



Carpinteria Valley Water District

1301 Santa Ynez Avenue • Carpinteria, CA 93013
Phone (805) 684-2816

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BY: _____

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Robert McDonald, P.E. MPA

August 15, 2017

Honorable James Herman
Presiding Judge
Santa Barbara Superior Court
County Courthouse
1100 Anacapa Street
Santa Barbara, CA
93101

AUG 28 2017

JAMES E. HERMAN

RE: Santa Barbara Civil Grand Jury report titled, "Managing Regional Water Supplies; Are There Better Solutions?".

Judge Herman:

Please find attached, the Carpinteria Valley Water Districts responses to the referenced Civil Grand Jury Report. As directed by the Grand Jury, all responses are provided in accordance with Section 933.05 of the California Penal Code.

Warmest Regards,

Polly Holcombe, President
Carpinteria Valley Water District Board of Directors

C: Robert May, Foreperson, 2016-17 Santa Barbara Civil Grand Jury

Enc: "Response to the Santa Barbara County Grand Jury 2016-2017 Report"

Response to the Santa Barbara County Grand Jury 2016-2017 Report " Managing Regional Water Supplies; Are There Better Solutions?"

Finding 1

No single entity has decision or enforcement power within Santa Barbara County to lead regional planning.

CVWD Disagrees. This finding implies that adequate regional planning does not occur because there is no centralized agency with decision power or enforcement authority. First, regional planning does occur through many venues including the Integrated regional water management (IRWM) planning group, that was cited in this report. This group is a collaborating group that has no legal mandate but was primarily formed to acquire grant funding for water projects of regional benefit. It functions not to mandate projects but to develop projects that meet the Integrated Regional Water Management Plan (IRWMP) stated goals and priorities.

The Central Coast Water Authority (CCWA), a JPA, represents the interests of most of the water purveyors in Santa Barbara County with regard to the delivery and use of State Water Project (SWP) and other supplemental supplies. CCWA has a voting structure and a board of directors representing the eight member agencies such that it has authority make decisions to allocate funding to planned water supply reliability objectives. The CCWA also provides a venue for water purveyors to collaborate and plan ways to optimize water supplies. Through the last 5 years of drought, CCWA has organized and implemented activities such as groundwater banking programs, supplemental water purchase programs, intercounty water exchanges, pipeline reconfigurations for optimized deliveries of SWP to Lake Cachuma and analysis of a potential direct pipe connection of the SWP pipeline to the Tecolote Tunnel which could be needed if Lake Cachuma became unavailable for conveyance of SWP deliveries.

Recommendation 1

That the Santa Barbara County Water Agency be designated as the permanent lead agency of the Santa Barbara County Cooperating Partners and granted enforcement power to ensure reliability of Santa Barbara County water supplies.

CVWD Disagrees. This recommendation is difficult to understand given that the Cooperating Partners is a voluntary group established to seek grant funding for regional projects from the State through the Integrated Regional Water Management Planning process (IRWMP). The Santa Barbara County Water Agency is the "lead" agency of this group and has been since its inception. This group is a planning group that develops regional priorities and goals, develops related projects, assists with grant funding

acquisition and grant program management. The lead agency role of this group is to coordinate the continuing development of the IRWM Plan, the application for grants, and the management of grantees as they implement funded projects.

The idea that the IRWMP lead agency should have enforcement power, is a misunderstanding of the purpose of the IRWMP and the cooperating partners group. The need for enforcement arises from regulatory or statutory laws that compel the subjects of those laws to meet the conditions and requirements of those laws.

CVWD does not know of any regulations or laws that govern the planning and coordination of water by region. In fact, the Urban Water Management Planning Act requires that "every" urban water supplier produce an Urban Water Management Plan of its own. This law recognizes that the appropriate venue to make water supply plans is for each water supplier to develop its own plan. This is because the local agency understands the unique needs and supplies of its area better than a single centralized agency like the County or the State.

If the Grand Jury is proposing that a law or regulation be created for this purpose, it is unclear how such a law would be beneficial given that regional objectives are often in conflict with local priorities particularly as each local water supply area has diverse users and needs. Where these conflicts exist, a collaborative approach is a better model because it allows local agency to develop good fit solutions rather than creating a one size fits all solution. CVWD does not believe that this type of new law or regulation would be beneficial to solving regional water supply reliability and conveyance issues.

Finding 2

Additional supply sources such as desalination and recycled water are available to localized agencies but there is no concerted effort to develop them regionally.

CVWD Disagrees. Discussions about regional opportunities for both recycled water and desalination have been ongoing since the beginning of the drought. In 2013 a study titled South Coast Recycled Water Development Plan was produced through the IRWM planning process that identified opportunities for recycled water projects along the South Coast. While the plan did not propose any specific regional projects, it brought together in one document the available potential recycled water and potential uses along Santa Barbara County's South Coast. From this plan, further study has been conducted to identify specific projects. Among those projects is a project identified in Carpinteria to treat and reuse wastewater that is currently discharged to the ocean. The proposed project would treat wastewater to an advanced level of purification for storage in Carpinteria Groundwater Basin. Discussions have and continue to take place between Montecito Water District and Carpinteria Water District on possible ways to partner in the development of this resource.

Recommendation 2b

That the Montecito Water District and Carpinteria Valley Water District develop more cooperation in water recycling efforts.

This recommendation will not be implemented because CVWD sufficiently cooperates with Montecito Water District with respect to recycled water supply planning; The recommendation assumes that not enough cooperation is occurring between Carpinteria Valley Water District and Montecito Water District with respect to recycled water development. This is a mischaracterization of the current relationship of the two districts. Both districts desire a mutually beneficial partnership. To this end, the districts are in discussion about potential projects, including recycled water projects, that may mutually benefit each district.

Finding 4

The Upper Reach Reliability Project portion of the South Coast Conduit pipeline was not completed as originally planned.

CVWD partially disagrees. the Grand Jury report does not represent the full story of the Upper Reach Reliability Project changes in its report. This project as originally conceived was a part of the COMB Infrastructure Improvement Plan (IIP) in which projects to repair or replace highly vulnerable sections of the SCC were identified and ranked in priority. The originally proposed upper reach project was both a capacity project to benefit only Goleta Water District and a reliability project that benefited all four of the South Coast agencies but to varying degrees with Carpinteria receiving the least reliability benefit. Carpinteria had issue with the approach of ranking critical projects along the SCC and argued that other projects were at higher risk of failure and that those should be addressed before the Upper Reach project. The focus of the IIP and previous COMB reliability studies was to improve reliability of the existing SCC and not to construct capacity pipeline projects that would only benefit certain agencies. A “redundant” pipeline solution was never the best and only solution for the Upper Reach section of the SCC as the Grand Jury suggests. Critical sections of the upper reach needed to be repaired or replaced as do other sections along the other reaches. Ultimately the members of COMB settled on a modified project that addressed the reliability issues of SCC facilities along the upper reach leaving the other non-critical elements to a future project.

Recommendation 4

That the Upper Reach Reliability Project portion of the South Coast Conduit pipeline be completed.

CVWD disagrees. The upper reach pipeline should be considered under the same metric that the entire SCC has been analyzed. Other locations along the SCC are at substantially higher risk of failure than the upper reach sections of the SCC.

A second pipeline running the complete length of the original SCC is not a preferred solution to the reliability of the South Coast water supply. This project would cost between 30 and 50 million dollars. More beneficial solutions exist such as maintaining diverse local water supplies including groundwater, recycled water, desalination and operational strategies such as emergency groundwater banks and high capacity pipe interties between agencies.

Finding 5

Critical pipeline infrastructure, including redundancy, has not been developed throughout southern Santa Barbara County.

CVWD Disagrees. CVWD invested millions of dollars over the past 15 years developing local storage, pipelines and well facilities in order to provide a redundant and reliable water supply system. A primary driver for these large capital projects was the need for redundant water supply and delivery facilities in the event that prolonged outages occur along the SCC. Additional work is being planned to improve the reliability of the existing SCC.

Recommendation 5

That critical pipeline infrastructure, including redundancy, be developed throughout southern Santa Barbara County.

This recommendation will not be implemented because it is not warranted. This recommendation assumes that redundant pipeline is a superior solution over other reliability work without any engineering or financial analysis to support this opinion. CVWD believes that all options must be continually analyzed and those that will produce the best outcomes including return on investment should be pursued. At the current time a redundant SCC pipeline and tunnel is not a preferred solution.

Finding 9

None of the Santa Barbara County south coast water purveyors has established capital replacement accounts.

CVWD Disagrees. Each agency including CVWD establishes an annual budget for planned capital projects which include ongoing replacement of capital facilities. This is an industry standard practice for capital replacement. The policy decisions on which infrastructure to improve or replace are made by the individual agency Boards and COMB and CCWA Boards. In addition, CVWD has a reserve account equivalent to 50% of its annual operating budget for unplanned events including unanticipated capital replacement needs.

Recommendation 9

That each Santa Barbara County south coast water purveyor establish and fund a restricted capital replacement account.

This recommendation will not be implemented because it is not warranted. The District already has a mechanism for planned capital replacement and has a reserve fund for unplanned capital replacement among other emergency events. To create another separate restricted fund to provide a means to pay for more capital projects is not warranted.