

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,
IMPROVEMENT DISTRICT NO.1
DECEMBER 19, 2023 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, December 19, 2023, in-person at 1070 Faraday Street.

Trustees Present: Jeff Clay
 Michael Burchardi
 Brad Joos
 Nick Urton

Trustees Absent: Jeff Holzer

Others Present: Paeter Garcia Mary Robel
 Karen King Eric Tambini
 Dan Drugan Gary Kvistad
 John Britton

1. CALL TO ORDER AND ROLL CALL:

President Clay called the meeting to order at 3:00 p.m., he stated that this was a Regular Meeting of the Board of Trustees. Ms. Robel conducted roll call and reported that four Trustees were present, and that Trustee Holzer was absent.

2. PLEDGE OF ALLEGIANCE:

President Clay led the Pledge of Allegiance.

3. REPORT BY THE SECRETARY TO THE BOARD REGARDING COMPLIANCE WITH THE REQUIREMENTS FOR POSTING OF THE NOTICE AND AGENDA:

Ms. Robel presented the affidavit of posting the Agenda, along with a true copy of the Agenda for this meeting. She reported that the Agenda was posted in accordance with the California Government Code commencing at Section 54953, as well as District Resolution No. 340.

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

There were no additions or corrections to the Agenda.

5. PUBLIC COMMENT:

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

6. INTRODUCTION AND WELCOME FOR NEW DISTRICT EMPLOYEE:

A. Daniel Drugan – Deputy Water Resources Manager

Mr. Garcia introduced Mr. Daniel Drugan to the Board. He stated that Mr. Drugan was hired to fill the vacancy that will be created upon the retirement of Mr. Eric Tambini, Water Resources Manager, at the end of December. He indicated that Mr. Drugan started on November 27, 2023 and is in the process of cross-training prior to Mr. Tambini’s departure. Mr. Garcia recapped Mr. Drugan’s background and experience, stating that he came from Calleguas Municipal Water District where he was the Manager of Water Resources and Public Affairs, and he brings a broad set of water experience to the District. The Board welcomed Mr. Drugan.

7. **CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF NOVEMBER 21, 2023**

The Regular Meeting Minutes from November 21, 2023 were presented for consideration.

President Clay asked if there were any changes or additions to the Regular Meeting Minutes of November 21, 2023. There were no changes or additions requested.

It was **MOVED** by Trustee Urton, seconded by Trustee Joos, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to approve the November 21, 2023 Regular meeting minutes as presented.

8. **CONSENT AGENDA:**

The Consent Agenda Report was provided in the Board Packet.

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

It was **MOVED** by Trustee Joos, seconded by Trustee Burchardi, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to approve the Consent Agenda as presented.

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

A. DISTRICT ADMINISTRATION

1. Board of Trustees Designations

- a) Selection of Officers of the Board – President, Vice President, Treasurer & Secretary
Mr. Garcia reported that each December the District’s Board selects the positions of President, Vice President, and Treasurer and Secretary to the Board of Trustees. He explained that the process for selecting officers is based on nomination and vote by the Board members.

President Clay reviewed the current positions and called for nominations from the Board. Trustee Burchardi suggested that the positions remain unchanged. The Board concurred with Trustee Burchardi, and the nominations were closed.

It was **MOVED** by Trustee Urton, seconded by Trustee Burchardi, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to select Trustee Clay as President, Trustee Burchardi as Vice President, and Mary Robel as Treasurer and Secretary to the Board of Trustees.

- b) Appointment of Representatives to Participating Agencies and Organizations – CCWA & ACWA

President Clay reviewed the current Board representatives to participating agencies and organizations. He reported that he and Trustee Urton serve as the Director and Alternate, respectively, to the Central Coast Water Authority Board and that he and Mr. Garcia serve as Representative and Alternate, respectively, to the Association of California Water Agencies.

It was **MOVED** by Trustee Burchardi, seconded by Trustee Urton, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to appoint Trustees Clay and Urton as Director and Alternate, respectively, to the Central Coast Water Authority Board of Directors, and to appoint Trustee Clay and Paeter Garcia as Representative and Alternate, respectively, to the Association of California Water Agencies.

c) Appointment of Board Committees

President Clay reviewed the current Board representative for the Ad Hoc Committees. He identified each Ad Hoc Committee, which included Trustees Clay and Joos – City of Solvang; Trustees Burchardi and Joos – Water Rates; Trustees Clay and Joos – COMB; Trustees Joos and Burchardi – SGMA; Trustees Burchardi and Urton – Cachuma Contract; and Trustees Burchardi and Clay – Los Olivos CSD. Trustee Joos suggested no changes to the current representation.

It was **MOVED** by Trustee Clay, seconded by Trustee Urton, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to appoint Trustees Clay and Joos to the City of Solvang Ad Hoc Committee; Trustees Burchardi and Joos to the Water Rates Ad Hoc Committee; Trustees Clay and Joos to the COMB Ad Hoc Committee; Trustees Joos and Burchardi to the SGMA Ad Hoc Committee; Trustees Burchardi and Urton to the Cachuma Contract Ad Hoc Committee; and Trustees Burchardi and Clay to the Los Olivos CSD Ad Hoc Committee.

2. Proposed Merit Increase for District Employee

a) Water Resources Manager

The Board packet included a December 19, 2023 Staff Report.

Mr. Garcia reviewed the staff report. He explained that the salaries of District employees are established according to a 12-step range for each position. He indicated that according to the District's Personnel Policy Manual, employees who have reached the top step of their salary range are only eligible for cost-of-living adjustments and merit increases, where merit increases must be approved by the Board of Trustees. Mr. Garcia reported that Mr. Tambini has been at his top step for several years and has not had access to a salary increase based on performance. Mr. Garcia stated that over his 26 years of service, Mr. Tambini has been instrumental in many components of the District's success, ranging from capital improvement planning, project implementation, operational and personnel management, regulatory compliance, and customer relations. He stated that Mr. Tambini continues to perform at a superior level and recommended that the Board consider and approve a five percent (5%) merit-based increase in salary, effective July 1, 2023. Mr. Garcia stated that employee salary funds are available in the approved FY 2023-2024 Budget to accommodate this merit increase.

It was **MOVED** by Trustee Burchardi, seconded by Trustee Clay, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to approve a five percent (5%) merit-based increase in salary for Mr. Tambini, effective July 1, 2023.

3. Financial Report on Administrative Matters

a) Draft June 30, 2023 & 2022 Audited Financial Statements – Presentation by Bartlett, Pringle & Wolf, LLP

This item was taken out of the agenda order.

The Draft June 30, 2023 and 2022 Financial Statements were included in the Board packet.

Mr. Garcia introduced Mr. John Britton from Bartlett, Pringle & Wolf, LLP for the presentation of the District's draft June 30, 2023 and 2022 Financial Statements.

Mr. Britton reviewed a PowerPoint presentation of the June 30, 2023 and 2022 Financial Statements. He reviewed the District's current assets, liabilities and fund equity, statement of revenues, statement of changes, statement of cash flows, and notes to financial statements. Mr. Britton reported that the District's financials conform to required Generally Accepted Accounting Principles and the State Controller's Minimum Audit Requirements for California Special Districts. He explained that the District's audit resulted in no disagreements with Management relating to the financials and was a clean audit opinion with no reportable findings or exceptions.

The Board thanked Mr. Britton for his presentation. Ms. Robel thanked the staff at Bartlett, Pringle & Wolf for their assistance with the audit.

Mr. Garcia recommended acceptance and approval of the June 30, 2023 and 2022 Financial Statements as presented and authorization for Management to post and submit the final version of the Financial Statements to the State Controller's Office and the County of Santa Barbara.

It was **MOVED** by Trustee Clay, seconded by Trustee Burchardi, and carried by 4-0-0 voice vote, with Trustee Holzer absent, to approve and accept the June 30, 2023 and 2022 Financial Statements as presented by Bartlett, Pringle & Wolf, LLP and authorize Management to execute the final documentation and distribute to the appropriate governmental agencies.

b) Presentation of Monthly Financial Statements – Revenues and Expenses

Ms. Robel announced that the Financial Statements were provided to the Board via email earlier today and were included in the handout materials and posted on the District's website in the Board packet materials section for any member of the public wishing to follow along or receive a copy.

Ms. Robel reviewed the Statement of Revenues and Expenses for the month of November. She highlighted various line-items related to revenue and expense transactions that occurred during the month and referred to the Fiscal-Year-to-Date Statement of Revenues and Expenses that provides a budget to actual snapshot for the month of November. Ms. Robel reported that the District revenues for the month of November exceeded the expenses by \$300,483.48 and the year-to-date net income was \$1,626,074.50.

c) Approval of Accounts Payable

Ms. Robel announced that the Warrant List was provided to the Board via email earlier today and included in the handout materials and posted on the District's website in the Board packet materials section for any member of the public wishing to follow along or receive a copy.

The Board reviewed the Warrant List which covered warrants 25555 through 25613 in the amount of \$848,579.16.

It was **MOVED** by Trustee Urton, seconded by Trustee Burchardi, and carried by a 4-0-0 voice vote with Trustee Holzer absent, to approve the Warrant List for November 22, 2023 through December 19, 2023.

4. Amendment to Rules and Regulations

- a) Resolution No. 839: A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement No.1 Approving the Automatic Annual Adjustments to the Capital Facilities Charges and Meter Installation Fees Contained in Appendix "C" and Appendix "D" of the District's Rules and Regulations

The Board packet included a December 19, 2023 Staff Report and Resolution No. 839 with related appendices.

Mr. Garcia explained that Resolution No. 839 amends Appendix "C" and Appendix "D" of the District's Rules and Regulations relating to the District's Capital Facilities Charges and related costs under Section 603 and 709 of the District's Rules and Regulations. He stated that Resolution No. 839 was presented in draft form to the Board of Trustees at the November Meeting. Mr. Garcia reviewed the calculations used to establish the 2024 Capital Facilities Charges, how the 2024 charges compare to the 2023 charges, and recommended approval of Resolution No. 839 for the automatic annual adjustment to the District's Capital Facilities Charges and meter installation fees effective January 1, 2024 pursuant to Sections 603 and 709 of the District Rules and Regulations.

It was **MOVED** by Trustee Burchardi, seconded by Trustee Urton, to adopt Resolution No. 839, a Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement No.1 Approving the Automatic Annual Adjustments to the Capital Facilities Charges and Meter Installation Fees Contained in Appendix "C" and Appendix "D" of the District's Rules and Regulations.

The Motion carried and Resolution No. 839 was adopted by the following 4-0-0 roll call vote:

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

5. District Land and Air Space

- a) Resolution No. 840: A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Concerning Inventory of District Land and Air Space

The Board packet included draft Resolution No. 840 and supporting documentation.

Mr. Garcia stated that pursuant to Section 50569 of the California Government Code, the District must inventory its land and air space on an annual basis to determine if any surplus land exists. He stated that based on the inventory, as reflected in the attachment to Resolution No. 840, no District lands are deemed surplus to the District's current and foreseeable needs and recommended approval of Resolution No. 840 as presented.

It was **MOVED** by Trustee Burchardi, seconded by Trustee Clay, to adopt Resolution No. 840, a Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement No.1 Concerning Inventory of District Land and Air Space.

The Motion carried and Resolution No. 840 was adopted by the following 4-0-0 roll call vote:

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

NOES, Trustees: None
ABSTAIN, Trustees: None
ABSENT, Trustees: Jeff Holzer

6. Purchase of Fleet Vehicle

a) Consideration and Award of Bid

The Board packet included bid results for the purchase of one new fleet vehicle.

Mr. Garcia explained that a request for bids was opened for the purchase of one new Ford F250 Regular Cab, 4WD Truck equipped with an 8 foot utility body with lift-gate. He indicated that funds for this purchase were included in the adopted Fiscal Year 2023-24 Budget. Mr. Garcia reported that bid requests were sent to eight potential vendors and three bid responses were received by the deadline date. Discussion ensued regarding the bid process and other purchase options, as well as the District's purchasing policy. Trustee Joos expressed that the District should issue truck bids to allow consideration of various manufacturers such as Chevrolet and Dodge.

Mr. Garcia stated that after comparing all bid submittals, the bid results reflect that Perry Ford of San Luis Obispo was the lowest responsive and responsible bid in the amount of \$67,985.54. He recommended acceptance of the bid from Perry Ford of San Luis Obispo and authorization to purchase the fleet vehicle.

It was **MOVED** by Trustee Burchardi, seconded by Trustee Urton, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to accept the lowest responsive and responsible bid of \$67,985.54 from Perry Ford of San Luis Obispo for the purchase of a new Ford F250 4WD Regular Cab Truck with an 8 foot utility body with lift-gate.

B. OPERATIONS AND MAINTENANCE

1. Refugio 3 Replacement Project

The Board packet included a Notice of Exemption for the Refugio 3 Booster Pump Station Replacement Project.

Mr. Garcia explained the need for the Refugio 3 Replacement Project. He reported that the Refugio 3 booster pump station serves as an inter-zone connection to move water supplies between Zones 2 and 3. Mr. Garcia stated that there is a horizontal in-line pump at the Refugio 3 booster pump station that is out of service and in need of replacement. He stated that staff is currently in the planning and design stages to replace and situate the pump and related appurtenances in an underground vault to be located within the existing public road right-of-way. Mr. Garcia reviewed the proposed California

Environmental Quality Act (CEQA) Notice of Exemption and provided reasoning for why the project is exempt under applicable provisions of CEQA and related CEQA Guidelines.

a) Notice of Exemption

Mr. Garcia recommended approval of the Notice of Exemption (NOE) and requested authorization to post and file the NOE.

It was **MOVED** by Trustee Clay, seconded by Trustee Burchardi, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to approve the CEQA Notice of Exemption for the Refugio 3 Booster Pump Station Replacement Project, and authorize the General Manager to sign and file the NOE with the Santa Barbara County Clerk Recorder's Office.

2. Alamo Pintado Pedestrian Bridge

a) Notice of Completion

The Board packet included a Notice of Completion for the Alamo Pintado Pedestrian Bridge project.

Mr. Garcia stated that the District's water pipeline work related to the CalTrans Alamo Pintado Pedestrian Bridge project is complete. He reported that Hanly Engineering did a great job working on behalf of the District and in conjunction with District staff and CalTrans personnel to install the new water line. Mr. Garcia recommended approval of the Notice of Completion and requested authorization to sign and file the Notice of Completion.

It was **MOVED** by Trustee Burchardi, seconded by Trustee Urton, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to approve and authorize the General Manager to sign and file the Notice of Completion for the Alamo Pintado Pedestrian Bridge project.

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

A. SUSTAINABLE GROUNDWATER MANAGEMENT ACT

1. Eastern Management Area (EMA) Update

The Board packet included the December 14, 2023 Notice and Agenda for the Regular Meeting of the Eastern Management Area Groundwater Sustainable Agency.

Mr. Garcia reported on the December 14, 2023 meeting of the EMA GSA. He reviewed the topics discussed at the meeting, including a review of requests for written verifications for new well proposals, and updates on the SGMA governance and draft Joint Powers Agreement for the EMA. Mr. Garcia reported that the negotiating parties seem to have reached agreement on the criteria and process for appointment of an agricultural representative to the JPA Board, and that discussions are ongoing regarding interim cost sharing among EMA member agencies, and staffing issues for the new JPA. He reported that the next meeting of the EMA GSA is scheduled for January 25, 2024.

B. HEXAVALENT CHROMIUM (CR6) – PROPOSED MAXIMUM CONTAMINANT LEVEL (MCL)

1. Update on SWRCB Proposed Drinking Water MCL for Cr6 of 10 parts per billion

The Board packet included a California State Water Resources Control Board (SWRCB) 15-Day Notice regarding Hexavalent Chromium MCL – Comment Period.

Mr. Garcia reported that the SWRCB issued a 15-Day Notice regarding Hexavalent Chromium MCL on November 22, 2023 which was an invitation for further comment on

the proposed MCL of 10 parts per billion. He also referenced the Notice of Public Availability of Changes, proposed regulation text, and Addendum to the Initial Statement of Reasons. Mr. Garcia indicated that this new public information suggests that the SWRCB is moving closer to adopting a new MCL for Hexavalent Chromium. Mr. Garcia reviewed the proposed regulatory text and explained that the comment period closed on December 15, 2023. He reported that the Association of California Water Agencies (ACWA) and a coalition of other water users have submitted an additional comment letter to the SWRCB requesting responses and answers to comments previously submitted by the water industry, which to date have not been provided by the SWRCB.

Discussion ensued regarding the compliance period once the new MCL is adopted, compliance plans, the EIR process, treatment options, SWRCB responses to comments, health and safety issues, public outreach, and the potential effect on mutual water companies within the District boundaries.

Mr. Garcia stated that staff continues to monitor the SWRCB's actions regarding the adoption of a new proposed Cr6 MCL, which may occur in early 2024, and will provide further information as it becomes available.

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

Trustee Burchardi reported that he had attended the December 13, 2023 Los Olivos Community Services District (LOCS D) and provided a summary of the topics discussed at the meeting. He stated that the LOCS D is currently looking at treatment options and is looking to install three additional monitoring wells. He stated that he will continue to attend the meetings and provide further information once available.

The Board packet included a December 11, 2023 News article titled "California poised to allow 'toilet to tap' projects, in landmark water rule."

The Board packet included the December 2023 Family Farm Alliance Monthly Briefing.

12. CORRESPONDENCE: GENERAL MANAGER RECOMMENDS FILING OF VARIOUS ITEMS:

The Correspondence List was received by the Board.

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

There were no requests from the Board.

14. NEXT MEETING OF THE BOARD OF TRUSTEES:

President Clay stated that the next Regular Meeting of the Board of Trustees is scheduled for January 16, 2024 at 3:00 p.m.

15. CLOSED SESSION:

The Board adjourned to closed session at 5:23 p.m.

A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

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

1. Name of Case: Adjudicatory proceedings pending before the State Water Resources Control Board regarding Permit 15878 issued on Application 22423 to the City of Solvang, Petitions for Change, and Related Protests

2. Name of Case: Central Coast Water Authority, et al. v. Santa Barbara County Flood Control and Water Conservation District, et al., Santa Barbara County Superior Court Case No. 21CV02432

B. CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION

[Subdivision (d)(2) of Section 54956.9 of the Government Code – Significant Exposure to Litigation Against the Agency – One Matter]

16. RECONVENE INTO OPEN SESSION:

[Sections 54957.1 and 54957.7 of the Government Code]

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

17. ADJOURNMENT:

Being no further business, it was **MOVED** by Trustee Burchardi, seconded by Trustee Joos, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to adjourn the meeting at approximately 6:15 p.m.

THE DECEMBER 19, 2023 MINUTES WERE APPROVED AT THE REGULAR JANUARY 16, 2024 MEETING.