State Water Resources Control Board



Division of Water Rights

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March 19, 2007

Karen M. Kraus Environmental Defense Center 906 Garden Street Santa Barbara, CA 93101

Dear Ms. Kraus:

DRAFT ENVIRONMENTAL IMPACT REPORT FOR CONSIDERATION OF MODIFICATION TO THE U.S. BUREAU OF RECLAMATION'S WATER RIGHTS PERMITS 11308 AND 11310 TO PROTECT PUBLIC TRUST VALUES AND DOWNSTREAM WATER RIGHTS ON THE SANTA YNEZ RIVER BELOW BRADBURY DAM (CACHUMA RESERVOIR)

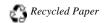
This letter responds to your letter dated January 17, 2007, submitted on behalf of California Trout (CalTrout) concerning the above Draft Environmental Impact Report for the Cachuma Project (Cachuma DEIR). You state that you believe the retention of Stetson Engineers, Inc. and Entrix, Inc. by URS Corporation (URS) as sub-consultants in preparation of the Cachuma DEIR for the State Water Resources Control Board (State Water Board) creates a conflict of interest and conflicts with the terms of the State Water Board's and U.S. Bureau of Reclamation's (Bureau) Supplemental Statement of Responsibilities for Preparation of the Cachuma DEIR (Supplemental SOR).

Regarding your concern that involvement by Stetson Engineers and Entrix in preparation of the DEIR may provide an unfair advantage to the Cachuma Project Member Units to influence the content of the EIR, State Water Board staff will ensure that this does not occur. In compliance with section 15084, subdivision (e) of the California Environmental Quality Act (CEQA) Guidelines regarding lead agency obligations, State Water Board staff have and will continue to independently review all material prepared for the EIR to ensure that it reflects the independent judgment of the State Water Board and that the EIR is adequate and objective.

In addition, nothing legally precludes the State Water Board from allowing URS to contract with Stetson Engineers and Entrix to perform work on the DEIR. Pursuant to the CEQA Guidelines (§ 15084, subd. (d)(4)), the State Water Board may prepare a DEIR using its own staff, contract with a third party to prepare a DEIR, or accept a DEIR prepared by the Bureau, a consultant retained by the Bureau, or any other person. Alternatively, the State Water Board may execute an agreement with the Bureau to govern the preparation of the DEIR by an independent contractor. The fact that the Bureau is a party and the contractors have previously worked for parties to the hearing does not preclude them from assisting in preparation of the State Water Board's DEIR.

Given the expertise of Mr. Shahroody (Stetson Engineers) and Ms. Baldrige (Entrix) concerning the Santa Ynez River watershed, it is not unusual that these parties were retained to assist in preparation of the DEIR. The 2003 DEIR lists both Ali Shahroody and Jean Baldrige as preparers of that document. As such, it is untimely that you raise this issue now, just prior to

California Environmental Protection Agency



completion of the revised DEIR.¹ Nevertheless, in consideration of parties' concerns regarding Ms. Baldrige's involvement (as indicated in your letter), and in view of the fact that Ms. Baldrige's participation is not essential, State Water Board staff has requested that she no longer assist in preparation of the EIR. Due to his distinctive expertise in Cachuma Project operations, however, Mr. Shahroody will continue to assist in the preparation of the EIR, in accordance with the Supplemental SOR, discussed below.

Regarding your claim that Stetson Engineers and Entrix may provide Cachuma Project Member Units with advance information concerning the contents of the EIR and the State Water Board's deliberative process, this is specifically prohibited by the Supplemental SOR. Pursuant to the Supplemental SOR (section C. 6), the consultants working on preparation of the Cachuma DEIR shall not communicate with the Bureau or any other interested person regarding the analytical or other substantive work performed by the consultants for the DEIR until the State Water Board has issued a final EIR. This provision includes all consultants involved in preparation of the DEIR and does not exclude sub-consultants. Accordingly, anyone from URS, Stetson Engineers, or Entrix who participates in the preparation of the EIR is bound by the Supplemental SOR to confidentiality.

Regarding your claim that retention of Stetson Engineers and Entrix violates the Supplemental SOR, there is no evidence that Stetson Engineers or Entrix stand to benefit financially by the outcome of the State Water Board's proceeding on this matter. In fact, representatives of the Cachuma Project Member Units have clearly indicated that this is not the case (see your copy of the January 26, 2007 letter from Gregory K. Wilkinson to Victoria A. Whitney). The subconsultants are retained on an hourly basis for services rendered, and their payment is not contingent on the outcome of the State Water Board's proceeding. If the sub-consultants are called upon to provide expert witness testimony at a State Water Board hearing, the subconsultants will again be retained on an hourly basis for services rendered.

If you would like to discuss this matter further, please contact Diane Riddle of my staff at (916) 341-5297 or driddle@waterboards.ca.gov.

Sincerely,

ORIGINAL SIGNED BY

Victoria A. Whitney Division Chief

cc: Cachuma Conservation Release Board Mr. Gregory K. Wilkinson Best, Best & Krieger, LLP 3750 University Avenue, Suite 400 Riverside, CA 92501

(Continued next page.)

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¹ The State Water Board intends to issue a revised DEIR in the spring of 2007 and anticipates issuing a final EIR in the fall of 2007.

cc: (Continuation page.)
City of Solvang
Mr. Christopher L. Campbell
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Fresno, CA 93704

U.S. Bureau of Reclamation Mr. Stephen R. Palmer 2800 Cottage Way, Room E-1712 Sacramento, CA 95825

Santa Ynez River Water Conservation District Improvement District No. 1 Mr. Gregory K. Wilkinson Best, Best & Krieger, LLP 3750 University Avenue, Suite 400 Riverside, CA 92501

City of Lompoc Ms. Sandra K. Dunn Somach, Simmons & Dunn 813 Sixth Street, Third Floor Sacramento, CA 95814-2403

Santa Barbara County Parks Ms. Terri Maus-Nisich Director of Parks 610 Mission Canyon Road Santa Barbara, CA 93105

Santa Ynez River Water Conservation District Mr. Ernest A. Conant Law Offices of Young Wooldridge 1800 – 30th Street, Fourth Floor Bakersfield, CA 93301

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