

**A REGULAR MEETING OF THE OPERATING COMMITTEE
of the
CENTRAL COAST WATER AUTHORITY**

will be held at 9:00 a.m., on Thursday, January 12, 2023

via URL: <https://meetings.ringcentral.com/j/1498082164>
or via telephone by dialing 1 (623) 404-9000 and entering code 149 808 2164 #



Eric Friedman
Chairman

Jeff Clay
Vice Chairman

Ray A. Stokes
Executive Director

Brownstein Hyatt
Farber Schreck
General Counsel

Member Agencies

City of Buellton

Carpinteria Valley
Water District

City of Guadalupe

City of Santa Barbara

City of Santa Maria

Goleta Water District

Montecito Water District

Santa Ynez River Water
Conservation District,
Improvement District #1

Associate Member

La Cumbre Mutual
Water Company

In response to the spread of the COVID-19 virus, Governor Newsom declared a state of emergency which directly impacts the ability of legislative bodies and the public to meet safely in person. To help minimize the potential spread of the COVID-19 virus, the CCWA Board of Directors shall consider whether to hold this public meeting telephonically pursuant to the requirements of Government Code section 54953(e), as amended by Assembly Bill 361 (2021). The CCWA Board of Directors and public will participate in this meeting by video call or telephone.

Public Comment on agenda items may occur via video call or telephonically, or by submission to the Board Secretary via email at lfw@ccwa.com no later than 8:00 a.m. on the day of the meeting. In your email, please specify (1) the meeting date and agenda item (number and title) on which you are providing a comment and (2) that you would like your comment read into the record during the meeting. If you would like your comment read into the record during the meeting (as either general public comment or on a specific agenda item), please limit your comments to no more than 250 words.

Every effort will be made to read comments into the record, but some comments may not be read due to time limitations. Please also note that if you submit a written comment and do not specify that you would like this comment read into the record during the meeting, your comment will be forwarded to Board members for their consideration.

Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available on the CCWA internet web site, accessible at <https://www.ccwa.com>.

I. Call to Order and Roll Call

II. * Resolution No. 23-01 Resolution of the Operating Committee of the Central Coast Water Authority Authorizing Remote Teleconference Meetings Under the Ralph M. Brown Act

Staff Recommendation: Approve Resolution No. 23-01 Resolution of the Operating Committee of the Central Coast Water Authority Authorizing Remote Teleconference Meetings Under the Ralph M. Brown Act

III. Public Comment – (Any member of the public may address the Committee relating to any matter within the Committee’s jurisdiction. Individual Speakers may be limited to five minutes; all speakers to a total of fifteen minutes.)

IV. * Consent Calendar

A. Minutes of the October 13, 2022 Operating Committee Meeting
Staff Recommendation: Approve Consent Calendar.

V. Executive Director’s Report

- A. Operations Update
Staff Recommendation: Informational item only.
- B. Water Supply Situation Report
Staff Recommendation: Informational item only.
- C. 2023 Supplemental Water Purchase Program
Staff Recommendation: Informational item only.
- * D. Ocean Well Desalination Presentation
Staff Recommendation: Informational item only.
- E. Update on the Aquaterra Water Bank
Staff Recommendation: Informational item only.

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* Indicates attachment of document to agenda packet

Continued

- * F. Cost Allocation of Nipomo and Tank 5 Dosing Facilities
Staff Recommendation: That the Operating Committee recommend to the CCWA Board of Directors that the costs of the Nipomo and Tank 5 chemical dosing facilities be allocated 50% to the Water Treatment Plant subject to the Regional Water Treatment Plant Allocation and the Santa Ynez Exchange Agreement adjustments and 50% to the financial reaches in which the dosing facilities are located.
- * G. FY 2023/24 Budget Preparation Schedule
Staff Recommendation: Informational item only.

VI. Reports from Committee Members for Information Only

VII. Date of Next Regular Meeting: March 9, 2023

VIII. Adjournment

RESOLUTION NO. 23-01

RESOLUTION OF THE OPERATING COMMITTEE OF THE CENTRAL COAST WATER AUTHORITY AUTHORIZING REMOTE TELECONFERENCE MEETINGS UNDER THE RALPH M. BROWN ACT

WHEREAS, the Central Coast Water Authority (Authority) is committed to preserving and fostering public access and participation in meetings of the Operating Committee, as required by the Ralph M. Brown Act (Gov. Code § 54950 et seq.) (Brown Act), so that any member of the public may attend and participate as the Operating Committee conducts the public's business; and

WHEREAS, the Brown Act contains special provisions for remote teleconference participation in meetings when the Governor has declared a state of emergency pursuant to Government Code section 8625, and either state or local official have imposed or recommended measures to promote social distancing, or an in-person meeting would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now existing with the County of Santa Barbara (County). On March 4, 2020, Governor Gavin Newsom issued a Proclamation of a State of Emergency for the COVID-19 pandemic. The County Health Officer and Public Health Director issued a Health Officials AB 361 Social Distance Recommendation, dated September 28, 2021, encouraging remote teleconference options for public meetings as an effective and recommended social distancing measure to facilitate public participation while protecting participants and others from COVID-19; and

WHEREAS, COVID-19 continues to threaten the health and lives of County residents, notwithstanding the County's vaccination rates; and

WHEREAS, COVID-19 continues to directly impact the ability of the Operating Committee and public to meet safely in person, for among other reasons, the compact Authority meeting room that limits the available space for effective social distancing; and

WHEREAS, in the interest of public health and safety, and in response to the Governor's Proclamation of a State of Emergency and local recommendations for measures to promote social distancing, the Operating Committee finds it necessary to invoke the provisions of Government Code Section 54953, subdivision (e), related to teleconferencing; and

WHEREAS, this Resolution is exempt from the California Environmental Quality Act (CEQA) pursuant to the "common sense" exemption to environmental review under Section 15061 subdivision (b)(3) of Title 14 of the California Code of Regulations (CEQA Guidelines) because remote teleconference meetings during a

declared state of emergency do not have the potential for causing a significant effect on the environment.

NOW THEREFORE, THE OPERATING COMMITTEE DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Remote Teleconference Meetings. The Operating Committee shall conduct their meetings with remote teleconference participation in the manner authorized by Government Code Section 54953, subdivision (e), and in compliance with the requirements to provide public access in Government Code Section 54953, subdivision (e)(2).

Section 3. Effective Date. This Resolution shall take effect immediately upon its adoption and shall be effective until February 11, 2023, or such time as the Operating Committee or the Board of Directors of the Authority adopts findings in accordance with Government Code Section 54953, subdivision (e)(3), to extend the time during which meetings may continue to be held via remote teleconference in compliance with that section.

PASSED AND ADOPTED by the Operating Committee of the Central Coast Water Authority, this 12th day of January, 2023, by the following vote:

Paeter Garcia, Chairman

Attest:

Elizabeth Watkins
Secretary to the Board of Directors

	VOTING PERCENTAGE	AYE	NAY	ABSTAIN	ABSENT
City of Buellton	1.77%	_____	_____	_____	_____
Carpinteria Valley Water District	6.12%	_____	_____	_____	_____
Goleta Water District	13.78%	_____	_____	_____	_____
City of Guadalupe	0.92%	_____	_____	_____	_____
La Cumbre Mutual Water Company	3.06%	_____	_____	_____	_____
Montecito Water District	7.61%	_____	_____	_____	_____
City of Santa Barbara	9.18%	_____	_____	_____	_____
City of Santa Maria	34.60%	_____	_____	_____	_____
Santa Ynez River Water Conservation District, Improvement District No. 1	6.12%	_____	_____	_____	_____
Vandenberg Space Force Base	16.84%	_____	_____	_____	_____

**MINUTES OF THE
CENTRAL COAST WATER AUTHORITY
OPERATING COMMITTEE**

October 13, 2022

The Operating Committee meeting was conducted pursuant to California Government Code Section 54953 subdivision (e), due to the Governor's proclaimed state of emergency and local officials' recommended "social distancing" measures in response to the COVID-19 pandemic. Committee members participated in this meeting by video call or telephone. Public Comment on agenda items also occurred telephonically.

Ms. Lisa Watkins, Board Secretary, confirmed that all Committee members could hear each other, had received a copy of the meeting agenda, and could hear the proceedings.

I. Call to Order and Roll Call

Mr. Garcia, Committee Chair, called the October 13, 2022, Central Coast Water Authority Operating Committee meeting to order at 9:00 a.m.

Committee members present:

Paeter Garcia	-	Santa Ynez River Water Conservation District, ID#1
Ryan Drake	-	Goleta Water District
Shad Springer	-	City of Santa Maria
Dakota Corey	-	City of Santa Barbara
Robert McDonald	-	Carpinteria Valley Water District
Shannon Sweeney	-	City of Guadalupe
Nick Turner		Montecito Water District

II. Public Comment

There was no public comment.

III. Consent Calendar

A. Approve Minutes of the July 14, 2022 Operating Committee Meeting

Motion to approve the consent calendar was made by Mr. Drake, seconded by Mr. Springer, and carried following a roll call vote with Mr. Springer, Mr. Garcia and Mr. Drake with in favor, Ms. Sweeney, Ms. Corey, Mr. Turner, and Mr. McDonald abstaining, and none opposed.

Mr. Garcia stated that a change to the agenda order had been requested, and Agenda Item IV E. and F. would precede Agenda Items VI.A., B., C., and D. due to a schedule conflict for one of the meeting participants.

IV. Executive Director's Report

F. Overview of 2022 Water Quality Challenges and Plans to Mitigate Future Water Quality Issues

John Brady, CCWA Deputy Director, reviewed an investigation into an issue with the filter bed nozzles that may be contributing to nitrification and the current

remedies that are being tested. Mr. Brady also reviewed the actions being taken to combat nitrification due to biofilm existing in certain sections of CCWA pipeline, especially between the SoCal turnout south of Santa Maria and Tank 5 at Vandenberg Air Force Base.

Other issues, including an algae bloom that effected the entire State Water Project, Geosimin and MIB impacting taste and odor of CCWA's water, and a maintenance issue at DWR's Polonio Pass Pumping Plant that caused CCWA to request it's participants to reduce their deliveries due to the reduced supply available were reviewed.

Discussion ensued regarding methods of monitoring, testing, analyzing, and mitigating these issues in the future.

E. Planning for a Dry 2023 Water Year: Water Supply and Operational Challenges and Possible Mitigation Measures

A presentation related to Planning for a Dry 2023 Water Year: Water Supply and Operational Challenges and Possible Mitigation Measures had been presented to the Committee in July, and to the CCWA Board of Directors. Mr. Brady reviewed input received following the presentation and a treatment strategy with includes oxidize nitrite to boost chloramine residual. To combat the long travel time of water during low flow periods and maintain chlorine residual, CCWA is considering adding two new chlorination facilities on the pipeline at locations in Nipomo and the Golden State Water Company turnout.

Ms. Dessilava Mladenova, CCWA Controller, provided information on the funding for the new chlorination facilities, stating the source would be the CCWA Operation and Maintenance reserve fund, at a cost of approximately \$75,000 per site. The project costs would be charged as a Water Treatment Expense, and Ms. Mladenova provided a spreadsheet showing the proposed cost allocation.

Following discussion on the cost allocation, the Committee requested circulation of the presentations, including the information on the cost allocation. Mr. Stokes noted that the proposed cost allocations can be adjusted following input from project participants.

C. Aquaterra Water Bank Proposal

Mr. Matthew Hurley, General Manager of the McMullin Area Groundwater Sustainability Agency (MAGSA), and Mr. Terry Erlewine, Provost & Pritchard Consultants, provided information on MAGSA and the proposed Aquaterra Water Bank, which takes advantage of the groundwater storage capacity that has been created by groundwater pumping in the Fresno area. Information related to water project specifications, water quality, subscription costs, and the current status of the project was provided.

Mr. Stokes stated the presentation was provided with the intent that CCWA participants return to their respective governing bodies for a decision on whether they wish to participate in the water bank, and then a decision by the CCWA Board if CCWA will participate, either as a whole or for individual participants.

Mr. Hurley and Mr. Erlewine responded to questions from the Committee, including anticipated water storage losses, storage costs, reclamation rights and extraction.

The CCWA Board of Directors will have a general discussion on the project at its October 27, 2022 meeting. Mr. Stokes stated that a decision on CCWA participants' desire to participate in this project would be requested in January 2023.

A. Operations Update

Mr. Brady reported on plant production, chemical costs, and totals pumped into Lake Cachuma.

- The WTP HVAC upgrade project is near completion, including replacement of a heating unit that has been in place since construction.
- The alternative release point project is progressing, and additional information on the planned design, including the discharge point, was provided.
- Concurrently, there will be work done on the 6 inch bypass pipeline valve at the dam facility and a new discharge location away from the concrete dam apron will be established.
- The PLC project plan is complete and the PLCs will be replaced during the winter shutdown.
- A new Water Treatment Plant Maintenance Technician has been hired.
- Due to ongoing difficulty hiring a Safety and Environmental Specialist, an interim Safety consultant has been retained.
- Various activities related to regulatory activities were reviewed.
- Mr. Brady reported he has been appointed chairman of a work group to review Water Treatment Operator certification.
- The planned winter shutdown will begin October 31, 2022 and will last approximately 3 weeks. The City of Morro Bay will continue to receive water during shutdown.

B. Water Supply Situation Report

Mr. Stokes reviewed the current water year precipitation at various locations within California, as well as current reservoir conditions and the current delivery and banked water amounts for CCWA participants.

C. 2022 Supplemental Water Purchase Program

There were six participants in the 2022 SWPP, who requested 6,350 AF of water through the program. Total sources available provided about 2,636 AF. Summary information on participants and transactions was provided.

Mr. Stokes will request implementation of the 2023 SWPP at the CCWA Board meeting on October 27, 2022. He anticipates it will be difficult to find available water in the upcoming year due to the ongoing drought.

V. Reports from Committee Members for Information Only

There were no reports from the Committee members.

VI. Date of Next Regular Meeting:

January 12, 2023 is the date of the next Regular meeting.

VII. Adjournment

The meeting was adjourned at 11:59 AM.

Respectfully submitted,


Elizabeth F. Watkins
Secretary to the Board



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

January 4, 2023

TO: CCWA Operating Committee
FROM: Ray A. Stokes
Executive Director 
SUBJECT: Ocean Well Desalination Presentation

DISCUSSION

CCWA staff have been participating in meetings and presentations on a proposed deep water ocean desalination project from the Ocean Well Water group in Los Angeles. CCWA staff believes it could be advantageous for some of our CCWA project participants to learn more about this technology and asked Tim Quinn from Ocean Well Water to make a presentation at the Operating Committee meeting.

Attached is a brief brochure explaining the proposed technology, which also contains the Ocean Well Water website.

This presentation will be for information only.

RAS

Attachment

ABOUT US

Natural Ocean Well is a California-based water company producing fresh water from the deep sea in an environmentally friendly and energy-efficient way.



Experienced Team

- 25+ years in the desalination industry.
- Passionate parents, scientists, and engineers committed to protecting the environment.
- Working partnerships with environmental NGOs and other public interest organizations.



Inspired by Nature

- Like mangrove roots, the Ocean Well uses membrane barriers and natural ocean pressure to passively draw fresh water.
- The Ocean Well resolves the concerns of coastal desalination critics, making it easier to implement ocean-based sources of additional new fresh water supply.

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Protects the Coast

The Ocean Well requires 95% less shoreline compared to traditional onshore desalination facilities. This allows California to focus on coastal restoration rather than siting large, industrial coastal facilities.

Affordable Water

The Ocean Well emits no carbon into the atmosphere, helping meet climate goals, and uses only a fraction of the energy requirements of onshore facilities, providing affordable clean fresh water to meet California's water needs.

Scalable Technology

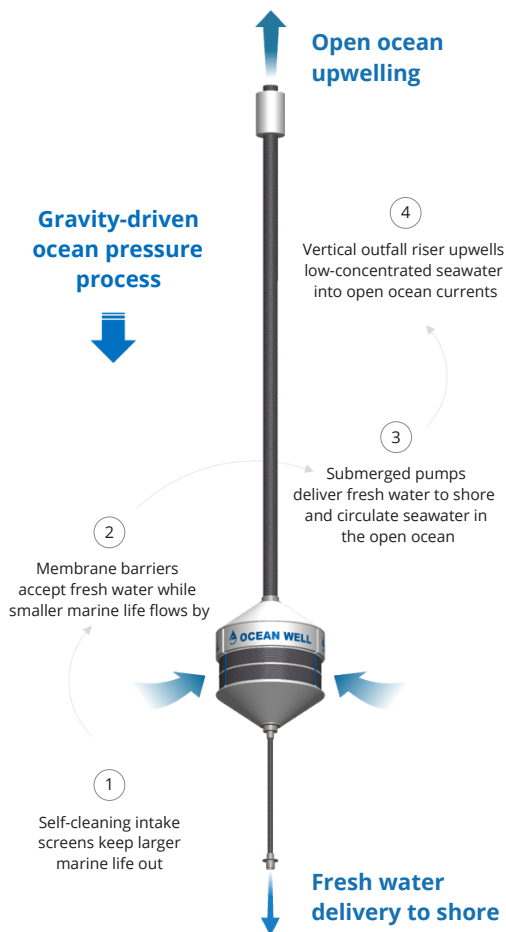
Water Farms are modular and have prefabricated designs that scale with demand. Ocean Well farms can be sized to meet the needs of isolated coastal communities or expanded to meet the needs of a growing California economy.

High Quality Water

Our reverse osmosis process removes salt, heavy metals, pharmaceuticals and PFAS ("forever chemicals"), viruses and bacteria, and microplastics.

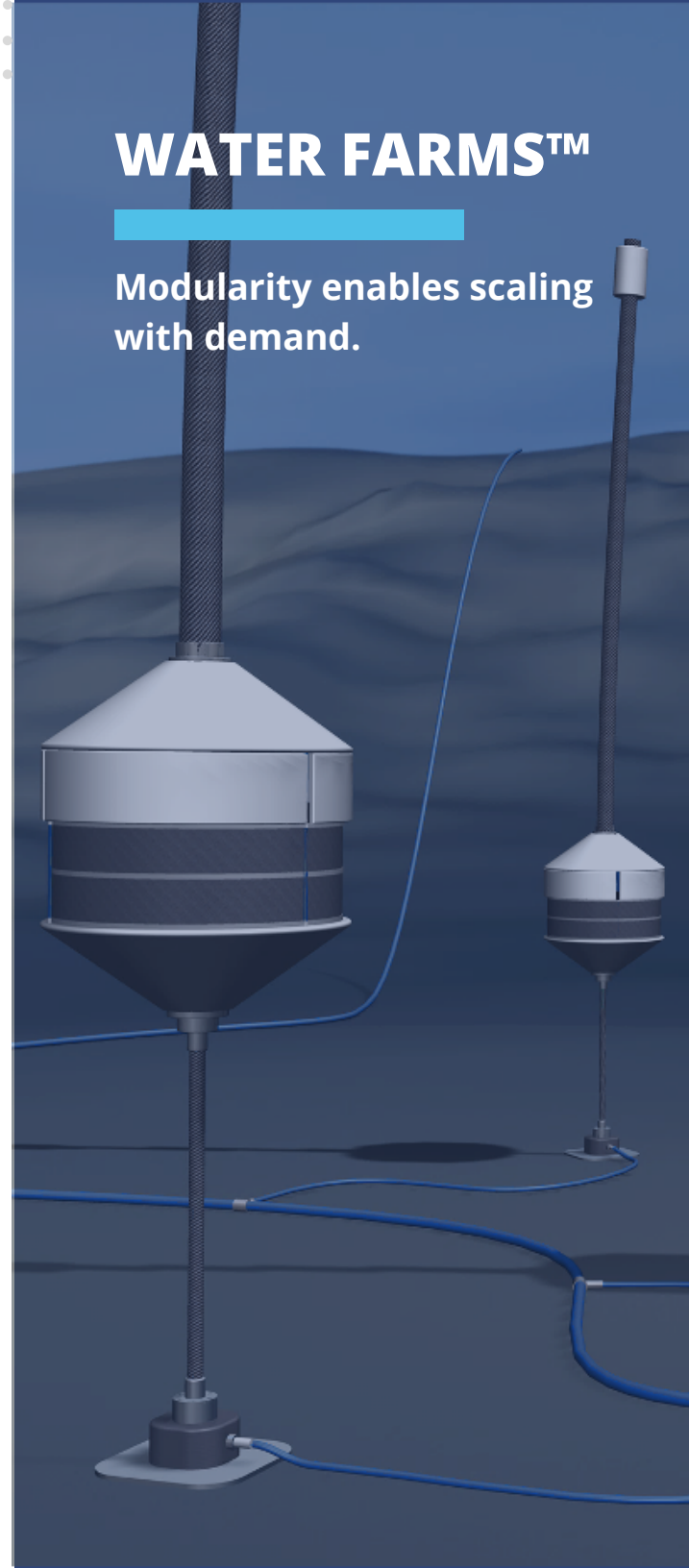
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With the Ocean Wells, desalination can help diversify California's water supply in a safe, responsible, and affordable manner.



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CENTRAL COAST WATER AUTHORITY

MEMORANDUM

January 4, 2023

TO: CCWA Operating Committee

FROM: Ray A. Stokes
Executive Director 

SUBJECT: Cost Allocation of Nipomo and Tank 5 Dosing Facilities

DISCUSSION

At its meeting on October 27, 2022, the CCWA Board of Directors authorized the construction and implementation of chemical dosing facilities at the Nipomo and Tank 5 locations to assist in maintaining water quality in the pipeline. The full scope of the project and cost estimates are shown in the attached CCWA staff report to the CCWA Board of Directors from CCWA Deputy Director, John Brady.

CCWA staff proposed that the costs of both projects be allocated 50% to the financial reach in which the facilities were located and 50% to the Water Treatment Plant subject to the Regional Water Treatment Plant Allocation and the Santa Ynez Exchange Agreement adjustments. This cost allocation proposal was recommended based on the fact that the new facilities are intended to maintain water potability and that there is a direct impact on the South Coast water agencies because pumping into Lake Cachuma has been impacted in order to maintain water quality upstream of the Santa Ynez Pumping Plant.

The following table shows the various cost allocation methodologies with the proposed allocation of 50% to the Water Treatment Plant and 50% to the financial reach in which the facilities are located shown in column C.

Column D shows the difference between the proposed cost allocation and the cost allocation by reach only.

Chemical Dosing Facility Cost Allocation Alternatives

	A	B	C	D
Project Participant	Cost Allocation WTP Only	Cost Allocation By Reach Only	PROPOSED Allocation 50%/50% split	Change in Reach Allocation vs Proposed 50/50
Guadalupe	\$ 10,836	\$ 4,463	\$ 7,650	\$ 3,187
Santa Maria	319,182	\$ 131,456	225,319	93,863
Golden State Water	9,851	4,057	6,954	2,897
Vandenberg SFB	108,364	130,930	119,647	(11,283)
Buellton	11,388	13,760	12,574	(1,186)
Santa Ynez (Solvang)	29,554	35,708	32,631	(3,077)
Santa Ynez	64,543	11,903	38,223	26,320
Goleta	9,890	107,124	58,507	(48,617)
Morehart Land Co	936	4,761	2,849	(1,913)
LaCumbre	4,680	23,805	14,243	(9,563)
Raytheon (SBRC)	234	1,190	712	(478)
Santa Barbara	6,593	71,416	39,005	(32,411)
Montecito	6,593	71,416	39,005	(32,411)
Carpinteria	4,396	47,611	26,003	(21,608)
SB County Subtotal:	587,042	659,600	623,321	(36,279)
SLO County	72,558		36,279	36,279
TOTAL:	\$ 659,600	\$ 659,600	\$ 659,600	\$ -

RECOMMENDATION

That the Operating Committee recommend to the CCWA Board of Directors that the costs of the Nipomo and Tank 5 chemical dosing facilities be allocated 50% to the Water Treatment Plant subject to the Regional Water Treatment Plant Allocation and the Santa Ynez Exchange Agreement adjustments and 50% to the financial reaches in which the dosing facilities are located.

RAS

Attachment



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

October 26, 2022

TO: CCWA Board of Directors

FROM: John Brady
Deputy Director, Operations and Engineering

SUBJECT: 2022 Water Quality Challenges and Plans to Mitigate Future Water Quality Issues.

BACKGROUND

Based on the most current delivery projections from CCWA Participants, the flow rates through the Water Treatment Plant and Pipeline are projected to be far below what these systems were designed to accommodate. This low flow regime is projected to last well over 5 months and has actually already started, which is much earlier than the delivery projections indicated.

The consequence of the low flow rates through the Water Treatment Plant and Pipeline is excessively long travel times for the treated water to participants' respective Turnouts. For example, water will age up to 30 days at the Santa Maria Turnout and 71 days at the Santa Ynez Pumping Plant, which is located at the end of the Pipeline. This low flow regime started in mid-October and is projected to last until April 2023. However, it is important to note that if one supplemental water supply transaction for the South Coast is not completed as planned, then the low flows will continue through the entirety of 2023.

Drinking water standards require that detectable levels of secondary disinfectant must be maintained at all times in distribution systems that receive water produced from surface water treatment plants, such as CCWA's plant. The main issue with increasing water age in the Pipeline is the potential of losing chloramine residual, since this could lead to a Maximum Contaminant Level (MCL) violation.

CCWA utilizes chloramine as a secondary disinfectant in the Pipeline. This disinfectant was selected for use because it lasts longer than free chlorine and it essentially stops the formation of disinfection byproducts that arises from chlorine disinfection at the Water Treatment Plant. As with all secondary disinfectants, chloramine concentration will decrease with time. However, the decline in chloramine concentration is accelerated when a process known as nitrification occurs. This process will start as water age increases and can also start when water passes through zones of the pipeline where nitrification is known to occur due to the presence of biofilm.

With the onset of unprecedented low flows and the presence of zones within the Pipeline known to produce nitrites, it is vitally important to increase the capacity for treatment along the Pipeline to ensure the water remains potable. CCWA staff researched the appropriate response actions to this unfolding situation, which included meeting with Dr. Issam Njam (Water Quality Expert) as well as several consultations with the Division of Drinking Water.

The proposed plan is to design and construct one new pipeline treatment facilities that will increase chloramine concentrations and to oxidize nitrite if present. From our research and operational practice, we found that increasing chloramine residual, coupled with oxidizing any

nitrite that may form from the nitrification process, is an effective method to maintain potable water in the pipeline. The proposed treatment system is strategically located to maximize effect.

DISCUSSION

Early Action Due to Early Flow Reduction

In response to observing early reduction of flow rate in the pipeline in October 2022, CCWA staff moved forward with escalating efforts in developing a response plan. It was found that the original pipeline design included provisions for a chemical dosing location in the community of Nipomo. Chemical injection quills were installed during original construction, along with some provisions for chemicals to be delivered from a roadside location. Consequently, work was initiated to develop this site.

As outlined in Resolution 19-01, the Executive Director may proceed with the purchase of goods and services, with the approval from the Chair or Vice Chair, in an emergency situation. In such cases, the Executive Director has the authority to authorize CCWA staff to proceed on emergency basis and will need to provide a report to the Board describing the emergency circumstances. One purpose of this Board Report is to seek ratification of the Board Chair's decision to initiate this emergency project before the full Board Meeting.

Subsequent to the Executive Director securing approval from the CCWA Board Chair to proceed with the project on an emergency basis, CCWA staff procured the services of a local engineering consultant, engaged the CCWA environmental consultant, initiated a request for new power service from PG&E and initiated work on securing an encroachment permit from the County of San Luis Obispo Public Works. CCWA staff also conducted its own engineering analysis to size the dosing pumps, chemical storage tanks and analyzed methods of communications to the site. CCWA also notified property owners of CCWA's intention to construct the new chloramine booster station within the pipeline easement.

Costs committed to date for this project are minor. However, the results of bid solicitation are expected shortly and materials orders will be made soon.

Operational Goal

Based on comments from the CCWA Operating Committee, the specific delivery patterns described in the schedules submitted are intentional and time sensitive. This means that potable water needs to be available in the pipeline at the time requested.

Since it is not currently known with certainty if there will be a sufficient volume of water available to purge the Pipeline of non-potable water prior to the need for potable water, the operational goal will be to try to maintain potable water for the entire year. This is why the new pipeline treatment facility is needed.

The pipeline contains approximately 191 acre-feet of water. If the pipeline is rendered non-potable, it will need to be disinfected by the AWWA free chlorine slug method. This would require slightly more than 191 AF and several days to disinfect the entire pipeline. As noted earlier, if one supplemental water supply transaction for a South Coast Participant is not completed as planned, low flows will continue throughout 2023 and there will be insufficient volume available to disinfect and purge the pipeline of non-potable water.

FINANCIAL CONSIDERATIONS

Cost Estimate

Although work has started on the design and procurement of materials, the design is still under preparation and the results of materials bid solicitations are not yet in. However, an order of magnitude cost estimate for the project has been prepared by CCWA staff and the engineering consultant using the best information available.

CCWA staff recommends installation of the Nipomo Chloramine Booster Station first and then observe performance. This system is designed to help maintain potable water to Turnouts in the Santa Maria Valley and it may or may not be sufficient to maintain potable water downstream of the Santa Maria Valley.

If we are unable to maintain chloramine residual after it is conveyed out of the Santa Maria Valley as it travels to Tank 5, CCWA staff does have a plan for a second Chloramine Booster Station at the Golden State Water Company Turnout. However, CCWA staff is not recommending this project at this time.

The cost estimate for the Nipomo Chloramine Booster Station is as follows:

Nipomo Chemical Dosing Facility Order of Magnitude Cost Estimate

Item	Cost
Engineering	30,000
Chemical Delivery Access	
Encroachment Permit	5,500
Public Right-of-Way Improvement:	<u>111,600</u>
subtotal	117,100
Chemical Dosing	
Concrete Pad	10,000
Dosing Skids (2)	60,000
Precast Concrete Shelter	40,000
Double wall Tanks (2)	30,000
Fencing	15,000
PG&E New Service	5,000
Miscl	<u>10,000</u>
subtotal	170,000
Project Total	317,100

A significant cost component for this system is the Right-of-Way improvements along Thompson Avenue in Nipomo, adjacent to the treatment facility location. These improvements are necessary to allow a chemical tanker truck access to pull off of Thompson Avenue and park adjacent to the Nipomo Chloramine Booster Station. CCWA's chemical vender has been consulted on these improvements as well as San Luis Obispo County Public Works and it was concluded that the improvements are necessary to facilitate safe delivery of chemical to the site.

Cost Allocation Issue

CCWA staff provided a presentation to the CCWA Operating Committee at their October 12, 2022 meeting. The presentation detailed the numerous drought related water quality issues that have been encountered during the prior quarter and also described the delivery projections from CCWA Participants. As presented at the Operating Committee Meeting, CCWA staff's analysis of the aggregated delivery projections suggested that historic low flows would start in December 2022. CCWA made the recommendation to move forward with the design and construction of two new pipeline Chloramine Booster Stations. CCWA staff also recommended that the CCWA Operations and Maintenance Reserve Fund be utilized to fund the projects.

There was general concurrence about increasing treatment capacity on the pipeline to address the water quality challenges that were described. The Operating Committee also discussed issues related to how to allocate the costs for the new Pipeline treatment facilities. The main consideration of the discussion was how the South Coast Participants would benefit from the new treatment facilities as compared to how the north county Participants would benefit from the new treatment facilities.

The main conclusions of subsequent Participant discussion on the allocation issue included (1) North County Participants would directly benefit from the new facilities because they would help maintain potable water on a reach-by-reach basis and (2) South Coast Participants would benefit from the new facilities because the pipeline provides potable water directly to North County Participants and consequently the conveyance capacity of the pipeline is limited by the capacity of the treatment methods employed along the pipeline.

A compromise allocation scheme was developed and is described below:

- 50% of the costs for the new Pipeline Treatment Facility would be charged to Reach 35.
- 50% of the costs for the new Pipeline Treatment Facility would be charged to the Water Treatment Plant Reach and subject to the Regional Water Treatment Plant and Santa Ynez Exchange Adjustment Allocation.

In consideration of the current Fiscal Year Tank 5 Chloramine Booster Station, CCWA recommends that the above noted cost allocation protocol be applied to this project as well, since this treatment facility serves the same purpose as the Nipomo Project. The cost allocation for the Nipomo Chloramine Booster Station and the current Fiscal Year Tank 5 Chloramine Booster Station are presented in the attached table.




Recommendations


That the Board:







- Ratify the CCWA Board Chair's authorization that allowed the Executive Director to proceed with work on the Nipomo Chloramine Booster Station Project on an emergency basis.
- Authorize the Executive Director to proceed with work to the design and construction of the new pipeline Nipomo Chloramine Booster Station.
- Authorize the Executive Director to utilize the CCWA Operations and Maintenance Reserve Fund to fund the new pipeline Nipomo Chloramine Booster Stations and direct the Executive Director to replenish the CCWA Operations and Maintenance Reserve Fund in Fiscal Year 2023/2024.
- Direct the Executive Director to allocate costs for the new pipeline Nipomo Chloramine Booster Stations and Tank 5 Chloramine Booster Station as follows:
 - 50% of the costs for the new Pipeline Treatment Facility would be charged to Reach 35.
 - 50% of the costs for the new Pipeline Treatment Facility would be charged to the Water Treatment Plant Reach and subject to the Regional Water Treatment Plant and Santa Ynez Exchange Adjustment Allocation.

Attachment

CCWA Budget Planning Schedule FY 2023/24 Budget

January							February							March							April						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7				1	2	3	4				1	2	3	4							1
8	9	10	11	12	13	14	5	6	7	8	9	10	11	5	6	7	8		10	11	2	3	4	5	6	7	8
15	16	17	18	19	20	21	12	13	14	15	16	17	18	12	13	14	15	16	17	18	9	10	11	12	13	14	15
22	23	24	25	26	27	28	19	20	21	22	23	24	25	19	20	21	22		24	25	16	17	18	19	20	21	22
29	30	31					26	27	28					26	27	28	29	30	31	23	24	25	26		28	29	
																										30	

May							June							July						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
	1	2	3	4	5	6					1	2	3							
7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8
14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15
21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22
28	29	30	31				25	26	27	28	29	30	23	24	25	26	27	28	29	
													30	31						

-  Receive DWR Statement of Charges (for following calendar year)
-  Prepare Draft Budget
-  Submit Preliminary Budget to Operating Committee
-  Submit Preliminary Budget to Board of Directors
-  Board Approval of Final Budget
-  Beginning of 2023/24 Budget Expenditure Cycle

July 1, 2022
 November 1, 2022- February 28, 2023
 March 9, 2023
 March 23, 2023
 April 27, 2023
 July 1, 2023