

LOS OSOS GROUNDWATER BASIN, BASIN MANAGEMENT COMMITTEE

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Los Osos Groundwater Basin, Basin Management Committee Board of Directors will hold a **Board Meeting** at **1:30 P.M.** on **Wednesday, April 20, 2016** at the South Bay Community Center, 2180 Palisades Ave, Los Osos, CA, 93402.

Directors: Agenda items are numbered for identification purposes only and may not necessarily be considered in numerical order.

NOTE: The Basin Management Committee reserves the right to limit each speaker to three (3) minutes per subject or topic. In compliance with the Americans with Disabilities Act, all possible accommodations will be made for individuals with disabilities so they may attend and participate in meetings.

BASIN MANAGEMENT COMMITTEE BOARD OF DIRECTORS AGENDA

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **BOARD MEMBER COMMENTS.** Board members may make brief comments, provide project status updates, or communicate with other directors, staff, or the public regarding non-agenda topics.
5. **CONSENT AGENDA**

The following routine items listed below are scheduled for consideration as a group. Each item is recommended for approval unless noted and may be approved in their entirety by one motion. Any member of the public who wishes to comment on any Consent Agenda item may do so at this time. Consent items generally require no discussion. However, any Director may request that any item be withdrawn from the Consent Agenda and moved to the "Action Items" portion of the Agenda to permit discussion or to change the recommended course of action. The Board may approve the remainder of the Consent Agenda on one motion.

- a. **Approval of Minutes from March 16, 2016 Meeting.**
- b. **Approval of Budget Update and Invoice Register through March, 2016.**

6. **EXECUTIVE DIRECTOR'S REPORT**

7. **ACTION ITEMS**

- a. **Approve Scope and Fee for Grant Services**

Recommendation: Approve scope and fee and direct staff to execute a contract with WSC in an amount not to exceed \$4,000.

- b. **Consider Draft Water Conservation Program**

Recommendation: Staff recommends that the Committee review the draft matrix, provide input, and direct staff to bring the item back in May, 2016 for BMC action if possible.

8. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

The Basin Management Committee will consider public comments on items not appearing on the agenda and within the subject matter jurisdiction of the Basin Management Committee. The Basin Management Committee cannot enter into a detailed discussion or take any action on any items presented during public comments at this time. Such items may only be referred to the Executive Director or other staff for administrative action or scheduled on a subsequent agenda for discussion. Persons wishing to speak on specific agenda items should do so at the time specified for those items. The presiding Chair shall limit public comments to three minutes.

9. ADJOURNMENT

BASIN MANAGEMENT COMMITTEE BOARD OF DIRECTORS

Item 5a: Minutes of the Meeting of March 16th, 2016

Agenda Item	Discussion or Action
<p align="center">1. CALL TO ORDER</p> <p align="center">2. PLEDGE OF ALLIGANCE</p> <p align="center">3. ROLL CALL</p>	<p>Marshall Ochylski serving as chair called the meeting to order at 1:30 p.m. and led the pledge of Allegiance.</p> <p>Ray Dienzo, acting Clerk, called roll to begin the meeting. Director Bruce Gibson, Director Ochylski, Director Garfinkel, and Director Zimmer were present.</p>
<p align="center">4. BOARD MEMBERS COMMENTS</p>	<p>No comments were made</p>
<p align="center">5. CONSENT AGENDA</p>	<p>Rob Miller explained that the minutes will now be prepared by his office, and he thanked the County for previous efforts.</p> <p><u>Public Comment</u></p> <p>Keith Wimer expressed gratitude for adjustments to minutes. He requested again that the minutes from two months ago to be reviewed and edited so that his comments may be accurately represented. He questioned why the topics of conservation and re-use were not included in this meeting's agenda.</p> <p>A motion was made by Director Gibson to accept the previous meetings minutes as published and seconded by Director Zimmer and carried with the following vote:</p> <p>Ayes: Directors Zimmer, Gibson, Ochylski and Garfinkel Nays: None Abstain: None Absent: None</p>
<p align="center">6. EXECUTIVE DIRECTOR'S REPORT</p>	<p>Rob Miller, Executive Director, stated that all the purveyors and directors have approved the Basin Management Committee budget for the calendar year. Topics such as conservation will now be able to move forward due to the approval of the budget. Conservation will be a topic in the April meeting.</p> <p><u>Public Comment</u></p> <p>Keith Wimer expressed concern on the delay of discussion on conservation. He talked about the importance of rebates and re-purposing of septic tanks. He expressed the urgency of conservation to maximize benefits and urged the BMC to video tape meetings as it is within the budget to do so. Suggested that</p>

annual reports come out sooner in order to get information to act on as soon as possible.

Linde Owen recommended use of converted septic tanks for recycled water storage and irrigation. She emphasized the need for a program to make Private and Agriculture well owners understand that the community as a whole is on the same basin.

Chuck Ceseña agrees that conservation is something to act on right now. Encouraged the video taping of the meetings.

Richard Margetson asked Director Ochylski to elaborate on the opinion of the finance committee for the CSD.

Patrick McGibney supports septic tank repurposing with rebates. He asked for water surveys to be done in order to provide information on the best indoor and outdoor options for conservation. Recommended a \$500 rebate for washers, hot water recirculators, or repurposed septic tanks for rainwater re-use. Stressed an effort to show the community that the BMC is hard at work at solving the issues of the basin.

George Wehrfritz indicated that contractors were dissuading residents from septic tank repurposing based on a personal experience. He indicated that it is cheaper to clean and seal a septic tank rather to fill it with gravel. He recommended a prohibition on tank destruction.

Clarifications after public comments:

Marshall Ochylski expressed that the brochure was not done by the BMC, but rather the County. There will be a discussion on conservation and repurposing at the next meeting. Emphasized that the metering of agricultural wells is a County issue.

Mark Hutchinson discussed septic tank repurposing, and mentioned SLO Green Build options and the brochure that was sent out to the community. He mentioned a statewide policy that prohibits the connection of single family properties to a recycled water system.

Director Gibson indicated that audio recording is sufficient based on other committee meetings around the County and preferred to keep the \$2,000 in the BMC contingency.

Director Garfinkel indicated his belief that many residents are abandoning cable and getting their information from the internet. He would also rather use the money to solve the basin issue.

Director Zimmer would like to call for reevaluation in the future of the video recording issue, but the audio file is sufficient presently.

No further direction was provided to staff.

	<p>Patrick McGibney emphasized the need to use allocated conservation dollars for indoor and outdoor demand reduction, and indicated that the Coastal Commission would approved it.</p> <p>Chuck Ceseña shared his concern that it has been over a year since he asked the County to pursue removal of the phrase “indoor water use” on the coastal commission permit. Indicated that contractors are giving information to the public that tanks cannot be re-purposed because of the sand that left in the tanks, which is not accurate. He said he would donate \$100 a month to implement video recording of the meetings.</p> <p>Keith Wimer said the contractors that he contacted have indicated a small percentage of people are pursuing repurposing and the remaining want their tanks destroyed. He recommended immediate public information to correct misinformation regarding septic tank reused. He asked what monitoring and metric results, and over what period of time the BMC will need to declare the basin sustainable for the current population and future development.</p> <p>Linde Owen said the county is opening up information office hours. She voiced that there are areas in the town that septic tanks are going to shift and float. She also expressed that toilet water can be plumbed with recycled water which would save indoor water use. She pointed out that there are currently 5,000 septic tanks that are discharging to leach fields. There is an opportunity to use the tanks to minimize the use of water for sewer flushing.</p> <p>Richard Margetson noted that the meeting announcement is highlighted on the community center board located on Palisades Ave, and that this has led to many conversations regarding additional funding votes. Based on community input given to him, he does not think the community will vote in support of additional funding. He emphasized the need for video services to increase community involvement and awareness.</p> <p><u>Response from the BMC</u></p> <p>Anyone wishing to contact specific committee members can contact Mr. Miller who can then send information to the rest of the committee members.</p>
<p>9. ADJOURNMENT</p>	<p>Meeting was adjourned at 3:02 pm</p>

TO: Los Osos Basin Management Committee

FROM: Rob Miller, Interim Executive Director

DATE: April 15, 2016

SUBJECT: Item 5b – Approval of Budget Update and Invoice Register through March, 2016

Recommendations

Staff recommends that the Committee review and approve the report.

Discussion

Staff has prepared a summary of costs incurred as compared to the adopted budget through March, 2016 (see Attachment 1). A running invoice register is also provided as Attachment 2. Several items should be noted as the attachments are reviewed:

- With the exception of the approved basin boundary work, costs incurred in 2015 are not included.
- Work efforts authorized prior to the formation of the BMC are not included, such as the creek discharge study or legal expenses related to the final judgment.
- Invoices for March services have not yet been received from SBCC and AGP.

Payment of invoices will continue to be processed through Brownstein Hyatt as noted in previous meetings.

Attachment 1: Cost Summary (Year to Date) for Calendar Year 2016 (updated through March, 2016)

Item	Description	Budget Amount	Costs Incurred Through March 31	Percent Incurred	Remaining Budget
1	Monthly meeting administration, including preparation, staff notes, and attendance	\$50,000	\$10,028	20.1%	\$39,972
2	Meeting expenses - facility rent	\$4,000	\$60	1.5%	\$3,940
3	Meeting expenses - audio services	\$4,000	\$375	9.4%	\$3,625
4	Legal counsel (special counsel for funding measure)	\$10,000			\$10,000
5	Semi annual seawater intrusion monitoring	\$12,000			\$12,000
6	Annual report - not including Year 1 start up costs	\$30,000	\$16,713	55.7%	\$13,288
7	Annual report - Year 1 costs	\$14,000			\$14,000
8	Grant writing (outside consultant)	\$12,000			\$12,000
9	Basin boundary definition (CHG only)	\$20,000	\$18,073	90.4%	\$1,928
10	Funding measure including initial feasibility report, final report, and proposition 218 process	\$120,000			\$120,000
11	Conservation programs (not including member programs)	\$10,000			\$10,000
	Subtotal	\$286,000			
	10% Contingency	\$28,600			
	Total	\$314,600	\$45,248	14.4%	\$269,352
	LOCS D (38%)	\$119,548			
	GSWC (38%)	\$119,548			
	County of SLO (20%)	\$62,920			
	S&T Mutual (4%)	\$12,584			
Notes	1. Costs incurred in 2015 for legal and administration are not included. 2. Costs are recognized in month service provided, as opposed to when paid. 3. Tasks approved by ISJ prior to BMC (ie, MKN work on creek discharge) are not included.				

Attachment 2: Invoice Register for Los Osos BMC for Calendar Year 2016 (through March, 2016)

Vendor	Invoice No.	Amount	Month of Service	Description	Budget Item
Wallace Group	40966	\$1,452.50	January	BMC admin services	1
Wallace Group	41097	\$3,614.00	February	BMC admin services	1
Wallace Group	41313	\$4,961.75	March	BMC admin services	1
South Bay CC	77	\$60.00	February	Facility rental	2
AGP	6531	\$375.00	February	Audio services	3
Cleath Harris	20160306	\$16,712.50	March	Annual report preparation	6
Cleath Harris	20151221	\$10,697.50	December, 2015	Basin boundary study	9
Cleath Harris	20160117	\$4,020.00	January	Basin boundary study	9
Cleath Harris	20160218	\$3,355.00	February	Basin boundary study	9
Total		\$45,248.25			

TO: Los Osos Basin Management Committee

FROM: Rob Miller, Interim Executive Director

DATE: April 15, 2016

SUBJECT: Item 6 – Executive Director’s Report

Recommendations

Staff recommends that the Committee receive and file the report, and provide staff with any direction for future discussions.

Discussion

This report was prepared to summarize administrative matters not covered in other agenda items and also to provide a general update on staff activities.

Status of Zone of Benefit Analysis

County staff issued a request for quotations from three qualified firms to review the financing of administrative costs for the BMC, and also to review alternatives for funding basin plan programs. The County has selected David Taussig & Associates (DTA) to perform the initial work in an amount not to exceed \$14,250. A copy of the scope of work is included as Attachment 1.

Annual Report Submittal to Department of Water Resources (DWR)

DWR recently released guidelines and an on-line tool for entering groundwater basin related data for calendar year 2015. Staff worked with the applicable BMC legal counsels for input and completed the submission prior to the April 1 deadline.

Follow Up on Potential Creek Discharge

Staff conducted a meeting with the owner of the domestic well(s) that would be impacted by the proposed creek discharge. No fatal flaws were identified, and the property owner is reviewing the draft creek discharge study. After additional owner input, staff will recommend the next steps to the BMC.

The following four (4) phases will be undertaken by DTA to prepare the Phase 1 Finance Plan Report for the San Luis Obispo County Flood Control and Water Conservation District (“Client”) consistent with Section 5.13 of the Stipulated Judgment which contemplates sponsorship of an initial funding mechanism by the Client for the administrative costs of the Basin Management Committee (“BMC”) and such other costs as deemed appropriate:

(PHASE 1) BACKGROUND RESEARCH

Task 1. Background Research

Evaluate Project characteristics and Public Facilities and Public Services costs for inclusion in the Finance Plan Report. Under this task, DTA will do the following:

- Review the Stipulated Judgment, including the Los Osos Basin Plan (January 2015), the Sustainable Groundwater Management Act (Water Code §§ 10720 *et seq.*) (“SGMA”) and related information prepared by the Department of Water Resources, and the San Luis Obispo County Flood Control and Water Conservation District Act (Act 7205 of the Uncodified Acts of the Water Code) and all other documentation related to the Project provided to DTA by Client;
- Review the statutory financial powers of the Client and of the parties to the Stipulated Judgment (and members of the BMC), namely the Los Osos Community Services District, the County of San Luis Obispo, Golden State Water Company, and S&T Mutual Water Company, as well as of a Joint Powers Authority (“JPA”) comprised of the parties as described in Section 1.4.4 of the Stipulated Judgment.
- Review administrative and operational costs and other expenses as outlined in the BMC 2016 Annual Budget;
- Review preliminary title report, Assessor’s Parcel Numbers, and property tax bills from the Client in order to identify the existing property tax rate, as well as any existing special taxes or assessments, including, without limitation, the special assessment (and related loans) levied in connection with the Los Osos Wastewater Project that includes certain costs (Urban Water Reinvestment Program costs) the parties desire to spread throughout the Basin Plan Area (currently levied only within the Prohibition Zone);
- Review Project land uses, anticipated absorption, sales prices, and property tax limits, as provided by Client;
- Review programs outlined in the Basin Plan and selected for implementation, including the Groundwater Monitoring Program (Chapter 7), Urban Water Use Efficiency Program (Chapter 8) and Wellhead Protection Program (Chapter 13) (primarily and referred to as “Public Services”) and the Water Reinvestment Program (Chapter 9) and Basin Infrastructure Program (Chapter 10) (primarily and referred to as “Public Facilities”), as provided by Client and determine eligibility for public financing;
- Review Public Facilities and Public Services phasing/cost information (2016\$) provided by Client;
- Review County Assessor’s Office and Tax Collector’s Office data regarding current Project-site property values and the current allocation of *ad valorem* property taxes to taxing agencies and to Educational Revenue Augmentation Fund (“ERAF”) for the Project-site as well as any available information provided by Client related to water usage by each property within the Basin Plan Area;
- Determine any existing or prospective overlapping debt and property taxes, as well as separate financing districts impacting the Project-site.

Client and/or the BMC/members of the BMC shall be responsible for providing all data assigned to them

above. DTA shall base its analysis on data received from sources cited above, and shall not conduct any independent research to verify the accuracy of such data.

(PHASE 2) ANALYSIS OF PUBLIC FINANCE OPTIONS

Task 2. Preliminary Analysis of Public Finance Options

The tasks listed below involve the preparation by DTA of a series of quantitative analyses of specific funding mechanisms discussed in the introduction to this proposal. These analyses will reflect the financing burdens associated with each of the selected funding mechanisms that would be placed on property owners. Notably, there are innumerable combinations of these programs that could be used to fund portions of the Public Services and Public Facilities. The preliminary analysis will focus on mechanisms to fund the administrative costs of the BMC, including mechanisms that can be used to fund both administrative costs and certain Public Services and/or Public Facilities, where appropriate. Such analysis shall include an analysis of the entities that can levy/utilize funding under each identified funding mechanism (i.e. Client, individual BMC members, and BMC if a JPA is formed) taking into consideration the entities best suited to own (e.g. JPA) and/or operate the various Public Facilities (e.g. individual BMC members) assuming some Public Facilities can be included in the initial mechanism(s). In addition, DTA will provide a general analysis of funding mechanisms for those costs not suitable for funding in combination/simultaneous with administrative costs. For purposes of this Finance Plan Report, each type of financing mechanism will be analyzed independently, and no assumptions shall be made regarding the replacement of one type of financing mechanism by another, or by State grants or impact fees, as such assumptions would be purely speculative at this point in time.

(PHASE 3) PREPARE PHASE 1 FINANCE PLAN REPORT

Task 3. Phase 1 Finance Plan Report

The Phase 1 Finance Plan Report (“Report”) shall provide a public finance implementation blueprint for the Project. The Report shall include:

- A detailed description of the public financing mechanisms included in the Report for administrative and other appropriate costs and a general description of the public financing mechanisms included in the Report for all other implementation costs;
- A discussion of the assumptions, methodology, and findings of DTA’s analysis;
- A summary matrix that will reflect funding availability for each financing program analyzed on a year-to-year basis, as compared with the total costs of administration, Public Services and acquisition and/or construction and/or operation of the Public Facilities each year, and the shortfall (if any) each year that will need to be covered by other funding sources (e.g., private financing sources) with emphasis on administrative and other appropriate costs selected for initial funding;

(PHASE 4) MEETINGS AND COMMUNICATIONS

Task 4. Two (2) Meetings to Discuss Financing Plan

Attend two (2) Finance Plan Report -related meetings. A member of DTA’s staff (Managing Director level or above) shall attend a kickoff meeting with Client, as well as a second meeting with Client to present the completed Phase 1 Finance Plan Report to BMC staff, the Interim Executive Director, and other stakeholders. Any additional meetings may require fees beyond the maximum established if the agreed upon total fee amount has been completely expended based on hourly rates quoted herein.

Task 5. Conference Calls

Participate in conference calls as necessary to respond to concerns of Client during the preparation of the Finance Plan Report.

TO: Los Osos Basin Management Committee

FROM: Rob Miller, Interim Executive Director

DATE: April 15, 2016

SUBJECT: Item 7a – Approve Scope and Fee for Grant Services

Recommendation

Staff recommends that the Committee review and approve the proposed scope and fee for grant services for calendar year 2016, to be provided by Water System Consultants (WSC), in an amount not to exceed \$4,000.

Discussion

As indicated in previous Executive Director reports, staff previously reviewed three proposals for grant assistance services and selected WSC to perform initial grant screening work for the BMC. The attached scope and fee details important first steps to position the BMC to be successful in the pursuit of funding assistance. While an annual budget of \$12,000 is available, staff plans to authorize consultant work in increments in order to keep the work focused on the strongest funding prospects.

Financial Considerations

The approved Committee budget for calendar year 2016 includes \$12,000 for grant funding assistance under Item 8. No funds have been spent to date under this item, and therefore \$8,000 will remain for future efforts after the proposed scope of work is complete.



3/29/2016

Mr. Rob Miller
Interim Executive Director
Los Osos Basin Management Committee
2122 9th Street, Suite 102
Los Osos, CA. 93402

SUBJECT: FUNDING RESEARCH, SCREENING AND SUPPORT SCOPE OF WORK AND COST PROPOSAL

Dear Rob,

Per our recent discussions, WSC had prepared detailed scope of work and cost proposal to assist the Basin Management Committee initiate their funding assistance program by researching and identifying applicable funding sources to support the projects and programs identified in the Los Osos Groundwater Basin Management Plan. Please find enclosed with this correspondence the scope and fee schedule to complete the work.

Thank you for the opportunity to provide you with this information. Please feel free to contact me if you have any questions or would like to discuss any aspect of our proposal in greater detail. I can be reached at 457-8833 ext. 117. I look forward to hearing from you.

Sincerely,

Water Systems Consulting, Inc.

A handwritten signature in black ink, appearing to read "Ron Munds", enclosed within a circular scribble.

Ron Munds

Enclosures:

WSC Scope of Work for funding assistance for Phase 1 dated 3/29/16

WSC Cost Proposal for funding assistance for Phase 1 dated 3/29/16

TASK 1.0 FUNDING RESEARCH, SCREENING AND SUPPORT

1.1 Funding Identification and Screening

- Research and identify applicable funding sources to support the projects and programs defined in the Basin Plan. Funding sources may include but are not limited to the following programs:
 - (1) United States Department of Agriculture - Rural Development (USDA-RD) Water & Waste Disposal Loan & Grant Program
 - (2) State Water Resources Control Board (SWRCB) Division of Drinking Water
 - (3) SWRCB Water Recycling Funding Program (WRFP)
 - (4) SWRCB Safe Drinking Water State Revolving Fund (DWSRF)
 - (5) SWRCB Proposition 1 Groundwater Sustainability Program
 - (6) Department of Water Resources (DWR) (Water-Energy Grant Program, upcoming IRWM Grant Programs, etc.)
 - (7) Environmental Protection Agency (EPA)
 - (8) Infrastructure State Revolving Fund (ISRF) Program
 - (9) Small Community Water Infrastructure Exchange (SCWIE)
 - (10) Community Development Block Grant (CDBG)
 - (11) USBR WaterSMART Water and Energy Efficiency Grants
- Summarize criteria and requirements of relevant funding sources, including funding availability, eligibility, application process, and schedule.
- Facilitate one 2-hour meeting with the Basin Management Committee (BMC) and/or staff to review results of funding research and screen funding sources based on eligibility criteria, funding availability, BMC goals and objectives, and/or other constraints.
- Prepare a brief memo summarizing funding research, screening process and a prioritized list of funding programs to support the Basin Plan.

Deliverable: Brief memo summarizing research and providing prioritized list of funding programs

1.2 Proposition 1 Groundwater Sustainability Program Pre-Application Support

- Provide 7 hours of technical support to the BMC to prepare the pre-application for the Proposition 1 Groundwater Sustainability Program, administered by SWRCB.



Task No.	Task Description	WSC										ALL FIRMS			
		Principal	Associate Planner 1	Staff Planner III	Associate Engineer III	Staff Engineer I	Clerical/Admin	Total Labor Hours	Total Labor	Expenses	Fee	Total Labor Hours	Total Labor	Expenses	Total Fee
	<i>Billing rates, \$/hr (before markup)</i>	<i>\$275</i>	<i>\$165</i>	<i>\$155</i>	<i>\$185</i>	<i>\$130</i>	<i>\$90</i>								
	<i>Billing rates, \$/hr</i>	<i>\$275</i>	<i>\$165</i>	<i>\$155</i>	<i>\$185</i>	<i>\$130</i>	<i>\$90</i>			<i>8%</i>					
1	Funding Research, Screening and Support	0	6	0	0	17	2	25	\$ 3,380	\$300	\$3,680	25	\$ 3,380	\$ 300	\$3,680
1.1	Funding Identification and Screening		4			13	1	18	\$ 2,440	\$200	\$2,640	18	\$ 2,440	\$ 200	\$2,640
1.2	Proposition 1 Pre-Application Support		2			4	1	7	\$ 940	\$100	\$1,040	7	\$ 940	\$ 100	\$1,040
	Column Totals	0	6	0	0	17	2	25	\$ 3,380	\$300	\$3,680	25	\$ 3,380	\$ 300	\$3,680

TO: Los Osos Basin Management Committee

FROM: Rob Miller, Interim Executive Director

DATE: April 15, 2016

SUBJECT: Item 7b – Consider Draft Water Conservation Program

Recommendations

Staff recommends that the Committee review the draft matrix, provide input, and direct staff to bring the item back in May, 2016 for BMC action if possible.

Discussion

Water conservation remains one of the most cost effective and reliable tools available to the BMC for addressing seawater intrusion. Purveyor extractions from the basin have dropped by 60% since pumping peaked in the late '80's. Per capita residential demand within the purveyor service areas was in the range of 55 to 60 gallons per capita per day in 2015, including both indoor and outdoor use, and excluding commercial/institutional demand. The purpose of this item is to provide a framework for improved water conservation throughout the community, both indoors and outdoors. Staff recommends that the BMC consider pursuing additional conservation measures as described in detail in Table 1. Once considered and adopted by the BMC, these measures would form the foundation of a purveyor-lead conservation program, administered through the BMC.

The measures in Table 1 require a source of funding for both administration and conservation rebates for interested property owners. The overall magnitude of the required funding depends on the success of the rebate measures but is expected to be in the range of \$2 million to \$3 million over a period of years. The ultimate source of funding would likely be a basin wide funding mechanism (vote) that is currently being analyzed by the County Flood Control District's financial consultant, DTA. Given the time pressure associated with continued seawater intrusion, the members of the BMC may wish to consider a potential interim funding source(s), including, without limitation, proportional contributions by each BMC member consistent with the cost share allocations in the existing budget (based on voting rights) and/or a revision to Coastal Development Permit Condition No. 5(b) which expands the permissible uses for the committed \$5 million as appropriate. Such interim funding, if provided, would be based on four key principles as follows:

1. The BMC/purveyors will assume a lead role in the community conservation program.
2. If interim funding is provided, the repayment of such funding would likely be included in a community wide funding measure currently scheduled for May, 2017.
3. Public information relating to septic system repurposing, and the potential for future rebates, should be immediate and widespread.

4. Measures will be reviewed at least annually and modified as needed to maintain cost effectiveness and community acceptance.

Financial Considerations

The approved BMC budget includes a limited funding amount of \$10,000 for water conservation. Additional funding for rebate programs and conservation program administration would likely be included in a community wide funding vote, with the potential for interim funding through the BMC members as described above.

Table 1: Potential Conservation Measures for BMC

Item No.	Conservation Measure Name	Draft Rebate Amount	Water Savings Potential and Assumptions (ac-ft/year)	Estimated Savings per Unit (gal/yr)	Fixture or Program Estimated Lifespan	Cost of rebate per acre-ft saved	Approximate Savings Potential (AFY)
PR - 1	Cash for grass outreach	Existing Statewide Rebate	TBD - Probably in the 10 to 20 AFY range total, need existing inventory				10 to 20
PR - 2	Clean and close outreach for septic tank repurposing	N/A	Maximize use of available programs				
PR - 3	Outside PZ information and rebate	N/A	Maximize use of available programs				
PR - 4	Conservation audits	N/A	Maximize use of available programs				
Indoor-1	Hot water recirculation system	\$300	EPA Water Sense estimates > 10,000 gal/year, assume 5,000 to 10,000 gal/year	7,000	10	\$1,396	50 to 100
Indoor -2	High efficiency clothes washer	\$250	3,000 to 5,000 gal/year, depending on household size	3,300	5	\$4,936	40 to 60
Indoor - 3	Replace 1.6 gpf toilets with 1.28 or below	\$250	1,000 to 2,000 gal/year, depending on use	1,500	20	\$2,715	30 to 50
Indoor - 4	Replace 2.0 gpm showerheads with 1.5 gpm	\$40	1,000 to 2,000 gal/year, depending on use	1,500	10	\$869	30 to 50 (See Note 1)
Outdoor - 1	Septic tank repurpose - roof water only	\$500 (see Note 3)	Assume 3 to 4 tank volumes, at 1,000 gallons each	3,500	20	\$2,327	40 to 60 (See Note 1)
Outdoor - 2	Septic tank repurpose - with recycled water hauling	\$500 (see Note 3)	Potentially eliminate outdoor potable usage	6,000	20	\$1,358	70 to 90 (See Note 1)
Outdoor - 3	Gray water system	\$500 (see Note 3)	Potentially eliminate outdoor potable usage	6,000	20	\$1,358	70 to 90 (See Note 1)
Outdoor - 4	Recycled water fill station(s)	N/A					
Outdoor - 5	Laundry to landscape program	\$50 (see Note 3)	1,000 to 1,500 gallons per year, depending on use	1,250	5	\$2,606	10 to 20 (see Note 1)
Notes:	1. Total savings for outdoor programs are not additive. For example, outdoor use can be addressed through gray water or hauled recycled water. 2. All estimates depend on use patterns and other factors. Values are stated for comparison. 3. Only one \$500 rebate will provided per property under programs Outdoor -1, 2, and 3. Participants in these programs are not eligible for program Outdoor - 5.						