



## Board of Directors

Brian Brennan, Director  
Angelo Spandrio, Director  
Pete Kaiser, Director

Neil Cole, Director  
Richard Hajas, Director

### CASITAS MUNICIPAL WATER DISTRICT Meeting to be held at the

The meeting will be held via teleconference  
To attend the meeting please call (888) 788-0099 or (877) 853-5247 US Toll-free  
Enter Meeting ID: 950 0739 9899#  
Passcode: 353828

### SPECIAL MEETING AGENDA December 23, 2020 @ 3:00 PM

Right to be heard: Members of the public have a right to address the Board directly on any item of interest to the public which is within the subject matter jurisdiction of the Board. The request to be heard should be made immediately before the Board's consideration of the item. No action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by subdivision (b) of §54954.2 of the Government Code and except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under section 54954.3 of the Government Code.

1. CALL TO ORDER
2. ROLL CALL
3. PUBLIC COMMENTS - Presentation on District related items that are not on the agenda - three minute limit.
4. ACTION ITEMS
  - 4.a. Discussion and Possible Action on the Draft Casitas MWD Comprehensive Water Resources Plan.  
[Memo\\_Board\\_CWRP\\_Dec23-2020.pdf](#)
  - 4.b. Approval of an agreement on the subrogation and assignment of claims arising out of the Thomas Fire and Santa Barbara mudflows.

[Board Memo on Assignment of Claims 122320.pdf](#)  
[Assignment Document\\_Casitas Municipal Water District 122320 ATT2.pdf](#)

5. INFORMATION ITEMS

5.a. Hydrology Report  
[Hydrology Report Nov 2020.pdf](#)

5.b. Finance Committee Minutes  
[Finance Minutes 121820.pdf](#)

6. CLOSED SESSION

6.a. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Government Code Section 54956.9(a) Santa Barbara Channelkeeper v. State Water Resources Control Board, City of San Buenaventura, et al.; and City of San Buenaventura v Duncan Abbott, et al., Cross Complaint; Superior Court of the State of California, County of Los Angeles, Case No. 19STCP01176.

7. ADJOURNMENT

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**CASITAS MUNICIPAL WATER DISTRICT  
MEMORANDUM**

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**TO:** BOARD OF DIRECTORS  
**FROM:** MICHAEL FLOOD, GENERAL MANAGER  
**SUBJECT:** DISCUSSION OF COMPREHENSIVE WATER RESOURCES PLAN  
**DATE:** 12/23/20

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**RECOMMENDATION:**

It is recommended the Board of Directors discuss the goals of the Comprehensive Water Resources Plan, and direct staff as appropriate.

**BACKGROUND:**

The Board of Directors authorized a consulting services agreement with Stantec in January 2019 to prepare the Comprehensive Water Resources Plan (CWRP).

The CRWP is a high-level strategic document to help guide water resources planning efforts. The plan assesses current water supplies against forecasted demand through the year 2040, and provides a recommended portfolio of projects to address anticipated water supply shortfalls caused by prolonged drought and climate change. The CWRP is anticipated to provide information for the next Urban Water Management Plan Update, which is a required document due to the State every five years. The next UWMP update is due in June 2021.

A planning level analysis of more than 30 different projects and programs were evaluated in the CWRP – including a range of desalination, recycled water, improvements to existing facilities, conservation, groundwater and surface water enhancement projects and programs – using technical, economic, environmental, and social criteria.

Key deliverables in the CWRP effort included the following:

- Early Action Plan
- Probabilistic Lake Casitas Yield Analysis
- Identification of Funding Alternatives
- Draft and Final Report

An overview of the draft CWRP was presented at a Board Workshop held on February 8, 2020, and the draft CWRP report was released for public review from June 26, 2020 through August 24, 2020. The draft report is found on the District's website: <https://www.casitaswater.org/your-water/casitas-water-security>.

Several public comments were received on the draft CWRP report, which were provided to the Board of Directors on September 23, 2020 and December 9, 2020. Based on review of the comments, staff recommends that a revised draft CWRP report be prepared.

On December 9, 2020, the Board of Directors discussed the need for additional Board meetings to discuss the goals of the Comprehensive Water Resources Plan. At their December 16, 2020 meeting, the Board directed staff to return with CWRP information related to Lake Casitas yield modeling scenarios for further discussion and possible action as appropriate.

## **DISCUSSION:**

The June 2020 Draft CWRP includes an extensive analysis of Lake Casitas operational yield scenarios, which are presented in Appendix D of the report and summarized as follows.

There are three key policy considerations related to the operational yield: safe yield versus safe demand, planned minimum storage level, and the reliability goal.

### Safe Yield versus Safe Demand

The Draft CWRP evaluates a traditional “safe yield” modeling approach and introduces a new concept with a “safe demand” approach:

- **Safe yield:** the largest amount of water that can be drawn from Lake Casitas every year in the period of record without storage dropping below the minimum allowable storage level.
- **Safe demand:** the largest base demand (withdrawn from the lake for water treatment plant production) that could be met in every year in the period of record when demand reductions are applied during periods of low lake levels in accordance with the Casitas Water Efficiency and Allocation Program (WEAP), and without storage dropping below the minimum allowable storage level.

The modeled safe demand is based on WEAP demand reduction goals summarized in Table 1. Note that reservoir storage in acre-feet reflects the estimated capacity from the most recent 2017 bathymetric survey.

### Minimum Storage Level

The minimum allowable storage is a policy decision that reflects the lowest planned level of storage, providing a buffer against unforeseen future events. Various minimum allowable storage scenarios were evaluated for both the safe yield and safe demand analyses, which simulate reservoir storage over the historical hydrologic period from 1945-2018. The results in Table 2 demonstrate that the minimum storage level has a substantial effect on both the safe yield and the safe demand.

Stage Title	Reservoir % Full		Reservoir Storage (Acre-Feet)		Water Demand Reduction Goal as a Percent of Total Water Allocation	Water Demand Target Based on Reduction from "80% of 1989" Water Allocation (Acre-Feet per Year)
	Min	Max	Min	Max		
Stage 1 – Water Conservation	50	100	118,881	237,761	100% (80% voluntary reduction)*	19,127 (80% of 1989) or projected demand, whichever is less
Stage 2 – Water Shortage Warning	40	50	95,104	118,881	80%	15,302
Stage 3 – Water Shortage Imminent	30	40	71,328	95,104	70%	13,389
Stage 4 – Severe Water Shortage	25	30	59,440	71,328	60%	11,476
Stage 5 – Critical Water Shortage	0	25	-	59,440	50%	9,564

Source: June 2020 Draft CWRP, Appendix D, Table 2-1.  
 \* 100% (full allocation) was used in the model.

Minimum Allowable Storage (Acre-Feet)	Lake Casitas Safe Yield (Acre-feet per Year)	Lake Casitas Safe Demand with WEAP (Acre-feet per Year)
15,000	17,000	24,775
30,000	16,050	22,450
50,000	14,800	19,650
75,000	13,250	14,550
100,000	11,750	12,050

Source: Data extracted from June 2020 Draft CWRP, Appendix D, Tables 4-1 and 4-2.  
 Assumes a 70% Robles Diversion Efficiency Factor.  
 Results based on a previous version of the Yield Model which was changed slightly later in the study.

Previous Lake Casitas Yield studies are based on a "safe yield" approach and a minimum allowable storage of 950 AF, which is the dead pool elevation at which water cannot be released from the normal outlet works. In the Draft CWRP, the operational yield is based on the "safe demand" approach and a minimum storage level of 20,000 AFY.

Hydrologic Variability and Reliability Goal

Additional modeling was performed in the CWRP to evaluate hydrologic uncertainty, recognizing that future hydrologic will not occur in the same sequence and magnitude as the historical record. Hydrologic variability was incorporated through 1) resequencing historical hydrologic data to generate 100 synthetic traces, and 2) adjusting yield estimates to reflect potential effects of climate change.

The resequencing of hydrologic traces provides a probabilistic analysis, meaning the probability of reliably meeting demands can be assessed. Table 3 shows the level of the safe demand that can be met 90 percent, 95 percent, and 99 percent of the time. The potential impacts of climate change are estimated to reduce the safe demand by about 4.3 percent.

<b>Table 3. Modeled Safe Demand Reliability Results</b>		
<b>Exceedance Probability</b>	<b>Safe Demand without Climate Change (AFY)</b>	<b>Safe Demand with Climate Change Adjustment (AFY)</b>
.90	12,420	11,890
.95	11,140	10,660
.99	10,090	9,650
Source: June 2020 Draft CWRP, page 30, Table 4-1 Based on 20,000 minimum storage and 70% Robles Diversion Efficiency Factor		

The goals in the Draft CWRP are based on a future Lake Casitas operational yield of 10,660 AFY, reflecting a safe demand approach, a minimum allowable storage of 20,000, and a 95% probability of reliably meeting demands. Staff is requesting direction from the Board regarding these planning policies; as well as next steps related to work efforts for the CWRP.

# MEMORANDUM

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TO: Board of Directors  
From: Michael L. Flood, General Manager  
RE: **Approval of an agreement on the subrogation and assignment of claims arising out of the Thomas Fire and Santa Barbara mudflows.**  
Date: December 20, 2020

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## RECOMMENDATION:

The Board of Directors approve the agreement as presented.

## BACKGROUND:

Casitas MWD applied for and received reimbursement from the Federal Emergency Management Agency (FEMA) for costs related to the 2017 Thomas Fire emergency.

Casitas currently has an ongoing application with FEMA related to a \$5,100,000.00 backup generator project also applied for through the Thomas Fire emergency incident.

Casitas' general counsel was recently contacted by the State of California's Attorney General's office regarding the subrogation and assignment of claims related to Casitas' receipt of FEMA funds.

## DISCUSSION:

The Attorney General's office of the State of California contacted Casitas' general counsel and indicated that a matter of reimbursement of federal funds had arisen in regard to those that had received emergency funding through FEMA.

As a recipient of FEMA funds, Casitas is required to seek reimbursement from responsible parties which in this case, are parties that might be responsible for the Thomas Fire incident noted thus:

*'...parties that receive emergency funds from FEMA, due to the negligence of a third party, are responsible for taking "all reasonable steps to recover all costs attributable to the negligence of the third party." 44 C.F.R., § 204.62(c); see also 19 Cal. Code Reg. § 2910. FEMA would then be entitled to reimbursement of any costs recovered from the culpable third party. 44 C.F.R., §204.62(a) and (c).'*

The State of California Attorney General's office has recommended that Casitas subrogate and assign those claims to the California Governor's Office of Emergency Services for further review and disposition.

Casitas Staff was concerned how the District's current FEMA application for its backup generator project might be affected and the State of California Attorney General's office altered the agreement to take this pending application into account.

**BUDGETARY IMPACT:**

There is no expected budgetary impact of this agreement outside of the avoidance of legal costs should Casitas decide to not subrogate and assign these claims.



**AGREEMENT ON THE SUBROGATION AND ASSIGNMENT OF CLAIMS ARISING  
OUT OF THE THOMAS FIRE AND SANTA BARBARA MUDFLOWS**

This Subrogation and Assignment of Claims (“Agreement”) is entered into by and among the following parties:

- i. Casitas Municipal Water District (“Assignor”); and
- ii. The California Governor’s Office of Emergency Services (“Assignee”).

WHEREAS, after the December 2017 Thomas Fire and the January 2018 mudflows in Santa Barbara County (collectively, the “Events”), Assignee made significant expenditures to numerous public entities to assist with public health and safety efforts and other public works to address the various damage suffered from the Events.

WHEREAS, these expenditures, including but not limited to funds originally distributed by the Federal Emergency Management Agency (“FEMA”), covered a number of different categories of costs, including repairs to public infrastructure and buildings, debris and ash removal, search and rescue efforts, and/or evacuation and shelter operations, among others.

WHEREAS, Assignor received funds from Assignee and used those funds to take necessary actions to safeguard public health and remedy harms arising from the Events.

WHEREAS, pursuant to federal and state regulations, parties that receive emergency funds from FEMA, due to the negligence of a third party, are responsible for taking “all reasonable steps to recover all costs attributable to the negligence of the third party.” 44 C.F.R., § 204.62(c); see also 19 Cal. Code Reg. § 2910. FEMA would then be entitled to reimbursement of any costs recovered from the culpable third party. 44 C.F.R., §204.62(a) and (c). Accordingly, in exchange for the funds Assignor received from Assignee, it was responsible for pursuing “reasonable efforts” to recover those costs from the responsible party whose negligence contributed to the Events.

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignee and Assignor (individually a “Party” and jointly the “Parties”) agree as follows:

1. Assignor assigns and transfers to Assignee any and all claims, demands, and causes of action of whatever kind and nature that Assignor has or may later have, under any legal or equitable theory of recovery, relating to harms Assignor suffered as a result of the Events, and for which Assignor received funds from Assignee (“Assigned Claims”). By virtue of Assignee’s payments for damage and loss incurred by Assignor arising from the Events, the Assignee subrogates to Assignor’s rights on the Assigned Claims. The Assigned Claims do not include any claims for which the Assignor did not receive funds from Assignee.

2. Assignee will assume any and all responsibility Assignor has under state and federal law to pursue reimbursement from any third party for expenditures by Assignee or FEMA that were made to address effects caused by the Events.
3. Assignee further agrees to indemnify and defend Assignor against any allegation that it did not adequately pursue reimbursement of any expenditures it received to address the effects of the Events from FEMA or any other federal agency.
4. Assignee shall have no obligation to pursue from any potentially responsible third party any expenditure made directly by Assignor as a result of the Events.
5. This Agreement is effective upon execution by the Parties, and may be signed in counterparts.
6. This Agreement contains the entire Agreement between the Parties, and no statement, promise, or inducement made by any Party to this Agreement that is not set forth in this Agreement shall be valid or binding, nor shall it be used in construing the terms of this Agreement as set forth herein.
7. This Agreement in all respects shall be interpreted, enforced, and governed by and under the laws of California. The terms of this Agreement shall be specifically enforceable by the Parties.
8. The undersigned representative of each of the Parties certifies that he or she is fully authorized to enter into the terms and conditions of this agreement and to legally bind such Party to all terms and conditions of this document. This agreement shall be binding upon the Parties.

**SIGNATURES**

The California Governor’s Office of Emergency Services consents to the terms and conditions of this Agreement by its duly authorized representative on this \_\_\_\_day of \_\_\_\_\_, 2020.

By:\_\_\_\_\_

Casitas Municipal Water District consents to the terms and conditions of this Agreement by its duly authorized representative on this \_\_\_\_day of \_\_\_\_\_, 2020.

By:\_\_\_\_\_

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**CASITAS MUNICIPAL WATER DISTRICT  
MEMORANDUM**

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**TO:** BOARD OF DIRECTORS  
**FROM:** MICHAEL FLOOD, GENERAL MANAGER  
**SUBJECT:** HYDROLOGIC STATUS REPORT FOR NOVEMBER 2020  
**DATE:** DECEMBER 23, 2020

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**RECOMMENDATION:**

This item is presented for information only and no action is required. Data are provisional and subject to revision.

**DISCUSSION:**

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**Rainfall Data**

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	Casitas Dam	Matilija Dam	Thacher School
This Month	0.19"	0.05"	0.08"
Water Year (WY: Oct 01 – Sep 30)	0.19"	0.05"	0.08"
Average station rainfall to date	3.45"	4.06"	2.98"

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**Ojai Water System Data**

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Wellfield production	93.45 AF
Surface water supplement	49.43 AF
Static depth to water surface – Mutual #4	117.65 feet
Change in static level from previous month	-9.05 feet

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**Robles Fish Passage and Diversion Facility Diversion Data**

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Diversions this month	0 AF
Diversion days this month	0
Total Diversions WY to date	0 AF
Diversion days this WY	0

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**Casitas Reservoir Data**

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Water surface elevation as of end of month	498.05 feet AMSL
Water storage last month	95,925 AF
Water storage as of end of month	94,531 AF
Net change in storage	- 1,394 AF
Change in storage from same month last year	- 3,920 AF

AF = Acre-feet

AMSL = Above mean sea level

WY = Water year

**CASITAS MUNICIPAL WATER DISTRICT**

**MINUTES**

**Finance Committee**

**(this meeting was held telephonically)**

DATE: December 20, 2020  
TO: Board of Directors  
FROM: General Manager, Michael Flood  
Re: Finance Committee Meeting of December 18, 2020 at 1000 hours.

**RECOMMENDATION:**

It is recommended that the Board of Directors receive and file this report.

**BACKGROUND AND OVERVIEW:**

1. **Roll Call.**

Director Angelo Spandrio  
Director Peter Kaiser  
General Manager, Michael Flood  
Assistant General Manager, Kelley Dyer  
Executive Administrator, Rebekah Vieira  
Chief Financial Officer, Janyne Brown  
Operations Manager, Michael Shields

2. **Public Comments.**

None

3. **Board/Management comments.**

None

4. **Review of the Financial Statements for October 2020**

CFO Brown made comments regarding the statements including revenues, expenses, and the Safety and Garage budgeted credit.

Director Spandrio made comments regarding the summary statement, net assets, reserve amounts, the Community Facilities District and a mid-year budget review in February 2021.

Director Kaiser made comments regarding unbudgeted items, recreation department water use, sick time, and water delinquency.

5. **Review of the Consumption Report for October 2020.**

GM Flood made comments regarding the report.

Director Kaiser made comments about resale pumped consumption and overall water use.

6. **Review and Discussion of a proposal from Tesla, Inc. for backup battery projects at Casitas MWD's Rincon Pumping Plant and Mutual Wellfield facilities.**

GM Flood reviewed the contents of the Committee Memo with the Committee.

Director Kaiser made comments regarding proposals from other vendors, time constraints of the proposals, and other public entities use of the proposed agreement.

Director Spandrio made comments regarding usefulness of the systems, contents of the agreement, Casitas' ability to provide high-speed internet, the term of the agreement, and his lack

of support for these proposals.

GM Flood indicated that this project concept would be brought back to future Finance Committee meeting as appropriate.