



December 03, 2020

TO: LOCSD Board of Directors
FROM: Ron Munds, General Manager
SUBJECT: **Agenda Item 2B – 12/03/2020 Board Meeting**
Comment Letter to the Board of Supervisors

DESCRIPTION

On December 15, 2020, the County of San Luis Obispo Board of Supervisors will consider the adoption of three important items that will shape the future of Los Osos. Those are the Los Osos Community Plan Update, the Growth Management Ordinance and the Resource Summary Report. This report summarizes the issues and recommends the submittal of a letter to the Board of Supervisors expressing the District's concerns with certain elements in these documents.

President
Charles L. Cesena

Vice President
Christine M. Womack

Directors
Matthew D. Fourcroy
Vicki L. Milledge
Marshall E. Ochylski

General Manager
Ron Munds

District Accountant
Robert Stilts, CPA

Unit Chief
Scott M. Jalbert

Battalion Chief
Paul Provence

STAFF RECOMMENDATION

Staff recommends that the Board adopt the following motion:

Motion:
I move that the Board:

- 1. Approve sending a letter to the Board of Supervisors summarizing the concerns of the District regarding elements of the Community Plan Update, Growth Management Ordinance and the Resource Summary Report.***
- 2. Authorize the Board President to make a public comment at the December 15th Board of Supervisors meeting regarding the District's concerns.***

DISCUSSION

On December 15, 2020, the County of San Luis Obispo Board of Supervisors will consider the adoption of three important items that will shape the future of Los Osos. Those are the Los Osos Community Plan Update, the Growth Management Ordinance and the Resource Summary Report. Staff has reviewed these documents and, based on this review, drafted the attached letter addressed to the Board of Supervisors outlining the District's concerns. The primary concerns is how County staff has interpreted elements in the Los Osos Basin Plan and applied those interpretations into the Los Osos Community Plan update. The following are the key points the District would like addressed:

- There are four metrics in the Plan to assist the water purveyors in measuring the effectiveness of the programs and projects. Two key metrics, the Water Level Metric and the Chloride Metric, showed slight declines in the 2019 monitoring data. Though the overall 2019 data indicates the groundwater basin's health is improving, staff believes more careful analysis of the results is needed before proceeding with development as outlined in Appendix D.

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- The reference to the “programs for immediate implementation”, mainly Programs A and C, in Appendix D are focused on providing a reliable and sustainable water supply for existing customers; not intended for new development as implied.
- The financial impacts and funding requirements to be assumed by future development as outlined in the Basin Plan need to be acknowledged and addressed in the LOCP update timeline for implementation. This is important since purveyor water customers have funded, through rates, the implementation of the Basin Plan to date.
- The Urban and Agricultural Reinvestment Programs referenced in Appendix D are reliant on the County implementing the Recycled Water Management Plan which is tied to the Los Osos Water Reclamation Facility. In Appendix D, it is stated that these programs are essentially complete as of June 2020. This statement is misleading since many of the potential sites listed in the County’s plan have not been connected to the project. Additionally, the issue of agricultural interests using recycled water for a direct benefit to the groundwater basin have not been adequately addressed or discussed in Appendix D. This is a major omission and the District would like to work with the County to update its Recycle Water Management Plan to reflect current conditions and needs. The beneficial use of recycled water is one of the most important water management tools available to stabilize the groundwater basin’s health and needs to be addressed either separately or in the LOCP.
- The recommendation for a Level of Severity III in the Resource Management System report and the narrative in Appendix D related to the Basin Yield Metric seem to be in conflict since one is saying, based on the Basin Yield Metric, there is water available to allocate to new development but on the other hand, the Level of Severity III indicates the opposite. This is confusing and needs to be reconciled before moving forward.

Committee Input

The Utilities Advisory Committee recommended the Board submit a letter to the Board of Supervisors summarizing the District’s position regarding the Los Osos Community Plan update, the Growth Management Ordinance and the Resource Summary Report. Additionally, committee members were supportive of the draft letter attached to this report.

Financial Impact

There is no direct financial impact associated with the recommendation made in this report.

Attachment

Draft letter to the Board of Supervisors

DRAFT

December 15, 2020



Honorable Board of Supervisors
1055 Monterey Street, Ste. D-430
San Luis Obispo, CA 93408

Dear Honorable Board of Supervisors,

Thank you for the opportunity to comment on the planning efforts underway for the community of Los Osos. The Los Osos Community Services District (CSD) is keenly aware of the amount time and energy the County's staff and Planning Commission have given to this project and are appreciative of the effort. The CSD's comments are focused on the water issues and the references to the Basin Plan in the draft Los Osos Community Plan Appendix D which are incorporated by reference in the draft Growth Management Ordinance and Resource Summary Report.

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The primary goal of the Los Osos Basin Plan (Basin Plan) is to halt seawater intrusion into the groundwater basin and provide sustainable water supply for the community. Much of the Basin Plan's focus is on ensuring a viable water supply for existing businesses and residences. It is very specific on the programs and projects meant to stabilize the basin for existing water users and which are to support and be paid for by new development. This is where the Los Osos Community Plan (LOCP) update and the narrative and water analysis in Appendix D are not in synch with the Basin Plan.

Without going into all the details of the data and information presented in Appendix D, the three water purveyors in Los Osos are in general agreement that the underlining assumptions are not consistent with the Basin Metrics which measure the progress toward reaching the Basin Plan water quality goals and the ongoing efforts the purveyors are undertaking to improve the overall sustainability of the groundwater basin. Furthermore, Appendix D does not consider in the implementation timeline or reference the financial impacts and funding requirements to be assumed by future development as outlined in the Basin Plan.

Past County land use decisions on growth and past water purveyor inaction to regulate water use and overdraft within the groundwater basin has resulted in the circumstances we are now trying to address and solve. The CSD believes the LOCP, primarily Appendix D as drafted, has the potential to perpetuate the poor land use planning decisions made in the past unless amended to account for the water purveyors concerns. The specific concerns of the CSD are as follows:

- There are four metrics in the Plan (see attached table) to assist the water purveyors in measuring the effectiveness of the programs and projects. The 2019 data indicates the groundwater basin's health is improving but the CSD believes more careful analysis of the results is needed before proceeding with development as outlined in Appendix D.
- The reference to the "programs for immediate implementation" in Appendix D are focused on providing a reliable and sustainable water supply for existing customers; not intended for new development as implied.
- The financial impacts and funding requirements to be assumed by future development as outlined in the Basin Plan need to be acknowledged and addressed in the LOCP update timeline for implementation.

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- The recommendation for a Level of Severity III in the Resource Management System report and the narrative in Appendix D related to the Basin Yield Metric seem to be in conflict since one is saying, based on the Basin Yield Metric, there is water available to allocated to new development but on the other hand, the Level of Severity III indicates the opposite. This is confusing and needs to be reconciled before moving forward.

In summary, the CSD is requesting a cautious and measured approach to approving any new development in the CSD's water service area. The variables that can impact the groundwater basin health have been analyzed extensively but it will take additional time to confirm if the trends are sustainable. Additionally, to date, existing water customers have borne the financial impacts of implementing the Basin Plan. The financial impacts and funding requirements to be assumed by future development as outlined in the Basin Plan need to be acknowledged in the LOCP and reflected in the timeline for implementation of the LOCP before any new development moves forward.

It is important to understand the CSD is neither advocating for or against new development. We would urge the County staff to further engage with the Los Osos water purveyors to work out the details of our concerns to arrive at a plan that will work and provide a viable path forward for the community. This will take more time and respectfully request a delay in approving the LOCP and the Growth Management Ordinance until these discussions occur.

The decisions made today by the County and the Board of Supervisors will determine the viability and prosperity of the community's future. Having sustainable water resources is not an option, it is a basic necessity.

Thank you for your consideration of the information provided in this correspondence.

Sincerely,

Charles L. Cesena
President of the Board
Los Osos Community Services District

DRAFT

2019 LOBP Annual Report Metric Summary			
Metric	LOBP Goal	Calculated Value from 2018 Data	Results
Basin Yield Metric	80 or less	69	The Basin Yield Metric decreased between 2018 and 2019 (an <u>improvement</u>) and has met the LOBP goal for four consecutive years.
Water Level Metric	8 feet above mean sea level or higher	1.8 feet above mean sea level	The Water Level Metric decreased between Spring 2018 and Spring 2019 (a <u>deterioration</u>) and has not reached the target value.
Chloride Metric	100 mg/L or lower	162 mg/L	The Chloride Metric increased between Fall 2018 and Fall 2019 (a <u>deterioration</u>) and has not reached the target value.
Nitrate Metric	10 mg/L or lower	22 mg/L (NO ₃ -N)	The Nitrate Metric decreased between Winter 2018 and Winter 2019 (an <u>improvement</u>) but has not reached the target value.