

RESOLUTION NO. 89-1

ADOPTION OF FINDINGS, ADOPTION OF STATEMENT OF OVERRIDING CONSIDERATIONS AND CERTIFICATION OF EIR ON ENVIRONMENTAL EFFECTS OUTSIDE THE CASTAIC LAKE WATER AGENCY SERVICE AREA RESULTING FROM THE POTENTIAL TRANSFER OF ALL OR PART OF THE CONTRACTUAL WATER ENTITLEMENT OF DEVIL'S DEN WATER DISTRICT TO THE CASTAIC LAKE WATER AGENCY

WHEREAS, an Environmental Impact Report (EIR) was prepared for the Devil's Den-Castaic Lake Authority to address the environmental effects, mitigation measures and project alternatives associated with the proposed project of transferring all or part of the contractual water entitlement of Devil's Den Water District to the Castaic Lake Water Agency; and

WHEREAS, that EIR was prepared and timely noticed pursuant to all the requirements of the California Environmental Quality Act (CEQA) and the State CEQA Guidelines (hereafter called "State Guidelines"); and

WHEREAS, written comments on that EIR were received from public agencies during the review period; and

WHEREAS, such comments were appropriately and completely responded to through a Response to Comments document submitted to the Devil's Den-Castaic Lake Authority and to this District; and

WHEREAS, the Boards of Directors of the Authority and of this District have prior to this meeting had an adequate opportunity to fully review all environmental documentation comprising that final EIR and the Authority's Board found and this District's Board hereby finds, after review and consideration, that the said final EIR covers all environmental effects of the project and is complete and adequate and fully complies with all requirements of CEQA, the State Guidelines and the District Guidelines; and

WHEREAS, the said EIR is recommended by the District's General Manager, the Authority's EIR consultants, and the Authority's Attorney to be certified by this Board as complete and adequate; and

WHEREAS, Section 21081 of CEQA and Section 15091 of the State Guidelines further require that this Board of Directors make one or more of the following alternative -- and specifically factually supported -- findings, as to each significant environmental effect, prior to implementation or approval of a project for which a final EIR has been completed, said alternative findings being:

FINDING 1 - Changes or alterations have been required in or incorporated into the project which mitigate or avoid the

significant environmental effects thereof as identified in the final EIR.

FINDING 2 - Needed changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes or alterations have been adopted by such other agency or can and should be adopted by such other agency.

FINDING 3 - Specific economic, social, or other considerations make infeasible the mitigation measures or project alternatives identified in the final EIR; and

WHEREAS, Section 15093(a) of the State Guidelines permits the Board of Directors to balance the benefits of a proposed project against its unavoidable environmental risks in determining whether to approve the project; and

WHEREAS, Section 15093(b) of the State Guidelines requires, where the decision of the Board of Directors allows the occurrence of significant effects which are identified in the final EIR but are not mitigated, the Board must state in writing the reasons to support its action, based on the final EIR or other information in the record; and

WHEREAS, this Board of Directors has, in making such findings and balances, reviewed and again considered all of the final environmental documentation prepared to evaluate the proposed project, including all elements of the EIR and the recommendations of the District's General Manager, the Authority's Environmental Consultants and the Authority's Attorney; and

WHEREAS, this Board by this Resolution adopts the Statement of Facts and balances benefits and risks as required by Sections 15091 and 15093 of the State Guidelines;

NOW, THEREFORE, BE IT RESOLVED, FOUND, AND DETERMINED THAT:

1. This Board does hereby certify the Final EIR for the Environmental Effects Outside the Castaic Lake Water Agency Service Area Resulting from the Potential Transfer of All or Part of the Contractual Water Entitlement of Devil's Den Water District to the Castaic Lake Water Agency, as complete and adequate in that it addresses all environmental effects of the proposed project and fully complies with the requirements of the California Environmental Quality Act and the State Guidelines. The Final EIR is composed of the following elements:
 - a. Draft EIR;
 - b. Appendices to Draft EIR;
 - c. Comments timely received on the DEIR and final EIR responses to those comments; and,

- d. All attachments, incorporations, and references in documents a-c above.

All of the above information has been and will be on file with the Devil's Den Water District, 23560 Lyons Avenue, Suite 220, Santa Clarita, California and otherwise as required pursuant to the CEQA process.

2. This Board does simultaneously make the findings contained in the Statement of Facts with respect to significant impacts identified in the Final EIR and finds that each fact in support of the finding is true and is based upon substantial evidence in the record, including the final EIR. The Statement of Facts is therefore adopted and attached hereto as Attachment "A" and incorporated herein by this reference.
3. This Board does simultaneously find that the facts and balances set forth in the Statement of Overriding Considerations are true and are supported by substantial evidence in the record, including the Final EIR. The Statement of Overriding Considerations is therefore adopted and attached hereto as Attachment "B" and incorporated herein by this reference.
4. This Board does simultaneously find that the Final EIR has identified all significant environmental effects of the project, including all potential cumulative impacts, and that there are no known potential environmental impacts not addressed in the Final EIR.
5. This Board does simultaneously find that all significant effects of the project are described in the Statement of Facts and the Final EIR, and does explicitly find and determine that this Board is here fully considering all relevant facts and determinations in the Castaic Lake Water Agency's April 1988 certified program EIR on its capital program and supplemental water acquisition effort, and the Castaic Lake Water Agency's Resolution No. 647 certifying that EIR, adopting findings, adopting a statement of overriding considerations, and approving the said program EIR-described project.
6. This Board does simultaneously find that although the Final EIR identifies certain significant environmental effects that will result if the project is approved, all significant effects that can feasibly be mitigated or avoided have been reduced to an acceptable level by the imposition of mitigation measures. The Inventory of Mitigation Measures is thus hereby adopted, approved, and attached hereto as Attachment "C" and incorporated herein by this reference.

7. This Board does simultaneously find and determine that potential mitigation measures or project alternatives not incorporated into the contractual water entitlement transfer project (including the "no-project" alternative) are rejected as infeasible, based upon specific economic, social and other considerations as set forth in the Statement of Facts, the Statement of Overriding Considerations, and the Final EIR. A summary of non-approved alternatives is hereby approved and attached hereto as Attachment "D" and incorporated herein by this reference.
8. The Board of Directors does simultaneously find that the unavoidable significant impacts of the project, as identified in the Statement of Facts, that have not been reduced to a level of insignificance have been substantially reduced in their impacts by the imposition of mitigation measures. All such mitigation measures are hereby incorporated into conditions of approval. This Board finds that the remaining unavoidable significant impacts are clearly outweighed by the economic, social and other benefits of the project, as set forth in the Statement of Overriding Considerations.
9. This Board does simultaneously find that the Final EIR has described all reasonable alternatives to the project that could feasibly obtain the basic objectives of the project (including the "no-project" alternative), even when these alternatives might impede the attainment of project objectives and might be more costly. Further, this Board does simultaneously find that a good faith effort was made to incorporate alternatives in the preparation of the Draft EIR and all reasonable alternatives were considered in the review process of the final EIR and in ultimate decisions on the project.
10. This Board does therefore approve the project, and does explicitly hereby find that the proposed purchase of property by Castaic Lake Water Agency will, by itself, have no impacts on the physical environment within or without the project study area.
11. This District's General Manager is therefore directed to cause Notices of Determination of this project's approval to be appropriately and promptly filed.

ATTACHMENT A

STATEMENT OF FACTS

SIGNIFICANT ENVIRONMENTAL EFFECTS OF THE PROPOSED PROJECT OUTSIDE THE CASTAIC LAKE WATER AGENCY, FINDINGS WITH RESPECT TO SAID EFFECTS, AND STATEMENT OF FACTS IN SUPPORT THEREOF, ALL WITH RESPECT TO THE PROPOSED PROJECT OF DEVIL'S DEN-CASTAIC LAKE AUTHORITY (DD-CLA), DEVIL'S DEN WATER DISTRICT (DDWD) AND CASTAIC LAKE WATER AGENCY (CLWA) FOR THE POTENTIAL TRANSFER OF ALL OR PART OF THE CONTRACTUAL WATER ENTITLEMENT OF DEVIL'S DEN WATER DISTRICT TO THE CASTAIC LAKE WATER AGENCY

BACKGROUND

The California Environmental Quality Act (CEQA) and the State CEQA Guidelines (hereafter called "State Guidelines"), promulgated pursuant thereto provide:

"No public agency shall approve or carry out a project for which an Environmental Impact Report has been completed and which identifies one or more significant environmental effects of the project unless the public agency makes one or more written findings for each of those significant effects, accompanied by a brief explanation of the rationale for each finding." (State Guidelines Section 15091)

The Devil's Den Water District Board of Directors proposes to approve the proposed project. Because the proposed action constitutes a project under CEQA and the State Guidelines, the DD-CLA prepared a Program-Level Environmental Impact Report (Program EIR). The Program EIR has identified certain significant effects which may occur as a result of this project. This Board has determined that the DD-CLA Program EIR is complete and has been prepared in accordance with CEQA and the State Guidelines. Therefore, the following findings are set forth herein pursuant to Section 15091 of the State Guidelines.

WATER RESOURCES AND FACILITIES

Significant Effects (Primary) - The proposed project could result in a relatively small increase in the surface water being conveyed and stored in the State Water Project system south of the Coastal Aqueduct through to Castaic Lake. Adjustments in the allocations of currently unused capacity of the State Water Project conveyance facilities will be needed. Increased State Water Project costs may be associated with the transfer and wheeling of the transferred water entitlement.

Finding 1 - Changes or alterations have been required in, or incorporated into, the project which mitigate or avoid the significant environmental effects thereof as identified in the final EIR.

Facts in Support of Finding - Castaic Lake Water Agency shall pay the State Water Project costs associated with any transferred contractual entitlement.

All significant environmental effects that can feasibly be avoided have been eliminated or substantially reduced to a level that is less than significant by virtue of project design considerations and mitigation measures identified in the final EIR and incorporated into the project.

Significant Effects (Secondary) - Reduction of imported water available to Devil's Den Water District may increase usage of local groundwater for irrigated agricultural activities which may continue in Devil's Den, and could result in a higher per-acre water requirement due to the salinity of the local groundwater supply.

Finding 1 - Changes or alterations have been required in, or incorporated into, the project which mitigate or avoid the significant environmental effects thereof as identified in the final EIR.

Facts in Support of Finding - Groundwater utilization within Devil's Den will continue to be conducted in accordance with sound agricultural groundwater pumping practices, and shall not exceed safe yield.

All significant environmental effects that can feasibly be avoided have been eliminated or substantially reduced to a level that is less than significant by virtue of project design considerations and mitigation measures identified in the final EIR and incorporated into the project.

SOIL RESOURCES

Significant Effects (Secondary) - A potentially significant short-term increase in water or wind caused soil erosion and sedimentation may result between the time the irrigated agricultural areas are taken out of production and the time they become reestablished with grass cover.

Finding 1 - Changes or alterations have been required in, or incorporated into, the project which mitigate or avoid the significant environmental effects thereof as identified in the final EIR.

Facts in Support of Finding - For Devil's Den lands which may be permanently retired from row crop production, Castaic Lake Water Agency will request that a Soil and Water Conservation Plan be developed in accordance with the adopted procedures of the U.S. Department of Agriculture, Soil Conservation Service (U.S.SCS) district offices in Kings and/or Kern Counties (depending on the jurisdiction where the affected land may be located); and will implement or have implemented the recommendations of that plan, as

appropriate. If required by the U.S.SCS, the plan will address revegetation of areas which may be affected by salt accumulations in the root zone of the soil. The implementation of the Soil and Water Conservation Plan by Castaic Lake Water Agency, or an agent thereof, is expected to reduce potential soil loss from the Devil's Den study area to a level which is less than significant by reducing the potential for wind and water erosion using technically available measures.

Also, to accelerate the return to a natural condition of Devil's Den lands which may be permanently retired from row crop production, such areas will be seeded by Castaic Lake Water Agency or an agent thereof in accordance with the U.S.SCS Field Office Technical Guide.

All significant environmental effects that can feasibly be avoided have been eliminated or substantially reduced to a level that is less than significant by virtue of project design considerations and mitigation measures identified in the final EIR and incorporated into the project.

FINDING 2 - Changes or alterations that would avoid or substantially lessen the significant effect are within the responsibility of other public agencies and not Devil's Den-Castaic Lake Authority, Devil's Den Water District, or Castaic Lake Water Agency. Such "changes or alterations" have been adopted by that other Agency.

Facts in Support of Finding - The U.S.SCS had adopted procedures to develop or assist in the development of Soil and Water Conservation Plans. Implementation of such a plan or plans by Castaic Lake Water Agency or an agent thereof is expected to reduce potential soil loss from Devil's Den to levels that are technically and economically achievable; and thereby reduce soil loss to a level which is less than significant.

Significant Effects (Secondary) - A short-term significant health risk may occur related to the possible increase in airborne Valley Fever spores between the time the irrigated agricultural areas are taken out of production and the time they become reestablished with grass cover.

FINDING 1 - Changes or alteration have been required in, or incorporated into, the project which mitigate or avoid the significant environmental effects thereof as identified in the final EIR.

Facts in Support of Finding - For Devil's Den lands which may be permanently retired from row crop production, Castaic Lake Water Agency will request that a Soil and Water Conservation Plan be developed in accordance with the adopted procedures of the U.S. Department of Agriculture, Soil Conservation Service (U.S.SCS) district offices in

Kings and/or Kern Counties (depending on the jurisdiction where the affected land may be located); and will implement or have implemented the recommendations of that plan, as appropriate. If required by the U.S.SCS, the plan will address revegetation of areas which may be affected by salt accumulations in the root zone of the soil. The implementation of the Soil and Water Conservation Plan by Castaic Lake Water Agency, or an agent thereof, is expected to decrease potential soil loss from the Devil's Den study area to a level which is less than significant by reducing the potential for wind and water erosion using technically available measures.

Also, to accelerate the return to a natural condition of Devil's Den lands which may be permanently retired from row crop production, such areas will be seeded by Castaic Lake Water Agency or an agent thereof in accordance with the U.S.SCS Field Office Technical Guide.

All significant environmental effects that can feasibly be avoided have been eliminated or substantially reduced to a level that is less than significant by virtue of project design considerations and mitigation measures identified in the final EIR and incorporated into the project.

FINDING 2 - Changes or alterations that would avoid or substantially lessen the significant effect are within the responsibility of other public agencies and not Devil's Den-Castaic Lake Authority, Devil's Den Water District, or Castaic Lake Water Agency. Such "changes or alterations" have been adopted by that other Agency.

Facts in Support of Finding - The U.S.SCS had adopted procedures to develop or assist in the development of Soil and Water Conservation Plans. Implementation of such a plan or plans by Castaic Lake Water Agency, or an agent thereof, is expected to reduce potential soil loss from Devil's Den to a level which is less than significant by reducing the potential for wind and water erosion using technically available measures.

BIOLOGICAL RESOURCES

Significant Effects (Secondary) - On-site areas which could be retired from row-crop production could be more susceptible, for a short-term, to the intrusion of weeds, if not seeded with grass native to the study area.

FINDING 1 - Changes or alteration have been required in, or incorporated into, the project which mitigate or avoid the significant environmental effects thereof as identified in the final EIR.

Facts in Support of Finding - For Devil's Den lands which may be permanently retired from row crop production, Castaic

Lake Water Agency will request that a Soil and Water Conservation Plan be developed in accordance with the adopted procedures of the U.S. Department of Agriculture, Soil Conservation Service (U.S.SCS) district offices in Kings and/or Kern Counties (depending on the jurisdiction where the affected land may be located); and will implement or have implemented the recommendations of that plan, as appropriate. If required by the U.S.SCS, the plan will address revegetation of areas which may be affected by salt accumulations in the root zone of the soil. The implementation of the Soil and Water Conservation Plan by Castaic Lake Water Agency, or an agent thereof, is expected to reduce potential soil loss from the Devil's Den study area to a level which is less than significant by reducing the potential for wind and water erosion using technically available measures.

Also, to accelerate the return to a natural condition of Devil's Den lands which may be permanently retired from row crop production, such areas will be seeded by Castaic Lake Water Agency or an agent thereof in accordance with the U.S.SCS Field Office Technical Guide. In addition, if necessary to mitigate the intrusion of undesirable vegetation (weeds) into on-site areas, or to prevent the intrusion of such vegetation into adjacent farms, weeds will be hoed, or spot sprayed with the appropriate herbicides by Castaic Lake Water Agency or an agent thereof.

All significant environmental effects that can feasibly be avoided have been eliminated or substantially reduced to a level that is less than significant by virtue of project design considerations and mitigation measures identified in the final EIR and incorporated into the project.

FINDING 2 - Changes or alterations that would avoid or substantially lessen the significant effect are within the responsibility of other public agencies and not Devil's Den-Castaic Lake Authority, Devil's Den Water District, or Castaic Lake Water Agency. Such "changes or alterations" have been adopted by that other Agency.

Facts in Support of Finding - The U.S.SCS had adopted procedures to develop or assist in the development of Soil and Water Conservation Plans. Implementation of such a plan by Castaic Lake Water Agency, or an agent thereof is expected to reduce potential soil loss from Devil's Den to a level which is less than significant by reducing the potential for wind and water erosion using technically available measures.

LAND USES AND LAND USE PLANS/POLICIES

Significant Effects (Secondary) - As an indirect result of the proposed project, the amount of irrigated row-crop acreage could be reduced or eliminated.

FINDING 1 - Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effects as identified in the final EIR.

Facts in Support of Finding - For Devil's Den lands which may be permanently retired from row crop production, Castaic Lake Water Agency will request that a Soil and Water Conservation Plan be developed in accordance with the adopted procedures of the U.S. Department of Agriculture, Soil Conservation Service (U.S.SCS) district offices in Kings and/or Kern Counties (depending on the jurisdiction where the affected land may be located); and will implement or have implemented the recommendations of that plan, as appropriate. If required by the U.S.SCS, the plan will address revegetation of areas which may be affected by salt accumulations in the root zone of the soil. The implementation of the Soil and Water Conservation Plan by Castaic Lake Water Agency, or an agent thereof, is expected to reduce potential soil loss from the Devil's Den study area to a level which is less than significant by reducing the potential for wind and water erosion using technically available measures.

Also, to accelerate the return to a natural condition of Devil's Den lands which may be permanently retired from row crop production, such areas will be seeded by Castaic Lake Water Agency or an agent thereof in accordance with the U.S.SCS Field Office Technical Guide. In addition, if necessary to mitigate the intrusion of undesirable vegetation (weeds) into on-site areas, or to prevent the intrusion of such vegetation into adjacent farms, weeds will be hoed, or spot sprayed with the appropriate herbicides by Castaic Lake Water Agency or an agent thereof.

In addition, upon eventual reduction or elimination of the use of State Water Project entitlement water in Devil's Den, Castaic Lake Water Agency or an agent thereof, will continue an appropriate level of less-water-demanding agricultural activity within the study area (including crop production and livestock grazing).

The proposed project would not preclude the continuation of irrigated crop production utilizing groundwater and natural rainfall, if the market conditions support such production. For example, barley, which requires approximately half the water required by cotton, is also salt tolerant and could be grown utilizing the available groundwater. Also, the proposed project would not preclude the use of an alternative imported irrigation water source within the study area, if such a water supply were to be developed and acquired, since the Coastal Aqueduct will continue to be operative and the land will remain available for agricultural use.

Significant Effects (Secondary) - The potential for wind erosion of soils (i.e., dust generation) may increase significantly during the possible reversion of irrigated acreage to grassland; thereby having a potentially adverse, short-term effect on neighboring land uses.

FINDING 1 - Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the final EIR.

Facts in Support of Finding - For Devil's Den lands which may be permanently retired from row crop production, Castaic Lake Water Agency will request that a Soil and Water Conservation Plan be developed in accordance with the adopted procedures of the U.S. Department of Agriculture, Soil Conservation Service (U.S.SCS) district offices in Kings and/or Kern County (depending on the jurisdiction where the affected land may be located); and will implement or have implemented the recommendations of that plan, as appropriate. If required by the U.S.SCS, the plan will address revegetation of areas which may be affected by salt accumulations in the root zone of the soil. The implementation of the Soil and Water Conservation Plan by Castaic Lake Water Agency, or an agent thereof, is expected to reduce potential soil loss from the Devil's Den study area to a level which is less than significant by reducing the potential for wind and water erosion using technically available measures. Also, to accelerate the return to a natural condition of Devil's Den lands which may be permanently retired from row crop production, such areas will be seeded by Castaic Lake Water Agency or an agent thereof in accordance with the U.S.SCS Field Office Technical Guide.

All significant environmental effects that can feasibly be avoided have been eliminated or substantially reduced to a level that is less than significant by virtue of project design considerations and mitigation measures identified in the final EIR and incorporated into the project.

FINDING 2 - Changes or alterations that would avoid or substantially lessen the significant effect are within the responsibility of other public agencies and not Devil's Den-Castaic Lake Authority, Devil's Den Water District, or Castaic Lake Water Agency. Such "changes or alterations" have been adopted by that other agency.

Facts in Support of Findings - The U.S. Department of Agriculture, Soil Conservation Service has adopted procedures to develop or assist in the development of Soil and Water Conservation Plans. Implementation of such a plan by Castaic Lake Water Agency, or an agent thereof, is expected to reduce potential flow loss from Devil's Den to a

level which is less than significant by reducing the potential for wind and water erosion using technically available measures.

Significant Effects (Secondary) - The potential for intrusion of undesirable plants or weeds in the on-site retired agricultural areas could be significant and could, for a short-term, potentially lead to intrusion of weeds into adjacent agricultural areas.

FINDING 1 - Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the final EIR.

Facts in Support of Finding - If necessary to mitigate the intrusion of undesirable vegetation (weeds) into on-site areas, or to prevent the intrusion of such vegetation into adjacent farms, the weeds will be hoed, or spot sprayed with the appropriate herbicides by Castaic Lake Water Agency or an agent thereof.

All significant environmental effects that can feasibly be avoided have been eliminated or substantially reduced to a level that is less than significant by virtue of project design considerations and mitigation measures identified in the final EIR and incorporated into the project.

SOCIOECONOMICS

Significant Effects (Secondary) - The reduction or eventual elimination of the irrigated row crop agriculture which may result from implementation of the proposed project, may eliminate part or all of the row crop-related employment opportunities within Devil's Den.

FINDING 1 - Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the final EIR.

Fact in Support of Finding - Farm operators leasing property within the Devil's Den study area will be advised by Castaic Lake Water Agency or an agent thereof of the possible phasing out of the row crop acreage over the next several years to provide employees adequate time to find alternative employment.

All significant environmental effects that can feasibly be avoided have been eliminated or substantially reduced to a level that is less than significant by virtue of project design considerations and mitigation measures identified in the final EIR and incorporated into the project.

FIRE PROTECTION

Significant Effect (Secondary) - The potential return of irrigated agricultural land to a non-irrigated condition may increase the amount of acreage in the region which is subject to grassland fires.

FINDING 1 - Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the final EIR.

Facts in Support of Finding - Fire breaks required around the perimeter of agricultural areas and structures in the study area will be maintained by Castaic Lake Water Agency or an agent thereof in accordance with standards of fire departments having jurisdiction in Devil's Den.

All significant environmental effects that can feasibly be avoided have been eliminated or substantially reduced to a level that is less than significant by virtue of project design considerations and mitigation measures identified in the final EIR and incorporated into the project.

ENERGY CONSUMPTION

Significant Effect (Primary) - Conveyance of all or part of the Devil's Den Water District's State Water Project entitlement to Castaic Lake Water Agency would add to the net energy requirements of the State Water Project System between the Coastal Aqueduct and Castaic Lake.

FINDING 2 - Changes or alterations that would avoid or substantially lessen the significant effect are within the responsibility and jurisdiction of another public agency and not Devil's Den-Castaic Lake Authority, Devil's Den Water District, or Castaic Lake Water Agency. Such "changes or alterations" can and should be adopted by that other agency.

Facts in Support of Finding - State of California Department of Water Resources' planning for future expansion of the affected State Water Project pumping facilities and power plants should accommodate the possible need for additional power generation to convey the additional contractual entitlement water being pumped to Castaic Lake.

ALTERNATIVES FINDINGS

Per Section 21081 of CEQA and Section 15091 of the State Guidelines, the Board of Directors is required to make the following finding prior to approval of the project for which an EIR has been completed:

FINDING - Specific economic, social or other considerations make infeasible the project alternatives identified in the final EIR.

Prior to recommending adoption of the Transfer of All or Part of the Contractual Water Entitlement of Devil's Den Water District to the Castaic Lake Water Agency, the Board of Directors has considered all of the alternatives presented in the final Program EIR and finds that alternatives other than the proposed project are infeasible based on economic, social or other considerations as set forth below:

Infeasibility of No Project Alternative

Under the No Project Alternative, the Devil's Den Water District's State Water Project Water entitlement would not be transferred to Castaic Lake Water Agency. Under this alternative, it is assumed that the water entitlement would remain with Devil's Den.

The within-Devil's Den environmental effects of the No Project Alternative could be similar to those of the proposed project if the continuation of current irrigated row crop agricultural patterns would not be feasible due to economic conditions. Therefore, less-water-demanding agricultural uses could occur with or without the implementation of the proposed project. If current irrigated row-crop agricultural patterns remain the same, environmental conditions within Devil's Den under this alternative could remain unchanged from current conditions. However, the proposed project is being considered by Devil's Den because there is concern within the District that the current pattern of agricultural use within the District is not feasible over the long term. This is due, among other reasons, to the unexpectedly high cost of State Water Project Water distributed by Devil's Den.

Continued usage of the Devil's Den Water District's State Water Project Water entitlement under the current and projected economic conditions could result in an economic loss on the part of the District. This could eventually result in the inability of the District to pay its portion of State Water Project costs. Therefore, the No Project Alternative is considered infeasible due to potential economic losses which could affect Devil's Den Water District and potentially the State Water Project.

Infeasibility of the Transfer of All or Part of the Devil's Den Water District Entitlement to Another Water Supply Agency or Agencies, or a "Buyback" of the Entitlement by the Department of Water Resources

These alternatives are defined as (1) the same transactions with Devil's Den and Producers Cotton Oil Company included in the proposed project as described in Section 3.0 of the Draft EIR, except that a water supply agency or agencies other than Castaic Lake would be the recipient of all or part of the subject water entitlement (this scenario could include existing State Water Project contractors or agencies which may be new to the State Water Project system), or (2) all or part of the subject entitlement would be "bought back" by the State of California,

Department of Water Resources to be utilized to "firm up" the existing contractual entitlements of the existing State Water Project contractors, or (3) some combination of (1) or (2) would be implemented. In general, it is expected that the potential environmental effects of all three scenarios could be similar to the proposed project's environmental effects.

The first scenario of transferring all or part of the Devil's Den Water District Water entitlement to another agency or agencies, is considered infeasible at this time since agencies other than Castaic Lake Water Agency have not pursued acquisition of Devil's Den Water District's State Water Project entitlement, or have not offered the market value of either the affected Devil's Den farmland or the State Water Project entitlement as compensation to, respectively, Producers Cotton Oil company or the Devil's Den Water District.

The second scenario with the "buyback" of Devil's Den Water entitlement by the Department of Water Resources, is considered infeasible at this time since the Department of Water Resources has not pursued such a transaction, nor presented it as an option to Devil's Den Water District. It is recognized that a controversy exists among some State Water Project contractors over whether the Department of Water Resources should "buyback" water entitlements from water agencies which anticipate financial difficulties in maintaining their State Water Project payments, or whether such water agencies should sell their water entitlements to other water agencies that can afford to pay for the entitlements.

At this time, the Department of Water Resources has been required by AB3722 (Costa), Chap. 970 of 1986 to set up a program to facilitate the voluntary exchange or transfer of water entitlements by State Water Project contractors. However, no official program for the "buyback" of State Water Project entitlements by the Department of Water Resources has been authorized to date. Therefore, the possible establishment of such a program would be speculative at this time, and is not considered a feasible alternative to the proposed project.

ATTACHMENT B

STATEMENT OF OVERRIDING CONSIDERATIONS

The California Environmental Quality Act (CEQA) requires a public agency to balance the benefits of a proposed project against its unavoidable environmental risks in determining whether to approve the project. The DD-CLA Board of Directors, having reviewed and considered the information contained in the final Program EIR and the record, has found, that as identified in the Findings attached hereto, the Potential Transfer of All or Part of the Contractual Water Entitlement of Devil's Den Water District to the Castaic Lake Water Agency is not expected to result in any unavoidable adverse impacts to the environment with the exception of one adverse effect. As identified in the Findings, all adverse effects other than the energy consumption effect could be avoided or substantially reduced to a level which is less than significant by virtue of project design considerations and mitigation measures that have been incorporated into the project. However, because the implementation of the energy consumption mitigation measure is within the responsibility and jurisdiction of the State of California, Department of Water Resources, the Board of Directors cannot unequivocally make the determination that all significant effects will be eliminated or substantially reduced to a level that is less than significant. The Board, therefore, finds that the potential increase in energy consumption is considered "acceptable" for the following specific reasons:

1. There is concern within Devil's Den Water District that the current pattern of agricultural use within the District is not feasible over the long term.
2. Castaic Lake Water Agency shall pay State Water Project costs associated with any transferred contractual entitlement.

ATTACHMENT C

INVENTORY OF MITIGATION MEASURES

Provided below is a listing of all mitigation measures included in the final EIR and, with exception of one measure, adopted as a condition of project approval. The Energy consumption mitigation measure should be adopted by the State of California Department of Water Resources as a condition of approval since it is not within the jurisdiction of Devil's Den-Castaic Lake Authority, Castaic Lake Water Agency or Devil's Den Water District. The U.S. Department of Agriculture Soil Conservation Service has already adopted procedures for the preparation of Soil and Water Conservation Plans. Following each measure presented below is a code to signify responsibility for implementing the measure. These codes are:

- (C)- Mitigation measure responsibility of Castaic Lake Water Agency or an agent thereof.
- (S)- Mitigation measure responsibility of State of California, Department of Water Resources.
- (U)- Mitigation measure partially the responsibility of the U.S. Department of Agriculture, Soil Conservation Service.

Mitigation measures are listed by topical area.

Water Resources and Facilities

1. Castaic Lake shall pay the State Water Project costs associated with any transferred contractual entitlement. (C)
2. Groundwater utilization within Devil's Den will continue to be conducted in accordance with sound agricultural groundwater pumping practices, and shall not exceed safe yield. (C)

Soil Resources

3. For Devil's Den lands which may be permanently retired from row crop production, Castaic Lake Water Agency will request that a Soil and Water Conservation Plan be developed in accordance with the adopted procedures of the U.S. Department of Agriculture, Soil Conservation Service (U.S. SCS) district offices in Kings and/or Kern Counties (depending on jurisdiction where the affected land may be located); and will implement or have implemented the recommendations of that plan, as appropriate. If required by the U.S. SCS, the plan will address revegetation of areas which may be affected by salt accumulations in the root zone of the

soil. (C, U)

4. To accelerate the return to a natural condition of Devil's Den lands which may be permanently retired from row crop production, such areas will be seeded by the Castaic Lake Water Agency or an agent thereof in accordance with the U.S. Department of Agriculture, Soil Conservation Service Field Office Technical Guide. (C, U)

Biological Resources

3. For Devil's Den lands which may be permanently retired from row crop production, Castaic Lake Water Agency will request that a Soil and Water Conservation Plan be developed in accordance with the adopted procedures of the U.S. Department of Agriculture, Soil Conservation Service (U.S. SCS) district offices in Kings and/or Kern Counties (depending on the jurisdiction where the affected land may be located); and will implement or have implemented the recommendations of that plan, as appropriate. If required by the U.S. SCS, the plan will address revegetation of areas which may be affected by salt accumulations in the root zone of the soil. (C, U)
4. To accelerate the return to a natural condition of Devil's Den lands which may be permanently retired from row crop production, such areas will be seeded by the Castaic Lake Water Agency or an agent thereof in accordance with the U.S. Department of Agriculture, Soil Conservation Service Field Office Technical Guide. (C, U)
5. If necessary to mitigate the intrusion of undesirable vegetation (weeds) into on-site areas, or to prevent the intrusion of such vegetation into adjacent farms, weeds will be hoed, or spot sprayed with the appropriate herbicides by Castaic Lake Water Agency or an agent thereof. (C)

Land Uses and Land Use Plans/Policies

3. For Devil's Den lands which may be permanently retired from row crop production, Castaic Lake Water Agency will request that a Soil and Water Conservation Plan be developed in accordance with the adopted procedures of the U.S. Department of Agriculture, Soil Conservation Service (U.S. SCS) district offices in Kings and/or Kern Counties (depending on the jurisdiction where the affected land may be located); and will implement or have implemented the recommendations of that plan, as appropriate. If required by the U.S. SCS, the plan will address revegetation of areas which may be affected by salt accumulations in the root zone of the

soil. (C, U)

4. To accelerate the return to a natural condition Devil's Den lands which may be permanently retired from row crop production, such areas will be seeded by the Castaic Lake Water Agency or an agent thereof in accordance with the U.S. Department of Agriculture Soil Conservation Service Field Office Technical Guide (C, U)
5. If necessary to mitigate the intrusion of undesirable vegetation (weeds) into on-site areas, or to prevent the intrusion of such vegetation into adjacent farms, weeds will be hoed, or spot sprayed with the appropriate herbicides by Castaic Lake Water Agency or an agent thereof. (C)
6. Upon the eventual reduction or elimination of the use of the State Water Project entitlement water in Devil's Den, Castaic Lake Water Agency or an agent thereof would cause to continue an appropriate level of less-water-demanding activity within study area. (C)

Socioeconomics

7. Farm operators leasing property within the Devil's Den study area will be advised by Castaic Lake Water Agency or an agent thereof of the possible phasing out of the row crop acreage over the next several years to provide employees adequate time to find alternative employment. (C)

Fire Protection

8. Fire breaks required around the perimeter of agricultural areas and structures in the study area will be maintained by Castaic Lake Water Agency or an agent thereof in accordance with fire departments having jurisdiction in Devil's Den. (C)

Energy Consumption

9. Planning for future expansions of the affected State Water Project pumping facilities and power plants should accommodate the possible need for additional power generation to convey the additional contractual entitlement water being pumped to Castaic Lake. (S)

ATTACHMENT D

SUMMARY OF ALTERNATIVES

NO PROJECT

The No Project alternative would result in Devil's Den's State Water Project contractual water entitlement not being transferred from Devil's Den to Castaic Lake. Under this alternative, it is assumed that the water entitlement would remain with Devil's Den.

If it were economical to continue irrigated row crop agriculture in the District, water usage might continue at or near existing levels, and no substantial changes to the existing agricultural activities would be expected. However, it is possible that production of such crops could not be continued at the same intensity. It is also possible that to improve the profitability of on-site agricultural operations, cultivation of existing crops could be reduced or phased out, and higher-cash-value crops, such as almonds or pistachios, could be introduced into the study area. However, to establish such crops would require the initial expenditure of substantial capital resources which may not be available to the farm operator(s) and, therefore, the establishment of higher-cash-value crops may not be economically viable.

If, under this alternative, it were to become uneconomical to continue row crop agriculture in Devil's Den, the environmental impacts associated with this alternative would be similar to those identified for the proposed project.

If cultivation of other higher-cash-value crops were initiated within the study area, the environmental effects would be expected to be similar to those resulting from the existing row crop agriculture operations.

Under the No Project alternative, it is assumed that Castaic Lake would not purchase the property within Devil's Den or the adjacent Producers Cotton Oil Company property; nor would the Agency be able to receive an amendment to its State Water Project contract to increase its contractual entitlement up by the amount of the Devil's Den contractual entitlement. Therefore, under this alternative, Castaic Lake would need to continue pursuing additional supplemental water from other potential sources. Environmental effects associated with Castaic Lake's obtaining additional supplemental water from such other sources would need to be evaluated at the time such proposals are formulated.

TRANSFER OF ALL OR PART OF THE DEVIL'S DEN WATER ENTITLEMENT TO ANOTHER AGENCY OR AGENCIES, OR A "BUYBACK" OF THE ENTITLEMENT BY THE DEPARTMENT OF WATER RESOURCES

These alternatives would be defined as (1) the same transactions

with Devil's Den and Producers Cotton Oil Company included in the proposed project described in Section 4.0, except that an agency or agencies other than Castaic Lake would be the recipient of the water supply entitlement, or (2) all or part of the subject entitlement would be "bought back" by the State of California Department of Water Resources to be utilized as determined by the State to "firm up" the existing contractual entitlements of the existing State Water Project contractors, or (3) some combination of (1) or (2) would be implemented.

These alternatives would be expected to result in the same environmental effects within the study area that are expected from the proposed project. In addition, if said hypothetical agency(ies) and/or State Water Project contractors were already receiving State Water Project Water entitlements through existing facilities, it is possible that the environmental effects outside the Devil's Den study area could be limited to any incremental increased usage of the State Water Project capacity, and any additional energy required to pump the additional entitlement to such hypothetical agency(ies) and/or State Water Project contractors. Such increase may or may not be significant. The indirect environmental effects associated with usage of the water entitlement within said agency's(ies) and/or State Water Project contractor's service area(s), e.g., impacts associated with urban development, could also be similar to those from the proposed project.

It is possible that the resulting environmental effects outside of the Devil's Den study area could be different than those expected from the proposed project. For example, it is possible that construction of additional water conveyance facilities might be required to convey the water entitlement to said other agency(ies) and/or State Water Project contractors. Also, if the Agency(ies) and/or State Water Project contractors receiving the subject water entitlement were to use it to support expanded agricultural activities, additional adverse environmental impacts could result in any natural areas which might be converted to intensive agricultural uses. However, benefits to the local and regional economy could also result if such agricultural activities were profitable.