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BOARD OF SUPERVISORS

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COUNTY OF SANTA BARBARA

July 12, 2016

Honorable James Herman Presiding Judge Santa Barbara Superior Court County Courthouse 1100 Anacapa Street Santa Barbara CA 93101

Reference: Response to Santa Barbara Civil Grand Jury report titled, "*Lake Cachuma, Protecting a Valuable Resource, You can't Drink Paper Water*", (Published May 19, 2016, Grand Jury Website).

Judge Herman:

Please find attached the Santa Barbara County Board of Supervisors (Board) response to the above referenced Civil Grand Jury Report. As directed by the Grand Jury, all responses are provided in accordance with Section 933.05 of the California Penal Code.

The Board appreciates the work conducted by the Public Works Department for their assistance in responding to this matter.

Sincerely,

Peter Adam, Chair Santa Barbara County Board of Supervisors

CC: Santa Barbara County Board of Supervisors Maria Millsaps, Foreperson, 2015-16 Santa Barbara Civil Grand Jury

Santa Barbara County Board of Supervisors Response to the Santa Barbara County Grand Jury 2015-2016 Report "Lake Cachuma, Protecting a Valuable Resource, You can't Drink Paper Water"

<u>Finding 1</u>

Siltation is continuing to decrease the storage capacity and the safe yield of Lake Cachuma as defined in United States Department of the Interior; Bureau of Reclamation, Cachuma Project, California, Contract Between the United States and Santa Barbara County Water Agency Providing for Water Service from the Project, 1995.

The Board agrees with the finding.

Recommendation 1

That the safe yield from Lake Cachuma as defined in *United States Department of the Interior; Bureau of Reclamation, Cachuma Project, California, Contract Between the United States and Santa Barbara County Water Agency Providing for Water Service from the Project, 1995*, be recalculated and used in the new master contract between the United States Bureau of Reclamation and the Santa Barbara County Water Agency taking into account lost storage capacity due to siltation.

<u>The recommendation has not yet been implemented, but will be implemented in the future.</u> The Water Agency initiated a Safe Yield analysis and a draft report is partially completed. This work was stopped to determine if a redefinition of the critical drought period is needed. This would be absolutely vital to its completion. With the current contract expiring in 2020, it is expected that the Safe Yield analysis and report will be completed in time for a new master contract.

Finding 2

Downstream water rights are protected in the United States Department of the Interior; Bureau of Reclamation, Cachuma Project, California, Contract between the United States and Santa Barbara County Water Agency Providing for Water Service from the Project, 1995 and must be considered when calculating the safe yield.

The Board agrees with the finding.

Recommendation 2

That the new master contract between the United States Bureau of Reclamation and the Santa Barbara County Water Agency must continue to emphasize the importance of downstream water rights and be used in the calculations of the safe yield.

The recommendation has not yet been implemented but will be implemented in the future, when the Contract is negotiated.

Attachment A

Finding 3

The United States Department of the Interior; Bureau of Reclamation, Cachuma Project, California, Contract Between the United States and Santa Barbara County Water Agency Providing for Water Service from the Project, 1995 was written prior to the 2000 National Marine Fisheries Service Biological Opinion and does not include the requirement to release water under the auspices of the Endangered Species Act.

The Board agrees with the finding.

Recommendation 3a

That the new master contract between the United States Bureau of Reclamation and the Santa Barbara County Water Agency include the required water releases for the protection of fish habitat under the 2000 National Marine Fisheries Service Biological Opinion.

<u>This recommendation will not be implemented because it is not warranted or is not reasonable</u>. It is unnecessary to include this in a new Contract as protection of fisheries is governed by the Federal Endangered Species Act which is implemented by the United State Bureau of Reclamation.

Recommendation 3b

That the new master contract between the United States Bureau of Reclamation and the Santa Barbara County Water Agency add language to include the amount of water that will be required to be released by the new Biological Opinion from the National Marine Fisheries Services when it is released.

<u>The recommendation requires further analysis.</u> It will be considered in the future, when the Contract is negotiated. On July 12, 2016, the County Water Agency will request direction from the Board to contact USBR to begin discussing the process of negotiating a new master contract.

<u>Finding 4</u>

The 2011-2016 drought is far worse than the "design drought" of 1947-1952 used in the United States Department of the Interior, Bureau of Reclamation, Cachuma Project, California, and Contract Between the United States and Santa Barbara County Water Agency Providing for Water Service from the Project, 1995 for Lake Cachuma.

The Board agrees with the finding.

Recommendation 4

That the new master contract between the United States Bureau of Reclamation and the Santa Barbara County Water Agency calculate new water entitlements for member units using the current 2011-2016 worst case drought as its "design drought".

The recommendation has not yet been implemented but will be implemented in the future, when the Contract is negotiated if the current drought is in fact more severe than the previous period.

<u>Finding 5</u>

The United States Department of the Interior; Bureau of Reclamation, Cachuma Project, California, Contract Between the United States and Santa Barbara County Water Agency Providing for Water Service from the Project, 1995 extending from 1995 to 2020 (25 years) is too long a period and includes no review and revision clauses to recalculate the "safe yield" of the Cachuma Project.

<u>The Board partially disagrees with this finding.</u> Water Supply contracts are often costly and time consuming to renegotiate for shorter periods of time. However, the Board agrees that if a new 25 year water supply contract is executed it should include a mandatory recalculation of the safe yield and update the annual water allocation plan accordingly.

Recommendation 5a

That the term of the new contract between the United States Bureau of Reclamation and the Santa Barbara County Water Agency be less than 25 years in length.

<u>The recommendation will not be implemented because it is not warranted or is not reasonable.</u> The contract can stay at 25 years yet still allow supply changes within that period to accommodate a continuous evaluation of the safe yield in which the Board agrees is important to do.

Recommendation 5b

That the new contract between the United States Bureau of Reclamation and the Santa Barbara County Water Agency include periodic mandatory review and revision clauses on the order of every five or six years to recalculate the "safe yield" of Lake Cachuma and to make any other necessary contract changes.

<u>The recommendation has not yet been implemented but will be implemented in the future</u>, when the Contract is negotiated subject to USBR concurrence.

Finding 6

Safe yield from Lake Cachuma in the current United States Department of the Interior; Bureau of Reclamation, Cachuma Project, California, Contract Between the United States and Santa Barbara County Water Agency Providing for Water Service from the Project, 1995, is based on a static volume per year.

The Board agrees with the finding.

Recommendation 6

That the new master contract between the United States Bureau of Reclamation and the Santa Barbara County Water Agency include a new safe yield in Year One after Lake Cachuma spills, and, in subsequent years, use either a sliding scale or specify mandatory reductions.

<u>The recommendation requires further analysis</u>. Input from the water users is important in this discussion as well. However the supply from Lake Cachuma should last a full seven years and accommodate either a safe yield approach (flat deliveries throughout the drought period), or possibly higher allocations the year after a spill followed by a schedule of shortages that again spans the 7 year period. It will be considered in the future, when the Contract is negotiated. On July 12, 2016, the County Water Agency will request direction from the Board to contact USBR to being discussing the process of negotiating a new master contract.

Finding 8

Conservation policies and drought declarations differ from one member unit to another, possibly confusing water users.

The Board agrees with the finding.

Recommendation 8a

That the member units, in conjunction with the Santa Barbara County Water Agency, create consistent policies and procedures that govern conservation efforts especially during times of a severe drought and that these are documented in the subcontracts between the Santa Barbara County Water Agency and the member units.

The recommendation will not be implemented because it is not warranted or is not reasonable. Each of the member units is a separate legal entity governed by entity specific members whose goals and policies may not be the same as other member units. In addition, each entity has its own water supply portfolio that may demand differing actions.

Recommendation 8b

That the policies and procedures in Recommendation 8a be announced to the community by all member units at the same time.

The recommendation will not be implemented because it is not warranted or is not reasonable. Each of the member units is a separate legal entity governed by entity specific members whose goals and policies may not be the same as other member units. In addition, each entity has its own water supply portfolio that may demand differing actions.