December 15, 2014

Mr. Ted Alvarez, Project Manager for Contract Amendment
California Department of Water Resources
1416 Ninth Street, Room 1620
Sacramento, CA 94236-0001

Re: Public Comment - Bay Delta Conservation Plan Negotiations

Dear Mr. Alvarez:

The Santa Barbara County Flood Control and Water Conservation District (District), as one of the 29 State Water Contractors, is concerned about the financial responsibilities the District has to the State Water Project (SWP) if the Bay Delta Conservation Plan (BDCP) is implemented as a part of the District’s contract with the Department of Water Resources (DWR).

On many occasions, the District has asked that DWR address the legality of imposing property taxes should the District’s financial backing be needed. To date DWR has not responded to these concerns, nor has DWR given any indication that it will respond, rather choose to ignore this issue. While through this current process, that may work, it is important for DWR to understand that any amendment would need to be approved by the District’s Board of Directors and as such this issue may well have to be dealt with then.

If DWR desires to maintain that the District’s taxing authority is a financial guarantor for BDCP bonds, then it seems very important that this question be answered not only for the District but also for DWR to sell bonds presuming the taxing authority is there.

If there is no interest by other SWP Contractors in this issue, it could be more productive to address it in an amendment specific to Santa Barbara.

Sincerely,

Thomas D. Fayram
Deputy Public Works Director

cc: Mr. Ray Stokes, Executive Director, Central Coast Water Authority
Naomi Schwartz Building
130 E. Victoria Street, Suite 200, Santa Barbara, California 93101

Thomas D. Fayram
Deputy Public Works Director