



CACHUMA CONSERVATION RELEASE BOARD

REGULAR MEETING AGENDA

**Montecito Water District
Board Conference Room
583 San Ysidro Road
Montecito, CA 93108**

City of Santa Barbara
Goleta Water District
Montecito Water District

**November 1, 2018
10:00 AM**

Roll Call

Public Comment Period

Any member of the public may address the Board of Directors (Board) on any subject within the jurisdiction of the Board that is not scheduled for a public hearing before the Board. The President of the Board will determine the total time for public comments. If you wish to address the Board, please complete and deliver to the Secretary of the Board, before the meeting is convened, a “Request to Speak” form including a description of the subject you wish to address.

Consent Agenda

All matters listed hereunder constitute a consent agenda and may be acted upon by a single roll call vote of the Board.

CA-1) MEETING MINUTES

Approval of minutes of the Board of Directors’ October 4, 2018 meeting.

CA-2) UNAUDITED INTERIM FINANCIAL STATEMENT – PERIOD ENDING SEPTEMBER 30, 2018

Receive and file the Unaudited Interim Financial Statement – Period Ending September 30, 2018.

Closed Session Agenda

CS-1) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Government Code section 54956.9(d) (One potential case)

CS-2) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Government Code section 54956.9(d)(1) (One case: State Water Resources Control Board adjudicatory proceeding regarding Cachuma Project water rights)

CS-3) PUBLIC EMPLOYEE APPOINTMENT

Government Code section 54957(b)(1) (Executive Director)

Reconvene into open session and report on actions taken in closed session pursuant to Government Code Section 54957.1

Regular Agenda

RA-1) UPDATES – DRAFT WATER BOARD ORDER and FEDERAL RECONSULTATION PROCESS FOR CACHUMA PROJECT

Consider status updates regarding the State Water Resources Control Board draft water rights orders and the Reconsultation process underway with the US Bureau of Reclamation and National Marine Fisheries Service.

RA-2) SET NEXT MEETING (December 6, 2018, 10:00 AM, Location TBD); ADDITIONALLY, CONSIDER RESCHEDULING JANUARY 3, 2019 MEETING DATE TO JANUARY 10, 2019; ADJOURN.

NOTICE TO PUBLIC

Americans with Disabilities Act: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Cachuma Conservation Release Board representative at (805) 879-4627 at least 48 hours prior to the meeting to enable the Board to make reasonable arrangements.

[This Agenda was posted at the Montecito Water District, 583 San Ysidro Road, Montecito, CA and delivered in accordance with §54954.1 and .2 of the Government Code.]

**MINUTES OF A REGULAR MEETING
of the
CACHUMA CONSERVATION RELEASE BOARD**

**held at the
David Gebhard Conference Room
630 Garden Street
Santa Barbara, CA 93101**

Thursday, October 4, 2018, 10:00 am

CALL TO ORDER, ROLL CALL

The meeting was called to order at 10:05 a.m. by board President Lauren Hanson. Those in attendance were:

Directors Present:

Lauren Hanson	Goleta Water District
Doug Morgan	Montecito Water District
Kristen Sneddon	City of Santa Barbara

Also Present:

John McInnes
Ryan Drake
Josh Haggmark
Nick Turner
Joel Mulder
Peter Cattle

Present by Phone:

Kevin O'Brien
Ted Harris
Jean Baldrige
Warren Greco

PUBLIC COMMENT

No one from the general public was present; there was no public comment.

CONSENT AGENDA

The Consent Agenda was moved and seconded (Morgan/Sneddon) and passed by a vote of 3-0.

CLOSED SESSION

The Board went into closed session at 10:07 a.m. to discuss matters regarding existing and potential litigation. The Board came out of closed session and reconvened the public meeting at 11:05 p.m. There was no reportable action from closed session.

REGULAR AGENDA

RA-1) Update – Draft Water Board Order (Applications 11331 and 11332). The Board received and considered a status briefing regarding the Water Rights Order currently in process with the State Water Resources Control Board. Action by the Water Board on the draft documents is not likely to occur until 2019.

RA-2) Update – Federal Reconsultation Process for Cachuma Project. The Board received and considered a status update regarding the Reconsultation process underway in conjunction with the US Bureau of Reclamation and the National Marine Fisheries Service. The Board was advised that CCRB staff and consultants are working collaboratively with USBR to develop a presentation of the New Proposed Action that was provided on August 1, 2018 to the NMFS Regional Director. The presentation will be delivered October 16, 2018 in a meeting with NMFS and USBR staff in Long Beach, CA. CCRB staff and consultants will attend the meeting, along with representatives of the Downstream Interests. Additional meetings with USBR and NMFS regarding the New Proposed Action are anticipated but not yet scheduled.

RA-3) Draft Policy Resolution – Member Agency Briefings by CCRB Staff. The Board considered the revised Policy Resolution 2018-6, addressing the briefing of CCRB member agencies’ governing bodies on activities underway with CCRB. Following Board consideration, a motion was made and seconded (Morgan/Sneddon) to approve the revised Policy Resolution 2018-6, as presented. The motion passed 3-0.

CCRB ADJOURNMENT

President Hanson adjourned the meeting at 11:20 a.m., with the next meeting set for Thursday, November 1, 2018, at 10:00 a.m., at the Montecito Water District, 583 San Ysidro Road, Montecito, CA 93108.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Mia Carter", is written over a horizontal line.

Secretary to the Board



Cachuma Conservation
Release Board
Agenda Letter

Board of Directors

City of Santa Barbara

Goleta Water District

Montecito Water District

For Agenda Of: November 1, 2018

Estimated Time: (Consent)

Continued Item: No

If Yes, date from:

TO: Board Members

FROM: Peter Cantle, Executive Director

SUBJECT: Unaudited Interim Financial Statement - Period Ending September 30, 2018

Legal Concurrence:

As to form: N/A

Recommended Actions:

Receive and file the Unaudited Interim Financial Statement – Period Ending September 30, 2018.

Discussion:

The Board of Directors approves the CCRB budget each fiscal year, which is subsequently ratified by each Member Agency's governing body. Following budget approval, unaudited interim financial results are provided each month to the Board to compare fiscal performance against the adopted budget. This report addresses the period ending September 30, 2018.

Fiscal Analysis:

Total income through September 30 was \$265,587.66, reflecting first-quarter billings to the three Member Agencies. Second-quarter billings were issued to Member Agencies after September 30, and so are not reflected in the income total. Expenses through September 30 (\$143,922.85) reflected costs incurred for CCRB management, legal, technical and strategic regulatory support driven by the reconsultation process underway with USBR and NMFS, and essential administrative processes (e.g., accounting, auditing, computer/website support, insurance).

Attachments:

Attachment 1: Unaudited Interim Financial Statement for the period ending September 30, 2018

Authored by:

Peter Cantle, Executive Director

ATTACHMENT 1

**UNAUDITED INTERIM FINANCIAL STATEMENT – PERIOD ENDING
SEPTEMBER 30, 2018**

Cachuma Conservation Release Board
Statement of Revenue and Expense- Budget vs. Actual
July through September 2018

	Jul - Sep 18	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4200 · Income	265,587.00	1,062,350.00	-796,763.00	25.0%
4300 · Interest Income	0.66			
Total Income	265,587.66	1,062,350.00	-796,762.34	25.0%
Expense				
5050 · Office Lease	1,084.00	4,800.00	-3,716.00	22.6%
5100 · Audit	4,625.00	8,000.00	-3,375.00	57.8%
5200 · Liability Insurance	3,525.77	5,300.00	-1,774.23	66.5%
5301 · Managers Salary	37,500.00	165,000.00	-127,500.00	22.7%
5304 · Administrative Support	1,260.18	9,600.00	-8,339.82	13.1%
5312 · Misc Admin Expense	741.60	4,000.00	-3,258.40	18.5%
5313 · Communications/Computer	969.11	6,000.00	-5,030.89	16.2%
5316 · Admin Fixed Assets	627.87	4,000.00	-3,372.13	15.7%
5330 · Admin Travel Expense	0.00	8,000.00	-8,000.00	0.0%
5331 · Travel Federal & State Meetings	631.09	20,000.00	-19,368.91	3.2%
5332 · Transportation	0.00	1,000.00	-1,000.00	0.0%
6001 · BO Reconsultation Activities	26,516.25			
6500 · Contingency	0.00	75,150.00	-75,150.00	0.0%
7000 · Legal	7,846.20	40,000.00	-32,153.80	19.6%
7001 · BO Reconsultation Legal Support	17,830.78	546,500.00	-528,669.22	3.3%
7002 · SWRCB Water Rights	0.00	165,000.00	-165,000.00	0.0%
7400 · Legislative/Regulatory Analyst	30,000.00			
7500 · Hydrologic Technical Support	10,765.00			
Total Expense	143,922.85	1,062,350.00	-918,427.15	13.5%
Net Ordinary Income	121,664.81	0.00	121,664.81	100.0%
Net Income	121,664.81	0.00	121,664.81	100.0%

Cachuma Conservation Release Board
Reconciliation Summary
1015 · CWB - Checking, Period Ending 09/30/2018

	Sep 30, 18
Beginning Balance	193,790.13
Cleared Transactions	
Checks and Payments - 6 items	-16,825.92
Total Cleared Transactions	-16,825.92
Cleared Balance	<u>176,964.21</u>
Uncleared Transactions	
Checks and Payments - 5 items	-57,596.94
Total Uncleared Transactions	-57,596.94
Register Balance as of 09/30/2018	<u>119,367.27</u>
New Transactions	
Deposits and Credits - 1 item	24.45
Total New Transactions	24.45
Ending Balance	<u>119,391.72</u>


OK
10-2-2018

**Cachuma Conservation Release Board
Reconciliation Detail
1015 · CWB - Checking, Period Ending 09/30/2018**

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						193,790.13
Cleared Transactions						
Checks and Payments - 6 items						
Bill Pmt -Check	08/22/2018		Rauch Communicati...	X	-130.00	-130.00
Bill Pmt -Check	09/04/2018		Goleta Water Disctri...	X	-2,141.56	-2,271.56
Bill Pmt -Check	09/21/2018		Cantle Environment...	X	-13,311.35	-15,582.91
Bill Pmt -Check	09/21/2018		AccountabilityPlus, Inc	X	-887.01	-16,469.92
Bill Pmt -Check	09/21/2018		Patterson/101 Allstore	X	-271.00	-16,740.92
Bill Pmt -Check	09/21/2018		CIO Solutions, LP	X	-85.00	-16,825.92
Total Checks and Payments					-16,825.92	-16,825.92
Total Cleared Transactions					-16,825.92	-16,825.92
Cleared Balance					-16,825.92	176,964.21
Uncleared Transactions						
Checks and Payments - 5 items						
Bill Pmt -Check	09/04/2018		City of Santa Barbar...		-1,901.95	-1,901.95
Bill Pmt -Check	09/04/2018		Montecito Water Dis...		-609.02	-2,510.97
Bill Pmt -Check	09/21/2018		Downey Brand Attor...		-44,955.97	-47,466.94
Bill Pmt -Check	09/21/2018		California Strategies...		-10,000.00	-57,466.94
Bill Pmt -Check	09/21/2018		Rauch Communicati...		-130.00	-57,596.94
Total Checks and Payments					-57,596.94	-57,596.94
Total Uncleared Transactions					-57,596.94	-57,596.94
Register Balance as of 09/30/2018					-74,422.86	119,367.27
New Transactions						
Deposits and Credits - 1 item						
Deposit	10/01/2018				24.45	24.45
Total Deposits and Credits					24.45	24.45
Total New Transactions					24.45	24.45
Ending Balance					-74,398.41	119,391.72


OK
10-2-2018



Cachuma Conservation
Release Board
Agenda Letter

Board of Directors

City of Santa Barbara

Goleta Water District

Montecito Water District

For Agenda Of: November 1, 2018

Estimated Time : 5 minutes

Continued Item: No

If Yes, date from:

TO: Board Members

FROM: Peter Cattle, Executive Director

SUBJECT: Item RA-1: Updates – Draft Water Board Order and Federal Reconsultation Process for Cachuma Project

Legal Concurrence:

As to form: N/A

Recommended Actions:

Receive a status update regarding the State Water Resources Control Board draft Water Rights Order and the federal (Sec. 7) Reconsultation process underway with the US Bureau of Reclamation and National Marine Fisheries Service.

Discussion

State Water Resources Control Board Water Rights Orders: The Board order and associated permits are still in draft form, awaiting consideration in additional closed session and public hearings. Water Board staff have recently indicated they are working towards holding a closed session on November 27, 2018. If requested changes to the order and permits are found acceptable, the revised documents could be released for public review within a few days and a public hearing could be scheduled as early as January 2019. We will continue to monitor the progress with this matter and update the Board accordingly.

Cachuma Project Reconsultation Process: CCRB staff and consultants as well as representatives of the Downstream Interests met with US Bureau of Reclamation and National Marine Fisheries Services personnel in Long Beach, CA on October 16, 2018 to deliver a collaboratively-developed presentation outlining the New Proposed Action for the Cachuma Project. The meeting was collegial and respectful, with excellent engagement and ample opportunity to discuss and explain the basis of the proposed action. NMFS staff indicated they recognized that the New Proposed Action addresses important biological and hydrological issues in the lower Santa Ynez River watershed. Staff anticipates additional engagement with USBR and NMFS in the coming months, and will keep the Board apprised as new information comes to light regarding the Reconsultation process.

On October 19, 2018, President Trump issued a “Presidential Memorandum on Promoting the Reliable Supply and Delivery of Water in the West.” Section 2(a)(i) directs the Secretary of the Interior and the Secretary of Commerce to, “identify major water infrastructure projects in California for which the Department of the Interior and the Department of Commerce have joint responsibility under the Endangered Species Act. . . .” The memorandum requires that Interior and Commerce designate an official as a point person for identifying regulations and procedures that potentially burden a major infrastructure project, and that the designated official develop a plan for appropriately suspending, revising, or rescinding any regulations or procedures that unduly burden the project beyond the degree necessary to protect the public interest or otherwise comply with the law. The memorandum further directs that environmental compliance requirements for such projects, “be completed as expeditiously as possible.” Staff respectfully requests that the Board review the memorandum (Attachment 1) and discuss whether the Cachuma Project should be designated as a “major water infrastructure project” under section 2(a)(i).

Fiscal Analysis:

CCRB’s approved FY2019 budget provides for staff and consulting support related to both the Water Board Order and the federal Reconsultation process. Virtually no expenses have been incurred this fiscal year regarding the State process. Costs associated with legal and technical consulting support for the Reconsultation process to date have been substantial; however, the FY2019 approved budget was constructed to accommodate this level of effort.

Attachments:

Attachment 1: *Presidential Memorandum (also available at <https://www.whitehouse.gov/presidential-actions/presidential-memorandum-promoting-reliable-supply-delivery-water-west/>.)*

Authored by:

Peter Cante, Executive Director

ATTACHMENT 1

PRESIDENTIAL MEMORANDUM

MEMORANDUM FOR THE SECRETARY OF THE INTERIOR
THE SECRETARY OF COMMERCE
THE SECRETARY OF ENERGY
THE SECRETARY OF THE ARMY
THE CHAIR OF THE COUNCIL ON ENVIRONMENTAL QUALITY

Subject: Promoting the Reliable Supply and Delivery of Water in the West

By the authority vested in me as President by the Constitution and the laws of the United States of America, I hereby direct the following:

Section 1. Policy. During the 20th Century, the Federal Government invested enormous resources in water infrastructure throughout the western United States to reduce flood risks to communities; to provide reliable water supplies for farms, families, businesses, and fish and wildlife; and to generate dependable hydropower. Decades of uncoordinated, piecemeal regulatory actions have diminished the ability of our Federal infrastructure, however, to deliver water and power in an efficient, cost-effective way.

Unless addressed, fragmented regulation of water infrastructure will continue to produce inefficiencies, unnecessary burdens, and conflict among the Federal Government, States, tribes, and local public agencies that deliver water to their citizenry. To meet these challenges, the Secretary of the Interior and the Secretary of Commerce should, to the extent permitted by law, work together to minimize unnecessary regulatory burdens and foster more efficient decision-making so that water projects are better able to meet the demands of their authorized purposes.

Sec. 2. Streamlining Western Water Infrastructure Regulatory Processes and Removing Unnecessary Burdens. To address water infrastructure challenges in the western United States, the Secretary of the Interior and the Secretary of Commerce shall undertake the following actions:

(a) Within 30 days of the date of this memorandum, the Secretary of the Interior and the Secretary of Commerce shall:

(i) identify major water infrastructure projects in California for which the Department of the Interior and the Department of Commerce have joint responsibility under the Endangered Species Act of 1973 (ESA) (Public Law 93-205) or individual responsibilities under the National Environmental Policy Act of 1969 (NEPA) (Public Law 91-190); and

(ii) for each such project, work together to facilitate the designation of one official to coordinate the agencies' ESA and NEPA compliance responsibilities. Within the 30-day time period provided by this subsection, the designated official shall also identify regulations and procedures that potentially burden the project and develop a proposed plan, for consideration by the Secretaries, to appropriately suspend, revise, or rescind any regulations or procedures that unduly burden the project beyond the degree necessary to protect the public interest or otherwise comply with the law. For purposes of this memorandum, "burden" means to unnecessarily obstruct, delay, curtail, impede, or otherwise impose significant costs on the permitting, utilization, transmission, delivery, or supply of water resources and infrastructure.

(b) Within 40 days of the date of this memorandum, the Secretary of the Interior and the Secretary of Commerce shall develop a timeline for completing applicable environmental compliance requirements for projects identified under section 2(a)(i) of this memorandum. Environmental compliance requirements shall be completed as expeditiously as possible, and in accordance with applicable law.

(c) To the maximum extent practicable and consistent with applicable law, including the authorities granted to the Secretary of the Interior and the Secretary of Commerce under the **Water Infrastructure Improvements for the Nation Act** (Public Law 114-322):

(i) The Secretary of the Interior and the Secretary of Commerce shall ensure that the ongoing review of the long-term coordinated operations of the Central Valley Project and the California State Water Project is completed and an updated Plan of Operations and Record of Decision is issued.

(ii) The Secretary of the Interior shall issue final biological assessments for the long-term coordinated operations of the Central Valley Project and the California State Water Project not later than January 31, 2019.

(iii) The Secretary of the Interior and the Secretary of Commerce shall ensure the issuance of their respective final biological opinions for the long-term coordinated operations of the Central Valley Project and the California State Water Project within 135 days of the deadline provided in section 2(c)(ii) of this memorandum. To the extent practicable and consistent with law, these shall be joint opinions.

(iv) The Secretary of the Interior and the Secretary of Commerce shall complete the joint consultation presently underway for the Klamath Irrigation Project by August 2019.

(d) The Secretary of the Interior and the Secretary of Commerce shall provide monthly updates to the Chair of the Council on Environmental Quality and other components of the Executive Office of the President, as appropriate, regarding progress in meeting the established timelines.

Sec. 3. Improve Forecasts of Water Availability. To facilitate greater use of forecast-based management and use of authorities and capabilities provided by the Weather Research and Forecasting Innovation Act of 2017 (Public Law 115-25) and other applicable laws, the Secretary of the Interior and the Secretary of Commerce shall convene water experts and resource managers to develop an action plan to improve the information and modeling capabilities related to water availability and water infrastructure projects. The action plan shall be completed by January 2019 and submitted to the Chair of the Council on Environmental Quality.

Sec. 4. Improving Use of Technology to Increase Water Reliability. To the maximum extent practicable, and pursuant to the Reclamation Wastewater and Groundwater Study and Facilities Act (Public Law 102-575, title XVI), the Water Desalination Act of 1996 (Public Law 104-298), and other applicable laws, the Secretary of the Interior shall direct appropriate bureaus to promote the expanded

use of technology for improving the accuracy and reliability of water and power deliveries. This promotion of expanded use should include:

(a) investment in technology and reduction of regulatory burdens to enable broader scale deployment of desalination technology;

(b) investment in technology and reduction of regulatory burdens to enable broader scale use of recycled water; and

(c) investment in programs that promote and encourage innovation, research, and development of technology that improve water management, using best available science through real-time monitoring of wildlife and water deliveries.

Sec. 5. Consideration of Locally Developed Plans in Hydroelectric Projects Licensing. To the extent the Secretary of the Interior and the Secretary of Commerce participate in Federal Energy Regulatory Commission licensing activities for hydroelectric projects, and to the extent permitted by law, the Secretaries shall give appropriate consideration to any relevant information available to them in locally developed plans, where consistent with the best available information.

Sec. 6. Streamlining Regulatory Processes and Removing Unnecessary Burdens on the Columbia River Basin Water Infrastructure. In order to address water and hydropower operations challenges in the Columbia River Basin, the Secretary of the Interior, the Secretary of Commerce, the Secretary of Energy, and the Assistant Secretary of the Army for Civil Works under the direction of the Secretary of the Army, shall develop a schedule to complete the Columbia River System Operations Environmental Impact Statement and the associated Biological Opinion due by 2020. The schedule shall be submitted to the Chair of the Council on Environmental Quality within 60 days of the date of this memorandum.

Sec. 7. General Provisions. (a) Nothing in this memorandum shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This memorandum shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(d) The Secretary of the Interior is hereby authorized and directed to publish this memorandum in the *Federal Register*.

DONALD J. TRUMP