

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
IMPROVEMENT DISTRICT NO. 1
APRIL 20, 2021 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, April 20, 2021 via video/teleconference only** due to the COVID-19 Emergency and Governor Newsom's Executive Orders.

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

Trustees Absent: None

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

1. CALL TO ORDER AND ROLL CALL:

President Clay called the meeting to order at 3:07 p.m., he stated this was a Regular Meeting of the Board of Trustees. Ms. Martone conducted roll call and reported that all members of the Board 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. 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 and pursuant to District Resolution No. 340. The affidavit was filed as evidence of the posting of the Agenda items contained therein.

Ms. Martone added that as a result of the COVID-19 emergency and Governor Newsom's Executive Orders to protect public health by limiting public gatherings and requiring social distancing, the Board meeting would occur solely via video/ teleconference as authorized by and in furtherance of Executive Order Nos. N-29-20 and N-33-20 and applicable amendments to the California Brown Act as set forth in those Executive Orders.

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

Mr. Garcia stated there were no additions or corrections to the Agenda.

5. PUBLIC COMMENT:

President Clay welcomed any members of the public participating via video or telephonically and offered time for members of the public to speak and address the Board on matters not on the Agenda. Mr. Fred Kovol provided public comment to the Board. Mr. Garcia stated that the Notice and Agenda for this Regular Meeting requested members of the public to submit advance written comments to the District via electronic mail by 5:00 p.m. on Monday, April 19, 2021. Mr. Garcia reported that no written comments were submitted to the District for the meeting.

6. **CORONAVIRUS (COVID-19) UPDATE:**

A. General Manager's Report

Mr. Garcia reported on the current activities related to the COVID-19 pandemic and the District's actions. He summarized the materials in the Board packet and reviewed Santa Barbara County Health Department Health Officer Order Nos. 2021-10.2 and 2021-12.5 which extend the face covering requirement and set parameters for phased re-opening, respectively. He reported that an announcement has been made that Santa Barbara County will move into the Orange Tier of the Blueprint for a Safer Economy. Mr. Garcia stated that District management continues to receive, review, and implement updates from federal, state, regional, and local agencies related to the COVID-19 pandemic.

7. **CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF MARCH 16, 2021:**

The Regular Meeting Minutes from March 16, 2021 were presented for consideration.

President Clay asked if there were any changes or additions to the Regular Meeting Minutes of March 16, 2021. No changes or additions were requested.

It was **MOVED** by Trustee Joos, seconded by Trustee Holzer, and carried by a 5-0-0 roll call vote to approve the March 16, 2021 Regular Meeting 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 Burchardi, seconded by Trustee Joos, and carried by a 5-0-0 roll call vote 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 Board was provided the Statement of Revenues and Expenses for the month of March via email. She also explained that the reports were posted on the District's website where the Board packet materials are located 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 March. She highlighted various line-items related to revenue and expense transactions that occurred during the month. Ms. Martone reported that the expenses exceeded the revenues by \$25,601.41 for the month of March and the year-to-date net income was \$1,444,423.16, which will be earmarked and utilized for the District annual State Water Project and COMB Series 2004A Bond payments which are due in June 2021.

b) Approval of Accounts Payable

Ms. Martone reported that the Board was provided the Warrant List for March 17, 2021 through April 20, 2021 via email, and that it was posted on the District's website where the Board packet materials are located for any members of the public wishing to follow along or receive a copy.

The Board reviewed the Warrant List which covered warrants 23734 through 23793 in the amount of \$361,052.27.

It was **MOVED** by Trustee Joos, seconded by Trustee Clay, and carried by a 5-0-0 roll call vote to approve the Warrant List for March 17, 2021 through April 20, 2021.

c) Upcoming Preliminary Budget (May Board Meeting)

Mr. Garcia reported that staff is currently in the process of developing the FY 2021/2022 Preliminary Budget, which will be presented at the May 18th Board meeting. He explained that based on past practice the Preliminary Budget is predicated on the rate schedule as set forth in the Board-approved 2016 Water Rate Study (WRS). Mr. Garcia reminded the Board that the last approved rate increase pursuant to the WRS was scheduled to be implemented this past January 1, 2021; however, the Board took action in December 2020 to defer the rate increase for six months and revisit the matter in June 2021. He stated that the deferred rate increase will be factored into the Preliminary Budget for Board consideration.

Discussion ensued and Trustees Joos requested that two options of the Preliminary Budget be developed, with one including the projected rate increase and the second reflecting no rate increases. Mr. Garcia reported that staff would prepare and present the two assumptions.

Mr. Fred Kovol provided public comment on preparation of the Preliminary Budget.

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

A. STATEWIDE DROUGHT CONDITIONS

1. Update Regarding 2020-2021 Drought Conditions

The Board packet included various materials related to prevailing statewide drought conditions.

Mr. Garcia reviewed the Board packet materials and explained that on March 23rd the Department of Water Resources announced the State Water Project Table A allocation was reduced from 10% to 5% due to below normal hydrology. Mr. Garcia reported that most of California is experiencing moderate to exceptional drought conditions and that District staff is monitoring water supplies that pertain to the District, where the possibility of consecutive dry years could lead to water shortages and water use restrictions within the District. He reminded the Board and public that the District has remained in a water supply "Alert" since 2017, where all customers are encouraged to achieve 10% water savings and adhere to other water use practices, all of which have resulted in reduced water use throughout the District in comparison to historic levels.

2. Supplemental Water Purchase Program (Solvang)

The Board packet included March 24, 2021, April 6, 2021, April 12, 2021 Central Coast Water Authority correspondence, April 1, 2021 Executed Central Coast Water Authority 2021 Supplemental Water Purchase Program Participation Agreement, April 14, 2021 Executed Statement(s) of Intent, April 1, 2021 Executed Water Purchase Facilitation Agreement between SYRWCD, ID No.1 and City of Solvang.

Mr. Garcia reported that as a result of the Department of Water Resources' announcement regarding the reduction in the State Water Project allocation, the Central Coast Water Authority (CCWA) has initiated its 2021 Supplemental Water Purchase Program (SWPP)

that allows CCWA participants to acquire additional imported water supplies. Mr. Garcia reported that he has been working with staff from the City of Solvang regarding the City's desire to participate in the SWPP. He explained that because the City is not a direct member agency of CCWA, ID No. 1 has been requested to execute the required documentation on behalf of the City. Mr. Garcia explained that ID No.1 and the City are working cooperatively to enable the City to pursue supplemental water to meet its needs. He stated that the Board packet includes various documents memorializing the interagency workings among CCWA, ID No.1, and the City, including the 2021 Supplemental Water Purchase Program Participation Agreement between CCWA and ID No.1, and the Water Purchase Facilitation Agreement between ID No.1 and the City of Solvang. Mr. Garcia requested that the Board ratify the execution of these two agreements which assist the City of Solvang in its pursuit of additional supplies.

Mr. Fred Kovol provided public comment to the Board.

It was **MOVED** by Trustee Joos, seconded by Trustee Holzer, and carried by 5-0-0 roll call vote to ratify the General Manger's execution of the Central Coast Water Authority 2021 Supplemental Water Purchase Program Participation Agreement and the Water Purchase Facilitation Agreement.

B. SUSTAINABLE GROUNDWATER MANAGEMENT ACT

1. Eastern Management Area Update

The Board packet included an April 15, 2021 Special Meeting Agenda for the SGMA - Eastern Management Area, April 12, 2021 Staff Memorandum regarding Santa Ynez Water Group Letter of March 22, 2021, and April 15, 2021 Sustainable Management Criteria Summary presentation slides prepared by GSI Water Solutions, Inc.

Mr. Garcia reported that he and Trustee Joos attended the April 15, 2021 Special Meeting of the EMA GSA via video and teleconference. Mr. Garcia reviewed the topics discussed at the meeting. He also referenced a letter that was received from the Santa Ynez Water Group, representing various landowners throughout the basin. Mr. Garcia reported that a response to the Water Group letter was prepared on behalf of the three Management Areas in the Basin. Mr. Garcia reviewed the April 15, 2021 Sustainable Management Criteria Power Point presentation by GSI Water Solutions. Trustee Joos provided comments on the figures noted in the GSI Water Solutions presentation.

Mr. Fred Kovol provided public comment to the Board.

C. CENTRAL COAST WATER AUTHORITY

1. Update Regarding Proposed Amendments to the SWP Contract

The Board packet included various materials related to proposed Amendments Nos. 20 and 21 to the State Water Project (SWP) Contract, including a March 2, 2021 Santa Barbara County Board of Supervisors Agenda letter; March 2, 2021 CCWA Memorandum; March 25, 2021 and April 14, 2021 CCWA Board of Directors Meeting Agendas; April 14, 2021 CCWA Power Point Presentation; April 20, 2021 Santa Barbara County Water Agency Power Point Presentation and Staff Memorandum; and a draft Resolution of the Board of Directors of the Santa Barbara County Flood Control and Water Conservation District.

Mr. Garcia reported on the activities that have taken place since the last Board meeting related to the proposed amendments to the SWP Contract. He explained that on March 2nd, the County Board of Supervisors took action to approve Amendment No. 20 and tabled action on Amendment No. 21 to allow County staff to continue a dialog with

CCWA. Mr. Garcia stated that Amendment No. 21 was agendized for the April 20, 2021 Santa Barbara County Board of Supervisors meeting. He explained that the Board of Supervisors took action to approve SWP Contract Amendment No. 21 pursuant to a Resolution which imposes certain limitations on how CCWA member agencies can implement the Amendment. Mr. Garcia reviewed the conditions imposed by the County and the consequences those additional conditions will impose on CCWA and its member agencies. President Clay provided comments regarding the impacts of the County's limitations on SWP transactions. President Clay complimented CCWA's staff on their efforts. Mr. Garcia reported that the next CCWA Board of Directors meeting will be held on April 22, 2021 and more information will be provided at the District's May meeting.

Mr. Fred Kovol provided public comment to the Board.

11. UPDATE FROM ALTERNATIVE POWER / SOLAR AD HOC SUBCOMMITTEE

Mr. Garcia summarized the formation of the District's Alternative Power/Solar Ad Hoc Committee, informal discussions with two solar companies, and District site tours that took place with the companies. Mr. Garcia reported that one of the companies, REC Solar, recently notified the District that they are no longer interested in moving forward with a solar project for the District at this time. He also stated that Siemens Energy has notified the District that they are still looking at potential solar design concepts that may be worth pursuing. He stated that additional information will be provided as information becomes available.

Mr. Fred Kovol provided public comment to the Board.

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

The Board packet included an April 5, 2021 LAFCO Memorandum regarding transmittal of proposed FY2021/22 LAFCO Budget, April 2021 Notice of Public Hearing from Santa Ynez Community Services District regarding proposed wastewater service charge increases scheduled for May 19, 2021, and the April 2021 Family Farm Alliance Monthly Briefing.

Mr. Garcia reported on the District's Capital Improvement Program. He reported that the District sent out requests for proposals in February for reservoir cleaning and inspection services for the District's Zone 1 and 2 reservoir sites. Mr. Garcia stated that MIT Diving & Coating is scheduled to perform cleaning and inspection of the two reservoirs beginning April 21, 2021. He explained the District has also purchased mixers for the reservoirs that will be installed once the cleaning and inspection services have been completed.

13. CORRESPONDENCE: GENERAL MANAGER RECOMMENDS FILING OF VARIOUS ITEMS

The Correspondence list was received by the Board.

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

There were no requests from the Board.

15. NEXT MEETING OF THE BOARD OF TRUSTEES:

President Clay stated that the next Regular Meeting of the Board of Trustees is scheduled for May 18, 2021 at 3:00 p.m.

Mr. Garcia announced that the Open Session public participation video and phone lines would be closed for the next sixty (60) minutes to allow the Board to convene into Closed Session. He explained that the public participation video and phone lines would be reopened sixty (60)

minutes later for the remaining Agenda items. Mr. Garcia thanked everyone for participating in the video/teleconference and stated that the Open Session meeting would reconvene at 7:10 p.m. to report any action taken during Closed Session.

16. CLOSED SESSION:

The Board adjourned to Closed Session at 6:10 p.m.

A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

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

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

B. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

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

17. RECONVENE INTO OPEN SESSION

[Sections 54957.1 and 54957.7 of the Government Code]

The public participation video and phone lines were re-opened at approximately 7:10 p.m. The Board reconvened to Open Session and Ms. Martone conducted roll call and reported that three Trustees were present, with Trustees Clay and Holzer absent, when the meeting reconvened to Open Session.

Mr. Garcia announced that the Board met in Closed Session concerning Agenda Items 16.A.1 and 16.B. He stated that there was no reportable action from Closed Session.

18. ADJOURNMENT:

Being no further business, it was **MOVED** by Trustee Parker, seconded by Trustee Joos, and carried by a 3-0-0 roll call vote, with Trustees Clay and Holzer absent, to adjourn the meeting at approximately 7:15 p.m.

THE APRIL 20, 2021 MINUTES WERE APPROVED AT THE MAY 18, 2021 REGULAR MEETING.