



MEMORANDUM

TO: CITY COUNCIL

FROM: WHITNEY McDONALD, CITY MANAGER

**SUBJECT: SUPPLEMENTAL INFORMATION
AGENDA ITEM 10.a. – JUNE 8, 2021 CITY COUNCIL MEETING
CONSIDERATION OF RESPONSES FROM THE CITIES OF PISMO
BEACH AND GROVER BEAH REGARDING THE CENTRAL COAST
BLUE PROJECT, INCLUDING CONSIDERATION OF APPROVAL OF
THE EXPENDITURE OF FUNDS FOR FUTURE PROJECT-RELATED
COSTS**

DATE: JUNE 8, 2021

Attached is correspondence received by 4:00 PM for the above referenced item.

cc: Assistant City Manager/Public Works Director
City Attorney
City Clerk
City Website (or public review binder)

From: Brad Snook

Sent: Tuesday, June 8, 2021 6:41 AM

To: Caren Ray Russom; Jimmy Paulding; Kristen Barneich; Keith Storton; Lan George

Cc: Whitney McDonald

Subject: Discussion of CCB on tonight's agenda

To: Arroyo Grande City Council

Date: June 8th, 2021

Agenda Item 10a: CONSIDERATION OF RESPONSES FROM THE CITIES OF PISMO BEACH AND GROVER BEACH REGARDING THE CENTRAL COAST BLUE PROJECT, INCLUDING CONSIDERATION OF APPROVAL OF THE EXPENDITURE OF FUNDS FOR FUTURE PROJECT-RELATED COSTS

I'd like to start by thanking the Mayor and Council for the thoughtful deliberations on this topic during the AG City Council meeting on April 13th. The council clearly communicated its commitment to water recycling as a method to combat existing, and future, local fresh water shortages. The letter crafted by Whitney McDonald, AG's City Manager, on April 16th clearly and succinctly stated the council's requests to Pismo Beach, the Lead Agency for Central Coast Blue (CCB).

The following stated comments are my own, as a resident and home owner in Arroyo Grande. Though I have learned much about conservation and reclamation of fresh water resources through my involvement with the Surfrider Foundation San Luis Obispo, the views expressed in this letter are not necessarily the views of Surfrider SLO.

The City Manager of Pismo Beach (hereafter referred to as "Pismo Beach") wrote a deficient response to City Manager McDonald's letter from April 16th. Arroyo Grande's letter stated:

"In order to continue Arroyo Grande's participation in the CCB project, the following issues shall be addressed in the operating agreement:

- Provisions for robust public participation via a management or oversight committee subject to the Brown Act throughout the life of the project; and*
- A governance structure that includes equal decision making by all member agencies in order to preserve their fiduciary oversight responsibilities to their respective ratepayers."*

Both issues were supposed to be addressed in the CCB operating agreement, yet Pismo Beach does not attempt to address the issue regarding a governance structure. Instead, Pismo Beach infers, "We'll talk about it later". So, I believe Arroyo Grande should not agree to partner in CCB until "equal decision making by all member agencies" is written into the operating agreement, and the conditional approval of the CCB operating agreement should remain "rescinded" until an agreed-upon governance structure can be reached.

Perhaps, at the very least, a separate document could be created immediately which specifically spells out the governance structure. I don't believe a fair governance structure requires "robust public participation". In fact, if the cities can agree to a governance structure in advance of robust public participation, I believe the project's potential will improve.

Pismo Beach's promise to be fair later, in my opinion, is a non-starter. I found Pismo Beach's Public Works Directors statements during the April 13th meeting (sell reclaimed water to Los Osos or Nipomo, instead of keeping the water inside the NCMA?) to be threatening and unconstructive. I also question Pismo Beach's evasiveness on the CCB governance issue and wonder, "Is Price Canyon within the NCMA?"

I eagerly await a fair governance agreement for CCB, because conservation and reclamation of the NCMA's freshwater resources are necessary now and in the future. But, I believe staff's Alternative 3, "Discuss and consider the two response letters received from the cities of Grover Beach and Pismo Beach and take no further action" is best for Arroyo Grande now.

With thanks,
Brad Snook
Arroyo Grande

