

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,
IMPROVEMENT DISTRICT NO.1
JUNE 18, 2024 REGULAR MEETING MINUTES**

A Regular Meeting of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, was held at 3:00 p.m. on Tuesday, June 18, 2024, in-person at 1070 Faraday Street.

Trustees Present: Michael Burchardi
 Jeff Clay
 Brad Joos
 Mark Moniot
 Nick Urton

Trustees Absent: None

Others Present: Paeter Garcia Mary Robel Racel Cota
 Karen King Dan Drugan Gary Kvistad
 Laura Copple

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. Cota conducted roll call and reported that all Trustees were present.

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. Cota reported that the Agenda for this meeting 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 and offered time for members of the public to speak and address the Board on matters not on the Agenda. There was no public comment. Mr. Garcia reported that no written comments were submitted to the District for the meeting.

6. CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF MAY 21, 2024:

The Regular Meeting Minutes from May 21, 2024 were presented for consideration.

President Clay asked if there were any changes or additions to the Regular Meeting Minutes of May 21, 2024. There were no changes or additions requested.

It was **MOVED** by Trustee Burchardi, seconded by Trustee Urton, and carried by a 5-0-0 voice vote, to approve the May 21, 2024 Regular meeting minutes as presented.

7. **CONSENT AGENDA:**

The Consent Agenda Report was provided in the Board Packet.

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

It was **MOVED** by Trustee Moniot, seconded by Trustee Joos, and carried by a 5-0-0 voice vote, to approve the Consent Agenda.

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. Cota announced that the Financial Statements were provided to the Board via email earlier in the day, and also included in the meeting handout materials and posted on the District’s website.

Ms. Cota reviewed the Statement of Revenues and Expenses for the month of May. She highlighted various line-items related to revenue and expense transactions that occurred during the month and referred to the Fiscal-Year-to-Date Statement of Revenues and Expenses that provides a budget to actual snapshot for the month of May. Ms. Cota reported that the District revenues for the month of May exceeded the expenses by \$177,354.23 and the year-to-date net income was \$2,208,189.43.

b) Approval of Accounts Payable

Ms. Cota announced that the Warrant List was provided to the Board via email earlier in the day and included in the meeting handout materials and posted on the District’s website.

The Board reviewed the Warrant List which covered warrants 25915 through 25972 in the amount of \$581,941.02.

It was **MOVED** by Trustee Burchardi, seconded by Trustee Urton, and carried by a 5-0-0 roll call vote, to approve the Warrant List for May 22, 2024 through June 18, 2024.

c) CalPERS Overview – Bartlett Pringle & Wolf

Mr. Garcia introduced Ms. Laura Copple, CPA, Bartlett Pringle & Wolf representative, to provide an overview of CalPERS.

Ms. Copple provided a PowerPoint presentation which included an overview of the CalPERS Pension Plan. She explained the California Public Employees Retirement System (CalPERS) manages the largest public pension fund in the United States, providing retirement and health benefits for California state, school, and public agency members. Ms. Copple reviewed the Classic and PEPRA Member contributions, Employee and Employer contributions, explained the unfunded accrued liability, historical funding, and historical and projected contributions. The Board was provided with time to ask questions and comment.

The Board and staff thanked Ms. Copple for her presentation.

2. Appropriation Limit for the 2024/2025 Fiscal Year - Article XIII B (Proposition 13)
 - a) Resolution No. 844: 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 2024/2025 Pursuant to Article XIII B of the California Constitution

The Board packet included draft Resolution No. 844 and a copy of the Public Notice regarding the FY 2024/2025 Appropriation Limitation Calculation that was published in the Santa Ynez Valley News on June 6, 2024 and June 13, 2024, posted on the District's website and at the District Office on May 22, 2024.

Mr. Garcia reported that the appropriation limit and related calculations for FY 2024/2025 were presented to the Board at the May 18, 2024 Board Meeting and were published and publicly noticed in accordance with applicable requirements. He stated that no public comment was received. Mr. Garcia explained that the FY 2024/2025 appropriation limit is \$2,481,499 based on factors and calculations published by the California Department of Finance. He stated that adoption of a Resolution is required pursuant to Government Code Section 7910 to establish an appropriation limit each fiscal year and recommended approval of Resolution No. 844 Establishing the Appropriation Limit for Fiscal Year 2024/2025.

Mr. Garcia explained that although the District can set the assessment up to the maximum amount of \$2,481,499, the FY 2024/2025 Budget proposes no increase this year, with the assessment to remain at \$875,000, which the Board has elected to do previously for fiscal years 2017/2018 through 2024/2025. There was no public comment.

It was **MOVED** by Trustee Burchardi, seconded by Trustee Urton, to adopt Resolution No. 844, Establishing the Appropriation Limit for Fiscal Year 2024/2025 Pursuant to Article XIII B of the California Constitution.

The Motion carried and Resolution No. 844 was adopted by the following 5-0-0 roll call vote:

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

3. Consider Adoption of the Final Budget for Fiscal Year 2024/2025
 - a) Final Budget Summary

The Board packet included the Final Budget for Fiscal Year 2024/2025.

Mr. Garcia summarized the Final Budget for FY 2024/2025 that was included in the Board packet. He explained that the Board reviewed the Preliminary Budget at the May 21, 2024 Board meeting, which included a detailed budget narrative, summary of

revenues and expenses, debt service, other expenses, and capital improvement project expenses. He indicated that the Board was asked to provide any comments and/or questions prior to preparation and presentation of the Final Budget in June. He reported that since the May Board meeting no additional comments have been received from the Board or the public; however, staff is presenting amendments that are included in the proposed Final Budget. Mr. Garcia reviewed the proposed changes which relate to increased expenses for Legal and Engineering Services, Cr6 Implementation Planning & Studies, Water System Study analyses, and Capital Improvement Projects, reflecting in an increase of \$222,500 over the Preliminary Budget presented in May.

Board discussion ensued regarding the new Cr6 MCL Regulation and potential legal challenges relating to the MCL, planning & studies relating to the Cr6 Regulation, the District's special tax assessment levy, fixed/variable costs, 2016 water rate study, and water conservation.

Mr. Garcia recommended approval of Resolution No. 845 approving and adopting the FY 2024/2025 Final Budget and requesting the collection of an assessment levy in the amount of \$875,000 for the Fiscal Year 2024/2025.

- b) Resolution No. 845: 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 2024/2025 and Requesting an Assessment Levy Required to Collect \$875,000

The Board packet included draft Resolution No. 845.

It was **MOVED** by Trustee Burchardi, seconded by Trustee Joos, to adopt Resolution No. 845, Adopting the Final Budget for Fiscal Year 2024/2025 and Requesting an Assessment Levy Required to Collect \$875,000.

The Motion carried and Resolution No. 845 was adopted by the following 5-0-0 roll call vote:

AYES, Trustees: Mike Burchardi
Jeff Clay
Brad Joos
Mark Moniot
Nick Urton

NOES, Trustees: None

ABSTAIN, Trustees: None

ABSENT, Trustees: None

4. Conflict of Interest Code

- a) Resolution No. 846 - A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Approving an Update to its Conflict of Interest Code

The Board packet included draft Resolution No. 846 and the District's Conflict of Interest Code.

Mr. Garcia reported that the Board regularly reviews the District's Conflict of Interest Code for any updates. He explained that based on the retirement of Ms. Mary Robel,

and the appointment of Ms. Racel Cota to the Secretary/Treasurer position, the District's Conflict of Interest Code requires an amendment to Appendix A - Designated Employees/Positions, removing the Assistant General Manager position and adding the Administrative & Financial Manager. Mr. Garcia reviewed the designated employees/positions contained in the Conflict of Interest Code and reported there are no other changes to the code.

It was **MOVED** by Trustee Joos, seconded by Trustee Moniot, to adopt Resolution No. 846, Approving an Update to its Conflict of Interest Code.

The Motion carried and Resolution No. 846 was adopted by the following 5-0-0 roll call vote:

AYES, Trustees: Mike Burchardi
Jeff Clay
Brad Joos
Mark Moniot
Nick Urton

NOES, Trustees: None
ABSTAIN, Trustees: None
ABSENT, Trustees: None

5. 2023 Consumer Confidence Report - Annual Water Quality Report Required by Federal and State Regulations to Protect Drinking Water
The Board packet included the 2023 Consumer Confidence Report/Annual Water Quality Report.
Mr. Garcia stated that the Annual Water Quality Report was prepared by Mr. Dan Drugan, Water Resources Manager.

Mr. Drugan explained that the District is required by state and federal drinking water regulations to prepare and distribute a Consumer Confidence Report, also known as the Annual Water Quality Report. Mr. Drugan noted that the report includes information, based on the 2023 calendar year, regarding the District's sources of water, the levels of any contaminants detected in the water, compliance with other drinking water regulations, and other educational information. He reported that the District met and exceeded all applicable water quality standards for the 2023 reporting period. Mr. Drugan stated that the Consumer Confidence Report was submitted to the California Division of Drinking Water, posted on the District's website, noticed on the customer water bills, sent electronically to all customers with email accounts, and made available at the District office in accordance with the State requirements.

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

A. SUSTAINABLE GROUNDWATER MANAGEMENT ACT

1. Eastern Management Area (EMA) Update
 - a) Consider Approval of the Joint Exercise of Powers Agreement for the Santa Ynez River Valley Basin Eastern Management Area Groundwater Sustainability Agency
The Board packet included a May 23, 2024 Eastern Management Area GSA Staff Memorandum and a Joint Exercise of Powers Agreement for the Santa Ynez River Valley Basin Eastern Management Area Groundwater Sustainability Agency.

Mr. Garcia announced that the Joint Powers Agency Agreement for the Eastern Management Area has been finalized. He referred to the Agreement included in the packet and explained that all parties of the EMA have approved the terms of the Agreement. He explained that EMA GSA Committee met on May 23, 2024 and provided its unanimous endorsement of the JPA Agreement. Mr. Garcia stated that the JPA Agreement would become effective after each member agency approves and executes the Agreement. He indicated that the City of Solvang City Council approved the Agreement at their meeting on June 10, 2024, that the Conservation District will consider the Agreement on June 19, 2024, and that the County Water Agency is scheduled to consider the Agreement in mid-July. Mr. Garcia provided a review of the activities leading up to approval of the final JPA Agreement, which included negotiations to include an Agriculture Director, voting structure consisting of “one director, one vote,” a \$50,000 reimbursable cost contribution from each member agency, and a separate voluntary agreement regarding additional reimbursable contributions from each of the member agencies. Mr. Garcia expressed his appreciation and compliments to all parties for their collaboration in finalizing the Agreement. He recommends Board approval of the Joint Powers Agency Agreement for the Eastern Management Area GSA, and authorization for the Board President and Secretary to execute the Agreement.

It was **MOVED** by Trustee Joos, seconded by Trustee Burchardi, to approve the Joint Powers Agency Agreement for the Eastern Management Area Groundwater Sustainability Agency, and authorize the Board President and Secretary to execute the Agreement.

The Board thanked Trustee Joos, Trustee Burchardi, and Mr. Garcia for their hard work and efforts in negotiating the final Agreement.

- b) Resolution No. 847 - A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Appointing District Trustees to Serve as Director and Alternate Director to the Santa Ynez River Valley Basin Eastern Management Area Groundwater Sustainability Agency

Mr. Garcia stated that with the approval of the JPA Agreement for the Eastern Management Area Groundwater Sustainability Agency, each agency is required to appoint by resolution a Director and Alternate Director to the JPA Board. He reported that Trustees Joos and Burchardi currently are the District’s primary and alternate members of the GSA Committee.

It was **MOVED** by Trustee Moniot, seconded by Trustee Urton, to adopt Resolution No. 847, Appointing Trustee Joos to serve as the District’s Director and Trustee Burchardi to serve as the District’s Alternate Director on the Board of Directors for the Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Agency to be formed by the JPA Agreement.

The Motion carried and Resolution No. 847 was adopted by the following 5-0-0 roll call vote:

AYES, Trustees: Mike Burchardi
Jeff Clay
Brad Joos
Mark Moniot

Nick Urton

NOES, Trustees: None
ABSTAIN, Trustees: None
ABSENT, Trustees: None

c) Other SGMA Updates

The Board packet included various materials, including a June 12, 2024 ACWA article titled "Bill that would have banned some new groundwater wells fails to pass out of Senate Committee," Assembly Bill 2079 language, Valley Ag Voice, California Water News Central article, and SYV Water articles relating to SGMA.

Mr. Garcia reviewed the various materials included in the Board packet related to the Sustainable Groundwater Management Act throughout the state, which was provided as information.

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

Mr. Garcia reported that, similar to last year, the District would be hosting an ID No.1 informational booth on Saturday, June 22, 2024 as part of the "Old Santa Ynez Days" event in downtown Santa Ynez.

The Board packet included various materials including the June 2024 Family Farm Alliance Monthly Briefing and a Sacramento Bee news article titled "California's largest reservoir project in decades clears environmental court challenge."

Mr. Garcia stated that the Santa Ynez River Water Conservation District (SYRWCD) will hold a special meeting on June 19, 2024 at 6:30 p.m. to discuss proposed groundwater charges for Fiscal Year 2024/2025 and SYRWCD's Rate Study Report. He indicated that last year ID No.1 submitted a comment letter which included various concerns and objections to the SYRWCD's FY 2023/2024 Rate Study and proposed groundwater charges. He further explained that the Rate Study and proposed groundwater charges for the upcoming FY 2024/25 raise concerns and objections which are similar to those that ID No.1 has communicated to SYRWCD over the past couple years, that ID No.1 has serious ongoing concerns that groundwater charges being imposed by SYRWCD for the Santa Ynez Uplands area are not tied to direct services or benefits provided to those paying the charges, and that ID No.1 customers are bearing a disproportionate burden with regard to sustainable groundwater management in the Eastern Management Area of the Basin. Board discussion ensued. Mr. Garcia stated that he would be attending the SYRWCD meeting and submitting a comment letter to SYRWCD prior to the meeting on June 19, 2024.

Mr. Garcia stated that staff has submitted a Notice of Elective Offices package to the Santa Barbara County Elections Office for the November 5, 2024 Election. He stated that the District has two Trustee seats open for election this November, which include Mr. Mark Moniot (Division 1) and Mr. Michael Burchardi (Division 4).

11. **CORRESPONDENCE: GENERAL MANAGER RECOMMENDS FILING OF VARIOUS ITEMS**
The Correspondence List was received by the Board.
12. **REQUESTS FOR ITEMS TO BE INCLUDED ON THE NEXT REGULAR MEETING AGENDA:**
There were no requests from the Board.
13. **NEXT MEETING OF THE BOARD OF TRUSTEES:**
President Clay stated that the next Regular Meeting of the Board of Trustees is scheduled for July 16, 2024 at 3:00 p.m.
14. **CLOSED SESSION:**
The Board adjourned to closed session at 5:55 p.m.
 - A. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**
[Subdivision (d)(1) of Section 54956.9 of the Government Code - 3 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 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, Petitions for Change, and Related Protests
 3. Name of Case: Central Coast Water Authority, et al. v. Santa Barbara County Flood Control and Water Conservation District, et al., Santa Barbara County Superior Court Case No. 21CV02432
 - B. **CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION**
[Subdivision (d)(2) of Section 54956.9 of the Government Code - Significant Exposure to Litigation Against the Agency - One Matter]
 - C. **CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION**
[Subdivision (d)(4) of Section 54956.9 of the Government Code - Potential Initiation of Litigation By the Agency - One Matter]
15. **RECONVENE INTO OPEN SESSION**
[Sections 54957.1 and 54957.7 of the Government Code]

The Board reconvened to open session at approximately 6:45 p.m. Mr. Garcia announced that the Board met in closed session in accordance with Agenda Items 14.A.1, 14.A.2, 14.A.3, 14.B., and 15.B. He reported that there was no reportable action for any of the closed session Agenda Items.

16. **ADJOURNMENT:**

Being no further business, it was **MOVED** by Trustee Urton, seconded by Trustee Joos, and carried by a 3-0-0 voice vote, with Trustees Clay and Burchardi absent, to adjourn the meeting at approximately 6:45 p.m.

THE JUNE 18, 2024 MINUTES WERE APPROVED AT THE JULY 16, 2024 REGULAR MEETING.