

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,
IMPROVEMENT DISTRICT NO.1
JULY 18, 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, July 18, 2023, in-person at 1070 Faraday Street and via teleconference.

Trustees Present:	Jeff Clay Nick Urton	Brad Joos
Trustees Absent:	Michael Burchardi	Jeff Holzer
Others Present:	Paeter Garcia Karen King Gary Kvistad Howard Erenberg Ken Switzer	Mary Robel Eric Tambini Jeff Dinkin Richard Shawcroft

1. CALL TO ORDER AND ROLL CALL:

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

2. PLEDGE OF ALLEGIANCE:

President Clay led the Pledge of Allegiance.

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

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

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

There were no additions or corrections to the Agenda.

5. PUBLIC COMMENT:

President Clay welcomed members of the public present at the meeting and 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 JUNE 20, 2023:

The Regular Meeting Minutes from June 20, 2023 were presented for consideration.

President Clay asked if there were any changes or additions to the Regular Meeting Minutes of June 20, 2023. There were no changes or additions requested.

It was **MOVED** by Trustee Joos, seconded by Trustee Urton, and carried by a 3-0-0 voice vote, with Trustees Burchardi and Holzer absent, to approve the June 20, 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 June.

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

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

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

Ms. Robel reviewed the Statement of Revenues and Expenses for the month of June. She highlighted various line-items related to revenue and expense transactions that occurred during the month and also referenced the Fiscal-Year-to-Date Statement of Revenues and Expenses that provides a budget to actual snapshot from July through June. Ms. Robel stated that District revenues exceeded expenses by \$517,163.51 for the month of June and the year-to-date net income was \$3,477,295.59. Ms. Robel reported that the June monthly report represents the unaudited close of the Fiscal Year 2022/2023. She indicated that the year-end net balance will be adjusted as invoices from vendors and consultants continue to be submitted for work that was completed prior to June 30th. She also announced that the annual audit field work conducted by Bartlett, Pringle, Wolf, LLP will commence in late August or early September.

b) Approval of Accounts Payable

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

The Board reviewed the Warrant List which covered warrants 25259 through 25312 in the amount of \$590,091.69.

It was **MOVED** by Trustee Urton, seconded by Trustee Joos, and carried by a 3-0-0 voice vote, with Trustees Burchardi and Holzer absent, to approve the Warrant List for June 21, 2023 through July 18, 2023.

2. Employee Benefits

a) Resolution No. 837: A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Authorizing Basic Life Insurance and Accidental Death and Dismemberment Policy for District Employees
The Board packet included a copy of Draft Resolution No. 837.

Mr. Garcia explained that the Board adopted the FY 2023/2024 Budget at the June meeting which included an enhanced employee benefits package for current and future District employees. One of the enhanced benefits is basic life and accidental death and dismemberment insurance. He reported that the addition of this benefit will make the District’s overall employee benefits more comparable to industry standard and what is being provided by other water agencies in the region. Mr.

Garcia stated that the benefit will go into effect August 1, 2023 and will be administered by ACWA Joint Powers Insurance Authority with coverage through the Standard Insurance Company. He explained that the benefit amount shall be based on a predetermined formula of 1.5 times the employee's annual earnings from the District, up to a maximum insurance coverage of \$150,000. Mr. Garcia presented and recommended approval of Resolution No. 837 to formally add basic life and accidental death and dismemberment insurance to the District's benefit package.

No public comment was provided.

It was **MOVED** by Trustee Joos, seconded by Trustee Urton, to adopt Resolution No. 837, Authorizing Basic Life and Accidental Death and Dismemberment Insurance for District Employees.

The Motion carried and Resolution No. 837 was adopted by the following 3-0-0 roll call vote:

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

3. Personnel Policy Manual

- a) Resolution No. 838: A Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 Amending the District's Personnel Policy Manual

The Board packet included a July 13, 2023 Memorandum from Stradling Yocca Carlson & Rauth and a copy of Draft Resolution No. 838.

Mr. Garcia introduced Mr. Jeff Dinkin of Stradling Yocca Carlson & Rauth, the District's employment legal counsel, to present this item.

Mr. Dinkin explained that he conducted an annual review of the District's Personnel Policy Manual, and based upon his assessment of existing policies, changes in the law, and discussion with management, four revisions to the Personnel Policy Manual are being proposed to the Board. He reviewed the suggested revisions to Section 3.4 - Sick Leave, Section 3.5.b - California Family Rights Act Leave, Section 3.10 - Family Bereavement Leave, and Section 3.22 - Life Insurance. Discussion ensued regarding the proposed amendments to the Manual and Mr. Dinkin answered questions from the Board.

No public comment was provided.

It was **MOVED** by Trustee Clay, seconded by Trustee Urton, to adopt Resolution No. 838, a Resolution of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement No.1 Amending the District's Personnel Policy Manual.

The Motion carried and Resolution No. 838 was adopted by the following 3-0-0 roll call vote:

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

4. 2022 Consumer Confidence Report – Annual Water Quality Report Required by Federal and State Regulations to Protect Drinking Water
The Board packet included the 2022 Consumer Confidence Report/Annual Water Quality Report.

Mr. Garcia stated that the Annual Water Quality Report was prepared by Eric Tambini, Water Resources Manager.

Mr. Tambini explained that the District is required by state and federal drinking water regulations to prepare and distribute a Consumer Confidence Report, also known as the Annual Water Quality Report. He stated that certain content must be included in the report and water agencies are required to make the report available to all of their customers on an annual basis by July 1st. Mr. Tambini noted that the report includes information based on the 2022 calendar year with regard to the District’s sources of water, the levels of any contaminants detected in the water, compliance with other drinking water regulations, and other educational information. He reported that the District met and exceeded all applicable water quality standards for the 2022 reporting period. Mr. Tambini stated that the Consumer Confidence Report was submitted to the California Division of Drinking Water, posted on the District’s website, noticed on the customer water bills, sent electronically to all customers with email accounts, and made available at the District office in accordance with the State requirements.

Mr. Shawcroft provided public comment to the Board.

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

A. WATER SUPPLY PROJECT CONDITIONS

1. Cachuma Project Update

The Board packet included United States Bureau of Reclamation, Santa Barbara County Public Works Department, and Cachuma Project Member Units correspondence related to the Cachuma Project Water Year 2023-2024 Allocation.

Mr. Garcia reported that Cachuma reservoir is reported to be at 99.7% capacity (192,388 AF) as of July 10, 2023. He stated that spill conditions have ceased as of June 30, 2023. Mr. Garcia indicated that a letter dated June 30, 2023 was sent on behalf of the Cachuma Member Units to the U.S. Bureau of Reclamation (USBR) requesting a mid-year 100% allocation (25,714 AF) of Cachuma Project supplies for WY 2023-2024. He stated that a response from USBR was received on July 10th approving the 100% allocation request, which translates to 2,651 AF for the District.

2. State Water Project Update

The Board packet included the Department of Water Resources (DWR) Current and Historical Statewide Reservoir Conditions.

Mr. Garcia reviewed the DWR current and historical reservoir conditions. He reminded the Board that the 2023 SWP Table A allocation has been increased to 100% for the first time since 2006. He also discussed the Lake Oroville water supply, record snowpack, spill conditions, and potential for flooding in some areas of the state.

B. SUSTAINABLE GROUNDWATER MANAGEMENT ACT

1. Eastern Management Area (EMA) Update

The Board packet included a June 22, 2023 Notice and Agenda for the EMA GSA Regular Meeting, GSI Water Solutions Expanded Scope and Cost for Review of New and Replacement Well Applications, Draft EMA GSA Resolution No 2023-002, EMA GSA Well Registration and Reporting Form, and Notice of the July 27, 2023 Regular Committee Meeting.

Mr. Garcia noted that Trustee Joos continues to attend all meetings of the EMA GSA as the District's primary SGMA representative, and that Trustee Burchardi is also attending as the District's alternate member. He stated that the EMA GSA last met on June 22, 2023 and summarized the topics discussed at the meeting. Mr. Garcia reported that the EMA Committee approved several documents including an expanded scope of work and cost proposal from GSI for technical review in connection with requests for written verifications for new and replacement well applications, a revised Deposit and Reimbursement Agreement for well verifications, and a Well Registration and Reporting Form for the Eastern Management Area. He explained that the EMA GSA soon will be working to establish an EMA-wide well registration, metering, and production reporting system to better monitor and measure the actual amount of groundwater being produced throughout the EMA. He stated that the next regular meeting of the EMA GSA is scheduled for July 27, 2023.

C. PROPOSED DRINKING WATER REGULATION - HEXAVALENT CHROMIUM

1. Proposed Maximum Contaminant Level (MCL) Issued by the State Water Resources Control Board for Hexavalent Chromium

The Board packet included various correspondence and materials related to the State Water Resources Control Board (SWRCB) Proposed Maximum Contaminant Level for Hexavalent Chromium, including Notice of Proposed Rulemaking, Notice of Public Hearing on August 2, 2023, Proposed Regulation Text, SWRCB Initial Statement of Reasons for the Regulation, and excerpts of the SWRCB Draft Environmental Impact Report.

Mr. Garcia reported that the SWRCB has issued a Notice of Proposed Rulemaking and Draft Environmental Impact Report regarding a proposed Maximum Contaminant Level (MCL) for Hexavalent Chromium (Cr6) of 10 parts per billion (ppb). He indicated that the SWRCB is scheduled to conduct a public hearing on August 2, 2023 and that the public comment period for the proposed regulation and CEQA document will close on August 4, 2023. Mr. Garcia stated that after the public comment period closes the SWRCB will have an opportunity to prepare responses to comments; however, at this time a date certain has not been announced for when a final proposed regulation and final EIR will be issued. Mr. Garcia also provided a historical recap of the SWRCB's actions related to the proposed Cr6 MCL.

He stated that the federal MCL for total Chromium remains at 100 ppb and that the State standard is currently 50 ppb. Mr. Garcia explained that, if adopted, California's proposed 10 ppb standard would be the strictest Cr6 regulation in the world. He noted that District staff will resume preparations for the new state standard, including the engagement of consulting experts to review treatment options/technologies, planning and construction of treatment facilities, capital and annual operating costs, and financing alternatives. He stated that once a final regulation is adopted, the District will have a three-year period to achieve compliance with the new MCL. Mr. Garcia indicated that he has been participating in working group discussions with the Association of California Water Agencies (ACWA), and that ACWA and various other statewide and individual organizations are expected to submit comment letters in opposition to the proposed regulation.

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:

Mr. Garcia reported that he and Trustee Burchardi attended the July 12, 2023 Los Olivos Community Services District Board meeting.

The Board packet included information regarding the "Old Santa Ynez Days" event that took place on June 24, 2023. Mr. Garcia reported that ID No.1 hosted a booth and participated in the community event to provide information to the public regarding water supply issues and District operations.

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

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

The Correspondence List was received by the Board.

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

There were no requests from the Board.

13. NEXT MEETING OF THE BOARD OF TRUSTEES:

President Clay stated that the next Regular Meeting of the Board of Trustees is scheduled for August 15, 2023 at 3:00 p.m.

14. CLOSED SESSION:

The Board adjourned to closed session at 4:36 p.m.

A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

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

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

B. CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION

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

- 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]
- D. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION: Title - General Manager**
[Section 54957 of the Government Code]
- E. **CONFERENCE WITH LABOR NEGOTIATOR: Jeff Dinkin - Stradling, Yocca, Carlson & Rauth; Unrepresented Employee - General Manager** [Section 54957.6 of the Government Code]

15. **RECONVENE INTO OPEN SESSION**

[Sections 54957.1 and 54957.7 of the Government Code]

- A. Report on Closed Session Agenda Items 14.A - 14.C

The public participation phone line was re-opened and the Board reconvened to open session at approximately 6:10 p.m.

Mr. Garcia announced that the Board met in closed session concerning Agenda Items 14.A.1, 14.A.2, 14.B, and 14.C and that there was no reportable action from the closed session.

- B. Report on Closed Session Agenda Items 14.D and 14.E.

Mr. Gary Kvistad, District Legal Counsel, reported that the Board met in closed session with Jeff Dinkin, the District's Employment Legal Counsel, and completed the performance evaluation of the General Manager. He explained that the Board also discussed a cost-of-living adjustment and compensation adjustment for the General Manager. Mr. Kvistad reported that following the Board discussion there was a meet and confer with the General Manager, with Mr. Dinkin acting as the Board representative, and the following occurred:

Consideration of General Manager Cost-of-Living Adjustment (COLA) Increase. The Board determined to approve a 7.0% cost-of-living adjustment (COLA) increase effective the first pay period beginning July 1, 2023, which is the same COLA increase that all other District employees received pursuant to the Final Budget for Fiscal Year 2023/2024 that was approved by the Board in June 2023.

Consideration of General Manager Compensation Adjustment. The Board determined to grant the General Manager three additional weeks of administrative leave, with the option of cashing out one of the weeks by December 31, 2023, and a second week by June 30, 2024 if not used.

It was **MOVED** by Trustee Urton, seconded by Trustee Joos, and carried by a unanimous 3-0-0 voice vote, with Trustees Burchardi and Holzer absent, to approve a 7.0% cost-of-living adjustment for the General Manager's salary effective the pay period beginning July 1, 2023, and to provide three additional weeks of administrative leave to the General Manager, with the option of cashing out one of the weeks by December 31, 2023, and a second week by June 30, 2024 if not used.

16. **ADJOURNMENT:**

Being no further business, it was **MOVED** by Trustee Urton, seconded by Trustee Joos, and carried by a 3-0-0 voice vote, with Trustees Burchardi and Holzer absent, to adjourn the meeting at approximately 6:13 p.m.

THE JULY 18, 2023 MINUTES WERE APPROVED AT THE AUGUST 15, 2023 REGULAR MEETING.