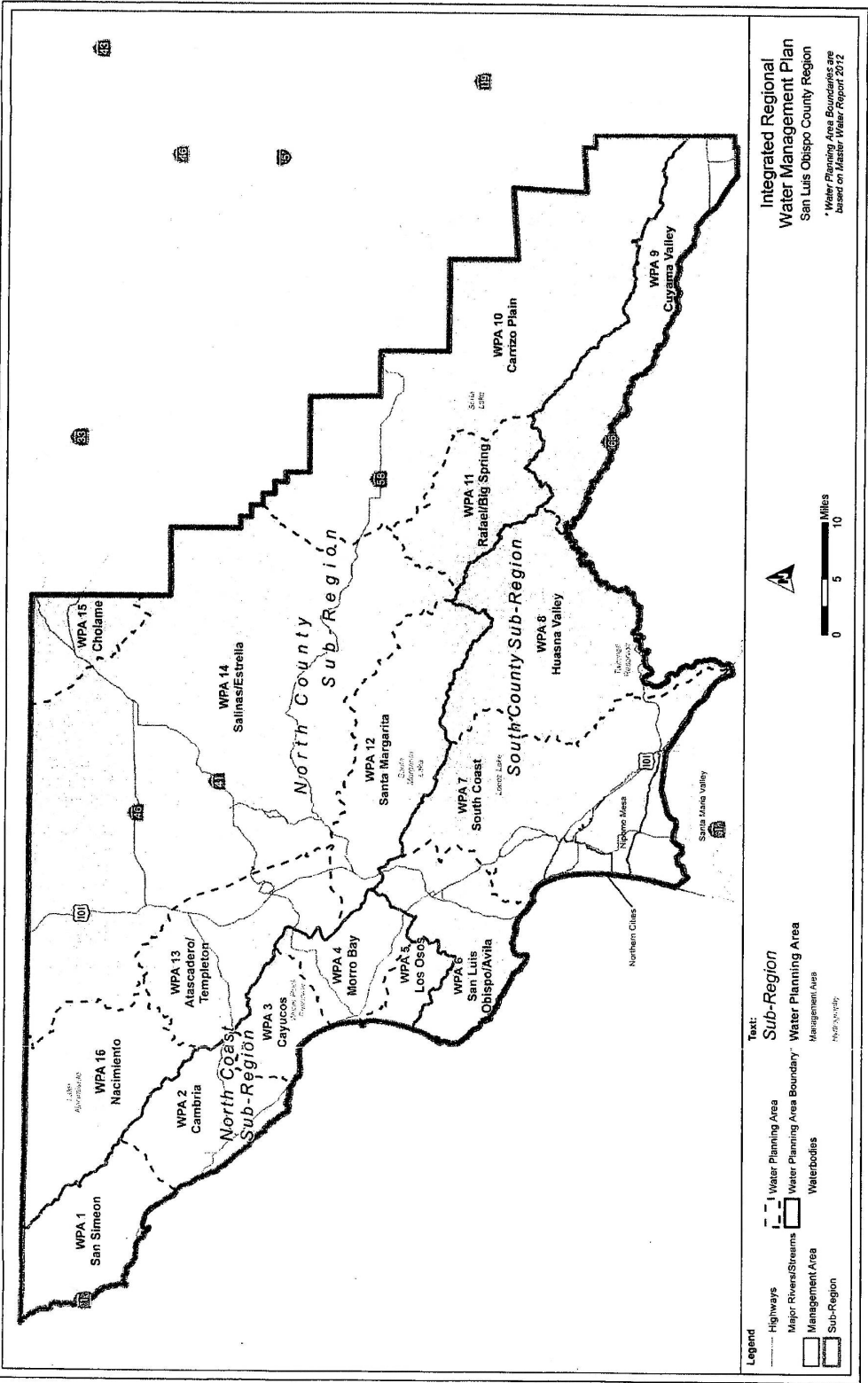
APPROVED AS TO FORM AND LEGAL EFFECT:

WARREN R. JENSEN
County Counsel

By: 
Deputy County Counsel

Date: 9/24/12

Attachment 1 – San Luis Obispo County IRWM Region and Sub-Regions Map



**Memorandum of Understanding Signatories for
San Luis Obispo County Region IRWM Participants**

Agency or Organization
San Luis Obispo County Flood Control and Water Conservation District
County of San Luis Obispo
Avila Beach Community Services District
California Men's Colony
Cambria Community Services District
Cayucos Sanitary District
Central Coast Salmon Enhancement
City of Arroyo Grande
City of Grover Beach
City of Morro Bay
City of Paso Robles
City of Pismo Beach
City of San Luis Obispo
Coastal San Luis Resource Conservation District
Estrella-El Pomar-Creston Water District
Heritage Ranch Community Services District
The Land Conservancy of San Luis Obispo County
Los Osos Community Services District
Morro Bay National Estuary Program
Nipomo Community Services District
Oceano Community Services District
Templeton Community Services District
San Miguel Community Services District
San Miguelito Mutual Water Company
San Simeon Community Services District
Shandon-San Juan Water District
South San Luis Obispo County Sanitation District
S&T Mutual Water Company
Upper Salinas - Las Tablas Resource Conservation District

Attachment 2. Summary of Selected Projects

Project 1: One Water SLO - MBR/UV Component

Project Proponent: City of San Luis Obispo (the City)

The MBR and UV system components of the City's Water Resource Reclamation Facility (WRRF) will increase the City's use of recycled water by increasing the quantity and quality of recycled water produced at the WRRF. Recycled water will be used for landscape irrigation, construction use, agricultural use, and to enhance water flows in San Luis Obispo Creek. Additional recycled water allows the City to improve its water supply reliability for current non-potable uses and potentially for future potable uses. Improved water quality will provide higher quality recycled water for customers, better habitat for flora and fauna of the creek, and improve downstream water quality.

Project 2: Nipomo Supplemental Water Project Final Phase

Project Proponent: Nipomo Community Services District (NCSD)

The Nipomo Supplemental Water Project, final phase, will increase the deliveries of the entire project from 1,000 acre-feet per year (AFY) to 3,000 AFY. This increased capacity will allow all project partners - NCSD, Golden State Water Company and Woodlands Mutual Water Company – to collectively reduce groundwater pumping by 2,000AFY on the Nipomo Mesa thereby helping achieve sustainability for this adjudicated groundwater basin. The entire mesa are will benefit from this reduced municipal pumping.

Project 3: 8th Street Well Construction – Basin Management Plan Program A Project

Project Proponent: Los Osos Community Services District (LOCSO)

The 8th Street Well Construction Project establishes an alternative groundwater pumping strategy in the Los Osos Groundwater Basin. LOCSO currently pumps groundwater from the lower aquifer which is experiencing seawater intrusion, by relocating pumping from the lower to upper portion of the aquifer, the Project will help reverse seawater intrusion and improve the sustainability of the basin. The project will also improve water quality by treating and blending the water in the upper aquifer, which currently has nitrate contamination issues, to drinking water standards.

Project 4: Oceano Water Resource Reliability Project

Project Proponent: Oceano Community Services District (OCSO)

The Oceano Water Resource Reliability Project replaces non-standard obsolete/aged pipes that are leaking and contributing to water losses. Pipe replacement will support water use and operational efficiency for a State Water Project sub-contractor. The project will also address water reliability by improving system pressures and flows for fires and other emergencies with the installation of new larger pipes.

Project 5: Reservoir Expansion Project – Phase 1 Distribution System

Project Proponent: San Simeon Community Services District (SSCSD)

The SSCSD Reservoir Expansion Project involves the construction of a water storage tank and a water distribution replacement line that will be tied into the current water distribution system. The tank construction is one of four that the Community needs to address the immediate necessity for additional potable water storage to meet fire prevention and suppression needs identified by CalFire as well as provide greater flexibility in the operation of their water supply wells. The project will help ensure water security at the local level for a Disadvantaged community.