



COUNTY of VENTURA

Civil Grand Jury

800 South Victoria Avenue
Ventura, CA 93009
Tel (805) 477-1600
Fax (805) 658-4523
grandjury.countyofventura.org

Response to 2024-2025 Ventura County Grand Jury Report Form (Please See California Penal Code Section 933.05)

Report Title: Water Rates for the City of Ventura and the Underground Dam in Foster Park

Responding Entity: Dr. Jeannette Sanchez-Palacios, Mayor, City of Ventura

FINDINGS

- I (we) agree with the Findings numbered: _____
- I (we) disagree wholly or partially with the Findings numbered: F-01, F-02, and F-03
(Attach a statement specifying any portions of the Findings that are disputed; include an explanation of the reasons.)

RECOMMENDATIONS

- Recommendations numbered _____ have been implemented.
(Attach a summary describing the implemented actions.)
- Recommendations numbered _____ have not yet been implemented but will be implemented in the future.
(Attach a summary indicating the timeframe for implementation.)
- Recommendations numbered _____ require further analysis.
(Attach an explanation to include: scope and parameters of the analysis or study and timeframe for the matter to be prepared for discussion with the agency or department head. The timeframe shall not exceed six months from the date of publication of the report.)
- Recommendations numbered R-01, R-02, and R-03 will not be implemented because they are not warranted or are not reasonable.
(Attach an explanation.)

Date: 07/29/2025

Signed:  Jeannette Sanchez-Palacios (Jul 29, 2025 11:55:00 PDT)

Title: Mayor, City of Ventura

Number of pages attached: 17



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Response to 2024-2025 Ventura County Grand Jury Report Form (Please See California Penal Code Section 933.05)

Report Title: Water Rates for the City of Ventura and the Underground Dam in Foster Park

Responding Entity: Gina Dorrington, City of Ventura General Manager for Ventura Water


FINDINGS

- I (we) agree with the Findings numbered: _____
- I (we) disagree wholly or partially with the Findings numbered: F-01, F-02, and F-03
(Attach a statement specifying any portions of the Findings that are disputed; include an explanation of the reasons.)

RECOMMENDATIONS

- Recommendations numbered _____ have been implemented.
(Attach a summary describing the implemented actions.)
- Recommendations numbered _____ have not yet been implemented but will be implemented in the future.
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- Recommendations numbered _____ require further analysis.
(Attach an explanation to include: scope and parameters of the analysis or study and timeframe for the matter to be prepared for discussion with the agency or department head. The timeframe shall not exceed six months from the date of publication of the report.)
- Recommendations numbered R-01, R-02, and R-03 will not be implemented because they are not warranted or are not reasonable.
(Attach an explanation.)

Date: 06/16/2025

Signed: 
Gina Dorrington (Jun 16, 2025 12:36 PDT)

Title: General Manager, Ventura Water, City of Ventura

Number of pages attached: 14

July 10, 2025

The Honorable Matthew P. Guasco, Presiding Judge
Superior Court of California
County of Ventura
800 S. Victoria Avenue
Ventura, CA 93003

Rec'd
AUG 01 2025

Ventura County Grand Jury
800 S. Victoria Avenue
Ventura, CA 93009

[transmitted by email to Foreperson Barbara Rush at barb.rush@ventura.org]

SUBJECT: City of Ventura response to the County of Ventura Civil Grand Jury Report regarding the Subsurface Dam at Foster Park

Dear Honorable Presiding Judge Guasco and the Ventura County Civil Grand Jury:

The County of Ventura Civil Grand Jury (Grand Jury) served the City of San Buenaventura (City of Ventura) a report titled "Water Rates for the City of Ventura and the Underground Dam in Foster Park," dated May 2, 2025. The Grand Jury invited responses from the General Manager of Ventura Water within 60 days, and from the Ventura City Council within 90 days. The City Council submits the enclosed letter from the Ventura Water General Manager, dated June 24, 2025 (Exhibit 1), as the City's official response.

While the City supports the values and service that the Grand Jury provides the community, City staff have noted some inaccuracies in the report and have prepared detailed responses in Attachment 1 to the Ventura Water General Manager's response letter.

Respectfully,


Jeannette Sanchez-Palacios (Jul 29, 2025 14:56:29 PDT)

Dr. Jeannette Sanchez-Palacios
Mayor and District 4 Councilmember
City of Ventura

Office: 805-654-7827
Email: jpalacios@cityofventura.ca.gov
Mailing: City of Ventura, 501 Poli Street, Ventura, CA 93001
Website: <https://www.cityofventura.ca.gov>

Enclosure: Exhibit 1 – Grand Jury Response Form for Gina Dorrington, General Manager of Ventura Water, City of Ventura (dated June 16, 2025), and Response Letter from Gina Dorrington, General Manager of Ventura Water, City of Ventura, to Presiding Judge Guasco and the Ventura County Civil Grand Jury (dated June 26, 2025)

Exhibit 1

Grand Jury Response Form for Gina Dorrington, General
Manager of Ventura Water, City of Ventura (dated June 16, 2025)

and

Response Letter from Gina Dorrington, General Manager of
Ventura Water, City of Ventura, to Presiding Judge Guasco and
the Ventura County Civil Grand Jury (dated June 26, 2025)

Trusted life source for generations



June 26, 2025

The Honorable Matthew P. Guasco, Presiding Judge
Superior Court of California
County of Ventura
800 S. Victoria Avenue
Ventura, CA 93003

Ventura County Grand Jury
800 S. Victoria Avenue
Ventura, CA 93009

[transmitted by email to Foreperson Barbara Rush at barb.rush@ventura.org]

SUBJECT: City of Ventura response to the County of Ventura Civil Grand Jury report titled, "Water Rates for the City of Ventura and the Underground Dam in Foster Park"

Dear Honorable Presiding Judge Guasco and the Ventura County Grand Jury:

On May 2, 2025, the County of Ventura Civil Grand Jury (Grand Jury) served the City of San Buenaventura (City or Ventura) a report titled "Water Rates for the City of Ventura and the Underground Dam in Foster Park." The Grand Jury conducted an investigation of the City of Ventura's water rates and the infrastructure components of the Ventura River water source in Foster Park. The Civil Grand Jury interviewed senior officials of the Ventura City Government. Additionally, they reviewed publicly available information, including newspaper articles, city-commissioned studies, and Ventura Water Commission agendas, minutes, and presentations. In the report, the Grand Jury hypothesizes that, based on a 1996 study, an un-finished underground dam across the Ventura River allows, on average, approximately 485 acre-feet per year (AFY) of water to pass and that completing the underground dam in Foster Park would add surface flow to the river, provide high quality, low-cost water to the City's supply, lower residential water rates, and improve fish habitats. However, as indicated in the items below, subsequent evaluation by the City's contracted Principal Hydrogeologist (Hopkins Groundwater Consultants Inc.) indicates that only one quarter to one half of the previously estimated amount of water most likely passes through the gap, and that an average of 200 AFY is a more appropriate estimate.

The Ventura River is an important water supply source for the City, and it is one of five supplies for which costs were integrated into the department's operations expenses within the previous Water Rate Study. However, there were larger factors that contributed to the final rates more significantly than the amount of available Ventura River water. These major factors included cost inflation, reduction in baseline water demand that remained low since the drought, and planned Capital Improvement Program (CIP) expenditures. Thus, increasing the amount of Ventura River water in the water supply mix by approximately 200 AFY, or 485 AFY, would not

appreciably reduce water rates. The following is a summary of the City's response to the findings and recommendations of the Grand Jury report. More detailed information in support of the responses is provided in Attachment 1.

Findings:

F-01. *The Civil Grand Jury finds that the incomplete underground dam in Foster Park has resulted in a 300-foot gap at the east end, allowing a significant amount of groundwater to flow through.*

City Response: The City disagrees partially with the Finding. While we agree with the Grand Jury that the unfinished dam has an approximately 300-foot gap at its eastern end, we disagree that it allows a significant amount of water to flow through such that closing the gap is warranted. The financial and technical efforts necessary to complete the dam decrease the significance of benefit that could be derived from capturing the amount of water that flows through the gap. Generally, the Grand Jury Report overrepresented the benefit of additional water supply from closing the gap.

The 1996 study that the Grand Jury relied on was a preliminary attempt by the City to estimate flow through the gap, and the study concluded that closing the gap was not warranted for the small potential increase in water supply. Based on subsequent studies in 2002 (Fugro West, Inc. 2002) and 2007 (Hopkins Groundwater Consultants, Inc. 2007), and on observed water production by existing City wells in the area, the City's contracted Principal Hydrogeologist, Hopkins Groundwater Consultants Inc., estimated that the amount of water flowing through the gap is closer to 200 AFY (C. Hopkins, personal communication, June 13 and 16, 2025). It is also important to note that most of the water that passes through this gap resurfaces in the Ventura River just downstream of the Casitas Vista Bridge. Additional information is provided in Attachment 1.

This amount of water would not offer significant habitat benefit, nor would the amount of water that could be captured for water supply be a significant amount due to maximum capacity of pumping facilities during wet hydrological conditions and reductions in flow during dry years.

F-02. *The Civil Grand Jury finds that the amount of water produced from the Ventura River for use in Ventura has decreased from one-third of the total demand before 2004 to only 10% in 2021, due to drought, flood damage to wells and water intake facilities, and litigation aimed at protecting fish habitat.*

City Response: The City disagrees partially with the Finding. While we agree with the Grand Jury that the City's use of the Ventura River has declined from 2004 to 2021, and that the Ventura River source comprised approximately 10 percent of the City's total water demand in 2021, we disagree with the reasons listed by the Grand Jury due to the incomplete explanation of the decline in Ventura River water use. As described in more detail in Attachment 1, factors resulting in decreased Ventura River water usage by the City over time include flooding damage to production facilities, a litigation Settlement Agreement, and, primarily, the 2012 to 2022 drought that naturally reduced the amount of available water in the Ventura River. In wet years, the City's Ventura River production with existing facilities can exceed 20 percent of total City water demand, such as in 2023 and 2024.

The City's Ventura River supplies are anticipated to be sufficiently utilized as a component of the City's water supply portfolio with future repair of the intake structure, continued maintenance of Nye wells 7, 8, and 11, and future use of wells 12 and 13. Generally, and as agreed to in litigation, Ventura River production is maximized under wet hydrological conditions when the ecological system is less stressed, and production is reduced under dry conditions when the ecological system is more stressed. The City expects and plans for this variability in the Ventura River water supply, and the City will continue to improve its balance of

Ventura River water use for human consumption with water for ecological needs, as responsibly as possible.

F-03. *The Civil Grand Jury finds that the consultant for the 2021 Water Rate Study assigned all available water from the Ventura River to the rate calculation, resulting in the lowest possible water rate. Since dam construction will not be completed for some time and the rate study is currently underway, the improved river water production expected from the completion of the dam, which could benefit the water rate, will not be reflected in the ongoing rate study process.*

City Response: The City disagrees partially with the Finding. While it is true that the 2021 Water Rate Study assigned a portion of the projected Ventura River supplies to the residential water rate, there are many other variables that go into determining the residential water rate. Furthermore, the Water Rate Study uses past production of Ventura River supplies to estimate the available water supply in each of the five years of the rate study. Ventura River supplies are highly variable and depend upon rainfall, the condition of the extraction facilities, and legal and regulatory requirements. The 2021 Water Rate Study assumed Ventura River production to be 1,600 AFY in most years. The actual average production from 2021 to 2025 is estimated to be 2,044 AFY, ranging from 1,136 AFY to 3,281 AFY. In order for any increased production of Ventura River water related to completing the dam (or any other project) to influence the residential water rate, the dam would need to be completed and result in sustained increased production for at least five years. It is not clear that even if the dam completion resulted in an increase of 200 AFY, or the Grand Jury's value of 485 AFY, that it would result in a lower residential water rate because of the other factors that influence the water rate. Further explanation of the City's rate setting process is provided below in Attachment 1.

Recommendations:

R-01. *The Civil Grand Jury recommends that the City of Ventura conduct a feasibility study to complete the final 300 feet of the underground dam in Foster Park by December 31, 2025.*

City Response: The City will not implement this recommendation due to the recommendation having an unreasonable deadline and due to the recommendation not being warranted. The Grand Jury's deadline of December 31, 2025, is not feasible considering the length of time it would take to contract such a study and complete it, and such a feasibility study was not included in the budget cycle.

The Grand Jury asserted that closing the gap would be less expensive than the 1996 cost estimate with the use of modern jet grouting, and that closing the gap would cost approximately \$100,000 (in 2013 dollars). However, that method is not appropriate for the Foster Park area's geology, and, considering inflation since the 1990s, the cost to close the gap would be higher, not lower, than the 1996 study estimated. After contacting several drilling contractors familiar with the substrate in the Foster Park area, the City estimates that it would cost at least \$1,600,000 to close the gap in the dam. Additional details on the drilling effort and cost estimate are provided in Attachment 1.

The City is currently working on other water supply projects that have been approved and adopted in its Capital Improvement Program and does not have the capacity or funding to conduct the recommended feasibility study.

R-02. *The Civil Grand Jury recommends that the City of Ventura complete construction of the underground dam in Foster Park, if it is determined to be feasible, by December 31, 2026.*

City Response: The City will not implement this recommendation because it is not reasonable and because it is not warranted. The Grand Jury's deadline of December 31, 2026, is not reasonable or feasible considering the length of time it would take to design, permit and construct a project like this in a sensitive river habitat that is under the jurisdiction of

multiple State and Federal agencies. This project was not included in the budget cycle and would result in an increase in rates to complete.

The City's overall objective for its Ventura River facilities is to relocate as much of its infrastructure outside of the banks of the Ventura River as possible, to prevent recurring large-scale damage from periodic flood events. Projects currently in various stages of design that would reduce future flood damage to existing City facilities include the Nye wells 7/8 pipeline reroute and the subsurface intake repair with potential intake structure relocation. Additionally, wells 12 and 13 will be transferred from the County to the City for activation prior to sedimentation impacts from Matilija Dam removal, with the wells to be used at high river flows.

Additionally, as described in Response R-01, considering a more accurate cost estimate for the project of at least \$1,600,000 and the minimal benefit to water supply of approximately 200 AFY, the City does not believe that completing the gap in the dam is warranted. The City's staff efforts and water funds are better spent repairing and improving its existing Ventura River facilities than closing the gap in the subsurface dam.

R-03. *The Civil Grand Jury recommends that the City of Ventura repair the flood-damaged wells and water intake facilities in Foster Park by December 31, 2025.*

City Response: The City will not implement this recommendation because it is not reasonable and because it is not warranted. This recommendation is not reasonable because its language is vague, and the Grand Jury did not define which "flood-damaged wells and water intake facilities in Foster Park" it is referring to.

As described in further detail in Attachment 1 below, during the 2005 flood events, Nye Well 1A was fully destroyed and Nye Well 2 was damaged. The City chose not to pursue repair of Nye Well 2 due to its location within the active banks of the Ventura River and its extremely high risk of serious damage by future flooding. If these are the facilities the Grand Jury was referring to, the City will not be reinstalling or repairing them.

The City is working on projects to protect the water pumped by the Nye 7 and Nye 8 wells and relocate and repair the subsurface intake structure. The City is currently designing the relocation of the Nye wells 7/8 transmission pipeline outside of the Ventura River active channel to prevent repeated and future flood damage. The City is also currently designing repair of the subsurface intake, including potential relocation of the intake structure outside of the active regulatory floodway to minimize future flood damage. The City must comply with environmental regulations and secure permits, and the City is pursuing grant funding options. While preliminary designs of these projects are underway, it is unreasonable to impose a deadline of completion for both projects by December 31, 2025.

As also explained in Attachment 1 below, the City balances lower production from the Ventura River in dry years, when the ecological system is hydrologically stressed, with higher production in wet years when the ecological system is not hydrologically stressed. In dry years, Ventura River production may be as low as 10 percent of total City demand, and may reduce further as climate change worsens drought severity. In wet years, river production currently exceeds 20 percent of total City demand, and production could grow higher in wet years with the activation of wells 12 and 13 as mitigation for Matilija Dam removal sedimentation that may occur. The City expects and plans for this variability in the Ventura River water supply.

The City is diversifying its water portfolio with the State Water Interconnection Project to bring in outside supplies and with the VenturaWaterPure Program to provide a drought-proof supply. Thus, additional repairs beyond the already planned Ventura River facilities repairs and improvements, and beyond the ongoing water supply projects, are not currently warranted.



While the City supports the values and service that the Grand Jury provides the community, City staff have noted some inaccuracies in the report and have prepared the enclosed detailed responses in Attachment 1 below.

Respectfully,

A handwritten signature in black ink, appearing to read "Gina Dorrington".

[Gina Dorrington \(Jun 23, 2025 09:32 PDT\)](#)

Gina Dorrington
General Manager, Ventura Water
City of Ventura

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Mailing: City of Ventura, 501 Poli Street, Ventura, CA 93001

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Attachment 1. City of Ventura's Detailed Information in Support of the Response to the Civil Grand Jury Report titled, *Water Rates for the City of Ventura and the Underground Dam in Foster Park*

The Ventura River is an important water supply source for the City, and it is one of five supplies for which costs were integrated into the department's operations expenses within the previous Rate Study. However, there were larger factors that contributed to the final rates more significantly than the amount of available Ventura River water. These major factors included cost inflation, reduction in baseline water demand that remained low since the drought, and planned CIP expenditures. Thus, increasing the amount of Ventura River water in the overall water supply mix by any amount that could be captured by adding the additional 300 feet of subsurface dam would not appreciably reduce water rates.

More information on these considerations is provided below.

Additional Information in Support of Response to Finding F-01:

Feasibility of Closing the Gap in the Underground Dam and a More Realistic Cost Estimate

A 1996 study conducted for the City by Fugro West, Inc. was cited by the Grand Jury as estimating the cost of closing the gap in the dam using a grout curtain at \$1,000,000 (1996 cost). The Grand Jury underestimated the cost to complete the gap in the subsurface dam at \$100,000 (in 2013 dollars) using what they referred to as "Modern techniques for creating underground grout curtains, such as jet grouting, utilizing smaller and more widely spaced drill holes, and high-pressure grout injection with air. This method works very well in porous materials like riverbed sand and gravel, producing wide columns." The citation provided by the Grand Jury in Attachment 07 for their cost estimate was <https://www.geoengineer.org/education/web-class-projects/cee-549-geoenvironmental-%20%20%20engineering-winter-2013/assignments/impermeable-barriers>, a webpage created for a University of Michigan graduate engineering course web class project¹, and the cost estimate provided on the webpage of \$15 to \$30 per vertical square foot was cited "as presented by Pearlman 1999". This does not represent a modern cost estimate. This information did not come from a vetted study conducted by an engineering firm on the City's actual infrastructure, such as the Fugro West (1996) Study, and the cost estimate is based on a 1999 value, thus, the City does not consider the Grand Jury's cost estimate based on this webpage to be accurate or representative of a modern technique that would be cost effective.

After reviewing the Grand Jury's proposed jet grouting technique, it is clear that the application of this method of grout injection would not be feasible in the Ventura River alluvial aquifer materials. While jet grouting can be applied in fine grained unconsolidated soils, that method could not possibly be used with the cobbles and boulders that are present in Foster Park. Figure 1 provides an example of typical alluvium composition in the vicinity of Foster Park. The City's research indicates that jet grouting is not a suitable method to fill the gap in the subsurface dam considering the type of alluvium present.

¹ The "Vertical Impermeable Barriers (Cutoff Walls) webpage project was created by engineering students Margarita Otero and David Quintal in 2013. More information is available online at: <https://www.geoengineer.org/education/web-class-projects/cee-549-geoenvironmental-engineering-winter-2013>.



Figure 1. Typical examples of large cobbles and boulder substrates in the Ventura River and at the exposed portion of the subsurface dam, which are not appropriate materials for jet grouting.

Based on the City's previous experience of drilling wells in the Foster Park area, drilling costs in this region are relatively high due to the difficulty in drilling through a high frequency of large cobble and boulders. The original 1996 study's cost estimate for a grout barrier indicated 6-foot centers for the injection holes and up to 3 rows of injection holes to seal the gap area. If 6-foot centers are required, the estimated cost to drill one row of 50 holes across the 300-foot gap is approximately \$500,000. Additional costs to pressure grout would need to be figured based on the number of holes required. This is not a \$100,000 effort, but closer to a \$1,000,000 effort for construction alone. The City typically estimates additional overall appropriations (e.g., costs of project design, permitting, City labor and soft costs, project delivery, and contingency, etc.) as 60 percent of construction cost at a project's conceptual phase, considering the environmental sensitivity of the area, bringing the total project cost estimate to approximately at least \$1,600,000. The subsurface dam was originally constructed in the early 1900s, prior to modern State and Federal environmental regulations; completing the dam would involve extensive permitting and associated mitigation requirements.

The cost of completing the gap in the subsurface dam would not justify the minor potential ecological or water supply benefits, and which are discussed further below.

Minimal Potential Water Supply or Fish Habitat Benefits, But Not Both

In relatively wet years, groundwater levels at Foster Park are naturally high and the City's existing extraction facilities extract at or near maximum capacity; any additional sub-surface water at Foster Park would not be beneficial to supplies in wet years unless additional extraction facilities are built. In the future in wet, high groundwater conditions, when the subsurface intake is repaired and wells 12 and 13 are active, the City will be able to increase production when river flow exceeds 15 cfs, and closing the dam would not provide additional benefit when facilities are at maximum production capacity.

The 1996 study used hydraulic conductivities that were estimated from the existing City wells production data at the time, and that are now believed to overstate the hydraulic conductivity of the river sediments in the area of the gap. In 2002, the City conducted a hydrogeological study to identify potential future well sites on both sides of the river. Based on the findings of that study, a subsequent 2007 study, and the production provided by Nye Well 11, we now know that hydraulic conductivity is significantly less than half (perhaps only one quarter) of the values used

in the preliminary flow model in the 1996 study. This indicates that the estimated amount of water flowing through the gap is likely much less than the 485 AFY average originally estimated, and perhaps closer to 200 AFY on average.

Subsequent construction of Nye Wells 12 and 13 and future activation of them will put the gap in the dam within the cone of depression of the wells; thus, Nye Wells 12 and 13 will provide the benefit of capturing subsurface flow that could otherwise flow into the gap area of the aquifer. This will further reduce the amount of water that could otherwise flow around the subsurface dam.

Less than 485 AFY would be available in relatively dry years, when groundwater levels are naturally low. And, if only 200 AF (based on the 2002 and 2007 hydrogeological studies and Nye Well 11 production) of additional water could be extracted in a dry year, that would constitute only one percent of the City's 2021 water consumption (14,562 AF).

Assuming a more realistic estimate of 200 AFY, or the original estimate of 485 AFY, of water passes through the gap in the dam on average, and assuming there was a one-to-one relationship between blocked subsurface flow and increased surface streamflow, only 0.3 to 0.7 cubic feet per second (cfs) of streamflow would be gained, on average. (One cfs is equivalent to 724 AFY.) However, because there is not a one-to-one relationship between blocked subsurface flow and increased stream flow, and because the 200 AFY and 485 AFY values are estimated averages, less than that amount of water likely passes the gap in dry years. Thus, far less streamflow than 0.3 to 0.7 cfs would be gained in dry years when it is most important to aquatic habitats. If the gap were to be closed, a one-to-one relationship between blocked subsurface flow and new surface flow would not be realistic because there would still be underflow through the alluvium where the dam remains buried, which would reduce the amount of surface flow that would occur. Approximately only 100 feet of the entire 973-foot-long subsurface dam are currently exposed, with the remaining approximately 870 feet covered by various depths of alluvium through which subsurface water flows.

Approximately one-quarter to one-half mile downstream of Foster Park, the coarse river bottom substrate changes to bedrock, and subsurface water is naturally forced to the surface. The Grand Jury is incorrect in that the water passing through the dam is "lost"; it is still within the river system and a portion of it continues moving toward the ocean through narrow subsurface alluvium, but most becomes surface flow at the bedrock section. Assuming that closing the gap in the dam would cause an additional 200 AFY on average to spill over the exposed portion of the dam as surface flow, using a one-to-one subsurface to surface flow relationship, the additional approximately 0.3 cfs annual average of streamflow would only benefit a short river section before reaching the bedrock section downstream of Foster Park (approximately 1,300 feet). However, as explained above, due to subsurface flow through alluvium above the crest of the dam, there would not be a one-to-one relationship and even less surface flow would occur. Fractions of a cfs of additional streamflow in this short reach downstream of Foster Park are not ecologically meaningful.

The Grand Jury inaccurately concluded that filling the gap in the dam would provide additional water supply and additional habitat for fish. However, if the City were to remove the additional water from the river with our extraction wells, that water would not contribute to surface flow, thereby not improving habitat for fish.

Additional Information in Support of Response to Finding F-02:

As described in response to Finding F-02 above, while we agree with the Grand Jury that the City's use of the Ventura River has declined from 2004 to 2021, and comprised approximately 10 percent of the City's total water demand in 2021, we disagree with the reasons listed by the Grand Jury because they are an incomplete explanation of the decline in Ventura River water use. Factors resulting in decreased Ventura River water usage by the City over time include flooding damage to production facilities, a litigation settlement agreement, and, primarily, the 2012 to 2022 drought that naturally reduced the amount of available water in the Ventura River. In wet years, the City's Ventura River production with existing facilities can exceed 20 percent of total City water demand.

The City's Ventura River supplies are anticipated to be sufficiently utilized as a component of the planned City's water supply portfolio, and as needed to fulfil projected demands, with future repair of the intake structure, continued maintenance of Nye Wells 7, 8, and 11, and future use of Nye Wells 12 and 13 at river flows that exceed 15 cfs. The City does not need to complete the gap in the subsurface dam for minimal water supply benefit. Generally, and as agreed to in litigation, Ventura River production is maximized under wet hydrological conditions when the ecological system is less stressed, and production is reduced under dry conditions when the ecological system is more stressed. The City expects and plans for this variability in the Ventura River water supply, and the City will continue to improve its balance of Ventura River water use for human consumption with water for ecological needs, as responsibly as possible.

Facilities Damaged by Flooding, Replacement Facilities, and Planned Improvements

The City's wells Nye 7, Nye 8, Nye 11, and the subsurface intake were all functional during 2021. Previously, during the 2005 flood events, wells Nye 1A and Nye 2 were destroyed and damaged due to their location within the active floodway of the Ventura River. Nye Well 1A's production equipment was fully destroyed and removed by the flood event, and the well could not be relocated under the rearranged bedload of the Ventura River. Nye Well 2 was damaged, and the City chose to not pursue its repair due to its location within the active banks of the Ventura River and extremely high risk of serious damage in future flood events. Nye 7 and Nye 8 have also been periodically damaged by flooding (e.g., in 2005 and 2023), but they are located outside of the active riverbanks and do not receive as much damage as the wells formerly located within the banks, thus they are relatively easier to repair and maintain.

As a replacement for the lost wells, the City subsequently constructed Nye 11 outside the eastern riverbank. Since the loss of Nye wells 1A and 2, the County also drilled mitigation wells 12 and 13 outside of the eastern bank within Foster Park that will be transferred to the City for activation prior to sedimentation impacts from Matilija Dam removal. When completed, wells 12 and 13 can be operated at river flows over 15 cfs (as measured at the USGS gage 111185000), as specified in a 2007 Biological Opinion from National Marine Fisheries Service.

The City is actively seeking to improve the security and reliability of its existing Ventura River production facilities. Staff are currently designing relocation of the raw water transmission pipeline from Nye wells 7 and 8, which as been damaged multiple times by flooding, to reroute the pipeline from within the Ventura River's bed. The City is also evaluating repair options for the subsurface intake, including potential relocation of the intake structure outside of the active riverbanks to minimize future flooding damage.

Drought Impacts on Ventura River Supplies

Though City facilities were previously damaged by flood events, in 2021 production from the City's Foster Park facilities was relatively low primarily due to long-term drought (that lasted from 2012 through 2016 and 2018 through 2022). In 2021, rainfall was the lowest ever recorded for downtown Ventura at only 3.45 inches (VCWPD 2025). The Upper Ventura River Groundwater Basin is a steep, shallow basin, and its storage naturally gravity-drains out to the Lower Ventura River Groundwater Basin and the lower Ventura River during droughts, causing a significant decrease in basin groundwater levels and decrease in Ventura River baseflow in the lower part of the Basin (UVRGA 2022). Groundwater levels in the Foster Park area declined substantially due to the long-term drought, and production at the City's facilities was naturally low in 2021 due to the lowered groundwater levels compared to production in a more moderate rainfall year, like 2004 or wet years like 2023 and 2024 that had higher groundwater levels.

The Grand Jury report focused on low Ventura River production in 2021, which was the driest year on record, and when Ventura River water comprised approximately 10 percent of the City's total demand. However, the City's production from Ventura River supplies can be much higher and a larger percentage of the total annual demand, particularly in wet years, when it can exceed 20 percent of total demand. For example, in 2023 and 2024 well above normal rainfall occurred, with multiple flood events in the Ventura River. Despite the subsurface intake structure being out of operation in those years and short-term outages occurring at the Nye Wells due to flood damage, the City's production from the Ventura River was 2,939 AF in 2023 and was 3,181 AF in 2024, which constituted 23 percent and 24 percent of each year's total City water consumption, respectively.

Settlement Agreement Impact on Ventura River Supplies

To summarize the litigation, the case is a comprehensive adjudication involving the Ventura River Watershed (Watershed). In 2014, the case was originally filed by Plaintiff and Petitioner Santa Barbara Channelkeeper (Channelkeeper) against the State Water Resources Control Board (State Board) and the City of Ventura. Ventura subsequently filed and served a Cross-Complaint against certain named surface or groundwater users in the Watershed, as well as all property owners in the four groundwater basins that are located, at least in part, within the Watershed, then the State Board and the California Department of Fish & Wildlife (CDFW) intervened in the Cross-Complaint. In 2019, Ventura and Santa Barbara Channelkeeper entered into a settlement agreement on the original complaint, which generally requires Ventura to cease water production at its Ventura River facilities when the flow in the river at Foster Park declines below certain thresholds to protect Southern California steelhead, a Federal- and State-endangered species; the settlement agreement was amended in 2020.

In 2021, low Ventura River water production highlighted by the Grand Jury was in part due to implementation of the City's settlement agreement with Santa Barbara Channelkeeper, which resulted in the City shutting off its production facilities approximately three quarters of the way through the year. The City's facilities were fully shut off in accordance with the settlement agreement for the first time in 2021, when Ventura River surface flow declined beneath the agreed upon shut off thresholds in August and remained off through November. The City fully shut down its facilities again during the drought in accordance with the settlement agreement in August to December 2022.

Additional Information in Support of Response to Finding F-03:

As described in the response to Finding F-03, the 2021 Water Rate Study's lowest possible water rate was not a result of all available water from the Ventura River being assigned to the

residential rate calculation, but a large portion being assigned. The rate determination was the result of a more complicated rate determination process than described by the Grand Jury, with rate increases primarily driven by cost inflation, reduction in baseline water demand, and planned Capital Improvement Project (CIP) expenditures. Increasing the Ventura River water supply by approximately 200 AFY or even 485 AFY, on average, would not appreciably lower water rates.

Water Rate Setting Process

The amount of available water from the Ventura River was not a major controlling factor on the study's developed rates. As described in the previous Rate Study, the rate study process included but was not limited to: (1) a Financial Plan that developed cash flow projections for the Water and Wastewater Enterprise to determine the amount of revenue required from water and wastewater rates; (2) a Cost of Service Analysis that allocated costs to system components and then to various customer classes based on user characteristics; and (3) the Rate Design step that developed rates that generate sufficient revenues based on the results of the financial plan and cost of service analyses. As described in the Rate Study, the lowest possible rates were developed by balancing all water and wastewater operations and maintenance expenses, debt service payments, and capital expenditures while adequately funding reserves and achieving debt coverage requirements.

The Ventura River is an important water supply source for the City, and it is one of five supplies for which costs were integrated into the department's operations expenses within the previous Rate Study. In the 2021 Rate Study, Ventura River water was allocated to all classes of water users proportionally (see Table 4-55 of the Rate Study). In addition to water supply, peaking and conservation components also affect residential rate tiers (see Tables 4-56, 4-60, and 4-62 of the Rate Study, respectively). As a "what-if" analysis, assuming less water would be purchased from Casitas Municipal Water District if the City's Ventura River supply increased, and assuming a Casitas rate of \$917/AF, then 200 AF would save \$183,400. The total revenue requirement in the study was \$29.75M in FY 2020-21, of which \$183,400 would be 0.6 percent.

There were larger factors that contributed to the final rates more significantly than the amount of available Ventura River water. These major factors included cost inflation, reduction in baseline water demand that remained low since the drought, and planned CIP expenditures. Therefore, increasing the amount of Ventura River water in the water supply mix by approximately 200 AFY or even 485 AFY, on average, would not appreciably reduce residential water rates.

Additional erroneous statements in the Grand Jury Report: Ventura Water Staff and consultants, consisting of certified Hydrogeologist Engineers, Biologists, Water Engineers, Water Resource Specialists, and Rate specialists have further provided the following information for consideration:

At page 2 of the Grand Jury Report: *"The cross-section of the river canyon at the underground dam revealed that the bedrock extended only to a depth of 50 feet, instead of the projected 150 feet when construction of the dam halted in the early 1900s. This indicates that completing the dam will be easier than anticipated back in 1907. (Ref-03, Att-06)"*

City Response: The 1996 Fugro study provided the cross section referred to by the Grand Jury that found the bedrock extended to a depth of approximately 50 feet. The same study

evaluated completing the dam as of 1996, not as of 1907, and concluded completing the dam was not warranted even considering the reduced depth to bedrock relative to the estimate made in 1907.

At page 3 of the Grand Jury Report: *“A grant-funded fish passage notch was built into the top of the dam to facilitate fish movement.”*

City Response: The notch project that was completed in 2022 was not grant funded. Another planned fish passage project in Foster Park is grant funded, and potential solutions are currently being evaluated in preliminary design.

At page 3 of the Grand Jury Report: *“Following the 2023 flooding of the Ventura River, the riverbed’s elevation in the Upper Ventura River increased by about four feet, due to sediments washed down from the Thomas Fire burn scar. In contrast, the riverbed elevation in the Lower Ventura River decreased by about two feet. Over time, sediment from the upper river will wash down and re-cover the underground dam in Foster Park, restoring unrestricted fish passage. Litigation against the City of Ventura to protect fish habitat led to an agreement to turn off pumps in Foster Park when surface flows in the river drop to a specified level. Completing the underground dam and directing groundwater currently flowing around the dam to the surface will enhance fish habitat. (Ref-04, Att-08)”*

City Response: Reference 04 is a blog post on www.venturariver.net that summarizes results of a Technical Memorandum on Post-Flood Numerical Model Update and Review generated for the Upper Ventura River Groundwater Sustainability Agency. The Grand Jury erroneously reported that following the 2023 flooding, the Upper Ventura River riverbed increased by about four feet and that the lower Ventura River riverbed decreased by about two feet. The Technical Memorandum does not make those numerical conclusions, and it instead reports quantitative changes in riverbed elevation and a more granular river reach scale.

Generally, the report did find that, *“The changes in the channel characteristics generally depended on the location within the basin. The upstream areas were found to more likely increase in streambed elevations in response to sediment deposition and the downstream areas were more likely to observe decreases in streambed elevation in response to scour.”* The Foster Park area is within the study’s “Casitas Springs hydrogeologic area”, which was characterized as not changing on average in riverbed elevation due to the flooding: “While some portions of the updated channel network are up to four feet lower or higher than the original channel network, the average elevation of the updated channel is the same as the original channel.” (INTERA, Inc. and Bondy Groundwater Consulting, Inc. 2024).

Attachment 08 is a chart of City water usage by supply source from 2000 through 2021. The chart shows the amount of water used by source each year; it does not provide information as to why there is annual variation. This chart does not support the Grand Jury’s conclusion that completing the dam would enhance fish habitat.

At page 3 of the Grand Jury Report: *“Water rates are determined by a weighted average of various sources and costs of water supplies. The least expensive and highest quality source is the Ventura River. When the available flows from the Ventura River are insufficient to meet demand, the city contracts water from the Casitas Municipal Water District, which incurs a higher cost. Groundwater basins are the most expensive water source and are used to satisfy the remaining water demand. (Ref-03)”*

City Response: The Grand Jury oversimplified the process of water rate development. As described in response to F-03, water rates are determined by more factors than just a weighted average of various sources and costs of water supplies. Most notably, major cost factors are cost inflation, reduction in baseline water demand that remained low since the drought, and planned Capital Improvement Program (CIP) expenditures. Then the City updates

its financial plan, conducts a cost-of-service study to estimate costs versus allocation of costs amongst different rate payers. The City determines the lowest possible rates by balancing all water and wastewater operations and maintenance expenses, debt service payments, and capital expenditures while adequately funding reserves and achieving debt coverage requirements.

The Grand Jury statement is erroneous that the groundwater basins are the most expensive water source. Water purchased from Casitas Municipal Water District is currently the City's most expensive source, and the City has a minimum annual purchase agreement with Casitas as well as a limitation that purchased water must be used within the Casitas service area.

The Grand Jury's characterization of the prioritization of water sources to satisfy demand is erroneous and oversimplified. The City's potable water supply is derived from local groundwater basins, Lake Casitas and subsurface water from the Ventura River. The amount of water produced from a given source each year is a factor of water demands, water supply costs, water quality, infrastructure condition, and allocation/water rights. Operations are guided by production goals developed at the beginning of the year based on current conditions, but actual production is responsive to changing conditions throughout the year.

The City generally operates its water supply system by utilizing a conjunctive use operating procedure. The City prioritizes the use of surface water sources (such as the Ventura River and Lake Casitas) during wet years to the extent feasible and in consideration of variables such as cost, water quality, and allocation/water rights. During dry years, when the surface water sources are reduced, the City relies more heavily on groundwater sources to meet demands. Prioritizing each water supply is a balancing act since the water source with the best water quality may also be the most expensive or the groundwater source with highest allocation may have a well out of service (City of Ventura 2025).

Additionally, the City is half-way done with an East-to-West Interconnection project that will better allow the movement of groundwater from sources on the east side of the City to the zone currently only supplied by the Ventura River and water from Casitas Municipal Water District. This improved operational flexibility allows that City to better balance the use of its various supply sources as needed.

References:

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- Upper Ventura River Groundwater Agency. 2022. Upper Ventura River Valley Basin Groundwater Sustainability Plan. January. Available online: <https://sgma.water.ca.gov/portal/gsp/preview/77>.
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