

NOTICE AND AGENDA

Regular Meeting of the
BOARD OF TRUSTEES

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, IMPROVEMENT DISTRICT NO. 1
will be held at **3:00 P.M., TUESDAY, FEBRUARY 16, 2021**

VIDEO/TELECONFERENCE MEETING ONLY - NO PHYSICAL MEETING LOCATION

Public Participation:

Video: <https://zoom.us/j/92900399487>

Passcode: 180175

or

Teleconference Phone Number: 1-669-900-9128

Meeting ID: 929 0039 9487#

Pin Number 180175#

Video/Teleconference Meeting During Coronavirus (COVID-19) Emergency: 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 meeting will occur solely via video/teleconference as authorized by and in furtherance of Executive Order Nos. N-29-20 and N-33-20.

Important Notice Regarding Public Participation in This Meeting: For those who wish to provide public comment on an Agenda Item, or who otherwise are making a presentation to the Board of Trustees, please submit any and all comments and materials to the District via electronic mail at general@syrwd.org. All submittals must be received by the District no later than 5:00 p.m. on Monday, February 15, 2021, and should indicate “**February 16, 2021 Board Meeting**” in the subject line. To the extent practicable, public comments and materials received in advance pursuant to this timeframe will be read into the public record during the meeting. Public comments and materials not read into the record will become part of the post-meeting Board packet materials available to the public and posted on the District’s website.

In the interest of clear reception and efficient administration of the meeting, all persons participating in this video/teleconference are respectfully requested to mute their voices after dialing-in and at all times unless speaking.

1. **CALL TO ORDER AND ROLL CALL**
2. **PLEDGE OF ALLEGIANCE**
3. **REPORT BY THE SECRETARY TO THE BOARD REGARDING COMPLIANCE WITH THE REQUIREMENTS FOR POSTING OF THE NOTICE AND AGENDA**
4. **ADDITIONS OR CORRECTIONS, IF ANY, TO THE AGENDA**
5. **PUBLIC COMMENT** - Any member of the public may address the Board relating to any non-agenda matter within the District’s jurisdiction. The total time for all public participation shall not exceed fifteen (15) minutes and the time allotted for each individual shall not exceed three (3) minutes. The District is not responsible for the content or accuracy of statements made by members of the public. No action will be taken by the Board on any public comment item.
6. **CORONAVIRUS (COVID-19) UPDATE**
 - A. General Manager’s Report
7. **CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF JANUARY 19, 2021**
8. **CONSENT AGENDA** - All items listed on the Consent Agenda are considered to be routine and will be approved or rejected in a single motion without separate discussion. Any item placed on the Consent Agenda can be removed and placed on the Regular Agenda for discussion and possible action upon the request of any Trustee.
 - CA-1. Water Supply and Production Report
 - CA-2. Central Coast Water Authority Updates

9. 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
 - b) Approval of Accounts Payable
 - c) Best Best & Krieger LLP – Amendment to Agreement for Legal Services
2. Personnel Policy
 - a) Resolution No. 804 - 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

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

A. CACHUMA PROJECT

1. Water Service Contract No. I75r-1802R and I75r-1802RA – Santa Barbara County Water Agency Request for Long Term Contract

B. SUSTAINABLE GROUNDWATER MANAGEMENT ACT

1. Eastern Management Area Update

C. CENTRAL COAST WATER AUTHORITY

1. Update Regarding Proposed Amendments to the SWP Contract

11. UPDATE FROM ALTERNATIVE POWER/SOLAR AD HOC SUBCOMMITTEE

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

13. CORRESPONDENCE: GENERAL MANAGER RECOMMENDS FILING OF VARIOUS ITEMS

14. REQUESTS FOR ITEMS TO BE INCLUDED ON THE NEXT REGULAR MEETING AGENDA: Any member of the Board of Trustees may place an item on the meeting Agenda for the next regular meeting. Any member of the public may submit a written request to the General Manager of the District to place an item on a future meeting Agenda, provided that the General Manager and the Board of Trustees retain sole discretion to determine which items to include on meeting Agendas.

15. NEXT MEETING OF THE BOARD OF TRUSTEES: The next Regular Meeting of the Board of Trustees is scheduled for **March 16, 2021 at 3:00 p.m.**

16. CLOSED SESSION:

To accommodate the video/teleconferencing format of this meeting, the public participation access will be closed for sixty (60) minutes while the Board of Trustees convenes into closed session. Upon the conclusion of the 60-minute period, the public participation access will be reopened for the remaining Agenda Items. The Board will hold a closed session to discuss the following items:

A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

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

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

B. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

[Subdivision (d)(4) of Section 54956.9 of the Government Code – 1 case]

Public access to the meeting (Weblink, Dial-In Number, Passcodes above) will be reopened sixty (60) minutes after the Board of Trustees convenes into closed session.

17. **RECONVENE INTO OPEN SESSION**
[Sections 54957.1 and 54957.7 of the Government Code]

18. **ADJOURNMENT**

This Agenda was posted at 3622 Sagunto Street, Santa Ynez, California, and notice was delivered in accordance with Government Code Section 54950, specifically Section 54956. This Agenda contains a brief general description of each item to be considered. The Board reserves the right to change the order in which items are heard. Copies of the staff reports or other written documentation relating to each item of business on the Agenda are on file with the District and available for public inspection during normal business hours. A person who has a question concerning any of the Agenda items may call the District's General Manager at (805) 688-6015. Written materials relating to an item on this Agenda that are distributed to the Board of Trustees within 72 hours (for Regular meetings) or 24 hours (for Special meetings) before it is to consider the item at its regularly or special scheduled meeting(s) will be made available for public inspection at 3622 Sagunto Street, during normal business hours. Such written materials will also be made available on the District's website, subject to staff's ability to post the documents before the regularly scheduled meeting. If you challenge any of the Board's decisions related to the Agenda items above in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence to the Board prior to the public hearing. In compliance with the Americans with Disabilities Act, if you need special assistance to review Agenda materials or participate in this meeting, please contact the District Secretary at (805) 688-6015. Notification 72 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.



JOINT INFORMATION CENTER
(805) 696-1188
eocpiostaff@countyofsb.org

PRESS RELEASE
January 25, 2021

REGIONAL STAY AT HOME ORDER LIFTED STATEWIDE

*Santa Barbara County Moves to the Purple Tier
Allowing More Businesses to Open with Modifications*

(SANTA BARBARA, Calif.) – The California Department of Public Health issued guidance today lifting the Regional Stay at Home Order due to projected increasing ICU capacity. All California counties will return to the Blueprint for a Safer Economy and color-coded tiers. Santa Barbara County has returned to the Purple Tier and a Health Officer Order outlining the specific restrictions and allowances for Santa Barbara County businesses and residents will be issued. This Health Officer Order will take effect at 8 a.m. on January 26, 2020.

The Limited Stay at Home Order, which limits non-essential activities between the hours of 10 p.m. and 5 a.m., expires with the Regional Stay At Home Order ending.

"We are pleased the Stay at Home Order has been lifted and that California as a whole is moving in the right direction with decreasing hospitalizations and case counts. Now more businesses will be able to open in Santa Barbara. This is so important for the health of our community. In reference to this virus however, we have more work to do. Our case rates remain high and our ICU capacity is still very low. Please stay the course. Avoid gatherings, wear your face covering, and stay 6 feet from those you do not live with. We are getting closer, but this is not yet over." states Dr. Henning Ansorg, Public Health Officer for the County of Santa Barbara.

Santa Barbara County will continue to restrict gatherings of any size at this time. All businesses in Santa Barbara County, which are open or will be reopening, must follow all State guidance for their industry and self-certify that they are ready to reopen through completing the Online Self-Attestation.

Some additional businesses, which may reopen outdoors with modifications in the purple tier include personal care services, restaurants, gyms and fitness centers, movie theaters, museums, and zoos and aquariums. For more information about changes in the purple tier, visit <https://publichealthsb.org/purple-tier/>.

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Stay Connected:

County Public Health: www.PublicHealthSBC.org, [Twitter](#) and [Facebook](#)

County of Santa Barbara: www.CountyofSB.org, [Twitter](#), [Facebook](#)

2-1-1 Call Center: Dial 211 or outside the area, call (800) 400-1572

Community Wellness Team Information and Referral Line: (805) 364-2750

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**HEALTH OFFICER ORDER NO. 2021-12.1
COUNTY OF SANTA BARBARA**

**FOR THE CONTROL OF COVID-19
PHASED REOPENING WITHIN SANTA BARBARA COUNTY**

**Health Officer Order No. 2021-12.1 Supersedes and Replaces Health Officer Order
No. 2021-12**

Effective Date: January 26, 2021, 8:00 a.m. PDT

(Changes are underlined.)

Please read this Order carefully. Violation of or failure to comply with this Order may constitute a misdemeanor punishable by fine of up to \$1,000, imprisonment, or both, or result in administrative fines. (Health and Safety Code §§ 101029, 120295 et seq.; County Ord. No. 5120.) Violators are also subject to civil enforcement actions including fines or civil penalties per violation per day, injunctive relief, and attorneys' fees and costs.

This Health Officer Order No. 2021-12.1 supersedes and replaces Health Officer Order No. 2021-12 that was effective January 21, 2021. Nothing in this Health Officer Order supersedes State Executive Orders or State Public Health Officer Orders. COVID-19 industry specific guidance provided by the California Department of Public Health (CDPH) is available at: <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/Guidance.aspx#>

Summary: As allowed in State guidance issued October 9, 2020, this Health Officer Order allows private outdoor gatherings of no more than three households, but otherwise prohibits gatherings unless an exemption applies.

On January 25, 2021, the CDPH ended the State's Regional Stay At Home Order and the Limited Stay At Home Order because the four-week intensive care unit (ICU) capacity projections for the Southern California Region are above 15%. This State action allows all counties to return to the rules and framework of the Blueprint for a Safer Economy and color-coded tiers that indicate which activities and businesses are open based on local case rates and test positivity.

As of January 25, 2021, within the State COVID-19 reopening framework the State has classified the County of Santa Barbara as Tier One ("purple" or "widespread risk"); this is less restrictive for some Businesses and Activities than what was previously allowed under the Regional Stay At Home Order and the Limited Stay At Home Order that was in effect in Santa Barbara County between December 6, 2020 through January 25, 2021.

Consistent with the January 14, 2021 COVID-19 and Reopening In-Person Instruction Framework & Public Health Guidance for K-12 Schools in California, 2020-2021 School Year, this Health Officer Order allows schools and school-based

programs (TK-12 education) to remain open if already providing in-person instruction (Attachment A). Schools and school-based programs (TK-6) that are not currently open may reopen upon meeting the reopening requirements contained in the framework, as outlined at

https://www.cdph.ca.gov/Programs/CID/DCDC/CDPH%20Document%20Library/COVID-19/Consolidated_Schools_Guidance.pdf).

Consistent with the State Public Health Officer Order issued August 28, 2020, this Health Officer Order allows the reopening of some, but not all, Businesses within the County of Santa Barbara. To align with the State's required framework under the "purple" tier, this Health Officer Order reduces capacity allowances for some Businesses. Businesses that may remain open, or open indoor operations with modifications include, but are not limited to: barbershops and hair salons; personal care services such as nail salons, massage therapy, and body art, as listed in Attachment A. All Businesses (as defined) must follow State and local orders.

Consistent with the State Public Health Officer Order issued August 28, 2020, and to align with the State's required framework under the "purple" tier, this Health Officer Order maintains the closure of indoor operations for some Businesses such as restaurants, wineries, movies, museums, zoos, gyms and fitness centers, places of worship, protests, and offices that are non-essential as listed in Attachment A. Businesses that must stay closed and are not allowed to reopen physical locations at this time are listed in the Attachment B, as well as Activities (as defined) that are not allowed at this time are listed in the Attachment B.

WHEREAS, on March 4, 2020, Governor Newsom declared a state of emergency for conditions caused by a novel coronavirus, COVID-19, and on March 11, 2020, the World Health Organization declared COVID-19 a global pandemic, and on March 12, 2020, the County of Santa Barbara declared a local emergency and a local health emergency in relation COVID-19 in the community; and

WHEREAS, in the County of Santa Barbara as well as throughout California and the nation, there are insufficient quantities of critical healthcare infrastructure, including hospital beds, ventilators and workers, capable of adequately treating mass numbers of patients at a single time – should the virus spread unchecked; and

WHEREAS, in direct response to the lack of healthcare infrastructure, governments across the nation are taking actions to slow the spread of COVID-19 in order to "flatten the curve" of infection and reduce the numbers of individuals infected at any one time by minimizing situations where the virus can spread; and

WHEREAS, in furtherance of this effort, on March 19, 2020, Governor Newsom issued Executive Order N-33-20 requiring all persons residing in the State to remain in their homes or places of residence, except as needed to maintain the continuity of operations for critical infrastructure (the "State Stay-at-Home Order"); and

WHEREAS, also on March 19, 2020, the State Public Health Officer ordered all individuals living in the State of California to stay home or at their place of residence, except as needed to maintain continuity of operations for the federal critical infrastructure sectors, which was updated on March 28, 2020; and

WHEREAS, on March 20, 2020, the State Public Health Officer designated a list of Essential Critical Infrastructure Workers, to help state, local, tribal, and industry partners as they work to protect communities, while ensuring continuity of functions critical to protect public health and safety, which was updated on March 22, 2020; and

WHEREAS, on May 4, 2020, Governor Newsom issued Executive Order N-60-20 to allow reopening of lower-risk businesses and spaces in stages. On May 7, 2020, the State Public Health Officer ordered that upon certification of a variance application a County could move through the stages of reopening at their own pace. On May 20, 2020, the CDPH approved the County of Santa Barbara's Variance Attestation; and

WHEREAS, on July 1, 2020, CDPH instructed counties which had been on the State's County Monitoring list for more than three consecutive days to immediately close all bars, breweries, pubs and brewpubs, as well as indoor operations of Businesses for specified industries and sectors. On July 13, 2020, the State Public Health Officer ordered counties which had been on the State's County Monitoring list for more than three consecutive days to close indoor operations of: gyms and fitness centers; places of worship; protests; offices for non-essential critical infrastructure sectors defined at covid19.ca.gov; personal care services (including nail salons, massage parlors, and tattoo parlors); hair salons and barbershops; and malls; and

WHEREAS, on July 13, 2020, CDPH mandated that all CDPH industry or sector guidance issued must be followed including all infectious control measures, and the use of face coverings both indoors and outdoors in certain settings; and

WHEREAS, on August 28, 2020, the State Public Health Officer ordered an update to the framework for reopening, which is known as California's Plan for Reducing COVID-19 and Adjusting Permitted Sector Activities to Keep Californians Healthy and Safe. Governor Newsom introduced this framework as the Blueprint for a Safer Economy, with a four-tiered color-coded county classification system: (1) purple represents the highest widespread risk level; (2) red represents substantial risk; (3) orange represents moderate risk; and, (4) yellow the lowest level, represents minimal risk; and

WHEREAS, On August 31, 2020, the County was classified as a Tier One, "purple", the highest widespread risk tier. From September 29, 2020 through November 16, 2020, the County of was classified as Tier Two, "red". On November 16, 2020, the County was classified back to Tier One, "purple"; and

WHEREAS, on December 3, 2020, and through a supplemental State Order on December 6, 2020, the State ordered the County through the Regional Stay At Home

Order to close sectors except those supporting essential critical infrastructure sectors and limited retail operations because the Southern California Region's ICU capacity was less than 15%; and

WHEREAS, on December 22, 2020 the State issued a supplement to its November 19, 2020 Limited Stay At Home Order in which the State required Retail Businesses not identified as essential on the State's Essential Workforce and Sector index to cease operations between the hours of 10:00 p.m. and 5:00 a.m. PST; and

WHEREAS, on January 25, 2021 the State lifted the Regional Stay At Home Order and the Limited Stay At Home Order for all regions in the State, including the Southern California Region, based on projected ICU capacity of 15% or greater; and

WHEREAS, on January 25, 2021 the State notified the County that effective January 25, 2021 the County was classified in Tier One, the "purple" highest risk widespread tier under the Blueprint for a Safer Economy; and

WHEREAS, the County Health Officer finds: (1) the County has received repeated reports that some businesses and individuals have refused to comply with the State Stay-at-Home Order, State guidance, and/or local Health Officer Orders; (2) the reported activities are inconsistent with the State Stay-at-Home / Regional Stay At Home Order and/or Santa Barbara County's classification tier; (3) guidance for businesses and individuals is required to prevent the potential increased spread of COVID-19 which would add strain to the County of Santa Barbara health care system; (4) without the guidance and restrictions described herein some businesses or individuals are likely to continue to impair efforts at mitigating the spread of the illness both within the County and statewide; and (5) distinctions made in this Order are to minimize the spread of COVID-19 that could occur through proximity and duration of contact between individuals; and

WHEREAS, the intent of this Order is to order businesses in the County of Santa Barbara regarding operations under the State Regional Stay At Home Order and County of Santa Barbara's Tier One, "purple", widespread risk classification under California's Plan for Reducing COVID-19 and Adjusting Permitted Sector Activities to Keep Californians Healthy and Safe, and to slow the spread of COVID-19 to the maximum extent possible. All provisions of this Order should be interpreted to effectuate this intent.

ACCORDINGLY, UNDER THE AUTHORITY OF CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 101040, 101085, AND 120175, TITLE 17 CALIFORNIA CODE OF REGULATIONS SECTION 2501, THE HEALTH OFFICER OF THE COUNTY OF SANTA BARBARA ORDERS:

1. This Order 2021-12.1 is effective 8:00 a.m. (PDT) January 26, 2020 and continuing until 11:59 p.m. (PDT), on February 23, 2021 or until it is extended, rescinded, superseded, or amended in writing by the County of Santa Barbara Health Officer ("Health Officer"). This Order applies in the incorporated and unincorporated areas of Santa Barbara County ("County").

2. **Limited gatherings allowed.** As allowed in State guidance issued November 13, 2020, this Order allows limited gatherings as follows, unless an exemption applies:
 - a. A "gathering" is any event or convening that brings together people from different households in a single room or single space at the same time, such as an auditorium, stadium, arena, large conference room, meeting hall, cafeteria, or any other indoor or outdoor space, whether public or private.
 - b. Gatherings, unless exempted below, are allowed but must be private, and are limited to persons from no more than three households, and may only occur outdoors. Gathering participants must wear face coverings in compliance with State and local Orders and must maintain at least six feet of distance from people from other households. Persons who have any COVID-19 symptoms or are in quarantine or isolation due to a COVID-19 exposure, positive test result or diagnosis must not attend gatherings. In addition, all gatherings must comply with CDPH Guidance for the Prevention of COVID-19 Transmission for Gatherings issued November 13, 2020.
 - c. **Gathering exemptions.** All gatherings that are exempt must comply with State Executive Orders, State Public Health Orders, and State guidance available at [covid19.ca.gov](https://www.cdph.ca.gov), and Santa Barbara County Health Officer Orders.
 - i. To the extent that Businesses are open, and activities allowed, individuals may leave their homes to work at, patronize, or otherwise engage with those Businesses, or activities, and must, when they do so, continue at all times to practice physical distancing, and follow State and Local Orders;
 - ii. The prohibition on gatherings does not apply to outdoor recreational activities when physical distancing of six feet can be maintained. Examples of recreational activities include, but are not limited to, walking, cycling, jogging, and hiking;
 - iii. The prohibition on gatherings does not apply to congregate living situations, including dormitories, and homeless encampments; and
 - iv. The prohibition on gatherings does not apply to outdoor worship services, outdoor wedding ceremonies, outdoor cultural ceremonies (religious and non-religious), outdoor protests, or outdoor political expression, when physical distancing of six feet can be maintained.
3. "Business" or "Businesses" for the purpose of this Health Officer Order is defined to mean any institution, establishment, public or private agency, for-profit, non-profit, or educational entity, whether an organization, corporate entity, partnership, or sole proprietorship.
4. "Activity" or "Activities" for the purpose of this Health Officer Order is defined to mean any behavior, action, or actions taken by an individual, group, or Business.
5. All Businesses except those listed in Attachment B, as attached hereto and incorporated by this reference, may, remain open or open, upon completion of, and in accordance with all of the following:

- a. Perform a detailed risk assessment including reviewing State and local guidance relevant to the Business and create a site-specific protection plan;
 - b. Train employees about how to limit the spread of COVID-19 including how to screen themselves for COVID-19 symptoms and when to stay home. COVID-19 symptoms are described in Attachment C;
 - c. Set up individual control measures and screenings;
 - d. Put disinfection protocols in place;
 - e. Observe "Face Covering" orders in effect from the local health officer and/or the California Department of Public Health;
 - f. If operating outdoors, a tent, canopy, or other sun shelter may be used in accordance with Section 10 Use of Temporary Structures for Outdoor Business Operations of this Order;
 - g. Complete the RISE attestation, including its social distancing protocol, and self-certification process at: <https://recoverysbc.org/reopen-your-business/>. (If a Business does not have access to the internet it can call 805-681-5508); and
 - h. Post the self-certification / RISE attestation at the Business location.
6. Businesses listed in Attachment A, as attached hereto and incorporated by this reference, are subject to the additional modifications described in Attachment A such as outdoor only operations or indoor capacity limits. For purposes of this Order, "capacity" means occupancy limits designated by the applicable Fire Marshall. Employees are excluded from the capacity limitations described in Attachment A.
7. Businesses listed in Attachment B, as attached hereto and incorporated by this reference, must keep physical locations closed. Activities listed in Attachment B are not allowed. Businesses and Activities listed in Attachment B may continue so long as those Businesses or Activities can occur remotely and without individuals physically present, unless an exception applies. Maintenance to prevent property damage of the Businesses listed in Attachment B is allowed. This list may be amended from time to time, as required for our region's response to COVID-19.
8. **Emergency Food Permit.** Breweries, bars, brewpubs, pubs, wineries, tasting rooms, and distilleries that serve alcoholic beverages but that do not currently have an on-site permitted food facility and would like to serve food:
- a. Must obtain an Emergency Food Permit issued by the Santa Barbara County Health Department to temporarily serve food.
 - b. A brewery, bar, brewpub, pub, winery, tasting room, or distillery in possession of an Emergency Food Permit issued by the Santa Barbara County Health Department may continue to temporarily serve food at their discretion, unless otherwise suspended, revoked, or terminated.
 - c. A brewery, bar, brewpub, pub, winery, tasting room, or distillery in possession of an Emergency Food Permit issued by the Santa Barbara County Health Department may cease operations of food service at their discretion, but in doing so may be subject to closure of the physical location.

9. **Use of Temporary Structures for Outdoor Business Operations:** All temporary structures constructed for outdoor business operations must comply with the California Department of Public Health guidance found at: <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Use-of-Temporary-Structures-for-Outdoor-Business-Operations.aspx>
- a. **Outdoor operations** are defined to include operations that are conducted under a tent, canopy, or other sun shelter, as long as no more than 50% of the structure's perimeter has impermeable walls, allowing sufficient, unrestricted outdoor air movement resulting in cross-ventilation. Such walls must be non-adjacent or non-continuous. Of note, doors, windows and other portals do not make a wall "non-continuous." Adjacent walls are walls that touch each other and form a corner.
 - b. **An impermeable wall** is defined as any material type that can reasonably restrict aerosols from passing through. A fabric curtain and a tarp or plastic barrier are considered an impermeable wall because the material would prevent aerosols from passing through.
 - c. **A permeable wall** is defined as one that is made of a material or design which does not significantly impede natural air flow. For example, barriers such as a lattice fence with widely separated slats or a coarse mesh screen will allow more air to flow freely and are not considered an impermeable wall. For a barrier to be considered permeable, air must be able to flow across the length and width of the barrier.
 - d. **Perimeter fencing or walls:** Any security barriers or other solid structures used to create a perimeter for a business can be no higher than three feet. Mesh fencing or other permeable materials that maintain cross-ventilation and do not significantly impede natural airflow may be used as a perimeter with no height restriction.

IN ADDITION TO THE ABOVE ORDER THE HEALTH OFFICER STRONGLY RECOMMENDS that retailers designate specific hours of operation for their stores to accommodate populations at high risk of developing severe COVID-19 disease, such as persons over the age of 65 years.

This Order is issued as a result of the worldwide pandemic of COVID-19 which has infected at least 100,285,420 individuals worldwide, in 218 countries and territories, including 27,149 cases, and 267 deaths in the County, and is implicated in over 2,149,460 worldwide deaths.

This Order is issued based on evidence of continued community-based transmission of COVID-19 both within the County and worldwide, scientific evidence regarding the most effective approach to slow transmission of communicable diseases generally and COVID-19 specifically, as well as best practices as currently known and available to protect the public from the risk of spread of or exposure to COVID-19.

This Order is issued because of the propensity of the virus to spread person to person and also because the virus physically is causing property loss or damage due to its proclivity to attach to surfaces for prolonged periods of time.

This Order is intended to reduce the likelihood of exposure to COVID-19, thereby slowing the spread of COVID-19 in communities worldwide. As the presence of individuals increases, the difficulty and magnitude of tracing individuals who may have been exposed to a case rises exponentially.

This Order is issued in accordance with, and incorporates by reference: the March 4, 2020 Proclamation of a State Emergency issued by Governor Gavin Newsom; the March 12, 2020 Declaration of Local Health Emergency and Proclamation of Emergency based on an imminent and proximate threat to public health from the introduction of novel COVID-19 in the County; the March 17, 2020 Resolution of the Board of Supervisors ratifying the County Declaration of Local Health Emergency and Proclamation of Emergency regarding COVID-19; the guidance issued on March 11, 2020 by the California Department of Public Health regarding large gatherings of 250 people or more; Governor Gavin Newsom's Executive Order N-25-20 of March 12, 2020 preparing the State to commandeer hotels and other places of temporary residence, medical facilities, and other facilities that are suitable as places of temporary residence or medical facilities as necessary for quarantining, isolating or treating individuals who test positive for COVID-19 or who have had a high-risk exposure and are thought to be in the incubation period; the March 13, 2020 Presidential Declaration of a National Emergency due to the national impacts of COVID-19; the guidance issued on March 15, 2020 by the Centers for Disease Control and Prevention, the California Department of Public Health, and other public health officials through the United States and around the world recommending the cancellation of gatherings involving more than fifty (50) or more persons in a single space at the same time; the March 16, 2020 order of the State Public Health Officer prohibiting all gatherings with expected presence above ten (10) individuals; Governor Newsom's Executive Order N-33-20 of March 19, 2020 ordering all persons to stay at home to protect the health and well-being of all Californians and to establish consistency across the state in order to slow the spread of COVID-19; the March 22, 2020, Presidential Declaration of a Major Disaster in California beginning on January 20, 2020 under Federal Emergency Management Agency (FEMA) Incident DR-4482-CA; Governor Newsom's Executive Order N-60-20 of May 4, 2020 to allow reopening of lower-risk businesses and spaces ("Stage Two"), and then to allow reopening of higher-risk businesses and spaces ("Stage Three"), and directing the Public Health Officer to establish criteria and procedures to determine whether and how particular local jurisdictions may implement public health measures that depart from the statewide directives of the State Public Health Officer; the May 7, 2020, State Public Health Officer Order; the July 13, 2020 State Public Health Officer Order; the August 28, 2020 State Public Health Officer Order called California's Plan for Reducing COVID-19 and Adjusting Permitted Sector Activities to Keep Californians Healthy and Safe; the November 13, 2020 CDPH Guidance for the Prevention of COVID-19 Transmission for Gatherings; and the January 25, 2021 lifting of the Regional and Limited Stay at Home Orders.

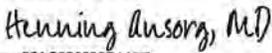
This Order is made in accordance with all applicable State and Federal laws, including but not limited to: Health and Safety Code sections 101040 and 120175; 101030 et seq., and 120100 et seq.; and Title 17 of the California Code of Regulations section 2501.

If any provision of this Order or the application thereof to any person or circumstance is held to be invalid by a court of competent jurisdiction, the remainder of the Order, including the application of such part or provision to other persons or circumstances, shall not be affected and shall continue in full force and effect. To this end, the provisions of this Order are severable.

The violation of any provision of this Order constitutes a threat to public health. Pursuant to Government Code sections 26602 and 41601 and Health and Safety Code sections 101029 and 120295, the Health Officer requests that the Sheriff and all chiefs of police in the County ensure compliance with and enforce this Order. Per Health and Safety Code section 101029, "the sheriff of each county, or city and county, may enforce within the county, or the city and county, all orders of the local health officer issued for the purpose of preventing the spread of any contagious, infectious, or communicable disease. Every peace officer of every political subdivision of the county, or city and county, may enforce within the area subject to his or her jurisdiction all orders of the local health officer issued for the purpose of preventing the spread of any contagious, infectious, or communicable disease. This section is not a limitation on the authority of peace officers or public officers to enforce orders of the local health officer. When deciding whether to request this assistance in enforcement of its orders, the local health officer may consider whether it would be necessary to advise the enforcement agency of any measures that should be taken to prevent infection of the enforcement officers."

Copies of this Order shall promptly be: (1) made available at the County Public Health Department; (2) posted on the County Public Health Department's website (publichealthsb.org); and (3) provided to any member of the public requesting a copy of this Order.

IT IS SO ORDERED:

DocuSigned by:

33AC023896D14C7...

Henning Ansorg, M.D.
Health Officer
Santa Barbara County Public Health Department

ATTACHMENT A
HEALTH OFFICER ORDER NO. 2021-12.1
COUNTY OF SANTA BARBARA

**Businesses that are subject to additional modifications such as
outdoor operations or indoor occupancy limits**

Businesses listed in this Attachment A must comply with the requirements in Section 5 of this Health Officer Order and the additional modifications described below. For purposes of this Order, "capacity" means occupancy limits designated by the applicable Fire Marshall. Employees are excluded from the capacity limitations described below.

1. Aquariums, outdoors only
2. Brewpubs, breweries, bars, and pubs must close until those establishments are allowed to resume operation per state guidance and local permission, unless they are providing sit-down, dine-in meals or takeout. Food and beverage service must follow the CDPH industry guidance for restaurants.
 - a. Brewpubs, breweries, bars, and pubs that provide sit-down meals must follow the CDPH dine-in restaurant guidance, shall offer only outdoor dining, and should continue to encourage takeout and delivery service whenever possible. No more than ten (10) people shall be together at one table or tables pushed together as one table. Diners at different tables must be separated by a minimum of six feet measured person-to-person.
 - b. Brewpubs, breweries, bars, pubs, distilleries, wineries and tasting rooms that do not provide bona fide meals, but wish to operate under this Order must obtain an Emergency Food Permit as described above.
 - c. Venues that are currently authorized to provide off sale beer, wine, and spirits to be consumed off premises and do not offer bona fide meals shall follow CDPH guidance for retail operations.
 - d. Producers of beer, wine, and spirits must follow CDPH guidance for manufacturing operations.
 - e. Retail at brewpubs, breweries, bars, pubs, distilleries, wineries and tasting rooms and restaurants is allowed. Retail activities must follow the guidance for retail operations with indoor occupancy limited to 20% of capacity and no onsite eating or drinking allowed.
 - f. This section also applies to bars located at permitted food facilities.
 - g. Nothing in this section supersedes state or local laws that may be applicable to brewpubs, breweries, bars, pubs, distilleries, wineries and tasting rooms.
 - h. Brewpubs, breweries, bars, pubs, distilleries, wineries and tasting rooms that do not offer bona fide meals or operate retail must close.
3. Cardrooms outdoors only
4. Cultural ceremonies outdoors only
5. Dance studios outdoors only

6. Education:
 - a. In-person higher education including technical schools, colleges, universities, adult education, and trade schools. Indoor lectures are prohibited. Courses offered in specialized indoor settings (e.g. labs, studio arts), whose design imposes substantial physical distancing on participants are permitted so long as the CDPH guidance for Institutions of Higher Education available at <https://files.covid19.ca.gov/pdf/guidance-higher-education--en.pdf> is followed. Distance learning is allowed.
 - b. TK-12 education schools and school-based programs may remain open if already providing in-person instruction. Schools and school-based programs (TK-6) that are not currently open may reopen in accordance with the January 14, 2021 COVID-19 and Reopening In-Person Instruction Framework and Public Health Guidance for K-12 Schools in California, 2020-2021 School year, as outlined at https://www.cdph.ca.gov/Programs/CID/DCDC/CDPH%20Document%20Library/COVID-19/Consolidated_Schools_Guidance.pdf.
7. Family Entertainment Centers (escape rooms, kart racing, miniature golf, batting cages, paintball, air soft facilities, laser tag) outdoors only
8. Fitness centers, gyms, and studios including but not limited to those for dance, yoga, pilates, crossfit, cycling, boxing, and martial arts and those at hotels, lodging, and short-term rentals, outdoors only
9. Grocery stores. Stand-alone grocery stores where the principal business activity is the sale of food may operate with indoor occupancy limited to 50% capacity
10. Libraries with indoor occupancy limited to 25% capacity. No on-site eating or drinking is allowed
11. Live music allowed only at restaurants, wineries, and tasting rooms as well as bars, breweries, brewpubs and pubs that have an emergency food permit from Environmental Health Services and are offering bona fide meals, with the following restrictions:
 - a. Performers must maintain at least six feet of physical distancing from spectators and other performers unless otherwise required;
 - b. Performers who are singing, shouting, playing a wind instrument, or engaging in similar activities without a face covering must maintain at least twelve feet of distance from spectators.
12. Movie Theatres outdoors only
13. Museums outdoors only
14. Outdoor playgrounds only when following the guidance provided by the California Department of Public Health available at: <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Outdoor%20Playgrounds%20and%20other%20Outdoor%20Recreational%20Facilities.aspx>
15. Places of worship outdoors only

16. Pools and spas, outdoors only. Drowning prevention classes, including swimming lessons provided by a licensed instructor, may occur in indoor and outdoor pools
17. Playgrounds, outdoors only
18. Protests and political expression, outdoors only
19. Raceways or racetracks without spectators outdoors only
20. Restaurants (dine-in) outdoors only, take-out and delivery allowed. No more than ten (10) people shall be together at one table or tables pushed together as one table. Diners at different tables must be separated by a minimum of six feet measured person-to-person.
21. Retail with indoor occupancy limited to 25% capacity
22. Shopping malls or swap meets with indoor occupancy limited to 25% capacity. Common areas and food court dining areas must remain closed. Food court food facilities may remain open for take-out or delivery.
23. Skating rinks, such as ice and roller, outdoors only. These facilities may operate on a reservation or appointment-only basis for individual physical fitness activities or skills training following the guidance provided for gyms and fitness centers. No open (public) skating, group practices or team / club events are allowed.
24. Organized sports and team sports including adult, amateur (non-professional) team sports, and indoor conditioning and drills are not allowed, except:
 - a. Professional sports without a live audience;
 - b. Youth sports and physical education when all of the following are maintained: (i) outdoors; (ii) physical distancing of at least six feet between participants can be maintained; (iii) it is a stable cohort, such as a class, that limits the risks of transmission; and (iv) in accordance with CDPH guidance for Outdoor and Indoor Youth and Recreational Adult sports available at <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/outdoor-indoor-recreational>.
 - c. Intercollegiate athletics in compliance with the CDPH Industry Sector Guidance for Institutions of Higher Education – Specific Interim Guidance for Collegiate Athletics available at <https://files.covid19.ca.gov/pdf/guidance-higher-education--en.pdf>.
 - d. Adult recreational sports when all of the following are maintained: (i) outdoors; (ii) physical distancing of at least six feet between participants can be maintained; (iii) stable cohorts; (iv) no spectators; and (v) in compliance with the CDPH Industry Sector Guidance for Outdoor and Indoor Youth and Recreational Adult Sports, as defined at <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/outdoor-indoor-recreational-sports.aspx>.
25. Wedding ceremonies (religious or non-religious) outdoors only are permitted so long as the CDPH guidance for Places of Worship and Providers of

Religious Services available at <https://files.covid19.ca.gov/pdf/guidance-places-of-worship.pdf> is followed. Indoor ceremonies are not allowed at this time. Occupancy at outdoor venues is limited by the natural limits of the venue that permit social distancing of six feet between people from different households. Receptions for weddings are not allowed.

26. Wineries and tasting rooms, outdoors only
27. Zoos outdoors only

ATTACHMENT B
HEALTH OFFICER ORDER NO. 2021-12.1
COUNTY OF SANTA BARBARA

Businesses that Must Keep Physical Locations Closed; Activities Not Allowed at This Time

1. Amphitheatres, concert halls and venues, performing arts centers
2. Amusement and theme parks
3. Arenas
4. Banquet halls
5. Bowling Alleys
6. Climbing walls
7. Community centers
8. Conference and convention centers
9. Dance halls, dances
10. Fairs, festivals, public exhibitions
11. Live performance venues, live theatre, live performances, live music, music events and concerts, except for outdoor live music at restaurants, wineries, and tasting rooms, as well as bars, breweries, brewpubs and pubs that have an emergency food permit from Environmental Health Services and are offering bona fide meals, with the following restrictions:
 - a. Performers must maintain at least six feet of physical distancing from spectators and other performers unless otherwise required;
 - b. Performers who are singing, shouting, playing a wind instrument, or engaging in similar activities without a face covering must maintain at least twelve feet of distance from spectators; and
 - c. Outdoors only.
12. Lounges
13. Nightclubs including private social clubs
14. Offices for non-essential critical infrastructure sectors, defined at covid19.ca.gov. Remote operations only are allowed
15. Parties and Receptions
16. Playgrounds, indoors
17. Rodeos and public equestrian events
18. Roller derby
19. Satellite wagering
20. Saunas and steam rooms
21. Sports stadiums and facilities (except as necessary for professional and intercollegiate sporting events without live audiences)
22. Swimming Pools and spas Indoors, except that drowning prevention lessons, including swimming lessons provided by a licensed instructor, may occur

ATTACHMENT C

HEALTH OFFICER ORDER NO. 2021-12.1 COUNTY OF SANTA BARBARA

COVID-19 SELF-EVALUATION

The County Health Officer has defined COVID-19 symptoms as follows:

Mild to Moderate Symptoms Related to or
Other Respiratory Illness such as:

Fever or Chills

Cough

Shortness of Breath or Difficulty Breathing

Fatigue

Muscle or Body Aches

Headache

New Loss of Taste and/or Smell

Sore Throat

Congestion or Runny Nose

Nausea or Vomiting

Diarrhea

HEALTH OFFICER ORDER NO. 2021-10
COUNTY OF SANTA BARBARA

FOR THE CONTROL OF COVID-19
FACE COVERINGS
WITHIN SANTA BARBARA COUNTY

Health Officer Order No. 2021-10 Supersedes and Replaces Health Officer Order No.
2020-10.7

Effective Date: January 22, 2021, 5:00pm PDT

(Changes are underlined.)

Please read this Order carefully. Violation of or failure to comply with this Order may constitute a misdemeanor punishable by fine of up to \$1,000, imprisonment, or both, or result in administrative fines. (Health and Safety Code §§ 101029, 120295 et seq.; County Ord. No. 5120.) Violators are also subject to civil enforcement actions including fines or civil penalties per violation per day, injunctive relief, and attorneys' fees and costs.

This Health Officer Order No. 2021-10 supersedes and replaces Health Officer Order No. 2020-10.7 that was effective December 24, 2020. Nothing in this Health Officer Order No. 2021-10 supersedes State Executive Orders or State Health Officer Orders or guidance provided by the California Department of Public Health available at: <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/Guidance.aspx#>

Summary: As required by the State Public Health Officer on November 16, 2020 this Health Officer Order orders individuals in the County of Santa Barbara to wear face coverings at all times when outside the home, with some exceptions, to control the spread of COVID-19.

WHEREAS, on March 4, 2020, Governor Newsom declared a state of emergency for conditions caused by a novel coronavirus, COVID-19, and on March 11, 2020, the World Health Organization declared COVID-19 a global pandemic, and on March 12, 2020, the County of Santa Barbara declared a local emergency and a local health emergency in relation COVID-19 in the community; and

WHEREAS, there has been significant community-based transmission in California; and

WHEREAS, in the County of Santa Barbara as well as throughout California and the nation, there are insufficient quantities of critical healthcare infrastructure, including hospital beds, ventilators and workers, capable of adequately treating mass numbers of patients at a single time – should the virus spread unchecked; and

WHEREAS, in direct response to the lack of healthcare infrastructure, governments across the nation are taking actions to slow the spread of COVID-19 in order to “flatten the curve” of infection and reduce the numbers of individuals infected at any one time by minimizing situations where the virus can spread; and

WHEREAS, in furtherance of this effort, on March 19, 2020, Governor Newsom issued Executive Order N-33-20 requiring all persons residing in the State to remain in their homes or places of residence, except as needed to maintain the continuity of operations for critical infrastructure (the "State Stay-at-Home Order"); and

WHEREAS, on May 4, 2020, Governor Newsom issued Executive Order N-60-20 to allow reopening of lower-risk businesses and spaces in stages. On May 7, 2020, the State Public Health Officer ordered that upon certification of a variance application a County could move through the stages of reopening at their own pace. On May 20, 2020, the California Department of Public Health (CDPH) approved the County of Santa Barbara's Variance Attestation; and

WHEREAS, on June 18, 2020, and revised on June 29, 2020, the CDPH mandated people in California to wear face coverings when they are in high-risk situations; and

WHEREAS, on August 28, 2020 the State Public Health Officer ordered an update to the framework for COVID-19 response, which is known as California's Plan for Reducing COVID-19 and Adjusting Permitted Sector Activities to Keep Californians Healthy and Safe. Governor Newsom introduced this framework as the Blueprint for a Safer Economy, in which counties are assigned into risk-based tiers based on the COVID-19 epidemiological information for each county; and

WHEREAS, as of November 17, 2020, within the State COVID-19 reopening framework the State classified the County of Santa Barbara as Tier One ("purple" or "widespread risk") which is more restrictive than what was previously allowed in Tier Two ("red" or "substantial risk"), that the County was in, between September 29, 2020 through November 16, 2020; and

WHEREAS, as of December 6, 2020, within the State COVID-19 reopening framework the State classified the Southern California Region, of which Santa Barbara County is a part, as subject to the Regional Stay At Home Order due to intensive care unit bed availability of less than 15% throughout the region, with additional restrictions placed on the County as a result; and

WHEREAS, the Centers for Disease Control and Prevention and the CDPH find the use of face coverings may reduce asymptomatic transmission of COVID-19 and reinforce physical distancing, and that wearing a face covering combined with physical distancing of at least six feet, and frequent hand washing, will lessen the risk of COVID-19 transmission by limiting the spread of respiratory droplets; and

WHEREAS, the County Health Officer finds (1) a significant portion of individuals with COVID-19 are asymptomatic and can transmit the virus to others; (2) those who may develop symptoms can transmit the virus to others before showing symptoms; (3) scientific evidence shows COVID-19 is easily spread and public activities can result in transmission of the virus; (4) face coverings are necessary because COVID-19 is highly contagious and is spread through respiratory droplets that are produced when an infected person coughs, sneezes, or talks. These droplets may land on other people or be inhaled into their lungs, may land on and attach to surfaces where they remain for days, and may remain viable in the air for up to three hours, even after the infected person is no longer present; (5) when worn properly, face coverings have the potential to slow the spread of the virus by limiting the spread of respiratory

droplets; and (6) distinctions made in this Order are to minimize the spread of COVID-19 that could occur through proximity and duration of contact between individuals; and

WHEREAS, the intent of this Order is to temporarily require the use of Face Coverings to slow the spread of COVID-19 in Santa Barbara County to the maximum extent possible. All provisions of this Order should be interpreted to effectuate this intent.

ACCORDINGLY, UNDER THE AUTHORITY OF CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 101040, 101085, AND 120175, TITLE 17 CALIFORNIA CODE OF REGULATIONS SECTION 2501, THE HEALTH OFFICER OF THE COUNTY OF SANTA BARBARA ORDERS:

1. This Order 2021-10 is effective 5:00 p.m. (PDT) January 22, 2021 and continuing until 5:00 p.m. (PDT), on February 20, 2020 or until it is extended, rescinded, superseded, or amended in writing by the County of Santa Barbara Health Officer ("Health Officer"). This Order applies in the incorporated and unincorporated areas of Santa Barbara County ("County").
2. As used in this Order, a "face covering" means a covering made of a variety of materials such as cloth, fabric, cotton, silk, linen, or other permeable materials, that fully covers the tip of a person's nose and mouth, without holes, including cloth face masks, surgical masks, towels, scarves, and/or bandanas. This Order does not require the public to wear medical-grade masks, including masks rated N95, KN95, and their equivalent or better.

A face covering with a one-way valve (typically a raised plastic cylinder about the size of a quarter on the front or side of the mask) that provides a preferential path of escape for exhaled breath shall not be used as a face covering under this Order because the valve permits respiratory droplets to easily escape which places others at risk.

3. People in the County shall wear face coverings when they are outside of the home, unless an exemption applies.
4. The following individuals are exempt from wearing face coverings in the following specific settings:
 - a. Persons in a car alone or solely with members of their own household.
 - b. Persons who are working in an office or in a room alone.
 - c. Persons who are actively eating or drinking provided that they are able to maintain a distance of at least six feet away from persons who are not members of the same household or residence.
 - d. Persons who are outdoors and maintaining at least 6 feet of social distancing from others not in their household. Such persons must have a face covering with them at all times and must put it on if they are within 6 feet of others who are not in their household.
 - e. Persons who are obtaining a service involving the nose or face for which temporary removal of the face covering is necessary to perform the service.
 - f. Workers who are required to wear respiratory protection.

- g. Persons who are specifically exempted from wearing face coverings by other CDPH guidance.
5. The following individuals are exempt from wearing face coverings at all times:
 - a. Persons younger than two years old. These very young children must not wear a face covering because of the risk of suffocation.
 - b. Persons with a medical condition, mental health condition, or disability that prevents wearing a face covering. This includes persons with a medical condition for whom wearing a face covering could obstruct breathing or who are unconscious, incapacitated, or otherwise unable to remove a face covering without assistance. Such conditions are rare.
 - c. Persons who are hearing impaired, or communicating with a person who is hearing impaired, where the ability to see the mouth is essential for communication.
 - d. Persons for whom wearing a face covering would create a risk to the person related to their work, as determined by local, state, or federal regulators or workplace safety guidelines.
 6. Persons exempted from wearing a face covering due to a medical condition who are employed in a job involving regular contact with others must wear a non-restrictive alternative, such as a face shield with a drape on the bottom edge, as long as their condition permits it.
 7. If you cannot afford a face covering one will be provided to you free-of-charge at the following locations:
 - a. Santa Barbara County Administration building lobby, 105 E Anapamu St, Santa Barbara
 - b. Santa Barbara Health Care Center, 345 Camino del Remedio, Santa Barbara
 - c. Santa Maria Health Care Center, 2115 Centerpointe Parkway, Santa Maria
 - d. Face coverings may also be available by calling 211 to access offers by community groups at no cost.
 - e. The Health Officer requests cities within the County of Santa Barbara provide face coverings free-of-charge to those cannot afford them.

This Order is issued as a result of the worldwide pandemic of COVID-19 which has infected at least 97,054,369 individuals worldwide, in 218 countries and territories, including 25, 083 cases, and 236 deaths in the County, and is implicated in over 2,076,289 worldwide deaths.

This Order is issued based on evidence of increasing transmission of COVID-19 both within the County and worldwide, scientific evidence regarding the most effective approach to slow transmission of communicable diseases generally and COVID-19 specifically, as well as best practices as currently known and available to protect the public from the risk of spread of or exposure to COVID-19.

This Order is issued because of the propensity of the virus to spread person to person and also because the virus physically is causing property loss or damage due to its proclivity to attach to surfaces for prolonged periods of time.

This Order is intended to reduce the likelihood of exposure to COVID-19, thereby slowing the spread of COVID-19 in communities worldwide. As the presence of individuals increases, the difficulty and magnitude of tracing individuals who may have been exposed to a case rises exponentially.

This Order is issued in accordance with, and incorporates by reference: the March 4, 2020 Proclamation of a State Emergency issued by Governor Gavin Newsom; the March 12, 2020 Declaration of Local Health Emergency and Proclamation of Emergency based on an imminent and proximate threat to public health from the introduction of novel COVID-19 in the County; the March 17, 2020 Resolution of the Board of Supervisors ratifying the County Declaration of Local Health Emergency and Proclamation of Emergency regarding COVID-19; the guidance issued on March 11, 2020 by the California Department of Public Health regarding large gatherings of 250 people or more; Governor Gavin Newsom's Executive Order N-25-20 of March 12, 2020 preparing the State to commandeer hotels and other places of temporary residence, medical facilities, and other facilities that are suitable as places of temporary residence or medical facilities as necessary for quarantining, isolating or treating individuals who test positive for COVID-19 or who have had a high-risk exposure and are thought to be in the incubation period; the March 13, 2020 Presidential Declaration of a National Emergency due to the national impacts of COVID-19; the guidance issued on March 15, 2020 by the Centers for Disease Control and Prevention, the California Department of Public Health, and other public health officials through the United States and around the world recommending the cancellation of gatherings involving more than fifty (50) or more persons in a single space at the same time; the March 16, 2020 order of the State Public Health Officer prohibiting all gatherings with expected presence above ten (10) individuals; Governor Newsom's Executive Order N-33-20 of March 19, 2020 ordering all persons to stay at home to protect the health and well-being of all Californians and to establish consistency across the state in order to slow the spread of COVID-19; the March 22, 2020, Presidential Declaration of a Major Disaster in California beginning on January 20, 2020 under Federal Emergency Management Agency (FEMA) Incident DR-4482-CA; and, Governor Newsom's Executive Order N-60-20 of May 4, 2020 to allow reopening of lower-risk businesses and spaces ("Stage Two"), and then to allow reopening of higher-risk businesses and spaces ("Stage Three"), and directing the Public Health Officer to establish criteria and procedures to determine whether and how particular local jurisdictions may implement public health measures that depart from the statewide directives of the State Public Health Officer; the July 13, 2020 State Public Health Officer Order; the August 28 State Public Health Officer Order regarding California's Plan for Reducing COVID-19 and Adjusting Permitted Sector Activities to Keep Californians Healthy and Safe (also known as the Blueprint for a Safer Economy); the November 16, 2020 California Department of Public Health Guidance for the Use of Face Coverings; the December 3, 2020 State Public Health Officer's Regional Stay At Home Order; and the December 6, 2020 State Public Health Officer's Supplement to the State Regional Stay At Home Order.

This Order is made in accordance with all applicable State and Federal laws, including but not limited to: Health and Safety Code sections 101040 and 120175; Health and Safety Code sections 101030 et seq., 120100 et seq.; and Title 17 of the California Code of Regulations section 2501.

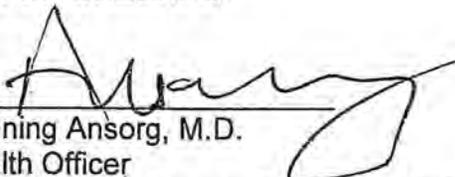
If any provision of this Order or the application thereof to any person or circumstance is held

to be invalid by a court of competent jurisdiction, the remainder of the Order, including the application of such part or provision to other persons or circumstances, shall not be affected and shall continue in full force and effect. To this end, the provisions of this Order are severable.

The violation of any provision of this Order constitutes a threat to public health. Pursuant to Government Code sections 26602 and 41601 and Health and Safety Code sections 101029 and 120295, the Health Officer requests that the Sheriff and all chiefs of police in the County ensure compliance with and enforce this Order. Per Health and Safety Code section 101029, "the sheriff of each county, or city and county, may enforce within the county, or the city and county, all orders of the local health officer issued for the purpose of preventing the spread of any contagious, infectious, or communicable disease. Every peace officer of every political subdivision of the county, or city and county, may enforce within the area subject to his or her jurisdiction all orders of the local health officer issued for the purpose of preventing the spread of any contagious, infectious, or communicable disease. This section is not a limitation on the authority of peace officers or public officers to enforce orders of the local health officer. When deciding whether to request this assistance in enforcement of its orders, the local health officer may consider whether it would be necessary to advise the enforcement agency of any measures that should be taken to prevent infection of the enforcement officers."

Copies of this Order shall promptly be: (1) made available at the County Public Health Department; (2) posted on the County Public Health Department's website (publichealthsb.org); and (3) provided to any member of the public requesting a copy of this Order.

IT IS SO ORDERED:



Henning Ansorg, M.D.
Health Officer
Santa Barbara County Public Health Department

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
IMPROVEMENT DISTRICT NO. 1
JANUARY 19, 2021 REGULAR MEETING MINUTES

Agenda Item 7.

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 19, 2021 via video/teleconference only due to the COVID-19 Emergency and Governor Newsom's Executive Orders.

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

Trustees Absent: None

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

1. 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 all members of the Board were present at roll call.

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 54950 and pursuant to District Resolution No. 340. 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 limiting public gatherings and requiring social distancing, the 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.

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

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

5. PUBLIC COMMENT:

President Clay welcomed any members of the public participating via video or telephonically and offered time for members of the public to speak and address the Board on matters not on the agenda. There were no comments received from the public. 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, January 18, 2021. Mr. Garcia reported that no written comments were submitted to the District for the meeting.

6. CORONAVIRUS (COVID-19) UPDATE:

A. General Manager's Report

The Board packet included the Santa Barbara County Health Officer Order Nos. 2020-12.17 and 2020-10.7 pertaining to COVID-19.

DRAFT

1 Mr. Garcia reported on the current activities related to the COVID-19 pandemic and the
2 District's actions. He summarized the most recent Santa Barbara County Health Officer
3 Orders that were included in the packet. He indicated that the Orders pertain to the phased
4 re-opening within Santa Barbara County and face covering requirements. Mr. Garcia
5 indicated that the District continues to maintain a conservative response plan, with the field
6 and front office staff being divided into two teams alternating each week. He stated that
7 staff continues to receive and review updates related to COVID-19 from federal, state,
8 regional, and local agencies.
9

10 7. CONSIDERATION OF THE MINUTES OF THE REGULAR MEETING OF DECEMBER 15, 2020

11 The Regular Meeting Minutes from December 15, 2020 were presented for consideration.
12

13 President Clay asked if there were any changes or additions to the Regular Meeting Minutes of
14 December 15, 2020. There were no changes or additions requested.
15

16 It was MOVED by Trustee Burchardi, seconded by Trustee Parker, and carried by a 5-0-0 roll call
17 vote to approve the December 15, 2020 Regular Meeting Minutes as presented.
18

19 8. CONSENT AGENDA:

20 The Consent Agenda Report was provided in the Board packet.
21

22 Mr. Garcia reviewed the Consent Agenda materials for the month of December.
23

24 It was MOVED by Trustee Joos, seconded by Trustee Burchardi, and carried by a 5-0-0 roll call
25 vote, to approve the Consent Agenda.
26

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

29 A. DISTRICT ADMINISTRATION: -
30

31 1. Financial Report on Administrative Matters

32 a) Presentation of Monthly Financial Statements - Revenues and Expenses

33 Ms. Martone announced that the Board was provided the Statement of Revenues and
34 Expenses for the month of December via email. She also explained that the reports
35 were posted on the District's website in the Board packet materials for any members
36 of the public wishing to follow along or receive a copy.
37

38 Ms. Martone reviewed the Statement of Revenues and Expenses for the month of
39 December. She highlighted various line-items related to revenue and expense
40 transactions that occurred during the month. Ms. Martone reported that revenues
41 exceeded expenses by \$580,461.08 for the month and the year-to-date net income was
42 \$1,406,446.50, which will be earmarked and utilized for the District's annual State Water
43 Project and COMB (Series 2004A) Bond payments.
44

45 b) Approval of Accounts Payable

46 Ms. Martone reported that the Board was provided the Warrant List for December 16,
47 2020 through January 19, 2021 via email, and that it was posted on the District's
48 website in the Board packet materials for any member of the public wishing to follow
49 along or receive a copy.
50

51 The Board reviewed the Warrant List which covered warrants 23559 through 23623 in
52 the amount of \$381,726.31.
53

54 It was MOVED by Trustee Burchardi, seconded by Trustee Clay, and carried by a 5-0-
55 0 roll call vote, to approve the Warrant List for December 16, 2020 through January 19,
56 2021.

1
2 c) Six-Month FY 2020-2021 Budget Update

3 The Board packet included the six-month FY 2020-2021 budget update.
4

5 Ms. Martone reviewed the six-month budget update. She highlighted each budget
6 category and explained that the budget balance reflected revenues exceeding expenses
7 by \$1,349,131.94 six months into the 2020-2021 fiscal year. Ms. Martone explained that
8 water sales were up during the first six months of the fiscal year due to typical high
9 use months occurring July-November. She indicated that water sales are anticipated
10 to decline over the remaining six months of the fiscal year. Ms. Martone emphasized
11 that the second half of the fiscal year will likely reflect increased expenses related to
12 completion of Capital Improvement Projects such as the SCADA Replacement Project,
13 a portion of the Meter Replacement Project, and purchases of capital assets. She
14 reported that management and staff continue to prioritize and plan completion of
15 capital projects while considering the unknown factors of COVID-19 as we enter into
16 the last six months of the budget cycle. Ms. Martone reiterated to the Board that the
17 overall revenue outlook remains stable at this point in the fiscal year.
18

19 d) Quarterly Balance Sheet inclusive of Reserve Accounts - December 31, 2020

20 The Board packet included the Quarterly Balance Sheet inclusive of the Reserve
21 Accounts at December 31, 2020.
22

23 Ms. Martone presented the December 31, 2020 Quarterly Balance Sheet and Reserve
24 Balance Summaries. She explained the detail within each line-item, the allocation of
25 the reserves, reserve funding activity during the quarter, and the bottom-line net
26 position. Ms. Martone reported that the District's assets and liabilities balanced at
27 \$37,177,793.77 and the Board-restricted reserve balance was \$8,696,329.91 at December
28 31, 2020. She explained that the Board-restricted reserve balance will be reduced by
29 approximately \$2,400,000 at June 30, 2021 when the District pays its annual State
30 Water Project and Series 2004A Bond payments.
31

32
33 Ms. Martone indicated that the 2018/2019 and 2019/2020 fiscal years resulted in
34 surplus revenues due to unexpended capital improvement projects. She explained
35 that management has reviewed the District's unrestricted fund balance at December
36 31, 2020 and recommended that the Board consider transferring \$4,100,000 to be split
37 equally at \$2,050,000 between the Repair and Replace and the Plant Expansion Board-
38 reserved funds.
39

40 After a brief discussion, it was **MOVED** by Trustee Joos, seconded by Trustee
41 Burchardi, and carried by a 5-0-0 roll call vote, to authorize the transfer of \$4,100,000
42 of unrestricted cash, to be split equally at \$2,050,000 to be added to the Repair and
43 Replace and Plant Expansion Board-restricted reserve accounts.
44

45 e) Continuing Disclosure Document & Rate Covenant Coverage for 2020 Series "A"
46 CCWA Bond

47 Ms. Martone reported that pursuant to the Central Coast Water Authority Bond
48 Indenture, the District is required to annually submit financial information to the Bond
49 Trustees to ensure that the District is complying with the 125% rate covenant
50 requirement of the Bond. Ms. Martone explained that the District met and exceeded
51 the rate covenant requirement at 195%. She reported that the District submitted Fiscal
52 Year 2019-2020 disclosure information to CCWA by the January 8th deadline. Ms.
53 Martone stated that staff will be preparing similar information for the 2004 Series A
54 Bond which will be submitted in March.
55

1 f) Brownstein, Hyatt, Farber & Schreck – Amendment to Agreement for Legal Services
2 Mr. Garcia reported that the District received a letter dated January 11, 2021 from
3 Brownstein, Hyatt, Farber & Schreck (BHFS), as provided in the Board packet,
4 pertaining to a fee adjustment for legal services provided to the District. He reviewed
5 the letter that discusses the modified hourly rates which will go into effect for legal
6 services beginning January 2021. Mr. Garcia stated that BHFS's last rate adjustment
7 was six years ago. He indicated that staff was in support of the letter received from
8 BHFS.
9

10 Mr. Garcia recommended acceptance of the fee adjustment as set forth in the
11 amended agreement for legal services with Brownstein, Hyatt, Farber and Schreck,
12 LLP.
13

14 It was MOVED by Trustee Clay, seconded by Trustee Burchardi, and carried by a 5-0-
15 0 roll call vote to accept and approve the fee schedule as reflected in the January 11,
16 2021 letter from Brownstein, Hyatt, Farber and Schreck, LLP.
17

18 Mr. Garcia expressed his appreciation to Mr. Gary Kvistad and the Brownstein,
19 Hyatt, Farber and Schreck firm for their exceptional level of legal services and
20 support provided to the District over the years. The Board members also expressed
21 their appreciation to Mr. Gary Kvistad.
22

23 **10. REPORT, DISCUSSION, AND POSSIBLE BOARD ACTION ON THE FOLLOWING SUBJECTS:**

24 **A. CACHUMA PROJECT**

- 25 1. Water Service Contract No. I75r-1802R and I75r-1802RA – Santa Barbara County Water
26 Agency Request for Long Term Contract
27 The Board packet included letters dated May 2, 2017 and December 17, 2020 from the
28 County of Santa Barbara to the U.S. Bureau of Reclamation regarding the Renewal of
29 Water Service Contract No. I75r-1802R
30

31 Mr. Garcia reported that the Santa Barbara County Water Agency sent a letter to the Bureau
32 of Reclamation requesting that the Cachuma Project Contract I75-1802R be renewed and to
33 initiate negotiations for the next long-term contract. Mr. Garcia stated that he attended a
34 Cachuma Member Unit Managers meeting on January 6, 2021. He explained that there was
35 a brief discussion with the new Manager of the Santa Barbara County Water Agency, Mr.
36 Matt Young, whereby the Cachuma Member Unit managers suggested that it would be
37 productive to have an advance meeting among Reclamation, the Water Agency, and the
38 Cachuma Member Units to review and discuss some of the critical items that will need to
39 be addressed in the next long-term contract. He stated that the negotiations for the next
40 long-term contract may begin within the next six-months.
41

42 **B. SUSTAINABLE GROUNDWATER MANAGEMENT ACT**

- 43 1. Eastern Management Area Update
44 The Board packet included a December 2020 Sustainable Groundwater Management Act
45 Newsletter No. 2.
46

47 Mr. Garcia reported that the second newsletter discussing the Sustainable Groundwater
48 Management Act (SGMA) process for the Santa Ynez River Valley Groundwater Basin
49 was released in December. He stated that the newsletter has been circulated in various
50 ways throughout the Basin, and that it was posted on the ID No.1 website and included
51 with the District's December water bills. Mr. Garcia reported on the current activities of
52 the Eastern Management Area (EMA) Groundwater Sustainability Agency (GSA) and
53 explained that staff continues to be involved in the procedural and substantive aspects
54 of the program. He stated that significant milestones in the SGMA process are on the
55 horizon.

1
2 Mr. Garcia stated that the next meeting of the EMA GSA will be a Special Meeting held
3 by video and teleconference on January 21, 2021 at 6:30 p.m.
4

5 1. EMERGENCY PREPAREDNESS General Update

6 Mr. Garcia reported that the District has increased its level of emergency preparedness
7 over the past year. He summarized the protocols that have been developed, and the
8 equipment and materials that are on-hand in the event of an emergency, such as
9 generators, fuel tanks, chlorine, and general materials and supplies. He stated that this
10 level preparedness enables the District to mobilize quickly if the need arises. Mr. Garcia
11 stated the District also has a professional services agreement in place with
12 waterTALENT, LLC, an agency that provides specialty technical staffing services to
13 accommodate utilities with temporary certified operators. He also reported that the
14 District is a member of CalWARN, a statewide California Water/Wastewater Agency
15 Response Network that functions in coordination with the State Office of Emergency
16 Services which provides updated lists of emergency contacts and a database of available
17 equipment and materials. Mr. Garcia indicated that the District continues to review and
18 make modifications to its readiness plans for potential emergency situations.
19

20 11. UPDATE FROM ALTERNATIVE POWER / SOLAR AD HOC SUBCOMMITTEE:

21 Mr. Garcia reported there has been no new activity related to the Alternative Power/Solar Ad
22 Hoc Committee since last the last update. He stated that staff is still waiting for two informal
23 proposals from the two companies that had previously attended site visits with the Ad Hoc
24 Committee and staff. Mr. Garcia reminded the Board that the District has not requested official
25 bid proposals from any company as the District is still in the initial stages of evaluating whether
26 a solar project could provide cost savings to the District for the benefit of ratepayers.
27

28 12. REPORTS BY THE BOARD MEMBERS OR STAFF, QUESTIONS OF STAFF, STATUS REPORTS,
29 ANNOUNCEMENTS, COMMITTEE REPORTS, OBSERVATIONS AND OTHER MATTERS AND/OR
30 COMMUNICATIONS NOT REQUIRING BOARD ACTION:
31

32 The Board packet included newspaper articles from the Santa Ynez Valley Star and the Santa
33 Ynez Valley News, and a news bulletin from the District to all customers regarding the Board of
34 Trustees action in December 2020 to defer the five percent (5%) water rate increase that was
35 scheduled to take effect on January 1, 2021. The Board packet also included a December 14, 2020
36 newsletter from the Los Olivos Community Services District (LOCSO) providing an update on
37 the proposed wastewater reclamation project; and a December 18, 2020 letter from LOCSO to ID
38 No 1. regarding potential collaboration between ID No.1 and LOCSO. Other Board packet
39 materials included a December 31, 2020 comment letter from the Coachella Valley Water District
40 to the State Water Resources Control Board regarding costs of the proposed Hexavalent
41 Chromium MCL; and the December 2020 Family Farm Alliance Monthly Briefing.
42

43 Trustee Clay reported that he had received positive feedback from a few District customers
44 regarding the Board's decision to postpone the water rate increase.
45

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

47 The Correspondence list was received by the Board.
48

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

50 There were no requests from the Board.
51

DRAFT

1 15. NEXT MEETING OF THE BOARD OF TRUSTEES:

2 President Clay stated that the next Regular Meeting of the Board of Trustees is scheduled for
3 February 16, 2021 at 3:00 p.m.
4

5 Mr. Garcia announced that the Open Session public participation video and phone lines would be
6 closed for the next thirty (30) minutes to allow the Board to convene into Closed Session. He
7 explained that the public participation video and phone lines would be reopened thirty (30)
8 minutes later for the remaining Agenda items. Mr. Garcia thanked everyone for participating in
9 the video/teleconference and stated that the Open Session meeting would reconvene at 6:15 p.m.
10 to report any action taken during Closed Session.
11

12 16. CLOSED SESSION:

13 The Board adjourned to Closed Session at 5:45 p.m.
14

15 A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:

16 [Subdivision (d)(1) of Section 54956.9 of the Government Code - 1 case]
17

- 18 1. Name of Case: Adjudicatory proceedings pending before the State Water Resources
19 Control Board regarding Permit 15878 issued on Application 22423 to the City of
20 Solvang, Petitions for Change, and Related Protests
21

22 17. RECONVENE INTO OPEN SESSION:

23 [Sections 54957.1 and 54957.7 of the Government Code]
24

25 The public participation video and phone lines were re-opened at approximately 6:15 p.m.
26 The Board reconvened to Open Session and Ms. Martone conducted roll call at 6:15 p.m. and
27 reported that all Trustees were present when the meeting reconvened to Open Session.
28

29 Mr. Garcia announced that the Board met in Closed Session concerning Agenda Item 16.A.1.
30 He stated that there was no reportable action from Closed Session.
31

32 18. ADJOURNMENT:

33 Being no further business, it was MOVED by Trustee Joos, seconded by Trustee Burchardi, and
34 carried by a 5-0-0 roll call vote, to adjourn the meeting at approximately 6:17 p.m.
35

36 RESPECTFULLY SUBMITTED,
37

38 **DRAFT**
39

40 _____
41 Mary Martone, Secretary to the Board
42

43 **DRAFT**
44 ATTEST: _____
45

46 Jeff Clay, President
47
48

49 MINUTES PREPARED BY:
50

51 **DRAFT**
52 _____
53 Karen King, Board Administrative Assistant

**BOARD OF TRUSTEES
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,
IMPROVEMENT DISTRICT NO.1
February 16, 2021**

Consent Agenda Report

CA-1. Water Supply and Production Report. Total water production in **January (150 AF)** was lower than water production in December (250 AF), but was slightly higher than the 10-year running average for the month of **January** (142 AF) due to relatively dry conditions for this time of year. As previously reported, the District overall has been experiencing below average demands for domestic, rural residential, and agricultural water supplies due to water conservation, changing water use patterns, private well installations, and weather conditions.

For the month of **January**, approximately **66 AF** was produced from the Santa Ynez Upland wells, and approximately **84 AF** was produced from the 6.0 cfs and 4.0 cfs river well fields. As reflected in the Monthly Water Deliveries Report from the Central Coast Water Authority (CCWA), the District did not receive any SWP supplies for the month (no Table A deliveries and no Exchange deliveries). Direct diversions to USBR and the County Park were **0.65 AF**.

The USBR Daily Operations Report for Lake Cachuma in **January** (ending January 31, 2021) recorded the lake elevation at **727.28'** with the end of month storage of **124,545 AF**. USBR recorded total precipitation at the lake of **8.39 inches**. For the month, reservoir storage was supplemented with **0.0 AF** of SWP deliveries for the South Coast agencies. Reservoir evaporation in **January** was **299.5 AF**.

Based on the maximum storage of 193,305 AF, Cachuma reservoir currently (as of **February 8, 2021**) is at approximately **64.2%** of capacity (Santa Barbara County Flood Control District, Rainfall and Reservoir Summary). At a point when reservoir storage exceeds 100,000 AF, the Cachuma Member Units typically have received a full allocation, which is the case for this federal WY 2020-2021. Conversely, a 20% pro-rata reduction from the full allocation is scheduled to occur in Water Years beginning at less than 100,000 AF, where incremental reductions may occur at other lower storage levels. **For the federal WY 2020-2021** (October 1, 2020 through September 30, 2021), the Cachuma Member Units requested a 100% allocation of the Project's annual operational yield of 25,714 AF. **By letter dated October 19, 2020**, USBR issued a 100% allocation decision. ID No.1's share is 10.31% or 2,651 AF. In addition to its 2020-21 allocation, ID No.1 currently holds approximately 1,276 AF of previous years carryover water in the reservoir, subject to evaporation.

Water releases for the protection of fish and aquatic habitat are made from Cachuma reservoir to the lower Santa Ynez River pursuant to the 2000 Biological Opinion issued by the National Marine Fisheries Service (NMFS) and the 2019 Water Rights Order (WR 2019-0148) issued by the State Water Resources Control Board (SWRCB). These releases are made to Hilton Creek and to the stilling basin from the outlet works at the base of Bradbury Dam. The water releases required under the NMFS 2000 Biological Opinion to avoid jeopardy to steelhead and adverse impacts to its critical habitat are summarized as follows:

NMFS 2000 Biological Opinion

- *When Reservoir Spills and the Spill Amount Exceeds 20,000 AF:*
 - 10 cfs at Hwy 154 Bridge during spill year(s) exceeding 20,000 AF
 - 1.5 cfs at Alisal Bridge when spill amount exceeds 20,000 AF and if steelhead are present at Alisal Reach
 - 1.5 cfs at Alisal Bridge in the year immediately following a spill that exceeded 20,000 AF and if steelhead are present at Alisal Reach

- *When Reservoir Does Not Spill or When Reservoir Spills Less Than 20,000 AF:*
 - 5 cfs at Hwy 154 when Reservoir does not spill and Reservoir storage is above 120,000 AF, or when Reservoir spill is less than 20,000 AF
 - 2.5 cfs at Hwy 154 in all years when Reservoir storage is below 120,000 AF but greater than 30,000 AF
 - 1.5 cfs at Alisal Bridge if the Reservoir spilled in the preceding year and the spill amount exceeded 20,000 AF and if steelhead are present at Alisal Reach
 - 30 AF per month to “refresh the stilling basin and long pool” when Reservoir storage is less than 30,000 AF

The water releases required under the SWRCB 2019 Water Rights Order for the protection of fish and other public trust resources in the lower Santa Ynez River and to prevent the waste and unreasonable use of water are summarized as follows:

SWRCB Order WR 2019-0148

- *During Below Normal, Dry, and Critical Dry water years (October 1 – September 30), releases shall be made in accordance with the requirements of the NMFS 2000 Biological Opinion as set forth above.*

- *During Above Normal and Wet water years, the following minimum flow requirements must be maintained at Hwy 154 and Alisal Bridges:*
 - 48 cfs from February 15 to April 14 for spawning
 - 20 cfs from February 15 to June 1 for incubation and rearing
 - 25 cfs from June 2 to June 9 for emigration, with ramping to 10 cfs by June 30
 - 10 cfs from June 30 to October 1 for rearing and maintenance of resident fish
 - 5 cfs from October 1 to February 15 for resident fish

- *For purposes of SWRCB Order WR 2019-0148, water year classifications are determined as follows:*
 - Wet is when Cachuma Reservoir inflow is greater than 117,842 AF;
 - Above Normal is when Reservoir inflow is less than or equal to 117,842 AF or greater than 33,707 AF;
 - Below Normal is when Reservoir inflow is less than or equal to 33,707 AF or greater than 15,366 AF;
 - Dry is when Reservoir inflow is less than or equal to 15,366 AF or greater than 4,550 AF
 - Critical Dry is when Reservoir inflow is less than or equal to 4,550 AF

For the month of December, water releases for fish were 319.2 AF to Hilton Creek and approximately 163 AF to the outlet works for a total of 482.2 AF. As of the end of January 2021, a total of approximately 40,443 AF of Cachuma Project water has been released under regulatory requirements for the protection of fish and fish habitat below Bradbury Dam since the year after the last spill in 2011.

CA-2. State Water Project (SWP) and Central Coast Water Authority (CCWA) Updates.

The SWP Table A allocation for the 2021 year remains at 10%, which was established by the California Department of Water Resources (DWR) on December 1, 2020. This initial allocation translates to 70 AF for ID No.1's share of Table A supplies through CCWA. Depending on winter hydrology in the SWP system, DWR may increase its Table A allocation decision in the early months of 2021.

As reflected in the enclosed Agenda for the CCWA Board of Directors meeting on January 28, 2021, CCWA continues to remain strongly engaged in a variety of matters related to the SWP and SWP supplies, including but not limited to: SWP delivery schedules; Requests to the Santa Barbara County Flood Control and Water Conservation District to approve the SWP Contract Extension amendment ("Amendment 20") and the Water Management amendment ("Amendment 21"); Reacquisition of Suspended Table A supplies; and work with San Luis Obispo County on potential water management strategies.

UNITED STATES DEPARTMENT OF THE INTERIOR
 U.S. BUREAU OF RECLAMATION-CACHUMA PROJECT-CALIFORNIA

JANUARY 2021

LAKE CACHUMA DAILY OPERATIONS

RUN DATE: February 1, 2021

DAY	ELEV	STORAGE		COMPUTED* INFLOW AF.	CCWA INFLOW AF.	PRECIP ON RES. SURF. AF.	RELEASE - AF.				EVAP AF.	PRECIP INCH INCHES	
		IN LAKE	CHANGE				TUNNEL	HILTON CREEK	OUTLET	SPILLWAY			
	727.25	124,478											
1	727.23	124,432	-46	7.1	0.0	.0	24.3	10.3	5.0	.0	13.5	.110	.00
2	727.21	124,387	-45	-2.7	0.0	.0	22.1	10.3	5.0	.0	4.9	.040	.00
3	727.21	124,387	+0	48.3	0.0	.0	22.2	10.3	6.0	.0	9.8	.080	.00
4	727.18	124,319	-68	-27.4	0.0	.0	21.6	10.3	5.0	.0	3.7	.030	.00
5	727.17	124,297	-22	22.1	0.0	1.9	22.1	10.3	5.0	.0	8.6	.070	.01
6	727.15	124,252	-45	7.2	0.0	.0	22.2	10.3	5.0	.0	14.7	.120	.00
7	727.13	124,206	-46	3.8	0.0	.0	22.5	10.3	6.0	.0	11.0	.090	.00
8	727.11	124,161	-45	2.5	0.0	.0	22.4	10.3	5.0	.0	9.8	.080	.00
9	727.09	124,093	-68	-16.7	0.0	.0	22.5	10.3	5.0	.0	13.5	.110	.00
10	727.07	124,048	-45	6.3	0.0	.0	22.5	10.3	5.0	.0	13.5	.110	.00
11	727.05	124,025	-23	24.4	0.0	.0	22.5	10.3	6.0	.0	8.6	.070	.00
12	727.02	123,958	-67	-15.0	0.0	.0	28.1	10.3	5.0	.0	8.6	.070	.00
13	726.99	123,890	-68	-8.4	0.0	.0	38.2	10.3	5.0	.0	6.1	.050	.00
14	726.97	123,845	-45	28.3	0.0	.0	49.7	10.3	6.0	.0	7.3	.060	.00
15	726.94	123,777	-68	12.2	0.0	.0	53.9	10.3	5.0	.0	11.0	.090	.00
16	726.91	123,709	-68	19.8	0.0	.0	56.6	10.3	5.0	.0	15.9	.130	.00
17	726.87	123,618	-91	-1.7	0.0	.0	55.7	10.3	5.0	.0	18.3	.150	.00
18	726.84	123,551	-67	31.4	0.0	.0	55.4	10.2	6.0	.0	26.8	.220	.00
19	726.80	123,460	-91	-6.2	0.0	.0	56.2	10.2	5.0	.0	13.4	.110	.00
20	726.75	123,347	-113	-7.2	0.0	.0	69.9	10.2	5.0	.0	20.7	.170	.00
21	726.71	123,257	-90	12.3	0.0	.0	72.5	10.2	5.0	.0	14.6	.120	.00
22	726.67	123,166	-91	-0.2	0.0	.0	62.3	10.3	6.0	.0	12.2	.100	.00
23	726.65	123,121	-45	-3.9	0.0	30.0	54.7	10.2	5.0	.0	1.2	.010	.16
24	726.63	123,076	-45	1.5	0.0	30.0	55.1	10.3	5.0	.0	6.1	.050	.16
25	726.59	122,986	-90	-30.1	0.0	18.7	55.0	10.3	6.0	.0	7.3	.060	.10
26	726.57	122,941	-45	-61.1	0.0	61.8	26.7	10.3	5.0	.0	3.7	.030	.33
27	726.62	123,053	+112	12.2	0.0	146.1	23.7	10.3	5.0	.0	7.3	.060	.78
28	726.83	123,528	+475	-69.5	0.0	583.8	23.9	10.4	5.0	.0	.0	.000	3.11
29	727.23	124,432	+904	423.1	0.0	520.3	23.0	10.4	6.0	.0	.0	.000	2.76
30	727.28	124,545	+113	-30.2	0.0	183.0	24.4	10.4	5.0	.0	.0	.000	.97
31	727.28	124,545	+0	44.8	0.0	1.9	23.9	10.4	5.0	.0	7.4	.060	.01
TOTAL (AF)			+67	427.0	0.0	1,577.5	1,155.8	319.2	163.0	.0	299.5	2.450	8.39
(AVG)		123,820											

COMMENTS:

* COMPUTED INFLOW IS THE SUM OF CHANGE IN STORAGE, RELEASES, AND EVAPORATION MINUS PRECIP ON THE RESERVOIR SURFACE AND CCWA INFLOW.

DATA BASED ON 24-HOUR PERIOD ENDING 0800.

INDICATED OUTLETS RELEASE INCLUDE ANY LEAKAGE AROUND GATES.



Santa Barbara County - Flood Control District

130 East Victoria Street, Santa Barbara CA 93101 - 805.568.3440 - www.countyofsb.org/pwd

Rainfall and Reservoir Summary

Updated 8am: 2/8/2021

Water Year: 2021

Storm Number: NA

Notes: Daily rainfall amounts are recorded as of 8am for the previous 24 hours. Rainfall units are expressed in inches. All data on this page are from automated sensors, are preliminary, and subject to verification.

*Each Water Year (WY) runs from Sept 1 through Aug 31 and is designated by the calendar year in which it ends
County Real-Time Rainfall and Reservoir Website link: > <http://www.countyofsb.org/hydrology>

Rainfall	ID	24 hrs	Storm 0day(s)	Month	Year*	% to Date	% of Year*	AI
Buellton (Fire Stn)	233	0.00	0.00	0.01	7.44	80%	45%	
Cachuma Dam (USBR)	332	0.01	0.00	0.02	9.31	86%	47%	
Carpinteria (Fire Stn)	208	0.00	0.00	0.01	3.49	36%	20%	
Cuyama (Fire Stn)	436	0.00	0.00	0.00	2.73	66%	36%	
Figueroa Mtn. (USFS Stn)	421	0.00	0.00	0.00	6.59	56%	31%	9.0
Gibraltar Dam (City Facility)	230	0.00	0.00	0.00	9.13	61%	35%	8.1
Goleta (Fire Stn-Los Carneros)	440	0.00	0.00	0.00	7.79	73%	42%	
Lompoc (City Hall)	439	0.00	0.00	0.02	9.37	115%	64%	6.9
Los Alamos (Fire Stn)	204	0.00	0.00	0.02	7.39	87%	48%	
San Marcos Pass (USFS Stn)	212	0.00	0.00	0.00	11.70	60%	34%	
Santa Barbara (County Bldg)	234	0.00	0.00	0.02	5.47	51%	30%	
Santa Maria (City Pub.Works)	380	0.00	0.00	0.01	5.83	76%	44%	
Santa Ynez (Fire Stn /Airport)	218	0.01	0.00	0.02	7.21	83%	46%	
Sisquoc (Fire Stn)	256	0.00	0.00	0.02	5.58	66%	37%	

County-wide percentage of "Normal-to-Date" rainfall :

71%

County-wide percentage of "Normal Water-Year" rainfall :

40%

County-wide percentage of "Normal Water-Year" rainfall calculated assuming no more rain through Aug. 31, 2021 (End of WY2021).

AI (Antecedent Index / Soil Wetness)

6.0 and below = Wet (min. = 2.5)

6.1 - 9.0 = Moderate

9.1 and above = Dry (max. = 12.5)

Reservoirs

Reservoir Elevations referenced to NGVD-29.

**Cachuma is full and subject to spilling at elevation 750 ft.

However, the lake is surcharged to 753 ft. for fish release water.

(Cachuma water storage is based on Dec 2013 capacity revision)

Click on Site for Real-Time Readings	Spillway	Current	Max.	Current	Current	Storage	Storage
	Elev. (ft)	Elev. (ft)	Storage (ac-ft)	Storage (ac-ft)	Capacity (%)	Change Mo.(ac-ft)	Change Year*(ac-ft)
<u>Gibraltar Reservoir</u>	1,400.00	1,375.78	4,559	614	13.5%	6	-1,596
<u>Cachuma Reservoir</u>	753.**	727.11	193,305	124,161	64.2%	-362	-19,614
<u>Jameson Reservoir</u>	2,224.00	2,213.64	4,848	3,637	75.0%	-4	-651
<u>Twitchell Reservoir</u>	651.50	541.05	194,971	3,133	1.6%	29	-687

[Previous Rainfall and Reservoir Summaries](#)



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

TO: Ray Stokes, Executive Director
Lisa Long, Controller

February 4, 2021

FROM: Julie Baker [Signature]

SUBJECT: Monthly Water Deliveries

According to the CCWA revenue meters at each turnout, the following deliveries were made during the month of January, 2021:

Table with 2 columns: Project Participant, Delivery Amount (acre-feet). Rows include Chorro (154.63), Lopez (74.07), Shandon (0.00), Guadalupe (0.88), Santa Maria (291.37), Golden State Water Co. (0.00), Vandenberg (203.25), Buellton (20.62), Solvang (63.66), Santa Ynez ID#1 (0.00), Bradbury (0.00), and TOTAL (808.48).

In order to reconcile these deliveries with the DWR revenue meter, which read 808 acre-feet, the following delivery amounts should be used for billing purposes:

Table with 2 columns: Project Participant, Delivery Amount (acre-feet). Rows include Chorro (154), Lopez (74), Shandon (0), Guadalupe (1), Santa Maria (291*), Golden State Water Co (0*), Vandenberg (203), Buellton (21), Solvang (64), Santa Ynez ID#1 (0), Bradbury (0), and TOTAL (808).

*Golden State Water Company delivered 0 acre-feet into its system through the Santa Maria turnout. This delivery is recorded by providing a credit of 0 acre-feet to the City of Santa Maria and a charge in the same amount, to the Golden State Water Company.

Notes: Santa Ynez ID#1 water usage is divided into 0 acre-feet of Table A water and 0 acre-feet of exchange water.

The exchange water is allocated as follows

<u>Project Participant</u>	<u>Exchange Amount (acre-feet)</u>
Goleta	0
Santa Barbara	0
Montecito	0
Carpinteria	0
TOTAL	0

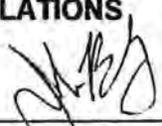
Bradbury Deliveries into Lake Cachuma are allocated as follows:

<u>Project Participant</u>	<u>Delivery Amount (acre-feet)</u>
Carpinteria	0
Goleta	0
La Cumbre	0
Montecito	0
Morehart	0
Santa Barbara	0
Raytheon	0
TOTAL	0

JAB

cc: Tom Bunosky, GWD
James Luongo, Golden State WC
Rebecca Bjork, City of Santa Barbara
Daryl Smith, MWD
Janet Gingras, COMB
Craig Kesler, San Luis Obispo County
Paeter Garcia, Santa Ynez RWCD ID#1
Shad Springer, City of Santa Maria
Shannon Sweeney, City of Guadalupe
Robert MacDonald, Carpinteria Valley WD
Mike Peña, City of Guadalupe
Mike Alvarado, La Cumbre Mutual WC
Alex Keuper, CVWD
Pernell Rush, Vandenberg AFB
Nick Turner, Montecito WD
Laura Menahen, Montecito WD
Matt van der Linden, City of Solvang

**REVIEW AND APPROVAL OF
DELIVERY RECORDS AND ASSOCIATED
CALCULATIONS**



John Brady
Deputy Director, Operations and Engineering
Central Coast Water Authority



A Meeting of the
**BOARD OF DIRECTORS
 OF THE
 CENTRAL COAST WATER AUTHORITY**

will be held at 9:00 a.m., on Thursday, January 28, 2021
 via URL: <https://meetings.ringcentral.com/j/1496627848>
 or via telephone by dialing 1(623) 404-9000 and entering code 149 662 7848#

CCWA's Board meetings are conducted pursuant to California Government Code Section 54953 and Governor Newsom's Executive Orders (N-25-20, N-29-20 and N-35-20), temporarily suspending portions of the Brown Act in response to the COVID-19 pandemic. Members of the Board will participate in this meeting by video call or telephone.

Eric Friedman
 Chairman

Ed Andrisek
 Vice Chairman

Ray A. Stokes
 Executive Director

Brownstein Hyatt
 Farber Schreck
 General Counsel

Member Agencies

City of Buellton

Carpinteria Valley
 Water District

City of Guadalupe

City of Santa Barbara

City of Santa Maria

Goleta Water District

Montecito Water District

Santa Ynez River Water
 Conservation District,
 Improvement District #1

Associate Member

La Cumbre Mutual
 Water Company

Public Comment on agenda items may occur via video call or telephonically, or by submission to the Board Secretary via email at lfw@ccwa.com no later than 8:00 a.m. on the day of the meeting. In your email, please specify (1) the meeting date and agenda item (number and title) on which you are providing a comment and (2) that you would like your comment read into the record during the meeting. If you would like your comment read into the record during the meeting (as either general public comment or on a specific agenda item), please limit your comments to no more than 250 words.

Every effort will be made to read comments into the record, but some comments may not be read due to time limitations. Please also note that if you submit a written comment and do not specify that you would like this comment read into the record during the meeting, your comment will be forwarded to Board members for their consideration.

Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available on the CCWA internet web site, accessible at <https://www.ccwa.com>.

I. Call to Order and Roll Call

II. Public Comment – (Any member of the public may address the Board relating to any matter within the Board's jurisdiction. Individual Speakers may be limited to five minutes; all speakers to a total of fifteen minutes.)

III. Consent Calendar

- * A. Approve Minutes of the October 22, 2020 Regular Meeting
- * B. Approve Bills
- * C. Controller's Report
- * D. Operations Report

IV. Executive Director's Report

- A. Water Supply Situation Report
- * B. FY 2020/2021 Procurement of Replacement Vehicles for the Amount of \$90,441.48
- * C. Santa Ynez Pumping Plant Surge Tank Pedestal Repair Project
- & D. Amendment No. 20 to the State Water Project Contract (Contract Extension)
- & E. Amendment No. 21 to the State Water Project Contract (Water Management)
- F. Suspended Table A Reacquisition Update
- G. Water Management Strategies Update
- ◆ H. Finance Committee
 1. FY 2020/21 Second Quarter Investment Report
 2. FY Ended June 30, 2020 and 2019 Comprehensive Annual Financial Report

S.Y.R.W.C.D.ID. #1

JAN 25 2021

RECEIVED

255 Industrial Way
 Buellton, CA 93427
 (805) 688-2292
 Fax (805) 686-4700
 www.ccwa.com

- * Indicates attachment of document to original agenda packet.
- & Indicates materials which will be posted to www.ccwa.com prior to the meeting.
- ◆ Indicates enclosure of document with agenda packet.

Continued

- V. **CLOSED SESSION**
 - A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Initiation of litigation pursuant to Government Code section 54956.9(d) (4): 2 cases

- VI. **Reports from Board Members for Information Only**
 - A. City of Buellton Appointment of Ed Andrisek as CCWA Board Member and John Sanchez as Board Alternate
 - B. City of Guadalupe Appointment of Ariston Julian (Primary) and Tony Ramirez (Alternate) to the Central Coast Water Authority Board

- VII. **Items for Next Regular Meeting Agenda**

- VIII. **Date of Next Regular Meeting: February 25, 2021**

- IX. **Adjournment**

Santa Ynez River Water Conservation District ID #1
Statement of Revenues & Expenses
January 2021

	Jan 21	Dec 20	% Change	Jul '20 - Jan 21
Ordinary Income/Expense				
Income				
600000 · SERVICE & SALES REVENUE				
WATER SALES INCOME				
601000 · Water Sales - Agri.	52,009.25	76,238.72	-31.78%	805,506.79
602000 · Water Sales - Domestic	329,593.96	352,944.16	-6.62%	3,046,952.49
602100 · Water Sales - RRLmtd Ag.	169,071.28	196,693.39	-14.04%	1,691,977.66
602200 · Water Sales - Cach Pk	485.64	1,113.21	-56.38%	9,736.74
604000 · Water Sales - Temp.	1,605.90	621.15	158.54%	5,014.65
606000 · Water Sales - Solvang	4,469.71	4,469.71	0.0%	120,016.47
608000 · Water Sales - On-Demand	4,295.92	1,144.72	275.28%	26,516.24
611500 · Fire Service Fees	10,081.54	9,741.40	3.49%	68,265.99
Total WATER SALES INCOME	571,613.20	642,966.46	-11.1%	5,773,987.03
SERVICE INCOME				
611100 · New Service Fees	0.00	447.64	-100.0%	23,766.55
611200 · Reconnection Fees	1,650.00	1,200.00	37.5%	10,575.00
612400 · Penalties	5,011.40	5,422.34	-7.58%	15,576.77
Total SERVICE INCOME	6,661.40	7,069.98	-5.78%	49,918.32
Total 600000 · SERVICE & SALES REVENUE	578,274.60	650,036.44	-11.04%	5,823,905.35
625000 · ASSESSMENTS, FEES & OTHER				
611600 · Capital Facilities Chrg.	8,000.00	4,099.05	95.17%	25,102.36
620006 · Reimbursed Field Labor	0.00	276.47	-100.0%	276.47
620008 · Reimbursed Admin Labor	0.00	134.04	-100.0%	134.04
624000 · Miscellaneous Revenue	2,657.49	1,074.00	147.44%	13,506.04
625200 · Administrative Fees	1,500.00	1,000.00	50.0%	10,300.00
627000 · Tax Revenue - Secured	0.00	484,140.08	-100.0%	484,140.08
628000 · INTEREST INCOME				
629000 · Interest Income - LAIF	20,770.94	0.00	100.0%	-6,536.61
629100 · Interest Income -PIMMA	176.43	236.65	-25.45%	1,995.48
630000 · Interest Income - Cking	2.04	2.14	-4.67%	26.56
Total 628000 · INTEREST INCOME	20,949.41	238.79	8,673.15%	-4,514.57
890100 · SWP Pmt. from Solvang	0.00	0.00	0.0%	2,064,881.68
Total 625000 · ASSESSMENTS, FEES & OTHER	33,106.90	490,962.43	-93.26%	2,593,826.10
Total Income	611,381.50	1,140,998.87	-46.42%	8,417,731.45
Cost of Goods Sold				
702000 · SOURCE OF SUPPLY EXPENSES				
703000 · Cach. Water Entitlement	7,798.43	13,971.11	-44.18%	143,644.87
704000 · State Water	149,755.53	190,091.28	-21.22%	1,406,573.33
705000 · Ground Water Charges	0.00	20,588.40	-100.0%	20,588.40
706000 · Cloudseeding Program	0.00	0.00	0.0%	273.00
707000 · River Well Field Licenses	0.00	12,363.45	-100.0%	13,763.20
860000 · Solvang-SWPmt	0.00	0.00	0.0%	2,064,881.68
Total 702000 · SOURCE OF SUPPLY EXPENSES	157,553.96	237,014.24	-33.53%	3,649,724.48

Santa Ynez River Water Conservation District ID #1
Statement of Revenues & Expenses
January 2021

	Jan 21	Dec 20	% Change	Jul '20 - Jan 21
710000 · INFRASTRUCTURE EXPENSES				
711000 · Maintenance - Wells	0.00	525.55	-100.0%	2,904.62
712000 · Maintenance - Mains	43.41	0.00	100.0%	33,853.82
713000 · Maintenance - Reservoirs	29.14	0.00	100.0%	1,355.95
714000 · Maintenance - Structures	0.00	0.00	0.0%	1,450.00
717000 · Bradbury Dam SOD	0.00	0.00	0.0%	26,975.88
Total 710000 · INFRASTRUCTURE EXPENSES	72.55	525.55	-86.2%	66,540.27
725000 · PUMPING EXPENSES				
726000 · Pumping Expense (Power)	19,185.36	34,610.66	-44.57%	415,777.96
730000 · Maintenance - Structures	0.00	0.00	0.0%	2,732.55
732000 · Maintenance - Equipmt.	0.00	8.18	-100.0%	297.12
Total 725000 · PUMPING EXPENSES	19,185.36	34,618.84	-44.58%	418,807.63
740000 · WATER TREATMENT EXPENSES				
744000 · Chemicals	4,328.03	4,328.03	0.0%	25,535.39
748000 · Maintenance - Equipment	0.00	427.16	-100.0%	2,681.08
748100 · Water Treatment - Equipm	0.00	422.40	-100.0%	4,966.76
748200 · Water Sampling/Monitor	0.00	0.00	0.0%	58.00
749000 · Water Analysis	0.00	225.00	-100.0%	3,000.00
Total 740000 · WATER TREATMENT EXPENSES	4,328.03	5,402.59	-19.89%	36,241.23
750000 · TRANSMISSION & DIST. EXPENSES				
799501 · Uniforms T&D	1,209.34	1,760.11	-31.29%	9,783.39
775401 · ACWA - Health Ins. (T&D)	19,115.13	19,115.13	0.0%	125,678.57
775201 · ACWA - Delta Dental (T&D)	832.32	832.32	0.0%	4,635.60
775301 · ACWA - Vision (T&D)	154.89	154.89	0.0%	891.18
751000 · Labor	49,023.08	52,180.39	-6.05%	357,136.17
751100 · Labor / Vacation	3,057.26	1,482.77	106.19%	11,092.43
751200 · Labor / Sick Leave	602.54	2,569.92	-76.55%	6,944.06
751201 · Labor/COVID Sick Leave - T&D	0.00	0.00	0.0%	3,242.24
752000 · Materials/Supplies				
752100 · Safety Equipment	34.47	82.17	-58.05%	516.78
752000 · Materials/Supplies - Other	554.74	255.88	116.8%	1,741.82
Total 752000 · Materials/Supplies	589.21	338.05	74.3%	2,258.60
754000 · Small Tools	39.86	1,226.21	-96.75%	3,234.19
754100 · Small Tools - Repairs	0.00	0.00	0.0%	65.83
755000 · Transportation	2,033.23	4,961.17	-59.02%	19,830.80
756000 · Meter Services	181.74	449.99	-59.61%	28,674.03
756100 · Meter Services - Repair	165.07	349.70	-52.8%	8,430.20
757000 · Road Contracts	0.00	58.00	-100.0%	58.00
759000 · Maintenance - Structures	62.00	263.31	-76.45%	2,295.91
760000 · Fire Hydrants	78.56	0.00	100.0%	120.64
762000 · Backhoe-Maintenance	0.00	0.00	0.0%	143.27
Total 750000 · TRANSMISSION & DIST. EXPENSES	77,144.23	85,741.96	-10.03%	584,515.11
Total COGS	258,284.13	363,303.18	-28.91%	4,755,828.72
Gross Profit	353,097.37	777,695.69	-54.6%	3,661,902.73

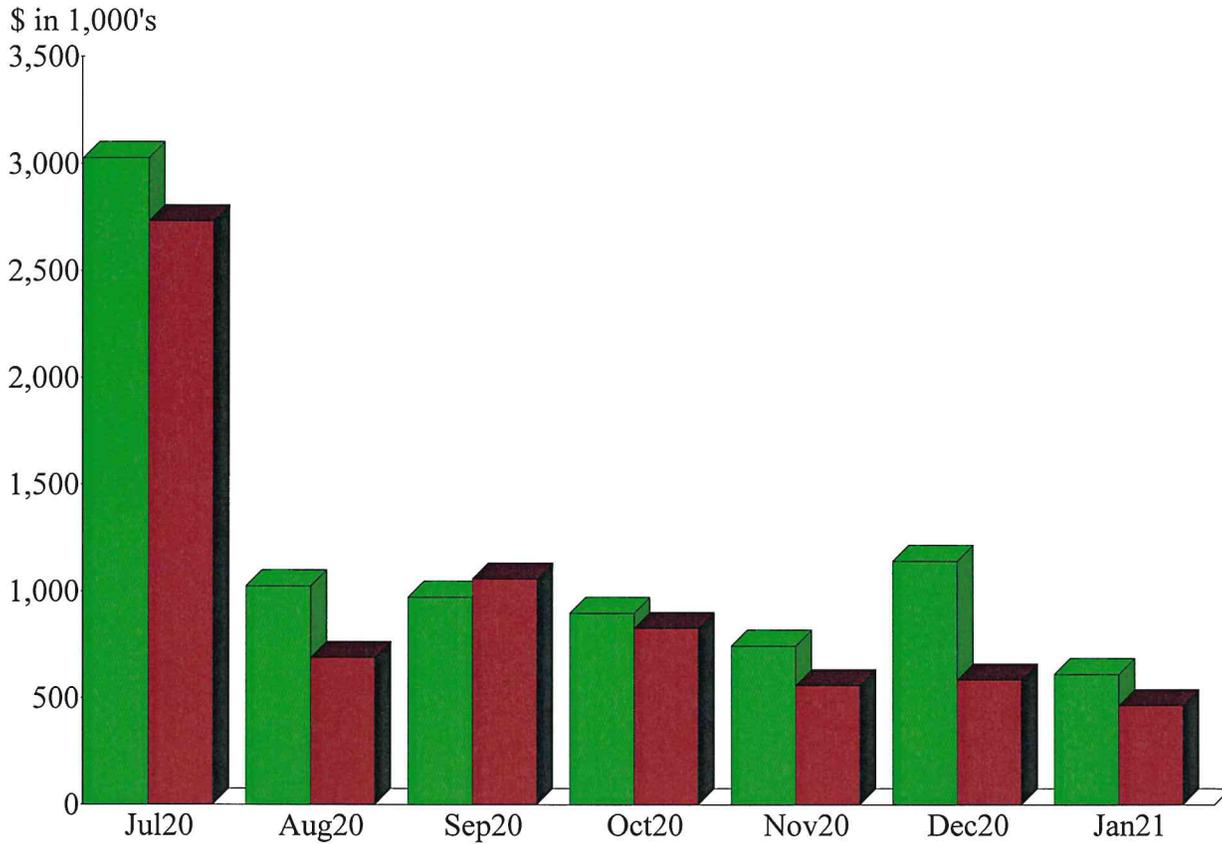
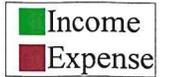
Santa Ynez River Water Conservation District ID #1
Statement of Revenues & Expenses
January 2021

	Jan 21	Dec 20	% Change	Jul '20 - Jan 21
Expense				
4000 · Reconciliation Discrepancies	0.00	0.00	0.0%	0.00
770000 · GENERAL & ADMIN EXPENSES				
774000 Workers Comp. - Ins.	0.00	6,046.68	-100.0%	11,892.33
6560 · Payroll Expenses	0.00	36.00	-100.0%	208.00
775000 · PERS - Retirement	27,801.46	26,146.40	6.33%	184,111.37
775200 · ACWA - Dental (Admin)	608.64	743.28	-18.11%	4,837.08
775300 · ACWA - Vision (Admin)	137.00	172.10	-20.4%	1,012.67
775400 · ACWA - Medical Insurance(Admin)	20,893.23	19,890.95	5.04%	140,392.28
777000 · Salaries - Administrative Staff	82,882.45	81,820.52	1.3%	550,137.36
777100 · Salaries / Vacation	1,157.15	4,968.50	-76.71%	20,941.00
777200 · Salaries / Sick Leave	1,029.69	269.96	281.42%	2,378.69
772100 · Admin - COVID Sick Leave	0.00	0.00	0.0%	6,667.46
777401 · Admin. - Comp Time	0.00	86.58	-100.0%	86.58
778000 · Training, Travel & Conferences	1,294.00	307.00	321.5%	2,401.00
779000 · Dues,Subscrip,Certif.	2,697.88	626.25	330.8%	28,104.54
780000 · Building Maintenance	1,331.00	1,106.00	20.34%	7,468.03
781000 · Office Supplies	1,665.17	893.87	86.29%	8,803.02
781100 · Computer Supply/Training/Softwr	67.86	3,500.84	-98.06%	5,707.68
782000 · Postage & Printing	1,580.92	7,619.70	-79.25%	27,529.03
783000 · Utilities	804.91	795.17	1.23%	6,152.57
784000 · Telephone	1,232.91	1,250.48	-1.41%	8,638.42
785000 · Special Services	595.68	881.85	-32.45%	8,301.14
785100 · Government Fees	0.00	777.00	-100.0%	6,612.00
786000 · Insurance & Bonds	5,201.29	5,201.29	0.0%	23,889.04
787000 · Payroll Taxes	10,538.04	8,189.81	28.67%	64,083.38
788000 · Audit - Expenses				
788100 · General Accounting	0.00	399.50	-100.0%	7,283.50
788000 · Audit - Expenses - Other	0.00	5,020.00	-100.0%	27,078.00
Total 788000 · Audit - Expenses	0.00	5,419.50	-100.0%	34,361.50
789000 · Legal - Expenses Gen.	4,300.00	5,214.00	-17.53%	24,124.00
790000 · Gen/Prfsnl Consultant Expenses	0.00	20.00	-100.0%	2,174.78
791000 · Planning & Research	0.00	680.00	-100.0%	4,017.10
792000 · Bad Debts	1.43	2.76	-48.19%	2,825.48
793000 · Office Equip. Service Contracts	2,489.55	3,121.87	-20.26%	17,546.39
794000 · Interest Expenses	0.00	9,812.50	-100.0%	25,468.18
794100 · Annual Fee - Bond Fund	0.00	0.00	0.0%	1,425.00
797000 · Trustee Fees	1,600.00	2,000.00	-20.0%	11,400.00
799000 · Miscellaneous Expenses/Vendors	2,610.52	3,347.36	-22.01%	23,257.31
799525 · Gardening Service	240.00	240.00	0.0%	1,680.00
799600 · Customer Refunds	71.77	0.00	100.0%	13.04
Total 770000 · GENERAL & ADMIN EXPENSES	172,832.55	201,188.22	-14.09%	1,268,647.45
Total Expense	172,832.55	201,188.22	-14.09%	1,268,647.45
Net Ordinary Income	180,264.82	576,507.47	-68.73%	2,393,255.28

Santa Ynez River Water Conservation District ID #1
Statement of Revenues & Expenses
January 2021

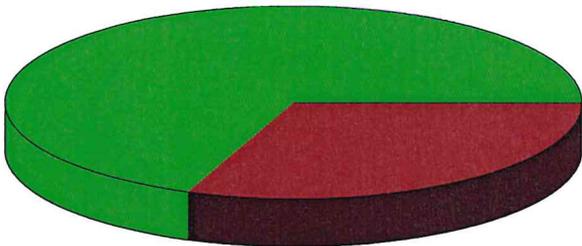
	Jan 21	Dec 20	% Change	Jul '20 - Jan 21
Other Income/Expense				
Other Expense				
800000 · LEGAL/ENGINEERING				
800200 · Legal -BB&K/Consultants				
800102 · Sustainable Grndwtr Mgmt Act	3,029.00	4,453.00	-31.98%	28,801.98
800201 · NMFS Biop Recon/Stlhd Rcvry Pln	1,920.50	3,212.00	-40.21%	15,827.00
Total 800200 · Legal -BB&K/Consultants	4,949.50	7,665.00	-35.43%	44,628.98
800203 · River Water Righ Proceed (BHFS)	503.00	114.00	341.23%	29,069.50
800300 · Engineering	0.00	2,196.00	-100.0%	12,332.42
800500 · Unanticipated Spc Legal Expense	7,799.00	1,823.50	327.69%	24,134.50
826201 · SWRCB Order/Studies (BBK)	0.00	0.00	0.0%	1,241.00
Total 800000 · LEGAL/ENGINEERING	13,251.50	11,798.50	12.32%	111,406.40
825000 · STUDIES				
825400 · CCRB (Shared Consultants)				
825401 · Joint Bio Op Recon.-Consultants	7,123.13	0.00	100.0%	14,549.60
Total 825400 · CCRB (Shared Consultants)	7,123.13	0.00	100.0%	14,549.60
825600 · SB Co Water Agency				
825601 · Integrated Regional Water Man.	0.00	0.00	0.0%	3,075.00
825600 · SB Co Water Agency - Other	0.00	300.00	-100.0%	5,120.22
Total 825600 · SB Co Water Agency	0.00	300.00	-100.0%	8,195.22
825800 · BiOp Implementation	0.00	0.00	0.0%	35,960.00
825900 · Water System Study Updt (Stet)	0.00	8,023.50	-100.0%	10,293.00
826000 · System Capacity/Cap Impv Plan	-1,200.00	1,650.00	-172.73%	304.75
826101 · SWRCB Order/Studies (Stet/Han)	36.50	0.00	100.0%	2,178.78
Total 825000 · STUDIES	5,959.63	9,973.50	-40.25%	71,481.35
850000 · NON-CAPITAL EXPENSES				
850500 · USBR Cach Proj Contract/Cap Prg	0.00	0.00	0.0%	7,584.00
Total 850000 · NON-CAPITAL EXPENSES	0.00	0.00	0.0%	7,584.00
900100 · Constr in Progress CY				
900335 · SWP Pump Station/Pipeline	0.00	0.00	0.0%	1,821.70
900332 · Water Treatment Plant/Fac	0.00	0.00	0.0%	907.52
900106 · Rehab/Rplc - Trans. Mains/Lats	0.00	95.00	-100.0%	469,882.38
900171 · 4.CFS WII Field	15,531.10	0.00	100.0%	15,531.10
Total 900100 · Constr in Progress CY	15,531.10	95.00	16,248.53%	488,142.70
900370 · Capital Improvement Prog - CY				
900318 · Meter Replace/Utility Billing	950.00	0.00	100.0%	17,069.59
900371 · Office Building/Shop Improvemen	0.00	0.00	0.0%	15,491.93
900372 · Office Furn., Computers & Equip	0.00	0.00	0.0%	9,888.47
900376 · Communications/Telemetry-SCADA	0.00	0.00	0.0%	71,075.57
900378 · Mjr. Tools, Shop & Garage Equip	0.00	0.00	0.0%	103,614.16
Total 900370 · Capital Improvement Prog - CY	950.00	0.00	100.0%	217,139.72
Total Other Expense	35,692.23	21,867.00	63.22%	895,754.17
Net Other Income	-35,692.23	-21,867.00	-63.22%	-895,754.17
Net Income	144,572.59	554,640.47	-73.93%	1,497,501.11

Income and Expense by Month
July 2020 through January 2021



Income Summary
July 2020 through January 2021

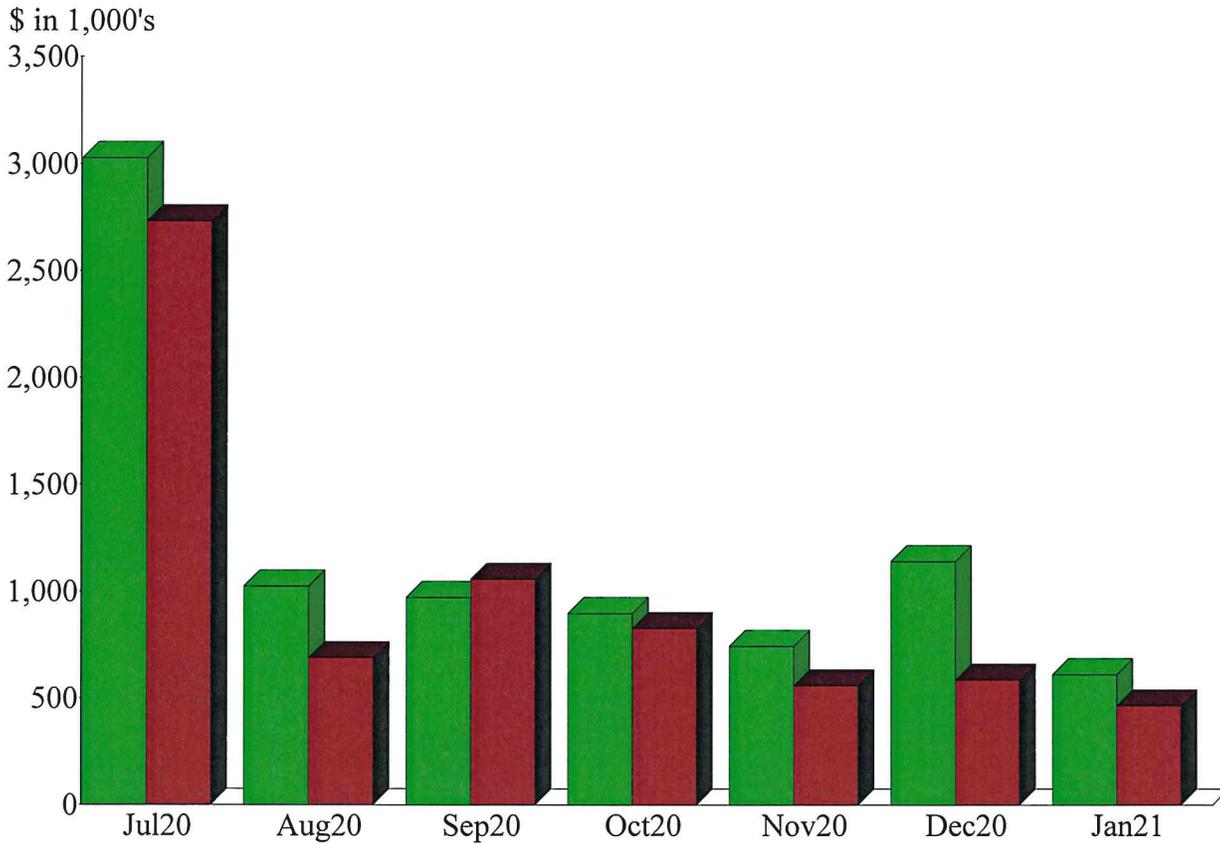
600000 · SERVICE & SALES REVENUE	69.19%
625000 · ASSESSMENTS, FEES & OTHER	30.81%
Total	\$8,417,731.45



By Account

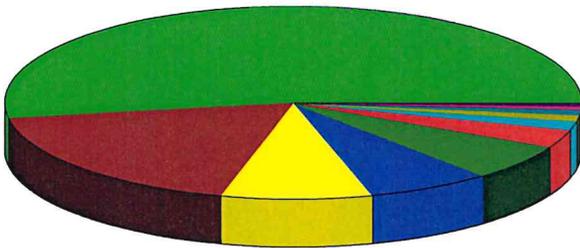
Income and Expense by Month
July 2020 through January 2021

Income
Expense



Expense Summary
July 2020 through January 2021

702000 · SOURCE OF SUPPLY EXPENSES	52.74%
770000 · GENERAL & ADMIN EXPENSE	18.33
750000 · TRANSMISSION & DIST. EXPENSES	8.45
900100 · Constr in Progress CY	7.05
725000 · PUMPING EXPENSES	6.05
900370 · Capital Improvement Prog - CY	3.14
800000 · LEGAL/ENGINEERING	1.61
825000 · STUDIES	1.03
710000 · INFRASTRUCTURE EXPENSES	0.96
740000 · WATER TREATMENT EXPENSES	0.52
Other	0.11
Total	\$6,920,230.34



By Account

Santa Ynez River Water Conservation District ID #1

Warrant List for Board Approval

January 20 through February 16, 2021

Date	Num	Name	Amount
Jan 20 - Feb 16, 21			
01/29/2021	23624	ACWA/JPIA - Health	\$ 42,766.26
01/29/2021	23625	PMA Conference	\$ 1,195.00
02/16/2021	23626	All American Drilling, Inc.	\$ 17,325.48
02/16/2021	23627	All Around Landscape Supply/SiteOne	\$ 64.84
02/16/2021	23628	Aquapulse Chemicals, LLC	\$ 4,328.03
02/16/2021	23629	Aramark Uniform Serv Inc.	\$ 1,079.00
02/16/2021	23630	B of A Business Card Services-AGM	\$ 1,151.95
02/16/2021	23631	B of A Business Card Services-GM2	\$ 527.88
02/16/2021	23632	Bartlett, Pringle & Wolf, LLP	\$ 5,419.50
02/16/2021	23633	Bertin Pulido	\$ 240.00
02/16/2021	23634	Best Best & Krieger LLP	\$ 12,109.13
02/16/2021	23635	Brownstein,Hyatt,Farber, Schreck	\$ 12,602.00
01/29/2021	EFT	CA State Disbursement - January 2021	\$ 513.00
01/29/2021	EFT	CalPERS - Retirement - January 2021	\$ 33,189.76
02/16/2021	23636	CIO Solutions, LP	\$ 2,414.55
02/16/2021	23637	Clinical Lab of San Bernardino Inc.	\$ 225.00
02/16/2021	23638	Co S B/ Public Works Dept /Dump Chg	\$ 29.14
02/16/2021	23639	Comcast	\$ 306.08
02/16/2021	23640	Continental Utility Solutions, Inc.	\$ 2,000.00
02/16/2021	23641	Echo Communications	\$ 172.45
01/29/2021	EFT	Employment Dev. Dept. Jan 2021 Payroll Taxes	\$ 8,267.27
02/16/2021	23642	Ferguson Enterprises, Inc.	\$ 950.00
02/16/2021	23643	Harrison Hardware Inc	\$ 106.33
02/16/2021	23644	Hopkins Technical Products, Inc	\$ 182.20
02/16/2021	23645	ICONIX Waterworks (US) Inc.	\$ 7,378.06
02/16/2021	23646	Iron Mountain	\$ 84.88
02/16/2021	23647	IVR Technology Group, LLC	\$ 70.00
02/16/2021	23648	J. Winther Chevron, Inc.	\$ 184.27
02/16/2021	23649	Jan-Pro Cleaning Systems	\$ 2,456.00
01/29/2021	EFT	Lincoln National Life - January 2021	\$ 2,350.00
02/16/2021	23650	MarBorg Industries	\$ 363.48
02/16/2021	23651	McCormix Corp	\$ 1,746.75
01/29/2021	EFT	Mechanics Bank - January 2021 Payroll Taxes	\$ 36,551.91
02/16/2021	23652	O'reilly Auto Parts	\$ 39.86
01/29/2021	EFT	Payroll - January 2021	\$ 95,219.73
02/16/2021	23653	P G & E	\$ 27,287.46
02/16/2021	23654	Praxair Distribution Inc	\$ 39.32
02/16/2021	23655	Quadient Finance USA, Inc - Postage	\$ 1,561.99
02/16/2021	23656	Quill	\$ 957.29
02/16/2021	23657	SB County EHS/CUPA	\$ 3,520.00
02/16/2021	23658	Smiths Alarms & Electronics Inc	\$ 729.21
02/16/2021	23659	Stetson Engineers Inc	\$ 10,219.50
02/16/2021	23660	SYCSD	\$ 80.78
02/16/2021	23661	The Gas Company	\$ 75.74

Santa Ynez River Water Conservation District ID #1

Warrant List for Board Approval

January 20 through February 16, 2021

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
02/16/2021	23662	Tierra Contracting, Inc.	\$ 25,453.27
02/16/2021	23663	Underground Service Alert	\$ 57.85
02/16/2021	23664	Verizon Wireless	\$ 926.83
02/16/2021	23665	Viking Press Inc.	\$ 149.63
02/16/2021	23666	Waste Management of Santa Maria	\$ 282.43
Jan 20 - Feb 16, 21			
			Total
			\$ 364,951.09



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Steve Anderson
(951) 826-8279
steve.anderson@bbklaw.com

February 8, 2021

VIA EMAIL TO PGARCIA@SYRWD.ORG

Paeter Garcia
Santa Ynez River Water Conservation District, Improvement District No. 1
3622 Sagunto Street
Santa Ynez, CA 93460

Re: Continued Engagement of Best Best & Krieger LLP

Dear Mr. Garcia:

ABOUT OUR REPRESENTATION

Best Best & Krieger LLP (BB&K) is pleased to continue representing the Santa Ynez River Water Conservation District, Improvement District No. 1 (ID No. 1). This letter constitutes our updated agreement setting the terms of our continued representation.

CONFIDENTIALITY AND ABSENCE OF CONFLICTS

An attorney-client relationship requires mutual trust between the client and the attorney. It is understood that communications exclusively between counsel and the client are confidential and protected by the attorney-client privilege.

YOUR OBLIGATIONS ABOUT FEES AND BILLINGS

As you know, we represent ID No. 1 on various matters. These matters include: (1) Water Rights and Related Proceedings; (2) Cachuma Project Federal ESA Issues; and (3) Sustainable Groundwater Management Act issues. Going forward, our special counsel billing rates for Partners and Of Counsel will be \$405 per hour. The rate for Associates will be \$260 per hour and the rate for Paralegals will be \$180 per hour.

For any General Counsel matters that may arise, our billing rates for Partners and Of Counsel will be \$365 per hour. The rate for Associates is \$250 per hour and the rate for Paralegals will be \$170 per hour. The billing rates for others are described in the memorandum attached to this letter which is entitled "Best & Krieger LLP's Billing Policies." It also describes the other aspects of our firm's billing policies. You should consider the Billing Policies



BEST BEST & KRIEGER
ATTORNEYS AT LAW

Paeter Garcia
SYRWCD, Improvement District No. 1
February 8, 2021
Page 2

memorandum part of this agreement as it binds both of us. For that reason, you should read it carefully.

INSURANCE

We are pleased to let you know that Best Best & Krieger LLP carries errors and omissions insurance with Lloyd's of London. After a standard deductible, this insurance provides coverage beyond what is required by the State of California.

NEW MATTERS

When we are engaged by a client on a particular matter, we are often later asked to work on additional matters. You should know that such new matters will be the subject of a new signed supplement to this agreement. Similarly, this agreement does not cover and is not a commitment by either of us that we will undertake any appeals or collection procedures. Any such future work would also have to be agreed upon in a signed supplement.

HOW THIS AGREEMENT MAY BE TERMINATED

You, of course, have the right to end our services at any time. If you do so, you will be responsible for the payment of fees and costs accrued but not yet paid, plus reasonable fees and costs in transferring the case to you or your new counsel. By the same token, we reserve the right to terminate our services to you upon written notice, order of the court, or in accordance with our attached Billing Policies memorandum. This could happen if you fail to pay our fees and costs as agreed, fail to cooperate with us in this matter, or if we determine we cannot continue to represent you for ethical or practical concerns.

CLIENT FILE

If you do not request the return of your file, we will retain your file for five years. After five years, we may have your file destroyed. If you would like your file maintained for more than five years or returned, you must make separate arrangements with us.



BEST BEST & KRIEGER
ATTORNEYS AT LAW

Paeter Garcia
SYRWCD, Improvement District No. 1
February 8, 2021
Page 3

THANK YOU

We very much appreciate your continued trust in BB&K. If you have any questions or concerns about the terms of our representation, please contact me. If this letter meets with your approval, please sign and date it, and return the original to us. Thank you again for the opportunity to continue to represent the Santa Ynez River Water Conservation District, Improvement District No. 1.

Sincerely,

Steve Anderson
of BEST BEST & KRIEGER LLP

AGREED AND ACCEPTED:

By: _____

Dated: _____

BEST BEST & KRIEGER LLP'S BILLING POLICIES

Our century of experience has shown that the attorney-client relationship works best when there is mutual understanding about fees, expenses, billing and payment terms. Therefore, this statement is intended to explain our billing policies and procedures. Clients are encouraged to discuss with us any questions they have about these policies and procedures. Clients may direct specific questions about a bill to the attorney with whom the client works or to our Accounts Receivable Department. Any specific billing arrangements different from those set forth below will be confirmed in a separate written agreement between the client and the firm.

Fees for Professional Services

Unless a flat fee is set forth in our engagement letter with a client, our fees for the legal work we will undertake will be based in substantial part on time spent by personnel in our office on that client's behalf. In special circumstances which will be discussed with the client and agreed upon in writing, fees will be based upon the novelty or difficulty of the matter, or the time or other special limitations imposed by the client.

Hourly rates are set to reflect the skill and experience of the attorney or other legal personnel rendering services on the client's behalf. Time is accrued on an incremental basis for such matters as telephone calls (minimum .3 hour) and letters (minimum .5 hour), and on an actual basis for all other work. Our attorneys are currently billed at rates from \$245 to \$750 per hour, and our administrative assistants, law clerks, litigation analysts, research analysts, and paralegals are billed at rates from \$70 to \$290 per hour. These hourly rates are reviewed annually to accommodate rising firm costs and to reflect changes in attorney status as lawyers attain new levels of legal experience. Any increases resulting from such reviews will be instituted automatically and will apply to each affected client, after advance notice.

Non-Attorney Personnel: BBK may employ the services of non-attorney personnel under the supervision of a BBK attorney in order to perform services called for in the legal services agreement. The most common non-attorney personnel utilized are paralegals. Other types of non-attorney personnel include, but are not limited to, case clerks, IT analysts, and specialty consultants. The client agrees that BBK may use such

non-attorney personnel to perform its services when it is reasonably necessary in the judgment of the responsible BBK attorney. Hourly fees for non-attorney personnel will be charged at the rate then in effect for such personnel. A copy of BBK's current rates and titles for non-attorney personnel will be provided upon request. Except for paralegals, BBK will not incur more than \$575 in fees for a non-attorney's work on a client matter without first confirming by email or written correspondence with the client the intended use of the non-attorney and the hourly rate for that person.

Fees For Other Services, Costs and Expenses

We attempt to serve all our clients with the most effective support systems available. Therefore, in addition to fees for professional legal services, we also charge separately for some other services and expenses to the extent of their use by individual clients. These charges include but are not limited to, mileage at the current IRS approved rate per mile, extraordinary telephone and document delivery charges, copying charges, computerized research, court filing fees and other court-related expenditures including court reporter and transcription fees. No separate charge is made for secretarial or word processing services; those costs are included within the above hourly rates.

ESI: BBK provides Electronically Stored Information (ESI[®]) services for matters requiring ESI support – typically litigation or threatened litigation matters. BBK shall receive payment for ESI support, if needed, at BBK's then current rates. A copy of BBK's current rates for such services will be provided upon request. BBK shall not incur costs for ESI support on a particular matter without first confirming by email or written correspondence with the client that the client agrees such services are necessary for the matter at hand.

We may need to advance costs and incur expenses on your behalf on an ongoing basis. These items are separate and apart from attorneys' fees and, as they are out-of-pocket charges, we need to have sufficient funds on hand from you to pay them when due. We will advise the client from time to time when we expect items of significant cost to be incurred, and it is required that the client send us advances to cover those costs before they are due.

Advance Deposit Toward Fees And Costs

Because new client matters involve both a substantial undertaking by our firm and the establishment of client credit with our accounting office, we require an advance payment from clients. The amount of this advance deposit is determined on a case-by-case basis discussed first with the client, and is specified in our engagement letter.

Upon receipt, the advance deposit will be deposited into the firm's client trust account. Our monthly billings will reflect such applications of the advance deposit to costs and not to attorney's fees (unless otherwise noted in our accompanying engagement letter). At the end of engagement, we will apply any remaining balance first to costs and then to fees. We also reserve the right to require increases or renewals of these advanced deposits.

By signing the initial engagement letter, each client is agreeing that trust account balances may be withdrawn and applied to costs as they are incurred and to our billings, when we issue our invoice to the client. If we succeed in resolving your matter before the amounts deposited are used, any balance will be promptly refunded.

Monthly Invoices and Payment

Best & Krieger LLP provides our clients with monthly invoices for legal services performed and expenses incurred. Invoices are due and payable upon receipt.

Each monthly invoice reflects both professional and other fees for services rendered through the end of the prior month, as well as expenses incurred on the client's behalf that have been processed by the end of the prior month. Processing of some expenses is delayed until the next month and billed thereafter.

Our fees are not contingent upon any aspect of the matter and are due upon receipt. All billings are due and payable within ten days of presentation unless the full amount is covered by the balance of an advance held in our trust account. If a bill is not paid within 30 days, a late charge of one percent per month on the unpaid invoice shall be added to the balance owed, commencing with the next statement and continuing until paid.

It is our policy to treat every question about a bill promptly and fairly. It is also our policy that if a client does not pay an invoice within 60 days of mailing, we assume the client is, for whatever reason, refusing to pay. We reserve the right to terminate our engagement and withdraw as attorney of record whenever our invoices are not paid. If an invoice is 60 days late, however, we may advise the client by letter that the client must pay the invoice within 14 days or the firm will take appropriate steps to withdraw as attorney of record. If the delay is caused by a problem in the invoice, we must rely upon the client to raise that with us during the 14-day period. This same policy applies to fee arrangements which require the client to replenish fee deposits or make deposits for anticipated costs.

From time to time clients have questions about the format of the bill or description of work performed. If you have any such questions, please ask them when you receive the bill so we may address them on a current basis.

Changes in Fee Arrangements and Budgets

It may be necessary under certain circumstances for a client to increase the size of required advances for fees after the commencement of our engagement and depending upon the scope of the work. For example, prior to a protracted trial or hearing, the firm may require a further advance payment to the firm's trust account sufficient to cover expected fees. Any such changes in fee arrangements will be discussed with the client and mutually agreed in writing.

Because of the uncertainties involved, any estimates of anticipated fees that we provide at the request of a client for budgeting purposes, or otherwise, can only be an approximation of potential fees.

BEST BEST & KRIEGER LLP

STRADLING YOCCA CARLSON & RAUTH, P.C.

MEMORANDUM

TO: Paeter Garcia **FILE NUMBER:** 102870-0001
FROM: Jeffrey A. Dinkin
DATE: February 16, 2021
SUBJECT: Suggested Revisions to Personnel Policy Manual

I have reviewed the District's Personnel Policy Manual and have the following suggested revisions based on an assessment of existing policies and changes in the law since the last review of the Manual.

Section 3 – Employee Benefits

5. Medical Disability Leave (“MDL”)

As a result of new legislation effective January 1, 2021, leave rights under the California Family Rights Act applies to all public employers. (However, the federal Family and Medical Leave Act (“FMLA”) continues to not apply. The existing section was retitled “Statutory Family and Medical Leave” and rewritten as follows:

Since SYRWCD ID#1 does not employ at least 50 employees within a 75-mile radius, SYRWCD ID#1 employees are not eligible for leave under the federal Family and Medical Leave Act or California Moore-Brown-Roberti Family Rights Act. However, SYRWCD ID#1 does provide leave consistent with the requirements of the California Moore-Brown-Roberti Family Rights Act (“CFRA”) as discussed in this provision.

a) Eligibility

SYRWCD ID#1 provides eligible employees the opportunity to take unpaid leaves of absence for specific reasons in accordance with the CFRA. To be eligible for CFRA Leave, an employee must have worked for SYRWCD ID#1 for at least twelve (12) months and worked at least 1,250 hours in the twelve (12) months preceding the leave.

b) CFRA Leave

"Family care and medical leave" may be requested under the CFRA for (1) the birth or adoption of an employee's child, (2) the placement of a foster child with the employee; (3) the serious health condition of an employee's child, spouse, domestic partner as defined in California Family Code Section 297, parent, grandparent, grandchild, or sibling; (4) an employee's own serious health condition if that condition makes the employee unable to perform their position, not including leave for pregnancy, childbirth or related health conditions; or (5) if the employee or the employee spouse, domestic partner, child, or parent is in active duty or called to active duty with the United States

Armed Forces, as specified in section 3302.2 of the Unemployment Insurance Code.

A "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves either, (1) inpatient care in a hospital, hospice, or residential health care facility, or (2) continuing treatment or continuing supervision by a health care provider.

Provided all of the conditions of this policy are met, an employee may take up to twelve (12) workweeks of leave under the CFRA during a 12-month period. A workweek is the number of hours the employee is normally scheduled to work. If an employee's schedule varies from week to week to such an extent that SYRWCD ID#1 is unable to determine with any certainty how many hours the employee would otherwise have worked (but for the taking of CFRA Leave), a weekly average of the hours scheduled over the 12 months prior to the beginning of the leave period (including any hours for which the employee took leave of any type) shall be used for calculating the employee's leave entitlement. The 12-month period is measured as a "rolling" 12-month period measured backward from the date an employee uses any CFRA Leave.

CFRA Leave shall not constitute a break in service or cause the employee to lose seniority.

If an employee normally would be required to work overtime, but is unable to do so because of a CFRA-qualifying reason that limits the employee's ability to work overtime, the hours that the employee would have been required to work may be counted against the employee's CFRA entitlement. Voluntary overtime hours that an employee does not work due to a serious health condition will not be counted against the employee's CFRA Leave entitlement.

If it is discovered that an employee fraudulently obtains or uses CFRA Leave, he or she is not protected by CFRA's job restoration or maintenance of health benefits provisions.

c) Intermittent Leave

CFRA Leave taken for the birth, adoption, or foster care placement of a child generally must be taken in blocks of at least two (2) weeks' duration; however, SYRWCD ID#1 will provide employees with family care leave for birth, adoption, or foster care placement for periods of less than two (2) weeks duration on any two (2) occasions. CFRA Leave taken for the birth, adoption, or foster care placement of a child must be concluded within one (1) year of the birth, adoption, or placement.

CFRA Leave for any other reason may be taken intermittently or on a reduced schedule where medically necessary. If CFRA Leave is authorized to be taken intermittently or on a reduced schedule, SYRWCD ID#1 retains the discretion to transfer the employee temporarily to an alternative position with equivalent pay and benefits which better accommodates the employee's leave schedule.

SYRWCD ID#1 reserves the right to require that the employee obtain a release to return-to-work for CFRA Leaves taken on an intermittent or reduced leave schedule up to once every 30 days if reasonable safety concerns exist regarding the employee's ability to perform their duties.

If it is physically impossible for an employee to use intermittent leave, work a reduced schedule or modified shifts, then the entire period that the employee is absent will be designated as CFRA Leave and count against the employee's CFRA entitlement. However, if the employee is able to perform other aspects of their work, those duties will shorten the time designated as CFRA Leave.

d) Substitution of Paid Time Off

Employees may use their accrued vacation time during CFRA Leaves. However, if the leave is taken for an employee's own serious health condition then the employee may elect to substitute accrued sick leave for CFRA Leave. Sick leave may also be used for leave taken in connection with the birth, adoption, or foster care of a child, or to care for a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner with a serious health condition.

If the employee is receiving payments from State Disability Insurance ("SDI") while on CFRA Leave, the accrued vacation or sick leave will only be used in an amount which supplements the SDI payment such that the employee receives the full amount of their regular compensation as an active employee.

The use of vacation or sick leave for CFRA Leave does not extend the total duration of CFRA Leave to which an employee is entitled. For example, the fact that an employee uses two (2) weeks of vacation during a CFRA Leave does not extend the maximum duration of the CFRA leave beyond twelve (12) weeks.

e) Leave's Effect on Pay

CFRA Leave is unpaid, unless you choose to use sick leave and/or vacation during CFRA leave, as outlined in the other sections of this policy.

f) Leave's Effect on Benefits

During an employee's CFRA Leave, SYRWCD ID#1 shall continue to pay for the employee's participation in SYRWCD ID#1's group health insurance to the same extent and under the same terms and conditions as would apply had the employee not taken leave. Employees are required to continue to make any payments they normally make towards healthcare coverage premiums while on leave. In the event an employee on leave fails to make timely payment for their portion of healthcare coverage premiums, SYRWCD ID#1 will notify the employee of such failure as required by law and, if payment is not made, terminate the coverage.

In the event that SYRWCD ID#1 provides a new health plan or benefits or changes health benefits or plans while an employee is on CFRA Leave, SYRWCD ID#1 will give written notice to the employee that he or she is subject to the new or changed plan/benefits to the same extent as if the employee were not on leave.

If the employee fails to return from the leave for a reason other than the recurrence or continuation of the health condition that brought about the leave or other circumstances beyond the employee's control, SYRWCD ID#1 is entitled to recover any health premiums paid by SYRWCD ID#1 on the employee's behalf during any unpaid period of the leave.

Employees on CFRA Leave accrue employment benefits, such as vacation, only when vacation or sick leave is being substituted for unpaid leave and only if the employee would otherwise be entitled to such accrual. If the employee is using accrued vacation to supplement SDI payments as discussed in Section "D" above, he or she will accrue employment benefits on a pro rata basis.

Employees on CFRA Leave will also be entitled to continue to make contributions to any employee benefit plans in which they are enrolled, including life insurance or short-term or long-term disability or accident insurance plans, pension and retirement plans, and any supplemental unemployment benefits. In the case of life insurance or short-term or long-term disability or accident insurance, or other similar plans, SYRWCD ID#1 may, at SYRWCD ID#1's discretion, require the employee to pay premiums, at the group rate, during the period of leave not covered by any accrued vacation or sick leave, as a condition of continued coverage during CFRA Leave. However, the nonpayment of premiums by an employee shall not constitute a break in service, for purposes of longevity, seniority under any collective bargaining agreement, or any employee benefit plan.

g) Procedure for Requesting Family Care and Medical Leave

Employees should notify the Assistant General Manager of their request for CFRA Leave as soon as they are aware of the need for such leave. For foreseeable events, if possible, the employee shall provide thirty (30) calendar days' advance written notice to the Assistant General Manager of the need for CFRA Leave. For events that are unforeseeable thirty (30) days in advance, but are not emergencies, the employee must notify the Assistant General Manager, in writing, as soon as they learn of the need for the leave, ordinarily no later than one (1) to two (2) working days after the employee learns of the need for the leave. If the leave is requested in connection with a planned, non-emergency medical treatment, the employee may be requested to reschedule the treatment so as to minimize disruption of SYRWCD ID#1's business.

If an employee fails to provide the requisite reasonable advance notice for foreseeable events without any reasonable excuse for the delay, SYRWCD ID#1 reserves the right to deny the taking of the leave.

All requests for CFRA Leave should include anticipated date(s) and duration of the leave. Any requests for extensions of a CFRA Leave must be received at least five (5) working days before the date on which the employee was originally scheduled to return to work and must include the revised anticipated date(s) and duration of the family care or medical leave.

SYRWCD ID#1 shall respond to leave requests as soon as practicable and in any event no later than five (5) business days after receiving the employee's request.

Any request for CFRA Leave must be supported by proper certification of the need for leave. For foreseeable leaves, employees must provide the required certification before the leave begins. When this is not possible, employees must provide the required certification within fifteen (15) calendar days after SYRWCD ID#1's request for certification, unless it is not practicable under the circumstances to do so, despite the employee's good faith efforts. Failure to provide the required certification may result in the denial of foreseeable leaves until such certification is provided. In the case of unforeseeable leaves, failure to provide the required certification within fifteen (15) days of being requested to do so may result in a denial of the employee's continued leave. Any request for an extension of the leave also must be supported by an updated certification.

Certification of medical leave under the CFRA shall include (1) the date on which the serious health condition commenced; (2) the probable duration of the condition; (3) a statement that, due to the serious health condition, the employee is unable to perform the functions of their position, or in the case of caring for a qualifying individual, a statement that the serious health condition warrants the participation of the employee to provide care during a period of the treatment or supervision of the individual requiring care; and (4) in the case of intermittent leave or revised schedule leave where medically necessary, the probable duration of such a schedule. If SYRWCD ID#1 has a good faith, objective reason to doubt the validity of the certification provided by the employee, SYRWCD ID#1 may require the employee to obtain a second opinion from a doctor of SYRWCD ID#1's choosing at SYRWCD ID#1's expense. If the employee's health care provider and the doctor providing the second opinion do not agree, SYRWCD ID#1 may require a third opinion, also at SYRWCD ID#1's expense, performed by a mutually agreeable doctor who will make a final determination. Before permitting the employee to return to work, SYRWCD ID#1 may also require the employee to provide medical certification that they are able to return to work.

Certification of a military caregiver leave under CFRA shall be either (1) an appropriate medical certification from an authorized health care provider or (2) a copy of an Invitation Travel Order or Authorization issued by the Department of Defense.

The nature and format of the certification of a qualifying exigency leave under CFRA will vary depending on the nature of the qualifying exigency, and will typically include a copy of the active duty orders for the employee's spouse, domestic partner, child, or parent.

h) Leave's Effect on Reinstatement

Employees returning from CFRA Leave are entitled to reinstatement to the same or comparable position consistent with applicable law, provided that the total period of CFRA Leave does not exceed the employee's maximum leave entitlement as described above.

Employees who take medical leave under CFRA for their own serious health condition must provide medical certifications verifying that they are able to return to work in the same manner as employees who return to work from other types of medical leave.

If an employee has a serious health condition that also constitutes a disability as defined by Government Code section 12926 and cannot return to work at the conclusion of their CFRA Leave, SYRWCD ID#1 has an obligation to engage that employee in an interactive process to determine whether an extension of that leave would constitute a reasonable accommodation under the FEHA. The maximum CFRA entitlement of 12 workweeks does not include leave provided as a reasonable accommodation for a physical or mental disability under the FEHA.

i) No retaliation

SYRWCD ID#1 will not discriminate or retaliate against an employee for having exercised or attempted to exercise CFRA rights or giving information or testimony regarding their CFRA Leave, or another person's CFRA Leave, in any inquiry or proceeding related to any right guaranteed under CFRA, in accordance with applicable law.

Section 3 – Employee Benefits

6. Pregnancy-Related Disability

To be consistent with the above change to the Manual, the Pregnancy-Disability section was revised to read as follows:

If an employee is disabled by pregnancy, childbirth or related medical conditions, she is eligible to take a pregnancy disability leave (PDL). If an employee is affected by pregnancy or a related medical condition, she is also eligible to transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties, if this transfer is medically advisable.

- The PDL is for any period(s) of actual disability caused by pregnancy, childbirth or related medical conditions up to four (4) months (or eighty-eight (88) work days for a full-time employee) per pregnancy.
- The PDL does not need to be taken in one continuous period of time but can be

taken on an as-needed basis.

- Time off needed for prenatal care, severe morning sickness, doctor ordered bed rest, childbirth, and recovery from childbirth would all be covered by the PDL.
- Except as otherwise specifically provided in this section, generally, SYRWCD ID#1 is required to treat pregnancy disability the same as SYRWCD ID#1 treats other disabilities of similarly situated employees. The leave will be unpaid.

Employees on PDL will be required to obtain a written certification from their health care provider of the pregnancy disability or the medical advisability for a transfer. The certification should include:

- The date on which the employee becomes disabled due to pregnancy or the date of the medical advisability for the transfer;
- the probable duration of the period(s) of disability or the period (s) for the advisability of the transfer, and
- a statement that, due to the disability, the employee is unable to work at all or to perform any one or more of the essential functions of the position without undue risk to herself, the successful completion of the pregnancy or to other persons or a statement that, due to your pregnancy, the transfer is medically advisable.

At the employee's option, any accrued vacation or sick leave may be used during the pregnancy disability leave before taking the remainder of the leave as an unpaid leave. Employees may also be eligible for state disability insurance for the unpaid portion of the leave.

Taking a pregnancy disability leave may impact certain benefits and the employee's seniority date. If an employee wants more information regarding the eligibility for a leave, the impact of the leave on seniority and benefits, and our policy for other disabilities, they should contact the Assistant General Manager.

An employee who is on a leave of absence for a period in excess of two (2) months must notify the Assistant General Manager by the end of each month thereafter both of the status of the disability and the employee's continued intent to work once the employee recovers from the disability. An employee returning from an absence shall be required to provide a physician's certification that indicates that she is fit to return to work.

An employee who returns to work at the end of a leave of absence due to pregnancy, childbirth or related medical condition will be returned to her former position, if possible, or will be offered the first available opening in a comparable position for which she is qualified.

An employee who returns from a leave of absence due to pregnancy will be credited with all service prior to the commencement of her disability.

An employee who fails to report for work at the end of an approved leave will be deemed to have voluntarily resigned.

During an employee's approved PDL, SYRWCD ID#1 shall continue to pay for the employee's participation in SYRWCD ID#1's group health insurance to the same extent and under the same terms and conditions as would apply had the employee not taken leave, for up to four months. Employees are required to continue to make any payments they normally make towards healthcare coverage premiums while on leave. In the event an employee on leave fails to make timely payment for their portion of healthcare coverage premiums, SYRWCD ID#1 will notify the employee of such failure and, if payment is not made, terminate the coverage. SYRWCD ID#1 is entitled to recover any health premiums paid by SYRWCD ID#1 on the employee's behalf during any unpaid period of the leave if the employee fails to return from the PDL for a reason other than one of the following: (1) the employee takes CFRA Leave; (2) the continuation, recurrence or onset of a serious health condition or serious injury or illness within the meaning of CFRA; or (3) other circumstances beyond the employee's control as provided by law.

Employees on PDL accrue employment benefits, such as vacation, sick or seniority, only when vacation or sick leave is being substituted for unpaid leave and only if the employee would otherwise be entitled to such accrual. In addition to the provisions discussed above, taking a pregnancy disability leave may impact certain benefits and the employee's seniority date. If an employee wants more information regarding the eligibility for a leave, the impact of the leave on seniority and benefits, and our policy for other disabilities, they should contact the Assistant General Manager.

Section 3 - Employee Benefits

8. Paid Family Leave Insurance

Due to new legislation, the following changes were made to this section:

California law creates a benefit program that allows eligible employees to receive benefits if they miss work due to specified family responsibilities. While the program does not create any leave entitlement, it is referred to Paid Family Leave Insurance ("PFLI"). Eligible employees may receive up to ~~six~~ eight weeks of PFLI benefits that replace a portion of their wages, subject to state-imposed limitations. Employees qualify for PFLI benefits only if they are unable to work and miss work to (1) care for a seriously ill child, parent, parent-in-law, grandparent, grandchild, sibling, spouse, or registered domestic partner, or (2) if the employee or the employee's spouse, domestic partner, child, or parent is on active duty or called to active duty with the United States Armed Forces, or (3) to bond with a new child within the first year after the birth adoption or foster care placement of the child. ~~care for a seriously ill child, spouse, parent, or registered domestic partner, or to bond with a new child within the first year after the birth or placement of the child.~~ The eligibility standards are set by the State of California and are not the same as those applicable to qualify for leaves of absence under the other policies of this ~~Handbook~~ Manual.

Section 3 – Employee Benefits

16. Victims of Domestic Violence, Sexual Assault, Stalking or Other Crimes

Due to legislative changes, this section is revised as follows:

In addition to providing time off to victims of domestic violence, sexual assault or stalking and other crimes as required by law, and not discriminating or retaliating against such employees as provided by law, SYRWCD ID#1 further makes reasonable accommodation for employees who are victims of domestic violence, sexual assault, or stalking or other crimes as required by law who requests an accommodation for the safety of the employee while at work to the extent provided by law.

Rest of section remains unchanged.

1. LACTATION ACCOMMODATION

Section 3 – Employee Benefits

17. Lactation Accommodation

Due to legislative changes, this section has been revised as follows:

The SYRWCD ID#1 will provide a reasonable amount of break time and a secure environment to any female employee desiring to express breast milk for her infant child. Wherever possible, the break time must run concurrently with any break time already provided to the employee and in such circumstances will be paid. However, if such break time does not run concurrently with the employee's normal break times, such time may be unpaid.

An employee may request an accommodation for lactation breaks by submitting a lactation accommodation request form to her [insert position]. The [insert position] must respond to the employee's accommodation request in writing on the same lactation accommodation request form submitted by the employee indicating the approval of the request or whether SYRWCD ID#1 cannot provide break time or a location in compliance with this policy or state law. The completed request form must be returned to the employee and a copy sent to human resources.

Employees have the right to request a lactation accommodation without fear of discrimination, harassment or retaliation. In addition to the rights provided under this Manual, employees have the right to file a complaint with the Labor Commissioner for any violation of a right under the lactation accommodation laws (Chapter 3.8 of the California Labor Code).

Personnel Policy Manual



Santa Ynez River Water Conservation District, Improvement District No. 1

Board-Adopted: February 16, 2021

5. MEDICAL DISABILITY LEAVE ("MDL") STATUTORY FAMILY AND MEDICAL LEAVE

Since SYRWCD ID#1 does not employ at least 50 employees within a 75-mile radius, SYRWCD ID#1 employees are not eligible for leave under the federal Family and Medical Leave Act ~~or California Moore-Brown-Roberti Family Rights Act~~. However, SYRWCD ID#1 ~~does provide Medical Disability Leave, including leave for pregnancy related disabilities, as provided in this Section~~ does provide leave consistent with the requirements of the California Family Rights Act as discussed in this provision.

a) Eligibility

SYRWCD ID#1 provides eligible employees the opportunity to take unpaid leaves of absence for specific reasons in accordance with the CFRA. To be eligible for CFRA Leave, an employee must have worked for SYRWCD ID#1 for at least twelve (12) months and worked at least 1,250 hours in the twelve (12) months preceding the leave.

b) CFRA Leave

"Family care and medical leave" may be requested under the CFRA for (1) the birth or adoption of an employee's child, (2) the placement of a foster child with the employee; (3) the serious health condition of an employee's child, spouse, domestic partner as defined in California Family Code Section 297, parent, grandparent, grandchild, or sibling; (4) an employee's own serious health condition if that condition makes the employee unable to perform their position, not including leave for pregnancy, childbirth or related health conditions; or (5) if the employee or the employee spouse, domestic partner, child, or parent is in active duty or called to active duty with the United States Armed Forces, as specified in section 3302.2 of the Unemployment Insurance Code.

A "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves either, (1) inpatient care in a hospital, hospice, or residential health care facility, or (2) continuing treatment or continuing supervision by a health care provider.

Provided all of the conditions of this policy are met, an employee may take up to twelve (12) workweeks of leave under the CFRA during a 12-month period. A workweek is the number of hours the employee is normally scheduled to work. If an employee's schedule varies from week to week to such an extent that SYRWCD ID#1 is unable to determine with any certainty how many hours the employee would otherwise have worked (but for the taking of CFRA Leave), a weekly average of the hours scheduled over the 12 months prior to the beginning of the leave period (including any hours for which the employee took leave of any type) shall be used for calculating the employee's leave entitlement. The 12-month period is measured as a "rolling" 12-month period measured backward from the date an employee uses any CFRA Leave.

CFRA Leave shall not constitute a break in service or cause the employee to lose seniority.

If an employee normally would be required to work overtime, but is unable to do so because of a CFRA-qualifying reason that limits the employee's ability to work overtime, the hours that the employee would have been required to work may be counted against the employee's CFRA entitlement. Voluntary

overtime hours that an employee does not work due to a serious health condition will not be counted against the employee's CFRA Leave entitlement.

If it is discovered that an employee fraudulently obtains or uses CFRA Leave, he or she is not protected by CFRA's job restoration or maintenance of health benefits provisions.

c) Intermittent Leave

CFRA Leave taken for the birth, adoption, or foster care placement of a child generally must be taken in blocks of at least two (2) weeks' duration; however, SYRWCD ID#1 will provide employees with family care leave for birth, adoption, or foster care placement for periods of less than two (2) weeks duration on any two (2) occasions. CFRA Leave taken for the birth, adoption, or foster care placement of a child must be concluded within one (1) year of the birth, adoption, or placement.

CFRA Leave for any other reason may be taken intermittently or on a reduced schedule where medically necessary. If CFRA Leave is authorized to be taken intermittently or on a reduced schedule, SYRWCD ID#1 retains the discretion to transfer the employee temporarily to an alternative position with equivalent pay and benefits which better accommodates the employee's leave schedule.

SYRWCD ID#1 reserves the right to require that the employee obtain a release to return-to-work for CFRA Leaves taken on an intermittent or reduced leave schedule up to once every 30 days if reasonable safety concerns exist regarding the employee's ability to perform their duties.

If it is physically impossible for an employee to use intermittent leave, work a reduced schedule or modified shifts, then the entire period that the employee is absent will be designated as CFRA Leave and count against the employee's CFRA entitlement. However, if the employee is able to perform other aspects of their work, those duties will shorten the time designated as CFRA Leave.

d) Substitution of Paid Time Off

Employees may use their accrued vacation time during CFRA Leaves. However, if the leave is taken for an employee's own serious health condition then the employee may elect to substitute accrued sick leave for CFRA Leave. Sick leave may also be used for leave taken in connection with the birth, adoption, or foster care of a child, or to care for a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner with a serious health condition.

If the employee is receiving payments from State Disability Insurance ("SDI") while on CFRA Leave, the accrued vacation or sick leave will only be used in an amount which supplements the SDI payment such that the employee receives the full amount of their regular compensation as an active employee.

The use of vacation or sick leave for CFRA Leave does not extend the total duration of CFRA Leave to which an employee is entitled. For example, the fact that an employee uses two (2) weeks of vacation during a CFRA Leave does not extend the maximum duration of the CFRA leave beyond twelve (12) weeks.

e) Leave's Effect on Pay

CFRA Leave is unpaid, unless you choose to use sick leave and/or vacation during CFRA leave, as outlined in the other sections of this policy.

f) Leave's Effect on Benefits

During an employee's CFRA Leave, SYRWCD ID#1 shall continue to pay for the employee's participation in SYRWCD ID#1's group health insurance to the same extent and under the same terms and conditions as would apply had the employee not taken leave. Employees are required to continue to make any payments they normally make towards healthcare coverage premiums while on leave. In the event an employee on leave fails to make timely payment for their portion of healthcare coverage premiums, SYRWCD ID#1 will notify the employee of such failure as required by law and, if payment is not made, terminate the coverage.

In the event that SYRWCD ID#1 provides a new health plan or benefits or changes health benefits or plans while an employee is on CFRA Leave, SYRWCD ID#1 will give written notice to the employee that he or she is subject to the new or changed plan/benefits to the same extent as if the employee were not on leave.

If the employee fails to return from the leave for a reason other than the recurrence or continuation of the health condition that brought about the leave or other circumstances beyond the employee's control, SYRWCD ID#1 is entitled to recover any health premiums paid by SYRWCD ID#1 on the employee's behalf during any unpaid period of the leave.

Employees on CFRA Leave accrue employment benefits, such as vacation, only when vacation or sick leave is being substituted for unpaid leave and only if the employee would otherwise be entitled to such accrual. If the employee is using accrued vacation to supplement SDI payments as discussed in Section "D" above, he or she will accrue employment benefits on a pro rata basis.

Employees on CFRA Leave will also be entitled to continue to make contributions to any employee benefit plans in which they are enrolled, including life insurance or short-term or long-term disability or accident insurance plans, pension and retirement plans, and any supplemental unemployment benefits. In the case of life insurance or short-term or long-term disability or accident insurance, or other similar plans, SYRWCD ID#1 may, at SYRWCD ID#1's discretion, require the employee to pay premiums, at the group rate, during the period of leave not covered by any accrued vacation or sick leave, as a condition of continued coverage during CFRA Leave. However, the nonpayment of premiums by an employee shall not constitute a break in service, for purposes of longevity, seniority under any collective bargaining agreement, or any employee benefit plan.

g) Procedure for Requesting Family Care and Medical Leave

Employees should notify the Assistant General Manager of their request for CFRA Leave as soon as they are aware of the need for such leave. For foreseeable events, if possible, the employee shall provide thirty (30) calendar days' advance written notice to the Assistant General Manager of the need for CFRA Leave. For events that are unforeseeable thirty (30) days in advance, but are not emergencies, the employee must notify the Assistant General Manager, in writing, as soon as they learn of the need for the leave, ordinarily no later than one (1) to two (2) working days after the employee learns of the need for the leave. If the

leave is requested in connection with a planned, non-emergency medical treatment, the employee may be requested to reschedule the treatment so as to minimize disruption of SYRWCD ID#1's business.

If an employee fails to provide the requisite reasonable advance notice for foreseeable events without any reasonable excuse for the delay, SYRWCD ID#1 reserves the right to deny the taking of the leave.

All requests for CFRA Leave should include anticipated date(s) and duration of the leave. Any requests for extensions of a CFRA Leave must be received at least five (5) working days before the date on which the employee was originally scheduled to return to work and must include the revised anticipated date(s) and duration of the family care or medical leave.

SYRWCD ID#1 shall respond to leave requests as soon as practicable and in any event no later than five (5) business days after receiving the employee's request.

Any request for CFRA Leave must be supported by proper certification of the need for leave. For foreseeable leaves, employees must provide the required certification before the leave begins. When this is not possible, employees must provide the required certification within fifteen (15) calendar days after SYRWCD ID#1's request for certification, unless it is not practicable under the circumstances to do so, despite the employee's good faith efforts. Failure to provide the required certification may result in the denial of foreseeable leaves until such certification is provided. In the case of unforeseeable leaves, failure to provide the required certification within fifteen (15) days of being requested to do so may result in a denial of the employee's continued leave. Any request for an extension of the leave also must be supported by an updated certification.

Certification of medical leave under the CFRA shall include (1) the date on which the serious health condition commenced; (2) the probable duration of the condition; (3) a statement that, due to the serious health condition, the employee is unable to perform the functions of their position, or in the case of caring for a qualifying individual, a statement that the serious health condition warrants the participation of the employee to provide care during a period of the treatment or supervision of the individual requiring care; and (4) in the case of intermittent leave or revised schedule leave where medically necessary, the probable duration of such a schedule. If SYRWCD ID#1 has a good faith, objective reason to doubt the validity of the certification provided by the employee, SYRWCD ID#1 may require the employee to obtain a second opinion from a doctor of SYRWCD ID#1's choosing at SYRWCD ID#1's expense. If the employee's health care provider and the doctor providing the second opinion do not agree, SYRWCD ID#1 may require a third opinion, also at SYRWCD ID#1's expense, performed by a mutually agreeable doctor who will make a final determination. Before permitting the employee to return to work, SYRWCD ID#1 may also require the employee to provide medical certification that they are able to return to work.

Certification of a military caregiver leave under CFRA shall be either (1) an appropriate medical certification from an authorized health care provider or (2) a copy of an Invitation Travel Order or Authorization issued by the Department of Defense.

The nature and format of the certification of a qualifying exigency leave under CFRA will vary depending on the nature of the qualifying exigency, and will typically include a copy of the active duty orders for the employee's spouse, domestic partner, child, or parent.

h) Leave's Effect on Reinstatement

Employees returning from CFRA Leave are entitled to reinstatement to the same or comparable position consistent with applicable law, provided that the total period of CFRA Leave does not exceed the employee's maximum leave entitlement as described above.

Employees who take medical leave under CFRA for their own serious health condition must provide medical certifications verifying that they are able to return to work in the same manner as employees who return to work from other types of medical leave.

If an employee has a serious health condition that also constitutes a disability as defined by Government Code section 12926 and cannot return to work at the conclusion of their CFRA Leave, SYRWCD ID#1 has an obligation to engage that employee in an interactive process to determine whether an extension of that leave would constitute a reasonable accommodation under the FEHA. The maximum CFRA entitlement of 12 workweeks does not include leave provided as a reasonable accommodation for a physical or mental disability under the FEHA.

i) No retaliation

SYRWCD ID#1 will not discriminate or retaliate against an employee for having exercised or attempted to exercise CFRA rights or giving information or testimony regarding their CFRA Leave, or another person's CFRA Leave, in any inquiry or proceeding related to any right guaranteed under CFRA, in accordance with applicable law.

6. PREGNANCY-RELATED DISABILITY

If an employee is disabled by pregnancy, childbirth or related medical conditions, she is eligible to take a pregnancy disability leave (PDL). If an employee is affected by pregnancy or a related medical condition, she is also eligible to transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties, if this transfer is medically advisable.

- The PDL is for any period(s) of actual disability caused by pregnancy, childbirth or related medical conditions up to four (4) months (or eighty-eight (88) work days for a full-time employee) per pregnancy.
- The PDL does not need to be taken in one continuous period of time but can be taken on an as-needed basis.
- Time off needed for prenatal care, severe morning sickness, doctor ordered bed rest, childbirth, and recovery from childbirth would all be covered by the PDL.
- Except as otherwise specifically provided in this section, generally, SYRWCD ID#1 is required to treat pregnancy disability the same as SYRWCD ID#1 treats other disabilities of similarly situated employees. The leave will be unpaid.

Employees on PDL will be required to obtain a written certification from their health care provider of the pregnancy disability or the medical advisability for a transfer. The certification should include:

- The date on which the employee becomes disabled due to pregnancy or the date of the medical advisability for the transfer;

- the probable duration of the period(s) of disability or the period (s) for the advisability of the transfer, and
- a statement that, due to the disability, the employee is unable to work at all or to perform any one or more of the essential functions of the position without undue risk to herself, the successful completion of the pregnancy or to other persons or a statement that, due to your pregnancy, the transfer is medically advisable.

At the employee's option, any accrued vacation or sick leave may be used during the pregnancy disability leave before taking the remainder of the leave as an unpaid leave. Employees may also be eligible for state disability insurance for the unpaid portion of the leave.

Taking a pregnancy disability leave may impact certain benefits and the employee's seniority date. If an employee wants more information regarding the eligibility for a leave, the impact of the leave on seniority and benefits, and our policy for other disabilities, they should contact the Assistant General Manager.

An employee who is on a leave of absence for a period in excess of two (2) months must notify the Assistant General Manager by the end of each month thereafter both of the status of the disability and the employee's continued intent to work once the employee recovers from the disability. An employee returning from an absence shall be required to provide a physician's certification that indicates that she is fit to return to work.

An employee who returns to work at the end of a leave of absence due to pregnancy, childbirth or related medical condition will be returned to her former position, if possible, or will be offered the first available opening in a comparable position for which she is qualified.

An employee who returns from a leave of absence due to pregnancy will be credited with all service prior to the commencement of her disability.

An employee who fails to report for work at the end of an approved leave will be deemed to have voluntarily resigned.

During an employee's approved PDL, SYRWCD ID#1 shall continue to pay for the employee's participation in SYRWCD ID#1's group health insurance to the same extent and under the same terms and conditions as would apply had the employee not taken leave, for up to four months. Employees are required to continue to make any payments they normally make towards healthcare coverage premiums while on leave. In the event an employee on leave fails to make timely payment for their portion of healthcare coverage premiums, SYRWCD ID#1 will notify the employee of such failure and, if payment is not made, terminate the coverage. SYRWCD ID#1 is entitled to recover any health premiums paid by SYRWCD ID#1 on the employee's behalf during any unpaid period of the leave if the employee fails to return from the PDL for a reason other than one of the following: (1) the employee takes CFRA Leave; (2) the continuation, recurrence or onset of a serious health condition or serious injury or illness within the meaning of CFRA; or (3) other circumstances beyond the employee's control as provided by law.

Employees on PDL accrue employment benefits, such as vacation, sick or seniority, only when vacation or sick leave is being substituted for unpaid leave and only if the employee would otherwise be entitled to such accrual. In addition to the provisions discussed above, taking a pregnancy disability leave may

impact certain benefits and the employee's seniority date. If an employee wants more information regarding the eligibility for a leave, the impact of the leave on seniority and benefits, and our policy for other disabilities, they should contact the Assistant General Manager.

7. STATE DISABILITY INSURANCE

Employees are covered under the State Disability insurance program, with the cost of such coverage paid by each Employee as a deduction from his/her paycheck.

8. PAID FAMILY LEAVE INSURANCE

California law creates a benefit program that allows eligible employees to receive benefits if they miss work due to specified family responsibilities. While the program does not create any leave entitlement, it is referred to Paid Family Leave Insurance ("PFLI"). Eligible employees may receive up to ~~six~~ eight weeks of PFLI benefits that replace a portion of their wages, subject to state-imposed limitations. Employees qualify for PFLI benefits only if they are unable to work and miss work to (1) care for a seriously ill child, parent, parent-in-law, grandparent, grandchild, sibling, spouse, or registered domestic partner, or (2) if the employee or the employee's spouse, domestic partner, child, or parent is on active duty or called to active duty with the United States Armed Forces, or (3) to bond with a new child within the first year after the birth adoption or foster care placement of the child.~~care for a seriously ill child, spouse, parent, or registered domestic partner, or to bond with a new child within the first year after the birth or placement of the child.~~ The eligibility standards are set by the State of California and are not the same as those applicable to qualify for leaves of absence under the other policies of this HandbookManual.

The PFLI program does not create a right to time off, nor does it guarantee reinstatement when the employee is ready to return to work.

If an employee must miss work for any reason, including one for which PFLI benefits may be available, the employee must provide at least 30 days' notice to SYRWCD ID#1 whenever the need for the absence is foreseeable. If the need for the absence is not foreseeable, the employee must provide notice as soon as possible after learning of the need for the absence. Failure to provide proper notice may result in disciplinary action, up to and possibly including termination of employment.

Employees must use their accrued vacation benefits, up to a maximum of two weeks of time, before they will qualify for PFLI benefits. If the employee has more than two weeks of vacation time accrued, such benefits may be combined with PFLI benefits so that the employee may receive their full lost wages during time off for reasons covered by the PFLI program.

The PFLI program is administered by the State of California. Although SYRWCD ID#1 provides employees information about the program, employees must apply for benefits directly with the California Employment Development Department ("EDD").

9. WORKERS' COMPENSATION

All employees are covered by workers' compensation insurance, as required by law. Any on-the-job injuries, illnesses, or conditions that could cause physical, mental, or emotional injury must be immediately reported to the employee's supervisor. Payment of workers' compensation benefits begins from the first day of an employee's hospitalization or after the third day following the injury if an

16. VICTIMS OF DOMESTIC VIOLENCE, SEXUAL ASSAULT OR STALKING AND OTHER CRIMES

In addition to providing time off to victims of domestic violence, sexual assault or stalking and other crimes as required by law, and not discriminating or retaliating against such employees as provided by law, SYRWCD ID#1 further makes reasonable accommodation for employees who are victims of domestic violence, sexual assault, or stalking or other crimes as required by law who requests an accommodation for the safety of the employee while at work to the extent provided by law.

17. LACTATION ACCOMMODATION

The SYRWCD ID#1 will provide a reasonable amount of break time and a secure environment to any female employee desiring to express breast milk for her infant child. Wherever possible, the break time must run concurrently with any break time already provided to the employee and in such circumstances will be paid. However, if such break time does not run concurrently with the employee's normal break times, such time may be unpaid.

An employee may request an accommodation for lactation breaks by submitting a lactation accommodation request form to the Assistant General Manager. The Assistant General Manager must respond to the employee's accommodation request in writing on the same lactation accommodation request form submitted by the employee indicating the approval of the request or whether the SYRWCD ID#1 cannot provide break time or a location in compliance with this policy or state law. The completed request form must be returned to the employee and a copy sent to human resources.

Employees have the right to request a lactation accommodation without fear of discrimination, harassment or retaliation. In addition to the rights provided under this Manual, employees have the right to file a complaint with the Labor Commissioner for any violation of a right under the lactation accommodation laws (Chapter 3.8 of the California Labor Code).

RESOLUTION NO. 804

**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**

WHEREAS, the Board of Trustees previously adopted, and subsequently updated and revised, by Resolutions, the Santa Ynez River Water Conservation District, Improvement District No.1 ("District") Personnel Policy Manual, which sets forth certain of the terms and conditions of employment for employees of the District; and

WHEREAS, the Board of Trustees desires to update and revise the Personnel Policy Manual, including but not limited to, revisions to ensure compliance with new and revised employment standards under federal and state law, as applicable; and

WHEREAS, the Board of Trustees has the authority to adopt updates, revisions, and amendments to the Personnel Policy Manual; and

WHEREAS, the Board of Trustees has reviewed the proposed revisions to the Personnel Policy Manual, including Section 3.5, Section 3.6, Section 3.8, Section 3.16, and Section 3.17, a copy of which revisions are attached and incorporated by this reference.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, as follows:

1. Revisions to Section 3.5, Section 3.6, Section 3.8, Section 3.16, and Section 3.17 of the District's Personnel Policy Manual are approved, adopted, and incorporated into the personnel policies and procedures of the District.
2. Except where otherwise required by contract or law, the provisions of the District's Personnel Policy Manual shall apply to and govern the terms and conditions of employment of all current and future employees of the District, and a copy of the Personnel Policy Manual and any revisions thereto shall be provided to all current employees of the District and shall be provided to all new employees immediately upon hire.
3. The General Manager, working in conjunction with his or her designee(s), is hereby authorized to implement the policies, provisions, and procedures of the District's Personnel Policy Manual.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

WE, THE UNDERSIGNED, being the duly qualified President and Secretary, respectively, of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1, do hereby certify that the above and foregoing Resolution was duly and regularly adopted and passed by the Board of Trustees of said District at a Regular meeting held on February 16, 2021 by the following roll call vote:

AYES, Trustees:

Jeff Clay, President

ATTEST:

Mary Martone - Secretary to the Board of Trustees



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

January 22, 2021

TO: CCWA Board of Directors

FROM: Ray A. Stokes
Executive Director 

SUBJECT: Santa Barbara Flood Control and Water Conservation District's Proposed Conditions of Approval of Amendment No. 20 (the Contract Extension Amendment) to the State Water Contract

SUMMARY:

As a condition of executing Amendment No. 20 (the Contract Extension Amendment), the Santa Barbara County Flood Control and Water Conservation District (District) has proposed amendment of the 1991 Transfer of Financial Responsibility Agreement. A copy of the District's January 21, 2021 Agenda Letter and the proposed First Amendment to the Transfer of Financial Responsibility Agreement (First Amendment) are attached to this report.

RECOMMENDED ACTION:

Staff recommends that the Board of Directors:

1. decline to amend the Transfer of Financial Responsibility Agreement as proposed as a condition of the District's execution of Amendment No. 20; and
2. authorize the Chair of the Board to send the attached draft letter to the Santa Barbara County Board of Supervisors objecting to the proposed conditions, declining to amend the Transfer of Financial Responsibility Agreement as a condition of the District's execution of Amendment No. 20, and requesting that the Board of Supervisors direct the District to execute Amendment No. 20 in accordance with the Transfer of Financial Responsibility Agreement as soon as possible and without conditions; and
3. authorize the Executive Director to expend up to \$50,000 for professional government relations services that may be required to communicate with the Santa Barbara County Board of Supervisors and the public regarding Amendment Nos. 20 and/or 21.¹

BACKGROUND:

In 1991, the same year in which CCWA was created, CCWA and the District entered into the Transfer of Financial Responsibility Agreement. Pursuant to the Transfer of Financial Responsibility Agreement, the District agreed to relinquish all responsibility for the State Water Contract and CCWA, on behalf of its 13 participants (the cities and water districts that voted to

¹ For clarity, this is a single request for approval of a total expenditure of up to \$50,000 for both amendments. The request is repeated in Staff's separate reports on each amendment.

participate in the State Water Project on behalf of their ratepayers), agreed to assume total operational and financial responsibility for the State Water Contract. Because the Department of Water Resources would not, at least at that time, approve a full assignment of the State Water Contract to CCWA, the District remained the contracting party.

On January 24, 2019, this Board unanimously approved Amendment No. 20 to the State Water Contract (the Contract Extension Amendment).² Later, on November 3, 2020, CCWA requested that Board of Supervisors, acting in its capacity as the governing board of the District, formally approve assignment of the State Water Contract from the District to CCWA.³ Alternatively, in the event the Board elected not to approve assignment of the State Water Contract, pursuant to the Transfer of Financial Responsibility Agreement, CCWA requested that the District execute Amendment No. 20 to the State Water Contract on behalf of CCWA.

Subsequently, by emails dated December 21, 2020 and January 14, 2021, County Counsel transmitted to CCWA's General Counsel the District's proposed First Amendment as a condition of executing Amendment No. 20. District staff's January 21, 2021 Agenda Letter to the Board of Supervisors recommends that the Board approve and authorize the Public Works Director to execute Amendment No. 20 "contingent upon full approval and execution of the First Amendment."

The Board of Supervisors is anticipated to consider this matter on February 2, 2021.

DISCUSSION:

For 30 years, the District, which is not a water supplier, has had no role in the delivery of, and payment for, State Water. Since 1991, CCWA has been solely responsible for the delivery of State Water to the participants and the ratepayers (not the District) have invested more than \$ 1 billion in State Water.

During this time, pursuant to the 1991 Transfer of Financial Responsibility Agreement, CCWA has approved, and the District has executed on behalf of CCWA, Amendment Nos. 14, 15, 16, 17, 18 and 19, without conditions. Now the District seeks to impose conditions on its execution of Amendment No. 20 (and also Amendment No. 21).

The majority of the proposed First Amendment simply restates terms already clearly stated in the Transfer of Financial Responsibility Agreement and therefore is unnecessary. Specifically, the proposed First Amendment would amend the term of the Transfer of Financial Responsibility Agreement to provide: "This Agreement shall be in effect for the same term as the SWP Contract, as may be extended or amended" Yet the Transfer of Financial Responsibility already provides: "This Agreement shall be in effect for the same term as the SWP Contract," which term is previously defined as the "Water Supply Contract . . . as it may be amended and supplemented from time to time."

But the proposed First Amendment goes further; it seeks to impose a new obligation on CCWA—that CCWA levy a property tax to satisfy its obligations under the Transfer of Financial Responsibility. In relevant part, the proposed First Amendment provides:

² The benefits of Amendment No. 20, and the risks of not executing Amendment No. 20, are detailed in Staff's prior reports.

³ This Board approved and agreed to accept assignment of the State Water Contract on October 26, 2017. (See Resolution No. 17-04.)

E. Covenant to Raise Funds. CCWA agrees to take all actions authorized under the JPA Agreement, as amended, and the WSAs to raise the funds required to satisfy its obligations to the District under this agreement. Such actions shall include, but not be limited to, enforcement by CCWA of any provisions of WSAs requiring that CCWA Contractors increase their payments to CCWA in order to assure that a failure to pay CCWA by a defaulting CCWA Contractor does not impair CCWA's ability to make payments to the District hereunder, and imposing a tax.

(Emphasis added.) CCWA has no power to levy a property tax, except as the contracting party to the State Water Contract, which it is not presently because the State Water Contract has not been assigned to it. CCWA's Joint Exercise of Powers Agreement, as amended, provides:

Powers. The Authority shall have the power in its own name to do any of the following: To contract with the DWR for delivery of water from the State Water Project, along with all necessary and incidental powers as may be required by the Authority to carry out the Authority's rights and obligations under the State Water Supply Contract, including, but not limited to, the right to levy a tax or assessment on all properties within the jurisdiction of the Authority not exempt from taxation, as mandated by the California Water Code and the State Water Supply Contract.

(Joint Exercise of Powers Agreement, § 5(P) (emphasis added).) In fact, the State Water Contract requires the District, as the contracting party, not CCWA, to levy a property tax upon all property within the County if it is unable to satisfy its financial obligations.

For these reasons, it is Staff's conclusion that no amendment to the Transfer of Financial Responsibility Agreement is required, appropriate or feasible.

To date, 20 of the 29 State Water Contractors have executed the amendment. To ensure CCWA's participation in the amendment, the District should execute Amendment No. 20 as soon as possible.

ATTACHMENTS:

1. District's January 26, 2021 Agenda Letter
2. District's proposed First Amendment to 1991 Transfer of Financial Responsibility Agreement
3. Draft proposed letter from CCWA Board Chair to County Board of Supervisors



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Flood Control
Department No.: 054
For Agenda Of: January 26, 2021
Placement: Set Hearing
Estimated Time: 90 minutes on
February 2, 2021
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Directors, Flood Control and Water Conservation District

FROM: Department Scott D. McGolpin, Public Works Director, 805-568-3010
Director(s)
Contact Info: Thomas D. Fayram, Deputy Public Works Director, 805-568-3436

SUBJECT: State Water Project Contract Amendments

County Counsel Concurrence

As to form: Yes

Other Concurrence: County Executive Office

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Directors:

Set a hearing for February 2, 2021 (ESTIMATED TIME: 90 MINUTES) to consider the request of the Central Coast Water Authority (CCWA) to approve two Water Supply Contract Amendments as follows:

- a) Consider the request of the Central Coast Water Authority (CCWA) to approve Amendment 20 (Contact Extension Amendment) to the State Water Project (SWP) Contract;
 - i. Approve and authorize the Public Works Director or his designee to execute Amendment 20 (Contract Extension) to the SWP Contract contingent upon full approval and execution of the First Amendment to the Transfer of Financial Responsibility Agreement;
 - ii. Approve and authorize the Public Works Director or designee to execute the First Amendment to the Transfer of Financial Responsibility Agreement (TFRA) with CCWA to extend the term of the TFRA to match the extended term of the SWP as approved in Amendment 20;
 - iii. Certify that the Board, acting as a Responsible Agency, has reviewed and considered the information and environmental effects contained in the Final Environmental Impact Report (FEIR) for Amendment 20 to the SWP Contract, and that the California Department of Water Resources (DWR) as Lead Agency found no significant impacts and is the custodian of the records located at <https://ceqanet.opr.ca.gov/2014092036/2>;

- b) Consider the request of the Central Coast Water Authority (CCWA) to approve Amendment 21 (Water Management Amendment) to the SWP Contract;
 - i. Authorize the Public Works Director or his designee to negotiate a revenue sharing and water sales agreement with CCWA as a contingency for approval of Amendment 21 to the SWP Contract;
 - ii. Direct staff to return to the Board with both the revenue sharing and water sales agreement and Amendment 21 for approval;
- c) Provide additional direction to staff regarding the State Water Project; and
- d) Determine that the proposed actions are not a project under the California Environmental Quality Act, pursuant to Guidelines Section 15378(b)(5), organization or administrative activities that will not result in a direct or indirect physical change in the environment.

Summary Text:

This item is on the agenda to consider the request of the Central Coast Water Authority (CCWA) to approve two proposed amendments to the State Water Project (SWP) Contract, Amendment 20, Contract Extension and; Amendment 21 Water Management. As the SWP Contract is between the Santa Barbara County Flood Control and Water Conservation District (District) and the California Department of Water Resources (DWR) your Board must approve any amendments to the Contract.

Amendment 20 (Contract Extension)

CCWA sent a letter dated November 3, 2020 (Attachment A) requesting that your Board approve Amendment 20 to the SWP Contract (Attachment B).

Amendment 20 extends the Contract term to 2085, from its current expiration in 2038, or 17 years from now. Amendment 20 makes it clear that Santa Barbara County, as well as the other SWP Contractors, would continue to receive water deliveries from the SWP past 2038. This extension would continue the SWP deliveries to 2085. These deliveries are critical for several CCWA participants where SWP deliveries are an important part of their water supplies. In addition, it must be noted that surface water reservoirs in the County are aging and suffering from siltation and other restrictions that result in less water available moving forward.

SWP deliveries are plumbed from Santa Maria to Carpinteria with participating agencies as follows:

- City of Buellton
- Carpinteria Valley Water District
- Goleta Water District
- City of Guadalupe
- La Cumbre Mutual Water Company
- Montecito Water District
- Morehart Land Company
- City of Santa Barbara
- Raytheon Systems Company (SBRC)
- City of Santa Maria
- Santa Ynez River W.C.D., ID #1 (includes City of Solvang)
- Golden State Water (SCWC)

- Vandenberg Air Force Base

CCWA reports that several financial benefits are realized associated with adoption of this amendment. DWR typically finances capital projects over a 30-year period to obtain the most favorable rates. However, because the current contract expires in less than 20 years, DWR has been forced to finance capital projects over a shorter, 15-year bonding period, which has resulted less favorable financing terms. The Contract Extension Amendment is intended to alleviate this problem and reduce costs associated with the SWP.

Amendment 20 also increases the maximum amount of “rate management credits” which are applied to charges roughly in proportion to the capital charges paid by each SWP contractor. Amendment 20 increases the maximum rate management credits from \$40.5 million per year available for all contractors, to \$48 million per year, an increase of \$7.5 million per year. According to CCWA, its share of the increase is projected to be approximately \$520,000 per year, or roughly \$7.8 million between 2020 and the year 2035. This would be a significant financial benefit to project participants.

This amendment also eliminates a fixed interest rate for amortizing capital and operations and maintenance costs known as the project interest rate (PIR). The PIR, set at 4.16% for many years, is also used to collect interest on underpayments or pay interest on overpayments by contractors. Recently, under collection by DWR to CCWA resulted in interested rate payments at the PIR of roughly \$1.2 million. Elimination of the PIR would result in avoidance of these types of charges in the future.

Extending the contract is unrelated to the Delta Conveyance Project. DWR has allowed contractors to choose to opt-out of this project, and CCWA has elected to do so. No planning or constructions costs for the Delta Conveyance would accrue to CCWA as a result of approving Amendment 20.

Transfer of Financial Responsibility (TFRA)

While extension of the contract ensures continued deliveries from the SWP, the Staff is also proposing extension of the Transfer of Financial Responsibility Agreement (Attachment C) between the District and CCWA to limit the financial liability to the Flood Control District. In 1991, the TFRA was executed to address administration and financial responsibilities for the SWP Contract. Because the current Contract runs to 2038, the proposed amendment to the TFRA makes it clear that the provisions of the TFRA continue past 2038 should the Board approve Amendment 20. One concern staff has raised on contract extension with DWR and with CCWA is how it impacts Article 34(a) post-Proposition 13 limitations. DWR has filed a validation action on the Contract Extension which is currently pending in the Sacramento Superior Court. The Contract Extension Amendment provides that if it is determined by a court of competent jurisdiction determines that any part of the amendment is invalid or unenforceable then the amendment will be of no force and effect unless waived in writing by DWR and 15 SWP Contractors.

Amendment 21 (Water Management Amendment)

In a letter dated October 28, 2020, CCWA requested that your Board execute Amendment 21 (Attachment D). This amendment (Attachment E) to the SWP Contract was negotiated by the State and various SWP Contractors, would allow individual contractors the ability to sell and buy water without a commitment to return or receive water in exchange.

The current State Water Contract does not allow outright sales of water, but only allows exchanges, with repayment of water in future water years. These exchanges are allowed to be unbalanced, with a higher repayment in future years in order to receive urgently needed water in the short term. This exchange mechanism is not well defined in the current contract and is used infrequently. Amendment 21 clarifies existing exchange practices, provides for single and multi-year water transfers with compensation to be determined by the participants, and allows for transfers of water stored outside of a contractor's service area. The amendment also requires that a selling agency confirm to the State that the transfer not cause harm to the SWP and other contractors, and that DWR approve the transfer and ensure that these conditions are met. A more detailed technical explanation of the mechanisms included in Amendment 21 are included in the attached CCWA Request Letter (Attachment D).

Amendment 21 has the potential to provide benefits to CCWA members. The flexibility to acquire water without the need to repay a water debt in future years could be beneficial to an agency in urgent need of additional supplies. Similarly, a SWP Contractor with excess supply in a given year could offset costs by selling unneeded water. Participating in the water market could provide CCWA members flexibility in managing their supply portfolios.

However, the amendment raises several policy issues. When the SWP was extended to Santa Barbara County, the entire County tax base paid for capital costs until 1986, in recognition that the entire County required a stable external supply of water for residents and businesses. If water is sold out of the County, a given purveyor may benefit financially, but the regional water supply situation may deteriorate. The County as a whole has a distinct financial investment in the SWP and as such should a sale be proposed, how the County's investment is addressed is needed. To this end your Board may wish to direct staff to negotiate a revenue sharing agreement with CCWA so that the District to can recoup its costs in revenue from any sales of SWP water to entities outside of the County.

Currently, within CCWA if a member wishes to exchange water, other CCWA members have a right of first refusal before the water is offered outside of the County. There are currently no such provisions on the water transfers provided for in Amendment 21, and CCWA has not yet developed administrative procedures to ensure that local needs are met first.

The SWP was originally signed in 1963 to provide for secure water supplies for the County. In 1991, following a significant drought, the voters in several areas of the County voted to begin importing SWP Supplies. In addition, overall groundwater conditions in the County were cited as another need for the SWP. In the most recent drought, the SWP was an important supply and several exchanges were executed to increase deliveries to the County. The drought also highlighted concerns on the overall water supply in the County.

If your Board approves Amendment 21, it should be noted that all sales of Santa Barbara County SWP water to entities outside the County would need approval by the County Flood Control District as the SWP Contractor and as such any proposed sales or purchase would come back to your Board for approval.

Background:

The District entered into a contract with DWR in 1963 to receive an allocation of up to 57,700 acre-feet per year (AFY) of water from the State Water Project. The District then began making annual payments to DWR for its share of the capital costs of the project.

The SWP is an important element of the County's overall water supplies and deliveries of SWP water helps offset use/overuse of groundwater and compliments other local supplies. Delivery of high quality water (low in Total Dissolved Solids) provides additional benefits to water purveyors as well. As other existing supplies, such as surface reservoirs, are now and will continue to deliver far less water than originally developed. For example, the Cachuma Project now has shown its inability to provide its original planned allocations through a drought period.

In the early 1980s, after an unsuccessful bond election to pay for local facilities, several water purveyors opted to assume responsibility for payment for 45,486 AFY of the District's allocation through a series of Water Supply Retention Agreements (WSRAs). Up until approximately 1986 the District made all payments to DWR for the capital costs of the SWP.

In 1991, CCWA was formed by various water purveyors to manage the delivery of State Water to Santa Barbara County. Under the management of CCWA, the Coastal Branch connection to the SWP was studied, as required by CEQA, and completed in 1995 with a design capacity of 39,078 AFY. Since then, CCWA has operated the Coastal Branch and distributed water to its member water purveyors. In addition, with the execution of the Transfer of Financial Responsibility Agreement (TFRA) with the District, CCWA has been responsible for fiscal matters relating to State Water, including all the payments to DWR and protecting the District in the event that one or more of its member units fail to meet its financial obligations. To date neither CCWA nor the District have ever defaulted on SWP payments.

Fiscal and Facilities Impacts:

Budgeted: Yes

Narrative:

Management of the water supply agreements are ongoing programs and staff time is included every year in the budget in the Water Resources Division of the Public Works Department. However, pursuant to the TFRA costs relating to management of the SWP are reimbursed by CCWA.

Special Instructions:

Direct the Clerk of the Board to email the minute order of these actions to clopez@cosbpw.net.

Attachments:

- Attachment A - CCWA Request for Amendment 20
- Attachment B - Copy of SWP Contract Amendment No. 20 (FINAL)
- Attachment C - Draft First Amendment to the Transfer of Financial Responsibility Agreement
- Attachment D - CCWA Request for Amendment No. 21
- Attachment E - Copy of SWP Contract Amendment No. 21 (FINAL)
- Attachment F - EIR for SWP Amendment No. 20
- Attachment G - EIR for SWP Amendment No. 21

State Water Project Contract Amendments
Agenda Date: January 26, 2021
Page 6 of 6

Authored by:

Matt Young, Water Agency Manager, (805) 568-3546

cc: Jeff Frapwell, Assistant CEO

FIRST AMENDMENT TO TRANSFER OF FINANCIAL RESPONSIBILITY AGREEMENT

THE TRANSFER OF FINANCIAL RESPONSIBILITY AGREEMENT (hereinafter TFRA) between the Santa Barbara County Flood Control and Water Conservation District, a political subdivision of the State of California (hereafter District), and the Central Coast Water Authority, a joint powers agency (hereafter CCWA), is hereby amended as follows:

RECITALS

WHEREAS, the District and the California Department of Water Resources (DWR) entered into a Water Supply Contract (SWP Contract) for the State Water Project (SWP) in 1963;

WHEREAS, based on the SWP Contract, the District and CCWA entered into the Transfer of Financial Responsibility Agreement (TFRA) to provide for the continued delivery of State Water Project water to CCWA on the terms and conditions of the WSC;

WHEREAS, the SWP Contract currently expires on February 26, 2038, and DWR has proposed an amendment, Amendment 20, to the SWP Contract to extend the term to December 31, 2085 or the period ending with the latest maturity date of any SWP bond;

WHEREAS, CCWA supports Amendment 20 and has requested the District execute Amendment 20 to the SWP Contract with DWR; and

WHEREAS, this First Amendment to the Agreement seeks to extend the Agreement to match the term of the SWP Contract, as extended, and clarify that CCWA remains responsible for compliance with terms of the SWP Contract, as may be amended, for the extended term and shall continue to indemnify the District as provided in the TFRA for the extended term.

NOW, THEREFORE, it is hereby mutually agreed by the parties as follows:

A. Paragraph 1 of the TFRA is amended to read as follows:

1. Term. This Agreement shall be in effect for the same term as the SWP Contract, as may be extended or amended, pursuant to Articles II and IV thereof, and shall terminate upon the later of termination of the SWP Contract or termination of all liability of the District thereunder.

B. Paragraph 2, E of the TFRA is amended to read as follows:

- E. Covenant to Raise Funds. CCWA agrees to take all actions authorized under the JPA Agreement, as amended, and the WSAs to raise the funds required to satisfy its obligations to the District under this agreement. Such actions shall include, but not be limited to, enforcement by CCWA of any provisions of WSAs requiring that CCWA Contractors increase their payments to CCWA in order to assure that a failure to pay CCWA by a defaulting CCWA Contractor does not impair CCWA's ability to make payments to the District hereunder, and imposing a tax.

C. In all other respects, the TFRA remains unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have executed this First Amendment to the TFRA to be effective on the date executed by DISTRICT.

ATTEST:

By: _____

CENTRAL COAST WATER AUTHORITY:

By: _____

Chair, Board of Directors

Date _____

**SANTA BARBARA COUNTY FLOOD
CONTROL AND WATER CONSERVATION
DISTRICT:**

By: _____

Date _____

APPROVED AS TO FORM:
Ray Aromatorio, ARM, AIC
Risk Program Administrator

By: _____

APPROVED AS TO FORM:
Michael C. Ghizzoni
County Counsel

By: _____
Deputy

APPROVED AS TO ACCOUNTING FORM:
Betsy Schaffer, CPA
Auditor-Controller

By: _____
Deputy



January 28, 2021

Honorable Gregg Hart, Chair and
Members of the Board of Supervisors
County of Santa Barbara
105 East Anapamu Street
Santa Barbara, CA 93101

Eric Friedman
Chairman

Ed Andrisek
Vice Chairman

Ray A. Stokes
Executive Director

Brownstein Hyatt
Farber Schreck
General Counsel

Member Agencies

City of Buellton

Carpinteria Valley
Water District

City of Guadalupe

City of Santa Barbara

City of Santa Maria

Goleta Water District

Montecito Water District

Santa Ynez River Water
Conservation District,
Improvement District #1

Associate Member

La Cumbre Mutual
Water Company

Re: Santa Barbara Flood Control and Water Conservation District's Proposed
Conditions of Approval of Amendment No. 20 (the Contract Extension
Amendment) to the State Water Contract

Dear Chair Hart and Members of the Board of Supervisors:

As you recall, on November 3, 2020, on behalf of the Central Coast Water Authority (CCWA), I wrote to request that the Santa Barbara County Board of Supervisors (Board), acting in its capacity as the governing board of the Santa Barbara County Flood Control and Water Conservation District (District), formally approve assignment of the State Water Contract from the District to CCWA. Alternatively, in the event the Board elected not to approve assignment of the State Water Contract, pursuant to the Transfer of Financial Responsibility Agreement, I requested that the Board authorize the District to execute Amendment No. 20 (the Contract Extension Amendment) to the State Water Contract on behalf of CCWA.

Subsequently, by emails dated December 21, 2020 and January 14, 2021, County Counsel transmitted to CCWA's General Counsel the District's proposed First Amendment to the 1991 Transfer of Financial Responsibility Agreement (First Amendment) as a condition of the District's execution of the Contract Extension Amendment. District staff's January 21, 2021 Agenda Letter to you recommends that the Board approve and authorize the Public Works Director to execute Amendment No. 20 "contingent upon full approval and execution of the First Amendment."

CCWA objects to the District's imposition of conditions on its execution of Amendment No. 20 and CCWA declines to execute the proposed First Amendment.

By seeking to impose conditions on its execution of Amendment No. 20, the District is reneging on its agreements and seeking to expand its oversight of the State Water Contract. The immediate effect of this will be to jeopardize the participants' access to the operational and financial benefits of Amendment No. 20, irreparably harm and damage CCWA and its participants, and impair CCWA's and its participants' rights under their respective agreements with the District.

First, the District has no authority to impose conditions on its execution of Amendment No. 20. At the time the Transfer of Financial Responsibility Agreement was executed, the State Water Contract had already been amended 14 times, and future additional amendments were fully anticipated. The District and CCWA expressly agreed that the District's financial obligations under the State Water Contract, as that contract had been amended, "and as it may be amended and supplemented from time to time" in the future, would be completely and fully assumed and satisfied by CCWA. Accordingly, Amendment No. 20 is squarely within the scope of the Transfer of Financial Responsibility Agreement.

Second, the District's proposed First Amendment is both unnecessary and infeasible. The District's proposed First Amendment seeks to amend the term of the Transfer of Financial Responsibility Agreement by adding the following underlined phrase:

Term. This Agreement shall be in effect for the same term as the SWP Contract, as may be extended or amended, pursuant to Articles II and IV thereof, and shall terminate upon the later of termination of the SWP Contract or termination of all liability of the District thereunder.

Given that the term "SWP Contract" is already defined as the State Water Contract, "as it may be amended and supplemented from time to time," it is clear that the Transfer of Financial Responsibility Agreement has the same term as the State Water Contract, whatever that may be.¹ Therefore, the District's proposed amendment to the term is redundant and unnecessary.

But the proposed First Amendment goes further; it also seeks to impose a new obligation on CCWA—that CCWA levy a property tax to satisfy its obligations under the Transfer of Financial Responsibility. In relevant part, the proposed First Amendment provides:

E. Covenant to Raise Funds. CCWA agrees to take all actions authorized under the JPA Agreement, as amended, and the WSAs to raise the funds required to satisfy its obligations to the District under this agreement. Such actions shall include, but not be limited to, enforcement by CCWA of any provisions of WSAs requiring that CCWA Contractors increase their payments to CCWA in order to assure that a failure to pay CCWA by a defaulting CCWA Contractor does not impair CCWA's ability to make payments to the District hereunder, and imposing a tax.

(Emphasis added.) CCWA has no power to levy a property tax, except as the contracting party to the State Water Contract, which it is not presently. CCWA's Joint Exercise of Powers Agreement, as amended, provides:

Powers. The Authority shall have the power in its own name to do any of the following: To contract with the DWR for delivery of water from the State Water Project, along with all necessary and incidental powers as may be required by the Authority to carry out the Authority's rights and obligations under the State Water Supply Contract, including, but not limited to, the right to levy a tax or assessment on all properties within the jurisdiction of the Authority not

¹ Transfer of Financial Responsibility Agreement, REcita A; see also § 1.

exempt from taxation, as mandated by the California Water Code and the State Water Supply Contract.

(Joint Exercise of Powers Agreement, § 5(P) (emphasis added).) Accordingly, CCWA cannot accept the District's proposed conditions. Moreover, the State Water Contract requires the District, as the contracting party, to levy a property tax upon all property within the County if it is unable to satisfy its financial obligations.² If the District wishes to be relieved of this obligation, it should assign the State Water Contract to CCWA.³ For these reasons, The District's proposed First Amendment is neither required nor feasible.

Lastly, the District's failure to execute Amendment No. 20 will result in significant financial harm to CCWA and its participants. For example, Amendment No. 20 increases the maximum "rate management credits" allowable under the State Water Contract. As the third highest payor, CCWA's share of the increase is projected to be approximately \$520,000 per year, or roughly \$7.8 million between 2020 and 2035. But if Amendment No. 20 is not executed, CCWA will not be entitled to these credits.

On behalf of CCWA, I urge the Board to authorize the District to execute Amendment No. 20 (the Contract Extension Amendment) on February 2, 2021 without conditions.

If you have any questions or require any additional information, please let me know.

Respectfully,

Eric Friedman, Chair of the Board of Directors

cc: CCWA Board of Directors
Ed Andrisek, Vice Chair, City of Buellton
Farfalla Borah, Goleta Water District
Jeff Clay, Santa Ynez River Water Conservation District, ID #1
Shirley Johnson, Carpinteria Valley Water District
Ariston Julian, City of Guadalupe
Etta Waterfield, City of Santa Maria
Floyd Wicks, Montecito Water District
CCWA Operating Committee
Mike Alvarado, La Cumbre Mutual Water Company
Paeter Garcia, Santa Ynez River Water Conservation District, ID #1
Rose Hess, City of Buellton
Robert McDonald, Carpinteria Valley Water District
John McInnes, Goleta Water District
Pernell Rush, Vandenberg AFB 30 CES/CEOEO 1028
Shad Springer, City of Santa Maria
Shannon Sweeney, City of Guadalupe
Cathy Taylor, City of Santa Barbara
Nick Turner, Montecito Water District
Matt van der Linden, City of Solvang

² State Water Contract, Article 34.

³ In 1991, the District expressed its intention to work with CCWA to obtain DWR's approval of a full assignment of the State Water Contract from the District to CCWA. In 2017, CCWA's Board of Directors *unanimously* agreed to accept assignment of the State Water Contract and to release the District from all liability for it. And in 2018, CCWA secured DWR's approval for assignment. Yet to date, the Board has refused to consider the matter.



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

January 22, 2021

TO: CCWA Board of Directors

FROM: Ray A. Stokes
Executive Director 

SUBJECT: Santa Barbara Flood Control and Water Conservation District's Proposed Conditions of Approval of Amendment No. 21 (the Water Management Amendment) to the State Water Contract

SUMMARY:

As a condition of executing Amendment No. 21 (the Water Management Amendment), the Santa Barbara County Flood Control and Water Conservation District (District) requires that CCWA negotiate a "revenue sharing and water sales agreement" with the District. A copy of the District's January 21, 2021 Agenda Letter is attached to this report.

RECOMMENDED ACTION:

Staff recommends that the Board of Directors:

1. decline to negotiate the proposed "revenue sharing and water sales agreement" as a condition of the District's execution of Amendment No. 21; and
2. authorize the Chair of the Board to send the attached draft letter to the Santa Barbara County Board of Supervisors objecting to the proposed conditions, declining to negotiate the proposed "revenue sharing and water sales agreement" as a condition of the District's execution of Amendment No. 21, and requesting that the Board of Supervisors direct the District to execute Amendment No. 21 in accordance with the Transfer of Financial Responsibility Agreement as soon as possible and without conditions; and
3. authorize the Executive Director to expend up to \$50,000 for professional government relations services that may be required to communicate with the Santa Barbara County Board of Supervisors and the public regarding Amendment Nos. 20 and/or 21.¹

BACKGROUND:

In 1991, the same year in which CCWA was created, CCWA and the District entered into the Transfer of Financial Responsibility Agreement. Pursuant to the Transfer of Financial Responsibility Agreement, the District agreed to relinquish all responsibility for the State Water Contract and CCWA, on behalf of its 13 participants (the cities and water districts that voted to

¹ For clarity, this is a single request for approval of a total expenditure of up to \$50,000 for both amendments. The request is repeated in Staff's separate reports on each amendment.

participate in the State Water Project on behalf of their ratepayers), agreed to assume total operational and financial responsibility for the State Water Contract. Because the Department of Water Resources would not, at least at that time, approve a full assignment of the State Water Contract to CCWA, the District remained the contracting party.

On October 22, 2020, this Board unanimously approved Amendment No. 21 to the State Water Contract (the Water Management Amendment). On October 28, 2020, pursuant to the Transfer of Financial Responsibility Agreement, CCWA requested that the District execute Amendment No. 21 to the State Water Contract on behalf of CCWA.

District staff's January 21, 2021 Agenda Letter to the Santa Barbara County Board of Supervisors (Board of Supervisors), recommends that the Board, acting in its capacity as the governing board of the District, approve and authorize the Public Works Director to "negotiate a revenue sharing and water sales agreement with CCWA as a contingency for approval of Amendment No. 21," and "to return to the Board with both the revenue sharing and water sales agreement and Amendment No. 21 for approval."

The Board of Supervisors is anticipated to consider this matter on February 2, 2021.

Amendment No. 21 is anticipated to become effective on January 31, 2021. Thereafter, any State Water Contractor who has yet to execute the amendment has 60 days to do so, or risk participation in the amendment.

DISCUSSION:

For 30 years, the District, which is not a water supplier, has had no role in the delivery of, and payment for, State Water to the ratepayers. Since 1991, CCWA has been solely responsible for the delivery of State Water to the participants and the ratepayers (not the District) have invested more than \$ 1 billion in State Water.

During this time, pursuant to the 1991 Transfer of Financial Responsibility Agreement, CCWA has approved, and the District has executed on behalf of CCWA, Amendment Nos. 14, 15, 16, 17, 18 and 19, without conditions. Now the District seeks to impose conditions on its execution of Amendment No. 21 (and also Amendment No. 20).

The Water Management Amendments are specifically designed to give retail water providers—like CCWA's participants—the tools they need to address changing water supply circumstances. The amendments provide numerous checks and balances to ensure that retail water providers make informed decisions about their portfolio. They also provide CCWA's participants to access to the supplemental water supplies when they need them, just as was the case during the last historic drought.²

To the extent Staff understands the District's conditions on the execution of Amendment No. 21,³ District staff's proposed "revenue sharing" concept would impose a fee on every transfer of State Water out of the County. Such a fee that would be passed directly on to CCWA's participants, making the cost of State Water Project water even more expensive for the ratepayers and/or negating any potential financial benefits of the sale in the first place. For example, in a year in which a CCWA participant has determined that it has adequate supplies

² The benefits of Amendment No. 21, and the risks of not executing Amendment No. 21, are detailed in Staff's prior reports.

³ The District's January 21, 2021 Agenda Letter suggests that the District also reserves the right to impose additional conditions on any transfer of State Water out of the county at the time a transfer is proposed.

to meet its customers' needs, and that it can better manage the overall costs of its water supply portfolio by transferring a portion of its supply to a third party, the District's fee could make the proposed transfer infeasible, in which case the excess water supply would be wasted if the participant does not have sufficient storage capacity. District staff has cited no authority for its "revenue sharing" proposal and has provided no information about the use of the fee.

Further, Staff is concerned that if the District does not execute Amendment No. 21, at the latest by March 31, 2021,⁴ CCWA may lose the right to participate in Amendment No. 21 entirely. Water year 2020-21 is anticipated to be a critically dry year, much like 2014 when some of CCWA's participants experienced severe water supply shortages. It is Staff's belief that when the Water Management Amendment becomes effective on January 31, 2021, most State Water Contractors will prefer to negotiate one-way transfers (sales), as opposed to exchanges which require a return of a portion of the water exchanged and are limited in the amount of money the exchanging Contractor may receive. If the transfer provisions included in the Water Management Amendment are not available to CCWA, its participants may not be able to get access to supplemental water supplies when they need them.

For these reasons, it is Staff's conclusion that conditions on the District's execution of Amendment No. 21 are not only not appropriate, but would harm CCWA's participants and their ratepayers, potentially as soon as this year.

ATTACHMENTS:

1. District's January 26, 2021 Agenda Letter
2. Draft proposed letter from CCWA Board Chair to County Board of Supervisors

⁴ State Water Contractors who have not executed the amendment prior to its effective date have an additional 60 days to do so. Thereafter, the Department of Water Resources may, or may not, permit the contractor to participate.



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Flood Control
Department No.: 054
For Agenda Of: January 26, 2021
Placement: Set Hearing
Estimated Time: 90 minutes on
February 2, 2021
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Directors, Flood Control and Water Conservation District

FROM: Department Scott D. McGolpin, Public Works Director, 805-568-3010
Director(s)
Contact Info: Thomas D. Fayram, Deputy Public Works Director, 805-568-3436

SUBJECT: State Water Project Contract Amendments

County Counsel Concurrence

As to form: Yes

Other Concurrence: County Executive Office

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Directors:

Set a hearing for February 2, 2021 (ESTIMATED TIME: 90 MINUTES) to consider the request of the Central Coast Water Authority (CCWA) to approve two Water Supply Contract Amendments as follows:

- a) Consider the request of the Central Coast Water Authority (CCWA) to approve Amendment 20 (Contact Extension Amendment) to the State Water Project (SWP) Contract;
 - i. Approve and authorize the Public Works Director or his designee to execute Amendment 20 (Contract Extension) to the SWP Contract contingent upon full approval and execution of the First Amendment to the Transfer of Financial Responsibility Agreement;
 - ii. Approve and authorize the Public Works Director or designee to execute the First Amendment to the Transfer of Financial Responsibility Agreement (TFRA) with CCWA to extend the term of the TFRA to match the extended term of the SWP as approved in Amendment 20;
 - iii. Certify that the Board, acting as a Responsible Agency, has reviewed and considered the information and environmental effects contained in the Final Environmental Impact Report (FEIR) for Amendment 20 to the SWP Contract, and that the California Department of Water Resources (DWR) as Lead Agency found no significant impacts and is the custodian of the records located at <https://ceqanet.opr.ca.gov/2014092036/2>;

- b) Consider the request of the Central Coast Water Authority (CCWA) to approve Amendment 21 (Water Management Amendment) to the SWP Contract;
 - i. Authorize the Public Works Director or his designee to negotiate a revenue sharing and water sales agreement with CCWA as a contingency for approval of Amendment 21 to the SWP Contract;
 - ii. Direct staff to return to the Board with both the revenue sharing and water sales agreement and Amendment 21 for approval;
- c) Provide additional direction to staff regarding the State Water Project; and
- d) Determine that the proposed actions are not a project under the California Environmental Quality Act, pursuant to Guidelines Section 15378(b)(5), organization or administrative activities that will not result in a direct or indirect physical change in the environment.

Summary Text:

This item is on the agenda to consider the request of the Central Coast Water Authority (CCWA) to approve two proposed amendments to the State Water Project (SWP) Contract, Amendment 20, Contract Extension and; Amendment 21 Water Management. As the SWP Contract is between the Santa Barbara County Flood Control and Water Conservation District (District) and the California Department of Water Resources (DWR) your Board must approve any amendments to the Contract.

Amendment 20 (Contract Extension)

CCWA sent a letter dated November 3, 2020 (Attachment A) requesting that your Board approve Amendment 20 to the SWP Contract (Attachment B).

Amendment 20 extends the Contract term to 2085, from its current expiration in 2038, or 17 years from now. Amendment 20 makes it clear that Santa Barbara County, as well as the other SWP Contractors, would continue to receive water deliveries from the SWP past 2038. This extension would continue the SWP deliveries to 2085. These deliveries are critical for several CCWA participants where SWP deliveries are an important part of their water supplies. In addition, it must be noted that surface water reservoirs in the County are aging and suffering from siltation and other restrictions that result in less water available moving forward.

SWP deliveries are plumbed from Santa Maria to Carpinteria with participating agencies as follows:

- City of Buellton
- Carpinteria Valley Water District
- Goleta Water District
- City of Guadalupe
- La Cumbre Mutual Water Company
- Montecito Water District
- Morehart Land Company
- City of Santa Barbara
- Raytheon Systems Company (SBRC)
- City of Santa Maria
- Santa Ynez River W.C.D., ID #1 (includes City of Solvang)
- Golden State Water (SCWC)

- Vandenberg Air Force Base

CCWA reports that several financial benefits are realized associated with adoption of this amendment. DWR typically finances capital projects over a 30-year period to obtain the most favorable rates. However, because the current contract expires in less than 20 years, DWR has been forced to finance capital projects over a shorter, 15-year bonding period, which has resulted less favorable financing terms. The Contract Extension Amendment is intended to alleviate this problem and reduce costs associated with the SWP.

Amendment 20 also increases the maximum amount of “rate management credits” which are applied to charges roughly in proportion to the capital charges paid by each SWP contractor. Amendment 20 increases the maximum rate management credits from \$40.5 million per year available for all contractors, to \$48 million per year, an increase of \$7.5 million per year. According to CCWA, its share of the increase is projected to be approximately \$520,000 per year, or roughly \$7.8 million between 2020 and the year 2035. This would be a significant financial benefit to project participants.

This amendment also eliminates a fixed interest rate for amortizing capital and operations and maintenance costs known as the project interest rate (PIR). The PIR, set at 4.16% for many years, is also used to collect interest on underpayments or pay interest on overpayments by contractors. Recently, under collection by DWR to CCWA resulted in interest rate payments at the PIR of roughly \$1.2 million. Elimination of the PIR would result in avoidance of these types of charges in the future.

Extending the contract is unrelated to the Delta Conveyance Project. DWR has allowed contractors to choose to opt-out of this project, and CCWA has elected to do so. No planning or construction costs for the Delta Conveyance would accrue to CCWA as a result of approving Amendment 20.

Transfer of Financial Responsibility (TFRA)

While extension of the contract ensures continued deliveries from the SWP, the Staff is also proposing extension of the Transfer of Financial Responsibility Agreement (Attachment C) between the District and CCWA to limit the financial liability to the Flood Control District. In 1991, the TFRA was executed to address administration and financial responsibilities for the SWP Contract. Because the current Contract runs to 2038, the proposed amendment to the TFRA makes it clear that the provisions of the TFRA continue past 2038 should the Board approve Amendment 20. One concern staff has raised on contract extension with DWR and with CCWA is how it impacts Article 34(a) post-Proposition 13 limitations. DWR has filed a validation action on the Contract Extension which is currently pending in the Sacramento Superior Court. The Contract Extension Amendment provides that if it is determined by a court of competent jurisdiction determines that any part of the amendment is invalid or unenforceable then the amendment will be of no force and effect unless waived in writing by DWR and 15 SWP Contractors.

Amendment 21 (Water Management Amendment)

In a letter dated October 28, 2020, CCWA requested that your Board execute Amendment 21 (Attachment D). This amendment (Attachment E) to the SWP Contract was negotiated by the State and various SWP Contractors, would allow individual contractors the ability to sell and buy water without a commitment to return or receive water in exchange.

The current State Water Contract does not allow outright sales of water, but only allows exchanges, with repayment of water in future water years. These exchanges are allowed to be unbalanced, with a higher repayment in future years in order to receive urgently needed water in the short term. This exchange mechanism is not well defined in the current contract and is used infrequently. Amendment 21 clarifies existing exchange practices, provides for single and multi-year water transfers with compensation to be determined by the participants, and allows for transfers of water stored outside of a contractor's service area. The amendment also requires that a selling agency confirm to the State that the transfer not cause harm to the SWP and other contractors, and that DWR approve the transfer and ensure that these conditions are met. A more detailed technical explanation of the mechanisms included in Amendment 21 are included in the attached CCWA Request Letter (Attachment D).

Amendment 21 has the potential to provide benefits to CCWA members. The flexibility to acquire water without the need to repay a water debt in future years could be beneficial to an agency in urgent need of additional supplies. Similarly, a SWP Contractor with excess supply in a given year could offset costs by selling unneeded water. Participating in the water market could provide CCWA members flexibility in managing their supply portfolios.

However, the amendment raises several policy issues. When the SWP was extended to Santa Barbara County, the entire County tax base paid for capital costs until 1986, in recognition that the entire County required a stable external supply of water for residents and businesses. If water is sold out of the County, a given purveyor may benefit financially, but the regional water supply situation may deteriorate. The County as a whole has a distinct financial investment in the SWP and as such should a sale be proposed, how the County's investment is addressed is needed. To this end your Board may wish to direct staff to negotiate a revenue sharing agreement with CCWA so that the District to can recoup its costs in revenue from any sales of SWP water to entities outside of the County.

Currently, within CCWA if a member wishes to exchange water, other CCWA members have a right of first refusal before the water is offered outside of the County. There are currently no such provisions on the water transfers provided for in Amendment 21, and CCWA has not yet developed administrative procedures to ensure that local needs are met first.

The SWP was originally signed in 1963 to provide for secure water supplies for the County. In 1991, following a significant drought, the voters in several areas of the County voted to begin importing SWP Supplies. In addition, overall groundwater conditions in the County were cited as another need for the SWP. In the most recent drought, the SWP was an important supply and several exchanges were executed to increase deliveries to the County. The drought also highlighted concerns on the overall water supply in the County.

If your Board approves Amendment 21, it should be noted that all sales of Santa Barbara County SWP water to entities outside the County would need approval by the County Flood Control District as the SWP Contractor and as such any proposed sales or purchase would come back to your Board for approval.

Background:

The District entered into a contract with DWR in 1963 to receive an allocation of up to 57,700 acre-feet per year (AFY) of water from the State Water Project. The District then began making annual payments to DWR for its share of the capital costs of the project.

The SWP is an important element of the County's overall water supplies and deliveries of SWP water helps offset use/overuse of groundwater and compliments other local supplies. Delivery of high quality water (low in Total Dissolved Solids) provides additional benefits to water purveyors as well. As other existing supplies, such as surface reservoirs, are now and will continue to deliver far less water than originally developed. For example, the Cachuma Project now has shown its inability to provide its original planned allocations through a drought period.

In the early 1980s, after an unsuccessful bond election to pay for local facilities, several water purveyors opted to assume responsibility for payment for 45,486 AFY of the District's allocation through a series of Water Supply Retention Agreements (WSRAs). Up until approximately 1986 the District made all payments to DWR for the capital costs of the SWP.

In 1991, CCWA was formed by various water purveyors to manage the delivery of State Water to Santa Barbara County. Under the management of CCWA, the Coastal Branch connection to the SWP was studied, as required by CEQA, and completed in 1995 with a design capacity of 39,078 AFY. Since then, CCWA has operated the Coastal Branch and distributed water to its member water purveyors. In addition, with the execution of the Transfer of Financial Responsibility Agreement (TFRA) with the District, CCWA has been responsible for fiscal matters relating to State Water, including all the payments to DWR and protecting the District in the event that one or more of its member units fail to meet its financial obligations. To date neither CCWA nor the District have ever defaulted on SWP payments.

Fiscal and Facilities Impacts:

Budgeted: Yes

Narrative:

Management of the water supply agreements are ongoing programs and staff time is included every year in the budget in the Water Resources Division of the Public Works Department. However, pursuant to the TFRA costs relating to management of the SWP are reimbursed by CCWA.

Special Instructions:

Direct the Clerk of the Board to email the minute order of these actions to clopez@cosbpw.net.

Attachments:

- Attachment A - CCWA Request for Amendment 20
- Attachment B - Copy of SWP Contract Amendment No. 20 (FINAL)
- Attachment C - Draft First Amendment to the Transfer of Financial Responsibility Agreement
- Attachment D - CCWA Request for Amendment No. 21
- Attachment E - Copy of SWP Contract Amendment No. 21 (FINAL)
- Attachment F - EIR for SWP Amendment No. 20
- Attachment G - EIR for SWP Amendment No. 21

State Water Project Contract Amendments
Agenda Date: January 26, 2021
Page 6 of 6

Authored by:

Matt Young, Water Agency Manager, (805) 568-3546

cc: Jeff Frapwell, Assistant CEO



January 28, 2021

Honorable Gregg Hart, Chair and
Members of the Board of Supervisors
County of Santa Barbara
105 East Anapamu Street
Santa Barbara, CA 93101

Eric Friedman
Chairman

Ed Andrisek
Vice Chairman

Ray A. Stokes
Executive Director

Brownstein Hyatt
Farber Schreck
General Counsel

Member Agencies

City of Buellton

Carpinteria Valley
Water District

City of Guadalupe

City of Santa Barbara

City of Santa Maria

Goleta Water District

Montecito Water District

Santa Ynez River Water
Conservation District,
Improvement District #1

Associate Member

La Cumbre Mutual
Water Company

Re: Santa Barbara Flood Control and Water Conservation District's Proposed
Conditions of Approval of Amendment No. 21 (the Water Management
Amendment) to the State Water Contract

Dear Chair Hart and Members of the Board of Supervisors:

On October 28, 2020, Ray Stokes, Executive Director of the Central Coast Water Authority (CCWA), pursuant to the Transfer of Financial Responsibility Agreement, requested that the Santa Barbara County Flood Control and Water Conservation District (District) execute Amendment No. 21 (the Water Management Amendment) to the State Water Contract on behalf of CCWA. Amendment No. 21 is anticipated to become effective on January 31, 2021. Accordingly, the District's failure to execute Amendment No. 21 as soon as possible jeopardizes CCWA's right to participate in the amendment.

District staff's January 21, 2021 Agenda Letter to you, the Santa Barbara County Board of Supervisors (Board), recommends that the Board, acting in its capacity as the governing board of the District, approve and authorize the Public Works Director to "negotiate a revenue sharing and water sales agreement with CCWA as a contingency for approval of Amendment No. 21," and "to return to the Board with both the revenue sharing and water sales agreement and Amendment No. 21 for approval." To date, CCWA has not received any proposed "revenue sharing and water sales agreement." However, based on CCWA staff's conversations with District staff, and the January 21, 2021 Agenda Letter, it appears that the District wishes to recoup the District's capital costs paid to retain State Water until 1986.

CCWA objects to the District's imposition of conditions on its execution of Amendment No. 21 and CCWA declines to negotiate a "revenue sharing and water sales agreement."

By seeking to impose conditions on its execution of Amendment No. 21, the District is reneging on its agreements and seeking to expand its oversight of the State Water Contract. The immediate effect of this will be to jeopardize the participants' access to the operational and financial benefits of Amendment No. 21 and potentially to State Water itself, irreparably harm and damage CCWA and its participants, impair CCWA's and its participants' rights under their respective agreements with the District, and to hold the ratepayers hostage to the whims of the District.

255 Industrial Way
Buellton, CA 93427
(805) 688-2292
Fax (805) 686-4700
www.ccwa.com

First, the District has no authority to impose conditions on its execution of Amendment No. 21. At the time the Transfer of Financial Responsibility Agreement was executed, the State Water Contract had already been amended 14 times, and future additional amendments were fully anticipated. The District and CCWA expressly agreed that the District's financial obligations under the State Water Contract, as that contract had been amended, "and as it may be amended and supplemented from time to time" in the future, would be completely and fully assumed and satisfied by CCWA.¹ Accordingly, Amendment No. 21, which supplements the State Water Contract by creating new water management tools and enhanced flexibility to respond to changes in hydrology and increasing constraints on the operation of the State Water Project, among other things, is squarely within the scope of the Transfer of Financial Responsibility Agreement.

Second, to the extent Staff understands the "revenue sharing" concept, it would impose a fee on every transfer of State Water out of the County that a CCWA participant proposes pursuant to the Water Management Amendment. Such a fee that would be passed directly on to the participant, and in turn to its ratepayers, making the cost of State Water Project water even more expensive for the ratepayers and/or negating any potential financial benefits of the sale in the first place. For example, in a year in which a CCWA participant has determined that it has adequate supplies to meet its customers' needs, and that it can better manage the overall costs of its water supply portfolio by transferring a portion of its supply to a third party, the District's fee could make the proposed transfer infeasible, in which case the excess water supply would be wasted if CCWA and/or the participant does not have sufficient storage capacity. District staff has cited no authority for its "revenue sharing" proposal—it is CCWA's position that there is none—and has provided no information about the use of the fee.

Lastly, Staff is concerned that if the District does not execute Amendment No. 21, at the latest by March 31, 2021, CCWA risks losing the right to participate in Amendment No. 21 entirely. Water year 2020-21 is anticipated to be a critically dry year, much like 2014 when some of CCWA's participants experienced severe water supply shortages. It is CCWA staff's belief that when the Water Management Amendment becomes effective on January 31, 2021, most State Water Contractors will prefer to negotiate one-way transfers (sales), as opposed to exchanges which require a return of a portion of the water exchanged and are limited in the amount of money the exchanging Contractor may receive. If the transfer provisions included in the Water Management Amendment are not available to CCWA, its participants may not be able to get access to supplemental water supplies when they need them.

On behalf of CCWA, I urge the Board to authorize the District to execute Amendment No. 21 (the Water Management Amendment) on February 2, 2020 without conditions.

If you have any questions or require any additional information, please let me know.

Respectfully,

Eric Friedman, Chair of the Board of Directors

cc: CCWA Board of Directors
Ed Andrisek, Vice Chair, City of Buellton
Farfalla Borah, Goleta Water District
Jeff Clay, Santa Ynez River Water Conservation District, ID #1
Shirley Johnson, Carpinteria Valley Water District

¹ Transfer of Financial Responsibility Agreement, Recitals A and J.

Gina Rubalcaba, City of Guadalupe
Etta Waterfield, City of Santa Maria
Floyd Wicks, Montecito Water District
CCWA Operating Committee
Mike Alvarado, La Cumbre Mutual Water Company
Paeter Garcia, Santa Ynez River Water Conservation District, ID #1
Rose Hess, City of Buellton
Robert McDonald, Carpinteria Valley Water District
John McInnes, Goleta Water District
Pernell Rush, Vandenberg AFB 30 CES/CEOEO 1028
Shad Springer, City of Santa Maria
Shannon Sweeney, City of Guadalupe
Cathy Taylor, City of Santa Barbara
Nick Turner, Montecito Water District
Matt van der Linden, City of Solvang
Mona Miyasato, County Executive Officer, Santa Barbara County
Matt Young, Water Agency Manager, Santa Barbara County FC&WCD
Tom Fayram, Deputy Director, Santa Barbara County Public Works Dept.
Johannah Hartley, Deputy County Counsel, Santa Barbara County



January 29, 2021

Eric Friedman
Chairman

Ed Andrisek
Vice Chairman

Ray A. Stokes
Executive Director

Brownstein Hyatt
Farber Schreck
General Counsel

Member Agencies

City of Buellton

Carpinteria Valley
Water District

City of Guadalupe

City of Santa Barbara

City of Santa Maria

Goleta Water District

Montecito Water District

Santa Ynez River Water
Conservation District,
Improvement District #1

Associate Member

La Cumbre Mutual
Water Company

Honorable Bob Nelson, Chair and
Members of the Board of Supervisors
County of Santa Barbara
105 East Anapamu Street
Santa Barbara, CA 93101

Re: February 2, 2021 Agenda Item No. 3 (File No. 21-00088): Santa Barbara Flood Control and Water Conservation District's Proposed Conditions of Approval of Amendment No. 20 (the Contract Extension Amendment) to the State Water Contract

Dear Chair Nelson and Members of the Board of Supervisors:

As you recall, on November 3, 2020, on behalf of the Central Coast Water Authority (CCWA), I requested that the Santa Barbara County Board of Supervisors (Board), acting in its capacity as the governing board of the Santa Barbara County Flood Control and Water Conservation District (District), authorize the District to execute Amendment No. 20 (the Contract Extension Amendment) to the State Water Contract on behalf of CCWA. This matter is on your February 2, 2021 agenda for your consideration. District staff's Agenda Letter for this matter recommends that the Board approve and authorize the Public Works Director to execute Amendment No. 20, *contingent upon* full approval and execution of the District staff's proposed First Amendment to the Transfer of Financial Responsibility Agreement (First Amendment).

At our January 28, 2021 meeting, the CCWA's Board of Directors considered the District staff's proposed condition and First Amendment and authorized me to send this letter.

As a preliminary matter, while CCWA appreciates your prompt consideration of Amendment No. 20, CCWA requests that you continue your consideration of this matter until **March 2, 2021** to permit our respective staff sufficient time to discuss District staff's proposed condition and the First Amendment in particular, and any other concerns the District may have. As detailed in my prior correspondence, this matter is of vital importance to CCWA's participants, the cities and water districts that provide retail water service within the County, and to the nearly 85 percent of County residents who pay for the delivery of State Water Project water to supplement our local county supplies when needed.¹ For this reason, CCWA supports a reasonable delay in the Board's consideration of Amendment No. 20 to ensure that both parties have the opportunity to better understand, and if possible, address each other's concerns.

¹ For example, Amendment No. 20 increases the maximum "rate management credits" allowable under the State Water Contract. As the third highest payor, CCWA's share of the increase is projected to be approximately \$520,000 per year, or roughly \$7.8 million between 2020 and 2035. But if Amendment No. 20 is not executed, CCWA will not be entitled to these credits.

Further, in hopes of advancing those discussions and ultimately the District's execution of Amendment No. 20 without conditions, CCWA is also providing you its concerns with the District staff's recommended approach.

First, CCWA objects to the District's imposition of any conditions on the District's execution of Amendment No. 20. The District does not have the authority to impose conditions on its execution of Amendment No. 20. At the time the Transfer of Financial Responsibility Agreement was executed, the State Water Contract had already been amended 14 times, and future additional amendments were fully anticipated. The District and CCWA expressly agreed that the District's financial obligations under the State Water Contract, as that contract had been amended, "and as it may be amended and supplemented from time to time" in the future, would be completely and fully assumed and satisfied by CCWA. Accordingly, Amendment No. 20 is squarely within the scope of the Transfer of Financial Responsibility Agreement.

Second, the District's proposed First Amendment is infeasible.² The proposed First Amendment seeks to impose a new obligation on CCWA—that CCWA levy a property tax to satisfy its obligations under the Transfer of Financial Responsibility. In relevant part, the proposed First Amendment provides:

E. Covenant to Raise Funds. CCWA agrees to take all actions authorized under the JPA Agreement, as amended, and the WSAs to raise the funds required to satisfy its obligations to the District under this agreement. Such actions shall include, but not be limited to, enforcement by CCWA of any provisions of WSAs requiring that CCWA Contractors increase their payments to CCWA in order to assure that a failure to pay CCWA by a defaulting CCWA Contractor does not impair CCWA's ability to make payments to the District hereunder, and imposing a tax.

(Emphasis added.) CCWA does not have the power to levy a property tax, except as the contracting party to the State Water Contract, which it is not presently.³ Moreover,

² Although a minor point, the District's proposed First Amendment is also unnecessary. It proposes to amend the Transfer of Financial Responsibility Agreement to clarify that the term of the Transfer of Financial Responsibility Agreement is the same as the State Water Contract. However, no clarification is required—it is undisputed that Transfer of Financial Responsibility Agreement has the same term as the State Water Contract, whatever it may be. (See Transfer of Financial Responsibility Agreement, Recital A; see also § 1.)

³ CCWA's Joint Exercise of Powers Agreement, as amended, provides:

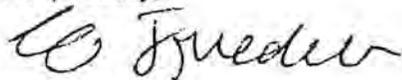
Powers. The Authority shall have the power in its own name to do any of the following: . . . To contract with the DWR for delivery of water from the State Water Project, along with all necessary and incidental powers as may be required by the Authority to carry out the Authority's rights and obligations under the State Water Supply Contract, including, but not limited to, the right to levy a tax or assessment on all properties within the jurisdiction of the Authority not exempt from taxation, as mandated by the California Water Code and the State Water Supply Contract.

(Joint Exercise of Powers Agreement, § 5(P) (emphasis added).)

the State Water Contract requires the District, as the contracting party, to levy a property tax upon all property within the County if required by the State Water Contract.⁴

On behalf of CCWA, thank you in advance for your consideration of this important matter. We look forward to working with the District to ensure the timely execution of Amendment No. 20. If you have any questions or require any additional information, please let me know.

Respectfully,



Eric Friedman, Chair of the Board of Directors

cc: CCWA Board of Directors
Ed Andrisek, Vice Chair, City of Buellton
Farfalla Borah, Goleta Water District
Jeff Clay, Santa Ynez River Water Conservation District, ID #1
Shirley Johnson, Carpinteria Valley Water District
Julian Ariston, City of Guadalupe
Etta Waterfield, City of Santa Maria
Floyd Wicks, Montecito Water District
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Matt van der Linden, City of Solvang
Mona Miyasato, County Executive Officer, Santa Barbara County
Matt Young, Water Agency Manager, Santa Barbara County FC&WCD
Tom Fayram, Water Resources Deputy Director, Santa Barbara County Public Works Dept.
Johannah Hartley, Deputy County Counsel, Santa Barbara County

⁴ If the District wishes to be relieved of this obligation, it should assign the State Water Contract to CCWA. In 1991, the District expressed its intention to work with CCWA to obtain DWR's approval of a full assignment of the State Water Contract from the District to CCWA. In 2017, CCWA's Board of Directors *unanimously* agreed to accept assignment of the State Water Contract and to release the District from all liability for it. And in 2018, CCWA secured DWR's approval for assignment.



January 29, 2021

Eric Friedman
Chairman

Ed Andrisek
Vice Chairman

Ray A. Stokes
Executive Director

Brownstein Hyatt
Farber Schreck
General Counsel

Member Agencies

City of Buellton

Carpinteria Valley
Water District

City of Guadalupe

City of Santa Barbara

City of Santa Maria

Goleta Water District

Montecito Water District

Santa Ynez River Water
Conservation District,
Improvement District #1

Associate Member

La Cumbre Mutual
Water Company

Honorable Bob Nelson, Chair and
Members of the Board of Supervisors
County of Santa Barbara
105 East Anapamu Street
Santa Barbara, CA 93101

Re: February 2, 2021 Agenda Item No. 3 (File No. 21-00088): Santa Barbara Flood Control and Water Conservation District's Proposed Conditions of Approval of Amendment No. 21 (the Water Management Amendment) to the State Water Contract

Dear Chair Nelson and Members of the Board of Supervisors:

By letter dated October 28, 2020, Ray Stokes, Executive Director of the Central Coast Water Authority (CCWA), requested that the Santa Barbara County Flood Control and Water Conservation District (District) execute Amendment No. 21 (the Water Management Amendment) to the State Water Contract on behalf of CCWA. This matter, together with your consideration of Amendment No. 20 (the Contract Extension Amendment), is on your February 2, 2021 agenda for your consideration. District staff's Agenda Letter for this matter recommends that the Board, acting in its capacity as the governing board of the District, approve and authorize the Public Works Director to "negotiate a revenue sharing and water sales agreement with CCWA as a contingency for approval of Amendment No. 21," and "to return to the Board with both the revenue sharing and water sales agreement and Amendment No. 21 for approval." To date, CCWA has not received any proposed "revenue sharing and water sales agreement."

At our January 28, 2021 meeting, the CCWA's Board of Directors considered the District staff's proposed condition and proposed revenue sharing concept, to the extent it is understood, and authorized me to send this letter.

As a preliminary matter, while CCWA appreciates your prompt consideration of Amendment No. 21, especially in light of the urgent timing of this matter,¹ CCWA requests that you continue your consideration of this matter until **March 2, 2021** to permit our respective staff sufficient time to discuss District staff's proposed conditions, and any other concerns the District may have. As detailed in my prior correspondence, this matter is of vital importance to CCWA's participants, the cities and water districts that provide retail water service within the County, and to the nearly 85 percent County residents who pay for the delivery of State Water Project water to supplement our local county supplies when needed. For this reason, CCWA supports a reasonable delay in

¹ Amendment No. 21 is anticipated to become effective on January 31, 2021. Thereafter, the District, on behalf of CCWA, will have 60 to execute the Amendment to ensure participation.

the Board's consideration of Amendment No. 21 to ensure that both parties have the opportunity to better understand, and if possible, address each other's concerns.

Further, in hopes of advancing those discussions and ultimately the District's execution of Amendment No. 21 without conditions, CCWA is also providing you its concerns with the District staff's recommended approach.

First, the District does not have authority to impose conditions on its execution of Amendment No. 21. At the time the Transfer of Financial Responsibility Agreement was executed, the State Water Contract had already been amended 14 times, and future additional amendments were fully anticipated. The District and CCWA expressly agreed that the District's financial obligations under the State Water Contract, as that contract had been amended, "and as it may be amended and supplemented from time to time" in the future, would be completely and fully assumed and satisfied by CCWA.² Accordingly, Amendment No. 21, which supplements the State Water Contract by creating new water management tools and enhanced flexibility to respond to changes in hydrology and increasing constraints on the operation of the State Water Project, among other things, is squarely within the scope of the Transfer of Financial Responsibility Agreement.

Second, to the extent CCWA understands the "revenue sharing" concept, CCWA objects to any fee on transfers permitted by the Water Management Amendment. Such a fee would be passed directly on to the CCWA participant that proposes the transfer, and in turn on to the participant's ratepayers, making the cost of State Water Project water even more expensive for the ratepayers and/or negating any potential financial benefits of the sale in the first place. For example, in a year in which a CCWA participant has determined that it has adequate supplies to meet its customers' needs, and that it can better manage the overall costs of its water supply portfolio by transferring a portion of its supply to a third party, the District's fee could make the proposed transfer infeasible, in which case the excess water supply would be wasted if CCWA and/or the participant does not have sufficient storage capacity. Moreover, it is unclear how such a fee could be levied on a proposed transfer legally, how it would be calculated without unfairly penalizing CCWA participants that endeavor to maximize the beneficial use of their water supplies, and for what lawful purpose it could be used. District staff's Agenda Letter suggests that some form of "reimbursement" of the District is required. However, prior to the transfer of all financial obligations of the State Water Contract to CCWA and its participants, the County's *property owners*, more than 85 percent of whom are also the ratepayers, invested in retaining the right to State Water; the District did not.

Lastly, failure to participate in Amendment No. 21 by March 31, 2021 could have immediate adverse impacts on CCWA's participants. Despite this week's rain, water year 2020-21 is anticipated to be a critically dry year, much like 2014 when some of CCWA's participants experienced severe water supply shortages. It is CCWA staff's belief that when the Water Management Amendment becomes effective on January 31, 2021, most State Water Contractors will prefer to negotiate one-way transfers (sales), as opposed to exchanges which require a return of a portion of the water exchanged and are limited in the amount of money the exchanging Contractor may receive. If the transfer provisions included in the Water Management Amendment are not available to

² Transfer of Financial Responsibility Agreement, Recitals A and J.

CCWA, its participants may not be able to get access to supplemental water supplies when they need them.

On behalf of CCWA, thank you in advance for your consideration of this important matter. We look forward to working with the District to ensure the timely execution of Amendment No. 21 (the Water Management Amendment). If you have any questions or require any additional information, please let me know.

Respectfully,



Eric Friedman, Chair of the Board of Directors

cc: CCWA Board of Directors
Ed Andrisek, Vice Chair, City of Buellton
Farfalla Borah, Goleta Water District
Jeff Clay, Santa Ynez River Water Conservation District, ID #1
Shirley Johnson, Carpinteria Valley Water District
Julian Ariston, City of Guadalupe
Etta Waterfield, City of Santa Maria
Floyd Wicks, Montecito Water District
CCWA Operating Committee
Mike Alvarado, La Cumbre Mutual Water Company
Paeter Garcia, Santa Ynez River Water Conservation District, ID #1
Rose Hess, City of Buellton
Robert McDonald, Carpinteria Valley Water District
John McInnes, Goleta Water District
Pernell Rush, Vandenberg AFB 30 CES/CEOEO 1028
Shad Springer, City of Santa Maria
Shannon Sweeney, City of Guadalupe
Cathy Taylor, City of Santa Barbara
Nick Turner, Montecito Water District
Matt van der Linden, City of Solvang
Mona Miyasato, County Executive Officer, Santa Barbara County
Matt Young, Water Agency Manager, Santa Barbara County FC&WCD
Tom Fayram, Water Resources Deputy Director, Santa Barbara County Public Works Dept.
Johannah Hartley, Deputy County Counsel, Santa Barbara County



City of Santa Barbara

Public Works Department

SantaBarbaraCA.gov

January 26, 2021

Main Office

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Honorable Gregg Hart, Chair and
Member of the Board of Supervisors
County of Santa Barbara
105 East Anapamu Street
Santa Barbara, CA 93101

Engineering

Tel: (805) 564-5363
Fax: (805) 564-5467

Subject: Santa Barbara Flood Control and Water Conservation District's Proposed
Conditions to Amendment Nos. 20 and 21 of the State Water Contract

Facilities & Energy Management

Tel: (805) 564-5583
Fax: (805) 897-2577

Dear Chair Hart and Members of the Board of Supervisors:

Fleet Management

Tel: (805) 564-5402
Fax: (805) 897-2515

I am writing regarding the State Water Project Contract Amendments that the County Board of Supervisors will be considering at their regular meeting on February 2, 2021. I urge the Santa Barbara County Board of Supervisors (BOS) to authorize the Santa Barbara County Flood Control and Water Conservation District (District) to execute both Amendment No. 20 and Amendment No. 21, without conditions; specifically, without the conditions proposed by District staff in their January 26, 2021 letter to the BOS.

Streets Operations & Infrastructure Management

Tel: (805) 564-5454

The District's proposed conditions would jeopardize CCWA members' access to the operational and financial benefits of Amendments Nos. 20 and 21, and potentially to State Water itself; complicate water transfers/exchanges; and irreparably harm and damage CCWA and its participants. Additionally, the conditions would relinquish CCWA's and its members' rights under their respective agreements with the District, make it more difficult and expensive for members to manage their water supplies, and introduce instabilities for ratepayers.

Transportation Planning & Parking

Tel: (805) 564-5385
Fax: (805) 564-5467

The language proposed by CCWA has been approved by 25 of the 29 State Water Project contractors, and will serve CCWA and its member agencies well. I urge you to execute both Amendment No. 20 and Amendment No. 21, without conditions, so that CCWA and its members can enjoy the benefits offered by the amendments.

Water Resources

Tel: (805) 564-5387
Fax: (805) 897-1991

Sincerely,

Cathy Murillo, Mayor

Cc: Mona Miyasato, County Executive Officer, Santa Barbara County
Scott McGolpin, Public Works Director, Santa Barbara County
Tom Fayram, Deputy Director, Santa Barbara County
Matt Young, Water Agency Manager, Santa Barbara County
Johannah Hartley, Deputy County Counsel, Santa Barbara County
Ray Stokes, Executive Director, Central Coast Water Authority
Stephanie Hastings, Counsel, Central Coast Water Authority
CCWA Board of Directors
Santa Barbara City Council
Paul Casey, City Administrator
Rebecca Bjork, Assistant City Administrator
Dan Hentschke, Assistant City Attorney
Joshua Haggmark, Acting Public Works Director
Amanda Flesse, Acting Water Resources Manager
Catherine Taylor, Water Supply and Service Manager



January 28, 2021

Honorable Bob Nelson, Chair and
Members of the Board of Supervisors
County of Santa Barbara
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101

Board of Directors

Tobe Plough
President

Kenneth Coates
Vice President

Brian Goebel
Director

Cori Hayman
Director

Floyd Wicks
Director

**General Manager
and Board Secretary**

Nick Turner

**Re: Central Coast Water Authority Request to Approve
California Department of Water Resources State Water
Project
Water Supply Contract Amendments No. 20 and 21**

Dear Chair Nelson and Members of the Board of Supervisors (BOS):

This letter provides comments by the Montecito Water District (MWD) concerning the Central Coast Water Authority (CCWA) request of the BOS to approve California Department of Water Resources State Water Project Water Supply Contract Amendments No. 20 and 21. As you are aware, the request is currently scheduled for hearing by the BOS on February 2, 2021. **MWD requests the BOS approve the referenced Amendments without conditions** for the reasons set forth in this letter.

MWD is a County Water District, organized and existing under Water Code §§30000-33901 and has served the Montecito and Summerland communities since 1921 and 1995, respectively. MWD's mission is to provide an adequate and reliable supply of high-quality water to the residents of Montecito and Summerland, at the most reasonable cost. MWD is specifically authorized to do any act necessary to furnish sufficient water in the District for any present or future beneficial use. [Water Code §31022]. The MWD is a participant and member of CCWA, a Joint Powers Agency, comprised of thirteen water purveyors, responsible for the management and operation of deliveries of State Water Project water to Santa Barbara County.

Attendant to its mission, and as authorized by its enabling authority, MWD has undertaken a number of important initiatives related to the management of water in its service area. These initiatives include: (1) purchasing supplemental water during declared drought conditions; (2) acquiring groundwater banking rights and banking surplus water in anticipation of periods of future drought; and (3) entering into a 50-year water supply agreement with the City of Santa Barbara for participation in the City's desalination facility, a local and nearly 100% reliable water supply.

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During drought conditions in 2016, and in response to a declared water shortage emergency, the District participated in CCWA's supplemental water purchase program. The MWD's connection to the State Water Project (SWP) for deliveries of supplemental water purchased on the spot market served as a lifeline, providing over 80% of the District's water supply in 2016. Without this lifeline, fostered by the ability to transfer water, MWD would not have been able to meet critical water supply needs.

In 2017, after having experienced the six consecutive driest years on record for Santa Barbara County, the MWD purchased groundwater banking rights in California's Central Valley in the Semitropic Groundwater Banking & Exchange Program (Semitropic). With the improvement of hydrologic conditions in 2018 and 2019, the consequent increase in local surface water supplies enabled the MWD to bank surplus SWP water in Semitropic for use during future periods of below-average rainfall or drought conditions. The MWD currently has banked 2,000 acre-feet (AF) in Semitropic. The ability to bank water in this manner is, again, predicated on the ability to transfer SWP water.

On June 25, 2020 the MWD approved a 50-year water supply agreement with the City of Santa Barbara, backed by the City's Charles E. Meyer Desalination Plant. This agreement provides the MWD with 1,430 AF of water annually irrespective of hydrologic conditions. This new local water supply is nearly 100% reliable and will help mitigate the impact of ongoing and future regulatory, environmental and climatic challenges affecting the MWD's current water sources. Deliveries will commence on January 1, 2022 and will drastically improve the MWD's long-term water supply outlook. Also in June of 2020, after a comprehensive rate-making process, the MWD passed new rates for its customers. The new rates, which reflected the desalinated water component, balanced the costs of introducing this new source of supply with the MWD's mission of delivering water to its customers at a reasonable cost.

Upon execution of the water supply agreement with the City of Santa Barbara and the passage of new rates, MWD recognized that under certain hydrologic conditions, it may have excess SWP water available for transfer outside its service area. MWD retained WestWater Research to evaluate opportunities to market surplus SWP supplies and develop a strategy to generate additional revenues via short- and/or long-term water transfers. These revenues would offset the costs of desalinated supply and mitigate the potential financial impact to MWD ratepayers. MWD continues to explore these opportunities, for the benefit of its ratepayers and in accordance with its rate objectives.

The County Board of Supervisors is currently considering a request by CCWA to approve the execution of Amendment 20 (Contract Extension) and Amendment 21 (Water Management Amendment) to the SWP Contract. As a condition of executing Amendment 21 Santa Barbara County Flood Control and Water Conservation District seeks to add a new requirement for the execution of a "revenue sharing and water sales agreement".

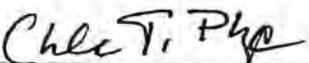
The proposed "revenue sharing" concept would impose a fee on every transfer of SWP water held by each water entity in the County. Such a fee would be levied directly

upon CCWA participants, including but not limited to MWD, thereby making the SWP water even more expensive for our customers and/or negating any potential financial benefits of a sale of excess supply. Unlike the MWD rate process, which complied with California requirements, the County has cited no authority to impose this new "revenue sharing" proposal and has provided no information about the basis for the fee.

The Water Management Amendments are specifically designed to give retail water providers – like MWD – the tools required to address changing water supply circumstances. The need for such tools is exemplified by the initiatives taken by MWD for the management of its supply, as previously detailed above, in the face of changing water supply conditions.

Based on the foregoing information, MWD requests that the Santa Barbara County Board of Supervisors authorize the Santa Barbara County Flood Control and Water Conservation District to **execute both Amendment No. 20 and Amendment No. 21 without conditions**. Imposing such draconian conditions on the execution of the Amendments would be contrary to MWD initiatives, counter to MWD rate objectives, and would cause irreparable harm and damages to MWD customers who, of course, are County constituents as well.

Sincerely,



Tobe Plough, Board President
Montecito Water District



Nicholas Turner, General Manager
Montecito Water District



CITY OF SANTA MARIA
OFFICE OF THE MAYOR
AND CITY COUNCIL

110 EAST COOK STREET, ROOM 1 • SANTA MARIA, CA 93454 5190 • 805 925-0951 • FAX 805-349-0657 • www.cityofsantamaria.org

January 28, 2021

Santa Barbara County
Flood Control and Water Conservation District
130 East Victoria Street, Suite 200
Santa Barbara, CA 93101
VIA EMAIL (County Clerk of the Board, sbcob@countyofsb.org)

**SUBJECT: SANTA BARBARA FLOOD CONTROL AND WATER CONSERVATION
DISTRICT'S PROPOSED CONDITIONS TO AMENDMENT NOS. 20
AND 21 OF THE STATE WATER CONTRACT**

Dear County Board of Supervisors:

The City of Santa Maria ("City") requests the Santa Barbara County Flood Control and Water Conservation District ("District") execute Amendment 20 and Amendment 21 as requested by the Central Coast Water Authority without the conditions recommended by District staff. The conditions recommended by District staff are detrimental to the residents of the District, inappropriate, and unnecessary.

The Central Coast Water Authority ("CCWA") Board, represented by members elected by voters across Santa Barbara County, unanimously recommended the execution of Amendments 20 and 21 to the District. The Boards and the City Councils represented by CCWA embody most constituents within each Santa Barbara County Supervisorial District and approximately 85 percent of the District population overall.

With respect to Amendment 20 (Contract Extension), the recommended condition from District staff that the Transfer of Financial Responsibility Agreement ("TFRA") be amended to require CCWA to "impose a tax" to fulfill all obligations to the District is not acceptable. The District is the contracting party with the Department of Water Resources ("DWR"), not CCWA. Therefore, the requirement to levy a property tax for payment default is the legal responsibility of the District. If the District continues to be the contracting party with DWR, the District is responsible for levying a tax to remedy a default. If the District does not want that obligation, a remedy is to remove itself as the contracting party with DWR and allow CCWA to take assignment of the contract along with all responsibilities, including levying a tax, if necessary.

The CCWA Board unanimously agreed to accept assignment of the State Water contract and release the District from all liability in 2017 and garnered DWR's approval in 2018. Despite continued requests from CCWA, the District has yet to consider final action on the matter.

A second reason this District staff condition cannot be implemented is the CCWA Joint Powers Authority ("JPA") authorizes the power to levy a tax only if CCWA is the contracting party. For this provision of the JPA to be valid, the District would be required to approve the assignment of the State Water Contract to CCWA. If the District assigns the contract, then this District staff condition to amend the TFRA would be unnecessary as the District no longer would have any potential financial responsibility for the State Water Contract. However, yet again, the District has chosen not to consider final action on contract assignment and is consequently the party legally responsible for levying a tax to remedy a default.

It is important to note that by placing this unnecessary and unachievable condition of approval on Amendment 20 (Contract Extension), the District is placing an increased financial burden on its constituents. As noted in the Board of Supervisors Agenda Letter, contract extension will result in an estimated savings of over \$500,000 per year for rate payers in the District. Also as noted in the Board Letter, rate payers in the District will benefit from contract extension through the reduction of costs related to the payment of the project interest rate of 4.61 percent with a savings of \$1.4 million in recent payments alone. Without the execution of Amendment 20, these are two examples of real and unnecessary costs that those in the District will be required to pay through higher water rates.

Amendment 21 (Water Management Amendments) was negotiated between all the State Water Contractors and DWR. The Water Management Amendments ("WMAs") are intended to provide flexibility to meet diverse and evolving water demands. This amendment and its inherent flexibility are necessary to provide the tools required for water purveyors to manage critical water resources to meet existing and future water demands. The WMAs have provisions that were vetted by all State Water Contractors and DWR to provide safeguards with respect to ensuring water purveyors maintain an adequate water supply with each transfer. In addition to the safeguards already included in the WMAs, each water purveyor is required to assess reliability of water sources and implement water management strategies to meet water supply requirements. Documentation of that analysis must then be provided by each purveyor to DWR through Urban Water Management Plans.

Moreover, each transfer between State Water Contractors will require verification with DWR that the transferor has adequate supply to meet local needs prior to approval of the transfer by DWR. Adding additional and unknown requirements for approval by the District will hinder the ability of CCWA members to use and manage water supplies as required by DWR putting the drinking water supply of residents in Santa Barbara County at risk. Simply put, it would be a detriment to a water purveyor's ability to receive additional water in times of need.

Lastly, the recommended condition from District staff that a "revenue sharing" component be included between CCWA and the District is infeasible and inappropriate. The costs for State Water have always been paid by either property owners or rate payers not by other funding sources. State Water costs prior to CCWA were paid by property owners via assessment by the District. Since the creation of CCWA, these same properties have been paying the costs of State Water via water rates. The District's insistence on revenue sharing is the equivalent of a double payment. Property owners paid these costs once through assessment and now would be expected to pay the costs again through water rates. This places an undue and unnecessary burden on constituents.

This issue is even further exacerbated when considering Suspended Table A. The District has indicated it wants full reimbursement for all previous costs associated with Suspended Table A. Those costs too were already paid by property owners through assessments by the District. The District now wants the property owners to pay those costs a second time through water rates. By "revenue sharing," those same constituents would be paying those costs a third time to the District. This is clearly an excessive and an exploitative expectation of any constituent.

There have been five previous amendments to the State Water Contract recommended by CCWA and executed by the District, without additional conditions. These two amendments should be no different.

There is no legal, financial, or moral basis for adding conditions to either of the Amendments. Considering the long and successful relationship between the District and CCWA, the City appreciates the District's attention to this matter and requests that Amendments 20 and 21 be executed without delay and without the additional conditions recommended by District staff.

A handwritten signature in black ink that reads "Alice M. Patino". The signature is written in a cursive, flowing style.

ALICE M. PATINO
Mayor

Monthly Briefing

A Summary of the Alliance's Recent and Upcoming Activities and Important Water News

President Biden Quickly Enacts Slate of Executive Orders *Orders Review of Trump Administration Regulations*

President Biden's first ten days in office were marked by numerous executive actions focused on tackling his Administration's top priorities: the COVID-19 pandemic, the related economic crisis, racial justice, and the threat of extreme climate events. One of the new President's first actions was signing an Executive Order (EO) detailing a long list of Trump Administration environment and energy policies the incoming Biden team will scrutinize in its first days in office.

Prior to the January 20 inauguration, a memo from President Biden's Chief of Staff Ron Klain to White House advisers outlined the executive actions that Mr. Biden intended to make as soon he assumed the presidency.

"We face four overlapping and compounding crises: the COVID-19 crisis, the resulting economic crisis, the climate crisis, and a racial equity crisis. All of these crises demand urgent action," Klain wrote. "In his first ten days in office,

President-elect Biden will take decisive action to address these four crises, prevent other urgent and irreversible harms, and restore America's place in the world."

Within minutes of entering the Oval Office on January

20, the newly inaugurated president signed a total of 17 executive orders. On Day 2, he issued an additional 10 orders related to the coronavirus pandemic. The following week, President Biden signed a slew of new executive actions, with each day adhering to a theme, including "Buy American", equity, climate, health care, and immigration.

"We must use every tool in our toolbox, including executive orders tailor-made to quickly undo some of the most egregious policies the previous administration implemented, to address the multiple crises we face," said Senate Majority Leader Chuck Schumer (D-NY).



President Biden signed a series of executive orders in his first 10 days in office.
Photo Source: POOL/CNP/InStar/Cover Images/Newscom

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President Biden Issues Slate of EOs (Cont'd from Pg. 1)

However, Republicans criticized the quick action, suggesting that they are counter to Mr. Biden's campaign pledge to promote unity once assuming office.

"He is using the words of the center, talking about unity, but he is governing like someone from the far left," Senator Marco Rubio (R-FL) said in a recent video posted to Twitter. "Number one, he has issued more executive fiats (orders) than anyone in such a short period of time, ever, more than Obama, more than Trump."

Sen. Mitch McConnell, R-Ky., accused President Biden of taking "several big steps in the wrong direction."

While Congressional Republicans may be limited in how they can fight these measures, the National Republican Congressional Committee (NRCC) said polling it commissioned in key battleground congressional districts shows voters are less likely to support a candidate who backs policies like the Paris Agreement, the Green New Deal, and stopping new oil and gas leasing on federal land.

"The bottom line is that voters aren't going to tolerate job-killing anti-energy policies that will worsen any economic recovery," NRCC Polling Director Caitlin Reed said in a memo on the polling, according to *E&E News*.

Trump Administration Regulations in the Sights

One of the first EOs signed by President Biden on his first day in office was entitled "Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis". This order details a long list of Trump Administration environment and energy policies the incoming Biden team will scrutinize in its first days in office.

"Our Nation today faces serious challenges, including a massive global pandemic; a major economic downturn; systemic racial inequality; and the undeniable reality and accelerating threat of climate change," the memo reads.

Biden Administration officials said the order includes a "nonexclusive" list of actions. It spans several agencies, from the Environmental Protection Agency (EPA) to the Departments of the Interior, Commerce and Justice. Included on that list (among others) are regulations and opinions issued by the Trump Administration on the implementation of the National Environmental Policy Act (NEPA), the Endangered Species Act (ESA), the Clean Water Act (including the controversial "waters of the U.S." and Section 401 regulations), and the Migratory Bird Treaty Act.

A 'New Direction' on Regulation

President Biden also signed a memo called "Modernizing

Regulatory Review," which states that regulations are critical to fighting tangible problems.

"It is the policy of my Administration to mobilize the power of the Federal Government to rebuild our Nation and address these and other challenges," the memo states. "As we do so, it is important that we evaluate the processes and principles that govern regulatory review to ensure swift and effective Federal action. Regulations that promote the public interest are vital for tackling national priorities."

The memo keeps in place the basic structure of regulatory review calls for the Office of Management and Budget (OMB) to create procedures to ensure "regulatory initiatives appropriately benefit and do not inappropriately burden disadvantaged, vulnerable, or marginalized communities." The document also called for the Office of Information and Regulatory Affairs in OMB to be more open and transparent. Progressives were not thrilled the memo did not go further, but they were cautiously optimistic while conservatives said the memo guts the regulatory re-

straint of the past four years.

Suspension of Lawsuits Targeting Trump-Era Rules

The Biden Administration has taken a step toward pausing legal proceedings challenging several Trump-era environmental rules. President Biden's top lawyer at the Environmental Protection Agency has asked the Department of Justice (DOJ) for stays of proceedings in pending litigation involving any challenge to a regulation promulgated by the agency under the Trump Administration, a move that would provide new Administration leadership with time to review the rule and any underlying issues.

In a letter obtained by *E&E News*, EPA acting general counsel Melissa Hoffer instructed DOJ's Environment and Natural Resources Division to request a pause in litigation involving any rule the agency issued under President Trump's leadership.

"Boy, that escalated quickly."

Alliance board members and contractors like Mark Limbaugh and his team at the Ferguson Group in Washington, D.C. spent much of the latter half of January assessing the slate of executive orders and important agency appointments generated by the White House, which was breathtaking in its scope.



Senator Marco Rubio (R-FL) on Twitter.

Continued on Page 3

Trump Rules in Pres. Biden's Sights (*Cont'd from Pg. 2*)

One Western water attorney said it all reminded him of the battle scene in the movie "Anchorman", where Ron Burgundy looks around and says, "Boy, that escalated quickly."

"Importantly, we are beginning to get a clearer sense of the list of agency actions that the Biden Administration will review and potentially change," said Alliance Executive Director Dan Keppen.

Of note, rulemaking associated with "Waters of the U.S." (WOTUS), ESA critical habitat, NEPA and the Central Valley Project Biological Opinion for Delta Operations will all be scrutinized.

"The Alliance, its members and many of our allies spent many hours and placed high priority in helping to influence these efforts with the previous Administration," said Mr. Keppen. "Many more hours may be needed, working with policymakers and discussing the importance of some of these current rules to Western irrigators and water managers. For the time being, we'll keep our members apprised as further policy developments and Biden Administration appointments are announced."

Fergus Morrissey, who manages Orange Cove Irrigation District in California's Central Valley, believes that, over the next four years, there will be great need to bolster the effort to achieve objective scrutiny, using compelling data, science and communication.

"In addition to embracing the spirit of collaboration, the Family Farm Alliance is the poster child for smoothly executing the process to achieve fair and stakeholder balanced policies," Mr. Morrissey said. "Supporting the Alliance is now more important than ever."

Climate Change Orders

The president's climate change executive actions – especially those policies that halt petroleum leasing on federal land and commit to a controversial "30 x 30" plan that seeks to conserve 30% of the nation's land and waters by 2030 – are raising alarms in Republican Congressional offices who represent rural Westerners.

However, President Biden's climate change orders were praised by Democrats, including former President Barack Obama.

"This is a time for boldness and President Biden is already delivering," Obama wrote on Twitter. "By rejoining the Paris climate accords on day one, he declared loudly and clearly that the U.S. will once again lead the fight against climate

change."

"He's not waiting to take action ... because science is telling us we don't have a moment to lose to fight," added Gina McCarthy, the president's national climate adviser. "Just one week into his administration, President Biden is continuing to move us forward at the breadth and the pace that climate science demands."

Moratorium on New Oil and Gas Development

On January 26, the Department of the Interior imposed a 60-day moratorium on oil and gas leasing, drilling permits, and lease extensions on federal land. Republicans representing Western states with energy-based economies were outraged.

"More than half the oil and more than two-thirds of the natural gas produced in New Mexico is on federal lands. A moratorium on new leases will devastate our state's economy, destroying more than 60,000 jobs by 2022, and decimate our state's budget," said Rep. Yvette Herrell (R-NEW MEXICO). "As I told our governor this week: this will have the greatest impact on the children of New Mexico, where our public education system received more than \$1 billion in funding from the oil and gas industry last year alone."

Western Republicans are concerned that the moratorium imposed by Executive Order will negatively impact the economies, jobs, and local communities of the rural West while threatening America's



National Climate Advisor Gina McCarthy and Special Presidential Envoy for Climate John Kerry answer questions during a press briefing at the White House on January 27, 2021 in Washington, DC. Credit: Drew Angerer Getty Images

energy security.

"On Inauguration Day, we heard President Biden rightly encourage the American people to strive toward unity. A week later, he is signing a divisive and illegal executive order that would damage Wyoming's economy and the economies of other states like New Mexico, North Dakota and Louisiana," said Sen. John Barrasso (R-WYOMING), the Ranking Member on the Energy and Natural Resources Committee. "If President Biden is serious about bringing our country together, he needs to understand that actions speak louder than words."

The day after President Biden signed the ban on new energy leases in federal lands and waters, Republic members of Congress introduced the *Protecting our Wealth of Energy Resources (POWER) Act of 2021*. The POWER Act would prohibit the president or his secretaries of the Interior, Agriculture and Energy Departments from blocking energy or mineral leasing and permitting, or from issuing mineral withdrawals on federal lands and waters without congressional approval.

Continued on Page 6

Biden Administration Takes Shape

The Biden Administration has announced the appointment of several officials at the departmental and agency levels of leadership. The Family Farm Alliance and its Western membership interact most closely with leaders from the Departments of Interior and Agriculture, as well as the Environmental Protection Agency (EPA).

Department of Interior

At the Department of the Interior, there is still no timeline for Rep. Deb Haaland (D-NM) to be confirmed as the next Interior secretary, but her congressional chief of staff, Jennifer Van der Heide has already moved over to serve in the same capacity at Interior. Some Republicans in Congress are becoming increasingly vocal with their criticisms of President Biden's Interior pick.

"The nomination of Representative Haaland as Interior Secretary embodies clear support for the Green New Deal and a rejection of even the potential of high-wage jobs," wrote Rep. Pete Stauber (R-MN) in a January 26 letter to President Biden, signed by 14 House Republicans. "Therefore, we implore in the strongest terms to withdraw the nomination of Representative Haaland and instead nominate a consensus-driven individual who will not implement policies that will kill jobs and increase the country's reliance on foreign adversaries."

A copper-nickel mining proposal in Rep. Stauber's north-east Minnesota district could be jeopardized under policy priorities advanced by the Biden Administration. Ms. Haaland in her confirmation process will also likely bear the burden of the ire felt by Republicans over this, as well as President Biden's recent executive orders to halt the issuance of new leases for oil and gas drilling on federal lands.

Meanwhile, several Interior appointees have been announced by the Biden Administration.

Elizabeth Klein, who has been named as Deputy to the Interior Secretary, has held roles with Interior before. During the Obama Administration, she was principal deputy assistant secretary for policy, management and budget; associate deputy secretary; and counselor to the deputy secretary. In the President Clinton-era, Ms. Klein served as an assistant to the secretary.

Since 2017, she has been the deputy director of the State Energy & Environmental Impact Center at New York University School of Law, where she has worked alongside Executive Director David Hayes, a former deputy Interior secretary in the Obama Administration who is now President Biden's incoming

special assistant for climate policy. In that role, she has been an outspoken critic of the Trump Administration.

"State attorneys general will not stand idly by while this administration continues to trample on state authority to protect their residents from dangerous water pollution," Klein stated in July 2019, according to *E&E Daily*.

During the Bush years, Ms. Klein served as the director of communications and government relations for the National Park Foundation and an as-

sociate at the firm Latham & Watkins, specializing in energy and environment law issues.

Other key appointees at Interior include:

- **Laura Daniel Davis** as Principal Deputy Assistant Secretary for Land and Minerals Management (previously chief of staff to Obama-era Interior Secretaries Sally Jewell and Ken Salazar);
- **Shannon Estenez** as Principal Deputy Assistant Secretary for Fish and Wildlife and Parks (currently chief operating officer and vice president of policy at the non-profit Everglades Foundation);
- **Martha Williams** as Principal Deputy Director for the Fish and Wildlife Service; and
- **Rachael Taylor** as Principal Deputy Assistant Secretary for Policy, Management and Budget.

In a secretarial order issued on Inauguration Day, Scott de la Vega, the acting secretary of Interior, bestowed on eight appointees the "decision-making authority associated with the duties and responsibilities" of presidentially appointed and Senate-confirmed (PAS) positions.

"As PAS positions are the most senior policy leadership positions in the Executive Branch, these vacancies create a corresponding lack of senior policy leadership, which needs to



Tanya Trujillo testifies before the U.S. Senate Committee on Energy and Natural Resources in 2013. Ms. Trujillo, who will be a keynote speaker at the upcoming Family Farm Alliance virtual annual conference, will join the Biden administration as Assistant Interior Secretary for Water and Science. Photo source: Albuquerque Journal.

Continued on Page 5

Interior Dept. Appointments (*Cont'd from Page 4*)

be promptly filled," the order notes.

Familiar Faces at Interior

The new temporary leadership team includes Tanya Trujillo to be acting assistant secretary for water and science and Camille Touton to be acting Deputy Commissioner of Reclamation, two faces familiar to the Family Farm Alliance.

Tanya Trujillo will fill the position vacated by Trump appointee Tim Petty, who is returning to work for his previous boss, Senator Risch (R-IDAHO). Ms. Trujillo is a leading expert on the Colorado River, and is an experienced former Hill committee staffer and Obama Administration official.

"Tanya is a friend and colleague whom I've had the pleasure of knowing for many years. Her ability to communicate is unparalleled," said Pat O'Toole, President of the Family Farm Alliance. "She brings expertise and experience to the position. She has worked closely with Family Farm Alliance members, both in New Mexico and throughout the Colorado River System, and with our irrigators across the West. We look forward to working with her."

Camille Touton previously served as a Deputy Assistant Secretary for Water and Science in the Obama Administration and also has considerable Hill experience, working for multiple water committees.

"Camille Touton is a Westerner with an engineering education who we've worked with constructively in recent years, particularly when she was with the House Water and Power Subcommittee and House Transportation and Infrastructure Committee," said Mr. Keppen. "She has a working knowledge of how the Bureau of Reclamation operates and its policies. I think she's well-suited to lead Reclamation, where we hope to continue our good relationship."

Ms. Trujillo and Ms. Touton will both be speaking at the virtual 2021 Family Farm Alliance conference in February (*see related story, Page 11*).

Department of Agriculture (USDA)

Jewel H. Bronaugh, Virginia commissioner of agriculture and consumer services, was nominated this month to be deputy secretary of agriculture, second in command at USDA to nominated secretary Tom Vilsack, who returns to the position after serving 8 years as Secretary under President Barack Obama.

"Thank you everyone for the well wishes. And, thank you @PresElectBiden for the opportunity to promote U.S. agriculture, helping to end hunger in the U.S. and abroad & preserving our Nation's natural resources," Bronaugh wrote on Twitter shortly after her nomination was announced.

If confirmed by the U.S. Senate, she would be the first African American woman to serve in the USDA's No. 2 position, tasked with day-to-day operations of a nearly-100,000-

employee department.

USDA has announced several senior level appointments



since Inauguration Day:

- **Gregory Parham, D.V.M.**, was named Interim Deputy Assistant Secretary for Administration. Dr. Parham served as Assistant Secretary for Administration from 2013-2016. Previously, he served as Administrator of Animal and Plant Health Inspection Service.
- **Katharine Ferguson** was named Chief of Staff in the Office of the Secretary. Most recently, Ferguson served as Associate Director of the Aspen Institute Community Strategies Group. Before joining the Aspen Institute, Ferguson served in the Obama Administration as Chief of Staff for the White House Domestic Policy Council and as Chief of Staff for Rural Development at USDA.
- **Robert Bonnie** was named Deputy Chief of Staff for Policy and Senior Advisor, Climate, in the Office of the Secretary: Most recently Bonnie served as an executive in residence at the Nicholas Institute for Environmental Policy Solutions at Duke University. During the Obama Administration, he served as Under Secretary for Natural Resources and Environment and as a Senior Advisor to Secretary Vilsack for climate and the environment.
- **Sara Bleich, PhD** was named Senior Advisor, COVID-19, in the Office of the Secretary: Previously, Bleich served as a Professor of Public Health Policy at the Harvard T.H. Chan School of Public Health. Her research centers on food insecurity, as well as racial injustice within the social safety net.

The Alliance reached out to Mr. Vilsack and Mr. Bonnie in recent months in their leadership roles on the Biden-Harris Transition team.

Other recent appointments include: Stacy Dean as Deputy Under Secretary for Food, Nutrition, and Consumer Services;

Continued on Page 6

USDA Appointments (Cont'd from Page 5)

Justin Maxson (CEO of the Mary Reynolds Babcock Foundation) as Deputy Under Secretary for Rural Development; and Mae Wu (Senior Director at the Natural Resources Defense Council) as Deputy Under Secretary of Marketing and Regulatory Programs.

Environmental Protection Agency (EPA)

At EPA, President Joe Biden has nominated North Carolina DEQ head Michael Regan for the top Administrator position. He also selected Radhika Fox, Biden transition advisor and CEO of the nonprofit U.S. Water Alliance for the EPA's Principal Deputy Assistant Administrator - Office of Water position.

"It is an incredible honor and privilege to be selected by President Biden to serve our country," Ms. Fox said. "I am proud to join the EPA team of dedicated career professionals who have a long-standing commitment to protect public health and the environment. Water policy and investments can be a force for addressing the four compounding crises facing our nation—the global pandemic, economic recovery, racial equity, and the climate crisis. I stand ready to support this administration as we Build Back Better for every American."

Before joining the U.S. Water Alliance in 2015, Fox served for four years as Director of Policy and Government Affairs for the San Francisco Public Utilities Commission, and prior to that was Director of Federal Policy at PolicyLink in Oakland, Calif., where she developed and coordinated the organization's federal policy agenda, crafted, and executed the political strategy for shaping legislation being considered by Congress, worked on annual appropriations, and advised the White House. She has a master's degree in city and regional planning from the University of California, Berkeley.

While the Family Farm Alliance has not worked directly with Ms. Fox, Alliance Executive Director Dan Keppen served on the board of directors for the U.S. Water Alliance a decade ago, prior to Ms. Fox employment.

"Ms. Fox and the U.S. Water Alliance have a good reputation for advocating about the importance of the nation's water infrastructure," said Mr. Keppen. "There is a lack of public awareness and understanding of water infrastructure and water services in our country, and the U.S. Water Alliance under Ms. Fox's leadership did a good job of building public and political will for investment in sustainable water infrastructure and water resources. We look forward to working with her in her new role."

Climate EOs Raise Concerns with GOP (Cont'd from Pg 3)

Conserving 30% of Lands by 2030

The Biden Administration announced several other climate-and conservation-related executive actions, including the goal of conserving at least 30% of national lands and oceans by 2030. The move was nervously anticipated by some Western producers, and the initial gushing reaction to the so-called 30 x 30 executive action by one of the most litigious critics of ranching in the country did little to soothe those concerns.

Center for Biological Diversity Executive Director Kieran Suckling strongly endorsed Biden's action, according to *E&E News*.

"We've got to preserve the most biologically rich ecosystems to have any hope of bringing nature back from the brink," said Suckling, whose organization regularly sues the federal government over grazing and water issues that impact Western farmers and ranchers.

While the 30x30 initiative has raised many questions and concerns with Western producers, the Biden Administration has committed to a process to engage agricultural and forest landowners, fishermen, Tribes, States, Territories, local officials, and others to "identify strategies that will result in broad participation." The Secretary of Agriculture was also directed to "collect input from farmers, ranchers, and other stakeholders on how to use federal programs to encourage adoption of climate-smart agricultural practices that produce verifiable

carbon reductions and sequestrations and create new sources of income and jobs for rural Americans."

The Western Landowners Alliance (WLA) - a non-profit organization that advances policies and practices that sustain working lands, connected landscapes, and native species - has been working closely with the Biden team to ensure that the 30x30 initiative is an inclusive process that engages landowners.

"We are particularly heartened to see an emphasis in the administration's announcements today on engagement with farmers, ranchers and foresters and the interest in creating good jobs in land stewardship and restoration in rural communities and on working lands," the WLA said in a statement. "Only through genuine engagement with those who raise our country's food and fiber can we achieve our climate and biodiversity goals as a nation."

The National Cattlemen's Beef Association (NCBA) in a similar statement said it looks forward to working with the Biden Administration as they "recognize the positive role agriculture plays in addressing climate concerns".

"U.S. cattle producers use advanced technologies, genetics and grazing management to make their herds the most sustainable in the world," said NCBA CEO Colin Woodall. "We appreciate the outreach and opportunity to provide feedback, demonstrating U.S. cattle producers are the model for global, sustainable beef production."

New Congress has a few irons in the fire

COVID Relief / Cabinet Confirmations / Impeachment

The Democrat-controlled 117th Congress commenced with their agenda this month, with COVID-19 at the top of the priority list – after first impeaching President Trump in the House for the second time in the past year. Meanwhile, the Senate process of confirming President Biden’s cabinet appointments is already underway and will continue.

COVID-19 Response

Prior to his inauguration, President-elect Joe Biden announced his *American Rescue Plan*, an emergency \$1.9 trillion economic and COVID-19 recovery program. The idea includes funding to accelerate COVID vaccinations; in-person school re-openings; workers who get sick or are dealing with a sick family member; and provide new \$1,400 per person direct payments (adding to the \$600 payments approved last Congress, totaling \$2,000 per person).

“While the COVID-19 package that passed in December was a first step, as I said at the time, it’s just a down payment,” said President Biden. “We need more action, and we need to move fast.”

The House has taken up the massive Biden Administration’s relief package. Relevant House committees will continue to consider the various provisions of their emerging COVID-19 relief package in the short term.

Bloomberg Law reported Congressional Democrats plan to prioritize targeted relief for individuals rather than businesses in the next COVID relief bill. Democratic Committee staffers pointed to two guiding principles: targeted relief to individuals, and coordination with the Biden Administration and Senate Democrats. Priorities for incoming Senate Finance Committee Chairman Ron Wyden (D-OR) include extensions of pandemic emergency unemployment compensation benefits and aid to state and local government.

“One of the lessons you learn as a legislator is that when you have an opportunity, you use it,” Senator Wyden told reporters on a national conference call earlier this month. “Our first priority is additional economic relief for millions of hurting families.”

House Speaker Nancy Pelosi (D-CA) has suggested the COVID package could hit the House floor as early as the

week of February 1, but no vote has been scheduled yet.

“We’re getting ready for a COVID relief package. We’ll be working on that as we go,” she told reporters in the Capitol.

Biden officials have said there seems to be general agreement in both parties for more pandemic assistance in “targeted areas,” with vaccine availability showing early signs of common ground, but there continues to be significant Senate GOP resistance to the entire \$1.9 trillion package as proposed by the new Administration.



“I don’t think it can get 60. Because even the people on our side that would be inclined to want to work with the administration on something like that, that price range is going to be out of range for them,” Senate Minority Whip John Thune (R-SOUTH DAKOTA).
Source: Samuel Corum/The New York Times via AP

“I don’t think it can get 60 (votes)”, said Senate Minority Whip John Thune (R-SOUTH DAKOTA).

“Because even the people on our side that would be inclined to want to work with the administration on something like that, that price range is going to be out of range for them. Absent some change and economic conditions...I think that would be a very heavy lift.”

The Senate, which is now 50-50 with Vice President Kamala Harris the tie breaking vote, initially struggled in the effort to craft a power sharing resolution like the one struck in 2001, the last time the Senate was 50-50. Minority Leader Mitch McConnell has agreed to a power-sharing agreement with Majority Leader Chuck

Schumer after two Democratic senators vowed to protect the legislative filibuster (60-vote requirement for most bills to move forward), paving the way for Democrats to finally begin the official naming of committee members important to the operation of the Senate and opening up the consideration of legislation including any COVID relief package.

There is a way for the Democrats to pass the bill without a 60-vote filibuster-proof majority, and it’s called budget reconciliation, which would allow them to pass COVID relief legislation with just 51 votes. Budget reconciliation allows the Senate to circumvent the traditional 60-vote threshold and pass legislation with a simple majority. Republicans used the budget reconciliation process in 2017 to pass their tax code overhaul.

President Biden has not dismissed the use of reconciliation to pass COVID aid, depending on how difficult negotiations with Republicans go.

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Dems Consider Budget Reconciliation (*Cont'd from Pg 7*)

"The decision to use reconciliation will depend upon how these negotiations go," said President Biden. "Time is of the essence."

Senate Majority Leader Chuck Schumer recently signaled that the Senate could vote soon on a budget resolution. This would provide an opportunity to trigger the reconciliation move. In the House, Majority Leader Steny Hoyer (D-Md.) announced a schedule change to accommodate a similar move.

Tax changes, stimulus programs and green infrastructure projects are among the most likely options with major implications for agriculture that could be addressed through budget reconciliation, according to *POLITICO*.

Meanwhile, the Biden Administration recently announced plans to purchase an additional 200 million COVID-19 vaccine doses from Moderna and Pfizer-BioNTech. The Administration said these purchases will provide the United States with "enough vaccine supply for the entire U.S. population by the end of the summer."

Confirmation Hearings and Impeachment Trial

The Senate is also scheduling confirmation hearings and setting floor votes on President Biden's nominees for Cabinet and other Administration positions while readying for the impeachment trial of former President Trump. House Democrats filed the impeachment article after the Capitol riot on January 6 when demonstrators supporters forced their way past the Capitol Police and ransacked the halls of Congress following a Trump rally in front of the White House.

Five people lost their lives.

"In protecting our Constitution and our Democracy, we will act with urgency, because this President represents an imminent threat to both," House Speaker Nancy Pelosi wrote to House members following the January 6 incident.

Mr. Trump was quickly impeached by the House, setting the stage for a Senate trial. It is unclear how long the trial will last, but early indications are there will not be enough Republican votes to secure the two-thirds vote necessary to impeach the former President.

Senator Rand Paul (R-KY) recently forced a procedural vote, arguing that the case should be dismissed outright because it is unconstitutional. While the motion failed due to lack of Democrat support, 45 out of 50 Senate Republicans supported Senator Paul's calls to dismiss the case.

One of the 5 Republicans supporting the impeachment trial was Sen. Susan Collins (Maine), who saw the writing on the wall after the Senate vote.

"Do the math," said Sen. Collins. "I think that it's extraordinarily unlikely the president will be convicted."

The vote does not ensure that Trump will be acquitted, but it's a good indicator of how Republicans will vote in the second impeachment trial.

Majority Leader Schumer has said the trial will commence

the week of February 8, giving the Senate only two weeks to attempt to confirm at least part of the Biden Cabinet and deal with other legislation. He said that he expects that the impeachment trial of former president Trump will move "relatively quickly" and won't require many witnesses.

"The trial will be done in a way that is fair but ... relatively quickly," Schumer said during a recent interview with MSNBC. "I don't think there's a need for a whole lot of witnesses."

Some Republicans have criticized the Democrats' approach to the impeachment process.

Senator Marco Rubio (R-FL) said Mr. Trump is entitled to due process.

"The first chance I get to vote to end this trial, I will do it, because I think it's really bad for America," Senator Rubio said.

Meanwhile, the Senate will attend to the business of conducting confirmation hearings and votes for President Biden's cabinet nominees. Several of the nominees— including Secretary of Defense nominee Gen. Lloyd Austin (ret.), Secretary of State nominee Antony Blinken and Treasury Secretary nominee Janet Yellen - have already been confirmed by the Senate.

Other nominees are set for their confirmation hearings in the relevant Senate committees charged with clearing them for Senate floor votes.

Bipartisanship on Energy and Environmental Matters?

There are signs that the 117th Congress may see improved bipartisan efforts on energy and environmental issues. The Senate Energy and Natural Resources Committee's new Chairman, Joe Manchin (D-WV) and new ranking member John Barrasso (R-WYOMING) share similar views on a broad energy strategy and innovative climate change solutions, according to a recent article in *E&E Daily*.

"I've always been for sharing," Senator Manchin said in an interview with *E&E News* about how he views working with Senator Barrasso.

In the House, Cathy McMorris Rodgers (WASHINGTON), the new top Republican on the Energy and Commerce Committee, selected Committee members who could contribute to a potentially more bipartisan approach on energy and environmental issues, according to *E&E*. Rep. McMorris Rodgers kept Rep. Fred Upton (R-Mich.), who helps lead the moderate Problem Solvers Caucus, as ranking member of the Energy Subcommittee.

She also named Rep. David McKinley (R-W.Va.), who has pushed the GOP to address climate change, as the new ranking member of the Environment and Climate Change Subcommittee.

"The Energy and Commerce Committee has a rich history of solving the biggest challenges facing our country," Rep. McMorris Rodgers said when she announced the picks.

Alliance Helps Lead National Effort to Push For Investment in Aging Water Infrastructure

A national coalition of over 200 agricultural organizations and urban and rural water districts urged President-elect Joe Biden and congressional leadership earlier this month to address aging Western water infrastructure in any potential infrastructure or economic recovery package.

"Federal investment in water projects will bring widespread benefits to the environment and throughout the American economy, and will provide jobs, both in rural communities throughout the West and in communities across the country where the equipment and materials for the projects would be produced," California Farm Bureau President Jamie Johansson said.

The coalition includes organizations from 15 states that collectively represent \$120 billion in agricultural production, nearly one-third of all agricultural production in the country, and tens of millions of urban and rural water users.

The effort was spearheaded by the Family Farm Alliance, Association of California Water Agencies, California Farm Bureau, National Water Resources Association and Western Growers Association.

"Water is the lifeblood of the West. Without reliable and affordable water supplies, every sector of our economy would suffer – from agriculture, to manufacturing and high-tech, to local community needs," said Family Farm Alliance Executive Director Dan Keppen. "As Congress and President-elect Biden considers an infrastructure stimulus package, it is of paramount importance that maintenance, rehabilitation and development of water infrastructure is a high priority." In separate letters to President-elect Biden and congressional leaders, the coalition said existing Western water infrastructure is in desperate need of rehabilitation and improvement. Most of the federal water projects in the West were built more than 50 years ago and were not designed with the present and future population demands and climate conditions in mind. Without immediate attention, the coalition said, the Western water system will quickly prove inadequate to meet the needs of urban and rural users and the environment.

The coalition encouraged the federal government to invest in a diversified water management portfolio that enhances water supply and quality for urban and environmental uses while keeping water flowing to Western farms.

Specific recommendations include funding for:

- Water conservation.
- Water recycling, reuse and desalination projects.
- New water storage facilities, both surface and groundwater.
- Watershed management, fish passage and recovery, and habitat restoration.
- Federal financing mechanisms for water projects.
- Loans for local districts operating and maintaining federally owned irrigation projects.
- Water quality improvement for rural communities.

Beyond financial support, the coalition also called on the federal government to ensure the timely construction of water projects by streamlining the regulation and permitting processes.

President Biden has signaled that he wants to spend \$2 trillion on infrastructure, with a focus on transit in high-poverty areas, high speed rail, and road and bridge repairs this year alone. He has said that his Administration will be proposing an even more ambitious *Build Back Better* legislative initiative, which the new president will outline in a joint session of Congress in February. That plan is expected to focus heavily on infrastructure, including hundreds of billions of dollars for clean and renewable energy investments to fight climate change.

A key purpose of the coalition effort is to demonstrate the importance of Western water infrastructure to the nation.

"While many think of infrastructure in terms of highways, bridges and other transportation facilities, there is an equally compelling need for federal investment in water infrastructure across the West," said Western Growers President and CEO Dave Puglia. "Meaningful and timely federal investment in water infrastructure, along with a regulatory system that prioritizes efficiency and completion of projects, is necessary to preserve our farms and strengthen our rural communities in the West."



Photo courtesy of Spencer Platt/Getty Images

Trump Administration Era Closing Actions

In the final days of his Administration, President Trump issued two executive orders that aim to restrict federal regulations and to limit the incoming Biden team.

The first order would prevent career staff from signing off on rulemakings.

The second executive order would "protect Americans from overcriminalization through regulatory reform." It follows several Trump Administration actions intended to rein in administrative enforcement, including related to environmental crimes.

Neither order is expected to survive the initial days of a Biden Administration.

The Family Farm Alliance was involved in two other actions undertaken in the last days of the Trump presidency, as further described below.

EPA Clean Water Act Rulemaking

A draft memo from Environmental Protection Agency (EPA) Assistant Administrator for the Office of Water David Ross appears to provide some clarity to industry follow the Supreme Court opinion in *County of Maui v. Hawaii Wildlife Fund*, on how permits would be required under the Clean Water Act (CWA) for pollution that moves through groundwater.

The Family Farm Alliance was part of a group of eight national agriculture organizations that joined in an *amicus curiae* ("friend of the court") brief that was transmitted to the U.S. Supreme Court in May 2019. This *amicus* effort was intended to protect routine agricultural operations from a potentially limitless expansion of the CWA National Pollution Discharge Elimination System (NPDES) program.

In the opinion, the Supreme Court justices said such a determination hinges on several factors, including time and the distance the pollution travels, as well as the nature of the material through which the contaminants move. Some indirect paths, the court wrote, may have the ability to dilute or chemically alter pollution that travels through them. The Court added the term "functional equivalent" as a test whether pollutants moving through groundwater to CWA jurisdictional "navigable waters" are a direct discharge into such waters. The draft memo offers several recommendations to the regulated community and permitting authorities on how to implement the *Maui* opinion as part of the NPDES permit program.

EPA late last year solicited public comments on the draft memorandum, which were due earlier this month.

"We sent a brief letter to EPA that clarifies that the existing exemptions from the NPDES permit requirements in the CWA, such as for irrigation return flows and for water transfers, are not negated or otherwise impacted by the *Maui* decision," said Alliance Executive Director Dan Keppen.

The Alliance and other industry organizations are generally supportive of EPA's proposed guidance. The memo outlined a seven-factor test for determining when pollutants that travel through groundwater require a CWA permit. Some are urging the agency to provide additional guidance on permit

issuance. For example, the National Cattlemen's Beef Association also backs the inclusion of a design and performance factor in the guidance.

"This eighth factor, which accounts for system design, is vitally important for farmers who work hard to manage manure, ensuring that these pollutants are not directly discharged to navigable waters," NCBA wrote.

Others are not so supportive of the proposed guidance.

The Center for Biological Diversity (CBD) in its comment letter says "EPA must abandon the guidance immediately" because it misinterprets Supreme Court precedent, ignores the plain text of the CWA, and includes agency decision making that can only be legally accomplished through notice and comment rulemaking under the Administrative Procedure Act (APA).

"But even more fundamentally, this loophole attempts to unlawfully ascribe polluter intent to the CWA's existing, statutorily-based strict liability scheme," CBD wrote. "This is plainly unlawful."

President Trump's Executive Order on Water

Donald Trump last October signed Executive Order (EO) 13956 on "Modernizing America's Water Resource Management and Water Infrastructure", which formally established the Water Subcabinet. The Water Subcabinet in January 2021 completed several actions proposed in EO 13956 relative to reducing inefficiencies and duplication, improving water resource management, integrated infrastructure planning and the water sector workforce. The Family Farm Alliance worked with staff for the Subcabinet in the last months of the Trump Administration to elevate nutrient management and water quality strategies as referenced in the EO. Alliance representatives last fall conducted a ZOOM meeting with senior level EPA officials on this matter.

The most recent Report & Recommendations related to the EO was posted in the waning days of the Trump Administration on the White House CEQ website.

"This report provides a vision for building on that promise by identifying what challenges and opportunities the 21st century holds as we work together to truly meet and modernize our nation's water management and water infrastructure needs for environmental and economic prosperity," said Aubrey Betencourt, who served as Interior Deputy Assistant Secretary for Water and Science. "The Water Subcabinet has demonstrated a new, collaboration based approach to modernizing water policy implementation to efficiently and effectively delivery on the promise of clean, affordable, reliable water supplies for all Americans."

The Family Farm Alliance praised the report and the concept of the Water Subcabinet.

"The report lays out plainly the many opportunities and challenges the nation faces in water, highlighting paths forward," said Alliance Executive Director Dan Keppen. "We hope the Biden Administration will continue to support the Water Subcabinet concept. It's simply good government."

2021 Family Farm Alliance “Virtual” Annual Conference “A Bridge Over Troubled Water”

At a time of almost unimaginable political divisiveness, it is more important than ever that diverse interests find ways to work with one another to solve critical Western water challenges. We hope you will join the Family Farm Alliance (virtually, that is) on February 18-19, 2021, to learn how Western agricultural water users seek "A Bridge Over Troubled Water" and are working with their communities, federal and state governments, investors and NGOs to shore up their water reliability.

The virtual conference will consist of two morning ZOOM sessions (Pacific Time) on Thursday, February 18 and Friday, February 19.

"I am looking forward to February for the opportunity to virtually join with our members and partners to celebrate the great food production capability of Western America," said Alliance President Patrick O'Toole, whose family operates a sheep and cattle ranch in Wyoming. "The phenomenal story of irrigated agriculture is something we should feel proud of."

Featured speakers include U.S. Senators John Barrasso (R-WY) and Michael Bennet (D-CO), U.S. Reps. Jim Costa (D-CA) and Dan Newhouse (R-WA), former Commissioner of Reclamation Brenda Burman, and Tanya Trujillo, President Biden's nominee for Assistant Secretary of Water and Science at the Department of Interior, responsible for overseeing the Bureau of Reclamation and U.S. Geological Survey.

A panel presentation will be made by key organizational representatives on the Food and Agriculture Climate Alliance (FACA). Nadine Bailey with the Family Water Alliance is moderating a panel of experts to provide updates on pressing Western wildfire and forest health issues.

Traditional conference highlights will continue, like the Bureau of Reclamation Roundtable, featuring all 5 regional

directors and Camille Touton, President Biden's choice for Commissioner of Reclamation. Mark Limbaugh of The Ferguson Group will moderate the Capitol Hill Update, featuring majority and minority staffers from key Senate and House water committees.

The COVID pandemic has hit the agricultural sector hard, and ag organizations like the Alliance have also been hurt financially. Alliance leaders point out that traditional conference attendees will have cost savings without travel and hotel expenses this year, and the conference registration fees have also been slashed to encourage virtual participation.

"We hope Alliance supporters will consider contributing a portion of those savings to support the Alliance's activities and advocacy efforts on their behalf," said Alliance Executive Director Dan Keppen.

All sponsors will be recognized in pre-conference materials, on Alliance social media platforms and during the zoom session. Sponsor logos will also be featured on a "conference sponsor" page in the Alliance annual report, to be distributed to conference participants.

"The annual conference is a key revenue generator that supports our non-profit organization," said Mr. Keppen. "Conference sponsorships are a great way to support the Alliance."

For more information on conference registration and sponsorship opportunities, please visit <https://www.familyfarmalliance.org/events/>

"We are pleased that our various partners who share the water resource that defines life itself will join us this year," said Mr. O'Toole. "Working together toward a maximization of the multiple uses of our great resource is critically important. There are many challenges ahead. I hope you will join us to find how we can work together to address those challenges."



WaterSMART Small-Scale Water Efficiency Grants Now Available

The Department of the Interior has released the FY 2021 WaterSMART Grants: Small-Scale Water Efficiency Projects solicitation. The program provides eligible applicants with funding for small water efficiency improvements that have been identified through previous planning efforts. Eligible applicants are states, tribes, irrigation districts, water districts, and other organizations with water or power delivery authority in the Western United States.

In FY 2021, approximately \$3 million is available for this program overall. Up to \$75,000 is available per award to implement small-scale on-the-ground water efficiency projects. Applicants must be capable of cost sharing 50 percent or more of the total project cost.

Applications are due March 18, 2021. For more information, please go to <https://www.usbr.gov/watersmart/swep/>.



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• People
• Service
• Integrity
• Innovation

January 13, 2021

Santa Ynez River Water Conservation District Improvement
District No. 1 (S028)
P.O. Box 157
Santa Ynez, CA 93460-0157

General Manager:

Each year at Fall Conference, the JPIA recognizes members that have a Loss Ratio of 20% or less in either of the Liability, Property, or Workers' Compensation programs (loss ratio = total losses / total premiums).

The members with this distinction receive the "President's Special Recognition Award" certificate for each Program that they qualify in.

The JPIA is extremely pleased to present Santa Ynez River Water Conservation District Improvement District No. 1 (S028) with this special recognition and commends the District on the hard work in reducing claims.

Congratulations to you, your staff, Board, and District. Keep up the good work!

The JPIA wishes you the best in 2021.

Sinc *Jerry Gladbach*

E.G. "Jerry" Gladbach
President

Enclosure: President's Special Recognition Award(s)

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President's Special Recognition Award

*The President of the
ACWA JPIA
hereby gives Special Recognition to*

Santa Ynez River WCD No. 1

*for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums"
in the Liability Program for the period 10/01/2016 - 09/30/2019
announced at the Board of Directors' Meeting in a Virtual Meeting.*

E. G. "Jerry" Gladbach

E. G. "Jerry" Gladbach, President



December 15, 2020

President's Special Recognition Award

*The President of the
ACWA JPIA
hereby gives Special Recognition to*

Santa Ynez River WCD No. 1

*for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums"
in the Property Program for the period 04/01/2016 - 03/31/2019
announced at the Board of Directors' Meeting in a Virtual Meeting.*

E. G. "Jerry" Gladbach

E. G. "Jerry" Gladbach, President



December 15, 2020

President's Special Recognition Award

*The President of the
ACWA JPIA
hereby gives Special Recognition to*

Santa Ynez River WCD No. 1

*for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums"
in the Workers' Compensation Program for the period 07/01/2016 - 06/30/2019
announced at the Board of Directors' Meeting in a Virtual Meeting.*

E. G. "Jerry" Gladbach

E. G. "Jerry" Gladbach, President



December 15, 2020

CORRESPONDENCE LIST
FEBRUARY 2021

Agenda Item 13.

1. Letter received January 22, 2021 from ACWA/JPIA regarding three JPIA President's Special Recognition Award Certificates for Liability Program, Property Program and Workers Compensation Program
2. Notice and Agenda received January 27, 2021 for the February 4, 2021 Santa Barbara LAFCO meeting
3. Letter received January 27, 2021 from Cucamonga Valley Water District regarding ACWA/JPIA nomination
4. Letter from District dated January 29, 2021 to Mr. Squires regarding private fire protection service meter
5. Received January 29, 2021 letter from California State Controller's Office regarding submittal of 2020 Government Compensation Report
6. Transmittal dated February 1, 2021 - Electronic Filing of Special Districts Financial Transactions Report to the State Controller's Office
7. Letter received February 2, 2021 from Family Farm Alliance regarding thank you letter of support and 2021 outlook
8. Letter from District dated February 2, 2021 to Mr. G. Williams regarding tenant delinquent account - Calzada Avenue
9. Letter from District dated February 5, 2021 to Mr. B. Marchi regarding water service requirements letter - new detached additional dwelling unit - Baseline Avenue - APN 137-030-037
10. Letter from District dated February 5, 2021 to Ms. K. Owen regarding existing water service letter - garage conversion to recreational room, half bathroom and laundry room remodel - Elk Grove Road, APN 137-380-034
11. Letter from District dated February 5, 2021 to Ms. M. Miehle regarding termination of agriculture water service - Baseline Avenue - APN 141-060-030
12. Letter from District dated February 5, 2021 to Mr. K. Viote regarding meter reclassification - Meadowvale Road - APN 141-130-020
13. Letter from District dated February 8, 2021 to Los Olivos Meadows Association regarding Gaviota/Olivet - Warning letter access to District facilities