

**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, November 19, 2019**  
at 1070 Faraday Street, Santa Ynez, Ca. - Conference Room

- I. CALL TO ORDER AND ROLL CALL**
- II. PLEDGE OF ALLEGIANCE**
- III. REPORT BY THE SECRETARY TO THE BOARD REGARDING COMPLIANCE WITH THE REQUIREMENTS FOR POSTING OF THE AGENDA**
- IV. 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.
- V. CONSIDERATION OF THE MINUTES OF THE SPECIAL MEETING OF OCTOBER 17, 2019**
- VI. ADDITIONS OR CORRECTIONS, IF ANY, TO THE AGENDA**
- VII. 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. Status of WR 89-18 Above Narrows Account
  - CA-3. Report on State Water Project – Central Coast Water Authority Activities
  - CA-4. Status of State Water Resources Control Board Permits, Environmental Compliance & Hearings Update
  - CA-5. National Marine Fisheries Service – September 7, 2000 Biological Opinion for Cachuma Project Continuing Operations
  - CA-6. Cachuma Project and Water Service Contract Update
  - CA-7. Update on Security Measures for Water Utilities
- VIII. MANAGER'S REPORT - STATUS, DISCUSSION AND POSSIBLE BOARD ACTION ON THE FOLLOWING SUBJECTS:**
- A. DISTRICT ADMINISTRATION** – (Est. 1 1/2 Hour)
- 1. Financial Report on Administrative Matters
    - a) Draft June 30, 2019 & 2018 Financial Statements – Presentation by Bartlett, Pringle & Wolf, LLP
    - b) Water Rates Verification – Presentation by Bartle Wells Associates
    - c) Presentation of Monthly Financial Statements – Revenues and Expenses
    - d) Approval of Accounts Payable
- B. OPERATIONS AND MAINTENANCE**
- 1. Update on Office Water Production Well Water Treatment & Maintenance Building
- IX. REPORT, DISCUSSION AND POSSIBLE BOARD ACTION ON THE FOLLOWING SUBJECTS:** (Est. ½ Hour)
- A. Cachuma Project – U.S. Bureau of Reclamation Continuing Operations**
- 1. Cachuma Project Water Service Contract No. I75r-1802R, Water Deliveries, Exchange Agreement, Entitlement, Water Storage, Accounting, Water Supply Projections & SWRCB Permits
  - 2. 2020 Water Service Contract
  - 3. State Water Resources Control Board – Water Rights Order 2019 for Cachuma Project Permits 11308 and 11310
- B. State Water Project - Central Coast Water Authority**
- 1. Report on CCWA Participating in the Delta Conveyance Project

C. Sustainable Groundwater Management Act

1. Eastern Management Area Update

D. CalPERS Post Retirement Employment

1. Draft Resolution No. 794: A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement No. 1 *for the Exception to the 180-Day Wait Period Government Code Sections 7522.56 & 21224*

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

A. Amendment to Rules & Regulations and Capital Facilities Charges (Est. 5 Minutes)

1. Draft Resolution No. XXX: A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement No. 1 *Approving the Attachment of Appendix "C" and Appendix "D" the Automatic Annual Adjustment to the Capital Facilities Charges and Meter Installation Fees into Sections 603 and 709 of the Rules and Regulations – effective January 1, 2020*

**XI. CORRESPONDENCE: GENERAL MANAGER RECOMMENDS THE ITEMS NOT MARKED WITH AN ASTERISK (\*) FOR FILE**

**XII. 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.

**XIII. NEXT MEETING OF THE BOARD OF TRUSTEES:** The next Regular Meeting of the Board of Trustees is scheduled for **December 17, 2019 at 3:00 p.m.**

**XIV. CLOSED SESSION -** 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 – 4 cases]

1. Name of Case: Adjudicatory proceedings pending before the State Water Resources Control Board regarding Permits 11308 and 11310 issued on Applications 11331 and 11332 to the United States Bureau of Reclamation and complaints filed by the California Sport fishing Protection Alliance regarding the operating of the Cachuma Project and State Board Orders WR73-37, 89-18 and 94-5; and proposed changes to the place of use of waters obtained through aforementioned permits for the Cachuma Project
2. 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 regarding petitions for change and extension of time and protests to the petitions
3. Name of Case: Santa Barbara Superior Court Case No. 18CV05437, Santa Ynez River Water Conservation District, Improvement District No.1 v. Holland, et al.
4. Name of Case: Santa Barbara Superior Court Case No. 19CV01873, Cachuma Operation and Maintenance Board v. Santa Ynez River Water Conservation District, Improvement District No.1

**XV. 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, 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 the 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. A person who has a question concerning any of the agenda items may call the District's General Manager at (805) 688-6015. Written materials relating to an item on this Agenda that are distributed to the Board of Trustees within 72 hours (for Regular meetings) or 24 hours (for Special meetings) before it is to consider the item at its regularly or special scheduled meeting(s) will be made available for public inspection at 3622 Sagunto Street, during normal business hours. 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.

If you challenge any of the Board's decisions related to the agenda items above in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence to the Board prior to the public hearing.

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 District Secretary at (805) 688-6015. Notification 72 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT  
IMPROVEMENT DISTRICT NO. 1  
OCTOBER 17, 2019 SPECIAL MEETING MINUTES

Agenda Item V.

A Special 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 Thursday, October 17, 2019 in the Conference Room at 1070 Faraday Street, Santa Ynez.

Trustees Present: Harlan Burchardi Michael Burchardi  
Jeff Clay Brad Joos  
Lori Parker

Trustees Absent: None

Others Present: Chris Dahlstrom Paeter Garcia Mary Martone  
Karen King Jeff Dinkin Kevin Walsh  
Charles Bell Nick Di Croce Frances Komoroske  
Kevin Crossley

I. CALL TO ORDER AND ROLL CALL:

President Clay called the meeting to order at 3:03 p.m., he stated this was a Special Meeting of the Board of Trustees. Mrs. Martone reported all members of the Board were present.

II. PLEDGE OF ALLEGIANCE:

President Clay led the Pledge of Allegiance

III. REPORT BY THE SECRETARY TO THE BOARD REGARDING COMPLIANCE WITH THE REQUIREMENTS FOR POSTING OF THE AGENDA:

Mrs. 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 54950, specifically Section 54956 related to noticing for a Special Meeting and also pursuant to Resolution No. 340 of the District. The affidavit is filed as evidence of the posting of the agenda items contained therein.

IV. PUBLIC COMMENT:

Ms. Frances Komoroske provided public comments to the Board.

V. CLOSED SESSION:

The Board adjourned at 3:06 p.m. to closed session to discuss agenda item V.A.

A. PUBLIC EMPLOYEE APPOINTMENT: Job Title - General Manager [Section 54957 of the Government Code]

The Board reconvened to open session at 3:49 p.m. Mr. Dahlstrom stated that on October 4<sup>th</sup> he announced his retirement effective January 2, 2020 via formal letter to the Board. Mr. Jeff Dinkin, Special Legal Counsel, reported that during the Closed Session the Board discussed filling the General Manager's position and considered the appointment of Mr. Paeter Garcia to the General Manager position effective January 2, 2020. Mr. Dinkin reported that the terms of the Employment Agreement being offered to Mr. Garcia are substantially the same as the current General Manager's employment agreement, and provided an oral summary of the salary and vehicle allowance terms contained in the Employment Agreement being offered.

VI. CONSIDERATION OF APPROVAL OF GENERAL MANAGER EMPLOYMENT AGREEMENT:

Mr. Dinkin recommended that the Board entertain a motion to offer Mr. Paeter Garcia the position of General Manager per the terms of the Employment Agreement effective January 2, 2020.

1 It was MOVED by Trustee Joos, seconded by Trustee H. Burchardi, and carried by a unanimous 5-  
2 0-0 voice vote, to offer Mr. Paeter Garcia the position of General Manager of the Santa Ynez River  
3 Water Conservation District, Improvement District No. 1 pursuant to the terms of the  
4 Employment Agreement effective January 2, 2020.

5  
6 Mr. Paeter Garcia thanked the Board and expressed his appreciation to the Board of Trustees, Mr.  
7 Dahlstrom, and the entire District staff.  
8

9 **VII. CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF SEPTEMBER 17, 2019:**

10 The Minutes of the Regular Meeting of September 17, 2019 were presented for consideration.

11  
12 President Clay asked if there were any changes or additions to the Regular Meeting Minutes of  
13 September 17, 2019. No changes or corrections were requested.  
14

15 It was MOVED by Trustee H. Burchardi, seconded by Trustee M. Burchardi, and carried by a  
16 unanimous 5-0-0 voice vote, to approve the Regular Meeting Minutes of September 17, 2019 as  
17 presented.  
18

19 **VIII. CONSIDERATION OF THE MINUTES OF THE SPECIAL MEETING OF OCTOBER 4, 2019**

20 The Minutes of the Special Meeting of October 4, 2019 were presented for consideration.

21  
22 President Clay asked if there were any changes or additions to the Special Meeting Minutes of  
23 October 4, 2019. No changes or corrections were requested.  
24

25 It was MOVED by Trustee Parker, seconded by Trustee Joos, and carried by a unanimous 5-0-0  
26 voice vote, to approve the Special Meeting Minutes of October 4, 2019 as presented.  
27

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

29 Mr. Dahlstrom stated there were no additions or corrections to the agenda.  
30

31 **X. CONSENT AGENDA:**

32 The Consent Agenda was provided in the Board Packet.  
33

34 It was MOVED by H. Burchardi, seconded by Trustee Joos, and carried by a unanimous 5-0-0 voice  
35 vote to approve the Consent Agenda as presented.  
36

37 **XI. MANAGER'S REPORT - STATUS, DISCUSSION AND POSSIBLE BOARD ACTION ON THE FOLLOWING**  
38 **SUBJECTS:**

39 **A. DISTRICT ADMINISTRATION**

40 1. Financial Report on Administrative Matters

41 a) Presentation of Monthly Financial Statements – Revenues and Expenses

42 The Board was provided the Statement of Revenues and Expenses for the month of  
43 September. Mr. Dahlstrom reported that the revenues exceeded the expenses by  
44 \$350,489.89 and the year-to-date net income is \$874,929.22. Mr. Dahlstrom stated that  
45 there is typically reduced water demand in the winter months, which will be reflected  
46 on the financials in November, December, and January. He reported the September  
47 revenues were less than the month of August by 1.07%.  
48

49 b) Approval of Accounts Payable

50 The Warrant List was provided in the handout material for Board action. The Warrant  
51 List covered warrants 22589 through 22663, for the period of September 18, 2019  
52 through October 17, 2019 in the amount of \$529,584.48.  
53

54 It was MOVED by Trustee M. Burchardi, seconded by Trustee H. Burchardi, and carried  
55 by a unanimous 5-0-0 voice vote, to approve the Warrants List as presented.

2. Surplus Property Disposition Policy

- a) Resolution No. 793: *A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Adopting the Santa Ynez River Water Conservation District, Improvement District No.1 Surplus Property Disposition Policy*

The Board packet included an October 17, 2019 Staff Memorandum, Surplus Property Disposition Policy and Draft Resolution No. 793.

Mr. Dahlstrom reviewed the staff report and explained that in order to efficiently maintain District inventory and operations, a policy is recommended to identify and dispose of surplus property, other than real property, including but not limited to materials, supplies, vehicles and equipment. He explained that the purpose of the Surplus Property Disposition Policy (Policy) is to memorialize a procedure for the efficient and cost-effective disposition of surplus property. Mr. Dahlstrom indicated that the proposed Policy was developed utilizing information obtained through the California Special District's Association (CSDA). Mr. Dahlstrom reviewed the contents of the proposed Policy invited questions from the Board.

Board discussion ensued regarding the District's current process for disposing surplus property; possible recycling options; auctioning services; determining the value of surplus property; options for publicizing the sale of items; staff time; and terms of the proposed Policy related to employees, District customers, and the general public.

Ms. Frances Komoroske provided public comment to the Board.

Consensus of the Board was to table any action to adopt Resolution No. 793 related to the Surplus Property Disposition Policy and direct staff to review and revisit the language in the proposed Policy for consideration at an upcoming meeting.

3. State of California Superior Court for the County of Santa Barbara – Court Ruling in favor of Santa Ynez River Water Conservation District, ID No.1 vs. Joe Holland, Registrar of Voters for Santa Barbara County

The Board packet included an October 10, 2019 Memorandum to the Board of Trustees from Bell, McAndrews & Hiltachk, LLP entitled: "District Prevails on Lawsuit Against County Registrar of Voters, Vindicating the Public's Right to Valid Election" and a copy of the September 20, 2019 Amended Statement of Decision issued by the Santa Barbara County Superior Court (Santa Ynez River Water Conservation District, ID No.1 vs. Joe Holland; Case No. 18CV05437).

Mr. Dahlstrom introduced Mr. Charles Bell from Bell, McAndrews & Hiltachk, LLP and welcomed him to the meeting. Mr. Bell summarized the Memorandum included in the Board packet and discussed related aspects of the case and the Court's decision. Mr. Bell explained that the Court ruling ensures that going forward the County Elections Office will be required to follow the Water Code candidacy requirements for elections to the District's Board of Trustees. He stated that the District will be evaluating its options for seeking recovery of legal fees expended on the lawsuit.

The Board members expressed their appreciation and thanks to Mr. Bell for representing the District. Mr. Dahlstrom and Mr. Garcia expressed thanks to Mr. Bell for his expertise and professionalism in handling the case.

Ms. Frances Komoroske and Mr. Kevin Walsh provided public comments to the Board.

- 1 4. Staff Organization – Presentation, Consideration and Approval of Update to Staff Plan  
2 The Board was provided a list of Board of Trustee Approved Positions, Updated 2019 Staff  
3 Organization Charts, and 2019 Staff Reorganization Salaries and Benefits Costs in the  
4 handout materials.  
5

6 Mr. Dahlstrom explained that the Board had previously appointed an Ad Hoc Personnel  
7 Committee consisting of Trustees Parker and Joos. He stated that staff had developed and  
8 discussed the proposed staffing plan with the Ad Hoc Committee, which was now being  
9 presented to the entire Board for consideration.  
10

11 Mr. Dahlstrom presented information to the Board that recapped the District’s historical  
12 staffing levels, Board-approved positions that are currently vacant and unfunded, and new  
13 positions that are being proposed. He explained that the District’s current approved  
14 staffing level is notably low at 18 funded positions (16 full-time and 2 part-time) in  
15 comparison to other comparable local agencies like Montecito and Carpinteria who employ  
16 approximately 27 and 20 employees respectively. Mr. Dahlstrom presented a new  
17 proposed staffing chart, which included a breakdown of costs associated with the new plan  
18 that would add two new positions and retitle two current positions to better meet the needs  
19 of District.  
20

21 Board discussion and questions focused on hiring employees for open/vacant positions;  
22 succession planning; current and growing workloads; evolving needs and requirements  
23 facing the District; and the financial implications of the proposed new staffing plan.  
24

25 Mr. Nick Di Croce and Ms. Frances Komoroske provided public comments to the Board.  
26

27 Mr. Dahlstrom recommended the Board authorize and approve the new positions of Office  
28 Administrator and Government Affairs & Policy Associate and retitle and reclass the Policy  
29 and Legal Affairs Manager position to Government Affairs & Policy Manger, and the  
30 Administrative Manager to Assistant General Manager.  
31

32 Based on the above discussion, it was MOVED by Trustee M. Burchardi, seconded by  
33 Trustee H. Burchardi, and carried by a unanimous 5-0-0 voice vote to approve and  
34 authorize the creation of the position of an Office Administrator position with a salary  
35 range of \$65,125 - to \$85,449.00; creation of a Government Affairs & Policy Associate  
36 position with a salary range of \$80,159.00 to \$105,176.00; reclassification of the Policy &  
37 Legal Affairs Manger to the title of Government Affairs & Policy Manager with a salary  
38 range of \$126,288.24 - to \$165,701.16; and reclassification of the salary scale for the  
39 Assistant General Manager position to \$135,568.00 to \$184,779.00; and authorize the  
40 General Manager to create the job descriptions for the new positions.  
41

42 **B. OPERATIONS AND MAINTENANCE**

- 43 1. Update on Office Water Production Well Water Treatment & Maintenance Building  
44 The Board packet included the Master Plan (Floor Plans) for the District’s Office Water  
45 Production Well Water Treatment and Maintenance Building.  
46

47 Mr. Dahlstrom reported that staff has been working with the architect to finalize the  
48 electrical and structural plans, which are currently scheduled to be completed by the end  
49 of October. He stated that once the plans are complete, a request for bids will sent out. Mr.  
50 Dahlstrom reviewed the proposed floor plans that were included in the Board packet.  
51 Trustee Joos suggested changing the title of the bathrooms to reflect unisex bathrooms.  
52

DRAFT

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

2 A. Cachuma Project - U.S. Bureau of Reclamation Continuing Operations

- 3 1. Cachuma Project Water Service Contract No. I75r-1802R, Water Deliveries, Exchange  
4 Agreement, Entitlement, Water Storage, Accounting, Water Supply Projections & SWRCB  
5 Permits

6 Mr. Dahlstrom stated there was no new activities related to the Cachuma Project Water  
7 Service Contract, deliveries, exchange agreement, entitlement, water storage accounting  
8 and water supply projections.

- 9  
10 2. 2020 Water Service Contract

11 Mr. Dahlstrom stated there was no new information to report on the 2020 Water Service  
12 Contract at this time. He reported the Cachuma Project now appear to fall under the Lower  
13 Colorado Basin, and is no longer considered under the Mid Pacific Region of the U.S.  
14 Bureau of Reclamation. He stated that further information would be provided once  
15 available.

- 16  
17 3. State Water Resources Control Board - Water Rights Order 2019 for Cachuma Project  
18 Permits 11308 and 11310

19 The Board packet included a California State Water Board Fact Sheet discussing the State  
20 Water Board's adoption of a Revised Water Rights Order for the Cachuma Project.

21  
22 Mr. Dahlstrom reported that the State Board approved the long-awaited Water Rights  
23 Order on September 17, 2019. He explained that the Board- approved Order will increase  
24 the instream flow requirement downstream of Lake Cachuma in wet and above-normal  
25 water years for the protection of fish, possibly reducing the water supply for communities  
26 that rely on Cachuma Project supplies.

27  
28 Mr. Dahlstrom reiterated to the Board that staff has planned for several years now to expect  
29 at least 20 percent less water supply from the Cachuma Project, which may occur now that  
30 the State Board has issued this decision.

31  
32 Mr. Paeter Garcia recapped the State Board hearing discussions that took place on  
33 September 17, 2019 in Sacramento. He stated that Reclamation has filed a request for  
34 reconsideration with the State Board on two grounds. First, Reclamation contends it does  
35 not have congressional authority to conduct a study regarding the feasibility of fish passage  
36 around Bradbury Dam. Second, Reclamation contends that the State Board should not  
37 direct Reclamation to consider the 2016 Draft Biological Opinion issued by the National  
38 Marine Fisheries Service when undertaking studies required by the Order, because the 2016  
39 document was never peer reviewed and has no regulatory value. Mr. Garcia stated there  
40 were no other challenges from other parties at this time.

41  
42 B. State Water Project - Central Coast Water Authority

- 43 1. State of California Department of Water Resources Delta Conveyance Project  
44 2. Consideration of Participating with CCWA in the Delta Conveyance Project  
45

46 Agenda items XII.B.1. & 2. were discussed together.

47  
48 The Board packet included an August 1, 2019 Central Coast Water Authority  
49 memorandum discussing the upcoming participation decision in the Department of Water  
50 Resources Delta Conveyance Project and a September 17, 2019 letter from WE Watch  
51 regarding its recommendation not to participate in the Project.

52  
53 Mr. Dahlstrom stated that Mr. Ray Stokes, Central Coast Water Authority Executive  
54 Director, attended the District's Board meeting in August to discuss the Delta Conveyance  
55 Project. Mr. Dahlstrom explained that CCWA management has asked the CCWA project

1 participants to consider their respective positions on participating in the Project and to  
2 respond before or at the October 24, 2019 CCWA Board of Directors Meeting. Mr.  
3 Dahlstrom indicated that he has reviewed all of the documentation and has discussed the  
4 topic at length with Mr. Stokes. Mr. Dahlstrom stated that his recommendation would be  
5 that the District should opt out of participating in the Project due to unknown costs for the  
6 Project, negotiations are still occurring, and there are no final terms and conditions at this  
7 time. He also reported that the City of Solvang City Council has opted out of the Project  
8 as well as several other CCWA members.  
9

10 The Board was provided time to ask questions and provide comments which included  
11 activities on the Delta, long-term reliability of SWP supplies, unknown costs,  
12 weather/rainfall totals, and re-acquisition of the SWP Suspended Table A water.  
13

14 Mr. Dahlstrom recommended the Board make a motion to direct Trustee Harlan Burchardi,  
15 the District's CCWA Board of Directors representative, to formally notify CCWA that the  
16 District wishes to opt out of participating in the Delta Conveyance Project.  
17

18 Mr. Nick Di Croce provided public comment to the Board.  
19

20 It was MOVED by Trustee Clay, seconded by Trustee Parker, and carried by a 5-0-0 voice  
21 vote, to direct Trustee Harlan Burchardi, ID No.1 Representative for the CCWA Board of  
22 Directors, to cast a vote to opt out of the Delta Conveyance Project.  
23

#### 24 C. Sustainable Groundwater Management Act

##### 25 1. Eastern Management Area Update

26 Trustee Joos stated there was a meeting scheduled for October 24, 2019 for the  
27 Groundwater Sustainability Agency for the Eastern Management Area.  
28

29 Mr. Garcia reported on the current activities relating to the Sustainable Groundwater  
30 Management Act (SGMA) and the Eastern Management Area (EMA). He also reported  
31 that the next meeting of the EMA Groundwater Sustainability Agency (GSA) will be held  
32 on October 24, 2019 at 6:30 p.m. at the City of Solvang Council Chambers. Mr. Garcia  
33 explained that the EMA GSA will likely discuss an Intra-Basin Administrative Agreement  
34 between the three management areas, receive a report from the EMA Citizens Advisory  
35 Group, and review a Draft Data Management Plan. He encouraged members of the public  
36 to attend and participate in the SGMA process and all related public meetings.  
37

### 38 XIII. REPORTS BY THE BOARD MEMBERS OR STAFF, QUESTIONS OF STAFF, STATUS REPORTS, 39 ANNOUNCEMENTS, COMMITTEE REPORTS, OBSERVATIONS AND OTHER MATTERS AND/OR 40 COMMUNICATIONS NOT REQUIRING ACTION: 41

42 The Board packet included the September 2019 Family Farm Alliance Monthly Briefing.  
43

44 The Board packet included a September 25, 2019 letter from the District to the Santa Barbara  
45 County Superior Court, Honorable Michael Carrozzo re: 2019 Santa Barbara Civil Grand Jury  
46 Report titled "Cachuma Project Contract and Management." Mr. Dahlstrom reported this was the  
47 District's required response to the Grand Jury report.  
48

49 The Board packet included a copy of the Agenda for the October 3, 2019 meeting of the Santa  
50 Barbara County Local Agency Formation Commission.  
51

52 Trustee Clay reported he attended the City of Solvang Council Meeting on October 14, 2019 and  
53 recapped topics discussed.  
54

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1 Trustee Brian Buchanan stated he had attended the Central Coast Water Authority Operating  
2 Committee Meeting on October 10<sup>th</sup> and provided a brief report the Delta Conveyance Project.  
3

4 Mrs. Mary Martone reported that the City of Solvang did not pay its quarterly State Water invoice  
5 by the deadline of October 1<sup>st</sup> which meant they were in default of the Water Supply Agreement  
6 between the District and the City of Solvang. She reported that the late payment was most likely  
7 due to the transition of Management at the City. She indicated that several phone calls and emails  
8 were sent to the City prior to the due date, and that payment ultimately was received.  
9

10  
11 **XIV. CORRESPONDENCE: GENERAL MANAGER RECOMMENDS THE ITEMS NOT MARKED WITH AN**  
12 **ASTERISK (\*) FOR FILE:**

13 The Correspondence list was received by the Board.  
14

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

16 There were no requests from the Board. Mr. Dahlstrom reported there will be two presentations  
17 at the November meeting, the audit will be presented by Bartlett, Pringle & Wolf and a re-  
18 certification of the 2016 Water Rate Schedule will be provided by Bartle Wells Associates.  
19

20 **XVI. NEXT MEETING OF THE BOARD OF TRUSTEES:**

21 Mr. Dahlstrom stated the next regular meeting of the Board of Trustees will be held on November  
22 19, 2019 at 3:00 p.m.  
23

24 **XVII. CLOSED SESSION:**

25 The Board adjourned at 7:06 p.m. for a brief recess. At 7:15 p.m., the Board reconvened and  
26 adjourned to closed session to discuss agenda items XVII.B. 1. - 4.  
27

28 **B. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**

29 [Subdivision (d)(1) of Section 54956.9 of the Government Code - 4 cases]

- 30 1. Name of Case: Adjudicatory proceedings pending before the State Water Resources  
31 Control Board regarding Permits 11308 and 11310 issued on Applications 11331 and  
32 11332 to the United States Bureau of Reclamation and complaints filed by the California  
33 Sport fishing Protection Alliance regarding the operating of the Cachuma Project and  
34 State Board Orders WR73-37, 89-18 and 94-5; and proposed changes to the place of use  
35 of waters obtained through aforementioned permits for the Cachuma Project  
36
- 37 2. Name of Case: Adjudicatory proceedings pending before the State Water Resources  
38 Control Board regarding Permit 15878 issued on Application 22423 to the City of  
39 Solvang regarding petitions for change and extension of time and protests to the  
40 petitions  
41
- 42 3. Name of Case: Santa Barbara Superior Court Case No. 18CV05437, Santa Ynez River  
43 Water Conservation District, Improvement District No.1 v. Holland, et al.  
44
- 45 4. Name of Case: Santa Barbara Superior Court Case No. 19CV01873, Cachuma  
46 Operation and Maintenance Board v. Santa Ynez River Water Conservation District,  
47 Improvement District No.1  
48

49 The Board reconvened to open session at 7:33 p.m. Mr. Garcia announced that the Board met in  
50 Closed Session concerning Agenda Items XVII.B. 1-4. He reported that there is no reportable  
51 action on the Agenda Items XIV.B. 1-4.  
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DRAFT

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**XVIII. ADJOURNMENT:**

Being no further business, it was MOVED by Trustee Joos, seconded by Trustee M. Burchardi and carried by a unanimous 5-0-0 voice vote, to adjourn the meeting at 7:34 p.m.

RESPECTFULLY SUBMITTED

DRAFT

\_\_\_\_\_  
Mary Martone, Secretary to the Board

ATTEST:

\_\_\_\_\_  
Jeff Clay, President

MINUTES PREPARED BY:

DRAFT

\_\_\_\_\_  
Karen King, Board Administrative Assistant

DRAFT

BOARD OF TRUSTEES  
SANTA YNEZ RIVER WATER  
CONSERVATION DISTRICT, ID No.1  
November 19, 2019

Consent Agenda Report

CA-1. Water Supply and Production Report. Overall, the water production was significantly less than the 10-year running average for the month of **October** to meet the lower demand for domestic, rural residential and agriculture water caused by mild weather conditions and shift with lower customer usage. This is below typical of water produced for this month in past years. Water conservation by ID No.1 customers remains a major factor in overall total use. *This resulted in total water production that was 65 acre feet (AF) or 7.5% less water demand for the month than the 10-year running average as shown on the Water Production Report.*

Since the 2019-20 rainfall season began on September 1, 2019, there has been **2%** of rainfall recorded through October 31, 2019 at Lake Cachuma. Rainfall at the lake for the “year” is 0%. The USBR Daily Operations Report for Lake Cachuma in **October** recorded the lake elevation at **734.43’** with the end of month storage of **141,461 AF** compared to the end of September level of 735.64’ or 144,475 AF. USBR recorded precipitation at the lake of **0.00** inches in October for a year total of 00.01 inches. The Lake storage was not supplemented with SWP water being imported by the South Coast agencies. The end of October actual Evaporation was **945.7 AF**. USBR reinitiated actual evaporation being deducted from Project Carryover and SWP water effective October 1, 2017.

USBR allocated **100% deliveries to the Cachuma Member Units as of July 22, 2019 for the water year 2019/20.** ID No.1’s share is **10.31%** or **2,651 AF**. **As of October 1, 2019 (the new federal water year), ID No.1 retains approximately 453 AF of previous year carryover water in the lake that is subject to evaporation.** Currently, the lake is at 73.2% of capacity. At a point when the reservoir storage exceeds 100,000 AF, the Cachuma Member Units typically received a full allocation. Conversely, a 20% reduction from the pro-rated full deliveries would occur at less than 100,000 AF and incremental reductions at other lower storage levels. These terms were superseded by USBR allocation reduction this year. *The amount of Cachuma Project Exchange Water delivered was 125 AF for the month.*

Fish Conservation Pool filled in 2010 to elevation 753.00’ to capture approximately 9,200 AF for fish releases the year of a spill condition and the year following as is now being used. The fish Passage Supplement Account (PSA) of 3,200 AF and the Adaptive Management Account (AMA) water was reset at 500 AF. As of October 1, 2018 the AMA Fish Account was restored 3,551 AF with the lake level rebound this past winter.

There were Fish releases as incorporated in the Downstream Water Rights Releases as part of the Settlement Agreement. Below explains the reasons for the flows recorded in Hilton Creek and in the Stilling basin which are direct excerpts from the ESA Section 7 Consultation 2000 Biological Opinion issued to USBR:

*NMFS 2000 Biological Opinion Requirements in a Spill Year with Surcharge*

- *10 cfs at Hwy 154 Bridge - year of a spill exceeding 20,000 AF*
- *1.5 cfs at Alisal Bridge - year of a spill exceeding 20,000 AF and steelhead are present at Alisal Reach*
- *1.5 cfs at Alisal Bridge - year immediately following a spill exceeding 20,000 AF and if steelhead are present at Alisal Reach*

*NMFS 2000 Biological Opinion Requirements in a Minimal or No-Spill Year with Surcharge*

- 5 cfs at Hwy 154 - less than 20,000 AF spill or No Spill and Reservoir Storage above 120,000 AF
- 2.5 cfs at Hwy 154 – in all years with Reservoir Storage below 120,000 AF but greater than 30,000 AF
- 30 AF per month to “refresh stilling basin and long pool” – less than 30,000 AF in Reservoir Storage and re-initiate consultation.

Currently, the gravity flows originating from the barge and at the outlet works through the Hilton Creek Emergency Backup System (HCEBS) travel through the Hilton Creek Watering System piping and are released directly to the diffuser box at the Upper and Lower Release Points (LRP), with delivery to ***Hilton Creek for October of 160.6 AF and supplemental fish passage flows from the outlet works for the month is 234.6 AF for a total of 395.2 AF.***

There has been 30,683.6 AF of water released as of October 31, 2019 for fish since the year after the spill in 2011. During a Downstream Water Rights release, fish water is included within the release amounts according to the settlement agreement. Once those releases concluded, “Project” water will continue to be debited although the fish water is being diverted from the Stilling Basin below Bradbury Dam. With the fish Conservation Pool rearing water account, a total of 35,548.2 AF has been released for fish during the period following the spill condition in 2011.

DWR’s initial allocation for WY2019 is 10% or 70 AF for ID1’s prorated share. In February, DWR increased the allocation to 35% or 245 AF. DWR increased the allocation to 70% in April or 490 AF for ID1. On June 19, 2019, DWR announced its final allocation increase to 75% or ID1’s share of 525 AF including the drought buffer. **The District’s SWP “Table A” delivery was 239 acre-feet in September with accounting for the return (0 AF in October)** of transferred water to the City of Solvang in an effort to avoid spill of its purchased supplemental SWP water that was stored in San Luis Reservoir in 2017.

The District’s river water supply production remains available and consistent with all licensed well fields operational. Currently, with livestream conditions downstream in accordance with WR89-18, credit in the ANA is first priority water being replenished in Cachuma and expected to be whole with the end of the inflow recession. This allows for the District to produce its full licensed amount should it be needed. The District’s Upland Groundwater well production remains operational.

**Direct diversion to USBR and the County Park was 1.80 acre-feet. For the month, 10.87 AF was produced from the Santa Ynez Upland wells. The 6.0 cfs river well field produced 7.12 AF for the month and 0.19 AF was produced from the 4.0 cfs well field.**

Santa Barbara County recorded rainfall for **October** in Santa Ynez at 0.00 inches. The average rainfall is 0.98 inches for the month and the year-to-date (September 1 to August 30) average total is 0.00 inches. The Santa Ynez River watershed Antecedent Index (AI) or soil saturation remains dry condition. The total rainfall in the upper watershed of the Santa Ynez River Basin above Cachuma was 0.00 inches or 0% for the year. Lake Cachuma received 0% of normal rainfall to date at the County’s rainfall gauge. According to the CIMIS report for the month, rainfall in Santa Ynez was 0.00 inches with no crop frost protection days.

**NEW INFORMATION BELOW IS PRESENTED IN BOLD TYPE**

**CA-2. Status of WR 89-18 Above Narrows Account.**

The USBR report for August 31, 2019 for the Above Narrow Account (ANA) and Below Narrows Account (BNA) shows the Above Narrow Account (ANA) and Below Narrows Account (BNA) at 15,546.2 AF and 4,098 AF, respectively. **No downstream water rights released will occur in 2019.**

ID No.1 staff performs field monitoring on behalf of and jointly with the Parent District and fisheries data collection during the water rights release period. Staff also conducts stream gauging to determine live-stream events at San Lucas Creek for reporting to the SYRWCD and USBR. Live Steam conditions ceased in the SYR watershed.

**CA-3. Report on State Water Project – Central Coast Water Authority Activities.** In June, DWR increased the allocation to the State Water Contractors to 75% of delivery requests due to well above average snow pack and precipitation in the 8-station index region. No change in deliveries are expected. DWR revised its initial allocation in February and increased the amount to 35% of deliveries requested.

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**The CCWA Finance Committee meeting took place on October 24, 2019. The Committee reviewed the FY 2019/2020 First Quarter Investment Report showing a 2.22% effective rate of return on the balance of \$70.5 million in September. Investments are held in LAIF, Montecito B&T, and U.S. treasury notes through Charles Schwab. The Committee also reviewed the Resolution 19-01 amending the Rules and Regulations governing the policy for purchase of services, supplies and equipment. Both agenda items were recommended for Board approval.**

**The CCWA Board of Directors met on October 24, 2019. The Board of Directors considered the Consent Calendar and the controllers report and the operations report including the water delivery update.**

**The water supply report was presented with the Tables of delivery and describing the pumping restrictions and alternative methods of delivery to Cachuma for the south coast contractors.**

**Staff presented an update on DWR shutdown of the Coastal Branch with the activities to be conducted by CCWA during the two-week period and limitation of water supply to the contracting agencies.**

**The Board heard a summary of New Delta Conveyance Project and timing of the decision by CCWA. If CCWA opts out and does not approve the Agreement in Principle (AIP) there is no opportunity in the future to participate. The Board also heard additional details of the DCP with concerns that DWR has yet to develop a Project Description, with the agreement in principle still pending. There will be a special meeting on November 18, 2019.**

**Contract assignment and the Suspended Table A Reacquisition was discussed. The CCWA Board of Directors authorized engaging Environmental Science Associates (ESA) to prepare an Environmental Impact Report (EIR) for the reacquisition of 12,214 acre-feet of suspended Table A water at a cost of \$293,962. There are currently now five CCWA agencies participating (Guadalupe backing out and MWD in) with interest by some other CCWA project participants not already participating in the reacquisition. There is no date scheduled by the County of Santa Barbara for Contract assignment.**

**The Board heard a summary of the DWR enhanced Coastal Branch Planning and monitoring proposal, update on the request for qualifications for Water Management consulting firms, and the summary of the FY 2018/19 yearend budget. The Board approved the recommendation of the Finance Committee and the procurement of the Hyper-converged technology project.**

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The acquisition of the 12,214 AF of Suspended SWP Water has moved forward with approval by the Board of Supervisors at a meeting in February. CCWA will continue to pursue the acquisition through DWR on behalf of the parties requesting water including the Cities of Santa Maria and Guadalupe, ID No.1, and the City of Solvang through ID No.1's contract. DWR and the County will require reimbursement of those past costs. ID No.1's share is estimate to be \$1.4 million based on its 500 af request. The annual cost of the water is anticipated at \$150/af plus treatments costs. The Board of Supervisors met on October 4<sup>th</sup> and did not approve the reacquisition of the 12,214 for Santa Maria, ID No.1 and Solvang, Guadalupe, and the newest request from Carpinteria Valley Water District. This is a setback with the Supervisors not acting in the best interest of the requesting agencies and possibly jeopardizing ID No.1's 800 AF of the last available SWP water.

The Board of Supervisors acting as the Board of Directors of the SBCFCWCD met again on November 1, 2016, heard public comments from all the participating CCWA agencies, and voted to move forward with developing an agreement with CCWA to acquire the remaining 12,214 AF on behalf of the five requesting agencies. An agreement is expected completed prior to the end of the year. A meeting is scheduled for December 13, 2016.

The Board of Supervisors approved the liability and indemnification agreement between the County and CCWA and voted 3 to 2 to move approve the reacquisition of the Suspended SWP water for the parties including ID1 that will receive 500 AF.

DWR has authorized CCWA to prepare an EIR on the suspended water reacquisition. A CEQA lead agency agreement was approved by CCWA; the county has yet to approve the agreement. Additionally, to ensure the County will move forward with the acquisition process once those participating agencies (including ID No.1) commit to funding the CEQA review, CCWA is seeking an implementation agreement with the County. The agreement terms are being negotiated between CCWA and SB County.

Board of Supervisors acting as the Board of Directors of the SBFC&WCD met on May 2, 2017 to discuss and concur with the lead agency agreement between DWR and CCWA authorizing CCWA to proceed with EIR for the suspended water reacquisition. Supervisor Williams conditioned the agreement to use this water as a mechanism to control growth by not allowing transfers or sale of this water by those parties acquiring this suspended water including ID1, the north county agencies, and the Carpinteria Valley Water District which entered this arrangement very late in the process. There was opposition to CCWA preparing the EIR and comments made to re-open the Water Supply Retention Agreement. Misinformation was presented about the reacquisition process and the SWP agreements. Following this diversion from the agenda item, the Board voted 3-2 approving CCWA as the lead agency.

The contract assignment underway between CCWA and SB County may have an effect on the Suspended Water Reacquisition timing and process.

Contract Assignment from SB County to CCWA will allow a direct interaction between the CCWA contractors with DWR for the reacquisition of SWP water.

Minimal progress has been made with Santa Barbara County as of this date for reacquisition of the suspended water.

A final participation decision by all CCWA parties is needed by CCWA in September 2019. **The City of Guadalupe withdrew as a participant, and Montecito Water District enlisted.**

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On August 29, 2017, CCWA provided costs and financing of the California WaterFix project, (the Twin Tunnels). The information is presented to give an idea of the estimated costs of the Cal WaterFix project for each agency as well as the financing structures being proposed to finance the project.

As of November 2017, all irrigation contractors in the Cal WaterFix have withdrawn from or substantially reduced participation. This will likely create a shift in the cost allocation and increase the acre foot costs of the project as defined and require a reevaluation of the contracting language.

The new Governor of California has stepped away from the Ca Waterfix after years of planning and environmental sunk costs and will now pursue the new diversion and bypass project named the Delta Conveyance project. \$300 million of new planning costs are estimated.

The State is now proposing the Delta Conveyance Project as a single pipeline with an estimated \$14 billion cost. The SWC are considering costs and participation at this time.

CCWA is requesting its member's decision to participate prior to the CCWA Board meeting in October 2019.

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CCWA and the contracting agencies continue to work on our pursuit of the assignment of the State Water Contract from Santa Barbara County to CCWA. CCWA Board is scheduled to vote on the amendment to the JPA agreement and the amendments to the Water Supply Agreements at its meeting on October 26, 2017. ID No.1 needs approval prior to the October 26<sup>th</sup> CCWA Board meeting. Additionally, CCWA is meeting with DWR on September 19<sup>th</sup> and hope to get more clarification from DWR on its positions regarding the assignment.

With the CCWA and its contracting agencies approval of the assignment and a Bond rating analysis, this paves the way for DWR to take action consenting to the assignment. Once this occurs prior to the end of the calendar year, it is anticipated that SB County will take action in January 2018.

The Bond Rating for CCWA was accepted by DWR in March 2018 and CCWA expects DWR's approval of the assignment.

CCWA is requesting DWR to notify SBFC&WCD indicating the assignment can move forward. The notification was expected the week of September 10, 2018.

CCWA provided notice to Santa Barbara County regarding next steps in the process following DWR's concurrence to assign.

The 3<sup>rd</sup> District Supervisor Joan Hartmann agreed to meet with representatives from CCWA, ID1, and City of Buellton on December 6, 2018 regarding the logic and benefits of Contract assignment from the County to CCWA. The one hour meeting provided an opportunity to present the positions of her constituent agencies in this region, hear the reasons for local agency contracting, and allow for questions. A follow up meeting may be scheduled before the matter goes before the Board of Supervisors in February 2019.

**No progress has been made to date on the County's assignment of the contract.**

#### CA-4. State Water Resources Control Board (SWRCB) Permits, Environmental Compliance and Hearings Update

The first phase of the SWRCB continuing jurisdiction hearing on the Cachuma Project Applications 11331 and 11332 took place in November 2000 and were specific to the "Place of Use" revisions. The SWRCB continued the hearing for the Phase 2 portion which was held in October and November of 2003 and based on the SWRCB's Draft Environmental Impact Report ("EIR") released in August 2003 for the continuing operation of the Cachuma Project. Joint legal representation at this hearing involved USBR, SYRWCD, SYRWCD, ID No.1 and CCRB and the focus was proposed changes in the Cachuma Project operations based on the protection of the public trust resources - the Southern Steelhead trout, modifications to the water rights permits, and the Settlement Agreement.

Since then, the SWRCB revised the DEIR in 2007 and included two additional alternatives that could affect the hearings and decisions before the SWRCB in 2003. ID No.1 provided extensive comment during the review period as did others involved in the joint representation. In order to update the RDEIR, the SWRCB engaged Impact Sciences Inc in November 2009 to review the hearing testimony, analyze two DEIR's and provide the necessary updates, and complete to a final EIR with response to comments.

Because the SWRCB did not have adequate funding for Impact Sciences to conduct the required work, in May 2010 the SWRCB division of water rights requested that CCRB and ID No.1 provide financial assistance which was approved by both agencies in the amount of \$85,000 and forwarded to the State General Services in June 2010.

Impact Sciences has delivered the Administrative Final EIR to the SWRCB staff on August 27, 2010 with an expected water rights decision issuance in late fall early or winter 2010, or should a hearing be needed, spring 2011.

Based on a meeting on February 7<sup>th</sup> with the SWRCB staff, additional delays will occur in the EIR process which will affect the hearing date. Circumstances, including staff availability and funding in the water rights division has now pushed the possible date for a decision without water rights hearing for a least 6 months. Should a hearing be required, it may take up to 2 years.

Recent discussions indicate that the State Board staff may revise the DEIR alternatives and environmentally preferred alternative. It is the position of ID No.1 and CCRB that alternative 3C which analyzed current operations with the existing BiOp and Water Rights Order 89-18 with modifications, and recognizes the Settlement Agreement is the environmentally preferred alternative. Other alternatives will have impacts on water supplies and the continuing operations of the Cachuma Project. No time frame has been indicated by the State Board Staff as to the completion of the Final EIR.

On April 1, 2011, ID No.1 received the re-circulated and modified "2<sup>nd</sup> Revised Draft Environmental Impact Report" from the SWB for comment which were due on May 16<sup>th</sup> 2011. The 2DEIR shows the new "no action" alternative as 3C and the "environmentally superior" alternative as 4B the SWP exchange for BNA water to Lompoc. Other SWB updates are incorporated in the 2DEIR. ID No.1 management, special legal counsel BB&K, consultants Stetson Engineers and Hanson Environmental will review the 2DEIR for changes and provide water resources, hydrology, biologic, and legal comment letter by the deadline. This will be coordinated with the Parent District and CCRB.

The Parent District and ID No.1 legal counsel and management are in the process of completing a joint comment letter to the SWRCB, which the Parent District took the lead in preparing. The letter content is being coordinated with the CCRB for consistency. Comment period was extended from May 16<sup>th</sup> to May 31<sup>st</sup>.



The SWRCB has assigned David Rose as the legal counsel to handle the responsibilities for the 2DEIR in place of Dana Differding who is on maternity leave for up to one year. It appears that the State Board Staff will make an effort to finalize the EIR, including the responses to comments by year's end. However, this will require the ID No.1 and CCRB (excluding Carpinteria Valley Water District because it withdrew from CCRB) to provide additional funding for the completion of the document.

With the recent additional funding approved by both ID No.1 and CCRB 3 in the amount of \$45,000 to fund the SWRCB for completion of the FEIR, to date the Member Units have provided a grand total of over \$675,000 for this SWRCB environmental process. Carpinteria Valley Water District participated as a Cachuma Project Member Unit in sharing the \$45,000.

Impact Sciences, the SWRCB consultant for the preparation of the FEIR, completed work on the response to comments and finalizing the EIR. SWB staff has indicated that a Final EIR may be completed by mid-November.

On December 8, 2011, the SWRCB as the lead agency under CEQA announced the completion and availability of the FEIR for consideration of modifications to the Cachuma Project Water Right Application 11331 and 11332. The FEIR will be included in the SWRCB hearing administrative record unless Parties to the proceedings object by January 9, 2012. Should there be an objection and it is likely the SWB will hold a hearing.

The SWRCB received comment and objection letters from several parties including the Environmental Defense Center on behalf of CalTrout, Department of Fish and Game, National Marine Fisheries Service, among others.

The SWRCB has supportive documentation by its deadline of February 28<sup>th</sup>. The hearing date for the FEIR to be incorporated into the administrative record is set for March 29 and 30, 2012. A significant collaborative effort is underway between USBR, ID No.1, Parent District, and CCRB to prepare for the hearings.

The SWRCB hearing involved the joint advocacy participants and witnesses of ID No.1, Parent District, and CCRB along with USBR to support and defend the SWRCB's FEIR and the elements contained within the document to be incorporated into the record for a later determination of the Water Rights Order. The opposing parties were the Environmental Defense Center (EDC) and their witnesses on behalf of CalTrout, who representatives were noticeably absent from the hearings, as well as the National Marine Fisheries Service and the California Department of Fish and Game. The Board Hearing Officer issued the ruling on April 5 to incorporate the FEIR into the record with minor corrections to be made prior to the Board certification of the document.

The SWRCB Division of Water Rights may have a water rights order issued by October 2012.

In a recent update from the SWRCB Division of Water Rights, it is unlikely that a hearing will take place in 2012 on a Water Rights Order and FEIR certification for the continuing operation of the Cachuma Project under permits 11308 and 11310. No time has been set by the SWB for 2013.

On Thursday, February 7<sup>th</sup>, the SWRCB staff rescinded the place-of-use issuance in the 2000 Phase I hearing for the GWD. Although this is not expected to affect the issuance of a draft water rights order for continuing operation of the Cachuma Project. Charlie Hoppin, SWRCB Chairman will not be continuing his position which is likely to significantly affect the timing of the draft water rights order.

SWRCB has indicated that a draft order is scheduled for 1/14/2014 which is one year nine months from the hearing in 2012.

Recent indications that the SWRCB will schedule a hearing on the Draft Water Right Order for permits 11308 and 11310 in October 2013 as reported by Cal-Strategies. However, information from other sources now report that the State Board now appears to have delayed the timing of a hearing to after the first of the year.

Cal-Strategies recently reported that an internal closed session of the SWRCB may occur on January 7, 2014. At this point, no progress has been made in accelerating the water rights order issuance.

Information indicates that the SWB will meet in closed session now in mid to late February on the internal draft water rights order. The State Board is discussing water transfers and drought preparedness in response to the lowest allocations on record to agricultural users and communities.

The SWB has cancelled all water rights activities and hearings due to the drought proclamation by the Governor. The latest information from SWRCB staff is that the hearing may occur in October.

SWB staff has indicated that the Board may meet in closed session in late July or early August. Recent communications with SWB staff indicate that the drought and state-wide water supply issues will take priority and the focus of the SWB will be on those matters. No time has been provided for a hearing.

The State Board may meet in closed session in December to review a Draft Water Rights Order for permits 11308 and 11310 as a result of the hearings that took place in October 2003 and March 2012 on the EIR.

The SWRCB calendar does not show any session in December for Draft Water Rights Order on the Cachuma Project. The last SWB hearing activity was March 2012. SWRCB calendar does not show any session in January 2015.

After hearing a report and confirmation from CCRB's consultant Cal Strategies that the SWRCB would have its closed session hearing on February 17, 2015 with a release of a draft Water Rights Order the following day, this date has once again been pushed. ID1 will continue to check the SWRCB hearing calendar.

No SWRCB hearing date has been set due to the recent Governors orders for continuing State-wide drought conditions and increased regulatory actions taking priority.

The SWRCB held a closed session on the Draft Water Orders on August 22, 2016. Although there was nothing to report out of the closed, management contacted SWRCB staff to inquire about timing of the Order. On September 7, 2016 the Draft Order amending permits 11308 and 11310 was issued to the Bureau of Reclamation and copied to the parties in the past hearings including ID No.1. The Draft Order is under review by ID No.1 management, its consultants (Stetson Engineers and Hanson Environmental), and special legal counsel with comments due back to the SWRCB by noon on October 25, 2016.

The SYRWCD and ID No.1 jointly requested a time extension to provide comments from the SWRCB that is consistent with USBR and others. Because of the complexity of the Draft Order, 45-days were not enough time and therefore the request extends to after the first of the year. The SWRCB granted a time extension to December 9, 2016 as the deadline for submittal of comments.

ID No.1 submitted its comment letter to the SWRCB by the deadline. The comment objected to the SWRCB adoption of 5C or more water for public trust resources steelhead rather than the adoption of the environmentally superior alternative of 3C, a balanced water option between steelhead and water supply. ID No.1 coordinated with the SYRWCD to develop a common position but separate letter. Other parties

providing comments on the SWRCB Draft Order included USBR, CCRB, NOAA-NMFS, CDFW, EDC/Caltrout, & Cal Farm Bureau.

The special interest group's submitted comment suggesting the SWRCB extend beyond alternative 5C and the NMFS recommended postponing the adoption of the Order to include the 2016 BO. Sample letters are in the Board packet and the entire set of letters can be made available upon request.

A notice was provided in early March 2018 related to the change in the noticing recipient list.

SWRCB held a closed session hearing on August 7 2018. No information to date has been forwarded by the SWB staff.

Additional SWRCB closed session hearings were held on August 28 and 29, 2018. No information to date has been forwarded by the SWB staff.

The SWRCB held a closed session item on Permits 11308 and 11310 on March 5 and 6, 2019.

On March 27, 2019 the SWB issued the Revised Draft Order Amending Permits 11308 and 11310 for continuing operation of the Cachuma Project. The 371 page order reflects terms for continuing operations by USBR, conditions for protection of downstream water rights and public trust resources, and conditions for water supply. The comment period ends on April 29, 2019 at noon. On April 5, 2019, a joint letter from CCRB, SYRWCD, ID#1 and City of Lompoc was sent to the SWB requesting a 45-day extension given the complexity and content of the order. The extension request by the local interests was supported by USBR.

The Extension was approved by the SWRCB and comments are due in June. ID No.1, USBR and CCRB submitted comments to the SWRCB on the draft order.

The State Water Board provided notification that it would return to closed session on July 16, 2019 to discuss the pending draft order.

A new date was set for a closed session hearing by the SWB of August 20, 2019.

The SWRCB scheduled a hearing on September 17, 2019 to certify the EIR and adopt the Water Rights Order for continuing operation and maintenance of the Cachuma project under permits 11308 and 11310. This order has significant consequences on the Cachuma Project water supply by the need for protection of the public resources (fisheries) and further protects the downstream water rights. The US Bureau of Reclamation will also be required to study fish passage and the effects of diversions on the fisheries among many other plans and studies required by the SWRCB.

**The SWRCB issued a final Water Rights Order on September 17, 2019.**

CA-5. National Marine Fisheries Service – 2000 Biological Opinion issued to USBR for the Continuing Operations of the Cachuma Project and Section 7 Re-Consultation

The 2000 Biological Opinion (BiOp) issued by NMFS requires USBR to comply with the terms and conditions (T&C's) and reasonable and prudent measures (RPM's) to avoid a take condition of the listed Steelhead/rainbow trout which allows for the continuing operations of the Cachuma Project for water supply purposes. The Cachuma Project Member Units are carrying out those requirements out on behalf of the USBR.

Under the 2001 MOU, CCRB representing the four south coast Member Units, and ID No.1 have jointly funded and conducted the studies, projects and monitoring requirements as defined in the T&C's and RPM's.

Two passage barrier removal projects have now received full and partial grant funding; Quiota Creek crossings #2 and #7 respectively. Although #2 was not the responsibility of the Member Units, (it is identified in the EIR as a Santa Barbara County Project), both projects may be needed to comply with the BiOp and avoid additional measures that may include additional water releases from Member Unit water supply for fish downstream of Bradbury Dam. The combined cost of these two bridge projects are estimated at \$1.8 million.

The Quiota Creek Crossings #2 was completed in 2011 within the contract time. A complete accounting will be provided. Crossing #7 funding is pending approval by the granting agencies. COMB included this crossing in the 2012-2013 Budget and the majority of the Board approved entering into a sole source contract with Lapidus Construction to build crossing #7.

Construction on crossing #7 is complete and a report from COMB regarding the budget will be forthcoming. Grant funding for Crossing #0 is being processed.

During the week of February 25th - 28th, USBR Staff Nick Zaninovich and Doug Deflitch were conducting Routine Operation & Maintenance Inspection of the Cachuma Project facilities. This is a routine inspection according to the SOP protocols. On Thursday February 28th, they visited the USBR owned and operated Hilton Creek watering system siphon/pump barge in order to perform maintenance on the pumps. After "testing the apparatus" on February 28, in the early hours of March 1st, an "incident" occurred and the Hilton Creek watering system lost the ability to siphon water from the lake, flows stopped at both the upper and lower release valves, and there was no water in Hilton Creek. The COMB Biology Staff (CBS) was notified by the USBR Dam Tender at approximately 10am and immediately went to Hilton Creek to rescue fish. NMFS was also notified by USBR of the situation and the fish mortality. At 12:30pm on March 1st, the pumps were activated and the water started flowing again.

CBS is documenting the situation with an incident report which will be submitted to the USBR. The USBR is currently working on an incident report. The system is currently using the pumps for pressurized releases at a higher rate of 8 cfs (16AFD) rather than 6 cfs (12 AFD) as the required target flows. USBR is attempting to install a temporary delivery system so that the Hilton Creek watering system can be assessed. The apparent USBR operator error or system infrastructure failure will be confirmed in a report.

A report was filed by USBR on March 13, 2013 regarding the Hilton Creek water system failure.

A regional power outage on June 24, 2013 created another HCWS failure to deliver flows into the creek habitat. Because the HCWS was operating on power only and not in siphon mode, the system was down for several hours from 11:30 pm to 4:45 am according to USBR. Additional fish losses occurred and NMFS was notified. USBR has been working internally to develop a reliable and redundant HCWS. No definitive plans have been presented. Costs are reason that a backup system (Rain for Rent) was not put into place.

Currently, the system is functioning on a static level delivery flow of 7.7 cfs with no plans discussed with the MU's on the remedies to vary the flow rates or the system.

Hilton Creek water system continues to release 9.2 AFD or 4.6 cfs which is greater than the requirements in the 2000 BO. This water is "Project" contract water used as water supplies for the Cachuma Member Units. USBR has not yet remedied this problem because of funding issues.

Reclamation is investigating a redundant HCWS and repairs to the existing system with a time frame of a year or more.

On June 9, Michael Jackson of USBR reported to ID No.1 management that on the previous Thursday and Friday, USBR airlifted (using a helicopter) a replacement Hilton Creek pump onto the barge and now have both pumps repaired and operational. USBR staff will continue to monitor its system.

USBR installed a by-pass water line to the 10-inch outlet valve at the Control house for the purpose of supplying colder water to Hilton Creek. This installation may create constraints in the downstream water rights releases. USBR also compelled CCWA to install a by-pass and a high line over the radial gate sill to deliver SWP water into the lake rather than through the control house and intake works. The consequences of both actions have not yet been fully evaluated.

USBR has prepared a Draft BO on the focused consultation for the Drought Operations and Hilton Creek Watering System including the 30,000 AF Storage trigger in the reservoir thus reducing fish flows. The contents of the final Draft BO have not been made available, however, there are Parent District and ID No.1 concerns over any permanent connection at the outlet works to serve Hilton Creek affecting downstream and contract water delivery capabilities.

Negotiations are on-going with USBR regarding the 30,000 AF Storage triggering point for fish flows. The focused Draft BO for Drought operations and the reduced fish flows was withdrawn by USBR. No.1 and CCRB are meeting with USBR to present information to assist USBR in the consultation with NMFS related to lowering the fish flows to 1.0 AFD of 30 AF per month according to the 2000 BO. This is in comparison to the nearly 400 AF per month currently being released for fish into Hilton Creek.

ID No.1 jointly requested with CCRB that USBR modify and reduce fish releases into Hilton Creek to 30 Acre-feet per month in accordance with the 2000 BiOp. A joint letter was sent on July 15, 2014 and USBR subsequently requested additional information on the Cachuma Storage and hydrology. This joint information was forwarded on December 12, 2014. A request was made on January 5 as to the status of this action by USBR.

In accordance with the 2000 Biological Opinion, since the available water in storage is below the 30,000 AF trigger, USBR will consultant with NMFS to determine the outcome of the reduced fish flows to 1.0 AFD or 30 AF per month. No action has been taken to date and NMFS requested additional studies and analysis.

USBR submitted the additional information prepared jointly by USBR, CCRB, ID No.1, and CCRB as requested by NMFS for the Critical Drought Operations on June 10<sup>th</sup> and July 1<sup>st</sup>, 2015.

There is pending litigation, USBR v. Caltrout related to Hilton Creek and the Emergency Hilton Creek Pumping System. ID No.1 is an Intervener with the SYRWCD and CCRB with USBR in this case. The plaintiffs claim is "take" of the Endangered Steelhead/rainbow trout and temporary and permanent fixes to the HCEPS.

Settlement documents have been submitted by the USBR, the Intervening Parties and the Environmental Defense Center for CalTrout on September 23, 2015.

USBR successfully tested the Hilton Creek Emergency pumping System in late October to meet the conditions of the Settlement.

The parties to the USBR v. Caltrout settlement Agreement accepted the USBR the Hilton Creek Emergency Backup System as complete. As part Settlement conditions- Stipulation #2, the USBR called the parties to

meet on January 27, 2016 to review and take comments on the “Hilton Creek Enhanced Gravity Flow System” (HCEGFS) and proposed connection to the penstock. ID1 representatives Walsh and Dahlstrom provided testimony to USBR as well as the SYRWCD General Manager. Cal Trout and CCRB also provided input. Dale Francisco, a member of the public attended the meeting that was meant only for those parties to the litigation and Settlement Agreement. ID1 submitted its issues with this situation to USBR. This was neither a Brown Act meeting nor a public meeting.

USBR has not yet responded to comments regarding the HCEGFS.

With the Cachuma Project water available to the Member Units being less than 7,000 AF, on April 6, 2016 ID1 requested that USBR convene an AMC meeting to consider changes in passage, maintenance, rearing and critical dry year water for fish downstream of Bradbury Dam. ID1 requested that USBR lead this meeting to propose to NMFS that it allow the reduction of flows to 1 Acre Foot per day in accordance with the 2000 BO. It was suggested that this meeting is urgent given the lake levels and available water supply for human consumption.

Two AMC meetings meeting were conducted on April 29, 2016 and again on May 3, 2016 to discuss the reduction of fish flows, the emergency Hilton Creek pumping system, and fish rescue. NMFS and USBR are negotiating possible solutions. However, fish relocation will require a NMFS 135-day process at which time water will be unavailable.

Several AMC conference calls have occurred in May and June to determine the best means to sustain the existing population of trout in Hilton Creek. No final decision has been made to relocate fish except to consider trucking water to the creek as a temporary fix. An action will be needed prior and following to the downstream water rights releases.

The latest decision by NMFS and USBR following the July AMC meeting was to have water trucks available to fill tanks for making temporary releases into the lower release point of Hilton Creek as the downstream water rights releases commence and after the releases are terminated. Once those releases start from the outlet works, pressure to the Hilton Creek piping will cease and therefore no water would be delivered. Monitoring of the 57 trout in the Creek will continue.

Hilton Creek is being watered at the lower release point from trucked water into a set of tanks. Water comes from a source at outlet works. NMFS has not approved the trapping and relocation of those remaining Rainbow trout to a facility capable of ensuring survival.

Water to the lower release point of Hilton creek is provided from a pump system in the Stilling Basin. The water is essentially being recirculated with no refreshing releases anticipated from the outlet works. USBR is the lead on this project.

With the elevation of the lake now at 712’, USBR will be testing the Hilton Creek pump barge in March in anticipation of NMFS mandating fish flow resume to Hilton Creek beginning in April. Flows will be subject to the criteria in the 2000 BO.

USBR tested the Hilton Creek pump barge on April 7 and resulted in a failure mode which requires the continued use of the HCEBS at the outlet works to continue to gravity force water to the lower release point in Hilton Creek. No time or a cost estimate is forecast for repairs by USBR. As a result, CCWA was forced to re-install the bypass pipeline up the spillway and through Gate #4 rather than connect to the penstock at the outlet works control house as has been done over the past 25 years. CCWA deliveries of SWP water to the south coast will be through this temporary bypass.

CCWA was directed by USBR to cease delivery operations through the Bradbury Dam penstock by March 23, 2017. On April 14, 2017, the CCWA bypass pipeline was re-installed based on modifications and approval by USBR which allows CCWA deliveries of SWP water to resume. CCWA south coast agencies paid for the re-installation.

As of March 2018, CCWA deliveries to the lake were shut down from March 21 to March 27. Typical daily deliveries were 40 AF.

For the month of April, 2018, releases for fish at 4.48 AFD are made through the HCEBS and through the outlet works.

Fish releases continue through the HCEBS and outlet works. As of August 6, 2018 the downstream water rights account for fish release throughout the duration of the ANA/BNA release period.

The Downstream water rights releases were curtailed on September 12, 2018. Fish releases from Project Water into Hilton Creek resumed at a rate of 8.01AFD.

USBR made steelhead passage water releases the beginning on February 6, 2019 with the flow conditions in the Santa Ynez River and in accordance with the 2000 BO. Those releases are subject to an agreed upon schedule between USBR and NMFS and that come from the fish passage account of 3,551 AF. The starting flow rate is 60 CFS and then ramping down incrementally.

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On February 9, 2011, USBR submitted completed the documentation supporting compliance (Compliance Report) to NMFS with the requirements pursuant to the September 11, 2000 Biological Opinion. The binder contains responses and actions that address the 15 RPM's and associated Terms and Conditions. USBR staff recently requested the status of the 2008, 2009 and 2010 annual monitoring report, including trend analysis for 2005-2008 (Term & Condition 11-1) that was not contained in the Compliance Report. CCRB, ID No.1 and Parent District will review the update of the 2008 report within the next week for submittal to USBR. The 2009 and presumably 2010 reports are work in-progress being prepared by the joint biology staff.

The 2008 Annual Monitoring Report and Trend Analysis for 2005-2008 for the Biological Opinion for the Operation and Maintenance of the Cachuma Project on the Santa Ynez River was reviewed by ID No.1, Parent District and CCRB then finalized for submittal to USBR on June 22, 2011. On June 23, USBR submitted the document to the NMFS and will be incorporated into the USBR Compliance Binder.

The 2009 Annual Monitoring Report and Trend Analysis were made available in draft form for review by ID No.1, Parent District and CCRB on July 7. ID No.1 provided comments which were incorporated into the final document. The Report was reviewed by a COMB Fisheries Committee which provided comment on the Report. Although COMB and this committee is not part of the fisheries review process and/or on the Adaptive Management Committee (AMC) as defined in and as part of the 1994 or 2001 Fisheries MOU's with Reclamation and others, these comments were provided to COMB biology staff. Comments on the Report have not yet been circulated by the biology staff to the AMC or other agencies part of the Fisheries process to consider.

On October 27, the Biology Staff forwarded the revised Executive Summary of the 2009 Annual Monitoring Report and Trend Analysis for final review by CCRB, SYRWCD and ID No.1 along with their respective consultants. Comments specific to the text for funding sources and preparation of the document were provided by ID No.1. As of this date, the 2009 Report has not yet been sent to Reclamation.

NMFS issued a letter to USBR indicating delinquent monitoring reports; 2009, 2010 and 2011 as well as the RPM 6 related to the monitoring of 89-18 water rights releases. COMB was named in this letter for not having submitted the 2009 report by the August 24, 2011 due date. A response was requested of USBR.

On March 9, 2012, USBR submitted to the NMFS the 2009 Annual Monitoring Report and Trend Analysis for the Biological Opinion for the Cachuma Project. This document complies with RPM 11, T&C 11.1 of NMFS's Biological Opinion. The 2010 report is the next report for submittal. This document was prepared by USBR, the staff and consultants of the Cachuma Project member units.

USBR submitted to the NMFS the report for monitoring fish movement during water rights releases during a three year period. This document complies with RPM 6, T&C 1) A&B of NMFS's Biological Opinion.

Annual Monitoring Report 2010 was submitted to USBR in February 2013.

A draft 2011 Annual Monitoring report was recently made available on June 7 by the Cachuma Project Biology Staff with a due date of June 11 for review and comment. Given the demand for review and preparation of the Draft BA by June 28, this time is being reconsidered.

USBR submitted a June 3, 2013 letter to NMFS regarding the 2000 BO RPM 6 (downstream water rights releases) Study Plan. According to the SCCAO Area Manager, this plan for monitoring during water rights releases was produced by USBR and the Cachuma Project Biology Staff (COMB). In a conference call on July 1, 2013 between the downstream parties only and USBR (Michael Jackson, SCCAO Manager et. al.) a significant issue has been created with this action and the associated "Study Plan" because of the disregard of Reclamation to engage, consult or allow review of this action by the SYRWCD or any downstream interest that involves this water right release. According to Michael Jackson's explanation, this plan was worked on by Ned Gruenhagen of USBR and the "Cachuma Project Biologist", Tim Robinson of COMB. The significant issue herein lies with the lack of communication and involvement of the SYRWCD and downstream water rights interests, and with the additional conditions in this June 3 Study Plan (e.g. warm-water predator fish data and water quality analysis) that are *not* required in the 2000 BO.

The language in this study plan admits that these items are not a requirement (second to last paragraph on page 2). As a Cachuma Member Unit and as a downstream water right holder, COMB's action (understanding from USBR of the Cachuma Project Biology Staff's involvement) to engage in any activity beyond that of the 2000 BO is not allowable. In this circumstance, the Study Plan has created additional level of effort and provides that the CPBS of COMB will be conducting and immediately carrying out of these activities which are beyond the 2000 BO requirements; and, COMB becoming directly involved in water rights matters, thus violating the COMB JPA related to 1.3.h.i – "a matter involving water rights of any party".

The downstream parties were not apprised of the preparation of the Study Plan nor included in its development and unaware of this letter. Legal Counsel from the SYRWCD and ID No.1 are involved.

Conflicting information and inconsistencies related to the content of the draft 2011 Annual Monitoring report have caused USBR to hold the submittal.

The 2011 Monitoring report was modified by USBR and released in March.

The EDC has filed a 60-day notice of intent to sue USBR citing violation of the 2000 BO and the ESA because of the Hilton creek pump problems and referencing COMB's April 14, 2014 letter. According to Michael Jackson, the USBR Solicitor will be responding to both EDC and COMB.



USBR has responded to COMB and a rebuttal from COMB to USBR. Additionally, COMB's CPBS has completed a draft of RPM-6 related to water rights without the involvement of the SYRWCD or ID No.1 as a downstream user and as participants on the AMC. This has caused significant issues and COMB has engaged in water rights activities outside the scope of its authority.

USBR awarded the contract for Hilton Creek Emergency Backup System (HCEBS) to Sansone Company in the amount of \$659,993 and to be constructed by December 3, 2014. This is a reimbursable cost to USBR by the Cachuma Member Units.

EDC has filed a lawsuit against USBR related to the Hilton Creek Watering System interruptions and violation of the ESA and the 2000 BO terms and conditions.

The Annual Fish Monitoring Report for 2012 has not yet prepared nor released. COMB staff compiles the information for finalization by USBR.

An internal draft of the 2012 Annual Fish Monitoring Report was circulated to the consultant biologists of ID No.1 and CCRB as well as to the SYRWCD for comment. CCRB and ID No.1 will receive the draft prior to submittal to USBR. COMB biology staff prepared this document on behalf of ID No.1 and CCRB for Reclamation's compliance requirements in the 2000 BO. The document has not been sent to ID No.1 as of this date.

With the Water Rights releases beginning on August 3, 2015, COMB staff set up temperature and fish traps to capture predator fish and monitor rainbow trout. ID No.1 and SYRWCD staff is monitoring COMB activities as these procedures were not reviewed by the JDCA or 2001 MOU parties.

ID1 staff has prepared comments draft of the 2012 Annual Fish Monitoring Report ("AMR") which are due by September 15, 2015. COMB sent a PDF of the 2012 AMR to USBR on October 2, 2015. District management forwarded to USBR on October 5, 2015 a redline Word version to assure comments by District management, staff, and its consultants were incorporated in the AMR.

COMB staff has prepared a 2013 draft AMR for USBR which was reviewed by Chuck Hanson, ID1's fisheries expert. ID1 is a member of the AMC and is supposed to approve or consent to the AMR's being forwarded to Reclamation for submittal to NMFS. COMB has not abided by that process. It is unknown if COMB has forwarded the document.

As of March 2018, ID1 has not received notification from COMB that the AMR's from years 2014 to present have been prepared or submitted to USBR (this is the responsibility of ID1 and CCRB under the 2001 MOU to conduct and prepare these studies).

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USBR, ID No.1 and CCRB legal counsel and management have scheduled a meeting at the SCCAO in Fresno to open begin applicant status discussion for the *Section 7 Re-Consultation* process. This meeting on June 2, 2011 is the first of a regular series of anticipated monthly meetings with USBR over the next year.

On June 23, 2011, USBR submitted to NMFS a revised Draft Outline for the Biological Assessment ("BA") as part of the Cachuma Project Section 7 Re-Consultation. The first set of comments on Reclamation's BA outline (that was to be presented to NMFS on June 23, 2011), was discussed and submitted to Reclamation based on a joint action by the ID No.1, Parent District and CCRB (JDCA agencies) managers, attorneys (two attorneys for CCRB) and consultants. Keeping in mind that Reclamation provided the outline on June 22nd at 3:41 pm, it was requested that the JDCA agencies provide their comments back to Reclamation prior

to a 3:00 pm deadline on June 23, 2011. Reclamation revised its outline only incorporating some of the comments provided by ID No.1, CCRB and the Parent District which was sent to NMFS.

This was the first formal interaction with between the three JDCA agencies and USBR in the re-consultation process and it was the consensus of the JDCA agencies that USBR could have been more engaging and cooperative in this first round of re-consultation. It was the hope that Reclamation will be more amenable to our involvement. It is expected that the JDCA agencies will continue to implement and follow through with the cooperative process through the Reclamation/NMFS re-consultation and BO development.

A conference call took place on July 7 between representatives of USBR, ID No.1, Parent District and CCRB to receive an update from USBR regarding the draft outline for the Biological Assessment (“BA”). USBR considers the outline a skeleton as a starting point in the preparation of the BA and has now confirmed that the ID No.1, Parent District and CCRB will be significantly involved in working with USBR in the preparation of that document. The next meeting is scheduled for August 15<sup>th</sup> with NMFS to continue to formulate the draft BA outline and to review the BO Compliance Binder materials.

A re-consultation meeting between the NMFS, USBR and the Cachuma Advocacy group (ID No.1, CCRB and the Parent District) took place on August 22, 2011 to discuss the expanded outline and the 2000 BO Compliance Binder. NMFS staff expects a “new” Biological Assessment to include a revised baseline with the creek passage barrier projects. They acknowledged the Quiota Creek enhancements and other tributary projects that are not in the 2000 BO as voluntary. USBR, ID No.1, Parent District and CCRB will work together to develop the BA. Because of time constraints, the Compliance Binder review will take place during another meeting; which has not yet been scheduled.

A re-consultation coordination model was developed to organize the local participants (Parent District, ID No.1 and CCRB) in the Section 7 process with Reclamation and provide a procedure to effectively communicate and make decisions among the parties. The model also provides a communication tree among the agencies including Reclamation and the consultants.

Regular conference calls between the Parent District, ID No.1 and CCRB with consultants have occurred over the past month and during the preparation of the BA draft project description annotated outline. The core group will be attending a meeting with Reclamation on October 18<sup>th</sup> in Fresno to refine the annotated outline.

The meeting on October 18<sup>th</sup> included Reclamation staff, CCRB and SYRWCD representatives, and ID No.1’s special legal counsel. There was a review of the expanded and annotated Project Description outline for the Biological Assessment (BA). Reclamation will be providing technical and general comments to the document. Reclamation will also work with the three parties to establish a schedule for the preparation of the BA.

A conference call is schedule with Reclamation, ID No.1, Parent District and CCRB on January 13 to discuss “take” information and report recently released and submitted by COMB directly to NMFS.

A meeting was held on November 17 with the NMFS to discuss the Southern Steelhead Recovery Plan. NMFS representatives Penny Ruvelas, Mark Cappelli and staff presented to ID No.1, SYRWCD, and CCRB the plan elements that are non-regulatory but used as guidelines for recovery of the Southern Steelhead in the Santa Ynez River. Although not formally released, a point by point explanation of the elements, including flow regimes, habitat improvements, ground water monitoring, Bradbury Dam upstream tributaries and passage barrier mitigations, and target populations.

The Recovery Plan was released at the beginning of January 2012 with recovery costs for 8 creek and river systems, primarily the Santa Ynez River of \$389 million.

A schedule for the development of the Biological Assessment was jointly prepared ID1, CCRB and USBR to submit to the NMFS.

In June, the NMFS requested RFP's soliciting consultants to conduct flow, habitat and hydrologic studies in lower reach of the SY River below Bradbury Dam. The way in which that is being done is not compatible with the obligation NMFS has to "cooperate" with State and Local agencies to resolve water resource issues "in concert with" the conservation of endangered species. (ESA Section 2(c)(2)). This issue is being raised before the United States District Court in Santa Ana in the case of *Bear Valley Mutual Water Company et.al. v. Fish and Wildlife Service*. A ruling may occur before the Cachuma re-consultation is well advanced.

IDNo.1, the Parent District and CCRB are coordinating with USBR in the continuing development of the BA process and revising the schedule based on the recent actions of NMFS. USBR forwarded to NMFS on July 20, 2012 the revised annotated outline and schedule for the preparation of the Biological Assessment.

The NMFS is pursuing recovery as part of the future BO and through the Tri-County Fish Team (meeting on July 31) NMFS is soliciting input on priority projects from participants using the Threats-By-Watershed table which came out of the Southern Steelhead Recovery Plan. NMFS is formulating a Strategic Approach for implementing recovery in the Santa Ynez River. Caltrout has replaced Nikka Knight with Kurt Zimmerman, an attorney as its lead representative for the Santa Ynez and Ventura Watersheds. Caltrout is establishing an office in Ventura.

In a letter from the NMFS to Reclamation on October 22, 2012, Reclamation received a response to the July 20<sup>th</sup> submittal that only addressed the Draft BA schedule; rejecting the June 30, 2012 submittal date. The revised NMFS date of delivery for a Draft BA as determined by NMFS is January 1, 2013, along with NMFS's denial to provide the new scientific data and reports it conducted. USBR and the collaborating agencies decided that the NMFS delivery date was impractical and proposed the submittal of the Draft BA by May 30, 2013.

A significant work effort is being made by ID No.1, CCRB and the Parent District consultants and staff to develop and prepare sections of the BA for review by Reclamation. Many studies are being conducted which will be incorporated in the BA. A cost sharing agreement for legal resources between CCRB (88.42%) and ID No.1 (11.58%) was executed in mid-December. This agreement was ratified by the CCRB parties following the CCRB meeting. Since early December, Greg Wilkinson is looked to and directed in preparing certain tasks, reviewing all elements for the record, and to marshal this BA effort.

USBR has confirmed its need to have the Draft BA even though its review and comment time frame has not met the deadlines. The Draft BA is to be submitted on June 28 to USBR staff.

A limited number of the Draft BA chapters are being revised and re-written based on discussions with advocacy parties. USBR is aware of the revisions with a deadline for submittal of all chapters on August 23, 2013.

The USBR Area Manager has determined that USBR will complete the Draft BA for submittal to NMFS by Mid-October 2013. The USBR decision was based on a demand letter from CCRB indicating it will not deliver the remaining chapters to USBR until December 20, 2013.

On October 2, CCRB Board gave its approval to the Entrix to release chapters 4, 5, 6, 11 and the executive summary to USBR. The District provided comments on all chapters of the Draft BA and submitted additional information to USBR on October 8, 2013.

USBR is planning to submit the Draft BA to NMFS by mid-November 2013. USBR is no longer participating on the monthly calls due to conflicts.

Kate Rees, CCRB manager announced her retirement on January 31, 2014.

On November 21, 2013 USBR submitted the draft BA to NMFS. In a meeting between USBR and the downstream interests, including the SYRWCD and ID No.1 representatives only on November 25, 2013, USBR confirmed incorporating the most recent comments submitted by the downstream interests and other comments submitted by the south coast. USBR did make modifications. A copy of the draft BA will be forwarded by USBR to the District.

NMFS responded USBR on April 8, 2014 indicating the sufficiency of the draft BA with several additional data requirements as part of "consultation" including a discrepancy in the South Coast Member Units operational yield versus apparent over-diversion of water deliveries to the south coast with the issue of the absence of reductions in deliveries at 100,000 AF. Other data needs include south coast stream crossings and the inter-related south coast water conveyance systems. USBR responded on May 27, 2014 acknowledging the data requests and to work with NMFS and providing a Consultation schedule with at Final BO on April 15, 2015.

At a meeting held in August with Reclamation management, it was made clear that the Section 7 consultation will be between the two Federal agencies – USBR and MNFS. The Applicant Status requested jointly by CCRB, ID No.1 was denied by USBR but collaboration will be considered.

A meeting with USBR and ID1, SYRWCD and CCRB was held on October 27 at the SCCAO in Fresno to discuss the outlet works and the temporary and permanent plans, the Drought Operations Draft BA and the relationships between the agencies in the Cachuma Project. There was indication that NMFS will likely release a Draft Biological Opinion in January 2015. This is well ahead of the planned timing in mid-spring.

USBR met with NMFS on November 20, 2014 as part of the formal re-consultation. A follow up meeting between USBR, ID No.1, SYRWCD, and CCRB is scheduled for December 9, 2014.

On December 18, 2014, USBR formally requested an extension of 120 days for the consultation as a result of the December 9, 2014 meeting with NMFS. The purpose is to allow time provide NMFS with additional information as requested in their April 8, August 4, and September 30, 2014 letters. The NMFS Draft Biological Opinion is expected to be issued to USBR around May 30, 2015.

NMFS has requested USBR provide additional analysis and evaluation of the flow and habitat conditions downstream of Bradbury Dam among other informational requests related to migrant trapping data.

CCRB and Cal Strategies met with USBR on Tuesday May 5, 2015 unilaterally requested inserting the passage barrier removal projects on the tributaries (Quiota Creek) along the Santa Ynez River below Bradbury Dam into the Draft 2015 BO. Statements of "Assurances" were made by CCRB working with COMB to implement passage barrier removal in the SY River watershed and on the South Coast tributaries. Neither ID No.1 nor the Parent District was aware of the meeting or the discussion and decision by CCRB. ID No.1 will be contacting USBR. This issue has not been resolved.

Following a response letter to CCRB related to the above meeting with USBR and memorandum related to tributary commitments in the future, several calls and meetings have occurred between the JDCA parties to resolve issues.

There is information that a draft Biological Opinion may be released by NMFS in October 2015.

The Trush report prepared by Humboldt State University River Institute for Steelhead migration in the Santa Ynez River that may be included in the draft BO by NMFS is being peer reviewed by ID1 and now CCRB expert consultants.

According to a COMB report at the meeting on March 7, the 2012 monitoring report was submitted to USBR and the 2013 draft report is being prepared by COMB biology staff. The reports have not been distributed to CCRB or ID No.1 responsible for these activities under the 2001 MOU.

On April 5, 2016, ID1 received a link to the Draft Annual Monitoring Plan from Entrix rather than from COMB. ID1 staff requested that COMB send all correspondence related to fisheries documentation directly to ID1 management. COMB staff requested comments by April 20, 2014.

ID No.1 and the SYRWCD in conjunction with CCRB submitted comments on the HSU Trush report on July 21, 2016 to Reclamation and the NMFS for incorporation into the administrative record.

According to the NMFS comment letter dated December 8, 2016 to the State Water Resources Control Board regarding its release of the 2016 Draft Water Right Order, "NMFS is in the process of reviewing and discussing the draft 2016 biological opinion with BOR". It is likely that a draft BO, which is expected to be a "Jeopardy" opinion, will contain greater flows, have passage requirements as indicated by NMFS in the past, and recovery plan elements and terms imbedded including significantly higher flows for fish releases, fish passage around Bradbury Dam and return, and other protections for recovery of the listed steelhead. NMFS indicated in its comment letter to the SWRCB to incorporate the 2016 BO, thus the issuance is expected in the very near term.

ID No.1 management and Special Legal Counsel continue to monitor and are prepared to comment once the Public Draft is issued. ID No.1 was denied "applicant status" by USBR as a contracting party to Cachuma Project that had federal recognition. Therefore, comments on the Public Draft BO will be submitted to NMFS. The County was also recently denied "applicant status".

No further information has been available on the timing of a Public Draft BO issuance.

Pursuant to a letter from NMFS to USBR on June 15, 2018, the Section 7 Re-consultation was terminated for the November 28, 2016 draft Biological Opinion and existing proposed action. The new proposed action will be the basis of a new formal consultation under the ESA. On August 1, 2018, USBR submitted its revised draft proposed action to NMFS for review. A meeting is scheduled between USBR, NMFS and the JDCA group.

A meeting between USBR, NMFS, CCRB, ID No.1 and the SYRWCD is scheduled for October 16, 2018 at the NOAA offices in Long Beach.

USBR has set the date for submittal of a new Biological Assessment to NMFS of March 1, 2019. CCRB, ID1 and SYRWCD with USBR staff will be preparing various document elements. The BA will be based on the USBR's revised Proposed Action.

A revised date has been provided for submittal of the new BA; mid-June 2019. USBR agreed to a further extension of time to prepare additional and supportive information for a new BA; the first week of August in the new milestone.

USBR extended the time for submittal of a draft BA to August 29, 2019. **USBR expects to submit a Draft BA to NMFS by mid-September 2019.**

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## CA-6. Cachuma Project - Water Supply and Water Service Contract

The water delivery order for WY 2014-15 has been submitted to USBR with a 55% reduction in entitlement deliveries beginning October 1, 2014. With the DWR Table "A" allocation at 20%, plus SWP water purchased through the SWPP by south coast member along with prior year carryover, the amounts should suffice to meet all exchange requirements in WY 2015. However, Goleta Water District has taken delivery of its SWP allocation and therefore the South Coast parties cannot effectuate the terms of the Exchange Agreement. This is being reviewed by the District's Special Legal Counsel BB&K for a recommendation of appropriate action.

A meeting is being called by CCWA to reconcile how to allocate the Santa Ynez Exchange water among the South Coast remaining agencies pursuant to the Exchange Agreement. The allocation methodology in the Exchange Agreement does not address a south coast party opting out with actual procedures. A call with all the parties to the Exchange Agreement is expected in June to outline the issues and then develop an allocation methodology, if possible within the terms and conditions of the Exchange Agreement.

The Exchange Agreement terms have not yet been reconciled between the parties and a meeting is scheduled on July 15<sup>th</sup> to discuss the South Coast Exchange water deficiencies.

The Exchange Agreement is being effectuated by the City of Santa Barbara, Montecito Water District and to certain level, Carpinteria Valley Water District with each of their SWP allocations, carryover and purchased water. ID No.1 remains whole at this time even with Goleta Water District not in the exchange due to its decision to move its entire SWP allocation to Cachuma without exchanging with IDNo.1 in accordance with the Agreement.

As of September 4, 2015, ID No.1 transferred its 2013-2014 Cachuma Project Carryover water to Montecito Water District that was to be exchanged in 2014-2015 and 2015-2016 with the participating parties. ID No.1's 750 AF of Carryover water was subject to evaporation losses of up to 65 AF per month and 25 AF per month for fish releases to Hilton Creek. In return, the District received \$1,015 per acre foot of water transferred. There is approximately 50 AF of Carryover water remaining for direct delivery to the SB County Park that is served by ID No.1.

USBR announced that will be zero (0) allocation of Project water to the Cachuma Member Units as of October 1, 2015 for the next water year.

USBR is considering the status and definition of use for the 12,000 AF water in the minimum pool. USBR staff also provided a minimum level of 604.50' which is the lowest point in the lake above the inlet sill to the penstock at elevation 600.00'.

USBR continues to allocate zero water for 2016. In addition, water accruing from the Tecolote Tunnel Yield is not being allocated but used to offset a portion of the lake evaporation rather than deducted from Project Carry Over water per the Master Contract. However, Reclamation defined in its CEC released in April 2016 that the minimum pool water shall not be available to divert through the south coast's Barge relocation nor will the WR 89-18 water and fish account water.

COMB relocated the barge that delivers water to the South Coast agencies prior to the downstream water rights releases began on July 12. The new location is adjacent to the County Park.

The inequities of the 2015/2016 "unallocated water" and "unaccounted for" water delivered to the South Coast CMU's remains an issue and have been contested by ID No.1. A response from USBR is pending. Following a meeting with USBR on September 6, 2016 when presented the inequities due to tunnel infiltration credits and unaccounted for water delivered to the south coast, those inequities continue to

increase with this new water year. No formal resolution between ID1, USBR and the County Water Agency has been accomplished.

The Santa Barbara County Water Agency submitted to USBR the annual request for allocation from the Cachuma Project. This was historically done by COMB, however, SBCWA has taken back this role in accordance with the Master Contract. There was zero allocation issued by USBR starting on October 1, 2016.

USBR will institute an evaporation scenario, proposed by SB County, that both Project carryover water and SWP will evaporate proportional to the total lake volume. The theory being the Minimum Pool will evaporate at a given level anyway, and with some incremental storage in the lake will incrementally increase evaporate so should be accounted for as such. The member Units have stated that except for Goleta (~ 500 AF) and to a minimal extent City of SB, and furthermore to a much lesser extent ID1 (for the Park), will exhaust all the CCO by December 1, 2016. This is effective on January 1, 2017.

On March 17, 2017 the CMU managers and technical staff met with the County Water Agency staff to compare the independent water supply analysis prepared by each CMU and the County based on the "Available Project Water" and for supporting a mid-year allocation from USBR. Carpinteria Valley WD conducted extensive modeling based on a two year allocation outlook and differing percentages of a mid-year allocation and remaining balances, while considering most factors affecting the water supply in the lake. ID No.1, in conjunction with Stetson Engineers verified Carpinteria's model and also prepared ID No.1's modeling effort confirming all other sources of stored and produced water being considered. After deliberation with the County and between the CMU's, it was determined that a mid-year allocation be requested of USBR in the amount of 40% or 10,285.6 AF of the annual 25,714 AF operational yield. Each CMU would receive its prorated share of the mid-year allocation in accordance with the Master Contract.

USBR approved a 40% mid-year allocation adjustment on April 7, 2017 based on available Project water in storage with concurrence by the Cachuma Member Units. ID1 took its first delivery of its share 1,060 AF of Cachuma Project water. A formal letter will authorize deliveries for the remainder of this year and next year's allocation of 40%.

SB County Water Agency has requested the Cachuma Member Units provide an allocation for WY 2017/18 in order to submit to USBR in accordance with the Master Contract. The Water Agency reacquired its responsibility from COMB and is now acting on behalf of the Member Units. The allocation requests are tied to the capital component of the Project, which was paid off in 2015; however USBR is still requesting the allocations for accounting purposes. As previously agreed, USBR anticipates a 40% delivery next water year but there will be a statement in the request for a mid-year allocation modification should the rainfall season produce inflow. ID No.1's allocation request is due June 23, 2017.

ID No.1 submitted its 2017-2018 40% allocation request and reserving its right for an increased allocation with an increase in water in storage.

A formal resolution to the inequities is expected with the accounting for new water in Cachuma and as part of the allocation process. ID1 has a second letter to Reclamation prepared in part by Stetson Engineers to be sent late in the week of April 10, 2017.

On May 30, 2017, a formal letter to USBR from the District requested a reconciliation of water supply inequities that occurred from 2011 to 2017 associated with carryover evaporation charges, tunnel accretions, and un-accounted for water. ID1 requested that water be credited to its account. Neither USBR nor the County has responded.

A meeting was held with USBR and Santa Barbara County Water Agency on October 12, 2017 with no resolution.

ID#1 met with USBR Mid-Pacific Region and Area Office Directors and management on January 18, 2018 to discuss contract options. A follow up meeting with the Area Office staff is schedule for the end of February.

Management was recently informed by the SCCAO Manager that USBR staff met with SB County representatives on Monday, March 12, 2018 to discuss the 2020 contract. This meeting did not include any Cachuma Member Unit representatives. The latest conversation with the SB County Water Agency Manager Fray Crease, on Thursday March 8, she indicated that the County would not accept or consider any other contracting arrangement; only the current USBR and SB County Master Contract. ID No.1 has had several meetings with USBR in order to seek contract options. No final determination has been made by USBR.

Management is meeting with USBR Regional Director on May 9, 2018 to continue discussions of contracting options.

ID No.1 management met with the USBR Regional Director, two Deputy Directors and staff to continue to promote contracting option for the upcoming Water Service Contract in 2020. USBR will explore a contract assignment as well as a multi-party contract.

No response from USBR regarding contract options.

On September 10, 2018, the Cachuma Member Units were informed that a Basis of Negotiations with the inclusion of Section 4011 of the WIIN Act was forwarded by USBR SCCAO to the USBR Denver Service Center in June 2018. SB County Water Agency confirmed the inclusion but no notification was provided to the Cachuma Member Units. ID No.1 is still awaiting contracting options.

Santa Barbara County continues to cancel meetings with the Cachuma Member Units regarding the new contract terms and conditions updates and interactions with USBR.

No additional information has been made available from USBR or the Water Agency to the Member Units regarding the 2020 Water Service Contract. A Grand Jury inquiry is underway requesting information from ID1 regarding contract renewal.

The Grand Jury finalized its report on the Cachuma Project Contract which was circulated at the end of June to ID1 and Cachuma Member Units.

Response to the Report is due by September 25, 2019. **ID No.1 submitted its response.**

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The Exchange Agreement between ID1 and the south coast Cachuma Member Units is dependent on two factors: 1) Cachuma Project water availability and allocation to ID1; and, 2) Sufficient and equal amount of South Coast SWP water to exchange with ID1. Because there is zero allocation of Cachuma Project water, the Exchange Agreement remains inactive. Once USBR determines a mid-year allocation, all ID No.1's Cachuma allocation will be exchanged for an equal amount of the south coast participants SWP water.



With the mid-year allocation in water year 2016-17, ID1 will have 1,060 AF of its Cachuma Project available supply to exchange from April 7, 2017 to September 30, 2017. The Exchange water will be balance with the first priority Article 21 water and the MetWD exchange.

Currently, the Cachuma Exchange water is occurring with this year's 40% allocation and beginning on October 1<sup>st</sup>, the new water year, there will be 1,042 AF of water exchanged.

USBR issued its allocation on November 4, 2017 of a 40% delivery to the Member Units retroactive to October 1, 2017. A mid-year adjustment would be considered based on precipitation and runoff in the lake.

With a 20% delivery allocation from the SWP and the reduced allocation from USBR, the South Coast will have enough SWP to effectuate the Exchange Agreement this year. Should the SWP allocation be reduced as was anticipated to 10%, this would cause an exchange shortage.

With 35% SWP allocation the south coast will have enough SWP water to exchange 532 AF of ID No.1's Cachuma project allocation this water year.

The SWP/Cachuma exchange is expected to begin in April 2019 with the 70% SWP allocation and 100% delivery of Cachuma Project Water.

--

Contract Number I75r-1802R (Master Contract) expires in 2020 for water service to the Cachuma Member Units (CMU's). The County Water initiated discussions with USBR on November 18, 2016 regarding the process and protocols for negotiations of a new water service contract. The Water Agency has been coordinating with the CMU's over the past month and prepared a "charter" or guideline paper for the formation of Steering Committee that will work on activities related to the negotiation process along with the terms and conditions of such water service contract. The Water Agency requested input from the CMU's. Upcoming meetings are scheduled over the next few months.

The Water Agency will bring its charter to begin the contracting process and provide a report to the Board of Directors of the SBWFC&WCD on May 2, 2017. At this time, none of the CMU's concur with the contracting arrangement.

At the May 2 County Board of Directors meeting to approve and authorize the Chair to sign a letter to the United States Bureau of Reclamation to request renewal of the Water Service Contract for the Cachuma Project and initiate negotiations with the United States Bureau of Reclamation, there were comments provided by ID1, the City of Santa Barbara and Carpinteria Valley WD opposing this action until such time to allow to explore contract options and engage all the Cachuma Member Units in this process. As stated by the County, this is a process between County and the USBR but the County will allow one representative of the CMU's to attend meetings between USBR and the County only. Director Hartmann indicated that the County's purpose in renegotiating this contract is to protect the downstream interests, the environment, and public trust resources. Other discussion related to the County's role in water supply. The north County Directors did not care about this action. The letter and action was approved 5-0.

The County is now scheduling "private" meetings with USBR beginning in May and June and to initiate negotiations. The CMU's are not included until the public meetings are scheduled.

Meetings are now being organized by the Member Unit managers regarding the County's action and its process.

**No technical sessions or negotiation meetings with Reclamation or the County are schedule as of this date.**

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USBR will be conducting its 5-year inspection of water records and compliance with the Master and Member Unit Contracts. USBR representatives from the Regional office, South Central California Area Office and Denver Services will be at ID No.1 on September 19, 2012. USBR has transferred water conservation division to the Mid-Pacific region. District staff will be meeting with MP region staff to discuss conservation plans and exemptions applicable to the District. USBR provided a draft CCR checklist on November 8, 2012 indicating that ID No.1 complies with all elements of the Master Contract.

USBR solicitor has determined that in accordance with Master Contract and specifically under CVPIA criteria (although ID No.1 is not in the CVP), ID No.1 is required to prepare and submit to USBR a water conservation plan for its Project Water; 863 AF annually of M&I water and separately for 1,788 AF of Irrigation water. The District has other sources of local water supply (Uplands groundwater and licenses in the SY River) that are not under the jurisdiction of USBR and not within the Master Contract or CVPIA which are not reportable in a USBR water conservation plan.

The District is completing its updated and required draft water conservation plan and best management practices (BMP's) for submittal to USBR. This will require revisions to incorporate the City of Solvang because the District's boundaries for water service include the City's residents.

The conservation plan update was submitted to Reclamation in March 2015.

USBR through the CUWCC is requesting further water conservation and BMP information within ID No.1's service area.

USBR will be conducting its 5-year inspection of water records and compliance with the Master and Member Unit Contracts. USBR representatives from the Regional office, South Central California Area Office and Denver Services will be at ID No.1 on August 23 and 24, 2016. ID No.1 submitted comments and provided further information to USBR by September 6, 2016.

ID No.1 will be preparing and submitting the USBR required crop report update by the May 1, 2018 deadline.

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CA-7. Actions taken during emergency situation in New York/Washington DC on September 11, 2001

DHS has distributed the Terrorist Threat Reporting Guide for Critical Infrastructure. This is a joint guidance document distributed by Federal Homeland Security and FBI for Owners and Operators of critical infrastructure. **No advisories are in effect.**

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, ID#1 -- 2019 DELIVERY

31-Oct-19

Delivery Schedule 2019	Allocation AF	Actual										New Cachuma WY		Delivery Total	
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		Actual
Table "A" Entitlement/1	375	0	0	0	25	25	0	0	0	0	0	234	25	66	375
Drought Buffer	5	0	0	0	0	0	0	0	0	0	0	5	0	0	5
Exchange less Cach Park /2	2626	0	0	0	163	177	372	504	521	476	125	60	60	60	2458
Carryover/Article 21/Solvang	145	0	0	0	0	10	20	30	30	15	0	40	0	0	145
<b>TOTAL</b>	<b>3151</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>188</b>	<b>212</b>	<b>392</b>	<b>534</b>	<b>551</b>	<b>491</b>	<b>364</b>	<b>125</b>	<b>126</b>	<b>2983</b>	
Cachuma Park/3	25	1	2	2	2	2	3	3	3	2	2	2	2	2	25
River Wells - 6.0 CFS		65	2	64	0	0	0	0	0	0	7	0	0	0	138
River Wells - 4.0 CFS		42	3	0	5	0	0	0	0	0	0	0	0	0	49
Upland Wells		0	60	44	68	70	44	0	0	0	11	219	57	573	
<b>Total Production</b>		<b>108</b>	<b>66</b>	<b>109</b>	<b>262</b>	<b>284</b>	<b>438</b>	<b>537</b>	<b>554</b>	<b>493</b>	<b>384</b>	<b>346</b>	<b>185</b>	<b>3768</b>	

10 Yr. Average Production 142 146 277 418 565 639 746 720 602 449 346 185 5235

4.0 cfs River Maximum Production in AF 49.2 44 246 238 246 238 238 246 238 246 142.8 49.2

6.0 cfs River Maximum Production in AF 92.2 83.3 368.9 357 368.9 357 357 368.9 357 369.3 223.1 92.2

Note/1 Reflects the SWP deliveries for 2019 WY = 75% of entitlement; 145 AF Final 2017 transfer water from Solvang returned; SWP Total 525AF

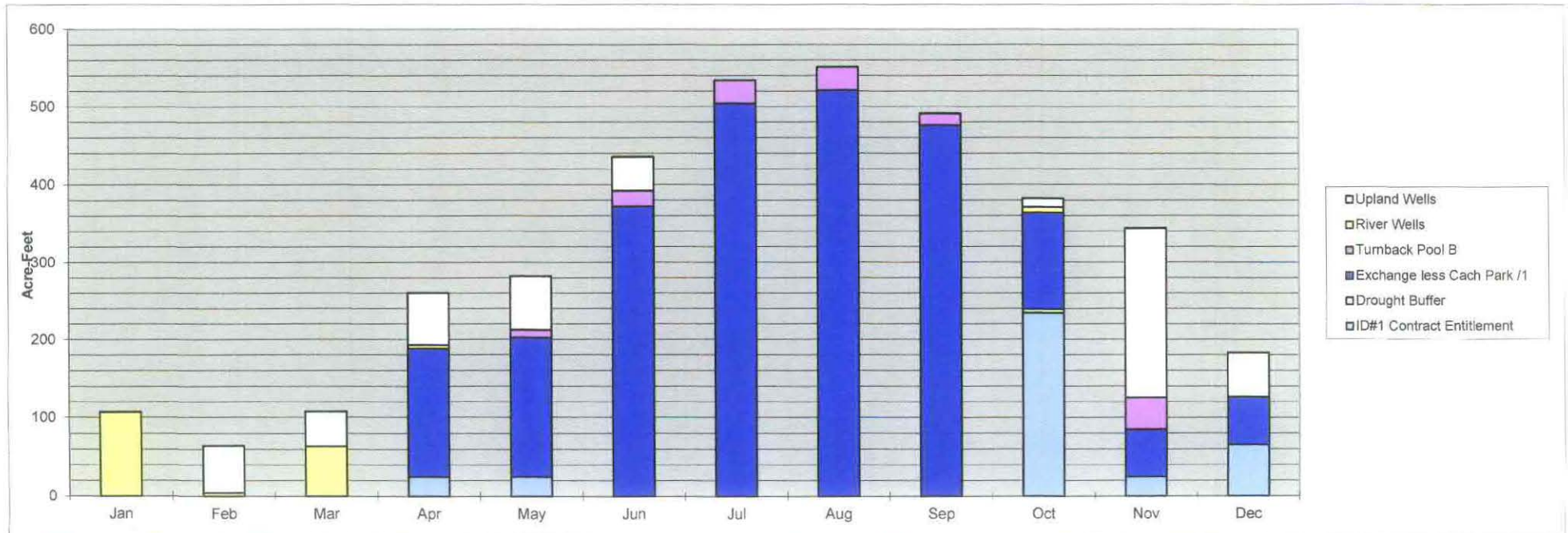
Cachuma Project 100% or 2,651 AF as of April 1, 2019 through September 30, 2019. A mid-year allocation.

Note /2 Blue text: Cachuma Exchange water available from Oct 1, 2018-19 w/ 100% Allocation.

**Cachuma Project Total Allocation for WY2018-19 is 2,651 AF plus 40 AF carryover 2018.**

South Coast MU must provide full Exchange amount;

Note /3 Cachuma Project water estimated delivery to SB County Park of Cachuma Water year 2018-19 is 25 af.



UNITED STATES DEPARTMENT OF THE INTERIOR  
 U.S. BUREAU OF RECLAMATION-CACHUMA PROJECT-CALIFORNIA

OCTOBER 2019

LAKE CACHUMA DAILY OPERATIONS

RUN DATE: November 1, 2019

DAY	ELEV	STORAGE		COMPUTED* INFLOW AF.	CCWA INFLOW AF.	PRECIP ON RES. SURF. AF.	RELEASE - AF.				EVAP AF.	PRECIP INCH	PRECIP INCHES	
		IN LAKE	CHANGE				TUNNEL	HILTON CREEK	OUTLET	SPILLWAY				
	735.64	144,475												
1	735.59	144,349	-126	-33.9	0.0	.0	49.8	5.2	7.3	.0	29.8	.190	.00	
2	735.55	144,249	-100	-17.8	0.0	.0	48.3	5.2	8.3	.0	20.4	.130	.00	
3	735.51	144,150	-99	0.3	0.0	.0	50.8	5.2	7.3	.0	36.0	.230	.00	
4	735.47	144,050	-100	-16.8	0.0	.0	48.7	5.2	7.4	.0	21.9	.140	.00	
5	735.43	143,950	-100	-5.0	0.0	.0	49.4	5.2	7.5	.0	32.9	.210	.00	
6	735.40	143,875	-75	16.4	0.0	.0	48.3	5.2	8.2	.0	29.7	.190	.00	
7	735.37	143,800	-75	25.2	0.0	.0	48.6	5.2	7.3	.0	39.1	.250	.00	
8	735.33	143,700	-100	-3.0	0.0	.0	48.6	5.2	7.3	.0	35.9	.230	.00	
9	735.30	143,625	-75	24.0	0.0	.0	49.7	5.2	8.2	.0	35.9	.230	.00	
10	735.25	143,501	-124	-49.6	0.0	.0	52.6	5.1	7.3	.0	9.4	.060	.00	
11	735.22	143,426	-75	39.2	0.0	.0	58.0	5.2	7.3	.0	43.7	.280	.00	
12	735.18	143,326	-100	5.5	0.0	.0	58.7	5.2	7.3	.0	34.3	.220	.00	
13	735.13	143,201	-125	-17.2	0.0	.0	58.5	5.2	8.3	.0	35.8	.230	.00	
14	735.09	143,076	-125	-23.6	0.0	.0	57.8	5.2	7.3	.0	31.1	.200	.00	
15	735.05	143,002	-74	26.7	0.0	.0	58.7	5.1	7.3	.0	29.6	.190	.00	
16	735.02	142,927	-75	18.6	0.0	.0	56.9	5.1	8.3	.0	23.3	.150	.00	
17	734.97	142,802	-125	-27.8	0.0	.0	64.6	5.1	7.3	.0	20.2	.130	.00	
18	734.92	142,677	-125	-9.9	0.0	.0	71.6	5.1	7.3	.0	31.1	.200	.00	
19	734.87	142,552	-125	0.0	0.0	.0	82.1	5.1	7.3	.0	29.5	.190	.00	
20	734.82	142,428	-124	-35.8	0.0	.0	31.4	5.1	8.3	.0	43.4	.280	.00	
21	734.78	142,328	-100	9.1	0.0	.0	61.0	5.1	7.3	.0	35.7	.230	.00	
22	734.75	142,253	-75	19.1	0.0	.0	53.8	5.1	7.3	.0	27.9	.180	.00	
23	734.72	142,178	-75	0.6	0.0	.0	39.0	5.1	8.3	.0	23.2	.150	.00	
24	734.68	142,078	-100	-18.4	0.0	.0	39.7	5.1	7.4	.0	29.4	.190	.00	
25	734.65	142,003	-75	32.3	0.0	.0	40.7	5.1	7.3	.0	54.2	.350	.00	
26	734.62	141,928	-75	16.9	0.0	.0	39.2	5.1	7.4	.0	40.2	.260	.00	
27	734.58	141,830	-98	-18.6	0.0	.0	40.6	5.1	7.4	.0	26.3	.170	.00	
28	734.55	141,756	-74	0.9	0.0	.0	40.1	5.1	8.1	.0	21.6	.140	.00	
29	734.51	141,658	-98	-9.3	0.0	.0	53.1	5.1	7.3	.0	23.2	.150	.00	
30	734.47	141,559	-99	-15.5	0.0	.0	53.0	5.1	8.4	.0	17.0	.110	.00	
31	734.43	141,461	-98	5.2	0.0	.0	56.6	6.3	6.3	.0	34.0	.220	.00	
<b>TOTAL (AF)</b>			<b>-3,014</b>	<b>-62.2</b>	<b>0.0</b>	<b>.0</b>	<b>1,609.9</b>	<b>160.6</b>	<b>234.6</b>	<b>.0</b>	<b>945.7</b>	<b>6.080</b>	<b>.00</b>	
<b>(AVG)</b>		<b>142,893</b>												

COMMENTS:

\* COMPUTED INFLOW IS THE SUM OF CHANGE IN STORAGE, RELEASES, AND EVAPORATION MINUS PRECIP ON THE RESERVOIR SURFACE AND CCWA INFLOW.

DATA BASED ON 24-HOUR PERIOD ENDING 0800.

INDICATED OUTLETS RELEASE INCLUDE ANY LEAKAGE AROUND GATES.



# Santa Barbara County - Flood Control District

130 East Victoria Street, Santa Barbara CA 93101 - 805.568.3440 - www.countyofsb.org/pwd

## Rainfall and Reservoir Summary

Updated 8am: 11/1/2019

Water Year: 2020

Storm Number: NA

**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 0day(s)	Month	Year*	% to Date	% of Year*	AI
<a href="#">Buellton</a> (Fire Stn)	233	0.00	0.00	0.00	0.00	0%	0%	
<a href="#">Cachuma Dam</a> (USBR)	332	0.00	0.00	0.00	0.02	2%	0%	
<a href="#">Carpinteria</a> (Fire Stn)	208	0.00	0.00	0.00	0.00	0%	0%	
<a href="#">Cuyama</a> (Fire Stn)	436	0.00	0.00	0.00	0.00	0%	0%	
<a href="#">Figueroa Mtn</a> (USFS Stn)	421	0.00	0.00	0.00	0.04	3%	0%	11.6
<a href="#">Gibraltar Dam</a> (City Facility)	230	0.00	0.00	0.00	0.00	0%	0%	11.6
<a href="#">Goleta</a> (Fire Stn-Los Carneros)	440	0.00	0.00	0.00	0.00	0%	0%	
<a href="#">Lompoc</a> (City Hall)	439	0.00	0.00	0.00	0.00	0%	0%	11.6
<a href="#">Los Alamos</a> (Fire Stn)	204	0.00	0.00	0.00	0.00	0%	0%	
<a href="#">San Marcos Pass</a> (USFS Stn)	212	0.00	0.00	0.00	0.03	2%	0%	
<a href="#">Santa Barbara</a> (County Bldg)	234	0.00	0.00	0.00	0.00	0%	0%	
<a href="#">Santa Maria</a> (City Pub.Works)	380	0.00	0.00	0.00	0.00	0%	0%	
<a href="#">Santa Ynez</a> (Fire Stn /Airport)	218	0.00	0.00	0.00	0.00	0%	0%	
<a href="#">Sisquoc</a> (Fire Stn)	256	0.00	0.00	0.00	0.01	1%	0%	

County-wide percentage of "Normal-to-Date" rainfall : **1%**

County-wide percentage of "Normal Water-Year" rainfall : **0%**

County-wide percentage of "Normal Water-Year" calculated assuming no more rain through Aug. 31, 2020 (End of WY2020).

**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 Real-Time Readings	Spillway Elev. (ft)	Current Elev. (ft)	Max. Storage (ac-ft)	Current Storage (ac-ft)	Current Capacity (%)	Storage Change Mo.(ac-ft)	Storage Change Year*(ac-ft)
<a href="#">Gibraltar Reservoir</a>	1,400.00	1,385.87	4,314	1,668	38.7%	0	-871
<a href="#">Cachuma Reservoir</a>	753.**	734.39	193,305	141,362	73.1%	0	-6,644
<a href="#">Jameson Reservoir</a>	2,224.00	2,217.24	4,848	4,039	83.3%	0	-608
<a href="#">Twitchell Reservoir</a>	651.50	544.35	194,971	4,627	2.4%	0	-14,179



# United States Department of the Interior

BUREAU OF RECLAMATION  
Mid-Pacific Region  
South-Central California Area Office  
1243 N Street  
Fresno, CA 93721-1813

IN REPLY REFER TO:

SCC-440

2.2.4.23

JUL 22 2019

VIA ELECTRONIC MAIL AND U.S. POSTAL SERVICE

Mr. Thomas D. Fayram  
Deputy Director of Public Works  
Santa Barbara County Water Agency  
130 East Victoria Street, Suite 200  
Santa Barbara, CA 93101

Subject: Cachuma Reservoir Water Year 2020 Allocation Request - Contract No. 175r-1802R (Contract) - Cachuma Project, California (Request Letter, dated June 14, 2019)

Dear Mr. Fayram:

Reclamation is in receipt of the subject letter (enclosed) pursuant to Article 3(a) of the Contract. We concur with your agency's proposed recommendation to allocate 100% of the Contract total of 25,714 acre-feet in water year 2020.

Any modifications to the initial allocation will be based upon changes in operational and hydrological conditions.

If you have questions, please contact Erma Leal, Repayment Specialist at 559-262-0350, via email at [elead@usbr.gov](mailto:elead@usbr.gov) or for the hearing impaired at TTY 1-800-877-8339.

Sincerely,

ACTING  
FOR

Michael P. Jackson, P.E.  
Area Manager

Enclosure

Santa Barbara County Public Works Department Flood Control Water Agency letter dated June 14, 2019 regarding "Cachuma Reservoir Water Year 2020 Allocation Request".

cc's continued next page.

Subject: Cachuma Reservoir Water Year 2020 Allocation Request-Contract No. I75r-1802R (Contract)-  
Cachuma Project, California (Request Letter, dated June 14, 2019)

cc's continued previous page.

cc: Ms. Janet Gingras  
Cachuma Operation and Maintenance Board  
3301 Laurel Canyon Road  
Santa Barbara, CA 93105

Mr. John McInnes  
Goleta Water District  
4699 Hollister Avenue  
Goleta, CA 93110

Mr. Joshua Haggmark  
City of Santa Barbara  
630 Garden Street  
Santa Barbara, CA 93102  
(each w/enclosure)

Mr. Robert McDonald  
Carpinteria Valley Water District  
1301 Santa Ynez Avenue  
Carpinteria, CA 93013

Mr. Nicholas Turner  
Montecito Water District  
583 Ysidro Road  
Montecito, CA 93150

Mr. Paeter Garcia  
Santa Ynez River Water Conservation  
District Improvement District No. 1  
P.O. Box 157  
Santa Ynez, CA 93460



**CENTRAL COAST WATER AUTHORITY**

**MEMORANDUM**

**TO:** Ray Stokes, Executive Director  
Laura Matthews, Controller

**FROM:** Julie Baker *JB*

**SUBJECT:** Monthly Water Deliveries

November 8, 2019

According to the CCWA revenue meters at each turnout, the following deliveries were made during the month of October, 2019:

<u>Project Participant</u>	<u>Delivery Amount (acre-feet)</u>
Chorro.....	163.07
López.....	128.85
Shandon.....	0.00
Guadalupe.....	60.18
Santa Maria.....	1093.67
Golden State Water Co.....	2.40
Vandenberg.....	320.23
Buellton.....	40.57
Solvang.....	109.34
Santa Ynez ID#1.....	368.63
Bradbury.....	0.00
<b>TOTAL.....</b>	<b>2286.94</b>

In order to reconcile these deliveries with the DWR revenue meter, which read 2255 acre-feet, the following delivery amounts should be used for billing purposes:

<u>Project Participant</u>	<u>Delivery Amount (acre-feet)</u>
Chorro.....	161
López.....	127
Shandon.....	0
Guadalupe.....	59
Santa Maria.....	1070*
Golden State Water Co.....	10*
Vandenberg.....	316
Buellton.....	40
Solvang.....	108
Santa Ynez ID#1.....	364
Bradbury.....	0
<b>TOTAL.....</b>	<b>2255</b>

\*Golden State Water Company delivered 8 acre-feet into its system through the Santa Maria turnout. This delivery is recorded by providing a credit of 8 acre-feet to the City of Santa Maria and a charge in the same amount, to the Golden State Water Company. In addition, 2 acre-feet was delivered through Golden State Turnout.



Notes: Santa Ynez ID#1 water usage is divided into 239 acre-feet of Table A water and 125 acre-feet of exchange water.

The exchange water is allocated as follows

<u>Project Participant</u>	<u>Exchange Amount (acre-feet)</u>
Goleta	45
Santa Barbara	30
Montecito	30
Carpinteria	20
<b>TOTAL</b>	<b>125</b>

**Special Instruction to COMB:**

Please allocate 30 AF from the City of Santa Barbara's share of the Santa Ynez Exchange Volume, as defined in the Santa Ynez Exchange Agreement dated February 1, 1993, to the La Cumbre Mutual Water Agency.

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>

JAB

cc: Tom Bunosky, GWD  
James Luongo, Golden State WC  
Rebecca Bjork, City of Santa Barbara  
Daryl Smith, MWD  
Janet Gingras, COMB  
Craig Kesler, San Luis Obispo County  
Chris Dahlstrom, Santa Ynez RWCD ID#1  
Shad Springer, City of Santa Maria  
Shannon Sweeney, City of Guadalupe  
Robert MacDonald, Carpinteria Valley WD  
Mike Peña, City of Guadalupe  
Mike Alvarado, La Cumbre Mutual WC  
Alex Keuper, CVWD  
Pernell Rush, Vandenberg AFB  
Nick Turner, Montecito WD  
Laura Menahen, Montecito WD  
Matt van der Linden, City of Solvang

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

---

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

Board

MEETING NOTICE

A REGULAR MEETING OF THE FINANCE COMMITTEE  
of the  
CENTRAL COAST WATER AUTHORITY

will be held at 8:45 a.m., on Thursday, October 24, 2019  
at 255 Industrial Way, Buellton, California

THE FOLLOWING ITEMS WILL BE DISCUSSED AT THE MEETING OF THE  
COMMITTEE AND A VOTE MAY BE TAKEN FOR THE PURPOSE OF  
RECOMMENDING ACTION BY THE BOARD OF DIRECTORS.



Eric Friedman  
Chairman

Ed Andrisek  
Vice Chairman

Ray A. Stokes  
Executive Director

Brownstein Hyatt  
Farber Schreck  
General Counsel

*Member Agencies*

City of Buellton

Carpinteria Valley  
Water District

City of Guadalupe

City of Santa Barbara

City of Santa Maria

Goleta Water District

Montecito Water District

Santa Ynez River Water  
Conservation District,  
Improvement District #1

*Associate Member*

La Cumbre Mutual  
Water Company

- I. **Call to Order and Roll Call**
- II. **Public Comment – (Any member of the public may address the Committee relating to any matter within the Committee’s jurisdiction. Individual Speakers may be limited to five minutes; all speakers to a total of fifteen minutes.)**
- III. \* **Minutes of the July 25, 2019 Meeting of the Finance Committee**
- IV. \* **FY 2019/20 First Quarter Investment Report**
- V. \* **Resolution 19-01 Amending the CCWA Rules and Regulations Governing the Policy and Procedures for the Purchase of Services, Supplies and Equipment**
- VI. **Reports from Committee Members for Information Only**
- VII. **Items for Next Regular Meeting Agenda**
  - A. **FY 2019/20 Second Quarter Investment Report**
- VIII. **Date of Next Regular Meeting: January 23, 2020**
- IX. **Adjournment**

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

OCT 17 2019

RECEIVED

255 Industrial Way  
Buellton, CA 93427-9565  
(805) 688-2292  
FAX: (805) 686-4700

\* Indicates attachment of document to agenda packet.



Board



A Meeting of the  
**BOARD OF DIRECTORS  
OF THE  
CENTRAL COAST WATER AUTHORITY**

will be held at 9:00 a.m., on Thursday, October 24, 2019  
at 255 Industrial Way, Buellton, California

Eric Friedman  
Chairman

Ed Andrisek  
Vice Chairman

Ray A. Stokes  
Executive Director

Brownstein Hyatt  
Farber Schreck  
General Counsel

*Member Agencies*

City of Buellton

Carpinteria Valley  
Water District

City of Guadalupe

City of Santa Barbara

City of Santa Maria

Goleta Water District

Montecito Water District

Santa Ynez River Water  
Conservation District,  
Improvement District #1

*Associate Member*

La Cumbre Mutual  
Water Company

**I. Call to Order and Roll Call**

**II. Public Comment – (Any member of the public may address the Board relating to any matter within the Board’s jurisdiction. Individual Speakers may be limited to five minutes; all speakers to a total of fifteen minutes.)**

**III. Consent Calendar**

- \* A. Approve Minutes of the September 26, 2019 Regular Meeting
- \* B. Approve Bills
- \* C. Controller’s Report
- \* D. Operations Report

**IV. Executive Director’s Report**

- A. Water Supply Situation Report
- \* B. 2019 DWR Scheduled Coastal Branch Shutdown
- \* C. Delta Conveyance Project Participation Decision by CCWA
- D. Contract Assignment Update
- E. Suspended Table A Reacquisition Update
- F. DWR Enhanced Coastal Branch Planning and Monitoring Proposal
- G. Update on Request for Qualifications for Water Management Consulting Firms
- \* H. FY 2018/19 Year End Budget Status Report
- ◆ I. Finance Committee
  - 1. FY 2019/20 First Quarter Investment Report
  - 2. Resolution 19-01 Amending the CCWA Rules and Regulations Governing the Policy and Procedures for the Purchase of Services, Supplies and Equipment
- \* J. Hyper-converged Technology (Nutanix Infrastructure) Project

**V. Reports from Board Members for Information Only**

**VI. Items for Next Regular Meeting Agenda**

**VII. Date of Next Regular Meeting: January 23, 2020**  
(Consider canceling the November and December regular meetings)

**VIII. Adjournment**

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

OCT 17 2019

RECEIVED

255 Industrial Way  
Buellton, CA 93427-9565  
(805) 688-2292  
FAX: (805) 686-4700

- \* Indicates attachment of document to original agenda packet.
- ◆ Indicates enclosure of document with original agenda packet.

#46709\_1.docx





CENTRAL COAST WATER AUTHORITY

MEMORANDUM

TO: Ray Stokes, Executive Director  
Laura Matthews, Controller

October 8, 2019

FROM: Julie Baker *JB*

SUBJECT: Monthly Water Deliveries

According to the CCWA revenue meters at each turnout, the following deliveries were made during the month of September, 2019:

<u>Project Participant</u>	<u>Delivery Amount (acre-feet)</u>
Chorro.....	171.81
López.....	74.16
Shandon.....	0.00
Guadalupe.....	51.26
Santa Maria.....	1040.97
Golden State Water Co.....	0.43
Vandenberg.....	303.22
Buellton.....	40.16
Solvang.....	115.16
Santa Ynez ID#1.....	482.27
Bradbury.....	0.00
<b>TOTAL.....</b>	<b>2279.44</b>

In order to reconcile these deliveries with the DWR revenue meter, which read 2250 acre-feet, the following delivery amounts should be used for billing purposes:

<u>Project Participant</u>	<u>Delivery Amount (acre-feet)</u>
Chorro.....	170
López.....	73
Shandon.....	0
Guadalupe.....	51
Santa Maria.....	979*
Golden State Water Co.....	48*
Vandenberg.....	299
Buellton.....	40
Solvang.....	114
Santa Ynez ID#1.....	476
Bradbury.....	0
<b>TOTAL.....</b>	<b>2250</b>

\*Golden State Water Company delivered 48 acre-feet into its system through the Santa Maria turnout. This delivery is recorded by providing a credit of 48 acre-feet to the City of Santa Maria and a charge in the same amount, to the Golden State Water Company.

Notes: Santa Ynez ID#1 water usage is divided into 0 acre-feet of Table A water and 476 acre-feet of exchange water.

The exchange water is allocated as follows

<u>Project Participant</u>	<u>Exchange Amount (acre-feet)</u>
Goleta	172
Santa Barbara	114
Montecito	114
Carpinteria	76
<b>TOTAL</b>	<b>476</b>

**Special Instruction to COMB:**

Please allocate 93 AF from the City of Santa Barbara's share of the Santa Ynez Exchange Volume, as defined in the Santa Ynez Exchange Agreement dated February 1, 1993, to the La Cumbre Mutual Water Agency.

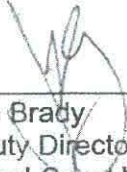
Bradbury Deliveries into Lake Cachuma are allocated as follows:

<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>

JAB

cc: Tom Bunosky, GWD  
James Luongo, Golden State WC  
Rebecca Bjork, City of Santa Barbara  
Daryl Smith, MWD  
Janet Gingras, COMB  
Craig Kesler, San Luis Obispo County  
Chris Dahlstrom, Santa Ynez RWCD ID#1  
Shad Springer, City of Santa Maria  
Shannon Sweeney, City of Guadalupe  
Robert MacDonald, Carpinteria Valley WD  
Mike Peña, City of Guadalupe  
Mike Alvarado, La Cumbre Mutual WC  
Alex Keuper, CVWD  
Pernell Rush, Vandenberg AFB  
Nick Turner, Montecito WD  
Laura Menahen, Montecito WD  
Matt van der Linden, City of Solvang

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

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

Board



# United States Department of the Interior

BUREAU OF RECLAMATION  
Mid-Pacific Region  
South-Central California Area Office  
1243 N Street  
Fresno, CA 93721-1813

IN REPLY REFER TO:

SCC-435  
2.2.4.21

OCT 09 2019

Board of Directors  
Attention: Mr. Kevin Walsh  
Santa Ynez River Water Conservation District  
P.O. Box 719  
Santa Ynez, CA 93460-0719

Subject: Cachuma Downstream Water Rights Operations – Santa Ynez River Downstream Water Users Accounting – Cachuma Project, California – Mid-Pacific Region

Dear Board Members:

Enclosed is a copy of the Santa Ynez River Downstream Water Users Accounting Report for August 2019. As of August 31, 2019, the balance of the Above Narrows Account is positive 15,546 acre-foot (AF) and Below Narrows Account is positive 4,098 AF.

If you have any questions regarding the report, please feel free to contact me at (559) 262-0304 or Mr. Issac Lee at (559) 262-0359, or for the hearing impaired at TTY (800) 877-8339.

Sincerely,

Duane Stroup  
Deputy Area Manager

Enclosures - 2

cc: Mrs. Janet Gingras  
Cachuma Operation and Maintenance Board  
3301 Laurel Canyon Road  
Santa Barbara, CA 93105-2017  
(w/encl)

City Administrator  
City of Lompoc  
100 Civic Center Plaza  
Lompoc, CA 93438-8001  
(w/encl)

Mr. Art Hibbits  
1251 East Highway 246  
Lompoc, CA 93436  
(w/encl)

Mr. Mark Altshuler  
725 Mercury Ave  
Lompoc, CA 93436  
(w/encl)

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

OCT 21 2019  
RECEIVED

C A C H U M A  
 Santa Ynez River - Downstream Users Accounting  
 August 2019

SUMMARY

RESERVOIR		211.2
	Computed Inflow . . . . .	
Releases . . . . .		415.1
Fish	415.1	
Water rights	0.0	
Leakage	0.0	
Spills . . . . .		0.0
Valves	0.0	
Spillway	0.0	
Leakage	0.0	
	Total Downstream Releases . .	415.1
Diversions . . . . .		1939.8
South Coast	1936.8	
Park (SYRWCD ID #1)	3.0	
SYRWCD ID #1	0.0	
	Total Reservoir Outflows . .	2354.9
CCWA Inflow	0.0	
Releases Affecting Accounts	0.0	
Project Savings	0.0	
ABOVE NARROWS ACCOUNT (ANA)		
Previous Months ANA . . . . .		15335.0
ANA Credit	211.2	
Releases from ANA	0.0	
BNA Releases Not Reaching Narrows	0.0	
ANA Dewatered Storage: Current	19542.0	
Previous	19536.0	
Change	6.0	
Spills Reducing ANA	0.0	
Current ANA . . . . .		15546.2
BELOW NARROWS ACCOUNT (BNA)		
Previous Months BNA . . . . .		4098.0
Measured Flow at Narrows	0.0	
Salsipuedes Creek Contribution	27.5	
Releases from BNA	0.0	
BNA Releases Reaching Narrows	0.0	
Constructive Flow at Narrows	0.0	
Elevation of Indicator well (feet)	68.6	
Percolation from Measured Flow	0.0	
Percolation from Constructive Flow	0.0	
BNA Credit	0.0	
Spills Reaching Narrows	0.0	
BNA Dewatered Storage: Current	17859.0	
Previous	16958.0	
Change	901.0	
Spills Reducing BNA	0.0	
Current BNA . . . . .		4098.0

Notes: All values are in acre-feet unless otherwise indicated.  
 Date of Report: 09/19/2019  
 USING SAN LUCAS CREEK AS FIRST CHECKPOINT  
 UPSTREAM OPERATIONS ADJUSTMENT ALL NEG OR ZERO

Board



# United States Department of the Interior

BUREAU OF RECLAMATION  
Mid-Pacific Region  
South-Central California Area Office  
1243 N Street  
Fresno, CA 93721-1813

IN REPLY REFER TO:  
SCC-435  
2.2.4.21

OCT 09 2019

Board of Directors  
Attention: Mr. Kevin Walsh  
Santa Ynez River Water Conservation District  
P.O. Box 719  
Santa Ynez, CA 93460-0719

Subject: Cachuma Downstream Water Rights Operations – Santa Ynez River Downstream Water Users Accounting – Cachuma Project, California – Mid-Pacific Region

Dear Board Members:

Enclosed is a copy of the Santa Ynez River Downstream Water Users Accounting Report for July 2019. As of July 31, 2019, the balance of the Above Narrows Account is positive 15,335 acre-feet (AF) and Below Narrows Account is positive 4,098 AF.

If you have any questions regarding the report, please feel free to contact me at (559) 262-0304 or Mr. Issac Lee at (559) 262-0359, or for the hearing impaired at TTY (800) 877-8339.

Sincerely,

Duane Stroup  
Deputy Area Manager

Enclosures - 2

cc: Mrs. Janet Gingras  
Cachuma Operation and Maintenance Board  
3301 Laurel Canyon Road  
Santa Barbara, CA 93105-2017  
(w/encl)

Mr. Art Hibbits  
1251 East Highway 246  
Lompoc, CA 93436  
(w/encl)

City Administrator  
City of Lompoc  
100 Civic Center Plaza  
Lompoc, CA 93438-8001  
(w/encl)

Mr. Mark Altshuler  
725 Mercury Ave  
Lompoc, CA 93436  
(w/encl)

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

OCT 21 2019

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C A C H U M A  
 Santa Ynez River - Downstream Users Accounting  
 July 2019

SUMMARY

RESERVOIR		471.9
	Computed Inflow . . . . .	
Releases . . . . .		424.3
Fish	424.3	
Water rights	0.0	
Leakage	0.0	
Spills . . . . .		0.0
Valves	0.0	
Spillway	0.0	
Leakage	0.0	
	Total Downstream Releases . . .	424.3
Diversions . . . . .		1706.7
South Coast	1703.7	
Park (SYRWCD ID #1)	3.0	
SYRWCD ID #1	0.0	
	Total Reservoir Outflows . . .	2130.9
CCWA Inflow	0.0	
Releases Affecting Accounts	0.0	
Project Savings	0.0	
ABOVE NARROWS ACCOUNT (ANA)		
Previous Months ANA . . . . .		14863.0
ANA Credit	471.9	
Releases from ANA	0.0	
BNA Releases Not Reaching Narrows	0.0	
ANA Dewatered Storage: Current	19536.0	
Previous	19521.0	
Change	15.0	
Spills Reducing ANA	0.0	
Current ANA . . . . .		15334.9
BELOW NARROWS ACCOUNT (BNA)		
Previous Months BNA . . . . .		4098.0
Measured Flow at Narrows	55.6	
Salsipuedes Creek Contribution	61.0	
Releases from BNA	0.0	
BNA Releases Reaching Narrows	0.0	
Constructive Flow at Narrows	55.6	
Elevation of Indicator well (feet)	68.3	
Percolation from Measured Flow	55.6	
Percolation from Constructive Flow	55.6	
BNA Credit	0.0	
Spills Reaching Narrows	0.0	
BNA Dewatered Storage: Current	16958.0	
Previous	15711.0	
Change	1247.0	
Spills Reducing BNA	0.0	
Current BNA . . . . .		4098.0

Notes: All values are in acre-feet unless otherwise indicated.  
 Date of Report: 08/13/2019  
 USING SAN LUCAS CREEK AS FIRST CHECKPOINT  
 UPSTREAM OPERATIONS ADJUSTMENT ALL NEG OR ZERO



# United States Department of the Interior

BUREAU OF RECLAMATION  
Mid-Pacific Region  
South-Central California Area Office  
1243 N Street  
Fresno, CA 93721-1813

IN REPLY REFER TO:  
SCC-435  
2.2.4.21

OCT 09 2019

Board of Directors  
Attention: Mr. Kevin Walsh  
Santa Ynez River Water Conservation District  
P.O. Box 719  
Santa Ynez, CA 93460-0719

Subject: Cachuma Downstream Water Rights Operations – Santa Ynez River Downstream Water Users Accounting – Cachuma Project, California – Mid-Pacific Region

Dear Board Members:

Enclosed is a copy of the Santa Ynez River Downstream Water Users Accounting Report for June 2019. As of June 30, 2019, the balance of the Above Narrows Account is positive 14,863 acre-feet (AF) and Below Narrows Account is positive 4,098 AF.

If you have any questions regarding the report, please feel free to contact me at (559) 262-0304 or Mr. Issac Lee at (559) 262-0359, or for the hearing impaired at TTY (800) 877-8339.

Sincerely,

Duane Stroup  
Deputy Area Manager

Enclosures - 2

cc: Mrs. Janet Gingras  
Cachuma Operation and Maintenance Board  
3301 Laurel Canyon Road  
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725 Mercury Ave  
Lompoc, CA 93436  
(w/encl)

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

OCT 21 2019  
RECEIVED

C A C H U M A  
 Santa Ynez River - Downstream Users Accounting  
 June 2019

SUMMARY

RESERVOIR		Computed Inflow . . . . .	1584.9
Releases . . . . .			410.5
Fish	410.5		
Water rights	0.0		
Leakage	0.0		
Spills . . . . .			0.0
Valves	0.0		
Spillway	0.0		
Leakage	0.0		
	Total Downstream Releases . .		410.5
Diversions . . . . .			1260.7
South Coast	1258.6		
Park (SYRWCD ID #1)	2.1		
SYRWCD ID #1	0.0		
	Total Reservoir Outflows . .		1671.2
CCWA Inflow	0.0		
Releases Affecting Accounts	0.0		
Project Savings	0.0		
ABOVE NARROWS ACCOUNT (ANA)			
Previous Months ANA . . . . .			13278.0
ANA Credit	1584.9		
Releases from ANA	0.0		
BNA Releases Not Reaching Narrows	0.0		
ANA Dewatered Storage: Current	19521.0		
Previous	18046.0		
Change	1475.0		
Spills Reducing ANA	0.0		
Current ANA . . . . .			14862.9
BELOW NARROWS ACCOUNT (BNA)			
Previous Months BNA . . . . .			3029.0
Measured Flow at Narrows	313.8		
Salsipuedes Creek Contribution	109.3		
Releases from BNA	0.0		
BNA Releases Reaching Narrows	0.0		
Constructive Flow at Narrows	1898.7		
Elevation of Indicator well (feet)	68.5		
Percolation from Measured Flow	313.8		
Percolation from Constructive Flow	1383.0		
BNA Credit	1069.2		
Spills Reaching Narrows	0.0		
BNA Dewatered Storage: Current	15711.0		
Previous	16075.0		
Change	-364.0		
Spills Reducing BNA	0.0		
Current BNA . . . . .			4098.2

Notes: All values are in acre-feet unless otherwise indicated.  
 Date of Report: 08/01/2019  
 USING SAN LUCAS CREEK AS FIRST CHECKPOINT  
 UPSTREAM OPERATIONS ADJUSTMENT ALL NEG OR ZERO

# CIMIS Daily Report

Rendered in ENGLISH Units.

Tuesday, October 1, 2019 - Thursday, October 31, 2019

Printed on Friday, November 1, 2019

## Santa Ynez - Central Coast Valleys - Station 64

Date	ETo (in)	Precip (in)	Soi 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)
10/1/2019	0.16	0.00	513 R	8.2	76.2	35.2	53.7	93	24	58	39.4	3.3	78.9	74.4
10/2/2019	0.17	0.00	510 R	7.6	82.4	33.5 Y	55.8	89	19	50	37.6	2.9	69.5	74.0
10/3/2019	0.16	0.00	497	9.2	82.5	36.7	56.7	92	20	59	42.4	3.4	82.2	74.0
10/4/2019	0.16	0.00	491	9.8	80.2	41.8	56.4	100	30	63	44.0	3.5	82.9	74.2
10/5/2019	0.17	0.00	498 R	7.7	89.6	33.7	59.3	87	16	45	37.8	2.8	66.3	73.8
10/6/2019	0.17	0.00	486	8.2	92.7	40.8	63.6	78	15	41	39.4	2.7	63.7	74.2
10/7/2019	0.17	0.00	484	8.3	93.1	40.5	63.3	81	10	42	39.7	2.8	68.0	74.6
10/8/2019	0.16	0.00	481	10.3	87.7	41.8	60.9	98	22	56	45.3	3.3	79.0	74.8
10/9/2019	0.12	0.00	422	12.4	71.2	48.8	56.4	100	51	80	50.3	3.8	91.8	74.8 Y
10/10/2019	0.14	0.00	425	10.9	81.9	48.3	60.6	95	28	60	46.8	3.1	74.3	74.5 Y
10/11/2019	0.16	0.00	480 R	4.8 Y	87.3	33.5	57.9	82	5	29 Y	26.1 Y	2.7	64.6	74.2 Y
10/12/2019	0.16	0.00	472 R	3.9 Y	87.2	33.5	57.9	63	6	24 Y	21.1 Y	2.7	65.1	73.4
10/13/2019	0.16	0.00	457	6.2	82.3	34.2	55.8	78	12	41	32.5	3.1	75.4	72.8
10/14/2019	0.13	0.00	443	9.6	76.3	38.3	53.7	100	31	68	43.4	3.1	73.9	72.5
10/15/2019	0.14	0.00	430	10.8	85.5	41.8	57.7	100	25	66	46.6	3.1	74.6	72.3
10/16/2019	0.11	0.00	355	11.0	79.1	38.6	57.3	93	37	69	47.2	3.0	70.9	72.2
10/17/2019	0.14	0.00	426	11.7	75.9	49.6	59.4	95	44	67	48.6	4.3	104.2	72.2
10/18/2019	0.16	0.00	436	9.0	82.7	45.1	61.9	83	16	47	41.7	4.4	106.0	72.0
10/19/2019	0.16	0.00	428	9.6	83.8	39.1	60.6	94	18	53	43.4	4.4	104.9	71.7
10/20/2019	0.18 R	0.00	422	9.1	86.6	48.0	69.2 Y	90 H	18 H	37 Y	42.0 Y	5.1	122.7	71.8
10/21/2019	0.15	0.00	418	8.9	93.5	45.4	65.9	72	16	41	41.5	2.5	61.2	72.4
10/22/2019	0.16	0.00	423	8.7	98.5 Y	43.5	66.8 Y	79	10	39 Y	41.0 Y	2.9	69.2	72.9 Y
10/23/2019	0.15	0.00	403	8.9	95.0	41.4	64.0	81	12	44	41.5	2.8	67.8	73.1 Y
10/24/2019	0.17	0.00	410	6.0	97.7 Y	42.1	66.4 Y	82	5	27 Y	31.5 Y	3.3	80.0	73.0 Y
10/25/2019	0.15	0.00	408	4.8 Y	95.5	39.1	63.4	62	6	24 Y	26.0 Y	2.6	63.5	72.7 Y
10/26/2019	0.14	0.00	373	8.6	90.1	39.1	60.7	96	13	47	40.5	3.1	74.7	72.4 Y
10/27/2019	0.09	0.00	325	12.4	72.9	45.0	56.7	98	53	79	50.2	3.4	82.2	72.2 Y
10/28/2019	0.12	0.00	383	8.0	75.4	36.9	53.2	94	24	58	38.8	3.0	71.1	71.4
10/29/2019	0.12	0.00	381	7.0	74.6	30.2	50.1	84	20	57	35.5	3.0	70.9	70.1
10/30/2019	0.13	0.00	388	5.1	78.2	31.3	52.1	90	12	39	27.8	3.4	80.5	69.2
10/31/2019	0.11	0.00	398 R	3.7 Y	78.7	24.4 Y	48.3	78	2	32 Y	19.6 Y	2.5	59.0	68.3
Tots/Avgs	4.57	0.00	434	8.4	84.3	39.4	58.9	87	20	50	39.0	3.2	77.4	72.8

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

SANTA YNEZ RIVER WATER  
CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
JUNE 30, 2019 AND 2018  
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:**

### *Report on the Financial Statements*

We have audited the accompanying 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, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America as well as the accounting systems prescribed by the State Controller's Office and state regulations governing special districts; this includes 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, and the State Controller's *Minimum Audit Requirements for California Special Districts*. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Santa Ynez River Water Conservation District, Improvement District No. 1, as of June 30, 2019 and 2018, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America, as well as the accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

## *Other Matters*

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis on pages 3 through 9, 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 40, California Public Employees' Retirement System - Schedule of Contributions on page 41, and Other Post-Employment Benefits (OPEB) Plan - Schedule of Changes in the Net OPEB Liability and Related Ratios on page 42 be presented to supplement the basic financial statements. Such information, 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 audits 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.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion 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 43 is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The Supplemental Schedule of Revenues and Expenses - Actual and Budget 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. Such 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 the basic financial statements as a whole.

Santa Barbara, California  
November 19, 2019



**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 ("The District's") financial condition and activities for the fiscal year ending June 30, 2019. 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 Law of 1931, Division 21, Section 74000 et seq. of the California Water Code (the "Act"), for the purposes of furnishing potable domestic and irrigation water within its boundaries. 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. Based on the U.S. Census Bureau, the population was modified to account for 2010 census data and updated to the year 2012, the District's population is approximately 6,737 (excluding the City of Solvang) and currently provides water to approximately 2,594 municipal and industrial customers and approximately 115 agricultural customers.

The District obtains its water supplies from the Cachuma Project/State Water exchange, direct diversions from the Cachuma Project, deliveries from the State Water Project, produces water from the Santa Ynez Uplands Groundwater Basin, and diverts water 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 beneficial uses to its domestic and agricultural accounts. The District has maintained a staff of fifteen full-time employees and two part-time employees to carry out this purpose in fiscal year 2018/2019.

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 delegated to 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.

**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 significant 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.

**IMPROVEMENT DISTRICT NO. 1****MANAGEMENT'S DISCUSSION AND ANALYSIS****Overview of Financial Statements (Continued)**

The District's budget is prepared on the 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, 2019, the District's net position increased by a total of \$2,596,902 (11.34%). The District's operating revenues increased by \$488,821 (4.63%) and operating expenses increased by \$182,913 (2.17%). Non-operating income increased by \$305,566 (29.70%) and non-operating expenses increased in the current year by \$266,185 (29.60%).

**Balance Sheet**

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

	2019	2018	2017	2019-2018 Variance		2018-2017 Variance		
				Dollars	Percent	Dollars	Percent	
<b>Assets:</b>								
Current assets	\$ 20,664,841	\$ 17,879,992	\$ 15,138,409	\$ 2,784,849	15.58%	\$ 2,741,583	18.11%	
Noncurrent assets:								
Restricted assets	483,898	401,663	401,656	82,235	20.47%	7	0.00%	
Capital assets, net	13,949,343	13,943,643	14,184,341	5,700	0.04%	(240,698)	-1.70%	
Intangible assets, net	-	-	9,307	-	0.00%	(9,307)	-100.00%	
<b>Total Assets</b>	<b>\$ 35,098,082</b>	<b>\$ 32,225,298</b>	<b>\$ 29,733,713</b>	<b>\$ 2,872,784</b>	<b>8.91%</b>	<b>\$ 2,491,585</b>	<b>8.38%</b>	
<b>Deferred Outflows of Resources:</b>								
Deferred outflows	\$ 733,022	\$ 779,587	\$ 588,104	\$ (46,565)	-5.97%	\$ 191,483	32.56%	
<b>Total Deferred Outflows of Resources</b>	<b>\$ 733,022</b>	<b>\$ 779,587</b>	<b>\$ 588,104</b>	<b>\$ (46,565)</b>	<b>-5.97%</b>	<b>\$ 191,483</b>	<b>32.56%</b>	
<b>Liabilities:</b>								
Current liabilities	\$ 4,569,346	\$ 4,187,844	\$ 3,981,985	\$ 381,502	9.11%	\$ 205,859	5.17%	
Long term liabilities	5,281,141	5,403,656	4,323,447	(122,515)	-2.27%	1,080,209	24.98%	
<b>Total Liabilities</b>	<b>\$ 9,850,487</b>	<b>\$ 9,591,500</b>	<b>\$ 8,305,432</b>	<b>\$ 258,987</b>	<b>2.70%</b>	<b>\$ 1,286,068</b>	<b>15.48%</b>	
<b>Deferred Inflows of Resources:</b>								
Deferred inflows	\$ 488,811	\$ 518,481	\$ 75,294	\$ (29,670)	-5.72%	\$ 443,187	588.61%	
<b>Total Deferred Inflows of Resources</b>	<b>\$ 488,811</b>	<b>\$ 518,481</b>	<b>\$ 75,294</b>	<b>\$ (29,670)</b>	<b>-5.72%</b>	<b>\$ 443,187</b>	<b>588.61%</b>	
<b>Net Position:</b>								
Net investment in capital assets	\$ 12,985,928	\$ 12,722,569	\$ 12,710,608	\$ 263,359	2.07%	\$ 11,961	0.09%	
Restricted	483,898	401,663	401,656	82,235	20.47%	7	0.00%	
Unrestricted, reserved	8,415,029	7,366,723	5,626,031	1,048,306	14.23%	1,740,692	30.94%	
Unrestricted, unreserved	3,606,951	2,403,949	3,202,796	1,203,002	50.04%	(798,847)	-24.94%	
<b>Total Net Position</b>	<b>\$ 25,491,806</b>	<b>\$ 22,894,904</b>	<b>\$ 21,941,091</b>	<b>\$ 2,596,902</b>	<b>11.34%</b>	<b>\$ 953,813</b>	<b>4.35%</b>	

**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 \$25,491,806 and \$22,894,904 as of June 30, 2019 and 2018, respectively.

The largest portion of the District's total net position is its net investment in capital assets, in the amount of \$12,985,928 at June 30, 2019 and \$12,722,569 at June 30, 2018. 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 \$5,700 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 \$257,659 equates to the increase in total net position invested in capital assets of \$263,359 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 \$483,898 and \$401,663 at June 20, 2019 and 2018, 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**

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**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:

	2019	2018	2017	2019-2018 Variance		2018-2017 Variance	
				Dollars	Percent	Dollars	Percent
Operating revenues	\$ 11,045,677	\$ 10,556,856	\$ 8,942,010	\$ 488,821	4.63%	\$ 1,614,846	18.06%
Operating expenses	8,617,702	8,434,789	8,191,509	182,913	2.17%	243,280	2.97%
<b>Total Operating Income</b>	<b>2,427,975</b>	<b>2,122,067</b>	<b>750,501</b>	<b>305,908</b>	<b>14.42%</b>	<b>1,371,566</b>	<b>182.75%</b>
Non-operating income	1,334,244	1,028,678	1,185,564	305,566	29.70%	(156,886)	-13.23%
Non-operating expense	1,165,317	899,132	910,715	266,185	29.60%	(11,583)	-1.27%
<b>Total Non-operating Inc (Exp)</b>	<b>168,927</b>	<b>129,546</b>	<b>274,849</b>	<b>39,381</b>	<b>30.40%</b>	<b>(145,303)</b>	<b>-52.87%</b>
<b>Change in net position</b>	<b>2,596,902</b>	<b>2,251,613</b>	<b>1,025,350</b>	<b>345,289</b>	<b>15.34%</b>	<b>1,226,263</b>	<b>119.59%</b>
Net Position at beginning of year, as originally presented	22,894,904	21,941,091	20,915,741	953,813	4.35%	1,025,350	4.90%
Prior period adjustment	-	(1,297,800)	-	1,297,800	-100.00%	(1,297,800)	100.00%
Net Position at beginning of year, as restated	22,894,904	20,643,291	20,915,741	2,251,613	10.91%	(272,450)	100.00%
<b>Net Position at End of Year</b>	<b>\$ 25,491,806</b>	<b>\$ 22,894,904</b>	<b>\$ 21,941,091</b>	<b>\$ 2,596,902</b>	<b>11.34%</b>	<b>\$ 953,813</b>	<b>4.35%</b>

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

The District reported a total increase in net position of \$2,596,902 for the year ended June 30, 2019, as compared to an increase in net position of \$953,813 (which included a prior period decrease of \$1,297,800) for the year ended June 30, 2018.

Operating revenues increased by \$488,821 during the fiscal year ended June 30, 2019, primarily due to an increase in water rates. The District implemented the third water rate increase of a five-year adopted water rate schedule effective January 1, 2019.

Operating expenses increased by \$182,913 during the fiscal year ended June 30, 2019 due to a combination of the following factors: Source of supply expenses decreased by \$276,775 overall, which was mainly driven by a decrease in state water expenses of \$458,161, offset by an increase in Cachuma water entitlement costs of \$76,315 and increased costs related to maintenance of wells, reservoirs and structures in the amount of \$132,230. State water contract expenses paid on behalf of the City of Solvang increased by \$308,767 which was fully offset by an increase in state water contract operating revenue. Pumping expense decreased by \$112,128 primarily due to the District being charged approximately \$125,000 in the prior year for billing in arrears related to a well which had erroneously never been set up by the electric utility. The District also had a \$200,240 increase in total program and study fees which was driven by a 2018 Settlement Agreement with the Cachuma Operation and Maintenance Board related to certain 2000 Biological Opinion expenses as obligations of the United States Bureau of Reclamation.

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

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

Non-operating revenues increased by \$305,566 from the prior year due to increases in capital facilities fees of \$107,720, investment income of \$164,354, and special assessments revenue of \$33,492.

Non-operating expenses increased in total by \$266,185 from the prior year due primarily to increases in unanticipated and special legal fees of \$139,428 and loss on disposal of assets which increased by \$114,766.

**Capital Assets**

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

**Capital Assets**

	2019	2018	2017	2019-2018 Variance		2018-2017 Variance	
				Dollars	Percent	Dollars	Percent
Land and water rights	\$ 503,317	\$ 503,317	\$ 503,317	\$ -	0.00%	\$ -	0.00%
Utility plant	9,039,554	8,995,457	8,170,822	44,097	0.49%	824,635	10.09%
Wells and major repairs	18,008,704	18,128,729	17,968,959	(120,025)	-0.66%	159,770	0.89%
Office building	192,976	195,699	195,699	(2,723)	-1.39%	-	0.00%
Transportation equipment	748,263	683,301	653,143	64,962	9.51%	30,158	4.62%
Office equipment	155,518	156,552	145,916	(1,034)	-0.66%	10,636	7.29%
Other equipment	283,895	255,574	210,011	28,321	11.08%	45,563	21.70%
<b>Total Capital Assets</b>	<b>\$ 28,932,227</b>	<b>\$ 28,918,629</b>	<b>\$ 27,847,867</b>	<b>\$ 13,598</b>	<b>0.05%</b>	<b>\$ 1,070,762</b>	<b>3.85%</b>
Less accumulated depreciation	(15,481,880)	(15,020,358)	(14,349,792)	(461,522)	3.07%	(670,566)	4.67%
<b>Subtotal</b>	<b>\$ 13,450,347</b>	<b>\$ 13,898,271</b>	<b>\$ 13,498,075</b>	<b>\$ (447,924)</b>	<b>-3.22%</b>	<b>\$ 400,196</b>	<b>2.96%</b>
Construction in progress	498,996	45,372	686,266	453,624	999.79%	(640,894)	-93.39%
<b>Net Capital Assets</b>	<b>\$ 13,949,343</b>	<b>\$ 13,943,643</b>	<b>\$ 14,184,341</b>	<b>\$ 5,700</b>	<b>0.04%</b>	<b>\$ (240,698)</b>	<b>-1.70%</b>

**Capital Assets Analysis**

The District's net capital assets as of June 30, 2019 and 2018 including construction in progress were \$13,949,343 and \$13,943,643, respectively. Capital asset additions including construction in progress during 2018/2019 totaled \$873,137 which related primarily to Well #29 drilling and construction, valve installations, hydrant replacements and other equipment purchases. This increase was offset by depreciation expense of \$725,535 and disposals with a net book value of \$141,902. The resulting overall increase in net capital assets was \$5,700, 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:

Bonds Payable	2019	2018	2017	2019-2018 Variance		2018-2017 Variance	
				Dollars	Percent	Dollars	Percent
Revenue Bonds	\$ 955,000	\$ 1,210,000	\$ 1,460,000	\$ (255,000)	-21.07%	\$ (250,000)	-17.12%
Premium (Discount) on Bonds	8,415	11,074	13,733	(2,659)	-24.01%	(2,659)	-19.36%
<b>Total Outstanding Bonds</b>	<b>\$ 963,415</b>	<b>\$ 1,221,074</b>	<b>\$ 1,473,733</b>	<b>\$ (257,659)</b>	<b>-21.10%</b>	<b>\$ (252,659)</b>	<b>-17.14%</b>

**Long Term Debt Analysis**

As of June 30, 2019, the District had total outstanding debt of \$963,415 related to the issuance of the Series 2004 A 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, 2019 and 2018**

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**ASSETS**

	<b>2019</b>	<b>2018</b>
<b>Current Assets:</b>		
Cash	\$ 2,089,247	\$ 2,785,340
Investments, cash equivalents	12,034,149	9,394,745
Accounts receivable	868,401	910,066
Interest receivable	82,087	39,055
Inventories	145,650	168,660
Prepaid CCWA expenses	4,207,487	3,367,671
Prepaid water	149,439	114,695
Prepaid expenses and deposits	1,088,381	1,099,760
Total current assets	20,664,841	17,879,992
<b>Restricted Assets:</b>		
Cash	374,686	292,451
Investments, cash equivalents	109,212	109,212
Total restricted assets	483,898	401,663
<b>Capital Assets:</b>		
Capital assets	28,932,227	28,918,629
Less: accumulated depreciation	(15,481,880)	(15,020,358)
Construction in progress	498,996	45,372
Net capital assets	13,949,343	13,943,643
Total assets	35,098,082	32,225,298
 <b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>		
Deferred outflows related to pensions	608,359	711,646
Deferred outflows related to OPEB	124,663	67,941
Total deferred outflows of resources	733,022	779,587
Total assets and deferred outflows of resources	\$ 35,831,104	\$ 33,004,885

*See accompanying notes*



**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
BALANCE SHEET  
June 30, 2019 and 2018**

**DRAFT**

**LIABILITIES**

	<b>2019</b>	<b>2018</b>
Current Liabilities:		
Accounts payable	\$ 330,706	\$ 270,046
Accrued expenses	160,967	186,697
Interest payable	17,745	22,261
Current portion of revenue bonds payable	265,000	255,000
Advances payable	3,794,928	3,453,840
Total current liabilities	4,569,346	4,187,844
Long-term Liabilities:		
Net pension liability	1,828,856	1,905,629
Net OPEB liability	2,753,870	2,531,953
Revenue bonds payable, net of current portion	690,000	955,000
Premium on bonds	8,415	11,074
Total long-term liabilities	5,281,141	5,403,656
Total liabilities	9,850,487	9,591,500

**DEFERRED INFLOWS OF RESOURCES**

Deferred inflows related to pensions	79,445	71,900
Deferred inflows related to OPEB	409,366	446,581
Total deferred inflows of resources	488,811	518,481

**NET POSITION**

Net Position:		
Net investment in capital assets	12,985,928	12,722,569
Restricted	483,898	401,663
Unrestricted, reserved	8,415,029	7,366,723
Unrestricted, unreserved	3,606,951	2,403,949
Total net position	25,491,806	22,894,904
Total liabilities, deferred inflows of resources, and net position	\$ 35,831,104	\$ 33,004,885

*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, 2019 and 2018**

	<u>2019</u>	<u>2018</u>
Operating Revenues:		
Water sales	\$ 7,972,394	\$ 7,798,410
State water contract revenue	2,917,426	2,608,659
Miscellaneous billings and fees	155,857	149,787
Total operating revenues	<u>11,045,677</u>	<u>10,556,856</u>
Operating Expenses:		
Source of supply	1,239,374	1,516,149
State water contract expense	2,917,426	2,608,659
Pumping expense	580,331	692,459
Water treatment	38,170	50,513
Transmission and distribution	982,535	648,921
Special programs and study fees	480,752	280,512
Administrative and general	2,379,114	2,637,576
Total operating expenses	<u>8,617,702</u>	<u>8,434,789</u>
Operating income	<u>2,427,975</u>	<u>2,122,067</u>
Other Income:		
Capital facilities fees	133,793	26,073
Investment income	271,954	107,600
Special assessment	928,497	895,005
Total other income	<u>1,334,244</u>	<u>1,028,678</u>
Other Expenses:		
Depreciation and amortization	725,535	702,161
Interest expense	40,216	51,599
Loss on disposal of assets	141,328	26,562
Unanticipated and special legal fees	258,238	118,810
Total other expenses	<u>1,165,317</u>	<u>899,132</u>
Change in net position	2,596,902	2,251,613
Net Position - beginning of year	<u>22,894,904</u>	<u>20,643,291</u>
Net Position - end of year	<u>\$ 25,491,806</u>	<u>\$ 22,894,904</u>

*See accompanying notes*

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
STATEMENT OF CASH FLOWS  
For the years ended June 30, 2019 and 2018**

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	<b>2019</b>	<b>2018</b>
Cash Flows from Operating Activities:		
Cash received from customers	\$ 11,087,342	\$ 10,446,170
Cash payments to suppliers for goods and services	(6,265,135)	(5,181,950)
Cash payments for payroll taxes and employee benefits	(933,969)	(899,555)
Cash payments to employees for services	(1,698,026)	(1,556,215)
Net cash provided by operating activities	2,190,212	2,808,450
Cash Flows from Noncapital Financing Activities:		
Capital facilities fees	133,793	26,073
Special assessments	928,497	895,005
Non-operating unanticipated and special legal fees	(258,238)	(118,810)
Net cash provided by noncapital financing activities	804,052	802,268
Cash Flows from Capital and Related Financing Activities:		
Principal repayments of long-term debt	(255,000)	(250,000)
Interest payments	(47,391)	(58,424)
Proceeds from sale of capital assets	574	-
Capital assets purchased	(895,823)	(425,646)
Net cash used by capital and related financing activities	(1,197,640)	(734,070)
Cash Flows from Investing Activities:		
Interest received	228,922	82,629
Net cash provided by investing activities	228,922	82,629
Net increase in cash	2,025,546	2,959,277
Cash and cash equivalents, beginning of year	12,581,748	9,622,471
Cash and cash equivalents, end of year	\$ 14,607,294	\$ 12,581,748

*See accompanying notes*

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO. 1  
STATEMENT OF CASH FLOWS (Continued)  
For the years ended June 30, 2019 and 2018**

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

	<u>2019</u>	<u>2018</u>
Cash	\$ 2,089,247	\$ 2,785,340
Investments, cash equivalents	12,034,149	9,394,745
Restricted cash	374,686	292,451
Restricted investments, cash equivalents	109,212	109,212
	<u>\$ 14,607,294</u>	<u>\$ 12,581,748</u>

*See accompanying notes*

## 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.

**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 Water**

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.

**IMPROVEMENT DISTRICT NO. 1****NOTES TO FINANCIAL STATEMENTS****Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)****K) Other Postemployment Benefits (OPEB)**

For purposes of measuring the net OPEB liability/asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, 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. Investments are reported at fair value.

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	July 01, 2017
Measurement Date	June 30, 2018
Measurement Period	July 1, 2017 to June 30, 2018

**L) Pension Plan**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, 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, 2017
Measurement Date	June 30, 2018
Measurement Period	July 1, 2017 to June 30, 2018

**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.

## IMPROVEMENT DISTRICT NO. 1

## NOTES TO FINANCIAL STATEMENTS

**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. 84	<i>"Fiduciary Activities"</i>	The requirements of this statement are effective for periods beginning after December 15, 2018. (FY 19/20)
Statement No. 87	<i>"Leases"</i>	The requirements of this statement are effective for periods beginning after December 15, 2019. (FY 20/21)
Statement No. 89	<i>"Accounting for Interest Cost Incurred Before the End of a Construction Period"</i>	The requirements of this statement are effective for periods beginning after December 15, 2019. (FY 20/21)



**IMPROVEMENT DISTRICT NO. 1****NOTES TO FINANCIAL STATEMENTS****Note 2 – Cash and Investments**

Cash and investments are comprised of the following at June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Cash in banks and on hand	\$ 2,177,639	\$ 2,796,078
Cash with fiscal agents	286,294	281,713
Local Agency Investment Fund	<u>12,143,361</u>	<u>9,503,957</u>
Total cash and investments	<u>\$ 14,607,294</u>	<u>\$ 12,581,748</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. The amortized cost approximates fair value. 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).

## IMPROVEMENT DISTRICT NO. 1

## NOTES TO FINANCIAL STATEMENTS

**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, 2019 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 2004 A 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.

The District opened a separate checking account and deposited funds totaling the amount of certain disputed invoices from the Cachuma Operations and Maintenance Board.

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:

	<u>2019</u>	<u>2018</u>
Cash:		
Santa Ynez Indian Reservation	\$ 10,742	\$ 10,738
Series 2004 A COMB Bonds Debt Service	286,294	281,713
Separation agreement checking account	<u>77,650</u>	<u>-</u>
Total Restricted Cash	<u>\$ 374,686</u>	<u>\$ 292,451</u>
Investments, cash equivalents:		
Main extension fees	\$ 20,550	\$ 20,550
Development fees	<u>88,662</u>	<u>88,662</u>
Total Restricted Investments	<u>\$ 109,212</u>	<u>\$ 109,212</u>

## 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, 2019.

	Balance June 30, 2018	Additions	Disposals	Transfers	Balance June 30, 2019
Utility plant	\$ 8,995,457	\$ 45,530	\$ (5,433)	\$ 4,000	\$ 9,039,554
Wells and major repairs	18,128,729	19,974	(362,982)	222,983	18,008,704
Office building	195,699	3,459	(6,182)	-	192,976
Transportation equipment	683,301	87,292	(22,330)	-	748,263
Office equipment	156,552	7,191	(8,225)	-	155,518
Other equipment	255,574	29,084	(763)	-	283,895
Total depreciable assets	<u>28,415,312</u>	<u>192,530</u>	<u>(405,915)</u>	<u>226,983</u>	<u>28,428,910</u>
Land and land rights	<u>503,317</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>503,317</u>
Total capital assets	<u>28,918,629</u>	<u>192,530</u>	<u>(405,915)</u>	<u>226,983</u>	<u>28,932,227</u>
Accumulated depreciation	<u>(15,020,358)</u>	<u>(725,535)</u>	<u>264,013</u>	<u>-</u>	<u>(15,481,880)</u>
Construction in progress	<u>45,372</u>	<u>680,607</u>	<u>-</u>	<u>(226,983)</u>	<u>498,996</u>
Net capital assets	<u>\$ 13,943,643</u>	<u>\$ 147,602</u>	<u>\$ (141,902)</u>	<u>\$ -</u>	<u>\$ 13,949,343</u>

The following is a summary of changes in capital assets for the year ended June 30, 2018.

	Balance June 30, 2017	Additions	Disposals	Transfers	Balance June 30, 2018
Utility plant	\$ 8,170,822	\$ -	\$ -	\$ 824,635	\$ 8,995,457
Wells and major repairs	17,968,959	70,365	(48,850)	138,255	18,128,729
Office building	195,699	-	-	-	195,699
Transportation equipment	653,143	30,158	-	-	683,301
Office equipment	145,916	10,636	-	-	156,552
Other equipment	210,011	45,563	-	-	255,574
Total depreciable assets	<u>27,344,550</u>	<u>156,722</u>	<u>(48,850)</u>	<u>962,890</u>	<u>28,415,312</u>
Land and land rights	<u>503,317</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>503,317</u>
Total capital assets	<u>27,847,867</u>	<u>156,722</u>	<u>(48,850)</u>	<u>962,890</u>	<u>28,918,629</u>
Accumulated depreciation	<u>(14,349,792)</u>	<u>(692,854)</u>	<u>22,288</u>	<u>-</u>	<u>(15,020,358)</u>
Construction in progress	<u>686,266</u>	<u>321,996</u>	<u>-</u>	<u>(962,890)</u>	<u>45,372</u>
Net capital assets	<u>\$ 14,184,341</u>	<u>\$ (214,136)</u>	<u>\$ (26,562)</u>	<u>\$ -</u>	<u>\$ 13,943,643</u>

**IMPROVEMENT DISTRICT NO. 1****NOTES TO FINANCIAL STATEMENTS****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 Ending June 30,	Principal	Interest	Total
2020	\$ 265,000	\$ 36,956	\$ 301,956
2021	260,000	25,475	285,475
2022	210,000	14,900	224,900
2023	220,000	5,088	225,088
Total	<u>\$ 955,000</u>	<u>\$ 82,419</u>	<u>\$ 1,037,419</u>

## IMPROVEMENT DISTRICT NO. 1

## NOTES TO FINANCIAL STATEMENTS

**Note 5 – Revenue Bonds Payable (Continued)**

The following is a summary of activity related to the COMB bonds for the years ending June 30, 2019 and 2018:

	Balance June 30, 2018	Additions/ Issuances	Deductions/ Repayments	Balance June 30, 2019
COMB Revenue Bonds	\$ 1,210,000	\$ -	\$ (255,000)	\$ 955,000
Premium on Bonds	11,074	-	(2,659)	8,415
	<u>\$ 1,221,074</u>	<u>\$ -</u>	<u>\$ (257,659)</u>	<u>\$ 963,415</u>

	Balance June 30, 2017	Additions/ Issuances	Deductions/ Repayments	Balance June 30, 2018
COMB Revenue Bonds	\$ 1,460,000	\$ -	\$ (250,000)	\$ 1,210,000
Premium on Bonds	13,733	-	(2,659)	11,074
	<u>\$ 1,473,733</u>	<u>\$ -</u>	<u>\$ (252,659)</u>	<u>\$ 1,221,074</u>

**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:

	2019	2018
Cash Flows from Operating Activities:		
Operating income	\$ 2,427,975	\$ 2,122,067
Adjustments to reconcile operating income to net cash provided by operating activities:		
(Increase) decrease in:		
Accounts receivable	41,665	(110,686)
Inventories	23,010	5,299
Prepaid expenses and deposits	(863,181)	348,045
Deferred outflows of resources - pension	103,287	(123,542)
Deferred outflows of resources - OPEB	(56,722)	627
Increase (decrease) in:		
Accounts payable	83,346	(84,705)
Accrued expenses	(25,730)	17,565
Net pension liability	(76,773)	254,611
Net OPEB obligation	221,917	(283,111)
Advances payable	341,088	219,093
Deferred inflows of resources - pension	7,545	(3,394)
Deferred inflows of resources - OPEB	(37,215)	446,581
Net cash provided by operating activities	<u>\$ 2,190,212</u>	<u>\$ 2,808,450</u>

## IMPROVEMENT DISTRICT NO. 1

## NOTES TO FINANCIAL STATEMENTS

**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, 2019 and 2018.

	2019	2018
Repair and replacement	\$ 1,954,751	\$ 1,603,490
Debt reserve	595,753	884,221
Plant expansion	2,864,525	1,879,012
SWP Fund Reserve	3,000,000	3,000,000
Total reserves	\$ 8,415,029	\$ 7,366,723

**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.

**IMPROVEMENT DISTRICT NO. 1****NOTES TO FINANCIAL STATEMENTS****Note 8 – Defined Benefit Pension Plan (Continued)**

For employees hired prior to January 1, 2013 and for all classic members as defined by PEPRA, 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 PEPRA, the District does not pay any portion of the employee's required contribution.

The Plan's provisions and benefits in effect at June 30, 2019 and 2018, are summarized as follows:

	<b>Miscellaneous Plan</b>	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
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		
2019	7.00%	6.50%
2018	7.00%	6.50%
Required employer contribution rates		
2019	9.64%	7.27%
2018	9.10%	6.91%

Beginning in fiscal year 2016, 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 \$141,396 and \$117,627 for the fiscal years ended June 30, 2019 and 2018, respectively.

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

As of June 30, 2019 the District reported a liability of \$1,828,856 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, 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, 2017 rolled forward to June 30, 2018 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.

**IMPROVEMENT DISTRICT NO. 1**

**NOTES TO FINANCIAL STATEMENTS**

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

The District’s proportionate share of the net pension liability as of June 30, 2018 and 2017 (measurement dates) was as follows:

Measurement date June 30, 2018		Measurement date June 30, 2017	
Proportion – June 30, 2017	0.04834%	Proportion – June 30, 2016	0.04753%
Proportion – June 30, 2018	<u>0.04853%</u>	Proportion – June 30, 2017	<u>0.04834%</u>
Increase (Decrease)	<u>0.00019%</u>	Increase (Decrease)	<u>0.00081%</u>

For the fiscal years ended June 30, 2019 and 2018, the District recognized pension expense of \$305,861 and \$372,208, respectively. At June 30, 2019 and 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	June 30, 2019		June 30, 2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 271,802	\$ -	\$ 244,533	\$ -
Differences between expected and actual experience	70,170	(23,879)	2,653	(38,015)
Changes in assumptions	208,495	(51,098)	329,222	(25,103)
Changes in employer’s proportion	48,232		58,941	(2,911)
Difference between employer’s contributions and employer’s proportionate share of contributions	619	(4,468)	1,840	(5,871)
Net differences between projected and actual earnings on plan investments	<u>9,041</u>	<u>-</u>	<u>74,457</u>	<u>-</u>
Total	<u>\$ 608,359</u>	<u>\$ (79,445)</u>	<u>\$ 711,646</u>	<u>\$ (71,900)</u>

Employer contributions of \$271,802 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, 2020. 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	
2020	\$ 202,960
2021	122,277
2022	(51,676)
2023	(16,449)
2024	-
	<u>\$ 257,112</u>



## IMPROVEMENT DISTRICT NO. 1

## NOTES TO FINANCIAL STATEMENTS

**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, 2017 and 2016 actuarial valuations (June 30, 2018 and 2017 measurement dates) were determined using the following actuarial assumptions:

	<u>Miscellaneous Plan</u>
Actuarial Cost Method	Entry-Age Normal Cost Method in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	
Measurement Date - 2018	7.15%
Measurement Date - 2017	7.15%
Inflation	
Measurement Date - 2018	2.50%
Measurement Date - 2017	2.75%
Salary Increases	Varies by entry age and service (1)
Investment Rate of Return (2)	
Measurement Date - 2018	7.15%
Measurement Date - 2017	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, 2.75% thereafter

(1) Depending on age, service and type of employment

(2) 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.

## IMPROVEMENT DISTRICT NO. 1

## NOTES TO FINANCIAL STATEMENTS

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

**Change of Assumption** – During the measurement period ended June 30, 2018, demographic assumptions and inflation rate were changed in accordance with the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. Further details of the Experience Study can be found on the CalPERS website.

**Discount Rate** – The discount rate used to measure the total pension liability was 7.15% for the measurement periods ending June 30, 2018 and 2017. 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 best-estimate ranges of 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 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 rounded down to the nearest one quarter of one percent.

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

Asset Class	Measurement Date June 30, 2018			Measurement Date June 30, 2017		
	Net Strategic Allocation	Real Return Years 1 -10(a)	Real Return Years 11+(b)	Net Strategic Allocation	Real Return Years 1 -10(c)	Real Return Years 11+(d)
Global Equity	50.00%	4.80%	5.98%	47.00%	4.90%	5.38%
Global Fixed Income	28.00%	1.00%	2.62%	19.00%	0.80%	2.27%
Inflation Sensitive	0.00%	0.77%	1.81%	6.00%	0.60%	1.39%
Private Equity	8.00%	6.30%	7.23%	12.00%	6.60%	6.63%
Real Estate	13.00%	3.75%	4.93%	11.00%	2.80%	5.21%
Liquidity	1.00%	0.00%	-0.92%	2.00%	-0.40%	-0.90%

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

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

(c) An expected inflation of 2.5% used for this period.

(d) An expected inflation of 3.0% used for this period.

## IMPROVEMENT DISTRICT NO. 1

## NOTES TO FINANCIAL STATEMENTS

**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	
	2019	2018
1% Decrease	6.15%	6.15%
Net Pension Liability	\$ 2,947,994	\$ 2,990,840
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$ 1,828,856	\$ 1,905,629
1% Increase	8.15%	8.15%
Net Pension Liability	\$ 905,027	\$ 1,006,838

***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.

**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.

**IMPROVEMENT DISTRICT NO. 1****NOTES TO FINANCIAL STATEMENTS****Note 9 – Other Post-employment Benefits (OPEB) (Continued)**Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2018 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated July 1, 2017, rolled forward to June 30, 2018 using standard update procedures 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 - 2018	3.36%
Measurement Date - 2017	3.44%
Payroll Growth (1)	3% for the July 1, 2017 valuation, 2.875% for the June 30, 2018 valuation, 2.75% thereafter.
Mortality	CalPERS mortality tables for non-industrial employees split by males and females for Public Agencies
Withdrawal Rate	CalPERS Matrix of Termination Assumption Rates for Public Agency Miscellaneous
Disability Rate	CalPERS disability table for non industrial employees split by males and females for Public Agencies
Healthcare Trend Rate	
Measurement Date - 2018	7.50% decreasing to 5.00%
Measurement Date - 2017	7.00% decreasing to 5.00%

(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 3.44% to 3.36% for the measurement period ending June 30, 2018.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.36% and 3.44% for the measurement periods ending June 30, 2018 and July 1, 2017 respectively. The discount rates are based on the S&P municipal Bond 20-Year High Grade Rate Index.

**IMPROVEMENT DISTRICT NO. 1****NOTES TO FINANCIAL STATEMENTS****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 Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a) - (b)
Balance at June 30, 2018 (Measurement Date July 1, 2017)	\$ 2,531,953	\$ -	\$ 2,531,953
Changes Recognized for the Measurement Period:			
Service cost	151,287	-	151,287
Interest on Total OPEB Liability	85,855	-	85,855
Contributions - Employer	-	72,323	(72,323)
Benefit Payments	(72,323)	(72,323)	-
Expected versus actual experience	26,104	-	26,104
Assumption changes	30,994	-	30,994
Net Changes	<u>221,917</u>	<u>-</u>	<u>221,917</u>
Balance at June 30, 2019 (Measurement Date June 30, 2018)	<u>\$ 2,753,870</u>	<u>\$ -</u>	<u>\$ 2,753,870</u>

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 measurement period ended June 30, 2018:

1% Decrease (2.36%)	Current Discount Rate (3.36%)	1% Increase (4.36%)
<u>\$ 3,188,230</u>	<u>\$ 2,753,870</u>	<u>\$ 2,400,357</u>

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 measurement period ended June 30, 2018.

Trend 1% Lower	Valuation Trend	Trend 1% Higher
<u>\$ 2,346,230</u>	<u>\$ 2,753,870</u>	<u>\$ 3,273,523</u>

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.

**IMPROVEMENT DISTRICT NO. 1****NOTES TO FINANCIAL STATEMENTS****Note 9 – Other Post-employment Benefits (OPEB) (Continued)**

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 12 years at measurement date June 30, 2018.

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

For the fiscal year ended June 30, 2019, the District recognized OPEB expense of \$200,313. At June 30, 2019 and 2018, the District reported deferred outflows of resources related to OPEB from the following sources.

	June 30, 2019		June 30, 2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 72,323	\$ -	\$ 67,941	\$ -
Differences between expected and actual experience	23,929	(4,460)	-	(4,866)
Changes in assumptions	28,411	(404,906)	-	(441,715)
Total	<u>\$ 124,663</u>	<u>\$ (409,366)</u>	<u>\$ 67,941</u>	<u>\$ (446,581)</u>

Employer contributions of \$72,323 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, 2020. 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	
2020	\$ (32,457)
2021	(32,457)
2022	(32,457)
2023	(32,457)
2024	(32,457)
Thereafter	(194,741)
	<u>\$ (357,026)</u>

**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.

## IMPROVEMENT DISTRICT NO. 1

## NOTES TO FINANCIAL STATEMENTS

**Note 10 – Deferred Compensation Plan (Continued)**

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 District entered into a joint powers agreement with several other area water agencies to form the Cachuma Project Authority (CPA). The CPA renegotiated the Cachuma Project Renewal Master Contract with the United States Bureau of Reclamation (USBR). The master contract was entered into on September 12, 1949, and was renewed April 14, 1996, to run through September 30, 2020. The Parent District assigned its rights under the original Contract to the District. The CPA issued revenue bonds to pay off the District's long-term debt (see Note 5) and to finance the construction of a water reservoir.

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 "Project Works" and certain administrative responsibilities and reporting to the USBR on behalf of the Cachuma Project member units. All assets and liabilities of the Authority were transferred to COMB.

On May 26, 2016, at a Special Meeting of the District's Board of Trustees, the Board unanimously voted to formally 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", and separate from COMB. The District's withdrawal from COMB was effective as of May 27, 2016.

On August 23, 2018 all parties 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. During the fiscal year 2018/2019 the District paid COMB \$167,500 as a complete compromise related to the District's share of COMB costs for fiscal years 2015-2016 and 2016-2017. There are certain continuing obligations related to the District that will carry forward as defined in the Separation Agreement, some of which conclude upon the expiration of the Master Contract or other triggering events, including certain financial obligations which continue until specific termination dates or debt obligations of the District are paid. Except as expressly set forth by the Separation Agreement, the District shall have no obligation or responsibility for any liabilities, financial obligations, or other activities of COMB. Pursuant to terms of the Separation Agreement, the District has paid disputed amounts into escrow relating to its share of certain COMB costs for fiscal year 2018-2019. The District and COMB agreed in the Separation Agreement to mediate any disputed amounts prior to filing litigation. Nevertheless, COMB has filed litigation against the District with the regard to the disputed amounts that are deposited in escrow. (Cachuma Operation and Maintenance Board v. Santa Ynez River Water Conservation District, Improvement District No.1, et al.; Santa Barbara County Superior Court Case No. 19CV01873.)

**IMPROVEMENT DISTRICT NO. 1****NOTES TO FINANCIAL STATEMENTS****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, 2019 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 liability	None	\$5,000,000 - \$20,000,000
Auto liability	None	\$5,000,000 - \$20,000,000
Public officials liability	None	\$5,000,000 - \$20,000,000
Cyber liability	None	\$3,000,000 - \$5,000,000
Property	\$500 - \$50,000	\$100,000 - \$500,000,000
Crime	\$1,000	\$100,000
Workers' Compensation	None	Statutory

**Note 13 – Joint Venture****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%.



## IMPROVEMENT DISTRICT NO. 1

## NOTES TO FINANCIAL STATEMENTS

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

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.

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.

**IMPROVEMENT DISTRICT NO. 1****NOTES TO FINANCIAL STATEMENTS****Note 13 – Joint Venture (Continued)**

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 and Credits</u>	<u>Total</u>
2020	\$ 1,042,450	\$ 219,738	\$ 38,597	\$ 1,300,785
2021	961,451	305,919	299,805	1,567,175
2022	988,611	321,215	299,433	1,609,259
2023	901,773	337,276	-	1,239,049
2024	911,172	354,139	-	1,265,311
Total	<u>\$ 4,805,457</u>	<u>\$ 1,538,287</u>	<u>\$ 637,835</u>	<u>\$ 6,981,579</u>

City of Solvang's Share:

	<u>Fixed Costs</u>	<u>Variable Costs</u>	<u>Debt Service</u>	<u>Total</u>
2020	\$ 2,181,164	\$ 186,270	\$ 798,844	\$ 3,166,278
2021	1,935,497	296,899	798,301	3,030,697
2022	1,987,442	311,743	797,312	3,096,497
2023	2,034,843	327,330	-	2,362,173
2024	2,041,251	343,697	-	2,384,948
Total	<u>\$ 10,180,197</u>	<u>\$ 1,465,939</u>	<u>\$ 2,394,457</u>	<u>\$ 14,040,593</u>

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. Debt service amounts above include interest expense. The “fixed costs,” “variable costs,” and “debt service” 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.

**IMPROVEMENT DISTRICT NO. 1****NOTES TO FINANCIAL STATEMENTS**

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**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 members (Carpinteria, Goleta, and Montecito Water Districts and the City of Santa Barbara), the La Cumbre Mutual Water Company and CCWA to exchange the District's share of Cachuma Project water entitlement for those members' pro rata share of State Water Project entitlement.

Bradbury Dam

On July 1, 2002 the District approved a contract for COMB to participate in a repayment contract with the Bureau of Reclamation in the Department of Interior of the United States (United States). Under the terms of this agreement, COMB will reimburse the United States for a portion of Safety of Dams (SOD) Act funds the United States expended to preserve the structural integrity of Bradbury Dam and related Cachuma Project facilities. The contract calls for a repayment of the cost over a 50-year period.

COMB will assess the District annually for amounts equal to the District's share of the obligation due to the Department of Interior. The District has a commitment equal to 10.31% of total contract repayment. Currently, the annual payment is \$26,976. The District's obligation for the SOD repayment contract is a condition in the August 23, 2018 Cachuma Operation and Maintenance Board Joint Powers Authority Separation Agreement which will continue until the specific termination date or the debt obligation of the District is paid.

Suspended Table "A" Reacquisition

The Central Coast Water Authority continued its efforts during FY 2018/19 to reacquire the 12,214 acre feet of Table "A" State Water Project water that was suspended by DWR in the 1980's. Five agencies within CCWA, including the District, have executed contracts with CCWA to participate in the reacquisition with all costs to date being allocated to the five agencies. The District is participating in 500 AF or approximately 4.1% of the total amount. In addition, the District also committed to 300 AF on behalf of the City of Solvang with Solvang responsible for approximately 2.5% of the 12,215 AF total. In September 2018, CCWA provided an update of the DWR and Santa Barbara County estimated repayment costs to reacquire the suspended water; DWR at \$32.4 million, and Santa Barbara County at \$7.1 million which the District's share would be approximately 4.1% of the total. Should Santa Barbara County costs be deferred due to the broader County benefit position, the District would be responsible for the DWR portion totaling an estimated \$1.3 million as a one-time payment. Environmental analysis was initiated in FY 2018/19 by CCWA as the lead agency funded by the five participating parties.

## IMPROVEMENT DISTRICT NO. 1

## NOTES TO FINANCIAL STATEMENTS

**Note 15 – Contingent Liabilities**SWRCB Hearings

The District and other local water agencies are signatories to a 2001 Memorandum of Understanding (MOU) for Cooperation in Research and Fish Maintenance – Santa Ynez River with various federal and state agencies concerning the fishery in Santa Ynez River below Bradbury Dam. In addition, the District along with those other local, state and federal agencies is involved in ongoing quasi-legal proceedings before the State Water Resources Control Board (SWRCB) regarding Cachuma Project permits held by the United States Bureau of Reclamation on behalf of the Cachuma Member Units, including the release of water stored in the Cachuma Project facilities to downstream reaches of the Santa Ynez River.

The District and these other local agencies are conducting studies and constructing fish projects on the Santa Ynez River and associated tributaries in connection with the 2000 Biological Opinion issued by the National Marine Fisheries Service to Reclamation, Section 7 Re-consultation under the Endangered Species Act, the SWRCB proceedings and implementing the Lower Santa Ynez River Fish Management Plan, and the cost of those studies is a material annual expense of the District. The outcome of the re-consultation studies, Biological Opinions, and the SWRCB proceedings may affect the amount of water the District receives from the Cachuma Project in future years.

New Legislation - Hexavalent Chromium-6

The State of California enacted a standard for Hexavalent Chromium (Cr6) effective July 1, 2014 which required all water systems to comply with new lowered maximum contaminant levels (MCLs) set at no more than 10 parts per billion (ppb) of Cr6 in the water produced from groundwater wells. In September 2015 legislation was passed, Senate Bill 385, which in addition to other requirements, allows the water system to achieve compliance 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 demand, the District conducted pilot studies to determine the best available water treatment technology for its water chemistry, prepared preliminary engineering design for blending systems, performed feasibility and cost analysis for each option, and developed a well modification project as part of the on-going Cr6 remediation program. The primary solution involved investing in a new centralized water treatment facility with a capability of treating Cr6 produced from the District's groundwater and other water quality constituents. The costs associated with new treatment facilities and blending varied, and were estimated to be as much as \$12.5 million.

However, on May 5, 2017, a Superior Court judge ruled that, in establishing the new standard, the State failed to adequately assess the economic feasibility of complying with the new MCL and the 10 ppb MCL was invalidated. The order requires the State to establish a new MCL for Cr6 following an adequate economic feasibility analysis. In the meantime, the State's MCL of 50 ppb for total chromium remains in place. While postponing work on the mitigation of Cr6 in the water supply, 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 assure compliance with the new regulation.

## IMPROVEMENT DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

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**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 – Reclassifications**

Certain prior year balances were reclassified in order to conform with current year presentation.

**Note 18 – Subsequent Events**

Subsequent events have been evaluated through November 19, 2019, the date the financial statements were available to be issued.

## **Required Supplementary Information**

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, IMPROVEMENT DISTRICT NO. 1'S  
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, 2019  
LAST 10 YEARS\*

	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.01898%	0.01922%	0.01908%	0.01874%	0.02055%
Proportionate share of the net pension liability	\$ 1,828,856	\$ 1,905,629	\$ 1,651,018	\$ 1,285,968	\$ 1,278,902
Covered payroll	\$ 1,501,838	\$ 1,349,875	\$ 1,299,691	\$ 1,190,037	\$ 1,098,615
Proportionate Share of the net pension liability as percentage of covered-employee payroll	121.77%	141.17%	127.03%	108.06%	116.41%
Plan fiduciary net position as a percentage of the total pension liability	77.89%	75.85%	76.34%	80.35%	79.73%
Measurement date	06/30/18	06/30/17	06/30/16	06/30/15	06/30/14
Valuation date	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, 2017 valuation date.

\* Historical information is required only for measurement periods for which GASB 68 is applicable. Future year's information will be displayed 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, 2019**  
**LAST 10 YEARS\***

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution (actuarially determined)	\$ 271,802	\$ 244,533	\$ 218,450	\$ 201,660	\$ 165,075
Contributions in relation to the actuarially determined contributions	\$ 271,802	\$ 244,533	\$ 218,450	\$ 201,660	\$ 165,075
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,608,531	\$ 1,501,838	\$ 1,349,875	\$ 1,299,691	\$ 1,190,037
Contributions as a percentage of covered-employee payroll	16.28%	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 2018-2019 were derived from the June 30, 2016 funding valuation report.

\* Historical information is required only for measurement periods for which GASB 68 is applicable.  
 Future year's information will be displayed 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, 2019  
LAST 10 YEARS\***

	<b>2019</b>	<b>2018</b>
Total OPEB liability:		
Service cost	\$ 151,287	\$ 199,377
Interest on the total OPEB liability	85,855	69,249
Expected versus actual experience	26,104	(5,271)
Assumption changes	30,994	(478,525)
Benefit payments	(72,323)	(67,941)
Net change in total OPEB liability	221,917	(283,111)
Total OPEB liability - beginning	2,531,953	2,815,064
Total OPEB liability - ending (a)	\$ 2,753,870	\$ 2,531,953
 Fiduciary Net Position		
Employer contributions	\$ 72,323	\$ 67,941
Benefit payments	(72,323)	(67,941)
Net change in fiduciary net position	-	-
Total fiduciary net position- beginning	-	-
Total fiduciary net position - ending (b)	\$ -	\$ -
 Net OPEB liability - ending (a) - (b)	\$ 2,753,870	\$ 2,531,953
 Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%
 Covered - employee payroll	\$ 1,556,210	\$ 1,388,793
 Net OPEB liability as a percentage of covered-employee payroll	176.96%	182.31%
 Measurement date	06/30/18	07/01/17
Valuation date	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, 2019  
WITH COMPARATIVE ACTUAL AMOUNTS AT JUNE 30, 2018**

	<b>2019 Actual</b>	<b>2019 Budget</b>	<b>2019 Over/(Under)</b>	<b>2018 Actual</b>
Operating Revenues:				
Water sales	\$ 7,972,394	\$ 7,381,017	\$ 591,377	\$ 7,798,410
State water contract revenue	2,917,426	2,783,948	133,478	2,608,659
Miscellaneous billings and fees	155,857	105,500	50,357	149,787
Total operating revenues	<u>11,045,677</u>	<u>10,270,465</u>	<u>775,212</u>	<u>10,556,856</u>
Operating Expenses:				
Source of supply	1,239,374	1,406,647	(167,273)	1,516,149
State water contract expense	2,917,426	2,783,948	133,478	2,608,659
Pumping expense	580,331	602,000	(21,669)	692,459
Water treatment	38,170	67,500	(29,330)	50,513
Transmission and distribution	982,535	738,973	243,562	648,921
Special programs and study fees	480,752	642,500	(161,748)	280,512
Administrative and general	2,379,114	2,791,793	(412,679)	2,637,576
Total operating expenses	<u>8,617,702</u>	<u>9,033,361</u>	<u>(415,659)</u>	<u>8,434,789</u>
Operating income	<u>2,427,975</u>	<u>1,237,104</u>	<u>1,190,871</u>	<u>2,122,067</u>
Other Income:				
Capital facilities fees	133,793	75,000	58,793	26,073
Investment income	271,954	145,000	126,954	107,600
Special assessment	928,497	875,000	53,497	895,005
Total other income	<u>1,334,244</u>	<u>1,095,000</u>	<u>239,244</u>	<u>1,028,678</u>
Other Expenses:				
Depreciation and amortization	725,535	-	725,535	702,161
Interest expense	40,216	48,006	(7,790)	51,599
Loss on disposal of assets	141,328	-	141,328	26,562
Unanticipated and special legal fees	258,238	118,000	140,238	118,810
Total other expenses	<u>1,165,317</u>	<u>166,006</u>	<u>999,311</u>	<u>899,132</u>
Change in net position	<u>\$ 2,596,902</u>	<u>\$ 2,166,098</u>	<u>\$ 430,804</u>	<u>\$ 2,251,613</u>

*See accompanying notes*

# Santa Ynez River Water Conservation District, ID No. 1



## Water Rate Review

November 19, 2019



BARTLE WELLS ASSOCIATES  
INDEPENDENT PUBLIC FINANCE ADVISORS



# Background

- **Current rate study completed in 2016**

- Independent review of District finances and rates
- Recommended 5-year phase-in of rate increases & cost-of-service rate structure adjustments



- **District adopted 5 years of rate increases**

- Accounted for reduced water sales and Chromium 6 (CR6) project
- Projections included phase-in of special tax assessments to \$1.25M per year
- District has implemented first 3 years of rate increases
- Final 2 years of 5% rate increases scheduled for Jan-1, 2020 and 2021



# Objectives

- **Update financial & rate projections**
  - Incorporate latest financial information
  
- **Evaluate rate scenarios & impacts**
  - Are current rates justifiable?
  - Can adopted rate increases be deferred?
  - Can rates be reduced?
  - What are financial impacts of deferring rates?
  - What triggers need for a new rate study & Prop 218 process?





# Financial Updates

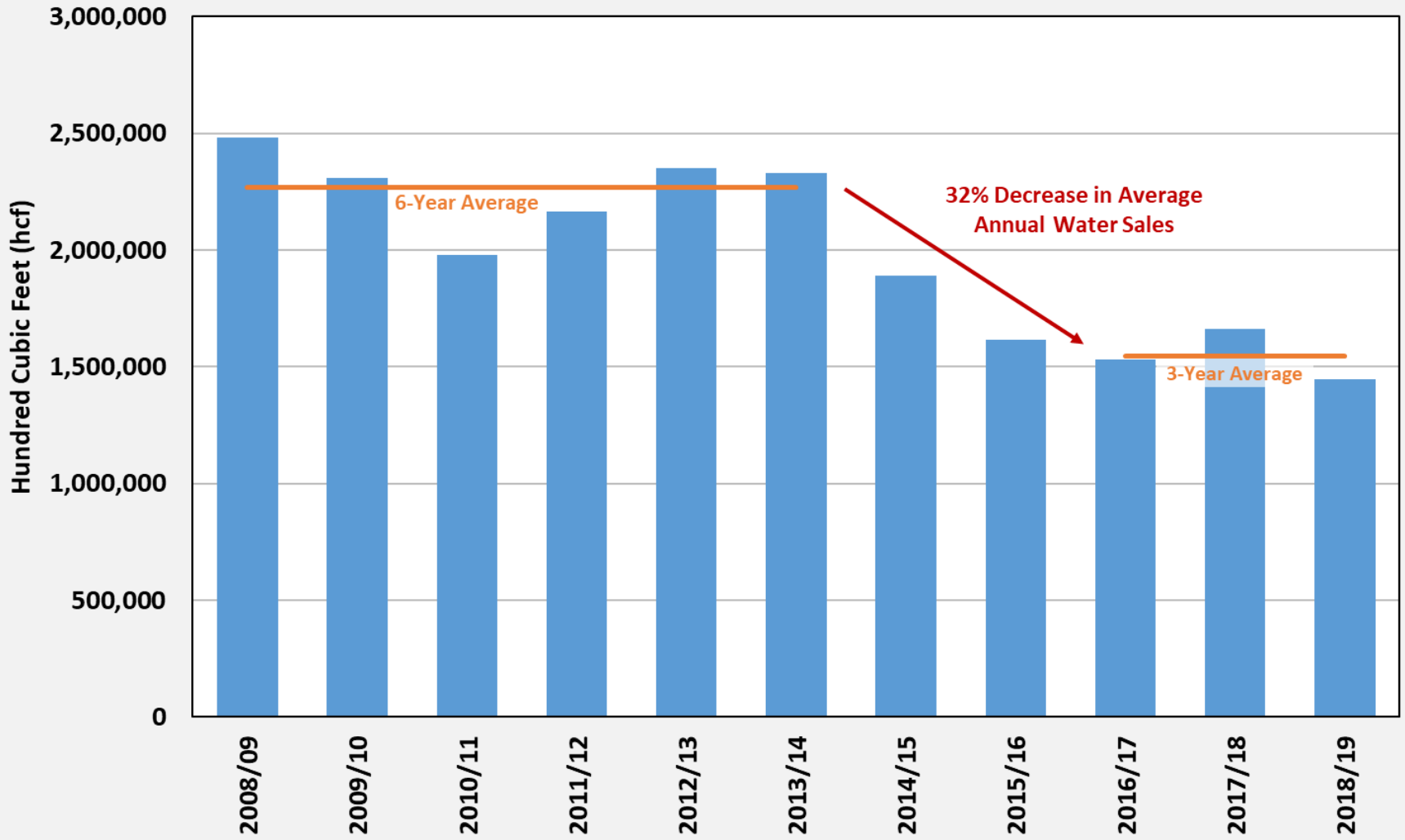
## REVENUES

- **2018/19 water sales & rate revenues were lower than estimated in current rate study**
- **District collecting reduced level of Special Assessments at \$875K per year**

## EXPENSES

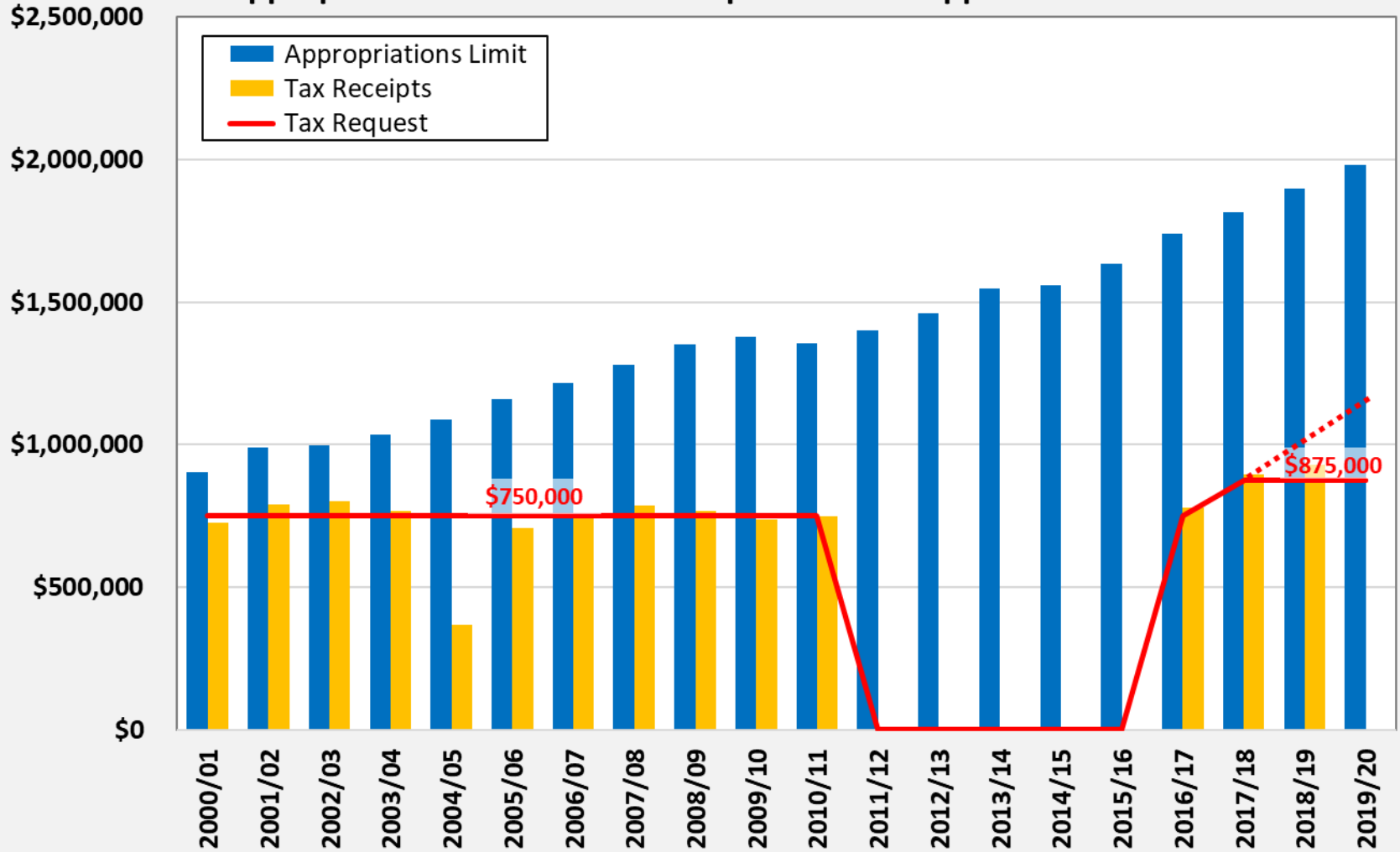
- **Chromium 6 project deferred**
  - Financial projections assume Chromium 6 project delayed until FY 2022/23
- **DWR/CCWA & Cachuma/USBR charges increasing over time**
- **Outstanding debt service decreases in future fiscal years (as previously projected)**
  - District's 2004 Bonds final payment in 2022/23 (\$225,000 per year)
  - Share of CCWA Bonds final payment in 2021/22 (\$300,000 per year)
- **New expenses anticipated for SWP Suspended Table A Water**
  - Estimated at \$300,000 per year starting 2022/23

# Annual Water Sales by Fiscal Year





## Santa Ynez River Water Conservation District, ID#1 Appropriations Limits & Tax Receipts for Voter-Approved Assessments



Note: Reduced revenues from temporary suspension of \$750,000 assessment from 2011/12 - 2015/16 totals \$3,750,000.



# Financial Scenarios

- **Financial & rate projections developed for 3 scenarios**

A) Implement adopted rates as scheduled (with deferred Chromium 6 project)

B) Defer rate increases for 1 year with no increase on Jan-1, 2020 (with deferred CR6)

C) Defer rate increases with future Chromium 6 project





# General Findings

## ■ Rate increases have improved District's financial health

- Eliminated annual budget deficits
- Enabled District to increase funding for “deferred maintenance” needs
- Helped build up fund reserves, some of which will be drawn down to help fund near-term capital improvements (Rehab Projects, Operations & Admin Building, Blending Facility)
  - Fund reserves are still significantly below levels recommended in reserve study

## ■ Additional rate increases needed in future years

- Assumes Chromium 6 project is still needed, but is deferred until FY 2022/23
- Assumes District maintains reduced level of Special Assessments at \$875K per year

## ■ District can re-evaluate rates & finances in future years

- Financial projections indicate need for future rate increases after adopted rates are fully phased in to keep revenues in line with projected expenses



# Summary of Rate Scenarios

Rate Scenario	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Remaining Adopted Rate Increases	Jan-1, 2020 5%	Jan-1, 2021 5%					
A) Implement Adopted Rates	5%	5%	2.5%	2.5%	2.5%	2.5%	2.5%
B) Defer Rate Increases for 1 Year <i>No rate increase on Jan-1, 2020</i>	-	5%	5%	3.0%	3.0%	3.0%	3.0%
C) Lower Rate Increases <i>Spread remaining rate increases over 4 years</i>	2.5%	2.5%	2.5%	2.5%	4.0%	4.0%	4.0%

All scenarios assume deferral of Chromium 6 Project until FY 2022/23.

All scenarios assume continuation of an \$875,000 reduced annual level of special assessments.

Previously adopted rate increases also included a phase-in of rate structure adjustments.

- For Jan-1, 2020, the scenarios show no rate increase, 2.5% increase, or 5% increase as previously adopted...District can re-evaluate future rates in future years
- District previously adopted 2 additional 5% rate increases but would need to go through a new Prop 218 process for any additional future rate increases



# Rate Questions

## ■ Questions & answers

- Are current rates justifiable? **Yes**
- Can adopted rate increases be deferred? **Yes, but this is a fiscal policy decision**
- What are financial impacts of deferring rates? **Deferred rates = deferred revenues; 1-year deferral of adopted rates reduces revenues by about \$900K through next 2 fiscal yrs**
- Can rates be reduced? **Not advised...District has authority to reduce rates, but would need to increase rates back to sustainable levels soon thereafter**
- What triggers need for a new rate study & Prop 218 process? **District would need to go through a new Prop 218 process for any additional rate increases above levels adopted**

## ■ Rate increases are fiscal policy decisions

- District is recovering financially but still faces future financial challenges
- Less rate increases in near-term = more rate increases in future years (and vice versa)
- Revenue increases can be attained via increases to a) rates or b) Special Assessments

# Questions / Discussion





## Santa Ynez River Water Conservation District Improvement District No. 1



# Water Rate Scenarios

Draft 11-13-19



**BARTLE WELLS ASSOCIATES**  
INDEPENDENT PUBLIC FINANCE ADVISORS

Table 1  
 Santa Ynez River Water Conservation District, ID#1  
 Historical Water Consumption (hundred cubic feet)

Calendar Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Annual Water Consumption (hcf)</b>										
Domestic	842,390	726,724	728,493	760,365	782,136	657,365	549,873	526,122	562,350	601,802
Rural Resid/Ltd Ag	623,829	533,741	526,498	601,188	619,651	501,110	406,178	346,465	373,414	395,725
Agriculture	882,572	757,549	689,370	820,127	916,447	808,831	779,394	752,529	621,582	581,693
Solvang	36,396	40,373	22,708	24,202	46,527	23,030	12,264	7,174	8,797	35,191
Cachuma Park	33,965	34,311	33,536	43,387	31,745	12,265	11,417	10,282	11,009	9,751
Temporary	3,116	1,798	1,484	1,756	648	1,417	1,464	547	3,920	1,283
On Demand	0	0	0	0	5,832	1,237	329	536	3,617	2,388
Annual Total	2,422,268	2,094,496	2,002,089	2,251,025	2,402,986	2,005,255	1,760,919	1,643,655	1,584,689	1,627,833
% Annual Change	-6.3%	-13.5%	-4.4%	12.4%	6.8%	-16.6%	-12.2%	-6.7%	-3.6%	2.7%
% Change from 2013						-16.6%	-26.7%	-31.6%	-34.1%	-32.3%
% Change Commercial Ag						-11.7%	-3.6%	-3.4%	-17.4%	-6.4%
% Change All Other						-19.5%	-34.0%	-40.1%	-35.2%	-29.6%

Fiscal Year	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Annual Water Consumption (hcf)</b>										
Domestic	798,775	715,082	748,895	773,495	763,214	601,225	507,987	526,509	608,250	551,083
Rural Resid/Ltd Ag	593,312	518,937	566,815	624,171	599,916	445,202	359,772	343,414	402,320	352,094
Agriculture	835,933	690,523	779,703	895,973	887,305	807,138	729,505	640,736	624,502	497,458
Solvang	42,809	18,737	22,945	24,365	49,888	23,717	8,275	6,592	9,860	34,277
Cachuma Park	33,838	35,362	43,500	33,726	23,361	12,018	10,286	10,924	9,542	10,143
Temporary	2,721	1,641	2,187	651	1,481	1,218	766	850	4,668	268
On Demand	0	0	0	0	6,877	520	264	502	3,719	2,372
Annual Total	2,307,388	1,980,282	2,164,045	2,352,381	2,332,042	1,891,038	1,616,855	1,529,527	1,662,861	1,447,695
% Annual Change	-7.1%	-14.2%	9.3%	8.7%	-0.9%	-18.9%	-14.5%	-5.4%	8.7%	-12.9%
% Change from 2013						-21.3%	-32.7%	-36.3%	-30.8%	-39.8%
% Change Commercial Ag						-9.0%	-9.6%	-12.2%	-2.5%	-20.3%
% Change All Other						-25.0%	-38.6%	-38.5%	-28.1%	-34.2%



## Annual Water Sales by Fiscal Year



Table 2

Santa Ynez River Water Conservation District, ID#1

Fund Reserves

	June 30 2015	June 30 2016	June 30 2017	June 30 2018	June 30 2019
<b>Board Designated Fund Reserves</b>					
Repairs & Replacements	\$1,403,594	\$622,735	\$935,716	\$1,603,490	\$1,963,635
Debt Repayment Obligation	-	-	668,713	884,221	595,753
Contingency	207,584	-	-	-	-
Plant Expansion	<u>1,477,016</u>	<u>1,087,774</u>	<u>1,007,198</u>	<u>1,879,012</u>	<u>2,859,023</u>
Subtotal	3,088,194	1,710,509	4,181,165	4,181,165	5,418,411
<b>Operating Fund (unrestricted)</b>	2,917,883	2,203,270	4,181,165	4,781,080	3,615,739
<b>Total</b>	6,006,077	3,913,779	8,362,330	8,962,245	9,034,149

Source: Balance Sheet by Net Position Category

Excludes \$3,000,000 of State Water Project Reserves restricted for contractual obligations with the City of Solvang.

Excludes approximately \$467,000 of fund reserves held by CCWA for ID1 debt service coverage.

Excludes approximately \$128,000 of fund reserves held by CCWA for a DWR Reserve Fund.

Table 3A Santa Ynez River Water Conservation District ID#1 Cash Flow Projections <span style="float: right;">Implement Adopted Rates</span>										
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	Actual	Actual	Actual	Budget	Projected	Projected	Projected	Projected	Projected	Projected
	Feb-1	Jan-1	Jan-1	Jan-1	Jan-1	Jan-1	Jan-1	Jan-1	Jan-1	Jan-1
Effective Date of Rate Increase	Adopted	Adopted	Adopted	Adopted	Adopted	Projected Future Inflationary Rate Increases Subject to New Prop 218 Process →				
Adopted or Projected Rate Increase	15%	15%	5%	5%	5%	2.5%	2.5%	2.5%	2.5%	2.5%
Projected Rate Revenue Increase				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Annual % Change in Water Sales				2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Interest Earnings Rate				4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
District Cost Escalation										
<b>Beginning Fund Balances</b>	53,914,000	58,362,000	58,967,000	59,034,000	58,731,000	57,721,000	57,423,000	57,667,000	58,198,000	58,644,000
<b>REVENUES</b>										
Water Sales & Services	6,367,008	7,798,480	7,974,225	8,162,000	8,572,000	8,915,000	9,140,000	9,370,000	9,605,000	9,847,000
Solving CCWA/DWR Passthrough	2,470,559	2,608,659	2,917,426	3,166,000	3,031,000	3,096,000	2,362,000	2,385,000	2,444,000	2,481,000
Special Assessments	780,624	895,005	928,497	875,000	875,000	875,000	875,000	875,000	875,000	875,000
Interest Earnings	61,109	107,600	271,168	147,000	175,000	154,000	148,000	153,000	164,000	173,000
Capital Facilities Charges	343,831	26,074	133,795	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Service Income	68,126	101,749	112,868	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Other/Miscellaneous	50,270	61,207	44,804	39,000	50,000	50,000	50,000	50,000	50,000	50,000
<b>Total Revenues</b>	10,141,527	11,598,774	12,382,783	12,564,000	12,878,000	13,265,000	12,750,000	13,008,000	13,313,000	13,601,000
Bond Proceeds for Chrome 6 Projects							9,000,000			
<b>EXPENSES</b>										
<u>Operating &amp; Maintenance</u>										
Sources of Supply						Less W. CCWA Debt				
CCWA/DWR Charges	1,307,612	1,266,120	804,666	1,301,000	1,567,000	1,609,000	1,239,000	1,265,000	1,304,000	1,336,000
SWP Susp. Table A Water (51.5M over 5 yrs)	0	0	0	0	0	0	300,000	300,000	300,000	300,000
CCWA/DWR Charges (Solving Passthrough)	2,470,559	2,608,659	2,917,426	3,166,000	3,031,000	3,096,000	2,362,000	2,385,000	2,444,000	2,481,000
Cachuma Project/USBR Water Supply	117,515	155,281	231,596	310,000	325,000	350,000	350,000	350,000	350,000	350,000
Grndwtr/State Licenses/Cloud Seeding	43,052	39,067	40,613	45,000	50,000	52,000	54,000	56,000	58,000	60,000
Infrastructure Maintenance	200,000	200,000	127,732	157,000	200,000	208,000	216,000	225,000	234,000	243,000
Pumping/Treatment	556,114	742,972	618,501	663,000	700,000	728,000	757,000	787,000	818,000	851,000
Transmission/Distribution	938,488	975,258	1,153,633	1,094,000	1,150,000	1,196,000	1,244,000	1,294,000	1,344,000	1,400,000
General & Administrative	2,062,873	2,260,576	2,356,680	2,445,000	2,943,000	3,061,000	3,183,000	3,310,000	3,442,000	3,580,000
Special Studies/Engineering Services	100,000	52,506	373,332	219,000	228,000	237,000	246,000	256,000	266,000	277,000
Chromium 6 Operating & Maintenance	0	0	0	0	0	0	0	585,000	608,000	632,000
Subtotal	7,796,214	8,300,439	8,624,177	9,400,000	10,194,000	10,537,000	9,951,000	10,813,000	11,170,000	11,510,000
<u>District Debt Service</u>										
USBR SOD/Irrig Repayment	26,976	26,976	26,976	27,000	27,000	27,000	27,000	27,000	27,000	27,000
Series 2004 Bonds	313,324	308,425	302,391	302,000	285,000	225,000	225,000	0	0	0
Future Chrome 6 Debt Service	0	0	0	0	0	0	302,000	603,000	603,000	603,000
Subtotal	340,300	335,401	329,366	329,000	312,000	252,000	554,000	630,000	630,000	630,000
<u>Capital &amp; Non-Operating</u>										
Capital Rehab/Replacement (+3%)	272,720	477,372	883,137	2,530,000	1,250,000	1,000,000	750,000	773,000	796,000	820,000
Operations & Admin Building Replacement	0	0	0	0	1,500,000	1,000,000	0	0	0	0
Blending Facility	0	0	0	385,000	400,000	1,600,000	0	0	0	0
Unanticipated Special Legal	71,491	115,730	240,655	223,000	232,000	241,000	251,000	261,000	271,000	282,000
Non-Recurring Non-Operating Expenses	635,425	231,086	0	0	0	0	0	0	0	0
Chromium 6 Projects	480,471	1,345	0	0	0	0	10,000,000	0	0	0
Refund of CCWA Bond Reserves	0	0	0	0	0	(467,000)	0	0	0	0
Subtotal	1,460,107	825,532	1,123,792	3,138,000	3,382,000	3,374,000	11,001,000	1,034,000	1,067,000	1,102,000
<b>Total Expenses</b>	9,596,621	9,461,372	10,077,336	12,867,000	13,888,000	14,163,000	21,506,000	12,477,000	12,867,000	13,242,000
<b>Revenues Less Expenses</b>	544,906	2,137,401	2,305,447	(303,000)	(1,010,000)	(898,000)	244,000	531,000	446,000	359,000
Return of ID#1's CCWA Debt & Covg. Reserves						600,000				
<b>Ending Fund Balances</b>	4,458,906	10,499,401	11,267,447	8,731,000	7,721,000	7,423,000	7,667,000	8,198,000	8,644,000	9,003,000
Ending Fund Balance as % of Annual Expenses	46.5%	111.0%	111.8%	67.9%	55.6%	52.4%	61.3%	65.7%	67.2%	68.0%
Debt Svc Coverage on District Debt	6.89	9.83	11.41	9.62	8.60	10.83	5.05	3.48	3.40	3.32
CCWA Debt/Contract Coverage, w/o Debt Rsvs	1.62	1.85	2.01	1.71	1.58	1.58	-	-	-	-
CCWA Debt/Contract Coverage, wth Debt Rsvs	1.90	2.13	2.30	1.95	1.82	1.81	-	-	-	-

**Table 3B Santa Ynez River Water Conservation District ID#1 Cash Flow Projections** Defer Rate Increases for 1 Year

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	Actual Feb-1	Actual Jan-1	Actual Jan-1	Budget Jan-1	Projected Jan-1	Projected Jan-1	Projected Jan-1	Projected Jan-1	Projected Jan-1	Projected Jan-1
Effective Date	Adopted	Adopted	Adopted	1-Year Deferral of Adopted Rate Increases			Projected Future Inflationary Rate Increases Subject to New Prop 218 Process →			
Adopted or Projected Rate Increase	15%	15%	5%	0%	5%	5%	3.0%	3.0%	3.0%	3.0%
Projected Rate Revenue Increase										
Annual % Change in Water Sales				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest Earnings Rate					2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
District Cost Escalation					4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
<b>Beginning Fund Balances</b>	\$3,914,000	\$8,362,000	\$8,962,000	\$9,034,000	\$8,571,000	\$7,147,000	\$6,495,000	\$6,513,000	\$6,852,000	\$7,144,000
<b>REVENUES</b>										
Water Sales & Services	6,367,008	7,798,480	7,974,225	8,002,000	8,162,000	8,572,000	8,932,000	9,201,000	9,478,000	9,764,000
Solvang CCWA/DWR Passthrough	2,470,559	2,608,659	2,917,426	3,166,000	3,031,000	3,096,000	2,362,000	2,385,000	2,444,000	2,481,000
Special Assessments	780,624	895,005	928,497	875,000	875,000	875,000	875,000	875,000	875,000	875,000
Interest Earnings	61,109	107,600	271,168	147,000	171,000	143,000	130,000	130,000	137,000	143,000
Capital Facilities Charges	343,831	26,074	133,795	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Service Income	68,126	101,749	112,868	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Other/Miscellaneous	50,270	61,207	44,804	39,000	50,000	50,000	50,000	50,000	50,000	50,000
<b>Total Revenues</b>	10,141,527	11,598,774	12,382,783	12,404,000	12,464,000	12,911,000	12,524,000	12,816,000	13,159,000	13,488,000
Bond Proceeds for Chrome 6 Projects							9,000,000			
<b>EXPENSES</b>										
<b>Operating &amp; Maintenance</b>										
Sources of Supply						Less Yr CCWA Debt				
CCWA/DWR Charges	1,307,612	1,266,120	804,666	1,301,000	1,567,000	1,609,000	1,239,000	1,265,000	1,304,000	1,336,000
SWP Susp. Table A Water (\$1.5M over 5 yrs)	0	0	0	0	0	0	300,000	300,000	300,000	300,000
CCWA/DWR Charges (Solvang Passthrough)	2,470,559	2,608,659	2,917,426	3,166,000	3,031,000	3,096,000	2,362,000	2,385,000	2,444,000	2,481,000
Cachuma Project/USBR Water Supply	117,515	155,281	231,596	310,000	325,000	350,000	350,000	350,000	350,000	350,000
Grndwtr/State Licenses/Cloud Seeding	43,052	39,067	40,613	45,000	50,000	52,000	54,000	56,000	58,000	60,000
Infrastructure Maintenance	200,000	200,000	127,732	157,000	200,000	208,000	216,000	225,000	234,000	243,000
Pumping/Treatment	556,114	742,972	618,501	663,000	700,000	728,000	757,000	787,000	818,000	851,000
Transmission/Distribution	938,488	975,258	1,153,633	1,094,000	1,150,000	1,196,000	1,244,000	1,294,000	1,346,000	1,400,000
General & Administrative	2,062,873	2,260,576	2,356,680	2,445,000	2,943,000	3,061,000	3,183,000	3,310,000	3,442,000	3,580,000
Special Studies/Engineering Services	100,000	52,506	373,332	219,000	228,000	237,000	246,000	256,000	266,000	277,000
Chromium 6 Operating & Maintenance	0	0	0	0	0	0	0	585,000	608,000	632,000
<b>Subtotal</b>	7,796,214	8,300,439	8,624,177	9,400,000	10,194,000	10,537,000	9,951,000	10,813,000	11,170,000	11,510,000
<b>District Debt Service</b>										
USBR SOD/Irrig Repayment	26,976	26,976	26,976	27,000	27,000	27,000	27,000	27,000	27,000	27,000
Series 2004 Bonds	313,324	308,425	302,391	302,000	285,000	225,000	225,000	0	0	0
Future Chrome 6 Debt Service	0	0	0	0	0	0	302,000	603,000	603,000	603,000
<b>Subtotal</b>	340,300	335,401	329,366	329,000	312,000	252,000	554,000	630,000	630,000	630,000
<b>Capital &amp; Non-Operating</b>										
Capital Rehab/Replacement (+3%)	272,720	477,372	883,137	2,530,000	1,250,000	1,000,000	750,000	773,000	796,000	820,000
Operations & Admin Building Replacement	0	0	0	0	1,500,000	1,000,000	0	0	0	0
Blending Facility	0	0	0	385,000	400,000	1,600,000	0	0	0	0
Unanticipated Special Legal	71,491	115,730	240,655	223,000	232,000	241,000	251,000	261,000	271,000	282,000
Non-Recurring Non-Operating Expenses	635,425	231,086	0	0	0	0	0	0	0	0
Chromium 6 Projects	480,471	1,345	0	0	0	0	10,000,000	0	0	0
Refund of CCWA Bond Reserves	0	0	0	0	0	(467,000)	0	0	0	0
<b>Subtotal</b>	1,460,107	825,532	1,123,792	3,138,000	3,382,000	3,374,000	11,001,000	1,034,000	1,067,000	1,102,000
<b>Total Expenses</b>	9,596,621	9,461,372	10,077,336	12,867,000	13,888,000	14,163,000	21,506,000	12,477,000	12,867,000	13,242,000
<b>Revenues Less Expenses</b>	544,906	2,137,401	2,305,447	(463,000)	(1,424,000)	(1,252,000)	18,000	339,000	292,000	246,000
Return of ID#1's CCWA Debt & Covg Reserves						600,000				
<b>Ending Fund Balances</b>	4,458,906	10,499,401	11,267,447	8,571,000	7,147,000	6,495,000	6,513,000	6,852,000	7,144,000	7,390,000
Ending Fund Balance as % of Annual Expenses	48.5%	111.0%	111.8%	66.6%	51.5%	45.9%	52.1%	54.9%	55.5%	55.8%
Debt Svc Coverage on District Debt	6.89	9.83	11.41	9.13	7.28	9.42	4.64	3.18	3.16	3.14
CCWA Debt Coverage, without Debt Reserves	1.62	1.85	2.01	1.67	1.49	1.50	-	-	-	-
CCWA Debt Coverage, with Debt Reserves	1.90	2.13	2.30	1.92	1.73	1.74	-	-	-	-

Table 3C		Santa Ynez River Water Conservation District ID#1 Cash Flow Projections									Implement Reduced Rate Increases	
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26		
	Actual	Actual	Actual	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	
Effective Date	Feb-1	Jan-1	Jan-1	Jan-1	Jan-1	Jan-1	Jan-1	Jan-1	Jan-1	Jan-1	Jan-1	
Adopted or Projected Rate Increase	Adopted	Adopted	Adopted	Implement Lower Rate Increases (e.g. Spread 2 Rate Increases over 4 Years)				Projected Rate Increases Subject to New Prop 218 Process -->				
Projected Rate Revenue Increase	15%	15%	5%	2.5%	2.5%	2.5%	2.5%	4.0%	4.0%	4.0%		
Annual % Change in Water Sales				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
Interest Earnings Rate					2.0%	2.0%	2.0%	2.0%	2.0%	2.0%		
District Cost Escalation					4.0%	4.0%	4.0%	4.0%	4.0%	4.0%		
<b>Beginning Fund Balances</b>	\$3,914,000	\$8,367,000	\$8,962,000	\$9,034,000	\$8,651,000	\$7,352,000	\$6,625,000	\$6,420,000	\$6,533,000	\$6,679,000		
<b>REVENUES</b>												
Water Sales & Services	6,367,008	7,798,480	7,974,225	8,082,000	8,285,000	8,493,000	8,706,000	8,977,000	9,338,000	9,713,000		
Solvang CCWA/DWR Passthrough	2,470,559	2,608,659	2,917,426	3,166,000	3,031,000	3,096,000	2,362,000	2,385,000	2,444,000	2,481,000		
Special Assessments	780,624	895,005	928,497	875,000	875,000	875,000	875,000	875,000	875,000	875,000		
Interest Earnings	61,109	107,600	271,168	147,000	173,000	147,000	133,000	128,000	131,000	134,000		
Capital Facilities Charges	343,831	26,074	133,795	75,000	75,000	75,000	75,000	75,000	75,000	75,000		
Service Income	68,126	101,749	112,868	100,000	100,000	100,000	100,000	100,000	100,000	100,000		
Other/Miscellaneous	50,270	61,207	44,804	39,000	50,000	50,000	50,000	50,000	50,000	50,000		
<b>Total Revenues</b>	10,141,527	11,598,774	12,382,783	12,484,000	12,589,000	12,836,000	12,301,000	12,590,000	13,013,000	13,428,000		
Bond Proceeds for Chrome 6 Projects							9,000,000					
<b>EXPENSES</b>												
<u>Operating &amp; Maintenance</u>												
Sources of Supply						Last Yr CCWA Debt						
CCWA/DWR Charges	1,307,612	1,266,120	804,666	1,301,000	1,567,000	1,609,000	1,239,000	1,265,000	1,304,000	1,336,000		
SWP Susp. Table A Water (\$1.5M over 5 yrs)	0	0	0	0	0	0	300,000	300,000	300,000	300,000		
CCWA/DWR Charges (Solvang Passthrough)	2,470,559	2,608,659	2,917,426	3,166,000	3,031,000	3,096,000	2,362,000	2,385,000	2,444,000	2,481,000		
Cachuma Project/JSBR Water Supply	117,515	155,281	231,596	310,000	325,000	350,000	350,000	350,000	350,000	350,000		
Grndwtr/State Licenses/Cloud Seeding	43,052	39,067	40,613	45,000	50,000	52,000	54,000	56,000	58,000	60,000		
Infrastructure Maintenance	200,000	200,000	127,732	157,000	200,000	208,000	216,000	225,000	234,000	243,000		
Pumping/Treatment	556,114	742,972	618,501	663,000	700,000	728,000	757,000	787,000	818,000	851,000		
Transmission/Distribution	938,488	975,258	1,153,633	1,094,000	1,150,000	1,196,000	1,244,000	1,294,000	1,346,000	1,400,000		
General & Administrative	2,062,873	2,260,576	2,356,680	2,445,000	2,943,000	3,061,000	3,183,000	3,310,000	3,442,000	3,580,000		
Special Studies/Engineering Services	100,000	52,506	373,332	219,000	228,000	237,000	246,000	256,000	266,000	277,000		
Chromium 6 Operating & Maintenance	0	0	0	0	0	0	0	585,000	608,000	632,000		
Subtotal	7,796,214	8,300,439	8,624,177	9,400,000	10,194,000	10,537,000	9,951,000	10,813,000	11,170,000	11,510,000		
<u>District Debt Service</u>												
USBR SDD/Irrig Repayment	26,976	26,976	26,976	27,000	27,000	27,000	27,000	27,000	27,000	27,000		
Series 2004 Bonds	313,324	308,425	302,391	302,000	285,000	225,000	225,000	0	0	0		
Future Chrome 6 Debt Service	0	0	0	0	0	0	302,000	603,000	603,000	603,000		
Subtotal	340,300	335,401	329,366	329,000	312,000	252,000	554,000	630,000	630,000	630,000		
<u>Capital &amp; Non-Operating</u>												
Capital Rehab/Replacement (+3%)	272,720	477,372	883,137	2,530,000	1,250,000	1,000,000	750,000	773,000	796,000	820,000		
Operations & Admin Building Replacement	0	0	0	0	1,500,000	1,000,000	0	0	0	0		
Blending Facility	0	0	0	385,000	400,000	1,600,000	0	0	0	0		
Unanticipated Special Legal	71,491	115,730	240,655	223,000	232,000	241,000	251,000	261,000	271,000	282,000		
Non-Recurring Non-Operating Expenses	635,425	231,086	0	0	0	0	0	0	0	0		
Chromium 6 Projects	480,471	1,345	0	0	0	0	10,000,000	0	0	0		
Refund of CCWA Bond Reserves	0	0	0	0	0	(467,000)	0	0	0	0		
Subtotal	1,460,107	825,532	1,123,792	3,138,000	3,382,000	3,374,000	11,001,000	1,034,000	1,067,000	1,102,000		
<b>Total Expenses</b>	9,596,621	9,461,372	10,077,336	12,867,000	13,888,000	14,163,000	21,506,000	12,477,000	12,867,000	13,242,000		
<b>Revenues Less Expenses</b>	544,906	2,137,401	2,305,447	(383,000)	(1,299,000)	(1,327,000)	(205,000)	113,000	146,000	186,000		
Return of ID#1's CCWA Debt & Covg. Reserves						600,000						
<b>Ending Fund Balances</b>	4,458,906	10,499,401	11,267,447	8,651,000	7,352,000	6,625,000	6,420,000	6,533,000	6,679,000	6,865,000		
Ending Fund Balance as % of Annual Expenses	46.5%	111.0%	111.8%	67.2%	52.9%	46.8%	51.3%	52.4%	51.9%	51.8%		
Debt Svc Coverage on District Debt	6.89	9.83	11.41	9.37	7.68	9.12	4.24	2.82	2.93	3.04		
CCWA Debt Coverage, without Debt Reserves	1.62	1.85	2.01	1.69	1.52	1.49	-	-	-	-		
CCWA Debt Coverage, with Debt Reserves	1.90	2.13	2.30	1.93	1.76	1.72	-	-	-	-		

Table 4  
 Santa Ynez River Water Conservation District, ID#1.  
 Summary of Rate Scenarios

Rate Scenario	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Remaining Adopted Rate Increases</b>	Jan-1, 2020 5%	Jan-1, 2021 5%					
<b>A) Implement Adopted Rates</b>	5%	5%	2.5%	2.5%	2.5%	2.5%	2.5%
<b>B) Defer Rate Increases for 1 Year</b> <i>No rate increase on Jan-1, 2020</i>	-	5%	5%	3.0%	3.0%	3.0%	3.0%
<b>C) Lower Rate Increases</b> <i>Spread remaining rate increases over 4 years</i>	2.5%	2.5%	2.5%	2.5%	4.0%	4.0%	4.0%

*All scenarios assume deferral of Chromium 6 Project until FY 2022/23.*

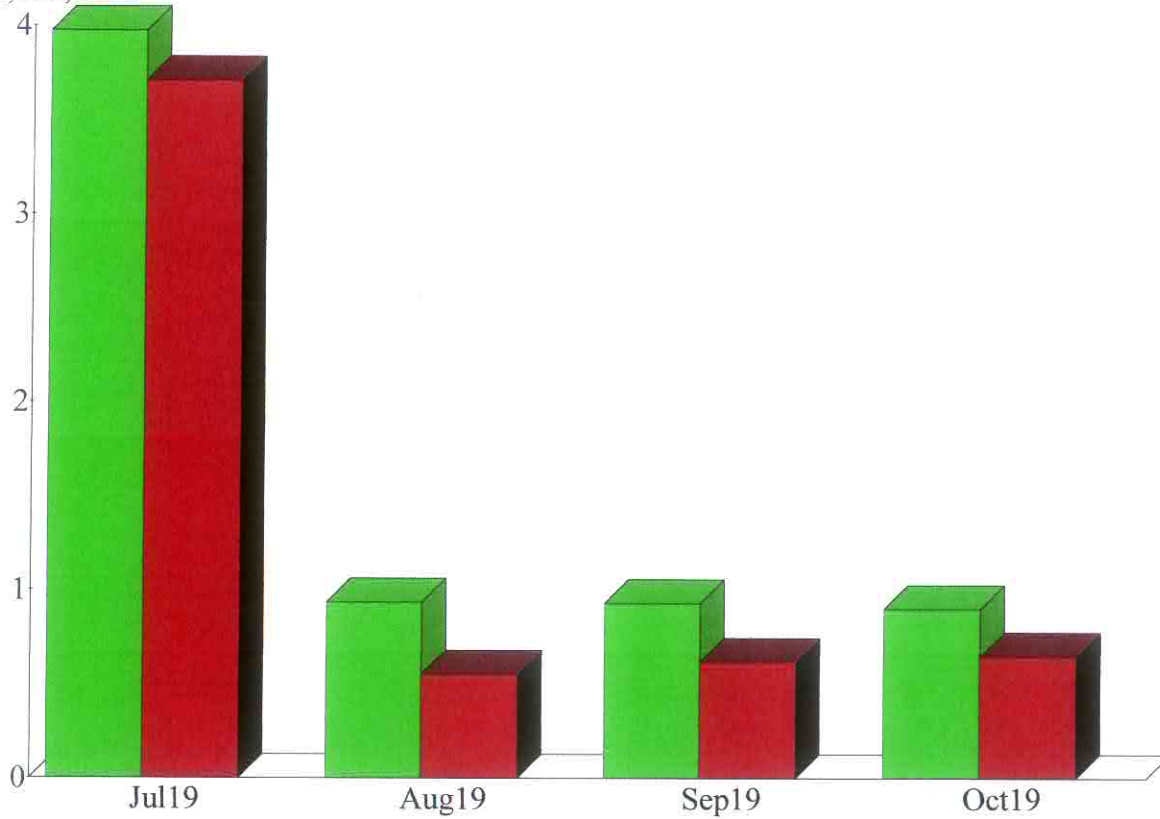
*All scenarios assume continuation of an \$875,000 reduced annual level of special assessments.*

*Previously adopted rate increases also included a phase-in of rate structure adjustments.*

Income and Expense by Month  
July through October 2019

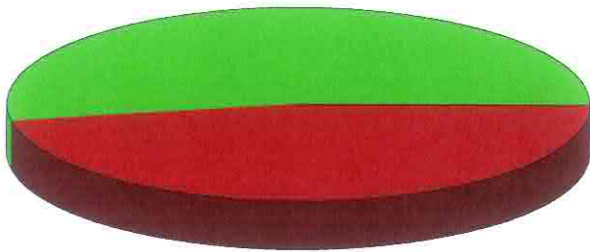


\$ in 1,000,000's



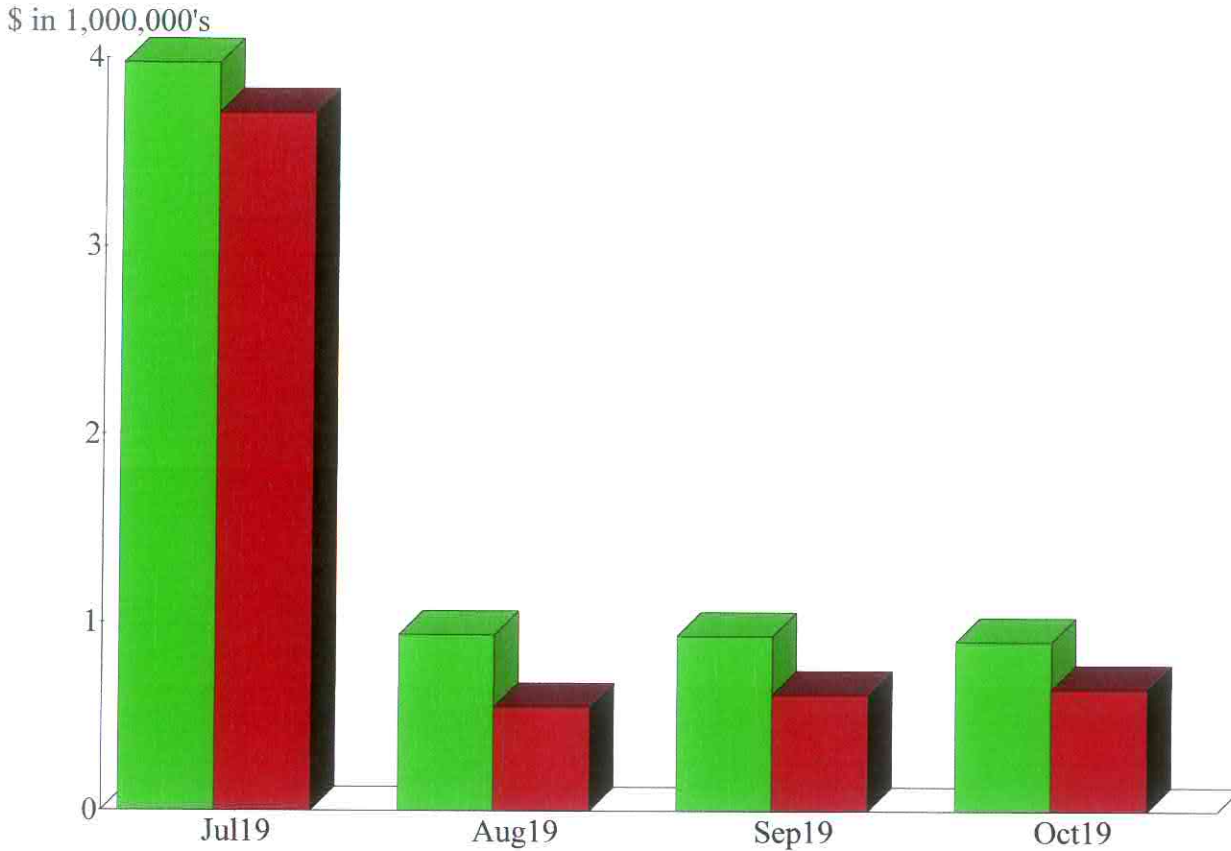
Income Summary  
July through October 2019

600000	· SERVICE & SALES REVENUE	53.03%
625000	· ASSESSMENTS, FEES & OTHER	46.97%
Total		\$6,743,831.55



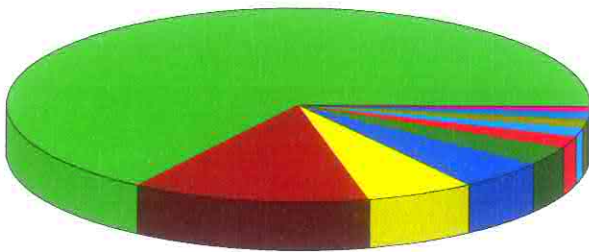
By Account

Income and Expense by Month  
July through October 2019



Expense Summary  
July through October 2019

702000	SOURCE OF SUPPLY EXPENSES	65.78%
770000	GENERAL & ADMIN EXPENSE	13.31
750000	TRANSMISSION & DIST. EXPENSES	6.09
725000	PUMPING EXPENSES	4.98
900100	Constr in Progress CY	3.26
800000	LEGAL/ENGINEERING	1.94
710000	INFRASTRUCTURE EXPENSES	1.56
900370	Capital Expense - CY	1.52
825000	STUDIES	1.39
740000	WATER TREATMENT EXPENSES	0.19
Total		\$5,532,254.25



By Account



**Santa Ynez River Water Conservation District ID #1**  
**Statement of Revenues & Expenses**  
 October 2019

	Oct 19	Sep 19	% Change	Jul - Oct 19
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>600000 · SERVICE &amp; SALES REVENUE</b>				
<b>WATER SALES INCOME</b>				
601000 · Water Sales - Agri.	99,370.27	142,416.58	-30.23%	525,534.94
602000 · Water Sales - Domestic	441,452.60	486,442.26	-9.25%	1,884,299.56
602100 · Water Sales - RRLmtd Ag.	244,208.01	273,514.83	-10.72%	1,070,595.46
602200 · Water Sales - Cach Pk	1,281.18	1,507.75	-15.03%	7,064.42
604000 · Water Sales - Temp.	74.25	683.10	-89.13%	2,286.90
606000 · Water Sales - Solvang	4,305.70	4,305.70	0.0%	17,222.80
608000 · Water Sales - On-Demand	1,172.19	1,360.29	-13.83%	5,441.16
611500 · Fire Service Fees	9,903.40	9,725.20	1.83%	40,177.91
<b>Total WATER SALES INCOME</b>	<b>801,767.60</b>	<b>919,955.71</b>	<b>-12.85%</b>	<b>3,552,623.15</b>
<b>SERVICE INCOME</b>				
611200 · Reconnection Fees	2,173.00	2,250.00	-3.42%	8,998.00
611900 · New Fire Services	0.00	3,040.00	-100.0%	3,040.00
612400 · Penalties	2,953.19	3,028.39	-2.48%	11,460.38
<b>Total SERVICE INCOME</b>	<b>5,126.19</b>	<b>8,318.39</b>	<b>-38.38%</b>	<b>23,498.38</b>
<b>Total 600000 · SERVICE &amp; SALES REVENUE</b>	<b>806,893.79</b>	<b>928,274.10</b>	<b>-13.08%</b>	<b>3,576,121.53</b>
<b>625000 · ASSESSMENTS, FEES &amp; OTHER</b>				
611600 · Capital Facilities Chrg.	0.00	0.00	0.0%	3,502.21
<b>620000 · OTHER REVENUES</b>				
624300 · Gain/Loss-Asset Disposal	0.00	0.00	0.0%	1,000.00
<b>Total 620000 · OTHER REVENUES</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>1,000.00</b>
620006 · Reimbursed Field Labor	0.00	0.00	0.0%	121.69
620008 · Reimbursed Admin Labor	0.00	0.00	0.0%	53.97
624000 · Miscellaneous Revenue	600.25	852.00	-29.55%	2,635.25
625200 · Administrative Fees	2,502.00	750.00	233.6%	3,752.00
627000 · Tax Revenue - Secured	340.53	0.00	100.0%	340.53
<b>628000 · INTEREST INCOME</b>				
629000 · Interest Income - LAIF	75,300.98	0.00	100.0%	75,300.98
629100 · Interest Income -PIMMA	755.02	511.95	47.48%	2,105.65
630000 · Interest Income - Cking	2.91	2.81	3.56%	10.50
630100 · Interest Income - SY Ind	0.00	0.00	0.0%	1.37
<b>Total 628000 · INTEREST INCOME</b>	<b>76,058.91</b>	<b>514.76</b>	<b>14,675.61%</b>	<b>77,418.50</b>
634100 · Insurance Claims	0.00	0.00	0.0%	1,781.59
890100 · SWP Pmt. from Solvang	15,309.89	0.00	100.0%	3,077,104.28
<b>Total 625000 · ASSESSMENTS, FEES &amp; OTHER</b>	<b>94,811.58</b>	<b>2,116.76</b>	<b>4,379.09%</b>	<b>3,167,710.02</b>
<b>Total Income</b>	<b>901,705.37</b>	<b>930,390.86</b>	<b>-3.08%</b>	<b>6,743,831.55</b>
<b>Cost of Goods Sold</b>				
<b>702000 · SOURCE OF SUPPLY EXPENSES</b>				
703000 · Cach. Water Entitlement	19,190.46	36,935.18	-48.04%	129,996.02
704000 · State Water	104,415.25	111,416.40	-6.28%	438,664.43
860000 · Solvang-SWPmt	8,597.00	0.00	100.0%	3,070,391.39
<b>Total 702000 · SOURCE OF SUPPLY EXPENSES</b>	<b>132,202.71</b>	<b>148,351.58</b>	<b>-10.89%</b>	<b>3,639,051.84</b>

**Santa Ynez River Water Conservation District ID #1**  
**Statement of Revenues & Expenses**  
 October 2019

	Oct 19	Sep 19	% Change	Jul - Oct 19
<b>710000 · INFRASTRUCTURE EXPENSES</b>				
711000 · Maintenance - Wells	576.77	2,684.36	-78.51%	41,596.73
712000 · Maintenance - Mains	2,755.40	1,026.74	168.36%	14,229.50
713000 · Maintenance - Reservoirs	0.00	82.15	-100.0%	3,046.37
714000 · Maintenance - Structures	0.00	569.08	-100.0%	569.08
717000 · Bradbury Dam SOD	0.00	26,975.88	-100.0%	26,975.88
<b>Total 710000 · INFRASTRUCTURE EXPENSES</b>	<b>3,332.17</b>	<b>31,338.21</b>	<b>-89.37%</b>	<b>86,417.56</b>
<b>725000 · PUMPING EXPENSES</b>				
726000 · Pumping Expense (Power)	50,294.11	70,757.46	-28.92%	266,150.08
730000 · Maintenance - Structures	2,552.24	3,374.00	-24.36%	8,742.84
732000 · Maintenance - Equipmt.	0.00	0.00	0.0%	392.00
<b>Total 725000 · PUMPING EXPENSES</b>	<b>52,846.35</b>	<b>74,131.46</b>	<b>-28.71%</b>	<b>275,284.92</b>
<b>740000 · WATER TREATMENT EXPENSES</b>				
744000 · Chemicals	0.00	0.00	0.0%	4,153.49
747000 · Maintenance - Structures	0.00	0.00	0.0%	117.36
748000 · Maintenance - Equipment	0.00	739.59	-100.0%	739.59
748100 · Water Treatment - Equipm	621.43	151.80	309.37%	2,025.56
748200 · Water Sampling/Monitor	366.01	962.33	-61.97%	1,347.68
749000 · Water Analysis	-610.00	0.00	-100.0%	1,930.00
<b>Total 740000 · WATER TREATMENT EXPENSES</b>	<b>377.44</b>	<b>1,853.72</b>	<b>-79.64%</b>	<b>10,313.68</b>
<b>750000 · TRANSMISSION &amp; DIST. EXPENSES</b>				
799501 · Uniforms T&D	1,621.84	810.61	100.08%	4,314.53
775401 · ACWA - Health Ins. (T&D)	17,635.02	17,635.02	0.0%	71,035.31
775201 · ACWA - Delta Dental (T&D)	683.16	683.16	0.0%	2,840.88
775301 · ACWA - Vision (T&D)	137.34	137.34	0.0%	566.91
751000 · Labor	47,203.22	48,563.58	-2.8%	184,714.09
751100 · Labor / Vacation	2,215.43	1,444.26	53.4%	11,481.61
751200 · Labor / Sick Leave	1,282.21	1,286.18	-0.31%	6,331.69
752000 · Materials/Supplies				
752100 · Safety Equipment	27.46	91.80	-70.09%	638.96
752000 · Materials/Supplies - Other	316.10	126.88	149.13%	1,259.81
<b>Total 752000 · Materials/Supplies</b>	<b>343.56</b>	<b>218.68</b>	<b>57.11%</b>	<b>1,898.77</b>
753000 · SCADA Maintenance	0.00	902.50	-100.0%	902.50
754000 · Small Tools	1,529.85	5,582.17	-72.59%	8,521.17
754100 · Small Tools - Repairs	8.97	21.53	-58.34%	148.27
755000 · Transportation	10,826.15	3,327.40	225.36%	28,850.12
756000 · Meter Services	0.00	0.00	0.0%	4,709.02
756100 · Meter Services - Repair	1,242.60	3,691.48	-66.34%	5,874.00
758100 · Meter Reading (Sensus)	313.91	0.00	100.0%	1,517.37
759000 · Maintenance - Structures	0.00	165.43	-100.0%	174.57
760000 · Fire Hydrants	0.00	338.04	-100.0%	991.07
762000 · Backhoe-Maintenance	5.38	347.99	-98.45%	353.37
763000 · Generators/Maintenance	0.00	1,573.18	-100.0%	1,573.18
<b>Total 750000 · TRANSMISSION &amp; DIST. EXPENSES</b>	<b>85,048.64</b>	<b>86,728.55</b>	<b>-1.94%</b>	<b>336,798.43</b>
<b>Total COGS</b>	<b>273,807.31</b>	<b>342,403.52</b>	<b>-20.03%</b>	<b>4,347,866.43</b>
<b>Gross Profit</b>	<b>627,898.06</b>	<b>587,987.34</b>	<b>6.79%</b>	<b>2,395,965.12</b>

**Santa Ynez River Water Conservation District ID #1**  
**Statement of Revenues & Expenses**  
 October 2019

Expense	Oct 19	Sep 19	% Change	Jul - Oct 19
4000 · Reconciliation Discrepancies	0.00	0.00	0.0%	0.00
<b>770000 · GENERAL &amp; ADMIN EXPENSES</b>				
6560 · Payroll Expenses	32.00	32.00	0.0%	132.00
772000 · State Unemp. - Claims	2,737.00	0.00	100.0%	2,737.00
775000 · PERS - Retirement	25,473.00	24,044.24	5.94%	98,742.04
775200 · ACWA - Dental (Admin)	694.72	694.72	0.0%	2,778.88
775300 · ACWA - Vision (Admin)	137.68	137.68	0.0%	550.72
775400 · ACWA - Medical Insurance(Admin)	16,541.84	16,541.84	0.0%	66,167.36
777000 · Salaries - Administrative Staff	78,913.03	79,656.65	-0.93%	323,668.63
777100 · Salaries / Vacation	10,533.59	1,636.81	543.54%	21,676.21
777200 · Salaries / Sick Leave	547.06	368.71	48.37%	2,016.55
777300 · Admin - Sick Hr.Rate	316.97	37.29	750.01%	559.36
777400 · Admin.- Vac. Hr.Rate	149.16	689.87	-78.38%	2,585.19
778000 · Training, Travel & Conferences	1,851.49	2,358.21	-21.49%	5,794.18
779000 · Dues,Subscrip,Certif.	24,109.18	328.20	7,245.88%	24,662.54
780000 · Building Maintenance	200.00	200.00	0.0%	845.98
781000 · Office Supplies	351.38	858.73	-59.08%	2,075.06
782000 · Postage & Printing	3,902.33	4,302.37	-9.3%	15,646.08
783000 · Utilities	770.27	997.47	-22.78%	3,806.06
784000 · Telephone	1,169.15	1,169.20	-0.0%	4,711.54
785000 · Special Services	901.54	621.87	44.97%	2,855.20
785100 · Government Fees	0.00	50.00	-100.0%	6,078.00
786000 · Insurance & Bonds	900.03	4,490.65	-79.96%	14,371.90
787000 · Payroll Taxes	8,445.92	7,873.86	7.27%	35,135.76
788000 · Audit - Expenses				
788100 · General Accounting	0.00	156.50	-100.0%	4,040.50
788000 · Audit - Expenses - Other	0.00	0.00	0.0%	15,756.80
<b>Total 788000 · Audit - Expenses</b>	<b>0.00</b>	<b>156.50</b>	<b>-100.0%</b>	<b>19,797.30</b>
789000 · Legal - Expenses Gen.	255.86	1,145.50	-77.66%	9,572.57
790000 · Gen/Prfsnl Consultant Expenses	2,025.00	600.00	237.5%	14,356.90
792000 · Bad Debts	113.97	0.00	100.0%	113.97
793000 · Office Equip. Service Contracts	2,107.59	2,522.04	-16.43%	9,287.79
794000 · Interest Expenses	0.00	0.00	0.0%	21,293.75
794100 · Annual Fee - Bond Fund	0.00	0.00	0.0%	1,375.00
797000 · Trustee Fees	3,600.00	1,960.00	83.67%	10,360.00
799000 · Miscellaneous Expenses/Vendors	2,062.15	2,702.82	-23.7%	10,310.11
799500 · Uniform Service	1,033.08	0.00	100.0%	1,033.08
799525 · Gardening Service	240.00	240.00	0.0%	1,127.02
799600 · Customer Refunds	-152.00	0.00	-100.0%	-152.00
<b>Total 770000 · GENERAL &amp; ADMIN EXPENSES</b>	<b>189,962.99</b>	<b>156,417.23</b>	<b>21.45%</b>	<b>736,071.73</b>
<b>Total Expense</b>	<b>189,962.99</b>	<b>156,417.23</b>	<b>21.45%</b>	<b>736,071.73</b>
<b>Net Ordinary Income</b>	<b>437,935.07</b>	<b>431,570.11</b>	<b>1.48%</b>	<b>1,659,893.39</b>
<b>Other Income/Expense</b>				

**Santa Ynez River Water Conservation District ID #1**  
**Statement of Revenues & Expenses**  
 October 2019

	Oct 19	Sep 19	% Change	Jul - Oct 19
Other Expense				
800000 · LEGAL/ENGINEERING				
800100 · Legal - BHFS				
800102 · Sustainable Grndwtr Mgmt Act	0.00	0.00	0.0%	650.03
Total 800100 · Legal - BHFS	0.00	0.00	0.0%	650.03
800200 · Legal -BB&K/Consultants				
800201 · NMFS Biop Recon/Stlhd Rcvry Pln	1,606.00	2,664.50	-39.73%	23,829.35
800202 · SWRCB 94-5 Hearing (BBK)	2,985.54	7,264.50	-58.9%	10,250.04
Total 800200 · Legal -BB&K/Consultants	4,591.54	9,929.00	-53.76%	34,079.39
800300 · Engineering	0.00	258.03	-100.0%	1,580.48
800500 · Unanticipated Spc Legal Expense	15,448.98	18,891.54	-18.22%	71,042.10
Total 800000 · LEGAL/ENGINEERING	20,040.52	29,078.57	-31.08%	107,352.00
825000 · STUDIES				
825400 · CCRB (Shared Consultants)				
825401 · Joint Bio Op Recon.-Consultants	3,118.15	30,753.78	-89.86%	44,017.55
825402 · Joint SWRCB - Stet/Han/Entrix	5,346.45	0.00	100.0%	5,346.45
Total 825400 · CCRB (Shared Consultants)	8,464.60	30,753.78	-72.48%	49,364.00
825500 · Hydrology SYR;RiverWare-Stetson	0.00	0.00	0.0%	89.50
825600 · SB Co Water Agency				
825601 · Integrated Regional Water Man.	0.00	0.00	0.0%	399.83
825600 · SB Co Water Agency - Other	0.00	0.00	0.0%	4,737.15
Total 825600 · SB Co Water Agency	0.00	0.00	0.0%	5,136.98
825800 · BiOp Implementation	0.00	25,212.40	-100.0%	125,001.43
826000 · System Capacity/Cap Impv Plan	0.00	22,200.50	-100.0%	22,200.50
825000 · STUDIES - Other	0.00	0.00	0.0%	-125,001.00
Total 825000 · STUDIES	8,464.60	78,166.68	-89.17%	76,791.41
900100 · Constr in Progress CY				
900311 · Chlorine Blg @ Wells	539.38	679.74	-20.65%	8,684.57
900332 · Water Treatment Plant/Fac	21,135.83	7,905.00	167.37%	31,807.54
900106 · Rehab/Rplc - Trans. Mains/Lats	2,310.48	3,887.21	-40.56%	7,030.19
900140 · New District Building	4,425.27	0.00	100.0%	4,425.27
900170 · Well Field-6.0 CFS	22,647.00	0.00	100.0%	22,647.00
900171 · 4.CFS WII Field	20,992.00	0.00	100.0%	20,992.00
900198 · Meadowlark BPS	59,737.00	0.00	100.0%	59,737.00
900350 · Uplands Wells	0.00	0.00	0.0%	24,769.57
Total 900100 · Constr in Progress CY	131,786.96	12,471.95	956.67%	180,093.14
900370 · Capital Expense - CY				
900318 · Meter Replace/Utility Billing	26,808.93	0.00	100.0%	27,808.93
900373 · Fleet Vehicle Addition/Replace	0.00	0.00	0.0%	0.00
900376 · Communications/Telemetry-SCADA	0.00	480.00	-100.0%	800.00
900378 · Mjr. Tools, Shop & Garage Equip	0.00	0.00	0.0%	55,470.61
Total 900370 · Capital Expense - CY	26,808.93	480.00	5,485.19%	84,079.54
<b>Total Other Expense</b>	<b>187,101.01</b>	<b>120,197.20</b>	<b>55.66%</b>	<b>448,316.09</b>
<b>Net Other Income</b>	<b>-187,101.01</b>	<b>-120,197.20</b>	<b>-55.66%</b>	<b>-448,316.09</b>
<b>Net Income</b>	<b>250,834.06</b>	<b>311,372.91</b>	<b>-19.44%</b>	<b>1,211,577.30</b>

## Santa Ynez River Water Conservation District ID #1

## Warrant List for Board Approval

October 18 through November 19, 2019

Date	Num	Name	Amount
Oct 18 - Nov 19, 19			
10/31/2019	22664	ACWA/JPIA - Health	\$ 37,499.15
11/19/2019	22665	adding technology, inc.	\$ 70.00
11/19/2019	22666	All American Drilling, Inc.	\$ 103,376.00
11/19/2019	22667	All Around Landscape Supply	\$ 155.48
11/19/2019	22668	Ameravant Inc.	\$ 89.00
11/19/2019	22669	Aramark Uniform Serv Inc.	\$ 926.45
11/19/2019	22670	Autosys, Inc.	\$ 1,172.50
11/19/2019	22671	B of A Business Card Services-CD	\$ 2,388.77
11/19/2019	22672	B of A Business Card Services-MM	\$ 2,431.33
11/19/2019	22673	B of A Business Card Services-PG	\$ 1,101.88
11/19/2019	22674	Bartlett, Pringle & Wolf, LLP	\$ 156.50
11/19/2019	22675	Bell, McAndrews & Hiltachk, LLP	\$ 9,327.02
11/19/2019	22676	Bertin Pulido	\$ 240.00
11/19/2019	22677	Best Best & Krieger LLP	\$ 13,384.64
11/19/2019	22678	Brownstein,Hyatt,Farber, Schreck	\$ 11,351.50
10/31/2019	EFT	CA State Disbursement - October 2019	\$ 1,013.00
11/19/2019	22679	Cachuma O & M Board	\$ 5,833.19
10/31/2019	EFT	CalPERS - October 2019	\$ 28,731.49
11/19/2019	22680	Chevron - Wex Bank	\$ 140.70
11/19/2019	22681	CIO Solutions, LP	\$ 2,021.04
11/19/2019	22682	Coastal Copy	\$ 207.66
11/19/2019	22683	Comcast	\$ 590.64
11/19/2019	22684	Continental Utility Solutions, Inc.	\$ 104.80
11/19/2019	22685	Dig Safe Board	\$ 25.47
11/19/2019	22686	Echo Communications	\$ 176.10
10/31/2019	EFT	Employment Dev. Dept. - October Payroll Taxes	\$ 8,220.60
11/19/2019	22687	Ferguson Enterprises, Inc.	\$ 79,117.89
11/19/2019	22688	Filippin Engineering	\$ 925.00
11/19/2019	22689	Harrison Hardware Inc	\$ 419.09
11/19/2019	22690	Hazen and Sawyer	\$ 15,040.00
11/19/2019	22691	ICONIX Waterworks (US) Inc.	\$ 2,476.08
11/19/2019	22692	Inklings Printing Co.	\$ 125.52
11/19/2019	22693	Iron Mountain	\$ 141.89
11/19/2019	22694	IVR Technology Group, LLC	\$ 73.75
11/19/2019	22695	J. Winther Chevron, Inc.	\$ 151.37
11/19/2019	22696	Jan-Pro Cleaning Systems	\$ 200.00
11/19/2019	22697	JANO Printing & Mailworks	\$ 3,305.00
11/19/2019	22698	Joe Come'	\$ 505.27
10/31/2019	EFT	Lincoln - October 2019	\$ 1,800.00
11/19/2019	22699	Linda Comeau	\$ 100.00
11/19/2019	22700	Mary Martone/Petty Cash	\$ 48.88
11/19/2019	22701	McCormix Corp	\$ 3,676.08
10/31/2019	EFT	Mechanics Bank - October Payroll Taxes	\$ 33,609.84
11/19/2019	22702	MRK INC - Santa Ynez Paint	\$ 31.24

## Santa Ynez River Water Conservation District ID #1

## Warrant List for Board Approval

October 18 through November 19, 2019

Date	Num	Name	Amount
11/19/2019	22703	Neofunds	\$ 200.00
11/19/2019	22704	Nextel/Sprint Communications	\$ 34.99
11/19/2019	22705	Nielsen Building Materials Inc	\$ 393.24
11/19/2019	22706	O'reilly Auto Parts	\$ 556.99
10/31/2019	EFT	Payroll - October 2019	\$ 101,391.54
11/19/2019	22707	P G & E	\$ 60,993.47
11/19/2019	22708	Paeter Garcia	\$ 23.98
11/19/2019	22709	Praxair Distribution Inc	\$ 32.20
11/19/2019	22710	Quill	\$ 263.40
11/19/2019	22711	Red Wing Shoes	\$ 600.00
11/19/2019	22712	Rio Vista Chevrolet	\$ 70.05
11/19/2019	22713	Sensus USA Inc.	\$ 313.91
11/19/2019	22714	Silvas Oil Company (Buwick Petroleum)	\$ 3,795.63
11/19/2019	22715	Smiths Alarms & Electronics Inc	\$ 90.00
11/19/2019	22716	State Water Resources Control Board/Certs	\$ 70.00
11/19/2019	22717	Sterling Communications	\$ 491.34
11/19/2019	22718	Stetson Engineers Inc	\$ 14,648.53
11/19/2019	22719	Stradling Yocca Carlson & Rauth	\$ 948.00
11/19/2019	22720	SWRCB	\$ 624.00
11/19/2019	22721	SYCSD	\$ 78.01
11/19/2019	22722	The Gas Company	\$ 26.85
11/19/2019	22723	TotalFunds by Hasler	\$ 500.00
11/19/2019	22724	Trustee/ Brad Joos	\$ 400.00
11/19/2019	22725	Trustee/ Harlan Burchardi	\$ 400.00
11/19/2019	22726	Trustee/ Jeff Clay	\$ 800.00
11/19/2019	22727	Trustee/ Lori Parker	\$ 200.00
11/19/2019	22728	Trustee/ Michael Burchardi	\$ 200.00
11/19/2019	22729	Underground Service Alert	\$ 85.90
11/19/2019	22730	United States Treasury	\$ 5,000.00
11/19/2019	22731	USA Bluebook	\$ 1,845.59
11/19/2019	22732	Verizon Wireless	\$ 843.84
11/19/2019	22733	Waste Management of Santa Maria	\$ 310.46
11/19/2019	22734	William J Brennan	\$ 1,000.00
11/19/2019	22735	State Water Resources Control Board/Certs	\$ 70.00
<b>GRAND TOTAL</b>			<b>\$ 569,783.73</b>


Oct 18 - Nov 19, 19



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

October 1, 2019

TO: CCWA Project Participants  
 FROM: John Brady, Deputy Director   
 SUBJECT: 2019 DWR Scheduled Coastal Branch Shutdown

The Department of Water Resources (DWR) has finalized its schedule for the annual maintenance shutdown for the Coastal Branch of the State Water Project. This shutdown will require approximately two and one half weeks and will allow both DWR and CCWA to complete required maintenance work. To accommodate this work, CCWA staff will shutdown participant Turnouts as follows:

- All Turnouts will be shut down between 7:00 AM and 12:00 noon on Friday, November 1, 2019.

Once the shutdown maintenance work is complete, CCWA will activate Turnouts and resume water deliveries as follows:

- Water deliveries for the Golden State Water Company, City of Santa Maria, City of Guadalupe, Lopez, Chorro Valley and Shandon Turnouts will initiated between 8:00 AM and 12:00 noon on Monday, November 18, 2019.
- Water deliveries for Vandenberg Air Force Base, City of Buellton, City of Solvang and Santa Ynez RWCD ID#1 Turnouts will be initiated between 12:00 noon and 4:30 PM on Monday, November 18, 2019.

Please be advised that to prepare the pipeline for the duration of the shutdown, the chlorine residual will be raised in to the 3.5 mg/l range in water delivered during the week prior to the shutdown. This will ensure that water within the pipeline will remain potable throughout the outage. CCWA will also purge a portion of the pipeline through resuming lake delivery operations prior to activating Turnouts on the pipeline.

During the outage, CCWA will have the Treatment Plant Clearwell, Tank 2 and Tank 5 available as a limited source of emergency supply. Weekly bacteriologic water quality samples will be collected and analyzed throughout the shutdown period. If your system requires an emergency source of supply during the shutdown, please contact us to coordinate.

Please note that due to work downstream of Tank 7, there will be no source emergency supply downstream of Tank 7. This effects Buellton, Solvang and Santa Ynez ID#1.

If there are any changes to the above schedule, we will inform you as soon as practical. Thank you for your cooperation. If you have any questions, please call me at my office (805) 688-2292 ext 228 or on my cell phone (805) 680-2116 at anytime.



November 19, 2019

To: Board of Trustees

From: Chris Dahlstrom, General Manager

**SUBJECT: Resolution No. 794 – Post Employment Retired Annuitant - Exception to the 180-day Wait Period, Government Code Sections 7522.56 & 21224**

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### STAFF REPORT

#### Discussion

The attached draft Resolution No. 794 and Retired Annuitant Services Agreement (“Agreement”) refers to the post-retirement employment 180-day CalPERS wait period exception for Chris Dahlstrom who is retiring on January 2, 2020 due to the unforeseen health event occurring 8 months ago. This Resolution and Wait Period Exception would allow the Retired Annuitant to perform certain duties for this CalPERS agency after the retirement date and within the CalPERS 180-day Wait Period. Mr. Dahlstrom has submitted his application for retirement with CalPERS which was approved and will be retiring from the District as its General Manager effective on January 2, 2020. In order to provide continuity during the transition period between General Managers, which is within the 180-day Wait Period and assist with the existing backlog and immediate term workloads that the current under-staffed levels cannot fully perform, the Board has expressed its desire to utilize his nearly 24 years of water experience and his institutional, historical and current knowledge of District matters for the benefit of the District.

As a requisite of the law and CalPERS for Mr. Dahlstrom to be employed as an extra help-limited basis Retired Annuitant, the Board must review and adopt in open session a resolution provided by CalPERS with specific restrictions, as detailed in Resolution No. 794, and must be adhered to so as not to jeopardize the District or his pension with CalPERS. The duration of employment as a Retired Annuitant will be at the discretion of the Board with tasks as assigned by the General Manager.

The attached Resolution No. 794 and Retired Annuitant Services Agreement is subject to CalPERS’ final approval following Board consideration and action so as not to violate the specific rules and restrictions of CalPERS that could impact the District or Mr. Dahlstrom’s pension.

#### RECOMMENDATION:

Consider, approve and adopt Resolution No. 794 for exempting the 180-day wait period related to Chris Dahlstrom as a Retired Annuitant as of January 3, 2020, subject to those specific terms, restrictions, requirements of the Californian Public Employee Retirement System (CalPERS) Government Code Sections 7522.56 & 21224; approve and execute the corresponding Retired Annuitant Services Agreement to perform certain needed duties for the District; and direct staff to submit the Board-approved documents to CalPERS for action.



RESOLUTION No. 794

RESOLUTION OF THE BOARD OF TRUSTEES OF THE SANTA YNEZ  
RIVER WATER CONSERVATION DISTRICT, ID NO.1  
FOR EXCEPTION TO THE 180-DAY WAIT PERIOD  
GOVERNMENT CODE SECTIONS 7522.56 & 21224

WHEREAS, in compliance with Government Code Section 7522.56, the Board of Trustees of the Santa Ynez River Water Conservation District, ID No.1 ("the Board") must provide CalPERS this certification resolution when hiring a retiree before 180 days has passed since his or her retirement date; and,

WHEREAS, Chris Dahlstrom as General Manager of the Santa Ynez River Water Conservation District, ID No.1 ("District") since May 13, 1996 is retiring due to an unforeseen health event, effective on January 2, 2020; and,

WHEREAS, the Board desires that Chris Dahlstrom, on an extra help-limited hourly basis, provide assistance to the District, share his nearly 24 years of experience, and perform work to help eliminate the backlog and work in-excess-of what the existing under-staffing levels can carry out during this unexpected transition period with the newly hired General Manager; and,

WHEREAS, Section 7522.56 requires that post-retirement employment commence no earlier than 180 days after the retirement date, which is July 2, 2020, without this certification resolution; and,

WHEREAS, Section 7522.56 provides that this exception to the 180-day wait period shall not apply if the retiree accepts any retirement-related incentive; and,

WHEREAS, the Board, the District, and Chris Dahlstrom certify that Chris Dahlstrom has not and will not receive a "Golden Handshake" or any other retirement-related incentive; and

WHEREAS, the Board, the District, and Chris Dahlstrom certify that Chris Dahlstrom has not received any unemployment insurance compensation arising out of prior employment with a public employer during the 12-month period prior to this resolution; and

WHEREAS, the Board hereby appoints Chris Dahlstrom as an extra help Retired Annuitant to perform specific duties for the District, a critically needed position pursuant to Government Code section 7522.56, requiring specialized skills pursuant to Government Code 21224, effective January 3, 2020; and

WHEREAS, the agreement detailing the appointment and the terms of the relationship between Chris Dahlstrom and the District has been reviewed by this body and is attached hereto; and

WHEREAS, no matters, issues, terms or conditions related to this appointment have been or will be placed on a consent calendar; and

WHEREAS, the appointment shall be limited to 960 hours per fiscal year; and

WHEREAS, the compensation paid to retirees cannot be less than the minimum nor exceed the maximum monthly base salary paid to other employees performing comparable duties, divided by 173.333 to equal the hourly rate; and

WHEREAS, the maximum base salary for this position is \$19,583.33 per month and the hourly equivalent is \$112.98, and the minimum base salary for this position is \$19,222.10 per month and the hourly equivalent is \$110.89; and

WHEREAS, the hourly rate paid to Chris Dahlstrom will be \$110.89; and

WHEREAS, Chris Dahlstrom has not and will not receive any other benefit, incentive, compensation in lieu of benefit, or other form of compensation, in addition to this hourly pay rate; and

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) Approves and adopts Resolution No. 794 - Exception to the 180-day wait period Government Code Sections 7522.56 & 21224; and
- 2) Board hereby appoints, and certifies the nature of the appointment of Chris Dahlstrom, Retired Annuitant, as described herein and detailed in the attached agreement and that this appointment is necessary to assist with critically needed projects for the District commencing January 3, 2020.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

WE, THE UNDERSIGNED, being duly qualified and acting President and Secretary to the Board, 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 November 19, 2019 by the following roll call vote.

AYES, Trustees:

NOES, Trustees:

ABSENT, Trustees:

ATTEST:

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Mary Martone - Secretary to the Board of Trustees

## RETIRED ANNUITANT SERVICES AGREEMENT

This Retired Annuitant Services Agreement ("Agreement"), is entered into between Santa Ynez River Water Conservation District, ID No.1 ("District"), a Water Conservation District organized and existing under Water Code §74000 et seq., and Chris Dahlstrom ("Retired Annuitant"), an individual.

A. Authority:

This Agreement is entered into in accordance with District Resolution No. 794, which Resolution is incorporated into this Agreement by this reference.

B. Effective Date:

This Agreement will be effective on January 3, 2020.

C. Services:

Retired Annuitant will provide as needed services to assist the District in furnishing sufficient water in the District for any present or future beneficial use. These services may include, but are not limited to, providing advice to the Board, General Manager, Management personnel, and District staff about administrative, business, financial, and certain operational matters concerning the conveyance, supply, storage and use of water in the District ("Services").

The specific scope of such services will be defined and requested by the Board and/or the General Manager.

D. Payment:

Services under the Agreement will be performed at the Retired Annuitant's hourly rate established under Resolution No. 794 and in accordance with CalPERS of \$110.89 per hour.

Payment for services shall be in accordance with the District's monthly payroll cycle and paid on the last business day of the calendar month following the Effective Date of this Agreement and monthly thereafter. Retired Annuitant shall furnish District with a time card setting forth the number of hours expended up to a maximum of 79 hours per month or 960 hours per year as Extra Help, and the costs of any necessary materials, for Services provided under the Agreement.

E. Estimated Cost of Services:

The estimated cost of services under this Agreement is limited to a maximum of \$106,454.40 based on the limitations established under law and by CalPERS. Services provided shall not exceed this amount, and any amounts in excess of the estimated cost of services are not authorized hereunder.

F. Confidentiality:

Retired Annuitant agrees and understands that, during the performance of Services under this Agreement, Retired Annuitant may be presented with and/or receive information concerning the District and/or its operations that is regarded as confidential under Federal and/or State law. Retired Annuitant further agrees and understands to keep that information confidential as required by Federal and/or State law, both during and after the performance of Services under this Agreement.

G. Termination: .

District or Retired Annuitant can terminate this agreement, for any reason, upon 30 days written notice. Retired Annuitant will be entitled to all undisputed amounts incurred prior to the date of termination. After termination of the Agreement, Retired Annuitant will submit an final time card to the District that is designated as the "Final Time Card" and that includes all outstanding hours expended and costs incurred.

H. Validity/Enforceability:

If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to the extent necessary to, cure such invalidity or unenforceability, and shall be enforceable in its amended form. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

I. Retired Annuitant:

Retired Annuitant is, and shall at all time that Services are provided under this Agreement be, a wholly Retired Annuitant. Retired Annuitant shall have no power to incur any debt, obligation, or liability on behalf of District or otherwise to act on behalf of District as an agent.

J. Entire Agreement:

This Agreement constitutes the entire Agreement between District and Retired Annuitant. No other representations of any kind, oral or otherwise, shall have any effect. This Agreement may only be amended, extended, and/or modified by an addendum hereto, executed by District and Retired Annuitant.

K. Choice of Law Venue:

This Agreement shall be governed by the laws of the State of California, and venue for any dispute arising out of, or related to, this Agreement will be in the County of Santa Barbara.

L. Notices:

Any written notices, or communications required between District and Retired Annuitant concerning Services provided under this Agreement, shall be delivered to the addresses listed below (or to such other addresses as District and Retired Annuitant may, from time to time, designate in writing):

If to District:

Paeter Garcia, General Manager  
Santa Ynez River Water Conservation District, ID No.1  
P.O. Box 157  
Santa Ynez, CA 93460  
[pgarcia@syrwd.org](mailto:pgarcia@syrwd.org)

If to Retired Annuitant:

Chris Dahlstrom, Retired Annuitant  
424 North Ontare Road  
Santa Barbara, CA 93105  
chris.dahlstrom@hotmail.com

Approved by:

Santa Ynez River Water Conservation District, ID No.1

\_\_\_\_\_  
Jeff Clay, President

\_\_\_\_\_  
Date

\_\_\_\_\_  
Mary Martone, Secretary to the Board of Trustees

\_\_\_\_\_  
Date


Retired Annuitant

\_\_\_\_\_  
Chris Dahlstrom

\_\_\_\_\_  
Date



**To:** Board of Trustees

**From:** Chris Dahlstrom, General Manager 

**Date:** November 19, 2019

**Subject:** Annual Adjustment - Capital Facilities Charges for New Installation and Water Service

**Agenda Item:** X.A.1

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### Staff Report

The District adopted policy provides for automatic annual adjustments of the Capital Facilities Charges ("CFCs") and each year the Board reviews the Resolution and the applicable articles in the Rules and Regulations for new water service, and installation charges for new service connections and meters and then takes action at the next public meeting no less than 20-days following the review period. District adopted policy on October 19, 1993 pursuant to Resolution No. 422 that provides for automatic annual adjustments of the CFC's.

The service connection installation and CFCs are defined in Article 6 of the District's Rules and Regulations. Pursuant to Article 603 – "Each year on January 1, the capital facilities charge 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." Staff acquires the index from the Engineering News Record in the first week of October each year and calculates the adjustments based on the adopted formulas. The installation labor, materials and equipment charges, and contract fees are annually updated based on actual vendor costs, equipment and fuel costs, and labor charges developed from actual time expended by the District's force account for installation of long-side, short side and boring water service connections.

Article 709 addresses the installation of meters and the CFCs from mains with a service connection previously installed. As above, the CFCs are calculated and automatically adjusted and the charges to cover the installation of the meter only is based on actual labor and the vendor costs for materials and parts.

The attached Appendix "C" reflects the service connection installation charge, which costs of installation are determined by the District and capital facilities charges which are subject to automatic annual adjustment pursuant to Article 603. Appendix "D" reflects the same capital facilities charges and meter installation fees.

### Recommendation

Review the draft Resolution and applicable Appendices "C" and "D" to Article 603 and Article 709, respectively, to the Rules and Regulations that provide for the automatic CFC annual adjustment. Following the 20-day minimum review period, this Resolution will be presented at the next scheduled Board meeting. The effective date of the automatic annual adjustment is January 1, 2020.

RESOLUTION NO. XXX

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE  
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, IMPROVEMENT DISTRICT NO. 1  
APPROVING THE ATTACHMENT OF APPENDIX "C" AND APPENDIX "D"  
THE AUTOMATIC ANNUAL ADJUSTMENT TO THE CAPITAL FACILITIES CHARGES AND  
METER INSTALLATION FEES INTO SECTIONS 603 AND 709 OF THE DISTRICT RULES AND  
REGULATIONS

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

WHEREAS, a capital facilities charge is an element in the District's overall financing plan; and

WHEREAS, revenues from capital facilities charges are available for the proportionate costs of system improvements and to pay for expansions; and

WHEREAS, State law precludes the use of such revenues to pay any portion of operation and maintenance expenses; and

WHEREAS, State law (Government Code §66000ff) requires that a reasonable relationship exist between the amount of capital facilities charge and the cost of the associated public facility; and

WHEREAS, future users must be treated in a consistent manner and funds collected must be used for certain capital purposes; and

WHEREAS, the District and the vast majority of water agencies in California require that future users pay the costs of facilities provided to serve them; and

WHEREAS, the alternative to collecting fees from new development is raising charges to current water users, which is not equitable; and

WHEREAS, the charges are collected during the construction period as a new customer begins to use the water facilities; and

WHEREAS, on October 19, 1993, the Board approved Resolution No. 422 adopting and establishing the installation and capital facility 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, the meter and service connection installation charges shall be adjusted to reflect actual costs of installation labor, parts, materials and equipment cost, and contract fees each year on January 1; and

WHEREAS, the ENR Construction Cost Index is 11,326 as of October 2019; and

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 be attached; and,
2. That APPENDIX "D" pursuant to Article 7, Section 709 of the District's Rules and Regulations is attached.

BE IT FURTHER RESOLVED that this Resolution be effective as of January 1, 2020.

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 held on the 17th day of December 2019, by the following roll call vote:

AYES, in favor thereof, Trustees:

NOES, Trustees:

ABSENT, Trustees:

ATTEST:

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Mary Martone, Secretary to the Board of Trustees



APPENDIX "C"

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

(Effective January 1, 2020)

<u>Lot Size</u>	<u>Minimum Meter Size</u>	<u>Maximum Flow Rate</u>	<u>Ratio to 5/8" meter</u>	<u>Capital Facilities Charge</u>	<u>Installation Charge</u>
10,000 sq. ft.	5/8"	20	1.0	\$ 4,099.05	The meter and service installation charge shall equal the cost of installation as determined by the District from time to time
>10,000 sq. ft. to 1 acre	3/4"	30	1.2	\$ 4,918.86	
>1 to 3 acres	1"	50	2.0	\$ 8,198.09	
>3 to 10 acres	1½ "	100	4.0	\$ 16,396.19	
>10 acres	2"	160	6.4	\$ 26,233.89	
	3"	350	12.8	\$ 52,467.79	
	4"	1,000	18.0	\$ 73,782.82	
	6"	2,000	40.0	\$163,961.83	
	8"	3,500	64.0	\$262,338.94	

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, 2020)

<u>Lot Size</u>	<u>Minimum Meter Size</u>	<u>Capital Facilities Charge</u>	<u>Meter Installation Fee</u>	<u>Total</u>
10,000 Sq. Ft.	5/8"	\$4,099.05	\$447.64	\$4,546.69
>10,000 to 1 acre	3/4"	\$4,918.86	\$474.58	\$5,393.43
>1 to 3 acres	1"	\$8,198.09	\$492.90	\$8,690.99
>3 to 10 acres	1-1/2"	\$16,396.19	\$1,076.54	\$17,472.73
> 10 acres	2" STD	\$26,233.89	\$1,326.17	\$27,560.06
	2" CPBM	\$26,233.89	\$2,141.11	\$28,375.00
	3" STD	\$52,467.79	\$2,185.29	\$54,653.08
	3" CPBM	\$52,467.79	\$3,360.49	\$55,828.28

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)	2019 CFC	CFC Increase
5/8"	20	1.0	5167	11326.00	2.191988	\$1,870	\$ 4,099.05	\$ 4,047.39	\$ 51.66

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

Meter Size	Maximum Flow Rate	Ratio to 5/8" Meter	2020 (Base CFC x Ratio)	2019 CFC	CFC Increase
3/4"	30	1.2	\$ 4,918.86	\$ 4,856.87	\$ 61.99
1"	50	2.0	\$ 8,198.09	\$ 8,094.79	\$ 103.30
1 1/2"	100	4.0	\$ 16,396.19	\$ 16,189.58	\$ 206.61
2"	160	6.4	\$ 26,233.89	\$ 25,903.32	\$ 330.57
3"	350	12.8	\$ 52,467.79	\$ 51,806.64	\$ 661.15
4"	1,000	18.0	\$ 73,782.82	\$ 72,853.09	\$ 929.73
6"	2,000	40.0	\$ 163,961.83	\$ 161,895.75	\$ 2,066.08
8"	3,500	64.0	\$ 262,339.00	\$ 259,033.20	\$ 3,305.80

\* 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, 2020

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	\$ 253.33	\$ 19.63	\$ 272.96	J-1908 5/8" Ball Valve	\$ 65.00	\$ 5.04	\$ 70.04	\$104.64	\$ 447.64	\$ 4,099.05	\$ 4,546.69
3/4"	Standard	\$ 277.33	\$ 21.49	\$ 298.82	J-1908 3/4" Ball Valve	\$ 66.00	\$ 5.12	\$ 71.12	\$ 104.64	\$ 474.58	\$ 4,918.86	\$ 5,393.43
1"	Standard	\$ 313.33	\$ 24.28	\$ 337.61	J-1908 1" Ball Valve	\$ 47.00	\$ 3.64	\$ 50.64	\$ 104.64	\$ 492.90	\$ 8,198.09	\$ 8,690.99
1-1/2"	Standard	\$ 720.00	\$ 55.80	\$ 775.80	J-1913W 1-1/2" Ball Valve	\$ 182.00	\$ 14.11	\$ 196.11	\$ 104.64	\$ 1,076.55	\$ 16,396.19	\$ 17,472.73
2"	Standard	\$ 826.67	\$ 64.07	\$ 890.73	J-1913W 2" Ball Valve	\$ 307.00	\$ 23.79	\$ 330.79	\$ 104.64	\$ 1,326.17	\$ 26,233.89	\$ 27,560.06
2"	Compound Body	\$ 1,528.00	\$ 118.42	\$ 1,646.42	J-1913W 2" Ball Valve FL 36x6 Extension	\$ 307.00 \$ 55.00	\$ 23.79 \$ 4.26	\$ 330.79 \$ 59.26				
								\$ 390.06	\$ 104.64	\$ 2,141.12	\$ 26,233.89	\$ 28,375.00
3"	Standard	\$ 1,200.00	\$ 93.00	\$ 1,293.00	A2360-6 Flanged x MJ Resilient Wedge Valve Bolt & Gasket Kit	\$ 725.00 \$ 6.00	\$ 56.19 \$ 0.47	\$ 781.19 \$ 6.47				
								\$ 787.65	\$ 104.64	\$ 2,185.29	\$ 52,467.79	\$ 54,653.08
3"	Compound Body	\$ 2,290.67	\$ 177.53	\$ 2,468.20	A2360-6 Flanged x FLG Resilient Wedge Valve Bolt & Gasket Kit	\$ 725.00 \$ 6.00	\$ 56.19 \$ 0.47	\$ 781.19 \$ 6.47				
								\$ 787.65	\$ 104.64	\$ 3,360.49	\$ 52,467.79	\$ 55,828.28
4"	Standard	\$ 1,373.33	\$ 106.43	\$ 1,479.77	A2360-6 MJ x MJ Resilient Wedge Valve Bolt & Gasket Kit	\$ 725.00 \$ 6.00	\$ 56.19 \$ 0.47	\$ 781.19 \$ 6.47				
								\$ 787.65	\$ 104.64	\$ 2,372.06	\$ 73,782.82	\$ 76,154.88
4"	Compound Body	\$ 2,980.00	\$ 230.95	\$ 3,210.95	4" Mueller Gate Valve Resilient Wedge Valve Bolt & Gasket Kit FLG x FLG	\$ 525.00 \$ 6.00	\$ 40.69 \$ 0.47	\$ 565.69 \$ 6.47				
								\$ 572.15	\$ 104.64	\$ 3,887.74	\$ 73,782.82	\$ 77,670.57

\* Meter Costs: SR11/TRPL (or for 3": Omni T2 w/screen & touch-read)  
 Prices per Invensys/Sensus Technologies - Aqua Metric

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

\*\*\* Labor Costs: Two hours of Average (between highest and lowest) field crew hourly rate including benefits

**APPENDIX 'C'**  
**SHORT SIDE SERVICE AND METER INSTALLATION AND CAPITAL FACILITIES CHARGES**  
 January 1, 2020

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) 1 - 1" J-1929 Corp Ball Valve 1" FIP PJ Fitting - Copper 1" MIP PJ Fitting - Copper 1' Soft Copper "K" 1 - 1" Angle Meter Stop (J-1966W) 1 - Christy Fiber Lite Meter Box (FL30) 1 - Christy Meter Box Lid (FL30) 1 - J1908 Customer Service Valve 3/4" 1 - Mortor (60 lb.)	\$ 142.00 \$ 57.50 \$ 20.06 \$ 15.00 \$ 4.03 \$ 115.00 \$ 74.00 \$ 71.00 \$ 66.00 \$ 5.57 Sub-total \$ 570.16 Tax @ 7.75% \$ 44.19 Total Parts Cost \$ 614.35	\$ 2,797.50	\$ 3,411.85	\$ 447.64	\$ 3,859.49	\$ 4,099.05	\$ 7,958.53
1"	3/4"	Same Parts as 1"x 5/8" above	\$ 614.35	\$ 2,797.50	\$ 3,411.85	\$ 474.58	\$ 3,886.43	\$ 4,918.86	\$ 8,805.28
1"	1"	Same Parts as 1"x 3/4" except 1" Cust. Valve and Meter Box	\$ 450.35	\$ 2,797.50	\$ 3,247.85	\$ 492.90	\$ 3,740.74	\$ 8,198.09	\$ 11,938.84
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"x 2" Saddle (J-979) 1 - 1" J-1929 Corp Ball Valve 1 - 1"x3/4"x3/4" bronze branch connector J-2204 2 - 3/4" Angle Meter Stops @ \$76.00 ea (J-1966W) 2- 1" FIP PJ Fitting - Copper 2- 1" MIP PJ Fitting - Copper 2- 1' Soft Copper "K" 1 - Christy Fiber Lite Meter Box (FL-36) 1 - Christy Meter Box Lid (FL-36D) 2 - J1908 Customer Service Valve 3/4" (\$66.00 ea) 2 - Mortor (60 lb.)	\$ 155.00 \$ 57.50 \$ 104.00 \$ 152.00 \$ 40.12 \$ 30.00 \$ 8.06 \$ 107.00 \$ 105.00 \$ 132.00 \$ 11.14 Sub-total \$ 901.82 Tax @7.75% \$ 69.89 Total Parts Cost \$ 971.71	\$ 2,797.50	\$ 3,769.21	\$ 895.28	\$ 4,664.49	\$ 8,198.09	\$ 12,862.59

\* Prices Per District's Material Suppliers  
 \*\* Installation Based on Actual Hours

APPENDIX 'C'  
**SHORT SIDE SERVICE AND METER INSTALLATION AND CAPITAL FACILITIES CHARGES**  
 January 1, 2020

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	\$ 183.00						
		1 - 2" Corp. Stop (H-9969)	\$ 246.00						
		1 - 2" FIP PJ Fitting - PVC	\$ 20.06						
		3 - 2" MIP PJ Fitting - PVC	\$ 45.00						
		1 - 2" FIP X Threaded 90 Elbow - Brass	\$ 23.21						
		1 - 2" Angle Meter Stop (H-14286)	\$ 280.00						
		1 - Christy Fiber Lite Meter Box (FL-36)	\$ 107.00						
		1 - Christy Meter Box Lid (FL-36D)	\$ 105.00						
		1 - J1913 Customer Service Valve 1-1/2"	\$ 201.00						
		2" Sch80 PVC pipe (\$1.25/ft)	\$ 37.50						
		1 - Mortor (60 lb.)	\$ 5.57						
		Sub-total	\$ 1,253.34						
		Tax @ 7.75 %	\$ 97.13						
		Total Parts Cost	\$ 1,350.47	\$ 2,797.50	\$ 4,147.97	\$ 1,076.55	\$ 5,224.52	\$ 16,396.19	\$ 21,620.71
2"	2"	Same Parts as above except 2" Customer Valve	\$ 1,481.97	\$ 2,797.50	\$ 4,279.47	\$ 1,326.17	\$ 5,605.64	\$ 26,233.89	\$ 31,839.53

**Compound Body Meter**

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"	2"	Same Parts as above standard meter	\$ 1,481.97						
		FL 36"x6" Extension	\$ 59.80						
		Total Parts Cost	\$ 1,541.77	\$ 2,797.50	\$ 4,339.27	\$ 2,141.12	\$ 6,480.39	\$ 26,233.89	\$ 32,714.28

\* Prices Per District's Material Suppliers  
 \*\* Installation Based on Actual Hours

**APPENDIX 'C'**  
**LONG SIDE SERVICE AND METER INSTALLATION AND CAPITAL FACILITIES CHARGES**  
 January 1, 2020

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) 1 - 1" Corp. Stop (J-1929) 1 - 1" Angle Meter Stop (J-1996W) 1 - 1" PJxPJ Straight Coupling - Copper 1 - 1" FIP PJ Fitting - Copper 1 - 1" MIP PJ Fitting - Copper 1 - Christy Fiber Lite Meter Box (FL30) 1 - Christy Meter Box Lid (FL30) 1 - J1908 Customer Service Valve 3/4" 1 - Morter (60 lb.)  Sub-total Tax @ 7.75 % Total Parts Cost	\$ 142.00 \$ 57.50 \$ 115.00 \$ 22.68 \$ 20.06 \$ 15.00 \$ 74.00 \$ 71.00 \$ 66.00 \$ 5.57 \$ 588.81 \$ 45.63 \$ 634.44						
1"	3/4"	Same Parts as 1"x 5/8" above	\$ 634.44	\$ 6,620.14	\$ 7,254.58	\$ 447.64	\$ 7,702.22	\$ 4,099.05	\$ 11,801.27
1"	1"	Same Parts as 1" x 3/4" except 1" Cust. Valve & Meter Box	\$ 470.44	\$ 6,620.14	\$ 7,090.58	\$ 492.90	\$ 7,583.48	\$ 8,198.09	\$ 15,781.57
1" Double Service Manifold	Two 5/8"	1 - 8"x1" Saddle (J-979) 1 - 1" Corp. Stop (J-1929) 2 - 1" PJxPJ Straight Coupling - Copper 1 - 1"x3/4"x3/4" bronze branch connector J-2204 2 - 3/4" Angle Meter Stops @ \$76.00 ea (J-1966W) 1 - 1" PJxPJ Straight Coupling - Copper 1 - 1" FIP PJ Fitting - Copper 1 - 1" MIP PJ Fitting - Copper 1 - Christy Fiber Lite Meter Box (FL-36) 1 - Christy Meter Box Lid (FL-36D) 2 - J1908 Customer Service Valve 3/4" (\$66.00 ea) 2 - Morter (60 lb.)  Sub-total Tax @ 7.75 % Total Parts Cost	\$ 155.00 \$ 57.50 \$ 45.36 \$ 104.00 \$ 152.00 \$ 22.68 \$ 20.06 \$ 15.00 \$ 107.00 \$ 105.00 \$ 132.00 \$ 11.14 \$ 926.74 \$ 71.82 \$ 998.56						
			\$ 998.56	\$ 6,620.14	\$ 7,618.70	\$ 895.28	\$ 8,513.98	\$ 8,198.09	\$ 16,712.08

\* Prices Per District's Material Suppliers  
 \*\* Installation Based on Actual Hours

APPENDIX 'C'  
**LONG SIDE SERVICE AND METER INSTALLATION AND CAPITAL FACILITIES CHARGES**  
 January 1, 2020

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)	\$ 155.00						
		1 - 2" Corp. Stop (H-9969)	\$ 246.00						
		1 - 2" PJxPJ Straight Coupling - PVC	\$ 151.57						
		1 - 2" Angle Meter Stop (H-14286)	\$ 280.00						
		1 - Christy Fiber Lite Meter Box (FL-36)	\$ 107.00						
		1 - Christy Meter Box Lid (FL-36D)	\$ 105.00						
		1 - J1913 Customer Service Valve 1-1/2"	\$ 201.00						
		50' - 2" Sch. 80 PVC Pipe @ 1.25/l.f.	\$ 62.50						
		1 - 2" FIP PJ Fitting - PVC	\$ 20.06						
		3 - 2" MIP PJ Fitting - PVC	\$ 135.00						
		1 - Brass 2" 90 Degree	\$ 19.75						
		1 - Mortar (60 lb.)	\$ 5.57						
			Sub-total						
	Tax @ 7.75 %	\$ 115.35							
	<b>Total Parts Cost</b>	<b>\$ 1,603.80</b>	<b>\$ 6,620.14</b>	<b>\$ 8,223.94</b>	<b>\$ 1,076.55</b>	<b>\$ 9,300.49</b>	<b>\$ 16,396.19</b>	<b>\$ 25,696.68</b>	
2"	2"	Same Parts as above except 2" Customer Valve	\$ 1,709.80	\$ 6,620.14	\$ 8,329.94	\$ 1,326.17	\$ 9,656.11	\$ 26,233.89	\$ 35,890.00

**Compound Body Meter**

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"	2"	Same Parts as above standard meter FL 36"x6" Extension	\$ 1,709.80						
			\$ 59.80						
			<b>Total</b>						

\* Prices Per District's Material Suppliers  
 \*\* Installation Based on Actual Hours



**APPENDIX 'C'**  
**BORING SERVICE AND METER INSTALLATION COSTS**  
 January 1, 2020

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) 1 - 1" Corp. Stop (J-1929) 1" FIP PJ Fitting - Copper 1" MIP PJ Fitting - Copper 1' Soft Copper "K" 1 - 1" Angle Meter Stop (J-1996W) 1 - Christy Fiber Lite Meter Box (FL30) 1 - Christy Meter Box Lid (FL30) 1 - J-1908 Customer Service Valve 3/4" 1 - Morter (60 lb.) Sub-total Tax @ 7.75 % Total Parts Cost	\$ 142.00 \$ 57.50 \$ 20.06 \$ 15.00 \$ 4.03 \$ 115.00 \$ 74.00 \$ 71.00 \$ 66.00 \$ 5.57 \$ 570.16 \$ 44.19 \$ 614.35	T&M Basis	\$ 614.35	\$ 447.64	\$ 1,061.99	\$ 4,099.05	\$ 5,161.03
1"	3/4"	Same Parts as 1"x5/8" above	\$ 614.35	T&M Basis	\$ 614.35	\$ 474.58	\$ 1,088.93	\$ 4,918.86	\$ 6,007.78
1"	1"	Same Parts as 1"x 3/4" except 1" Cust. Valve and Meter Box	\$ 450.35	T&M Basis	\$ 450.35	\$ 492.90	\$ 943.24	\$ 8,198.09	\$ 9,141.34
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) 1 - 1" Corp. Stop (J-1929) 1 - 1"x3/4"x3/4" bronze branch connector J-2204 2 - 3/4" Angle Meter Stops @ \$76.00 ea (J-1966W) 1" FIP PJ Fitting - Copper 1" MIP PJ Fitting - Copper 1' Soft Copper "K" 1 - Christy Fiber Lite Meter Box (FL-36) 1 - Christy Meter Box Lid (FL-36D) 2 - J1908 Customer Service Valve 3/4" (\$65.50 ea) 2 - Morter (60 lb.) Sub-total Tax @7.75 % Total Parts Cost	\$ 155.00 \$ 57.50 \$ 104.00 \$ 152.00 \$ 20.06 \$ 15.00 \$ 4.03 \$ 107.00 \$ 105.00 \$ 132.00 \$ 11.14 \$ 862.73 \$ 66.86 \$ 929.59	T&M Basis	\$ 929.59	\$ 895.28	\$ 1,824.87	\$ 8,198.09	\$ 10,022.97

*Boring Based on  
Time & Materials  
and Actual Costs*

\* Prices Per District's Material Suppliers

\*\* Installation Based on Actual Hours and Actual Costs

**APPENDIX 'C'**  
**BORING SERVICE AND METER INSTALLATION COSTS**  
 January 1, 2020

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) 1 - 2" Corp. Stop (H-9969) 1 - 2" FIP PJ Fitting - PVC 3 - 2" MIP PJ Fitting - PVC 1 - 2" FIP X Threaded 90 Elbow - Brass 1 - 2" Angle Meter Stop (H-14286) 1 - Christy Fiber Lite Meter Box (FL-36) 1 - Christy Meter Box Lid (B-36P) 1 - J1913 Customer Service Valve 1-1/2" 50' - 2" Sch. 80 PVC Pipe @ 1.25/l.f. 1 - Brass 2" 90 Degree 1 - Morter (60 lb.)	\$ 155.00 \$ 246.00 \$ 20.06 \$ 45.00 \$ 23.21 \$ 280.00 \$ 107.00 \$ 105.00 \$ 201.00 \$ 62.50 \$ 19.75 \$ 5.57 Sub-total \$ 1,270.09 Tax @ 7.75 % \$ 98.43 Total Parts Cost \$ 1,368.52						
				T&M Basis	\$ 1,368.52	\$ 1,076.55	\$ 2,445.07	\$ 16,396.19	\$ 18,841.25
2"	2"	Same Parts as above except 2" Customer Valve	\$ 1,474.52	T&M Basis	\$ 1,474.52	\$ 1,326.17	\$ 2,800.69	\$ 26,233.89	\$ 29,034.58

*Boring Based on  
Time & Materials  
and Actual Costs*

**Compound Body Meter**

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"	2"	Same Parts as above standard meter FL 36"x6" Extension	\$ 1,474.52 \$ 59.80 Total \$ 1,534.32						
				T&M Basis	\$ 1,534.32	\$ 2,141.12	\$ 3,675.44	\$ 26,233.89	\$ 29,909.33

\* Prices Per District's Material Suppliers

\*\* Installation Based on Actual Hours and Actual Costs

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

Short Side Water Service Installation  
Backhoe and Equipment Costs

January 1, 2020

Day(s)	Job Description	Hours	\$ Rate w/Benefits	Total
Day 1	Backhoe + Operator	7.00	\$ 125.00	\$ 875.00
	Dump Truck + Operator	4.00	\$ 140.00	\$ 560.00
	Ditch Witch + Operator	1.50	\$ 50.00	\$ 75.00
	Mini Excavator + Operator	3.00	\$ 32.00	\$ 96.00
	Operations Technician	3.00	\$ 44.67	\$ 134.01
	Operations Technician	7.00	\$ 44.67	\$ 312.69
	Const. & Maint. Supervisor	4.00	\$ 67.53	\$ 270.12
	<b>Sub Total</b>			<b>\$ 2,322.82</b>
Day 2	Operations Technician	2.00	\$ 44.67	\$ 89.34
	Operations Technician	2.00	\$ 44.67	\$ 89.34
				<b>\$ 178.68</b>
Item	Job Description	Unit	Costs	Total
	SBCO Encroachment Permit	1	\$ 68.00	\$ 68.00
	Trench Plates/5 days	3	\$ 20.00	\$ 60.00
	Sand Bedding and Shading (Backfill trench zone)	5	\$ 33.60	\$ 168.00
			<b>Sub Total</b>	<b>\$ 296.00</b>
			<b>Total Cost</b>	<b>\$ 2,797.50</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, 2020

Days	Job Description	Hours	\$ Rate w/Benefits	Total
Day 1	Operations Technician	2	\$ 44.67	\$ 89.34
	Operations Technician	2	\$ 44.67	\$ 89.34
	Concrete Saw			\$ 200.00
	<b>Sub Total</b>			<b>\$ 378.68</b>
Day 2	Backhoe+ Operator	7	\$ 125.00	\$ 875.00
	Dump Truck + Operator	7	\$ 140.00	\$ 980.00
	DitchWitch + Operator	1.5	\$ 50.00	\$ 75.00
	Mini Excavator + Operator	3	\$ 32.00	\$ 96.00
	Op Tech - Traffic Control	7	\$ 44.67	\$ 312.69
	Op Tech - Traffic Control	7	\$ 44.67	\$ 312.69
	Const. & Maint. Supervisor	4	\$ 67.53	\$ 270.12
<b>Sub Total</b>			<b>\$ 2,921.50</b>	
Day 3	Backhoe+ Operator	4	\$ 125.00	\$ 500.00
	Op Tech - Traffic Control	2	\$ 44.67	\$ 89.34
	Op Tech - Traffic Control	2	\$ 44.67	\$ 89.34
	Operations Technician	2	\$ 44.67	\$ 89.34
	Operations Technician	2	\$ 44.67	\$ 89.34
<b>Sub Total</b>			<b>\$ 857.36</b>	
Item	Job Description	Unit	Costs	Total
Contract	SBCO Encroachment/Inspection	1		\$ 296.00
	Trench Plates - 5 days	3	\$ 20.00	\$ 300.00
	Slurry Mix - Backfill/Yd	4	\$ 86.00	\$ 344.00
	Slurry Mix - Delivery	1	\$ 86.00	\$ 86.00
	Paving		\$ 1,200.00	\$ 1,200.00
	Sand \$33.60 Per Yard	7	\$ 236.60	\$ 236.60
<b>Sub Total</b>			<b>\$ 2,462.60</b>	
<b>Total Cost</b>				<b>\$ 6,620.14</b>

Water service installation using a typical road cut. 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, 2020

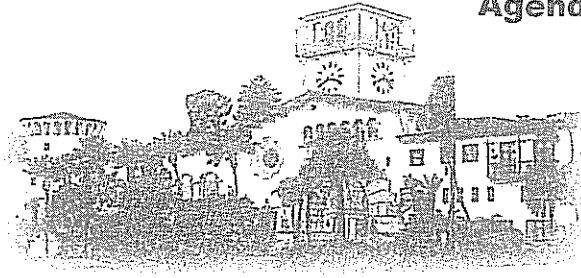
Days	Job Description	Hours	\$ Rate w/Benefits	Total
Day 1	Backhoe+ Operator	7.00	\$ 125.00	\$ 875.00
	Dump Truck + Operator	4.00	\$ 140.00	\$ 560.00
	DitchWitch + Operator	1.50	\$ 50.00	\$ 75.00
	Mini Excavator + Operator	3.00	\$ 32.00	\$ 96.00
	Operations Technician	7.00	\$ 44.67	\$ 312.69
	Operations Technician	3.00	\$ 44.67	\$ 134.01
	Const. & Maint. Supervisor	3.00	\$ 67.53	\$ 202.59
	<b>Sub Total</b>			<b>\$ 2,255.29</b>
Day 2	Backhoe+ Operator	4.00	\$ 125.00	\$ 500.00
	Op Tech	4.00	\$ 44.67	\$ 178.68
	<b>Sub Total</b>			<b>\$ 678.68</b>
Item	Job Description	Unit	Costs	Total
	SBCO Encroachment Permit	1		\$ 68.00
	Boring Contractor		Time & Materials Based on actual cost.*	\$ -
	Fill Sand	4	\$ 33.80	\$ 135.20
<b>Sub Total</b>				<b>\$ 203.20</b>
			<b>Total Cost</b>	<b>\$ 3,137.17</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*

Agenda Item X. - Reports

County Courthouse  
1100 Anacapa Street  
Santa Barbara, CA 93101



805.568.2291  
sbcgj@sbcgj.org  
www.sbcgj.org

GRAND JURY  
COUNTY OF SANTA BARBARA

October 21, 2019

Chris Dahlstrom, General Manager  
Santa Ynez River Water Conservation District, ID No. 1  
3622 Sagunto Street  
Santa Ynez, Ca 93460

Dear Mr. Dahlstrom,

The 2019-2020 Santa Barbara County Grand Jury is seeking information concerning the legal fees accrued and/or paid by the Santa Ynez River Water Conservation District, ID No. 1 during the three-year period from January 2016 to January 2019. This should include all payments for legal services to private contractors such as, but not limited to, the following:

- Brownstein Hyatt Farber Schreck
- Best, Best & Krieger
- Stradling, Yocca, Carlson, & Rauch
- Bell, McAndrews & Hiltachk

This legal fee information is due to the Grand Jury by November 8, 2019. The information is to be sent via email to [sbcgrandjury@sbcgj.org](mailto:sbcgrandjury@sbcgj.org) or mailed to:

**Santa Barbara County Grand Jury**  
Grand Jury Chambers  
Santa Barbara County Courthouse  
1100 Anacapa Street  
Santa Barbara, CA 93101

Your prompt attention to this matter is greatly appreciated.

Respectfully,

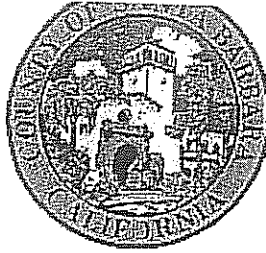
Pamela Olsen  
Foreperson  
2019-20 Santa Barbara County Grand Jury

RECEIVED  
OCT 26 2019  
SANTA BARBARA COUNTY

Agenda Item X. - Reports

*Send List*

COUNTY OF SANTA BARBARA  
PUBLIC WORKS DEPARTMENT  
NORTH COUNTY OFFICE  
620 West Foster Road  
Santa Maria, California 93455  
805\803-8750 FAX 805\803-8753



SCOTT MCGOLPIN, P.E.  
Director

October 11, 2019

Dear Property Owner,

This is an informational letter notifying you that Santa Barbara County Public Works will be advertising for contractors to make repairs to the Alamo Pintado Bridge. This work will require that Alamo Pintado Avenue will be closed to through traffic from the Alamo Pintado Bridge West to Gaviota Street as shown on the attached map. Residents along this stretch of Alamo Pintado Avenue will continue to have access to their properties.

The project will include removing undesirable road fill from behind the West bridge abutment wall, pouring a concrete cap on exposed metal piers, and importing new road fill. The closed portion of Alamo Pintado Avenue will be used for a construction staging area which includes the parking of construction machinery and the stockpiling of materials. Working hours will be Monday through Friday from 7:00AM to 3:30PM. Bids for this project will be opened on Thursday, October 31<sup>st</sup>. Work is estimated to take 29 working days and begin around November 18<sup>th</sup> of this year. Once a contractor has been awarded and given notice to proceed, a formal Press Release will be issued with updates posted at the following County of Santa Barbara, Public Works Department sites:

- Website: <https://www.countyofsb.org/pwd/pwhome.aspx>
- Facebook: <https://www.facebook.com/CountyOfSbPublicWorks>
- Twitter: <https://twitter.com/COSBPublicWorks>
- 24 hour Phone Information Line 805-681-4995

Once construction is complete this portion of Alamo Pintado Avenue will be repaved under a separate contract. It is our intent to schedule the repaving project consecutively with the bridge repair project.

The Public Works Department apologizes for any inconvenience during the project and would like to thank residents, cyclists, pedestrians and the traveling public for their patience and cooperation during the construction of this project.

For questions, please contact Leroy Cadena at 805-803-8764 during normal business hours.

Sincerely,

Leroy Cadena, PE, LS  
Project manager

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

OCT 16 2019

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AA/EEO Employer

# Monthly Briefing

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

## Alliance Testifies Before Senate Panel on Water Management Technology

The Family Farm Alliance earlier this month participated in a Senate panel that discussed how increasing water security in the West could boost economic development. The Alliance's testimony before the Senate Committee on Energy and Natural Resources, Subcommittee on Water and Power demonstrated the innovative ways Western farmers, ranchers and water managers are using technology to tackle pressing water challenges.

Margi Hoffmann represented the Alliance and its member Farmers Conservation Alliance at the October 30 hearing, which focused on the roles of technology and innovation in water resource management and how to enable economic development through increasing water security.

Ms. Hoffmann's appearance marks the 80<sup>th</sup> time since 2005 that Alliances representatives have appeared before a Congressional committee.

"The subcommittee has been actively looking for ways to increase water storage in the West, as well as to increase conservation options there," said Mark Limbaugh, the Alliance's representative in Washington,

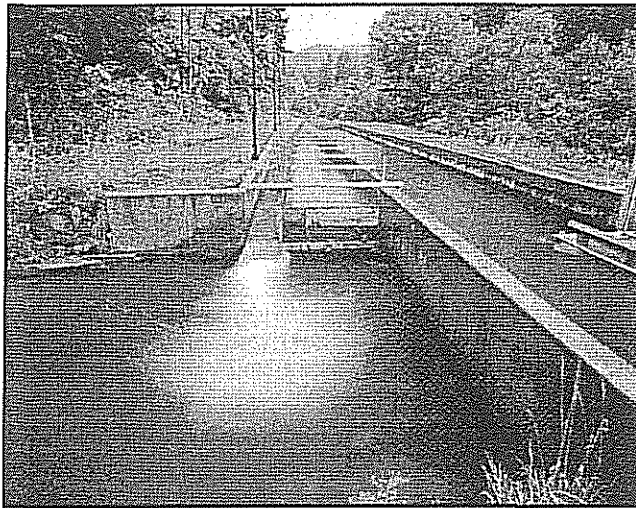
D.C.

The subcommittee heard from innovators working on water conservation issues, as well as farmers and economic development officials who benefit from stable water supplies. Joining Ms. Hoffmann on the witness panel were John Sabo (Director, Future H2O, Arizona

State University), Amit Lang (CEO, EMS Mekorot Projects Ltd), Mary Beth Sewald (CEO, Las Vegas Metro Chamber of Commerce) and Stephen Harper (global director of environment, energy and sustainable policy, Intel Corp.).

The Alliance's written testimony demonstrated the resourcefulness of Western farmers, ranchers and water managers through presentation of several examples, including:

- Floodplain reactivation in the Sacramento Valley (Northern California Water Association);
- Improved snow measurement and runoff forecasts: Friant Water Users (CALIFORNIA);
- Using canals to augment tributary flows and reconnect lost fish spawning habitat: Kittitas Reclamation District (WASHINGTON);
- Integrating agriculture, science, technology and ecology: The Intermountain West Joint Venture (Western United States);
- Improved conservation and drought resilience: National Young Farmers Coalition (Colorado River Basin);



*Farmers Conservation Alliance Director of Strategic Operations Margi Hoffmann discussed her organization's Farmers Screen program at a Senate hearing earlier this month. The first Farmers Screen prototype was installed in the Hood River Valley (OREGON). Photo courtesy of Portland Business Journal*

- Technology that improves water delivery and on-farm water conservation: Imperial Irrigation District (CALIFORNIA); and
- Tracking and capturing monsoon runoff for irrigation and groundwater recharge (Elephant Butte Irrigation District - NEW MEXICO).

*Continued on Page 2*

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## Ninth Circuit Issues Decision in Important Yuba River ESA Case

The Ninth Circuit Court of Appeals earlier this month issued an unpublished memorandum decision in *Friends of the River v. National Marine Fisheries Service*, et al, a case that has important Endangered Species Act (ESA) implications for water users in the Western United States. This case involves a challenge to the federal government's activities concerning two debris dams on the Yuba River (Daguerre and Englebright) in California. Friends of the River (FOR) made the principal argument on appeal that the ESA required the Army Corps of Engineers and National Marine Fisheries Service (NMFS) to analyze and mitigate impacts on protected fish species resulting from the existence of the dams.

Some have suggested that the court's decision was a victory for the environmental plaintiffs.

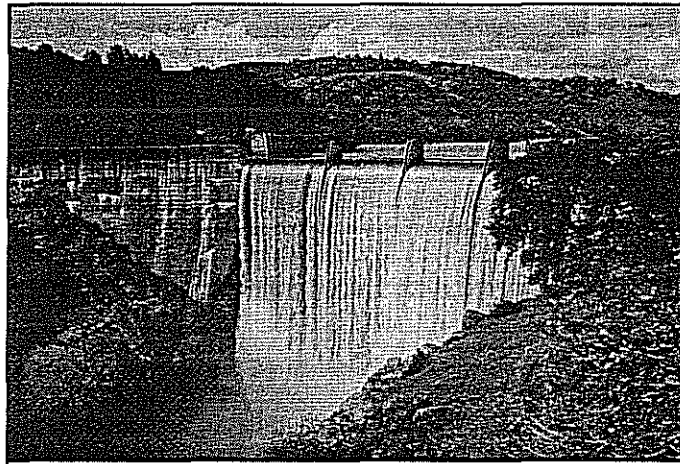
"The Ninth Circuit said you're entitled to change your mind, but you've got to explain yourself and you haven't," Christopher Sproul, an attorney with San Francisco-based Environmental Advocates, told *Courthouse News*. "We think this is an excellent win vindicating good government. If agencies are going to have environmental rollbacks, they can't do it without good reasoning."

According to attorneys intervening on behalf of the defendants, the October 3 decision was largely procedural.

"It did not address the primary issue of whether the ESA's consultation procedures apply to the existence of Englebright and Daguerre," the Yuba Water Agency said in a statement. "Instead, the Ninth Circuit held NMFS had not adequately explained why it changed its position on this issue."

A 2012 Biological Opinion issued by NMFS treated the dams' continuing existence as a proper subject of ESA consultation, whereas the 2014 BiOp and Letter of Concurrence

at issue in this case did not. The Ninth Circuit held that, without a formal explanation from NMFS, the court could not reach the issue of whether ESA's consultation requirements apply to the dams' ongoing existence. The Ninth Circuit, therefore, ordered NMFS to reassess this issue and provide an adequate explanation for its change in position.



**Englebright Dam on the Yuba River.**  
Photo source: U.S. Army Corps of Engineers

In addition to challenging NMFS' ESA consultation regarding the dams, FOR argued the Corps violated the ESA's prohibition on "take" of threatened fish species. The Ninth Circuit did not reach the merits of this issue, however, because the district court had not addressed it. The Ninth Circuit instead remanded this issue back to the district court.

In its one substantive ruling, the Ninth Circuit rejected FOR's arguments that new ESA consultation is required here.

"The Ninth Circuit affirmed the district court's determination that NMFS and the Corps were not required to reinitiate consultation under the ESA due to the alleged changes in circumstances after the issuance of the 2014 opinions," said Michelle Chester with the Sacramento law firm of Somach Simmons & Dunn.

The Court also denied FOR's request that the court order the Corps to implement "interim species-protective measures" while the matter is on remand. As an unpublished memorandum disposition, the October 3 decision does not create any precedent.

"The bottom line: there has been no decision on the merits regarding the environmental baseline issue yet," said the Yuba Water Agency. "The remand was largely procedural."

The Alliance last year joined a "friend of the court" (*amicus curiae*) filing in this case on the side of defendants NMFS and Yuba County Water Agency to argue that the scope of ESA section 7 and liability under ESA section 9 do not extend to the presence of dams already built at the direction of Congress.

## Senate Hearing on Western Water Technology (Cont'd from Page 1)

Ms. Hoffmann's presentation to the subcommittee highlighted the irrigation modernization work that FCA is undertaking in Oregon and Nevada. FCA's program helps irrigation districts and the farmers they serve revolutionize their infrastructure. Past initiatives have focused on specific goals, such as water conservation, hydropower production, system efficiencies, or broader conservation benefits.

"FCA's innovative program reduces the cost and time required for project planning and implementation, addresses

key regulatory and institutional barriers, and leverages funding from multiple resources," said Ms. Hoffmann. "It further demonstrates how modern agricultural water management can mitigate the impacts of long-term drought and other serious environmental and agricultural challenges."

The Alliance written testimony included several recommendations for the subcommittee to consider in order to encourage the use of further technology and innovation in Western water management.

## Reclamation Makes Progress on New Directives and Standards

The Family Farm Alliance in the past month has engaged with the Bureau of Reclamation (Reclamation) on draft Directives and Standards (D&S) that address two issues of importance to Reclamation water customers: title transfer and management of transferred works.

### Title Transfer D&S

Reclamation and Interior Department leadership hosted a conference call earlier this month to discuss Reclamation's draft D&S on title transfers that do not require Congressional authorization. CMP 11-01 was posted publicly on-line by Reclamation the same day. It is intended to complement legislation signed into law earlier this year that allows certain, non-controversial title transfers to be granted without Congressional authorization.

Title transfer is a voluntary conveyance of ownership for water projects including dams, canals, laterals and other water-related infrastructure to the beneficiaries of those facilities. It divests Reclamation of responsibility for the operation, maintenance, management, regulation of, and liability for the project, lands and facilities to be transferred. The benefiting non-federal entity is also provided with greater autonomy and flexibility to manage the facilities to meet their needs in compliance with federal, state, and local laws and in conformance with contractual obligations.

"Title transfers are a positive means of strengthening control of water resources at the local level," said Alliance executive director Dan Keppen. "In addition, they can help reduce federal costs and liability, and allow for a better allocation of federal resources."

Despite the benefits, local water agencies are many times discouraged from pursuing title transfer because the process is expensive and slow. Environmental analyses can be time consuming, even for uncomplicated projects that will continue to be operated in the same manner as they always have been. Moreover, every title transfer currently requires an act of Congress to accomplish, regardless of whether the project covers 10 acres or 10,000 acres.

Over the past two years, the Alliance developed comments and worked with the Department of Interior and Congress on title transfer administrative and legislative proposals. The latest D&S issued by Reclamation intends to outline how these efforts will be implemented by Reclamation and its water customers.

This month's stakeholder conference call featured welcoming comments by Aubrey Bettencourt (Special Assistant to Interior Assistant Secretary for Water and Science), Shelby Hagenauer (Deputy Commissioner of Reclamation), and Karl Stock (Reclamation Policy and Administration), who walked through an outline of Reclamation's efforts to develop the new D&S.

An interim D&S was issued in March 2019, and the draft permanent D&S released earlier this month is now available for public comment for 45-days.

On the call, Mr. Stock walked through the title transfer process that is further detailed in the draft D&S. During the question and answer session that followed, Reclamation representatives noted that a half-dozen title transfer requests are currently being processed. Some of those are works in progress, but the goal is to complete them within a year. Coordinators in each Reclamation region have been named to oversee this process.

Aubrey Bettencourt thanked the Reclamation team for their efforts and emphasized that success will be contingent on everyone working together. She urged that customers utilize Reclamation's regional contacts.

"We appreciate Reclamation's collaborative approach on this issue," said Mr. Keppen. "We have started reviewing the D&S with our members in preparation for the next conference call, which will take place in early November."

Please visit [www.usbr.gov/title](http://www.usbr.gov/title) for more information on the title transfer D&S.

### Transferred Works D&S

Reclamation is continuing outreach on a draft D&S regarding Substantial Changes on Transferred Works (CMP 10-05) and is inviting additional feedback from stakeholders. The operation, maintenance, and replacement responsibility of about two-thirds of Reclamation assets have been transferred to an operating entity pursuant to contracts with Reclamation.

"The intended benefits of this D&S are coordination and communication with operators and awareness of planned facility modifications," said Mr. Keppen. "The Alliance and many of our members have been deeply engaged in this process since last spring."

Reclamation leadership earlier this month provided an update on proposed revisions to the draft D&S first circulated in 2018 and revised this year. Those changes are based on previous stakeholder feedback to streamline internal requirements to better focus on Reclamation's stewardship commitments and stakeholder partnerships. The new D&S was publicly released shortly after the call.

Deputy Commissioner David Palumbo walked through the highlights of what is now a 2-page D&S, instead of the 16-page version introduced earlier this year.

"This new, 'skinny' D&S gets down to the basics," said Mr. Palumbo. "It provides a quality assurance step, will be collaborative and not usurp existing contracts or agreements, will still be non-reimbursable and timely, and will provide a definition of 'substantial change'."

"Initially, the new D&S appears to be dramatically more workable than the last one," said Mr. Keppen. "We do have some concerns with how the revised document still may conflict with existing contracts that speak to transferred works."

The deadline for comments is November 4. The Alliance is coordinating with the National Water Resources Association on a joint formal comment letter.

## Maui Sends Mixed Messages to Supreme Court on CWA Case

A lawyer for Maui County has apologized to the U.S. Supreme Court for a local lawmakers' attempt to drop a contentious Clean Water Act (CWA) case from the Supreme Court's calendar, stating that she was the County's legal representative and the County is not requesting a delay or dismissal of the case.

"Please accept my sincerest apologies for the letter dated October 9, 2019, from Maui County Council Chair Kelly T. King, requesting dismissal or postponement of the November 6, 2019 oral argument," wrote Moana Lutey, Corporate Counsel. "I was unaware that this letter was going to be sent to you."

Ms. Lutey stated that she was the chief legal advisor and legal representative of the County of Maui.

"Accordingly, I am able to represent to this Court that the County of Maui is not requesting a delay or dismissal of this matter," she wrote.

The *County of Maui v. Hawai'i Wildlife Fund* case is a closely watched dispute over whether pollutants that travel through groundwater on their way to federally regulated water bodies are subject to CWA permitting.

The Maui County council voted 5-4 last month to approve a resolution settling a dispute over county disposal

wells that send wastewater through the ground and then into the Pacific Ocean. But the council has received pushback on its authority to settle the matter, including whether the Mayor must also sign onto the settlement, which he has yet to do.

Council Chair King and four of her colleagues on the nine-member council see their resolution authorizing the settlement as a binding action that the Mayor must follow. But the Mayor and Corporation Counsel Lutey view it more as a recommendation.

At question in the case *County of Maui v. Hawaii Wildlife Fund* is whether contaminants that move through groundwater to a federally regulated water body are subject to the CWA's permitting requirements. The case was set to be heard by the Supreme Court on November 6, but the court may choose not to hear the case after the settlement. The County has agreed to pay a \$100,000 fine and make "good faith efforts" to decrease the use of injection wells connected to the pollution, which environmental groups have demonstrated travels through the groundwater into the Pacific Ocean.

Environmentalists allege the County of Maui needed a

*Continued on Page 5*

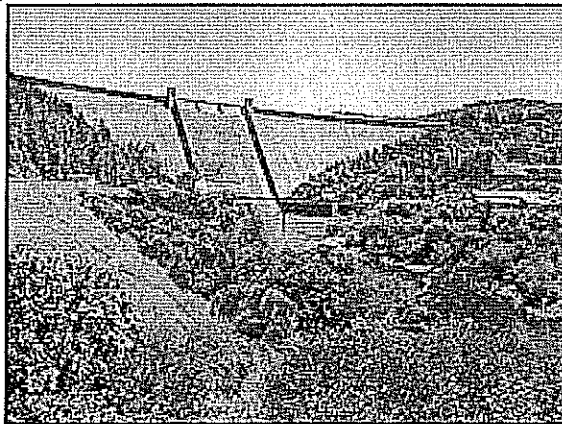
## Westlands Terminates Shasta Dam Raise CEQA Analysis

Westlands Water District earlier this month terminated its preparation of an environmental impact report pursuant to the California Environmental Quality Act (CEQA). Westlands was preparing the environmental impact report to assess the effects of raising Shasta Dam, as proposed by the Bureau of Reclamation, including whether the Dam raise would adversely affect the free-flowing conditions of the McCloud River or its wild trout fishery.

Under federal law, if Reclamation determines to raise the Dam, local cost share partners would be responsible for at least half of the costs. The environmental impact report being prepared by the District would have provided the information necessary for the District to determine whether it could or would become a cost share partner. Westlands terminated the CEQA process because the Superior Court issued, at the request of the California Attorney General, a preliminary injunction that stopped the District from preparing the environmental review document until after the Court conducts a trial and issues a final decision in the case. The practical effect of the injunction is that the

District would not likely be able to complete CEQA within the schedule Reclamation has for the project.

Tom Birmingham, the District's general manager expressed his disappointment in this outcome.



**California's Shasta Dam.**  
Photo source: Bureau of Reclamation

"No agency of the State has conducted a project-specific analysis of Reclamation's proposal, to determine if enlargement of Shasta Dam would adversely affect aquatic resources – particularly those in the lower McCloud River," said Mr. Birmingham. "Westlands took the initiative to do that assessment, through the public process established by CEQA. It is unfortunate that, as a result of the actions of the Attorney General, Westlands was enjoined from completing that analysis."

Westlands Water District is the largest agricultural water district in the United States, made up of more than 1,000 square miles of prime farmland in western Fresno and Kings Counties. Under federal contracts, Westlands provides water to 700 family-owned farms that average 653 acres in size.

*Source: Westlands Water District Press Release*

## Let the Games Begin....

### Cattlemen/Environmentalists File WOTUS Repeal Rule Lawsuits

Within hours of the publication in the Federal Register of the final rule for the Trump Administration's repeal of the Obama-era 2015 Clean Water Act (CWA) jurisdiction rule over "waters of the U.S." (WOTUS), groups from both sides of the political spectrum filed lawsuits challenging it.

A coalition of environmental groups is challenging the rule, saying the actions of the Environmental Protection Agency (EPA) are in "gross violation" of the Administrative Procedure Act (APA) and in violation of the Due Process Clause of the Constitution. The National Wildlife Federation, Natural Resources Defense Council, and nine other groups sued October 23<sup>rd</sup> in the U.S. District Court for the District of South Carolina, accusing the federal government of breaking the law in its rollback of the 2015 Clean Water Rule.

At the same time, New Mexico cattle ranchers – led by the Pacific Legal Foundation - are challenging EPA's repeal of the Obama-era WOTUS rule and recodification of the agency's 1986 regulations. The cattle group is asking a federal court to declare that several provisions of the CWA, the 1986 regulations and related guidance "are statutorily and constitutionally invalid, and to enjoin their enforcement." They argue the 1986 regulations and guidance are much broader than what the CWA contemplates.

"This lawsuit is about the proper interpretation of the term 'navigable waters' in the Clean Water Act," the New Mexico Cattle Growers Association said in its complaint filed in the U.S. District Court for the District of New Mexico. "The Clean Water Act imposes severe criminal penalties for unpermitted discharges to 'navigable waters.' Permitting is onerous and expensive, costing years of time and hundreds of thousands of dollars on average. What 'waters' are 'navigable' is thus a major question."

#### Trump Two-Step Process

At issue is the recently finalized rule that repeals the 2015 WOTUS rule and reinstates the 1986 rule and guidance, the first step in a two-step plan by the Trump Admin-

istration to repeal and replace the Obama-era rule with a narrower definition of waters of the United States. EPA officials have said they plan to finalize the replacement rule in the winter, although agency officials have recently stated that some thorny legal and scientific issues have made finalization more challenging.

EPA and the Army Corps of Engineers (Corps) last month finalized their repeal of the 2015 Obama-era Clean Water Rule. This effort seeks to clarify which wetlands and streams were protected as "waters of the U.S.," under the CWA. The 2015 rule sought to clarify which wetlands and streams were protected as "waters of the U.S.," or WOTUS, under the CWA. The Trump repeal is the first of two steps planned by the administration. It is intended to remedy the legal and procedural deficiencies of the 2015 Rule, address the extensive litigation surrounding it, and recodify and restore a regulatory process that has been in place for years. The repeal brings all 50 states back under regulations that have been in place since the 1980s, as interpreted by guidance written by the George W. Bush administration in 2008. The repeal is the first of two steps planned by the administration. The next step will be to rewrite the rule, with the intent of providing regulatory certainty as to the definition of WOTUS.

#### Applicability to Western Irrigated Agriculture

Irrigation ditches typically are constructed in upland areas, but frequently must connect to a "WOTUS" to either capture or return flow. Congress in the CWA deliberately exempted both the construction and maintenance of such facilities, and excluded agricultural stormwater discharges and irrigation return flows from the definition of "point source". That latter term applies to factory and sewer treatment discharges.

"The 2015 final rule itself was not crystal clear in excluding the West's important irrigation infrastructure from CWA jurisdiction," said Alliance Executive Director Dan Keppen. "Because the 2015 rule did not include explicit exemptions for these irrigation features, irrigators feared that litigation

*Continued on Page 7*

## Maui Clean Water Act Litigation (Cont'd from Page 4)

CWA permit for the discharges because the wastewater eventually seeped through groundwater and ended up in the Pacific Ocean. The circuit court agreed with environmental groups in Maui that the CWA— which governs the discharge of pollutants from discrete "point sources" into "waters of the United States" — applies even when the pollution migrates through groundwater before reaching a waterway that is subject to federal jurisdiction.

The Alliance is part of a group of eight national agriculture organizations that joined in an *amicus curiae* ("friend of the court") brief that was transmitted to the Supreme

Court in May.

"This amicus effort is intended to protect routine agricultural operations from a potentially limitless expansion of the CWA permitting program," said Norm Semanko, General Counsel for the Alliance. "We are closely watching to see what happens in the aftermath of the Maui council's decision to settle the lawsuit."

As this *Monthly Briefing* was set to go to press, the case was still set for argument before the Supreme Court on November 6.

## Central Valley Project Water Plan Employs New Science To Balance the Needs of California Fish and Farms

The Trump Administration earlier this month released a new plan that will guide the federal Bureau of Reclamation's management of the federal Central Valley Project (CVP) in California. The action builds on President Trump's campaign commitment to help solve the state's water supply shortages, as outlined in his Western water executive memo issued last year. The regional directors of the U.S. Fish and Wildlife Service (Paul Souza), National Oceanic and Atmospheric Administration (Barry Thom), and Bureau of Reclamation (Ernest Conant) explained their rationale in a guest column published by *Cal Matters*.

"The plan provides the foundation for a more flexible operation that will allow us to achieve multiple goals," the regional directors wrote. "It also complements efforts underway by California to finalize voluntary agreements with water users".

The Family Farm Alliance and its many Central Valley members are reviewing the new operations plan for the CVP and the State Water Project (SWP). Together, these projects provide water for 25 million Californians and millions of acres of some of the most productive farmland in the world. The new plan is intended to provide the foundation for more flexible operations of these projects to achieve multiple goals. It also complements efforts underway by the State of California to finalize voluntary agreements with water users in the operation of entire river systems.

### Recent CVP Operations and Impacts

Over the past two decades, water managers have had to decide between supplying water for cities, agriculture, and the environment (such as mandated higher water flows through the San Francisco Bay-San Joaquin-Sacramento River Delta). For the past several decades, the growing water demands for water from other sectors have been met at the expense of agricultural supplies.

During 2014 and 2015, California experienced one of the worst droughts in 160 years of record keeping. Reclamation announced a zero water allocation for CVP agricul-

tural water service contractors—with a devastating impact on food producers. Many farmers were forced to fallow their fields because there was not enough water to meet their needs. Thousands of acres of citrus, almonds, and other perennial crops were ripped out due to lack of irrigation water. In other cases, the reduction in irrigation water supply forced farmers to draw on ground water, which is expensive, and in many cases, unsustainable.

"Americans currently enjoy a common luxury – that of spending only a small percentage of their disposable income on food," said Alliance President Pat O'Toole. "However, a continual trend in taking away water from agriculture may come at the cost of a higher food costs and reduced supply and selection at the grocery store."

A 2015 peer-reviewed report endorsed by the Family Farm Alliance clearly shows that the California food production system is vulnerable to environmental policies meant to re-manage the Bay-Delta ecosystem to benefit fish.

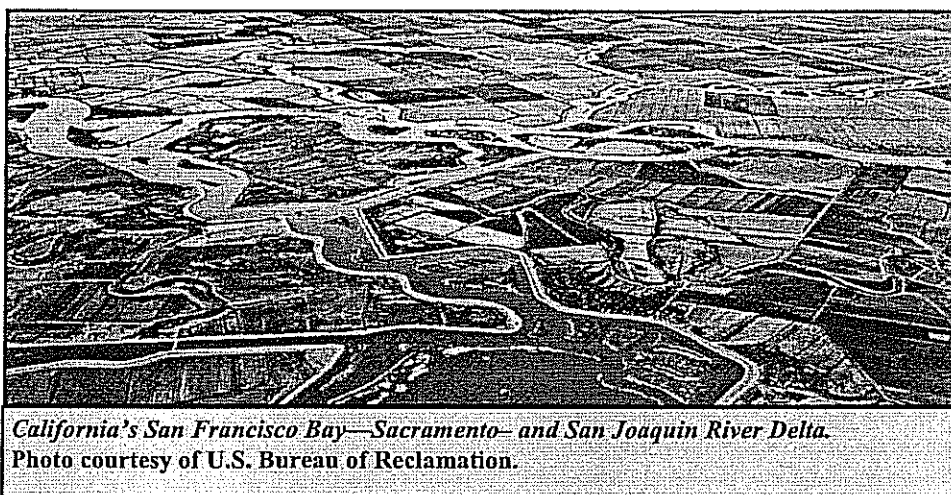
"Unfortunately, those policies have failed, so far," said Alliance Executive Director Dan Keppen. "We need to improve our management of water – for both food production and the future of fish species in the California Bay-Delta."

### Reactions to the New Operations Plan

The Alliance and its Central Valley members are hopeful the new plan could finally provide alternative management options to the status quo that might be more effective in helping these struggling fish species without decimating California agricultural producers.

"For the past 10 years, approximately \$100 million has been invested each year in enhanced monitoring and scientific studies," said Federico Barajas, executive director of San Luis & Delta-Mendota Water Authority. "That investment has resulted in science that supports more refined management of the CVP and SWP."

"The new Biological Opinions mean that for farms, fish,



California's San Francisco Bay-Sacramento and San Joaquin River Delta. Photo courtesy of U.S. Bureau of Reclamation.

Continued on Page 7

**New CVP Ops Plan Utilizes New Science (Cont'd from Page 6)**

and people, this is the dawn of a new science-based approach to water and ecosystem management," added California Farm Water Coalition Executive Director Mike Wade, in a news release.

The new rules have also been welcomed by one of the largest urban water suppliers in America.

"It is beyond time to update these guidelines from those that were developed over a decade ago," said Jeff Kightlinger, general manager of the Metropolitan Water District of Southern California. "These opinions advance the much-needed approach of managing the Delta based on real-time conditions and real-time monitoring of important fish species."

However, corporate environmental groups and their allies in urban media outlets were quick to blast the proposed plan, even before it was publicly released.

"The Trump Administration's forthcoming biological opinions will be disastrous for California's endangered species like winter-run Chinook salmon if they are implemented," intoned Doug Obegi, a water attorney for the Natural Resources Defense Council.

"They're going to cause more harm to species that are already circling the drain just so they can get a little more water," predicted Jon Rosenfield, a senior scientist with the environmental group San Francisco Baykeeper.

That view was quickly countered by organizations representing California farmers and ranchers.

"Those who immediately condemn these revisions because they may help farm communities or cities are attempting to distract from the failure of the current regulatory regime," said Western Growers Association President & CEO Tom Nassif. "We suggest that protecting the status quo by any means is equivalent to consigning the endangered fish species to extinction while simultaneously extinguishing the economic future of thousands of communities. The status quo has failed; change, based on new research and practical experience, is desperately needed."

**Reaction from California and Congress**

The State of California – which has been in a protracted

war with the Trump Administration over most of the administration's environmental policies and actions – may be somewhat closer to the White House on water matters than the public realizes. Democratic governor Gavin Newsome has supported voluntary settlement agreements with Central Valley farmers on water issues.

The State's initial response to the federal plan was measured and cautious.

"California is, and will continue to be, a leader in the fight for clean air, clean water and endangered species," said Lisa Lien-Mager, Deputy Secretary for Communications for the California Natural Resources Agency. "We will evaluate the federal government's proposal, but will continue to push back if it does not reflect our values."

A group of seven Congressional Republicans from California expressed support for the plan, which they said will "help ensure our constituents receive the water they are entitled to or contract and pay for."

Congressional Democrats — including U.S. Sen. Dianne Feinstein and four Central Valley representatives – were more cautious in their public statement.

"The federal government's science for Chinook salmon and Delta smelt was more than a decade old and needed to be updated, especially given climate change," the Democrats stated. "We are examining the new biological opinions to ensure they incorporate the adaptive management and real-time monitoring needed to properly manage the Central Valley Project for the benefit of all Californians."

**New Approach Welcomed by Alliance**

The new water plan is intended to safeguard salmon and other imperiled species while providing welcomed flexibility to meet the water needs of farmers who have relied on this water since the early 1950's.

"While the devil will certainly be in the details, we are initially hopeful that the new CVP water plan will take an important first step towards reestablishing the water supply reliability that is an essential cog in California's - and our Nation's - critical food production capacity," said Mr. Kepen.

**Multiple WOTUS Lawsuits Filed (Cont'd from Page 5)**

activists would inevitably claim that those features were subject to CWA jurisdiction."

At a minimum, this potential litigation could spawn years of delays - CWA permits can take a decade to secure - and lead to protracted and costly litigation. This in turn would create enormous uncertainty and potentially cripple Western agriculture, which obviously needs a reliable water supply.

The EPA is working to finalize a "replacement" rule with a narrow definition of which streams and wetlands are subject to federal regulations.

Earlier this month, members of the North Dakota Congressional delegation met with EPA Administrator Andrew Wheeler and other state, industry, and agricultural leaders in Bismark (NORTH DAKOTA) for a roundtable discussion on efforts to define WOTUS and how that definition impacts land use and numerous small water bodies in North Dakota. Administrator Wheeler said the new WOTUS rule will be finalized this winter.

This second product of EPA's two-step process will likely end up in the courts, which means the 1986 CWA regulations would remain in place for years.

## Feds Release Action Plan for Improving Water Availability Forecasts

High-level officials from the Trump Administration earlier this month rolled out the *Federal Action Plan for Improving Forecasts of Water Availability* which was prepared in response to the President Trump's October 19, 2018 Presidential Memorandum on Promoting the Reliable Supply and Delivery of Water in the West.

"The Administration is committed to advancing America's water infrastructure, and ensuring communities have reliable access to water," said Mary B. Neumayr, Chairman of the Council on Environmental Quality.

In the Western United States, meeting water demands with available water supplies is becoming increasingly complex. Knowing where, when, and how much precipitation in a particular valley, mountain, lake, or river will become available for use to the people living there promotes efficiency as water managers will be able to more effectively prepare and meet the various water users' needs and obligations.

"The National Oceanic and Atmospheric Administration (NOAA) has met early milestones in the new federal action plan thanks to the landmark Weather Research and Forecasting Innovation Act and progress will continue to be made to improve water prediction forecasts through partnered activities leveraging the National Water Center," said RDML Tim Gallaudet, Ph.D., USN Ret., deputy NOAA administrator.

The Action Plan identifies four areas for improvement: enhance weather forecasts to improve water prediction; improve and expand the use of water forecast information to benefit water management outcomes; improve science and technology for water prediction; and implement integrated water availability assessments at national and local basin scales.

"We are committed to using the best science available to reliably provide water and power for agriculture, municipal use and environmental needs," said Timothy R. Petty, Ph.D., Assistant Secretary for Water and Science, Department of the Interior. "Leveraging resources across the Federal family is the most effective way to utilize a modern water infrastructure through improved and expanded water forecasting tools."

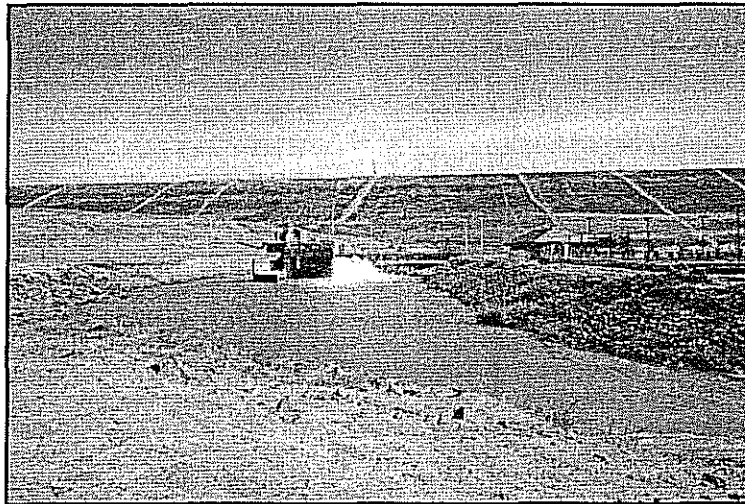
Twelve activities in the Action Plan have been completed or are underway. In particular, NOAA ushered in its new global forecast model, the foundation for all its weather forecast models. This change paves the way for better nu-

merical weather prediction into the future, including improved water prediction.

Another milestone was met when NOAA moved into operations version 2.0 of the National Water Model. This model simulates and forecasts how water moves throughout the nation's rivers and streams using data from more than 8,000 U.S. Geological Survey (USGS) gauges to simulate conditions for over 5 million miles of rivers and streams in the contiguous United States. The model generates hourly forecasts for the entire river network as well as high-resolution fore-

casts of soil moisture, surface runoff, snow water equivalent, and other parameters.

NOAA also deployed the Hydrologic Ensemble Forecast Service (HEFS) in two new western river systems and three new river locations of reservoir inflow. The model delivers ensemble forecasts from 6 hours to a full year, which can be tailored to users' needs. The Bureau of Reclamation (Reclamation) will develop and test methods using HEFS to inform reservoir operations decision making in these newly available systems.



Water release at Lake Mendocino, the pilot reservoir for the Forecast Informed Reservoir Operations effort. Photo by ERDC PAO. Photo Credit: Carol Coleman

Reclamation is also working with NOAA and the National Center for Atmospheric Research to improve short-term (5-day) forecasting in order to improve in-season reservoir operations for irrigation. Forecast Informed Reservoir Operations uses data from the watershed and weather and water forecasts to help water managers selectively retain or release water from reservoirs to balance operating priorities such as water supply, environmental flows, flood control, and dam safety. This approach is being tested at Lake Mendocino, California, a facility owned and operated by the Corps of Engineers.

The USGS continues to develop and refine the Next Generation Water Observation System, which will improve access to data that can be used in state-of-the-art forecasting and modeling tools to help improve decision-making by water managers. Additionally, the USGS will release the National Water Census at the end of calendar year 2019, which will provide daily national assessments of water availability, initially only in terms of quantity but inclusive of quality and use by the end of 2020.

While many activities to improve water forecasts are already underway, goals set in the Action Plan extend through 2023.

- Article source: NOAA -

# 2020 Annual Meeting and Conference

February 20-21, 2020  
Eldorado Resort & Casino  
Reno, Nevada



Conference details will be released the week of Thanksgiving, 2019

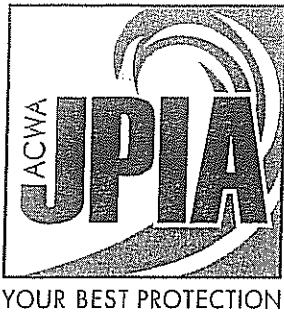
## DONOR SUPPORT

Make your tax-deductible gift to the Alliance today! Grassroots membership is vital to our organization. Thank you in advance for your loyal support. If you would like further info, please contact Dan Keppen at [dan@familyfarmalliance.org](mailto:dan@familyfarmalliance.org), or visit our website: [www.familyfarmalliance.org](http://www.familyfarmalliance.org).



Contributions can also be mailed directly to:  
Family Farm Alliance  
22895 S. Dickenson Avenue  
Riverdale, CA 93656.





October 15, 2019

Santa Ynez River Water Conservation District Improvement  
District No. 1 (S028)  
P.O. Box 157  
Santa Ynez, CA 93460-0157

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Chris:

Each year at Fall Conference, the JPIA recognizes members that have a Loss Ratio of 20% or less in either of the Liability, Property, or Workers' Compensation programs (loss ratio = total losses / total premiums).

The members with this distinction receive the "**President's Special Recognition Award**" certificate for each Program that they qualify in.

The JPIA is extremely pleased to present Santa Ynez River Water Conservation District Improvement District No. 1 (S028) with this special recognition and commends the District on the hard work in reducing claims.

Congratulations to you, your staff, Board, and District. Keep up the good work!

The JPIA wishes you the best in 2020.

Sincerely,

E.G. "Jerry" Gladbach  
President

Enclosure: President's Special Recognition Award(s)

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

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# *President's Special Recognition Award*

*The President of the  
ACWA JPIA  
hereby gives Special Recognition to*

## *Santa Ynez River WCD No. 1*

*for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums"  
in the Liability Program for the period 10/01/2015 - 09/30/2018  
announced at the Board of Directors' Meeting in San Diego.*

  
E. G. "Jerry" Gladbach, President



*December 02, 2019*

# *President's Special Recognition Award*

*The President of the  
ACWA JPIA  
hereby gives Special Recognition to*

## *Santa Ynez River WCD No. 1*

*for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums"  
in the Property Program for the period 04/01/2015 - 03/31/2018  
announced at the Board of Directors' Meeting in San Diego.*



*E. G. "Jerry" Gladbach, President*



*December 02, 2019*

# *President's Special Recognition Award*

*The President of the  
ACWA JPIA  
hereby gives Special Recognition to*

## *Santa Ynez River WCD No. 1*

*for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums"  
in the Workers' Compensation Program for the period 07/01/2015 - 06/30/2018  
announced at the Board of Directors' Meeting in San Diego.*

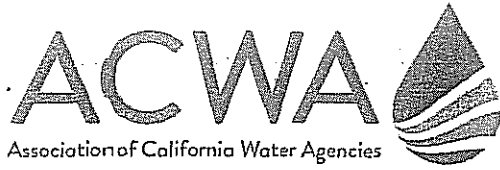


*E. G. "Jerry" Gladbach, President*



*December 02, 2019*

v. *Donny*



MEN

**TO:** ACWA Member Agency Board Presidents and General Managers

**CC:** ACWA Board of Directors

**FROM:** Dave Eggerton, ACWA Executive Director

**DATE:** October 4, 2019

**SUBJECT:** Notice of General Session Membership Meeting at ACWA 2019 Fall Conference

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There will be a General Session Membership Meeting at the 2019 Fall Conference in San Diego, California, on **Wednesday, December 4**. The purpose of this meeting is to formally nominate and elect ACWA's President and Vice President for the 2020-2021 term. The General Session Membership Meeting will convene at 1:15 p.m., immediately following the Wednesday luncheon program, which will be located in the Harbor Ballroom A-F, Manchester Grand Hyatt.

**Election / Voting Process**

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The ACWA Nominating Committee has announced a 2020-2021 slate that recommends current **Vice President Steven LaMar for ACWA President** and current **Region 5 Vice Chair Sarah Palmer for ACWA Vice President**.

As provided by ACWA's Bylaws (Article 9, Section 9) nominations from the floor will be accepted prior to the vote. The Bylaws require that floor nominations and seconds be made by a member of the Association and must be supported by a resolution of the governing body of the member making and seconding such nomination. The member agency on whose board the nominee serves shall submit a resolution of support if they are not the agency making the floor nomination or second. **(See attached for detailed General Session/Election Procedures.)**

ACWA will issue one proxy voting card to each member agency's designated voting representative (delegate) as identified by the member agency on the attached proxy designation form. The designated voting representative must be **present** at the General Session Membership Meeting and must sign-in as the delegate to receive the proxy voting card. Proxy voting cards will **only** be available for pick-up on **Wednesday, December 4, between 9:00 a.m. and 12:00 p.m.** at the **ACWA General Session Desk** in the **Harbor Foyer, Manchester Grand Hyatt**. Proxy voting cards will not be issued before or after these hours.

To expedite the sign-in process at the **ACWA General Session Desk**, please indicate your voting delegate in advance on the enclosed proxy designation form and return it by email (**donnap@acwa.com**) or fax

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## GENERAL SESSION/ELECTION PROCEDURES FOR ACWA 2019 FALL CONFERENCE

The following information is provided to inform the ACWA member agency delegates attending the 2019 Fall Conference of the procedures to be used pertaining to the nomination and election of ACWA officers during the General Session Membership Meeting.

### PROXY VOTING CARDS – (REQUIRED FOR VOTING)

ACWA will issue one proxy voting card each member agency's designated voting representative (delegate) as officially identified by the member agency. In order to vote during the General Session Membership Meeting, the designated voting representative must be **present** at the General Session Membership Meeting and must sign-in as the delegate to receive the proxy voting card no later than **12:00 p.m. on Wednesday, December 4**. Upon sign-in, the voting delegate will receive the required proxy voting cards. Proxy voting cards will **only** be available for pick-up on **Wednesday, December 4, between 9:00 a.m. and 12:00 p.m.** at the **ACWA General Session Desk** in the **Harbor Foyer, Manchester Grand Hyatt**. Proxy voting cards will not be issued before or after these hours. The luncheon and General Session Membership Meeting will be held in the Harbor Ballroom A-F.

### GENERAL SESSION MEMBERSHIP MEETING, WEDNESDAY, DEC. 4 (DOORS OPEN AT 1:05 P.M.)

1. The General Session Membership Meeting will be called to order at 1:15 p.m. and a quorum will be determined. The presence of 50 authorized voting representatives is required to establish a quorum for transacting business.
2. Legal Affairs Committee Chair Jennifer Buckman will provide an overview of the agenda and election procedures.
3. Nominating Committee Chair DeAna Verbeke will present the committee's report and announce the candidate for ACWA President.
4. President Brent Hasteley will call for floor nominations for ACWA President.
5. If there are no floor nominations for President, the election will proceed. President Hasteley will close the nominations and delegates will vote by holding up their "Yes" or "No" proxy voting cards.
6. If there are floor nominations for President, the nomination will follow the procedures established by Article 9 of ACWA's Bylaws, stating that floor nominations and seconds shall be made by a member of the Association and must be supported by a resolution of the governing body of the member making and seconding such nomination. The member agency on whose board the nominee serves shall submit a resolution of support if they are not the agency making the floor nomination or second.
  - a. Ballots will be distributed to the voting delegates.
  - b. Delegates will complete their ballots and place them in the ballot box, which will be centrally located in the Harbor Ballroom A-F meeting room.
  - c. Tellers' Committee will count the ballots. President Hasteley has appointed the following staff members to serve as the Tellers' Committee: Clerk of the Board Donna Pangborn; Director of Business Development & Events Paula Currie; and Executive Assistant Lili Vogelsang.
  - d. Legal Affairs Committee Chair Jennifer Buckman will serve as the proctor to oversee the ballot counting process.
  - e. Candidates are welcome to designate an observer to be present during the ballot counting process.



PROXY DESIGNATION FORM

ASSOCIATION OF CALIFORNIA WATER AGENCIES  
GENERAL SESSION MEMBERSHIP MEETING(S)

WEDNESDAY, DECEMBER 4, 2019 AT 1:15 PM  
THURSDAY, DECEMBER 5, 2019 AT 1:15PM (IF NEEDED)

TO: Donna Pangborn, Clerk of the Board

EMAIL: donnap@acwa.com

FAX: 916-325-4857

The person designated below will be attending the ACWA General Session Membership Meeting(s) on Wednesday, December 4, 2019 (and December 5, 2019 if necessary) as our voting delegate.

MEMBER AGENCY'S NAME	AGENCY'S TELEPHONE No.
MEMBER AGENCY'S AUTHORIZED SIGNATORY (print)	SIGNATURE
DELEGATE'S NAME (print)	SIGNATURE
DELEGATE'S EMAIL	DELEGATE'S TELEPHONE No.
DELEGATE'S AFFILIATION (if different from assigning agency) <sup>1</sup>	DATE

<sup>1</sup> If your agency designates a delegate from another entity to serve as its authorized voting representative, please indicate the delegate's entity in the appropriate space above. Note: Delegates need to sign the proxy form indicating they have accepted the responsibility of carrying the proxy.

**REMINDER:** Proxy voting cards will **only** be available for pick up on Wednesday, December 4, between 9:00 a.m. and 12:00 p.m. at the ACWA General Session Desk in the Harbor Foyer, Manchester Grand Hyatt. The luncheon and General Session Membership Meeting will be held in the Harbor Ballroom A-F.

*J. Palmer*

## *Sarah Palmer, Zone 7 Water Agency Director*

### *Seeks Your Support as ACWA Vice President*



I am pleased and excited to be selected by ACWA's Nominating Committee to be on the official slate as Vice President. The election is on December 4<sup>th</sup> at the San Diego Fall Conference and I am asking for your support.

As you may know, I have been on the Board of Directors of Zone 7 Water Agency for more than 13 years, serving 3 terms as President. I am active in ACWA by being the Region 5 Vice Chair, an active ACWA Board member, and serving on the ACWA Water Quality, Water Management, and Agriculture Committees. I am also active on the PFAS/PFOA workgroup, the Direct Potable Reuse workgroup (just formed), and the ACWA Board Steering Committee. Learning from these groups has reinforced the fact that we all must work together. With the diverse challenges facing California water, we cannot afford to silo ourselves. ACWA gives us the opportunity and means to find our common ground and advocate on behalf of each other and our environment.

I have a Ph.D. in Cell Physiology and Biochemistry from the University of Toronto and a B.A. in Biology and Political Science from New York University. This background in science, with subsequent research and teaching careers, has led to opportunities for communicating complex concepts to both professional and lay groups. My work with Zone 7 has given me the opportunity to become well acquainted with the issues facing both urban and agricultural stakeholders.

I believe in a vision for California that will integrate all aspects of water: urban, rural, and agricultural. In California, all regions depend on one another. We already have one of the most highly engineered water systems in the world. We must manage it in such a way that we are stewards of both the human made infrastructure and the natural environment. We must think long-term. The world is changing more rapidly than we have yet to understand. We must be prepared to meet those challenges together.

I am increasingly concerned with the issues facing agriculture in California. Agriculture is about 20% of my agency Zone 7's water sales. California agriculture is a national treasure. Its welfare goes beyond the 3% of California's economy. Protecting our agricultural community, and its water, is a matter of food security, even of national security. One of the missions of ACWA should be to find a way to protect our agricultural resources, to make the issues of SGMA work for the Central Valley at least as well as it has for my agency's wineries. With the need for new conveyances and storage of water for our state and their resulting rising costs, we cannot allow more than one million acres of California farmland to go permanently fallow. The social and food security issues are dire under that scenario. Urban and agricultural interests must partner in their common dependence on one another.

I support an "all-of-the-above" approach to managing our state water portfolio. Groundwater banking, new conveyance, potable and non-potable reuse, desalination, increased storage, headwater/forest management all add up to a hefty price tag. There is no one solution or one size fits all. Each region will find its best fit but in such a way that it integrates with other regions. The challenges of present and pending climate change and the ever-present threats of earthquake and fire demand it.

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

OCT 07 2019

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My involvement with the Delta Conveyance, while understandably controversial, has given me a broad insight into the issues of providing water for 24 million people in the Bay Area and beyond as well as the valid and deep concerns of the Delta stakeholders and that fragile estuary on which so many species rely. The "reset" of the project by the Newsom administration should not be a setback, but rather a new opportunity to engage with Delta communities to identify and address their legitimate concerns. I will be chairing a Delta Stakeholder Engagement advisory committee to incorporate Delta perspectives into the logistics and locale of the new alternative. Environmental needs and local cultural heritage must be considered.

I will work to expand ACWA's membership. Representing and advocating to balance all regional issues in the state will make us stronger and allow more perspectives to be heard. The ACWA JPIA is a strong incentive for joining. My agency joined the JPIA this past year with the unanimous approval by our Board of Directors.

I look forward to working with the ACWA team. The staff is among the best I have seen, the executives are visionary. My ability to work with and understand up-to-date and science-based decision making, my experience along with my strengths of listening, learning, communicating, and adapting make me an ideal candidate for the office of Vice President of ACWA. Again, I ask for your support so that we may work together.

Sincerely,

Sarah Palmer, Ph.D.

More information can be found at:

[www.linkedin.com/in/sarahpalmerh2o](http://www.linkedin.com/in/sarahpalmerh2o)

### ***Sarah Palmer's Goals for ACWA In Brief***

- Build on existing partnerships while expanding connections with urban, agricultural, academic, heritage and environmental interests
- Minimize "silo-ing" while respecting regional differences
- Increase stakeholder engagement through communication and education
- Advocate for the universal right to clean water
- Improve Association financial strength through increased membership and non-dues funding sources
- Promote a resilient, robust and diverse water portfolio that will serve California for generations to come

## **Resolution in Support of Sarah Palmer for ACWA Vice President**

Now that the ACWA Nominating committee has set a slate for the positions of President and Vice President to be voted on at the ACWA Fall Conference in San Diego including Steve LaMar for President and Sarah Palmer as Vice President, I respectfully ask if your Board can lend me your support. I have included a sample Resolution if you choose to use it!

Thank you for your consideration,

Sarah

**Resolution of the Board of Directors of**

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**In Support of Sarah Palmer  
for the position of ACWA Vice President**

WHEREAS, ACWA has announced that the nominating committee has selected the slate for President and Vice President of ACWA

WHEREAS, Sarah Palmer has been selected for the slate as Vice President

WHEREAS, Sarah Palmer has a working knowledge of water industry issues and concerns, possesses strength of character and leadership capabilities, and is experienced in matters related to the performance of the duties of the office of Vice President; and

WHEREAS, Sarah Palmer can provide the dedication of time and energy to effectively serve in the capacity; and

WHEREAS, Sarah Palmer has served in a leadership role as a member of the Zone 7 Water Agency Board of Directors since 2006, 3 terms as President, has served on the Administrative, Finance, Tri-Valley Liaison, and Water Resources Committees of Zone 7 Water Agency; and

WHEREAS, Sarah Palmer serves as the Vice-Chair of ACWA Region 5 Board of Directors and as a Board member of ACWA

WHEREAS, Sarah Palmer serves as a member of the ACWA Agriculture, Water Management, and Water Quality Committees and as a member of the Water Quality Committee PFOS/PFAS subcommittee; and

WHEREAS, Sarah Palmer serves on the ACWA Board Steering Committee; and

WHEREAS, Sarah Palmer has demonstrated outstanding effort and support of local and regional water issues, including public information workshops and presentations; and

WHEREAS, it is the opinion of the ACWA Nominating Committee that Sarah Palmer possesses all the qualities needed to fulfill the duties of the office of ACWA Vice President.

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF \_\_\_\_\_ does hereby support Sarah Palmer for the office of ACWA Vice President.

PASSED AND ADOPTED by the \_\_\_\_\_ Board of Directors at a regular meeting held on \_\_\_\_\_.

AYES:

NOES:

ABSENT:

*J Board*



October 14, 2019

Board of Directors  
Santa Ynez River Water Conservation District Improvement District No. 1  
P.O. Box 157  
Santa Ynez, CA 93460

Dear President and Members of the Board:

I am pleased to share with you that the Association of California Water Agencies (ACWA) Nominating Committee has selected me as their recommended candidate to serve in the role of ACWA President for the 2020-2021 term. I am excited about having the continued opportunity to play a leadership role in ACWA and represent your water agency and the other 457 ACWA member agencies in addressing California's increasingly complex water issues. I am writing to respectfully request your agency's support for my candidacy during the ACWA Officer Election at our fall conference.

My experience in serving as the ACWA Vice President the past two years, in addition to participating on various ACWA committees and in numerous events over the years, has shown me that it is the people that make the difference in the success of our statewide organization. The diversity among water agencies – north/south, east/west, large/small, ag/urban, coastal/mountain, desert/forest – provides a stellar example of the value of collaboration. Statewide, ACWA member agencies have the expertise to solve almost any water issue when given the opportunity. One of the things I enjoy most about being a part of ACWA is being able to learn from water experts from each of our regions. Together we are a mighty force throughout California and together we can solve difficult issues to the benefit of all Californians.

I have attached a brief summary of my experience. While this experience is indeed important, what I treasure most is having the support of people whom I respect within ACWA – past presidents, fellow ACWA Board members, friends from other water agency boards, general managers and district staff.

Many agencies have already indicated support for my candidacy, and I am very grateful for their early votes of confidence. I respectfully ask for an opportunity to represent the best interests of water agencies throughout California and ask for your agency's vote. I look forward to seeing you at our fall conference in San Diego. Thank you in advance for your support. Please contact me if you have any questions about my candidacy at 714-227-2869.

Respectfully,

Steven E. LaMar  
Director

SYRW.C.D.ID. #1

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Enclosure: Statement of Qualifications

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## STEVEN E. LAMAR

### Statement of Qualifications for President Association of California Water Agencies

- Inclusive Leadership
- Active Advocacy
- Strong Commitment to the Water Community

“Seeing things from all perspectives and working together to make a difference. This is not only the best way to forge alliances and make tough policy decisions, it’s essential for good governance.”



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#### **Inclusive Leadership: Experience that Counts**

Steve LaMar has been a member of the Irvine Ranch Water District (IRWD) Board of Directors since early 2009, serving multiple terms as Board President. In past elections, he received support and endorsements from both the business community (e.g., Orange County Business Council, Building Industry Association) and environmental groups (e.g., Orange County League of Conservation Voters, Sierra Club).

Mr. LaMar has also served in leadership roles for the Association of California Water Agencies (ACWA). He is currently Vice President, past Chair of the ACWA Federal Affairs Committee, and a member of ACWA’s Executive Committee. He is a past Chair of ACWA’s Headwaters Task Force. Mr. LaMar has served on the board of directors of several other water-related organizations, including the National Water Resources Association (representing 17 Western states), the Southern California Water Coalition, CalDesal, and the National Water Research Institute.

Beyond his water industry involvement, Steve has held leadership positions at a wide range of organizations, such as President of the Natural Communities Coalition of Orange County, a nonprofit organization responsible for implementing California’s first natural community conservation plan and for protecting 37,000 acres of habitat. He was a past leader in the California Building Industry Association, where he chaired both the Water Resources Committee and the Government Affairs Committee.

#### **Active Advocacy: Not Just Words**

Mr. LaMar has a history of advocating for ACWA’s policies and initiatives in his current role as an ACWA officer and through service on numerous ACWA committees. He currently chairs ACWA’s Water Resilience Portfolio Working Group to develop ACWA’s recommendations to the Newsom Administration and the ACWA Board Steering Committee to draft ACWA’s first five-year strategic plan.

#### **A Long-Term Commitment to the Water Community: Live What You Believe**

Steve’s commitment to the water community pre-dates his joining the Board of IRWD. He worked on the Delta Vision Stakeholders Coordinating Group as a business representative, the AB 2717 Landscape Task Force as the chair of the Economics Work Group, the 2005 and 2009 Advisory Committees for the California Water Plan, the State Water Desalination Task Force, and Governor Davis’ Drought Advisory Panel.

Serving on the Board of IRWD has provided Mr. LaMar with the knowledge and understanding of what goes into providing retail water service to a broad and diverse community. He has a Bachelor of Arts in Political Science from Pittsburg State University and an Environmental Management Institute Certificate from the U.S. Environmental Protection Agency.

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*Irvine Ranch Water District is a large retail water and sewer agency in Orange County, California serving over 400,000 residents in a 180-square-mile area, with approximately 115,000 water and sewer service connections.*

CORRESPONDENCE LIST  
NOVEMBER 2019

1. Letter from District dated September 25, 2019 to Santa Barbara Superior Court – Honorable Michael Carrozzo, Presiding Judge re: 2019 Santa Barbara Civil Grand Jury report titled “Cachuma Project Contract and Management” response to Grand Jury Report
2. Letter received October 14, 2019 from ACWA re: Notice of General Session Membership Meeting at ACWA 2019 Fall Conference Elections - President/Vice President
3. Memorandum received October 14, 2019 from Central Coast Water Authority re: 2019 DWR Scheduled Coastal Branch Shutdown
4. Letter from District dated October 15, 2019 to Mr. R. Smalldon re: payment arrangement on water service account
5. Letter from District dated October 16, 2019 to Mr. R. Foster re: Can & Will Serve letter for new additional dwelling unit – 3032 Samantha Drive – APN141-360-038
6. Letter from District dated October 16, 2019 to Mr. & Mrs. P. Silvia re: Water Service requirements – new detached additional dwelling unit – 1459 Remington Rd. APN 141-330-010
7. Letter received October 16, 2019 from Santa Barbara County Public Works Department North County office re: Notice of Advertisement for contractors to make repairs to Alamo Pintado Bridge
8. Agenda and packet received October 17, 2019 from Central Coast Water Authority re: Finance and Board of Directors meeting October 24, 2019
9. Letter from District dated October 17, 2019 to Ms. A. Guglielmo re: Water Service requirements – new detached additional dwelling unit 3085 country Road – APN141-330-022
10. Letter received October 17, 2019 from Irvine Ranch Water District re: ACWA Nominating Committee recommended candidate Steven LaMar
11. Letter received October 20, 2019 from District Customer Mr. R. Smalldon re: Executed payment arrangement letter agreement for water service account
12. Letter received October 21, 2019 from US Bureau of Reclamation re: Cachuma Downstream Water Users Accounting report for June, July and August 2019
13. Letter from District dated October 22, 2019 to Ms. A. Guglielmo re: Can & Will Serve letter – new additional dwelling unit – 1479 Country Court – APN 141-330-022
14. Letter from District dated October 22, 2019 to Mr. T. Arrowsmith re: Request for Water Rate Re-classification for APN 137-390-028
15. Letter received October 23, 2019 from County of Santa Barbara Grand Jury re: 2019-2020 Santa Barbara County Grand Jury request for information
16. Letter from District dated October 30, 2019 to LHC Water Sewer re: Verification of water service for District customer 3645 Olive Street

17. Letter from District dated November 1, 2019 to Ms. W. Shepard re: Final Notice - Backflow prevention device testing requirement
18. Letter from District to five District customers re: Final Notice - Backflow prevention device testing requirement
19. Letter from District dated November 5, 2019 to Mr. M. Lazaro re: Returned Check Warning Letter for water service account
20. Letter received November 7, 2019 from ACWA/JPIA re: "Presidents Special Recognition Award" regarding Liability, Property or Workers Compensation Programs
21. Four Letters received November 4, 2019 from California State Water Resources Control Board re: Cessation or reduction of groundwater extractions; 2019 Annual Statement
22. Letter from District dated November 6, 2019 to Mr. M. Colicchio re: Water service requirements - New single-family residence & guest house with fire protection and vineyard - 1021 Ladan Drive - APN 137-620-013
23. Letter from District dated November 6, 2019 to Mr. & Mrs. B. Thomas re: Water service requirements - new detached additional dwelling unit - 1328 Cimarron Drive - APN 143-390-002
24. Letter from District dated November 6, 2019 to Mr. J. Bruhn re: Water service requirements - new detached additional dwelling unit - 1236 Edison Street - APN 143-291-035