

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,
IMPROVEMENT DISTRICT NO.1
MAY 17, 2022 REGULAR MEETING MINUTES**

A Regular Meeting of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, was held at 3:00 p.m. on Tuesday, May 17, 2022, in-person at 1070 Faraday Street and via teleconference.

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

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 three Trustees were present, and Trustees Burchardi and Holzer were 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. 819: 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. 819 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. 819 would allow the Board to hold meetings under the provisions of AB 361.

No public comment was provided.

It was **MOVED** by Trustee Joos, seconded by Trustee Parker, to adopt Resolution No. 819, 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 Resolution was adopted and carried by the following 3-0-0 roll call vote:

AYES, Trustees:	Jeff Clay Brad Joos Lori Parker
NOES, Trustees:	None
ABSTAIN, Trustees:	None
ABSENT, Trustees:	Michael Burchardi and 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. Mr. Garcia reported that no written comments were submitted to the District for the meeting. Mr. Nick DiCroce provided comment to the Board.

7. **CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF APRIL 19, 2022:**

The Regular Meeting Minutes from April 19, 2022 were presented for consideration.

President Clay asked if there were any changes or additions to the Regular Meeting Minutes of April 19, 2022 as presented. No changes or additions were requested.

It was **MOVED** by Trustee Joos, seconded by Trustee Parker, and carried by a 3-0-0 roll call vote, with Trustees Burchardi and Holzer absent, to approve the April 19, 2022 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 April.

It was **MOVED** by Trustee Joos, seconded by Trustee Parker, and carried by a 3-0-0 roll call vote, with Trustees Burchardi and Holzer absent, to approve the Consent Agenda.

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 earlier that afternoon 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 to April. Ms. Martone reported that the District revenues exceeded the expenses by \$576,025.15 and the year-to-date net income is \$2,634,999.01.

b) Approval of Accounts Payable

Ms. Martone announced that the Warrant List was emailed to the Board members this afternoon 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 24471 through 24522 in the amount of \$2,477,415.41.

It was **MOVED** by Trustee Joos, seconded by Trustee Parker, and carried by a 3-0-0 roll call vote, with Trustees Burchardi and Holzer absent, to approve the Warrant List for April 20, 2022 through May 17, 2022.

2. Fiscal Year 2022/2023 Preliminary Budget

The Board packet included materials for the Preliminary Budget for FY 2022/2023, including a staff report and line-item details.

Mr. Garcia reported that management prepared a PowerPoint presentation providing an overview and highlights of the Preliminary Budget, which would be presented by Ms. Martone. He reported that the staff report, and fiscal year 2022/2023 Preliminary Budget have been made available on the District website and was being presented for consideration, discussion and comments. Mr. Garcia expressed his appreciation and compliments to District staff for their hard work and collaboration in preparing the preliminary budget.

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 & Maintenance expenses, General & Administrative expenses, Debt Service obligations, Other expenses, and proposed Capital Improvement Program projects forecasted for FY 2022/2023, with a net revenue balance of \$279,031 to be added to the District Reserves. She also highlighted the fact that the final payment for the Series A 2004 bond will be made in FY 2023 pursuant to the terms of the bond indenture.

Mr. Garcia stated that the last rate adjustment pursuant to the 2016 Water Rate Schedule went into effect on July 1, 2021 and is assumed to remain in effect for the proposed FY 2022/2023 Preliminary Budget. He 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 2022/2023 is \$2,300,918.

Board discussion ensued on topics such as the historical and current amount of the Special Assessment/Ad Valorem Tax, reduction of DWR/CCWA fixed costs, USBR costs, reserve balances, and water sales.

Mr. Garcia asked that the Board review the 2022/2023 Preliminary Budget and provide any comments or questions to management by early June for possible incorporation into the 2022/2023 Final Budget which will be presented at the June Board meeting.

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 2022/2023 Preliminary Budget.

3. Setting the Appropriation Limit for the 2022/2023 Fiscal Year - Article XIII B (Proposition 13)
 - a) California Department of Finance Calculations for 2022/2023 Appropriation Limitations and Authorization to Post Notice and make Public the 2022/2023 Appropriation Limitation Calculation

The Board packet included the May 2022 California Department of Finance letter regarding the FY 2022/2023 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 21, 2022, which will set the limitations on appropriations for fiscal year 2022/2023 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 Ad Valorem Special Tax Assessment limitations. He indicated that based on the computations for the appropriation limitation, the District's FY 2022/2023 maximum assessment amount is \$2,300,918. Mr. Garcia explained that this year the per capita personal income factor was 7.55% and the County population change factor was 0.14%. He stated that although the District can set the Special Assessment up to the maximum amount, the FY 2022/2023 Preliminary Budget proposes no increase this year, with the assessment to remain at \$875,000.

Mr. Garcia requested Board authorization for the Secretary to the Board of Trustees to post the Public Notice setting forth the appropriation limit and calculation factors. He reported that the Public Notice and FY 2022/2023 appropriation limitation calculation would be posted at the District Office and on the District's website, beginning May 18, 2022, and published in the local newspaper on or about June 9, 2022 and June 16, 2022. The Board reviewed the Public Notice.

It was **MOVED** by Trustee Clay, seconded by Trustee Joos, and carried by a 3-0-0 roll call vote, with Trustees Burchardi and Holzer absent, to authorize the Secretary to the Board to post and publish the Public Notice to set the Fiscal Year 2022/2023 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 21, 2022 Board Meeting
 1. Draft Resolution No. XXX: 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 2022/2023 Pursuant to Article XIII B of the California Constitution

2. Draft Resolution No. XXX: 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 2022/2023 and Requesting an Assessment Levy Required to Collect \$875,000

Mr. Garcia explained that each year the draft resolutions are presented a month in advance of the adoption of the final budget and establishment of an appropriations limit, and no action is required at this time. He stated the two resolutions would be presented for consideration at the June 21, 2022 Board meeting.

4. Office Pavement Replacement Project

- a) Notice of Completion

The Board packet included a Notice of Completion for the Office Pavement Replacement Project.

Mr. Garcia reported that the District's parking lot has been repaved and the project is complete. He stated that Ramsey Asphalt finished the repaving on schedule and did an excellent job. Mr. Garcia requested approval to authorize the General Manager to sign and file the Notice of Completion with the Santa Barbara County Clerk Recorders Office.

It was **MOVED** by Trustee Joos, seconded by Trustee Parker, and carried by a 3-0-0 roll call vote, with Trustees Burchardi and Holzer absent, to authorize the General Manager to sign and file the Notice of Completion for the Office Pavement Replacement Project with the Santa Barbara County Clerk Recorders Office.

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

A. SUSTAINABLE GROUNDWATER MANAGEMENT ACT

1. Eastern Management Area Update

The Board packet included notice of the next Regular Meeting of the Eastern Management Area (EMA) Groundwater Sustainability Agency (GSA) scheduled for May 26, 2022 at 6:30 p.m., Santa Barbara County Public Health Department Virtual Public Workshop materials for the County's proposed Temporary Water Well Permitting Ordinance and State of California Executive Order N-7-22

Mr. Garcia reported on the activities related to the EMA GSA. He announced that he attended the May 10, 2022 Santa Barbara County virtual public workshop regarding the County's proposed temporary water well permitting ordinance in response to the Governor's Executive Order N-7-22. Mr. Garcia summarized the workshop materials included in the Board packet and discussed topics related to the County's well permitting process, and development of a processes for the EMA GSA to implement the Governor's Executive Order. He stated that the County's draft well permitting ordinance will be considered by the County Board of Supervisors at their meeting scheduled for May 26, 2022. Mr. Garcia reported that the EMA GSA is continuing its discussions related to future governance, projects and management actions, and funding. He reported the next regular meeting of the EMA GSA will be held on May 26, 2022.

B. CALIFORNIA DROUGHT CONDITIONS

1. Update Regarding Statewide Drought Conditions

The Board packet included the Department of Water Resources (DWR) Current Reservoir Conditions, Metropolitan Water District of Southern California's April 26, 2022 Board Meeting materials, and the State of California Governor's Executive Order N-7-22

Mr. Garcia reviewed the Board packet materials, including the current and historical conditions of the major reservoirs in California as published by the Department of Water Resources (DWR). He reported that the 2022 State Water Project Table A Allocation will likely remain at the 5% due to the continued dry conditions. Mr. Garcia summarized the Metropolitan Water District's Board materials which involve measures in portions of southern California to respond to ongoing statewide drought conditions. He stated that ID No.1 is fortunate to have a diversified water supply portfolio which assists in managing dry year periods. Mr. Garcia reported that the recent water conservation regulations adopted by the State Water Resources Control Board are similar to and consistent with the District's current "Water Supply Alert" stage of water conservation requirements that have been in place for the District since 2017. Trustee Joos requested an update at the next Board meeting on the potential trigger points for when the District may need to implement additional water use restrictions.

C. CENTRAL COAST WATER AUTHORITY

1. Update Regarding CCWA's Temporary Warren Act Contract for the Cachuma Project

The Board packet included an April 22, 2022 Santa Ynez River Water Conservation District (Parent District) letter regarding comments on the Draft Environmental Assessment for the proposed Central Coast Water Authority Temporary Warren Act Contract.

Mr. Garcia provided an overview of the existing Central Coast Water Authority (CCWA) Warrant Act Contract with the United States Bureau of Reclamation (USBR) and explained that CCWA is working to negotiate an interim contract extension because the current contract is set to expire in June 2022. He explained that the National Marine Fisheries Services (NMFS) is reviewing the interim contract and proposing new restrictions which are causing complications and delays in the process. Mr. Garcia referenced the Parent District's April 22nd comment letter and concerns that the restrictions being proposed by NMFS cause significant impacts to downstream water quality and the legal framework that has been adopted to mitigate such impacts. He noted that various parties, including CCWA, USBR, the Parent District, ID No.1, and agencies on the south coast are attempting to work together and find solutions to the complications at hand. Mr. Garcia stated that more information would be provided as 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:

The Board packet included the May 2022 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:

Trustee Joos requested that staff provide an update to the Board on water conservation measures and potential triggers for further water use restrictions.

14. NEXT MEETING OF THE BOARD OF TRUSTEES:

President Clay stated the next Regular Meeting of the Board of Trustees is scheduled for June 21, 2022 at 3:00 p.m.

15. CLOSED SESSION:

The Board adjourned to closed session at 5:40 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

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 6:07 p.m.

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

17. ADJOURNMENT:

Being no further business, it was **MOVED** by Trustee Clay, seconded by Trustee Joos, and carried by a 3-0-0 roll call vote, with Trustees Burchardi and Holzer absent, to adjourn the meeting at approximately 6:08 p.m.

THE MAY 17, 2022 REGULAR MEETING MINUTES WERE APPROVED AT THE JUNE 21, 2022 BOARD MEETING.