



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Flood Control
Department No.: 054
For Agenda Of: 07/15/08
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Directors, Flood Control and Water Conservation District

FROM: Department Scott McGolpin, Public Works Director, 568-3010
Director(s)
Contact Info: Thomas Fayram, Deputy Public Works Director, 568-3436

SUBJECT: **State Water Project Agreement with State Department of Water Resources and San Luis Obispo County Flood Control District regarding delivery of excess Table A amount from San Luis Obispo County Flood Control District to Central Coast Water Authority (CCWA) for use by CCWA members in Santa Barbara County as a drought buffer for a period of two years**

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence: N/A

As to form: N/A

Recommended Actions:

Approve and authorize the Chair to execute an Agreement (Attachment A) to allow the State Department of Water Resources (DWR) to deliver up to 5,200 Acre Feet of unneeded San Luis Obispo County Flood Control District (SLOFCD) State Water to Central Coast Water Authority (CCWA) to help restore deliveries to Santa Barbara County Water Purveyors.

Summary Text:

The Board of Supervisors, acting as the Board of Directors of the Santa Barbara County Flood Control and Water Conservation District (District) is asked to approve and execute the attached Agreement among DWR, SLOFCD and the District that provides for transfer of up to 5,200 Acre Feet of unneeded SLOFCD State Water per year to CCWA for use by its members. If SLOFCD does not use its Table A amount in any give year that amount is not available to SLOFCD in future years. The agreement would remain in effect for two years. The request from CCWA is Attachment B.

Background:

The Santa Barbara County Flood Control and Water Conservation District (District) originally contracted for a share of the State Water Project (SWP), but has transferred its rights and responsibilities for the project to the Central Coast Water Authority (CCWA) and several CCWA members through Water Supply Retention Agreements (executed in the mid 1980's) and the November 21, 1991 agreement with CCWA. The SWP contract establishes the District and its taxpayers as the ultimate guarantor for financial obligations of the "State" portion of the project. (The distribution facilities south of Casmalia and the water treatment plant, the "local facilities", were financed with bonds issued by CCWA directly.) The State accepts the transfer of obligations and rights but still regards the District as the contractor in case of default by CCWA in making its payments. Since the District remains the contractor for the project, your Board must approve Amendments to the SWP Contract and certain other agreements such as this letter agreement (Attachment A). CCWA has requested your Board approve the Agreement (Attachment B).

The SLOFCD holds SWP Table A amount (water that may be available and delivered) for which it must pay the State various costs. SLOFCD does not anticipate needing the full amount for the next two years. The State has announced reductions in anticipated deliveries this year due to a combination of factors including level and timing of runoff to its reservoirs and operational constraints imposed by the courts to protect endangered species.

In order to assure it members of the fullest possible delivery for the next two years, CCWA wishes to purchase up to 5,200 Acre Feet of unneeded SLOFCD entitlement. Although water from other regions may be available for CCWA, purchase from SLOFCD will facilitate delivery operations and will mutually benefit the two partners who rely on the Coastal Branch for their SWP supplies.

Although the County does not play a direct role in delivery or payment issues relating to the State Water Project, the State still desires the ultimate Contracting entity to acknowledge and approve such actions. Thus approval by your Board is necessary to allow CCWA and SLOFCD to proceed with their project.

Fiscal and Facilities Impacts:

Budgeted: Yes Staff time to administer these types of issues for the SWP is included every year in the Water Agency cost center of the Water Resources Division of the Public Works Department.

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State			
Federal			
Fees			
Other:			
Total	\$ -	\$ -	\$ -

Narrative:

Since CCWA is responsible for all SWP costs, including costs of operation, Board action will have no fiscal impacts on the County or the Flood Control District.

Special Instructions:

Direct the Clerk of the Board to return the three originals of the Agreement among DWR, SLOFCD and the District along with a copy of the minute order to the Flood Control District office, Attn: Christina Lopez. The District will forward this agreement to the State for their approval. Once the State has approved the amendment, the District will return an original to the COB for their files.

Attachments:

Proposed Agreement (Attachment A)

Letter from CCWA requesting Board Action (Attachment B)

Authored by:

Matt Naftaly, Interim Water Agency Manager, 568-3442