

VIII. CONSENT AGENDA:

The Consent Agenda report was provided in the Board packet.

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

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

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

A. DISTRICT ADMINISTRATION

1. Personnel Snapshots

a) Lydia Cardenas – Water Resources Associate

Mr. Garcia reported that this was the second presentation of Personnel Snapshots in a series that will be presented to the Board. He stated the Personnel Snapshots are intended to provide an opportunity for the District Team to introduce themselves to the Board and to the public, discuss their experience, and highlight their respective areas of responsibility at the District. Mr. Garcia introduced Ms. Lydia Cardenas, Water Resources Associate to the Board and public.

Ms. Cardenas addressed the Board and public and provided her previous work history, experience, special certifications, and roles and responsibilities at the District. The Board members expressed their appreciation and thanked Ms. Cardenas for her professional capabilities and dedication to the District.

2. Anonymous Success Story

Mr. Garcia reported on a leak that occurred on a District customer's property. He stated the customer's account was flagged for high use during the meter reading process which suggested that a significant leak was occurring on the property. Mr. Garcia explained that the customer, who was unaware of the high use, was contacted by staff to investigate the high use for a potential leak. He indicated that the property owner was able to locate and fix a leak found on his property. Mr. Garcia reported that he spoke with the customer regarding the leak and the high cost of the bill resulting from the leak. During the discussion the property owner relayed that he had recently drilled a well on his property, which appeared to be the cause of the leak. Mr. Garcia stated that following this call with the property owner, the well drilling contractor came into the District office to speak with him. The well driller indicated that he was responsible for the leak that occurred on the customer's property, and therefore he would like to pay the customer's water use bill. Mr. Garcia thanked him for his honesty, integrity, and willingness to take ownership for the leak and resulting water bill. He also acknowledged the property owner for his honesty related to the well drilling being the likely cause of the water leak. Mr. Garcia stated this was an extraordinary circumstance with a positive outcome.

Ms. France Komoroske provided public comment to the Board.

3. Financial Report on Administrative Matters

a) Presentation of Monthly Financial Statements – Revenues and Expenses

The Board was provided the Statement of Revenues and Expenses for the month of January.

Ms. Martone reviewed the Statement of Revenues and Expenses for the month of January. She reported the expenses exceeded the revenue by \$65,191.98 and the year-to-date net income was \$1,766,557.90. She explained that all accumulated revenues during

the fiscal year will be earmarked and utilized for the annual State Water Project and COMB Bond payments due in June 2020.

- b) Approval of Accounts Payable
The Warrant List was provided in the handout material for Board action. The Warrant List covered warrants 22874 through 22932, for the period of January 29, 2020 through February 18, 2020, in the amount of \$292,761.73.

It was MOVED by Trustee H. Burchardi, seconded by Trustee Clay and carried by a 4-0-0 voice vote, with Trustee M. Burchardi absent, to approve the Warrant List as presented.

- c) FY 2019/2020 Six-Month Budget Update
The Board packet included the FY 2019/2020 Six Month Budget Update.

Ms. Martone reviewed the Six-month Budget Update. She highlighted each budget category and explained that the budget balance reflected revenues exceeding expenses by \$1,469,058.76 six months into the 2019/20 fiscal year. Ms. Martone explained that water sales were up during the first six months of the fiscal year due to typical high use months occurring July-December. She indicated that water sales will decline over the remaining six months of the fiscal year. Ms. Martone emphasized that the second half of the fiscal year will also reflect higher expenses related to completion of Construction in Progress items. Ms. Martone stated the overall revenue outlook remains stable at this point in the fiscal year.

- d) Quarterly Balance Sheet inclusive of Reserve Accounts – December 31, 2019
The Board packet included the December 31, 2019 Balance Sheet by Net Position Category and Statement of Changes in Cash and Investments.

Ms. Martone presented the December 31, 2019 Quarterly Balance Sheet Summary, Reserve Balance Summary and Detailed Reserve Summary. She explained the detail within each line-item, the allocation of the reserves, reserve funding activity during the quarter, and the bottom-line net position. Ms. Martone reported the assets and liabilities balance at December 31, 2019 is \$34,332,067.06.

4. Attorneys Fees Settlement: Santa Barbara County Superior Court Case No. 18CV05437, Santa Ynez River Water Conservation District, Improvement District No.1 v. Holland, et al.

Mr. Garcia reported on the settlement reached with Santa Barbara County related to the SYRWCD, ID No.1 v. Holland case. He explained that the Court ruling ensured that going forward the County Elections Office will be required to follow the Water Code candidacy requirements for elections to the District's Board of Trustees. He stated that the District evaluated its options for seeking recovery of legal fees expended on the lawsuit and determined the best course of action, instead of further litigation, was to enter into a stipulated settlement agreement with the County. He stated that the final settlement amount for attorney fees was \$77,000. Mr. Garcia explained that this amount was less than what was set forth in the District's motion for attorneys' fees, although the settlement reflects a reasonable and good faith effort by both the County and the District to settle the matter amicably. Mr. Garcia expressed his appreciation to the Board of Trustees, legal counsel for the District, County Counsel's Office, and the County Board of Supervisors. He stated this matter is now concluded. The Board members provided comments and expressed their appreciation to Mr. Garcia for his participation in this process.

Ms. France Komoroske provided public comment to the Board.

B. OPERATIONS AND MAINTENANCE

1. Update from Water Resources Manager

Mr. Eric Tambini, Water Resources Manager, reported on the District's current capital projects. He explained that staff is currently coordinating with Tierra Contracting and Santa Barbara County for the Phase 2 Lateral Replacement project. Mr. Tambini stated that affected customers have been notified by door tags, text messages, emails and automated phone calls of the scheduled work that will occur in their areas. He stated work will commence once the road encroachment permits are received from Santa Barbara County.

Mr. Tambini stated he is also coordinating the SCADA System software upgrade project. He explained the purpose of the SCADA system, and stated the Request for Proposals was sent out at the end of January with a deadline of March 13th. He indicated that the Board likely would review bid results at the March Meeting.

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

Mr. Garcia reported that there was no new information to report on the 2020 Water Service Contract at this time. He stated that there is a quarterly meeting of the Santa Barbara County Water Purveyors Meeting scheduled for March 12, 2020 following the CCWA Operating Committee Meeting.

B. SUSTAINABLE GROUNDWATER MANAGEMENT ACT

1. Update for Eastern Management Area

Mr. Garcia reported the next meeting of the Groundwater Sustainability Agency for the Eastern Management Area is scheduled for February 27, 2020 at 6:30 p.m. at the Solvang City Council Chambers. Mr. Garcia summarized of some of the topics that will be discussed at the meeting and encouraged all members of the public to become and remain engaged in the SGMA process.

XI. 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:

Mr. Garcia summarized the report items included in the Board packet, including a news article and ACWA Regulatory Alert regarding the State Water Resources Control Board lowering response levels for PFOA & PFOS, Senate Bill 756, the January 2020 Family Farm Alliance Monthly Briefing, and Federal Bill 4723 "FISH Act of 2019."

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

The Correspondence list was received by the Board.

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

There were no requests from the board.

XIV. NEXT MEETING OF THE BOARD OF TRUSTEES:

President Clay stated the next Regular Meeting of the Board of Trustees is scheduled for March 17, 2020 at 3:00 p.m.

XV. CLOSED SESSION:

The Board adjourned at 5:26 p.m. for a brief recess. At 5:35 p.m. the Board reconvened and adjourned to closed session to discuss agenda items XV. A.

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

XVI. RECONVENE INTO OPEN SESSION:

[Sections 54957.1 and 54957.7 of the Government Code]

The Board reconvened to open session at 6:07 p.m. Mr. Garcia announced that the Board met in closed session concerning Agenda Items XV. A. He reported that there was no reportable action on Agenda Items XV. A.

XVII. ADJOURNMENT:

Being no further business, it was **MOVED** by Trustee Joos, seconded by Trustee Parker, and carried by a 4-0-0 voice vote, with Trustee M. Burchardi absent, to adjourn the meeting at 6:08 p.m.

THE FEBRUARY 18, 2020 REGULAR MEETING MINUTES WERE APPROVED AT THE APRIL 21, 2020 REGULAR MEETING.