

Santa Barbara LAFCO

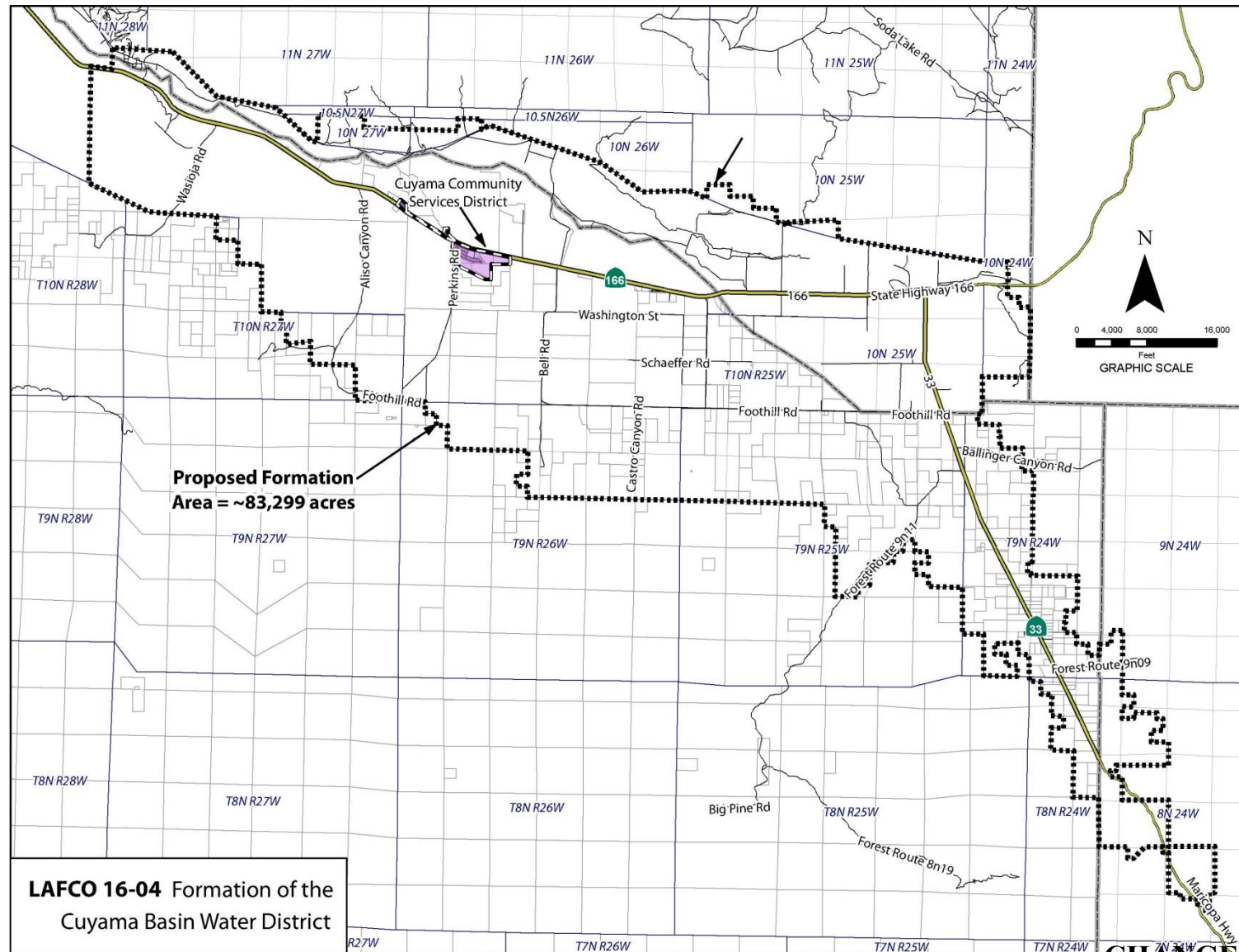
Formation of the Cuyama Basin Water District

September 1, 2016

Background

- Applicant: 71% of the Landowners, by Petition of Application
- Location: The proposed District is comprised of 83,095.69 acres. The proposed District boundaries encompass portions of Santa Barbara, San Luis Obispo, and Ventura Counties. However, because the majority of the land and assessed value of taxable property is located within Santa Barbara County, Santa Barbara LAFCO as the principal LAFCO is required to give notice in all three counties. Santa Barbara LAFCO is also responsible for holding the formation hearing.
- After reviewing the information contained in the August 5, 2016, LAFCO Staff Report, hearing public testimony, and deliberating on the proposal, the Commission continued the matter to the September 1, 2016, meeting.

Map of Proposed District



District One Outreach

- The Commission asked the District One Supervisor and staff to reach out to the Cuyama Valley community to educate them on the Proposed Formation of the Cuyama Basin Water District and respond to questions. LAFCO staff has responded to questions from the District One Supervisor staff, as have other agencies, officials, and members of the public.
- District One Supervisor staff held a community informational meeting with the Cuyama Valley Community Association (CVCA) and stakeholders on Wednesday, August 24 at 6 p.m. The community was notified via email and in person of the CVCA meeting. The intent of the meeting was to report back to the LAFCO Commission at the September 1, 2016 meeting.
- Supervisor Carbajal will present a letter and results of the outreach effort at the meeting.

Alternative Special Districts

- In addition, the Commission asked the applicant to determine if an alternative special district would be more appropriate to comply with the Sustainable Groundwater Management Act (SGMA) requirements.
- The primary reason that a California Water District is being proposed is because it is a landowner-voter district. Although there are a variety of independent special districts that have water powers, such as Community Service Districts, Irrigation Districts, and Municipal Water Districts, they are registered voter districts.
- The intent of the California Water District proponents is the landowners would maintain control of the affairs of the district. Other alternative District would not provide the landowners with this control.

Conclusion

- The proposed District would provide a public agency with powers and abilities to, among other things, (i) administer, develop, construct and operate projects and programs to enhance water supplies to help stabilize the groundwater conditions in the Cuyama Groundwater Basin, and (ii) advance groundwater management and conservation programs and thereby pursue stabilizing the Basin and sustaining its resources for the beneficial use of all those who use water within the proposed District.
- The new District would provide some level of local control with landowner approved financing, and establishment of an independently elected Board of Directors. However, the area included in the District would also be part of a Groundwater Sustainability Agency and be part of the development of a Groundwater Sustainability Plan.

Recommendation Options

- After consideration of this report and any testimony or additional materials that are submitted the Commission should consider taking one of the following options:
- **OPTION 1 – APPROVE** the proposal as submitted.
- **OPTION 2 - CONTINUE** this proposal to a future meeting for additional information.
- **OPTION 3 - DENY** the proposal

Recommendation

OPTION 1 – APPROVE the District Formation as submitted and adopt a resolution that will take the following actions:

- Find that the formation is Categorically Exempt based on the creation of a District for the purpose of creating a funding mechanism that is exempt from the California Environmental Quality Act, Public Resources Code section 21000 et. seq. (“CEQA”) pursuant to CEQA Guidelines Section 15378(b)(4) and CEQA Guidelines Section 15061 (b)(3).
- Approve the proposal, known as the Formation of the Cuyama Basin Water District, subject to the following terms and conditions:
- The name of the district shall be the Cuyama Basin Water District.
- The District shall be initially composed of a five-member elected Board of Directors, each of whom must be a holder of title to land within the district, the legal representative of a holder of title to land within the district, or a representative designated by a holder of title to land within the district, if the holder has filed with the district written evidence of that designation.

Recommendation (Cont'd)

- The District shall have those powers and responsibilities set forth in the California Water District Law, Water Code section 34000 et. seq., including Water Code section 35401 that authorizes the District to acquire, plan, construct, maintain, improve, operate, and keep in repair the necessary works for the production, storage, transmission, and distribution of water for irrigation, domestic, industrial, and municipal purposes, and any drainage or reclamation works connected therewith or incidental thereto.
- The District, if formed, shall cease to exist if the Proposition 218 Proceeding is not conducted and an assessment to fund the District is not approved by May 4, 2017, or Santa Barbara LAFCO otherwise extends such deadline.
- The District, if formed, shall cease to exist if it does not enter into a joint powers agreement or memorandum of agreement pursuant to the Sustainable Groundwater Management Act, Water Code section 10720 et. seq., for the formation of a groundwater sustainability agency for the Cuyama groundwater basin by December 31, 2017 or later date approved by the State pursuant to the Act.
- Should the new Board of Directors levy any of the “Proceeds of Taxes,” described above, it will establish an Appropriations Limit.