

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,  
IMPROVEMENT DISTRICT NO.1  
FEBRUARY 21, 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, February 21, 2023, in-person at 1070 Faraday Street and via teleconference.

Trustees Present:	Jeff Clay Brad Joos	Michael Burchardi Nick Urton
Trustees Absent:	Jeff Holzer	
Others Present:	Paeter Garcia Gary Kvistad Eric Tambini	Mary Martone Karen King

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

President Clay called the meeting to order at 3:02 p.m., he stated this was a Regular Meeting of the Board of Trustees. Ms. Martone conducted roll call and reported that four Trustees were present, and Trustee Holzer was absent.

**2. PLEDGE OF ALLEGIANCE:**

President Clay led the Pledge of Allegiance.

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

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

**4. CONSIDERATION OF RESOLUTION NO. 832: A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Authorizing Remote Teleconference Meetings Under the Ralph M. Brown Act in Accordance with AB 361**

Mr. Garcia presented Resolution No. 832 and explained that pursuant to amendments to the Brown Act (Assembly Bill 361), public agencies are authorized to conduct remote meetings via video/teleconference during the COVID-19 pandemic, provided certain conditions exist and findings are made. He stated that in order for the Board to continue to meet under the provisions of AB 361, either remotely or under a hybrid approach of remote and in-person attendance, the Board is required to review and reconsider its determinations at least every 30 days. Mr. Garcia reported that because the State of California remains in a declared state of emergency related to the COVID-19 pandemic and because state and local recommendations remain in place to reduce the transmission of COVID-19, approval of Resolution No. 832 would allow the Board to hold meetings under the provisions of AB 361.

No public comment was provided.

It was **MOVED** by Trustee Joos, seconded by Trustee Urton, to adopt Resolution No. 832, a Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Authorizing Remote Teleconference Meetings Under the Ralph M. Brown Act in Accordance with AB 361.

The Motion carried and Resolution No. 832 was adopted by the following 4-0-0 roll call vote:

AYES, Trustees: Michael Burchardi  
Jeff Clay  
Brad Joos  
Nick Urton

NOES, Trustees: None  
ABSTAIN, Trustees: None  
ABSENT, Trustees: Jeff Holzer

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

There were no additions or corrections to the Agenda.

6. **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.

7. **CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF JANUARY 17, 2023:**

The Regular Meeting Minutes from January 17, 2023 were presented for consideration.

President Clay asked if there were any changes or additions to the Regular Meeting Minutes of January 17, 2023. There were no changes or additions requested.

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 January 17, 2023 Minutes as presented.

8. **CONSENT AGENDA:**

The Consent Agenda Report was provided in the Board Packet.

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

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

9. **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 emailed to the Board members that morning 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 January. 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 January. Ms. Martone reported that District revenues for the month of January exceeded the expenses by \$73,425.15 and the year-to-date net income was \$2,472,862.89 which will be earmarked and utilized for the District's annual State Water Project payment which is due in June 2023.

b) Approval of Accounts Payable

Ms. Martone announced that the Warrant List was emailed to the Board members that morning 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.

The Board reviewed the Warrant List which covered warrants 24983 through 25044 in the amount of \$ 423,220.94.

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 January 18, 2023 through February 21, 2023.

c) Six-Month FY 2022-2023 Budget Update

The Board packet included the six-month FY 2021-2022 budget report.

Ms. Martone reviewed the six-month budget update. She highlighted each budget category and explained that the budget balance reflected revenues exceeding expenses by \$2,179,922.25 six months into the 2022-2023 fiscal year. Ms. Martone explained that water sales were up due to typical high usage months which occur during the first half of the fiscal year. She indicated that water sales are anticipated to decline over the remaining six months of the fiscal year. Ms. Martone reported that many of the budgeted Capital Improvement Projects (CIP) are in the planning phases and will be implemented in the second half of the fiscal year, resulting in increased expenses related to these projects. She also stated that much of the CIP progress has been delayed due to residual effects of the COVID pandemic and a delay in receiving materials/components for various projects. She noted that the overall revenue outlook remains stable at this point in the fiscal year.

d) Quarterly Balance Sheet Inclusive of Reserve Accounts

The Board packet included the Quarterly Balance Sheet inclusive of the Reserve Accounts as of December 31, 2022.

Ms. Martone presented the December 31, 2022 Quarterly Balance Sheet and Reserve Balance summaries. She explained the detail within each line-item, the allocation of reserves, reserve fund activity during the quarter, the bottom-line net position, and the District's reserve balances. Ms. Martone reported the District's assets and liabilities balance at \$45,527,843.17 and that the total Board-restricted reserve balance was \$14,081,346.04 on December 31, 2022.

Ms. Martone reported that in December the Board approved and accepted the FY 2021/2022 Financial Statements which resulted in surplus revenues in the amount of \$3,400,612. She explained that management has reviewed the District's unrestricted fund balance as of December 31, 2022 and recommends that the Board consider splitting the surplus balance equally and transferring \$1,700,306 to both the Repair and Replace and the Plant Expansion Board reserved funds respectively.

After a brief discussion, it was **MOVED** by Trustee Burchardi, seconded by Trustee Urton, and carried by a 4-0-0 voice call vote, with Trustee Holzer absent, to authorize the transfer of \$3,400,612 of unrestricted cash to be split equally at \$1,700,306 and added to the Repair and Replace and Plant Expansion Board-restricted reserve accounts.

## **B. OPERATIONS AND MAINTENANCE**

### **1. Operational and Water Service Matters**

#### **a) Proposed Water Main Extension and Water Main Extension Agreement**

Mr. Garcia reported that in January the Board approved the final plans and Water Main Extension Agreement for the proposed main extension on Bramadero Road. Mr. Garcia reported the applicant has signed the Agreement and selected a contractor, although certain insurance and bonding requirements must still be satisfied before any work may commence on the project.

#### **b) Update on Infrastructure Maintenance**

Mr. Garcia stated that in December the Board awarded a contract to DN Tanks for the cleaning and maintenance of the District's Zone 3 Reservoir. He reported that work has commenced, and the project should be completed by the end of February. Mr. Garcia indicated that upon completion, the reservoir will be inspected and put back into service.

## **10. 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, Santa Barbara County Flood Control District Rainfall and Reservoir Summary, current photos of Lake Cachuma, Santa Ynez River Water Conservation District February 8, 2023 Press Release, and a Current News Article relating to Lake Cachuma Spill Conditions.

Mr. Garcia reviewed the Board packet materials and provided a report on the current Cachuma reservoir water supply conditions for January and February. He stated that Cachuma initially spilled on February 8, 2023 for the first time since 2011 and that the reservoir was recently reported to be at 99.9% of capacity. Mr. Garcia indicated that spill operations are projected to continue as additional storms occur and bring more inflow to Cachuma.

#### **2. State Water Project Update**

The Board packet included Department of Water Resources (DWR) Current and Historical Reservoir Conditions, a DWR Announcement of an Increase of State Water Project 2023 Allocation to 30 Percent, Central Coast Water Authority February 9, 2023 Correspondence regarding Notice of Potential San Luis Reservoir Spill Conditions, and Current News Articles regarding Recent Rainstorms in California.

Mr. Garcia reviewed the Board packet materials and explained that recent storms have significantly increased reservoir storage levels across California. He reported that in response to the recent storms and current reservoir conditions, the Department of Water Resources announced an increase to the 2023 SWP Table A allocation from 5 percent to 30 percent. Mr. Garcia reported that the Central Coast Water Authority has notified project participants that a high probability exists for San Luis Reservoir to spill within the next couple months. He reported that ID No.1 currently has 222 AF of prior years carryover in San Luis Reservoir that would be subject to spill. Mr. Garcia reviewed and discussed the current news articles relating to recent rainstorms and water supply conditions in California.

**B. SUSTAINABLE GROUNDWATER MANAGEMENT ACT**

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

The Board packet included notice of an upcoming Eastern Management Area Groundwater Sustainability Agency Committee meeting on February 23, 2023.

Mr. Garcia reported on activities related to the EMA GSA. He stated that the next regular meeting of the EMA GSA is scheduled for February 23, 2023 and that the EMA Citizens Advisory Committee recently convened to review and discuss draft policy options for administering well verifications in the EMA. Mr. Garcia provided an overview of the February 23, 2023 EMA GSA PowerPoint presentation regarding the four draft policy options. He stated that the EMA GSA Committee will continue reviewing and discussing the policy options and updates will be provided as additional information becomes available.

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

Mr. Garcia reported that he and Trustee Burchardi are reviewing information from the Los Olivos Community Services District as it may pertain to ID No.1.

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

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

The Correspondence List was received by the Board.

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

There were no requests from the Board.

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

President Clay stated that the next Regular Meeting of the Board is scheduled for March 21, 2023. The Board members discussed their availability for the March 21<sup>st</sup> meeting and concluded that in order to have a quorum staff would need to query the Board for an alternate date for March.

**15. CLOSED SESSION:**

The Board adjourned to closed session at 5:25 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]

**16. 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 6:25 p.m.

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

**17. ADJOURNMENT:**

Being no further business, it was **MOVED** by Trustee Burchardi, seconded by Trustee Joos, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to adjourn the meeting at approximately 6:26 p.m.

**THE FEBRUARY 21, 2023 REGULAR MINUTES WERE APPROVED AT THE MARCH 28, 2023 SPECIAL MEETING.**