JULY 2018 NEWSLETTER SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

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(June 18, 2018)

1. Mail/Office Visits

Please send mail to our post office box. There is no delivery at the office location. Office visits are encouraged, but please call for an appointment.

2. Newsletter Distribution

This Newsletter is sent semi-annually with the Groundwater Production Statements. Please distribute it within your organization, as understanding the challenges we face in protecting your water rights and supplies is important to everyone.

3. FY 2018-19 Groundwater Charge Rates

The Board of Directors recently voted to raise groundwater charge rates for all zones. See the enclosed letter to producers for these rates and further discussion of District finances.

4. Precipitation Trends

The Santa Ynez River watershed received 8.0-8.5 inches of precipitation last winter, ranging from 50% to 59% of normal near Cachuma Reservoir and Lompoc, respectively. It was produced by storms in January and March, which provided minor streamflow and river recharge, and added only 3,000 acre-feet in Cachuma Reservoir. Thus, the watershed was provided little relief from prolonged drought. Santa Barbara County is in severe drought at this time.

5. Status of River Aquifers

Cachuma Reservoir last spilled in 2011, recharging groundwater aquifers along the Santa Ynez River and in the Lompoc Plain. Relying on that recharge and conserving its supplies, the District did not make a water rights release in 2012. The water rights releases conducted every year since then slowed the decline in well levels that inevitably occurs with the serious lack of winter precipitation and associated recharge over a prolonged period of time. This was achieved by judicious use of both the accumulation of water rights credits (water) built up and stored in the reservoir and the water rights credits that continued to accrue during the drought.

With the water rights release last summer and some recharge last winter, the water levels above the Narrows are somewhat depressed and similar to last year. Water levels on the Lompoc Plain remain at depressed levels, but have improved somewhat compared to those seen in the last serious drought (1986-91).

6. Water Rights Releases During 2018

Currently, Cachuma Reservoir holds about 74,600 acre-feet of water and stands at about 701.5 feet elevation. Effective May 31, 2018, the Above Narrows Account (ANA) and Below Narrows Account (BNA) contain about 16,000 and 800 acre-feet of water, respectively. Given the need for water, especially on the Lompoc Plain, the District is planning a BNA release this summer. Because of the relatively low level of the reservoir, the District's plans were coordinated with the South Coast water agencies and the release is not expected to impair conveyance of water supplies to the South Coast. The District's main concern is proper operation of valves at Bradbury Dam, which malfunctioned during the 2016 water rights release.

7. Status of Upland Groundwater Basins

As described in the District's 40th Annual Report, the deeper upland groundwater basins, which respond slowly to annual changes in rainfall and recharge, have water levels reflecting years of drought. Water levels in the Santa Ynez Upland have been declining since 2006 and the rate of decrease has accelerated since 2011. Water levels in the Lompoc Upland started declining in 2013. Water levels in both basins are lower now than during the 1986-91 drought.

8. <u>Sustainable Groundwater Management Act</u> (SGMA)

SGMA required the establishment of local Sustainable Groundwater Management Agencies (GSAs) by June 30, 2017. GSAs have until January 31, 2022 to develop Sustainable Groundwater Management Plans (GSPs). The Act provides specific provisions for the State to step in if local GSAs are not formed, do not develop adequate GSPs, or do not otherwise comply with the new law. Thus, although groundwater may be regulated, the new law is an opportunity for local control.

The California Department of Water Resources

(DWR) characterizes the Santa Ynez River Valley Groundwater Basin (Basin) as one basin where groundwater is of moderate importance. DWR allows that the Basin has three portions, which readers know as the Lompoc Area Basins (including the Santa Rita Valley), the Buellton Uplands and the Santa Ynez Uplands. (Santa Ynez River underflow is regulated by the State Water Resources Control Board (SWRCB) and bedrock areas are mostly unregulated.) District covers over 99% of the area in the Buellton Uplands and the Lompoc Area Basins, exclusive of Vandenberg AFB which as a federal entity is exempt from SGMA. The District covers only 33% of the Santa Ynez Uplands. County Water Agency is the only local agency covering the remainder of the Santa Ynez Uplands.

The District acted early to establish leadership of SGMA, entering into agreements to manage groundwater with all water agencies in 2016 and with different water agencies in the different portions of the Basin in 2017. Specifically, the District, City of Lompoc, Vandenberg Village CSD, Mission Hills CSD and County Water Agency comprise the Western Management Area GSA for the Lompoc Area Basins and Santa Rita Valley; the District, City of Buellton and County Water Agency comprise the Central Management Area GSA for the Buellton Uplands; and the District, City of Solvang, Improvement District No. 1 and County Water Agency comprise the Eastern Management Area GSA for the Santa Ynez Uplands.

The District submitted the GSA applications for all three management areas to DWR before the June 30, 2017 deadline. Meeting this deadline ensured local control of the SGMA process. As Coordinating Agency and primary contact with DWR, the District now is developing an Intra-Basin Coordination Agreement to maintain uniformity between GSP(s) in the Basin.

Since forming the GSAs, the District has turned its attention to GSA administration, gathering data, and seeking available funds to support GSP efforts. In response to the District's request, the County of Santa Barbara is providing up to one-million dollars for studies in the EMA, where only the County covers 67% of the area. Another one-million dollars was awarded to the District on behalf of the three GSAs as a result of the District's efforts on a DWR grant application.

GSP costs have not been finalized, but they are expected to require over three million dollars between now and January 31, 2022, the date by which GSP(s) are to be submitted to DWR.

The GSAs formed in all three management areas will consult with local Advisory Committees.

Each Advisory Committee will be made up of stakeholders from the respective management area. Should you have questions or comments about SGMA, please contact Mr. Bill Buelow, the District's Water Resources Manager, who is managing the District's SGMA efforts.

9. State/Federal Regulatory Issues at Cachuma

Bradbury Dam was built and is operated by the U.S. Bureau of Reclamation (USBR) principally for the benefit of South Coast water users. However, USBR's appropriation of river water is regulated by state law, as administrated by the SWRCB. Downstream water right holders must rely on the permit conditions set on the Cachuma Project by the SWRCB to provide water downstream so that they can exercise their rights, that is, pump water supplies from riparian underflow and the Lompoc Plain. USBR also must comply with federal law, including the Endangered Species Act, which is administrated by the National Marine Fisheries Service (NMFS) to protect endangered steelhead trout.

The water rights release procedures we use successfully today were established by the SWRCB in 1989. However, attempts by both the SWRCB and NMFS to change flows to accommodate endangered southern steelhead trout have been ongoing. This issue and others relating to downstream water quantity, water quality and peak flood flows were addressed in the 2002 Cachuma Project Settlement Agreement. The SWRCB released a new draft Order in 2016. There is no schedule available for its finalization. If implemented, it would support the Cachuma Project Settlement Agreement, but may impair WR 89-18 operations because of modified fish water releases.

At the federal level, NMFS and USBR have been consulting on a new Cachuma Project Biological Opinion to protect endangered steelhead, and those agencies recently announced this new steelhead plan could be released as early as Fall 2018. Although the current Biological Opinion does not seriously interfere with water rights releases, it is expected the new one could seriously impact both project yield and water rights releases. The District and other local agencies have significantly stepped up efforts on fisheries studies in anticipation of this event. There is no indication when or how these matters will be resolved. It appears certain that the District is entering yet another protracted and costly regulatory campaign.

As always, we appreciate any comments or suggestions you may have. If you have any questions regarding the above activities, we will be pleased to answer them for you. Please contact our General Manager, Bruce Wales, at the District (805-693-1156) or email