

Regular Meeting of the  
**BOARD OF TRUSTEES**  
**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, IMPROVEMENT DISTRICT NO. 1**  
will be held at **3:00 P.M., Tuesday, March 19, 2019**  
at 1070 Faraday Street, Santa Ynez, Ca. - Conference Room

- I. CALL TO ORDER AND ROLL CALL**
- II. PLEDGE OF ALLEGIANCE**
- III. REPORT BY THE SECRETARY TO THE BOARD REGARDING COMPLIANCE WITH THE REQUIREMENTS FOR POSTING OF THE AGENDA**
- IV. CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF FEBRUARY 19, 2019**
- V. ADDITIONS OR CORRECTIONS, IF ANY, TO THE AGENDA**
- VI. PUBLIC COMMENT** - Any member of the public may address the Board relating to any non-agenda matter within the District's jurisdiction. The total time for all public participation shall not exceed fifteen (15) minutes and the time allotted for each individual shall not exceed three (3) minutes. The District is not responsible for the content or accuracy of statements made by members of the public. No Action will be taken by the Board on any public comment item.
- VII. CONSENT AGENDA** - All items listed on the Consent Agenda are considered to be routine and will be approved or rejected in a single motion without separate discussion. Any item placed on the Consent Agenda can be removed and placed on the Regular Agenda for discussion and possible action upon the request of any Trustee.
- CA-1. Water Supply and Production Report
  - CA-2. Status of WR 89-18 Above Narrows Account
  - CA-3. Report on State Water Project - Central Coast Water Authority Activities
  - CA-4. Status of State Water Resources Control Board Permits, Environmental Compliance and Hearings Update
  - CA-5. National Marine Fisheries Service - September 7, 2000 Biological Opinion for Cachuma Project Continuing Operations
  - CA-6. Cachuma Project and Water Service Contract Update
  - CA-7. Update on Security Measures for Water Utilities
- VIII. MANAGER'S REPORT - STATUS, DISCUSSION AND POSSIBLE BOARD ACTION ON THE FOLLOWING SUBJECTS:**
- A. DISTRICT ADMINISTRATION** - (Est. 1 Hour)
- 1. Financial Report on Administrative Matters
    - a) Presentation of Monthly Financial Statements - Revenues and Expenses
    - b) 2018 Government Compensation Report Filing
    - c) 2004 Series A Bond Disclosure
    - d) Approval of Accounts Payable
- B. OPERATIONS AND MAINTENANCE**
- 1. Upland Water Well 29 - Update
  - 2. Zone 3 Reservoir - Update
- IX. REPORT, DISCUSSION AND POSSIBLE BOARD ACTION ON THE FOLLOWING SUBJECTS:** (Est. ½ Hour)
- A. 2018 Separation Agreement between the Cachuma Operation and Maintenance Board ("COMB") and SYRWCD, ID No.1**
- 1. Quarterly Itemized Invoices with Financial Backup Materials to ID No.1 at the End of Each Quarter for its 10.31% Share of Actual Net Costs of COMB Performing Certain 2000 BiOp Activities
- B. Cachuma Project - U.S. Bureau of Reclamation Continuing Operations**
- 1. Cachuma Project Water Service Contract No. I75r-1802R, Water Deliveries, Exchange Agreement, Entitlement, Water Storage, Accounting, Water Supply Projections

- C. Santa Barbara County Integrated Regional Water Management Plan Update 2019
  - 1. Staff Report
  - 2. Resolution 784 - *A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement No. 1 Approving and Supporting the Santa Barbara County Water Agency's Approval of the Santa Barbara County Integrated Regional Water Management Plan Update 2019*
- D. Sustainable Groundwater Management Act
  - 1. Eastern Management Area Update
- E. State Regulatory Matters
  - 1. Proposed Statewide Water Tax (Budget Trailer Bill) vs. SB 669 Safe Drinking Water Fund
  - 2. Hexavalent Chromium (Cr6)

**X. REPORTS BY THE BOARD MEMBERS OR STAFF, QUESTIONS OF STAFF, STATUS REPORTS, ANNOUNCEMENTS, COMMITTEE REPORTS, OBSERVATIONS AND OTHER MATTERS AND/OR COMMUNICATIONS NOT REQUIRING ACTION**

**XI. CORRESPONDENCE: GENERAL MANAGER RECOMMENDS THE ITEMS NOT MARKED WITH AN ASTERISK (\*) FOR FILE**

**XII. REQUESTS FOR ITEMS TO BE INCLUDED ON THE NEXT REGULAR MEETING AGENDA:** Any member of the Board of Trustees may place an item on the meeting agenda for the next regular meeting. Any member of the public may submit a written request to the General Manager of the District to place an item on a future meeting agenda, provided that the General Manager and the Board of Trustees retain sole discretion to determine which items to include on meeting agendas.

**XIII. NEXT MEETING OF THE BOARD OF TRUSTEES:** The next Regular Meeting of the Board of Trustees is scheduled for **April 16, 2019 at 3:00 p.m.**

**XIV. CLOSED SESSION -** The Board will hold a closed session to discuss the following items:

**A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**

[Subdivision (d)(1) of Section 54956.9 of the Government Code - 3 cases]

- 1. Name of Case: Adjudicatory proceedings pending before the State Water Resources Control Board regarding Permits 11308 and 11310 issued on Applications 11331 and 11332 to the United States Bureau of Reclamation and complaints filed by the California Sport fishing Protection Alliance regarding the operating of the Cachuma Project and State Board Orders WR73-37, 89-18 and 94-5; and proposed changes to the place of use of waters obtained through aforementioned permits for the Cachuma Project
- 2. Name of Case: Adjudicatory proceedings pending before the State Water Resources Control Board regarding Permit 15878 issued on Application 22423 to the City of Solvang regarding petitions for change and extension of time and protests to the petitions
- 3. Name of Case: Santa Barbara Superior Court Case No. 18CV05437, Santa Ynez River Water Conservation District, Improvement District No.1 v. Holland, et al.

**XV. RECONVENE INTO OPEN SESSION**

[Sections 54957.1 and 54957.7 of the Government Code]

**XVI. ADJOURNMENT**

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This Agenda was posted at 3622 Sagunto Street, Santa Ynez, California and notice was delivered in accordance with Government Code Section 54954. This Agenda contains a brief general description of each item to be considered. The Board reserves the right to change the order in which items are heard. Copies of the staff reports or other written documentation relating to each item of business on the Agenda are on file with the District and available for public inspection during normal business hours. A person who has a question concerning any of the agenda items may call the District's General Manager at (805) 688-6015. Written materials relating to an item on this Agenda that are distributed to the Board of Trustees within 72 hours (for Regular meetings) or 24 hours (for Special meetings) before it is to consider the item at its regularly or special scheduled meeting(s) will be made available for public inspection at 3622 Sagunto Street, during normal business hours. Such written materials will also be made available on the District's website, subject to staff's ability to post the documents before the regularly scheduled meeting. If you challenge any of the Board's decisions related to the agenda items above in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence to the Board prior to the public hearing. In compliance with the Americans with Disabilities Act, if you need special assistance to review agenda materials or participate in this meeting, please contact the District Secretary at (805) 688-6015. Notification 72 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT  
IMPROVEMENT DISTRICT NO. 1  
FEBRUARY 19, 2019 REGULAR MEETING MINUTES

Agenda Item IV.

A Regular Meeting of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No. 1, was held at 3:00 p.m. on Tuesday, February 19, 2019 in the Conference Room at 1070 Faraday Street, Santa Ynez.

Trustees Present: Kevin Walsh Harlan Burchardi  
Brad Joos Jeff Clay  
Michael Burchardi

Trustees Absent: None

Others Present: Chris Dahlstrom Paeter Garcia Mary Martone  
Karen King Gary Kvistad Eric Tambini  
Frances Komoroske Kevin Crossley Penny Knowles

I. CALL TO ORDER AND ROLL CALL:

President Walsh called the meeting to order at 3:00 p.m., he stated this was a Regular Meeting of the Board of Trustees. Mrs. Martone reported that all of the members of the Board were present.

II. PLEDGE OF ALLEGIANCE:

President Walsh led the Pledge of Allegiance.

III. REPORT BY THE SECRETARY TO THE BOARD REGARDING COMPLIANCE WITH THE REQUIREMENTS FOR POSTING OF THE AGENDA:

Mrs. Martone presented the affidavit of posting of the agenda, along with a true copy of the agenda for this meeting. She reported that the agenda was posted in accordance with the California Government Code commencing at Section 54950 and pursuant to Resolution No. 340 of the District. The affidavit was filed as evidence of the posting of the agenda items contained therein.

IV. CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF JANUARY 15, 2019:

The Minutes of the Regular Meeting of January 15, 2019 were presented for consideration.

President Walsh asked if there were any changes or additions to the Regular Meeting Minutes of January 15, 2019. There was one minor correction requested.

It was MOVED by Trustee Joos, seconded by Trustee M. Burchardi and carried by a unanimous 5-0-0 voice vote to approve the Regular Meeting Minutes of January 15, 2019 as amended.

V. ADDITIONS OR CORRECTIONS, IF ANY, TO THE AGENDA:

There were no additions or corrections.

VI. PUBLIC COMMENT:

Ms. Frances Komoroske provided comment to the Board.

VII. CONSENT AGENDA:

The Consent Agenda report was provided in the Board packet.

It was MOVED by Trustee M. Burchardi, seconded by Trustee Joos and carried by a 5-0-0 voice vote, to approve the Consent Agenda as presented.

DRAFT

1 **VIII. MANAGER'S REPORT - STATUS, DISCUSSION AND POSSIBLE BOARD ACTION ON THE FOLLOWING**  
2 **SUBJECTS:**

3 **A. DISTRICT ADMINISTRATION:**

4 1. Financial Report on Administrative Matters

5 a) Presentation of Monthly Financial Statements – Revenues and Expenses

6 The Board was provided the Statement of Revenues and Expenses for the month of  
7 January in the handout materials.

8  
9 Mr. Dahlstrom reviewed the Statement of Revenues and Expenses for the month of  
10 January. He reported the revenues exceeded the expenses by \$62,081.20 for the month  
11 and the year-to-date net income was \$2,276,211.57. Mr. Dahlstrom indicated that  
12 water sales were down 18.23% from the prior month due to the recent rainfall. He  
13 explained that the monthly revenue included quarterly LAIF interest income and new  
14 service fees and all accumulated revenues during the fiscal year will be earmarked  
15 and utilized for the annual State Water Project and COMB Bond payments due in June  
16 2019.

17  
18 b) FY 2018/2019 Six-Month Budget Update

19 Mr. Dahlstrom reviewed the Six-month Budget Update. He highlighted each budget  
20 category and explained that the six-month budget balance reflected revenues  
21 exceeding expenses by \$1,847,594.12 six months into the 18/19 fiscal year. Mr.  
22 Dahlstrom explained that water sales were up during the first six months of the fiscal  
23 year due to typical high usage months occurring July-November. He indicated that  
24 water sales will decline over the remaining six months of the fiscal year. Mr.  
25 Dahlstrom emphasized that the second half of the fiscal year will also reflect higher  
26 expenses related to completion of Construction in Progress items, such as multiple  
27 mainline valve replacements, the completion of a new well at the Office site (Well  
28 29), and a combination steel building for the Office Well disinfection and control  
29 system, garage bay for the Ditch-witch, and a field crew quarters. Mr. Dahlstrom  
30 reiterated the overall revenue outlook remains stable at this point in the fiscal year.

31  
32 c) Approval of Accounts Payable

33 The Warrant List was provided in the handout material for Board action. The Warrant  
34 List covered warrants 21984 through 22061, for the period of January 16, 2018 through  
35 February 19, 2019 in the amount of \$389,015.01.

36  
37 Ms. Frances Komoroske provided comment to the Board.

38  
39 It was MOVED by Trustee Joos, seconded by Trustee M. Burchardi and carried by a  
40 unanimous 5-0-0 voice vote, to approve the Warrant List as presented.

41  
42 **B. OPERATIONS AND MAINTENANCE**

43 1. Upland Water Well 29 – Update

44 Mr. Dahlstrom reported that Board approved the contract with Fain Drilling, Inc. at the  
45 January 15, 2019 meeting. He stated the well site has been cleared, all permits, and  
46 environmental compliance documents filed and work will commence on February 25<sup>th</sup>  
47 Mr. Dahlstrom stated that Well 29 will be located at the District Office site and it is  
48 anticipated to produce 700-800 gpm once it is up and running. Mr. Dahlstrom explained  
49 that the project is anticipated to take four to six weeks, which will include drilling a pilot  
50 hole, followed by conductor casing and then testing. Eric Tambini, Water Resources  
51 Manager, invited the Board members to stop by the site during the construction to witness  
52 the process.

1 IX. REPORT, DISCUSSION AND POSSIBLE BOARD ACTION ON THE FOLLOWING SUBJECTS:

2 A. 2018 Separation Agreement between the Cachuma Operation and Maintenance Board  
3 ("COMB") and SYRWCD, ID No.1

- 4 1. Quarterly Itemized Invoices with Financial Backup Materials to ID No.1 at the End of Each  
5 Quarter for its 10.31% Share of Actual Net Costs of COMB Performing Certain 2000 BiOp  
6 Activities

7 Mr. Dahlstrom reported the District has received additional backup information on  
8 January 18<sup>th</sup> from COMB regarding the invoices submitted by COMB for expense  
9 reimbursement by ID No.1 He indicated that staff is in the process of reviewing the  
10 additional documentation; however, he stated that upon first review of the new support  
11 materials, there is still has no demarcation of what costs are associated with the 2000 BiOp  
12 vs. what COMB is doing as fish advocacy. He explained the Separation Agreement  
13 specifically addresses detailed descriptions of the actual costs for personnel/labor,  
14 operations and maintenance, and other actual net costs incurred by COMB in performing  
15 the 2000 BiOp activities. Mr. Dahlstrom briefly discussed the history of ID No.1's  
16 involvement in COMB leading up to the withdrawal on May 27, 2016. He reported that a  
17 Separation Agreement was fully executed as of August 28, 2018 by all participating  
18 members of COMB. He reported that staff will continue to review and the dissect the  
19 documentation and set up a conference call with COMB representatives and their Legal  
20 Counsel to discuss the invoices and back- up materials.

21  
22 B. Cachuma Project – U.S. Bureau of Reclamation Continuing Operations

- 23 1. Cachuma Project Water Service Contract No. I75r-1802R, Water Deliveries, Exchange  
24 Agreement, Entitlement, Water Storage, Accounting, Water Supply Projections

25 The Board packet included a February 18, 2019 Staff Report discussing the Cachuma  
26 Project activities, February 2019 Lake Cachuma Daily Operations, Forecasted Lake  
27 Cachuma Storage for 2019, 5-Day Maximum Flow Probabilities on Santa Ynez-Cachuma  
28 Dam, February 11, 2019 Santa Barbara County Rainfall and Reservoir Summary, Stetson  
29 Engineers Technical Memorandum re: Operating Guidelines for Releases at Bradbury  
30 Dam under Fish Passage Supplementation Program, Lake Cachuma topographical  
31 maps, Photos of Highway 154 flooding damage, January 29, 2019 Santa Barbara County  
32 Board of Supervisors Agenda Letter discussing Water Supply Contracts Updates,  
33 current newspaper articles relating to the Santa Barbara County Water Service Contracts,  
34 January 10, 2019 Central Coast Water Authority letter discussing the October 1, 2018 to  
35 December 31, 2018 Warren Act Trust Fund Payment, January 28, 2019 US Bureau of  
36 Reclamation letter discussing Exemption from the Ownership and Full-Cost Pricing  
37 Provisions of Federal Reclamation Law and Cachuma Operation and Maintenance  
38 Board Draft CAFR Report excerpts.

39  
40 Mr. Dahlstrom referred to the February 18, 2019 staff report included in the Board packet  
41 and stated that all new information is shown in bold type in the report. He reported that  
42 the "unaccounted for" water issue continues to be unresolved. He stated there was a  
43 gain in prior months then a loss in December indicating an accounting anomaly. Mr.  
44 Dahlstrom explained that there has been no response from the Santa Barbara County  
45 Water Agency or USBR to reconcile the account and adjust the inequity following two  
46 letters that have been sent by ID No.1.

47  
48 Mr. Dahlstrom reported that ID No.1 will be requesting a full allocation due to the lake  
49 level exceeding 100,000 AF with projections of peak storage at nearly 150,000 AF  
50 assuming no more rainfall and runoff.

51  
52 Mr. Dahlstrom provided a historical background of the Cachuma Project Annual Yield,  
53 Master Contract terms relating to deliveries, cutbacks and shortages. Mr. Dahlstrom  
54 reported the releases for fish passage supplementation began on February 7, 2019

1 triggered by various conditions in the Santa Ynez River and in accordance with the 2000  
2 BiOp issued by the National Marine Fisheries Service. He stated the initial fish release  
3 starts at 60 CFS for Steelhead/rainbow trout passage to the ocean and then ramps down  
4 once natural flow conditions recede. The source of the water is the 3,551 af of fish  
5 passage account, which USBR is required to account for and make decisions.  
6

7 Mr. Dahlstrom reported there was significant debris and flood flow that occurred in the  
8 tributaries on the north side of the Santa Ynez Range causing catastrophic damage to  
9 Highway 154 at Davaul Creek and substantial debris and turbidity into Lake Cachuma  
10 at the various other confluences. He explained that the siltation will be quantified with  
11 a bathymetric survey which will also determine the changed capacity of the lake. The  
12 County OEM has not convened a follow-up meeting to date related to the Whittier Fire  
13 and debris flow impacts and remediations measures. He reported that Highway 154 has  
14 been closed due to the flood damage and reviewed the photos that were included in the  
15 Board packet.  
16

17 Mr. Dahlstrom stated the USBR evaporation total for December was 161.3 af as  
18 compared to the COMB December Water Production Report for evaporation of 59.3 af.  
19

20 He reported there have been no technical sessions or meetings with Santa Barbara  
21 County or USBR have occurred with the Cachuma Member Units to date. Mr.  
22 Dahlstrom explained Santa Barbara County Water Agency Manager met with USBR  
23 Regional Director and other area office management on January 23, 2019 while at the  
24 Water Users Conference. Representatives from ID No.1 attended the Conference but  
25 neither the County nor Reclamation invited a Cachuma Member Unit to participate in  
26 the meeting. He reported the County continues to advocate for a "renewal" two-party  
27 contract between USBR and SB County Water Agency and other specific concerns  
28 including the project yield modifications. He stated ID No.1 continues to support a  
29 multi-party contract between US Bureau of Reclamation, Santa Barbara County Water  
30 Agency and the Cachuma Member Units to assure appropriate representation during  
31 the negotiation process and equitable administration of the new contract provisions.  
32

33 Mr. Dahlstrom reviewed the rainfall totals for the month, the Stetson Technical  
34 Memorandum relating to Operating Guidelines for releases from Bradbury Dam, the  
35 Forecasted Lake Cachuma Storage Graphs, the topographical map of the Lake and  
36 summarized the result of the Santa Barbara County Board of Supervisors meeting.  
37

38 Mr. Dahlstrom discussed the Contract Assignment with the Department of Water  
39 Resources and SB County for the State Water Project.  
40

41 Ms. Penny Knowles provided comment to the Board.  
42

43 X. REPORTS BY THE BOARD MEMBERS OR STAFF, QUESTIONS OF STAFF, STATUS REPORTS,  
44 ANNOUNCEMENTS, COMMITTEE REPORTS, OBSERVATIONS AND OTHER MATTERS AND/OR  
45 COMMUNICATIONS NOT REQUIRING ACTION  
46

47 The Board packet included the January 2019 Family Farm Alliance Monthly Briefing newsletter.  
48

49 The Board packet included three ACWA/JPIA President's Special Recognition Award's relating  
50 to low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums" in the Liability Program  
51 for the period of 10/1/2014 - 9/30/2017, 4/1/2014 - 3/31/2017 and 7/1/2014 - 6/30/2017.  
52

53 The Board packet included a January 31, 2019 letter from the Mid-Pacific Region Water Users  
54 Conference thanking Chris Dahlstrom for chairing the 52<sup>nd</sup> Annual Conference in Reno, Nv. Mr.  
55 Dahlstrom provided highlights of the conference and reviewed some of the speakers that

1 attended the conference. He stated that Mr. Paeter Garcia and Trustee Jeff Clay attended the  
2 conference as well.  
3

4 The Board packet included a November 30, 2019 letter from PG&E regarding a savings of  
5 \$5,952.83 for the year by participating in the Peak Day Pricing program.  
6

7 Mr. Dahlstrom stated the District Winter Newsletter is in the final draft review and will be  
8 finalized and included in the February billing that will be sent out the first week in March.  
9

10 Mr. Dahlstrom reported staff is still monitoring the on-going encroachment issues within the  
11 District's easements/rights-of-way and access issues to District facilities. He reiterated the  
12 District Rules and Regulations specifically address easements and the necessity for 24-hour free  
13 access to District facilities without interference. He explained staff has contacted a surveyor to  
14 perform a survey of the District easement (legal description and map) at the property on Still  
15 Meadow Road, which will cost approximately \$2,000.00. He reported this survey will be  
16 complete within the next month. Ms. Frances Komoroske provided comment on this report.  
17

18 **XI. CORRESPONDENCE: GENERAL MANAGER RECOMMENDS THE ITEMS NOT MARKED WITH AN**  
19 **ASTERISK (\*) FOR FILE**

20 The Correspondence list was received by the Board.  
21

22 **XII. REQUESTS FOR ITEMS TO BE INCLUDED ON THE NEXT REGULAR MEETING AGENDA:**

23 There were no requests from the Board.  
24

25 **XIII. NEXT MEETING OF THE BOARD OF TRUSTEES:**

26 Mr. Dahlstrom stated the next Regular Meeting of the Board of Trustees is scheduled for March  
27 19, 2019 at 3:00 p.m.  
28

29 **XIV. CLOSED SESSION:**

30 The Board adjourned to closed session at 4:56 p.m. to discuss XIV.A. 1., 2., 3., 4 and B.1.  
31

32 **A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**

33 [Subdivision (d)(1) of Section 54956.9 of the Government Code – 3 cases]

- 34 1. Name of Case: Adjudicatory proceedings pending before the State Water Resources  
35 Control Board regarding Permits 11308 and 11310 issued on Applications 11331 and  
36 11332 to the United States Bureau of Reclamation and complaints filed by the  
37 California Sport fishing Protection Alliance regarding the operating of the Cachuma  
38 Project and State Board Orders WR73-37, 89-18 and 94-5; and proposed changes to the  
39 place of use of waters obtained through aforementioned permits for the Cachuma  
40 Project  
41
- 42 2. Name of Case: Adjudicatory proceedings pending before the State Water Resources  
43 Control Board regarding Permit 15878 issued on Application 22423 to the City of  
44 Solvang regarding petitions for change and extension of time and protests to the  
45 petitions  
46
- 47 3. Name of Case: Santa Barbara Superior Court Case No. 18CV05437, Santa Ynez River  
48 Water Conservation District, Improvement District No.1 v. Holland, et al.  
49
- 50 4. Name of Case: Santa Barbara Superior Court Case No. 18CV04084, Stephen L. Harper  
51 v. Santa Ynez River Water Conservation District, Improvement District No.1  
52

53 **B. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION**

- 54 1. Potential initiation of litigation against the Agency

55 [Subdivision (d)(2) of Section 54956.9 of the Government Code – 1 case]  
56

1 XV. RECONVENE INTO OPEN SESSION  
2 [Sections 54957.1 and 54957.7 of the Government Code]

3  
4 The Board reconvened to open session at 5:58 p.m. Mr. Garcia, District Legal Counsel, announced  
5 there was no reportable action on Agenda items XIV.A. 1., 2., 3. 4 and B.1.

6  
7 XVI. ADJOURNMENT:

8 Being no further business, it was MOVED by Trustee M. Burchardi, seconded by Trustee Joos and  
9 carried by a unanimous 5-0-0 voice vote, to adjourn the meeting at 6:00 p.m.

10  
11  
12 RESPECTFULLY SUBMITTED,

13  
14  
15 \_\_\_\_\_  
16 Mary Martone, Secretary to the Board

17  
18  
19 ATTEST: \_\_\_\_\_  
20 Kevin Walsh, President

21  
22  
23 MINUTES PREPARED BY: \_\_\_\_\_  
24  
25  
26 \_\_\_\_\_  
27 Karen King, Board Administrative Assistant



**BOARD OF TRUSTEES**  
**SANTA YNEZ RIVER WATER**  
**CONSERVATION DISTRICT, ID No.1**  
**March 19, 2019**

**Consent Agenda Report**

CA-1. Water Supply and Production Report. Overall, the water production was significantly less than the 10-year running average for the month of **February** to meet the lower demand for domestic, rural residential and agriculture water caused by winter and wet weather conditions. This is below typical of water produced for this month in past years. Water conservation by ID No.1 customers remains a major factor in overall total use. *This resulted in total water production that was 80 acre feet (AF) less for the month than the 10-year running average as shown on the Water Production Report.*

Since the 2018-19 rainfall season began on September 1, 2018, there has been 151% of rainfall recorded through February 28, 2019 at Lake Cachuma. The USBR Daily Operations Report for Lake Cachuma in **February** recorded the lake elevation at 725.50' with the end of month storage of 120,552 AF compared to the end of January level of 699.03' or 70,650 AF. USBR recorded precipitation at the lake of 8.26 inches in January for a year total of 19.04 inches. The Lake storage is supplemented with SWP water being imported by the South Coast agencies at 204.1 AF at the end of February with actual Evaporation of 224.6 AF. USBR reinitiated actual evaporation being deducted from Project Carryover and SWP water effective October 1, 2017.

USBR allocated only a 20% water delivery for WY2018-19. ID1's prorated share is 530 AF. With conditions hydrologic and water supply conditions improving throughout this rain season through February, USBR should re-allocate the Cachuma Member Units original request of 100% deliveries based on final runoff and current storage conditions. At a point when the reservoir storage exceeds 100,000 AF, the Cachuma Member Units typically received a full allocation. Conversely, a 20% reduction from the prorated full deliveries would occur at less than 100,000 AF and incremental reductions at other lower storage levels. These terms were superseded by USBR allocation reduction this year. The amount of Cachuma Project Exchange Water delivered was 0 AF for the month.

Fish Conservation Pool filled in 2010 to elevation 753.00' to capture approximately 9,200 AF for fish releases the year of a spill condition and the year following as is now being used. The fish Passage Supplement Account (PSA) of 3,200 AF and the Adaptive Management Account (AMA) water was reset at 500 AF. As of October 1, 2018 the AMA Fish Account was restored 3,551 AF with the lake level rebound this past winter.

There were Fish releases as incorporated in the Downstream Water Rights Releases as part of the Settlement Agreement. Below explains the reasons for the flows recorded in Hilton Creek and in the Stilling basin which are direct excerpts from the ESA Section 7 Consultation 2000 Biological Opinion issued to USBR:

*NMFS 2000 Biological Opinion Requirements in a Spill Year with Surcharge*

- *10 cfs at Hwy 154 Bridge - year of a spill exceeding 20,000 AF*
- *1.5 cfs at Alisal Bridge - year of a spill exceeding 20,000 AF and steelhead are present at Alisal Reach*
- *1.5 cfs at Alisal Bridge - year immediately following a spill exceeding 20,000 AF and if steelhead are present at Alisal Reach*

*NMFS 2000 Biological Opinion Requirements in a Minimal or No-Spill Year with Surcharge*

- *5 cfs at Hwy 154 - less than 20,000 AF spill or No Spill and Reservoir Storage above 120,000 AF*

- 2.5 cfs at Hwy 154 – in all years with Reservoir Storage below 120,000 AF but greater than 30,000 AF
- 30 AF per month to “refresh stilling basin and long pool” – less than 30,000 AF in Reservoir Storage and re-initiate consultation.

Currently, the gravity flows originating at the outlet works through the Hilton Creek Emergency Backup System (HCEBS) travel through the Hilton Creek Watering System piping and are released directly to the diffuser box at the Lower Release Point (LRP), with delivery to *Hilton Creek for February of 236.1 AF and supplemental fish passage flows from the outlet works for the month is 1,511.2 AF.*

There has been **26,269.2** AF of water released as of February 28, 2019 for fish since the year after the spill. During a Downstream Water Rights release, fish water is included within the release amounts according to the settlement agreement. Once those releases concluded, “Project” water will continue to be debited although the fish water is being diverted from the Stilling Basin below Bradbury Dam. With the fish Conservation Pool rearing water account, a total of **30,953.8** AF has been released for fish during the period following the spill condition in 2011.

DWR’s initial allocation for WY2019 is 10% or 70 AF for ID1’s prorated share. In February, DWR increased the allocation to 35% or 245 AF. The District’s SWP “Table A” delivery was 0 acre-feet with accounting for the return (0 AF in November) of transferred water to the City of Solvang in an effort to avoid spill of its purchased supplemental SWP water that was stored in San Luis Reservoir in 2017.

The District’s river water supply production remains available and consistent with all licensed well fields operational. Currently, without livestream conditions downstream in accordance with WR89-18, credit in the ANA is first priority water being replenished in Cachuma and expected to be whole with the end of the inflow recession. This allows for the District to produce its full licensed amount should it be needed. The District’s Upland Groundwater well production that was once constrained by the Cr6 MCL State Standard in 2014 is now operational.

*Direct diversion to USBR and the County Park was 1.54 acre-feet. For the month, 60.23 AF was produced from the Santa Ynez Upland wells. The 6.0 cfs river well field produced 1.51 AF for the month and 2.64 AF was produced from the 4.0 cfs well field.*

Santa Barbara County recorded rainfall for **February** in Santa Ynez at 7.17 inches. The average rainfall is 5.20 inches for the month and the year-to-date (September 1 to August 30) total is 15.83 inches. The Santa Ynez River watershed Antecedent Index (AI) or soil saturation remains wet condition. The total rainfall in the upper watershed of the Santa Ynez River Basin above Cachuma was 27.78 inches or 145% for the year. Lake Cachuma received 21.84 inches or 151% of normal of year at the County’s rainfall gauge.

**NEW INFORMATION BELOW IS PRESENTED IN BOLD TYPE**

**CA-2. Status of WR 89-18 Above Narrows Account.**

**The USBR report for December 31, 2018 for the Above Narrow Account (ANA) and Below Narrows Account (BNA) shows the Above Narrow Account (ANA) and Below Narrows Account (BNA) at 11,354.6 AF and 209.2 AF, respectively.**

ID No.1 staff performs field monitoring on behalf of and jointly with the Parent District and fisheries data collection during the water rights release period. Staff also conducts stream gauging to determine live-stream events at San Lucas Creek for reporting to the SYRWCD and USBR.

CA-3. Report on State Water Project – Central Coast Water Authority Activities. **DWR revised its initial allocation in February and increased the amount to 35% of deliveries requested.** DWR provided notice to the SWP Contractors on November 30, 2018 that initial allocation of SWP water deliveries for 2019 is 10%. DWR conducted its repairs and maintenance to the Coastal Branch of the State Water Project during the shutdown period from November 2 to November 19, 2018. Deliveries to CCWA resumed as scheduled.

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**The CCWA Board of Directors met on February 28, 2019. Neither of the two ID1 representatives were able to attend due to unforeseen circumstances. A report of the meeting will be provided in the next consent agenda report.**

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The acquisition of the 12,214 AF of Suspended SWP Water has moved forward with approval by the Board of Supervisors at a meeting in February. CCWA will continue to pursue the acquisition through DWR on behalf of the parties requesting water including the Cities of Santa Maria and Guadalupe, ID No.1, and the City of Solvang through ID No.1's contract. DWR and the County will require reimbursement of those past costs. ID No.1's share is estimate to be \$1.4 million based on its 500 af request. The annual cost of the water is anticipated at \$150/af plus treatments costs. The Board of Supervisors met on October 4<sup>th</sup> and did not approve the reacquisition of the 12,214 for Santa Maria, ID No.1 and Solvang, Guadalupe, and the newest request from Carpinteria Valley Water District. This is a setback with the Supervisors not acting in the best interest of the requesting agencies and possibly jeopardizing ID No.1's 800 AF of the last available SWP water.

The Board of Supervisors acting as the Board of Directors of the SBCFCWCD met again on November 1, 2016, heard public comments from all the participating CCWA agencies, and voted to move forward with developing an agreement with CCWA to acquire the remaining 12,214 AF on behalf of the five requesting agencies. An agreement is expected completed prior to the end of the year. A meeting is scheduled for December 13, 2016.

The Board of Supervisors approved the liability and indemnification agreement between the County and CCWA and voted 3 to 2 to move approve the reacquisition of the Suspended SWP water for the parties including ID1 that will receive 500 AF.

DWR has authorized CCWA to prepare an EIR on the suspended water reacquisition. A CEQA lead agency agreement was approved by CCWA; the county has yet to approve the agreement. Additionally, to ensure the County will move forward with the acquisition process once those participating agencies (including ID No.1) commit to funding the CEQA review, CCWA is seeking an implementation agreement with the County. The agreement terms are being negotiated between CCWA and SB County.

Board of Supervisors acting as the Board of Directors of the SBFC&WCD met on May 2, 2017 to discuss and concur with the lead agency agreement between DWR and CCWA authorizing CCWA to proceed with EIR for the suspended water reacquisition. Supervisor Williams conditioned the agreement to use this water as a mechanism to control growth by not allowing transfers or sale of this water by those parties acquiring this suspended water including ID1, the north county agencies, and the Carpinteria Valley Water District which entered this arrangement very late in the process. There was opposition to CCWA preparing the EIR and comments made to re-open the Water Supply Retention Agreement. Misinformation was presented about the reacquisition process and the SWP agreements. Following this diversion from the agenda item, the Board voted 3-2 approving CCWA as the lead agency.

The contract assignment underway between CCWA and SB County may have an effect on the Suspended Water Reacquisition timing and process.

Contract Assignment from SB County to CCWA will allow a direct interaction between the CCWA contractors with DWR for the reacquisition of SWP water.

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On August 29, 2017, CCWA provided costs and financing of the California WaterFix project, (the Twin Tunnels). The information is presented to give an idea of the estimated costs of the Cal WaterFix project for each agency as well as the financing structures being proposed to finance the project.

As of November 2017, all irrigation contractors in the Cal WaterFix have withdrawn from or substantially reduced participation. This will likely create a shift in the cost allocation and increase the acre foot costs of the project as defined and require a reevaluation of the contracting language.

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CCWA and the contracting agencies continue to work on our pursuit of the assignment of the State Water Contract from Santa Barbara County to CCWA. CCWA Board is scheduled to vote on the amendment to the JPA agreement and the amendments to the Water Supply Agreements at its meeting on October 26, 2017. ID No.1 needs approval prior to the October 26<sup>th</sup> CCWA Board meeting. Additionally, CCWA is meeting with DWR on September 19<sup>th</sup> and hope to get more clarification from DWR on its positions regarding the assignment.

With the CCWA and its contracting agencies approval of the assignment and a Bond rating analysis, this paves the way for DWR to take action consenting to the assignment. Once this occurs prior to the end of the calendar year, it is anticipated that SB County will take action in January 2018.

The Bond Rating for CCWA was accepted by DWR in March 2018 and CCWA expects DWR's approval of the assignment.

CCWA is requesting DWR to notify SBFC&WCD indicating the assignment can move forward. The notification was expected the week of September 10, 2018.

CCWA provided notice to Santa Barbara County regarding next steps in the process following DWR's concurrence to assign.

The 3<sup>rd</sup> District Supervisor Joan Hartmann agreed to meet with representatives from CCWA, ID1, and City of Buellton on December 6, 2018 regarding the logic and benefits of Contract assignment from the County to CCWA. The one hour meeting provided an opportunity to present the positions of her constituent agencies in this region, hear the reasons for local agency contracting, and allow for questions. A follow up meeting may be scheduled before the matter goes before the Board of Supervisors in February.

#### CA-4. State Water Resources Control Board (SWRCB) Permits, Environmental Compliance and Hearings Update

The first phase of the SWRCB continuing jurisdiction hearing on the Cachuma Project Applications 11331 and 11332 took place in November 2000 and were specific to the "Place of Use" revisions. The SWRCB continued the hearing for the Phase 2 portion which was held in October and November of 2003 and based on the SWRCB's Draft Environmental Impact Report ("EIR") released in August 2003 for the continuing

operation of the Cachuma Project. Joint legal representation at this hearing involved USBR, SYRWCD, SYRWCD, ID No.1 and CCRB and the focus was proposed changes in the Cachuma Project operations based on the protection of the public trust resources - the Southern Steelhead trout, modifications to the water rights permits, and the Settlement Agreement.

Since then, the SWRCB revised the DEIR in 2007 and included two additional alternatives that could affect the hearings and decisions before the SWRCB in 2003. ID No.1 provided extensive comment during the review period as did others involved in the joint representation. In order to update the RDEIR, the SWRCB engaged Impact Sciences Inc in November 2009 to review the hearing testimony, analyze two DEIR's and provide the necessary updates, and complete to a final EIR with response to comments.

Because the SWRCB did not have adequate funding for Impact Sciences to conduct the required work, in May 2010 the SWRCB division of water rights requested that CCRB and ID No.1 provide financial assistance which was approved by both agencies in the amount of \$85,000 and forwarded to the State General Services in June 2010.

Impact Sciences has delivered the Administrative Final EIR to the SWRCB staff on August 27, 2010 with an expected water rights decision issuance in late fall early or winter 2010, or should a hearing be needed, spring 2011.

Based on a meeting on February 7<sup>th</sup> with the SWRCB staff, additional delays will occur in the EIR process which will affect the hearing date. Circumstances, including staff availability and funding in the water rights division has now pushed the possible date for a decision without water rights hearing for a least 6 months. Should a hearing be required, it may take up to 2 years.

Recent discussions indicate that the State Board staff may revise the DEIR alternatives and environmentally preferred alternative. It is the position of ID No.1 and CCRB that alternative 3C which analyzed current operations with the existing BiOp and Water Rights Order 89-18 with modifications, and recognizes the Settlement Agreement is the environmentally preferred alternative. Other alternatives will have impacts on water supplies and the continuing operations of the Cachuma Project. No time frame has been indicated by the State Board Staff as to the completion of the Final EIR.

On April 1, 2011, ID No.1 received the re-circulated and modified "2<sup>nd</sup> Revised Draft Environmental Impact Report" from the SWB for comment which were due on May 16<sup>th</sup> 2011. The 2DEIR shows the new "no action" alternative as 3C and the "environmentally superior" alternative as 4B the SWP exchange for BNA water to Lompoc. Other SWB updates are incorporated in the 2DEIR. ID No.1 management, special legal counsel BB&K, consultants Stetson Engineers and Hanson Environmental will review the 2DEIR for changes and provide water resources, hydrology, biologic, and legal comment letter by the deadline. This will be coordinated with the Parent District and CCRB.

The Parent District and ID No.1 legal counsel and management are in the process of completing a joint comment letter to the SWRCB, which the Parent District took the lead in preparing. The letter content is being coordinated with the CCRB for consistency. Comment period was extended from May 16<sup>th</sup> to May 31<sup>st</sup>.

The SWRCB has assigned David Rose as the legal counsel to handle the responsibilities for the 2DEIR in place of Dana Differding who is on maternity leave for up to one year. It appears that the State Board Staff will make an effort to finalize the EIR, including the responses to comments by year's end. However, this will require the ID No.1 and CCRB (excluding Carpinteria Valley Water District because it withdrew from CCRB) to provide additional funding for the completion of the document.

With the recent additional funding approved by both ID No.1 and CCRB 3 in the amount of \$45,000 to fund the SWRCB for completion of the FEIR, to date the Member Units have provided a grand total of over \$675,000 for this SWRCB environmental process. Carpinteria Valley Water District participated as a Cachuma Project Member Unit in sharing the \$45,000.

Impact Sciences, the SWRCB consultant for the preparation of the FEIR, completed work on the response to comments and finalizing the EIR. SWB staff has indicated that a Final EIR may be completed by mid-November.

On December 8, 2011, the SWRCB as the lead agency under CEQA announced the completion and availability of the FEIR for consideration of modifications to the Cachuma Project Water Right Application 11331 and 11332. The FEIR will be included in the SWRCB hearing administrative record unless Parties to the proceedings object by January 9, 2012. Should there be an objection and it is likely the SWB will hold a hearing.

The SWRCB received comment and objection letters from several parties including the Environmental Defense Center on behalf of CalTrout, Department of Fish and Game, National Marine Fisheries Service, among others.

The SWRCB has supportive documentation by its deadline of February 28<sup>th</sup>. The hearing date for the FEIR to be incorporated into the administrative record is set for March 29 and 30, 2012. A significant collaborative effort is underway between USBR, ID No.1, Parent District, and CCRB to prepare for the hearings.

The SWRCB hearing involved the joint advocacy participants and witnesses of ID No.1, Parent District, and CCRB along with USBR to support and defend the SWRCB's FEIR and the elements contained within the document to be incorporated into the record for a later determination of the Water Rights Order. The opposing parties were the Environmental Defense Center (EDC) and their witnesses on behalf of CalTrout, who representatives were noticeably absent from the hearings, as well as the National Marine Fisheries Service and the California Department of Fish and Game. The Board Hearing Officer issued the ruling on April 5 to incorporate the FEIR into the record with minor corrections to be made prior to the Board certification of the document.

The SWRCB Division of Water Rights may have a water rights order issued by October 2012.

In a recent update from the SWRCB Division of Water Rights, it is unlikely that a hearing will take place in 2012 on a Water Rights Order and FEIR certification for the continuing operation of the Cachuma Project under permits 11308 and 11310. No time has been set by the SWB for 2013.

On Thursday, February 7<sup>th</sup>, the SWRCB staff rescinded the place-of-use issuance in the 2000 Phase I hearing for the GWD. Although this is not expected to affect the issuance of a draft water rights order for continuing operation of the Cachuma Project. Charlie Hoppin, SWRCB Chairman will not be continuing his position which is likely to significantly affect the timing of the draft water rights order.

SWRCB has indicated that a draft order is scheduled for 1/14/2014 which is one year nine months from the hearing in 2012.

Recent indications that the SWRCB will schedule a hearing on the Draft Water Right Order for permits 11308 and 11310 in October 2013 as reported by Cal-Strategies. However, information from other sources now report that the State Board now appears to have delayed the timing of a hearing to after the first of the year.

Cal-Strategies recently reported that an internal closed session of the SWRCB may occur on January 7, 2014. At this point, no progress has been made in accelerating the water rights order issuance.

Information indicates that the SWB will meet in closed session now in mid to late February on the internal draft water rights order. The State Board is discussing water transfers and drought preparedness in response to the lowest allocations on record to agricultural users and communities.

The SWB has cancelled all water rights activities and hearings due to the drought proclamation by the Governor. The latest information from SWRCB staff is that the hearing may occur in October.

SWB staff has indicated that the Board may meet in closed session in late July or early August. Recent communications with SWB staff indicate that the drought and state-wide water supply issues will take priority and the focus of the SWB will be on those matters. No time has been provided for a hearing.

The State Board may meet in closed session in December to review a Draft Water Rights Order for permits 11308 and 11310 as a result of the hearings that took place in October 2003 and March 2012 on the EIR.

The SWRCB calendar does not show any session in December for Draft Water Rights Order on the Cachuma Project. The last SWB hearing activity was March 2012. SWRCB calendar does not show any session in January 2015.

After hearing a report and confirmation from CCRB's consultant Cal Strategies that the SWRCB would have its closed session hearing on February 17, 2015 with a release of a draft Water Rights Order the following day, this date has once again been pushed. ID1 will continue to check the SWRCB hearing calendar.

No SWRCB hearing date has been set due to the recent Governors orders for continuing State-wide drought conditions and increased regulatory actions taking priority.

The SWRCB held a closed session on the Draft Water Orders on August 22, 2016. Although there was nothing to report out of the closed, management contacted SWRCB staff to inquire about timing of the Order. On September 7, 2016 the Draft Order amending permits 11308 and 11310 was issued to the Bureau of Reclamation and copied to the parties in the past hearings including ID No.1. The Draft Order is under review by ID No.1 management, its consultants (Stetson Engineers and Hanson Environmental), and special legal counsel with comments due back to the SWRCB by noon on October 25, 2016.

The SYRWCD and ID No.1 jointly requested a time extension to provide comments from the SWRCB that is consistent with USBR and others. Because of the complexity of the Draft Order, 45-days were not enough time and therefore the request extends to after the first of the year. The SWRCB granted a time extension to December 9, 2016 as the deadline for submittal of comments.

ID No.1 submitted its comment letter to the SWRCB by the deadline. The comment objected to the SWRCB adoption of 5C or more water for public trust resources steelhead rather than the adoption of the environmentally superior alternative of 3C, a balanced water option between steelhead and water supply. ID No.1 coordinated with the SYRWCD to develop a common position but separate letter. Other parties providing comments on the SWRCB Draft Order included USBR, CCRB, NOAA-NMFS, CDFW, EDC/Caltrout, & Cal Farm Bureau.

The special interest group's submitted comment suggesting the SWRCB extend beyond alternative 5C and the NMFS recommended postponing the adoption of the Order to include the 2016 BO. Sample letters are in the Board packet and the entire set of letters can be made available upon request.

A notice was provided in early March 2018 related to the change in the noticing recipient list.

SWRCB held a closed session hearing on August 7 2018. No information to date has been forwarded by the SWB staff.

Additional SWRCB closed session hearings were held on August 28 and 29, 2018. No information to date has been forwarded by the SWB staff.

**The SWRCB held a closed session item on Permits 11308 and 11310 on March 5 and 6, 2019.**

CA-5. National Marine Fisheries Service – 2000 Biological Opinion issued to USBR for the Continuing Operations of the Cachuma Project and Section 7 Re-Consultation

The 2000 Biological Opinion (BiOp) issued by NMFS requires USBR to comply with the terms and conditions (T&C's) and reasonable and prudent measures (RPM's) to avoid a take condition of the listed Steelhead/rainbow trout which allows for the continuing operations of the Cachuma Project for water supply purposes. The Cachuma Project Member Units are carrying out those requirements out on behalf of the USBR.

Under the 2001 MOU, CCRB representing the four south coast Member Units, and ID No.1 have jointly funded and conducted the studies, projects and monitoring requirements as defined in the T&C's and RPM's.

Two passage barrier removal projects have now received full and partial grant funding; Quiota Creek crossings #2 and #7 respectively. Although #2 was not the responsibility of the Member Units, (it is identified in the EIR as a Santa Barbara County Project), both projects may be needed to comply with the BiOp and avoid additional measures that may include additional water releases from Member Unit water supply for fish downstream of Bradbury Dam. The combined cost of these two bridge projects are estimated at \$1.8 million.

The Quiota Creek Crossings #2 was completed in 2011 within the contract time. A complete accounting will be provided. Crossing #7 funding is pending approval by the granting agencies. COMB included this crossing in the 2012-2013 Budget and the majority of the Board approved entering into a sole source contract with Lapidus Construction to build crossing #7.

Construction on crossing #7 is complete and a report from COMB regarding the budget will be forthcoming. Grant funding for Crossing #0 is being processed.

During the week of February 25th - 28th, USBR Staff Nick Zaninovich and Doug Deflitch were conducting Routine Operation & Maintenance Inspection of the Cachuma Project facilities. This is a routine inspection according to the SOP protocols. On Thursday February 28th, they visited the USBR owned and operated Hilton Creek watering system siphon/pump barge in order to perform maintenance on the pumps. After "testing the apparatus" on February 28, in the early hours of March 1st, an "incident" occurred and the Hilton Creek watering system lost the ability to siphon water from the lake, flows stopped at both the upper and lower release valves, and there was no water in Hilton Creek. The COMB Biology Staff (CBS) was notified by the USBR Dam Tender at approximately 10am and immediately went to Hilton Creek to rescue fish. NMFS was also notified by USBR of the situation and the fish mortality. At 12:30pm on March 1st, the pumps were activated and the water started flowing again.

CBS is documenting the situation with an incident report which will be submitted to the USBR. The USBR is currently working on an incident report. The system is currently using the pumps for pressurized



releases at a higher rate of 8 cfs (16AFD) rather than 6 cfs (12 AFD) as the required target flows. USBR is attempting to install a temporary delivery system so that the Hilton Creek watering system can be assessed. The apparent USBR operator error or system infrastructure failure will be confirmed in a report.

A report was filed by USBR on March 13, 2013 regarding the Hilton Creek water system failure.

A regional power outage on June 24 2013 created another HCWS failure to deliver flows into the creek habitat. Because the HCWS was operating on power only and not in siphon mode, the system was down for several hours from 11:30 pm to 4:45 am according to USBR. Additional fish losses occurred and NMFS was notified. USBR has been working internally to develop a reliable and redundant HCWS. No definitive plans have been presented. Costs are reason that a backup system (Rain for Rent) was not put into place.

Currently, the system is functioning on a static level delivery flow of 7.7 cfs with no plans discussed with the MU's on the remedies to vary the flow rates or the system.

Hilton Creek water system continues to release 9.2 AFD or 4.6 cfs which is greater than the requirements in the 2000 BO. This water is "Project" contract water used as water supplies for the Cachuma Member Units. USBR has not yet remedied this problem because of funding issues.

Reclamation is investigating a redundant HCWS and repairs to the existing system with a time frame of a year or more.

On June 9, Michael Jackson of USBR reported to ID No.1 management that on the previous Thursday and Friday, USBR airlifted (using a helicopter) a replacement Hilton Creek pump onto the barge and now have both pumps repaired and operational. USBR staff will continue to monitor its system.

USBR installed a by-pass water line to the 10-inch outlet valve at the Control house for the purpose of supplying colder water to Hilton Creek. This installation may create constraints in the downstream water rights releases. USBR also compelled CCWA to install a by-pass and a high line over the radial gate sill to deliver SWP water into the lake rather than through the control house and intake works. The consequences of both actions have not yet been fully evaluated.

USBR has prepared a Draft BO on the focused consultation for the Drought Operations and Hilton Creek Watering System including the 30,000 AF Storage trigger in the reservoir thus reducing fish flows. The contents of the final Draft BO have not been made available, however, there are Parent District and ID No.1 concerns over any permanent connection at the outlet works to serve Hilton Creek affecting downstream and contract water delivery capabilities.

Negotiations are on-going with USBR regarding the 30,000 AF Storage triggering point for fish flows. The focused Draft BO for Drought operations and the reduced fish flows was withdrawn by USBR. No.1 and CCRB are meeting with USBR to present information to assist USBR in the consultation with NMFS related to lowering the fish flows to 1.0 AFD of 30 AF per month according to the 2000 BO. This is in comparison to the nearly 400 AF per month currently being released for fish into Hilton Creek.

ID No.1 jointly requested with CCRB that USBR modify and reduce fish releases into Hilton Creek to 30 Acre-feet per month in accordance with the 2000 BiOp. A joint letter was sent on July 15, 2014 and USBR subsequently requested additional information on the Cachuma Storage and hydrology. This joint information was forwarded on December 12, 2014. A request was made on January 5 as to the status of this action by USBR.

In accordance with the 2000 Biological Opinion, since the available water in storage is below the 30,000 AF trigger, USBR will consultant with NMFS to determine the outcome of the reduced fish flows to 1.0

AFD or 30 AF per month. No action has been taken to date and NMFS requested additional studies and analysis.

USBR submitted the additional information prepared jointly by USBR, CCRB, ID No.1, and CCRB as requested by NMFS for the Critical Drought Operations on June 10<sup>th</sup> and July 1<sup>st</sup>, 2015.

There is pending litigation, USBR v. Caltrout related to Hilton Creek and the Emergency Hilton Creek Pumping System. ID No.1 is an Intervener with the SYRWCD and CCRB with USBR in this case. The plaintiffs claim is “take” of the Endangered Steelhead/rainbow trout and temporary and permanent fixes to the HCEPS.

Settlement documents have been submitted by the USBR, the Intervening Parties and the Environmental Defense Center for CalTrout on September 23, 2015.

USBR successfully tested the Hilton Creek Emergency pumping System in late October to meet the conditions of the Settlement.

The parties to the USBR v. Caltrout settlement Agreement accepted the USBR the Hilton Creek Emergency Backup System as complete. As part Settlement conditions- Stipulation #2, the USBR called the parties to meet on January 27, 2016 to review and take comments on the “Hilton Creek Enhanced Gravity Flow System” (HCEGFS) and proposed connection to the penstock. ID1 representatives Walsh and Dahlstrom provided testimony to USBR as well as the SYRWCD General Manager. Cal Trout and CCRB also provided input. Dale Francisco, a member of the public attended the meeting that was meant only for those parties to the litigation and Settlement Agreement. ID1 submitted its issues with this situation to USBR. This was neither a Brown Act meeting nor a public meeting.

USBR has not yet responded to comments regarding the HCEGFS.

With the Cachuma Project water available to the Member Units being less than 7,000 AF, on April 6, 2016 ID1 requested that USBR convene an AMC meeting to consider changes in passage, maintenance, rearing and critical dry year water for fish downstream of Bradbury Dam. ID1 requested that USBR lead this meeting to propose to NMFS that it allow the reduction of flows to 1 Acre Foot per day in accordance with the 2000 BO. It was suggested that this meeting is urgent given the lake levels and available water supply for human consumption.

Two AMC meetings meeting were conducted on April 29, 2016 and again on May 3, 2016 to discuss the reduction of fish flows, the emergency Hilton Creek pumping system, and fish rescue. NMFS and USBR are negotiating possible solutions. However, fish relocation will require a NMFS 135-day process at which time water will be unavailable.

Several AMC conference calls have occurred in May and June to determine the best means to sustain the existing population of trout in Hilton Creek. No final decision has been made to relocate fish except to consider trucking water to the creek as a temporary fix. An action will be needed prior and following to the downstream water rights releases.

The latest decision by NMFS and USBR following the July AMC meeting was to have water trucks available to fill tanks for making temporary releases into the lower release point of Hilton Creek as the downstream water rights releases commence and after the releases are terminated. Once those releases start from the outlet works, pressure to the Hilton Creek piping will cease and therefore no water would be delivered. Monitoring of the 57 trout in the Creek will continue.

Hilton Creek is being watered at the lower release point from trucked water into a set of tanks. Water comes from a source at outlet works. NMFS has not approved the trapping and relocation of those remaining Rainbow trout to a facility capable of ensuring survival.

Water to the lower release point of Hilton creek is provided from a pump system in the Stilling Basin. The water is essentially being recirculated with no refreshing releases anticipated from the outlet works. USBR is the lead on this project.

With the elevation of the lake now at 712', USBR will be testing the Hilton Creek pump barge in March in anticipation of NMFS mandating fish flow resume to Hilton Creek beginning in April. Flows will be subject to the criteria in the 2000 BO.

USBR tested the Hilton Creek pump barge on April 7 and resulted in a failure mode which requires the continued use of the HCEBS at the outlet works to continue to gravity force water to the lower release point in Hilton Creek. No time or a cost estimate is forecast for repairs by USBR. As a result, CCWA was forced to re-install the bypass pipeline up the spillway and through Gate #4 rather than connect to the penstock at the outlet works control house as has been done over the past 25 years. CCWA deliveries of SWP water to the south coast will be through this temporary bypass.

CCWA was directed by USBR to cease delivery operations through the Bradbury Dam penstock by March 23, 2017. On April 14, 2017, the CCWA bypass pipeline was re-installed based on modifications and approval by USBR which allows CCWA deliveries of SWP water to resume. CCWA south coast agencies paid for the re-installation.

As of March 2018, CCWA deliveries to the lake were shut down from March 21 to March 27. Typical daily deliveries were 40 AF.

For the month of April, 2018, releases for fish at 4.48 AFD are made through the HCEBS and through the outlet works.

Fish releases continue through the HCEBS and outlet works. As of August 6, 2018 the downstream water rights account for fish release throughout the duration of the ANA/BNA release period.

The Downstream water rights releases were curtailed on September 12, 2018. Fish releases from Project Water into Hilton Creek resumed at a rate of 8.01AFD.

USBR made steelhead passage water releases the beginning on February 6, 2019 with the flow conditions in the Santa Ynez River and in accordance with the 2000 BO. Those releases are subject to an agreed upon schedule between USBR and NMFS and that come from the fish passage account of 3,551 AF. The starting flow rate is 60 CFS and then ramping down incrementally.

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On February 9, 2011, USBR submitted completed the documentation supporting compliance (Compliance Report) to NMFS with the requirements pursuant to the September 11, 2000 Biological Opinion. The binder contains responses and actions that address the 15 RPM's and associated Terms and Conditions. USBR staff recently requested the status of the 2008, 2009 and 2010 annual monitoring report, including trend analysis for 2005-2008 (Term & Condition 11-1) that was not contained in the Compliance Report. CCRB, ID No.1 and Parent District will review the update of the 2008 report within the next week for submittal to USBR. The 2009 and presumably 2010 reports are work in-progress being prepared by the joint biology staff.

The 2008 Annual Monitoring Report and Trend Analysis for 2005-2008 for the Biological Opinion for the Operation and Maintenance of the Cachuma Project on the Santa Ynez River was reviewed by ID No.1, Parent District and CCRB then finalized for submittal to USBR on June 22, 2011. On June 23, USBR submitted the document to the NMFS and will be incorporated into the USBR Compliance Binder.

The 2009 Annual Monitoring Report and Trend Analysis were made available in draft form for review by ID No.1, Parent District and CCRB on July 7. ID No.1 provided comments which were incorporated into the final document. The Report was reviewed by a COMB Fisheries Committee which provided comment on the Report. Although COMB and this committee is not part of the fisheries review process and/or on the Adaptive Management Committee (AMC) as defined in and as part of the 1994 or 2001 Fisheries MOU's with Reclamation and others, these comments were provided to COMB biology staff. Comments on the Report have not yet been circulated by the biology staff to the AMC or other agencies part of the Fisheries process to consider.

On October 27, the Biology Staff forwarded the revised Executive Summary of the 2009 Annual Monitoring Report and Trend Analysis for final review by CCRB, SYRWCD and ID No.1 along with their respective consultants. Comments specific to the text for funding sources and preparation of the document were provided by ID No.1. As of this date, the 2009 Report has not yet been sent to Reclamation.

NMFS issued a letter to USBR indicating delinquent monitoring reports; 2009, 2010 and 2011 as well as the RPM 6 related to the monitoring of 89-18 water rights releases. COMB was named in this letter for not having submitted the 2009 report by the August 24, 2011 due date. A response was requested of USBR.

On March 9, 2012, USBR submitted to the NMFS the 2009 Annual Monitoring Report and Trend Analysis for the Biological Opinion for the Cachuma Project. This document complies with RPM 11, T&C 11.1 of NMFS's Biological Opinion. The 2010 report is the next report for submittal. This document was prepared by USBR, the staff and consultants of the Cachuma Project member units.

USBR submitted to the NMFS the report for monitoring fish movement during water rights releases during a three year period. This document complies with RPM 6, T&C 1) A&B of NMFS's Biological Opinion.

Annual Monitoring Report 2010 was submitted to USBR in February 2013.

A draft 2011 Annual Monitoring report was recently made available on June 7 by the Cachuma Project Biology Staff with a due date of June 11 for review and comment. Given the demand for review and preparation of the Draft BA by June 28, this time is being reconsidered.

USBR submitted a June 3, 2013 letter to NMFS regarding the 2000 BO RPM 6 (downstream water rights releases) Study Plan. According to the SCCAO Area Manager, this plan for monitoring during water rights releases was produced by USBR and the Cachuma Project Biology Staff (COMB). In a conference call on July 1, 2013 between the downstream parties only and USBR (Michael Jackson, SCCAO Manager et. al.) a significant issue has been created with this action and the associated "Study Plan" because of the disregard of Reclamation to engage, consult or allow review of this action by the SYRWCD or any downstream interest that involves this water right release. According to Michael Jackson's explanation, this plan was worked on by Ned Gruenhagen of USBR and the "Cachuma Project Biologist", Tim Robinson of COMB. The significant issue herein lies with the lack of communication and involvement of the SYRWCD and downstream water rights interests, and with the additional conditions in this June 3 Study Plan (e.g. warm-water predator fish data and water quality analysis) that are *not* required in the 2000 BO.

The language in this study plan admits that these items are not a requirement (second to last paragraph on page 2). As a Cachuma Member Unit and as a downstream water right holder, COMB's action (understanding from USBR of the Cachuma Project Biology Staff's involvement) to engage in any activity

beyond that of the 2000 BO is not allowable. In this circumstance, the Study Plan has created additional level of effort and provides that the CPBS of COMB will be conducting and immediately carrying out of these activities which are beyond the 2000 BO requirements; and, COMB becoming directly involved in water rights matters, thus violating the COMB JPA related to 1.3.h.i – “a matter involving water rights of any party”.

The downstream parties were not apprised of the preparation of the Study Plan nor included in its development and unaware of this letter. Legal Counsel from the SYRWCD and ID No.1 are involved.

Conflicting information and inconsistencies related to the content of the draft 2011 Annual Monitoring report have caused USBR to hold the submittal.

The 2011 Monitoring report was modified by USBR and released in March.

The EDC has filed a 60-day notice of intent to sue USBR citing violation of the 2000 BO and the ESA because of the Hilton creek pump problems and referencing COMB’s April 14, 2014 letter. According to Michael Jackson, the USBR Solicitor will be responding to both EDC and COMB.

USBR has responded to COMB and a rebuttal from COMB to USBR. Additionally, COMB’s CPBS has completed a draft of RPM-6 related to water rights without the involvement of the SYRWCD or ID No.1 as a downstream user and as participants on the AMC. This has caused significant issues and COMB has engaged in water rights activities outside the scope of its authority.

USBR awarded the contract for Hilton Creek Emergency Backup System (HCEBS) to Sansone Company in the amount of \$659,993 and to be constructed by December 3, 2014. This is a reimbursable cost to USBR by the Cachuma Member Units.

EDC has filed a lawsuit against USBR related to the Hilton Creek Watering System interruptions and violation of the ESA and the 2000 BO terms and conditions.

The Annual Fish Monitoring Report for 2012 has not yet prepared nor released. COMB staff compiles the information for finalization by USBR.

An internal draft of the 2012 Annual Fish Monitoring Report was circulated to the consultant biologists of ID No.1 and CCRB as well as to the SYRWCD for comment. CCRB and ID No.1 will receive the draft prior to submittal to USBR. COMB biology staff prepared this document on behalf of ID No.1 and CCRB for Reclamation’s compliance requirements in the 2000 BO. The document has not been sent to ID No.1 as of this date.

With the Water Rights releases beginning on August 3, 2015, COMB staff set up temperature and fish traps to capture predator fish and monitor rainbow trout. ID No.1 and SYRWCD staff is monitoring COMB activities as these procedures were not reviewed by the JDCA or 2001 MOU parties.

ID1 staff has prepared comments draft of the 2012 Annual Fish Monitoring Report (“AMR”) which are due by September 15, 2015. COMB sent a PDF of the 2012 AMR to USBR on October 2, 2015. District management forwarded to USBR on October 5, 2015 a redline Word version to assure comments by District management, staff, and its consultants were incorporated in the AMR.

COMB staff has prepared a 2013 draft AMR for USBR which was reviewed by Chuck Hanson, ID1’s fisheries expert. ID1 is a member of the AMC and is supposed to approve or consent to the AMR’s being forwarded to Reclamation for submittal to NMFS. COMB has not abided by that process. It is unknown if COMB has forwarded the document.

As of March 2018, ID1 has not received notification from COMB that the AMR's from years 2014 to present have been prepared or submitted to USBR (this is the responsibility of ID1 and CCRB under the 2001 MOU to conduct and prepare these studies).

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USBR, ID No.1 and CCRB legal counsel and management have scheduled a meeting at the SCCAO in Fresno to open begin applicant status discussion for the *Section 7 Re-Consultation* process. This meeting on June 2, 2011 is the first of a regular series of anticipated monthly meetings with USBR over the next year.

On June 23, 2011, USBR submitted to NMFS a revised Draft Outline for the Biological Assessment ("BA") as part of the Cachuma Project Section 7 Re-Consultation. The first set of comments on Reclamation's BA outline (that was to be presented to NMFS on June 23, 2011), was discussed and submitted to Reclamation based on a joint action by the ID No.1, Parent District and CCRB (JDCA agencies) managers, attorneys (two attorneys for CCRB) and consultants. Keeping in mind that Reclamation provided the outline on June 22nd at 3:41 pm, it was requested that the JDCA agencies provide their comments back to Reclamation prior to a 3:00 pm deadline on June 23, 2011. Reclamation revised its outline only incorporating some of the comments provided by ID No.1, CCRB and the Parent District which was sent to NMFS.

This was the first formal interaction with between the three JDCA agencies and USBR in the re-consultation process and it was the consensus of the JDCA agencies that USBR could have been more engaging and cooperative in this first round of re-consultation. It was the hope that Reclamation will be more amenable to our involvement. It is expected that the JDCA agencies will continue to implement and follow through with the cooperative process through the Reclamation/NMFS re-consultation and BO development.

A conference call took place on July 7 between representatives of USBR, ID No.1, Parent District and CCRB to receive an update from USBR regarding the draft outline for the Biological Assessment ("BA"). USBR considers the outline a skeleton as a starting point in the preparation of the BA and has now confirmed that the ID No.1, Parent District and CCRB will be significantly involved in working with USBR in the preparation of that document. The next meeting is scheduled for August 15<sup>th</sup> with NMFS to continue to formulate the draft BA outline and to review the BO Compliance Binder materials.

A re-consultation meeting between the NMFS, USBR and the Cachuma Advocacy group (ID No.1, CCRB and the Parent District) took place on August 22, 2011 to discuss the expanded outline and the 2000 BO Compliance Binder. NMFS staff expects a "new" Biological Assessment to include a revised baseline with the creek passage barrier projects. They acknowledged the Quiota Creek enhancements and other tributary projects that are not in the 2000 BO as voluntary. USBR, ID No.1, Parent District and CCRB will work together to develop the BA. Because of time constraints, the Compliance Binder review will take place during another meeting; which has not yet been scheduled.

A re-consultation coordination model was developed to organize the local participants (Parent District, ID No.1 and CCRB) in the Section 7 process with Reclamation and provide a procedure to effectively communicate and make decisions among the parties. The model also provides a communication tree among the agencies including Reclamation and the consultants.

Regular conference calls between the Parent District, ID No.1 and CCRB with consultants have occurred over the past month and during the preparation of the BA draft project description annotated outline. The core group will be attending a meeting with Reclamation on October 18<sup>th</sup> in Fresno to refine the annotated outline.

The meeting on October 18<sup>th</sup> included Reclamation staff, CCRB and SYRWCD representatives, and ID No.1's special legal counsel. There was a review of the expanded and annotated Project Description outline for the Biological Assessment (BA). Reclamation will be providing technical and general comments to the document. Reclamation will also work with the three parties to establish a schedule for the preparation of the BA.

A conference call is schedule with Reclamation, ID No.1, Parent District and CCRB on January 13 to discuss "take" information and report recently released and submitted by COMB directly to NMFS.

A meeting was held on November 17 with the NMFS to discuss the Southern Steelhead Recovery Plan. NMFS representatives Penny Ruvelas, Mark Cappelli and staff presented to ID No.1, SYRWCD, and CCRB the plan elements that are non-regulatory but used as guidelines for recovery of the Southern Steelhead in the Santa Ynez River. Although not formally released, a point by point explanation of the elements, including flow regimes, habitat improvements, ground water monitoring, Bradbury Dam upstream tributaries and passage barrier mitigations, and target populations.

The Recovery Plan was released at the beginning of January 2012 with recovery costs for 8 creek and river systems, primarily the Santa Ynez River of \$389 million.

A schedule for the development of the Biological Assessment was jointly prepared ID1, CCRB and USBR to submit to the NMFS.

In June, the NMFS requested RFP's soliciting consultants to conduct flow, habitat and hydrologic studies in lower reach of the SY River below Bradbury Dam. The way in which that is being done is not compatible with the obligation NMFS has to "cooperate" with State and Local agencies to resolve water resource issues "in concert with" the conservation of endangered species. (ESA Section 2(c)(2)). This issue is being raised before the United States District Court in Santa Ana in the case of *Bear Valley Mutual Water Company et. al. v. Fish and Wildlife Service*. A ruling may occur before the Cachuma re-consultation is well advanced.

IDNo.1, the Parent District and CCRB are coordinating with USBR in the continuing development of the BA process and revising the schedule based on the recent actions of NMFS. USBR forwarded to NMFS on July 20, 2012 the revised annotated outline and schedule for the preparation of the Biological Assessment.

The NMFS is pursuing recovery as part of the future BO and through the Tri-County Fish Team (meeting on July 31) NMFS is soliciting input on priority projects from participants using the Threats-By-Watershed table which came out of the Southern Steelhead Recovery Plan. NMFS is formulating a Strategic Approach for implementing recovery in the Santa Ynez River. Caltrout has replaced Nikka Knight with Kurt Zimmerman, an attorney as its lead representative for the Santa Ynez and Ventura Watersheds. Caltrout is establishing an office in Ventura.

In a letter from the NMFS to Reclamation on October 22, 2012, Reclamation received a response to the July 20<sup>th</sup> submittal that only addressed the Draft BA schedule; rejecting the June 30, 2012 submittal date. The revised NMFS date of delivery for a Draft BA as determined by NMFS is January 1, 2013, along with NMFS's denial to provide the new scientific data and reports it conducted. USBR and the collaborating agencies decided that the NMFS delivery date was impractical and proposed the submittal of the Draft BA by May 30, 2013.

A significant work effort is being made by ID No.1, CCRB and the Parent District consultants and staff to develop and prepare sections of the BA for review by Reclamation. Many studies are being conducted which will be incorporated in the BA. A cost sharing agreement for legal resources between CCRB (88.42%) and ID No.1 (11.58%) was executed in mid-December. This agreement was ratified by the CCRB

parties following the CCRB meeting. Since early December, Greg Wilkinson is looked to and directed in preparing certain tasks, reviewing all elements for the record, and to marshal this BA effort.

USBR has confirmed its need to have the Draft BA even though its review and comment time frame has not met the deadlines. The Draft BA is to be submitted on June 28 to USBR staff.

A limited number of the Draft BA chapters are being revised and re-written based on discussions with advocacy parties. USBR is aware of the revisions with a deadline for submittal of all chapters on August 23, 2013.

The USBR Area Manager has determined that USBR will complete the Draft BA for submittal to NMFS by Mid-October 2013. The USBR decision was based on a demand letter from CCRB indicating it will not deliver the remaining chapters to USBR until December 20, 2013.

On October 2, CCRB Board gave its approval to the Entrix to release chapters 4, 5, 6, 11 and the executive summary to USBR. The District provided comments on all chapters of the Draft BA and submitted additional information to USBR on October 8, 2013.

USBR is planning to submit the Draft BA to NMFS by mid-November 2013. USBR is no longer participating on the monthly calls due to conflicts.

Kate Rees, CCRB manager announced her retirement on January 31, 2014.

On November 21, 2013 USBR submitted the draft BA to NMFS. In a meeting between USBR and the downstream interests, including the SYRWCD and ID No.1 representatives only on November 25, 2013, USBR confirmed incorporating the most recent comments submitted by the downstream interests and other comments submitted by the south coast. USBR did make modifications. A copy of the draft BA will be forwarded by USBR to the District.

NMFS responded USBR on April 8, 2014 indicating the sufficiency of the draft BA with several additional data requirements as part of "consultation" including a discrepancy in the South Coast Member Units operational yield versus apparent over-diversion of water deliveries to the south coast with the issue of the absence of reductions in deliveries at 100,000 AF. Other data needs include south coast stream crossings and the inter-related south coast water conveyance systems. USBR responded on May 27, 2014 acknowledging the data requests and to work with NMFS and providing a Consultation schedule with at Final BO on April 15, 2015.

At a meeting held in August with Reclamation management, it was made clear that the Section 7 consultation will be between the two Federal agencies – USBR and MNFS. The Applicant Status requested jointly by CCRB, ID No.1 was denied by USBR but collaboration will be considered.

A meeting with USBR and ID1, SYRWCD and CCRB was held on October 27 at the SCCAO in Fresno to discuss the outlet works and the temporary and permanent plans, the Drought Operations Draft BA and the relationships between the agencies in the Cachuma Project. There was indication that NMFS will likely release a Draft Biological Opinion in January 2015. This is well ahead of the planned timing in mid-spring.

USBR met with NMFS on November 20, 2014 as part of the formal re-consultation. A follow up meeting between USBR, ID No.1, SYRWCD, and CCRB is scheduled for December 9, 2014.

On December 18, 2014, USBR formally requested an extension of 120 days for the consultation as a result of the December 9, 2014 meeting with NMFS. The purpose is to allow time provide NMFS with additional



information as requested in their April 8, August 4, and September 30, 2014 letters. The NMFS Draft Biological Opinion is expected to be issued to USBR around May 30, 2015.

NMFS has requested USBR provide additional analysis and evaluation of the flow and habitat conditions downstream of Bradbury Dam among other informational requests related to migrant trapping data.

CCRB and Cal Strategies met with USBR on Tuesday May 5, 2015 unilaterally requested inserting the passage barrier removal projects on the tributaries (Quiota Creek) along the Santa Ynez River below Bradbury Dam into the Draft 2015 BO. Statements of "Assurances" were made by CCRB working with COMB to implement passage barrier removal in the SY River watershed and on the South Coast tributaries. Neither ID No.1 nor the Parent District was aware of the meeting or the discussion and decision by CCRB. ID No.1 will be contacting USBR. This issue has not been resolved.

Following a response letter to CCRB related to the above meeting with USBR and memorandum related to tributary commitments in the future, several calls and meetings have occurred between the JDCA parties to resolve issues.

There is information that a draft Biological Opinion may be released by NMFS in October 2015.

The Trush report prepared by Humboldt State University River Institute for Steelhead migration in the Santa Ynez River that may be included in the draft BO by NMFS is being peer reviewed by ID1 and now CCRB expert consultants.

According to a COMB report at the meeting on March 7, the 2012 monitoring report was submitted to USBR and the 2013 draft report is being prepared by COMB biology staff. The reports have not been distributed to CCRB or ID No.1 responsible for these activities under the 2001 MOU.

On April 5, 2016, ID1 received a link to the Draft Annual Monitoring Plan from Entrix rather than from COMB. ID1 staff requested that COMB send all correspondence related to fisheries documentation directly to ID1 management. COMB staff requested comments by April 20, 2014.

ID No.1 and the SYRWCD in conjunction with CCRB submitted comments on the HSU Trush report on July 21, 2016 to Reclamation and the NMFS for incorporation into the administrative record.

According to the NMFS comment letter dated December 8, 2016 to the State Water Resources Control Board regarding its release of the 2016 Draft Water Right Order, "NMFS is in the process of reviewing and discussing the draft 2016 biological opinion with BOR". It is likely that a draft BO, which is expected to be a "Jeopardy" opinion, will contain greater flows, have passage requirements as indicated by NMFS in the past, and recovery plan elements and terms imbedded including significantly higher flows for fish releases, fish passage around Bradbury Dam and return, and other protections for recovery of the listed steelhead. NMFS indicated in its comment letter to the SWRCB to incorporate the 2016 BO, thus the issuance is expected in the very near term.

ID No.1 management and Special Legal Counsel continue to monitor and are prepared to comment once the Public Draft is issued. ID No.1 was denied "applicant status" by USBR as a contracting party to Cachuma Project that had federal recognition. Therefore, comments on the Public Draft BO will be submitted to NMFS. The County was also recently denied "applicant status".

No further information has been available on the timing of a Public Draft BO issuance.

Pursuant to a letter from NMFS to USBR on June 15, 2018, the Section 7 Re-consultation was terminated for the November 28, 2016 draft Biological Opinion and existing proposed action. The new proposed action

will be the basis of a new formal consultation under the ESA. On August 1, 2018, USBR submitted its revised draft proposed action to NMFS for review. A meeting is scheduled between USBR, NMFS and the JDCA group.

A meeting between USBR, NMFS, CCRB, ID No.1 and the SYRWCD is scheduled for October 16, 2018 at the NOAA offices in Long Beach.

USBR has set the date for submittal of a new Biological Assessment to NMFS of March 1, 2019. CCRB, ID1 and SYRWCD with USBR staff will be preparing various document elements. The BA will be based on the USBR's revised Proposed Action.

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#### CA-6. Cachuma Project - Water Supply and Water Service Contract

The water delivery order for WY 2014-15 has been submitted to USBR with a 55% reduction in entitlement deliveries beginning October 1, 2014. With the DWR Table "A" allocation at 20%, plus SWP water purchased through the SWPP by south coast member along with prior year carryover, the amounts should suffice to meet all exchange requirements in WY 2015. However, Goleta Water District has taken delivery of its SWP allocation and therefore the South Coast parties cannot effectuate the terms of the Exchange Agreement. This is being reviewed by the District's Special Legal Counsel BB&K for a recommendation of appropriate action.

A meeting is being called by CCWA to reconcile how to allocate the Santa Ynez Exchange water among the South Coast remaining agencies pursuant to the Exchange Agreement. The allocation methodology in the Exchange Agreement does not address a south coast party opting out with actual procedures. A call with all the parties to the Exchange Agreement is expected in June to outline the issues and then develop an allocation methodology, if possible within the terms and conditions of the Exchange Agreement.

The Exchange Agreement terms have not yet been reconciled between the parties and a meeting is scheduled on July 15<sup>th</sup> to discuss the South Coast Exchange water deficiencies.

The Exchange Agreement is being effectuated by the City of Santa Barbara, Montecito Water District and to certain level, Carpinteria Valley Water District with each of their SWP allocations, carryover and purchased water. ID No.1 remains whole at this time even with Goleta Water District not in the exchange due to its decision to move its entire SWP allocation to Cachuma without exchanging with ID No.1 in accordance with the Agreement.

As of September 4, 2015, ID No.1 transferred its 2013-2014 Cachuma Project Carryover water to Montecito Water District that was to be exchanged in 2014-2015 and 2015-2016 with the participating parties. ID No.1's 750 AF of Carryover water was subject to evaporation losses of up to 65 AF per month and 25 AF per month for fish releases to Hilton Creek. In return, the District received \$1,015 per acre foot of water transferred. There is approximately 50 AF of Carryover water remaining for direct delivery to the SB County Park that is served by ID No.1.

USBR announced that will be zero (0) allocation of Project water to the Cachuma Member Units as of October 1, 2015 for the next water year.

USBR is considering the status and definition of use for the 12,000 AF water in the minimum pool. USBR staff also provided a minimum level of 604.50' which is the lowest point in the lake above the inlet sill to the penstock at elevation 600.00'.

USBR continues to allocate zero water for 2016. In addition, water accruing from the Tecolote Tunnel Yield is not being allocated but used to offset a portion of the lake evaporation rather than deducted from Project Carry Over water per the Master Contract. However, Reclamation defined in its CEC released in April 2016 that the minimum pool water shall not be available to divert through the south coast's Barge relocation nor will the WR 89-18 water and fish account water.

COMB relocated the barge that delivers water to the South Coast agencies prior to the downstream water rights releases began on July 12. The new location is adjacent to the County Park.

The inequities of the 2015/2016 "unallocated water" and "unaccounted for" water delivered to the South Coast CMU's remains an issue and have been contested by ID No.1. A response from USBR is pending. Following a meeting with USBR on September 6, 2016 when presented the inequities due to tunnel infiltration credits and unaccounted for water delivered to the south coast, those inequities continue to increase with this new water year. No formal resolution between ID1, USBR and the County Water Agency has been accomplished.

The Santa Barbara County Water Agency submitted to USBR the annual request for allocation from the Cachuma Project. This was historically done by COMB, however, SBCWA has taken back this role in accordance with the Master Contract. There was zero allocation issued by USBR starting on October 1, 2016.

USBR will institute an evaporation scenario, proposed by SB County, that both Project carryover water and SWP will evaporate proportional to the total lake volume. The theory being the Minimum Pool will evaporate at a given level anyway, and with some incremental storage in the lake will incrementally increase evaporate so should be accounted for as such. The member Units have stated that except for Goleta (~ 500 AF) and to a minimal extent City of SB, and furthermore to a much lesser extent ID1 (for the Park), will exhaust all the CCO by December 1, 2016. This is effective on January 1, 2017.

On March 17, 2017 the CMU managers and technical staff met with the County Water Agency staff to compare the independent water supply analysis prepared by each CMU and the County based on the "Available Project Water" and for supporting a mid-year allocation from USBR. Carpinteria Valley WD conducted extensive modeling based on a two year allocation outlook and differing percentages of a mid-year allocation and remaining balances, while considering most factors affecting the water supply in the lake. ID No.1, in conjunction with Stetson Engineers verified Carpinteria's model and also prepared ID No.1's modeling effort confirming all other sources of stored and produced water being considered. After deliberation with the County and between the CMU's, it was determined that a mid-year allocation be requested of USBR in the amount of 40% or 10,285.6 AF of the annual 25,714 AF operational yield. Each CMU would receive its prorated share of the mid-year allocation in accordance with the Master Contract.

USBR approved a 40% mid-year allocation adjustment on April 7, 2017 based on available Project water in storage with concurrence by the Cachuma Member Units. ID1 took its first delivery of its share 1,060 AF of Cachuma Project water. A formal letter will authorize deliveries for the remainder of this year and next year's allocation of 40%.

SB County Water Agency has requested the Cachuma Member Units provide an allocation for WY 2017/18 in order to submit to USBR in accordance with the Master Contract. The Water Agency reacquired its responsibility from COMB and is now acting on behalf of the Member Units. The allocation requests are tied to the capital component of the Project, which was paid off in 2015; however USBR is still requesting the allocations for accounting purposes. As previously agreed, USBR anticipates a 40% delivery next water year but there will be a statement in the request for a mid-year allocation modification should the rainfall season produce inflow. ID No.1's allocation request is due June 23, 2017.

ID No.1 submitted its 2017-2018 40% allocation request and reserving its right for an increased allocation with an increase in water in storage.

A formal resolution to the inequities is expected with the accounting for new water in Cachuma and as part of the allocation process. ID1 has a second letter to Reclamation prepared in part by Stetson Engineers to be sent late in the week of April 10, 2017.

On May 30, 2017, a formal letter to USBR from the District requested a reconciliation of water supply inequities that occurred from 2011 to 2017 associated with carryover evaporation charges, tunnel accretions, and un-accounted for water. ID1 requested that water be credited to its account. Neither USBR nor the County has responded.

A meeting was held with USBR and Santa Barbara County Water Agency on October 12, 2017 with no resolution.

ID#1 met with USBR Mid-Pacific Region and Area Office Directors and management on January 18, 2018 to discuss contract options. A follow up meeting with the Area Office staff is schedule for the end of February.

Management was recently informed by the SCCAO Manager that USBR staff met with SB County representatives on Monday, March 12, 2018 to discuss the 2020 contract. This meeting did not include any Cachuma Member Unit representatives. The latest conversation with the SB County Water Agency Manager Fray Crease, on Thursday March 8, she indicated that the County would not accept or consider any other contracting arrangement; only the current USBR and SB County Master Contract. ID No.1 has had several meetings with USBR in order to seek contract options. No final determination has been made by USBR.

Management is meeting with USBR Regional Director on May 9, 2018 to continue discussions of contracting options.

ID No.1 management met with the USBR Regional Director, two Deputy Directors and staff to continue to promote contracting option for the upcoming Water Service Contract in 2020. USBR will explore a contract assignment as well as a multi-party contract.

No response from USBR regarding contract options.

On September 10, 2018, the Cachuma Member Units were informed that a Basis of Negotiations with the inclusion of Section 4011 of the WIN Act was forwarded by USBR SCCAO to the USBR Denver Service Center in June 2018. SB County Water Agency confirmed the inclusion but no notification was provided to the Cachuma Member Units. ID No.1 is still awaiting contracting options.

Santa Barbara County continues to cancel meetings with the Cachuma Member Units regarding the new contract terms and conditions updates and interactions with USBR.

**No additional information has been made available from USBR or the Water Agency to the Member Units regarding the 2020 Water Service Contract.**

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The Exchange Agreement between ID1 and the south coast Cachuma Member Units is dependent on two factors: 1) Cachuma Project water availability and allocation to ID1; and, 2) Sufficient and equal amount

of South Coast SWP water to exchange with ID1. Because there is zero allocation of Cachuma Project water, the Exchange Agreement remains inactive. Once USBR determines a mid-year allocation, all ID No.1's Cachuma allocation will be exchanged for an equal amount of the south coast participants SWP water.

With the mid-year allocation in water year 2016-17, ID1 will have 1,060 AF of its Cachuma Project available supply to exchange from April 7, 2017 to September 30, 2017. The Exchange water will be balance with the first priority Article 21 water and the MetWD exchange.

Currently, the Cachuma Exchange water is occurring with this year's 40% allocation and beginning on October 1<sup>st</sup>, the new water year, there will be 1,042 AF of water exchanged.

USBR issued its allocation on November 4, 2017 of a 40% delivery to the Member Units retroactive to October 1, 2017. A mid-year adjustment would be considered based on precipitation and runoff in the lake.

With a 20% delivery allocation from the SWP and the reduced allocation from USBR, the South Coast will have enough SWP to effectuate the Exchange Agreement this year. Should the SWP allocation be reduced as was anticipated to 10%, this would cause an exchange shortage.

With 35% SWP allocation the south coast will have enough SWP water to exchange 532 AF of ID No.1's Cachuma project allocation this water year.

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Contract Number I75r-1802R (Master Contract) expires in 2020 for water service to the Cachuma Member Units (CMU's). The County Water initiated discussions with USBR on November 18, 2016 regarding the process and protocols for negotiations of a new water service contract. The Water Agency has been coordinating with the CMU's over the past month and prepared a "charter" or guideline paper for the formation of Steering Committee that will work on activities related to the negotiation process along with the terms and conditions of such water service contract. The Water Agency requested input from the CMU's. Upcoming meetings are scheduled over the next few months.

The Water Agency will bring its charter to begin the contracting process and provide a report to the Board of Directors of the SBWFC&WCD on May 2, 2017. At this time, none of the CMU's concur with the contracting arrangement.

At the May 2 County Board of Directors meeting to approve and authorize the Chair to sign a letter to the United States Bureau of Reclamation to request renewal of the Water Service Contract for the Cachuma Project and initiate negotiations with the United States Bureau of Reclamation, there were comments provided by ID1, the City of Santa Barbara and Carpinteria Valley WD opposing this action until such time to allow to explore contract options and engage all the Cachuma Member Units in this process. As stated by the County, this is a process between County and the USBR but the County will allow one representative of the CMU's to attend meetings between USBR and the County only. Director Hartmann indicated that the County's purpose in renegotiating this contract is to protect the downstream interests, the environment, and public trust resources. Other discussion related to the County's role in water supply. The north County Directors did not care about this action. The letter and action was approved 5-0.

The County is now scheduling "private" meetings with USBR beginning in May and June and to initiate negotiations. The CMU's are not included until the public meetings are scheduled.

Meetings are now being organized by the Member Unit managers regarding the County's action and its process.

**No technical sessions or negotiation meetings with Reclamation or the County are schedule as of February 13, 2019.**

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USBR will be conducting its 5-year inspection of water records and compliance with the Master and Member Unit Contracts. USBR representatives from the Regional office, South Central California Area Office and Denver Services will be at ID No.1 on September 19, 2012. USBR has transferred water conservation division to the Mid-Pacific region. District staff will be meeting with MP region staff to discuss conservation plans and exemptions applicable to the District. USBR provided a draft CCR checklist on November 8, 2012 indicating that ID No.1 complies with all elements of the Master Contract.

USBR solicitor has determined that in accordance with Master Contract and specifically under CVPIA criteria (although ID No.1 is not in the CVP), ID No.1 is required to prepare and submit to USBR a water conservation plan for its Project Water; 863 AF annually of M&I water and separately for 1,788 AF of Irrigation water. The District has other sources of local water supply (Uplands groundwater and licenses in the SY River) that are not under the jurisdiction of USBR and not within the Master Contract or CVPIA which are not reportable in a USBR water conservation plan.

The District is completing its updated and required draft water conservation plan and best management practices (BMP's) for submittal to USBR. This will require revisions to incorporate the City of Solvang because the District's boundaries for water service include the City's residents.

The conservation plan update was submitted to Reclamation in March 2015.

USBR through the CUWCC is requesting further water conservation and BMP information within ID No.1's service area.

USBR will be conducting its 5-year inspection of water records and compliance with the Master and Member Unit Contracts. USBR representatives from the Regional office, South Central California Area Office and Denver Services will be at ID No.1 on August 23 and 24, 2016. ID No.1 submitted comments and provided further information to USBR by September 6, 2016.

ID No.1 will be preparing and submitting the USBR required crop report update by the May 1, 2018 deadline.

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CA-7. Actions taken during emergency situation in New York/Washington DC on September 11, 2001

DHS has distributed the Terrorist Threat Reporting Guide for Critical Infrastructure. This is a joint guidance document distributed by Federal Homeland Security and FBI for Owners and Operators of critical infrastructure. **No advisories are in effect.**

UNITED STATES DEPARTMENT OF THE INTERIOR  
 U.S. BUREAU OF RECLAMATION-CACHUMA PROJECT-CALIFORNIA

MARCH 2019

LAKE CACHUMA DAILY OPERATIONS

RUN DATE March 11, 2019

DAY	ELEV	STORAGE		COMPUTED* INFLOW AF.	CCWA INFLOW AF.	PRECIP ON RES. SURF. AF.	RELEASE - AF.				EVAP AF.	PRECIP INCH	PRECIP INCHES	
		IN LAKE	CHANGE				TUNNEL	HILTON CREEK	OUTLET	SPILLWAY				
	725.50	120,552												
1	725.79	121,197	+645	748.8	0.0	.0	18.8	13.6	41.8	.0	29.6	.210	.00	
2	726.16	122,025	+828	724.5	0.0	160.2	19.7	13.6	14.9	.0	8.5	.060	.86	
3	727.03	123,980	+1,955	1,995.0	0.0	9.4	19.7	13.9	2.9	.0	12.9	.090	.05	
4	727.55	125,156	+1,176	1,444.4	0.0	.0	19.3	13.5	234.2	.0	1.4	.010	.00	
5	727.93	126,022	+866	1,099.2	0.0	.0	.0	7.1	213.1	.0	13.0	.090	.00	
6	728.66	127,691	+1,669	1,578.9	0.0	277.5	.0	4.3	174.4	.0	8.7	.060	1.45	
7	730.62	132,258	+4,567	4,659.6	0.0	9.8	.0	5.2	91.2	.0	6.0	.040	.05	
8	731.81	135,090	+2,832	2,906.5	0.0	12.0	6.4	4.6	71.0	.0	4.5	.030	.06	
9	732.64	137,083	+1,993	2,087.5	0.0	.0	9.7	5.5	61.0	.0	18.3	.120	.00	
10	733.27	138,615	+1,532	1,614.8	0.0	.0	9.4	4.4	55.1	.0	13.9	.090	.00	
11	733.82	139,959	+1,344	1,432.2	0.0	.0	9.0	4.7	55.9	.0	18.6	.120	.00	
<b>TOTAL (AF)</b>			<b>+19,407</b>	<b>20,291.4</b>	<b>0.0</b>	<b>468.9</b>	<b>112.0</b>	<b>90.4</b>	<b>1,015.5</b>	<b>.0</b>	<b>135.4</b>	<b>.920</b>	<b>2.47</b>	
<b>(AVG)</b>		<b>129,916</b>												

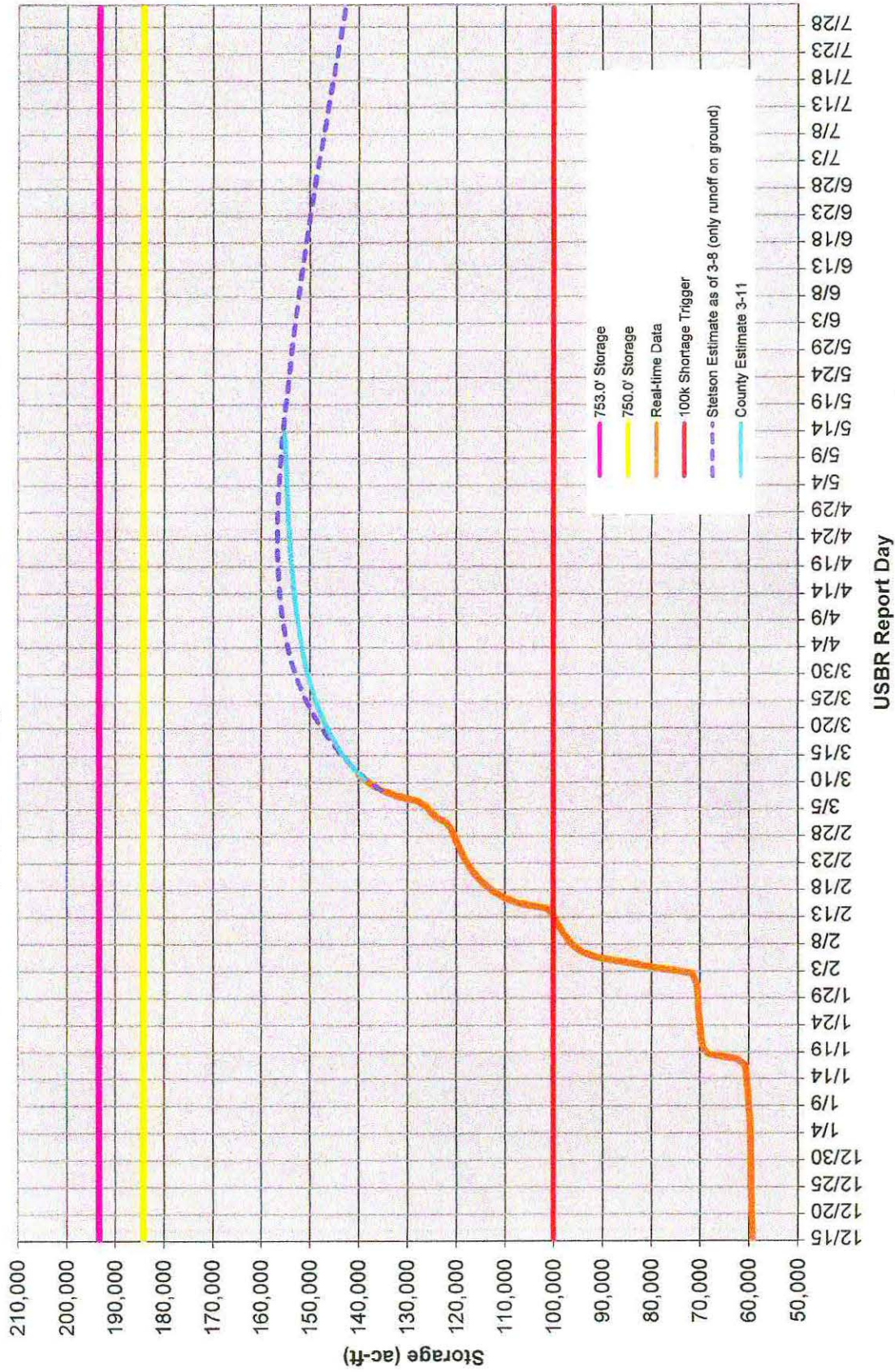
COMMENTS:

\* COMPUTED INFLOW IS THE SUM OF CHANGE IN STORAGE, RELEASES, AND EVAPORATION MINUS PRECIP ON THE RESERVOIR SURFACE AND CCWA INFLOW.

DATA BASED ON 24-HOUR PERIOD ENDING 0800.

INDICATED OUTLETS RELEASE INCLUDE ANY LEAKAGE AROUND GATES.

Forecasted Lake Cachuma Storage for 2019 - Based on Inflow from 3/8 8:00





SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, ID#1 -- 2019 DELIVERY

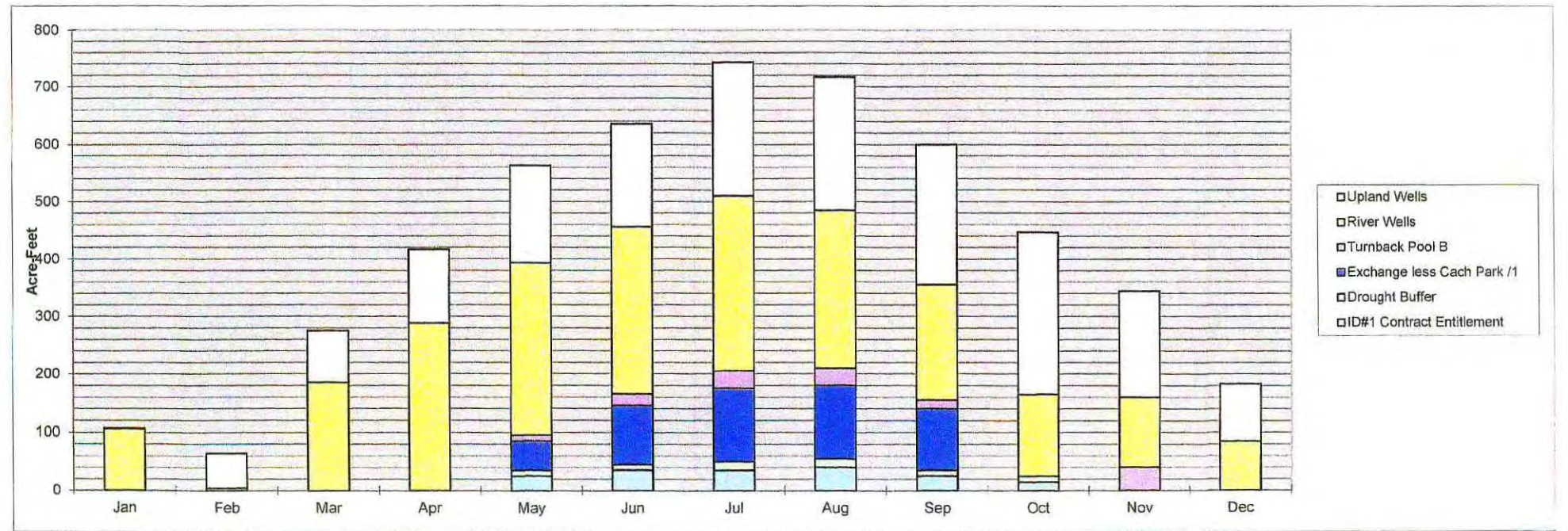
28-Feb-19

Delivery Schedule 2019	Allocation AF	New Cachuma WY												Delivery Total
		Actual Jan	Actual Feb	Planned Mar	Planned Apr	Planned May	Planned Jun	Planned Jul	Planned Aug	Planned Sep	Planned Oct	Planned Nov	Planned Dec	
Table "A" Entitlement/1	175	0	0	0	0	25	35	35	40	25	15	0	0	175
Drought Buffer	70	0	0	0	0	10	10	15	15	10	10	0	0	70
Exchange less Cach Park /2	504	0	0	0	0	50	100	125	125	105	0	0	0	505
Carryover/Article 21/ Solvang	0	0	0	0	0	10	20	30	30	15	0	40	0	145
<b>TOTAL</b>	<b>749</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>95</b>	<b>165</b>	<b>205</b>	<b>210</b>	<b>155</b>	<b>25</b>	<b>40</b>	<b>0</b>	<b>895</b>

Cachuma Park/3	26	1	2	2	2	2	3	3	3	2	2	2	2	26
River Wells - 6.0 CFS		65	2	110	164	173	171	180	175	125	90	70	50	1375
River Wells - 4.0 CFS		42	3	75	125	125	120	125	100	75	50	50	35	924
Upland Wells		0	60	90	128	170	180	233	232	245	282	184	98	1902
<b>Total Production</b>		<b>108</b>	<b>66</b>	<b>277</b>	<b>418</b>	<b>565</b>	<b>639</b>	<b>746</b>	<b>720</b>	<b>602</b>	<b>449</b>	<b>346</b>	<b>185</b>	<b>5122</b>

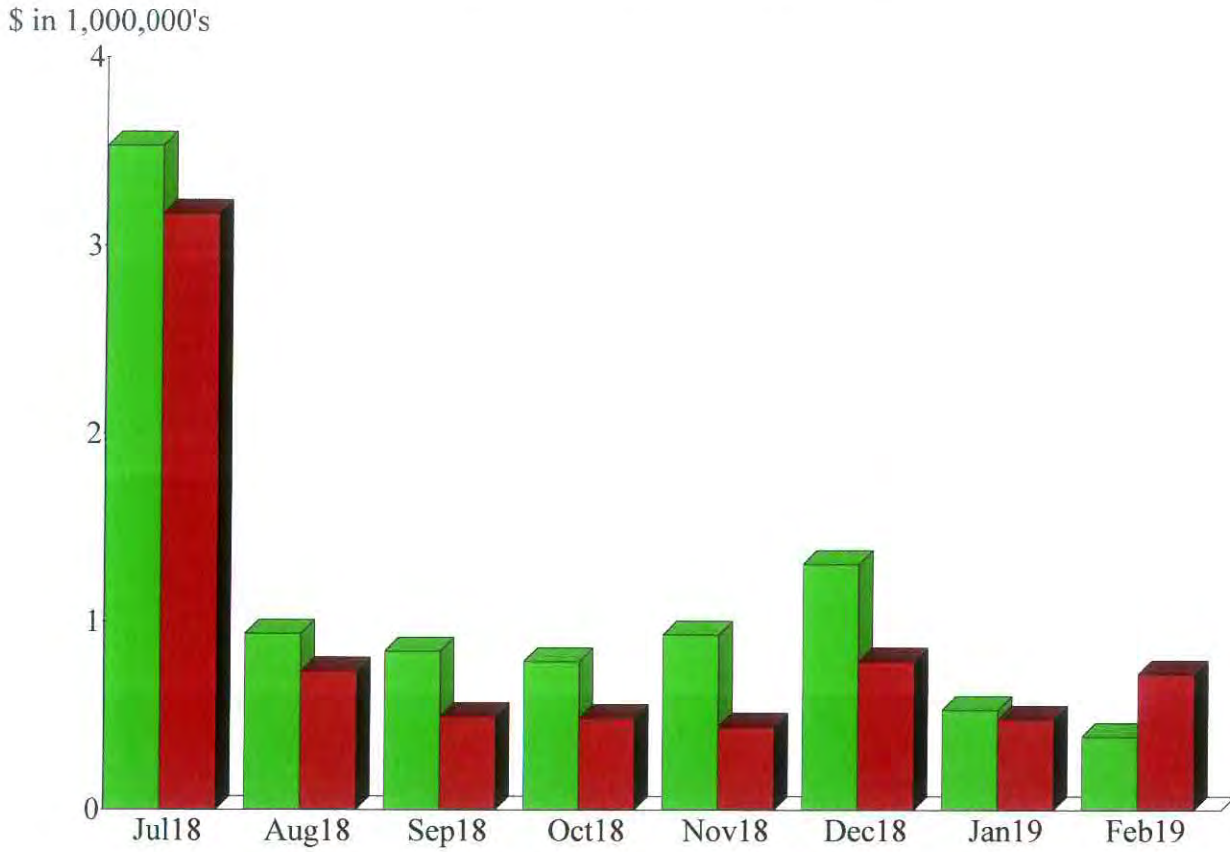
10 Yr. Average Production		142	146	277	418	565	639	746	720	602	449	346	185	5235
4.0 cfs River Maximum Production in AF		49.2	44	246	238	246	238	238	246	238	246	142.8	49.2	
6.0 cfs River Maximum Production in AF		92.2	83.3	368.9	357	368.9	357	357	368.9	357	369.3	223.1	92.2	

Note/1 Reflects the SWP deliveries for 2019 WY = 35% of entitlement or 100 AF more than 145 AF Final 2017 transfer water from Solvang returned; SWP Total 245 AF Cachuma Project 20% or 530 AF as of October 1, 2017 through September 30, 2019. A mid-year allocation should occur.  
 Note /2 Blue text: Cachuma Exchange water available from Oct 1, 2018-19 w/ 20% Allocation 505 AF.  
**Cachuma Project Total Allocation for WY2018-19 is 530 AF.**  
 South Coast MU must provide full Exchange amount;  
 Note /3 Cachuma Project water estimated delivery to SB County Park of Cachuma Water year 2018-19 is 26 af.



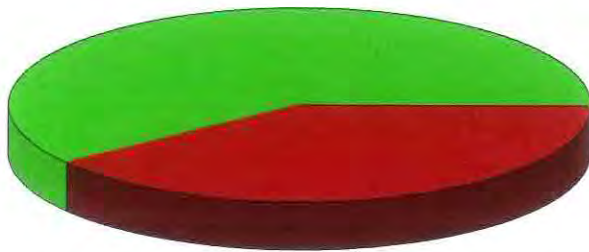
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
ID#1 Contract Entitler	0	0	0	0	0	25	35	35	40	25	15	0	0
Drought Buffer	0	0	0	0	0	10	10	15	15	10	10	0	0
Exchange less Cash	0	0	0	0	0	50	100	125	125	105	0	0	0
Turnback Pool B	0	0	0	0	0	10	20	30	30	15	0	40	0
River Wells	107	4	185	289	298	291	305	275	200	140	120	85	
<u>Upland Wells</u>	0	60	90	128	170	180	233	232	245	282	184	98	
<u>Total Production</u>	108	66	277	418	565	639	746	720	602	449	346	185	
Total SWP	0	0	0	0	0	95	165	205	210	155	25	40	0

Income and Expense by Month  
July 2018 through February 2019



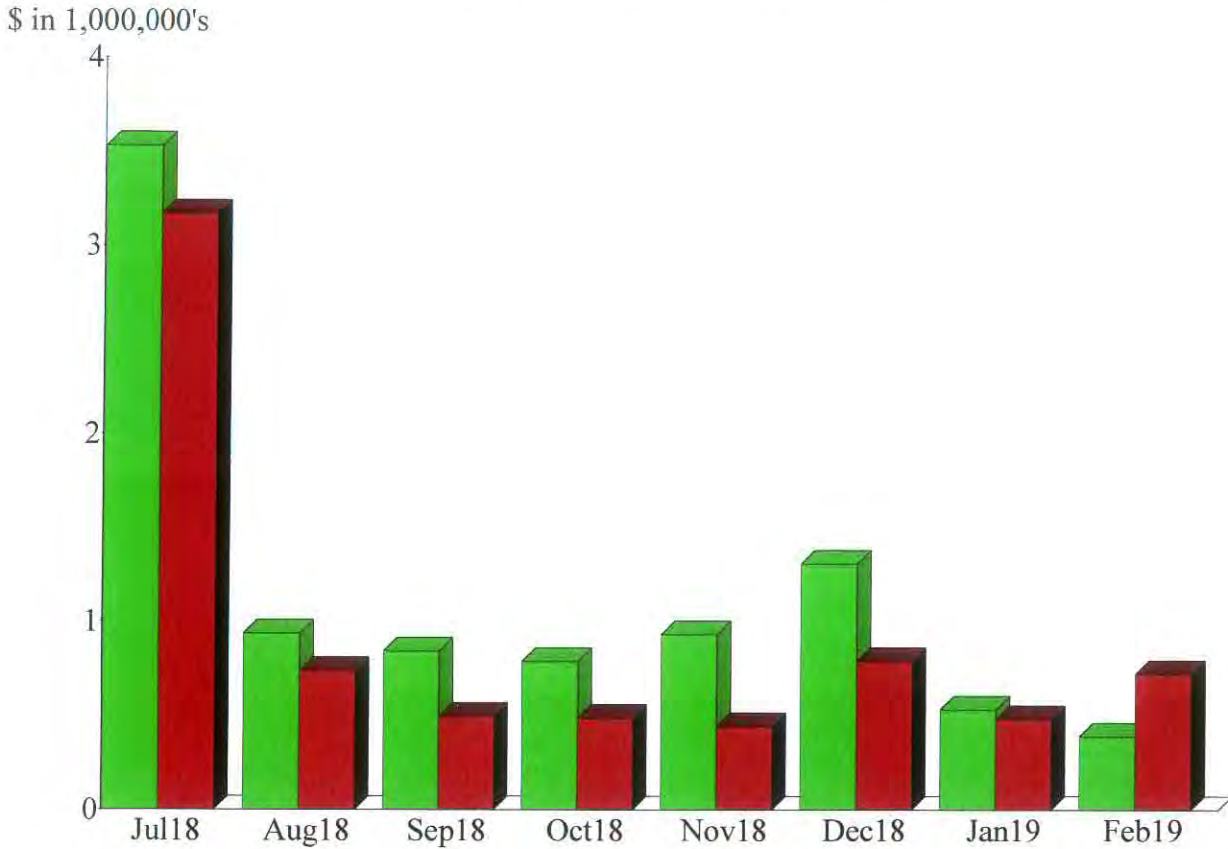
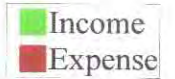
Income Summary  
July 2018 through February 2019

600000 · SERVICE & SALES REVENUE	60.48%
625000 · ASSESSMENTS, FEES & OTHER	39.52
<b>Total</b>	<b>\$9,271,163.41</b>



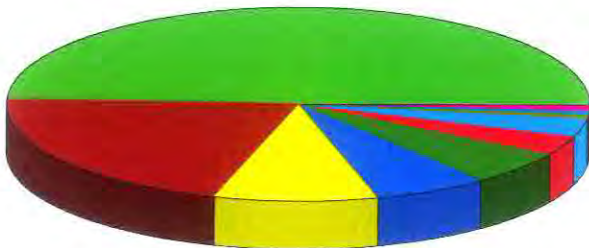
By Account

Income and Expense by Month  
July 2018 through February 2019



Expense Summary  
July 2018 through February 2019

702000	· SOURCE OF SUPPLY EXPENSES	49.49%
770000	· GENERAL & ADMIN EXPENSE	21.10
750000	· TRANSMISSION & DIST. EXPENSES	9.08
900100	· Constr in Progress CY	6.41
725000	· PUMPING EXPENSES	5.78
800000	· LEGAL/ENGINEERING	3.26
825000	· STUDIES	3.06
710000	· INFRASTRUCTURE EXPENSES	0.74
900370	· Capital Expense - CY	0.68
740000	· WATER TREATMENT EXPENSES	0.40
Total		\$7,338,180.38



By Account

**Santa Ynez River Water Conservation District ID #1**  
**Statement of Revenues & Expenses**  
February 2019

	Feb 19	Jan 19	% Change	Jul '18 - Feb 19
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>600000 · SERVICE &amp; SALES REVENUE</b>				
<b>WATER SALES INCOME</b>				
601000 · Water Sales - Agri.	27,958.67	30,609.80	-8.66%	604,345.87
602000 · Water Sales - Domestic	226,713.73	252,803.32	-10.32%	2,919,272.06
602100 · Water Sales - RRLmtd Ag.	109,403.86	128,344.54	-14.76%	1,592,620.95
602200 · Water Sales - Cach Pk	1,090.47	622.66	75.13%	11,240.98
604000 · Water Sales - Temp.	0.00	1,813.20	-100.0%	3,121.20
606000 · Water Sales - Solvang	4,305.70	4,305.70	0.0%	283,285.04
608000 · Water Sales - On-Demand	1,271.19	1,092.99	16.3%	37,357.66
611500 · Fire Service Fees	9,252.49	9,311.27	-0.63%	66,468.70
<b>Total WATER SALES INCOME</b>	379,996.11	428,903.48	-11.4%	5,517,712.46
<b>SERVICE INCOME</b>				
611100 · New Service Fees	638.46	8,873.97	-92.81%	42,441.53
611200 · Reconnection Fees	3,225.00	2,475.00	30.3%	22,875.00
612400 · Penalties	2,183.63	3,166.32	-31.04%	23,914.60
<b>Total SERVICE INCOME</b>	6,047.09	14,515.29	-58.34%	89,231.13
<b>Total 600000 · SERVICE &amp; SALES REVENUE</b>	386,043.20	443,418.77	-12.94%	5,606,943.59
<b>625000 · ASSESSMENTS, FEES &amp; OTHER</b>				
611600 · Capital Facilities Chrg.	3,914.87	28,524.12	-86.28%	121,918.13
620006 · Reimbursed Field Labor	912.32	0.00	100.0%	1,810.14
620008 · Reimbursed Admin Labor	65.98	684.70	-90.36%	1,131.56
624000 · Miscellaneous Revenue	492.75	935.31	-47.32%	8,126.10
625200 · Administrative Fees	0.00	1,752.00	-100.0%	3,252.00
627000 · Tax Revenue - Secured	0.00	0.00	0.0%	495,295.03
<b>628000 · INTEREST INCOME</b>				
629000 · Interest Income - LAIF	0.00	57,979.83	-100.0%	109,834.66
629100 · Interest Income -PIMMA	520.03	937.37	-44.52%	5,408.84
630000 · Interest Income - Cking	2.58	1.27	103.15%	17.84
<b>Total 628000 · INTEREST INCOME</b>	522.61	58,918.47	-99.11%	115,261.34
890100 · SWP Pmt. from Solvang	0.00	0.00	0.0%	2,917,425.52
<b>Total 625000 · ASSESSMENTS, FEES &amp; OTHER</b>	5,908.53	90,814.60	-93.49%	3,664,219.82
<b>Total Income</b>	391,951.73	534,233.37	-26.63%	9,271,163.41
<b>Cost of Goods Sold</b>				
<b>702000 · SOURCE OF SUPPLY EXPENSES</b>				
703000 · Cach. Water Entitlement	6,621.14	6,621.14	0.0%	114,169.54
704000 · State Water	59,470.79	59,470.79	0.0%	567,440.73
705000 · Ground Water Charges	0.00	0.00	0.0%	20,826.47
707000 · River Well Field Licenses	0.00	11,022.50	-100.0%	12,102.85
860000 · Solvang-SWPmt	0.00	0.00	0.0%	2,917,425.52
<b>Total 702000 · SOURCE OF SUPPLY EXPENSES</b>	66,091.93	77,114.43	-14.29%	3,631,965.11

**Santa Ynez River Water Conservation District ID #1**  
**Statement of Revenues & Expenses**  
February 2019

	Feb 19	Jan 19	% Change	Jul '18 - Feb 19
<b>710000 · INFRASTRUCTURE EXPENSES</b>				
711000 · Maintenance - Wells	505.33	924.25	-45.33%	12,346.61
712000 · Maintenance - Mains	1,707.93	0.00	100.0%	9,022.16
713000 · Maintenance - Reservoirs	3,241.53	0.00	100.0%	4,541.53
714000 · Maintenance - Structures	1,260.00	0.00	100.0%	1,260.00
717000 · Bradbury Dam SOD	0.00	0.00	0.0%	26,975.88
<b>Total 710000 · INFRASTRUCTURE EXPENSES</b>	<b>6,714.79</b>	<b>924.25</b>	<b>626.51%</b>	<b>54,146.18</b>
<b>725000 · PUMPING EXPENSES</b>				
726000 · Pumping Expense (Power)	10,427.34	19,544.04	-46.65%	422,062.29
730000 · Maintenance - Structures	0.00	227.02	-100.0%	2,377.02
<b>Total 725000 · PUMPING EXPENSES</b>	<b>10,427.34</b>	<b>19,771.06</b>	<b>-47.26%</b>	<b>424,439.31</b>
<b>740000 · WATER TREATMENT EXPENSES</b>				
744000 · Chemicals	0.00	0.00	0.0%	17,686.29
748000 · Maintenance - Equipment	0.00	299.70	-100.0%	717.34
748100 · Water Treatment - Equipm	0.00	7.74	-100.0%	1,494.49
748200 · Water Sampling/Monitor	59.75	0.00	100.0%	1,512.18
749000 · Water Analysis	0.00	540.00	-100.0%	7,674.00
<b>Total 740000 · WATER TREATMENT EXPENSES</b>	<b>59.75</b>	<b>847.44</b>	<b>-92.95%</b>	<b>29,084.30</b>
<b>750000 · TRANSMISSION &amp; DIST. EXPENSES</b>				
799501 · Uniforms T&D	1,567.26	933.71	67.85%	9,261.83
775401 · ACWA - Health Ins. (T&D)	15,025.74	15,025.74	0.0%	126,721.99
775201 · ACWA - Delta Dental (T&D)	661.00	661.00	0.0%	5,524.52
775301 · ACWA - Vision (T&D)	120.47	120.47	0.0%	1,015.39
751000 · Labor	52,435.38	43,838.90	19.61%	365,272.81
751100 · Labor / Vacation	26,235.06	4,169.19	529.26%	60,643.76
751200 · Labor / Sick Leave	32.25	990.65	-96.75%	18,229.55
752000 · Materials/Supplies				
752100 · Safety Equipment	0.00	24.13	-100.0%	1,310.49
752000 · Materials/Supplies - Other	177.75	246.52	-27.9%	4,513.12
<b>Total 752000 · Materials/Supplies</b>	<b>177.75</b>	<b>270.65</b>	<b>-34.33%</b>	<b>5,823.61</b>
753000 · SCADA Maintenance	202.50	0.00	100.0%	3,280.00
754000 · Small Tools	1,258.95	243.40	417.24%	5,176.83
754100 · Small Tools - Repairs	228.70	0.00	100.0%	495.47
755000 · Transportation	3,931.44	3,569.08	10.15%	36,077.40
756000 · Meter Services	3,011.70	4,169.24	-27.76%	14,803.62
756100 · Meter Services - Repair	1,585.36	741.52	113.8%	10,347.08
757000 · Road Contracts	0.00	0.00	0.0%	54.00
758100 · Meter Reading (Sensus)	0.00	683.56	-100.0%	1,608.51
759000 · Maintenance - Structures	493.75	0.00	100.0%	1,017.11
760000 · Fire Hydrants	0.00	0.00	0.0%	21.24
761000 · Backflow Devices	0.00	0.00	0.0%	85.00
762000 · Backhoe-Maintenance	0.00	0.00	0.0%	781.43
<b>Total 750000 · TRANSMISSION &amp; DIST. EXPENSES</b>	<b>106,967.31</b>	<b>75,417.11</b>	<b>41.83%</b>	<b>666,241.15</b>
<b>Total COGS</b>	<b>190,261.12</b>	<b>174,074.29</b>	<b>9.3%</b>	<b>4,805,876.05</b>
<b>Gross Profit</b>	<b>201,690.61</b>	<b>360,159.08</b>	<b>-44.0%</b>	<b>4,465,287.36</b>

**Santa Ynez River Water Conservation District ID #1**  
**Statement of Revenues & Expenses**  
February 2019

Expense	Feb 19	Jan 19	% Change	Jul '18 - Feb 19
<b>770000 · GENERAL &amp; ADMIN EXPENSES</b>				
774000 Workers Comp. - Ins.	0.00	0.00	0.0%	13,620.57
6560 · Payroll Expenses	484.00	50.50	858.42%	746.50
773000 · Elections	5,599.62	0.00	100.0%	5,599.62
775000 · PERS - Retirement	10,830.41	28,766.85	-62.35%	237,898.06
775200 · ACWA - Dental (Admin)	906.96	906.96	0.0%	6,968.80
775300 · ACWA - Vision (Admin)	172.10	172.10	0.0%	1,325.17
775400 · ACWA - Medical Insurance(Admin)	20,008.86	20,008.86	0.0%	156,572.58
776400 · Admin Leave - Exempt Employees	0.00	0.00	0.0%	11,480.40
777000 · Salaries - Administrative Staff	85,509.48	84,984.41	0.62%	648,915.79
777100 · Salaries / Vacation	1,432.98	3,240.08	-55.77%	37,686.39
777200 · Salaries / Sick Leave	669.25	306.59	118.29%	5,109.76
777300 · Admin - Sick Hr.Rate	0.00	905.03	-100.0%	2,468.61
777400 · Admin.- Vac. Hr.Rate	180.15	55.41	225.12%	5,301.36
778000 · Training, Travel & Conferences	1,629.16	1,913.30	-14.85%	7,718.57
779000 · Dues,Subscrip,Certif.	46.00	2,616.01	-98.24%	27,316.78
780000 · Building Maintenance	215.06	600.00	-64.16%	2,335.24
781000 · Office Supplies	1,800.97	872.28	106.47%	7,106.33
781100 · Computer Supply/Training/Softwr	699.89	0.00	100.0%	2,275.70
782000 · Postage & Printing	3,621.79	4,768.07	-24.04%	30,480.83
783000 · Utilities	620.96	833.85	-25.53%	6,384.12
784000 · Telephone	1,523.65	742.20	105.29%	6,573.57
785000 · Special Services	1,946.58	534.94	263.89%	4,807.76
785100 · Government Fees	145.00	443.35	-67.29%	10,569.35
786000 · Insurance & Bonds	4,405.58	4,405.58	0.0%	39,584.33
787000 · Payroll Taxes	12,736.81	10,595.62	20.21%	75,710.53
788000 · Audit - Expenses				
788100 · General Accounting	0.00	0.00	0.0%	4,236.00
788000 · Audit - Expenses - Other	0.00	0.00	0.0%	26,000.00
<b>Total 788000 · Audit - Expenses</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>30,236.00</b>
789000 · Legal - Expenses Gen.	5,843.00	3,476.00	68.1%	41,942.29
790000 · Gen/Prfsnl Consultant Expenses	3,375.00	650.00	419.23%	14,956.83
791000 · Planning & Research	93.57	251.60	-62.81%	514.09
792000 · Bad Debts	0.00	0.00	0.0%	166.86
793000 · Office Equip. Service Contracts	2,647.69	3,039.16	-12.88%	20,896.95
794000 · Interest Expenses	0.00	20,678.09	-100.0%	47,390.59
794100 · Annual Fee - Bond Fund	0.00	0.00	0.0%	1,375.00
797000 · Trustee Fees	1,600.00	2,800.00	-42.86%	18,460.00
799000 · Miscellaneous Expenses/Vendors	636.38	2,249.30	-71.71%	15,212.81
799500 · Uniform Service	71.52	0.00	100.0%	182.41
799525 · Gardening Service	240.00	240.00	0.0%	1,920.00
799600 · Customer Refunds	0.00	0.00	0.0%	704.60
<b>Total 770000 · GENERAL &amp; ADMIN EXPENSES</b>	<b>169,692.42</b>	<b>201,106.14</b>	<b>-15.62%</b>	<b>1,548,515.15</b>
<b>Total Expense</b>	<b>169,692.42</b>	<b>201,106.14</b>	<b>-15.62%</b>	<b>1,548,515.15</b>
<b>Net Ordinary Income</b>	<b>31,998.19</b>	<b>159,052.94</b>	<b>-79.88%</b>	<b>2,916,772.21</b>

**Santa Ynez River Water Conservation District ID #1**  
**Statement of Revenues & Expenses**  
February 2019

	Feb 19	Jan 19	% Change	Jul '18 - Feb 19
Other Income/Expense				
Other Expense				
800000 · LEGAL/ENGINEERING				
800100 · Legal - BHFS				
800102 · Sustainable Grndwtr Mgmt Act	0.00	0.00	0.0%	73.00
Total 800100 · Legal - BHFS	0.00	0.00	0.0%	73.00
800200 · Legal -BB&K/Consultants				
800201 · NMFS Biop Recon/Stlhd Rcvry Pln	4,054.78	1,757.50	130.71%	26,233.06
Total 800200 · Legal -BB&K/Consultants	4,054.78	1,757.50	130.71%	26,233.06
800300 · Engineering				
800301 · Groundwater/Downstream Wtr Right	176.75	5,387.77	-96.72%	8,755.81
800300 · Engineering - Other	8,652.38	-235.00	3,781.86%	15,110.54
Total 800300 · Engineering	8,829.13	5,152.77	71.35%	23,866.35
800500 · Unanticipated Spc Legal Expense	24,868.23	11,884.64	109.25%	189,345.51
Total 800000 · LEGAL/ENGINEERING	37,752.14	18,794.91	100.86%	239,517.92
825000 · STUDIES				
825400 · CCRB (Shared Consultants)				
825401 · Joint Bio Op Recon.-Consultants	5,870.21	6,847.34	-14.27%	46,769.07
Total 825400 · CCRB (Shared Consultants)	5,870.21	6,847.34	-14.27%	46,769.07
825500 · Hydrology SYR;RiverWare-Stetson	0.00	0.00	0.0%	4,819.90
825600 · SB Co Water Agency				
825601 · Integrated Regional Water Man.	0.00	1,089.46	-100.0%	1,089.46
825600 · SB Co Water Agency - Other	0.00	0.00	0.0%	4,332.80
Total 825600 · SB Co Water Agency	0.00	1,089.46	-100.0%	5,422.26
825800 · BiOp Implementation	0.00	0.00	0.0%	167,500.00
Total 825000 · STUDIES	5,870.21	7,936.80	-26.04%	224,511.23
900100 · Constr in Progress CY				
900332 · Water Treatment Plant/Fac	246,976.00	2,755.00	8,864.65%	257,576.00
900102 · Zone 1, 2, 3 Reserviors	0.00	0.00	0.0%	135.00
900106 · Rehab/Rplc - Trans. Mains/Lats	53,083.47	53,691.06	-1.13%	155,847.80
900150 · Mesa Verde Pump Station	0.00	1,540.08	-100.0%	1,540.08
900170 · Well Field-6.0 CFS	0.00	0.00	0.0%	18,758.99
900183 · GIS Engineering	0.00	0.00	0.0%	1,749.17
900199 · Gallery Well	0.00	0.00	0.0%	357.00
900350 · Uplands Wells	5,027.21	23,639.00	-78.73%	34,099.48
Total 900100 · Constr in Progress CY	305,086.68	81,625.14	273.77%	470,063.52
900370 · Capital Expense - CY				
900318 · Meter Replace/Utility Billing	12,634.90	327.75	3,755.04%	42,935.47
900375 · Computer Equipment	0.00	0.00	0.0%	4,993.68
900378 · Mjr. Tools, Shop & Garage Equip	1,767.36	0.00	100.0%	1,767.36
Total 900370 · Capital Expense - CY	14,402.26	327.75	4,294.28%	49,696.51
Total Other Expense	363,111.29	108,684.60	234.1%	983,789.18
Net Other Income	-363,111.29	-108,684.60	-234.1%	-983,789.18
Net Income	-331,113.10	50,368.34	-757.38%	1,932,983.03



**Betty T. Yee**  
California State Controller



# Government Compensation in California Reporting - Special Districts

## Reporting and Publication Information

Government Code (GC) [53891](#) requires cities, counties and special districts to submit an annual Government Compensation in California (GCC) report to the State Controller's Office (SCO). Pursuant to GC 53891, the GCC report for the previous calendar year is due no later than **April 30th**.

If the special district did not have any paid employees, a GCC report is still required listing the unpaid board members.

Upon publication, the compensation data can be viewed on the SCO's GCC website ([www.publicpay.ca.gov](http://www.publicpay.ca.gov)).

## Reporting and Filing Instructions

The following files provide assistance and instruction for properly completing and submitting the GCC report.

- ➔ [Electronic Reporting Instructions](#)
- ➔ [FTP Instructions](#)
- ➔ [FAQs](#)

## Reporting Templates

For prior year report templates that are not located below, please contact the Government Compensation Section at [GCCsupport@sco.ca.gov](mailto:GCCsupport@sco.ca.gov) or (916) 445-5153.

**Santa Ynez River Water Conservation District ID #1**  
**Warrant List for Board Approval**  
**February 20 through March 19, 2019**

Date	Num	Name	Amount
Feb 20 - Mar 19, 19			
02/28/2019	22062	ACWA/JPIA - Health	\$ 38,563.04
02/28/2019	22063	Red Wing Shoes	\$ 600.00
03/19/2019	22064	All Around Landscape Supply	\$ 624.56
03/19/2019	22065	Ameravant Inc.	\$ 89.00
03/19/2019	22066	Aramark Uniform Serv Inc.	\$ 1,052.76
03/19/2019	22067	Autosys, Inc.	\$ 705.00
03/19/2019	22068	B of A Business Card Services-CD	\$ 2,503.82
03/19/2019	22069	Bell, McAndrews & Hiltachk, LLP	\$ 1,837.64
03/19/2019	22070	Bertin Pulido	\$ 240.00
03/19/2019	22071	Best Best & Krieger LLP	\$ 9,924.99
03/19/2019	22072	Braun Associates, Inc.	\$ 450.00
03/19/2019	22073	Brownstein,Hyatt,Farber, Schreck	\$ 28,873.59
03/19/2019	22074	Cachuma O & M Board	\$ 221,611.11
02/28/2019	EFT	CA State Disbursement - Feb. 2019	\$ 1,013.00
02/28/2019	EFT	CalPERS - February 2019	\$ 14,840.90
03/19/2019	22075	Central Coast Water-Authority/Solvang	\$ 26,905.56
03/19/2019	22076	Central Coast Water Authority	\$ 63,987.43
03/19/2019	22077	Chevron - Wex Bank	\$ 94.29
03/19/2019	22078	Chris Dahlstrom/Petty Cash	\$ 13.84
03/19/2019	22079	CIO Solutions, LP	\$ 2,891.57
03/19/2019	22080	Co S B/ Public Works Dept /Dump Chg	\$ 153.52
03/19/2019	22081	Coastal Copy	\$ 230.89
03/19/2019	22082	Comcast	\$ 289.24
03/19/2019	22083	Corix Water Products (US) Inc.	\$ 2,478.53
03/19/2019	22084	County of Santa Barbara -Dept Public Work	\$ 391.00
03/19/2019	22085	Dig Safe Board	\$ 25.47
03/19/2019	22086	Echo Communications	\$ 181.00
02/28/2019	EFT	Employment Dev. Dept. - Feb. Payroll Taxes	\$ 11,195.87
03/19/2019	22087	Fain Drilling & Pump Co, Inc.	\$ 233,002.70
03/19/2019	22088	Filippin Engineering	\$ 3,072.50
03/19/2019	22089	General Pavement Mangement	\$ 2,700.00
03/19/2019	22090	Golden Gate Bridge Toll	\$ 8.00
03/19/2019	22091	Harrison Hardware Inc	\$ 528.29
03/19/2019	22092	Hecker's Coastal Tree Care	\$ 775.00
03/19/2019	22093	Industrial Medical Group	\$ 380.00
03/19/2019	22094	Iron Mountain	\$ 41.87
03/19/2019	22095	IVR Technology Group, LLC	\$ 75.12
03/19/2019	22096	J. Winther Chevron, Inc.	\$ 900.85
03/19/2019	22097	Jan-Pro Cleaning Systems	\$ 200.00
03/19/2019	22098	JANO Printing & Mailworks	\$ 4,543.92
02/28/2019	EFT	Lincoln - February 2019	\$ 525.00
03/19/2019	22099	Lindsay Cokeley	\$ 38.28
03/19/2019	22100	Litwiler Construction	\$ 1,260.00
03/19/2019	22101	MailFinance	\$ 785.22

**Santa Ynez River Water Conservation District ID #1**  
**Warrant List for Board Approval**  
**February 20 through March 19, 2019**

Date	Num	Name	Amount
03/19/2019	22102	McCormix Corp	\$ 1,810.99
03/19/2019	22103	Nextel/Sprint Communications	\$ 34.99
03/19/2019	22104	Nielsen Building Materials Inc	\$ 237.83
03/19/2019	22105	O'reilly Auto Parts	\$ 28.11
02/28/2019	EFT	Payroll - February 2019	\$ 114,000.32
03/19/2019	22106	P G & E	\$ 14,491.74
03/19/2019	22107	P G & E - CFM/PPC DEPT	\$ 4,958.11
03/19/2019	22108	Praxair Distribution Inc	\$ 31.54
03/19/2019	22109	Quill	\$ 905.82
02/28/2019	EFT	Rabobank - Feb. Payroll Taxes	\$ 47,553.62
03/19/2019	22110	Rich's Performance Diesel	\$ 1,415.32
03/19/2019	22111	SAFE Security	\$ 24.99
03/19/2019	22112	SB County EHS/CUPA	\$ 3,030.00
03/19/2019	22113	Sensus Metering Systems	\$ 1,715.95
03/19/2019	22114	Star Drug Co.	\$ 46.92
03/19/2019	22115	Statewide Traffic Safety & Signs Inc.	\$ 1,829.93
03/19/2019	22116	Stetson Engineers Inc	\$ 18,278.90
03/19/2019	22117	Steve's Wheel & Tire	\$ 620.22
03/19/2019	22118	Storey Motors	\$ 1,216.02
03/19/2019	22119	Stradling Yocca Carlson & Rauth	\$ 395.00
03/19/2019	22120	SYCSD	\$ 87.34
03/19/2019	22121	The Gas Company	\$ 55.00
03/19/2019	22122	Tierra Contracting, Inc.	\$ 51,683.97
03/19/2019	22123	TotalFunds by Hasler	\$ 500.00
03/19/2019	22124	Trustee/ Brad Joos	\$ 600.00
03/19/2019	22125	Trustee/ Harlan Burchardi	\$ 200.00
03/19/2019	22126	Trustee/ Jeff Clay	\$ 600.00
03/19/2019	22127	Trustee/ Kevin Walsh	\$ 600.00
03/19/2019	22128	Trustee/ Michael Burchardi	\$ 200.00
03/19/2019	22129	Underground Service Alert	\$ 84.25
03/19/2019	22130	United Rentals	\$ 2,722.16
03/19/2019	22131	USA Bluebook	\$ 260.86
03/19/2019	22132	Verizon Wireless	\$ 1,199.42
03/19/2019	22133	Waste Management of Santa Maria	\$ 218.70
03/19/2019	22134	William J Brennan	\$ 1,500.00
<b>GRAND TOTAL</b>			<b>\$ 953,742.39</b>

Feb 20 - Mar 19, 19

UNITED STATES DEPARTMENT OF THE INTERIOR  
 U.S. BUREAU OF RECLAMATION-CACHUMA PROJECT-CALIFORNIA

MARCH 2019

LAKE CACHUMA DAILY OPERATIONS

RUN DATE: March 13, 2019

DAY	ELEV	STORAGE		COMPUTED* INFLOW AF.	CCWA INFLOW AF.	PRECIP ON RES. SURF. AF.	RELEASE - AF.				EVAP		PRECIP INCHES	
		IN LAKE	CHANGE				TUNNEL	HILTON CREEK	OUTLET	SPILLWAY	AF.	INCH		
	725.50	120,552												
1	725.79	121,197	+645	748.8	0.0	.0	18.8	13.6	41.8	.0	29.6	.210	.00	
2	726.16	122,025	+828	724.5	0.0	160.2	19.7	13.6	14.9	.0	8.5	.060	.86	
3	727.03	123,980	+1,955	1,995.0	0.0	9.4	19.7	13.9	2.9	.0	12.9	.090	.05	
4	727.55	125,156	+1,176	1,444.4	0.0	.0	19.3	13.5	234.2	.0	1.4	.010	.00	
5	727.93	126,022	+866	1,099.2	0.0	.0	.0	7.1	213.1	.0	13.0	.090	.00	
6	728.66	127,691	+1,669	1,578.9	0.0	277.5	.0	4.3	174.4	.0	8.7	.060	1.45	
7	730.62	132,258	+4,567	4,659.6	0.0	9.8	.0	5.2	91.2	.0	6.0	.040	.05	
8	731.81	135,090	+2,832	2,907.3	0.0	12.0	6.4	5.4	71.0	.0	4.5	.030	.06	
9	732.64	137,083	+1,993	2,087.5	0.0	.0	9.7	5.5	61.0	.0	18.3	.120	.00	
10	733.27	138,615	+1,532	1,615.8	0.0	.0	9.4	5.4	55.1	.0	13.9	.090	.00	
11	733.82	139,959	+1,344	1,433.1	0.0	.0	9.0	5.6	55.9	.0	18.6	.120	.00	
12	734.29	141,116	+1,157	1,248.6	0.0	.0	9.4	5.7	57.8	.0	18.7	.120	.00	
13	734.66	142,028	+912	1,013.7	0.0	.0	9.4	5.7	56.8	.0	29.8	.190	.00	
<b>TOTAL (AF)</b>			<b>+21,476</b>	<b>22,556.4</b>	<b>0.0</b>	<b>468.9</b>	<b>130.8</b>	<b>104.5</b>	<b>1,130.1</b>	<b>.0</b>	<b>183.9</b>	<b>1.230</b>	<b>2.47</b>	
<b>(AVG)</b>		<b>131,709</b>												

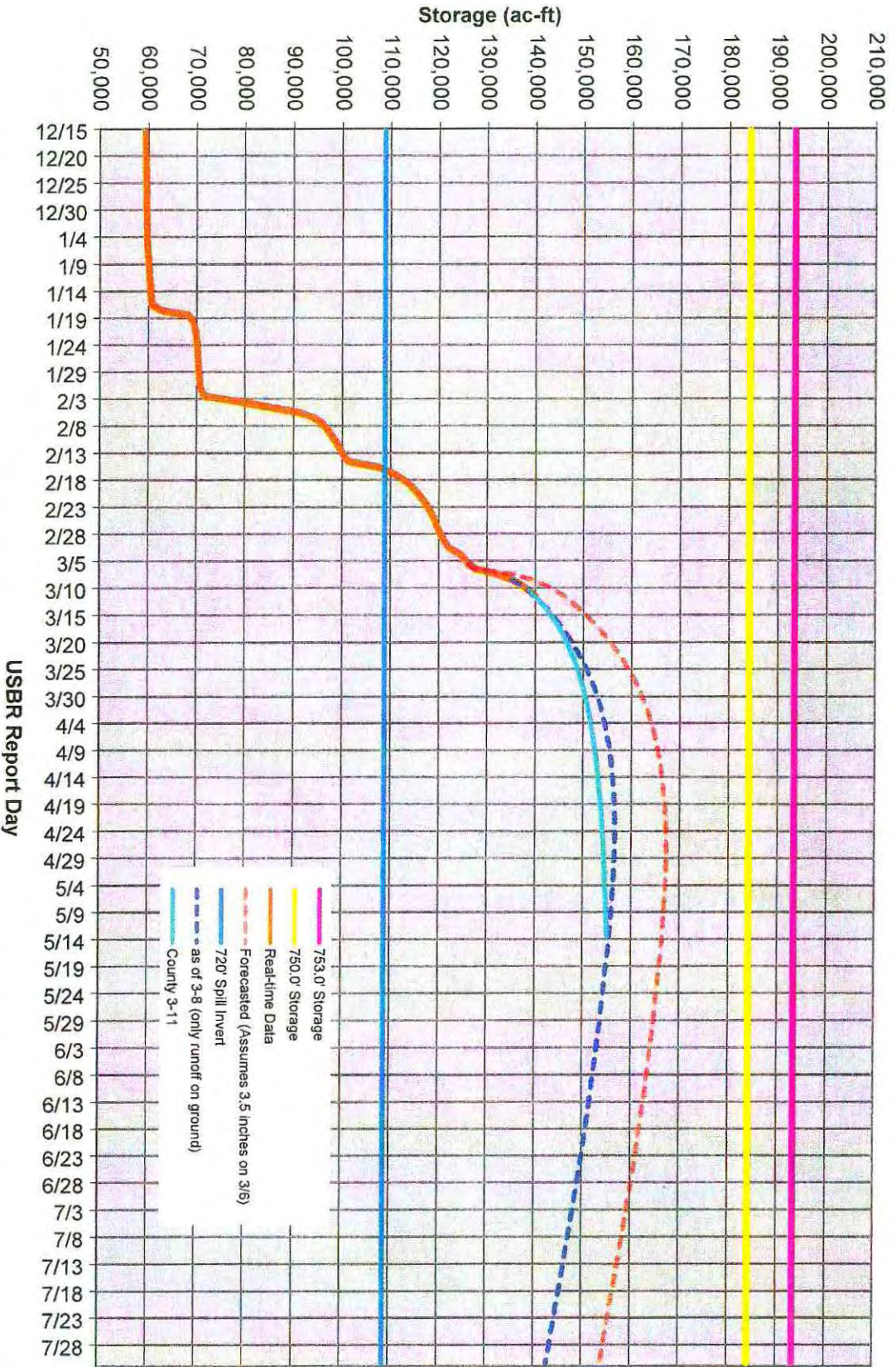
COMMENTS:

\* COMPUTED INFLOW IS THE SUM OF CHANGE IN STORAGE, RELEASES, AND EVAPORATION MINUS PRECIP ON THE RESERVOIR SURFACE AND CCWA INFLOW.

DATA BASED ON 24-HOUR PERIOD ENDING 0800.

INDICATED OUTLETS RELEASE INCLUDE ANY LEAKAGE AROUND GATES.

### Forecasted Lake Cachuma Storage for 2019 - Based on Inflow from 3/8 8:00





# Santa Barbara County - Flood Control District

130 East Victoria Street, Santa Barbara CA 93101 - 805.568.3440 - www.countyofsb.org/pwd

## Rainfall and Reservoir Summary

Updated 8am: 3/12/2019

Water Year: 2019

Storm Number: NA

**Notes:** Daily rainfall amounts are recorded as of 8am for the previous 24 hours. Rainfall units are expressed in inches. All data on this page are from automated sensors, are preliminary, and subject to verification.

\*Each Water Year (WY) runs from Sept 1 through Aug 31 and is designated by the calendar year in which it ends

County Real-Time Rainfall and Reservoir Website link: <http://www.countyofsb.org/hydrology>

Rainfall Location	ID	24 hrs	Storm 0 day(s)	Month	Year*	% to Date	% of Year*	AI
Buellton (Fire Stn)	233	0.00	0.00	2.12	17.14	126%	103%	
Cachuma Dam (USBR)	332	0.00	0.00	2.80	24.28	152%	123%	
Carpinteria (Fire Stn)	208	0.00	0.00	2.40	15.95	114%	92%	
Cuyama (Fire Stn)	436	0.01	0.00	2.17	7.85	132%	103%	
Figueroa Mtn (USFS Stn)	421	0.00	0.00	3.24	23.33	137%	109%	5.1
Gibraltar Dam (City Facility)	230	0.01	0.00	3.85	31.63	148%	121%	5.6
Goleta (Fire Stn-Los Carneros)	440	0.00	0.00	3.87	22.46	151%	122%	
Lompoc (City Hall)	439	0.00	0.00	2.17	18.65	160%	129%	5.1
Los Alamos (Fire Stn)	204	0.00	0.00	2.39	18.39	152%	121%	
San Marcos Pass (USFS Stn)	212	0.00	0.00	5.08	42.92	152%	127%	
Santa Barbara (County Bldg)	234	0.03	0.00	3.48	22.95	154%	125%	
Santa Maria (City Pub.Works)	380	0.00	0.00	2.48	13.75	130%	103%	
Santa Ynez (Fire Stn /Airport)	218	0.00	0.00	2.11	17.94	142%	114%	
Sisquoc (Fire Stn)	256	0.00	0.00	2.36	15.31	129%	101%	

County-wide percentage of "Normal-to-Date" rainfall : **141%**

County-wide percentage of "Normal Water-Year" rainfall : **114%**

County-wide percentage of "Normal Water-Year" calculated assuming no more rain through Aug. 31, 2019 (End of WY2019).

**AI (Antecedent Index / Soil Wetness)**

6.0 and below = Wet (min. = 2.5)  
 6.1 - 9.0 = Moderate  
 9.1 and above = Dry (max. = 12.5)



### Reservoir Information

Reservoir Elevations referenced to NGVD-29.

\*\*Cachuma is full and subject to spilling at elevation 750 ft. However, the lake is surcharged to 753 ft. for fish release water. (Cachuma water storage is based on Dec 2013 capacity revision)

	Spillway Elev. (ft)	Current Elev. (ft)	Max. Storage (ac-ft)	Current Storage (ac-ft)	Current Capacity (%)	Storage Change Mo.(ac-ft)	Storage Change Year*(ac-ft)
Gibraltar Reservoir	1,400.00	1,400.11	4,314	4,338	100.6%	24	1,054
Cachuma Reservoir	753.**	734.29	193,305	141,116	73.0%	19,941	77,870
Jameson Reservoir	2,224.00	2,224.01	5,144	5,145	100.0%	8	2,141
Twitchell Reservoir	651.50	588.83	194,971	43,423	22.3%	22,094	43,423



Santa Barbara County Public Works Department  
Flood Control  Water Agency  Project Clean Water

March 13, 2019

Mr. Michael Jackson, PE, Area Manager  
South-Central California Area Office  
United States Bureau of Reclamation  
1243 "N" Street  
Fresno, CA 93721-1813

**RE: Cachuma Reservoir 2019 Mid-Year Allocation Request**

Dear Mr. Jackson,

Pursuant to Article 3 of the Cachuma Water Service Contract 175r-1802R and the allocation letter for Water Year 2019 dated July 23, 2018, the Santa Barbara County Water Agency (Water Agency) requested the right to make a mid-year allocation request should the winter bring inflow that yielded additional Project Water.

As you are aware, this winter we have received above normal rainfall and several high intensity storms that have produced considerable runoff and additional water available for the Cachuma Member Units (Member Units). On March 1, 2019, the Water Agency received the enclosed letter from the Member Units requesting a full allocation based on available supply. Given current lake conditions, the Water Agency concurs with this request.

On behalf of the Member Units, the Water Agency requests that a full allocation of 25,714 AF be restored for the remaining months of Water Year 2019 (an additional 20,571 AF above the initial 20% allocation of 5,143 AF approved by the Bureau of Reclamation on August 17, 2018).

If you have any questions regarding this request, please contact me at 805-568-3436.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Fayram".

Thomas D. Fayram, PE  
Deputy Public Works Director  
Water Resources Division

Enclosure: March 1, 2019 Member Units Cachuma Project Water Year 2018-19 Mid-Year Allocation Letter

CC: Ms. Janet Gingras, COMB  
Mr. Paeter Garcia, SYRWCD ID#1  
Mr. John McInnis, Goleta Water District  
Mr. Joshua Haggmark, City of Santa Barbara  
Mr. Nicholas Turner, Montecito Water District  
Mr. Robert McDonald, Carpinteria Water District

Cachuma Project Member Units

Goleta Water District

City of Santa Barbara

Montecito Water District

Carpinteria Valley Water District

Santa Ynez River Water Conservation District, Improvement District No. 1

March 1, 2019

Thomas D. Fayram  
Deputy Public Works Director  
Santa Barbara County Water Agency  
130 E. Victoria Street, Suite 200  
Santa Barbara, California 93101

SUBJECT: Cachuma Project Water Year 2018-19 Mid-Year Allocation

Dear Mr. Fayram:

In a letter dated June 18, 2018, the Cachuma Member Units provided joint Notice to the Santa Barbara County Water Agency of the Member Units' request of 10,285 acre-feet (AF) of Available Supply from the United States Bureau of Reclamation (USBR) during Water Year 2018-19. In their transmittal of the Notice, the Member Units expressly noted they reserved the right to submit a revision to their request should water supply conditions warrant a revision, consistent with the terms of the April 14, 1996 Contract between the United States and Santa Barbara County Water Agency (SBCWA) Providing Water Service from the Project, Contract No. 175r-1802R "Master Contract").

On August 17, 2018, the USBR provided its initial allocation for the Cachuma Project of 20 percent, or 5,143 AF. Since that time, storage in Lake Cachuma has risen 24 feet as a result of recent rains, and as of February 25, 2019, total storage in the reservoir is 119,092 AF (an increase of 44,149 AF). Therefore, the Member Units request the current Water Year 2018-2019 allocation be increased to 100 percent (25,714 AFY) based on Available Supply. We anticipate the SBCWA will communicate this request promptly to the USBR as required by the Master Contract.

Sincerely,

[Signatures on next page]



John McInnes  
General Manager  
Goleta Water District

By:  \_\_\_\_\_

Kelley A. Dyer  
Water Supply Manager  
City of Santa Barbara

By: \_\_\_\_\_

Nicholas Turner  
General Manager  
Montecito Water District

By: \_\_\_\_\_

Robert McDonald  
General Manager  
Carpinteria Valley Water District

By: \_\_\_\_\_

Chris Dahlstrom  
General Manager  
Santa Ynez River Water Conservation District, Improvement District No. 1

By: \_\_\_\_\_

Cc: Michael Jackson, Area Manager, South-Central California Area Office, United States Bureau of Reclamation

John McInnes  
General Manager  
Goleta Water District

By: \_\_\_\_\_

Kelley A. Dyer  
Water Supply Manager  
City of Santa Barbara

By: Kelley A. Dyer

Nicholas Turner  
General Manager  
Montecito Water District

By: \_\_\_\_\_

Robert McDonald  
General Manager  
Carpinteria Valley Water District

By: \_\_\_\_\_

Chris Dahlstrom  
General Manager  
Santa Ynez River Water Conservation District, Improvement District No. 1

By: \_\_\_\_\_

Cc: Michael Jackson, Area Manager, South-Central California Area Office, United States Bureau of Reclamation

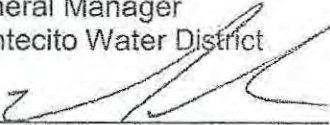
John McInnes  
General Manager  
Goleta Water District

By: \_\_\_\_\_

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City of Santa Barbara

By: \_\_\_\_\_

Nicholas Turner  
General Manager  
Montecito Water District

By:  \_\_\_\_\_

Robert McDonald  
General Manager  
Carpinteria Valley Water District

By: \_\_\_\_\_

Chris Dahlstrom  
General Manager  
Santa Ynez River Water Conservation District, Improvement District No. 1

By: \_\_\_\_\_

Cc: Michael Jackson, Area Manager, South-Central California Area Office, United States Bureau of Reclamation

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Goleta Water District

By: \_\_\_\_\_

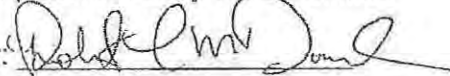
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Water Supply Manager  
City of Santa Barbara

By: \_\_\_\_\_

Nicholas Turner  
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Montecito Water District

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Robert McDonald  
General Manager  
Carpinteria Valley Water District

By:  \_\_\_\_\_

Chris Dahlstrom  
General Manager  
Santa Ynez River Water Conservation District, Improvement District No. 1

By: \_\_\_\_\_

Cc: Michael Jackson, Area Manager, South-Central California Area Office, United States Bureau of Reclamation

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Carpinteria Valley Water District

By: \_\_\_\_\_

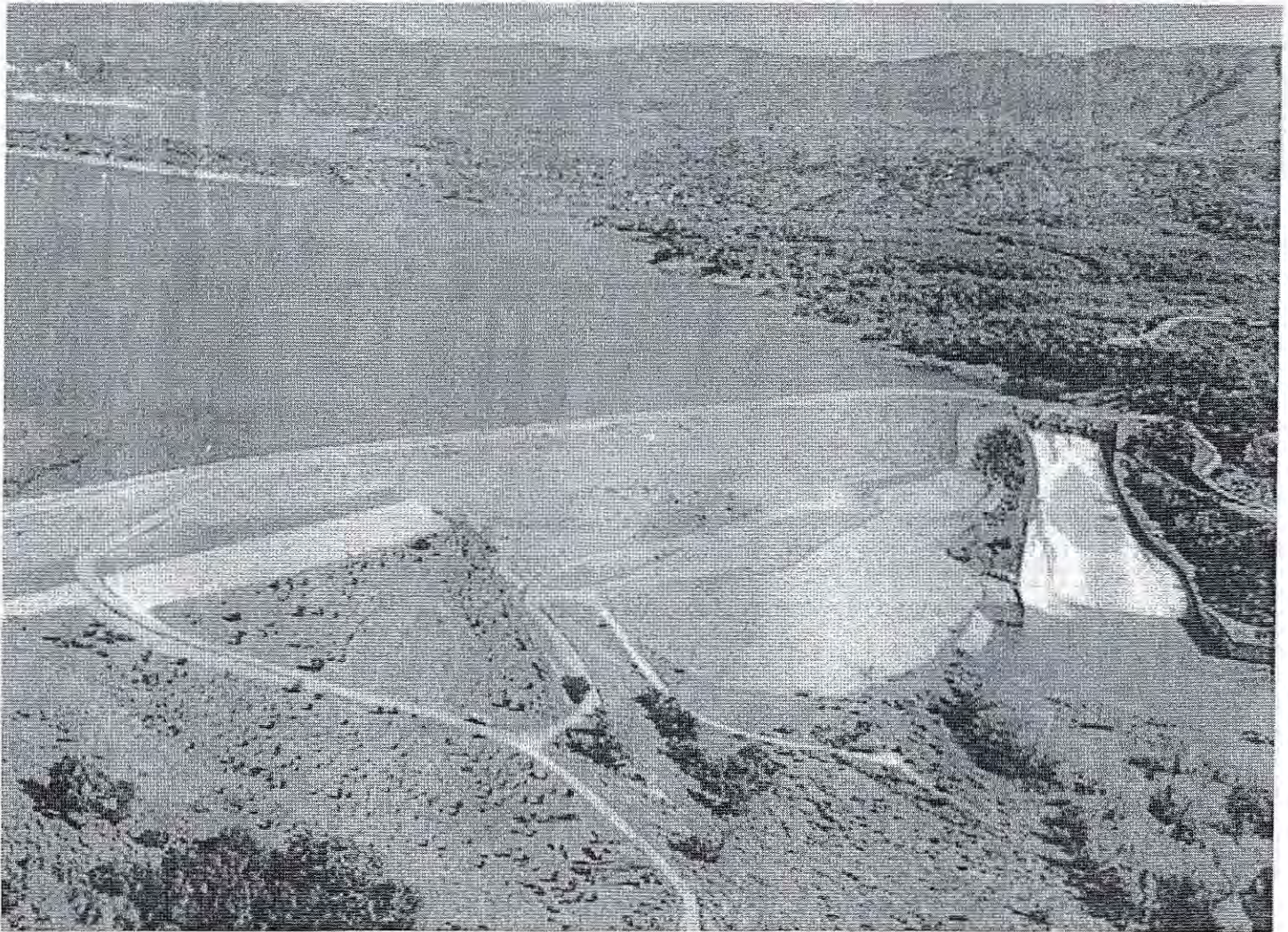
Chris Dahlstrom  
General Manager  
Santa Ynez River Water Conservation District, Improvement District No. 1

By:  \_\_\_\_\_

Cc: Michael Jackson, Area Manager, South-Central California Area Office, United States Bureau of Reclamation

## Santa Barbara County, Water Agencies Clash on Ending Drought Emergency Proclamation

South Coast water purveyors say ample rainfall this year has not been enough to cure all water-shortage problems



Local water agencies say they are heartened by Lake Cachuma's rising levels, but still face water supply shortages. Santa Barbara County is considering ending its drought emergency proclamation, which has been in effect for more than five years. (Shawn Knight photo)

By Giana Magnoli, Noozhawk Managing Editor | @magnoli | March 5, 2019 | 3:25 p.m.

Local water agencies say both of these things are true: The drought is over for most of California, and southern Santa Barbara County has water shortages.

Office of Emergency Management Director Robert Lewin recommended that the county Board of Supervisors (<http://countyofsb.org/bos>) terminate its proclamation of a local emergency due to drought conditions, which has been renewed every 60 days since January 2014.

The drought emergency relates to climate conditions, and public peril and safety, and this winter's rainfall amounts and snowpack indicate that the drought is over, he said at Tuesday's supervisors meeting.

South Coast water agencies don't like the messaging of ending the drought emergency, and said they have ongoing drought impacts, including water shortages, and will need customers to keep conserving water.

First District Supervisor Das Williams pushed his board colleagues to delay terminating the emergency proclamation due to the water agencies' concerns, and made a motion to bring back the issue at next week's meeting.

He said public perception is more important than the statutory definitions for the proclamation, and that he would rather delay action and send no message "rather than a counterproductive one."

Supervisors Peter Adam and Joan Hartmann disagreed, saying the proclamation was a technical and legal issue.

"We can't continue to have a drought emergency based on the fact that we don't think we're in as good of shape as we could be for water," Adam said.

The board voted to push the issue to next week, where they may decide to terminate the emergency proclamation and pass some kind of resolution to recognize water shortage concerns.

As of midday Tuesday, the county had received 138-percent of normal-to-date rainfall, and 105-percent of normal rainfall for the water year, which ends Aug. 31.

Santa Barbara City Water Resources Manager

(<https://www.santabarbaraca.gov/gov/depts/pw/resources/default.asp>) Joshua Haggmark told the Board of Supervisors he wants to make sure people understand the difference between the drought ending and an end to the city's water shortage, which hasn't happened.

It will take more than one wet year for water supplies to rebound from the cumulative effect of an 8-year drought, he said.

Groundwater levels in Santa Barbara hit a historical low in 2016, and since then the city has been "resting" them to let them recover.

After the 1990s drought ended, it took five to 10 years for the basin elevations to rise and push out seawater intrusion, Haggmark said.

The city's Gibraltar Reservoir and Montecito Water District's Jameson Reservoir

([https://www.noozhawk.com/article/montecito\\_water\\_district\\_water\\_supply\\_outlook\\_jameson\\_lake\\_2019](https://www.noozhawk.com/article/montecito_water_district_water_supply_outlook_jameson_lake_2019)) are both full, but both have water-quality issues from the Thomas Fire that make the water difficult or impossible to treat and use, he added.

Just as it took a few years to feel the impacts of the drought, it will take a few years to recover, said Carpinteria Valley Water District (<http://www.cvwd.net/about/staff.htm>) General Manager Robert McDonald.

Water agencies are working together to notify customers that they need to keep conserving water, he said.

The Montecito Water District sent a letter to the Board of Supervisors saying "it is premature for the county to conclude that drought emergency conditions are over."

Water districts will have a better idea of their supply outlook in a few months, after the rainy season, the letter said.

While agencies are expecting increased allocations from the State Water Project and Lake Cachuma, the numbers have not been officially raised yet, the districts noted.

Kelley Dyer, the water supply manager for Santa Barbara, elaborated on the city's feelings of uncertainty, and said any changes to the drought declaration would probably happen in May.

"All the South Coast agencies are in the same boat; we're not out of a water shortage yet and have to wait until the end of the rainy season to see how things settle out," she said.

Lake Cachuma filling to capacity and spilling would be an easy trigger to drop water-shortage declarations, she said.

The reservoir was 65.3-percent full Tuesday afternoon, storing 126,274 acre-feet of water.

"I think if we get a full allocation at the Cachuma Project, which we haven't now for several years, and our projection shows the lake level not dropping below the 100,000 (acre-feet) mark in the next year, we would certainly be looking to alleviate some of the water-shortage declarations," Dyer said.

— *Noozhawk* (<http://www.noozhawk.com>) *managing editor Giana Magnoli can be reached at* [gmagnoli@noozhawk.com](mailto:gmagnoli@noozhawk.com) (<mailto:gmagnoli@noozhawk.com>) . *Follow Noozhawk on Twitter:* [@noozhawk](https://twitter.com/noozhawk) (<https://twitter.com/noozhawk>) , [@NoozhawkNews](https://twitter.com/NoozhawkNews) (<https://twitter.com/NoozhawkNews>) *and* [@NoozhawkBiz](https://twitter.com/NoozhawkBiz) (<https://twitter.com/NoozhawkBiz>) . *Connect with Noozhawk on Facebook* (<http://www.facebook.com/noozhawk>) .

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[https://www.noozhawk.com/article/santa\\_barbara\\_county\\_supervisors\\_consider\\_drought\\_emergency\\_proclamation](https://www.noozhawk.com/article/santa_barbara_county_supervisors_consider_drought_emergency_proclamation)





**To:** Board of Trustees  
**From:** Paeter Garcia, Legal Affairs and Policy Manager  
**Date:** March 19, 2019  
**Subject:** Integrated Regional Water Management Plan Update 2019  
**Agenda Item:** IX.C.1

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Staff Report

Summary and Background:

The intent of the Santa Barbara County Integrated Regional Water Management (IRWM) Program is to promote and practice integrated regional water management strategies to ensure sustainable water uses, reliable water supplies, improved water quality, environmental stewardship, efficient urban development, protection of agricultural resources, and watershed awareness throughout the County. At the statewide level, the California Department of Water Resources (DWR) administers the IRWM grant program which has made funds available under Proposition 50 (2002), Proposition 84 (2006), and Proposition 1 (2014) for projects and programs introduced through the IRWM process.

The Santa Barbara County Integrated Regional Water Management Plan Update 2019 (IRWM Plan Update 2019) was recently completed and approved by the Santa Barbara County Water Agency (SBCWA) at its meeting on February 26, 2019. As with prior updates to the Santa Barbara County IRWM Plan, the IRWM Plan Update 2019 has been prepared through an open and collaborative effort among the SBCWA, a County-wide group of cities, water agencies, special districts, and non-governmental agencies (Cooperating Partners), and other stakeholders.

The Santa Ynez River Water Conservation District, Improvement District No.1 (District) is a Cooperating Partner for purposes of the Santa Barbara County IRWMP Plan and related grant program and processes. The District is also a signatory to the 2018 Memorandum of Understanding among SBCWA and the Cooperating Partners, which establishes the process and financial arrangements for preparing IRWM Plan updates and grant applications. Being a Cooperating Partner is necessary to be eligible for state grant funding opportunities for water related projects identified in an approved IRWM Plan. Accordingly, each Cooperating Partner is

being requested to provide approval of the IRWM Plan Update 2019. As noted above, the SBCWA approved the IRWM Plan Update 2019 on February 26, 2019 and, on behalf of the Cooperating Partners, adopted a Notice of Exemption for approval of the IRWM Plan Update 2019 in accordance with the California Environmental Quality Act.

The original Santa Barbara County IRWM Plan was adopted in 2007. In 2013, IRWM Plan was updated in accordance with DWR's 2012 IRWM Guidelines to implement the grant program under Proposition 84. In 2014, California voters passed Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act, which provides up to \$510 million in IRWM funding. The IRWM Plan Update 2019 has been prepared to comply with DWR's 2016 IRWM Guidelines to implement the grant program under Proposition 1.

In accordance with the IRWM grant funding available under Proposition 1, the IRWM Plan Update 2019 emphasizes projects that help meet the long-term water needs of the state, including but not limited to: assisting water infrastructure systems adapt to climate change; providing incentives to collaborate regionally in managing water resources and setting priorities for water infrastructure; and improving local and regional water supplies to reduce reliance on the Sacramento-San Joaquin Delta. Within this framework, it is important to note that the IRWM Plan Update 2019 is a planning document and as such includes certain discussions and descriptions that are general and non-binding in nature and may require updating from time to time as applicable.

Recommendation:

Staff recommends the Board of Trustees adopt Resolution No. 784 of the Santa Ynez River Water Conservation District, Improvement District No.1 approving and supporting the Santa Barbara County Water Agency's approval of the Santa Barbara County Integrated Regional Water Management Plan Update 2019.

Attachments:

Executive Summary, Santa Barbara County IRWM Plan Update 2019

2018 Memorandum of Understanding Regarding Santa Barbara County IRWM Program

SANTA BARBARA COUNTY  
INTEGRATED REGIONAL WATER MANAGEMENT PLAN  
UPDATE 2019  
EXECUTIVE SUMMARY



Prepared for :  
SANTA BARBARA COUNTY IRWM COOPERATING PARTNERS







# **INTEGRATED REGIONAL WATER MANAGEMENT PLAN**

**UPDATE  
2019**

## ***Executive Summary***

*Prepared by:*

**DUDEK**

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Santa Barbara, California 93101

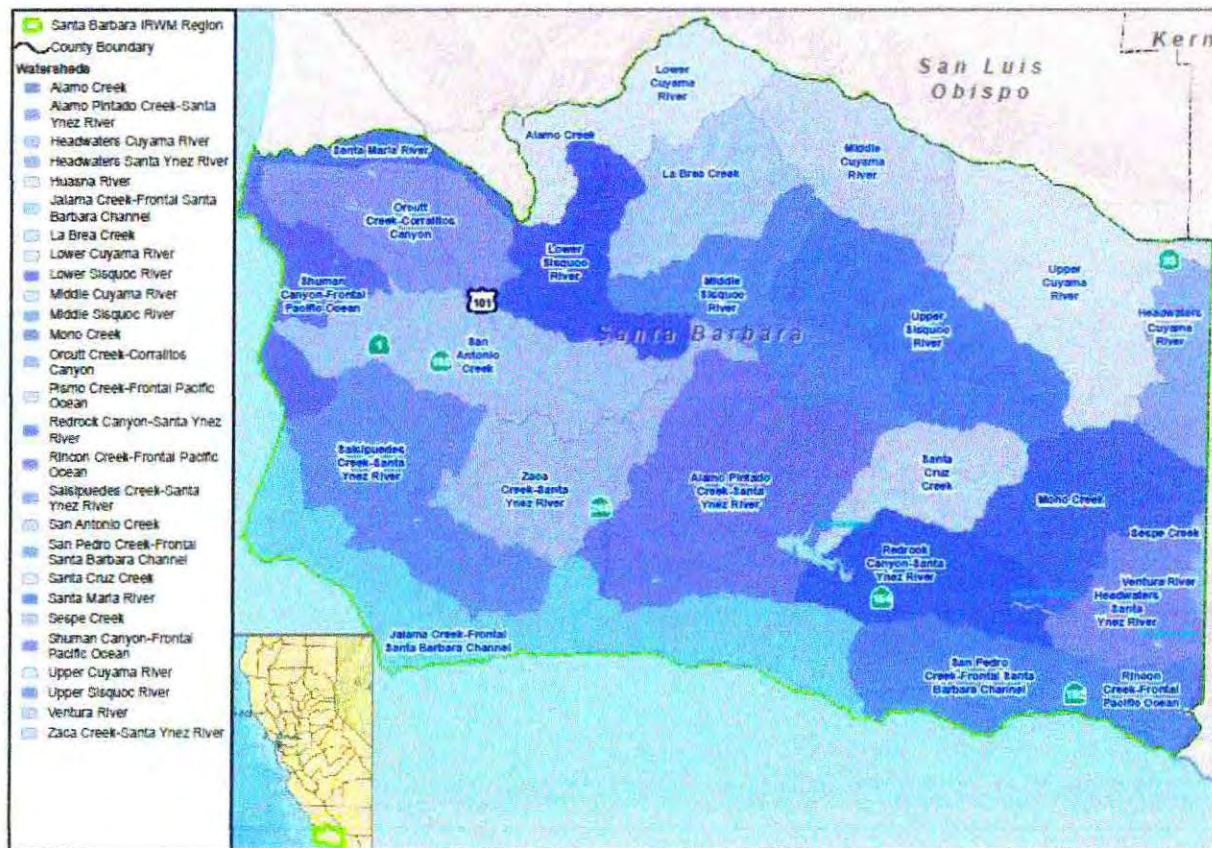
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**Santa Barbara County IRWM Region  
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**THE SANTA BARBARA COUNTY INTEGRATED REGIONAL WATER MANAGEMENT REGION**

The Santa Barbara County Integrated Regional Water Management (IRWM) Plan has been prepared for the Santa Barbara County IRWM Region (Region), the boundaries of which are conterminous with the Santa Barbara County (County) boundaries. The Region includes a population of more than 446,000 residents as of July 1, 2016 (U.S. Census Bureau 2016b). The Region spans 2,745 square miles and includes eight incorporated cities: Carpinteria, Santa Barbara, Goleta, Lompoc, Buellton, Solvang, Guadalupe, and Santa Maria. Combined, these cities occupy approximately 70 square miles. In addition to the incorporated areas, the Region has 21 different and distinct unincorporated communities and tremendous geographical diversity. The Region has five major watersheds and 100 miles of coastline (see Figure 1, Santa Barbara County IRWM Region and Watersheds). Elevations range from sea level to the highest peak of Big Pine Mountain at 6,828 feet, and there are 215,000 acres of Los Padres National Forest in the Region.

**Figure 1. Santa Barbara County IRWM Region and Watersheds**



# **Santa Barbara County IRWM Region**

## **IRWM Plan Update 2019**

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The regional boundaries for the Region were proposed by the Cooperating Partners of the Santa Barbara County IRWM and approved by the California Department of Water Resources (DWR) through the Regional Acceptance Process in 2009. The county jurisdictional boundary was determined to be appropriate for multiple practical management purposes and for maximizing the opportunities for integration of water management activities, including the following:

- Different sub-regions within the County share water supplies and infrastructure, and water is managed as an interconnected system within the County's boundaries.
- Water and wastewater management entities must address issues and challenges that are specific to the Region and that would benefit from integrated management.
- Many of the entities within the County have a long history of working together to resolve water issues, and a framework already exists for addressing key issues related to water resource management.
- The County is largely geographically separate from neighboring counties. The County abuts Kern County only along its sparsely populated northeast corner. The portions of the Rincon Creek watershed shared by Ventura County and the Cuyama River watershed shared by Ventura and San Luis Obispo Counties have very low population densities, are smaller in size, and have no shared water infrastructure.

## **ABBREVIATED SANTA BARBARA COUNTY IRWM HISTORY AND SUCCESSES**

The Santa Barbara County IRWM program began in 2005 following the passage of Proposition 50, The Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002. Chapter 8 of Proposition 50 authorized the legislature to appropriate \$500 million for IRWM planning, the intent of which was to encourage agencies to develop plans using regional water management strategies for water resources and to develop projects using these IRWM strategies to protect communities from drought, protect and improve water quality, and improve local water security by reducing dependence on imported water. The Santa Barbara County IRWM developed and then adopted its first IRWM plan in 2007, and under Proposition 50 received \$25 million for 14 countywide projects (see Figure 2, IRWM Funding History). The IRWM Plan was updated under the Proposition 84 Guidelines in 2013. The Region is now updating the IRWM Plan under the Proposition 1 Guidelines. In 2018, the Region was awarded

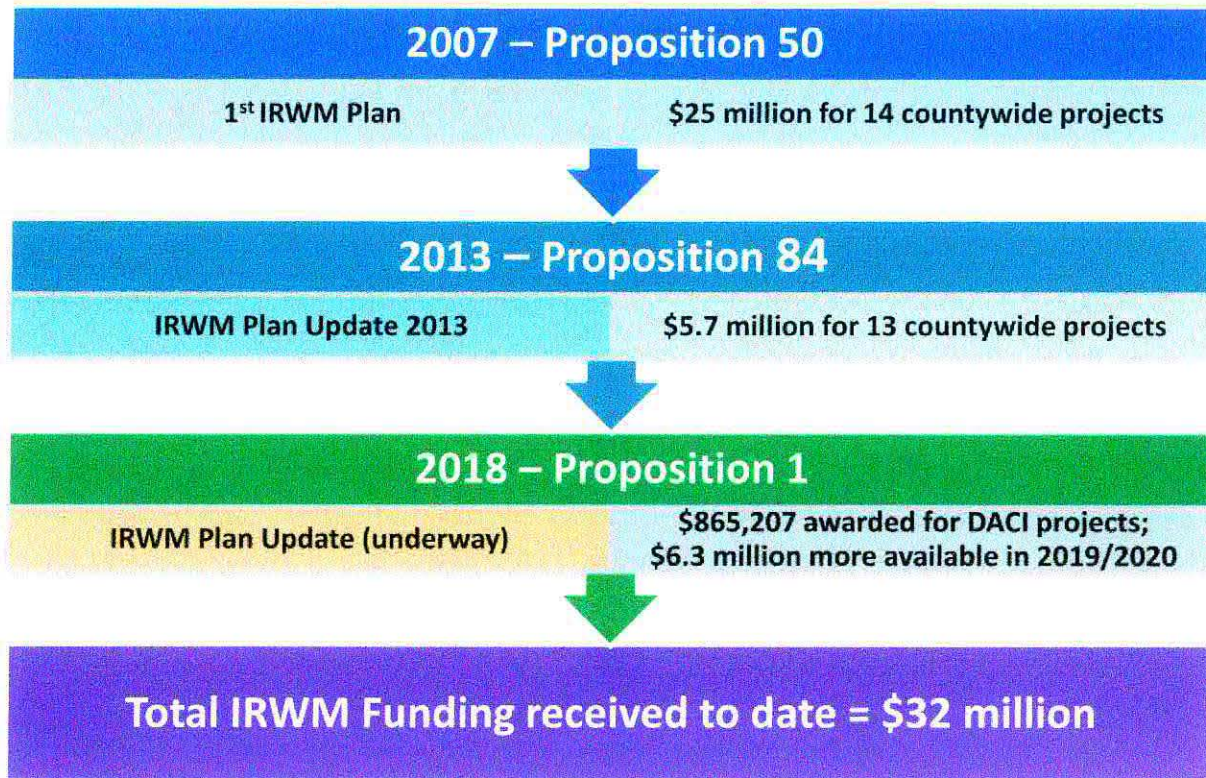


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almost \$900,000 in direct funds to disadvantaged communities (DACs), and the Region will be applying for further implementation funds (up to \$6.3 million) in spring 2019.

**Figure 2. IRWM Funding History**



### **IRWM PLAN UPDATE 2019**

The IRWM Plan Update 2019 was prepared in conformance with the DWR 2016 IRWM Guidelines, Volume 2, which contains the IRWM Plan Standards and related guidance. The Proposition 1 IRWM Grant Program provides funding for projects that help meet the long-term water needs of the state, including the following:

- Assisting water infrastructure systems adapt to climate change.
- Providing incentives throughout each watershed to collaborate in managing the Region's water resources and setting regional priorities for water infrastructure.

# Santa Barbara County IRWM Region

## IRWM Plan Update 2019

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- Improving regional water self-reliance, while reducing reliance on Sacramento-San Joaquin Delta.

Only regions that update their IRWM Plans to the 2016 DWR Plan Standards and receive approval from the DWR are eligible for grant funding; hence, the creation of the IRWM Plan Update 2019. The update process and the IRWM Plan represent the work of many dedicated water, wastewater, and stormwater professionals and members of the public. Over the course of a 2-year update process, including targeted outreach, subcommittees meetings, public workshops, and Cooperating Partners meetings, an IRWM Plan has been developed to be responsive to the changing conditions and needs of the region in these challenging times. Projects to implement the IRWM Plan are developed in response to newly identified needs and are updated on an ongoing basis in the project database. As new, relevant planning documents are developed in the Region, they are added as appendices to the IRWM Plan. Objectives, priorities, and resource management strategies are revisited as necessary to respond to the changing conditions in the Region and in response to new state-mandated requirements.

In summary, the IRWM Plan Update 2019 addresses the deficiencies of the IRWM Plan that were identified by the DWR in the 2013 Plan Update, and conforms to the 2016 IRWM Planning Standards. Significant changes to the IRWM Plan as part of this update include the following:

- **GOVERNANCE:** Updates to the governance section to reflect changes in the Cooperating Partners and the inclusion of newly formed entities.
- **SUSTAINABLE GROUNDWATER MANAGEMENT ACT:** Updates to the regional description to reflect the outcome of the Sustainable Groundwater Management Act and the formation of groundwater sustainability agencies.
- **ISSUES AND CHALLENGES:** Updates to the issues and challenges identified and evaluated during the IRWM Plan Update 2019 have been carried forward from the IRWM Plan 2013.
- **SUB-REGIONS:** In the 2013 IRWM Plan, the Region was characterized with five sub-regions based on distinct watersheds. This IRWM Plan Update 2019 recognizes the distinct character and watershed areas of the five regions; however, for efficient, effective, collaborative, and synergistic project planning and implementation, the Santa Ynez River Watershed and San Antonio Creek Watershed Planning sub-regions have been merged into the Mid-County IRWM Sub-Region.
- **CLIMATE CHANGE:** Climate change vulnerabilities were first prioritized for the IRWM Plan 2013. As part of the IRWM Plan Update 2019, the Cooperating Partners

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revisited the prioritization in the context of recent events, including extended drought, wildfires, flooding, and a catastrophic debris flow, as well as new climate change impact assessments. The Cooperating Partners completed a survey in which the vulnerabilities were assigned a ranking of high, medium, or low. The results of this survey were then discussed in a countywide stakeholder meeting during which it was determined that a very high vulnerability category was needed. This category was created in response to vulnerabilities that agencies are facing now that require immediate and targeted response. In addition to reprioritization, the Cooperating Partners also identified an additional vulnerability and recharacterized two vulnerabilities that were previously sub-vulnerabilities to larger issues. For water quality, “poor water quality in groundwater” was added to the vulnerability list, and “increased constituent concentrations” and “increase in treatment needs and costs” were made sub-vulnerabilities to both “poor water quality in groundwater” and “poor water quality in surface waters.”

- **CLIMATE ADAPTATION AND RESILIENCE:** A section was added on climate resilience as well as a discussion of the challenges, opportunities, and work going on within the Region.
- **RESOURCE MANAGEMENT STRATEGIES:** The list of resource management strategies developed for the IRWM Plan 2013 was reviewed, and additional resource management strategies from the California Water Plan Update 2013 (DWR 2013, Chapter 26, Sediment Management; Chapter 29, Outreach and Engagement; and Chapter 30, Water and Culture) and two from the 2009 California Water Plan Update that had not been included in the IRWM Plan 2013 (DWR 2009, Chapter 29, Other Resource Management Strategies: Crop Idling for Water Transfers and Irrigated Land Retirement) were reviewed for relevance.
- **WATER AND CULTURE AND DISADVANTAGED COMMUNITIES:** Three subcommittees, the Water and Culture Subcommittee, the Climate Change Subcommittee, and the DAC/Vulnerable Communities Subcommittee were formed and convened for the purpose of updating specific areas of the IRWM Plan. Participation in the meetings was open to the Cooperating Partners and stakeholders. Sections were then generated to reflect the outcome of the work of the subcommittees and the areas where opportunities have been identified.
- **DATA MANAGEMENT:** The Data Management section of the IRWM Plan was rewritten and updated to include the new County-hosted database that was developed to replace the OPTI (Online Project Tracking and Integration) system used briefly in the Proposition 84 process, and a deeper discussion was developed in relation to the data needs related to the passage of Assembly Bill 1755, The Open and Transparent Water Data Act.

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- **Central Coast Funding Area:** The section related to inter-regional coordination was updated and re-written to reflect the significant increase in coordination and collaboration within the Central Coast Funding Area.
- **PROJECTS IN THE PLAN AND PROJECT SELECTION:** A section related to project selection was updated to more accurately reflect the practice and process by which projects are included in the IRWM Plan.
- **SENATE BILL 1000:** Although not explicitly required to be addressed by the DWR’s Guidelines, Senate Bill 1000 does require cities and counties of California to include an environmental justice element in their General Plans. The Santa Barbara IRWM Plan has already characterized DAC communities and qualitatively and quantitatively aggregated their needs. Therefore, this IRWM Plan will inform work required by Planning and Development for conformance to Senate Bill 1000.
- **UNSHELTERED POPULATIONS;** Although not required by the 2016 Guidelines, the Region discussed impacts on water quality and flood control as they relate to unsheltered populations. Moreover, people who are homeless are particularly at risk during events such as fires, heavy rainfall, and flooding. During the Thomas Fire, homeless populations were at increased risk of air quality concerns due to inability to leave the area, lack of shelter, and lack of masks. Subsistence activities, including fishing, are also impacted by extreme weather events.

**SANTA BARBARA COUNTY IRWM GOVERNANCE**

Sections 10530–10546 of the Water Code state that preparation of an IRWM plan must be guided by a regional water management group composed of three or more local public agencies, at least two of which have statutory authority over water supply, formed by means of a joint powers agreement, memorandum of understanding, or other written agreement that is approved by the governing bodies of the local public agencies. In the Region, the regional water management group is referred to as the Cooperating Partners.

The Cooperating Partners (see Table 1) are made up of a broad Region-wide group that includes water and wastewater districts, community service districts, city departments, county divisions, and a non-governmental organization. Table 1 provides a list of the Cooperating Partners and those entities’ key water management issues.

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**Table 1  
Cooperating Partners Key Water Management Issues**

Cooperating Partner	Key Water Management Issues
<i>Cities and County Entities</i>	
City of Buellton	Water supply, water treatment, sewer and wastewater treatment, stormwater management, water quality, flood control, water use efficiency, water conservation
City of Carpinteria	Stormwater management, water quality, flood control
City of Guadalupe	Water supply, water treatment, sewer and wastewater treatment, stormwater management water quality, flood control, water use efficiency, water conservation, salt and nutrient management
City of Goleta	Stormwater management, water quality, flood control
City of Lompoc	Water supply, water treatment, sewer and wastewater treatment, stormwater management treatment and infiltration, water use efficiency, water conservation, flood control
City of Santa Barbara	Water supply, water treatment, sewer and wastewater treatment, stormwater management, water quality, water use efficiency, water conservation, flood control
City of Santa Maria	Water supply, water treatment, sewer and wastewater treatment, stormwater management, water quality, water use efficiency, water conservation, flood control, salt and nutrient management
City of Solvang	Water supply, water treatment, sewer and wastewater treatment, stormwater management, flood control, water use efficiency, water conservation, water quality
<i>Joint Powers Agencies</i>	
Cachuma Operation and Maintenance Board	Water supply
<i>Non-Governmental Organization</i>	
Heal the Ocean	Water quality
<i>Community Services Districts</i>	
Cuyama Community Services District	Water supply, water treatment, sewer and wastewater treatment, water quality
Los Olivos Community Services District	Water supply, water treatment, sewer and wastewater treatment, water quality
Vandenberg Village Community Services District	Water supply, water treatment, sewer and wastewater treatment, water quality, water use efficiency, water conservation, salt and nutrient management

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**Table 1  
Cooperating Partners Key Water Management Issues**

Cooperating Partner	Key Water Management Issues
Santa Ynez Community Services District	Water supply, water treatment, sewer and wastewater treatment, water quality
<i>Sanitary Districts</i>	
Carpinteria Sanitary District	Wastewater treatment, water quality
Goleta Sanitary District	Wastewater treatment, water quality
Goleta West Sanitary District	Wastewater treatment, water quality
<i>Special Districts (Independent and Dependent)</i>	
Laguna County Sanitation District (Dependent)	Wastewater treatment, water quality, salt and nutrient management, discharge capacity
Santa Barbara County Water Agency (Dependent)	Regional water use efficiency and conservation, County-wide hydrologic data and development of hydrologic models, County-wide groundwater conditions, stormwater, administration of regional water supply projects
Santa Barbara County Flood Control District (Dependent)	Flood control and stormwater
<i>Water Districts</i>	
Carpinteria Valley Water District	Water supply, water treatment, water quality, water use efficiency, water conservation
Goleta Water District	Water supply, water treatment, water quality, water use efficiency, water conservation
Santa Ynez River Water Conservation District	Water supply, water treatment, water quality, water use efficiency, water conservation
Santa Ynez River Water Conservation District, Improvement District No. 1	Water supply, water treatment, water quality, water use efficiency, water conservation
Montecito Water District	Water supply, water treatment, water quality, water use efficiency, water conservation, water reuse, water supply reliability
La Cumbre Mutual Water Company	Water supply, water treatment, water quality, water use efficiency, water conservation
<i>Tribes</i>	
Santa Ynez Band of Chumash Indians of the Santa Ynez Reservation	Water supply, water treatment, water quality, water use efficiency, water conservation

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***Memorandum of Understanding***

The Region has been governed through a series of memoranda of understanding that have been continually updated as recently as 2018. All of the Cooperating Partners are responsible for implementing the IRWM Plan and have signed a memorandum of understanding as required for participation in the IRWM program and process. The memorandum of understanding commits most of the Cooperating Partners to a financial contribution for supporting the IRWM program costs, which include staff, consultants, materials, data management, and other costs, but do not include the cost of regional grant applications. Under some circumstances, financial contribution can be waived and replaced with in-lieu contributions upon request to and approval of the Cooperating Partners.

Decision making for the IRWM program is outlined in the memorandum of understanding, which describes the purpose of the program; guiding principles for IRWM planning; and the roles and responsibilities of the lead agency, Cooperating Partners, project proponents, subcommittees, workgroups, and stakeholders.

The lead agency is the single point of contact for the IRWM program and is liaison between all entities involved in the program. The lead agency must be a Cooperating Partner. As an agency that has IRWM Region-wide governance and geographic coverage, Santa Barbara County Water Agency has been the lead agency since the program's inception in 2005. The lead agency keeps the Cooperating Partners apprised of the principles and makes recommendations to ensure adherence to the principles. The lead agency also ensures that public outreach and opportunities to participate in IRWM Plan development and implementation are adequately supported and addressed.

***IRWM Projects and Project Selection***

The IRWM Plan is always open to accepting eligible projects at any time. At a minimum, an annual call for projects for the IRWM Plan is released to the stakeholders, public, and Cooperating Partners. Eligible projects will then be adopted into the IRWM Plan by a simple majority. On an annual basis, the project list will be updated to remove old, inactive, or completed projects. In addition, a separate call for projects will be released to the stakeholders, public, and Cooperating Partners in relation to a specific project solicitation package from the DWR for a specific funding round. Projects related to a funding round must conform to the IRWM Plan and the goals of the project solicitation package. Projects competing for funding are required to adhere to a separate scoring rubric and will be prioritized and selected by a

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subset of the Cooperating Partners as an ad-hoc subcommittee. Project selection presentations and scoring meetings or workshops are open to the public and subject to public comment.

**ACCESS AND OPPORTUNITY FOR PARTICIPATION IN THE IRWM PROCESS**

Each entity discussed above has the ability to attend IRWM meetings and make comments on the IRWM Plan, projects, and the project selection process. All meeting notes and materials are available on the IRWM website (<http://www.countyofsb.org/pwd/irwmp.sbc>). All Cooperating Partners meetings and workgroup meetings are open to the public, providing any public stakeholder an opportunity to participate in development and implementation of the IRWM Plan. A forum for public comment is provided at each Cooperating Partners' meeting.

Stakeholders are defined as all interested parties in the Region who are not directly participating in the IRWM process as a Cooperating Partner. Broad outreach has been conducted to diversify stakeholder participation. Outreach has been initiated to the following stakeholder categories: wholesale and retail water purveyors, including a local agency, mutual water company, or a water corporation as defined in Section 241 of the Public Utilities Code; wastewater agencies; flood control agencies; municipal and county governments and special districts; electrical corporations, as defined in Section 218 of the Public Utilities Code; Native American tribes that have lands within the Region; self-supplied water users, including agricultural, industrial, residential, park districts, school districts, colleges and universities, and others; environmental stewardship organizations, including watershed groups, fishing groups, land conservancies, and environmental groups; community organizations, including landowner organizations, taxpayer groups, and recreational interests; industry organizations representing agriculture, developers, and other industries appropriate to the Region; state, federal, and regional agencies or universities with specific responsibilities or knowledge within the Region; DAC members and representatives, including environmental justice organizations, neighborhood councils, and social justice organizations; and any other interested groups appropriate to the Region.

***Disadvantaged Community Outreach and Involvement***

The Region includes a number of DACs (see Figure 3, Santa Barbara County Disadvantaged Communities). There has been significant outreach, project development, and implementation of projects within DACs over the course of the last 12 years. Additionally, there is a current effort being funded by a grant secured by the Santa Barbara County IRWM through Proposition 1 IRWM Disadvantaged Community Involvement Grant funds. The grant includes targets to



# Santa Barbara County IRWM Region IRWM Plan Update 2019 *Executive Summary*

continue and increase involvement of DACs, economically distressed areas, severely disadvantaged communities, and underrepresented communities in IRWM planning efforts. One goal of the funding is to increase engagement by DACs in the IRWM process, including in identifying issues, setting priorities, and developing objectives and management strategies for the Region. In addition, the IRWM program offers resources for capacity development and access to funding to support DACs in addressing local issues and challenges.

**Figure 3. Santa Barbara County Disadvantaged Communities**



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***Tribal Communities***

The Santa Ynez Band of Chumash Indians receives all communications regarding IRWM meetings, project opportunities, and IRWM Plan updates and participates in IRWM meetings. The Santa Ynez Chumash Environmental Office has stated that it is particularly interested in topics related to the Santa Ynez River Watershed, since the Zanja de Cota Creek, a tributary to the Santa Ynez River, runs through the Santa Ynez Reservation. The Santa Ynez Chumash Environmental Office has ongoing projects working on riparian efforts to remove invasive species and protect wetlands.

**SUMMARY OF BENEFITS**

Water is one of the most fundamental resources in the Region and every single person interacts with water every day. Water is necessary for the life and health of humans and ecosystems, for the success of our food systems and our economic systems, and for our security. Integrated regional water management encompasses all of these sectors of communities and economies and provides a framework for the most efficient use, management, and replenishment of our precious water resources.

Proposition 50 and Proposition 84 funding made important water, wastewater, stormwater, agricultural water, and ecosystem-related projects possible. The IRWM Plan and process has also created a series of important dialogues and actions aimed at positioning the Region to better deal with current and future challenges of water supply, water reliability, water resources diversification, and drought and hazards. The Region, and some of its most vulnerable populations, have also benefited through the DAC Involvement grant under Proposition 1, and the Cooperating Partners are discussing implementation projects for further Proposition 1 funds through DWR's IRWM allotment.

IRWM has stood the test of time in the Region and has endured for over 13 years. All of the innovative project work, hard discussions, well-developed strategies, and collaboration on projects have yielded benefits because of the dedication of all the Cooperating Partners and stakeholders who value the rigor and integrity of the IRWM process and who look to the IRWM Plan as a useful tool to guide better regional water management.





Prepared by:

**DUDEK**

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Santa Barbara, California 93101

Memorandum of Understanding (MOU)  
To participate in the Statewide and Countywide  
Integrated Regional Water Management (IRWM) Program  
In Santa Barbara County

This Memorandum of Understanding (MOU) is entered into by and between local government agencies, special districts, and non-governmental organizations (NGOs), organizations qualified under 501 (c) (3), 501 (c) (4) or 501 (c) (5) as defined by the Internal Revenue Code ) within Santa Barbara County, as listed in Appendix A, and hereinafter referred to as “Cooperating Partners”.

## 1. Purpose of this MOU

Under this MOU, the Cooperating Partners commit to participate in, and make a financial and/or service oriented contribution toward, the ongoing participation in the process established for the purposes of ongoing program development and IRWM Plan updates pursuant to the Countywide Integrated Regional Water Management Program.

The Countywide Integrated Regional Water Management Program, administered by the Department of Water Resources (DWR), requires an adopted Integrated Regional Water Management Plan that meets the statewide guidance requirements and legislative requirements and provides funding for projects that support the following goals (not limited to the list below):

- Help water infrastructure systems adapt to Climate Change;
- Assist communities of various socio-economic levels (SDAC/DSAC/EDA);
- Improve self-reliance/reduce reliance on the Sacramento San Joaquin Delta;
- Provide incentives for collaboration to:
  - Better manage water resources
  - Set regional priorities for water infrastructure.

## 2. Background

Through voter-approved bond measures, the DWR provides funding for a range of water related plans and projects. Santa Barbara Countywide interests successfully prepare and update IRWM Plans. The Santa Barbara Region is with the Central Coast Funding Area and works in collaboration with this funding region through a Memorandum of Agreement (MOA) for the equitable allocation of IRWM Funding as well as to address the water management needs of the Central Coast Hydrologic Area.

## 3. Principles

Recognizing the importance of a comprehensive IRWM Program, and consistent with previous MOUs for the IRWM Plan and Program, the Cooperating Partners endorse the following *Principles* for integrated regional water management planning.

- 3.1 Be consistent with the State’s standards for IRWM Plans, as specified in Division 43 of the Public Resources Code and related guidelines, and meet or exceed the expected scoring criteria used by the State in its IRWM Plan approval process.

- 3.2 Establish a process for on-going decision-making among cooperating partners, with inclusive and participatory public involvement to ensure meaningful input.
- 3.3 Share the costs of IRWM planning, analysis, coordination, and product development through both monetary contributions and staff time/in-kind services. NGOs, as specified herein, meeting certain time commitment requests, will be exempted from the monetary contributions afforded all other members of the Cooperating Partners.
- 3.4 Adopt a regional approach which coordinates water planning across jurisdictional boundaries in Santa Barbara County, sets priorities on a regional basis, and considers issues common to regionally shared watersheds.
- 3.5 Adopt an integrated approach to address the complex inter-relationships across strategies for: water supply, demand management, water quality, source water protection, drought management, flood control, and other water management issues as well as sensitivity to water provision and resources in the context of global climate change.
- 3.6 Consider the State's "program preferences" (as specified in the California Water Code and implementing legislation) as well as "Statewide priorities" (as specified in the IRWM Guidelines) during the IRWM planning process.
- 3.7 Incorporate an appropriate level of scientific watershed assessment information.
- 3.8 Modify the Plan to continue as an informational "roadmap" toward meeting objectives, but not as a regulatory or enforceable mandate.
- 3.9 Recognize the need for a long-term perspective, which includes monitoring of project and plan implementation.
- 3.10 Provide for adaptive management for future revisions to the Plan.
- 3.11 Provide for coordination with other IRWM Planning efforts in the Central Coast Region.
- 3.12 Provide an inclusive process which seeks involvement from, and opportunities to collaborate with, a wide range interests including the general public, agriculture, environmental groups, watershed groups, wetlands groups, academic institutions, adjacent region representatives, and NGOs.

#### 4. Scope of an IRWM Plan

The Cooperating Partners understand and accept that a final IRWM Plan must consider a range of water management strategies to meet the Plan's objectives. These strategies must cover certain State-specified categories and may include other categories.

Consistent with the State's expected IRWM guidelines, the Plan must consider strategies that:

- 4.1 Reduce Water Demand
- 4.2 Improve Operational Efficiency & Transfers
- 4.3 Increase Water Supply
- 4.4 Improve Flood Management
- 4.5 Improve Water Quality
- 4.6 Practice Resource Stewardship
- 4.7 Climate Change

As part of its development, the Plan should consider, but not be limited to, the following strategy elements:

- 4.8 Water supply reliability
- 4.9 Storm water capture and management
- 4.10 Groundwater management
- 4.11 Water recycling
- 4.12 Water conservation
- 4.13 Flood management
- 4.14 Water quality protection and improvement
- 4.15 Ecosystem restoration
- 4.16 Environmental and habitat protection and improvement
- 4.17 Wetlands enhancement and creation
- 4.18 Recreation and public access
- 4.19 Conjunctive use
- 4.20 Surface storage
- 4.21 Non-point source pollution control
- 4.22 Low impact development
- 4.23 Water and wastewater treatment
- 4.24 Watershed planning
- 4.25 Desalination
- 4.26 Imported water and water transfers
- 4.27 Land use planning

## 5. Roles and Responsibilities

In order to develop an effective IRWM Plan, the Cooperating Partners agree to continue the ongoing planning effort initiated formally in 2006, and reaffirmed and recommitted to in 2010 and 2012. The Santa Barbara County Water Agency (Agency) shall again act as the single eligible contracting entity. The Agency may engage a consultant to serve as Project Manager for IRWM Plan development, including data collection, analysis, coordinating stakeholder and public involvement, and overall coordination of plan and grant application preparation. Prior to hiring the consultant, the Agency will obtain advance concurrence of a majority of the Cooperating Partners as to the consultant qualifications and terms of contract.

The IRWM planning and implementation process will include the Project Manager, Cooperating Partners and Stakeholders. Each will be responsible for, and participate in the IRWM Program and any application processes as follows:

### **5.1 Project Manager**

The Agency shall act as or engage a Project Manager to provide overall coordination of the IRWM Program and Plan efforts. The Project Manager shall prepare agendas and chair the Cooperating Partners meetings. In addition, the Project Manager shall implement a public participation process that shall include regular workshops for stakeholders and other interested parties as well as establishing and maintaining a website pertaining to the various funding Propositions that is accessible to the Cooperating Partners and the public. The project manager shall be



responsible for the monitoring of State Propositions involving IRWM and informing the Cooperating Partners regarding developments.

The Project Manager will participate in the interagency process involving DWR and/or Central Coast interests relating to the IRWM Program as appropriate. This participation may include review and comment on draft guidelines for PSPs, Guidelines program changes, attendance at DWR workshops and meetings and meetings with other Central Coast Region IRWM planning areas. The Project Manager will keep the Cooperating Partners apprised of relevant issues and developments.

### 5.2 **Cooperating Partners**

The Cooperating Partners shall consist of those local government agencies, special districts, and non-governmental organizations (NGOs) within the Santa Barbara County IRWM Region, listed in Appendix A. Cooperating partners' meetings are open to the public. A forum for public comment will be provided at each Cooperating Partners meeting. Decisions by the Cooperating Partners will be based on consensus whenever possible, or by a vote of a simple majority of all members participating in a meeting, each entity that is signatory to this MOU having one vote. Cooperating Partners shall participate in regular meetings and take part in decisions pertaining to the IRWM planning process, project finances, consultant selection, revision of the IRWM Plan, and planning grant proposals.

### 5.3 **Stakeholders**

Stakeholders shall be defined as all interested parties that are not participating in the process as Cooperating Partners. Stakeholders may fall into the following categories as defined in IRWM legislation: (1) Wholesale and retail water purveyors, including a local agency, mutual water company, or a water corporation as defined in Section 241 of the Public Utilities Code; (2) wastewater agencies; (3) flood control agencies; (4) municipal and county governments and special districts; (5) electrical corporations, as defined in Section 218 of the Public Utilities Code; (6) Native American tribes that have lands within the region; (7) self-supplied water users, including agricultural, industrial, residential, park districts, school districts, colleges and universities, and others; (8) environmental stewardship organizations, including watershed groups, fishing groups, land conservancies, and environmental groups; (9) community organizations, including landowner organizations, taxpayer groups, and recreational interests; (10) industry organizations representing agriculture, developers, and other industries appropriate to the region; (11) State, federal, and regional agencies or universities, with specific responsibilities or knowledge within the region; (12) Disadvantaged Community members and representatives, including environmental justice organizations, neighborhood councils, and social justice organizations; (13) any other interested groups appropriate to the region.

Stakeholder involvement will be actively solicited through web-sites, media noticing, personal contact, and the posting of notices. Solicitation of Stakeholders shall be among the responsibilities of Cooperating Partners members.

## 6. Financial Considerations

Each of the Cooperating Partners, respectively except for NGOs that qualify for an exemption from monetary participation, agree to in-kind time and materials commitments, and shall be solely responsible for costs for staff time devoted to the revision of an IRWM Plan and potentially for making application for grant funding. In addition, there will be extramural costs for hiring a Project Manager and/or consultants for at least one year, with duties for coordination, analysis, outreach, plan revision and updates pursuant to DWR guidelines, and grant applications as outlined in the "Roles and Responsibilities" section of this MOU. There will also be extramural costs for administrative services including those conducted by the Santa Barbara County and Water Agency staff including accounting services, web services, project oversight, and legal services, as necessary. Extramural costs, after deduction of funds remaining in the IRWM account and the County's **50%** cost share.

The Cooperating Partners agree to generally allocate costs by approximate service area population and services. The Cooperating Partners agree to actively encourage participation by all public agencies with a direct or indirect interest in water resources.

### 6.1 Non-Governmental Organizations

It is recognized that some organizations that wish to participate in the as Cooperating Partners may not have the means by which to make a financial contribution. In lieu of a financial contribution, these organizations may make an "in kind" contribution consisting of the commitment of time and labor in support of the IRWM process. Pursuant to language codified in DWR's IRWM Program Guidelines, Integrated Regional Water Management, Nonprofit Organizations are defined as "any nonprofit corporation qualified to do business in California, and qualified under Section 501 (c) 3, 501 (c) (4) or 501 (c) (5) of the Internal Revenue Code." The option of "in-kind" service in lieu of a financial contribution will extend only to those meeting this definition.

Examples of "In-kind" contributions include but are not limited to:

- 6.1.1 Attendance at and participation in Cooperating Partners.
- 6.1.2 Organization and/or conducting of informational, workshops and meetings.
- 6.1.3 Production and/or distribution of written materials necessary to conduct business relevant to the IRWM process.
- 6.1.4 Solicitation of involvement by Stakeholders.
- 6.1.5 Review of, and comment on, documents produced as part of the IRWM process.

## 6.2 For Financial Management:

- 6.2.1 The Agency has established an IRWM Administration account for handling the monetary contributions from those Cooperating Partners responsible for making a financial contribution (Financially Responsible Cooperating Partners). Each Financially Responsible Cooperating Partner shall contribute funds to this IRWM account. Subject to appropriation by the Board of Supervisors, the Agency will contribute **50%** of the cost for hiring consultants for IRWM Plan preparation and grant application which may include, but is not limited to, project selection, project management, and administrative support. The Agency will also contribute **50%** of the cost of its staff time for project management and administration for general IRWM Plan coordination and grant application. The Cooperating Partners shall reimburse the Agency for the remaining **50%** of all of the costs above.
- 6.2.2 Financially Responsible Cooperating Partners shall pay their respective contributions to the Agency.
- 6.2.3. Each year the Agency will provide an accounting of the IRWM fund. If funds received are in excess of the cost of actual plan coordination and preparation services, then the Agency will carry forward the balance for use in the next year's IRWM activities. If the IRWM process is completed or terminated, the Agency will refund monies to Cooperating Partners on a pro-rated basis according to each partner's contribution.
- 6.2.4. If the estimated costs of coordination and plan preparation exceed the funds available to the Agency under this MOU, the Agency may ask all Cooperating Partners to provide supplemental funds. If individual Partners refuse to provide the supplemental funds, the shortfall will be spread over the remaining partners on a voluntary basis. If such shortfalls are not made up, then all planning efforts and obligations shall automatically terminate. The planning effort may also be terminated with the concurrence of a majority of the Cooperating Partners.

## 7. Termination of Participation

Any signatory to the MOU may terminate its participation in this MOU after 30 days written notification to all other signatories. Any entity terminating participation that later wishes to participate in this MOU shall first make payment of any funding due from such party at the time of its termination, and also pay its share of any expenses for which it otherwise would have been obligated absent such termination, as determined by the Cooperating Partners.

## 8. Addition of Parties

Entities may join the Proposition 1/IRWM Cooperating Partners by submitting a written request to the Cooperating Partners and receiving their approval. Entities joining the Cooperating Partners will be subject to all of the provisions of, and be required to make a financial or in-kind contribution in accordance with, this MOU. Each paying

participant's financial obligation will be reduced proportionally with the addition of funds from any joining entity and applied as a credit to the existing participant's account.

9. Defend and Hold Harmless

Tort Liability. Government Code Section 895.2 imposes certain tort liability jointly upon public agencies solely by reason of such public agencies being parties to an agreement as defined in Government Code Section 895. Therefore, the Parties hereto, as between themselves, pursuant to the authorization contained in Government Code Sections 895.4 and 895.6, each assumes the full liability imposed upon it or any of its officers, agents, representatives or employees by law for injury caused by a negligent or wrongful act or omission occurring in the performance of this MOU, to the same extent that such liability would be imposed in the absence of Government Code Section 895.2. To achieve this purpose, each Party indemnifies and holds harmless the other Party for any loss, cost, or expense, including reasonable attorneys' fees that may be imposed upon or incurred by such other Party solely by virtue of Government Code Section 895.2.

10. Term of this MOU:

The provisions of this MOU will end when Cooperating Partners sign a new MOU that specifically covers ongoing coordination of the IRWM Program process.

11. Counterparts:

This MOU may be executed in counterparts. Each counterpart shall have the same effect as an original.

12. Notices

All notices or other official correspondence relating to MOU matters between the Cooperating Partners shall be addressed to:

Fray Crease, Manager  
Santa Barbara County Water Agency  
130 E. Victoria Street, Suite 200  
Santa Barbara, CA 93101

In witness whereof, the Cooperating Partners hereto have executed this MOU effective at the time that a majority of the parties listed in Appendix A have approved and executed this MOU.

SANTA BARBARA COUNTY WATER AGENCY  
SCOTT D. MCGOLPIN  
PUBLIC WORKS DIRECTOR  
BY: \_\_\_\_\_

DATE: \_\_\_\_\_

APPROVED AS TO FORM:  
MICHAEL C. GHIZZONI  
COUNTY COUNSEL

BY: \_\_\_\_\_  
Deputy


APPROVED AS TO INSURANCE:  
RAY ARMATORIO, ARM, AIC  
RISK PROGRAM ADMINISTRATOR

BY: \_\_\_\_\_  
Risk Management

APPROVE AS TO ACCOUNTING:  
THEODORE A. FALLATI, CPA  
AUDITOR-CONTROLLER

BY: \_\_\_\_\_  
Deputy

SIGNATURE OF COOPERATING PARTNER

BY: 

NAME: CHRIS DAHLSTROM

TITLE: GENERAL MANAGER

AGENCY/ORGANIZATION: SANTA YNEZ RIVER WATER CONSERVATION District  
ID NO. 1

DATE: April 18, 2018

## **Appendix A: List of Cooperating Partners**

*The list below is of potential Cooperating Partners. A final list will be prepared based on the actual signatories to the MOU.*

### **County Agencies:**

- Flood Control and Water Conservation District - Santa Barbara County
- Water Agency – Santa Barbara County
- Laguna County Sanitation District – Santa Barbara County

### **Cities:**

- City of Buellton
- City of Carpinteria
- City of Goleta
- City of Guadalupe
- City of Lompoc
- City Santa Barbara
- City of Santa Maria
- City of Solvang

### **Water Districts:**

- Carpinteria Valley Water District
- Goleta Water District
- Montecito Water District
- Santa Ynez River Water Conservation District
- Santa Ynez River Water Conservation District, ID #1

### **Non Governmental Organizations:**

- Heal the Ocean

### **Sanitary Districts:**

- Carpinteria Sanitary District
- Goleta Sanitary District
- Goleta West Sanitary District

### **Community Services Districts:**

- Cuyama Community Services District
- Santa Ynez Community Services District
- Vandenberg Village Community Services District

### **Joint Powers Agencies:**

- Cachuma Operations and Maintenance Board (COMB)
- Central Coast Water Authority (CCWA)

**DRAFT RESOLUTION No. 784**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE  
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, IMPROVEMENT DISTRICT NO.1  
APPROVING AND SUPPORTING THE SANTA BARBARA COUNTY WATER AGENCY'S  
APPROVAL OF THE SANTA BARBARA COUNTY INTEGRATED REGIONAL WATER  
MANAGEMENT PLAN UPDATE 2019**

WHEREAS, in 2002 Senate Bill 1672 created the Integrated Regional Water Management Planning (IRWMP) Act to encourage local agencies to work cooperatively to manage and improve water supply reliability and water quality; and

WHEREAS, in 2002 California voters passed Proposition 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act, which provided \$500 million to fund competitive grants for projects consistent with an adopted IRWM Plan; and

WHEREAS, in 2005 Santa Barbara County Water Agency (Water Agency), along with 29 cities, special districts, joint powers authorities, non-governmental organizations, and water companies (Cooperating Partners) created a process to promote and practice integrated regional water management planning and strategies which resulted in the development and adoption in 2007 of the Santa Barbara County IRWM Plan; and

WHEREAS, the Santa Ynez River Water Conservation District, Improvement District No.1 is a Cooperating Partner for purposes of the Santa Barbara County IRWMP Plan and related grant program and processes; and

WHEREAS, in 2006 California voters passed Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act, which provided \$5.388 billion statewide of which \$1 billion was allocated for IRWMP projects; and

WHEREAS, in 2013 the Santa Barbara County IRWM Plan was updated in accordance with the California Department of Water Resources (DWR) 2012 IRWM Plan Standards and Guidelines used to implement the Proposition 84 grant program; and

WHEREAS, in accordance with the 2018 Memorandum of Understanding among the Cooperating Partners, the Water Agency acts as the single eligible grant recipient responsible for administration of IRWM grants, functioning as a pass-through agency between DWR and local project proponents; and

WHEREAS, in 2014 California voters passed Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act, which provides up to \$510 million in IRWM grant funding; and

WHEREAS, the Santa Barbara County IRWM Plan Update 2019 was recently completed in accordance with DWR's 2016 IRWM Plan Standards and Guidelines used to implement the Proposition 1 grant program; and

WHEREAS, on February 26, 2019 the Water Agency approved the IRWM Plan Update 2019 and, on behalf of the Cooperating Partners, adopted a Notice of Exemption in accordance with the California Environmental Quality Act for approval of the Santa Barbara County IRWM Plan Update 2019; and

WHEREAS, the Santa Barbara County IRWM Plan Update 2019 is a planning document and as such includes certain discussions and descriptions that are general and non-binding in nature and may require updating from time to time as applicable.

**THEREFORE, BE IT AND IT IS HEREBY RESOLVED**, that in accordance with the foregoing the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 approves and supports the Santa Barbara County Water Agency's approval of the Santa Barbara County Integrated Regional Water Management Plan Update 2019.



WE, THE UNDERSIGNED, being duly qualified and acting President and Secretary respectively, of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, do hereby certify that the above and foregoing Resolution was adopted and passed by the Board of Trustees at a Regular meeting held on the 19th day of March 2019, by the following roll call vote:

AYES, in favor thereof, Trustees:

NOES, Trustees:

ABSENT, Trustees:

ATTEST:

---

Mary Martone, Secretary to the Board

 **OUTREACH ALERT**

SAFE DRINKING WATER TRUST/ DRINKING WATER TAX

Feb. 22, 2019

### **Members Urged to Support SB 669 (Caballero) – Safe Drinking Water Trust**

*Member Agencies Asked to Support ACWA/CMUA-Sponsored Safe Drinking Water Trust Legislation and Maintain Opposition to Proposed Statewide Water Tax*

ACWA is urging members to support SB 669, which would create a Safe Drinking Water Trust that will help community water systems in disadvantaged communities provide access to safe drinking water. ACWA and the California Municipal Utilities Association (CMUA) are sponsoring the bill by Senator Anna Caballero (D-Salinas).

The Trust would be created in the State Treasury and funded with General Fund dollars during a state budget surplus year. The principal would be invested and the net income from the Trust would be transferred to a Safe Drinking Water Fund, which the State Water Resources Control Board would administer.

This proposal would create a durable funding source for costs associated with operation and maintenance (O&M) and consolidation efforts and would complement existing federal and state funding sources for capital costs. The record budget surplus for the 2019-'20 fiscal year makes this the perfect time to create and fund the Trust.

This solution is a better approach than the statewide water tax, which is being proposed by Gov. Gavin Newsom through budget trailer bill language (very similar to the 2018 budget trailer bill language). ACWA urges members to continue opposition to the proposed water tax, which could also be advanced in a regular bill.

### **Take Action Now**

ACWA is requesting that member agencies take the following actions immediately:

- 1. Send a Support Letter for SB 669 to the Senate Environmental Quality Committee Members, the Committee's Chief Consultant and the Author.** A [sample support letter](#) is available for your use. Following are fax numbers for the Committee Members, the Committee's Chief Consultant, and the bill's Author – Senator Caballero.

Contact	Fax Number
Senator Benjamin Allen (Chair)	(916) 651-4926
Senator Patricia C. Bates (Vice Chair)	(916) 651-4936
Senator Jerry Hill	(916) 651-4913
Senator Nancy Skinner	(916) 651-4909
Senator Henry Stern	(916) 651-4927
Senator Jeff Stone	(916) 651-4928
Senator Bob Wieckowski	(916) 651-4910
Chief Consultant Gabrielle Meindl	(916) 322-3519
Senator Anna Caballero (cc)	(916) 651-4912

**2. Send Your Agency's SB 669 Support Letter to Your Local Senator(s) and Assembly Member(s) via a Fax.** Legislators' contact information can be found on the California Legislature's [website](#).

**3. Contact Your Senator(s) and Assembly Member(s) by phone.** Explain why your agency opposes the proposed statewide water tax and supports the Safe Drinking Water Trust in SB 669 as the better approach. [Talking points](#) are available for your use.

**Please Note:** For member agencies that opposed the statewide water tax budget trailer bill in 2018, ACWA plans to continue using your organization's name on coalition letters opposing the 2019 statewide water tax budget trailer bill (and any policy bills that are amended to include the proposal) which has essentially the same proposed water tax provisions.

**4. Send an Electronic Copy of the Letter to ACWA.** Please send electronic copies of your letter to [outreach@acwa.com](mailto:outreach@acwa.com) and [sorenn@acwa.com](mailto:sorenn@acwa.com).

**5. Testify at Upcoming Hearings.** Please plan to have an agency representative testify in opposition to the proposed statewide water tax budget trailer and in support of the Trust bill as a better approach at the following two hearings:

1. Assembly Budget Subcommittee No. 3, Wed., March 20, 3:30 p.m., State Capitol Room 447
2. Senate Budget Subcommittee No. 2, Thur., March 21, on adjournment of Senate Floor Session, State Capitol Room 112.

Please provide the information of the person(s) who will be giving brief testimony (e.g., name, agency name, and position) at the hearing by contacting ACWA State Legislative Analyst Soren Nelson at [sorenn@acwa.com](mailto:sorenn@acwa.com)

The Senate Environmental Quality Committee hearing date on SB 669 has not been scheduled yet. ACWA will send out a notification when the hearing has been scheduled and will be asking member agencies to testify in support of the bill at the first policy committee hearing.

## Updated Toolkit

In addition to the immediate requested actions listed above, ACWA urges its members to use the following updated materials to help educate key audiences about how the proposed Safe Drinking Water Trust would work and the potential negative impacts of the proposed tax.

- **Educate Key Audiences.** Talk to your customers, news media, local leaders and other key stakeholders about the investments your agency has made to ensure safe drinking water in your community and why these types of investments are often financially out of reach for disadvantaged communities. Educate them about how the Safe Drinking Water Trust would work and the potential negative impacts of a tax on your agency and the customers who would pay it. ACWA has updated the informational website [www.WaterTaxFacts.org](http://www.WaterTaxFacts.org) and created a new [fact sheet](#) and [infographic](#) about the Trust.
- **Pass a Board Resolution.** ACWA members interested in adopting a resolution in support of SB 669 (the Safe Drinking Water Trust) may use this [sample resolution](#).
- **Work with ACWA to Place a Local Op-Ed.** During the past two years, op-eds have played a critical role in educating Californians about the negative impacts of a proposed drinking water tax. ACWA is writing and coordinating placement of op-eds throughout the state. If you would like to work with ACWA on this effort, please contact ACWA Communications Specialist [Will Holbert](#) at (916) 441-4545.
- **Educate Using Social Media and Other Platforms.** ACWA members are encouraged to share educational messages on their social media accounts, websites, newsletters, or other platforms. ACWA has created [sample social media posts](#) for your use.

These tools and other resources have been posted on ACWA's website at [www.acwa.com/trust](http://www.acwa.com/trust). Log-in is required to access members-only tools.

## Questions

For questions about SB 669 (the Safe Drinking Water Trust) or opposition to a statewide water tax, please contact ACWA Deputy Executive Director for Government Relations [Cindy Tuck](#) at (916) 441-4545.

For questions about the toolkit items, please contact ACWA Director of Communications [Heather Engel](#) at (916) 441-4545.

**\*\*\*Sample Letter to Legislators\*\*\***

*The highlighted portions of the letter below should be customized to include your agency's relevant information and the date on which you send the letter. Legislators' contact information can be found online at [http://www.legislature.ca.gov/legislators\\_and\\_districts/legislators/your\\_legislator.html](http://www.legislature.ca.gov/legislators_and_districts/legislators/your_legislator.html).*

[DATE]

The Honorable [FIRST NAME] [LAST NAME]  
State Capitol [ROOM]  
Sacramento, CA 95814

**RE: SB 669 (Caballero): Safe Drinking Water Trust - SUPPORT**

Dear [Senator/Assembly Member] [Last Name],

[AGENCY'S NAME] supports SB 669 (Caballero), which would create the Safe Drinking Water Trust (Trust) at the state Treasury. The purpose of the Trust would be to provide a durable funding source to help community water systems in disadvantaged communities provide their customers with access to safe drinking water. The Trust is a better approach than a statewide water tax.

There currently exists a funding gap for operation and maintenance (O&M) costs for the treatment of drinking water by community water systems in disadvantaged communities. O&M costs generally cannot be financed with existing federal and state safe drinking water funding sources that are available for capital costs. In some situations, the consolidation of a failing community water system with one or more systems may be the most effective solution. The Safe Drinking Water Trust proposed in SB 669 would provide a durable funding source to provide financial assistance for replacement water as a short-term solution, consolidation and ongoing O&M costs.

The Trust would be funded with an infusion of General Fund dollars during a budget surplus year. With the record budget surplus for the 2019-20 Fiscal Year, this is the perfect year to create and fund the Trust. The state would invest the Trust's principal, and the net income from the Trust would be transferred on an ongoing basis to a Safe Drinking Water Fund that would be administered by the State Water Resources Control Board.

The Trust is a better approach than a statewide water tax because it is not sound policy to tax a resource that is essential to life. Unlike a regressive water tax and the associated implementation costs at about 3,000 local water systems, the Trust would not drive up water costs and work against the state's Human Right to Water policy of affordable water.

For the above reasons, [AGENCY NAME] respectfully asks you to vote "Aye" for SB 669.

Sincerely,  
[NAME, TITLE]

cc: The Honorable Anna Caballero



Feb. 22, 2019

## Talking Points in Support of SB 669 (Caballero) and Opposition of a Statewide Tax on Drinking Water

### Why is the Trust a better approach?

- The vast majority of Californians have access to safe drinking water. However, some disadvantaged communities do not. This is a public health issue that the state must address.
- A financial solution is needed for O&M and consolidation costs that can complement existing funding sources for capital costs.
- The Association of California Water Agencies (ACWA) and the California Municipal Utilities Association (CMUA) are sponsoring SB 669 to create the Safe Drinking Water Trust (Trust).
- The Trust's principal would be initially financed with a one-time infusion of General Fund dollars during a budget surplus year. With the record budget surplus for the 2019-20 Fiscal Year, this is the perfect year to create and fund the Trust.
- Funding this durable Trust via the General Fund, which is based largely on a progressive source of revenue, makes sense because taxpayers with higher incomes would contribute more, and taxpayers with lower incomes would contribute less.
- The Trust's principal would be invested, and the net income would be transferred to a Safe Drinking Water Fund, which the State Water Resources Control Board would administer.

### Why is a proposed statewide water tax not the right approach?

- It is not sound policy to tax a resource that is essential to life.
- State law sets forth a policy of a human right to water for human consumption that is safe, clean, affordable and accessible. Adding a regressive statewide water tax on local water bills would work against keeping water affordable for all Californians.
- It would be highly inefficient to have approximately 3,000 local water agencies become tax collectors for the state because of the resulting combined local administrative costs (e.g., changes to billing software, hiring of staff to check income levels and address fraud).

# ABOUT

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ACWA and the California Municipal Utilities Association (CMUA) are sponsoring state legislation to create a Safe Drinking Water Trust. Instead of relying on a proposed statewide water tax, the Trust would be funded with General Fund dollars during one or more state budget surplus years. The net income from the Trust would create a durable funding source that will help community water systems in disadvantaged communities provide access to safe drinking water.

## WHY IS THERE A NEED FOR SAFE DRINKING WATER FUNDING IN CALIFORNIA?

- Most Californians have access to safe drinking water, but some disadvantaged communities do not
- Lack of access to safe drinking water is a public health issue the state must address
- A funding gap exists for operations & maintenance (O&M) costs for community water systems that treat water



- In general, O&M costs cannot be financed using existing state and federal drinking water funding sources
- In some situations, consolidation of a community water system may be the most effective solution
- A financial solution is needed for O&M and consolidation costs in disadvantaged communities that can complement existing federal and state funding sources for capital costs.

### **HOW WOULD THE ACWA/CMUA PROPOSAL FOR A TRUST WORK?**

- The Trust's principal would be initially financed with a one-time infusion of General Fund dollars during a budget surplus year
- There is a record budget surplus for the 2019-2020 Fiscal Year, which makes it the perfect time to create and fund the Trust
- Funding the Trust via the General Fund serves as a progressive source of revenue, as taxpayers with higher income would contribute more, while lower income taxpayers would contribute less
- The Trust's principal would be invested, and the net income would be transferred to a Safe Drinking Water Fund, which the State Water Board would administer

### **THE GOVERNOR AND SOME LEGISLATORS ARE PROPOSING A STATEWIDE WATER TAX ON DRINKING WATER. HOW WOULD THAT WORK?**

- The state would levy a monthly tax on the water bills of more than 10 million water customers in California
- More than 3,000 local water agencies would serve as tax collectors for the state in collecting the tax on drinking water bills

- Local agencies would incur significant administrative and technology expenses associated with implementing new systems used for collecting water tax revenues from local water bills
- Revenues generated from the tax would be funneled through the State Water Resources Control Board, which would allocate funding to safe drinking water projects in the state

## **RECENT EVENTS**

On Jan. 10, 2019, Gov. Gavin Newsom released his proposed budget for Fiscal Year 2019-'20 that includes a proposal for a Safe and Affordable Drinking Water Fund. Revenue for the fund would be collected through a statewide tax on drinking water and assessments on fertilizer sales and confined animal operations.

In 2018, despite attempts to create a new water tax, the Legislature's Budget Conference Committee rejected the statewide water tax proposed in the 2018 budget trailer bill and acted to include more than \$25 million in General Fund revenue for safe drinking water in the 2018-2019 Fiscal Year State Budget. Also in 2018, California voters approved Proposition 68 with \$250 million for safe drinking water and clean water projects that is prioritized for disadvantaged communities.

## **CALIFORNIANS OPPOSE A DRINKING WATER TAX**

Tulchin Research conducted a statewide poll in early 2018 based on a previous drinking water tax proposal. That poll showed that 73% of likely voters oppose a new tax on drinking water, both initially and even after hearing more information.

Additionally, 74% would prefer using existing funding sources rather than establishing a new tax on drinking water.

For more on the polling, please read the polling results memo or see our news release.

## **QUESTIONS**

For media inquiries, please contact ACWA Director of Communications Heather Engel at (916) 441-4545.

To learn more about the Safe Drinking Water Trust proposal or the proposed statewide water tax, please contact ACWA Deputy Executive Director for Government Relations Cindy Tuck at (916) 441-4545.

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# OVERVIEW OF SB 669 (CABALLERO) ACWA / CMUA SPONSORED LEGISLATION TO CREATE THE SAFE DRINKING WATER TRUST



## OVERSIGHT AND ACCOUNTABILITY





**SB-669 Water quality: Safe Drinking Water Fund.** (2019-2020)

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CALIFORNIA LEGISLATURE—2019-2020 REGULAR SESSION

**SENATE BILL**

**No. 669**

**Introduced by Senator Caballero**

**February 22, 2019**

An act to add Chapter 4.6 (commencing with Section 116765) and Chapter 4.7 (commencing with Section 116771) to, Part 12 of Division 104 of the Health and Safety Code, relating to water, and making an appropriation therefor.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 669, as introduced, Caballero. Water quality: Safe Drinking Water Fund.

(1) Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

This bill would establish the Safe Drinking Water Fund in the State Treasury and would provide that moneys in the fund are continuously appropriated to the state board. The bill would require the state board to administer the fund to assist community water systems in disadvantaged communities that are chronically noncompliant relative to the federal and state drinking water standards and do not have the financial capacity to pay for operation and maintenance costs to comply with those standards, as specified. The bill would authorize the state board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, and bequests, transfers by the Legislature from the General Fund and the Greenhouse Gas Reduction Fund, funding from authorized general obligation bond acts, and net revenue from the Safe Drinking Water Trust that this bill would create. The bill would require the state board to expend moneys in the fund for grants, loans, contracts, or services to assist eligible applicants. The bill by July 1, 2021, and by July 1 of each year thereafter, would require the state board to adopt, working with a multistakeholder advisory group, after a public workshop and a public hearing, an annual fund implementation plan. The bill would require the state board annually to prepare and make publicly available a report of expenditures of the fund and to adopt annually, after a public hearing, an annual update to a specified needs analysis. By creating a new continuously appropriated fund, this bill would make an appropriation.

(2) Existing law requires a trustee to administer a trust with reasonable care, skill, and caution under the circumstances then prevailing that a prudent person acting in a like capacity would use, as specified. The existing

Uniform Prudent Investor Act requires a trustee to invest and manage trust assets as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances of the trust.

This bill would create in the State Treasury the Safe Drinking Water Trust Fund, to hold the trust property of the Safe Drinking Water Trust. The bill would create the Safe Drinking Water Trust Commission, consisting of 3 members, to serve as the trustee of the trust and would require the trustee to abide by the act and have all of the fiduciary duties, responsibilities, and obligations consistent with serving as a trustee of a trust. The bill would require the trustee to transfer the net income from the trust fund to the Safe Drinking Water Fund for expenditure, as prescribed. The bill would authorize funding of the trust principal, subject to transfer by the Legislature. The bill would require the trustee to accept donations that shall be deemed trust property and increase the principal of the trust. The bill would require the trustee to meet, not less than quarterly, to review the investment of the trust principal and administer the trust. The bill would require the trustee to provide the state board annually with an accounting of the investments and a forecast of the projected income to be distributed from the funds in future fiscal years. The bill would require the trust to be deemed a charitable trust subject to the supervision of the Attorney General.

Vote: 2/3 Appropriation: yes Fiscal Committee: yes Local Program: no

## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Chapter 4.6 (commencing with Section 116765) is added to Part 12 of Division 104 of the Health and Safety Code, to read:

### **CHAPTER 4.6. Safe Drinking Water** **Article 1. Legislative Findings and Declarations**

**116765.** The Legislature finds and declares all of the following:

- (a) Section 106.3 of the Water Code declares that it is the policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.
- (b) For all community water systems, the operation and maintenance costs to supply, treat, and distribute potable water that complies with federal and state drinking water standards on a routine and consistent basis may be significant.
- (c) Some community water systems in disadvantaged communities that do not have access to safe drinking water do not have the technical, managerial, or financial capacity that is needed to comply with the federal and state drinking water standards on a routine and consistent basis.
- (d) Some state or federal drinking water project funding sources prohibit the use of that funding for operation and maintenance costs. If a community water system does not have the financial capacity to fund operations and maintenance costs, the community water system may not be able to access funding for capital costs to comply with the federal and state drinking water standards on a routine and consistent basis.
- (e) Hundreds of thousands of Californians, particularly those living in small disadvantaged communities, rely on unsafe drinking water from a chronically noncompliant community water system, which impacts human health, household costs, and community economic development.
- (f) It is important that new permitted public water systems are sustainable.
- (g) Chapter 843 of the Statutes of 2016 added Section 116527 to and amended Section 116540 of the Health and Safety Code and added Section 106.4 to the Water Code to authorize the State Water Resources Control Board to prevent the permitting of new, unsustainable public water systems.
- (h) It is in the interest of the state to identify, help develop, and help implement solutions for those chronically noncompliant community water systems in disadvantaged communities that do not have the technical, managerial, or financial capacity to comply with the federal and state drinking water standards, and as a result, have ongoing violations.
- (i) To assist chronically noncompliant community water systems in disadvantaged communities to come into compliance with the federal and state drinking water standards and become self-sufficient, the net revenue from a safe drinking water trust is a reasonable and sustainable way to provide state funding assistance for operation and maintenance costs and consolidation costs where financial assistance is needed.

(j) Funding of the trust with General Fund dollars during one or more years of state budget surplus is an appropriate priority for the state because the lack of access to safe drinking water in some disadvantaged communities is a social and public health issue for the state. Once the trust is funded, the revenue from the trust will be a long-term durable solution to assist chronically noncompliant community water systems in disadvantaged communities in becoming self-sufficient relative to safe drinking water.

#### **Article 2. Definitions**

**116766.** For the purposes of this chapter:

- (a) "Administrator" has the same meaning as defined in Section 116686.
- (b) "Board" means the State Water Resources Control Board.
- (c) "Community water system" has the same meaning as defined in Section 116275.
- (d) "Disadvantaged community" has the same meaning as defined in Section 116275.
- (e) "Eligible applicant" means a public agency, a local educational agency, a nonprofit organization, a public utility, a federally recognized Indian tribe, a state Indian tribe listed on the Native American Heritage Commission's California Tribal Consultation List, a mutual water company, and an administrator.
- (f) "Fund" means the Safe Drinking Water Fund established pursuant to Section 116767.
- (g) "Public water system" has the same meaning as defined in Section 116275.
- (h) "Replacement water" means bottled water, vended water, or point-of-use or point-of-entry treatment units.

#### **Article 3. Safe Drinking Water Fund**

**116767.** The Safe Drinking Water Fund is hereby established in the State Treasury. Notwithstanding Section 13340 of the Government Code, all moneys in the fund are continuously appropriated to the board, without regard to fiscal years, in accordance with this chapter. Moneys in the fund at the close of the fiscal year shall remain in the fund and shall not revert to the General Fund. Moneys in the fund shall not be available for appropriation or borrowed for use for any purpose not established in this chapter unless that use of the moneys is authorized by statute that receives an affirmative vote of two-thirds of the membership in each house of the Legislature.

**116768.** (a) The board shall administer the fund to assist community water systems in disadvantaged communities that are chronically noncompliant relative to the federal and state drinking water standards and do not have the financial capacity to pay for operation and maintenance costs to comply with those standards by providing assistance for all of the following:

(1) Operation and maintenance costs to both help bring the systems into compliance with those standards and help the systems become self-sufficient relative to safe drinking water.

(2) Consolidation costs for the community water systems.

(3) Replacement water to provide the systems with safe drinking water as a short-term solution.

(4) The provision of administrative and managerial services under Section 116686 for purposes of helping the systems become self-sufficient in the long term.

(b) Consistent with subdivision (a), the board shall expend moneys in the fund for grants, loans, contracts, or services to assist eligible applicants.

(c) Consistent with subdivision (a), the goals for implementation of this fund are that community water systems benefitting from the funding both:

(1) Will become compliant relative to the federal and state drinking water standards.

(2) Will become self-sufficient and will need assistance for no longer than 10 years.

(d) The board may undertake any of the following actions to implement the fund:

(1) Provide for the deposit of all of the following moneys into the fund:

(A) Federal funding.

- (B) Transfers by the Legislature from the General Fund.
  - (C) Net revenue from the Safe Drinking Water Trust.
  - (D) Funding from a general obligation bond act that authorizes the deposit of bond moneys into the fund.
  - (E) Transfers by the Legislature from the Greenhouse Gas Reduction Fund.
  - (F) Voluntary contributions, gifts, grants, or bequests.
- (2) Enter into agreements for contributions to the fund from the federal government, local or state agencies, private corporations, or nonprofit organizations.
  - (3) Direct portions of the fund to a subset of eligible applicants as required or appropriate based on funding source and consistent with the annual fund implementation plan.
- (e) The board may expend moneys from the fund for reasonable costs associated with administration of the fund, including outreach regarding the availability of the funding. The board may expend no more than 5 percent of the annual revenue from the fund for reasonable costs associated with the administration of the fund.
  - (f) The board shall provide for appropriate audit, accounting, and fiscal management services, plans, and reports relative to the fund.
  - (g) At least every five years, the board, in consultation with the Legislative Analyst's Office, shall conduct a public review and assessment of the fund that evaluates and reports on all of the following:
    - (1) The effectiveness of expending moneys from the fund in terms of both helping bring chronically noncompliant community water systems in disadvantaged communities into compliance with the federal and state safe drinking water standards and helping chronically noncompliant community water systems in disadvantaged communities become self-sufficient.
    - (2) The sources of funding and the amount of funding from each source that went into the fund during the time period that is being reviewed and assessed.
    - (3) The community water systems for which self-sufficiency has been achieved and for which funding from the fund is no longer necessary.
    - (4) The community water systems that have received funding for 10 years or more and for which self-sufficiency has not been achieved, the actions that have been taken, the reasons why self-sufficiency has not been achieved, and, where appropriate, the reasons why continued funding from the fund is necessary.
  - (h) The board shall make a report of the public review and assessment described in subdivision (g) available on the board's internet website.
  - (i) The board, an employee of the board, or any authorized person shall not be deemed to have incurred or be required to incur any obligation to provide additional funding or undertake additional action solely as a result of having undertaken an action pursuant to this chapter.

**116769.** By July 1, 2021, and by July 1 of each year thereafter, the board shall do all of the following:

- (a) Prepare and make publicly available a report of expenditures from the fund.
- (b) Adopt, after a public hearing, an annual update to the needs analysis of drinking water systems first directed by the Legislature in Item 3940-002-0001 of Section 2.00 of the Budget Act of 2018.
- (c) Work with a multistakeholder advisory group to obtain input regarding priorities for the fund that can reasonably be accomplished in the next year and development of the annual fund implementation plan.
- (d) Adopt, after a public workshop and a public hearing, an annual fund implementation plan.

**SEC. 2.** Chapter 4.7 (commencing with Section 116771) is added to Part 12 of Division 104 of the Health and Safety Code, to read:

**CHAPTER 4.7. Safe Drinking Water Trust Act of 2019**  
**Article 1. Short Title**

**116771.** This chapter shall be known, and may be cited, as the Safe Drinking Water Trust Act of 2019.



## Article 2. Legislative Findings of Necessity and Cause for Action

**116772.** (a) Because Section 106.3 of the Water Code establishes the policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes, it is in the interest of the people of the state to enact this chapter to establish a trust fund for the governmental purpose of providing a perpetual source of funding to assist community water systems in disadvantaged communities that are chronically noncompliant relative to the federal and state drinking water standards and do not have the financial capability to pay for operation and maintenance costs to comply with those standards by providing funding assistance for all of the following:

(1) Operation and maintenance costs to both help bring the systems into compliance with those standards and help the systems to become self-sufficient.

(2) Consolidation costs for the systems.

(3) Replacement water to provide the systems with safe drinking water as a short-term solution.

(4) The provision of administrative and managerial services pursuant to Section 116686 for purposes of helping the systems become self-sufficient in the long term.

(b) The primary purpose of the Safe Drinking Water Trust, a charitable trust established pursuant to this chapter, shall be to provide a perpetual source of funding each year to the Safe Drinking Water Fund established pursuant to Section 116767 in furtherance of the trust fund purposes in subdivision (a).

(c) It is the intent of the Legislature that the funding for the trust be from General Fund dollars transferred to the trust by the Legislature during one or more years of state budget surplus.

## Article 3. Safe Drinking Water Trust

**116773.** Unless the context otherwise requires, the following definitions govern the construction of this chapter:

(a) "Board" means the State Water Resources Control Board.

(b) "Beneficiary" means the people of the state, as represented by the board in its implementation of the provisions of Chapter 4.6 (commencing with Section 116765) and its administration of the Safe Drinking Water Fund established pursuant to Section 116767. The beneficiary's interest in the trust shall only be to the net income generated from the trust principal.

(c) "Income" means the money, enhanced value, or other income the trust receives as current return from the investment of the trust principal.

(d) "Net income" means the trust income earned July 1 to June 30, inclusive, of the previous year minus all of the necessary and reasonable expenses incident to the administration of the trust during that same period.

(e) "Principal" means the trust property, inclusive of any increase designated as part of the trust principal by the trustee as a result of a higher than anticipated return on the investment pursuant to paragraph (2) of subdivision (b) of Section 116773.6 that is held in trust for the beneficiary and to accomplish the purposes described in Section 116772.

(f) "Trust" means the Safe Drinking Water Trust.

(g) "Trust fund" means the account established pursuant to subdivision (a) of Section 116773.2 to hold the trust property.

(h) "Trust property" means the money transferred to the trust fund pursuant to subdivision (d) of Section 116773.6 and any donation to the trust fund received and accepted by the trustee after January 1, 2020.

(i) "Trustee" means the Safe Drinking Water Trust Commission.

**116773.2.** (a) There is hereby created in the State Treasury the Safe Drinking Water Trust Fund for holding the trust property of the Safe Drinking Water Trust and for the purpose of implementing the public and governmental purposes of this chapter. Net income distributed by the trustee from the trust fund is hereby transferred to the board for deposit in and expenditure from the Safe Drinking Water Fund in accordance with Chapter 4.6 (commencing with Section 116765).

(b) Moneys in the trust fund, including the trust principal and trust income, shall not be available for appropriation or be borrowed for use for any purpose not established in this chapter.

(c) Funding of the trust principal is hereby authorized and is subject to transfer by the Legislature. All transfers to the trust are hereby irrevocably transferred from the General Fund during budget surplus years to the trustee for deposit in the Safe Drinking Water Trust Fund for investment to accomplish the purposes of this chapter and on the conditions prescribed in Section 116773.6.

(d) Notwithstanding any other law, moneys deposited into the Safe Drinking Water Trust Fund or to fund the trust shall not be transferred to the General Fund.

**116773.4.** (a) There is hereby created the Safe Drinking Water Trust Commission, consisting of three members, selected as follows:

- (1) The Treasurer, or the Treasurer's designee.
- (2) The Lieutenant Governor, or the Lieutenant Governor's designee.
- (3) The Controller, or the Controller's designee.

(b) The Safe Drinking Water Trust Commission shall serve as the trustee of the trust having all of the fiduciary duties, responsibilities, and obligations consistent with serving as a trustee of a trust.

(c) The Treasurer shall serve as chairperson of the Safe Drinking Water Trust Commission. The commission shall annually elect from its members a vice chairperson and a secretary who shall hold office until December 31 and shall continue to serve until their respective successors are elected.

(d) The trustee shall do all of the following:

- (1) Meet not less than quarterly to review the investment of the trust principal and administer the trust.
- (2) Meet on the call of the chairperson, at the request of a majority of the members, or at the request of the Governor.
- (3) Adopt bylaws or other governing documents it deems necessary for the regulation of its affairs and the conduct of its business.

(e) Notwithstanding Section 10231.5 of the Government Code, the Safe Drinking Water Trust Commission annually shall provide the board with an accounting of the investments and a forecast of the projected income to be distributed from the fund in future fiscal years. The board shall include the information in the fund implementation plan prepared by subdivision (c) of Section 116769.

**116773.6.** (a) The trustee of the Safe Drinking Water Trust shall hold the trust property for the primary benefit of the trust's beneficiary and shall hold, manage, and invest the trust principal with the obligation of providing a perpetual source of annual funding to the Safe Drinking Water Fund established in Section 116767. The trustee shall not invade the trust principal.

(b) The trustee shall collect, receive, and monetize, if prudent, the income from the trust, and shall transfer the trust's net income annually as follows:

(1) If the net income earned by the trust during the previous fiscal year is less than or equal to \_\_\_\_ dollars (\$\_\_\_\_), the trustee shall deposit the entire value of the net income into the Safe Drinking Water Fund for the benefit of the trust's beneficiary.

(2) If the net income earned by the trust during the previous fiscal year is greater than \_\_\_\_ dollars (\$\_\_\_\_), the trustee shall deposit at least \_\_\_\_ dollars (\$\_\_\_\_) into the Safe Drinking Water Fund for the benefit of the trust's beneficiary and shall determine if any additional portion of the net income should be deposited into the Safe Drinking Water Fund that year. Any portion of the net income not deposited in the Safe Drinking Water Fund shall be deemed a part of the trust principal by the trustee as a result of a higher than anticipated return on the investment on the trust principal in the previous fiscal year.

(3) Notwithstanding any other law, the trustee, and any employee or agent of the trustee, shall not sell, purchase, exchange, or otherwise deal with or dispose of all or any parts of the principal of the trust.

(c) The trustee shall exercise its administration of the trust as a fiduciary to the beneficiary. The trustee, in its administration of the trust, shall abide by the Uniform Prudent Investor Act (Article 2.5 (commencing with Section 16045) of Chapter 1 of Part 4 of Division 9 of the Probate Code). The trustee shall have the powers, obligations, and responsibilities of a trustee prescribed in Part 4 (commencing with Section 16000) of Division 9 of the Probate Code that are not inconsistent with the purposes and provisions of this chapter.

(d) The trust shall have both of the following powers:

(1) To accept donations that shall be deemed trust property and increase the principal of the trust.

(2) Use no more than 1 percent of the trust income earned July 1 to June 30, inclusive, of each year to pay for the necessary and reasonable expenses incident to the administration of the trust during that same period.

(e) The trust shall be deemed a charitable trust subject to the supervision of the Attorney General.

**ENVIRONMENTAL JUSTICE—SAFE AND AFFORDABLE DRINKING  
WATER AND EXIDE CLEANUP**

February 1, 2019

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) Every Californian should enjoy the same degree of protection from environmental and health hazards. Every community should be a healthy environment in which to live, work, play, and learn.

(b) No single group of people should bear a disproportionate share of the negative environmental consequences and adverse health impacts arising from industrial, governmental, or commercial operations or policies.

(c) Concentrated environmental contamination in air and water creates cumulative health burdens resulting in communities with higher rates of disease such as asthma, heart disease, cancer, neurological and reproductive health effects, birth defects and obesity.

(d) Despite significant improvements in environmental protection over the past several decades, millions of Californians continue to live, work, play, and go to school in unhealthy environments.

(e) California was one of the first states in the nation to put environmental justice considerations into law and defines environmental justice as the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation and enforcement of environmental laws, regulations, and policies.

(f) California law also declares that it is the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

(g) Yet still more than 1,000,000 Californians do not have access to safe drinking water. In communities where the sole water supply is contaminated with substances like arsenic, nitrates, or hexavalent chromium, families are often left without safe water. The Central

Valley and Central Coast regions, where more than 90% of the communities rely on groundwater as a primary source of drinking water, are particularly at risk. More than 250,000 people in the Central Valley alone, lack access to a consistent source of safe, affordable water.

(h) Decades of contamination from the Exide facility in Vernon, California deposited lead across the surrounding community, an area spanning as many as 10,000 properties, more than a mile from the facility. Testing shows more than 7,500 properties exceed California's human health screening level for lead in soil. California Department of Public Health analysis found nearly 300 children under 6 years old living near Exide had elevated blood lead levels in 2012 alone, the last year the plant was in full operation.

(i) The California Safe Drinking Water and Toxic Enforcement Act of 1986 lists lead, arsenic, and hexavalent chromium as substances that can cause cancer and reproductive toxicity.

(j) The National Institute of Health, the Centers for Disease Control and Prevention and the World Health Organization have stated that there is no known threshold of blood lead levels in children below which adverse effects are not experienced. Exposure to lead can have a wide range of irreversible health effects including affecting the nervous system, kidney function, immune system, reproductive and developmental systems and the cardiovascular system. Lead exposure impairs a child's development and is associated with delayed puberty, hearing loss, lower cognitive performance, lower IQ scores, decreased academic achievement, and increases in both behavioral problems and attention-related behaviors.

(k) Environmental health hazards continue to disproportionately burden communities of color in California. Studies have shown that communities of color in California experience higher cancer risk from toxic air contaminants and are disproportionately impacted from contaminated drinking water supplies. Another study published in the American Journal of Public Health in 2015 found that the unadjusted odds of living in one of the top 10 percent of California zip codes most impacted by cumulative pollution and vulnerability were 6.2 times greater for Hispanics, 5.8 times greater for African Americans, 1.9 times greater for Native Americans, 1.8 times great for Asian/Pacific Islanders and 1.6 times greater for other or multiracial individuals than for whites. This study also showed communities of color in California experienced higher than average amounts of toxic chemical releases and pesticide use.

(l) Established state environmental justice law and policies are only effective insofar as they result in true parity.

(m) It is the intent of the Legislature that the State of California bring true environmental justice to our state and begin to address the continuing disproportionate environmental burdens in the state by appropriating funds to cleanup lead contamination in the communities affected by the Exide facility contamination and by creating a fund and a funding source to provide safe drinking water in every California community, for every Californian.

SEC 2. Article 10.5 (commencing with Section 595) is added to Chapter 3 of Part 1 of Division 1 of the Food and Agricultural Code, to read:

Article 10.5. Safe Drinking Water Fee/or Confined Animal Facilities Excluding Dairies

595. For purposes of this article, the following definitions apply:

(a) "Confined animal facilities excluding dairies" includes, but is not limited to, bovine operations, poultry operations, swine operations, and other livestock operations. "Confined animal facilities excluding dairies" does not mean milk cow dairies.

(b) "Fee" means the safe drinking water fee/or confined animal facilities excluding dairies.

(c) "Fund" means the Safe and Affordable Drinking Water Fund established by Section 116767 of the Health and Safety Code.

596. (a) The secretary shall convene a working group composed of representatives of confined animal facilities excluding dairies to determine the actual risk, if any, to groundwater from discharges of nitrate from confined animal facilities excluding dairies.

(b) Beginning January 1, 2022, the secretary shall establish a safe drinking water fee for confined animal facilities excluding dairies payable annually to the secretary by each confined animal facility excluding a dairy in an amount commensurate with the actual risk to groundwater from discharges of nitrate as determined by the working group. The

fee shall not exceed one thousand dollars (\$1,000) per facility per year. The secretary shall adopt regulations to implement and administer this section by January 1, 2022.

(c) This section shall remain in effect only until January 1, 2037, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2037, deletes or extends that date.

597. (a) No later than January 1, 2036, the secretary shall convene a working group with representatives of confined animal facilities excluding dairies to determine the actual risk, if any, to groundwater from confined animal facilities excluding dairies.

(b) Beginning July 1, 2037, the secretary shall establish a safe drinking water fee for confined animal facilities excluding dairies payable annually to the secretary by each confined animal facility excluding a dairy in an amount commensurate with the actual risk to groundwater from discharges of nitrate determined by the working group.

(c) The secretary may adjust the fee established pursuant to subdivision (b) through emergency regulation as necessary to meet but not exceed the anticipated funding need for nitrate in the most recent assessment of funding need adopted by the State Water Resources Control Board pursuant to subdivision (b) of Section 116769 of the Health and Safety Code. An emergency regulation adopted pursuant to this subdivision shall be adopted by the secretary in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Any emergency regulations adopted by the secretary pursuant to this subdivision shall remain in effect until revised by the secretary.

(d) The fee collected pursuant to subdivision (b) of this section, in combination with the dairy safe drinking water fee collected pursuant to Section 62215, shall total the sum of three million dollars (\$3,000,000), or 30 percent of the funding need for nitrate in the most recent assessment of funding need adopted by the State Water Resources Control Board pursuant to subdivision (b) of Section 116769 of the Health and Safety Code, whichever is less.

(e) Notwithstanding subdivisions (c) and (d), the fee collected pursuant to subdivision (b) shall not exceed one thousand dollars (\$1,000) per facility per year.

(f) This section shall become operative on January 1, 2035.

598. The secretary shall deposit all moneys received under this article into the fund.

599. The Legislature may not increase the fees established under section 596 and 597 except by an affirmative vote of two-thirds of the membership in each house of the Legislature.

SEC. 3. Article 6.5 (commencing with Section 14615) is added to Chapter 5 of Division 7 of the Food and Agricultural Code, to read:

Article 6.5. Fertilizer Safe Drinking Water Fee

14615. (a) It is the intent of the Legislature to require licensees of bulk fertilizing materials, and to authorize licensees of packaged fertilizing materials, to pass the fertilizer safe drinking water fee on to the end user of the fertilizer.

(b) For purposes of this article, the following definitions apply:

(1) "Bulk fertilizing material" has the same meaning as applies to "bulk material" in Section 14517.

(2) "Fertilizing material" has the same meaning as defined in Section 14533.

(3) "Fund" means the Safe and Affordable Drinking Water Fund established by Section 116767 of the Health and Safety Code.

(4) "Packaged" has the same meaning as defined in Section 14551.

14616. (a) In addition to the assessments provided in Section 14611, a licensee whose name appears on the label of bulk or packaged fertilizing materials shall pay to the secretary a fertilizer safe drinking water fee of six mills (\$0.006) per dollar of sales for all sales of fertilizing materials to be deposited into the fund.



(b) This section shall remain in effect only until January 1, 2035, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2035, deletes or extends that date.

14616. (a) In addition to the assessments provided in Section 14611, a licensee whose name appears on the label of bulk or packaged fertilizing materials shall pay to the secretary a fertilizer safe drinking water fee of two mills (\$0.002) per dollar of sales for all sales of fertilizing materials to be deposited into the fund.

(b)(1) After January 1, 2037, the secretary may adjust the fertilizer safe drinking water fee through emergency regulation as necessary to meet but not exceed 70 percent of the anticipated funding need for nitrate in the most recent assessment of funding need adopted by the State Water Resources Control Board pursuant to subdivision (b) of Section 116769 of the Health and Safety Code, or the sum of seven million dollars (\$7,000,000), whichever is less. By October 1 of each year, the secretary shall notify all licensees of the amount of the fertilizer safe drinking water fee to be assessed in the following calendar year.

(2) An emergency regulation adopted pursuant to this subdivision shall be adopted by the secretary in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Any emergency regulations adopted by the secretary pursuant to this subdivision shall remain in effect until revised by the secretary.

(c) This section shall become operative on January 1, 2035.

14617. (a)(1) A licensee whose name appears on the label who sells or distributes bulk fertilizing materials shall charge an unlicensed purchaser the fertilizer safe drinking water fee as a charge that is separate from, and not included in, any other fee, charge, or other amount paid by the purchaser. This fee shall be included on the bill of sale as a separate line item.

(2) (A) A licensee whose name appears on the label of packaged fertilizing materials may include the fertilizer safe drinking water fee as a charge that is separate from, and not included in, any other fee, charge, or other amount paid by the purchaser or may include

the charge with the assessment collected pursuant to Section 14611 as a separate line item on the bill of sale and identified as the California Regulatory and Safe Drinking Water Assessment.

(B) Notwithstanding paragraph (1), a licensee whose name appears on the label who sells or distributes bulk fertilizing material may include the fertilizer safe drinking water fee with the assessment collected pursuant to Section 14611 as a separate line item on the bill of sale and identified as the California Regulatory and Safe Drinking Water Assessment.

(b) The secretary may prescribe, adopt, and enforce regulations relating to the administration and enforcement of this article.

(c) (1) Except as provided in paragraph (2), the secretary may retain up to 4 percent of the moneys collected pursuant to this article for reasonable costs associated with the implementation and enforcement of this article.

(2) Beginning July 1, 2022, the secretary may retain up to 2 percent of the moneys collected pursuant to this article for reasonable costs associated with the implementation and enforcement of this article.

14618. The Legislature may not increase the fees established under section 14616 except by an affirmative vote of two-thirds of the membership in each house of the Legislature.

SEC. 4. Article 14.5 (commencing with Section 62215) is added to Chapter 2 of Part 3 of Division 21 of the Food and Agricultural Code, to read:

Article 14.5. Dairy Safe Drinking Water Fee

62215. (a) It is the intent of the Legislature that the dairy safe drinking water fee be paid for all milk produced in the state, regardless of grade.

(b) For purposes of this article, the following definitions apply:

(1) "Fee" means the dairy safe drinking water fee.

(2) "Manufacturing milk" has the same meaning as defined in Section 32509.

(3) "Market milk" has the same meaning as defined in Section 32510.

(4) "Milk" includes market milk and manufacturing milk.

62216. (a) Beginning January 1, 2022, each handler, including a producer-handler, shall deduct the sum of \$0.01355 per hundredweight of milk from payments made to producers for milk, including the handler's own production, as a dairy safe drinking water fee.

(b) The secretary shall adopt regulations necessary for the proper administration and enforcement of this section by January 1, 2022.

(c) This section shall remain in effect only until January 1, 2037, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2037, deletes or extends that date.

62216. (a) Each handler, including a producer-handler, shall deduct the sum of \$0.00678 per hundredweight of milk from payments made to producers for milk, including the handler's own production, as a dairy safe drinking water fee.

(b) The secretary may adjust the fee through emergency regulation as necessary to meet but not exceed 30 percent of the anticipated funding need for nitrate in the most recent assessment of funding need adopted by the State Water Resources Control Board pursuant to subdivision (b) of Section 116769 of the Health and Safety Code, or the sum of three million dollars (\$3,000,000), whichever is less. An emergency regulation adopted pursuant to this subdivision shall be adopted by the secretary in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Any emergency regulations adopted by the secretary pursuant to this subdivision shall remain in effect until revised by the secretary.

(c) When setting the amount of the fee pursuant to subdivision (b), the secretary shall consider the amount of funding being collected by the safe drinking water fee for confined animal facilities excluding dairies pursuant to Section 597 and shall reduce the dairy safe drinking water fee by the amount collected by the safe drinking water fee for confined animal facilities excluding dairies. In no event shall the dairy safe drinking

water fee and the safe drinking water fee for confined animal facilities excluding dairies exceed 30 percent of the anticipated funding need for nitrate in the most recent assessment of funding need adopted by the State Water Resources Control Board pursuant to subdivision (b) of Section 116769 of the Health and Safety Code or the sum of three million dollars (\$3,000,000), whichever is less.

(d) The secretary shall adopt regulations necessary for the proper administration and enforcement of this section.

(e) This section shall become operative on January 1, 2037.

62217. (a) A handler shall pay the dairy safe drinking water fee to the secretary on or before the 45th day following the last day of the month in which the milk was received.

(b) The secretary shall remit the moneys paid to him or her pursuant to this article to the State Water Resources Control Board for deposit into the Safe and Affordable Drinking Water Fund established by Section 116767 of the Health and Safety Code.

(c)(1) Except as provided in paragraph (2), the secretary may retain up to 4 percent of the total amount that is paid to the secretary pursuant to this article for reasonable costs of the secretary associated with the implementation and enforcement of this article

(2) Beginning July 1, 2022, the secretary may retain up to 2 percent of the moneys collected pursuant to this article for reasonable costs of the secretary associated with the implementation and enforcement of this article.

(d) The secretary may require handlers, including cooperative associations acting as handlers, to make reports at any intervals and in any detail that he or she finds necessary for the accurate collection of the fee.

(e) For the purposes of enforcing this article, the secretary, through his or her duly authorized representatives and agents, shall have access to the records of every producer and handler. The secretary shall have at all times free and unimpeded access to any building, yard, warehouse, store, manufacturing facility, or transportation facility in which any milk or milk product is produced, bought, sold, stored, bottled, handled, or manufactured.

(f) Any books, papers, records, documents, or reports made to, acquired by, prepared by, or maintained by the secretary pursuant to this article that would disclose any information about finances, financial status, financial worth, composition, market share, or business operations of any producer or handler, excluding information that solely reflects transfers of production base and pool quota among producers, is confidential and shall not be disclosed to any person other than the person from whom the information was received, except pursuant to the final order of a court with jurisdiction, or as necessary for the proper determination of any proceeding before the secretary.

62218. The Legislature may not increase the fees established under section 62216 except by an affirmative vote of two-thirds of the membership in each house of the Legislature.

SEC. 5. Chapter 4.6 (commencing with Section 116765) is added to Part 12 of Division 104 of the Health and Safety Code, to read:

#### CHAPTER 4.6. SAFE AND AFFORDABLE DRINKING WATER

Article 1. Legislative Findings and Declarations 116765. The Legislature finds and declares all of the following:

(a) Section 106.3 of the Water Code declares that it is the policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

(b) For all public water systems, the operation and maintenance costs to supply, treat, and distribute potable water that complies with federal and state drinking water standards on a routine and consistent basis may be significant.

(c) All community water systems are currently required to set, establish, and charge a schedule of rates and fees that are sufficient to recover the operation and maintenance costs required to supply, treat, and distribute potable water that complies with federal and state drinking water standards on a routine and consistent basis.

(d) Hundreds of community water systems in the state cannot charge rates and fees that are affordable and sufficient to recover the full operation and maintenance costs required to supply, treat, and distribute potable water that complies with federal and state drinking water standards on a routine and consistent basis due to a combination of low income

levels of customers, high treatment costs for contaminated water sources, and a lack of economies of scale that result in high unit costs for water service. Many schools that serve as their own regulated public water systems and have contaminated water sources cannot afford the full operation and maintenance costs required to provide water that meets federal and state drinking water standards.

(e) Nearly all state or federal drinking water project funding sources prohibit the use of that funding for operation and maintenance costs, and as a result, those systems that cannot afford required operation and maintenance costs are unable to access funding for capital projects to meet federal and state drinking water standards.

(f) As a result, hundreds of thousands of Californians, particularly those living in small disadvantaged communities, may be exposed to unsafe drinking water in their homes and schools, which impacts human health, household costs, and community economic development.

(g) A significant number of California residents rely on state small water systems and domestic wells to provide their drinking water.

(h) The state small water systems and individual domestic wells face a serious threat of contamination because they often draw their water from shallow groundwater sources and have fewer or no chemical monitoring requirements.

(i) To ensure that the right of every Californian to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes is protected, it is in the interest of the State of California to identify where Californians are at high risk of lacking reliable access to safe drinking water or are known to lack reliable access to safe drinking water, whether they rely on a public water system, state small water system, or domestic well for their potable water supply.

(j) Long-term sustainability of drinking water infrastructure and service provision is necessary to secure safe drinking water for all Californians and therefore it is in the interest of the state to discourage the proliferation of new, unsustainable public water systems and state small water systems, to prevent waste, and to encourage consolidation and service extension when feasible.

(k) It is in the interest of all Californians to establish a fund with a stable source of revenue to provide financial support, particularly for operation and maintenance, necessary to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure.

## Article 2. Definitions

116766. For the purposes of this chapter:

(a) "Administrator" has the same meaning as defined in Section 116686.

(b) "Board" means the State Water Resources Control Board.

(c) "Community water system" has the same meaning as defined in Section 116275.

(d) "Customer" means a purchaser of water from a community water system who uses the water for municipal purposes, including residential, commercial, governmental, and industrial uses.

(e) "Disadvantaged community" has the same meaning as defined in Section 116275.

(f) "Domestic well" means a groundwater well used to supply water for the domestic needs of an individual residence or water systems that are not public water systems and that have no more than four service connections.

(g) "Eligible applicant" means a public water system, including, but not limited to, a mutual water company; a public utility; a public agency, including, but not limited to, a local educational agency that owns or operates a public water system; a nonprofit organization; a federally recognized Indian tribe; a state Indian tribe listed on the Native American Heritage Commission's California Tribal Consultation List; an administrator; or a groundwater sustainability agency.

(h) "Fund" means the Safe and Affordable Drinking Water Fund established pursuant to Section 116767.

(i) "Fund implementation plan" means the fund implementation plan adopted pursuant to Section 116769.

(j) "Groundwater sustainability agency" has the same meaning as defined in Section 10721 of the Water Code.

(k) "Low-income household" means a household with an income that is less than 80 percent of the statewide median household income.

(l) "Nontransient noncommunity water system" has the same meaning as defined in Section 116275.

(m) "Public water system" has the same meaning as defined in Section 116275.

(n) "Replacement water" includes, but is not limited to, bottled water, vended water, point-of-use, or point-of-entry treatment units.

(o) "Safe drinking water" has the same meaning as defined in Section 116681.

(p) "Service connection" has the same meaning as defined in Section 116275.

(q) "Small community water system" has the same meaning as defined in Section 116275.

(r) "State small water system" has the same meaning as defined in Section 116275.

(s) "Vended water" has the same meaning as defined in Section 111070.

### Article 3. Safe and Affordable Drinking Water Fund

116767. The Safe and Affordable Drinking Water Fund is hereby established in the State Treasury. Notwithstanding Section 13340 of the Government Code, all moneys in the fund are continuously appropriated to the board without regard to fiscal years, in accordance with this chapter. Moneys in the fund at the close of the fiscal year shall remain in the fund and shall not revert to the General Fund. Moneys in the fund shall not be available for appropriation or borrowed for use for any purpose not established in this chapter unless that use of the moneys receives an affirmative vote of two-thirds of the membership in each house of the Legislature.



116768. (a) The board shall administer the fund for the purposes of this chapter to provide a source of funding to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure. The board shall prioritize the use of this funding to assist disadvantaged communities and low-income households served by a state small water system or domestic well. In order to maximize the use of other funding sources for capital construction projects when available, the board shall prioritize use of this funding for costs other than those related to capital construction costs, except for capital construction costs associated with consolidation and service extension to reduce the ongoing unit cost of service and to increase sustainability of drinking water infrastructure and service delivery. Beginning January 1, 2020, an expenditure from the fund shall be consistent with the annual fund implementation plan.

(b) In accordance with subdivision (a), the board shall expend moneys in the fund for grants, loans, contracts, or services to assist eligible applicants with any of the following:

(1) The provision of replacement water, as needed, to ensure immediate protection of health and safety as a short-term solution.

(2) The development, implementation, and sustainability of long-term solutions, including, but not limited to, technical assistance, planning, construction, and operation and maintenance costs associated with replacing, repairing, blending, or treating contaminated or failing drinking water sources, creating and maintaining natural means of treating and improving sustainable water quality, consolidating water systems, or extending drinking water services to other public water systems, domestic wells, or state small water systems. Technical assistance and planning costs may include, but are not limited to, analyses to identify, and efforts to further, opportunities to reduce the unit cost of providing drinking water through organizational and operational efficiency improvements, system consolidation and service extension, implementation of new technology, and other options and approaches to reduce costs.

(3) Identifying and providing outreach to Californians who are eligible to receive assistance from the fund.

(4) Testing the drinking water quality of domestic wells serving low-income households, prioritizing those in high-risk areas identified pursuant to Article 4 (commencing with Section 116770).

(5) The provision of administrative and managerial services under Section 116686.

(c) The board may expend moneys from the fund for reasonable costs associated with administration of the fund. Beginning July 1, 2022, the board may expend no more than 5 percent of the annual revenues from the fund for reasonable costs associated with administration of the fund.

(d) The board may undertake any of the following actions to implement the fund:

(1) Provide for the deposit of both of the following moneys into the fund:

(A) Federal contributions.

(B) Voluntary contributions, gifts, grants, or bequests.

(2) Enter into agreements for contributions to the fund from the federal government, local or state agencies, and private corporations or nonprofit organizations.

(3) Provide for appropriate audit, accounting, and fiscal management services, plans, and reports relative to the fund.

(4) Direct portions of the fund to a subset of eligible applicants as required or appropriate based on funding source and consistent with the annual fund implementation plan.

(5) Direct moneys deposited into the fund described in subparagraph (B) of paragraph (1) towards a specific project, program, or study.

(6) Take additional action as may be appropriate for adequate administration and operation of the fund.

(e) In administering the fund, the board shall make reasonable efforts to ensure both of the following:

(1) That funds are used to secure the long-term sustainability of drinking water service and infrastructure, and natural means and green infrastructure solutions that contribute to sustainable drinking water, including, but not limited to, requiring adequate technical,

managerial, and financial capacity of eligible applicants as part of funding agreement outcomes. Funding shall be prioritized to implement consolidations and service extensions when feasible, and administrative and managerial contracts or grants entered into pursuant to Section 116686 where applicable. Funds shall not be used to delay, prevent, or avoid the consolidation or extension of service to public water systems where it is feasible and the least-cost alternative. The board may set appropriate requirements as a condition of funding, including, but not limited to, a system technical, managerial, or financial capacity audit, improvements to reduce costs and increase efficiencies, an evaluation of alternative treatment technologies, and a consolidation or service extension feasibility study. As a condition of funding, the board may require a domestic well with nitrate contamination where ongoing septic system failure may be causing or contributing to contamination of a drinking water source to conduct an investigation and project to address the septic system failure if adequate funding sources are identified and accessible.

(2) That funds are not used to subsidize large-scale nonpotable use, to the extent feasible.

(f) In administering the fund, the board shall ensure that all moneys deposited into the fund from the fertilizer safe drinking water fee established by Article 6.5 (commencing with Section 14615) of Chapter 5 of Division 7 of the Food and Agricultural Code, the dairy safe drinking water fee established by Article 14.5 (commencing with Section 62215) of Chapter 2 of Part 3 of Division 21 of the Food and Agricultural Code and the safe drinking water fee for confined animal livestock facilities excluding dairies established by Article 10.5 (commencing with Section 595) of Chapter 3 of Part I of Division I of the Food and Agricultural Code shall be used to address nitrate-related contamination issues.

(g) At least once every 10 years, the board shall conduct a public review and assessment of the Safe and Affordable Drinking Water Fund to determine all of the following:

(1) The effectiveness of the fund in securing access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure.

(2) If the fees deposited into the fund have been appropriately expended.

(3) If the safe and affordable drinking water fee imposed by Article 5 (commencing with Section 116771) may be reduced based on past and projected future changes to the fund.

(4) What other actions are necessary to carry out the purposes of this chapter.

(h) Neither the board nor any employee of the board may be held liable for any act that is necessary to carry out the purposes of this chapter. Nor shall the board nor any authorized person be deemed to have incurred or be required to incur any obligation to provide additional funding or undertake additional action solely as a result of having undertaken an action pursuant to this chapter.

116769. By July 1 of each year, the board shall do all of the following:

(a) Prepare and make available a report of expenditures from the fund.

(b) Adopt, after a public hearing, an assessment of funding need, based on available data, that includes all of the following:

(1) Identification of systems and populations potentially in need of assistance, including all of the following:

(A) A list of systems that consistently fail to provide an adequate supply of safe drinking water. The list shall include, but is not limited to, all of the following:

(i) Any public water system that consistently fails to provide an adequate supply of safe drinking water.

(ii) Any community water system that serves a disadvantaged community that must charge fees that exceed the affordability threshold established in the Safe Drinking Water State Revolving Fund Intended Use Plan in order to supply, treat, and distribute potable water that complies with federal and state drinking water standards.

(iii) Any state small water system that consistently fails to provide an adequate supply of safe drinking water.

(B) A list of programs that assist, or that will assist, households supplied by a domestic well that consistently fails to provide an adequate supply of safe drinking water. This list

shall include the number and approximate location of households served by each program without identifying exact addresses or other personal information.

(C) A list of public water systems and state small water systems that may be at risk of failing to provide an adequate supply of safe drinking water.

(D) An estimate of the number of households that are served by domestic wells or state small water systems in high risk areas identified pursuant to Article 4 (commencing with Section 116770). The estimate shall identify approximate locations of households, without identifying exact addresses or other personal information, in order to identify potential target areas for outreach and assistance programs.

(2) An analysis of anticipated funding, per contaminant, needed for known projects, services, or programs by eligible applicants, consistent with the fund implementation plan, including any funding needed for existing long-term funding commitments from the fund. The board shall identify and consider other existing funding sources able to support any projects, services, or programs identified, including, but not limited to, local funding capacity, state or federal funding sources for capital projects, funding from responsible parties, and specialized funding sources contributing to the fund.

(3) An estimate of the funding needed for the next fiscal year based on the amount available in the fund, anticipated funding needs, other existing funding sources, and other relevant data and information.

(c)(1) Adopt, after a public hearing, a fund implementation plan and policy handbook with priorities and guidelines for expenditures of the fund.

(2) The board shall work with a multi-stakeholder advisory group that shall be open to participation by representatives of entities paying into the fund, public water systems, technical assistance providers, local agencies, nongovernmental organizations, residents served by community water systems in disadvantaged communities, state small water systems, and domestic wells, and the public, to establish priorities and guidelines for the fund implementation plan and policy handbook.

(3) The adoption of a fund implementation plan and policy handbook and the implementation of the fund pursuant to the policy handbook are not subject to the

Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

#### Article 4. Information on High Risk Areas

116770. (a)(1) By January 1, 2021, the board, in consultation with local health officers and other relevant stakeholders, shall use available data to make available a map of aquifers that are at high risk of containing contaminants and that exceed primary federal and state drinking water standards that are used or likely to be used as a source of drinking water for a state small water system or a domestic well. The board shall update the map at least annually based on any newly available data.

(2) The board shall make the map of high risk areas, as well as the data used to make the map, publicly accessible on its Internet Web site in a manner that does not identify exact addresses or other personal information and that complies with the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code). The board shall notify local health officers and county planning agencies of high risk areas within their jurisdictions.

(b)(1) By January 1, 2021, a local health officer or other relevant local agency shall provide to the board all results of, and data associated with, water quality testing performed by certified laboratories for a state small water system or domestic well that was collected after January 1, 2015, and that is in the possession of the local health officer or other relevant local agency.

(2) By January 1, 2022, and by January 1 of each year thereafter, all results of, and data associated with, water quality testing performed by a certified laboratory for a state small water system or domestic well that is submitted to a local health officer or other relevant local agency shall also be submitted directly to the board in electronic format.

(c) A map of high-risk areas developed pursuant to this article is not subject to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

#### Article 5. Safe and Affordable Drinking Water Fee

116771. (a)(1) Beginning July 1, 2020, and until July 1, 2022, except as provided in subdivisions (d) and (e), there is hereby imposed a safe and affordable drinking water fee for the purposes authorized in this chapter on each customer of a community water system as follows:

(A) For a customer with a water meter that is less than or equal to one inch in size, the fee shall be ninety-five cents (\$0.95) per month.

(B) For a customer with a water meter that is greater than one inch and less than or equal to two inches in size, the fee shall be four dollars (\$4) per month.

(C) For a customer with a water meter that is greater than two inches and less than or equal to four inches in size, the fee shall be six dollars (\$6) per month.

(D) For a customer with a water meter that is greater than four inches in size, the fee shall be ten dollars (\$10) per month.

(E) For a customer without a water meter, the fee shall be ninety-five cents (\$0.95) per month.

(F) For a customer that has multiple meters serving a single address, the total fees shall not exceed ten dollars (\$10) per month.

(2)(A) A customer that self-certifies under penalty of perjury to the community water system collecting the fee that he or she meets either of the following criteria shall be exempt from the payment of the fee:

(i) The customer's household income is equal to or less than 200 percent of the federal poverty level.

(ii) The customer operates a deed-restricted multifamily housing development that is required to provide housing exclusively to tenants with household incomes equal to or less than 200 percent of the federal poverty level.

(B) A community water system shall not be held criminally or civilly liable for failing to collect fees from customers who claim a self-certified exemption or for collecting fees from customers who could claim a self-certified exemption but do not provide adequate

or timely notice to the community water system that he or she meets a criterion to be exempt.

(3)(A) A customer that is already enrolled in a program offered by a community water system that is designed specifically to reduce the cost of water service incurred by customers who meet established income guidelines is exempt from the payment of the fee.

(B) A connection or meter that is used exclusively for fire flow or uses nonpotable water, including, but not limited to, recycled water, is exempt from the fee.

(b)(1)(A) Beginning July 1, 2022, except as provided in subdivisions (d) and (e) and Section 116772, there is hereby imposed a safe and affordable drinking water fee on each customer according to a fee schedule established by the board for the purposes of the Safe and Affordable Drinking Water Fund.

(B) Notwithstanding any other provision of this section, the fee schedule shall not exceed the amounts established in paragraph (1) of subdivision (a).

(C) The board shall review and revise the fee schedule each fiscal year as necessary to not exceed the anticipated funding need in the most recent assessment of funding need.

(D)(i) The fee schedule shall exempt any connection or meter that is used exclusively for fire flow or utilizes nonpotable water, including, but not limited to, recycled water.

(ii) By July 1, 2022, the board, in consultation with the Public Utilities Commission, shall adopt regulations to exempt households with incomes equal to or less than 200 percent of the federal poverty level from the fee established in the fee schedule pursuant to this subdivision. The Public Utilities Commission shall provide consultation, as well as relevant data, from the California Alternate Rates for Energy or CARE program established pursuant to Section 739.1 of the Public Utilities Code and from the water utility low-income rate payer assistance programs developed pursuant to Section 739.8 of the Public Utilities Code to the board to aid in development and implementation of the regulations for exemption pursuant to this clause.



(2)(A) Beginning July 1, 2024, the fee schedule shall be set at an amount that does not result in the total uncommitted amount in the fund exceeding two times the anticipated funding need in the most recent assessment of funding need.

(B) Notwithstanding any other provision of this section, the fee schedule shall not exceed the amounts established in paragraph (1) of subdivision (a).

(C) For purposes of this paragraph, "total uncommitted amount in the fund" does not include moneys in the fund from the fertilizer safe drinking water fee established by Article 6.5 (commencing with Section 14615) of Chapter 5 of Division 7 of the Food and Agricultural Code until January 1, 2034, and, until January 1, 2036, does not include moneys in the fund from the dairy safe drinking water fee established by Article 14.5 (commencing with Section 62215) of Chapter 2 of Part 3 of Division 21 of the Food and Agricultural Code or the safe drinking water fee for confined animal livestock facilities excluding dairies established by Article 10.5 (commencing with Section 595) of Chapter 3 of Part I of Division I of the Food and Agricultural Code.

(c) A community water system shall collect the fee imposed by subdivisions (a) and (b) from each of its customers and may retain an amount, as approved by the board, as reimbursement for the reasonable costs incurred by the public water system associated with the collection of the fee. Until July 1, 2022, the amount retained by a community water system as reimbursement shall not exceed 4 percent of the amount collected and beginning July 1, 2022, the amount retained as reimbursement shall not exceed 2 percent of the amount collected. For small community water systems, reasonable community water system administrative cost reimbursement shall not exceed five hundred dollars (\$500) or 4 percent of the total revenue collected, whichever is greater. The community water system shall remit the remainder to the board on an annual schedule.

(d) A community water system with fewer than 200 service connections and its customers shall be exempt from the requirements of this section. The board may approve an exemption for a community water system with 200 or more service connections and its customers from the requirements of this section if the board finds that the amount required to be remitted to the board pursuant to this section would be de minimis.

(e) Notwithstanding any other provision of this article, a fee shall not be imposed pursuant to this article on a person or entity that is itself a community water system if that

community water system is purchasing water from another community water system to supply its own customers that are themselves being assessed the fee.

(f) All moneys remitted to the board under this article shall be deposited in the Safe and Affordable Drinking Water Fund.

116772. (a) A community water system may apply to the board to authorize the community water system to use an alternative method to calculate the amount owed by each customer for the charge imposed by Section 116771 by submitting an application, in a form prescribed by the board, that demonstrates both of the following:

(1) That the method required by statute, regulation, or fee schedule adopted by the board would be impractical for the community water system to collect.

(2) That the method proposed by the community water system would provide a level of total revenue equivalent to the revenue the community water system would transmit to the board pursuant to the applicable fee schedule and that the method is consistent with the fee restrictions in this article, including, but not limited to, amount maximums and exemptions.

(b) The board shall review any application submitted pursuant to subdivision (a) to determine if the proposed alternative is consistent with this article. If the board denies the application, that denial shall be in writing and shall not be reviewable. If the board approves the application, the community water system may use the alternative method for an amount of time prescribed by the board, not to exceed five years.

(c) There is not a limit on the number of applications the board may approve pursuant to this section to establish or renew an alternative method of fee calculation.

116773. (a) The board, in consultation with the California Department of Tax and Fee Administration, shall administer and collect the fees imposed by this article in accordance with the Fee Collection Procedures Law (Part 30 (commencing with Section 55001) of Division 2 of the Revenue and Taxation Code).

(b) For purposes of administration of the fee imposed by this article, the following references in the Fee Collection Procedures Law shall have the following meanings:

(1) "Board" or "State Board of Equalization" means the State Water Resources Control Board.

(2) "Fee" means the safe and affordable drinking water fee imposed pursuant to this article.

(3) "Feepayer" means a customer liable to pay the fee.

(c) The board, in consultation with the California Department of Tax and Fee Administration, may prescribe, adopt, and enforce regulations relating to the administration and enforcement of this article, including, but not limited to, collections, reporting, refunds, and appeals.

(d) The initial regulations adopted by the board to implement this article shall be adopted in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, and shall not rely on the statutory declaration of emergency in subdivision (e).

(e) Except as provided in subdivision (d), the regulations adopted pursuant to this section, any amendment to those regulations, or subsequent adjustments to the annual fees or adoption of fee schedule, shall be adopted by the board as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Any emergency regulations adopted by the board, or adjustments to the annual fees made by the board pursuant to this section, shall remain in effect until revised by the board.

116774. The Legislature may not increase the fees established under section 116771 except by an affirmative vote of two-thirds of the membership in each house of the Legislature.

SEC. 6. Section 13050 of the Water Code is amended to read:

13050. As used in this division:

(a) "State board" means the State Water Resources Control Board.

(b) "Regional board" means any California regional water quality control board for a region as specified in Section 13200.

(c) "Person" includes any city, county, district, the state, and the United States, to the extent authorized by federal law.

(d) "Waste" includes sewage and any and all other waste substances, liquid, solid, gaseous, or radioactive, associated with human habitation, or of human or animal origin, or from any producing, manufacturing, or processing operation, including waste placed within containers of whatever nature prior to, and for purposes of, disposal.

(e) "Waters of the state" means any surface water or groundwater, including saline waters, within the boundaries of the state.

(f) "Beneficial uses" of the waters of the state that may be protected against quality degradation include, but are not limited to, domestic, municipal, agricultural, and industrial supply; power generation; recreation; aesthetic enjoyment; navigation; and preservation and enhancement of fish, wildlife, and other aquatic resources or preserves.

(g) "Quality of the water" refers to chemical, physical, biological, bacteriological, radiological, and other properties and characteristics of water which affect its use.

(h) "Water quality objectives" means the limits or levels of water quality constituents or characteristics which are established for the reasonable protection of beneficial uses of water or the prevention of nuisance within a specific area.

(i) "Water quality control" means the regulation of any activity or factor which may affect the quality of the waters of the state and includes the prevention and correction of water pollution and nuisance.

(j) "Water quality control plan" consists of a designation or establishment for the waters within a specified area of all of the following:

(1) Beneficial uses to be protected.

(2) Water quality objectives.

(3) A program of implementation needed for achieving water quality objectives.

(k) "Contamination" means an impairment of the quality of the waters of the state by waste to a degree which creates a hazard to the public health through poisoning or through the spread of disease. "Contamination" includes any equivalent effect resulting from the disposal of waste, whether or not waters of the state are affected.

(l) "Pollution" means an alteration of the quality of the waters of the state by waste to a degree which unreasonably affects either of the following:

(A) The waters for beneficial uses.

(B) Facilities which serve these beneficial uses.

(2) "Pollution" may include "contamination."

(m) "Nuisance" means anything which meets all of the following requirements:

(1) Is injurious to health, or is indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property.

(2) Affects at the same time an entire community or neighborhood, or any considerable number of persons, although the extent of the annoyance or damage inflicted upon individuals may be unequal.

(3) Occurs during, or as a result of, the treatment or disposal of wastes.

(n) "Recycled water" means water which, as a result of treatment of waste, is suitable for a direct beneficial use or a controlled use that would not otherwise occur and is therefore considered a valuable resource.

(o) "Citizen or domiciliary" of the state includes a foreign corporation having substantial business contacts in the state or which is subject to service of process in this state.

(p)(1) "Hazardous substance" means either of the following:

(A) For discharge to surface waters, any substance determined to be a hazardous substance pursuant to Section 311(b)(2) of the Federal Water Pollution Control Act (33 U.S.C. Sec. 1251 et seq.).

(B) For discharge to groundwater, any substance listed as a hazardous waste or hazardous material pursuant to Section 25140 of the Health and Safety Code, without regard to whether the substance is intended to be used, reused, or discarded, except that "hazardous substance" does not include any substance excluded from Section 311 (b)(2) of the Federal Water Pollution Control Act because it is within the scope of Section 311(a)(1) of that act.

(2) "Hazardous substance" does not include any of the following:

(A) Nontoxic, nonflammable, and noncorrosive stormwater runoff drained from underground vaults, chambers, or manholes into gutters or storm sewers.

(B) Any pesticide which is applied for agricultural purposes or is applied in accordance with a cooperative agreement authorized by Section 116180 of the Health and Safety Code, and is not discharged accidentally or for purposes of disposal, the application of which is in compliance with all applicable state and federal laws and regulations.

(C) Any discharge to surface water of a quantity less than a reportable quantity as determined by regulations issued pursuant to Section 311(b)(4) of the Federal Water Pollution Control Act.

(D) Any discharge to land which results, or probably will result, in a discharge to groundwater if the amount of the discharge to land is less than a reportable quantity, as determined by regulations adopted pursuant Section 13271, for substances listed as hazardous pursuant to Section 25140 of the Health and Safety Code. No discharge shall be deemed a discharge of a reportable quantity until regulations set a reportable quantity for the substance discharged.

(q)(1) "Mining waste" means all solid, semisolid, and liquid waste materials from the extraction, beneficiation, and processing of ores and minerals. Mining waste includes, but is not limited to, soil, waste rock, and overburden, as defined in Section 2732 of the Public Resources Code, and tailings, slag, and other processed waste materials, including

cementitious materials that are managed at the cement manufacturing facility where the materials were generated.

(2) For the purposes of this subdivision, "cementitious material" means cement, cement kiln dust, clinker, and clinker dust.

(r) "Master recycling permit" means a permit issued to a supplier or a distributor, or both, of recycled water, that includes waste discharge requirements prescribed pursuant to Section 13263 and water recycling requirements prescribed pursuant to Section 13523.1.

(s)(1) "Agricultural operation" means either of the following:

(A) A discharger that satisfies both of the following conditions:

(i) The discharger is an owner, operator, or both, of land that is irrigated to produce crops or pasture for commercial purposes or a nursery.

(ii) The discharger is enrolled or named in an irrigated lands regulatory program order adopted by the state board or a regional board pursuant to Section 13263 or 13269.

(B) A discharger that satisfies both of the following conditions:

(i) The discharger is an owner, operator, or both of a facility that is used for the raising or harvesting of livestock.

(ii) The discharger is enrolled or named in an order adopted by the state board or a regional board pursuant to Section 13263 or 13269 that regulates the discharges of waste from a facility identified in clause (i) to protect ground and surface water.

(2) "Agricultural operation" does not include any of the following:

(A) An off-farm facility that processes crops or livestock.

(B) An off-farm facility that manufactures, synthesizes, stores, or processes fertilizer.

(C) Any portions of land or activities occurring on those portions of land that are not covered by an order adopted by the state board or a regional board identified in clause (ii) of subparagraph (A) or clause (ii) of subparagraph (B) of paragraph (1).

## SEC. 7.

Article 4.5 (commencing with Section 13278) is added to Chapter 4 of Division 7 of the Water Code, to read:

### Article 4.5. Discharges of Nitrate to Groundwater from Agricultural Operations

13278. (a) For the purposes of this article, the Legislature finds all of the following:

(1) Implementation of currently known best management practices for some crops under some circumstances can reduce but not always completely prevent nitrogen in organic and synthetic fertilizers that transform to nitrate from reaching groundwater at concentrations above the water quality objectives established pursuant to this division.

(2) It is acknowledged that discharges of nitrate from agricultural operations could reach groundwater and could cause or contribute to exceedances of drinking water standards for nitrate, and could cause conditions of pollution of or nuisance in those waters as defined and applied in accordance with this division, or both.

(3) Nitrate pollution of groundwater impacts drinking water sources for hundreds of thousands of Californians and it is necessary to protect current and future drinking water users from the impacts of nitrate pollution.

(4) Despite progress in controlling discharges of nitrogen that lead to nitrate formation, some groundwater sources of drinking water will continue to be adversely impacted by nitrate and it is important to have in place a program for mitigating these impacts.

(5) The regional boards will continue to regulate discharges to reduce nitrogen loading and protect beneficial uses of water and groundwater basins; the state board, regional boards, and courts will ensure compliance with those orders; and dischargers will pay for mitigation of nitrate pollution by funding projects that provide both immediate and long-term drinking water solutions for affected communities and affected domestic wells.



(b) The Legislature declares its intent in establishing this article to limit certain enforcement actions that a regional board or the state board could otherwise initiate during a 15-year period against an agricultural operation that meets specified requirements, while maintaining the overall framework of this division to protect beneficial uses, implement water quality objectives in waters of the state, and regulate activities and factors that affect water quality to attain the highest water quality that is reasonable.

13278.1. (a) An agricultural operation shall not be subject to enforcement undertaken or initiated by the state board or a regional board, under Chapter 5 (commencing with Section 13300), for causing or contributing to an exceedance of a water quality objective for nitrate in groundwater or for causing or contributing to a condition of pollution or nuisance for nitrate in groundwater if an agricultural operation that discharges or threatens to discharge, or has discharged or previously threatened to discharge, nitrate to groundwater meets all of the following requirements:

(1) The agricultural operation is in compliance with all applicable provisions prescribed by a regional board or the state board in an order adopted pursuant to Section 13263 or 13269, including, but not limited to, the following:

(A) Requirements to implement best practicable treatment or control.

(B) Requirements to implement best efforts.

(C) Monitoring and reporting requirements.

(D) Applicable timelines.

(2) The agricultural operation is in compliance with an applicable program of implementation for achieving groundwater quality objectives for nitrate that is part of an applicable water quality control plan adopted by the state board or a regional board pursuant to Article 3 (commencing with Section 13240).

(3) The requirement contained in paragraph (1) excludes any provision contained in an order adopted under Section 13263 or 13269 that prohibits in general terms a discharge from causing or contributing, or threatening to cause or contribute, to an exceedance of a

water quality objective for nitrate in groundwater or a condition of pollution or nuisance for nitrate in groundwater.

(b)(1) An agricultural operation is not in compliance with the requirement in paragraph

(1) of subdivision (a) if the agricultural operation has been subject to an enforcement order under Chapter 5 (commencing with Section 13300) within the preceding 12 months for violation of an order adopted under Section 13263 or 13269 authorizing discharges from agricultural operations.

(2) Paragraph (1) does not apply to an enforcement order issued after January 1, 2017, and before January 1, 2020, inclusive, alleging that a discharge from an agricultural operation caused or contributed, or threatened to cause or contribute, to an exceedance of a water quality objective for nitrate in groundwater, conditions of pollution or nuisance for nitrate in groundwater, or both.

(c) Except as otherwise provided in subdivision (d), both of the following apply to a discharge of nitrogen to groundwater by an agricultural operation that occurs when the discharger is in compliance with the requirements of paragraph (1) of subdivision (a):

(1) The discharge of nitrogen to groundwater shall not be admissible in a future enforcement action against the agricultural operation by the state board or a regional board, pursuant to Chapter 5 (commencing with Section 13300), to support a claim that the agricultural operation is causing or contributing, or threatening to cause or contribute, to an exceedance of a water quality objective for nitrate in groundwater or a condition of pollution or nuisance for nitrate in groundwater.

(2) The discharge of nitrogen to groundwater shall not be considered by the state board or a regional board to apportion responsibility and shall not be used by any person to diminish responsibility in any enforcement action initiated pursuant to Chapter 5 (commencing with Section 13300) with respect to discharges of nitrogen, regardless of source, that did not occur in compliance with the mitigation requirements of paragraph (1) of subdivision (a).

(d) Nothing in this section alters the state board's or a regional board's authority to do both of the following:

(1) To require or conduct investigations, to require reports on or to establish other requirements for best practicable treatment or control or best efforts, or to require monitoring and reporting requirements to protect water quality.

(2) To take or initiate enforcement action pursuant to Chapter 5.5 (commencing with Section 13370), without regard to whether the agricultural operation met the requirements of paragraph (1) of subdivision (a) at any time.

(e) This section shall not be deemed to change or alter a water quality objective that is part of a water quality control plan adopted by the state board or a regional board pursuant to Article 3 (commencing with Section 13240).

(f) This section shall remain in effect only until January 1, 2030, and as of that date is repealed.

13278.2. (a) An agricultural operation shall not be subject to enforcement undertaken or initiated by the state board or a regional board, under Section 13304, for creating or threatening to create a condition of pollution or nuisance for nitrate in groundwater if an agricultural operation that discharges or threatens to discharge, or has discharged or previously threatened to discharge, nitrate to groundwater meets all of the following requirements:

(1) The agricultural operation is in compliance with all applicable provisions prescribed by a regional board or the state board in an order adopted pursuant to Section 13263 or 13269, including, but not limited to, the following:

(A) Requirements to implement best practicable treatment or control.

(B) Requirements to implement best efforts.

(C) Monitoring and reporting requirements.

(D) Applicable timelines.

(2) The agricultural operation is in compliance with an applicable program of implementation for achieving groundwater quality objectives for nitrate that is part of an

applicable water quality control plan adopted by the state board or a regional board pursuant to Article 3 (commencing with Section 13240).

(3) The requirement contained in paragraph (1) excludes any provision contained in an order adopted under Section 13263 or 13269 that prohibits in general terms a discharge from causing or contributing, or threatening to cause or contribute, to an exceedance of a water quality objective for nitrate in groundwater or a condition of pollution or nuisance for nitrate in groundwater.

(b) An agricultural operation is not in compliance with the mitigation requirement in paragraph (1) of subdivision (a) if the agricultural operation has been subject to an enforcement order under Chapter 5 (commencing with Section 13330) within the preceding 12 months for violation of an order adopted under Section 13263 or 13269 authorizing discharges from agricultural operations.

(c) Except as otherwise provided in subdivision (d), both of the following apply to a discharge of nitrogen to groundwater by an agricultural operation that occurs when the discharger is in compliance with the requirements of paragraph (1) of subdivision (a):

(1) The discharge of nitrogen to groundwater shall not be admissible in a future enforcement action against the agricultural operation by the state board or a regional board, pursuant to Section 13304 to support a claim that the agricultural operation is causing or contributing, or threatening to cause or contribute, to an exceedance of a water quality objective for nitrate in groundwater or a condition of pollution or nuisance for nitrate in groundwater.

(2) The discharge of nitrogen to groundwater shall not be considered by the state board or a regional board to apportion responsibility and shall not be used by any person to diminish responsibility in any enforcement action initiated pursuant to Section 13304 with respect to discharges of nitrogen to groundwater, regardless of source, that did not occur in compliance with the requirements of paragraph (1) of subdivision (a).

(d) Nothing in this section alters the state board's or a regional board's authority to do both of the following:

(1) To require or conduct investigations, to require reports on or to establish other requirements for best practicable treatment or control or best efforts, or to require monitoring and reporting requirements to protect water quality.

(2) To take or initiate enforcement action pursuant to Chapter 5.5 (commencing with Section 13370), without regard to whether the agricultural operation met the requirements of paragraph (1) of subdivision (a) at any time.

(e) This section shall not be deemed to change or alter a water quality objective that is part of a water quality control plan adopted by the state board or a regional board pursuant to Article 3 (commencing with Section 13240).

(f)(1) This section shall become operative on January 1, 2030.

(2) This section shall remain in effect only until January 1, 2035, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2035, deletes or extends that date.

13278.3. By January 1, 2029, the state board shall conduct a public review of regulatory and basin plan amendment implementation programs to evaluate progress toward achieving water quality objectives with respect to nitrate in groundwater and assess compliance with adopted timelines, monitoring requirements, and implementation of best practicable treatment or control.

13278.4. Nothing in this article limits the liability of a discharger under any other law, including, but not limited to, Part 3 (commencing with Section 3479) of Division 4 of the Civil Code.

13278.5. As long as the safe drinking water fee for confined animal facilities excluding dairies pursuant to Article 10.5 (commencing with Section 595) of Chapter 3 of Part 1 of Division 1 of the Food and Agricultural Code, the fertilizer safe drinking water fee pursuant to Article 6.5 (commencing with Section 14615) of Chapter 5 of Division 7 of the Food and Agricultural Code, and the dairy safe drinking water fee pursuant to Article 14.5 (commencing with Section 62215) of Chapter 2 of Part 3 of Division 21 of the Food and Agricultural Code are in effect, the Legislature may not amend the provisions in this article except by an affirmative vote of two-thirds of the membership in each house of the Legislature.

SEC. 8. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution for certain costs that may be incurred by a local agency or school district because, in that regard, this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

SEC. 9. The sum of fifty million dollars (\$50,000,000) is hereby appropriated from the Toxic Substances Control Account to the Department of Toxic Substances Control and shall be available for activities related to the cleanup and testing of contaminated properties in the communities surrounding the Exide Technologies facility in the City of Vernon.

SEC. 10. (a) The Department of Finance may transfer up to the sum of fifty million dollars (\$50,000,000) as a loan from the General Fund to the Toxic Substances Control Account to use for the following purposes.

(1) Activities related to the cleanup and investigation of properties contaminated with lead in the communities surrounding the Exide Technologies facility in the City of Vernon, California.

(2) Notwithstanding Section 25173.6 of the Health and Safety Code, job training activities related to the cleanup and investigation of the properties contaminated with lead in the communities surrounding the Exide Technologies facility in the City of Vernon, California.

(3) Actions taken to pursue all available remedies against potentially responsible parties, including, but not limited to, cost recovery actions against entities that are potentially responsible, for the costs related to the cleanup and investigation of properties contaminated with lead in the communities surrounding the Exide Technologies facility in the City of Vernon, California.

(b) All funds recovered from the potentially responsible parties shall be used to repay the loan made pursuant to subdivision (a).

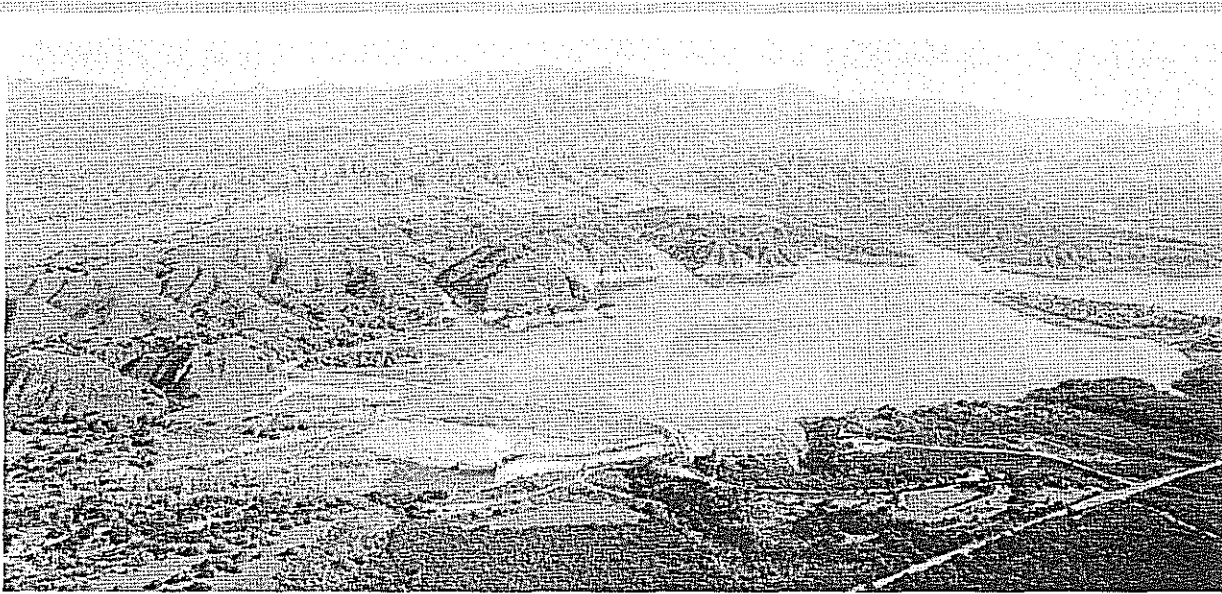
(c) To the extent the amount of moneys received from the cost recovery efforts is insufficient to fully repay the loan made pursuant to subdivision (a), the Director of Finance may forgive any remaining balance if, at least 90 days before forgiving any balance, the Director of Finance submits a notification to the Joint Legislative Budget Committee.



# ID NO.1 NEWS

Semi-Annual Update from Your Local Water District

Our Mission: To provide the residential and agricultural customers in the Santa Ynez River Water Conservation District, Improvement District No.1 service area with reasonably priced, reliable, high quality water supply, and efficient and economical public services.

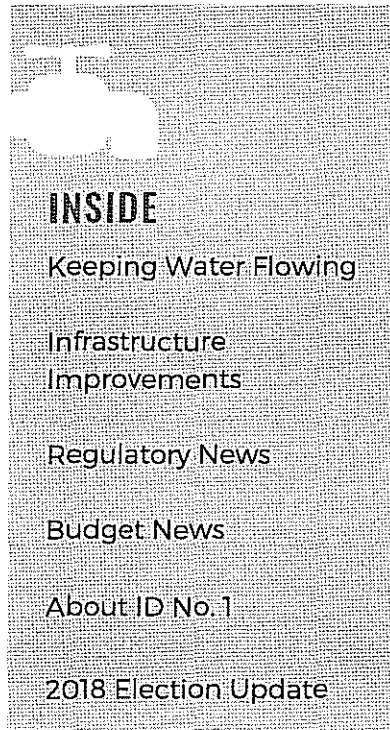


## KEEPING CUSTOMERS INFORMED

Welcome to the Winter Edition of the Santa Ynez River Water Conservation District, Improvement District No.1 (ID No.1) News. We launched ID No.1 News to help keep customers informed about important updates on everything from local infrastructure projects to statewide regulatory issues that impact our ratepayers. Each edition will also provide helpful tips, water facts, and information to assist our customers. This edition will highlight the most immediate activities that ID No.1 has been engaged in, such as improving infrastructure, financial recovery, protecting water rights, complying with State law and regulations, water conservation, and enhancing water supply sources. As always, we encourage you to visit our website at [www.syrwd.org](http://www.syrwd.org) for more information about ID No.1.

Sincerely,

Chris Dahlstrom, General Manager  
 Harlan Burchardi, Trustee Division 1  
 Jeff Clay, Trustee Division 2  
 Kevin Walsh, Trustee Division 3  
 Michael Burchardi, Trustee Division 4  
 Brad Joos, Trustee At-Large





## KEEPING WATER FLOWING

Our area is dependent on rainfall that runs off and is stored in reservoirs and that seeps into the ground to recharge the groundwater and river basins. Although this year began with below normal rainfall, the recent winter rain has a promising water supply outlook. This year is shaping up to be similar to 2005, when substantial rainfall caused Cachuma to fill and spill. Lake Cachuma, a primary source of ID No.1's water supply, is filling and our modeling forecast shows the lake rising to nearly 60% full. So far this year, 18.22 inches of rain have been recorded at Cachuma, or 93% for the year. Upper Santa Ynez River watershed is at 23.93 inches to date. All of this means that after six years of drought conditions and water supply shortages, the recent rainfall has helped to stabilize and sustain ID No.1's water supplies. Water deliveries from Lake Cachuma and the State Water Project are certainly expected to increase. Our local groundwater resources from the Upland Basin, deliveries from the Santa Ynez River, and our customers' commitment to conservation have all helped maintain our water supply reliability.

ID No.1 has been working to enhance efficiency, and improve reliability. We've identified ways to make the most of our existing water resources and take actions on opportunities to augment water supplies to keep the water flowing to our customers and to ensure we have what we need for public safety purposes.

### Cachuma Water

Each year, ID No.1 requests its allocation of Cachuma Project water from the U.S. Bureau of Reclamation (USBR). Typically, USBR allocates 2,651 acre feet (full allocation) or nearly 864 million gallons of water to ID No.1 for agriculture and domestic uses. This year, USBR allocated only 530 acre feet of water deliveries from Cachuma even though ID No.1 requested 1060 acre feet and further increases in the annual allocation as the water storage rises in the lake. The lake is now more than half full. Santa Barbara County Water Agency took a position not in the best interest of ID No.1, recommending to USBR that only a 530 acre foot allocation be provided and another 530 acre feet in the spring. In two prior years, ID No.1 received as much as 1,193 acre feet of its delivery allocation with the lake at lower levels than it is now. Now that the water levels in the lake are expected to reach 60%, ID No.1 will be requesting its remaining full allocation.

### State Water Project

State Water Project (SWP) water represents only 2% of the District's total water profile, and beginning this January the Department of Water Resources allocated only 10% to all its contractors. This means ID No.1 receives only 70 acre feet of its 700 acre foot entitlement. To help offset the initial allocation, the SWP Supplemental Water Purchase Program through the Central Coast Water Authority and State Water Contractors provides the opportunity to purchase immediate term water. This water was made available in 2018 to ensure reliability and avoid reductions in deliveries.

### Groundwater

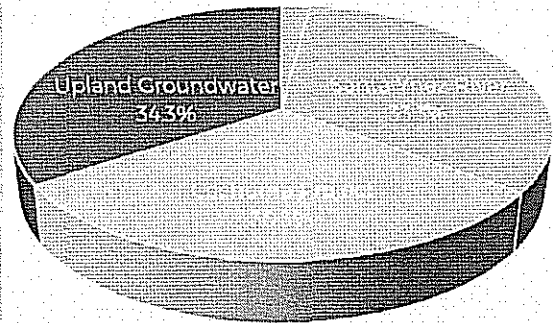
Groundwater from wells in the Upland Basin is the foundation of ID No.1's water supply and is the most robust source during drought conditions. Rehabilitating our groundwater wells is key to reliable delivery of water to our domestic and agricultural customers. This past year, planned maintenance, rehabilitation and replacement of certain Upland Basin and Santa Ynez River wells has been the focus to improve water supply. Economizing power usage and extending the life of those wells is an added benefit. Rehabilitating three of the river wells has increased production flows by nearly two times the past rate. We lost production from one of our oldest Upland Basin wells that was drilled in the late 1950's, and ID No.1 will be installing a replacement well costing more than a half a million dollars to make up the loss of the 1950's well production. These actions are important to assure that when those wells are needed most to meet peak demand and provide for agricultural watering, the water is there.

The State of California under the Brown Administration mandated that groundwater be managed under a new law called the Sustainable Groundwater Management Act (SGMA). All basins in California are subject to SGMA and the Santa Ynez Basin is no exception being classed a medium risk basin. SGMA requires that local agencies work together to prepare a plan to manage the groundwater by 2023 or, the State will regulate all private and public pumping within that basin and establish quantities and fees accordingly.

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, ID NO.1 - 3622 SAGUNTO ST. SANTA YNEZ, CA - 805.688.6015 - SYRWD.ORG

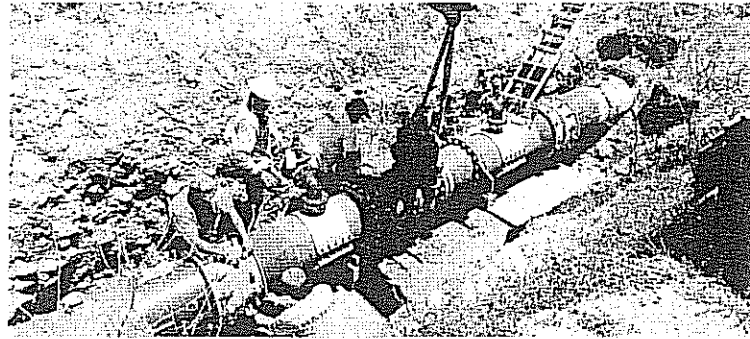
## WHERE WE GET OUR WATER

State Water Project - 2%



**ID NO.1 CUSTOMERS CONSERVE!**  
**WATER USE DOWN 23%**

The four local agencies (Santa Barbara County, ID No.1, the City of Solvang and Santa Ynez River Water Conservation District) determined it best to have local control. They formed a Groundwater Sustainability Agency (GSA) in June 2017 and are in the process of developing a program that will involve the community. The cost to comply with SGMA is estimated to run into the millions of dollars. Fortunately, the County has committed \$1 million for groundwater studies and the State has made matching grant funds available for some of the remaining costs. However, ID No.1's customers will be required to pay for the balance of yet another unfunded State mandate over the next 5 years.



Valve Installation

ID No.1 has invested more than \$200,000 in these projects. The district is also preserving its produced water by relining one of its two football field-sized reservoirs and recoating one of two storage tanks. The Zone-2 storage reservoir that holds 6.5 million gallons of water was relined with new and improved materials that will safeguard against leaks and losses of water. The cost of the project was nearly \$1 million. The previous liner was installed in 1988. Repairs were also made to the 500,000 gallon tank that will help it last another 25 years.

## INFRASTRUCTURE IMPROVEMENTS

ID No.1's infrastructure reliability is a top priority especially when it comes to assuring water delivery and conveyance. The 24-inch transmission main that was constructed and installed in 1960 is the backbone of the distribution system and remains the essential delivery pipeline for water from Cachuma, the District's river wells and State Water Project water.

Major maintenance of the transmission and distribution system was deferred from 2010 to 2016. With revenues stabilizing in the past year and an upward recovery of reserves, ID No.1 has implemented certain planned capital projects aimed at enhancing water efficiency and improving the operation of the conveyance and distribution system. Two large diameter valve assemblies were installed at different system locations necessary for replacing aged and non-operational flow control valves. Other capital projects include the replacement of a 75 hp motor-booster pump at the Mesa Verde 5-stage Pump Station that takes Cachuma and State Water Project water into the ID No.1 system.

### Practical Water Use Tips

- Contact ID No.1 to Receive Free Water Saving Devices
- Wrap Your Pipes to Avoid Breaks & Leaks During Frost Season
- Have a Turf Irrigation Audit Performed to Enhance Efficient Watering Practices

And stay tuned for updates on future SMART meters from ID No.1!

## THE COST OF MEETING REGULATORY REQUIREMENTS

ID No.1 works diligently to preserve its water entitlement from Cachuma and protect its water resources from the Santa Ynez River while striking a balance with maintaining a healthy river habitat system for the listed endangered steelhead trout. The Endangered Species Act that protects the Santa Ynez Steelhead trout has resulted in fisheries programs, projects, and activities all paid for by you, the customer. Each year, ID No.1 must budget hundreds of thousands of dollars to pay for fish studies, fish monitoring programs, habitat enhancements (oak tree restoration projects), and other related environmental programs, for less than 10 steelhead/rainbow trout. ID No.1 is also protecting the communities' long-standing water rights and supplies by working with USBR, other Federal and State entities, and local agencies to maintain a balance of water for agriculture and domestic needs against the current priority by the National Marine Fisheries Service and other special interest groups of water for fish. This effort involves a monumental amount of time and effort by District management and staff, biology and hydrology consultants, and legal specialists which equates to hundreds of thousands of dollars each year for the protection of our water.

**Did You Know? The amount of water released for fish during 4 months of drought exceeded the entire year's allocation of water for our customers.**

Additional costs also loom ahead. In 2015 and through 2018, the United States Bureau of Reclamation determined it spent more in each year than it planned and had not calculated nor collected enough funds from ID No.1 and the other four contractors to cover its cost overruns for each of those years. Although ID No.1 paid its typical costs each year, as it has for the past 20 years, the Federal government is now requiring reimbursement of those funds, which are as much as five times what ID No.1 previously paid.

### Chromium 6 Update

Regulations that would significantly change California's drinking water standards could be coming back in 2019. ID No.1 is preparing for the reoccurrence of a 2014 State law that required water districts to reduce levels of Chromium 6 (Cr6) from 50 parts per billion to 10 parts per billion. Superior courts required the State to temporarily reverse this regulation in 2017. Due to notification from the State of the potential return of these restrictive regulations, ID No.1 is preparing for and analyzing potential solutions. Water quality is of utmost importance to ID No.1, we also support efforts to ensure the State acts reasonably and uses the best available science as it looks at resetting the level of Cr6 allowed in drinking water. Previously, the new State standards would cost the District's customers over \$12.5 million to come into compliance and had a deadline of 2020.

## ABOUT ID NO.1

ID No.1 was formed on July 5, 1959 and has proudly served our customers for 60 years. Our continuing goal is to provide the highest quality water, on demand to our Agriculture, Domestic, Rural Residential customers as well as to the City of Solvang. This small agency has a long-standing ethic to work to meet and exceed State and Federal Standards, comply with all levels of regulations and contract conditions, meet its debt and financial obligations, and protect its robust and diverse sources of supply for our customers, while assuring water is delivered to our customer's taps.

In conducting business on behalf of its customers, ID No.1's Board holds monthly public meetings to discuss and decide on matters such as financial conditions, water supplies, operations, maintenance and expansion of facilities, Federal, State and Local policies, and environmental compliance. As a public agency, ID No.1 is subject to the Ralph M. Brown Act; an act that governs the conduct of open meeting for public agencies. As such, ID No.1's meetings and organizational procedures are carried out in full compliance with the Brown Act and its activities are open and transparent to the public it serves. For information on past and upcoming board meetings, please visit [www.syrwd.org](http://www.syrwd.org).

In 2019, ID No.1 will continue conducting its business to administer and manage its water supplies and deliver reliable high-quality water at the most reasonable rates possible to its customers. This coming year is filled with the expectations of safe and secure water supplies, the promise of unmatched service, and the offering of convenience and courteous customer interactions. We hope you find ID No.1 News informative – if you have any questions or desire any further information, the staff of ID No.1 is always willing to be of assistance to you, our customers.

## BUDGET

2018 saw the beginnings of financial recovery for ID No.1 following an all-time low in reserves and critical levels of operational funds. A combination of factors beginning in 2010 including a prior Board of Trustees' decision to eliminate water rate adjustments, a 2011 decision to suspend an annual tax assessment and from 2014 through 2017 decreased water sales due to State drought mandated measures – meant that revenues were not keeping pace with ID No.1's financial responsibilities and debt obligations. Even though annual expenditures were reduced, projects and programs deferred, and other cost-cutting measures were enacted, additional action to restore its financial health and recover lost reserves was needed. In 2016, the Board of Trustees voted on a new gradual rate structure designed to ensure ID No.1 can generate revenues to meet expenditures, assure debt service obligations are met and discontinue the mining of the reserves.

To further reduce costs to customers, the Board withdrew its membership in May 2016 with a finalized agreement in August 2018 from the Cachuma Operation and Maintenance Board (COMB). This agency that diverts and conveys water from Lake Cachuma to the south coast of Santa Barbara, increased its costs and had opposing representation. ID No.1 will continue limited interactions with COMB saving up to a hundred thousand dollars each year in financial assessments.

## 2018 ELECTION UPDATE

This past November, three seats on the Board of Trustees were voted on by ID No.1's ratepayers. Incumbents Kevin Walsh Division 3, R. Brad Joos At-Large, and Jeff Clay Division 2 were re-elected onto the Board of Trustees for another term. We look forward to another productive year ahead with ID No.1's leadership.

Contact your Board of Trustees

Send mail to :

Santa Ynez River Water Conservation District, ID No.1  
PO Box 157, Santa Ynez, CA 93460

Email Secretary of the Board:

[mmartone@syrwd.org](mailto:mmartone@syrwd.org) or [general@syrwd.org](mailto:general@syrwd.org)

**CORRESPONDENCE LIST**  
**MARCH 2019**

1. Transmittal dated February 15, 2019 to Bond Trustees for the FY 2017/2018 Continuing Disclosure Annual Report submitted for the Series A 2004 Bond
2. Letter from District dated February 14, 2019 to Mr. & Mrs. Nagler re: Meter Downsize request - 1085 Ladan Drive
3. Letter from District dated February 20, 2019 to Santa Ynez Band of Chumash Indians re: Water service application refund of unused balance for Health Clinic Deposit
4. Letter from District dated February 20, 2019 to Mr. P. Robertson re: Water Service deposit - refund of unused balance for manifold installation at 1376 Calzada
5. Letter from District dated February 21, 2019 to Mr. D. Perlman re: Meter removal request - 3150 Figueroa Mtn. Road
6. Letter received February 22, 2019 from California Water Board - State Water Resources Control Board re: 2018 Annual Water Use Reporting
7. Letter from District dated March 4, 2019 to Mr. R. Haydon, City of Solvang, re: 1<sup>st</sup> Quarter 2019-2020 DWR/CCWA Variable O&M Invoice
8. ID No.1 Newsletter sent to all District customers March 5, 2019
9. Transmittal dated March 6, 2019 to State Controller's Office re: submittal of annual Government Compensation Report
10. Transmittal dated March 13, 2019 to SB County re: submittal of Annual Emergency Response Plan for 10 sites
11. Letter from District dated March 13, 2019 to Mr. M. Rick re: Meter Downsize request for 2090 Still Meadow Road