

RESOLUTION #90-38

RESOLUTION OF VANDENBERG VILLAGE COMM. SERV. DISTRICT
RATIFYING RESOLUTION #90-4 OF THE SANTA BARBARA WATER
PURVEYORS AGENCY REGARDING THE RIGHT TO REACQUIRE STATE
WATER PROJECT ENTITLEMENT RELINQUISHED TO THE STATE OF CALIFORNIA

WHEREAS, on June 28, 1990, the Santa Barbara Water Purveyors Agency approved Resolution #90-4 regarding the right to reacquire State Water Project entitlement relinquished to the State of California; and

WHEREAS, to become effective the resolution must be ratified by contractors holding a majority of the retained rights under the Water Supply Retention Agreements with the Santa Barbara County Flood Control and Water Conservation District; and

WHEREAS, this District holds 600 acre feet of such retained rights.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

1. Santa Barbara Water Purveyors Agency Resolution #90-4 regarding the right to reacquire State Water Project entitlement relinquished to the State of California adopted by the Santa Barbara Water Purveyors Agency on June 28, 1990, is hereby ratified and approved.

2. The President and Secretary are hereby authorized to execute any and all documents necessary to implement this ratification.

We, the undersigned, being the duly qualified and acting President and Secretary, respectively, of The Board of Directors VVCS, do hereby certify that the above and foregoing Resolution was duly and regularly adopted and passed by Resolution of the Board of Directors of said District at a meeting thereof held on the 19 day of July, 1990, by the following vote:

YEAS, in favor thereof:

Directors Fisher, Grantz, Manton,
Sutherland and White

NOES: None

ABSENT: None

H. E. Grantz

Jay Edman

**RESOLUTION #90-4 of the
SANTA BARBARA WATER PURVEYORS AGENCY
REGARDING THE
RIGHT TO REACQUIRE STATE WATER PROJECT ENTITLEMENT
RELINQUISHED TO STATE OF CALIFORNIA**

WHEREAS the original contractual entitlement to water from the State Water Project [SWP] for the Santa Barbara County Flood Control and Water Conservation District [FCD] was 57,700 acre-feet per year (afy). In 1981, the Board of Directors of the FCD [Board] directed that Santa Barbara County water purveyors and other interested parties be polled to determine how much, if any, SWP entitlement they wanted reserved for them. After considering the responses, the Board determined that 12,214 afy was surplus to the needs of the water purveyors within the District and requested the Department of Water Resources [DWR] to reduce the District's entitlement; and

WHEREAS Amendment #9 to the FCD's State Water Contract was signed in September, 1981, which reduced SWP entitlement to the present 45,486 afy; and

WHEREAS over the past several years, several water purveyors have requested allocation of new or additional entitlement, but could not make final decisions until the EIR's were complete; and

WHEREAS the reacquisition of relinquished entitlement is the most logical means of getting additional entitlement; and

WHEREAS the lawsuit by the FCD against DWR and others for improper administration of the SWP contract regarding Aqueduct Reach 31A was settled in 1987 with terms agreed to by the FCD and part of the settlement agreement gives the FCD the right to reacquire (buy back) part or all of the relinquished entitlement, which right originally extended to March 12, 1989; and

WHEREAS the original termination date of the right to buy back relinquished entitlement was based on the assumption that the Environmental Impact Reports [EIR's] on the Coastal Branch Aqueduct and the Cachuma Enlargement projects would be complete by then; and

WHEREAS the EIR's were not completed on the assumed schedule and DWR extended the termination date of the right to buy back to December 1, 1990, under the assumption that the EIR's would be complete by then; and

WHEREAS the rights to SWP water are extremely valuable, either for local projects or for importation of water. The SWP facilities were built at 1960's prices and most of the bonds were sold at very low interest rates. Construction of the same facilities today would cost three times as much and the bond rates would be double, if it could be done at all and water were available; and

SBWPA Resolution
Buy Back of Relinquished SWP Entitlement

WHEREAS the opportunity to "buy back" SWP entitlement should not be lost by default and that a conscious decision should be made one way or the other, based on the information contained in the EIR's; and

WHEREAS the EIR's are now not expected to be completed until the end of 1990; and

WHEREAS time is needed after the completion of the EIR's to make reasoned decisions on the reacquisition of the entitlement; and

WHEREAS it is extremely advantageous to local water purveyors and consumers to avoid incurring the costs of reacquiring such water until a determination is made through the Santa Barbara Water Purveyors Agency that such water is needed; and

WHEREAS the reacquisition of water to implement the Upper Santa Ynez River Operations Agreement (Pass-Through Agreement) would result in significant savings to ultimate purchasers of water from an Enlarged Cachuma Project, which savings could be in excess of \$150 per acre-foot;

NOW THEREFORE BE IT AND IT IS HEREBY RESOLVED that the contractors holding a majority of the retained rights under the Water Supply Retention Agreements [WSRA] hereby direct, pursuant to Article 5 (c) of the WSRA, the FCD to request DWR to extend the right to buy back relinquished SWP entitlement to a date six months after the certification of the Final EIR's for the Coastal Aqueduct and the Cachuma Enlargement projects.

*SBWPA Resolution
Buy Back of Relinquished SWP Entitlement*

Adopted this 28th day of June 1990 at a duly noticed meeting of the Santa Barbara Water Purveyors Agency by the following vote:

AYES, in favor thereof: Buellton Community Services District
Carpinteria County Water District
City of Guadalupe
City of Lompoc
Montecito Water District
City of Santa Barbara
City of Santa Maria
Santa Ynez River Water Conservation District,
Improvement District No. 1
Vandenberg Village Community Services District

NOS, opposed: None

ABSENT, and not voting: Casmalia Community Services District
Goleta Water District
Mission Hills Community Services District
Summerland County Water District

ABSTENTIONS: None

Curtis Tunnell, Chair

Robert Lieberknecht, Secretary

RATIFIED BY:

[Contractor]

[Amount of Retained Rights]

[Date]

By _____
[President, Mayor, Chair] [Title]

By _____
[Secretary or Clerk] [Title]