

THE SANTA YNEZ RIVER CONSERVATION DISTRICT IMPROVEMENT DISTRICT NO. 1

INTRODUCTION

The Santa Ynez River Water Conservation District, Improvement District No. 1 ("District" or "SYRWCD, ID#1") is a public entity organized and formed in 1959 under the Water Conservation Law of 1931, division 21, Section 74000 et seq. of the California Water Code, for the purposes of furnishing potable water within the District service area. The District has operated continuously since 1959.

The District is located within the central portion of Santa Barbara County and includes the communities of Santa Ynez, Los Olivos, Ballard, and the City of Solvang. The District serves a population of approximately 14,366 residents of which approximately 8,920 residents receive direct service and 5,446 are served by the City of Solvang. The District's service area boundaries encompass about 10,850 acres. Currently, the District provides water to 2,475 municipal and industrial connections and 114 agricultural connections. The City of Solvang is within the boundaries of the District. Because of this, the District provides water service to the City of Solvang through wholesale water purchases from the District. Water is conveyed through two wholesale meters, and in turn, the City of Solvang operates and maintains its distribution system and storage facilities and provides for and sells water to its customers. The District operates and maintains its own water supply distribution infrastructure and storage facilities for the purpose of delivering water to its customers.

Of the approximate 10,850 acres encompassed by District boundaries, approximately 5,614 acres are considered irrigable. It is estimated that approximately 5,000 acres are residential, 150 acres are commercial, 400 acres are institutional, 3,137 acres agricultural, and 2,163 acres are grazed or undeveloped (*see maps of the District service area*).

Under the Water Conservation District Law of 1931, the District has broad general powers over the use of water within its boundaries, including the authority to acquire, control, distribute, store, spread, sink, treat, purify, reclaim, process and salvage water for beneficial use, to sell treated water, to contract with the United States, other political subdivisions, public utilities, and other persons, and subject to certain constitutional and statutory limits, to levy taxes, the right of eminent domain, and assessments on lands and other powers as defined in and under the California Water Code.

The District area is apportioned and governed by a five-member Board of Trustees, all of which are elected by registered voters and serve a four year term. The Trustees are as follows

Harlan Burchardi Division 1 - Term 2008 to 2012
Dennis Beebe Division 2 - Term 2010 to 2014
Larry Musgrove Division 3 - Term 2010 to 2014
Harry Poor Division 4 - Term 2008 to 2012
Karen Carroll At-Large - Term 2010 to 2014

The District currently employs staff, all of whom work in the water department. Day-to-day administration and management of the District is delegated to the General Manager. The administrative support and accounting for the District is performed by the Administrative staff. District employees also serve in water resources, and distribution and operations.

Historic Water Connections And Sales Revenues

The following table shows the number of **active** water connections to the ID No.1's water system for the five most recent fiscal years, together with the amount of its annual water sales revenues.

Fiscal Year Ending June 30	Connections				Sales Revenues					
	<u>Dom.</u>	<u>%</u>	<u>Ag.</u>	<u>%</u>	<u>Dom.</u> ⁽¹⁾	<u>%</u>	<u>Ag.</u> ⁽²⁾	<u>%</u>	<u>Solvang</u>	<u>%</u>
2006	2,328	95	114	5	2,869,259	75	922,986	24	56,537	1
2007	2,430	95	114	5	3,428,119	74	1,114,001	24	65,584	1
2008	2,453	96	114	4	3,633,881	74	1,172,989 ⁽³⁾	24	76,298	2
2009	2,469	96	114	4	3,698,026	74	1,226,809	24	105,410	2
2010	2,492	97	87	3	3,763,466	74	1,202,826	24	130,386	2

The actual FY 2009/2010 total water sales revenues are approximately 1.5% percent higher than the FY 2008/09 revenues due to replacement of old meters as part of the meter replacement program proving 100% accuracy rate readings, as well as the annual water rate adjustment including usage and monthly service charges for all user classifications.

- (1) Domestic Revenues are shown to include a pro-rata share of the Rural Residential sales revenues.
- (2) Ag Sales Revenues are shown to include a pro-rata share of Limited Ag water sales revenues.
- (3) Non-payment of past due accounts at year end for certain agricultural water customers.

Historic Water Deliveries

The following table presents a summary of historic water deliveries in acre-feet per year for the five most recent fiscal years.

*Historic Water Deliveries
(in acre feet)*

Fiscal Year Ending June 30	Ag. Deliveries	Domestic	Solvang	Total
2006	2,325	2,443	32	4,800
2007	2,579	2,613	31	5,223
2008	2,943	2,945	38	5,926
2009	2,929	2,933	85	5,947
2010	2,639	2,679	98 ⁽¹⁾	5,416

The FY 2009/10 actual overall water deliveries are slightly lower than FY 2008/09 due to a decrease in both Agricultural and Domestic water use. Additionally, frost protection for agricultural crops was down and mild climates during the summer months contributed to the change as well.

Footnote: ⁽¹⁾Represents the total acre feet for the City of Solvang's two master meters and City of Solvang park.

Largest Customer Accounts

The following table sets forth the ten largest customer accounts of the ID No.1's water system as of June 30, 2010, as determined by the amount of their respective annual payments.

Customer	Water Usage ¹	Annual Payments
City of Solvang	85 ⁽²⁾	\$130,386
Cachuma Sanitation	75	80,391
Chumash Casino	37	44,339
Private Education Facility	32	39,119
Private Mutual Water Company	27	33,898
Private Commercial Agriculture	157	29,347
Private Commercial Agriculture	145	27,534
Private Commercial Agriculture	98	17,786
Private Agriculture	42	16,890
Private Agriculture	<u>76</u>	<u>14,063</u>
TOTAL	774	\$ 433,753

These ten customers accounted for approximately 8.5% of the water service revenues for Fiscal Year 2009/10.

Footnote: ⁽²⁾Represents the City of Solvang's two master meters only.

Water System Rates And Charges

ID No.1's rates and charges for FY 2009/10 are as follows:

<i>Monthly Meter Charge</i>		
Meter Size	Domestic/Limited Agricultural	Agricultural
$\frac{5}{8}$ " - $\frac{3}{4}$ "	\$ 29.20	
$\frac{3}{4}$ "	35.00	
1"	58.10	
1 $\frac{1}{2}$ "	115.90	\$ 48.00
2"	184.00	79.00
3"	370.20	158.00
4"	522.10	220.00
6"	1,157.80	492.00
8"	1,852.90	

Consumption Charge

Domestic	Rural Residential / Limited Agricultural	Agriculture
\$2.55 per HCF	1 st 70: \$2.55 per HCF Over 70: \$0.52 per HCF	\$0.35 per HCF
Temporary Rate		Cachuma Park & City of Solvang
\$3.83 per HCF	(Conn. Fee \$50.00; minimum chg.: \$25.00)	\$2.55 per HCF

Connection Charge

Meter Size	Meter Only ⁽¹⁾	Service and Meter
$\frac{5}{8}$ " - 1"	\$ 3,120.88	\$5,973.64 Short Side (1" service) 8,939.17 Long Side (1" service)
$\frac{3}{4}$ "	\$ 3,745.05	\$6,626.30 Short Side (1" service) 9,591.81 Long Side (1" service)
1"	\$ 6,241.76	\$9,204.08 Short Side (1" service) 12,169.59 Long Side (1" service)
(2) $\frac{5}{8}$ " - 1"		\$6,512.64 Short Side (1" double service) 9,478.15 Long Side (1" double service)
1 $\frac{1}{2}$ "	\$ 12,483.51	\$16,240.77 Short Side (2" service) 19,222.66 Long Side (2" service)
2"	\$19,973.61	\$24,005.44 Short Side* (2" service) 28,304.46 Long Side* (2" service)
3"	*see below	*see below

Footnotes :⁽¹⁾ Reflects actual meter cost and Capital Facilities Charge. *2-inch meter only price listed is for standard style meters. Prices vary for Compound Meters. Installation prices for 3-inch meters are figured on an individual basis.

Fire Service Connection Fee: \$560 per inch of diameter of Service size.

Capital Facilities Charge on Larger Services

Meter Size	Charge	
3"	\$ 39,947.23	+ Serv. & Meter Costs
4"	\$ 56,175.78	+ Serv. & Meter Costs
6"	\$ 124,835.08	+ Serv. & Meter Costs
8"	\$ 199,736.13	+ Serv. & Meter Costs

Installation Charge: The meter and service installation charge shall equal the cost of installation as determined by ID No.1 from time to time.

FY 2009/10 Coverage Calculations

The following table is a summary of operating results of the water system of ID No.1 for Fiscal Year 2009/10. These results have been derived from ID No.1's financial statements and exclude certain non-cash items and include certain other adjustments.

<u>REVENUES</u>	June 30, 2010
M&I Water Sales	4,488,010
Ag. Water Sales	478,282
Water Sales to City of Solvang	130,386
SWP Revenue from City of Solvang	2,624,948
Connection Fees	95,770
Special Assessments ⁽¹⁾	737,908
Other Fees & Income	163,588
Interest Income	66,655
TOTAL REVENUES:	8,785,547
 <u>OPERATING EXPENSES</u>	
Water Purchased	191,833
Pumping	629,508
Water Treatment	47,301
Transmission & Distribution	517,430
Other/Litigation Fees	582,051
Administration & General	1,810,320
TOTAL OPERATING EXPENSES:	3,778,443
 NET REVENUES	5,007,104
Rate Coverage Reserve Fund Deposit (Includes Solvang)	1,019,126
Adjusted Net Revenues	6,026,230
 State Water Payments (Includes Solvang)	3,956,531
 <i>Coverage Ratio:</i>	1.52
 Other Debt Service ⁽²⁾	109,853
Available for Capital improvements and other purposes	940,720

⁽¹⁾ Special assessment levied to pay operation and maintenance expenses for the water system

⁽²⁾ Debt Service on 2004 Cachuma Project Authority Revenue Bonds

Water Resources

The District has four sources of water supply: Ground water pumped from the Santa Ynez Uplands ground water basin underlying the District; appropriative licensed and permitted rights to underflow of the Santa Ynez River; State Water Project water; and, water purchased from the United States Bureau of Reclamation's Cachuma Project. In 2009, the District's total water deliveries were approximately 33 percent from the Cachuma Project and 32 percent pumped from local uplands ground water basin, 32 percent from the Santa Ynez River alluvium, and 3 percent from the State Water Project. The District has also contracted for 2,000 acre feet per year from the State Water Project. This water will be used for elimination of ground water overdraft and as a supplemental supply for system reliability. The City of Solvang purchased from the District 75 percent or 1,500 acre feet of the total amount of water that the District is obligated to purchase from the State Water Project. The District will retain 500 acre feet for use within the District.

The District's river water supply is subject to the conditions of its permits from the State Water Resources Control Board and is affected by federal and state Surface Water Treatment Rules, which regulates when water can be extracted from river wells located within 150 feet of high flows. It is also affected indirectly and may also be affected directly by regulations imposed either by the National Marine Fisheries Service or the State Water Resources Control Board relating to the protection of public trust resources fish below Bradbury Dam and the protection of Endangered Species such as the Santa Ynez Steelhead.

The District extracts water from the Santa Ynez Uplands, which has been in a known overdraft condition since 1968. The District has taken the public position that it has acquired prescriptive rights in the basin since that time, which it will prove in the event of a future adjudication. In the meantime, the District mitigates the impact of that pumping by importing significant amounts of water into the basin, which results in reducing pumping both by the District and by overlying owners who are customers of the District and by increasing non-native return flows into the basin.

The City of Solvang is included within the service area boundaries of the District. In addition to the City's own water sources, which include its Rights to underflow from the Santa Ynez River, the District will provide water from its local sources of supply and the State Project Water to the City through two master meters on an as-needed basis and in accordance with the City Water Master Plan. The City, in turn, provides water service directly to its customers within its incorporated boundaries. The District has contracted for 2,000 acre-feet from the State Water Project. This water will be used for partial elimination of groundwater overdraft and as a supplemental supply for system reliability. Pursuant to an agreement with the City of Solvang, the City agreed to purchase from the District 75% of the amount of water that the District is obligated to purchase from the State Water Project.

Water Treatment And Distribution Facilities

Diversion Facilities

The Cachuma Project and Bradbury Dam is a source of supply and diversion point for the District. It is owned and operated by the United States Bureau of Reclamation (USBR). The amount of Cachuma Project water allocated is set forth in both the Water Service Contract (I75r-1802) and the applicable Member Unit Contract of which the District is one of five member agencies. The District's contractual share of project entitlement is 10.31%. The project's available capacity is now 27,908 acre feet with a safe yield of 24,800 acre feet per year. The annual operational yield with minimal shortages is 25,714 acre feet with the District's delivery share totaling 2,651 acre feet. The actual amount is subject to reduction in any given year due to climatic, public trust resource protection, water rights, reservoir siltation and environmental conditions.

The District exchanges its Cachuma Project water with the South Coast water purveyors, who hold State Project water entitlements for treated State Project water pursuant to an agreement entered into on February 1, 1993. The exchange water eliminates the District's need to treat the Cachuma Project water, which would otherwise require surface water treatment. In the event of an emergency and if needed, a direct diversion of water supplies from the Cachuma Project may be transported by a 30-inch pipeline now operated by the Central Coast Water Authority.

Limitation and release requirements on Cachuma Project operations, which may be imposed by the State Water Resources Control Board ("SWRCB"), restrict the amount of water available to the District for the Cachuma Project. A SWRCB hearing occurred in 2003 to determine the Cachuma Project permit conditions and the operation of the Bureau of Reclamation facility. Those hearings addressed a biological opinion ("B.O.") by the National Marine Fisheries Service including downstream flow requirements and water releases to maintain and improve the habitat of the steelhead/rainbow trout recently listed as an endangered species, the Lower Santa Ynez River Fish Management Plan, Santa Ynez River Water Rights Settlement Agreement, Statement of Agreement with Santa Barbara County and Cachuma Project water supply and hydrology.

The potential effect of the SWRCB decision includes possible limitation or reduction of the yield of water available from the Cachuma Project up to as much as 20%. Such a condition would limit or reduce water supplies to the District to a level below the annual scheduled entitlement.

The Mesa Verde Pump Station is the District's turnout from the State Water Project Coastal Branch/Santa Ynez Extension pipeline. It was placed in operation September 11, 1997, and is located at the southwest portion of the system. This pump station is designed to take delivery of water supplies from the State Water Project. Under the Water Supply Agreement, the District is entitled to 2,000 acre feet per year, of which 500 acre feet per year plus 200 acre feet of drought buffer water is delivered through the District's turnout.

The remaining 1,500 acre feet is contractually obligated to the City of Solvang through a separate Water Supply Agreement and is delivered to a separate turnout. The District's turnout also conveys Cachuma Project/State Water exchange water.

Conveyance System

There are no unlined or lined canals within the District's conveyance system. A three mile, 30 inch diameter pipeline provides water from the Cachuma Project and can deliver up to 26 cubic feet per second. This pipeline is currently being used by the Central Coast Water Authority (CCWA) as part of its conveyance system, to deliver State Project water to Lake Cachuma for the South Coast member units. The State Water Project Pump Station (located on Mesa Verde Road in Santa Ynez), was dedicated July 18, 1997, and is now being used to pump State Water eight miles east to Lake Cachuma.

The Santa Ynez River Water Conservation District, Improvement District No. 1, delivers potable water supplies through approximately 90 miles of distribution and transmission lines ranging in size from 2 inches to 24 inches. Its distribution system consists of five booster pump stations (sixteen booster pumps in all) that pump water to each of the three pressure zone systems. All deliveries to users are from pipelines with services and meters for domestic and irrigation use.

The system pressure in each zone is maintained by the water surface elevation in the reservoirs and supplemented by booster pumps within the system. (The maximum elevation is 690 feet in the Zone 1 reservoir, 800 feet in the Zone 2 reservoir, and 980 feet in the Zone 3 reservoir.) All well pumps and booster pumps adjust discharge pressure and flow based upon the water surface elevation and system demands.

Water from Zone 1 can be delivered to Zone 2 to meet demands or to fill the Zone 2 reservoir through two pump stations: the Meadowlark and the Refugio No. 2 pump stations. The Meadowlark Pump Station has a total pumping capacity of 5,400 g.p.m. and an approximate lift of 110 feet. This pump station is used to convey water from the Cachuma Project/State Water exchange and/or State Project entitlement and river underflow water in Zone 1 to Zone 2. The Refugio No. 2 Pump Station has a pumping capacity of 1,100 g.p.m. and an approximate lift of 140 feet. The Refugio No. 2 Pump Station pumps Zone 1 water (river water and State Water Project water) to Zone 2 and the reservoir.

Water from Zone 2 can be delivered to Zone 3 to meet demands or to fill the Zone 3 reservoirs through the Alamo Pintado and the Refugio No. 3 booster pump stations. The Alamo Pintado Pump Station has a pumping capacity of approximately 2,000 g.p.m. and an approximate lift of 200 feet. The Refugio No. 3 Pump Station has a pumping capacity of 1,100 g.p.m. Water from Zone 3 can be delivered back to Zone 2 by gravity through a Cla-Val automatic control valve. The capacity of this valve is approximately 1,800 g.p.m.

The Mesa Verde Pump Station, containing five pumps, is designed for a maximum pumping rate of 5,640 g.p.m. and an approximate lift of 175 feet. This pump station is designed to deliver Cachuma Project/State Water exchange and State Project entitlement water supply to Zone 1. The ground surface elevation at this pump station is approximately 450 feet. The State Water Project intake pressure at this pump station ranges from 55 p.s.i. to 65 p.s.i. The normal intake pressure is approximately 60 p.s.i.

Water supplies are delivered to customers on demand. Irrigation water may be interrupted under the Rules and Regulations of the District to minimize waste, or if shortages occur.

Storage Facilities

The District's reservoir system consists of one steel tank with a capacity of 0.5 million gallons, two excavated, lined and covered reservoirs, each having a capacity of 6.5 million gallons, and one partially buried concrete tank with a capacity of 3.25 million gallons. Each reservoir serves a pressure zone, with the exception of Zone 3 (Los Olivos area) which has two reservoirs adjacent to one another serving the upper pressure zone.

The Zone 1 Reservoir is located in the southwest quadrant of the District and is used as a regulatory reservoir to maintain delivery system pressure in that zone and as the first storage facility for water deliveries from the Cachuma Project/State Water exchange, State Project entitlement and river underflow. The storage capacity is 20 acre-feet. In January 1999 this reservoir was relined with a "needle-punched geocloth" underlining and a white polypropylene outer layer shell.

The Zone 2 Reservoir is located on the western boundary near the mid-point of the District. It is also used as a regulatory reservoir to maintain system pressure in that zone. This reservoir also stores uplands well water and water supplies transferred from Zone 1 and its reservoir. It has a capacity of 20 acre-feet.

The Zone 3 Reservoirs are located in the northeastern quadrant of the District in the upper most pressure zone. The original Zone 3 reservoir is a steel tank with a capacity of 500,000 gallons (1.53 acre-feet) now serves as the secondary and integrated storage reservoir for that area. This tank has recently undergone extensive renovation. Rust treatment, priming and painting of the exterior were completed in January, 2000. The interior received a new epoxy coating in February, 2000.

The primary Zone 3 reservoir is a 3.25 million gallon (10 acre-feet) pre-stressed concrete tank. It was completed and placed on line in July of 1999, with its operation integrated with the steel tank providing for enhanced storage in this zone for uplands well water and water supplies from Zones 1 and 2.

Water Treatment Facilities:

The District uses the chlorination and chloramination processes to ensure that water is suitable for potable uses and is consistent with treatment methods for imported sources of supply. The State Water Project water purchased by the District passes through the Polonio Pass Water Treatment Plant in San Luis Obispo County, where it is processed through flash mixing, coagulation/flocculation, sedimentation, filtration and disinfection processes. This filtered and chloraminated water is then conveyed through the Coastal Branch/Santa Ynez Extension pressurized pipeline to the District's turnout facility and commingled with District water supplies. The State Project entitlement and Cachuma Project/State Water exchange are treated sources of supply.

The District disinfects all of its sources of supply at injection stations located at each well head or at consolidated facilities throughout the District and are monitored daily. Solution chlorine (sodium hypochlorite) and chloramine is used as the primary disinfectant.

Local Surface Water Supplies

The District is entitled to various local surface water supplies by water rights permits and contracts as summarized below:

Source	Amount (AFY)	Authority	Restrictions
Lake Cachuma	2,651 ⁽¹⁾	USBR Contract	Environmental
Santa Ynez River - Gallery Well	515 ⁽²⁾	SWRCB Permit	Environmental and Irrigation Use Only
State Water Project	700 ⁽³⁾	Water Supply Agreement	Environmental

Note: 1 ANNUAL DELIVERY YIELD of the Cachuma Project without shortages and delivered as Cachuma Project/State Water Exchange water.

- 2 Gallery Well under the Surface Water influence as permitted by the State Department of Health Services
- 3 Under the Water Supply Agreement, the District is entitled to 2,000 acre feet per year, of which 500 acre feet per year plus 200 acre feet of drought buffer water is delivered. The remaining 1,500 acre feet is contractually obligated to the City of Solvang through a separate Agreement.

The Gallery Well Field As A Surface Water Supply

Though the District's Gallery Well is located in the Santa Ynez River alluvium and is included in the section below, the State Department of Public Health (DPH) considers the Gallery Well a surface water source due to its horizontal structure and proximity to a potential live stream. (The State Health Department has indicated that wells must be at

least 150 feet from a live stream, otherwise they are considered to be pumping surface water and the water must then be treated.)

The Gallery Well appropriation, which has a license (No. 10415) for year-round diversion for domestic and irrigation purposes, was first placed on line in June of 1984. Maximum annual diversion rate from this well is 515 acre-feet (1.73 cfs) under License No. 10415.

The 4.0 Cfs Well Field:

The 4.0 CFS Well Field consists of a diversion area on the Santa Ynez River held in easement by the District and permitted by the State Water Resources Control Board for use of 2,220 acre-feet per year under Permit #17733. The water rights are protected by periodic filings with the State Water Resources Control Board. The District filed for license in November 2010.

The 6.0 Cfs Well Field

The 6.0 CFS Well Field consists of a diversion area on the Santa Ynez River held in easement by the District and permitted by the State Water Resources Control Board. Pumping from this well field commenced in May of 1983. This well field appropriates Santa Ynez River underflow by Permit #17734, which specifies 3,400 acre-feet per year maximum production.

Upon the completion of the well field construction in 2001, the highest historical maximum annual pumping from this well field occurred in 2001 and was 3,365 acre-feet. The highest historical monthly average diversion rate of 380.56 acre feet occurred in May 2002. Subsequently in 2003, the District filed with the State Water Resource Control Board, a request for license.

The Santa Ynez Upland Groundwater Basin

Most of the District overlies a portion of the Santa Ynez Upland Groundwater Basin, which covers an area that is approximately 130 square miles or 83,200 acres. The groundwater basin's subsurface characteristic is wedge shaped, narrowing to the east. The estimated available storage of this basin is 900,000 acre feet.

The District is one of two public water purveyors in the Basin, the other being the City of Solvang. Only a small portion of the City of Solvang overlies the Santa Ynez Uplands Basin. Solvang and the unincorporated towns of Santa Ynez, Los Olivos and Ballard constitute the urban areas of the basin. Small farms, ranches and scattered residential development surround these areas, and larger ranches and farmland lie beyond these areas. Even though there has been substantial population growth in the urban areas in recent years, agriculture is still the dominant land use.

In 1990, the District pumped 5,294 acre-feet of groundwater from the Santa Ynez Uplands Groundwater Basin from wells that penetrate below the upper saturated 200 feet of the Basin. In 2010, production from the District's Upland wells equaled 438 acre-feet.

The State Water Project

Another source of water for the Central Coast is The State Water Project. This Project, managed by the Department of Water Resources (DWR). In 1991, voters approved financing for local facilities and the Central Coast Water Authority (CCWA) was formed to finance, build and operate the local treatment and conveyance facilities. DWR thereupon constructed the Coastal Branch to and into Santa Barbara County connecting it to the local facilities.

The Coastal Branch has the ability to supply as much as 47,816 acre-feet a year to supplement supplies from other sources. The District has contracted to receive 2,000 acre-feet of State Project water. This water will be used for elimination of groundwater overdraft and as a supplemental supply for system reliability. The City of Solvang has agreed to purchase from the District 75%, or 1,500 acre-feet, of the total amount of water the District is obligated to by contract. In addition to the 500 acre-feet which the District imports for its own use, it has the right to an additional 200 acre-feet of "drought buffer" water from the same source. The 1,500 acre-feet per year of State Project water to be delivered to Solvang reduces the City's reliance on District water resources.

Recycled Water

Much of the water served by the District is "recirculated" by reason of its agricultural use (return flow) and the fact that most of the District is served by individual septic systems. A portion of the town of Santa Ynez, the Santa Ynez Indian Reservation and the City of Solvang are sewered. The Santa Ynez River Water Conservation District, Improvement District No. 1, does not manage the wastewater treatment facilities for the Santa Ynez Valley. Santa Ynez Community Services District operates the Chumash Wastewater Treatment Plant pursuant to an agreement with the The Santa Ynez Band of Chumash Indians.

Restrictions On The District's Water Sources

Limitation and water release requirements on Cachuma Project operations may restrict the District's Cachuma Project Water source. The agency reserving jurisdiction is the State Water Resources Control Board (SWRCB). A SWRCB hearing occurred in 2003 to determine the USBR's permit for continuing operation of the Cachuma Project, which included the recommendations for operational changes and management actions for maintenance of fisheries and other public trust resources in the Santa Ynez River below Bradbury Dam. The outcome of the hearings has been delayed due to the preparation of a subsequent Environmental Impact Report by the SWRCB. The Biological Opinion (B.O.) by the National Marine Fisheries Service and the Lower Santa Ynez River Fish Management Plan was completed in late 2000 with restrictive conditions for the

operation of the Cachuma Project including downstream flow requirements and water releases to maintain and improve the habitat of the Steelhead/Rainbow trout listed as an endangered species.

Once this EIR is finalized, the SWRCB will hold a hearing and render its decision on the Cachuma Project Operation permit. The potential effect of the SWRCB decision includes possible limitation or reduction of the yield of Cachuma Project up to as much as 20%. This condition would then limit or reduce water supplies to the District to a level below the annual scheduled entitlement.

Conjunctive Use Programs

The District conjunctively operates its Cachuma Project water, its river wells, its State Project water deliveries and its groundwater pumping to maximize the amount of water available to the District on a reliable basis.

Plans To Assure A Reliable Water Supply

The future supply projections assume normal inflows to Lake Cachuma and average annual recharge to the Santa Ynez Uplands Groundwater Basin. The District produces water from its various sources which allows for maximum operational flexibility and optimization of its supply. The District plans and manages its water supply sources based on hydrologic analyses, 10-year average and current water demand records, weather forecasts, climatic conditions, water supply forecasts from DWR and USBR, and groundwater storage records.

In any given water year, the District utilizes Cachuma Project/SWP exchange water, State Water Project entitlement, the 4.0 or 6.0 cfs well fields, the Gallery well and the upland wells or any combination of those sources to meet both M&I demand and agricultural needs. Each year, based on the evaluation of these sources, a production schedule is developed which is coordinated with maintenance programs and other related activities to ensure maximum delivery rates. In preparation of emergency or unscheduled interruption of any source of supply, the District maintains redundant and backup supply sources.

Water Conservation

In 1986 the District adopted its Water Conservation Plan. Under this Plan, programs were selected which were affordable, would improve the management and conservation of water supplies within the District's service area and programs which would provide the most benefits to the retail customers of the District. These programs included: 1) Metering accuracy on all agricultural accounts; 2) Metering accuracy of all other District accounts; 3) Provide water conservation information to the public; 4) Facility replacement program to reduce leakage losses; 5) Improve and expand water use records.

In April of 1996, the Board of Trustees approved an updated Water Conservation Plan which is consistent with the Memorandum of Understanding Regarding Urban Water Conservation in California, issued by the California Urban Water Conservation Council MOU which the Board of Trustees approved and authorized the General Manager to execute on January 11, 1994. This MOU directed the District to implement the Best Management Practices as approved by the board. In September 2005, the U.S. Bureau of Reclamation approved the required Water Conservation Plan Update from the District. The District also submits annually, water conservation best management practices reports to the California Urban Water Conservation Council under the Memorandum of Understanding Regarding Urban Water Conservation in California (MOU) execute on March 8, 1994.

Plans To Assure A Reliable Water Supply

The future supply projections assume normal inflows to Cachuma Reservoir and average annual recharge to the Santa Ynez Uplands Groundwater Basin. The likeliest interruption would be as a result of loss of power or possible facility failure. The District has taken measures to assure that potable water can still be provided to its customers, including:

- The purchase of two portable CAT diesel generators
- Emergency fuel supply for these generators
- Established procedures for distribution of potable water in an emergency
- Planning feasibility study concerning retrofitting reservoirs with a dedicated service to bypass the District system and fill potable water tankers and fire department equipment in an emergency
- Identified specific water-critical customers, such as hospitals, nursing facilities, schools, and individual customers with medical conditions dependent on continuous water availability
- Identified potential potable water distribution contractors and potential distribution sites
- Prepared standby procurement documents for emergency bulk purchases of bottled water for distribution
- Prepared standby arrangements with several local trucking firms (certified by the California Department of Health Services for transportation of potable water) to provide tankers to distribute potable water in the event of an emergency
- Obtained local hydrologic forecasts for the District's watersheds
- Checked that all disaster response procedures are consistent with the Standardized Emergency Management System (SEMS) and the California State Office of Emergency Services *Guidance for California's Mutual Aid System*.
- Established a four-stage rationing plan to invoke during declared water shortages, including mandatory and voluntary rationing (District Resolution No. 375, adopted April 17, 1990 and Resolution No. 371 adopted dated April 10, 1990).
- Water System Emergency Response Plan revised and updated in 2009

The District is prepared with plans to inform the public immediately in the event of any sort of emergency that would affect water supply. These plans have been effective in the past for natural disasters and other local events. While this District is well equipped to protect the public against threats to drinking water, important considerations must be given to the long-term, general security of the State and Federal drinking water infrastructure.

The standard security safeguards implemented by the District and in place are:

- Coordination with local law enforcement and State and Federal agencies.
- Limiting access within and throughout utility production, treatment and storage facilities to authorized personnel.
- Additional water quality testing and monitoring.
- Reassessing procedures and systems to detect security incursions.
- Providing additional training to district personnel to be alert and to recognize signs of potential threatening activities.
- Vulnerability Assessment - Public Health Security and Bioterrorism Preparedness and Response Act of 2002.
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Long Term Additional Water Supply Options

To meet future long-term water demand, the District is working with the City of Solvang on acquiring the City's 5.0 cfs appropriations permit to divert water from the underflow of the Santa Ynez River.