

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
IMPROVEMENT DISTRICT NO. 1
AUGUST 18, 2020 REGULAR MEETING MINUTES**

A Regular Meeting of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, was held at 3:00 p.m. on **Tuesday, August 18, 2020 via video/teleconference** due to the COVID-19 Emergency and Governor Newsom's Executive Orders.

Trustees Present: Jeff Clay Brad Joos
Lori Parker Lee Rosenberg

Trustees Absent: Michael Burchardi

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

I. CALL TO ORDER AND ROLL CALL

President Clay called the meeting to order at 3:03 p.m., he stated this was a Regular Meeting of the Board of Trustees. Ms. Martone reported four members of the Board were present and Trustee Mike Burchardi was absent.

II. PLEDGE OF ALLEGIANCE:

President Clay led the Pledge of Allegiance.

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

Ms. Martone presented the affidavit of posting of the agenda, along with a true copy of the agenda for this meeting. She reported that the agenda was posted in accordance with the California Government Code commencing at Section 54950 and pursuant to Resolution No. 340 of the District. The affidavit was filed as evidence of the posting of the agenda items contained therein.

Ms. Martone added that as a result of the COVID-19 emergency and Governor Newsom's Executive Orders to protect public health by issuing shelter-in-home standards, limiting public gatherings, and requiring social distancing, this Board meeting would occur solely via video/teleconference as authorized by and in furtherance of Executive Order Nos. N-29-20 and N-33-20 and applicable amendments to the California Brown Act as set forth in those Executive Orders.

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

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

V. PUBLIC COMMENT:

President Clay welcomed any members of the public participating telephonically 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 stated that the Notice and Agenda for this Regular Meeting requested members of the public to submit advance written comments to the District via electronic mail by 5:00 p.m. on Monday, August 17, 2020. Mr. Garcia reported that no written comments were submitted to the District for the meeting.

VI. CORONAVIRUS (COVID-19) UPDATE

A. General Manager's Report

The Board packet included copies of press releases issued by the Santa Barbara County Public Health Department dated July 20 and 23, 2020 and August 4 and 12, 2020 regarding current requirements pertaining to COVID-19.

Mr. Garcia reported on the current activities related to the COVID-19 pandemic and the District's actions. He stated that staff continues to receive, and review updates related to COVID from federal, state, regional, and local agencies. Mr. Garcia explained that staff canvassed other public agencies in the region to ascertain how they are operating during this time with regard to staffing levels. He indicated that findings ranged from having full regular staffing levels with rigorous protocols in place, to others maintaining a rotating schedule to retain resiliency. He explained that the District continues to maintain the same response plan as last month, with staff being divided into two teams alternating each week. Mr. Garcia reiterated to the Board that, in the event District staff were to be directly affected by COVID-19, the District has a professional services agreement with a professional temporary staffing agency that specializes in providing certified operators and employees to water agencies. He reported that the District is continuing with a rigorous daily disinfection process, along with a weekly service that conducts a commercial grade disinfection.

VII. CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF JULY 21, 2020:

The Regular Meeting Minutes from July 21, 2020 were presented for consideration.

President Clay asked if there were any changes or additions to the Regular Meeting Minutes of July 21, 2020. There were no changes or additions requested.

It was MOVED by Trustee Joos, seconded by Trustee Parker, and carried by a 4-0-0 roll call vote, with Trustee Burchardi absent, to approve the July 21, 2020 Regular Meeting Minutes as presented.

VIII. CONSENT AGENDA:

The Consent Agenda Report was provided in the Board packet.

Mr. Garcia reviewed the Consent Agenda Report for the month of July.

It was MOVED by Trustee Joos, seconded by Trustee Clay, and carried by a 4-0-0 roll call vote, with Trustee Burchardi absent, to approve the Consent Agenda.

IX. 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 reported that the Board was provided the Statement of Revenues and Expenses for the month of July via email. She also explained that the reports were 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 July. Ms. Martone explained that the District's 2020-2021 fiscal year began on July 1st and the financials reflect the first month of activity for the new fiscal year. Ms. Martone highlighted various line-items and explained that the District is initiating work on various components of the District's approved 2020/2021 Capital Improvement Plan.

She reported that District revenues exceeded expenses by \$427,408.04, and thus the year-to-date net income is the same number.

b) Approval of Accounts Payable

Ms. Martone reported that the Board was provided the Warrant List for July 22, 2020 through August 18, 2020 via email, and it was posted on the District's website in the Board packet materials for any member of the public wishing to receive a copy.

The Board reviewed the Warrant List which covered warrants 23258 through 23304 for the period of July 22, 2020 through August 18, 2020 in the amount of \$395,682.27.

It was MOVED by Trustee Rosenberg, seconded by Trustee Parker, and carried by a 4-0 roll call vote, with Trustee Burchardi absent, to approve the Warrant List for July 22, 2020 through August 18, 2020 as presented.

c) Water Service Late Penalties

Mr. Garcia stated that in response to the COVID-19 pandemic, the Board decided in April to temporarily suspend late penalties on past due customer accounts, which to date has applied to water use from March through July. For the past several months, the Board has reconsidered the matter and determined to continue the temporary suspension of late penalties on a month-to-month basis. Mr. Garcia reviewed the cumulative amounts of past due charges, the number of past due customer accounts in comparison to the prior month's statistics, and the total amount of penalties that have been waived to date. Mr. Garcia reminded the Board that pursuant to the Governor's Executive Order N-42-20 pertaining to COVID-19, public water systems are still prohibited from shutting off water service to domestic users and businesses within designated critical infrastructure sectors who have not paid their bills. He explained that further direction has not been provided by the Governor regarding when the shutoff ban will be lifted. Notably, the Executive Order states that past due amounts are not being forgiven, and thus remain payable, and the Order does not prohibit water agencies from issuing late penalties on past due accounts.

Board discussion ensued and comments included the total number of past due accounts, types of accounts (domestic vs. agriculture), cumulative total of penalties that have been waived to date, the collection process, customer communication, alternative approaches for how late penalties can be assessed, and how other agencies are handling past due accounts during the pandemic.

It was MOVED by Trustee Rosenberg, seconded by Trustee Joos, and carried by a 4-0 roll call vote, with Trustee Burchardi absent, to continue the suspension of late penalties for the next billing cycle (August water use), and to direct staff to canvass other agencies and policies of the state and bring back options to address past due accounts for Board consideration at the September meeting.

X. OPERATIONS AND MAINTENANCE

1. Update on Lateral Replacement Phase II

Mr. Garcia reported that due to the COVID-19 pandemic all work related to the Lateral Replacement Phase II project was stopped in March. He stated that staff has been in communication with the District's contractor for the project to discuss required safety protocols and guidelines that could allow work to resume. Mr. Garcia stated that the District's contractor is scheduled to resume work on Monday, August 24th on Paloma

Street. He reported that affected customers have been notified via phone calls and door-tags that work will be occurring in their vicinity. Mr. Garcia reiterated that all District staff and contractors are required to follow safety protocols and guidelines that have been instituted in response to COVID-19.

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

A. CACHUMA PROJECT – OPERATIONS AND SUPPLIES:

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

The Board packet included July 21, 2020 correspondence from the Santa Barbara County Water Agency regarding public posting of the Draft Amendatory Contract for the Cachuma Project, and July 14, 2020 correspondence from the Santa Barbara County Water Agency regarding proposed Amendments to the Cachuma Member Unit Contracts.

Mr. Garcia reported on the status of the 2020 Water Service Contract between the United States Bureau of Reclamation (USBR) and the Santa Barbara County Water Agency (Water Agency). He stated that in July, USBR sent a draft Amendment to current Master Contract No. I75r-1802R to the Water Agency and the Cachuma Member Units. Mr. Garcia stated that the draft Amendment retains all of the substantive provisions of the current Master Contract and keeps the current contract in effect for an additional three years to allow USBR, the Water Agency, and the Cachuma Member Units time to negotiate the next set of long-term contracts for the Cachuma Project. He stated that USBR has posted a 60-day public comment period for the Master Contract Amendment, which closes on September 17, 2020. Mr. Garcia also reported that the Water Agency has circulated proposed amendments to the Cachuma Member Units subcontracts which would extend them for the same three-year period as the Master Contract Amendment. He stated that the First Amendment to the Member Unit Contract between the District and the Water Agency will be presented to the Board at the September meeting for discussion and possible action.

2. Draft Rescheduling/Carryover Guidelines for the Cachuma Project

The Board packet included July 31, 2020 correspondence from USBR to the Cachuma Member Units and other parties regarding Draft Rescheduling/Carryover Guidelines for the Cachuma Project. The Board packet also included a response letter dated August 10, 2020 from the Cachuma Member Units to USBR, and a response letter dated August 11, 2020 from the Cachuma Conservation Release Board (CCRB) to USBR.

Mr. Garcia reported on the July 31, 2020 email received from USBR to the Cachuma Member Units, CCRB, and the Cachuma Operation and Maintenance Board (COMB) regarding USBR's proposed rescheduling/carryover guidelines for the Cachuma Project. Mr. Garcia explained that USBR is reviewing proposed guidelines on how they would administer carryover water that is stored in the Cachuma Project. Mr. Garcia provided historical information on the annual allocation, how carryover water is stored and used, and provisions of the Master Contract related to carryover water. Mr. Garcia stated that the Cachuma Member Units collectively responded in opposition to USBR on August 10, 2020 with comments on the draft proposal to change storage operations at Lake Cachuma. He reported that CCRB also provided a letter discussing their concerns. Mr. Garcia stated that the proposal to modify carryover is not consistent with the terms of the Master Contract and thus should be addressed in the negotiations for the next long-term contract. Mr. Garcia stated there has been no response from USBR at this time.

Board discussion ensued and comments included Santa Barbara County's involvement in the USBR contract negotiations, prior "unaccounted for water" issues, ongoing consultation under the federal Endangered Species Act, water rights permits, and release requirements under the new State Board Order.

3. Draft Cachuma Project Yield Study

The Board packet included an August 7, 2020 PowerPoint document prepared by Stetson Engineers, titled Draft Cachuma Project Safe and Operational Yield Study.

Mr. Garcia provided an overview of the August 7, 2020 teleconference where Stetson Engineers presented the Draft Cachuma Project Safe and Operational Yield Study (Draft Study) to USBR, the Santa Barbara County Water Agency,, the Cachuma Member Units, CCRB, COMB, and the Santa Ynez River Water Conservation District (Parent District). Mr. Garcia explained that the Draft Study was completed on behalf of the County and it provides a history of how the yield of the Cachuma Project has evolved from the inception to present day, the various factors that have gone into different yield analyses, and factors that may be evaluated going forward in the yield analysis for the Cachuma Project. He reported that the Cachuma Member Units are reviewing the Draft Study, have initial concerns, and likely will be preparing and submitting comments.

B. CACHUMA PROJECT – IMPLEMENTATION OF 2000 BIOLOGICAL OPINION:

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

Mr. Garcia stated that at the July 21st Board meeting the ID No.1 Board took action to approve the First Amendment to the Cachuma Operation and Maintenance Board Joint Powers Authority Separation Agreement (First Amendment). He explained that the First Amendment was also approved and executed by the Cachuma Operation and Maintenance Board (COMB) and all member agencies of COMB, and as a result the lawsuit that COMB previously filed against the District has been dismissed. Mr. Garcia stated this was a successful resolution of a dispute that arose many years ago.

C. SUSTAINABLE GROUNDWATER MANAGEMENT ACT:

1. Eastern Management Area Update

Mr. Garcia reported that the next meeting of the Eastern Management Area (EMA) Groundwater Sustainability Agency (GSA) is on August 27, 2020 at 6:30 p.m. via teleconference. He reviewed current activities undertaken by the consultant (GSI) who is currently working on various technical matters, including the hydrogeologic conceptual model, which will support preparation of the EMA Groundwater Sustainability Plan. Mr. Garcia stated that the EMA Citizens Advisory Committee remains involved and has reviewed various public outreach materials and all draft technical documents produced to date. Mr. Garcia reported that there also has been coordination between the EMA and other management areas of the basin to ensure that assumptions on technical issues are being shared and coordinated as required by the Sustainability Groundwater Management Act (SGMA). Mr. Garcia reiterated the importance of the SGMA process and the public meetings that are taking place related to each area of the Basin. He encouraged public participation and all stakeholders to become involved in the process.

XII. UPDATE FROM ALTERNATIVE POWER / SOLAR AD HOC SUBCOMMITTEE:

The Board packet included a July 15, 2020 Central Coast Water Authority Memorandum from John Brady discussing Siemens Energy & Environmental Solution Proposal for Solar Power Installation at the Water Treatment Plant and 20 Year Power Purchase Agreement.

Mr. Garcia reported that Trustees Joos and Rosenberg currently serve as the District's Ad Hoc Committee for Alternative Power/Solar. He explained that he and the Ad Hoc Committee are currently working with two companies, REC Solar and Siemens Energy, to discuss issues related to potential infrastructure improvements and cost savings for power consumption. Mr. Garcia reported that he and Trustee Rosenberg attended a teleconference with representatives from REC Solar on August 14th where they discussed the District's primary objectives in discussing solar alternatives, which include cost savings, resiliency and redundancy, and implementing environmentally friendly designs. Mr. Garcia explained that he is finalizing arrangements that will enable the solar companies to review the District's utility usage and infrastructure locations and determine whether to provide project proposals for the District. He stated that the Board packet included a Central Coast Water Authority (CCWA) Staff Memorandum discussing a Siemens Energy & Environmental Solution Proposal for Solar Power Installation at the CCWA Polonio Pass Water Treatment Plant for Board information. Trustee Rosenberg requested that this item be included on the next agenda to provide updates to the Board.

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

Trustee Clay reported that he attended the Central Coast Water Authority Board of Directors teleconference meeting on July 31, 2020 and provided a review of the topics discussed at the meeting.

Mr. Garcia reported that the District experienced an extended power outage on Saturday, August 15th due to extreme weather conditions. He stated the outage began at approximately 9:15 a.m. and lasted until approximately 6:00 p.m. Mr. Garcia discussed and complimented the field crew's response to immediately mobilize and stabilize water supply to District customers throughout the entire power outage, wherein the District faced hot temperatures and increased water demands throughout the entire day. He stated the field crew utilized two of the District's industrial generators to keep the system up and running during the power outage and that no customers were without water during the day. Mr. Garcia explained that staff has received various alerts from Cal ISO and PG&E about conserving energy and possible upcoming Public Safety Power Shutdown (PSPS) events, which have been forwarded to District customers via email. The Board complimented staff on a job well done and discussed the importance of keeping water available during critical times. The Board briefly discussed the need for an additional generator. Mr. Garcia stated that the Board recently approved the purchase of an additional generator as part of the 2020/2021 Budget and Capital Improvement Plan. He reported that quotes have been received and the additional generator has been ordered.

The Board packet included a July 16, 2020 Los Olivos Community Services District letter discussing a Wastewater Project Update and November 2020 Director Elections. Mr. Garcia reported that he has been in contact with the Los Olivos CSD General Manager, Mr. Doug Pike, and that the CSD is in the preliminary stages of developing a wastewater treatment design for the Los Olivos community.

The Board packet included an August 13, 2020 letter from the Santa Ynez River Water Conservation District announcing a downstream water rights release, which is scheduled to

commence on August 31, 2020 to replenish the alluvial groundwater basins along the Santa Ynez River between Bradbury Dam and Lompoc.

The Board packet included the Family Farm Alliance Monthly Briefing for July 2020.

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

The Correspondence list was received by the Board.

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

Trustee Rosenberg requested that the Ad Hoc Committee for Alternative Power/Solar provide an update at the September Meeting.

XVI. NEXT MEETING OF THE BOARD OF TRUSTEES:

President Clay stated the next Regular Meeting of the Board of Trustees is scheduled for September 15, 2020 at 3:00 p.m.

Mr. Garcia announced that the Open Session public participation video and phone lines would be closed for the next thirty (30) minutes to allow the Board to convene into Closed Session. He explained that the public participation video and phone lines would be reopened thirty (30) minutes later for the remaining Agenda items. Mr. Garcia thanked everyone for participating in the video/teleconference and stated the Open Session meeting would reconvene at 6:36 p.m. to report any action taken during Closed Session.

XVII. CLOSED SESSION:

The Board adjourned at 6:06 for a brief recess. At 6:08 p.m. the Board reconvened and adjourned to Closed Session.

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 Permits 11308 and 11310 issued on Applications 11331 and 11332 to the United States Bureau of Reclamation for the Cachuma Project
2. Name of Case: Adjudicatory proceedings pending before the State Water Resources Control Board regarding Permit 15878 issued on Application 22423 to the City of Solvang, Petitions for Change, and Related Protests

XVIII. RECONVENE INTO OPEN SESSION:

[Sections 54957.1 and 54957.7 of the Government Code]

The public participation video and phone lines were re-opened, and the Board reconvened to Open Session at approximately 6:36 p.m. Ms. Martone conducted roll call and reported that three Trustees were present when the meeting reconvened, with Trustees Rosenberg and Burchardi absent. Mr. Garcia announced that the Board met in Closed Session concerning Agenda Items XVI.A.1-2. He stated that there was no reportable action from Closed Session.

XIX. ADJOURNMENT:

Being no further business, it was MOVED by Trustee Joos, seconded by Trustee Clay, and carried by a 3-0-0 roll call vote, with Trustees Rosenberg and Burchardi absent, to adjourn the meeting at approximately 6:40 p.m.

THE AUGUST 18, 2020 MINUTES WERE APPROVED AT THE REGULAR SEPTEMBER 15, 2020 MEETING.