

# EXHIBIT 8

RESOLUTION NO. 91-151

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
SANTA MARIA AUTHORIZING THE RATIFICATION OF  
SANTA BARBARA WATER PURVEYORS AGENCY (SBWPA)  
RESOLUTION NO. 91-14 REGARDING REACQUISITION OF  
ENTITLEMENT IN THE STATE WATER PROJECT (SWP) FROM  
THE STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES (DWR)

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

1. The SBWPA Resolution #91-14 regarding reacquisition  
of entitlement in the State Water Project 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 on the 3rd day of September  
1991.

George Schott  
Mayor

ATTEST:

Paul J. [Signature]  
City Clerk

APPROVED AS TO FORM:

BY: [Signature]

CITY ATTORNEY

CONTENTS:

BY: [Signature]

DEPARTMENT HEAD

BY: [Signature]

CITY ADMINISTRATOR

**EXHIBIT "D"**

**SBWPA Resolution 91-14  
Reacquisition of Water  
Entitlement from DWR**

**RESOLUTION NO. 91-14 OF THE  
SANTA BARBARA WATER PURVEYORS AGENCY  
REGARDING REACQUISITION OF ENTITLEMENT IN THE  
STATE WATER PROJECT**

WHEREAS, pursuant to the 1963 State Water Supply Contract (SWP Contract) between the State of California, Department of Water Resources (DWR) and the Santa Barbara County Flood Control and Water Conservation District (District), the District acquired entitlement to 57,700 acre-feet per year (AFY) from the State Water Project (SWP) for the benefit of local water purveyors. In 1981, the District polled public and private water purveyors and other interested parties in Santa Barbara (Water Purveyors) to determine how much, if any, SWP entitlement they wished to reserve. After considering the responses, the District determined that 12,214 AFY was surplus to the needs of the Water Purveyors and requested DWR to reduce the District's entitlement (the 12,214 AFY is hereinafter referred to as the "Relinquished Entitlement"); and

WHEREAS, Amendment #9 to the SWP Contract was signed in September 1981, and reduced the District's entitlement to 45,486 AFY, without the approval of the Water Purveyors; and

WHEREAS, in 1983 the District entered into Water Supply Retention Agreements (WSRAs) with certain Water Purveyors (hereinafter the Water Purveyors which executed the WSRA's are referred to as "Contractors") transferring the District's rights under the SWP Contract to the Water Purveyors; and

WHEREAS, over the past several years, a number of Water Purveyors have indicated that they wish to increase their allocated share of SWP water under the SWP Contract or to acquire SWP rights for the first time; and

WHEREAS, the reacquisition of Relinquished Entitlement is the most expedient, logical and only means of securing additional water supplies and entitlement in the SWP; and

WHEREAS, pursuant to the terms of a 1987 settlement of the lawsuit by the San Luis Obispo Flood Control and Water Conservation District against DWR alleging improper administration of the SWP Contract regarding Aqueduct Reach 31A, the District has the right to reacquire part or all of the Relinquished Entitlement; and

WHEREAS, the reacquisition right was originally granted to March 12, 1989, and was extended twice by DWR, at the request and direction of the Contractors through the Santa Barbara Water Purveyors Agency, first to December 31, 1990, and then to December 31, 1991, in order to permit completion of the environmental impact reports being prepared for the Coastal Aqueduct, the Cachuma Enlargement Project, and related projects, which reports would assist the Contractors in ascertaining their needs to acquire Relinquished Entitlement; and

**SBWPA Resolution 91-14  
Reacquisition of Water  
Entitlement from DWR**

**WHEREAS**, rights to SWP water have great value, inasmuch as SWP facilities were constructed at 1960's prices and most of the bonds were sold to construct those facilities at very low interest rates. Construction of those same facilities today would cost many times as much and the bond rates would be approximately twice as high; and

**WHEREAS**, as a party to the SWP Contract, the District was acting on behalf of the Contractors, inasmuch as the District does not supply water to consumers but instead has historically acted as a conduit for water policy decisions made by the Water Purveyors; and

**WHEREAS**, the status of the Water Purveyors as third party beneficiaries under the SWP Contract, and the role of District as a fiduciary for the Water Purveyors under that contract, was confirmed by the terms of the various WSRAs executed over the years by the District and the Contractors; and

**WHEREAS**, the right to acquire all or part of the Relinquished Entitlement is an integral part of the Retained Rights (as that term is defined in the WSRAs) acquired by the Contractors in the WSRAs.

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

1. The Contractors holding a majority of the Retained Rights under the WSRAs, through the Santa Barbara Water Purveyors Agency, hereby direct the Board of Directors of the Santa Barbara County Flood Control and Water Conservation District, pursuant to Article 5(c) of the WSRAs, to request the State of California, Department of Water Resources, to amend the SWP Contract so that the District may reacquire, on behalf of and for the benefit of each Water Purveyor submitting a request therefor in the form of the attached Exhibit A, the amount of Relinquished Entitlement that Water Purveyor has requested thereon.

2. The Secretary of this Agency is hereby directed to submit this Resolution for ratification to each Contractor. Each Contractor shall be asked to ratify this resolution, whether or not that Contractor intends to submit a Request for Reacquisition of Relinquished Entitlement. The Secretary of this Agency, in consultation with the Consultant-Manager is hereby directed to disseminate this Resolution to such non-Contractor Water Purveyors in Santa Barbara County as may be known to either individual.

3. The Consultant-Manager is hereby authorized to communicate this action to the District and to the DWR as soon as Water Purveyors who have expressed an interest in reacquisition of entitlement have been provided an opportunity to consider and act upon this Resolution.

4. The Consultant-Manager is further authorized to take whatever action is required, in cooperation with the District, on behalf of the Water Purveyors, to carry out the purposes and intent of this Resolution.

**SBWPA Resolution 91-14  
Reacquisition of Water  
Entitlement from DWR**

5. The Contractors who request Reacquisition of Relinquished Entitlement will be required to agree, pursuant to Article 3(c) of the WSRA, to reimburse the District for all costs and expenses which the District becomes obligated to pay under the State Water Contract regarding the participant Contractors' Retained Rights as a result of any action which District may take pursuant to this request.

Adopted this 27th day of June, 1991, at a duly noticed meeting of the Santa Barbara Water Purveyors Agency by the following vote:

**AYES, in favor thereof:**

Carpinteria CWD  
Goleta WD  
City of Guadalupe  
City of Lompoc  
Montecito WD  
City of Santa Barbara  
City of Santa Maria  
Santa Ynez RWCD, ID#1  
Summerland CWD  
La Cumbre MWC  
Southern Calif. Water Co.  
Vandenberg AFB

**NOES, opposed:**

None

**ABSENT, and not voting:**

Buellton CSD  
Casmalia CSD  
Morehart Land Co.  
Santa Barbara Research Center

**ABSTENTIONS:**

Mission Hills CSD  
Vandenberg Village CSD

  
Curtis Tunnell, Chair

  
Reese Riddiough, Secretary

//  
//  
//

**SBWPA Resolution 91-14  
Reacquisition of Water  
Entitlement from DWR**

**RATIFIED BY:**

CITY OF SANTA MARIA  
[Contractor]

11.300 Acre Feet  
[Amount of Current Retained Rights]

September 3, 1991  
[Date]

By:

Wayne Schumann  
[Signature]

City Administrator

[Title: ~~Mayor~~ ~~President~~]

By:

Pat Hill  
[Signature]

City Clerk

[Title: Clerk or Secretary]

**EXHIBIT A**

**REQUEST TO REACQUIRE PORTION OF RELINQUISHED ENTITLEMENT**

**TO:** The Santa Barbara County Flood Control and Water Conservation District  
through  
The Santa Barbara Water Purveyors Agency

**FROM:** CITY OF SANTA MARIA  
[Type full name of requesting entity]  
110 EAST COOK STREET, SANTA MARIA, CA 93454-5190  
[Type address and telephone] (805) 925-0951

**ENTITLEMENT PRESENTLY HELD:** 11,300 AFY

**ADDITIONAL ENTITLEMENT REQUESTED:** 4,900 AFY

The above entity requests the additional entitlement specified herein subject to the following conditions:

In consideration for the Santa Barbara Water Purveyors Agency (SBWPA) submitting this request to the Santa Barbara County Flood Control and Water Conservation District (District) pursuant to SBWPA Resolution 91-14 adopted June 27, 1991, it is agreed as follows:

1. If the entity submitting this form has already executed a Water Supply Retention Agreement (WSRA) with the District, it shall be referred to herein as a Contractor and agrees to:

(a) Amend its WSRA to reflect the total amount of SWP entitlement the Contractor will hold after the District has acquired, on behalf of that Contractor, that amount of Relinquished Entitlement requested herein.

(b) Reimburse the District for all costs and expenses regarding the Contractor's Retained Rights (as defined in the WSRA), including the additional entitlement requested herein, which the District becomes obligated to pay under the State Water Contract as a result of any action which District may take pursuant to this request.

(c) Take action, if required, to become a Late Participant by filing a Late Request and agree to pay its pro rata share of all costs previously incurred by the original participants and all amounts required to be paid under the 1986 Contract for Preliminary Studies of Financial Feasibility, Preliminary Design and Environmental Review Under State Water Supply Contract and all amounts paid by or through the Santa Barbara Water Purveyors Agency.

(d) The Contractor executing this request agrees that, in the event that the aggregate of the requests for reacquisition of Relinquished Entitlement exceeds 12,214 AFY, then each requesting Contractor shall be entitled to receive a pro rata share equal to the fraction produced by dividing that Contractor's request by the total of the requests by all Contractors.

2. If the entity submitting this request is not a Contractor, it shall be referred to herein as a non-Contractor Water Purveyor and agrees as follows:

(a) The requests of Contractors for Relinquished Entitlement shall be satisfied before any portion of the Relinquished Entitlement is made available to non-Contractor Water Purveyors.

(b) In the event the aggregate of the requests for reacquisition of Relinquished Entitlement exceeds the amount available after satisfying the requests of the Contractors, then each requesting non-Contractor Water Purveyor shall be entitled to receive a pro rata share of the excess amount equal to the fraction produced by dividing that entity's request by the total of the requests by all such non-Contractor Water Purveyors.

(c) In the event a non-Contractor Water Purveyor is allowed to acquire Relinquished Entitlement pursuant to this request, that entity agrees to execute a WSRA in substantially the same form as the existing WSRA's (Model 1, dated 12/11/84, as amended by First, Second & Third Amendments) and to file a Late Request and make payments as provided for in paragraphs 1(b) and 1(c) above.

SO AGREED.

September 3, 1991  
[Date]

By: 

[Signature]

City Administrator

[Title: City Administrator]

By: 

[Signature]

City Clerk

[Title: Clerk or Secretary]



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. 91-151 which was duly and regularly introduced and adopted by said City Council at a regular meeting held September 3, 1991 by the following vote:

AYES:       Councilmembers Dan A. Firth, Curtis J. Tunnell and Thomas B. Urbanske.

NOES:       None.

ABSENT:     Councilmember Bob Orach.

ABSTAINED: Mayor George S. Hobbs, Jr.

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