

MEMBER UNITS EXHIBIT NUMBER 84

August 31, 2000

Mr. Harry Schueller, Chief
Division of Water Rights
State Water Resources Control Board
901 P Street
P. O. Box 2000
Sacramento, CA 95812-2000

Re: Notice of Water Right Hearing Relative to Cachuma Reservoir
and Petition to Change the Place and Purpose of Use

Dear Mr. Schueller:

The State Water Resources Control Board ("SWRCB") is to be commended for proceeding with the scheduled November 2000 hearing in accordance with Order WR 94-5 to review the U. S. Bureau of Reclamation ("Reclamation") water right permit for the Cachuma Reservoir, and Reclamation's Petition to Change the Place and Purpose of Use. Reclamation and the stakeholders have completed a great deal of technical work as a result of the deadlines imposed by the SWRCB Order. This technical work has provided a better understanding of the respective stakeholders' concerns and positions regarding any Cachuma Project Impact on downstream water quality.

The undersigned are elected representatives of the City of Lompoc; the Santa Ynez River Water Conservation District, Improvement District No. 1; the Cachuma Conservation Release Board; and the Santa Ynez River Water Conservation District, who have formed an Ad Hoc Committee to forge an agreement among our agencies to establish a cooperative position regarding the SWRCB water right hearing on the Cachuma Project. After more than a year of ad hoc work, we may be close to reaching an agreement, but we are missing some important technical information that is currently being developed by technical consultants and our own technical staffs, and through the preparation of the Environmental Impact Report for the SWRCB hearing. For example, the National Marine Fisheries Service has significantly delayed issuing the Biological Opinion; that is now scheduled to be released on September 1, 2000, or shortly thereafter. The hydrology review in the EIR should include the information from the Biological Opinion. Despite best efforts, the draft will not be available until about March 1, 2001, assuming the Biological Opinion is released at the currently scheduled time, and allowing for public review after preparation of the draft EIR.

Order WR 94-5 requires that the hearing begin no later than December 1, 2000. The SWRCB has scheduled the hearing to commence on November 6, 2000. We request that it be a phased hearing, and that the technical and water quality issues

be addressed in a phase of the hearing after the draft EIR has been made available to the interested parties. This short delay will provide the necessary time for the completion of the technical information that is needed for our agencies to forge this vital agreement. It will also allow the issues to be more fully explored in the preparation of the draft EIR, and will provide the SWRCB with more complete information before technical testimony begins. It may also reduce the amount of testimony required, if solutions can be agreed upon by our agencies.

If the SWRCB must proceed with hearing the issues at the hearing commencing in November 2000, we request that the first phase of the water right hearing not include the water quality aspect of Reclamation's Petition to Change the Place and Purpose of Use. This is necessary because water quality is expected to be one of the principal hearing issues, and that information will be developed in the preparation of the draft EIR for the hearing.

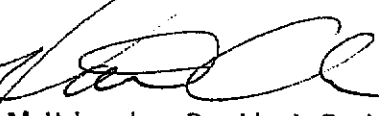
Thank you for your time and consideration in this matter. We would be happy to meet with you, or have our staffs meet with you to further discuss the contents of this letter.

Please send your response to our request to Chuck Evans, Manager, Cachuma Conservation Release Board, 3301 Laurel Canyon Road, Santa Barbara, CA 93105-2017, with a copy to Gary Keefe, Utility Director, City of Lompoc, P. O. Box 8001, Lompoc, CA 93438. We would very much appreciate receiving a response by September 10, 2000.

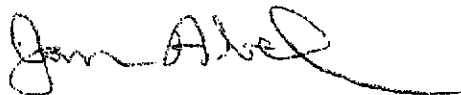
Yours truly,


Jan Keller, Councilmember, City of Lompoc

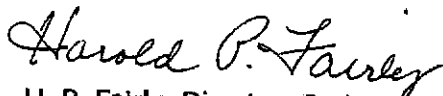

Michael Siminski, Councilmember, City of Lompoc


Matt Loudon, President, Santa Ynez River Water Conservation District,
Improvement District No. 1

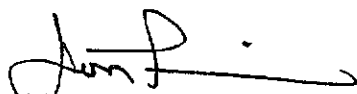

Harlan Burchardi, Director, Santa Ynez River Water Conservation District,
Improvement District No. 1



Jan Abel, President, Cachuma Conservation Release Board



H. P. Fairly, Director, Cachuma Conservation Release Board



Jon Picciuolo, President, Santa Ynez River Water Conservation District



David Pierce, Director, Santa Ynez River Water Conservation District