

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
IMPROVEMENT DISTRICT NO. 1
JANUARY 18, 2022 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, January 18, 2022** via video/teleconference.

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

Trustees Absent: None

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

1. CALL TO ORDER AND ROLL CALL:

President Clay called the meeting to order at 3:01 p.m., he stated this was a Regular Meeting of the Board of Trustees. Ms. Martone conducted roll call and reported that all Trustees were present.

2. PLEDGE OF ALLEGIANCE:

President Clay led the Pledge of Allegiance.

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

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

4. CONSIDERATION OF RESOLUTION NO. 812: A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Authorizing Remote Teleconference Meetings Under the Ralph M. Brown Act in Accordance with AB 361.

Mr. Garcia presented Resolution No. 812 and explained that pursuant to recent amendments to the Brown Act (Assembly Bill 361), public agencies are authorized to conduct remote meetings via video/teleconference during the COVID-19 pandemic, provided certain conditions exist and findings are made. He stated that in order for the Board to continue to meet under the provisions of AB 361, either remotely or under a hybrid approach of remote and in person attendance, the Board is required to review and reconsider its determinations at least every 30 days. Mr. Garcia reported that because the State of California remains under a declared state of emergency related to the COVID-19 pandemic and based on Santa Barbara County Health Officer Order 2021-10.8, approval of Resolution No. 812 would allow the Board to hold meetings under the provisions of AB 361.

No public comment was provided.

It was **MOVED** by Trustee Clay, seconded by Trustee Joos, to adopt Resolution No. 812, a Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District,

Improvement No.1. Authorizing Remote Teleconference Meetings Under the Ralph M. Brown Act in Accordance with AB 361.

The Resolution was adopted and carried by the following 5-0-0 roll call vote:

AYES, Trustees:	Michael Burchardi Jeff Clay Jeff Holzer Brad Joos Lori Parker
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NOES, Trustees:	None
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ABSTAIN, Trustees:	None
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ABSENT, Trustees:	None
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5. **ADDITIONS OR CORRECTIONS, IF ANY, TO THE AGENDA:**

There were no additions or corrections to the Agenda.

6. **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.

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

A. General Manager's Report

Mr. Garcia reported on the current information related to the COVID-19 pandemic and the District's actions. He reported that the Santa Barbara County Public Health Department issued Health Officer Order No. 2021.10.8 effective 5:00 p.m. on January 2, 2022 through February 1, 2022 and the State of California Department of Public Health issued a similar announcement effective December 15, 2021 through February 15, 2022 extending the requirement for the use of face coverings indoors, regardless of vaccination statuses, or until the Order is extended, rescinded, or superseded. Mr. Garcia also indicated that the Santa Barbara County Public Health Department issued a press release on January 3, 2022 regarding changes to the COVID-19 isolation and quarantine guidance to align with the California Department of Public Health's new guidance. Mr. Garcia reported that the District continues to maintain its COVID-19 protocols for all employees, Trustees, and customers in accordance with local and state health orders.

8. **CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF DECEMBER 21, 2021:**

The Regular Meeting Minutes from December 21, 2021 were presented for consideration.

President Clay asked if there were any changes or additions to the Regular Meeting Minutes of December 21, 2021 as presented. No changes or additions were requested.

It was **MOVED** by Trustee Joos, seconded by Trustee Burchardi, and carried by a 5-0-0 roll call vote to approve the December 21, 2021 Minutes as presented.

9. **CONSENT AGENDA:**

The Consent Agenda Report was provided in the Board packet.

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

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

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

A. DISTRICT ADMINISTRATION

1. Financial Report on Administrative Matters

a) Presentation of Monthly Financial Statements – Revenues and Expenses

Ms. Martone announced that the Financial Statements were emailed to Board members this afternoon and posted on the District’s website in the Board packet materials for any members of the public wishing to follow along or receive a copy.

Ms. Martone reviewed the Statement of Revenues and Expenses for the month of January. She highlighted various line-items related to revenue and expense transactions that occurred during the month. Ms. Martone reported that the District revenues exceeded expenses by \$580,527.53 and the year-to-date net income is \$2,058,407.48.

b) Approval of Accounts Payable

Ms. Martone announced that the Warrant List was emailed to the Board members this afternoon and posted on the District’s website in the Board packet materials for any members of the public wishing to follow along or receive a copy.

The Board reviewed the Warrant List which covered warrants 24255 through 24299 in the amount of \$582,844.12

It was **MOVED** by Trustee Joos, seconded by Trustee Clay, and carried by a 5-0-0 roll call vote to approve the Warrant List for December 22, 2021 through January 18, 2022.

c) Six-Month FY 2021-2022 Budget Update

The Board packet included the six-month FY 2021-2022 budget report.

Ms. Martone reviewed the six-month budget update. She highlighted each budget category and explained that the budget balance reflected revenues exceeding expenses by \$1,736,405.01 six-months into the 2021-2022 fiscal year. Ms. Martone explained that water sales were up due to typical high usage months which occur during the first half of the fiscal year. She indicated that water sales are anticipated to decline over the remaining six months of the fiscal year. Ms. Martone emphasized that the second half of the fiscal year will likely reflect increased expenses related to continued implementation of the budgeted Capital Improvement Projects program. She noted that the overall revenue outlook remains stable at this point in the fiscal year.

d) Quarterly Balance Sheet inclusive of Reserve Accounts – December 31, 2021

The Board packet included the Quarterly Balance Sheet inclusive of the Reserve Accounts as of December 31, 2021.

Ms. Martone presented the December 31, 2021 Quarterly Balance Sheet and Reserve Balance summaries. She explained the detail within each line-item, the allocation of reserves, reserve fund activity during the quarter, the bottom-line net position, and the District’s reserve balances. Ms. Martone reported the District’s assets and liabilities balance at \$41,077,511.12 and that the Board-restricted reserve balance was

\$11,878,179.92 on December 31, 2021. She explained that the Board-restricted reserve balance will be reduced by approximately \$1,960,529 at June 30, 2022 when the District pays its annual State Water Project and Series 2004A Bond payments.

Ms. Martone reported that in November the Board approved and accepted the FY 2020/2021 Financial Statements which reflected a revenue balance of \$3,072,206.00. She explained that management has reviewed the District's unrestricted fund balance on December 31, 2021 and recommended that the Board consider transferring the \$3,072,206 to be split equally at \$1,536,103 between the Repair and Replace and the Plant Expansion Board reserved funds.

After a brief discussion, it was **MOVED** by Trustee Clay, seconded by Trustee Burchardi, and carried by a 5-0-0 roll call vote to authorize the transfer of \$3,072,206 of unrestricted cash, to be split equally at \$1,536,103 and added to the Repair and Replace and Plant Expansion Board-restricted reserve accounts.

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

A. SUSTAINABLE GROUNDWATER MANAGEMENT ACT:

1. Eastern Management Area Update

Mr. Garcia reported on the topics discussed at the January 6, 2022 Special Meeting of the Eastern Management Area Groundwater Sustainability Agency (EMA GSA). He reported that the Groundwater Sustainability Plan (GSP) for the Eastern Management Area was unanimously approved at the meeting, and that the GSP will be submitted to the Department of Water Resources (DWR) before the January 31, 2022 deadline. Mr. Garcia explained that DWR has two years to evaluate the GSP and provide feedback to the EMA GSA. He reported that the next major step in the SGMA process is for the local agencies and stakeholders in the EMA and throughout the basin to decide on what form of governance will be set up to implement the GSPs and carry out the measures and requirements for sustainable groundwater management, including the need to levy fees and charges. Mr. Garcia stated this will likely require the formation of one or more new joint powers authorities. He expressed his appreciation to the GSA elected officials, staff of the participating agencies, consultants, and stakeholders in the basin for their efforts to get the GSP prepared, adopted, and submitted to DWR. Trustee Joos provided comments on the adoption of the GSP and complimented all those involved in the SGMA process.

B. CALIFORNIA DROUGHT CONDITIONS:

1. Update Regarding Statewide Drought Conditions

The Board packet included Department of Water Resources Current Reservoir Conditions report for November 11, 2021 and January 11, 2022.

Mr. Garcia discussed the conditions of the major reservoirs within California as published by the Department of Water Resources. He stated that the recent storms in December brought noticeable inflow to the reservoirs, although not enough to bring the state out of the current statewide drought emergency.

2. Emergency Regulation Issued by the State Water Resources Control Board

The Board packet included a January 4, 2022 State Water Board Media Release titled "State Water Board Adopts Emergency Water Use Regulations to Boost Drought Resilience"

Mr. Garcia reviewed a media release regarding the State Water Resource Control Board's adoption of emergency water use regulations aimed at boosting drought resiliency. He reported that the regulations prohibit certain wasteful water use practices statewide and encourages Californians to monitor their water use more closely while building habits to use water wisely. The prohibitions apply to specific uses and apply to all water users, including individuals, business, and public agencies, and can be enforced through warning letters, water audits or fines. Mr. Garcia reported that the State Board regulations are very similar to and consistent with the District's current "Water Supply Alert" stage of water conservation which includes standard prohibitions and restrictions that have remained in place since 2017.

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

The Board packet included the January 2022 Family Farm Alliance Monthly Briefing and Los Olivos Community Services District Board of Directors Meeting Agenda for January 12, 2022.

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

The Correspondence list was received by the Board.

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

Trustee Burchardi requested that the Board consider establishing an ad hoc committee for the Los Olivos Community Services District wastewater treatment system.

15. NEXT MEETING OF THE BOARD OF TRUSTEES:

President Clay stated the next Regular Meeting of the Board of Trustees is scheduled for February 15, 2022 at 3:00 p.m.

16. CLOSED SESSION:

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

A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:

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

1. Name of Case: Adjudicatory proceedings pending before the State Water Resources Control Board regarding Permit 15878 issued on Application 22423 to the City of Solvang, Petitions for Change, and Related Protests
2. Name of Case: Central Coast Water Authority, et al. v. Santa Barbara County Flood Control and Water Conservation District, et al., Santa Barbara County Superior Court Case No. 21CV02432

17. RECONVENE INTO OPEN SESSION:

[Sections 54957.1 and 54957.7 of the Government Code]

The public participation phone line was re-opened, and the Board reconvened to Open Session at approximately 5:45 p.m.

Mr. Garcia announced that the Board met in Closed Session concerning Agenda Items 16.A.1 and 16.A.2. and that there was no reportable action from the Closed Session.

18. ADJOURNMENT:

Being no further business, it was MOVED by Trustee Joos, seconded by Trustee Burchardi, and carried by a 4-0-0 voice vote, with Trustee Holzer absent, to adjourn the meeting at 5:46 p.m.

THE JANUARY 18, 2022 MEETING MINUTES WERE APPROVED AT THE FEBRUARY 22, 2022 SPECIAL MEETING.