

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT  
IMPROVEMENT DISTRICT NO. 1  
JULY 21, 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, July 21, 2020 via video/teleconference** due to the COVID-19 Emergency and Governor Newsom’s Executive Orders.

Trustees Present: Michael Burchardi            Jeff Clay  
                         Brad Joos                                    Lori Parker  
                         Lee Rosenberg

Trustees Absent:        None

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 conducted roll call and reported that all members of the Board were present.

**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 announced that after the Board Agenda was posted for the meeting, a matter of importance surfaced that requires Board review. Mr. Garcia explained that a Water Main and Facilities Replacement Agreement for the Mattei’s Project needs to be reviewed by the Board prior to the August Board Meeting. He indicated that in order to allow the Board to review the item, a 4/5 vote of the Board of Trustees is required to have it agendized. Mr. Garcia stated that a draft agreement was emailed to the Board prior to the meeting and also posted in the Board packet on the District’s website. He indicated that should the Board approve the Agenda Item, it would be listed as IX. B. b). Water Main and Facilities Replacement Agreement – Mattei’s Project.

It was **MOVED** by Trustee Rosenberg, seconded by Trustee Parker, and carried by a 5-0-0 roll call vote to add Agenda Item IX. B. b). Water Main and Facilities Replacement Agreement- Mattei’s Project.

**V. 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, July 20, 2020. Mr. Garcia reported that no comments were submitted to the District for the meeting. President Clay welcomed anyone from the general public participating telephonically or via video conference to address the Board. There was no public comment.

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

**A. General Manager's Report**

The Board packet included a June 18, 2020 Cal OES News Announcement, June 18, 2020 California Department of Public Health announcement, and Santa Barbara County Press Releases for June 25, 2020, July 1, 2, 13 and 14, 2020 related to Health Office Orders and 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 provided a chronology of the Santa Barbara County Health Orders and internal protocols for staff and Board members representing the District. He explained that there have been attempts to reopen services within the County; however, reclosures occurred mid-month due to the increased number of cases. 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 reported that the District is continuing with a rigorous daily disinfection process, along with a weekly janitorial service that conducts a commercial grade disinfection.

**VII. CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF JUNE 16, 2020:**

The Minutes of the Regular Meeting of June 16, 2020 were presented for consideration.

President Clay asked if there were any changes or additions to the June 16, 2020 Regular Meeting Minutes of June 16, 2020. Minor corrections were made.

It was **MOVED** by Trustee Burchardi, seconded by Trustee Rosenberg, and carried by a 5-0-0 roll call vote to approve the June 16, 2020 Regular Meeting Minutes as corrected.

**VIII. CONSENT AGENDA:**

The Consent Agenda Report was provided in the Board packet.

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

It was **MOVED** by Trustee Rosenberg, seconded by Trustee Burchardi, and carried by a 5-0-0 roll call vote 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 June via email. She also explained that the reports were posted on the District's website in the Board packet materials for anyone wishing to follow along or receive a copy.

Ms. Martone reviewed the Statement of Revenues and Expenses for the month of June. She reported the revenues exceeded expenses by \$397,032.55 for the month of June and

the year-to-date net income is \$2,848,539.75. She explained that the report represented the unaudited close of the 2019/20 fiscal year. Ms. Martone indicated that the year-end total will be adjusted as invoices from vendors and consultants continue to be submitted for work that was completed prior to June 30<sup>th</sup>. She explained that the annual audit will be conducted in late August or early September. Ms. Martone reminded the Board that a portion of the year-end net income will be earmarked for expenses related to the annual State Water Project, Series A Bond, and Safety of Dams payments due each year and any remaining balance would be assigned to the Board-adopted reserves for Repair and Replacement and Plant Expansion projects.

b) Approval of Accounts Payable

Ms. Martone reported that the Board was provided the Warrant List for June 17, 2020 through July 21, 2020 via email, and it was posted on the District's website in the Board packet materials for anyone wishing to receive a copy.

The Board reviewed the Warrant List which covered warrants 23195 through 23257 for the period of June 17, 2020 through July 21, 2020 in the amount of \$698,512.73.

It was **MOVED** by Trustee Rosenberg, seconded by Trustee Burchardi, and carried by a 5-0-0 roll call vote to approve the Warrant List for June 17, 2020 through July 21, 2020 as presented.

c) Water Service Late Penalties

Mr. Garcia stated that since the inception of the COVID-19 pandemic the Board has temporarily suspended late penalties on past due customer accounts beginning in April. He explained that at the Board's direction, this matter is being brought back for discussion and reconsideration. Mr. Garcia reviewed the cumulative amounts of past due charges, as well as the amount of penalties that have been waived to date.

Board discussion ensued and comments included cumulative total of penalties that have been waived to date, the amount of outstanding water service charges, the number of customer calls requesting assistance, the financial impacts to the District, the process and options for collecting past due accounts, and projecting an average to identify what past due amounts could accrue through the end of the year.

It was **MOVED** by Trustee Parker, seconded by Trustee Clay, and carried by a 5-0-0 roll call vote to direct staff to continue the suspension of late penalties on the past due customer accounts for the July billing cycle and to revisit the matter at the August Board meeting.

**B. OPERATIONS AND MAINTENANCE:**

a) 2019 Consumer Confidence Report – Annual Water Quality Report required by Federal and State Regulations to Protect Public Drinking Water

The Board packet included the 2019 Annual Water Quality Report.

Mr. Eric Tambini, Water Resources Manager, explained that the District is required by state and federal drinking water regulations to prepare and distribute a consumer confidence report, otherwise known as the Annual Water Quality Report. He stated that the law specifies certain content be included in the report and requires water agencies to distribute these reports to all of their customers annually by July 1<sup>st</sup>. Mr. Tambini explained that the report includes information on the source(s) of water, the level(s) of any contaminants detected in the water, and compliance with other drinking water rules, as

well as some brief educational material. He informed the Board that the District met and exceeded all standards.

Mr. Tambini reported that the Annual Water Quality Report was submitted to the California Division of Drinking Water, posted on the District website, noticed on customer water bills, sent electronically to all customers and made available at the customer counter at the District office in accordance with State requirements.

Agenda item IX. B. b). was added - see above action on Agenda item IV. Additions or Corrections, if Any, to the Agenda.

b) Water Main and Facilities Replacement Agreement - Mattei's Project

Mr. Garcia stated that a Draft Water Main and Facilities Replacement Agreement was emailed to the Board of Trustees prior to the meeting.

Mr. Garcia reviewed the Mattei's Tavern Project that is currently underway at the historical site. He discussed the water service requirements for the Project, including the need to deepen the District's six inch mainline on Railway Avenue to accommodate the finished surface grades of the Project. Mr. Garcia stated that District staff has been on-site and participated in numerous conference calls with the Developer regarding Project details. Mr. Garcia stated that a Water Main and Facilities Replacement Agreement is required for the project. He reported that the proposed agreement requires that all water facility relocation, replacement, and improvements as described in the agreement are to be constructed at applicant's expense. Mr. Garcia explained that upon project completion a Dedication of Facilities will need to be completed and brought before the Board for approval and acceptance. He reported that the Developer is appreciative of the District's efforts to allow them to move forward with the Project and minimize loss of time. Mr. Garcia recommended the Board authorize the General Manager to execute the proposed agreement with the applicant.

After a brief discussion, it was **MOVED** by Trustee Rosenberg, seconded by Trustee Burchardi and carried by a 5-0-0 roll call vote to authorize the General Manager to execute the Water Main and Facilities Replacement Agreement for the Mattei's Project, in the same or substantially similar form, with the project applicant and to proceed according to its terms.

**X. 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 June 29, 2020 correspondence from Santa Barbara County Water Agency discussing a meeting scheduled with the US Bureau of Reclamation on July 13, 2020; US Bureau of Reclamation Meeting Agenda for July 13, 2020; and a July 14, 2020 Draft Amended Contract between the United States and Santa Barbara County Water Agency for Water Service from the Project.

Mr. Garcia explained that the U.S. Bureau of Reclamation (USBR) held a public teleconference meeting on July 13<sup>th</sup> to discuss an amendment to the current Cachuma Project Water Service Master Contract No. I75r-1802R. He reported that the District's Cachuma Contract Ad Hoc Committee, consisting of Trustees Burchardi and Parker, participated, along with Mr. Gary Kvistad, District Legal Counsel, District staff, Cachuma Project Member Units, and Santa Barbara County representatives. Mr. Garcia stated that

USBR sent the draft Amendment to the Santa Barbara County Water Agency (County), which was also forwarded to all Cachuma Project Member Units for review. He explained that the draft Amendment provides a short-term extension of the current Master Contract to allow time for the parties to negotiate the next long-term Cachuma Project Contract. Mr. Garcia reviewed the proposed amendments and reported that no action is required by the Board at this time. He stated that prior to the September 30<sup>th</sup> expiration date of the current Master Contract, the County will provide all Cachuma Member Units with their respective sub-contracts with the County for review. Mr. Garcia stated that the draft Member Unit Contract between ID No.1 and the County may be presented at the August or September meeting. Board discussion ensued. Trustees Burchardi and Parker commented on the USBR meeting and expressed appreciation to Mr. Kvistad for his participation in the meeting and wealth of knowledge regarding the Cachuma Project.

2. Cachuma Project Allocation Request for Water Year 2020-2021  
The Board packet included June 25 and 29, 2020 correspondence related to the Cachuma Project Water Year 2020/2021 Allocation Request.

Mr. Garcia reported that the Santa Barbara County Water Agency submitted the yearly allocation request for federal water on behalf of the Cachuma Member Units. The request was for a full allocation of 25,714 acre-feet. Mr. Garcia stated that USBR has not issued a response at this time; although he anticipates that the District will receive its full allocation of 10.31% due to the current capacity of Lake Cachuma.

3. CCWA Warren Act Contract for State Water Project Supplies in the Cachuma Project  
The Board packet included a July 15, 2020 letter from Central Coast Water Authority to the US Bureau of Reclamation Re: Contract No. 5-07-20-W1282 dated July 25, 1995.

Mr. Garcia summarized the background and purpose of the Warren Act Contract (Contract) for State Water Supplies in the Cachuma Project. He explained that this Contract is very important to both the South Coast and ID No.1 as it establishes how SWP supplies are moved through the system. He also explained that many believed the Contract was due to expire on July 25, 2020, thus USBR and the Central Coast Water Authority (CCWA) had begun negotiating a draft interim contract. Mr. Garcia indicated that the draft interim contract included major changes from what is currently in effect, with changed definitions, recitals, and other terms. Mr. Garcia explained that during the review process it was discovered that the July 25, 2020 expiration date was incorrect. The actual Contract expiration date is in June 2022 according to the Contract language. Now that no interim contract is required and the urgency is gone, efforts will be focused on negotiations for the next long-term contract to be adopted by June 2022.

## **B. SUSTAINABLE GROUNDWATER MANAGEMENT ACT**

1. Eastern Management Area Update  
The Board packet included a June 2020 Sustainable Groundwater Management Quarterly Newsletter No. 1; the May 21, 2020 Notice and Agenda for the Groundwater Sustainability Agency Eastern Management Area Meeting; and information regarding Eastern Management Area documents.

Mr. Garcia reported that the Eastern Management Area Groundwater Sustainability Agency (GSA) finalized and published its first newsletter with information related to the Santa Ynez River Groundwater Basin. Mr. Garcia stated that the newsletter was posted on ID No.1's website and sent out with the June water service billing to all customers. He reported that the newsletter was also distributed by the Santa Ynez River Water

Conservation District, City of Solvang, City of Buellton, and City of Lompoc. Mr. Garcia stated that all of the agencies in the three respective management areas are circulating information to the public to provide awareness of the Sustainable Groundwater Management Act. He stated the next regular meeting of the Eastern Management Area GSA will be held on August 27, 2020.

**XI. UPDATE FROM ALTERNATIVE POWER/SOLAR AD HOC SUBCOMMITTEE:**

Mr. Garcia reported that Trustees Joos and Rosenberg who serve on the Alternative Power/Solar Ad Hoc Committee (Committee) met and discussed their efforts in pursuing opportunities for alternative power sources to potentially reduce power costs for the District. Trustee Rosenberg reported on the Committee's goal and the information that has been collected thus far. Trustee Rosenberg indicated that three solar companies have been contacted to begin discussions on the District's objectives. He stated that in order to proceed with gathering proposals from each company, the solar providers are requesting additional site-specific information related to the District's infrastructure and power consumption. Discussion ensued on topics such as the pros and cons of solar power; upfront and ongoing costs associated with solar power; site specific locations; and the possibility of selling solar power. Mr. Garcia recommended that a Nondisclosure Agreement be developed prior to releasing information to the solar companies to protect the District. Mr. Garcia indicated that the Central Coast Water Authority (CCWA) Board Meeting on July 23<sup>rd</sup> will include a presentation regarding a proposed solar project at CCWA, and he encouraged the Ad Hoc Committee members to attend that meeting via teleconference. Mr. Garcia stated that he would provide the CCWA Board materials to the Ad Hoc Committee members. Trustee Rosenberg requested this item be included on the next agenda to provide updates to the Board.

**XII. 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:**

The Board packet included the Family Farm Alliance Monthly Briefing for the month of June 2020.

Trustee Clay stated that he had attended the Central Coast Water Authority Board of Directors teleconference meeting on June 25th and provided a review of topics discussed at the meeting.

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

The Correspondence list was received by the Board.

**XIV. 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 August Meeting.

**XV. NEXT MEETING OF THE BOARD OF TRUSTEES:**

President Clay stated the next Regular Meeting of the Board of Trustees is scheduled for August 18, 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 forty-five (45) minutes to allow the Board to convene into Closed Session. He explained that the public participation video and phone lines would be reopened forty-five (45) 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 6:45 p.m. to report any action taken during Closed Session.

**XVI. CLOSED SESSION:**

The Board adjourned at 5:57 for a brief recess. At 6:00 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 – 3 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
3. Name of Case: Cachuma Operation and Maintenance Board v. Santa Ynez River Water Conservation District, Improvement District No.1, Santa Barbara County Superior Court Case No. 19CV01873

**XVII. 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 6:45 p.m. Ms. Martone conducted roll call and reported that Trustees Parker, Joos, and Burchardi were present and Trustees Clay and Rosenberg were absent for the reconvening of Open Session apparently due to technical difficulties.

Mr. Garcia announced that the Board met in Closed Session concerning Agenda Items XVI.A.1-3. He stated that there was no reportable action on items XVI.A.1 & 2.

Mr. Garcia stated that under Item XVI.A.3, the Board considered and took action to approve the First Amendment to the Cachuma Operation and Maintenance Board Joint Powers Authority Separation Agreement by a roll call vote of 4-0-0, with Trustee Rosenberg absent during Closed Session.

**XVIII. ADJOURNMENT:**

Being no further business, it was **MOVED** by Trustee Burchardi, seconded by Trustee Joos, and carried by a 3-0-0 roll call vote, with Trustees Rosenberg and Clay absent, to adjourn the meeting at approximately 6:54 p.m.

**THE JULY 21, 2020 REGULAR MEETING MINUTES WERE APPROVED AT THE AUGUST 18, 2020 REGULAR MEETING.**