

MEMBER UNITS EXHIBIT NUMBER 82



CITY OF
LOMPOC

February 3, 1999

Ms. Jan E. Abel, President
Cachuma Conservation and Release Board
P.O. Box 5037
Santa Barbara, CA 93150-5037

Mr. Harlan Burchardi, President
Santa Ynez River Water Conservation District
Improvement District No. 1
P.O. Box 157
Santa Ynez, CA 93460

**RE: Invitation to Talk Relative to Lompoc Groundwater Quality
Improvement Program**

Dear Ms. Abel and Mr. Burchardi:

The City of Lompoc is in receipt of your January 6, 1999 letter inviting it and the Santa Ynez River Water Conservation District ("District") to discuss resolution of long-standing issues regarding water quality in the Lompoc groundwater basin. Lompoc accepts the offer to discuss possible physical solutions that would reasonably resolve water quality problems in the eastern Lompoc Plain and also end the years of conflict and litigation that has all too often marked our working relationship.

In this regard, however, the physical solution you propose appears to pose a myriad of institutional, legal, and environmental obstacles that will need to be overcome before it could ever be realized. It would also require the involvement of several third party entities or individuals, which will serve to unnecessarily complicate negotiations and any ultimate resolution. Additionally, the proposal raises in our minds a number of practical questions with respect to cost and water reliability which may further exacerbate our ability to reach agreement.

As a consequence, Lompoc believes that any discussion of physical solutions must also include a discussion of an alternative which it believes to be more cost effective and reliable than that proposed in the January 4, 1999 letter. The alternate physical solution offered by Lompoc includes continued operations under 89-18 and the development of a

RECEIVED

Letter - Ms. Abel and Mr. Burchardi

Invitation to Talk Relative to Lompoc Groundwater Quality Improvement Program

February 3, 1999

Page 2

reimbursement program to compensate Lompoc for its increased water treatment costs due to the impacts from the operation of the Cachuma Project. Based upon Lompoc's previous review of this matter, Lompoc estimates that its increased water treatment costs attributable to the Cachuma Project are a fairly modest \$30,000 annually.

In Lompoc's view, the advantages of this proposal over the January 4, 1999 proposed Lompoc Groundwater Quality Improvement Program are that a reimbursement program would require no new capital improvements or reliance upon what may be unreliable supplemental sources of water. Moreover, there would be no maintenance or operational costs, and no construction costs, associated with this reimbursement program. Additionally, a reimbursement program as a physical solution would not require the preparation of a separate environmental impact report under the California Environmental Quality Act, Public Resources Code, Section 21000 *et seq.* Indeed, the program would mitigate to insignificance any water quality impacts that have been or will be identified in properly prepared environmental documents.

Costs associated with the development of the Durbin groundwater model (which would be used as the basis for determining the annual impact from the Cachuma Project) should also be included in the ultimate reimbursement program costs. A reimbursement program could be implemented in the very near future. Annual administration of the program would require minimal staff time for each of the parties.

In addition to resolving issues associated with the impacts to groundwater quality, settlement discussions should also include formalizing how the Cachuma Project will be operated in the winter/storm season to protect downstream life and property. Lompoc seeks a comprehensive resolution of all outstanding issues involving the Cachuma Project, including winter operations for the Project. While Lompoc is aware of the efforts by the Santa Barbara County Flood Control & Water Conservation District, the Cachuma Member Units, the Cachuma Operations & Maintenance Board, the CCRB, and the Bureau of Reclamation to develop new winter operating procedures, no final agreement has been reached to formalize the winter operating procedures. Thus, Lompoc would like to include final resolution of the winter operation issues as part of this negotiation process or in parallel discussion on the same time line as the water quality issues.

Agreement on a physical solution and on winter/storm operations at Cachuma would seem to us to form the basis of a comprehensive resolution of matters that have been in dispute and would allow the dismissal of existing litigation and, in the future, allow for cooperative presentations before applicable state and federal decision makers.

Letter - Ms. Abel and Mr. Burchardi

Invitation to Talk Relative to Lompoc Groundwater Quality Improvement Program

February 3, 1999

Page 3

Prior to meeting, Lompoc requests that CCRB provide assurance that it has the authority to negotiate a resolution on behalf of all of its members. Such assurance can be in the form of resolutions or other appropriate documents.

Lompoc suggests the following process for negotiating a resolution of the groundwater quality impacts to the Lompoc basin: each of the interested agencies (CCRB, the Improvement District, the District, and Lompoc) appoint two board/council members for a preliminary meeting. The meeting will also include one staff person from each party, but no attorneys. This meeting will explore any common ground as to resolution of these issues.

Please contact Gary Keefe to make appropriate arrangements.

CITY OF LOMPOC,



Dick DeWees
Mayor