DEPARTMENT OF WATER RESOURCES

1416 NINTH STREET, P.O. BOX 942836 SACRAMENTO, CA 94236-0001 (916) 653-5791

JUN 2 1 2016

Mr. Peter Adam Chair of the Board of Directors Santa Barbara County Flood Control & Water District 105 East Anapamu Street Santa Barbara, California 93101

Dear Mr. Adam,

The Department of Water Resources (DWR) received and has reviewed your letter dated February 9, 2016 expressing Santa Barbara Flood Control & Water Conservation District's (Santa Barbara) interest in reacquiring 12,214 acre feet of State Water Project (SWP) Table A water. DWR, under conditions described in this letter, is willing to work with Santa Barbara to reacquire the 12,214 acre feet of the suspended SWP Table A water.

Amendment 9 to Santa Barbara's long term water supply contract with the State Water Project reduced Santa Barbara's Table A amount from 57,700 acre feet to 45,486 acre feet. A new contract amendment will be required to increase Santa Barbara's Table A amount to 57,700 acre feet. Santa Barbara and Central Coast Water Authority (CCWA), are encouraged to work with DWR staff in the State Water Project Analysis Office to complete a new contract amendment.

Acquisition of this SWP Table A water will require Santa Barbara to reimburse DWR for all of the suspended costs associated with the 12,214 acre feet of SWP water. These costs have been accumulating since 1981 and they are not insignificant. One of the conditions for an amendment is that Santa Barbara will pay all future costs associated with this addition to the Table A amount.

Before approving a contract amendment, compliance with California Environmental Quality Act statutes is required as well. Santa Barbara will need to provide documentation that the additional SWP Table A water can be put to beneficial use given the limitations of the existing SWP conveyance systems that will be used to deliver this water to Santa Barbara.

DWR would like to begin discussing this acquisition by Santa Barbara in the very near future. In order for us to be of more assistance, please contact Craig Trombly of my staff at (916) 653-4547 or Craig.Trombly@water.ca.gov.

Sincerely,

Mark E. Andersen

Acting SWP Deputy Director

ach E. Anderen

cc: (Please see attached).

Mr. Peter Adam JUN 2 1 2016 Page 2

CC:

Mr. Ray Stokes Executive Director

Central Coast Water Authority

255 Industrial Way Buellton, California 93427-9565

RECEIVED JUN 2 4 2016 CCWA