

# Water Supply Contracts Updates

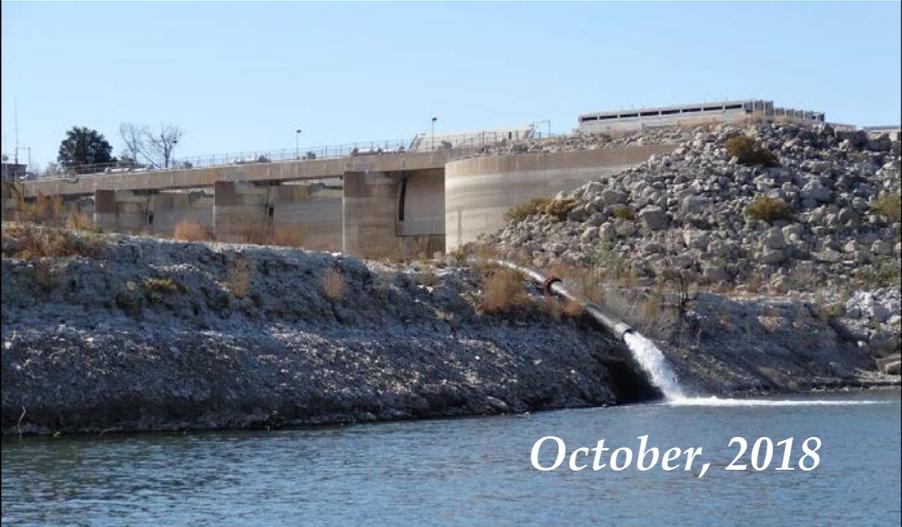


*November, 2018*

Board of Directors  
Flood Control and Water Conservation District  
and  
Water Agency  
February 5, 2019

# State Water Contract

- 1963 Flood Control and Water Conservation District contracts for State Water
- 1991 TFRA with CCWA
- 2015 state revises code for JPA taxing authority
- CCWA requesting assignment of the State Water contract



October, 2018

11/06/91

8/10/91  
11/10/91  
11/10/91

**STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES  
CONTRACT  
BETWEEN THE STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES AND  
SANTA BARBARA COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT  
FOR A WATER SUPPLY**

**THIS CONTRACT**, made this 25th day of February, 1963, between the Governor of the California Water Resources Development Board, the State Central Valley Project Act, and other applicable laws of the State of California, between the State of California, acting by and through its Department of Water Resources, known herein as the "State," and Santa Barbara County Flood Control and Water Conservation District.

a public agency in the State of California, duly organized, existing, and acting pursuant to the laws thereof with its principal place of business in Santa Barbara County, California, known referred to as the "Agency".

**WITNESSETH**, That:

**WHEREAS** the State is authorized to construct and operate facilities for the storage and management of water, certain of which facilities will make water available to the Agency and

**WHEREAS** funds will be provided under the California Water Resources Development Board Act for the construction of said facilities and

**WHEREAS**, the Agency is desirous of obtaining a supply of water from the State,

**NOW THEREFORE**, it is mutually agreed as follows:

**A. INTRODUCTORY PROVISIONS**

**1. DEFINITIONS**

When used in this contract, the following terms shall have the meanings hereinafter set forth:

**(a) Board Act**  
"Board Act" shall mean the California Water Resources Development Board Act, comprising Chapter 666, the State Central Valley Project Act, and other applicable laws of the State of California, known as the "Water Code."

**(b) System**  
"System" shall mean the State Water Resources Development System as defined in Section 17941 of the Water Code.

**(c) Basin**  
"Basin" shall mean the Sacramento-San Joaquin Delta as defined in Section 11210 of the Water Code on November 8, 1968.

**(d) Contractor**  
"Contractor" shall mean any entity contracting with the State for a dependable supply of water made available by the System, except such water as is made available to the Agency as defined in Section 10745(c) of the Water Code.

**(e) Project Conservation Facilities**  
"Project facilities" shall mean those facilities of the System which will, in whole or in part, serve the purposes of this contract by conveying, storing and regulating a dependable supply of water from the State and the Agency with respect to the facilities and the project conservation facilities and "project transportation facilities," as hereinafter defined.

**(f) Project Conservation Facilities**  
"Project conservation facilities" shall mean such project facilities as are presently installed, or it may be added in the future, under (g) and (h) below.

**TRANSFER OF FINANCIAL RESPONSIBILITY AGREEMENT**

This Agreement is dated November 12, 1991 and is by and between the Central Coast Water Authority, a California Joint exercise of powers agency (hereinafter "CCWA") and the Santa Barbara County Flood Control and Water Conservation District (hereinafter "District").

**Recitals**

A. On February 26, 1963, the District and the State of California Department of Water Resources (hereinafter "State" or "State") entered into an agreement entitled "Water Supply Contract" regarding the District's participation in the Santa Maria Project. This agreement, as amended to the date hereof, and as it may be amended and supplemented from time to time, is referred to herein as the "SWP Contract."

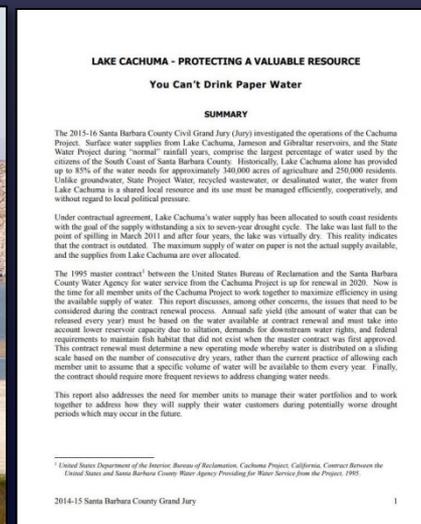
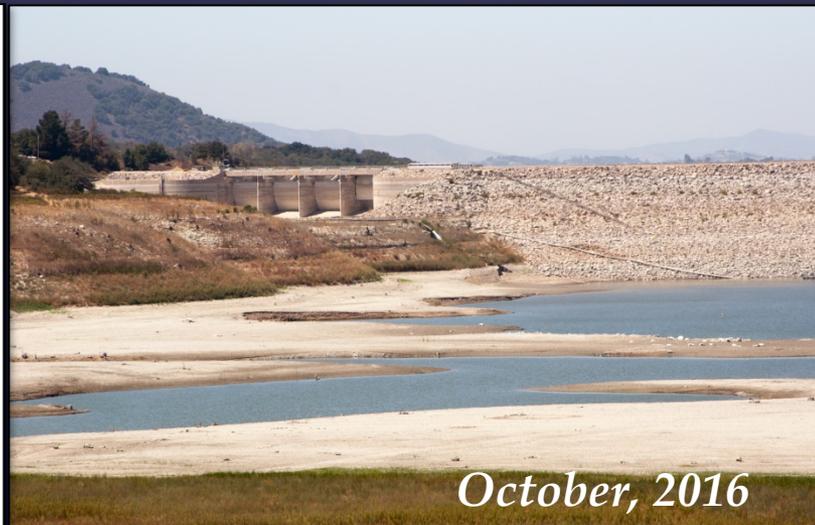
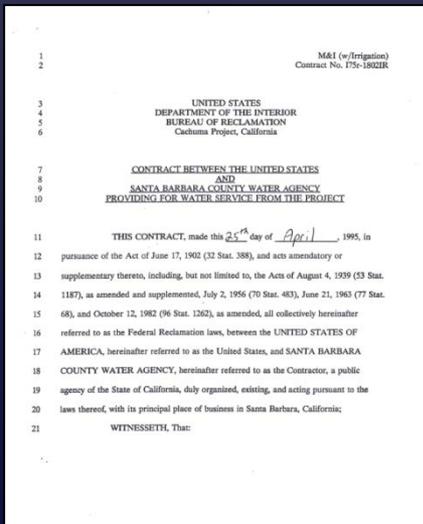
B. At various times between 1963 and 1966, the District assigned its rights under the SWP Contract to cities, public water districts, private water utilities, mutual water companies and others by means of a series of agreements, each of which is entitled "Water Supply Allocation Agreement." Each of those agreements, as amended to the date hereof, is referred to herein as a "MSRA."

C. DWR has approved the MSRAs in a letter to the District dated August 13, 1991, but specified that the MSRAs, the creation of CCWA, and the MSRA may not in any way be construed as an assignment obligating the DWR to the local water purveyors or their agency, or giving the local purveyors or their agency any rights to proceed directly against DWR, or relieving the District of any of its obligations to DWR under the water supply contract. The District and CCWA are continuing their efforts to secure from DWR an agreement to release the District from its obligations under the SWP Contract to the extent those obligations have been assumed by CCWA.

D. A number of the entities which entered into a MSRA with the District have agreed to organize themselves into the CCWA, an agency organized under Government Code Section 6500 et seq., for the purpose of exercising their rights under their respective MSRAs. Each public entity participating in CCWA has executed a Joint Exercise of Powers Agreement ("JPA Agreement") with CCWA, and is referred to herein as a "CCWA Member."

# Cachuma Project Contract

- 1949 Water Agency signs original contract with USBR
- Contract renewed in 1995 (25 year term)
- Sub-Contracts with 5 Cachuma Member Units
- Requested Contract Renewal with USBR May 2, 2017
- Contract Issues (2016 Grand Jury Report):
  - Yield
  - New Critical Drought Period
  - Contract Term



# Presentation

Ray Stokes

Central Coast Water Authority

Executive Director



# Recommended Actions

- Receive a report on assignment of the State Water Project Contract from the County Flood Control District to the Central Coast Water Authority; and

Direct staff to:

- i. Receive comments from the Board regarding the transfer of the State Water Project Contract from the Flood Control District to the Central Coast Water Authority and return to the Board with analysis of these issues and to receive a presentation by the Central Coast Water Authority on their request; or
- ii. Take no action on the assignment request from the Central Coast Water Authority.

# Recommended Actions continued

- Receive a report on the status of the Cachuma Project Water Service Contract Renewal Process; and
- Determine that the above proposed actions are not a project under the California Environmental Quality Act, pursuant to Guidelines Section 15378(b)(5).