

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO.1  
FEBRUARY 20, 2024 REGULAR MEETING MINUTES**

A Regular Meeting of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, was held at 3:00 p.m. on Tuesday, February 20, 2024, in-person at 1070 Faraday Street.

Trustees Present:           Michael Burchardi  
                                  Jeff Clay  
                                  Brad Joos  
                                  Mark Moniot  
                                  Nick Urton

Trustees Absent:           None

Others Present:           Paeter Garcia           Mary Robel  
                                  Karen King             Dan Drugan  
                                  Gary Kvistad

**1. CALL TO ORDER AND ROLL CALL:**

President Clay called the meeting to order at 3:00 p.m., he stated that this was a Regular Meeting of the Board of Trustees. Ms. Robel conducted roll call and reported that all Trustees were present.

Ms. Robel announced that Trustee Moniot was sworn in as a new Board member prior to today's Board meeting.

**2. PLEDGE OF ALLEGIANCE:**

President Clay led the Pledge of Allegiance.

**3. REPORT BY THE SECRETARY TO THE BOARD REGARDING COMPLIANCE WITH THE REQUIREMENTS FOR POSTING OF THE NOTICE AND AGENDA:**

Ms. Robel reported that the Agenda for this meeting was posted in accordance with the California Government Code commencing at Section 54953, as well as District Resolution No. 340.

**4. ADDITIONS OR CORRECTIONS, IF ANY, TO THE AGENDA:**

There were no additions or corrections to the Agenda.

**5. PUBLIC COMMENT:**

President Clay welcomed any members of the public and offered time for members of the public to speak and address the Board on matters not on the Agenda. There was no public comment. Mr. Garcia reported that no written comments were submitted to the District for the meeting.

**6. CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF JANUARY 16, 2024**

The Regular Meeting Minutes from January 16, 2024 were presented for consideration.

President Clay asked if there were any changes or additions to the Regular Meeting Minutes of January 16, 2024. There were no changes or additions requested.

It was **MOVED** by Trustee Joos, seconded by Trustee Burchardi, and carried by a 4-0-1 voice vote, with Trustee Moniot abstaining, to approve the January 16, 2024 Regular meeting minutes as presented.

7. **CONSENT AGENDA:**

The Consent Agenda Report was provided in the Board Packet.

Mr. Garcia reviewed the Consent Agenda materials for the month of January.

It was **MOVED** by Trustee Joos, seconded by Trustee Urton, and carried by a 5-0-0 voice vote, to approve the Consent Agenda as presented.

8. **MANAGER REPORTS - STATUS, DISCUSSION, AND POSSIBLE BOARD ACTION ON THE FOLLOWING SUBJECTS:**

**A. DISTRICT ADMINISTRATION**

1. Financial Report on Administrative Matters

a) Presentation of Monthly Financial Statements – Revenues and Expenses

Ms. Robel announced that the Financial Statements were provided to the Board via email earlier today and were included in the handout materials and posted on the District’s website in the Board packet materials section for any member of the public wishing to follow along or receive a copy.

Ms. Robel reviewed the Statement of Revenues and Expenses for the month of January. She highlighted various line-items related to revenue and expense transactions that occurred during the month and referred to the Fiscal-Year-to-Date Statement of Revenues and Expenses that provides a budget to actual snapshot for the month of January. Ms. Robel reported that the District revenues for the month of January exceeded the expenses by \$45,746.72 and the year-to-date net income was \$1,851,829.27.

b) Approval of Accounts Payable

Ms. Robel announced that the Warrant List was provided to the Board via email earlier today and included in the handout materials and posted on the District’s website in the Board packet materials section for any member of the public wishing to follow along or receive a copy.

The Board reviewed the Warrant List which covered warrants 25670 through 25733 in the amount of \$981,650.69.

It was **MOVED** by Trustee Burchardi, seconded by Trustee Urton, and carried by a 5-0-0 voice vote, to approve the Warrant List for January 17, 2024 through February 20, 2024.

c) Quarterly Balance Sheet Inclusive of Reserve Accounts

The Board packet included the Quarterly Balance Sheet inclusive of the Reserve Accounts as of December 31, 2023.

Ms. Robel presented the December 31, 2023 Quarterly Balance Sheet and Reserve Balance summaries. She explained the detail within each line-item, the allocation of reserves, reserve fund activity during the quarter, the bottom-line net position, and the District’s reserve balances. Ms. Robel reported that the District’s assets and liabilities balance at \$49,761,003.42 and that the total Board-restricted reserve balance was \$17,004,690.79 on December 31, 2023.

Ms. Robel stated that in December the Board approved and accepted the FY 2023/2022 Financial Statements which resulted in surplus revenues in the amount of \$2,672,084.

She explained that management has reviewed the District's unrestricted fund balance as of December 31, 2023 and recommends that the Board consider splitting the surplus balance equally and transferring \$1,336,042 to both the Repair and Replace and the Plant Expansion Board-reserved funds respectively.

After a brief discussion, it was **MOVED** by Trustee Urton, seconded by Trustee Clay, and carried by a 5-0-0 voice vote, to authorize the transfer of \$2,672,084 of unrestricted cash to be split equally at \$1,336,042 and added to the Repair and Replace and Plant Expansion Board-restricted reserve accounts.

2. Personnel Recruitment Update

Mr. Garcia reported that staff continues to work with Regional Governmental Services (RGS) in the recruitment process for the District's vacant positions. He explained that RGS has completed the minimum qualification screening interviews for the Water Resources Specialist I/II position, and that the first round of in-person District interviews for the position are currently being scheduled for the last week of February. Mr. Garcia also reported that recruitment for the Administrative & Financial Manager position was opened on January 11<sup>th</sup> and closed February 2, 2024. He indicated that RGS has completed the pre-screening interviews, and the next step is for the District to schedule and conduct in-person interviews as soon as possible.

**B. OPERATIONS UPDATE**

Mr. Garcia reported that the budget-approved multi-year Motor Control Center (MCC) capital improvement project is nearing completion. He provided an overview of the MCC project work to upgrade the electrical panels and related facilities at nine of the District's well and booster pump facilities. Mr. Dan Drugan, Water Resources Manager, explained the extraordinary levels of work and coordination that have been required among District personnel, Smith Mechanical and Electricraft as the District's contractors, and PG&E on different components of the project. Mr. Drugan also expressed his appreciation and compliments to the District's field crew for their coordination and operation of the water distribution system during times when various components of the system were required to be shut down during MCC construction at each site.

**9. REPORT, DISCUSSION, AND POSSIBLE BOARD ACTION ON THE FOLLOWING SUBJECTS:**

**A. SUSTAINABLE GROUNDWATER MANAGEMENT ACT**

1. Eastern Management Area (EMA) Update

The Board packet included notice of the February 22, 2024 EMA GSA Regular Committee meeting, a letter to the DWR Sustainable Groundwater Management Office dated January 5, 2024 from the Santa Ynez River Valley Basin GSAs, a letter dated January 16, 2024 from the State Water Resources Control Board, and a letter dated January 18, 2024 from the DWR Sustainable Groundwater Management Office.

Mr. Garcia provided an overview of the joint meeting held by the three GSAs of the Basin, including the Western, Central, and Eastern areas, which occurred in early January. He stated that the Committees met to review, discuss, and approve an Action Plan for the Basin to address the April 14, 2023 comments received from staff of the State Water Resources Control Board (SWRCB). He reported that the Action Plan was approved by the Committees and submitted to the Department of Water Resources (DWR). Mr. Garcia reported that the SWRCB accepted the Action Plan by way of letter dated January 16, 2024. He also announced that DWR has approved the three GSPs for the Basin by letter dated January 18, 2024. Mr. Garcia reported that discussions are ongoing regarding finalization

of a JPA for EMA governance. He indicated that the process has been at a standstill for several months because of a new demand by the Santa Ynez River Water Conservation District (SYRWCD), or at least one Director thereof, that some type of informal election process, not conducted by the County Elections Office and not subject to the Elections Code, be used to select an agricultural director for the JPA Board. Mr. Garcia explained that the parties, including the agricultural representatives, previously reached tentative agreement on a process for an agricultural director to be appointed to the JPA Board by the Directors from the four public agencies that comprise the JPA. However, the SYRWCD now insists that the JPA must include an express requirement for an informal election (not conducted by the County Elections Office and not subject to the Elections Code) to occur in the un-districted area of the EMA as a means of seating an agricultural director on the JPA Board.

Mr. Garcia stated that a ceremony was held on February 8, 2024 where the Department of Water Resources awarded a \$5.4 million dollar grant to be allocated among the three Management Areas of the Basin. He reported that he, Trustees Joos and Burchardi, and Mr. Drugan attended the ceremony on behalf of ID No.1. Mr. Garcia stated that the next regular meeting of the EMA GSA is scheduled for February 22, 2024.

**B. HEXAVALENT CHROMIUM (CR6) – PROPOSED MAXIMUM CONTAMINANT LEVEL (MCL)**

1. Update on SWRCB Proposed Drinking Water MCL for Cr6 of 10 parts per billion

The Board packet included a California State Water Resources Control Board (SWRCB) announcement extending the Comment Period regarding the proposed regulation for a Hexavalent Chromium Maximum Contaminant Level (MCL) in drinking water, and a Notice of Public Availability of Additional Documents to be relied upon by the SWRCB regarding the proposed Hexavalent Chromium MCL.

Mr. Garcia reported that on February 15, 2024 the SWRCB issued another 15-Day Notice regarding the proposed drinking water MCL of 10 parts per billion (ppb) for Hexavalent Chromium. The latest Notice provides an opportunity for public comment on a November 2023 draft document published by the Office of Environmental Health Hazard Assessment (OEHHA) regarding a proposed health protective concentration for the non-cancer effects of Hexavalent Chromium in drinking water, a document that the SWRCB intends to make part of the administrative record for its decision on the proposed MCL of 10 ppb. He stated that the public comment period ends on March 4, 2024. Mr. Garcia reviewed excerpts from the OEHHA Public Review Draft document and indicated that this new information suggests that the SWRCB is moving closer to adopting a new 10 ppb MCL for Hexavalent Chromium.

Discussion ensued regarding the current federal and state standards for Chromium 6, which are 100 ppb and 50 ppb respectively, extraordinary compliance costs, treatment options, the EIR process, health and safety issues, and the potential effect on water providers, including small mutual water companies.

Mr. Garcia stated that staff continues to monitor the SWRCB's actions regarding the proposed adoption of a new Chromium 6 MCL and will provide further information as it becomes available.

**10. REPORTS BY THE BOARD MEMBERS OR STAFF, QUESTIONS OF STAFF, STATUS REPORTS, ANNOUNCEMENTS, COMMITTEE REPORTS, AND OTHER MATTERS AND/OR COMMUNICATIONS NOT REQUIRING BOARD ACTION**

The Board packet included a news article titled "This Central Coast reservoir is almost full again. When will it spill?," and the Department of Water Resources – Current California Reservoir Conditions.

Mr. Garcia provided a brief overview of issues related to the Board packet materials. Trustee Burchardi reported that the next Los Olivos Community Services District meeting is on February 28<sup>th</sup> and that they are evaluating treatment options and reconsidering consolidation with the City of Solvang.

**11. CORRESPONDENCE: GENERAL MANAGER RECOMMENDS FILING OF VARIOUS ITEMS**

The Correspondence List was received by the Board.

**12. REQUESTS FOR ITEMS TO BE INCLUDED ON THE NEXT REGULAR MEETING AGENDA:**

There were no requests from the Board.

**13. NEXT MEETING OF THE BOARD OF TRUSTEES:**

President Clay stated that the next Regular Meeting of the Board of Trustees is scheduled for March 19, 2024 at 3:00 p.m.

**14. CLOSED SESSION:**

The Board adjourned to closed session at 5:00 p.m.

**A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**

[Subdivision (d)(1) of Section 54956.9 of the Government Code – 2 Cases]

1. Name of Case: Adjudicatory proceedings pending before the State Water Resources Control Board regarding Permit 15878 issued on Application 22423 to the City of Solvang, Petitions for Change, and Related Protests
2. Name of Case: Central Coast Water Authority, et al. v. Santa Barbara County Flood Control and Water Conservation District, et al., Santa Barbara County Superior Court Case No. 21CV02432

**B. CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION**

[Subdivision (d)(2) of Section 54956.9 of the Government Code – Significant Exposure to Litigation Against the Agency – One Matter]

**C. CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION**

[Subdivision (d)(4) of Section 54956.9 of the Government Code – Potential Initiation of Litigation By the Agency – One Matter]

**15. RECONVENE INTO OPEN SESSION**

[Sections 54957.1 and 54957.7 of the Government Code]

The Board reconvened to open session at approximately 6:06 p.m. Mr. Garcia announced that the Board met in closed session in accordance with Agenda Items 14.A.1, 14.A.2, 14.B., and 14.C. He reported that there was no reportable action for any of the closed session Agenda Items.

16. **ADJOURNMENT:**

Being no further business, it was **MOVED** by Trustee Burchardi, seconded by Trustee Urton , and carried by a 5-0-0 voice vote, to adjourn the meeting at approximately 6:07 p.m.

**THE FEBRUARY 20, 2024 MINUTES WERE APPROVED AT THE MARCH 19, 2024 REGULAR MEETING.**