

NOTICE AND AGENDA

Regular Meeting of the

BOARD OF TRUSTEES

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, IMPROVEMENT DISTRICT NO. 1

will be held at **3:00 P.M., Tuesday, June 16, 2020**

VIDEO/TELECONFERENCE MEETING ONLY - NO PHYSICAL MEETING LOCATION

Public Participation:

Video: <https://zoom.us/j/92900399487>

or

Teleconference Phone Number: 1-669-900-9128

Meeting ID: 929 0039 9487#

Video/Teleconference Meeting During Coronavirus (COVID-19) Emergency:

As a result of the COVID-19 emergency and Governor Newsom's Executive Orders to protect public health by issuing shelter-in-home standards, limiting public gatherings, and requiring social distancing, this meeting will occur solely via video/teleconference as authorized by and in furtherance of Executive Order Nos. N-29-20 and N-33-20.

Important Notice Regarding Public Participation in This Meeting:

For those who wish to provide public comment on an Agenda Item, or who otherwise are making a presentation to the Board of Trustees, please submit any and all comments and materials to the District via electronic mail at general@syrwd.org. All submittals must be received by the District no later than 5:00 p.m. on Monday, June 15, 2020, and should indicate "**June 16, 2020 Board Meeting**" in the subject line. To the extent practicable, public comments and materials received in advance pursuant to this timeframe will be read into the public record during the meeting. Public comments and materials not read into the record will become part of the post-meeting Board packet materials available to the public and posted on the District's website.

For members of the public who may have a particularized need to speak on an Agenda Item during the meeting, please submit an advance request to the District via electronic mail at general@syrwd.org. All requests must be received by the District no later than 5:00 p.m. on Monday, June 15, 2020, and should indicate "**June 16, 2020 Board Meeting**" in the subject line.

In the interest of clear reception and efficient administration of the meeting, all persons participating in this video/teleconference are respectfully requested to mute their voices after dialing-in and at all times unless speaking.

- I. **CALL TO ORDER AND ROLL CALL**
- II. **PLEDGE OF ALLEGIANCE**
- III. **REPORT BY THE SECRETARY TO THE BOARD REGARDING COMPLIANCE WITH THE REQUIREMENTS FOR POSTING OF THE AGENDA**
- IV. **ADDITIONS OR CORRECTIONS, IF ANY, TO THE AGENDA**
- V. **CORONAVIRUS (COVID-19) UPDATE**
 - A. **General Manager's Report**
- VI. **PUBLIC COMMENT** - Any member of the public may address the Board relating to any non-agenda matter within the District's jurisdiction. The total time for all public participation shall not exceed fifteen (15) minutes and the time allotted for each individual shall not exceed three (3) minutes. The District is not responsible for the content or accuracy of statements made by members of the public. No Action will be taken by the Board on any public comment item.

- VII. CONSIDERATION OF THE MINUTES OF THE SPECIAL MEETING OF MAY 12, 2020**
- VIII. CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF MAY 19, 2020**
- IX. CONSENT AGENDA** - All items listed on the Consent Agenda are considered to be routine and will be approved or rejected in a single motion without separate discussion. Any item placed on the Consent Agenda can be removed and placed on the Regular Agenda for discussion and possible action upon the request of any Trustee.
- CA-1. Water Supply and Production Report
- CA-2. Central Coast Water Authority Updates
- X. REPORT, DISCUSSION AND POSSIBLE BOARD ACTION ON THE FOLLOWING SUBJECTS:**
- A. CACHUMA PROJECT – OPERATIONS AND SUPPLIES**
1. Cachuma Project Water Service Contract No. I75r-1802R and Status of 2020 Water Service Contract Process
 - a) Update from Santa Barbara County Representative
- B. SUSTAINABLE GROUNDWATER MANAGEMENT ACT**
1. Eastern Management Area Update
- XI. 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
 - b) Approval of Accounts Payable
 - c) Water Service Late Penalties
 2. Appropriation Limit for the 2020/2021 Fiscal Year – Article XIII B of the California Constitution
 - a) Resolution 799: *A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Establishing the Appropriation Limit for the 2020-2021 Fiscal Year Pursuant to Article XIII B of the California Constitution*
 3. Consider Adoption of Fiscal Year 2020/2021 Budget
 - a) Final Budget Summary
 - b) Resolution 800: *A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Adopting the 2020-2021 Budget and Requesting an Assessment Levy Required to Collect \$875,000 for District Obligations*
 4. Consider Establishing Ad Hoc Committee – Alternative Power / Solar
- XII. 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**
- XIII. CORRESPONDENCE: GENERAL MANAGER RECOMMENDS THE ITEMS NOT MARKED WITH AN ASTERISK (*) FOR FILE**
- XIV. REQUESTS FOR ITEMS TO BE INCLUDED ON THE NEXT REGULAR MEETING AGENDA:** Any member of the Board of Trustees may place an item on the meeting agenda for the next regular meeting. Any member of the public may submit a written request to the General Manager of the District to place an item on a future meeting agenda, provided that the General Manager and the Board of Trustees retain sole discretion to determine which items to include on meeting agendas.
- XV. NEXT MEETING OF THE BOARD OF TRUSTEES:** The next Regular Meeting of the Board of Trustees is scheduled for **July 21, 2020 at 3:00 p.m.**

XVI. CLOSED SESSION:

To accommodate the video/teleconferencing format of this meeting, the public participation access will be closed for ninety (90) minutes while the Board of Trustees convenes into closed session. Upon the conclusion of the 90-minute period, the public participation access will be reopened for the remaining Agenda Items. The Board will hold a closed session to discuss the following items:

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: Santa Barbara County Superior Court Case No. 19CV01873, Cachuma Operation and Maintenance Board v. Santa Ynez River Water Conservation District, Improvement District No.1

Public access to the meeting (Weblink, Dial-In Number, Passcodes above) will be reopened ninety (90) minutes after the Board of Trustees convenes into closed session.

XVII. RECONVENE INTO OPEN SESSION

[Sections 54957.1 and 54957.7 of the Government Code]

XVIII. ADJOURNMENT

This Agenda was posted at 3622 Sagunto Street, Santa Ynez, California, and notice was delivered in accordance with Government Code Section 54950, specifically Section 54956. This Agenda contains a brief general description of each item to be considered. The Board reserves the right to change the order in which items are heard. Copies of the staff reports or other written documentation relating to each item of business on the Agenda are on file with the District and available for public inspection during normal business hours. A person who has a question concerning any of the agenda items may call the District's General Manager at (805) 688-6015. Written materials relating to an item on this Agenda that are distributed to the Board of Trustees within 72 hours (for Regular meetings) or 24 hours (for Special meetings) before it is to consider the item at its regularly or special scheduled meeting(s) will be made available for public inspection at 3622 Sagunto Street, during normal business hours. Such written materials will also be made available on the District's website, subject to staff's ability to post the documents before the regularly scheduled meeting. If you challenge any of the Board's decisions related to the agenda items above in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence to the Board prior to the public hearing.

In compliance with the Americans with Disabilities Act, if you need special assistance to review agenda materials or participate in this meeting, please contact the District Secretary at (805) 688-6015. Notification 72 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
 IMPROVEMENT DISTRICT NO. 1
MAY 12, 2020 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 5:30 p.m. on Tuesday, May 12, 2020 via teleconference due to the COVID-19 Emergency and Governor Newsom’s Executive Order Nos. N-29-20 and N-33-20.

Trustees Present: Michael Burchardi Jeff Clay
 Brad Joos Lori Parker

Trustees Absent: None

Others Present: Paeter Garcia Mary Martone Karen King
 Eric Tambini Gary Kvistad Amber Thompson
 Cynthia Allen Patrick Kennedy Brett Marymee
 Lee Rosenberg Steve Torigiani Kevin Walsh

I. CALL TO ORDER AND ROLL CALL:

President Clay called the meeting to order at 5:30 p.m. and stated this was a Special Meeting of the Board of Trustees via teleconference. Ms. Martone conducted a roll call and reported that 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:

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, specifically Section 54956 related to noticing for Special Meetings, and also pursuant to Resolution No. 340 of the District. 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 issuing shelter-in-home standards, limiting public gatherings, and requiring social distancing, the Board meeting would occur solely via 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.

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

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

V. PUBLIC COMMENT:

Mr. Garcia stated that the Notice and Agenda for this Special Meeting requested members of the public to submit advance written comments to the District via electronic mail by 5:00 p.m. on Monday, May 11, 2020. Mr. Garcia reported that no public comments were submitted to the District for the meeting. He offered time for any member of the public participating telephonically to speak and address the Board. There was no public comment.

VI. BOARD OF TRUSTEES – DIVISION 1 VACANCY:

a) Consider candidates for the position of Trustee for Division 1 of the District

Mr. Garcia reported that the Public Notice of the Trustee Vacancy was posted on April 17, 2020, with an application deadline of 5:00 p.m. on May 1, 2020. He stated that two applications were received by the May 1st deadline. He explained that both the ID No.1 Board of Trustees and the

1 Santa Ynez River Water Conservation District Board of Directors were provided copies of the
2 applications for review. He also indicated that the Board packet materials included copies of
3 the applications.
4

5 Mr. Garcia reported that both applicants met the requirements set forth in the Water Code to
6 serve as a Trustee. He also informed the Board that he contacted both applicants via telephone
7 to discuss the potential for actual or perceived conflicts that may exist by virtue of either
8 applicant's prior or current work or other experience with agencies on the south coast or within
9 the Santa Ynez Valley. Mr. Garcia reported that based on his conversations with the applicants,
10 there was nothing to report.
11

12 President Clay called for public comment. There was no public comment. Mr. Garcia reported
13 that no written comments had been submitted to the District in accordance with the Notice and
14 Agenda for the meeting.
15

16 President Clay invited each applicant to provide any additional information or remarks to the
17 Board and the public. Mr. Rosenberg stated he had no additional information to provide. Mr.
18 Kennedy provided comments to the Board. President Clay thanked the applicants for their
19 applications, remarks, and for participating in this process.
20

21 Board discussion ensued regarding the applicants. The Board thanked and commended both
22 applicants for their interest in serving the community.
23

- 24 b) Consider recommendation, if any, to the Santa Ynez River Water Conservation District,
25 regarding the position of Trustee for Division 1 of the District
26

27 Following Board discussion, it was MOVED by Trustee Burchardi, seconded by Trustee Parker
28 and carried by a 3-1-0 roll call vote, with Trustee Clay voting no, to recommend to the Santa
29 Ynez River Water Conservation District (Parent District) that Mr. Lee Rosenberg be appointed
30 to fill the Division 1 Trustee position of the Santa Ynez River Water Conservation District,
31 Improvement District No.1
32

33 **VII. ADJOURNMENT:**

34 Being no further business, it was MOVED by Trustee Joos, seconded by Trustee Burchardi, and
35 carried by a 4-0-0 roll call vote to adjourn the meeting at 5:52 p.m.
36

37 **RESPECTFULLY SUBMITTED,**

38 **DRAFT**

39 _____
40 Mary Martone, Secretary to the Board

41 **ATTEST:**

42 **DRAFT**
43 _____
44 Jeff Clay, President

45 **MINUTES PREPARED BY:**

46 **DRAFT**

47 _____
48 Karen King, Board Administrative Assistant
49
50
51
52

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
IMPROVEMENT DISTRICT NO. 1
MAY 19, 2020 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 19, 2020 via teleconference due to the COVID-19 Emergency and Governor Newsom's Executive Orders.

Trustees Present: Michael Burchardi Lori Parker
Brad Joos Lee Rosenberg (arrived at 3:20 p.m.)
Jeff Clay

Trustees Absent: None

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

I. CALL TO ORDER AND ROLL CALL:

President Clay called the meeting to order at 3:04 p.m., he stated this was a Regular Meeting of the Board of Trustees. Ms. Martone reported that four members of the Board were present at roll call. Trustee Rosenberg joined the meeting at 3:20 p.m.

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:

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 Resolution No. 340 of the District. 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 issuing shelter-in-home standards, limiting public gatherings, and requiring social distancing, this Board meeting would occur solely via 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.

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

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

V. CORONAVIRUS (COVID-19) UPDATE AND POSSIBLE ACTION:

A. General Manager's Report

Mr. Garcia reported on the current activities related to the COVID-19 pandemic and the District's actions. He reported the District continues to maintain the same response plan as last month, with staff being divided into two teams alternating each week. Mr. Garcia reported that the District is continuing with a rigorous daily disinfection process, along with a weekly janitorial service that conducts a commercial grade disinfection. He reiterated that the District has a professional services agreement with a staffing agency that specializes in providing certified operators and employees to water agencies (on standby and only if necessary) and that the District is a member of CalWARN, a statewide organization that enables participating public agencies to share resources on a volunteer basis in the event of emergency needs. Mr. Garcia reported the District will continue to follow guidance and/or requirements issued by the Santa Barbara County Department of Public Health, in addition to other applicable federal, state, and local guidelines and standards to ensure an effective response to the COVID-19 pandemic.

DRAFT

1 **VI. PUBLIC COMMENT:**

2 Mr. Garcia stated that the Notice and Agenda for this Regular Meeting requested members of the
3 public to submit advance written comments to the District via electronic mail by 5:00 p.m. on
4 Monday, May 18, 2020. Mr. Garcia reported that no comments were submitted to the District for
5 the meeting. He offered time for any member of the public participating telephonically to speak
6 and address the Board. There was no public comment.
7

8 **VII. CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF APRIL 21, 2020:**

9 The Minutes of the Regular Meeting of April 21, 2020 were presented for consideration.

10
11 President Clay asked if there were any changes or additions to the Regular Meeting Minutes of
12 April 21, 2020. There were no changes or additions requested.
13

14 It was **MOVED** by Trustee Joos, seconded by Trustee Clay, and carried by a unanimous 4-0-0 roll
15 call vote to approve the April 21, 2020 Regular Meeting Minutes as presented.
16

17 **VIII. CONSENT AGENDA:**

18 Consent Agenda Report was provided in the Board packet.
19

20 Mr. Garcia reviewed the Consent Agenda Report for the month of April.
21

22 It was **MOVED** by Trustee Burchardi, seconded by Trustee Joos, and carried by a 5-0-0 roll call vote
23 to approve the Consent Agenda.
24

25 Mr. Garcia announced that as a result of technical difficulties with the teleconference line (echoing)
26 the meeting needed to be restarted. The teleconference call was terminated at 3:28 p.m. and
27 restarted at 3:32 p.m. President Clay opened the meeting at 3:32 p.m. Ms. Mary Martone conducted
28 a roll call and reported that all five Board members were present.
29

30 **IX. MANAGER REPORTS - STATUS, DISCUSSION AND POSSIBLE BOARD ACTION ON THE FOLLOWING**
31 **SUBJECTS:**

32 **A. DISTRICT ADMINISTRATION:**

33 1. Financial Report on Administrative Matters

34 a) Presentation of Monthly Financial Statements – Revenues and Expenses

35 Ms. Martone reported that the Board was provided the Statement of Revenues and
36 expenses for the month of April via email. She also explained that the reports were
37 posted on the District's website in the Board packet materials for anyone wishing to
38 follow along or retrieve a copy.
39

40 Ms. Martone reviewed the Statement of Revenues and Expenses for the month of April.
41 She highlighted several items in the report, such as the District's receipt of the second
42 installment of the Special Tax Assessment, and that some of the District's capital
43 improvement projects have been delayed due to the COVID-19 pandemic. She reported
44 that revenues exceeded expenses by \$328,361.94 for the month, and the year-to-date net
45 revenues are \$2,172,579.31.
46

47 b) Approval of Accounts Payable

48 The Warrant List for April 21, 2020 through May 19, 2020 was provided to the Board via
49 email and was included in the Board packet materials that is posted on the District
50 website for anyone wishing to review a copy.
51

52 The Board reviewed the Warrant list. Trustee Joos inquired about warrant number
53 23086 for certain legal expenses. Mr. Garcia stated that this month's bill was higher than
54 normal in relation to a particular legal matter which, due to pending litigation, would
55 require further discussion in Closed Session. Based on this discussion, the Board

1 consensus was to take this Agenda item out of order and discuss it after the Closed
2 Session has been concluded.
3

4 2. Fiscal Year 2020/2021 Preliminary Budget

5 The Board packet included the Fiscal Year 2020/2021 Preliminary Budget.
6

7 Ms. Martone reviewed the Preliminary 2020/2021 Budget Report. She summarized the
8 budget process, reporting basis, budget and reserve fund background, and budget
9 categories. Ms. Martone reported that revenues under the 2020-21 Preliminary Budget are
10 anticipated to be sufficient to meet the District's Operations & Maintenance expenses,
11 General & Administrative expenses, and Debt Service obligations, and that a net revenue
12 balance is projected to fund a portion of the proposed Capital Improvement Project (CIP)
13 program, with the remaining balance of CIP expenses coming from Reserve Funds.
14

15 Mr. Garcia reported that the adopted 2016 Water Rate Study was used as a starting point
16 for the 2020-21 Preliminary Budget. He noted that although the Water Rate Study assumed
17 an incremental increase in the Special Tax Assessment to \$1,250,000 by fiscal year 2020-21,
18 the Preliminary Budget for 2020-21 is based on leaving the Special Assessment at its current
19 amount of \$875,000.
20

21 Board discussion ensued on topics such as recommended reserve balances; whether or not
22 the Preliminary Budget should assume an increase in water rates in January 2021; whether
23 rate increase decisions should be made later in the year and in relation to the budget process;
24 staffing levels that were incorporated into the 2020-21 Preliminary Budget; power costs vs.
25 solar power alternatives; Chromium 6 expenses; proposed CIP projects; and the Proposition
26 218 process.
27

28 Ms. Martone asked that the Board review the 2020-21 Preliminary Budget and provide any
29 comments or questions to Management by June 5th for possible incorporation into the 2020-
30 21 Final Budget which will be presented at the June 16, 2020 Regular Meeting.
31

32 President Clay asked if there was any public comment on the Preliminary Budget. There
33 was no public comment.
34

35 The Board thanked Mr. Garcia and Ms. Martone for their hard work in preparing the 2020-
36 21 Preliminary Budget.
37

38 3. Setting the Appropriation Limit for the 2020/2021 Fiscal Year – California Constitution,
39 Article XIII B

40 a) California Department of Finance Calculations for 2020/2021 Appropriation
41 Limitations

42 The Board packet included the May 2020 Department of Finance letter regarding the FY
43 2020/2021 Appropriation Limitation Calculation, Price Factor, and Population
44 information.
45

46 Mr. Garcia explained that in connection with establishing an annual appropriation,
47 certain language must be read verbatim into the public record, as follows: *"Pursuant to*
48 *Section 7910 of the California Government Code, a resolution will be presented for adoption by*
49 *the Board of Trustees at its Regular Meeting on June 16, 2020, which will set the limitations on*
50 *appropriations for fiscal year 2020/2021 under Article XIII B of the Constitution of the State of*
51 *California (Proposition 13), and that the documentation used in determining the appropriation*
52 *limitations will be available in the District office for examination by the public for at least 15*
53 *days prior to the adoption of the proposed resolution."* Mr. Garcia explained the
54 appropriation calculations provided by the State of California Department of Finance
55 and how the calculations are applied to the District's Ad Valorem Special Tax

1 Assessment limitations. He indicated that based on the computations for the
2 appropriation limitation, the District's FY 2020/2021 maximum assessment amount is
3 \$2,058,600. Mr. Garcia explained that this year the per capita personal income factor
4 was 3.73% and the County population change factor was .26%. He reiterated that
5 although the District can set the assessment up to the maximum amount, the FY
6 2020/2021 Preliminary Budget proposes no increase this year, with the assessment to
7 remain at \$875,000.

8
9 b) Review of Draft Resolutions to be presented for adoption at the June 16, 2020 Board
10 Meeting

- 11
12 1. Draft Resolution 7XX: *A Resolution of the Board of Trustees of the Santa Ynez River*
13 *Water Conservation District, Improvement District No.1 Establishing the Appropriation*
14 *Limit for the 2020-2021 Fiscal Year Pursuant to Article XIII B of the California Constitution*
15
16 2. Draft Resolution 7XX: *A Resolution of the Board of Trustees of the Santa Ynez River*
17 *Water Conservation District, Improvement District No.1 Adopting the 2020-2021 Budget*
18 *and Requesting an Assessment Levy Required to Collect \$875,000 for District Obligations*
19

20 Mr. Garcia explained that each year two draft resolutions accompany the adoption
21 of the final budget and establishment of an appropriations limit. Trustee Joos
22 suggested that the resolutions include language stating that the Special Tax
23 Assessment amount of \$875,000 has not been increased for the last several years
24 despite the projected increases that were recommended in the 2016 Water Rate
25 Study.
26

27 Mr. Garcia informed the Board that the two resolutions would be presented for
28 consideration at the June 16, 2020 Regular Meeting.
29

30 c) Authorization to Post Notice and Make Public the 2020/2021 Appropriation
31 Limitation Calculation
32

33 The Board packet included the FY 2020/2021 Appropriation Limitation Calculation and
34 the Public Notice.
35

36 Mr. Garcia requested Board authorization for the Secretary to the Board of Trustees to
37 post the Public Notice setting forth the appropriation limit and calculation factors. He
38 reported that the Public Notice information would be posted at the District Office
39 beginning May 20, 2020 and published in the newspaper on May 28, 2020 and June 4,
40 2020. The Board reviewed the Public Notice.
41

42 It was **MOVED** by Trustee Burchardi, seconded by Trustee Rosenberg, and carried by a
43 5-0-0 roll call vote to authorize the Secretary to the Board to post and publish the Public
44 Notice to set the Fiscal Year 2020/2021 limit of appropriations pursuant to Article XIII B
45 of the California Constitution.
46

47 X. **REPORT, DISCUSSION AND POSSIBLE BOARD ACTION ON THE FOLLOWING SUBJECTS:**
48

49 A. **CACHUMA PROJECT – OPERATIONS AND SUPPLIES:**

- 50 1. Cachuma Project Water Service Contract No. I75r-1802R and Status of 2020 Water Service
51 Contract Process

52 Mr. Garcia reported there was no new information to report on the 2020 Water Service
53 Contract. He stated that he would follow up on Trustee Joos' request to have a
54 representative from the Santa Barbara County Water Agency attend the next Board of
55 Trustees meeting to provide an update on the status of contract negotiations with the United
56 States Bureau of Reclamation.
57

DRAFT

1 **B. SUSTAINABLE GROUNDWATER MANAGEMENT ACT**

2 1. Eastern Management Area Update

3 Mr. Garcia reported that the Groundwater Sustainability Agency (GSA) for the Eastern
4 Management Area (EMA) of the Basin will hold a quarterly meeting on Thursday, May 21,
5 2020 at 6:30 p.m. via teleconference. He reported that the notice and agenda for the GSA
6 meeting has been posted on the District's website, and on websites for the Santa Ynez River
7 Water Conservation District and the Santa Barbara County Water Agency. Mr. Garcia
8 announced that the Citizens' Advisory Committee for the EMA continues to work with staff
9 to provide feedback on how to best disseminate information and encourage more
10 participation by the public. Mr. Garcia briefly summarized the current activities relating to
11 the Sustainable Groundwater Management Act (SGMA) and encouraged all members of the
12 public to participate in the SGMA process.

13
14 **XI. REPORTS BY THE BOARD MEMBERS OR STAFF, QUESTIONS OF STAFF, STATUS REPORTS,**
15 **ANNOUNCEMENTS, COMMITTEE REPORTS, OBSERVATIONS AND OTHER MATTERS AND/OR**
16 **COMMUNICATIONS NOT REQUIRING ACTION:**

17 Mr. Garcia stated the Board packet included the Family Farm Alliance Monthly Briefing for April
18 2020.

19
20 Trustee Burchardi inquired about potential FEMA reimbursement for public agency expenses
21 incurred in response to the COVID-19 pandemic. Mr. Garcia reported that the District is registered
22 through the FEMA portal and staff is submitting costs on a weekly basis.

23
24 Mr. Garcia spoke briefly about the State Water Resources Control Board White Paper on Economic
25 Feasibility of a new Hexavalent Chromium regulation. He informed the Board that public
26 comments were due to the State Board last Friday, and a copy of the District's comments will be
27 provided to the Board in next month's Board packet.

28
29 Trustee Clay reported that he attended the April 23, 2020 Central Coast Water Authority Board of
30 Directors meeting. Mr. Garcia stated that he also attended the meeting and reported that a
31 heartwarming tribute to Trustee Harlan Burchardi was conducted at the onset of the meeting.

32
33 **XII. CORRESPONDENCE: GENERAL MANAGER RECOMMENDS THE ITEMS NOT MARKED WITH AN**
34 **ASTERISK (*) FOR FILE**

35 The Correspondence list was received by the Board.

36
37 **XIII. REQUESTS FOR ITEMS TO BE INCLUDED ON THE NEXT REGULAR MEETING AGENDA:**

38 Trustee Joos requested that staff contact the Santa Barbara County Water Agency to attend the June
39 16, 2020 Board of Trustees meeting to provide information regarding negotiations for the 2020
40 Cachuma Contract. Trustee Rosenberg requested staff include an agenda item to establish an Ad
41 Hoc Committee to discuss solar power.

42
43 **XIV. NEXT MEETING OF THE BOARD OF TRUSTEES:**

44 President Clay stated the next Regular Meeting of the Board of Trustees is scheduled for June 16,
45 2020 at 3:00 p.m.

46 Mr. Garcia announced that the Open Session public participation phone line would be closed for
47 sixty (60) minutes to allow the Board to convene into Closed Session. He explained that the public
48 participation phone line would be reopened sixty (60) minutes later for the remaining Agenda
49 items. Mr. Garcia thanked everyone for participating in the teleconference and stated the Open
50 Session meeting would reconvene at 7:32 p.m. to report any action taken during Closed Session
51 and to discuss Agenda item IX.A.1.b. regarding approval of the Accounts Payable.

52
53 **XV. CLOSED SESSION:**

54 The Board adjourned at 6:31 p.m. for a brief recess. At 6:34 p.m. the Board reconvened and
55 adjourned to Closed Session.

56
DRAFT

1 **A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:**

2 [Subdivision (d)(1) of Section 54956.9 of the Government Code – 3 cases]

- 3 1. Name of Case: Adjudicatory proceedings pending before the State Water Resources
4 Control Board regarding Permits 11308 and 11310 issued on Applications 11331 and
5 11332 to the United States Bureau of Reclamation for the Cachuma Project
6
7 2. Name of Case: Adjudicatory proceedings pending before the State Water Resources
8 Control Board regarding Permit 15878 issued on Application 22423 to the City of
9 Solvang, Petitions for Change, and Related Protests
10
11 3. Name of Case: Santa Barbara County Superior Court Case No. 19CV01873, Cachuma
12 Operation and Maintenance Board v. Santa Ynez River Water Conservation District,
13 Improvement District No.1
14

15 **XVI. RECONVENE INTO OPEN SESSION:**

16 [Sections 54957.1 and 54957.7 of the Government Code]

17
18 The public participation phone line was re-opened, and the Board reconvened to Open Session at
19 approximately 7:32 p.m. Mr. Garcia announced that the Board met in Closed Session concerning
20 Agenda Items XV.A.1-3. He reported that there was no reportable action from Closed Session.
21

22 **IX A.1.b. Approval of Accounts Payable**

23 This Agenda item was taken out of order and discussed after the Closed Session items. The Board
24 reviewed the Warrant List which covered warrants 23076 through 23137 for the time period of
25 April 22, 2020 through May 19, 2020 in the amount of \$3,988,433.89.
26

27 It was **MOVED** by Trustee Rosenberg, seconded by Trustee Burchardi, and carried by a
28 unanimous 5-0-0 roll call vote to approve the Warrant List for April 22, 2020 through May 19,
29 2020 as presented.
30

31 **XVII. ADJOURNMENT:**

32 Being no further business, it was **MOVED** by Trustee Burchardi, seconded by Trustee Joos, and
33 carried by a 5-0-0 roll call vote to adjourn the meeting at approximately 7:39 p.m.
34
35

36 **RESPECTFULLY SUBMITTED,**

37 **DRAFT**

38
39
40 _____
41 Mary Martone, Secretary to the Board
42

43 **ATTEST:**

44 **DRAFT**
45 _____
46 Jeff Clay, President
47
48
49

50 **MINUTES PREPARED BY:**

51 **DRAFT**

52 _____
53 Karen King, Board Administrative Assistant

**BOARD OF TRUSTEES
SANTA YNEZ RIVER WATER
CONSERVATION DISTRICT, ID NO.1
June 16, 2020**

Consent Agenda Report

CA-1. Water Supply and Production Report. Total water production in **May (405 AF)** was about 2½ times greater than water production in April (160 AF), but overall was below the 10-year running average for the month of May (565 AF). As previously reported, the District has been experiencing below average demands for domestic, rural residential, and agriculture water supplies due to water conservation, changing water use patterns, private well installations, and weather conditions.

For the month of **May**, approximately **139 AF** was produced from the Santa Ynez Upland wells, and approximately **63 AF** was produced from the 6.0 cfs and 4.0 cfs river well fields. As reflected in the Monthly Water Deliveries Report from the Central Coast Water Authority (CCWA), the District also received approximately **203 AF** of SWP supplies for the month, all of which we attributed to Exchange deliveries. Direct diversions to USBR and the County Park were **.85 AF**.

The USBR Daily Operations Report for Lake Cachuma in **May** (ending May 31, 2020) recorded the lake elevation at **739.52'** with the end of month storage of **155,645 AF**. USBR recorded total precipitation at the lake of **0.07 inches**. For the month, reservoir storage was supplemented with **52.4 AF** of SWP deliveries for the South Coast agencies. Reservoir evaporation in **May** was **1,467.1 AF**.

Based on the maximum storage of 193,305 AF, Cachuma reservoir is currently (as of June 8, 2020) at approximately **79.5%** of capacity (Santa Barbara County Flood Control District, Rainfall and Reservoir Summary). At a point when reservoir storage exceeds 100,000 AF, the Cachuma Member Units typically have received a full allocation, which is the case for this federal WY 2019-20. Conversely, a 20% pro-rata reduction from the full allocation is scheduled to occur in Water Years beginning at less than 100,000 AF, where incremental reductions may occur at other lower storage levels. **For the federal WY 2019-20** (beginning October 1, 2019), USBR has issued a 100% allocation of Cachuma Project supplies to the Cachuma Member Units. ID No.1's share is 10.31% or 2,651 AF. In addition to its 2019-20 allocation, ID No.1 retains in excess of 400 AF of previous year carryover water in the reservoir, subject to evaporation.

Water releases for the protection of fish and aquatic habitat are made from Cachuma reservoir to the lower Santa Ynez River pursuant to the 2000 Biological Opinion issued by the National Marine Fisheries Service (NMFS) and the 2019 Water Rights Order issued by the State Water Resources Control Board (SWRCB). These releases are made to Hilton Creek and to the stilling basin from the outlet works at the base of Bradbury Dam. The water releases required under the NMFS 2000 Biological Opinion to avoid jeopardy to steelhead and adverse impacts to its critical habitat are summarized as follows:

NMFS 2000 Biological Opinion

- *When Reservoir Spills and the Spill Amount Exceeds 20,000 AF:*
 - *10 cfs at Hwy 154 Bridge during spill year(s) exceeding 20,000 AF*
 - *1.5 cfs at Alisal Bridge when spill amount exceeds 20,000 AF and if steelhead are present at Alisal Reach*
 - *1.5 cfs at Alisal Bridge in the year immediately following a spill that exceeded 20,000 AF and if steelhead are present at Alisal Reach*

- *When Reservoir Does Not Spill or When Reservoir Spills Less Than 20,000 AF:*
 - *5 cfs at Hwy 154 when Reservoir does not spill and Reservoir storage is above 120,000 AF, or when Reservoir spill is less than 20,000 AF*
 - *2.5 cfs at Hwy 154 in all years when Reservoir storage is below 120,000 AF but greater than 30,000 AF*
 - *1.5 cfs at Alisal Bridge if the Reservoir spilled in the preceding year and the spill amount exceeded 20,000 AF and if steelhead are present at Alisal Reach*
 - *30 AF per month to “refresh the stilling basin and long pool” when Reservoir storage is less than 30,000 AF*

The water releases required under the SWRCB 2019 Water Rights Order for the protection of fish and other public trust resources in the lower Santa Ynez River and to prevent the waste and unreasonable use of water are summarized as follows:

SWRCB Order WR 2019-0148

- *During Below Normal, Dry, and Critical Dry water years (October 1 – September 30), releases shall be made in accordance with the requirements of the NMFS 2000 Biological Opinion as set forth above.*
- *During Above Normal and Wet water years, the following minimum flow requirements must be maintained at Hwy 154 and Alisal Bridges:*
 - *48 cfs from February 15 to April 14 for spawning*
 - *20 cfs from February 15 to June 1 for incubation and rearing*
 - *25 cfs from June 2 to June 9 for emigration, with ramping to 10 cfs by June 30*
 - *10 cfs from June 30 to October 1 for rearing and maintenance of resident fish*
 - *5 cfs from October 1 to February 15 for resident fish*
- *For purposes of SWRCB Order WR 2019-0148, water year classifications are determined as follows:*
 - *Wet is when Cachuma Reservoir inflow is greater than 117,842 AF;*
 - *Above Normal is when Reservoir inflow is less than or equal to 117,842 AF or greater than 33,707 AF;*
 - *Below Normal is when Reservoir inflow is less than or equal to 33,707 AF or greater than 15,366 AF;*
 - *Dry is when Reservoir inflow is less than or equal to 15,366 AF or greater than 4,550 AF*
 - *Critical Dry is when Reservoir inflow is less than or equal to 4,550 AF*

For the month of May, water releases for fish were 289.3 AF to Hilton Creek and 806 AF to the outlet works for a total of 1,095.3 AF. As of the end of May 2020, a total of approximately **35,661.2 AF** of Cachuma Project water has been released under regulatory requirements for fish protection since the year after the last spill in 2011.

CA-2. State Water Project (SWP) and Central Coast Water Authority (CCWA) Updates.

Despite previous/recent reports that the final SWP Table A allocation would remain at 15% for year 2020, on May 22, 2020 the California Department of Water Resources (DWR) issued notice that the SWP Table A allocation is being increased to 20% for the year. This 20% allocation translates to 140 AF for ID No.1’s pro-rated share of Table A supplies through CCWA.

The regular meeting of the CCWA Board of Directors was cancelled for May. The next regular meeting of CCWA’s Board is scheduled for June 25, 2020.

UNITED STATES DEPARTMENT OF THE INTERIOR
 U.S. BUREAU OF RECLAMATION-CACHUMA PROJECT-CALIFORNIA

MAY 2020

LAKE CACHUMA DAILY OPERATIONS

RUN DATE: June 1, 2020

DAY	ELEV	STORAGE		COMPUTED* INFLOW AF.	CCWA INFLOW AF.	PRECIP ON RES. SURF. AF.	RELEASE - AF.				EVAP		PRECIP INCHES	
		IN LAKE	CHANGE				TUNNEL	HILTON CREEK	OUTLET	SPILLWAY	AF.	INCH		
	740.39	156,800												
1	740.37	156,747	-53	119.1	1.5	.0	45.4	9.3	63.0	.0	55.9	.310	.00	
2	740.34	156,667	-80	94.8	0.0	.0	46.7	9.4	61.0	.0	57.7	.320	.00	
3	740.31	156,587	-80	66.3	0.0	.0	45.6	9.3	59.0	.0	32.4	.180	.00	
4	740.30	156,561	-26	135.2	0.0	.0	46.7	9.4	60.0	.0	45.1	.250	.00	
5	740.27	156,481	-80	96.9	0.0	.0	62.5	9.4	60.0	.0	45.0	.250	.00	
6	740.24	156,401	-80	105.3	0.0	.0	69.3	9.4	58.0	.0	48.6	.270	.00	
7	740.21	156,321	-80	99.0	0.0	.0	63.9	9.3	59.0	.0	46.8	.260	.00	
8	740.18	156,241	-80	89.9	0.0	.0	57.1	9.4	53.0	.0	50.4	.280	.00	
9	740.15	156,161	-80	71.9	0.0	.0	49.3	9.4	50.0	.0	43.2	.240	.00	
10	740.13	156,107	-54	94.5	0.0	.0	50.6	9.3	40.0	.0	48.6	.270	.00	
11	740.10	156,027	-80	44.8	0.0	.0	50.4	9.3	22.0	.0	43.1	.240	.00	
12	740.07	155,921	-106	3.7	0.0	.0	38.1	9.3	21.0	.0	41.3	.230	.00	
13	740.05	155,894	-27	47.3	20.3	.0	37.3	9.4	12.0	.0	35.9	.200	.00	
14	740.01	155,787	-107	-2.2	0.0	.0	50.3	9.4	11.0	.0	34.1	.190	.00	
15	739.98	155,707	-80	45.3	0.0	.0	51.2	9.3	11.0	.0	53.8	.300	.00	
16	739.95	155,627	-80	58.9	0.0	.0	52.1	9.4	11.0	.0	66.4	.370	.00	
17	739.93	155,574	-53	59.8	0.0	.0	52.3	9.3	10.0	.0	41.2	.230	.00	
18	739.91	155,521	-53	46.0	0.0	15.5	53.0	9.3	11.0	.0	41.2	.230	.07	
19	739.87	155,414	-107	3.1	0.0	.0	51.4	9.3	10.0	.0	39.4	.220	.00	
20	739.84	155,334	-80	46.5	0.0	.0	52.4	9.4	11.0	.0	53.7	.300	.00	
21	739.81	155,254	-80	32.8	0.0	.0	52.3	9.3	10.0	.0	41.2	.230	.00	
22	739.79	155,201	-53	64.6	0.0	.0	52.5	9.3	11.0	.0	44.8	.250	.00	
23	739.76	155,121	-80	37.7	0.0	.0	51.9	9.3	10.0	.0	46.5	.260	.00	
24	739.73	155,041	-80	34.0	0.0	.0	52.6	9.3	11.0	.0	41.1	.230	.00	
25	739.70	154,961	-80	36.5	0.0	.0	43.6	9.3	10.0	.0	53.6	.300	.00	
26	739.68	154,908	-53	62.6	0.0	.0	39.9	9.3	11.0	.0	55.4	.310	.00	
27	739.66	154,854	-54	56.2	7.2	.0	38.3	9.3	9.0	.0	60.8	.340	.00	
28	739.63	154,774	-80	41.1	7.5	.0	48.6	9.3	10.0	.0	60.7	.340	.00	
29	739.60	154,695	-79	39.0	7.4	.0	49.0	9.3	10.0	.0	57.1	.320	.00	
30	739.57	154,616	-79	9.3	7.4	.0	48.6	9.3	11.0	.0	26.8	.150	.00	
31	739.52	154,485	-131	-4.5	1.1	.0	53.0	9.3	10.0	.0	55.3	.310	.00	
TOTAL (AF)			-2,315	1,735.4	52.4	15.5	1,555.9	289.3	806.0	.0	1,467.1	8.180	.07	
(AVG)		155,645												

COMMENTS:

* COMPUTED INFLOW IS THE SUM OF CHANGE IN STORAGE, RELEASES, AND EVAPORATION MINUS PRECIP ON THE RESERVOIR SURFACE AND CCWA INFLOW.

DATA BASED ON 24-HOUR PERIOD ENDING 0800.

INDICATED OUTLETS RELEASE INCLUDE ANY LEAKAGE AROUND GATES.



Santa Barbara County - Flood Control District

130 East Victoria Street, Santa Barbara CA 93101 - 805.568.3440 - www.countyofsb.org/pwd

Rainfall and Reservoir Summary

Updated 8am: 6/8/2020

Water Year: 2020

Storm Number: NA

Notes: Daily rainfall amounts are recorded as of 8am for the previous 24 hours. Rainfall units are expressed in inches. All data on this page are from automated sensors, are preliminary, and subject to verification.

*Each Water Year (WY) runs from Sept 1 through Aug 31 and is designated by the calendar year in which it ends

County Real-Time Rainfall and Reservoir Website link: > <http://www.countyofsb.org/hydrology>

Rainfall	ID	24 hrs	Storm 0day(s)	Month	Year*	% to Date	% of Year*	AI
Buellton (Fire Stn)	233	0.00	0.00	0.00	15.19	91%	91%	
Cachuma Dam (USBR)	332	0.00	0.00	0.00	20.96	106%	106%	
Carpinteria (Fire Stn)	208	0.00	0.00	0.06	13.00	75%	75%	
Cuyama (Fire Stn)	436	0.00	0.00	0.00	8.75	117%	114%	
Figueroa Mtn. (USFS Stn)	421	0.00	0.00	0.00	21.39	100%	100%	8.8
Gibraltar Dam (City Facility)	230	0.00	0.00	0.00	24.51	93%	93%	9.3
Goleta (Fire Stn-Los Carneros)	440	0.00	0.00	0.08	14.21	77%	77%	
Lompoc (City Hall)	439	0.00	0.00	0.00	12.87	89%	88%	9.8
Los Alamos (Fire Stn)	204	0.00	0.00	0.03	15.12	99%	99%	
San Marcos Pass (USFS Stn)	212	0.00	0.00	0.09	27.72	82%	81%	
Santa Barbara (County Bldg)	234	0.00	0.00	0.11	16.42	90%	89%	
Santa Maria (City Pub.Works)	380	0.00	0.00	0.04	11.34	85%	85%	
Santa Ynez (Fire Stn /Airport)	218	0.00	0.00	0.00	15.11	96%	96%	
Sisquoc (Fire Stn)	256	0.00	0.00	0.02	13.27	88%	88%	

County-wide percentage of "Normal-to-Date" rainfall : **92%**

County-wide percentage of "Normal Water-Year" rainfall : **92%**

County-wide percentage of "Normal Water-Year" rainfall calculated assuming no more rain through Aug. 31, 2020 (End of WY2020).

AI (Antecedent Index / Soil Wetness)

6.0 and below = Wet (min. = 2.5)

6.1 - 9.0 = Moderate

9.1 and above = Dry (max. = 12.5)

Reservoirs

Reservoir Elevations referenced to NGVD-29.

**Cachuma is full and subject to spilling at elevation 750 ft.

However, the lake is surcharged to 753 ft. for fish release water.

(Cachuma water storage is based on Dec 2013 capacity revision)

Click on Site for Real-Time Readings	Spillway Elev. (ft)	Current Elev. (ft)	Max. Storage (ac-ft)	Current Storage (ac-ft)	Current Capacity (%)	Storage Change Mo.(ac-ft)	Storage Change Year*(ac-ft)
Gibraltar Reservoir	1,400.00	1,399.15	4,583	4,404	96.1%	-89	1,865
Cachuma Reservoir	753.**	739.23	193,305	153,722	79.5%	-657	5,716
Jameson Reservoir	2,224.00	2,223.44	4,848	4,779	98.6%	-25	132
Twitchell Reservoir	651.50	545.13	194,971	5,017	2.6%	-41	-13,789

CIMIS Daily Report

Rendered in ENGLISH Units.

Friday, May 1, 2020 - Tuesday, June 2, 2020

Printed on Wednesday, June 3, 2020

Santa Ynez - Central Coast Valleys - Station 64

Date	ETo (in)	Precip (in)	Sol Rad (Ly/day)	Avg Vap Pres (mBars)	Max Air Temp (°F)	Min Air Temp (°F)	Avg Air Temp (°F)	Max Rel Hum (%)	Min Rel Hum (%)	Avg Rel Hum (%)	Dew Point (°F)	Avg Wind Speed (mph)	Wind Run (miles)	Avg Soil Temp (°F)
5/1/2020	0.25	0.00	666	10.0	85.5	45.5	63.3	94	18	50	44.4	5.1	122.5	67.8
5/2/2020	0.20	0.00	646	12.8	72.8	43.8	57.9	100	53	78	51.1	4.3	102.7	67.5
5/3/2020	0.20	0.00	624	12.7	74.5	47.6	59.6	93	51	73	50.9	4.3	102.6	67.7
5/4/2020	0.24	0.00	705 R	10.0	90.2	39.7	60.7	97	11	55	44.4	3.8	92.1	67.5
5/5/2020	0.23	0.00	696	11.2	79.8	39.1	59.6	96	40	64	47.4	3.5	84.8	67.6
5/6/2020	0.25	0.00	676	10.9	91.7	43.5	65.4	97	19	51	46.9	3.6	85.3	67.9
5/7/2020	0.26	0.00	703	10.9	91.3	41.5	65.2	94	22	51	46.7	3.3	79.0	68.5
5/8/2020	0.25	0.00	698	13.1	91.7	46.8	68.9 Y	93	21	54 Y	51.6 Y	3.0	72.1	69.2
5/9/2020	0.23	0.00	700	14.6	82.9	49.1	63.4	100	45	73	54.8	3.7	87.7	70.2
5/10/2020	0.18	0.00	602	14.3	71.6	50.8	59.3	100	62	83	54.1	3.9	92.6	70.2
5/11/2020	0.23	0.00	702	11.6	76.6	50.6	62.7	92	24	60	48.4	4.0	97.1	70.1
5/12/2020	0.20	0.00	625	12.1	74.2	50.5	60.8	92	46	66	49.5	4.6	110.2	70.3
5/13/2020	0.24	0.00	714	11.8	76.0	49.9	61.5	91	35	63	48.8	5.1	122.5	70.2
5/14/2020	0.24	0.00	687	13.3	77.3	55.7	64.1	92	39	65	52.2	6.1	146.4	70.5
5/15/2020	0.26	0.00	710	12.8	79.8	52.2	64.3	93	40	62	51.2	6.2	148.1	70.8
5/16/2020	0.23	0.00	667	12.3	83.3	45.7	62.2	95	36	64	49.9	4.1	98.7	70.9
5/17/2020	0.21	0.00	646	14.6	80.1	44.0	63.3	96	51	74	54.7	3.8	91.1	71.0
5/18/2020	0.22	0.01	647	13.8	74.1	51.4	63.5	96	43	69	53.1	4.9	116.4	71.7
5/19/2020	0.24	0.00	729 R	10.8	71.0	47.0	59.1	93	40	63	46.6	5.3	127.9	71.3
5/20/2020	0.23	0.00	712	11.7	73.9	46.0	58.8	95	46	69	48.6	4.2	101.2	71.0
5/21/2020	0.24	0.00	716	12.6	82.8	48.8	61.6	97	36	68	50.8	4.1	99.4	71.3
5/22/2020	0.21	0.00	669	12.2	73.7	48.5	57.7	100	50	75	49.9	4.5	108.8	71.6
5/23/2020	0.22	0.00	702	12.1	75.1	48.8	59.3	96	44	70	49.6	4.1	97.5	71.4
5/24/2020	0.24	0.00	716	12.6	84.4	45.9	63.6	100	32	63	50.6	3.6	87.1	71.7
5/25/2020	0.27 R	0.00	731	12.7	92.8 Y	46.6	70.1 Y	91	22	51 Y	51.0 Y	3.0	73.0	72.7
5/26/2020	0.27 R	0.00	723	14.5	95.1 Y	52.3	73.2 R	90	29	-- R	-- I	3.3	80.4	74.1
5/27/2020	0.27 R	0.00	719	15.1	93.0 Y	54.1	72.5 Y	91	33	55 Y	55.6 Y	3.7	89.6	75.4
5/28/2020	0.25	0.00	725	15.8	84.4	54.2	68.0	93	44	67	56.9	4.0	95.5	-- S
5/29/2020	0.21	0.00	654	15.5	75.0	57.4	63.4	95	63	78	56.4	4.9	117.9	-- S
5/30/2020	0.17	0.00	525	14.1	73.4	57.4	64.1	87	53	69	53.8	3.8	92.1	-- S
5/31/2020	0.09	0.00	298	14.3	75.0	52.7	61.5	93	54	77	54.2	3.4	80.5	-- S
Tots/Avgs	7.03	0.01	669	12.8	80.7	48.6	63.2	95	39	65	50.8	4.2	100.1	70.4

Santa Ynez - Central Coast Valleys - Station 64

Date	ETo (in)	Precip (in)	Sol Rad (Ly/day)	Avg Vap Pres (mBars)	Max Air Temp (°F)	Min Air Temp (°F)	Avg Air Temp (°F)	Max Rel Hum (%)	Min Rel Hum (%)	Avg Rel Hum (%)	Dew Point (°F)	Avg Wind Speed (mph)	Wind Run (miles)	Avg Soil Temp (°F)
6/1/2020	0.16	0.00	499	14.2	75.9	50.8	61.3	99	53	77	53.8	3.3	79.9	-- S
6/2/2020	0.20	0.00	559	14.9	89.1	51.7	67.4	100	39	65	55.3	3.1	75.2	-- S
Tots/Avgs	0.36	0.00	529	14.6	82.5	51.3	64.4	100	46	71	54.6	3.2	77.6	--

Flag Legend		
A - Historical Average	I - Ignore	R - Far out of normal range
C or N - Not Collected	M - Missing Data	S - Not in service
H - Hourly Missing or Flagged Data	Q - Related Sensor Missing	Y - Moderately out of range
Conversion Factors		
Ly/day/2.065=W/sq.m	inches * 25.4 = mm	(F-32) * 5/9 = c



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

TO: Ray Stokes, Executive Director
Lisa Long, Controller

June 5, 2020

FROM: Julie Baker

SUBJECT: Monthly Water Deliveries

According to the CCWA revenue meters at each turnout, the following deliveries were made during the month of May, 2020:

<u>Project Participant</u>	<u>Delivery Amount (acre-feet)</u>
Chorro	173.42
López.....	69.55
Shandon.....	0.00
Guadalupe.....	21.29
Santa Maria.....	571.68
Golden State Water Co.....	0.00
Vandenberg.....	262.17
Buellton	25.67
Solvang	53.48
Santa Ynez ID#1	203.10
Bradbury.....	<u>51.01</u>
TOTAL	1431.37

In order to reconcile these deliveries with the DWR revenue meter, which read 1439 acre-feet, the following delivery amounts should be used for billing purposes:

<u>Project Participant</u>	<u>Delivery Amount (acre-feet)</u>
Chorro	174
López	70
Shandon.....	0
Guadalupe.....	21
Santa Maria.....	567*
Golden State Water Co	8*
Vandenberg	264
Buellton	26
Solvang	54
Santa Ynez ID#1	204
Bradbury	<u>51</u>
TOTAL	1439

*Golden State Water Company delivered 8 acre-feet into its system through the Santa Maria turnout. This delivery is recorded by providing a credit of 8 acre-feet to the City of Santa Maria and a charge in the same amount, to the Golden State Water Company.

Notes: Santa Ynez ID#1 water usage is divided into 0 acre-feet of Table A water and 204 acre-feet of exchange water.

The exchange water is allocated as follows

<u>Project Participant</u>	<u>Exchange Amount (acre-feet)</u>
Goleta	73
Santa Barbara	49
Montecito	49
Carpinteria	<u>33</u>
TOTAL	204

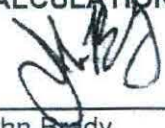
Bradbury Deliveries into Lake Cachuma are allocated as follows:

<u>Project Participant</u>	<u>Delivery Amount (acre-feet)</u>
Carpinteria	0
Goleta	0
La Cumbre	45
Montecito	0
Morehart	3
Santa Barbara	0
Raytheon	<u>3</u>
TOTAL	51


JAB

cc: Tom Bunosky, GWD
James Luongo, Golden State WC
Rebecca Bjork, City of Santa Barbara
Daryl Smith, MWD
Janet Gingras, COMB
Craig Kesler, San Luis Obispo County
Paeter Garcia, Santa Ynez RWCD ID#1
Shad Springer, City of Santa Maria
Shannon Sweeney, City of Guadalupe
Robert MacDonald, Carpinteria Valley WD
Mike Peña, City of Guadalupe
Mike Alvarado, La Cumbre Mutual WC
Alex Keuper, CVWD
Pernell Rush, Vandenberg AFB
Nick Turner, Montecito WD
Laura Menahen, Montecito WD
Matt van der Linden, City of Solvang

**REVIEW AND APPROVAL OF
DELIVERY RECORDS AND ASSOCIATED
CALCULATIONS**



John Brady
Deputy Director, Operations and Engineering
Central Coast Water Authority

NOTICE TO STATE WATER PROJECT CONTRACTORS**Date:** MAY 22, 2020**Number:** 20-05**Subject:** 2020 State Water Project Allocation Increase from 15 to 20 Percent**From:** 

Ted Craddock
Deputy Director, State Water Project
Department of Water Resources

The Department of Water Resources (DWR) is increasing the allocation of 2020 State Water Project (SWP) water for long-term contractors from 635,434 acre-feet to 843,696 acre-feet. Based on the recent precipitation, runoff, and current water supply conditions, SWP supplies are projected to be 20 percent of most SWP contractors' 2020 requested Table A amounts, which totals 4,172,786 AF. Attached is the revised 2020 SWP 20 percent allocation table.

This allocation increase is made consistent with the long-term water supply contracts and public policy. DWR's approval considered several factors including existing storage in SWP conservation reservoirs, SWP operational constraints such as the conditions of the Biological Opinions for Delta Smelt and Salmonids, the Longfin Smelt Incidental Take Permit, and the 2020 contractor demands. DWR may revise this and any subsequent allocations if warranted by the year's developing hydrologic and water supply conditions.

To develop the new 20 percent schedule, DWR will scale up the current long-term SWP contractors' 10 percent schedules that were submitted in October 2019 (as part of their initial request), unless contractors submit updated schedules. DWR will send the approved monthly water delivery schedules to the long-term SWP contractors.

If you have any questions or need additional information, please contact Pedro Villalobos, Chief, State Water Project Analysis Office, at (916) 653-4313.

Attachment

2020 STATE WATER PROJECT ALLOCATION
(ACRE-FEET)

SWP CONTRACTORS	TABLE A (1)	INITIAL REQUEST (2)	APPROVED ALLOCATION (3)	PERCENT INITIAL REQUEST APPROVED (3)/(2) (4)
<u>FEATHER RIVER</u>				
County of Butte	27,500	27,500	6,000	22%
Plumas County FC&WCD	2,700	2,700	540	20%
City of Yuba City	9,600	9,600	2,880	30%
Subtotal	39,800	39,800	9,420	
<u>NORTH BAY</u>				
Napa County FC&WCD	29,025	29,025	8,708	30%
Solano County WA	47,756	47,756	14,327	30%
Subtotal	76,781	76,781	23,035	
<u>SOUTH BAY</u>				
Alameda County FC&WCD, Zone 7	80,619	80,619	16,124	20%
Alameda County WD	42,000	42,000	8,400	20%
Santa Clara Valley WD	100,000	100,000	20,000	20%
Subtotal	222,619	222,619	44,524	
<u>SAN JOAQUIN VALLEY</u>				
Oak Flat WD	5,700	5,700	1,140	20%
County of Kings	9,305	9,305	1,861	20%
Dudley Ridge WD	41,350	41,350	8,270	20%
Empire West Side ID	3,000	3,000	600	20%
Kern County WA	982,730	982,730	196,546	20%
Tulare Lake Basin WSD	87,471	87,471	17,494	20%
Subtotal	1,129,556	1,129,556	225,911	
<u>CENTRAL COASTAL</u>				
San Luis Obispo County FC&WCD	25,000	25,000	5,000	20%
Santa Barbara County FC&WCD	45,486	45,486	9,097	20%
Subtotal	70,486	70,486	14,097	
<u>SOUTHERN CALIFORNIA</u>				
Antelope Valley-East Kern WA	144,844	144,844	28,969	20%
Santa Clarita Valley WA	95,200	95,200	19,040	20%
Coachella Valley WD	138,350	138,350	27,670	20%
Crestline-Lake Arrowhead WA	5,800	5,800	1,160	20%
Desert WA	55,750	55,750	11,150	20%
Littlerock Creek ID	2,300	2,300	460	20%
Metropolitan WDSC	1,911,500	1,911,500	382,300	20%
Mojave WA	89,800	89,800	17,960	20%
Palmdale WD	21,300	21,300	4,260	20%
San Bernardino Valley MWD	102,600	102,600	20,520	20%
San Gabriel Valley MWD	28,800	28,800	5,760	20%
San Geronio Pass WA	17,300	17,300	3,460	20%
Ventura County WPD	20,000	20,000	4,000	20%
Subtotal	2,633,544	2,633,544	526,709	
TOTAL	4,172,786	4,172,786	843,696	



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

May 15, 2020

TO: CCWA Board of Directors
FROM: Ray Stokes
Executive Director *RS*
SUBJECT: Cancellation of May 28, 2020 Board of Directors Meeting

This memo is notice that after consultation with Chairman Freidman, the CCWA Board meeting scheduled for May 28, 2020 has been canceled.

The next regular meeting of the CCWA Board of Directors is scheduled for June 25, 2020.

Consistent with current guidance in response to the COVID-19 pandemic and in accordance with the Governor's Executive Order N-35-20 issued March 21, 2020 to maximize social distancing and public safety, CCWA anticipates the June 25, 2020 meeting will be conducted by video conference only.

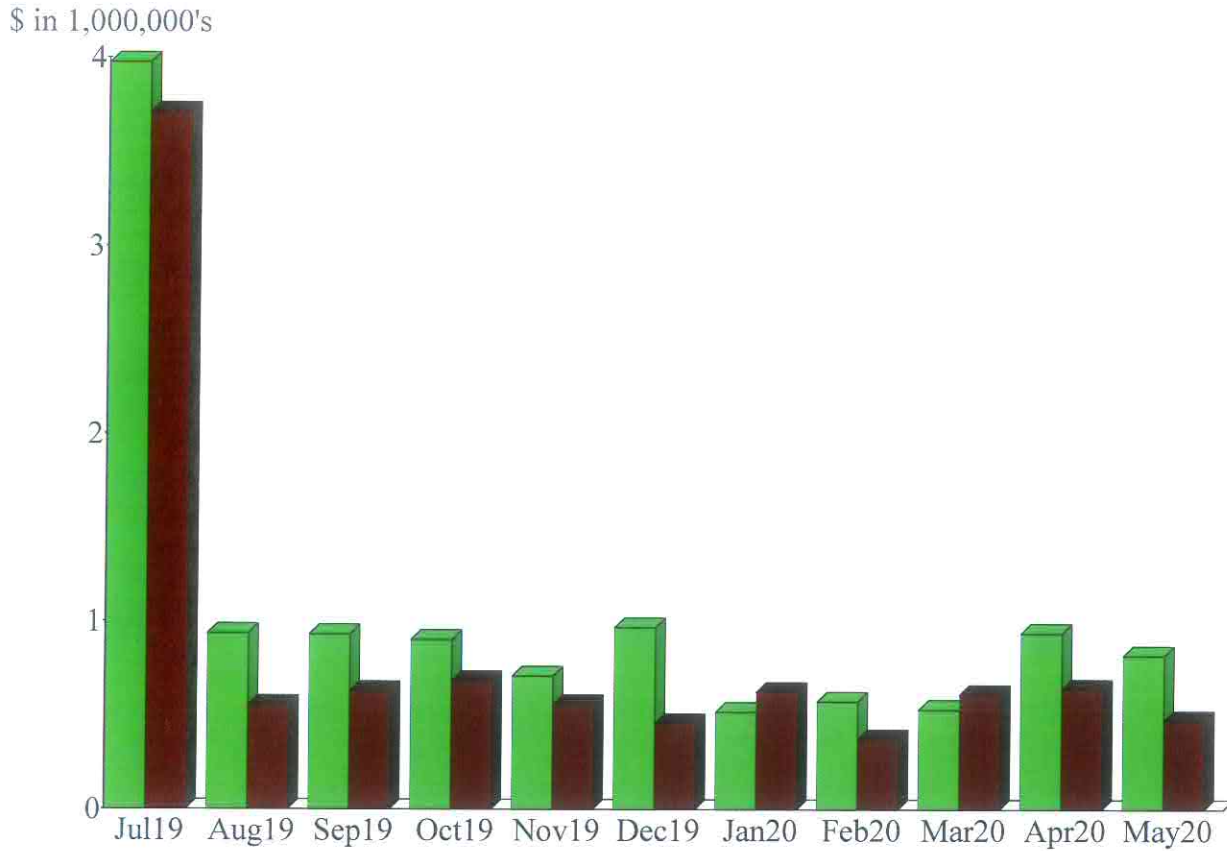
Please call me if you have any questions.

RAS

cc: Operating Committee
Stephanie Hastings, Brownstein Hyatt Farber and Schreck, LLP

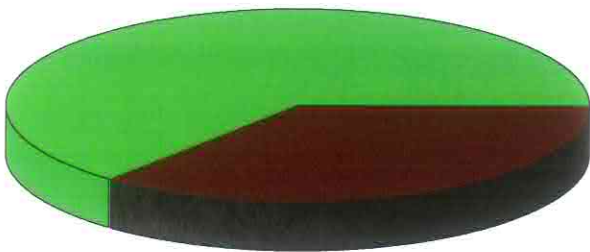
Income and Expense by Month
July 2019 through May 2020

Income
Expense



Income Summary
July 2019 through May 2020

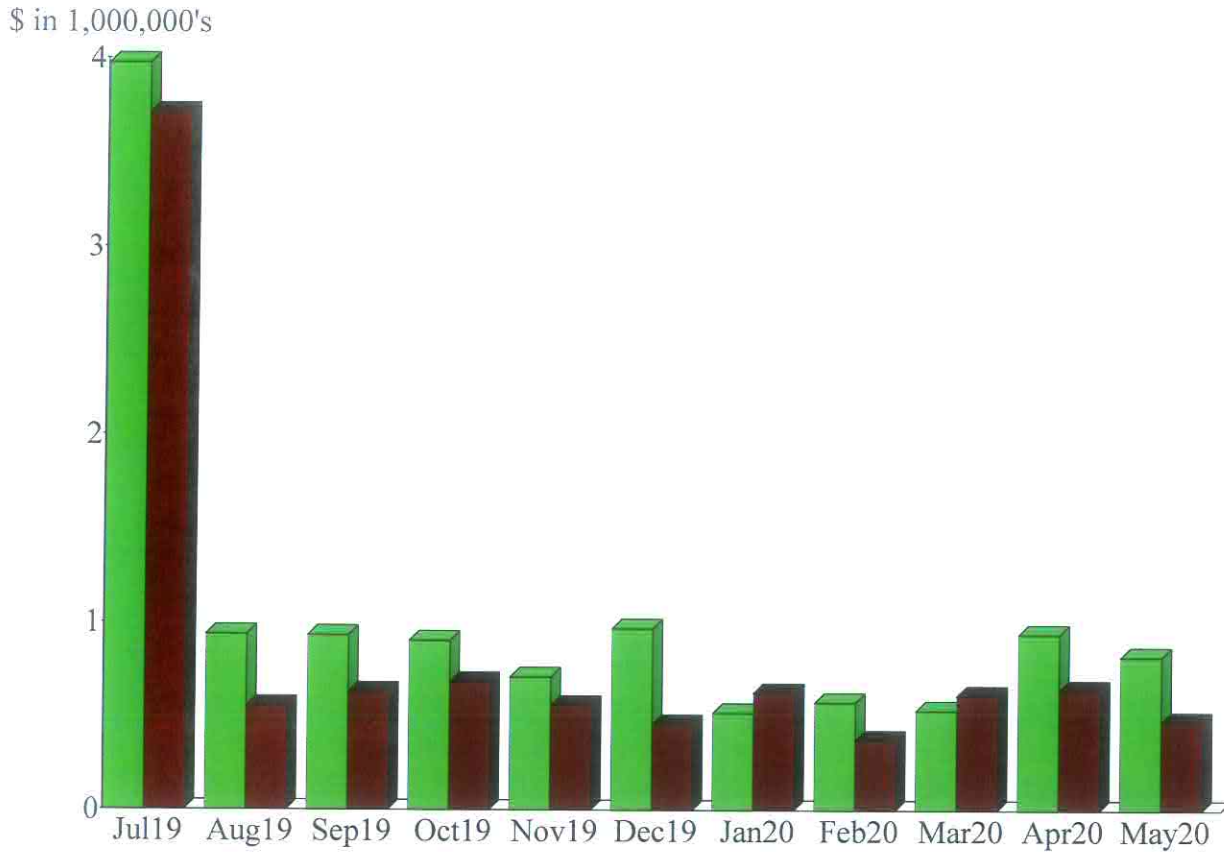
600000 · SERVICE & SALES REVENUE	63.99%
625000 · ASSESSMENTS, FEES & OTHER	36.01
Total	\$11,796,704.16



By Account

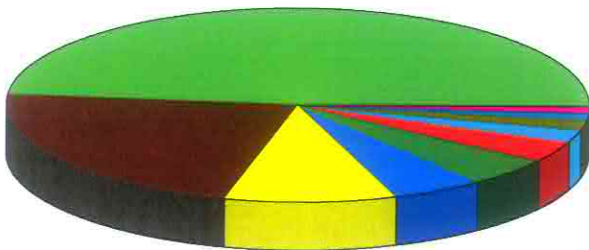
Income and Expense by Month
July 2019 through May 2020

Income
Expense



Expense Summary
July 2019 through May 2020

702000 · SOURCE OF SUPPLY EXPENSES	48.55%
770000 · GENERAL & ADMIN EXPENSE	22.50
750000 · TRANSMISSION & DIST. EXPEN	9.66
725000 · PUMPING EXPENSES	5.22
900100 · Constr in Progress CY	4.97
900370 · Capital Expense - CY	3.64
825000 · STUDIES	2.12
800000 · LEGAL/ENGINEERING	1.70
710000 · INFRASTRUCTURE EXPENSES	1.27
740000 · WATER TREATMENT EXPENSES	0.37
Total	\$9,308,912.07



By Account

Santa Ynez River Water Conservation District ID #1
Statement of Revenues & Expenses
 May 2020

	May 20	Apr 20	% Change	Jul '19 - May 20
Ordinary Income/Expense				
Income				
600000 · SERVICE & SALES REVENUE				
WATER SALES INCOME				
601000 · Water Sales - Agri.	121,820.06	55,035.23	121.35%	954,420.65
602000 · Water Sales - Domestic	425,533.02	291,284.12	46.09%	4,099,087.41
602100 · Water Sales - RRLmtd Ag.	245,186.78	151,363.36	61.99%	2,224,038.02
602200 · Water Sales - Cach Pk	636.12	591.66	7.51%	12,900.36
604000 · Water Sales - Temp.	181.80	0.00	100.0%	4,351.15
606000 · Water Sales - Solvang	4,469.71	4,469.71	0.0%	66,071.75
608000 · Water Sales - On-Demand	7,699.62	1,134.62	578.61%	21,231.44
611500 · Fire Service Fees	9,633.30	9,633.30	0.0%	107,288.10
Total WATER SALES INCOME	815,160.41	513,512.00	58.74%	7,489,388.88
SERVICE INCOME				
611100 · New Service Fees	0.00	0.00	0.0%	11,544.29
611200 · Reconnection Fees	1,050.00	825.00	27.27%	21,223.00
611900 · New Fire Services	0.00	0.00	0.0%	3,040.00
612400 · Penalties	-234.44	0.00	-100.0%	24,008.52
Total SERVICE INCOME	815.56	825.00	-1.14%	59,815.81
Total 600000 · SERVICE & SALES REVENUE	815,975.97	514,337.00	58.65%	7,549,204.69
625000 · ASSESSMENTS, FEES & OTHER				
611600 · Capital Facilities Chrg.	0.00	0.00	0.0%	11,596.99
620000 · OTHER REVENUES				
624300 · Gain/Loss-Asset Disposal	0.00	0.00	0.0%	1,000.00
Total 620000 · OTHER REVENUES	0.00	0.00	0.0%	1,000.00
620006 · Reimbursed Field Labor	0.00	0.00	0.0%	1,414.96
620008 · Reimbursed Admin Labor	0.00	0.00	0.0%	216.08
624000 · Miscellaneous Revenue	876.00	914.00	-4.16%	36,562.07
625200 · Administrative Fees	250.00	850.00	-70.59%	10,752.00
627000 · Tax Revenue - Secured	855.33	358,539.60	-99.76%	822,782.43
628000 · INTEREST INCOME				
629000 · Interest Income - LAIF	0.00	62,263.38	-100.0%	208,228.75
629100 · Interest Income -PIMMA	646.10	1,306.17	-50.54%	11,456.62
630000 · Interest Income - Cking	25.88	2.82	817.73%	52.92
630100 · Interest Income - SY Ind	0.90	1.32	-31.82%	6.28
Total 628000 · INTEREST INCOME	672.88	63,573.69	-98.94%	219,744.57
634100 · Insurance Claims	0.00	0.00	0.0%	1,781.59
890100 · SWP Pmt. from Solvang	0.00	0.00	0.0%	3,141,648.78
Total 625000 · ASSESSMENTS, FEES & OTHER	2,654.21	423,877.29	-99.37%	4,247,499.47
Total Income	818,630.18	938,214.29	-12.75%	11,796,704.16

Santa Ynez River Water Conservation District ID #1
Statement of Revenues & Expenses
 May 2020

	May 20	Apr 20	% Change	Jul '19 - May 20
Cost of Goods Sold				
702000 · SOURCE OF SUPPLY EXPENSES				
703000 · Cach. Water Entitlement	45,021.39	45,021.39	0.0%	264,252.91
704000 · State Water	102,579.17	102,579.17	0.0%	1,100,612.81
705000 · Ground Water Charges	0.00	0.00	0.0%	5,512.21
706000 · Cloudseeding Program	0.00	0.00	0.0%	374.00
707000 · River Well Field Licenses	0.00	0.00	0.0%	13,496.73
860000 · Solvang-SWPmt	0.00	0.00	0.0%	3,134,935.89
Total 702000 · SOURCE OF SUPPLY EXPENSES	147,600.56	147,600.56	0.0%	4,519,184.55
710000 · INFRASTRUCTURE EXPENSES				
711000 · Maintenance - Wells	0.00	9,327.00	-100.0%	53,007.18
712000 · Maintenance - Mains	3.01	0.00	100.0%	29,362.86
713000 · Maintenance - Reservoirs	5,016.92	17.23	29,017.35%	8,178.29
714000 · Maintenance - Structures	99.50	38.77	156.64%	721.30
717000 · Bradbury Dam SOD	0.00	0.00	0.0%	26,975.88
Total 710000 · INFRASTRUCTURE EXPENSES	5,119.43	9,383.00	-45.44%	118,245.51
725000 · PUMPING EXPENSES				
726000 · Pumping Expense (Power)	50,048.86	24,111.10	107.58%	475,994.75
730000 · Maintenance - Structures	0.00	0.00	0.0%	9,413.31
732000 · Maintenance - Equipmt.	0.00	0.00	0.0%	737.50
Total 725000 · PUMPING EXPENSES	50,048.86	24,111.10	107.58%	486,145.56
740000 · WATER TREATMENT EXPENSES				
744000 · Chemicals	0.00	4,328.04	-100.0%	21,261.23
747000 · Maintenance - Structures	0.00	0.00	0.0%	117.36
748000 · Maintenance - Equipment	0.00	226.17	-100.0%	1,071.36
748100 · Water Treatment - Equipm	0.00	2,914.05	-100.0%	4,415.31
748200 · Water Sampling/Monitor	0.00	0.00	0.0%	1,362.73
749000 · Water Analysis	0.00	670.00	-100.0%	5,790.00
Total 740000 · WATER TREATMENT EXPENSES	0.00	8,138.26	-100.0%	34,017.99
750000 · TRANSMISSION & DIST. EXPENSES				
799501 · Uniforms T&D	1,300.76	1,287.40	1.04%	13,751.57
775401 · ACWA - Health Ins. (T&D)	19,108.10	18,105.82	5.54%	192,100.18
775201 · ACWA - Delta Dental (T&D)	765.00	683.16	11.98%	7,386.48
775301 · ACWA - Vision (T&D)	137.34	137.34	0.0%	1,476.66
751000 · Labor	50,216.40	51,327.97	-2.17%	521,026.18
751100 · Labor / Vacation	1,020.75	0.00	100.0%	25,380.35
751200 · Labor / Sick Leave	680.18	0.00	100.0%	12,947.86
752000 · Materials/Supplies				
752100 · Safety Equipment	21.54	579.36	-96.28%	5,315.89
752000 · Materials/Supplies - Other	14.97	813.68	-98.16%	4,760.60
Total 752000 · Materials/Supplies	36.51	1,393.04	-97.38%	10,076.49
753000 · SCADA Maintenance	135.00	0.00	100.0%	2,900.00
754000 · Small Tools	0.00	21.54	-100.0%	13,799.28
754100 · Small Tools - Repairs	69.43	0.00	100.0%	353.66

Santa Ynez River Water Conservation District ID #1
Statement of Revenues & Expenses
May 2020

	May 20	Apr 20	% Change	Jul '19 - May 20
755000 · Transportation	4,171.41	5,126.18	-18.63%	60,466.93
756000 · Meter Services	181.74	181.74	0.0%	14,864.13
756100 · Meter Services - Repair	57.71	0.00	100.0%	10,968.17
757000 · Road Contracts	746.65	0.00	100.0%	800.65
758100 · Meter Reading (Sensus)	0.00	0.00	0.0%	1,517.37
759000 · Maintenance - Structures	2.70	0.00	100.0%	294.74
760000 · Fire Hydrants	0.00	0.00	0.0%	1,436.70
761000 · Backflow Devices	82.00	0.00	100.0%	82.00
762000 · Backhoe-Maintenance	1,578.56	0.00	100.0%	2,571.14
763000 · Generators/Maintenance	-1,573.18	0.00	-100.0%	5,137.99
Total 750000 · TRANSMISSION & DIST. EXPENSES	78,717.06	78,264.19	0.58%	899,338.53
Total COGS	281,485.91	267,497.11	5.23%	6,056,932.14
Gross Profit	537,144.27	670,717.18	-19.92%	5,739,772.02
Expense				
4000 · Reconciliation Discrepancies	0.00	0.00	0.0%	0.00
770000 · GENERAL & ADMIN EXPENSES				
774000 Workers Comp. - Ins.	0.00	0.00	0.0%	20,059.27
6560 · Payroll Expenses	34.00	34.00	0.0%	816.00
772000 · State Unemp. - Claims	0.00	0.00	0.0%	5,082.99
775000 · PERS - Retirement	14,499.80	24,041.80	-39.69%	259,581.86
775200 · ACWA - Dental (Admin)	800.84	692.60	15.63%	8,057.92
775300 · ACWA - Vision (Admin)	154.89	137.34	12.78%	1,581.96
775400 · ACWA - Medical Insurance(Admin)	19,304.84	19,304.84	0.0%	201,712.56
776400 · Admin Leave - Exempt Employees	0.00	0.00	0.0%	3,644.56
777000 · Salaries - Administrative Staff	73,611.31	74,995.65	-1.85%	859,376.49
777100 · Salaries / Vacation	1,848.00	886.71	108.41%	38,809.86
777200 · Salaries / Sick Leave	1,008.28	32.88	2,966.55%	16,801.20
777300 · Admin - Sick Hr.Rate	0.00	0.00	0.0%	93,191.26
777400 · Admin.- Vac. Hr.Rate	0.00	0.00	0.0%	44,840.60
777401 · Admin. - Comp Time	0.00	74.58	-100.0%	74.58
778000 · Training, Travel & Conferences	44.12	0.00	100.0%	13,374.06
779000 · Dues,Subscrip,Certif.	505.00	0.00	100.0%	29,232.27
780000 · Building Maintenance	1,331.00	1,586.00	-16.08%	6,219.91
781000 · Office Supplies	0.00	2,136.84	-100.0%	11,310.38
781100 · Computer Supply/Training/Softwr	0.00	282.64	-100.0%	6,435.40
782000 · Postage & Printing	4,957.42	3,303.70	50.06%	48,471.60
783000 · Utilities	694.79	740.99	-6.24%	9,707.05
784000 · Telephone	1,141.86	1,176.46	-2.94%	12,898.66
785000 · Special Services	1,090.79	715.88	52.37%	11,636.02
785100 · Government Fees	0.00	0.00	0.0%	15,776.31
786000 · Insurance & Bonds	900.03	900.03	0.0%	35,473.79
787000 · Payroll Taxes	9,780.32	9,732.97	0.49%	109,960.82
788000 · Audit - Expenses				
788100 · General Accounting	0.00	0.00	0.0%	5,301.00

Santa Ynez River Water Conservation District ID #1
Statement of Revenues & Expenses
May 2020

	May 20	Apr 20	% Change	Jul '19 - May 20
788000 · Audit - Expenses - Other	0.00	0.00	0.0%	28,638.74
Total 788000 · Audit - Expenses	0.00	0.00	0.0%	33,939.74
789000 · Legal - Expenses Gen.	6,445.14	4,201.00	53.42%	51,751.42
790000 · Gen/Prfsl Consultant Expenses	3,059.20	0.00	100.0%	16,676.93
791000 · Planning & Research	2,190.00	0.00	100.0%	7,614.30
792000 · Bad Debts	0.00	0.00	0.0%	113.97
793000 · Office Equip. Service Contracts	2,158.67	2,320.63	-6.98%	31,649.53
794000 · Interest Expenses	0.00	0.00	0.0%	36,462.35
794100 · Annual Fee - Bond Fund	0.00	0.00	0.0%	1,375.00
797000 · Trustee Fees	1,800.00	1,200.00	50.0%	22,560.00
799000 · Miscellaneous Expenses/Vendors	1,608.99	1,772.50	-9.23%	24,867.17
799500 · Uniform Service	0.00	0.00	0.0%	1,340.80
799525 · Gardening Service	240.00	240.00	0.0%	2,807.02
799600 · Customer Refunds	-661.64	661.64	-200.0%	-517.79
Total 770000 · GENERAL & ADMIN EXPENSES	148,547.65	151,171.68	-1.74%	2,094,767.82
Total Expense	148,547.65	151,171.68	-1.74%	2,094,767.82
Net Ordinary Income	388,596.62	519,545.50	-25.21%	3,645,004.20
Other Income/Expense				
Other Expense				
800000 · LEGAL/ENGINEERING				
800100 · Legal - BHFS				
800101 · SWRCB 94-5 Hearing (BHFS)	401.50	255.50	57.14%	6,102.32
800102 · Sustainable Grndwtr Mgmt Act	1,738.50	1,072.50	62.1%	14,197.21
Total 800100 · Legal - BHFS	2,140.00	1,328.00	61.15%	20,299.53
800200 · Legal -BB&K/Consultants				
800201 · NMFS Biop Recon/Stlhd Rcvry Pln	1,022.00	4,307.00	-76.27%	34,714.35
800202 · SWRCB 94-5 Hearing (BBK)	0.00	0.00	0.0%	10,250.04
Total 800200 · Legal -BB&K/Consultants	1,022.00	4,307.00	-76.27%	44,964.39
800300 · Engineering	0.00	2,983.75	-100.0%	7,734.03
800500 · Unanticipated Spc Legal Expense	4,865.00	41,240.72	-88.2%	85,187.91
Total 800000 · LEGAL/ENGINEERING	8,027.00	49,859.47	-83.9%	158,185.86
825000 · STUDIES				
825400 · CCRB (Shared Consultants)				
825401 · Joint Bio Op Recon.-Consultants	9,057.63	0.00	100.0%	59,419.22
825402 · Joint SWRCB - Stet/Han/Entrix	6,651.75	1,652.75	302.47%	18,445.42
Total 825400 · CCRB (Shared Consultants)	15,709.38	1,652.75	850.5%	77,864.64
825500 · Hydrology SYR;RiverWare-Stetson	0.00	0.00	0.0%	89.50
825600 · SB Co Water Agency				
825601 · Integrated Regional Water Man.	300.00	150.00	100.0%	1,996.71
825600 · SB Co Water Agency - Other	0.00	0.00	0.0%	4,737.15
Total 825600 · SB Co Water Agency	300.00	150.00	100.0%	6,733.86
825700 · Other	0.00	0.00	0.0%	7,458.87
825800 · BiOp Implementation	0.00	0.00	0.0%	0.43
826000 · System Capacity/Cap Impv Plan	1,650.00	9,487.75	-82.61%	105,468.39
825000 · STUDIES - Other	0.00	0.00	0.0%	0.00
Total 825000 · STUDIES	17,659.38	11,290.50	56.41%	197,615.69

Santa Ynez River Water Conservation District ID #1
Statement of Revenues & Expenses
 May 2020

	May 20	Apr 20	% Change	Jul '19 - May 20
900100 · Constr in Progress CY				
900311 · Chlorine Blg @ Wells	0.00	0.00	0.0%	14,719.44
900335 · SWP Pump Station/Pipeline	587.52	0.00	100.0%	587.52
900332 · Water Treatment Plant/Fac	0.00	2,573.34	-100.0%	52,521.37
900106 · Rehab/Rplc - Trans. Mains/Lats	0.00	0.00	0.0%	203,726.95
900170 · Well Field-6.0 CFS	0.00	0.00	0.0%	22,647.00
900171 · 4.CFS WII Field	0.00	0.00	0.0%	20,992.00
900198 · Meadowlark BPS	0.00	0.00	0.0%	122,609.00
900350 · Uplands Wells	0.00	0.00	0.0%	24,769.57
Total 900100 · Capital Improvement Projects CY	587.52	2,573.34	-77.17%	462,572.85
900370 · Capital Expense - CY				
900318 · Meter Replace/Utility Billing	0.00	0.00	0.0%	113,974.66
900371 · Office Building/Shop Improvemen	0.00	0.00	0.0%	15,980.04
900372 · Office Furn., Computers & Equip	1,800.97	0.00	100.0%	10,077.81
900373 · Fleet Vehicle Addition/Replace	0.00	94,108.85	-100.0%	94,108.85
900376 · Communications/Telemetry-SCADA	15,852.50	0.00	100.0%	49,225.74
900378 · Mjr. Tools, Shop & Garage Equip	0.00	0.00	0.0%	55,470.61
Total 900370 · Capital Expense - CY	17,653.47	94,108.85	-81.24%	338,837.71
Total Other Expense	43,927.37	157,832.16	-72.17%	1,157,212.11
Net Other Income	-43,927.37	-157,832.16	72.17%	-1,157,212.11
Net Income	344,669.25	361,713.34	-4.71%	2,487,792.09

Warrant List for Board Approval

May 20 through June 16, 2020

Date	Num	Name	Amount
May 20 - Jun 16, 20			
05/29/2020	23138	ACWA/JPIA - Health	\$ 41,665.00
06/16/2020	23139	All American Drilling, Inc.	\$ 1,280.40
06/16/2020	23140	All Around Landscape Supply/SiteOne	\$ 202.72
06/16/2020	23141	VOID - Printer Misfeed	\$ -
06/16/2020	23142	Aramark Uniform Serv Inc.	\$ 815.55
06/16/2020	23143	Aspect Engineering Group	\$ 15,292.50
06/16/2020	23144	Autosys, Inc.	\$ 695.00
06/16/2020	23145	B of A Business Card Services-AGM	\$ 6,310.76
06/16/2020	23146	BasicData Business Printing	\$ 380.55
06/16/2020	23147	Bertin Pulido	\$ 5,200.00
06/16/2020	23148	Best Best & Krieger LLP	\$ 19,109.38
06/16/2020	23149	Brownstein,Hyatt,Farber, Schreck	\$ 11,072.14
05/29/2020	EFT	CA State Disbursement Unit - May 2020	\$ 1,013.00
05/29/2020	EFT	CalPERS - May 2020	\$ 19,267.68
06/16/2020	23150	Central Coast Water Authority	\$ 173,300.97
06/16/2020	23151	CIO Solutions, LP	\$ 2,534.30
06/16/2020	23152	Clinical Lab of San Bernardino Inc.	\$ 670.00
06/16/2020	23153	Coastal Copy	\$ 389.57
06/16/2020	23154	Comcast	\$ 300.25
06/16/2020	23155	Continental Utility Solutions, Inc.	\$ 102.64
06/16/2020	23156	Dig Safe Board	\$ 23.52
06/16/2020	23157	Echo Communications	\$ 161.10
06/16/2020	23158	Elzbieta Campbell	\$ 35.32
05/29/2020	EFT	Employment Dev. Dept. May 2020 Payroll Taxes	\$ 7,381.20
06/16/2020	23159	Harrison Hardware Inc	\$ 182.28
06/16/2020	23160	Hazen and Sawyer	\$ 4,775.00
06/16/2020	23161	Iron Mountain	\$ 80.13
06/16/2020	23162	IVR Technology Group, LLC	\$ 70.52
06/16/2020	23163	J. Winther Chevron, Inc.	\$ 35.00
06/16/2020	23164	Jan-Pro Cleaning Systems	\$ 1,331.00
06/16/2020	23165	JANO Printing & Mailworks	\$ 4,731.42
06/16/2020	23166	Linda Comeau	\$ 30.00
05/29/2020	EFT	Lincoln National Life - May 2020	\$ 2,250.00
06/16/2020	23167	MarBorg Industries	\$ 181.74
06/16/2020	23168	Mary Martone/Petty Cash	\$ 34.57
06/16/2020	23169	McCormix Corp	\$ 1,764.66
05/29/2020	EFT	Mechanics Bank/May Payroll Taxes	\$ 33,814.47
06/16/2020	23170	Nextel/Sprint Communications	\$ 34.99
06/16/2020	23171	Nielsen Building Materials Inc	\$ 557.04
06/16/2020	23172	O'reilly Auto Parts	\$ 35.67
06/16/2020	23173	P G & E	\$ 58,893.02
05/29/2020	EFT	Payroll - May 2020	\$ 88,938.69
06/16/2020	23174	Praxair Distribution Inc	\$ 32.20
06/16/2020	23175	Quadient Leasing	\$ 392.48

Santa Ynez River Water Conservation District ID #1

Warrant List for Board Approval

May 20 through June 16, 2020

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
06/16/2020	23176	Quill	\$ 208.24
06/16/2020	23177	Red Wing Shoes	\$ 200.00
06/16/2020	23178	Rio Vista Chevrolet	\$ 131.46
06/16/2020	23179	Stetson Engineers Inc	\$ 5,146.50
06/16/2020	23180	SYCSD	\$ 78.01
06/16/2020	23181	TechnoFlo Systems	\$ 2,064.45
06/16/2020	23182	The Gas Company	\$ 19.28
06/16/2020	23183	Total Compensation Systems, Inc. (TCS)	\$ 1,440.00
06/16/2020	23184	Trustee/ Brad Joos	\$ 400.00
06/16/2020	23185	Trustee/ Jeff Clay	\$ 200.00
06/16/2020	23186	Trustee/ Lee Rosenberg	\$ 400.00
06/16/2020	23187	Trustee/ Lori Parker	\$ 200.00
06/16/2020	23188	Trustee/ Michael Burchardi	\$ 200.00
06/16/2020	23189	Underground Service Alert	\$ 69.40
06/16/2020	23190	Verizon Wireless	\$ 841.61
06/16/2020	23191	Waste Management of Santa Maria	\$ 274.48
06/16/2020	23192	William J Brennan	\$ 1,950.00
06/16/2020	23193	Ameravant Inc.	\$ 89.00
06/16/2020	23194	All American Drilling, Inc.	\$ 62,872.00
			\$ 582,152.86

May 20 - Jun 16, 20

RESOLUTION NO. 799

A RESOLUTION OF THE BOARD OF TRUSTEES
OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
IMPROVEMENT DISTRICT NO.1
ESTABLISHING THE APPROPRIATION LIMIT FOR THE 2020/2021 FISCAL YEAR
PURSUANT TO ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION

BE IT HEREBY RESOLVED, by the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 ("District"), Santa Barbara County, California, that:

WHEREAS, the District is required pursuant to Government Code Section 7910 to establish by Resolution its appropriation limit for the 2020/2021 fiscal year; and

WHEREAS, the documentation used in the determination of said limit has been available to the public in the District office for at least fifteen (15) days prior to the date of this Resolution, and

BE IT HEREBY RESOLVED that, in accordance with information published by the California Department of Finance, the appropriation limit of the Santa Ynez River Water Conservation District, Improvement District No.1, for the 2020/2021 fiscal year is established at \$2,058,600.

WE, THE UNDERSIGNED, being duly qualified President and Secretary, respectively, of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, do hereby certify that the above and foregoing Resolution was duly and regularly adopted and passed by the Board of Trustees of said District at a Regular Meeting held on June 16, 2020, by the following roll call vote:

AYES, in favor thereof, Trustees:

NOES, Trustees:

ABSENT, Trustees:

Jeff Clay, President

ATTEST:

Mary Martone, Secretary to the Board of Trustees

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
IMPROVEMENT DISTRICT NO. 1
3622 SAGUNTO STREET - P.O. BOX 157
SANTA YNEZ, CA 93460
(805) 688-6015

PUBLIC NOTICE

NOTICE IS HEREBY GIVEN that the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No. 1, will consider adopting a resolution setting the limit of appropriations pursuant to Article XIII B of the Constitution of the State of California for fiscal year 2020/2021 at a Regular Meeting to be held on Tuesday, June 16, 2020, at 3:00 p.m.

Documentation used in determining said limit is available to the public in the District office located at 3622 Sagunto Street, Santa Ynez, as of the date of this notice.



Mary Martone
Secretary to the Board of Trustees

Dated: May 19, 2020

Posted: Wednesday, May 20, 2020 at the District Office

Newspaper Publication Dates:

Thursday, May 28, 2020

Thursday, June 4, 2020

COPY

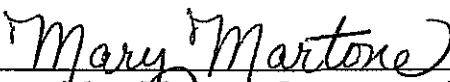
**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
IMPROVEMENT DISTRICT NO. 1**

2020/2021 APPROPRIATION LIMITATION CALCULATION

Population and California per capita personal income change data provided by the State of California Department of Finance effective January 1, 2020 are used in computing the 2020/2021 Appropriation Limitation Calculation as follows:

2019/20 Appropriation Limit	\$ 1,979,424
Per Capita Personal Income Percentage Change over Prior Year	3.73 percent
Population Change over Prior Year Santa Barbara County	.26 percent
Per Capita converted to a ratio:	$\frac{3.73 + 100}{100} = 1.0373$
Population converted to a ratio:	$\frac{.26 + 100}{100} = 1.0026$
CPI Factor	1.0373
Population Factor	1.0026
CPI Factor X Population Factor	1.0400
 1.0400 X \$1,979,424 =	 <u>\$ 2,058,600</u>

A resolution will be presented to the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No. 1, for adoption of the 2020/2021 Appropriation Limit at a Regular Meeting on June 16, 2020.



Mary Martone - Secretary to the Board of Trustees

Posted: Wednesday, May 20, 2020 at the District Office

Newspaper Publication Dates:
Thursday, May 28, 2020
Thursday, June 4, 2020

COPY

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,
IMPROVEMENT DISTRICT NO.1**



FINAL BUDGET

FY 2020/21



BOARD OF TRUSTEES

Lee Rosenberg

Division 1

Jeff Clay - President

Division 2

Lori Parker

Division 3

Michael Burchardi

Division 4

Brad Joos - Vice President

Trustee-At-Large

This Budget was prepared under the direction of:

Paeter Garcia, General Manager

Mary Martone, Assistant General Manager/Secretary to the Board

STAFF CONTRIBUTORS

Eric Tambini, Water Resources Manager

Joe Come, Construction & Maintenance Supervisor

Richard Armstrong, Distribution & Operations Supervisor

MISSION STATEMENT

To provide the residential and agricultural customers in the Santa Ynez River Water Conservation District, Improvement District No.1 service area with reasonably priced, reliable, high quality water supply, and efficient and economical public services.

DISTRICT OVERVIEW

The Santa Ynez River Water Conservation District, Improvement District No.1 (District) was formed in 1959 under the Water Conservation District Law of 1931, Division 21, Section 74000 et seq. of the California Water Code (the Act) for the purpose of furnishing water and related water supply services within the District's boundaries. The District has operated continuously since 1959.

Located in the central portion of Santa Barbara County, the District serves the communities of Santa Ynez, Los Olivos, Ballard, the Santa Ynez Band of Chumash Indians, and the City of Solvang (limited basis). With approximately 6,737 customers (excluding the City of Solvang), the District currently provides water directly to approximately 2,598 municipal and industrial customers (including domestic/residential, commercial, institutional, rural residential, and fire service) and approximately 97 agricultural customers. The District encompasses an area of approximately 10,850 acres (including approximately 1,300 acres within Solvang).

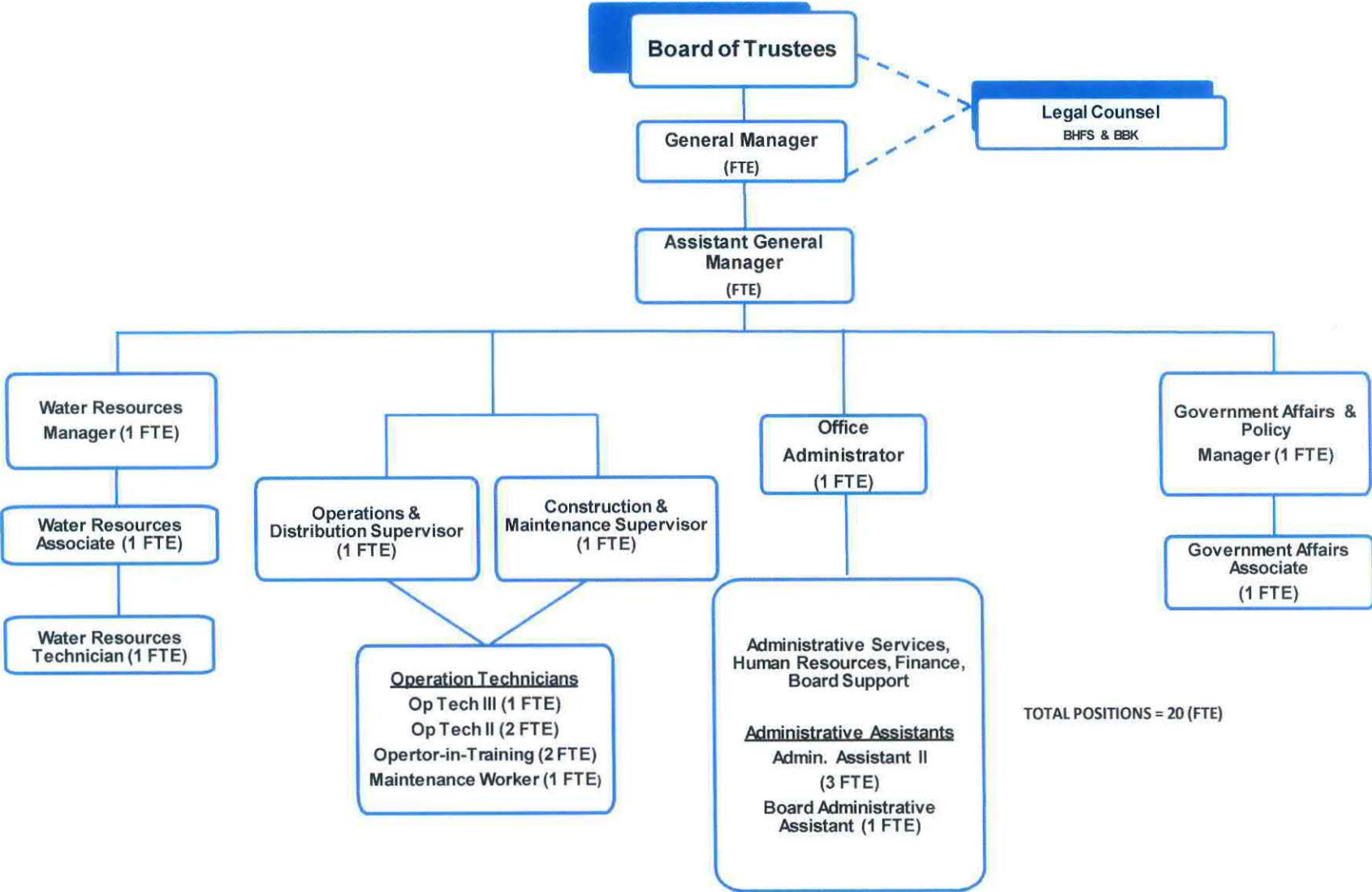
The District obtains its water supplies from the Cachuma Project/State Water Exchange, direct diversions from the Cachuma Project (as needed), deliveries from the State Water Project, production from the Santa Ynez Uplands Groundwater Basin, and diversions from the Santa Ynez River alluvium. The District's major activities include acquisition, construction, operation, and maintenance of works and facilities for the development and use of water resources and water rights, including without limitation, works and facilities to divert, store, pump, treat, deliver, and sell water for reasonable and beneficial uses by the District's domestic and agricultural accounts.

Operational Information

- District Pipelines (in miles) = 92
- Number of Booster Pump Stations = 4 with 12 pumps
- Number of Active Wells = 18
- SWP/ID No.1 Turnout = 5 pumps
- Number of water storage reservoirs/tanks = 4 with a total capacity of 16.7 million gallons
- Current number of approved, funded full-time equivalent (FTE) positions = 20

ORGANIZATION CHART

FISCAL YEAR 2020/2021



EXECUTIVE SUMMARY FISCAL YEAR 2020-21

BUDGET PROCESS

The District's fiscal year budget is one of the most important documents prepared by management for the Board of Trustees. The financial accounts and line items reflected in this document and the FY 20/21 Final Budget describe the annual fiscal year budget beginning July 1, 2020 and ending on June 30, 2021.

The development and adoption of the District's annual budget is based on expected revenues and expenditures, as well as identified projects and programs which provides the financial foundation for District activities. The budget serves as a roadmap for ensuring reasonable costs and predictable customer rates. The budget blends advanced revenue forecasting and effective expenditure management with the infrastructure investment needed to deliver safe, reliable, cost-effective, and sustainable water supplies to the communities served by the District.

Through the process of planning and preparing the Budget, management compared the 2016 Water Rate Study results with the prior year financial conditions and year-end estimated outcomes, then forecasted the funding needs of the District in order to continue to provide high levels of water service, meet regulatory requirements, and comply with applicable financial obligations throughout the fiscal year and beyond.

To determine the annual operating budget and capital costs necessary to provide water service, the General Manager and Assistant General Manager work with the Water Resources Manager, Operations & Distribution Supervisor, and Construction & Maintenance Supervisor to identify and prioritize estimated operating expenditures and capital improvement projects. Once a Preliminary Budget is prepared, it is presented to the Board of Trustees at a public meeting to provide the opportunity for questions, modifications, and direction to staff to determine a Final Budget for Board approval at a subsequent public meeting that meets the District's administrative, operations, and maintenance programs, debt service obligations, and other financial commitments and service objectives for the coming year.

REPORTING BASIS

The District utilizes the accrual basis for budgeting purposes and for accounting and financial reporting. The accrual method recognizes revenues and expenses in the period in which they are earned and incurred. The accrual method is the Generally Accepted Accounting Principal for financial reporting.

The District reports its activities as an enterprise fund. This method of reporting is used to account for operations that are financed and operated in a manner similar to a private business enterprise. The costs (including replacement of existing assets) of providing water and services to customers on a continuing basis should be financed or recovered primarily through user charges and the costs are borne by the customers who are receiving the benefit of the assets.

The FY 2020/21 Final Budget was developed from the Uniform System of Accounts for Water Utilities which includes a set of tables illustrating detail in revenue and expenditure categories of the District. The tables contained in this Report are intended to be reviewed in connection with the actual Fiscal Year 2020/21 Final Budget document. The

accounting for the budget is supported by the QuickBooks accounting system which is verified annually by an independent audit performed by Bartlett, Pringle & Wolf. The budget tables show categories of the operating revenues as compared to operating expenditures along with debt service and special studies expenditures, including but not limited to compliance with various state and federal regulatory requirements applicable to fisheries protection in the Lower Santa Ynez River, compliance with water rights orders issued by the State Water Resources Control Board, and implementation of contractual requirements. The amounts of the District's operating expenses are to be funded by operating revenues and as necessary and appropriate from reserve funds. The Capital Improvement Project expenditures are expected to be funded by a combination of operating revenues and reserves.

BUDGET AND RESERVE FUND BACKGROUND

The adopted 2016 Water Rate Study, inclusive of the approved Water Rate Schedule, was adopted by the District's Board of Trustees on December 13, 2016 and became effective on February 1, 2017. The Water Rate Study and Schedule provide the foundation for incrementally increased revenues over a five-year period. Rates were developed to meet operating expenses, debt service obligations, capital improvement projects (partially), and other planned expenditures. The Water Rate Study also includes a Reserves analysis and a plan for adding to the District's reserve funds over the same five-year period to allow for recovery of reserve deficits that occurred over the previous six-year period. The FY 2020/21 Final Budget proposes a modest utilization of the existing reserve balance to fund capital improvement projects needed to maintain and improve the District's high levels of water service throughout its boundaries.

Below are the past fiscal year and most current Reserve balances based on actual accounting and audit information with the Reserve Balance table reflecting reserves in our Local Agency Investment Fund (LAIF).

Table 1

	<u>RESERVE BALANCE</u>	
	June 30, 2019	March 31, 2020 ¹
<u>BOARD RESERVED</u>		
Debt Repayment Obligation ²	\$595,753	\$1,821,331
Repair & Replacement	\$1,954,751	\$1,644,062
Plant Expansion	\$2,864,525	\$2,564,654
Subtotal	\$5,415,029	\$6,030,047
<u>RESTRICTED RESERVE</u>		
Dev. Fee; SY Septic	\$109,212	\$109,212
State Water Project Reserve ³	\$3,000,000	\$3,000,000

1. Year-end Reserve amount subject to change based on year-end actual accounting for projects and debt service expenditures.
2. Reserve funds for 2004A Bond payable on June 1; SWP payment due on June 1; and USBR Safety of Dams Repayment Contract.
3. One year set aside payment established to guarantee ID No.1's contractual debt obligation if a default occurs by the City of Solvang; Payment for SWP water including debt service obligation.

BUDGET IN DETAIL

The specific revenue and expenditure categories of the Budget are a result of the adopted water rates and revenues, the prior year audit data, cross-referenced with the financial account information, and then modified using actual 9-month revenues and expenditure data from the current fiscal year to forecast the year-end June 30 financial figures. This information is used as the basis with known actual adjustments to develop the FY 2020/21 Final Budget.

The FY 2020/21 Final Budget of \$12,480,844 reflects an overall 4.1% increase compared to the projected June 30, 2020 year-end results, but 7.6% less than the Water Rate Study financial forecast. The basis of the Budget is primarily derived from existing water rates as approved for the remainder of FY 2019/20, the approved incremental water rate increase on January 1, 2021 from the Water Rate Study's revenue table, forecasted water sales in FY 2020/21 based the previous fiscal year(s) actual sales, the \$875,000 Special Assessment Ad Valorem Tax revenue, and other financial factors such as capital facility charges and interest income. The results shown below reflect forecasted revenues that will meet the projected operating expenditures and debt service obligations with a projected net revenue balance of \$1,738,069. This revenue balance will fund the Other Expenses category as further detailed in the Budget, leaving a balance of \$1,245,069 in net operating revenues available to fund a portion of the proposed \$2,375,000 Capital Improvement Projects (CIP) Program for FY 2020/21. The remaining balance of \$1,129,931 needed to fund next year's CIP program would come from the District's unrestricted reserves. The net projected position after CIP expenditures would not result in additional Reserve recovery in FY 2020/21.

SUMMARY OF REVENUES

The District operates entirely based on the cost of service with revenues derived primarily from water sales, the special tax assessment, fixed monthly service charges, and other water services. For the FY 2020/21 Final Budget, the total operating revenues are projected at \$12,480,844 including the SWP revenue of \$3,142,950 from the City of Solvang. Actual projected total revenues are \$9,337,894 without the SWP pass-through payment. Table 2 on the next page shows the actual year-end water sales revenues for FY 2009/10 through FY 2018/19 in comparison to the projected year-end water sales revenues of \$7,605,941 at the end of the current FY 2019/20 (June 30, 2020). While the actual year-end water sales for FY 2019/2020 may come in higher than the projected amount of \$7,605,941, comparing that number to the previous year's actual year-end water sales revenues of \$7,972,394 (FY 2018-19) suggests that overall water sales revenues continue to be influenced by the relationship between incrementally increased rates and decreased demands with changing water use patterns.

The FY Final 2020/21 Budget reflects a 4.1% total revenue increase from the projected FY 2019/20 year-end revenues based primarily on the approved water rate increases (consumption and meter charges) and a Special Assessment levy in the amount of \$875,000. As noted above, these FY 2020/21 budget projections are less than the revenue forecasts contained in the 2016 Water Rate Study which is attributable in large part to decreased water demands and changing water use patterns. Table 2A on the next page summarizes the distribution of the District's projected revenue sources for FY 2020/21.

Table 2

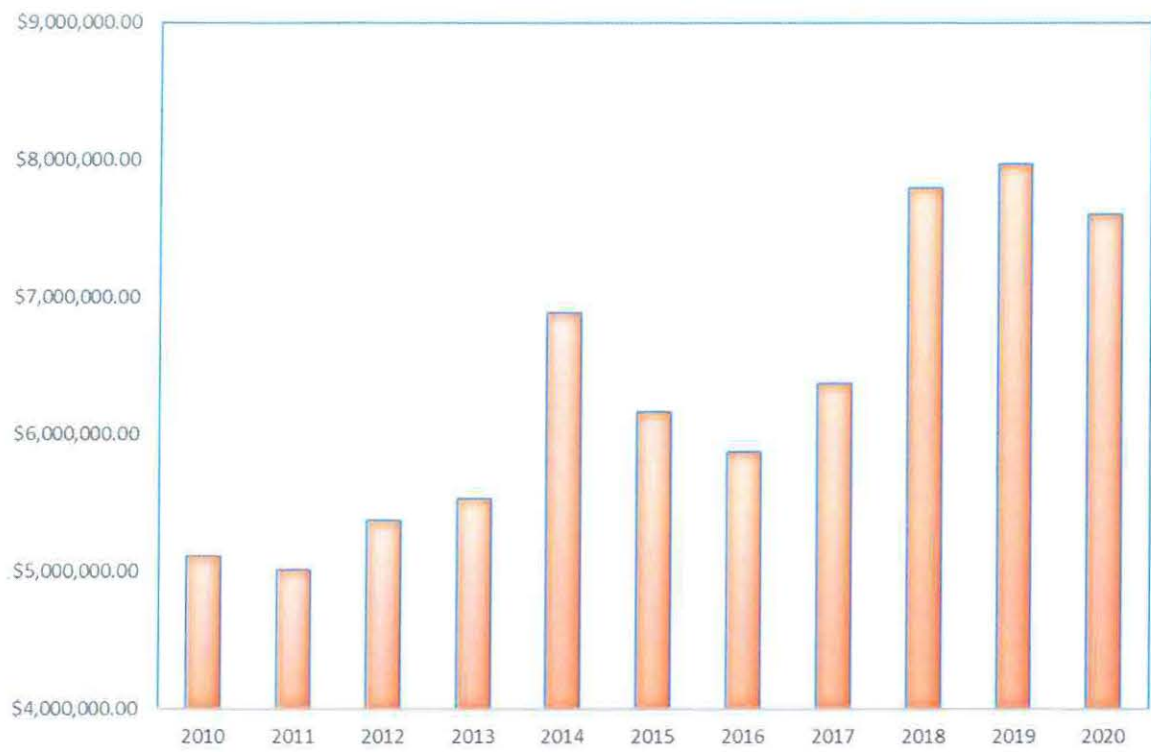


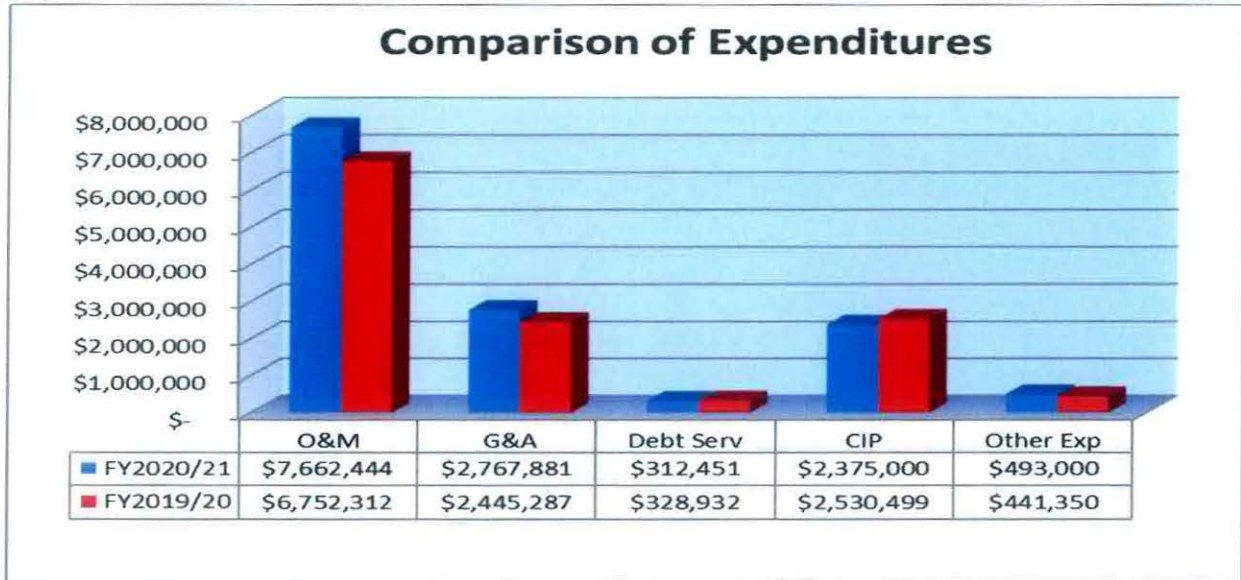
Table 2A



SUMMARY OF EXPENDITURES

Based on the FY 2020/21 Final Budget, the projected water sales and other operating revenues, including the FY 2020/21 Special Assessment, will adequately fund the overall operating expenditures, including all categories of Operation & Maintenance, General & Administrative, and Debt Service, and result in a net revenue balance of \$1,738,069. This net balance of operating revenues is proposed to fund the District’s Other Expenses and Special Studies categories as further detailed in the Final Budget. Thereafter, a net revenue balance of \$1,245,069 is proposed to partially fund the District’s FY 2020/21 CIP program. Table 3 below shows all expenditure categories for FY 2020/21 in comparison to the previous fiscal year.

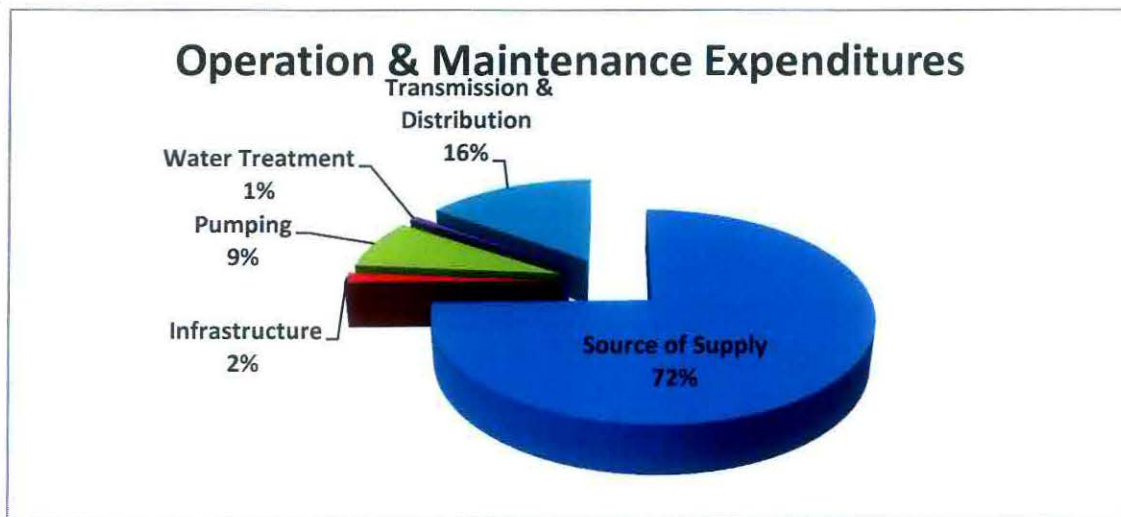
Table 3



EXPENDITURES - OPERATION AND MAINTENANCE (O&M)

The overall budget for O&M expenditures for FY 2020/21 is greater than the FY 2019/20 budget by \$910,132 with the Source of Supply category having the single largest increase of \$885,660. This is directly attributable to increased California Department of Water Resources (DWR) charges for State Water and increased rates from the United States Bureau of Reclamation (USBR) for Cachuma Project water supplies in the coming fiscal year. The remaining increase of \$24,472 is attributable to an increase in Infrastructure, Pumping, Water Treatment, and Transmission & Distribution cost projections in comparison to the FY 2019/20 budgeted amounts. Table 4 below illustrates the distribution of costs per O&M expense categories.

Table 4

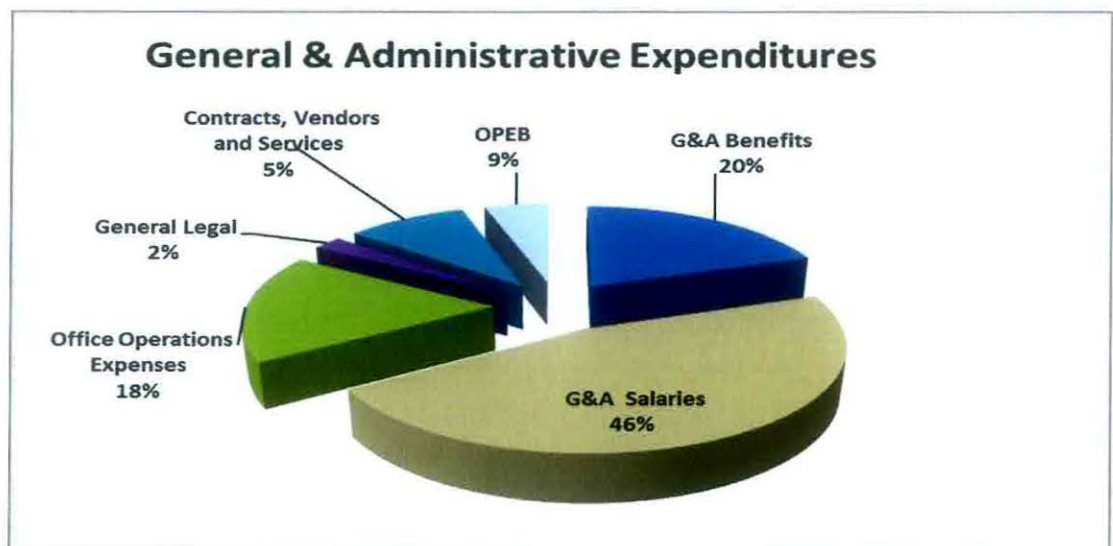


EXPENDITURES - GENERAL AND ADMINISTRATION (G&A)

The budgeted G&A expenditures for FY 2020/21 are more than the FY 2019/20 budget by \$322,594. The increase is tied primarily to the Board's decision in October 2019 to authorize a staff reorganization plan that included the addition of two new employee positions (Office Administrator and Government Affairs & Policy Associate) and reclassification of two existing positions to enhance the District's ability to provide levels of service that are commensurate with a variety of new and evolving regulatory requirements and administrative responsibilities that apply to the District. The staff reorganization plan resulted in a net salary increase of \$173,205 over last year's budget along with a proposed 3.19% Cost of Living Adjustment (COLA). The COLA is consistent with past practices and is based upon the nine-month calculation (July-March) Consumer Price Index (CPI) data. The COLA adjustment is obtained by averaging the prior nine-month indexes for all urban wage earners and clerical workers and comparing that average to the previous nine-month averaged data for the Los Angeles-Long Beach-Anaheim, CA area. Additionally, the District's projected health care benefit costs include an estimated 1.5% health care premium increase provided by the Association of California Water Agencies Joint Powers Insurance Agency, the District's insurance provider, which includes benefits for the two new positions, reflecting an increase of \$66,898.

All other administrative expenses are projected to increase only slightly due to inflationary and vendor cost increases. Table 5 below illustrates the distribution of costs for the G&A expense categories.

Table 5



DEBT SERVICE

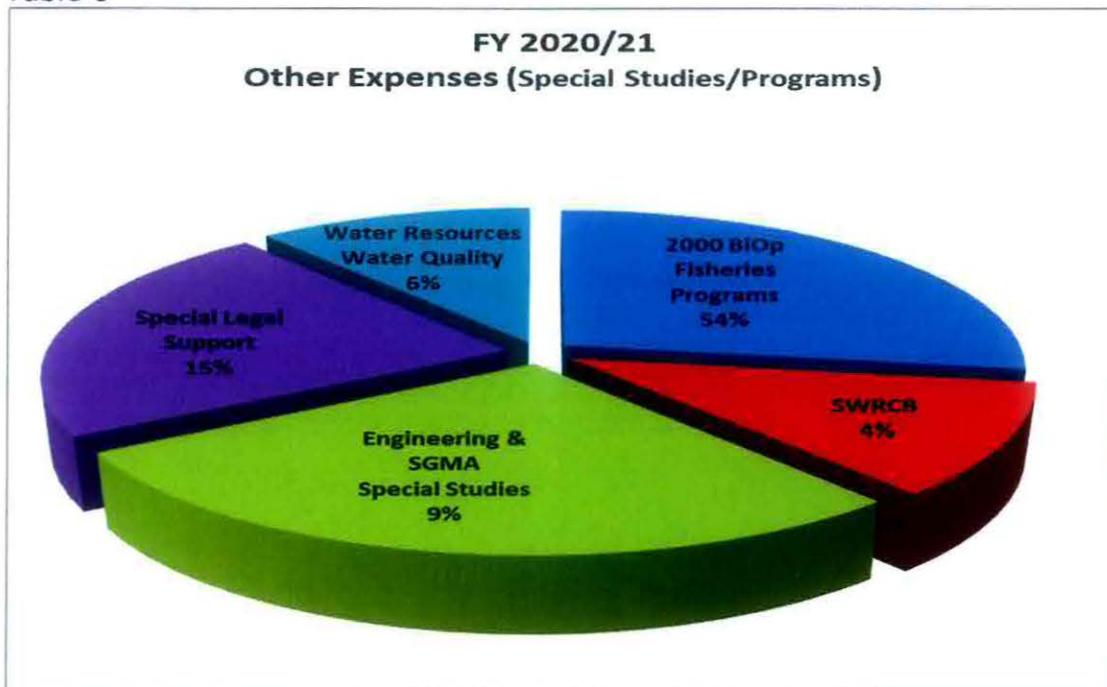
The District’s Debt Service accounts for FY 2020/21 include (1) the USBR Safety of Dams repayment (principal and interest) which remains constant for the 50-year term at \$26,976 per year, and (2) the Series 2004A Bond repayment (principal and interest) of \$285,475, which slightly decreases each year based on the repayment terms. The total debt service obligations must be paid from operating revenues on June 1 of each year. As detailed above, the FY 2020/21 operating revenues, inclusive of the Special Tax Assessment, are projected to fully fund the District’s operating expenses plus debt service.

Notably, the District’s Series 2004A debt service is subject to a bond covenant that requires the District’s annual net revenues (total operating revenues less total operating expenses) to exceed its annual debt service obligation by at least 125%. For FY 2020/21, the District’s budgeted net revenue of \$1,738,069 will exceed its Series 2004A debt service payment of \$285,475 by approximately 600%, which far exceeds the minimum bond obligation.

OTHER EXPENSES

For FY 2020/21, the budgeted amount of \$493,000 in the Other Expenses category will be funded by the net revenue balance of \$1,738,069. The FY 2020/21 budget for Other Expenses is \$56,650 higher than what was budgeted in FY 2019/20. As seen in the 2020/21 Budget, the cost categories are projected to shift in several ways, and additional costs are projected for undertaking work related to the new State Water Resource Control Board Order and related studies for the Cachuma Project, a new Section 7 re-consultation process under the Federal Endangered Species Act for the Cachuma Project, ongoing water right proceedings in the Lower Santa Ynez River, and an updated District-wide water system study. Table 6 below illustrates the distribution of costs for Other Expenses.

Table 6



CAPITAL IMPROVEMENT PROJECTS (CIP)

In years past, the District's CIP program was seriously compromised by shortfalls in operating revenues caused by outdated water rates and a multi-year suspension on the levy of a Special Assessment. Those shortfalls required incremental drawdowns of District reserves simply to meet annual operating expenses and debt service; thus, monies were not available to fund the CIP program, and needed capital improvements to the District's aging water system were deferred.

On the other hand, when operating revenues are healthy and able to meet and exceed operating expenses, net revenues are available to fund the District's Debt Service and Other Expenses (including Special Studies) and then contribute to building reserves and/or funding the CIP program. In FY 2018/19, revenues began to stabilize, allowing for net revenues to be added to reserves for capital improvements. In FY 2019/20, the District was able to budget for important infrastructure investments. While many of those CIP projects were undertaken and completed, several of them were suspended during the last quarter due to the COVID-19 pandemic and related orders and restrictions issued by national, state, and local governments. Those capital projects that were unable to be completed during FY 2019/20 have been rolled forward into the FY 2020/21 Budget.

For FY 2020/21, a total of \$2,375,000 is budgeted for the CIP program. From this amount, \$1,245,069 is proposed to be funded from the District's projected net revenues (after funding Debt Service and Other Expenses), and the remaining balance of \$1,129,931 will be funded by the Repair and Replace Reserve and/or the Plant Expansion Reserve funds. The CIP items include projects needed for replacements, betterments, upgrades, and repairs of the District water supply and distribution system. As indicated above, the FY 2020/21 CIP program includes several projects from FY 2019/20 that were not completed due to circumstances relating to the COVID-19 pandemic. Approximately 47.5% of the total CIP budget for FY 2020/21 is proposed to be funded from Reserves. Additional detail regarding the FY 2020/21 CIP program is provided below.

Account 100332 (\$375,000) – Water Treatment Plant/Building – This account was budgeted in FY 2019/20 to include a combination steel building to house a water treatment and control system for the District's office wells, along with a garage bay for District equipment and needed expansion and upgrade of field crew quarters. Of the previously budgeted amount, \$49,948 was expended during FY 2019/20 for preliminary architectural and engineering design. FY 2020/21 expenses will be directed to modifying the design to incorporate a District-designated Board Room, finalizing building design, permitting costs and processing, and the initial phase of construction.

100333 (\$385,000) – Cr6 Blending Station/Facilities – With the resurgence of a new Cr6 water quality standard that may be re-adopted by the State Water Resources Control Board within FY 2020/21, wherein such Cr6 standard may again impose a limit of 10 ppb, funds could be expended for design and/or construction of an interim station/facility to partially mitigate losses in the District's ability to produce upland groundwater.

100372 (\$22,000) – This account includes the replacement of a 2008 black and white only printer/copier/scanner for the Administrative Office which is utilized by all employees. The

replacement machine is estimated to cost \$14,500. The remaining \$7,500 will be used to purchase office computers for two of the three new positions and for several other computer replacements that are needed to upgrade equipment that is 7 to 10 years old and incapable of running new or updated programs.

100318 (\$263,000) - Meter Replacement/Utility Billing – The District-wide meter replacement program began in FY 2019/20. This multi-phase replacement program consists of the purchase and installation of new meters to replace meters that have been in service for approximately 20 years and have diminished ability to provide accurate accounting of water use. Phase 1, which began mid-year FY 2019/20, resulted in a total of 292 meters being replaced, along with the purchase of necessary hand-held devices for meter reading. Phase 2 will commence with funds proposed during FY 20/21 and is projected to replace 630 meters, ranging in size from 5/8" to 1-1/2", totaling \$247,200. The remaining \$15,800 will replace ten 3" temporary hydrant meters.

100371;100140 (\$55,000) – Office Building/Shop Improvements – This account includes construction modifications to the existing staff room at the District office to create a semi-private office space for the new Office Administrator position, as well as minor renovations to the office kitchen to upgrade counter tops, cabinets, electrical outlets, etc. that have been in place since the 1960s. Both modifications/upgrades are estimated at a total of \$45,000. The remaining \$10,000 will be utilized for upgrades to the shop area, also built in the 1960s, to include additional shelving for tools and equipment, workbenches, and related work stationing for the field crew.

100376 – (\$63,000) - SCADA Upgrade and Replacement Project – This project replaces software that will soon be outdated with a new interface/control program. The work was budgeted and approved for completion in FY 2019/20; however, due to timing constraints, including those related to the COVID-19 pandemic, only a portion of the project will be completed during FY 2019/20. The Board awarded the contract in April 2020 to Aspect Engineering. Aspect's timeline reflects that a portion of the project costs anticipated at \$80,000 of the \$120,859 total costs will be completed by the end of FY 2019/20 and the remaining \$41,000 of project costs will be expended to complete the project in FY 2020/21. Additional expenses under this account include the purchase and installation of chlorine level monitoring hardware and SCADA monitoring equipment at eight remote chlorination stations (i.e., wells and well fields) (\$17,000) and consultant expenses related to support work for the project (\$5,000). These monitors will provide real-time information for production wells, allowing District operators to more efficiently operate the well system and detect potential irregularities.

100181-100186 (\$1,000) - ESRI CAD-GIS – This account includes \$1,000 for a field iPad, capable of linking the office system to the field atlas for the Construction & Maintenance Supervisor.

100378 (\$110,000) – Major Tools, Shop & Garage Equipment – Funds will be utilized to purchase a commercial duty mobile diesel generator to be utilized District-wide for the operation of wells and essential pump stations that move water between pressure zones

during potential PG&E Public Safety Power Shutoffs (PSPS) events, such as those recently imposed during the summer of 2019, and any other unanticipated power outages.

100350 (\$82,000) – Upland Wells – Funds will be used to upgrade the electrical panel at Well No.7, which is substantially obsolete and poses a potential safety hazard. The current electrical panel and components need to be brought up to current day standards which will improve efficiency and operational safety.

100106 (\$514,000) – The Phase II Lateral Replacement Project was approved and budgeted in FY 2019/20 and is currently under contract. Approximately 1/3 of the project was completed in FY 2019/20; however, the project was placed on hold in March 2019 due to circumstances related to the COVID-19 pandemic. This project provides upgrades to certain portions of the District’s water distribution system. Work is anticipated to resume at the beginning of FY 2020/21 with expenses of \$434,000 to complete the project.

Additional funds under this account are for the replacement of mainline valves that are broken and inoperable at seven locations within the District (\$35,500) and installation of 6-inch isolation valves at various fire hydrants that currently do not have isolation valves, as along with upgrading several dry-barrel hydrants to wet-barrel hydrants (\$44,500).

100170 (\$15,000) – 6 CFS Well Field – This account includes funds for the needed replacement of a pump and motor at the 6 cfs well field.

100335 (\$5,000) – This account includes funds for the needed replacement of valves and mechanical equipment at the Mesa Verde Pump Station to ensure reliable deliveries of SWP entitlement and Cachuma exchange water.

100373 (\$92,000) – Fleet Vehicle Replacement – This account includes funds for the purchase of two replacement fleet vehicles (field trucks). These vehicles will replace two existing utility vehicles, one of which is a 2001 model with approximately 165,000 miles, and the other is a 2007 model with approximately 150,000 miles. Both vehicles that are slated for replacement are beginning to incur recurring repair costs and are diminishing in reliability.

100171 (\$45,000) – 4 CFS Well Field – This account includes funds for the demolition of the deteriorated wooden vault and construction of a new vault at Well No. 12. This project is required to maintain the integrity of the well.

100311 (\$5,000) – Chlorine Facilities/Wells – Funds from this account will be used to install upgraded chlorine facilities at several well sites to ensure operational and water quality integrity.

100196 (\$195,000) – Alamo Pintado Booster Pump Station – Funds from this account will be used to upgrade the electrical panel at the Alamo Pintado Booster Pump Station, which is substantially obsolete and poses a potential safety hazard. The current electrical panel and components need to be brought up to current day standards which will improve efficiency and operational safety.

100197 (\$47,000) – Refugio 3 Booster Pump Station – Funds from this account will be used to upgrade the electrical panel at the Refugio 3 Booster Pump Station, which is substantially obsolete and poses a potential safety hazard. The current electrical panel and components need to be brought up to current day standards which will improve efficiency and operational safety.

100198 (\$101,000) – Meadowlark Booster Pump Station – Funds from this account will be used for three different projects at this location. Pump Nos.1 and 4 require modification to provide for greater flow when more than one pump is in operation. Estimated cost for modification of the two pumps, including removal, transport, and re-installation is \$10,000.

Funds also will be used to replace the existing suction and discharge valves at each booster pump and check valve. The valves on two of the booster pumps have been faulty during routine maintenance procedures and two check valves are not working properly, which creates a potentially unsafe working condition. Replacement of these broken and/or faulty valves and check valves is estimated at \$70,500 for parts and materials. The replacement work will be completed by District personnel.

The last project under this account is the installation of an open sided tin-roof pole barn structure to house the District's large equipment, trailers, and materials to mitigate weather damage currently being incurred for lack of protective cover. This project is estimated at \$20,500, where much of the work will be completed by District personnel.

100199 (\$165,000) Zones 1 & 2 Reservoirs – Funds from this account will be used to install a solar powered water mixer in the Zone 1 and Zone 2 Reservoirs. Having a common inlet/outlet on both reservoirs can create challenges and extra procedures for District operators to maintain optimal water quality under certain circumstances, including periods of low demand. Installation of mixers at each reservoir will minimize the layering of the water and ensure a more efficient and effective means of maintaining higher levels of water quality.

Notably, if additional CIP expenditures are needed, all funding will come from the Repair and Replace and/or Plant Expansion Reserves. If such funding is not sufficient or undesirable, the projects will be deferred or re-prioritized.

FY 2020/21 FINAL BUDGET CONCLUSION

The FY2020/21 Final Budget revenues of **\$12,480,844** are anticipated to be sufficient to meet total O&M expenses, G&A expenses, and Debt Service obligations of **\$10,742,775** with a net revenue balance of **\$1,738,069**. This net revenue balance of \$1,738,069 will be used to fund the **\$493,000** of Other Expenses (including Special Studies) for necessary engineering, design, legal, and consulting work to maintain protection and preservation of the District's water rights and to ensure compliance with various regulatory orders and requirements applicable to the District's rights and water supply portfolio, including but not limited to state-mandated water quality standards and fishery protections applicable to the Cachuma Project in accordance with State Water Resources Control Board Orders and the federal Endangered Species Act. The

remaining net revenue balance of **\$1,245,069** will be used to fund a portion of the District's FY 2020/21 CIP program as detailed above in the amount of **\$2,375,000**. The remaining balance of **\$1,129,931** to carry out the CIP program will be funded by the District's existing Repair and Replace Reserve and/or Plant Expansion Reserve accounts.

RECOMMENDATION

That the Board of Trustees approve Resolution No. 800 approving and adopting the FY 2020/21 Final Budget and requesting the collection of an assessment levy of \$875,000 for fiscal year 2020/21.



Santa Ynez River Water Conservation District, Improvement District No.1
FINAL BUDGET FY 2020-21

REVENUE		FY 19/20	FY 19/20	Projected Revenues	Final Budget	Variance from
Account No.	Service & Sales	Budget	9-Month Revenues	6/30/20 Year-End	FY 20/21	2019/20 Budget
601000	Agriculture Water Sales & Meter Charges	\$ 814,466	\$ 777,565	\$ 971,957	\$ 1,167,759	\$ 353,293
602000	Domestic Water Sales & Meter Charges	\$ 4,018,710	\$ 3,382,271	\$ 4,143,282	\$ 4,332,378	\$ 313,668
602100	Rural Res/Lmt'd Ag Sales & Meter Charges	\$ 2,291,071	\$ 1,827,488	\$ 2,284,360	\$ 2,280,970	\$ (10,101)
602200	Cachuma Park Water Sales	\$ 14,775	\$ 11,673	\$ 14,007	\$ 17,509	\$ 2,734
606000	Water Sales to City of Solvang	\$ 57,082	\$ 57,132	\$ 62,846	\$ 135,741	\$ 78,659
608000	Water Sales - On-Demand	\$ 47,793	\$ 12,397	\$ 14,877	\$ 38,111	\$ (9,682)
611500	Fire Service Charges	\$ 117,207	\$ 88,022	\$ 110,027	\$ 97,271	\$ (19,936)
604000	Temporary Water Sales	\$ 3,553	\$ 4,169	\$ 4,586	\$ 6,655	\$ 3,102
	Subtotal Water Sales	\$ 7,364,657	\$ 6,160,717	\$ 7,605,941	\$ 8,076,394	\$ 711,737
611100	New Services Fees	\$ 20,000	\$ 11,544	\$ 34,959	\$ 40,000	\$ 20,000
611200	Reconnection Fees	\$ 33,000	\$ 19,348	\$ 23,218	\$ 20,000	\$ (13,000)
611900	New Fire Service Fees	\$ 1,500	\$ 3,040	\$ 11,200	\$ 3,000	\$ 1,500
612400	Penalties	\$ 29,683	\$ 24,243	\$ 24,243	\$ 20,000	\$ (9,683)
	Subtotal Service	\$ 84,183	\$ 58,175	\$ 93,620	\$ 83,000	\$ (1,183)
Assessments, Fees & Other Revenue						
627000-627200	Special Assessment	\$ 875,000	\$ 463,388	\$ 875,000	\$ 875,000	\$ -
628000-630300	Interest Income	\$ 147,375	\$ 155,498	\$ 194,373	\$ 195,000	\$ 47,625
625200	Application Fees/Special Services	\$ 6,000	\$ 9,652	\$ 10,617	\$ 7,500	\$ 1,500
611600	Capital Facilities Charges	\$ 75,000	\$ 11,596	\$ 24,596	\$ 60,000	\$ (15,000)
620006	Reimbursed Field Labor	\$ 3,000	\$ 1,415	\$ 2,122	\$ 2,500	\$ (500)
620008	Reimbursed Admin. Labor	\$ 2,000	\$ 217	\$ 325	\$ 1,500	\$ (500)
624000	Other Misc Revenues	\$ 26,000	\$ 34,772	\$ 38,249	\$ 35,000	\$ 9,000
634100	Insurance Claims	\$ 2,000	\$ 1,782	\$ 1,782	\$ 2,000	\$ -
890100	Solvang SWP Payment	\$ 3,166,279	\$ 3,141,649	\$ 3,141,649	\$ 3,142,950	\$ (23,329)
	Subtotal Assessment & Fees	\$ 4,302,654	\$ 3,819,968	\$ 4,288,713	\$ 4,321,450	\$ 18,796
TOTAL		\$ 11,751,494	\$ 10,038,860	\$ 11,988,274	\$ 12,480,844	\$ 729,350

EXPENDITURE OPERATIONS & MAINTENANCE

Account No.	Source of Supply	FY 19/20 Budget	FY 19/20 9-Month Expenditures	Projected Expenditures 6/30/20 Year-End	Final Budget FY 20/21	Variance from 2019/20 Budget
703000	Cachuma Project (USBR) Water Purchase	\$ 283,856	\$ 174,210	\$ 280,489	\$ 316,209	\$ 32,353
703200	Cachuma Project Renewal/Environmental Fund	\$ 26,510	\$ -	\$ -	\$ 20,960	\$ (5,550)
704000	State Water Charge- District Payment	\$ 1,300,785	\$ 895,454	\$ 1,203,192	\$ 2,188,130	\$ 887,345
860000	State Water Project - City of Solvang pymt	\$ 3,166,938	\$ 3,134,936	\$ 3,134,936	\$ 3,142,950	\$ (23,988)
705000	Ground Water Charges	\$ 45,000	\$ 5,512	\$ 30,512	\$ 40,000	\$ (5,000)
706000	Cloudseeding Program	\$ -	\$ 374	\$ 374	\$ 500	\$ 500
707000	River Well Field Licenses (4.0cfs , 6.0cfs, Gallery)	\$ 15,000	\$ 13,497	\$ 13,497	\$ 15,000	\$ -
	Subtotal S. of S.	\$ 4,838,089	\$ 4,223,983	\$ 4,662,999	\$ 5,723,749	\$ 885,660
Infrastructure						
711000	Maintenance of Wells	\$ 50,200	\$ 43,680	\$ 57,375	\$ 50,000	\$ (200)
711100	Maintenance of Packer Well	\$ 3,000	\$ -	\$ -	\$ -	\$ (3,000)
712000	Maintenance of Mains	\$ 64,000	\$ 25,667	\$ 35,934	\$ 45,000	\$ (19,000)
713000	Maintenance of Reservoirs	\$ 25,000	\$ 3,144	\$ 8,930	\$ 28,000	\$ 3,000
714000	Maintenance of Structures	\$ 15,000	\$ 583	\$ 2,500	\$ 5,000	\$ (10,000)
	Subtotal Infrastructure	\$ 157,200	\$ 73,075	\$ 104,740	\$ 128,000	\$ (29,200)
Pumping						
726000	Pumping Expense - Power	\$ 594,121	\$ 397,057	\$ 564,362	\$ 595,000	\$ 879
730000	Maintenance of Pump Structures/Stations	\$ 10,000	\$ 9,413	\$ 10,354	\$ 10,000	\$ -
732000	Maintenance of Equipment	\$ 1,500	\$ 738	\$ 1,238	\$ 1,500	\$ -
	Subtotal Pumping	\$ 605,621	\$ 407,207	\$ 575,954	\$ 606,500	\$ 879
Water Treatment						
744000	Chemicals	\$ 25,000	\$ 16,933	\$ 25,400	\$ 25,000	\$ -
747000	Maintenance of Treatment Structures	\$ 500	\$ 117	\$ 117	\$ -	\$ (500)
748000	Maintenance of Disinfection Equipment	\$ 2,500	\$ 845	\$ 1,345	\$ 2,500	\$ -
748100	Water Disinfection Equipment	\$ 7,500	\$ 1,501	\$ 7,500	\$ 7,500	\$ -
748200	Water Sampling/Monitoring Equipment	\$ 3,500	\$ 1,363	\$ 2,363	\$ 3,500	\$ -
749000	Water Analysis	\$ 18,000	\$ 4,740	\$ 6,240	\$ 18,000	\$ -
	Subtotal W.T.	\$ 57,000	\$ 25,500	\$ 42,965	\$ 56,500	\$ (500)
Transmission & Distribution						
751000	Field Service Labor	\$ 581,562	\$ 456,109	\$ 570,136	\$ 616,560	\$ 34,998
775000	PERS - Retirement	\$ 109,404	\$ 75,659	\$ 98,712	\$ 128,255	\$ 18,851
775400	ACWA - Health Benefits	\$ 213,352	\$ 154,886.26	\$ 193,608	\$ 223,413	\$ 10,061
775200	ACWA - Delta Dental	\$ 7,832	\$ 5,938	\$ 7,423	\$ 8,714	\$ 882
775300	ACWA - Vision	\$ 1,652	\$ 1,202	\$ 1,502	\$ 1,652	\$ 0
799500	Uniforms	\$ 16,000	\$ 111,636	\$ 145,127	\$ 16,000	\$ -
752000	Work Materials & Supplies	\$ 10,000	\$ 3,932	\$ 6,932	\$ 10,000	\$ -
752100	Safety Equipment	\$ 6,000	\$ 4,715	\$ 6,554	\$ 6,000	\$ -
753000	SCADA Maintenance	\$ 4,500	\$ 2,765	\$ 3,456	\$ 4,500	\$ -
754000	Small Tools	\$ 15,500	\$ 13,778	\$ 15,778	\$ 15,500	\$ -
754100	Small Tool Repair	\$ 1,500	\$ 284	\$ 1,600	\$ 1,500	\$ -
755000	Transportation (Vehicle Maintenance/Fuel)	\$ 71,000	\$ 51,169	\$ 66,520	\$ 65,000	\$ (6,000)
756000	Meter Service (New)	\$ 20,000	\$ 11,468	\$ 17,941	\$ 20,000	\$ -
756100	Meter and Service Repair	\$ 12,000	\$ 10,910	\$ 12,547	\$ 12,000	\$ -
757000	Road Contracts	\$ 1,000	\$ 54	\$ 804	\$ 1,000	\$ -
758000	Meter Purchase	\$ 3,000	\$ -	\$ 1,875	\$ -	\$ (3,000)
758100	Meter Reading System (Sensus) (Neptune)	\$ 2,500	\$ 1,517	\$ 1,897	\$ 2,500	\$ -
759000	Maintenance of Structures and Improvements	\$ 7,500	\$ 292	\$ 792	\$ 5,000	\$ (2,500)
760000	Fire Hydrants Maintenance	\$ 2,000	\$ 1,437	\$ 1,652	\$ 2,000	\$ -
761000	Back Flow Devices Testing	\$ 100	\$ -	\$ 100	\$ 100	\$ -
762000-76300	Backhoe/Generators Maintenance	\$ 8,000	\$ 7,704	\$ 7,704	\$ 8,000	\$ -
	Subtotal T. & D.	\$ 1,094,402	\$ 915,456	\$ 1,162,659	\$ 1,147,695	\$ 53,293
TOTAL		\$ 6,752,312	\$ 5,645,221	\$ 6,549,318	\$ 7,662,444	\$ 910,132

EXPENDITURES G&A

Account No.	General & Administrative	FY 19/20	FY 19/20	Projected Expenditures	Final Budget	Variance from
		Budget	9-Month Expenditures	6/30/20 Year-End	FY 20/21	2019/20 Budget
772000	State Unemp. Claims	\$ -	\$ 5,083	\$ 5,083	\$ -	\$ -
773000	Elections	\$ -	\$ -	\$ -	\$ 15,000	\$ 15,000
6560	Payroll Expenses	\$ 1,000	\$ 748	\$ 935	\$ 1,000	\$ -
774000	ACWA Workers Comp Ins	\$ 25,500	\$ 20,059	\$ 27,035	\$ 32,000	\$ 6,500
775000	PERS - Retirement	\$ 200,928	\$ 142,087	\$ 187,255	\$ 231,163	\$ 30,235
775400	ACWA - Health Benefits	\$ 266,008	\$ 163,103	\$ -	\$ 332,906	\$ 66,898
775200	ACWA - Delta Dental	\$ 12,044	\$ 6,564	\$ 8,642	\$ 12,377	\$ 333
775300	ACWA - Vision	\$ 2,065	\$ 1,290	\$ 1,702	\$ 2,268	\$ 203
777100-777401	Management & Administrative Salaries	\$ 1,134,903	\$ 904,281	\$ 1,130,351	\$ 1,308,108	\$ 173,205
21001	Other Post Employment Benefits	\$ 225,890	\$ 169,418	\$ 225,890	\$ 231,411	\$ 5,521
778000	Education, Training & Travel	\$ 25,000	\$ 13,330	\$ 15,996	\$ 25,000	\$ -
779000	Dues & Subscription	\$ 30,000	\$ 28,727	\$ 33,036	\$ 34,000	\$ 4,000
780000	Office Maintenance	\$ 4,600	\$ 3,303	\$ 4,294	\$ 4,600	\$ -
799525	Gardening Service	\$ 2,900	\$ 2,087	\$ 2,609	\$ 2,900	\$ -
781000	Office Supplies	\$ 12,000	\$ 9,174	\$ 13,760	\$ 12,000	\$ -
781100	Computer Supplies, Software, Training	\$ 5,000	\$ 6,153	\$ 6,153	\$ 6,000	\$ 1,000
782000	Postage & Printing	\$ 46,000	\$ 40,210	\$ 50,263	\$ 56,000	\$ 10,000
783000	Utilities	\$ 9,500	\$ 8,190	\$ 10,238	\$ 9,500	\$ -
784000	Telephone	\$ 14,004	\$ 10,580	\$ 13,225	\$ 15,000	\$ 996
785000	Services (USA, Website, Security, Answering Services)	\$ 11,000	\$ 9,829	\$ 11,304	\$ 14,000	\$ 3,000
785100	Government Fees (County, State, Local)	\$ 15,000	\$ 15,776	\$ 15,776	\$ 16,000	\$ 1,000
786000	ACWA Liability Insurance	\$ 62,500	\$ 33,674	\$ 50,511	\$ 55,000	\$ (7,500)
787000	Payroll Taxes - Federal and State	\$ 130,000	\$ 90,448	\$ 113,059	\$ 130,000	\$ -
788000	Audit & Accounting	\$ 33,000	\$ 33,940	\$ 33,940	\$ 34,500	\$ 1,500
789000	Legal - General	\$ -	\$ -	\$ -	\$ -	\$ -
	BHFS	\$ 55,000	\$ 28,247	\$ 42,371	\$ 55,000	\$ -
	Stradling	\$ 5,000	\$ 12,760	\$ 14,674	\$ 10,000	\$ 5,000
790000	Consulting - General/Professional	\$ 18,000	\$ 12,871	\$ 16,089	\$ 18,000	\$ -
791000	Consulting - Planning/Research	\$ 13,320	\$ 5,424	\$ 6,780	\$ 10,000	\$ (3,320)
792000	Customer Debt - Write Offs	\$ 750	\$ 114	\$ 3,113	\$ 3,774	\$ 3,024
793000	Office Equipment/Computer Service Contracts	\$ 32,000	\$ 27,170	\$ 33,963	\$ 34,000	\$ 2,000
794100	Annual Fee/Bond Redemption Costs	\$ 1,375	\$ 1,375	\$ 1,375	\$ 1,375	\$ -
797000	Trustee Fees	\$ 28,000	\$ 19,560	\$ 24,450	\$ 29,000	\$ 1,000
799000	Processing Fees, Admin. Expenses, Medical Costs	\$ 22,000	\$ 21,485	\$ 26,856	\$ 25,000	\$ 3,000
799600	Customer Refunds	\$ 1,000	\$ -	\$ -	\$ 1,000	\$ -
	Subtotal G&A	\$ 2,445,287	\$ 1,847,061	\$ 2,130,729	\$ 2,767,881	\$ 322,594
	TOTAL	\$ 2,445,287	\$ 1,847,061	\$ 2,130,729	\$ 2,767,881	\$ 322,594

SUBTOTAL EXPENDITURES

	FY 19/20	FY 19/20	Projected Expenditures	Final Budget	Variance from
	Budget	9-Month Expenditures	6/30/20 Year-End	FY 20/21	2019/20 Budget
G&A/O&M TOTAL	\$ 9,197,599	\$ 7,492,281	\$ 8,680,046	\$ 10,430,324	\$ 1,232,725

DEBT SERVICE

Account No.	Debt Service	FY 19/20 Budget	FY 19/20 9-Month Expenditures	Projected Expenditures 6/30/20 Year-End	Final Budget FY 20/21	Variance from 2019/20 Budget
717000	USBR SOD Repayment (Principal & Interest)	\$ 26,976	\$ 26,976	\$ 26,976	\$ 26,976	\$ -
794000	Series 2004 A Repayment (Bond Interest)	\$ 36,956	\$ 36,462	\$ 36,462	\$ 25,475	\$ (11,481)
218200	Series 2004 A Repayment (Bond Principal)	\$ 265,000	\$ 265,000	\$ 265,000	\$ 260,000	\$ (5,000)
	Subtotal Debt Service	\$ 328,932	\$ 328,438	\$ 328,438	\$ 312,451	\$ (16,481)
TOTAL		\$ 328,932	\$ 328,438	\$ 328,438	\$ 312,451	\$ (16,481)

TOTAL OPERATING EXPENDITURES

	FY 19/20 Budget	FY 19/20 9-Month Expenditures	Projected Expenditures 6/30/20 Year-End	Final Budget FY 20/21	Variance from 2019/20 Budget
G&A/O&M/DEBT SERVICE TOTAL	\$ 9,526,531	\$ 7,820,720	\$ 9,008,485	\$ 10,742,775	\$ 1,216,244

SUBTOTAL REVENUE BALANCE

	FY 19/20 Budget	FY 19/20 9-Month Actual	Projected 6/30/20 Year-End	Final Budget FY 20/21	Variance from 2019/20 Budget
OPERATING REVENUES LESS OPERATING EXPENDITURES	\$ 2,224,964	\$ 2,218,141	\$ 2,979,790	\$ 1,738,069	\$ (486,894)

OTHER EXPENSES

Account No.	Special Studies/Programs	FY 19/20 Budget	FY 19/20 9-Month Expenditures	Projected Expenditures 6/30/20 Year-End	Final Budget FY 20/21	Variance from 2019/20 Budget
Fisheries Program						
825800	BiOp Implementation	\$ 30,000	\$ -	\$ -	\$ 60,000	\$ 30,000
825401	BiOp Studies/Reconsultation (Stetson/Hanson)	\$ 50,000	\$ 50,362	\$ 51,362	\$ 50,000	\$ -
800201	BiOp/Reconsultation/ESA (BBK)	\$ 40,000	\$ 29,385	\$ 37,385	\$ 25,000	\$ (15,000)
826101	SWRCB Order/Studies (Stetson/Hanson)	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
826201	SWRCB Order/Studies (BBK)	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000
825402	SWRCB Hearings Support (Stetson/Hanson)	\$ 10,000	\$ 10,141	\$ 10,141	\$ -	\$ (10,000)
Special Studies						
825500	Hydrology SYR; Cachuma Water, RiverWare (Stetson)	\$ 12,000	\$ 90	\$ 90	\$ 5,000	\$ (7,000)
825601	Integrated Regional Water Management Plan	\$ 6,350	\$ 1,547	\$ 2,147	\$ 3,000	\$ (3,350)
825600	Water Conservation Program/BMP	\$ 5,500	\$ 4,737	\$ 4,737	\$ 5,000	\$ (500)
Subtotal Studies/Programs		\$ 153,850	\$ 96,261	\$ 105,861	\$ 223,000	\$ 69,150
Legal & Engineering Services						
Legal						
800101; 800202	SWRCB; 94-5 Hearings; Public Trust (BB&K)(BHFS)	\$ 50,000	\$ 15,695	\$ 20,695	\$ -	\$ (50,000)
800500	Unanticipated or Extraordinary Special Legal					
	BFHS	\$ 75,000	\$ 33,680	\$ 42,180	\$ 30,000	\$ (45,000)
	Stradling	\$ 2,500	\$ -	\$ -	\$ -	\$ (2,500)
	BBK	\$ 25,000	\$ 5,403	\$ 7,403	\$ 15,000	\$ (10,000)
Engineering Services						
800301	Groundwater/Downstream Water Rights	\$ 10,000	\$ -	\$ -	\$ 5,000	\$ (5,000)
800300	Easements, Survey & Water Projects	\$ 20,000	\$ 4,750	\$ 7,750	\$ 10,000	\$ (10,000)
800102	Sustainable Groundwater Management Act	\$ 40,000	\$ 6,460	\$ 16,460	\$ 40,000	\$ -
Subtotal Legal/Engineering		\$ 222,500	\$ 65,988	\$ 94,488	\$ 100,000	\$ (122,500)
Non Recurring Expenses/Projects						
826000	CR6 Implementation Plan & Misc.Treatment Projects	\$ 30,000	\$ 94,331	\$ 103,764	\$ 30,000	\$ -
825700	Water Rate Study	\$ 5,000	\$ 7,459	\$ 7,459	\$ 15,000	\$ 10,000
850500	USBR Cachuma Project Contract/Capital Programs	\$ 25,000	\$ -	\$ -	\$ 25,000	\$ -
800203	River Water Right Proceedings (BHFS)	\$ -	\$ -	\$ -	\$ 40,000	\$ 40,000
800204	River Water Right Proceedings (Stetson/Hanson)	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000
825900	Water System Study Updates (Stetson)	\$ 5,000	\$ -	\$ -	\$ 45,000	\$ 40,000
Subtotal Non-Annual		\$ 60,000	\$ 101,790	\$ 111,223	\$ 120,000	\$ 60,000
		\$ 436,350	\$ 264,038	\$ 362,933	\$ 493,000	\$ 56,650

TOTAL OTHER EXPENSES

	FY 19/20 Budget	FY 19/20 9-Month Expenditures	Projected Expenditures 6/30/20 Year-End	Final Budget FY 20/21	Variance from 2019/20 Budget
TOTAL	\$ 436,350	\$ 264,038	\$ 362,933	\$ 493,000	\$ 56,650

BUDGET BALANCE		FY 19/20 Budget	FY 19/20 9-Month Actual	Projected Yr-end 6/30/20 Year-End	Final Budget FY 20/21	Variance from 2019/20 Budget
	TOTAL REVENUES	\$ 11,751,494	\$ 10,038,860	\$ 11,988,274	\$ 12,480,844	\$ 729,350
	TOTAL O&M EXPENDITURES	\$ (6,752,312)	\$ (5,645,221)	\$ (6,549,318)	\$ (7,662,444)	\$ (910,132)
	TOTAL G&A EXPENDITURES	\$ (2,445,287)	\$ (1,847,061)	\$ (2,130,729)	\$ (2,767,881)	\$ (322,594)
	TOTAL DEBT SERVICE	\$ (328,932)	\$ (328,438)	\$ (328,438)	\$ (312,451)	\$ 16,481
	Subtotal Balance	\$ 2,224,963	\$ 2,218,141	\$ 2,979,790	\$ 1,738,069	\$ (486,894)
	TOTAL Other Expenses (Spec Study/Legal/Eng/NARES)	\$ (436,350)	\$ (264,038)	\$ (362,933)	\$ (493,000)	
	Sub Total Balance	\$ 1,788,613	\$ 1,954,102	\$ 2,616,857	\$ 1,245,069	\$ (543,544)
	Budget Balance	\$ 1,788,613	\$ 1,954,102	\$ 2,616,857	\$ 1,245,069	\$ (543,544)

CAPITAL IMPROVEMENT PROJECTS

Account No.	Plant Expansion	FY 19/20 Budget	FY 19/20 9-Month Expenditures	Projected Expenditures 6/30/20 Year-End	Final Budget FY 20/21	Variance from 2019/20 Budget
100.332	Water Treatment Plant/Building	\$ 375,000	\$ 49,948	\$ 49,948	\$ 375,000	\$ -
100.333	Cr6 Blending Station/Facilities	\$ 385,000	\$ -	\$ -	\$ 385,000	\$ -
100.372	Office Computers, Furniture & Equipment	\$ 18,000	\$ 8,277	\$ 12,415	\$ 22,000	\$ 4,000
100.318	Meter Replacement/Utility Billing	\$ 129,645	\$ 113,975	\$ -	\$ 263,000	\$ 133,355
100.371;100140	Office Bldg/Shop Improvements	\$ 55,000	\$ 15,980	\$ 32,980	\$ 55,000	\$ -
100.376	Communication/telemetry Equipment (SCADA)	\$ 187,000	\$ 33,373	\$ 127,373	\$ 63,000	\$ (124,000)
100.181-100186	ESRI CAD-GIS System; Equipment	\$ 1,800	\$ -	\$ -	\$ 1,000	\$ (800)
100.378	Major Tools, Shop & Garage Equipment	\$ 55,000	\$ 55,471	\$ 55,471	\$ 110,000	\$ 55,000
100.350	Uplands Wells	\$ 189,000	\$ 24,770	\$ 24,770	\$ 82,000	\$ (107,000)
Sub-Total - Plant Expansion Projects		\$ 1,395,445	\$ 301,793	\$ 302,957	\$ 1,356,000	\$ (39,445)
Account No.	Repair & Replace					
100.106	Rehab/Replace/New-Trans. Mains/Laterals/Valves	\$ 997,054	\$ 201,404	\$ 201,404	\$ 514,000	\$ (483,054)
100.170	6.0 CFS Well Field	\$ 15,000	\$ 22,647	\$ 22,647	\$ 15,000	\$ -
100.335	SWP Pump Station/Pipeline	\$ 5,000	\$ -	\$ -	\$ 5,000	\$ -
100.373	Fleet Vehicle Addition & Replacement	\$ 90,000	\$ -	\$ 92,946	\$ 92,000	\$ 2,000
100.171	4.0 CFS Well Field	\$ 8,000	\$ 20,992	\$ 20,992	\$ 45,000	\$ 37,000
100.311	Chlorine Facilities/Wells	\$ 20,000	\$ 14,719	\$ 14,719	\$ 5,000	\$ (15,000)
100.195	Refugio 2 BPS	\$ -	\$ -	\$ -	\$ -	\$ -
100.196	Alamo Pintado BPS	\$ -	\$ -	\$ -	\$ 195,000	\$ 195,000
100.197	Refugio 3 BPS	\$ -	\$ -	\$ -	\$ 47,000	\$ 47,000
100.198	Meadowlark BPS	\$ -	\$ 59,737	\$ 59,737	\$ 101,000	\$ 101,000
100.199	Gallery Well	\$ -	\$ -	\$ -	\$ -	\$ -
100.102	Zone 1, 2, 3 Reservoirs	\$ -	\$ -	\$ -	\$ 165,000	\$ 165,000
Subtotal Repair & Replace Projects		\$ 1,135,054	\$ 319,499	\$ 412,445	\$ 1,019,000	\$ (116,054)
Grand Total Capital Improvement Projects		\$ 2,530,499	\$ 621,292	\$ 715,402	\$ 2,375,000	\$ (155,499)

TOTAL CAPITAL IMPROVEMENT PROJECTS

	FY 19/20 Budget	FY 19/20 9-Month Expenditures	Projected Expenditures 6/30/20 Year-End	Final Budget FY 20/21	Variance from 2019/20 Budget
TOTAL	\$ 2,530,499	\$ 621,292	\$ 715,402	\$ 2,375,000	\$ (155,499)

RESERVE BALANCE		FY 19/20	FY 19/20	Projected Yr-end	Final Budget	Variance from
Account No.		Budget	9-Month Actual	June 30-2020	FY 20/21	2019/20 Budget
DISBURSEMENT OF REMAINING BUDGET BALANCE		\$ 1,788,614	\$ 1,954,102	\$ 2,616,857	\$ 1,245,069	\$ (543,544)
271800	Repair & Replace Reserve	\$ (1,135,054)	\$ (319,499)	\$ (412,445)	\$ (1,019,000)	\$ 116,054
272000	Plant Expansion Reserve	\$ (1,395,445)	\$ (301,793)	\$ (302,957)	\$ (1,356,000)	\$ 39,445
	Sub Total CIP Reserves	\$ (2,530,499)	\$ (621,292)	\$ (715,402)	\$ (2,375,000)	\$ 155,499
	Funding from Reserves	\$ (741,886)	\$ 1,332,810	\$ 1,901,455	\$ (1,129,931)	\$ (388,045)

TOTAL BUDGET		FY 19/20	FY 19/20	Projected Yr-end	Final Budget	Variance from
		Budget	9-Month Actual	June 30-2020	FY 20/21	2019/20 Budget
TOTAL		\$ 11,751,494	\$ 10,038,860	\$ 11,988,274	\$ 12,480,844	\$ 729,350

RESOLUTION NO. 800

A RESOLUTION OF THE BOARD OF TRUSTEES
OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
IMPROVEMENT DISTRICT NO.1
ADOPTING THE 2020/2021 FINAL BUDGET AND REQUESTING
AN ASSESSMENT LEVY REQUIRED TO COLLECT \$875,000

BE IT HEREBY RESOLVED, by the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 ("District"), Santa Barbara County, California, that:

WHEREAS, on January 5, 1960 a Special Election was held and voters approved a contract with the United States Bureau of Reclamation, Contract No. 14-06-200-8253 ("Contract"), for the object and purpose of providing an adequate system of water supply, storage and distribution facilities, mains and appurtenances, and lands and easements necessary presently and prospectively for the Santa Ynez River Water Conservation District, Improvement District No.1, and its inhabitants; and

WHEREAS, Article 18(b) of the Contract requires the District to cause to be levied ad valorem taxes and assessments to fulfill its contractual obligations; and

WHEREAS, Water Code Section 74630, and former section 20.4 of the Water Conservation Act of 1931, provide the statutory basis which authorizes the District to levy prior and future annual assessments to meet its obligations under a voter-approved contract, including the Contract debt obligations, and the continuing operation and maintenance of such project works; and

WHEREAS, the District refinanced its Contract debt obligations with the issuance of bonds in 1988, 1993, and 2004 and continues to pay its debt obligations incurred under the Contract, and continues to incur and pay the costs of the continuing operations, maintenance, repair, replacement, and betterment of the project works; and

WHEREAS, the bond documents require that the income and receipts of the Bond Fund will be derived from (i) the collection of an ad valorem assessment tax collected at the same time and in the same manner as is provided by law for the collection of annual property taxes which may be levied for purposes of the District, which as collected is paid into the Bond Fund as needed; and

WHEREAS, the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, is required to forward to the Board of Supervisors and the County Auditor of the County of Santa Barbara an estimate, in writing, of the amount of money needed for the purposes of Improvement District No.1 for the ensuing fiscal year July 1, 2020 to June 30, 2021, and any reserve funds; and

WHEREAS, in accordance with information published by the California Department of Finance, the appropriation limit of the Santa Ynez River Water Conservation District, Improvement District No.1 for fiscal year 2020/2021 is established at \$2,058,600 and the District passed Resolution No. 799 on June 16, 2020 establishing said appropriation limit for the 2020/2021 fiscal year pursuant to Government Code Section 7910; and

WHEREAS, notwithstanding the District's fiscal year 2020-2021 appropriation limit of \$2,058,600, and notwithstanding the financial projections from the District's 2016 Water Rate Study that the District would collect an assessment levy in the amount of \$875,000 in fiscal year 2017-2018, and \$1,000,000 in fiscal year 2018-2019, and \$1,125,000 in fiscal year 2019-2020, and \$1,250,000 in fiscal year 2020-2021, the District has limited its assessment amount to \$875,000 for fiscal years 2017-2018 through 2019-2020, and it has been determined that an assessment levy of \$875,000 for fiscal year 2020-2021 will provide sufficient funds to meet the obligations of the District as stated above; and

WHEREAS, the Board of Trustees has considered a budget for the fiscal year 2020/2021.

BE IT HEREBY RESOLVED, by the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, that the Secretary to the Board is hereby authorized and directed to forward to the Board of Supervisors and the County Auditor of the County of Santa Barbara, in writing, a request for an assessment levy of \$875,000 for the fiscal year 2020/2021; and

BE IT FURTHER RESOLVED, that the Final Budget as set forth in Exhibit "A" attached hereto and incorporated by this reference is hereby approved and adopted for the fiscal year 2020/2021.

WE, THE UNDERSIGNED, being duly qualified and acting President and Secretary of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, do hereby certify that the above and foregoing Resolution was duly and regularly adopted and passed by the Board of Trustees of said District at a Regular Meeting held on the 16th day of June 2020, by the following roll call vote:

AYES, in favor thereof, Trustees:

NOES, Trustees:

ABSENT, Trustees:

Jeff Clay, President

ATTEST:

Mary Martone, Secretary to the Board of Trustees



To: Board of Trustees

From: Mary Martone *MM*
Secretary to the Board

Date: June 16, 2020

Subject: 2020 Elections Information

MEMORANDUM

November 3, 2020 is the date for the consolidated general election, which will include an election for the District's Board of Trustees. This year, the Trustee positions that are up for election include Division 1 (Lee Rosenberg), Division 3 (Lori Parker), and Division 4 (Michael Burchardi).

According to information received from the Santa Barbara County Clerk-Recorder, Assessor, and Registrar of Voters ("Elections Office"), the candidate filing period opens July 13, 2020 and closes at 5:00 p.m. on August 7, 2020, and the filing period is extended to 5:00 p.m. on August 12, 2020 for anyone other than the incumbent(s) if the incumbent(s) has not filed by 5:00 p.m. on August 7, 2020. The Elections Office has also published the following statement:

"To protect the health and safety of candidates and the Elections Office staff, candidate filing will be available by **appointment only** at the Santa Barbara Elections Main Office and Santa Maria Elections Branch Office. In May, our office will post the initial draft of the 2020 School and Special District Candidate Filing Guide. Following posting, each district will receive an email with additional information regarding candidate filing procedures for the November 3, 2020 Presidential General Election."

Questions regarding candidate filing can be directed to Andrea Luparello of the County Elections Office at (805) 696-8955 or (805) 696-8957, or via email at candidatefiling@co.santa-barbara.ca.us.

For the past many years, pursuant to District Resolution No. 607 (June 2004), the District has determined that (1) the cost of printing, handling, and mailing of candidates' statements of qualifications shall be charged to the candidates (as opposed to the District), and (2) the

candidates' statements of qualifications shall not exceed 200 words (as opposed to 400 words). A copy of District Resolution No. 607 is attached hereto for reference. To the extent the District wants these determinations to remain in place, no further action is needed.

The District must reimburse the County for its costs to conduct the District's election, which costs depend on factors including, but not limited to, the number of open positions, the number of registered voters for each position, and whether the positions are challenged. An amount of \$15,000 has been included in the Fiscal Year 2020-2021 Budget for the District's costs related to the 2020 election.

RESOLUTION NO. 607

**A RESOLUTION OF THE BOARD OF TRUSTEES
OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
IMPROVEMENT DISTRICT NO. 1
ADOPTING POLICY REGARDING CANDIDATES' STATEMENTS**

WHEREAS, the District is required pursuant to Section 13307 of the Elections Code of the State of California to adopt by Resolution certain policies in regard to statements of candidates who run for office as members of the governing board of the District; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No. 1 does hereby determine as follows:

- (1) That the cost of printing, handling, and mailing a candidates' statements shall be charged to the candidate;
- (2) That the candidates' statements shall not exceed 200 words;
- (3) That candidates not be permitted to submit additional materials to be sent to the voter with the sample ballot;
- (4) That the Registrar of Voters be directed to give a copy of these regulations to each candidate or his/her representative at the time that nomination documents are received; and

BE IT FURTHER RESOLVED that these policies shall remain in full force and effect until rescinded by the Board.

WE, THE UNDERSIGNED, being duly qualified and acting President and General Manager/Secretary, respectively, of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No. 1, do hereby certify that the above and foregoing Resolution was duly and regularly adopted and passed by the Board of Trustees of said District at a regular meeting held on June 15, 2004, by the following roll call vote:

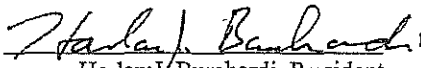
AYES, Trustees:

Harlan Burchardi
Lee Bettencourt
Matthew Loudon
Harry Poor
David Jamieson

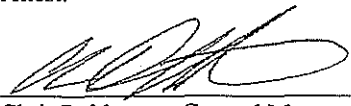
NOES, Trustees:

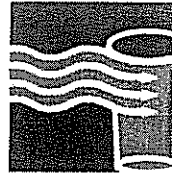
None

ABSENT, Trustees:


Harlan J. Burchardi, President

Attest:


Chris Dahlstrom, General Manager/Secretary



California
Water
Association



CMUA
CALIFORNIA MUNICIPAL UTILITIES
ASSOCIATION

May 15, 2020

Submitted via email: commentletters@waterboards.ca.gov

Attn: Jeanine Townsend, Clerk to the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814

RE: Comment Letter – White Paper Discussion on Economic Feasibility Analysis in Consideration of a Hexavalent Chromium MCL

Dear Ms. Townsend:

The Association of California Water Agencies (ACWA), California Municipal Utilities Association (CMUA), and California Water Association (CWA) appreciate the opportunity to provide comments on the State Water Resources Control Board's (State Water Board) White Paper Discussion on Economic Feasibility Analysis in Consideration of a Hexavalent Chromium MCL (White Paper). Collectively our associations represent over 500 public and regulated water systems that deliver over 90% of the water used for residential, commercial and agricultural purposes in California, and the economic feasibility of new drinking water standards is an issue of great importance to our members.

First and foremost, our members that purvey drinking water are dedicated to delivering safe drinking water to the millions of Californians that they serve. This includes meeting drinking water standards set by both the State Water Board and the U.S. Environmental Protection Agency. In meeting these standards, water systems must incur costs related to treatment, including, but not limited to, expenditures to install and operate contaminant removal technologies, costs related to potential changes in source water, costs for monitoring and analyzing water samples, and costs for ongoing management and oversight costs. While we appreciate the State Water Board's efforts to consider economic feasibility as it relates to a proposed Hexavalent Chromium MCL, the White Paper fails to provide a standardized framework for assessing the economic feasibility of a proposed Maximum Contaminant Level (MCL). As alluded to in the Board's White Paper, economic feasibility is a complex, multi-faceted issue that requires consideration of a range of analytic tools and associated metrics. We agree with the point that the State Water Board raises in the White Paper that no single method or metric is sufficient to determine economic feasibility. However, an approach that may vary appreciably across potential rulemakings is not a sound methodology for establishing prudent standards to protect public health. ***Rather, we believe that the State Water Board needs to develop a systematic and consistent framework, using multiple methods and metrics, for evaluating the economic feasibility of future potential drinking water standards.***

ACWA and a coalition of water agencies have been working with the consulting firm, Corona Environmental Consulting, to study the various factors that impact the economic feasibility of proposed MCLs. While the work of Corona Environmental is not complete, it has identified several areas that

should be considered when determining the economic feasibility of an MCL. While the coalition recognizes that the final determination of an MCL is a policy decision and not a strict calculation of cancer risks avoided versus the compliance costs incurred, a formalized framework for evaluating economic feasibility across various proposed MCLs would provide a more consistent approach, transparency and a higher degree of certainty to the public and water agencies and other stakeholders.

Benefit/Cost Analysis, One Metric Among Several

The coalition agrees with the White Paper's statement that a benefit cost analysis should not be the sole factor in determining whether an MCL is economically feasible. Instead a benefit cost analysis can help address the core question of whether the costs associated with complying with a potential MCL appear to be a worthwhile investment of the public's monies. This approach should first consider the quantifiable public health benefits that would be gained, such as cancer cases avoided, compared to the costs of achieving the proposed MCL. Then if the public health benefits are deemed to warrant the identified costs, the impact on affordability as a result of complying with an MCL should be determined, also based on a variety of factors.

We are also concerned that the White Paper fails to mention the Office of Environmental Health Hazard Assessment's (OEHHA) ongoing review of the hexavalent chromium Public Health Goal (PHG) initiated in 2016. As explained in ACWA's March 31, 2020 letter to OEHHA and the State Water Board Chair, the cost benefit analysis used to support the proposed MCL needs to be based on an updated PHG review and the newly available science that triggered this review. The White Paper should describe the process used to ensure the proposed MCL will be coordinated with OEHHA's ongoing PHG review.

Affordability Across Systems

Our coalition is actively engaged in ongoing efforts to develop affordability metrics for water service. While the White Paper does not attempt to set metrics for affordability, we agree that there are multiple methods for assessing affordability across systems. We recommend that the State Water Board apply a range of relevant metrics that together, can indicate the extent to which affordability is a concern for the proposed standard. Metrics should be applied to individual communities and across system sizes. Affordability considerations should also be evaluated across viable treatment technologies and other applicable compliance strategies and should not be limited to the best available technology (BAT). Instances when use of the BAT will not be feasible for a system should be identified. Costs for feasible point-of-use treatment, non-treatment options (system consolidation, water source blending, well deepening, etc.), and extended compliance periods should be considered alongside BAT treatment costs to identify when alternative approaches can be used to significantly reduce compliance costs.

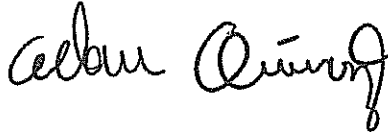
While difficult to quantify, the State Water Board should also consider the ability of the system to raise rates considering other regulatory burdens and public sentiment. For example, a system that has a significant source of its existing water supply impacted by perfluoroalkyl substances may have recently increased rates to enhance treatment or acquire new supplies and may be unable to increase rates further due to public concerns.

Economic Feasibility Framework

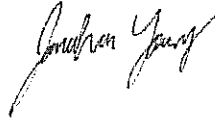
While economic feasibility will be assessed for each new MCL proposed by the State Water Board, ACWA, CMUA, and CWA believe that it is critical that the State Water Board develop a standardized framework that can be used across drinking water standards.

We are committed to continuing to work with the State Water Board staff and **urge the State Water Board members to discuss this issue at their next scheduled public meeting.**

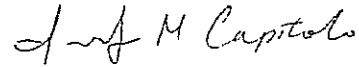
Sincerely,



Adam Quiñonez
State Legislative Director
Association of California
Water Agencies

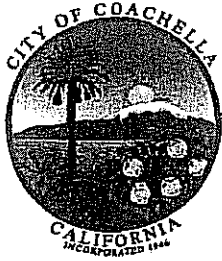


Jonathan Young
Senior Regulatory Advocate
California Municipal Utilities
Association



Jennifer Capitolo
Executive Director
California Water Association

cc: The Honorable E. Joaquin Esquivel, Chair, State Water Resources Control Board
The Honorable Dorene D'Adamo, Vice Chair, State Water Resources Control Board
The Honorable Tam Dudoc, State Water Resources Control Board
The Honorable Sean Maguire, State Water Resources Control Board
The Honorable Laurel Firestone, State Water Resources Control Board
Ms. Eileen Sobeck, Executive Director, State Water Resources Control Board
Mr. Darrin Polhemus, Deputy Director, Division of Drinking Water, State Water Resources Control Board



CITY OF COACHELLA

1515 SIXTH STREET, COACHELLA, CALIFORNIA 92236

PHONE (760) 398-3502 • FAX (760) 398-8117 • WWW.COACHELLA.ORG

VIA EMAIL [commentletters@waterboards.ca.gov]

Jeanine Townsend, Clerk to the Board
State Water Resources Control Board
P.O. Box 100
Sacramento, CA 95812-100

Re: White Paper Discussion of Economic Feasibility Analysis in
Consideration of a Hexavalent Chromium MCL

Dear Ms. Townsend:

The City of Coachella (City) submits these written comments on the February 2020 White Paper released by the State Water Resources Control Board (State Board) titled "*Economic Feasibility Analysis in Consideration of a Hexavalent Chromium MCL*" (White Paper). The White Paper identifies critical issues concerning the role that economic feasibility must play in establishing a legally supported maximum contaminant level (MCL), including an MCL for hexavalent chromium (CrVI). Unfortunately, while it identifies the problem, the White Paper stops short of solving it, and does not provide a meaningful framework for the performance of an economic feasibility analysis. The City believes that there is a better path forward.

The issues identified in the White Paper are of vital importance to the City, and the City has engaged directly on these issues for many years. The City hopes these written comments will be helpful to the State Board in developing a meaningful framework for the performance of an economic feasibility analysis. Protection of public health in the drinking water context requires, first and foremost, access to a reliable supply of affordable water. Although the task may be complex and difficult, it must be done to ensure the long term sustainability of public water systems and water supplies to all California residents, particularly those who struggle to afford this necessity of life. As outlined in this letter, and in many other letters from the drinking water community, which the City supports, there is a way for the State Board to perform the legally required economic feasibility analysis. The City looks forward to continued engagement with State Board staff and the State Board members, and requests that the State Board consider a revised and expanded White Paper based on the public comments at a future State Board meeting for possible adoption as a policy to guide future MCL development.

I.

About the City of Coachella

The City of Coachella is located in Riverside County on the eastern edge of the Coachella Valley. The City has a population of approximately 45,000 residents, most of whom are economically disadvantaged. The median household income in the City is approximately \$35,000.

The City operates its own public water system. The City obtains its water from 6 groundwater wells that have a total pumping capacity of approximately 16.9 million gallons per day. Groundwater is the City's only water source.

The groundwater in the Coachella Valley is known to have naturally occurring CrVI that is the result of the geology of the Valley. For this reason, the City has long been concerned about the establishment of an MCL for CrVI that is protective of public health, technologically feasible and economically feasible as required by law. Such an MCL would allow the City to continue to provide a sustainable public water supply to its residents.

The previous MCL for CrVI would have created significant challenges for the City's public water system. To implement the previous MCL, the City developed plans to construct and operate a strong base anion exchange system that it estimated would have cost \$36.2 million to construct. Implementing this treatment technology to achieve the previous MCL would have resulted in a 120% increase in average water rates per customer over a five year period. This would have resulted in increases of approximately \$53 per month or \$636 per year, and alone would have resulted in an affordability index of between 2.2% and 4.2%.

The City does not believe that the previous MCL appropriately considered whether these types of costs were economically feasible. Whether these costs were economically feasible was not known because the MCL was developed without an economic feasibility analysis that would have provided transparent information from which the City and the public could assess whether the costs of achieving the MCL were appropriately balanced against the public health benefits of the MCL. In the absence of such analysis, it was difficult for the City to explain and justify the required costs to the public. What was clear to the City was that the costs were extraordinary and would create significant financial impacts to the City's economically disadvantaged residents as well as to the City's ability to maintain a sustainable public water supply system.

As the State Board seeks to develop an approach to economic feasibility, the City looks forward to continuing to engage with the State Board to help it develop a meaningful framework to assess these costs in arriving at a future MCL for CrVI. The hope is that such a framework would provide a transparent way to assess and balance the public health benefits associated with a proposed MCL with the costs associated with achieving those public health benefits. Through such a framework, the State Board would be best equipped to establish an MCL that is protective of public health and supports the continued sustainability of public water supply systems.

II. The Legal Structure of the Economic Feasibility Analysis

The intent of the White Paper appears to be to help guide the State Board in complying with its legal obligations related to economic feasibility during the establishment of MCLs, including a new MCL for CrVI. While this comment letter is not designed to be a legal analysis of the State Board's obligations, a basic understanding of the legal parameters for the discussion is important.

As relevant here, the key legal requirement is found in Health and Safety Code section 116365. This Section requires the State Board to set the MCL "at a level that is as close as feasible to the corresponding public health goal placing primary emphasis on the protection of public health." (Health & Safety Code § 116365(a).)¹ At the same time, the State Board must establish the standard at a level that "avoids any significant risk to public health" but only "to the extent technologically and economically feasible". (Health & Safety Code § 116365(b)(3).) In determining economic feasibility, Section 116365(b)(3) provides that the State Board must "consider the costs of compliance to public water systems, customers, and other affected parties with the proposed primary drinking water standard, including the cost per customer and aggregate cost of compliance, using best available technology."

The MCL process thus, by definition, "involves a balancing of public health concerns with questions of technological feasibility and cost." (*In Re Groundwater Cases* (2007) 154 Cal.App.4th 659, 679.) Although the White Paper expresses concerns about a cost-benefit analysis process, it also acknowledges the complicated balance between protecting public health and ensuring responsible use of scarce public resources. (White Paper, p.6.) The prior MCL for CrVI was vacated because this balancing did not occur. While the White Paper acknowledges this problem and the need for this balance, it stops short of providing a framework to address it.

III. The White Paper

The White Paper appears to be designed as the first step in the reissuance of the CrVI MCL, and anticipates stakeholder involvement in developing options for evaluating economic feasibility during the MCL process. (White Paper, p. 1.) The goal of such a process should be the development of a methodology that achieves a "balance between protecting public health and ensuring scarce public resources are not over-extended on water quality objectives disproportionately expensive compared to public health protection provided." (White Paper p.

¹ An important issues that is not fully addressed in this comment letter is the current status of the public health goal for CrVI. The City understands that the public health goal is or may be reviewed by the Office of Environmental Health Hazard Assessment (OEHHA). Typically, the MCL process is not commenced during such an OEHHA review. Following that typical process with regard to CrVI seems prudent.

6.) The City believes that the State Board should adopt a meaningful methodology designed to achieve this outcome.

The White Paper recognizes the competing needs of “protecting public health and keeping water affordable.” (White Paper, p. 11.) The White Paper states that “economic feasibility” refers to the ability of the general state population served by public water systems to pay for compliance with an MCL and that “affordability” refers to the ability of an individual household to pay its own water bill. (White Paper, p. 9.) The City agrees that affordability and economic feasibility differ in important respects. Economic feasibility is a statewide analysis that examines whether MCLs are disproportionately expensive in comparison to the public health benefits provided. In addition, state policy requires that MCLs be affordable—that the burden of the increased costs to economically vulnerable households not in essence deprive them of their right to affordable water. Because affordability concerns individual households, it must be examined for all sizes of water systems and for various income levels.

Unfortunately, while the White Paper identifies the correct goal, it does not propose a meaningful framework in which to conduct this balancing analysis. In the end, the White Paper suggests that the State Board should take an undefined “multi-faceted approach” that considers “multiple lines of evidence.” (White Paper, p. 11.) While the task may be “multi-faceted”, it must be performed in a transparent way within a meaningful framework. The White Paper both begins and ends with a request for stakeholder involvement in “developing options for evaluating economic feasibility during the MCL process.” (See White Paper, pp. 1 and 12.) The City intends this comment letter as a direct response to that request, and an attempt to provide a framework for a meaningful economic feasibility analysis.

IV.

Structure for a Meaningful Economic Feasibility Analysis

Based on the considerations set forth above, the City believes that the framework for a meaningful economic feasibility analysis should be structured around the two questions. First, do the health benefits of the proposed MCL justify the investment of water system and rate payer dollars? Second, if the benefits do justify the costs, then the State Board must ask: Is the MCL affordable?

The first question addresses the core issue of whether a potential MCL is a worthwhile investment of public monies for public health protection. For MCL levels that are sound investments, additional metrics are available to examine affordability issues. How to approach each of these individual questions—as contrasted with or building on the White Paper’s approach to these issues—are discussed in more detail below.

A. Balancing Public Health Benefit and Responsible Investment of Public Funds

The White Paper states that in setting the MCL, the State Board should consider “traditional concepts such as treatment costs and the number of cancer cases averted, as well as the costs and benefits of the regulation.” (White Paper, p. 1.) The City agrees that the key costs

and key benefits of an MCL must be understood and quantified so that an analysis of economic feasibility can be conducted. For many years, the Division of Drinking Water (DDW) used these traditional concepts to quantify costs and benefits.

The White Paper also states that a lower MCL results in two appreciable increases in costs: (1) more water systems will exceed an MCL as the MCL is lowered; and (2) the cost of treatment is inversely proportional to the MCL. (White Paper, p. 10.) The City agrees with this statement. As the MCL is lowered, both the number of systems affected and the total costs of compliance tend to increase at a faster rate. Conversely, as the MCL is lowered, the gains in public health benefits diminish at a faster rate. This combined effect defines the economic feasibility issue.

Evaluating the relationship between these costs and benefits is a necessary first step in determining whether an MCL is a sound investment in public health protection on a statewide basis. Determining whether the health benefits justify the costs addresses the core question of whether a potential MCL is a worthwhile investment of public funds statewide. As increasingly stringent MCLs are considered, this evaluation should answer the question: At what point do costs start to accelerate relative to limited gains in public health benefits?

Health risk reduction benefits are difficult to fully quantify or monetize, and are typically subject to uncertainty. A comprehensive accounting of public health benefits may be desirable, but is not necessary to perform the balancing required by law. If an important health endpoint such as cancer cases avoided can be quantified at different MCLs, that benefit can be used to understand the change in benefits that accompanies the change in costs when considering incremental changes in MCLs, even if additional benefits or costs are known to exist but cannot be fully quantified. The magnitude of these additional benefits or costs can be described qualitatively and considered alongside the quantified benefits when evaluating alternative MCLs. Several methods are available to determine how much weight to give to unquantified benefits and costs, as described in more detail in the attached document.

The White Paper states that quantifying the various costs and benefits of an MCL “presents an insurmountable hurdle” to conducting a benefit-cost analysis and that such an analysis “is not feasible due to the lack of specific information” needed to conduct the analysis. (White Paper, p. 5.) Despite this statement, many regulatory agencies charged with protection of public health routinely conduct benefit-cost analyses to inform regulatory decisions and to allocate grant funding for public health interventions. The State Board should use these existing approaches to perform the required analysis of public health benefits and responsible investment of public funds. This exercise is a legally required part of the balancing process, and, more importantly, will generate information that stakeholders of all perspectives can use to assess the important public health issues involved and help advocate for the best public health outcomes.

Of course, compliance with new MCLs will be more economically challenging for small and medium-sized systems, as compared to large water systems. However, the populations served by these smaller systems deserve the same level of public health protection as larger systems. As described in the White Paper, small and medium-sized water systems are typically

more affected by the cost of new regulations because they have a smaller customer base over which to spread the costs of compliance. This is why it is essential for the State Board's analysis to ensure that small and medium-sized water systems can bear the costs necessary to achieve the benefits of the new MCLs.

The White Paper states that regulation of "an additional compound or lower MCL of an existing compound will likely result in a general rate increase." (White Paper, p. 10.) For smaller systems with few water sources, a new or lower MCL will always result in a rate increase when treatment is the only option to achieve compliance. For larger water systems, with a large number of water sources, a new or lower MCL can sometimes be addressed by abandoning the sources above the MCL or blending water from sources above the MCL with water that does not contain the regulated contaminant. The smaller the water system, and the fewer water sources it has, the greater the chance that a rate increase will be needed to address a new or lower MCL. It is important to remember that rate increases are similar to regressive taxes—they impact the economically disadvantaged the hardest.

The White Paper discusses two ways in which analysis of the economic impacts of new MCLs on small systems can be avoided. Neither of these approaches provides the information necessary to identify those systems for which proposed MCLs are not economically feasible. Because state policy requires drinking water to be safe and affordable, it is essential that this information be developed. It is critically important to identify costs for all sizes of water systems. After these costs and benefits have been identified, the results should then be assessed and examined through an affordability lens.

B. Affordability

There is currently an ongoing national dialogue on the challenge that rising costs for water-related services pose for community and household affordability. In California, the cost of tap water has increased by approximately 45% over the past two decades. According to the United Ways of California, more than one in three California households—over 3.8 million families (37%)—do not earn sufficient income to meet basic needs. Affordability challenges must therefore be given careful consideration in the development of MCLs. This is a particular issue for the City. As described above, most of the City's residents are under significant income stress, and increases in the cost of water creates daunting affordability challenges for those individuals.

As described by the State Board, several agencies, organizations, and experts have put forth various metrics for assessing household affordability. The City agrees with the State Board that no one metric or threshold is sufficient for identifying affordability concerns. The City believes the State Board should apply a range of metrics to evaluate affordability. These metrics should be applied to individual communities and across system sizes.

Potential household affordability metrics include those recently put forth by the American Water Works Association, Water Environment Federation, and National Association of Clean Water Agencies. Additionally, the State Board can determine the number of affected

community water systems (and the population or connections they serve) that are designated as disadvantaged communities (DACs) or Severely Disadvantaged Communities (SDACs), consistent with the methodology adopted by State agencies.

The State Board should identify sustainable strategies to bridge affordability gaps. Solutions should be tailored to the needs of individual water systems and account for the limitations of current alternatives to source water treatment. To the extent that state funding (e.g., through grants or loans) is identified as a means to address system needs, the State Board should establish that the funding or financing sources have the capacity to accommodate associated demand, and are therefore viable solutions. Relying on funding programs that are not sufficiently funded to meet the needs of local communities, or that have administrative burdens to entry that make the funding source illusory, is not an appropriate public policy.

The State Board's new Safe and Affordable Funding for Equity and Resilience (SAFER) program will help to meet the goals of safe, accessible, and affordable drinking water for current MCLs, but is not likely to be sufficient to meet the demand for funding that would result from continued adoption of MCLs that do not consider economic feasibility. The dialogue about economic feasibility of potential future MCLs for contaminants such as CrVI will certainly impact the SAFER program, and must be further considered to understand statewide cost implications.

V.

Proposal and Process to Develop a State Board Adopted Economic Feasibility Approach

The City, along with many other small, medium and large water systems, wish to be helpful to the State Board in achieving a meaningful approach to economic feasibility. For this reason, the City and many other water agencies have helped to fund a two-part effort by Corona Environmental Consulting (Corona) to develop such an approach. Step one is the development of a framework for such an analysis. That framework is included as an attachment to this letter, and the City concurs with the many other comment letters that also support the Corona approach. Step two would be the building out of this framework so that the State Board could have a specific example of how the approach might be used in connection with the CrVI MCL.

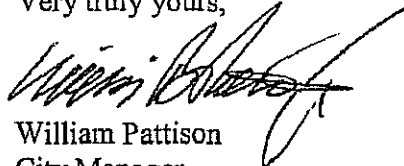
The City requests that the State Board staff and Board Members reconsider the White Paper in light of stakeholder input and the Corona framework, and revise the approach for consideration by the State Board as an adopted policy. The City, along with other water providers, is committed to continuing to fund an effort to help build out this approach so that the end result is a "balance between protecting public health and ensuring scarce public resources are not over-extended on water quality objectives disproportionately expensive compared to public health protection provided." (White Paper, p. 6.)

Jeanine Townsend, Clerk to the Board
May 14, 2020
Page 8

VI.
Conclusion

The City appreciates this opportunity to comment, and will continue to engage in this important effort.

Very truly yours,



William Pattison
City Manager

cc: E. Joaquin Esquivel, Chair (via email: Joaquin.Esquivel@waterboards.ca.gov)
Dorene D'Adamo, Vice Chair (via email: Dorene.Dadamo@waterboards.ca.gov)
Tam M. Doduc, Board Member (via email: Tam.Doduc@waterboards.ca.gov)
Sean Maguire, Board Member (via email: Sean.Maguire@waterboards.ca.gov)
Laurel Firestone, Board Member (via email: Laurel.Firestone@waterboards.ca.gov)



May 15, 2020

Jeanine Townsend
Clerk to the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814

TRUSTEES:

DIVISION 1
LOS OLIVOS
Harlan J. Burchardi

DIVISION 2
SOLVANG
Jeff Clay

DIVISION 3
SOLVANG
Lori Parker

DIVISION 4
SANTA YNEZ
Michael Burchardi

TRUSTEE-AT-LARGE
Brad Joos

GENERAL MANAGER
Paeter E. Garcia

Submitted Via Email: commentletters@waterboards.ca.gov

Subject: Comment Letter – White Paper on Economic Feasibility in Consideration of a Hexavalent Chromium Drinking Water Maximum Contaminant Level

Dear Ms. Townsend:

The Santa Ynez River Water Conservation District Improvement District No.1 (District) submits these comments regarding the State Water Resources Control Board's *White Paper on Economic Feasibility Analysis in Consideration of a Hexavalent Chromium MCL* ("White Paper"). The District is a special services district formed in July 7, 1959 under California Water Code section 74000 et seq. Located in the central portion of Santa Barbara County, the District provides reasonably priced, reliable, high quality water supplies and related services to the communities of Santa Ynez, Los Olivos, Ballard, and the Santa Ynez Band of Chumash Indians, and provides supplemental water to the City of Solvang and several mutual water companies. With approximately 6,737 customers (excluding the City of Solvang), the District currently provides water directly to approximately 2,598 municipal and industrial customers (including domestic/residential, commercial, institutional, rural residential, and fire service) and approximately 97 agricultural customers. The District's sources of supply include upland groundwater, Santa Ynez River alluvium, State Water Project supplies, and the Cachuma Project. The District has detected naturally occurring Hexavalent Chromium in several of its upland groundwater wells.

Economic Feasibility Questions

In the White Paper and as part of the public workshop on the White Paper, the Division of Drinking Water (DDW) asked for stakeholder input and indicated that the White Paper is intended to start a dialogue on the important issue of economic feasibility. With that in mind, the District submits these comments with the intent of helping DDW arrive at an approach to economic feasibility that protects public health while ensuring a sustainable and affordable public water supply.

The District believes that the White Paper should be revised to describe steps, approaches, calculations, assumptions, thresholds, and tools that can be used to successfully complete the economic feasibility analysis. The initial MCL feasibility assessment should use a checklist to identify the information needed to develop an MCL and complete the economic feasibility analysis, e.g., occurrence data, treatment technologies, test methods, detection capabilities, laboratory capacity, and risk assessments. That type of framework should then work toward answering two key questions: (1) does a proposed MCL for Cr6 provide identifiable health benefits that justify the costs; and (2) is the MCL affordable? Cost Benefit Analyses (CBA) and affordability assessments are critically needed to address these questions.

Cost Benefit Analysis

Unfortunately, the White Paper merely identifies the challenge of performing a CBA rather than proposing the best approach for conducting the work or describing how DDW will use a CBA when evaluating a proposed MCL. Indeed the White Paper suggests that a CBA may not be used at all when DDW evaluates the economic feasibility of a proposed MCL for Cr6, stating: “[A] cost-benefit approach is not feasible because of its inability to accurately account for and monetize the benefits and impacts of selecting one MCL versus another.” Of equal concern, during the public workshop on the White Paper, DDW staff indicated the State Board is not required to do a CBA. (See April 27, 2020 Workshop Presentation, p.25.) The District believes a CBA is an essential element to determine if a potential MCL represents a meaningful and economically sound way to reduce public health risks. CBAs are commonly used tools for making regulatory determinations. EPA’s 2014 Guidelines for Preparing Economic Analyses is a good reference for approaches that can be used to address what the White Paper characterizes as uncertainties and constraints to meaningful and necessary analysis.

Using the best available information for risk assessment is another critical factor. The Office of Health Hazard Assessment (OEHHA) determined in 2016 that the Cr6 Public Health Goal (PHG) established in 2010 needs to be reviewed based on substantial new information that is now available regarding health risk assessment. Without question, the economic feasibility analysis and related process for developing a proposed Cr6 MCL must be based on the OEHHA’s ongoing review and determinations of the Cr6 PHG.

A meaningful CBA should assess multiple variations/alternatives of a proposed MCL to identify the incremental benefits and costs associated with each option. Whereas the State Board provided an in-depth review of both health and economic issues in its *Recommendations for a State Low Income Water Rate Assistance Program*, that type of analysis is conspicuously absent in the White Paper.

Jeanine Townsend
Clerk to the Board
Page 3

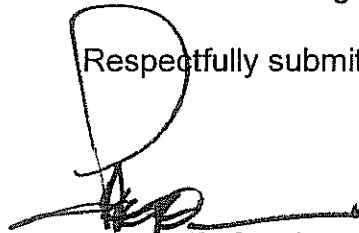
Affordability

As described by DDW, several agencies, organizations, and experts have put forth various metrics for assessing household affordability. The District agrees with DDW that no one metric or threshold is sufficient for identifying affordability concerns. The District believes the DDW should apply a range of metrics to evaluate affordability. These metrics should be applied to individual communities and across system sizes and should be identified in the White Paper. Among others, household affordability metrics include those recently put forth by the American Water Works Association, Water Environment Federation, and National Association of Clean Water Agencies. Additionally, DDW can determine the number of affected community water systems (and the population or connections they serve) that are designated as DACs or SDACs, consistent with the methodology adopted by State agencies.

DDW also should identify and analyze sustainable strategies to bridge affordability gaps. Solutions should be tailored to the needs of individual water systems and account for the limitations of current alternatives to source water treatment. To the extent that state funding (preferably through grants) is identified as a means to address system needs, DDW should establish that the funding or financing sources have the capacity to accommodate associated demand, and is therefore a viable solution. For this approach to be viable, funding must be identified and available for appropriate studies and tests to select, design, install, operate, and maintain necessary capital facilities.

The White Paper was supposed to address insufficiencies in the economic feasibility analysis that were found by the May 31, 2017 Superior Court decision invalidating the Cr6 MCL. The District does not believe those insufficiencies have been resolved by the White Paper. We strongly urge the State Board to adopt formal guidance and policy for evaluating economic feasibility in the adoption of safe drinking water standards, assuring that no one gets left behind in the goal of safe, reliable, and affordable drinking water.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Paeter E. Garcia', is written over a horizontal line. The signature is stylized and somewhat cursive.

Paeter E. Garcia
General Manager

Rancho Marcelino Water & Service Company
Serving All of Janin Acres
P.O. Box 141 Solvang, CA 93464
805-245-2844

13 May 2020

Ms. Jeanine Townsend
Clerk to the Board
STATE WATER RESOURCES CONTROL BOARD
P. O. Box 100
Sacramento, California 95812-2000
Via: commentletters@waterboards.ca.gov

RE: White Paper on Economic Feasibility Analysis in Consideration of a Hexavalent Chromium MCL

The White Paper concludes that the State Water Board must take a multi-faceted approach to looking at economic feasibility and should engage stakeholders in what additional information should be considered. We agree and suggest that when that time comes, that there be a consensus process for determining and considering multiple lines of evidence.

The White Paper also concluded that Statewide protection of public health cannot be limited to what is affordable to the smallest systems serving only a small fraction of the State's total population. It is here, on this point, that the White Paper in tone turns into a defense of the withdrawn MCL, rather than a discussion of what the MCL should be. The White Paper should have also included the corollary that Statewide protection of public health cannot be laid on the backs of the smallest systems serving only a small fraction of the State's total population.

In future discussions, it should be more clearly expressed that regardless of economics, this "small fraction", of say 5% with CrVI exceeding a proposed MCL, does not jeopardize the public health of the other 95% that do not exceed a proposed MCL. The intent of the primary drinking water standard in HSC 116365 is to set an MCL that is not so low as to cause this "small fraction" effect.

While perhaps not in the direct purview of the State Water Board, the setting of the Public Health Goal (PHG) is of much greater concern. State Statutes (HSC 116365) require the Office of Environmental Health Hazard Assessment (OEHHA) to review the PHG's every five years. While we have requested that this be done for CrVI, (please see attached letter 14 Nov 2014), OEHHA has not done this. Such a review is now four years overdue. Because the statute has not been complied with, it begs the question as to whether the so-called PHG is even valid.

The so-called current PHG, which was determined by efforts conducted in the early 2000's is not based on what is today the best available science. In the intervening 15 or so years new studies have informed the governments of our country and Canada to raise the total chrome standard to 100 and 200 ugl respectively, and forego the need for a separate CrVI standard. Due to the overdue review, the current PHG is now based on incomplete and dated materials. New publications, not available at the time, need to now inform OEHHA in their statutory mandate that they employ the most current practices and methods. Without having conducted a review of the PHG in over 9 years of the Chrome 6 PHG, which is based on old outdated publications, the current PHG stands outmoded due to not having the benefit of any sort of weight-of-evidence analysis of the best available data.

This non-statute compliant PHG would perhaps not be such a concern, but for the fact that the new data, the best available data, would indicate that the so-called current PHG may be set too low by some orders of magnitude. If so, then this has major implications for determining an economically feasible MCL. We do not believe that the State Water Board should set an MCL based on an invalid and non-compliant PHG. Unless and until the OEAAH complies with HSC 116365 for the Chrome 6 PHG, the State Board has no basis whatsoever for setting any MCL for Hexavalent Chrome. Without a valid PHG for Hexavalent Chrome, it does not appear that the State Board cannot proceed further with an Economic Feasibility Analysis in Consideration of a Hexavalent Chromium MCL.

We respectfully request that you inform all stakeholders of your decision to halt any further effort regarding Hexavalent Chrome until a valid and statutorily compliant PHG has been determined by OEAAH.

Thank you for the opportunity to comment. And please accept our express appreciation for your hard efforts at implementing an effective stakeholder process. We know how difficult that can be, especially in these COVID-19 times, and want the Board to know that we commend their staff for their very fine stakeholder involvement process to date.

David Rasmussen
Board President
Rancho Marcelino Water & Service Co.

Rancho Marcelino Water & Service Company
Serving All of Janin Acres
P.O. Box 141 Solvang, CA 93464
805-245-2844

14 November 2014

Hermelinda Jimenez
PHG Program
Pesticide and Environmental Toxicology Branch
Office of Environmental Health Hazard Assessment
1515 Clay St., 16th floor
Oakland, California 94612

Subject: PHG Review – Request to add Chrome VI

This is in response to your “Announcement of Process to Update Public Health Goals (PHG) for Chemicals In Drinking Water”. The announcement states that updates ... are being initiated based on the availability of new data, methodology updates, environmental exposures, and/or potential significance.

Since the original Chrome VI PHG was established in 2011, there are now available new data and methodology updates that are of potential significance. These new studies clearly demonstrate that 1) a mode of action exists for Chrome VI that is different than what was presumed in the pre-2011 studies, 2) the PHG that was set in 2011 may be too low, and 3) the 2011 analysis failed to take into account that Chrome VI may have a nutritionally beneficial effect in low doses as Chrome VI is converted to Chrome III upon ingestion.

As you know, the prior Chrome VI PHG took two years to develop from the submittal of the first draft PHG to the Final Chrome VI PHG. If one begins counting from when the work on setting the PHG began, the time is even longer. If OEHHA is to comply with the statutory 5-year “review and amend” language of Health and Safety Code Section 116365 (g), then the Chrome VI update process should begin now in order to meet the 2016 deadline.

We therefore would like to request that Chrome VI be added to the list of water contaminants for which OEHHA is initiating development of public health goals (PHGs). We would like to further request that the update specifically determine the levels at which Chrome VI can be converted to Chrome III upon ingestion and therefore become nutritionally beneficial.

S/Bruce McGowan

Board President
Rancho Marcelino Water & Service Co.

Monthly Briefing

A Summary of the Alliance's Recent and Upcoming Activities and Important Water News

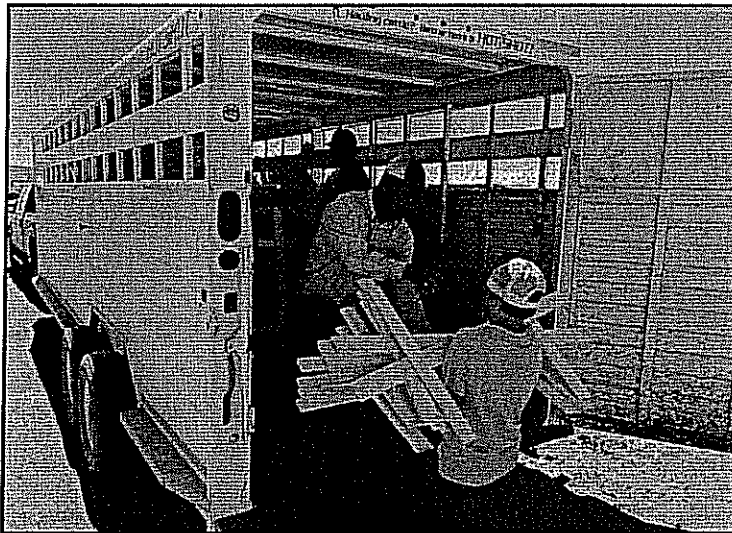
Western Agriculture Struggles to Rebound As American COVID-19 Deaths Surpass 100,000

Western U.S. agriculture is facing one of its biggest crises since the Great Depression, as the COVID-19 pandemic has impacted markets, disrupted the food supply chain, collapsed commodity prices, and intensified labor challenges.

"Rural Western economies are staggering from government actions intended to limit the spread of the virus," said Family Farm Alliance executive director Dan Keppen. "Unfortunately, these actions have affected the food supply chain in our country and around the globe."

Since January 22, 2020 the United States has reported over 1.6 million cases, according to Johns Hopkins University. President Trump recently noted on Twitter over 100,000 Americans have died due to the

coronavirus, calling it a "very sad milestone."



Volunteers assembling a display of 2,000 white crosses, which will play a critical symbolic role in a public water rally scheduled for May 29 in Klamath Falls, OR. Klamath producers this summer are saddled with a severe lack of irrigation water, a high level of uncertainty, and COVID-19 impacts on themselves, the workforce and markets. See related story, Page 5. Photo courtesy of Shut Down & Fed Up.

Globally, over 5.5 million people have caught the virus and it has killed over 350,000. However, in the U.S. and many other countries, the number of new cases confirmed each day is on a downward trend.

U.S. workers filed 2.1 million new unemployment claims last week, the Department of Labor reported. The ten-week total for unemployment claims reached 40.8 million, according to the Department of Labor. This suggests about a quarter of the workforce has lost jobs during the coronavirus pandemic.

Tension is growing in many Western states, as most rural areas have shown significantly lower numbers of COVID-19 cases, and residents in those areas are pushing

Continued on Page 2

STORIES INSIDE.....

Page #

Crisis Brewing on the Klamath River—Public Protest Set for May 29	5
Bureau of Reclamation Update—Grant Opportunities and New Appointments	6
Judge Temporarily Blocks New CVP Water Plan	6
Waiting to Sue Over WOTUS? Get in Line!	7
Water Infrastructure Developments on Capitol Hill	8
A Big "Thank You" to our New and Supporting Members!	9-10

COVID-19 Food Service and Ag Impacts (Cont'd from Pg. 1)

hard to lift shelter in place and accessibility requirements, in an effort to revive rural economies that are staggering from government actions intended to limit the spread of the virus.

Impacts to Western Farmers and Ranchers

The new COVID-19 pandemic has hit the agriculture sector hard in recent months, due primarily to loss of markets, disruptions in the food supply chain, collapse in commodity prices, and labor challenges.

"Whatever hit consumers have taken, I would argue that farmers have taken an even bigger hit," said Jayson Lusk, who heads the Department of Agricultural Economics at Purdue University.

The livestock sector has been hit especially hard. Producers began reducing herds when restaurants started to close in late March. With restaurants shuttered amid the coronavirus pandemic, the market is disappearing for sheep, cattle, and pork producers.

The beef and pork markets have been further disrupted by the closure of more than a dozen processing plants across North America due to significant COVID-19 outbreaks among workers. Ten of the largest beef packing plants process about 60% of all cattle, and roughly a dozen of the largest pork packing plants process around 60% of all hogs. So, when even one of these plants goes out of commission, it imparts a significant impact on the industry as a whole. Beef processing capacity is currently down by more than 10 percent and pork by as much as 25 percent, industry leaders say.

Dairy producers have been dumping millions of gallons of milk over the past month. With the sudden drop in the wholesale, food-service market resulting from the closure of schools and restaurants, dairy processing plants have yet to catch up with the packaging and logistical changes that must come with a massive shift in demand for dairy products at grocery stores and other retail outlets.

California farmer and former State Agriculture Secretary A.G. Kawamura addressed the massive impacts to the food supply chain in a recent call held among world food industry leaders in anticipation of the World Food Summit, set for September 2021 in New York.

"It is quite possible that the greater crisis in the making is not the pandemic, but the slowly accelerating collapse of multiple sectors of the global food chain," said Mr. Kawamura, who co-chairs Solutions for the Land, an organization that works to promote innovative strategies for sustainable agricultural systems. He emphasized that the agriculture sector's response to the growing crisis will dictate "how many lives and livelihoods will be impacted in the months and years ahead."

On the ground in several Western states, farmers and ranchers must now contend with new regulations intended to limit outbreaks in agricultural fields, orchards, and labor camps. For example, in Washington state, new emergency rules adopted earlier this month regarding temporary farm-worker housing are intended to help increase worker safety and reduce the spread of COVID-19. The rules detail specific steps required at farms where temporary workers live in licensed temporary housing facilities.

In Oregon, the state's Occupational Health and Safety

Administration, issued a temporary rule April 29 that, among other provisions, requires farms to provide more portable toilets and handwashing stations for workers while keeping beds 6 feet apart in housing units. However, a survey conducted by the Oregon Farm Bureau indicates the rule could displace thousands of workers from on-farm housing and cost farmers thousands of dollars more to meet all conditions.

"Many farms will not survive the cumulative weight of these unattainable rules, which are more burdensome than any set for other sectors of Oregon's economy," Oregon Farm Bureau said in a public statement.

Trump Administration

President Trump in the past month has directed numerous actions intended to address impacts facing a sector that helped get him into the White House: American agriculture. Earlier this month, he signed Executive Order 13924 ordering federal agencies to roll back or change regulations "that may inhibit economic recovery" in order to boost the economy impacted by the COVID-19 pandemic.

"The order does not provide specific instructions but is a blanket message across the U.S. government to help the economy recover by easing regulations," said Mark Limbaugh, the Family Farm Alliance's representative in Washington, D.C. "Federal agencies have already been implementing the Administration's efforts to deregulate for several years."

Strengthening U.S. Food Supply Chain Protections

President Trump in late April invoked the 1950 Defense Production Act and ordered meat processing plants to stay open to protect the nation's food supply. U.S. farmers say they still need importing countries, including China, to buy their pork.

"There's enough meat for all channels if we could get these plants back up and rolling," Brian Duncan, a hog farmer and vice president of the Illinois Farm Bureau, recently told *Bloomberg*.

The USDA and Food and Drug Administration (FDA) earlier this month announced a Memorandum of Understanding (MOU) to help prevent interruptions at FDA-regulated food facilities, including fruit and vegetable processing. The MOU creates a process for the two agencies to make determinations about circumstances in which the USDA could exercise its authority under the Defense Production Act (DPA) with regard to certain domestic food resource facilities that manufacture, process, pack, or hold foods, as well as to those that grow or harvest food that fall within the FDA's jurisdiction.

USDA Secretary Sonny Perdue recently noted that he thinks high food prices will level out as school, restaurants, meatpacking plants and other businesses come back online.

"I don't think we need to look at doing different things in our food supply chain," he told *Politico*.

Farmers to Families Food Box Program

USDA's Farmers to Families Food Box program is part-

Continued on Page 3

Homeland Security Recognizes Ag as Critical (Cont'd from Pg 2)

nering with regional and local distributors whose workforces have been significantly impacted by the closure of many restaurants, hotels, and other food service entities, to purchase \$3 billion in fresh produce, dairy, and meat and deliver boxes to Americans in need.

USDA, through the Farm Service Agency (FSA) is now accepting applications from agricultural producers who have suffered losses.

Ivanka Trump, the president's daughter/adviser recently joined Secretary Perdue at a producer distribution center in Maryland producer to mark the launch of the new program.

"I'm proud that the majority of the recipients are small and regional food suppliers who prioritize smaller farms and nonprofits in their bids," Ms. Trump said at the event.

Some in the produce industry have expressed concern that the list of distributors includes unknown entities with no previous connection to the industry and/or no established infrastructure to carry out the contracts they were awarded. Other distributors are already making the program work.

"We are honored to be chosen for the USDA Families First Coronavirus Response Act," the Pacific Coast Fruit Company (PCFCo.) said in a public statement. "Family is extremely important to our culture here at Pacific Coast Fruit Company. By being awarded this generous grant we are able to help support multiple families all across Oregon, Washington, Idaho, and California during this trying time."

Altogether, PCFCo. will box 12 million pounds of fresh fruits and vegetables and 8 million pounds of dairy, eggs, and protein. Nonprofit partners will help get the boxes to where they are needed most in local communities across the region. In total, PCFCo. is preparing 810,000 boxes beginning May 18th through June 30th, reaching 135,000 people every week, including food insecure families who need it most.

Injury Disaster Loan Program for Ag Producers

Agricultural producers, for the first time, are now eligible for the Small Business Administration (SBA)'s Economic Injury Disaster Loan (EIDL) and EIDL Advance programs.

"America's farmers, ranchers, and producers need the same help that other American businesses need during this unprecedented time," said Secretary Perdue. "This significant new authority signed by President Trump will make a tremendous difference for America's agricultural community."

SBA's EIDL portal has been closed since April 15. However, the Agency was able to reopen the portal, in a limited capacity, as a result of funding authorized by Congress through the Paycheck Protection Program and Healthcare

Enhancement Act. The legislation, which was signed into law by the President in late April, provided additional critical funding for farmers and ranchers affected by the COVID-19 pandemic.



Pacific Coast Fruit Company (OREGON) was awarded a contract from the United States Department of Agriculture (USDA) for the production of 810,000 produce and dairy boxes, working with local nonprofits on the ground to distribute to families in need across Oregon, Washington, Idaho, and California. Photo Source: PCFCo.

Direct Payments

Secretary Perdue recently announced details of the USDA's Coronavirus Food Assistance Program (CFAP), which will provide up to \$16 billion in direct payments to deliver relief to America's farmers and ranchers impacted by the coronavirus pandemic. Beginning May 26, USDA, through the FSA, will be accepting applications from agricultural producers who have suffered losses. CFAP provides vital financial assistance to producers of agricultural commodities

who have suffered a five-percent-or-greater price decline due to COVID-19 and face additional significant marketing costs as a result of lower demand, surplus production, and disruptions to shipping patterns and the orderly marketing of commodities.

USDA's announcement drew praise from some lawmakers and criticism from others.

Organizations representing small and first-time farmers said the program's details are geared toward bigger, more successful farms, despite some agency efforts to distribute aid more equitably.

"We are deeply concerned that the CFAP program will not help farmers who rely primarily on direct sales to consumers," said Ben Feldman, executive director of the Farmers Market Coalition, a nonprofit group based in California.

The announcement won praise from Senate Agriculture Committee Chairman Pat Roberts.

"I thank President Trump and Secretary Perdue for their efforts to help our farmers, ranchers, and growers manage their operations during these unprecedented times," said Senator Roberts (R-KANSAS).

Farmers and ranchers will receive direct support, drawn from two possible funding sources. The first source of funding is \$9.5 billion in appropriated funding provided in the CARES Act to compensate farmers for losses due to price declines that occurred between mid-January 2020, and mid-April 2020 and provides support for specialty crops for product that had been shipped from the farm between the same time period but subsequently spoiled due to loss of marketing channels. The second funding source uses the Commodity Credit Corporation Charter Act to compensate producers for \$6.5 billion in losses due to on-going market disruptions.

Continued on Page 4

COVID-19 relief packages signed into law (Cont'd from Pg 3)

"We applaud the announcement of a direct payment program for fruit and vegetable growers," said Tom Stenzel, President of the United Fresh Produce Association.

Loan Guarantees

Secretary Perdue announced that USDA is making available up to \$1 billion in loan guarantees to help rural businesses meet their working capital needs during the coronavirus pandemic. Additionally, agricultural producers that are not eligible for FSA loans may receive funding under USDA Business & Industry (B&I) CARES Act Program provisions included in the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

"Under the leadership of President Trump, USDA is committed to being a strong partner to rural businesses and agricultural producers and being a strong supporter of all aspects of the rural economy," Secretary Perdue said. "Ensuring more rural agricultural producers are able to gain access to much-needed capital in these unprecedented times is a cornerstone of that commitment."

B&I CARES Act Program loans must be used as working capital to prevent, prepare for or respond to the effects of the coronavirus pandemic. The loans may be used only to support rural businesses, including agricultural producers, that were in operation on Feb. 15, 2020.

Congress

The House of Representatives earlier this month passed the *HEROES Act* (H.R. 6800), a \$3 trillion coronavirus response package introduced by House Democrats, by a vote of 208-199, with one Republican voting in favor and 14 Democrats voting against. The legislation would provide nearly \$1 trillion in relief for state and local governments, including \$375 million in direct aid to all local governments via a new State and Local Coronavirus Relief Fund. The *HEROES Act* would also allow local governments to receive tax credits to cover the cost of providing the paid sick and paid family leave programs mandated by the Families First Coronavirus Relief Act and would make lost revenue an eligible use of CARES Act Coronavirus Relief Funds. In addition, the legislation includes \$5.5 billion for Lifeline and E-Rate funds to keep low-income households and students connected to high-speed Internet and provides additional funding for these programs.

House Speaker Nancy Pelosi (D-CALIFORNIA) indicated she is open to negotiating the details of the *HEROES Act*, but Senate Republicans are in no rush to approve a fourth coronavirus response package and currently have no plans to introduce their own legislative proposal. Senate GOP Leadership have called the House bill "unserious" and a "Democratic wish list". Senate Majority Leader Mitch McConnell (R-KY) and the Trump Administration have expressed objections to taking up another COVID-19 relief package right now, saying there has not been enough time since the \$2 trillion *CARES Act* was enacted in March to determine whether new legislation is needed or necessary.

"In terms of what the timing would look like, I suspect that doesn't happen until sometime after Memorial Day," said Senate Majority Whip John Thune (R-SOUTH DAKOTA).

"If the economy continues the momentum that we're beginning to see over the last couple of weeks of data, then I think that one might conclude that the stimulus we've already passed is enough," White House economic adviser Kevin Hassett recently told reporters.

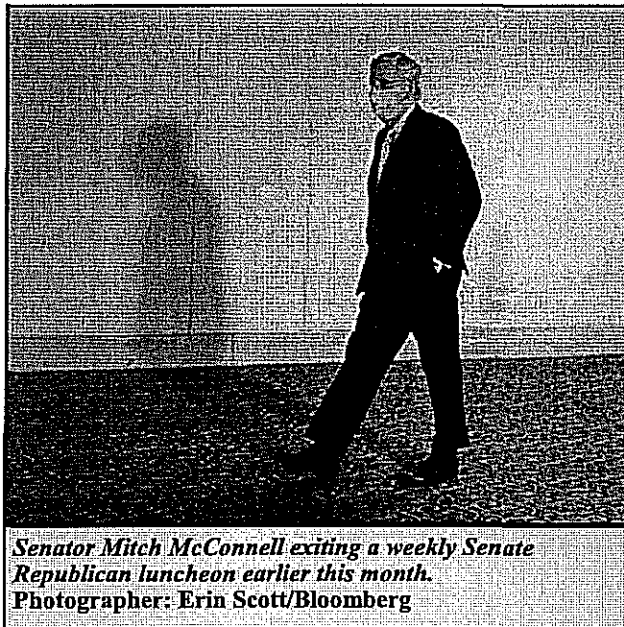
As things stand, the outlook for additional COVID-19 relief legislation, including the *HEROES Act*, remains uncertain as House and

Senate Republicans, and the Trump Administration, are generally in favor of waiting to see the results of relief legislation already enacted. Majority Leader McConnell recently said that another relief bill is likely "in the next month or so."

The House recently returned to Washington, D.C. and is now back in session with new proxy voting rules in place – a first in American history. However, House Republicans are suing Speaker Nancy Pelosi in an attempt to block the voting mechanism. Democrats argue that the proxy system is the only safe way to have hundreds of lawmakers cast votes during the pandemic, with a busy calendar ahead.

Over the next few weeks, the House and Senate will likely need to revisit key parts of coronavirus relief programs, which expire in the coming months. The House is back in Washington, beginning work on two bills dealing with the Paycheck Protection Program (PPP) from the *CARES Act*, which provides coronavirus-relief loans to small businesses, and will need to negotiate their version with the Senate, which is nearing a deal on its own version of a loan flexibility bill. The Senate is in recess until early June. The Senate's bill would give businesses up to 16 weeks to use their PPP loans, while the House bill would provide businesses 24 weeks.

"We have a full agenda that people have been working on for a long time, so it's a continuation of that, but also an intensification," Speaker Pelosi recently told reporters.



Senator Mitch McConnell exiting a weekly Senate Republican luncheon earlier this month. Photographer: Erin Scott/Bloomberg

Crisis Brewing on the Klamath River

Public Protest Set for May 29

As the Klamath Irrigation Project marks the 115th anniversary of its authorization, Project producers may be facing their worst year ever.

Things are looking grim for local irrigators, who will likely received less than a third of their surface water supplies out of Upper Klamath Lake. The Klamath Water Users Association (KWUA) has been working with the Bureau of Reclamation (Reclamation) and U.S. Department of Agriculture (USDA) with the hopes of bringing more USDA resources to the situation, which is looking dire due to the combination of poor hydrology and a highly criticized biological opinion that guides Klamath Project operations.

Reclamation officials are working toward a significantly reduced version of the April 1 140,000-acre-foot allocation with the Klamath and Yurok Tribes as well as agricultural producers in the Klamath Project in light of an extremely dry May 1 forecast released by National Resources Conservation Service .

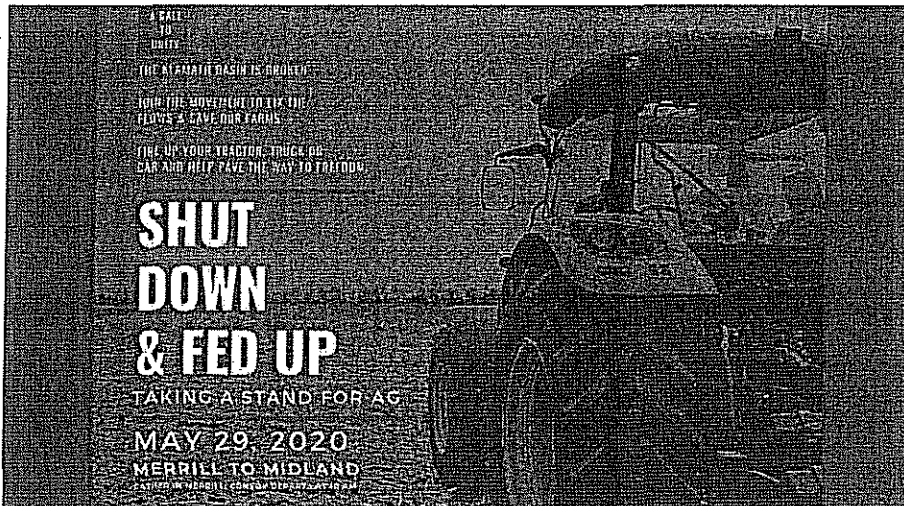
“Overall, the KWUA process in the past month has consisted of joint assessment and inventory of existing programs, including their limitations and any potential flexibility,” said Paul Simmons, KWUA’s executive director. “We’re also trying to identify what might be possible outside the standard programs.”

This month marks the 115th anniversary of the authorization of the Klamath Project under the National Reclamation Act, which was adopted to promote western settlement and feed a hungry nation and world. The Project incorporated and borrowed from the plans of visionaries in the 19th and early 20th centuries, and went on to support hardy settlers and homesteaders who built the communities that carry on today.

“Unfortunately, Klamath Project irrigators today are saddled with a severe lack of irrigation water, cruel uncertainty, and COVID-19 impacts on themselves, the workforce and markets,” said Mr. Simmons. “They are chastised and regulated based on frightening misunderstandings of who they are and what they do. Rural producers do not draw salaries. They work extremely hard to produce food, while stewarding land, water, and wildlife.”

KWUA and Reclamation received some good news earlier

this month when a federal judge in San Francisco sided with local water users and the federal government, one week before thousands of farmers, ranchers and business owners plan to rally for their cause in the Klamath Basin.



Judge William Orrick of the U.S. Court for the Northern District of California indicated that he would deny an emergency motion filed a week earlier by the Yurok Tribe and environmental organizations. The Yurok Tribe filed a case under the Endangered Species Act (ESA) last July. The parties agreed to stay the case in March 2020 after Reclamation agreed to an Interim Operating Plan for the Klamath Project to be applicable until September 2022. Those parties also asked the Court for a temporary restraining order to require Reclamation to release an additional 391 cubic feet per second for flows below Iron Gate Dam. Judge Orrick concluded the hearing by indicating he will deny the Yurok Tribe’s motion to lift the stay and will not reach the motion for a temporary restraining order.

“This decision does not add water to the meager allocation we were promised earlier this month,” said Scott Seus, a Klamath Project farmer from Tulelake, California. “However, it does prevent an immediate interruption of the reduced supply we already have.”

In the meantime, local community leaders have made significant progress preparing for a May 29 water rally. A planned tractor convoy will start in Merrill, Oregon and will wind its way through Klamath Project farmlands, proceed down Klamath Falls’ Main Street and end up in a local farmer’s field near Midland, Oregon.

More information on the event can also be found on the convoy website: <https://shutdownfedup.org/convoy-for-change/>.

Local water leaders are hopeful that the event will renew attention from decision-makers committed to solve problems rationally and relieve the burdens on rural communities.

“As bad and unfair as the current situation is, we pause, look back and look forward,” said Tricia Hill, president of KWUA. “We are proud to be part of the Klamath Project heritage, and remain committed to reclaiming our strong agricultural tradition.”

Bureau of Reclamation Update

New WaterSMART Drought Grants, New Leadership

The Department of the Interior earlier this month released the FY 2021 WaterSMART Grants: Drought Response Program Drought Resiliency Project Grants program. The program supports a proactive approach to drought by providing assistance to water managers to: develop and update comprehensive drought plans and implement projects that will build long-term resiliency to drought. Eligible applicants are states, tribes, irrigation districts, water districts, and other organizations with water or power delivery authority located in the Western United States.

"We are looking for applicants that are working to implement projects that are identified in their drought response plans to avoid future crises and reduce the need for emergency response actions," said the Bureau of Reclamation's Acting Drought Response Program Manager John Whitler.

In FY21, approximately \$2.9 million is available to support 10-15 cooperative agreements through this program.

Awards are provided through two separate funding groups:

- Group I: Up to \$300,000 will be available for projects generally completed within two years
- Group II: Up to \$750,000 will be available for projects completed within three years and funded on an annual basis, contingent upon future appropriations.

Applicants must provide nonfederal cost share of 50 percent or more of project costs using cash or in-kind contributions.

In other Reclamation news, Commissioner Brenda Bur-

man recently named Chris Beardsley as director, policy and programs.

"Reclamation's Policy and Programs office enables Reclamation to carry out its mission with consistency and transparency to our customers and the public," said Commissioner Burman. "The Director plays an instrumental role in the safety of our employees and stakeholders, as well as the implementation of Reclamation law and compliance with environmental laws. I know Chris Beardsley will do a great job."

Mr. Beardsley will be responsible specifically for the planning and execution of the following divisions: Security, Safety and Emergency Management, Environmental Compliance, Reclamation Law Administration, and Design, Estimating and Construction Oversight.

Commissioner Burman also named Dr. David Raff as Reclamation's Chief Engineer, a role that dates back to the beginning of Reclamation in 1902. Out of use for several decades, Reclamation has created this historic position for the 21st Century. As the Chief Engineer, Dr. Raff will direct Reclamation's engineering and scientific programs in Technical Services, Dam Safety and Infrastructure, Hydropower, Research and Development, and Water Planning.

"This position reinforces the legacy of Reclamation's professional excellence, science-based decision making, technical rigor, and construction quality," said Deputy Commissioner of Operations, David Palumbo.

Judge Temporarily Blocks New CVP Water Plan

A federal court earlier this month temporarily blocked the Trump administration's new California water plan, in response to litigation launched by the State of California and environmental activist groups.

"Today's victory is critical, but the fight is not over," said California Attorney General Xavier Becerra (D) said. "We have the facts, science, and the law behind us, and we look forward to making our case in court."

The state's opposition to the Trump water plan remains a priority. On the same day California Governor Gavin Newsom announced \$19 billion in budget cuts to his 2020-2021 budget, two of California's environmental protection agencies filed a request to provide an additional \$1.03 million to fund the lawsuit against the U.S. Departments of Interior and Commerce.

This lawsuit is being carefully monitored by agricultural water users served by the federal Central Valley Project (CVP) and the State Water Contractors, who are served by the State Water Project (SWP). Many of these water users support a voluntary agreement process that, when fully negotiated could provide a framework to allow the State to settle its lawsuit with the federal government and resolve the differences between the federal biological opinions and the State's incidental take permit for the long-term operation of the SWP.

While several media outlets reported that the May 11 fed-

eral court ruling related to the Federal Biological Opinion case governing CVP and SWP operations was a wholesale rebuke of the 2019 Biological Opinions, the injunction granted by U.S. District Judge Dale Drozd was actually very narrowly focused and most aspects of the litigation were denied.

In hearing the two separate preliminary injunction requests from the environmental groups and the State of California, the Judge organized the ruling into three topics: Shasta operations, Stanislaus River operations, and Delta operations. In its May 11 ruling, the court denied the plaintiffs' preliminary injunction for Stanislaus River and stated it will rule separately on Shasta operations.

"Given that it appears to be undisputed that [California Central Valley] steelhead are declining," Judge Drozd wrote, "the court has serious concerns as to whether this reasoning satisfies [NOAA Fisheries'] obligations under the [Endangered Species Act] to evaluate whether the [opinions] would jeopardize the species or destroy or adversely modify critical habitat."

The remainder of the ruling focused on Delta operations, but was far from a "slam dunk" for the State, according to the State Water Contractors.

"The ruling was not about Delta Smelt or Longfin Smelt,

Continued on Page 9

Waiting to Sue over WOTUS? Get in line!

Coalition of States File for Nationwide Injunction of New Clean Water Act Rule

Groups spanning the range of the political spectrum are lining up to take the Trump Administration to task over the recently published final version of the Navigable Waters Protection Rule. This rule, published by the Administration in April, is intended to clarify what constitutes "waters of the U.S." (or, WOTUS) under the federal Clean Water Act (CWA). It provides a new definition of what marshes, wetlands and streams qualify for protections under the CWA.

"Having farmed American land myself for decades, I have personally experienced the confusion regarding implementation of the scope of the Clean Water Act," said R.D. James, Assistant Secretary of the Army for Civil Works last January, at the time the rule was finalized. "Our rule takes a common-sense approach to implementation to eliminate that confusion.

This will ensure that land use decisions are not improperly constrained, which will enable our farmers to continue feeding our Nation and the world, and our businesses to continue thriving."

The rule now faces legal challenges from environmental groups, conservative interests, and property rights advocates. The lawsuits are scattered across federal district courts throughout the country.

In April, a group of 17 Democrat-led states and several environmental organizations sued the Administration over their newly finalized rule. The case was filed in the U.S. District Court for the District of Massachusetts. The Southern Environmental Law Center also led a challenge in the U.S. District Court for the District of South Carolina.

The States claim violations of the Administrative Procedures Act including: (1) the interpretation of WOTUS is impermissible; (2) the rule disregards scientific evidence, prior factual findings, and policy and practice; and (3) the rule fails to consider statutory objectives and the impact on water quality. The States request that the court vacate the rule as "arbitrary, capricious, and not in accordance with law."

The State coalition earlier this month asked the U.S. District Court for the Northern District of California to block the new rule while they battle with government lawyers over its legality. The coalition argues that the rule should be put on hold pending the court's decision on the coalition's lawsuit in order to prevent widespread harm to national water quality

and to avoid disruption to state and local water pollution control programs. The rule goes into effect on June 22.

The new WOTUS rule from the Environmental Protection Agency (EPA) and the Army Corps of Engineers (Corps) limits CWA protections for headwaters like creeks, wetlands and seasonal water bodies caused by rainfall or snowmelt which were covered under the now-repealed 2015 Obama-era WOTUS rule.

"The litigation will undoubtedly run beyond Election Day, so the future of this WOTUS rule likely depends on whether Trump wins a second term," said Mark Limbaugh, the Family Farm Alliance representative in Washington, D.C.

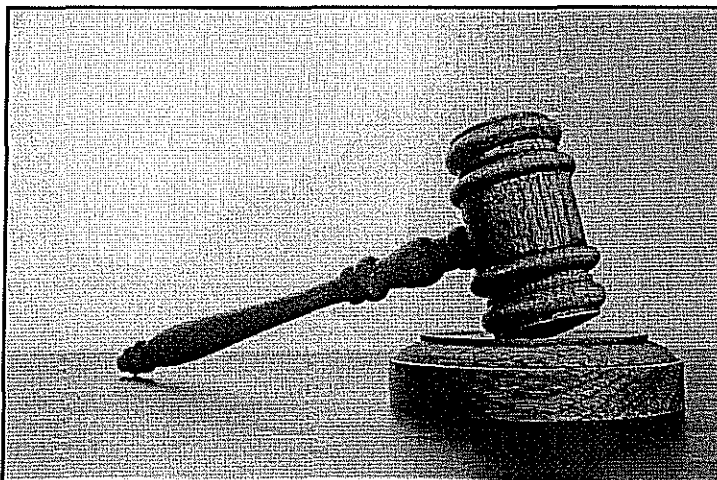
Meanwhile, the New Mexico Cattlemen's Association – represented by the Pacific Legal Foundation (PLF) – is also targeting the new WOTUS, but for different reasons. The group originally filed a lawsuit in November 2019 challenging an earlier 1986 CWA regula-

tion. When the Trump EPA finalized a repeal of the 2015 rule, the repeal reverted back to the 1986 rule until the most recent rewrite was completed. The amended lawsuit alleges the 1986 and 2020 rules are "arbitrary and capricious".

"Over the years, EPA has changed the definition of 'navigable waters' to increase its regulatory authority at the expense of property owners' rights," Tony Francois, an attorney at PLF, said in a statement. "Despite the improvement of the new rules, its regulations are still unconstitutionally broad. Specifically, the new rules let federal agencies control ponds, wetlands and other property far removed from navigable waterways. These were never intended by Congress to be covered by the Clean Water Act."

Democrats in Congress are also looking for ways to prohibit the implementation of the new Navigable Waters Protection Rule. House Transportation and Infrastructure Chairman Peter DeFazio (D-OREGON), and Representative Grace Napolitano (D-CALIFORNIA), earlier this month introduced the *Clean Water for All Act*. The bill specifically would prevent EPA and the Corps from implementing the new rule, and no later than two years from the enactment of the act requires the agencies to promulgate a new rule-making defining WOTUS.

"By removing critical protections at the behest of industry, Trump's Dirty Water Rule will make streams and waterways more vulnerable to pollution, which is devastating for the 117 million Americans who rely on these waterways for drinking water," said Rep. DeFazio.



Water Infrastructure Developments on Capitol Hill

House Majority Leader Steny Hoyer (D-MD) recently said that House Democrats will focus this summer on passing essential legislation, including the Water Resources Development Act (WRDA), the surface transportation reauthorization bill, the FY2021 National Defense Authorization Act, and the twelve FY2021 Appropriations bills.

"We are hearing that, given the COVID-19 pandemic amidst the presidential election year of 2020, Congress may be working during typical summer and fall recesses in order to play catch up on must-pass legislation," said Mark Limbaugh, the Alliance's representative in Washington, D.C.

As far as infrastructure goes, Democrats earlier this year released a framework for infrastructure efforts, and the Transportation and Infrastructure (T&I) Committee is poised to release their version of a Water Resource Development Act (WRDA) soon. The focus of the House WRDA will be solely on the civil works mission of the Army Corps of Engineers (Corps), including navigation, flood damage reduction, hurricane and storm damage reduction, shoreline protection, and ecosystem restoration. Congress has made it a priority to pass a WRDA bill every two years, with a Senate version of a WRDA bill (the America's Water Infrastructure Act (AWIA)) already approved by the Environment and Public Works (EPW) Committee for a future Senate floor vote (see April 2020 "Monthly Briefing").

Family Farm Alliance President Patrick O'Toole in September 2019 testified before the EPW Committee, which held a brainstorming hearing on ideas for the 2020 WRDA. The Alliance developed a comment letter that was transmitted to the EPW Committee before this month's markup.

"The gist of our comments focuses on the absence of a Reclamation title in the draft AWIA," said Alliance Executive Director Dan Keppen. "We would like to see such a title, and our letter reiterates that key point."

In other water legislation-related news, Rep. T.J. Cox (D-CALIFORNIA) led seven of his colleagues in sending a letter to House leadership calling for any COVID-19 infrastructure

stimulus package to include Bureau of Reclamation infrastructure.

"As Congress continues working to respond to the economic impacts of the pandemic, we must include funding for Bureau of Reclamation projects, especially those that increase our water storage capacity," Cox wrote in a press release.

The Family Farm Alliance - working with the California Farm Bureau Federation and Western Growers Association - last month sent similar letters to Congress and the White House, urging that aging Western water infrastructure be addressed as further measures

are considered to help the U.S. economy recover from the ongoing coronavirus crisis. The letters were signed on to by over 150 Western water and agricultural interests.

Elsewhere, Senator Dianne Feinstein (D-CALIFORNIA) earlier this month introduced the *Restoration of Essential Conveyance Act*, a bill to authorize \$800 million in federal funding to repair critical canals - including the Friant-Kern and Delta-Mendota Canals

(pictured, left) in the San Joaquin Valley damaged by land sinking from over pumping of groundwater, known as subsidence, and for environmental restoration. If the canals are not restored to their original capacity, 20 percent of the farmland - approximately 1 million acres - might have to be retired in a region that produces \$36 billion in crops annually, including a third of the nation's produce.

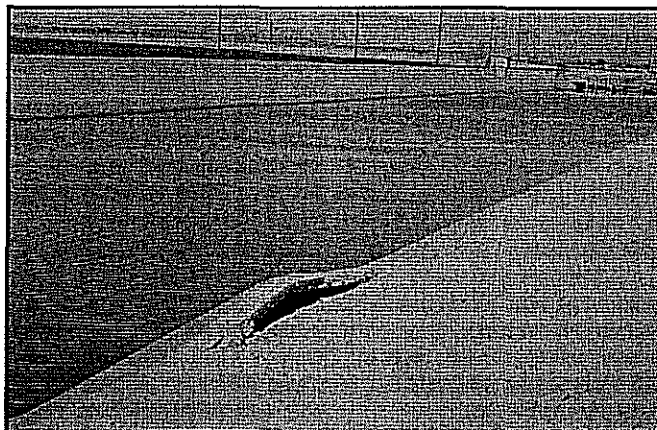
Representatives Jim Costa and TJ Cox (both D-CALIFORNIA) have introduced similar legislation in the House.

"We have to find better ways to use the water we have," said Senator Feinstein. "Restoring the San Joaquin Valley's canals is one of the most efficient ways to improve the sustainability of California's water supply. It would allow us to capture more winter storm floodwa-

ters and use that extra water to offset necessary reductions in groundwater pumping. This bill would give our farmers a fighting chance."



Friant-Kern Canal (Eastern San Joaquin Valley (CALIFORNIA)) Photo courtesy of Friant Water Authority



Land subsidence along the Delta-Mendota Canal, Western San Joaquin Valley (CALIFORNIA). Photo Credit: Michelle Sneed, USGS.

CVP Decision (Continued from Page 6)

or Delta outflow as the State argued," the State Water Contractors noted in a widely distributed blog post. "The ruling was narrow and focused on the last 20 days of May, specifically on San Joaquin River steelhead."

The court ultimately decided that "[t]he record is too mixed for the court to conclude at this time that plaintiffs are clearly likely to be able to show that NMFS has violated the Administrative Procedures Act."

Judge Drozd has noted the court will rule shortly on the broader issues environmental groups have in their case.

"The court's decision is a temporary reprieve for salmon and other imperiled species in the Bay-Delta," said Doug Obegi, an attorney with Natural Resources Defense Council.

The State Water Contractors were impressed with Judge Drozd's commitment to sifting through substantial technical and legal materials that were submitted by all parties, and his caution in granting unfettered injunctions.

"Unfortunately, the Attorney General is correct that this is likely to be a long fight," the State Water Contractors posted on-line. "It's too bad, because we were very close to a pathway where the CVP, SWP and other water users all worked together to develop habitat and flows to the benefit of the

entire watershed through the Voluntary Agreements. We hope we can find our way back to that path."

The Family Farm Alliance – working with California Farm Water Coalition (CFCW) and the California Farm Bureau Federation – this month spearheaded the development of a letter sent to California Governor Gavin Newsom - signed by over 75 prominent California agricultural organizations, county farm bureaus, and farmers – requesting that the governor take the necessary steps to help secure next year's food supply. The parties urge the governor to direct state agencies and departments to find ways to maximize water supplies for farmers this year, until such time that the food supply chain from farmer to grocery store shelf can be normalized.

"There seems to be a lot of willingness to work together to solve some of the current crises that we're facing in day to day life and we hope that that does transition to other parts of the business world and the economy and a huge part of that for agriculture, of course, is water," CFCW Executive Director Mike Wade told AgNet West. "Having adequate, dependable water supplies provides certainty for farmers and it provides certainty to consumers who trust that the foods that they want for their families are being planted for the coming fall and winter seasons."

A Big Thank You to Our New and Supporting Members!

MARCH 2019– APRIL 2020

CHAMPION (\$10,000 and Above)

Banta-Carbona Irrigation District (CA)

Westlands Water District (CA)

ADVOCATE (\$5,000 - \$9,999)

Arvin-Edison Water Storage District (CA)

Central Nebraska Public Power and Irrigation District

Roza Irrigation District (WA) San Luis Water District (CA)

DEFENDER (\$1000-\$4999)

A&B Irrigation District (ID) Harvey A Bailey (CA) Borba Farms Partners (CA)

Buckeye WCDD (AZ) Central Arizona Irrigation and Drainage District

Central Oregon Irrigation District Central Oregon Seeds, Inc.

Continued on Page 10

MARCH 2020-APRIL 2020 CONTRIBUTORS (Continued from Pg 9)

DEFENDER (\$1,000-\$4,999) - Continued

Coleman Farming Co. LLC (CA) Elephant Butte Irrigation District (NM)
 Farwell Irrigation District (NE) Ferguson Farming LLC (CA) Fresno Irrigation District (CA)
 Glenn-Colusa Irrigation District (CA) Grand Valley Water Users (CO)
 Kings River Conservation District (CA) Klamath Drainage District (OR)
 Maricopa Water District (AZ) Metropolitan Water District of Southern California
 Meyers Farms Family Trust (CA) Minidoka Irrigation District (ID) PacifiComm LLC (WA)
 Palo Verde Irrigation District (CA) Payette River Water Users Association (ID)
 Roosevelt Irrigation District (AZ) Snow Goose Farms (CA) Solano Irrigation District (CA)
 Tehama-Colusa Canal Authority (CA) Twin Falls Canal Company (ID)
 Yuba County Water Agency (CA) Yuma County Water Users Association (AZ)

PARTNER (\$500-\$999)

A Tumbling T Ranches (AZ) Bengard Ranch, Inc. (CA) Benson Farms, LLC (CA)
 Bransford Farms (CA) Camelback 240 Ltd. Partnership (AZ) Circle G Farms (CA)
 Columbia Canal Company (CA) Fresno Equipment (CA) H-Four Farms (AZ)
 Heart Mountain Irrigation District (WY) Hermiston Irrigation District (OR)
 Linneman Ranches (CA) Maricopa-Stanfield Irrigation District (AZ)
 New Magma Irrigation District (AZ) North Side Canal Company (ID)
 North Unit Irrigation District (OR) Pine River Irrigation District (CO)
 Provident Irrigation District (CA) Ryan Family Farms (CA) Sargent Irrigation District (NE)
 Somach, Simmons and Dunn (CA) Stotz Equipment (AZ)
 Tualatin Valley Irrigation District (OR) Twin Loups Reclamation District (NE)
 West Extension Irrigation District (OR)

SUPPORTER (\$250—\$499)

Mark Booker (WA) Britz, Inc. (CA) Campbell Brothers Farms (CA)
 Davis and Weber Counties Canal Company (UT) Duyck Ranches (WY)
 Emprapas Del Bosque (CA) Flying R Farms (AZ) BE Giovanetti & Sons (CA)
 Farmers Irrigation District (NE) Griswold, LaSalle, Cobb Dowd (CA)
 Kirwin-Webster Irrigation District (KS) Mancos WCD (CO) MBK Engineers (CA)
 Milner Irrigation District (ID) North Fremont Canal System (ID)
 Ogawa Farms (WY) Paul R. Orme Farms (AZ) Orton Management Associates (NE)
 Princeton-Cordora-Glenn Irrigation District (CA) Gary W. Robertson (CA)
 Don Schwindt (CO) Thomason Tractor Co. (CA) Weber River Water Users (UT)
 Brian Werner (CO) Gary Wright (CA)

CORRESPONDENCE LIST

Agenda Item XIII.

JUNE 2020

1. Letter from District dated May 15, 2020 to State Water Resources Control Board re: Comment Letter - White Paper on Economic Feasibility in Consideration of a Hexavalent Chromium Drinking Water Maximum Contaminant Level
2. Memorandum received May 19, 2020 from Central Coast Water Authority re: Notice of Cancellation for the May 28, 2020 Meeting
3. Transmittal dated May 20, 2020 to ACWA/JPIA Property Plan Renewal for July 1, 2020 through 2021
4. Letter received May 26, 2020 from CalPERS re: Actuarial Circular letter - PEPRA Member Contribution Rates and Payroll Circular letter - Payroll Reporting deadlines
5. Letter received May 26, 2020 from Central Coast Water Authority re: State Water Project Notice of 2020 State Water Project Allocation increase from 15 to 20 percent
6. Letter received May 28, 2020 from Santa Barbara County LAFCO re: Notice of Meeting to be held on June 4, 2020
7. Letter from District dated June 1, 2020 to Mr. R. Gould re: Request for water rate reclassification - 1616 Calzada Ave
8. Letter received June 1, 2020 from Central Coast Water Authority re: July 1, 2020 DWR and CCWA Variable O&M Invoice (City of Solvang)
9. Letter from District date June 1, 2020 to All District customers re: Businesses, Buildings, and Facilities with prolonged Closures encouraged to flush water pipes before reopening