

# Public Comment

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February 25, 2021

Honorable Bob Nelson, Chair and  
Members of the Board of Supervisors  
County of Santa Barbara  
105 East Anapamu Street  
Santa Barbara, CA 93101

Re: Central Coast Water Authority Request to Approve California Department of Water Resources State Water Project Water Supply Contract Amendments No. 20 and 21

Dear Chair Nelson and Members of the Board of Supervisors:

The Goleta Water District (District) Board of Directors appreciates the opportunity to provide comments on Santa Barbara Flood Control and Water Conservation District's (SBFCWCD) consideration of the Central Coast Water Authority's (CCWA) request to approve Amendment 20 (Contact Extension Amendment) and Amendment 21 (Water Management Amendment) to the State Water Project Contract (SWP Contract). Both Amendments to the SWP Contract would provide significant advantages to the approximate 87,000 people served by the District. It is our understanding that CCWA has been working with County Counsel and SBFCWCD staff to approve these amendments on terms acceptable to CCWA and its member agencies, including the District. The District supports approval of both Amendments by the Board of Supervisors.

The District is a participant and member of CCWA, a Joint Powers Agency, comprised of thirteen water purveyors, responsible for the management and operation of deliveries of State Water Project water to Santa Barbara County. In 1991, voters within the District elected to purchase an allocation of State Water to increase water supply reliability during drought. In 1994, voters increased the amount of State Water purchased so that the reliability of State Water could be further increased (a "drought buffer"). The District currently holds the largest entitlement to State Water Project water on Santa Barbara County's South Coast (7,450 acre-feet per year, or 40 percent of the South Coast total). State Water is a significant element of the District's water supply portfolio, and the ability to import State Water at the most reasonable cost is critical.

The District currently has no plans to sell State Water entitlement and the District's long-term planning documents, including its Water Supply Management Plan, depend upon State Water to meet current and future customer demand. The District's SAFE Water Supplies Ordinance, adopted by the voters in 1991 and amended in 1994, provides that in authorizing State Water, the District is also required to store water delivered from the State Water Project in excess of customer demand in the adjudicated Goleta Groundwater Basin (Basin) for future use. The District is the senior appropriative rights holder in the Basin, and is one of only two parties with the right to store water in the Basin. Utilizing this adjudicated storage right, State Water is an important surface water supply source for the District's Aquifer Storage and Recovery (ASR) Program, for which the District holds a permit from the Regional Water Quality Control Board. The District's ASR Program provides for the injection of surplus water supplies into the Basin in wet years for use in dry years when surface water supplies are reduced, thus increasing water supply reliability.

The State Water Project infrastructure also allows the District to acquire additional supplies in critical drought years. As recently as 2015 and 2016 the District acquired 4,000 acre-feet of supplemental water through the State Water Project via exchanges that avoided further drastic water conservation measures and impacts to agricultural irrigation in the District. This water accounted for nearly 40% of District supply delivered in Water Year 2015-2016.

Approval of Amendment 20 to the SWP Contract would provide significant financial benefits to the population base within the District. Most significantly, Amendment 20 extends the contract term until 2085, when it is currently set to expire in 2035. Approval of the extension allows CCWA and its members the ability to take advantage of more favorable long-term bond terms to fund significant capital expenditures on the State Water Project. The District estimates these savings may result in \$3 million to its ratepayers over the next 14 years of the current contract. Adoption of the Amendment would also increase limits imposed by the Department of Water Resources on water rate management credits, which the District estimates could save District ratepayers an additional \$1 million. The District has no objection to matching the term of the 1991 Transfer of Financial Responsibility Agreement between the County and CCWA and the extended term of the SWP Contract term.

Amendment 21 is also critical to the District because, if adopted, it would allow straight purchase of water in a more robust transfer market when needed. Currently, DWR's rules require that water acquisitions be structured as unbalanced exchanges. If the District cannot participate on the same terms as the majority of water agencies throughout California which have already adopted Amendment 21, the District may be unable to secure additional water acquisitions in years of need absent the current arcane exchange limitations. The result in drought years could be additional water shortages and severe use restrictions for District customers, including interrupted service to outdoor irrigation and commercial agriculture. Given the District's focus on the need for flexible and cost-effective water purchase opportunities, the District has made its position known to CCWA that it is not opposed to a requirement that any out-of-County sales/transfers must first be offered to in-County water agencies under the same terms offered by an out-of-county entity.

In the face of changing climate and water supply conditions locally and state-wide, the District requires every tool in its water management portfolio to remain flexible and ensure a continued reliable source of water supply for the communities it serves. Both Amendment 20 and 21 to the SWP Contract are vital in this effort. Accordingly, the District requests that the Board of Supervisors authorize SBFCWCD to execute both Amendment 20 and Amendment 21.

Sincerely,



Kathleen Werner, President  
Board of Directors  
Goleta Water District