

Meeting Minutes
Santa Barbara Countywide
Integrated Regional Water Management Plan
Cooperating Partners Meeting

August 22, 2007
1:00 -4:00pm

Location: Cachuma Operation & Maintenance Board, Laurel Canyon Rd., Santa Barbara

Attendees

Cooperating Partners

Robert Almy, SB County Water Agency; Cameron Benson, City of Santa Barbara; Chris Dahlstrom, Santa Ynez River WCD-ID#1; Bill Ferguson, City of Santa Barbara, Water Resources Division; Len Fleckenstein, SB County Water Agency; James Kyriaco, Office of 2nd District Supervisor; Bob McDonald, Carpinteria Valley Water District; Gary McFarland, Goleta Water District and Goleta West Sanitary District; Craig Murray, Carpinteria Sanitary District; Kate Rees, Cachuma CRB and COMB; .

On the Conference Call

Cindy Allen, Vandenberg Village CSD; Holly Meyers, CH2MHill; Teresa Reyburn, City of Santa Maria; Marty Wilder, County Laguna Sanitation District;

Others Present

Kathy Caldwell, Terry Foreman, and Lorraine Woodman, all from CH2MHILL; Steve Tanner, Pueblo Water (for Carpinteria Valley Water District);

Proceedings

The meeting was called to order at 1:10 by Rob Almy.

There were no public comments for items not on the agenda.

The minutes from the Cooperating Partners meeting on July 25, 2007 were approved as submitted.

Overview of Prop 50 Application Process

Rob Almy reviewed the timeline for the Prop 50 and Prop 84 processes, noting that MOU #1 ended with submittal of the IRWMP as part of the Step 1 application. Three (3) additional MOUs are anticipated:

- MOU#2: to develop the Prop 50 Step 2 application;
- MOU#3: to manage a State Prop 50 grant for project implementation; and
- MOU#4: to participate in the Prop 84 process.

Gary McFarland asked whether MOU#4 would include only the Cooperating Partners from within Santa Barbara County, or whether it would include entities from elsewhere on the Central Coast - - because Prop 84 requires coordination among all Central Coast

regions. Rob Almy said we still need information and guidance from the State regarding that question. California DWR intends to hold a Prop 84 workshop and issue draft guidelines later this year.

Draft MOU#2

The MOU was drafted by a committee of the Cooperating Partners, including Kate Rees, Bill Ferguson, and Teresa Reyburn. Then attorneys from Santa Barbara and Santa Maria reviewed the draft, with considerable editing by Santa Maria staff.

Rob Almy gave an overview of the draft MOU. Then Kate Rees explained its key provisions. She noted that there is some financial risk (for the Partners) in funding the preparation of a Step 2 application prior to being invited by the State to apply for a grant. However, she stated her belief that the risk is worth taking and work on the application must begin soon because the State is allowing only a very short timeframe (November to January) to prepare, approve, and submit the Step 2 application.

Rob Almy noted that the MOU calls for Partners' payments to be made up-front, so the County has sufficient funds when it signs a contract for developing the application.

Chris Dahlstrom asked whether the MOU should be limited to only Prop 50 application issues, and not any other IRWM issues. Rob Almy noted that the State is already putting out some communications and information on IRWM topics such as prop 84 and the State Water Plan, so we should probably allow for MOU#2 to cover a range of IRWM topics, including but not limited to Prop 50.

There was discussion of timing and the schedule for MOU approval. Rob said he hopes the MOU will go to the County Board of Supervisors on its 9/25 or 10/2 agenda. Teresa Reyburn said she hoped all the Partners could cluster their board/councils' approvals around the date of County BOS approval, but it would likely be impossible for all Partners to sign the MOU prior to County BOS hearing date. She noted that the City of Santa Maria has a new process for ensuring Counsel review of agenda items, which probably means the City cannot approve the MOU prior to County BOS approval.

Len Fleckenstein asked the Partners to please send him their comments on the draft MOU by noon on Monday. He is already aware of some edits needed to ensure the text is consistent with the information in the Appendix table showing requested financial contributions. Rob asked the Partners to ensure their legal counsels have an opportunity to review the MOU.

Someone asked what happens if a Cooperating Partner declines to sign MOU#2. Can they still sign MOU#4, regarding the Prop 84 process? Rob Almy suggested that discussion be covered at a future meeting, perhaps when we begin work on MOU#4.

Project List

Bob McDonald asked whether the MOU should address the issue of how to revisit our project list. For example, if the State tells us to drop certain projects, or if the State decides to make less grant funding available than we had hoped, then the Coop Partners would need to re-visit our project list and priorities to decide which projects should remain on the priority list.

Someone asked whether the State might identify specific projects which it wants withdrawn from the application, and perhaps suggest others to be substituted. Rob said that DWR has said it won't be questioning the local regions' priorities and projects, although the State WRCB and Regional WQCB have historically been more engaged in commented on specific projects. We don't really know what the State agencies will say or do on this issue. Rob also noted that the Water Agency intends to contact DWR and SWRCB to express our interest in talking with them in September or October regarding our top priority projects. We'll keep the Partners informed if and when that meeting is scheduled.

Project Eligibility Review/Project Assessment

Kathy Caldwell explained that the "project assessment forms" serve both to provide CH2 with information on the projects and to provide project proponents with a better sense of the kind of data and information required to fill-out the Step 2 application form, which must be sent both electronically and as paper.

Step 2 Application

Kathy Caldwell noted that the State will award a Prop 50 grant only to those regions having a high quality application. There is a need for consistency in the way each of our 15 projects is presented and explained in the Step 2 application. A poorly-presented project description, or missing data and information, could put the entire application at risk of being rejected by the State.

Support to Disadvantaged Communities

Rob noted that the small communities of Casmalia and Cuyama will not be able to contribute financial support to the Step 2 application development. Craig Murray indicated that he could justify to his Board the need to waive financial contributions from those 2 small communities, but he could not justify any subsidy for their costs in providing data and information from their projects for the Step 2 application. Rob explained that no such subsidy was being requested from the Cooperating Partners. Instead, the County Water Agency is already talking with both communities about options for providing them with the engineering & design support they will need to provide CH2MHill with data and information for the Step 2 application.

Consultant Contract Costs

Considerable discussion focused on the range of potential costs for preparing the Step 2 application. Terry Foreman explained that CH2 was estimating high because they presumed a certain level of engineering support for project development. If that kind of support isn't necessary, then CH2 costs can be lower. Kathy Caldwell noted that CH2's

cost estimate also assumes very little involvement by County Water Agency staff, at least in the tasks for compiling information or analyzing data.

Gary asked whether there were any ways of determining which projects were likely to require more of CH2 staff time than other projects, e.g., is project size really a good determinant of consultant hours to compile the information.

Several Partners stated that they had expected the cost estimate to be lower. Craig Murray asked if anyone had access to examples of other Step 2 applications so we could assess the kind of information and quality that the State might be expecting to see. Lorraine Woodman said she would send a helpful DWR website link to Len who would forward it to the Partners. Kathy noted that some applications ranked highest by the State were from: Pajaro Valley, Ventura, and Northern California regions.

Kathy Caldwell and Holly Meyers explained how the draft SOW was initially structured in a way which presumes each project proponent would be billed separately based on the actual labor hours required to obtain and compile that specific project information. There would also be some hours required for general application work that would be charged equally to all project proponents. However, after discussing the complexities and uncertainties inherent in this approach, the meeting participants decided that CH2 should expect and require a consistent level/quality of data and information from each project proponent. The costs would be pro-rated among project proponents based on each project's share of the total grant request. Any project proponent needing help in preparing its set of data/information, would have to hire its own consultant (or find internal staff) to do the necessary work and submit the information to CH2MHill. Several Partners said that they already have hired engineering firms to prepare the project descriptions, cost estimates, technical merit information, etc.

Public Involvement

There was some discussion on the role of public/stakeholder involvement in the Step 2 application process. Kathy Caldwell noted that the State's guidelines emphasize the need for involvement in disadvantaged communities. Meeting participants agreed that some part of each monthly meeting would likely be of potential interest to the public, some part of each meeting would likely be of interest to all Cooperating Partners, and some part of each meeting would likely be of interest only to the Project Proponents.

Coordination with the State

The draft SOW calls for continued interaction with DWR and SWRCB. The Water Agency staff will ask DWR for a meeting in which we would provide more information on our short list of priority projects for Step 2.

Meeting participants also discussed and agreed that the Water Agency should send a letter to DWR and SWRCB requesting a delay in the due date for the Step 2 application. More time is needed after the State's "call-back" decision in November in order to submit all the Step 2 application information.

Next Meeting

The next meeting will be held on September 20th from 1 to 4pm. Len will ask CCWA to host the meeting in Buellton.

Meeting adjourned at 4:10pm