

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,
IMPROVEMENT DISTRICT NO.1
JUNE 20, 2023 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, June 20, 2023, in-person at 1070 Faraday Street and via teleconference.

Trustees Present: Jeff Clay Brad Joos
 Nick Urton

Trustees Absent: Michael Burchardi Jeff Holzer

Others Present: Paeter Garcia Mary Robel
 Karen King Eric Tambini
 Gary Kvistad Bill Buelow
 Debbie Roark

1. CALL TO ORDER AND ROLL CALL:

President Clay called the meeting to order at 3:04 p.m., he stated that this was a Regular Meeting of the Board of Trustees. Ms. Robel conducted roll call and reported that three Trustees were present, and Trustees Burchardi and Holzer were absent.

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 presented the affidavit of posting the Agenda, along with a true copy of the Agenda for this meeting. She reported that the Agenda 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 members of the public present at the meeting and participating remotely 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 MAY 16, 2023:

The Regular Meeting Minutes from May 16, 2023 were presented for consideration.

President Clay asked if there were any changes or additions to the Regular Meeting Minutes of May 16, 2023. There were no changes or additions requested.

It was **MOVED** by Trustee Joos, seconded by Trustee Urton, and carried by a 3-0-0 voice vote, with Trustees Burchardi and Holzer absent, to approve the May 16, 2023 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 May.

It was **MOVED** by Trustee Joos, seconded by Trustee Urton, and carried by 3-0-0 voice vote, with Trustees Burchardi and Holzer absent, 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 in the handout materials and posted on the District’s website in the Board packet materials for any members of the public wishing to follow along or receive a copy.

Ms. Robel reviewed the Statement of Revenues and Expenses for the month of May. She highlighted various line-items related to revenue and expense transactions that occurred during the month and also referenced the Fiscal-Year-to-Date Statement of Revenues and Expenses that provides a budget to actual snapshot from July through May. Ms. Robel reported that the District revenues exceeded the expenses by \$224,970.72 for the month of May and the year-to-date net income was \$2,935,431.31.

b) Approval of Accounts Payable

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

The Board reviewed the Warrant List which covered warrants 25201 through 25258 in the amount of \$530,094.45.

It was **MOVED** by Trustee Joos, seconded by Trustee Urton, and carried by a 3-0-0 voice vote, with Trustees Burchardi and Holzer absent, to approve the Warrant List for May 17, 2023 through June 20, 2023.

2. Appropriation Limit for the 2023/2024 Fiscal Year - Article XIII B (Proposition 13)

a) Resolution No. 833: A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Establishing the Appropriation Limit for Fiscal Year 2023/2024 Pursuant to Article XIII B of the California Constitution

The Board packet included draft Resolution No. 833 and a copy of the Public Notice regarding the FY 2023/2024 Appropriation Limitation Calculation that was published in the Santa Ynez Valley News on June 1, 2023 and June 8, 2022 and posted on the District’s website and at the District Office on May 16, 2023.

Mr. Garcia reported that the appropriation limit and related calculations for FY 2023/2024 were presented to the Board at the May 16, 2023 Board Meeting and were published and publicly noticed in accordance with applicable requirements. He stated that no public comment was received. Mr. Garcia explained that the FY 2023/2024 appropriation limit is \$2,388,353 based on factors and calculations published by the California Department of Finance. He stated that adoption of a Resolution is required pursuant to Government Code Section 7910 to establish an appropriation limit each

fiscal year and recommended approval of Resolution No. 833 Establishing the Appropriation Limit for Fiscal Year 2023/2024.

Ms. Rourk provided comments to the Board.

Mr. Garcia explained that although the District can set the assessment up to the maximum amount of \$2,388,353, the FY 2023/2024 Budget proposes no increase this year, with the assessment to remain at \$875,000, which the Board has elected to do previously for fiscal years 2017/2018 through 2023/2024.

It was **MOVED** by Trustee Joos, seconded by Trustee Urton, to adopt Resolution No. 833, Establishing the Appropriation Limit at \$2,388,353 for the Fiscal Year 2023/2024 pursuant to Article XIII of the California Constitution.

The Motion carried and Resolution No. 833 was adopted by the following 3-0-0 roll call vote:

AYES, Trustees:	Jeff Clay Brad Joos Nick Urton
NOES, Trustees:	None
ABSTAIN, Trustees:	None
ABSENT, Trustees:	Mike Burchardi Jeff Holzer

3. Consider Adoption of the Final Budget for Fiscal Year 2023/2024

a) Final Budget Summary

The Board packet included the Final Budget for Fiscal Year 2023/2024.

Ms. Robel summarized the Final Budget for FY 2023/2024 that was included in the Board packet. She explained that the Board reviewed the Preliminary Budget at the May 16, 2023 Regular Board meeting, which included a detailed budget narrative, summary of revenues and expenses, debt service, and capital improvement project expenses. She indicated that the Board was asked to provide any comments and/or questions prior to preparation and presentation of the Final Budget in June. Ms. Robel reported that since the May Board meeting no additional comments were received from the Board or the public; however, staff is presenting three amendments that are included in the proposed Final Budget. She and Mr. Garcia reviewed the changes which were related to increased expenses for Legal and Engineering Services and the Meter Replacement Program.

Ms. Robel recommended approval of Resolution No. 834 approving and adopting the FY 2023/2024 Final Budget and requesting the collection of an assessment levy in the amount of \$875,000 for the Fiscal Year 2023/2024.

There was no public comment.

b) Resolution No. 834: A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Adopting the Final Budget for Fiscal Year 2023/2024 and Requesting an Assessment Levy Required to Collect \$875,000

The Board packet included draft Resolution No. 834.

It was **MOVED** by Trustee Urton, seconded by Trustee Joos, to adopt Resolution No. 834, Adopting the Final Budget for Fiscal Year 2023/2024 and Requesting an Assessment Levy Required to Collect \$875,000.

The Motion carried and Resolution No. 834 was adopted by the following 3-0-0 roll call vote:

AYES, Trustees: Jeff Clay
Brad Joos
Nick Urton

NOES, Trustees: None

ABSTAIN, Trustees: None

ABSENT, Trustees: Mike Burchardi
Jeff Holzer

4. Resolution No. 835 - A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Authorizing Signatures for Accounts at Mechanics Bank

The Board packet included draft Resolution No. 835.

Mr. Garcia reviewed the current authorized signatories on the District's banking accounts at Mechanics Bank. He explained the changes that are needed to the current approved signatories on file at Mechanics Bank, and that adoption of Resolution No. 835 will allow Mechanics Bank to make the necessary changes as identified in the Resolution.

Mr. Garcia recommended approval of Resolution No. 835 authorizing signatures for Accounts at Mechanics Bank.

It was **MOVED** by Trustee Urton, seconded by Trustee Joos, to adopt Resolution No. 835, Authorizing Signatures for Accounts at Mechanics Bank.

The Motion carried and Resolution No. 835 was adopted by the following 3-0-0 roll call vote:

AYES, Trustees: Jeff Clay
Brad Joos
Nick Urton

NOES, Trustees: None

ABSTAIN, Trustees: None

ABSENT, Trustees: Mike Burchardi
Jeff Holzer

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

A. STATEWIDE STORM EVENTS AND RELATED PROJECT CONDITIONS

1. Cachuma Project Update

The Board packet included the U.S. Bureau of Reclamation Lake Cachuma Daily Operations Report for the month May and June, and the Santa Barbara County Flood Control District Rainfall and Reservoir Summary.

Mr. Garcia reviewed the Lake Cachuma Daily Operations Report and the current reservoir conditions. He reported that the reservoir remains at full capacity (101.2%) and that spill operations will continue to manage the remaining inflows into the reservoir.

2. State Water Project Update

The Board packet included the Department of Water Resources Current and Historical Reservoir Conditions and current news articles relating to Lake Oroville water supply conditions.

Mr. Garcia reviewed the Department of Water Resources current and historical reservoir conditions. He discussed the news articles included in the Board packet related to Lake Oroville water supply, record snowpack in the Sierra Nevada mountains, spill conditions, and potential for flooding.

B. SUSTAINABLE GROUNDWATER MANAGEMENT ACT

1. Eastern Management Area (EMA) Update

The Board packet included Notice of the EMA GSA Committee Meeting for June 22, 2023 and a GSI Water Solutions Proposal Relating to an Expanded Scope and Cost for Review of New and Replacement Well Applications.

Mr. Garcia reported that the EMA GSA Committee is scheduled to meet on June 22, 2023, and he reviewed the topics that will be discussed at the meeting. He stated that the Committee will be considering a GSI Water Solutions expanded scope of work and fee for review of new and replacement well applications related to the GSA's role of administering requests for written verifications per requirements of Executive Orders issued by the State Governor. Mr. Garcia reported on the current negotiations related to the draft EMA Joint Powers Authority (JPA) Agreement. He reported that staff and legal counsel for the agencies of the EMA GSA (Solvang, ID No.1, the Santa Barbara County Water Agency, and the Santa Ynez River Water Conservation District) have made progress in negotiating terms of the draft JPA Agreement.

C. CENTRAL COAST WATER AUTHORITY

1. Proposed Amendment to CCWA Joint Exercise of Powers Agreement

The Board packet included a May 18, 2023 Central Coast Water Authority Memorandum and Draft Second Amendment to the Joint Exercise of Powers Agreement Creating the Central Coast Water Authority

Mr. Garcia provided a brief overview of the Joint Exercise of Powers Agreement (JPA) which formed the Central Coast Water Authority (CCWA). He explained that CCWA has presented a proposal to amend the JPA Agreement to add express authority allowing CCWA to engage in expanded water banking and storage activities. He explained that CCWA is likely to be more regularly engaged in facilitating water management strategies to assist CCWA member agencies in increasing the availability and reliability of their respective State Water Project (SWP) supplies by participating in groundwater banking, storage, and related projects that are not owned or controlled by CCWA. Mr. Garcia stated that any amendment to the JPA Agreement requires approval from each of the eight CCWA member agencies. He reviewed the proposed Second Amendment to the JPA Agreement as set forth in the Board packet materials. Mr. Garcia explained the benefits of the amendment and banking opportunities that CCWA has already engaged in on behalf of some of its member agencies.

2. Resolution No. 836 – A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Approving the Second Amendment of the Joint Exercise of Powers Agreement Creating the Central Coast Water Authority and Finding Such Action Exempt from the California Environmental Quality Act.
The Board packet included draft Resolution No. 836 and Exhibits “A & B”

Mr. Garcia reviewed Resolution No. 836 approving the Second Amendment to the Joint Exercise of Powers Agreement creating the Central Coast Water Authority (Exhibit A) and proposed Notice of Exemption from the California Environmental Quality Act (CEQA) (Exhibit B). He stated that approval of Resolution No. 836 would provide the District’s approval of the Second Amendment to the CCWA JPA Agreement and authorize the General Manager to file the Notice of Exemption with the California Office of Planning and Research and the Santa Barbara County Clerk of the Board of Supervisors.

Mr. Garcia recommended approval of Resolution No. 836 Approving the Second Amendment of the Joint Exercise of Powers Agreement Creating the Central Coast Water Authority and finding such action exempt from the California Environmental Quality Act.

It was **MOVED** by Trustee Urton, seconded by Trustee Joos, to adopt Resolution No. 836,

The Motion carried and Resolution No. 836 was adopted by the following 3-0-0 roll call vote:

AYES, Trustees:	Jeff Clay Brad Joos Nick Urton
NOES, Trustees:	None
ABSTAIN, Trustees:	None
ABSENT, Trustees:	Mike Burchardi Jeff Holzer

D. SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

1. Proposed Groundwater Charges for Fiscal Year 2023-2024

The Board packet included a Notice and Agenda of the June 7, 2023 Regular Meeting of the Santa Ynez River Water Conservation District, June 7, 2023 SYRWCD Board Memorandum, Draft Final May 30, 2023 Rate Study Report prepared by Raftelis, and Draft Resolution No. 722 for the SYRWCD.

2. Comments Submitted by ID No.1

The Board packet included a June 6, 2023 ID No.1 Comment Letter to the SYRWCD regarding the Proposed FY 2023/2024 Groundwater Charges and Rate Study Report dated May 30, 2023.

Agenda Items 9.D.1 and 9.D.2 were discussed together.

Mr. Garcia reviewed the Board packet materials related to SYRWCD’s proposed groundwater charges for Fiscal Year 2023/2024 and SYRWCD’s Rate Study Report dated May 30, 2023. He also provided an overview of the comment letter submitted by ID No.1 to the SYRWCD, which set forth various concerns and objections to the SYRWCD’s Rate Study and proposed groundwater charges. Mr. Garcia explained that ID No.1 concerns and objections are similar to those that have been communicated to SYRWCD on multiple occasions, that ID No.1 has serious ongoing concerns that groundwater charges being imposed by SYRWCD for the Santa Ynez Uplands area are not tied to direct services or benefits, and that ID No.1 customers are bearing a disproportionate burden with regard

to sustainable groundwater management in the Eastern Management Area of the Basin. Board discussion ensued.

Mr. Garcia stated that as part of the June 7, 2023 meeting, the SYRWCD Board tabled any action on their proposed groundwater charges for Fiscal Year 2023/2024. He reported that the SYRWCD is expected to act on their groundwater charges before the end of June, although they have not yet scheduled a special meeting. Mr. Garcia indicated that he would 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 photo of a four-valve cluster installed at Baseline and Lewis Street. Mr. Garcia reported that the District field crew, with the assistance of Hanly Engineering, replaced a four-valve cluster at the intersection of Baseline and Lewis Streets. He stated that two main service lines were taken out of service to accommodate the installation, with water service being restored to all affected District customers within a few hours. Mr. Garcia expressed his appreciation and compliments to the District field staff for their teamwork related to this installation.

The Board packet included a City of Solvang Notice of Preparation of a Draft Environmental Impact Report for the City of Solvang Comprehensive General Plan Update and Rezoning for information.

The Board packet included the June 2023 Family Farm Alliance Monthly Briefing.

Mr. Garcia reported that he and Trustee Joos hosted an ID No.1 informational booth at the May 20, 2023 "Santa Ynez Airport Day" festivities, noting also that Trustee Burchardi assisted in establishing the ID No.1 booth and that Trustees Clay and Urton attended the event and provided support for the District. He reported that there may be an opportunity to host another ID No.1 informational booth as part of the upcoming "Santa Ynez Days" event on June 24th. Mr. Garcia stated that ID No.1 participation in such community events provides positive and productive opportunities for the District to inform and build relationships with the public.

Mr. Garcia reported that Trustee Clay attended the May Central Coast Water Authority Board of Directors Meeting, that Trustee Joos attended the June EMA GSA Committee Meeting, and that Trustee Burchardi attended June 14, 2023 Los Olivos Community Services District Board Meeting.

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 next Regular Meeting of the Board of Trustees is scheduled for July 18, 2023 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 public participation phone line was re-opened, and the Board reconvened to open session at approximately 5:55 p.m.

Mr. Garcia announced that the Board met in closed session concerning Agenda Items 14.A.1, 14.A.2, 14.B, and 14.C and that there was no reportable action from the closed session.

16. ADJOURNMENT:

Being no further business, it was **MOVED** by Trustee Urton, seconded by Trustee Joos, and carried by a 3-0-0 voice vote, with Trustees Burchardi and Holzer absent, to adjourn the meeting at approximately 5:57 p.m.

THE JUNE 20, 2023 MINUTES WERE APPROVED AT THE JULY 18, 2023 REGULAR MEETING.