

MEMBER UNITS EXHIBIT NUMBER 80

TESTIMONY OF C. CHARLES EVANS

Submitted on Behalf of the Cachuma Conservation Release Board and The Santa Ynez River Water Conservation District, Improvement District No. 1

I am the Consultant Manager of the Cachuma Conservation Release Board (CCRB). Prior to my retirement in 1999, I was the General Manager of the Montecito Water District for 22 years, and was also concurrently the principal staff person for CCRB, for 24 years. I am thoroughly familiar with water resources management, institutional and water right issues involved with the Cachuma Project, including the substantial effort made by the Cachuma Member Units to comply with, and to assist the United States Bureau of Reclamation (Reclamation) to comply with, the requirements of State Water Resources Control Board (SWRCB) Order WR 94-5.

I. WATER AGENCIES INVOLVED WITH CACHUMA PROJECT

A. Reclamation.

The United States Department of the Interior, Bureau of Reclamation, is the Permittee under the SWRCB appropriative water right permits for the Cachuma Project. Reclamation owns and operates the Cachuma Project for the benefit of the Cachuma Member Units.

B. Member Units.

Five local government agencies are entitled by contract with Reclamation to receive water from the Cachuma Project. These Cachuma Members Units include four South Coast agencies:

City of Santa Barbara,

Goleta Water District,

Montecito Water District,
Carpinteria Valley Water District,
and an agency from the Santa Ynez Valley,
Santa Ynez River Water Conservation District, Improvement District No. 1 (I.D. No. 1).

C. Santa Barbara County Water Agency.

The Santa Barbara County Water Agency holds the Master Contract with Reclamation for the Cachuma Project and has contracted, in turn, with the Member Units. Under current contract arrangements, the Member Units deal directly with Reclamation on all Cachuma Project matters.

D. Santa Ynez River Water Conservation District.

The Santa Ynez River Water Conservation District (SYRWCD, sometimes referred to as the "Parent District" to distinguish it from I.D. No. 1) encompasses all of the Santa Ynez Valley area westerly from the Cachuma Project to the ocean (including I.D. No. 1). One purpose of the SYRWCD is to serve as trustee for beneficial municipal, industrial, and agricultural water users downstream from the Cachuma Project. SYRWCD manages the release of certain water stored in the Cachuma Project in the Above Narrows and the Below Narrows accounts.

E. Cachuma Conservation Release Board (CCRB).

CCRB is a joint powers agency consisting of the four South Coast Members Units (the City of Santa Barbara, the Goleta Water District, the Montecito Water District, and the Carpinteria Valley Water District). The purpose of CCRB is to protect the water right interests of its members agencies in the water from the Cachuma Project in relationship to other water right holders and claimants downstream of Bradbury Dam. CCRB, together with I.D. No. 1, also conducts and finances the fisheries studies and steelhead restoration projects regarding the

lower Santa Ynez River, and assisting Reclamation in the implementation of the Biological Opinion issued by the National Marine Fisheries Service pursuant to Section 7 of the Endangered Species Act for the operation of the Cachuma Project to protect the federally endangered steelhead trout.

F. Cachuma Operation and Maintenance Board (COMB).

COMB is a joint powers agency consisting of all five Cachuma Project Member Units (South Coast Member Units and I.D. No. 1). COMB is responsible for the operation and maintenance of all project facilities except Bradbury Dam and its outlet works. These facilities include Tecolote Tunnel, the South Coast Conduit, and four regulating reservoirs. These facilities serve to divert Cachuma Project water to the Member Units. COMB is the contracting agency through which steelhead restoration projects will be constructed.

G. Cachuma Project Authority (CPA).

CPA was a joint powers agency consisting of all five Member Units. Organized in 1993, the purpose of CPA was to renew the Cachuma Project Master Contract. CPA served as CEQA lead agency in the preparation of the Cachuma Contract Renewal EIS/EIR. Following completion of the contract renewal, CPA was merged into COMB in 1996.

H. Central Coast Water Authority (CCWA).

CCWA exists for the purpose of contracting with the California Department of Water Resources for delivery of water through the Central Coast Aqueduct, a branch of the State Water Project (SWP). CCWA is a joint powers agency consisting of the Cachuma Project Member Units and a number of other water agencies in Santa Barbara County, and contracts with San Luis Obispo County agencies. Through contract arrangements, SWP water is delivered to Cachuma Reservoir and wheeled to the South Coast Member Units through Cachuma Project

facilities. I.D. No. 1 exchanges its share of Cachuma Project yield with the South Coast Member Units for an equal amount of SWP water.

II. DOCUMENTATION OF SANTA YNEZ RIVER NEGOTIATIONS, 1999-2000

In January 1999, after consensus was not reached on the work plan manager process, (described in the testimony of Steve Mack, Member Unit (M.U.) Exhibit No. 50), CCRB and I.D. No. 1 invited the City of Lompoc and SYRWCD to participate in discussions that could lead to a cooperative program of water quality improvement for the Lompoc Groundwater Basin (See M.U. Exhibit No. 81, letter dated January 6, 1999, and M.U. Exhibit Nos. 82 and 83, response letters dated February 3 and March 3, 1999). CCRB and I.D. No. 1 offered to deliver SWP water, with its considerably lower total dissolved solids content, directly to Lompoc in an amount equal to Below Narrows Account (BNA) water held in the Cachuma Project. The proposal contemplated a physical solution exchange of SWP water for BNA water and the *in lieu* recharge of the Lompoc Groundwater Basin, as Lompoc would then agree to not pump an equivalent amount of water from its wells in the Basin. An alternate proposal was for SWP water to be released into the Santa Ynez River in the area of the Lompoc Groundwater Basin (Below Narrows Account area) for recharge of the Groundwater Basin.

The parties first met in these "Invitation to Talk" Ad Hoc Committee meetings in June 1999. A total of twelve meetings have been held since that time, including an Ad Hoc Committee meeting scheduled for November 1, 2000. The meeting schedule has been as follows:

1. June 7, 1999; Buellton, California
2. July 1, 1999; Santa Ynez, California
3. July 7, 1999; Buellton, California

4. July 12, 1999; Los Olivos, California
5. August 9, 1999; Buellton, California
6. September 8, 1999; Los Alamos, California
7. October 6, 1999; Santa Ynez, California
8. November 8, 1999; San Marcos Pass, California
9. December 9, 1999; Buellton, California
10. February 17, 2000; Buellton, California
11. August 30, 2000; Buellton, California
12. November 1, 2000; Buellton, California

The Ad Hoc Committee is made up of two elected officials from the governing boards of the four Ad Hoc Committee members: CCRB, I.D. No. 1, the City of Lompoc and the SYRWCD. The Ad Hoc Committee members are as follows:

CCRB Representatives	Jan Abel
	Harold P. "Rusty" Fairly
I.D. No. 1 Representatives	Harlan Burchardi
	Matt Loudon
City of Lompoc Representatives	Jan Keller
	Michael Siminski
SYRWCD Representatives	Jon Picciuolo
	David Pierce

In addition, the principal staff persons for each of the entities, namely the managers of CCRB, I.D. No. 1, and SYRWCD, and the Utility Director of the City of Lompoc, have provided staff assistance at the meetings. They are:

CCRB Consultant Manager:	Charles Evans
I.D. No. 1 Manager:	Chris Dahlstrom
Lompoc City Utilities Director:	Gary Keefe
SYRWCD Manager:	Bruce Wales

Early on, the Ad Hoc Committee agreed to hold its negotiations confidential, and this discussion is intended to not violate that agreement.

As indicated above, twelve meetings have been held of the Ad Hoc Committee to improve Lompoc Groundwater Basin water quality. A stated purpose of the Ad Hoc Committee was to reach an agreement whereby the four parties could proceed to the State Water Resources Control Board Water Right Hearing in a mutually supportive manner.

The negotiations are continuing. At its last meeting on August 30, 2000, the Ad Hoc Committee unanimously authorized the preparation and forwarding of a letter to the SWRCB staff. (See M.U. Exhibit No. 84). In the letter, signed by all participants, the Ad Hoc Committee asked that the State Board not schedule substantive or controversial issues in Phase I of the Cachuma Project Water Rights Hearing until the completion of the EIR, because the parties believed they were close to reaching an agreement. The State Board responded by stating that the parties' concerns would be considered. (See M.U. Exhibit No. 85).

III. COSTS INCURRED BY MEMBER UNITS FOR COMPLIANCE WITH SWRCB ORDER WR 94-5.

The Cachuma Member Units have expended substantial amounts of money for compliance with State Board Order WR 94-5. Those expenditures are as shown below:

- A. Preparation of EIR/EIS for the Cachuma Contract Renewal. The Member Units expended about \$1.3 million in 1995 for this EIR/EIS, which will be used

extensively in the preparation of the EIR for the WR 94-5 State Water Board water right process.

- B. Preparation of EIR for Current WR 94-5 Water Right Hearing. The EIR currently being prepared by Reclamation for the WR 94-5 State Water Board water right process is costing the Member Units about \$425,000, plus the additional costs in section F below of \$269,000, for a total of \$794,000.
- C. Santa Ynez River Technical Advisory Committee (SYRTAC) Coordination and Fishery Collection Costs. Conducting the fishery studies and the coordination activities with all the agencies involved since 1993 has cost the Member Units about \$2.24 million.
- D. Vegetation Study. The vegetation study cost \$120,100 to prepare.
- E. Work Plan Manager. This work cost \$125,000. The Member Units' 60 percent share totaled \$75,000.
- F. Water Quality and Hydrology Modeling Work. The total cost of this modeling work in preparation of the current EIR is \$269,000.

The above costs do not include the costs of the Section 7 Consultation between the Bureau of Reclamation and the National Marine Fisheries Service, which cost the Cachuma Member Units an additional several hundred thousand dollars. As a result of that Consultation, the Member Units will be spending an estimated \$3.2 million on steelhead restoration projects in the Santa Ynez River watershed downstream of the Cachuma Project over the next several years.