

EXHIBIT 7

RESOLUTION NO. 91-12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SANTA MARIA AUTHORIZING THE RATIFICATION OF
SANTA BARBARA WATER PURVEYORS AGENCY (SBWPA)
RESOLUTION REGARDING THE APPROVAL BY THE STATE
DEPARTMENT OF WATER RESOURCES OF THE ASSIGNMENT OF
RIGHTS EMBODIED IN THE WATER SUPPLY RETENTION AGREEMENTS

The City Council of the City of Santa Maria, California,
hereby resolves as follows:

1. The SBWPA Resolution No. 90-10 regarding the
approval by the State Department of Water Resources of the
Assignment of Rights Embodied in the Water Supply Retention
Agreements is hereby ratified.

2. The Mayor or, in the Mayor's absence, the City
Administrator is hereby authorized to execute the necessary
documents.

PASSED AND ADOPTED at a regular meeting of the City
Council of the City of Santa Maria held on the 15th day of January
1991.



George A. H. H. H.
Mayor

APPROVED AS TO FORM:

BY: [Signature]
CITY ATTORNEY

CONTENTS:

BY: [Signature]
DEPARTMENT HEAD

BY: [Signature]
CITY ADMINISTRATOR

**DWR WSRA ASSIGNMENT APPROVAL
RESOLUTION NO. 90-10**

**A RESOLUTION OF
THE SANTA BARBARA WATER PURVEYORS AGENCY
REGARDING THE APPROVAL BY
THE STATE DEPARTMENT OF WATER RESOURCES
OF THE ASSIGNMENT OF RIGHTS EMBODIED IN
THE WATER SUPPLY RETENTION AGREEMENTS**

WHEREAS, on July 1, 1989, Model I of the Water Supply Retention Agreements (WSRAs), which had previously been entered into by various members and associate members of the Santa Barbara Water Purveyors Agency (the Contractors) and the Santa Barbara County Flood Control and Water Conservation District (the District), became effective assigning the District's rights under the 1963 State Water Contract (the Water Supply Contract) between the District and the Department of Water Resources (DWR) to the Contractors; and

WHEREAS, Article 41 of the Water Supply Contract contemplates formal approval by DWR of assignments of rights under that contract; and

WHEREAS, a search of the District's records indicates that the District has not yet sought and obtained the required approval of DWR of the WSRA assignments; and

WHEREAS, the Contractors have, in good faith reliance on the WSRAs, invested over \$4,881,500 in payments to the District for transmittal to DWR to pay the obligations assigned by the District to the Contractors, and are currently paying in excess of \$2,250,000 per year to maintain those assigned rights; and

WHEREAS, the Contractors since entering into the WSRAs have exercised their rights under the agreements and have contracted with the DWR through the District to have DWR complete preliminary design, feasibility and environmental analysis of two major water projects, and have taken action to import a portion of their Water Supply Contract entitlement water to Santa Barbara County through temporary pipeline facilities as part of ongoing emergency drought measures being implemented and have taken action to extend the time to exercise the option to reacquire relinquished entitlement under the Water Supply Contract and to relocate the Santa Maria terminus of the Coastal Branch Aqueduct Project; and

WHEREAS, the Contractors have made decisions, communicated their decisions to the District and the District has transmitted their decisions to DWR pursuant to and in compliance with the provisions of the WSRA, and all parties, the Contractors, the District and DWR have acted since 1989 in compliance with the terms and provisions of the WSRAs; and

**SBWPA Resolution
DWR WSRA Assignment Approval**

WHEREAS, given the significant investment and future financial obligations, it is the desire of the Contractors to maintain full technical compliance with the terms of the WSRA and the Water Supply Agreement.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED AS FOLLOWS:

1. The Contractors hereby direct the Consultant Manager of the SBWPA, James Stubhaer, to submit the WSRA's to the DWR for its formal approval and to coordinate the submittal with the District and its staff.

2. The Contractors hereby request the District, pursuant to Article 5 (c) of the WSRA's, in coordination with the Consultant Manager, dated to provide certified copies of (a) District Resolution No. 1266, dated December 6, 1982, and (b) executed copies of Model I of the WSRA, dated 12/11/84 (as amended by the First, Second and Third Amendments) for transmittal to DWR at the earliest possible date and in no event later than January 10, 1991.

3. The Contractors hereby agree, pursuant to Article 3 (c) of the WSRA's, to reimburse the District for all costs and expenses which the District becomes obligated to pay under the Water Supply Contract regarding the Contractors' retained rights as a result of any action which District may take pursuant to this request.

4. The Secretary of this Agency is hereby directed to submit this Resolution to each contractor holding retained rights for ratification.

5. The Consultant Manager is hereby authorized to communicate this action to the District and to DWR as soon as (a) contractors holding a majority of the retained rights under the WSRA's have ratified this Resolution. The Consultant Manager is further authorized to take whatever action is required, in cooperation with the District, on behalf of the Contractors, to carry out the purpose and intent of this resolution.

Adopted this 13th day of December 1990 at a duly noticed meeting of the Santa Barbara Water Purveyors Agency by the following vote:

AYES, in favor thereof:

Buellton CSD
Carpinteria CWD
Goleta WD
City of Lompoc
Mission Hills CSD

**SBWPA Resolution
DWR WSRA Assignment Approval**

Montecito WD
City of Santa Barbara
City of Santa Maria
Santa Ynez RWCD
Santa Ynez RWCD ID #1
Vandenberg Village CSD

NOS, opposed:

None

ABSENT, and not voting:

Casmalia CSD
City of Guadalupe
Summerland CWD

ABSTENTIONS:

None


Reese Riddiough, Secretary


Curtis Tunnell, Chair

RATIFIED BY:

CITY OF SANTA MARIA

[Contractor]

CONTENTS:

11,300

AF

BY: 
DEPARTMENT HEAD

[Amount of Retained Rights]

BY: 
CITY ADMINISTRATOR

[Date]

APPROVED AS TO FORM:

By: 
[President or Mayor] [Title] City Administrator

BY: 
CITY ATTORNEY

By: 
[Secretary or Clerk] [Title] City Clerk


STATE OF CALIFORNIA)
COUNTY OF SANTA BARBARA) ss.
CITY OF SANTA MARIA)

I, JANET KALLAND, City Clerk of the City of Santa Maria and ex officio Clerk of the City Council DO HEREBY CERTIFY that the foregoing is a full, true and correct copy of Resolution No. 91-12 which was duly and regularly introduced and adopted by said City Council at a regular meeting held January 15, 1991 by the following vote:

AYES: Councilmembers Dan A. Firth, Bob Orach,
 Curtis J. Tunnell, Thomas B. Urbanske and
 Mayor George S. Hobbs, Jr.

NOES: None.

ABSENT: None.



City Clerk of the City of Santa
Maria and ex officio Clerk of the
City Council

