

MEMBER UNITS EXHIBIT NUMBER 73

**MEMORANDUM OF UNDERSTANDING FOR
COOPERATION ON TECHNICAL RESOLUTION OF LOMPOC PLAIN
GROUNDWATER BASIN WATER QUALITY ISSUES**

THIS MEMORANDUM OF UNDERSTANDING, made and entered into as of December 23, 1996 by and between:

THE CITY OF LOMPOC,

**THE SANTA YNEZ RIVER WATER CONSERVATION
DISTRICT, IMPROVEMENT DISTRICT NO. 1,**

THE CACHUMA CONSERVATION RELEASE BOARD,

**THE UNITED STATES, DEPARTMENT OF THE
INTERIOR, BUREAU OF RECLAMATION,**

**THE SANTA YNEZ RIVER WATER CONSERVATION
DISTRICT, AND**

THE SANTA BARBARA COUNTY WATER AGENCY,

together referred to herein as the "parties", WITNESSETH:

WHEREAS, the City of Lompoc, the United States, Department of the Interior, Bureau of Reclamation, the Santa Ynez Water Conservation District, Improvement District No. 1, the Santa Ynez River Water Conservation District, the Santa Barbara County Water Agency, and member units of the Cachuma Conservation Release Board (which member units are the Goleta Water District, the City of Santa Barbara, the Montecito Water District, and the Carpinteria Valley Water District) have an interest to develop the information available and to be available regarding the water quality of the Lompoc Plain Groundwater Basin; and,

WHEREAS, the parties wish to develop, consider and review such information in order to attempt to reach an understanding and agreement among the parties about the water quality of the Lompoc Plain Groundwater Basin,

NOW THEREFORE, THE PARTIES ENTER THIS MEMORANDUM OF UNDERSTANDING to share work and information necessary for a mutually satisfactory resolution of their respective concerns related to water quality in the Lompoc Plain Groundwater Basin in accordance with the following provisions:

1. **STEERING COMMITTEE** The parties by this Memorandum of Understanding establish and will maintain a Steering Committee, composed of one representative of each of the parties to this agreement. Each party shall appoint one member to the Steering Committee. The Steering Committee shall select a Chair to preside over and

conduct the meetings of the Steering Committee. The State Water Resources Control Board may appoint a member to serve in *ex officio* status on the Steering Committee. The California Regional Water Quality Control Board - Central Coast Region may appoint a member to serve in *ex officio* status on the Steering Committee. The actions and decisions of the Steering Committee shall require the unanimous consent of all members. The Steering Committee will meet regularly, or as often as it shall deem necessary, to fulfill the purposes of this Memorandum of Understanding. The Steering Committee shall have the following responsibilities:

a. The Steering Committee shall establish and maintain a scope of work (referred to herein as the Work Plan), attached hereto and incorporated by reference, and shall select, guide and direct the Lompoc Plain Groundwater Basin Work Plan Manager (Work Plan Manager). Such Work Plan shall include review and analysis of information available and to be made available about the water quality of the Lompoc Plain Groundwater Basin, which information shall be made available to all parties and to all interested persons, at regular intervals. The attached Work Plan is adopted as a preliminary version only, and is anticipated to be modified and adapted as required by the parties.

b. The Steering Committee shall support and supervise the work of the Work Plan Manager and shall receive, review and approve reports of the Work Plan Manager, before the release of such reports pursuant to this memorandum of understanding.

2. LOMPOC PLAIN GROUNDWATER BASIN WORK PLAN MANAGER (WORK PLAN MANAGER) To implement this Memorandum of Understanding and to facilitate cooperative efforts with regard to water quality within the Lompoc Plain Groundwater Basin, the Santa Barbara County Water Agency, upon approval by the Steering Committee, shall retain a Work Plan Manager as a consultant to carry out a Work Plan approved by the Steering Committee, together with such modifications to such Work Plan as may be approved, from time to time, by the Steering Committee. The Work Plan Manager shall not be engaged until the Steering Committee is satisfied that it has received complete versions of the U.S. Geological Survey Lompoc Basin Groundwater Model; the H.C.I. Lompoc Basin Groundwater Model, and the Santa Ynez River Hydrology Model. The Work Plan shall be developed, maintained and updated as needed for the purpose to create consensus on water quality issues through use of existing models and information by review of technical and historic materials and an evaluation of existing models of the Lompoc Basin, the Cachuma Reservoir and the Santa Ynez River and its tributaries downstream of Cachuma Reservoir.

3. INFORMATION, SUPPORT AND FINANCIAL ARRANGEMENTS Each of the parties to this Memorandum of Understanding shall provide to the Work Plan Manager sufficient access to their respective staff, consultants, records, and information; and shall provide such technical assistance as is available from their respective jurisdictions to allow and assist the Work Plan Manager to review and analyze all material regarding all water quality issues affecting the Lompoc Plain Groundwater Basin. In addition:

a. The Cachuma Conservation Release Board shall provide, for each agreed-upon phase of the Work Plan during the term of this Memorandum of Understanding, 53.82% of

the funds required to employ consultants, conduct analyses, and for the copies, reports, tools, equipment, supplies, travel, and other costs of the Work Plan Manager according to budgets approved as provided herein.

b. The Santa Ynez River Water Conservation District, Improvement District No. 1, shall provide, for each agreed-upon phase of the Work Plan during the term of this Memorandum of Understanding, 6.18% of the funds required to employ consultants, conduct analyses, and for the copies, reports, tools, equipment, supplies, travel, and other costs of the Work Plan Manager according to budgets approved as provided herein.

c. The Santa Barbara County Water Agency will, in addition to the provisions of Article 4. Administration, herein, provide, for each agreed-upon phase of the Work Plan during the term of this Memorandum of Understanding, 20% of the funds required to employ consultants, conduct analyses, and for the copies, reports, tools, equipment, supplies, travel, and other costs of the Work Plan Manager according to budgets approved as provided herein.

d. The Santa Ynez River Water Conservation District shall provide, for each agreed-upon phase of the Work Plan during the term of this Memorandum of Understanding, 10% of the funds required to employ consultants, conduct analyses, and for the copies, reports, tools, equipment, supplies, travel, and other costs of the Work Plan Manager according to budgets approved as provided herein.

e. The City of Lompoc shall provide, for each agreed-upon phase of the Work Plan during the term of this Memorandum of Understanding, 10% of the funds required to employ consultants, conduct analyses, and for the copies, reports, tools, equipment, supplies, travel, and other costs of the Work Plan Manager according to budgets approved as provided herein.

f. Each party shall make the studies, analyses, reports, and work of its hydrology consultants and other scientific consultants regarding water quality of the Lompoc Plain Groundwater Basin which they have sponsored, developed and/or contracted for through the calendar year 1996, available to the Work Plan Manager for review, analysis and consideration.

g. The Steering Committee may join, contract with, and/or obtain contributions from one or more public agencies, operations, businesses or public benefit organizations for the operation, benefit and support of the work provided for herein.

h. The work to be conducted under this Memorandum of Understanding shall be done in phases. Participation through this Memorandum of Understanding in any phase beyond Phase I as described in the Work Plan shall require unanimous consent.

4. ADMINISTRATION The Santa Barbara County Water Agency shall provide administrative support as required for the operations and work of the Work Plan Manager. The Santa Barbara County Water Agency shall coordinate budgets for this Memorandum of Understanding; administer to the contracts for services hired for the work provided herein, and perform such other administrative and coordination needs as the Work Plan Manager and the Steering Committee may, from time to time, require. The Santa Barbara County Water Agency shall keep records of financial transactions on a generally recognized accounting basis and such records shall be maintained for a period of 3 years following the completion of the work assigned. The Steering Committee shall provide for distribution of copies of materials developed, reports, agendas, minutes, and other significant deliverables to the

parties and to the Regional Water Quality Control Board and the State Water Resources Control Board staff subject to the restrictions of Article 7, Development of Compromise and Settlement, herein, and shall provide for meeting space as part of the administration of this understanding.

5. DEVELOPMENT OF LONG TERM AGREEMENT The parties to this Memorandum of Understanding intend to develop information for, and to work toward, a long term agreement on resolution of the water quality issues in the Lompoc Plain Groundwater Basin.

a. The Steering Committee will convene as reasonably necessary in view of the progress of the work, to discuss a long term agreement for water quality of the Lompoc Plain Groundwater Basin.

b. The parties shall cooperate in an effort to resolve differences over water quality in the Lompoc Plain Groundwater Basin by agreement.

c. The parties agree to meet to discuss such long term agreement at least one time per year during the period of this Memorandum of Understanding and any extension thereof.

d. If the parties are unable to reach a long term agreement on resolution of water quality issues in the Lompoc Plain Groundwater Basin, they shall prepare a stipulation regarding those areas in which they are in agreement and, by joint presentation, submit the remaining issues as appropriate for resolution by the California State Water Resources Control Board in accord with the rules and procedures of that Board.

6. TERM This Memorandum of Understanding shall remain in full force and effect when executed by all parties until June 30, 1998 and may be extended for successive one year terms ending June 30 upon the mutual approval of the parties who wish to continue the understanding. This Memorandum of Understanding may be terminated by mutual consent prior to June 30, 1998.

7. DEVELOPMENT OF COMPROMISE AND SETTLEMENT The parties do not intend to compromise their respective legal positions by virtue of their participation in these settlement efforts. Nothing proposed or agreed to under the process of this Memorandum of Understanding is intended to alter or waive the present rights and contentions of the parties related to or arising out of the impoundment and/or release of water in or through the Cachuma Project, and the impact and/or mitigation of impacts of such impoundment and/or releases of water upon water quality in the Lompoc Plain Groundwater Basin, during the term of this Memorandum of Understanding, including any extension.

a. The offers, statements, discussions, and agreements presented by a party as part of work under this Memorandum of Understanding shall be treated as offers of compromise pursuant to the provisions of California Evidence Code §1152 and Federal Rules of Evidence Rule 408, and shall not be offered, used or relied upon by any other party for any purpose in any administrative or judicial proceeding, without the consent of the originating party(ies).

b. Any work product or opinions developed by the Work Plan Manager may not be offered, used or relied upon by any party to this Memorandum of Understanding, or by a

member agency or constituent of any party, for any purpose in any administrative or judicial proceeding, unless the work product or opinion(s) shall have first been approved by the unanimous consent of the Steering Committee.

c. No provision of this Memorandum of Understanding shall be construed or applied to prevent the use of an expert, consultant, staff member or other service employed by that party in any judicial or administrative proceeding. Each party shall, without restriction by this Memorandum of Understanding, continue to have the right to employ and use the consultants, staff and other services employed by that party in any judicial or administrative proceeding, without limitation or restriction by this Memorandum of Understanding.

d. Absent consent of all parties, each Party to this Memorandum of Understanding, including their respective member agencies and constituents, are further precluded from retaining the Work Plan Manager either as a consultant or an expert witness for any administrative or judicial proceeding involving the Santa Ynez River and the parties to this Memorandum of Understanding, except as to the background for and content of any work that has been unanimously approved by the Steering Committee, including matters stipulated to pursuant to paragraph 5(d).

8. ACCESS TO INFORMATION Subject to the limitation described in Paragraph 7 above, each of the parties to the memorandum of understanding shall have access to and right to use and publish any and all information, data, summaries, charts, programs and other material developed by the Work Plan Manager. All information will be gathered, distributed and maintained in a manner to assure freedom of access and use for such material. None of the parties nor any administrators to this understanding shall be individually responsible to perfect or to defend such rights of use or access. Any party to this Memorandum of Understanding shall be entitled to employ the Work Plan Manager to present, interpret and discuss the development of water quality information that has been unanimously approved by the Steering Committee, before the governing boards of each of the parties, the California State Water Resources Control Board and other interested agencies, but only upon a minimum of 96 hours written notice to each of the parties.

9. COUNTERPART ORIGINALS This agreement may be executed in one or more counterparts and each counterpart shall be evidence of participation.

10. PROJECT BUDGETS The project shall operate in accord with budgets prepared in phases by the Santa Barbara County Water Agency and approved by the Steering Committee pursuant to the provisions of this understanding. The budget for Phase 1 work shall not exceed one hundred twenty five thousand (\$125,000) dollars. The Santa Barbara County Water Agency and the Work Plan Manager shall, as to provisions of this understanding, operate thereafter in accord with the approved budgets.

11. AMENDMENT This agreement may be amended, from time to time, with the written consent of all parties.

12. NO INDEMNITY No participant to this Memorandum of Understanding

nor any officer or employee thereof shall, by reason of this understanding, be responsible for any damage or liability occurring by reason of anything done or omitted to be done by another party under or in connection with any work, authority or jurisdiction delegated to the other party under this Memorandum of Understanding.

13. **EFFECTIVE DATE** This Memorandum of Understanding shall not become effective until executed by each of the parties and approved by the member agencies and/or constituent agencies of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding as of the day and year first above written.

SANTA YNEZ RIVER WATER
CONSERVATION DISTRICT,
IMPROVEMENT DISTRICT NO. 1

CITY OF LOMPOC

By _____

By George Hewitt

SANTA YNEZ RIVER WATER
CONSERVATION DISTRICT

By _____

CACHUMA CONSERVATION
RELEASE BOARD

SANTA BARBARA COUNTY
WATER AGENCY

By _____

By _____

UNITED STATES BUREAU
OF RECLAMATION

By _____

[waterq21.d11]

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SANTA YNEZ RIVER WATER
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IMPROVEMENT DISTRICT NO. 1

CITY OF LOMPOC

By Harlan J. Burkhardt

By _____

SANTA YNEZ RIVER WATER
CONSERVATION DISTRICT

By _____

CACHUMA CONSERVATION
RELEASE BOARD

SANTA BARBARA COUNTY
WATER AGENCY

By _____

By _____

UNITED STATES BUREAU
OF RECLAMATION

By _____

[waterq21.d11]

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IMPROVEMENT DISTRICT NO. 1

CITY OF LOMPOC

By _____

By _____

SANTA YNEZ RIVER WATER
CONSERVATION DISTRICT

By _____

CACHUMA CONSERVATION
RELEASE BOARD

SANTA BARBARA COUNTY
WATER AGENCY

By *Anna G. A. Langer*

By _____

UNITED STATES BUREAU
OF RECLAMATION

By _____

[waterq21.d11]

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By _____

SANTA YNEZ RIVER WATER
CONSERVATION DISTRICT

By _____

CACHUMA CONSERVATION
RELEASE BOARD

SANTA BARBARA COUNTY
WATER AGENCY

By _____

By _____

UNITED STATES BUREAU
OF RECLAMATION

By *William H. [Signature]* [wzmq21.d11]

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IMPROVEMENT DISTRICT NO. 1

CITY OF LOMPOC

By _____

By _____

SANTA YNEZ RIVER WATER
CONSERVATION DISTRICT

By Bruce A. Wales

CACHUMA CONSERVATION
RELEASE BOARD

SANTA BARBARA COUNTY
WATER AGENCY

By _____

By _____

UNITED STATES BUREAU
OF RECLAMATION

By _____

[waterq21.d11]

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CONSERVATION DISTRICT,
IMPROVEMENT DISTRICT NO. 1

CITY OF LOMPOC

By _____

By _____

SANTA YNEZ RIVER WATER
CONSERVATION DISTRICT

By _____

CACHUMA CONSERVATION
RELEASE BOARD

SANTA BARBARA COUNTY
WATER AGENCY

By _____

By *Jeanne Hoff*

UNITED STATES BUREAU
OF RECLAMATION

By _____

[November 23, 1996 waterq19.n22]

ATTEST:

MICHAEL BROWN
CLERK OF THE BOARD

By: Elizabeth Martinez
Deputy

APPROVED AS TO FORM:

ROBERT W. GEIS
AUDITOR-CONTROLLER

By: Robert W. Geis
Deputy

APPROVED AS TO FORM:

STEPHEN SHANE STARK
COUNTY COUNSEL

By: James C. Stark
Deputy County Counsel

APPROVED AS TO INSURANCE:
CHARLES MITCHELL
RISK MANAGEMENT

By: Charles A. Mitchell