

## **NOTICE AND AGENDA**

Regular Meeting of the Board of Trustees  
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, IMPROVEMENT DISTRICT NO.1  
will be held at **3:00 P.M., Tuesday, December 20, 2022**  
**In-Person - 1070 Faraday Street, Santa Ynez, CA - Conference Room**

**OR VIA TELECONFERENCE**  
**TELECONFERENCE PHONE NUMBER: 1-669-900-9128**  
**MEETING ID: 929 0039 9487#**  
**PARTICIPANT ID No.: 180175#**  
**MEETING PASSCODE: 180175#**

**Important Notice Regarding Public Participation in This Meeting:** For those who may not attend the meeting in person or teleconference but wish to provide public comment on an Agenda Item, please submit any and all comments and written materials to the District via electronic mail at [general@syrwd.org](mailto:general@syrwd.org). All submittals should indicate "**December 20, 2022 Board Meeting**" in the subject line. Public comments and materials received by the District will become part of the post-meeting Board packet materials available to the public and posted on the District's website. In the interest of clear reception and efficient administration of the meeting, all persons participating via teleconference are respectfully requested to mute their voices after dialing-in and at all times unless speaking.

1. **CALL TO ORDER AND ROLL CALL**
2. **PLEDGE OF ALLEGIANCE**
3. **REPORT BY THE SECRETARY TO THE BOARD REGARDING COMPLIANCE WITH THE REQUIREMENTS FOR POSTING OF THE NOTICE AND AGENDA**
4. **CONSIDERATION OF RESOLUTION NO. 828 - A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Authorizing Remote Teleconference Meetings Under the Ralph M. Brown Act in Accordance with AB 361**
5. **ADDITIONS OR CORRECTIONS, IF ANY, TO THE AGENDA**
6. **PUBLIC COMMENT** - Any member of the public may address the Board relating to any non-agenda matter within the District's jurisdiction. The total time for all public participation shall not exceed fifteen (15) minutes and the time allotted for each individual shall not exceed three (3) minutes. The District is not responsible for the content or accuracy of statements made by members of the public. No action will be taken by the Board on any public comment item.
7. **CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF NOVEMBER 15, 2022**
8. **CONSENT AGENDA** - All items listed on the Consent Agenda are considered to be routine and will be approved or rejected in a single motion without separate discussion. Any item placed on the Consent Agenda can be removed and placed on the Regular Agenda for discussion and possible action upon the request of any Trustee.  
CA-1. Water Supply and Production Report  
CA-2. Central Coast Water Authority Update
9. **MANAGER REPORTS - STATUS, DISCUSSION, AND POSSIBLE BOARD ACTION ON THE FOLLOWING SUBJECTS:**
  - A. **DISTRICT ADMINISTRATION**
    1. Board of Trustees Designations
      - a) Certified Election Results
      - b) Selection of Officers of the Board - President, Vice President, Treasurer & Secretary
      - c) Appointment of Representatives to Participating Agencies and Organizations - CCWA & ACWA
      - d) Appointment of Board Committees

2. Financial Report on Administrative Matters
  - a) Draft June 30, 2022 & 2021 Financial Statements – Presentation by Bartlett, Pringle & Wolf, LLP
  - b) Presentation of Monthly Financial Statements – Revenues and Expenses
  - c) Approval of Accounts Payable
3. Amendment to Rules and Regulations
  - a) Resolution No. 829: A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement No.1 Approving the Automatic Annual Adjustments to the Capital Facilities Charges and Meter Installation Fees Contained in Attachment of Appendix “C” and Appendix “D” of the District’s Rules and Regulations
4. District Land and Air Space
  - a) Resolution No. 830: A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Concerning Inventory of District Land and Air Space

**B. OPERATIONS AND MAINTENANCE**

1. Zone 3 Concrete Tank Cleaning and Repair
  - a) Review of Bids
  - b) Consider Award of Contract
2. Operational and Water Service Matters
  - a) Update on Water Service Applications
  - b) Update on Infrastructure Maintenance

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

**A. SUSTAINABLE GROUNDWATER MANAGEMENT ACT**

1. Eastern Management Area (EMA) Update

**11. 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**

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

**13. REQUESTS FOR ITEMS TO BE INCLUDED ON THE NEXT REGULAR MEETING AGENDA:** Any member of the Board of Trustees may place an item on the meeting Agenda for the next regular meeting. Any member of the public may submit a written request to the General Manager of the District to place an item on a future meeting Agenda, provided that the General Manager and the Board of Trustees retain sole discretion to determine which items to include on meeting Agendas.

**14. NEXT MEETING OF THE BOARD OF TRUSTEES:** The next Regular Meeting of the Board of Trustees is scheduled for **January 17, 2023 at 3:00 p.m.**

**15. CLOSED SESSION:**

To accommodate the teleconferencing component of this meeting, the public access line will be closed for up to thirty (30) minutes while the Board of Trustees convenes into closed session. Upon the conclusion of the closed session, the public participation teleconference access will be reopened for the remaining Agenda Items.

The Board will hold a closed session to discuss the following items:

**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

**16. RECONVENE INTO OPEN SESSION**

[Sections 54957.1 and 54957.7 of the Government Code]

**17. ADJOURNMENT**

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This Agenda was posted at 3622 Sagunto Street, Santa Ynez, California, and notice was delivered in accordance with Government Code Section 54950 et seq., specifically Section 54956. This Agenda contains a brief general description of each item to be considered. The Board reserves the right to change the order in which items are heard. Copies of any staff reports or other written documentation relating to each item of business on the Agenda are on file with the District and available for public inspection during normal business hours at 3622 Sagunto Street, Santa Ynez. Such written materials will also be made available on the District's website, subject to staff's ability to post the documents before the regularly scheduled meeting. Questions concerning any of the Agenda items may be directed to the District's General Manager at (805) 688-6015. If a court challenge is brought against any of the Board's decisions related to the Agenda items above, the challenge may be limited to those issues raised by the challenger or someone else during the public meeting or in written correspondence to the District prior to or during the public meeting. In compliance with the Americans with Disabilities Act, any individual needing special assistance to review Agenda materials or participate in this meeting may contact the District Secretary at (805) 688-6015. Notification 72 hours prior to the meeting will best enable the District to make reasonable arrangements to ensure accessibility to this meeting.

RESOLUTION NO. 828

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE SANTA YNEZ RIVER WATER  
CONSERVATION DISTRICT, IMPROVEMENT DISTRICT NO.1  
AUTHORIZING REMOTE TELECONFERENCE MEETINGS UNDER THE RALPH M.  
BROWN ACT IN ACCORDANCE WITH AB 361**

**WHEREAS**, the Santa Ynez River Water Conservation District, Improvement District No.1 (District) is committed to promoting and preserving complete public access and participation in meetings of the District's Board of Trustees, as required, and set forth by the Ralph M. Brown Act (Gov. Code § 54950 et seq.) (Brown Act); and

**WHEREAS**, the Brown Act contains special provisions for remote teleconference participation in meetings when the Governor of the State of California has declared a state of emergency pursuant to Government Code section 8625 and either state or local officials have imposed or recommended measures to promote social distancing, or where in-person meetings would present imminent risks to the health and safety of attendees; and

**WHEREAS**, on March 4, 2020, Governor Gavin Newsom issued a Proclamation of a State of Emergency for the COVID-19 pandemic, which state of emergency has not been rescinded; the County Health Officer for the County of Santa Barbara has issued numerous Health Orders regarding health and safety requirements and protocols since the beginning of and throughout the COVID-19 pandemic, including recent Health Officer Order No. 2022-10.1, effective February 16, 2022, which incorporates guidance issued on February 7, 2022 by the California Department of Public Health (CDPH) requiring unvaccinated persons to wear masks in all indoor public settings, requires universal masking in only specified settings, and recommends continued indoor masking when the risk of COVID-19 transmission is high; and

**WHEREAS**, on April 20, 2022, CDPH issued updated Guidance for the Use of Face Masks which provides, among other things, that effective March 1, 2022, the requirement that unvaccinated individuals mask in indoor public settings will move to a strong recommendation that all persons, regardless of vaccine status, continue indoor masking, and that universal making shall remain required in specified high-risk settings, and that after March 11, 2022, the universal masking requirement for K-12 and Childcare settings will terminate, and that CDPH strongly recommends that individuals in these settings continue to mask in indoor settings when the universal making requirement lifts; and

**WHEREAS**, on September 28, 2021 the County Health Officer and County Public Health Director issued a Health Official AB 361 Social Distance Recommendation which states, among other things, that utilizing teleconferencing options for public meetings is an effective and recommended social distancing measure to facilitate participation in public affairs and encourage participants to protect themselves and others from COVID-19, and that such recommendation is further intended to satisfy the requirements of the Brown Act which allows local legislative bodies in the County of Santa Barbara to use certain available teleconferencing options set forth in the Brown Act, where such recommendation is also based in part on the increased case rate of the highly transmissible Delta variant of COVID-19 within the nation and the County; and



**WHEREAS**, the District finds that the current circumstances relating to COVID-19 and variants thereof can cause, and can continue to cause, risks to the health and safety of persons within the County, and therefore the District may conduct its meetings to allow remote teleconference participation in the manner authorized by AB 361, specifically including Government Code section 54953(e); and

**WHEREAS**, this Resolution is exempt from review under the California Environmental Quality Act (CEQA) pursuant to the exemption set forth under Section 15061(b)(3) of Title 14 of the California Code of Regulations (CEQA Guidelines) because remote teleconference meetings during a declared state of emergency do not have the potential for causing a significant effect on the environment.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, as follows:

1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.
2. The District may conduct its meeting to allow remote teleconference participation in the manner authorized by AB 361, specifically including Government Code Section 54953(e).
3. This Resolution shall take effect immediately upon its adoption and shall remain in effect for up to thirty (30) days as provided in Government Code section 54953(e)(3).

**WE, THE UNDERSIGNED**, being the duly qualified President and Secretary, respectively, of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, do hereby certify that the above and foregoing Resolution was duly and regularly adopted and passed by the Board of Trustees of said District at a Regular meeting held on December 20, 2022 by the following roll call vote:

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Mary Martone, Secretary to the Board of Trustees

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
 IMPROVEMENT DISTRICT No.1  
NOVEMBER 15, 2022 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, November 15, 2022, in-person at 1070 Faraday Street and via teleconference.

|                   |               |                   |
|-------------------|---------------|-------------------|
| Trustees Present: | Jeff Clay     | Michael Burchardi |
|                   | Brad Joos     | Lori Parker       |
| Trustees Absent:  | Jeff Holzer   |                   |
| Others Present:   | Paeter Garcia | Mary Martone      |
|                   | Gary Kvistad  | Karen King        |

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. Martone conducted roll call and reported that four Trustees were present, and Trustee Holzer was 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. Martone presented the affidavit of posting of 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. The affidavit was filed as evidence of the posting of the Agenda items contained therein.

4. CONSIDERATION OF RESOLUTION NO. 827: A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Authorizing Remote Teleconference Meetings Under the Ralph M. Brown Act in Accordance with AB 361

Mr. Garcia presented Resolution No. 827 and explained that pursuant to amendments to the Brown Act (Assembly Bill 361), public agencies are authorized to conduct remote meetings via video/teleconference during the COVID-19 pandemic, provided certain conditions exist and findings are made. He stated that in order for the Board to continue to meet under the provisions of AB 361, either remotely or under a hybrid approach of remote and in-person attendance, the Board is required to review and reconsider its determinations at least every 30 days. Mr. Garcia reported that because the State of California remains in a declared state of emergency related to the COVID-19 pandemic and because state and local recommendations remain in place to reduce the transmission of COVID-19, approval of Resolution No. 827 would allow the Board to hold meetings under the provisions of AB 361.

No public comment was provided.

It was MOVED by Trustee Joos, seconded by Trustee Parker, to adopt Resolution No. 827, a Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Authorizing Remote Teleconference Meetings Under the Ralph M. Brown Act in Accordance with AB 361.

1 The Resolution was adopted and carried by the following 4-0-0 roll call vote:  
2

3 AYES, Trustees: Michael Burchardi  
4 Jeff Clay  
5 Brad Joos  
6 Lori Parker  
7  
8 NOES, Trustees: None  
9 ABSTAIN, Trustees: None  
10 ABSENT, Trustees: Jeff Holzer  
11

12 5. ADDITIONS OR CORRECTIONS, IF ANY, TO THE AGENDA:

13 There were no additions or corrections to the Agenda.  
14

15 6. PUBLIC COMMENT:

16 President Clay welcomed any members of the public participating remotely and offered time for  
17 members of the public to speak and address the Board on matters not on the agenda. There was  
18 no public comment. Mr. Garcia reported that no written comments were submitted to the District  
19 for the meeting.  
20

21 Mr. Garcia announced that the Board meeting would be the final meeting of Trustee Parker's term  
22 and thus the meeting would be conducted in honor of her four years of service and commitment  
23 as the Division 3 Trustee. Mr. Garcia provided an outline of Trustee Parker's tenure on the Board  
24 and expressed appreciation and gratitude for her many contributions to the District.  
25

26 7. CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF OCTOBER 18, 2022:

27 The Regular Meeting Minutes from October 18, 2022 were presented for consideration.  
28

29 President Clay asked if there were any changes or additions to the Regular Meeting Minutes of  
30 October 18, 2022. There were no changes or additions requested.  
31

32 It was MOVED by Trustee Joos, seconded by Trustee Burchardi, and carried by a unanimous 4-0-  
33 0 voice vote, with Trustee Holzer absent, to approve the October 18, 2022 Minutes as presented.  
34

35 8. CONSENT AGENDA:

36 The Consent Agenda Report was provided in the Board packet.  
37

38 Mr. Garcia reviewed the Consent Agenda materials for the month of October.  
39

40 It was MOVED by Trustee Parker, seconded by Trustee Joos, and carried by a unanimous 4-0-0  
41 voice vote, with Trustee Holzer absent, to approve the Consent Agenda as presented.  
42

43 9. MANAGER REPORTS - STATUS, DISCUSSION, AND POSSIBLE BOARD ACTION ON THE FOLLOWING  
44 SUBJECTS:

45 A. DISTRICT ADMINISTRATION

46 1. Financial Report on Administrative Matters

47 a) Presentation of Monthly Financial Statements - Revenues and Expenses

48 Ms. Martone announced that the Financial Statements were emailed to the Board  
49 members that morning and posted on the District's website in the Board packet  
50 materials for any members of the public wishing to follow along or receive a copy.



1 Ms. Martone reviewed the Statement of Revenues and Expenses for the month of  
2 October. She highlighted various line-items related to revenue and expense  
3 transactions that occurred during the month and also referenced the Fiscal-Year-to-  
4 Date Statement of Revenues and Expenses that provides a budget to actual snapshot  
5 from July through October. Ms. Martone reported that the District revenues for the  
6 month of October exceeded the expenses by \$428,919.53 and the year-to-date net  
7 income was \$1,925,382.02, which will be earmarked and utilized for the District's  
8 annual State Water Project payment which is due in June 2023.  
9

10 b) Approval of Accounts Payable

11 Ms. Martone announced that the Warrant List was emailed to the Board members that  
12 morning and posted on the District's website in the Board packet materials for any  
13 members of the public wishing to follow along or receive a copy.  
14

15 The Board reviewed the Warrant List which covered warrants 24823 through 24880 in  
16 the amount of \$565,877.56.  
17

18 It was MOVED by Trustee Parker, seconded by Trustee Joos, and carried by a  
19 unanimous 4-0-0 voice vote, with Trustee Holzer absent, to approve the Warrant List  
20 for October 19, 2022 through November 15, 2022.  
21

22 2. Operational and Water Service Matters

23 a) Update on Water Service Applications and Proposed Mainline Extension

24 The Board packet included a map of a proposed mainline extension for APN 135-330-  
25 003.  
26

27 Mr. Garcia reported on activities related to active water service applications received  
28 by the District. He also referred to the Board packet materials which show a proposed  
29 mainline extension for a project where the property does not abut an existing water  
30 main. Mr. Garcia discussed various components of the project, including the  
31 proposed size of the main line, fire department requirements, and existing easements.  
32 He reported that staff is currently working with the Applicant and the District's  
33 consulting engineer to review details of the proposed mainline extension, and that  
34 additional information would be provided as the project progresses.  
35

36 b) RFP for Zone 3 Reservoir Maintenance.

37 Mr. Garcia reported that on October 16, 2022 the District issued a Request for Proposals  
38 for the Zone 3 Concrete Tank Cleaning and Repair Project. He explained that the Zone  
39 3 reservoir was cleaned and inspected three years ago, and the inspection identified  
40 non-structural maintenance activities that were recommended for the facility. Mr.  
41 Garcia reported that bids are due by November 29, 2022. He stated that bid results are  
42 expected to be presented to the Board at the December meeting for possible action to  
43 award a contract.  
44

45 c) Upcoming Survey Inspection by SWRCB/DDW and Risk Assessment by ACWA JPIA.

46 Mr. Garcia reported that the District has received notice from two agencies of an  
47 upcoming inspection and routine risk assessment for the District. He stated that a  
48 representative from the State Water Resources Control Board, Division of Drinking  
49 Water, will visit the District on December 7<sup>th</sup> to perform a tri-annual sanitary survey  
50 inspection of the District's facilities. The DDW representative will meet with staff and  
51 tour well sites, reservoirs, chlorination stations, and other system locations, and will  
52 review the District's cross connection and sampling programs. Mr. Garcia also

1 reported that a representative from ACWA/JPIA, the District's insurance carrier, will  
2 meet with management on December 15<sup>th</sup> and perform a routine site visit and risk  
3 assessment. Topics to be discussed at this meeting include the District's risk transfer,  
4 Injury and Illness Prevention Program, arc flash analysis, and Emergency Response  
5 Plan. Mr. Garcia stated that these are routine evaluations performed by each agency,  
6 which have not been conducted since 2019 due to COVID-19.  
7

8 Mr. Garcia informed the Board that the District experienced a mainline leak on  
9 Highway 246 near the Christian Academy school. He stated that the leak was reported  
10 on a Sunday, and was caused by tree roots from large trees planted in the public utility  
11 right of way. He described the location, the District's response plan, the tree removal  
12 process, and field crew efforts to keep temporary water service available and  
13 uninterrupted for the school, the adjoining mobile home community, and El Rancho  
14 Market, all of which could have been seriously impacted by the leak. He stated that  
15 the mainline repair was completed on Tuesday morning and normal service was  
16 restored at that time. Mr. Garcia expressed his appreciation and compliments to the  
17 District's Superintendent, Supervisor, and field crew for their expertise, teamwork,  
18 and a job well done to repair the leak. Mr. Garcia briefly discussed how planting and  
19 maintaining trees in the public utility right of way can cause serious problems of this  
20 nature and cause unnecessary expense to ratepayers.  
21

22 **10. REPORT, DISCUSSION, AND POSSIBLE BOARD ACTION ON THE FOLLOWING SUBJECTS:**  
23

24 **A. SUSTAINABLE GROUNDWATER MANAGEMENT ACT**

25 **1. Eastern Management Area (EMA) Update.**

26 **a) Current Activities for EMA Groundwater Sustainability Agency**

27 The Board packet included a Notice and Agenda for the November 17, 2022 Regular  
28 Meeting of the Groundwater Sustainability Agency for the Eastern Management Area.  
29

30 Mr. Garcia referred to the Board packet and reviewed the agenda items to be discussed  
31 at the November 17, 2022 meeting of the Eastern Management Area Groundwater  
32 Sustainability Agency (EMA GSA).  
33

34 **b) Ongoing Negotiations for EMA Joint Powers Authority Agreement**

35 Mr. Garcia reported on the current negotiations related to the EMA Joint Powers  
36 Authority Agreement. He reported that staff and legal counsel for the agencies that  
37 are members to the EMA GSA (Solvang, ID No.1, the Santa Barbara County Water  
38 Agency, and the Parent District) have been hard at work in negotiating terms of the  
39 draft Joint Powers Authority (JPA) agreement. That effort temporarily had been  
40 delayed while the EMA developed a framework for administering the requirements  
41 of Executive Order N-7-22, but discussions were resumed to negotiate the terms of a  
42 JPA. By way of background, the EMA agencies agreed to use the Cuyama Basin JPA  
43 as a template because it provided a good framework and would focus the governance  
44 discussion down to a handful of key issues and policy decisions that would need to  
45 be made for the EMA, one of which is the composition of the new GSA/JPA Board of  
46 Directors, a matter that previously has been presented to the ID No.1 Board. Mr.  
47 Garcia reported that the Santa Ynez Water Group has formally registered as a non-  
48 profit organization representing landowners and groundwater producers in the EMA  
49 and throughout the Basin, and they have expressed in multiple letters and in  
50 presentations during WMA, CMA, and EMA GSA meetings that they want to be more  
51 directly involved in the SGMA governance process and they want a seat at the table  
52 for important decisions that are being made to implement SGMA. As landowners and



1 groundwater producers, members of the Santa Ynez Water Group will be directly  
2 subject to charges and other economic implications of implementing the EMA  
3 Groundwater Sustainability Plan (GSP), thus they are seeking to have a landowner  
4 representative appointed as one of the Directors of the JPA. Mr. Garcia stated that he  
5 and Trustee Joos previously have been reporting these issues to the ID No.1 Board to  
6 determine if the Board has any type of objection to having a landowner Director on  
7 the EMA JPA. Hearing no objections from this Board, ID No.1 staff and legal counsel  
8 have indicated during the EMA negotiations that ID No.1 is supportive of having a  
9 landowner Director on the new JPA Board. Mr. Garcia reported his observation that  
10 the other EMA parties are not currently voicing any objection to having a landowner  
11 representative on the JPA Board, which appears to be a notable milestone for the new  
12 governance structure.  
13

14 Mr. Garcia noted that another major issue is the voting structure for the new JPA  
15 governance in the EMA. The EMA GSA is currently organized under the 2017  
16 Memorandum of Agreement (MOA) which has a weighted voting structure where the  
17 County Water Agency and the Parent District have more voting power than ID No.1  
18 or the City of Solvang. ID No.1 believes the purpose of the current MOA structure  
19 was to develop and submit the EMA GSP to the State, which has been done. SGMA  
20 implementation is an entirely new game and will involve an entirely new set of issues.  
21 The MOA expressly states that the parties agree to renegotiate a more comprehensive  
22 MOA or a JPA and as part of that process the MOA specifically provides that the  
23 parties would renegotiate various issues, including the voting structure. For various  
24 reasons, staff and legal counsel for the four parties in the EMA have agreed to pursue  
25 a new JPA structure, which among other things insulates the individual agencies from  
26 GSA liability. Adding a landowner representative to the JPA Board of Directors brings  
27 additional importance to the voting structure. As previously reported to the ID No.1  
28 Board, ID No.1 has water rights that are established in the basin, and given the  
29 population that ID No.1 serves, the importance of groundwater to the District's  
30 portfolio, and ID No.1's need to provide domestic and other water service to the  
31 communities in its service area, ID No.1 representatives believe that a more  
32 representational form of voting is appropriate going forward, i.e., that each Director  
33 on the new JPA Board should have an equal vote. For similar reasons, ID No.1  
34 representatives believe the City of Solvang should also be interested in having an  
35 equal vote. Indeed, the landowner constituency may question whether their  
36 Director's vote is meaningful if it is not equal to the vote that others have. Mr. Garcia  
37 stated that the perspective of ID No.1 staff is that the current voting structure does not  
38 provide an adequate level of representation for what ID No.1 brings to the table and  
39 the ID No.1 interests that are at stake in the SGMA process. Notably, the two agencies  
40 that currently have the weighted votes have expressed a desire to keep the voting just  
41 the way it is. At this point the County Water Agency and the Parent District have  
42 expressed unwillingness to transition to a "One Director - One Vote" structure, which  
43 is what ID No.1 has repeatedly proposed as the appropriate voting structure for  
44 various reasons.  
45

46 Mr. Garcia reported that ID No.1 remains completely open to any questions or  
47 meetings with other parties to keep the discussion moving, and ID No.1 believes that  
48 many important policy reasons exist in support of a "One Director - One Vote"  
49 structure for the EMA. Unfortunately, staff for one of the agencies with a weighted  
50 vote has indicated that they are not willing to discuss the matter any further and that  
51 "status quo" should prevail for the voting structure, although no specific reasons have

1 been provided for why the status quo must be maintained for voting, and no specific  
2 concerns have been identified in regard to changing to a "One Director - One Vote"  
3 structure.  
4

5 Mr. Garcia stated that ID No.1 has conducted an initial review of GSAs throughout  
6 Santa Barbara County and the State and that review indicates there is no other GSA in  
7 California with the magnitude of weighted voting that currently exists for the County  
8 and the Parent District in the EMA. While there are some instances where weighted  
9 voting exists based on financial contributions or other specific reasons, there are  
10 numerous examples throughout the State and within Santa Barbara County where  
11 GSAs are governed by a "One Director - One Vote" structure.  
12

13 Mr. Garcia summarized that many important issues are at stake in the SGMA process  
14 that can affect ID No.1 from a management perspective, resource stewardship  
15 perspective, sustainability perspective, water rights perspective, population-served  
16 perspective, and financial perspective affecting ratepayers. He inquired whether any  
17 members of the Board are opposed to ID No.1 staff continuing to promote and  
18 advocate for equal representation and a "One Director - One Vote" structure as part  
19 of the EMA JPA. No Trustees were opposed to ID No.1 continuing to negotiate for  
20 equal governmental representation and equal voting.  
21

22 Trustee Parker asked whether an agency that has more voting power should have  
23 more of the financial liability and overall risk if something goes wrong. Mr. Garcia  
24 noted that one of the core purposes of forming a JPA to serve as the EMA GSA is to  
25 place the financial liabilities and general risks on the new JPA agency itself, such that  
26 none of the participating agencies are individually responsible for costs and liabilities  
27 of the GSA. Thus, when the JPA/GSA is formed and adopts its own groundwater  
28 pump charge and/or related fees and charges, all groundwater pumpers in the EMA  
29 will be paying for ongoing implementation of the GSP and sustainable groundwater  
30 management. Because SGMA costs and liabilities will be the responsibility of the  
31 JPA/GSA and not the individual agencies, there should be no reason for any of those  
32 agencies to have greater voting power on the basis of contributing more money or  
33 being subject to more liability than the other agencies. Trustee Parker asked what  
34 happens if the parties come to a stalemate. Mr. Garcia explained that there are many  
35 important decisions to be made and the consequence of not forming an agreeable JPA  
36 could be extraordinary. Without a new governing JPA there is no insulation from  
37 liability for the individual agencies, and there is no ability for a JPA to raise its own  
38 funds and start equitably imposing a pump charge on all pumpers in the EMA to  
39 sustainably manage the basin. ID No.1 has paid a pump charge for many, many years  
40 and we continue to pay a charge for groundwater production while other pumpers in  
41 the EMA do not pay, which in itself is unsustainable.  
42

43 Mr. Garcia noted that the parties need to be talking about the real reasons behind a  
44 sound voting structure, not just insisting on the status quo for the sake of status quo.  
45 He reminded the Board that ID No.1 objected to the weighted voting structure in the  
46 MOA when that document was presented to ID No.1 in 2017. As a matter of record,  
47 ID No.1 opposed weighted voting and instead proposed a "One Director - One Vote"  
48 structure at that time. The parties faced a deadline to finish the original MOA, and to  
49 ensure that weighted voting was only a placeholder the MOA expressly states that the  
50 voting procedures shall be renegotiated as part of the new governance structure. Now  
51 is the time to resolve those issues.

1 **B. AMENDMENT TO RULES & REGULATIONS AND CAPITAL FACILITIES CHARGES**

- 2 1. Draft Resolution No. XXX: A Resolution of the Board of Trustees of the Santa Ynez River  
3 Water Conservation District, Improvement No.1 Approving the Automatic Annual  
4 Adjustments to the Capital Facilities Charges and Meter Installation Fees Contained in  
5 Attachment of Appendix "C" and Appendix "D" of the District's Rules and Regulations.  
6

7 The Board packet included a draft Resolution for the automatic annual adjustment to the  
8 District's capital facilities charges and meter installation fees pursuant to District  
9 Resolution No. 422 and Sections 603 and 709 of the District's Rules and Regulations. The  
10 automatic adjustments will take effect on January 1, 2023.  
11

12 Mr. Garcia explained that the draft Resolution is being provided for advance review by  
13 the Board because adjustments to the District's capital facilities charges are implemented  
14 through amendments to Appendix "C" and Appendix "D" of the District's Rules and  
15 Regulations. He explained that the Board must be provided at least 20-days advance  
16 written notice of any proposed amendments or changes to the Rules and Regulations. He  
17 stated that no action was required at this time and the draft Resolution would be  
18 presented for consideration and action at the December meeting.  
19

20 **11. REPORTS BY THE BOARD MEMBERS OR STAFF, QUESTIONS OF STAFF, STATUS REPORTS,**  
21 **ANNOUNCEMENTS, COMMITTEE REPORTS, AND OTHER MATTERS AND/OR COMMUNICATIONS**  
22 **NOT REQUIRING BOARD ACTION:**

23 The Board packet included the November 2022 Family Farm Alliance Monthly Briefing.  
24

25 Mr. Garcia reported that the Association of California Water Agencies Fall Conference will be  
26 held the week of November 28<sup>th</sup> in Indian Wells. He stated that he and Trustee Clay will be  
27 attending.  
28

29 **12. CORRESPONDENCE: GENERAL MANAGER RECOMMENDS FILING OF VARIOUS ITEMS:**

30 The Correspondence List was received by the Board.  
31

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

33 There were no requests from the Board.  
34

35 **14. NEXT MEETING OF THE BOARD OF TRUSTEES:**

36 President Clay stated that the next Regular Meeting of the Board of Trustees is scheduled for  
37 December 20, 2022 at 3:00 p.m.  
38

39 **15. CLOSED SESSION:**

40 The Board adjourned to closed session at 4:47 p.m.  
41

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

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

- 44 1. Name of Case: Adjudicatory proceedings pending before the State Water Resources  
45 Control Board regarding Permit 15878 issued on Application 22423 to the City of  
46 Solvang, Petitions for Change, and Related Protests  
47  
48 2. Name of Case: Central Coast Water Authority, et al. v. Santa Barbara County Flood  
49 Control and Water Conservation District, et al., Santa Barbara County Superior Court  
50 Case No. 21CV02432



1 16. **RECONVENE INTO OPEN SESSION:**

2 [Sections 54957.1 and 54957.7 of the Government Code]

3  
4 The public participation phone line was re-opened, and the Board reconvened to open session  
5 at approximately 5:13 p.m.

6  
7 Mr. Garcia announced that the Board met in closed session concerning Agenda Items 15.A.1  
8 and 15.A.2, and that there was no reportable action from closed session.

9  
10 17. **ADJOURNMENT:**

11 Being no further business, it was **MOVED** by Trustee Parker, seconded by Trustee Joos, and  
12 carried by a 4-0-0 roll voice vote, with Trustees Holzer absent, to adjourn the meeting at  
13 approximately 5:14p.m.

14  
15 **RESPECTFULLY SUBMITTED,**

16  
17  
18 \_\_\_\_\_  
19 Mary Martone, Secretary to the Board

20  
21  
22 **ATTEST:** \_\_\_\_\_  
23 Jeff Clay, President

24  
25  
26 **MINUTES PREPARED BY:**

27  
28  
29 \_\_\_\_\_  
30 Karen King, Board Administrative Assistant

**BOARD OF TRUSTEES  
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO.1  
December 20, 2022**

**Consent Agenda Report**

CA-1. Water Supply and Production Report. Total water production in **November 2022 (190 AF)** was approximately 162 AF less than total production in October (352 AF), 102 AF below the most recent 3-year running average (2019-2021) for the month of **November (292 AF)**, and 111 AF less than the most recent 10-year running average (2012-2021) for the month of **November (301 AF)**. Low November production this year is likely attributable to early rain events in the month, although generally the District's overall demands and total production have been trending well below historic levels for domestic, rural residential, and agricultural water deliveries due to water conservation, changing water use patterns, and private well installations.

For the month of **November**, approximately **64 AF** was produced from the Santa Ynez Upland wells, and approximately **126 AF** was produced from the 4.0 cfs and 6.0 cfs well fields in the Santa Ynez River alluvium. As reflected in the Monthly Water Deliveries Report from the Central Coast Water Authority (CCWA), the District did not request or take any SWP supplies for the month. Direct diversions to the County Park and USBR were **1.42 AF**.

The USBR Daily Operations Report for Lake Cachuma in **November** (ending November 30, 2022) recorded the end of month lake elevation at **692.72'** with the end of month storage of **61,113 AF**. USBR recorded total precipitation at the lake of **1.59 inches in November**. No SWP deliveries were made to the reservoir for South Coast entities. Reservoir evaporation in **November** was **245.9 AF**.

Based on the updated maximum storage capacity of 192,978 AF (previously 193,305 AF), Cachuma reservoir is currently (as of **December 12, 2022**) at approximately **31.5%** of capacity, with current storage of **60,790 AF** (Santa Barbara County Flood Control District, Rainfall and Reservoir Summary). At a point when reservoir storage exceeds 100,000 AF, the Cachuma Member Units typically have received a full allocation. Conversely, a 20% pro-rata reduction from the full allocation is scheduled to occur in Water Years beginning at less than 100,000 AF, where incremental reductions may occur (and previously have occurred) at other lower storage levels. For the federal WY 2021-2022 (October 1, 2021 through September 30, 2022), USBR issued a 70% allocation, equal to 18,000 AF. ID No.1's 10.31% share of that allocation was 1,855 AF. **For federal WY 2022-2023, the Cachuma Member Units jointly requested a Project allocation of 3,644 AF, which would translate to a 14% allocation. By letter dated September 30, 2022, USBR responded with an initial 0% Cachuma Project allocation for WY 2022-2023.** ID No.1 currently holds approximately 3,165 AF of unused allocation and previous years carryover water in the reservoir, subject to evaporation.

Water releases for the protection of fish and aquatic habitat are made from Cachuma reservoir to the lower Santa Ynez River pursuant to the 2000 Biological Opinion issued by the National Marine Fisheries Service (NMFS) and the 2019 Water Rights Order (WR 2019-0148) issued by the State Water Resources Control Board (SWRCB). These releases are made to Hilton Creek and to the stilling basin portion of the outlet works at the base of Bradbury Dam. The water releases required under the NMFS 2000 Biological Opinion to avoid jeopardy to steelhead and adverse impacts to its critical habitat are summarized as follows:



NMFS 2000 Biological Opinion

- *When Reservoir Spills and the Spill Amount Exceeds 20,000 AF:*
  - *10 cfs at Hwy 154 Bridge during spill year(s) exceeding 20,000 AF*
  - *1.5 cfs at Alisal Bridge when spill amount exceeds 20,000 AF and if steelhead are present at Alisal Reach*
  - *1.5 cfs at Alisal Bridge in the year immediately following a spill that exceeded 20,000 AF and if steelhead are present at Alisal Reach*
- *When Reservoir Does Not Spill or When Reservoir Spills Less Than 20,000 AF:*
  - *5 cfs at Hwy 154 when Reservoir does not spill and Reservoir storage is above 120,000 AF, or when Reservoir spill is less than 20,000 AF*
  - *2.5 cfs at Hwy 154 in all years when Reservoir storage is below 120,000 AF but greater than 30,000 AF*
  - *1.5 cfs at Alisal Bridge if the Reservoir spilled in the preceding year and the spill amount exceeded 20,000 AF and if steelhead are present at Alisal Reach*
  - *30 AF per month to "refresh the stilling basin and long pool" when Reservoir storage is less than 30,000 AF*

The water releases required under the SWRCB Water Rights Order 2019-0148 for the protection of fish and other public trust resources in the lower Santa Ynez River and to prevent the waste and unreasonable use of water are summarized as follows:

SWRCB Order WR 2019-0148

- *During Below Normal, Dry, and Critical Dry water years (October 1 – September 30), releases shall be made in accordance with the requirements of the NMFS 2000 Biological Opinion as set forth above.*
- *During Above Normal and Wet water years, the following minimum flow requirements must be maintained at Hwy 154 and Alisal Bridges:*
  - *48 cfs from February 15 to April 14 for spawning*
  - *20 cfs from February 15 to June 1 for incubation and rearing*
  - *25 cfs from June 2 to June 9 for emigration, with ramping to 10 cfs by June 30*
  - *10 cfs from June 30 to October 1 for rearing and maintenance of resident fish*
  - *5 cfs from October 1 to February 15 for resident fish*
- *For purposes of SWRCB Order WR 2019-0148, water year classifications are as follows:*
  - *Wet is when Cachuma Reservoir inflow is greater than 117,842 AF;*
  - *Above Normal is when Reservoir inflow is less than or equal to 117,842 AF or greater than 33,707 AF;*
  - *Below Normal is when Reservoir inflow is less than or equal to 33,707 AF or greater than 15,366 AF;*
  - *Dry is when Reservoir inflow is less than or equal to 15,366 AF or greater than 4,550 AF*
  - *Critical Dry is when Reservoir inflow is less than or equal to 4,550 AF*

**For the month of November, Cachuma Project water releases for fish were 202.3 AF to Hilton Creek and 210.0 AF to the outlet works, for a total of 412.3 AF. As of the end of November 2022, a total of approximately 49,272.6 AF of Cachuma Project water has been released under regulatory requirements for the protection of fish and fish habitat below Bradbury Dam since the year after the last spill in 2011.**

CA-2. State Water Project (SWP) and Central Coast Water Authority (CCWA) Updates.

As previously reported, the 2022 SWP Table A allocation for SWP Contractors was only 5 percent, which translated to 35 AF for ID No.1's share of Table A supplies through CCWA. The District also holds approximately 181 AF of prior years carryover in San Luis Reservoir. **By Notice to the SWP Contractors dated December 1, 2022, DWR has announced an initial 2023 SWP Table A Allocation of 5 percent, along with a provisional allocation of additional SWP supplies to certain Contractors needing to ensure human health and safety needs.** (See related materials attached.)

CCWA remains engaged in a variety of matters relating to the SWP, including but not limited to: SWP supplies and ongoing drought conditions; SWP operations; the 2022 Supplemental Water Purchase Program; the Aquaterra Water Bank proposal; water quality challenges and plans to mitigate future water quality issues; and pending litigation against the Santa Barbara County Flood Control and Water Conservation District. The CCWA Board of Directors did not meet in November and is not scheduled to meet in December.



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Historical Archive and R

Lake Cachuma Daily Op

Run D

November 2022

| DAY            | ELEV   | STORAGE ACRE-FEET |               | COMPUTED*<br>INFLOW AF. | CCWA<br>INFLOW AF. | PRECIP ON      |                | RELEASE - AF. |              |             | EVAPORATION  |              | PRECIP<br>INCHES |
|----------------|--------|-------------------|---------------|-------------------------|--------------------|----------------|----------------|---------------|--------------|-------------|--------------|--------------|------------------|
|                |        | IN LAKE           | CHANGE        |                         |                    | RES. SURF. AF. | TUNNEL         | HILTON CREEK  | OUTLET       | SPILLWAY    | AF.          | INCH         |                  |
|                | 693.78 | 62,655            |               |                         |                    |                |                |               |              |             |              |              |                  |
| 1              | 693.72 | 62,567            | -88           | 4.0                     | 0.0                | 0.0            | 70.9           | 6.8           | 7.0          | 0.6         | 7.0          | 0.080        | 0.00             |
| 2              | 693.64 | 62,449            | -118          | -30.3                   | 0.0                | 8.5            | 65.3           | 6.9           | 8.0          | 0.6         | 15.8         | 0.180        | 0.07             |
| 3              | 693.58 | 62,361            | -88           | -4.9                    | 0.0                | 0.0            | 64.6           | 6.8           | 7.0          | 0.6         | 4.4          | 0.050        | 0.00             |
| 4              | 693.52 | 62,274            | -87           | -5.7                    | 0.0                | 0.0            | 53.1           | 6.9           | 8.0          | 0.6         | 13.1         | 0.150        | 0.00             |
| 5              | 693.48 | 62,216            | -58           | 16.9                    | 0.0                | 0.0            | 51.2           | 6.8           | 7.0          | 0.6         | 9.6          | 0.110        | 0.00             |
| 6              | 693.42 | 62,129            | -87           | -10.5                   | 0.0                | 0.0            | 53.0           | 6.8           | 7.0          | 0.6         | 9.6          | 0.110        | 0.00             |
| 7              | 693.39 | 62,086            | -43           | 17.6                    | 0.0                | 1.2            | 40.7           | 6.8           | 8.0          | 0.6         | 6.1          | 0.070        | 0.01             |
| 8              | 693.45 | 62,173            | 87            | 87.3                    | 0.0                | 49.8           | 34.4           | 6.7           | 7.0          | 0.6         | 1.7          | 0.020        | 0.41             |
| 9              | 693.47 | 62,202            | 29            | -68.8                   | 0.0                | 133.7          | 21.9           | 6.8           | 7.0          | 0.6         | 0.0          | 0.000        | 1.10             |
| 10             | 693.44 | 62,158            | -44           | -9.3                    | 0.0                | 0.0            | 11.9           | 6.8           | 7.0          | 0.6         | 8.7          | 0.100        | 0.00             |
| 11             | 693.41 | 62,115            | -43           | -10.6                   | 0.0                | 0.0            | 11.3           | 6.9           | 7.0          | 0.6         | 7.0          | 0.080        | 0.00             |
| 12             | 693.38 | 62,071            | -44           | -11.4                   | 0.0                | 0.0            | 10.7           | 6.7           | 7.0          | 0.6         | 7.9          | 0.090        | 0.00             |
| 13             | 693.35 | 62,028            | -43           | -7.8                    | 0.0                | 0.0            | 12.3           | 6.8           | 8.0          | 0.6         | 7.9          | 0.090        | 0.00             |
| 14             | 693.29 | 61,940            | -88           | -55.2                   | 0.0                | 0.0            | 10.9           | 6.7           | 7.0          | 0.6         | 7.9          | 0.090        | 0.00             |
| 15             | 693.30 | 61,955            | 15            | 57.5                    | 0.0                | 0.0            | 20.6           | 6.8           | 7.0          | 0.6         | 7.9          | 0.090        | 0.00             |
| 16             | 693.27 | 61,911            | -44           | -1.4                    | 0.0                | 0.0            | 21.5           | 6.9           | 7.0          | 0.6         | 7.0          | 0.080        | 0.00             |
| 17             | 693.25 | 61,882            | -29           | 15.8                    | 0.0                | 0.0            | 22.1           | 6.8           | 7.0          | 0.6         | 8.7          | 0.100        | 0.00             |
| 18             | 693.20 | 61,810            | -72           | -25.9                   | 0.0                | 0.0            | 21.6           | 6.8           | 7.0          | 0.6         | 10.5         | 0.120        | 0.00             |
| 19             | 693.17 | 61,766            | -44           | -0.8                    | 0.0                | 0.0            | 22.1           | 6.8           | 7.0          | 0.6         | 7.0          | 0.080        | 0.00             |
| 20             | 693.14 | 61,723            | -43           | 1.7                     | 0.0                | 0.0            | 22.0           | 6.8           | 7.0          | 0.6         | 8.7          | 0.100        | 0.00             |
| 21             | 693.12 | 61,694            | -29           | 15.4                    | 0.0                | 0.0            | 21.7           | 6.8           | 7.0          | 0.6         | 8.7          | 0.100        | 0.00             |
| 22             | 693.08 | 61,621            | -73           | -19.8                   | 0.0                | 0.0            | 29.8           | 6.8           | 6.0          | 0.6         | 10.4         | 0.120        | 0.00             |
| 23             | 693.04 | 61,578            | -43           | 17.3                    | 0.0                | 0.0            | 35.9           | 6.8           | 7.0          | 0.6         | 10.4         | 0.120        | 0.00             |
| 24             | 692.99 | 61,505            | -73           | -0.7                    | 0.0                | 0.0            | 49.6           | 6.8           | 7.0          | 0.6         | 8.7          | 0.100        | 0.00             |
| 25             | 692.94 | 61,432            | -73           | 2.8                     | 0.0                | 0.0            | 50.5           | 6.8           | 7.0          | 0.6         | 11.3         | 0.130        | 0.00             |
| 26             | 692.89 | 61,360            | -72           | -0.6                    | 0.0                | 0.0            | 49.7           | 6.6           | 6.0          | 0.6         | 8.7          | 0.100        | 0.00             |
| 27             | 692.84 | 61,287            | -73           | 2.4                     | 0.0                | 0.0            | 51.0           | 6.5           | 7.0          | 0.6         | 10.4         | 0.120        | 0.00             |
| 28             | 692.79 | 61,215            | -72           | -0.7                    | 0.0                | 0.0            | 48.8           | 6.3           | 6.0          | 0.6         | 9.5          | 0.110        | 0.00             |
| 29             | 692.74 | 61,142            | -73           | -3.7                    | 0.0                | 0.0            | 51.1           | 6.4           | 6.0          | 0.6         | 5.2          | 0.060        | 0.00             |
| 30             | 692.72 | 61,113            | -29           | 27.0                    | 0.0                | 0.0            | 35.9           | 6.4           | 7.0          | 0.6         | 6.1          | 0.070        | 0.00             |
| <b>TOTALS</b>  |        |                   | <b>-1,542</b> | <b>-2.4</b>             | <b>0.0</b>         | <b>193.2</b>   | <b>1,066.1</b> | <b>202.3</b>  | <b>210.0</b> | <b>18.0</b> | <b>245.9</b> | <b>2.820</b> | <b>1.59</b>      |
| <b>AVERAGE</b> |        | <b>61,859</b>     |               |                         |                    |                |                |               |              |             |              |              |                  |

Comments: \*Computed inflow is the sum of change in storage, releases and evaporation minus precip on the reservoir surface and cowa inflow.  
 Indicated outlet release includes leakage from outlet valves and spillway gates.  
 Data based on a 24 hour period ending 0800.



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Historical Archive and Report Database

Lake Cachuma Daily Operations

Run Date: 12/15/2022

December 2022

| DAY            | ELEV   | STORAGE ACRE-FEET |            | COMPUTED*<br>INFLOW AF. | CCWA<br>INFLOW AF. | PRECIP ON      |              |              | RELEASE - AF.   |            |             | EVAPORATION  |             | PRECIP<br>INCHES |  |
|----------------|--------|-------------------|------------|-------------------------|--------------------|----------------|--------------|--------------|-----------------|------------|-------------|--------------|-------------|------------------|--|
|                |        | IN LAKE           | CHANGE     |                         |                    | RES. SURF. AF. | TUNNEL       | HILTON CREEK | OUTLET SPILLWAY | AF.        | INCH        |              |             |                  |  |
|                | 692.72 | 61,113            |            |                         |                    |                |              |              |                 |            |             |              |             |                  |  |
| 1              | 692.68 | 61,055            | -58        | -11.4                   | 0.5                | 1.2            | 33.9         | 5.2          | 6.0             | 0.6        | 2.4         | 0.030        | 0.01        |                  |  |
| 2              | 692.68 | 61,055            | 0          | 14.1                    | 1.5                | 25.2           | 24.8         | 5.6          | 6.0             | 0.6        | 4.0         | 0.050        | 0.21        |                  |  |
| 3              | 692.69 | 61,069            | 14         | 13.2                    | 0.0                | 40.8           | 24.6         | 5.9          | 7.0             | 0.6        | 2.4         | 0.030        | 0.34        |                  |  |
| 4              | 692.69 | 61,069            | 0          | 2.3                     | 0.0                | 32.4           | 20.3         | 5.9          | 6.0             | 0.6        | 2.4         | 0.030        | 0.27        |                  |  |
| 5              | 692.67 | 61,040            | -29        | 3.2                     | 0.0                | 4.8            | 20.0         | 6.0          | 6.0             | 0.6        | 4.0         | 0.050        | 0.04        |                  |  |
| 6              | 692.64 | 60,997            | -43        | -3.8                    | 0.0                | 1.2            | 20.3         | 6.0          | 6.0             | 0.6        | 7.1         | 0.090        | 0.01        |                  |  |
| 7              | 692.61 | 60,954            | -43        | -5.4                    | 0.0                | 0.0            | 20.6         | 6.2          | 6.0             | 0.6        | 4.0         | 0.050        | 0.00        |                  |  |
| 8              | 692.58 | 60,911            | -43        | -8.0                    | 0.0                | 0.0            | 19.6         | 6.1          | 6.0             | 0.6        | 2.4         | 0.030        | 0.00        |                  |  |
| 9              | 692.57 | 60,896            | -15        | 20.8                    | 0.0                | 0.0            | 20.4         | 6.3          | 6.0             | 0.6        | 2.4         | 0.030        | 0.00        |                  |  |
| 10             | 692.55 | 60,868            | -28        | 4.4                     | 0.0                | 0.0            | 16.2         | 6.2          | 6.0             | 0.6        | 3.2         | 0.040        | 0.00        |                  |  |
| 11             | 692.88 | 61,345            | 477        | 189.3                   | 0.0                | 317.9          | 17.2         | 6.2          | 6.0             | 0.6        | 0.0         | 0.000        | 2.64        |                  |  |
| 12             | 693.11 | 61,679            | 334        | 317.2                   | 0.0                | 53.2           | 17.0         | 6.2          | 6.0             | 0.6        | 6.4         | 0.080        | 0.44        |                  |  |
| 13             | 693.09 | 61,636            | -43        | -8.1                    | 0.0                | 0.0            | 17.9         | 6.3          | 6.0             | 0.6        | 4.0         | 0.050        | 0.00        |                  |  |
| 14             |        |                   |            |                         |                    |                |              |              |                 | 0.0        |             |              |             |                  |  |
| <b>TOTALS</b>  |        |                   | <b>523</b> | <b>527.8</b>            | <b>2.0</b>         | <b>476.7</b>   | <b>272.8</b> | <b>78.1</b>  | <b>79.0</b>     | <b>7.8</b> | <b>44.7</b> | <b>0.560</b> | <b>3.96</b> |                  |  |
| <b>AVERAGE</b> |        | <b>61,121</b>     |            |                         |                    |                |              |              |                 |            |             |              |             |                  |  |

Comments: \*Computed inflow is the sum of change in storage, releases and evaporation minus precip on the reservoir surface and cowa inflow.  
 Indicated outlet release includes leakage from outlet valves and spillway gates.  
 Data based on a 24 hour period ending 0800.



# Santa Barbara County - Flood Control District

130 East Victoria Street, Santa Barbara CA 93101 - 805.568.3440 - [www.countyofsb.org/pwd](http://www.countyofsb.org/pwd)

## Rainfall and Reservoir Summary

Updated 8am: 12/12/2022

Water Year: 2023

Storm Number: 7

Notes: Daily rainfall amounts are recorded as of 8am for the previous 24 hours. Rainfall units are expressed in inches.

All data on this page are from automated sensors, are preliminary, and subject to verification.

\*Each Water Year (WY) runs from Sept 1 through Aug 31 and is designated by the calendar year in which it ends

County Real-Time Rainfall and Reservoir Website link: <http://www.countyofsb.org/hydrology>

| Rainfall                       | ID  | 24 hrs | Storm<br>3day(s) | Month | Year* | % to Date | % of Year* | AI  |
|--------------------------------|-----|--------|------------------|-------|-------|-----------|------------|-----|
| Buellton (Fire Stn)            | 233 | 0.40 E | 2.10             | 3.25  | 5.00  | 158%      | 30%        |     |
| Cachuma Dam (USBR)             | 332 | 0.42   | 3.00             | 3.84  | 5.36  | 150%      | 27%        |     |
| Carpinteria (Fire Stn)         | 208 | 0.32   | 1.54             | 2.75  | 3.95  | 119%      | 23%        |     |
| Cuyama (Fire Stn)              | 436 | 0.09   | 0.60             | 1.14  | 2.30  | 140%      | 30%        |     |
| Figueroa Mtn. (USFS Stn)       | 421 | 0.43   | 2.31             | 3.80  | 7.14  | 158%      | 34%        | 8.3 |
| Gibraltar Dam (City Facility)  | 230 | 0.34   | 5.70             | 6.93  | 9.46  | 215%      | 36%        | 7.6 |
| Goleta (Fire Stn-Los Cameros)  | 440 | 0.34   | 1.56             | 3.66  | 4.86  | 132%      | 27%        |     |
| Lompoc (City Hall)             | 439 | 0.63   | 2.20             | 3.63  | 7.06  | 245%      | 49%        | 7.6 |
| Los Alamos (Fire Stn)          | 204 | 0.37   | 1.72             | 3.17  | 5.34  | 185%      | 35%        |     |
| San Marcos Pass (USFS Stn)     | 212 | 0.44   | 7.33             | 12.17 | 15.99 | 247%      | 48%        |     |
| Santa Barbara (County Bldg)    | 234 | 0.36   | 1.82             | 3.57  | 5.65  | 162%      | 31%        |     |
| Santa Maria (City Pub. Works)  | 380 | 0.22   | 0.99             | 2.13  | 5.10  | 189%      | 39%        |     |
| Santa Ynez (Fire Stn /Airport) | 218 | 0.38   | 2.69             | 3.71  | 5.12  | 170%      | 33%        |     |
| Sisquoc (Fire Stn)             | 256 | 0.23   | 0.98             | 2.31  | 4.11  | 135%      | 28%        |     |

County-wide percentage of "Normal-to-Date" rainfall : **172%**

County-wide percentage of "Normal Water-Year" rainfall : **34%**

County-wide percentage of "Normal Water-Year" rainfall calculated assuming no more rain through Aug. 31, 2023 (End of WY2023).

**AI (Antecedent Index / Soil Wetness)**

6.0 and below = Wet (min. = 2.5)  
 6.1 - 9.0 = Moderate  
 9.1 and above = Dry (max. = 12.5)

### Reservoirs

Reservoir Elevations referenced to NGVD-29.

\*\*Cachuma is full and subject to spilling at elevation 750 ft.

However, the lake is surcharged to 753 ft. for fish release water.

(Cachuma water storage is based on Dec 2013 capacity revision)

| Click on Site for<br>Real-Time Readings    | Spillway<br>Elev.<br>(ft) | Current<br>Elev.<br>(ft) | Max.<br>Storage<br>(ac-ft) | Current<br>Storage<br>(ac-ft) | Current<br>Capacity<br>(%) | Storage<br>Change<br>Mo.(ac-ft) | Storage<br>Change<br>Year*(ac-ft) |
|--|---------------------------|--------------------------|----------------------------|-------------------------------|----------------------------|---------------------------------|-----------------------------------|
| <u><a href="#">Gibraltar Reservoir</a></u> | 1,400.00                  | 1,382.31                 | 4,693                      | 1,414                         | 30.1%                      | 484                             | 114                               |
| <u><a href="#">Cachuma Reservoir</a></u>   | 753.**                    | 693.11                   | 192,978                    | 60,790                        | 31.5%                      | 628                             | -9,880                            |
| <u><a href="#">Jameson Reservoir</a></u>   | 2,224.00                  | 2,204.40                 | 4,848                      | 2,727                         | 56.3%                      | 210                             | -99                               |
| <u><a href="#">Twitchell Reservoir</a></u> | 651.50                    | NA                       | 194,971                    | NA                            |                            | NA                              | NA                                |

[Previous Rainfall and Reservoir Summaries](#)



California Irrigation Management Information System (CIMIS)

# CIMIS Daily Report

Rendered in ENGLISH Units.

Tuesday, November 1, 2022 - Wednesday, November 30, 2022

Printed on Thursday, December 1, 2022

## Santa Ynez - Central Coast Valleys - Station 64

| Date       | ETo (in) | Precip (in) | Sol Rad (Ly/day) | Avg Vap Pres (mBars) | Max Air Temp (°F) | Min Air Temp (°F) | Avg Air Temp (°F) | Max Rel Hum (%) | Min Rel Hum (%) | Avg Rel Hum (%) | Dew Point (°F) | Avg Wind Speed (mph) | Wind Run (miles) | Avg Soil Temp (°F) |
|------------|----------|-------------|------------------|----------------------|-------------------|-------------------|-------------------|-----------------|-----------------|-----------------|----------------|----------------------|------------------|--------------------|
| 11/1/2022  | 0.09     | 0.00        | 314              | 13.9                 | 75.4              | 51.1              | 58.9              | 100             | 49              | 82              | 53.4           | 2.5                  | 60.0             | 71.5               |
| 11/2/2022  | 0.10     | 0.00        | 359              | 9.8                  | 67.6              | 43.0              | 54.4              | 100             | 36              | 68              | 44.0           | 3.3                  | 78.9             | 71.5               |
| 11/3/2022  | 0.11     | 0.00        | 380              | 7.6                  | 66.8              | 34.8              | 51.0              | 100             | 28              | 60              | 37.6           | 3.4                  | 81.2             | 71.1               |
| 11/4/2022  | 0.10     | 0.00        | 0 R              | 7.8                  | 44.9 R            | 42.5              | 43.8              | 97              | 21              | 80              | 38.0           | 1.0 Y                | 24.3 Y           | 69.8               |
| 11/5/2022  | 0.10     | 0.00        | 371              | 10.5                 | 81.9              | 35.2              | 54.8              | 100             | 29              | 72              | 45.8           | 2.4                  | 58.1             | 69.7               |
| 11/6/2022  | 0.09     | 0.00        | 337              | 13.0                 | 78.2              | 42.0              | 57.0              | 100             | 58              | 82              | 51.6           | 2.2                  | 52.9             | 69.4               |
| 11/7/2022  | 0.01     | 0.37        | 88               | 13.5                 | 60.8              | 43.1              | 52.5              | 100             | 91              | 100             | 52.6           | 1.7                  | 40.1             | 69.4               |
| 11/8/2022  | 0.01     | 0.93 H      | 82               | 13.2                 | 59.0              | 45.5              | 52.6              | 100             | 84              | 98              | 51.9           | 3.0                  | 72.8             | 68.8               |
| 11/9/2022  | 0.08     | 0.02        | 325              | 10.1                 | 64.3              | 38.6              | 50.3              | 100             | 49              | 81              | 44.8           | 2.6                  | 62.6             | 67.6               |
| 11/10/2022 | 0.09     | 0.00        | 364              | 8.2                  | 73.6              | 32.5              | 48.4              | 100             | 28              | 71              | 39.4           | 1.6                  | 39.3             | 66.5               |
| 11/11/2022 | 0.09     | 0.00        | 332              | 8.6                  | 74.2              | 33.3              | 49.6              | 100             | 25              | 71              | 40.6           | 1.8                  | 44.2             | 65.6               |
| 11/12/2022 | 0.09     | 0.00        | 350              | 9.2                  | 70.6              | 33.5              | 49.0              | 100             | 38              | 78              | 42.3           | 2.3                  | 55.5             | 64.8               |
| 11/13/2022 | 0.09     | 0.00        | 346              | 8.3                  | 68.6              | 34.7              | 48.8              | 100             | 28              | 71              | 39.8           | 2.5                  | 60.8             | 64.2               |
| 11/14/2022 | 0.09     | 0.00        | 353              | 7.4                  | 73.7              | 28.0              | 46.7              | 100             | 19              | 68              | 36.9           | 2.0                  | 48.0             | 63.7               |
| 11/15/2022 | 0.08     | 0.00        | 333              | 8.4                  | 71.1              | 33.1              | 47.4              | 100             | 31              | 76              | 40.2           | 2.1                  | 50.1             | 63.2               |
| 11/16/2022 | 0.09     | 0.00        | 345              | 7.1                  | 77.8              | 30.8              | 49.4              | 100             | 18              | 59              | 35.6           | 2.1                  | 51.2             | 62.8               |
| 11/17/2022 | 0.09     | 0.00        | 347 R            | 7.0                  | 78.9              | 28.2              | 49.0              | 100             | 18              | 59              | 35.3           | 2.1                  | 51.1             | 62.5               |
| 11/18/2022 | 0.08     | 0.00        | 330              | 7.8                  | 72.5              | 27.6              | 46.3              | 100             | 27              | 73              | 38.3           | 2.1                  | 49.9             | 62.2               |
| 11/19/2022 | 0.09     | 0.00        | 338              | 6.2                  | 74.8              | 29.2              | 46.9              | 100             | 14              | 56              | 32.2           | 2.1                  | 51.1             | 61.9               |
| 11/20/2022 | 0.08     | 0.00        | 339 R            | 5.0                  | 78.3              | 23.4              | 45.1              | 100             | 8               | 49              | 27.1           | 1.8                  | 43.4             | 61.5               |
| 11/21/2022 | 0.07     | 0.00        | 278              | 5.9                  | 76.1              | 25.4              | 46.4              | 100             | 12              | 55              | 31.1           | 1.8                  | 42.8             | 61.1               |
| 11/22/2022 | 0.09     | 0.00        | 336 R            | 6.1                  | 78.0              | 26.6              | 48.7              | 100             | 12              | 53              | 32.1           | 2.2                  | 53.3             | 60.7               |
| 11/23/2022 | 0.08     | 0.00        | 324              | 6.8                  | 79.6              | 31.2              | 49.4              | 100             | 17              | 56              | 34.5           | 1.9                  | 44.8             | 60.6               |
| 11/24/2022 | 0.09     | 0.00        | 325              | 6.1                  | 81.2              | 29.8              | 50.8              | 100             | 13              | 48              | 32.0           | 2.1                  | 50.3             | 60.6               |
| 11/25/2022 | 0.09     | 0.00        | 307              | 5.5                  | 79.8              | 30.3              | 50.2              | 96              | 10              | 44              | 29.2           | 2.3                  | 54.2             | 60.6               |
| 11/26/2022 | 0.09     | 0.00        | 314              | 7.2                  | 78.4              | 29.2              | 48.3              | 100             | 18              | 62              | 35.9           | 2.5                  | 60.8             | 60.4               |
| 11/27/2022 | 0.08     | 0.00        | 305              | 7.6                  | 75.6              | 28.0              | 48.9              | 100             | 21              | 64              | 37.3           | 2.1                  | 51.1             | 60.2               |
| 11/28/2022 | 0.06     | 0.00        | 264              | 10.7                 | 66.3              | 40.7              | 50.9              | 100             | 56              | 85              | 46.4           | 2.8                  | 68.1             | 60.2               |
| 11/29/2022 | 0.06     | 0.00        | 280              | 8.8                  | 65.2              | 32.0              | 46.6              | 100             | 50              | 82              | 41.3           | 2.1                  | 49.4             | 60.4               |
| 11/30/2022 | 0.05     | 0.00        | 209              | 9.5                  | 64.1              | 30.6              | 46.5              | 100             | 56              | 88              | 43.1           | 2.6                  | 62.7             | 60.2               |
| Tots/Avg   | 2.41     | 1.32        | 299              | 8.6                  | 71.9              | 33.8              | 49.6              | 100             | 32              | 70              | 39.7           | 2.2                  | 53.8             | 64.4               |

| Flag Legend                        |                            |                             |
|------------------------------------|----------------------------|-----------------------------|
| A - Historical Average             | I - Ignore                 | R - Far out of normal range |
| C or N - Not Collected             | M - Missing Data           | S - Not in service          |
| H - Hourly Missing or Flagged Data | Q - Related Sensor Missing | Y - Moderately out of range |
| Conversion Factors                 |                            |                             |
| Ly/day/2.065=W/sq.m                | inches * 25.4 = mm         | (F-32) * 5/9 = c            |
| mph * 0.447 = m/s                  | mBars * 0.1 = kPa          | miles * 1.60934 = km        |



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

TO: Ray Stokes, Executive Director  
Dessi Mladenova, Controller

FROM: Christine Forsyth, Administrative Assistant

SUBJECT: Monthly Water Deliveries

December 1, 2022

According to the CCWA revenue meters at each turnout, the following deliveries were made during the month of November 2022:

| <u>Project Participant</u> | <u>Delivery Amount (acre-feet)</u> |
|----------------------------|------------------------------------|
| Chorro .....               | 82.73                              |
| López.....                 | 0.00                               |
| Shandon.....               | 0.00                               |
| Guadalupe.....             | 0.00                               |
| Santa Maria.....           | 0.00                               |
| Golden State Water Co..... | 0.00                               |
| Vandenberg.....            | 0.00                               |
| Buellton .....             | 0.00                               |
| Solvang .....              | 0.00                               |
| Santa Ynez ID#1 .....      | 0.00                               |
| Bradbury.....              | 0.00                               |
| <b>TOTAL .....</b>         | <b>82.73</b>                       |

In order to reconcile these deliveries with the DWR revenue meter, which read 84 acre-feet, the following delivery amounts should be used for billing purposes:

| <u>Project Participant</u> | <u>Delivery Amount (acre-feet)</u> |
|----------------------------|------------------------------------|
| Chorro .....               | 84                                 |
| López .....                | 0                                  |
| Shandon.....               | 0                                  |
| Guadalupe.....             | 0                                  |
| Santa Maria.....           | 0                                  |
| Golden State Water Co..... | 0                                  |
| Vandenberg .....           | 0                                  |
| Buellton .....             | 0                                  |
| Solvang .....              | 0                                  |
| Santa Ynez ID#1 .....      | 0                                  |
| Bradbury .....             | 0                                  |
| <b>TOTAL .....</b>         | <b>84</b>                          |

Notes: Santa Ynez ID#1 water usage is divided into 0 acre-feet of Table A water and 0 acre-feet of exchange water.

The exchange water is allocated as follows

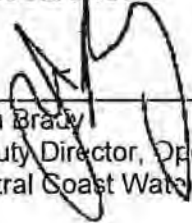
| <u>Project Participant</u> | <u>Exchange Amount (acre-feet)</u> |
|----------------------------|------------------------------------|
| Goleta                     | 0                                  |
| Santa Barbara              | 0                                  |
| Montecito                  | 0                                  |
| Carpinteria                | 0                                  |
| <b>TOTAL</b>               | <b>0</b>                           |

Bradbury Deliveries into Lake Cachuma are allocated as follows:

| <u>Project Participant</u> | <u>Delivery Amount (acre-feet)</u> |
|----------------------------|------------------------------------|
| Carpinteria                | 0                                  |
| Goleta                     | 0                                  |
| La Cumbre                  | 0                                  |
| Montecito                  | 0                                  |
| Morehart                   | 0                                  |
| Santa Barbara              | 0                                  |
| Raytheon                   | 0                                  |
| <b>TOTAL</b>               | <b>0</b>                           |

cc: Tom Bunosky, GWD  
Mike Babb, Golden State WC  
Rebecca Bjork, City of Santa Barbara  
Janet Gingras, COMB  
Craig Kesler, San Luis Obispo County  
Paeter Garcia, Santa Ynez RWCD ID#1  
Shad Springer, City of Santa Maria  
Shannon Sweeney, City of Guadalupe  
Robert MacDonald, Carpinteria Valley WD  
Mike Alvarado, La Cumbre Mutual WC  
Pernell Rush, Vandenberg AFB  
Nick Turner, Montecito WD  
Jose Acosta, City of Solvang  
Rose Hess, City of Buellton

**REVIEW AND APPROVAL OF  
DELIVERY RECORDS AND ASSOCIATED  
CALCULATIONS**

  
\_\_\_\_\_  
John Brady  
Deputy Director, Operations and Engineering  
Central Coast Water Authority

**NOTICE TO STATE WATER PROJECT CONTRACTORS****Date:** December 1, 2022**Number:** 22-04**Subject:** State Water Project Initial 2023 Allocation – 5 Percent with SWP Human Health and Safety Needs

**From:** Tony Meyers Acting for  
**Ted Craddock**  
**Deputy Director, State Water Project**  
**Department of Water Resources**

With the close of Water Year 2022 as critically dry, California has experienced its third consecutive dry year. Entering 2023 with the possibility of another dry year occurring, the Department of Water Resources (DWR) is initially allocating 5 percent of most<sup>1</sup> State Water Project (SWP) contractors requested Table A amounts. DWR is also provisionally allocating additional SWP water to ensure that the SWP contractors can meet their minimum water demands for domestic supply, fire protection, and sanitation (referred to herein as "human health and safety (HH&S) needs") during the year<sup>2</sup>.

The SWP HH&S allocation is made pursuant to Article 18(a) of the long-term water supply contract between DWR and each of the SWP contractors, and pursuant to the "Guidelines for State Water Project Allocation for Human Health and Safety Needs Pursuant to Article 18a of Water Supply Contracts," August 31, 2022 (Attachment B). As described in Attachment B, SWP HH&S needs are determined to be no more than 55 gallons per capita per day, consistent with the State Water Resources Control Board emergency curtailment regulations adopted on August 12, 2022.<sup>3</sup>

In determining available SWP supplies, DWR has considered several factors including SWP contractors' projected 2023 demands, existing storage in SWP conservation

<sup>1</sup> Attachment A presents these initial allocations.

<sup>2</sup> DWR's provisional allocation for HH&S is subject to the contractors providing substantiating documentation of their unmet HH&S needs and subject to DWR's confirmation according to the 2023 SWP HH&S Guidelines (Attachment B).

<sup>3</sup> Cal. Code Regs., tit. 23, §§ 877.1(h), 878.1; see also

<https://www.waterboards.ca.gov/drought/delta/docs/2022/20220812-reg-oal-approved.pdf>

facilities, estimates of future runoff under very dry conditions, SWP operational and regulatory requirements from the federal Endangered Species Act and California Endangered Species Act, and water rights obligations under the SWRCB's authority. DWR may revise the SWP allocation if warranted by the year's developing hydrologic conditions and available SWP water supplies.

To develop the 5 percent water delivery schedule, DWR will utilize the 5 percent schedules submitted by the Contractors in October 2022 (as part of initial requests), including any subsequent updates that may have been provided to DWR. DWR will utilize the SWP HH&S needs schedules received from the contractors in November 2022 for the SWP HH&S delivery schedule. If a contractor foresees any changes to their water delivery schedule, please communicate such changes with DWR in a timely manner. Advanced Table A supplies will remain available for those Contractors with that contractual right if the Contractor is not requesting an SWP HH&S Allocation.

If you have any questions or need additional information, please contact John Leahigh, Assistant Division Manager, Water Management, State Water Project Division of Operations and Maintenance, at (916) 902-9876.

Attachment A: 2023 SWP Allocation Table

Attachment B: Guidelines for State Water Project Allocation for Human Health and Safety Needs Pursuant to Article 18a of Water Supply Contracts; August 31, 2022



Attachment A  
2023 STATE WATER PROJECT ALLOCATION

12/1/2022

| SWP CONTRACTORS               | TABLE A<br>(Acre-Feet)            |   |  |   | HH&S<br>(Acre-Feet)                                |
|-------------------------------|-----------------------------------|---|--|---|--|
|                               | TABLE A<br>(Acre-Feet)<br><br>(1) | INITIAL REQUEST<br>(Acre-Feet)<br><br>(2) | APPROVED<br>ALLOCATION<br>(Acre-Feet)<br><br>(3) | PERCENT INITIAL<br>REQUEST<br>APPROVED<br><br>(4) = (3)/(2) | INITIAL HH&S<br>REQUEST*<br>(Acre-Feet)<br><br>(5) |
| <b>FEATHER RIVER</b>          |                                   |   |  |   |  |
| County of Butte               | 27,500                            | 27,500                                    | 3,000  | 11%   | 0  |
| Plumas County FC&WCD          | 2,700                             | 2,700                                     | 135  | 5%  | 0  |
| City of Yuba City             | 9,600                             | 9,600                                     | 1,440  | 15%   | 0  |
| <b>Subtotal</b>               | <b>39,800</b>                     | <b>39,800</b>                             | <b>4,575</b>                                     |   | <b>0</b>   |
| <b>NORTH BAY</b>              |                                   |   |  |   |  |
| Napa County FC&WCD            | 29,025                            | 29,025                                    | 4,354  | 15%   | 0  |
| Solano County WA              | 47,756                            | 47,756                                    | 7,164  | 15%   | 0  |
| <b>Subtotal</b>               | <b>76,781</b>                     | <b>76,781</b>                             | <b>11,518</b>                                    |   | <b>0</b>   |
| <b>SOUTH BAY</b>              |                                   |   |  |   |  |
| Alameda County FC&WCD, Zone 7 | 80,619                            | 80,619                                    | 4,031  | 5%  | 0  |
| Alameda County WD             | 42,000                            | 42,000                                    | 2,100  | 5%  | 0  |
| Santa Clara Valley WD         | 100,000                           | 100,000                                   | 5,000  | 5%  | 48,806   |
| <b>Subtotal</b>               | <b>222,619</b>                    | <b>222,619</b>                            | <b>11,131</b>                                    |   | <b>48,806</b>                                      |
| <b>SAN JOAQUIN VALLEY</b>     |                                   |   |  |   |  |
| Oak Flat WD                   | 5,700                             | 5,700                                     | 285  | 5%  | 0  |
| County of Kings               | 9,305                             | 9,305                                     | 466  | 5%  | 51   |
| Dudley Ridge WD               | 41,350                            | 41,350                                    | 2,068  | 5%  | 0  |
| Empire West Side ID           | 3,000                             | 3,000                                     | 150  | 5%  | 0  |
| Kern County WA                | 982,730                           | 982,730                                   | 49,137   | 5%  | 0  |
| Tulare Lake Basin WSD         | 87,471                            | 87,471                                    | 4,374  | 5%  | 0  |
| <b>Subtotal</b>               | <b>1,129,556</b>                  | <b>1,129,556</b>                          | <b>56,480</b>                                    |   | <b>51</b>  |
| <b>CENTRAL COASTAL</b>        |                                   |   |  |   |  |
| San Luis Obispo County FC&WCD | 25,000                            | 25,000                                    | 1,250  | 5%  | 0  |
| Santa Barbara County FC&WCD   | 45,486                            | 45,486                                    | 2,275  | 5%  | 0  |
| <b>Subtotal</b>               | <b>70,486</b>                     | <b>70,486</b>                             | <b>3,525</b>                                     |   | <b>0</b>   |
| <b>SOUTHERN CALIFORNIA</b>    |                                   |   |  |   |  |
| Antelope Valley-East Kern WA  | 144,844                           | 144,844                                   | 7,243  | 5%  | 7,053  |
| Santa Clarita Valley WA       | 95,200                            | 95,200                                    | 4,760  | 5%  | 0  |
| Coachella Valley WD           | 138,350                           | 138,350                                   | 6,918  | 5%  | 0  |
| Crestline-Lake Arrowhead WA   | 5,800                             | 5,800                                     | 290  | 5%  | 0  |
| Desert WA                     | 55,750                            | 55,750                                    | 2,788  | 5%  | 0  |
| Littlerock Creek ID           | 2,300                             | 2,300                                     | 115  | 5%  | 0  |
| Metropolitan WDSC             | 1,911,500                         | 1,911,500                                 | 95,575   | 5%  | 195,449  |
| Mojave WA                     | 89,800                            | 89,800                                    | 4,490  | 5%  | 0  |
| Palmdale WD                   | 21,300                            | 21,300                                    | 1,065  | 5%  | 0  |
| San Bernardino Valley MWD     | 102,600                           | 102,600                                   | 5,130  | 5%  | 0  |
| San Gabriel Valley MWD        | 28,800                            | 28,800                                    | 1,440  | 5%  | 0  |
| San Geronio Pass WA           | 17,300                            | 17,300                                    | 865  | 5%  | 0  |
| Ventura County WPD            | 20,000                            | 20,000                                    | 1,000  | 5%  | 0  |
| <b>Subtotal</b>               | <b>2,633,544</b>                  | <b>2,633,544</b>                          | <b>131,679</b>                                   |   | <b>202,502</b>                                     |
| <b>TOTAL</b>                  | <b>4,172,786</b>                  | <b>4,172,786</b>                          | <b>218,908</b>                                   | <b>5%</b>   | <b>251,359</b>                                     |

\* DWR's provisional allocation for HH&S is subject to the contractors providing substantiating documentation of their unmet HH&S needs and subject to DWR's confirmation according to the 2023 SWP HH&S Guidelines (Attachment B).

**JOSEPH E. HOLLAND**  
County Clerk, Recorder and Assessor  
**RENEE BISCHOF**  
Chief Deputy Registrar of Voters



**Agenda Item 9. A. 1. a.**

Santa Barbara, CA 93110  
Mailing Address:  
PO Box 61510  
Santa Barbara, CA 93160-1510

**COUNTY CLERK, RECORDER AND ASSESSOR  
ELECTIONS DIVISION**

November 28, 2022

Santa Ynez River Water Conservation District, Improvement Dist #1  
Attn: Mary Martone  
PO BOX 157  
Santa Ynez, CA 93460

Dear District Secretary:

Pursuant to Elections Code §10515, at a special scheduled meeting held on Tuesday, November 22, 2022, the County of Santa Barbara Board of Supervisors appointed in lieu of election the following qualified candidates to the district's board:

| <u>Trustee</u> | <u>Division/Trustee Area</u><br>(if applicable) | <u>Term</u>         | <u>Term Begin –Term End</u>          |
|----------------|---|---------------------|--------------------------------------|
| R. Brad Joos   | At Large  | Full Term (4 Years) | December 2, 2022 to December 4, 2026 |
| Jeff Clay      | Division 2                                      | Full Term (4 Years) | December 2, 2022 to December 4, 2026 |
| Nick Urton     | Division 3                                      | Full Term (4 Years) | December 2, 2022 to December 4, 2026 |

Enclosed with this letter are the original Certificates of Appointment and Oaths of Office to be completed and returned to the County of Santa Barbara Elections Division. The oaths may be administered by the district's board secretary, a notary public, or by a deputy clerk at the County of Santa Barbara Elections Division Main Office (located at 4440A Calle Real, Santa Barbara, CA 93110). Please return the original oaths to the County of Santa Barbara Elections Division as soon as completed (return envelope enclosed), and retain copies for your district's records.

If you have any questions, please contact Andrea Luparello at (805) 696-8955.

Sincerely,

JOSEPH E. HOLLAND  
County Clerk, Recorder and Assessor  
Encl.

Andrea Luparello  
Elections Division Supervisor

S.Y.R.W.C.D. ID.#1

DEC 06 2022

RECEIVED

**Board of Trustees Officers  
 Appointments of Representatives to Agencies/Organizations and District Ad  
 Hoc Committees**

| <b>Officers</b>        | <b>Current (2022)</b> |
|------------------------|-----------------------|
| President of the Board | Jeff Clay             |
| Vice President         | Brad Joos             |
| Treasurer              | Mary Martone          |
| Secretary              | Mary Martone          |

| <b>Agencies/Organizations</b>                 | <b>Current (2022)</b>          |
|---|--------------------------------|
| Central Coast Water Authority                 |                                |
| Director/Alternate                            | Jeff Clay and Lori Parker      |
| Association of California Water Agencies/JPIA |                                |
| Director/Alternate                            | Jeff Clay and Paeter Garcia    |
| <b>Ad Hoc Committees</b>                      |                                |
| Solvang                                       | Jeff Clay and Brad Joos        |
| Water Rates                                   | Mike Burchardi and Brad Joos   |
| COMB  | Jeff Clay and Brad Joos        |
| SGMA – EMA<br>Committee/Alternate             | Brad Joos and Mike Burchardi   |
| Cachuma Contract                              | Mike Burchardi and Lori Parker |
| Los Olivos CSD                                | Mike Burchardi and Lori Parker |

# DRAFT

**Agenda Item 9. A. 2. a.**

**SANTA YNEZ RIVER WATER  
CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT No. 1  
JUNE 30, 2022 AND 2021  
FINANCIAL STATEMENTS**



**BARTLETT, PRINGLE & WOLF, LLP**  
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

## SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, IMPROVEMENT DISTRICT NO. 1

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## **INDEPENDENT AUDITOR'S REPORT**

**To the Board of Trustees  
Santa Ynez River Water Conservation District,  
Improvement District No. 1:**

### ***Opinion***

We have audited the financial statements of the Santa Ynez River Water Conservation District, Improvement District No. 1 (the District), as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2022 and 2021, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or

the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis on pages 4 through 10, the California Public Employees' Retirement System - Schedule of Santa Ynez River Water Conservation District, Improvement District No. 1's Proportionate Share of the Net Pension Liability on page 41, California Public Employees' Retirement System - Schedule of Contributions on page 42, and Other Post-Employment Benefits (OPEB) Plan – Schedule of Changes in the Net OPEB Liability and Related Ratios on page 43 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Supplemental Schedule of Revenues and Expenses – Actual and Budget on page 44 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic

financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplemental Schedule of Revenues and Expenses – Actual and Budget is fairly stated, in all material respects, in relation to financial statements as a whole.

Santa Barbara, California  
December 20, 2022

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
MANAGEMENT’S DISCUSSION AND ANALYSIS**

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This section presents management’s analysis of the Santa Ynez River Water Conservation District, Improvement District No.1’s (“District”) financial condition and activities for the fiscal year ending June 30, 2022. This narrative overview and analysis should be read in conjunction with the accompanying financial statements.

**Summary of Organization and Business**

The District was formed on July 7, 1959 under the Water Conservation District Law of 1931, Division 21, Section 74000 et seq. of the California Water Code (the “Act”), for the purpose of furnishing potable domestic (municipal and industrial) and irrigation water within its boundaries. The District has operated continuously since 1959.

Located in the central portion of Santa Barbara County, the District serves the communities of Santa Ynez, Los Olivos, Ballard, the Santa Ynez Band of Chumash Indians, and the City of Solvang on a limited basis. With a population of approximately 7,200 (excluding the City of Solvang), the District currently provides water directly to approximately 2,616 municipal and industrial customers (including domestic/residential, commercial, institutional, rural residential, on-demand, and fire service) and approximately 97 agricultural customers. The District encompasses an area of approximately 10,850 acres (including approximately 1,300 acres within Solvang).

The District obtains its water supplies from the Cachuma Project via exchange of State Water Project supplies, direct diversions from the Cachuma Project (as needed), direct deliveries from the State Water Project, production from the Santa Ynez Uplands Groundwater Basin, and diversions from the Santa Ynez River alluvium. The District’s major activities include acquisition, construction, operation, and maintenance of works and facilities for the development and use of water resources and water rights including, without limitation, works and facilities to divert, store, pump, treat, deliver, and sell water for reasonable and beneficial uses by the District’s customers.

During fiscal year 2021/2022, the District maintained a staff of eighteen full-time employees and two limited service employees.

The District is governed by a five-member Board of Trustees (the Board), the members of which are elected by the registered voters of the District to staggered four-year terms. Day-to-day management of the District is carried out by the General Manager.

**Overview of Financial Statements**

The District operates as an enterprise fund. The enterprise fund is accounted for on a flow of economic resources measurement basis. Under this measurement focus, all assets and liabilities associated with the operation of the District are included on the balance sheet. Enterprise fund operating statements present increases (revenues) and decreases (expenses) in total net position.

Enterprise funds utilize the accrual basis of accounting. Under this method, revenues are recognized when earned, regardless of when received, and expenses are recognized at the time the related liabilities are incurred, regardless of when paid.

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**Overview of Financial Statements (Continued)**

This discussion and analysis provides an introduction and a brief description of the District's financial statements, including the relationship of the statements to each other and the differences in the information they provide.

The District's basic financial statements include four components.

- Balance Sheet
- Statement of Revenues, Expenses, and Changes in Net Position
- Statement of Cash Flows
- Notes to the Financial Statements

The balance sheet includes all the District's assets, deferred inflows of resources, liabilities, and deferred outflows of resources. The difference between total assets/deferred outflows of resources and total liabilities/deferred inflows of resources is reported as net position. Net position may be displayed in the following categories:

- Net investment in capital assets
- Restricted
- Unrestricted

The balance sheet provides the basis for computing rate of return, evaluating the capital structure of the District, and assessing the liquidity and financial flexibility of the District.

The statement of revenues, expenses, and changes in net position presents information which shows how the District's net position changed during the year. All of the current year's revenues and expenses are recorded when the underlying transaction occurs, regardless of the timing of the related cash flows. This statement measures the success of the District's operations over the past year and determines whether the District has recovered its costs through user fees and other charges.

The statement of cash flows provides information regarding the District's cash receipts and cash disbursements during the year. This statement reports cash activity in four categories:

- Operating
- Noncapital financing
- Capital and related financing
- Investing

This statement differs from the statement of revenues, expenses, and changes in net position because the statement accounts only for transactions that result in cash receipts or cash disbursements.

The notes to the financial statements provide a description of the accounting policies used to prepare the financial statements and present material disclosures required by Generally Accepted Accounting Principles (GAAP) that are not otherwise present in the financial statements.



**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Overview of Financial Statements (Continued)**

The District's budget is prepared on an accrual basis and includes the District's water system. Prior to June 1 of each year, the General Manager of the District submits to the Board of Trustees a proposed budget for the fiscal year commencing the following July 1. The Board conducts public meetings to obtain comments from ratepayers. Subsequent to the public meetings, the Board approves the budget prior to July 1.

**Financial Highlights**

During the year ended June 30, 2022, the District's net position increased by a total of \$3,400,612 (10.90%), resulting from total operating income of \$3,519,606 and total non-operating expense of \$118,994.

In comparison to the prior year, the District's operating revenues increased by \$355,416 (2.91%) and operating expenses decreased by \$264,171 (-2.84%). Non-operating income decreased by \$84,694 (-8.03%) and non-operating expenses increased in the current year by \$206,487 (23.39%).

**Balance Sheet**

**The following table represents a summary of the District's Balance Sheet with corresponding analysis regarding significant variances:**

|   | 2022                 | 2021                 | 2020                 | 2022-2021 Variance    |                | 2021-2020 Variance  |               |
|---|----------------------|----------------------|----------------------|-----------------------|----------------|---------------------|---------------|
|   |                      |                      |                      | Dollars               | Percent        | Dollars             | Percent       |
| <b><u>Assets:</u></b>                         |                      |                      |                      |                       |                |                     |               |
| Current assets                                | \$ 28,743,258        | \$ 26,418,444        | \$ 22,321,855        | \$ 2,324,814          | 8.80%          | \$ 4,096,589        | 18.35%        |
| Noncurrent assets:                            |                      |                      |                      |                       |                |                     |               |
| Restricted assets                             | 345,050              | 339,755              | 520,617              | 5,295                 | 1.56%          | (180,862)           | -34.74%       |
| Capital assets, net                           | 14,628,258           | 14,427,075           | 14,069,303           | 201,183               | 1.39%          | 357,772             | 2.54%         |
| <b>Total Assets</b>                           | <b>\$ 43,716,566</b> | <b>\$ 41,185,274</b> | <b>\$ 36,911,775</b> | <b>\$ 2,531,292</b>   | <b>6.15%</b>   | <b>\$ 4,273,499</b> | <b>11.58%</b> |
| <b><u>Deferred Outflows of Resources:</u></b> |                      |                      |                      |                       |                |                     |               |
| Deferred outflows                             | \$ 1,421,434         | \$ 1,171,297         | \$ 665,485           | \$ 250,137            | 21.36%         | \$ 505,812          | 76.01%        |
| <b>Total Deferred Outflows of Resources</b>   | <b>\$ 1,421,434</b>  | <b>\$ 1,171,297</b>  | <b>\$ 665,485</b>    | <b>\$ 250,137</b>     | <b>21.36%</b>  | <b>\$ 505,812</b>   | <b>76.01%</b> |
| <b><u>Liabilities:</u></b>                    |                      |                      |                      |                       |                |                     |               |
| Current liabilities                           | \$ 3,902,095         | \$ 4,710,981         | \$ 3,653,342         | \$ (808,886)          | -17.17%        | \$ 1,057,639        | 28.95%        |
| Long term liabilities                         | 5,121,084            | 5,927,133            | 5,230,193            | (806,049)             | -13.60%        | 696,940             | 13.33%        |
| <b>Total Liabilities</b>                      | <b>\$ 9,023,179</b>  | <b>\$ 10,638,114</b> | <b>\$ 8,883,535</b>  | <b>\$ (1,614,935)</b> | <b>-15.18%</b> | <b>\$ 1,754,579</b> | <b>19.75%</b> |
| <b><u>Deferred Inflows of Resources:</u></b>  |                      |                      |                      |                       |                |                     |               |
| Deferred inflows                              | \$ 1,520,958         | \$ 525,206           | \$ 572,680           | \$ 995,752            | 189.59%        | \$ (47,474)         | -8.29%        |
| <b>Total Deferred Inflows of Resources</b>    | <b>\$ 1,520,958</b>  | <b>\$ 525,206</b>    | <b>\$ 572,680</b>    | <b>\$ 995,752</b>     | <b>189.59%</b> | <b>\$ (47,474)</b>  | <b>-8.29%</b> |
| <b><u>Net Position:</u></b>                   |                      |                      |                      |                       |                |                     |               |
| Net investment in capital assets              | \$ 14,407,820        | \$ 13,993,978        | \$ 13,373,547        | \$ 413,842            | 2.96%          | \$ 620,431          | 4.64%         |
| Restricted                                    | 345,050              | 339,755              | 520,617              | 5,295                 | 1.56%          | (180,862)           | -34.74%       |
| Unrestricted, reserved                        | 14,657,393           | 10,536,803           | 6,963,101            | 4,120,590             | 39.11%         | 3,573,702           | 51.32%        |
| Unrestricted, unreserved                      | 5,183,600            | 6,322,715            | 7,263,780            | (1,139,115)           | -18.02%        | (941,065)           | -12.96%       |
| <b>Total Net Position</b>                     | <b>\$ 34,593,863</b> | <b>\$ 31,193,251</b> | <b>\$ 28,121,045</b> | <b>\$ 3,400,612</b>   | <b>10.90%</b>  | <b>\$ 3,072,206</b> | <b>10.92%</b> |

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**Analysis of Balance Sheet**

Net position may serve as an indicator of a public governmental agency's financial status. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$34,593,863 and \$31,193,251 as of June 30, 2022 and 2021, respectively.

The largest portion of the District's total net position is its net investment in capital assets, in the amount of \$14,407,820 at June 30, 2022 and \$13,993,978 at June 30, 2021. This balance reflects the District's investment in capital assets (which includes land, buildings, infrastructure, and construction in progress) less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide water service to its customers; consequently, these assets are not available for future spending. It should be noted that the funding sources needed to repay any debt must be provided from other financial sources because the capital assets cannot be used to liquidate liabilities.

Capital assets net of accumulated depreciation increased by \$201,183 as discussed further in the capital assets section of this analysis and Note 4 to the financial statements. This increase, plus the decrease in outstanding capital related debt (Series 2004 A COMB Bonds) of \$212,659 equates to the increase in total net position invested in capital assets of \$413,842 as noted in the table above.

Restricted net position represents assets which are required by external parties to be used for specific purposes, less any liabilities payable from those assets. The District's restricted net position was \$345,050 and \$339,755 at June 30, 2022 and 2021, respectively. See Note 3 for details regarding the specific restrictions.

Unrestricted net position consists of assets and liabilities that do not meet the definition of net investment in capital assets, or restricted net position. The Board of Trustees has designated certain portions of its unrestricted net position for specific uses, which are classified in the balance sheet as unrestricted, reserved. Note 7 provides detailed information regarding the nature of these reserves.

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
MANAGEMENT’S DISCUSSION AND ANALYSIS**

**Statement of Revenues, Expenses and Changes in Net Position**

**The following table shows a summary of the District’s Statement of Revenues, Expenses, and Changes in Net Position with corresponding analysis regarding significant variances:**

|                                      | 2022                 | 2021                 | 2020                 | 2022-2021 Variance  |                 | 2021-2020 Variance  |                |
|--------------------------------------|----------------------|----------------------|----------------------|---------------------|-----------------|---------------------|----------------|
|                                      |                      |                      |                      | Dollars             | Percent         | Dollars             | Percent        |
| Operating revenues                   | \$ 12,553,827        | \$ 12,198,411        | \$ 11,617,737        | \$ 355,416          | 2.91%           | \$ 580,674          | 5.00%          |
| Operating expenses                   | 9,034,221            | 9,298,392            | 9,321,177            | (264,171)           | -2.84%          | (22,785)            | -0.24%         |
| <b>Total Operating Income</b>        | <b>3,519,606</b>     | <b>2,900,019</b>     | <b>2,296,560</b>     | <b>619,587</b>      | <b>21.36%</b>   | <b>603,459</b>      | <b>26.28%</b>  |
| Non-operating income                 | 970,112              | 1,054,806            | 1,207,821            | (84,694)            | -8.03%          | (153,015)           | -12.67%        |
| Non-operating expense                | 1,089,106            | 882,619              | 875,142              | 206,487             | 23.39%          | 7,477               | 0.85%          |
| <b>Total Non-operating Inc (Exp)</b> | <b>(118,994)</b>     | <b>172,187</b>       | <b>332,679</b>       | <b>(291,181)</b>    | <b>-169.11%</b> | <b>(160,492)</b>    | <b>-48.24%</b> |
| <b>Change in net position</b>        | <b>3,400,612</b>     | <b>3,072,206</b>     | <b>2,629,239</b>     | <b>328,406</b>      | <b>10.69%</b>   | <b>442,967</b>      | <b>16.85%</b>  |
| Net Position at beginning of year    | 31,193,251           | 28,121,045           | 25,491,806           | 3,072,206           | 10.92%          | 2,629,239           | 10.31%         |
| <b>Net Position at End of Year</b>   | <b>\$ 34,593,863</b> | <b>\$ 31,193,251</b> | <b>\$ 28,121,045</b> | <b>\$ 3,400,612</b> | <b>10.90%</b>   | <b>\$ 3,072,206</b> | <b>10.92%</b>  |

**Analysis of Statement of Revenues, Expenses, and Changes in Net Position**

As described in the table above, the District reported a total increase in net position of \$3,400,612 for the year ended June 30, 2022, as compared to an increase in net position of \$3,072,206 for the year ended June 30, 2021.

Operating revenues increased by \$355,416 during the fiscal year ended June 30, 2022, driven primarily by an increase in state water contract revenue of \$287,860 received from the City of Solvang, which is fully offset by corresponding state water contract expense in the operating expenses section. Water sales were comparable to the prior year, with a total increase of \$20,418. The District implemented the fifth water rate increase of a five-year adopted water rate schedule effective July 1, 2021.

Operating expenses decreased by \$264,171 during the fiscal year ended June 30, 2022 due to a combination of offsetting factors. Source of supply expenses decreased by \$582,680 overall, which was mainly driven by an decrease in state water expenses of \$593,061. This decrease was due to the District receiving CCWA credits for prior year overcharges, as well as changes to CCWA’s billing and reserves policy. The decrease in source of supply expenses was partially offset by an increase of \$287,860 in state water contract expenses paid on behalf of the City of Solvang, corresponding to the increase in state water contract operating revenues as noted above.

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
MANAGEMENT’S DISCUSSION AND ANALYSIS**

**Analysis of Statement of Revenues, Expenses, and Changes in Net Position (Continued)**

Non-operating revenues decreased by \$84,694 from the prior year due primarily to a decrease in investment income of \$171,857 caused by reductions in LAIF interest rates as well as a decrease in the factor used to adjust year end balances to fair value which resulted in unrealized losses. This decrease was partially offset by increases in capital facilities fees and special assessment revenue of \$10,616 and \$76,547, respectively.

Non-operating expenses increased in total by \$206,487 from the prior year due primarily to increases of \$140,762 in unanticipated and special legal fees and \$94,677 in depreciation expense, partially offset by decreases in net loss on disposal of assets and interest expense.

**Capital Assets**

**The following table represents a summary of the District’s Capital Assets with corresponding analysis regarding significant variances:**

|                               | 2022                 | 2021                 | 2020                 | 2022-2021 Variance |              | 2021-2020 Variance |              |
|-------------------------------|----------------------|----------------------|----------------------|--------------------|--------------|--------------------|--------------|
|                               |                      |                      |                      | Dollars            | Percent      | Dollars            | Percent      |
| Land and water rights         | \$ 503,317           | \$ 503,317           | \$ 503,317           | \$ -               | 0.00%        | \$ -               | 0.00%        |
| Utility plant                 | 9,772,263            | 9,242,650            | 9,039,554            | 529,613            | 5.73%        | 203,096            | 2.25%        |
| Wells and major repairs       | 19,410,209           | 19,082,410           | 18,544,178           | 327,799            | 1.72%        | 538,232            | 2.90%        |
| Office building               | 247,842              | 251,057              | 210,372              | (3,215)            | -1.28%       | 40,685             | 19.34%       |
| Transportation equipment      | 761,382              | 819,538              | 818,449              | (58,156)           | -7.10%       | 1,089              | 0.13%        |
| Office equipment              | 91,074               | 83,283               | 161,744              | 7,791              | 9.35%        | (78,461)           | -48.51%      |
| Other equipment               | 709,527              | 611,041              | 341,939              | 98,486             | 16.12%       | 269,102            | 78.70%       |
| <b>Total Capital Assets</b>   | <b>\$ 31,495,614</b> | <b>\$ 30,593,296</b> | <b>\$ 29,619,553</b> | <b>\$ 902,318</b>  | <b>2.95%</b> | <b>\$ 973,743</b>  | <b>3.29%</b> |
| Less accumulated depreciation | (17,036,302)         | (16,344,820)         | (16,060,625)         | (691,482)          | 4.23%        | (284,195)          | 1.77%        |
| <b>Subtotal</b>               | <b>\$ 14,459,312</b> | <b>\$ 14,248,476</b> | <b>\$ 13,558,928</b> | <b>\$ 210,836</b>  | <b>1.48%</b> | <b>\$ 689,548</b>  | <b>5.09%</b> |
| Construction in progress      | 168,946              | 178,599              | 510,375              | (9,653)            | -5.40%       | (331,776)          | -65.01%      |
| <b>Net Capital Assets</b>     | <b>\$ 14,628,258</b> | <b>\$ 14,427,075</b> | <b>\$ 14,069,303</b> | <b>\$ 201,183</b>  | <b>1.39%</b> | <b>\$ 357,772</b>  | <b>2.54%</b> |

**Capital Assets Analysis**

The District’s net capital assets as of June 30, 2022 and 2021 including construction in progress were \$14,628,258 and \$14,427,075, respectively. Capital asset additions including construction in progress during fiscal year 2021/2022 totaled \$1,085,911 which related primarily to the meter replacement project, reservoir mixers, Well No. #28 pump system, and various other improvement projects, tools, and equipment purchases. This increase was offset by depreciation expenses of \$843,266 and disposals with a net book value of \$41,462. The resulting overall increase in net capital assets was \$201,183, as noted in the table above. See Note 4 for additions and disposals by asset category. Construction in progress expenditures were funded from the District reserve funds discussed in Note 7.



**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
MANAGEMENT’S DISCUSSION AND ANALYSIS**

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**Long Term Debt**

The following table represents a summary of the District’s Revenue Bond Outstanding Debt:

|                                | 2022              | 2021              | 2020              | 2022-2021 Variance  |                | 2021-2020 Variance  |                |
|--------------------------------|-------------------|-------------------|-------------------|---------------------|----------------|---------------------|----------------|
|                                |                   |                   |                   | Dollars             | Percent        | Dollars             | Percent        |
| Revenue Bonds                  | \$ 220,000        | \$ 430,000        | \$ 690,000        | \$ (210,000)        | -48.84%        | \$ (260,000)        | -37.68%        |
| Premium (Discount) on Bonds    | 438               | 3,097             | 5,756             | (2,659)             | -85.86%        | (2,659)             | -46.20%        |
| <b>Total Outstanding Bonds</b> | <b>\$ 220,438</b> | <b>\$ 433,097</b> | <b>\$ 695,756</b> | <b>\$ (212,659)</b> | <b>-49.10%</b> | <b>\$ (262,659)</b> | <b>-37.75%</b> |

**Long Term Debt Analysis**

As of June 30, 2022, the District had total outstanding debt of \$220,438 related to the issuance of the Series 2004A Cachuma Operations and Maintenance Board (COMB) Bonds which were used to refinance the 1993 Cachuma Project Authority Revenue (CPA) Bonds. The CPA Bonds had been issued to refinance the State of California Department of Water Resources contract #E58028, the 1988 General Obligation Bond, and to finance the construction of the Zone 3 water storage reservoir. The debt term extends to fiscal year ending 2023. Additional information on the District’s long-term debt is described in Note 5.

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
BALANCE SHEET  
June 30, 2022 and 2021**

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**ASSETS**

|   | <u>2022</u>          | <u>2021</u>          |
|---|----------------------|----------------------|
| Current Assets:                                 |                      |                      |
| Cash and cash equivalents                       | \$ 22,489,100        | \$ 18,651,769        |
| Accounts receivable                             | 1,102,275            | 1,023,699            |
| Interest receivable                             | 29,998               | 10,096               |
| Inventories                                     | 154,859              | 132,519              |
| Prepaid expenses                                | 3,053,317            | 4,674,444            |
| CCWA deposits                                   | 1,913,709            | 1,925,917            |
| Total current assets                            | <u>28,743,258</u>    | <u>26,418,444</u>    |
| Restricted Assets:                              |                      |                      |
| Cash and cash equivalents                       | 345,050              | 339,755              |
| Total restricted assets                         | <u>345,050</u>       | <u>339,755</u>       |
| Capital Assets:                                 |                      |                      |
| Capital assets                                  | 31,495,614           | 30,593,296           |
| Less: accumulated depreciation                  | (17,036,302)         | (16,344,820)         |
| Construction in progress                        | 168,946              | 178,599              |
| Net capital assets                              | <u>14,628,258</u>    | <u>14,427,075</u>    |
| Total assets                                    | <u>43,716,566</u>    | <u>41,185,274</u>    |
| <b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>    |                      |                      |
| Deferred outflows related to pensions           | 497,478              | 496,391              |
| Deferred outflows related to OPEB               | 923,956              | 674,906              |
| Total deferred outflows of resources            | <u>1,421,434</u>     | <u>1,171,297</u>     |
| Total assets and deferred outflows of resources | <u>\$ 45,138,000</u> | <u>\$ 42,356,571</u> |

*See accompanying notes*

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
BALANCE SHEET  
June 30, 2022 and 2021**

**LIABILITIES**

|   | <u>2022</u>      | <u>2021</u>       |
|---|------------------|-------------------|
| Current Liabilities:                          |                  |                   |
| Accounts payable                              | \$ 272,496       | \$ 275,247        |
| Accrued expenses                              | 193,043          | 180,635           |
| Interest payable                              | 4,240            | 8,177             |
| Premium on bonds                              | 438              | 3,097             |
| Current portion of revenue bonds payable      | 220,000          | 210,000           |
| Advances payable                              | 3,211,878        | 4,033,825         |
| Total current liabilities                     | <u>3,902,095</u> | <u>4,710,981</u>  |
| Long-term Liabilities:                        |                  |                   |
| Net pension liability                         | 1,067,187        | 2,138,465         |
| Net OPEB liability                            | 4,053,897        | 3,568,668         |
| Revenue bonds payable, net of current portion | -                | 220,000           |
| Total long-term liabilities                   | <u>5,121,084</u> | <u>5,927,133</u>  |
| Total liabilities                             | <u>9,023,179</u> | <u>10,638,114</u> |

**DEFERRED INFLOWS OF RESOURCES**

|                                      |                  |                |
|--------------------------------------|------------------|----------------|
| Deferred inflows related to pensions | 1,035,445        | 82,857         |
| Deferred inflows related to OPEB     | 485,513          | 442,349        |
| Total deferred inflows of resources  | <u>1,520,958</u> | <u>525,206</u> |

**NET POSITION**

|   |                      |                      |
|---|----------------------|----------------------|
| Net Position:   |                      |                      |
| Net investment in capital assets                                      | 14,407,820           | 13,993,978           |
| Restricted  | 345,050              | 339,755              |
| Unrestricted, reserved  | 14,657,393           | 10,536,803           |
| Unrestricted, unreserved  | 5,183,600            | 6,322,715            |
| Total net position  | <u>34,593,863</u>    | <u>31,193,251</u>    |
| Total liabilities, deferred inflows of resources,<br>and net position | <u>\$ 45,138,000</u> | <u>\$ 42,356,571</u> |

*See accompanying notes*

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
For the Years Ended June 30, 2022 and 2021**

|                                      | <u>2022</u>          | <u>2021</u>          |
|--------------------------------------|----------------------|----------------------|
| Operating Revenues:                  |                      |                      |
| Water sales                          | \$ 9,308,543         | \$ 9,288,125         |
| State water contract revenue         | 3,035,510            | 2,747,650            |
| Miscellaneous billings and fees      | 209,774              | 162,636              |
| Total operating revenues             | <u>12,553,827</u>    | <u>12,198,411</u>    |
| Operating Expenses:                  |                      |                      |
| Source of supply                     | 1,439,564            | 2,022,244            |
| State water contract expense         | 3,035,510            | 2,747,650            |
| Pumping expense                      | 734,032              | 668,264              |
| Water treatment                      | 93,833               | 58,326               |
| Transmission and distribution        | 1,031,354            | 996,783              |
| Special programs and study fees      | 250,984              | 283,456              |
| Administrative and general           | 2,448,944            | 2,521,669            |
| Total operating expenses             | <u>9,034,221</u>     | <u>9,298,392</u>     |
| Operating income                     | <u>3,519,606</u>     | <u>2,900,019</u>     |
| Other Income:                        |                      |                      |
| Capital facilities fees              | 122,520              | 111,904              |
| Interest income                      | 68,569               | 84,168               |
| Unrealized loss                      | (207,231)            | (50,973)             |
| Special assessment                   | 986,254              | 909,707              |
| Total other income                   | <u>970,112</u>       | <u>1,054,806</u>     |
| Other Expenses:                      |                      |                      |
| Depreciation expense                 | 843,266              | 748,589              |
| Interest expense                     | 8,286                | 17,934               |
| Loss on disposal of assets           | 25,376               | 44,680               |
| Unanticipated and special legal fees | 212,178              | 71,416               |
| Total other expenses                 | <u>1,089,106</u>     | <u>882,619</u>       |
| Change in net position               | 3,400,612            | 3,072,206            |
| Net Position - beginning of year     | <u>31,193,251</u>    | <u>28,121,045</u>    |
| Net Position - end of year           | <u>\$ 34,593,863</u> | <u>\$ 31,193,251</u> |

*See accompanying notes*



**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
STATEMENT OF CASH FLOWS  
For the Years Ended June 30, 2022 and 2021**

|   | <u>2022</u>          | <u>2021</u>          |
|---|----------------------|----------------------|
| Cash Flows from Operating Activities:                     |                      |                      |
| Cash received from customers for services                 | \$ 12,475,251        | \$ 12,175,836        |
| Cash payments to suppliers for goods and services         | (5,343,928)          | (6,539,501)          |
| Cash payments for payroll taxes and employee benefits     | (966,192)            | (932,990)            |
| Cash payments to employees for services                   | (1,682,963)          | (1,632,749)          |
| Net cash provided by operating activities                 | <u>4,482,168</u>     | <u>3,070,596</u>     |
| Cash Flows from Noncapital Financing Activities:          |                      |                      |
| Capital facilities fees                                   | 122,520              | 111,904              |
| Special assessments                                       | 986,254              | 909,707              |
| Non-operating unanticipated and special legal fees        | (212,178)            | (71,416)             |
| Net cash provided by noncapital financing activities      | <u>896,596</u>       | <u>950,195</u>       |
| Cash Flows from Capital and Related Financing Activities: |                      |                      |
| Principal repayments of long-term debt                    | (210,000)            | (260,000)            |
| Interest payments   | (14,882)             | (25,468)             |
| Proceeds from sale of capital assets                      | -                    | 4,680                |
| Capital assets purchased                                  | (1,152,692)          | (1,068,554)          |
| Net cash used by capital and related financing activities | <u>(1,377,574)</u>   | <u>(1,349,342)</u>   |
| Cash Flows from Investing Activities:                     |                      |                      |
| Interest income received                                  | 48,667               | 117,088              |
| Fair value adjustment on cash equivalents                 | (207,231)            | (50,973)             |
| Net cash provided (used) by investing activities          | <u>(158,564)</u>     | <u>66,115</u>        |
| Net increase in cash and cash equivalents                 | 3,842,626            | 2,737,564            |
| Cash and cash equivalents, beginning of year              | <u>18,991,524</u>    | <u>16,253,960</u>    |
| Cash and cash equivalents, end of year                    | <u>\$ 22,834,150</u> | <u>\$ 18,991,524</u> |

Cash and cash equivalents are reported in the balance sheet as follows:

|                                      | <u>2022</u>          | <u>2021</u>          |
|--------------------------------------|----------------------|----------------------|
| Cash and cash equivalents            | \$ 22,489,100        | \$ 18,651,769        |
| Restricted cash and cash equivalents | 345,050              | 339,755              |
|                                      | <u>\$ 22,834,150</u> | <u>\$ 18,991,524</u> |

*See accompanying notes*

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
NOTES TO FINANCIAL STATEMENTS**

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**Note 1 – Reporting Entity and Summary of Significant Accounting Policies**

A) Reporting Entity

The Santa Ynez River Water Conservation District, Improvement District No. 1 (the District) was organized on July 7, 1959 under the Water Conservation Law of 1931, part of the California Water Code. The District has operated continuously since 1959 and is located in the central portion of Santa Barbara County and includes the communities of Santa Ynez, Los Olivos, Ballard and the City of Solvang. The District accounts for construction, maintenance and operations of facilities which are for the purpose of producing and furnishing potable domestic and irrigation water within its boundaries.

The Santa Ynez River Water Conservation District (Parent District) was organized in 1939. It is a separate and distinct district from the Santa Ynez River Water Conservation District, Improvement District No. 1. The Parent District has a separate purpose for existence, a separate board of directors, and separate accounting records. Its assets and liabilities, as well as its activities, are therefore not included in these financial statements.

B) Accounting Basis

The District reports its activities as an enterprise fund, which is used to account for operations where the intent of the District is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges. Revenues and expenses are recognized on the accrual basis, as such, revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred. An enterprise fund is accounted for on the "flow of economic resources" measurement focus. This means that all assets and liabilities, whether current or long term, are included on the balance sheet.

The District distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and the producing and delivering of goods in connection with the District's principal ongoing operations. The principal operating revenues of the District are charges to customers for water sales. Operating expenses of the District include the cost of sales and services, as well as administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The District is responsible for funding all of its expenses, regardless of the operation or non-operating classification.

The financial statements of the District have been prepared in conformity with Generally Accepted Accounting Principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

C) Budgetary Procedures

The District prepares an annual budget which includes estimates of its principal sources of revenue to be received during the fiscal year, as well as estimated expenditures and reserves needed for operation of District facilities.

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
NOTES TO FINANCIAL STATEMENTS**

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**Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)**

D) Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers all highly liquid investments (including restricted assets) with a maturity period, at purchase, of three months or less to be cash equivalents.

E) Basis for Recording Accounts Receivable

The District grants credit to its customers, substantially all of whom are residents and businesses within the unincorporated areas of the County in the District's service area boundaries, in the towns of Santa Ynez, Los Olivos, and Ballard. The City of Solvang is a customer of the District. Accounts receivable are considered to be fully collectible.

F) Capital Assets

Capital assets purchased by the District are recorded at cost. Contributed assets (water line extensions, water wells and modifications constructed by the District and reimbursed by the customer or developer) are recorded at estimated fair market value on the date donated. Capital assets, excluding land, are depreciated using the straight line method over their estimated useful lives, which range from 5 to 99 years.

G) Inventories

The District's inventories are recorded at the lower of cost on the first-in, first-out basis, or market.

H) Prepaid Expenses

Prepaid expenses consist primarily of prepayments made to the Central Coast Water Authority (CCWA) as described in Note 13. Annually, a controlled quantity of water is purchased by the District and, if not used in the current year, is stored in the Lake Cachuma facility for use the following year. In addition, an amount of unused water carried over from prior years, if available, is also stored in the facility. This stored water at Lake Cachuma is subject to loss through evaporation, natural disasters, dam ruptures, and dam spillage due to excess rainfall. The losses are not covered by insurance. The District has its own facilities (various reservoirs) for storing delivered Lake Cachuma water and State Water Project water.

I) Compensated Absences

The District's personnel policies provide for accumulation of vacation and sick leave. Liabilities for vacation and sick leave are recorded when benefits are earned. Cash payment of unused vacation and sick leave is available to those qualified employees when retired. Individuals terminating employment prior to retirement receive cash payment of any unused accrued vacation. Accrued compensated absences are included in accrued expenses on the balance sheet.

J) Advances Payable

Advances payable represents the prepayment by the City of Solvang to the District for its share of the Central Coast Water Authority costs for the coming fiscal year and its proportionate share of rate coverage reserve funds.

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
NOTES TO FINANCIAL STATEMENTS**

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**Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)**

**K) Other Postemployment Benefits (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense as described in Note 9, information about the fiduciary net position of the District’s plan (OPEB Plan) and additions to/deductions from the OPEB Plan’s fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with benefit terms.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

|                    |                               |
|--------------------|-------------------------------|
| Valuation Date     | June 30, 2021                 |
| Measurement Date   | June 30, 2021                 |
| Measurement Period | July 1, 2020 to June 30, 2021 |

**L) Pension Plan**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense as described in Note 8, information about the fiduciary net position of the District’s California Public Employees’ Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans’ fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The following timeframes are used for pension reporting:

|                    |                               |
|--------------------|-------------------------------|
| Valuation Date     | June 30, 2020                 |
| Measurement Date   | June 30, 2021                 |
| Measurement Period | July 1, 2020 to June 30, 2021 |

**M) Net Position**

Net position represents the difference between assets/deferred inflows and liabilities/deferred outflows and is classified into three components as follows:

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds.

Restricted – This component of net position consists of constraints placed on net asset use through external constraints imposed by creditors, grantors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
NOTES TO FINANCIAL STATEMENTS**

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**Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)**

M) Net Position (Continued)

Unrestricted – This component of net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.” Unrestricted, reserved net position represents unrestricted assets which are segregated by the Board of Trustees for specific future uses.

When an expense is incurred for purposes for which both unrestricted and restricted resources are available for use, it is the District's policy to apply restricted assets first, then unrestricted resources.

N) Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

Significant estimates used in preparing these financial statements include useful lives of capitalized assets, the net pension liability, and the liability for other postemployment benefits. It is at least reasonably possible that the significant estimates used will change within the next year.

O) Future Governmental Accounting Standards Board (GASB) Statements

The Governmental Accounting Standards Board Statements listed below will be implemented in future financial statements. These statements will be evaluated by the District to determine if they will have a material impact to the financial statements once effective.

|                   |  |  |
|-------------------|--|--|
| Statement No. 91  | <i>"Conduit Debt Obligations"</i>  | The requirements of this statement are effective for periods beginning after December 15, 2021. (FY 22/23) |
| Statement No. 94  | <i>"Public-Private and Public-Public Partnerships and Availability Payment Arrangements"</i> | The requirements of this statement are effective for periods beginning after June 15, 2022. (FY 22/23)     |
| Statement No. 96  | <i>"Subscription-Based Information Technology Arrangements"</i>                              | The requirements of this statement are effective for periods beginning after June 15, 2022. (FY 22/23)     |
| Statement No. 99  | <i>"Omnibus 2022"</i>  | The requirements of this statement are effective for periods beginning after June 15, 2022. (FY 22/23)     |
| Statement No. 100 | <i>"Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62"</i>    | The requirements of this statement are effective for periods beginning after June 15, 2023. (FY 23/24)     |
| Statement No. 101 | <i>"Compensated Absences"</i>  | The requirements of this statement are effective for periods beginning after December 15, 2023. (FY 24/25) |



**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
NOTES TO FINANCIAL STATEMENTS**

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**Note 2 – Cash and Investments**

Cash and investments are comprised of the following at June 30, 2022 and 2021:

|                              | <u>2022</u>          | <u>2021</u>          |
|------------------------------|----------------------|----------------------|
| Cash in banks and on hand    | \$ 6,792,551         | \$ 7,388,337         |
| Cash with fiscal agents      | 225,085              | 219,795              |
| Local Agency Investment Fund | <u>15,816,514</u>    | <u>11,383,392</u>    |
| Total cash and investments   | <u>\$ 22,834,150</u> | <u>\$ 18,991,524</u> |

Investments Authorized by the District's Investment Policy

The District's investment policy authorizes the District to invest only in the Local Agency Investment Fund (LAIF), and FDIC insured accounts. This policy does not apply to funds held by the bond trustee that are governed by the provisions of debt agreements of the District, rather than the general provisions of the District's investment policy.

Investment in Local Agency Investment Fund (LAIF)

LAIF is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based on the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on the amortized cost basis. LAIF invests some of its portfolio in derivatives. Detailed information on derivative investments held by this pool is not readily available. Investments in LAIF are not rated by a national rating agency.

Interest Rate Risk

The District did not have any investments with fair values that are considered to be highly sensitive to changes in interest rates.

Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

All cash deposits are entirely insured or collateralized. The California Government Code requires California banks and savings and loans associations to secure the District's deposits by pledging government securities, which equal at least 110% of the District's deposits. California law also permits financial institutions to secure the District's deposits by the pledging of first trust deed mortgage notes in excess of 150% of the District's deposits. The District may waive collateral requirements for deposits that are fully insured by the Federal Deposit Insurance Corporation (FDIC).

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
NOTES TO FINANCIAL STATEMENTS**

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**Note 2 – Cash and Investments (Continued)**

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District’s investment in the Local Agency Investment Fund is not rated.

**Note 3 – Restricted Cash and Investments**

The Santa Ynez Band of Chumash Indians (Band) made an original deposit with the District of \$4,400 to be used as security against septic system repairs on the Indian Reservation to be paid by the Band. The balance at fiscal year ended June 30, 2022 includes the original deposit and the interest earned on the cash balance.

On June 30 each year, the District transfers funds to Bank of New York for the required principal and interest payment due on the Series 2004A Cachuma Operations and Maintenance Bonds. These funds will be drawn from the Bank of New York account on August 1 of each subsequent fiscal year.

Restricted main extension fees represent amounts received from customers which must be used for the construction of mains. Restricted development fees are charges paid by water service applicants which must be used for new, expanded or modified water service, to secure new water sources, recapture existing water resources, and develop necessary water supply recovery measures due to the drought and additional State Regulation impacts.

The District’s restricted cash and investments as of June 30 are as follows:

|  | <b>2022</b> | <b>2021</b> |
|--|-------------|-------------|
| Santa Ynez Indian Reservation              | \$ 10,753   | \$ 10,748   |
| Series 2004A COMB bonds debt service       | 225,085     | 219,795     |
| Main extension fees                        | 20,550      | 20,550      |
| Development fees                           | 88,662      | 88,662      |
| Total restricted cash and cash equivalents | \$ 345,050  | \$ 339,755  |

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
NOTES TO FINANCIAL STATEMENTS**

**Note 4 – Capital Assets**

The following is a summary of changes in capital assets for the year ended June 30, 2022.

|                          | Balance<br>June 30, 2021 | Additions         | Disposals          | Transfers        | Balance<br>June 30, 2022 |
|--------------------------|--------------------------|-------------------|--------------------|------------------|--------------------------|
| Utility plant            | \$ 9,242,650             | \$ -              | \$ (106,517)       | \$ 636,130       | \$ 9,772,263             |
| Wells and major repairs  | 19,082,410               | 82,003            | -                  | 245,796          | 19,410,209               |
| Office building          | 251,057                  | -                 | (16,088)           | 12,873           | 247,842                  |
| Transportation equipment | 819,538                  | -                 | (58,156)           | -                | 761,382                  |
| Office equipment         | 83,283                   | 17,521            | (9,730)            | -                | 91,074                   |
| Other equipment          | 611,041                  | 101,241           | (2,755)            | -                | 709,527                  |
| Total depreciable assets | <u>30,089,979</u>        | <u>200,765</u>    | <u>(193,246)</u>   | <u>894,799</u>   | <u>30,992,297</u>        |
| Land and land rights     | <u>503,317</u>           | <u>-</u>          | <u>-</u>           | <u>-</u>         | <u>503,317</u>           |
| Total capital assets     | <u>30,593,296</u>        | <u>200,765</u>    | <u>(193,246)</u>   | <u>894,799</u>   | <u>31,495,614</u>        |
| Accumulated depreciation | <u>(16,344,820)</u>      | <u>(843,266)</u>  | <u>151,784</u>     | <u>-</u>         | <u>(17,036,302)</u>      |
| Construction in progress | <u>178,599</u>           | <u>885,146</u>    | <u>-</u>           | <u>(894,799)</u> | <u>168,946</u>           |
| Net capital assets       | <u>\$ 14,427,075</u>     | <u>\$ 242,645</u> | <u>\$ (41,462)</u> | <u>\$ -</u>      | <u>\$ 14,628,258</u>     |

The following is a summary of changes in capital assets for the year ended June 30, 2021.

|                          | Balance<br>June 30, 2020 | Additions         | Disposals          | Transfers          | Balance<br>June 30, 2021 |
|--------------------------|--------------------------|-------------------|--------------------|--------------------|--------------------------|
| Utility plant            | \$ 9,039,554             | \$ 37,000         | \$ (139,520)       | \$ 305,616         | \$ 9,242,650             |
| Wells and major repairs  | 18,544,178               | 22,494            | (174,482)          | 690,220            | 19,082,410               |
| Office building          | 210,372                  | 40,685            | -                  | -                  | 251,057                  |
| Transportation equipment | 818,449                  | 85,291            | (84,202)           | -                  | 819,538                  |
| Office equipment         | 161,744                  | 21,983            | (100,444)          | -                  | 83,283                   |
| Other equipment          | 341,939                  | 103,615           | (15,106)           | 180,593            | 611,041                  |
| Total depreciable assets | <u>29,116,236</u>        | <u>311,068</u>    | <u>(513,754)</u>   | <u>1,176,429</u>   | <u>30,089,979</u>        |
| Land and land rights     | <u>503,317</u>           | <u>-</u>          | <u>-</u>           | <u>-</u>           | <u>503,317</u>           |
| Total capital assets     | <u>29,619,553</u>        | <u>311,068</u>    | <u>(513,754)</u>   | <u>1,176,429</u>   | <u>30,593,296</u>        |
| Accumulated depreciation | <u>(16,060,625)</u>      | <u>(748,589)</u>  | <u>464,394</u>     | <u>-</u>           | <u>(16,344,820)</u>      |
| Construction in progress | <u>510,375</u>           | <u>844,653</u>    | <u>-</u>           | <u>(1,176,429)</u> | <u>178,599</u>           |
| Net capital assets       | <u>\$ 14,069,303</u>     | <u>\$ 407,132</u> | <u>\$ (49,360)</u> | <u>\$ -</u>        | <u>\$ 14,427,075</u>     |

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
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**Note 5 – Revenue Bonds Payable**

Cachuma Project Authority Revenue Bonds

In October 1993, some of the Cachuma Project Authority (CPA) participants, in conjunction with the CPA, issued \$9,950,000 of Cachuma Project Authority Revenue Bonds. The District's share of the bond proceeds, \$6,185,000, was used to refinance the State of California Department of Water Resources contract #E58028 and the 1988 General Obligation Bonds. \$3,500,000 was also set aside to finance construction of a water reservoir. The loan was due over a period of 30 years in semi-annual payments due January 1 and July 1, beginning July 1, 1994. The interest rate on the bonds varied from 2.75% to 5.25%.

On August 19, 2004 the outstanding 1993 CPA Bonds were refinanced with the Series 2004A Cachuma Operations and Maintenance Board (COMB) Bonds, of which the District's portion was \$3,960,000. The loan is to be repaid through fiscal year 2022/2023 at an interest rate ranging from 3.0% to 4.65%. The refinancing resulted in an economic gain of \$189,626. Interest is payable semi-annually on February 1 and August 1 of each year, commencing on February 1, 2005. Principal payments are payable annually on August 1 of each year, commencing on August 1, 2006.

All water system revenues and ad valorem assessment taxes of the District are irrevocably pledged to the payment of the revenue bonds. The District's obligations pursuant to the Joint Participation Agreements No.1 and No.2, as amended for the COMB Revenue Refunding Bonds (Member Agency Projects) Series 2004A require the District to fix, prescribe, and collect rates and charges which will be at least sufficient to yield Net Revenues (as defined in the District's bond documents) equal to one hundred twenty five percent (125%) of the District's annual debt service. In the event of default the entire principal amount of the unpaid bonds and the accrued interest thereon maybe declared to be due and payable immediately.

The annual requirements to amortize the COMB Bonds are as follows:

| Fiscal Year            |                   |                 |                   |
|------------------------|-------------------|-----------------|-------------------|
| <u>Ending June 30,</u> | <u>Principal</u>  | <u>Interest</u> | <u>Total</u>      |
| 2023                   | <u>\$ 220,000</u> | <u>\$ 5,088</u> | <u>\$ 225,088</u> |
| Total                  | <u>\$ 220,000</u> | <u>\$ 5,088</u> | <u>\$ 225,088</u> |

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
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**Note 5 – Revenue Bonds Payable (Continued)**

The following is a summary of activity related to the COMB bonds for the years ending June 30, 2022 and 2021:

|                    | Balance<br>June 30, 2021 | Additions/<br>Issuances | Deductions/<br>Repayments | Balance<br>June 30, 2022 |
|--------------------|--------------------------|-------------------------|---------------------------|--------------------------|
| COMB revenue bonds | \$ 430,000               | \$ -                    | \$ (210,000)              | \$ 220,000               |
| Premium on bonds   | 3,097                    | -                       | (2,659)                   | 438                      |
|                    | \$ 433,097               | \$ -                    | \$ (212,659)              | \$ 220,438               |

|                    | Balance<br>June 30, 2020 | Additions/<br>Issuances | Deductions/<br>Repayments | Balance<br>June 30, 2021 |
|--------------------|--------------------------|-------------------------|---------------------------|--------------------------|
| COMB revenue bonds | \$ 690,000               | \$ -                    | \$ (260,000)              | \$ 430,000               |
| Premium on bonds   | 5,756                    | -                       | (2,659)                   | 3,097                    |
|                    | \$ 695,756               | \$ -                    | \$ (262,659)              | \$ 433,097               |

**Note 6 – Supplemental Schedule of the Statement of Cash Flows**

The following is a reconciliation of operating income to net cash provided by operating activities:

|   | 2022         | 2021         |
|---|--------------|--------------|
| Cash Flows from Operating Activities:   |              |              |
| Operating income  | \$ 3,519,606 | \$ 2,900,019 |
| Adjustments to reconcile operating income to net cash provided by operating activities: |              |              |
| (Increase) decrease in:   |              |              |
| Accounts receivable   | (78,576)     | (22,575)     |
| Inventories   | (22,340)     | 42,274       |
| Prepaid expenses and deposits   | 1,633,335    | (1,230,782)  |
| Deferred outflows of resources - pension  | (1,087)      | 21,853       |
| Deferred outflows of resources - OPEB   | (249,050)    | (527,665)    |
| Increase (decrease) in:   |              |              |
| Accounts payable  | 80,116       | (211,180)    |
| Accrued expenses  | 12,408       | 33,510       |
| Net pension liability   | (1,071,278)  | 157,359      |
| Net OPEB obligation   | 485,229      | 755,337      |
| Advances payable  | (821,947)    | 1,199,920    |
| Deferred inflows of resources - pension   | 952,588      | (13,153)     |
| Deferred inflows of resources - OPEB  | 43,164       | (34,321)     |
| Net cash provided by operating activities   | \$ 4,482,168 | \$ 3,070,596 |



**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
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**Note 7 – Reserves**

The District has reserved a portion of its assets for future construction projects and projected repair and replacement costs. The following is a schedule of the reserves as of June 30, 2022 and 2021.

|                        | <b>2022</b>   | <b>2021</b>   |
|------------------------|---------------|---------------|
| Repair and replacement | \$ 4,353,712  | \$ 2,817,609  |
| Debt reserve           | 1,667,537     | 619,153       |
| Plant expansion        | 5,636,144     | 4,100,041     |
| SWP Fund Reserve       | 3,000,000     | 3,000,000     |
| Total reserves         | \$ 14,657,393 | \$ 10,536,803 |

**Note 8 – Defined Benefit Pension Plan**

**Plan Description** – All qualified employees are eligible to participate in the District’s Miscellaneous Employee Pension Plan, a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and local government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website. Eligible employees hired after January 1, 2013 that are considered new members as defined by the Public Employees’ Pension Reform Act (PEPRA) participate in the PEPRA Miscellaneous Plan.

**Benefits Provided** – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, as discussed above. Members with five years of total service are eligible to retire at age 50 or 52 if in the PEPRA Miscellaneous Plan with statutorily reduced benefits. An optional benefit regarding sick leave was adopted. Any unused sick leave accumulates at the time of retirement will be converted to credited service at a rate of 0.004 years of service for each day of sick leave. All members are eligible for non-duty disability benefits after 10 years of service. The system also provides for the Optional Settlement 2W Death Benefit, as well as the 1959 Survivor Benefit. The cost of living adjustments for all plans are applied as specified by the Public Employees’ Retirement Law.

**Contributions** – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
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**Note 8 – Defined Benefit Pension Plan (Continued)**

For employees hired prior to January 1, 2013 and for all classic members as defined by PEPR, the District pays the employee’s contribution in addition to the employer’s contribution. These contributions made on behalf of employees are included in operating expenses on the statement of revenues, expenses, and changes in net position, but are not included in pension expense as disclosed below. For employees hired after January 1, 2013 who are considered new members as defined by PEPR, the District does not pay any portion of the employee’s required contribution.

The Plan’s provisions and benefits in effect at June 30, 2022 and 2021, are summarized as follows:

|   | <b>Miscellaneous Plan</b> |                             |
|---|---------------------------|-----------------------------|
|   | Prior to January 1, 2013  | On or after January 1, 2013 |
| Benefit formula                                   | 2% @ 55                   | 2% @ 62                     |
| Benefit vesting schedule                          | 5 years of service        | 5 years of service          |
| Benefit payments                                  | monthly for life          | monthly for life            |
| Retirement age                                    | 50 - Minimum              | 52 - Minimum                |
| Monthly benefits, as a % of eligible compensation | 1.4% to 2.4%              | 1.0% to 2.5%                |
| Required employee contribution rates              |                           |                             |
| 2022  | 7.00%                     | 7.25%                       |
| 2021  | 7.00%                     | 7.25%                       |
| Required employer contribution rates              |                           |                             |
| 2022  | 11.06%                    | 7.73%                       |
| 2021  | 11.20%                    | 7.87%                       |

CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above, and as a dollar amount for contributions toward the unfunded liability. The District’s required contribution for the unfunded liability was \$156,000 and \$133,930 for the fiscal years ended June 30, 2022 and 2021, respectively.

***Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions***

As of June 30, 2022 the District reported a liability of \$1,067,187 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. The District’s proportion of the net pension liability was based on a projection of their long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
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**Note 8 – Defined Benefit Pension Plan (Continued)**

The District’s proportionate share of the net pension liability as of June 30, 2021 and 2020 (measurement dates) was as follows:

| Measurement date June 30, 2021 |          | Measurement date June 30, 2020 |          |
|--------------------------------|----------|--------------------------------|----------|
| Proportion – June 30, 2020     | 0.05070% | Proportion – June 30, 2019     | 0.04947% |
| Proportion – June 30, 2021     | 0.05620% | Proportion – June 30, 2020     | 0.05070% |
| Increase (Decrease)            | 0.00550% | Increase (Decrease)            | 0.00123% |

For the fiscal years ended June 30, 2022 and 2021, the District recognized pension expense of \$178,755 and \$437,263, respectively. At June 30, 2022 and 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | June 30, 2022                        |                                     | June 30, 2021                        |                                     |
|---|--------------------------------------|-------------------------------------|--------------------------------------|-------------------------------------|
|   | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
| Pension contributions subsequent to measurement date  | \$ 298,532                           | \$ -                                | \$ 271,204                           | \$ -                                |
| Differences between expected and actual experience  | 119,674                              | -                                   | 110,202                              | -                                   |
| Changes in assumptions  | -                                    | -                                   | -                                    | (15,253)                            |
| Changes in employer’s proportion  | 79,272                               | -                                   | 51,459                               | -                                   |
| Difference between employer’s contributions and employer’s proportionate share of contributions | -                                    | (103,846)                           | -                                    | (67,604)                            |
| Net differences between projected and actual earnings on plan investments                       | -                                    | (931,599)                           | 63,526                               | -                                   |
| Total   | \$ 497,478                           | \$ (1,035,445)                      | \$ 496,391                           | \$ (82,857)                         |

Employer contributions of \$298,532 reported as deferred outflows of resources related to contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

| Fiscal Year Ended June 30 |              |
|---------------------------|--------------|
| 2023                      | \$ (178,432) |
| 2024                      | (191,997)    |
| 2025                      | (208,623)    |
| 2026                      | (257,447)    |
| 2027                      | -            |
|                           | \$ (836,499) |

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
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NOTES TO FINANCIAL STATEMENTS**

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**Note 8 – Defined Benefit Pension Plan (Continued)**

Initial unfunded liabilities are amortized over a closed period that depends on the plan’s date of entry into CalPERS. Subsequent plan amendments are amortized as level percentage of pay over a closed 20-year period. Gains and losses that occur in the operation of the plan are amortized over a 30 year rolling period. If the plan’s accrued liability exceeds the actuarial value of plan assets, then the amortization payment on the total unfunded liability may not be lower than the payment calculated over a 30 year amortization period.

**Actuarial Assumptions** – The total pension liabilities in the June 30, 2020 and 2019 actuarial valuations (June 30, 2021 and 2020 measurement dates) were determined using the following actuarial assumptions:

|                                  | Miscellaneous Plan   |
|----------------------------------|--|
| Actuarial Cost Method            | Entry-Age Normal Cost Method in accordance with the requirements of GASB Statement No. 68              |
| Actuarial Assumptions:           |  |
| Discount Rate                    |  |
| Measurement Date - 2021          | 7.15%  |
| Measurement Date - 2020          | 7.15%  |
| Inflation                        |  |
| Measurement Date - 2021          | 2.50%  |
| Measurement Date - 2020          | 2.50%  |
| Salary Increases                 | Varies by entry age and service  |
| Investment Rate of Return (1)    |  |
| Measurement Date - 2021          | 7.15%  |
| Measurement Date - 2020          | 7.15%  |
| Mortality                        | Derived using CalPERS’ Membership Data for all Funds   |
| Post Retirement Benefit Increase | Contract COLA up to 2.5% until Purchasing Power Protection Allowance Floor on Purchasing Power applies |

(1) Net of pension plan investment expenses, including inflation

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
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**Note 8 – Defined Benefit Pension Plan (Continued)**

**Discount Rate** – The discount rate used to measure the total pension liability was 7.15% for the measurement periods ending June 30, 2021 and 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made a statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Long-term Expected Rate of Return** – The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds’ asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class are as follows:

| Asset Class         | Measurement Date June 30, 2021 |                            |                          | Measurement Date June 30, 2020 |                            |                          |
|---------------------|--------------------------------|----------------------------|--------------------------|--------------------------------|----------------------------|--------------------------|
|                     | Net Strategic Allocation       | Real Return Years 1 -10(a) | Real Return Years 11+(b) | Net Strategic Allocation       | Real Return Years 1 -10(a) | Real Return Years 11+(b) |
| Global Equity       | 50.00%                         | 4.80%                      | 5.98%                    | 50.00%                         | 4.80%                      | 5.98%                    |
| Global Fixed Income | 28.00%                         | 1.00%                      | 2.62%                    | 28.00%                         | 1.00%                      | 2.62%                    |
| Inflation Sensitive | 0.00%                          | 0.77%                      | 1.81%                    | 0.00%                          | 0.77%                      | 1.81%                    |
| Private Equity      | 8.00%                          | 6.30%                      | 7.23%                    | 8.00%                          | 6.30%                      | 7.23%                    |
| Real Estate         | 13.00%                         | 3.75%                      | 4.93%                    | 13.00%                         | 3.75%                      | 4.93%                    |
| Liquidity           | 1.00%                          | 0.00%                      | -0.92%                   | 1.00%                          | 0.00%                      | -0.92%                   |

(a) An expected inflation of 2.0% used for this period.

(b) An expected inflation of 2.92% used for this period.

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
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**Note 8 – Defined Benefit Pension Plan (Continued)**

***Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*** – The following presents The District’s proportionate share of the net pension liability calculated using the discount rate of 7.15% as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

|                       | Fiscal Year  |              |
|-----------------------|--------------|--------------|
|                       | 2022         | 2021         |
| 1% Decrease           | 6.15%        | 6.15%        |
| Net Pension Liability | \$ 2,405,719 | \$ 3,370,197 |
| Current Discount Rate | 7.15%        | 7.15%        |
| Net Pension Liability | \$ 1,067,187 | \$ 2,138,465 |
| 1% Increase           | 8.15%        | 8.15%        |
| Net Pension Liability | \$ (39,358)  | \$ 1,120,724 |

***Pension Plan Fiduciary Net Position*** – Detailed information about the Plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

**Note 9 – Other Post-employment Benefits (OPEB)**

The District’s plan is a single-employer defined benefit OPEB plan which provides retiree medical and prescription drug coverage to eligible retirees and their dependents. Employees who attain age 55 and 10 years of service and retire from active employment are eligible to receive pro-rated benefits from the Plan. Medical coverage is offered under a fully-insured PPO plan option and a fully-insured HMO plan option, through the Association of California Water Agencies Health Plan, consistent with the coverage provided under the CalPERS Health Program.

**Employees Covered**

At the June 30, 2021 actuarial valuation, the following current and former employees were covered by the benefit terms under the OPEB plan.

|  |    |
|--|----|
| Participating active employees                                   | 16 |
| Inactive employees or beneficiaries currently receiving benefits | 9  |
| Total  | 25 |

**Funding Policy**

The District funds the plan on a pay-as-you-go basis. The District contributes up to the amount of the monthly premium for ACWA Advantage coverage for employee and family, plus administrative fees and Contingency Reserve Fund assessments. The specific contribution percentage is based on District years of credited service.



**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
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**Note 9 – Other Post-employment Benefits (OPEB) (Continued)**

Net OPEB Liability

The District’s net OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2021, based on the following actuarial methods and assumptions:

|                         | OPEB Plan  |
|-------------------------|--|
| Actuarial Cost Method   | Entry-Age Normal, Level Percent of Pay   |
| Actuarial Assumptions:  |  |
| Discount Rate           |  |
| Measurement Date - 2021 | 2.16%  |
| Measurement Date - 2020 | 2.20%  |
| Payroll Growth (1)      |  |
| Measurement Date - 2021 | 2.75%  |
| Measurement Date - 2020 | 2.75%  |
| Mortality               | 2017 CalPERS Mortality for Miscellaneous and Schools Employees; 2017 CalPERS Retiree Mortality for All Employees |
| Turnover                | 2017 CalPERS Turnover for Miscellaneous Employees  |
| Retirement              | 2017 CalPERS 2.0%@55 Rates for Miscellaneous Employees; 2017 CalPERS 2.0% @60 Rates for Miscellaneous Employees  |
| Healthcare Trend Rate   |  |
| Measurement Date - 2021 | 4.00%  |
| Measurement Date - 2020 | 4.00%  |

(1) Benefits are not dependent upon salary. Rate is used in applying the level percentage of projected payroll amortization method.

Assumption Changes

The discount rate was decreased from 2.2% to 2.16% for the measurement period ending June 30, 2021. The discount rate was decreased from 3.50% to 2.20% for the measurement period ending June 30, 2020.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.16% and 2.20% for the measurement periods ending June 30, 2021 and 2020, respectively. The discount rates are based on the S&P municipal Bond 20-Year High Grade Rate Index.

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
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**Note 9 – Other Post-employment Benefits (OPEB) (Continued)**

Changes in the Net OPEB Liability

The changes in the net OPEB liability are as follows:

|   | Total OPEB<br>Liability<br>(a) | Plan Fiduciary<br>Net Position<br>(b) | Net OPEB<br>Liability/(Asset)<br>(a) - (b) |
|---|--------------------------------|---------------------------------------|--|
| Balance at June 30, 2021<br><i>(Measurement Date June 30, 2020)</i> | \$ 3,568,668                   | \$ -                                  | \$ 3,568,668                               |
| Changes Recognized for the Measurement Period:                      |                                |                                       |  |
| Service cost  | 254,721                        | -                                     | 254,721                                    |
| Interest on Total OPEB Liability                                    | 81,313                         | -                                     | 81,313                                     |
| Contributions - Employer  | -                              | 123,401                               | (123,401)                                  |
| Benefit Payments  | (123,401)                      | (123,401)                             | -  |
| Expected versus actual experience                                   | (110,833)                      | -                                     | (110,833)                                  |
| Assumption changes  | 383,429                        | -                                     | 383,429                                    |
| Net Changes   | 485,229                        | -                                     | 485,229                                    |
| Balance at June 30, 2022<br><i>(Measurement Date June 30, 2021)</i> | \$ 4,053,897                   | \$ -                                  | \$ 4,053,897                               |

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the District if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for fiscal years ended June 30, 2022 and 2021:

|                       | Fiscal Year  |              |
|-----------------------|--------------|--------------|
|                       | 2022         | 2021         |
| 1% Decrease           | 1.16%        | 1.20%        |
| Net OPEB Liability    | \$ 4,734,263 | \$ 4,105,340 |
| Current Discount Rate | 2.16%        | 2.20%        |
| Net OPEB Liability    | \$ 4,053,897 | \$ 3,568,668 |
| 1% Increase           | 3.16%        | 3.20%        |
| Net OPEB Liability    | \$ 3,505,911 | \$ 3,094,053 |

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
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**Note 9 – Other Post-employment Benefits (OPEB) (Continued)**

The following presents the net OPEB liability of the District if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for fiscal years ended June 30, 2022 and 2021:

|                       | Fiscal Year  |              |
|-----------------------|--------------|--------------|
|                       | 2022         | 2021         |
| Trend 1% Lower        | 3.00%        | 3.00%        |
| Net OPEB Liability    | \$ 3,402,952 | \$ 3,111,446 |
| <br>                  |              |              |
| Current Discount Rate | 4.00%        | 4.00%        |
| Net OPEB Liability    | \$ 4,053,897 | \$ 3,568,668 |
| <br>                  |              |              |
| Trend 1% Higher       | 5.00%        | 5.00%        |
| Net OPEB Liability    | \$ 4,891,601 | \$ 4,168,855 |

**Recognition of Deferred Outflows and Deferred Inflows of Resources**

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of the gain or loss. The difference between projected OPEB plan investment earnings and actual earnings is amortized over a five year period. The remaining gains and losses are amortized over the expected average remaining service life, which was 7.3 years at measurement date June 30, 2021.

**OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB**

For the fiscal years ended June 30, 2022 and 2021, the District recognized OPEB expense of \$375,138 and \$299,693, respectively. At June 30, 2022 and 2021, the District reported deferred outflows of resources related to OPEB from the following sources.

|  | June 30, 2022                        |                                  | June 30, 2021                        |                                  |
|--|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
|  | Deferred<br>Outflows of<br>Resources | Deferred Inflows<br>of Resources | Deferred<br>Outflows of<br>Resources | Deferred Inflows<br>of Resources |
| OPEB contributions subsequent to measurement date  | \$ 95,795                            | \$ -                             | \$ 106,342                           | \$ -                             |
| Differences between expected and actual experience | 17,403                               | (157,872)                        | 19,578                               | (72,277)                         |
| Changes in assumptions                             | 810,758                              | (327,641)                        | 548,986                              | (370,072)                        |
| Total  | \$ 923,956                           | \$ (485,513)                     | \$ 674,906                           | \$ (442,349)                     |

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
NOTES TO FINANCIAL STATEMENTS**

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**Note 9 – Other Post-employment Benefits (OPEB) (Continued)**

Employer contributions of \$95,795 reported as deferred outflows of resources related to contributions made subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

| Fiscal Year Ended June 30 |    |         |  |
|---------------------------|----|---------|--|
| 2023                      | \$ | 56,163  |  |
| 2024                      |    | 56,163  |  |
| 2025                      |    | 56,163  |  |
| 2026                      |    | 56,163  |  |
| 2027                      |    | 56,163  |  |
| Thereafter                |    | 61,833  |  |
|                           | \$ | 342,648 |  |

**Note 10 – Deferred Compensation Plan**

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits participating employees to defer a portion of their salary until future years. The District does not contribute to this plan and all contributions are made voluntarily by the employee. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All assets of the plan were placed in trust for the exclusive benefit of participants and their beneficiaries. The requirements of the IRC Section prescribes that the District no longer owns the amounts deferred by employees, including the related income on those amounts. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on plan assets, are not included in the District's financial statements.

**Note 11 – Cachuma Project Authority/Cachuma Operations and Maintenance Board**

The original master contract for the Cachuma Project was entered into by the United States Bureau of Reclamation (USBR) and the Santa Barbara County Water Agency on September 12, 1949. Prior to expiration of the original contract, the District and other Cachuma Project Member Units formed the Cachuma Project Authority (CPA) in 1993 to represent their interests in negotiating the Cachuma Project Renewal Master Contract, the Cachuma Project Member Unit Contracts, and related environmental review processes. The Cachuma Project Renewal Master Contract (Contract No. I75r-1802R) was renewed on April 14, 1996 for a term to expire on September 30, 2020. On September 28, 2020, an Amendment to the Renewal Master Contract was entered to extend its term through September 30, 2023 (Contract No. I75r-1802RA).

Effective September 30, 1996, the CPA merged into the Cachuma Operations and Maintenance Board (COMB), which continues to be responsible for operation and maintenance of the “Transferred Project Works” and certain administrative responsibilities and reporting to USBR on behalf of the Cachuma Project Member Units. All assets and liabilities of the CPA were transferred to COMB.

## SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,

### IMPROVEMENT DISTRICT NO. 1

#### NOTES TO FINANCIAL STATEMENTS

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#### **Note 11 – Cachuma Project Authority/Cachuma Operations and Maintenance Board (Continued)**

On May 26, 2016, at a Special Meeting of the District’s Board of Trustees, the Board unanimously voted to formally separate from COMB and withdraw from the “1996 Amended and Restated Agreement for the Establishment of a Board of Control to Operate and Maintain the Cachuma Project – Cachuma Operation and Maintenance Board.”

Effective August 23, 2018, the District and the remaining agencies of COMB signed the Cachuma Operation and Maintenance Board Joint Powers Authority Separation Agreement (Separation Agreement) finalizing the withdrawal and severance of the District from COMB effective as of May 27, 2016. The Separation Agreement sets forth certain continuing obligations of the District, some of which conclude upon the expiration of the Renewal Master Contract or other triggering events. Effective July 30, 2020 the District and COMB entered into the First Amendment to the Separation Agreement to streamline implementation of the Separation Agreement. Except as expressly required by the Separation Agreement and the First Amendment to the Separation Agreement, the District shall have no obligation or responsibility for any liabilities, financial obligations, or other activities of COMB.

#### **Note 12 – Risk Management**

The District participates in the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA), a public entity risk pool of California water agencies, for general and auto liability, public officials’ liability, property damage, and fidelity insurance. ACWA/JPIA provides insurance through the pool up to a certain level, beyond which group-purchased commercial excess insurance is obtained.

The District pays an annual premium to ACWA/JPIA that includes its pro-rata share of excess insurance premiums, charges for the pooled risk, claims adjusting and legal costs, and administrative and other costs to operate the ACWA/JPIA. ACWA/JPIA may be terminated at any time by written consent of three-fourths of voting members at which time the members may be required to pay their share of any additional amount of premium in accordance with the loss allocation formulas for final disposition of all claims and losses covered by the joint powers agreement. To obtain complete financial information contact ACWA/JPIA at P.O. Box 619082 Roseville, CA 95661.

At June 30, 2022 the District participates in the ACWA/JPIA pooled programs for liability, and property programs as follows:

| <b>Coverage</b>                              | <b>Deductible</b> | <b>Coverage Limit</b>       |
|--|-------------------|-----------------------------|
| General, Auto and Public Officials liability | None              | \$5,000,000 - \$55,000,000  |
| Cyber liability                              | None              | \$5,000,000                 |
| Property                                     | \$500 - \$100,000 | \$2,500,000 - \$500,000,000 |
| Crime  | \$1,000           | \$1,000,000                 |
| Workers' Compensation                        | None              | Statutory                   |

## SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,

### IMPROVEMENT DISTRICT NO. 1

#### NOTES TO FINANCIAL STATEMENTS

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#### Note 13 – Joint Ventures

##### Central Coast Water Authority

In 1991, the District's electorate approved participation in the State Water Project (SWP). As a result, the District joined in the formation of the Central Coast Water Authority (CCWA) in September 1991. The purpose of the CCWA is to provide for the financing, construction, operation, and maintenance of certain local (non-state owned) facilities required to deliver water from the SWP to certain water purveyors and users in Santa Barbara County. In September 1997, the project began delivering state water to the District.

The District has entered into a Water Supply Agreement with the City of Solvang for 75% of the District's 2,000 acre-foot State Water Project entitlement. The agreement calls for the City to reimburse the District for its allocated share (72.75%) of all costs associated with the SWP. The difference between the 75% allocation of water and the 72.75% allocated share of costs is due to the fact that costs attributed only to the District increased its revenue bond allocation percentage, causing its overall cost percentage to be 72.75%.

Each project participant, including the District has entered into a Water Supply Agreement to provide for the development, financing, construction, operation and maintenance of the CCWA Project. The purpose of the Water Supply Agreement is to assist in carrying out the purposes of CCWA with respect to the CCWA Project by:

- 1) requiring CCWA to sell, and the project participants to buy, a specified amount of water from CCWA ("take or pay"); and
- 2) assigning the Santa Barbara project participant's entitlement rights in the State Water project to CCWA.

Although the District does have an ongoing financial interest pursuant to the Water Supply Agreement between the District and CCWA, the District does not have an equity interest as defined by GASB.

The District and each project participant is required to pay to CCWA an amount equal to its share of the total cost of "fixed project costs" and certain other costs in the proportion established in the Water Supply Agreement. This includes the project participant's share of payments to the State Department of Water Resources (DWR) under the State Water Supply Contract (including capital, operation, maintenance, power and replacement costs of the DWR facilities) debt service on CCWA bonds and all CCWA operating and administrative costs.

Each project participant is required to make payments under its Water Supply Agreement solely from the revenues of its water system. Each project participant has agreed in its Water Supply Agreement to fix, prescribe and collect rates and charges for its water system which will be at least sufficient to yield each fiscal year net revenues equal to 125% of the sum of (1) the payments required pursuant to the Water Supply Agreement, and (2) debt service on any existing participant obligation for which revenues are also pledged.

CCWA is composed of eight members, all of which are public agencies. CCWA was organized and exists under a joint exercise of power agreement among the various participating public agencies. The Board of Directors is made up of one representative from each participating entity. Votes on the Board are approximately apportioned between the entities based upon each entity's allocation of State water entitlement. The District's weighted voting allocation based upon number of acre-feet of water is 7.64%. Operating and capital expenses are allocated among the members based upon various formulas recognizing the benefits of the various project components to each member.



**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
NOTES TO FINANCIAL STATEMENTS**

**Note 13 – Joint Ventures (Continued)**

Central Coast Water Authority (Continued)

In August 2006, CCWA issued the Series 2006A Refunding Revenue Bonds for \$123,190,000 with an average interest rate of 4.24% to refund \$142,985,000 of outstanding 1996 Revenue Bonds with an average interest rate of 5.47%. The 1996 Revenue Bonds were issued to advance refund the 1992 Revenue Bonds. The 1992 Revenue Bonds were issued by the Authority for the benefit of its participants to finance a portion of the costs of developing a pipeline and water treatment plant, to reimburse certain project participants for costs incurred in connection with the State Water Project, and to finance certain other liabilities.

On June 18, 2016 the Authority issued Series 2016A refunding revenue bonds for \$45,470,000, which refunded the outstanding \$59,645,000 Series 2006A revenue bonds on October 1, 2016. The 2016A refunding revenue bonds were issued to realize the benefits of lower interest rates, which were issued at a true interest cost of 1.355% compared to the 4.24% true interest costs of the 2006A bonds. The bond refunding transaction was completed at the close of escrow on July 21, 2016 and the bonds were repaid in full on October 21, 2022.

Based on the Water Supply Agreement with the City of Solvang described above, below are the projected required costs of the State Water Project for the District and City of Solvang. Because the District is the “Project Participant” in CCWA, it is obligated to make all fixed and variable charge payments to CCWA and then is reimbursed by the City of Solvang for the City’s share of the annual funding in accordance with the Agreement.

District's Share:

|       | <u>Fixed Costs</u>  | <u>Variable Costs</u> | <u>Debt Service</u> | <u>Total</u>        |
|-------|---------------------|-----------------------|---------------------|---------------------|
| 2023  | \$ 769,059          | \$ 322,412            | \$ -                | \$ 1,091,471        |
| 2024  | 934,233             | 343,693               | -                   | 1,277,926           |
| 2025  | 959,932             | 351,679               | -                   | 1,311,611           |
| 2026  | 967,147             | 369,264               | -                   | 1,336,411           |
| 2027  | 984,219             | 387,727               | -                   | 1,371,946           |
| Total | <u>\$ 4,614,590</u> | <u>\$ 1,774,775</u>   | <u>\$ -</u>         | <u>\$ 6,389,365</u> |

City of Solvang's Share:

|       | <u>Fixed Costs</u>   | <u>Variable Costs</u> | <u>Debt Service</u> | <u>Total</u>         |
|-------|----------------------|-----------------------|---------------------|----------------------|
| 2023  | \$ 1,866,286         | \$ 374,277            | \$ -                | \$ 2,240,563         |
| 2024  | 2,017,899            | 405,132               | -                   | 2,423,031            |
| 2025  | 2,071,508            | 315,477               | -                   | 2,386,985            |
| 2026  | 2,070,198            | 331,251               | -                   | 2,401,449            |
| 2027  | 2,097,765            | 347,814               | -                   | 2,445,579            |
| Total | <u>\$ 10,123,656</u> | <u>\$ 1,773,951</u>   | <u>\$ -</u>         | <u>\$ 11,897,607</u> |

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
NOTES TO FINANCIAL STATEMENTS**

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**Note 13 – Joint Ventures (Continued)**

Central Coast Water Authority (Continued)

The above fixed and variable costs include both DWR and CCWA charges. Variable costs are dependent on actual water deliveries taken or to be taken. The “fixed costs,” “variable costs,” numbers were obtained from CCWA’s five-year projected cost schedules.

Additional information and complete financial statements for the CCWA are available for public inspection at 255 Industrial Way, Buellton, CA, between the hours of 8 a.m. and 5 p.m., Monday through Friday.

Santa Ynez River Valley Groundwater Basin, Eastern Management Area Groundwater Sustainability Agency

The District is a participant with the City of Solvang (Solvang), the Santa Ynez River Water Conservation District (Parent District), and the Santa Barbara County Water Agency (SBCWA) under a 2017 Memorandum of Agreement (MOA) to oversee implementation of the Sustainable Groundwater Management Act (SGMA) within the Eastern Management Area (EMA) of the Santa Ynez River Valley Groundwater Basin. Pursuant to the MOA, the District, Solvang, Parent District, and SBCWA form the Groundwater Sustainability Agency (GSA) for the EMA. The EMA GSA is governed by a committee comprised of one representative and one alternative from each agency. SGMA required the EMA GSA to prepare and adopt a Groundwater Sustainability Plan (GSP) for the EMA by January 2022.

All proposed actions or resolutions of the EMA GSA must be passed by a simple majority and significant actions, such as forming a Joint Powers Authority, require at least 70 percent vote and concurrence of each agency’s governing body. During fiscal year 2021/2022, the District paid \$5,000 as its share costs incurred by the EMA GSA. The District also provides project management and other administrative support for the EMA GSA. Financial statements for the EMA GSA can be obtained from its administrative office at 3669 Sagunto Street, Suite 101, Santa Ynez, CA 93460.

**Note 14 – Commitments**

Water Entitlement Exchange

In 1993, the District entered into the Santa Ynez River/State Water Exchange Agreement with the South Coast Cachuma Member Units (Carpinteria Valley Water District, Goleta Water District, Montecito Water District, and the City of Santa Barbara), the La Cumbre Mutual Water Company, and the Central Coast Water Authority (CCWA) to exchange the District’s share of Cachuma Project water entitlement for an equal amount of the South Coast agencies’ State Water Project entitlement.

## SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,

### IMPROVEMENT DISTRICT NO. 1

#### NOTES TO FINANCIAL STATEMENTS

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#### Note 14 – Commitments (Continued)

##### Bradbury Dam

On July 1, 2002, COMB and USBR entered into the Contract for Repayment of Funds Expended for Federally Performed Safety of Dams Act Modification Program (SOD Contract) for seismic modifications to Bradbury Dam. Under the SOD Contract, COMB reimburses the United States on behalf of the Cachuma Member Units for a portion of Safety of Dams Act funds the United States expended to preserve the structural integrity of Bradbury Dam and related Cachuma Project facilities. The SOD Contract calls for a repayment of the cost over a 50-year period.

COMB assesses the District annually for amounts equal to the District's share of the obligation due to the United States. The District has a commitment equal to 10.31% of total contract repayment. Currently, the District's annual payment is \$26,976.

#### Note 15 – Contingent Liabilities

##### SWRCB Hearings

The District, along with other local water agencies and several state and federal regulatory entities, are signatories to a 2001 Memorandum of Understanding (MOU) for Cooperation in Research and Fish Maintenance – Santa Ynez River concerning fishery resources in the Lower Santa Ynez River below Bradbury Dam. These agencies are also involved in ongoing analyses ordered by the State Water Resources Control Board (SWRCB) in connection with the Cachuma Project permits held by USBR on behalf of the Cachuma Member Units. In September 2019, the SWRCB issued a final Water Rights Order for operation of the Cachuma Project to ensure protection of public trust resources and downstream water rights below Bradbury Dam (WRO 2019-0148). Pursuant to WRO 2019-0148, USBR is required to prepare and undertake various reports and studies regarding potential impacts to fishery resources in the Lower Santa Ynez River. Complying with these requirements will result in higher Cachuma Project water costs to the District in the form of higher water rates from USBR and/or voluntary expenses incurred annually by the District and other agencies in providing support to USBR in its compliance activities.

In addition to the SWRCB proceedings, the District is involved with various local, state, and federal agencies as part of the federal Endangered Species Act (ESA), Section 7 reconsultation process for operation and maintenance of the Cachuma Project for the protection of Southern California steelhead in the Lower Santa Ynez River. For purposes of the ESA, the Cachuma Project is currently governed by the 2000 Biological Opinion issued by the National Marine Fisheries Service (NMFS). Pursuant to the ongoing Section 7 reconsultation process, NMFS is expected to issue a new Biological Opinion in 2023, which will impact the manner in which USBR is required to operate the Cachuma Project. The new Biological Opinion will impose specific water release requirements from Bradbury Dam, which may result in additional impacts to Cachuma Project water supplies, including the amount of water the District receives under its contractual entitlement. The new Biological Opinion will also impose certain monitoring, reporting, study, and other requirements on USBR. Complying with these requirements will result in higher Cachuma Project water costs to the District in the form of higher water rates from USBR and/or voluntary expenses incurred annually by the District and other agencies in providing support to USBR in its compliance activities.

## SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,

### IMPROVEMENT DISTRICT NO. 1

#### NOTES TO FINANCIAL STATEMENTS

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##### **Note 15 – Contingent Liabilities (Continued)**

###### New Legislation - Hexavalent Chromium-6

The State of California enacted a new standard for Hexavalent Chromium (Cr6) effective July 1, 2014 which required all water systems to comply with a lowered maximum contaminant level (MCL) of 10 parts per billion (ppb) of Cr6 in drinking water. Public water systems were required to achieve compliance with this new standard at the earliest feasible date prior to January 1, 2020.

In order to comply with the new State standard and meet current and future water demands, the District conducted pilot studies to determine the best available water treatment technology for its water system, prepared preliminary engineering design for blending facilities, performed feasibility and cost analysis for each option, and developed a well modification project as part of a District-specific Cr6 remediation program. The primary solution involved investing in a new centralized water treatment facility with the capability of treating Cr6 produced from the District's affected groundwater wells. The costs associated with new treatment and blending facilities varied, and were estimated at that time to be as much as \$12.5 million.

On May 5, 2017, a California Superior Court ruled that, in establishing the new Cr6 standard, the State failed to adequately assess the economic feasibility of complying with the new MCL, and the 10 ppb MCL was invalidated. The Court order required the State to reevaluate its new Cr6 MCL following an adequate economic feasibility analysis. In the meantime, the State's MCL of 50 ppb for total chromium remains in place. While the District has temporarily postponed its work in developing a new centralized treatment system for Cr6, the District continues to monitor the progress of the State in establishing a new MCL. When the new MCL is established, the District will resume work to ensure compliance with the new regulation.

##### **Note 16 – Legal Contingencies**

In the ordinary course of conducting business, various legal proceedings may be pending, however, in the opinion of the District's management, the ultimate disposition of these matters will have no significant impact on the financial position of the District.

##### **Note 17 – COVID-19**

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economics and financial markets of many countries, including the geographical area in which the District operates.

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,

IMPROVEMENT DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

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**Note 18 – Reclassifications**

Certain immaterial reclassifications have been made to prior year amounts, in order to conform with current year presentation.

**Note 19 – Subsequent Events**

Subsequent events have been evaluated through December 20, 2022, the date the financial statements were available to be issued.

## **Required Supplementary Information**

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, IMPROVEMENT DISTRICT NO. 1  
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1'S  
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
AS OF JUNE 30, 2022  
LAST 10 YEARS\***

|  | <u>2022</u>  | <u>2021</u>  | <u>2020</u>  | <u>2019</u>  | <u>2018</u>  | <u>2017</u>  | <u>2016</u>  | <u>2015</u>  |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Proportion of the net pension liability  | 0.01973%     | 0.01965%     | 0.01933%     | 0.01898%     | 0.01922%     | 0.01908%     | 0.01874%     | 0.02055%     |
| Proportionate share of the net pension liability                                     | \$ 1,067,187 | \$ 2,138,465 | \$ 1,981,106 | \$ 1,828,856 | \$ 1,905,629 | \$ 1,651,018 | \$ 1,285,968 | \$ 1,278,902 |
| Covered payroll  | \$ 1,571,534 | \$ 1,533,069 | \$ 1,608,531 | \$ 1,501,838 | \$ 1,349,875 | \$ 1,299,691 | \$ 1,190,037 | \$ 1,098,615 |
| Proportionate Share of the net pension liability<br>as percentage of covered payroll | 67.91%       | 139.49%      | 123.16%      | 121.77%      | 141.17%      | 127.03%      | 108.06%      | 116.41%      |
| Plan fiduciary net position as a percentage of<br>the total pension liability        | 89.47%       | 78.07%       | 78.07%       | 77.89%       | 75.85%       | 76.34%       | 80.35%       | 79.73%       |
| Measurement date   | 06/30/21     | 06/30/20     | 06/30/19     | 06/30/18     | 06/30/17     | 06/30/16     | 06/30/15     | 06/30/14     |
| Valuation date   | 06/30/20     | 06/30/19     | 06/30/18     | 06/30/17     | 06/30/16     | 06/30/15     | 06/30/14     | 06/30/13     |

**Notes to Schedule:**

Benefit changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2020 valuation date.

\* Historical information is required only for measurement periods for which GASB 68 is applicable. Future years' information will be displayed for up to 10 years as information becomes available.



**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, IMPROVEMENT DISTRICT NO. 1**  
**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**  
**SCHEDULE OF CONTRIBUTIONS**  
**AS OF JUNE 30, 2022**  
**LAST 10 YEARS\***

|   | <u>2022</u>  | <u>2021</u>  | <u>2020</u>  | <u>2019</u>  | <u>2018</u>  | <u>2017</u>  | <u>2016</u>  | <u>2015</u>  |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Contractually required contribution<br>(actuarially determined)         | \$ 298,532   | \$ 271,204   | \$ 239,699   | \$ 271,802   | \$ 244,533   | \$ 218,450   | \$ 201,660   | \$ 165,075   |
| Contributions in relation to the actuarially<br>determined contribution | \$ 298,532   | \$ 271,204   | \$ 239,699   | \$ 271,802   | \$ 244,533   | \$ 218,450   | \$ 201,660   | \$ 165,075   |
| Contribution deficiency (excess)  | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| Covered payroll   | \$ 1,620,263 | \$ 1,571,534 | \$ 1,533,069 | \$ 1,608,531 | \$ 1,501,838 | \$ 1,349,875 | \$ 1,299,691 | \$ 1,190,037 |
| Contributions as a percentage of covered<br>payroll                     | 18.42%       | 17.26%       | 15.64%       | 16.90%       | 16.28%       | 16.18%       | 15.52%       | 13.87%       |

**Notes to Schedule:**

The actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2021-2022 were derived from the June 30, 2019 funding valuation report.

\* Historical information is required only for measurement periods for which GASB 68 is applicable. Future years' information will be displayed for up to 10 years as information becomes available.

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, IMPROVEMENT DISTRICT NO. 1**  
**OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN**  
**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS**  
**FOR THE YEAR ENDED JUNE 30, 2022**  
**LAST 10 YEARS\***

|   | <u>2022</u>         | <u>2021</u>         | <u>2020</u>         | <u>2019</u>         | <u>2018</u>         |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total OPEB liability:   |                     |                     |                     |                     |                     |
| Service cost  | \$ 254,721          | \$ 181,296          | \$ 155,826          | \$ 151,287          | \$ 199,377          |
| Interest on the total OPEB liability                                    | 81,313              | 99,577              | 93,707              | 85,855              | 69,249              |
| Expected versus actual experience                                       | (110,833)           | (18,166)            | (67,721)            | 26,104              | (5,271)             |
| Assumption changes  | 383,429             | 592,289             | (50,028)            | 30,994              | (478,525)           |
| Benefit payments  | <u>(123,401)</u>    | <u>(99,659)</u>     | <u>(72,323)</u>     | <u>(72,323)</u>     | <u>(67,941)</u>     |
| Net change in total OPEB liability                                      | 485,229             | 755,337             | 59,461              | 221,917             | (283,111)           |
| Total OPEB liability - beginning  | <u>3,568,668</u>    | <u>2,813,331</u>    | <u>2,753,870</u>    | <u>2,531,953</u>    | <u>2,815,064</u>    |
| Total OPEB liability - ending (a)                                       | <u>\$ 4,053,897</u> | <u>\$ 3,568,668</u> | <u>\$ 2,813,331</u> | <u>\$ 2,753,870</u> | <u>\$ 2,531,953</u> |
| Fiduciary Net Position  |                     |                     |                     |                     |                     |
| Employer contributions  | \$ 123,401          | \$ 99,659           | \$ 72,323           | \$ 72,323           | \$ 67,941           |
| Benefit payments  | <u>(123,401)</u>    | <u>(99,659)</u>     | <u>(72,323)</u>     | <u>(72,323)</u>     | <u>(67,941)</u>     |
| Net change in fiduciary net position                                    | -                   | -                   | -                   | -                   | -                   |
| Total fiduciary net position - beginning                                | -                   | -                   | -                   | -                   | -                   |
| Total fiduciary net position - ending (b)                               | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ -</u>         |
| Net OPEB liability - ending (a) - (b)                                   | \$ 4,053,897        | \$ 3,568,668        | \$ 2,813,331        | \$ 2,753,870        | \$ 2,531,953        |
| Plan fiduciary net position as a percentage of the total OPEB liability | 0.00%               | 0.00%               | 0.00%               | 0.00%               | 0.00%               |
| Covered - employee payroll  | \$ 1,666,259        | \$ 1,729,605        | \$ 1,672,296        | \$ 1,556,210        | \$ 1,388,793        |
| Net OPEB liability as a percentage of covered-employee payroll          | 243.29%             | 206.33%             | 168.23%             | 176.96%             | 182.31%             |
| Measurement date  | 06/30/21            | 06/30/20            | 06/30/19            | 06/30/18            | 07/01/17            |
| Valuation date  | 06/30/21            | 06/30/19            | 06/30/19            | 07/01/17            | 07/01/17            |

## Notes to Schedule:

\* Historical information is required only for measurement periods for which GASB 75 is applicable.

Future year's information will be displayed up to 10 years as information becomes available.

## **Other Supplementary Information**

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENSES - ACTUAL AND BUDGET  
For the Year Ended June 30, 2022  
With Comparative Actual Amounts at June 30, 2021**

|                                      | <b>2022<br/>Actual</b> | <b>2022<br/>Budget</b> | <b>2022<br/>Over/(Under)</b> | <b>2021<br/>Actual</b> |
|--------------------------------------|------------------------|------------------------|------------------------------|------------------------|
| Operating Revenues:                  |                        |                        |                              |                        |
| Water sales                          | \$ 9,308,543           | \$ 8,808,928           | \$ 499,615                   | \$ 9,288,125           |
| State water contract revenue         | 3,035,510              | 2,931,883              | 103,627                      | 2,747,650              |
| Miscellaneous billings and fees      | 209,774                | 130,000                | 79,774                       | 162,636                |
| Total operating revenues             | <u>12,553,827</u>      | <u>11,870,811</u>      | <u>683,016</u>               | <u>12,198,411</u>      |
| Operating Expenses:                  |                        |                        |                              |                        |
| Source of supply                     | 1,439,564              | 2,266,281              | (826,717)                    | 2,022,244              |
| State water contract expense         | 3,035,510              | 2,931,883              | 103,627                      | 2,747,650              |
| Pumping expense                      | 734,032                | 706,587                | 27,445                       | 668,264                |
| Water treatment                      | 93,833                 | 63,000                 | 30,833                       | 58,326                 |
| Transmission and distribution        | 1,031,354              | 1,037,110              | (5,756)                      | 996,783                |
| Special programs and study fees      | 250,984                | 463,500                | (212,516)                    | 283,456                |
| Administrative and general           | 2,448,944              | 2,938,237              | (489,293)                    | 2,521,669              |
| Total operating expenses             | <u>9,034,221</u>       | <u>10,406,598</u>      | <u>(1,372,377)</u>           | <u>9,298,392</u>       |
| Operating income                     | <u>3,519,606</u>       | <u>1,464,213</u>       | <u>2,055,393</u>             | <u>2,900,019</u>       |
| Other Income:                        |                        |                        |                              |                        |
| Capital facilities fees              | 122,520                | 70,000                 | 52,520                       | 111,904                |
| Interest income                      | 68,569                 | 75,000                 | (6,431)                      | 84,168                 |
| Unrealized loss                      | (207,231)              | -                      | (207,231)                    | (50,973)               |
| Special assessment                   | 986,254                | 875,000                | 111,254                      | 909,707                |
| Total other income                   | <u>970,112</u>         | <u>1,020,000</u>       | <u>(49,888)</u>              | <u>1,054,806</u>       |
| Other Expenses:                      |                        |                        |                              |                        |
| Depreciation expense                 | 843,266                | -                      | 843,266                      | 748,589                |
| Interest expense                     | 8,286                  | 14,900                 | (6,614)                      | 17,934                 |
| Loss on disposal of assets           | 25,376                 | -                      | 25,376                       | 44,680                 |
| Unanticipated and special legal fees | 212,178                | 80,000                 | 132,178                      | 71,416                 |
| Total other expenses                 | <u>1,089,106</u>       | <u>94,900</u>          | <u>994,206</u>               | <u>882,619</u>         |
| Change in net position               | <u>\$ 3,400,612</u>    | <u>\$ 2,389,313</u>    | <u>\$ 1,011,299</u>          | <u>\$ 3,072,206</u>    |



Date: December 20, 2022

To: Board of Trustees

From: Paeter E. Garcia  
General Manager

Subject: Amendment to the District Rules and Regulations – Resolution No. 829 for the Automatic Annual Adjustments to Capital Facilities Charges and Meter Installation Fees Under Appendix “C” and Appendix “D” of the District’s Rules and Regulations

**Agenda: Item 9.A.3**

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**STAFF REPORT**

**BACKGROUND AND OVERVIEW**

As previewed during the Board of Trustees meeting on November 15, 2022, the District’s capital facilities charges relating to water service connections and meters are a critical element of the District’s overall financing plan. The District, along with the vast majority of water agencies throughout California, require new water users or those requesting new or expanded levels of service to pay the costs of facilities needed to serve them. The alternative to collecting capital facilities charges from new development and expanded water uses would be imposing higher charges and fees on current water users to pay for new development, which is not equitable. Revenues from capital facilities charges are available to and used by the District to pay for new facilities and the proportionate costs of system improvements and expansions needed to serve and otherwise accommodate new and expanded water uses within the District’s system.

In accordance with state law, specifically Government Code section 66000 et seq., a reasonable relationship must exist between the amount of an agency’s capital facilities charges and the costs of the associated public facilities used to provide the service. On October 19, 1993, the Board of Trustees approved Resolution No. 422 adopting and establishing the District’s installation and capital facilities charges, and establishing that on January 1st of each new year, the capital facilities charges shall be automatically adjusted by an incremental change based on the *Engineering News Record (ENR) Construction Cost Index* (20 cities average) using a base index number of 5167.

In addition to District Resolution No. 422, the automatic annual adjustments to the District’s capital facilities charges relating to water service connections and meters are established by Section 603 and Section 709 of the District’s Rules and Regulations, as follows:

Section 603. Installation and Capital Facilities Charges. Size, location, and type of meter and service connections shall be regulated by the District and installation and capital facilities connection charges shall be imposed on all applicants for water service not involving a main extension in accordance with the schedule attached to these Rules and Regulations as Appendix C. The minimum meter size permitted shall be based on the size of the lot to be served. ... All capital facilities charges to pay the costs of facilities required to provide and maintain water service within the District's service area and all service connection and meter installation charges shall be paid in advance, prior to installation of the service connection and meter. ... In cases where an applicant requests or there is otherwise a requirement for an increase in meter size, the District shall collect a capital facilities charge and meter installation charge equal to the difference between (a) the capital facilities charge and meter installation charge for the existing meter and (b) the capital facilities charge and meter installation charge for the new, larger meter. ... Each year on January 1, the capital facilities charges shall be automatically adjusted by an increment based on the change in the ENR Construction Cost Index (20 cities average) from the base of 5167.

Section 709. Meters. At the time of application for water service from a main extension to which service connections have been previously installed, the applicant shall pay to the District a fee to cover the capital facilities charge or connection charge and the cost of installation of one or more meters and control valves on the service connection. The fees specified in the attached schedule, which shall be attached to these Rules and Regulations as Appendix D, are for the minimum meter size permitted based on the size of the lot to be served. ... All capital facilities charges to pay the costs of facilities required to provide and maintain water service within the District's service area and all service connection and meter installation charges shall be paid in advance, prior to installation of the service connection and meter. ... In cases where an applicant requests or there is otherwise a requirement for an increase in meter size, the District shall collect a capital facilities charge and meter installation charge equal to the difference between (a) the capital facilities charge and meter installation charge for the existing meter and (b) the capital facilities charge and meter installation charge for the new, larger meter. ... Each year on January 1, the capital facilities charges shall be automatically adjusted by an increment based on the change in the ENR Construction Cost Index (20 cities average) from the base of 5167.

In accordance with District Resolution No. 422 and Sections 603 and 709 of the District's Rules and Regulations, District staff reviewed the ENR Construction Cost Index, which is 13,168 as of this meeting, and based thereon calculated the automatic adjustments to the District's Appendix "C" and Appendix "D" capital facilities charges relating to water service connections and meters, effective January 1, 2023.

### **RECOMMENDATION**

Pursuant to the foregoing, staff recommends that the Board of Trustees adopt Resolution No. 829 as presented.

**RESOLUTION NO. 829**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE  
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, IMPROVEMENT DISTRICT NO.1  
APPROVING THE AUTOMATIC ANNUAL ADJUSTMENTS TO THE CAPITAL FACILITIES CHARGES  
AND METER INSTALLATION FEES CONTAINED IN APPENDIX "C" AND APPENDIX "D"  
OF THE DISTRICT'S RULES AND REGULATIONS**

**WHEREAS**, the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 ("District"), is empowered to prescribe, revise, and collect charges and costs for services and facilities funded by the District; and

**WHEREAS**, a capital facilities charge is a critical component of the District's overall financing plan; and

**WHEREAS**, State law (Government Code § 66000 et seq.) requires that a reasonable relationship exist between the amount of a capital facilities charge and the costs of associated public facilities; and

**WHEREAS**, the District and the vast majority of water agencies throughout California require that new water users and those requesting new or expanded levels of service pay the costs of facilities needed to serve them; and

**WHEREAS**, the alternative to collecting charges and costs from new development and water users requesting new or expanded levels of service would be raising charges and costs paid by current water users, which is not equitable; and

**WHEREAS**, revenues from capital facilities charges are available to and used by the District to pay for new facilities and the proportionate costs of system improvements and expansions needed to serve and otherwise accommodate new and expanded water uses within the District's system; and

**WHEREAS**, capital facilities and meter installation charges are collected during the period when a new use or expanded level of use or service is requested from the District; and

**WHEREAS**, on October 19, 1993, the District Board approved Resolution No. 422 adopting and establishing the capital facilities and meter installation charges and provided that each year on January 1, the capital facilities charges shall be automatically adjusted by an increment based on the change in the Engineering News Record (ENR) Construction Cost Index (20 cities average) from a base index of 5167; and

**WHEREAS**, pursuant to Section 603 and Section 709 of the District's Rules and Regulations, the District's capital facilities and installation charges relating to water service connections and meters shall be automatically adjusted each year on January 1 by an increment based on the change in the ENR Construction Cost Index to reflect actual costs of installation labor, parts, materials, and equipment; and

**WHEREAS**, the ENR Construction Cost Index is 13,168 as of this date.



THEREFORE, BE IT AND IT IS HEREBY RESOLVED, by the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, as follows:

1. That APPENDIX "C" Installation and Capital Facilities Charges Pursuant to Article 6, Section 603 of the District's Rules and Regulations, as attached hereto and approved herein, be attached to the District's Rules and Regulations, effective on January 1, 2023; and,
2. That APPENDIX "D" Capital Facilities Charges and Meter Installation Fees for Services from Main Extensions Pursuant to Article 7, Section 709 of the District's Rules and Regulations, as attached hereto and approved herein, be attached to the District's Rules and Regulations, effective on January 1, 2023.

WE, THE UNDERSIGNED, being the duly qualified and acting President and Secretary respectively, of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, do hereby certify that the above and foregoing Resolution was adopted and passed by the Board of Trustees at a Regular Meeting of the District held on the 20th day of December 2022, by the following roll call vote:

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Jeff Clay, President

APPENDIX "C"

**INSTALLATION AND CAPITAL FACILITIES CHARGES  
PURSUANT TO ARTICLE 6, SECTION 603**

(Effective January 1, 2023)

| <u>Lot Size</u>              | <u>Minimum<br/>Meter Size</u> | <u>Maximum<br/>Flow Rate</u> | <u>Ratio to<br/>5/8" meter<br/>(1993 ratios)</u> | <u>Capital<br/>Facilities<br/>Charge</u> | <u>Installation Charge</u>   |
|------------------------------|-------------------------------|------------------------------|--|--|--|
| 10,000 sq. ft.               | 5/8"                          | 25                           | 1.0  | \$ 4,765.66                              | The meter and<br>service installation<br>charge shall equal                          |
| >10,000 sq. ft. to 1<br>acre | 3/4"                          | 35                           | 1.2  | \$ 5,718.79                              |  |
| >1 to 3 acres                | 1"                            | 55                           | 2.0  | \$ 9,531.32                              | the cost of<br>installation as<br>determined by<br>the District from<br>time to time |
| >3 to 10 acres               | 1½"                           | 125                          | 4.0  | \$ 19,062.64                             |  |
| >10 acres                    | 2"                            | 160                          | 6.4  | \$ 30,500.21                             |  |
|                              | 3"                            | 500                          | 12.8   | \$ 61,000.43                             |  |
|                              | 4"                            | 1,250                        | 18.0   | \$ 85,781.84                             |  |
|                              | 6"                            | 2,000                        | 40.0   | \$190,626.32                             |  |
|                              | 8"                            | 4,000                        | 64.0   | \$305,002.18                             |  |

For parcels with multiple Domestic or Rural Residential meters, the meter sizes (e.g. 5/8" and 1" inch) may be added to result in a combined equivalent size that satisfies the minimum meter size requirements.

APPENDIX "D"

**CAPITAL FACILITIES CHARGES AND METER INSTALLATION FEES  
FOR SERVICES FROM MAIN EXTENSIONS  
PURSUANT TO ARTICLE 7, SECTION 709**

(Effective January 1, 2023)

| <u>Lot Size</u>   | <u>Minimum<br/>Meter Size</u> | <u>Capital<br/>Facilities<br/>Charge</u> | <u>Meter<br/>Installation<br/>Fee</u> | <u>Total</u> |
|-------------------|-------------------------------|--|---------------------------------------|--------------|
| 10,000 Sq. Ft.    | 5/8"                          | \$4,765.66                               | \$594.33                              | \$5,359.99   |
| >10,000 to 1 acre | 3/4"                          | \$5,718.79                               | \$621.27                              | \$6,340.06   |
| >1 to 3 acres     | 1"                            | \$9,531.32                               | \$726.86                              | \$10,258.18  |
| >3 to 10 acres    | 1-1/2"                        | \$19,062.64                              | \$1,311.95                            | \$20,374.59  |
| > 10 acres        | 2"                            | \$30,500.21                              | \$1,626.58                            | \$32,126.79  |
|                   | 3"                            | \$61,000.43                              | \$3,802.05                            | \$64,802.48  |
|                   | 4"                            | \$85,781.84                              | \$4,534.75                            | \$90,316.59  |

Establish base increase: Divide current ENR Construction Cost Index (October of each year) by base ENR Index (5167 - from April 1993) to determine current index ratio. Multiply current index ratio by base 5/8" meter CFC of \$1,870.

| Meter Size | Maximum Flow Rate | Ratio to 5/8" Meter* | Base Index** | Current Index*** | Index Ratio: (Current/Base) | Base 5/8" CFC**** | New CFC: (Base CFC x Ratio) | 2022 CFC    | CFC Increase |
|------------|-------------------|----------------------|--------------|------------------|-----------------------------|-------------------|-----------------------------|-------------|--------------|
| 5/8"       | 25                | 1.0                  | 5167         | 13,168.00        | 2.5485                      | \$1,870           | \$ 4,765.66                 | \$ 4,510.90 | \$ 254.76    |

Establish incremental increases: Use ratio to 5/8" meter (1993 ratios) to multiply by new base 5/8" meter CFC above.

| Meter Size | Maximum Flow Rate | Ratio to 5/8" Meter (1993 ratios) | 2023 (Base CFC x Ratio) | 2022 CFC      | CFC Increase |
|------------|-------------------|-----------------------------------|-------------------------|---------------|--------------|
| 3/4"       | 35                | 1.2                               | \$ 5,718.79             | \$ 5,413.08   | \$ 305.71    |
| 1"         | 55                | 2.0                               | \$ 9,531.32             | \$ 9,021.81   | \$ 509.51    |
| 1 1/2"     | 125               | 4.0                               | \$ 19,062.64            | \$ 18,043.61  | \$ 1,019.03  |
| 2"         | 160               | 6.4                               | \$ 30,500.21            | \$ 28,869.77  | \$ 1,630.44  |
| 3"         | 500               | 12.8                              | \$ 61,000.43            | \$ 57,739.55  | \$ 3,260.88  |
| 4"         | 1,250             | 18.0                              | \$ 85,781.84            | \$ 81,196.23  | \$ 4,585.61  |
| 6"         | 2,000             | 40.0                              | \$ 190,626.32           | \$ 180,436.07 | \$ 10,190.25 |
| 8"         | 4,000             | 64.0                              | \$ 305,002.18           | \$ 288,697.78 | \$ 16,304.40 |

\* Ratio to 5/8" meter: Referenced below

\*\* Base Index: Engineering News Record 20-City average Construction Cost Index (April 1993) = 5167.

\*\*\* Current Index: Current ENR 20-City average Construction Cost Index (use first week of October of each year) @ <http://www.enr.com>

\*\*\*\* Base 5/8" CFC: \$1,870 for 5/8" meter as set forth in above-referenced Water Rate Study  
Source: District Water Rate Study and Financing Plan, October 1993, Bartle Wells Associates

Improvement District No. 1  
**Meter Cost ONLY**  
 January 1, 2023

| Meter Size | Meter Type | Meter Only Cost * | Tax 7.75% | Total Meter Only | Additional Parts Required **                                 | Parts Cost | Tax 7.75% | Parts Total | Labor Cost *** | Total Meter Install. Cost | Cap. Fac. Charge | Grand Total  |
|------------|------------|-------------------|-----------|------------------|--|------------|-----------|-------------|----------------|---------------------------|------------------|--------------|
| 5/8"       | Standard   | \$ 339.00         | \$ 26.27  | \$ 365.27        | J-1908 5/8" Ball Valve                                       | \$ 89.00   | \$ 6.90   | \$ 95.90    | \$ 133.16      | \$ 594.33                 | \$ 4,765.66      | \$ 5,359.99  |
| 3/4"       | Standard   | \$ 364.00         | \$ 28.21  | \$ 392.21        | J-1908 3/4" Ball Valve                                       | \$ 89.00   | \$ 6.90   | \$ 95.90    | \$ 133.16      | \$ 621.27                 | \$ 5,718.79      | \$ 6,340.06  |
| 1"         | Standard   | \$ 425.00         | \$ 32.94  | \$ 457.94        | J-1908 1" Ball Valve   | \$ 126.00  | \$ 9.77   | \$ 135.77   | \$ 133.16      | \$ 726.86                 | \$ 9,531.32      | \$ 10,258.18 |
| 1-1/2"     | Standard   | \$ 830.00         | \$ 64.33  | \$ 894.33        | J-1913W 1-1/2" Ball Valve                                    | \$ 264.00  | \$ 20.46  | \$ 284.46   | \$ 133.16      | \$ 1,311.95               | \$ 19,062.64     | \$ 20,374.58 |
| 2"         | Standard   | \$ 980.00         | \$ 75.95  | \$ 1,055.95      | J-1913W 2" Ball Valve  | \$ 406.00  | \$ 31.47  | \$ 437.47   | \$ 133.16      | \$ 1,626.58               | \$ 30,500.21     | \$ 32,126.78 |
| 3"         | Standard   | \$ 2,610.00       | \$ 202.28 | \$ 2,812.28      | A2360-6 Flanged x MJ Resilient Wedge Valve Bolt & Gasket Kit | \$ 780.00  | \$ 60.45  | \$ 840.45   |                |                           |                  |              |
|            |            |                   |           |                  |  | \$ 15.00   | \$ 1.16   | \$ 16.16    |                |                           |                  |              |
|            |            |                   |           |                  |  |            |           | \$ 856.61   | \$ 133.16      | \$ 3,802.05               | \$ 61,000.43     | \$ 64,802.47 |
| 4"         | Standard   | \$ 3,290.00       | \$ 254.98 | \$ 3,544.98      | A2360-6 MJ x MJ Resilient Wedge Valve Bolt & Gasket Kit      | \$ 780.00  | \$ 60.45  | \$ 840.45   |                |                           |                  |              |
|            |            |                   |           |                  |  | \$ 15.00   | \$ 1.16   | \$ 16.16    |                |                           |                  |              |
|            |            |                   |           |                  |  |            |           | \$ 856.61   | \$ 133.16      | \$ 4,534.75               | \$ 85,781.84     | \$ 90,316.59 |

\* Meter Costs: SR11/TRPL (or for 3": Omni T2 w/screen & touch-read)  
 Prices per Ferguson - Neptune Meters

\*\* Parts Costs: Per District's material suppliers

\*\*\* Labor Costs: Installation based on average hours for field crew labor at hourly rates including benefits

**APPENDIX 'C'**  
**SHORT SIDE SERVICE AND METER INSTALLATION AND CAPITAL FACILITIES CHARGES**  
 January 1, 2023

| Service Size | Meter Size | Additional Parts Required               | Parts Costs and Total* | Service Labor** | Service Parts/Labor Total | Meter Parts/Labor | Total Service & Meter | Capital Facilities Charge | Grand Total  |
|--------------|------------|---|------------------------|-----------------|---------------------------|-------------------|-----------------------|---------------------------|--------------|
| 1"           | 5/8"       | 1 - 8"x1" Saddle (J-979)                | \$ 170.00              |                 |                           |                   |                       |                           |              |
|              |            | 1 - 1" J-1929 Corp Ball Valve           | \$ 81.00               |                 |                           |                   |                       |                           |              |
|              |            | 1" FIP PJ Fitting - Copper              | \$ 30.00               |                 |                           |                   |                       |                           |              |
|              |            | 1" MIP PJ Fitting - Copper              | \$ 25.00               |                 |                           |                   |                       |                           |              |
|              |            | 1' Soft Copper "K"                      | \$ 9.50                |                 |                           |                   |                       |                           |              |
|              |            | 1 - 1" Angle Meter Stop (J-1966W)       | \$ 69.00               |                 |                           |                   |                       |                           |              |
|              |            | 1 - Christy Fiber Lite Meter Box (FL30) | \$ 202.00              |                 |                           |                   |                       |                           |              |
|              |            | 1 - Christy Meter Box Lid (FL30)        | \$ 144.00              |                 |                           |                   |                       |                           |              |
|              |            | 1 - 1" Customer Valve                   | \$ 112.00              |                 |                           |                   |                       |                           |              |
|              |            | 1 - Mortor (60 lb.)                     | \$ 5.71                |                 |                           |                   |                       |                           |              |
|              |            | Sub-total                               | \$ 848.21              |                 |                           |                   |                       |                           |              |
|              |            | Tax @ 7.75%                             | \$ 65.74               |                 |                           |                   |                       |                           |              |
|              |            | Total Parts Cost                        | \$ 913.95              | \$ 4,540.08     | \$ 5,454.03               | \$ 594.33         | \$ 6,048.36           | \$ 4,765.66               | \$ 10,814.02 |

| Service Size                        | Meter Size  | Additional Parts Required                       | Parts Costs and Total* | Service Labor** | Service Parts/Labor Total | Meter Parts/Labor | Total Service & Meter | Capital Facilities Charge | Grand Total  |
|-------------------------------------|-------------|---|------------------------|-----------------|---------------------------|-------------------|-----------------------|---------------------------|--------------|
| 1"<br>Double<br>Service<br>Manifold | Two<br>5/8" | 1 - 8"x 2" Saddle (J-979)                       | \$ 196.00              |                 |                           |                   |                       |                           |              |
|                                     |             | 1 - 1" J-1929 Corp Ball Valve                   | \$ 81.00               |                 |                           |                   |                       |                           |              |
|                                     |             | 2 - 1" Angle Meter Stops @ \$69.00 ea (J-1966W) | \$ 138.00              |                 |                           |                   |                       |                           |              |
|                                     |             | 2- 1" FIP PJ Fitting - Copper                   | \$ 60.00               |                 |                           |                   |                       |                           |              |
|                                     |             | 2- 1" MIP PJ Fitting - Copper                   | \$ 120.00              |                 |                           |                   |                       |                           |              |
|                                     |             | 2- 1' Soft Copper "K"                           | \$ 19.00               |                 |                           |                   |                       |                           |              |
|                                     |             | 1 - Christy Fiber Lite Meter Box (FL-36)        | \$ 234.00              |                 |                           |                   |                       |                           |              |
|                                     |             | 1 - Christy Meter Box Lid (FL-36D)              | \$ 227.00              |                 |                           |                   |                       |                           |              |
|                                     |             | 1 - Build Manifold with Copper and Brass Parts  | \$ 250.00              |                 |                           |                   |                       |                           |              |
|                                     |             | 2 - Mortor (60 lb.)                             | \$ 11.42               |                 |                           |                   |                       |                           |              |
|                                     |             | Sub-total                                       | \$ 1,336.42            |                 |                           |                   |                       |                           |              |
|                                     |             | Tax @7.75%                                      | \$ 103.57              |                 |                           |                   |                       |                           |              |
|                                     |             | Total Parts Cost                                | \$ 1,439.99            | \$ 4,540.08     | \$ 5,980.07               | \$ 1,188.66       | \$ 7,168.73           | \$ 9,531.32               | \$ 16,700.05 |

\* Prices per District's material suppliers

\*\* Installation based on average hours for field crew labor at hourly rates including benefits

APPENDIX 'C'  
**SHORT SIDE SERVICE AND METER INSTALLATION AND CAPITAL FACILITIES CHARGES**  
 January 1, 2023

| Service Size | Meter Size              | Additional Parts Required                | Parts Costs and Total* | Service Labor**    | Service Parts/Labor Total | Meter Parts/Labor  | Total Service & Meter | Capital Facilities Charge | Grand Total |  |
|--------------|-------------------------|--|------------------------|--------------------|---------------------------|--------------------|-----------------------|---------------------------|-------------|--|
| 2"           | 1-1/2"                  | 1 - 8"x 2" Saddle                        | \$ 196.00              |                    |                           |                    |                       |                           |             |  |
|              |                         | 1 - 2" Corp. Stop (H-9969)               | \$ 295.00              |                    |                           |                    |                       |                           |             |  |
|              |                         | 1 - 2" FIP PJ Fitting - PVC              | \$ 135.00              |                    |                           |                    |                       |                           |             |  |
|              |                         | 3 - 2" MIP PJ Fitting - PVC              | \$ 123.00              |                    |                           |                    |                       |                           |             |  |
|              |                         | 1 - 2" FIP X Threaded 90 Elbow - Brass   | \$ 30.00               |                    |                           |                    |                       |                           |             |  |
|              |                         | 1 - 2" Angle Meter Stop (H-14286)        | \$ 275.00              |                    |                           |                    |                       |                           |             |  |
|              |                         | 1 - Christy Fiber Lite Meter Box (FL-36) | \$ 234.00              |                    |                           |                    |                       |                           |             |  |
|              |                         | 1 - Christy Meter Box Lid (FL-36D)       | \$ 227.00              |                    |                           |                    |                       |                           |             |  |
|              |                         | 1 - 2" Customer Valve                    | \$ 341.00              |                    |                           |                    |                       |                           |             |  |
|              |                         | 2" Sch80 PVC pipe (\$3.50/ft)            | \$ 105.00              |                    |                           |                    |                       |                           |             |  |
|              |                         | 1 - Mortor (60 lb.)                      | \$ 5.71                |                    |                           |                    |                       |                           |             |  |
|              |                         |  | Sub-total              | \$ 1,966.71        |                           |                    |                       |                           |             |  |
|              |                         |  | Tax @ 7.75 %           | \$ 152.42          |                           |                    |                       |                           |             |  |
|              | <b>Total Parts Cost</b> | <b>\$ 2,119.13</b>                       | <b>\$ 4,540.08</b>     | <b>\$ 6,659.21</b> | <b>\$ 1,311.95</b>        | <b>\$ 7,971.16</b> | <b>\$ 19,062.64</b>   | <b>\$ 27,033.79</b>       |             |  |

\* Prices per District's material suppliers

\*\* Installation based on average hours for field crew labor at hourly rates including benefits



**APPENDIX 'C'**  
**LONG SIDE SERVICE AND METER INSTALLATION AND CAPITAL FACILITIES CHARGES**  
 January 1, 2023

| Service Size | Meter Size | Additional Parts Required               | Parts Costs and Total* | Service Labor** | Service Parts/Labor Total | Meter Parts/Labor | Total Service & Meter | Capital Facilities Charge | Grand Total  |
|--------------|------------|---|------------------------|-----------------|---------------------------|-------------------|-----------------------|---------------------------|--------------|
| 1"           | 5/8"       | 1 - 8"x1" Saddle (J-979)                | \$ 170.00              |                 |                           |                   |                       |                           |              |
|              |            | 1 - 1" Corp. Stop (J-1929)              | \$ 81.00               |                 |                           |                   |                       |                           |              |
|              |            | 1 - 1" Angle Meter Stop (J-1996W)       | \$ 69.00               |                 |                           |                   |                       |                           |              |
|              |            | 1 - 1" PJxPJ Straight Coupling - Copper | \$ 28.00               |                 |                           |                   |                       |                           |              |
|              |            | 1 - 1" FIP PJ Fitting - Copper          | \$ 30.00               |                 |                           |                   |                       |                           |              |
|              |            | 1 - 1" MIP PJ Fitting - Copper          | \$ 25.00               |                 |                           |                   |                       |                           |              |
|              |            | 1 - Christy Fiber Lite Meter Box (FL30) | \$ 202.00              |                 |                           |                   |                       |                           |              |
|              |            | 1 - Christy Meter Box Lid (FL30)        | \$ 144.00              |                 |                           |                   |                       |                           |              |
|              |            | 1 - 1" Customer Valve                   | \$ 112.00              |                 |                           |                   |                       |                           |              |
|              |            | 1 - Morter (60 lb.)                     | \$ 5.71                |                 |                           |                   |                       |                           |              |
|              |            | Sub-total                               | \$ 866.71              |                 |                           |                   |                       |                           |              |
|              |            | Tax @ 7.75 %                            | \$ 67.17               |                 |                           |                   |                       |                           |              |
|              |            | Total Parts Cost                        | \$ 933.88              | \$ 10,053.23    | \$ 10,987.11              | \$ 594.33         | \$ 11,581.44          | \$ 4,765.66               | \$ 16,347.10 |

| Service Size               | Meter Size | Additional Parts Required                       | Parts Costs and Total* | Service Labor** | Service Parts/Labor Total | Meter Parts/Labor | Total Service & Meter | Capital Facilities Charge | Grand Total  |
|----------------------------|------------|---|------------------------|-----------------|---------------------------|-------------------|-----------------------|---------------------------|--------------|
| 1" Double Service Manifold | Two 5/8"   | 1 - 8"x1" Saddle (J-979)                        | \$ 196.00              |                 |                           |                   |                       |                           |              |
|                            |            | 1 - 1" Corp. Stop (J-1929)                      | \$ 81.00               |                 |                           |                   |                       |                           |              |
|                            |            | 2 - 1" PJxPJ Straight Coupling - Copper         | \$ 56.00               |                 |                           |                   |                       |                           |              |
|                            |            | 2 - 1" Angle Meter Stops @ \$69.00 ea (J-1966W) | \$ 138.00              |                 |                           |                   |                       |                           |              |
|                            |            | 1 - 1" PJxPJ Straight Coupling - Copper         | \$ 28.00               |                 |                           |                   |                       |                           |              |
|                            |            | 1 - 1" FIP PJ Fitting - Copper                  | \$ 30.00               |                 |                           |                   |                       |                           |              |
|                            |            | 1 - 1" MIP PJ Fitting - Copper                  | \$ 25.00               |                 |                           |                   |                       |                           |              |
|                            |            | 1 - Christy Fiber Lite Meter Box (FL-36)        | \$ 234.00              |                 |                           |                   |                       |                           |              |
|                            |            | 1 - Christy Meter Box Lid (FL-36D)              | \$ 227.00              |                 |                           |                   |                       |                           |              |
|                            |            | 1 - Build Manifold with Copper and Brass Parts  | \$ 250.00              |                 |                           |                   |                       |                           |              |
|                            |            | 2 - Morter (60 lb.)                             | \$ 11.42               |                 |                           |                   |                       |                           |              |
|                            |            | Sub-total                                       | \$ 1,276.42            |                 |                           |                   |                       |                           |              |
|                            |            | Tax @ 7.75 %                                    | \$ 98.92               |                 |                           |                   |                       |                           |              |
|                            |            | Total Parts Cost                                | \$ 1,375.34            | \$ 10,053.23    | \$ 11,428.57              | \$ 1,188.66       | \$ 12,617.23          | \$ 9,531.32               | \$ 22,148.55 |

\* Prices per District's material suppliers

\*\* Installation based on average hours for field crew labor at hourly rates including benefits

APPENDIX 'C'  
LONG SIDE SERVICE AND METER INSTALLATION AND CAPITAL FACILITIES CHARGES  
January 1, 2023

| Service Size     | Meter Size  | Additional Parts Required                | Parts Costs and Total* | Service Labor** | Service Parts/Labor Total | Meter Parts/Labor | Total Service & Meter | Capital Facilities Charge | Grand Total |
|------------------|-------------|--|------------------------|-----------------|---------------------------|-------------------|-----------------------|---------------------------|-------------|
| 2"               | 1-1/2"      | 1 - 8"x2" Saddle (J-979)                 | \$ 196.00              |                 |                           |                   |                       |                           |             |
|                  |             | 1 - 2" Corp. Stop (H-9969)               | \$ 295.00              |                 |                           |                   |                       |                           |             |
|                  |             | 1 - 2" PjxPj Straight Coupling - PVC     | \$ 185.00              |                 |                           |                   |                       |                           |             |
|                  |             | 1 - 2" Angle Meter Stop (H-14286)        | \$ 275.00              |                 |                           |                   |                       |                           |             |
|                  |             | 1 - Christy Fiber Lite Meter Box (FL-36) | \$ 234.00              |                 |                           |                   |                       |                           |             |
|                  |             | 1 - Christy Meter Box Lid (FL-36D)       | \$ 227.00              |                 |                           |                   |                       |                           |             |
|                  |             | 1 - 2" Customer Valve                    | \$ 341.00              |                 |                           |                   |                       |                           |             |
|                  |             | 50' - 2" Sch. 80 PVC Pipe @ 3.50/l.f.    | \$ 175.00              |                 |                           |                   |                       |                           |             |
|                  |             | 1 - 2" FIP PJ Fitting - PVC              | \$ 135.00              |                 |                           |                   |                       |                           |             |
|                  |             | 3 - 2" MIP PJ Fitting - PVC              | \$ 369.00              |                 |                           |                   |                       |                           |             |
|                  |             | 1 - Brass 2" 90 Degree                   | \$ 30.00               |                 |                           |                   |                       |                           |             |
|                  |             | 1 - Morter (60 lb.)                      | \$ 5.71                |                 |                           |                   |                       |                           |             |
|                  |             | Sub-total                                | \$ 2,467.71            |                 |                           |                   |                       |                           |             |
|                  |             | Tax @ 7.75 %                             | \$ 191.25              |                 |                           |                   |                       |                           |             |
| Total Parts Cost | \$ 2,658.96 | \$ 10,053.23                             | \$ 12,712.19           | \$ 1,311.95     | \$ 14,024.13              | \$ 19,062.64      | \$ 33,086.77          |                           |             |

\* Prices per District's material suppliers

\*\* Installation based on average hours for field crew labor at hourly rates including benefits

**APPENDIX 'C'**  
**BORING SERVICE AND METER INSTALLATION COSTS**  
 January 1, 2023

| Service Size | Meter Size | Additional Parts Required  | Parts Costs and Total*   | Service Labor** | Service Parts/Labor Total | Meter Parts/Labor | Total Service & Meter | Capital Facilities Charge | Grand Total |
|--------------|------------|--|--|-----------------|---------------------------|-------------------|-----------------------|---------------------------|-------------|
| 1"           | 5/8"       | 1 - 8"x1" Saddle (J-979)<br>1 - 1" Corp. Stop (J-1929)<br>1" FIP PJ Fitting - Copper<br>1" MIP PJ Fitting - Copper<br>1' Soft Copper "K"<br>1 - 1" Angle Meter Stop (J-1996W)<br>1 - Christy Fiber Lite Meter Box (FL30)<br>1 - Christy Meter Box Lid (FL30)<br>1 - 1" Customer Valve<br>1 - Morter (60 lb.) | \$ 170.00<br>\$ 81.00<br>\$ 30.00<br>\$ 25.00<br>\$ 9.50<br>\$ 69.00<br>\$ 202.00<br>\$ 144.00<br>\$ 112.00<br>\$ 5.71<br>Sub-total \$ 848.21<br>Tax @ 7.75 % \$ 65.74 |                 |                           |                   |                       |                           |             |
|              |            | Total Parts Cost   | \$ 913.95  | T&M Basis       | \$ 913.95                 | \$ 594.33         | \$ 1,508.28           | \$ 4,765.66               | \$ 6,273.94 |

*Boring Based on  
Time & Materials  
and Actual Costs*

| Service Size               | Meter Size | Additional Parts Required  | Parts Costs and Total*   | Service Labor** | Service Parts/Labor Total | Meter Parts/Labor | Total Service & Meter | Capital Facilities Charge | Grand Total  |
|----------------------------|------------|--|--|-----------------|---------------------------|-------------------|-----------------------|---------------------------|--------------|
| 1" Double Service Manifold | Two 5/8"   | 1 - 8"x1" Saddle (J-979)<br>1 - 1" Corp. Stop (J-1929)<br>2 - 1" Angle Meter Stops @ \$69.00 ea (J-1966W)<br>1" FIP PJ Fitting - Copper<br>1" MIP PJ Fitting - Copper<br>1' Soft Copper "K"<br>1 - Christy Fiber Lite Meter Box (FL-36)<br>1 - Christy Meter Box Lid (FL-36D)<br>1 - Build Manifold with Copper and Brass Parts<br>2 - Morter (60 lb.) | \$ 196.00<br>\$ 81.00<br>\$ 138.00<br>\$ 30.00<br>\$ 25.00<br>\$ 9.50<br>\$ 234.00<br>\$ 227.00<br>\$ 250.00<br>\$ 11.42<br>Sub-total \$ 1,201.92<br>Tax @ 7.75 % \$ 93.15 |                 |                           |                   |                       |                           |              |
|                            |            | Total Parts Cost   | \$ 1,295.07  | T&M Basis       | \$ 1,295.07               | \$ 1,188.66       | \$ 2,483.73           | \$ 9,531.32               | \$ 12,015.05 |

\* Prices per District's material suppliers

\*\* Installation based on actual hours for field crew labor at hourly rates including benefits Page 7

APPENDIX 'C'  
 BORING SERVICE AND METER INSTALLATION COSTS  
 January 1, 2023

| Service Size     | Meter Size  | Additional Parts Required                | Parts Costs and Total* | Service Labor** | Service Parts/Labor Total | Meter Parts/Labor | Total Service & Meter | Capital Facilities Charge | Grand Total |
|------------------|-------------|--|------------------------|-----------------|---------------------------|-------------------|-----------------------|---------------------------|-------------|
| 2"               | 1-1/2"      | 1 - 8"x2" Saddle (J-979)                 | \$ 196.00              |                 |                           |                   |                       |                           |             |
|                  |             | 1 - 2" Corp. Stop (H-9969)               | \$ 295.00              |                 |                           |                   |                       |                           |             |
|                  |             | 1 - 2" FIP PJ Fitting - PVC              | \$ 135.00              |                 |                           |                   |                       |                           |             |
|                  |             | 3 - 2" MIP PJ Fitting - PVC              | \$ 123.00              |                 |                           |                   |                       |                           |             |
|                  |             | 1 - 2" FIP X Threaded 90 Elbow - Brass   | \$ 30.00               |                 |                           |                   |                       |                           |             |
|                  |             | 1 - 2" Angle Meter Stop (H-14286)        | \$ 275.00              |                 |                           |                   |                       |                           |             |
|                  |             | 1 - Christy Fiber Lite Meter Box (FL-36) | \$ 234.00              |                 |                           |                   |                       |                           |             |
|                  |             | 1 - Christy Meter Box Lid (B-36P)        | \$ 227.00              |                 |                           |                   |                       |                           |             |
|                  |             | 1 - 2" Customer Valve                    | \$ 341.00              |                 |                           |                   |                       |                           |             |
|                  |             | 50' - 2" Sch. 80 PVC Pipe @ 3.50/l.f.    | \$ 175.00              |                 |                           |                   |                       |                           |             |
|                  |             | 1 - Brass 2" 90 Degree                   | \$ 30.00               |                 |                           |                   |                       |                           |             |
|                  |             | 1 - Mortar (60 lb.)                      | \$ 5.71                |                 |                           |                   |                       |                           |             |
|                  |             | Sub-total                                | \$ 2,066.71            |                 |                           |                   |                       |                           |             |
|                  |             | Tax @ 7.75 %                             | \$ 160.17              |                 |                           |                   |                       |                           |             |
| Total Parts Cost | \$ 2,226.88 |  |                        |                 |                           |                   |                       |                           |             |
|                  | T&M Basis   | \$ 2,226.88                              | \$ 1,311.95            | \$ 3,538.83     | \$ 19,062.64              | \$ 22,601.46      |                       |                           |             |

*Boring Based on  
 Time & Materials  
 and Actual Costs*

\* Prices per District's material suppliers

\*\* Installation based on actual hours for field crew labor at hourly rates including benefits Page 8

**Santa Ynez River Water Conservation District,  
Improvement District No. 1**

**Short Side Water Service Installation  
Backhoe and Equipment Costs**

**January 1, 2023**

| <b>Day(s)</b> | <b>Job Description</b>                             | <b>Hours</b> | <b>\$ Rate w/Benefits</b> | <b>Total</b>       |
|---------------|--|--------------|---------------------------|--------------------|
| Day 1         | Backhoe + Operator                                 | 7.00         | \$ 160.00                 | \$ 1,120.00        |
|               | Dump Truck + Operator                              | 4.00         | \$ 160.00                 | \$ 640.00          |
|               | Ditch Witch + Operator                             | 1.50         | \$ 350.00                 | \$ 525.00          |
|               | Mini Excavator + Operator                          | 3.00         | \$ 150.00                 | \$ 450.00          |
|               | Operations Technician                              | 3.00         | \$ 51.30                  | \$ 153.90          |
|               | Operations Technician                              | 7.00         | \$ 51.30                  | \$ 359.10          |
|               | Maint & Ops Superintendent                         | 4.00         | \$ 80.72                  | \$ 322.88          |
|               | <b>Sub Total</b>                                   |              |                           | <b>\$ 3,570.88</b> |
| Day 2         | Operations Technician                              | 2.00         | \$ 51.30                  | \$ 102.60          |
|               | Operations Technician                              | 2.00         | \$ 51.30                  | \$ 102.60          |
|               |  |              |                           | <b>\$ 205.20</b>   |
| <b>Item</b>   | <b>Job Description</b>                             | <b>Unit</b>  | <b>Costs</b>              | <b>Total</b>       |
|               | SBCO Encroachment Permit                           | 1            | \$ 296.00                 | \$ 296.00          |
|               | Trench Plates                                      | 3            | \$ 100.00                 | \$ 300.00          |
|               | Sand Bedding and Shading<br>(Backfill trench zone) | 5            | \$ 33.60                  | \$ 168.00          |
|               | <b>Sub Total</b>                                   |              |                           | <b>\$ 764.00</b>   |
|               |  |              | <b>Total Cost</b>         | <b>\$ 4,540.08</b> |

Water service installation using typical procedures for a short side installation. This reflects labor only and the equipment to perform the installation. Parts and materials are separate.

**Santa Ynez River Water Conservation District,  
Improvement District No. 1**

**Long Side Water Service Installation  
Labor and Equipment Costs**

**January 1, 2023**

| Days              | Job Description              | Hours | \$ Rate w/Benefits | Total               |
|-------------------|------------------------------|-------|--------------------|---------------------|
| Day 1             | Operations Technician        | 2     | \$ 51.30           | \$ 102.60           |
|                   | Operations Technician        | 2     | \$ 51.30           | \$ 102.60           |
|                   | Concrete Saw                 |       |                    | \$ 200.00           |
|                   | <b>Sub Total</b>             |       |                    | <b>\$ 405.20</b>    |
| Day 2             | Backhoe+ Operator            | 7     | \$ 160.00          | \$ 1,120.00         |
|                   | Dump Truck + Operator        | 7     | \$ 160.00          | \$ 1,120.00         |
|                   | Ditch Witch + Operator       | 1.5   | \$ 350.00          | \$ 525.00           |
|                   | Mini Excavator + Operator    | 3     | \$ 150.00          | \$ 450.00           |
|                   | Op Tech - Traffic Control    | 7     | \$ 100.00          | \$ 700.00           |
|                   | Op Tech - Traffic Control    | 7     | \$ 100.00          | \$ 700.00           |
|                   | Maint & Ops Superintendent   | 4     | \$ 80.72           | \$ 322.88           |
| <b>Sub Total</b>  |                              |       | <b>\$ 4,937.88</b> |                     |
| Day 3             | Backhoe+ Operator            | 4     | \$ 160.00          | \$ 640.00           |
|                   | Op Tech - Traffic Control    | 2     | \$ 100.00          | \$ 200.00           |
|                   | Op Tech - Traffic Control    | 2     | \$ 100.00          | \$ 200.00           |
|                   | Operations Technician        | 2     | \$ 51.30           | \$ 102.60           |
|                   | Operations Technician        | 2     | \$ 51.30           | \$ 102.60           |
| <b>Sub Total</b>  |                              |       | <b>\$ 1,245.20</b> |                     |
| Item              | Job Description              | Unit  | Costs              | Total               |
| Contract          | SBCO Encroachment/Inspection | 1     | \$ 296.00          | \$ 296.00           |
|                   | Trench Plates                | 3     | \$ 100.00          | \$ 300.00           |
|                   | Slurry Mix - Backfill/Yd     | 4     | \$ 114.75          | \$ 459.00           |
|                   | Slurry Mix - Delivery        | 1     | \$ 114.75          | \$ 114.75           |
|                   | Paving                       |       | \$ 2,060.00        | \$ 2,060.00         |
|                   | Sand \$33.60 Per Yard        | 7     | \$ 33.60           | \$ 235.20           |
| <b>Sub Total</b>  |                              |       | <b>\$ 3,464.95</b> |                     |
| <b>Total Cost</b> |                              |       |                    | <b>\$ 10,053.23</b> |

Water Service installation using a typical road cut and related procedures for a long side installation. This reflects labor only and the equipment to perform the installation. Parts and materials are separate.



**Santa Ynez River Water Conservation District,  
Improvement District No. 1**

**Boring - Long Side Water Service Installation  
(Labor Only - Installation Only)**

**January 1, 2023**

| <b>Days</b> | <b>Job Description</b>     | <b>Hours</b> | <b>\$ Rate w/Benefits</b>               | <b>Total</b>       |
|-------------|----------------------------|--------------|---|--------------------|
| Day 1       | Backhoe+ Operator          | 7.00         | \$ 160.00                               | \$ 1,120.00        |
|             | Dump Truck + Operator      | 4.00         | \$ 160.00                               | \$ 640.00          |
|             | DitchWitch + Operator      | 1.50         | \$ 350.00                               | \$ 525.00          |
|             | Mini Excavator + Operator  | 3.00         | \$ 150.00                               | \$ 450.00          |
|             | Operations Technician      | 7.00         | \$ 51.30                                | \$ 359.10          |
|             | Operations Technician      | 3.00         | \$ 51.30                                | \$ 153.90          |
|             | Maint & Ops Superintendent | 3.00         | \$ 80.72                                | \$ 242.16          |
|             | <b>Sub Total</b>           |              |   | <b>\$ 3,490.16</b> |
| Day 2       | Backhoe + Operator         | 4.00         | \$ 160.00                               | \$ 640.00          |
|             | Op Tech                    | 4.00         | \$ 51.30                                | \$ 205.20          |
|             | <b>Sub Total</b>           |              |   | <b>\$ 845.20</b>   |
| <b>Item</b> | <b>Job Description</b>     | <b>Unit</b>  | <b>Costs</b>                            | <b>Total</b>       |
|             | SBCO Encroachment Permit   | 1            | \$ 296.00                               | \$ 296.00          |
|             | Boring Contractor          |              | Time & Materials Based on actual cost.* | \$ -               |
|             | Fill Sand                  | 4            | \$ 33.60                                | \$ 134.40          |
|             | <b>Sub Total</b>           |              |   | <b>\$ 430.40</b>   |
|             |                            |              | <b>Total Cost</b>                       | <b>\$ 4,765.76</b> |

\*Water service installation using boring method is based on a time and materials basis at actual cost. This reflects labor only and the equipment to perform the installation. Parts and materials are separate.

*Boring Based on  
Time & Materials  
and Actual Costs*

**RESOLUTION NO. 830**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE  
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, IMPROVEMENT DISTRICT NO.1  
CONCERNING DISTRICT LAND AND AIR SPACE**

WHEREAS, pursuant to California Government Code Section 50569, the District has taken or caused to be taken an inventory of all its lands to determine what land, including air rights, if any, is in excess of its foreseeable needs; and

NOW, THEREFORE, IT IS HEREBY RESOLVED AND DETERMINED, by the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, as follows:

1. In accordance with the Representative Inventory of District Lands and Air Space attached hereto, the District does not own or control any lands or air space that are in excess of the District's foreseeable needs.

WE, THE UNDERSIGNED, being the duly qualified President and Secretary respectively, of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, do hereby certify that the above and foregoing Resolution was duly and regularly adopted and passed by the Board of Trustees at a Regular meeting held on the 20<sup>th</sup> day of December 2022, by the following roll call vote:

**ATTEST:**

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Mary Martone, Secretary to the Board of Trustees



**Santa Ynez River Water Conservation District, Improvement District No. 1**

**Representative Inventory of District Lands and Air Space**

| <u>Zone</u> | <u>Description</u>                        | <u>Location</u>                        | <u>Area</u>    |           |
|-------------|---|--|----------------|-----------|
| Zone 3      | Zone 3 - 0.5 MG Reservoir                 | Los Olivos                             | 1+ Acre        | Purchased |
| Zone 3      | Zone 3 - 3.2 MG Reservoir                 | Los Olivos                             | 20 Acres       | Purchased |
| Zone 3      | Zone 3 - Reservoir Area                   | Los Olivos                             | 3.64 Acres     | Purchased |
| Zone 3      | Zone 3 - Reservoir Area                   | Los Olivos                             | .06 Acre       | Purchased |
| Zone 3      | Well 24                                   | Los Olivos                             | .10 Acre       | Purchased |
| Zone 3      | Wells 5 and 5A                            | Los Olivos                             | 14,000 Sq. Ft. | Purchased |
| Zone 3      | Well 6                                    | Los Olivos                             | 2,700 Sq. Ft.  | Purchased |
| Zone 3      | Well 7                                    | Los Olivos                             | 21,000 Sq. Ft. | Purchased |
| Zone 2      | Zone 2 6.5 MG Reservoir                   | Ballard                                | 3.92 Acres     | Purchased |
| Zone 2      | Alamo Pintado Booster Pump Station        | Ballard                                | 2,000 Sq. Ft.  | Purchased |
| Zone 1      | Zone 1 6.5 MG Reservoir<br>(Radio Trans.) | Solvang                                | 5.35 Acres     | Purchased |
| Zone 2      | Monitoring Well 4/Well 28                 | Santa Ynez                             | 34,000 Sq. Ft. | Purchased |
| Zone 2      | Well 3                                    | Santa Ynez                             | 7,000 Sq. Ft.  | Purchased |
| Zone 1      | Gallery Well (river)                      | Santa Ynez                             | 2.59 Acres     | Purchased |
| Zone 1      | Meadowlark Booster Pump Station #2        | Santa Ynez                             | 1+ Acre        | Purchased |
| Zone 2      | District Office/Maintenance Shop          | 3622 Sagunto Street, Santa Ynez        | 20,000 Sq. Ft. | Purchased |
| Zone 2      | Office Well - Lot West of District Office | 3622 Sagunto Street, Santa Ynez        | 10,000 Sq. Ft. | Purchased |
| Zone 2      | District Yard                             | Madera Street E/of Faraday, Santa Ynez | 24,000 Sq. Ft. | Purchased |
| Zone 2      | Wells 1 and 2                             | Santa Ynez                             | 9,300 Sq. Ft.  | Purchased |
| Zone 2      | Still Meadow Baseline Pressure Station    | Santa Ynez                             |                | Purchased |

**Santa Ynez River Water Conservation District, Improvement District No. 1**  
**Representative Inventory of District Lands and Air Space**

| <u>Zone</u> | <u>Description</u>                     | <u>Location</u> | <u>Area</u>  |
|-------------|--|-----------------|--------------|
| Zone 3      | Well 25                                | Los Olivos      | Easement     |
| Zone 2      | Well 27                                | Santa Ynez      | Easement     |
| Zone 1      | Wells 9, 10, 11, 20, 21, 23<br>(River) | Santa Ynez      | Easement     |
| Zone 1      | Wells 8, 19, 22 (Chlorine Station)     | Santa Ynez      | Easement     |
| Zone 1      | Wells 12, 13, 14, 17, 18<br>(River)    | Santa Ynez      | Easement     |
| Zone 2      | Well #15                               | Santa Ynez      | Easement     |
| Zone 2      | Refugio B.P. Sta. #2                   | Santa Ynez      | Easement     |
| Zone 1      | Mesa Verde Pump Sta.                   | Santa Ynez      | Easement     |
| Zone 3      | Zone 3 B.P. Sta.                       | Santa Ynez      | Right of Way |



**To:** Board of Trustees  
Santa Ynez River Water Conservation District, Improvement District No.1

**From:** Paeter Garcia, General Manager  
Eric Tambini, Water Resources Manager

**Date:** December 20, 2022

**Subject:** Reservoir 3 Concrete Tank Cleaning and Maintenance Project  
Project Description and Bid Results

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### **Staff Report**

Following the most recent cleaning of the District's 3.2-million-gallon concrete water storage tank located near Los Olivos, the District contracted with DN Tanks to perform a visual inspection of the exterior and interior of the tank and appurtenances. The inspection was performed in February of 2019. The findings were presented in a detailed report, including photo documentation, which provided a number of suggested maintenance items for future consideration.

#### **PROJECT SCOPE:**

An initial cleaning of the tank will be performed by the contractor once the tank is emptied by District operations personnel. The identified maintenance items included in the 2019 inspection report were used to develop the project scope and include the following: 1) removal and replacement of joint sealant along construction joints including a single floor joint bisecting the tank floor and the floor joint surrounding the inlet/outlet sump in the floor; 2) preparation and repair of any worn or deteriorating patches in the concrete floor surface; 3) repair/filling of all cracks in excess of 1/8" wide in the support column footings with a non-shrink grout or epoxy sealant; 4) surface preparation and application of a waterproof coating to footings and columns (to a height of 15 feet) showing hairline

surface cracks; 5) spot treatment, priming, and spot painting of 12" steel inlet pipe and 12" steel overflow pipe where oxidation is present.

#### PROJECT BIDDING AND RESULTS:

The Request for Bids for the project was posted on the District web site and advertised in the Santa Barbara News Press on October 16, 2022. Three contractors attended the project pre-bid meeting on November 4, 2022, of which two provided bids on the bidding date of November 29, 2022 (see attached bid summary).

The two Base Bid prices received totaled \$163,177 and \$173,000. An Add/Alternate Bid was also requested to allow some flexibility in assigning additional work with regard to the painting of the interior piping. The condition of the piping will be evaluated once the tank has been emptied and cleaned to determine if the additional work is warranted. An hourly rate was also requested as part of the Add/Alternate Bid Schedule for the potential discovery of any previously unidentified maintenance items that need to be addressed while the contractor is on site. Evaluation of the bid results and required submittals has been completed and all requirements have been met by the low bidder.

#### RECOMMENDATION:

Authorize award of the Zone 3 Tank Cleaning and Maintenance project to DN Tanks, LLC as the lowest responsive and responsible bidder and authorize the General Manager to execute applicable contract documents with DN Tanks, LLC in the amount of \$163,177.

**Zone 3 Concrete Tank Cleaning and Maintenance Project - Bid Summary**  
**(Bid Date 11/29/22)**

**BASE BID SCHEDULE**

| BID ITEM NO.                              | DESCRIPTION  | DN Tanks, LLC    | Harbor Coating & Restoration | JJ Fisher Construction |
|---|--|------------------|------------------------------|------------------------|
| 1   | Mobilization, clean-up, and demobilization (NTE 10% of Total Base Bid) | \$15,500         | \$14,000                     | ---                    |
| 2   | Cleaning and inspection of 3.2 MG pre-stressed concrete tank           | 49,000           | 45,000                       | ---                    |
| 3   | Floor and sump joint sealant replacement                               | 13,530           | 24,750                       | ---                    |
| 4   | Concrete patch repair/replacement                                      | 6,399            | 4,500                        | ---                    |
| 5   | Support column footing crack repair                                    | 21,750           | 22,500                       | ---                    |
| 6   | Waterproof coating on support columns                                  | 21,198           | 13,200                       | ---                    |
| 7   | Waterproof coating on footings   | 24,800           | 24,000                       | ---                    |
| 8   | Inlet and overflow pipe spot preparation and painting                  | 11,000           | 25,050                       | ---                    |
| <b>Total Base Bid (Items 1 through 8)</b> |  | <b>\$163,177</b> | <b>\$173,000</b>             | <b>NO BID</b>          |

**ADD ALTERNATE BID SCHEDULE**

| BID ITEM NO. | DESCRIPTION                                      | DN Tanks, LLC | Harbor Coating & Restoration | JJ Fisher Construction |
|--------------|--|---------------|------------------------------|------------------------|
| 9            | Inlet and overflow pipe preparation and painting | \$19,000      | \$15,000                     | ---                    |
| 10           | Rate for additional repair work                  | \$610/hr      | \$500/hr                     | ---                    |

**REVISED NOTICE AND AGENDA OF REGULAR MEETING**

GROUNDWATER SUSTAINABILITY AGENCY  
FOR THE EASTERN MANAGEMENT AREA  
IN THE SANTA YNEZ RIVER GROUNDWATER BASIN

REGULAR MEETING WILL BE HELD  
**REMOTE PARTICIPATION ONLY**  
AT 06:30 P.M., THURSDAY, NOVEMBER 17, 2022

**Remote public participation available via ZOOM**

The public can only participate via teleconference. There will be no public meeting location.

To access the meeting via telephone, please dial: 1-669-900-6833  
And/or via the Web at: <http://join.zoom.us>

**“Join a Meeting” - Meeting ID: 883 9745 5126 - Meeting Passcode: 313001**

- You do NOT need to create a ZOOM account or login with email for meeting participation.
- If your device does not have a microphone or speakers, you can call in for audio with the phone number and Meeting ID listed above to listen and participate.
- In the interest of clear reception and efficient administration of the meeting, all persons participating remotely are respectfully requested to mute their line after logging or dialing-in and remain muted at all times unless speaking.

**Video/Teleconference Meeting During Coronavirus (COVID-19) State of Emergency:** As a result of the COVID-19 pandemic, this meeting will be available via video/teleconference as recommended by Santa Barbara County Public Health and authorized by Government Code section 54953(e) (State Assembly Bill 361).

**Important Notice Regarding Public Participation in Video/Teleconference Meeting:** Those who wish to provide public comment on an Agenda Item, or who otherwise are making a presentation to the GSA Committee, may participate in the meeting using the remote access referenced above. **Those wishing to submit written comments instead, please submit any and all comments and materials to the GSA via electronic mail at [bbuelow@syrwcd.com](mailto:bbuelow@syrwcd.com).** All submittals of written comments must be received by the GSA no later than **Wednesday, November 16, 2022**, and should indicate **“November 17, 2022 GSA Meeting”** in the subject line. To the extent practicable, public comments and materials received in advance pursuant to this timeframe will be read into the public record during the meeting. Public comments and materials not read into the record will become part of the post-meeting materials available to the public and posted on the SGMA website.

**AGENDA ON NEXT PAGE**



## REVISED AGENDA OF REGULAR MEETING

- I. Call to Order and Roll Call
- II. Consider findings under Government Code section 54953(e) to authorize continuing teleconference meetings under Resolution EMA-2021-001
- III. Additions or Deletions to the Agenda
- IV. Public Comment (Any member of the public may address the Committee relating to any non-agenda matter within the Committee's jurisdiction. The total time for all public participation shall not exceed fifteen minutes and the time allotted for each individual shall not exceed five minutes. No action will be taken by the Committee at this meeting on any public comment item.) *Staff recommends any potential new agenda items based on issues raised be held for discussion under Agenda Item "EMA GSA Committee requests and comments" for items to be included on the next Agenda.*
- V. Review and consider approval of meeting minutes of August 25, 2022
- VI. Review and consider approval of Financial Statements and Warrant List
- VII. Review Grant Closure letter from DWR
- VIII. Review and summary of Request(s) for EMA GSA Written Verification under Executive Order N-7-22 and other well permits processed by County EHS in the EMA.
- IX. Review and Consider Approval of Request(s) for EMA GSA Written Verification under Executive Order N-7-22 for the following parcel(s):
  - APN: 135-270-015 for WP 0005268 (For Committee Approval)
  - APN: 141-100-033 for WP 0005347(For Staff Approval)
  - APN: 137-070-021 for WP 0005319 (For Staff Approval)
- X. Update and briefing on SGMA round 2 implementation grant funding opportunity and review and consider approval of EMA GSP implementation projects and management actions.
- XI. Review and consider approving Resolution EMA 2022-004 authorizing the Santa Ynez River Water Conservation District to submit a Proposition 68 Grant application for implementation of SGMA on behalf of the Santa Ynez River Valley Groundwater Basin.
- XII. Next Special EMA GSA Meeting, Thursday, December 15, 2022, at 6:30 p.m.
- XIII. EMA GSA Committee reports and requests for future agenda items
- XIV. Adjournment

[This agenda was posted 24 hours prior to the scheduled special meeting at 3669 Sagunto Street, Suite 101, Santa Ynez, California, and <https://www.santaynezwater.org> in accordance with Government Code Section 54954. In compliance with the Americans with Disabilities Act, if you need special assistance to review agenda materials or participate in this meeting, please contact the Santa Ynez River Water Conservation District at (805) 693-1156. Advanced notification as far as practicable prior to the meeting will enable the GSA to make reasonable arrangements to ensure accessibility to this meeting.]

# Santa Ynez River Valley Groundwater Basin

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2022

## EMA GSA Committee CANCELLED

- [Agenda \(/files/f87c560b/2022-12-15-CANCELLED+EMA.pdf\)](/files/f87c560b/2022-12-15-CANCELLED+EMA.pdf)

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**NOTICE OF CANCELLATION OF REGULAR MEETING**

**GROUNDWATER SUSTAINABILITY AGENCY  
FOR THE EASTERN MANAGEMENT AREA  
IN THE SANTA YNEZ RIVER GROUNDWATER BASIN**

**NOTICE IS HEREBY GIVEN** that the regular meeting of the Groundwater Sustainability Agency Committee for the **Eastern Management Area** in the Santa Ynez River Groundwater Basin scheduled for Thursday, December 15, 2022, has been cancelled.

Dated: December 2, 2022



---

William Buelow  
Secretary



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# Blog Viewer

## What to Know About Brown Act Legislation Reaching the Finish Line



By Vanessa Gonzales posted 08-29-2022 02:15 PM

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In response to challenges experienced and lessons learned throughout the COVID-19 pandemic, three bills amending the Brown Act and supported by CSDA have passed the State Legislature. Governor Gavin Newsom signed Senate Bill 1100 (Cortese) last week and Assembly Bill 2647 (Levine) and Assembly Bill 2449 (Rubio) now await his consideration. AB 2449 (Rubio), related to remote meetings, is arguably the most significant Brown Act legislation to clear the Legislature since CSDA-sponsored Assembly Bill 361 (R. Rivas) was signed into law last year.

Assembly Bill 2449 (Rubio) establishes a new avenue for a minority of a local agency's board to meet remotely without noticing or providing public access to their remote meeting location under modified Brown Act requirements provided that the agency abides by the strict substantive and procedural requirements within the legislation. Local agencies may avail themselves of the alternative agenda posting and teleconference requirements, potentially making it easier for local agency board members to participate in a meeting remotely under certain circumstances that would've otherwise precluded that participation.

AB 2449 passed the State Senate last week on a 36-3-1 vote, proceeding next to the Assembly floor, whereupon the measure passed with a 67-2-11 vote. Having reached the engrossing and enrolling stage, the bill now awaits action by Governor Newsom. If signed, the bill would take effect at the start of 2023. The bill contains multiple sunset dates, though perhaps the most relevant is the January 1, 2026 sunset, after which time all the provisions added by AB 2449 lapse and become unavailable to local agencies.

The freedoms granted by AB 2449 may be familiar to those accustomed to holding meetings under the framework established by [Assembly Bill 361](#) ([R. Rivas, 2021](#)). AB 361 remains in effect through 2023 and can still be used by local agencies during any state-declared emergency. If signed into law, the provisions of AB 2449 would provide an entirely separate and distinct method of conducting remote meetings from that provided by AB 361. Therefore, local agencies would have the option to conduct remote meetings under the provisions of AB 2449, AB 361, or traditional Brown Act teleconference requirements. Local agencies may also choose to conduct public meetings entirely in-person under the Brown Act.

### **What is different about AB 2449 remote meetings?**

Under the provisions of AB 2449, agencies would not be obligated to post agendas at all teleconference locations, would not be obligated to identify all teleconference locations in the meeting agendas, and would not be obligated to make each teleconference location open to the public.

However, for an agency to proceed under the procedures established by AB 2449, it must observe the requirement that *at least* a quorum of the members of the legislative body participates in-person from a singular, physical location clearly identified on the agenda, open to the public, and situated within the boundaries of the territory over which the local agency exercises jurisdiction. This stands in notable contrast to the provisions of AB 361, which contains no such requirement. Under AB 2449, it *would not be permissible* to have the *entirety* of the board participate remotely pursuant to the bill's provisions. Another departure from the AB 361 rules includes the fact that remote participation under AB 2449 must be done for specified reasons — either because of a “just cause” or as a result of “emergency circumstances.” The two cases have different requirements that must be observed and have their own unique restrictions.

The agency must also be prepared to host a robust remote meeting — under the terms of AB 2449, an agency must provide *at least* one of the following so that the public may remotely observe the meeting and provide comments:

- A two-way audiovisual platform (defined to mean an online platform that provides participants with the ability to participate in a meeting via both an interactive video conference and a two-way telephonic function); and/or
- A two-way telephonic service *and* a live webcasting of the meeting (defined to mean a telephone service that does not require internet access, is not provided as part of a two-way audiovisual platform, and allows participants to dial a telephone number to listen and verbally participate)

### **Under what conditions may board members use AB 2449?**

Board agency members are also *individually* tasked with observing certain requirements before they can make use of AB 2449's terms. It is incumbent upon the individual board members themselves to follow certain requirements laid out in the bill; save for some overlapping obligations, the requirements differ based on whether the member's remote participation is arising out of a “just cause” or “emergency circumstances,” as shown below:

**“Just Cause”**

**“Emergency Circumstances”**

✓ The member notifies the legislative body at the earliest opportunity possible (including at the start of a regular meeting) of their need to participate remotely for “**just cause**,” including a general description (typically not exceeding 20 words) of the circumstances relating to their need to appear remotely at the given meeting.

Remote participation for “just cause” reasons shall not be utilized by any member of the legislative body for more than two meetings per calendar year.

“**Just cause**” means any of the following:

- A childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely
- A contagious illness that prevents a member from attending in person
- A need related to a physical or mental disability (as defined [1][2]) not otherwise accommodated
- Travel while on official business of the legislative body or another state or local agency

✓ The member requests the legislative body to allow them to participate in the meeting remotely due to “**emergency circumstances**” and the legislative body takes action to approve the request. The member shall make this request to participate remotely at a meeting as soon as possible. The legislative body shall request a general description (typically not exceeding 20 words) of the circumstances relating to their need to appear remotely at the given meeting.

✓ The member shall make a separate request for each meeting in which they seek to participate remotely.

The general description of the circumstances does not require the member to disclose any medical diagnosis or disability, or any personal medical information that is already exempt under existing law, such as the Confidentiality of Medical Information Act.

The legislative body may take action on a request to participate remotely at the earliest opportunity. If the request does not allow sufficient time to place proposed action on such a request on the posted agenda for the meeting for which the request is made, the legislative body may take action at the beginning of the meeting in accordance with existing law.

“**Emergency circumstances**” means a physical or family medical emergency that prevents a member from attending in person.

✓ The member shall publicly disclose at the meeting, before any action is taken, whether any other individuals 18 years of age or older are present in the room at the remote location with the member, and the general nature of the member’s relationship with any such individual(s).

✓ The member shall participate through *both* audio and visual technology.

Under neither case (“just cause”/“emergency circumstances”) do AB 2449’s provisions permit any member of a legislative body to participate in meetings of the legislative body solely by teleconference from a remote location for a period of

- more than three consecutive months or 20 percent of the regular meetings for the local agency within a calendar year, or
- more than two meetings *if the legislative body regularly meets fewer than 10 times per calendar year*

Based on the requirements that both the agency and agency board member must observe, it would be imperative that there is ample coordination taking place in advance of a meeting in order to abide by the terms of AB 2449. While some of the provisions are related to circumstances that are, by nature, difficult or impossible to anticipate, agencies can still prepare in advance for the requirements by ensuring that they operate a remote

meeting system that meets all the procedural and substantive requirements of AB 2449, while also developing a means for agency board members to submit their remote meeting requests and preparing the associated recordkeeping related to tracking board member reliance on AB 2449's provisions. Agencies would also be well-served to ensure board members are familiar with the requirements within AB 2449, particularly the requirement that the board member must participate through both audio and visual technology.

### What about the other Brown Act legislation from this year?

Senate Bill 1100 (Cortese) – Expressly provides that a member of the public can be removed from a meeting for disruptive behavior, as defined, and provides for the process by which a local agency may effect the removal of that individual. This measure, supported by CSDA, was signed into law earlier this year.

Assembly Bill 2647 (Levine) – Arising out of a court case (*Sierra Watch v. Placer County*), this bill seeks to clarify that the online posting of agenda materials fulfills the Brown Act requirement that they be made “publicly available.” Local agencies relying on the bill’s provisions would still be obliged to make physical copies of the materials available at an agency location designated for that purpose, and are also subject to observing other substantive and procedural requirements. Another CSDA-supported measure, this bill has also reached the engrossing and enrolling process, and is awaiting action by the Governor.

#AdvocacyNews

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# Monthly Briefing

*A Summary of the Alliance's Recent and Upcoming Activities and Important Water News*

## Farm Groups Highlight the Importance of Alfalfa In the Face of Western U.S. Drought

With drought conditions continuing to blanket the West-ern U.S., and farmers struggling to find adequate water sup-plies, competing interests are pressuring the federal govern-ment to cut the water supply farmers are using to grow our food, including alfalfa, which is a foundational food chain crop.

In response, the Family Farm Alliance and California Farm Water Coalition have produced a White Paper titled, "Our Food Supply at Risk; The Importance of Alfalfa Production in the American West," detailing the valuable role alfalfa plays as a principal feed source for the nation's live-stock and dairy industries, its environmental benefits, and contribution to effective drought management.

Family Farm Alliance Executive Director Dan Keppen said reducing the acreage devoted to alfalfa may seem like an easy fix to save water, but a decision to do so has bigger ramifications for our nation's food supply.

"Alfalfa is grown as livestock feed for the beef and dairy industries, both of which contribute to a balanced diet, in-

cluding high protein foods, such as beef, milk, and milk products, such as yogurt, butter, cheese, ice cream, and cot-tage cheese," said Mr. Keppen. "At a time when consumers are facing record inflation and sticker shock every time they go to the grocery store, it makes no sense to aggravate the

problem and drive prices even higher by cutting out a vital component of our food sup-ply."

### Colorado River Alfalfa Producers In the Crosshairs

Much of the recent criti-cism leveled at alfalfa produc-tion has come from urban interests who rely upon fierce-ly contested Colorado River water.

Lake Powell and Lake Mead on the Colorado River are the major source of water

for a significant portion of the western U.S. But over two decades of drought could cause Lake Powell to drop below the hydropower turbines by November 2023, impairing the power grid and hampering the ability to send water down-stream to Arizona, California and Nevada.



*Alfalfa being harvested in the Klamath Basin.*  
Photo courtesy of Klamath Water Users Association.

*Continued on Page 2*

### STORIES INSIDE.....

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## Alfalfa 101 (Cont'd from Page 1)

Following a federal directive to drastically reduce demand, Western states have yet to reach an agreement on the river basin, which provides water to nearly 40 million people and irrigates nearly 5.5 million acres of cropland, including some of the highest yielding alfalfa ground in the country.

Colorado Senator Michael Bennet (D) is also working on legislation with Utah Senator Mitt Romney (R) intended to pump more funds into the Colorado River Basin.

"The right role for the federal government to play is to backstop the consensus that the states reach with real federal resources," Senator Bennet told *E&E Daily* last month.

The Interior Department's Bureau of Reclamation announced plans to revamp of reservoir guidelines on an "expedited" timeline and plans implement new operating guidelines for the 2023-2024 water year in August.

The notice of intent will be open for public comment until December 20.

Reclamation last month also announced \$20 million in funding for endangered species recovery and conservation in the Colorado River Basin.

The same week that the ag organization's alfalfa paper was released, municipal governments including Phoenix, San Diego and Denver, along with the water agency that supplies 19 million people in the Los Angeles area, drew attention to an urban water agency "Memorandum of Understanding", saying it is a sign of more unified effort to conserve water.

Other interests say this commitment is nothing more than words.

"This is a fine promise to make, but it doesn't come with assurances that water will actually be saved — nor is there a steadfast figure as to what will be conserved," said Kyle Roerink of the Great Basin Water Network in an interview with CBS News in Las Vegas (NEVADA). "The word conservation gets thrown around quite often. But what we often see is repurposing. Actions speak louder than MOUs."

### Importance of Lower Colo. River Basin Alfalfa Producers

Mike Wade, executive director of the California Farm Water Coalition, said that Arizona and California lead the nation in per-acre production of alfalfa.

"With crop yields that are double the per-acre yields in most other states, the ability to make-up lost production from Arizona and California is very unlikely, which would lead to shortages, higher feed costs for producers, and the loss of more family farms when so many are already struggling," he said.

Next year could see even more fallowed land throughout the state as the government tries to manage dangerously low water levels in the Colorado River, which divides the two states.

"The pressure is on for cutbacks," said Josue Medellin-Azuara, a University of California at Merced (UC Merced) professor who led a study looking at how California's driest three-year period on record has impacted the nation's largest agricultural producer.

*Bloomberg* reports that Southern California and other crop-growing regions heavily reliant on Colorado River water are bracing for steep cuts, putting food supplies and farms at risk. A two-decade drought in the area, where at least 70% of irrigated farmland grows feed for livestock, already has increased price pressure on such crops, according to the UC Merced report.

### Other Benefits of Alfalfa

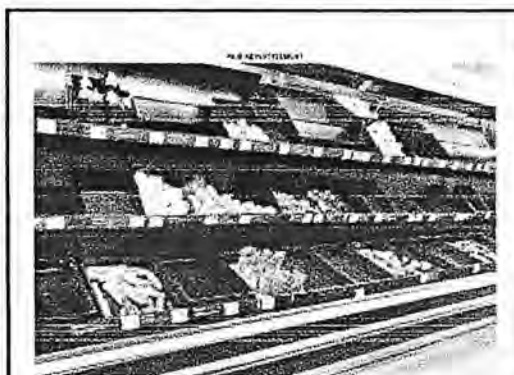
The new alfalfa report outlines many of the additional benefits that come from alfalfa production, including enhanced soil health because of deep rooting and the nitrogen alfalfa naturally adds to the soil during its growth cycle. This reduces the amount of chemical fertilizers that have to be used to grow crops that follow alfalfa during crop rotation.

Alfalfa also contributes to the health of pollinators, such as bees, when it grows because of the crop's prolific flower production. Bees use alfalfa for honey production, more of which comes from alfalfa farms than any other source in the U.S.

And alfalfa is an efficient water user, producing a crop year-round in warmer climates, but is also able to survive droughts as well as intentional "dry down" to make water available for other so-called high-value crops, including fruits, nuts, and vegetables, that face drought-driven water shortages.

Mr. Keppen presented another alfalfa report that he presented to the World Alfalfa Congress Symposium last month in San Diego.

Mr. Wade presented the report as part of his remarks to the Columbia Basin Development League Conference last month in Moses Lake (WASHINGTON).



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Photo by: Matthew Cook from National Geographic



## Mid-Term Election Results and Outlook for the Lame Duck

After a month-long recess and the November 8th midterm elections, Congress returned to Washington last month for a two-month sprint to bring the 117th Congress to a close.

Republicans on election day secured a majority in the House of Representatives, and Democrats maintained control in the Senate. In the House, Republicans will carry a slim majority – likely a 222 Republicans to 213 Democrats final tally.

“The night was clearly disappointing for Republicans,” wrote Sean Trende of *Real Clear Politics*. “Obviously, this is not the result that Republicans had hoped for.”

The 50-seat majority for Senate Democrats could grow as high as 51-49 after the Georgia runoff between incumbent Senator Raphael Warnock (D-GA) and his Republican challenger Hershel Walker on December 6th. A runoff win by Republicans would ensure that Vice President Kamala Harris continues to serve as the Senate’s tie breaking vote.

In the lame duck session for the remainder of 2022, Congress will consider two must-pass bills: 1) the FY 2023 omnibus spending package; and 2) the National Defense Authorization Act (NDAA).

These two bills will receive the majority of attention from Congress, and lawmakers will use the bills to pass other legislative items, including the Water Resources Development Act (WRDA), emergency supplemental provisions, and tax extenders for expiring or expired provisions.

“At the top of lawmakers’ to-do list is passing a bill to fund the federal government, which expires in 18 days,” said Mark Limbaugh with the Ferguson Group, the Family Farm Alliance’s representative in Washington, D.C.

The Senate on November 29 passed legislation to enshrine protections for same-sex marriage in federal law, sending the measure back to the House. The Senate plans to quickly vote on the Respect for Marriage Act, codifying the right to same-sex marriage.

The upper chamber will then shift back to the annual defense authorization package, a must-pass bill with significant bipartisan, bicameral support.

Items not expected to see congressional action in the lame duck session are energy permitting reform and the debt ceiling.

### The “red wave” that wasn’t

Many pundits and lawmakers expected a healthy Republican majority in the House and a majority in the Senate in what some were anticipating as a “red wave.”

Looking at national results, many political observers believe the likely factors that largely kept Democrats in power were voter turnout efforts, the lingering effects of the US Supreme Court’s *Dobbs* decision, and the quality of the candidates. Unaffiliated voters who were also concerned with crime and inflation ultimately didn’t choose Republican candidates in the numbers that were anticipated.

Environmentalists are touting their successful organizing and outreach strategy that brought “climate voters” to the polls in record numbers to help achieve key Democratic victories in the 2022 midterms and limit GOP gains. Some argue that their successes could help bolster ongoing and future advocacy on climate and environmental policy matters, according to *Inside EPA Weekly Report*.

“The good news . . . is that the climate community stepped up like it never has before in the election space,” League of Conservation Voters (LCV) President Gene Karpinski told reporters during a Nov. 9 press conference. “Climate voters showed up big time in race after race. And, in the vast majority of cases, climate champions won up and down the ballot.”

Of note, the 2022 midterms saw \$16.7 billion in federal and state spending, setting a record for a mid-term cycle.

### The 118<sup>th</sup> Congress: Senate

In the Senate, Democrats retain the majority in the 118th Congress. Senate Democrats will vote on leadership on December 8, with Senate Majority Leader Chuck Schumer (D-NY) to continue to lead the party.

“This election is a victory and vindication for Democrats,” Senator Schumer tweeted four days after the election, when he learned that Democrats would continue to control the Senate following Sen. Catherine Cortez Masto’s win in Nevada.

“I don’t own this job. Anybody who wants to run for it can feel free to do so,” Senator McConnell said. “I’m not in any way offended by having an opponent or having a few votes in opposition.”

The Georgia runoff will determine whether the Democrat margin will be either the current 50-50 tie, with Vice President Harris breaking any tie votes for the Democrats, or a 51-49 majority, which would result in rebalancing committee assignments in favor of Senate Democrats.

Senate Republicans held leadership elections last month, where Minority Leader Mitch McConnell (R-KY) won a secret ballot vote over challenger Rick Scott (R-FL) on a 37-10-1 vote.

“I don’t own this job. Anybody who wants to run for it can feel free to do so,” Senator McConnell said. “I’m not in any way offended by having an opponent or having a few votes in opposition.”

*Continued on Page 4*



**Senate Majority Leader Chuck Schumer (D-NY) will continue to lead Democrats in the 118th Congress. Photo source: Office of Senator Schumer**



## Senate Leadership Takes Shape (Cont'd from Pg 3)

Western Senators John Thune (R-SOUTH DAKOTA) and John Barrasso (R-WYOMING) won third and final terms in their current roles as Minority Whip and Conference Chair, respectively. Montana Republican Senator Steve Daines replaces Senator Rick Scott to oversee the party's efforts to win control of the Senate in 2024.

### The 118th Congress: House of Representatives

Meanwhile, with the House now in slim GOP control for the 118<sup>th</sup> Congress, the House GOP Caucus re-elected Rep. Kevin McCarthy (R-CALIFORNIA) their choice to gain the House Speaker's gavel beginning in January 2023.

"Leader McCarthy has led us to the majority and is the only one who can unify the party to hold the Biden administration accountable for its failures at home and abroad," tweeted Rep. Michael McCaul (R-TEXAS).

Rep. McCarthy beat opponent Rep. Andy Biggs (R-ARIZONA), who put himself forward as the conservative alternative. Rep. McCarthy must now win a majority vote of the entire House in January to be elected Speaker.

House Democrats will hold their elections later this month, with current Speaker Nancy Pelosi (D-CA) announcing she will not run for the party's top leadership spot in the 118<sup>th</sup> Congress.

"I will not seek reelection to Democratic leadership in the next Congress," Speaker Pelosi said on the floor last month.

Nancy Pelosi's announcement paves the way for current caucus chair Rep. Hakeem Jeffries (D-N.Y.), to succeed her after months of steadily building support.

"The Republican party is sure to use control in the House as a check to President Biden, congressional Democrats, and their legislative agenda over the next two years," said Mr. Limbaugh.

With little chance of legislative compromise on major initiatives under the GOP-controlled House, the White House will be forced to rely on federal agencies to advance much of President Biden's priorities over the next two years, pushing to enact major regulations and develop new ones during his remaining time in office (*Bloomberg*).

"There is a great deal the Biden administration can do with purely executive authority at this point and now is the time for them to begin," Sen. Sheldon Whitehouse (D-R.I.) told reporters last month.

### "Must Pass" NDAA and Spending Bills on Menu

Congress returned from the Thanksgiving holiday for the last month-long dash to address several legislative priorities and two must-pass bills: the fiscal year (FY) 2023 government spending package and the NDAA.

The federal government is currently funded through December 16 and Congress has yet to settle on topline spending numbers. Additionally, the White House requested \$37.7 billion in funding for Ukraine, \$10 billion for Covid relief, and funding for hurricane and other natural disaster relief.

"Since the beginning of Putin's war, the United States has

rallied the world to support Ukraine," the White House Office of Management and Budget wrote in a letter to House Speaker Pelosi requesting the funds. "Together, with strong, bipartisan support in Congress, we have provided significant assistance that has been critical to Ukraine's success on the battlefield — and we cannot let that support run dry."

Republican support for funding to Ukraine and COVID wanes as calls for spending accountability grow.

Leadership is mulling a week-long extension to December 23, providing additional time for negotiations centering around top-line spending numbers. The extension would occur through a one-week continuing resolution (CR) and, hopefully, end with an omnibus spending bill.

"Currently, there is no agreement on funding levels and several policy riders," said Mr. Limbaugh.

In addition, the Senate's process for passage will take multiple days, given the need for bipartisan support. Senate Minority Leader Mitch McConnell (R-KY) will prove critical to negotiations, deciding whether to clear 10 Republican votes to break a filibuster on an omnibus package.

"Many believe the potential, while still slim, is growing for a year-long CR, which would fund the government at prior fiscal year funding," said Mr. Limbaugh.

Several leaders outside of Congress have called for an omnibus spending package in lieu of a CR.

"It is essential that Congress act now to complete a full-year, whole of government funding bill before the end of 2022," wrote Defense Secretary Lloyd Austin in a letter to Congressional leadership. "Failure to do so will result in significant harm to our people and our programs and would cause harm to our national security and our competitiveness."

The House Armed Services Committee Chair and Ranking member predict a final version of the NDAA bill could be ready for a vote by the first week in December.

Added to the Senate's \$847 billion NDAA bill is the WRDA bill, which would provide the Army Corps of Engineers authorization to carry out activities concerning water resources development projects, ecosystem restoration, water supply and wastewater infrastructure, and other projects.

### Permitting Reform on the Backburner

One priority not receiving lame-duck consideration is permitting reform.

Advocates in the fossil fuel and clean energy industries are eyeing the divided government as a chance to rekindle interest in a bipartisan permitting overhaul (*E&E Daily*).

Senator Joe Manchin (D-WV) had hoped to resurrect the stalled bill in Congress' upcoming lame duck period, either as an amendment to the pending defense authorization bill or as an inclusion on the must-pass government spending package.

"So far, we are hearing that the Manchin permit reforms are not included in negotiations on the bill, since many Republicans and Democrats continue to be opposed to the reforms," said Mr. Limbaugh. "We do believe, however, that some type of environmental permitting reform for infrastructure projects will be a high priority in the 118<sup>th</sup> Congress."

## Western Producers Engage in COP27: “African Climate Summit”

The two-week 2022 United Nations Climate Change Conference (UNFCCC COP27) kicked off early last month in Sharm el-Sheikh, Egypt. This year’s international climate change deliberations were influenced by the underlying global currents of conflict and economic crisis.

President Joe Biden and his leadership team were present, as were American agricultural producers represented by Solutions from the Land (SfL).

“At COP 27 we witnessed the continued disconnect between nations and global stakeholders hoping to navigate forward through changing climate patterns, the impacts of war and supply chain shortages and the mixed proclamations of crises vs solutions,” said Ernie Shea, SfL President.

The Family Farm Alliance (Alliance) through its involvement with SfL has been monitoring United Nations (U.N.) global climate talks over the past several years, bringing the voice of North American producers and land managers to the discussion table.

Alliance President Patrick O’Toole traveled to Scotland one year ago and participated in the COP26 talks.

### Farmers Engage

The United Nations Framework Convention on Climate Change (UNFCCC) in 1994 established an international environmental treaty to combat “dangerous human interference with the climate system”, in part by stabilizing greenhouse gas concentrations in the atmosphere.

“One way we build support for agriculture is by working with the UNFCCC Farmers Constituency, which is made up of farmers and agricultural NGOs from around the world,” said Mr. Shea. “SfL served on the drafting team that constructed the Farmers Constituency statement, and many of our guiding principles can be found in the statement.”

The Farmers Constituency submitted a statement for COP27, affirming “the world’s farmers must be at the heart of climate policy to ensure that it reduces global agricultural emissions, increases the climate resilience of the global food system and contributes towards ending the global food security crisis.”

Priorities include:

- Requesting to establish a constituted body for agriculture established under the convention;
- Increasing climate finance investments in agriculture and forestry, and improved access to direct finance to family farmers’ organizations and cooperatives;
- Supporting global partnerships to advance farmer-to-farmer knowledge sharing, adaptation and mitigation technical assistance;
- Acknowledging the critical role of livestock in the global food system; and
- Ensuring the rights of farmers, including peasants, women, young farmers and other rural workers.



**Solutions from the Land representatives started their mornings at COP27 in Egypt with a meeting of the Farmers Constituency, which includes farmers and agricultural NGOs from around the world. Photo source: SfL**

“We witnessed the historic inclusion of a ‘day for agriculture’ at the climate conference and participated in good dialogue with our expanding alliance of agriculturists from around the world,” SfL Co-Chairs A.G. Kawamura, Fred Yoder and Howard Shapiro said in a joint prepared statement following the conference. “And we experienced in the rhetoric, debate and discussions the many opinions for sustainable agricultural activity as it applies to the UN’s climate change agenda and the importance of “showing up” and voicing our convictions through experience.”

### President Biden Advances ‘Unwavering’ Commitment to Combat Climate Change

President Biden – accompanied by a phalanx of Administration appointees and climate advisors – pressed his “unwavering” commitment to combating climate change as he sought to allay concerns the country’s efforts would backslide after the midterm elections (*Bloomberg*).

“We’ve proven that good climate policy is good economic policy,” Biden said in an address to the UN climate conference. “I can stand here as president of the United States of America and say with confidence, the United States of Ameri-

Continued on Page 6



## Biden Team has Strong Presence at COP27 (Cont'd from Pg 5)

ca will meet our emissions targets by 2030.”

Secretary of Agriculture Tom Vilsack highlighted the U.S. Department of Agriculture’s (USDA’s) initiatives and investments in climate-smart agriculture and forestry, noting that global food security depends upon the ability of farmers and producers worldwide to increase their productivity while strengthening their climate resilience and minimizing their climate impacts.

“As we face down the dual crises of climate change and food insecurity, USDA recognizes that changes to our agriculture and food systems can only happen at the needed scale and speed if farmers are at the center of our solutions,” Secretary Vilsack said. “USDA is proud to play a pivotal role through our new Partnerships for Climate-Smart Commodities, once-in-a-generation investments through the Inflation Reduction Act, and other initiatives that position American agriculture as a leader in delivering climate solutions through voluntary, incentive-based, market-driven and collaborative approaches.”

### Partnerships for Climate-Smart Commodities

Secretary Vilsack used the international platform of COP27 to showcase the Partnerships for Climate-Smart Commodities, through which USDA is investing in new revenue streams for America’s climate-smart farmers, ranchers and forest landowners. These projects will expand markets for climate-smart commodities, leverage the greenhouse gas benefits of climate-smart production and provide direct, meaningful benefits to agriculture, including for small and underserved producers.

At numerous COP27 events, Secretary Vilsack highlighted USDA’s initial \$2.8 billion investment in 70 pilot projects from the first funding pool that will deliver significant benefits for producers and communities in all 50 U.S. states. The projects will result in the application of climate-smart production practices on more than 25 million acres of working land, with expanded market opportunities and revenue streams for producers of all sizes and types. The Secretary also announced that USDA will direct an additional \$300 million to the second pool of pilot projects by the end of the year, bringing USDA’s total expected investment to \$3.1 billion.

### International Climate Hub

As part of USDA’s commitment, Secretary Vilsack announced that USDA will establish an International Climate Hub, modeled after USDA’s domestic Climate Hubs, which serve as the model for developing and delivering science-based, region-specific information and technologies to U.S. agricultural managers to enable climate-informed decision-

making.

“A sustained commitment to learning and action among the international community will be critical to accelerating the uptake of proven climate-smart agriculture and forestry practices,” Vilsack said.

The International Climate Hub will provide information and resources tailored to specific regions and needs, including a focus on the countries and producers most vulnerable to the effects of global climate change. The Hub will leverage results and innovations generated via USDA’s domestic and international programs and initiatives, including the Partnerships for Climate Smart Commodities pilot projects.

### Global Fertilizer Challenge, Pathways to Dairy Net Zero

Secretary Vilsack joined Special Presidential Envoy for Climate John Kerry in announcing the United States’ \$25 million commitment to the “Global Fertilizer Challenge”, which includes \$20 million for USDA to work with governments and local organizations worldwide to advance fertilizer efficiency and nutrient management; and \$5 million to advance applied research on efficient fertilizer products and practices in collaboration with the private sector.

“Simply put, farmers need nitrogen, phosphorous and potassium to grow crops,” said Secretary Vilsack. “The adoption of innovative and efficient fertilizer and cropping practices will alleviate pressure on supplies, lower nitrous oxide emissions and reduce food insecurity globally.”

Secretary Vilsack also highlighted USDA’s domestic and international efforts to advance climate-smart dairy production.

### Challenges Ahead

Governments from around the world agreed at the end of the summit to have wealthy countries help pay vulnerable nations for the damage they’re suffering from climate change. Additional, tough decisions – including demands that China and other middle-income countries contribute to the climate-damage fund – were tabled until 2023 (*POLITICO*).

However, the Biden administration will have a trickier time of advancing its \$3.5 billion program to encourage climate-smart food production, following last month’s midterm elections. According to *E&E Daily*, Republicans on the House Agriculture Committee are making the Partnerships for Climate-Smart Commodities program an early target for oversight as they prepare for the likelihood of taking the majority in the House.

Rep. Glenn Thompson (R-Pa.), the likely new chair of the House Agriculture Committee, has already criticized the USDA initiative in a September letter to Secretary Vilsack.

“As the program has unfolded it has become abundantly clear that you have taken a conservation climate program and called it a marketing program in order to avail yourself of the powers in the Charter Act,” the letter stated.

**“As we face down the dual crises of climate change and food insecurity, USDA recognizes that changes to our agriculture and food systems can only happen at the needed scale and speed if farmers are at the center of our solutions.”**  
 U.S. Agriculture Secretary Tom Vilsack  
 COP27, Egypt

## Forest Service Acts on Hazardous Fuels Reduction, Watershed Health

Increasingly fierce Western wildfire disasters are becoming an annual occurrence and underscore the importance of improving on-the-ground vegetation management actions that can lead to improved forest health.

“Improving the condition of the West’s forested lands is of primary importance to water providers,” said Dan Keppen, Family Farm Alliance Executive Director. “National Forest lands are overwhelmingly the largest, single source of water in the U.S. and, in most regions of the West, contributing nearly all the water that supplies our farms and cities.”

The Biden Administration in the past month announced several actions intended to reduce wildfire and protect watersheds on federal forests and grasslands.

### Importance of Federal Lands to Western Water Supplies

In September, the U.S. Forest Service (USFS) published a paper quantifying surface water supplies that originate on USFS forests and grasslands, sometimes transported to big cities through inter-basin transfers.

The USFS used a Water Supply Stress Index model to provide data that was linked with Environmental Protection Agency surface drinking water intake information and a new database of inter-basin transfers compiled for this study.

In the West, USFS lands comprised 19.2% of the land area, but contributed 46.3% of the surface water supply, the study showed.

“Our results can aid water resource and forest managers in developing integrated watershed management plans at a time when climate change, population growth, and land development threaten water supplies,” the USFS reported.

### Interactive Map Showcases Wildfire Reduction Projects

USFS last month launched a new interactive map showing the progress the agency and its partners have made in addressing the wildfire crisis in eight western states as part of the Forest Service’s 10-year wildfire crisis strategy. This “story map” gives users the opportunity to see the impact of the investments from the Infrastructure Investment and Jobs Act (IIJA) - signed into law by President Biden just over one year ago - across 10 initial landscapes in Washington, Oregon, California, Idaho, Montana, Colorado, New Mexico and Arizona.

“We are working with communities and partners to implement critical hazardous fuels work on the initial landscapes. This work will meaningfully change how people, communities and natural resources experience risk from wildfire,” said

USFS Chief Randy Moore. “With this story map, audiences across the country can see in real-time where investments are being made to create safer communities and healthier, more resilient forests.”

This online story map is designed to be easy to use and is continually updated to show the progress of wildfire reduction efforts on national forests and grasslands as well as other federally managed, state, and private lands. Individual landscape maps allow users to interactively identify national forests, Congressional Districts, active partners, landscape boundaries and “firesheds,” or areas where wildfire is likely to pose the greatest risk to communities and resources.

Since it was first announced earlier this year, USFS and its partners have identified the highest risk landscapes for treatment projects as part of the 10-year wildfire crisis strategy. USFS found that around 80% of the wildfire risk to communities is concentrated in fewer than 10% of firesheds.

These initial investments focus on firesheds of the highest risk, where projects are ready to begin or to expand. The first-year investments are a part of the strategy to reduce the exposure of communities and infrastructure to the risk of catastrophic wildfire.

Each year the Forest Service will plan and implement more work as part of the 10-year strategy as funding allows, continuing to reduce the risks of extreme wildfire for communities in these vulnerable areas.



### Grants Available to Protect Water, Increase Wood Processing Capacity

USFS last month also announced \$20.5 million in grants to help states or federally recognized tribes establish temporary bridge programs to protect water resources during forest-related operations and to assist wood processing facility owners to establish, reopen, retrofit, or expand. The grants are focused on sawmills or other wood processing facilities that purchase and process byproducts from forest restoration activities in areas of severe fire risk and insect or disease infestation.

The funds, made available by the IIJA, support the U.S. Department of Agriculture’s efforts to ensure tribes and historically marginalized or underserved communities receive equal access and opportunities to funding and programs, and to support community efforts vital to forest health.

“We are working to increase economic opportunities for rural and tribal communities adjacent to national forests and grasslands,” said Forest Service Chief Randy Moore. “Our

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## SCOTUS to Hear Navajo Nation Lawsuit Over Colorado River Entitlement

The Supreme Court of the United States (SCOTUS) has agreed to consider *Interior Department v. Navajo Nation*, deciding whether the federal government has a duty to protect the Navajo Nation's access to the dwindling flows of the Colorado River.

The federal government argues in the case that it is not legally obligated to assess the Navajo Nation's needs because no treaty, agreement or law explicitly addresses the tribe's claim to Colorado River water.

The 9th U.S. Circuit Court of Appeals sided with the Navajo Nation and said Interior had a "duty to protect and preserve the Nation's right to water."

The Biden Administration argued that the lower court ruling would complicate ongoing efforts among seven Western states to reduce their use of water from the drought-

plagued Colorado River that serves the needs of 40 million people and millions of acres of important food-producing farms and ranches.

"Oral argument is likely in the late March timeframe and the Court will likely issue a decision by June 30, 2023," said Patrick Sigl, an attorney with Salt River Project (SRP) and a member of the Family Farm Alliance Advisory Committee.

The SRP Agricultural Improvement and Power District is an intervenor petitioner in this case.

"The U.S. and Intervenors believe the ruling is inconsistent with prior precedent that requires an express, specific duty imposed by Congress in a statute or treaty before a trust obligation would attach," said Mr. Sigl. "This differs from an implied duty established by the judiciary, as the 9<sup>th</sup> Circuit did in this case."

## Forest Service Grants Announced (*Cont'd from Page 7*)

tribal, state and wood processing partners are working in the woods every day to improve forest health and protect water resources. Today's investments will expand these opportunities and provide much needed financial resources to restore and conserve our forests."

The \$20.5 million being committing in fiscal year 2022 includes:

- \$12.5 million targeted as financial assistance for owners of facilities that purchase and process byproducts from forest restoration projects including thinning, wildfire resilience activities and habitat management.
- \$8 million is available to states and tribes to support the establishment of temporary bridge rental, loan or cost-share programs to protect water resources and reduce water quality degradation during forest-related operations. The funding is to help states and tribes create a program that provides portable skidder bridges, bridge mats or other temporary water crossing structures to loggers and others working in forest areas.

As an example, in 2022, the San Carlos Apache Tribe (ARIZONA) was awarded \$1 million as part of the Forest Service Community Wood Energy and Wood Innovations grant program to purchase a lumber dry kiln and planing mill. The funding will help the Tribe improve forest management while providing significant employment opportunities for tribal members.

More information about these funding opportunities is available at the Forest Service website and on [Grants.gov](https://www.fs.fed.us/grants).

### USFS, TU Invest \$40 Million to Restore Watersheds

USFS last month announced it would provide up to \$40 million to Trout Unlimited (TU) as part of a five-year agree-

ment to improve watersheds on national forests and grasslands – home to many of America's most important trout and salmon species. Projects include clean-up of abandoned mines and removing barriers to improve fish passage, as well as stream habitat improvements.

Made possible by the IJA, this five-year National Watershed and Aquatic Restoration Initiative aims to increase the pace and scale of watershed restoration on national forests and grasslands, with priority given to projects that use local employees and contractors to improve water quality in underserved communities and on Tribal lands.

"This agreement builds on a long and productive partnership between the Forest Service and Trout Unlimited," said Chris Wood, president and CEO of Trout Unlimited. "Together over the years, we have already restored more than 400 miles of important fish habitat, reconnected more than 700 miles of habitat by removing barriers to fish migration, and improved hundreds of thousands of acres of National Forest System lands. We are excited to continue and expand on this work over the coming years."

TU is the nation's oldest and largest cold-water fisheries conservation organization dedicated to caring for and recovering America's rivers and streams. TU and the Family Farm Alliance helped co-found the Western Agriculture and Conservation Coalition over a decade ago, a coalition that has helped inject a stronger Western flavor into recent Farm Bill conservation programs.

In recent years, TU leveraged \$20 million in Forest Service funding to carry out \$62 million worth of projects, improving forest health, water quality and building key partnerships while supporting hundreds of family-wage jobs in rural communities.

Over the coming years, TU will use the funding from this agreement to work alongside partners to protect and restore these waters to improve fish population diversity, resilience and productivity.



2023 FAMILY FARM ALLIANCE ANNUAL CONFERENCE

# A Wake Up Call for America

## WHY FARMS, WATER AND FOOD MATTER

RENO, NV | FEB 23-24, 2023

**SAVE THE DATE: February 23-24, 2023**

The 2023 Annual Meeting and Conference is an opportunity for producers, policy makers and water professionals from throughout the West to focus on topics of critical concern.

A wide variety of speakers will take on the issues that make a difference to irrigators. Members of Congress and their staff, Administration officials, and representatives from constructive NGOs are regulars on the program.

America gave up domestic manufacturing over the last several decades leading to global trade deals that resulted in a diminished national security.

Are we now headed for a crisis which will lead to the loss of domestic food production, inevitably leading to a complete collapse of our national security?

We cannot continue long-term hypothetical processes that focus primarily on continued conservation and downsizing of Western agriculture.

As we teeter on the brink of recession and global famine, the stability of domestic food supply becomes even more pressing.

Our irrigated system of agriculture in the West can provide the most stable food supply in the world — if we let it.

### Conference Highlights

- Keynote Presentations
- Reclamation Roundtable
- A Look at DC from Capitol Hill
- "Farm (Bill) to Fork" - Feb. 24 Working Lunch to discuss the 2023 Farm Bill. Led by leaders of the Western Agriculture and Conservation Coalition.

Silver Legacy Resort - Reno, NV

**Conference agenda coming soon!**

Go to [www.familyfarmalliance.org](http://www.familyfarmalliance.org) to register today with online and mail-in options.

**Sponsorship and exhibitor booth opportunities are also available!**



## USDA Requests Public Input on Implementation of IRA Funding

The U.S. Department of Agriculture (USDA) is asking for public input through a Federal Register request for information on implementation of more than \$19 billion provided by the Inflation Reduction Act (IRA). The Natural Resources Conservation Service (NRCS) will use the investments provided through IRA-funded conservation programs to support farmers and ranchers in adopting and expanding climate-smart activities and systems.

NRCS is requesting comments on how to target program benefits, quantify impact, and improve program delivery and outreach, especially for underserved producers. The Family Farm Alliance is working to address the concerns of some Western producers that the carbon-centric priority of the IRA program does not endanger projects that also address broader matters.

"Climate mitigation should not just focus on carbon and assume that planting more carbon-sequestering trees will solve the problem," said Alliance Executive Director Dan Keppen. "Projects that help producers and water managers adapt to the impacts of climate change must also be encouraged."

The IRA directs USDA funding to support agricultural practices of enhancements that directly improve soil carbon, reduce nitrogen losses, or reduce, capture, avoid or sequester greenhouse gases (GHGs) associated with agricultural production. The controlling language of the law applies to the

Environmental Quality Incentives Program, Conservation Stewardship Program, Regional Conservation Partnership Program and easement programs funding. +

"Efforts to control evasive species like tamarisk, juniper, and salt cedar are important and should not be seen as being somehow bad, simply because carbon-capturing vegetation is being removed," said Mr. Keppen. "Deliberate and sensitive removal of invasives make prevent much more serious GHG emissions from being generated via fires tearing through unhealthy forests in the future."

A recent University of Chicago study found that California wildfire emissions in 2020 essentially negated 18 years of reductions in GHG emissions from other sectors in the state by a factor of two.

"This comment process might be a good opportunity to get policy makers to look at this issue in a more nuanced way," said Mr. Keppen.

There are also indications that Republicans in control of the House Agriculture Committee will likely look to repurpose some of the \$20 billion IRA dollars towards USDA's conservation programs if it's possible.

NRCS will consider comments received by December 21, 2022. Please go to <http://www.regulations.gov>, search for Docket ID: NRCS-2022-0015, and follow the online instructions for submitting comments.

## FERC Approves Removal of Four Klamath River Hydro Dams

PacifiCorp has won federal approval from the Federal Energy Regulatory Commission (FERC) to remove four hydropower dams along the Klamath River in Oregon and California, the largest dam removal project in the nation.

"Some people might ask why in this time of great need for zero-emissions energy, why is the licensee agreeing to remove the dams?" FERC Chair Richard Glick acknowledged before the vote. "It doesn't happen every day."

The decision affirms the utility's plan to surrender licenses and remove the dams, a project years in the making after concerns over the dams' alleged effect on water quality.

After several years of trying to relicense the dams originally licensed in 1954, PacifiCorp and 47 other parties, including the Yurok and Karuk Tribes and state officials in Oregon and California, reached a settlement agreement in 2010 to decommission and remove the J.C. Boyle, Copco No. 1, Copco No. 2, and Iron Gate dams.

"The order is a culmination of years of work on the parts of the projects licensee PacifiCorp, on the parts of Oregon and California, on the parts of several state and local, federal agencies, and importantly, on the parts of several local tribes," FERC Commissioner Allison Clements said.

While no objections were raised during the hearing, Congressmen Cliff Bentz (R-OREGON) and Doug LaMalfa (R-CALIFORNIA) have publicly voiced their opposition to the decommissioning of the Klamath River hydroelectric dams.

"We are exploring legislative options to properly address this politicized and environmentally destructive decision," the lawmakers wrote in a public statement.

Klamath Water Users Association (KWUA)– whose members divert and deliver Klamath River water to over 150,000 acres of farmland – expressed disappointment about the failure of dam removal proponents to adhere to commitments made to agricultural parties after Klamath River settlement legislation was not approved by Congress in 2015.

KWUA took a neutral position on the 2016 Amended Klamath Hydroelectric Settlement Agreement (AKHSA), which led to the FERC decision. However, KWUA and many other state and regional agricultural organizations – including the Family Farm Alliance – supported legislation intended to implement the Klamath Basin Restoration Agreement (KBRA) – which would have provided a Basin-wide solution regarding river usage and water rights.

Discussion of the KBRA began in 2005. Congress failed to pass legislation that would implement the KBRA by the January 1, 2016 deadline.

"We have kept our commitment to stay out of the way of parties that prioritize dam removal," KWUA asserted in a public statement. "Rather, we are disillusioned and disappointed that so many parties have turned their backs on the Klamath Basin agricultural community, and failed to honor reciprocal commitments made to producers in 2016. Above all, this means that parties to the AKHSA failed to keep commitments to negotiate in good faith to put in place a new water agreement."

With FERC approval of the decommissioning project, removal of the Klamath River dams could commence as early as 2024.

## Westlands G.M. Tom Birmingham Announces Retirement

One of California's most influential water officials is stepping down after serving for over two decades as the general manager of the nation's largest water district. Thomas W. Birmingham last month announced his plans to retire from California's Westlands Water District at the end of this year.

"As Westlands' General Manager, I have had the opportunity to work with elected and appointed officials at every level of government, in both major political parties, in Washington, D.C., and in Sacramento," Mr. Birmingham said in a public statement. "I am proud that, to this day, virtually all these people look to Westlands for constructive solutions to the biggest water and water-related ecosystem challenges facing California."

Westlands Water District is recognized as a world leader in agricultural water conservation and has served the farmers and rural communities on the west side of Fresno and Kings counties for more than five decades.

Mr. Birmingham has worked on behalf of the District for more than 36 years - from 1986 through 2000 as outside counsel and since 2000 as its General Manager. He is a recognized expert on issues of water and environmental law and has guided the District through complex water policy changes and some of the driest hydrology on record.

While in private law practice, he represented both public agencies and private parties in matters related to water rights, water quality, drainage issues, the Endangered Species Act, the California Environmental Quality Act, the Clean Water Act and other environmental laws.

Westlands Director Daniel Errotabere, who helped co-

found the Family Farm Alliance nearly 30 years ago, served as the President of Westlands from 2002-2005 and again from 2020-2021. He said when he first came to the Westlands board in 1993, he was immediately impressed with Mr. Birmingham's intelligence, work ethic, and loyalty to the District.

"When the position of General Manager became vacant in 2000, he was the natural choice to become General Manager," said Mr. Errotabere. "Many people assumed that Tom would continue to approach issues from the perspective of a litigator, but it quickly became apparent that as General Manager his approach would be collaborative, not combative."

Mr. Errotabere referenced a statement made by Senator Dianne Feinstein (D-CALIFORNIA) about Mr. Birmingham in 2016.

"[W]hile I know his top priority now is representing Westlands, I do appreciate the breadth of knowledge he brings to the table," said Senator Feinstein at the time. "Tom and I don't always see eye to eye, but I've known him for 15 years, and I do appreciate the experience and concern he brings to the debate."

Westlands anticipates that the Board of Directors later this month will consider appointing an Interim General Manager to

serve after Mr. Birmingham's retirement and will discuss a process to select his replacement.

"My greatest joy as General Manager has been my daily interaction with the people that make Westlands a wonderful place to work, including its Directors and staff," said Mr. Birmingham. "I have the greatest respect for Westlands' employees who work in the field and the District's offices to deliver water to westside farms and communities. I want them to know how much I appreciate their diligent work."



Westlands GM Tom Birmingham.  
Photo courtesy of  
Westlands Water District.

## DONOR SUPPORT

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Thank you in advance for your loyal support.

If you have questions, please call our fundraising coordinator, Jane Townsend, at (916)206-7186 OR EMAIL [jane@familyfarmalliance.org](mailto:jane@familyfarmalliance.org)

Contributions can also be mailed directly to:  
Family Farm Alliance  
P.O. Box 1705  
Clearlake Oaks, CA 95423





CORRESPONDENCE LIST  
DECEMBER 2022

**Agenda Item 12.**

1. November 2, 2022 – Public Records Act Request received from A. Rose
2. November 10, 2022 – Notice and Agenda received from Cachuma Operations and Maintenance Board for the November 14, 2022 Board of Directors Meeting
3. November 14, 2022 – Revised Notice and Agenda received from the Groundwater Sustainability Agency Eastern Management Area for the November 17, 2022 Regular Board Meeting
4. November 14, 2022 – District Response to Public Records Act request from A. Rose
5. November 21, 2022 – Letter from District regarding customer payment plan for water service account
6. November 22, 2022 – Letter from District sent to six customers regarding backflow testing requirement
7. November 28, 2022 – Preliminary Water Availability Letter for APN 141-330-041
8. November 29, 2022 – Letter received from Santa Barbara County Clerk - Elections Division regarding November 8, 2022 Election – Appointed Positions In-Lieu of Election
9. November 28, 2022 – Los Olivos Community Services District November 2022 District Update
10. December 1, 2022 – Two letters from District regarding past due water service accounts
11. December 2, 2022 – Notice and Agenda received from Santa Ynez River Water Conservation District for the December 7, 2022 Regular Board of Directors Meeting
12. December 2, 2022 – Notice and Agenda received from the Los Olivos Community Services District for the December 6, 2022 Finance Committee Meeting
13. December 5, 2022 – Letter received from Santa Barbara County Fire – Fire Department requirements for APN 139-510-007
14. December 5, 2022 – Two letters received from Central Coast Water Authority regarding January 1, 2023 to March 31, 2023 DWR and CCWA Variable O&M Invoices for SYRWCD, ID No.1 and the City of Solvang
15. December 5, 2022 – Letter to City of Solvang regarding DWR/CCWA Variable O&M Invoice for November 1, 2022 - March 31, 2023
16. December 5, 2022 – Groundwater Sustainability Agency Eastern Management Area Notice of Cancellation of the Regular Meeting of December 15, 2022
17. December 6, 2022 – Letter received from Total Compensation Systems, Inc. regarding GASB 75 Actuarial Valuation
18. December 11, 2022 – Notice and Agenda received from the Los Olivos Community Services District for the December 14, 2022 Regular Meeting
19. December 12, 2022 – Letter received from California State Controller Betty Yee regarding New Data Exchange portal for Government Compensation in California Report Submissions