



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

February 6, 2020
2:00 PM

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' January 9, 2020 meeting.

CA-2) Unaudited Interim Financial Statement for the Period Ending December 31, 2019

Receive and file the Unaudited Interim Financial Statement for the Period Ending December 31, 2019.

REGULAR AGENDA

RA-1) State Water Board Order and Federal Consultation Process Updates

Consider status updates regarding the new State Water Resources Control Board (SWRCB) Water Rights Order and the Consultation process underway with the US Bureau of Reclamation (Reclamation) and National Marine Fisheries Service.

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)

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

REGULAR AGENDA (CONT.)

RA-2) Identify Agenda Items for Future Board Meetings.

**RA-3) Set Next Regular Meeting (Thursday, March 5, 2020, 2:00 PM, City of Santa Barbara);
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 (pcantle@ccrb-board.org) 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 MEETING
of the
CACHUMA CONSERVATION RELEASE BOARD
held at the
Goleta Water District
Conference Room
4699 Hollister Ave.
Goleta, CA 93110

Thursday, January 9, 2020, 10:00 am

CALL TO ORDER, ROLL CALL

The meeting was called to order at 10:00 a.m. by Board President Lauren Hanson. Those in attendance were:

Directors Present:

Lauren Hanson	Goleta Water District
Kristen Sneddon	City of Santa Barbara
Tobe Plough	Montecito Water District

Also Present:

Ryan Drake
Joshua Haggmark
Joel Mulder
Peter Cantle

Present by Phone:

Kevin O'Brien
Ted Harris
Warren Greco
Jean Baldrige

PUBLIC COMMENT

There were no requests from members of the public to address the Board during Public Comment.

CONSENT AGENDA

A motion was made and seconded (Plough/Sneddon) and the Board voted 3-0 to approve the Consent Agenda.

REGULAR AGENDA

RA-1, Water Board Order and Federal Reconsultation Process Updates. Executive Director Cantle summarized a written status update regarding the Cachuma Project water rights order approved by the State Water Resources Control Board on September 17, 2019, and the Endangered Species Act-related Consultation process that is underway with the Bureau of Reclamation and National Marine Fisheries Service (NMFS). Regarding the Water Board order, with CCRB Board approval, technical staff are assisting Reclamation in developing plans that address study requirements

imposed through the Order. Staff presented and discussed a detailed draft outline of plans that Reclamation must soon submit for review by NMFS and California Dept. of Fish and Wildlife. The Board considered and supported the outline and requested, where possible, that staff identify order-of-magnitude implementation costs going forward. Regarding the Consultation process, staff reached out to the lead NMFS Long Beach representative and, with Reclamation's knowledge and approval, will follow up later in January to establish a dialogue regarding the Cachuma Project new proposed action.

RA-2, CCRB Regular Meeting Schedule for 2020. The Board considered a revised meeting time and agreed by consensus that CCRB regular meetings will be held at 2:00 pm on the first Thursday of each month for 2020. Meeting locations will continue to rotate within the Member Units, according to availability.

CLOSED SESSION

With Counsel concurrence, the Board determined there was no need for closed session and tabled the closed session items for future discussion.

REGULAR AGENDA

RA-3, Identify Agenda Items for Future Board Meetings. No additional topics were identified for future board meetings.

RA-4, Set Next Regular Meeting and Adjourn. The next regular meeting of the CCRB Board will be February 6, 2020 at 2:00 pm, at the Montecito Water District, 583 San Ysidro Road, Montecito, CA 93108. President Hanson adjourned the meeting at 11:35 am.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "A. Carr", is written over a horizontal line.

Secretary to the Board



Cachuma Conservation
Release Board
Agenda Letter

City of Santa Barbara

Goleta Water District

Montecito Water District

For Agenda Of: February 6, 2020

Estimated Time: (Consent)

Continued Item: No

If Yes, date from:

TO: Board Members

FROM: Peter Cattle, Executive Director

SUBJECT: CA-2: Unaudited Interim Financial Statement - Period Ending December 31, 2019

Legal Concurrence:

As to form: N/A

Recommended Actions:

Receive and file the Unaudited Interim Financial Statement – Period Ending December 31, 2019.

Discussion:

The Board of Directors approves the CCRB budget each fiscal year. It is subsequently approved by each Member Agency's governing body and becomes CCRB's annual operating budget. 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 December 31, 2019.

Fiscal Analysis:

Total income through December 31 was static from the previous month at \$764,002.00, reflecting full receipt of Member Units' second-quarter payments. (Invoices to Member Units for third quarter payments were issued in early January 2020.) Total expenses booked through December were \$415,584.48, reflecting costs incurred for CCRB management, legal, technical and strategic regulatory support driven by the Consultation and Water Board Order processes underway, and essential administrative processes (e.g., accounting, auditing, computer/website support, insurance). Expenditures are on track. The attached *Statement of Revenue and Expense – Budget vs. Actual*, which shows CCRB's costs and revenue through December 31, 2019, reflects the reallocation of funds the Board approved December 5, 2019 to support assistance to US Bureau of Reclamation. The total budget is unchanged from the original approval amount.

At the mid-way point of the fiscal year, CCRB's expenditures stand at 27.2% of total budget of \$1,528,000. The under-expenditure is due in large part to substantially less State Water Board order litigation-related expenses than were anticipated when the FY20 budget was developed in March-April 2019 (see, for example, *Statement of Revenue and Expense – Budget vs. Actual*, acct. code 7002). At this

writing, the State Water Board has still not addressed a US Bureau of Reclamation petition to reconsider aspects of the September 2019 water rights order. Accordingly, Reclamation has not yet signaled whether it will seek judicial review of the order. Should Reclamation seek judicial review and the CCRB Board decide to intervene in the matter, expenditures in this category would necessarily increase. The FY20 budget was scoped to allow this potential course of action, should the CCRB Board opt to pursue it.

Attachments:

Attachment 1: Unaudited Interim Financial Statement for the period ending December 31, 2019

Authored by:

Peter Cantle, Executive Director

ATTACHMENT 1

**UNAUDITED INTERIM FINANCIAL STATEMENT
PERIOD ENDING DECEMBER 31, 2019**

Cachuma Conservation Release Board
Statement of Revenue and Expense- Budget vs. Actual
July through December 2019

	<u>Jul - Dec 19</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4200 · Income	764,002.00	1,528,000.00	-763,998.00	50.0%
Total Income	764,002.00	1,528,000.00	-763,998.00	50.0%
Expense				
5050 · Office Lease	1,680.00	5,000.00	-3,320.00	33.6%
5100 · Audit	3,037.00	10,000.00	-6,963.00	30.4%
5200 · Liability Insurance	3,676.53	7,000.00	-3,323.47	52.5%
5301 · Managers Salary				
5301.01 · Managers Gross Wages	80,000.05			
5301.02 · Employer Tax Expense	6,659.30			
5301 · Managers Salary - Other	0.00	175,000.00	-175,000.00	0.0%
Total 5301 · Managers Salary	86,659.35	175,000.00	-88,340.65	49.5%
5304 · Administrative Support	2,697.08	18,000.00	-15,302.92	15.0%
5312 · Misc Admin Expense	1,040.80	4,000.00	-2,959.20	26.0%
5313 · Communications/Computer	2,272.24	8,000.00	-5,727.76	28.4%
5316 · Admin Fixed Assets	0.00	4,000.00	-4,000.00	0.0%
5330 · Admin Travel Expense	0.00	8,000.00	-8,000.00	0.0%
5331 · Travel Federal & State Meetings	1,465.02	20,000.00	-18,534.98	7.3%
5332 · Transportation	0.00	1,000.00	-1,000.00	0.0%
6001 · BO Reconsultation Activities	140,903.00	414,000.00	-273,097.00	34.0%
6500 · Contingency	0.00	54,000.00	-54,000.00	0.0%
7000 · Legal	26,179.99	50,000.00	-23,820.01	52.4%
7001 · BO Reconsultation Legal Support	47,226.97	150,000.00	-102,773.03	31.5%
7002 · SWRCB Water Rights	22,746.75	252,000.00	-229,253.25	9.0%
7100 · SWRCB Support				
7200 · SWRCB Proceedings Support	0.00	110,000.00	-110,000.00	0.0%
Total 7100 · SWRCB Support	0.00	110,000.00	-110,000.00	0.0%
7400 · Legislative/Regulatory Analyst	48,000.00	96,000.00	-48,000.00	50.0%
7500 · Hydrologic Technical Support	27,999.75	142,000.00	-114,000.25	19.7%
Total Expense	415,584.48	1,528,000.00	-1,112,415.52	27.2%
Net Ordinary Income	348,417.52	0.00	348,417.52	100.0%
Net Income	348,417.52	0.00	348,417.52	100.0%

Cachuma Conservation Release Board
Reconciliation Detail
1015 · CWB - Checking, Period Ending 12/31/2019

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						461,844.67
Cleared Transactions						
Checks and Payments - 22 items						
Bill Pmt -Check	11/25/2019	4519	Downey Brand Attor...	X	-36,414.03	-36,414.03
Bill Pmt -Check	11/25/2019	4517	California Strategies...	X	-8,000.00	-44,414.03
Bill Pmt -Check	11/25/2019	4516	AccountabilityPlus, Inc	X	-468.90	-44,882.93
Bill Pmt -Check	11/25/2019	4520	Patterson/101 Allstore	X	-280.00	-45,162.93
Bill Pmt -Check	11/25/2019	4521	Peter Cantle	X	-202.87	-45,365.80
Bill Pmt -Check	11/25/2019	4518	CIO Solutions, LP	X	-97.50	-45,463.30
Check	12/04/2019	EFT	Payroll Tax	X	-3,816.89	-49,280.19
General Journal	12/04/2019	PR12...	Peter Cantle	X	-2,807.73	-52,087.92
Check	12/04/2019	EFT	Payroll Vault	X	-66.00	-52,153.92
Check	12/18/2019	EFT	Payroll Tax	X	-3,816.87	-55,970.79
General Journal	12/18/2019	PR12...	Peter Cantle	X	-2,807.74	-58,778.53
Check	12/18/2019	EFT	Payroll Vault	X	-66.00	-58,844.53
Bill Pmt -Check	12/19/2019	4526	Downey Brand Attor...	X	-37,746.51	-96,591.04
Bill Pmt -Check	12/19/2019	4524	Bartlett, Pringle & W...	X	-3,037.00	-99,628.04
Bill Pmt -Check	12/19/2019	4523	AccountabilityPlus, Inc	X	-358.33	-99,986.37
Bill Pmt -Check	12/19/2019	4527	Patterson/101 Allstore	X	-280.00	-100,266.37
Bill Pmt -Check	12/19/2019	4528	Peter Cantle	X	-230.40	-100,496.77
Bill Pmt -Check	12/19/2019	4530	CIO Solutions, LP	X	-116.25	-100,613.02
Bill Pmt -Check	12/20/2019	4531	CIO Solutions, LP	X	-43.75	-100,656.77
Check	12/31/2019	EFT	Payroll Tax	X	-4,065.54	-104,722.31
General Journal	12/31/2019	PR01...	Peter Cantle	X	-2,811.38	-107,533.69
Check	12/31/2019	EFT	Payroll Vault	X	-66.00	-107,599.69
Total Checks and Payments					-107,599.69	-107,599.69
Total Cleared Transactions					-107,599.69	-107,599.69
Cleared Balance					-107,599.69	354,244.98
Uncleared Transactions						
Checks and Payments - 3 items						
Bill Pmt -Check	11/25/2019	4522	Rauch Communicati...		-62.50	-62.50
Bill Pmt -Check	12/19/2019	4525	California Strategies...		-8,000.00	-8,062.50
Bill Pmt -Check	12/19/2019	4529	Rauch Communicati...		-62.50	-8,125.00
Total Checks and Payments					-8,125.00	-8,125.00
Total Uncleared Transactions					-8,125.00	-8,125.00
Register Balance as of 12/31/2019					-115,724.69	346,119.98
Ending Balance					-115,724.69	346,119.98



1-10-2020

Cachuma Conservation Release Board
Reconciliation Summary
1015 · CWB - Checking, Period Ending 12/31/2019

	<u>Dec 31, 19</u>
Beginning Balance	461,844.67
Cleared Transactions	
Checks and Payments - 22 items	<u>-107,599.69</u>
Total Cleared Transactions	<u>-107,599.69</u>
Cleared Balance	<u>354,244.98</u>
Uncleared Transactions	
Checks and Payments - 3 items	<u>-8,125.00</u>
Total Uncleared Transactions	<u>-8,125.00</u>
Register Balance as of 12/31/2019	<u>346,119.98</u>
Ending Balance	346,119.98



1-10-2020



Cachuma Conservation
Release Board
Agenda Letter

Board of Directors

City of Santa Barbara

Goleta Water District

Montecito Water District

For Agenda Of: February 6, 2020

Estimated Time : 15 minutes

Continued Item: No

If Yes, date from:

TO: Board Members

FROM: Peter Cantle, Executive Director

SUBJECT: Item RA-1: State Water Board Order and Federal Consultation Process Updates

Legal Concurrence:

As to form: N/A

Recommended Actions:

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

Discussion

State Water Resources Control Board Water Rights Order: The State Water Board approved Water Rights Order 2019-0148 (Order) on September 17, 2019. The Order is based on Alternative 5C in the State Water Board's final environmental impact report. The Order requires Reclamation, as permit holder, to: a) release additional water from Cachuma Reservoir during wetter-than-normal years; and, b) develop plans and conduct studies to assess, among other things, the feasibility of steelhead passage around Bradbury Dam, the benefits of the increased flows, other opportunities for habitat enhancement, and reduction of predatory invasive species in the watershed.

Approval of the Order started a 30-day statute of limitations during which any petitions for reconsideration or litigation challenging the Order were required to be filed. On October 17, 2019, Reclamation timely petitioned for reconsideration based on its position that: a) requiring a passage feasibility study is beyond the State Water Board's authority and must be authorized by Congress; and, b) all references to the 2016 NMFS draft Biological Opinion in the Order should be removed as that document is not properly part of the proceeding's administrative record. While the State Water Board has not addressed the petition for reconsideration at this writing, Water Board staff have indicated that they intend to do so and, further, that the timeline for judicial review of the Order does not begin until the Board has ruled on the reconsideration petition. We will continue to update the CCRB Board on this matter as more information becomes available.

Assistance with Plans Required by the Cachuma Project Water Rights Order: In December 2019, the CCRB Board approved Reclamation's request that CCRB provide technical assistance in developing plans that, per the Order, must be submitted to the State Water Board within the next few months. CCRB's technical assistance is primarily in the field of fisheries biology, with input from legal counsel and our hydrology consultant, as needed.

Since the Board's approval, CCRB staff have continued to coordinate with Reclamation personnel to define the plans and their necessary contents, as well as the applicable due dates to the State Water Board. As discussed during the January 9 meeting, the focus of plan development is on Terms 20 and 24, which are closely linked within the Order. Term 20 requires that a study plan be prepared to address studies required under Term 24; it is due to the Water Board on or about March 17, 2020. Prior to submitting the plan to the Water Board, Reclamation must also solicit review of the plan from NMFS and CDFW and address those agencies' input.

Following the CCRB Board's consideration of the draft plan outline that was presented during the January 9 meeting, staff continued the technical coordination effort with Reclamation. This ultimately resulted in Reclamation's January 23 submittal of a more fully-developed draft Term 20 Plan to NMFS and CDFW for the required 30-working day review. (Reclamation had also provided the draft outline to Cachuma Operation and Maintenance Board personnel for review prior to finalizing and issuing the plan to NMFS and CDFW.) Reclamation anticipates receiving comments from the two review agencies by end of February, at which point they will need to address the input and submit the finalized plan to the State Water Board by March 17. In the interest of promoting a sense of collaboration and partnership, CCRB staff continue to offer Reclamation our technical support and assistance with plan development, as well as to respond to NMFS, CDFW and, where necessary, State Water Board input on the plans as that input becomes available. We will continue to keep the Board informed as the plan development process moves forward.

Cachuma Project Consultation Process: As reported to the Board in December, Reclamation's Area Manager, Michael Jackson, transmitted the completed Biological Assessment (BA) and associated appendices supporting the Cachuma Project New Proposed Action to NMFS on November 8, 2019. We have requested a copy of the BA as submitted to NMFS but have not received it from Reclamation at this writing.

Outreach Effort Supporting the New Proposed Action. As discussed with the Board in the previous two meetings, the BA's submittal to NMFS marks the commencement of a new phase of the consultation process, one in which it is in CCRB's interest to implement educational outreach efforts at the local, regional and national levels to explain the New Proposed Action and its anticipated benefits to steelhead and local water supply. In December, the Board unanimously approved an educational outreach program to help facilitate the Cachuma Project consultation. At the Board's direction, staff contacted the NMFS Long Beach office staff and proposed meeting to discuss generally the New Proposed Action. The NMFS Long Beach staff response has been to request that Mr. Jackson of Reclamation be involved in this exchange; staff are currently working to set up this meeting. We will update the Board with any new outreach information that becomes available regarding the consultation process.

Fiscal Analysis:

CCRB's approved FY20 budget of \$1,528,000 provides for staff and consulting support related to both the Water Board Order and the federal Section 7 consultation process. The CCRB Board approved Reclamation's

request to provide technical assistance with plans required by the Order; the assistance is being provided without any budget amendment or additional monies from Member Units. Regarding the ongoing consultation, legal and technical consulting costs continue to be as anticipated. Costs associated with undertaking an outreach effort supporting the New Proposed Action are expected to remain within budget.

Attachments:

None.

Authored by:

Peter Cantle, Executive Director