

**CACHUMA CONSERVATION RELEASE BOARD**

**MEMORANDUM**

**DATE:** March 26, 2007

**TO:** CCRB Board of Directors  
Santa Ynez Water Conservation District, ID No. 1 Board of Trustees

**FROM:** Kate Rees, Manager

**RE:** **Proposed 2007-08 CCRB/ID No. 1 Draft Budget**

Attached for your review is the proposed CCRB/ID No. 1 Draft Budget for 2007-08 for your consideration. Included is a summary budget sheet showing the total budget, the CCRB portion of the budget, and the ID No. 1 portion of the budget, as well as a spreadsheet comparing the FY 07-08 budget to the FY 06-07 budget. This is followed by several pages detailing the expenses for each budget category, the consultants' draft scopes of work for FY 07-08, and a breakdown showing the percentage cost share of the proposed budget for each Member Unit. Additional back-up material supporting the budgeted activities is not included, but is available at any time upon request. The draft budget has been reviewed by the CCRB Finance Committee and ID No. 1's Director, and was revised based on suggested changes. Any additional changes will be incorporated into the final budget prior to presenting it to the Board at the April 23, 2007 Board meeting. The FY 2007-08 Draft Budget reflects a 39% increase in overall expenses of about \$857,000.

The primary change in the General & Administrative category is to update the job description for the Senior Resource Scientist position to reflect increased supervisory duties and other added responsibilities with a commensurate increase in salary for Tim Robinson. Mr. Robinson has effectively taken over management of the fisheries program over the last year, and his position needs to be rewritten to reflect his actual job responsibilities. The CCRB Manager's salary continues to be budgeted at 65% from the CCRB/ID No. 1 budget and 35% from the COMB budget, and may be adjusted following Ms. Rees' performance review in April.

For the Fisheries Monitoring Program, we have budgeted for a new computer, a webpage server, and various other instruments including a surveillance camera. Other expenses include vehicle maintenance, equipment, uniforms, materials and supplies, which are normal operating expenses comparable to this year.

The budget includes ongoing expenses to implement the Biological Opinion and Fish Management Plan, primarily through work by the Adaptive Management Committee to develop and prepare required reports for several of the terms and conditions of the Biological Opinion. This necessitates an increased level of senior consultant participation resulting in an overall increase to this budget item of about 12.4%. The final management report for the Upper Basin Analysis is rebudgeted. Completion of this work has been dependent upon the NOAA Fisheries Lab completing its genetic analysis of several hundred tissue samples. I have been assured that a draft report will be completed by May 2007, so FY 2007-08 should be the last year of this study.

Anticipated legal expenses associated with the SWRCB Cachuma water rights hearing were re-budgeted from FY 06-07 because of continued delays in the State Board staff completing its revised draft and final SWRCB EIR on Cachuma operations and the final hearing. Special legal counsel and consultant assistance is also budgeted to complete reconsultation on the Biological Opinion and for the NMFS steelhead recovery planning process. In addition, funds are budgeted for continued work on updating the IRWMP to meet Proposition 84 standards, and to complete the development of a new RiverWare

hydrologic model for the Santa Ynez River. A new task has been added for continued work on the new fisheries program Geographic Information System.

State Board staff has retained URS to complete the Final Cachuma EIR. Most of that work is scheduled to be completed during FY 06-07, however \$30,000 has been rebudgeted in FY 07-08 for preparation of responses to comments on the revised Draft EIR, completion of the Final EIR, and URS participation in the final hearing.

The Fish Management Plan/Biological Opinion EIR/EIS was certified and approved in November 2004. As mitigation for surcharging Lake Cachuma, an Oak Tree Restoration Program has been developed. The Program costs will remain essentially the same as this year; they include installation of the third year's 375 trees and maintenance of the all three year's tree planting, or approximately 1,125 trees.

The budget also includes \$8,000 for legislative, lobbying and steelhead funding support on both the federal and state level. These funds will be used for Chip Wullbrandt's legislative support services involving the Water Bond Coalition, Propositions 50 and 84 bond implementation, future water bonds, and state and federal steelhead funding activities. In addition to Mr. Wullbrandt's activities, this item includes funds for a CCRB Board Member to attend the Washington D.C. ACWA conference to assist with lobbying activities for salmonid funding.

Lastly, \$933,000 of the budget is earmarked for Habitat Enhancements. The anticipated expenses for habitat enhancements are significantly higher than this year because of the planned construction of two fish passage enhancement projects. The majority of these costs will be reimbursed with approved grants late in FY 2007-08 or in the following fiscal year. The draft budget also reflects planning, feasibility studies, and design work for several other tributary projects. Because Public Outreach Program for the fisheries activities is included in the Fish Management Plan and Biological Opinion, it is included in this category. \$27,000 has been budgeted for design and production of two fisheries program newsletters, and for revising and providing technical support for the CCRB/COMB website.

Renewal Fund/Trust Fund monies available in 2007-08 will be \$260,211, which is about the same as last year due to the small amount of State Water Project water ordered in calendar year 2005. The Renewal Fund/Trust Fund Committee will not meet until April 13, 2007 to authorize how the funds will be distributed, therefore, there may be some adjustment in the Final CCRB/ID No. 1 Budget.

\$40,000 from the County's Cachuma Betterment contribution will offset some of the expenses for FY 07-08. The remainder of the \$100,000 will be paid directly by the County to USGS for the fisheries stream gauge program (\$50,000) and to the Water Agency reserves for the Cachuma Park boat launch modifications (\$10,000), so only \$40,000 is included in the CCRB/ID No. 1 budget.

The Finance Committee has met and approved the proposed budget for presentation and consideration by the CCRB Board of Directors and ID No. 1 Board of Trustees. Because the CCRB Budget must be approved 60 days prior to the end of the fiscal year (June 30, 2007), the Final 2007-08 Budget will come before you for approval at the April 23, 2007 meeting. It must then be ratified or approved by the Cachuma Member Units governing boards prior to the end of the fiscal year. **I would request that each of the Member Units place this item on your respective Board or Council agendas during the month of April for discussion, if your Board so desires, or during May or June for ratification.** I am available to come to any of your Board or Council meetings to present the proposed CCRB/ID No. 1 FY 07-08 Budget and to answer any questions.

Respectfully submitted,

Kate Rees, Manager

Attachments

# 2007-2008 CCRB/ID NO. 1 PROPOSED BUDGET

March 26, 2007  
Draft

| <u>ITEM</u>   | <u>Total Budget</u> | <u>CCRB Budget<br/>(89.69%)</u> | <u>ID#1 Budget<br/>(10.31%)</u> |
|---|---------------------|---------------------------------|---------------------------------|
| CCRB/ID No. 1 STAFFING  |                     |                                 |                                 |
| Operation & Maintenance                                       | 36,000              | 32,288                          | 3,712                           |
| General & Administrative                                      | 653,078             | 585,746                         | 67,332                          |
| BIOLOGICAL OPINION/FISH MGMT PLAN IMPLEMENTATION              | 137,000             | 122,875                         | 14,125                          |
| GIS AND MAPPING   | 25,000              | 22,423                          | 2,578                           |
| INTEGRATED WATER MANAGEMENT PLAN DEVELOPMENT                  | 10,000              | 8,969                           | 1,031                           |
| STEELHEAD/RAINBOW TROUT UPPER BASIN ANALYSIS <sup>1</sup>     | 15,000              | 14,072                          | 928                             |
| LEGAL <sup>2</sup>  | 100,000             | 89,690                          | 10,310                          |
| SWRCB Proceedings; Steelhead Recovery Plan; NMFS & ESA Issues |                     |                                 |                                 |
| SWRCB PROCEEDINGS SUPPORT <sup>2</sup>                        | 50,000              | 44,845                          | 5,155                           |
| SANTA YNEZ RIVER HYDROLOGY SUPPORT                            | 40,000              | 35,876                          | 4,124                           |
| STATE WATER BOARD EIR PREPARATION                             | 30,000              | 26,907                          | 3,093                           |
| NMFS STEELHEAD RECOVERY PLAN ACTIVITIES                       | 40,000              | 35,876                          | 4,124                           |
| OAK TREE RESTORATION PROGRAM                                  | 145,000             | 130,051                         | 14,950                          |
| LEGISLATIVE & STEELHEAD FUNDING SUPPORT                       | 8,000               | 7,175                           | 825                             |
| HABITAT ENHANCEMENTS*   | 933,000             | 836,808                         | 96,192                          |
| TOTAL:  | \$ 2,222,078        | \$ 1,993,600                    | \$ 228,478                      |
| COUNTY CACHUMA BETTERMENT FUND <sup>3</sup>                   | 40,000              | 35,876                          | 4,124                           |
| RENEWAL FUND/TRUST FUND                                       | 261,767             | 234,779                         | 26,988                          |
| MEMBER UNIT FUNDING*  | 1,920,311           | 1,722,945                       | 197,366                         |
| TOTAL:  | \$ 2,222,078        | \$ 1,993,600                    | \$ 228,478                      |

\*NOTE: Two grant reimbursements totaling approximately \$622,000 are available for the habitat enhancement work scheduled for FY 07-08. These are for fish passage projects on Quiota and El Jaro Creeks. Grant applications will be made this year for projects planned for FY 08-09 and for subsequent years.

1 The Upper Basin Analysis was approved in FY 03-04 for \$85,000 by the City of Santa Barbara and the Montecito Water District according to provisions of CCRB's Joint Powers Agreement. Cost distribution is 60% CCRB/ID#1, 20% City of Santa Barbara, 20% Montecito Water District. About 85% of the work has been completed. The balance of the work for \$15,000 is rebudgeted for FY 07-08 for Entrix to write a management level report based on NOAA Lab's genetics analysis.

2 Legal and SWRCB Proceedings Support reflect the estimated amount needed to complete the activities in FY 07-08 associated with the SWRCB water rights decision on Cachuma operations. It does not include any costs for potential litigation. There is a possibility that one or more of the parties to the Cachuma hearing may file a lawsuit as a result of the final decision. If this occurs, an augmentation to the FY 07-08 budget will be requested.

3 The total County contribution is \$100,000. However, \$50,000 has been allocated for the fisheries stream gauge program. The County Water Agency is billed for and pays USGS directly for this work. \$10,000 will be paid back to the Water Agency for the Cachuma Park boat launch ramp modifications. This is year 4 of 5 years to repay a total of \$50,000. The remaining \$40,000 will offset the CCRB/ID#1 Budget.

**2007-2008 CCRB/ID NO. 1 PROPOSED BUDGET  
COMPARISON TO FY 2006-2007**

March 26, 2007  
Draft

| <u>ITEM</u>                                      | <u>FY 07-08<br/>Budget</u> | <u>FY 06-07<br/>Budget</u> | <u>FY 06-07<br/>Projected<br/>Expenses<br/>Through<br/>6/30/07</u> |
|--|----------------------------|----------------------------|--|
| CCRB/ID No. 1 STAFFING                           |                            |                            |  |
| Operation & Maintenance                          | 36,000                     | 39,500                     | 38,000   |
| General & Administrative                         | 653,078                    | 622,536                    | 622,000  |
| BIOLOGICAL OPINION/FISH MGMT PLAN IMPLEMENTATION | 137,000                    | 120,000                    | 120,000  |
| GIS AND MAPPING                                  | 25,000                     | 0                          | 0  |
| INTEGRATED WATER MANAGEMENT PLAN DEVELOPMENT     | 10,000                     | 10,000                     | 5,000  |
| STEELHEAD/RAINBOW TROUT UPPER BASIN ANALYSIS     | 15,000                     | 35,000                     | 20,000   |
| LEGAL  | 100,000                    | 100,000                    | 8,000  |
| SWRCB Proceedings; Steelhead Listing/ESA Issues  |                            |                            |  |
| SWRCB PROCEEDINGS SUPPORT                        | 50,000                     | 45,000                     | 7,000  |
| SANTA YNEZ RIVER HYDROLOGY SUPPORT               | 40,000                     | 60,000                     | 60,000   |
| STATE WATER BOARD EIR PREPARATION                | 30,000                     | 60,000                     | 60,000   |
| NMFS STEELHEAD RECOVERY PLAN ACTIVITIES          | 40,000                     | 0                          | 0  |
| OAK TREE RESTORATION PROGRAM                     | 145,000                    | 140,000                    | 140,000  |
| LEGISLATIVE & STEELHEAD FUNDING SUPPORT          | 8,000                      | 8,000                      | 7,000  |
| HABITAT ENHANCEMENTS                             | 933,000                    | 125,000                    | 100,000  |
| TOTAL:   | <u>\$2,222,078</u>         | <u>\$1,365,036</u>         | <u>\$1,187,000</u>   |

FY 07-08 Budget CCRB/ID1 Draft KR\_032607