

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 20, 2023**

In-Person - 1070 Faraday Street, Santa Ynez, CA - Conference Room

PUBLIC PARTICIPATION OPTION VIA TELECONFERENCE

TELECONFERENCE PHONE NUMBER: 1-669-900-9128

MEETING ID: 929 0039 9487#

PARTICIPANT ID NO.: 180175#

MEETING PASSCODE: 180175#

Trustee Mike Burchardi will be attending the meeting via teleconference from the following location:

Hotel Lobby - SpringHill Suites Kalispell - 250 Old Reserve Drive, Kalispell, Montana, 59901

Members of the public may join Trustee Burchardi at that location.

The meeting will be held according to California time, 3:00 p.m. Pacific Daylight Time

Important Notice Regarding Public Participation in This Meeting: For those who may not attend the meeting in person or teleconference but wish to provide public comment on an Agenda Item, please submit any and all comments and written materials to the District via electronic mail at general@syrwd.org. All submittals should indicate **“June 20, 2023 Board Meeting”** in the subject line. Public comments and materials received by the District will become part of the post-meeting Board packet materials available to the public and posted on the District’s website. In the interest of clear reception and efficient administration of the meeting, all persons participating via teleconference are respectfully requested to mute their voices after dialing-in and at all times unless speaking.

1. **CALL TO ORDER AND ROLL CALL**
2. **PLEDGE OF ALLEGIANCE**
3. **REPORT BY THE SECRETARY TO THE BOARD REGARDING COMPLIANCE WITH THE REQUIREMENTS FOR POSTING OF THE NOTICE AND AGENDA**
4. **ADDITIONS OR CORRECTIONS, IF ANY, TO THE AGENDA**
5. **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.
6. **CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF MAY 16, 2023**
7. **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 Update
8. **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

2. Appropriation Limit for the 2023/2024 Fiscal Year - Article XIII B (Proposition 13)
 - a) Resolution No. 833: A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Establishing the Appropriation Limit for Fiscal Year 2023/2024 Pursuant to Article XIII B of the California Constitution
 3. Consider Adoption of the Final Budget for Fiscal Year 2023/2024
 - a) Final Budget Summary
 - b) Resolution No. 834: A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Adopting the Final Budget for Fiscal Year 2023/2024 and Requesting an Assessment Levy Required to Collect \$875,000
 4. Resolution No. 835 - A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Authorizing Signatures for Account at Mechanics Bank
- 9. REPORT, DISCUSSION, AND POSSIBLE BOARD ACTION ON THE FOLLOWING SUBJECTS:**
- A. STATEWIDE STORM EVENTS AND RELATED PROJECT CONDITIONS**
 1. Cachuma Project Update
 2. State Water Project Update
 - B. SUSTAINABLE GROUNDWATER MANAGEMENT ACT**
 1. Eastern Management Area (EMA) Update
 - C. CENTRAL COAST WATER AUTHORITY**
 1. Proposed Amendment to CCWA Joint Exercise of Powers Agreement
 2. Resolution No. 836 - A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Approving the Second Amendment of the Joint Exercise of Powers Agreement Creating the Central Coast Water Authority and Finding Such Action Exempt from the California Environmental Quality Act
 - D. SANTA YNEZ RIVER WATER CONSERVATION DISTRICT**
 1. Proposed Groundwater Charges for Fiscal Year 2023-2024
 2. Comments Submitted by ID No.1
- 10. 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**
- 11. CORRESPONDENCE: GENERAL MANAGER RECOMMENDS FILING OF VARIOUS ITEMS**
- 12. REQUESTS FOR ITEMS TO BE INCLUDED ON THE NEXT REGULAR MEETING AGENDA:** Any member of the Board of Trustees may request to place an item on the 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.
- 13. NEXT MEETING OF THE BOARD OF TRUSTEES:** The next Regular Meeting of the Board of Trustees is scheduled for **July 15, 2023 at 3:00 p.m.**

14. CLOSED SESSION:

To accommodate the teleconferencing component of this meeting, the public access line will be closed for up to sixty (60) minutes while the Board of Trustees conducts closed session. Upon conclusion of the closed session, the public teleconference line 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 – 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]

C. CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION

[Subdivision (d)(4) of Section 54956.9 of the Government Code – Potential Initiation of Litigation By the Agency – One Matter]

15. RECONVENE INTO OPEN SESSION

[Sections 54957.1 and 54957.7 of the Government Code]

16. ADJOURNMENT

This Agenda was posted at 3622 Sagunto Street, Santa Ynez, California, and notice was delivered in accordance with Government Code Section 54950 et seq., 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 any 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 at 3622 Sagunto Street, Santa Ynez. 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. Questions concerning any of the Agenda items may be directed to the District's General Manager at (805) 688-6015. If a court challenge is brought against any of the Board's decisions related to the Agenda items above, the challenge may be limited to those issues raised by the challenger or someone else during the public meeting or in written correspondence to the District prior to or during the public meeting. In compliance with the Americans with Disabilities Act, any individual needing special assistance to review Agenda materials or participate in this meeting may contact the District Secretary at (805) 688-6015. Notification 72 hours prior to the meeting will best enable the District to make reasonable arrangements to ensure accessibility to this meeting.

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,
 IMPROVEMENT DISTRICT NO.1
MAY 16, 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, May 16, 2023, in-person at 1070 Faraday Street and via teleconference.

Trustees Present: Jeff Clay Michael Burchardi
 Brad Joos Nick Urton

Trustees Absent: Jeff Holzer

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

1. CALL TO ORDER AND ROLL CALL:

President Clay called the meeting to order at 3:00 p.m., he stated that this was a Regular Meeting of the Board of Trustees. Ms. Martone conducted roll call and reported that four Trustees were present, and 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. Martone 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 participating remotely 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. CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF APRIL 18, 2023:

The Regular Meeting Minutes from April 18, 2023 were presented for consideration.

President Clay asked if there were any changes or additions to the Regular Meeting Minutes of April 18, 2023. There were no changes or additions requested.

It was MOVED by Trustee Burchardi, seconded by Trustee Joos, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to approve the April 18, 2023 Regular Meeting Minutes as presented.

7. CONSENT AGENDA:

The Consent Agenda Report was provided in the Board Packet.

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

1 It was **MOVED** by Trustee Burchardi, seconded by Trustee Joos, and carried by a 4-0-0 voice vote,
2 with Trustee Holzer absent, to approve the Consent Agenda as presented.
3

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

6 **A. DISTRICT ADMINISTRATION**

7 1. Financial Report on Administrative Matters

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

9 Ms. Martone announced that the Financial Statements were provided to the Board in
10 the handout materials and posted on the District’s website in the Board packet
11 materials for any members of the public wishing to follow along or receive a copy.
12

13 Ms. Martone reviewed the Statement of Revenues and Expenses for the month of April.
14 She highlighted various line-items related to revenue and expense transactions that
15 occurred during the month and also referenced the Fiscal-Year-to-Date Statement of
16 Revenues and Expenses that provides a budget to actual snapshot from July through
17 April. Ms. Martone reported that the District revenues exceeded the expenses by
18 \$586,578.04 for the month of April and the year-to-date net income was \$2,721,670.01,
19 a portion of which will be earmarked and utilized for the District’s annual state Water
20 Project payment due June 1, 2023.
21

22 b) Approval of Accounts Payable

23 Ms. Martone announced that the Warrant List was provided to the Board in the
24 handout materials and posted on the District’s website in the Board packet materials
25 for any member of the public wishing to follow along or receive a copy.
26

27 The Board reviewed the Warrant List which covered warrants 25148 through 25200 in
28 the amount of \$2,944,524.44.
29

30 It was **MOVED** by Trustee Joos, seconded by Trustee Urton, and carried by a 4-0-0 voice
31 vote, with Trustee Holzer absent, to approve the Warrant List for April 19, 2023
32 through May 16, 2023.
33

34 2. Fiscal Year 2023/2024 Preliminary Budget

35 The Board packet included materials for the Preliminary Budget for FY 2023/2024,
36 including a staff report and line-item details.
37

38 Ms. Martone provided a PowerPoint presentation, which included the budget process,
39 reporting, budget and reserve fund background, and budget categories. Ms. Martone
40 reported that revenues are anticipated to be sufficient to meet the District’s Operations and
41 Maintenance expenses, General and Administrative expenses, Debt Service obligations,
42 Other expenses, and proposed Capital Improvement Program projects forecasted for FY
43 2023/2024, with a net revenue balance of \$1,194,397 to be added to the District Reserves.
44 Ms. Martone stated that the FY 2023/2024 Preliminary Budget assumes that water rates
45 remain static based upon the last rate increase that went into effect on July 1, 2021. She
46 reported that the Preliminary Budget also assumes no increase in the \$875,000 Special
47 Assessment/Ad Valorem Tax, even though the authorized limit for FY 2023/2024 is
48 \$2,388,353.
49

50 Ms. Martone asked that the Board review the 2023/2024 Preliminary Budget and provide
51 any comments or questions to management by early June for possible incorporation into
52 the 2023/2024 Final Budget which will be presented at the June Board meeting.
53

1 Mr. Garcia expressed his appreciation and compliments to District staff for their hard work
2 and collaboration in preparing the Preliminary Budget.
3

4 President Clay asked if there was any public comment on the Preliminary Budget. There
5 was no public comment.
6

7 The Board thanked Mr. Garcia, Ms. Martone, and District staff for their hard work in
8 preparing the FY 2023/2024 Preliminary Budget.
9

10 Ms. Martone mentioned that the PowerPoint Presentation will be available on the District
11 website the day after the Board meeting.
12

13 3. Setting the Appropriation Limit for the FY 2023/2024 - Article XIII B (Proposition 13)

14 a) California Department of Finance Calculations for 2023/2024 Appropriation
15 Limitations and Authorization to Post Notice and make Public the 2023/2024
16 Appropriation Limitation Calculation
17

18 The Board packet included the May 2023 California Department of Finance letter
19 regarding the FY 2023/2024 Appropriation Limitation Calculation, Price Factor, and
20 Population Information.
21

22 Mr. Garcia explained that in connection with establishing an annual appropriation,
23 certain language must be read verbatim into the public record, as follows: *"Pursuant
24 to Section 7910 of the California Government Code, a resolution will be presented for adoption
25 by the Board of Trustees at its Regular meeting on June 20, 2023, which will set the limitations
26 on appropriations for fiscal year 2023/2024 under Article XIII B of the Constitution of the State
27 of California (Proposition 13), and that the documentation used in determining the
28 appropriation limitations will be available at the District office and on the District's website for
29 examination by the public for at least 15 days prior to the adoption of the proposed resolution."*
30

31 Mr. Garcia explained the appropriation calculation provided by the California
32 Department of Finance and how the calculations are applied to the District's Special
33 Assessment/Ad Valorem Tax limitation. He reported that based on the computations
34 for the appropriation limitation, the District's FY 2023/2024 maximum assessment
35 amount is \$2,388,353. Mr. Garcia noted that although the District can set the Special
36 Assessment/Ad Valorem Tax up to the maximum amount, the FY 2023/2024
37 Preliminary Budget proposes no increase this year, similar to previous years, with the
38 assessment to remain at \$875,000. The Board reviewed the information presented and
39 the related Public Notice.
40

41 Mr. Garcia requested Board authorization to post and publish the Public Notice setting
42 forth the appropriation limit and calculation factors. He reported that the Public Notice
43 and FY 2023/2024 appropriation limitation calculations would be posted at the District
44 Office, on the District website beginning May 17, 2023, and published in the local
45 newspaper on June 1, 2023 and June 8, 2023.
46

47 It was **MOVED** by Trustee Joos, seconded by Trustee Burchardi, and carried by a 4-0-0
48 voice vote, with Trustee Holzer absent, to authorize the Secretary to the Board to post
49 and publish the Public Notice to set the Fiscal Year 2023/2024 limit of appropriations
50 pursuant to Article XIII B of the California Constitution.
51

1 b) Review of Draft Resolutions to be presented for adoption at the June 20, 2023
2 Board Meeting

- 3 1. Draft Resolution: A Resolution of the Board of Trustees of the Santa Ynez River
4 Water Conservation District, Improvement District No.1 Establishing the
5 Appropriation Limit for Fiscal Year 2023/2024 Pursuant to Article XIII B of the
6 California Constitution
7
8 2. Draft Resolution: A Resolution of the Board of Trustees of the Santa Ynez River
9 Water Conservation District, Improvement District No.1 Adopting the Final
10 Budget for Fiscal Year 2023/2024 and Requesting an Assessment Levy Required
11 to Collect \$875,000
12

13 The Board packet included two draft resolutions.
14

15 Mr. Garcia reported that each year the draft resolutions are presented a month in
16 advance of the adoption of the final budget and the establishment of an
17 appropriations limit, and no action is required at this time. He stated that the two
18 resolutions would be presented for consideration at the June 20, 2023 Board
19 meeting.
20

21 4. Alamo Pintado Pedestrian Bridge Water Line Construction Project

- 22 a) Bid Results Summary
23 b) Award of Contract and Authorization to Execute Contract Documents
24

25 Agenda items 8.A.4.a and 8.A.4.b were discussed together.
26

27 The Board packet included a Staff Report and Bid Summary for the Alamo Pintado
28 Pedestrian Bridge Water Line Construction Project.
29

30 Mr. Eric Tambini stated that the California Department of Transportation (Caltrans) is
31 scheduled to remove the Alamo Pintado Creek pedestrian bridge located on the south
32 side of State Route 154 in the town of Los Olivos. The removal is based on a
33 determination by Caltrans that the bridge is no longer stable and must be removed for
34 safety reasons. Mr. Tambini explained that since the early 1960's, the District has
35 utilized the existing bridge to support the creek crossing of a 6-inch water line. He
36 stated that the District's replacement of the water line has been incorporated into the
37 new bridge design and construction project which is scheduled for the fall of this year.
38 Mr. Tambini reported that the project will include the installation of 250 feet of 8-inch
39 water line, appurtenances, and fittings to replace the existing 6-inch water line that will
40 be removed as part of the old bridge demolition. He reported that the District decided
41 to supply all construction materials for the pipeline portion of the project to avoid the
42 potential for supply chain delays. Mr. Tambini reported that the District opened the
43 formal bid process for the Water Line Construction Project on April 1, 2023. He
44 reviewed the two bids received by the April 28, 2023 deadline.
45

46 Mr. Garcia informed the Board that based on the bid results, Hanly General
47 Engineering was the lowest responsive and responsible bidder at \$61,250.
48

49 Mr. Garcia recommended acceptance of the bid from Hanly General Engineering and
50 requested that the Board authorize him to sign the Notice of Award and contract
51 documents.

1 It was **MOVED** by Trustee Joos, seconded by Trustee Clay, and carried by a 4-0-0 roll
2 call vote, with Trustee Holzer absent, to accept the lowest responsive and responsible
3 bid from Hanly General Engineering in the amount of \$61,250, and authorize the
4 General Manager to execute applicable contract documents with Hanly General
5 Engineering.
6

7 **9. REPORT, DISCUSSION, AND POSSIBLE BOARD ACTION ON THE FOLLOWING SUBJECTS:**
8

9 **A. STATEWIDE STORM EVENTS AND RELATED PROJECT CONDITIONS**

10 1. Cachuma Project Update

11 The Board packet included the U.S. Bureau of Reclamation Lake Cachuma Daily
12 Operations Report for the months of April and May, and the Santa Barbara County Flood
13 Control District Rainfall and Reservoir Summary.
14

15 Mr. Garcia reviewed the Lake Cachuma Daily Operations Report and the current reservoir
16 conditions. He stated that the U.S. Bureau of Reclamation officially announced that the
17 Cachuma Member Units will receive a full 100% Project Allocation for federal water year
18 2022/2023, which equates to 2,651 acre-feet for ID No.1. Mr. Garcia reported that the
19 reservoir remains at full capacity (101.4%) and spill operations will continue to manage the
20 remaining inflows into the reservoir.
21

22 2. State Water Project Update

23 The Board packet included the Department of Water Resources Current and Historical
24 Reservoir Conditions, an April 20, 2023 Department of Water Resources Notice to State
25 Water Project Contractors regarding an Increase of the 2023 State Water Project Allocation
26 to 100%, and State Water Project Historical Table A Allocations for WY 1996-2023.
27

28 Mr. Garcia reviewed the Board packet materials and reported that DWR announced that
29 the State Water Project Table A allocation has been increased from 75% to 100% for the first
30 time since WY 2006. Mr. Garcia referred to the Board packet material and reviewed the
31 historical Table A Allocations for water years 1996-2023.
32

33 **B. SUSTAINABLE GROUNDWATER MANAGEMENT ACT**

34 1. Eastern Management Area (EMA) Update

35 The Board packet included the Notice of the April 27, 2023 Meeting of the EMA GSA,
36 excerpts from a PowerPoint presentation regarding the EMA Well Verification Policy,
37 EMA GSA Resolution 2023-001 Adopting the EMA Well Verification Policy, and
38 stakeholder correspondence regarding agricultural/landowner participation in the EMA
39 GSA.
40

41 Mr. Garcia stated that the EMA GSA Committee met on April 27, 2023 and he summarized
42 the topics discussed at the meeting. He reported that the EMA GSA approved Resolution
43 2023-001 which adopted the Well Verification Policy for Administering Requests for
44 Written Verifications in the Eastern Management Area (Policy Option 4). Mr. Garcia
45 referred to letters from the Santa Barbara County Cattlemen's Association and Santa
46 Barbara Vintners regarding requests for direct agricultural/landowner representation on
47 the GSA governing boards for each Management Area of the Basin, with all GSAs utilizing
48 a "one director, one vote" structure. He reported that the May meeting of the EMA GSA
49 has been cancelled, and the next regular meeting is scheduled for June 22, 2023.
50

1 10. REPORTS BY THE BOARD MEMBERS OR STAFF, QUESTIONS OF STAFF, STATUS REPORTS,
2 ANNOUNCEMENTS, COMMITTEE REPORTS, AND OTHER MATTERS AND/OR COMMUNICATIONS
3 NOT REQUIRING BOARD ACTION:
4

5 The Board packet included the May 2023 Family Farm Alliance Monthly Briefing.
6

7 Trustee Burchardi reported that "Airport Day" is scheduled for May 20, 2023.
8

9 Trustee Burchardi stated that he had attended the May 10, 2023 meeting of the Los Olivos
10 Community Services District.
11

12 Trustee Clay stated that he had attended the April 27, 2023 Board Meeting of the Central Coast
13 Water Authority.
14

15 11. CORRESPONDENCE: GENERAL MANAGER RECOMMENDS FILING OF VARIOUS ITEMS:

16 The Correspondence List was received by the Board.
17

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

19 There were no requests from the Board.
20

21 13. NEXT MEETING OF THE BOARD OF TRUSTEES:

22 The next Regular Meeting of the Board of Trustees is scheduled for June 20, 2023 at 3:00 p.m.
23

24 14. CLOSED SESSION:

25 The Board adjourned to closed session at 5:00 p.m.
26

27 A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

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

29 1. Name of Case: Adjudicatory proceedings pending before the State Water Resources
30 Control Board regarding Permit 15878 issued on Application 22423 to the City of
31 Solvang, Petitions for Change, and Related Protests
32

33 2. Name of Case: Central Coast Water Authority, et al. v. Santa Barbara County Flood
34 Control and Water Conservation District, et al., Santa Barbara County Superior Court
35 Case No. 21CV02432
36

37 B. CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION

38 [Subdivision (d)(2) of Section 54956.9 of the Government Code - Significant Exposure to
39 Litigation Against the Agency - One Matter]
40

41 15. RECONVENE INTO OPEN SESSION

42 [Sections 54957.1 and 54957.7 of the Government Code]
43

44 The public participation phone line was re-opened, and the Board reconvened to open session
45 at approximately 5:50 p.m.
46

47 Mr. Garcia announced that the Board met in closed session concerning Agenda Items 14.A.1,
48 14.A.2, and 14.B and that there was no reportable action from the closed session.
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16. **ADJOURNMENT:**

Being no further business, it was **MOVED** by Trustee Joos, seconded by Trustee Urton, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to adjourn the meeting at approximately 5:51 p.m.

RESPECTFULLY SUBMITTED,

Mary Martone, Secretary to the Board

ATTEST:

Jeff Clay, President

MINUTES PREPARED BY:

Karen King, Board Administrative Assistant

**BOARD OF TRUSTEES
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,
IMPROVEMENT DISTRICT NO.1
June 20, 2023**

Consent Agenda Report

CA-1. Water Supply and Production Report. Total water production in **May 2023 (331 AF)** was approximately 129 AF higher than total production in April 2023 (202 AF), 72 AF below the most recent 3-year running average (2020-2022) for the month of **May (403 AF)**, and 110 AF less than the most recent 10-year running average (2013-2022) for the month of **May (441 AF)**. Notably, with the exception of the year 2019, total production in May 2023 was the lowest May production over the last 10 years, which have ranged from 284 to 645 AF for the month. As with January through April conditions, low May production is attributable to the extraordinary rain events that occurred this year. Generally speaking, however, the District's overall demands and total production have been trending well below historic levels for domestic, rural residential, and agricultural water deliveries due to water conservation, changing water use patterns, and private well installations.

For the month of **May 2023**, approximately **105 AF** was produced from the Santa Ynez Upland wells, and approximately **113 AF** was produced from the 6.0 cfs well field in the Santa Ynez River alluvium. As reflected in the Monthly Water Deliveries Report from the Central Coast Water Authority (CCWA), the District took approximately **113 AF** of SWP supplies for the month. Direct diversions to the County Park and USBR were **1.67 AF**.

The USBR Daily Operations Report for Lake Cachuma in **May** (ending May 31, 2023) recorded the end of month reservoir elevation at **753.80'** with the end of month storage of **195,806 AF**. USBR recorded total precipitation at the lake of **0.30 inches** for the month. Due to spill conditions occurring from Bradbury Dam, no SWP deliveries were made to the reservoir for South Coast entities. Reported reservoir evaporation in **May** was **1,349.5 AF**.

Based on the updated maximum storage capacity of 192,978 AF (previously 193,305 AF), as of **June 12, 2023** Cachuma reservoir was reported at **101.2%** of capacity, with then-current storage of **195,334 AF** (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. 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 (and previously have occurred) at other lower storage levels. For the federal WY 2021-2022 (October 1, 2021 through September 30, 2022), USBR issued a 70% allocation, equal to 18,000 AF. ID No.1's 10.31% share of that allocation was 1,855 AF.

In the Fall of 2022 when reservoir conditions were low, the Cachuma Member Units initially requested an approximate 15% Cachuma Project allocation for federal WY 2022-2023. **By letter dated September 30, 2022, USBR issued an initial 0% allocation for WY 2022-2023. Based on extraordinary rain conditions that filled and spilled the reservoir, on February 28, 2023 USBR issued a revised 100% Project allocation for WY 2022-2023.** ID No.1's share of that allocation is 2,651 AF.

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 (WR 2019-0148) issued by the State Water Resources Control Board (SWRCB). These releases are made to Hilton Creek and to the stilling basin portion of 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 Water Rights Order 2019-0148 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 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*

As of the end of **December 2022**, a total of approximately **49,653.3 AF** of Cachuma Project water had been released under regulatory requirements for the protection of fish and fish habitat below Bradbury Dam since the year after the 2011 spill. **For the months of January through May 2023, water releases for fishery requirements, spill conditions, and other operational purposes have been made from the Cachuma Project. Reclamation has indicated that it will provide an accounting of those releases.**

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

In 2022, the SWP Table A allocation for SWP Contractors was only 5 percent, which translated to 35 AF for ID No.1's share of Table A supplies through CCWA. As previously reported, by Notice to the SWP Contractors dated December 1, 2022, the California Department of Water Resources (DWR) issued an initial 2023 SWP Table A Allocation of 5 percent, along with a provisional allocation of additional SWP supplies to certain Contractors to ensure the needs for human health and safety. **In response to this year's extraordinary rain events and resulting increases in Lake Oroville storage, DWR incrementally increased the 2023 SWP Table A allocation to 30 percent (January 26, 2023), then 35 percent (February 22, 2023), then 75 percent (March 24, 2023), and then 100 percent (April 20, 2023) for the first time since 2006.** For ID No.1, the increase to 100 percent translates to a current 2023 Table A allocation of 2,200 AF. Of that amount, 700 AF is available to ID No.1 and the remaining 1,500 AF is contracted to the City of Solvang.

As reflected in the May 25, 2023 meeting agenda for the CCWA Board of Directors, CCWA remains engaged in a variety of matters relating to the SWP, including but not limited to: SWP supplies and increased Table A allocations; related SWP operations; and a proposed amendment to CCWA's Joint Exercise of Powers Agreement to add express authority to engage in water storage and banking activities. CCWA and its member agencies also remain engaged in their pending litigation against the Santa Barbara County Flood Control and Water Conservation District to maintain CCWA sovereignty over important decisions pertaining to SWP supplies. The June 22, 2023 meeting of the CCWA Board of Directors has been cancelled, and their next meeting is currently scheduled for July 27, 2023.



BUREAU OF RECLAMATION

Historical Archive and Report Database

Lake Cachuma Daily Operations

Run Date: 6/10/2023

May 2023

DAY	ELEV	STORAGE ACRE-FEET		COMPUTED*	CCWA	PRECIP ON		RELEASE - AF.			EVAPORATION		PRECIP	
		IN LAKE	CHANGE	INFLOW AF.	INFLOW AF.	RES. SURF. AF.	TUNNEL	HILTON CREEK	OUTLET	SPILLWAY	AF.	INCH	INCHES	
	753.71	195,523												
1	753.74	195,617	94	558.0	0.0	0.0	68.8	12.4	340.0	0.0	42.4	0.200	0.00	
2	753.63	195,271	-346	216.0	0.0	0.0	59.2	12.5	342.0	0.0	148.1	0.700	0.00	
3	753.69	195,460	189	636.0	0.0	0.0	49.1	12.5	343.0	0.0	42.3	0.200	0.00	
4	753.77	195,712	252	628.0	0.0	73.2	47.0	12.5	375.0	0.0	14.8	0.070	0.28	
5	753.82	195,869	157	623.0	0.0	5.2	44.0	12.5	391.0	0.0	23.3	0.110	0.02	
6	753.85	195,964	95	583.0	0.0	0.0	44.2	12.5	391.0	0.0	40.3	0.190	0.00	
7	753.86	195,995	31	529.0	0.0	0.0	43.9	12.6	395.0	0.0	46.6	0.220	0.00	
8	753.86	195,995	0	490.0	0.0	0.0	42.8	12.5	388.0	0.0	46.6	0.220	0.00	
9	753.85	195,964	-31	480.0	0.0	0.0	65.4	13.6	390.0	0.0	42.4	0.200	0.00	
10	753.83	195,901	-63	426.0	0.0	0.0	55.5	13.9	390.0	0.0	29.7	0.140	0.00	
11	753.83	195,901	0	473.0	0.0	0.0	70.7	14.0	342.0	0.0	46.6	0.220	0.00	
12	753.84	195,932	31	489.0	0.0	0.0	68.6	13.9	339.0	0.0	36.0	0.170	0.00	
13	753.83	195,901	-31	434.0	0.0	0.0	68.2	13.9	340.0	0.0	42.4	0.200	0.00	
14	753.81	195,838	-63	406.0	0.0	0.0	70.4	14.0	327.0	0.0	57.2	0.270	0.00	
15	753.81	195,838	0	405.0	0.0	0.0	59.3	13.9	285.0	0.0	46.6	0.220	0.00	
16	753.81	195,838	0	384.0	1.9	0.0	53.8	13.9	278.0	0.0	40.3	0.190	0.00	
17	753.80	195,806	-32	353.0	0.2	0.0	54.0	14.0	292.0	0.0	25.4	0.120	0.00	
18	753.80	195,806	0	375.0	0.0	0.0	54.5	14.0	232.0	0.0	74.2	0.350	0.00	
19	753.80	195,806	0	324.0	0.0	0.0	52.9	14.0	204.0	0.0	53.0	0.250	0.00	
20	753.80	195,806	0	318.0	0.0	0.0	55.3	14.0	198.0	0.0	50.8	0.240	0.00	
21	753.80	195,806	0	318.0	0.0	0.0	54.1	14.0	199.0	0.0	50.8	0.240	0.00	
22	753.79	195,775	-31	277.0	0.0	0.0	53.9	13.9	198.0	0.0	42.4	0.200	0.00	
23	753.78	195,743	-32	285.0	0.0	0.0	61.5	14.0	197.0	0.0	44.5	0.210	0.00	
24	753.78	195,743	0	288.0	0.0	0.0	65.7	14.0	183.0	0.0	25.4	0.120	0.00	
25	753.77	195,712	-31	255.0	0.0	0.0	63.9	14.0	170.0	0.0	38.1	0.180	0.00	
26	753.77	195,712	0	264.0	0.0	0.0	67.2	14.0	151.0	0.0	31.8	0.150	0.00	
27	753.78	195,743	31	281.0	0.0	0.0	62.7	14.0	131.0	0.0	42.4	0.200	0.00	
28	753.78	195,743	0	257.0	0.0	0.0	68.0	14.0	130.0	0.0	44.5	0.210	0.00	
29	753.79	195,775	32	270.0	0.0	0.0	65.7	14.0	129.0	0.0	29.7	0.140	0.00	
30	753.79	195,775	0	243.0	0.0	0.0	67.1	14.0	130.0	0.0	31.8	0.150	0.00	
31	753.80	195,806	31	259.0	0.0	0.0	67.3	14.0	128.0	0.0	19.1	0.090	0.00	
TOTALS			283	12,127.0	2.1	78.4	1,824.7	421.0	8,328.0	0.0	1,349.5	6.370	0.30	
AVERAGE		195,792												

Comments: *Computed inflow is the sum of change in storage, releases and evaporation minus precip on the reservoir surface and ccwa inflow.
 Indicated outlet release includes leakage from outlet valves and spillway gates.
 Data based on a 24 hour period ending 0800.



— BUREAU OF —
RECLAMATION

Historical Archive and Report Database

Lake Cachuma Daily Operations

Run Date: 6/15/2023

June 2023

DAY	STORAGE ACRE-FEET		COMPUTED* INFLOW AF.	CCWA INFLOW AF.	PRECIP ON		RELEASE - AF.			EVAPORATION		PRECIP INCHES	
	ELEV	IN LAKE			CHANGE	RES. SURF. AF.	TUNNEL	HILTON CREEK	OUTLET	SPILLWAY	AF.		INCH
	753.80	195,806											
1	753.80	195,806	0	258.0	0.0	0.0	64.3	14.0	130.0	0.0	49.3	0.230	0.00
2	753.80	195,806	0	258.0	0.0	0.0	64.6	14.0	130.0	0.0	49.3	0.230	0.00
3	753.79	195,775	-31	225.0	0.0	0.0	67.1	14.0	128.0	0.0	47.2	0.220	0.00
4	753.81	195,838	63	331.0	0.0	0.0	66.1	14.0	130.0	0.0	57.9	0.270	0.00
5	753.80	195,806	-32	217.0	0.0	0.0	64.9	14.0	129.0	0.0	40.8	0.190	0.00
6	753.77	195,712	-94	145.0	0.0	5.2	66.1	14.0	130.0	0.0	34.3	0.160	0.02
7	753.77	195,712	0	192.0	0.0	39.2	65.0	14.0	129.0	0.0	23.6	0.110	0.15
8	753.76	195,680	-32	194.0	0.0	0.0	65.5	13.9	129.0	0.0	17.2	0.080	0.00
9	753.76	195,680	0	249.0	0.0	0.0	50.1	14.0	129.0	0.0	55.7	0.260	0.00
10	753.76	195,680	0	210.0	0.0	0.0	45.7	14.0	129.0	0.0	21.4	0.100	0.00
11	753.76	195,680	0	210.0	0.0	0.0	46.6	14.0	130.0	0.0	19.3	0.090	0.00
12	753.75	195,649	-31	185.0	0.0	0.0	47.1	14.0	129.0	0.0	25.7	0.120	0.00
13	753.75	195,649	0	224.0	0.0	0.0	47.7	14.0	130.0	0.0	32.2	0.150	0.00
14	753.74	195,617	-32	208.0	0.0	0.0	45.9	14.0	129.0	0.0	51.4	0.240	0.00
TOTALS			-189	3,106.0	0.0	44.4	806.7	195.9	1,811.0	0.0	525.3	2.450	0.17
AVERAGE		195,721											

Comments: *Computed inflow is the sum of change in storage, releases and evaporation minus precip on the reservoir surface and ccwa inflow.
Indicated outlet release includes leakage from outlet valves and spillway gates.
Data based on a 24 hour period ending 0800.



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: 6/12/2023

Water Year: 2023

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	0.30	29.39	180%	179%	
Cachuma Dam (USBR)	332	0.00	0.00	0.17	38.48	197%	197%	
Carpinteria (Fire Stn)	208	0.00	0.00	0.38	28.73	170%	169%	
Cuyama (Fire Stn)	436	0.00	0.00	0.20	13.99	188%	185%	
Figueroa Mtn (USFS Stn)	421	0.00	0.00	0.12	42.64	203%	202%	9.0
Gibraltar Dam (City Facility)	230	0.00	0.00	0.10	61.38	236%	236%	9.3
Goleta (Fire Stn-Los Cameros)	440	0.01	0.00	0.28	30.41	168%	167%	
Lompoc (City Hall)	439	0.00	0.00	0.49	34.19	238%	237%	8.8
Los Alamos (Fire Stn)	204	0.00	0.00	0.22	32.32	214%	213%	
San Marcos Pass (USFS Stn)	212	0.02	0.00	0.58	80.22	240%	239%	
Santa Barbara (County Bldg)	234	0.01	0.00	0.31	36.41	201%	200%	
Santa Maria (City Pub. Works)	380	0.01	0.00	0.39	25.57	194%	193%	
Santa Ynez (Fire Stn /Airport)	218	0.00	0.00	0.14	33.06	213%	212%	
Sisquoc (Fire Stn)	256	0.00	0.00	0.23	25.65	173%	172%	

County-wide percentage of "Normal-to-Date" rainfall : **201%**

County-wide percentage of "Normal Water-Year" rainfall : **200%**

County-wide percentage of "Normal Water-Year" rainfall calculated assuming no more rain through Aug. 31, 2023 (End of WY2023).

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 based on Dec 2021 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)
<u>Gibraltar Reservoir</u>	1,400.00	1,400.01	4,693	4,695	100.0%	4	3,395
<u>Cachuma Reservoir</u>	753.**	753.75	192,978	195,334	101.2%	-158	124,664
<u>Jameson Reservoir</u>	2,224.00	2,223.92	4,848	4,838	99.8%	0	2,012
<u>Twitchell Reservoir</u>	651.50	621.41	194,971	104,058	53.4%	-892	104,058

CIMIS Daily Report

Rendered in ENGLISH Units.

Monday, May 1, 2023 - Wednesday, May 31, 2023

Printed on Thursday, June 1, 2023

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)
5/1/2023	0.11	0.00	426	12.8	64.9	43.5	53.8	100	67	90	51.1	3.7	88.7	68.2
5/2/2023	0.12	0.00	470	11.8	62.9	40.0	51.3	100	71	91	48.9	3.3	78.5	67.3
5/3/2023	0.07 R	0.47	336	12.8	62.9	37.3	50.8	100	91	100	51.1	3.1	74.4	66.3
5/4/2023	0.14 R	0.00	539	14.2	66.0	47.0	56.0	100	78	93	53.9	3.8	91.3	65.1
5/5/2023	0.15	0.00	523	14.9	71.9	45.8	58.0	100	68	91	55.3	2.9	69.5	64.6
5/6/2023	0.19 R	0.00	645	13.5	73.2	46.1	57.9	100	56	82	52.5	3.2	76.5	64.7
5/7/2023	0.21	0.00	679	14.4	75.3	48.0	60.4	100	56	80	54.4	3.7	88.8	65.2
5/8/2023	0.20	0.00	655	13.5	72.6	44.2	57.8	100	56	82	52.5	3.4	82.5	66.0
5/9/2023	0.12	0.00	422	12.6	68.4	52.5	58.1	100	50	76	50.7	3.5	84.3	66.4
5/10/2023	0.20	0.00	645	12.9	72.2	51.1	59.3	97	51	75	51.4	4.0	95.4	66.3
5/11/2023	0.18	0.00	613	12.9	71.7	51.3	57.8	100	58	79	51.4	3.0	71.4	66.8
5/12/2023	0.20	0.00	648	14.3	80.8	50.9	60.3	100	49	80	54.2	2.8	66.1	67.4
5/13/2023	0.23 R	0.00	681	15.7	91.8 Y	49.0	65.8	100	40	73	56.8	2.5	61.0	68.1
5/14/2023	0.22	0.00	685	18.0 Y	82.4	53.4	65.0	100	59	85 Y	60.5 Y	2.6 Y	61.8 Y	69.2
5/15/2023	0.17	0.00	572	18.3 R	79.7	54.2	63.6	100	69	- R	- I	2.8	66.8	70.1
5/16/2023	0.22	0.00	712	17.9 Y	80.9	53.0	63.8	100	65	89 Y	60.3 Y	2.9	69.0	70.3
5/17/2023	0.22 R	0.00	0 R	15.2	57.7 Y	55.1	55.8	100	61	100	55.8	1.4 R	33.3 R	71.1
5/18/2023	0.21 R	0.00	666	18.8 R	82.7	53.3	63.2	100	75	- R	- I	2.9	68.9	71.4
5/19/2023	0.20	0.00	655	18.7 R	80.4	52.8	62.6	100	77	- R	- I	3.0	71.2	71.7
5/20/2023	0.19 R	0.00	638	17.7 Y	83.1	53.6	61.8	100	71	94 Y	60.1 Y	2.7	64.5	71.8
5/21/2023	0.19 R	0.00	633	17.9 Y	81.5	53.8	61.6	100	71	96 Y	60.4 Y	2.7	65.7	71.9
5/22/2023	0.20	0.00	671	19.1 R	79.4	53.1	61.9	100	83	- R	- I	2.7	65.4	72.1
5/23/2023	0.03 R	0.01	203	16.1	63.8	53.3	57.2	100	100	100	57.4	2.1 Y	51.2 Y	72.2
5/24/2023	0.10	0.00	363	16.1	71.0	54.4	59.7	100	75	92	57.4	2.6	62.4	70.9
5/25/2023	0.13	0.00	452	15.4	73.3	52.6	59.8	100	61	88	56.1	2.8	67.4	70.4
5/26/2023	0.19	0.00	622	15.3	74.8	52.8	60.6	100	62	85	56.0	3.0	72.5	70.3
5/27/2023	0.16	0.00	560	16.4	73.0	55.5	60.4	100	73	91	57.8	2.6 Y	61.8 Y	70.8
5/28/2023	0.09	0.00	375	16.5 Y	71.6	53.2	58.7	100	80	98 Y	58.1 Y	2.9	69.1	71.0
5/29/2023	0.06	0.00	262	16.4	68.3	54.2	59.1	100	83	96	57.9	2.7	64.2	70.6
5/30/2023	0.04 R	0.00	201	16.2	65.4	51.5	58.4	100	86	97	57.5	1.9 Y	45.6 Y	70.0
5/31/2023	0.20	0.00	684	16.1	73.8	50.4	60.4	100	69	89	57.3	3.3	78.5	69.5
Tots/Avgs	4.94	0.48	524	15.6	73.5	50.5	59.4	100	68	89	55.4	2.9	69.9	69.0

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
mph * 0.447 = m/s	mBars * 0.1 = kPa	miles * 1.60934 = km



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

TO: Ray Stokes, Executive Director
Dessi Mladenova, Controller

June 13, 2023

FROM: Christine Forsyth, Administrative Assistant

SUBJECT: Monthly Water Deliveries

According to the CCWA revenue meters at each turnout, the following deliveries were made during the month of May 2023:

<u>Project Participant</u>	<u>Delivery Amount (acre-feet)</u>
Chorro	155.33
López.....	0.00
Shandon.....	0.00
Guadalupe.....	65.64
Santa Maria.....	514.93
Golden State Water Co.....	0.42
Vandenberg.....	215.73
Buellton	20.50
Solvang	65.15
Santa Ynez ID#1	110.05
Bradbury.....	1.01
TOTAL	1,148.76

In order to reconcile these deliveries with the DWR revenue meter, which read 1170 acre-feet, the following delivery amounts should be used for billing purposes:

<u>Project Participant</u>	<u>Delivery Amount (acre-feet)</u>
Chorro	158
López	0
Shandon.....	0
Guadalupe.....	67
Santa Maria	495*
Golden State Water Co	30*
Vandenberg	220
Buellton	21
Solvang	66
Santa Ynez ID#1	113
Bradbury	0
TOTAL	1,170

*Golden State Water Company delivered 30 acre-feet into its system through the Santa Maria turnout. This delivery is recorded by providing a credit of 30 acre-feet to the City of Santa Maria and a charge in the same amount to the Golden State Water Company.

Note that 1 AF of water was delivered to Lake Cachuma to flush the pipeline and is being charged to Santa Ynez ID#1 per correspondence with Santa Ynez ID#1. This 1 AF was not delivered to South Coast Participants but was lost due to the ongoing spill event at Lake Cachuma.

Notes: Santa Ynez ID#1 water usage is divided into 113 acre-feet of Table A / Article 21 / Article 14b water and 0 acre-feet of exchange water.

The exchange water is allocated as follows

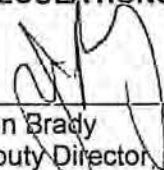
<u>Project Participant</u>	<u>Exchange Amount (acre-feet)</u>
Goleta	0
Santa Barbara	0
Montecito	0
Carpinteria	0
TOTAL	0

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	0
Montecito	0
Morehart	0
Santa Barbara	0
Raytheon	0
TOTAL	0

cc: Tom Bunosky, GWD
Mike Babb, Golden State WC
Rebecca Bjork, City of Santa Barbara
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 Alvarado, La Cumbre Mutual WC
Pernell Rush, Vandenberg AFB
Nick Turner, Montecito WD
Jose Acosta, City of Solvang
Rose Hess, City of Buellton

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



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



A Meeting of the
**BOARD OF DIRECTORS
 OF THE
 CENTRAL COAST WATER AUTHORITY**

will be held at 9:00 a.m., on Thursday, May 25, 2023
 at 255 Industrial Way, Buellton, California 93427

Members of the public may participate by video call or telephone via
 URL: <https://meetings.ringcentral.com/j/1470365044>
 or by dialing (623)404-9000 and entering access Code/Meeting ID: 147 036 5044 #

Public Comment on agenda items may occur via video call or telephonically, or by submission to the Board Secretary via email at lfw@ccwa.com no later than 8:00 a.m. on the day of the meeting. In your email, please specify (1) the meeting date and agenda item (number and title) on which you are providing a comment and (2) that you would like your comment read into the record during the meeting. If you would like your comment read into the record during the meeting (as either general public comment or on a specific agenda item), please limit your comments to no more than 250 words.

Every effort will be made to read comments into the record, but some comments may not be read due to time limitations. Please also note that if you submit a written comment and do not specify that you would like this comment read into the record during the meeting, your comment will be forwarded to Board members for their consideration.

Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available on the CCWA internet web site, accessible at <https://www.ccwa.com>.

- Eric Friedman
Chairman
- Jeff Clay
Vice Chairman
- Ray A. Stokes
Executive Director
- Brownstein Hyatt
Farber Schreck
General Counsel
- Member Agencies*
- City of Buellton
- Carpinteria Valley
Water District
- City of Guadalupe
- City of Santa Barbara
- City of Santa Maria
- Goleta Water District
- Montecito Water District
- Santa Ynez River Water
Conservation District,
Improvement District #1
- Associate Member*
- La Cumbre Mutual
Water Company

- I. Call to Order and Roll Call**
- II. Public Comment – (Any member of the public may address the Board relating to any matter within the Board’s jurisdiction. Individual Speakers may be limited to five minutes; all speakers to a total of fifteen minutes.)**
- III. Consent Calendar**
 - * A. Minutes of the April 27, 2023 Regular Meeting
 - * B. Bills
 - * C. Controller’s Report
 - * D. Operations Report

Staff Recommendation: Approve the Consent Calendar
- IV. Executive Director’s Report**
 - A. Water Management Options for 2023
Staff Recommendation: Informational item only.
 - * B. Bulk Liquid Chlorine Procurement – Value \$264,327 per year
Staff Recommendation: Authorize the Executive Director to award the chemical contract to the responsive low bidder Thatcher for Liquid Chlorine at a cost of \$2,149 per dry ton.
 - * C. Amendment to CCWA’s Joint Exercise of Powers Agreement to Add Express Authority to Engage in Expanded Water Storage Activities
Staff Recommendation: For discussion only.
 - D. State Water Contractors Update by Jennifer Pierre, General Manager State Water Contractors
Staff Recommendation: Informational item only.
 - E. Legislative Report
Staff Recommendation: Informational item only.
- V. Reports from Board Members for Information Only**
- VI. Items for Next Regular Meeting Agenda**
 - A. Election of Officers
- VII. Date of Next Regular Meeting: June 22, 2023**
- VIII. Adjournment**

255 Industrial Way
 Buellton, CA 93427
 (805) 688-2292
 Fax (805) 686-4700
www.ccwa.com

* Indicates attachment of document to original agenda packet.



CENTRAL COAST WATER AUTHORITY
MEMORANDUM

June 8, 2023

TO: CCWA Board of Directors
FROM: Ray Stokes
Executive Director *RAS*
SUBJECT: Cancellation of June 22, 2023 Board of Directors Meeting

This memo is notice that the CCWA Board meeting scheduled for June 22, 2023 has been canceled.

The next regular meeting of the CCWA Board of Directors is scheduled for July 27, 2023.

Please call me if you have any questions.

RAS

cc: Operating Committee
Stephanie Hastings, Brownstein Hyatt Farber and Schreck, LLP
Notice of Meetings Distribution List

RESOLUTION NO. 833

**A RESOLUTION OF THE BOARD OF TRUSTEES
OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
IMPROVEMENT DISTRICT NO.1
ESTABLISHING THE APPROPRIATION LIMIT FOR FISCAL YEAR 2023/2024
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 2023/2024 fiscal year; and

WHEREAS, the documentation used in the determination of said limit has been available to the public at the District office and on the District website for at least fifteen (15) days prior to the date of this Resolution, and was published in a newspaper of general circulation within the District on June 1, 2023 and on June 8, 2023.

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 2023/2024 fiscal year is established at \$2,388,353.

WE, THE UNDERSIGNED, being duly qualified 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 June 20, 2023, by the following roll call vote:

AYES, and in favor thereof, Trustees:

NOES, Trustees:

ABSENT, Trustees:

Jeff Clay, President

ATTEST:

Mary Robel, Secretary to the Board of Trustees



May 2023

Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit

California Revenue and Taxation Code section 2227 requires the Department of Finance (Finance) to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2023, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2023-24. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2023-24 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. California Revenue and Taxation Code section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The code section and the California Constitution can be accessed at the following website: <http://leginfo.legislature.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. California Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. Finance will certify the higher estimate to the State Controller by June 1, 2023.

Please Note: The prior year's city population estimates may be revised. The per capita personal income change is based on historical data.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

JOE SPEPHENSHAW
Director
By:

Erika Li
Chief Deputy Director

Attachment

S.Y.R.W.C.D.ID. #1

MAY - 1 2023

RECEIVED

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2023-24 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2023-24	4.44

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2023-24 appropriation limit.

2023-24:

Per Capita Cost of Living Change = 4.44 percent
 Population Change = -0.35 percent

Per Capita Cost of Living converted to a ratio: $\frac{4.44 + 100}{100} = 1.0444$

Population converted to a ratio: $\frac{-0.35 + 100}{100} = 0.9965$

Calculation of factor for FY 2023-24: $1.0444 \times 0.9965 = 1.0407$

Fiscal Year 2023-24

Attachment B
Annual Percent Change In Population Minus Exclusions*
January 1, 2022 to January 1, 2023 and Total Population, January 1, 2023

County City	Percent Change 2022-2023	--- Population Minus Exclusions ---		Total Population
		1-1-22	1-1-23	1-1-2023
Santa Barbara				
Buellton	-1.26	5,007	4,944	4,944
Carpinteria	-1.20	12,866	12,711	12,711
Goleta	0.21	32,375	32,442	32,442
Guadalupe	0.57	8,467	8,515	8,515
Lompoc	-1.21	40,967	40,473	43,493
Santa Barbara	-1.00	86,259	85,398	85,418
Santa Maria	-0.13	109,617	109,477	109,477
Solvang	-0.44	5,694	5,669	5,669
Unincorporated	-0.72	135,873	134,888	137,888
County Total	-0.60	437,125	434,517	440,557

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

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 2023/2024 at a Regular Meeting to be held on Tuesday, June 20, 2023, at 3:00 p.m.

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



Mary Martone
Secretary to the Board of Trustees

Dated: May 17, 2023

Posted: Wednesday, May 17, 2023 at the District Office

Newspaper Publication Dates:

Thursday, June 1, 2023

Thursday, June 8, 2023


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

2023/2024 FISCAL YEAR APPROPRIATION LIMITATION CALCULATION

Population and California per capita personal income change data provided by the State of California Department of Finance effective January 1, 2023 are used in computing the 2023/2024 Appropriation Limitation Calculation as follows:

2022/23 Appropriation Limit	\$2,300,918
Per Capita Personal Income Percentage Change over Prior Year	4.44 percent
Population Change over Prior Year Santa Barbara County	-0.60 percent
Per Capita converted to a ratio:	$\frac{4.44 + 100}{100} = 1.0444$
Population converted to a ratio:	$\frac{-0.60 + 100}{100} = 0.994$
CPI Factor	1.0444
Population Factor	0.994
CPI Factor X Population Factor	1.038
$1.038 \times \$2,300,918 =$	<u>\$2,388,353</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 2023/2024 Appropriation Limit at a Regular Meeting on June 20, 2023.



Mary Martone - Secretary to the Board of Trustees

Posted: Wednesday, May 17, 2023 at the District Office and on the District Website www.syrwd.org
Newspaper Publication Dates: Thursday, June 1, 2023 and Thursday, June 8, 2023

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

**FY 2023/2024
FINAL BUDGET**





BOARD OF TRUSTEES

Jeff Holzer
Division 1

Jeff Clay - President
Division 2

Nick Urton
Division 3

Michael Burchardi, Vice President
Division 4

Brad Joos
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', Operations & Maintenance Superintendent

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, STRUCTURE AND STAFFING

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 on a limited basis. With a service area population of approximately 7,022 (excluding the City of Solvang), the District currently provides water directly to approximately 2,624 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).

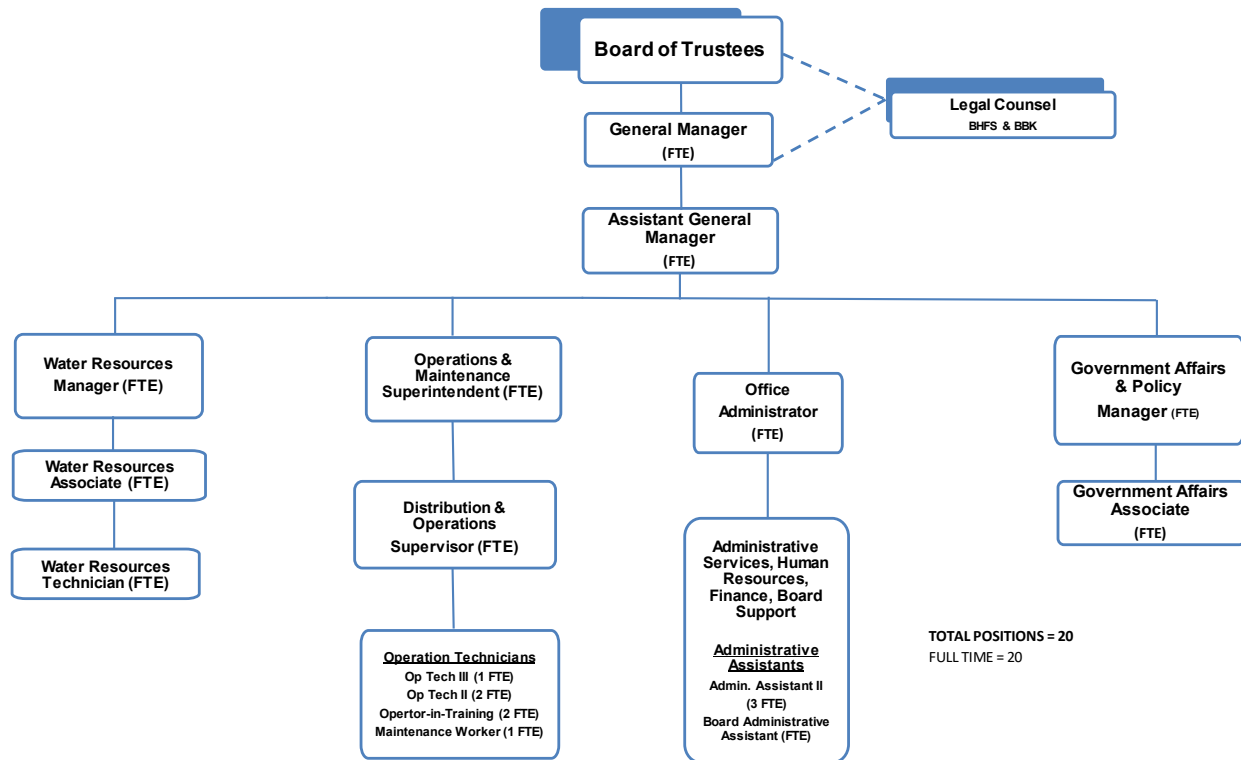
The District obtains its water supplies from the Cachuma Project/State Water Exchange, direct diversions from the Cachuma Project (as needed), contractual deliveries from the State Water Project as a member agency of the Central Coast Water Authority, production from the Santa Ynez Uplands Groundwater 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 customers.

Operational Information

- District Pipelines (in miles) = 92
- Number of Booster Pump Stations = 5 with 11 pumps
- Number of Active Wells = 19
- 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 2023/2024



EXECUTIVE SUMMARY

FISCAL YEAR 2023/24

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 2023/24 Final Budget describe the annual fiscal year budget beginning July 1, 2023 and ending on June 30, 2024.

The development and adoption of the District's annual budget is based on projected revenues and expenditures, as well as identified projects and programs which provide 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 and the Operations & Maintenance Superintendent 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 an opportunity for questions, modifications, and direction to staff to finalize the budget for Board approval at a subsequent public meeting. The Final Budget provides a necessary foundation for 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 (GAAP) 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 administered in a manner similar to a private business enterprise. The costs of providing water and services to customers on a continuing basis (including replacement of existing assets) 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 2023/24 Final Budget was developed from the Uniform System of Accounts for Water Utilities which includes a set of tables providing details for revenue and expenditure categories of the District. **The tables contained in this Report are intended to be reviewed in connection with the FY 2023/24 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. Historically, the District's operating expenses and Capital Improvement Project program are to be fully funded by operating revenues, and as necessary and appropriate from reserve funds. The Capital Improvement Project expenditures can be funded by a combination of operating revenues and reserves.

BUDGET AND RESERVE FUND BACKGROUND

The District's 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 time to allow for recovery of reserve deficits that occurred over the previous six-year period. The last rate adjustment pursuant to the Water Rate Schedule went into effect on July 1, 2021 and remains in effect for the FY 2023/24 budget cycle. The FY 2023/24 Final Budget proposes to fully fund all expense categories, including Operations and Maintenance (O&M), General and Administrative (G&A), Debt Service, Other Expenses and Special Studies, and Capital Improvement Project program costs, leaving a net balance of \$1,032,597 which will be added to the District's reserves.

Below are the past fiscal year and the most current fiscal quarter-end Reserve balances based on actual accounting and audit information.

Table 1

RESERVE BALANCES

	June 30, 2022	March 31, 2023¹
<u>BOARD RESERVED</u>		
Debt Repayment Obligation	\$1,667,537	\$866,405 ²
Repair & Replacement	\$4,353,712	\$6,054,018
Plant Expansion	\$5,636,144	\$7,336,450
Subtotal	\$11,657,393	\$14,256,873
<u>RESTRICTED RESERVE</u>		
Dev. Fee; SY Septic	\$109,212	\$109,212
State Water Project Reserve ³	\$3,000,000	\$3,000,000

1. Amounts reflected in this column represent the reserve balance at 9-months of current FY 2022/23. The year-end reserve amount will change at June 30, 2023 to reflect a balance based on actual accounting for projects and debt service expenditures.
2. This amount represents a Debt Payment Obligation reserve balance at 9-months of current FY 2022/23. The year-end reserve amount in this category will change at June 30, 2023 to reflect payments for the SWP payment due on June 1, and the USBR Safety of Dams Repayment Contract payment.
3. One year set aside payment established to guarantee ID No.1's contractual debt obligation in the event of a default by the City of Solvang.

BUDGET IN DETAIL

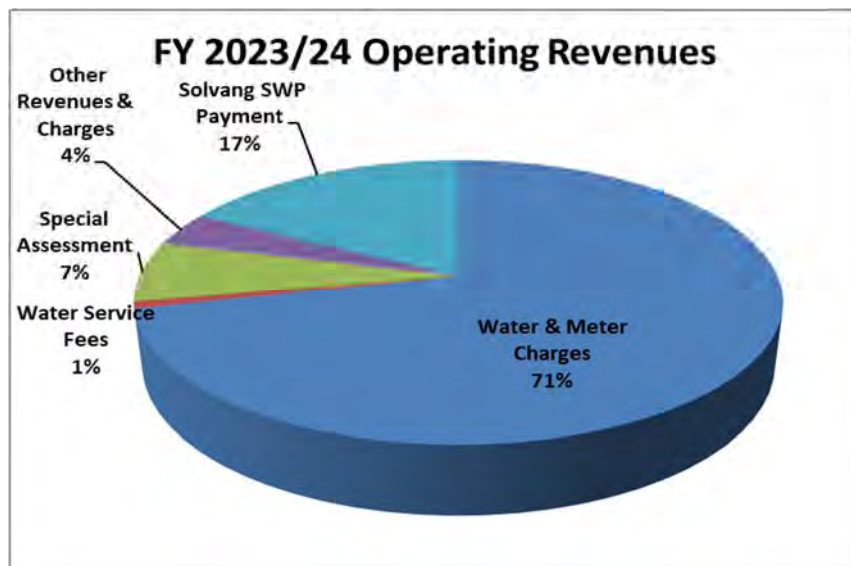
The specific revenue and expenditure categories of the budget account for the adopted water rates and revenues, prior year audit data, and financial account information. The categories are displayed using actual 9-month revenue and expenditure data from the current fiscal year, and are also projected to show the fiscal year-end figures (June 30, 2023). This information is used as part of the evaluation to develop the FY 2023/24 Final Budget.

The FY 2023/24 Final Budget of \$12,520,163 reflects an overall 0.81% decrease compared to the projected June 30, 2023 year-end results, and is 2.6% less than the financial projections adopted as part of the 2016 Water Rate Study. As noted above, the FY 2023/24 Final Budget assumes that water rates remain static based upon the last rate increase that went into effect July 1, 2021. The water rates are applied to forecasted water sales and meter charges in FY 2023/24 based on actual sales and charges in the current and prior fiscal years. The budget also assumes no increase in the \$875,000 Special Assessment/Ad Valorem Tax, even though the authorized limit for FY 2023/24 is \$2,388,353. Other factors such as capital facilities charges and interest income are integral parts of the forecast. The information below shows that budgeted revenues will meet projected operating expenditures and debt service obligations, and result in a projected net revenue balance of \$3,861,627. This revenue balance will fund the Other Expenses and Special Studies categories as further detailed in the Final Budget, leaving a balance of \$3,145,127 in net operating revenues, which will fully fund the proposed \$2,112,530 Capital Improvement Projects (CIP) Program for FY 2023/24, leaving a net balance of \$1,032,597 which will contribute to the District's reserves.

SUMMARY OF REVENUES

The District operates according to 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 2023/24 Final Budget, the total operating revenues are projected at \$12,520,163 including the SWP revenue of \$2,143,283 from the City of Solvang. Actual projected total revenues are \$10,376,880 without the SWP pass-through payment. Table 2 below summarizes the distribution of the District's projected revenue sources for FY 2023/24.

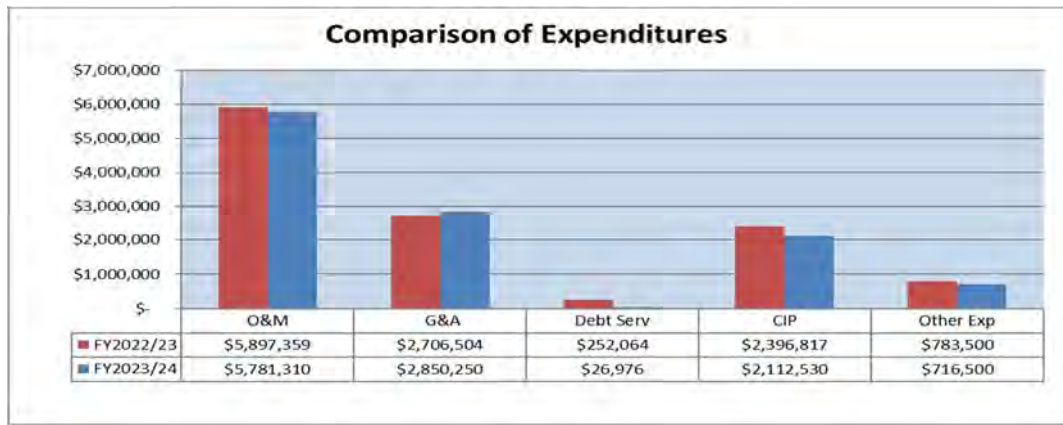
Table 2



SUMMARY OF EXPENDITURES

Based on the FY 2023/24 Final Budget, the District’s projected water sales and other operating revenues, including the FY 2023/24 special tax assessment, will fully fund the overall operating expenditures, including all categories of Operation & Maintenance, General & Administrative, and Debt Service, and result in a net revenue balance of \$3,861,627. 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 \$3,145,127 is proposed to fully fund the District’s FY 2023/24 CIP program. Table 3 below shows all expenditure categories for FY 2023/24 in comparison to the previous fiscal year.

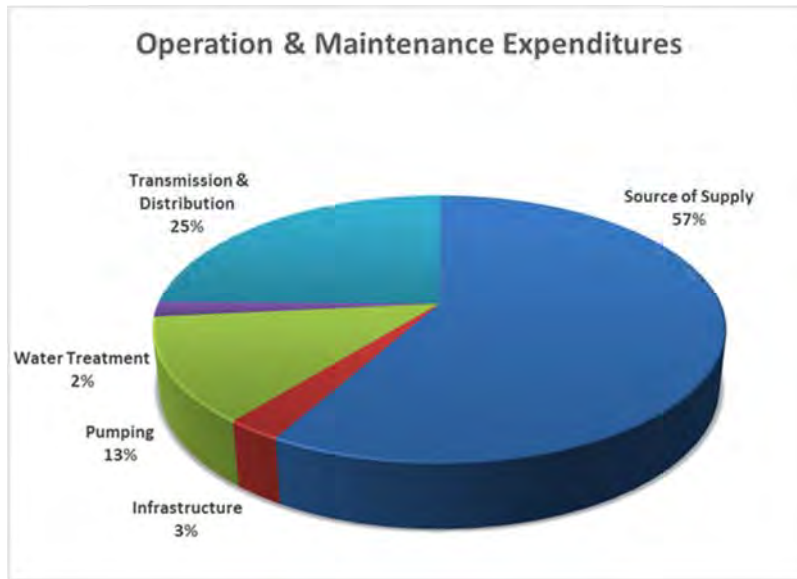
Table 3



EXPENDITURES - OPERATION AND MAINTENANCE (O&M)

The overall budget for O&M expenditures for FY 2023/24 is 2% (\$116,049) less than last year’s FY 2022/23 budget, with the Source of Supply category having the single largest decrease totaling \$311,984. This is directly attributable to a decrease in fixed CCWA costs, as well as CCWA O&M credits used to offset ID No.1’s gross amount due which resulted in a reduction of \$199,611 in the ID No.1’s State Water Project costs for FY 2022/23 and \$97,279 for the City of Solvang’s passthrough expenses for the year. Additionally, the United States Bureau of Reclamation (USBR) charges for Cachuma Project supplies and Renewal/Environmental Fund reflects a \$28,594 overall reduction in the coming fiscal year. The main reason for the decrease is the elimination of the USBR deficit repayment obligation. The Infrastructure category reflects an increase attributable to Santa Barbara County’s Pavement Rehabilitation Project, which is slated to be completed in FY 2023/24 and will affect 26 of the District’s valves. Funding for this is estimated at \$39,000 (\$1,500 per valve box) for the County’s contractor to lower and raise the valve boxes to finished grade. Other categories of Pumping and Transmission & Distribution all realized increases based on inflationary and vendor increases. Table 4 on the next page illustrates the distribution of costs for the O&M expense categories.

Table 4



EXPENDITURES - GENERAL AND ADMINISTRATION (G&A)

The overall budget for G&A expenditures for FY 2023/24 increased 5% (\$143,746) compared to last year's FY 2022/23 budget.

Administrative expenses, including dues and subscriptions, miscellaneous service contracts, various utilities, and liability insurance are projected to increase slightly due to inflationary and vendor cost increases related to the current economic climate.

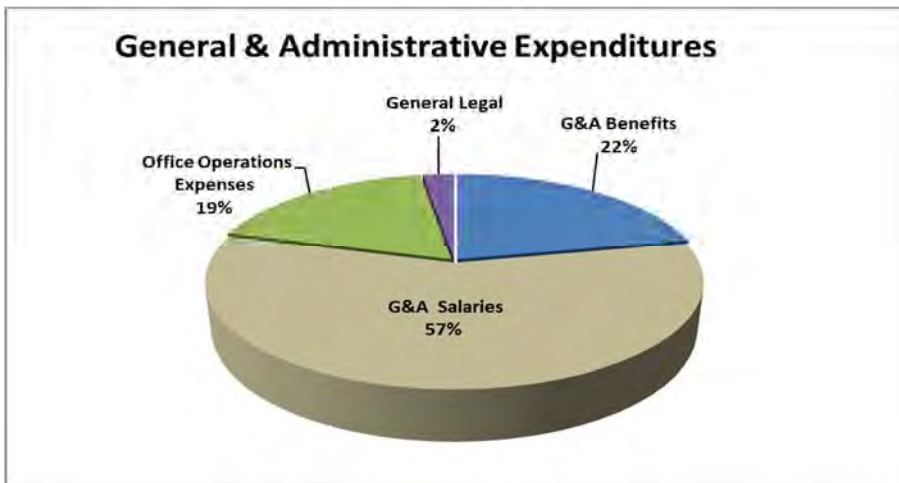
Other increases to this category are tied to Cost of Living (COLA) and merit increases to employee salaries in accordance with the District's adopted Personnel Policy and Salary Schedule, which in turn affect retirement and payroll tax expenses. The District-wide COLA adjustment is being proposed at 7%. The COLA is consistent with industry standards and is based upon the Consumer Price Index 12-month calculation data (March-February). The COLA adjustment is obtained by averaging the most recent 12-month indexes for all urban wage earners and clerical workers and comparing that average to the previous 12-month averaged data for the Los Angeles-Long Beach-Anaheim area of California.

Additionally, premiums for health, dental, and vision coverage are anticipated to have an inflationary increase of 10%, 2%, and 2% respectively according to ACWA JPIA. The FY 2023/24 Final Budget also includes a proposed modification to the District's current dental benefit and the proposed addition of standard life insurance to be included in the District's employee benefits package. With regard to dental coverage, staff reviewed the District's plan and found that it is not comparable to what other local agencies are providing to their employees. Currently the District provides the most basic plan, with the lowest coverage thresholds, which results in the highest out-of-pocket employee cost for dental procedures. When reviewing other plan offerings, enhanced features include a higher annual maximum benefit threshold, increased coverage for basic fillings, root canals, and oral surgery, and partial coverage for orthodontics (which is not provided in the District's current plan). By offering a more comprehensive plan, inclusive of the enhanced features, the District's benefit package will be more comparable to other agencies and will help ID No.1 employees manage increasing out-of-pocket expenses for dental care.

The annual cost increase from the current plan to the enhanced plan is \$13,980. The addition of a basic life insurance policy is also being proposed to bring the District’s overall benefits package more in-line with industry standard and comparable to what other agencies are offering. The District polled nine local water agencies and all of them provide life insurance to their employees. The annual cost for a basic life insurance policy to be provided through ACWA JPIA for each District employee (1.5 x annual salary, maximum of \$150,000) is \$7,260. Overall, the two proposed modifications to ID No.1’s benefits package is \$21,240 or 0.17% of the overall budget. These enhancements are designed to reflect the District’s commitment to personnel, consistent with industry trends, and to support the District’s efforts in successful employee recruitment and retention.

Table 5 below illustrates the distribution of costs for the G&A expense categories.

Table 5



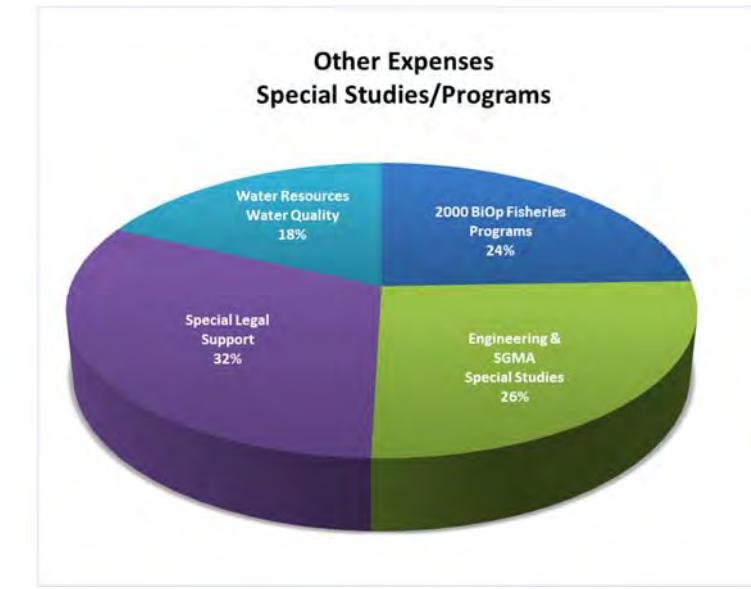
DEBT SERVICE

The District’s Debt Service category for FY 2023/24 includes the USBR Safety of Dams repayment (principal and interest) which remains constant for the 50-year term at \$26,976 per year. The 2023/24 Final Budget reflects a 89% decrease in Debt Service as a result of the District satisfying its Series 2004A Bond debt (principal and interest) during FY 2022/23 in accordance with the repayment terms. As detailed above, the FY 2023/24 operating revenues, inclusive of the special tax assessment, are projected to fully fund the District’s operating expenses plus debt service.

OTHER EXPENSES

For FY 2023/24, the budgeted amount of \$716,500 in the Other Expenses category will be funded by the net revenue balance of \$3,861,627. The FY 2023/24 budget for Other Expenses is \$97,000 less than what was budgeted in FY 2022/23. As fully detailed in the 2023/24 Final Budget, the primary cost categories reflect ongoing work related to the 2019 State Water Resource Control Board Order and related studies for the Cachuma Project, the ongoing federal Endangered Species Act Section 7 re-consultation process for the Cachuma Project, ongoing water right proceedings in the Lower Santa Ynez River, and the Sustainable Groundwater Management Act, among other matters. Table 6 below illustrates the distribution of costs for the Other Expenses and Special Studies categories.

Table 6



CAPITAL IMPROVEMENT PROJECTS (CIP)

Infrastructure planning and investment is critical to the ongoing reliability of the District’s water production and distribution system. 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 tax assessment. Those shortfalls required incremental drawdowns of District reserves simply to meet annual operating expenses and debt service. Consequently, 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 2021/22 and 2022/23, 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 or delayed due to the COVID-19 pandemic and related orders and restrictions issued by federal, state, and local authorities, as well as production halts, shipping delays, and inventory shortfalls for various parts and materials. These delays again affected progress or completion of several CIP projects during FY 2022/23, and as a result they have been rolled into the FY 2023/24 Final Budget.

For FY 2023/24, a total of \$2,112,530 is budgeted for the CIP program. This amount is \$284,287 less than the \$2,396,817 CIP budget in FY 2022/23. Of particular note, the entire CIP program for FY 2023/24 will be funded from the District’s net revenues of \$3,145,127 (after funding Other Expenses and Special Studies) and will not require funding from District reserves. The CIP items include projects needed for replacements, betterments, upgrades, and repairs of the District water supply, production, and distribution system. Projects that were not completed during FY 2022/23 are identified as “Rollforward Projects” below.

Account 900332 (\$125,000) – Water Treatment Plant/Building (Rollforward Project) – This account was originally budgeted 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. Final architectural and engineering design work has been completed. The budgeted amount for FY 2023/24 remains unchanged from the FY 2022/23 amount. All funds will be directed to design modifications to incorporate a District-designated Board Room, finalizing the building design, and initial permitting costs and processing.

900333 (\$285,000) – Cr6 Blending Station/Facilities (Rollforward Project) – With the resurgence of a new Cr6 water quality standard (10 ppb MCL) that is expected to be re-adopted by the State Water Resources Control Board in the coming fiscal year. Funds are budgeted for engineering and design of treatment and distribution facilities to comply with the new regulation.

900372 (\$36,500) – Office Computers, Furniture & Equipment (Partial Rollforward) – This account includes rollforward funds (\$30,000) that will be utilized for the initial phase of implementing a Laserfiche Enterprise Document Management System. Since the District’s formation, the District continues to maintain much of its documentation in original form. Limited space has become a factor in meeting document storage needs, and a Laserfiche Document Management System will modernize the business operations of the District and provide more efficiency for searching, locating, and storing documents. Completion of this project was slated for FY 2022/23; however, the completion of other IT projects (i.e., new server) were prioritized to ensure compatibility with a new Laserfiche System.

Additional funds will be utilized for the replacement of three office computers as part of the District’s routine computer replacement program. Costs include the purchase of equipment, software, and network set-up by the District’s IT vendor, estimated at \$6,500.

900318 (\$151,800) – Meter Replacement/Utility Billing (Partial Rollforward) – The Districtwide meter replacement program began in FY 2019/20. This multi-phase replacement program consists of purchasing and installing new meters to replace existing ones that have been in service for approximately 20 years and have diminished capabilities to provide accurate accounting of water use. During FY 2022/23, a total of 981 meters were budgeted and installation is anticipated to be 98% complete by June 30, 2023. The FY 2023/24 Final Budget amount (\$151,800) will be utilized to complete the remaining meter installations which includes large agricultural meters, program implementation, technical support, and provide residual meter inventory necessary to be retained on-hand.

900371 (\$26,000) – Office Building/Shop Improvements – This account includes construction of an open-sided carport to house the District’s fleet and equipment to mitigate weather damage currently being incurred for lack of protective cover (\$10,000). Additional funds will be utilized for the demolition and installation of a new cedar fence located at the District office (\$6,000). The remaining \$10,000 will be utilized for upgrades to the shop area, including secured shelving for tools and equipment, workbenches, security, required electrical upgrades, and related work stationing for the field crew, which was a recommendation from the District’s recent site visit by ACWA JPIA.

900181 (\$1,000) – CAD-GIS – This account includes \$1,000 for equipment needs and/or software upgrades necessary to continue operation of the District’s GIS system that is used to maintain the District’s digital atlas.

900378 (\$102,230) – Major Tools, Shop & Garage Equipment – Funds will be utilized to purchase a compact track loader with forks, bucket, and mowing/brush cutter attachments. This piece of equipment will enhance field efficiency and be utilized on a regular basis for a variety of applications, such as grading and dirt work associated with mainline repairs and service installations, moving materials and equipment at various District sites, and routine weed abatement at several District locations, which is typically completed by outside contractors at a significant cost.

900350 (\$328,200) – Upland Wells (Partial Rollforward Project) – Funds will be used to upgrade the electrical panels at Well Nos. 7 and 28 for a total of \$253,129. The work associated with these two well sites are Rollforward Projects from FY 2022/23 due to lengthy fabrication time extending over 50 weeks and significant delays in the availability of parts and materials. The current electrical panels are substantially obsolete and pose potential safety hazards. The panel components need to be improved to current day standards, which will improve efficiency and operational safety. Costs to complete this task include materials, construction, and installation.

New project work under this line-item (\$75,000) includes costs for rehabilitation or replacement of a well pump and motor in the Santa Ynez Uplands.

900106 (134,400) – Rehabilitation/Replacement of Mains/Laterals/Valves (Rollforward Projects) – Funds will be used for the replacement of five (5) mainline valves that are broken or inoperable, plus valve insertions at various locations within the District (\$30,000). This work was budgeted for FY 2022/23, yet not fully completed due to workload prioritization.

Additionally, \$104,400 will be utilized to replace the District's water main that is currently located on the old Highway 154 bridge spanning Alamo Pintado Creek in Los Olivos (now used as a pedestrian bridge). Because Caltrans is demolishing the old bridge and installing a new one, the District must replace its water main to span the Creek as part of the new bridge. Expenses include engineering services at \$8,400, contractor labor and equipment costs at \$70,000, and materials costs of \$26,000.

900170 (\$219,200) – 6 CFS Well Field (Rollforward Project) – Funds will be used to upgrade the electrical panels at the 6 CFS Well Field. The work associated with this site is a Rollforward Project from FY 2022/23 due to lengthy fabrication time extending over 50 weeks and significant delays in the availability of parts and materials. The current electrical panels are substantially obsolete and pose potential safety hazards. The panel components need to be improved to current day standards, which will improve efficiency and operational safety. Costs to complete this task include materials, construction, engineering, and installation.

900373 (\$55,000) – Fleet Vehicle Replacement – This account includes funds for the purchase of one replacement fleet vehicle (field truck). This vehicle will replace an existing 2012 model with approximately 131,000 miles. The vehicle slated for replacement is beginning to incur ongoing repair costs and its reliability is diminishing.

900171 (\$70,400) – 4 CFS Well Field (Rollforward Project) – Funds will be utilized to complete the installation of a manual transfer switch for emergency generator use at the 4

CFS well field. Additionally, a voltage monitor will be installed within the existing electrical panels due to voltage fluctuations delivered by PG&E at this location. Delivery and equipment delays have resulted in the project work being rolled into FY 2023/24. Estimated costs include all materials and labor (\$64,269). Additional engineering services for construction support and an arc flash analysis are estimated at \$6,131.

900195 (\$44,400) – Refugio 2 Booster Pump Station (Rollforward Project) – Funds will be utilized to complete the installation of a manual transfer switch for emergency generator use at the Refugio 2 Booster Pump Station. Additionally, a voltage monitor will be installed within the existing electrical panels due to voltage fluctuations delivered by PG&E at this location. Delivery and equipment delays have resulted in the project work being rolled into FY 2023/24. Estimated costs include all materials and labor (\$38,265). Additional engineering services for construction support and an arc flash analysis are estimated at \$6,135.

900196 (\$164,700) – Alamo Pintado Booster Pump Station (Partial Rollforward Project) – Funds will be used to upgrade the electrical panels at the Alamo Pintado Booster Pump Station. The work associated with this site is a Rollforward Project from FY 2022/23 due to lengthy fabrication time extending over 50 weeks and significant delays in the availability of parts and materials. The current electrical panels are substantially obsolete and pose potential safety hazards. The panel components need to be improved to current day standards, which will improve efficiency and operational safety. Costs to complete this task include materials, construction, engineering, and installation.

900197 (\$59,900) – Refugio 3 Booster Pump Station (Rollforward Project) – Funds will be used to upgrade the electrical panels at the Refugio 3 Booster Pump Station. The work associated with this site is a Rollforward Project from FY 2022/23 due to lengthy fabrication time extending over 50 weeks and significant delays in the availability of parts and materials. The current electrical panels are substantially obsolete and pose potential safety hazards. The panel components need to be improved to current day standards, which will improve efficiency and operational safety. Costs to complete this task include materials, construction, engineering, and installation.

900198 (\$308,800) – Meadowlark Booster Pump Station (Partial Rollforward Project) – Funds from this account will be used for two projects. First is the construction of an open sided 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. Costs for this project are approximately \$10,000 and construction work will be completed by the District's field team.

The remaining \$298,800 will be used to upgrade the electrical panels at the Meadowlark Booster Pump Station. The work associated with this site is a Rollforward Project from FY 2022/23 due to lengthy fabrication time extending over 50 weeks and significant delays in the availability of parts and materials. The current electrical panels are substantially obsolete and pose potential safety hazards. The panel components need to be improved to current day standards, which will improve efficiency and operational safety. Costs to complete this task include materials, construction, engineering, and installation.

If additional CIP expenditures are needed, funding will come from the Repair and Replace and/or Plant Expansion Reserves. Alternatively, the projects could be deferred or re-prioritized.

FY 2023/24 FINAL BUDGET CONCLUSION

The FY 2023/24 Final Budget revenues of **\$12,520,163** are projected to be sufficient to meet total O&M expenses, G&A expenses, and Debt Service obligations of **\$8,658,536** with a net revenue balance of **\$3,861,627**. This net revenue balance of \$3,861,627 will be used to fund the \$716,500 of Other Expenses for special studies, 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 **\$3,145,127** will be used to fully fund the District's FY 2023/24 CIP program as detailed above in the amount of **\$2,112,530**. The remaining net revenue balance of **\$1,032,597** will be added to the District's Reserves.

RECOMMENDATION

That the Board of Trustees adopt Resolution No. 834 approving and adopting the Fiscal Year 2023/24 Final Budget and requesting the collection of an assessment levy of \$875,000 for Fiscal Year 2023/2024.

RESOLUTION NO. 834

**A RESOLUTION OF THE BOARD OF TRUSTEES
OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
IMPROVEMENT DISTRICT NO.1
ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2023/2024
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 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, provides the statutory basis which authorizes the District to levy 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 continues to incur and pay the costs of the continuing operations, maintenance, repair, replacement, and betterment of the project works; 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 ad valorem tax assessment money needed for the purposes of the District for the ensuing fiscal year July 1, 2023 to June 30, 2024, 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 2023/2024 is established at \$2,388,353 and the District adopted Resolution No. 833 on June 20, 2023 establishing said appropriation limit for fiscal year 2023/2024 pursuant to Government Code Section 7910; and

WHEREAS, notwithstanding the District's fiscal year 2023/2024 appropriation limit of \$2,388,353, 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, and \$1,250,000 in fiscal year 2021/2022, \$1,250,000 in fiscal year 2022/2023, and \$1,250,000 in fiscal year 2023/2024, the District has limited its assessment amount to \$875,000 for fiscal years 2017/2018 through 2022/2023, and it has been determined that an assessment levy of \$875,000 for fiscal year 2023/2024 will provide sufficient funds to meet the needs of the District as stated above; and

WHEREAS, the Board of Trustees has considered a budget for the fiscal year 2023/2024.

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 2023/2024; 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 2023/2024.

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 20th day of June 2023, by the following roll call vote:

AYES, and in favor thereof, Trustees:

NOES, Trustees:

ABSENT, Trustees:

Jeff Clay, President

ATTEST:

Mary Robel, Secretary to the Board of Trustees



Santa Ynez River Water Conservation District, Improvement District No.1
FINAL BUDGET FY 2023-24

Account No.	Service & Sales	FY 22/23		FY 22/23		FY 23/24		Variance from 2022/23 Budget
		Budget	9-Month Revenues	Projected Yr-End 6/30/2023	Final Budget	FY23/24		
601000	Agriculture Water Sales & Meter Charges	\$ 1,344,337	\$ 882,558	\$ 1,311,905	\$ 1,352,413	\$ 8,076		
602000	Domestic Water Sales & Meter Charges	\$ 4,631,353	\$ 3,586,838	\$ 4,916,984	\$ 4,809,941	\$ 178,588		
602100	Rural Res/Lmt'd Ag Sales & Meter Charges	\$ 2,458,811	\$ 1,769,452	\$ 2,490,686	\$ 2,486,242	\$ 27,431		
602200	Cachuma Park Water Sales	\$ 19,575	\$ 12,247	\$ 17,357	\$ 19,575	\$ -		
606000	Water Sales to City of Solvang	\$ 279,725	\$ 44,143	\$ 57,930	\$ 77,553	\$ (202,172)		
608000	Water Sales - On-Demand	\$ 36,018	\$ 12,982	\$ 25,958	\$ 27,442	\$ (8,576)		
611500	Fire Service Charges	\$ 111,719	\$ 102,535	\$ 133,863	\$ 135,539	\$ 23,820		
604000	Temporary Water Sales	\$ 20,175	\$ 8,163	\$ 8,571	\$ 20,175	\$ -		
	Subtotal Water Sales	\$ 8,901,713	\$ 6,418,918	\$ 8,963,254	\$ 8,928,880	\$ 27,167		
611100	New Services Fees	\$ 40,000	\$ 29,606	\$ 45,000	\$ 40,000	\$ -		
611200	Activation/Reconnection Fees	\$ 20,000	\$ 9,000	\$ 12,000	\$ 15,000	\$ (5,000)		
611900	New Fire Service Fees	\$ 8,000	\$ 3,200	\$ 3,200	\$ 6,000	\$ (2,000)		
612400	Penalties	\$ 35,000	\$ 22,518	\$ 30,024	\$ 31,000	\$ (4,000)		
	Subtotal Service	\$ 103,000	\$ 64,324	\$ 90,224	\$ 92,000	\$ (11,000)		
Assessments, Fees & Other Revenue								
627000-627200	Special Assessment	\$ 875,000	\$ 471,030	\$ 875,000	\$ 875,000	\$ -		
628000-630300	Interest Income	\$ 55,000	\$ 248,461	\$ 423,461	\$ 350,000	\$ 295,000		
625200	Application Fees/Special Services	\$ 13,000	\$ 8,925	\$ 10,925	\$ 13,000	\$ -		
611600	Capital Facilities Charges	\$ 70,000	\$ 61,150	\$ 76,100	\$ 70,000	\$ -		
620006	Reimbursed Field Labor	\$ 15,000	\$ 5,011	\$ 9,318	\$ 10,000	\$ (5,000)		
620008	Reimbursed Admin. Labor	\$ 5,000	\$ 157	\$ 205	\$ 1,000	\$ (4,000)		
624000	Other Misc Revenues	\$ 35,000	\$ 21,317	\$ 33,317	\$ 35,000	\$ -		
634100	Insurance Claims	\$ 2,000	\$ -	\$ -	\$ 2,000	\$ -		
890100	Solvang SWP Payment	\$ 2,240,562	\$ 2,013,374	\$ 2,141,668	\$ 2,143,283	\$ (97,279)		
	Subtotal Assessment & Fees	\$ 3,310,562	\$ 2,829,425	\$ 3,569,993	\$ 3,499,283	\$ 188,721		
TOTAL		\$ 12,315,275	\$ 9,312,667	\$ 12,623,472	\$ 12,520,163	\$ 204,888		

EXPENDITURES OPERATIONS & MAINTENANCE

Account No.	Source of Supply	FY 22/23			FY 22/23			Final Budget FY23/24	Variance from 2022/23 Budget
		Budget	9-Month Expenditures	Projected Yr-End 6/30/2023	9-Month Expenditures	Projected Yr-End 6/30/2023	Final Budget FY23/24		
703000	Cachuma Project (USBR) Water Purchase	\$ 254,502	\$ 198,389	\$ 272,006	\$ 198,389	\$ 272,006	\$ 234,080	\$ (20,422)	
703200	Cachuma Project Renewal/Environmental Fund	\$ 16,055	\$ -	\$ -	\$ -	\$ -	\$ 7,883	\$ (8,172)	
704000	State Water Charge- District Payment	\$ 1,091,490	\$ 703,817	\$ 941,879	\$ 703,817	\$ 941,879	\$ 891,879	\$ (199,611)	
860000	State Water Project - City of Solvang pymt	\$ 2,240,562	\$ 2,013,374	\$ 2,141,668	\$ 2,013,374	\$ 2,141,668	\$ 2,143,283	\$ (97,279)	
705000	Ground Water Charges	\$ 47,000	\$ 25,176	\$ 56,426	\$ 25,176	\$ 56,426	\$ 50,000	\$ 3,000	
706000	Cloudseeding Program	\$ 5,000	\$ -	\$ 10,915	\$ -	\$ 10,915	\$ 12,500	\$ 7,500	
707000	River Well Field Licenses (4.Ocfs, 6.0cfs, Gallery)	\$ 18,000	\$ 19,982	\$ 19,982	\$ 19,982	\$ 19,982	\$ 21,000	\$ 3,000	
	Subtotal Source of Supply	\$ 3,672,609	\$ 2,960,739	\$ 3,442,877	\$ 2,960,739	\$ 3,442,877	\$ 3,360,625	\$ (311,984)	
Infrastructure									
711000	Maintenance of Wells	\$ 50,000	\$ 39,739	\$ 44,739	\$ 39,739	\$ 44,739	\$ 50,000	\$ -	
712000	Maintenance of Mains	\$ 45,000	\$ 32,953	\$ 35,453	\$ 32,953	\$ 35,453	\$ 85,000	\$ 40,000	
713000	Maintenance of Reservoirs	\$ 15,000	\$ 2,086	\$ 7,086	\$ 2,086	\$ 7,086	\$ 15,000	\$ -	
714000	Maintenance of Structures	\$ 5,000	\$ 3,440	\$ 3,940	\$ 3,440	\$ 3,940	\$ 5,000	\$ -	
	Subtotal Infrastructure	\$ 115,000	\$ 78,217	\$ 91,217	\$ 78,217	\$ 91,217	\$ 155,000	\$ 40,000	
Pumping									
726000	Pumping Expense - Power	\$ 710,000	\$ 477,356	\$ 713,356	\$ 477,356	\$ 713,356	\$ 720,000	\$ 10,000	
730000	Maintenance of Pump Structures/Stations/Equip	\$ 10,000	\$ 3,512	\$ 7,512	\$ 3,512	\$ 7,512	\$ 10,000	\$ -	
732000	Maintenance of Equipment	\$ 1,500	\$ 52	\$ 52	\$ 52	\$ 52	\$ -	\$ (1,500)	
	Subtotal Pumping	\$ 721,500	\$ 480,920	\$ 720,920	\$ 480,920	\$ 720,920	\$ 730,000	\$ 8,500	
Water Treatment									
744000	Chemicals	\$ 84,732	\$ 55,506	\$ 80,926	\$ 55,506	\$ 80,926	\$ 85,000	\$ 268	
748000	Maintenance of Treatment Structures/Equipment	\$ 3,000	\$ 1,713	\$ 2,213	\$ 1,713	\$ 2,213	\$ 3,000	\$ -	
748100	Water Treatment/Sampling/Monitoring Equipment	\$ 10,000	\$ 1,800	\$ 3,800	\$ 1,800	\$ 3,800	\$ 5,000	\$ (5,000)	
749000	Water Analysis	\$ 14,000	\$ 5,670	\$ 8,670	\$ 5,670	\$ 8,670	\$ 14,000	\$ -	
	Subtotal Water Treatment	\$ 111,732	\$ 64,689	\$ 95,609	\$ 64,689	\$ 95,609	\$ 107,000	\$ (4,732)	
Transmission & Distribution									
751000	Field Service Labor	\$ 686,278	\$ 533,107	\$ 682,378	\$ 533,107	\$ 682,378	\$ 752,950	\$ 66,671	
775000	PERS - Retirement	\$ 179,486	\$ 157,370	\$ 179,415	\$ 157,370	\$ 179,415	\$ 189,700	\$ 10,214	
775401	ACWA - Health Benefits	\$ 213,853	\$ 157,141	\$ 207,127	\$ 157,141	\$ 207,127	\$ 280,000	\$ 66,147	
775201	ACWA - Delta Dental	\$ 9,215	\$ 6,904	\$ 9,205	\$ 6,904	\$ 9,205	\$ 14,600	\$ 5,385	
775301	ACWA - Vision	\$ 1,660	\$ 1,239	\$ 1,652	\$ 1,239	\$ 1,652	\$ 1,700	\$ 40	
775501	ACWA - Standard Life	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,810	\$ 2,810	
799500	Uniforms	\$ 18,000	\$ 15,671	\$ 20,671	\$ 15,671	\$ 20,671	\$ 22,000	\$ 4,000	
752000	Work Materials & Supplies	\$ 10,000	\$ 3,930	\$ 5,502	\$ 3,930	\$ 5,502	\$ 10,000	\$ -	
752100	Safety Equipment	\$ 3,000	\$ 3,385	\$ 3,385	\$ 3,385	\$ 3,385	\$ 4,000	\$ 1,000	
753000	SCADA Maintenance	\$ 10,500	\$ 8,314	\$ 11,427	\$ 8,314	\$ 11,427	\$ 15,000	\$ 4,500	
754000	Small Tools	\$ 10,000	\$ 6,651	\$ 9,651	\$ 6,651	\$ 9,651	\$ 10,000	\$ -	
754100	Small Tool Repair	\$ 1,500	\$ 707	\$ 884	\$ 707	\$ 884	\$ 1,500	\$ -	
755000	Transportation (Vehicle Maintenance/Fuel)	\$ 70,000	\$ 49,611	\$ 61,611	\$ 49,611	\$ 61,611	\$ 70,000	\$ -	
756000	Meter Service (New)	\$ 20,000	\$ 5,856	\$ 7,320	\$ 5,856	\$ 7,320	\$ 15,000	\$ (5,000)	
756100	Meter and Service Repair	\$ 15,000	\$ 8,425	\$ 9,925	\$ 8,425	\$ 9,925	\$ 12,000	\$ (3,000)	
757000	Road Contracts	\$ 2,500	\$ 64	\$ 2,740	\$ 64	\$ 2,740	\$ 2,800	\$ 300	
758100	Meter Reading System (Sensus) (Neptune)	\$ 8,400	\$ 14,919	\$ 14,919	\$ 14,919	\$ 14,919	\$ 10,000	\$ 1,600	
759000	Maintenance of Structures and Improvements	\$ 5,000	\$ 295	\$ 1,795	\$ 295	\$ 1,795	\$ 2,500	\$ (2,500)	
760000	Fire Hydrants Maintenance	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ -	
761000	Back Flow Devices Testing	\$ 125	\$ 14	\$ 114	\$ 14	\$ 114	\$ 125	\$ -	
762000	Backhoe/Generators Maintenance	\$ 10,000	\$ 4,758	\$ 8,497	\$ 4,758	\$ 8,497	\$ 10,000	\$ -	
	Subtotal Transmission & Distribution	\$ 1,276,518	\$ 978,361	\$ 1,238,217	\$ 978,361	\$ 1,238,217	\$ 1,428,685	\$ 152,167	
	TOTAL	\$ 5,897,359	\$ 4,562,926	\$ 5,588,840	\$ 4,562,926	\$ 5,588,840	\$ 5,781,310	\$ (116,049)	

EXPENDITURES G&A		FY 22/23		FY 22/23		FY 22/23		FY 23/24		Variance from	
Account No.	General & Administrative	Budget	9-Month Expenditures	Projected Yr-End	6/30/2023	Final Budget	FY23/24	Final Budget	FY23/24	2022/23 Budget	2022/23 Budget
773000	Elections	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (20,000)	\$ 900
6560	Payroll Expenses	\$ 1,200	\$ 1,167	\$ 1,467	\$ 1,467	\$ 2,100	\$ 2,100	\$ 2,100	\$ 2,100	\$ -	\$ -
774000	ACWA Workers Comp Ins	\$ 27,000	\$ 18,448	\$ 24,648	\$ 24,648	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 10,811	\$ 10,811
775000	PERS - Retirement	\$ 248,989	\$ 177,076	\$ 208,949	\$ 208,949	\$ 259,800	\$ 259,800	\$ 259,800	\$ 259,800	\$ (4,454)	\$ (4,454)
775400	ACWA - Health Benefits	\$ 299,354	\$ 142,000	\$ 189,495	\$ 189,495	\$ 294,900	\$ 294,900	\$ 294,900	\$ 294,900	\$ 8,882	\$ 8,882
775200	ACWA - Delta Dental	\$ 11,218	\$ 5,792	\$ 7,745	\$ 7,745	\$ 20,100	\$ 20,100	\$ 20,100	\$ 20,100	\$ 217	\$ 217
775300	ACWA - Vision	\$ 2,283	\$ 1,220	\$ 1,632	\$ 1,632	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 4,450	\$ 4,450
775500	ACWA - Standard Life	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 129,840	\$ 129,840
777100	Management & Administrative Salaries	\$ 1,403,360	\$ 732,913	\$ 916,142	\$ 916,142	\$ 1,533,200	\$ 1,533,200	\$ 1,533,200	\$ 1,533,200	\$ 5,200	\$ 5,200
778000	Education, Training & Travel	\$ 20,000	\$ 7,801	\$ 9,361	\$ 9,361	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ (4,000)	\$ (4,000)
779000	Dues & Subscription	\$ 34,000	\$ 34,803	\$ 35,403	\$ 35,403	\$ 39,200	\$ 39,200	\$ 39,200	\$ 39,200	\$ -	\$ -
780000	Office Maintenance	\$ 12,000	\$ 4,450	\$ 5,785	\$ 5,785	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ -	\$ -
799525	Gardening Service	\$ 3,000	\$ 2,160	\$ 2,700	\$ 2,700	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	\$ -
781000	Office Supplies	\$ 15,500	\$ 7,556	\$ 15,500	\$ 15,500	\$ 15,500	\$ 15,500	\$ 15,500	\$ 15,500	\$ -	\$ -
781100	Computer Supplies, Software, Training	\$ 6,000	\$ 1,399	\$ 1,888	\$ 1,888	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ -	\$ -
782000	Postage & Printing	\$ 56,000	\$ 39,950	\$ 49,938	\$ 49,938	\$ 56,000	\$ 56,000	\$ 56,000	\$ 56,000	\$ 1,000	\$ 1,000
783000	Utilities	\$ 16,000	\$ 12,770	\$ 16,370	\$ 16,370	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 1,400	\$ 1,400
784000	Telephone	\$ 18,600	\$ 13,672	\$ 18,772	\$ 18,772	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 2,000	\$ 2,000
785000	Services(USA, Website, Security, Answering Services)	\$ 19,000	\$ 15,618	\$ 19,523	\$ 19,523	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ -	\$ -
785100	Government Fees (County, State, Local)	\$ 16,000	\$ 6,839	\$ 7,337	\$ 7,337	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ -	\$ -
786000	ACWA Liability Insurance	\$ 78,000	\$ 56,747	\$ 76,284	\$ 76,284	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 2,000	\$ 2,000
787000	Payroll Taxes - Federal and State	\$ 145,000	\$ 87,537	\$ 121,537	\$ 121,537	\$ 153,000	\$ 153,000	\$ 153,000	\$ 153,000	\$ 8,000	\$ 8,000
788000	Audit & Accounting	\$ 39,500	\$ 39,681	\$ 39,681	\$ 39,681	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 500	\$ 500
789000	Legal - General	\$ 55,000	\$ 42,889	\$ 50,889	\$ 50,889	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ -	\$ -
	BHFS	\$ 10,000	\$ 2,765	\$ 5,765	\$ 5,765	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ -
	Stradling	\$ 18,000	\$ 8,754	\$ 10,943	\$ 10,943	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ (3,000)	\$ (3,000)
790000	Consulting - General/Professional	\$ 10,000	\$ 1,345	\$ 2,018	\$ 2,018	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ -
791000	Consulting - Planning/Research	\$ 1,500	\$ 2,772	\$ 3,502	\$ 3,502	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ -	\$ -
792000	Customer Debt - Write Offs	\$ 50,000	\$ 34,452	\$ 48,944	\$ 48,944	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ -
793000	Office Equipment/Computer Service Contracts	\$ 29,000	\$ 16,910	\$ 19,910	\$ 19,910	\$ 29,000	\$ 29,000	\$ 29,000	\$ 29,000	\$ -	\$ -
797000	Trustee Fees	\$ 40,000	\$ 31,913	\$ 40,013	\$ 40,013	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ -	\$ -
799000	Processing Fees, Admin. Expenses, Medical Costs	\$ 1,000	\$ 373	\$ 500	\$ 500	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	\$ -
799600	Customer Refunds	\$ 2,706,504	\$ 1,551,771	\$ 1,952,638	\$ 1,952,638	\$ 2,850,250	\$ 2,850,250	\$ 2,850,250	\$ 2,850,250	\$ 143,746	\$ 143,746
	Subtotal General & Administrative	\$ 2,706,504	\$ 1,551,771	\$ 1,952,638	\$ 1,952,638	\$ 2,850,250	\$ 2,850,250	\$ 2,850,250	\$ 2,850,250	\$ 143,746	\$ 143,746
	TOTAL	\$ 2,706,504	\$ 1,551,771	\$ 1,952,638	\$ 1,952,638	\$ 2,850,250	\$ 2,850,250	\$ 2,850,250	\$ 2,850,250	\$ 143,746	\$ 143,746

SUBTOTAL EXPENDITURES		FY 22/23		FY 22/23		FY 23/24		Variance from	
G&A/O&M	TOTAL	Budget	9-Month Expenditures	Projected Yr-End	6/30/2023	Final Budget	FY23/24	Final Budget	2022/23 Budget
\$ 8,603,863	\$ 6,114,697	\$ 8,603,863	\$ 6,114,697	\$ 7,541,478	\$ 7,541,478	\$ 8,631,560	\$ 8,631,560	\$ 8,631,560	\$ 27,697
TOTAL	TOTAL	\$ 8,603,863	\$ 6,114,697	\$ 7,541,478	\$ 7,541,478	\$ 8,631,560	\$ 8,631,560	\$ 8,631,560	\$ 27,697

DEBT SERVICE

Account No.	Debt Service	FY 22/23 Budget	FY 22/23 9-Month Expenditures	Projected Yr-End 6/30/2023	Final Budget FY23/24	Variance from 2022/23 Budget
717000	USBR SOD Repayment (Principal & Interest)	\$ 26,976	\$ 26,976	\$ 26,976	\$ 26,976	\$ -
794000	Series 2004 A Repayment (Bond Interest)	\$ 5,088	\$ 5,085	\$ 5,085	\$ -	\$ (5,088)
218200	Series 2004 A Repayment (Bond Principal)	\$ 220,000	\$ 220,000	\$ 220,000	\$ -	\$ (220,000)
	Subtotal Debt Service	\$ 252,064	\$ 252,061	\$ 252,061	\$ 26,976	\$ (225,088)
	TOTAL	\$ 252,064	\$ 252,061	\$ 252,061	\$ 26,976	\$ (225,088)

TOTAL OPERATING EXPENDITURES

	FY 22/23 Budget	FY 22/23 9-Month Expenditures	Projected Yr-End 6/30/2023	Final Budget FY23/24	Variance from 2022/23 Budget
G&A/O&M/DEBT SERVICE TOTAL	\$ 8,855,927	\$ 6,366,758	\$ 7,793,538	\$ 8,658,536	\$ (197,391)

SUBTOTAL REVENUE BALANCE

	FY 22/23 Budget	FY 22/23 9-Month Actual	Projected Yr-End 6/30/2023	Final Budget FY23/24	Variance from 2022/23 Budget
OPERATING REVENUES LESS OPERATING EXPENDITURES	\$ 3,459,348	\$ 2,945,909	\$ 4,829,933	\$ 3,861,627	\$ 402,279

OTHER EXPENSES

Account No.	Special Studies/Programs	FY 22/23 Budget	FY 22/23 9-Month Expenditures	Projected Yr-End 6/30/2023	Final Budget FY23/24	Variance from 2022/23 Budget
825800	Fisheries Program					
825401	BiOp Implementation	\$ 60,000	\$ 45,000	\$ 60,000	\$ 60,000	\$ -
800201	BiOp Studies/Consultation (Stetson/Hanson)	\$ 50,000	\$ 23,599	\$ 29,498	\$ 50,000	\$ -
	BiOp/Reconsultation/ESA (BBK)	\$ 35,000	\$ 29,247	\$ 35,000	\$ 40,000	\$ 5,000
826101	SWRCB Order/Studies (Stetson/Hanson)	\$ 15,000	\$ 1,400	\$ 1,750	\$ 15,000	\$ -
826201	SWRCB Order/Studies (BBK)	\$ 10,000	\$ -	\$ -	\$ 10,000	\$ -
825402	SWRCB Hearings Support (Stetson/Hanson)	\$ 1,000	\$ -	\$ -	\$ -	\$ (1,000)
800101	SWRCB Hearings Support (BBK)	\$ 1,000	\$ -	\$ 1,750	\$ -	\$ (1,000)
	Special Programs					
825500	Hydrology SYR; Cachuama Water, RiverWare (Stetson)	\$ 5,000	\$ -	\$ -	\$ -	\$ (5,000)
825601	Integrated Regional Water Management Plan	\$ 1,500	\$ 158	\$ 758	\$ 1,500	\$ -
825600	Water Conservation Program/RWEP	\$ 5,000	\$ 4,155	\$ 4,155	\$ 5,000	\$ -
	Subtotal Studies/Programs	\$ 183,500	\$ 103,558	\$ 132,911	\$ 181,500	\$ (2,000)
	Legal & Engineering Services					
	Legal					
800202	Interagency Involvement	\$ 20,000	\$ 3,870	\$ 6,000	\$ 35,000	\$ 15,000
800205	SWP Water Management Case	\$ -	\$ -	\$ -	\$ 60,000	\$ -
800500	Unanticipated or Extraordinary Special Legal					
	BHFS	\$ 230,000	\$ 81,800	\$ 100,000	\$ 35,000	\$ (195,000)
	BBK	\$ 15,000	\$ 117	\$ 1,000	\$ 15,000	\$ -
	Engineering Services					
800301	Downstream Water Rights & Studies	\$ 5,000	\$ -	\$ -	\$ 20,000	\$ 15,000
800300	Easements, Survey & Water Projects	\$ 10,000	\$ 1,095	\$ 1,369	\$ 10,000	\$ -
800102	Sustainable Groundwater Management Act	\$ 60,000	\$ 25,003	\$ 39,999	\$ 100,000	\$ 40,000
800103	SGMA Reimbursable Cost Shares	\$ 50,000	\$ 6,000	\$ -	\$ 50,000	\$ -
	Subtotal Legal/Engineering	\$ 390,000	\$ 117,885	\$ 148,367	\$ 325,000	\$ (65,000)
	Non Recurring Expenses/Projects					
826000	CR6 Implementation Plan/Other Treatment Projects	\$ 30,000	\$ -	\$ -	\$ 30,000	\$ -
825700	Water Rate Study	\$ 75,000	\$ -	\$ -	\$ 75,000	\$ -
850500	USBR Cachuama Project Contract/Studies	\$ 20,000	\$ -	\$ -	\$ 15,000	\$ (5,000)
800203	River Water Right Proceedings (BHFS)	\$ 40,000	\$ 14,102	\$ 20,000	\$ 50,000	\$ 10,000
800204	River Water Right Proceedings (Stetson/Hanson)	\$ 20,000	\$ -	\$ -	\$ 30,000	\$ 10,000
825900	Water System Study Updates (Stetson)	\$ 25,000	\$ 1,363	\$ 25,000	\$ 10,000	\$ (15,000)
	Subtotal Non-Annual	\$ 210,000	\$ 15,465	\$ 45,000	\$ 210,000	\$ -
	TOTAL	\$ 783,500	\$ 236,908	\$ 326,278	\$ 716,500	\$ (67,000)

TOTAL OTHER EXPENSES

Account No.	Special Studies/Programs	FY 22/23 Budget	FY 22/23 9-Month Expenditures	Projected Yr-End 6/30/2023	Final Budget FY23/24	Variance from 2022/23 Budget
	TOTAL	\$ 783,500	\$ 236,908	\$ 326,278	\$ 716,500	\$ (67,000)

BUDGET BALANCE

	FY 22/23 Budget	FY 22/23 9-Month Actual	Projected Yr-End 6/30/2023	Final Budget FY23/24	Variance from 2022/23 Budget
TOTAL REVENUES	\$ 12,315,275	\$ 9,312,667	\$ 12,623,472	\$ 12,520,163	\$ 204,888
TOTAL O&M EXPENDITURES	\$ (5,897,359)	\$ (4,562,926)	\$ (5,588,840)	\$ (5,781,310)	\$ (116,049)
TOTAL G&A EXPENDITURES	\$ (2,706,504)	\$ (1,551,771)	\$ (1,952,638)	\$ (2,850,250)	\$ 143,746
TOTAL DEBT SERVICE	\$ (252,064)	\$ (252,061)	\$ (252,061)	\$ (26,976)	\$ (225,088)
Subtotal Revenue Balance	\$ 3,459,348	\$ 2,945,909	\$ 4,829,933	\$ 3,861,627	\$ 402,279
TOTAL Other Expenses (Spec Study/Legal/Eng/NARES)	\$ (783,500)	\$ (236,908)	\$ (326,278)	\$ (716,500)	\$ (67,000)
Sub Total Balance	\$ 2,675,848	\$ 2,709,001	\$ 4,503,655	\$ 3,145,127	\$ 469,279
Budget Balance	\$ 2,675,848	\$ 2,709,001	\$ 4,503,655	\$ 3,145,127	\$ 469,279

CAPITAL IMPROVEMENT PROJECTS

Account No.	Plant Expansion	FY 22/23		FY 22/23		FY 23/24		Variance from 2022/23 Budget
		Budget	9-Month Expenditures	Projected Yr-End 6/30/2023	Final Budget	FY23/24		
900332	Water Treatment/District Building	\$ 125,000	\$ -	\$ -	\$ 125,000	\$ -	\$ -	
900333	Cr6 Treatment Station/Facilities	\$ 285,000	\$ -	\$ -	\$ 285,000	\$ -	\$ -	
900372	Office Computers, Furniture & Equipment	\$ 65,750	\$ 37,064	\$ 37,064	\$ 36,500	\$ (29,250)	\$ (29,250)	
900318	Meter Replacement/Utility Billing	\$ 710,000	\$ 392,999	\$ 672,701	\$ 151,800	\$ (558,200)	\$ (558,200)	
900371	Office Bldg/Shop Improvements	\$ 61,250	\$ 19,905	\$ 29,905	\$ 26,000	\$ (35,250)	\$ (35,250)	
900376	Communication/telemetry Equipment (SCADA)	\$ 20,000	\$ 12,867	\$ 14,367	\$ -	\$ (20,000)	\$ (20,000)	
900181	ESRI CAD-GIS System; Equipment	\$ 1,000	\$ -	\$ -	\$ 1,000	\$ -	\$ -	
900378	Major Tools, Shop & Garage Equipment	\$ 10,000	\$ 5,997	\$ 9,997	\$ 102,230	\$ 92,230	\$ 92,230	
900350	Uplands Wells	\$ 332,781	\$ 42,187	\$ 49,587	\$ 328,200	\$ (4,581)	\$ (4,581)	
	Sub-Total - Plant Expansion Projects	\$ 1,610,781	\$ 511,019	\$ 813,621	\$ 1,055,730	\$ (555,051)	\$ (555,051)	
Account No.	Repair & Replace							
900106	Rehab/Replace/New-Trans. Mains/Laterals/Valves	\$ 60,000	\$ 7,395	\$ 27,395	\$ 134,400	\$ 74,400	\$ 74,400	
900170	6.0 CFS Well Field	\$ 96,522	\$ 742	\$ 874	\$ 219,200	\$ 122,678	\$ 122,678	
900335	SWP Pump Station/Pipeline	\$ 5,000	\$ -	\$ 4,500	\$ -	\$ (5,000)	\$ (5,000)	
900373	Fleet Vehicle Addition & Replacement	\$ 47,000	\$ 47,287	\$ 47,287	\$ 55,000	\$ 8,000	\$ 8,000	
900.171	4.0 CFS Well Field	\$ 102,313	\$ 565	\$ 565	\$ 70,400	\$ (31,913)	\$ (31,913)	
900.195	Refugio 2 BPS	\$ 50,313	\$ 165	\$ 6,965	\$ 44,400	\$ (5,913)	\$ (5,913)	
900.196	Alamo Pintado BPS	\$ 174,573	\$ 12,898	\$ 13,498	\$ 164,700	\$ (9,873)	\$ (9,873)	
900.197	Refugio 3 BPS	\$ 63,793	\$ 4,403	\$ 5,529	\$ 59,900	\$ (3,893)	\$ (3,893)	
900.198	Meadowmark BPS	\$ 76,522	\$ 1,486	\$ 13,884	\$ 308,800	\$ 232,278	\$ 232,278	
900.102	Zone 1, 2, 3 Reservoirs	\$ 110,000	\$ 179,221	\$ 179,221	\$ -	\$ (110,000)	\$ (110,000)	
	Subtotal Repair & Replace Projects	\$ 786,036	\$ 254,161	\$ 299,717	\$ 1,056,800	\$ 270,764	\$ 270,764	
	Grand Total Capital Improvement Projects	\$ 2,396,817	\$ 765,180	\$ 1,113,339	\$ 2,112,530	\$ (284,287)	\$ (284,287)	

TOTAL CAPITAL IMPROVEMENT PROJECTS

Account No.	TOTAL	FY 22/23		FY 23/24		Variance from 2022/23 Budget
		Budget	9-Month Expenditures	Projected Yr-End 6/30/2023	Final Budget	
	TOTAL	\$ 2,396,817	\$ 765,180	\$ 1,113,339	\$ 2,112,530	\$ (284,287)

RESERVE BALANCE		FY 22/23 Budget	FY 22/23 9-Month Actual	Projected Yr-End 6/30/2023	Final Budget FY23/24	Variance from 2022/23 Budget
Account No.						
DISBURSEMENT OF REMAINING BUDGET BALANCE						
271800	Repair & Replace Reserve	\$ 2,675,848	\$ 2,709,001	\$ 4,503,655	\$ 3,145,127	\$ 469,279
272000	Plant Expansion Reserve	\$ (786,036)	\$ (254,161)	\$ (299,717)	\$ (1,056,800)	\$ 270,764
		\$ (1,610,781)	\$ (511,019)	\$ (813,621)	\$ (1,055,730)	\$ (555,051)
	Sub Total CIP Reserves	\$ (2,396,817)	\$ (765,180)	\$ (1,113,339)	\$ (2,112,530)	\$ (284,287)
	Funding from Reserves					
	Funding to Reserves	\$ 279,031	\$ 1,943,821	\$ 3,390,317	\$ 1,032,597	

TOTAL BUDGET		FY 22/23 Budget	FY 22/23 9-Month Actual	Projected Yr-End 6/30/2023	Final Budget FY23/24	Variance from 2022/23 Budget
	TOTAL	\$ 12,315,275	\$ 9,312,667	\$ 12,623,472	\$ 12,520,163	\$ 204,888

RESOLUTION NO. 835

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,
IMPROVEMENT DISTRICT NO.1
AUTHORIZING SIGNATURES FOR ACCOUNTS AT MECHANICS BANK**

WHEREAS, the Santa Ynez River Water Conservation District, Improvement District No.1 ("District") maintains banking accounts at Mechanics ("Bank"); and

WHEREAS, the Board of Trustees authorizes certain District officials to make deposits to and withdrawals of funds from all Public Investment Money Market and Public Interest Checking Accounts (collectively, "Accounts") for payment of warrants, bills, and claims presented to and authorized by the District; and

WHEREAS, the checks issued by the District from the Public Interest Checking Account require two (2) authorized signatures on behalf of the District before the checks are honored by the Bank and, therefore, it is beneficial and efficient to have multiple officials of the District authorized as signatories for the Accounts on behalf of the District; and

WHEREAS, the Board of Trustees reviews and approves the payment of warrants, bills, and claims for all checks issued from the Public Interest Checking Account at the Board's monthly meetings.

NOW, THEREFORE, IT IS HEREBY RESOLVED, by the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, as follows:

1. That the following District officials are authorized signatories on the District's Public Investment Money Market Account and Public Interest Checking Account held at Mechanics Bank: Trustee Jeff Clay; Trustee Michael Burchardi; Paeter Garcia, General Manager; and Mary Robel, Assistant General Manager/Treasurer/Secretary to the Board of Trustees; and
2. That Trustee Harlan Burchardi and Trustee Brad Joos are removed as authorized signatories on the District's Public Investment Money Market Account and Public Interest Checking Account held at Mechanics Bank; and
3. That the District officials identified in Paragraph 1, above, are authorized to execute signature cards to be held on file at Mechanics Bank for the District's Accounts.
4. That this Resolution will take effect immediately.

WE, THE UNDERSIGNED, being duly qualified and acting 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 adopted and passed by the Board of Trustees at a Regular meeting held on the 20th day of June 2023, by the following roll call vote:

AYES, in favor thereof, Trustees:

NOES, Trustees:
ABSENT, Trustees:

Jeff Clay, President

ATTEST:

Mary Robel, Secretary to the Board



BUREAU OF RECLAMATION

Historical Archive and Report Database

Lake Cachuma Daily Operations

Run Date: 6/10/2023

May 2023

DAY	ELEV	STORAGE ACRE-FEET		COMPUTED* INFLOW AF.	CCWA INFLOW AF.	PRECIP ON		RELEASE - AF.			EVAPORATION		PRECIP INCHES
		IN LAKE	CHANGE			RES. SURF. AF.	TUNNEL	HILTON CREEK	OUTLET	SPILLWAY	AF.	INCH	
	753.71	195,523											
1	753.74	195,617	94	558.0	0.0	0.0	68.8	12.4	340.0	0.0	42.4	0.200	0.00
2	753.63	195,271	-346	216.0	0.0	0.0	59.2	12.5	342.0	0.0	148.1	0.700	0.00
3	753.69	195,460	189	636.0	0.0	0.0	49.1	12.5	343.0	0.0	42.3	0.200	0.00
4	753.77	195,712	252	628.0	0.0	73.2	47.0	12.5	375.0	0.0	14.8	0.070	0.28
5	753.82	195,869	157	623.0	0.0	5.2	44.0	12.5	391.0	0.0	23.3	0.110	0.02
6	753.85	195,964	95	583.0	0.0	0.0	44.2	12.5	391.0	0.0	40.3	0.190	0.00
7	753.86	195,995	31	529.0	0.0	0.0	43.9	12.6	395.0	0.0	46.6	0.220	0.00
8	753.86	195,995	0	490.0	0.0	0.0	42.8	12.5	388.0	0.0	46.6	0.220	0.00
9	753.85	195,964	-31	480.0	0.0	0.0	65.4	13.6	390.0	0.0	42.4	0.200	0.00
10	753.83	195,901	-63	426.0	0.0	0.0	55.5	13.9	390.0	0.0	29.7	0.140	0.00
11	753.83	195,901	0	473.0	0.0	0.0	70.7	14.0	342.0	0.0	46.6	0.220	0.00
12	753.84	195,932	31	489.0	0.0	0.0	68.6	13.9	339.0	0.0	36.0	0.170	0.00
13	753.83	195,901	-31	434.0	0.0	0.0	68.2	13.9	340.0	0.0	42.4	0.200	0.00
14	753.81	195,838	-63	406.0	0.0	0.0	70.4	14.0	327.0	0.0	57.2	0.270	0.00
15	753.81	195,838	0	405.0	0.0	0.0	59.3	13.9	285.0	0.0	46.6	0.220	0.00
16	753.81	195,838	0	384.0	1.9	0.0	53.8	13.9	278.0	0.0	40.3	0.190	0.00
17	753.80	195,806	-32	353.0	0.2	0.0	54.0	14.0	292.0	0.0	25.4	0.120	0.00
18	753.80	195,806	0	375.0	0.0	0.0	54.5	14.0	232.0	0.0	74.2	0.350	0.00
19	753.80	195,806	0	324.0	0.0	0.0	52.9	14.0	204.0	0.0	53.0	0.250	0.00
20	753.80	195,806	0	318.0	0.0	0.0	55.3	14.0	198.0	0.0	50.8	0.240	0.00
21	753.80	195,806	0	318.0	0.0	0.0	54.1	14.0	199.0	0.0	50.8	0.240	0.00
22	753.79	195,775	-31	277.0	0.0	0.0	53.9	13.9	198.0	0.0	42.4	0.200	0.00
23	753.78	195,743	-32	285.0	0.0	0.0	61.5	14.0	197.0	0.0	44.5	0.210	0.00
24	753.78	195,743	0	288.0	0.0	0.0	65.7	14.0	183.0	0.0	25.4	0.120	0.00
25	753.77	195,712	-31	255.0	0.0	0.0	63.9	14.0	170.0	0.0	38.1	0.180	0.00
26	753.77	195,712	0	264.0	0.0	0.0	67.2	14.0	151.0	0.0	31.8	0.150	0.00
27	753.78	195,743	31	281.0	0.0	0.0	62.7	14.0	131.0	0.0	42.4	0.200	0.00
28	753.78	195,743	0	257.0	0.0	0.0	68.0	14.0	130.0	0.0	44.5	0.210	0.00
29	753.79	195,775	32	270.0	0.0	0.0	65.7	14.0	129.0	0.0	29.7	0.140	0.00
30	753.79	195,775	0	243.0	0.0	0.0	67.1	14.0	130.0	0.0	31.8	0.150	0.00
31	753.80	195,806	31	259.0	0.0	0.0	67.3	14.0	128.0	0.0	19.1	0.090	0.00
TOTALS			283	12,127.0	2.1	78.4	1,824.7	421.0	8,328.0	0.0	1,349.5	6.370	0.30
AVERAGE		195,792											

Comments: *Computed inflow is the sum of change in storage, releases and evaporation minus precip on the reservoir surface and ccwa inflow.
 Indicated outlet release includes leakage from outlet valves and spillway gates.
 Data based on a 24 hour period ending 0800.



— BUREAU OF —
RECLAMATION

Historical Archive and Report Database

Lake Cachuma Daily Operations

Run Date: 6/15/2023

June 2023

DAY	ELEV	STORAGE ACRE-FEET		COMPUTED* INFLOW AF.	CCWA INFLOW AF.	PRECIP ON				RELEASE - AF.			EVAPORATION		PRECIP INCHES	
		IN LAKE	CHANGE			RES. SURF. AF.	TUNNEL	HILTON CREEK	OUTLET	SPILLWAY	AF.	INCH				
	753.80	195,806														
1	753.80	195,806	0	258.0	0.0	0.0	64.3	14.0	130.0	0.0	49.3	0.230	0.00			
2	753.80	195,806	0	258.0	0.0	0.0	64.6	14.0	130.0	0.0	49.3	0.230	0.00			
3	753.79	195,775	-31	225.0	0.0	0.0	67.1	14.0	128.0	0.0	47.2	0.220	0.00			
4	753.81	195,838	63	331.0	0.0	0.0	66.1	14.0	130.0	0.0	57.9	0.270	0.00			
5	753.80	195,806	-32	217.0	0.0	0.0	64.9	14.0	129.0	0.0	40.8	0.190	0.00			
6	753.77	195,712	-94	145.0	0.0	5.2	66.1	14.0	130.0	0.0	34.3	0.160	0.02			
7	753.77	195,712	0	192.0	0.0	39.2	65.0	14.0	129.0	0.0	23.6	0.110	0.15			
8	753.76	195,680	-32	194.0	0.0	0.0	65.5	13.9	129.0	0.0	17.2	0.080	0.00			
9	753.76	195,680	0	249.0	0.0	0.0	50.1	14.0	129.0	0.0	55.7	0.260	0.00			
10	753.76	195,680	0	210.0	0.0	0.0	45.7	14.0	129.0	0.0	21.4	0.100	0.00			
11	753.76	195,680	0	210.0	0.0	0.0	46.6	14.0	130.0	0.0	19.3	0.090	0.00			
12	753.75	195,649	-31	185.0	0.0	0.0	47.1	14.0	129.0	0.0	25.7	0.120	0.00			
13	753.75	195,649	0	224.0	0.0	0.0	47.7	14.0	130.0	0.0	32.2	0.150	0.00			
14	753.74	195,617	-32	208.0	0.0	0.0	45.9	14.0	129.0	0.0	51.4	0.240	0.00			
TOTALS			-189	3,106.0	0.0	44.4	806.7	195.9	1,811.0	0.0	525.3	2.450	0.17			
AVERAGE		195,721														

Comments: *Computed inflow is the sum of change in storage, releases and evaporation minus precip on the reservoir surface and ccwa inflow.
 Indicated outlet release includes leakage from outlet valves and spillway gates.
 Data based on a 24 hour period ending 0800.



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: 6/12/2023

Water Year: 2023

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 0 day(s)	Month	Year*	% to Date	% of Year*	AI
Buellton (Fire Stn)	233	0.00	0.00	0.30	29.39	180%	179%	
Cachuma Dam (USBR)	332	0.00	0.00	0.17	38.48	197%	197%	
Carpinteria (Fire Stn)	208	0.00	0.00	0.38	28.73	170%	169%	
Cuyama (Fire Stn)	436	0.00	0.00	0.20	13.99	188%	185%	
Figueroa Mtn (USFS Stn)	421	0.00	0.00	0.12	42.64	203%	202%	9.0
Gibraltar Dam (City Facility)	230	0.00	0.00	0.10	61.38	236%	236%	9.3
Goleta (Fire Stn-Los Carneros)	440	0.01	0.00	0.28	30.41	168%	167%	
Lompoc (City Hall)	439	0.00	0.00	0.49	34.19	238%	237%	8.8
Los Alamos (Fire Stn)	204	0.00	0.00	0.22	32.32	214%	213%	
San Marcos Pass (USFS Stn)	212	0.02	0.00	0.58	80.22	240%	239%	
Santa Barbara (County Bldg)	234	0.01	0.00	0.31	36.41	201%	200%	
Santa Maria (City Pub. Works)	380	0.01	0.00	0.39	25.57	194%	193%	
Santa Ynez (Fire Stn /Airport)	218	0.00	0.00	0.14	33.06	213%	212%	
Sisquoc (Fire Stn)	256	0.00	0.00	0.23	25.65	173%	172%	

County-wide percentage of "Normal-to-Date" rainfall : **201%**

County-wide percentage of "Normal Water-Year" rainfall : **200%**

County-wide percentage of "Normal Water-Year" rainfall calculated assuming no more rain through Aug. 31, 2023 (End of WY2023).

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 based on Dec 2021 capacity revision)

	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	1,400.01	4,693	4,695	100.0%	4	3,395
Cachuma Reservoir	753.**	753.75	192,978	195,334	101.2%	-158	124,664
Jameson Reservoir	2,224.00	2,223.92	4,848	4,838	99.8%	0	2,012
Twitchell Reservoir	651.50	621.41	194,971	104,058	53.4%	-892	104,058

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Real-Time Readings

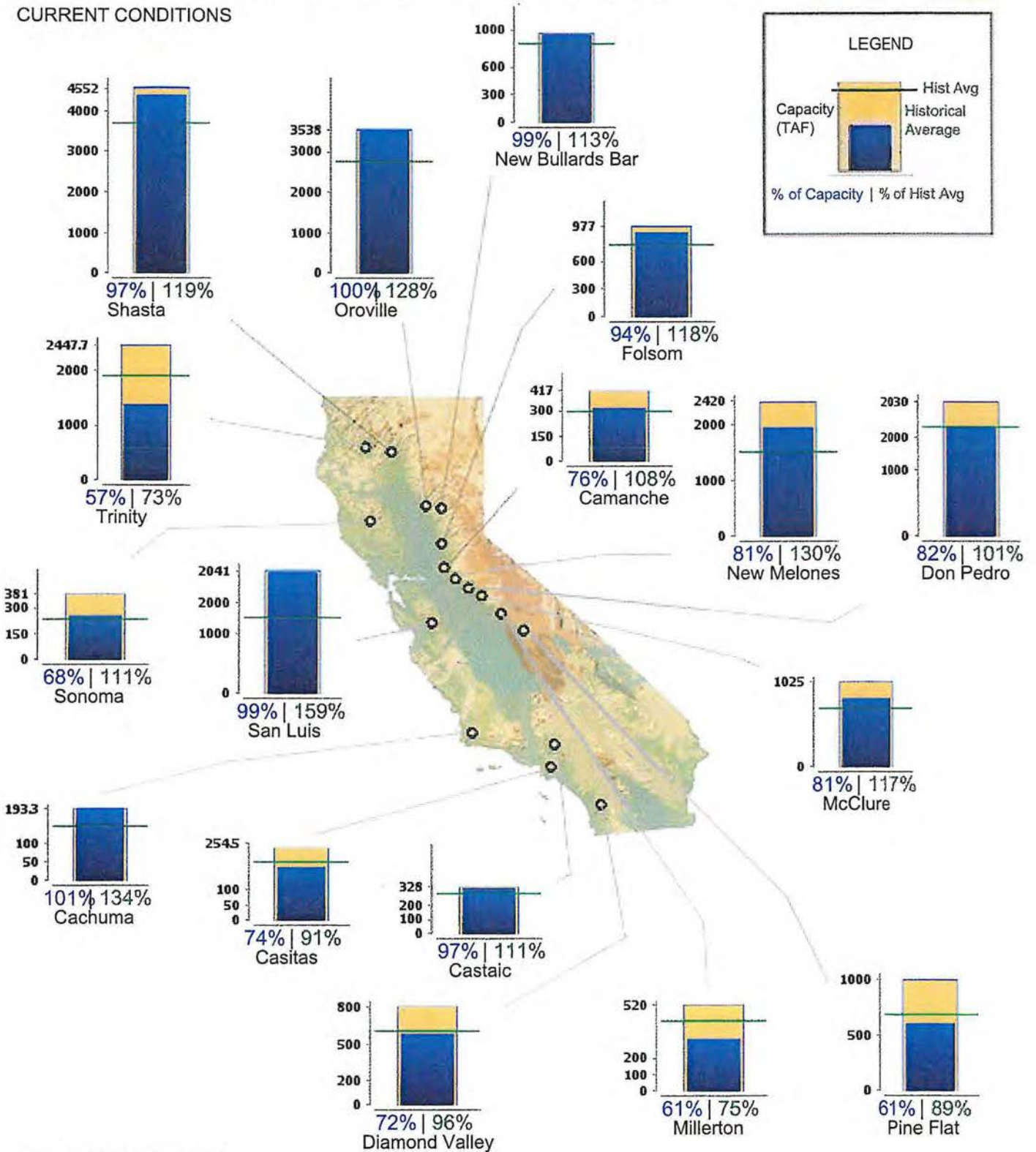
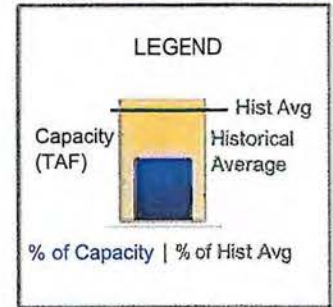
[Previous Rainfall and Reservoir Summaries](#)



CURRENT RESERVOIR CONDITIONS

Midnight - June 14, 2023

CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS CURRENT CONDITIONS



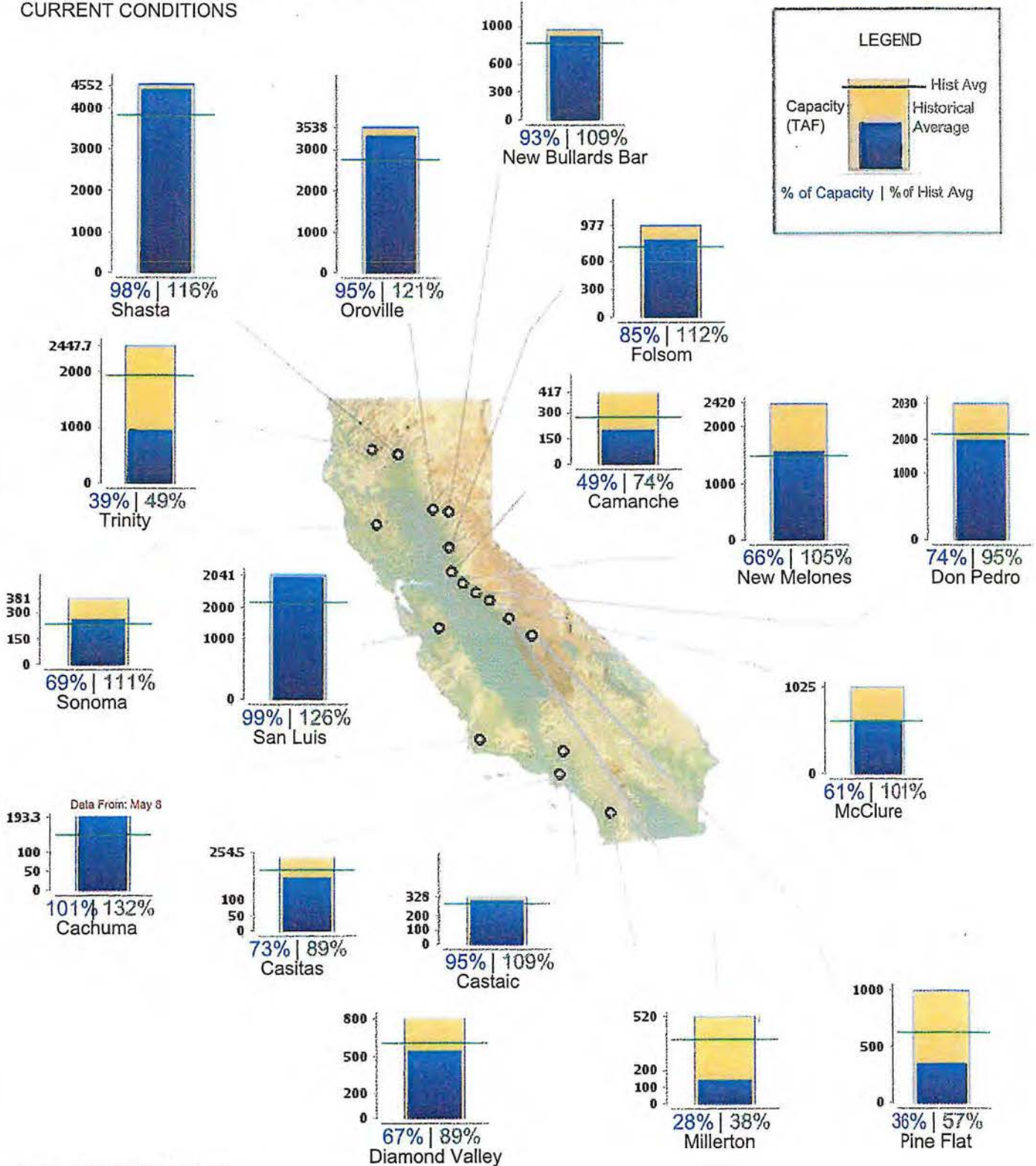
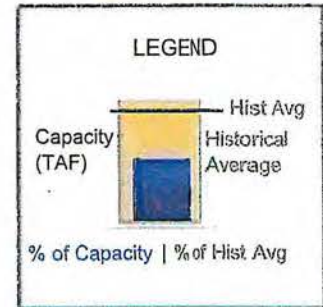


CURRENT RESERVOIR CONDITIONS

CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS

Midnight - May 9, 2023

CURRENT CONDITIONS



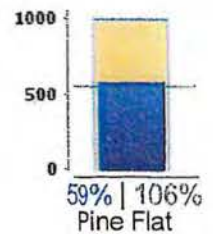
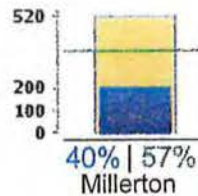
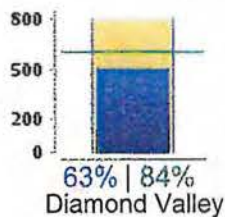
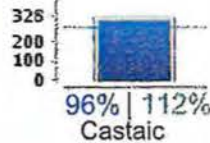
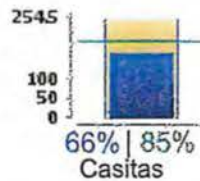
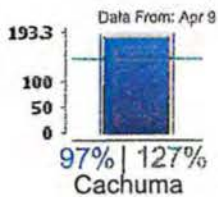
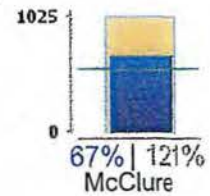
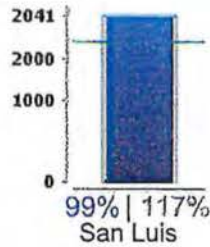
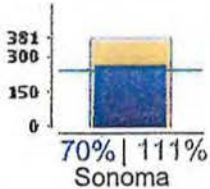
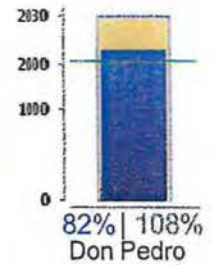
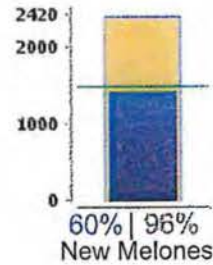
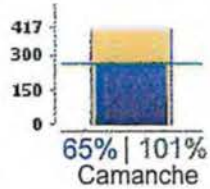
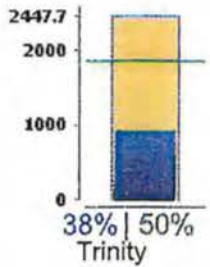
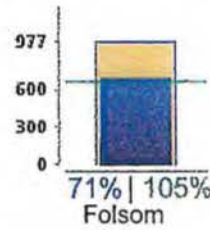
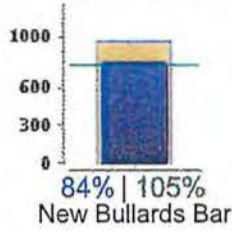
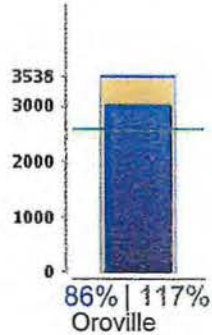
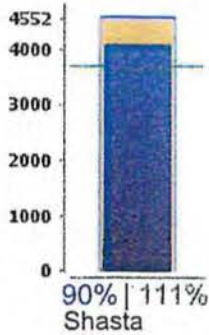
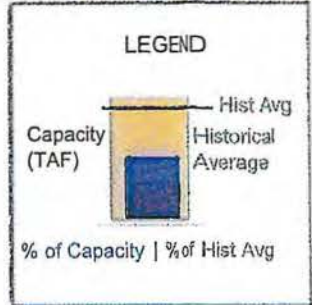


CURRENT RESERVOIR CONDITIONS

CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS

Midnight - April 12, 2023

CURRENT CONDITIONS



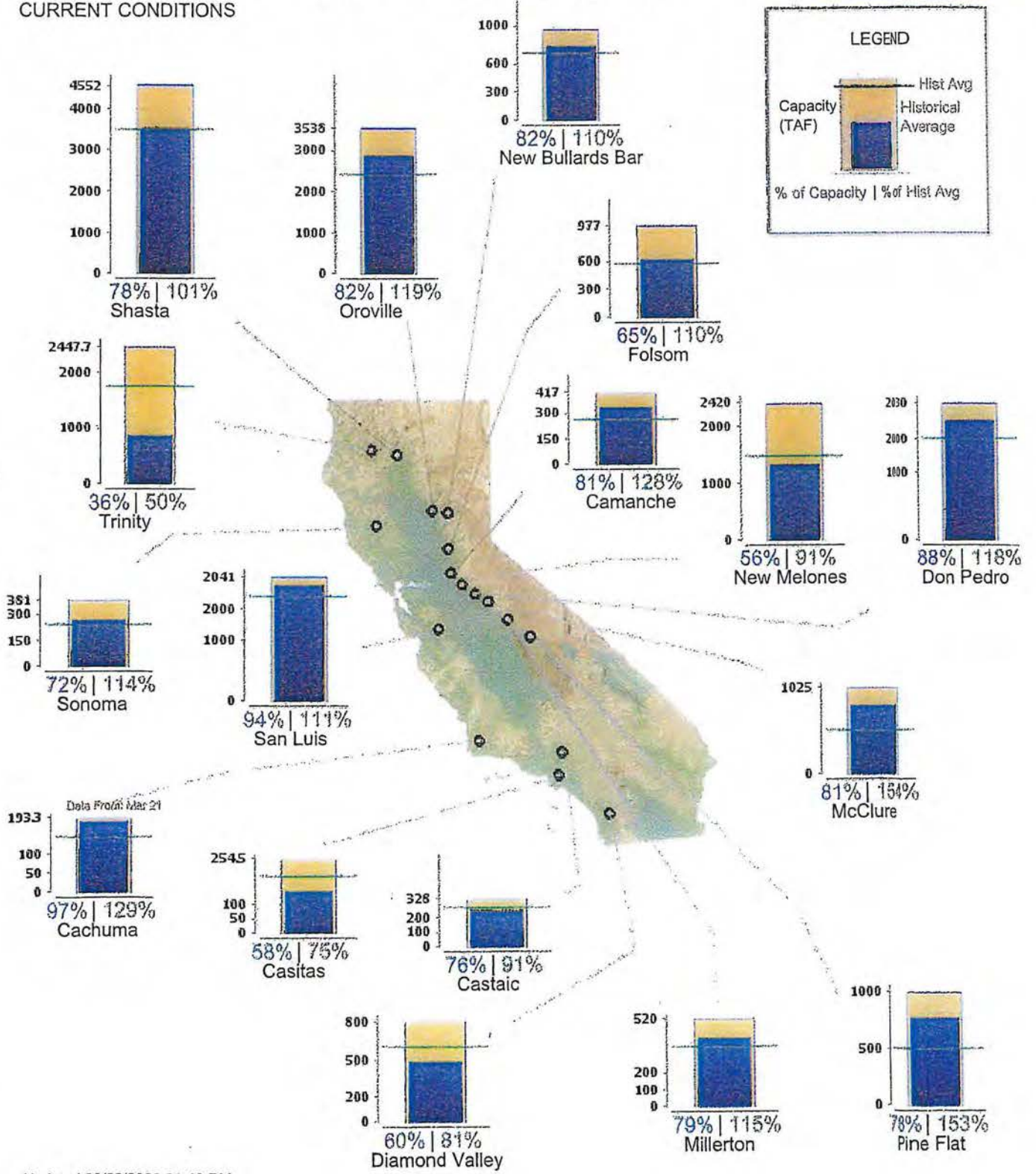


CURRENT RESERVOIR CONDITIONS

CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS

Midnight - March 22, 2023

CURRENT CONDITIONS



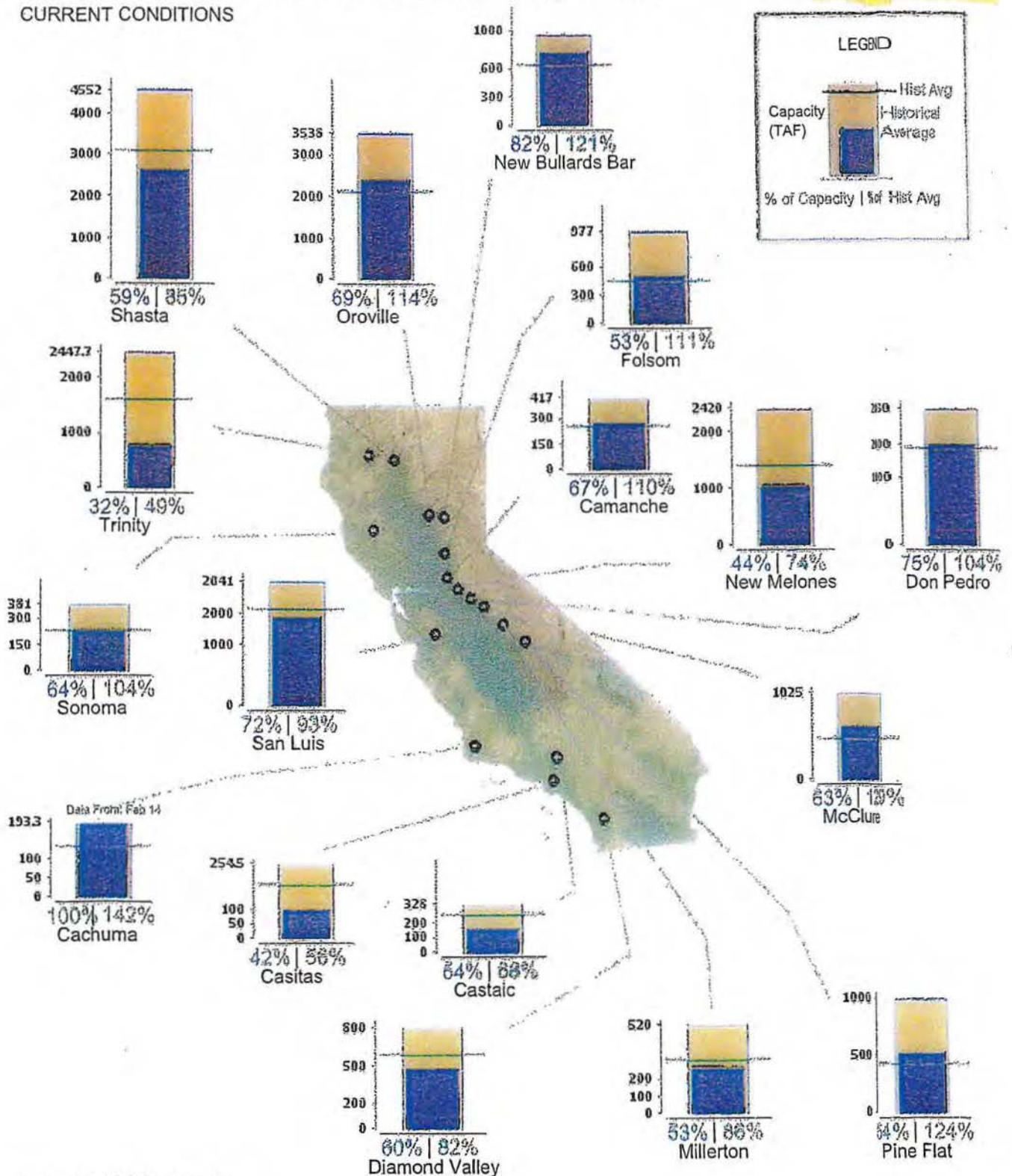


CURRENT RESERVOIR CONDITIONS

CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS

Midnight February 15, 2023

CURRENT CONDITIONS

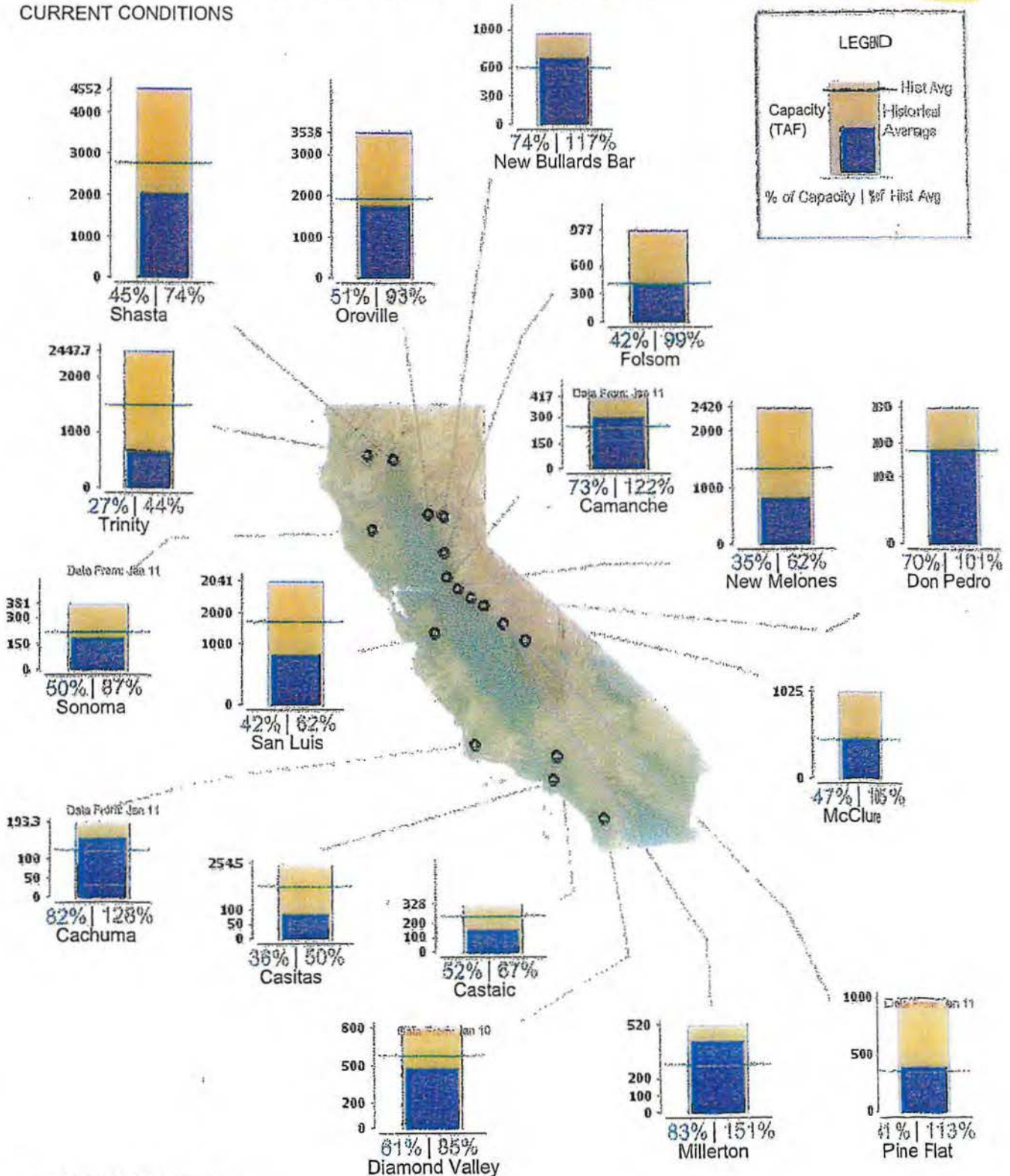




CURRENT RESERVOIR CONDITIONS

CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS CURRENT CONDITIONS

Midnight January 12, 2023

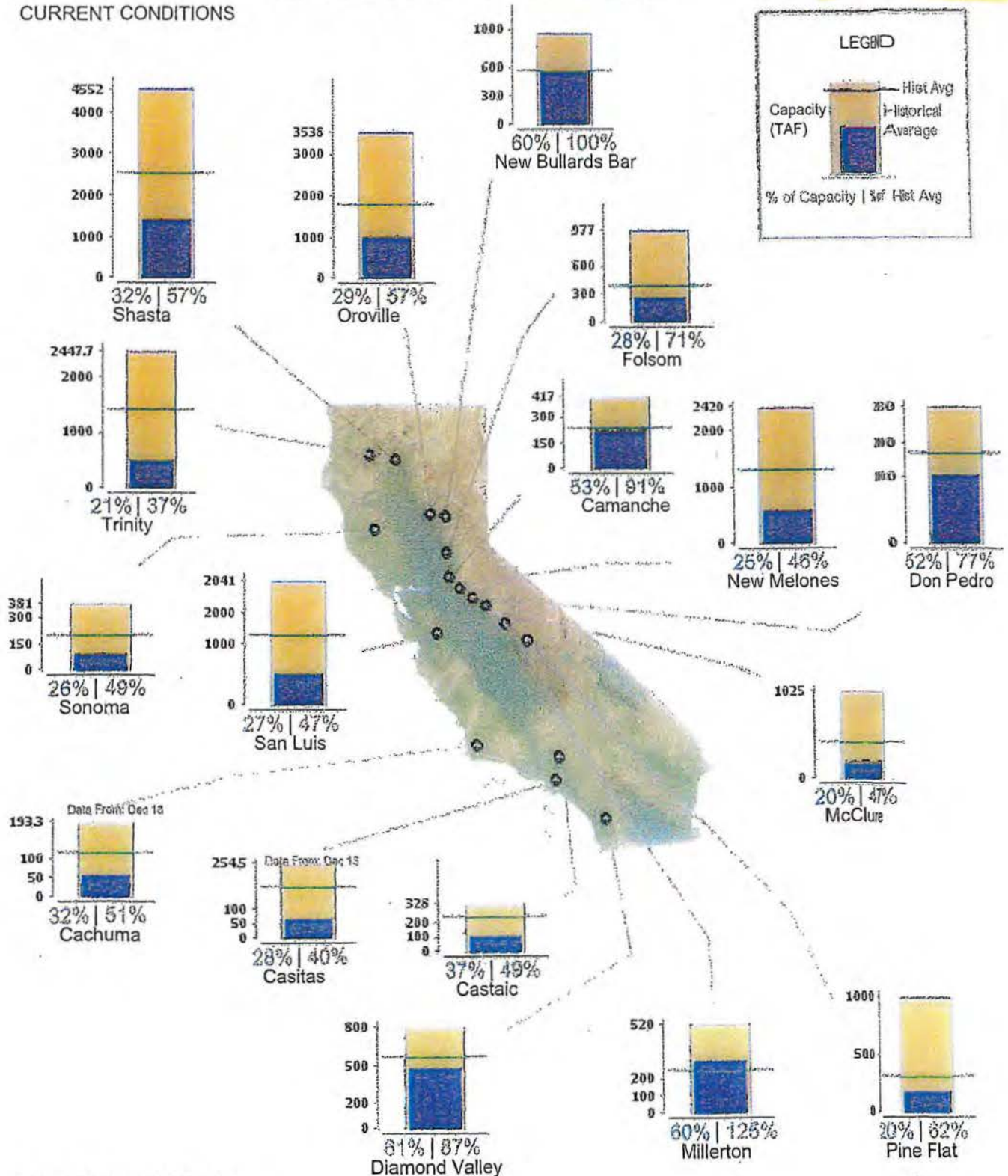




CURRENT RESERVOIR CONDITIONS

CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS CURRENT CONDITIONS

Midnight December 14, 2022



Lake Oroville Community Update - May 26, 2023

Published: May 26, 2023

Lake Oroville Water Operations

The Department of Water Resources (DWR) continues to make releases from Lake Oroville using the main spillway at Oroville Dam. Ongoing releases ensure continued storage space in Lake Oroville for spring runoff from snowmelt and are closely coordinated with the U.S. Army Corps of Engineers and downstream water operators.

Total releases to the Feather River amount to 9,000 cubic feet per second (cfs) with 2,200 cfs being routed down the low-flow channel which flows through the City of Oroville. An additional 6,800 cfs is being released from the Thermalito Afterbay River outlet, located 5 miles downstream from Oroville. DWR continues to closely monitor lake levels and will adjust releases accordingly to optimize operations for water storage and environmental protection while allowing for carryover storage into next year.

Driftwood and other floating debris on Lake Oroville are expected due to continued water inflows from tributaries and a high lake level, in combination with past wildfires impacting the watershed. Since January, State officials and marina partners have been collecting, containing, and pulling pieces of wood out of the lake and away from boat launch ramps using boom lines. However, boaters, water skiers, and other water recreationists should take precautions when operating boats on Lake Oroville and should remain alert for floating debris.

Since Dec. 1, Lake Oroville's storage has increased approximately 230 feet and gained over 2.44 million acre-feet of water. Lake Oroville is currently at 96 percent capacity and is expected to reach full capacity in June. The Lake Oroville reservoir is the largest storage facility in the State Water Project (SWP) and supports environmental and water delivery needs to 27 million Californians and reduces flood risks to downstream communities.

State Water Project Adapts to Climate Change

As California experiences more extreme swings between wet and dry periods, DWR continues to deploy innovative forecasting and water management strategies for the State Water Project (SWP) to adapt to California's changing climate.

The SWP delivers an average of 2.4 million acre-feet of water to more than 27 million Californians and 750,000 acres of farmland while providing multiple benefits, such as flood control, hydropower generation, fish and wildlife protections, drinking water quality, and recreational opportunities. Releases from Lake Oroville, the largest SWP reservoir, also keep salt water from intruding into the Delta and contaminating drinking water or water used to irrigate crops.

The SWP diverts and stores surplus water during wet periods and distributes water to 29 water contractors - all public agencies that have contracts for water that is distributed to farms, homes, and industry. Annual water supply deliveries depend on rainfall runoff, snowpack, existing water in storage facilities, Delta pumping capacity, and environmental regulations.

The State Water Project is required to follow more than one regulation when releasing water from SWP reservoirs, such as Lake Oroville. Releases from Lake Oroville meet requirements set forth by the State Water Resources Control Board, U.S. Army Corps of Engineers, California Department of Fish and Wildlife (CDFW), Federal Energy Regulatory Commission, and National Marine Fisheries Service. The SWP release decisions are also coordinated with the U.S. Bureau of Reclamation which operates the Central Valley Project, since many requirements must be jointly met by the two projects.

EXTREME WEATHER | Published June 13, 2023 2:40pm EDT

California's Lake Oroville hits 100% capacity after undergoing dramatic recovery from drought

Formed by the tallest dam in the country, Lake Oroville reached a capacity of 126 percent of its historical average for this time of year, a level it has maintained for the past week.

By [Angeli Gabriel](#)
Source [FOX Weather](#)

Photojournalist reveals how California's reservoirs were replenished by atmospheric rivers

California photojournalist Josh Edelson captured stunning images of Lake Oroville before and after the extremely wet winter of 2023. Edelson noted that California's reservoirs were bordering on empty in 2021 compared to this spring when water was released from reservoirs in preparation for more rain.

OROVILLE, Calif. – Lake Oroville, the [second-largest reservoir](#) in California, reached 100 percent capacity on June 6 after experiencing months of low water levels.

Formed by the tallest dam in the country, Oroville Dam, Lake Oroville reached a capacity of 126 percent of its historical average on June 6. The reservoir has remained around this level for the past week.



Map showing location of Lake Oroville in California.

(FOX Weather / FOX Weather)

Just as significant as its current water level is how much it has risen since late 2022. In fact, the reservoir on Dec. 1 was at 27 percent capacity, which was only 55 percent of the historical average for that date. In the time since, the water level has risen more than 240 feet – or about a third of the height of Oroville Dam.

HOW TO WATCH FOX WEATHER

While water levels in the reservoir usually tend to increase between winter and spring, the drastic increase this year was largely due to 36 atmospheric river storms that dropped historic amounts of rain and snow over the Golden State. For reference, California usually has five to six atmospheric river storms per year.

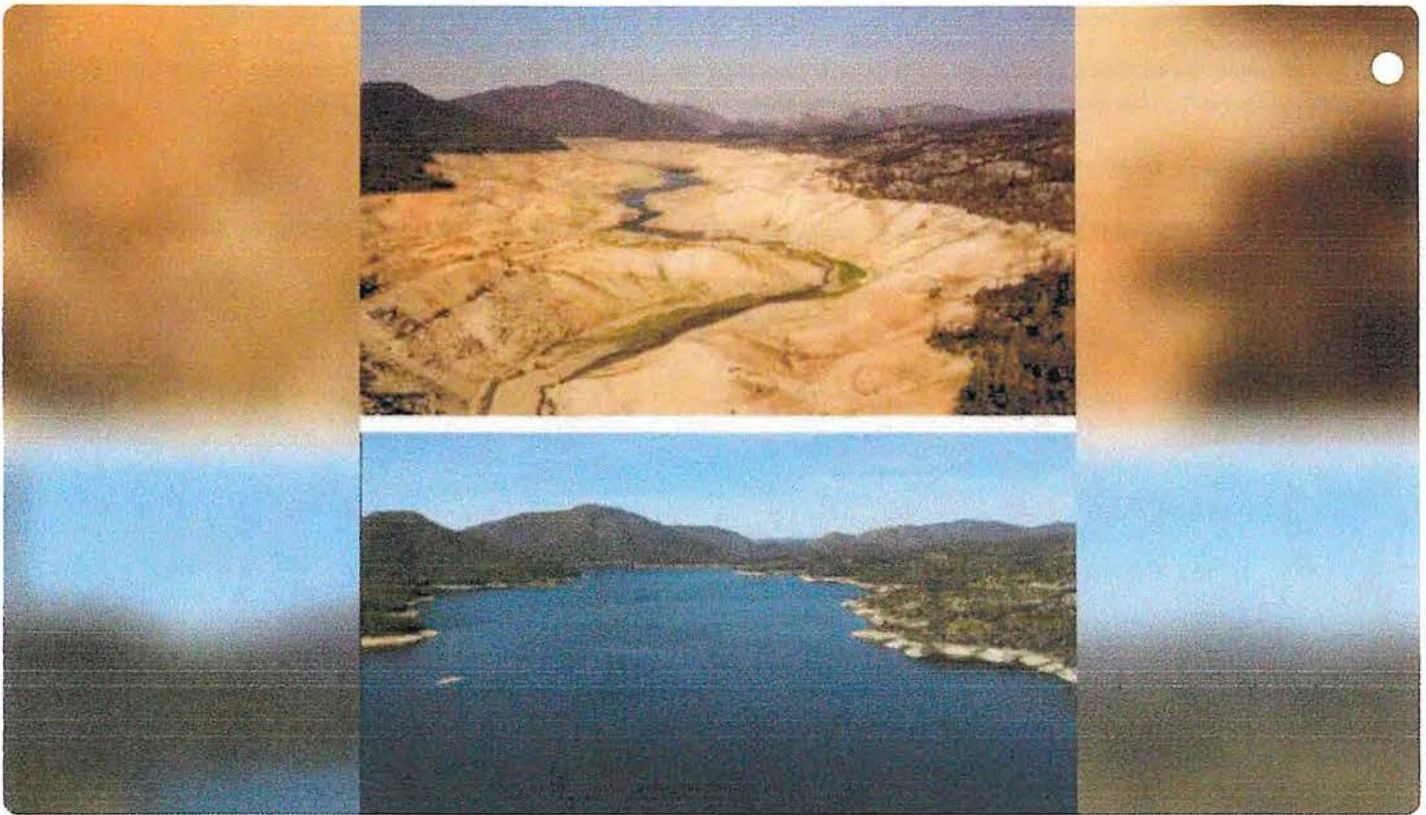
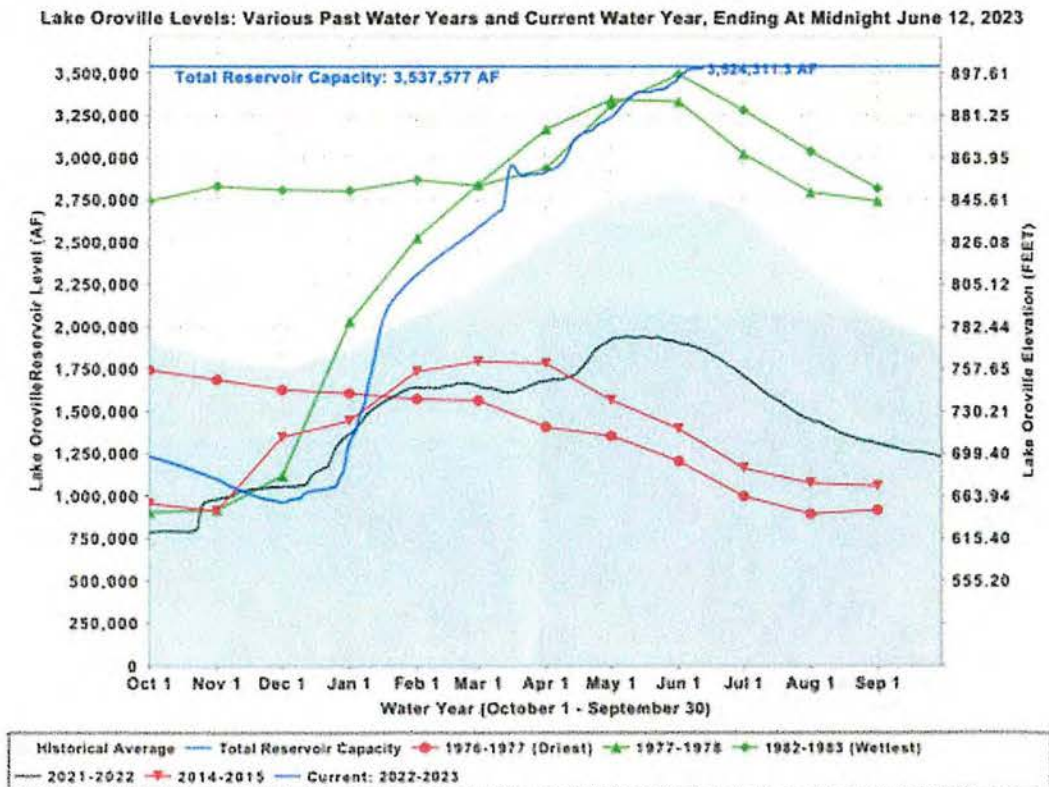


Image 1 of 7

This aerial combination photo created on April 17, 2023, shows Lake Oroville in Oroville, California, on September 05, 2021 (top), and on April 16, 2023 (below). (JOSH EDELSON/AFP)

The area around Lake Oroville, which is located in the Sierra Nevada mountains, saw the atmospheric river storms create record snowpack in the mountains. As spring came and temperatures rose, the record snowpack turned into record snowmelt as meltwater surged into rivers, lakes and other waterways – including reservoirs.

Lake Oroville, along with other reservoirs in [California](#), experienced one of the driest periods on record about two years ago.



Line graph showing the total reservoir capacity of Lake Oroville, ending at midnight June 12, 2023 (note blue line).

"In 2021, we had some of the worst drought we've had in California, so these reservoirs were extremely low and, in many cases, bordering on empty in some sections," said Josh Edelson, a photographer who documented the historic low water levels of Lake Oroville in September 2021.

"So going from 2021 to 2023, it's obviously a stark contrast," he added.

PHOTOGRAPHER CAPTURES STARK GAINS CALIFORNIA RESERVOIRS HAVE MADE DURING RELENTLESS ATMOSPHERIC RIVER STORMS



Lake Oroville, California's second largest water reservoir and fed by the Feather River nearing full capacity. May 23, 2023.

(George Rose / Getty Images)

According to the California Department of Water Resources, the state's reservoirs have multiple purposes, such as aiding in flood protection, serving as places of recreation and serving as habitats for fish and wildlife.

Tags **CALIFORNIA** **WEST** **DROUGHT** **FLOOD** **WINTER** **SPRING**

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Santa Ynez River Valley Groundwater Basin

(<https://www.santaynezwater.org/>)

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[EMA GSA COMMITTEE MEETINGS \(/EMA-GSA-COMMITTEE-MEETINGS\)](#)

JUN
22
2023

EMA GSA Committee Regular Meeting, 6:30 pm

LEGAL NOTICE (published in Santa Barbara News Press on June 1 & 8, 2023)

Please take notice that on June 22, 2023, at 6:30 p.m., at the Santa Ynez Community Services District, Conference Room, at 1070 Faraday Street, Santa Ynez, California 93460, the Santa Ynez River Valley Groundwater Basin Eastern Management Area (EMA) Groundwater Sustainability Agency (GSA) will hold a regular meeting at which it will consider a Resolution to impose a fee under Water Code section 10730. Oral or written presentations may be made as part of the meeting. Persons wishing to present comments to the EMA GSA Committee may do so in person at the public meeting, and those not able to attend in person are encouraged to provide comments they may have prior to the public meeting to Bill Buelow, bbuelow@syrwcd.com (<mailto:bbuelow@syrwcd.com>) no later than 5:00 p.m. June 20, 2023.

Under Executive Order N-7-22 as amended under Executive Order N-5-23 and Santa Barbara County Urgency Ordinance No. 515B, applications for water well permits in the EMA will not be approved by Santa Barbara County Environmental Health Services without written verification of certain matters from the EMA GSA. In order for the EMA GSA to provide such written verification, the EMA GSA's technical consultant will review the well permit application and other materials as needed. The fee to be considered at the above-referenced meeting would be an hourly fee of \$200.00 per hour for the consultant to undertake such review. The fee would be charged on a time and materials basis, drawn on a deposit in an amount to be approved and adjusted from time to time by the EMA GSA. Pursuant to Water Code section 10730(b), any data on which this fee is based are available and have been made available for review at [SantaYnezWater.org \(https://us-east-2.protection.sophos.com?d=santaynezwater.org&u-d3d3LnNhbnRheW5lendhdGVyLm9yZy9lYXNoZXJlLWdzYO--&i-NWQ3MmFj\)](https://us-east-2.protection.sophos.com?d=santaynezwater.org&u-d3d3LnNhbnRheW5lendhdGVyLm9yZy9lYXNoZXJlLWdzYO--&i-NWQ3MmFj)

- 2023 - GSI Water Solutions: Expanded Scope of Work and Fee for Review of New and Replacement Wells (</files/be83coba7/2023+0523+Expanded+GSI+SOW+and+Fee+for+Review+of+New+and+Replacement>)
- SBNP-Legal Notice-published June 1 & June 8 (</files/0e04c2ade/SBNP-LegalNotice-59430-0601-0608-R.pdf>)



PROPOSAL

Expanded Scope and Cost for Review of New and Replacement Well Applications in the Santa Ynez River Valley Groundwater Basin Eastern Management Area

To: Bill Buelow/SYRWCD
From: Tim Nicely and Jeff Barry, GSI Water Solutions, Inc.
Date: May 23, 2023

At your request, we have prepared a revised scope and estimated budget to perform an expanded review of permit applications submitted to the County of Santa Barbara Department of Environmental Health Services (EHS) for new or replacement wells within the Eastern Management Area of the Santa Ynez River Groundwater Basin. The Groundwater Sustainability Agencies (GSAs) are required by Governor Newsom's Executive Order N-7-22, as amended by Executive Order N-5-23, and the County Board of Supervisors Urgency Ordinance dated May 24, 2022 to review well construction and modification permit applications to determine whether or not a written verification can be provided that groundwater extraction by the proposed new or replacement well¹

1. would be "inconsistent with any sustainable groundwater management program" established by the Groundwater Sustainability Plan (Plan) adopted by that GSA, and
2. would decrease the likelihood of achieving a sustainability goal for the basin covered by such Plan.

In the EMA, several well permit applications were reviewed and approved during 2022 and 2023 following these general guidelines. As the drought in 2022 became more severe and water levels in EMA monitoring wells showed continued declines (some water levels falling below minimum thresholds established in the Plan), the EMA GSA began to be concerned that using this generalized approach may not adequately reflect overall conditions in the EMA consistent with the Plan. The Plan acknowledges that short term annual water supply and use may vary according to numerous factors including land use and near-term climate, yet sustainable yield estimates and groundwater management described in the Plan reflect conditions/considerations of water supply and use over a long-term period of time. For this reason, a more comprehensive review of groundwater conditions and use within the EMA, over both the short term and longer term, can be used to better assess whether new permit applications are inconsistent with the sustainable groundwater management program established by the EMA and would decrease the likelihood of achieving the sustainability goal of the EMA's Plan.

Details of our proposed scope of work for the expanded review of permit applications for new and replacement wells are presented as follows.

Scope of Work

The scope of work for reviewing new or replacement well applications includes (1) the level of review that has been conducted thus far in the EMA pursuant to the "Process and Criteria for Administering Written Verifications Per Executive Order N-7-22" that was approved by the EMA GSA on July 21, 2022 (herein referred to as the initial assessment) and (2) the expanded assessment.

The expanded assessment presented in this proposal focuses on the core sustainability factors, which will be used to evaluate whether production from a proposed well is consistent with Sustainable Groundwater Management as set forth in the GSP contained in the EMA's Plan. These core sustainability factors are:

- A. **Undesirable Results** - Presence/imminence/absence
- B. **Water Budget Parameters** - Short and long-term land and water use assumptions
- C. **Projects and Management Actions** - Programs/water savings/priorities

This evaluation will consider the most recent annual report for the EMA, which presents the groundwater conditions for the previous water year (October of one year to September of the following year) in compliance with DWR regulations, along with an active data set regarding well permits, land and water use practices, and related trends in the EMA and/or a forthcoming spring groundwater conditions report for the EMA, which will be prepared for this purpose. Together, this information will provide the EMA GSA with a comprehensive and updated status of the sustainability factors as described in the EMA Plan.

Review for Written Verifications

Initial Assessment

- Examine the proposed well construction information and assess whether the well is located within one of the management areas.
- Determine whether the geologic setting and aquifer that the well would be completed in would be within in a Principal Aquifer that is managed by the EMA (such as within the Paso Robles Formation or Careaga Sand).
- Assess groundwater conditions (e.g., water level elevations and trends, water quality) and rainfall conditions in the preceding water years.
- Evaluate whether the well would increase production within the management area.
- For replacement wells, assess whether the pumping capacity of the replacement well will be a "like for like" replacement with regards to production volume relative to the original well. Information that may be reviewed includes:
 - Planned pumping rate of the replacement well and estimated or measured flow rate of the original well;
 - Pump curves for both the original well pump and new pump, as available;
 - If a pump curve is not available, pump type, number of bowls, pump diameter, pump horsepower, RPM, assumed lift;
 - System pressure in the discharge line and total pressure head;
 - Well construction details for the proposed replacement well and original well including total depth, perforated or screened intervals, well diameter;

Expanded Scope and Cost for Review of New and Replacement Well Applications in the Santa Ynez River Valley Groundwater Basin Eastern Management Area

- o Estimated groundwater levels at the time of the application and at the time the original well was completed.
- Review that the proposed use of the well is consistent with the proposed location and design capacity.
- Review whether the property is within the boundaries of a public water system.

Expanded Assessment

The expanded review tasks were developed to answer specific questions about whether the production from a proposed well would be consistent with the Plan.

1. **Undesirable Results.** The planned production and use of groundwater from the proposed well must be evaluated against the presence, imminence, or absence of undesirable results as described in the EMA GSP. The supplemental criteria for evaluating undesirable results will include the following:
 - a. Most recently reported groundwater levels compared to Minimum Thresholds (MTs) and definition of undesirable result established by the GSP. Determine whether more than 50% of the representative wells exceed MTs after two consecutive years of average or above average precipitation.
 - b. If MTs exceeded, consider the magnitude of exceedances.
 - c. Consider reported impacts to other wells in the area.
 - d. Consider other undesirable result criteria (e.g., water quality).
2. **Water Budget Parameters.** The planned production and use of groundwater from the proposed well must be consistent with the current and long-term water budget parameters in the GSP (Section 3). Water budget parameters to consider may include:
 - a. Projected land-uses
 - b. Total irrigated acreage
 - c. Cropping distribution
 - d. Water duty factors for different crop types.
3. **Projects and Management Actions.** The planned production and use of groundwater from the proposed well must be compliant with any implemented projects or management actions of the EMA GSA, and as a condition for issuance of a written verification the applicant must agree to register the well with and report production semi-annually to the EMA GSA.

Deliverable

After consulting as needed with EMA staff regarding information contained in a well permit application, and after obtaining additional information that may be required to complete the assessment described herein, GSI will prepare a technical memorandum to the EMA that documents the information that was reviewed, present findings from the evaluation, provide an opinion regarding the verification of consistency with the sustainability goal of the Plan, and provide a list of proposed conditions that may be applicable.

Budget Estimate

The estimated cost to complete the entire scope of work described in this memorandum is \$2,200 per well permit application. The work will be completed on a time and materials basis at a blended rate of \$200 per hour. Should additional time be required to complete the review, the EMA will be notified, and if approved by the EMA, the work will be conducted on a time and materials basis at the hourly rate shown above.

Indemnification and Limitations of Liability

GSI does not warrant or guarantee that the new or replacement well will produce the expected amount of water nor that the GSA will not require that the extraction from the well be reduced in the future in accordance with its authority to ensure sustainable groundwater management pursuant to SGMA.

GSI is not responsible for or otherwise liable for any costs, investments, lost revenue, or payments related to any groundwater well permitted or not permitted by the County pursuant to any well permit application, including well drilling costs, pumping fees, extraction limits, costs related to well failure, well deepening, increased maintenance, replacement, or operational costs.

The GSA's issuance of a written verification and the County's issuance of a well permit to Applicant does not guarantee the extraction of any specific amount of water now or in the future or any defined water level or water quality.

The GSA and the Santa Ynez River Water Conservation District agrees to hold GSI harmless and indemnify GSI for any liability stemming from the findings presented in the GSI report or related to the County issuing or not issuing a well permit in response the Application or to the GSA issuance of a written verification related to the well permit.



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

Agenda Item IV.C.
Board of Directors
May 25, 2023

May 18, 2023

TO: CCWA Board of Directors

FROM: Ray A. Stokes, Executive Director

SUBJECT: Amendment to CCWA's Joint Exercise of Powers Agreement to Add Express Authority to Engage in Expanded Water Storage Activities

SUMMARY

The Joint Exercise of Powers Agreement under which CCWA was formed lists various powers that CCWA is authorized to exercise. Staff has proposed an amendment to the Joint Exercise of Powers Agreement to expressly state that CCWA has the authority to engage in an expanded range of water storage activities.

RECOMMENDATION

This item is currently for discussion only.

DISCUSSION

Moving forward, CCWA is likely to be increasingly involved in facilitating water management strategies to assist CCWA Participants in increasing the reliability of their State Water Project (SWP) supply. These water management strategies may involve CCWA's participation in a range of water storage activities, including some form of participation in a groundwater bank, leasing or owning interests in above- or below-ground storage facilities, and moving both SWP and non-SWP water in and out of storage facilities that are not wholly owned by CCWA.

The proposed amendment to the Joint Exercise of Powers Agreement would make clear that CCWA has the authority to enter into contracts or take any other action to store water in groundwater banks, reservoirs, or any other above- or below-ground infrastructure or facilities used for the short- or long-term storage of water.

Any amendment to the Joint Exercise of Powers Agreement requires the approval of each of the eight CCWA Members. Each CCWA Member agency will have the opportunity to consider the proposed amendment. CCWA is not a party to the Joint Exercise of Powers Agreement—only the Members are.

ENVIRONMENTAL REVIEW

Not applicable. No action by CCWA is proposed.

Attachments:

1. DRAFT Second Amendment to the Joint Exercise of Powers Agreement Creating the Central Coast Water Authority
2. DRAFT Member Resolution approving Second Amendment to the Joint Exercise of Powers Agreement Creating the Central Coast Water Authority
3. DRAFT Notice of Exemption for use by Member Agencies

**SECOND AMENDMENT
to the
JOINT EXERCISE OF POWERS AGREEMENT
Creating the
CENTRAL COAST WATER AUTHORITY**

This Second Amendment (the “**Amendment**”) to the Joint Exercise of Powers Agreement Creating the Central Coast Water Authority (the “**Authority**”), dated August 31, 1991 and as amended December 12, 2017 (the “**Joint Exercise of Powers Agreement**”), is made effective _____, 2023 by and between the parties on the attached Exhibit A (each, a “**Party**” and collectively, the “**Parties**”). Unless otherwise provided herein, all defined terms used in this Amendment shall have the same meaning as set forth in the Joint Exercise of Powers Agreement.

RECITALS

A. The Parties to this Amendment are all signatories to the Joint Exercise of Power Agreement or successors in interest. Carpinteria Valley Water District is the successor in interest to the Carpinteria County Water District.

B. The Parties desire to amend the Joint Exercise of Powers Agreement to expressly authorize the Authority to enter into contracts and take other actions to store water in groundwater banks, reservoirs, or any other above- or below-ground infrastructure or facilities used for the short- or long-term storage of water.

AGREEMENT

1. Section 5 of the Joint Exercise of Powers Agreement is amended to include a new subsection “q” as follows:
 - q. To enter into contracts or take any other action necessary or convenient for the storage and use of water in a groundwater bank, reservoir, or any other system or facilities for the storage of water.
2. Except as modified above, the Joint Exercise of Powers Agreement shall continue in full force and effect. In the event of a conflict between this Amendment and the Joint Exercise of Powers Agreement, the terms and conditions of this Amendment shall control in all respects.
3. The individuals executing this Amendment represent and warrant that they have the authority to enter into this Amendment and to perform all acts required by this Amendment, and that the consent, approval, or execution of or by any third party is not required to legally bind either Party to the terms and conditions of this Amendment.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed as of the day and year first above-written.

CITY OF BUELLTON

DATE: _____

By: _____

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

By: _____

CARPINTERIA VALLEY WATER DISTRICT

DATE: _____

By: _____

President

ATTEST:

Secretary

APPROVED AS TO FORM:

CITY OF GUADALUPE

DATE: _____

By: _____

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

GOLETA WATER DISTRICT

DATE: _____

By: _____
President

ATTEST:

Secretary

APPROVED AS TO FORM:

MONTECITO WATER DISTRICT

DATE: _____

By: _____
President

ATTEST:

Secretary

APPROVED AS TO FORM:

CITY OF SANTA BARBARA

DATE: _____

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

CITY OF SANTA MARIA

DATE: _____

By: _____

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

**SANTA YNEZ RIVER WATER
CONSERVATION DISTRICT,
IMPROVEMENT DISTRICT #1**

DATE: _____

By: _____

President

ATTEST:

Secretary

APPROVED AS TO FORM:

RESOLUTION NO. 836

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, IMPROVEMENT DISTRICT NO.1 APPROVING THE SECOND AMENDMENT OF THE JOINT EXERCISE OF POWERS AGREEMENT CREATING THE CENTRAL COAST WATER AUTHORITY AND FINDING SUCH ACTION EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

WHEREAS, in 1991, the Santa Ynez River Water Conservation District, Improvement District No.1, and seven other public agencies (collectively, the "Parties") formed the Central Coast Water Authority ("Authority") by that certain Joint Exercise of Powers Agreement dated August 1, 1991 ("Agreement"); and

WHEREAS, effective December 12, 2017, the Parties entered into a First Amendment of the Agreement; and

WHEREAS, the Parties desire to further amend the Agreement by adding subsection (q) to Section 5 of the Agreement, authorizing the Authority to enter into contracts or take any other action necessary or convenient for the storage and use of water in a groundwater bank, reservoir, or any other system or facilities for the storage of water.

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

SECTION 1. The above recitals are true and correct and are incorporated herein as though set forth in full.

SECTION 2. The District approves the Second Amendment to the Agreement, attached hereto as Exhibit A, and authorizes the President of the District's Board of Trustees to execute the amendment.

SECTION 3. The District finds and determines that approval of the Second Amendment to the Agreement is exempt from the California Environment Quality Act (CEQA) because it is not a "project" under CEQA Guidelines section 15378(b)(5) and the "common-sense" categorical exemption applies under CEQA Guidelines section 15061(b)(3). None of the exceptions to the exemption are applicable. The basis for the exemption determination is more fully described in the District's Notice of Exemption attached hereto as Exhibit B.

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 20th day of June 2023, by the following roll call vote:

AYES, and in favor thereof, Trustees:

NOES, Trustees:

ABSENT, Trustees:

Jeff Clay, President

ATTEST:

Mary Robel, Secretary to the Board of Trustees

EXHIBIT "A"

**SECOND AMENDMENT
to the
JOINT EXERCISE OF POWERS AGREEMENT
Creating the
CENTRAL COAST WATER AUTHORITY**

This Second Amendment (the “**Amendment**”) to the Joint Exercise of Powers Agreement Creating the Central Coast Water Authority (the “**Authority**”), dated August 31, 1991 and as amended December 12, 2017 (the “**Joint Exercise of Powers Agreement**”), is made effective _____, 2023 by and between the parties on the attached Exhibit A (each, a “**Party**” and collectively, the “**Parties**”). Unless otherwise provided herein, all defined terms used in this Amendment shall have the same meaning as set forth in the Joint Exercise of Powers Agreement.

RECITALS

A. The Parties to this Amendment are all signatories to the Joint Exercise of Power Agreement or successors in interest. Carpinteria Valley Water District is the successor in interest to the Carpinteria County Water District.

B. The Parties desire to amend the Joint Exercise of Powers Agreement to expressly authorize the Authority to enter into contracts and take other actions to store water in groundwater banks, reservoirs, or any other above- or below-ground infrastructure or facilities used for the short- or long-term storage of water.

AGREEMENT

1. Section 5 of the Joint Exercise of Powers Agreement is amended to include a new subsection “q” as follows:
 - q. To enter into contracts or take any other action necessary or convenient for the storage and use of water in a groundwater bank, reservoir, or any other system or facilities for the storage of water.
2. Except as modified above, the Joint Exercise of Powers Agreement shall continue in full force and effect. In the event of a conflict between this Amendment and the Joint Exercise of Powers Agreement, the terms and conditions of this Amendment shall control in all respects.
3. The individuals executing this Amendment represent and warrant that they have the authority to enter into this Amendment and to perform all acts required by this Amendment, and that the consent, approval, or execution of or by any third party is not required to legally bind either Party to the terms and conditions of this Amendment.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed as of the day and year first above-written.

CITY OF BUELLTON

DATE: _____

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

By: _____

CARPINTERIA VALLEY WATER DISTRICT

DATE: _____

By: _____
President

ATTEST:

Secretary

APPROVED AS TO FORM:

CITY OF GUADALUPE

DATE: _____

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

GOLETA WATER DISTRICT

DATE: _____

By: _____
President

ATTEST:

Secretary

APPROVED AS TO FORM:

MONTECITO WATER DISTRICT

DATE: _____

By: _____
President

ATTEST:

Secretary

APPROVED AS TO FORM:

CITY OF SANTA BARBARA

DATE: _____

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

CITY OF SANTA MARIA

DATE: _____

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

**SANTA YNEZ RIVER WATER
CONSERVATION DISTRICT,
IMPROVEMENT DISTRICT #1**

DATE: _____

By: _____
President

ATTEST:

Secretary

APPROVED AS TO FORM:

EXHIBIT "B"

Notice of Exemption

To:

Office of Planning and Research
P.O. Box 3044, Room 212
Sacramento, CA 95812-3044

From:

Santa Ynez River Water Conservation District,
Improvement District No.1
P.O. Box 157
Santa Ynez, CA 93460

County Clerk of the Board
County of Santa Barbara
105 E. Anapamu Street
Santa Barbara, CA 93101

California Department of Water Resources
P.O. Box 942836
Sacramento, CA 94236

Project Title: Approval of Second Amendment to the Joint Exercise of Powers Agreement
Creating the Central Coast Water Authority (CCWA)

Project Location: CCWA is a joint powers agency formed to construct, own, and operate certain facilities needed to treat, convey, and deliver State Water Project (SWP) water to its member agencies, which include the cities of Buellton, Guadalupe, Santa Barbara, and Santa Maria, the Carpinteria Valley Water District, as successor-in-interest to the Carpinteria County Water District, the Goleta Water District, Montecito Water District, and the Santa Ynez River Water Conservation District, Improvement District No.1 (individually, a Member, and collectively, the Members), all of which are located in Santa Barbara County. CCWA's service area is coextensive with the service area boundaries of its Members, and accordingly the Project is located entirely within Santa Barbara County.

Description of Nature, Purpose, and Beneficiaries of Project: On August 1, 1991, the Joint Exercise of Powers Agreement (Agreement) creating the CCWA was entered into by the CCWA Members. Pursuant to Government Code section 6509, the Agreement broadly permits CCWA to exercise any powers in the manner and according to the laws applicable to the City of Buellton. On December 12, 2017, the Members adopted a First Amendment to the Agreement. The Second Amendment described herein would add a subsection (q) to Section 5 of the Agreement to expressly authorize CCWA to enter into contracts or take any other action necessary or convenient for the storage and use of water in a groundwater bank, reservoir, or any other system or facilities for the storage of water.

Name of Public Agencies Approving Project: Santa Ynez River Water Conservation District, Improvement District No.1. (And Other Members of CCWA.)

Name of Persons or Agencies Carrying Out Project: Santa Ynez River Water Conservation District, Improvement District No.1. (And Other Members of CCWA.)

Exempt Status: Title 14, CCR, Chapter 3, Article 5, Section 15061(b)(3) ["common sense" exemption] and 15378(b)(5) ["Project" excludes organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.]

Reasons Why Project is Exempt: The Second Amendment would authorize CCWA to engage in groundwater banking and other water storage activities, but it would not commit CCWA to any particular contract, agreement, or project. Accordingly, the Second Amendment would not lead to any direct or indirect change in the physical environment and therefore falls within the "common-sense" exemption. The Second Amendment also falls squarely within the carveout from the definition of "project" for organizational and administrative activities.

Agency Contact:
Paeter Garcia

Telephone:
(805) 688-6015

Signature:

Date: June 21, 2023

Paeter E. Garcia
General Manager

Date received by OPR:

Paeter Garcia

From: SYRWCD <syrwcd@specialdistrict.org>
Sent: Thursday, June 1, 2023 4:01 PM
To: Paeter Garcia
Subject: SYRWCD Board of Directors Regular Meeting - June 7, 2023

Santa Ynez River

WATER CONSERVATION DISTRICT

SYRWCD Board of Directors Regular Meeting - June 7, 2023

BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT will hold a Regular Meeting on Wednesday, June 7, 2023, 6:30 pm at the Buellton City Council Chambers, 140 West Highway 246, Buellton, California.

- [Agenda](#)
- [Meeting Packet](#)
- [Rate Study Report, Draft Final, dated May 30, 2023](#)

SYRWCD
P.O. Box 719, Santa Ynez, CA, 93460

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NOTICE

REGULAR MEETING OF THE BOARD OF DIRECTORS SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

will be held at

Buellton City Council Chambers, 140 West Highway 246, Buellton, California
at 6:30 pm, Wednesday, June 7, 2023

Important Notice Regarding Public Comments: For those who may not attend the meeting in person but wish to provide public comment on any other matter, please submit any and all comments and written materials to the District via electronic mail at athompson@syrwcd.com or dropped off at the District office. All submittals should indicate "PUBLIC COMMENT" in the subject line or drop off at the District office no later than 5:00 p.m. June 6, 2023.

Public comments and materials received by the District after the posting of meeting packet will become part of the post-meeting materials available to the public and posted on the District website.

AGENDA OF REGULAR MEETING

1. Call to Order and Roll Call
2. Pledge of Allegiance
3. Public Comment (Any member of the public may address the Board relating to any non-agenda matter within the Board's jurisdiction. The total time for all public participation shall not exceed fifteen minutes and the time allotted for each individual shall not exceed five minutes. No action will be taken by the Board at this meeting on any public item.)
Staff recommends any potential new agenda items based on issues raised be held for discussion under the Agenda Item "Requests from the Board of Directors for items to be included on the next Agenda".
4. Consideration of the Minutes of the Special Meeting of April 26, 2023 and the Adjourned Special Meeting of April 28, 2023
5. General Manager Report – Status, discussion and possible Board action on the following subjects:
 - a. Financial Reports
 - i. Quarterly Investment Reports – 2nd and 3rd Quarters of FY 2022-2023
 - ii. Quarterly Comparison Balance Sheet
 - iii. Balance Sheet & Profit/Loss Statement, FY 2022-23 Period 10, April 2023
 - iv. Approval of Warrant Lists for February, March, and April 2023

6. Consider Adoption of the Annual Budget for Fiscal Year 2023-2024
7. Review Rate Study Report by Raftelis and Consider Adoption of Resolution No. 722 Making Findings and Determinations, Establishing Zones, Setting Rates and Levying a Groundwater Charge for Water Year 2023-2024
8. Consider Forming an Ad-Hoc Committee Regarding SGMA GSAs Governance
9. Letter of Resignation from Director Hibbits; Determine Whether to Fill Vacancy by Appointment Pursuant to Water Code § 74204 and Gov't Code § 1780
10. Consider SDRMA 2023 Board of Directors Election Packet and Approve Ballot
11. Attorney Report
12. Reports, acts by Board members, questions of staff, status reports, announcements, observations, and other matters, and/or communications not requiring action
13. Requests from the Board of Directors for items to be included on the next Agenda.
14. The next Regular Meeting is scheduled for September 6, 2023, at 6:30 pm at the Buellton City Council Chambers, 140 West Highway 246, Buellton, California.

In compliance with the California Water Code, regular meetings are scheduled for the first Wednesday in March, June, September, and December at various locations within the District. Special meetings may be held at any location within the District.

15. Closed Session
The Board will hold a closed session to discuss the following items:
 - a. Public Employee Performance Evaluation/Appointment. (Gov't Code § 54957(b)(1).) Title: General Manager; Assistant General Manager
 - b. Conference with Legal Counsel - Pending Litigation (Gov. Code, § 54956.9, subd. (d)(1)): Wolff vs SYRWCD, Superior Court of California, County of Santa Barbara, Case No. 20CV01552 and Case No. 22CV02062
 - c. Conference with Legal Counsel – Pending Litigation (Gov. Code, § 54956.9, subd. (d)(1)) relating to proceedings pending before the State Water Resources Control Board (SWRCB) regarding Permits 11308 and 11310 issued on Applications 11331 and 11332 of the United States Bureau of Reclamation for the Cachuma Project, and complaints filed by the California Sport Fishing Protection Alliance regarding the operation of the Cachuma Project and SWRCB Order WR 89-18; proposed changes to the place and purpose of use of waters obtained through aforementioned permits for the Cachuma Project; and Reclamation's Petition for Reconsideration or Rehearing re Order WR 2019-0148; and proceedings related to SWRCB Permit

No. 15878 (Application A022423) held by the City of Solvang including the City of Solvang's Petitions for Change and Extension of Time.

- d. Conference with Legal Counsel – Anticipated Litigation (Gov. Code, § 54956.9, subd. (d)(2)): Significant exposure to litigation (Two Matters).
- e. Conference with Legal Counsel – Anticipated Litigation (Gov. Code, § 54956.9, subd. (d)(4)): Possible initiation of litigation (Two Matters).

16. Reconvene into Open Session / Closed Session Report

17. Adjournment

[This agenda was posted on the District website (SYRWCD.com), at 3669 Sagunto Street, Suite 101, Santa Ynez, California and at 3745 Constellation Rd., Lompoc, California. Notice was delivered in accordance with Government Code Sections 54950-54963. 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 at (805) 693-1156. Notification 24 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

MEMORANDUM

DATE: June 7, 2023
TO: Cynthia Allen Mark Altshuler Art Hibbits
 Brett Marymee Steve Jordan Steve Torigiani
FROM: Kevin D. Walsh
SUBJECT: Rate Study Report

Recommendation

Adopt Resolution No. 722 Making Findings and Determinations, Establishing Zones, Setting Rates and Levying a Groundwater Charge for Water Year 2023-2024.

Roll Call vote.

Discussion

The District engaged rate consultant Raftelis to prepare a rate study report for Fiscal Year 2023-2023 and a future four-year estimate of revenues, expenses, reserves. The Rate Study Report, Draft Final, dated May 30, 2023 is attached and is available on the District website.

The current Groundwater Charge rate for all users in all zones is \$14.14 per acre-foot. The recommended Groundwater Charge rate for all users in all zones is \$15.63 per acre-foot. This represents a 10.5% increase in the Groundwater Charge rate for Fiscal Year 2023-24.

Given the District's required semi-annual billing structure, Raftelis recommends that the District should maintain a target reserve, which is the minimum reserve of \$2 million plus 50% of annual operating expenses. The minimum reserve is established by Board policy to cover emergencies and unexpected events including potential litigation. A projection was made to systematically build reserves to the desired target levels over the next five years.

Based on today's conditions and estimated interest rates, inflation, etc., it is currently expected that there will be a need for successive yearly rate increases of 10.5% for the next 5 years. Those projections will be revisited each year when the District sets rates.

The recommended action is strictly for Fiscal Year 2023-24. Any future fiscal year rate increases, if needed at all, will be determined individually each year based on conditions known during the budget cycle at that particular time.

KDW/amt

Attachments

**SANTA YNEZ RIVER WATER
CONSERVATION DISTRICT**

Rate Study Report

DRAFT FINAL REPORT / MAY 30, 2023





May 30, 2023

Mr. Kevin Walsh
General Manager
P.O. Box 719
Santa Ynez, CA 93460

Subject: Groundwater Rate Study Report – DRAFT FINAL

Dear Mr. Walsh:

Raftelis is pleased to provide this Groundwater Rate Study report for the Santa Ynez River Water Conservation District (District). This report includes a financial plan for fiscal year 2023-2024 (FY 2024) through FY 2028 for groundwater-related operations. From those plans and a cost-of-service analysis, groundwater rates for FY 2024 have been developed.

The major objectives of the study include the following:

- Develop a financial plan to support financial sufficiency and meet operation and maintenance (O&M) costs;
- Conduct a water cost-of-service study that is based on the District's costs;
- Calculate proposed, updated water rates for FY 2024;
- Conduct an analysis of the effects of the proposed rates on District groundwater producers; and
- Demonstrate that the amount raised by the proposed groundwater rates are necessary to cover the reasonable costs of the District's activities, and that proposed rates are allocated to District producers in a manner that bears a fair or reasonable relationship to the benefits received from the District's activities, consistent with Proposition 26 (Cal. Const., Art. 13C, § 1).

The report summarizes the key findings and recommendations related to the development of the financial plan and the development of the associated water rates.

It has been a pleasure working with you, and we appreciate your and Ms. Amber Thompson's assistance during the course of the study.

Sincerely,

Sudhir Pardiwala, PE
Executive Vice President

Theresa Jurotich, PE
Manager

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Abbreviations & Acronyms

Terms	Descriptions
AF	Acre foot / Acre feet, 1 AF = 325,851 gallons
DWR	California Department of Water Resources
FY	Fiscal Year (July 1st to June 30th)
GSA	Groundwater Sustainability Agency
GSP	Groundwater Sustainability Plan
O&M	Operations and Maintenance
Raftelis	Raftelis Financial Consultants, Inc.
SGMA	Sustainable Groundwater Management Act
SWRCB	State Water Resources Control Board

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1. Executive Summary

The Santa Ynez River Water Conservation District (“District”) was formed in 1939 for the primary purpose of protecting water rights on the lower Santa Ynez River and, if necessary, augmenting water supplies in the District, which are necessary for the public health, welfare, and safety of all residents. The District is a California Water Conservation District formed and existing pursuant to the Water Conservation District Law of 1931 (Water Code § 74000 set seq.). Pursuant to Water Code section 75500, et seq., the District has, at least since 1979, levied groundwater charges on all public and private operators of groundwater-producing facilities registered within the District to help recover the costs of managing, protecting, conserving, and enhancing water resources within the District. The District’s activities performed by its staff, consultants, and legal counsel include activities relating to:

- Planning, scheduling, and managing the release of water from and downstream of the Cachuma Project’s Bradbury Dam for the satisfaction and benefit of downstream water rights, including the timing, volume, and rate of flows to promote recharge in the river alluvium and the Lompoc Plain, as provided in State Water Resources Control Board Order No. WRO 2019-0148.
- Reporting on Santa Ynez River system conditions, basin surface water use, and water purchased by contract.
- Supporting compliance with agreements and procedures to mitigate downstream flooding as a result of Cachuma Project storm operations.
- Contributing to the review of, preparation of, and compliance with applicable biological assessments and opinions, including associated consultations, revisions, and replacements, for the protection of endangered species in the Santa Ynez River, while assuring that downstream water rights and water quality in the basin and downstream of Bradbury Dam are maintained and protected.
- Recording groundwater production within the District.
- Monitoring and reporting on groundwater conditions within the District.
- Levying and collecting charges on groundwater production within the District.
- Making annual groundwater use estimates and forecasting groundwater storage and overdraft amounts within the District.
- Determining water volume for replenishment of the dewatered aquifer storage below Bradbury Dam.
- Participation in the three Groundwater Sustainability Agencies (GSA) covering the Santa Ynez River Valley groundwater basin and District. Such participation includes, but is not limited to, coordination, preparation, and implementation activities and provision of administrative support (including arranging GSA committee and citizen advisory group meetings, recordkeeping, and bookkeeping) associated with the GSAs’ groundwater sustainability plans (GSP), annual reports, and associated implementation and other activities. This includes coordinating and contributing to responses to comments made on the GSPs and related technical studies. It also includes participation in discussions of long-term governance and funding for the GSAs.
- The District’s administrative support of the GSAs, which requires expenditure of significant District staff time, has been necessary, in part, because the GSAs have not yet hired their own staff or legal, engineering, or other consultants, and have yet to levy any groundwater fees or charges on landowners or pumpers within the GSAs or otherwise create an independent funding source (aside from grant funding and certain contributions from parties to the Memorandum of Agreement). While it is expected that the District will continue to incur costs to participate in the three GSAs and as the single point of contact with the California Department of Water Resources (DWR), the level of

District administrative support could change in the future depending on the GSAs' future governance structure, funding sources, and staffing and contracting decisions.

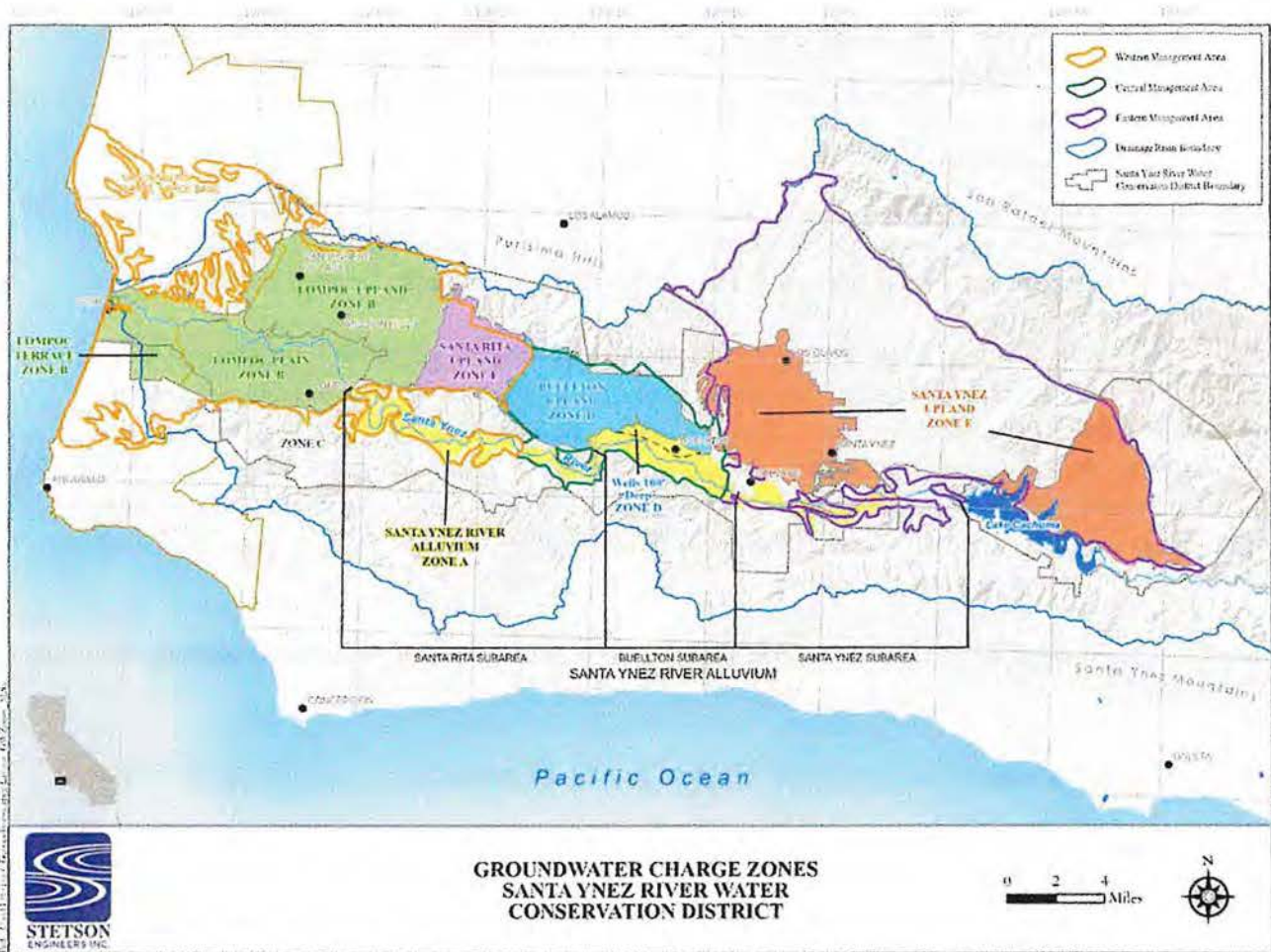
- The District's activities as party to all three GSAs benefits all pumpers within the District, which depend upon the District to provide local agency Sustainable Groundwater Management Act (SGMA) coverage within its approximately 180,000 acres within the basin. In the absence of such SGMA coverage by the District, the entire basin may not be covered and in such event would be subject to State Water Resources Control Board intervention and management of the basin as a probationary basin (Water Code § 10735.2, subd. (a)(4)(B)). The District's SGMA activities benefit, among other pumpers in the District, the pumpers in Zone A, who pump from the river alluvium and benefit from the District's investigation and efforts supporting characterization of those zones as not groundwater subject to SGMA management in the GSPs, and the District's ongoing efforts to defend that characterization against those who disagree with it and contend such pumping must be managed under SGMA. To date, DWR has not decided on the adequacy of the GSPs.
- Acting as the single point of contact between the GSAs and the DWR for SGMA compliance, for the benefit of all three GSAs.
- Administering SGMA grant funding for the benefit of all three GSAs.
- Participating in the Integrated Regional Water Management Plan process to promote regional water management strategies to ensure sustainable and reliable water supplies, including the protection of agriculture.

The District comprises two non-contiguous areas and encompasses approximately 180,000 acres that includes the cities of Lompoc, Solvang, and Buellton; the communities of Santa Ynez and Los Olivos; two federal installations; and rural areas with agriculture and suburban development. Groundwater mostly occurs in the unconsolidated alluvial deposits of the Santa Ynez River and Lompoc Plain and in the older poorly consolidated deposits of the Santa Ynez Upland, Lompoc Upland, Buellton Upland, Santa Rita Upland, and Lompoc Terrace subareas. These subareas are defined as zones as follows:

- Zone A – District portion of the Santa Ynez River alluvial channel from San Lucas Bridge downstream to Lompoc Narrows
- Zone B – District portion of the Lompoc Plain, Lompoc Upland and Lompoc Terrace groundwater subareas
- Zone C – All other portions of the District not included in Zones A, B, D, E, and F
- Zone D – District portion of the Buellton Upland subarea
- Zone E – District portion of the Santa Ynez Upland subarea
- Zone F – District portion of the Santa Rita Upland subarea

The zones are shown in Figure 1-1, on the following page.

Figure 1-1: Groundwater Zones



Proposition 26 requires that the District’s rates be no higher than necessary to cover the costs associated with services and that they bear a fair or reasonable relationship to each ratepayer’s proportional burden on or benefit from the District’s services to remain exempt from Proposition 26 and not be considered a tax. The rates developed as part of this rate study meet the exemption requirements under Proposition 26 in that they are designed to recover the costs associated with providing the services.

The major objectives of the study include the following:

- Develop a financial plan to support financial sufficiency and meet operation and maintenance (O&M) costs;
- Conduct a water cost-of-service study that is based on the District’s costs;
- Calculate proposed, updated water rates for FY 2024;
- Conduct an analysis of the effects of the proposed rates on District groundwater producers; and
- Demonstrate that the amount raised by the proposed groundwater rates are necessary to cover the reasonable costs of the District’s activities, and that proposed rates are allocated to District producers in a manner that bears a fair or reasonable relationship to the payor’s burdens on, or benefits received, from the District’s activities, consistent with Proposition 26 (Cal. Const., Art. 13C, § 1).

This report summarizes the rate study’s 5-year financial plan and FY 2024 rate development key findings and recommendations. The District intends to update this 5-year plan every year with a new 5-year projection so that the Board can maintain a 5-year outlook. However, the District’s rates are set on an annual basis under Water Code sections 75500-75642.

1.1. Methodology

Raftelis and the District developed the proposed groundwater rates using cost-of-service principles set forth by the American Water Works Association M1 Manual titled *Principles of Water Rates, Fees and Charges*, with modifications to align with the requirements of California’s Proposition 26 and related California law.

Raftelis worked with District staff to develop a financial plan by preparing detailed projections of the main revenue sources and expenditure items. The operating revenues and O&M costs estimates are based on projected groundwater pumping from the findings of Stetson Engineers’ *Forty-Fifth Annual Engineering and Survey Report on Water Supply Conditions of the Santa Ynez River Water Conservation District FINAL* dated April 28, 2023, current rates, and District staff estimates of non-operating revenues and costs. The financial plan projection has revealed the need for revenue adjustments in FY 2024 – FY 2028 to meet annual obligations and build reserves to the recommended levels.

Raftelis calculated the District’s revenue requirements for FY 2024 water services and the resulting water rate and structure.

1.2. Proposed Financial Plan and Revenue Adjustments

The financial planning model enables the District to set rates to generate sufficient revenue to meet its short-term obligations. Table 1-1 shows the proposed groundwater revenue adjustments for FY 2024 - FY 2028. Revenue adjustments occur on July 1 for each year.

Table 1-1: Proposed Revenue Adjustments

Fiscal Year	Proposed Revenue Adjustment
2024	10.5%
2025	10.5%
2026	10.5%
2027	10.5%
2028	10.5%

Table 1-2 shows the proposed financial plan, based on the District’s budgeted expenses, incorporating the proposed revenue adjustments (Lines 2 - 6). Note that while rates go into effect at the beginning of the fiscal year, due to semi-annual billing and timing of payments, revenues under the adjustments are only realized for half of the fiscal year in the first year. Therefore, the ‘No. Mon. “Effective”’ column shows 6 months instead of 12. Line 1 shows revenue from the current rates, assuming no increase in rates. Line 7 shows the revenue adjustments each year. Other Revenues are shown in Lines 8 and 9. SGMA costs and grants are properly included in the groundwater charge rate development. Line 8 shows projected property tax revenue after covering a portion of SGMA-related costs, as a conservative approach for purposes of this rate study. Interest revenues (Line 9) are presumed to be 2- 3 percent on average beginning and ending fund balances for the remaining fiscal years. Line 11 shows total projected revenues.

Table 1-2: Proposed Financial Plan Cashflow

No.	Cashflow			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
1	Groundwater Rate Revenue Under Existing Rates			\$672,074	\$672,074	\$672,074	\$672,074	\$672,074
	Revenue Adjustments	% Adj.	No. Mon. "Effective"					
2	FY 2024	10.5%	6	\$35,284	\$70,568	\$70,568	\$70,568	\$70,568
3	FY 2025	10.5%	6		\$38,989	\$77,977	\$77,977	\$77,977
4	FY 2026	10.5%	6			\$43,083	\$86,165	\$86,165
5	FY 2027	10.5%	6				\$47,606	\$95,212
6	FY 2028	10.5%	6					\$52,605
7	Total Revenue Adjustments			\$35,284	\$109,556	\$191,628	\$282,316	\$382,527
	Other Revenue							
8	Net SB County Property Taxes			\$101,857	\$79,990	\$84,748	\$153,073	\$138,906
9	Interest Income			\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
10	Total Other Revenue			\$161,857	\$139,990	\$144,748	\$213,073	\$198,906
11	Total Revenue			\$869,215	\$921,621	\$1,008,450	\$1,167,464	\$1,253,507
	Operation & Maintenance							
12	Routine Operation (Net Property Tax Offset)			\$613,007	\$635,357	\$658,536	\$682,575	\$707,507
13	Special Studies			\$36,000	\$37,080	\$38,192	\$39,338	\$40,518
14	SGMA (Net of Property Tax Offset)			\$0	\$0	\$0	\$0	\$0
15	Legal & Engineering							
16	General and Misc.			\$31,500	\$32,445	\$33,418	\$34,421	\$35,454
17	Annual G.W. Report			\$22,000	\$22,660	\$23,340	\$24,040	\$24,761
18	WR Decision (2019-0148)			\$110,000	\$113,300	\$116,699	\$120,200	\$123,806
19	Upper SYR Operations			\$7,500	\$7,725	\$7,957	\$8,195	\$8,441
20	Fisheries Issues/Hydrology			\$60,000	\$61,800	\$63,654	\$65,564	\$67,531
21	Contingency			\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
22	Total Operation & Maintenance			\$930,007	\$960,367	\$991,796	\$1,024,333	\$1,058,018
23	Capital			\$0	\$0	\$0	\$0	\$0
24	Net Income (Annual Surplus/(Deficit))			(\$60,792)	(\$38,746)	\$16,654	\$143,131	\$195,489
25	Beginning Balance			\$2,274,098	\$2,213,306	\$2,174,560	\$2,191,214	\$2,334,345
26	Ending Balance			\$2,213,306	\$2,174,560	\$2,191,214	\$2,334,345	\$2,529,834
27	Target Reserve = Min + 50% Operating Exp.			\$2,465,003	\$2,480,183	\$2,495,898	\$2,512,167	\$2,529,009
28	Minimum Reserve			\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000

Lines 12 – 22 summarize the O&M expense projections, excluding SGMA costs which are funded by grants and property taxes. Line 23 shows that no capital expenditures are anticipated. Line 24 shows the net income, which is revenues less O&M expenses. Lines 25 and 26 show the projected beginning and ending Investment Reserves fund balance, respectively. Line 27 shows the target reserve, which is the minimum reserve of \$2 million plus 50 percent of annual operating expenses. The minimum reserve is established by Board policy to cover emergencies and unexpected events including potential litigation. The remainder of the reserve is recommended by Raftelis to provide working capital for the District’s expenses, given the required semiannual billing. Revenue adjustments aim to meet this target by the end of FY 2028. Comparing Line 26 to Line 27 and Line 28 shows that the financial plan is expected to always exceed the minimum reserve

requirement and will meet its target reserve by FY 2028. The proposed groundwater financial plan supports financial sufficiency and solvency for the District to meet projected expenditures.

Figure 1-2 graphically illustrates the proposed operating Financial Plan – it compares the existing (current) and proposed revenues with projected expenses. The stacked bars show O&M expenses. The green bars show the net cash used to build up the reserves. Total revenues at existing and proposed rates are shown by horizontal black solid and dashed lines, respectively. Current revenue from existing rates does not meet future total expenses and shows the nexus for the proposed revenue adjustment.

Figure 1-2: Proposed Financial Plan



1.3. Proposed FY 2024 Rates

1.3.1. Proposed Usage Rates

Table 1-3 presents the current water rate and the proposed FY 2024 water rate. The proposed rate is rounded to the nearest cent. All zones continue to pay the same groundwater rate.

Table 1-3: Current and Proposed Usage Rates, \$/AF

Rate	Current	FY 2024
All Zones & Producers	\$14.14	\$15.63

1.3.2. Average Producer Bill Impact

The average usage varies by zone and therefore Table 1-4 through Table 1-6 illustrates the customer bill impact for an average agricultural producer, an average special irrigation producer, and an average Other (non-agricultural) producer within each zone. Average use per bill is based on FY 2022 data from Stetson Engineers' *Forty-Fifth Annual Engineering and Survey Report on Water Supply Conditions of the Santa Ynez River Water Conservation District FINAL* dated April 28, 2023.

Table 1-4: Average Agricultural Producer by Zone, FY 2024 Bill Impact

Agricultural	A	B	C	D	E	F
Average AF/bill	30.5	36.8	0.2	8.3	5.8	35.0
Current Revenue	\$430.91	\$520.84	\$2.75	\$117.59	\$82.22	\$494.76
Proposed Revenue	\$476.32	\$575.73	\$3.03	\$129.98	\$90.88	\$546.90
Bill Increase, \$	\$45.41	\$54.88	\$0.29	\$12.39	\$8.66	\$52.14
% Increase	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%

Table 1-5: Average Special Irrigation Producer by Zone, FY 2024 Bill Impact

Special Irrigation	A	B	C	D	E	F
Average AF/bill	3.3	3.5	0.1	0.2	0.05	0.0
Current Revenue	\$46.04	\$49.17	\$1.83	\$2.70	\$0.69	\$0.00
Proposed Revenue	\$50.89	\$54.36	\$2.02	\$2.98	\$0.76	\$0.00
Bill Increase, \$	\$4.85	\$5.18	\$0.19	\$0.28	\$0.07	\$0.00
% Increase	10.5%	10.5%	10.5%	10.5%	10.5%	--

Table 1-6: Average Other (Non-Agricultural) Producer by Zone, FY 2024 Bill Impact

Non-Agricultural	A	B	C	D	E	F
Average AF/bill	8.7	16.3	7.5	2.7	4.4	3.0
Current Revenue	\$123.17	\$230.34	\$105.61	\$38.40	\$62.70	\$42.39
Proposed Revenue	\$136.15	\$254.61	\$116.74	\$42.44	\$69.31	\$46.86
Bill Increase, \$	\$12.98	\$24.27	\$11.13	\$4.05	\$6.61	\$4.47
% Increase	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%

2. Legal Framework

Proposition 26, codified in the California Constitution as Article XIII C, was approved by voters in 2010 to require a supermajority vote to pass new taxes and fees. Furthermore, Proposition 26 expanded the definition of what is considered a tax. Under the new definition, a tax is any levy, charge, or exaction of any kind imposed by a local government. Any fees or charges that are not exempted by the language of Proposition 26 are considered taxes and subject to voter approval.

The expanded definition of a tax placed new burdens on water purveyors who must routinely increase rates to meet their revenue requirement. After the passage of Proposition 26, local water agencies must demonstrate their fees and charges are not taxes and are exempted by the language of the Proposition. The newly expanded definition of a tax under Proposition 26 allows for exceptions of which the two most relevant are the following:

"(e) As used in this article, "tax" means any levy, charge, or exaction of any kind imposed by a local government, except the following:

(1) A charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, **and which does not exceed the reasonable costs to the government of conferring the benefit** or granting the privilege.

(2) A charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product."

In order not to be considered a tax, Prop 26 requires that local water purveyors must demonstrate that "that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity."

Proposition 26 requires that the District's rates cover the costs associated with services and that they are distributed among payors in a fair or reasonable manner to remain exempt from Proposition 26 and not be considered a tax. The rates developed as part of this rate study meet the exemption requirements under Proposition 26 in that they are designed to recover the costs associated with providing the services discussed in Section 1.

3. Financial Plan

Determining a district’s revenue requirement is a key first step in the rate study process. Raftelis analyzed annual operating revenue under the status quo, operation and maintenance (O&M) expenses, and SGMA-related costs and revenues. This section of the report provides a discussion of the projected revenues, O&M expenses, reserve funding requirements, and the revenue adjustments needed to support fiscal sustainability and solvency.

3.1. Key Information Used in this Report

This report utilized the following key information provided by the District

- FY 2023 operating budget and FY 2024 preliminary draft operating budget
- Historical and forecast water pumping amounts
- Historical water rates
- Beginning reserve fund balances as of FY 2023
- Forecast SGMA costs and grant reimbursements FY 2024 - FY 2028. These cost projections assume that none of the GSA’s will have generated any independent income in FY 2024. These projections are not an expression of policy or opinions, but they reflect the status quo, which is that none of the three GSAs have implemented any revenue sources of their own.

3.2. Revenue from Current Water Rates

3.2.1. Current Water Rates

The current water rates are on a volumetric basis per acre-foot (AF) and are currently \$14.14/AF.

3.2.2. Water Use and Growth Assumptions

Table 3-1 shows the financial plan assumptions for water use each year for FY 2024 – FY 2028, which is forecast to stay the same over the study period. The projected water use comes from Stetson Engineers’ *Forty-Fifth Annual Engineering and Survey Report on Water Supply Conditions of the Santa Ynez River Water Conservation District FINAL* dated April 28, 2023.

Table 3-1: Projected Water Use Per Year

Producer Class	Water Use, AF
Agriculture	31,680
Special Irrigation	13,280
Other	2,570
Total	47,530

3.2.3. Revenue Projections

Table 3-2 presents the projection of the rate-based revenue for FY 2024 – FY 2028 under the current rates.

Table 3-2: Projected Rate Revenue Under Existing Rates

Producer Class	Rate, \$/AF	Water Use, AF	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Agriculture	\$14.14	31,680	\$447,955	\$447,955	\$447,955	\$447,955	\$447,955
Special Irrigation	\$14.14	13,280	\$187,779	\$187,779	\$187,779	\$187,779	\$187,779
Other	\$14.14	2,570	\$36,340	\$36,340	\$36,340	\$36,340	\$36,340
Total		47,530	\$672,074	\$672,074	\$672,074	\$672,074	\$672,074

Table 3-3 shows the projection of other revenues, which includes property taxes (net of SGMA costs and reimbursements and discussed further in the next section) and estimated interest income. Property taxes are estimated to increase at 2 percent per year from the FY 2024 budget. Interest income is estimated at 2 - 3 percent of the average beginning and ending balances.

Table 3-3: Projected Other Revenue

Line Item	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
SB County Property Taxes - Net	\$101,857	\$79,990	\$84,748	\$153,073	\$138,906
Interest Income	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
Total	\$161,857	\$139,990	\$144,748	\$213,073	\$198,906

3.3. Operating and Maintenance Expenses

3.3.1. Water Operating Expense

Table 3-4 shows the budgeted (FY 2024) and projected operating and maintenance expenses, which includes routine operations, legal, engineering, and contingency. Salaries and benefits are each escalated at 4 percent per year from budget. General costs are escalated at 3 percent per year from budget.

Table 3-4: Projected Groundwater O&M Expenses

Line Item	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Routine Operation	\$797,800	\$827,542	\$858,409	\$890,443	\$923,689
Special Studies	\$36,000	\$37,080	\$38,192	\$39,338	\$40,518
SGMA	\$113,000	\$144,000	\$139,000	\$40,000	\$40,000
Legal & Engineering					
General and Misc.	\$31,500	\$32,445	\$33,418	\$34,421	\$35,454
Annual G.W. Report	\$22,000	\$22,660	\$23,340	\$24,040	\$24,761
WR Decision (2019-0148)	\$110,000	\$113,300	\$116,699	\$120,200	\$123,806
Upper SYR Operations	\$7,500	\$7,725	\$7,957	\$8,195	\$8,441
Fisheries Issues/Hydrology	\$60,000	\$61,800	\$63,654	\$65,564	\$67,531
Contingency	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Total Operation & Maintenance	\$1,227,800	\$1,296,552	\$1,330,669	\$1,272,201	\$1,314,200

3.3.2. Net Operating Expense

The District plans to first use property tax revenues and SGMA grant administration cost reimbursement to cover SGMA-related salary/benefit costs and other SGMA operating costs, as shown in Table 3-5. Any

remaining property tax revenue will be used to offset the District’s remaining operating costs. The total shown matches the first line of Table 3-3. Table 3-6 shows the net O&M expense projection.

Table 3-5: Property Tax Revenue Use

Line Item	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Property Tax Revenue	\$365,000	\$372,300	\$379,746	\$387,341	\$395,088
SGMA Grant Admin Cost Reimbursement	\$34,650	\$43,875	\$43,875	\$13,600	\$0
Salary & Benefits for SGMA-time	(\$184,793)	(\$192,185)	(\$199,873)	(\$207,867)	(\$216,182)
SGMA	(\$113,000)	(\$144,000)	(\$139,000)	(\$40,000)	(\$40,000)
Remaining Property Tax Revenue	\$101,857	\$79,990	\$84,748	\$153,073	\$138,906

Table 3-6: Net O&M Expense Projection

Line Item	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Routine Operation (Net Property Tax Offset)	\$613,007	\$635,357	\$658,536	\$682,575	\$707,507
Special Studies	\$36,000	\$37,080	\$38,192	\$39,338	\$40,518
SGMA (Net of Offset)	\$0	\$0	\$0	\$0	\$0
Legal & Engineering					
General and Misc.	\$31,500	\$32,445	\$33,418	\$34,421	\$35,454
Annual G.W. Report	\$22,000	\$22,660	\$23,340	\$24,040	\$24,761
WR Decision (2019-0148)	\$110,000	\$113,300	\$116,699	\$120,200	\$123,806
Upper SYR Operations	\$7,500	\$7,725	\$7,957	\$8,195	\$8,441
Fisheries Issues/Hydrology	\$60,000	\$61,800	\$63,654	\$65,564	\$67,531
Contingency	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Net Operation & Maintenance	\$930,007	\$960,367	\$991,796	\$1,024,333	\$1,058,018

3.4. Proposed Financial Plan and Revenue Adjustments

The proposed financial plan enables the District to set groundwater rates to generate sufficient revenues to meet its annual obligations. The plan shows the revenues that will be used to maintain appropriate reserves while maintaining a sensitivity to rate increases.

Table 3-7, on the following page, shows the proposed groundwater financial plan, based on the District’s budgeted expenses, incorporating the proposed revenue adjustments (Lines 2 - 6). Note that while rates go into effect at the beginning of the fiscal year, due to semi-annual billing and timing of payments, revenues under the adjustments are only realized for half of the fiscal year in the first year. Therefore, the ‘No. Mon. “Effective”’ is six months instead of 12. Line 1 shows revenue from the current rates, assuming no increase in rates. Line 7 shows the revenue adjustments each year. Lines 8 and 9 show non-rate revenues. Property tax revenue (Line 8) is net the offset of SGMA-related costs. Interest revenues (Line 9) are presumed to be 2-3 percent on average beginning and ending fund balances for the remaining fiscal years. Line 11 shows total projected revenues.

Lines 12 – 22 summarize the O&M expense projections, net the use of property taxes and SGMA reimbursed costs to cover SGMA-related costs. Line 23 shows that no capital expenditures are anticipated. Line 24 shows the net income, which is revenues less O&M expenses. Lines 25 and 26 show the projected beginning and

ending Investment Reserves fund balance, respectively. Line 27 shows the target reserve, which is the minimum reserve of \$2 million plus 50 percent of annual operating expenses. The minimum reserve is established by Board policy to cover emergencies and unexpected events. The remainder of the reserve is recommended by Raftelis to provide working capital for the District’s expenses, given the required semiannual billing. Revenue adjustments aim to meet this target by the end of FY 2028. Comparing Line 26 with Line 27 and Line 28 shows that the financial plan is expected to always exceed the minimum reserve requirement and will meet its target reserve by FY 2028. The proposed financial plan supports financial sufficiency and solvency for the District to meet projected expenditures.

Table 3-7: Proposed Financial Plan Cashflow

No.	Cashflow			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
1	Groundwater Rate Revenue Under Existing Rates			\$672,074	\$672,074	\$672,074	\$672,074	\$672,074
	Revenue Adjustments	% Adj.	No. Mon. "Effective"					
2	FY 2024	10.5%	6	\$35,284	\$70,568	\$70,568	\$70,568	\$70,568
3	FY 2025	10.5%	6		\$38,989	\$77,977	\$77,977	\$77,977
4	FY 2026	10.5%	6			\$43,083	\$86,165	\$86,165
5	FY 2027	10.5%	6				\$47,606	\$95,212
6	FY 2028	10.5%	6					\$52,605
7	Total Revenue Adjustments			\$35,284	\$109,556	\$191,628	\$282,316	\$382,527
	Other Revenue							
8	Net SB County Property Taxes			\$101,857	\$79,990	\$84,748	\$153,073	\$138,906
9	Interest Income			\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
10	Total Other Revenue			\$161,857	\$139,990	\$144,748	\$213,073	\$198,906
11	Total Revenue			\$869,215	\$921,621	\$1,008,450	\$1,167,464	\$1,253,507
	Operation & Maintenance							
12	Routine Operation (Net Property Tax Offset)			\$613,007	\$635,357	\$658,536	\$682,575	\$707,507
13	Special Studies			\$36,000	\$37,080	\$38,192	\$39,338	\$40,518
14	SGMA (Net of Offset)			\$0	\$0	\$0	\$0	\$0
15	Legal & Engineering							
16	General and Misc.			\$31,500	\$32,445	\$33,418	\$34,421	\$35,454
17	Annual G.W. Report			\$22,000	\$22,660	\$23,340	\$24,040	\$24,761
18	WR Decision (2019-0148)			\$110,000	\$113,300	\$116,699	\$120,200	\$123,806
19	Upper SYR Operations			\$7,500	\$7,725	\$7,957	\$8,195	\$8,441
20	Fisheries Issues/Hydrology			\$60,000	\$61,800	\$63,654	\$65,564	\$67,531
21	Contingency			\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
22	Total Operation & Maintenance			\$930,007	\$960,367	\$991,796	\$1,024,333	\$1,058,018
23	Capital			\$0	\$0	\$0	\$0	\$0
24	Net Income (Annual Surplus/(Deficit))			(\$60,792)	(\$38,746)	\$16,654	\$143,131	\$195,489
25	Beginning Balance			\$2,274,098	\$2,213,306	\$2,174,560	\$2,191,214	\$2,334,345
26	Ending Balance			\$2,213,306	\$2,174,560	\$2,191,214	\$2,334,345	\$2,529,834
27	Target Reserve = Min + 50% Operating Exp.			\$2,465,003	\$2,480,183	\$2,495,898	\$2,512,167	\$2,529,009
28	Minimum Reserve			\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000

Figure 3-1 graphically illustrates the proposed operating Financial Plan – it compares the existing (current) and proposed revenues with projected expenses. The stacked bars show O&M expenses. The green bars show the net cash. Total revenues at existing and proposed rates are shown by horizontal black solid and dashed lines, respectively. Current revenue from existing rates does not meet future total expenses and shows the nexus for the proposed revenue adjustment.

Figure 3-1: Proposed Financial Plan

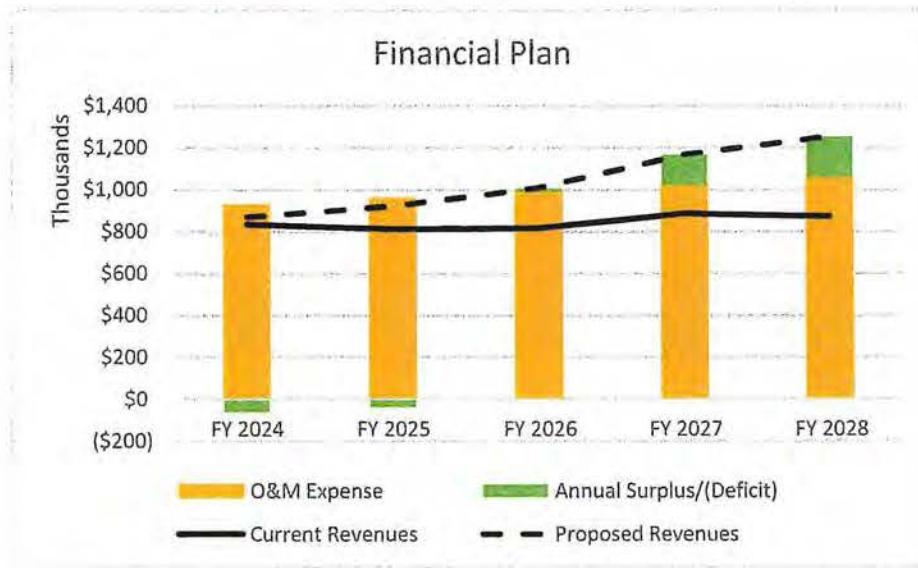
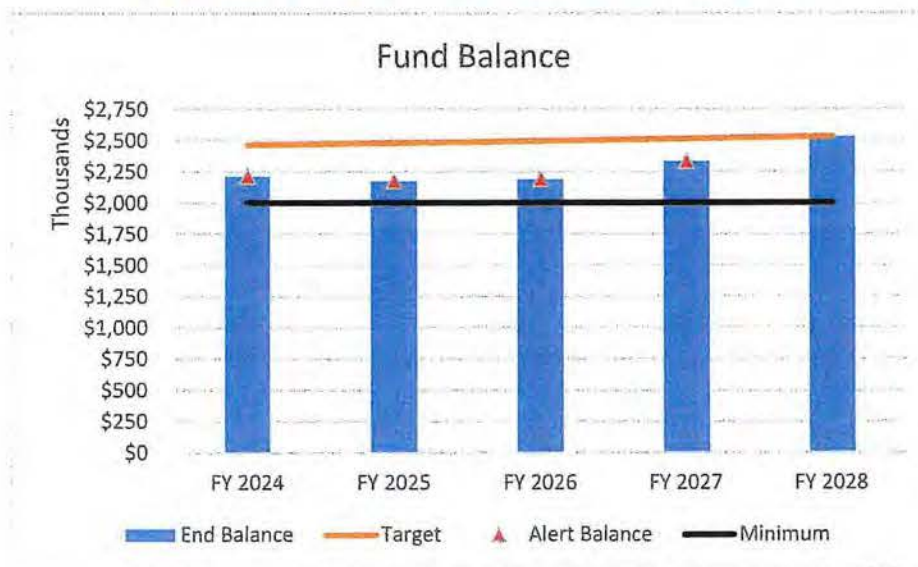


Figure 3-2 shows the projected investments fund balance.

Figure 3-2: Projected Investments Fund Balance



4. Proposed Water Rates

4.1. Net Revenue Requirements

The costs to be allocated to the producers consist of the total revenue requirement less income received from other sources (net revenue requirements). Table 4-1 shows the development of the costs that must be recovered through the rate for FY 2024. Raftelis calculated the revenue requirement using the FY 2024 projections of O&M and capital expenses (which are \$0), shown in Lines 1 and 2. Lines 4 – 6 show the other operating revenues, which are used to offset some of the revenue requirement. The adjustments in Line 9 ensure the cost-of-service accounts for the annual cash balances. Line 10 shows the total revenue required from rates, calculated by adding Lines 3, 7, and 10.

Table 4-1: Net Revenue Requirements, FY 2024

Net Revenue Requirement, Test Year				
No.	Line Item	Operating	Capital	Total
	Revenue Requirement			
1	Operations	\$930,007		\$930,007
2	Capital		\$0	\$0
3	Total Revenue Requirement	\$930,007	\$0	\$930,007
	Revenue Offsets			\$0
4	Net SB County Property Taxes	(\$101,857)		(\$101,857)
5	Interest Income	(\$60,000)		(\$60,000)
6	Subtotal Revenue Offsets	(\$161,857)		(\$161,857)
	Other Adjustments			
7	Change in Fund Balance	(\$60,792)		(\$60,792)
8	Annualized Rate Adjustment	\$35,284		\$35,284
9	Total Adjustments	(\$25,508)	\$0	(\$25,508)
10	Net Revenue Requirement	\$742,642	\$0	\$742,642

4.2. Rate Structure Analysis

Since FY 2018, the District has utilized a uniform groundwater charge rate among the management zones in the District (Zones A through F). This is because the District’s activities benefit all zones directly or indirectly, and there are few, if any, costs that are unique to a specific zone that do not also benefit other zones at this time. In particular, the advent of the Sustainable Groundwater Management Act (SGMA) and the occurrence of a new drought of record have made water supply planning and management a watershed-wide issue within the Santa Ynez River Valley. The Department of Water Resources designated the entire valley as one groundwater basin, including both the river alluvium regulated by the State Water Resources Control Board (SWRCB) and the other groundwater aquifers. The District is a member of each of the three Groundwater Sustainability Agencies (GSAs) in the basin, and the GSAs have prepared three coordinated Groundwater Sustainability Plans (GSPs) for the entire basin, for which the District’s employee is the single point of contact with DWR for all three GSAs in the Basin, as well as the applicant and administrator of all grants providing funding for all the GSPs. Each GSP covers a separate management area, the Western Management Area (WMA), the Central Management Area (CMA), and the Eastern Management Area (EMA). The

management areas are not further subdivided into District and non-District management areas. Notwithstanding that there are three GSPs, SGMA compliance is judged on a coordinated basin-wide scale. Due to the multiple-GSP nature of SGMA compliance for the basin and required coordination between and among the GSPs, the District’s SGMA compliance activities concerning one GSA and GSP necessarily benefit the other GSAs and GSPs, and vice versa. This may change in the future as management area specific projects are developed and implemented. Furthermore, the District’s engineer, Stetson Engineers, Inc., has advised that management of river alluvium zones and other groundwater zones is interrelated, because management of the river can affect water levels in the adjacent zones, either directly through hydrological continuity or indirectly through actual or potential conjunctive use of different zones by producers (meaning that maintaining water levels in one zone benefits producers in other zones by reducing potential demand for water from those zones). Therefore, we conclude that a uniform rate across all zones continues to bear a fair and reasonable relationship to the benefits of the District’s management activities.

The purpose of the District is to manage groundwater and protect and, if necessary, augment the water supplies of the District, which are necessary for the public health, welfare, and safety of all users. Rate differentials for producer classes typically are based on the different peaking characteristics of producer classes. In this case, all producers have their own wells from which they draw water and therefore the District does not incur costs to provide facilities to meet peaking demands. The District’s operations benefit all users in proportion to the amount of water they draw from their wells, or in other words, the District does not incur differential costs to serve any user class. Therefore, we recommend that the District continue using uniform rates across the different zones and classes.

4.3. Calculating Rates

Table 4-2 shows the unit cost-of-service based on dividing the net revenue requirement (Table 4-1) by the projected usage in FY 2024 (Table 3-1) based on the findings and determinations in Stetson Engineers’ *Forty-Fifth Annual Engineering and Survey Report on Water Supply Conditions of the Santa Ynez River Water Conservation District FINAL* dated April 28, 2023.

Table 4-2: Unit Cost-of-Service, FY 2024

Unit Cost of Service, FY 2024	
Net Rev. Requirement	\$742,642
Projected Groundwater Prod.	47,530
All-in Uniform Rate, \$/AF	\$15.63

4.4. Proposed Usage Rates (\$/AF)

Table 4-3 presents the current rate and the proposed rate for FY 2024. The proposed rates are rounded to the nearest cent.

Table 4-3: Current and Proposed Usage Rates, \$/AF

Rate	Current	FY 2024
All Zones & Producers	\$14.14	\$15.63

4.5. Projected Revenues Under Cost-of-Service Rates

Table 4-4 shows the revenues under the current rates based on the FY 2024 projected usage and the revenues using the proposed rates. The percent increase in revenues matches the proposed revenue adjustment shown in the financial plan (Table 3-7).

Table 4-4: Projected Revenues Under Cost-of-Service Rates, FY 2024

Zone	Estimated Usage AF	Current Rate \$/AF	Revenue		Percent Increase/Decrease	
			Under Current Rates	Proposed Rate \$/AF		
Zone A	13,750	\$14.14	\$194,425	\$15.63	\$214,913	10.5%
Zone B	23,435	\$14.14	\$331,371	\$15.63	\$366,289	10.5%
Zone C	905	\$14.14	\$12,797	\$15.63	\$14,145	10.5%
Zone D	2,175	\$14.14	\$30,755	\$15.63	\$33,995	10.5%
Zone E	4,985	\$14.14	\$70,488	\$15.63	\$77,916	10.5%
Zone F	2,280	\$14.14	\$32,239	\$15.63	\$35,636	10.5%
Total	47,530		\$672,074		\$742,894	10.5%

4.6. Producer Impact Analysis

Table 4-5 through Table 4-7 illustrate the producer bill impact for an average agricultural producer, an average special irrigation producer, and an average non-agricultural producer within each zone. Average use per bill is based on FY 2022 billing data from Stetson Engineers' *Forty-Fifth Annual Engineering and Survey Report on Water Supply Conditions of the Santa Ynez River Water Conservation District FINAL* dated April 28, 2023.

Table 4-5: Average Agricultural Producer by Zone, FY 2024 Bill Impact

Agricultural	A	B	C	D	E	F
Average AF/bill	30.5	36.8	0.2	8.3	5.8	35.0
Current Revenue	\$430.91	\$520.84	\$2.75	\$117.59	\$82.22	\$494.76
Proposed Revenue	\$476.32	\$575.73	\$3.03	\$129.98	\$90.88	\$546.90
Bill Increase, \$	\$45.41	\$54.88	\$0.29	\$12.39	\$8.66	\$52.14
% Increase	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%

Table 4-6: Average Special Irrigation Producer by Zone, FY 2024 Bill Impact

Special Irrigation	A	B	C	D	E	F
Average AF/bill	3.3	3.5	0.1	0.2	0.05	0.0
Current Revenue	\$46.04	\$49.17	\$1.83	\$2.70	\$0.69	\$0.00
Proposed Revenue	\$50.89	\$54.36	\$2.02	\$2.98	\$0.76	\$0.00
Bill Increase, \$	\$4.85	\$5.18	\$0.19	\$0.28	\$0.07	\$0.00
% Increase	10.5%	10.5%	10.5%	10.5%	10.5%	--

Table 4-7: Average Other (Non-Agricultural) Producer by Zone, FY 2024 Bill Impact

Non-Agricultural	A	B	C	D	E	F
Average AF/bill	8.7	16.3	7.5	2.7	4.4	3.0
Current Revenue	\$123.17	\$230.34	\$105.61	\$38.40	\$62.70	\$42.39
Proposed Revenue	\$136.15	\$254.61	\$116.74	\$42.44	\$69.31	\$46.86
Bill Increase, \$	\$12.98	\$24.27	\$11.13	\$4.05	\$6.61	\$4.47
% Increase	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%

RESOLUTION NO. 722

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
MAKING FINDINGS AND DETERMINATIONS, ESTABLISHING ZONES,
SETTING RATES AND LEVYING A GROUNDWATER CHARGE
WITHIN THE DISTRICT FOR THE WATER YEAR 2023-2024**

WHEREAS, the District duly noticed a public hearing, pursuant to Water Code Section 75570 et seq. and in accordance with Section 6061 of the Government Code, for the April 26, 2023 meeting of the District's Board of Directors ("Board"), which notice, among other information, provided notice of receipt the engineering investigation and report (described below) and hearing thereon and invited all operators of water-producing facilities within the District to examine such report and appear and submit evidence concerning the groundwater conditions and the surface water supplies of the District; and

WHEREAS, said public hearing was adjourned to and held at the adjourned special Board meeting on April 28, 2023, at which time the Board invited members of the public and other interested persons, including representatives of operators of water producing facilities within the District, to appear and submit evidence and public comment; and

WHEREAS, evidence presented at the April 28, 2023 meeting of the District's Board of Directors was in accord with and in support of the continuation of such a charge on all water-producing facilities within the District to finance the District activities and purposes as set forth in Water Code Section 74000 et seq., for the water year 2023-24; and

WHEREAS, evidence was presented at said meeting regarding benefits of the District's activities which different areas of the District enjoy; and

WHEREAS, evidence was presented, and it is hereby found, that continuation of such a charge is exempt from the provisions of the California Environmental Quality Act by Public Resources Code Section 21080(b)(8); and

WHEREAS, an engineering investigation and report (entitled Forty-Fifth Annual Engineering and Survey Report on Water Supply Conditions of the Santa Ynez River Water Conservation District, A Summary of Findings for the Previous Water Year (2021-2022), Current Water Year (2022-2023), and Ensuing Water Year (2023-2024), Draft dated March 10, 2023) was duly prepared by the District's consulting engineer, Stetson Engineers, Inc., made available for examination as required by law, and submitted to the Board at said meeting pursuant to Water Code Section 75570 et seq., which report provides specific factual data to permit the District to make findings and determinations as required by law; and

WHEREAS, the only comments submitted prior to or at said hearing regarding said report were submitted by Santa Ynez River Water Conservation District, Improvement District No. 1 ("Improvement District No. 1"), and as revised to address Improvement District's comments the

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final Engineering and Survey Report was approved and accepted by the Board of Directors at said April 28, 2023 board meeting and is dated April 28, 2023, and made the findings and determinations set forth at pages 10 and 11 of the Report; and

WHEREAS, this District performs essential regulatory activities in managing, protecting, conserving, augmenting, replenishing, and enhancing the water supplies for users within the District, including groundwater resources within the District. The groundwater charge rates herein establish a reasonable relationship to the burdens on or benefits of the District's activities including those activities described at pages 1 through 4 of the Report; and

WHEREAS, groundwater charges herein established are levied upon those electing to pump groundwater (as defined in Water Code section 75502) and to the extent of groundwater pumping, and such charges serve a regulatory function to encourage water conservation and provide revenue to assist the District to perform its essential regulatory activities to manage, protect, conserve, replenish, augment, and enhance the water supplies for users within the District, including groundwater resources within the District; and

WHEREAS, it is more efficient and effective for the District to continue to provide these activities, which require concentrated, coordinated action on behalf of all District water users, including groundwater users within the District, who by their extraction of groundwater burden the underlying groundwater basin and benefit from the District's services in a manner that non-fee payors do not, rather than to leave such activities to individuals who could neither afford nor effectively act to protect or augment their water resources as individuals; and

WHEREAS, the groundwater charges fund the continuation of groundwater management services performed by the District to mitigate the burdens imposed on the groundwater basin within the District by groundwater extractors for the benefits of the groundwater basin; and

WHEREAS, the District has commissioned preparation of a Rate Study Report by Raftelis to, among things, develop a financial plan and conduct a costs of service study for the District and demonstrate its groundwater charge rates are necessary to cover the reasonable costs of the District's activities and are allocated to persons extracting groundwater within the District in a manner that bears a fair and reasonable relationship to the benefits received from the District's activities consistent with Proposition 26 (California Constitution, Article 13C, § 1), which study has been presented to, discussed with, and considered by the Board; and

WHEREAS, such groundwater charges do not exceed the reasonable costs of the District carrying out its activities, and the manner in which the costs are allocated bear a fair or reasonable relationship to the payor's burden on or benefits received from the District's activities consistent with applicable law including Proposition 26; and

WHEREAS, while property taxes can be used to finance a portion of the costs of the District's activities, existing limitations on property tax revenues, which historically were used to finance District purposes, preclude continuation of District activities without additional financing; and

WHEREAS, the District first implemented a groundwater charge prior to January 1, 1982, to implement the transition from the property taxation system in effect prior to June 1, 1978; and

WHEREAS, the groundwater charges are reasonably related to the District's activities including regulatory and groundwater management services and need to maintain appropriate financial reserves for such purposes, and do not generate a surplus for general revenue purposes; and

WHEREAS, this Board determines that it is in the best interest of the residents, landowners, and water users within the District, including persons operating ground water-producing facilities, that a groundwater charge and several zones be established within the District, and that a groundwater charge be levied at the rates provided for herein within those zones upon those persons who elect to produce groundwater from a water-producing facility within the District.

NOW, THEREFORE, BE IT RESOLVED, by this Board of Directors as follows:

1. The foregoing recitals of fact are true and correct;
2. The Board hereby makes the following findings and determinations pursuant to Water Code Section 75574:
 - (a) The average annual overdraft for the immediate past ten (10) water years (July 2012-June 2022): 4,180 ± acre-feet;
 - (b) The estimated annual overdraft for the current (2022-23) water year (July 2022-June 2023): 300 ± acre-feet;
 - (c) The estimated annual overdraft for the ensuing (2023-24) water year (July 2023-June 2024): 6,200 ± acre-feet;
 - (d) The accumulated overdraft as of the last day of the preceding (2021-22) water year (June 30, 2022): 153,800 ± acre-feet in terms of accumulated dewatered storage. Accumulated overdraft as defined in Water Code Section 75505 is nominal, at this time;
 - (e) The estimated accumulated overdraft as of the last day of the current (2022-23) water year (June 30, 2023): 142,100 ± acre-feet in terms of accumulated dewatered storage. Accumulated overdraft as defined in Water Code 75505 is nominal, at this time;
 - (f) The estimated amount of agricultural and special irrigation water to be withdrawn from the groundwater supplies of the District for the ensuing (2023-24) water year (July 2023-June 2024): 31,680 acre-feet of agricultural water and 2,570 acre-feet of special irrigation water;

- (g) The estimated amount of water other than agricultural water or special irrigation water to be withdrawn from the groundwater supplies of the District for the ensuing (2023-24) water year (July 2023-June 2024): approximately 13,280 acre-feet;
- (h) The estimated amount of water necessary for surface distribution for the ensuing (2023-24) water year (July 2023-June 2024): approximately 300 acre-feet scheduled to be delivered by the Central Coast Water Agency to contractors within the District;
- (i) The amount of water, which is necessary for the replenishment of the groundwater supplies of the District: 142,100 ± acre-feet to completely replenish accumulated dewatered storage;
- (j) The amount of water the District is obligated by contract to purchase: The District is not obligated by contract to purchase water.

3. The Board hereby establishes the following zones within the District based on relative benefits of the District's activities to be received by water producers within such zones:

Zone A: District portion of the Santa Ynez River alluvial channel from San Lucas Bridge downstream to the Lompoc Narrows, as depicted on Figure 2, Page 14, of the "Forty-Fifth Annual Engineering and Survey Report on Water Supply Conditions of the Santa Ynez River Water Conservation District, A Summary of Findings for the Previous Water Year (2021-2022), Current Water Year (2022-2023), and Ensuing Water Year (2023-2024)" FINAL dated April 28, 2023, which is incorporated herein by reference.

Zone B: District portion of the Lompoc Plain, Lompoc Upland and Lompoc Terrace groundwater subareas as depicted on said Figure 2;

Zone C: All other portions of the District not included in Zones A, B, D, E and F as depicted on said Figure 2;

Zone D: District portion of the Buellton Upland subarea as depicted on Figure 2;

Zone E: District portion of the Santa Ynez Upland subareas as depicted on Figure 2;

Zone F: District portion of the Santa Rita Upland subarea as depicted on Figure 2;

4. A groundwater charge is hereby levied against all persons operating ground water-producing facilities, and the following rates are hereby established and applied to all water produced from such facilities within each zone as shown below for the fiscal year 2023-24:

Zone A

Agricultural Water	\$15.63 per acre-foot
Special Irrigation Water	\$15.63 per acre-foot
Other Water	\$15.63 per acre-foot

Zone B

Agricultural Water	\$15.63 per acre-foot
Special Irrigation Water	\$15.63 per acre-foot
Other Water	\$15.63 per acre-foot

Zone C

Agricultural Water	\$15.63 per acre-foot
Special Irrigation Water	\$15.63 per acre-foot
Other Water	\$15.63 per acre-foot

Zone D

Agricultural Water	\$15.63 per acre-foot
Special Irrigation Water	\$15.63 per acre-foot
Other Water	\$15.63 per acre-foot

Zone E

Agricultural Water	\$15.63 per acre-foot
Special Irrigation Water	\$15.63 per acre-foot
Other Water	\$15.63 per acre-foot

Zone F

Agricultural Water	\$15.63 per acre-foot
Special Irrigation Water	\$15.63 per acre-foot
Other Water	\$15.63 per acre-foot

5. The Board hereby finds and determines, based on substantial evidence including information provided in the above-referenced Report and Rate Study, that groundwater producers within Zones A, B, C, D, E, and F all benefit to substantially the same degree from the District's activities including protecting and defending area water rights and water replenishment against users from outside the District and in local and regional planning for use and augmentation of water supplies for use within the District and in local and regional planning for sustainable groundwater basin management pursuant to SGMA (Water Code § 10720 et seq.).
6. The Board hereby establishes the following methods to compute the amounts of water produced from a ground water-producing facility within the District:

- (a) If the well production is metered by a flow meter, then the meter reading will be utilized.
 - (b) If the well is not metered, but has a separate electric meter, then production may be determined from electrical consumption and pump test results, if available. Annual pump tests shall be run whenever possible with the results of the most recent test used to verify and/or adjust meter readings.
 - (c) Production may be estimated based upon type of water use, estimated applied unit use, area irrigated, and types of crops grown on land, or number of connections or persons served, or type and quantity of units produced.
 - (d) Other criteria may be recommended by the District's engineer from time to time which will allow the Board to determine with reasonable accuracy the amount of water produced from a ground water-producing facility.
7. In accordance with Public Resources Code Section 21080, subd. (b)(8), the Board hereby finds said groundwater charges are for the purposes set forth therein including meeting the District's operating expenses, purchasing or leasing supplies, materials or equipment, and meeting financial reserve needs and requirements.

The foregoing resolution being on motion of Director _____, seconded by Director _____, was authorized by the following vote:

AYES, and in favor thereof, Directors:

NOES, Directors:

ABSENT/ABSTAINING, Directors:

I HEREBY CERTIFY that the foregoing resolution is the resolution of said district as duly passed and adopted by said Board of Directors on the 7th of June 2023.

Cynthia Allen, President

Amber M. Thompson, Secretary



June 6, 2023

SENT VIA FIRST CLASS AND ELECTRONIC MAIL
(KWALSH@SYRWCD.COM; ATHOMPSON@SYRWCD.COM)

Board of Directors
Santa Ynez River Water Conservation District
P.O. Box 719
Santa Ynez, California 93460

RE: SYRWCD Proposed FY 2023-24 Groundwater Charges and Rate Study
Report Dated May 30, 2023

Dear Board Members:

The Santa Ynez River Water Conservation District, Improvement District No.1 (ID No.1) submits this comment letter in response to information recently circulated by the Santa Ynez River Water Conservation District (SYRWCD) regarding groundwater charges that SYRWCD proposes to adopt and impose for its Fiscal Year 2023-2024. At the outset, ID No.1 respectfully requests that SYRWCD postpone its meeting on the proposed groundwater charges to provide ratepayers a reasonable amount of time to evaluate those charges and bases upon which they have been developed. SYRWCD still has another four weeks before needing to take action on its proposed groundwater charges for Fiscal Year 2023-2024, yet SYRWCD has only allowed three business days for ratepayers and the public to review and provide comments on SYRWCD's Rate Study Report dated May 30, 2023 (Rate Study) and proposed groundwater charges. Allowing more time for public review and comment would be more transparent while presenting no downside to SYRWCD.¹

For reasons stated herein, and in previous comment letters submitted by ID No.1, SYRWCD's proposed groundwater charges for Fiscal Year 2023-2024 do not comport with the requirements of California Constitution, article XIII C, section 1(e), commonly referred to as Proposition 26.² In particular, SYRWCD's Rate Study does not support the proposed uniform charge for ID No.1's well production in Zone E (the SYRWCD portion of the Santa Ynez Upland subarea) and SYRWCD's proposed groundwater charges do not bear a fair and reasonable relationship to activities undertaken by SYRWCD or benefits derived by well producers in different zones.

¹ Please refer to comment letter from ID No.1 to SYRWCD dated June 2, 2023, a copy of which is included in Attachment A and incorporated herein by reference.

² Please refer to comment letters from ID No.1 to SYRWCD dated June 28, 2022 and January 31, 2023, along with email comments submitted to SYRWCD dated April 26, 2023, copies of which are included in Attachment B and incorporated herein by reference.

HONORARY
TRUSTEE:
Harlan J. Burchardi
1969-2020

TRUSTEES:
DIVISION 1
Jeff Holzer

DIVISION 2
Jeff Clay

DIVISION 3
Nick Urton

DIVISION 4
Michael Burchardi

TRUSTEE-AT-LARGE
Brad Joos

GENERAL MANAGER
Paeter E. Garcia

The proposed groundwater charge for Zone E is not tied to specific benefits, privileges, or services that SYRWCD provides directly to groundwater producers in Zone E.

The Rate Study shows that SYRWCD's proposed uniform groundwater charges for all zones (Zone A through Zone F) have been derived by simply dividing SYRWCD's overall revenue requirement by the total projected acre-foot production throughout its service area. (Rate Study, p. 21.) SYRWCD offers the following explanations for this approach:

- “[T]he advent of the Sustainable Groundwater Management Act (SGMA) and the occurrence of a new drought of record have made water supply planning and management a watershed-wide issue within the Santa Ynez River Valley. The Department of Water Resources designated the entire valley as one groundwater basin, including both the river alluvium regulated by the State Water Resources Control Board (SWRCB) and the other groundwater aquifers.” (Rate Study, p. 20.)
- “[M]anagement of river alluvium zones and other groundwater zones is interrelated, because management of the river can affect water levels in the adjacent basins, either directly through hydrological continuity or indirectly through actual or potential conjunctive use of different zones by producers (meaning that maintaining water levels in one zone benefits producers in other zones by reducing potential demand for water from those zones).” (Rate Study, p. 21.)

These statements do not provide data or analysis to support a uniform groundwater charge for all zones within SYRWCD. The Rate Study's reference to "watershed-wide" issues does not support a uniform pump charge among Zones A and E. Instead, for purposes of the Eastern Management Area (EMA), the Zone E charge must be tied to specific benefits conferred directly to Zone E producers, or to SYRWCD services in Zone E that are provided directly to Zone E producers. SYRWCD cannot impose a uniform charge against well producers in Zones A and E simply on the generalized basis that the River alluvium is within the DWR-designated groundwater basin. While this type of rationale may have some application in the Western Management Area of the Basin, it does not apply in the EMA or to the relationship between Zones A and E.

The Groundwater Sustainability Plan (GSP) for the EMA concludes that, for purposes of the EMA, the Santa Ynez River alluvium (Zone A) is hydrologically and legally distinct from the Santa Ynez Upland groundwater basin (Zone E). As a member of the EMA Groundwater Sustainability Agency, SYRWCD has already concluded for purposes of the EMA that SGMA and SGMA management actions do not apply to Zone A. Indeed, the Rate Study refers to “the District's investigation and efforts supporting characterization of those [river alluvium] zones as not groundwater subject to SGMA management in the GSPs, and the District's ongoing efforts to defend that characterization against those who disagree with it and contend such pumping must be managed under SGMA.” (Rate Study, p. 8.) As further set forth herein, the River-related services provided by SYRWCD in the EMA portion of Zone A are separate and distinct from any benefits or services it purports to provide in Zone E.

Thus, contrary to what is suggested in the Rate Study, management of the Santa Ynez River alluvium (Zone A) is not interrelated "directly" to management of the Santa Ynez Upland basin (Zone E) because management of the river does not affect water levels in the adjacent Zone E portion of the basin through hydrological continuity. Again, SYRWCD itself agrees that the River alluvium in the EMA (Zone A) is hydrologically and legally distinct from the Upland groundwater basin (Zone E) as concluded in the EMA GSP.

Similarly, management of the River alluvium (Zone A) is not interrelated "indirectly" to management of the Santa Ynez Upland basin (Zone E) on the basis of actual or potential conjunctive use of different zones by producers. Neither the Rate Study, nor the SYRWCD Final Budget for FY 2023-2024, nor the Forty-Fifth Annual Report, nor any other information published by SYRWCD provide any data or analysis showing conjunctive use costs incurred by SYRWCD, or benefits or services provided by SYRWCD. No information or analysis is provided to show that maintaining water levels in Zone A has conferred an indirect or any other specific benefit to producers in Zone E by reducing potential demand for water in either zone. Nor has any showing been made that Zone A producers in general have in lieu access to produce in Zone E if water levels in Zone A were not maintained.

Imposing a uniform pump charge among Zones A and E on the basis that SYRWCD activities in Zone A provide indirect benefits to producers in Zone E contradicts the Proposition 26 standard as stated in the Rate Study. The Rate Study itself recognizes that a groundwater charge is a tax unless it is "imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged" or "imposed for a specific government service or product provided directly to the payor that is not provided to those not charged." (Rate Study, p. 14.) For reasons explained herein, and as the Rate Study acknowledges, SYRWCD services in Zone A are not services provided directly to producers in Zone E. Moreover, any such "indirect" benefits would inure to all Zone E producers (those within and outside SYRWCD), and not just those subject to the Zone E charges, which contravenes the Proposition 26 standard.³

The proposed groundwater charge for Zone E exceeds the costs of any benefits, privileges, and services that SYRWCD purports to provide directly to groundwater producers in Zone E.

As noted above, the Rate Study shows that SYRWCD's uniform groundwater charges for all zones (Zone A through Zone F) have been derived by simply dividing SYRWCD's overall revenue requirement by the total projected acre-foot production throughout its service area. (Rate Study, p. 21.) SYRWCD offers the following explanations for this approach:

- "This is because the District has few costs that are unique to specific river and upland zones at this time." (Rate Study, p.20.)

³ See, e.g., *Newhall County Water District v. Castaic Lake Water Agency* (2016) 243 Cal.App.4th 1430, 1441.

This statement is at odds with sections of the Rate Study and the District's Final Budget for FY 2023-2024 which identify various costs and cost categories that pertain exclusively to SYRWCD activities undertaken in direct connection with the Cachuma Project and/or lower Santa Ynez River (Zones A and B), whereas other costs and activities are characterized as pertaining to upland groundwater zones. (See, e.g., Rate Study, p. 7.) Notably, the Rate Study's financial tables for FY 2024 do not appear to track SYRWCD's Final Budget numbers for FY 2023-2024, yet both documents confirm that most of SYRWCD's costs and activities pertain specifically to the Santa Ynez River (Zones A and B) and related Cachuma Project issues.

The Rate Study appears to tie a few costs directly to SYRWCD activities in the upland groundwater zones, including "Salary & Benefits for SGMA-time" (\$184,793), another undefined "SGMA" cost (\$113,000), and the "Annual G.W. Report" (\$22,000). For the SGMA-related costs, SYRWCD indicates that "the District's SGMA compliance activities concerning one GSA and GSP necessarily benefit the other GSAs and GSPs, and vice versa." (Rate Study, p. 21.) Therefore, only a portion of SYRWCD's SGMA-related costs would apply to calculating the groundwater charge for Zone E.

Aside from the upland groundwater costs, the Rate Study and SYRWCD's Final Budget for FY 2023-2024 illustrate that most other costs incurred by SYRWCD are tied directly to activities that pertain specifically to the Santa Ynez River (Zones A and B) and related Cachuma Project issues and do not provide a direct benefit to producers in Zone E, such as: Remaining salaries & benefits not attributable to SGMA (\$503,000 less \$184,793), Downstream Releases/Upper SYR Ops/89-18 (\$67,500), WR Decision 2019-0148 (\$55,000 – \$110,000), Upper SYR Operations (\$5,000 – \$7,500), Fisheries Issues/Hydrology (\$45,000 – \$60,000); Special Studies (\$30,000 – \$36,000), and General and Miscellaneous (\$25,000 – \$31,500). Including these costs in the Zone E groundwater charge causes the charge to exceed the reasonable cost of conferring a specific benefit directly to groundwater producers in Zone E, which violates the requirements of Proposition 26.

SYRWCD's Proposed Resolution No. 722 Contains Material Misstatements that Should Be Removed or Corrected.

In addition to the comments above, ID No.1 is again concerned with certain representations being made in proposed Resolution No. 722. On page 2 of the Resolution, several recitals state that SYRWCD "performs essential regulatory activities in managing, protecting, conserving, augmenting, replenishing, and enhancing the water supplies for users within the District, including groundwater resources within the District." To be clear, ID No.1 fully acknowledges, supports, and appreciates the essential management activities undertaken by SYRWCD as those activities pertain to the Lower Santa Ynez River (Zones A and B) and the Cachuma Project. However, ID No.1 has been actively involved as a groundwater producer and water right holder in the Santa Ynez Upland Basin (Zone E) for over 50 years and we are not aware of specific activities undertaken by SYRWCD in the Upland basin as referenced in Resolution No. 722, such as activities to protect, conserve, augment, replenish, or enhance the Upland groundwater supplies.

To the contrary, despite many years of reporting on declining groundwater conditions and accumulating overdraft, SYRWCD has not engaged in any specific projects or services to manage, protect, conserve, augment, replenish, or enhance groundwater supplies in Zone E in exchange for the SYRWCD groundwater production charges. Accordingly, the material misstatements in Resolution No. 722 should be removed or corrected by SYRWCD.

SYRWCD Should Suspend Its Imposition of Groundwater Charges in Zone E.

Pursuant to SGMA, the EMA Groundwater Sustainability Agency (EMA GSA) is now the exclusive sustainable groundwater management agency in the EMA, including Zone E of the SYRWCD. (Water Code § 10723.8(d).) To that end, and as required by SGMA, the EMA GSA is comprehensively responsible for groundwater management, including but not limited to tasks that SYRWCD continues to pursue such as annual reports that monitor and report on groundwater conditions, make annual groundwater use estimates, forecast groundwater storage and overdraft amounts, and determine the amount of dewatered storage in the EMA. SYRWCD should not be imposing a groundwater production charge within a small portion of the EMA (i.e., Zone E) to undertake duplicative efforts that are now the legal responsibility of and already being carried out by the EMA GSA throughout the EMA. Nor should SYRWCD impose a groundwater charge on Zone E producers for SYRWCD's SGMA-related activities.⁴ Because those activities are general in nature and confer the same benefit on all producers in the EMA, Proposition 26 prohibits SYRWCD from imposing its SGMA-related costs on only a subset of producers in Zone E. (See footnote 3 above.)

SYRWCD has failed to show that its groundwater charges for Zone E are not taxes subject to voter approval because (1) the proposed Zone E charge is not imposed for a specific benefit conferred or privilege granted by SYRWCD directly to groundwater producers in Zone E that are not provided to those not charged, and (2) the proposed Zone E charge is not imposed for a specific service or product provided by SYRWCD directly to groundwater producers in Zone E that is not provided to those not charged. Moreover, as discussed above, SYRWCD's Rate Study and Final Budget for FY 2023-2024 show that the proposed Zone E groundwater charge exceeds the costs of any benefits, privileges, and services that SYRWCD purports to provide directly to groundwater producers in Zone E. Accordingly, SYRWCD's proposed groundwater charges for Zone E fail to meet the constitutional requirements of Proposition 26.

The costs of programs and regulatory activities to sustainably manage groundwater resources in the EMA should be allocated among all groundwater producers in the EMA. Until such time as the EMA GSA adopts and implements a groundwater charge for the entire EMA, SYRWCD should suspend its imposition of a charge against the minority of producers in Zone E.

⁴ The Rate Study suggests that SYRWCD's costs for SGMA-related activities are not included in the computation of groundwater charges for Zone E (Rate Study, Tables 3-6 and 3-7), yet those costs are ultimately reflected in the net revenue requirement that is used to calculate the uniform groundwater charge of \$15.63 per acre-foot (Rate Study, Tables 4-1 and 4-2).

Santa Ynez River Water Conservation District
June 6, 2023
Page 6

Thank you for considering these comments. If you have any questions or wish to discuss any related issues, please feel free to contact me at (805) 688-6015 or via email at pgarcia@syrwd.org.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Paeter E. Garcia', with a long horizontal line extending to the right.

Paeter E. Garcia
General Manager

Attachments A-B

cc: Kevin Walsh, SYRWCD General Manager
ID No.1 Board of Trustees
Gary Kvistad, Brownstein Hyatt Farber Schreck
Lutfi Kharuf, Best Best & Krieger

ATTACHMENT A



June 2, 2023

SENT VIA FIRST CLASS AND ELECTRONIC MAIL
(KWALSH@SYRWCD.COM)

**HONORARY
TRUSTEE:**
Harlan J. Burchard
1969-2020

TRUSTEES:
DIVISION 1
Jeff Holzer

DIVISION 2
Jeff Clay

DIVISION 3
Nick Urton

DIVISION 4
Michael Burchard

TRUSTEE-AT-LARGE
Brad Joos

GENERAL MANAGER
Paeter E. Garcia

Kevin Walsh
General Manager
Santa Ynez River Water Conservation District
P.O. Box 719
Santa Ynez, California 93460

RE: Request for Reasonable Public Comment Period on Rate Study Report
and Proposed 2023-2024 Groundwater Charges

Dear Mr. Walsh:

Yesterday at approximately 4:00 p.m. the Santa Ynez River Water Conservation District, Improvement District No.1 (ID No.1) received notice that on June 7, 2023 the Santa Ynez River Water Conservation District (SYRWCD) will consider adopting a Resolution setting rates and levying groundwater charges for Water Year 2023-2024. In connection with the proposed Resolution and adoption of groundwater charges, SYRWCD included a "Rate Study Report, Draft Final Report / May 30, 2023" in its board packet for the June 7th meeting. The notice sent by SYRWCD late yesterday afternoon indicates that public comments on the Rate Study Report must be submitted to SYRWCD no later than 5:00 p.m. on June 6, 2023. For reasons that have been expressed several times before, yet apparently disregarded by SYRWCD, more time should be allowed for ratepayers such as ID No.1 to review and provide comment on the Rate Study Report before new groundwater charges are adopted by SYRWCD.

Last year, late in the evening on June 21, 2022 (8:22 p.m.), SYRWCD issued a notice that on June 23, 2022 they would consider adopting a Resolution setting rates and levying groundwater charges for Water Year 2022-2023. Along with its notice of the June 23rd meeting, SYRWCD issued a Final Rate Study Report dated June 21, 2022 and the notice indicated that public comments had to be submitted to SYRWCD by 10:00 a.m. on June 23rd. Indeed, SYRWCD gave the public (including groundwater producers subject to SYRWCD's pump charge) only one business day's notice of their meeting and only one business day to review and prepare comments on the 2022 Final Rate Study Report. In a letter to SYRWCD dated June 23, 2022, ID No.1 "respectfully request[ed] that SYRWCD postpone any decision on the proposed groundwater charges to provide ID No.1 and other stakeholders a more reasonable amount of time to evaluate the charges and the bases on which they have been developed" noting that SYRWCD still had another week to take action on the matter prior to commencement of Water Year 2022-2023.

Kevin Walsh
June 2, 2023
Page 2

SYRWCD responded that ID No.1's letter would be made part of the record, but otherwise did not postpone its meeting for the reasons presented by ID No.1. On June 23rd, as the SYRWCD meeting was about to commence, the meeting was cancelled due to emergency circumstances. On June 27th, SYRWCD issued a notice that on June 28th they would consider the Final Rate Study Report and adoption of groundwater charges. In a letter to SYRWCD dated June 28, 2022, ID No.1 provided comments on the Final Rate Study Report and proposed charges, and again implored SYRWCD that four business days did not provide a sufficient opportunity for ratepayers and the public to analyze the Report and provide meaningful input on the important matter of setting groundwater charges under Proposition 26. The matter was not postponed, and the rationale offered by SYRWCD was that they were required to prepare the Rate Study Report on very short notice in response to a decision by the California Supreme Court and that SYRWCD's groundwater charges had to be adopted by June 30, 2022.

This year should have been different. This year SYRWCD had a full opportunity to provide ratepayers and the public with more notice and more time to review and provide comments on SYRWCD's 2023 Rate Study Report and proposed groundwater charges for Water Year 2023-2024. However, SYRWCD again has chosen to short-circuit public review and comment on its Rate Study Report. This year only three business days are being provided. But why? This year, SYRWCD has had an entire year to prepare a rate study. This year, SYRWCD still has four weeks before adopting its groundwater charges by June 30, 2023. So why are only three business days being allowed for ratepayers and the public to review and provide comments on this important matter of setting groundwater charges under Proposition 26? The constitutional objective of Proposition 26 is to protect ratepayers and provide an opportunity for them to meaningfully examine the bases of charges being imposed against them. SYRWCD appears indifferent to that objective of Proposition 26, and despite pleas from one of its largest ratepayers, SYRWCD again has designed and imposed an unreasonably truncated public comment period for its proposed groundwater charges.

Based on the foregoing, ID No.1 respectfully requests that SYRWCD postpone its meeting on the proposed groundwater charges to provide ratepayers a more reasonable amount of time to evaluate the charges and bases upon which they have been developed. SYRWCD still has another four weeks before needing to take action on its proposed groundwater charges for Water Year 2023-2024. Allowing more time for public comment presents no risk or harm to SYRWCD.

Very truly yours,



Paeter E. Garcia
General Manager

cc: ID No.1 Board of Trustees
Gary Kvistad, Brownstein Hyatt Farber Schreck
Lutfi Kharuf, Best Best & Krieger

ATTACHMENT B



**HONORARY
TRUSTEE:**
Harlan J. Burchardi
1969-2020

TRUSTEES:
DIVISION 1
Jeff Holzer

DIVISION 2
Jeff Clay

DIVISION 3
Lori Parker

DIVISION 4
Michael Burchardi

TRUSTEE-AT-LARGE
Brad Joos

GENERAL MANAGER
Paeter E. Garcia

June 28, 2022

SENT VIA FIRST CLASS AND ELECTRONIC MAIL
(KWALSH@SYRWCD.COM; ATHOMPSON@SYRWCD.COM)

Board of Directors
Santa Ynez River Water Conservation District
P.O. Box 719
Santa Ynez, California 93460

RE: SYRWCD Proposed FY 2022-23 Groundwater Charges and Final Rate Study
Report Dated June 21, 2022

Dear Board Members:

The Santa Ynez River Water Conservation District, Improvement District No.1 (ID No.1) submits this second letter in response to information recently circulated by the Santa Ynez River Water Conservation District (SYRWCD) regarding groundwater charges that SYRWCD proposes to adopt and impose for Fiscal Year 2022-2023. As stated in our first letter dated June 23, 2022, ID No.1 appreciates the efforts of SYRWCD to develop a groundwater charge in response to and in compliance with the recent Court of Appeal decision in *City of San Buenaventura v. United Water Conservation District*. For reasons set forth herein, however, ID No.1 believes that SYRWCD's proposed groundwater pump charges, and the proposal to impose a uniform rate across all zones, do not bear a fair and reasonable relationship to activities undertaken by SYRWCD or benefits derived by well producers in different zones.¹

At the outset, ID No.1 agrees with the Final Rate Study conclusion that SYRWCD "does not incur differential costs to serve any user class." (Study, p.12.) This marks a significant departure from SYRWCD's prior contentions that its three different user categories – Agriculture, Special Irrigation, and Other – levy different efforts and different financial burdens on SYRWCD. (See, e.g., SYRWCD Resolution No. 702.)

On the other hand, No.1 does not agree with SYRWCD's conclusion that "a uniform rate across all zones bears a fair and reasonable relationship to the benefits of the District's management activities." (Study, p.11.). In particular, the Final Rate Study does not support the proposed uniform charge for ID No.1's well production in Zone E (the SYRWCD portion of the Santa Ynez Upland subarea).

¹ As previously indicated, ID No.1 believes that SYRWCD should provide ratepayers and other stakeholders in the Basin more time to evaluate the SYRWCD Final Rate Study Report dated June 21, 2022 ("Final Rate Study" or "Study") which was not made available to the public until the night of June 21, 2022. To ID No.1's knowledge, the Final Rate Study is the first time SYRWCD has prepared a Proposition 26 analysis in connection with its groundwater charges and four (4) business days does not provide a sufficient opportunity for ratepayers and the public to analyze the Study and provide meaningful input to SYRWCD on this important matter.

In support of the proposed uniform pump charge of \$14.14 per acre-foot across all SYRWCD zones (Zone A through Zone F), the Final Rate Study offers the following explanations:

- “This is because the District has few costs that are unique to specific river and upland zones at this time.” (Study, p.11.)
 - This statement is at odds with SYRWCD’s Final Budget for Fiscal Year 2022-2023 and related sections of the Final Rate Study which identify various costs and cost categories that are specific to SYRWCD activities that apply directly to the River (Zone A), while other costs (or portions thereof) are attributed to activities that apply to the upland groundwater zones such as Zone E.
- “The advent of the Sustainable Groundwater Management Act (SGMA) and the occurrence of a new drought of record have made water supply planning and management a watershed-wide issue within the Santa Ynez River Valley.” (Study, p.11.) “The Department of Water Resources designated the entire valley as one groundwater basin, including both the river alluvium regulated by the State Water Resources Control Board (SWRCB) and the other groundwater aquifers. The three Groundwater Sustainability Agencies in the basin, of which the District is a member, have prepared Groundwater Sustainability Plans for the entire basin.” (Study, p.11.)
 - These statements do not provide data or analysis that support a uniform production charge for all zones within SYRWCD. The Groundwater Sustainability Plan (GSP) for the Eastern Management Area (EMA) concludes that, for purposes of the EMA, the Santa Ynez River alluvium (Zone A) is hydrologically and legally distinct from the Santa Ynez Upland groundwater basin (Zone E). As a member of the EMA Groundwater Sustainability Agency, SYRWCD has already concluded for purposes of the EMA that SGMA and SGMA management actions do not apply to Zone A. Accordingly, any River-related services provided by SYRWCD in the EMA portion of Zone A are separate and distinct from any SGMA-related services it may provide in Zone E. Reference to a “watershed-wide” approach does not support a uniform pump charge among Zones A and E. Instead, for purposes of the EMA, the Zone E charge must be tied to specific benefits conferred directly to Zone E producers, or to SYRWCD services that are specific to Zone E and provided directly to Zone E producers. SYRWCD cannot impose a uniform charge against well producers in Zones A and E simply on the generalized basis that the River alluvium is within the DWR-designated groundwater basin. While this type of rationale may have some application in the Western Management Area of the Basin, it does not apply in the EMA or to the relationship between Zones A and E.

- “[M]anagement of river alluvium zones and other groundwater zones is interrelated, because management of the river can affect water levels in the adjacent basins, either directly through hydrological continuity or indirectly through actual or potential conjunctive use of different zones by producers (meaning that maintaining water levels in one zone benefits producers in other zones by reducing potential demand for water from those zones).” (Study, p.11.)
 - For purposes of the EMA, this statement does not support a uniform groundwater charge against well production in Zones A and E. Contrary to what is suggested in the Final Rate Study, management of the Santa Ynez River alluvium (Zone A) is not interrelated directly to management of the Santa Ynez Upland basin (Zone E) because management of the river does not affect water levels in the adjacent basin through hydrological continuity. As set forth above, the EMA GSP concludes that the River alluvium in the EMA (Zone A) is hydrologically and legally distinct from the Upland groundwater basin (Zone E). As a member of the EMA Groundwater Sustainability Agency, SYRWCD has already agreed with these conclusions. Please see related comments above.
 - Similarly, management of the River alluvium (Zone A) is not interrelated indirectly to management of the Santa Ynez Upland basin (Zone E) on the basis of actual or potential conjunctive use of different zones by producers. Neither the Final Rate Study, nor the SYRWCD Final Budget for FY 2022-2023, nor the Forty-Fourth Annual Report, nor any other information published by SYRWCD provide any data or analysis regarding conjunctive use benefits or services provided by SYRWCD, or to demonstrate that maintaining water levels in Zone A has conferred an indirect or any other specific benefit to producers in Zone E by reducing potential demand for water in either zone. Nor has any showing been made that Zone A producers in general have in lieu access to produce in Zone E if water levels in Zone A were not maintained.
 - Imposing a uniform pump charge among Zones A and E on the basis that SYRWCD activities in Zone A provide indirect benefits to producers in Zone E appears to contradict the Proposition 26 standard as stated in the Final Rate Study. The Study explains that a groundwater charge is not a tax if it is “imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged” or “imposed for a specific government service or product provided directly to the payor that is not provided to those not charged.” (Study, p. 6.) For reasons explained above, and as the Final Rate Study acknowledges, SYRWCD services in Zone A are not services provided directly to producers in Zone E. Moreover, any such “indirect” benefits would inure to all Zone E producers (those within and outside SYRWCD), and not just those subject to the Zone E charges, which contravenes the Proposition 26 standard.

Board of Directors,
Santa Ynez River Water Conservation District
June 28, 2022
Page 4

In addition to the comments above, ID No.1 is concerned with certain representations being made in proposed Resolution No. 714. On page 2 of the Resolution, several Recitals state that SYRWCD "performs essential regulatory activities in managing, protecting, conserving, augmenting, replenishing, and enhancing the water supplies for users within the District, including groundwater resources within the District." To be clear, ID No.1 fully acknowledges, supports, and appreciates the essential management activities undertaken by SYRWCD as those activities pertain to the Lower Santa Ynez River (Zone A). However, our District has been actively involved as a groundwater producer and water right holder in the Santa Ynez Upland Basin (Zone E) for over 50 years and we are not aware of specific activities undertaken by SYRWCD in the Upland basin as referenced in Resolution No. 714, such as activities to conserve, augment, replenish, or enhance the Upland groundwater supplies.

As a related matter, insofar as Resolution No. 714 indicates that SYRWCD will perform essential regulatory activities in managing the Santa Ynez Upland basin, ID No.1 again notes that the Eastern Management Area Groundwater Sustainability Agency has been established as the exclusive sustainable groundwater management agency in the EMA. While SYRWCD is a member agency of the EMA GSA, ID No.1 believes that regulatory activities to manage groundwater resources in the EMA should be undertaken by the EMA GSA pursuant to the EMA GSP. Because SYRWCD's proposed groundwater charge in Zone E appears to be tied to SYRWCD activities and costs to implement SGMA, ID No.1 reserves its right to contest the adoption and assessment of the Zone E charge. Among other concerns, this SGMA-related charge by an entity other than the EMA GSA will apply to only a subset of groundwater producers in the Santa Ynez Upland (i.e., those within the SYRWCD boundaries) to implement SGMA. To the extent benefits are being conferred by SYRWCD's SGMA-related services in the EMA, those benefits are being enjoyed by all producers in the EMA, including those that are not subject to the SYRWCD charges. Similarly, SYRWCD is not providing any SGMA-related services directly to Zone E producers; instead, SYRWCD's SGMA-related services are general in nature and extend to SGMA implementation throughout the EMA. Accordingly, the Zone E pump charge does not comport with Proposition 26 standards.

Again, ID No.1 sincerely appreciates the efforts of SYRWCD to develop appropriate charges in the wake of the *City of San Buenaventura* case and in light of a new groundwater management framework that has been established by SGMA. We look forward to the continued collaboration among our agencies.

Very truly yours,



Paeter E. Garcia
General Manager

cc: Kevin Walsh, SYRWCD General Manager
ID No.1 Board of Trustees
Gary Kvistad, Brownstein Hyatt Farber Schreck
Lutfi Kharuf, Best Best & Krieger



**HONORARY
TRUSTEE:**
Harlan J. Burchardi
1969-2020

TRUSTEES:
DIVISION 1
Jeff Holzer

DIVISION 2
Jeff Clay

DIVISION 3
Nick Urton

DIVISION 4
Michael Burchardi

TRUSTEE-AT-LARGE
Brad Joos

GENERAL MANAGER
Paeter E. Garcia

January 31, 2023

VIA HAND DELIVERY

Kevin Walsh
Santa Ynez River Water Conservation District
3669 Sagunto Street, Suite 101
P.O. Box 719
Santa Ynez, California 93460

**RE: Payment Under Protest – Groundwater Production Charges for
Period July 1, 2022 through December 31, 2022**

Dear Mr. Walsh:

The Santa Ynez River Water Conservation District, Improvement District No. 1 (ID No.1) has received a semi-annual demand for payment of groundwater production charges by the Santa Ynez River Water Conservation District (SYRWCD) for the period of July 1, 2022 through December 31, 2022. ID No.1 hereby submits its payment under protest to SYRWCD.

For reasons including, but not limited to, those set forth in the letter from ID No.1 to SYRWCD dated June 28, 2022, the June 21, 2022 Rate Study adopted by SYRWCD and the fiscal year 2022-2023 groundwater production charges imposed by SYRWCD do not comport with the requirements of California Constitution, article XIII C, section 1(e), commonly referred to as Proposition 26. (A copy of the June 28, 2022 letter from ID No.1 is enclosed herewith.)

The January 2023 Newsletter published by SYRWCD states: "Despite our efforts, the SYRWCD has been forced to revise its fees to be consistent [with] Proposition 26." For many years the California courts have already found that groundwater production charges such as those imposed by SYRWCD are subject to Proposition 26. Thus, ID No.1 does not understand why SYRWCD would employ and continue to promote its efforts to resist compliance with Constitutional requirements intended to protect those who are subject to SYRWCD production charges.

SYRWCD adopted its fiscal year 2022-2023 groundwater production charges under Resolution No. 714, which claims that SYRWCD "performs essential regulatory activities in managing, protecting, conserving, augmenting, replenishing, and enhancing the water supplies for users within the District, including groundwater resources within the District." However, ID No.1 is not aware of any such activities undertaken by SYRWCD in the Santa Ynez Upland basin (Zone E). To the contrary, despite many years of reporting on declining groundwater conditions and accumulating overdraft, SYRWCD has done virtually nothing by way of specific projects or services to manage, protect, conserve, augment, replenish, or enhance groundwater supplies in Zone E in exchange for the SYRWCD groundwater production charges.

P.O. BOX 157 • 3622 SAGUNTO STREET, SANTA YNEZ, CA 93460
(805) 688-6015 • FAX: (805) 688-3078 • WWW.SYRWCD.ORG

Kevin Walsh
Santa Ynez River Water Conservation District
January 31, 2023
Page 2

In its January 2023 Newsletter, SYRWCD states that its "management activities" include: monitoring and reporting on groundwater conditions; making annual groundwater use estimates and forecasting groundwater storage and overdraft amounts; and determining water volume for replenishment of dewatered storage. For purposes of the Santa Ynez Upland basin, these activities are now squarely vested in a different agency.

Pursuant to the Sustainable Groundwater Management Act (SGMA), the Eastern Management Area Groundwater Sustainability Agency (EMA GSA) is now the exclusive sustainable groundwater management agency in the EMA, including Zone E of the SYRWCD. To that end, and as required by SGMA, the EMA GSA is responsible for monitoring and reporting on groundwater conditions, making annual groundwater use estimates, forecasting groundwater storage and overdraft amounts, and determining the amount of dewatered storage in the EMA. SYRWCD should not be imposing a groundwater production charge within a small portion of the EMA (i.e., Zone E) to undertake duplicative efforts that are now the legal responsibility of and already being carried out by the EMA GSA throughout the EMA.

The January 2023 Newsletter states that SYRWCD "protects water rights and supplies within the Santa Ynez River watershed." Foremost, Proposition 26 does not allow SYRWCD to impose a groundwater production charge against producers in Zone E for SYRWCD to undertake activities to protect water rights outside of Zone E. Nor is SYRWCD allowed to impose a groundwater charge against producers in Zone E for SYRWCD to undertake general SGMA-related activities that confer SGMA-related benefits on producers throughout the EMA or the Basin at large, including those who are not subject to the Zone E charge.

For these and other reasons, ID No.1 is paying its groundwater production charges for the period July 1, 2022 through December 31, 2022 under protest. If you have any questions, please feel free to contact me at (805) 688-6015 or via email at pgarcia@syrwd.org.

Sincerely,



Paeter E. Garcia
General Manager

Enclosure (ID No.1 Letter to SYRWCD dated June 28, 2022)

cc: ID No.1 Board of Trustees
Gary Kvistad, Brownstein Hyatt Farber Schreck
Lutfi Kharuf, Best Best & Krieger

Paeter Garcia

From: Paeter Garcia
Sent: Wednesday, April 26, 2023 5:29 PM
To: Kevin Walsh
Cc: Bill Buelow
Subject: SYRWCD Forty-Fifth Annual Report

Dear Kevin:

Although ID No.1 is not submitting extensive comments on the SYRWCD Forty-Fifth Annual Engineering and Survey Report on Groundwater Conditions (45th Annual Report), below please find several general comments for consideration by SYRWCD before it adopts the 45th Annual Report.

- Pages 2 through 4 of the 45th Annual Report lists various activities which are said to support groundwater charges levied by SYRWCD in the protection and augmentation of the water supplies for users within SYRWCD or a zone or zones thereof. For reasons set forth in recent letters from ID No.1 to SYRWCD (June 28, 2022 and January 31, 2023, incorporated herein by reference), the listed activities do not properly support the SYRWCD groundwater pump charge against ID No.1 in Zone E. As a related matter, ID No.1 is a separate and independent member agency of the EMA GSA. Through such participation, ID No.1 for many years has represented its own rights and interests in the EMA, wherein at times SYRWCD appears to take positions that are potentially adverse and not protective of ID No.1 interests.
- Page 3 of the 45th Annual Report states: "In the absence of such SGMA coverage by the District, the entire basin may not be covered and in such event would be subject to State Water Resources Control Board intervention and management of the basin as a probationary basin." This statement is inaccurate. The entire basin, including portions within SYRWCD, is included within the boundaries of Santa Barbara County, and SGMA provides that in the event the entire basin is not included within a GSA, the County is presumed to be the GSA for the unmanaged area unless the County opts out of that role, and no past or present indication exists that the County would opt out, as evidenced in the EMA.
- ID No.1 disagrees with contentions of SYRWCD that SGMA does not supplant some of what the District believes its past and future role to be in the Santa Ynez Upland portion of the basin, including but not limited to its levying of groundwater charges in Zone E. Please refer to prior ID No.1 letters in this regard.
- Among other sections of the 45th Annual Report, pages 13 through 15 address groundwater charges imposed by SYRWCD. For reasons previously outlined, the groundwater production charges imposed and proposed against ID No.1 in Zone E do not comply with applicable requirements, including but not limited to Proposition 26.
- Page 15 of the 45th Annual Report states: "With the beginning of the intense SGMA planning effort, and the District bearing the entire staffing burden for this effort, a review of expenses that could be allocated on a zone basis showed that there would be no significant difference between a uniform rate and a rate based on costs to be allocated to each zone." This statement is inaccurate, at least for zones in the EMA, because SYRWCD does not bear the entire staffing burden in the EMA.
- As previously noted, SYRWCD lists some of its "management activities" as monitoring and reporting on groundwater conditions, making annual groundwater use estimates and forecasting groundwater storage and overdraft amounts, and determining water volume for replenishment of dewatered storage. However, as the exclusive sustainable groundwater management agency in the EMA, the EMA GSA is now required and responsible for monitoring and reporting on groundwater conditions, making annual groundwater use

estimates, forecasting groundwater storage and overdraft, and determining the amount of dewatered storage in the EMA. For those subject to SYRWCD Zone E pump charges, the 45th Annual Report seems unnecessarily duplicative of the costs and efforts now being undertaken by the EMA GSA to prepare the EMA Annual Reports under SGMA, including the Second Annual Report recently adopted by the EMA GSA. For Zone E and the EMA generally, it appears the only remaining function of the 45th Annual Report is somewhat self-serving in that it must be prepared and adopted by SYRWCD before SYRWCD can levy its groundwater pump charge in Zone E.

Thank you for considering these comments in connection with the 45th Annual Report. Please let me know if you have any questions or wish to discuss any of these comments or related issues.

Paeter
Paeter E. Garcia
General Manager
Santa Ynez River Water Conservation District, ID No. 1
P.O. Box 157
Santa Ynez, CA 93460
805.688.6015
pgarcia@syrwd.org



City of Solvang
 411 2nd Street
 Solvang, California
 (805) 688-5575
www.cityofsolvang.com

Notice of Preparation

TO: Responsible Agencies & Interested Parties

SUBJECT: NOTICE OF PREPARATION OF A DRAFT ENVIRONMENTAL IMPACT REPORT FOR THE CITY OF SOLVANG COMPREHENSIVE GENERAL PLAN UPDATE AND REZONING

NOTICE IS HEREBY GIVEN that the City of Solvang (City) will be the Lead Agency and will prepare an Environmental Impact Report (EIR) for the Solvang Comprehensive General Plan Update and Rezoning (project). We need to know your views as to the scope and content of the environmental information that is germane to your agency’s statutory responsibilities in connection with the proposed project. The City is issuing this Notice of Preparation to notify public agencies and the public to request input regarding the scope and content of the Draft EIR for this project.

The public review and comment period for this Notice of Preparation begins Thursday, June 15, 2023, and ends Friday, July 14, 2023, at 5:00 p.m. No Initial Study is attached because the Lead Agency has already determined that an EIR is clearly required for the project and is therefore not required to prepare an Initial Study per California Environmental Quality Act (CEQA) Guidelines Section 15063(a).

Written comments may be submitted to the City’s Planning Division, Attn: Lisa Scherman, 411 2nd Street, Solvang, California 93463. Comments may also be submitted electronically to plansolvang@cityofsolvang.com. In addition, because the project is of regional and areawide significance, a scoping meeting will be held by the City on Wednesday, June 28, 2023, at 5:30 p.m. The scoping meeting will be hybrid allowing attendance both in-person and virtual via videoconference. The in-person meeting will be held in the City Council Chambers at Municipal Hall at **1644 Oak Street, Solvang, California 93463**. To access the videoconference, visit <https://zoom.us/j/3066529195> or use the call-in number (888) 788-0099 and enter the meeting ID 306 652 9195# on Wednesday, June 28, 2023, at 5:30 p.m.

Project Title: Solvang Comprehensive General Plan Update and Rezoning

State Clearinghouse #: *Pending*

Project Location:

The project focuses on the land area within the City of Solvang, including the Housing Element and its designated sphere of influence in Santa Barbara County, approximately 33 miles northwest of Santa Barbara and 15 miles north of the Pacific coast. Solvang is located in the Santa Ynez Valley in the central part of Santa Barbara County. Solvang has a total area of approximately 2.5 square miles and is one of eight incorporated cities within Santa Barbara County. Buellton is located to the west, the community of Santa Ynez to the east, and the communities of Los Olivos and Ballard to the north. Solvang is surrounded by the Purisima Hills to the north, the upper Santa Ynez Valley to the east, the Santa Ynez Mountains to the south, and the lower Santa Ynez Valley to the west. Solvang is situated primarily along an alluvial plain formed by the Santa Ynez River and on the southeastern edge of the Purisima Hills. State Route 246 bisects Solvang and provides a regional east-west link between Highway 101 and State Route 154.

Project Sponsor: City of Solvang, Planning Division
 411 2nd Street, Solvang, California

Brief Project Description:

The project involves a comprehensive update to the City of Solvang General Plan, which presents the community's vision for Solvang through the General Plan horizon (year 2045). The General Plan serves as the City's primary guide for land use and development decisions and is a key tool for influencing and improving the quality of life for residents and businesses. As such, it serves as the "blueprint" for future development and conservation of a community. The General Plan will also influence the rezoning of properties to be consistent with the Housing Element and other proposed zoning changes.

Under State law, the General Plan must serve as the foundation upon which all land use decisions are to be based, and must also be comprehensive, internally consistent, and have a long-term perspective. State law further mandates that the General Plan:

- Identify land use, circulation, environmental, economic, and social goals and policies for the City and its surrounding planning area as they relate to future growth and development;
- Provide a basis for local government decision-making, including decisions on development approvals and exactions;
- Provide citizens the opportunity to participate in the planning and decision-making process of their communities; and
- Inform citizens, developers, decision-makers, and other cities and counties of the ground rules that guide development within a particular community.

According to State law, General Plans are required to cover nine topics: land use, circulation, housing, conservation, open space, noise, air quality, safety, and environmental justice. Jurisdictions may include any other topic that are relevant to planning its future. The project involves updates to all of the City's existing General Plan Elements. The City's existing General Plan contains the following Elements:

- Circulation (adopted 2008)
- Housing (adopted 2015)
- Community Design (adopted 1988)
- Conservation and Open Space (adopted 2016)
- Land Use (adopted 2008)
- Noise (adopted 2013)
- Parks and Recreation (adopted 2009)
- Safety (adopted 2016)

The Comprehensive General Plan Update includes the following elements:

- Land Use
- Community Design
- Economic Development
- Mobility
- Public Facilities, Services, and Infrastructure
- Environmental and Sustainability (Formerly Conservation and Open Space)
- Safety (Formerly Noise)
- Housing

The General Plan Update would include all State required topics; however, some topics, including conservation, open space, noise, air quality, and environmental justice, would not be standalone elements but instead would be covered in the above elements.

The General Plan Update was developed through an extensive public outreach and involvement process, including careful analysis by advisory committees, City staff, elected officials, and the community. Each element of the plan addresses different aspects of the community and identifies measurable actions to guide residents, decision-makers, businesses, and City staff toward achieving the community vision.

Updates regarding scheduled public meetings and published General Plan products and documents can be found on the PlanSolvang website: <https://plansolvang.com/>. Updates are made to the PlanSolvang website as documents related to this project are released, so please check back regularly.

Potential Environmental Effects:

Potential environmental effects of the project include, but are not necessarily limited to, impacts related to aesthetics, air quality, biological resources, cultural and tribal cultural resources, energy, geology and soils, greenhouse gas emissions, hazards and hazardous materials, hydrology/water quality, land use and planning, noise, population and housing, public services and recreation, transportation, utilities and service systems, and wildfire. In addition to analyzing the proposed project's environmental effects, the EIR will also include a reasonable range of alternatives to the project. As part of the alternatives analysis, the City will contemplate land use changes at two particular sites: the Alamo Pintado site, located at the northwestern corner of Alamo Pintado and Old Mission Drive, and the Mission Drive site, located at 1783 and 1793 Mission Drive and 533 Pine Street.

Consulting firm retained to prepare Draft EIR:

Firm Name: Rincon Consultants, Inc.

Address: 1530 Monterey Street, Suite D, San Luis Obispo, California 93401

Written comments on the project should be addressed to the below City staff contact. Comments will be accepted from Thursday, June 15, 2023 until Friday, July 14, 2023 at 5:00 p.m.

Planning Division, City of Solvang
c/o Lisa Scherman, Assistant Planner
411 2nd Street
Solvang, California
plansolvang@cityofsolvang.com
(805) 688-5575 x 220

Date: June 12, 2023

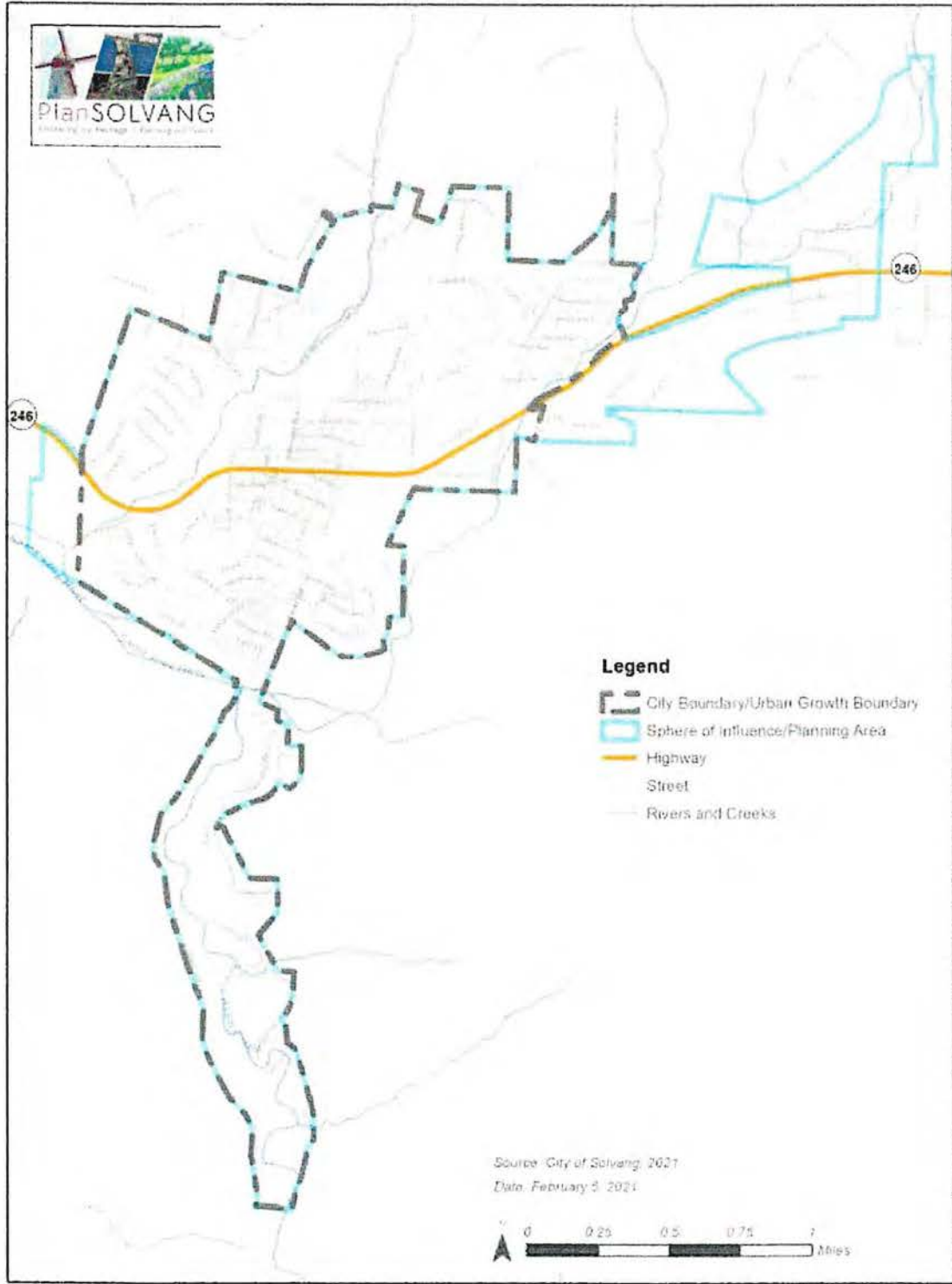
Signature:



Sophia Checa

Title: Planning Manager, City of Solvang

Phone: (805) 688-5575 x 221





Monthly Briefing

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

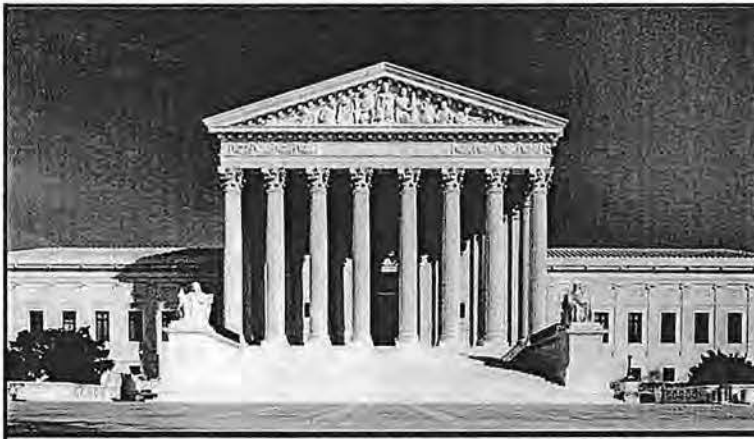
Supreme Court Rules on *Sackett v. EPA* WOTUS Case Decision is "A win for rural America"

The Supreme Court of the United States (SCOTUS) issued a landmark ruling last month in *Sackett v. EPA* which significantly narrowed much of the federal government's protections for wetlands, tributaries and streams as "waters of the U.S." (WOTUS) under the Clean Water Act (CWA). The decision was greeted with elation by agricultural water users and their political supporters across the West.

"This ruling is a win for farmers, ranchers, and all of rural America," said Rep. Adrian Smith (R-NEBRASKA).

"It's a game changer and a monumental victory for irrigated agriculture," added Family Farm Alliance Executive Director Dan Keppen. "No longer will farmers be required to hire an army of consultants just to figure out whether a wet spot on their property is regulated under the Clean Water Act."

At issue is the reliance on the "significant nexus" test



The United States Supreme Court Building, Washington, D.C.
Photo courtesy of SCOTUS.

from the muddled SCOTUS *Rapanos* decision in the Biden WOTUS rule. The *Sackett* decision has eliminated the "significant nexus" test for a "relatively permanent" test.

"The significant nexus test, which has been used for most of the past two decades to greatly expand the federal govern-

ment's jurisdiction over land and waters, is a dead letter," said Mr. Keppen. "The Biden Administration's WOTUS rule, which is currently stayed in 27 states, will now need to be rewritten to reflect this decision."

The Alliance was part of an "agriculture" amicus brief in support of the *Sacketts* that was submitted to the Supreme Court last year.

"The test set forth by the Supreme Court, as adopted from Justice Scalia's plurality opinion in the *Rapanos* case, is refreshingly simple and clear," said Alliance General Counsel Norm Semanko, who guided the Alliance's amicus efforts.

The Court ruled that in order to assert jurisdiction over an

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California Water Supplies Get Huge Boost (*Cont'd from Page 1*)

adjacent wetland under the CWA, a party must establish “first, that the adjacent [body of water constitutes] . . . ‘water [s] of the United States’ (i.e., a relatively permanent body of water connected to traditional interstate navigable waters); and second, that the wetland has a continuous surface connection with that water, making it difficult to determine where the ‘water’ ends and the ‘wetland’ begins.”

Justice Samuel Alito wrote the 5-4 majority decision.

“For more than a half century, the agencies responsible for enforcing the [Clean Water] Act have wrestled with the problem and adopted varying interpretations,” Justice Alito wrote. “On three prior occasions, this Court has tried to clarify the meaning of ‘the waters of the United States.’ But the problem persists.”

Justice Brett Kavanaugh split from the rest of the Republican-appointed judges on the court to argue that the majority’s definition of wetlands covered by the law was too narrow (*Route Fifty*, 5/25/23). The court’s three liberal justices—Sonia Sotomayor, Elena Kagan and Ketanji Brown Jackson—joined Justice Kavanaugh’s concurrence, who said the court’s new rule would change the way federal agencies have interpreted the law for nearly half a century.

“The court’s rewriting of ‘adjacent’ to mean ‘adjoining’ will matter a great deal in the real world,” Justice Kavanaugh wrote.

Pacific Legal Foundation senior attorney Damien Schiff, who represents the Sacketts, said the Supreme Court’s ruling “returns the scope of the Clean Water Act to its original and proper limits.”

“Courts now have a clear measuring stick for fairness and consistency by federal regulators,” said Mr. Schiff, who will be presenting at the Idaho Water Users Association law conference in Sun Valley later this month. “Today’s ruling is a profound win for property rights and the constitutional separation of powers.”

Reaction from Environmental Organizations

Litigious environmental organizations expressed immediate dismay following the *Sackett* ruling.

“More than 118 million acres of formerly protected wetlands now face an existential threat from polluters and developers,” said Sam Sankar, senior vice president of Programs at Earthjustice, a litigious environmental organization. “The Court’s decision to deregulate wetlands will hurt everyone living in the United States.”

By “undermining Clean Water Act protections” for wetlands, the influential environmental group Natural Resources Defense Council (NRDC) said the ruling “puts people and vulnerable communities in harm’s way”.

“This decision will cause incalculable harm,” intoned Manish Bapna, president and CEO of NRDC. “Communities across the country will pay the price.”

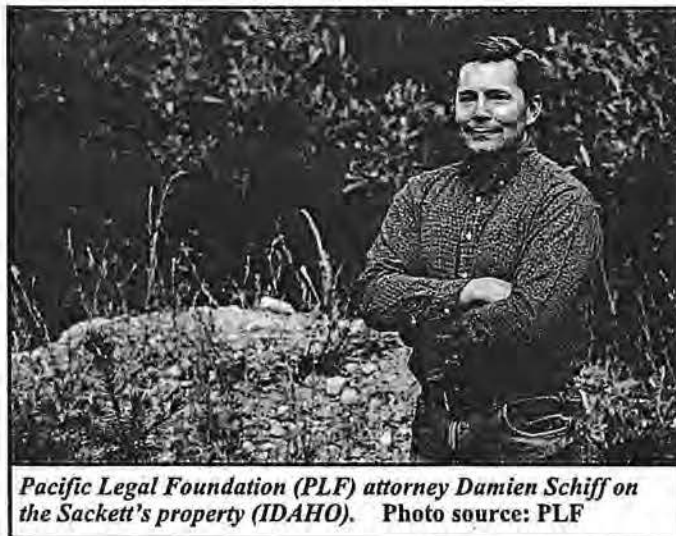
Congressional Action and Reaction

Now that the Supreme Court has issued its decision, Rep. Smith and other GOP members of Congress are calling on the Biden Administration to withdraw the administration’s proposed WOTUS rule.

“Today’s ruling by the Supreme Court is a win for rural America,” said Rep. Dan Newhouse (R-WASHINGTON) on the day of the ruling. “Now, I call on the Biden Administration to do its part and immediately rescind its proposed rule which would so clearly be considered unconstitutional by the highest court in the land.”

EPA Administrator Michael Regan was asked about the SCOTUS decision at a press briefing following the hearing.

“There’s no doubt that we are very disappointed, but we’re going to take a closer look at what the ruling actually means,” he said. “But let me be clear, we’re going to continue to work as hard as we can to follow the law but also to protect all communities and provide safe, affordable drinking water for every community in this country. That is our goal.”



Pacific Legal Foundation (PLF) attorney Damien Schiff on the Sackett’s property (IDAHO). Photo source: PLF

Republicans in both chambers have had the Biden Administration’s WOTUS rule in their sights throughout the new 117th Congress.

In February, Transportation and Infrastructure Committee Chairman Sam Graves (R-MO) and Water Resources and Environment Subcommittee Chairman David Rouzer (R-NC) introduced a joint resolution of disapproval under the Congressional Review Act on the Biden Administration’s WOTUS rule. The House of Representatives weeks later approved the Graves-Rouzer resolution. On March 29, the Senate also passed the resolution of disapproval in bipartisan fashion, which President Biden one week later vetoed.

“As we said all along, the Biden Administration should have waited on *Sackett*, knowing how much of an impact the decision could have on their costly, burdensome, and overreaching WOTUS rule,” Reps. Graves and Rouzer said in a joint statement after last month’s Supreme Court decision. “The only reasonable step for the Administration to take now is to withdraw its ill-advised rule.”

Short-Term Agreement Reached on the Lower Colorado River

The Lower Basin States (Arizona, California, and Nevada) and the Biden Administration have announced a potential short-term deal on the Colorado River. The Lower Basin states coalesced around a plan to voluntarily conserve a major portion of their river water in exchange for more than \$1 billion in federal funds.

“For over a century, Reclamation has led with solutions grounded in partnership and collaboration. The agreement today continues in this tradition,” said Bureau of Reclamation (Reclamation) Commissioner Camille Calimlim Touton on May 22. “I am proud of the Reclamation team’s work and thank our partners across the basin and the Basin states representatives for reaching this moment. This is an important step forward towards our shared goal of forging a sustainable path for the basin that millions of people call home.”

In the days leading up to the announcement, the hope was that the Department of Interior (DOI) would extend the May 30 comment deadline on the alternatives the federal government had laid out in its Supplemental Environmental Impact Statement (SEIS). The Lower Basin states have resisted submitting formal comments, for fear that these comments could be used by the states to stake out legal positions on matters of water rights priority and federal authority that might push them further from a deal, as reported by the *Washington Post*.

That hope was fulfilled in late May, when Arizona Governor Katie Hobbs, California Governor Gavin Newsom, and Nevada Governor Joe Lombardo announced that the Colorado River Lower Basin States had developed a plan to conserve 3 million acre-feet over the next three years to protect the Colorado River system.

“We are pleased and encouraged by this successful collaboration,” the governors wrote in a letter to Interior Secretary Deb Haaland.

The Lower Basin Plan has been submitted to Reclamation with all Seven Colorado River Basin States supporting its evaluation as an action alternative within the Draft SEIS. It proposes to conserve 3 million acre-feet of Colorado River water through 2026, with at least 1.5 million acre-feet of that total being conserved by the end of calendar year 2024. This proposed near-term action alternative is expected to outperform the alternatives proposed in the existing Draft SEIS.

“California and our partners in Arizona and Nevada have developed a plan that results in better protection for the Colorado River system than other action alternatives identified in

the current Draft SEIS released last month by Reclamation,” said JB Hamby, Chairman of the Colorado River Board of California and IID Board Vice President. “The Lower Basin Plan will generate unprecedented volumes of conservation that will build elevation in Lake Mead, make strategic use of the



The Lower Colorado River. Image Credit: Ted Wood/The Water Desk

improved hydrology, and build upon partnerships within and among states, urban water agencies, agricultural irrigation districts, and Basin Tribes who rely upon and share the Colorado River.”

In addition to IID, The Metropolitan Water District of Southern California, the Palo Verde Irrigation District, the Coachella Valley Water District, the Fort Yuma Quechan tribe, and the Bard Water District are anticipated to assist in meeting California’s conservation volumes and utilize IRA funding.

Arizona and Nevada water users have committed

to conserve the balance of the 3 million acre-feet of voluntary conservation, in addition to their existing shortage reduction volumes and contributions under the 2007 Interim Guidelines and 2019 Drought Contingency Plan.

“This proposal protects the system in the short term so we can dedicate our energy and resources to a longer-term solution” said Central Arizona Project General Manager Brenda Burman. “New guidelines for operating the river system will be due by the end of 2026. There’s a lot to do and it’s time to focus.”

DOI last month announced more than \$157 million will be paid to Phoenix, Tucson and six other Arizona communities if they save up to 393,000 acre-feet through 2025. The Gila River Indian Community will also receive up to \$150 million to conserve up to 375,000 acre-feet of reservoir water.

Next Steps

In light of the Lower Basin states’ conservation proposal, DOI announced that it is temporarily withdrawing the draft SEIS so that it can fully analyze the effects of the proposal under the National Environmental Policy Act. Reclamation will then publish an updated draft SEIS for public comment with the consensus-based proposal as an action alternative.

Accordingly, the original May 30, 2023, deadline for the submission of comments on the draft SEIS is no longer in effect. DOI plans to finalize the SEIS process later this year.

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Congress Works to Pass Debt Agreement Permitting Reform Provisions Included

House Republicans and the White House over the Memorial Day weekend rolled out a 100-page legislative agreement—*The Fiscal Responsibility Act*—to avert an unprecedented default that could cause severe economic consequences. House Speaker Kevin McCarthy (R-CALIFORNIA) and President Joe Biden announced a deal to raise the debt ceiling, cut spending and address long-standing energy permitting reforms. The tough challenge of securing enough centrist votes in the House and Senate is underway.

“The agreement prevents the worst possible crisis: a default for the first time in our nation’s history — an economic recession, retirement accounts devastated, millions of jobs lost,” President Biden said when the deal was announced on May 28.

With less than a week until the U.S. risks running out of cash to pay its bills, the White House and House Speaker Kevin McCarthy (R-CALIFORNIA) compromised on disputes over federal spending and assistance for the poor as part of their debt-limit deal. Congress must now pass legislation to avoid breaching the federal debt limit on June 5.

“This is a good strong bill that a majority of Republicans will vote for,” Speaker McCarthy told reporters during a briefing outside of his office.

With the help of Democratic votes, the Speaker was able to push the bill through the House on the last day of the month.

The bill, H.R. 3746, would raise the Nation’s debt ceiling through January 1, 2025, cap appropriations levels for both FY 2024 and FY 2025 appropriations bills and incentivize the passage of these spending bills through provisions to enact a continuing resolution at reduced spending levels if they are not enacted by the end of the fiscal year.

The bill would also claw back some unobligated funds from the last COVID-related relief act. The work requirements for food aid would be expanded from age 49 up to 54 (*see related story, Page 5*).

“This is the most conservative spending package in my service in Congress, and this is my 10th term,” said Rep. Patrick McHenry (R-N.C.), a lead GOP negotiator.

Republican and Democratic leaders spent the last days of May trying to secure enough votes for the debt deal before the House approved the package on May 31. The Senate is now poised to vote on the House passed bill.

Negotiations over the debt ceiling have impacted the schedule for Congress to take up their FY 2024 spending bills, as well as farm bill field hearings and listening sessions planned in California and Oregon (*see related story, Page 5*).

President Biden and Speaker McCarthy were challenged trying to convince enough members of their respective parties that the agreement reached by a handful of negotiators is a better deal than the global economic consequences of default.

“Treasury has not determined that the new ‘x-date’ has moved to June 5,” said Mark Limbaugh with The Ferguson Group, the Alliance’s representative in Washington. “This is

the date Treasury will run out of options to keep from defaulting on the Nation’s debt.”

Democrats are frustrated with the spending levels in the bill and that President Biden even negotiated over the debt limit. They are not happy with parts of the bill including work requirements for food stamp and cash assistance programs.

Freedom Caucus Republicans are upset that the two-year budget deal cuts far less spending than the \$4.8 trillion in cuts the House Speaker put on the table at the start of talks.

The bill does not include the cuts Republicans were demanding to Inflation Reduction Act (IRA) climate spending or renewable energy incentives. But the bill would claw back \$1.4 billion in Internal Revenue Service funding provided from the IRA. Though it’s not contained in text of the bill, Administration officials said that an additional \$20 billion in IRS funding from the IRA would be repurposed to other non-defense spending.

Permitting Reform Provisions

Federal permitting system provisions for energy and other infrastructure projects were also included in the agreement reached between the White House and Speaker McCarthy.

“[I]n order to help grow our economy and lower costs for the American people, we streamline the process for permitting in America and begin to prune an overgrown federal bureaucracy that has expanded during the Biden administration,” Speaker McCarthy and other House GOP leaders said in a prepared joint statement.

The *Fiscal Responsibility Act* includes provisions to expedite the Mountain Valley Pipeline, an under-construction natural gas pipeline that extends from northwestern West Virginia to southern Virginia, and a project that is near and dear to Senator Joe Manchin’s (D-WV) heart. In addition to provisions for streamlining energy storage projects, the legislation also includes excerpts from *The Builder Act*, legislation from Rep. Garret Graves (R-LA), intended to expedite reviews under the National Environmental Policy Act (NEPA).

The legislation will codify many of the Trump-era regulations regarding NEPA, including implementing the “One Federal Decision” framework for all projects that must undergo NEPA review, facilitating the designation of a lead agency to set a permitting schedule and utilization of a single document for environmental reviews involving multiple agencies.

“These provisions will make it easier to build in America, speed up timelines for critical infrastructure projects and reduce the burden on taxpayers by creating efficiencies in the permitting process,” said Rep. Bruce Westerman (R-Ark), Chairman of the House Natural Resources Committee.

The Family Farm Alliance has been working with GOP staff at the House Natural Resources Committee for the past year on ways to modernize implementation of NEPA, which

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Congressional Western Caucus Announces Farm Bill Priorities

Alliance continues to advocate for a strong Western farm bill

The Congressional Western Caucus last month released its 2023 Farm Bill Priorities, which are fairly closely aligned with those of the Family Farm Alliance. The priorities consist of four high-level pillars: Supporting Production Agriculture, Improving Voluntary Conservation Programs, Enhancing Forest Health and Active Management, and Strengthening Rural Communities through Development.

“These high-level priorities will do much to assist rural communities, and we look forward to continuing to engage with farmers, ranchers, industry stakeholders, and members of the House and Senate Agriculture Committees as they work to draft the Farm Bill,” said Caucus Chairman Dan Newhouse (R-WASHINGTON).

The Congressional Western Caucus announced last month that it had officially reached 100 Members, making it the second largest caucus on Capitol Hill.

Alliance Farm Bill Priorities

“Engaging in the development of a 2023 Farm Bill that has a strong Western flavor is one of our top priorities,” said Family Farm Alliance Executive Director Dan Keppen. “We appreciate the Congressional Western Caucus’s leadership towards this end.”

William Bourdeau, executive vice president of Harris Farms, serves on the Alliance board of directors, representing the west side of the San Joaquin Valley (CALIFORNIA). He penned a guest editorial last month for the *San Joaquin Valley Sun* titled, “Farm Bill proves to be crucial lifeline for Calif. agriculture, national food security”.

“A stable domestic food supply chain is more crucial than ever,” Mr. Bourdeau wrote.

The Alliance in April publicly rolled out its “Six Point Plan” intended to guide the organization’s advocacy efforts in Washington, D.C. Passing a 2023 Farm Bill that addresses Western agricultural challenges was a top priority. Flexibility in farm bill conservation title programs is a critical underpinning to successful implementation in the West.

“For example, climate mitigation should not just focus on carbon reduction and assume that planting more carbon-sequestering trees or no-till farming activities will solve the problem,” said Family Farm Alliance Executive Director Dan

Keppen. “We want to see 2023 Farm Bill conservation title programs that are administered efficiently and effectively, and support projects like irrigation modernization that provide multiple, stacked benefits, rather than simply focusing on climate fixes.”



U.S. Representative Tracey Mann last month hosted U.S. House Agriculture Committee Chairman Glenn 'GT' Thompson (R-PA) in Kansas for a Farm Bill related listening session with farmers, ranchers, agricultural producers, and leaders in Kansas agriculture.

Source: Office of Rep. Tracy Mann (R-KANSAS)

This position is consistent with House Agriculture Committee Chairman G.T. Thompson’s (R-PA) statement made at another House hearing last month, where he urged lawmakers to remove the Inflation Reduction Act (IRA) directive that the funds for USDA conservation programs should be focused on climate change mitigation. The IRA contains massive funding for climate-smart agriculture through existing Farm Bill conservation programs.

“We cannot prioritize one natural resource concern over all others, and we shouldn’t prioritize one solution above all others,” Chairman Thompson said, adding

that conservation needs vary from region to region.

This point is also consistent with the Alliance’s farm bill platform.

“Conservation program management should emphasize a stronger role for state and local decision-making,” said Mr. Keppen.

Farm Bill Forums Cancelled Due to Debt Limit Vote

The Congressional Western Caucus has worked with its members, the Senate and House agriculture committees, and Western agriculture stakeholders to conduct listening sessions and other farm bill forums across the West.

“We will work to ensure rural voices are heard through the development of the 2023 Farm Bill,” said Rep. Newhouse.

The Congressional Western Caucus and GOP members of the House Agriculture Committee had planned a combination of farm bill “listening sessions”, field tours and forums in Oregon and Northern California for the first week of June. The Congressional Western Caucus plans were scrapped when House Speaker Kevin McCarthy and the White House reached an agreement on the debt limit over the holiday weekend (*see related story, Page 4*), and House Members were required to travel back to Washington for floor votes on the agreement.

A June 2 House Agriculture Committee “listening session” in Albany (OREGON) is still scheduled to take place.

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National Endangered Species Day / Week

Sparks Administration and GOP ESA Actions

December of this year will mark the 50th Anniversary of the Endangered Species Act (ESA). In Washington, D.C. this past month, the Biden Administration and Republicans on Capitol Hill used May 19 – Endangered Species Day – and the following week as an opportunity to advance differing ESA initiatives.

Agency implementation and litigation associated with the ESA can create tremendous uncertainty –and in some instances—actual harm, to Western farmers, ranchers and rural communities.

Administration Announces ESA Recovery Investments

The Department of the Interior (DOI) on Endangered Species Day announced a \$62.5 million investment from the Inflation Reduction Act (IRA) to help plan for endangered species recovery efforts that will be implemented over the next several years intended to benefit more than 300 species currently listed under the ESA.

“This infusion of IRA funding will allow us to hire additional biologists so we can ensure recovery plans are in place to provide the roadmaps for on-the-ground implementation actions that are necessary to recover species and remove them from the ESA,” said U.S. Fish and Wildlife Service Director Martha Williams. “America’s fish, wildlife and plant resources belong to all of us, and ensuring the recovery of threatened and endangered species is a shared responsibility.”

Federal biologists will initially focus efforts on recovery planning for 32 threatened and endangered species that have completed Species Status Assessments, which serve as the biological background for recovery planning, and the first part of the Services’ 3-Part Recovery Planning Framework. Recovery planning efforts for the remaining species will be prioritized and included on annual national recovery workplans.

Last month’s announcement follows the release of DOI’s restoration and resilience framework to leverage recent federal investments in climate and conservation to achieve landscape-level outcomes across the nation. DOI is implementing a more than \$2 billion investment to restore the nation’s lands and waters, which in turn is intended to help meet President Biden’s conservation goals set through the America the Beautiful Initiative.

DOI is celebrating the 50th anniversary of the ESA and a department press release pointed to that Act’s importance in preventing imperiled species’ extinction, promoting the recovery of wildlife and conserving the habitats upon which they depend.

“Throughout the last 50 years, the ESA has been extraordinarily effective at preventing species from going extinct and has inspired action to conserve at-risk species and their habitat before they need to be listed as threatened or endangered,” DOI noted in a press release. “Thanks to the ESA, more than 99% of all listed species are still with us today and more than 100 species of plants and animals have been delisted based on recovery or downlisted from endangered to threatened.”

Earlier in the month, DOI Deputy Secretary Tommy Beaudreau in Tucson (ARIZONA) announced nearly \$4 million in grants along with \$9.2 million in matching contributions for 13 projects in nine states that will help secure key migration paths and restore critical wildlife habitats.

“Wildlife corridor connectivity is central to the Biden-Harris administration’s all-of-government approach to addressing the impacts of the climate crisis and the impact of human activity on habitat,” said Deputy Secretary Beaudreau. “Thanks to these types of holistic public-private partnerships, the Interior Department is making significant progress on migration corridor conservation.”

The grants are made possible through the *Improving Habitat Quality in Western Big Game Migration Corridors and Habitat Connectivity* program established following Interior Secretary Haaland’s Order 3362. The program is administered by the National Fish and Wildlife Foundation in-part through annual appropriations funding from DOI and the Department of Agriculture.

This guidance has already generated concerns with farmers and ranchers and elected officials with its recommendation that “connectivity and wildlife corridors” should be considered in areas including energy development planning and permitting and energy infrastructure management, ocean planning, port management and development, transportation planning and use management, and recreation and tourism management.

“Men and women on the ground - not bureaucrats in D.C. - know their land and water best, and should at the very least be closely consulted,” said House Committee on Natural Resources Chairman Bruce Westerman (R-Ark.) last March, when this program was first announced. “I intend to request a full account from DOI on what went into these rushed and seemingly politically-motivated decisions.”

Western GOP Members Call for Changes to the ESA

Rep. Westerman and other Republicans on Capitol Hill took decidedly different actions than the Biden Administration as the 50th anniversary of the ESA was highlighted in the past month. The Western Congressional Caucus – now comprised of 100 GOP Members of Congress, and the second largest caucus on Capitol Hill – used “Species Week” as an opportunity to highlight how the ESA has been used by environmental litigants to harm Western rural communities dependent on natural resources.

The Caucus launched a series of op-eds, staff briefings, and podcasts, calling for new ways to implement the 50-year-old Act.

“We cannot turn communities across our country into protected habitat,” said Rep. Mike Flood (R-NEBRASKA) in one Western Caucus blog. “Such an approach is prohibitive to growing the future of America and building the infrastructure

Continued on Page 10

BLM Draft Public Lands Rule Triggers Outcry

Ranchers, Western GOP Members Raise Objections

The Bureau of Land Management (BLM) – a federal agency with jurisdiction that impacts many ranchers and other public lands stewards in the Western U.S. – in late March unveiled a draft rule, which among other things would designate conservation as a public lands management priority, on par with energy development, grazing and recreation.

“Our public lands provide so many benefits – clean water, wildlife habitat, food, energy and lifetime memories, to name just a few– and it’s our job to ensure the same for future generations,”

said BLM Director Tracy Stone-Manning. “As pressure on our public lands continues to grow, the proposed Public Lands Rule provides a path for the BLM to better focus on the health of the landscape, ensuring that our decisions leave our public lands as good or better off than we found them.”

The draft rule lays out a suite of proposals, including requiring that all 245 million acres of BLM-managed lands meet land-health standards currently limited only to federal livestock grazing allotments. It would also place a priority on local field offices identifying lands that need restoration work to meet those standards of rangeland health.

In addition, the draft rule would establish a new conservation leasing system that would allow private companies and nongovernment groups to purchase leases that would allow them to fund restoration work to be done on some of BLM’s most degraded landscapes.

The BLM has hosted one virtual and two in-person meetings to provide more detailed information about the proposed rule. Members of the public will have an opportunity in one more in-person meeting in Albuquerque, NM (June 1) and one more virtual meeting (June 5) to ask questions about the proposal.

The draft rule is currently open for public comment through June 20.

This proposed rule, titled “Strengthening the Stewardship of America’s Public Lands”, has generated a fierce response from ranchers and other critics, particularly Western Republican congressional leaders.

The National Cattlemen’s Beef Association (NCBA) and the Public Lands Council (PLC) say the proposal would completely upend BLM’s multiple-use mandate and jeopardizes the agency’s ability to be a good partner to the ranchers who manage millions of acres across the West.

“The covert manner in which the rule was developed and announced has left permittees feeling like the rule is either a capitulation to the extremist environmental groups who want to eradicate grazing from the landscape, or a concerted effort to develop rules that preclude ranchers’ input,” said NCBA Executive Director of Natural Resources and PLC Executive Director Kaitlynn Glover. “The BLM will have to answer some serious questions about their understanding of their multiple-use mandate and the value they place on their relationship with ranchers across the landscape.”

ship with ranchers across the landscape.”

Western Republican congressional leaders, who claim that BLM’s proposed rule subverts the Congressional “multiple-use” mandate—established by the Federal Land Policy and Management Act—that federal land and its resources must be utilized for various purposes to “best meet the needs of the people.”

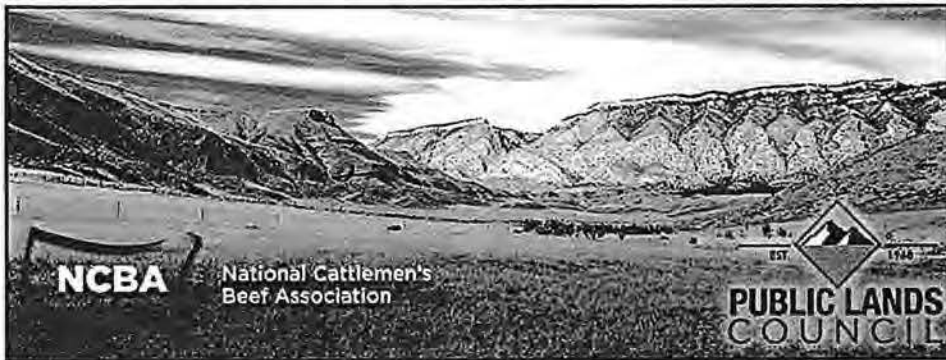
Western GOP Members of Congress are concerned that, by enacting a restrictive framework for ‘conservation leases,’ the rule threatens access to federal lands for other critical purposes such as grazing, mining, outdoor recreation, and energy development projects while giving conservation lease holders the power to prevent access to public lands.

“The Biden Administration’s extreme unilateral action will kill multiple use. This is a clear violation of the law,” said Senator John Barrasso (R-WYOMING), ranking member of the Senate Committee on Energy and Natural Resources (ENR). “I will do everything in my power to stop this proposal.”

Senate Republicans, led by Senator Barrasso, introduced a bill to block the rule, which would require BLM Director Tracy Stone-Manning to withdraw the draft rule, which is currently open for public comment, and forbid BLM from taking “any action to finalize, implement, or enforce the proposed rule.”

“The BLM’s proposed rule would undermine the livelihoods of Utah’s farmers, ranchers, recreation businesses, and more,” said Rep. John Curtis (R-UTAH). “In a state that has so much natural beauty to share, this rule attempts to lock up those precious lands that should be open and accessible to the public.”

Rep. Curtis, along with Rep. Dan Newhouse (R-WASHINGTON) and Rep. Russ Fulcher (R-IDAHO) introduced House companion legislation to Senator Barrasso’s bill.



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Permitting Reform Provisions in Debt Bill (*Cont'd from Pg 4*)

can sometimes delay water projects.

"We are always looking for ways to clarify ambiguous provisions, align NEPA with relevant case law, reflect modern technologies, optimize interagency coordination, and facilitate a more efficient, effective, and timely environmental review process," said Alliance Executive Director Dan Keppen.

The Alliance has previously supported the bill's provisions to set 150-page limits for environmental impact statements (300 pages if the project is of extraordinary complexity) and 75-page limits for environmental assessments. It would also set time limits of one year for environmental assessments and two years for environmental impact statements and provide a right of action to project applicants if the agency does not adhere to these deadlines.

Permitting project sponsors would also be able to assist federal agencies in conducting environmental reviews to help speed up the process and agencies would be able to adopt categorical exclusions utilized by other agencies through a streamlined process. Finally, the bill would clarify the definition of a "major federal action" under NEPA, including a list of actions that do not qualify as a "major federal action."

The bill directs the White House Council on Environmental Quality to conduct a study on modernizing the NEPA process by utilizing digital technologies to create an online portal to streamline communications and data sharing between agencies and project applicants.

Other Permitting Reform Efforts on Capitol Hill

The 118th Congress in recent months has prolonged informal talks on overhauling the nation's permitting laws, and several related bills have already been introduced. While the House passed a partisan bill, H.R. 1, in March that included permitting reforms and some hearings have been held in the Senate, until the debt limit pact was reached, there has been little momentum driving a serious negotiated agreement.

"Permitting reform is an effort that both parties in Congress have been discussing for the past several months," said Mark Limbaugh with The Ferguson Group, the Family Farm Alliance's representative in Washington, D.C.

Environment and Public Works (EPW) ranking member Shelley Moore Capito (R-WV) and Energy and Natural Resources (ENR) ranking member John Barrasso (R-WYO) introduced legislation last month to overhaul the environmental review process for major energy infrastructure projects and spur energy development on federal lands.

ENR Chairman Joe Manchin (D-WV) also reintroduced his own proposal last month, the "Building American Energy Security Act of 2023," and EPW Chair Tom Carper (D-DE) has indicated he will introduce his own permitting reform legislation soon, as well.

Both committees intend to hold more hearings on permitting reform, although this priority could slip once the *Fiscal Responsibility Act* is signed into law.

Alliance Supports *Western Water Accelerated Revenue Repayment Act*

Congresswoman Lauren Boebert (R-COLORADO) last month introduced H.R. 3675, *The Western Water Accelerated Revenue Repayment Act*, which would permanently authorize a Reclamation provision that allows some agriculture and municipal water users to prepay what they owe to the federal government.

The Family Farm Alliance for many years advocated for this concept, which was eventually included in landmark 2016 federal water legislation.

"My bill allows water users to be free of burdensome federal regulations and paperwork requirements if they repay their debt to the government early," said Rep. Boebert. "It also expedites payments while generating hundreds of millions for the Treasury."

Prior to 2016, if some water users wanted to repay what they owe early and/or in a lump sum, an individual federal law would have had to be enacted. This usually took years despite the fact the federal government would have been receiving early revenue.

To help remedy this situation, Section 4011 of the WIIN (Water Infrastructure Improvements for the Nation) Act (P.L. 114-322) authorized these agriculture and municipal water users to prepay outstanding construction costs through a single lump sum payment or over a period of three years.

This program was successful, with more than 75 entities deciding to prepay what they owe the federal government, with many of those water users no longer having to live under federal paperwork and acreage limitation edicts.

Since this prepayment authority expired in 2020, this new bill permanently reauthorizes Section 4011 to allow the federal government to receive early revenue from water users who have the ability to prepay what they owe and want to be lifted from onerous federal rules and restrictions.

"Without my bill, nearly 85% of irrigation districts have no way to make an early repayment," said Rep. Boebert. "Just like homeowners can pay off their mortgage early if they want to, my bill allows agriculture and municipal water users to use a similar authority to prepay construction and other costs they owe to the federal government."

The Family Farm Alliance and several of its members worked hard with Congress to include these provisions in the WIIN Act.

"The Alliance supports making these important provisions permanent," said Family Farm Alliance Executive Director Dan Keppen.

Other supporters of the bill include the Friant Water Authority and the California Agricultural Irrigation Association.

Western Engagement on 2023 Farm Bill (Cont'd from Pg 5)

There is a chance that some of the originally planned Western Congressional Caucus events may be rescheduled for late July or during the August recess, according to one Congressional staff member.

Debt Ceiling Agreement Implications for the Farm Bill

The debt ceiling agreement reached between the White House and House Republicans over the Memorial Day weekend contains provisions that would expand work requirements for the Supplemental Nutrition Assistance Program, or "SNAP" (see related story, Page 4). This was seen as a victory for Republicans, who were pressured by some to drop the SNAP plans from the debt limit bill and leave it for upcoming negotiations on the farm bill.

Just days before the announcement of the debt limit agreement, House GOP appropriators proposed to slash fiscal 2024 funding for USDA by one-third, in part by eliminating expanding SNAP work requirements and some climate-related funding, as well as restricting Agriculture Secretary Tom Vilsack's use of the Commodity Credit Corp. spending authority.

The cuts proposed by the House Agriculture Appropriations Subcommittee in a bill would trim USDA funding by more than \$9 billion below 2023 levels.

The *FY2024 Agriculture, Rural Development, Food and Drug Administration and Related Agencies Bill* provides funding of \$17.2 billion which cuts funding levels back to what it was in 2006.

Opponents of the bill say that it would hurt rural American communities if passed.

"I am extremely disappointed that this bill will shortchange America's rural and underserved communities, restricting their ability to access water and waste systems,

nutritious food and affordable electricity," says Representative Sanford Bishop Jr. (D-GA), the ranking member of the Subcommittee. "Unfortunately, these cuts will hurt the most vulnerable and blunt the forward progress being made to grow our economy for everyone."

Republican leaders are looking to bolster skeptical party members about exactly what their SNAP proposal would do.

"This is popular with the American people," said Rep. Kelly Armstrong (R-NORTH DAKOTA), a top McCarthy ally. "It's smart policy that reduces debt and has a long term effect on our workforce and economy."

Democrats, meanwhile, are taking action to ensure they aren't caught flat footed when the fight over food assistance reopens in this year's farm bill negotiations, as reported in *Politico*.

A new task force on agriculture and nutrition was appointed by Democratic leader Hakeem Jeffries.

"Unfortunately, extreme MAGA Republicans in the House continue to relentlessly attack essential programs that address food insecurity among children and older Americans like SNAP, WIC and Meals on Wheels," Rep. Jeffries said in a memo. "This task force will help lead the way to push back aggressively ... [and] ensure that our farmers have the resources needed to thrive in the 21st century."

On the eve of the House vote for the debt limit package, leaders of the House and Senate Agriculture committees said the debt limit agreement

should remove SNAP work requirements as a potential sticking point in the upcoming farm bill debate, but also said the deal takes away some potential funding, as reported in *AgriPulse*.

The agreement "takes the issue of SNAP work requirements off the table," Senate Agriculture Committee Chairwoman Debbie Stabenow, D-Mich., told reporters. "So, that's just one less issue we're going to have to negotiate."



Senate Ag Committee Chair Debbie Stabenow: The debt limit agreement "takes the issue of SNAP requirements off the table." Photo Source: Office of Senator Stabenow

BLM Proposed Rule Under Fire (Cont'd from Page 7)

BLM leaders so far appear to be downplaying the stakeholder and GOP concerns.

At a recent listening session Director Stone-Manning told the nearly 400 people who attended the session that the draft rule, if implemented, "would not impact our multiple-use and sustained yield mandate," unlike what critics have been saying for weeks.

BLM did not accept or record public comments during the

hearing.

The Family Farm Alliance and others in the Western natural resources committee are considering formally asking Director Stone-Manning to withdraw the proposed rule and reset the conversation to ensure appropriate stakeholders are at the table.

"BLM's partnerships with its permittees are key to public lands management," said Alliance President Pat O'Toole.

Western GOP Members Call for ESA Changes (Cont'd from Pg 6)

we need to connect our communities.”

Other Western Caucus members penned similar blogs addressing ESA-challenges associated with the Lesser Prairie Chicken, grizzly bears and the Alabama beach mouse.

Caucus Chairman Dan Newhouse (R-WASHINGTON) hosted a Special Order with Congressional Western Caucus Members to talk about the ESA and the harm they say it's done to rural communities across America.

“As we have seen over the past 5 decades, the ESA has become a weapon—used by extreme environmentalists and serial litigators to slow or halt critical economic development and land management projects in rural communities throughout the United States,” said Rep. Newhouse. “In rural America, we value the responsible management of species, but we have to do so in a way that doesn't destroy our economies, decimate our lands, or leave our communities vulnerable to natural disasters.”

“The Endangered Species Act has had profound impacts on my state of Wyoming by limiting economic development and restricting the implementation of reasonable and effective land, water, and resource management and use,” added Rep. Harriet Hageman (R-WYOMING).

Senate Votes to Repeal Biden Administration ESA Rules

In other Capitol Hill ESA news, the Senate last month narrowly approved two efforts to roll back ESA rules put in place by the Biden Administration, including one crafted in

defense of the vulnerable northern long-eared bat. By a 51-49 vote, the Senate passed S.J. Res. 24 to block a Biden Administration rule that elevated the northern long-eared bat from threatened to endangered status.

A second resolution approved by a 51-49 vote, S.J. Res. 23, would reverse another Biden Administration ESA rule and thereby restore a Trump Administration rule that effectively constrains what areas can be designated as “critical habitat” under the ESA.

The House Natural Resources Committee has favorably reported out identical resolutions, which now await action by the Republican-controlled House.

Family Farm Alliance General Counsel Norm Semanko (IDAHO) testified in support of the House version of S.J. Res. 23 before the House Natural Resources Committee in April.

“The Alliance strongly supported the 2020 Final Rule promulgated in the Trump Administration and believed that rule's critical habitat exclusion procedures were necessary to provide greater transparency and certainty for the public and stakeholders,” said Mr. Semanko at that hearing.

Both resolutions, if passed by Congress, face a certain veto from the White House and Republicans in Congress simply do not have the votes (2/3 required) to override these vetoes.

However, if Congress does pass the resolutions, that would be the first time the resolution of disapproval tool created by the 1996 Congressional Review Act has been successfully deployed against an ESA rule, albeit to ultimately be vetoed

Court Hears Klamath Water Case as Farmers See Reduced Allocation

A federal court heard arguments last month on whether to issue a preliminary injunction limiting irrigation and wildlife refuge uses of water from the Klamath Project in 2023. The motion, filed by the Yurok Tribe and Pacific Coast Federation of Fishermen's Associations, claims that the Bureau of Reclamation (Reclamation) cannot be trusted to limit water deliveries in accordance with an Interim Operations Plan (IOP).

Judge William H. Orrick, U.S. District Court Judge for the Northern District of California, indicated that he would not grant the motion, but left open the opportunity for parties to return to court after Reclamation has adopted an actual Klamath Project operations plan for 2023.

The litigation move comes at a time when there is abundant water in the Klamath Basin.

“It's inconceivable that we are in court when we should be irrigating and producing food,” said Klamath Water Users Association (KWUA) Vice President Jeff Boyd, who farms in the Project area.

Similarly, Judge Orrick, who has heard several Klamath Project matters, noted that he had not expected to see a Klamath case this year.

In 2020, Reclamation adopted an IOP for the Klamath Project controlling the amounts of water made available in Upper Klamath Lake, the Klamath River, and for irrigation and wildlife refuges. The IOP is the basis for annual operations plans based on year-specific hydrologic conditions.

Since that time, drought conditions have required Reclamation to deviate from the specific terms of the IOP, which it has done with Temporary Operations Plans. During the early winter of 2022-2023, drought conditions persisted. Ultimately, Reclamation reduced IOP-based flows in the Klamath River for four weeks. The Yurok Tribe filed its motion for a preliminary injunction.

The preliminary injunction motion asks the court to order limitations on diversions that are not stated in the IOP.

“Basically, the plaintiffs are asking the court to write a new plan and micromanage the Klamath Project during 2023,” said KWUA Water Policy Director Moss Driscoll.

The weeks leading up to the injunction hearing were characterized by favorable, wet weather, and snowpack conditions in the mountains have been as high as 200 percent of normal.

The IOP went back into effect on April 1. If it had followed the IOP, Reclamation would have issued a 2023 operations plan providing an irrigation supply of 285,000 acre-feet (AF), which is still well below irrigation needs. Instead, Reclamation informally announced an “initial” supply of 215,000 AF but did not write an operations plan as in past years. In the meantime, it has followed the IOP to the letter in terms of releases of Klamath River flows.

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Lower Colorado River Deal Reached (Cont'd from Page 3)

“Reclamation’s SEIS process succeeded in facilitating this agreement, and we will carry forward the consensus proposal by analyzing it under the SEIS,” said Interior Deputy Secretary Tommy Beaudreau.

Upper Basin Developments

Later this month, DOI will formally advance the process for the development of new operating guidelines replacing the 2007 Colorado River Interim Guidelines for Lower Basin Shortages and the Coordinated Operations for Lake Powell and Lake Mead at the end of 2026. In the coming weeks, Reclamation will publish the Notice of Intent for the Environmental Impact Statement related to the post-2026 guidelines.

“Improved hydrology and abundant federal funding helped grease this agreement,” one observer close to the Lower Basin negotiations remarked.

The weather has improved markedly over the past winter, with plentiful snow covering much of the Rockies and water reservoirs on the rivers storage system starting to rise. And over \$12 billion for the federal government from the Bipartisan Infrastructure Law and the Inflation Reduction Act (IRA) - with \$4 billion in IRA funding prioritized for the Colorado River - meant that it was worth their while for those who voluntarily gave up their rights on a temporary basis.

Those conditions helped the Lower Basin negotiators come up with a plan.

Attention will now likely shift to the Upper Basin, where Reclamation last month began implementation of the 2023 Drought Response Operations Plan, which focuses on allowing upstream reservoirs to recover additional water previously sent downstream to Lake Powell.

Lake Powell is not expected to need a boost from upstream reservoirs this Drought Response Operations Agreement (DROA) year (May 1, 2023 – April 30, 2024), thanks to high snowpack this winter and projected high runoff this spring. Lake Powell’s projected inflow through the end of this water year (Sept. 30, 2023) is just over 14 million acre-feet of water—that’s more than the last three years combined.

“We are using this opportunity to prepare for future dry conditions by preserving and retaining storage in our upstream reservoirs,” said Katrina Grantz, Deputy Regional Director for Reclamation’s Upper Colorado Region. “We also

remain cautious. We know how quickly things can change, and we will continue to monitor the hydrology and will adjust our projections and operations accordingly.”

The DROA is part of the 2019 Colorado River Drought Contingency Plan for the Upper Colorado River Basin and aims to protect Lake Powell from dropping below critical elevations.

Another Upper Basin program—the System Conservation Pilot Program – would pay farmers and ranchers willing to forgo their use of water. That program this year has so far struggled, with few people applying. Between the states of Colorado, New Mexico, Utah and Wyoming, 88 applications came in offering to save some water. The Upper Colorado River Commission approved more than 80% of them.

However, if each of the program’s approved applications works out as expected, the Upper Basin can expect to save about 39,000 acre-feet – less than 2% of the smallest amount of water federal officials had hoped to save - at a cost of about \$16 million.

Chuck Cullom, executive director of the Upper Colorado River Commission, told the *Denver Post* that the program came together quickly because of dire conditions on the river. That timing made it difficult for farmers to participate. Also, potential participants weren’t clear on how best to apply or what kind of money they could expect in return for their water.

“We need to do better if we do this program again,” Mr. Cullom told the *Post*.

Alliance Actions

The Family Farm Alliance board of directors in February 2022 formally adopted a policy brief intended to provide guidance to negotiators of the post-2026 guidelines.

Alliance Executive Director Dan Keppen presented another Colorado River policy paper, “Impacts on Agriculture: Feeding America with Less Water” at the CLE International Law of the Colorado River Conference in Scottsdale (ARIZONA) last month.

“To ensure balanced solutions are achieved, agricultural producers throughout the Colorado River Basin must have a place at the table,” said Mr. Keppen to the CLE audience. “The full value of irrigation to our nation must be accurately and fairly considered.”

Klamath Project Short on Water (Cont'd from Page 10)

Since the original allocation, Reclamation updated Klamath Project’s allocation on May 19th, citing “improved spring hydrology and updated forecasts”. The current allocation from Upper Klamath Lake is 260,000 AF. For a full delivery to Klamath Project’s 230,000 acres of farms and two of the Klamath Basin’s national wildlife refuges, Tule Lake National Wildlife Refuge and Lower Klamath National Wildlife Refuge, Reclamation’s allocation would need to be 450,000 AF.

Judge Orrick indicated that he did not see a basis to issue a preliminary injunction based on the information before him. However, he required Reclamation to submit a final 2023 operations plan, and left open to the parties the possibility of asking the court to grant some kind of relief at that time.

“It would have been great if Reclamation had done what they were supposed to and issued a final plan on time rather than being intimidated by politics and lawsuits,” said Mr. Boyd.

CORRESPONDENCE LIST
JUNE 2023

Agenda Item 11

1. May 10, 2023 – Letter from District to six customers regarding past due balances
2. May 11, 2023 – Letter from District to thirteen customers regarding backflow testing requirements
3. May 12, 2023 – Revised Existing Water Service Letter for APN 137-042-011
4. May 14, 2023 – Notice and Agenda received from the Santa Ynez Community Services District regarding the May 17, 2023 Regular Board Meeting
5. May 17, 2023 – Letter from Santa Barbara County Fire Department regarding fire service requirements for APN 139-520-017
6. May 19, 2023 – Notice and Agenda received from Cachuma Operation and Maintenance Board for the May 22, 2023 Regular Meeting
7. May 19, 2023 – Notice and Agenda received from Santa Ynez Community Services District for the May 23, 2023 Special Meeting
8. May 22, 2023 – Letter received from ESRI regarding annual records review of District’s ESRI account
9. May 22, 2023 – Letter from District to new customer regarding billing card requirement and activation fee
10. May 22, 2023 – Agenda and Notice received from the Central Coast Water Authority for the May 25, 2023 Board of Directors Meeting
11. May 25, 2023 – Letter received from Santa Barbara County Fire Department regarding fire service requirements for APN 141-340-010
12. May 25, 2023 – Letter from District sent to three customers regarding past due balances
13. May 30, 2023 – Updated Water Service Availability Letter – Proposed Lot Split – APN 141-330-041
14. May 30, 2023 – Letter to Santa Ynez Valley Union High School regarding fire hydrant flows and pressure for APN 141-201-010
15. June 2, 2023 – Letter from District regarding private fire protection service for 2350 Railway Avenue
16. June 2, 2023 – Letter from District regarding private fire protection service for 1645 Still Meadow Road
17. June 2, 2023 – Letter from District to Santa Ynez River Water Conservation District regarding request for reasonable public comment period on Rate Study Report and proposed 2023-2024 groundwater charges
18. June 5, 2023 – Notice and Agenda received from the Los Olivos Community Services District for the June 9, 2023 Finance Committee Meeting
19. June 5, 2023 – Letter received from Total Compensation Systems, Inc. regarding proposal for GASB 74/75 Actuarial valuation services as of June 30, 2023 and June 30, 2024

20. June 5, 2023 – Letter received from Central Coast Water Authority regarding DWR/CCWA – ID No.1 and City of Solvang’s Variable O&M invoice for May 1, 2023 – September 30, 2023
21. June 5, 2023 – Letter from District to City of Solvang regarding Solvang’s DWR/CCWA –Variable O&M invoice for May 1, 2023 – September 30, 2023
22. June 5, 2023 – Letter received from Cal OES regarding Public Assistance Grants Program approved funding for FEMA 4482DR CA
23. June 6, 2023 – Letter received from Santa Barbara County Fire Department regarding fire service requirements for APN 135-172-017
24. June 6, 2023 – Letter from District to Santa Ynez River Water Conservation District regarding Proposed FY 2023-2024 Groundwater Charges and Rate Study Report dated May 30, 2023
25. June 13, 2023 – Letter from District to one customer regarding payment plan for past due balance
26. June 13, 2023 – Letter from District to one customer regarding backflow testing requirements
27. June 13, 2023 – Letter received from Santa Barbara County Fire Department regarding fire service requirements for APN 141-360-001
28. June 14, 2023 – Can and Will Serve Letter sent for APN 135-102-013
29. June 14, 2023 – Water Service Requirements Letter for APN 141-360-008