## Water Management Tools Study – SLO County Flood Control and Water Conservation District Draft Needs/Objectives/Concepts

State Water Objectives/Concepts	Why?	Considerations
<ul> <li>Reliability for Subcontractors</li> <li>Confirmation/Commitment from Subcontractors regarding reliability needs         <ul> <li>Continuing with drought buffer program to address fluctuations in delivery</li> <li>Local storage and recovery options (e.g. Lopez Reservoir)</li> <li>Other storage and recovery options</li> <li>Use of the WMTs</li> <li>Whether they also want DCP benefits</li> </ul> </li> </ul>	<ul> <li>First right of refusal policy for Subcontractors</li> <li>Avoiding creating water resiliency problems for Subcontractors has county-wide benefit by keeping the local economy strong</li> <li>Need to understand Subcontractors needs and level of commitment to understand how to meet other two objectives and make WMT decisions</li> </ul>	<ul> <li>The ability to treat Subcontractors uniformly is challenging due to varying economic circumstances of each/affordability and rates issues</li> <li>Options may depend on what level of reimbursement for use of local facilities Subcontractors/CCWA expect</li> <li>Significant barriers/concerns related to local groundwater storage programs         <ul> <li>Export ordinance in place</li> <li>Concerns include "run on the bank"; filling it up "on paper" after it's been drawn down and having all the credit to water in the basin; oversight of such a program/who pays</li> <li>Would need to come up with a way to do it that addresses these issues</li> </ul> </li> <li>Need to see if existing subcontracts need to be updated</li> <li>Need to see if supplemental contracts are needed</li> </ul>
<ul> <li>Relieve tax roll of ongoing cost</li> <li>Option to count on annual sales to cover tax roll costs</li> <li>Offer last chance drought buffer allocation increase to existing Subcontractors before longer-term transfers</li> <li>County Op Center drought buffer increase for use by County as needed for resiliency</li> <li>Long-term transfer to CCWA participants in exchange for pipeline/treatment capacity benefits and to address Santa Maria Levee easement restriction associated with the Santa Maria/Nipomo intertie</li> <li>Potential new participants with pipeline/treatment capacity benefits</li> </ul>	<ul> <li>Beneficiaries need to carry the cost</li> <li>Aligns decision making to focus on the needs, interests, and willingness of participants         <ul> <li>New costs/decisions associated with State Water would not be directly influenced by impact to tax roll</li> <li>Reduces complexity of making decisions regarding operations and use of water management tools</li> <li>Future liabilities will be decision of participants (e.g. Oroville, subsidence, delta conveyance project, etc.)</li> </ul> </li> <li>Potential to shift county-wide contributions toward the start-up of other regional project(s) via proper funding mechanisms         <ul> <li>Desalination</li> <li>GW management</li> </ul> </li> <li>Not a reliable source for new housing, so likely not an option to meet future "hardened demand" needs         <ul> <li>Supplemental supply</li> <li>Decreasing reliability</li> </ul> </li> <li>Not likely to pass muster in a CEQA analysis as the source of supply for a project</li> </ul>	<ul> <li>Make sure all understand that the tax roll still serves as the financial backstop should beneficiaries not make payments         <ul> <li>Should there still be a line item on bills?</li> </ul> </li> <li>Increased cost for Subcontractors         <ul> <li>Existing Subcontractors either pay for more drought buffer or rely on spot market prices/availability and storage options</li> <li>Need to address Treatment Plant capacity for any additional deliveries for new subcontractors to use extra pipeline capacity</li> <li>New subcontractors may need different terms/not necessarily like contracts</li> </ul> </li> <li>Need to refine/supplement management structure to use WMTs         <ul> <li>Subcontractors would need to fund self-representation or continue to pay District</li> <li>What would the District or the Subcontractors' membership in the CCWA look like?</li> <li>District needs adequate staffing to use WMTs and administer contracts/programs on a regular, timely basis if the District is going to lead State Water efforts</li> </ul> </li> <li>Subcontractors will need to be engaged in managing sales/storage decisions and understand limits of delegated authority from their governing bodies</li> </ul>
New Subcontractors and/or Turn-outs     Golden State Water Company at SLO Country Club; resiliency supply to supplement main SLO Basin supply     Cal Poly resiliency supply to supplement main supplies     Paso Robles Basin, SLO Basin, Los Osos Basin, Santa Maria Basin overlying users to offset groundwater pumping     Discharge to creeks/rivers  WMT = Water Management Tools	<ul> <li>Additional pipeline capacity exists</li> <li>Significant quantities of State Water have been available to SLO County if it had agreements in place for use of additional capacity and with recipients</li> <li>Local groundwater basins have persistent level declines in certain areas and have water quality issues</li> <li>Listed species are dependent on local watercourses</li> </ul>	<ul> <li>Need very clear contracts/institutional structures/robust monitoring to avoid unintended consequences and address specific concerns</li> <li>Form of commitments/financing/pricing         <ul> <li>"Reimbursement" policies need to be established (e.g. cost recovery rate needs to be balanced with level of benefit to recipient/attracting a "buyer"</li> <li>Beneficiaries/project "owners" would need to be carefully considered</li> </ul> </li> </ul>

WMT = Water Management Tools

Subcontractors are the entities, now or in the future, that under agreement(s) with the District receive benefits/water from the State Water allocation available to the District under its various State Water related contracts