

NOTICE AND AGENDA

Regular Meeting of the

BOARD OF TRUSTEES

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

will be held at **3:00 P.M., Tuesday, August 18, 2020**

VIDEO/TELECONFERENCE MEETING ONLY - NO PHYSICAL MEETING LOCATION

Public Participation:

Video: <https://zoom.us/j/92900399487>

or

Teleconference Phone Number: 1-669-900-9128

Meeting ID: 929 0039 9487#

Video/Teleconference Meeting During Coronavirus (COVID-19) Emergency:

As a result of the COVID-19 emergency and Governor Newsom's Executive Orders to protect public health by issuing shelter-in-home standards, limiting public gatherings, and requiring social distancing, this meeting will occur solely via video/teleconference as authorized by and in furtherance of Executive Order Nos. N-29-20 and N-33-20.

Important Notice Regarding Public Participation in This Meeting:

For those who wish to provide public comment on an Agenda Item, or who otherwise are making a presentation to the Board of Trustees, please submit any and all comments and materials to the District via electronic mail at general@syrwd.org. All submittals must be received by the District no later than 5:00 p.m. on Monday, August 17, 2020, and should indicate "August 18, 2020 Board Meeting" in the subject line. To the extent practicable, public comments and materials received in advance pursuant to this timeframe will be read into the public record during the meeting. Public comments and materials not read into the record will become part of the post-meeting Board packet materials available to the public and posted on the District's website.

For members of the public who may have a particularized need to speak on an Agenda Item during the meeting, please submit an advance request to the District via electronic mail at general@syrwd.org. All requests must be received by the District no later than 5:00 p.m. on Monday, August 17, 2020, and should indicate "August 18, 2020 Board Meeting" in the subject line.

In the interest of clear reception and efficient administration of the meeting, all persons participating in this video/teleconference are respectfully requested to mute their voices after dialing-in and at all times unless speaking.

- I. CALL TO ORDER AND ROLL CALL**
- II. PLEDGE OF ALLEGIANCE**
- III. REPORT BY THE SECRETARY TO THE BOARD REGARDING COMPLIANCE WITH THE REQUIREMENTS FOR POSTING OF THE AGENDA**
- IV. ADDITIONS OR CORRECTIONS, IF ANY, TO THE AGENDA**
- V. PUBLIC COMMENT** - Any member of the public may address the Board relating to any non-agenda matter within the District's jurisdiction. The total time for all public participation shall not exceed fifteen (15) minutes and the time allotted for each individual shall not exceed three (3) minutes. The District is not responsible for the content or accuracy of statements made by members of the public. No Action will be taken by the Board on any public comment item.
- VI. CORONAVIRUS (COVID-19) UPDATE**
 - A. General Manager's Report**

VII. CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF JULY 21, 2020

VIII. CONSENT AGENDA - All items listed on the Consent Agenda are considered to be routine and will be approved or rejected in a single motion without separate discussion. Any item placed on the Consent Agenda can be removed and placed on the Regular Agenda for discussion and possible action upon the request of any Trustee.

CA-1. Water Supply and Production Report

CA-2. Central Coast Water Authority Updates

IX. MANAGER REPORTS - STATUS, DISCUSSION AND POSSIBLE BOARD ACTION ON THE FOLLOWING SUBJECTS:

A. DISTRICT ADMINISTRATION

1. Financial Report on Administrative Matters
 - a) Presentation of Monthly Financial Statements – Revenues and Expenses
 - b) Approval of Accounts Payable
 - c) Water Service Late Penalties

B. OPERATIONS AND MAINTENANCE

1. Update on Lateral Replacement Phase II

X. REPORT, DISCUSSION AND POSSIBLE BOARD ACTION ON THE FOLLOWING SUBJECTS:

A. CACHUMA PROJECT - OPERATIONS AND SUPPLIES

1. Cachuma Project Water Service Contract No. I75r-1802R and Status of 2020 Water Service Contract Process
2. Draft Rescheduling / Carryover Guidelines for the Cachuma Project
3. Draft Cachuma Project Yield Study

B. CACHUMA PROJECT - IMPLEMENTATION OF 2000 BIOLOGICAL OPINION

1. Successful Resolution of Cachuma Operation and Maintenance Board v. Santa Ynez River Water Conservation District, Improvement District No.1, Santa Barbara County Superior Court Case No. 19CV01873

C. SUSTAINABLE GROUNDWATER MANAGEMENT ACT

1. Eastern Management Area Update

XI. UPDATE FROM ALTERNATIVE POWER/ SOLAR AD HOC SUBCOMMITTEE

XII. REPORTS BY THE BOARD MEMBERS OR STAFF, QUESTIONS OF STAFF, STATUS REPORTS, ANNOUNCEMENTS, COMMITTEE REPORTS, OBSERVATIONS AND OTHER MATTERS AND/OR COMMUNICATIONS NOT REQUIRING ACTION

XIII. CORRESPONDENCE: GENERAL MANAGER RECOMMENDS THE ITEMS NOT MARKED WITH AN ASTERISK (*) FOR FILE

XIV. REQUESTS FOR ITEMS TO BE INCLUDED ON THE NEXT REGULAR MEETING AGENDA: Any member of the Board of Trustees may place an item on the meeting agenda for the next regular meeting. Any member of the public may submit a written request to the General Manager of the District to place an item on a future meeting agenda, provided that the General Manager and the Board of Trustees retain sole discretion to determine which items to include on meeting agendas.

XV. NEXT MEETING OF THE BOARD OF TRUSTEES: The next Regular Meeting of the Board of Trustees is scheduled for **September 15, 2020 at 3:00 p.m.**

XVI. CLOSED SESSION:

To accommodate the video/teleconferencing format of this meeting, the public participation access will be closed for thirty (30) minutes while the Board of Trustees convenes into closed session. Upon the conclusion of the 30-minute period, the public participation access will be reopened for the remaining Agenda Items. The Board will hold a closed session to discuss the following items:

A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

[Subdivision (d)(1) of Section 54956.9 of the Government Code – 2 cases]

1. Name of Case: Adjudicatory proceedings pending before the State Water Resources Control Board regarding Permits 11308 and 11310 issued on Applications 11331 and 11332 to the United States Bureau of Reclamation for the Cachuma Project
2. Name of Case: Adjudicatory proceedings pending before the State Water Resources Control Board regarding Permit 15878 issued on Application 22423 to the City of Solvang, Petitions for Change, and Related Protests

Public access to the meeting (Weblink, Dial-In Number, Passcodes above) will be reopened thirty (30) minutes after the Board of Trustees convenes into closed session.

XVII. RECONVENE INTO OPEN SESSION

[Sections 54957.1 and 54957.7 of the Government Code]

XVIII. ADJOURNMENT

This Agenda was posted at 3622 Sagunto Street, Santa Ynez, California, and notice was delivered in accordance with Government Code Section 54950, specifically Section 54956. This Agenda contains a brief general description of each item to be considered. The Board reserves the right to change the order in which items are heard. Copies of the staff reports or other written documentation relating to each item of business on the Agenda are on file with the District and available for public inspection during normal business hours. A person who has a question concerning any of the agenda items may call the District's General Manager at (805) 688-6015. Written materials relating to an item on this Agenda that are distributed to the Board of Trustees within 72 hours (for Regular meetings) or 24 hours (for Special meetings) before it is to consider the item at its regularly or special scheduled meeting(s) will be made available for public inspection at 3622 Sagunto Street, during normal business hours. Such written materials will also be made available on the District's website, subject to staff's ability to post the documents before the regularly scheduled meeting. If you challenge any of the Board's decisions related to the agenda items above in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence to the Board prior to the public hearing.

In compliance with the Americans with Disabilities Act, if you need special assistance to review agenda materials or participate in this meeting, please contact the District Secretary at (805) 688-6015. Notification 72 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.



PRESS RELEASE
August 12, 2020

JOINT INFORMATION CENTER
(805) 696-1188
eocpiostaff@countyofsb.org

**HEALTH OFFICER ORDER UPDATED TO CONTINUE THE CLOSURE
OF INDOOR OPERATIONS FOR SPECIFIC BUSINESSES**

(SANTA BARBARA, Calif.) –Santa Barbara County Health Officer, Dr. Henning Ansorg has issued a Health Officer Order continuing the closure of certain indoor business operations, addition of new closures and clarification of gatherings. This Order is effective today at 5 p.m. and continues until 5 p.m. on September 10, 2020, or until it is extended, rescinded, superseded, or amended in writing.

As required by the Health Officer Order the following sectors must continue to close indoor operations:

- Gyms and Fitness centers;
- Places of Worship;
- Protests;
- Offices for non-essential critical infrastructure;
- Personal care services, such as nail salons, massage parlors, and tattoo parlors;
- Hair salons and barbershops
- Malls

Additionally, the following businesses have been added to the list of businesses which must keep physical locations closed:

- In-person higher education including technical schools, colleges, universities, adult education, and trade schools. Indoor lectures are prohibited. Courses offered in specialized indoor settings (e.g. labs, studios, arts), whose design imposes substantial physical distancing on participants are permitted when following the Stated issued guidance. Distance learning is allowed;
- Parties and Receptions. Outdoor wedding ceremonies (religious or non-religious) are permitted so long as the State guidance for Places of Worship is followed. Indoor ceremonies are not allowed at this time. Receptions for weddings are not allowed;
- Rodeos and public equestrian events;
- Organized sports and team sports including adult, amateur (non-professional) team sports, and indoor and drills, except professional sports without a live audience and youth sports training and conditioning when following State guidelines

-MORE-

Gatherings are not allowed whether small or large. Gatherings are defined as an event or convening that brings together people from different households in a single room or space at the same time in any indoor or outdoor space whether public or private. Gathering exemptions include:

- While in a work setting which is allowed while maintaining physical distancing;
- Outdoor recreational activities while maintaining six feet distance from others. Examples include walking, cycling, jogging and hiking;
- Congregate living situations including dormitories and homeless encampments;
- Outdoor worship services, wedding ceremonies, outdoor cultural ceremonies or outdoor protests, when physical distancing of six feet is maintained.

The full Health Officer Order can be found [here](#). For more information about COVID-19 and the response locally, please visit www.publichealthsb.org or call the County Call Center at 1-833-688-5551.

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Stay Connected:

County Public Health: www.PublicHealthSBC.org, [Twitter](#) and [Facebook](#)

County of Santa Barbara: www.CountyofSB.org, [Twitter](#), [Facebook](#)

County Call Center: (833) 688-5551

Community Wellness Team Information and Referral Line: (805) 364-2750

Traducir al Español



Santa Barbara County
PUBLIC Health
DEPARTMENT

ABOUT

FAQS

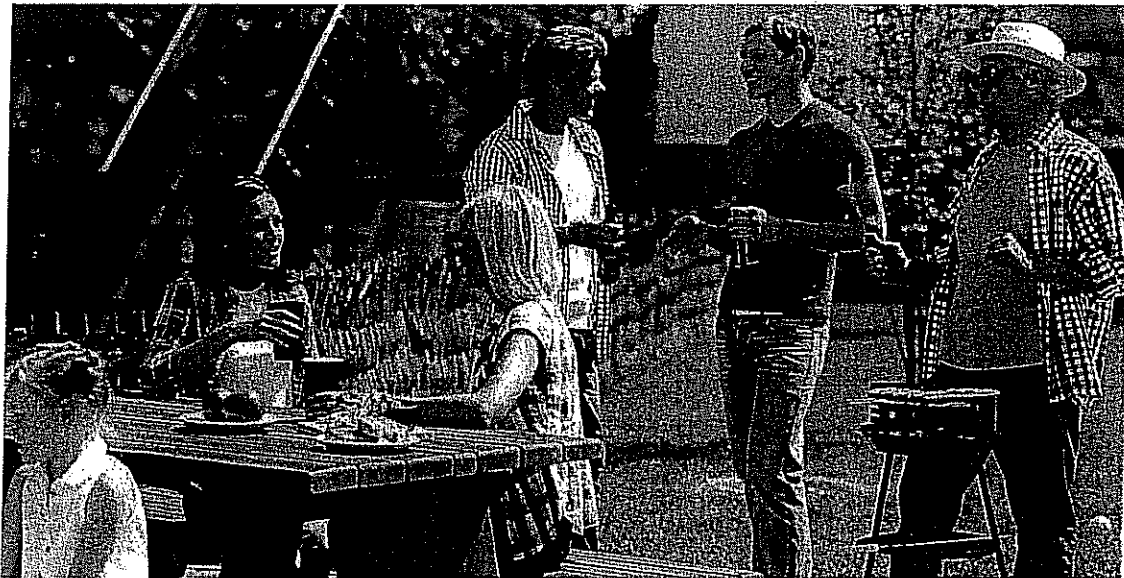
TESTING AND
ISOLATION/
QUARANTINE

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📅 Aug 4, 2020

RISKY BEHAVIOR: Assess Your Risk For Avoiding the Coronavirus With These Activities

VIEW RISKY ACTIVITIES TABLE

By Dr. Henning Ansorg, M.D., FACP, Health Officer, County of Santa Barbara Public Health Department

Coronavirus transmission is not the same for every activity, however there are some activities that are riskier than others are. It is recommended that six feet physical distancing always be maintained, no gathering with people other than those in your household, as well as wearing a face covering over the nose and mouth and practicing good hygiene.

It is important to understand why some activities may present a risk and how to address so all can make informed decisions.

HIGH RISK

Gathering of Friends of Family:

Right now, any gathering is *strictly prohibited* under the state and county stay at home order, as only individuals who reside in the same household may gather at any indoor or outdoor location. Getting together with family or friends who don't live in your household is prohibited by the current County Health Order and comes with a high risk of infection.

Bars:

Right now, indoor bars are mandated by the State to be closed. The nature of bars — mingling, crowded bar tops, and the likelihood of not wearing a mask while you are drinking — make bars a high-risk place for getting a coronavirus infection. It should be noted that alcohol can hinder decision-making, which could make those factors even worse.

Worship Functions:

Rituals like shaking hands, hugging and taking communion, as well as dense crowds and the prevalence of older people, make religious services a high-risk place for coronavirus infections. Once places of worship are allowed by the State to re-open, the risk can be lowered by social distancing, wearing masks, and abstaining from rituals that involve touching, eating or drinking. It should be noted that many religious organizations are offering online services that you may wish to check out.

Movie Theatres & Sporting Events:

While currently closed by the State, movie theaters or large events like concerts and sporting games have a high risk because of the crowding and likelihood of not maintaining a six-foot distance from others, especially when entering and exiting the venue.

MEDIUM TO HIGH RISK

Gyms:

New State orders have closed indoor gyms for the time being, although some gyms have made accommodations for outdoor exercising. Please remember that masks are required to be worn over your nose and mouth at all times. Also, equipment should be sanitized before and after each use, and social distancing should be enforced rigorously.

Indoor Restaurants:

Indoor dining at restaurants, which is currently closed by the State, is risky because of airflow and people being together in an enclosed space for hours at a time. Many restaurants are currently offering take out and curbside pick-up. As re-opening occurs, some restaurants may expand their outdoor footprint to

accommodate dining outside, which is preferable to indoor dining in the prevention of spreading the virus.

Hair & Nail Salons:

Hair and nail salons, which are currently closed by State order, are assessed at having a medium risk of infection. Once re-opening occurs, patrons and also employees should always wear masks, as it helps block particles from spreading as easily when you are speaking or coughing. It also discourages employees and customers from touching their faces. Salon employees must also wash their hands frequently.

MEDIUM RISK

Dates or Gatherings with a Small Known Group:

As with large group gatherings, small, known group gatherings with anyone that does not reside in your household is *strictly prohibited* at this time. Please do not gather with people living outside your household and when you do go out, such as for a walk or to the grocery store, always wear a mask and maintain six-foot distancing.

Beaches:

Social distancing on beaches is vital in lowering the risk of catching the coronavirus. Because of the many entry points for beaches, it is hard to enforce distancing, prompting officials to often close beaches on holiday weekends when large crowds are anticipated. If you go, remember to distance from others outside your household and don't forget the sunscreen!

LOW RISK

Outdoor Dining:

Once re-opened by the State, dining outdoors at a restaurant is a relatively low-risk activity because it allows air to flow more freely, as long as tables are kept at least six feet apart. Right now, Health Orders require that you only dine with people in your immediate household. You should still wear a mask as often as you can and be cautious of high-touch items like menus and condiments.

Outdoor Activities:

When you are on a hike or a walk in the park, you shouldn't worry too much about quickly walking past another person on a path or trail. Be sure to maintain a distance of six feet from others at all times.

Outdoor activities are low risk if you stay with people from your own household. If you meet up with other friends or family, that still counts as a gathering, and is currently strictly prohibited.

Shopping:

Shopping in a grocery store or a clothing store can be low risk if you keep a distance from others and wear a mask. The place in stores with the most risk is the checkout, where interactions with cashiers or other customers could help spread the virus, so be aware of what you touch.

Touching Mail or Groceries:

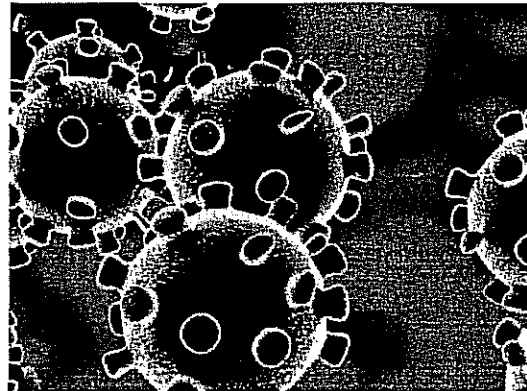
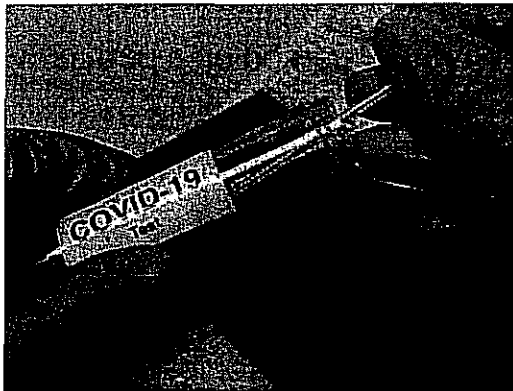
There is a low risk of catching the coronavirus from touching your mail or other items like groceries. You should still be cautious about touching things like doorknobs and elevator buttons which are high touch things.

For more information about how you can prevent getting and spreading the coronavirus and what steps the Santa Barbara

County Public Health Department is taking to protect our communities, please visit: <https://publichealthsb.org/>.

by publichealthsb in Blog, COVID-19 tags Blog

Related Posts



📅 Aug 10, 2020

Should I Get Tested For the Coronavirus?

by publichealthsb

VIEW VIDEO

*By Nick Clay, Director,
Emergency Medical Services
Agency, Santa Barbara County
Public Health Department*

[SCROLL DOWN FOR VIDEO]

As we all try to navigate life

📅 Jul 30, 2020

SANTA BARBARA COUNTY ON STATE MONITORING LIST: What Does This...

by publichealthsb

VIEW VIDEO

*By Dr. Henning Ansorg, M.D.,
FACP, Health Officer County of
Santa Barbara, Department of
Public Health* **[SCROLL DOWN**

FOR VIDEO] You may have

heard that the County of



PRESS RELEASE July 23, 2020

JOINT INFORMATION CENTER
(805) 696-1188
eocpiostaff@countyofsb.org

HEALTH OFFICER ORDER ISSUED TO ALIGN WITH STATE'S MANDATE FOR FACE COVERINGS

(SANTA BARBARA, Calif.) –The County Health Officer Dr. Henning Ansorg, M.D. has issued Health Officer Order No. 2020-10.1 ordering individuals in the County of Santa Barbara to wear face coverings when in high-risk situations that may contribute to the spread of COVID-19. This Order will be effective starting 5:00 p.m. (PDT) July 23, 2020, continuing until 5:00 p.m. (PDT), on August 20, 2020 or until it is extended, rescinded, superseded, or amended in writing by the County of Santa Barbara Health Officer (“Health Officer”).

The intent of this Order is to provide clarity on when face coverings should be worn and to be aligned with the California Department of Public Health’s mandated guidelines.

The new order stipulates the following:

1. This Order does not apply to persons younger than two years old.
2. Masks with one-way valves cannot be used to comply with this Order. These types of masks permit respiratory droplets to easily escape which places others at risk.
3. All individuals, unless an exception applies, must wear a face covering:
 - a. When inside of or in line to enter any and all businesses.
 - b. When using public transportation, a private car service, or a ride-sharing vehicle. Drivers must wear a face covering while driving or operating vehicles regardless of whether a member of the public is in the vehicle.
 - c. All businesses must require employees, contractors, owners, and volunteers to wear a face covering at the workplace and at off-site work locations.

Exceptions, guidelines, and information relative to this order can be found in the full Health officer Order located [here](#).

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Stay Connected:

County Public Health: www.PublicHealthSBC.org, [Twitter](#) and [Facebook](#)

County of Santa Barbara: www.CountyofSB.org, [Twitter](#), [Facebook](#)

2-1-1 Call Center: Dial 211 or outside the area, call (800) 400-1572

Behavioral Wellness 24/7 Access Line: (888) 868-1649

Community Wellness Team Information and Referral Line: (805) 364-2750

HEALTH OFFICER ORDER NO. 2020-10.1
COUNTY OF SANTA BARBARA

FOR THE CONTROL OF COVID-19
FACE COVERINGS
WITHIN SANTA BARBARA COUNTY

Effective Date: July 23, 2020, 5:00pm PDT

Please read this Order carefully. Violation of or failure to comply with this Order may constitute a misdemeanor punishable by fine of up to \$1,000, imprisonment, or both. (Health and Safety Code §§ 101029, 120295 et seq.) Violators are also subject to civil enforcement actions including fines or civil penalties per violation per day, injunctive relief, and attorneys' fees and costs.

Nothing in this Health Officer Order No. 2020-10.1 supersedes State Executive Orders or State Health Officer Orders or guidance provided by the California Department of Public Health available at: <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/Guidance.aspx#>

Summary: As required by the State Public Health Officer as of June 18, 2020, revised June 29, 2020, this Health Officer Order orders individuals in the County of Santa Barbara to wear face coverings when in high-risk situations that may contribute to the spread of COVID-19, unless an exemption applies.

WHEREAS, on March 4, 2020, Governor Newsom declared a state of emergency for conditions caused by a novel coronavirus, COVID-19, and on March 11, 2020, the World Health Organization declared COVID-19 a global pandemic, and on March 12, 2020, the County of Santa Barbara declared a local emergency and a local health emergency in relation COVID-19 in the community; and

WHEREAS, there has been significant community-based transmission in California; and

WHEREAS, in the County of Santa Barbara as well as throughout California and the nation, there are insufficient quantities of critical healthcare infrastructure, including hospital beds, ventilators and workers, capable of adequately treating mass numbers of patients at a single time – should the virus spread unchecked; and

WHEREAS, in direct response to the lack of healthcare infrastructure, governments across the nation are taking actions to slow the spread of COVID-19 in order to “flatten the curve” of infection and reduce the numbers of individuals infected at any one time by minimizing situations where the virus can spread; and

WHEREAS, in furtherance of this effort, on March 19, 2020, Governor Newsom issued Executive Order N-33-20 requiring all persons residing in the State to remain in their homes or places of residence, except as needed to maintain the continuity of operations for critical infrastructure (the “State Stay-at-Home Order”); and

WHEREAS, on May 4, 2020, Governor Newsom issued Executive Order N-60-20 to allow reopening of lower-risk businesses and spaces (“Stage Two Resilience Roadmap”) and to

allow a County to pursue a variance to move further into the stage upon notification and certification through submission of a written attestation to the California Department of Public Health (CDPH); and

WHEREAS, on May 20, 2020, the CDPH posted the State's website the County of Santa Barbara's attestation to move further into the Stage Two Resilience Roadmap which indicates the County may proceed to allow an increase in business activities; and

WHEREAS, on June 18, 2020, and revised on June 29, 2020, the CDPH mandated people in California to wear face coverings when they are in high-risk situations; and

WHEREAS, the Centers for Disease Control and Prevention and the CDPH find the use of face coverings may reduce asymptomatic transmission of COVID-19 and reinforce physical distancing, and that wearing a face covering combined with physical distancing of at least six feet, and frequent hand washing, will lessen the risk of COVID-19 transmission by limiting the spread of respiratory droplets; and

WHEREAS, the County Health Officer finds (1) a significant portion of individuals with COVID-19 are asymptomatic and can transmit the virus to others; (2) those who may develop symptoms can transmit the virus to others before showing symptoms; (3) scientific evidence shows COVID-19 is easily spread and public activities can result in transmission of the virus; (4) face coverings are necessary because COVID-19 is highly contagious and is spread through respiratory droplets that are produced when an infected person coughs, sneezes, or talks. These droplets may land on other people or be inhaled into their lungs, may land on and attach to surfaces where they remain for days, and may remain viable in the air for up to three hours, even after the infected person is no longer present; (5) when worn properly, face coverings have the potential to slow the spread of the virus by limiting the spread of respiratory droplets; and (6) distinctions made in this Order are to minimize the spread of COVID-19 that could occur through proximity and duration of contact between individuals; and

WHEREAS, the intent of this Order is to temporarily require the use of Face Coverings to slow the spread of COVID-19 in Santa Barbara County to the maximum extent possible. All provisions of this Order should be interpreted to effectuate this intent.

ACCORDINGLY, UNDER THE AUTHORITY OF CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 101040, 101085, AND 120175, TITLE 17 CALIFORNIA CODE OF REGULATIONS SECTION 2501, THE HEALTH OFFICER OF THE COUNTY OF SANTA BARBARA ORDERS:

1. This Order 2020-10.1 is effective 5:00 p.m. (PDT) July 23, 2020 and continuing until 5:00 p.m. (PDT), on August 20, 2020 or until it is extended, rescinded, superseded, or amended in writing by the County of Santa Barbara Health Officer ("Health Officer"). This Order applies in the incorporated and unincorporated areas of Santa Barbara County ("County").
2. As used in this Order, a "face covering" means a covering made of a variety of materials such as cloth, fabric, cotton, silk, linen, or other permeable materials, that fully covers the tip of a person's nose and mouth, without holes, including cloth face masks, surgical masks, towels, scarves, and/or bandanas. This Order does not require the

public to wear medical-grade masks, including masks rated N95, KN95, and their equivalent or better.

A face covering with a one-way valve (typically a raised plastic cylinder about the size of a quarter on the front or side of the mask) that provides a preferential path of escape for exhaled breath shall not be used as a face covering under this Order because the valve permits respiratory droplets to easily escape which places others at risk.

3. People in Santa Barbara County shall wear face coverings when they are in the following high-risk situations, unless an exemption applies:
 - a. In any indoor public space where other people (except for members of the person's own household or residence) are present when unable to physically distance by six or more feet from those others (regardless of whether or not the space is publicly or privately owned, so long as the public has access by right or invitation, whether express or implied, whether by payment or not).
 - b. Obtaining services from the healthcare sector in settings such as a hospital, pharmacy, medical clinic, laboratory, physician or dental office, veterinary clinic, or blood bank, unless directed otherwise by an employee or healthcare provider.
 - c. While outdoors in public spaces when maintaining a physical distance of 6 feet from persons who are not members of the same household or residence is not feasible.
 - d. When waiting in line, whether indoors or outdoors.
 - e. Waiting for, or riding, on public transportation or paratransit, or while in a taxi, private car service, or ride-sharing vehicle.
 - f. Driving, or operating, any public transportation or paratransit vehicle, taxi, or private car service or ride-sharing vehicle when passengers are present. When no passengers are present, face coverings are strongly recommended.
 - g. Engaged in work, whether at the workplace or performing work off-site, when:
 - i. Interacting in-person with any member of the public;
 - ii. Working in any space visited by members of the public, regardless of whether anyone from the public is present at the time;
 - iii. Working in any space where food is prepared or packaged for sale or distribution to others;
 - iv. Working in, or walking through common areas, such as hallways, stairways, elevators, and parking facilities; and
 - v. In any room or enclosed area where other people (except for members of the person's own household or residence) are present when unable to physically distance by six or more feet from those others.
4. The following individuals are exempted from this Order:
 - a. Persons younger than two years old.
 - b. Persons with a medical condition, mental health condition, or disability that prevents wearing a face covering. This includes persons with a medical condition for whom wearing a face covering could obstruct breathing or who are unconscious, incapacitated, or otherwise unable to remove a face covering without assistance. Persons exempted from wearing a face covering due to a

medical condition, mental health condition, or disability who are employed in a job involving regular contact with others should, if the condition allows, wear a non-restrictive alternative, such as a face shield with a drape on the bottom edge.

- c. Persons who are hearing impaired, or communicating with a person who is hearing impaired, where the ability to see the mouth is essential for communication.
 - d. Persons for whom wearing a face covering would create a risk to the person related to their work, as determined by local, state, or federal regulators or workplace safety guidelines.
 - e. Persons who are obtaining a service involving the nose or face for which temporary removal of the face covering is necessary to perform the service.
 - f. Persons who are seated at a restaurant or other establishment that offers food or beverage service, while they are eating or drinking, provided that they are able to maintain a distance of at least six feet away from persons not seated at or serving their table.
 - g. Persons who are engaged in outdoor work or recreation such as swimming, walking, hiking, bicycling, or running, when alone or with household members, and when they are able to maintain a distance of at least six feet from others who are not part of their household or residence.
 - h. Persons who are incarcerated. Prisons and jails, as part of their mitigation plans, will have specific guidance on the wearing of face coverings or masks for both inmates and staff.
5. If you cannot afford a face covering one will be provided to you free-of-charge at the following locations:
- a. Santa Barbara County Administration building lobby, 105 E Anapamu St, Santa Barbara
 - b. Santa Barbara Health Care Center, 345 Camino del Remedio, Santa Barbara
 - c. Santa Maria Health Care Center, 2115 Centerpointe Parkway, Santa Maria
 - d. Face coverings may also be available by calling 211 to access offers by community groups at no cost.
 - e. The Health Officer requests cities within the County of Santa Barbara provide face coverings free-of-charge to those cannot afford them.

This Order is issued as a result of the worldwide pandemic of COVID-19 which has infected at least 15,363,687 individuals worldwide, in 213 countries and territories, including 5,282 cases, and 32 deaths in the County, and is implicated in over 652,412 worldwide deaths.

This Order is issued based on evidence of increasing transmission of COVID-19 both within the County and worldwide, scientific evidence regarding the most effective approach to slow transmission of communicable diseases generally and COVID-19 specifically, as well as best practices as currently known and available to protect the public from the risk of spread of or exposure to COVID-19.

This Order is issued because of the propensity of the virus to spread person to person and also because the virus physically is causing property loss or damage due to its proclivity to attach to surfaces for prolonged periods of time.

This Order is intended to reduce the likelihood of exposure to COVID-19, thereby slowing the spread of COVID-19 in communities worldwide. As the presence of individuals increases, the difficulty and magnitude of tracing individuals who may have been exposed to a case rises exponentially.

This Order is issued in accordance with, and incorporates by reference: the March 4, 2020 Proclamation of a State Emergency issued by Governor Gavin Newsom; the March 12, 2020 Declaration of Local Health Emergency and Proclamation of Emergency based on an imminent and proximate threat to public health from the introduction of novel COVID-19 in the County; the March 17, 2020 Resolution of the Board of Supervisors ratifying the County Declaration of Local Health Emergency and Proclamation of Emergency regarding COVID-19; the guidance issued on March 11, 2020 by the California Department of Public Health regarding large gatherings of 250 people or more; Governor Gavin Newsom's Executive Order N-25-20 of March 12, 2020 preparing the State to commandeer hotels and other places of temporary residence, medical facilities, and other facilities that are suitable as places of temporary residence or medical facilities as necessary for quarantining, isolating or treating individuals who test positive for COVID-19 or who have had a high-risk exposure and are thought to be in the incubation period; the March 13, 2020 Presidential Declaration of a National Emergency due to the national impacts of COVID-19; the guidance issued on March 15, 2020 by the Centers for Disease Control and Prevention, the California Department of Public Health, and other public health officials through the United States and around the world recommending the cancellation of gatherings involving more than fifty (50) or more persons in a single space at the same time; the March 16, 2020 order of the State Public Health Officer prohibiting all gatherings with expected presence above ten (10) individuals; Governor Newsom's Executive Order N-33-20 of March 19, 2020 ordering all persons to stay at home to protect the health and well-being of all Californians and to establish consistency across the state in order to slow the spread of COVID-19; the March 22, 2020, Presidential Declaration of a Major Disaster in California beginning on January 20, 2020 under Federal Emergency Management Agency (FEMA) Incident DR-4482-CA; and, Governor Newsom's Executive Order N-60-20 of May 4, 2020 to allow reopening of lower-risk businesses and spaces ("Stage Two"), and then to allow reopening of higher-risk businesses and spaces ("Stage Three"), and directing the Public Health Officer to establish criteria and procedures to determine whether and how particular local jurisdictions may implement public health measures that depart from the statewide directives of the State Public Health Officer; the June 18, 2020, as revised on June 29, 2020, CDPH guidance requiring people in California to wear face coverings when they are in high-risk situations; the July 13, 2020 State Public Health Officer Order.

This Order is made in accordance with all applicable State and Federal laws, including but not limited to: Health and Safety Code sections 101040 and 120175; Health and Safety Code sections 101030 et seq., 120100 et seq.; and Title 17 of the California Code of Regulations section 2501.

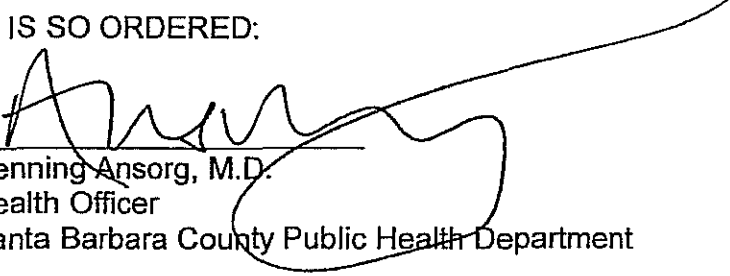
If any provision of this Order or the application thereof to any person or circumstance is held to be invalid by a court of competent jurisdiction, the remainder of the Order, including the application of such part or provision to other persons or circumstances, shall not be affected

and shall continue in full force and effect. To this end, the provisions of this Order are severable.

The violation of any provision of this Order constitutes a threat to public health. Pursuant to Government Code sections 26602 and 41601 and Health and Safety Code sections 101029 and 120295, the Health Officer requests that the Sheriff and all chiefs of police in the County ensure compliance with and enforce this Order. Per Health and Safety Code section 101029, "the sheriff of each county, or city and county, may enforce within the county, or the city and county, all orders of the local health officer issued for the purpose of preventing the spread of any contagious, infectious, or communicable disease. Every peace officer of every political subdivision of the county, or city and county, may enforce within the area subject to his or her jurisdiction all orders of the local health officer issued for the purpose of preventing the spread of any contagious, infectious, or communicable disease. This section is not a limitation on the authority of peace officers or public officers to enforce orders of the local health officer. When deciding whether to request this assistance in enforcement of its orders, the local health officer may consider whether it would be necessary to advise the enforcement agency of any measures that should be taken to prevent infection of the enforcement officers."

Copies of this Order shall promptly be: (1) made available at the County Public Health Department; (2) posted on the County Public Health Department's website (publichealthsb.org); and (3) provided to any member of the public requesting a copy of this Order.

IT IS SO ORDERED:



Henning Ansorg, M.D.
Health Officer
Santa Barbara County Public Health Department



PRESS RELEASE
July 20, 2020

JOINT INFORMATION CENTER
(805) 696-1188
eocpiostaff@countyofsb.org

**HAIR SALONS, BARBERSHOPS, AND CERTAIN PERSONAL SERVICES NOW
PERMITTED TO MOVE SOME ACTIVITIES OUTDOORS**
Guidelines Issued from the California Board of Barbering and Cosmetology

(SANTA BARBARA, Calif.) – In response to requests from personal care practitioners desiring to move some of their activities outdoors, Governor Newsom announced today that State of California guidelines have been modified to allow some personal care activities to occur in outside locations. Prior to the issuance of new guidelines, barbershops and hair salons were required by the State of California to remain closed. State law and regulations required that certain personal care services must occur within an indoor licensed setting.

Other personal care services, such as nail salon services and massages, are also authorized by the State for re-opening outdoors. Piercing, tattoo and electrolysis services are still prohibited from re-opening at this time.

The new guidelines outline the State of California's requirements that must be met **before** an establishment may re-open in conformance with local regulations. For more information, visit the County of Santa Barbara's website at www.recoverysbc.org.

Licensees should check with local zoning and permitting rules which may also apply to outdoor operations.

For general questions about COVID-19 and precautions currently recommended by Santa Barbara County Public Health, residents may call the Santa Barbara County Call Center at (833)-688-5551 or visit www.publichealthsbc.org.

-30-

Stay Connected:

County Public Health: www.PublicHealthSBC.org, [Twitter](#) and [Facebook](#)

County of Santa Barbara: www.CountyofSB.org, [Twitter](#), [Facebook](#)

County Call Center: (833) 688-5551

Community Wellness Team Information and Referral Line: (805) 364-2750

Behavioral Wellness Crisis Line: (888) 868-1649

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
 IMPROVEMENT DISTRICT NO. 1
JULY 21, 2020 REGULAR MEETING MINUTES

A Regular Meeting of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, was held at 3:00 p.m. on Tuesday, July 21, 2020 via video/teleconference due to the COVID-19 Emergency and Governor Newsom’s Executive Orders.

Trustees Present: Michael Burchardi Jeff Clay
 Brad Joos Lori Parker
 Lee Rosenberg

Trustees Absent: None

Others Present: Paeter Garcia Mary Martone
 Gary Kvistad Eric Tambini
 Karen King

I. CALL TO ORDER AND ROLL CALL:

President Clay called the meeting to order at 3:03 p.m., he stated this was a Regular Meeting of the Board of Trustees. Ms. Martone conducted roll call and reported that all members of the Board were present.

II. PLEDGE OF ALLEGIANCE:

President Clay led the Pledge of Allegiance.

III. REPORT BY THE SECRETARY TO THE BOARD REGARDING COMPLIANCE WITH THE REQUIREMENTS FOR POSTING OF THE AGENDA:

Ms. Martone presented the affidavit of posting of the agenda, along with a true copy of the agenda for this meeting. She reported that the agenda was posted in accordance with the California Government Code commencing at Section 54950 and pursuant to Resolution No. 340 of the District. The affidavit was filed as evidence of the posting of the agenda items contained therein.

Ms. Martone added that as a result of the COVID-19 emergency and Governor Newsom’s Executive Orders to protect public health by issuing shelter-in-home standards, limiting public gatherings, and requiring social distancing, this Board meeting would occur solely via video/teleconference as authorized by and in furtherance of Executive Order Nos. N-29-20 and N-33-20 and applicable amendments to the California Brown Act as set forth in those Executive Orders.

IV. ADDITIONS OR CORRECTIONS, IF ANY, TO THE AGENDA:

Mr. Garcia announced that after the Board Agenda was posted for the meeting, a matter of importance surfaced that requires Board review. Mr. Garcia explained that a Water Main and Facilities Replacement Agreement for the Mattei’s Project needs to be reviewed by the Board prior to the August Board Meeting. He indicated that in order to allow the Board to review the item, a 4/5 vote of the Board of Trustees is required to have it agendized. Mr. Garcia stated that a draft agreement was emailed to the Board prior to the meeting and also posted in the Board packet on the District’s website. He indicated that should the Board approve the Agenda Item, it would be listed as IX. B. b). Water Main and Facilities Replacement Agreement – Mattei’s Project.

It was **MOVED** by Trustee Rosenberg, seconded by Trustee Parker, and carried by a 5-0-0 roll call vote to add Agenda Item IX. B. b). Water Main and Facilities Replacement Agreement- Mattei’s Project.

DRAFT

1 V. PUBLIC COMMENT:
2 Mr. Garcia stated that the Notice and Agenda for this Regular Meeting requested members of the
3 public to submit advance written comments to the District via electronic mail by 5:00 p.m. on
4 Monday, July 20, 2020. Mr. Garcia reported that no comments were submitted to the District for the
5 meeting. President Clay welcomed anyone from the general public participating telephonically or
6 via video conference to address the Board. There was no public comment.
7

8 VI. CORONAVIRUS (COVID-19) UPDATE:

9 A. General Manager's Report

10 The Board packet included a June 18, 2020 Cal OES News Announcement, June 18, 2020
11 California Department of Public Health announcement, and Santa Barbara County Press
12 Releases for June 25, 2020, July 1, 2, 13 and 14, 2020 related to Health Office Orders and current
13 requirements pertaining to COVID-19.
14

15 Mr. Garcia reported on the current activities related to the COVID-19 pandemic and the
16 District's actions. He provided a chronology of the Santa Barbara County Health Orders and
17 internal protocols for staff and Board members representing the District. He explained that
18 there have been attempts to reopen services within the County; however, reclosures occurred
19 mid-month due to the increased number of cases. He explained that the District continues to
20 maintain the same response plan as last month, with staff being divided into two teams
21 alternating each week. Mr. Garcia reported that the District is continuing with a rigorous daily
22 disinfection process, along with a weekly janitorial service that conducts a commercial grade
23 disinfection.
24

25 VII. CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF JUNE 16, 2020:

26 The Minutes of the Regular Meeting of June 16, 2020 were presented for consideration.
27

28 President Clay asked if there were any changes or additions to the June 16, 2020 Regular Meeting
29 Minutes of June 16, 2020. Minor corrections were made.
30

31 It was MOVED by Trustee Burchardi, seconded by Trustee Rosenberg, and carried by a 5-0-0 roll
32 call vote to approve the June 16, 2020 Regular Meeting Minutes as corrected.
33

34 VIII. CONSENT AGENDA:

35 The Consent Agenda Report was provided in the Board packet.
36

37 Mr. Garcia reviewed the Consent Agenda Report for the month of June.
38

39 It was MOVED by Trustee Rosenberg, seconded by Trustee Burchardi, and carried by a 5-0-0 roll
40 call vote to approve the Consent Agenda.
41

42 IX. MANAGER REPORTS - STATUS, DISCUSSION AND POSSIBLE BOARD ACTION ON THE FOLLOWING
43 SUBJECTS:

44 A. DISTRICT ADMINISTRATION:

45 1. Financial Report on Administrative Matters

46 a) Presentation of Monthly Financial Statements – Revenues and Expenses

47 Ms. Martone reported that the Board was provided the Statement of Revenues and
48 Expenses for the month of June via email. She also explained that the reports were
49 posted on the District's website in the Board packet materials for anyone wishing to
50 follow along or receive a copy.
51

52 Ms. Martone reviewed the Statement of Revenues and Expenses for the month of June.
53 She reported the revenues exceeded expenses by \$397,032.55 for the month of June and

1 the year-to-date net income is \$2,848,539.75. She explained that the report represented
2 the unaudited close of the 2019/20 fiscal year. Ms. Martone indicated that the year-
3 end total will be adjusted as invoices from vendors and consultants continue to be
4 submitted for work that was completed prior to June 30th. She explained that the
5 annual audit will be conducted in late August or early September. Ms. Martone
6 reminded the Board that a portion of the year-end net income will be earmarked for
7 expenses related to the annual State Water Project, Series A Bond, and Safety of Dams
8 payments due each year and any remaining balance would be assigned to the Board-
9 adopted reserves for Repair and Replacement and Plant Expansion projects.

10
11 b) Approval of Accounts Payable

12 Ms. Martone reported that the Board was provided the Warrant List for June 17, 2020
13 through July 21, 2020 via email, and it was posted on the District's website in the Board
14 packet materials for anyone wishing to receive a copy.

15
16 The Board reviewed the Warrant List which covered warrants 23195 through 23257 for
17 the period of June 17, 2020 through July 21, 2020 in the amount of \$698,512.73.

18
19 It was MOVED by Trustee Rosenberg, seconded by Trustee Burchardi, and carried by a
20 5-0-0 roll call vote to approve the Warrant List for June 17, 2020 through July 21, 2020
21 as presented.

22
23 c) Water Service Late Penalties

24 Mr. Garcia stated that since the inception of the COVID-19 pandemic the Board has
25 temporarily suspended late penalties on past due customer accounts beginning in April.
26 He explained that at the Board's direction, this matter is being brought back for
27 discussion and reconsideration. Mr. Garcia reviewed the cumulative amounts of past
28 due charges, as well as the amount of penalties that have been waived to date.

29
30 Board discussion ensued and comments included cumulative total of penalties that
31 have been waived to date, the amount of outstanding water service charges, the number
32 of customer calls requesting assistance, the financial impacts to the District, the process
33 and options for collecting past due accounts, and projecting an average to identify what
34 past due amounts could accrue through the end of the year.

35
36 It was MOVED by Trustee Parker, seconded by Trustee Clay, and carried by a 5-0-0 roll
37 call vote to direct staff to continue the suspension of late penalties on the past due
38 customer accounts for the July billing cycle and to revisit the matter at the August Board
39 meeting.

40
41 **B. OPERATIONS AND MAINTENANCE:**

42 a) 2019 Consumer Confidence Report – Annual Water Quality Report required by Federal and
43 State Regulations to Protect Public Drinking Water
44

45 The Board packet included the 2019 Annual Water Quality Report.

46
47 Mr. Eric Tambini, Water Resources Manager, explained that the District is required by
48 state and federal drinking water regulations to prepare and distribute a consumer
49 confidence report, otherwise known as the Annual Water Quality Report. He stated that
50 the law specifies certain content be included in the report and requires water agencies to
51 distribute these reports to all of their customers annually by July 1st. Mr. Tambini
52 explained that the report includes information on the source(s) of water, the level(s) of any
53 contaminants detected in the water, and compliance with other drinking water rules, as

1 well as some brief educational material. He informed the Board that the District met and
2 exceeded all standards.

3
4 Mr. Tambini reported that the Annual Water Quality Report was submitted to the
5 California Division of Drinking Water, posted on the District website, noticed on customer
6 water bills, sent electronically to all customers and made available at the customer counter
7 at the District office in accordance with State requirements.
8

9 Agenda item IX. B. b). was added – see above action on Agenda item IV. Additions or
10 Corrections, if Any, to the Agenda.
11

12 b) Water Main and Facilities Replacement Agreement - Mattei's Project

13 Mr. Garcia stated that a Draft Water Main and Facilities Replacement Agreement was
14 emailed to the Board of Trustees prior to the meeting.
15

16 Mr. Garcia reviewed the Mattei's Tavern Project that is currently underway at the historical
17 site. He discussed the water service requirements for the Project, including the need to
18 deepen the District's six inch mainline on Railway Avenue to accommodate the finished
19 surface grades of the Project. Mr. Garcia stated that District staff has been on-site and
20 participated in numerous conference calls with the Developer regarding Project details.
21 Mr. Garcia stated that a Water Main and Facilities Replacement Agreement is required for
22 the project. He reported that the proposed agreement requires that all water facility
23 relocation, replacement, and improvements as described in the agreement are to be
24 constructed at applicant's expense. Mr. Garcia explained that upon project completion a
25 Dedication of Facilities will need to be completed and brought before the Board for
26 approval and acceptance. He reported that the Developer is appreciative of the District's
27 efforts to allow them to move forward with the Project and minimize loss of time. Mr.
28 Garcia recommended the Board authorize the General Manager to execute the proposed
29 agreement with the applicant.
30

31 After a brief discussion, it was **MOVED** by Trustee Rosenberg, seconded by Trustee
32 Burchardi and carried by a 5-0-0 roll call vote to authorize the General Manager to execute
33 the Water Main and Facilities Replacement Agreement for the Mattei's Project, in the same
34 or substantially similar form, with the project applicant and to proceed according to its
35 terms.
36

37 **X. REPORT, DISCUSSION AND POSSIBLE BOARD ACTION ON THE FOLLOWING SUBJECTS:**

38
39 **A. CACHUMA PROJECT – OPERATIONS AND SUPPLIES**

40 **I. Cachuma Project Water Service Contract No. I75r-1802R and Status of 2020 Water Service
41 Contract Process**

42 The Board packet included June 29, 2020 correspondence from Santa Barbara County Water
43 Agency discussing a meeting scheduled with the US Bureau of Reclamation on July 13,
44 2020; US Bureau of Reclamation Meeting Agenda for July 13, 2020; and a July 14, 2020 Draft
45 Amended Contract between the United States and Santa Barbara County Water Agency for
46 Water Service from the Project.
47

48 Mr. Garcia explained that the U.S. Bureau of Reclamation (USBR) held a public
49 teleconference meeting on July 13th to discuss an amendment to the current Cachuma
50 Project Water Service Master Contract No. I75r-1802R. He reported that the District's
51 Cachuma Contract Ad Hoc Committee, consisting of Trustees Burchardi and Parker,
52 participated, along with Mr. Gary Kvistad, District Legal Counsel, District staff, Cachuma
53 Project Member Units, and Santa Barbara County representatives. Mr. Garcia stated that

1 USBR sent the draft Amendment to the Santa Barbara County Water Agency (County),
2 which was also forwarded to all Cachuma Project Member Units for review. He explained
3 that the draft Amendment provides a short-term extension of the current Master Contract
4 to allow time for the parties to negotiate the next long-term Cachuma Project Contract. Mr.
5 Garcia reviewed the proposed amendments and reported that no action is required by the
6 Board at this time. He stated that prior to the September 30th expiration date of the current
7 Master Contract, the County will provide all Cachuma Member Units with their respective
8 sub-contracts with the County for review. Mr. Garcia stated that the draft Member Unit
9 Contract between ID No.1 and the County may be presented at the August or September
10 meeting. Board discussion ensued. Trustees Burchardi and Parker commented on the
11 USBR meeting and expressed appreciation to Mr. Kvistad for his participation in the
12 meeting and wealth of knowledge regarding the Cachuma Project.
13

14 2. Cachuma Project Allocation Request for Water Year 2020-2021

15 The Board packet included June 25 and 29, 2020 correspondence related to the Cachuma
16 Project Water Year 2020/2021 Allocation Request.
17

18 Mr. Garcia reported that the Santa Barbara County Water Agency submitted the yearly
19 allocation request for federal water on behalf of the Cachuma Member Units. The request
20 was for a full allocation of 25,714 acre-feet. Mr. Garcia stated that USBR has not issued a
21 response at this time; although he anticipates that the District will receive its full allocation
22 of 10.31% due to the current capacity of Lake Cachuma.
23

24 3. CCWA Warren Act Contract for State Water Project Supplies in the Cachuma Project

25 The Board packet included a July 15, 2020 letter from Central Coast Water Authority to the
26 US Bureau of Reclamation Re: Contract No. 5-07-20-W1282 dated July 25, 1995.
27

28 Mr. Garcia summarized the background and purpose of the Warren Act Contract (Contract)
29 for State Water Supplies in the Cachuma Project. He explained that this Contract is very
30 important to both the South Coast and ID No.1 as it establishes how SWP supplies are
31 moved through the system. He also explained that many believed the Contract was due
32 to expire on July 25, 2020; thus USBR and the Central Coast Water Authority (CCWA) had
33 begun negotiating a draft interim contract. Mr. Garcia indicated that the draft interim
34 contract included major changes from what is currently in effect, with changed definitions,
35 recitals, and other terms. Mr. Garcia explained that during the review process it was
36 discovered that the July 25, 2020 expiration date was incorrect. The actual Contract
37 expiration date is in June 2022 according to the Contract language. Now that no interim
38 contract is required and the urgency is gone, efforts will be focused on negotiations for the
39 next long-term contract to be adopted by June 2022.
40

41 **B. SUSTAINABLE GROUNDWATER MANAGEMENT ACT**

42 1. Eastern Management Area Update

43 The Board packet included a June 2020 Sustainable Groundwater Management Quarterly
44 Newsletter No. 1; the May 21, 2020 Notice and Agenda for the Groundwater Sustainability
45 Agency Eastern Management Area Meeting; and information regarding Eastern
46 Management Area documents.
47

48 Mr. Garcia reported that the Eastern Management Area Groundwater Sustainability
49 Agency (GSA) finalized and published its first newsletter with information related to the
50 Santa Ynez River Groundwater Basin. Mr. Garcia stated that the newsletter was posted on
51 ID No.1's website and sent out with the June water service billing to all customers. He
52 reported that the newsletter was also distributed by the Santa Ynez River Water

1 Conservation District, City of Solvang, City of Buellton, and City of Lompoc. Mr. Garcia
2 stated that all of the agencies in the three respective management areas are circulating
3 information to the public to provide awareness of the Sustainable Groundwater
4 Management Act. He stated the next regular meeting of the Eastern Management Area
5 GSA will be held on August 27, 2020.
6

7 **XI. UPDATE FROM ALTERNATIVE POWER / SOLAR AD HOC SUBCOMMITTEE:**

8 Mr. Garcia reported that Trustees Joos and Rosenberg who serve on the Alternative Power/Solar
9 Ad Hoc Committee (Committee) met and discussed their efforts in pursuing opportunities for
10 alternative power sources to potentially reduce power costs for the District. Trustee Rosenberg
11 reported on the Committee's goal and the information that has been collected thus far. Trustee
12 Rosenberg indicated that three solar companies have been contacted to begin discussions on the
13 District's objectives. He stated that in order to proceed with gathering proposals from each
14 company, the solar providers are requesting additional site-specific information related to the
15 District's infrastructure and power consumption. Discussion ensued on topics such as the pros
16 and cons of solar power; upfront and ongoing costs associated with solar power; site specific
17 locations; and the possibility of selling solar power. Mr. Garcia recommended that a
18 Nondisclosure Agreement be developed prior to releasing information to the solar companies to
19 protect the District. Mr. Garcia indicated that the Central Coast Water Authority (CCWA) Board
20 Meeting on July 23rd will include a presentation regarding a proposed solar project at CCWA, and
21 he encouraged the Ad Hoc Committee members to attend that meeting via teleconference. Mr.
22 Garcia stated that he would provide the CCWA Board materials to the Ad Hoc Committee
23 members. Trustee Rosenberg requested this item be included on the next agenda to provide
24 updates to the Board.
25

26 **XII. REPORTS BY THE BOARD MEMBERS OR STAFF, QUESTIONS OF STAFF, STATUS REPORTS,**
27 **ANNOUNCEMENTS, COMMITTEE REPORTS, OBSERVATIONS AND OTHER MATTERS AND/OR**
28 **COMMUNICATIONS NOT REQUIRING ACTION:**
29

30 The Board packet included the Family Farm Alliance Monthly Briefing for the month of June 2020.
31

32 Trustee Clay stated that he had attended the Central Coast Water Authority Board of Directors
33 teleconference meeting on June 25th and provided a review of topics discussed at the meeting.
34

35 **XIII. CORRESPONDENCE: GENERAL MANAGER RECOMMENDS THE ITEMS NOT MARKED WITH AN**
36 **ASTERISK (*) FOR FILE:**

37 The Correspondence list was received by the Board.
38

39 **XIV. REQUESTS FOR ITEMS TO BE INCLUDED ON THE NEXT REGULAR MEETING AGENDA:**

40 Trustee Rosenberg requested that the Ad Hoc Committee for Alternative Power/Solar provide an
41 update at the August Meeting.
42

43 **XV. NEXT MEETING OF THE BOARD OF TRUSTEES:**

44 President Clay stated the next Regular Meeting of the Board of Trustees is scheduled for August 18,
45 2020 at 3:00 p.m.
46

47 Mr. Garcia announced that the Open Session public participation video and phone lines would be
48 closed for the next forty-five (45) minutes to allow the Board to convene into Closed Session. He
49 explained that the public participation video and phone lines would be reopened forty-five (45)
50 minutes later for the remaining Agenda items. Mr. Garcia thanked everyone for participating in the
51 video/teleconference and stated the Open Session meeting would reconvene at 6:45 p.m. to report
52 any action taken during Closed Session.
53

DRAFT

1 XVI. CLOSED SESSION:

2 The Board adjourned at 5:57 for a brief recess. At 6:00 p.m. the Board reconvened and adjourned
3 to Closed Session.
4

5 A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

6 [Subdivision (d)(1) of Section 54956.9 of the Government Code – 3 cases]

- 7 1. Name of Case: Adjudicatory proceedings pending before the State Water Resources
8 Control Board regarding Permits 11308 and 11310 issued on Applications 11331 and
9 11332 to the United States Bureau of Reclamation for the Cachuma Project
10
11 2. Name of Case: Adjudicatory proceedings pending before the State Water Resources
12 Control Board regarding Permit 15878 issued on Application 22423 to the City of
13 Solvang, Petitions for Change, and Related Protests
14
15 3. Name of Case: Cachuma Operation and Maintenance Board v. Santa Ynez River Water
16 Conservation District, Improvement District No.1, Santa Barbara County Superior
17 Court Case No. 19CV01873
18

19 XVII. RECONVENE INTO OPEN SESSION

20 [Sections 54957.1 and 54957.7 of the Government Code]
21

22 The public participation video and phone lines were re-opened, and the Board reconvened to Open
23 Session at approximately 6:45 p.m. Ms. Martone conducted roll call and reported that Trustees
24 Parker, Joos, and Burchardi were present and Trustees Clay and Rosenberg were absent for the
25 reconvening of Open Session apparently due to technical difficulties.
26

27 Mr. Garcia announced that the Board met in Closed Session concerning Agenda Items XVI.A.1-3.
28 He stated that there was no reportable action on items XVI.A.1 & 2.
29

30 Mr. Garcia stated that under Item XVI.A.3, the Board considered and took action to approve the
31 First Amendment to the Cachuma Operation and Maintenance Board Joint Powers Authority
32 Separation Agreement by a roll call vote of 4-0-0, with Trustee Rosenberg absent during Closed
33 Session.
34

35 XVIII. ADJOURNMENT:

36 Being no further business, it was MOVED by Trustee Burchardi, seconded by Trustee Joos, and carried
37 by a 3-0-0 roll call vote, with Trustees Rosenberg and Clay absent, to adjourn the meeting at
38 approximately 6:54 p.m.
39
40

41 **RESPECTFULLY SUBMITTED,**

42 *DRAFT*
43
44
45

46 _____
47 Mary Martone, Secretary to the Board

48
49 **ATTEST:**

50 *DRAFT*
51 _____
52 Jeff Clay, President
53

54 **MINUTES PREPARED BY:**

55
56 _____
57 Karen King, Board Administrative Assistant

**BOARD OF TRUSTEES
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,
IMPROVEMENT DISTRICT NO.1
August 18, 2020**

Consent Agenda Report

CA-1. Water Supply and Production Report. Total water production in **July (502 AF)** was higher than water production in June (429 AF), but overall was well below the 10-year running average for the month of **July (746 AF)**. As previously reported, the District has been experiencing below average demands for domestic, rural residential, and agricultural water supplies due to water conservation, changing water use patterns, private well installations, and weather conditions.

For the month of **July**, approximately **142 AF** was produced from the Santa Ynez Upland wells, and no water was produced from the 6.0 cfs or 4.0 cfs river well fields. As reflected in the Monthly Water Deliveries Report from the Central Coast Water Authority (CCWA), the District also received approximately **360 AF** of SWP supplies for the month, all of which we attributed to Exchange deliveries. Direct diversions to USBR and the County Park were **2.93 AF**.

The USBR Daily Operations Report for Lake Cachuma in **July** (ending July 31, 2020) recorded the lake elevation at **737.01'** with the end of month storage of **147,954 AF**. USBR recorded total precipitation at the lake of **0.0 inches**. For the month, reservoir storage was supplemented with **277.9 AF** of SWP deliveries for the South Coast agencies. Reservoir evaporation in **July** was **1,614.4 AF**.

Based on the maximum storage of 193,305 AF, Cachuma reservoir is currently (as of **August 10, 2020**) at approximately **75.9%** of capacity (Santa Barbara County Flood Control District, Rainfall and Reservoir Summary). At a point when reservoir storage exceeds 100,000 AF, the Cachuma Member Units typically have received a full allocation, which is the case for this federal WY 2019-20. Conversely, a 20% pro-rata reduction from the full allocation is scheduled to occur in Water Years beginning at less than 100,000 AF, where incremental reductions may occur at other lower storage levels. **For the federal WY 2019-20** (October 1, 2019 through September 30, 2020), USBR has issued a 100% allocation of Cachuma Project supplies to the Cachuma Member Units. ID No.1's share is 10.31% or 2,651 AF. In addition to its 2019-20 allocation, ID No.1 retains in excess of 400 AF of previous year carryover water in the reservoir, subject to evaporation. **For the federal WY 2020-2021** (October 1, 2020 through September 30, 2021), the Member Units have requested a 100% allocation. The request was submitted through the County Water Agency on June 29, 2020, and a decision by USBR is pending.

Water releases for the protection of fish and aquatic habitat are made from Cachuma reservoir to the lower Santa Ynez River pursuant to the 2000 Biological Opinion issued by the National Marine Fisheries Service (NMFS) and the 2019 Water Rights Order (WR 2019-0148) issued by the State Water Resources Control Board (SWRCB). These releases are made to Hilton Creek and to the stilling basin from the outlet works at the base of Bradbury Dam. The water releases required under the NMFS 2000 Biological Opinion to avoid jeopardy to steelhead and adverse impacts to its critical habitat are summarized as follows:

NMFS 2000 Biological Opinion

- *When Reservoir Spills and the Spill Amount Exceeds 20,000 AF:*
 - *10 cfs at Hwy 154 Bridge during spill year(s) exceeding 20,000 AF*
 - *1.5 cfs at Alisal Bridge when spill amount exceeds 20,000 AF and if steelhead are present at Alisal Reach*
 - *1.5 cfs at Alisal Bridge in the year immediately following a spill that exceeded 20,000 AF and if steelhead are present at Alisal Reach*
- *When Reservoir Does Not Spill or When Reservoir Spills Less Than 20,000 AF:*
 - *5 cfs at Hwy 154 when Reservoir does not spill and Reservoir storage is above 120,000 AF, or when Reservoir spill is less than 20,000 AF*
 - *2.5 cfs at Hwy 154 in all years when Reservoir storage is below 120,000 AF but greater than 30,000 AF*
 - *1.5 cfs at Alisal Bridge if the Reservoir spilled in the preceding year and the spill amount exceeded 20,000 AF and if steelhead are present at Alisal Reach*
 - *30 AF per month to “refresh the stilling basin and long pool” when Reservoir storage is less than 30,000 AF*

The water releases required under the SWRCB 2019 Water Rights Order for the protection of fish and other public trust resources in the lower Santa Ynez River and to prevent the waste and unreasonable use of water are summarized as follows:

SWRCB Order WR 2019-0148

- *During Below Normal, Dry, and Critical Dry water years (October 1 – September 30), releases shall be made in accordance with the requirements of the NMFS 2000 Biological Opinion as set forth above.*
- *During Above Normal and Wet water years, the following minimum flow requirements must be maintained at Hwy 154 and Alisal Bridges:*
 - *48 cfs from February 15 to April 14 for spawning*
 - *20 cfs from February 15 to June 1 for incubation and rearing*
 - *25 cfs from June 2 to June 9 for emigration, with ramping to 10 cfs by June 30*
 - *10 cfs from June 30 to October 1 for rearing and maintenance of resident fish*
 - *5 cfs from October 1 to February 15 for resident fish*
- *For purposes of SWRCB Order WR 2019-0148, water year classifications are determined as follows:*
 - *Wet is when Cachuma Reservoir inflow is greater than 117,842 AF;*
 - *Above Normal is when Reservoir inflow is less than or equal to 117,842 AF or greater than 33,707 AF;*
 - *Below Normal is when Reservoir inflow is less than or equal to 33,707 AF or greater than 15,366 AF;*
 - *Dry is when Reservoir inflow is less than or equal to 15,366 AF or greater than 4,550 AF*
 - *Critical Dry is when Reservoir inflow is less than or equal to 4,550 AF*

For the month of July, water releases for fish were 309.8 AF to Hilton Creek and 353.0 AF to the outlet works for a total of 662.8 AF. As of the end of June 2020, a total of approximately **36,920 AF** of Cachuma Project water has been released under regulatory requirements for the protection of fish and fish habitat below Bradbury Dam since the year after the last spill in 2011.

CA-2. State Water Project (SWP) and Central Coast Water Authority (CCWA) Updates.

As previously reported, on May 22, 2020 the California Department of Water Resources (DWR) issued notice that the SWP Table A allocation is being increased to 20% for the year. This 20% allocation translates to 140 AF for ID No.1's pro-rated share of Table A supplies through CCWA.

As reflected in the enclosed CCWA Agenda materials (Board of Directors), CCWA continues to remain engaged in a variety of matters related to the SWP and SWP supplies, including but not limited to: the Delta Conveyance Project proposal and potential amendments to the SWP Contract; the CCWA Warren Act Contract renewal for storage and conveyance of SWP supplies in and through Cachuma Project facilities; proposed SWP Contract assignment from the County of Santa Barbara to CCWA; proposed reacquisition of Suspended Table A supplies; Siemens Energy proposal to install solar power facilities at the Polonio Pass Water Treatment Plant and proposed 20-year Power Purchase Agreement; and revision to the payment schedule for FY 2020/21 DWR fixed costs.

UNITED STATES DEPARTMENT OF THE INTERIOR
 U.S. BUREAU OF RECLAMATION-CACHUMA PROJECT-CALIFORNIA

JULY 2020

LAKE CACHUMA DAILY OPERATIONS

RUN DATE: August 1, 2020

DAY	ELEV	STORAGE		COMPUTED* INFLOW AF.	CCWA INFLOW AF.	PRECIP ON RES. SURF. AF.	RELEASE - AF.				EVAP		PRECIP INCHES	
		IN LAKE	CHANGE				TUNNEL	HILTON CREEK	OUTLET	SPILLWAY	AF.	INCH		
	738.38	151,494												
1	738.35	151,416	-78	15.4	13.3	.0	54.0	9.3	10.0	.0	33.4	.190	.00	
2	738.33	151,364	-52	30.3	30.7	.0	54.1	9.3	11.0	.0	38.6	.220	.00	
3	738.30	151,286	-78	25.4	35.1	.0	54.2	9.3	10.0	.0	65.0	.370	.00	
4	738.29	151,260	-26	62.8	36.0	.0	53.7	9.2	11.0	.0	50.9	.290	.00	
5	738.25	151,156	-104	16.9	12.7	.0	54.6	9.3	10.0	.0	59.7	.340	.00	
6	738.22	151,078	-78	52.3	12.7	.0	54.3	9.3	11.0	.0	68.4	.390	.00	
7	738.17	150,948	-130	-21.9	12.7	.0	52.4	9.3	10.0	.0	49.1	.280	.00	
8	738.12	150,818	-130	15.1	12.6	.0	86.6	9.3	11.0	.0	50.8	.290	.00	
9	738.07	150,663	-155	-4.9	8.0	.0	87.0	9.3	11.0	.0	50.8	.290	.00	
10	738.02	150,559	-104	36.6	8.0	.0	73.4	9.2	10.0	.0	56.0	.320	.00	
11	737.98	150,455	-104	32.9	7.9	.0	66.5	9.3	13.0	.0	56.0	.320	.00	
12	737.93	150,325	-130	13.8	8.0	.0	66.6	9.3	13.0	.0	62.9	.360	.00	
13	737.88	150,195	-130	20.6	8.0	.0	66.4	9.3	13.0	.0	69.9	.400	.00	
14	737.83	150,065	-130	4.0	6.4	.0	64.7	9.3	14.0	.0	52.4	.300	.00	
15	737.78	149,935	-130	-5.9	5.3	.0	58.2	9.3	13.0	.0	48.9	.280	.00	
16	737.73	149,806	-129	3.7	0.0	.0	63.4	9.2	13.0	.0	47.1	.270	.00	
17	737.68	149,676	-130	6.4	0.0	.0	63.6	9.3	13.0	.0	50.5	.290	.00	
18	737.63	149,546	-130	3.6	0.0	.0	64.4	9.2	13.0	.0	47.0	.270	.00	
19	737.58	149,417	-129	13.8	0.0	.0	65.5	9.3	14.0	.0	54.0	.310	.00	
20	737.53	149,289	-128	11.8	0.0	.0	65.4	9.2	13.0	.0	52.2	.300	.00	
21	737.48	149,161	-128	17.7	0.0	.0	64.5	9.1	13.0	.0	59.1	.340	.00	
22	737.43	149,032	-129	2.5	0.0	.0	64.0	9.3	13.0	.0	45.2	.260	.00	
23	737.38	148,904	-128	-0.3	0.0	.0	60.1	11.7	9.0	.0	46.9	.270	.00	
24	737.34	148,801	-103	22.3	0.0	.0	64.9	11.8	7.0	.0	41.6	.240	.00	
25	737.29	148,673	-128	-3.0	7.8	.0	64.2	11.8	10.0	.0	46.8	.270	.00	
26	737.24	148,545	-128	7.0	7.9	.0	64.7	11.8	11.0	.0	55.4	.320	.00	
27	737.19	148,391	-154	-24.7	7.9	.0	62.5	11.8	11.0	.0	51.9	.300	.00	
28	737.15	148,314	-77	37.0	7.9	.0	63.8	11.8	10.0	.0	36.3	.210	.00	
29	737.10	148,185	-129	8.0	9.6	.0	64.3	11.8	10.0	.0	60.5	.350	.00	
30	737.06	148,083	-102	28.5	9.7	.0	63.9	11.7	11.0	.0	53.6	.310	.00	
31	737.01	147,954	-129	1.3	9.7	.0	63.8	11.7	11.0	.0	53.5	.310	.00	
TOTAL (AF)			-3,540	429.0	277.9	.0	1,969.7	309.8	353.0	.0	1,614.4	9,260	.00	
(AVG)		149,784												

COMMENTS:

* COMPUTED INFLOW IS THE SUM OF CHANGE IN STORAGE, RELEASES, AND EVAPORATION MINUS PRECIP ON THE RESERVOIR SURFACE AND CCWA INFLOW.

DATA BASED ON 24-HOUR PERIOD ENDING 0800.

INDICATED OUTLETS RELEASE INCLUDE ANY LEAKAGE AROUND GATES.



Santa Barbara County - Flood Control District

130 East Victoria Street, Santa Barbara CA 93101 - 805.568.3440 - www.countyofsb.org/pwd

Rainfall and Reservoir Summary

Updated 8am: 8/10/2020

Water Year: 2020

Storm Number: NA

Notes: Daily rainfall amounts are recorded as of 8am for the previous 24 hours. Rainfall units are expressed in inches. All data on this page are from automated sensors, are preliminary, and subject to verification.

*Each Water Year (WY) runs from Sept 1 through Aug 31 and is designated by the calendar year in which it ends

County Real-Time Rainfall and Reservoir Website link: > <http://www.countyofsb.org/hydrology>

Rainfall	ID	24 hrs	Storm 0 day(s)	Month	Year*	% to Date	% of Year*	AI
Buellton (Fire Stn)	233	0.00	0.00	0.00	15.19	91%	91%	
Cachuma Dam (USBR)	332	0.00	0.00	0.00	20.96	106%	106%	
Carpinteria (Fire Stn)	208	0.00	0.00	0.00	13.07	75%	75%	
Cuyama (Fire Stn)	436	0.00	0.00	0.00	8.75	115%	114%	
Figueroa Mtn (USFS Stn)	421	0.00	0.00	0.00	21.39	100%	100%	11.4
Gibraltar Dam (City Facility)	230	0.00	0.00	0.00	24.51	93%	93%	12.0
Goleta (Fire Stn-Los Carneros)	440	0.00	0.00	0.00	14.22	77%	77%	
Lompoc (City Hall)	439	0.00	0.00	0.04	12.92	89%	89%	12.5
Los Alamos (Fire Stn)	204	0.00	0.00	0.00	15.12	99%	99%	
San Marcos Pass (USFS Stn)	212	0.00	0.00	0.00	27.74	81%	81%	
Santa Barbara (County Bldg)	234	0.00	0.00	0.00	16.47	90%	90%	
Santa Maria (City Pub.Works)	380	0.00	0.00	0.00	11.36	85%	85%	
Santa Ynez (Fire Stn /Airport)	218	0.00	0.00	0.00	15.12	96%	96%	
Sisquoc (Fire Stn)	256	0.00	0.00	0.00	13.27	88%	88%	

County-wide percentage of "Normal-to-Date" rainfall : 92%

County-wide percentage of "Normal Water-Year" rainfall : 92%

County-wide percentage of "Normal Water-Year" rainfall calculated assuming no more rain through Aug. 31, 2020 (End of WY2020).

AI (Antecedent Index / Soil Wetness)

6.0 and below = Wet (min. = 2.5)
6.1 - 9.0 = Moderate
9.1 and above = Dry (max. = 12.5)

Reservoirs

Reservoir Elevations referenced to NGVD-29.

**Cachuma is full and subject to spilling at elevation 750 ft.

However, the lake is surcharged to 753 ft. for fish release water.

(Cachuma water storage is based on Dec 2013 capacity revision)

Click on Site for Real-Time Readings	Spillway	Current	Max.	Current	Current	Storage	Storage
	Elev. (ft)	Elev. (ft)	Storage (ac-ft)	Storage (ac-ft)	Capacity (%)	Change Mo.(ac-ft)	Change Year*(ac-ft)
<u>Gibraltar Reservoir</u>	1,400.00	1,390.28	4,583	2,648	57.8%	-189	109
<u>Cachuma Reservoir</u>	753.**	736.49	193,305	146,625	75.9%	-1,253	-1,381
<u>Jameson Reservoir</u>	2,224.00	2,220.58	4,848	4,433	91.4%	-62	-214
<u>Twitchell Reservoir</u>	651.50	543.37	194,971	4,156	2.1%	-156	-14,650

[Previous Rainfall and Reservoir Summaries](#)

CIMIS Daily Report

Rendered in ENGLISH Units.

Wednesday, July 1, 2020 - Sunday, August 2, 2020

Printed on Monday, August 3, 2020

Santa Ynez - Central Coast Valleys - Station 64

Date	ETo (In)	Precip (In)	Sol Rad (Ly/day)	Avg Vap Pres (mBars)	Max Air Temp (°F)	Min Air Temp (°F)	Avg Air Temp (°F)	Max Rel Hum (%)	Min Rel Hum (%)	Avg Rel Hum (%)	Dew Point (°F)	Avg Wind Speed (mph)	Wind Run (miles)	Avg Soil Temp (°F)
7/1/2020	0.19	0.00	604	14.9	76.7	54.0	62.4	95	56	77	55.2	3.4 Y	81.9 Y	- S
7/2/2020	0.24	0.00	712	14.9	81.3	52.7	65.4	92	45	70	55.2	3.7	89.9	- S
7/3/2020	0.25	0.00	713	13.7	89.9	51.1	66.7	98	27	61	53.0	3.6	85.6	- S
7/4/2020	0.29	0.00	742	12.7	96.4	50.8	73.0	92	19	46	50.9	3.7	88.0	- S
7/5/2020	0.28	0.00	747 R	12.8	94.0	49.9	69.7	90	26	52	51.2	3.9	92.7	- S
7/6/2020	0.24	0.00	723	13.0	83.7	48.4	63.2	95	38	65	51.4	3.7	88.2	- S
7/7/2020	0.24	0.00	726	12.9	81.1	49.1	62.0	99	39	68	51.4	3.6	86.5	- S
7/8/2020	0.23	0.00	700	13.7	83.9	52.0	63.2	96	40	69	53.0	3.8	90.1	- S
7/9/2020	0.25	0.00	726	14.0	87.7	51.5	65.9	99	36	64	53.5	3.9	93.5	- S
7/10/2020	0.27	0.00	722	13.5	95.6	50.2	72.0	91	28	50	52.6	3.3	78.7	- S
7/11/2020	0.28	0.00	722	13.6	100.5 Y	53.2	75.5 Y	86	17	45 Y	52.7 Y	3.5	83.7	- S
7/12/2020	0.28	0.00	711	14.0	98.6	55.5	73.1	89	20	50	53.6	3.9	94.1	- S
7/13/2020	0.24	0.00	691	14.6	86.6	53.7	65.2	98	40	69	54.7	4.0	96.1	- S
7/14/2020	0.21	0.00	842	14.5	81.6	55.1	63.7	93	42	72	54.5	3.8	91.2	- S
7/15/2020	0.22	0.00	673	14.9	81.1	55.6	65.4	89	47	70	55.2	3.7	89.8	- S
7/16/2020	0.22	0.00	661	14.6	82.9	54.8	66.0	93	40	67	54.7	3.4	81.1	- S
7/17/2020	0.23	0.00	671	14.9	84.5	54.4	66.3	93	42	68	55.3	3.2	76.2	- S
7/18/2020	0.24	0.00	678	15.0	88.2	53.1	66.9	97	36	67	55.4	3.6	85.4	- S
7/19/2020	0.23	0.00	688	14.8	86.9	51.7	65.5	98	39	69	55.1	3.6	86.4	- S
7/20/2020	0.22	0.00	649	15.0	81.7	56.9	65.2	92	45	71	55.5	3.7	87.9	- S
7/21/2020	0.21	0.00	627	14.8	87.7	57.6	65.5	90	32	69	55.1	3.7	89.4	- S
7/22/2020	0.20	0.00	623	15.2	81.7	56.6	64.9	93	48	72	55.8	3.5	82.8	- S
7/23/2020	0.17	0.00	550	15.0	79.5	57.1	64.1	89	49	73	55.4	3.5	83.7	- S
7/24/2020	0.22	0.00	663	15.0	82.6	56.0	65.5	91	46	70	55.5	3.8	90.5	- S
7/25/2020	0.22	0.00	644	15.2	83.8	56.2	66.1	91	44	69	55.8	3.7	90.0	- S
7/26/2020	0.24	0.00	674	14.9	89.0	54.8	67.7	96	33	64	55.3	3.6	86.4	- S
7/27/2020	0.23	0.00	661	15.0	87.4	55.0	66.2	97	37	68	55.4	3.5	84.7	- S
7/28/2020	0.22	0.00	644	15.1	84.0	55.9	65.5	93	42	71	55.7	3.6	85.5	- S
7/29/2020	0.22	0.00	641	15.6	86.2	56.4	66.6	94	41	70	56.5	3.5	84.3	- S
7/30/2020	0.23	0.00	661	15.6	89.0	56.6	66.9	95	38	70	56.6	3.6	86.0	- S
7/31/2020	0.22	0.00	649	15.3	85.0	55.5	65.6	97	43	71	56.0	3.5	83.8	- S
Tots/Avgs	7.23	0.00	675	14.5	86.4	53.9	66.5	94	38	66	54.4	3.6	86.9	-

Santa Ynez - Central Coast Valleys - Station 64

Date	ETo (In)	Precip (In)	Sol Rad (Ly/day)	Avg Vap Pres (mBars)	Max Air Temp (°F)	Min Air Temp (°F)	Avg Air Temp (°F)	Max Rel Hum (%)	Min Rel Hum (%)	Avg Rel Hum (%)	Dew Point (°F)	Avg Wind Speed (mph)	Wind Run (miles)	Avg Soil Temp (°F)
8/1/2020	0.25	0.00	676	14.5	95.5	52.7	68.8	100	26	60	54.5	3.7	89.1	- S
8/2/2020	0.25	0.00	685	14.3	95.3	52.1	68.5	100	26	60	54.1	3.8	90.3	- S
Tots/Avgs	0.50	0.00	681	14.4	95.4	52.4	68.7	100	26	60	54.3	3.8	89.7	-

Flag Legend		
A - Historical Average	I - Ignore	R - Far out of normal range
C or N - Not Collected	M - Missing Data	S - Not in service
H - Hourly Missing or Flagged Data	Q - Related Sensor Missing	Y - Moderately out of range
Conversion Factors		
Ly/day/2.065=W/sq.m	inches * 25.4 = mm	(F-32) * 5/9 = C



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

TO: Ray Stokes, Executive Director
Lisa Long, Controller

August 11, 2020

FROM: Julie Baker

SUBJECT: Monthly Water Deliveries

According to the CCWA revenue meters at each turnout, the following deliveries were made during the month of July, 2020:

Table with 2 columns: Project Participant, Delivery Amount (acre-feet). Rows include Chorro, López, Shandon, Guadalupe, Santa Maria, Golden State Water Co., Vandenberg, Buellton, Solvang, Santa Ynez ID#1, Bradbury, and TOTAL.

In order to reconcile these deliveries with the DWR revenue meter, which read 2006 acre-feet, the following delivery amounts should be used for billing purposes:

Table with 2 columns: Project Participant, Delivery Amount (acre-feet). Rows include Chorro, López, Shandon, Guadalupe, Santa Maria, Golden State Water Co, Vandenberg, Buellton, Solvang, Santa Ynez ID#1, Bradbury, and TOTAL.

*Golden State Water Company delivered 16 acre-feet into its system through the Santa Maria turnout. This delivery is recorded by providing a credit of 16 acre-feet to the City of Santa Maria and a charge in the same amount, to the Golden State Water Company.

Notes: Santa Ynez ID#1 water usage is divided into 0 acre-feet of Table A water and 360 acre-feet of exchange water.

The exchange water is allocated as follows

<u>Project Participant</u>	<u>Exchange Amount (acre-feet)</u>
Goleta	130
Santa Barbara	86
Montecito	86
Carpinteria	<u>58</u>
TOTAL	360

Bradbury Deliveries into Lake Cachuma are allocated as follows:

<u>Project Participant</u>	<u>Delivery Amount (acre-feet)</u>
Carpinteria	0
Goleta	0
La Cumbre	272
Montecito	0
Morehart	3
Santa Barbara	0
Raytheon	<u>0</u>
TOTAL	275

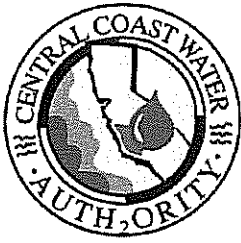
JAB

cc: Tom Bunosky, GWD
James Luongo, Golden State WC
Rebecca Bjork, City of Santa Barbara
Daryl Smith, MWD
Janet Gingras, COMB
Craig Kesler, San Luis Obispo County
Paeter Garcia, Santa Ynez RWCD ID#1
Shad Springer, City of Santa Maria
Shannon Sweeney, City of Guadalupe
Robert MacDonald, Carpinteria Valley WD
Mike Peña, City of Guadalupe
Mike Alvarado, La Cumbre Mutual WC
Alex Keuper, CVWD
Pernell Rush, Vandenberg AFB
Nick Turner, Montecito WD
Laura Menahen, Montecito WD
Matt van der Linden, City of Solvang

**REVIEW AND APPROVAL OF
DELIVERY RECORDS AND ASSOCIATED
CALCULATIONS**



John Brady
Deputy Director, Operations and Engineering
Central Coast Water Authority



A Meeting of the

REVISED

**BOARD OF DIRECTORS
OF THE
CENTRAL COAST WATER AUTHORITY**

will be held at 9:00 a.m., on Friday, July 31, 2020
via URL: <https://meetings.ringcentral.com/j/1492575432>
or via telephone by dialing 1(623) 404-9000 and entering code 149 257 5432#

Eric Friedman
Chairman

Ed Andrisek
Vice Chairman

Ray A. Stokes
Executive Director

Brownstein Hyatt
Farber Schreck
General Counsel

Member Agencies

City of Buellton

Carpinteria Valley
Water District

City of Guadalupe

City of Santa Barbara

City of Santa Maria

Goleta Water District

Montecito Water District

Santa Ynez River Water
Conservation District,
Improvement District #1

Associate Member

La Cumbre Mutual
Water Company

I. Call to Order and Roll Call

II. Public Comment – (Any member of the public may address the Board relating to any matter within the Board’s jurisdiction. Individual Speakers may be limited to five minutes; all speakers to a total of fifteen minutes.)

III. Consent Calendar

- * A. Approve Minutes of the June 25, 2020 Regular Meeting
- * B. Approve Bills
- * C. Controller’s Report
- * D. Operations Report

IV. Executive Director’s Report

- * A. CCWA Warren Act Contract for the Conveyance and Storage of State Water Into/In Lake Cachuma for the South Coast CCWA Project Participants
- B. Assignment of the State Water Contract from Santa Barbara County to CCWA
- C. Suspended Table A Reacquisition Update
- * D. Siemens Energy & Environmental Solution Proposal for Solar Power Installation at the Water Treatment Plant and 20 Year Power Purchase Agreement
- * E. Additional Revision to Payment Schedule for FY 2020/21 DWR Fixed Costs
- F. Finance Committee
 1. FY 2019/20 Fourth Quarter Investment Report

V. Closed Session

- A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: Cachuma Project, Negotiation of Warren Act Contract
Agency negotiator: Ray Stokes, Executive Director, CCWA
Negotiating parties: CCWA and United States Bureau of Reclamation
Under negotiation: Terms and conditions of Warren Act Contract for use of Cachuma Project

VI. Reports from Board Members for Information Only

VII. Items for Next Regular Meeting Agenda

VIII. Date of Next Regular Meeting: August 27, 2020

IX. Adjournment

**MINUTES OF THE
CENTRAL COAST WATER AUTHORITY
BOARD OF DIRECTORS**

June 25, 2020

The Board meeting was conducted pursuant to California Government Code Section 54953 and Governor Newsom's Executive Order, N-29-20, temporarily suspending portions of the Brown Act to implement social distancing in response to the COVID-19 pandemic. Members of the Board participated in this meeting by video call or telephone. Public Comment on agenda items also occurred telephonically.

Ms. Lisa Watkins, Board Secretary, confirmed that all Board members could hear each other, had received a copy of the meeting agenda, and could hear the proceedings.

I. Call to Order and Roll Call

Chairman Friedman called the Central Coast Water Authority (CCWA) Board of Directors meeting to order at 9:00 AM.

CCWA member agencies with voting privileges were represented by:

<u>Representative</u>	<u>Agency/City</u>	<u>Voting %</u>
Ed Andrisek	City of Buellton	2.21%
Farfalla Borah	Goleta Water District	17.20%
Jeff Clay	Santa Ynez River Water Conservation District, ID #1	7.64%
Eric Friedman	City of Santa Barbara	11.47%
Shirley Johnson	Carpinteria Valley Water District	7.64%
Shannon Sweeney	City of Guadalupe	1.15%
Etta Waterfield	City of Santa Maria	43.19%

II. Public Comment

There was no public comment related to items not on the agenda.

III. Consent Calendar

- A. Approve Minutes of the April 23, 2020 Regular Meeting
- B. Approve Bills
- C. Controller's Report
- D. Operations Report

A motion to approve the Consent Calendar was made by Director Waterfield, seconded by Director Andrisek and carried following a roll call vote, with Directors Andrisek, Borah, Clay, Friedman, Johnson, Sweeney, and Waterfield in favor and none opposed.

IV. Executive Director's Report

A. Water Supply Situation Report

Ray Stokes, CCWA Executive Director, provided an update on the state of water supplies and recent precipitation and snow pack levels throughout California.

An incident occurred on Sunday with the CCWA bypass pipe at Lake Cachuma. The connection point of the bypass to the steel pipe within a vault at Bradbury Dam was torqued and created a leak. Bradbury Dam staff immediately notified CCWA and a response plan was initiated. Mr. Brady explained the corrective actions taken and provided additional information related to how the leak was detected and when delivery to Lake Cachuma is expected to resume.

B. CCWA COVID-19 Pandemic Response

The Central Coast Water Authority (CCWA) activated its Pandemic Response Plan on Monday March 16, 2020. CCWA staff reviewed the measures being taken by CCWA, including coordination efforts with Santa Barbara County project participants and San Luis Obispo County staff.

C. Delta Conveyance Project Contract Amendment Update

Mr. Stokes reviewed the Agreement in Principle and White Paper related to negotiations on the amendments to the State Water Contract provided in the meeting materials. The materials were provided for information of the Board, no action was requested.

D. CCWA Warren Act Contract for Transportation of State Water Into Lake Cachuma for the South Coast CCWA Project Participants

The current Warren Act Contract with the United States Bureau of Reclamation (Bureau) to allow CCWA to deliver State Water into Lake Cachuma expires on July 25, 2020 and a new contract must be executed to allow CCWA to continue to pump South Coast Project Participant State Water into Lake Cachuma. The draft contract that was included in the meeting materials has been reviewed, and determined to be an unacceptable form, and the Bureau has resolved that an acceptable extension contract will be delivered in time to avoid a lapse in CCWA's ability to deliver water to Lake Cachuma for South Coast agencies.

E. Water Management Strategies Request for Qualifications Update

Currently CCWA and the San Luis Obispo County Flood Control and Water Conservation District (SLO County) are utilizing San Luis Reservoir as a storage facility for State Water Project (SWP) water. However, during spill events the stored water is lost, so CCWA and SLO County are jointly pursuing a project to identify and evaluate strategies for optimizing the yield from the SWP. CCWA staff collaborated with SLO County staff and subsequently prepared a Request for Qualification (RFQ) for this project. Following submittal of four Statement of Qualifications (SOQ), a panel of CCWA and SLO County staff determined the SOQ submitted by the Provost & Pritchard Consulting Group and Hallmark Group

team was the most qualified for the specific project. Mr. Brady provided additional information on the qualifications of the selected team.

Due to complications with SLO County, the original estimate of \$75,000 may need to be increased, and there is potential that SLO County may not be able provide 50% of the funding. Mr. Stokes asked if the Board had any objections to increasing the funding and potentially increasing CCWA's share of the project, and following discussion, the general consensus was the project was important and the conceptual increase in funds and participation may be permissible, pending additional information which should be available in August.

F. Procurement of Chlorine Scrubber Equipment – Budget of \$288,750

Mr. Brady reviewed the materials included in the meeting packet related to the procurement of a Chlorine Scrubber Unit for the operations at the Polonio Pass Water Treatment Plant, and the subsequent memo related to the bid opening results.

Following review of the bids on June 22, 2020, a panel of CCWA staff indicated that the unit proposed by Integrity Municipal Systems was equivalent to the existing Chlorine Scrubber Unit. A Preliminary Bid Tabulation was circulated to all three Bidders, and the two highest Bidders acknowledged receipt and did not raise issue with the apparent low bid.

Upon a motion by Director Waterfield, seconded by Director Sweeney and carried, following a roll call vote, with Directors Borah, Clay, Friedman, Johnson, Sweeney, and Waterfield in favor and none opposed, the Board Authorized the Executive Director to procure a Chlorine Scrubber Unit from Integrity Municipal Systems for the amount of \$122,801.

G. Personnel Committee

1. 2020 Review of Personnel Policy Manual

Mr. Jeff Dinkin, CCWA Personnel legal counsel, reviewed the memo included in the meeting materials which outlined the proposed changes to the CCWA Personnel Policies and Procedures Manual, and noted the Personnel Committee recommends Board approval of the proposed changes.

Upon a motion by Director Borah, seconded by Director Waterfield and carried, following a roll call vote, with Directors Borah, Clay, Friedman, Johnson, Sweeney, and Waterfield in favor and none opposed, the Board approved the recommended changes to the CCWA Personnel Policy Manual.

H. Committee Meetings, Closed Sessions and Confidential Information Update

Stephanie Hastings, CCWA General Counsel, provided information to the Board on the background and method of conducting Committee meetings and closed sessions, which are dictated by CCWA's governance documents, the unique voting structure of CCWA, and the Brown Act.

The Board adjourned to closed session at 10:40 AM.

V. Closed Session

- A. Conference with Legal Counsel – Existing Litigation (Government Code section 54956.9, subdivision (a)): 1 matter State Water Contractors, et. al. v. State of California Department of Fish and Wildlife and State of California Department of Water Resources
- B. Public Employee Performance Evaluation - Government Code Section 54957 Title: Executive Director
- C. Conference with Labor Negotiator - Government Code Section 54957.6 Name of Negotiator: Jeffrey Dinkin Unrepresented Employees: Executive Director, Deputy Director

The Board reconvened from closed session 12:28 PM.

Ms. Hastings reported in open session that the Board took action on pending litigation in Case No.20CECG01302 filed under California Environmental Quality Act (CEQA) for State Water Contractors and Kern County Water Agency.

Upon a motion made in closed session the Board agreed to join in the State Water Contractors and Kern County Water Agency v. State of California Department of Fish and Wildlife, and State of California Department of Water Resources; Fresno County Superior Court Case Number 20CECG01302 (file-stamped May 4, 2020), with Directors Sweeney, Waterfield, Andrisek, Clay, Borah in support and Director Johnson opposed.

VI. Open Session - Executive Director and Deputy Director Salary Adjustment

CCWA Personnel Counsel Jeffrey Dinkin reported that during the closed session the Board evaluated the performance of the Executive Director and completed bargaining with the Executive Director and Deputy Director. As a result of negotiations the Board and Staff have agreed upon two weeks of administrative leave to be used prior to vacation time and within the upcoming fiscal year to each individual, which if not used, could be cashed out by the end of the fiscal year.

Upon a motion by Director Waterfield, seconded by Director Sweeney and carried with Directors Sweeney, Waterfield, Clay, Borah and Johnson in favor and none opposed, the Board approved providing two weeks of administrative leave to Mr. Stokes and Mr. Brady, to be used prior to vacation time by the end of FY 2020/21 which may be cashed out by the end of the fiscal year if not used.

Mr. Dinkin reported that the personnel evaluation of the Executive Director has been completed, and Chairman Friedman stated he would be discussing the evaluation with Mr. Stokes.

VII. Reports from Board Members for Information Only

There were no reports from Board members.

VIII. Items for Next Regular Meeting Agenda

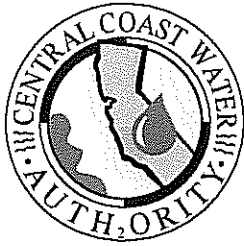
IX. Date of Next Regular Meeting: July 23, 2020

X. Adjournment

The meeting was adjourned at 12:31 PM.

Respectfully submitted,

Elizabeth Watkins
Secretary to the Board



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

August 13, 2020

TO: CCWA Board of Directors
FROM: Ray Stokes *RS*
Executive Director
SUBJECT: Cancellation of August 27, 2020 Board of Directors Meeting

This memo is notice that after consultation with Chairman Friedman, the CCWA Board meeting scheduled for August 27, 2020 has been canceled.

The next regular meeting of the CCWA Board of Directors is scheduled for September 24, 2020.

Consistent with current guidance in response to the COVID-19 pandemic and in accordance with the Governor's Executive Order N-35-20 issued March 21, 2020 to maximize social distancing and public safety, CCWA anticipates the September 24, 2020 meeting will be conducted by video conference only.

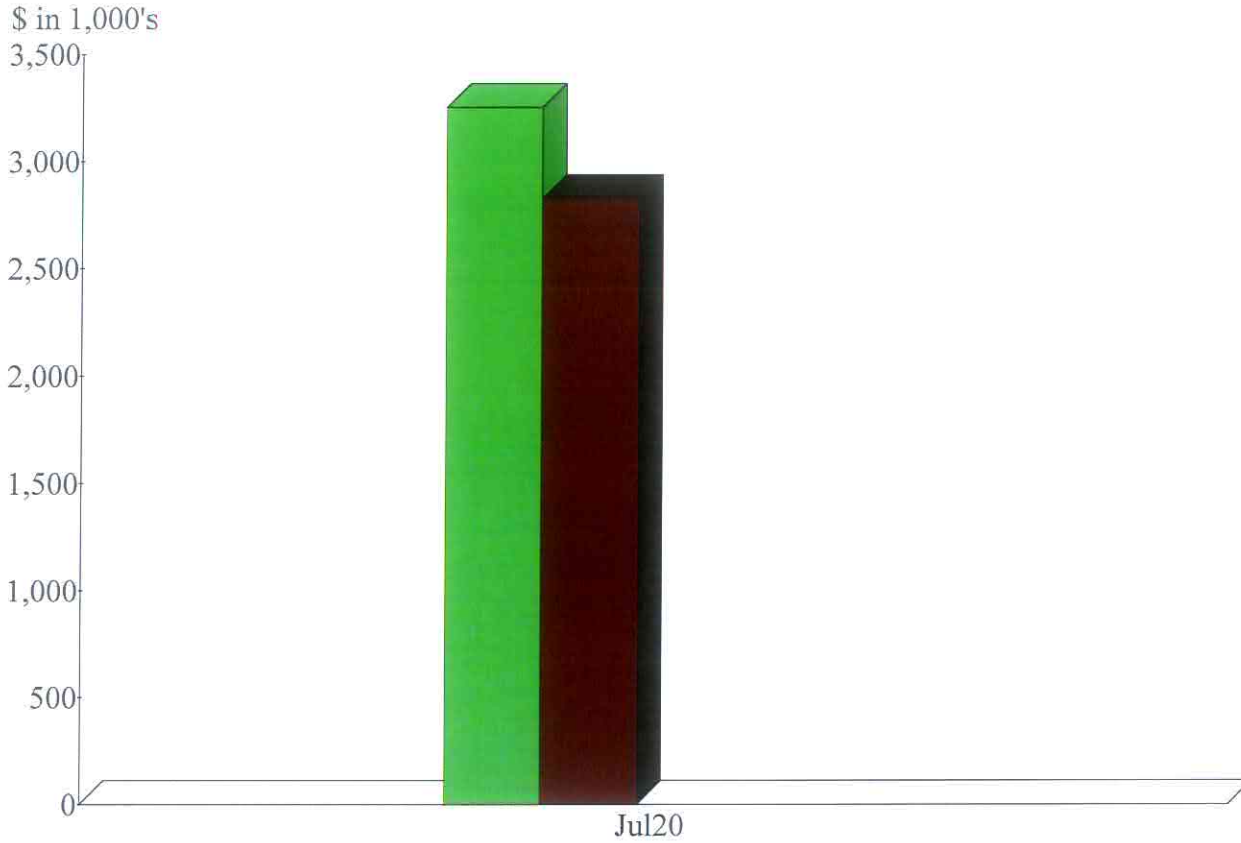
Please call me if you have any questions.

RAS

cc: Operating Committee
Stephanie Hastings, Brownstein Hyatt Farber and Schreck, LLP

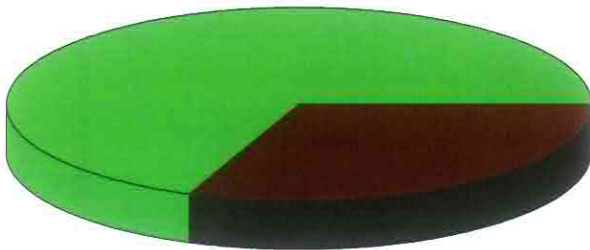
Income and Expense by Month
July 2020

Income
Expense



Income Summary
July 2020

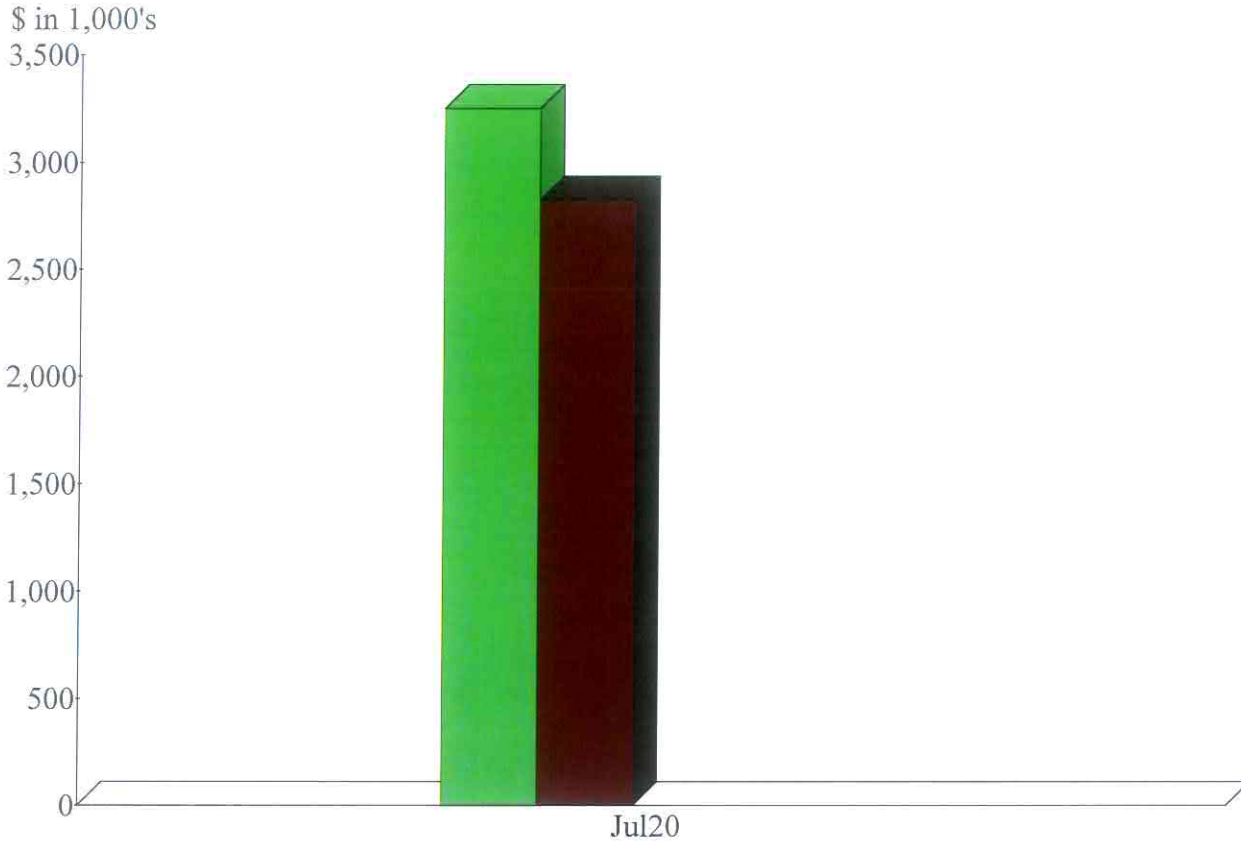
625000 · ASSESSMENTS, FEES & OTH	69.06%
600000 · SERVICE & SALES REVENUE	30.94
Total	\$3,251,329.27



By Account

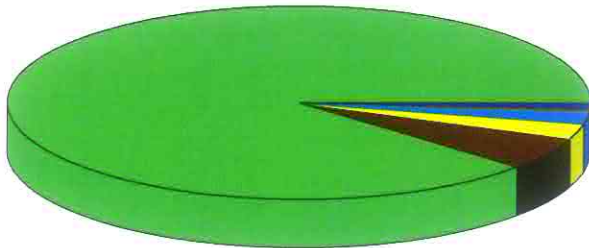
Income and Expense by Month
July 2020

Income
Expense



Expense Summary
July 2020

702000	· SOURCE OF SUPPLY EXPENSES	88.60%
770000	· GENERAL & ADMIN EXPENSES	5.59
750000	· TRANSMISSION & DIST. EXPENSES	2.69
725000	· PUMPING EXPENSES	1.92
800000	· LEGAL/ENGINEERING	0.44
825000	· STUDIES	0.27
85000	· NON-CAPITAL EXPENSES	0.17
740000	· WATER TREATMENT EXPENSES	0.16
900370	· Capital Expense - CY	0.11
900100	· Constr in Progress CY	0.03
710000	· INFRASTRUCTURE EXPENSES	0.02
Total		\$2,824,294.87



By Account

Santa Ynez River Water Conservation District ID #1
Statement of Revenues & Expenses
July 2020

	Jul 20	Jun 20	% Change	Jul 20
Ordinary Income/Expense				
Income				
600000 · SERVICE & SALES REVENUE				
WATER SALES INCOME				
601000 · Water Sales - Agri.	157,602.40	133,699.99	17.88%	157,602.40
602000 · Water Sales - Domestic	532,857.24	459,655.49	15.93%	532,857.24
602100 · Water Sales - RRLmtd Ag.	295,463.95	261,945.99	12.8%	295,463.95
602200 · Water Sales - Cach Pk	2,187.09	1,691.19	29.32%	2,187.09
604000 · Water Sales - Temp.	166.65	1,590.75	-89.52%	166.65
606000 · Water Sales - Solvang	4,722.21	4,469.71	5.65%	4,722.21
608000 · Water Sales - On-Demand	1,265.92	2,871.82	-55.92%	1,265.92
611500 · Fire Service Fees	9,637.40	9,817.15	-1.83%	9,637.40
Total WATER SALES INCOME	1,003,902.86	875,742.09	14.64%	1,003,902.86
SERVICE INCOME				
611200 · Reconnection Fees	1,950.00	825.00	136.36%	1,950.00
612400 · Penalties	10.71	0.00	100.0%	10.71
Total SERVICE INCOME	1,960.71	825.00	137.66%	1,960.71
Total 600000 · SERVICE & SALES REVENUE	1,005,863.57	876,567.09	14.75%	1,005,863.57
625000 · ASSESSMENTS, FEES & OTHER				
624000 · Miscellaneous Revenue	5,533.05	970.00	470.42%	5,533.05
625200 · Administrative Fees	1,750.00	250.00	600.0%	1,750.00
627000 · Tax Revenue - Secured	0.00	51,104.81	-100.0%	0.00
628000 · INTEREST INCOME				
629000 · Interest Income - LAIF	0.00	43,015.77	-100.0%	0.00
629100 · Interest Income -PIMMA	372.22	332.90	11.81%	0.00
630000 · Interest Income - Cking	1.42	3.21	-55.76%	0.00
Total 628000 · INTEREST INCOME	373.64	43,351.88	-99.14%	0.00
890100 · SWP Pmt. from Solvang	2,238,182.65	0.00	100.0%	2,238,182.65
Total 625000 · ASSESSMENTS, FEES & OTHER	2,245,839.34	95,676.69	2,247.32%	2,245,465.70
Total Income	3,251,702.91	972,243.78	234.45%	3,251,329.27
Cost of Goods Sold				
702000 · SOURCE OF SUPPLY EXPENSES				
703000 · Cach. Water Entitlement	35,426.16	35,426.16	0.0%	35,426.16
704000 · State Water	228,847.99	102,579.17	123.09%	228,847.99
705000 · Ground Water Charges	0.00	16,540.12	-100.0%	0.00
860000 · Solvang-SWPmt	2,238,182.65	0.00	100.0%	2,238,182.65
Total 702000 · SOURCE OF SUPPLY EXPENSES	2,502,456.80	154,545.45	1,519.24%	2,502,456.80
710000 · INFRASTRUCTURE EXPENSES				
711000 · Maintenance - Wells	153.43	1,280.40	-88.02%	153.43
712000 · Maintenance - Mains	0.00	13,521.39	-100.0%	0.00
713000 · Maintenance - Reservoirs	372.92	0.00	100.0%	372.92
Total 710000 · INFRASTRUCTURE EXPENSES	526.35	14,801.79	-96.44%	526.35
725000 · PUMPING EXPENSES				
726000 · Pumping Expense (Power)	54,024.52	74,011.18	-27.01%	54,024.52

Santa Ynez River Water Conservation District ID #1
Statement of Revenues & Expenses
 July 2020

	Jul 20	Jun 20	% Change	Jul 20
730000 · Maintenance - Structures	50.49	654.58	-92.29%	50.49
732000 · Maintenance - Equipmt.	270.00	131.69	105.03%	270.00
Total 725000 · PUMPING EXPENSES	54,345.01	74,797.45	-27.34%	54,345.01
740000 · WATER TREATMENT EXPENSES				
744000 · Chemicals	4,392.96	0.00	100.0%	4,392.96
748000 · Maintenance - Equipment	6.82	1,776.01	-99.62%	6.82
748100 · Water Treatment - Equipm	0.00	69.89	-100.0%	0.00
748200 · Water Sampling/Monitor	0.00	985.34	-100.0%	0.00
749000 · Water Analysis	0.00	590.00	-100.0%	0.00
Total 740000 · WATER TREATMENT EXPENSES	4,399.78	3,421.24	28.6%	4,399.78
750000 · TRANSMISSION & DIST. EXPENSES				
799501 · Uniforms T&D	1,227.65	1,347.79	-8.91%	1,227.65
775401 · ACWA - Health Ins. (T&D)	18,096.19	18,606.96	-2.75%	18,096.19
775201 · ACWA - Delta Dental (T&D)	615.84	724.08	-14.95%	615.84
775301 · ACWA - Vision (T&D)	119.79	137.34	-12.78%	119.79
751000 · Labor	49,442.57	49,163.57	0.57%	49,442.57
751100 · Labor / Vacation	2,321.22	1,431.16	62.19%	2,321.22
751200 · Labor / Sick Leave	1,249.42	717.43	74.15%	1,249.42
752000 · Materials/Supplies				
752100 · Safety Equipment	0.00	150.32	-100.0%	0.00
752000 · Materials/Supplies - Other	32.20	2,157.29	-98.51%	32.20
Total 752000 · Materials/Supplies	32.20	2,307.61	-98.61%	32.20
754000 · Small Tools	47.08	23.82	97.65%	47.08
754100 · Small Tools - Repairs	8.17	230.88	-96.46%	8.17
755000 · Transportation	2,338.69	2,726.63	-14.23%	2,338.69
756000 · Meter Services	181.74	1,828.54	-90.06%	181.74
756100 · Meter Services - Repair	278.82	13,073.56	-97.87%	278.82
758000 · Meters	0.00	2,064.45	-100.0%	0.00
759000 · Maintenance - Structures	0.00	89.64	-100.0%	0.00
Total 750000 · TRANSMISSION & DIST. EXPENSES	75,959.38	94,473.46	-19.6%	75,959.38
Total COGS	2,637,687.32	342,039.39	671.17%	2,637,687.32
Gross Profit	614,015.59	630,204.39	-2.57%	613,641.95
Expense				
4000 · Reconciliation Discrepancies	0.00	0.00	0.0%	0.00
770000 · GENERAL & ADMIN EXPENSES				
774000 Workers Comp. - Ins.	0.00	6,307.67	-100.0%	0.00
6560 · Payroll Expenses	34.00	34.00	0.0%	34.00
775000 · PERS - Retirement	25,623.57	24,058.92	6.5%	25,623.57
775200 · ACWA - Dental (Admin)	692.60	692.60	0.0%	692.60
775300 · ACWA - Vision (Admin)	137.34	137.34	0.0%	137.34
775400 · ACWA - Medical Insurance(Admin)	19,304.84	19,304.84	0.0%	19,304.84
777000 · Salaries - Administrative Staff	75,456.48	73,246.81	3.02%	75,456.48
777100 · Salaries / Vacation	3,412.68	2,147.96	58.88%	3,412.68
777200 · Salaries / Sick Leave	345.03	653.29	-47.19%	345.03

Santa Ynez River Water Conservation District ID #1
Statement of Revenues & Expenses
July 2020

	Jul 20	Jun 20	% Change	Jul 20
778000 · Training, Travel & Conferences	150.00	225.00	-33.33%	150.00
779000 · Dues,Subscrip,Certif.	566.00	25.00	2,164.0%	566.00
780000 · Building Maintenance	1,441.96	1,251.09	15.26%	1,441.96
781000 · Office Supplies	1,247.63	624.78	99.69%	1,247.63
781100 · Computer Supply/Training/Softwr	291.53	200.26	45.58%	291.53
782000 · Postage & Printing	1,955.49	6,121.38	-68.06%	1,955.49
783000 · Utilities	700.11	902.26	-22.41%	700.11
784000 · Telephone	1,251.02	1,289.76	-3.0%	1,251.02
785000 · Special Services	737.80	526.82	40.05%	737.80
785100 · Government Fees	5,810.00	0.00	100.0%	5,810.00
786000 · Insurance & Bonds	1,027.96	4,600.39	-77.66%	1,027.96
787000 · Payroll Taxes	9,768.29	9,736.23	0.33%	9,768.29
789000 · Legal - Expenses Gen.	3,318.00	4,305.50	-22.94%	3,318.00
790000 · Gen/Prfsnl Consultant Expenses	20.00	0.00	100.0%	20.00
792000 · Bad Debts	0.00	3,398.08	-100.0%	0.00
793000 · Office Equip. Service Contracts	2,250.84	2,577.08	-12.66%	2,250.84
797000 · Trustee Fees	2,200.00	1,690.00	30.18%	2,200.00
799000 · Miscellaneous Expenses/Vendors	0.00	2,253.96	-100.0%	0.00
799525 · Gardening Service	240.00	240.00	0.0%	240.00
799600 · Customer Refunds	-58.73	0.00	-100.0%	-58.73
Total 770000 · GENERAL & ADMIN EXPENSES	157,924.44	166,551.02	-5.18%	157,924.44
Total Expense	157,924.44	166,551.02	-5.18%	157,924.44
Net Ordinary Income	456,091.15	463,653.37	-1.63%	455,717.51
Other Income/Expense				
Other Expense				
800000 · LEGAL/ENGINEERING				
800100 · Legal - BHFS				
800101 · SWRCB 94-5 Hearing (BHFS)	0.00	1,204.50	-100.0%	0.00
800102 · Sustainable Grndwtr Mgmt Act	8,864.98	4,008.25	121.17%	8,864.98
Total 800100 · Legal - BHFS	8,864.98	5,212.75	70.06%	8,864.98
800200 · Legal -BB&K/Consultants				
800201 · NMFS Biop Recon/Stlhd Rcvry Pln	2,628.00	1,971.00	33.33%	2,628.00
Total 800200 · Legal -BB&K/Consultants	2,628.00	1,971.00	33.33%	2,628.00
800300 · Engineering	0.00	177.75	-100.0%	0.00
800500 · Unanticipated Spc Legal Expense	902.50	6,333.00	-85.75%	902.50
Total 800000 · LEGAL/ENGINEERING	12,395.48	13,694.50	-9.49%	12,395.48
825000 · STUDIES				
825400 · CCRB (Shared Consultants)				
825401 · Joint Bio Op Recon.-Consultants	1,807.50	1,339.88	34.9%	1,807.50
825402 · Joint SWRCB - Stet/Han/Entrix	292.00	2,400.00	-87.83%	292.00
Total 825400 · CCRB (Shared Consultants)	2,099.50	3,739.88	-43.86%	2,099.50
825600 · SB Co Water Agency	5,184.11	567.93	812.81%	5,184.11
825800 · BiOp Implementation	0.00	54,827.24	-100.0%	0.00
825900 · Water System Study Updt (Stet)	225.00	0.00	100.0%	225.00

Santa Ynez River Water Conservation District ID #1
Statement of Revenues & Expenses
 July 2020

	Jul 20	Jun 20	% Change	Jul 20
826000 · System Capacity/Cap Impv Plan	0.00	612.60	-100.0%	0.00
Total 825000 · STUDIES	7,508.61	59,747.65	-87.43%	7,508.61
85000 · NON-CAPITAL EXPENSES				
850500 · USBR Cach Proj Contract/Cap Prg	4,858.50	0.00	100.0%	4,858.50
Total 85000 · NON-CAPITAL EXPENSES	4,858.50	0.00	100.0%	4,858.50
900100 · Constr in Progress CY				
900311 · Chlorine Blg @ Wells	0.00	-14,719.44	100.0%	0.00
900335 · SWP Pump Station/Pipeline	0.00	-587.52	100.0%	0.00
900332 · Water Treatment Plant/Fac	907.52	-52,521.37	101.73%	907.52
900106 · Rehab/Rplc - Trans. Mains/Lats	0.00	-203,726.95	100.0%	0.00
900170 · Well Field-6.0 CFS	0.00	-22,647.00	100.0%	0.00
900171 · 4.CFS WII Field	0.00	-20,992.00	100.0%	0.00
900198 · Meadowlark BPS	0.00	-122,609.00	100.0%	0.00
900350 · Uplands Wells	0.00	-24,769.57	100.0%	0.00
Total 900100 · Constr in Progress CY	907.52	-462,572.85	100.2%	907.52
900370 · Capital Expense - CY				
900318 · Meter Replace/Utility Billing	0.00	-113,974.66	100.0%	0.00
900371 · Office Building/Shop Improvemen	0.00	-15,980.04	100.0%	0.00
900372 · Office Furn., Computers & Equip	0.00	-10,077.81	100.0%	0.00
900373 · Fleet Vehicle Addition/Replace	0.00	-94,108.85	100.0%	0.00
900376 · Communications/Telemetry-SCADA	3,013.00	-49,225.74	106.12%	3,013.00
900378 · Mjr. Tools, Shop & Garage Equip	0.00	-55,470.61	100.0%	0.00
Total 900370 · Capital Expense - CY	3,013.00	-338,837.71	100.89%	3,013.00
Total Other Expense	28,683.11	-727,968.41	103.94%	28,683.11
Net Other Income	-28,683.11	727,968.41	-103.94%	-28,683.11
Net Income	427,408.04	1,191,621.78	-64.13%	427,034.40

Santa Ynez River Water Conservation District ID #1

Warrant List for Board Approval

July 21 through August 18, 2020

Date	Num	Name	Amount
Jul 21 - Aug 18, 20			
07/31/2020	23258	ACWA/JPIA - Health July Premium	41,122.94
08/18/2020	23259	All Around Landscape Supply/SiteOne	204.59
08/18/2020	23260	Aramark Uniform Serv Inc.	1,114.12
08/18/2020	23261	B of A Business Card Services-AGM	1,341.19
08/18/2020	23262	Bertin Pulido	240.00
08/18/2020	23263	Best Best & Krieger LLP	13,628.98
08/18/2020	23264	Brownstein,Hyatt,Farber, Schreck	9,042.50
08/18/2020	23265	Cachuma O & M Board	54,827.24
07/31/2020	EFT	CA Disbursement Unit - July 2020	1,013.00
07/31/2020	EFT	CalPERS - July 2020	29,091.12
08/18/2020	23266	CIO Solutions, LP	2,291.30
08/18/2020	23267	Clinical Lab of San Bernardino Inc.	40.00
08/18/2020	23268	Co of SB-Public Works-Water Agency	236.11
08/18/2020	23269	Co S B/ Public Works Dept /Dump Chg	363.99
08/18/2020	23270	Coastal Copy	194.54
08/18/2020	23271	Comcast	303.49
08/18/2020	23272	Consolidated Overhead Door & Gate	6,775.00
08/18/2020	23273	Continental Utility Solutions, Inc.	102.64
08/18/2020	23274	County of S.B. PWD-WATER RESOURCES	4,852.04
07/31/2020	EFT	Employment Dev. Dept. - July Payroll Taxes	7,700.46
08/18/2020	23275	Echo Communications	169.37
08/18/2020	23276	Harrison Hardware Inc	85.49
08/18/2020	23277	Iron Mountain	78.09
08/18/2020	23278	IVR Technology Group, LLC	70.00
08/18/2020	23279	J. Winther Chevron, Inc.	30.00
08/18/2020	23280	Jan-Pro Cleaning Systems	206.00
08/18/2020	23281	Janis Papiro	95.00
08/18/2020	23282	JANO Printing & Mailworks	3,307.95
07/31/2020	EFT	Lincoln National Life - July 2020	2,350.00
08/18/2020	23283	MarBorg Industries	181.74
08/18/2020	23284	McCormix Corp	1,978.74
08/18/2020	EFT	Mechanics Bank/July Payroll Taxes	34,851.41
08/18/2020	23285	Nielsen Building Materials Inc	25.58
08/18/2020	23286	O'reilly Auto Parts	25.83
08/18/2020	EFT	Payroll - July 2020	92,613.27
08/18/2020	23287	P G & E	78,825.46
08/18/2020	23288	Praxair Distribution Inc	32.20
08/18/2020	23289	Quill	292.44
08/18/2020	23290	Red Wing Shoes	147.89
08/18/2020	23291	Santa Maria CA News Media, Inc	241.00
08/18/2020	23292	Smiths Alarms & Electronics Inc	90.00
08/18/2020	23293	Sprint/T-Mobile	44.30
08/18/2020	23294	Stetson Engineers Inc	177.75
08/18/2020	23295	SYCSD	80.78

Santa Ynez River Water Conservation District ID #1

Warrant List for Board Approval

July 21 through August 18, 2020

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
08/18/2020	23296	The Gas Company	19.96
08/18/2020	23297	Trustee/ Brad Joos	400.00
08/18/2020	23298	Trustee/ Jeff Clay	400.00
08/18/2020	23299	Trustee/ Lee Rosenberg	400.00
08/18/2020	23300	Trustee/ Lori Parker	200.00
08/18/2020	23301	Verizon Wireless	903.28
08/18/2020	23302	Waste Management of Santa Maria	285.99
08/18/2020	23303	Waters Cardenas Land Surveying LLP	1,762.50
08/18/2020	23304	William J Brennan	825.00
			<u>825.00</u>
			<u>\$ 395,682.27</u>

Jul 21 - Aug 18, 20

Paeter Garcia

From: Crease, Fray <fcrease@cosbpw.net>
Sent: Tuesday, July 21, 2020 9:21 AM
To: Paeter Garcia; Ryan Drake; 'Catherine Taylor'; Nicholas Turner (nturner@montecitowater.com); 'Robert McDonald'
Cc: Fayram, Tom; Hartley, Johannah
Subject: Cachuma contract publically posted
Attachments: News Press 7.20.2020 7.pdf

MU Managers,

The draft Cachuma contract has been publically posted by USBR as of yesterday. Attached is a copy of the legal notice page from the News Press and below is a link to the posted document.

<https://www.usbr.gov/mp/scca0/docs/usbr-draft-santa-barbara-county-water-agency-contract.pdf>

The public comment period closes on September 17. Please forward me your agency's signature block for the MU contract amendment if you have not done so already.

Thank you,



Fray A. Crease
Santa Barbara County Water Agency Manager
130 E. Victoria St., Suite 200
Santa Barbara, CA 93101
(805) 568-3542
Water Agency Website: WaterWiseSB.org

DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
Cachuma Project, California

AMENDMENT TO CONTRACT BETWEEN THE UNITED STATES
AND
SANTA BARBARA COUNTY WATER AGENCY
FOR WATER SERVICE FROM THE PROJECT

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Exhibit D – Addresses for the Contractor and Member Units

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
Cachuma Project, California

AMENDMENT TO CONTRACT BETWEEN THE UNITED STATES
AND
SANTA BARBARA COUNTY WATER AGENCY
FOR WATER SERVICE FROM THE PROJECT

1 THIS CONTRACT AMENDMENT, is made this ___ day of _____, 2020 in
2 pursuance generally of the Act of June 17, 1902 (32 Stat. 388), and acts amendatory and
3 supplementary thereto, including but not limited to, the Acts of August 4, 1939 (53 Stat. 1187),
4 as amended and supplemented, July 2, 1956 (70 Stat. 483), June 21, 1963 (77 Stat. 68), October
5 12, 1982 (96 Stat. 1262), as amended, all collectively hereinafter referred to as the Federal
6 Reclamation law, between the UNITED STATES OF AMERICA, hereinafter referred to as the
7 United States, and SANTA BARBARA COUNTY WATER AGENCY, hereinafter referred to as
8 the Contractor, a public agency of the State of California, duly organized, existing, and acting
9 pursuant to the laws thereof;

10 WITNESSETH, That;

11 EXPLANATORY RECITALS

12 a. WHEREAS, the United States has constructed and is operating the Cachuma
13 Project, for diversion, storage, carriage, and distribution of waters of the Santa Ynez River and
14 its tributaries for irrigation, municipal, domestic, and industrial uses; and

15 b. WHEREAS, on September 12, 1949, the Contractor and the United States entered
16 into Contract No I75r-1802, which required the United States to furnish Cachuma Project water,
17 in stated quantities not to exceed 32,000 acre-feet per year in the aggregate plus surplus water, to

18 Carpinteria Valley Water District, the City of Santa Barbara, Goleta Water District, Montecito
19 Water District (Summerland Water District incorporated into Montecito Water District), and
20 Santa Ynez River Water Conservation District Improvement District No. 1; and

21 c. WHEREAS, on April 14, 1996, the United States and the Contractor entered into
22 Contract No. I75r-1802R, hereinafter referred to as the Existing Contract, which provided for the
23 continued water service to the Member Units following expiration of Contract No. I75r-1802;
24 and

25 d. WHEREAS, the United States has determined that the Contractor to date has
26 fulfilled all of its obligations under the Existing Contract including full repayment of the
27 Cachuma Project as provided for in Exhibit C of the Existing Contract; and

28 e. WHEREAS, the Contractor, on behalf of the Cachuma Member Units, and the
29 Cachuma Member Units, have requested renewal of the Existing Contract pursuant to that
30 Contract, the Federal Reclamation laws, and the laws of the State of California, for water service
31 from the Cachuma Project, the renewal to be in the form of a repayment contract; and

32 f. WHEREAS, the United States has completed all appropriate environmental
33 review necessary to provide for execution of this Contract Amendment; and

34 g. WHEREAS, the United States and the Contractor mutually commit to negotiate
35 and seek to reach agreement on a long-term repayment contract, that has been delayed for
36 reasons beyond the control of the parties including but not limited to addressing the
37 implementation of State Water Resources Control Board Order 2019-0148 adopted on
38 September 17, 2019, and the ongoing COVID-19 pandemic; and

39 h. WHEREAS, the United States is required to update standard articles in all new or
40 amended contracts; and

41 i. WHEREAS, the United States is willing to extend I75r-1802R pursuant to the
42 terms and conditions set forth below.

43 NOW, THEREFORE, in consideration of the mutual and dependent covenant herein
44 contained, it is hereby mutually agreed by the parties hereto as follows:

45 **RENEWAL AND REVISION OF CONTRACT NO. I75R-1802R**

46 1. Except as specifically modified by this Contract Amendment, all provisions of
47 Contract No. I75r-1802R are renewed with the same force and effect as if they were included in
48 full text with the exception of Article 2 of I75r-1802R thereof, which is revised as follows:

49 (a) The first sentence in subdivision (a) of Article 2 of I75r-1802R is replaced with
50 the following language: "This Contract shall be effective as of October 1, 2020 (Effective Date)
51 through September 30, 2023."

52 **REPLACEMENT OF ARTICLE 10 WITH NEW LANGUAGE**

53 2. Article 10 in the Existing Contract titled **COMPLIANCE WITH FEDERAL**
54 **LAW** is retitled **COMPLIANCE WITH FEDERAL RECLAMATION LAWS** and is
55 amended and replaced by the following Article 10 in its entirety:

56 **COMPLIANCE WITH FEDERAL RECLAMATION LAWS**

57 10. The parties agree that the delivery of irrigation water or use of Federal facilities
58 pursuant to this Contract Amendment is subject to Federal reclamation law, including but not
59 limited to the Reclamation Reform Act of 1982 (43 U.S.C. 390aa, *et seq.*), as amended and
60 supplemented, and the rules and regulations promulgated by the Secretary of the Interior under
61 Federal reclamation law.

62 **DELETION OF ARTICLE 12 AND REPLACEMENT OF ARTICLE 11 WITH NEW**
63 **LANGUAGE**

64 3. Article 12 in the Existing Contract titled **QUALITY OF WATER** is deleted
65 in its entirety and Article 11 titled **WATER AND AIR POLLUTION CONTROL** is retitled

66 **PROTECTION OF WATER AND AIR QUALITY** and is amended and replaced by the
67 following Article 11 in its entirety:

68 **PROTECTION OF WATER AND AIR QUALITY**

69 11. (a) Omitted

70 (b) The United States will care for, operate and maintain reserved works in a
71 manner that preserves the quality of the water at the highest feasible level as determined by the
72 Contracting Officer. The United States does not warrant the quality of the water delivered to the
73 Contractor and is under no obligation to furnish or construct water treatment facilities to
74 maintain or improve the quality of water delivered to the Contractor.

75 (c) The Contractor shall comply with all applicable water and air pollution
76 laws and regulations of the United States and the State of California; and shall obtain all required
77 permits or licenses from the appropriate Federal, State, or local authorities necessary for the
78 delivery of water by the Contractor; and shall be responsible for compliance with all Federal,
79 State, and local water quality standards applicable to surface and subsurface drainage and/or
80 discharges generated through the use of Federal or Contractor facilities or project water provided
81 by the Contractor within the Contractor's Project Water Service Area.

82 (d) This article will not affect or alter any legal obligations of the Secretary to
83 provide drainage or other discharge services.

84 **REPLACEMENT OF ARTICLE 14 WITH NEW LANGUAGE**

85 4. Article 14 in the Existing Contract titled **CHARGES FOR DELINQUENT**
86 **PAYMENTS**, is amended and replaced in its entirety with the following new Article 14:

87 14. (a) The Contractor shall be subject to interest, administrative, and penalty
88 charges on delinquent payments. If a payment is not received by the due date, the Contractor
89 shall pay an interest charge on the delinquent payment for each day the payment is delinquent
90 beyond the due date. If a payment becomes 60 days delinquent, the Contractor shall pay, in
91 addition to the interest charge, an administrative charge to cover additional costs of billing and
92 processing the delinquent payment. If a payment is delinquent 90 days or more, the Contractor
93 shall pay, in addition to the interest and administrative charges, a penalty charge for each day the
94 payment is delinquent beyond the due date, based on the remaining balance of the payment due
95 at the rate of 6 percent per year. The Contractor shall also pay any fees incurred for debt
96 collection services associated with a delinquent payment.

97 (b) The interest rate charged shall be the greater of either the rate prescribed
98 quarterly in the Federal Register by the Department of the Treasury for application to overdue
99 payments, or the interest rate of 0.5 percent per month. The interest rate charged will be

100 determined as of the due date and remain fixed for the duration of the delinquent period.

101 (c) When a partial payment on a delinquent account is received, the amount
102 received shall be applied first to the penalty charges, second to the administrative charges, third
103 to the accrued interest, and finally to the overdue payment.

104 **REPLACEMENT OF ARTICLE 15 WITH NEW LANGUAGE**

105 5. Article 15 in the Existing Contract titled **EQUAL OPPORTUNITY** is retitled
106 **EQUAL EMPLOYMENT OPPORTUNITY** is amended and replaced by the following

107 **Article 15 in its entirety:**

108 **EQUAL EMPLOYMENT OPPORTUNITY**

109 15. During the performance of this contract, the Contractor agrees as follows:

110 (a) The Contractor will not discriminate against any employee or applicant for
111 employment because of race, color, religion, sex, sexual orientation, gender identity, or national
112 origin. The Contractor will take affirmative action to ensure that applicants are employed, and
113 that employees are treated during employment, without regard to their race, color, religion, sex,
114 sexual orientation, gender identity, or national origin. Such action shall include, but not be
115 limited to the following: employment, upgrading, demotion, or transfer; recruitment or
116 recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and
117 selection for training, including apprenticeship. The Contractor agrees to post in conspicuous
118 places, available to employees and applicants for employment, notices to be provided by the
119 Contracting Officer setting forth the provisions of this nondiscrimination clause.

120 (b) The Contractor will, in all solicitations or advertisements for employees
121 placed by or on behalf of the Contractor, state that all qualified applicants will receive
122 consideration for employment without regard to race, color, religion, sex, sexual orientation,
123 gender identity, or national origin.

124 (c) The Contractor will not discharge or in any other manner discriminate
125 against any employee or applicant for employment because such employee or applicant has
126 inquired about, discussed, or disclosed the compensation of the employee or applicant or another
127 employee or applicant. This provision shall not apply to instances in which an employee who
128 has access to the compensation information of other employees or applicants as part of such
129 employee's essential job functions discloses the compensation of such other employees or
130 applicants to individuals who do not otherwise have access to such information, unless such
131 disclosure is in response to a formal complaint or charge, in furtherance of an investigation,
132 proceeding, hearing, or action, including an investigation conducted by the employer, or is
133 consistent with the Contractor's legal duty to furnish information.

134 (d) The Contractor will send to each labor union or representative of workers
135 with which it has a collective bargaining agreement or other contract or understanding, a notice,
136 to be provided by the Contracting Officer, advising the labor union or workers' representative of
137 the Contractor's commitments under Section 202 of Executive Order 11246 of
138 September 24, 1965, and shall post copies of the notice in conspicuous places available to
139 employees and applicants for employment.

140 (e) The Contractor will comply with all provisions of Executive Order No.
141 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary
142 of Labor.

143 (f) The Contractor will furnish all information and reports required by
144 Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the
145 Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and
146 accounts by the Contracting Agency and the Secretary of Labor for purposes of investigation to
147 ascertain compliance with such rules, regulations, and orders.

148 (g) In the event of the Contractor's noncompliance with the nondiscrimination
149 clauses of this contract or with any of such rules, regulations, or orders, this contract may be
150 canceled, terminated or suspended in whole or in part and the Contractor may be declared
151 ineligible for further Government contracts in accordance with procedures authorized in
152 Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and
153 remedies invoked as provided in Executive Order 11246 of September 24, 1965 or by rule,
154 regulation, or order of the Secretary of Labor, or as otherwise provided by law.

155 (h) The Contractor will include the provisions of paragraphs (a) through (g) in
156 every subcontract or purchase order unless exempted by the rules, regulations, or orders of the
157 Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24,
158 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor
159 will take such action with respect to any subcontract or purchase order as may be directed by the
160 Secretary of Labor as a means of enforcing such provisions, including sanctions for
161 noncompliance: *Provided, however, that* in the event the Contractor becomes involved in, or is
162 threatened with, litigation with a subcontractor or vendor as a result of such direction, the
163 Contractor may request the United States to enter into such litigation to protect the interests of
164 the United States."

165 **REPLACEMENT OF ARTICLE 16 WITH NEW LANGUAGE**

166 6. Article 16 in the Existing Contract titled **GENERAL OBLIGATION-**
167 **BENEFITS CONDITIONED UPON PAYMENT** is amended and replaced by the following
168 Article 16 in its entirety:

169 **GENERAL OBLIGATION – BENEFITS CONDITIONED UPON PAYMENT**

170 16. (a) The obligation of the Contractor to pay the United States as provided in
171 this Contract Amendment is a general obligation of the Contractor notwithstanding the manner in
172 which the obligation may be distributed among the Contractor's water users and notwithstanding
173 the default of individual water users in their obligation to the Contractor.

174 (b) The payment of charges becoming due pursuant to this Contract
175 Amendment is a condition precedent to receiving benefits under this Contract Amendment. The
176 United States shall not make water available to the Contractor through Project facilities during
177 any period in which the Contractor is in arrears in the advance payment of water rates due the
178 United States. The Contractor shall not deliver water under the terms and conditions of this
179 Contract Amendment for lands or parties that are in arrears in the advance payment of water
180 rates as levied or established by the Contractor.

181 **REPLACEMENT OF ARTICLE 17 WITH NEW LANGUAGE**

182 7. Article 17 in the Existing Contract titled **COMPLIANCE WITH CIVIL**
183 **RIGHTS LAWS AND REGULATIONS** is amended and replaced by the following Article
184 **17 in its entirety:**

185 **COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS**

186 17. (a) The Contractor shall comply with Title VI of the Civil Rights Act of 1964
187 (Pub. L. 88-352; 42 U.S.C. § 2000d), the Rehabilitation Act of 1973 (Pub. L. 93-112, Title V, as
188 amended; 29 U.S.C. § 791, et seq.), the Age Discrimination Act of 1975 (Pub. L. 94-135,
189 Title III; 42 U.S.C. § 6101, et seq.), Title II of the Americans with Disabilities Act of 1990 (Pub.
190 L. 101-336; 42 U.S.C. § 12131, et seq.), and any other applicable civil rights laws, and with the
191 applicable implementing regulations and any guidelines imposed by the U.S. Department of the
192 Interior and/or Bureau of Reclamation.

193 (b) These statutes prohibit any person in the United States from being
194 excluded from participation in, being denied the benefits of, or being otherwise subjected to
195 discrimination under any program or activity receiving financial assistance from the Bureau of
196 Reclamation on the grounds of race, color, national origin, disability, or age. By executing this
197 Contract Amendment, the Contractor agrees to immediately take any measures necessary to
198 implement this obligation, including permitting officials of the United States to inspect premises,
199 programs, and documents.

200 (c) The Contractor makes this Contract Amendment in consideration of and
201 for the purpose of obtaining any and all Federal grants, loans, contracts, property discounts, or
202 other Federal financial assistance extended after the date hereof to the Contractor by the Bureau
203 of Reclamation, including installment payments after such date on account of arrangements for
204 Federal financial assistance which were approved before such date. The Contractor recognizes
205 and agrees that such Federal assistance will be extended in reliance on the representations and
206 agreements made in this article and that the United States reserves the right to seek judicial

207 enforcement thereof.

208 (d) Complaints of discrimination against the Contractor shall be investigated
209 by the Contracting Officer's Office of Civil Rights.

210 **REPLACEMENT OF ARTICLE 18 WITH NEW LANGUAGE**

211 **8. Article 18 in the Existing Contract titled PRIVACY ACT COMPLIANCE is**
212 **amended and replaced by the following Article 18 in its entirety:**

213 **PRIVACY ACT COMPLIANCE**

214 18. (a) The Contractor shall comply with the Privacy Act of 1974 (Privacy Act)
215 5 U.S.C. § 552a) and the Department of the Interior rules and regulations under the Privacy Act
216 (43 C.F.R. § 2.45, et seq.) in maintaining landholder certification and reporting records required
217 to be submitted to the Contractor for compliance with sections 206, 224(c), and 228 of the
218 Reclamation Reform Act of 1982 (43 U.S.C. §§ 390ff, 390ww, and 390zz), and pursuant to 43
219 C.F.R. § 426.18.

220 (b) With respect to the application and administration of the criminal penalty
221 provisions of the Privacy Act (5 U.S.C. § 552a(i)), the Contractor and the Contractor's
222 employees who are responsible for maintaining the certification and reporting records referenced
223 in paragraph (a) above are considered to be employees of the Department of the Interior. See
224 5 U.S.C. § 552a(m).

225 (c) The Contracting Officer or a designated representative shall provide the
226 Contractor with current copies of the Department of the Interior Privacy Act regulations and the
227 Bureau of Reclamation Federal Register Privacy Act System of Records Notice (Interior/WBR-
228 31, Acreage Limitation) which govern the maintenance, safeguarding, and disclosure of
229 information contained in the landholders' certification and reporting records.

230 (d) The Contracting Officer shall designate a full-time employee of the
231 Bureau of Reclamation to be the System Manager responsible for making decisions on denials
232 pursuant to 43 C.F.R. §§ 2.61 and 2.64 and amendment requests pursuant to 43 C.F.R. § 2.72.
233 The Contractor is authorized to grant requests by individuals for access to their own records.

234 (e) The Contractor shall forward promptly to the System Manager each
235 proposed denial of access under 43 C.F.R. § 2.64 and each request for amendment of records
236 filed under 43 C.F.R. § 2.71; notify the requester accordingly of such referral; and provide the
237 System Manager with information and records necessary to prepare an appropriate response to
238 the requester. These requirements do not apply to individuals seeking access to their own
239 certification and reporting forms filed with the Contractor pursuant to 43 C.F.R. § 426.18 unless
240 the requester elects to cite the Privacy Act as authority for the request.

241 **REPLACEMENT OF SUBDIVISION (A) OF ARTICLE 20 WITH NEW LANGUAGE**

242 9. Subdivision (a) of Article 20 in the Existing Contract titled **WATER**

243 **CONSERVATION** is amended and replaced by the following subdivision (a) in its entirety:

244 20. (a) Prior to the delivery of water provided from or conveyed through federally
245 constructed or federally financed facilities pursuant to this contract, the Contractor shall develop
246 a water conservation plan, as required by subsection 210(b) of the Reclamation Reform Act of
247 1982 and 43 C.F.R. 427.1 (Water Conservation Rules and Regulations).

248 **REPLACEMENT OF ARTICLE 23 WITH NEW LANGUAGE**

249 11. Article 23 in the Existing Contract Titled **BOOKS, RECORDS, AND**

250 **REPORTS** is amended and replaced by the following Article 23 in its entirety:

251 **BOOKS, RECORDS, AND REPORTS**

252 23. (a) The Contractor shall establish and maintain accounts and other books and
253 records pertaining to administration of the terms and conditions of this Contract Amendment,
254 including the Contractor's financial transactions; water supply data; project operation,
255 maintenance, and replacement logs; project land and rights-of-way use agreements; the water
256 users' land-use (crop census), land-ownership, land-leasing, and water-use data; and other
257 matters that the Contracting Officer may require. Reports shall be furnished to the Contracting
258 Officer in such form and on such date or dates as the Contracting Officer may require. Subject
259 to applicable Federal laws and regulations, each party to this Contract Amendment shall have the
260 right during office hours to examine and make copies of the other party's books and records
261 relating to matters covered by this Contract Amendment.

262 (b) Nothing in this Article 23 shall be construed to limit or constrain the
263 ability of the Bureau of Reclamation to conduct contract compliance reviews of this Contract in
264 accordance with Reclamation Manual Directives and Standards PEC 05-8, last revised October
265 11, 2019, as may be further revised, amended, modified, or superseded.

266 **REPLACEMENT OF ARTICLE 24 WITH NEW LANGUAGE**

267 12. Article 24 in the Existing Contract titled **ASSIGNMENT LIMITED –**

268 **SUCCESSORS AND ASSIGNS OBLIGATED** is amended and replaced by the following

269 Article 24 in its entirety:

270 ASSIGNMENT LIMITED – SUCCESSORS AND ASSIGNS OBLIGATED

271 24. The provisions of this contract shall apply to and bind the successors and assigns
272 of the parties hereto, but no assignment or transfer of this contract or any right or interest therein
273 by either party shall be valid until approved in writing by the other party.

274 REPLACEMENT OF ARTICLE 26 WITH NEW LANGUAGE

275 14. Article 26 in the Existing Contract titled CHANGES IN THE
276 CONTRACTOR'S AREA OF SERVICE is retitled CHANGES IN THE CONTRACTOR'S
277 ORGANIZATION OR SERVICE AREA and is amended and replaced by the following
278 Article 26 in its entirety:

279 CHANGES IN THE CONTRACTOR'S ORGANIZATION OR SERVICE AREA

280 26. While this Contract Amendment is in effect, no change may be made in the
281 Contractor's service area or organization, by inclusion or exclusion of lands or by any other
282 changes which may affect the respective rights, obligations, privileges, and duties of either the
283 United States or the Contractor under this Contract Amendment including, but not limited to,
284 dissolution, consolidation, or merger, except upon the Contracting Officer's written consent.

285 DELETION OF ARTICLE 28

286 15. Article 28 in the Existing Contract titled TRANSITION FROM PHASE I
287 CONTRACT, is deleted in its entirety.

288 REPLACEMENT OF ARTICLE 29 WITH NEW LANGUAGE

289 16. Article 29 in the Existing Contract titled NOTICES is replaced by the
290 following Article 29 in its entirety:

291 NOTICES

292 29. Any notice, demand, or request authorized or required by this Contract
293 Amendment shall be deemed to have been given, on behalf of the Contractor, when mailed,
294 postage prepaid, or delivered to the Area Manager, South-Central California Area Office, 1243
295 "N" Street, Fresno, California 93721, and on behalf of the United States, when mailed, postage
296 prepaid, or delivered to the Board of Directors as listed in Exhibit D. The designation of the
297 addressee or the address may be changed by notice given in the same manner as provided in this
298 article for other notices.

299 **ARTICLES 12 AND 33 THROUGH 36 ARE ADDED TO THE EXISTING CONTRACT**

300 17. **Articles 12 and 33 through 36 are added to the Existing Contract:**

301 **CONSTRAINTS ON AVAILABILITY OF WATER**

302 12. (a) In its operation of the Project, the Contracting Officer will use all
303 reasonable means to guard against a condition of shortage in the quantity of water to be made
304 available to the Contractor pursuant to this contract. In the event the Contracting Officer
305 determines that a condition of shortage appears probable, the Contracting Officer will notify the
306 Contractor of said determination as soon as practicable.

307 (b) If there is a condition of shortage because of inaccurate runoff forecasting
308 or other similar operational errors affecting the Project, drought, other physical causes beyond
309 the control of the Contracting Officer; or actions taken by the Contracting Officer to meet current
310 and future legal obligations, then, except as provided in Article 32 of this Contract Amendment,
311 no liability shall accrue against the United States or any of its officers, agents, or employees for
312 any damage, direct or indirect, arising therefrom.

313 **CONFIRMATION OF CONTRACT**

314 33. Promptly after the execution of this Contract Amendment, the Contractor will
315 provide evidence to the Contracting Officer that, pursuant to the laws of the State of California,
316 the Contractor is a legally constituted entity and the Contract Amendment is lawful, valid, and
317 binding on the Contractor. This Contract Amendment will not be binding on the United States
318 until the Contractor provides evidence to the Contracting Officer's satisfaction. In addition to
319 other forms of evidence to meet the requirements of this Article, the Contractor may provide or
320 the Contracting Officer may require a certified copy of a final decree of a court of competent
321 jurisdiction in the State of California, confirming the proceedings on the part of the Contractor
322 for the authorization of the execution of this Contract Amendment.

323 **MEDIUM FOR TRANSMITTING PAYMENTS**

324 34. (a) All payments from the Contractor to the United States under this contract
325 shall be by the medium requested by the United States on or before the date payment is due. The
326 required method of payment may include checks, wire transfers, or other types of payment
327 specified by the United States.

328 (b) Upon execution of the contract, the Contractor shall furnish the
329 Contracting Officer with the Contractor's taxpayer's identification number (TIN). The purpose
330 for requiring the Contractor's TIN is for collecting and reporting any delinquent amounts arising
331 out of the Contractor's relationship with the United States.

332

CONTRACT DRAFTING CONSIDERATIONS

333 35. This contract has been, negotiated and reviewed by the parties hereto, each of
334 whom is sophisticated in the matters to which this contract pertains. The double spaced Articles
335 of this contract have been drafted, negotiated, and reviewed by the parties, and no one party shall
336 be considered to have drafted the stated articles. Single-spaced Articles are standard Articles
337 pursuant to Bureau of Reclamation policy.

338

PRESERVATION OF EXISTING CONTRACT

339 36. Except as expressly modified by the provisions of this Contract Amendment, the Existing
340 Contract, along with all amendments to the Existing Contract, shall remain in full force and
341 effect. Exhibits A through D may be modified without further amendment to this Contract
342 Amendment.

343 IN WITNESS WHEREOF, the parties hereto have executed this Contract
344 Amendment to Contract No. I75r-1802RA on the day and year first above written.

345 THE UNITED STATES OF AMERICA

346 By: _____
347 Regional Director
348 Interior Region 10: California-Great Basin
349 Bureau of Reclamation

350 SANTA BARBARA COUNTY WATER AGENCY

351 By: _____
352 Public Works Director

353 APPROVED AS TO FORM: APPROVED AS TO FORM:

354 By: _____
355 Risk Management

By: _____
Deputy

356 APPROVED AS TO ACCOUNTING FORM:

357 By: _____
358 Deputy

EXHIBIT D

Contractor:

Santa Barbara County Water Agency
130 E. Victoria St., Suite 200
Santa Barbara, California 93101
Phone: (805) 568-3440
Facsimile number: (805) 568-3434

With a copy to:

Cachuma Operation and Maintenance Board
3301 Laurel Canyon Road
Santa Barbara, California 93105
Phone: (805) 687-4011
Facsimile number: (805) 569-5825

Carpinteria Valley Water District
1301 Santa Ynez Avenue
Carpinteria, California 93013
Phone: (805) 684-2816
Facsimile number: (805) 755-2351

Goleta Water District
4699 Hollister Avenue
Goleta, California 93110-0781
Phone: (805) 964-6761
Facsimile number: (805) 964-7002

Montecito Water District
583 San Ysidro Road
Montecito, California 93150
Phone: (805) 969-2271
Facsimile number: (805) 969-7261

City of Santa Barbara
Public Works – Water Resources Manager
PO Box 1990
Santa Barbara, California 93102-1190
Phone: (805) 963-0611
Facsimile number: (805) 564-5467

Santa Ynez River Water Conservation District
Improvement District No. 1
PO Box 157
Santa Ynez, California 93460
Facsimile number: (805) 688-3078

Paeter Garcia

From: Crease, Fray <fcrease@cosbpw.net>
Sent: Tuesday, July 14, 2020 2:08 PM
To: Paeter Garcia; Ryan Drake; 'Catherine Taylor'; Nicholas Turner (nturner@montecitowater.com); 'Robert MCDonald'
Cc: Fayram, Tom; Hartley, Johannah
Subject: Draft MU Contract Amendment
Attachments: Example Cachuma Member Unit Agreement 1st Amendment.doc

MU Managers,

Please see attached example of the amendment to the Cachuma Project Member Unit contracts; making the duration coterminous with the amended Master Contract and adding an Equal Employment Opportunity paragraph as prescribed by USBR during the negotiation session yesterday. Otherwise, the terms and conditions of the current MU contracts remain the same.

Please provide me with the appropriate signature block for your agency.

Thank you,



Fray A. Crease
Santa Barbara County Water Agency Manager
130 E. Victoria St., Suite 200
Santa Barbara, CA 93101
(805) 568-3542
Water Agency Website: WaterWiseSB.org

**FIRST AMENDMENT TO CACHUMA PROJECT MEMBER UNIT CONTRACT
CITY OF SANTA BARBARA**

Cachuma Project Member Unit Contract No. 18,223 (hereinafter Agreement) between the Santa Barbara County Water Agency, a political subdivision of the State of California established by Chapter 1501 of the 1945 Statutes of California, as amended (hereafter Agency), and the City of Santa Barbara, a political subdivision of the State of California and a charter city (hereafter Member Unit), is hereby amended as follows:

RECITALS

WHEREAS, the Agency and the United States Bureau of Reclamation (USBR) entered into an Agreement for Providing Water Service from the Cachuma Project (Agreement No. 175r-1802R) in 1996 which initially was to remain in effect until September 30, 2020;

WHEREAS, based on Agreement No. 175r-1802R, the Agency and the Member Unit entered into the Cachuma Project Member Unit Contract (Agreement) to provide for the continued delivery of Cachuma Project water to the Cachuma Member Units on the terms and conditions of Agreement No. 175r-1802R;

WHEREAS, on May 2, 2017, the Agency timely requested renewal of Agreement No. 175r-1802R, however, that renewal has not yet been completed and USBR has proposed an interim agreement extending the term of Agreement No. 175r-1802R while negotiations for contract renewal are pending; and

WHEREAS, this First Amendment to the Agreement seeks to extend the Agreement while contract renewal negotiations are pending and until a new contract between USBR and the Agency for the Cachuma Project has been reached.

NOW, THEREFORE, it is hereby mutually agreed by the parties as follows:

A. Paragraph 1 of the Agreement is amended to read as follows:

1. This Contract shall be effective as of May 15, 1995 ("effective date") and shall remain in effect for a period coterminous with the Master Contract (No. 175r-1802R), as may be extended or amended. This contract shall continue in effect the rights, obligations and interest of the Cachuma Member Units in the Cachuma Project.

B. Paragraph 12 of the Agreement is amended to label the existing paragraph (a) and to add subparagraph (b), to read as follows:

- 12.(b) The Member Unit agrees to comply with the terms and conditions of Agreement No. 175r-1802R and any amendment(s) thereto.

C. Paragraph 19, Equal Employment Opportunity, is added to the Agreement as follows:

19. During the performance of this contract, the Member Unit agrees as follows:

(a) The Member Unit will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Member Unit will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Member Unit agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this nondiscrimination clause.

(b) The Member Unit will, in all solicitations or advertisements for employees placed by or on behalf of the Member Unit, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(c) The Member Unit will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Member Unit's legal duty to furnish information.

(d) The Member Unit will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Contracting Officer, advising the labor union or workers' representative of the Member Unit's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(e) The Member Unit will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(f) The Member Unit will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Contracting Agency and the Secretary of Labor for

purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(g) In the event of the Member Unit's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the Member Unit may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965 or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

D. In all other respects, the Agreement remains unchanged and in full effect.

E. By signing this First Amendment to the Agreement the parties warrant and represent that they have the power and authority to bind their party and that all formal requirements necessary or required by any state and/or federal law in order to enter into this First Amendment to the Agreement have been fully complied with.

IN WITNESS WHEREOF, the parties have executed this First Amendment to the Agreement to be effective on the date executed by Agency.

ATTEST:
City Clerk

CITY OF SANTA BARBARA:

By: _____
Deputy Clerk

By: _____
City Administrator

Date: _____

SANTA BARBARA COUNTY WATER AGENCY:

APPROVED AS TO FORM:
Ray Aromatorio, ARM, AIC

By: _____
Scott D. McGolpin, Public Works Director

By: _____
Risk Management

Date: _____

APPROVED AS TO FORM:
Michael C. Ghizzoni
County Counsel

APPROVED AS TO ACCOUNTING FORM:
Betsy M. Schaffer, CPA
Auditor-Controller

By: _____
Deputy

By: _____
Deputy

Paeter Garcia

From: JACKSON, MICHAEL P. <MJackson@usbr.gov>
Sent: Friday, July 31, 2020 5:38 PM
To: Nicholas Turner; Joshua Haggmark; Bob McDonald; 'John McInnes';
rdrake@goletawater.com; Paeter Garcia; Rebecca Bjork; tfayram@cosbpw.net; Fray
Crease; Peter Cantle; Janet Gingras
Cc: Hyatt, David E; Leal, Erma O; Stroup, Duane; Emerson, Rain L
Subject: Cachuma: DRAFT Rescheduling/Carryover Guidelines
Attachments: CACHUMA_RESCHEDULING-GUIDELINES_DRAFT_7-31-2020.docx

Good Afternoon,

Attached are the proposed Draft Rescheduling/Carryover Guidelines for storage in Lake Cachuma. The storage of Non-Project water/(SWP supplies) are referenced to be consistent with the Warren Act Contract with CCWA.

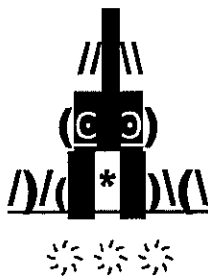
These Guidelines will assist in demonstrating that a) all Project supplies are annually being made available in consideration of their annual reasonable and beneficial use; b) Project operations and allocation decisions are made in consideration of water rights, authorized purposes, environmental resources, State law, Federal law, and other Project benefits.

As noted in previous discussions we have similar guidelines in the Central Valley Project with more stringent limitations.

We need your help in shaping these Guidelines recognizing some of the unique aspects of the Cachuma Project. Please keep in mind that Reclamation is not looking to "re-balance or re-distribute" supplies via these Guidelines, and Reclamation does not market, transfer, or sell Cachuma supplies to other than the County/Member Units. Supplies which cannot be put to reasonable and beneficial use in a given year are simply left in the lake to meet the needs of the upcoming year.

Please provide Your constructive comments at a minimum to the County and Reclamation by August 10th.

Be Well,



Michael Paul Jackson, P.E.

1243 N Street, Fresno California 9372

***559-262-0300(Office) / 559-260-8714 (Mobile)**

DRAFT
RESCHEDULING GUIDELINES FOR LAKE CACHUMA
CACHUMA PROJECT
SANTA BARBARA COUNTY, CALIFORNIA

GENERAL:

The following guidelines will apply to the Cachuma Project and the rescheduling of Project Water from the then current Contract Year into the subsequent Contract Year and priority for storage Lake Cachuma.

It is the intent of the Bureau of Reclamation (Reclamation) that these guidelines establish the basic framework to ensure that rescheduling and other storage in Lake Cachuma:

- a) Complies with applicable Federal and State law;
- b) Will not interfere with upcoming Contract Year Project operations;
- c) Facilitates reasonable and beneficial uses consistent with the definition of the “Available Supply”; d) allows for a broad range of Project benefits.

Updates to these guidelines may be needed to reflect changes in dates, water rates, and other policy considerations. Reclamation reserves the right to terminate, rescind, or amend these guidelines as needed.

The Contractor may request on behalf of the Member Units permission to reschedule or carryover for use during the subsequent Contract Year some or all of the Available Supply to the Contractor during the current Contract Year, *as limited below*. Such water is referred to as “Rescheduled Water” or “Carryover Water”. The same Carryover Water may not be again be rescheduled or carried over into the next Contract Year.

Consistent with these guidelines, Rescheduled Water shall be the first Project Water scheduled by and delivered to the Contractor or Cachuma Member Unit as appropriate beginning October 1 of each year **unless otherwise provided for in writing by Reclamation.**

STORAGE PRIORITY IN LAKE CACHUMA:

For purposes of these guidelines, the upcoming Contract Year Project Water allocation supply shall have first priority of storage in Lake Cachuma. The complete schedule of priorities is as follows:

1. Project Water Rights Water
2. Upcoming Water Year Project Water
3. Rescheduled/Carryover Project Water
4. Non-Project Water

The *maximum quantity* of current Water Year Project water that can be rescheduled is limited to any unused portion of the respective Member Units current Contract Year’s Project Water or 25% of their respective contract maximum, whichever is less.

(a) "**Available Supply**" shall mean the maximum quantity of Project Water the Contracting Officer is authorized by Federal law, State law, and the Project Water Rights to make available to the Cachuma Member Units during each Water Year pursuant to this contract. The Available Supply in each Water Year does not include the quantity of water the Contracting Officer is required by Federal law, State law, Project Water Rights, and any agreements to which the Contracting Officer and all of the Cachuma Member Units are parties to release from Cachuma Reservoir other than to make Project Water available to the Cachuma Member Units pursuant to this contract. The amount of Available Supply the Contracting Officer shall be required by this contract to deliver to the Cachuma Member Units each Water Year must be physically capable of being stored in or conveyed through Project facilities during that Water Year and shall not exceed the maximum quantity of the Available Supply that can be put to reasonable and beneficial irrigation, municipal, domestic, and industrial uses within the Contractor's Area of Service.

Paeter Garcia

From: Joshua Haggmark <JHaggmark@SantaBarbaraCA.gov>
Sent: Monday, August 10, 2020 2:45 PM
To: JACKSON, MICHAEL P.
Cc: Hyatt, David E; Leal, Erma O; Stroup, Duane; Emerson, Rain L; Nicholas Turner; Bob McDonald; 'John McInnes'; rdrake@goletawater.com; Paeter Garcia; Rebecca Bjork; tfayram@cosbpw.net; Fray Crease; Peter Cantle; Janet Gingras; Dan Hentschke; Brian D'Amour; Catherine Taylor; 'David Matson'; Dakota Corey
Subject: RE: Cachuma: DRAFT Rescheduling/Carryover Guidelines
Attachments: Cachuma - USBR ContractChanges. Joint Letter - Final Final.pdf

Michael,

As requested, please find attached a joint response from the Cachuma Member Units.

Joshua

Joshua Haggmark
Water Resources Manager
CITY OF SANTA BARBARA, Public Works
(805) 564-5393 | JHaggmark@SantaBarbaraCA.gov

From: JACKSON, MICHAEL P. [mailto:MJackson@usbr.gov]
Sent: Friday, July 31, 2020 5:38 PM
To: Nicholas Turner <nturner@montecitowater.com>; Joshua Haggmark <JHaggmark@SantaBarbaraCA.gov>; Bob McDonald <bob@cvwd.net>; 'John McInnes' <JMcinnes@goletawater.com>; rdrake@goletawater.com; Paeter Garcia <pgarcia@syrwd.org>; Rebecca Bjork <RBjork@SantaBarbaraCA.gov>; tfayram@cosbpw.net; Fray Crease <fcrease@cosbpw.net>; Peter Cantle <pcantle@ccrb-board.org>; Janet Gingras <jgingras@cachuma-board.org>
Cc: Hyatt, David E <dhyatt@usbr.gov>; Leal, Erma O <eleal@usbr.gov>; Stroup, Duane <DStroup@usbr.gov>; Emerson, Rain L <remerson@usbr.gov>
Subject: Cachuma: DRAFT Rescheduling/Carryover Guidelines

EXTERNAL

Good Afternoon,

Attached are the proposed Draft Rescheduling/Carryover Guidelines for storage in Lake Cachuma. The storage of Non-Project water/(SWP supplies) are referenced to be consistent with the Warren Act Contract with CCWA.

These Guidelines will assist in demonstrating that a) all Project supplies are annually being made available in consideration of their annual reasonable and beneficial use; b) Project operations and allocation decisions are made in consideration of water rights,

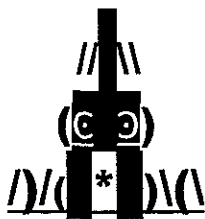
authorized purposes, environmental resources, State law, Federal law, and other Project benefits.

As noted in previous discussions we have similar guidelines in the Central Valley Project with more stringent limitations.

We need your help in shaping these Guidelines recognizing some of the unique aspects of the Cachuma Project. Please keep in mind that Reclamation is not looking to "re-balance or re-distribute" supplies via these Guidelines, and Reclamation does not market, transfer, or sell Cachuma supplies to other than the County/Member Units. Supplies which cannot be put to reasonable and beneficial use in a given year are simply left in the lake to meet the needs of the upcoming year.

Please provide Your constructive comments at a minimum to the County and Reclamation by August 10th.

Be Well,



Michael Paul Jackson, P.E.

1243 N Street, Fresno California 9372

**559-262-0300(Office) / 559-260-8714 (Mobile)*



City of Santa Barbara

Public Works Department

www.SantaBarbaraCA.gov

August 10, 2020

Main Office
630 Garden Street
P.O. Box 1990
Santa Barbara, CA
93102-1990

Michael Jackson, Area Manager
Bureau of Reclamation
South-Central California Area Office
243 N Street Fresno CA, 93721

Subject: Draft Rescheduling Guidelines For Lake Cachuma; Cachuma Project, Santa Barbara County, California

Administration
Tel: 805.564.5377
Fax: 805.897.2613

Dear Mr. Jackson:

Engineering
Tel: 805.564.5363
Fax: 805.564.5467

We write in response to your request for comments on your proposal to change storage operations at Lake Cachuma. Your proposal is outlined in the document that you provided by email on July 31, 2020, and titled Draft RESCHEDULING GUIDELINES FOR LAKE CACHUMA / CACHUMA PROJECT / SANTA BARBARA COUNTY, CALIFORNIA, a copy of which is attached. The Cachuma Member Unit Managers have reviewed your proposal and we are unanimously opposed to the guidelines for a number of reasons, including:

Facilities
Tel: 805.564.5415
Fax: 805.897.2577

1. The proposal is inconsistent with good water supply management and with long-standing water supply management practices for each of the Cachuma Member Units, as it discourages water conservation.

Street Maintenance
Tel: 805.564.5413
Fax: 805.897.1991

2. The proposal would materially hinder future water supply planning for each Cachuma Member Unit.

Transportation
Tel: 805.564.5385
Fax: 805.564.5467

3. The proposal is inconsistent with Article 3, subdivision (e) of the Contract between the United States and Santa Barbara County Water Agency ("Cachuma Master Contract"), which expressly authorizes carryover pursuant to terms therein, and thus the guidelines would require a contract amendment.

Water Resources
Tel: 805.564.5413
Fax: 805.897.1991

4. The proposal is a federal action that has not undergone appropriate environmental review under NEPA.

5. The proposal would impose a dramatic change in the long-standing operation of the lake without providing substance or clarity as to the objective of altering the existing contractual arrangement, nor does the proposal include supporting data such as modeling to demonstrate that this change would indeed achieve any particular objective. From the perspective of the Cachuma Member Units, this major change to how carryover is administered under terms of the Cachuma Master Contract would only have negative impacts to our goals of balancing environmental and local water supply needs.

Michael Jackson, Area Manager
Bureau of Reclamation
RE: Draft Rescheduling Guidelines For Lake Cachuma
August 10, 2020

Your proposal uses the term "rescheduled water," a term that does not appear anywhere in the Cachuma Master Contract, but does appear in some of the Central Valley Project (CVP) water supply contracts. The CVP contract provision relating to "rescheduled water" is materially different than Article 3, subdivision (e) of the Master Contract, and the CVP is a materially different project and water supply system than the Cachuma Project. The Member Units object to the application of CVP rules to the Cachuma Project.

Specifically for the City of Santa Barbara, the proposal would interfere with the upcoming Contract Year Project Operations. It is also in direct conflict with the City's Long Term Water Supply Plan, and is inconsistent with our on-going efforts to develop an Enhanced Urban Water Management Plan. For nearly 70 years, the City and other Cachuma Member Units have relied on the ability to carryover and store water in Lake Cachuma from year-to-year. The Member Units have a longstanding and proven record of successfully managing their water supplies to the benefit of their respective water customers, as evidenced by the recent seven-year drought. If the proposal is implemented in the near future, potentially as soon as October of this year, the City stands to lose approximately 18,000 acre-feet (AF) of water, which is nearly a two-year water supply for the City. This similarly is true for all of the other Member Units. Goleta Water District, Montecito Water District, Carpinteria Valley Water District, and Santa Ynez River Water Conservation District, Improvement District No.1 (ID No.1) stand to lose approximately 6,990 AF, 4,100 AF, 2,700 AF, and 1900 AF, respectively. This represents a potential collective loss to the Member Units of 33,690 AF of critical stored water to serve Member Unit customers, all without any showing that a change is needed or evidence that the guidelines would effect that change.

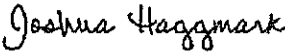
The proposed action is also anti-conservation and stands in stark contrast to the State's Drought Resiliency Plan, and basic guidelines and principles for responsibly managing water supplies. The proposed guidelines would encourage water agencies to manage their Lake Cachuma water supplies with a "use it or lose it" mindset, foregoing the use of other water supplies that supplement Lake Cachuma supplies, such as recycled water. The City's current carryover water in Lake Cachuma is the result of strategic long-term water supply planning and significant financial investments in desalination and recycled water intended to ready the City for the next drought cycle. Other Member Units have made significant investments in alternative supplies such as recycled water. Further, the City and Montecito Water District have recently approved a long-term agreement for supplies made available through the City's desalination plant. Changes in the ability to store carryover water in Lake Cachuma directly undermine those investments in alternative water supplies, and further undermine any efforts by any Cachuma Member Units to pursue potable reuse in the future.

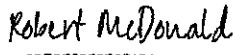
Collectively, and individually as the manager of our respective Member Unit, we request that you withdraw the proposal and schedule meetings with the Member Units and Reclamation to identify Reclamation's concerns with the current Lake Cachuma operations. This action should be followed by a cooperative effort of developing mutually acceptable programs to address concerns, so that such programs may be incorporated into the Master Contract renewal, which will be upcoming in three years.


Michael Jackson, Area Manager
Bureau of Reclamation
RE: Draft Rescheduling Guidelines For Lake Cachuma
August 10, 2020


We would appreciate your response to this letter by August 20, 2020.

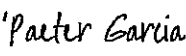
Sincerely,

DocuSigned by:

8FB1638D6AC7448...
Joshua Haggmark
Water Resources Manager
City of Santa Barbara

DocuSigned by:

83E956853F65424...
Robert McDonald
General Manager
Carpinteria Valley Water District

DocuSigned by:

4A38025C4D97428...
David Matson
Assistant General Manager
Goleta Water District

DocuSigned by:

7169EC677618477...
Nicholas Turner
General Manager
Montecito Water District

DocuSigned by:

EQC8041A6C11409...
Paeter Garcia
General Manager
Santa Ynez River Water Conservation District, Improvement District No.1

cc via email:

Tom Fayram, Assistant Public Works Director, County of Santa Barbara
Peter Cantle, Executive Director, Cachuma Conservation Release Board
Janet Gingras, Executive Director, Cachuma Operation and Maintenance Board

DRAFT
RESCHEDULING GUIDELINES FOR LAKE CACHUMA
CACHUMA PROJECT
SANTA BARBARA COUNTY, CALIFORNIA

GENERAL:

The following guidelines will apply to the Cachuma Project and the rescheduling of Project Water from the then current Contract Year into the subsequent Contract Year and priority for storage Lake Cachuma.

It is the intent of the Bureau of Reclamation (Reclamation) that these guidelines establish the basic framework to ensure that rescheduling and other storage in Lake Cachuma:

- a) Complies with applicable Federal and State law;
- b) Will not interfere with upcoming Contract Year Project operations;
- c) Facilitates reasonable and beneficial uses consistent with the definition of the “Available Supply”; d) allows for a broad range of Project benefits.

Updates to these guidelines may be needed to reflect changes in dates, water rates, and other policy considerations. Reclamation reserves the right to terminate, rescind, or amend these guidelines as needed.

The Contractor may request on behalf of the Member Units permission to reschedule or carryover for use during the subsequent Contract Year some or all of the Available Supply to the Contractor during the current Contract Year, *as limited below*. Such water is referred to as “Rescheduled Water” or “Carryover Water”. The same Carryover Water may not be again be rescheduled or carried over into the next Contract Year.

Consistent with these guidelines, Rescheduled Water shall be the first Project Water scheduled by and delivered to the Contractor or Cachuma Member Unit as appropriate beginning October 1 of each year *unless otherwise provided for in writing by Reclamation.*

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For purposes of these guidelines, the upcoming Contract Year Project Water allocation supply shall have first priority of storage in Lake Cachuma. The complete schedule of priorities is as follows:

1. Project Water Rights Water
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4. Non-Project Water

The *maximum quantity* of current Water Year Project water that can be rescheduled is limited to any unused portion of the respective Member Units current Contract Year’s Project Water or 25% of their respective contract maximum, whichever is less.

(a) "**Available Supply**" shall mean the maximum quantity of Project Water the Contracting Officer is authorized by Federal law, State law, and the Project Water Rights to make available to the Cachuma Member Units during each Water Year pursuant to this contract. The Available Supply in each Water Year does not include the quantity of water the Contracting Officer is required by Federal law, State law, Project Water Rights, and any agreements to which the Contracting Officer and all of the Cachuma Member Units are parties to release from Cachuma Reservoir other than to make Project Water available to the Cachuma Member Units pursuant to this contract. The amount of Available Supply the Contracting Officer shall be required by this contract to deliver to the Cachuma Member Units each Water Year must be physically capable of being stored in or conveyed through Project facilities during that Water Year and shall not exceed the maximum quantity of the Available Supply that can be put to reasonable and beneficial irrigation, municipal, domestic, and industrial uses within the Contractor's Area of Service.

Paeter Garcia

From: Peter Cantle
Sent: Tuesday, August 11, 2020 2:37 PM
To: Michael Jackson
Cc: Lauren Hanson; Kristen Sneddon; Tobe Plough; Tobe Plough Montecito Water District; John McInnes; rdrake@goletawater.com; mcmasterlawsb@gmail.com; Rebecca Bjork; Joshua Haggmark; Catherine Taylor; Daniel S. Hentschke; Nicholas Turner; O'Brien, Kevin; Bivins, Sam; jgingras@cachuma-board.org; kwalsh@syrwcd.com; Paeter Garcia; tfayram@cosbpw.net; fcrease@cosbpw.net; Stroup, Duane; Amy.Aufdemberge@sol.doi.gov; Hyatt, David E; Emerson, Rain L
Subject: Carryover water, Water Board Order and Consultation
Attachments: 2020-8-11_CCRB postpone req to USBR.pdf

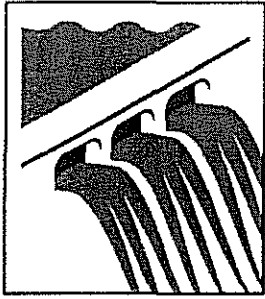
Good afternoon, Michael, I hope this email finds you staying safe and healthy!

Attached please find a letter from the Cachuma Conservation Release Board regarding Reclamation's proposed guidelines that address carryover water in Cachuma reservoir and the impact those guidelines, if enacted, would have on the Water Board Order and Consultation regulatory processes that are underway.

I would greatly appreciate your confirmation of receipt and, as always, if you have questions or need additional information, please contact me at your convenience.

With best regards,

*Peter Cantle, Executive Director
Cachuma Conservation Release Board
PO Box 3767
Santa Barbara, CA 93105
pcantle@ccrb-board.org
805.844.5334*



**CACHUMA
CONSERVATION
RELEASE BOARD**

City of Santa Barbara
Goleta Water District
Montecito Water District

P.O. Box 3767
Santa Barbara, CA 93105

www.ccrb-board.org

August 11, 2020

Via email (MJackson@usbr.gov)

Michael Jackson, P.E.
Area Manager—South-Central California Area Office
Bureau of Reclamation
1243 N Street
Fresno, CA 93721-1813

RE: Carryover Water, Water Rights Order and Consultation Flow Proposal

Dear Mr. Jackson:

Thank you for the time and effort that you and your colleagues have put into the initial *Draft Rescheduling/Carryover Guidelines* for water storage in Cachuma reservoir. We appreciate the opportunity to review the guidelines while they are still in initial draft form. We have also received the comment letter on the draft guidelines that the City of Santa Barbara sent you on August 10, 2020 on behalf of the Cachuma Member Units. That letter expresses serious concerns with the proposed changes to the storage and use of carryover water as it relates to the operation of Cachuma reservoir.

The Cachuma Conservation Release Board (CCRB) shares the concerns enumerated in the City's letter and joins in the Member Units' request that Reclamation retract these draft guidelines. We also note that the draft guidelines, if enacted, would render useless important hydrological analyses that CCRB and others have performed at considerable expense over the last several years to evaluate the water supply impacts associated with: a) the recently-issued Water Rights Order 2019-0148, and b) the *new proposed action* and its supporting biological assessment that Reclamation submitted to National Marine Fisheries Service (NMFS) as part of the ongoing Section 7 Consultation process. These costly analyses were undertaken for the express purpose of ensuring the supply impacts of the respective flow regimes were not unacceptably adverse to Cachuma Member Units dependent on Cachuma for water. Changes to Reclamation's and the Member Units' longstanding practices regarding carryover water will cast serious doubt on the continued viability of those analyses.

Importantly for the Section 7 Consultation, moving forward with the draft guidelines also hinders CCRB's ability to assist Reclamation in responding to the NMFS February 2020 "insufficiency" letter that directs Reclamation to address Water Rights Order 2019-0148 in the *new proposed action*. CCRB and the Downstream Interests have identified what we believe is a strong and reasoned response to NMFS's directive. The response, in the form of a "hybrid" flow proposal, would allow Reclamation to comply with both the Order and its obli-

gations under Section 7 of the Endangered Species Act. We were excited to share the hybrid flow proposal concept with Reclamation and had scheduled a meeting to do so. However, the proposed change to carryover water, which would dramatically reduce Cachuma Member Units' rights to store water in the reservoir, obviates our ability to model, and therefore predict, downstream flows and the associated water supply impacts of a hybrid flow proposal. Accurate and useful modeling for any new flow regime cannot be undertaken until it is clear what water within the reservoir is available for fish releases and what is protected for water supply.

In summary, CCRB fully supports the Member Units' concerns regarding the initial draft carryover water guidelines and we strongly second their request that the draft guidelines be withdrawn. CCRB also urgently requests postponement of outreach to NMFS to provide a consultation schedule, which we understand you had intended to do on or about August 20, until the carryover matter is settled. CCRB stands ready to work with you to develop and implement a reasonable schedule for a hybrid flow proposal that will position Reclamation for success in both the Order and the Consultation as soon as this issue is satisfactorily resolved.

We look forward to continuing our strong and collaborative working relationship with you and your team, and hope that the initial draft guidelines will be withdrawn so we can move forward together on the Order and the Consultation.

Sincerely,



Peter Cantle, Executive Director




cc: Lauren Hanson, CCRB
Kristen Sneddon, CCRB
Tobe Plough, CCRB
John McInnes, Goleta Water District
Ryan Drake, Goleta Water District
Rebecca Bjork, City of Santa Barbara
Joshua Haggmark, City of Santa Barbara
Cathy Taylor, City of Santa Barbara
Daniel Hentschke, City of Santa Barbara
Nick Turner, Montecito Water District
Kevin O'Brien, Downey Brand
Sam Bivins, Downey Brand
Janet Gingras, COMB
Kevin Walsh, SYRWCD
Paeter Garcia, SYRWCD, Improvement District No. 1
Tom Fayram, Santa Barbara County Water Agency
Fray Crease, Santa Barbara County Water Agency
Duane Stroup, US Bureau of Reclamation
Amy Aufdemberge, US Bureau of Reclamation
David Hyatt, US Bureau of Reclamation
Rain Emerson, US Bureau of Reclamation

Cachuma Project Safe and Operational Yield Study



August 7, 2020 photo:sbcwatermaster; top left 1/26/2017; bottom right 12/12/2019

Presentation Summary

- History of Previous Cachuma Project Yield Determinations 1948-1995 
 - Review of Current Project Yield 1995 Contract
-  Changes in Project 1995-2020
 - SWRCB Order 2019-0148
-  Updating New Safe and Operational Yields
 - Critical Droughts in Santa Ynez Basin
 - Strategies for Dealing with Uncertainty

History of Previous Cachuma Project Yields

- Santa Barbara County Water Agency (SBCWA) a special district formed in 1945
- Construction and operation of the Project was authorized by Congress in 1948.
- Construction began in 1950, dam completed by December 1952; Tecolote Tunnel was completed in 1956
- USBR applied for appropriation water rights on the Santa Ynez River in 1946 (Applications A011331 and A011332) and was granted permits (Permits 11308 and 11310) by the SWRCB in 1958 subject to terms and conditions and ongoing jurisdiction

“Report and Findings on the Cachuma Unit of the Santa Barbara County Project, California” (Reclamation, 1948) on the earliest estimates of Cachuma Project operational yield:

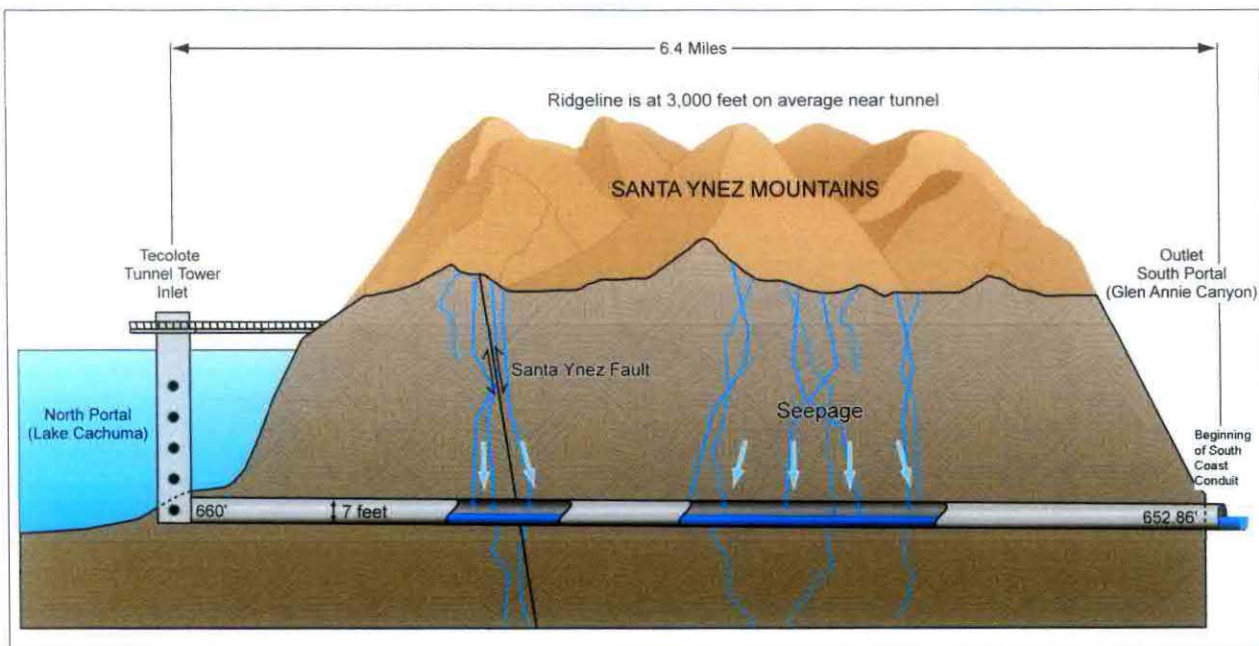
“It is estimated in the report under review that a dependable annual yield of 33,000 acre-feet of new water can be made available for sale at outlets of Cachuma Dam and Tecolote Tunnel, based on the period of run-off, 1923-1931. The figure includes, as reported by the regional office of the United States of Bureau of Reclamation, about 1,800 acre-feet annually as the contribution of water from the tunnel itself and makes allowance for downstream rights on the Santa Ynez and upstream rights of the city of Santa Barbara and of the Montecito County water district.”

Cachuma Project Member Units

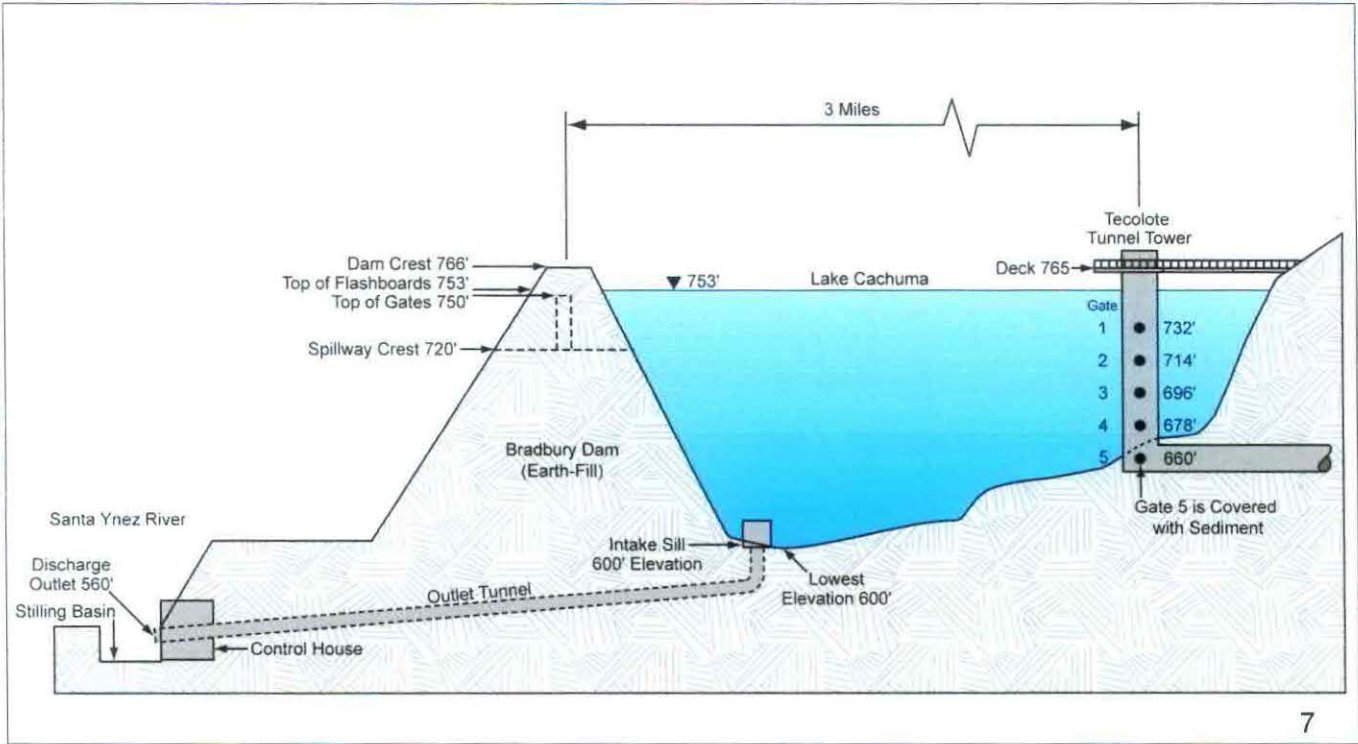
- Initial contract between Reclamation and SBCWA dates back to 1949 for stated quantities not to exceed 32,000 acre-feet per year plus surplus water for delivery to Member Units.
- Member Units include:
 - Carpinteria County Water District (Carpinteria Valley Water District),
 - City of Santa Barbara,
 - Goleta Water District,
 - Montecito Water District (MWD),
 - Santa Ynez River Water Conservation District Improvement District No.1, and
 - Summerland Water (merged with MWD now).

Cachuma Project Yield Always Included....

1. Delivery to South Coast Member Units at Tecolote Tunnel Tower - North Portal Intake
2. Delivery to ID No. 1 at Outlet Works Control House until 1997
 - Since 1997, ID No. 1 receives treated SWP water directly from the Central Coast Water Authority (CCWA) pipeline and exchanges its Cachuma Project water allocation for an equal amount of the South Coast participant's SWP water. The pipeline that used to deliver ID No. 1 water is now used to import SWP water to Lake Cachuma. ID1 Exchanged water now goes through Tecolote.
3. Delivery to County Park at Diversion Pump Intake, and
4. Tecolote Tunnel Infiltration between North and South Portals (Figure 1-4).



Lake Cachuma Key Sites and Elevations



Previous Cachuma Project Yield Determinations

- Three sets of previous yield determinations
 - 1948-1958: 32,000 – 33,000 afy
 - 1959-1989: 27,300 – 27,800 afy
 - 1993-1995: 25,700 - 25,908 afy
- Average annual yield estimates do not include surplus water, or water diverted when Lake Cachuma is spilling.
- For all determinations, the phrase “safe yield” is used, which implies no shortages; however, the methodology for the 1995 estimate specifically states a maximum 20% shortage during the critical drought year (1951)

Facts on Previous Cachuma Project Yield Determinations

- All of the estimates account for both up and downstream water rights.
- Changes to estimates have occurred due to:
 1. Analysis of different hydrologic periods (1923-31 vs 1946-1951) or
 2. Reservoir sedimentation (i.e. originally 205,000 acre-feet storage @ 750.0'; now about 184,000)
- None of the estimates included releases for fish.

Previous Cachuma Project Yield Determination

	Cachuma Yield acre-feet per year	Assumptions in Yield Analysis:				Tecolote Tunnel Infiltration Included in Yield
		Maximum Cachuma Storage acre-feet	Maximum Cachuma Shortage acre-feet	Minimum Pool acre-feet	Hydrologic Period Analyzed	
<i>Previous Cachuma Yield Studies</i>						
1948 Reclamation Initial Report of Findings on Cachuma Project	33,000	205,000	na	na	1923-1931 (9 years)	1,800 afy
1955 Reclamation-Santa Barbara County Water Agency Contract	32,000	205,000	na	na	1923-1931 (9 years)	1,800 afy
1959 Reclamation Firm Yield Study	27,300	205,000	na	na	includes 1946-1951 drought	na
1969 Reclamation Firm Yield Study	27,800	205,000	na	na	includes 1946-1951 drought	3,000 afy
1995 Reclamation-Santa Barbara County Water Agency Contract	25,700/ 25,714	190,409	na	12,000	1918-1992 (75 years)	2,040 afy
1995 Contract EIR/EIS	25,908	190,409	20%	12,000	1918-1992 (75 years)	2,040 afy

Note: Yield in table above does not include "Surplus" water or water diverted when Lake Cachuma is spilling. None of the previous yield estimates included release for fish.

1995 EIS/EIR Contract Renewal

- Current Cachuma Project yield estimate of 25,714 afy is from the 1995 Cachuma Contract Renewal between the U.S. Bureau of Reclamation and the Santa Barbara County Water Agency.
- This estimate includes about 2,000 afy of Tecolote Tunnel infiltration and a direct draft from Lake Cachuma of about 23,700 afy.
- This estimate was based on up to 20-percent maximum annual shortage with a minimum pool of 12,000 acre-feet during critical drought 1946-1951. Based on results from the Santa Ynez River Hydrology Model (SYRHM).
 - SYRHM vetted through SBCWA-led Santa Ynez River Hydrology Committee, which was comprised of water specialists and hydrologists representing local water interests

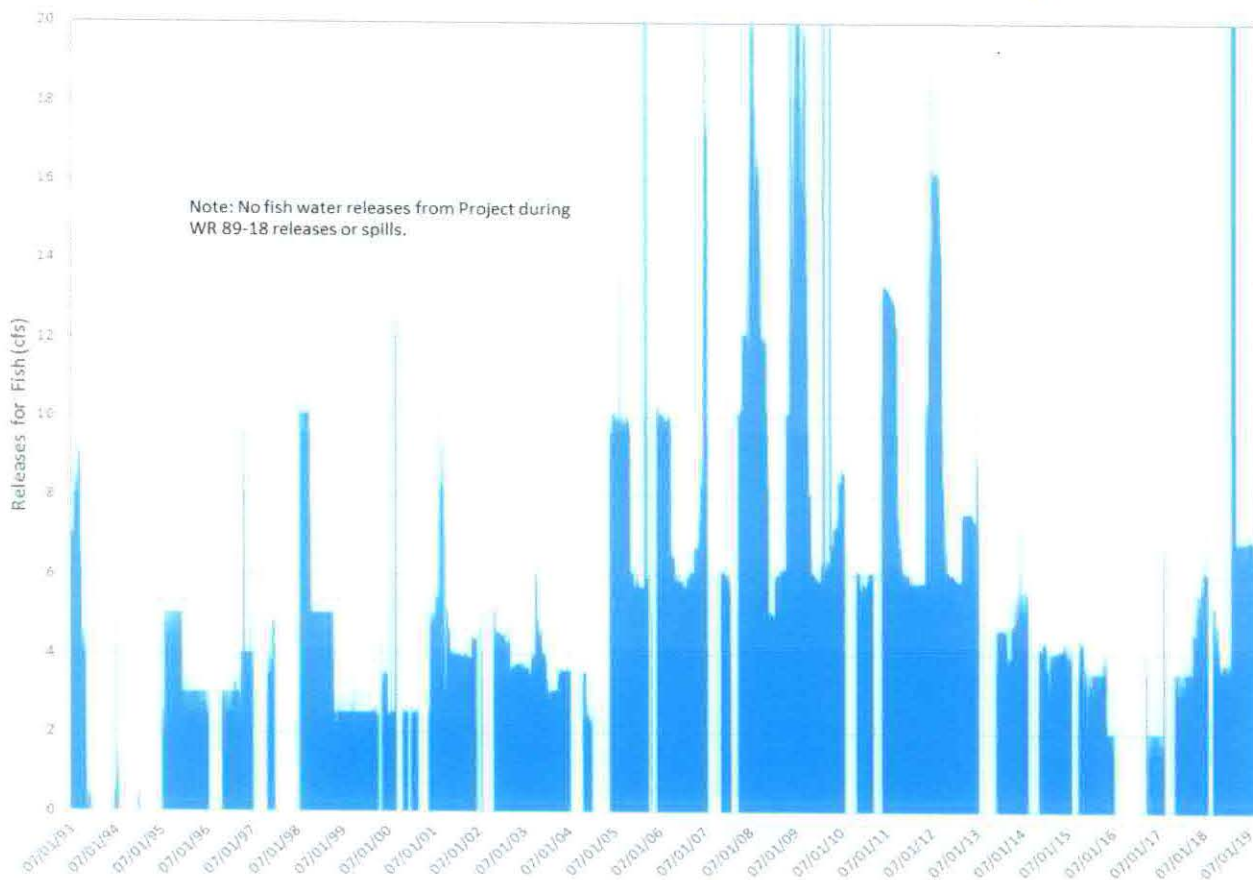
Need to Reevaluate Cachuma Project

Operational Yield Over time

Since the 1995 Cachuma Contract Renewal, there have been several changes to the Cachuma Project including:

- reduced reservoir capacity due to sedimentation; increased reservoir capacity due to installation of flashboards on the spillway gates → Current Lake Cachuma Maximum Capacity is 193,305 af
- increased downstream releases required by the National Marine Fisheries Service under the 2000 Biological Opinion (2000 BO) and SWRCB Order 2019-0148

Releases for Fish – 2005-2019: 4,800 afy average → Need to Reevaluate Safe Yield for Project



2000 BO Long-term Mainstem Santa Ynez River Rearing Target Flows

Lake Cachuma Storage	Reservoir Spill	Target Flow	Target Site
> 120,000 AF	Spill > 20,000 AF	10 cfs	Highway 154 Bridge
> 120,000 AF	Spill > 20,000 AF	1.5 cfs*	Alisal Road Bridge
> 120,000 AF	Spill <20,000 AF or No Spill	5 cfs	Highway 154 Bridge
< 120,000 AF	No Spill	2.5 cfs	Highway 154 Bridge
>30,000 AF	Spill < 20,000 AF or No Spill	1.5 cfs*	Alisal Road Bridge**
<30,000 AF	No Spill	Periodic Release; ≤30AF per month	Stilling Basin and Long Pool

* When rainbow trout/steelhead are present in the Alisal Reach.

** This target will be met in the year immediately following a spill year (spill > 20,000 AF).

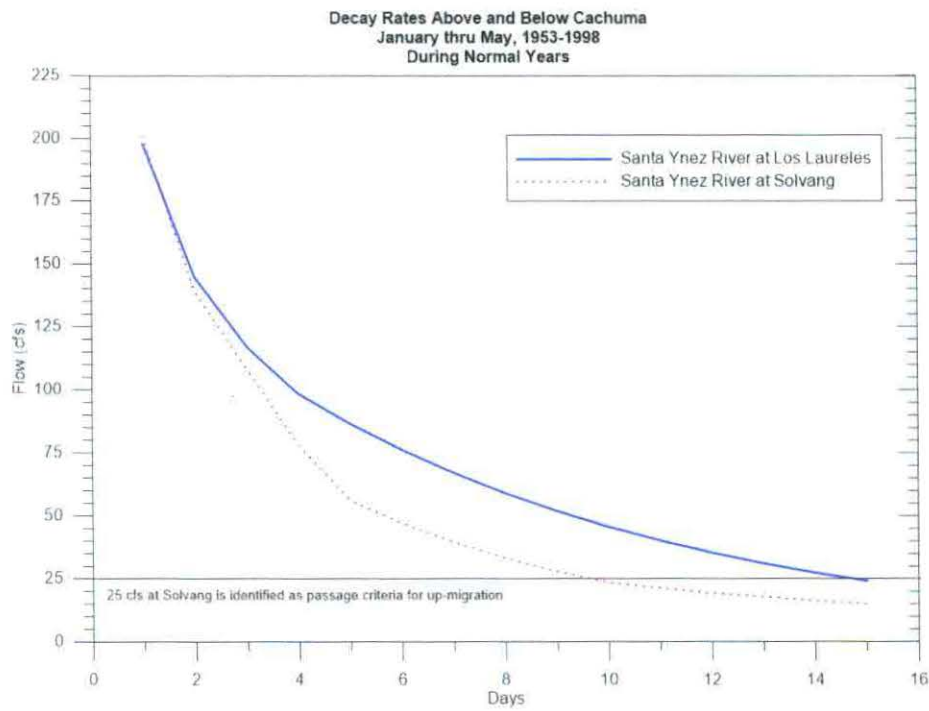
Source: Lower Santa Ynez River Fish Management Plan, October 2, 2000, pg. 3-9.

Target Habitat Locations for Fish Water Releases from Lake Cachuma



2000 BO Passage Releases

- Limited to a total volume of 3,200 af
- One to three release events starting up to 150 cfs and ramping down to 25 cfs
- Purpose is to mimic decay rates at the USGS Los Laureles gage above Lake Cachuma



SWRCB Order WR 2019-0148 Table 2 Flows in Wet and Above Normal Water Years

Table 2 Flows
(Wet and Above Normal Water Year Types)

Minimum Flow Requirement	Period of Flow	Purpose of Flow
48 cfs	02/15 to 04/14	Spawning
20 cfs	04/15 to 06/01	Incubation and Rearing
25 cfs	06/02 to 06/09	Emigration
Ramp to 10 cfs by 06/30		
10 cfs	06/30 to 10/01	Rearing and Resident Fish Maintenance
5 cfs	10/01 to 02/15	Resident Fish

This Order basically keeps the previous operating criteria under the 2000 BO but includes additional releases for fish in wet and above normal year types when the cumulative inflow to Lake Cachuma is greater than 33,707 ac-ft. Minimum flow requirements are for both Highway 154 and Alisal Bridge.

Historical Fish Flow Targets with Above Normal and Wet Years Highlighted

Water Year	Computed Inflow to Cachuma afy	Hydrologic Year 5-Type Classification	Spills afy	Fish Release Operating Regime	Target Flow	
					154 Bridge cfs	Alisal Bridge cfs
1993	333,387	wet	280,698	Fish Reserve Account	NA	NA
1994	16,729	below average	0	Fish Reserve Account	NA	NA
1995	365,092	wet	354,402	Fish Reserve Account	NA	NA
1996	33,243	average	0	Fish Reserve Account	NA	NA
1997	56,552	above average	0	Fish Reserve Account	NA	NA
1998	475,175	wet	386,055	Fish Reserve Account	NA	NA
1999	21,562	average	0	Fish Reserve Account	NA	NA
2000	51,895	above average	6,067	Fish Reserve Account	NA	NA
2001	152,773	wet	112,313	Interim BO	5	NA
2002	5,508	below average	0	Interim BO	2.5	NA
2003	18,822	average	0	Interim BO	2.5	NA
2004	5,750	below average	0	Interim BO	1.5	NA
2005	401,755	wet	260,078	Long-term BO	10	1.5
2006	100,562	above average	62,869	Long-term BO	10	1.5
2007	4,348	dry	0	Long-term BO	5	1.5
2008	109,536	above average	22,994	Long-term BO	10	1.5
2009	13,218	below average	0	Long-term BO	5	1.5
2010	56,553	above average	0	Long-term BO	5	0
2011	151,343	wet	85,755	Long-term BO	10	1.5
2012	6,005	below average	0	Long-term BO	5	1.5
2013	2,911	dry	0	Long-term BO	5/ 2.5	0
2014	3,947	dry	0	Long-term BO	2.5	0
2015	4,006	dry	0	Long-term BO	2.5/ 30 afm	0
2016	4,697	dry	0	Long-term BO	30 afm	0
2017	87,508	above average	0	Long-term BO	30 afm	0
2018	4,910	dry	0	Long-term BO	2.5	0
2019	105,362	above average	0	Long-term BO	5	0

Lake Evaporation

- Historically Lake Cachuma has averaged:
 - 1953-2019: 11,000 acre-feet
- Evaporation is calculated as follows:

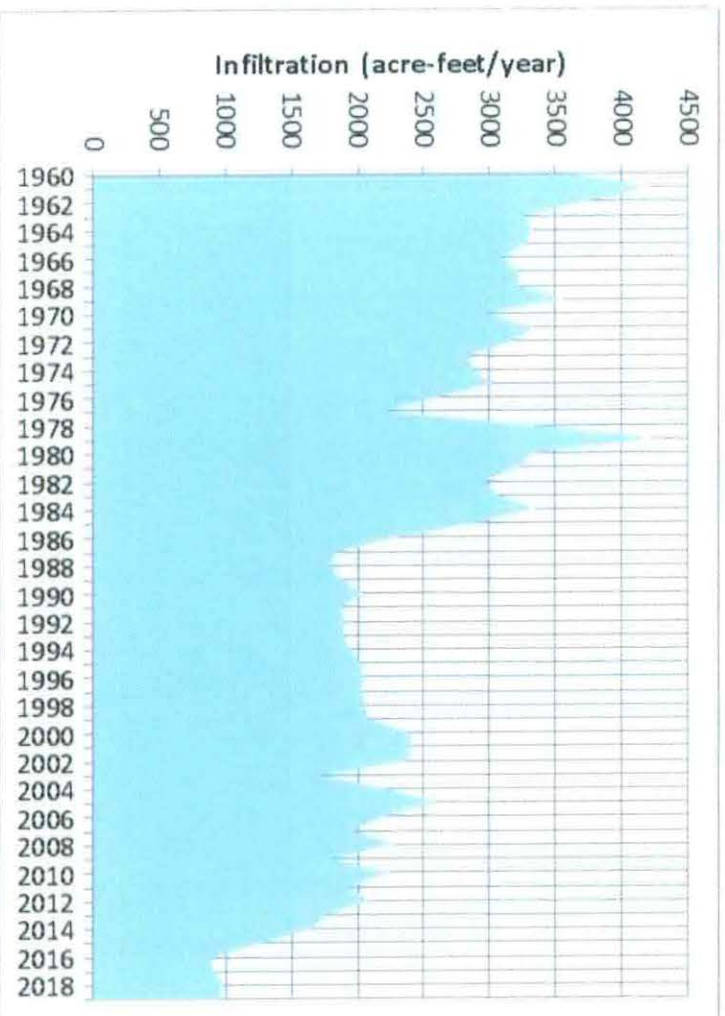
lake surface area * pan evaporation * pan-to-lake conversion factor
Cachuma pan-to-lake factors (ranges from 0.65 to 0.82)

- Surface area ranges from 3,110 acres at 753.0' to 834 acres at 660.0'
- Lake evaporation rates average about 54 inches (4.5 feet per year)

Tecolote Tunnel Infiltration

- Always included in Cachuma Project yield estimate since its inception
- Initial infiltration in the 1960s was higher than expected 3,000 – 4,000 af
 - 1969 yield estimated assumed 3,000 afy of infiltration
- After time, mountain apparently drained, or due to seismic effect, it is now averaging about 2,000 afy.
- Infiltration decreases in droughts (although not as much as surface water supplies!)
 - I.e. infiltration in water year 2015 was an all-time recorded low of 1,268 acre-feet

Tecolote Tunnel Historical Infiltration 1960-2019

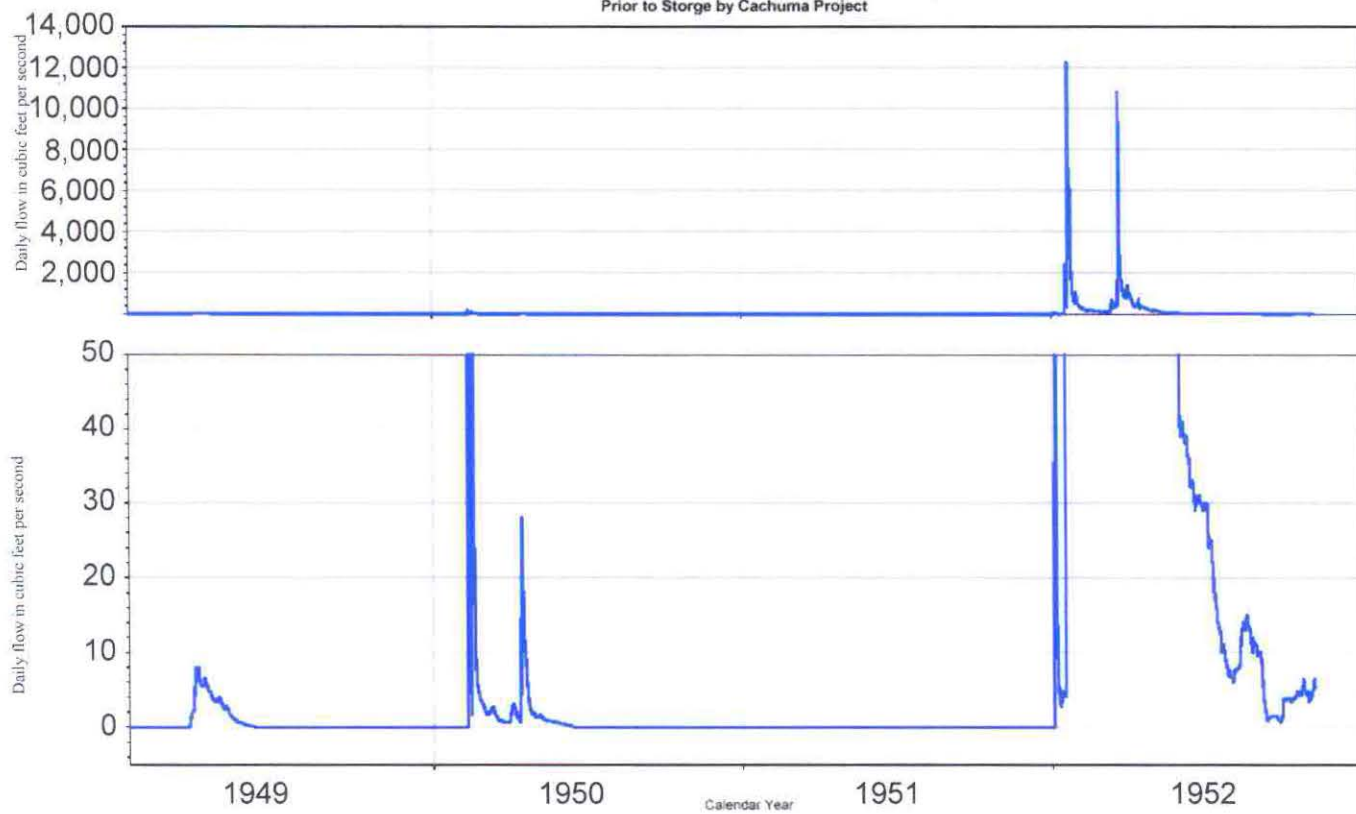


Critical Droughts

- Duration
 - Critical droughts over the last 100 years have ranged from 4 to 5 years.
 - Tree rings indicate longer time periods of drought can occur!
 - 2012-2018 drought lasted seven years
- Frequency
 - Over last 100 years have had 4 major droughts lasting 4-5 years (1928-1931, 1947-1951, 1987-1991, 2012-2018)
- Magnitude
 - Above droughts averaged 4,000 – 7,000 afy ²² inflows

Santa Ynez River Flow at San Lucas Bridge (HWY 154)
Prior to Storage by Cachuma Project

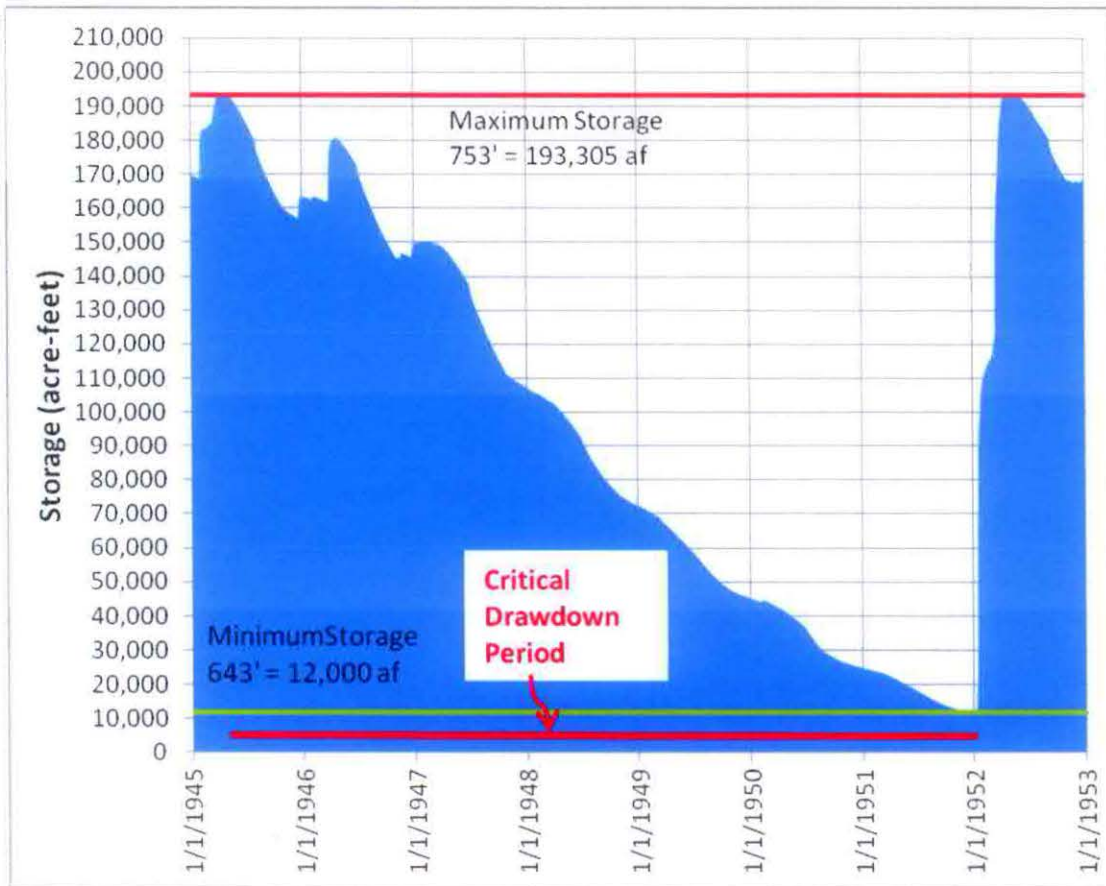
FIGURE 6f



Planning for Critical Drought Periods – Understanding of Sequencing is the Key!

- Not just one critically dry year, but 4 or more dry years in a row averaging 4,000-7,000 afy
- After Lake Cachuma stops spilling....sets the beginning of a new sequence
- After Lake Cachuma stops spilling, the water supply becomes fixed to: 1) maximum lake storage and 2) annual inflows
 - Because annual inflows are small during a drought (4-7 kafy on average) and typically will go first to satisfy downstream water rights (and under pass through mode of the USYROA, sometimes upstream water rights), supply for Member Units during critical droughts is limited primarily to maximum lake storage.

Simulated Example: Spills in 1945, Critical Drought 1946-1951



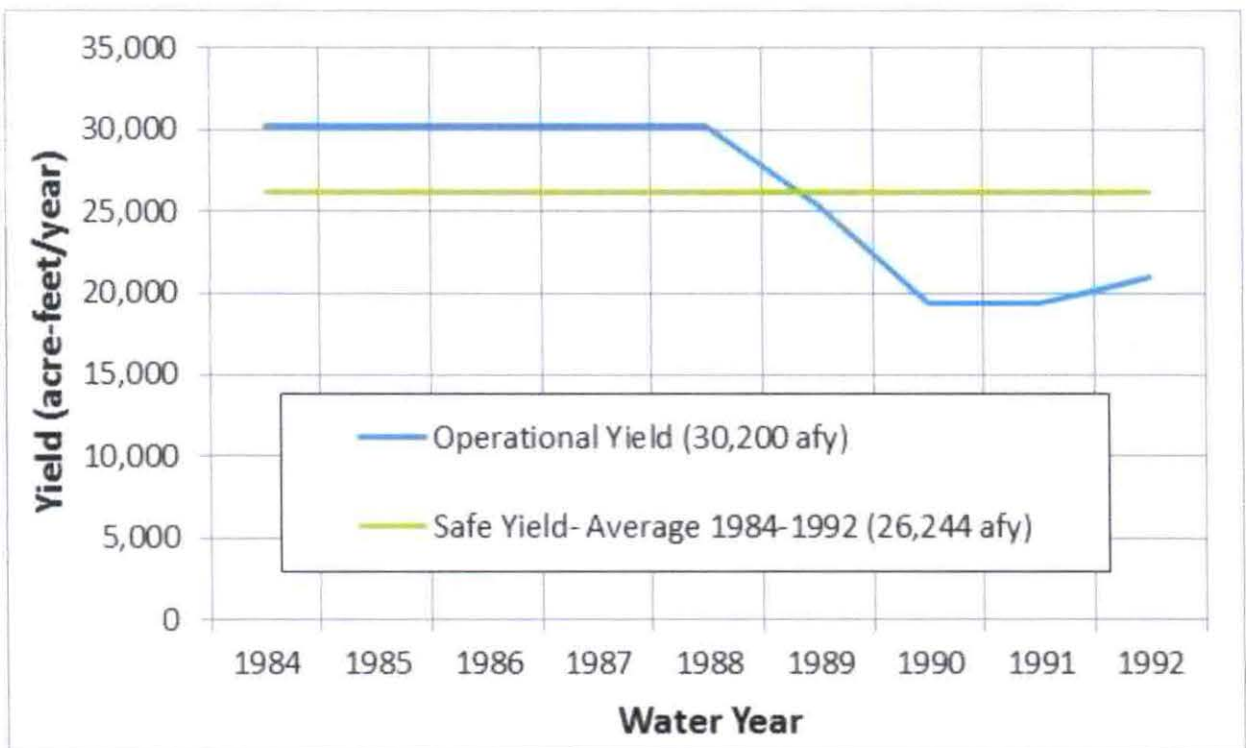
Updating Project Yield Analysis

- Need to account for fish releases
- Use updated version of the Santa Ynez River Hydrology Model- RiverWare Model
- Test different scenarios including:
 - Safe and Operational Yields
 - Different critical drought periods including 1947-1951 and 2012-2018
 - Strategies to Ensure Supplies during Droughts including assuming reserves for contingencies like increased evaporation and releases for fish

Difference Between Safe and Operational Yield

- Safe Yield = **No** Shortages through
Critical Drought
- Operational Yield = **“Reasonable”**
Shortages through Critical Drought
- Planning Goal for Cachuma Project for 1995 Cachuma
Contract Renewal: maintain less than 20% shortages
in worst year (1951)

Example of Safe and Operational Yield



Safe and Operational Yield Analyses

Scenario	Description	Operating Criteria	Critical Drought of Record	Minimum Pool (af)	Evaporation Reserve (af)	End-of-Spill Year Carryover (af)	Lake Draft Shortage Criteria
A	Safe Yield	SWRCB 2019 Order	2012-2016 ^a ; 1947-1951	12,000	0	7,000 ^b	Flat Yield spanning seven years
B	Operational Yield	SWRCB 2019 Order	2012-2016 ^a ; 1947-1951	12,000	0	7,000 ^b	20% Max cutback below 100,000 af total storage
C	Safe Yield - Additional Evaporation	SWRCB 2019 Order	2012-2016 ^a ; 1947-1951	12,000	6,000	7,000 ^b	Flat Yield spanning seven years
D	New Operational Yield - Additional Evaporation	SWRCB 2019 Order	2012-2016 ^a ; 1947-1951	12,000	6,000	7,000 ^b	20% Max cutback below 100,000 af total storage

Yellow highlight indicates difference from Sections A and B.

- a This study includes the seven-year drought of 2012-2018.
- b Based on average of Carryover Water at the end of spill years 2008 and 2011. The amount can be adjusted every 5 years.
- c Reserve is based on 10% of lake evaporation in recent drought (Table 4-2).
- d Does not include Member Units' end of spill year carryover.

Assumption in Yield Analyses

- Maximum Lake Cachuma storage at elevation 753.0' = 193,300 acre-feet.
- SWRCB Order 2019-0148 is the operating criteria for all releases.
- All of the historical droughts are analyzed including the major 1946-1951 and 2012-2018 droughts.
- The Lake Cachuma minimum pool is 12,000 acre-feet.
- For operational yields in Scenarios B and D, the yield is two-tiered: 100% and 80% of yield, depending upon if total Project storage is above or below 100,000 af

Assumption in Yield Analyses (continued)

- Due to the combination of Surplus Water and carryover provisions in the existing Contract, an estimated 7,000 acre-feet of End-of-Spill Year Carryover is treated as a carryover storage which is not included in the annual entitlement yields moving forward in order to avoid double accounting in subsequent years following a spill.
- This carryover water was assumed to be able to be used by Member Units but not part of yield determination.
- This estimate of future End-of-Spill Year Carryover can be reevaluated every five years in the implementation of a new yield for the Cachuma Project.

Scenarios C and D: Keeping 6,000 acre-ft of Additional Water in Reserves

- The 6,000 af reserve was based on a 10% increase in evaporation rates but it is used for multiple contingencies
- More water could be released for endangered species downstream of Bradbury Dam.
- Tests the sensitivity of the yield determination when reducing potential risks to water supply due to uncertainties

Example of Why A Reserve of 6,000 AF Could be Used During a Critical Drought (Cumulative Impacts)

Water Year	[1] Reported Lake Cachuma Evaporation	[2] Corrected Lake Cachuma Evaporation	[3] Evaporation with 10% Increase	[4] Increase in Evaporation
2011 ^a	6,232	6,232	6,855	623
2011-12	11,724	11,724	12,896	1,172
2012-13	9,943	9,943	10,938	994
2013-14	8,441	7,809	8,590	781
2014-15	7,443	6,094	6,704	609
2015-16	5,444	4,127	4,540	413
2016-17	11,352	7,974	8,772	797
2017-18	7,730	7,481	8,229	748
ANN AVG ^b	8,900	7,900	8,700	
SUM ^b				6,100

a) June-September (following spill)

b) Values rounded to nearest 100 ac-ft

[1] Based on U.S. Bureau of Reclamation historical data.

[2] Correction for bird interference in evaporation pan measurements (Table 3-3)

[3] Column [2] *110%.

[4] Column [3] - Column [2]

Safe and Operational Yield Analyses Results

- The two drought periods (1946-1951 and 2012-2018) are nearly equivalent, with 1951 in the sixth year after a spill reaching slightly lower lake levels compared to 2016, the fifth year after a spill.
 - 2012-2018 drought lasted longer (seven years), but the inflows into Lake Cachuma during 2017 of 87,500 acre-feet (after five years of drought, 2012-2016) helped ameliorate the lake levels at least temporarily
- **Safe Yield = 18,800 afy** (Model Scenario A)
- **Operational Yield = 21,050 afy** (Model Scenario B)

Table 4-3. Summary of Previous and New Operational and New Safe Yields

Scenario	Description	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	Maximum Annual Shortage	Annual Project Yield (af) ^d
		Physical Maximum Storage at 753'	Downstream Operating Criteria	Critical Drought of Record	Minimum Pool (af)	Evaporation Reserve (af)	End of Spill Year Carryover (af)	New Year Allocation Date	Lake Draft Shortage Criteria		
	Current Operational Yield 1993 to present	190,409	SWRCB WR89-18 (no fish)	1947-1951	12,000	0	0	May 1	NA	20%	25,714
A	New Safe Yield - Flat Yield Spanning Seven Years	193,300	SWRCB 2019 Order	2012-2016 ^a ; 1947-1951	12,000	0	7,000 ^b	October 1	Flat Yield spanning seven years	0%	18,800
B	New Operational Yield - Spanning Seven Years	193,300	SWRCB 2019 Order	2012-2016 ^a ; 1947-1951	12,000	0	7,000 ^b	October 1	% cutback after 100,000 af total storage	20%	21,050
C	New Safe Yield - Flat Yield Spanning Seven Years	193,300	SWRCB 2019 Order	2012-2016 ^a ; 1947-1951	12,000	6,000 ^c	7,000 ^b	October 1	Flat Yield spanning seven years	0%	17,650
D	New Operational Yield - Spanning Seven Years	193,300	SWRCB 2019 Order	2012-2016 ^a ; 1947-1951	12,000	6,000 ^c	7,000 ^b	October 1	% cutback after 100,000 af total storage	20%	19,700

- Notes** Yellow highlight indicates difference from Scenarios A and B.
- a This study includes the seven-year drought of 2012-2018.
 - b Based on average of Carryover Accounts at the end of spill years 2008 and 2011. The amount can be adjusted every 5 years.
 - c Reserve is based on 10% of lake evaporation in recent drought (Table 4-2).
 - d Does not include Member Units' end of spill year carryover.

Table 4-4. Summary of New Safe and Operational Yields with May 1 Allocation Date

Scenario	Description	[1]	[2]	[3]	[4]	[5]	[6]	[7]	Maximum Annual Shortage	Annual Project Yield (af) ^c
		Physical Maximum Storage at 753'	Downstream Operating Criteria	Critical Drought of Record	Minimum Pool (af)	Evaporation Reserve (af)	New Year Allocation Date	Lake Draft Shortage Criteria		
A'	New Safe Yield - Flat Yield Spanning Seven Years	193,300	SWRCB 2019 Order	2012-2016 ^a ; 1947-1951	12,000	0	May 1	Flat Yield spanning seven years	0%	19,650
B'	New Operational Yield - Spanning Seven Years	193,300	SWRCB 2019 Order	2012-2016 ^a ; 1947-1951	12,000	0	May 1	% cutback after 100,000 af total storage	20%	22,000
C'	New Safe Yield - Flat Yield Spanning Seven Years	193,300	SWRCB 2019 Order	2012-2016 ^a ; 1947-1951	12,000	6,000 ^b	May 1	Flat Yield spanning seven years	0%	18,450
D'	New Operational Yield - Spanning Seven Years	193,300	SWRCB 2019 Order	2012-2016 ^a ; 1947-1951	12,000	6,000 ^b	May 1	% cutback after 100,000 af total storage	20%	20,650

- Notes**
- Yellow highlight indicates difference from Scenarios A and B.
 - a This study includes the seven-year drought of 2012-2018.
 - b Reserve is based on 10% in lake evaporation in recent drought (Table 4-2).
 - c Does not include Member Units' end of spill year carryover.

Recommended Studies

- Analyze climate change and changes in operations of releases for fish.
- A Lake Cachuma storage target curve for droughts periods.
 - Track the safe yield scenario with the current year's storage within a seven-year planning horizon after Lake Cachuma spills
 - Can be used to adjust yield determinations on a year to year basis (i.e. currently over or under 7-year targets)
- Conjunctive Use, Multi-Basin Planning with SWP, groundwater, desalinization in order to maximize Cachuma yields

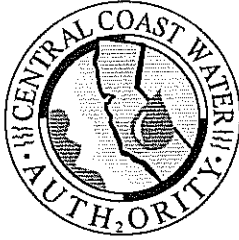
Future Cachuma Project Yield?

- Effects of Climate Change
- Effects of Future Reservoir Sedimentation
- Effects of Fish Releases
 - Changes to SWRCB Order?
 - New BO?
- Recommended to Have Periodic Updates to Yield vs Static setting

Table 4-3. Summary of Previous and New Operational and New Safe Yields

Scenario	Description	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	Maximum Annual Shortage	Annual Project Yield (af) ^d
		Physical Maximum Storage at 753'	Downstream Operating Criteria	Critical Drought of Record	Minimum Pool (af)	Evaporation Reserve (af)	End of Spill Year Carryover (af)	New Year Allocation Date	Lake Draft Shortage Criteria		
	Current Operational Yield 1993 to present	190,409	SWRCB WR89-18 (no fish)	1947-1951	12,000	0	0	May 1	NA	20%	25,714
A	New Safe Yield - Flat Yield Spanning Seven Years	193,300	SWRCB 2019 Order	2012-2016 ^a ; 1947-1951	12,000	0	7,000 ^b	October 1	Flat Yield spanning seven years	0%	18,800
B	New Operational Yield - Spanning Seven Years	193,300	SWRCB 2019 Order	2012-2016 ^a ; 1947-1951	12,000	0	7,000 ^b	October 1	% cutback after 100,000 af total storage	20%	21,050
C	New Safe Yield - Flat Yield Spanning Seven Years	193,300	SWRCB 2019 Order	2012-2016 ^a ; 1947-1951	12,000	6,000 ^c	7,000 ^b	October 1	Flat Yield spanning seven years	0%	17,650
D	New Operational Yield - Spanning Seven Years	193,300	SWRCB 2019 Order	2012-2016 ^a ; 1947-1951	12,000	6,000 ^c	7,000 ^b	October 1	% cutback after 100,000 af total storage	20%	19,700

- Notes** Yellow highlight indicates difference from Scenarios A and B.
- a This study includes the seven-year drought of 2012-2018.
 - b Based on average of Carryover Accounts at the end of spill years 2008 and 2011. The amount can be adjusted every 5 years.
 - c Reserve is based on 10% of lake evaporation in recent drought (Table 4-2).
 - d Does not include Member Units' end of spill year carryover.



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

July 15, 2020

TO: CCWA Board of Directors

FROM: John Brady
Deputy Director, Operations and Engineering

SUBJECT: Siemens Energy & Environmental Solution Proposal for Solar Power Installation at the Water Treatment Plant and 20 Year Power Purchase Agreement

BACKGROUND

In 2019, representatives of Siemens Energy & Environmental Solutions (Siemens) approached CCWA about a potential project to construct an array of solar panels on the grounds of the Polonio Pass Water Treatment Plant (WTP). The basic project concept is that Siemens would construct, at no charge to CCWA, a solar panel electrical generation system sufficient in size to generate the amount of power that is equivalent to the annual WTP power use. In return, CCWA would enter into a 20 year term Power Purchase Agreement with a lower energy rate.

Due to PG&E's bankruptcy, CCWA staff viewed the Siemens proposal as a potential rate stabilization measure and subsequently allowed Siemens access to the WTP electrical usage records to conduct a preliminary study. Siemens completed their preliminary due diligence work and concluded that the project would be beneficial to both parties. They also expressed an interest in pursuing the project in greater detail, through completing additional studies and engineering work. Since this additional work would require additional expense, Siemens requested that CCWA enter into a Project Development Agreement (PDA).

The PDA would allow Siemens to proceed with the detailed studies and engineering work and would also provide certain assurances that CCWA would proceed with the project if Siemens concluded the project had merit. Specifically, if Siemens concluded the project had merit and wished to move forward and CCWA decided to not proceed with the project, CCWA would be required to pay a cancellation fee of \$60,000 to cover Siemens' engineering costs. If Siemens concluded the project had no merit, then the project would be cancelled at no cost to CCWA.

CCWA staff presented the Siemens Proposal to the CCWA Board of Directors in their April 2020 meeting. Staff requested that the Board authorize a budget of \$20,000 to develop project acceptance criteria that would be incorporated into the PDA. The acceptance criteria would provide a clear standard that the project must meet in order to advance and would be protective of CCWA's interests. If the project does not meet the project acceptance criteria, then CCWA would not need to pay the cancellation fee. Similarly, if Siemens concluded the project did not have merit for their own reasons, they would cancel the project and CCWA would not need to pay the cancellation fee.

The Board authorized staff's request to proceed with the development of the project acceptance criteria. Staff moved forward and completed the negotiation of the PDA. The current version of the PDA is attached and is currently under review by Siemens. Based on the on-going dialog with Siemens, we anticipate that this version will be mutually acceptable to CCWA and Siemens.

If there are changes, staff will forward the final version to the Board prior to the Board of Directors Meeting set for July 23, 2020. The negotiated PDA includes the project acceptance criteria as well as a site access agreement that allows Siemens to complete work associated with their special studies and engineering work on the WTP grounds.

The next steps in this project, if approved by the CCWA Board of Directors, is to (1) execute the PDA with Siemens, (2) allow Siemens to proceed with their special studies and engineering work, (3) review and analyze Siemens' special studies and engineering work to determine compliance with project acceptance criteria, (4) negotiate the Power Purchase Agreement and Project Lease Agreement, and (5) seek Board authorization to enter into the Power Purchase Agreement, if the project has merit.

To ensure that CCWA interests are adequately protected during the next steps of the project, staff will need the services of CCWA legal counsel and engineering consultant, which will require a budget of \$30,000 for legal and \$15,000 for engineering. Upon completion of negotiating a mutually acceptable Power Purchase Agreement and Project Lease Agreement, CCWA staff will present the agreements to the CCWA Board of Directors for consideration.

DISCUSSION

PG&E Issues:

After over 18 months in bankruptcy, PG&E has emerged from the proceedings with a court approved restructuring plan. While there are provisions in the approved plan to prevent PG&E from increasing rates to fund financial settlements arising from the Camp and Tubbs Fire, PG&E will be required to move forward with efforts to make their electrical distribution system safer. PG&E is required to implement the safety improvements as quickly as possible. If they delay, PG&E will be subjected to sanctions or even State receivership.

The planned safety improvements will require an investment of \$15.5 Billion. Investment in infrastructure, such as those planned, translates directly to increasing PG&E's "Rate Base", which will directly lead to legitimate rate increases designed to pass the cost of infrastructure improvement to customers in accordance with established Public Utility Commission Rules. PG&E plans to increase their Rate Base from \$44.5 Billion in 2021 to \$60 Billion in 2023.

Consequently, PG&E rate increases are certain and will very likely be significantly higher than historical rate increases, at least for the timeframe associated with the \$15.5 Billion investment in the PG&E system. In addition, there is a potential that PG&E's fundamental rate design may change. The implication of a changing rate design is that rate increases may potentially shift more toward "Demand Charges" rather than "Energy Charges". Rates related to electrical "Demand" and "Energy" use are two different commodities. It is best to consider these analogous to driving a car where "Demand" is the speed in which you drive and "Energy" is the distance you traveled. Also, "Demand" is related to the use of the electrical distribution system while "Energy" is related to electrical generation.

It is important to note that PG&E is in the process of implementing an approved rate design change right now. In March 2021, CCWA will be shifted from the current Table E19 Tariff to the new Table B19 Tariff. CCWA staff reviewed the new rate design and applied the new rates to the WTP's energy use in 2019. The conclusion of this exercise was that the new Tariff B19 will result in an approximate 3% increase.

Appropriate Procurement Method.

Siemens' cited Section 4217.10 of the California Government Code and they indicated that this section allows public agencies such as CCWA to award development projects like the current proposal without need for competitive bidding. To address this issue, CCWA staff requested CCWA legal counsel to review the cited Code as well as CCWA Resolution 19-01 (Rules and Regulations governing the Policy and Procedures for the purchase of services, supplies or equipment). In short, the legal review concluded that (1) CCWA Resolution 19-01 does not apply since the proposed project is a Public Works Project, which is specifically excluded from Resolution 19-01, and (2) Section 4217.10 of the California Government Code does apply to CCWA.

To provide the Board with an understanding of the range of procurement methods available, staff requested the DHDR Engineering complete a "Strength, Weakness, Opportunities and Threats (SWOT) analysis of the available procurement methods. A SWOT analysis is a business analysis tool that is essentially a pro/con analysis arranged in a way to provide better insight. This SWOT Analysis is attached and the procurement methods evaluated include the following:

- Sole Source Negotiation with Siemens for a Power Purchase Agreement (PPA). This agreement will require Siemens to build, own and operate the solar electrical generation system and to transfer system to CCWA at the end of the contract term.
- Request for Proposals for PPA Developer. CCWA to develop procurement specifications and solicit proposals similar to the Siemens proposal for competitive bidding.
- Request for Proposals for a Developer to design, build and transfer the system to CCWA. CCWA purchases facility for pre-agreed price upon substantial completion.
- CCWA initiates classic public works design then build project. In this procurement method, CCWA retains an engineering firm to design the facility. Upon completion of the design, CCWA solicits competitive bids for the construction of the facility.

The analysis shows that the two most compelling cases are to either move forward with the Siemens proposal or for CCWA to implement the project itself. Also, it is important to note that Siemens needs to take full advantage of the Tax credit that would be available to them but not to CCWA. This tax credit will be reduce from the current 26% down to 22% of capital investment at the end of 2020.

California Environmental Quality Act Applicability.

Siemens representatives were asked about the applicability of CEQA to their proposal. They responded by indicating that there is a CEQA Exemption for Certain Solar Installations that was authorized by Senate Bill 226, which passed in 2011. The new state law established that certain solar energy systems are exempt from environmental review under the CEQA. To qualify under this statutory exemption, a solar energy project must be located either on the roof of an existing building or on an existing parking lot. SB 226 makes clear the legislative intent that rooftop and parking lot solar projects do not require in-depth environmental review. This CEQA exemption is contained in Section 21080.35 of the Public Resources Code.

CCWA staff also consulted with legal counsel to confirm this information. Legal counsel indicated that the requested action for the July 2020 Board of Directors Meeting, which is to

CCWA staff also consulted with legal counsel to confirm this information. Legal counsel indicated that the requested action for the July 2020 Board of Directors Meeting, which is to fund a more detailed due diligence study and negotiation of a Power Purchase Agreement, is not considered a project under CEQA and therefore not subject to CEQA. However, once the project is more developed, legal counsel advised that a review of CEQA applicability is merited. Also, the PDA will require Siemens to prepare an environmental permitting plan, confirm the CEQA exemption for the project and to comply with the requirements of CCWA's approved Habitat Conservation Plan.

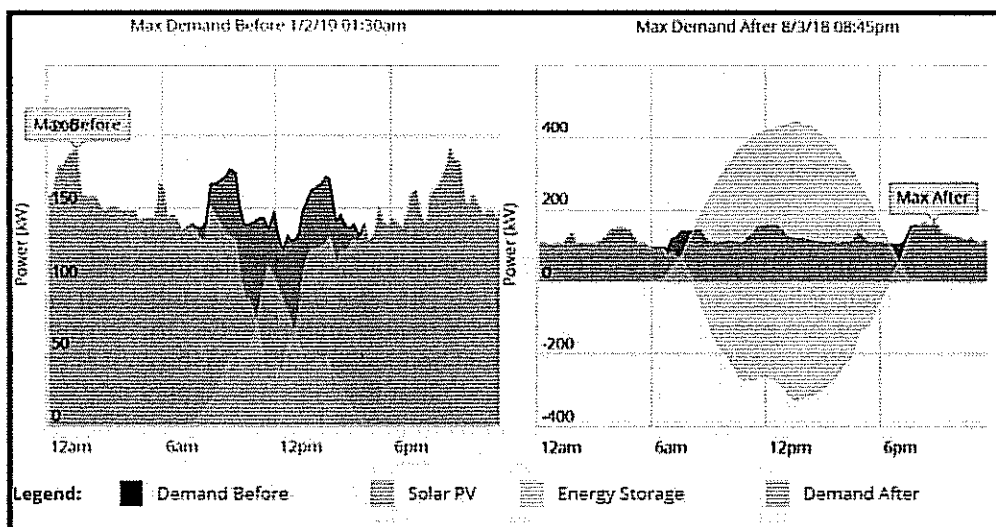
CCWA Operating Committee

CCWA staff provided a presentation to the CCWA Operating Committee in the March 2020 meeting and the July 2020 meeting. Both meetings included dialog on the merits and risks of the project and CCWA staff provided follow up information after each meeting. Staff also requested comments on the project prior to the July Board of Directors Meeting on July 23, 2020. All comments received will be shared with the Board during staff's presentation.

FINANCIAL

The proposal contemplates the installation of a 600 KW solar panel electrical generation system, which will generate enough energy to satisfy 100% of the annual energy needs of the WTP. However, considering that the peak power used by the WTP is in the 200 KW range, there will be times where excess power is generated and will flow back to PG&E. There will also be times where no power will be available from the Siemens solar electrical generation system (night time) and CCWA will need to purchase power from PG&E.

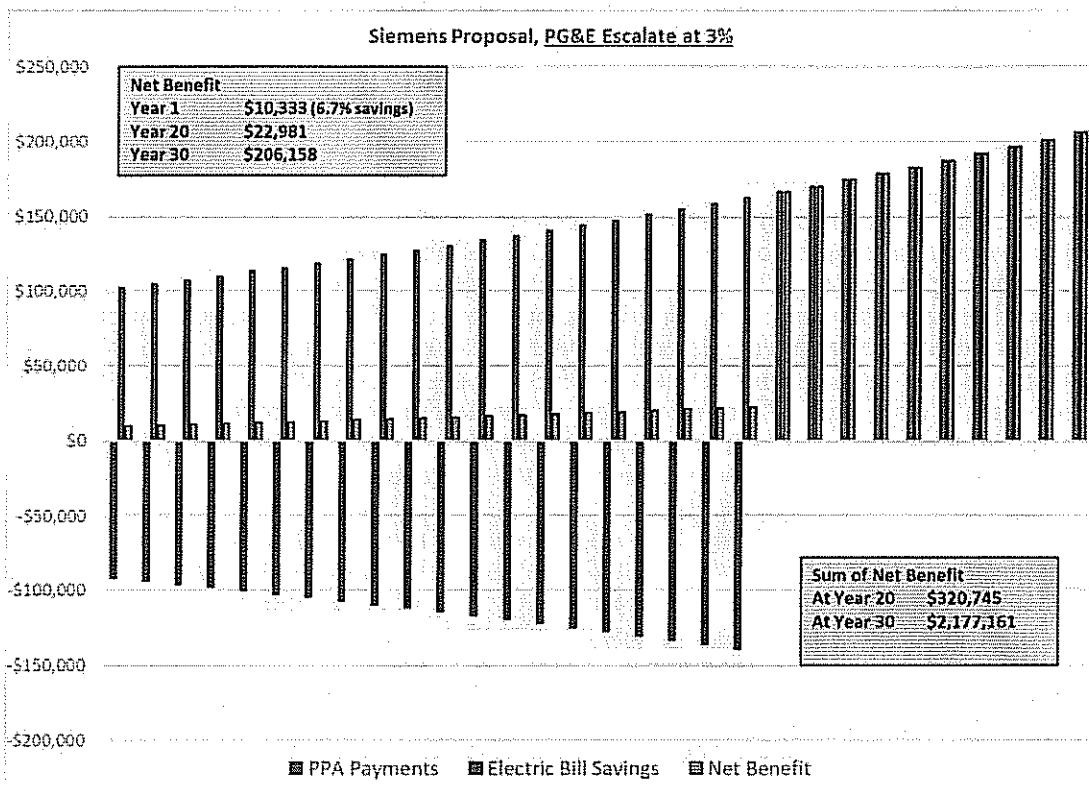
Consequently, CCWA will have two separate electric bills: one from Siemens and one from PG&E. CCWA will purchase power from Siemens where the "Energy" rate is lower than the PG&E "Energy" rate and will increase annually no greater than 2.75%. During times where the Siemens system does not generate enough power for the WTP, CCWA will purchase power from PG&E at a more favorable rate, specifically the rates shown in Option R of Tariff B19. CCWA will qualify for Option R because of a solar electrical generation system being onsite. Also, during times where the Siemens system generates excess power, the excess power will flow back into the PG&E electrical distribution system and CCWA will receive full credit for the returned power.



(highest of light or dark blue lines) in each graph represents the power use at the WTP for the selected day. The green curve represents the power generated by the Siemens system. The light blue curve represents the decrease in power purchases from PG&E as a result of having the Siemens system online.

During the winter season, there is no excess power generated from the Siemens system but in the summer season there is excess power. The light blue curve of the summer graph shows credits back to CCWA due to the flow of excess power from the Siemens system back into the PG&E electrical distribution system.

To evaluate this proposal in more detail, CCWA staff requested the Siemens prepare a financial pro forma using software that would be acceptable by financial institutions that service the solar power industry. Siemens utilized software called Energy Toolbase. Siemens entered the following data to generate the financial pro forma report: (1) the most recent energy use at the WTP covering a one year period, (2) solar radiation data from a monitoring site three miles from the WTP, (3) solar panel performance data, (4) Tariff E19 Primary Voltage power rates, (5) Siemens Energy rates of \$0.09/kw-hr, (6) Siemens annual rate escalation of 2.75% and (7) PG&E rate escalation of 2.5%, 3.0% and 3.5%. The output of the model using the PG&E rate escalation of 3.0% is shown in the graph below:



The red bars show the payments to Siemens and the blue bars show the savings CCWA achieves through purchasing power from PG&E as well as the credits for power sold through Option R of Tariff B19. The net annual benefit is shown in the green bars.

The conclusion of the analysis indicates that a savings of \$320,745 over the 20-year contract term could potentially be realized, which is an overall savings of approximately 7%. However, after the contract term has expired, the equipment will have another ten years of service life

remaining. The sum of the net benefit at year 30 is \$2,177,161. The most recent 5-year average of energy use at the WTP is 934,954 KW-hours, which is close to the modeled energy use.

Costs to CCWA:

While the Siemens proposal suggests that there are no costs to CCWA, there will be costs related to legal review of contracts and engineering support through the initial phases of project development. So far, the Board has authorized a budget of \$20,000 in establishing the project acceptance criteria. We requested cost estimates and proposals from CCWA legal counsel and CCWA's engineering consultant, HDR Engineering, for the next phase of the project. The costs provided are as follows:

- Legal Counsel for review of the Project Development Agreement, Power Purchase Agreement and Lease Agreement. \$30,000
- HDR Engineering for developing the Exhibit A and reviewing the various studies and design work produced by Siemens by an expert in Solar Power. \$15,000

If approved, the total CCWA cost would be \$65,000. It is important to point out that this project will be presented to the Board again, if the current phase is approved. The current request is to fund the review of Siemens special studies and engineer design as well as negotiation of the Power Purchase Agreement.

CONCLUSION

Based on CCWA staff's due diligence work, the project could provide a benefit to CCWA through a savings in electrical charges of approximately \$320,745 or approximately 7% range over the 20-year contract period and potentially significantly higher levels of savings between year 20 and 30. While we could pursue this project on our own, the Siemens proposal provides the benefit of the project being immediately implemented with no construction costs to CCWA and would be completed just prior to the anticipated PG&E rate increases associated with the \$15.5 Billion increase in Rate Base. An additional benefit of the proposal is that the use of renewable energy will reduce the carbon footprint of the CCWA operation, which may be of assistance to Participants attempting to implement a carbon neutral operation.

Consequently, staff believes that it would be prudent to proceed with entering into a Project Development Agreement with Siemens. Staff also believes it is prudent to retain the services of legal counsel and HDR Engineering to assist with review of the Siemens special studies and engineering work to determine compliance with the project acceptance criteria.

If approved by the Board, CCWA will enter into the Project Development Agreement with Siemens, review Siemens special studies and engineering work and negotiate the Power Purchase Agreement, with the assistance of CCWA legal counsel and HDR Engineering. Upon completion of this work, staff will bring the final negotiated Power Purchase Agreement to the Board for consideration.

Although not part of the current consideration, Siemens is interested in a second phase to the project. The second phase is to install additional solar panels on the WTP grounds sufficient to meet 100% of the energy needs of the Santa Ynez Pumping Plant, which used approximately 6,360,000 KW-hours of energy in 2018.

RECOMMENDATION

That the Board:

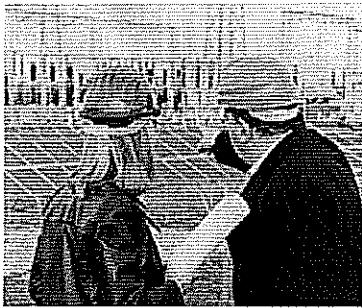
- Authorize the Executive Director to execute the Project Development Agreement with Siemens Energy & Environmental Solution to evaluate the design, construction and operation of a solar panel electrical generation system at the Polonio Pass Water Treatment Plant.
- Authorize the Executive Director to retain the services of HDR Engineering and Legal Counsel to assist CCWA staff in reviewing Siemens special studies and engineering work to confirm compliance with the project acceptance criteria and to negotiate the Power Purchase Agreement with Siemens, in the amount of \$30,000 for legal Counsel and \$15,000 for HDR Engineering.

Scenario	Original	Proposed	Benefits	Risks
	<p>Power Purchase Agreement (Build, Own, Operate, Transfer Agreement). Current business scenario for sole source negotiations with Siemens (Developer). Developer will complete feasibility assessment to develop PPA offer terms for CCWA that meets minimum economic savings and green energy benefits to CCWA. Siemens completes development, design, construction of Owner/Developer/Operator - Sole Source Negotiation Facility and performs long term O&M Siemens</p>	<ul style="list-style-type: none"> • Immediate benefit opportunity, • No upfront capital required for CCWA, • Production risk completely on Developer, • Saved cost of RFP solicitation, • Maximized capture of tax incentives 	<ul style="list-style-type: none"> • Not control of land use, • No direct control over facility operations, • Marginal savings compared to self develop model 	<ul style="list-style-type: none"> • Utility bankruptcy, • Utility rate/changes structural changes over time, • Commercial terms exceptions, • Force majeure, • Developer unable to deliver contracted power production,
	<p>Power Purchase Agreement (Build, Own, Operate, Transfer Agreement). CCWA to develop procurement solicitation for Scope offered by Siemens for competitive bidding of PPA. Developer completes development, design, construction of Owner/Developer/Operator - TBD facility performs long term O&M. (winning Bidder)</p>	<ul style="list-style-type: none"> • Immediate benefit opportunity, • No upfront capital required for CCWA, • Production risk completely on developer, • Maximized capture of tax incentives, • Highly competitive market for PPA, • Maximized potential savings in PPA scenario, • No OPEX or maintenance staff requirements for CCWA 	<ul style="list-style-type: none"> • Lost control of land use, • No direct control over facility operations, • Marginal savings compared to self develop model, • Additional costs for solicitation process, • May lose Siemens as bidder, 	<ul style="list-style-type: none"> • Utility bankruptcy, • Utility rate/changes structural changes over time, • Commercial terms exceptions, • Force majeure, • Developer unable to deliver contracted power production, • Unable to find sufficient bidders in current solar market, • Vary years of ownership for credits, • Tight labor market for solar construction in CA (bid quality), • Utility bankruptcy, • Utility rate/changes structural changes over time, • Commercial terms exceptions, • Force majeure, • Developer unable to deliver contracted power production, • Long term warranty claims, • Construction quality meeting CCWA preferences,
	<p>Build Transfer Agreement. Developer designs, permits, and constructs the facility. CCWA purchases facility for pre-agreed price upon substantial completion. CCWA performs long term O&M.</p>	<ul style="list-style-type: none"> • Developer may be able to capture tax credits and safe harbor benefits for equipment procurement, • All energy savings/monetary savings captured by CCWA once CAPEX/OPEX accounted for, • CCWA can use traditional procurement strategies for process (Design/bid/build), • Developer responsible for utility interconnection requirements 	<ul style="list-style-type: none"> • OPEX budget & staffing requirements, • CCWA responsible for maintenance activities, • No guarantee of savings, • Long term production risk on CCWA, 	<ul style="list-style-type: none"> • Ability to better integrate facility into plant operations during design (maximize performance), • Green Energy benefits for CCWA use,
	<p>CCWA to self develop or individually hire services to complete development, design, construction of facility. CCWA performs long term O&M</p>	<ul style="list-style-type: none"> • All energy savings/monetary savings captured by CCWA once CAPEX/OPEX accounted for, • CCWA can use traditional procurement strategies for process (Design/bid/build), • Direct control over facility operations, • Direct control over facility quality 	<ul style="list-style-type: none"> • CCWA experience with solar • Upfront CAPEX cost requirements, • CCWA unable to capture federal tax credits/higher initial CAPEX, • OPEX budget & staffing requirements, • CCWA responsible for maintenance activities, • No guarantee of savings, Solely responsible for utility interconnection requirements, • Additional RFP solicitation costs, • Additional project development costs, • Low buying power in market for equipment/less efficient pricing 	<ul style="list-style-type: none"> • CCWA receives all project benefits, • No safe harbor requirements, • CCWA low cost of capital, • Schedule flexibility to delay into 2021 or later

SIEMENS

Ingenuity for life

Prepared For
CCWA - Polonio Pass
0000000
collin.ackerman@siemens.com



The Energy Toolbase provides comprehensive cost analysis for commercial, municipal, and residential renewable energy projects. We provide the tools that professionals need to compete in the fast paced renewable energy market by leveraging our first hand experience developing energy projects. Our software developers are NABCEP certified energy professionals and have completed energy analysis for companies including the Mirage Casino Resorts, Boston Scientific, Leviton, Balfour Beatty Construction, and many others.

PV Only - 569kW Option R \$0.09/kwh
PPA - 3% PG&E escalation

Prepared By
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7/8/2020

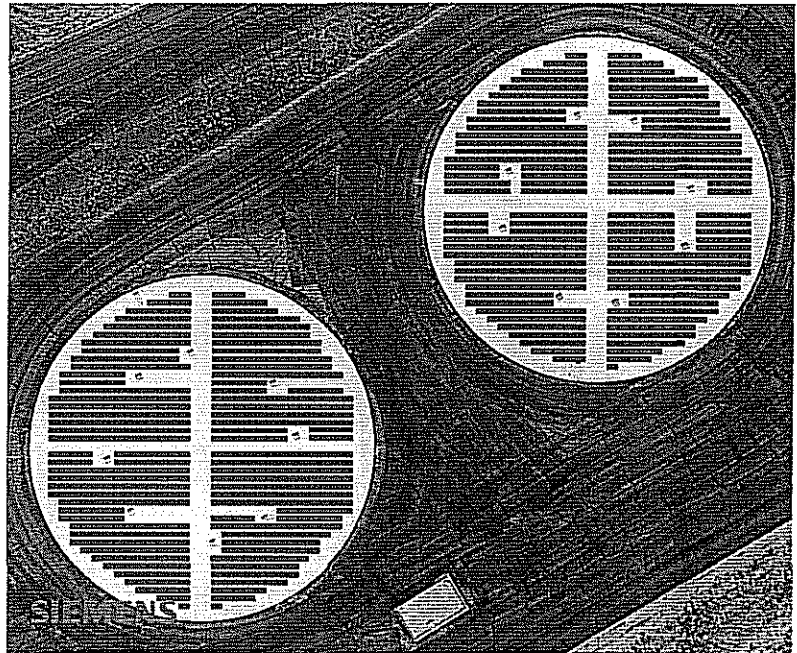


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1 Project Summary

Payment Options	\$0.09/kWh
PPA Escalation Rate	2.75%
Starting PPA Rate	\$0.09/kWh
Upfront Payment	-
Term	20 Years
Total Payments	\$2,284,570
30-Year Electric Bill Savings	\$4,461,731
30-Year LCOE PV	\$0.08
30-Year NPV	\$721,916

Combined Solar PV Rating

Power Rating: 569,195 W-DC

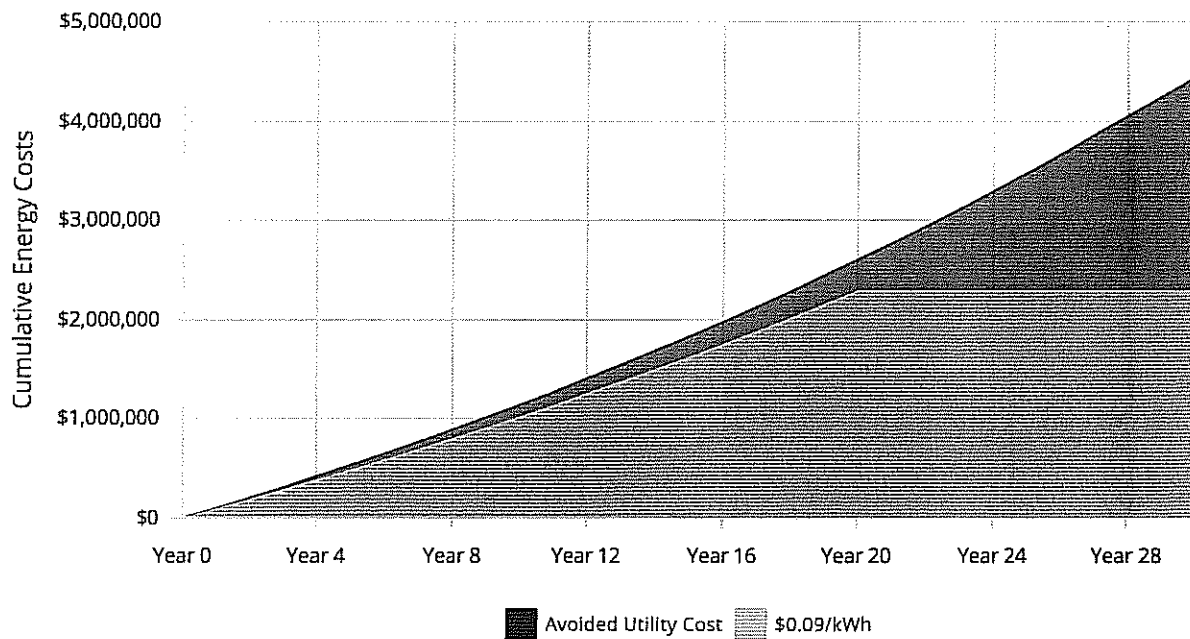
Power Rating: 495,803 W-AC-CEC

Combined ESS Ratings

Energy Capacity: 0.0 kWh

Power Rating: 0.0 kW

Cumulative Energy Costs By Payment Option



2.1.1 PV System Details

General Information

Facility: Facility #1
 Address: CA CA 93461

Solar PV System Rating

Power Rating: 569,195 W-DC
 Power Rating: 495,803 W-AC-CEC

Solar PV Equipment Description

Solar Panels: (1441) Talesun TP6F72M 395 (1000V)
 Inverters: (4) Sungrow SG 125HV

Energy Consumption Mix

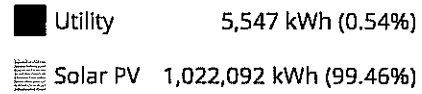
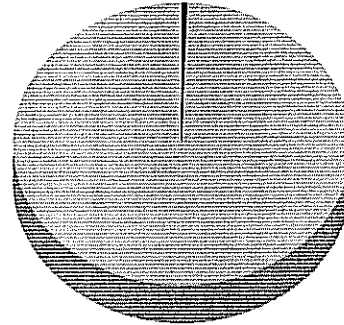
Annual Energy Use: 1,027,639 kWh

Solar PV Equipment Typical Lifespan

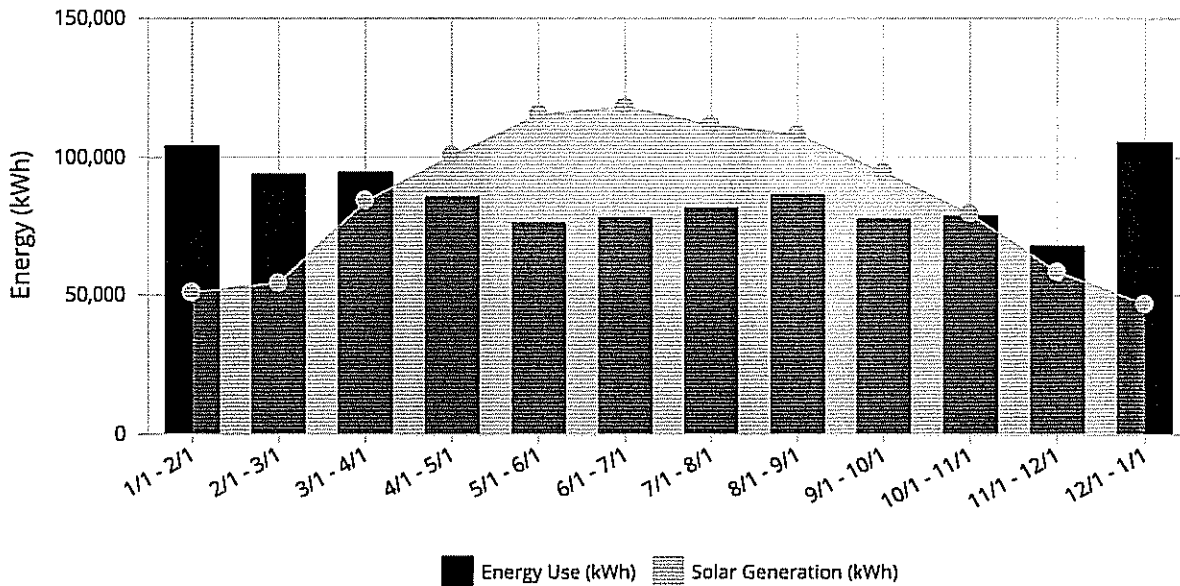
Solar Panels: Greater than 30 Years
 Inverters: 15 Years

Solar PV System Cost And Incentives

Solar PV System Cost	\$1,928,833
Net Solar PV System Cost:	\$1,928,833



Monthly Energy Use vs Solar Generation



2.1.2 Rebates and Incentives

This section summarizes all incentives available for this project. The actual rebate and incentive amounts for this project are shown in each example.

2.1.3 Utility Rates

You have the option to remain on your current rate schedule (E-19, Primary (PROPOSED)) or switch to an alternative rate schedule (B-19 Option R). The rates for each are shown below and your estimated electric bills are shown on the following page for each rate schedule.

Fixed Charges			Energy Charges			Demand Charges		
Type	E-19, Primary (PROPOSED)	B-19 Option R	Type	E-19, Primary (PROPOSED)	B-19 Option R	Type	E-19, Primary (PROPOSED)	B-19 Option R
W1 Daily	\$36.14	\$4.60	W1 Part Peak	\$0.11885		W1 NC	\$16.02	\$17.41
W2 Daily	\$36.14	\$4.60	W1 Off Peak	\$0.09368	\$0.10659	W2 NC	\$16.02	\$17.41
S Daily	\$36.14	\$4.60	W2 Part Peak	\$0.11885		S NC	\$16.02	\$17.41
			W2 Off Peak	\$0.09368	\$0.10659	W1 Part Peak	\$1.10	
			W2 Super Off Peak	\$0.05786	\$0.07077	W2 Part Peak	\$1.10	
			S On Peak	\$0.12917	\$0.34307	S On Peak	\$16.25	\$2.48
			S Part Peak	\$0.11013	\$0.16833	S Part Peak	\$2.48	\$0.71
			S Off Peak	\$0.09357	\$0.11127			
			W1 On Peak		\$0.14425			
			W2 On Peak		\$0.14425			

2.1.4 Current Electric Bill

The table below shows your annual electricity costs based on the most current utility rates and your previous 12 months of electrical usage.

Rate Schedule: PG&E - E-19, Primary (PROPOSED)

Time Periods Bill Ranges & Seasons	Energy Use (kWh)				Max Demand (kW)				Charges			
	On Peak	Part Peak	Off Peak	Super Off Peak	NC / Max	On Peak	Part Peak	Other	NBC	Energy	Demand	Total
1/1/2019 - 2/1/2019 W1	0	21,441	82,224	0	192	0	187	\$1,120	\$2,592	\$7,659	\$3,282	\$14,653
2/1/2019 - 3/1/2019 W1	0	19,493	74,260	0	194	0	187	\$1,012	\$2,344	\$6,930	\$3,314	\$13,599
3/1/2018 - 4/1/2018 W2	0	19,175	56,096	19,134	185	0	178	\$1,120	\$2,360	\$6,281	\$3,160	\$12,921
4/1/2018 - 5/1/2018 W2	0	16,647	51,021	17,557	204	0	180	\$1,084	\$2,131	\$5,643	\$3,466	\$12,324
5/1/2018 - 6/1/2018 W2	0	16,159	46,863	13,248	190	0	180	\$1,120	\$1,907	\$5,170	\$3,242	\$11,439
6/1/2018 - 7/1/2018 S	16,767	13,208	47,794	0	178	168	175	\$1,084	\$1,944	\$6,148	\$6,016	\$15,192
7/1/2018 - 8/1/2018 S	17,751	13,675	50,060	0	175	175	151	\$1,120	\$2,037	\$6,446	\$6,022	\$15,625
8/1/2018 - 9/1/2018 S	18,561	14,587	52,728	0	168	168	166	\$1,120	\$2,147	\$6,791	\$5,833	\$15,891
9/1/2018 - 10/1/2018 S	17,104	12,826	47,450	0	166	166	154	\$1,084	\$1,935	\$6,127	\$5,739	\$14,885
10/1/2018 - 11/1/2018 W1	0	17,059	61,755	0	173	0	156	\$1,120	\$1,970	\$5,842	\$2,943	\$11,876
11/1/2018 - 12/1/2018 W1	0	14,389	53,636	0	190	0	190	\$1,084	\$1,701	\$5,034	\$3,253	\$11,072
12/1/2018 - 1/1/2019 W1	0	22,166	82,804	0	197	0	194	\$1,120	\$2,624	\$7,767	\$3,369	\$14,881
Totals:	70,183	200,825	706,691	49,939	-	-	-	\$13,191	\$25,691	\$75,840	\$49,637	\$164,358

2.1.5 New Electric Bill

Rate Schedule Option 1: PG&E - E-19, Primary (PROPOSED)

Time Periods	Energy Use (kWh)				Max Demand (kW)			Charges				
	Bill Ranges & Seasons	On Peak	Part Peak	Off Peak	Super Off Peak	NC / Max	On Peak	Part Peak	Other	NBC	Energy	Demand
1/1/2019 - 2/1/2019 W1	0	19,783	32,844	0	192	0	187	\$1,120	\$1,835	\$4,112	\$3,282	\$10,349
2/1/2019 - 3/1/2019 W1	0	16,523	22,599	0	194	0	187	\$1,012	\$1,587	\$3,103	\$3,314	\$9,016
3/1/2018 - 4/1/2018 W2	0	7,309	32,874	-29,862	185	0	178	\$1,120	\$1,454	\$1,962	\$3,160	\$7,696
4/1/2018 - 5/1/2018 W2	0	76	21,670	-36,762	204	0	180	\$1,084	\$1,202	\$287	\$3,466	\$6,040
5/1/2018 - 6/1/2018 W2	0	-3,310	12,559	-48,230	190	0	180	\$1,120	\$1,089	-\$1,033	\$3,242	\$4,418
6/1/2018 - 7/1/2018 S	-4,591	-11,935	-23,713	0	178	165	175	\$1,084	\$966	-\$3,120	\$5,967	\$4,897
7/1/2018 - 8/1/2018 S	-2,766	-10,364	-16,831	0	175	175	151	\$1,120	\$1,015	-\$2,325	\$6,022	\$5,833
8/1/2018 - 9/1/2018 S	-13	-9,688	-12,412	0	168	168	166	\$1,120	\$1,127	-\$1,677	\$5,833	\$6,403
9/1/2018 - 10/1/2018 S	4,140	-8,935	-12,228	0	166	166	139	\$1,084	\$1,077	-\$1,168	\$5,702	\$6,695
10/1/2018 - 11/1/2018 W1	0	8,639	-9,188	0	173	0	156	\$1,120	\$1,203	\$180	\$2,943	\$5,446
11/1/2018 - 12/1/2018 W1	0	13,182	-3,701	0	190	0	190	\$1,084	\$1,139	\$983	\$3,253	\$6,459
12/1/2018 - 1/1/2019 W1	0	21,458	36,421	0	197	0	193	\$1,120	\$1,914	\$4,515	\$3,368	\$10,918
Totals:	-3,230	42,738	80,894	-114,854	-	-	-	\$13,191	\$15,608	\$5,820	\$49,550	\$84,169

New Rate Schedule Option 2: PG&E - B-19 Option R

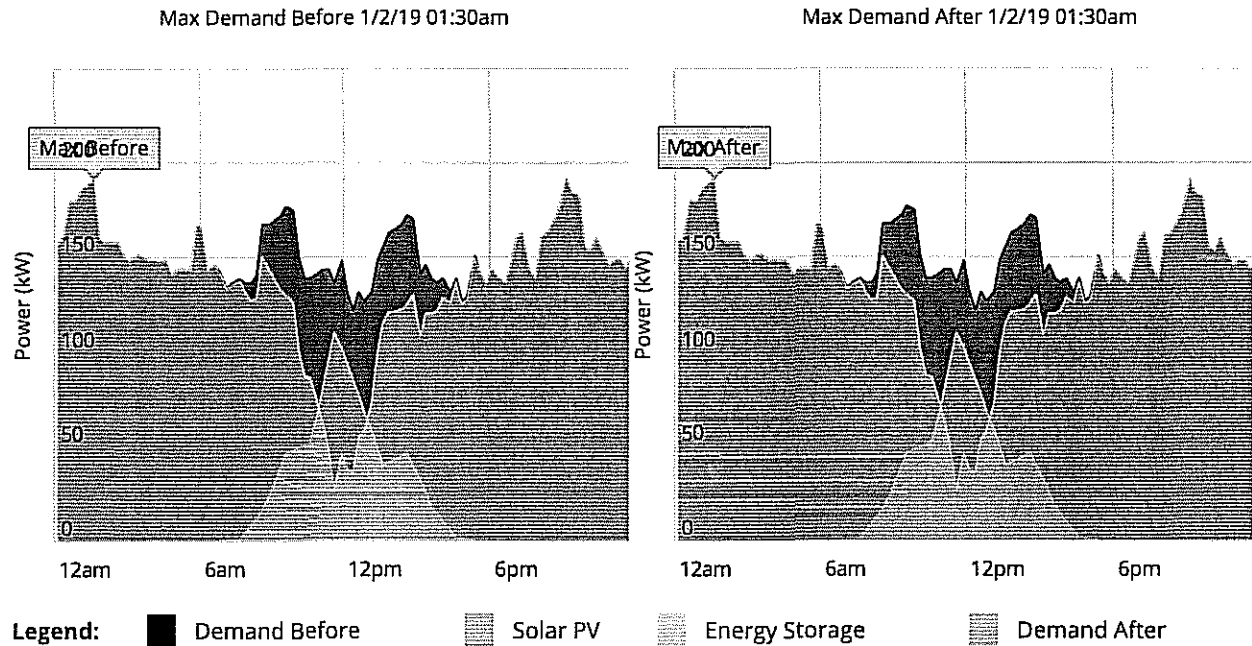
Time Periods	Energy Use (kWh)				Max Demand (kW)			Charges				
	Bill Ranges & Seasons	On Peak	Part Peak	Off Peak	Super Off Peak	NC / Max	On Peak	Part Peak	Other	NBC	Energy	Demand
1/1/2019 - 2/1/2019 W1	19,783	0	32,844	0	192	0	0	\$143	\$1,835	\$5,039	\$3,343	\$10,359
2/1/2019 - 3/1/2019 W1	16,523	0	22,599	0	194	0	0	\$129	\$1,587	\$3,814	\$3,378	\$8,908
3/1/2018 - 4/1/2018 W2	7,309	0	32,874	-29,862	185	0	0	\$143	\$1,454	\$2,187	\$3,221	\$7,004
4/1/2018 - 5/1/2018 W2	76	0	21,670	-36,762	204	0	0	\$138	\$1,202	\$95	\$3,552	\$4,986
5/1/2018 - 6/1/2018 W2	-3,310	0	12,559	-48,230	190	0	0	\$143	\$1,089	-\$1,578	\$3,308	\$2,962
6/1/2018 - 7/1/2018 S	-4,591	-11,935	-23,713	0	178	165	175	\$138	\$966	-\$5,217	\$3,632	-\$480
7/1/2018 - 8/1/2018 S	-2,766	-10,364	-16,831	0	175	175	151	\$143	\$1,015	-\$3,817	\$3,588	\$929
8/1/2018 - 9/1/2018 S	-13	-9,688	-12,412	0	168	168	166	\$143	\$1,127	-\$2,463	\$3,459	\$2,265
9/1/2018 - 10/1/2018 S	4,140	-8,935	-12,228	0	166	166	139	\$138	\$1,077	-\$1,019	\$3,400	\$3,596
10/1/2018 - 11/1/2018 W1	8,639	0	-9,188	0	173	0	0	\$143	\$1,203	\$281	\$3,012	\$4,638
11/1/2018 - 12/1/2018 W1	13,182	0	-3,701	0	190	0	0	\$138	\$1,139	\$1,270	\$3,308	\$5,855
12/1/2018 - 1/1/2019 W1	21,458	0	36,421	0	197	0	0	\$143	\$1,914	\$5,530	\$3,430	\$11,017
Totals:	80,430	-40,922	80,894	-114,854	-	-	-	\$1,679	\$15,608	\$4,122	\$40,630	\$62,040

Annual Electricity Savings: \$102,319

2.1.6 Demand Profiles

Date Range: 1/1/2019 - 2/1/2019

Max NC Demand: The charts below show when the maximum non-coincident (NC) demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.



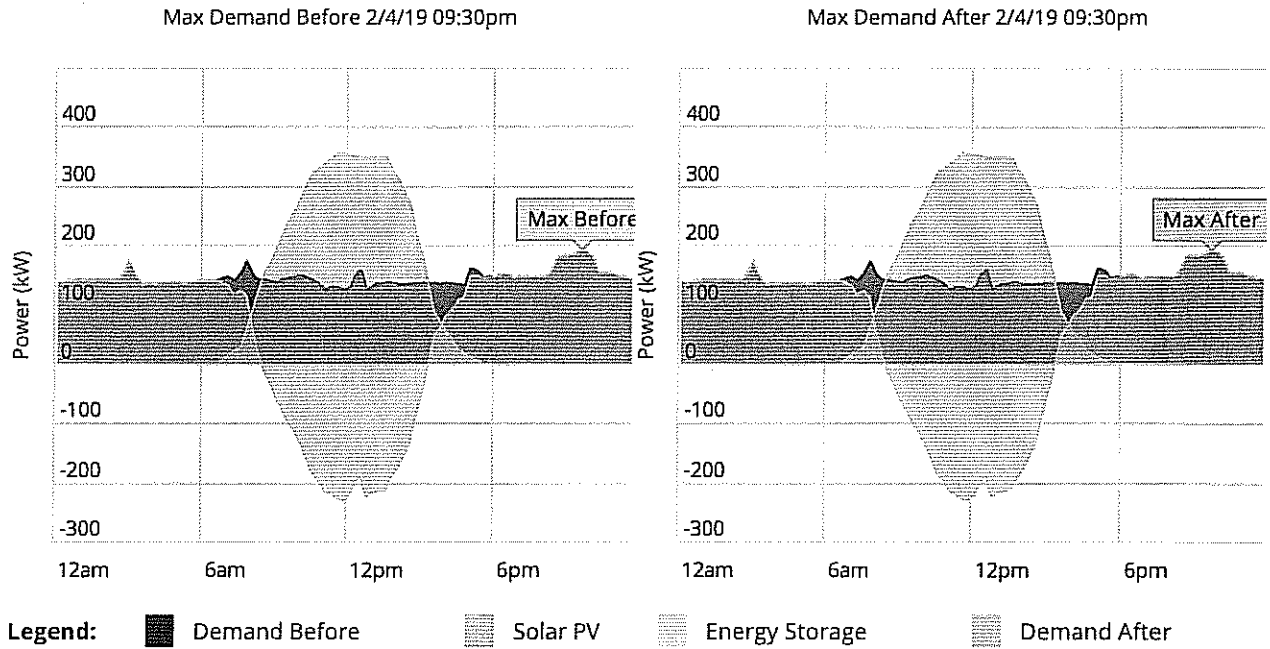
Max On-Peak Demand: The charts below show when the maximum on-peak demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.

Charts Not Applicable

Demand Profiles

Date Range: 2/1/2019 - 3/1/2019

Max NC Demand: The charts below show when the maximum non-coincident (NC) demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.



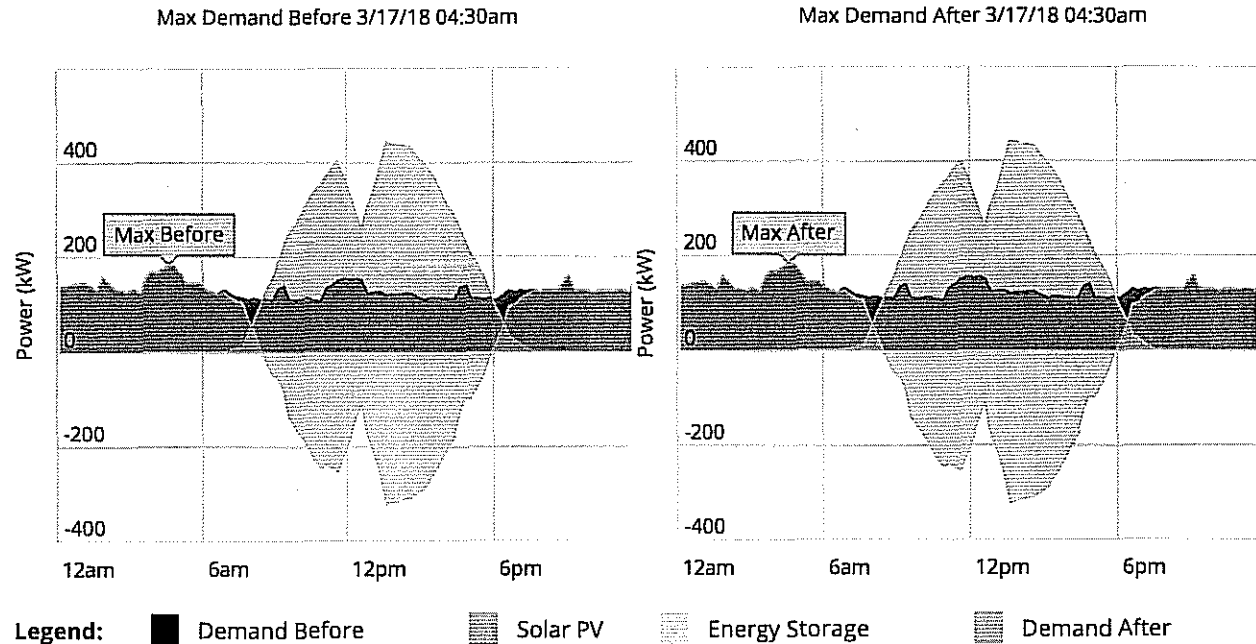
Max On-Peak Demand: The charts below show when the maximum on-peak demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.

Charts Not Applicable

Demand Profiles

Date Range: 3/1/2018 - 4/1/2018

Max NC Demand: The charts below show when the maximum non-coincident (NC) demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.



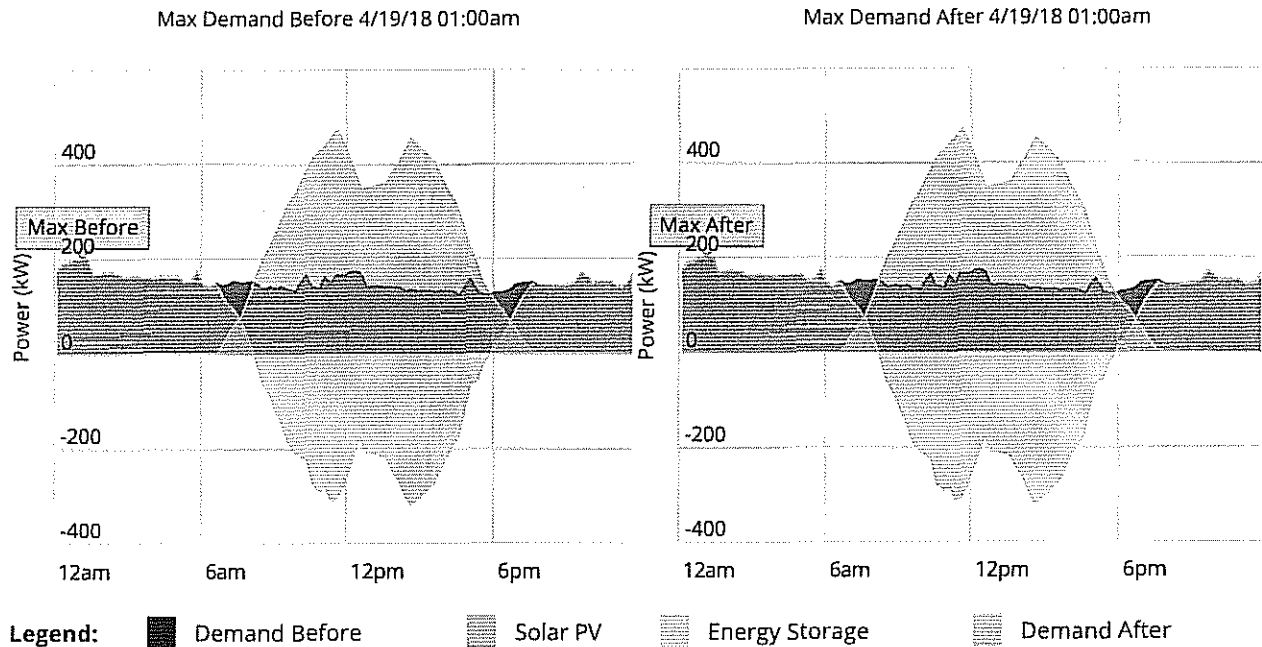
Max On-Peak Demand: The charts below show when the maximum on-peak demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.

Charts Not Applicable

Demand Profiles

Date Range: 4/1/2018 - 5/1/2018

Max NC Demand: The charts below show when the maximum non-coincident (NC) demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.



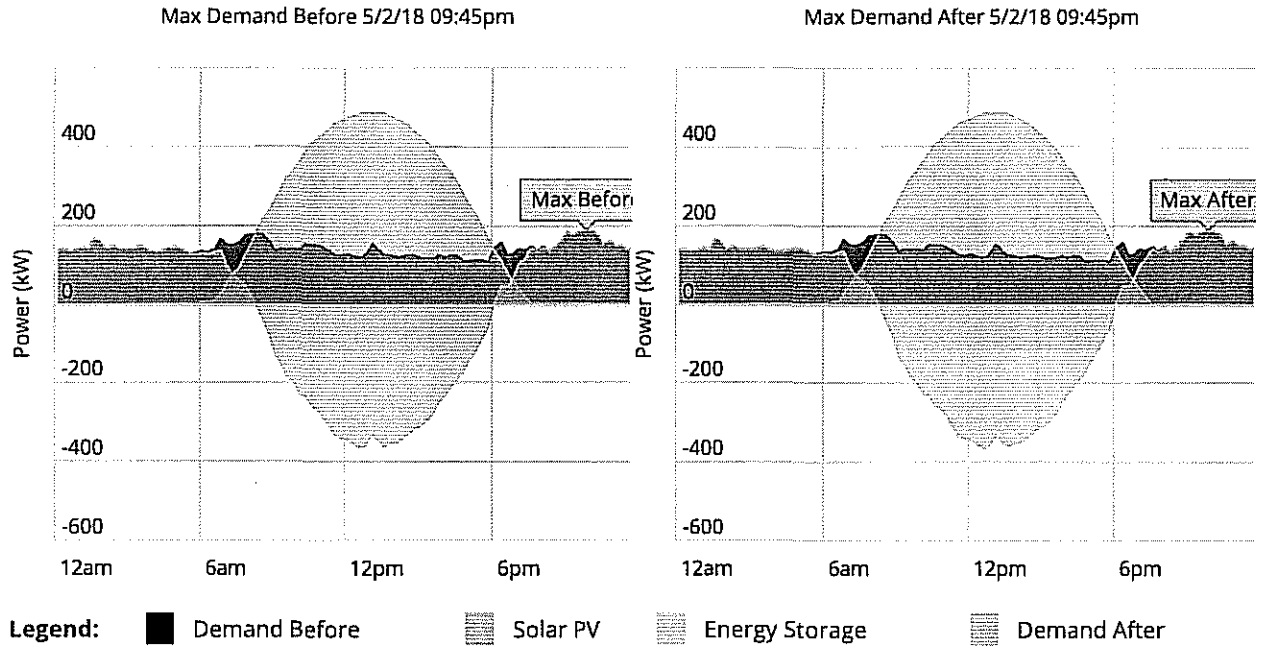
Max On-Peak Demand: The charts below show when the maximum on-peak demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.

Charts Not Applicable

Demand Profiles

Date Range: 5/1/2018 - 6/1/2018

Max NC Demand: The charts below show when the maximum non-coincident (NC) demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.



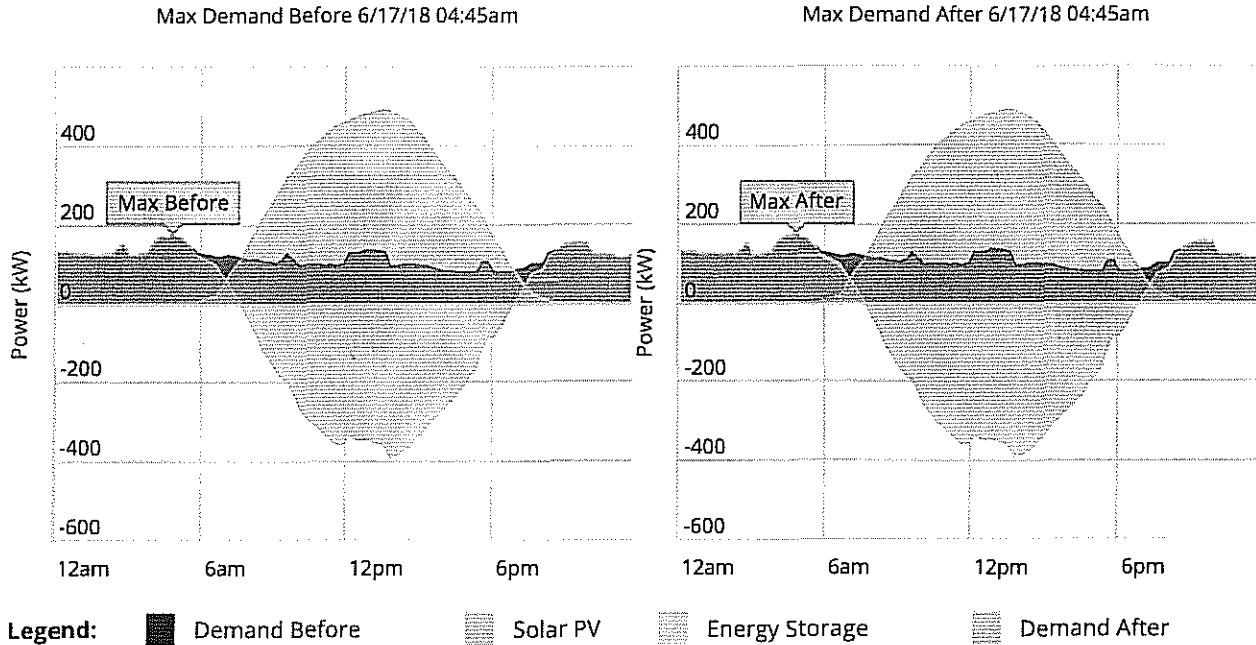
Max On-Peak Demand: The charts below show when the maximum on-peak demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.

Charts Not Applicable

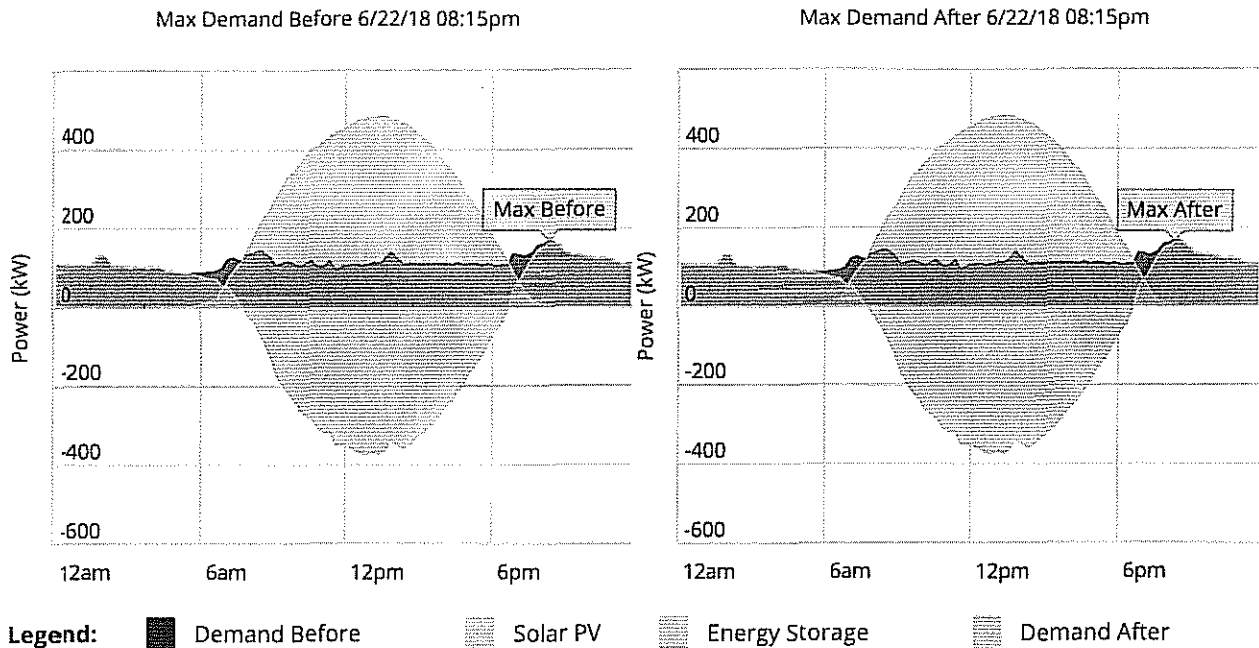
Demand Profiles

Date Range: 6/1/2018 - 7/1/2018

Max NC Demand: The charts below show when the maximum non-coincident (NC) demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.



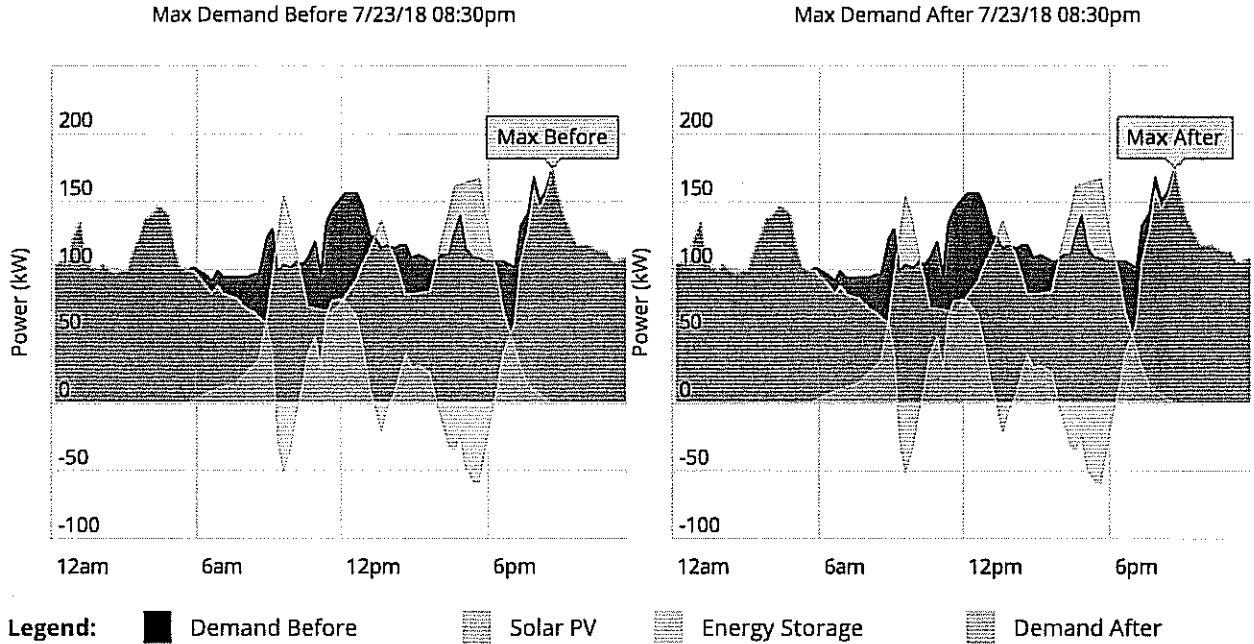
Max On-Peak Demand: The charts below show when the maximum on-peak demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.



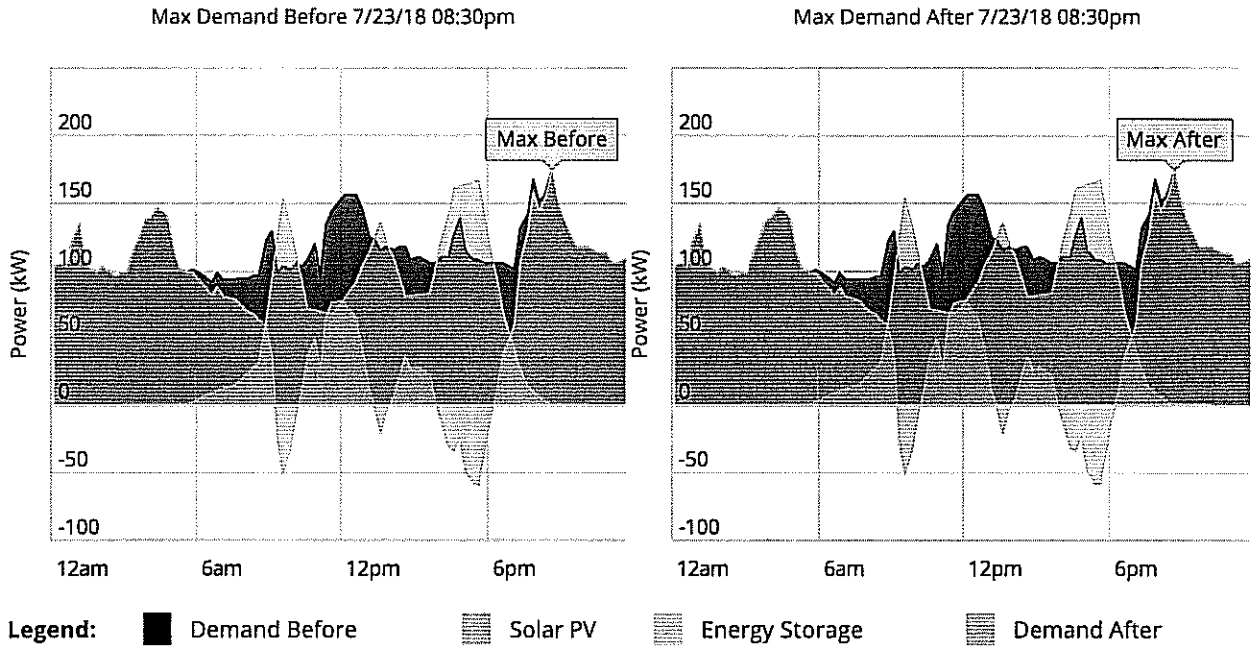
Demand Profiles

Date Range: 7/1/2018 - 8/1/2018

Max NC Demand: The charts below show when the maximum non-coincident (NC) demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.



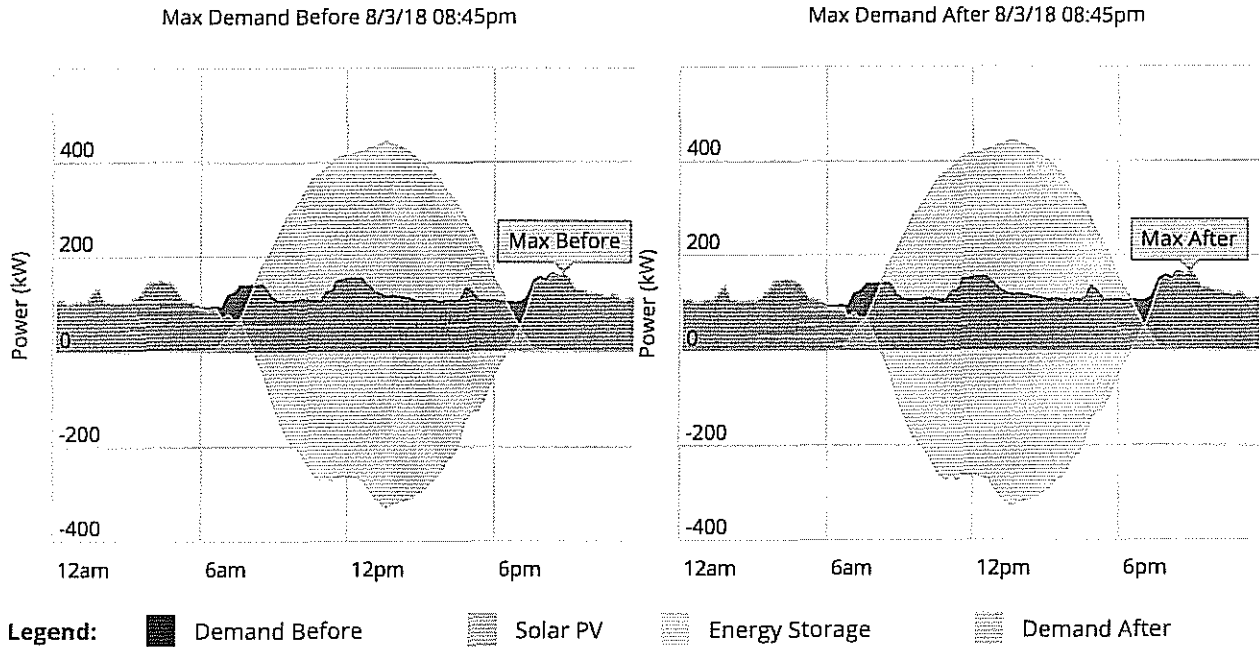
Max On-Peak Demand: The charts below show when the maximum on-peak demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.



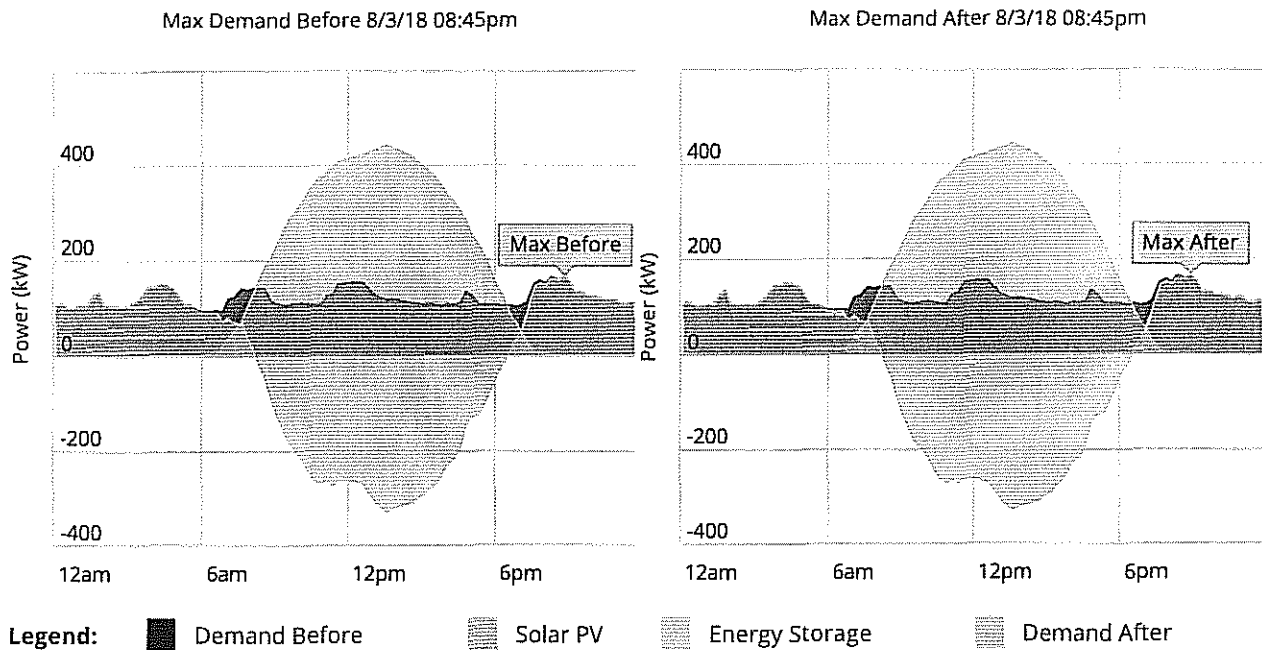
Demand Profiles

Date Range: 8/1/2018 - 9/1/2018

Max NC Demand: The charts below show when the maximum non-coincident (NC) demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.



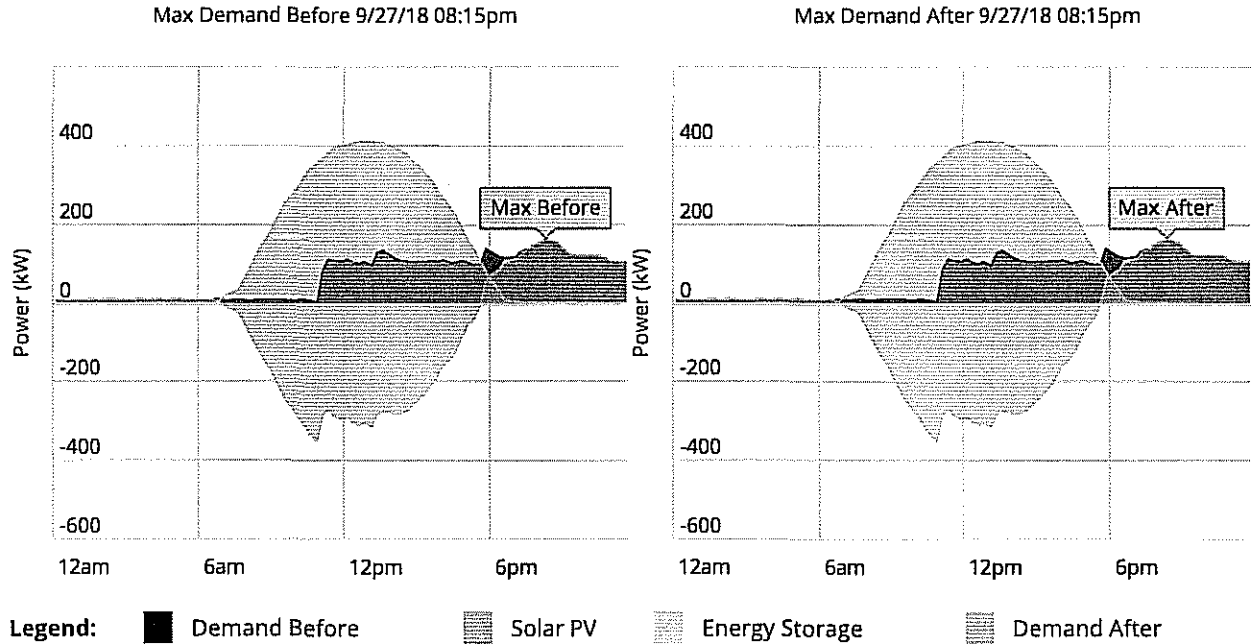
Max On-Peak Demand: The charts below show when the maximum on-peak demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.



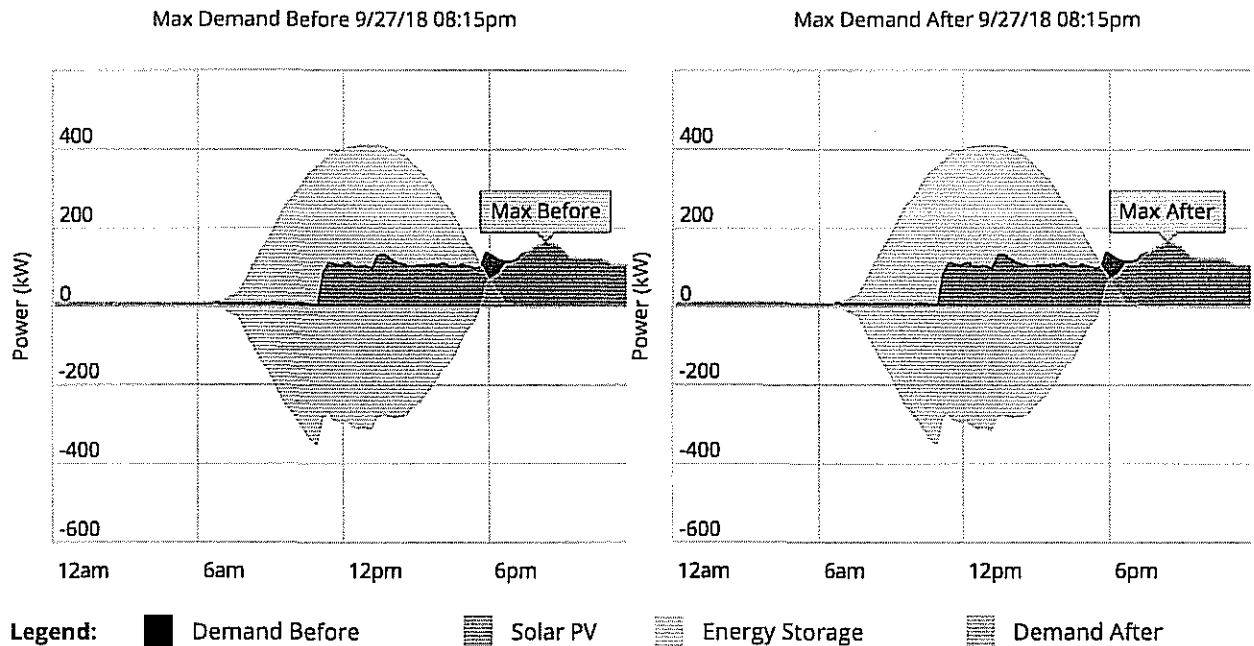
Demand Profiles

Date Range: 9/1/2018 - 10/1/2018

Max NC Demand: The charts below show when the maximum non-coincident (NC) demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.



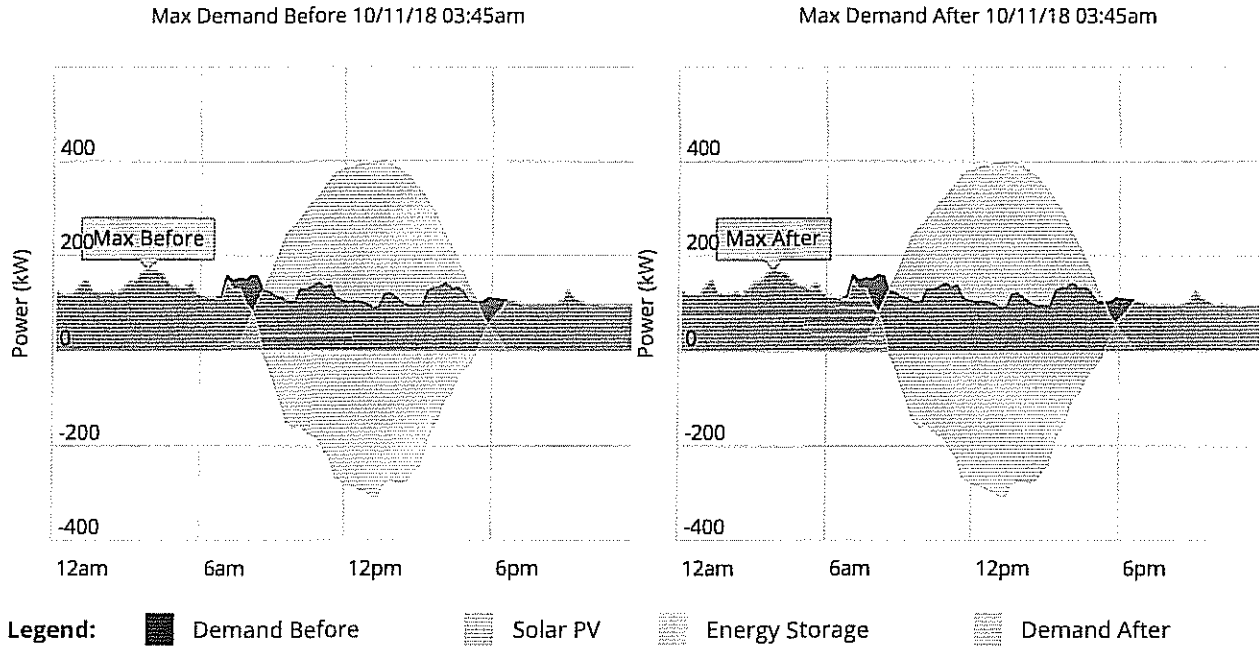
Max On-Peak Demand: The charts below show when the maximum on-peak demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.



Demand Profiles

Date Range: 10/1/2018 - 11/1/2018

Max NC Demand: The charts below show when the maximum non-coincident (NC) demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.



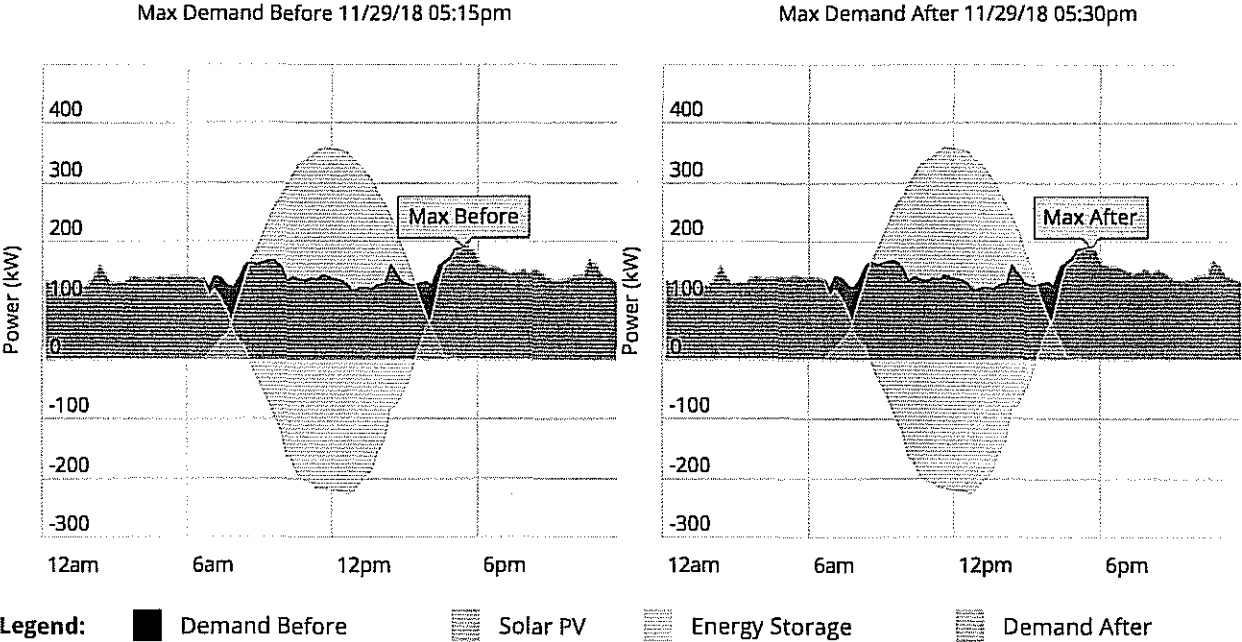
Max On-Peak Demand: The charts below show when the maximum on-peak demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.

Charts Not Applicable

Demand Profiles

Date Range: 11/1/2018 - 12/1/2018

Max NC Demand: The charts below show when the maximum non-coincident (NC) demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.



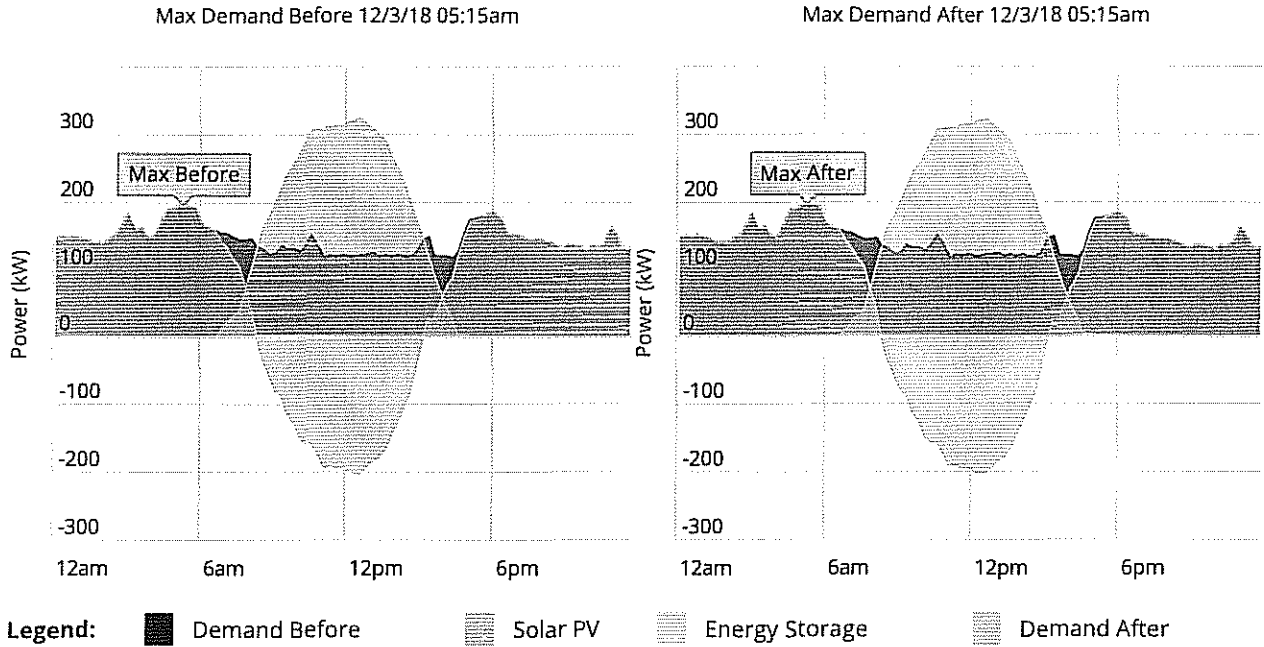
Max On-Peak Demand: The charts below show when the maximum on-peak demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.

Charts Not Applicable

Demand Profiles

Date Range: 12/1/2018 - 1/1/2019

Max NC Demand: The charts below show when the maximum non-coincident (NC) demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.



Max On-Peak Demand: The charts below show when the maximum on-peak demand for this facility occurred before and after the hybrid Solar PV with Storage system simulation.

Charts Not Applicable

3.1 \$0.09/kWh

Inputs and Key Financial Metrics

End of Term Buyout Payment	\$0	Term	20	Electricity Escalation Rate	3%
PPA Escalation Rate	2.75%	Total Payments	\$2,284,570	Federal Income Tax Rate	0%
Starting PPA Rate	\$0.09	PV Degradation Rate	0.5%	State Income Tax Rate	0%
Upfront Payment	\$0				

Years	PPA Payments	Electric Bill Savings	Total Cash Flow	Cumulative Cash Flow
Upfront	-	-	-	-
1	-\$91,988	\$102,319	\$10,330	\$10,330
2	-\$94,045	\$104,861	\$10,816	\$21,146
3	-\$96,146	\$107,464	\$11,318	\$32,465
4	-\$98,291	\$110,129	\$11,838	\$44,303
5	-\$100,481	\$112,857	\$12,376	\$56,679
6	-\$102,718	\$115,650	\$12,932	\$69,611
7	-\$105,001	\$118,509	\$13,507	\$83,118
8	-\$107,333	\$121,435	\$14,102	\$97,220
9	-\$109,713	\$124,430	\$14,717	\$111,937
10	-\$112,143	\$127,495	\$15,352	\$127,289
11	-\$114,624	\$130,632	\$16,009	\$143,297
12	-\$117,156	\$133,843	\$16,687	\$159,984
13	-\$119,741	\$137,129	\$17,388	\$177,373
14	-\$122,379	\$140,492	\$18,112	\$195,485
15	-\$125,072	\$143,933	\$18,860	\$214,345
16	-\$127,821	\$147,453	\$19,633	\$233,978
17	-\$130,626	\$151,056	\$20,430	\$254,408
18	-\$133,489	\$154,742	\$21,253	\$275,662
19	-\$136,410	\$158,514	\$22,103	\$297,765
20	-\$139,391	\$162,372	\$22,981	\$320,745
21	-	\$166,319	\$166,319	\$487,064
22	-	\$170,357	\$170,357	\$657,421
23	-	\$174,487	\$174,487	\$831,909
24	-	\$178,712	\$178,712	\$1,010,621
25	-	\$183,034	\$183,034	\$1,193,655
26	-	\$187,454	\$187,454	\$1,381,108
27	-	\$191,974	\$191,974	\$1,573,082
28	-	\$196,597	\$196,597	\$1,769,679
29	-	\$201,324	\$201,324	\$1,971,003
30	-	\$206,158	\$206,158	\$2,177,161
Totals:	-\$2,284,570	\$4,461,731	\$2,177,161	-

4.1 \$0.09/kWh

Inputs and Key Financial Metrics

End of Term Buyout Payment	\$0	Upfront Payment	\$0	PV Degradation Rate	0.5%	State Income Tax Rate	0%				
PPA Escalation Rate	2.75%	Term	20	Electricity Escalation Rate	3%						
Starting PPA Rate	\$0.09	Total Payments	\$2,284,570	Federal Income Tax Rate	0%						

Years	Upfront	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Cash											
PPA Payments	-	-\$91,988	-\$94,045	-\$96,146	-\$98,291	-\$100,481	-\$102,718	-\$105,001	-\$107,333	-\$109,713	-\$112,143
Electric Bill Savings	-	\$102,319	\$104,861	\$107,464	\$110,129	\$112,857	\$115,650	\$118,509	\$121,435	\$124,430	\$127,495
Cash	-	\$10,330	\$10,816	\$11,318	\$11,838	\$12,376	\$12,932	\$13,507	\$14,102	\$14,717	\$15,352
Total Cash Flow	-	\$10,330	\$10,816	\$11,318	\$11,838	\$12,376	\$12,932	\$13,507	\$14,102	\$14,717	\$15,352
Cumulative Cash Flow	-	\$10,330	\$21,146	\$32,465	\$44,303	\$56,679	\$69,611	\$83,118	\$97,220	\$111,937	\$127,289

4.1 \$0.09/kWh

Inputs and Key Financial Metrics

End of Term Buyout Payment	\$0	Upfront Payment	\$0	PV Degradation Rate	0.5%	State Income Tax Rate	0%
PPA Escalation Rate	2.75%	Term	20	Electricity Escalation Rate	3%		
Starting PPA Rate	\$0.09	Total Payments	\$2,284,570	Federal Income Tax Rate	0%		

Years	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21
Cash											
PPA Payments	-\$114,624	-\$117,156	-\$119,741	-\$122,379	-\$125,072	-\$127,821	-\$130,626	-\$133,489	-\$136,410	-\$139,391	-
Electric Bill Savings	\$130,632	\$133,843	\$137,129	\$140,492	\$143,933	\$147,453	\$151,056	\$154,742	\$158,514	\$162,372	\$166,319
Cash	\$16,009	\$16,687	\$17,388	\$18,112	\$18,860	\$19,633	\$20,430	\$21,253	\$22,103	\$22,981	\$166,319
Total Cash Flow	\$16,009	\$16,687	\$17,388	\$18,112	\$18,860	\$19,633	\$20,430	\$21,253	\$22,103	\$22,981	\$166,319
Cumulative Cash Flow	\$143,297	\$159,984	\$177,373	\$195,485	\$214,345	\$233,978	\$254,408	\$275,662	\$297,765	\$320,745	\$487,064

4.1 \$0.09/kWh

Inputs and Key Financial Metrics

End of Term Buyout Payment	\$0	Upfront Payment	\$0	PV Degradation Rate	0.5%	State Income Tax Rate	0%
PPA Escalation Rate	2.75%	Term	20	Electricity Escalation Rate	3%		
Starting PPA Rate	\$0.09	Total Payments	\$2,284,570	Federal Income Tax Rate	0%		

Years	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30	Totals
Cash										
PPA Payments	-	-	-	-	-	-	-	-	-	-\$2,284,570
Electric Bill Savings	\$170,357	\$174,487	\$178,712	\$183,034	\$187,454	\$191,974	\$196,597	\$201,324	\$206,158	\$4,461,731
Cash	\$170,357	\$174,487	\$178,712	\$183,034	\$187,454	\$191,974	\$196,597	\$201,324	\$206,158	\$2,177,161
Total Cash Flow	\$170,357	\$174,487	\$178,712	\$183,034	\$187,454	\$191,974	\$196,597	\$201,324	\$206,158	\$2,177,161
Cumulative Cash Flow	\$657,421	\$831,909	\$1,010,621	\$1,193,655	\$1,381,108	\$1,573,082	\$1,769,679	\$1,971,003	\$2,177,161	-



Industry
Smart Infrastructure

Project Development Agreement

Siemens Industry, Inc., a Delaware corporation with its principal place of business located at 100 Technology Drive, Alpharetta, Georgia 30005 ("Siemens") and the Central Coast Water Authority, a California joint powers authority, with its principal office located at 255 Industrial Way, Buellton, CA 93427 ("Client") (individually "Party" and collectively the "Parties"), enter into this Project Development Agreement ("PDA") on this ___ day of _____, 2020 (Effective Date) with respect to the following facts and intentions:

RECITALS

WHEREAS, Client has expressed interest in obtaining solar generated electricity for use by Client (the "Project").

WHEREAS, the intended site for the development of the Project to generate such solar electricity is Client's Polonio Pass Water Treatment Plant located at _____ ("Project Site");

WHEREAS, Client has selected Siemens to develop a proposal for the implementation of the Project pursuant to the terms and conditions of this PDA ("Proposal");

WHEREAS, in order to proceed further, Siemens must perform certain development work in order to create a meaningful Proposal to present to Client;

WHEREAS, such development work includes, but is not limited to, preliminary design documents, pricing, determining interconnection to existing electricity supply systems, and other works as determined by Siemens ("Development Work") as is described in greater detail in Exhibit B and Client must provide Siemens with additional access to the Site for the Development Work; and,

WHEREAS, the Parties agree that Siemens shall perform the Development Work and prepare the Proposal in accordance with the terms and conditions of this PDA.

NOW THEREFORE, as a result of the above Recitals, which are specifically incorporated herein and for the mutual consideration contained herein, the Parties agree as follows:

AGREEMENT

1. **Term.** The term of this PDA ("Term") shall commence on the Effective Date and continue until terminated as provided in this PDA. Upon the Effective Date, Siemens shall commence performing the Development Work. The time period for performing the Development Work shall conclude upon the submission of the Proposal to Client. Siemens shall use reasonable efforts to complete the Development Work and submit the Proposal no later than one hundred-eighty (180) days from the Effective Date. The Proposal shall be valid, and may not be withdrawn by Siemens, for a period of sixty (60) days, commencing on submittal of the Proposal to the Client in order to provide client sufficient time to evaluate the Proposal. The Parties agree to use their best efforts to meet the following milestone schedule:

Milestone	Target Date
Kickoff meeting	
Submittal and Presentation of the Proposal	
Client Evaluation of the Proposal	
Client Decision	

PPA Negotiation	
PPA Execution	
Project Implementation	

2. **Required Information.** Client authorizes Siemens, its employees, agents, consultants and subcontractors, on a need to know basis, to inspect and copy all information and data that Siemens reasonably deems is necessary to sufficiently perform the Development Work, whether such information is in Client's possession or in the possession of a third-party to which Client shall provide Siemens with sufficient access to the Project Site and documentation where required in order to obtain such information for the Development Work. Client shall provide Siemens, its employees, agents and contractors, with reasonable access to the Project Site pursuant to a separate site access agreement which is attached as Exhibit A, and incorporated by this reference ("Site Access Agreement"). In addition, Client shall promptly provide Siemens with Client's information as appropriate in relation to the following:

- a. Utility data for the past three (3) year(s), including but not limited to, actual copies of electrical, gas, water invoices, or other utility invoices requested by Siemens ("Utility Data");
- b. Information on the CCWA's hours of operation and modes of operation for the Project Site ("Operational Data");
- c. Names and contact information of persons with whom Siemens can confer regarding any of the Utility Data, Operational Data, financial information and general day-to-day issues that may arise during performance of the Development Work ("Contact Persons");
- d. If applicable, an audited financial statement for the fiscal year immediately preceding the Effective Date; and,
- e. Any and all other information requested by Siemens reasonably necessary in order for Siemens to perform the Development Work.

3. **Representations, Warranties and Covenants of the Parties.**

- a. Each Party represents, warrants and covenants to the other Party that:
 - i. It has all requisite power and authority, whether statutory or otherwise, to enter into this PDA, and that its execution has been duly authorized and does not and will not constitute a breach or violation of any of its organizational documents, any applicable laws or regulations, or any agreements with third parties;
 - ii. It has done and will continue to do all things necessary to preserve and keep in full force and effect its existence for purposes of and this PDA;
 - iii. This PDA is a legal, valid and binding obligation of the Party, in accordance with its terms, and all requirements of the Party have been met and procedures have been followed by the Party to ensure the enforceability of this PDA; and,
 - iv. To the Party's best knowledge, there is no pending or threatened suit, action, litigation or proceeding against or affecting the Party that impacts the validity or enforceability of this PDA.
- b. Siemens further represents, warrants and covenants to Client that Siemens is duly authorized to do business in all locations where the Development Work is to be performed and the Project is to be located.
- c. Client further represents, warrants and covenants to Siemens, to the best of its knowledge, that: 1) any information provided to Siemens, or that is provided to Siemens, by Client or on

behalf of Client, is accurate and that Siemens is entitled to rely on the accuracy of the same in performing the Development Work, and 2) Siemens shall not be held liable to Client in any manner whatsoever for any error, inaccuracy or omission that is caused solely by Siemens' reliance on the information supplied by Client or information provided to Siemens on behalf of Client.

4. **Transactional Structure.** Client and Siemens acknowledge that the Project may be implemented through various transactional structures, the specific structure to be determined as part of the Development Work. Such transaction structures may include Client entering into a Power Purchase Agreement ("PPA") with a company other than Siemens, but with whom Siemens has a direct or indirect financial interest, (a "Project Company") or Siemens may assign its rights under the PPA to a Project Company with whom Client acknowledges the assignment rights necessary to facilitate project financing. These transaction structure alternatives enable Siemens to incorporate the Project's financial benefits to include but not limited to federal tax credits, associated asset ownership benefits and incentives as may be appropriate for project financing. The Parties acknowledge that any pricing or similar economic parameters as represented by Siemens to Client, if any, are conditioned upon Siemens' rights to utilize the finance transactional structures as defined herein.

5. **Fee.** Siemens shall perform the Development Work for the fixed fee of **\$60,000.00 (Sixty thousand Dollars and no cents)** (the "Fee").

6. **Payment of the Fee.**

a. In the event that the ~~Proposal~~ Development Work demonstrates that the criteria set forth in the attached Exhibit B – Project Criteria, which is incorporated by this reference, ("Project Criteria") can be met through a PPA structure and Siemens submits the Proposal to Client containing ~~such information meeting the requirements of the~~ Project Criteria, then Client shall be liable to Siemens for the Fee, except as provided below.

b. On the Effective Date and during the period of time that the Development Work is being performed, Siemens will direct resources to develop the Proposal. Where the Proposal is completed, it will be submitted to Client within the time period set forth in Section 1 of this PDA. The Proposal will identify that the Fee will be included in the calculation of the PPA pricing. Therefore, if the PPA is executed by the Parties, Client will have no obligation to pay the Fee to Siemens, ~~because the Fee will be~~ having been included in the pricing under the PPA.

c. In the event that Client is liable to Siemens for the Fee pursuant to ~~clause~~ section 6.a. and Siemens has provided Client with the Proposal pursuant to ~~section~~ clause 6.b., but Client rejects the Proposal, Siemens will submit an invoice to Client for the Fee. Client shall pay Siemens in immediately available funds no later than thirty (30) days from the date of invoice.

d. If during the performance of the Development Work, Siemens believes that the Project Criteria cannot be reasonably achieved and, therefore, the Proposal cannot be provided to Client, Siemens will notify Client and then Client shall not have any obligation to pay the Fee.

7. **Proposal Evaluation.** Upon the Client's receipt of the Proposal, the Client will review the Proposal for completeness before proceeding to review the Proposal in accordance with the Project Criteria. In order to assist in the evaluation process, the Client may, in its sole discretion, request clarifications from Siemens in order to clarify aspects of the Proposal. The Client will determine if the Proposal meets the Project Criteria and, if not, which Project Criteria are not met. If the Client determines that the Proposal does not meet the Project Criteria, the Client will notify Siemens of the Project Criteria that have not been met by the Proposal. Siemens will then have a reasonable opportunity to supplement the Proposal in an attempt to comply with the Project Criteria. If there are any discrepancies between the hard copy and the electronic copy of any information provided in the Proposal, the hard copy version will prevail. If there are any differences between the sum of individual line amounts and totals, the individual line amounts will prevail. The Client may request Siemens to correct any minor irregularities or errors in the Proposal as identified by the Client following initial evaluation of the Proposal. The evaluation process

will consider any revised information and reevaluate and revise scores as appropriate. Client shall complete its evaluation of the Proposal within the time period specified in section 1, above.

8. **Good Faith Negotiation.** If the Proposal meets all of the Project Criteria and Siemens has substantially complied with all of the material terms and conditions of this PDA, the Parties acknowledge that each Party is obligated under this PDA to proceed in good faith, including the good faith negotiation of the PPA. The Parties agree to attempt to negotiate a term sheet for a PPA ("Term Sheet"). The Term Sheet will establish the principal terms and conditions acceptable to both parties for purposes of the development and negotiation of a PPA.

Execution of the Term Sheet is contingent upon the successful negotiation of terms. The Parties intend that negotiations shall be confidential and not subject to disclosure to third parties. If a satisfactory conclusion to negotiations of a Term Sheet cannot be reached with Siemens after the Parties have negotiated in good faith for a reasonable period of time, not to exceed 30 days, the Client will formally end negotiations and may: (a) reject the Proposal, (b) issue a request for revisions to the Proposal, or (c) extend the period for negotiating a Term Sheet.

After execution of the Term Sheet, the Parties plan to commence good faith negotiations to attempt to negotiate a PPA based on the principal terms and intent of the executed Term Sheet. Any execution of the PPA is contingent upon the successful negotiation of final terms. If a satisfactory conclusion to negotiations of a PPA cannot be reached with Siemens after the Parties have negotiated in good faith for a period of 30 days, the Client will formally end discussions with Siemens and may: (a) reject the Proposal and Term Sheet, (b) issue a request for revisions to the Proposal and Term Sheet; or (c) extend the period for negotiations.

9. **Termination.** Client may terminate this PDA at any time with fifteen (15) days prior written notice to Siemens. Client shall then pay to Siemens a termination fee equal to Siemens' actual reasonable costs and expenses incurred up to the date of termination which shall not exceed the Fee. If Client terminates the Site Access Agreement prior to Siemens submittal of the Proposal to Client's site access agreement (Exhibit A), such termination shall operate to terminate this PDA and Client's obligations under the preceding sentence shall apply.

10. **Insurance.** Siemens shall procure and maintain in full force and effect during the Term the following insurance:

a. **Commercial General Liability.** Commercial general liability insurance for bodily injury (including death), personal injury, property damage, owned and non-owned equipment, blanket contractual liability, completed operations, explosion, collapse, underground excavation and removal of lateral support covering Siemens' activities under this PDA, which coverage shall be at least as broad as Insurance Services Office (ISO) Occurrence form CG 0001, and with a limit in an amount of One Million Dollars (\$1,000,000).

b. **Workers' Compensation and Employer's Liability Insurance.** Workers' compensation insurance covering its employees in accordance with statutory requirements and employer's liability insurance with limits of One Million Dollars (\$1,000,000) each accident, One Million Dollars (\$1,000,000) policy limit, and One Million Dollars (\$1,000,000) each employee.

c. **Automobile Liability.** Automobile liability insurance for bodily injury and property damage which coverage shall be at least as broad as ISO Business Auto Coverage (Form CA 0001), covering Symbol 1 (any auto), and with a limit in an amount of One Million Dollars (\$1,000,000) each accident.

d. **General Requirements.** The commercial general and automobile liability policies shall contain, or be endorsed to contain the following provisions: (1) Client, its elected officials, officers, agents consultants, contractors and employees shall be named as additional insureds; (2) Siemens insurance shall be primary as respects Client, its elected officials, officers, agents and employees and any

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insurance, self-insurance or other coverage maintained by Client, its elected officials, officers, agents and employees shall not contribute to it; (3) any failure to comply with the reporting or other provisions of the policies including breaches and warranties shall not affect coverage provided to Client, its elected officials, officers, agents and employees; and (4) the Siemens' insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Siemens shall provide thirty (30) days written notice to Client prior to any cancellation or non-renewal of any policy or policies required by this PDA. All insurance coverage, as initially provided and as materially modified or changed, shall be subject to reasonable approval by Client. Any deductible or self-insured retention must be declared to and approved by Client. Prior to Siemens commencing work under this PDA and at any subsequent time, upon request by Client, Siemens shall provide Client with Certificates of Insurance evidencing the above coverages. Siemens shall be responsible for requiring and confirming that each sub-consultant and subcontractor meets the minimum insurance requirements specified above. The above insurance coverage shall not limit the indemnification obligations of Siemens as provided below and the failure to maintain the required coverages shall constitute a material breach of this PDA.

9. **Indemnity.** Siemens and Client shall indemnify and hold each other harmless from and against all damages, losses and expenses suffered or paid as a result of any and all claims, demands, suits, causes of action, proceedings, judgments and liabilities, fines, penalties and costs, including reasonable attorneys' fees and disbursements, incurred in litigation or otherwise assessed, incurred or sustained by or against the indemnified party arising out of or in connection with this PDA to the extent that such damages, losses and expenses result from the negligence or willful misconduct of the indemnifying Party.

10. **Limitation of Liability.** ANYTHING HEREIN NOTWITHSTANDING, IN NO EVENT SHALL EITHER CLIENT OR SIEMENS BE LIABLE TO THE OTHER PARTY FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING COMMERCIAL LOSS, LOSS OF USE, OR LOST PROFITS, EVEN IF EITHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND, IN ANY EVENT, SIEMENS' AGGREGATE LIABILITY FOR ANY AND ALL CLAIMS, LOSSES OR EXPENSES ARISING OUT OF THE DEVELOPMENT WORK PERFORMED UNDER THIS PDA WHETHER BASED IN CONTRACT, NEGLIGENCE, STRICT LIABILITY, AGENCY, WARRANTY, TRESPASS, INDEMNITY OR ANY OTHER THEORY OF LIABILITY, SHALL BE LIMITED TO THE GREATER OF \$1,000,000 OR THE TOTAL COMPENSATION RECEIVED BY SIEMENS FROM CLIENT UNDER THIS PDA, EXCEPT TO THE EXTENT SUCH DAMAGES ARE WITHIN THE SCOPE AND COVERED BY SIEMENS' INSURANCE POLICIES SUBJECT TO THE LIMITS IDENTIFIED ABOVE.

11. **No Fiduciary Relationship.** CLIENT ACKNOWLEDGES AND AGREES THAT IN READING ANY OF THE INFORMATION PROVIDED HEREIN OR BY SIEMENS (I) THE PROPOSED TRANSACTION DESCRIBED IN THIS PDA IS AN ARM'S-LENGTH COMMERCIAL TRANSACTION BETWEEN CLIENT AND SIEMENS, (II) IN CONNECTION THEREWITH AND WITH THE DISCUSSIONS, UNDERTAKINGS, AND PROCEDURES LEADING UP TO THE CONSUMMATION OF THIS TRANSACTION, SIEMENS IS AND HAS BEEN ACTING SOLELY AS A PRINCIPAL AND IS NOT ACTING AS THE AGENT OR FIDUCIARY OF CLIENT, (III) SIEMENS IS NOT AN ADVISOR TO OR FIDUCIARY OF CLIENT WITH RESPECT TO THE TRANSACTION CONTEMPLATED HEREBY OR THE DISCUSSIONS, UNDERTAKINGS, AND PROCEDURES LEADING THERETO (REGARDLESS OF WHETHER SIEMENS HAS PROVIDED OTHER SERVICES OR IS CURRENTLY PROVIDING OTHER SERVICES TO CLIENT ON OTHER MATTERS), AND (IV) CLIENT HAS CONSULTED ITS OWN LEGAL, FINANCIAL, AND OTHER ADVISORS TO THE EXTENT IT HAS DEEMED APPROPRIATE.

12. **Exclusivity.** During the Term, Client shall not negotiate with any third-party for the same or a substantially similar project as that which is the subject of this PDA.

13. **Limited Use License.** Payment of the Fee or payment of the termination fee does not entitle Client to rights of ownership in the Proposal, Term Sheet, PPA and/or any documents prepared by or for Siemens related thereto ("Project Documents"). Neither does such payment provide a right for Client to

use the Project Documents to perform the Project without entering into the PPA with Siemens. Client covenants to Siemens that it will not use the Project Documents for any use beyond evaluating whether to proceed with the Project with Siemens. In consideration for such covenant, Siemens grants to Client a revocable, non-transferable, non-sublicense-able, and non-exclusive license to use the Project Documents for the sole purpose of evaluating and determining whether to proceed with the Project with Siemens ("License").

The Parties acknowledge that the Project Documents contain Siemens' proprietary and/or trade secret information, the unauthorized disclosure or use of which will cause Siemens irreparable harm. The Parties further acknowledge that in the event of unauthorized disclosure or use of such proprietary and trade secret information, Siemens shall be entitled to all equitable remedies including injunctive relief, as well as all available legal remedies including punitive damages.

The Parties further acknowledge that any other use of the Project Documents beyond the terms of this License, will be at such user's sole risk and without liability to Siemens; and, unless expressly prohibited by law, Client and the other users, if any, jointly and severally shall indemnify, defend and hold Siemens harmless from any claims, losses or damages arising from such use.

~~Siemens shall provide a list of all items and materials in its Project Documents that it deems to be confidential and proprietary and, therefore, exempt or protected from public disclosure under the California Public Records Act, California Government Code section 6250 et seq. ("CPRA"). Each page of the materials identified in the list shall be individually stamped or labeled as "confidential and proprietary." Each entry on the list shall identify the specific statute within the CPRA that Siemens believes exempts or protects that item from public disclosure. Items listed without an accompanying statutory reference will be treated as public information. Blanket designations that do not identify specific information or statutes will not be acceptable and may cause for the Client to treat the Project Documents as public information subject to public disclosure. The list required under this section is intended to provide input to the Client as to the confidential nature of the Project Documents, but in no event shall such list and identification be binding on the Client or determinative of any matter relating to confidentiality. The Client will consider Siemens to have waived any claim of confidentiality and exemption from the public disclosure with respect to materials not listed and stamped as confidential.~~

16.14. Intellectual Property. Notwithstanding the foregoing, Client shall not, by virtue of this PDA, acquire any ownership interest in any formulas, patterns, devices, secret inventions or processes, copyrights, patents, other intellectual proprietary rights, or similar items of property which are owned by Siemens, any of Siemens' subcontractors, or by any of Siemens' consultants, whether or not they are used in connection with the work provided under this PDA.

16.15. Confidentiality. Any information concerning Siemens or Client that is designated as proprietary and disclosed in confidence to the other party during the term of this PDA is disclosed in confidence. The party that receives such confidential information shall not publish or disclose the same to any other entity or person without the prior written approval of the disclosing party. To the extent that the Parties have entered into a confidentiality agreement or will enter into such an agreement during the term of this PDA, then the terms contained in the confidentiality agreement shall be incorporated by reference herein.

17.16. Public Records Act. Notwithstanding any other provision of this PDA, the Project Documents will be a matter of public record subject to the California Public Records Act, Government Code section 6250 et seq. ("CPRA"). Information contained in the Project Documents and submitted to the Client is a public record and may be subject to disclosure if requested by a member of the public. Siemens should familiarize itself with the CPRA, including consulting with legal counsel, regarding its requirements for disclosure of public records and applicable exemptions from such disclosure. If Siemens claims an exemption from disclosure under the CPRA, it must identify the specific provision(s) of the CPRA providing an exemption from disclosure for each such item or portion of the Project Documents claimed by Siemens as exempt from disclosure. Siemens must also clearly identify, in writing and with specificity, all copyright, patent, or trademark materials; trade secrets; or proprietary or confidential commercial or financial information claimed as exempt from disclosure under the CPRA (collectively, "Exempt Information").

Exempt Information shall remain the property of Siemens. If a request is made under CPRA for disclosure of Exempt Information, the Client will endeavor to provide Siemens with reasonably timely notice of that request, in order that Siemens will have the opportunity, under the CPRA, to seek protection from disclosure by a court of competent jurisdiction. The Client shall not be, under any circumstances, responsible or liable to Siemens, or any other person, for the disclosure of Exempt Information, whether such disclosure is required by law, by an order of court, or as a result of inadvertence, mistake, or negligence on the part of the Client or its elected or appointed officials, officers, employees, agents, contractors, representatives, or consultants.

Siemens, by submitting claimed Exempt Information in connection with the Project Documents, unconditionally agrees to indemnify, defend, and hold harmless the Client and its elected or appointed officials, officers, employees, agents, contractors, representatives, and consultants, from and against any and all claims, damages, losses, liabilities, and expenses, including actual attorneys' fees and costs, incurred by the Client in good faith that arise out of, relate to, or result from the Client's failure to disclose any claimed Exempt Information to any person making a request for such information. If Siemens fails to timely and diligently undertake this indemnification of the Client, Siemens shall be deemed to have waived its right to claim exemption from disclosure under the CPRA; and after reasonable notice to Siemens, the Client may release the requested information in accord with applicable law.

17. General Provisions.

a. Choice of Law, Jurisdiction and Venue. THIS PDA SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD TO CHOICE OF LAW PROVISIONS. JURISDICTION AND VENUE SHALL LIE WITH THE STATE OR FEDERAL COURTS IN THE COUNTY IN WHICH CLIENT'S PRINCIPAL PLACE OF BUSINESS IS LOCATED. TO THE EXTENT PERMITTED BY LAW, THE PARTIES EACH WAIVE ANY RIGHTS THAT EACH OF THEM MAY HAVE TO A TRIAL BY JURY. FURTHERMORE, EACH PARTY WAIVES ANY OBJECTION THAT IT MAY HAVE BASED ON IMPROPER VENUE OR FORUM NON CONVENIENS.

b. Merger Clause. Upon execution and delivery, this PDA: (a) constitutes the entire agreement and understanding between the Parties relating to the subject matter hereof; (b) supersedes any and all prior agreements and understandings of the Parties, oral or written, relating to the subject matter hereof; and, (c) shall not be amended, supplemented, contradicted or otherwise modified by evidence of prior, contemporaneous or subsequent oral agreements of the Parties.

c. Notices. All notices, requests, demands and other communications under this PDA shall be in writing and shall be deemed to have been duly given on the date of service if personally served or on the second day after mailing if mailed by first class mail, registered or certified, return receipt requested, postage prepaid and properly addressed as follows:

To Client: Ray Stokes, Executive Director
Central Coast Water Authority
255 Industrial Way
Buellton, CA 93427

With Copy To: Gary M. Kvistad
Brownstein Hyatt Farber Schreck, LLP
1021 Anacapa Street, Second Floor
Santa Barbara, CA 93101

To Siemens: Siemens Industry, Inc.
1000 Deerfield Parkway
Buffalo Grove, IL 60089
Attn: EPS-DES Lead

Any Party may change their address for the purpose of this paragraph by giving the other Party written notice of the new address in the above manner.

d. Attorneys' Fees. If any legal action or any arbitration or other proceeding is brought for the enforcement of this PDA, or because of an alleged dispute, breach or default in connection with any of the provisions of this PDA, the successful or prevailing Party shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled.

e. Assignment. This PDA shall not be assigned by Siemens to any third party, except as otherwise provided in this PDA, without the prior written consent of Client, who shall have the sole discretion to consent or not to consent to any proposed assignment since Client is relying upon the specific expertise of Siemens and its employees. Any attempted assignment without approval of Client shall be voidable at the option of Client.

f. Waiver. No waiver of a provision of this PDA shall constitute a waiver of any other provision, whether or not similar. No waiver shall constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver.

g. Construction of Terms. All parts of this PDA shall in all cases be construed according to their plain meaning and shall not be construed in favor or against either of the Parties. If any term, provision, covenant or condition of this PDA is held by a court of competent jurisdiction to be invalid, void or unenforceable, in whole or in part, the remainder of this PDA shall remain in full force and effect and shall not be affected, impaired or invalidated. In the event of such invalidity, voidness or unenforceability, the Parties agree to enter into supplemental agreements to effectuate the intent of the Parties and the purposes of this PDA.

IN WITNESS WHEREOF, the Parties have caused this Project Development Agreement to be duly executed by their respective authorized signatories as of the date first above written.

CLIENT

Central Coast Water Authority

By: _____
Ray Stokes, Executive Director

APPROVED AS TO FORM:

Brownstein Hyatt Farber Schreck, LLP

By: _____
Gary M. Kvistad,
Attorneys for Client

SIEMENS

Siemens Industry, Inc.

By: _____

By: _____

**EXHIBIT A
TO
PROJECT DEVELOPMENT AGREEMENT**

SITE ACCESS AND DUE DILIGENCE AGREEMENT

This Access and Due Diligence Agreement ("Agreement") is entered into as of the _____ day of _____, 2020 ("Effective Date") by and between Siemens Industry, Inc., a Delaware corporation ("Siemens"), with its principal place of business located at 100 Technology Drive, Alpharetta, Georgia 30005, and the Central Coast Water Authority, a California joint powers authority ("CCWA"), with its principal office located at 255 Industrial Way, Buellton, CA 93427 ("CCWA"), (individually "Party" and collectively the "Parties"), with respect to the following facts and intentions:

A. CCWA and Siemens have entered into a Project Development Agreement, dated _____, 2020 ("PDA") for Siemens to develop a proposal ("Proposal") for implementation of a project to generate solar electricity ("Project");

B. The Project will be located on CCWA's property at its Polonio Pass Water Treatment Plant ("Property"); and

C. CCWA has agreed to permit Siemens to enter the Property to examine, inspect and perform investigations on the Property to evaluate the physical and environmental condition of the Property and to perform other investigations and inspections, for preparation of the Proposal pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, The Parties agree as follows:

1. **Investigation Period.** For purposes of this Agreement, the term "Investigation Period" means the period commencing on the Effective Date until the earlier of: (i) receipt by CCWA of written notice from Siemens to CCWA terminating this Agreement, which decision shall be made in Siemens' sole discretion; (ii) Siemens' completion of the Inspections (as defined below), as determined by Siemens in its sole discretion; (iii) the termination of the PDA; (iv) the date of written notice from CCWA to Siemens terminating this Agreement, which notice may be given in CCWA's sole discretion; or, (v) the completion of the transactions contemplated pursuant to the PDA.

2. **Limited Access.** CCWA grants a license to Siemens and its agents, contractors, engineers, surveyors, attorneys, and employees (collectively, "Consultants") during the Investigation Period (as defined below) to enter onto the Property and make such reasonable, investigations, studies and tests as Siemens deems necessary or advisable. Siemens shall conduct all such investigations, studies and tests strictly in accordance with the following procedures:

2.1. To conduct and make any and all customary studies, tests, examinations and inspections, or investigations (collectively, the "Inspections") of or concerning the Property (including without limitation, engineering, environmental, and feasibility studies and surveys, including topographical surveys);

2.2. To confirm any and all matters which Siemens may reasonably desire to confirm with respect to the Property;

2.3. To ascertain and confirm the suitability of the Property for Siemens' intended use for the Project;

2.4. To review all due diligence materials, if any, with respect to the Property as delivered or made available by CCWA to Siemens. Siemens agrees to immediately deliver the foregoing due diligence materials and other Confidential Information (as defined below) to CCWA upon the termination of this Agreement;

2.5. Siemens Investigations shall be conducted during normal business hours, unless CCWA otherwise approves in writing, which approval may be given or withheld in CCWA's sole discretion. Siemens shall provide to CCWA a notice of Siemens' intent to enter the Property at least three (3) days prior to the intended date of entry, which notice shall include a general description of the activities to be conducted;

2.6. A representative of CCWA shall have the right, but not the obligation, to be present during Siemens' Investigations; and

~~2.7. Neither Siemens nor its Consultants shall take any action which materially interferes with CCWA's use, occupancy or operations on the Property.~~

3. **Indemnification.** Siemens shall indemnify, defend and hold CCWA, as well as its elected officials, officers, agents and employees, harmless from and against any and all claims liabilities, damages, losses, actions, penalties, proceedings and expenses, including but not limited to attorneys', paralegal and experts' fees, costs and expenses, to the extent arising out of or resulting from: (1) any and all negligent acts or omissions or willful misconduct of Siemens or of any employee, sub-consultant or subcontractor of Siemens in performing its investigation activities pursuant to this Agreement; (2) the violation of any governmental law or regulation, compliance with which it is the responsibility of Siemens; and (3) the failure, neglect or refusal of Siemens or any employee, sub-consultant or subcontractor of Siemens to faithfully perform the investigation activities under the Agreement in a manner which meets the required standard of care; except to the extent caused by CCWA's negligence or willful misconduct.

4. **Confidentiality.** All non-publicly available information made available by CCWA to Siemens or its Consultants in accordance with this Agreement, all non-publicly available information obtained by Siemens or its Consultants in the course of their inspections and the results of all tests, surveys, studies, investigations and assessments conducted or obtained by Siemens (collectively, "Confidential Information") shall be treated as confidential information, and Siemens shall not divulge or disclose, and shall cause its Consultants to not divulge or disclose, such Confidential Information to any third parties, except as required by law. If required by law to disclose any Confidential Information, Siemens shall promptly deliver written notice to CCWA of such fact. Within two (2) business days following CCWA's written request, Siemens shall provide CCWA with the names of the persons to whom any Confidential Information has been requested or communicated in accordance with this paragraph in order to provide CCWA with an opportunity to object to any such disclosure and seek a court order. Siemens shall be liable for any breach of this paragraph by it or any of its Consultants. All Confidential Information shall be held by Siemens in strict confidence solely for the purpose of assisting Siemens in assessing the suitability of the Property for Siemens' intended use. In CCWA providing any such Confidential Information to Siemens, Siemens acknowledges and agrees that CCWA makes no representation or warranty, express, written, oral, statutory, or implied, and all such representations and warranties are hereby expressly excluded. Siemens shall not in any way be entitled to rely upon the accuracy of such information.

5. **Property Documents.** CCWA has previously made, or will make, available to Siemens and its Consultants for their review, certain items and information pertaining to the Property (collectively referred to as the "Property Documents"). The Property Documents have been and shall be made available (to the extent reasonably possible) to Siemens without representation or warranty by, or recourse against, CCWA, it being agreed that Siemens shall not rely on such documents and shall independently verify the truth, accuracy and completeness of said information and/or items contained therein. The Property Documents shall not include any internal memoranda or correspondence of CCWA relating to Siemens' intended use of the Property, documents which constitute attorney work product or which are subject to the attorney-client privilege. ~~CCWA covenants does, however, hereby covenant that to the extent it actually knows has information pertaining to the inaccuracy or incompleteness of the Property Documents, that it will disclose such information to Siemens and Siemens may rely on such information in its investigation.~~

6. ~~Reserved.~~

67. Restrictions. Notwithstanding anything in this Agreement to the contrary, CCWA shall have the right in its sole and absolute discretion, without limitation, to disapprove any and all entries, surveys, tests (including, without limitation, investigations and other matters that in CCWA's sole judgment could result in any injury to the Property or breach of any contract, or expose CCWA to any losses or violation of applicable law, or otherwise adversely affect the Property or CCWA's interest therein, and Siemens shall obtain CCWA's prior written consent to any such entries, surveys, tests, investigations or other matters that are invasive on the Property. Siemens shall ~~use best efforts to minimize disruption to~~ not materially interfere with CCWA's use, occupancy or operations at the Property in connection with Siemens' or its Consultants' activities pursuant to this Agreement. No consent by CCWA to any such activity shall be deemed to constitute a waiver by CCWA or assumption of liability or risk by CCWA. Siemens agrees to promptly restore, at Siemens' sole cost and expense, the Property to the same condition existing immediately prior to Siemens' exercise of its rights pursuant to this Agreement.

78. Insurance. CCWA shall have no liability, responsibility or duty of care to Siemens or to any of its Consultants on the Property. Siemens acknowledges that it and its Consultants enter and occupy the Property at their own risk. Siemens shall procure and maintain in full force and effect during the Term the following insurance:

78.1. Commercial General Liability. Commercial general liability insurance for bodily injury (including death), personal injury, property damage, owned and non-owned equipment, blanket contractual liability, completed operations, explosion, collapse, underground excavation and removal of lateral support covering Siemens' activities under this Agreement, which coverage shall be at least as broad as Insurance Services Office (ISO) Occurrence Form CG 0001, and with a limit in an amount of One Million Dollars (\$1,000,000).

78.2. Workers' Compensation and Employer's Liability Insurance. Workers' compensation insurance covering its employees in accordance with statutory requirements and employer's liability insurance with limits of One Million Dollars (\$1,000,000) each accident, One Million Dollars (\$1,000,000) policy limit, and One Million Dollars (\$1,000,000) each employee.

78.3. Automobile Liability. Automobile liability insurance for bodily injury and property damage which coverage shall be at least as broad as ISO Business Auto Coverage (Form CA 0001), covering Symbol 1 (any auto), and with a limit in an amount of One Million Dollars (\$1,000,000) each accident.

78.4. General Requirements. The commercial general and automobile liability policies shall contain, or be endorsed to contain the following provisions: (1) CCWA, its elected officials, officers, agents consultants, contractors and employees shall be named as additional insureds; (2) Siemens' insurance shall be primary with respect to CCWA, its elected officials, officers, agents and employees and any insurance, self-insurance or other coverage maintained by CCWA, its elected officials, officers, agents and employees shall not contribute to it; (3) any failure to comply with the reporting or other provisions of the policies including breaches and warranties shall not affect coverage provided to CCWA, its elected officials, officers, agents and employees; and (4) Siemens' insurance shall apply separately to each insured against whom the claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Siemens shall provide thirty (30) days written notice to CCWA prior to the cancellation or non-renewal of any policy or policies required by this Agreement. All insurance coverage, as initially provided and as materially modified or changed, shall be subject to reasonable approval by CCWA. Any deductible or self-insured retention must be declared to and approved by CCWA. Prior to Siemens commencing work under this Agreement and at any subsequent time, upon request by CCWA, Siemens shall provide CCWA with Certificates of Insurance evidencing the above coverages. Siemens shall be

responsible for requiring and confirming that each sub-consultant and subcontractor meets the minimum insurance requirements specified above. The above insurance coverage shall not limit the indemnification obligations of Siemens as provided below and the failure to maintain the required coverages shall constitute a material breach of this Agreement.

89. Compliance with Law. Siemens shall take all necessary actions and implement all protections necessary to ensure that all actions taken in connection with the inspections or other matters performed by Siemens with respect to the Property, and all equipment, materials and substances generated, used or brought onto the Property pose no material threat to the safety of persons or the environment and cause no damage to the Property or other property of Siemens or other persons. Siemens shall conduct itself on the Property according to, and all of Siemens' tests, inspections, examinations and studies performed pursuant to this Agreement shall be performed in compliance with, all applicable laws and regulations. Siemens shall not bring any hazardous materials or substances onto the Property.

910. Termination. This Agreement shall automatically terminate without further notice or execution of any documentation by CCWA and/or Siemens upon the date of termination of the PDA (the "Termination Date"). Notwithstanding the foregoing to the contrary, CCWA may terminate this Agreement at any time, for any reason, or for no reason whatsoever, in CCWA's sole discretion by delivering written notice to Siemens, which termination shall also terminate the PDA.

1014. No Additional Rights Granted. Siemens acknowledges and agrees that CCWA's execution of this Agreement shall in no way constitute a binding contract related to the Property or an obligation to enter into or to negotiate the Agreement as described in the PDA, and no such agreement shall exist unless and until a separate contract has been executed by CCWA and Siemens. Siemens acknowledges that it has no interest in the Property whatsoever.

1142. General Provisions:

1142.1. Applicable law; venue. The laws of the State of California shall govern the interpretation and enforcement of this Agreement. The Superior Court of the County Santa Barbara shall be the site and have jurisdiction for the resolution of all such actions.

1142.2. Notices, Demands and Communications Between the Parties. Written notices, demands, and communications between CCWA and Siemens shall be given either by: (i) personal service; (ii) delivery by reputable document delivery service such as Federal Express that provides a receipt showing date and time of delivery; or, (iii) by mailing in the United States mail, certified mail, postage prepaid, return receipt requested, addressed to:

To CCWA: Ray Stokes, Executive Director
Central Coast Water Authority
255 Industrial Way
Buellton, CA 93427

With copy to: Gary M. Kvistad
Brownstein Hyatt Farber Schreck, LLP
1021 Anacapa Street, Second Floor
Santa Barbara, CA 93101

To Siemens: Siemens Industry, Inc.
1000 Deerfield Parkway
Buffalo Grove, Illinois 60526
Attn: EPS-DES Lead

With copy to: Siemens Industry, Inc.
1000 Deerfield Parkway
Buffalo Grove, Illinois 60526
Attn: Noe Bermudez, Lead Counsel

Notices personally delivered, sent by United States mail or delivered by document delivery service shall be deemed effective upon receipt. Notices sent solely by mail in the manner provided above shall be deemed effective on the second business day following deposit in the United States mail. Such written notices, demands, and communications shall be sent in the same manner to such other addresses as either Party may from time to time designate by mail.

1142.3. Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and in accord with paragraph 12.9, below. The part and paragraph headings used in this Agreement are for purposes of convenience only, and shall not be construed to limit or extend the meaning of this Agreement.

1142.4. Counterparts. This Agreement may be executed in counterparts, each of which, after all the Parties hereto have signed this Agreement, shall be deemed to be an original, and such counterparts shall constitute one and the same instrument. Delivery of an electronic counterpart shall be effective as ~~physical~~ manual delivery thereof.

1142.5. Successors This Agreement shall be binding upon and shall inure to the benefit of the successors of each of the Parties hereto.

1142.6. Severability. In the event any section or portion of this Agreement shall be held, found, or determined to be unenforceable or invalid for any reason whatsoever, the remaining provisions shall remain in effect, and the Parties hereto shall take further actions as may be reasonably necessary and available to them to effectuate the intent of the Parties as to all provisions set forth in this Agreement.

~~12.7. Reserved.~~

11.842-8. Assignment. This Agreement shall not be assignable without the prior written consent of CCWA, who shall have the sole discretion to consent or not to consent to any proposed assignment. Any attempted assignment without the approval of CCWA shall be void.

11.942-9. Construction The provisions of this Agreement should be liberally construed to effectuate its purposes. The language of all parts of this Agreement shall be construed simply according to its plain meaning and shall not be construed for or against either Party, as each Party has participated in the drafting of this document and had the opportunity to have their counsel review it. Whenever the context and construction so requires, all words used in the singular shall be deemed to be used in the plural, all masculine shall include the feminine and neuter, and vice versa.

11.1042-10. Several Obligations Except where specifically stated in this Agreement to be otherwise, the duties, obligations, and liabilities of the Parties are intended to be several and not joint or collective. Nothing contained in this Agreement shall be construed to create an association, trust, partnership, or joint venture or impose a trust or partnership duty, obligation, or liability on or with regard to either Party. Each Party shall be individually and severally liable for its own obligations under this Agreement.

11.1142-11. Attorneys' Fees. If any legal proceeding (lawsuit, arbitration, etc.), including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing Party shall be entitled to recover actual attorneys' fees and costs, which may be determined by the court in the same action or in a separate action brought for that purpose. The attorneys' fees award shall be made as to fully reimburse for all attorneys' fees, paralegal fees, costs and expenses actually

incurred in good faith, regardless of the size of the judgment, it being the intention of the Parties to fully compensate for all attorneys' fees, paralegal fees, costs and expenses paid or incurred in good faith by the prevailing Party.

11.1242-12. Authority. The individuals executing this Agreement represent and warrant that they have the authority to enter into this Agreement and to perform all acts required by this Agreement, and that the consent, approval or execution of or by any third-party is not required to legally bind either Party to the terms and conditions of this Agreement.

11.1342-13. Survival. The provisions of this Section and Sections 3, 4, 7.6,8, and 13 shall survive the termination of this Agreement.

11.1442-14. Entire Agreement. This Agreement contains the entire understanding and agreement of the Parties, and supersedes all prior agreements and understandings, oral and written, between the Parties. There have been no binding promises, representations, agreements, warranties or undertakings by any of the Parties, either oral or written, of any character or nature, except as stated in this Agreement. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the Parties to this Agreement and by no other means. Each Party waives its future right to claim, contest or assert that this Agreement was modified, canceled, superseded or changed by any oral agreement, course of conduct, waiver or estoppel.

13. Limitation of Liability.

ANYTHING HEREIN NOTWITHSTANDING, IN NO EVENT SHALL EITHER CLIENT OR SIEMENS BE LIABLE TO THE OTHER PARTY FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING COMMERCIAL LOSS, LOSS OF USE, OR LOST PROFITS, EVEN IF EITHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND, IN ANY EVENT, SIEMENS' AGGREGATE LIABILITY FOR ANY AND ALL CLAIMS, LOSSES OR EXPENSES ARISING OUT OF THE DEVELOPMENT WORK PERFORMED UNDER THIS AGREEMENT WHETHER BASED IN CONTRACT, NEGLIGENCE, STRICT LIABILITY, AGENCY, WARRANTY, TRESPASS, INDEMNITY OR ANY OTHER THEORY OF LIABILITY, SHALL BE LIMITED TO THE GREATERLESSER OF \$1,000,000 OR THE TOTAL COMPENSATION RECEIVED BY SIEMENS FROM CLIENT UNDER THIS AGREEMENT, EXCEPT TO THE EXTENT SUCH DAMAGES ARE WITHIN THE SCOPE AND COVERED BY SIEMENS INSURANCE POLICIES SUBJECT TO THE LIMITS IDENTIFIED ABOVE.

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date first written above.

CCWA

SIEMENS

Central Coast Water Authority

Siemens Industry, Inc.

By: _____
Ray Stokes, Executive Director

By: _____

By _____

APPROVED AS TO FORM:

Brownstein Hyatt Farber Schreck, LLP

By: _____
Gary M. Kvistad,
Attorneys for CCWA

**EXHIBIT B
TO THE
PROJECT DEVELOPMENT AGREEMENT**

PROJECT CRITERIA

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Siemens will provide to the Central Coast Water Authority (CCWA) as part of the Project Proposal information confirming that the project can meet the following criteria.

I. General Requirements.

- The Solar Facility will not interfere with the Water Treatment Plant operations or be placed within structural areas of the water treatment facility (i.e. be placed within asphalt concrete paved areas)
- Solar Facility will not structurally compromise any Water Treatment Plant structures or facilities
- The Solar Facility will integrate safely into the CCWA Electrical System
- Siemens will comply with the CCWA Habitat Conservation Plan at Polonio Water Treatment Plant
- The Project is Exempt from CEQA per SB 226. If not, Siemens will describe the required Environmental Studies and schedule
- Siemens will describe how it will comply with federal, state and local regulatory compliance, building permits or confirm that Siemens will be exempt from them
The minimum energy losses over the 20 year period onsite will be less than 15% cumulative from life cycle production estimate determined by modeling.
- A production guaranty of ~~95%~~90% of estimated output, segmented into summer and winter seasons. This will be calculated from the baseline PVsyst, HelioScope, or equivalent production model. kWh quantity will reflect a seasonally segmented 90% guaranty. Liquidated damages will be calculated based on the difference between the otherwise applicable PG&E rate at the time of underproduction as compared to production model. Overproduction can be used to offset underproduction on a seasonal basis by \$ value.
- Siemens will confirm any ISO/Utility interconnection requirements
- Siemens will complete schedule development to identify any critical path items of each party's responsibilities

II. Development Report

A Development Report will be presented in a format identified by CCWA before Development Work commences that provides quantitative and qualitative evidence of industry appropriate analysis for system operations, safety, environmental clearances and economic benefits to the CCWA for the term of the agreement. Evidence should be provided in a Development Report detailing Siemens' approach to the work. Generally, the Development Report should include:

1. Site Overview
2. General Arrangement Drawing, Electrical Single Line and Instrumentation Schematics
3. Production Estimate
4. Environmental & Permitting
5. Schedule
6. Commissioning, Measurement and Verification
7. Economic Evaluation.
8. Determination of Go/No Go for development.

Information requested in these sections is further defined below.

1. Site Overview

Confirmation through the use of drawings and written descriptions of the final considered location(s) for array and how integration into existing facilities will occur. Any general information about the planned facility should be identified including general layout, staging areas, exclusion areas and other issues of concern anticipated as part of project execution.

2. General Arrangement Drawing, Electrical Single Line and Instrumentation Schematics

Provide conceptual layout of array on site showing panels, racking, access paths, inverters, interconnection locations, any buried or overhead wires routes, etc. for the facility on site and other below grade existing utilities within footprint of solar array facility as provided by the CCWA. Identify offsets from key structures for accessibility verification and safety.

General project information expected to be provided consists of the following:

- DC System voltage
- Array Totals
- Module and array description, including module and array efficiency
- Number of modules per string
- Number of strings
- Number of Modules
- Module wattage
- Number of/Type of inverters
- PV cell specifications, including cell efficiency
- DC Capacity
- AC Capacity
- DC/AC Ratio
- Racking system
- Azimuth
- Panel tilt angle and orientation
- Row to Row spacing
- Ground cover ratio
- Interconnection voltage
- Site temperature maximum & minimum
- Basis of Design for overall facility including civil, structural and electrical systems
- Identify codes and standards to be used for design/installation/operations, including State of California Building Code
- Solar manufacturer guaranteed performance, including product warranty and decrease of power output warranty
- Manufacturer's statement of guaranteed useful life

Provide electrical single line diagram to indicate all interconnection/interface points with CCWA owned or Utility owned facilities. Indicate interconnection requirements to meet CCWA/Utility/ISO requirements for metering & protection/controls. Requirements can be verified in report rather than on drawings if preferred.

Provide instrumentation and monitoring information to confirm CCWA's ability to view facility operations for data points required as part of any PPA contractual agreements. If modifications or upgrades to CCWA's systems are anticipated, Siemens should identify these needs and include those costs in the overall development costs/PPA costs assessment.

Provide Basis is Design information indicating equipment to be used as well and codes/standards and design approach that will be used for the work. Include software description used for the evaluation.

Future O&M activities including matrix of responsibility (Siemens/CCWA) and anticipated frequency should be identified in the work.

3. Production Estimate

The completion of a PVSyst model, Helioscope model (or equivalent) to estimate facility production based upon the facility developed is anticipated. The equipment used in general arrangement will be the same used for modeling. Weather data will be the nearest TMY2 or TMY3 data set deemed acceptable for use. A copy of PVSyst or Helioscope model (or equivalent) output is required requested as part of the Development Report.

Nameplate and Performance characteristics requested are:

PERFORMANCE GUARANTEE		
Parameter	Guarantee Value	Minimum Performance Requirement
Nameplate Capacity	[*] MW ac	
Year One Annual Production	[*] MWhr/yr ac	95% production guarantee
Annual Losses	[*] %/yr	Identify system losses included
Guaranteed Availability	≥ [*]	
Noise Emissions Project Edge	≤ [*] dBA	
[*] items shall be filled in by Contractor		
1. Availability shall be equivalent to the availability factor as defined in IEEE 762, Standard Definitions for Use in Reporting Electric Generating Unit Reliability, Availability, and Productivity		

4. Environmental & Permitting

The assessment should include the development of a permitting matrix to define the processes and regulations that will impact facility development. Matrix will identify federal, state and local requirements and general cost/schedule implications for completion as a part of matrix development. Any permitting expected to be completed by someone other than Siemens should be clearly identified in the matrix.

Siemens will comply with the CCWA Habitat Conservation Plan at Polonio WTP. The Project is Exempt from CEQA per SB 226. If not, Siemens will produce and lead required Environmental Studies. Siemens will comply with Regulatory Compliance, Building Permits or confirm that Siemens will be exempt from CEQA.

5. Schedule

Siemens will provide an estimated schedule for all future activities to attain commercial operation of the solar plant. Schedule should indicate work that will be completed in 2020 to maximize tax credits that will be reflected in the PPA price and economic analysis.

6. Commissioning, Measurement and Verification

Specify the commissioning plan and metering equipment and how the system performance will be monitored including method of analysis, accuracy, reporting, schedule and responsibilities.

7. Economic Evaluation

Provide the CCWA with an economic evaluation and determination of estimated annual economic benefits anticipated for the CCWA for the life of the facility. Identify the estimated total lifecycle cost of the

project for CCWA with estimates of annual cost and savings estimates included for the life of the contract. List and explain all assumptions. Provide estimated electricity sale back to the grid, include value, quantity and timing. The following information should be indicated in report including any clarifications on any line items:

- Study Period years
- Weighted Average Cost of Capital %
- Electricity Use (assumed) kWh
- Year One Solar Production kWh
- Annual PPA Costs \$
- Annual Energy Costs \$
 - o Demand
 - o Use
 - o Misc. Utility charges
- Annual Cost Savings** \$
- PPA Price Estimate \$/kWh
- PPA Price Escalation %
- System Size (DC) kWdc
- System Cost \$/kWdc

**Savings to consider potential impacts to changes to demand and use charges for power purchased from Utility, if applicable.

If the determination of feasibility makes assumptions, clarifications or exceptions that shift any costs to CCWA, CCWA may deem the evaluation non-compliant with the intent of the good faith discussions to date. Specifically, CCWA is moving forward with the Project Development Agreement with the following understandings:

- CCWA will not be responsible for any of the construction cost for the project separate from that which is factored into the rate under the PPA and in any the termination value that will be part of the PPA.
- CCWA will receive a minimum immediate financial benefit of at least a 10% reduction of Energy costs from the energy costs currently applied to the CCWA operation in PG&E Tariff E19 as of May 1 2020, which shall apply to energy produced by Project and sold to CCWA and energy sold by PG&E to CCWA (after receiving credits from sale of power to the grid).
- CCWA will receive the benefit of paying for Demand Charges pursuant to Tariff B19, Option R.

8. Determination of Go/No Go for Development

If the site is determined to be non-feasible, Siemens will provide economic evidence that the proposed site is not feasible for economic model review by CCWA concurrence. Include all assumptions and exceptions pertinent to the determination.

(. End of Term.

If CCWA does not purchase the Project at the end of the Term, Siemens will be responsible for removal of the Project and restoration of the Project Site to its prior condition.

Agenda Item XII. Reports

Lisa Palmer, President
Thomas Fayram, Vice President
Mike Arme, Director
Julie Kennedy, Director
Brian O'Neill, Director



Los Olivos Community Services District
Po Box 345, Los Olivos Ca 93441
Telephone (805) 500-4098
www.losolivoscsd.com

WASTEWATER PROJECT UPDATE AND NOVEMBER 2020 DIRECTOR ELECTIONS – July 16, 2020

Dear Residents,

Your Board continues to work to develop a cost effective wastewater solution for our community with a focus on the Phase 1 Wastewater Collection and Treatment System (downtown core), the development of Residential Onsite Wastewater Treatment System guidelines, and identifying a variety of potential funding sources to help pay for building and operating a collection and treatment system (see our Community Wastewater Program Project Description for more detail <https://www.losolivoscsd.com/los-olivos-community-wastewater-program-project-description>).

Phase 1 Wastewater Collection and Treatment Project Update: The District Board has been diligently working to site and design a Phase 1 system, including:

- Worked with County Environmental Health Services to successfully secure \$180,000 in funding for:
 - Preliminary design services, including a Wastewater Load Study, estimating anticipated volumes and wastewater strength.
 - Development of a Groundwater Monitoring Plan and Preliminary Soils/Geotechnical Report.
 - Preliminary environmental services to determine potential impacts and mitigations required.These three efforts are in the consultant selection and contract award process. We expect work for all three efforts to begin in July, August and September, respectively.
- Explore and narrow Wastewater Treatment Plant siting options.
- Hiring expert consultants to assist in preparing a Draft Assessment Engineer's Report to estimate project costs and recommend a financial plan including assessments. This is the foundation document for an equitable calculation of fair share assessments and will be subject to public hearings and a districtwide vote. This Report will be completed when design, construction and siting assumptions are solidly defined.
- Continued coordination with the County, the Regional Water Quality Control Board, and community partners including the Santa Ynez River Water Conservation District – ID1 and Mattei's Tavern representatives.
- Development of clear guidelines for on-going operation and maintenance of residential Onsite Wastewater Treatment Systems while the Phase 1 downtown core project is being evaluated, developed, and implemented.

Grant & Funding Source Identification Update: The District has initiated a Grant Funding Application with the State Water Board and is evaluating and pursuing various funding programs and grant sources such as Proposition 68 with a desire to maximize our use of grant funds to pay for studies, design and construction costs.

Upcoming Director Elections - November 2020: In October 2019, the board took the required action of staggering director terms of office, with two board seats (Directors Tom Fayram and Julie Kennedy) now up for election in November 2020 and the remaining three seats in 2022. Residents who live within district boundaries and are interested in running should read the County of Santa Barbara School and Special District Offices Candidate Filing Guide, <https://countyofsb.org/uploadedFiles/CARE/Elections/Forms/candidate-filing-guide-schools-special-districts.pdf>. The deadline to file is August 7, 2020. For more information, please visit <https://countyofsb.org/care/elections/candidate/filing.sbc>, call Santa Barbara County Elections at (800) SBC-VOTE or email candidatefiling@co.santa-barbara.ca.us.

If you have any questions or suggestions, please contact Interim General Manager Doug Pike at (805) 331-3553 or Dpike@mnsengineers.com.

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July 2020
Issue No. 218 12 Pages

Monthly Briefing

A Summary of the Alliance's Recent and Upcoming Activities and Important Water News

White House Finalizes NEPA Rule

President Trump earlier this month announced the final rule to comprehensively update and modernize the National Environmental Policy Act (NEPA) regulations for the first time in over 40 years.

"By streamlining infrastructure approvals, we'll further expand America's unprecedented economic boom," the President said.

Benefits to Western Water Users

The often slow and cumbersome federal regulatory process is a major obstacle to realization of projects and actions that could enhance Western water supplies. NEPA implementation, in particular, can have a direct bearing on the success or failure of critical water supply enhancement projects.

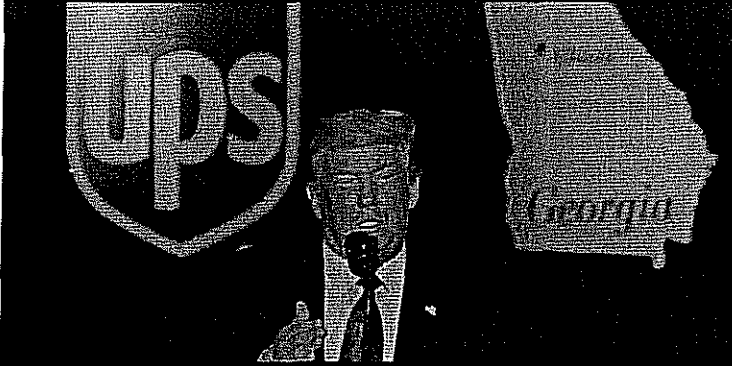
"For far too long, critically important projects had been needlessly paralyzed by red tape," said Secretary of the Interior David Bernhardt. "This common sense reform will dramatically improve the federal government's decision-making process, while also ensuring that the environmental consequences of proposed projects are thoughtfully analyzed."

Many Western water managers often use NEPA mechanisms like Categorical Exclusions (CEs) in conjunction with annual operations and maintenance activities on ditches or major rehabilitation and repair projects on existing dams.

When appropriately established and applied, CEs serve a beneficial purpose. They allow Federal agencies to expedite

the environmental review process for proposals that typically do not require more resource-intensive environmental documentation. Applying for a new CE, for example, can potentially ease the Federal Energy Regulatory Commission permitting requirements for irrigators who want to install small hydroelectric projects in existing canals and ditches. These projects have minimal environmental impacts and offer over opportunities to create new, clean, renewable sources of energy.

NEPA implementation and related litigation can be lengthy and significantly delay major infrastructure and other projects. The Federal government currently takes over 4.5 years to complete a typical environmental impact statement (EIS), which average over 600 pages. In many cases, it can take a decade or more before permits are issued and construction can even begin. Af-



President Donald Trump speaks on the "Rebuilding of America's Infrastructure: Faster, Better, Stronger" in Atlanta, Georgia, on July 15, 2020. Credit: Jim Watson/AFP via Getty Images

Continued on Page 2

STORIES INSIDE.....

Table with 2 columns: Article Title and Page #. Includes items like 'Alliance Rep Testifies at Senate Legislative Hearing' (page 3) and 'A Big "Thank You" to our New and Supporting Members!' (page 12).

New NEPA Rule Will Help Irrigators (Cont'd from Pg. 1)

ter a project is approved, it can be tied up in litigation for years over alleged deficiencies in the NEPA analysis.

"It took five years to build Hoover Dam during the Great Depression, less time than we currently spend on the NEPA process," said Dan Keppen, Alliance Executive Director.

The Alliance last March prepared a detailed comment letter on the White House Council on Environmental Quality's (CEQ) proposed regulations for implementing the procedural provisions of NEPA.

"We very much appreciate CEQ's effort to reform the regulations, which have not had a significant update since 1978," said Mr. Keppen.

Under the new regulations, environmental reviews for major infrastructure projects would be completed in two years. Actions without significant environmental impacts would either be categorically excluded or reviewed in under one year. The new regs also improve coordination, clarify when NEPA applies, reduce unnecessary paperwork by setting page limits, and should reduce frivolous litigation.

Reaction

The finalization of the rule marks the end of a multi-year review, which produced more than 1.1 million public comments and involved a broad range of stakeholders.

"We can protect the environment and move our economy forward at the same time," said Senate Environment and Public Works Chairman John Barrasso (R-WYOMING). "This rule gets that done."

White House CEQ sent out a "What They are Saying" press release that included 31 pages of support comments from elected officials and industry organizations, including the Family Farm Alliance.

Numerous Democratic lawmakers also sent statements of disapproval, even ahead of the president's remarks.

"I yearn for other Republican presidents," House Speaker Nancy Pelosi told reporters. "While we may have disagreed on many points, at least we had a shared commitment to the governance of our country. Richard Nixon signed the NEPA legislation."

Predictably, many environmentalists also criticized NEPA reform and President Trump's other ongoing deregulatory actions.

"What the Trump administration is doing is fundamentally changing those regulations and really gutting them," said Sharon Buccino, a senior attorney at the Natural Resources Defense Council.

The Western Environmental Law Center (WELC) says it will "respond to the rollback with legal action," calling the move to "gut more than 40 years of settled environmental law . . . the culmination of a relentless, multiyear assault on NEPA's protections."

One week later, a coalition of 20 conservation groups sued to block the new NEPA revisions.

Mr. Keppen warned against falling for the headlines and intonations of activists who make their living in federal court rooms.

"The new NEPA regulation is just one of several proactive rule-making efforts undertaken by the Trump Administration," he said. "These actions, in part, are intended to correct and rebalance the significant negative impacts to Western farmers and ranchers that have resulted from past federal implementation of environmental laws."

Unified Agenda of Regulatory and Deregulatory Actions

Under President Trump, agencies have taken 7 deregulatory actions for every new regulation. These efforts have already saved \$50 billion in regulatory costs so far, according to the White House.

The Administration this month released its Spring 2020 Unified Agenda of Regulatory and Deregulatory Actions, which reports on the actions administrative agencies plan to issue in the near and long term. Many of the proposed Endangered Species Act actions are of interest to Western water managers, including:

- Revision of the Regulations for Listing Species and Designation of Critical Habitat;
- Revised Policy on Interpretation of the Phrase "Significant Portion of Its Range" in the Endangered Species Act's Definitions of "Endangered Species" and "Threatened Species";
- Regulations for Interagency Cooperation; and
- Allowing for Designation of Experimental Populations of Unlisted Species.

The Family Farm Alliance in late 2018 developed detailed comments for the Departments of Commerce and the Interior on many of these issues.

Landowners and mitigation providers have also asked for more predictability and consistency in mitigation actions taken by NOAA and other federal agencies under a variety of statutes. NOAA does not have a national policy on mitigation, and therefore mitigation approaches vary from region to region and program to program. A NOAA Mitigation Policy (Policy) is being proposed, and is intended to improve the predictability and consistency sought by regulated entities.

"The Policy is also intended to facilitate the establishment of environmental banks -- banks that provide mitigation for the requirements of multiple authorities -- which improves the efficiency of regulatory compliance," the White House Office of Management and Budget noted in the Unified Agenda.

"We can protect the environment and move our economy forward at the same time. This rule gets that done."

Senate Environment and Public Works Committee
Chairman John Barrasso (R-WYOMING)

Alliance Rep Testifies at Senate Legislative Hearing

The House of Representatives has passed important legislation authorizing Corps of Engineers programs and the Senate continues to consider several pieces of water and infrastructure legislation, some of which were highlighted at a recent subcommittee hearing where a Family Farm Alliance representative (virtually) testified.

Senate Subcommittee Hearing

The Senate Committee Energy and Natural Resources (ENR) Committee, Subcommittee on Water and Power conducted a legislative hearing earlier this month in the Dirksen Senate Office Building in Washington, D.C. The Family Farm Alliance was represented on the witness panel, along with representatives of the conservation community and the Trump Administration. The purpose of the hearing was to receive testimony on the following bills:

- [S. 2718](#) - Western Water Security Act (Udall)
- [S. 3811](#) - Restoration of Essential Conveyance Act (Feinstein)
- [S. 4188](#) - Water for Tomorrow Act (Harris)
- [S. 4189](#) - Water for Conservation and Farming Act (Wyden)
- [S. _____](#) - Water-Energy Technology Demonstration and Deployment Act (McSally)

Subcommittee Chairwoman Martha McSally (R-ARIZONA) and Ranking Member Catherine Cortez Masto (D-NEVADA) were present in the hearing room, along with Senator Dianne Feinstein (D-CALIFORNIA) who provided testimony on S. 3811.

Chair McSally hopes to combine a variety of bills into a single water package, including a bill (S. 2044) she and Sen. Sinema (D-Ariz.) introduced that would address aging Bureau of Reclamation water infrastructure. Both the House and Senate are already moving broad water infrastructure packages, including the 2020 Water Resources Development Act (S. 3591) and safe drinking water legislation (S. 3590) that the Senate Environment and Public Works Committee unanimously approved in May.

Several members of the committee - including Senators Cory Gardner (R-COLORADO), Tom Udall (D-NEW MEXICO), Ron Wyden (D-OREGON) participated online.

Aubrey Bettencourt, Deputy Assistant Secretary for Water and Science at the Department of Interior also testified in person. Family Farm Alliance executive director Dan Keppen (OREGON) and Freshwater Trust President Joe Whitworth (OREGON) testified and answered questions online, in the first Subcommittee hearing held since the COVID outbreak.

In addition to the bills discussed at the hearing, Mr. Keppen urged the Subcommittee to consider additional legislation that addresses aging water infrastructure and insufficient water storage projects.

"The reasons are clear," he said in his testimony. "Water

infrastructure that was built early in the last century is aging. Meanwhile, less progress has been made at the federal level toward developing new and improved water infrastructure to keep up with the growing water demands of the West."

House Passes Bipartisan WRDA Legislation

The House this month passed H.R. 7575, the bipartisan "Water Resources Development Act (WRDA) of 2020," under suspension of the rules, a move used to fast-track noncontroversial measures. The bill authorizing Army Corps of Engineers water and environmental infrastructure projects and studies unanimously passed the House Transportation and Infrastructure (T&I) Committee earlier this month.

The House bill authorizes funding for 38 new projects and 35 studies that include repairing locks and dams on inland waterway to boost coastal shorelines against flooding. A section-by-section analysis of the bill, which is 187 pages long, shows the bill would also authorize the \$10 billion already collected in the Harbor Maintenance Trust Fund to be used to ensure that the maintenance needs of ports and harbors across the country are met.

"While I am proud to see this legislation pass with broad bipartisan support, we cannot forget the important role Bureau of Reclamation projects play in our way-of-life across the West," said Rep. Dan Newhouse (R-WASHINGTON). "I look forward to working with my colleagues to continue to urge the consideration of legislation to rebuild aging BOR infrastructure that is so desperately needed."

The Senate Environment and Public Works (EPW) Committee has approved its own \$17 billion water resources bill, the "America's Water Infrastructure Act" ([S. 3591](#)) that awaits a Senate vote.

Family Farm Alliance Engagement

Alliance President Patrick O'Toole and Christine Arbogast (President, National Water Resources Association) recently wrote an opinion piece in the *Reno Gazette Journal*, arguing it is time to invest in Western water infrastructure. This piece caught the eye of Mike Consol, Editor of the Institutional Real Estate, Inc.'s "Real Assets Advisor", who wanted to learn more. Mr. Consol got his answers in a podcast interview with Ms. Arbogast and Mr. O'Toole that that was published earlier this month on both the Institutional Investing in Infrastructure and Real Assets Adviser websites.

Mr. Keppen later in the month participated in a webinar regarding the impact of water access issues on farmland investment, hosted by US Agriculture and New Current Water and Land. Moderated by Anatole Pevnev (Managing Director, US Agriculture), Mr. Keppen provided an overview of Western water challenges, including the need to modernize and expand water infrastructure. Other speakers included Alliance Advisory Committee Member Paul R. Orme (Paul R. Orme, P.C.) and former Alliance general counsel Gary W. Sawyers (Principal, New Current Water and Land, LLC).

COVID Response Remains Top Federal Priority

While federal appropriations and infrastructure legislation are getting attention in Washington, D.C., the top federal priority continues to be responding to the COVID-19 pandemic. Although the number of deaths from the coronavirus have been decreasing nationally for months, recent trends in hard-hit states are causing a nationwide uptick. According to *The Hill*, several states including Arizona, California, Texas, and Florida set record numbers for daily coronavirus deaths in the past month.

Texas Governor Greg Abbott (R) issued a mandatory mask order earlier this month, after previously opposing local governments that wanted to issue such orders.

"We have a short period of time here the next few weeks to try to bend the curve of this explosion of the number of cases, the number of hospitalizations and the number of deaths occurring because of COVID-19," Gov. Abbott told KSAT in Texas.

The U.S. economy shrank at a 32.9% annualized pace between April and June as the coronavirus hammered businesses and consumers, the Commerce Department recently reported, marking the nation's worst quarterly contraction on record.

The Congressional Research Service (CRS) updated its report on the pandemic's impact on household employment and income based upon an experimental Census survey. The survey shows approximately half of all adults live in a household that has lost some employment income since March 2020, with a disproportionate impact on households with lower incomes.

The White House painted a rosier picture and reported 4.8 million jobs were created in June.

"May and June rank as the two largest monthly jobs gains in history, with June's numbers exceeding expectations once again," the White House Council of Economic Advisors said in a statement.

Impacts on the Ground

Lost markets and lost off-farm income related to the COVID-19 pandemic have proven doubly difficult for many California farmers and ranchers, according to a survey by the California Farm Bureau Federation. More than half of the farmers responding to the voluntary survey said they had lost customers or sales due to COVID-19, and nearly half said they or someone in their immediate family had lost off-farm income.

"Just as in the rest of society, the effects of the pandemic have reverberated throughout rural California," CFBF President Jamie Johansson said. "There's no aspect of farming,

ranching or agricultural business that has been spared."

CFBF and the Farm Employers Labor Service, a Farm Bureau affiliate, asked farmers and ranchers to respond to an online survey form between April 7 and April 21. More than 500 responded. Nearly 57% of respondents said they had lost customers or sales during the pandemic, with most citing stay-at-home orders that had closed customers' businesses. Forty-two percent of responding farmers said they or a family member had lost off-farm income, mainly because of jobs unavailable due to stay-at-home orders or to care for children due to school and child-care closures.

"Most farm and ranch households count on off-farm income to supplement what they earn from agriculture," Johansson said, "and have seen those jobs reduced at the same time as prices farmers and ranchers earn for many crops and commodities have fallen."

About three-quarters of the responding farmers said they had been able to maintain operations so far, and had been able to avoid furloughing or laying off employees. Of those who reported reducing operations or staff, most cited cuts to customer orders or revenue. Only 20% reported employees unable to work, mostly because the employees were considered in a high-risk group for the novel coronavirus. About one-third reported being unable to undertake routine planting, cultivation or crop-care activities due

to lack of personal protective equipment or crop-care activities due to lack of personal protective equipment such as respiratory protection.

Elsewhere, the effects of COVID-19 have delayed the arrival of seasonal immigrants who normally help harvest U.S. wheat.

Due in part to the federal response to rescue struggling farms, there are signs that segments of the agriculture economy have stabilized after months of supply chain disruptions. The shutdown of meatpacking plants across the country earlier this year, intended to stop the spread of the virus among workers, left many livestock producers without buyers, forcing some to cull their herds. While livestock backlogs persist, slaughter rates have returned to near-normal levels.

The coronavirus response in Washington, D.C. remains a priority issue in agriculture policy, and it is likely to remain so, for the remainder of the year.

White House Response

President Trump earlier this month conducted a press briefing on his Administration's efforts to combat the Coronavirus pandemic.



The California Farm Bureau Federation (CFBF) earlier this year surveyed its members about COVID-19 pandemic impacts. CFBF President Jamie Johansson (right), is pictured here at a May 2020 water rally in the Klamath Basin. Photo source: Oregon Farm Bureau Federation.

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COVID Response Remains Top Priority (Cont'd from Pg 4)

"As one family, we mourn every precious life that's been lost," he said. "I pledge in their honor that we will develop a vaccine, and we will defeat the virus."

According to the White House, multiple vaccine candidates will reach the final stage of clinical trials this month – a record timeframe. All the top vaccine candidates are being mass produced simultaneously with trials to ensure their distribution as quickly as possible. The *New York Times* reported NIH and biotech company Moderna said a late-stage coronavirus vaccine testing effort began this month with plans to enroll 30,000 healthy people at 89 sites across the United States, one of the first large studies gauging the safety and effectiveness of a drug against COVID-19.

The President also noted that his administration had zero unfilled requests for equipment from governors, and reported that fatalities have fallen 7% since mid-April, dropping the case fatality rate below that of Europe and much of the world. President Trump is now urging Americans to continue wearing masks, practice social distancing, and protect the vulnerable.

Meanwhile, the U.S. Chamber of Commerce and others sued the Department of Homeland Security and the State Department to overturn federal action related to a President Trump's proclamation "Suspending Entry of Aliens Who Present a Risk to the U.S. Labor Market Following the Coronavirus Outbreak."

"The Proclamation—which will last at least six months, if not longer, and which is expressly intended to bar hundreds of thousands of workers from entering the country—is inflicting severe economic harm on a wide range of American businesses across all economic sectors," the complaint alleges.

Efforts at USDA

USDA has led the charge on most of the farm rescue efforts since March to fix the massive disruptions in the food supply chain and other impacts to the agriculture sector from the pandemic.

CFAP Changes

The Coronavirus Food Assistance Program (CFAP) has now delivered nearly \$5.4 billion, out of the total \$16 billion available for farmers and ranchers hurt by supply chain disruptions. A quarter of the money has gone to farmers in Iowa,

Nebraska and Wisconsin. More than 220,000 farmers have received funding so far, according to USDA.

Livestock producers have received about half of all the money dispersed so far. The livestock sector has been one of the hardest hit, due to the closure of schools and restaurants, COVID-19 outbreaks at meatpacking plants and a wide disparity in cattle prices.

U.S. Secretary of Agriculture Sonny Perdue earlier this month announced an initial list of additional commodities that

have been added to CFAP, and that the USDA made other adjustments to the program based on comments received from agricultural producers and organizations and review of market data.

USDA's Farm Service Agency (FSA) is accepting through Aug. 28, 2020, applications for CFAP, which helps offset price declines and additional marketing costs because of the coronavirus pandemic. USDA expects additional eligible commodities to be announced in the coming weeks.

"During this time of national crisis, President Trump and USDA have stood with our farmers, ranchers, and all citizens to make sure they are taken care of," said Secretary Perdue. "This is an example of government working for the people – we asked for input and we updated the program based on the comments we received."

USDA collected comments and supporting data for consideration of additional commodities through June 22, 2020.

Changes to CFAP include expanding for seven currently eligible commodities – apples, blueberries, garlic, potatoes, raspberries, tangerines and taro – CARES Act funding for sales losses. Originally, these commodities were only eligible for market adjustments.

More than 25 California lawmakers earlier this month sent a letter to Secretary Sonny Perdue, asking USDA to include wine grapes on the list of specialty crops that are eligible for aid.

"The shutdown of key market channels, both domestic and international, for wine sales, due to COVID-19, has resulted in an overall decline in retail sales to consumers, reduced volumes of wine shipped to market and lower prices for bulk wine in inventories," the bipartisan delegation wrote. "These factors mean increased inventories of finished wine in 2020 and wineries are offering growers fewer contracts for the purchase of grapes and at lower prices for the upcoming crop harvest."



President Donald Trump wears a face mask during a visit to Walter Reed National Military Medical Center on July 11, 2020.
Copyright AP Photo/Patrick Semansky

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COVID Response Remains Top Priority (Cont'd from Pg 5)

Farmers to Family Food Box Program

Agriculture Secretary Perdue recently announced that USDA's Farmers to Families Food Box Program has distributed over 50 million food boxes in support of American farmers and families affected by the COVID-19 pandemic.

"The delivery of 50 Million food boxes has helped an incredible number of Americans in need," said Secretary Perdue. "I couldn't be prouder of the great job done by the food box program staff and the many farmers, distributors and non-profits that helped to get this program off the ground for the American people. We are well into the second round of deliveries and we're working harder than ever to continue to build on the success of the program."

Secretary Perdue also announced earlier this month that USDA will launch a third round of Farmers to Family Food Box Program purchases with distributions to occur beginning by September 1 with completion by October 31, 2020. The purchases will spend the balance of \$3 billion authorized for the program.

More information about the third round of food box purchasing will be made available on the Farmers to Families Food Box Program website at www.usda.gov/farmers-to-families.

Senate Republicans Roll out HEALS Act

Senate Republicans have released their opening offer on a coronavirus relief package, the "Health, Economic Assistance, Liability Protection and Schools (HEALS) Act", after internal divisions forced a delay. The \$1 trillion proposal negotiated with the White House contains new money for testing and vaccines, funds to help schools reopen, additional aid for small businesses as well as more direct payments for individuals.

In terms of additional relief funds for agriculture, the Republican proposal would provide \$20 billion in agricultural aid, delegating broad discretion on spending to Agriculture Secretary Perdue. The legislation would allow Secretary Perdue to use the aid to compensate livestock producers for losses from killing animals that could not be sent to slaughterhouses because of virus-related shutdowns and slowdowns.

There is no additional funding for state and local governments in the HEALS Act, just added flexibility to cover lost revenue – such as hotel room taxes – due to the pandemic.

"We are still digging into these components of the bill. Things will obviously change as negotiations continue between the White House and Democrats," said Mark Limbaugh, the Alliance's representative in Washington, D.C.. "We are looking into the applicability of the liability provisions to irrigation districts, and we will let Alliance members know as we know more."

Not only do Democrats oppose the recovery plan, but even Senate Republicans are divided on the proposal.

"There is significant resistance to yet another trillion dollars," said Senator Ted Cruz (R-Texas). "And as it stands now, I think it's likely that you'll see a number of Republicans in opposition to this bill and expressing serious concerns."

That point was reinforced in earlier comments made by Senator Lindsey Graham (R-S.C.) on Fox News' Sunday Morning Futures.

"Half the Republicans are going to vote no to any Phase 4 package," said Senator Graham. "That's just a fact."

The Senate GOP proposal serves as an opening bid to Democrats who have criticized Republicans for delaying new talks on a COVID stimulus measure since the House passed its \$3 trillion "HEROES Act" in May. The GOP proposal extends the eviction moratorium and reduced unemployment benefits, include liability provisions to shield businesses and schools from litigation as they reopen, adds flexibility on the use of existing COVID funding to state and local governments, and institutes another round of \$1,200 direct payments to qualifying individuals. Infrastructure and energy assistance have yet again been left out of this round of stimulus talks.

The proposal comes after weeks of negotiation between Congressional Republicans and the White House on the details of the package. With the release of the GOP bill, negotiations with Democrats have begun in earnest, even though both sides remain far apart. Democrats are calling for \$1 trillion in state and local funding alone, and they have also expressed concern with including liability protections for employers.

Senate Majority Leader Mitch McConnell has consistently stated that "no bill will pass the Senate without liability protection for everyone related to the coronavirus."

Leaders hoped to negotiate a final compromise package by the end of this month. That timeline looks increasingly unrealistic. House Majority Leader Steny Hoyer has said the House will not go on its August break until the next pandemic relief package has been completed. As negotiations have continued, the federal eviction moratorium expired earlier this month and unemployment relief is set to expire at the end of the month.

"We look for election year partisan politics to play an oversized role in this round of negotiations," said Mr. Limbaugh.

Senate Committee Conducts Hearing on COVID-19

Prior to the introduction of the HEALS Act, the Senate Energy and Natural Resources Committee conducted a hearing earlier this month on how the COVID-19 pandemic is impacting public lands and parks. While the hearing focused primarily on impacts associated with closures of public lands like national parks, campgrounds and other sites, witnesses like Ethan Lane (National Cattlemen's Beef Association) and Doug Kemper (Colorado Water Congress) also addressed challenges related to public lands grazing and water supply. Mr. Kemper's written testimony included a section prepared by the Family Farm Alliance that addresses on-the-ground impacts of the pandemic to Western irrigated agriculture.

"The COVID-19 pandemic underscores the importance of safety and stability provided by domestic food production," this section of the testimony reads. "As this crisis has pointed out, a stable domestic food supply is essential and of national security interest. For farmers and ranchers to survive, and for food to continue to be produced here in the American West, a stable water supply is a necessary part of any conversation about our national food security."

Alliance Engagement in the Climate Change Policy Arena

The Family Farm Alliance continues to engage in and discuss potential effects and impacts of climate change in the West, building upon the interest created by the Alliance's report on climate change that was issued in 2007 and active engagement addressing climate change on Capitol Hill. The Alliance board of directors at its 2020 annual meeting supported its long-time policy of using climatic extremes and findings from its 2007 report to advocate for "climate-smart" agriculture and needed changes in Western water policy.

Partners in Climate Smart Agriculture

"Through our involvement on the Steering Committee of the North American Climate Smart Agriculture Alliance (NACSAA), we have been monitoring United Nations global climate talks over the past two years and bringing the voice of North American producers and land managers to the discussion table," said Pat O'Toole, Family Farm Alliance President. "NACSAA believes public policy should provide incentives for climate-friendly and common sense farm improvements."

Mr. O'Toole earlier this month was selected to serve on the inaugural "Producer Circle" of the Ecosystem Services Market Consortium (ESMC). The goal of the ESMC is to launch a fully functioning national scale ecosystem services market conceived and designed to sell both carbon and water quality and quantity credits for the agriculture sector by 2022.

"With producer input and feedback being essential to this testing phase and, ultimately, the success of this program, the Producer Circle will serve as a key advisory group moving forward," said Gary Price, ESMC Producer Circle Co-Chair and Board Member.

NACSAA in June submitted a detailed set of policy and program recommendations to the Senate Democrats' Special Committee on the Climate Crisis. The submission, which was made in response to the Committee's request for input from agriculture and rural leaders, represents a collaborative effort by NACSAA's partners to call attention to the profound and critical role agriculture plays in bridging gaps in policy arenas. The Family Farm Alliance later this summer will play a key role in crafting the water recommendations for a white paper that NACSAA will drop into United Nations Food and Agriculture Organization global climate change discussions.

"Much of the Alliance's recent work in the climate arena is done through our involvement with Solutions from the

Land (SfL)," said Alliance Executive Director Dan Keppen.

SfL was created seven years ago as an ambitious undertaking to advance land-based solutions to global challenges. SfL's vision is that, by 2030, America's farms, ranches and forests are at the forefront of resolving food system, energy, environmental and climate challenges and achieving global sustainable development goals.

House Democrats Release Climate Crisis Report

The Select Committee on the Climate Crisis on June 30 released "Solving the Climate Crisis: The Congressional Action Plan for a Clean Energy Economy and a Healthy and Just America", a report that calls on Congress to "build a clean energy economy that values workers, centers environmental justice, and is prepared to meet the challenges of the climate crisis".

This committee is charged with delivering ambitious climate policy recommendations to Congress, in order to achieve substantial and permanent reductions in pollution and other activities that contribute to the climate crisis. The long-awaited document, which runs 538 pages, was craft-

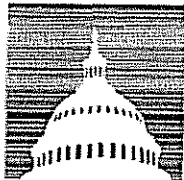
ed largely without input from Committee Republicans and is widely seen as a climate guide for Democrats if they win control of government in 2021.

Amid widespread protests over racial inequality, environmental justice is a focus throughout the report. That includes an environmental justice enforcement push at EPA and a new proposed amendment to the Civil Rights Act to protect victims of environmental and climate injustice.

In a public statement, SfL applauded the House climate change report's authors for recognizing the critical role America's farmers, ranchers and foresters can play in providing valuable climate and ecosystem services.

"SfL is continuing to study the 500+-page report, but is particularly encouraged by the report's advocacy of farmer-to-farmer education as a principal building block to support the role of agriculture in addressing climate change," the statement read.

Among the noteworthy recommendations are proposals to boost conservation technical and financial assistance funding; provide crop insurance discounts to producers who adopt climate smart agriculture practices such as no-till and cover crops; implement a low carbon fuel standard to enable the full



HOUSE SELECT COMMITTEE ON THE
CLIMATE CRISIS

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Climate Change Policy Arena (*Cont'd from Pg. 7*)

potential of biofuels to be realized; increase funding for agricultural research and USDA's Climate Hubs; and incentivize farmers and ranchers to incorporate energy efficiency and generate renewable energy.

"A number of the water provisions will require additional review, possibly with an eye toward what might be more reasonable and effective," said Family Farm Alliance Executive Director Dan Keppen. "While the report calls for investments in water storage and infrastructure, it falls short in its consideration of how water should be allocated, especially given the increasing demand placed on water resources by expanding metropolitan areas at the expense of rural and agricultural needs."

While consideration is given by the report for the water needs of fish and wildlife, it appears to come at the expense of the needs of U.S. farmers, who, without adequate access to water, could not maintain their status as the providers of food, feed, fiber, clean energy and a host of ecosystems services. With a focus on the negative environmental impacts of dams, the report undercuts the multiple benefits and essential nature of dams to Western irrigated agriculture and rural communities.

Many other industry groups that did weigh in on the report were not especially enthusiastic. The National Cattlemen's Beef Association, for example, said the plan was "unfortunately the product of partisan discussions that failed to encompass important constituent communities across the country."

Other Efforts in Congress

Most pieces of the climate blueprint are not likely to go anywhere during this Congress, considering Republicans widely oppose the plan and lawmakers are more focused on managing the pandemic and recession. But there is some bipartisan interest in advancing climate-friendly farm policies. Rep. Josh Harder (D-CALIFORNIA) has introduced a bill that would set up a \$2.5 billion grant fund to help farmers invest in more fuel efficient vehicles, sequester carbon in their soil, and make other changes aimed at cutting greenhouse gas emissions, according to *POLITICO*. The bill is backed by both ag and environmental groups. Co-sponsors include California Democrat Representatives T.J. Cox and Jim Costa.

A bipartisan group of senators, including Senate Agriculture ranking member Debbie Stabenow (D-Mich.), introduced a measure aimed at legitimizing carbon markets in the ag sector.

"While farms and forests have been uniquely impacted by the climate crisis, they can also be an important part of the solution," said Senator Stabenow. "Our bipartisan bill is a win-win for farmers, our economy and our environment by providing new economic opportunities to store carbon while also addressing the climate crisis."

The bill is backed by the American Farm Bureau, as well as a long list of food companies and other corporations interested in carbon offsets.

Rural Climate Change Attitudes

A recent study and related polling published by Duke University researchers shows that climate change attitudes are polarized across the urban/rural divide. Urban/suburban voters were more supportive of climate action than rural voters. Nationally, rural voters were less supportive of government oversight of the environment than their urban/suburban counterparts.

"While many rural voters voiced concern about climate change, they were generally reticent to talk about it with their friends and neighbors, given the polarization and controversy surrounding the issue," the Duke study found:

However, the idea of carbon farming is gaining traction in some circles. In the midwestern survey conducted by Duke University, rural voter support for taking action on climate change jumped more than 20 percent when it was explicitly tied to also helping farmers.

Webinar on House Climate Report Set for August 6

NACSAA and Sfl Partners will host a 90-minute webinar Aug. 6 on the Climate Crisis Action Plan. Last spring, NACSAA submitted over 50 enabling policy recommendations to the Committee. The submission was constructed from input gathered from NACSAA members, including agriculture, food production, equipment manufacturing, life science and conservation organizations.

In developing the suggestions for the Select Committee, NACSAA put together a collective body of work that presents a composite consensus of important climate change enabling policies evolving from North American agricultural stakeholders. Together, they reinforce comments and recommendations offered by individual NACSAA members and stakeholder partners in support of climate innovation and sustainable production in the United States.

This interactive Zoom webinar will take place from 9:00 a.m. to 10:30 a.m. PDT (including Arizona). Alliance President Pat O'Toole will discuss water issues, and will be joined by other panelists, including:

- Ray Gaesser, Enabling Policies Chair- NACSAA's recommendations
- Jeremy Peters, CEO, National Association of Conservation Districts- conservation programs
- Brian Jennings, CEO, American Council for Ethanol-biofuels
- Roger Wolf, Director of Innovation and Integrated Solutions, Iowa Soybean Assn.- soil carbon/ health and nutrient management
- Fred Yoder, NACSAA Chair- next steps

Please contact Shannon Mott at smott@Sfldialogue.net for more information about registering and joining the meeting.

Latest Developments in *Friends of the River v. NMFS*

Yuba Water Agency (Yuba Water) in Northern California has asked a federal court to urge the National Marine Fisheries Service (NMFS) to explain why the agency changed its position on whether or not existing dams should be considered to be part of Endangered Species Act (ESA) environmental baseline conditions.

Background and Family Farm Alliance Involvement

The Ninth Circuit Court of Appeals in October 2019 issued an unpublished memorandum decision in *Friends of the River v. National Marine Fisheries Service, et al*, a case that has important ESA implications for water users in the Western U.S. This case involves a challenge to the federal government's activities concerning two debris dams on the Yuba River (Daguerre and Englebright) in California. Friends of the River (FOR) made the principal argument on appeal that the federal ESA required the Army Corps of Engineers (Corps) and NMFS to analyze and mitigate impacts on protected fish species resulting from the existence of the dams.

The Family Farm Alliance last year joined a "friend of the court" (*amicus curiae*) filing with the San Luis & Delta-Mendota Water Authority and the Coalition for a Sustainable Delta on the side of defendants NMFS and Yuba Water.

"We argued that the scope of ESA section 7 and liability under ESA section 9 do not extend to the presence of dams already built at the direction of Congress," said Alliance General Counsel Norm Semanko (IDAHO). "This case presents direct risks to owners and operators of dams and other infrastructure, and those who rely on these facilities, throughout the U.S."

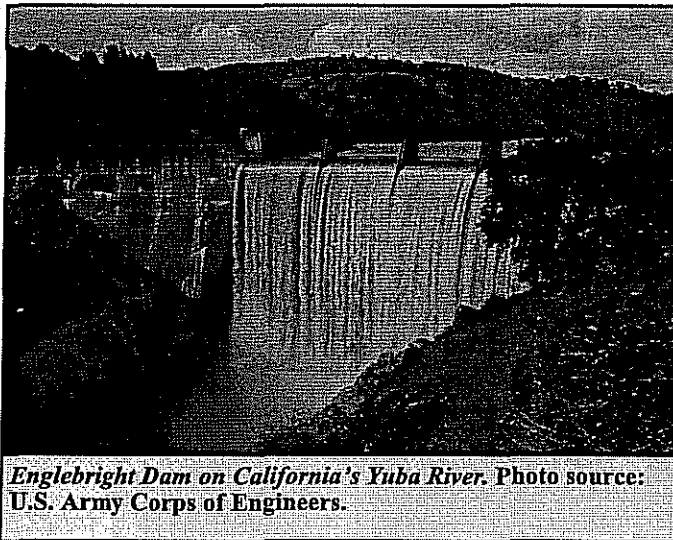
While some environmental organizations claimed victory in this case, the October 2019 decision was largely procedural, according to attorneys intervening on behalf of the defendants. It did not address the primary issue of whether the ESA's consultation procedures apply to the existence of Englebright and Daguerre. Instead, the Ninth Circuit held NMFS had not adequately explained why it changed its position on this issue. In its one substantive ruling, the Ninth Circuit rejected FOR's arguments that new ESA consultation is required here. The Court also denied FOR's request that the court order the Corps to implement "interim species-protective measures" while the matter is on remand. As an unpublished memorandum disposition, the October 3 decision does not create any precedent.

The court last October also ordered NMFS to provide a

reasonable explanation of why it changed its opinion. That was more than nine months ago.

"We need to remove the legal uncertainty that is in play right now," said Willie Whittlesey, Yuba Water's General Manager. "We're simply asking NMFS to explain its reasoning behind its changing position so we can all work together on meaningful, science-based habitat restoration, rather than starting over with a new consultation or fighting it out in court."

On June 17, 2020 Yuba Water filed a motion with the Federal District Court, asking the court to require NMFS to provide that explanation. Yuba Water filed the motion to help ensure timely resolution of the case, asking that NMFS be required to provide the "reasoned explanation" required by the Ninth Circuit within 45 days. In addition, Yuba Water requested the district court place on hold – FOR's other ESA claims until after NMFS has provided this explanation.



Englebright Dam on California's Yuba River. Photo source: U.S. Army Corps of Engineers.

Environmental Baseline Issues

The case involves an environmental group's challenge to the federal government's activities concerning two dams on the Yuba River. FOR's principal argument on appeal was that the ESA required the Corps and NMFS to analyze

and mitigate impacts on protected fish species resulting from the mere existence of two federally-owned debris dams on the Yuba River – Englebright and Daguerre Point dams. Federal activities at the two dams have been subject to the ESA since 1990, when spring-run Chinook salmon and steelhead became eligible for protection under the act.

The two dams safely contain millions of cubic yards of toxic mining debris left over from the gold rush, preventing it from contaminating the Yuba, Feather and Sacramento rivers and increasing flood risk for the City of Marysville and other Yuba County communities if released downstream.

"Today, the Corps has no legal discretion to remove or modify these two dams. Only Congress has that authority," said Yuba Water's outside counsel, Paul Bartkiewicz. "So their existence was properly considered part of the environmental baseline conditions. As such, the dams existence should not be considered among the actions for which the Corps was seeking to obtain ESA approval."

However, NMFS and the Corps had a consultation (called a Section 7 consultation) and NMFS issued a jeopardy opinion

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Klamath Water Users Applaud New Federal Science Initiative

Reclamation follows up on Interior Secretary's Visit to the Basin

Klamath Water Users Association (KWUA) earlier this month expressed strong support for the U.S. Bureau of Reclamation's (Reclamation) announcement of a plan to bring better and more objective science and transparency to decisions on operations of the Klamath Project.

"This is very welcome and encouraging news," said KWUA Executive Director and Counsel Paul Simmons. "This initiative should bring rigor to the science and expose agency processes to daylight."

Reclamation's announcement came less than three weeks after Secretary of the Interior David Bernhardt and Reclamation Commissioner Brenda Burman visited the area and met with Klamath Project irrigators. "We heard firsthand from the

gered Species Act, with federal agency staffs prescribing water volumes that have to be held in Upper Klamath Lake for endangered sucker species and released to the Klamath River for coho salmon. Farming and ranching communities have



Interior Secretary David Bernhardt (center) and Bureau of Reclamation Commissioner Brenda Burman (holding water bottle) stand with Klamath Project "women of agriculture". Photo courtesy of Tami Heilemann, U.S. Department of the Interior.



Family Farm Alliance Executive Director Dan Keppen (L) and Interior Secretary David Bernhardt at a press event near Klamath Falls (OREGON). Photo courtesy of Tami Heilemann, U.S. Department of the Interior.

community on the best path forward to address longstanding water challenges," said Commissioner Burman. "Reclamation is launching a fresh approach with an initial \$1.2 million investment in applied science projects. These projects will improve our understanding of natural stream flows and the relationship between project operations and aquatic ecosystems in the Klamath Basin."

Family Farm Alliance Executive Director Dan Keppen also met with the Secretary and Commissioner and participated in a related press event.

"The Secretary and Commissioner are delivering on one of our highest priority requests; it is great to know we were heard," said KWUA President Tricia Hill.

The Klamath Project provides irrigation water for about 200,000 acres lying in Klamath County, Oregon, and Siskiyou and Modoc Counties, California. For the past 25 years, Project supplies have been subject to regulation under the Endan-

been injured and there has been no positive response in fish populations.

"Secretary Bernhardt made it very clear in our meeting that future decisions will be based on good science," said Ms. Hill. "That is music to our ears."

Representative Greg Walden (R-OREGON) released a statement applauding the Reclamation announcement.

"The Klamath Basin will benefit greatly from the Bureau of Reclamation's investment in new science for the Klamath Project," said Rep. Walden. "I am grateful that Secretary Bernhardt, who recently visited the Basin, continues to look out for the farmers, ranchers, tribes, and the surrounding community of the Basin. This new funding will support science-based initiatives that will help get us closer to finding a solution for the Basin that benefits the farmers, fish, and tribes. I look forward to continuing to work with Secretary Bernhardt and the Trump Administration on finding a solution to the decades old Klamath Basin Water Crisis and I applaud their steadfast commitment to this issue."

KWUA also hopes these steps will help bring transparency to regulatory processes.

"We need objectivity and not pre-ordained results," said Mr. Simmons. "We are encouraged that we can get there."

Ms. Hill said that the Trump Administration inherited a damaging regulatory and scientific approach to the Klamath Project that formed over recent decades.

"This is a welcome move to get us on a better path, and we're ready to work with all parties who put science first."

Friends of the River v. NMFS (Cont'd from Pg. 9)

in 2012, claiming the dams were jeopardizing the existence of threatened species. At that time, Yuba Water intervened, filing a lawsuit to challenge the basis of the NMFS decision, and the court agreed, directing the two federal agencies to complete a new consultation.

In 2014, NMFS issued a new biological opinion and a letter of concurrence reflecting that the dams are part of the Corps' environmental baseline conditions. About two years later, FOR challenged those ESA documents, alleging that the federal agencies improperly defined the scope of the Corps' activities. Yuba Water intervened in the lawsuit to protect its ability to deliver water in the community, generate hydroelectric power, and protect its significant investments in flood risk reduction infrastructure and fish habitat improvement projects.

The Ninth Circuit Court's Order

The Ninth Circuit did not address the primary issue of whether the ESA consultation procedures apply to the mere existence of the two dams. Instead, the Ninth Circuit held NMFS had not adequately explained why it changed its position on this issue.

"The Ninth Circuit held that without a formal explanation from NMFS, it could not address the issue of whether the consultation requirements apply to the dams' existence," said Mr. Bartkiewicz. "The Ninth Circuit, therefore, ordered NMFS to reassess this issue and provide an adequate explanation for its position."

Improving Fish Habitat on the Lower Yuba River

Yuba Water is committed to environmental stewardship and has made significant commitments toward the conservation of protected species on the Yuba River.

"We have been actively engaged in collaborating, funding, and implementing salmon and steelhead habitat improvement actions on the Lower Yuba River for more than two decades," said Mr. Whittlesey.

Yuba Water is presently working with conservation groups and federal agencies in the Hallwood Side Channel and Floodplain Restoration Project, a multi-benefit flood risk reduction and 157-acre habitat restoration project in the lower Yuba River. Yuba Water is also seeking to become the local partner for a \$100 million fisheries restoration project with the Corps. While the resolution of this court challenge will enable these projects to advance, the uncertainty brought about by continued litigation could jeopardize these projects and many others, including the fate of the historic Lower Yuba River Accord, comprised of three important agreements governing the stretch of the lower Yuba River below Englebright Dam to its confluence with the Feather River near Marysville.

"Yuba Water values our relationships with state, federal, local and regional partners, and we will continue to work with stakeholders to enhance fish and wildlife conditions in the Yuba River," said Mr. Whittlesey.

Next Steps

In an effort to resolve this issue, Yuba Water filed a legal motion to request that the court direct NMFS to promptly provide the requested explanation and respond to the Ninth Circuit Court decision.

"There is a relatively simple answer, and we are asking the district court to direct NMFS to provide that answer as the Ninth Circuit ordered, and to do so in a timely and open manner," said Mr. Whittlesey.

If you have questions about this case or would like to discuss it further, please do not hesitate to contact Mr. Whittlesey (wwhittlesey@yubawater.org).

DONOR SUPPORT

Make your tax-deductible gift to the Alliance today! Grassroots membership is vital to our organization. Thank you in advance for your loyal support. If you would like further info, please contact Dan Keppen at dan@familyfarmalliance.org or visit our website:

www.familyfarmalliance.org



**Contributions can also be mailed directly to:
Family Farm Alliance
22895 S. Dickenson Avenue
Riverdale, CA 93656**

A Big Thank You to Our New and Supporting Members!

MAY 2020– JUNE 2020

CHAMPION (\$10,000 and Above)

Friant Water Authority (CA)

ADVOCATE (\$5,000 - \$9,999)

**Oregon Water Resources Congress
Water District #1 (ID)**

Welton-Mohawk Irrigation District (AZ)

DEFENDER (\$1000-\$4999)

Allenberg Cotton Company (CA)

Bill Diedrich (CA)

Electrical District #8 (AZ)

Klamath Basin Improvement District (OR)

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North Platte Valley Irrigators Association (NE)

Pathfinder Irrigation District (NE)

Salt River Project (AZ)

JR Simplot Company (ID)

Sunnyside Valley Irrigation District (WA)

Tulare Lake Basin Water Storage District (CA)

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County of Siskiyou (CA) Farmers Conservation Alliance (OR)

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Rubicon Water (CO)

Truckee-Carson Irrigation District (NV)

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David's Engineering (CA) Mike and Leslie James (AZ)

Montpelier Farming Corp. (CA) Parsons, Behle and Latimer (ID)

Robbins, Browning, Godwin & Marchini LLP (CA)

Trinchera Water Conservancy District (CO)

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Santa Ynez River

WATER CONSERVATION DISTRICT

P.O. Box 719 - 3669 Sagunto Street, Suite 101
Santa Ynez, California 93460

Telephone: (805) 693-1156

FAX: (805) 693-4607

www.SYRWCD.com

GENERAL MANAGER:

KEVIN D. WALSH

SECRETARY:

AMBER M. THOMPSON

TREASURER:

WILLIAM J. BUELOW, PG

CONSULTANTS:

STEVE TORIGIANI
General Counsel

STETSON ENGINEERS
Engineer

August 13, 2020

SENT VIA EMAIL

Mr. Michael P. Jackson, P.E.
Area Manager
South-Central California Area Office
Bureau of Reclamation
U.S. Department of Interior
1243 N Street
Fresno, California 93721-1813

Re: Downstream Water Rights Releases

Dear Mr. Jackson:

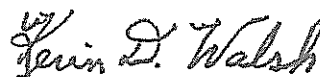
This is a request by the Santa Ynez River Water Conservation District (SYRWCD) that water be released from the above and below Narrows accounts at a rate of about 180 cubic feet per second (cfs) at Bradbury Dam starting at 8:00 AM on August 31, 2020. The primary purpose of the release is to replenish the alluvial groundwater basin along the Santa Ynez River between the dam and the Lompoc Narrows and provide replenishment water to the below Narrows groundwater basin in Lompoc. As provided in Paragraphs 5(1.5) and 5(2.5) of the State Water Resources Control Board Order WR 73-37, as amended by WR 89-18 and incorporated in WR 2019-0148, releases of water in the above and below Narrows accounts shall be made at such times, amounts and rates of flow as are requested by the SYRWCD.

The release operation will be consistent with the Cachuma Project Guidelines for Operation.

We sincerely appreciate your cooperation and that of your staff.

Sincerely,

SANTA YNEZ RIVER WATER
CONSERVATION DISTRICT



Kevin D. Walsh
General Manager

CORRESPONDENCE LIST
AUGUST 2020

Agenda Item XIII.

1. Notice and Agenda received July 6, 2020 from CCWA – Operating Committee Meeting July 9, 2020
2. Letter received July 17, 2020 from Santa Barbara County Office of the Auditor Controller re: SB County Local Area Formation Commission LAFCO 2020-2021 Budget and invoice for pro-rata share
3. Meeting notice and agenda received July 17, 2020 from Santa Ynez Community Services District Board of Directors Meeting July 22, 2020
4. Meeting notice and agenda received July 20, 2020 from Santa Barbara County LAFCO re: Board of Directors Meeting August 6, 2020
5. Letter received July 15, 2020 from Santa Ynez River Water Conservation District re: Eastern Management Area Grant Reimbursement and Ongoing Costs
6. Letter from District dated July 21, 2020 to M. Colicchio re: Second Superseding water service requirements; new single-family residence & guest house with fire protection, agriculture use and construction water – 1021 Ladan Drive
7. Letter from District dated July 23, 2020 to Santa Ynez River Water Conservation District re: ID#1 Pro-Rata share of the FY 2020/2021 LAFCO Budget
8. Public Records Act request received July 23, 2020 from Smartprocure
9. Letter received July 24, 2020 from Los Olivos Community Services District re: Wastewater Project Update and November 2020 Directors Elections – July 16, 2020
10. Letter received July 27, 2020 from CalPERS re: New Automated process to separate Retirement Appointments that meet specific criteria
11. Transmittal received July 27, 2020 from Central Coast Water Authority re: June 30, 2020 State Water Projections through 2035
12. Letter from District dated July 29, 2020 to SmartProcure re: Public Records Act request response
13. Letter received August 3, 2020 from CalPERS re: Circular Letter – Common Issues on Special Compensation Reporting and Labor Agreement Conditions
14. Letter from District dated August 10, 2020 to Mr. & Mrs. M. McGill re: Existing Water Service – New single-family residence and barn with private fire protection – 2203 Hill Haven Rd.