

February 3, 2026

City of Santa Barbara
Water Supply Management Report
2024-2025 Water Year

Prepared by Water Supply & Services Division, Water Resources Department





City of Santa Barbara Water Supply Management Report 2025 Water Year (October 1, 2024 – September 30, 2025)

Water Supply & Services Division, Water Resources Department
February 3, 2026

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Introduction

The City of Santa Barbara operates the water utility to provide water for its citizens, certain out-of-City areas, and visitors. Santa Barbara has an arid climate, so providing an adequate water supply requires careful management of water resources. The City has a diverse water supply portfolio, including local reservoirs (Lake Cachuma and Gibraltar Reservoir), groundwater, State Water Project water, desalination, and recycled water. As a condition of participating in the Central Coast State Water Project Extension, the City is required to show compliance with the City's water management plan, provide reasonable estimates of total supplies available, report on groundwater basin water conditions, and describe expected water use for the next water year¹. The City's Enhanced Urban Water Management Plan (EUWMP) was adopted by City Council on June 29, 2021 and details the City's water supply and management strategy for the next 30 years.

This annual report summarizes the following information:

- The status of water supplies at the end of the water year (WY), September 30, 2025
- Water supply outlook
- Water conservation and demand
- Major capital projects that facilitate the City's ability to provide reliable, safe drinking water
- Significant issues that affect the security and reliability of the City's water supplies
- Groundwater Management
- Current groundwater conditions

¹ Resolution of the Central Coast Water Authority Approving Settlement Agreement and Adopting Condition, Central Coast Water Authority Resolution No. 92-11, (1992).

Water Supplies

The City has one of the most diverse water supply portfolios in the state, including local surface water; local groundwater (which includes water that seeps into Mission Tunnel); State Water Project (SWP) water; desalinated seawater; and recycled water. The City also considers water conservation an important tool for balancing water supply and demand.

Typically, most of the City's demand is met by local surface water reservoirs, desalination, and recycled water, and is augmented as necessary by local groundwater and SWP water.

The City's local surface water comes from Gibraltar Reservoir and Lake Cachuma, both located in the upper Santa Ynez River watershed. The inflow to these reservoirs is rainwater, so rainfall data for Gibraltar Reservoir has important water supply management implications. Figure 1 shows rainfall for the past ten years as compared to the 50-year average.

Figure 1. 10-Year Rainfall History at Gibraltar Reservoir

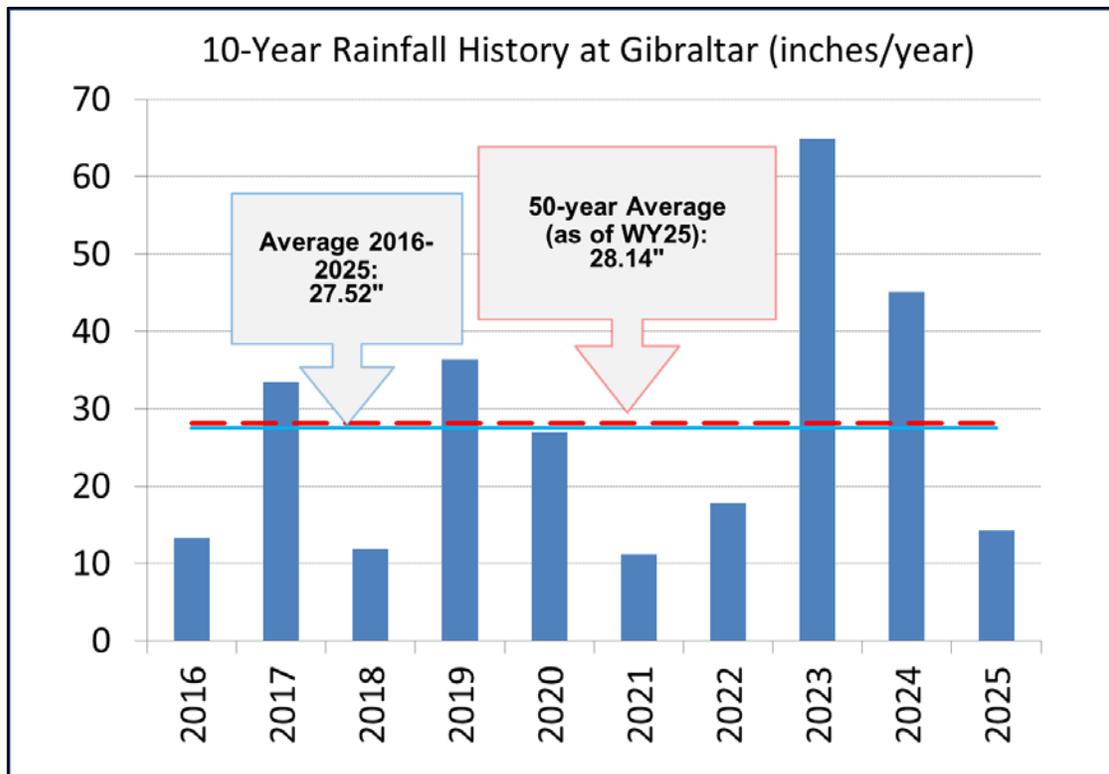
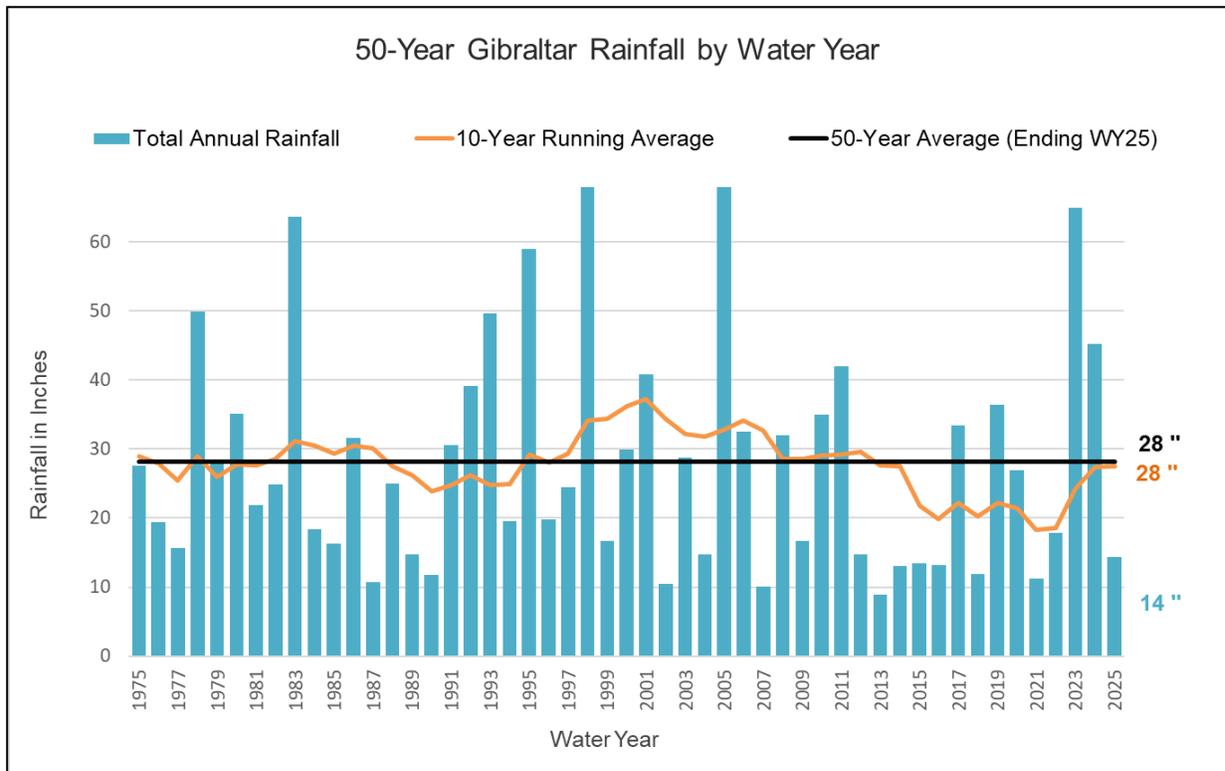


Figure 2 provides additional historic rainfall information by showing 50 years of rainfall data, 50-year average rainfall, and 10-year average rainfall. Rainfall in the Santa Ynez River watershed during WY 2025, as measured at Gibraltar, was 51% of the 50-year rainfall average, with most of the rain falling in February and March. Runoff generated by average rainfall is generally enough to fill Gibraltar; however, it typically takes above-average rainfall to produce any significant inflow to Cachuma. Neither Gibraltar nor Cachuma spilled in WY 2025.

Figure 2. 50-Year Gibraltar Rainfall by Water Year



To enhance rainfall, the City has historically participated in the cloud-seeding program administered by the County of Santa Barbara. Cloud seeding was not needed in fiscal year 2025 as the region maintained adequate water supplies due to very wet winters in WYs 2023 and 2024. The City does not plan to participate in cloud seeding during fiscal year 2026 because enhanced rainfall could result in Cachuma spilling and the loss of Member Units’ stored carryover water.

Figure 3 below summarizes the supply status of each of the City’s water supply sources and shows the amount used to meet demands in WY 2025. The recycled water number shown includes 256 AF of process water at El Estero Water Resource Center (El Estero). Additionally, the recycled system demands were supplemented with 11 AF of potable blend water.

Figure 3. Summary table showing status and use of City water supplies for WY 2025.

Source of Supply	Supply Status (as of September 30, 2025)	WY 2025 Actual Production
Gibraltar Reservoir and Devil's Canyon Creek	Total Capacity: 4,490 AF (September 2024 survey) End of Year Storage: 982 AF (21% of Total Capacity)	4,517 AF 38% of total water supply
Lake Cachuma ²	Total Capacity: 192,978 AF (2021 capacity revision surcharged to 753 feet spill elevation for fish release water) End of Year Storage: 149,845 AF (78% of total capacity)	3,117 AF 26% of total water supply
Mission Tunnel	n/a	1,177 AF 10% of total water supply
State Water Project	Total Allocation for City: 3,300 AF "Table A" WY 2025 Allocation: 50%, 1,650 AF	0 AF, 0% of total water supply
Desalination	Total Plant Capacity: 3,125 AF	1,947 AF 17% of total water supply
Groundwater	Sustainable Yield (AFY): Foothill Basin: 270 (City portion of basin) Storage Unit 1: 700	0 AF, 0% of total water supply
Recycled Water	n/a	1,020 AF, 9% of total water supply
Total Production		11,777
Net Other Supplies ³	n/a	-1,691
Total Production for City Use <i>(subtracts net other supplies and 256 AF of recycled process water)</i>		9,830

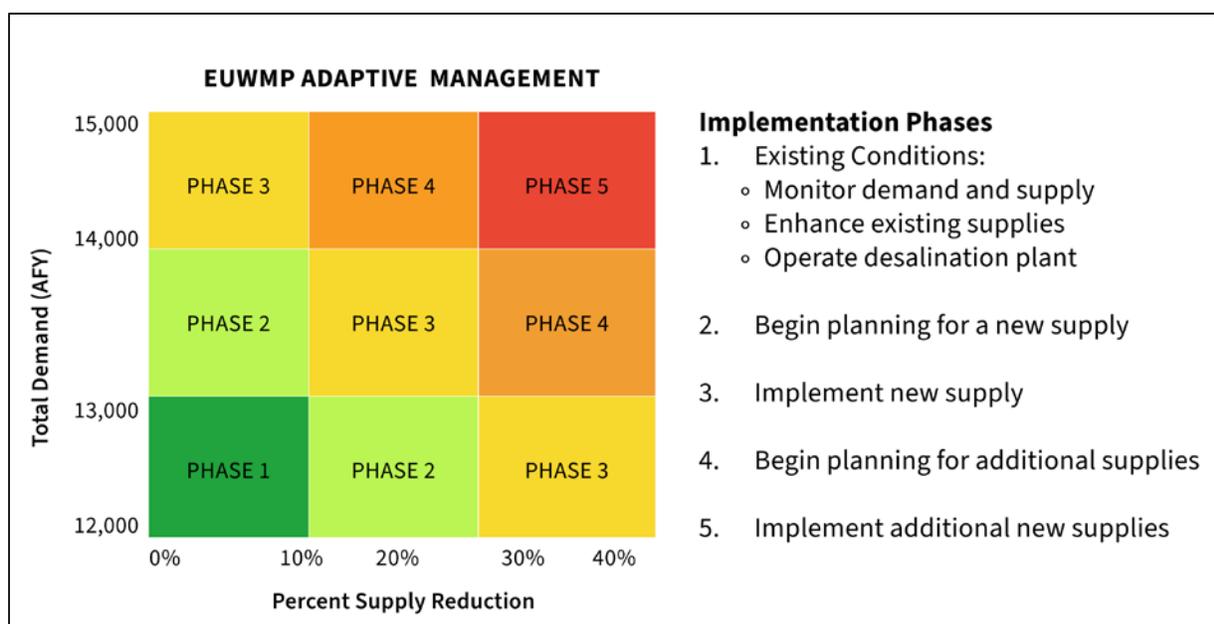
² Note that the City receives an approximate 300 AF annual transfer from Montecito Water District as per the Juncal Dam Water Exchange Agreement of 1928; the annual transfer is added to the City's Cachuma Project balance.

³ Production water used from the distribution system for purposes such as sales or transfers to adjacent water purveyors, potable water transfers to the recycled water system for blending, or groundwater recharge (negative values).

Monitoring Water Supply and Demand

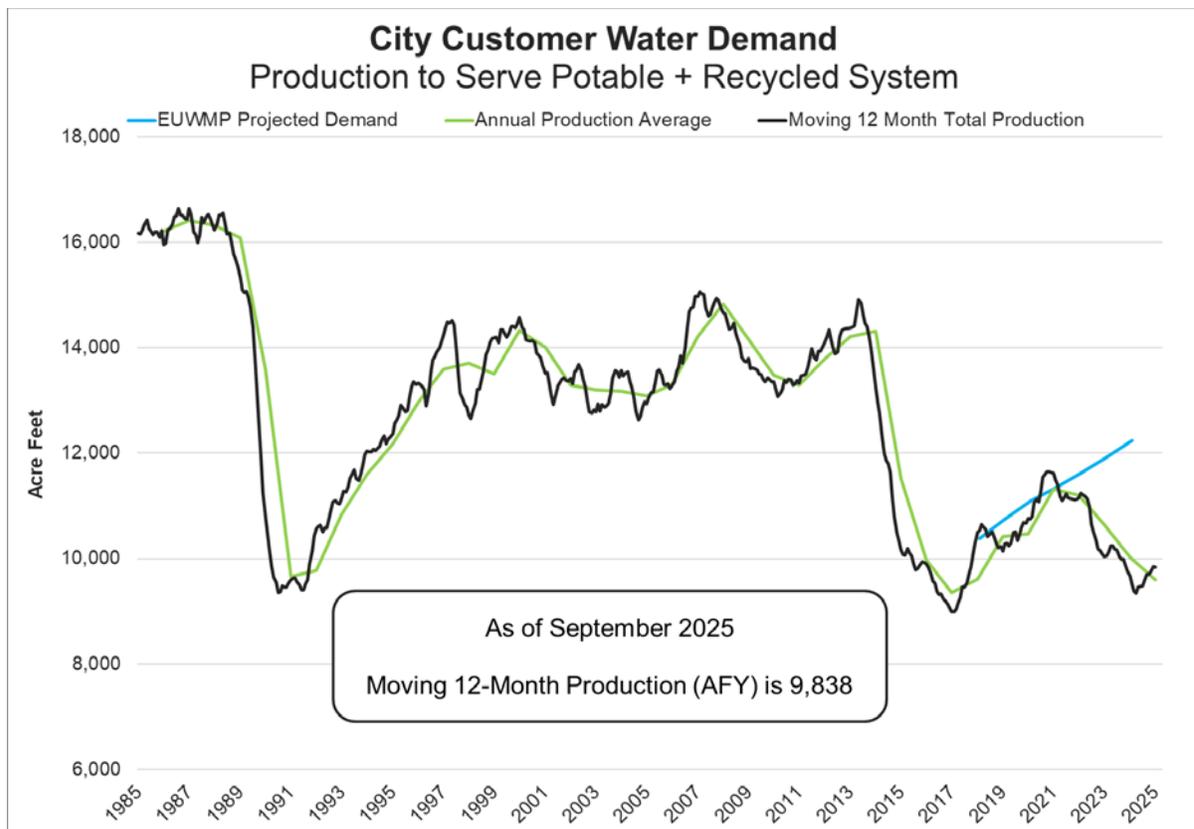
In June 2021, City Council adopted the 2020 Enhanced Urban Water Management Plan (EUWMP). The EUWMP evaluates the City’s water supplies for adequacy and reliability and provides a long-term view of the City’s water supply management strategy for the next 30 years. Analysis of the City’s current water supply portfolio suggests the City currently has adequate supplies to meet demands, even under reduced supply scenarios, except during extended periods of drought when supplementary supplies or extraordinary conservation are needed. A triple-bottom line analysis was performed to measure the performance of a diverse range of possible future water supply portfolios against social, environmental, and financial criteria. Results of this analysis indicate that expanding the City’s Charles E. Meyer Desalination facility from a production capacity of 3,125 acre-feet per year (AFY) to 5,000 AFY is the City’s best performing new supply when balancing social, environmental, and financial criteria as part of an adaptive water management approach. The timing for expanding the desalination plant will depend on the pace of demand growth and the ongoing availability and reliability of existing supplies. The EUWMP outlines an Adaptive Implementation Plan (Figure 4) that prioritizes water conservation, leverages the City’s current supplies, and identifies supply and demand triggers and corresponding next steps to guide the City in adapting to future changes in water supply and demand conditions. Total production for WY 2025 was 11,777 AF, which includes water produced to meet all water obligations, and most closely aligns with Phase 1. The City used 9,066 acre-feet (AF) of water for City customer demands in WY 2025, plus 764 AF of recycled water. In addition, the City sold 1,380 AF of water per the water sales agreement between the City and Montecito Water District, recharged 1 AF into the Foothill groundwater basin, and provided 299 AF of water to neighboring agencies as part of the overlap agreements with neighboring water districts. Staff is monitoring supplies and demands and will notify Water Commission and City Council when it is time to move into Phase 2 and start planning for a new supply.

Figure 4. Adaptive Management Plan



City customer water demand has historically been measured by total water production, which is the total amount of supply from all sources needed to serve City customer demands on the potable and recycled distribution systems. Figure 5 illustrates historical demands based on total water supply produced, including recycled water, to meet City customer demand. Future demand projections from the EUWMP are shown in blue. Annual average production values are shown in green. Total water production for City customers was 9,838 AF for 2025 (excluding 1,691 AF for non-City customer demand and 256 AF of water produced for El Estero's process demands).

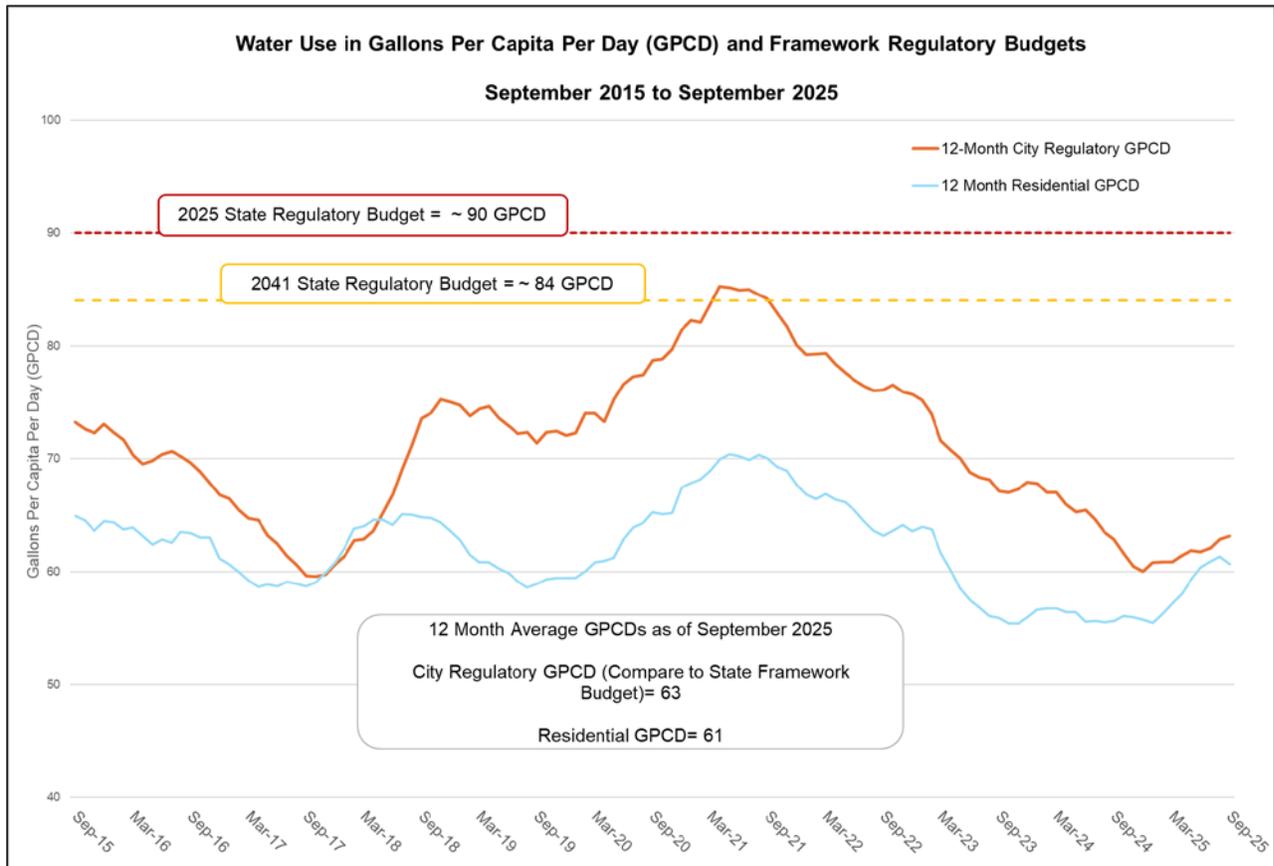
Figure 5. City Customer Water Demand from 1985 to 2025



Senate Bill 606 (SB 606) and Assembly Bill 1668 (AB 1668) were signed into law in 2018. SB 606 and AB 1668, also known as the Long-term Framework, are intended to “Make Water Conservation a California Way of Life” by introducing a water budget-based approach to urban water conservation. The Long-term Framework (Framework) sets water use standards for urban water providers in four components: 1) indoor residential water use, 2) outdoor residential water use, 3) non-residential irrigation meter use, and 4) a water loss standard for the supplier’s water system. These water use standards are added together to calculate each urban water provider’s total water use budget. The standards grow more stringent incrementally until 2041. The State Water Resources Control Board (State Board) adopted the Framework Regulation on July 3, 2024. The City calculates its water production subject to the Framework Regulation monthly as the “City Regulatory GPCD” as shown in Figure 6. Figure 6 also includes the current Framework Regulation budget, the 2041 Framework Regulation budget, and a 12-month residential GPCD. The average Framework Regulation GPCD was 63, while the average residential GPCD was 61 for WY 2025.

In both Figure 5 and Figure 6, demands show a decline beginning in 2015 in response to the Stage 2 and 3 drought conditions that instituted mandatory reductions of water use. There was a slight rebound in demand from 2017 to 2022, then GPCD and system production decreased over the course of WY 2023 and WY 2024, as heavy winter rains reduced irrigation demand for all customers. Demands rose slightly in WY 2025, likely due to the lack of rainfall driving up customer irrigation demands.

Figure 6. Water Use in Gallons Per Capita Per Day for Last Ten Years



Water Supply Outlook

WY 2025 included a below average wet winter with total rainfall at Gibraltar Reservoir of 42.7 inches, 46% percent of an average water year. The City’s local surface water supplies, Lake Cachuma and Gibraltar Reservoir, did not spill winter 2024/2025. Cachuma storage was at 78% of capacity (149,845 AF) at the end of WY 2025. The U.S. Bureau of Reclamation (Reclamation) determines the Member Unit’s allocation for the upcoming water year. Reclamation granted a 100% allocation for WY 2026. Gibraltar Reservoir (including Devil’s Canyon Creek) supplied approximately 38%, or 4,517 AF, of the City’s water supply in WY 2025. Additionally, the City released a total of 227 AF in April and July to downstream users as per the Gin Chow Agreement. Gibraltar ended WY 2025 at 21% of capacity with 982 AF of storage.

Figure 7 shows the actual water supplies to meet demand over the past ten years (WY 2016 – WY 2025).

Figure 7. Water Supplies to Meet Demand for Water Years 2016-2028

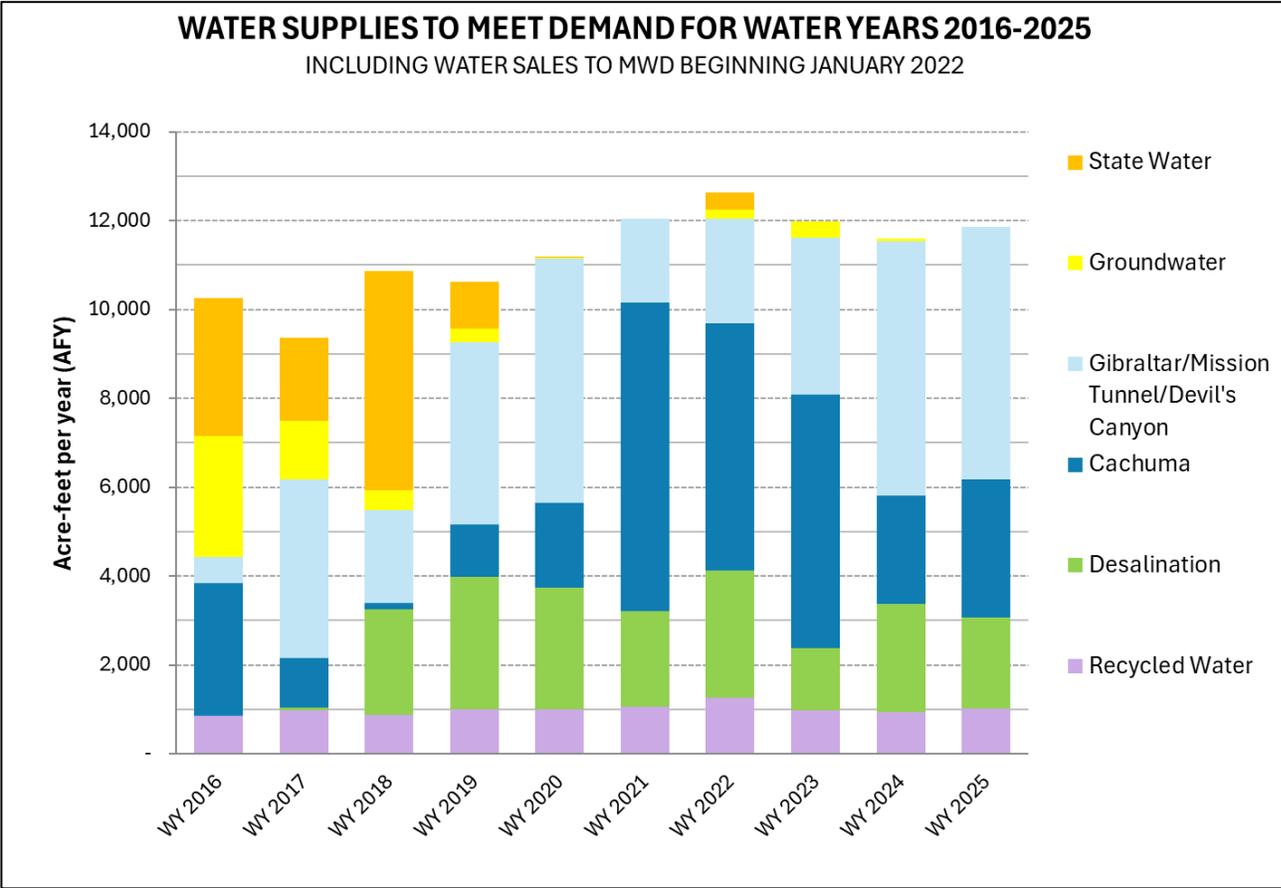
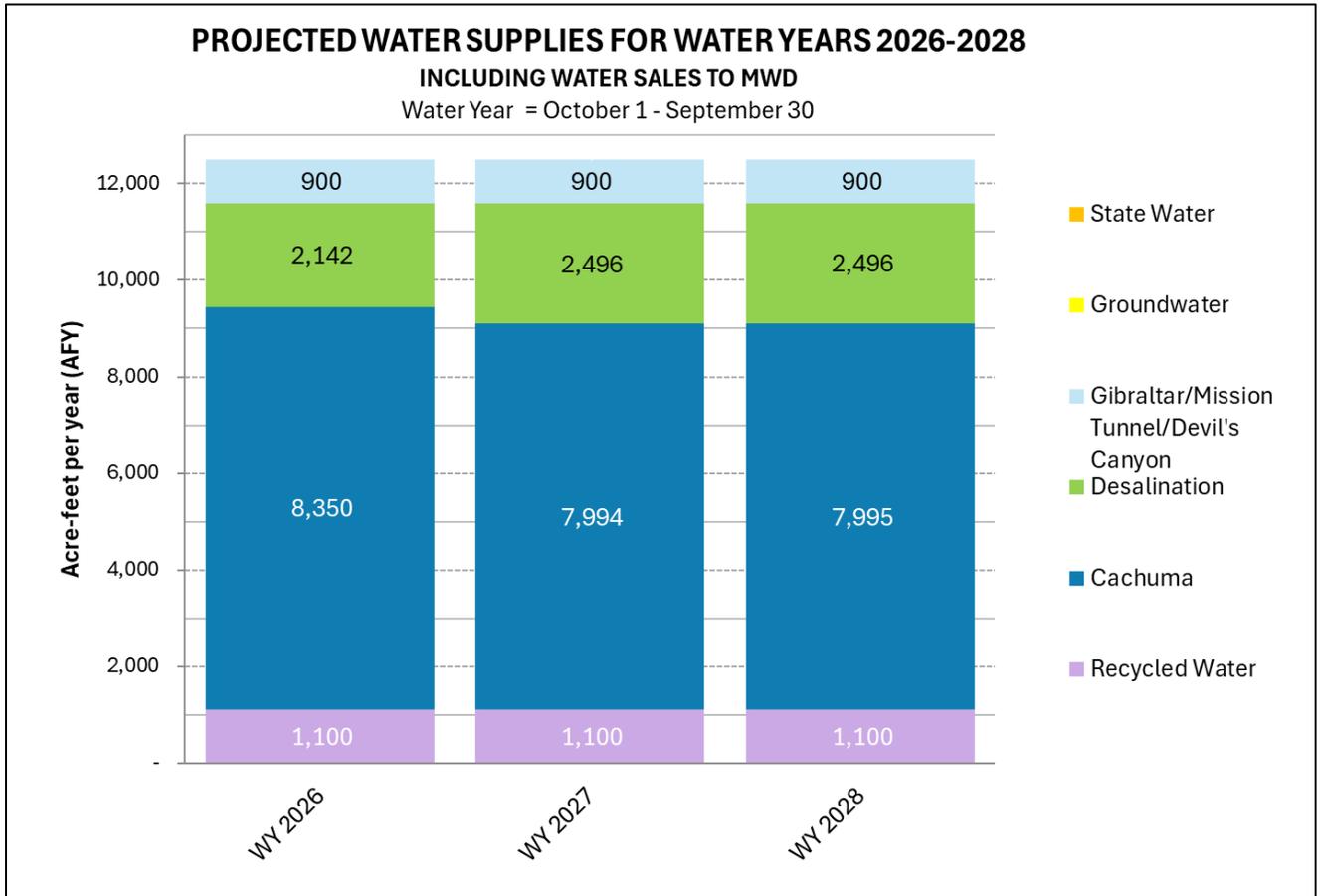


Figure 8 shows the detailed water supply strategy for the next three water years, WY 2026 through 2028. Updates to the City’s water supply planning strategy are conservative and assume drought conditions. Under the planning scenario, there is little to no rainfall assumed for three years, resulting in no inflows into Lake Cachuma. The City received a 100 percent allocation for WY 2026, a 100 percent Cachuma allocation is assumed for WY 2027, and an 80 percent allocation is assumed for WY 2028. At the end of WY 2025, Gibraltar reservoir was depleted to conduct necessary maintenance. It is assumed that the City will not use water from Gibraltar for WY 2026 so all inflows will go towards refilling the reservoir. At Mission Tunnel, 900 AF of infiltration is assumed for WY 2026 through WY 2028. The planning scenario also assumes that there are drought conditions statewide, which reduce the SWP water allocation to 25 percent in WY 2026 through WY 2028. The analysis assumes the desalination plant is operated continuously through WY 2028 at an 80 percent production rate (2,500 AF). This conservative planning approach allows staff to evaluate if the City has sufficient water to meet demands under three years of extreme drought. The supply strategy reflects the management policies adopted in the 2020 EUWMP.

Figure 8. Details of Projected Water Supplies for Water Years 2026-2028



City Water Conservation Program

In accordance with the EUWMP and the Water Conservation Strategic Plan, the Water Conservation Program is operated to minimize the use of potable water supplies, implement the best management practices of the U.S. Bureau of Reclamation, and achieve compliance with State-mandated water conservation targets. Water conservation measures are evaluated for cost effectiveness based on the avoided cost of additional water supplies. Highlights of the City’s Water Conservation Program include the following activities:

- **WaterSmart Customer Portal:** As part of the Automated Metering Infrastructure (AMI) project, the City launched the customer-facing water use and billing portal WaterSmart in March 2024. Through WaterSmart, customers can monitor water usage by the hour, day, and month; receive automated leak alerts; pinpoint reasons behind a high bill; customize alerts for unusual water use; and sign up for autopay and paperless billing. As of November 20, 2025, there were 17,997 accounts registered, 58 percent of total utility accounts.
- **Leak Alerts and Customer Support:** Customer service is provided to customers to analyze water use patterns, investigate high water use, troubleshoot leaks, provide recommendations for water efficiency, explain rate structure, participate in rebate programs, and get WaterSmart support. By equipping customers with early leak detection and 24/7 access to water use information, staff has been able to transition to

a supportive role offering guidance over the phone and through email versus in-person appointments. In WY 2025 there were 23,695 automated leak alerts sent via email, mail, or text. In WY 2025 there were 2,590 phone calls and 2,295 email/WaterSmart messages with customers.

- **Marketing and Outreach:** Implementation of regional outreach through the Countywide Regional Water Efficiency Program. Highlights from WY 2025 include: the 2025 WaterWise Garden Contest, countywide advertising about landscape transformations and irrigation repairs, WaterSmart portal enrollment outreach, and new Garden Wise TV show episodes.
- **Water Education Program:** The City offers free in-class presentations, take-home water efficiency kits, and musical assemblies to highlight where the City's water comes from and how to conserve it. 2,802 students participated in WY 2025.
- **Rebate Program Participation:** There were 40 high efficiency washing machine rebates, 73 mulch delivery rebates, 13 irrigation efficiency rebates, 9 Sustainable Lawn Replacement rebates, and 28 Flume device rebates in WY 2025.

Capital Projects

Staff continues work on a number of projects to improve the reliability and maintain quality of City water supplies:

- **Desal Product Water Pump Station:** This pump station is being upgraded so desalinated water can be pumped to the Cater Water Treatment Plant via the Conveyance Pipeline and repurposed existing transmission mains. The project is going through commissioning and startup and is expected to be completed at the end of 2025. Piping modifications at Cater that are part of the Cater Reservoir Resiliency Project will also be needed as the final step to convey desalinated water into Cater's finished water reservoir. The project will provide the ability to convey desalinated water City-wide and to other South Coast water agencies.
- **Cater Reservoir Resiliency Project:** This project will enhance water treatment at Cater Water Treatment Plant by adding a dedicated chlorine contact time (CT) basin to the process prior to the existing finished water clear well. This will allow operational flexibility to address seismic deficiencies within the clear well, ensure chlorine contact time for regulatory compliance, and add storage capacity and redundancy. The project includes installation of a 2.5 million gallon CT basin, modifications to the interior of the clear well, replacement of emergency generators, and a new biofiltration basin with associated stormwater piping. The project is currently completing the design phase and is anticipated to bid November 2025 and begin construction in spring 2026.
- **Desal Offshore Pump Platform Stabilization Project:** The project is stabilizing the offshore, underwater intake structures that house the pumps that push seawater onshore for treatment at the desalination plant. The project will help prevent future erosion and potential damage under the structures, which will improve long-term reliability. The project is in the construction phase with construction expected to be completed by end of 2025.
- **Aquifer Storage and Recovery Project:** In August 2021 the State Water Resources Control Board approved pilot testing of the City's Aquifer Storage and Recovery (ASR) Project. The ASR project consists of injecting potable drinking water into the Foothill

Groundwater Basin through the San Roque Well to replenish the aquifer and store water in wet years and recover the water from the basin in drier years. After completing well repairs in 2022, the three pilot phases of injection, storage, and recovery were conducted in spring 2023 through spring 2024. The third phase of the pilot successfully injected water with no observed changes to groundwater quality at the well site or surrounding monitoring wells. Staff is seeking long-term injection permitting of the well, with injection capability of about 450 AF per year. The final permit amendment was submitted to the Regional Board in October 2025. Staff anticipates permit approval by the end of the calendar year.

Water Supply Issues

There are a number of significant issues related to the City's water supplies, which are discussed below.

Cachuma Project State Water Rights Order. The U.S. Bureau of Reclamation (Reclamation) operates the Cachuma Project pursuant to a water rights permit issued by the State Water Resources Control Board (SWRCB). The project provides water to the City of Santa Barbara, Carpinteria Valley Water District, Goleta Water District, Montecito Water District, and Santa Ynez River Water Conservation District, Improvement District No. 1 (often referred to collectively as the Cachuma Member Units). The first water rights permit for the Cachuma Project was issued in 1958. On September 17, 2019, the SWRCB adopted an order for a new water rights permit for the Cachuma Project. The current permit is the culmination of nearly 20 years of legal proceedings to protect water rights holders and address long-term declines in native Southern California steelhead populations in the Lower Santa Ynez River (downstream of Lake Cachuma's Bradbury Dam). The new order requires higher downstream flows during wet years, which will reduce available storage in Lake Cachuma going into normal and dry years and a reduction in supplies available to Cachuma Member Units, including the City. The order also requires multiple operating plans from Reclamation. The Cachuma Conservation Release Board (CCRB) and the Cachuma Operations and Maintenance Board (COMB), both of which the City is a member, are providing technical assistance to Reclamation in the development of these plans. In WY 2025, both CCRB's and COMB's efforts continued to focus on the Term 18 and Term 19 plans, which, respectively, identify how Reclamation will comply with multiple flow targets imposed in the water rights permit, and require Reclamation to study the effectiveness of the newly imposed higher wet-year flows on enhancing steelhead and its habitat downstream of Bradbury dam. Additionally, CCRB and COMB assisted Reclamation with its Value Planning Study, which Reclamation undertook to address the Term 24(a) requirement to study and evaluate potential options to provide steelhead passage around Bradbury Dam. Both CCRB and COMB have observed that Reclamation is making much bigger releases than required by the water rights order and are working with Reclamation staff to encourage them to reduce the releases to more closely meet target downstream flows, while still protecting fish.

Cachuma Project Biological Opinion: In 2000, a Biological Opinion (BO) was issued by the National Marine Fisheries Service (NMFS) for Reclamation's operation and maintenance of Bradbury Dam (the Cachuma Project). NMFS is the federal agency that oversees protection of Southern California steelhead, which was federally listed as endangered in 1997. The BO

addresses the effects of the Cachuma Project's operations on steelhead and its designated critical habitat in accordance with Section 7 of the Endangered Species Act of 1973. Reclamation, in cooperation with the Cachuma Project Member Units, submitted a new Biological Assessment (BA) in 2013, which included proposed revisions to the Project operations to improve habitat conditions for steelhead while still maintaining water supplies. In 2016, NMFS issued a draft BO, for which the BA served as a basis document. Reclamation could not accept aspects of NMFS's draft BO and submitted a new proposed operating plan and supporting BA in 2019. After additional exchange between the two federal agencies, Reclamation submitted a revised BA in December 2020 that incorporates the operating requirements of the 2019 Water Rights Order. CCRB continues to assist Reclamation in responding to NMFS's input and requests for additional information regarding the revised BA. When this revised BA is finalized, NMFS will use it to produce a new Biological Opinion that governs Cachuma Project operations. The desired outcome of this BO process is a non-jeopardy determination for steelhead by NMFS. Similar to the State water rights decision, the new BO is important because it could affect Cachuma Project operations and the amount of water supply available to the City and other Cachuma members.

Cachuma Contract 2020: Since the construction of the Cachuma Project, the Santa Barbara County Water Agency (SBCWA) has been the nominal contractor with Reclamation. The SBCWA was formed in 1945 by the State Legislature to facilitate development of the Cachuma Project and to provide a water supply to the City of Santa Barbara, Carpinteria Valley Water District, Goleta Water District, Montecito Water District, Summerland Water District⁴, and Santa Ynez Water Conservation District Improvement District No. 1. The City and these districts are collectively known as the "Cachuma Member Units." The SBCWA Act (Act), which created the SBCWA and specifies its powers, designates the County Board of Supervisors as the legislative body of the agency. The SBCWA's authority is limited by the Act to supplying water to the Cachuma Member Units.

In 1949, the SBCWA entered into a long-term agreement with Reclamation for the development of the Cachuma Project and supplying water to the Cachuma Member Units (the Original Master Contract). Concurrently with the execution of the Original Master Contract, the SBCWA executed essentially identical water supply agreements with each of the Cachuma Member Units.

In the mid-1990s, the SBCWA, on behalf of the Cachuma Member Units, requested renewal of the Original Master Contract. The renewed Master Contract was entered into by the SBCWA "acting as agent of the Cachuma Member Units" in 1996 and was set to expire on September 30, 2020. The Cachuma Member Units are the beneficiaries of the water supplied by the Cachuma Project. They are responsible for paying for all Project costs and paid off the capital component of the Cachuma Project in 2015.

On May 2, 2017, the Santa Barbara County Board of Supervisors authorized its staff to initiate renewal of the Cachuma Contract with Reclamation. Reclamation has stated that they generally conduct the contract renewal process only with the direct contractor, SBCWA. However, given the unique connection that the Master Contract has with the Cachuma Member Units (e.g. Member Units are water recipients and are responsible for the associated payments to Reclamation), Reclamation determined it was appropriate for

⁴ Summerland Water District was subsequently merged into the Montecito Water District.

Cachuma Member Units to participate alongside the SBCWA in the technical and negotiation sessions for the contract renewal process.

After completing negotiations on a three-year extension and necessary environmental review, Reclamation signed an amendment to the contract with the SBCWA for water service from the Cachuma Project on September 28, 2020, extending the contract through September 30, 2023. Concurrently, on September 24, 2020, the Santa Barbara County Public Works Director signed the First Amendment to the City's Cachuma Member Unit Agreement with the SBCWA to provide for continued delivery of water from the Cachuma Project to the City. The City's contract with the County incorporates the same terms and conditions as the Master Contract three-year extension. In 2023, another short-term contract extension was created and the effort to develop a long-term Master Contract was once again postponed. The Second Amendment extends the contract through September 30, 2026.

A significant element of the Master Contract negotiations will be the safe yield of Lake Cachuma. In June 2020 the SBCWA shared a draft study prepared by Stetson Engineers, *Safe and Operational Yields of the Cachuma Project*, with the Cachuma Member Units. Prior to completion of the draft study, SBCWA did not consult or confer with the Cachuma Member Units, and, upon review of the draft study, the Cachuma Member Units found it to be flawed in its approach, methodology and conclusions. The Cachuma Member Units sent a letter to the SBCWA stating their objections to the draft study in August 2020 and contracted with Woodard and Curran to develop their own safe yield study for Lake Cachuma. Results of the Cachuma Member Units' study are being finalized. The goal of this study is to analyze operating scenarios for effective management of the Cachuma Project under the current operational yield of the Project, 25,714 AFY, while meeting other beneficial uses of the Project, including downstream water rights obligations and environmental release requirements. Conclusions from this study are likely to be another important point of discussion in the long-term Master Contract negotiations.

Gibraltar Pass Through Operations: The 2007 Zaca Fire burned approximately 60% of the Gibraltar Reservoir watershed, which normally contributes up to 40% of the City's water supply. On top of historical siltation, the additional sediment load resulting from the Zaca Fire reduced the reservoir's storage capacity by 1,535 AF. The Rey Fire in Fall 2016 also burned within the Gibraltar watershed, which resulted in an additional loss of 303 AF. The 2017 Thomas Fire resulted in additional storage capacity loss. A bathymetric survey conducted in September 2024 demonstrated a reduction of 229 AF of storage since November 2022. The current maximum storage volume of Gibraltar Reservoir is 4,489 AF.

In 1989, the City entered into the Upper Santa Ynez River Operations Agreement (the "Pass Through Agreement") with other Santa Ynez River water agencies. The City agreed to defer its planned enlargement of Gibraltar Reservoir in exchange for provisions that would allow the City to "pass through" a portion of its Gibraltar water to Lake Cachuma for storage and delivery through Cachuma Project facilities. As a result of the Zaca Fire impacts to Gibraltar Reservoir, the City elected to commence the "pass through" phase of operations in 2008 and has been trying to negotiate a Warren Act Contract with Reclamation as the preferred approach for accounting for the City's Pass Through water since that time. To execute a Warren Act Contract, Reclamation must prepare an environmental assessment under the National Environmental Policy Act (NEPA). Reclamation released a draft environmental assessment (EA) that has gone through public review. The final EA has yet to be released by Reclamation. Staff worked with Reclamation in 2019 to review and negotiate draft Warren Act Contract language. Staff continues to wait for a response from Reclamation regarding

outstanding EA issues. Reclamation has indicated that they are unlikely to finalize the Warren Act Contract until a new Biological Opinion is issued by NMFS. Pass Through operations will allow the City to maximize its Gibraltar water rights, while the reservoir continues to lose capacity from sediment settling in the reservoir.

State Water Project/Delta Issues: Significant issues include:

- **Delta Conveyance:** The Sacramento-San Joaquin Delta is a critical conveyance link for all water moved from northern California to southern California by the SWP. However, the reliability of State Water supply is at risk due to drought, environmental restrictions, and seismic events. The Bay Delta Conservation Plan (BDCP) proposed a solution to balance coequal goals of water supply and environmental benefits. A Draft Environmental Impact Report (EIR) and Draft Environmental Impact Statement (EIS) for the BDCP were made available for public review from December 2013 to July 2014.

In April 2015, State and Federal agencies announced a new alternative which would replace the BDCP as the State's proposed project. The new alternative reflected proposals by Governor Jerry Brown and the California Department of Water Resources to separate the conveyance facility and habitat restoration measures into two separate efforts: California WaterFix and California EcoRestore. These two efforts are a direct reflection of public comments on the BDCP EIR/EIS and fulfill the requirement of the 2009 Delta Reform Act to meet co-equal goals.

On July 21, 2017, the DWR certified the Final EIR/EIS for the project, approved the California WaterFix (Alternative 4a), and filed a Notice of Determination with the Governor's office. The California WaterFix included two large, four-story tall tunnels to carry fresh water from the Sacramento River under the Sacramento-San Joaquin Delta toward the intake stations for the SWP. The certification was a major milestone that came after more than a decade of analysis, review, and public comment.

In May 2019 the DWR began taking formal steps to withdraw proposed permits for the WaterFix project and begin a renewed environmental review and planning process for a smaller, single tunnel conveyance project, known as the Delta Conveyance Project. This action followed Governor Gavin Newsom's executive order directing state agencies to develop a comprehensive statewide strategy to build a climate-resilient water system. Governor Newsom envisions a smaller, single tunnel through the Sacramento-San Joaquin Delta that would protect water supplies from sea-level rise and saltwater intrusion into the Delta, as well as earthquake risk. It will be designed to protect water supply reliability while limiting impacts on local Delta communities and fish. The Final Environmental Impact Report was released in December 2023 and DWR approved the project in the same month. Now that the environmental review is complete and the project has been approved, next steps for DWR include pursuing numerous state and federal permits or authorizations, including those required by the State Water Resources Control Board, the Delta Stewardship Council, and compliance with state and federal Endangered Species acts.

In May 2024, DWR released a benefit-cost analysis for the Delta Conveyance Project that finds the project would create billions of dollars in benefits for California communities, including reliable water supplies, climate change adaptation, earthquake preparedness and improved water quality. In October 2025, DWR

submitted a Certification of Consistency with the Delta Plan to the Delta Stewardship Council for the Delta Conveyance Project, as required by the Delta Reform Act. By submitting the certification, DWR has evaluated the project against the Delta Plan's regulatory policies and determined that it aligns with the Delta Plan's requirements, and that the certification is supported by an administrative record that includes environmental permits, engineering memoranda, public comments, outreach materials, and other documentation.

The Central Coast Water Authority (CCWA) is one of the 29 SWP contractors. CCWA represents the Member Agencies on SWP matters. CCWA Member Agencies include the City, Santa Ynez River Water Conservation District Improvement District No. 1, City of Buellton, City of Santa Maria, Montecito Water District, Goleta Water District, City of Guadalupe, and Carpinteria Valley Water District. CCWA and its members have chosen not to participate in the new Delta Conveyance facility at this time. This does not preclude individual agencies from possibly purchasing SWP water from a participating SWP agency in the future.

However, there are concerns that by not participating in the new Delta conveyance project, CCWA members will have less secure water banking opportunities in the state's San Luis Reservoir. This is a result of the new Delta Conveyance project, which is anticipated to cause the San Luis Reservoir to spill more frequently (every other year versus every ten years, historically), resulting in a loss of available storage to CCWA. For this reason, CCWA undertook a Water Management Strategies Study to identify and evaluate cost-effective strategies to optimize the yield from the SWP. The report included recommendations for water management alternatives that CCWA is now investigating further, including groundwater banking and water exchanges and transfers that involve SWP water and other supplies. The City is actively engaged in evaluating water management projects independently and along with CCWA, including water banking, transfer, and exchange opportunities to optimize its benefit from its SWP water. This work is ongoing.

- **State Water Contract Assignment:** The City of Santa Barbara receives imported water from the SWP through the CCWA. The CCWA is a JPA formed in 1991 to finance, construct, manage and operate regional treatment and conveyance facilities that deliver State Water to its member agencies, including the City of Santa Barbara. While the CCWA is responsible for financial and operational management of regional SWP facilities, the CCWA did not originally hold the State Water Contract with DWR. The State Water Contract with DWR was first executed in 1963 and was held by the SBCWA. On October 31, 2017, the Santa Barbara City Council authorized amending existing agreements with CCWA to effectuate the assignment of the State Water Contract from the County to CCWA. All of the CCWA member agencies also provided such authorization. CCWA also received written confirmation of DWR's willingness to accept assignment of the contract to CCWA. However, the County Board of Supervisors did not take any action to work toward contract reassignment.
- **Legal Action Against the County of Santa Barbara:** In early 2021, the Department of Water Resources and many of the 29 individual State Water Project Contractors (including CCWA through the Santa Barbara County Flood Control and Water Conservation District) executed an amendment to the State Water Project Contract, commonly referred to as the "Water Management Amendments." These

new contract amendments were designed to improve the flexibility and efficiency of buying and selling water across the SWP, allowing Member Agencies to better manage supplies during drought and climate challenges. They also provide significant financial benefits to CCWA and its Member Agencies by creating opportunities to either offset the expense of State Water for the benefit of their customers or help offset the cost of developing local supplies.

While the County did execute the Water Management Amendments, they imposed significant and unreasonable conditions on sales and exchanges of state water, depriving the CCWA Member Agencies of the benefits of the new contract amendments. In June 2021, CCWA and each of its Member Agencies, including the City, filed a lawsuit against the County of Santa Barbara regarding management of the SWP. On September 25, 2025, Board members of CCWA voted unanimously to approve a settlement agreement, settling the lawsuit. Key terms of this historic agreement include:

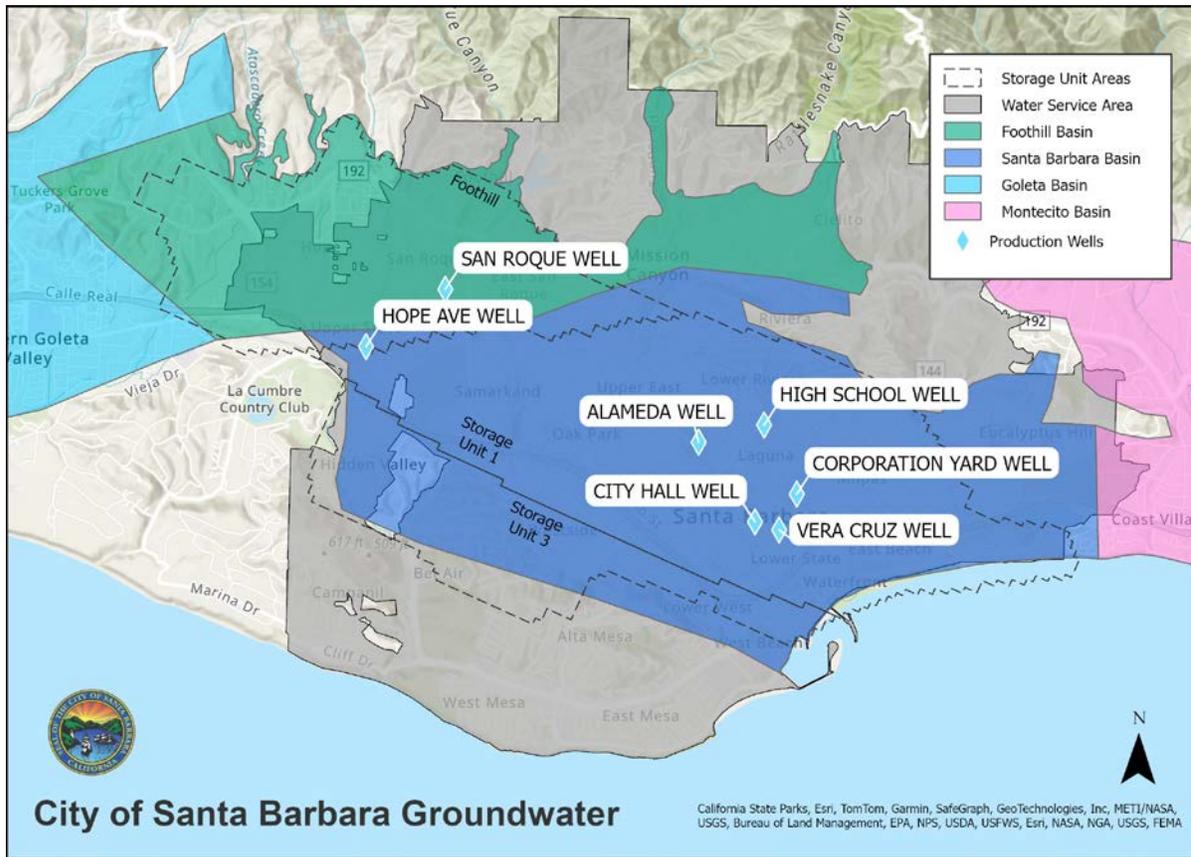
- The County assigns the SWP Contract to CCWA making CCWA a SWP Contractor with DWR.
- CCWA and the Member Agencies dismiss litigation with prejudice.
- CCWA pays the County \$5.8 Million; the City's share of this payment will be \$445,260 spread out over 10 years.
- CCWA grants the County the option to reacquire up to 1,700 AFY of Suspended Table A water if CCWA pursues a project to reacquire any portion of the Suspended Table A water.
 - "Suspended Table A water" is 12,214 AF of water that was included in the County's original SWP contract with DWR (total allocation was 57,700 AF). In 1981, the County and DWR executed an amendment to the contract that reduced the County's maximum annual Table A amount from 57,700 AFY to 45,486 AFY. In 1987, a settlement and compromise agreement between DWR and the County gave the County the right to reacquire all or a portion of the 12,214 AFY relinquished in 1981.

Groundwater Management

The City's groundwater basins are relatively small, but groundwater plays an important role in meeting demand during drought and emergency periods. Located on the southern side of the Santa Ynez Mountains, groundwater and desalination are the City's only existing potable water supplies that are truly local. This is important in case of a potential catastrophic interruption of one or both tunnels (Tecolote Tunnel and Mission Tunnel) that convey water supplies to the City through the Santa Ynez Mountains, such as in a seismic event.

The City relies on two groundwater basins for water supply: the Foothill Basin and the Santa Barbara Basin, which is comprised of Storage Units I and III. The City maintains seven groundwater wells – five in Storage Unit I, and two in Foothill. Figure 9 depicts the groundwater basins and City groundwater wells.

Figure 9. Map of City Groundwater Basins



In 2014, the State of California adopted the Sustainable Groundwater Management Act (SGMA). In addition, the State developed rankings of recognized groundwater basins based on their condition. For State-ranked “high” or “medium” priority basins, SGMA requires the formation of a local groundwater sustainability agency (GSA) and adoption of locally based management plans. The City’s groundwater basins are currently ranked by the State as “very low” priority and the City is not required to form a GSA or develop a groundwater management plan to comply with SGMA. However, the EUWMP made two recommendations regarding groundwater management in the City:

1. The City should work with the United States Geological Survey (USGS) to update the City’s sustainable yield estimate and drought storage estimate for the Foothill Basin and Storage Unit I.
2. The City should prepare an annual report on the current basin conditions to inform annual water supply planning efforts. The City could consider creating a Groundwater Sustainability Plan (GSP) in accordance with SGMA, or an equivalent GSP that meets the City’s needs, but is outside of SGMA compliance and reporting requirements.

The City contracted USGS from 2022-2025 to better define sustainable yield and drought storage for the City. USGS developed Excel dashboards⁵ for each basin that display modeled output based on the City’s management goals. The management goal for Foothill

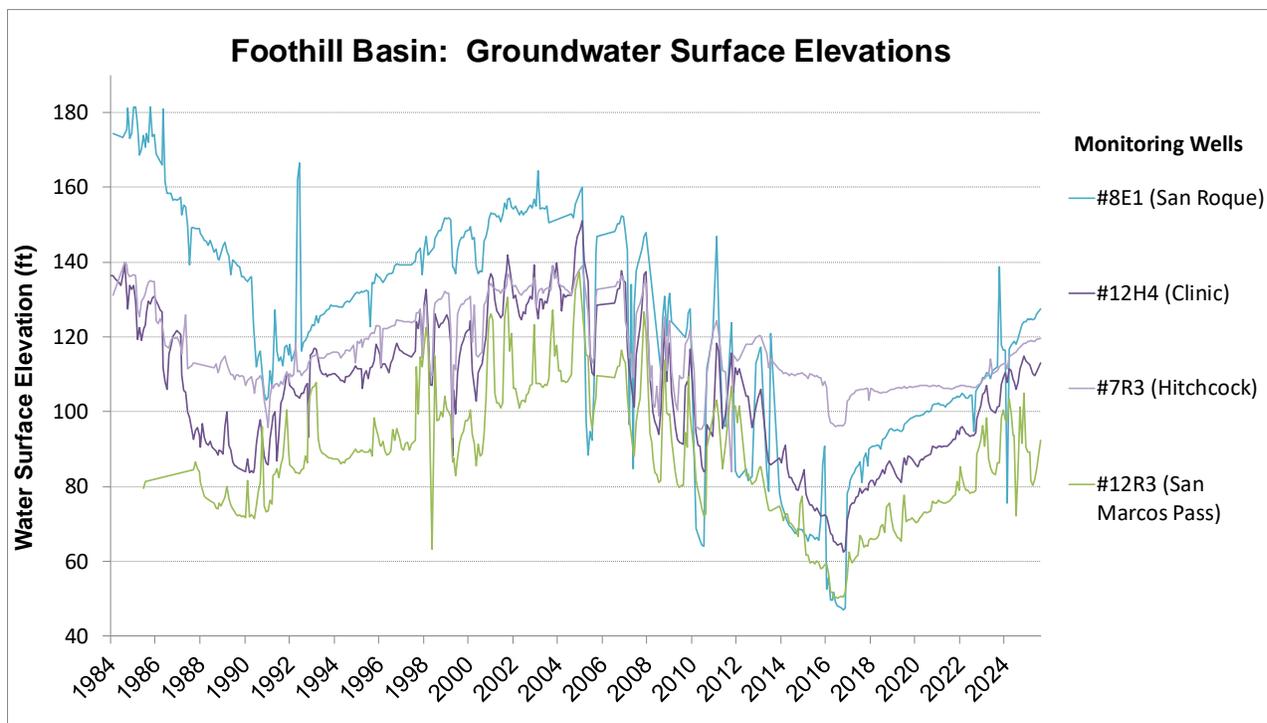
⁵ Stanko, Z.P., and Jachens, E.R., 2025, Santa Barbara Post-Optimization Scenarios: U.S. Geological Survey data release, <https://doi.org/10.5066/P14SVJUP>

basin is to utilize groundwater resources while not depleting the basin. The management goal for SU1 is to utilize groundwater resources without causing sea water intrusion. The City’s share of sustainable yield for Foothill basin was determined to be 272 acre-feet (AF) per year⁶ and the sustainable yield for SU1 basin in 700 AF per year. Per the EUWMP, the City conjunctively manages its groundwater, increasing groundwater pumping during periods of drought to replace diminished surface water sources and ceasing groundwater pumping when surface water sources are abundant. Staff is evaluating how to incorporate the results of the study update to sustainably utilize groundwater as part of a long term water supply management strategy.

Current Groundwater Status

As a condition of participating in the SWP, the City is required to utilize SWP water to offset any demonstrated groundwater basin overdraft before using SWP for other purposes. The City works with USGS to monitor water levels and water quality of the groundwater basins. Current water levels for Foothill Basin are close to 2011 (pre-drought) levels, as shown in Figure 10.

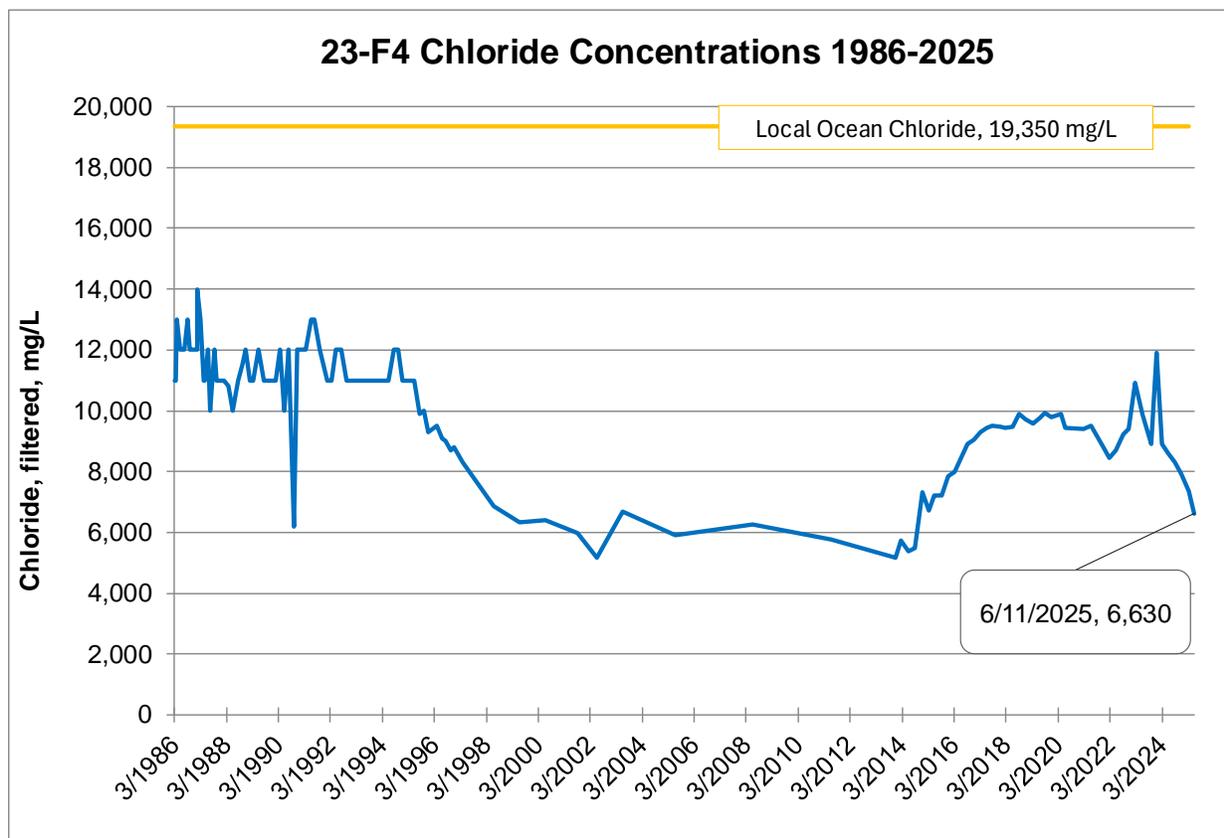
Figure 10. Foothill Basin Groundwater Surface Elevations



⁶ The City shares Foothill basin with La Cumbre Mutal Water Company, which can pump up to 300 AF per year. Per City Agreement No 16,838 Ordinance No. 4800, 1993, Water Conveyance Agreement (State Water Project Water) City of Santa Barbara – La Cumbre Mutual Water Co.

Pumped groundwater levels recover quickly in SU1. The primary groundwater management concern in SU1 is sea water intrusion. Groundwater monitoring wells are sampled for chloride (Cl) concentrations. Monitoring well 23-F4 is the closest groundwater monitoring well to the ocean and is showing a decreasing trend in Cl level concentrations, see Figure 11.

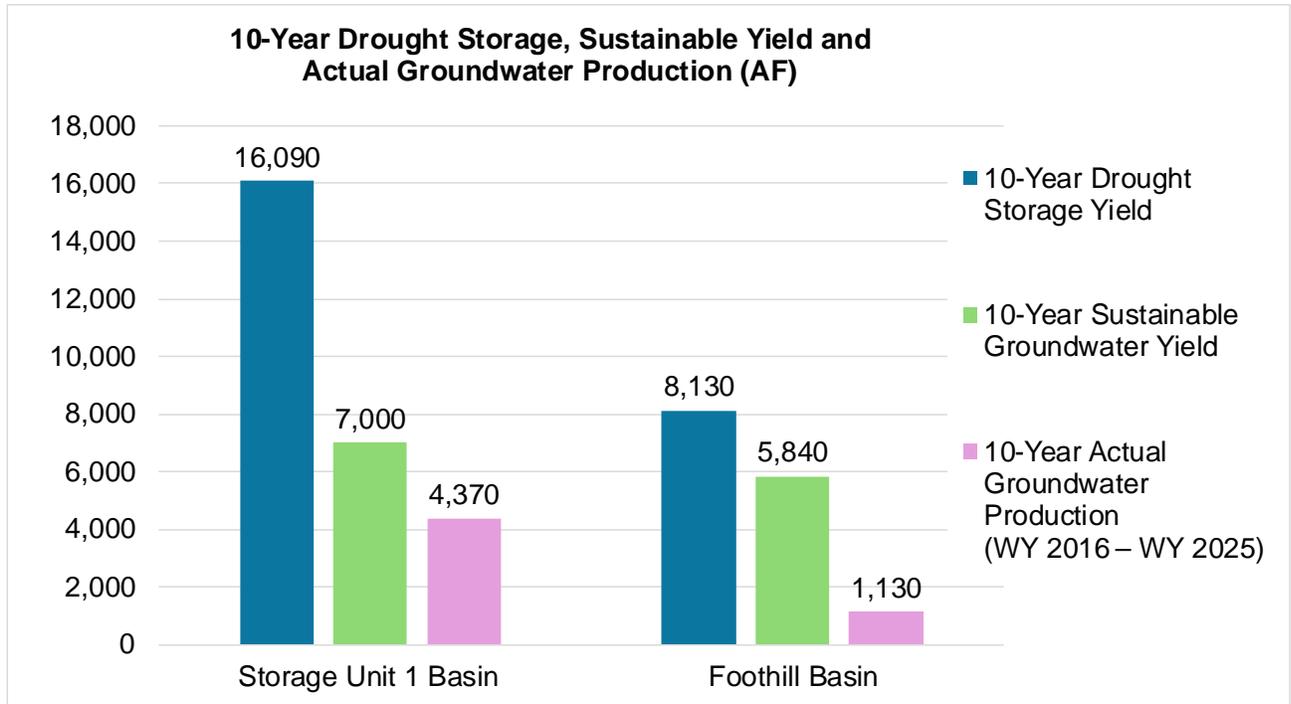
Figure 11. Chloride Concentrations at Groundwater Monitoring Well 23-F4



In 2018, USGS modeled SU1 and Foothill Basins using a 10-year drought period to find the maximum drought yield⁷. Drought yield is an important management tool for the City, since it represents the maximum groundwater that could be pumped from the basin in case of a long-term drought. Figure 12 shows the 10-year drought yield (established by the 2018 USGS study), the 10-year sustainable pumping yield (established by the 2022 USGS study), and the 10-year actual pumping total for the City.

⁷ Nishikawa, Tracy, ed., 2018, Santa Barbara and Foothill groundwater basins geohydrology and optimal water resources management - developed using density dependent solute transport and optimization models: U.S. Geological Survey Scientific Investigations Report 2018-5059, 4 chap. (A-D), variously paged, <https://doi.org/10.3133/sir20185059>

Figure 12. 10-year Drought Yield, Sustainable Yield and Actual City Groundwater Production



Total 10-year City Groundwater production is less than both the drought yield and less than the sustainable yield for each basin. SU1 and Foothill groundwater basins are not in overdraft condition. The City does not plan to pump any groundwater for WY 2026, and there is no overdraft projected for the next year.