

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT  
IMPROVEMENT DISTRICT NO. 1  
OCTOBER 17, 2019 SPECIAL MEETING MINUTES**

A Special 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 **Thursday, October 17, 2019** in the Conference Room at 1070 Faraday Street, Santa Ynez.

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

Trustees Absent:     None

Others Present:     Chris Dahlstrom             Paeter Garcia             Mary Martone  
                                 Karen King                     Jeff Dinkin                 Kevin Walsh  
                                 Charles Bell                 Nick Di Croce             Frances Komoroske  
                                 Kevin Crossley

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

President Clay called the meeting to order at 3:03 p.m., he stated this was a Special Meeting of the Board of Trustees. Mrs. Martone reported all members of the Board were present.

**II.    PLEDGE OF ALLEGIANCE:**

President Clay led the Pledge of Allegiance

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

Mrs. 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, specifically Section 54956 related to noticing for a Special Meeting and also pursuant to Resolution No. 340 of the District. The affidavit is filed as evidence of the posting of the agenda items contained therein.

**IV.   PUBLIC COMMENT:**

Ms. Frances Komoroske provided public comments to the Board.

**V.    CLOSED SESSION:**

The Board adjourned at 3:06 p.m. to closed session to discuss agenda item V.A.

A.    PUBLIC EMPLOYEE APPOINTMENT: Job Title - General Manager [Section 54957 of the Government Code]

The Board reconvened to open session at 3:49 p.m. Mr. Dahlstrom stated that on October 4<sup>th</sup> he announced his retirement effective January 2, 2020 via formal letter to the Board. Mr. Jeff Dinkin, Special Legal Counsel, reported that during the Closed Session the Board discussed filling the General Manager's position and considered the appointment of Mr. Paeter Garcia to the General Manager position effective January 2, 2020. Mr. Dinkin reported that the terms of the Employment Agreement being offered to Mr. Garcia are substantially the same as the current General Manager's employment agreement and provided an oral summary of the salary and vehicle allowance terms contained in the Employment Agreement being offered.

**VI.   CONSIDERATION OF APPROVAL OF GENERAL MANAGER EMPLOYMENT AGREEMENT:**

Mr. Dinkin recommended that the Board entertain a motion to offer Mr. Paeter Garcia the position of General Manager per the terms of the Employment Agreement effective January 2, 2020.

It was **MOVED** by Trustee Joos, seconded by Trustee H. Burchardi, and carried by a unanimous 5-0-0 voice vote, to offer Mr. Paeter Garcia the position of General Manager of the Santa Ynez River Water Conservation District, Improvement District No. 1 pursuant to the terms of the Employment Agreement effective January 2, 2020.

Mr. Paeter Garcia thanked the Board and expressed his appreciation to the Board of Trustees, Mr. Dahlstrom, and the entire District staff.

**VII. CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF SEPTEMBER 17, 2019:**

The Minutes of the Regular Meeting of September 17, 2019 were presented for consideration.

President Clay asked if there were any changes or additions to the Regular Meeting Minutes of September 17, 2019. No changes or corrections were requested.

It was **MOVED** by Trustee H. Burchardi, seconded by Trustee M. Burchardi, and carried by a unanimous 5-0-0 voice vote, to approve the Regular Meeting Minutes of September 17, 2019 as presented.

**VIII. CONSIDERATION OF THE MINUTES OF THE SPECIAL MEETING OF OCTOBER 4, 2019**

The Minutes of the Special Meeting of October 4, 2019 were presented for consideration.

President Clay asked if there were any changes or additions to the Special Meeting Minutes of October 4, 2019. No changes or corrections were requested.

It was **MOVED** by Trustee Parker, seconded by Trustee Joos, and carried by a unanimous 5-0-0 voice vote, to approve the Special Meeting Minutes of October 4, 2019 as presented.

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

Mr. Dahlstrom stated there were no additions or corrections to the agenda.

**X. CONSENT AGENDA:**

The Consent Agenda was provided in the Board Packet.

It was **MOVED** by H. Burchardi, seconded by Trustee Joos, and carried by a unanimous 5-0-0 voice vote to approve the Consent Agenda as presented.

**XI. MANAGER'S REPORT - 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

The Board was provided the Statement of Revenues and Expenses for the month of September. Mr. Dahlstrom reported that the revenues exceeded the expenses by \$350,489.89 and the year-to-date net income is \$874,929.22. Mr. Dahlstrom stated that there is typically reduced water demand in the winter months, which will be reflected on the financials in November, December, and January. He reported the September revenues were less than the month of August by 1.07%.

b) Approval of Accounts Payable

The Warrant List was provided in the handout material for Board action. The Warrant List covered warrants 22589 through 22663, for the period of September 18, 2019 through October 17, 2019 in the amount of \$529,584.48.

It was **MOVED** by Trustee M. Burchardi, seconded by Trustee H. Burchardi, and carried by a unanimous 5-0-0 voice vote, to approve the Warrants List as presented.

2. Surplus Property Disposition Policy

- a) Resolution No. 793: *A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Adopting the Santa Ynez River Water Conservation District, Improvement District No.1 Surplus Property Disposition Policy*  
The Board packet included an October 17, 2019 Staff Memorandum, Surplus Property Disposition Policy and Draft Resolution No. 793.

Mr. Dahlstrom reviewed the staff report and explained that in order to efficiently maintain District inventory and operations, a policy is recommended to identify and dispose of surplus property, other than real property, including but not limited to materials, supplies, vehicles and equipment. He explained that the purpose of the Surplus Property Disposition Policy (Policy) is to memorialize a procedure for the efficient and cost-effective disposition of surplus property. Mr. Dahlstrom indicated that the proposed Policy was developed utilizing information obtained through the California Special District's Association (CSDA). Mr. Dahlstrom reviewed the contents of the proposed Policy invited questions from the Board.

Board discussion ensued regarding the District's current process for disposing surplus property; possible recycling options; auctioning services; determining the value of surplus property; options for publicizing the sale of items; staff time; and terms of the proposed Policy related to employees, District customers, and the general public.

Ms. Frances Komoroske provided public comment to the Board.

Consensus of the Board was to table any action to adopt Resolution No. 793 related to the Surplus Property Disposition Policy and direct staff to review and revisit the language in the proposed Policy for consideration at an upcoming meeting.

3. State of California Superior Court for the County of Santa Barbara – Court Ruling in favor of Santa Ynez River Water Conservation District, ID No.1 vs. Joe Holland, Registrar of Voters for Santa Barbara County

The Board packet included an October 10, 2019 Memorandum to the Board of Trustees from Bell, McAndrews & Hiltachk, LLP entitled: "District Prevails on Lawsuit Against County Registrar of Voters, Vindicating the Public's Right to Valid Election" and a copy of the September 20, 2019 Amended Statement of Decision issued by the Santa Barbara County Superior Court (Santa Ynez River Water Conservation District, ID No.1 vs. Joe Holland; Case No. 18CV05437).

Mr. Dahlstrom introduced Mr. Charles Bell from Bell, McAndrews & Hiltachk, LLP and welcomed him to the meeting. Mr. Bell summarized the Memorandum included in the Board packet and discussed related aspects of the case and the Court's decision. Mr. Bell explained that the Court ruling ensures that going forward the County Elections Office will be required to follow the Water Code candidacy requirements for elections to the District's Board of Trustees. He stated that the District will be evaluating its options for seeking recovery of legal fees expended on the lawsuit.

The Board members expressed their appreciation and thanks to Mr. Bell for representing the District. Mr. Dahlstrom and Mr. Garcia expressed thanks to Mr. Bell for his expertise and professionalism in handling the case.

Ms. Frances Komoroske and Mr. Kevin Walsh provided public comments to the Board.

4. Staff Organization – Presentation, Consideration and Approval of Update to Staff Plan  
The Board was provided a list of Board of Trustee Approved Positions, Updated 2019 Staff Organization Charts, and 2019 Staff Reorganization Salaries and Benefits Costs in the handout materials.

Mr. Dahlstrom explained that the Board had previously appointed an Ad Hoc Personnel Committee consisting of Trustees Parker and Joos. He stated that staff had developed and discussed the proposed staffing plan with the Ad Hoc Committee, which was now being presented to the entire Board for consideration.

Mr. Dahlstrom presented information to the Board that recapped the District’s historical staffing levels, Board-approved positions that are currently vacant and unfunded, and new positions that are being proposed. He explained that the District’s current approved staffing level is notably low at 18 funded positions (16 full-time and 2 part-time) in comparison to other comparable local agencies like Montecito and Carpinteria who employ approximately 27 and 20 employees respectively. Mr. Dahlstrom presented a new proposed staffing chart, which included a breakdown of costs associated with the new plan that would add two new positions and retitle two current positions to better meet the needs of District.

Board discussion and questions focused on hiring employees for open/vacant positions; succession planning; current and growing workloads; evolving needs and requirements facing the District; and the financial implications of the proposed new staffing plan.

Mr. Nick Di Croce and Ms. Frances Komoroske provided public comments to the Board.

Mr. Dahlstrom recommended the Board authorize and approve the new positions of Office Administrator and Government Affairs & Policy Associate and retitle and reclass the Policy and Legal Affairs Manager position to Government Affairs & Policy Manager, and the Administrative Manager to Assistant General Manager.

Based on the above discussion, it was **MOVED** by Trustee M. Burchardi, seconded by Trustee H. Burchardi, and carried by a unanimous 5-0-0 voice vote to approve and authorize the creation of the position of an Office Administrator position with a salary range of \$65,125 - to \$85,449.00; creation of a Government Affairs & Policy Associate position with a salary range of \$80,159.00 to \$105,176.00; reclassification of the Policy & Legal Affairs Manager to the title of Government Affairs & Policy Manager with a salary range of \$126,288.24 - to \$165,701.16; and reclassification of the salary scale for the Assistant General Manager position to \$135,568.00 to \$184,779.00; and authorize the General Manager to create the job descriptions for the new positions.

## **B. OPERATIONS AND MAINTENANCE**

1. Update on Office Water Production Well Water Treatment & Maintenance Building  
The Board packet included the Master Plan (Floor Plans) for the District’s Office Water Production Well Water Treatment and Maintenance Building.

Mr. Dahlstrom reported that staff has been working with the architect to finalize the electrical and structural plans, which are currently scheduled to be completed by the end of October. He stated that once the plans are complete, a request for bids will sent out. Mr. Dahlstrom reviewed the proposed floor plans that were included in the Board packet. Trustee Joos suggested changing the title of the bathrooms to reflect unisex bathrooms.

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

**A. Cachuma Project – U.S. Bureau of Reclamation Continuing Operations**

1. Cachuma Project Water Service Contract No. I75r-1802R, Water Deliveries, Exchange Agreement, Entitlement, Water Storage, Accounting, Water Supply Projections & SWRCB Permits

Mr. Dahlstrom stated there was no new activities related to the Cachuma Project Water Service Contract, deliveries, exchange agreement, entitlement, water storage accounting and water supply projections.

2. 2020 Water Service Contract

Mr. Dahlstrom stated there was no new information to report on the 2020 Water Service Contract at this time. He reported the Cachuma Project now appears to fall under the Lower Colorado Basin, and is no longer considered under the Mid Pacific Region of the U.S. Bureau of Reclamation. He stated that further information would be provided once available.

3. State Water Resources Control Board – Water Rights Order 2019 for Cachuma Project Permits 11308 and 11310

The Board packet included a California State Water Board Fact Sheet discussing the State Water Board’s adoption of a Revised Water Rights Order for the Cachuma Project.

Mr. Dahlstrom reported that the State Board approved the long-awaited Water Rights Order on September 17, 2019. He explained that the Board- approved Order will increase the instream flow requirement downstream of Lake Cachuma in wet and above-normal water years for the protection of fish, possibly reducing the water supply for communities that rely on Cachuma Project supplies.

Mr. Dahlstrom reiterated to the Board that staff has planned for several years now to expect at least 20 percent less water supply from the Cachuma Project, which may occur now that the State Board has issued this decision.

Mr. Paeter Garcia recapped the State Board hearing discussions that took place on September 17, 2019 in Sacramento. He stated that Reclamation has filed a request for reconsideration with the State Board on two grounds. First, Reclamation contends it does not have congressional authority to conduct a study regarding the feasibility of fish passage around Bradbury Dam. Second, Reclamation contends that the State Board should not direct Reclamation to consider the 2016 Draft Biological Opinion issued by the National Marine Fisheries Service when undertaking studies required by the Order, because the 2016 document was never peer reviewed and has no regulatory value. Mr. Garcia stated there were no other challenges from other parties at this time.

**B. State Water Project - Central Coast Water Authority**

1. State of California Department of Water Resources Delta Conveyance Project
2. Consideration of Participating with CCWA in the Delta Conveyance Project

Agenda items XII.B.1. & 2. were discussed together.

The Board packet included an August 1, 2019 Central Coast Water Authority memorandum discussing the upcoming participation decision in the Department of Water Resources Delta Conveyance Project and a September 17, 2019 letter from WE Watch regarding its recommendation not to participate in the Project.

Mr. Dahlstrom stated that Mr. Ray Stokes, Central Coast Water Authority Executive Director, attended the District’s Board meeting in August to discuss the Delta Conveyance Project. Mr. Dahlstrom explained that CCWA management has asked the CCWA project

participants to consider their respective positions on participating in the Project and to respond before or at the October 24, 2019 CCWA Board of Directors Meeting. Mr. Dahlstrom indicated that he has reviewed all of the documentation and has discussed the topic at length with Mr. Stokes. Mr. Dahlstrom stated that his recommendation would be that the District should opt out of participating in the Project due to unknown costs for the Project, negotiations are still occurring, and there are no final terms and conditions at this time. He also reported that the City of Solvang City Council has opted out of the Project as well as several other CCWA members.

The Board was provided time to ask questions and provide comments which included activities on the Delta, long-term reliability of SWP supplies, unknown costs, weather/rainfall totals, and re-acquisition of the SWP Suspended Table A water.

Mr. Dahlstrom recommended the Board make a motion to direct Trustee Harlan Burchardi, the District's CCWA Board of Directors representative, to formally notify CCWA that the District wishes to opt out of participating in the Delta Conveyance Project.

Mr. Nick Di Croce provided public comment to the Board.

It was **MOVED** by Trustee Clay, seconded by Trustee Parker, and carried by a 5-0-0 voice vote, to direct Trustee Harlan Burchardi, ID No.1 Representative for the CCWA Board of Directors, to cast a vote to opt out of the Delta Conveyance Project.

#### C. Sustainable Groundwater Management Act

##### 1. Eastern Management Area Update

Trustee Joos stated there was a meeting scheduled for October 24, 2019 for the Groundwater Sustainability Agency for the Eastern Management Area.

Mr. Garcia reported on the current activities relating to the Sustainable Groundwater Management Act (SGMA) and the Eastern Management Area (EMA). He also reported that the next meeting of the EMA Groundwater Sustainability Agency (GSA) will be held on October 24, 2019 at 6:30 p.m. at the City of Solvang Council Chambers. Mr. Garcia explained that the EMA GSA will likely discuss an Intra-Basin Administrative Agreement between the three management areas, receive a report from the EMA Citizens Advisory Group, and review a Draft Data Management Plan. He encouraged members of the public to attend and participate in the SGMA process and all related public meetings.

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

The Board packet included the September 2019 Family Farm Alliance Monthly Briefing.

The Board packet included a September 25, 2019 letter from the District to the Santa Barbara County Superior Court, Honorable Michael Carrozzo re: 2019 Santa Barbara Civil Grand Jury Report titled "Cachuma Project Contract and Management." Mr. Dahlstrom reported this was the District's required response to the Grand Jury report.

The Board packet included a copy of the Agenda for the October 3, 2019 meeting of the Santa Barbara County Local Agency Formation Commission.

Trustee Clay reported he attended the City of Solvang Council Meeting on October 14, 2019 and recapped topics discussed.

Trustee Harlan Burchardi stated he had attended the Central Coast Water Authority Operating Committee Meeting on October 10<sup>th</sup> and provided a brief report the Delta Conveyance Project.

Mrs. Mary Martone reported that the City of Solvang did not pay its quarterly State Water invoice by the deadline of October 1<sup>st</sup> which meant they were in default of the Water Supply Agreement between the District and the City of Solvang. She reported that the late payment was most likely due to the transition of Management at the City. She indicated that several phone calls and emails were sent to the City prior to the due date, and that payment ultimately was received.

**XIV. CORRESPONDENCE: GENERAL MANAGER RECOMMENDS THE ITEMS NOT MARKED WITH AN ASTERISK (\*) FOR FILE:**

The Correspondence list was received by the Board.

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

There were no requests from the Board. Mr. Dahlstrom reported there will be two presentations at the November meeting, the audit will be presented by Bartlett, Pringle & Wolf and a re-certification of the 2016 Water Rate Schedule will be provided by Bartle Wells Associates.

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

Mr. Dahlstrom stated the next regular meeting of the Board of Trustees will be held on November 19, 2019 at 3:00 p.m.

**XVII. CLOSED SESSION:**

The Board adjourned at 7:06 p.m. for a brief recess. At 7:15 p.m., the Board reconvened and adjourned to closed session to discuss agenda items XVII.B. 1. - 4.

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

[Subdivision (d)(1) of Section 54956.9 of the Government Code - 4 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 and complaints filed by the California Sport fishing Protection Alliance regarding the operating of the Cachuma Project and State Board Orders WR73-37, 89-18 and 94-5; and proposed changes to the place of use of waters obtained through aforementioned permits 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 regarding petitions for change and extension of time and protests to the petitions
3. Name of Case: Santa Barbara Superior Court Case No. 18CV05437, Santa Ynez River Water Conservation District, Improvement District No.1 v. Holland, et al.
4. Name of Case: Santa Barbara Superior Court Case No. 19CV01873, Cachuma Operation and Maintenance Board v. Santa Ynez River Water Conservation District, Improvement District No.1

The Board reconvened to open session at 7:33 p.m. Mr. Garcia announced that the Board met in Closed Session concerning Agenda Items XVII.B. 1-4. He reported that there is no reportable action on the Agenda Items XVII.B. 1-4.

**XVIII. ADJOURNMENT:**

Being no further business, it was **MOVED** by Trustee Joos, seconded by Trustee M. Burchardi and carried by a unanimous 5-0-0 voice vote, to adjourn the meeting at 7:34 p.m.

**THE OCTOBER 17, 2019 SPECIAL MEETING MINUTES WERE APPROVED AT THE NOVEMBER 19, 2019 REGULAR MEETING.**