



City of Santa Barbara  
Public Works Department

## Memorandum

**DATE:** July 18, 2024

**TO:** Water Commission

**FROM:** Joshua Haggmark, Water Resources Manager/JS/kl  
Clifford M. Maurer, PE., Public Works Director

**SUBJECT:** Short Term Water Sales Agreement with La Cumbre Mutual Water Company

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Water Resources Division staff have identified an opportunity for a short-term water sales agreement with La Cumbre Mutual Water Company (LCMWC). LCMWC provides water to over 1,400 customers in Hope Ranch and the area between Hope Ranch and Hollister Avenue. The main sources of supply for the small mutual water company are the Foothill Groundwater Basin, shared with the City and a few small, private pumpers, and the State Water Project (SWP). LCMWC has requested to purchase up to 500 acre-feet of water from the City. Per the proposed sales agreement, LCMWC could order water in monthly quantities of at least 42 acre-feet and up to 120 acre-feet, at a purchase price of \$3,500 for each acre-foot of water ordered.

Current forecasting indicates the City has surplus water above and beyond the amount of water necessary to meet retail demands through the fall of 2026. This is a result of above average rainfall in the Santa Ynez River watershed, which has resulted in both Lake Cachuma and Gibraltar Reservoir filling and spilling, and sound management of the City's other available supplies. Selling surplus water to LCMWC supports the City's goals of expediting the recovery of the Foothill Groundwater Basin, since selling City water from available surface sources to LCMWC will allow them to reduce groundwater pumping from the shared groundwater basin. The sale of surplus water also generates revenue for the Water Resources Division.

City Council Resolution 23-056, approved by Santa Barbara City Council on May 9, 2023, authorizes the Public Works Director to execute water purchase, transfer, exchange or sales agreements.

c: Dakota Corey, Water Supply & Services Manager