UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
Southwest Region
501 West Ocean Boulevard, Suite 4200
Long Beach, California 90802- 4213

In reply refer to:
SWR/2011/01397:MRM

APR 8 2011

Planning Commission
c/o Tammy Weber
Santa Barbara County
Planning and Development
624 W. Foster Road.
Santa Maria, CA 93455

Dear Ms. Weber:

NOAA's National Marine Fisheries Service (NMFS) is writing this letter in reference to Alisal Ranch Inc.'s (Ranch) project (10CUP-00000-00018/10NGD-00000-00026) to construct a new irrigation reservoir (capacity of 4.7 acre feet) on Ranch property near Solvang, California. Based on a March 8, 2011, teleconference between yourself and NMFS' biologist, Matt McGoogan, NMFS' understanding is that the November 18, 2011, draft mitigated negative declaration (MND) for the project has been appealed and will be subject to a De Novo Hearing (Hearing) in June 2011. The purpose of this letter is to (1) provide a brief summary of NMFS' history with this project and (2) as you recommended during the teleconference, submit comments and concerns NMFS has regarding the project to the Santa Barbara County Planning Commission (Commission) for consideration during the Hearing and other possible related actions (*i.e.*, recirculation of the MND for comments and revision, development of other environmental documents).

As a brief summary, NMFS neither received a notice of availability to comment on the MND, nor was NMFS invited to participate in onsite meetings attended by other resource agencies (*i.e.*, U.S. Fish and Wildlife Service, California Department of Fish and Game). As a result, NMFS was unaware of the project and did not have an opportunity to provide comments during the open comment period for the MND. NMFS understanding is that our agency was not contacted for comments or participation in onsite meetings because this project is considered unlikely to affect steelhead (*Oncorhynchus mykiss*) or critical habitat due to its location on an upland area outside of the riparian zone and because it will not result in an increase in groundwater pumping capacity (*i.e.*, the maximum rate of pumping) by the Ranch. However, NMFS' determination after review of the MND and January 3, 2011, Santa Barbara County Zoning Administrator Staff Report (Report), is that although pumping capacity may not be increasing, it seems likely that pumping duration and overall water consumption will increase with the installation of the proposed reservoir. Increased pumping duration and overall water consumption can lead to diminished surface flows or complete drying of streams which, in turn, may result in adverse effects to steelhead or habitat for the species. In fact, even if pumping rates or overall water consumption stay the same, there has been no analysis provided that suggests current pumping operations are not adversely impacting steelhead. Further, the water to fill the proposed reservoir would be

withdrawn from the Ranch's well which pumps water from the alluvial aquifer in the Santa Ynez River. As such, this project is of concern because the Santa Ynez River is occupied by the endangered Southern California Distinct Population Segment of steelhead and is designated critical habitat for this species.

NMFS' review of the MND and Report resulted in the following comments. NMFS requests that these comments be considered by the Commission during the upcoming Hearing and be addressed in any revision of the MND or development of new environmental documents for the project.

- The greatest concern NMFS has with this project is the potential for decreased dry-season surface flow in the Santa Ynez River as a result of increased groundwater pumping by the Ranch. In the MND it is stated that because the project involves an increase in water storage capacity and not pumping capacity, the only increase in groundwater usage resulting from the project would be 2.3 acre feet per year due to evaporation from the reservoir. However, because the MND does not provide information on the expected water demands of new Ranch activities (*i.e.*, irrigation of pasture land and alfalfa fields) or on the current and proposed pumping duration or schedule, it is impossible to accurately assess the degree to which the project may impact groundwater withdrawal and surface water resources. All of this information should be provided for review so that an accurate assessment of water withdrawal and its associated impacts on steelhead can be determined. An analysis of this information should be undertaken to inform the Hearing process and should also be provided in any revision to the MND or development of new environmental documents.

- For several reasons it seems likely that the project will result in an increase in groundwater withdrawal in excess of 2.3 acre feet. First, it is NMFS' understanding that one of the main purposes of the project is to allow the Ranch's well to operate continuously. Currently, it seems the well cycles through periods of operation. This suggests the project will result in an increase in pumping duration, which, depending on the rate of withdrawal, could increase the amount of groundwater withdrawn. Second, it is also NMFS' understanding that the Ranch is intending to use water stored in the proposed reservoir for the irrigation of pasture land or alfalfa fields that currently are not irrigated. Assuming no decrease in current water use for other Ranch activities is proposed, adding fields for irrigation would represent an increase in overall water consumption. A June 17, 2010, letter from Hopkins Groundwater Consultants to Ranch owner, Mr. C.J. Jackson, also seems to support this conclusion. The letter states that "river well facilities are believed capable of supplying the **additional** water desired for the irrigation of pasture land/alfalfa fields and still provide sufficient supply to the Ranch Golf Course."

- In the effects checklist for the biological resources section of the MND (see page 7) it was determined that the project would result in "less than significant impacts" to the diversity or number of animals onsite, deterioration of existing fish or wildlife habitat, or

introduction of barriers to movement of any resident or migratory fish or wildlife species. The basis for this determination seems dependent on the claim that the project will not result in an increase in groundwater withdrawal. However, as described in the previous two comments NMFS has reason to believe the project will result in an increase in groundwater withdrawal. Again, all the available information on increased water demand and pumping quantity and duration should be provided for review. If analysis of this information shows that the project will result in an increase in groundwater withdrawal beyond 2.3 acre feet, then the effects checklist should be reassessed to determine if the project is still expected to result in "less than significant impacts" to these biological categories.

- In the effects checklist for the water resources/flooding section of the MND (see page 22) it was determined that the project would result in "no impact" to the amount of surface water in any water body. Similar to the previous comment, if analysis of all the available information on increased water demand and pumping quantity and duration shows an increase in groundwater withdrawal, the effects checklist should be reassessed to determine if the project is still expected to result in "no impact" to surface water in the Santa Ynez River.

- NMFS confirms that steelhead are present within the area that can potentially be impacted by the Ranch's well and that this portion of the Santa Ynez River supports a level of steelhead migration, rearing, and spawning. Therefore if an increase in water withdrawal is determined, revision of the MND or development of new environmental documents should discuss the manner and extent that project impacts may affect the ability of the Santa Ynez River to provide each of these functions for steelhead. Of particular concern is the impact of the groundwater withdrawal on steelhead and critical habitat during periods of low stream flow, especially during the drier portions of the year and under drought conditions. Specific pumping criteria may need to be developed for certain flow scenarios (especially during low stream flow) to minimize adverse effects to steelhead and habitat for the species. Such criteria and their anticipated effects should be outlined and discussed in any revised or new environmental documents.

- To further emphasize the sensitivity of surface flow in the Santa Ynez River and importance of accurately understanding the hydrologic impacts of this project, in June 2007, NMFS documented stranding and mortality of steelhead in pools directly in the vicinity of Alisal Road bridge and adjacent to the Ranch's well. Evidence at the time seemed to indicate that groundwater pumping may have exacerbated the circumstances (*i.e.*, warm weather and drying of the streambed) that lead to the demise of these steelhead. This stranding event also seems to suggest that even current pumping rates and schedules may be adversely impacting steelhead and habitat for the species.

- Related to the previous two comments, revision of the MND or development of new environmental documents for the project should discuss how the Ranch will develop pumping schedules and rates in coordination with or consideration of other water

extractors (i. *e,*, other private or public wells upstream and downstream of the Ranch's well) and/or water suppliers (e.g., Cachuma Conservation and Release Board) to maintain surface flow and water quality in the Santa Ynez River that is adequate for maintaining the function of steelhead habitat in the area.

- Any revised MND or new environmental documents should consider and discuss strategies for reducing water consumption and/or increasing water-use efficiency at the Ranch as alternatives to or in conjunction with the proposed project. Such strategies could include installing water-saving technologies on the Ranch, landscaping with drought tolerant/native vegetation, pumping and filling Ranch reservoirs during times when there is higher flows in the Santa Ynez River and/or during times of lower water demand such that the reservoirs could be used to relieve the necessity to pump at capacity (or at all) during periods of lower stream flow or peak water demand.

- Any revised MND or new environmental documents should describe the relationship of the project to Section 7 or Section 10 of the U. S. Endangered Species Act (ESA). As part of this discussion, the documents should disclose whether consultation with NMFS is necessary prior to undertaking the project, in accordance with Section 7 or Section 10 of the ESA. The Ranch should be aware that while they may possess state water rights, water rights do not provide authorization for take (adverse effects) of species listed under the ESA. If adverse affects to endangered steelhead cannot be avoided the Ranch should consult with NMFS to obtain proper take authority.

- Finally, NMFS recommends that all future projects with activities that could influence or are related to manipulation of groundwater tables, aquifers, or surface flow in waterways that are listed as critical habitat or occupied by listed salmonid species, be sent to NMFS for comment and review or at a minimum NMFS be contacted to determine if review is necessary.

NMFS appreciates the opportunity to provide information that will assist the Commission in the de novo hearing process and the potential revision of the MND or development of future environmental documents for the subject project. Matt McGoogan is NMFS' representative for this specific project. Please call him at (562) 980-4026 if you have any questions concerning this letter or if you require additional information.

Sincerely,

Penny Ruvelas
Southern California Office Supervisor
Protected Resources Division

cc: Mary Larson, CDFG, San Luis Obispo, California
Natasha Lohmus, CDFG, Carpinteria, California
Roger Root, USFWS, Ventura, California
Kate Rees, Cachuma Conservation Release Board, Santa Barbara, California
David Hyatt, U.S. Bureau of Reclamation, Fresno, California
Dominic Roques, Central Coast Water Board, San Luis Obispo, California
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