

MEMBER UNITS EXHIBIT NUMBER 50

**WRITTEN TESTIMONY OF STEVE MACK
DOCUMENTATION OF LOMPOC DISCUSSIONS
IN COMPLIANCE WITH SECTION 3(d) OF SWRCB ORDER WR 94-5**

Cachuma Conservation Release Board and
Santa Ynez River Water Conservation District, Improvement District No. 1

I am the Water Supply Manager for the City of Santa Barbara and have been involved in all aspects of water resource management for the City, including the Cachuma Project, since 1990. I hold Masters degrees in Hydrology and Urban Planning and I am familiar with the efforts of the Cachuma Project Member Units and the City of Lompoc to resolve issues regarding the impact of the Cachuma Project on the City of Lompoc's water resources.

I. Agreement to Negotiate 1993-1995

In 1993 the Cachuma Project Authority (CPA), in the course of attempts to resolve lead responsibility for negotiations and environmental review of the Cachuma Project Contract Renewal, entered into a contract with the City of Lompoc (see, Member Unit Exhibit No. 51, Contract to Establish Negotiation Process between City of Lompoc and Cachuma Project Authority). CPA was a joint powers authority composed of the six water purveyors who use water from the Cachuma Project and has since merged with the Cachuma Operation and Maintenance Board (COMB). The purpose of the contract was to cause a negotiation between the City of Lompoc and the CPA which addressed and resolved the City of Lompoc's water quantity and quality concerns associated with the Cachuma Project's impacts, if any, on the Santa Ynez River. The contract set up Technical and Policy Committees, required Lompoc to define its water supply concerns within 60 days of the agreement execution, and stated that negotiations should be

Documentation of Lompoc Discussions

completed by February 7, 1994, unless the parties agreed otherwise (see Appendix A, Participants of the Technical and Policy Committees; the term "committees" is plural because the contract called for separate committees for both the City of Lompoc and the Cachuma Project Authority). Staff from the City of Santa Barbara kept minutes of the meetings, which were approved at the following meeting (see, M.U. Exhibit No. 52 – No. 69, Minutes of City of Lompoc - Cachuma Project Members Negotiations). The contract included a provision which allowed delegation of the negotiating responsibilities from the CPA Board to the CPA members. This delegation was done on September 27, 1993.

A. Goals of Negotiation

I considered the goals of the negotiations to include:

- Provision of a forum for facilitating the review and understanding of available information regarding the impacts of the Cachuma Reservoir on the groundwater supply and salinity in the Lompoc Plain. I believed that the technical issues of the Lompoc Plain could be resolved with the exchange of technical information among professionals.
- Development of a consensus, if possible, regarding the preferred approach for analyzing the water resources of the Lompoc Plain. I expected these talks to allow the water resources professionals to agree, or at least focus the disagreements, on the major water resources issues of the Santa Ynez River valley.
- Facilitation of the long-term development of models to be used in the management of water resources with the Santa Ynez River watershed. I expected this forum to result in a suite of models that all participants could use to evaluate water resources concerns.

B. Lompoc Position

During the many meetings of the negotiations, the City of Lompoc presented its preliminary claim against the Cachuma Project which was that the project had degraded the quality of water pumped by the City of Lompoc (M.U. Exhibit No. 56, minutes of December 13, 1993 Policy Committees). My recollection is that the claim of the HCI consultants was that the operation of the Cachuma Project had degraded City of Lompoc water supply by 40 mg/L. This claim was based on the results of a series of proprietary models that the consultant for the City of Lompoc, HCI with Tim Durbin as principal, had developed.

C. Management Solutions Offered

During the negotiations, the parties offered management solutions. Cachuma Member Units offered to temporarily exchange State Project Water for Below Narrows Account water until technical issues regarding the water quality impact, if any, were resolved (M.U. Exhibit No. 70, Lompoc Groundwater Evaluation Agreement). This offer was rejected by the City of Lompoc (M.U. Exhibit No. 65, minutes of February 6, 1995 Policy Committees meeting). The City of Lompoc made a counter-proposal that principally involved pumping of poor quality water from the shallow aquifers of the Lompoc Plain and discharging it to the ocean (M.U. Exhibit No. 67, minutes of March 16, 1995 Technical Committees meeting). The conceptual proposal was accompanied by analyses that showed potential benefits of this approach to the water quality in the producing aquifers of the Lompoc Plain. Cachuma Project Member participants wondered about the cost of the proposal, were skeptical of the practicality of the idea, but were willing to add it to the list of possible management solutions (M.U. Exhibit No. 71, Status Report on Lompoc Negotiations, Section 3(d) of SWRCB Decision 94-5,

Documentation of Lompoc Discussions

Steve Mack, City of Santa Barbara, August 28, 1995 for a summary of the series of meetings. This summary was updated over time and approved by the Technical Committees.)

The agreement was extended for one year in the fall of 1994 (M.U. Exhibit No. 64, minutes of December 19, 1994 Policy Committees meeting). 1995 discussions were principally comments on the model documentation presented by the City of Lompoc. Principal reviewers included USGS staff, and consultants employed by the Cachuma Project Member Units and the Santa Ynez River Water Conservation District. Concerns were focused on the comparison of the groundwater model with the USGS groundwater model and the accuracy and lack of complexity of the surface water model component (M.U. Exhibit No. 71).

D. December 19, 1994. The City of Lompoc filed suit against the State Water Resources Control Board challenging the adoption of Order WR 94-5. The State Board action ultimately was sustained by judgment of the Superior Court on May 22, 1995 and affirmed in the California Court of Appeal on September 5, 1996.

E. August 30, 1995. The Lompoc City Council held a workshop where Tim Durbin, consultant for City of Lompoc, presented model results. The major conclusions, as shown in my notes of the meeting, included:

- There is a historic decline in water levels
- There is no overdraft in the Lompoc ground-water basin
- The Cachuma Project has had no impact on ground-water levels
- The Cachuma Project has impacted Lompoc basin ground-water quality
- The Cachuma Project has caused increased treatment costs for the City.

Documentation of Lompoc Discussions

F. September 1995. Lompoc announced a claim against the Bureau of Reclamation.

The actual claim was filed on January 23, 1996.

G. October 18, 1995 - Letter from Stewart Somach withdrawing Lompoc from Negotiation Process (M. U. Exhibit No. 72). At a staff level there was agreement that the discussions on the models should continue to try to reach a common agreement on technical issues and improvement of the tools needed to resolve these issues.

II. Work Plan Manager 1996-1999

In April 1996 managers of area cities and water districts met to try to develop a process to reach agreement on issues, problems and solutions. There was general agreement among the managers that we should be trying to come to resolution regarding the issues rather than litigate.

A. January 23, 1996 – The City of Lompoc filed a federal tort action against the Bureau of Reclamation, seeking damages for alleged water quality impacts caused by the Cachuma Project. The suit was voluntarily dismissed in 1997.

B. May 17, 1996 – The City of Lompoc filed suit challenging the adequacy of the Cachuma Project Contract Renewal EIS/EIR. The case was ultimately disposed of by Motion for Summary Judgment against Lompoc on September 2, 1997.

C. June 1996 – By June of 1996, there was sufficient consensus for the parties to start the Work Plan Manager process. The concept was to hire a consultant selected by the study participants to use existing information and information to be developed to:

1. Determine the impact, if any, of the Cachuma Project on groundwater quality in the Lompoc Plain and, specifically, on the City of Lompoc's water supply.

Documentation of Lompoc Discussions

2. Develop recommendations to abate the impacts, if any, of the Cachuma Project on and improve the water quality of the Lompoc Plain groundwater and the water supplies of the City of Lompoc. In developing these recommendations, the consultant may evaluate patterns and well locations, treatment alternatives, and other feasible management alternatives.

3. Prepare recommendations for further work to develop information and refine existing tools to better evaluate Items 1 and 2.

The Work Plan Manager was to report to a Steering Committee made up of the Memorandum of Understanding (MOU) participants. This MOU included the participants of the earlier negotiations plus the Santa Ynez River Water Conservation District and Santa Barbara County which participated in the earlier negotiations as observers. Decisions of the Steering Committee were by consensus. The consultant was to submit periodic reports, complete a final report that addressed the points above, and complete his/her work within one year.

D. August-December 1996 – During the second half of 1996, the parties worked to develop an MOU and work plan for Work Plan Manager. From my notes I recall that:

1. The Work Plan Manager MOU was designed to develop the information available and to be available regarding the water quality of the Lompoc Plain Groundwater Basin and to consider and review this information in an attempt to reach an understanding and agreement among the parties about the water quality of the Lompoc Plain Groundwater Basin. Moreover, it was intended that work and information will be shared in order to reach a mutually satisfactory resolution of the MOU participants' respective concerns.

Documentation of Lompoc Discussions

2. The general concept contained within the MOU was to create an objective technical environment for the review and development of information that might be used to resolve current disagreements and disputes and to better manage, in the future, the Lompoc Plain Groundwater Basin.

3. The MOU established a Steering Committee, required the acceptance of a Work Plan, discussed the retention of a "Work Plan Manager" and addressed various administrative details.

4. The MOU contemplated the future development of a long-term agreement on the resolution of water quality issues in the Lompoc Plain Groundwater Basin.

5. The so-called "Lompoc Plain Groundwater Basin Water Quality Work Plan" sought to build upon a belief that continued litigation among the parties is not the best way to address the issues in contention and that it is possible to reach technical consensus on the issues in dispute. The concept expressed in the Work Plan was that agreement on technical issues could be sought on a "process parallel to and deliberately independent of ongoing legal actions."

6. Because litigation about these issues was ongoing or contemplated, the MOU contained provisions that would not compromise the participants' legal positions. That is, nothing could be released by the Steering Committee that was not agreeable to all parties.

E. December 23, 1996. On December 23, 1996 the City of Lompoc, the Santa Ynez River Water Conservation District, Improvement District No. 1, the Cachuma Conservation Release Board, the United States, Department of the Interior, Bureau of Reclamation, The Santa Ynez River Water Conservation District and the Santa Barbara County Water Agency entered into the "Memorandum of Understanding for Cooperation on Technical

Documentation of Lompoc Discussions

Resolution of Lompoc Plain Groundwater Basin Water (M.U. Exhibit No. 73). The Parties also agreed to a "Lompoc Plain Groundwater Basin Water Quality Work Plan" (M.U. Exhibit No. 74).

F. July 1997 – John Bredehoeft, The Hydrodynamics Group, hired as Work Plan Manager; process starts.

G. September 1997 – First meeting of Steering Committee. In the following year there are several meetings of the Steering Committee. Short progress reports are prepared for each meeting.

H. October 1998 – First draft of Work Plan Manager Final Report. No one on the Steering Committee is happy with it. The first report was basically a compilation of the earlier distributed progress reports and did not satisfy the objectives of the process as stated above.

I. June 1999 – Agreement is reached that parties will not go further with the Work Plan Manager process but will attempt to reach consensus working with own consultants with the effort being led by Stetson Engineers. Agreement was reached among the participants that this effort would focus on developing an improved surface water quality model for the Santa Ynez River, based on the existing SYR Hydrologic Model, connected with the existing USGS and Durbin groundwater models. The effort would include technical meetings most likely occurring in the San Rafael offices of Stetson Engineers.

J. November 1999 – Agreement was reached that the parties would not finish the final report of the Work Plan Manager. Consensus was reached among the parties that the study approach, technical evaluation, and methodology used by the HYDRODYNAMICS Group could not satisfactorily answer questions about the impact of the Cachuma Project.

Documentation of Lompoc Discussions

K. March 25, 2000 - The parties reached agreement on a consensus statement reviewing the progress made during the Work Plan Manager process (see M.U. Exhibit No. 75). The Summary Statement includes the following points.

- The Work Plan Manager process enabled the parties to establish a cooperative technical forum that encouraged frank discussion of conflicting and often controversial viewpoints. The process provided a forum for everyone involved to become more fully informed, and has refined the questions that need to be resolved.

- Consensus was reached that the Durbin/Lefkoff groundwater quality model, in concert with the groundwater flow model, were appropriate models to investigate groundwater quality changes within the Lompoc Plain, although improved calibration of the water quality model would improve its effectiveness in predicting groundwater quality changes. Even though there are still suggested changes, progress toward the technical reconciliation of the USGS and Durbin/Lefkoff groundwater models was one of the main accomplishments of the study.

- The Steering Committee did not reach consensus on the use of the Durbin/Lefkoff surface water models. The parties have since agreed to add a surface water quality component to the Santa Ynez River Hydrology Model.

- Although the Work Plan Manager process has not resulted in resolution of the various issues relative to water quality in the Lompoc Plain, it has provided a forum for the parties to become more fully informed, and has refined some of the questions that need to be resolved. It has provided the basis of the forum for the groundwater analysis that will be included in the WR 94-5 EIR.

III. Further Technical Consensus Development, 1999-2000

Existing efforts to develop consensus based models, including an improved Santa Ynez River water quality model based on the Santa Ynez River Hydrologic Model are still ongoing. This series of models will be used for the water quality analysis expected in the Cachuma Project Permits EIR now expected in draft by December 31, 2000.

ccrb\hydro\Ph1sumfinal.stmt

Committee Roster

**City of Lompoc - Cachuma Project Members Negotiations
Technical Committees**

CITY OF LOMPOC:

Gary Keefe, Utility Director (805) 736-1261, Ext. 301
Hossein Moazami, Water Resources Engineer (805) 736-1261, Ext. 307
Mailing Address: Public Works Department, P.O. Box 8001, Lompoc, CA 93438-8001
Street Address: 100 Civic Center Plaza, Lompoc, CA 93436
FAX: (805) 736-5347

David Hirsch, City Attorney (805) 736-1261
Mailing Address: City Attorney's Office, P.O. Box 8001, Lompoc, CA 93438-8001
Street Address: 100 Civic Center Plaza, Lompoc, CA 93436
FAX: (805) 736-5347

Stuart L. Somach, Counsel (916) 927-9575
De Cuir & Somach
1755 Creekside Oaks Dr., Suite 290, Sacramento, CA 95833
FAX: (916) 927-9519

Dave Schuster, Technical Consultant (916) 446-7207
500 N Street, Suite 26, Sacramento, CA 95814
FAX: (916) 446-0143

Tim Durbin, Technical Consultant (916) 756-0925
Hydrologic Consultants, Inc.
1947 Galileo Court, Suite 101, Davis, CA 95616
FAX: (916) 756-9230

CACHUMA PROJECT MEMBER AGENCIES:

Carpinteria Water District:

Robert Lieberknecht, Secretary/Manager (805) 684-2816 or 684-4366
Mailing Address: P.O. Box 578, Carpinteria, CA 93014
Street Address: 1301 Santa Ynez, Carpinteria, CA 93013
FAX: (805) 684-3170

C.E. Wullbrant, Counsel (805) 962-0011
Price, Postel & Parma, 200 E. Carrillo St., Santa Barbara, CA 93101
FAX: (805) 965-3978

Goleta Water District:

Robert A. Paul, General Manager/Chief Engineer (805) 964 6761
Mailing Address: P.O. Box 788, Goleta, CA 93116
Street Address: 4699 Hollister Avenue, Santa Barbara, CA 93110
FAX: (805) 964-7002

Russell Ruiz, Counsel (805) 963-1453
Hill & Sandford, 800 Presidio Avenue, Santa Barbara, CA 93101
FAX: (805) 963-1457

Summerland Water District:

Lloyd Fowler, Manager (805) 969-4621
2450 Lillie Ave., Summerland, CA 93067
FAX: (805) 565-1213

Montecito Water District:

Charles Evans, Manager (805) 969-2271
Mailing Address: P.O. Box 5037, Montecito, CA 93150
Street Address: 583 San Ysidro Road, Montecito, CA 93108
FAX: (805) 969-7261

Robert M. Jones (805) 962-0011
Price, Postel & Parma, 200 E. Carrillo St., Santa Barbara, CA 93101
FAX: 965-3978

Santa Ynez River Water Conservation District, Improvement District No. 1:

Thomas M. Petersen, Manager (805) 688-6015
Mailing Address: P.O. Box 157, Santa Ynez, CA 93460
Street Address: 3622 Sagunto Street, Santa Ynez, CA 93460
FAX: (805) 688-3078

Steven Amerikaner, Counsel (805) 963-9231
Mailing Address: P.O. Drawer 720, Santa Barbara, CA 93102
Street Address: 21 East Carrillo Street, Santa Barbara, CA 93101
FAX: (805) 965-4333

City of Santa Barbara:

Steve Mack, Water Supply Development Manager (805) 564-5501
Bill Ferguson, Water Development Planner (805) 564-5571
Bob Roebuck, Water Resources Mgr. (805) 564-5387
Ken Goodenough, Asst. Water Resources Mgr. (805) 564-5387
Mailing Address: Public Works Department, P.O.Box 1990, Santa Barbara, CA 93102
Street Address: Public Works Department, 630 Garden St., Santa Barbara, CA 93101
FAX: (805) 564-5467

Daniel J. Wallace, City Attorney (805) 564-5326
Robert W. Pike, Asst. City Attorney, Counsel (805) 564-5328
Mailing Address: P.O. Box 1990, Santa Barbara, CA 93102
Street Address: 740 State Street, Santa Barbara, CA 93101
FAX: (805) 897-2532

Cachuma Project Authority:

Robert Wignot, Executive Director (805) 687-4011
3301 Laurel Canyon Road, Santa Barbara, CA 93105-2017
FAX: (805) 569-5825

David Lindgren (916) 441-0131
Kevin M. O'Brien, Counsel
Downey, Brand, Seymour & Rohwer, 555 Capitol Mall, 10th Floor
Sacramento, CA 95814-4686
FAX: (916) 441-4021

Bill Mills, Consultant (714) 378-3220
Mailing Address: Orange County Water Dist., P.O. Box 8300, Fountain Valley, CA 92728-8300
Street Address: 10500 Ellis Avenue, Fountain Valley, CA 92708
FAX: (714) 378-3371

Cachuma Conservation and Release Board:

Art Kidman, Counsel (714) 755-3100
695 Town Center Drive, Suite 1400
Costa Mesa, CA 92626-1966
FAX: (714) 755-3110

Santa Ynez River Water Conservation District:

Ali Shahroody, Technical Consultant (415) 457-0701
Stetson Engineers, Inc., 2171 E. Francisco Blvd., Suite K,
San Rafael, CA 94901
FAX: (415) 457-1638

Stan Hatch, Counsel (805) 963-9231
Mailing Address: Hatch & Parent, P.O. Drawer 720, Santa Barbara, CA 93102
Street Address: 21 East Carrillo Street, Santa Barbara, CA 93101
FAX: (805) 965-4333

Santa Barbara County Water Agency:

Rob Almy, Water Agency Manager (805) 568-3540
Jon Ahlroth, Hydrologist (805) 568-3540
123 E. Anapamu Street, Santa Barbara, CA 93101-2058
FAX: (805) 568-3434

U.S. Bureau of Reclamation:

Bill Luce, Project Superintendent, (209) 487-5116
2666 N. Grove Industrial Drive, Suite 106, Fresno, CA 93727
FAX: (209) 487-5397

Tony Buelna, Chief of Operations and Maintenance (209) 487-5116
2666 N. Grove Industrial Drive, Suite 106, Fresno, CA 93727
FAX: (209) 487-5397

Lompoc-Cachuma Project Members Negotiations

MEMBERS OF POLICY COMMITTEES

Joyce Howerton, Mayor
City of Lompoc
P.O. Box 8001
Lompoc, CA 93438-8001

William Mullins, Councilmember
City of Lompoc
P.O. Box 8001
Lompoc, CA 93438-8001

John Gilmour, Director
Carpinteria Water District
349 Ash Avenue, Space #76
Carpinteria, CA 93013

John Singer, Director
Goleta Water District
7553 San Como Way
Goleta, CA 93117

John Sullivan, Director
Summerland Water District
P.O. Box 450
Summerland, CA 93067

Jan Abel, Director
Montecito Water District
1103 Camino Viejo
Montecito, CA 93108

Matthew Loudon, Director
Santa Ynez Rvr. Wtr. Cons. Dist.
P.O. Box 441
Los Olivos, CA 93441

Rusty P. Fairly, Councilmember
City of Santa Barbara
P.O. Box 1990
Santa Barbara, CA 93102

Street Address:
735 Anacapa Street
Santa Barbara, CA 93101
Phone: (805) 564-5323 FAX: (805) 564-5475

Jay Fisher, Director
Santa Ynez River Wtr. Cons. Dist.
P.O. Box 2016
Buellton, CA 93427