

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO.1  
MAY 16, 2023 REGULAR MEETING MINUTES**

A Regular Meeting of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, was held at 3:00 p.m. on Tuesday, May 16, 2023, in-person at 1070 Faraday Street and via teleconference.

Trustees Present:            Jeff Clay                            Michael Burchardi  
   Brad Joos                            Nick Urton

Trustees Absent:            Jeff Holzer

Others Present:            Paeter Garcia                    Mary Martone  
   Karen King                        Eric Tambini  
   Gary Kvistad

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

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

**2. PLEDGE OF ALLEGIANCE:**

President Clay led the Pledge of Allegiance.

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

Ms. Martone presented the affidavit of posting the Agenda, along with a true copy of the Agenda for this meeting. She reported that the Agenda was posted in accordance with the California Government Code commencing at Section 54953, as well as District Resolution No. 340.

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

There were no additions or corrections to the Agenda.

**5. PUBLIC COMMENT:**

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

**6. CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF APRIL 18, 2023:**

The Regular Meeting Minutes from April 18, 2023 were presented for consideration.

President Clay asked if there were any changes or additions to the Regular Meeting Minutes of April 18, 2023. There were no changes or additions requested.

It was **MOVED** by Trustee Burchardi, seconded by Trustee Joos, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to approve the April 18, 2023 Regular Meeting Minutes as presented.

**7. CONSENT AGENDA:**

The Consent Agenda Report was provided in the Board Packet.

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

It was **MOVED** by Trustee Burchardi, seconded by Trustee Joos, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to approve the Consent Agenda as presented.

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

**A. DISTRICT ADMINISTRATION**

1. Financial Report on Administrative Matters

a) Presentation of Monthly Financial Statements – Revenues and Expenses

Ms. Martone announced that the Financial Statements were provided to the Board in the handout materials and posted on the District’s website in the Board packet materials for any members of the public wishing to follow along or receive a copy.

Ms. Martone reviewed the Statement of Revenues and Expenses for the month of April. She highlighted various line-items related to revenue and expense transactions that occurred during the month and also referenced the Fiscal-Year-to-Date Statement of Revenues and Expenses that provides a budget to actual snapshot from July through April. Ms. Martone reported that the District revenues exceeded the expenses by \$586,578.04 for the month of April and the year-to-date net income was \$2,721,670.01, a portion of which will be earmarked and utilized for the District’s annual state Water Project payment due June 1, 2023.

b) Approval of Accounts Payable

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

The Board reviewed the Warrant List which covered warrants 25148 through 25200 in the amount of \$2,944,524.44.

It was **MOVED** by Trustee Joos, seconded by Trustee Urton, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to approve the Warrant List for April 19, 2023 through May 16, 2023.

2. Fiscal Year 2023/2024 Preliminary Budget

The Board packet included materials for the Preliminary Budget for FY 2023/2024, including a staff report and line-item details.

Ms. Martone provided a PowerPoint presentation, which included the budget process, reporting, budget and reserve fund background, and budget categories. Ms. Martone reported that revenues are anticipated to be sufficient to meet the District’s Operations and Maintenance expenses, General and Administrative expenses, Debt Service obligations, Other expenses, and proposed Capital Improvement Program projects forecasted for FY 2023/2024, with a net revenue balance of \$1,194,397 to be added to the District Reserves. Ms. Martone stated that the FY 2023/2024 Preliminary Budget assumes that water rates remain static based upon the last rate increase that went into effect on July 1, 2021. She reported that the Preliminary Budget also assumes no increase in the \$875,000 Special Assessment/Ad Valorem Tax, even though the authorized limit for FY 2023/2024 is \$2,388,353.

Ms. Martone asked that the Board review the 2023/2024 Preliminary Budget and provide any comments or questions to management by early June for possible incorporation into the 2023/2024 Final Budget which will be presented at the June Board meeting.

Mr. Garcia expressed his appreciation and compliments to District staff for their hard work and collaboration in preparing the Preliminary Budget.

President Clay asked if there was any public comment on the Preliminary Budget. There was no public comment.

The Board thanked Mr. Garcia, Ms. Martone, and District staff for their hard work in preparing the FY 2023/2024 Preliminary Budget.

Ms. Martone mentioned that the PowerPoint Presentation will be available on the District website the day after the Board meeting.

3. Setting the Appropriation Limit for the FY 2023/2024 - Article XIII B (Proposition 13)
  - a) California Department of Finance Calculations for 2023/2024 Appropriation Limitations and Authorization to Post Notice and make Public the 2023/2024 Appropriation Limitation Calculation

The Board packet included the May 2023 California Department of Finance letter regarding the FY 2023/2024 Appropriation Limitation Calculation, Price Factor, and Population Information.

Mr. Garcia explained that in connection with establishing an annual appropriation, certain language must be read verbatim into the public record, as follows: *"Pursuant to Section 7910 of the California Government Code, a resolution will be presented for adoption by the Board of Trustees at its Regular meeting on June 20, 2023, which will set the limitations on appropriations for fiscal year 2023/2024 under Article XIII B of the Constitution of the State of California (Proposition 13), and that the documentation used in determining the appropriation limitations will be available at the District office and on the District's website for examination by the public for at least 15 days prior to the adoption of the proposed resolution."*

Mr. Garcia explained the appropriation calculation provided by the California Department of Finance and how the calculations are applied to the District's Special Assessment/Ad Valorem Tax limitation. He reported that based on the computations for the appropriation limitation, the District's FY 2023/2024 maximum assessment amount is \$2,388,353. Mr. Garcia noted that although the District can set the Special Assessment/Ad Valorem Tax up to the maximum amount, the FY 2023/2024 Preliminary Budget proposes no increase this year, similar to previous years, with the assessment to remain at \$875,000. The Board reviewed the information presented and the related Public Notice.

Mr. Garcia requested Board authorization to post and publish the Public Notice setting forth the appropriation limit and calculation factors. He reported that the Public Notice and FY 2023/2024 appropriation limitation calculations would be posted at the District Office, on the District website beginning May 17, 2023, and published in the local newspaper on June 1, 2023 and June 8, 2023.

It was **MOVED** by Trustee Joos, seconded by Trustee Burchardi, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to authorize the Secretary to the Board to post and publish the Public Notice to set the Fiscal Year 2023/2024 limit of appropriations pursuant to Article XIII B of the California Constitution.

- b) Review of Draft Resolutions to be presented for adoption at the June 20, 2023 Board Meeting
  - 1. Draft Resolution: A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Establishing the Appropriation Limit for Fiscal Year 2023/2024 Pursuant to Article XIII B of the California Constitution
  - 2. Draft Resolution: A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Adopting the Final Budget for Fiscal Year 2023/2024 and Requesting an Assessment Levy Required to Collect \$875,000

The Board packet included two draft resolutions.

Mr. Garcia reported that each year the draft resolutions are presented a month in advance of the adoption of the final budget and the establishment of an appropriations limit, and no action is required at this time. He stated that the two resolutions would be presented for consideration at the June 20, 2023 Board meeting.

- 4. Alamo Pintado Pedestrian Bridge Water Line Construction Project
  - a) Bid Results Summary
  - b) Award of Contract and Authorization to Execute Contract Documents

Agenda items 8.A.4.a and 8.A.4.b were discussed together.

The Board packet included a Staff Report and Bid Summary for the Alamo Pintado Pedestrian Bridge Water Line Construction Project.

Mr. Eric Tambini stated that the California Department of Transportation (Caltrans) is scheduled to remove the Alamo Pintado Creek pedestrian bridge located on the south side of State Route 154 in the town of Los Olivos. The removal is based on a determination by Caltrans that the bridge is no longer stable and must be removed for safety reasons. Mr. Tambini explained that since the early 1960's, the District has utilized the existing bridge to support the creek crossing of a 6-inch water line. He stated that the District's replacement of the water line has been incorporated into the new bridge design and construction project which is scheduled for the fall of this year. Mr. Tambini reported that the project will include the installation of 250 feet of 8-inch water line, appurtenances, and fittings to replace the existing 6-inch water line that will be removed as part of the old bridge demolition. He reported that the District decided to supply all construction materials for the pipeline portion of the project to avoid the potential for supply chain delays. Mr. Tambini reported that the District opened the formal bid process for the Water Line Construction Project on April 1, 2023. He reviewed the two bids received by the April 28, 2023 deadline.

Mr. Garcia informed the Board that based on the bid results, Hanly General Engineering was the lowest responsive and responsible bidder at \$61,250.

Mr. Garcia recommended acceptance of the bid from Hanly General Engineering and requested that the Board authorize him to sign the Notice of Award and contract documents.

It was **MOVED** by Trustee Joos, seconded by Trustee Clay, and carried by a 4-0-0 roll call vote, with Trustee Holzer absent, to accept the lowest responsive and responsible bid from Hanly General Engineering in the amount of \$61,250, and authorize the General Manager to execute applicable contract documents with Hanly General Engineering.

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

**A. STATEWIDE STORM EVENTS AND RELATED PROJECT CONDITIONS**

1. Cachuma Project Update

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

Mr. Garcia reviewed the Lake Cachuma Daily Operations Report and the current reservoir conditions. He stated that the U.S. Bureau of Reclamation officially announced that the Cachuma Member Units will receive a full 100% Project Allocation for federal water year 2022/2023, which equates to 2,651 acre-feet for ID No.1. Mr. Garcia reported that the reservoir remains at full capacity (101.4%) and spill operations will continue to manage the remaining inflows into the reservoir.

2. State Water Project Update

The Board packet included the Department of Water Resources Current and Historical Reservoir Conditions, an April 20, 2023 Department of Water Resources Notice to State Water Project Contractors regarding an Increase of the 2023 State Water Project Allocation to 100%, and State Water Project Historical Table A Allocations for WY 1996-2023.

Mr. Garcia reviewed the Board packet materials and reported that DWR announced that the State Water Project Table A allocation has been increased from 75% to 100% for the first time since WY 2006. Mr. Garcia referred to the Board packet material and reviewed the historical Table A Allocations for water years 1996-2023.

**B. SUSTAINABLE GROUNDWATER MANAGEMENT ACT**

1. Eastern Management Area (EMA) Update

The Board packet included the Notice of the April 27, 2023 Meeting of the EMA GSA, excerpts from a PowerPoint presentation regarding the EMA Well Verification Policy, EMA GSA Resolution 2023-001 Adopting the EMA Well Verification Policy, and stakeholder correspondence regarding agricultural/landowner participation in the EMA GSA.

Mr. Garcia stated that the EMA GSA Committee met on April 27, 2023 and he summarized the topics discussed at the meeting. He reported that the EMA GSA approved Resolution 2023-001 which adopted the Well Verification Policy for Administering Requests for Written Verifications in the Eastern Management Area (Policy Option 4). Mr. Garcia referred to letters from the Santa Barbara County Cattlemen's Association and Santa Barbara Vintners regarding requests for direct agricultural/landowner representation on the GSA governing boards for each Management Area of the Basin, with all GSAs utilizing a "one director, one vote" structure. He reported that the May meeting of the EMA GSA has been cancelled, and the next regular meeting is scheduled for June 22, 2023.

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

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

Trustee Burchardi reported that "Airport Day" is scheduled for May 20, 2023.

Trustee Burchardi stated that he had attended the May 10, 2023 meeting of the Los Olivos Community Services District.

Trustee Clay stated that he had attended the April 27, 2023 Board Meeting of the Central Coast Water Authority.

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

The Correspondence List was received by the Board.

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

There were no requests from the Board.

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

The next Regular Meeting of the Board of Trustees is scheduled for June 20, 2023 at 3:00 p.m.

**14. CLOSED SESSION:**

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

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

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

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

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

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

**15. RECONVENE INTO OPEN SESSION**

[Sections 54957.1 and 54957.7 of the Government Code]

The public participation phone line was re-opened, and the Board reconvened to open session at approximately 5:50 p.m.

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

16. **ADJOURNMENT:**

Being no further business, it was **MOVED** by Trustee Joos, seconded by Trustee Urton, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to adjourn the meeting at approximately 5:51 p.m.

**THE MAY 16, 2023 MINUTES WERE APPROVED AT THE JUNE 20, 2023 REGULAR MEETING.**