



Santa Barbara
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May 29, 2020

Mayor and Santa Barbara City Councilmembers

City of Santa Barbara

P.O. Box 1990

Santa Barbara, CA 93102-1990

Via Electronic Mail

Re: Execution of Grant Funding Agreement for the Desalination Plant

Dear Mayor Murillo and Council Members:

On behalf of Santa Barbara Channelkeeper, I send this email to outline concerns regarding the proposed ordinance authorizing the City Administrator to execute a Grant Funding Agreement with the State Department of Water Resources for a \$10 million grant for the Reactivation of Santa Barbara's Desalination Facility, which is on your City Council meeting agenda next Tuesday, June 2, 2020. I also expressed the concerns outlined below to the Water Commission at their meeting last Thursday, May 21, 2020.

Channelkeeper is particularly alarmed by the provision in the Grant Funding Agreement which binds the City to operate the desalination plant at full capacity (3,125 acre-feet per year, or AFY) for 36 out of the next 40 years. The City lacks the legal authority to make this colossal of a commitment, and it directly contradicts commitments the City Council has made publicly to its rate payers numerous times over the past six years about the long-term role of desalination in the City's water supply portfolio.

The City's Long Term Water Supply Plan (LTWSP) is the primary policy document guiding the management of the City's water supply. The City's current LTWSP, adopted in 2011, only allows for the use of the desalination plant to provide water supply during a drought emergency. In addition, the City's Coastal Development Permit from the California Coastal Commission allows the operation of the desalination plant only under four limited scenarios, none of which allow for ongoing baseload operation of the facility for City use during non-drought periods. These scenarios are as follows:

- 1) Intermittent operation (i.e. during drought periods) at a level of up to 3,125 AFY to meet the City's drought needs;
- 2) Intermittent operation at a level of up to 7,500 AFY to meet regional drought needs of the City and Goleta and Montecito Water Districts;
- 3) Baseload operation (i.e. during both drought and non-drought periods) at a level up to 7,500 AFY to meet regional needs during drought and to produce water for exchange with other water purveyors during non-drought periods;
- 4) Intermittent operation at a level up to 10,000 AFY during periods of drought.

The US Drought Monitor officially proclaimed that California's recent drought came to an end in the spring of 2019. The Santa Barbara City Council affirmed that proclamation on April 9, 2019, when you replaced the Stage Three Drought Emergency with a Stage One Water Supply Condition.

We understand City staff's contention that the groundwater basins need time to recover from the drought and that desalination will be needed to continue to fill that gap in the near term. However, groundwater has never provided a substantial percentage of the City's water supply and most certainly not at the level the desalination plant is currently providing. The Staff Report on the Water Supply Update, which is also on your Council agenda next Tuesday, indicates that it could take 5-10 years before the basins are completely replenished. That's a far cry from 36 years.

In addition to the fact that execution of this Grant Funding Agreement would obligate the City to operate the desalination plant beyond what the City's legal authority currently allows, what is perhaps more troubling is the fact that, when they decided to reactivate the desalination facility, City leaders repeatedly assured the public and regulatory agencies that it was a temporary emergency measure to meet a shortfall in supply caused by the drought. Now, through a back-room decision on an item on a Consent Agenda, you are obligating the City and its rate payers to a drastically different scenario for the next four decades that will have major implications for the City's future water supply portfolio, for rate payers, for the marine environment, and for the City's energy usage, greenhouse gas emissions, and contribution to climate change. It also contradicts the City's publicly stated intent to base decisions on what its future water supply portfolio will look like on the outcome of the recently initiated stakeholder process, Water Vision Santa Barbara, in which I have been asked and agreed to participate. The City's agreement to be bound to operate the desalination plant at full capacity for 36 of the next 40 years before that process has even gotten underway pre-empts the outcome and seems disingenuous at best.

Compounding the lack of transparency with which the City is making this monumental, course-altering decision is the fact that the City apparently now intends to adopt a new Enhanced Urban Water Management Plan next year without any environmental review. If this Plan lays out an official change in City policy with regard to the ongoing baseload operation of the desalination plant regardless of whether or not we are in a drought emergency, which I anticipate it will, it would result in significant adverse environmental impacts and would most certainly trigger the requirement to complete an Environmental Impact Report (EIR) pursuant to the California Environmental Quality Act (CEQA).

It is important to note that the City has never completed an EIR that analyzes and mitigates the environmental impacts of running the desalination plant as a permanent, ongoing part of the City's water supply, nor of expanding its capacity to provide water to Montecito for that matter. It has only been analyzed in the context of serving as a temporary facility in 1991, then in conjunction with the City's adoption of its 1994 and 2011 Long Term Water Supply Plans, which included seawater desalination as a permanent water supply facility to serve only intermittently during drought periods. The adoption of both of those LTWSPs were preceded by completion of EIRs.

Not insignificantly, the study on which the City based its conclusion in the 1991 EIR that impacts to biological resources from the desal facility's seawater intake were insignificant was erroneous because it drastically underestimated the amount of seawater that would be taken into the desalination plant, **by a factor of more than 35**. Despite this gross underestimation, the findings, as summarized by a Coastal Commission staff member in an email in 2015 (attached), actually showed that the entrainment of marine life is indeed significant:

"The sparse data from the City's 1990-era plankton collection suggest the intake would entrain an extraordinary amount of fish eggs and larvae – anywhere from 22 billion to more than a trillion from each acre-foot of seawater drawn into the intake, which represents a significant entrainment impact. However, these numbers are substantially higher than those from more

recent entrainment studies done elsewhere along the coast, suggesting the data may be erroneous and that an updated study is needed to get a better determination of the intake's impacts. Nonetheless, even if these numbers are a thousand times higher than the actual entrainment rate, they would still represent a significant loss of marine life.... The main point is that the only data we have for the project's effects on marine life is substantially out-of-date and was collected using methods we no longer use, but that those data suggest the facility is causing an immense impact to marine life."

Finally, we are not aware of any basis for the assertion in the City's application for the \$10 million grant in question that the useful life of the City's desal plant is 40 years. According to the WaterReuse Association's Desalination Committee (https://watereuse.org/wp-content/uploads/2015/10/Intake_White_Paper.pdf), the useful life of a well-designed and operated seawater desalination plant is typically 25 to 30 years. Given that construction of Santa Barbara's desal facility was completed in 1991 (29 years ago) and at least some portion of it is still not "new" despite the more than \$72 million in upgrades that were required to reactivate the facility, the useful life of this particular facility is likely less than 25-30 years.

Based on the above outlined considerations, Channelkeeper strongly urges the City Council to delay acceptance of this grant and the major and unvetted obligations it places on the City and its rate payers and to undertake full environmental review prior to making any shift in policy related to the long-term role and operation of the desalination facility as required by CEQA.

Thank you for your thoughtful consideration of our comments on this important matter and for your public service. Please feel free to contact me at (805) 563-3377 or kira@sbck.org if you have any questions or would like to discuss these issues.

Sincerely,

A handwritten signature in black ink, appearing to read "K Redmond", is centered within a light gray rectangular box.

Kira Redmond
Executive Director

Cc: Tom Lustre, California Coastal Commission
Peter von Langen, Central Coast Regional Water Quality Control Board
Sean Sou, Department of Water Resources
Members of the City of Santa Barbara Water Commission
Sean Bothwell, California Coastkeeper Alliance
Susan Jordan, California Coastal Protection Network
Conner Everts, Southern California Watershed Alliance