

Regular Meeting of the
BOARD OF DIRECTORS
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
will be held at 6:30 pm, Wednesday, March 4, 2020
at Buellton City Council Chambers
140 West Highway 246, Buellton, California

AGENDA

- I. Call to Order and Roll Call
- II. Pledge of Allegiance
- III. Additions, if any, to the Agenda
- IV. Public Comment (Any member of the public may address the Board relating to any non-agenda matter within the Board's jurisdiction. The total time for all public participation shall not exceed fifteen minutes and the time allotted for each individual shall not exceed five minutes. No action will be taken by the Board at this meeting on any public item.)
- V. Consideration of the Minutes of the Regular Meeting of December 4, 2019
- VI. General Manager Report – Status, discussion and possible Board action on the following subjects:
 - A. Receive and File FY 2018-19 Audit
 - B. Surface Water Report
 - C. Financial Report
 - D. Consider Resolution No. 696 - Investment Policy
 - E. Draft Preliminary Budget FY 2020-21
 - F. Required Ethics Training and Conflict of Interest
- VII. Groundwater Program Manager Report:
 - A. Sustainable Groundwater Management Act (SGMA) Update
 - B. Confidentiality Agreement for Eastern Management Area Groundwater Sustainability Agency
 - C. Preliminary 42nd Annual Engineering and Survey Report 2019-2020
 - D. Semi-annual Groundwater Pump Charge Program Update

VIII. Attorney Report

- IX. Reports, acts by Board members, questions of staff, status reports, announcements, observations, and other matters, and/or communications not requiring action
- X. Requests from the Board of Directors for items to be included on the next Agenda. The next Regular Meeting is scheduled for March 4, 2020, at 6:30 pm at the Buellton City Council Chambers.

In compliance with the California Water Code, regular meetings are scheduled for the first Wednesday in March, June, September and December at various locations within the District. Special meetings may be held at any location within the District.

XI. Closed Session

- A. Conference with Legal Counsel – Existing litigation (Government Code section 54956.9, subd. (d)(1)) relating to quasi-adjudicatory and other proceedings pending before the State Water Resources Control Board (SWRCB) regarding Permits 11308 and 11310 issued on Applications 11331 and 11332 of the United States Bureau of Reclamation for the Cachuma Project, and complaints filed by the California Sport Fishing Protection Alliance regarding the operation of the Cachuma Project and SWRCB Order WR 89-18; and proposed changes to the place and purpose of use of waters obtained through aforementioned permits for the Cachuma Project; and proceedings related to SWRCB Permit No. 15878 held by the City of Solvang.
- B. Conference with Legal Counsel - Anticipated Litigation: Significant exposure to litigation (Government Code section 54956.9, subd. (d)(2)): One Claim
- C. Conference with Legal Counsel – Anticipated Litigation: Possible initiation of litigation (Government Code section 54956.9, subd. (d)(4) (one item).
- D. Conference with Legal Counsel – Labor Negotiations

XII. Closed Session Report

XIII. Adjournment

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MEETING MINUTES

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

A regular meeting of the Board of Directors of the Santa Ynez River Water Conservation District was held on Wednesday, December 04, 2019, at the Buellton City Council Chambers, 140 West Highway 246, Buellton, California.

Directors Present: Art Hibbits Steve Jordan Brett Marymee

Directors Absent: Cynthia Allen Mark Altshuler

Others Present: Groundwater Program Manager Bill Buelow, Board Secretary Amber Thompson, Nina Pisani (Bartlett, Pringle & Wolf) and 2 members of the public

I. CALL TO ORDER AND ROLL CALL

Vice-President Marymee called the meeting to order at 6:30 p.m. Ms. Thompson called the roll. Three of five Directors were present providing a quorum. Director Allen and Director Altshuler were absent.

II. PLEDGE OF ALLEGIANCE

Vice-President Marymee led the Pledge of Allegiance.

III. ADDITIONS, IF ANY, TO THE AGENDA

There were no additions to the agenda. The presentation of Agenda items was reordered with Items VI A through D presented after Item VII D.

IV. PUBLIC COMMENT

There was no public comment.

V. APPROVAL OF MINUTES

Director Marymee submitted the minutes of the special meeting of September 25, 2019 for Board approval. Director Hibbits made a MOTION to approve the minutes. Director Jordan seconded the motion and it passed unanimously.

VI. GENERAL MANAGER REPORT

A. Presentation of Fiscal Year 2018-19 Audit

Ms. Nina Pisani of Bartlett, Pringle & Wolf, LLP presented the Fiscal Year 2018-19 Independent Auditor's Report and Report on Internal Controls. The Board reviewed, discussed and decided to leave the Audit in Draft form until the absent Board Directors could review and give comment if needed. Item is tabled until next meeting of the

Board.

B. Surface Water Report

Mr. Buelow presented the Surface Water Report section of the General Managers Report dated December 04, 2019 on behalf of Mr. Walsh.

C. Financial Report

a. FY 2019-20 Financial Reports

The Board briefly reviewed the financial reports for September and October 2019. Mr. Buelow presented the Financial Report section of the General Managers Report dated December 04, 2019 on behalf of Mr. Walsh.

b. Quarterly Investment Report

The Board received the Quarterly Investment Report for the first quarter of FY 2019-20 (July, August, September 2019).

c. The Board Warrants

The Board briefly reviewed the Warrant Lists for October and November 2019. Mr. Buelow noted a correction for November 2019 Warrant List as Check #4896 should have the description of Business Cards. Director Hibbits made a MOTION to ratify the Warrants as corrected (nos. 4868-4921). Director Jordan seconded and the motion was passed unanimously.

D. Formation of Ad Hoc Committee – Personnel Manual

Mr. Buelow reported that a draft of the Personnel Manual is being prepared. The Board discussed creating an Ad Hoc Committee to serve in a review and advise capacity until the report is ready to be submitted to the entire Board for approval.

Director Jordan MOVED to appoint Director Allen and Director Altshuler to an Ad Hoc Committee for the purpose of reviewing and advising preparation of the District Personnel Manual, with Director Marymee as an alternate if either of those Directors declines the position. The motion was seconded by Director Hibbits and the motion was passed unanimously.

E. SDRMA President's Special Acknowledgement Award

Director Marymee read the SDRMA President's Special Acknowledgement Award for the Property/Liability Program earned during the 2018-19 Fiscal Year for prior 5 consecutive years with no paid claims.

VII. GROUNDWATER PROGRAM MANAGER REPORT

A. Sustainable Groundwater Management Act (SGMA) Update

Mr. Buelow reviewed the District's SGMA efforts. Individual plans are being developed for the three Management Areas, Eastern, Central and Western areas and are due in January 2022. The District was awarded a \$1 million grant through Prop 1 funds to help pay for developing these plans.

Mr. Buelow reported the Stakeholder Engagement Plan and Data Management Plan for all three management areas have been created by consultants. A separate website (www.SantaYnezWater.org) for communication of SGMA activities in all three GSAs is now live. It is maintained by the District. There is a link from the District's website.

Central Management Area (CMA) total expenditure to date is approximately \$70K. Department of Water Resources (DWR) Prop 1 Grant Reimbursement of approximately \$20K was received with approximately another \$51K pending. The anticipated expenses to be incurred through the end of the fiscal year for the CMA are estimated at \$300K of which the District is responsible for 50%.

Western Management Area (WMA) total expenditure to date is approximately \$99K. Department of Water Resources (DWR) Prop 1 Grant Reimbursement of approximately \$27K was received with approximately another \$72K pending. The anticipated expenses to be incurred through the end of the fiscal year for the WMA are estimated at \$350K of which the District is responsible for 50%.

Eastern Management Area (EMA) total expenditure to date is approximately \$4K. The County of Santa Barbara, County Water Agency is funding the plans created by EMA consultants. To ensure coordination between the three GSAs, the EMA GSA Committee requested SYRWCD enter a contract with Stetson Engineers to coordinate with the County's consultant team in preparation of the EMA GSP. The costs incurred for this coordination will be shared by the SYRWCD, ID No. 1 and the City of Solvang as per a Cost Share Agreement which is currently being worked out and expected to be finalized soon between the three agencies. The anticipated expenses to be incurred through the end of the fiscal year for the EMA are estimated at \$5K per month or about \$35K total with additional \$1600 in administrative costs.

B. Consideration of Resolution No. 695: Making an application to the California Department of Water Resources to obtain a grant under the 2019 Sustainable Groundwater Management Grant Program Pursuant to the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 (Proposition 68) and the Water Quality, Supply and Infrastructure Improvement Act of 2014 (Proposition 1), and to enter into an agreement to receive a grant for an Aerial Electromagnetic Survey of the WMA and CMA Portions of the Santa Ynez River Valley Groundwater Basin

Mr. Buelow reported that DWR put together grant funds to cover GSPs under

Proposition 68. The Santa Ynez River Valley Groundwater Basin is eligible to receive up to \$500K in additional funding. The District and its consultants on behalf of the WMA and CMA, put together a \$400K proposal for Aerial Electro-Magnetic (AEM) surveys of the WMA and CMA to compliment an AEM survey that is contemplated for the EMA by the County of Santa Barbara. The grant has a 25% cost share, so the GSAs would be responsible for the first \$100K of the project. The cost of an AEM survey of the entire management area is similar to doing only one well cluster. Letters of support were obtained by the City of Buellton, Mission Hills CSD, City of Lompoc, County Water Agency and the Chumash Tribe.

Director Jordan waived reading of the Resolution. Director Hibbits MOVED to adopt Resolution No. 695: MAKING AN APPLICATION TO THE CALIFORNIA DEPARTMENT OF WATER RESOURCES TO OBTAIN A GRANT UNDER THE 2019 SUSTAINABLE GROUNDWATER MANAGEMENT GRANT PROGRAM PURSUANT TO THE CALIFORNIA DROUGHT, WATER, PARKS, CLIMATE, COASTAL PROTECTION, AND OUTDOOR ACCESS FOR ALL ACT OF 2018 (PROPOSITION 68) AND THE WATER QUALITY, SUPPLY AND INFRASTRUCTURE IMPROVEMENT ACT OF 2014 (PROPOSITION 1), AND TO ENTER INTO AN AGREEMENT TO RECEIVE A GRANT FOR AN AERIAL ELECTROMAGNETIC SURVEY OF THE WMA AND CMA PORTIONS OF THE SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN.

The motion was seconded by Director Jordan and the resolution was adopted and passed by the following roll call vote:

AYES, Directors: Art Hibbits
Steve Jordan
Brett Marymee
NOES, Directors: None
ABSENT, Directors: Cynthia Allen
Mark Altshuler

C. Consider Adoption of and Authorize General Manager to sign Intra-Basin Administrative Agreement for Implementation of the Sustainable Groundwater Management Act in the Santa Ynez River Valley Groundwater Basin

Mr. Buelow presented the Intra-Basin Administrative Agreement for implementation of the Sustainable Groundwater Management Act to formalize certain administrative matters between the three GSAs in the Santa Ynez River Valley Groundwater Basin (Basin) such as cost sharing, distribution of grant funds, and coordination to deliver three Groundwater Sustainability Plans to DWR. The Draft Agreement was prepared by staff, reviewed by attorneys for all eight agencies in the Basin and endorsed by the three GSA Committees. The agreement needs ratification by the governing bodies of all eight agencies in the Basin. Special thanks to the attorneys for the District, ID No. 1 and the County of Santa Barbara for writing and incorporating changes into the agreement.

Director Jordan MOVED to adopt and authorize General Manager to sign Intra-

Basin Administrative Agreement for Implementation of the Sustainable Groundwater Management Act in the Santa Ynez River Valley Groundwater Basin. The motion was seconded by Director Hibbits and passed unanimously.

D. Semi-annual Groundwater Pump Charge Program Update

Mr. Buelow reported that from January 1 to June 30, 2019, the District received approximately \$253,000 in Groundwater Pump Charge revenue. Staff expects the fiscal year collection total should be at or slightly below the budgeted amount.

Mr. Buelow advised staff is actively pursuing 62 new water wells installed within the District's boundaries with an additional 14 wells currently under construction. Staff is currently working on contacting the unregistered well owners. Discussion followed.

VII. ATTORNEY REPORT

There was no report.

IX. REPORTS, ACTS BY BOARD MEMBERS, QUESTIONS OF STAFF, STATUS REPORTS, ANNOUNCEMENTS, OBSERVATIONS AND OTHER MATTERS, AND/OR COMMUNICATIONS NOT REQUIRING ACTION

Director Jordan reported that he was at an event and met with others from Monterey County, Southern San Joaquin, Coachella Valley and Imperial Valley regarding SGMA.

Director Marymee reported that Director Altshuler and Director Jordan's current terms end in 2020 and asked for filing timeline. Director Jordan advised he may be ready to retire after this current term ends.

Mr. Buelow reported he attended a LAIF Conference. He learned from State Treasurer Ma that LAIF investments and procedures relate to safe investing and the period of increased investment rates may be over and to expect investment rates to start declining. Also, an economist spoke about how the current economy is good but fragile and there is not a lot of room for the Fed to change rates, up or down.

Ms. Thompson reported she attended the CSDA Board Secretary and Clerk Conference.

X. REQUEST FOR ITEMS TO BE INCLUDED ON THE NEXT AGENDA

No requests were made for items to be included in the next agenda. The next Board meeting is scheduled as regular meeting for March 4, 2020.

XI. CLOSED SESSION

The Board did not adjourn into Closed Session.

XII. RECONVENE OPEN SESSION/REPORT FROM CLOSED SESSION

The Board did not adjourn into Closed Session. There is nothing to report.

XIII. ADJOURNMENT

There being no further business, Director Jordan MOVED to adjourn the meeting at 8:10 p.m. The motion was seconded by Director Hibbits.

Brett Marymee, Vice President

Amber M. Thompson, Secretary

DRAFT

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

MEMORANDUM

DATE: March 4, 2020

TO: Cynthia Allen Mark Altshuler Art Hibbits
Brett Marymee Steve Jordan

FROM: Kevin D. Walsh

SUBJECT: General Manager Report

AGENDA ITEM VI

A. Receive and File FY 2019-19 Audit

The Board was presented with the FY 2018-19 Audit at the December 4, 2019 meeting. With only three members in attending, the Board thought it best to have the full Board review the audit.

- Motion: To receive and file the FY 2018-19 Audit report. Roll Call vote.

B. Surface Water Report

At the end of January, the Above Narrows Account (ANA) dewatered storage was 14,071 acre-feet. The ANA credit is 14,071 acre-feet. The Below Narrows Account (BNA) dewatered storage was at 18,593 acre-feet. The BNA credit is 5,485 acre-feet.

The Above Narrows dewatered storage for January 2020 has fully recovered to pre-drought conditions, including Buellton sub-area. The storage started recovery after the December rains. The Below Narrows dewatered storage for January 2020 still has not recovered to pre-drought conditions and is currently at the level that the Below Narrows storage was in 2014. February was unseasonably dry and will result in increases in both ANA and BNA dewatered storage.

We are planning to make a water rights release this year to both Above and Below Narrows Accounts. The end-of-January ANA and BNA total 19,556 acre-feet. The rate, timing, and amounts of releases may be subject to the recent SWRCB Order which requires special consideration for above average and wet rainfall run-off years. At this time, it does not appear that 2020 is going to be either an above average or wet year.

Precipitation Outlook. Historically February is the wettest month on average for that portion of the Santa Ynez watershed above Cachuma. This February the rain gauge at Gibraltar reservoir recorded .06 inches, just about zero. The National Weather Service

outlook for early March indicates below normal rainfall. ENSO (El Niño Southern Oscillation) is neutral favored (neither wet or dry) through spring and summer.

Attachments (Current Month):

- Rainfall and Reservoir Status Report
- Cachuma Daily Operations
- Downstream User Accounting Report
- Groundwater Level Graphs

C. Financial Report

FY 2019-20 Financial Reports

The Balance Sheets and Income Statements for Period 7 of Fiscal Year 2019-2020 are attached. Notables for Period 7 Year-to-Date FY 2019-2020:

- Period 7 year-to-date Total Revenues were less than Budget. Groundwater Charge Rates are generating less revenue than budgeted due to 2019 late spring rains which resulted in lower than 3-year average water use. More than off-setting the lower Total Revenues are Total Expenses which were less than Budget. We are expecting the difference between Total Revenues and Total Expenses for 2019-20 will be at or near budgeted amount at year-end. Total transfers from reserves of \$131,500 were anticipated. At this point it appears that Total transfers from reserves will be \$107,458.
- There are some variations from budget in Legal and Engineering line items due to the unpredictable timing of our assistance to the USBR on the Biological Assessment (BA) as required by the National Marine Fisheries Service (NMFS), and timing of the new State Water Board Order WR 2019-0148 (WRO) which has now been issued. Work on the WRO required plans is underway and on-going. Overall both Legal and Engineering costs are at or below expected budget amounts and are projected to end the year that way.
- Expenditures from contingencies are for payments to the Employment Development Department (EDD) for an unemployment claim (the District is self-insured in this area) and for the removal and realignment of 3 walls to create a 12' x 17' Conference Room within the existing office space. We have a preliminary drawing for the proposed Conference Room, but have not yet met with contractors to discuss pricing or to obtain bids. The work is intended to be done as spartan as possible, since this is a tenant improvement.

Quarterly Investment Report

Certification is attached. Information only. No action required.

Approval of Warrants

The Monthly Warrants are attached.

- Motion: Approve December, January, and February Warrants. Voice vote.

D. Review SYRWCD Investment Policy

By statute, a review of the District's investment Policy is required every year. The investment Policy has been reviewed by staff and no changes are recommended.

- Motion: Adopt Resolution 696, waive reading. Roll Call vote

E. Draft Preliminary Budget FY 2020-21

See attached Memo.

F. Required Ethics Training and Conflict of Interest

Ethics Training.

Per statute, Board members and employees are required to take ethics training every two years. New supervisors and board members are required to take the training within 6 months of assuming their position. Employers are required to inform employees and board members every year of the availability of training.

Conflict of Interest Form 700.

These forms are required to be submitted when assuming office or employment (for certain employees), when leaving a position, and annually. Forms are sent annually by the County and are filed electronically by the individual.

Sexual Harassment Prevention Training.

Per statute, this is required every two years for all government governing boards. It is optional for employees where the employer has less than 5 employees.

Information only. No action required.

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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: 2/24/2020

Water Year: 2020

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	0.00	7.49	64%	45%	
Cachuma Dam (USBR)	332	0.00	0.00	0.06	9.07	66%	46%	
Carpinteria (Fire Stn)	208	0.00	0.00	0.04	6.47	53%	37%	
Cuyama (Fire Stn)	436	0.00	0.00	0.03	3.82	74%	50%	
Figueroa Mtn (USFS Stn)	421	0.00	0.00	0.01	8.20	56%	38%	8.5
Gibraltar Dam (City Facility)	230	0.00	0.00	0.48	10.09	54%	38%	8.0
Goleta (Fire Stn-Los Carneros)	440	0.00	0.00	0.00	7.82	60%	42%	
Lompoc (City Hall)	439	0.00	0.00	0.01	6.37	63%	44%	8.4
Los Alamos (Fire Stn)	204	0.00	0.00	0.01	6.54	62%	43%	
San Marcos Pass (USFS Stn)	212	0.00	0.00	0.10	12.07	50%	35%	
Santa Barbara (County Bldg)	234	0.00	0.00	0.08	9.16	70%	50%	
Santa Maria (City Pub.Works)	380	0.00	0.00	0.01	5.11	55%	38%	
Santa Ynez (Fire Stn /Airport)	218	0.00	0.00	0.08	6.81	62%	43%	
Sisquoc (Fire Stn)	256	0.00	0.00	0.00	5.62	54%	37%	

County-wide percentage of "Normal-to-Date" rainfall : **60%**

County-wide percentage of "Normal Water-Year" rainfall : **42%**

County-wide percentage of "Normal Water-Year" rainfall calculated assuming no more rain through Aug. 31, 2020 (End of WY2020).

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 Elev. (ft)	Current Elev. (ft)	Max. Storage (ac-ft)	Current Storage (ac-ft)	Current Capacity (%)	Storage Change Mo.(ac-ft)	Storage Change Year*(ac-ft)
Gibraltar Reservoir	1,400.00	1,384.26	4,583	1,672	36.5%	23	-867
Cachuma Reservoir	753.**	732.99	193,305	137,934	71.4%	-1,216	-10,072
Jameson Reservoir	2,224.00	2,215.88	4,848	3,883	80.1%	-53	-764
Twitchell Reservoir	651.50	NA	194,971	NA		NA	NA

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CACHUMA DAILY OPERATIONS

Month & Year: February 2020
 Time of Observations: 0830 Evaporation Pan Factor: 77%

Day	Beginning Storage: 139,199			Surface Area	Rainfall		Evaporation		CCWA Inflow	Releases					Computed Inflow		
	Elevation	Storage	Change		inches	acre-feet	inches	acre-feet		Park Diversion	South Coast	Hilton Creek	WR 89-18	Outlet		Spillway	
	ft	acre-feet	acre-feet	acres	inches	acre-feet	inches	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	
1	733.50	139,174	(25)	2,441	-		0.100	15.7	-	-	21.2	6.5	-	6.0		24.4	
2	733.49	139,150	(24)	2,441	-		0.090	14.1	-	-	21.8	6.5	-	6.0		24.4	
3	733.45	139,053	(97)	2,440	-		0.130	20.4	-	-	21.1	6.5	-	6.0		(43.0)	
4	733.42	138,980	(73)	2,439	-		0.120	18.8	-	-	32.7	6.5	-	7.0		(8.0)	
5	733.40	138,931	(49)	2,438	-		0.030	4.7	-	-	38.9	6.5	-	6.0		7.1	
6	733.38	138,883	(48)	2,438	-		0.110	17.2	-	-	39.0	6.5	-	6.0		20.7	
7	733.36	138,834	(49)	2,437	-		0.060	9.4	-	-	39.0	6.5	-	6.0		11.9	
8	733.34	138,785	(49)	2,436	-		0.090	14.1	-	-	38.4	6.5	-	6.0		16.0	
9	733.33	138,761	(24)	2,436	0.02	4.1	0.040	6.3	-	-	39.7	6.5	-	6.0		30.4	
10	733.31	138,712	(49)	2,435	0.04	8.1	0.080	12.5	-	-	39.4	6.5	-	7.0		8.3	
11	733.29	138,664	(48)	2,435	-		0.100	15.6	-	-	38.9	6.5	-	6.0		19.0	
12	733.27	138,615	(49)	2,434	-		0.030	4.7	-	-	38.2	6.5	-	6.0		6.4	
13	733.24	138,542	(73)	2,433	-		0.170	26.5	-	-	38.4	6.5	-	6.0		4.4	
14	733.22	138,494	(48)	2,432	-		0.100	15.6	-	-	39.4	6.6	-	6.0		19.6	
15	733.20	138,445	(49)	2,432	-		0.080	12.5	-	-	40.0	6.5	-	6.0		16.0	
16	733.18	138,396	(49)	2,431	-		0.110	17.2	-	-	39.2	6.6	-	7.0		21.0	
17	733.16	138,348	(48)	2,431	-		0.120	18.7	-	-	37.2	6.6	-	6.0		20.5	
18	733.13	138,275	(73)	2,430	-		0.120	18.7	-	-	40.0	6.5	-	6.0		(1.8)	
19	733.12	138,250	(25)	2,429	-		0.120	18.7	-	-	39.4	6.6	-	6.0		45.7	
20	733.10	138,202	(48)	2,429	-		0.120	18.7	-	-	38.4	6.6	-	7.0		22.7	
21	733.08	138,129	(73)	2,428	-		0.130	20.3	-	-	39.5	6.5	-	6.0		(0.7)	
22	733.05	138,080	(49)	2,427	-		0.170	26.5	-	-	43.3	6.6	-	6.0		33.4	
23	733.02	138,007	(73)	2,426	-		0.060	9.3	-	-	44.8	6.5	-	6.0		(6.4)	
24	732.99	137,934	(73)	2,425	-		0.130	20.2	-	-	43.4	6.6	-	6.0		3.2	
25	732.97	137,886	(48)	2,425	-		0.220	34.2	-	-	43.8	6.6	-	6.0		42.6	
26	732.95	137,837	(49)	2,424	-		0.150	23.3	3.8		44.0	6.6	-	6.0		27.2	
27																	
28																	
29																	
TOTALS			(1,362)		0.06	12.2	2.780	433.8	-	3.8	-	979.1	169.9	-	160.0	-	364.8

Park Usage

Rain

Yr. Total

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C A C H U M A
 Santa Ynez River - Downstream Users Accounting
 January 2020

SUMMARY

RESERVOIR		Computed Inflow	335.7
	Releases		392.7
	Fish	392.7	
	Water rights	0.0	
	Leakage	0.0	
	Spills		0.0
	Valves	0.0	
	Spillway	0.0	
	Leakage	0.0	
		Total Downstream Releases . .	392.7
	Diversions		540.3
	South Coast	539.1	
	Park (SYRWCD ID #1)	1.2	
	SYRWCD ID #1	0.0	
		Total Reservoir Outflows . .	933.0
	CCWA Inflow	140.8	
	Releases Affecting Accounts	0.0	
	Project Savings	1920.7	
ABOVE NARROWS ACCOUNT (ANA)			
	Previous Months ANA		15656.0
	ANA Credit	335.7	
	Releases from ANA	0.0	
	BNA Releases Not Reaching Narrows	0.0	
	ANA Dewatered Storage: Current	14071.0	
	Previous	16206.0	
	Change	-2135.0	
	Spills Reducing ANA	0.0	
	Current ANA		14071.0
BELOW NARROWS ACCOUNT (BNA)			
	Previous Months BNA		4098.0
	Measured Flow at Narrows	2.4	
	Salsipuedes Creek Contribution	86.8	
	Releases from BNA	0.0	
	BNA Releases Reaching Narrows	0.0	
	Constructive Flow at Narrows	1923.1	
	Elevation of Indicator well (feet)	0.0	
	Percolation from Measured Flow	2.4	
	Percolation from Constructive Flow	1389.5	
	BNA Credit	1387.1	
	Spills Reaching Narrows	0.0	
	BNA Dewatered Storage: Current	18593.0	
	Previous	18346.0	
	Change	247.0	
	Spills Reducing BNA	0.0	
	Current BNA		5485.1

Notes: All values are in acre-feet unless otherwise indicated.
 Date of Report: 02/19/2020
 USING SAN LUCAS CREEK AS FIRST CHECKPOINT
 UPSTREAM OPERATIONS ADJUSTMENT ALL NEG OR ZERO

C A C H U M A
 Santa Ynez River - Downstream Users Accounting
 January 2020

DAILY OPERATIONS

DAY	Live Stream Checkpoints						NARROWS CFS	34W/7N 22L2 ELEV	ABOVE NARROWS		BELOW NARROWS RELEASE
	SAN LUCAS BRIDGE	MISSION BRIDGE	HIGHWAY 101 BRIDGE	SANTA ROSA DAMSITE	ROBINSON BRIDGE	FLORADALE BRIDGE			CREDIT	RELEASE	
1	0	FLOW	0	0	0	0	0.0	0.0 E	-2.4	0.0	0.0
2	0	FLOW	0	0	0	0	0.0	0.0 E	-3.0	0.0	0.0
3	0	FLOW	0	0	0	0	0.0	0.0 E	23.6	0.0	0.0
4	0	FLOW	0	0	0	0	0.0	0.0 E	16.7	0.0	0.0
5	0	FLOW	0	0	0	0	0.0	0.0 E	2.5	0.0	0.0
6	0	FLOW	0	0	0	0	0.0	0.0 E	3.5	0.0	0.0
7	0	FLOW	0	0	0	0	0.0	0.0 E	35.1	0.0	0.0
8	0	FLOW	0	0	0	0	0.0	0.0 E	-0.6	0.0	0.0
9	0	FLOW	0	0	0	0	0.0	0.0 E	8.4	0.0	0.0
10	0	FLOW	0	0	0	0	0.0	0.0 E	-16.0	0.0	0.0
11	0	FLOW	0	0	0	0	0.0	0.0 E	46.0	0.0	0.0
12	0	FLOW	0	0	0	0	0.0	0.0 E	-18.6	0.0	0.0
13	0	FLOW	0	0	0	0	0.0	0.0 E	31.3	0.0	0.0
14	0	FLOW	0	0	0	0	0.0	0.0 E	-13.9	0.0	0.0
15	0	FLOW	0	0	0	0	0.0	0.0 E	-0.6	0.0	0.0
16	0	FLOW	0	0	0	0	0.0	0.0 E	2.2	0.0	0.0
17	0	FLOW	0	0	FLOW	0	0.9	0.0 E	21.3	0.0	0.0
18	0	FLOW	0	0	0	0	0.3	0.0 E	23.1	0.0	0.0
19	0	FLOW	0	0	0	0	0.0	0.0 E	16.4	0.0	0.0
20	0	FLOW	0	0	0	0	0.0	0.0 E	37.4	0.0	0.0
21	0	FLOW	0	0	0	0	0.0	0.0 E	0.0	0.0	0.0
22	0	FLOW	0	0	0	0	0.0	0.0 E	13.4	0.0	0.0
23	0	FLOW	0	0	0	0	0.0	0.0 E	8.7	0.0	0.0
24	0	FLOW	0	0	0	0	0.0	0.0 E	19.8	0.0	0.0
25	0	FLOW	0	0	0	0	0.0	0.0 E	21.1	0.0	0.0
26	0	FLOW	0	0	0	0	0.0	0.0 E	39.4	0.0	0.0
27	0	FLOW	0	0	0	0	0.0	0.0	19.0	0.0	0.0
28	0	FLOW	0	0	0	0	0.0	0.0 E	-31.3	0.0	0.0
29	0	FLOW	0	0	0	0	0.0	0.0 E	-9.4	0.0	0.0
30	0	FLOW	0	0	0	0	0.0	0.0 E	24.5	0.0	0.0
31	0	FLOW	0	0	0	0	0.0	0.0 E	18.2	0.0	0.0
Totals							1.2		335.7	0.0	0.0

Notes: All values are in acre-feet unless otherwise indicated.
 A letter following the data means: E = estimated data
 A = adjusted data

C A C H U M A
 Santa Ynez River - Downstream Users Accounting
 January 2020

DAILY RESERVOIR OPERATIONS

Day	Elevation	Storage	Change	CCWA	Precip.	Evap.	Leakage	Diversions			Releases		Spills		
								Park (ID #1)	SYRWCD ID #1	South Coast	Fish	Water Rights	Valve	Spillway	
	733.79	139885.0													
1	733.77	139836.0	-49.0	0.0	0.0	11.9	0.0	0.0	0.0	21.0	13.6	0.0	0.0	0.0	0.0
2	733.75	139786.0	-50.0	0.0	0.0	13.3	0.0	0.0	0.0	21.2	12.5	0.0	0.0	0.0	0.0
3	733.74	139762.0	-24.0	0.0	0.0	14.6	0.0	0.0	0.0	20.5	12.5	0.0	0.0	0.0	0.0
4	733.74	139762.0	0.0	26.7	0.0	9.3	0.0	0.0	0.0	21.5	12.6	0.0	0.0	0.0	0.0
5	733.74	139762.0	0.0	35.8	0.0	5.3	0.0	0.0	0.0	20.4	12.5	0.0	0.0	0.0	0.0
6	733.73	139737.0	-25.0	18.4	0.0	13.3	0.0	0.0	0.0	21.1	12.5	0.0	0.0	0.0	0.0
7	733.73	139737.0	0.0	6.8	0.0	11.9	0.0	0.0	0.0	17.4	12.5	0.0	0.0	0.0	0.0
8	733.72	139712.0	-25.0	11.2	0.0	9.3	0.0	0.0	0.0	12.8	13.5	0.0	0.0	0.0	0.0
9	733.71	139688.0	-24.0	0.2	0.0	10.6	0.0	0.0	0.0	9.4	12.5	0.0	0.0	0.0	0.0
10	733.69	139639.0	-49.0	0.0	2.0	10.6	0.0	0.0	0.0	11.9	12.5	0.0	0.0	0.0	0.0
11	733.69	139639.0	0.0	0.0	0.0	21.2	0.0	0.0	0.0	12.3	12.5	0.0	0.0	0.0	0.0
12	733.67	139589.0	-50.0	0.0	0.0	6.6	0.0	0.0	0.0	12.2	12.5	0.0	0.0	0.0	0.0
13	733.67	139589.0	0.0	0.0	0.0	6.6	0.0	0.0	0.0	12.1	12.5	0.0	0.0	0.0	0.0
14	733.65	139540.0	-49.0	0.0	0.0	9.3	0.0	0.0	0.0	12.3	13.5	0.0	0.0	0.0	0.0
15	733.64	139516.0	-24.0	5.3	0.0	4.0	0.0	0.0	0.0	12.2	12.5	0.0	0.0	0.0	0.0
16	733.63	139491.0	-25.0	5.9	0.0	7.9	0.0	0.0	0.0	12.6	12.5	0.0	0.0	0.0	0.0
17	733.66	139565.0	74.0	1.7	87.7	11.9	0.0	0.0	0.0	12.2	12.5	0.0	0.0	0.0	0.0
18	733.65	139540.0	-25.0	0.0	0.0	18.5	0.0	0.0	0.0	17.0	12.5	0.0	0.0	0.0	0.0
19	733.64	139516.0	-24.0	0.0	0.0	9.3	0.0	0.0	0.0	18.6	12.5	0.0	0.0	0.0	0.0
20	733.64	139516.0	0.0	0.0	0.0	6.6	0.0	0.0	0.0	18.2	12.5	0.0	0.0	0.0	0.0
21	733.63	139491.0	-25.0	0.0	8.1	1.3	0.0	0.0	0.0	18.3	13.5	0.0	0.0	0.0	0.0
22	733.62	139466.0	-25.0	5.7	0.0	13.2	0.0	0.0	0.0	18.3	12.5	0.0	0.0	0.0	0.0
23	733.61	139442.0	-24.0	5.9	0.0	7.9	0.0	0.0	0.0	18.1	12.5	0.0	0.0	0.0	0.0
24	733.60	139418.0	-24.0	0.0	0.0	10.6	0.0	0.0	0.0	20.7	12.5	0.0	0.0	0.0	0.0
25	733.59	139393.0	-25.0	0.0	0.0	11.9	0.0	0.0	0.0	21.6	12.5	0.0	0.0	0.0	0.0
26	733.59	139393.0	0.0	0.0	0.0	5.3	0.0	0.0	0.0	21.6	12.5	0.0	0.0	0.0	0.0
27	733.58	139369.0	-24.0	0.0	0.0	10.6	0.0	0.0	0.0	19.9	12.5	0.0	0.0	0.0	0.0
28	733.55	139296.0	-73.0	8.8	0.0	15.9	0.0	0.0	0.0	21.0	13.5	0.0	0.0	0.0	0.0
29	733.53	139247.0	-49.0	8.4	0.0	13.2	0.0	0.0	0.0	22.2	12.5	0.0	0.0	0.0	0.0
30	733.52	139223.0	-24.0	0.0	0.0	15.9	0.0	0.0	0.0	20.1	12.5	0.0	0.0	0.0	0.0
31	733.51	139199.0	-24.0	0.0	0.0	9.3	0.0	0.0	0.0	20.4	12.5	0.0	0.0	0.0	0.0
Totals			-686.0	140.8	97.9	327.3	0.0	1.2	0.0	539.1	392.7	0.0	0.0	0.0	0.0

Notes: Elevations in feet, all other values are in acre-feet.

C A C H U M A
 Santa Ynez River - Downstream Users Accounting
 January 2020

SUMMARY OF DAILY RESERVOIR OPERATIONS

Day	Computed Inflow	Combined Releases	Combined Spills	Total Down Stream	Combined Diversions	Upstream Operations Adjustment	Above Narrows Credit	
							Regular Credit	Adjusted Credit
1	-2.4	13.6	0.0	13.6	21.0	0.0	-2.4	-2.4
2	-3.0	12.5	0.0	12.5	21.2	0.0	-3.0	-3.0
3	23.6	12.5	0.0	12.5	20.5	0.0	23.6	23.6
4	16.7	12.6	0.0	12.6	21.5	0.0	16.7	16.7
5	2.5	12.5	0.0	12.5	20.4	0.0	2.5	2.5
6	3.5	12.5	0.0	12.5	21.1	0.0	3.5	3.5
7	35.1	12.5	0.0	12.5	17.4	0.0	35.1	35.1
8	-0.6	13.5	0.0	13.5	12.8	0.0	-0.6	-0.6
9	8.4	12.5	0.0	12.5	9.4	0.0	8.4	8.4
10	-16.0	12.5	0.0	12.5	11.9	0.0	-16.0	-16.0
11	46.0	12.5	0.0	12.5	12.3	0.0	46.0	46.0
12	-18.6	12.5	0.0	12.5	12.2	0.0	-18.6	-18.6
13	31.3	12.5	0.0	12.5	12.1	0.0	31.3	31.3
14	-13.9	13.5	0.0	13.5	12.3	0.0	-13.9	-13.9
15	-0.6	12.5	0.0	12.5	12.2	0.0	-0.6	-0.6
16	2.2	12.5	0.0	12.5	12.6	0.0	2.2	2.2
17	21.3	12.5	0.0	12.5	12.2	0.0	21.3	21.3
18	23.1	12.5	0.0	12.5	17.0	0.0	23.1	23.1
19	16.4	12.5	0.0	12.5	18.6	0.0	16.4	16.4
20	37.4	12.5	0.0	12.5	18.2	0.0	37.4	37.4
21	0.0	13.5	0.0	13.5	18.3	0.0	0.0	0.0
22	13.4	12.5	0.0	12.5	18.3	0.0	13.4	13.4
23	8.7	12.5	0.0	12.5	18.1	0.0	8.7	8.7
24	19.8	12.5	0.0	12.5	20.7	0.0	19.8	19.8
25	21.1	12.5	0.0	12.5	21.6	0.0	21.1	21.1
26	39.4	12.5	0.0	12.5	21.6	0.0	39.4	39.4
27	19.0	12.5	0.0	12.5	19.9	0.0	19.0	19.0
28	-31.3	13.5	0.0	13.5	21.0	0.0	-31.3	-31.3
29	-9.4	12.5	0.0	12.5	22.2	0.0	-9.4	-9.4
30	24.5	12.5	0.0	12.5	20.1	0.0	24.5	24.5
31	18.2	12.5	0.0	12.5	20.4	0.0	18.2	18.2
Totals	335.7	392.7	0.0	392.7	540.3	0.0	335.7	335.7

Notes: All values are in acre-feet.

DEWATERED STORAGE REPORT

ABOVE NARROWS Ground Water Storage Indicator Wells

Node	Well	Current Elev	Previous Elev	Current DWSTR	DWSTR Change	Previous DWSTR
1	6N/34W-02A06	78.2	82.0	770.	218.	552.
2	6N/34W-01G02	102.2 EST	101.0			
2	6N/33W-07E03	111.9	111.2			
	Average	107.1	106.1	492.	-158.	650.
3	6N/33W-06D04	116.5	115.4	1151.	-60.	1211.
4	6N/33W-06K02	130.1	130.1	945.	0.	945.
5	6N/33W-08E02	144.7 EST	138.4 EST	282.	-204.	486.
6	6N/33W-08J02	159.9	155.9	287.	-281.	568.
7	6N/33W-16B01	164.2	161.6	177.	-257.	434.
8	6N/33W-11M01	198.0 EST	196.2 EST	0.	0.	0.
9	6N/33W-12L01	206.7	202.0 EST	117.	-239.	356.
10	6N/32W-18C02	222.8	222.5 EST	64.	-6.	70.
11	6N/32W-08N04	230.8	230.8	237.	0.	237.
12	6N/32W-17J02	243.2	246.2	296.	185.	111.
13	6N/32W-16G04	271.4 EST	273.3 EST	0.	0.	0.
14	6N/32W-09G01	265.8	263.3 EST	714.	-223.	937.
15	6N/32W-13G02	306.7	306.2			
15	6N/32W-11D01	287.1 EST	285.6 EST			
	Average	296.9	295.9	739.	-238.	977.
16	6N/31W-17D01	317.7	316.4	2265.	-199.	2464.
17	6N/31W-17R01	333.8	333.7	1745.	-15.	1760.
	Node 18 has been combined with node 17					
	Node 19 has been combined with node 20					
20	6N/31W-22F01	372.7	370.5	2579.	-296.	2875.
21	6N/31W-24K02	417.2	416.9	145.	-16.	161.
22	6N/30W-29E01	451.2	446.7	76.	-429.	505.
23	6N/30W-21E01	474.3 EST	475.5 EST			
23	6N/30W-20H02	467.2	467.5			
	Average	470.8	471.5	12.	12.	0.
24	6N/30W-22C02	492.2 EST	493.2 EST	618.	44.	574.
25	6N/30W-24E05	533.0	533.6	360.	27.	333.

	Current DWSTR	DWSTR Change	Previous DWSTR
Santa Rita sub-basin (nodes 1-13)	4818.	-802.	5620.
Buellton sub-basin (nodes 14-17)	5463.	-675.	6138.
Santa Ynez sub-basin (nodes 20-25)	3790.	-658.	4448.
Basin totals	14071.	-2135.	16206.

BELOW NARROWS Ground Water Storage Indicator Wells

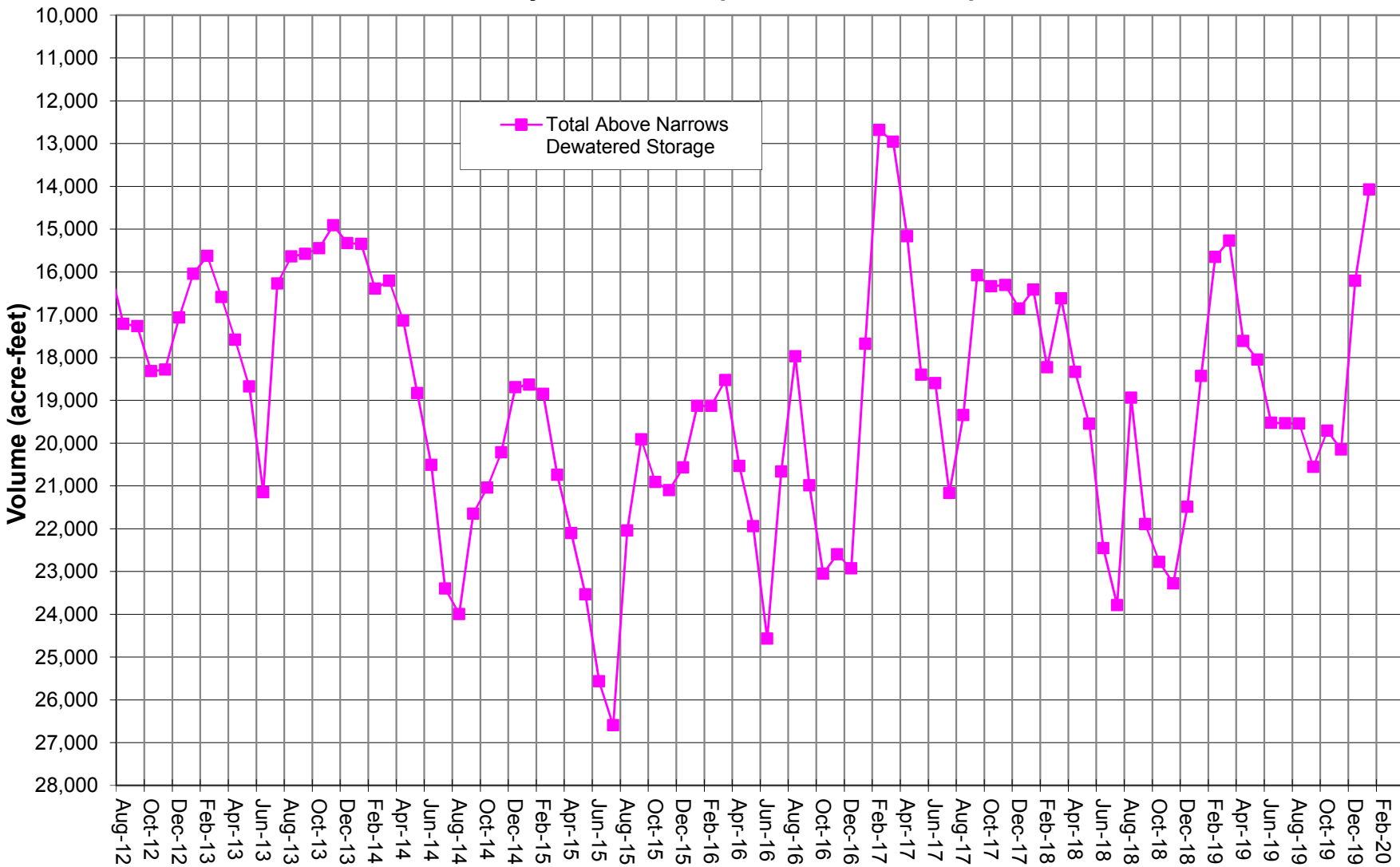
Node	Well	Current Elev	Previous Elev	Current DWSTR	DWSTR Change	Previous DWSTR
A	7N/34W-22M06	53.9	54.3	987.	21.	966.
B	7N/34W-26B04	41.5	45.9	2822.	425.	2397.
C	7N/34W-27F09	41.5 EST	41.9	2284.	31.	2253.
D	7N/34W-26Q05	49.8	49.6	3492.	-16.	3508.
E	7N/34W-25F03	43.3	44.5	871.	8.	863.
F	6N/34W-04G04	47.9 EST	46.8 EST	3680.	-132.	3812.
G	7N/34W-34R01	59.1	58.8	2973.	-38.	3011.
H	7N/34W-35K09	57.8	56.4	1484.	-52.	1536.
	Basin totals			18593.	247.	18346.

Notes:

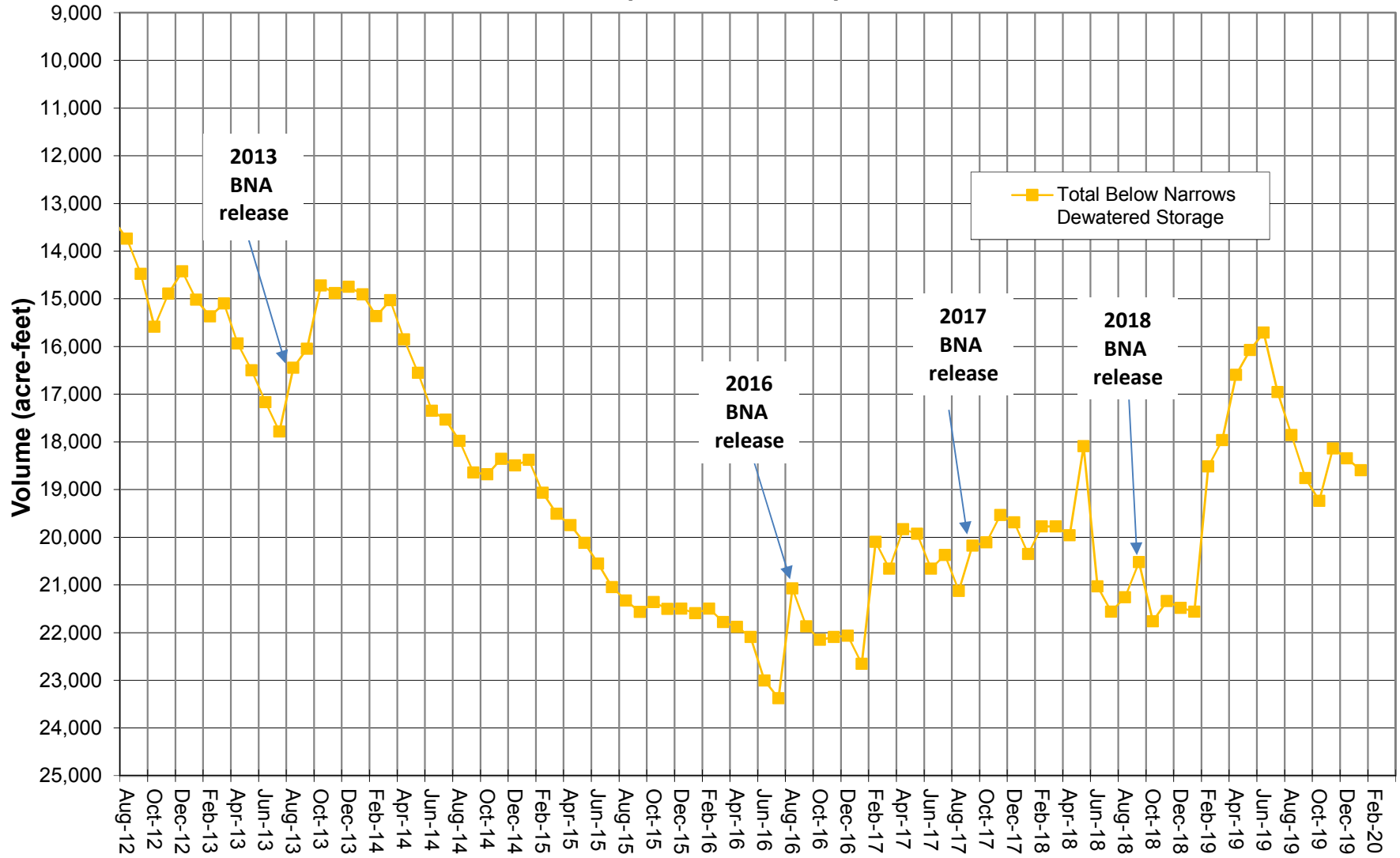
1. A dewatered storage of zero means that the ground water basin, as defined, is full. In reality, storage exists above the full level, but is not considered in the accounting.
2. Elevations in feet, storages in acre-feet
3. Date of run: 02/19/2020

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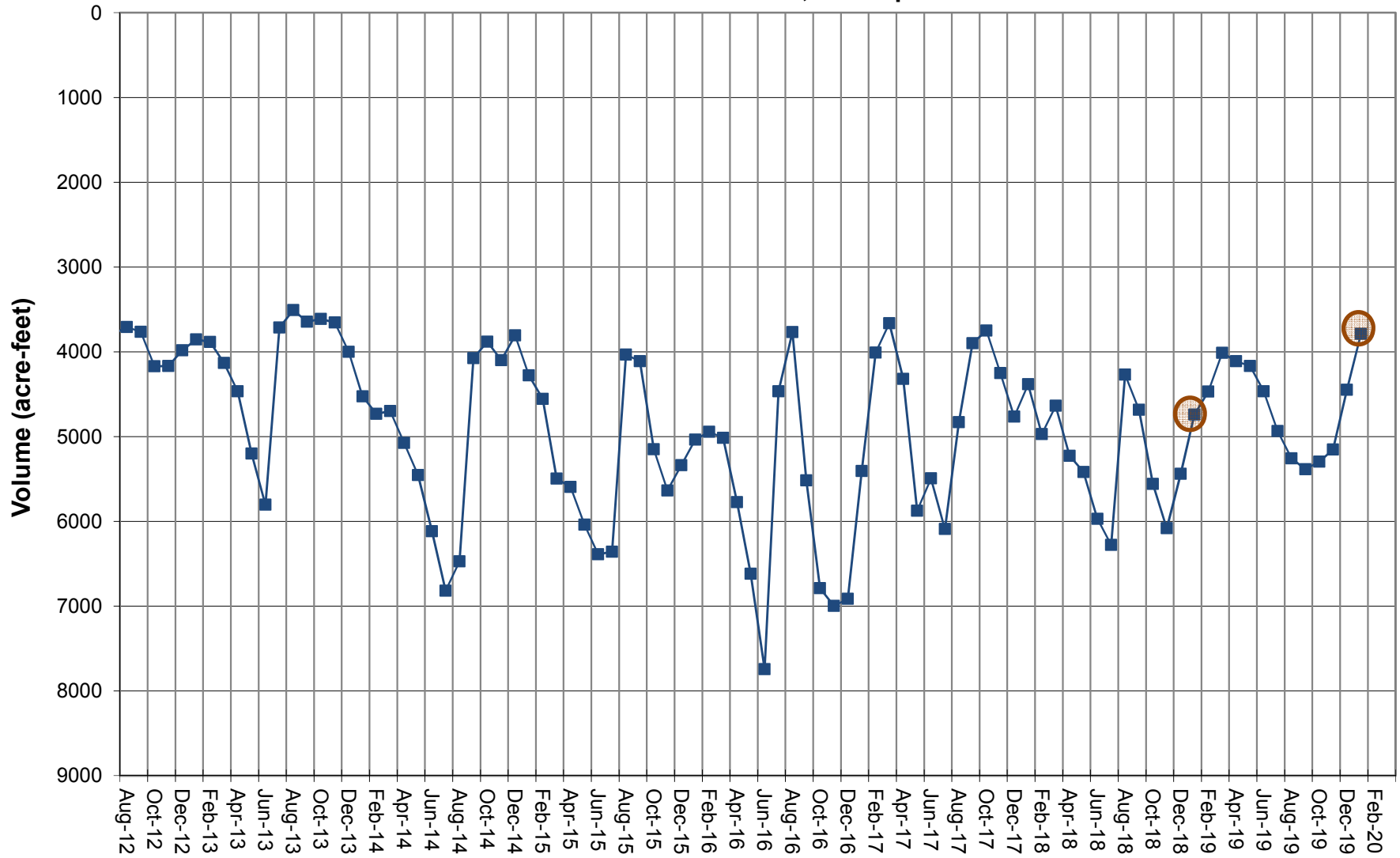
Total Dewatered Groundwater Storage (DWS) Between Bradbury Dam and Lompoc Narrows, 2012 - present



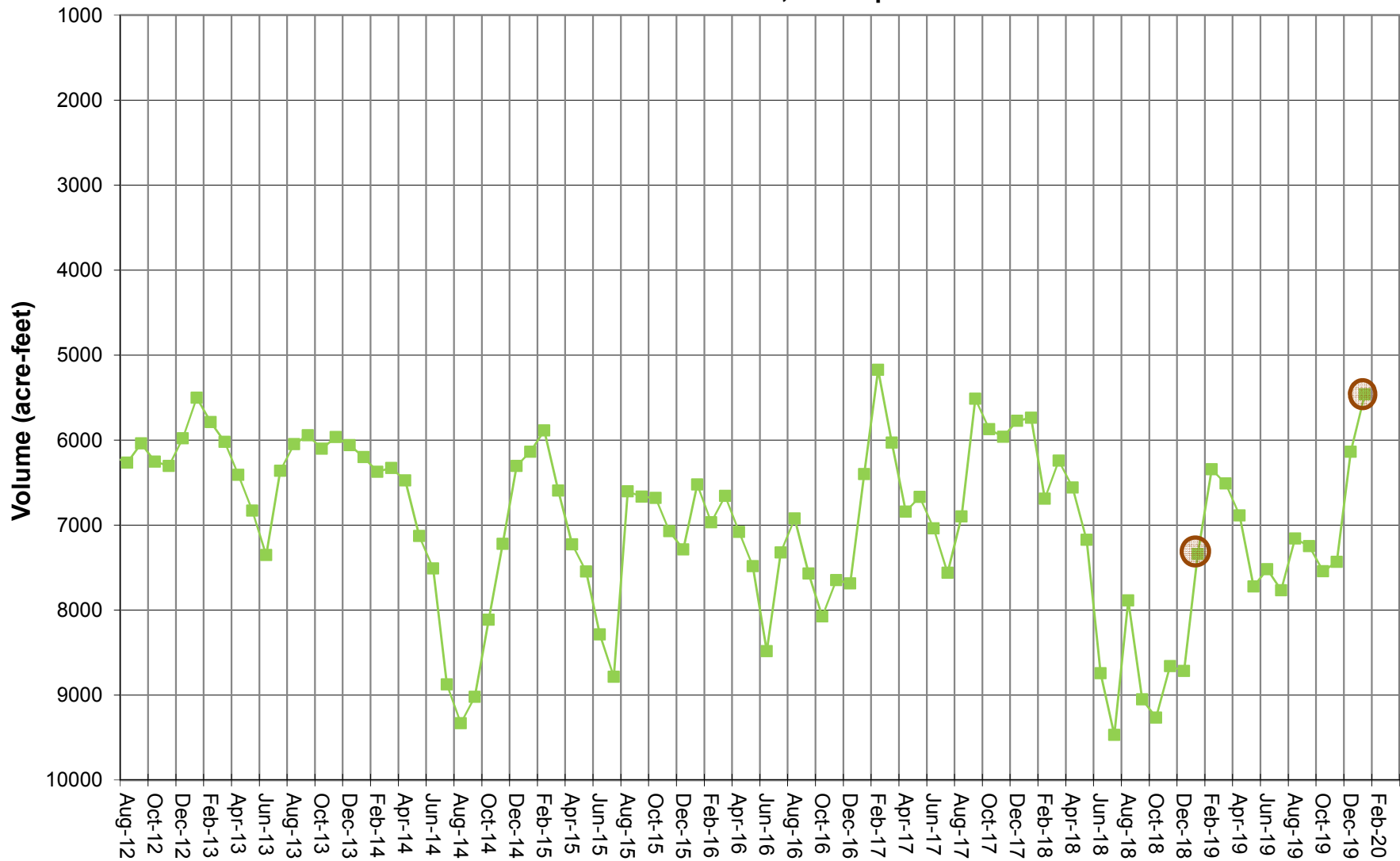
Total Dewatered Groundwater Storage (DWS) in Lompoc Plain, 2012 - present



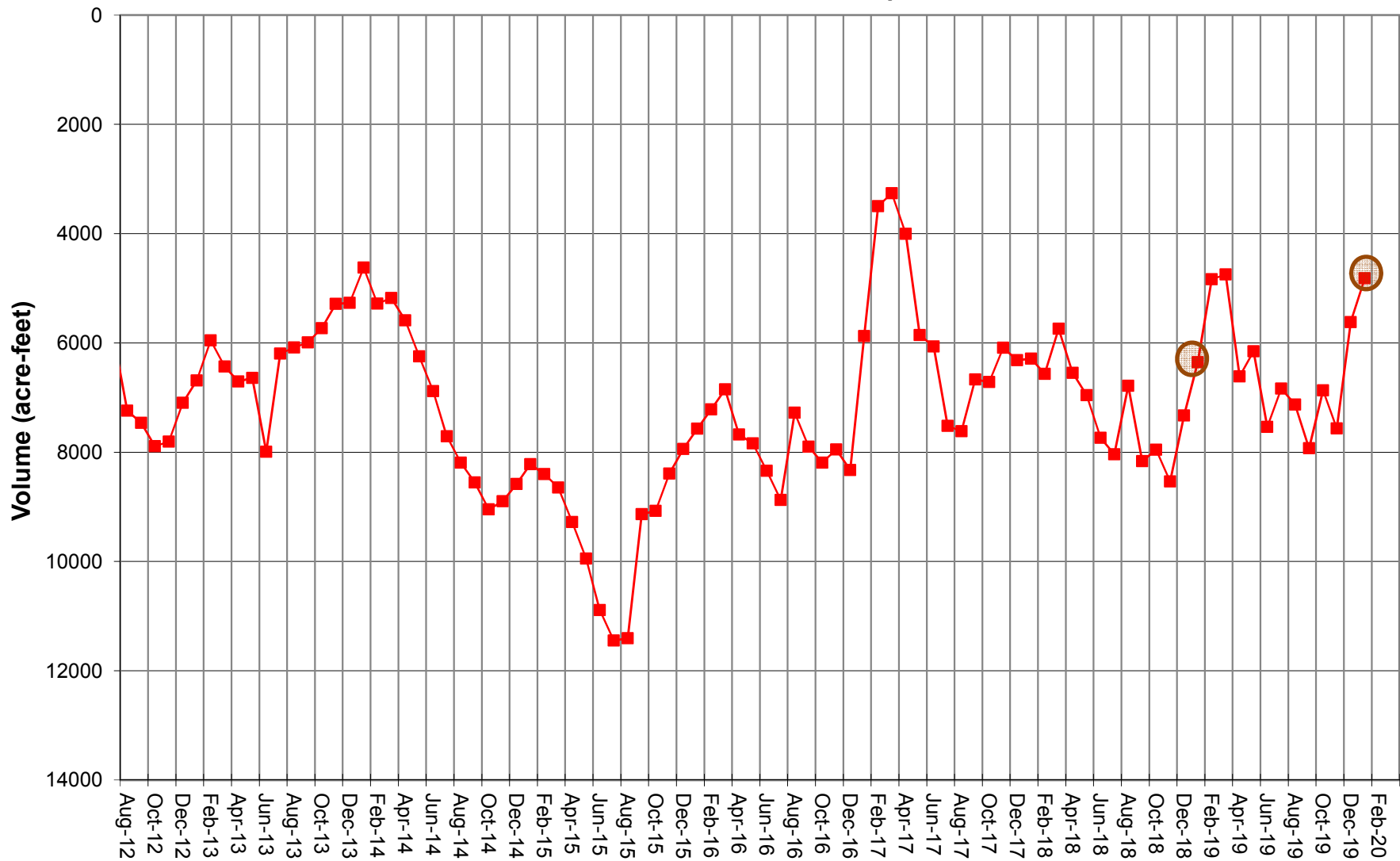
Dewatered Storage (DWS) in Santa Ynez Subunit, 2012 - present



Dewatered Storage (DWS) in Buellton Subunit, 2012 - present



Dewatered Storage (DWS) in Santa Rita Subunit, 2012 - present



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SY River Water District
BALANCE SHEET
JANUARY 31, 2020

ASSETS

ASSETS

Mechanics Checking #7071-01	\$18,393.34	
Mechanics #7311 (GW Revenue)	191,105.03	
Mechanics #7313 (2nd MM)	3,184.94	
Mechanics #7314 (Grant Funds)	138,422.72	
LAIF	1,870,357.93	
SBIF	385,408.64	
Unrealized gains & losses	.00	
Taxes Receivable	.00	
Interest Receivable	.00	
Deferred Expenses	.00	
Prepaid Expenses	395.00	
Accounts Receivable	.00	
Temporary Suspense Account	(440.00)	
Pass through Transfer	.00	

TOTAL ASSETS		2,606,827.60

TOTAL ASSETS		\$2,606,827.60
		=====

LIABILITIES AND EQUITY

LIABILITIES

Accounts Payable	35,624.81	
Accrued Payroll Taxes	.00	
Deferred Comp - Lincoln Nat'l	.00	
Due USGS Lpc. Monit. Study	.00	
Due ID No 1 LAFCO	.00	
Due Misc	.00	
SYRHM Project (Agency Fund)	.00	
Due to other Govs, Interest	20.74	
Due to other Govs, Reimb	138,401.98	

TOTAL LIABILITIES		174,047.53

TOTAL LIABILITIES		174,047.53

RESERVES

Unappropriated Reserves	2,295,748.14	
RETAINED EARNINGS-CURRENT YEAR	137,031.93	

TOTAL RESERVES		2,432,780.07

TOTAL LIABILITIES AND EQUITY		\$2,606,827.60
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SY River Water District
INCOME STATEMENT
FOR THE 7 PERIODS ENDED JANUARY 31, 2020

	PERIOD TO DATE			YEAR TO DATE		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
INCOME						
DWR Grant Reimbursement	\$.00	37,500.00	(37,500.00)	23,473.67	62,500.00	(39,026.33)
Ground Water Charges	145,132.75	200,000.00	(54,867.25)	398,531.82	450,000.00	(51,468.18)
SB Co. Property Taxes	5,585.08	5,000.00	585.08	181,738.21	164,000.00	17,738.21
Interest Income, all sources	4.86	.00	4.86	25,730.52	25,000.00	730.52
Miscellaneous Income	.00	.00	.00	30.00	.00	30.00
TOTAL INCOME	150,722.69	242,500.00	(91,777.31)	629,504.22	701,500.00	(71,995.78)
GROSS PROFIT	150,722.69	242,500.00	(91,777.31)	629,504.22	701,500.00	(71,995.78)
EXPENSES:						
EXPENSES, OPERATIONS						
Employee Compensation	28,326.66	28,916.67	590.01	198,286.68	202,416.69	4,130.01
Payroll (SS & Medicare)	2,167.00	2,166.67	(.33)	14,728.74	15,166.69	437.95
Employee Benefits	423.57	200.00	(223.57)	3,534.56	1,400.00	(2,134.56)
Retirement Costs	1,274.70	11,000.00	9,725.30	10,098.30	11,000.00	901.70
Outside Staff Support	250.00	833.33	583.33	1,770.50	5,833.31	4,062.81
Director Fees	.00	333.33	333.33	600.00	2,333.31	1,733.31
Ground Water Charges Admin.	3,984.95	4,166.67	181.72	17,644.39	29,166.69	11,522.30
Office Supplies-Incl Computer	1,415.87	250.00	(1,165.87)	4,231.35	1,750.00	(2,481.35)
IT Services	714.38	166.67	(547.71)	1,452.14	1,166.69	(285.45)
Communications	498.27	541.67	43.40	3,640.27	3,791.69	151.42
Travel & Subsistence	837.58	500.00	(337.58)	4,828.28	3,500.00	(1,328.28)
Audit/Accounting	.00	.00	.00	6,672.25	10,400.00	3,727.75
Insurance, Bonds, Work. Comp	.00	.00	.00	8,763.83	9,200.00	436.17
Misc. Expense	128.57	250.00	121.43	752.57	1,750.00	997.43
Dues	.00	.00	.00	2,043.00	2,000.00	(43.00)
Tax Admin Fee/LAFCO Cost	.00	.00	.00	338.00	500.00	162.00
Office Occupancy	1,800.13	1,875.00	74.87	11,938.92	13,125.00	1,186.08
TOTAL EXPENSES, OPERATIONS	41,821.68	51,200.01	9,378.33	291,323.78	314,500.07	23,176.29
EXPENSES, SGMA						
SGMA General	773.57	416.67	(356.90)	1,927.78	2,916.69	988.91
SGMA WMA	.00	14,333.33	14,333.33	42,893.08	100,333.31	57,440.23
SGMA CMA	.00	10,833.33	10,833.33	31,905.77	75,833.31	43,927.54
SGMA EMA	.00	2,777.77	2,777.77	563.83	11,111.08	10,547.25
TOTAL EXPENSES, SGMA	773.57	28,361.10	27,587.53	77,290.46	190,194.39	112,903.93
EXPENSES, SPECIAL STUDIES						
SYR Monitoring Program	.00	.00	.00	.00	.00	.00
SYR Studies Program	.00	.00	.00	.00	.00	.00
TOTAL EXPENSES, SPECIAL STUDIE	.00	.00	.00	.00	.00	.00
EXPENSES, LEGAL						
General & Misc	.00	833.33	833.33	3,301.26	5,833.31	2,532.05
WR89-18	.00	.00	.00	.00	.00	.00
Upper SYR Ops	.00	.00	.00	648.00	.00	(648.00)
WR 2019-0148 Decision; EIR	1,076.75	2,083.33	1,006.58	9,432.99	14,583.31	5,150.32

SY River Water District
INCOME STATEMENT
FOR THE 7 PERIODS ENDED JANUARY 31, 2020

	PERIOD TO DATE			YEAR TO DATE		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
EXPENSES, LEGAL	(Continued)					
Fisheries, Legal	\$.00	.00	.00	25,353.00	25,000.00	(353.00)
HR	88.50	416.67	328.17	2,111.45	2,916.69	805.24
SGMA	816.95	416.67	(400.28)	5,867.80	2,916.69	(2,951.11)
TOTAL EXPENSES, LEGAL	1,982.20	3,750.00	1,767.80	46,714.50	51,250.00	4,535.50
EXPENSES, ENGINEER						
General & Misc.	626.50	833.33	206.83	3,244.25	5,833.31	2,589.06
Annual G.W. Report	29.00	1,250.00	1,221.00	288.39	8,750.00	8,461.61
WR 89-18 Operations	2,489.82	5,416.67	2,926.85	21,793.21	37,916.69	16,123.48
Upper SYR Operations	102.00	1,250.00	1,148.00	1,683.00	8,750.00	7,067.00
WR 2019-0148 Decision; EIR	663.00	2,083.33	1,420.33	12,705.66	14,583.31	1,877.65
Fisheries Hydrology	367.29	3,333.33	2,966.04	23,285.33	23,333.31	47.98
Fisheries Consulting	.00	1,250.00	1,250.00	1,272.00	8,750.00	7,478.00
TOTAL EXPENSES, ENGINEER	4,277.61	15,416.66	11,139.05	64,271.84	107,916.62	43,644.78
EXPENSES, CONTINGENCIES						
All Zones, General	5,400.00	4,166.67	(1,233.33)	8,090.00	29,166.69	21,076.69
Tenant Improvements	210.00	.00	(210.00)	4,781.71	.00	(4,781.71)
TOTAL EXPENSES, CONTINGENCIES	5,610.00	4,166.67	(1,443.33)	12,871.71	29,166.69	16,294.98
TOTAL EXPENSES	54,465.06	102,894.44	48,429.38	492,472.29	693,027.77	200,555.48
NET INCOME FROM OPERATIONS	96,257.63	139,605.56	(43,347.93)	137,031.93	8,472.23	128,559.70
EARNINGS BEFORE INCOME TAX	96,257.63	139,605.56	(43,347.93)	137,031.93	8,472.23	128,559.70
NET INCOME (LOSS)	\$96,257.63	139,605.56	(43,347.93)	137,031.93	8,472.23	128,559.70

QUARTERLY INVESTMENT REPORT
(REF. CGC 53646 (B) (1) AND 53646 (E))
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
2ND QUARTER, FY 2019-20
OCTOBER, NOVEMBER, DECEMBER 2019

Certification is hereby provided that:

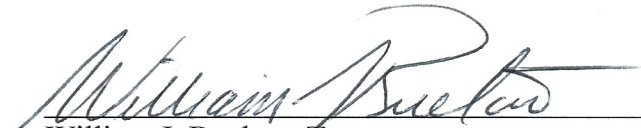
- A. All investment actions executed during the last quarter have been made in full compliance with the Investment Policy; and,
- B. Sufficient funds exist so that the District will meet its expenditure obligations for the next six months as required by CGC 53646 (b) (2) and (3), respectively.

CERTIFICATION:



Kevin D. Walsh, General Manager

6 February 2020
Date



William J. Buelow, Treasurer

2/6/2020.
Date

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SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
December 2019 WARRANT LIST FOR BOARD APPROVAL

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
4922	12/11/2019	William Buelow	November 2019 Reimburseables	\$ 414.15
4923	12/11/2019	Comcast	December 2019 Internet Service	\$ 158.21
4924	12/11/2019	Guardian	December 2019-Life, LTD & ADD Insurance	\$ 293.01
4925	12/11/2019	Jim Heyerly	December 2019 Rent	\$ 1,500.00
4926	12/11/2019	Art Hibbits	12/4/19 Board Meeting; replace check #4476	\$ 150.00
4927	12/11/2019	Humana Insurance Co.	December 2019 Dental Insurance	\$ 109.80
4928	12/11/2019	Inklings Printing Co.	SGMA: Copy & scan large map of well locations	\$ 196.79
4929	12/11/2019	Steve Jordan	12/4/19 Board Meeting; replace check #4632	\$ 225.00
4930	12/11/2019	Brett Marymee	12/4/19 Board Meeting	\$ 75.00
4931	12/11/2019	Moniot Consulting	November 2019 G.W. Admin. Service	\$ 360.00
4932	12/11/2019	R. Brian Nelson	Office & Conference Room remodel	\$ 1,380.00
4933	12/11/2019	Onsite Computers & Design	Email protection software (4 users)	\$ 180.00
4934	12/11/2019	Pacific Gas & Electric	New Account Deposit: Electric Service	\$ 191.00
4935	12/11/2019	Shirley Scales Bookkeeping	November 2019 G.W. Admin Service	\$ 1,552.00
4936	12/11/2019	Stetson Engineers	October 2019 Engineering Service	\$ 5,303.88
4937	12/11/2019	Amber Thompson	November 2019 Reimburseables	\$ 6.96
4938	12/11/2019	US Bank Corp	November 2019 CalCard	\$ 3,161.31
4939	12/11/2019	Vision Service Plan	December 2019 Vision Insurance	\$ 20.76
4940	12/11/2019	Young Wooldridge	October & November 2019 Legal Service	\$ 5,335.96
4942	12/11/2019	Lincoln Financial Group	457 Plan Employee Contributions	\$ 4,500.00
4945	12/11/2019	Employment Development Dept.	Tax Deposit	\$ 1,225.03
4946	12/11/2019	Mechanics Bank	Tax Deposit	\$ 7,975.04
4947	12/11/2019	Pacific Gas & Electric	November 2019 Electric Service (final bill)	\$ 76.62
4948	12/11/2019	Valley Bookkeeping Services	November 2019 Bookkeeping Service	\$ 250.00
	12/11/2019	Payroll	November 2019 Salary	\$ 16,353.39
			TOTAL	\$ 34,640.52

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SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

January 2020 WARRANT LIST FOR BOARD APPROVAL

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
4949	1/9/2020	William Buelow	December 2019 Reimburseables	\$ 75.40
4950	1/9/2020	Comcast	January 2019 Internet Service	\$ 159.83
4951	1/9/2020	Guardian	January 2019-Life, LTD & ADD Insurance	\$ 293.01
4952	1/9/2020	Jim Heyerly	January 2019 Rent	\$ 1,500.00
4953	1/9/2020	Humana Insurance Co.	January 2019 Dental Insurance	\$ 109.80
4954	1/9/2020	Inklings Printing Co.	Newsletter, Producer Letter & Information Pamphlet	\$ 223.98
4955	1/9/2020	Onsite Computers & Design	Tenant Improvements / IT Upgrades	\$ 3,191.71
4956	1/9/2020	Pacific Gas & Electric	December 2019 Electric Service	\$ 77.32
4957	1/9/2020	Shirley Scales Bookkeeping	December 2019 G.W. Admin Service	\$ 2,224.00
4958	1/9/2020	Staples Credit Plan	Office Supplies	\$ 634.22
4959	1/9/2020	Stetson Engineers	Nov. 2019 & Partial Aug. 2019 Engineering Service	\$ 15,361.93
4960	1/9/2020	Amber Thompson	December 2019 Reimburseables	\$ 58.00
4961	1/9/2020	US Bank Corp	December 2019 CalCard	\$ 542.18
4962	1/9/2020	Valley Bookkeeping Services	December 2019 Bookkeeping Service	\$ 250.00
4963	1/9/2020	Vision Service Plan	January 2019 Vision Insurance	\$ 20.76
4964	1/9/2020	Kevin Walsh	December 2019 Reimburseables	\$ 85.84
4965	1/9/2020	Young Wooldridge	December 2019 Legal Service	\$ 1,288.00
4966-4968	1/9/2020	Payroll	December 2019 Salary	\$ 17,984.79
4969	1/9/2020	VOID	VOID - printer error	\$ -
4970	1/9/2020	VOID	VOID - printer error	\$ -
4971	1/9/2020	Employment Development Dept.	EDD Tax Deposit	\$ 1,478.20
4972	1/9/2020	Mechanics Bank (Payroll Acct)	Payroll Tax Deposit	\$ 9,442.26
4973	1/9/2020	Lincoln Financial Group	457 Plan Employer Match (Jan.-Dec. 2019)	\$ 8,823.60
4974	1/9/2020	Lincoln Financial Group	457 Plan Combined Contributions (#1 January)	\$ 2,013.31
4975-4977	1/17/2020	Payroll	January 1-15, 2020 Salary	\$ 8,448.39
4978	1/17/2020	Employment Development Dept.	EDD Tax Deposit	\$ 660.22
4979	1/17/2020	Lincoln Financial Group	457 Plan Combined Contributions (#2 January)	\$ 2,013.23
4980	1/17/2020	Mechanics Bank (Payroll Acct)	Payroll Tax Deposit	\$ 4,549.89
4981	1/22/2020	Employment Development Dept.	EDD Tax Deposit (pre-pay for 1/31 payroll)	\$ 660.22
TOTAL				\$ 82,170.09

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SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
February 2020 WARRANT LIST FOR BOARD APPROVAL

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
4982-4984	2/3/2020	Payroll	January 16-31, 2020 Salary	\$ 8,448.39
4985	2/3/2020	Lincoln Financial Group	457 Plan Combined Contributions (#1 February)	\$ 2,013.23
4986	2/3/2020	Mechanics Bank (Payroll Acct)	Payroll Tax Deposit	\$ 4,549.89
4987	2/11/2020	Bartlett, Pringle & Wolf	SGMA Accounting Consult, Nov. 2019	\$ 84.00
4988	2/11/2020	William Buelow	January 2020 Reimburseables	\$ 156.37
4989	2/11/2020	Comcast	February 2020 Internet Service	\$ 159.83
4990	2/11/2020	Dept. of Consumer Affairs	Professional License Renewal - K. Walsh	\$ 115.00
4991	2/11/2020	Employment Development Dept.	Unemployment Claim - FY 2019-20, 2nd Quarter	\$ 5,400.00
4992	2/11/2020	Guardian	February 2020-Life, LTD & ADD Insurance	\$ 293.01
4993	2/11/2020	Jim Heyerly	February 2020 Rent	\$ 1,500.00
4994	2/11/2020	Humana Insurance Co.	February 2020 Dental Insurance	\$ 109.80
4995	2/11/2020	Moniot Consulting	Dec. 2019 & Jan. 2020 G.W. Admin. Service	\$ 405.00
4996	2/11/2020	Onsite Computers & Design	IT Services/Repair	\$ 924.38
4997	2/11/2020	Alexander Pappas	Jan. 2020 G.W. & SGMA Admin. Service	\$ 1,008.00
4998	2/11/2020	Pacific Gas & Electric	January 2020 Electric Service	\$ 102.27
4999	2/11/2020	Shirley Scales Bookkeeping	January 2020 G.W. & SGMA Admin Service	\$ 2,651.25
5000	2/11/2020	Staples Credit Plan	Office Supplies	\$ 424.73
5001	2/11/2020	Stetson Engineers	December 2019 Engineering Service	\$ 4,277.61
5002	2/11/2020	US Bank Corp	January 2020 CalCard	\$ 2,725.49
5003	2/11/2020	Valley Bookkeeping Services	January 2020 Bookkeeping Service & 2020 Payroll Software (annual fee)	\$ 357.00
5004	2/11/2020	Vision Service Plan	February 2020 Vision Insurance	\$ 20.76
5005	2/11/2020	Young Wooldridge	January 2020 Legal Service	\$ 1,982.20
5006-5008	2/18/2020	Payroll	February 1-15, 2020 Salary	\$ 8,448.39
5009	2/18/2020	Employment Development Dept.	EDD Tax Deposit	\$ 660.22
5010	2/18/2020	Lincoln Financial Group	457 Plan Combined Contributions (#2 February)	\$ 2,013.23
5011	2/18/2020	Mechanics Bank (Payroll Acct)	Payroll Tax Deposit	\$ 4,549.89
TOTAL				\$ 53,379.94

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SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

3669 Sagunto Street, Suite 101
Mailing Address: P.O. Box 719
Santa Ynez, CA 93460
Phone: (805) 693-1156

MEMORANDUM

DATE: January 02, 2020
TO: Amber Thompson
FROM: Kevin Walsh *Kevin Walsh*
SUBJECT: Changes to Payroll processing and payment

Effective January 1, 2020, payroll for Santa Ynez River Water Conservation District employees will be changed from being processed monthly to bi-monthly.

- The two payroll periods each month will cover the 1st – 15th and the 16th – last day.
- Payroll will be delivered to the employees on or before the 7th (for 16th – last day) and 21st (for 1st – 15th) of each month.
- Employee Contributions and Company Match Contributions to employee's 457 Retirement Accounts will be made bi-monthly with each payroll cycle. These contributions will be made with Lincoln Financial online using ACH Debit from the District's checking account and will be so reflected on the monthly Warrant List.
- Direct Deposit of payroll is now available to all employees.
- The Direct Deposit of payroll will be processed using ACH Debits directly from the District's checking account.
- Paper checks for payroll will only be used in extenuating circumstances or if employee chooses to decline the default Direct Deposit option.

Please process payroll according to these terms and direct the District's bookkeeper to submit the appropriate payroll reports directly to Mechanics Bank for payment of bi-monthly payroll.

Cynthia A. Allen

Reviewed by Cynthia A. Allen, President, Board of Directors

1/31/2020

Date

William J. Buelow

Reviewed by William J. Buelow, Treasurer, Board of Directors

1/30/2020

Date

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RESOLUTION NO. 696

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
RE-ADOPTING AN INVESTMENT POLICY**

WHEREAS, the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of Statewide concern (California Government Code Sections 53600.6 and 53630.1); and

WHEREAS, the legislative body of a local agency may invest monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Sections 5921 and 53601 et seq.; and

WHEREAS, the Santa Ynez River Water Conservation District invests its monies in accordance with the provisions described above; and

WHEREAS, the Investment Policy shall be reviewed by the Board of Directors annually and any modifications must be approved in a public meeting; and

WHEREAS, the Board of Directors determined that no modifications are needed in the Investment Policy.

NOW, THEREFORE, BE IT RESOLVED, that the Investment Policy, as attached to this resolution, is hereby approved and re-adopted by the Board of Directors.

WE, THE UNDERSIGNED, being the fully qualified and acting President and Secretary, respectively, of the Board of Directors of the Santa Ynez River Water Conservation District, County of Santa Barbara, California, do hereby certify that the above and foregoing resolution was duly adopted and passed by the Board of Directors of said District at a special meeting duly held on the 4th day of March, 2020 by the following roll call vote:

AYES, and in favor thereof, Directors:

NOES, Directors:

ABSENT/ABSTAINING, Directors:

Cynthia Allen, President

Amber M. Thompson, Secretary

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SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
INVESTMENT POLICY

(Adopted by Resolution No. 688 dated March 6, 2019)

1.0 INTRODUCTION

The deposit and investment of public funds by local officials and local agencies is an issue of statewide concern. (Gov. Code, §§ 53600.6, 53630.1). As representatives of a local agency, the Board of Directors of the Santa Ynez River Water Conservation District (SYRWCD or District) may invest surplus monies not required for the immediate necessities of the District in accordance with the provisions of Government Code sections 5921 and following and 53601 and following. The Treasurer of the District shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the Board of Directors at a public meeting. (Gov. Code, § 53646(a).) It shall be the policy of the SYRWCD to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all statutes governing the investment of the District's funds.

2.0 SCOPE

This Investment Policy applies to all financial assets and investment activities under the direct control of the SYRWCD. It does not apply to the District's employee retirement plans.

3.0 PRUDENCE

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent investor" standard (Gov. Code, § 53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the Investment Policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0 OBJECTIVES

As specified in Government Code section 53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

A. Safety: Safety of principal is the foremost objective of the investment program. Investments of the SYRWCD shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

B. Liquidity: The investment portfolio will remain sufficiently liquid to enable to the SYRWCD to meet all operating requirements which might be reasonably anticipated.

C. Return on Investments: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

5.0 DELEGATION OF AUTHORITY

Authority to manage the investment program is derived from California Government Code sections 53600 and following. Management responsibility for the investment program is hereby delegated by the Board of Directors to the General Manager/Treasurer, who shall establish written procedures for the operation of the investment program consistent with this Investment Policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the General Manager/Treasurer. The General Manager/Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. Under the provisions of Government Code section 53600.3, the General Manager/Treasurer is a trustee and a fiduciary subject to the prudent investor standard.

6.0 ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

7.0 AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The SYRWCD will maintain a list of financial institutions, selected on the basis of credit worthiness, financial strength, experience, and a minimal capitalization authorized to provide investment services. No public deposit shall be made except in a qualified public depository as established by state laws.

A list will also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment and financial advisory services in the State of California. The SYRWCD shall select only broker/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, the National Association of Securities Dealers or other applicable self-regulatory organizations.

Before engaging in investment transactions with a broker/dealer, the General Manager/Treasurer shall have received from said firm a signed Certification Form. This form shall attest that the individual responsible for the SYRWCD's account with that firm has reviewed the SYRWCD's Investment Policy and that the firm understands the Policy and intends to present investment recommendations and transactions to the SYRWCD that are appropriate under the terms and conditions of the Investment Policy.

8.0 AUTHORIZED AND SUITABLE INVESTMENTS

The SYRWCD is empowered by Government Code sections 53601 and following to invest in the types of investments shown in Figure 1. However, it has authorized its General Manager/Treasurer to invest only in the following:

1. Collateralized Bank Deposits, in accordance with Government Code sections 53601(m), 53652, and 53653, including waiver of collateralization in amounts up to the amount insured by the Federal Deposit Insurance Corporation (FDIC).
2. Non-negotiable CDs, offered by a depository institution that is a participant in a private CD placement service, which allocates funds to other institutions such that all accounts are insured by the FDIC (CDARS) in accordance with Government Code sections 53601.8 and 53635.8 (limited to 30% of portfolio).
3. Local Agency Investment Fund (LAIF) (Gov. Code, § 53601(d))
4. County Pooled Investment Funds (SBIF) (Gov. Code, § 53601(d))
5. Any investment authorized by Government Code section 53601 that is approved in advance by the Board of Directors.

9.0 SAFEKEEPING AND CUSTODY

All security transactions entered into by the SYRWCD shall be conducted on delivery-versus-payment basis. All securities purchased or acquired shall be delivered to the SYRWCD by book entry, physical delivery, or by third party custodial agreement as required by Government Code section 53601.

10.0 DIVERSIFICATION

The SYRWCD will diversify its investments by security type and institution. It is the policy of the SYRWCD to diversify its investment portfolio. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. Diversification strategies shall be determined and revised periodically. In establishing specific diversification strategies, the following general policies and constraints shall apply:

- A. Portfolio maturities shall be matched versus liabilities to avoid undue concentration in a specific maturity sector.
- B. Maturities selected shall provide for stability of income and liquidity.
- C. Disbursement and payroll dates shall be covered through securities investments, marketable U.S. Treasury bills or other cash equivalent instruments such as money market mutual funds.

11.0 REPORTING

In accordance with Government Code section 53646(b)(1), the General Manager/Treasurer shall submit to each member of the SYRWCD Board a quarterly investment report. The report shall include a complete description of the portfolio, the type of investments, issuers, maturity dates, par values and current market values of each component of the portfolio, including funds managed for SYRWCD by third party contracted managers. The report will also include the source of the portfolio valuation. As specified in Government Code section 53646(e), if all funds are placed in LAIF, FDIC-insured accounts, and/or in a county investment pool, the foregoing report elements may be replaced by copies of the latest statements from such institutions. The report must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy and, (2) the SYRWCD will meet its expenditure obligations for the next six months as required by Government Code section 53646(b)(2) and (3), respectively. The General Manager/Treasurer shall maintain a complete and timely record of all investment transactions.

12.0 INVESTMENT POLICY ADOPTION

The Investment Policy shall be adopted by resolution of the SYRWCD. Moreover, the Policy shall be reviewed on an annual basis, and modifications must be approved by the SYRWCD Board.

Attachments:

Figure 1

Operating Procedures

Government Code sections 53600 through 53610

FIGURE 1

**ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE
(AS OF JANUARY 1, 2019)^A APPLICABLE TO ALL LOCAL AGENCIES^B**

See “Table of Notes for Figure 1” on the next page for footnotes related to this figure.

INVESTMENT TYPE	MAXIMUM REMAINING MATURITY ^C	MAXIMUM SPECIFIED % OF PORTFOLIO ^D	MINIMUM QUALITY REQUIREMENTS	GOVERNMENT CODE SECTIONS
Local Agency Bonds	5 years	None	None	53601(a)
U.S. Treasury Obligations	5 years	None	None	53601(b)
State Obligations: CA and Others	5 years	None	None	53601(d)
CA Local Agency Obligations	5 years	None	None	53601(e)
U.S. Agency Obligations	5 years	None	None	53601(f)
Bankers’ Acceptances	180 days	40% ^E	None	53601(g)
Commercial Paper: Non-pooled Funds ^F	270 days or less	25% of the agency’s money ^G	Highest letter and number rating by an NRSRO ^H	53601(h)(2)(C)
Commercial Paper: Pooled Funds ^I	270 days or less	40% of the agency’s money ^G	Highest letter and number rating by an NRSRO ^H	53635(a)(1)
Negotiable Certificates of Deposit	5 years	30% ^J	None	53601(i)
Non-negotiable Certificates of Deposit	5 years	None	None	53630 et seq.
Placement Service Deposits	5 years	30% ^K	None	53601.8 and 53635.8
Placement Service Certificates of Deposit	5 years	30% ^K	None	53601.8 and 53635.8
Repurchase Agreements	1 year	None	None	53601(j)
Reverse Repurchase Agreements and Securities Lending Agreements	92 days ^L	20% of the base value of the portfolio	None ^M	53601(j)
Medium-term Notes ^N	5 years or less	30%	“A” rating category or its equivalent or better	53601(k)
Mutual Funds and Money Market Mutual Funds	N/A	20% ^O	Multiple ^{P,Q}	53601(l) and 53601.6(b)
Collateralized Bank Deposits ^R	5 years	None	None	53630 et seq. and 53601(n)
Mortgage Pass-through and Asset Backed Securities	5 years or less	20%	“AA” rating category or its equivalent or better	53601(o)
County Pooled Investment Funds	N/A	None	None	27133
Joint Powers Authority Pool	N/A	None	Multiple ^S	53601(p)
Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1
Voluntary Investment Program Fund ^T	N/A	None	None	16340
Supranational Obligations ^U	5 years or less	30%	“AA” rating category or its equivalent or better	53601(q)

TABLE OF NOTES FOR FIGURE 1

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| <p>A <i>Sources: Sections 16340, 16429.1, 27133, 53601, 53601.6, 53601.8, 53630 et seq., 53635, and 53635.8.</i></p> <p>B <i>Municipal Utilities Districts have the authority under the Public Utilities Code Section 12871 to invest in certain securities not addressed here.</i></p> <p>C <i>Section 53601 provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.</i></p> <p>D <i>Percentages apply to all portfolio investments regardless of source of funds. For instance, cash from a reverse repurchase agreement would be subject to the restrictions.</i></p> <p>E <i>No more than 30 percent of the agency's money may be in bankers' acceptances of any one commercial bank.</i></p> <p>F <i>Includes agencies defined as a city, a district, or other local agency that do not pool money in deposits or investment with other local agencies, other than local agencies that have the same governing body.</i></p> <p>G <i>Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper of any single issuer.</i></p> <p>H <i>Issuing corporation must be organized and operating within the U.S., have assets in excess of \$500 million, and debt other than commercial paper must be in a rating category of "A" or its equivalent or higher by a nationally recognized statistical rating organization, or the issuing corporation must be organized within the U.S. as a special purpose corporation, trust, or LLC, have program wide credit enhancements, and have commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical rating agency.</i></p> <p>I <i>Includes agencies defined as a county, a city and county, or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body. Local agencies that pool exclusively with other local agencies that have the same governing body must adhere to the limits set forth in Section 53601(h)(2)(C).</i></p> <p>J <i>No more than 30 percent of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).</i></p> <p>K <i>No more than 30 percent of the agency's money may be invested in deposits, including certificates of deposit, through a placement service (excludes negotiable certificates of deposit authorized under Section 53601(i)).</i></p> <p>L <i>Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or</i></p> | <p><i>spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.</i></p> <p>M <i>Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.</i></p> <p>N <i>"Medium-term notes" are defined in Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States."</i></p> <p>O <i>No more than 10 percent invested in any one mutual fund. This limitation does not apply to money market mutual funds.</i></p> <p>P <i>A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Sections 53601 and 53635.</i></p> <p>Q <i>A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of \$500 million.</i></p> <p>R <i>Investments in notes, bonds, or other obligations under Section 53601(n) require that collateral be placed into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, among other specific collateral requirements.</i></p> <p>S <i>A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).</i></p> <p>T <i>Local entities can deposit between \$200 million and \$10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.</i></p> <p>U <i>Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less.</i></p> |
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SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

OPERATING PROCEDURES

INVESTMENT PROGRAM (REFERENCE INVESTMENT POLICY)

1. This program shall be implemented in accordance with the District's Investment Policy.
2. General Manager/Treasurer (GM/T) shall monitor and manage funds between investments and institutions in order to maximize return from such accounts while providing for safety of principal, diversification of investment/maturities, and cash flow available to meet District obligations.
3. Authorized financial institutions include Rabobank, Union Bank, and Montecito Bank and Trust (MBT). Public money contracts are in place at these institutions. SYRWCD does not retain a broker/dealer for investment purposes.
4. GM/T and the Board President are authorized to conduct LAIF and/or SBIF transactions. Such transactions are accomplished through wire transfers between the LAIF and SBIF accounts and the Rabobank accounts. These transfers can be accomplished only with appropriate bank contacts and passwords known to authorized individuals. Transfers between Rabobank and other institutions are by double-signature District checks or cashier's checks in the name of the District.

Government Code

Title 5. Local Agencies

Division 2. Cities, Counties, and Other Agencies

Part 1. Powers and Duties Common to Cities, Counties, and Other Agencies

Chapter 4. Financial Affairs

Article 1. Investment of Surplus

§ 53600. “Local agency” defined

As used in this article, “local agency” means county, city, city and county, including a chartered city or county, school district, community college district, public district, county board of education, county superintendent of schools, or any public or municipal corporation.

(Added by Stats.1949, c. 81, p. 289, § 1. Amended by Stats.1984, c. 124, § 2; Stats.1984, c. 1226, § 1; Stats.1987, c. 887, § 2.)

§ 53600.3. Prudent investor standard; investments on behalf of local agencies

Except as provided in subdivision (a) of Section 27000.3, all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

(Added by Stats.1995, c. 784 (S.B.866), § 11. Amended by Stats.1996, c. 749 (S.B.109), § 4.)

§ 53600.5. Objectives; managing public funds

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, the primary objective of a trustee shall be to safeguard the principal of the funds under its control. The secondary objective shall be to meet the liquidity needs of the depositor. The third objective shall be to achieve a return on the funds under its control.

(Added by Stats.1995, c. 784 (S.B.866), § 12. Amended by Stats.1996, c. 749 (S.B.109), § 5.)

§ 53600.6. Legislative findings and declarations; solvency and creditworthiness

The Legislature hereby finds that the solvency and creditworthiness of each individual local agency can impact the solvency and creditworthiness of the state and other local agencies within the state. Therefore, to protect the solvency and creditworthiness of the state and all of its political subdivisions, the Legislature hereby declares that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern.

(Added by Stats.1995, c. 784 (S.B.866), § 13.)

§ 53601. Local agencies; authorized investments

This section shall apply to a local agency that is a city, a district, or other local agency that does not pool money in deposits or investments with other local agencies, other than local agencies that have the same governing body. However, Section 53635 shall apply to all local agencies that pool money in deposits or investments with other local agencies that have separate governing bodies. The legislative body of a local agency having moneys in a sinking fund or moneys in its treasury not required for the immediate needs of the local agency may invest any portion of the moneys that it deems wise or expedient in those investments set forth below. A local agency purchasing or obtaining any securities prescribed in this section, in a negotiable, bearer, registered, or nonregistered format, shall require delivery of the securities to the local agency, including those purchased for the agency by financial advisers, consultants, or managers using the agency's funds, by book entry, physical delivery, or by third-party custodial agreement. The transfer of securities to the counterparty bank's customer book entry account may be used for book entry delivery.

For purposes of this section, "counterparty" means the other party to the transaction. A counterparty bank's trust department or separate safekeeping department may be used for the physical delivery of the security if the security is held in the name of the local agency. Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase. Where this section does not specify a limitation on the term or remaining maturity at the time of the investment, no investment shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement or securities lending agreement authorized by this section, that at the time of the investment has a term remaining to maturity in excess of five years, unless the legislative body has granted express authority to make that investment either specifically or as a part of an investment program approved by the legislative body no less than three months prior to the investment:

(a) Bonds issued by the local agency, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency or by a department, board, agency, or authority of the local agency.

(b) United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

(c) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.

(d) Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.

(e) Bonds, notes, warrants, or other evidences of indebtedness of a local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

(f) Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

(g) Bankers' acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of bankers' acceptances shall not exceed 180 days' maturity or 40 percent of the agency's moneys that may be invested pursuant to this section. However, no more than 30 percent of the agency's moneys may be invested in the bankers' acceptances of any one commercial bank pursuant to this section.

This subdivision does not preclude a municipal utility district from investing moneys in its treasury in a manner authorized by the Municipal Utility District Act (Division 6 (commencing with Section 11501) of the Public Utilities Code).

(h) Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or (2):

(1) The entity meets the following criteria:

(A) Is organized and operating in the United States as a general corporation.

(B) Has total assets in excess of five hundred million dollars (\$500,000,000).

(C) Has debt other than commercial paper, if any, that is rated in a rating category of "A" or its equivalent or higher by an NRSRO.

(2) The entity meets the following criteria:

(A) Is organized within the United States as a special purpose corporation, trust, or limited liability company.

(B) Has programwide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond.

(C) Has commercial paper that is rated “A-1” or higher, or the equivalent, by an NRSRO.

Eligible commercial paper shall have a maximum maturity of 270 days or less. Local agencies, other than counties or a city and county, may invest no more than 25 percent of their moneys in eligible commercial paper. Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper of any single issuer. Counties or a city and county may invest in commercial paper pursuant to the concentration limits in subdivision (a) of Section 53635.

(i) Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed 30 percent of the agency's moneys that may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposit do not come within Article 2 (commencing with Section 53630), except that the amount so invested shall be subject to the limitations of Section 53638. The legislative body of a local agency and the treasurer or other official of the local agency having legal custody of the moneys are prohibited from investing local agency funds, or funds in the custody of the local agency, in negotiable certificates of deposit issued by a state or federal credit union if a member of the legislative body of the local agency, or a person with investment decisionmaking authority in the administrative office manager's office, budget office, auditor-controller's office, or treasurer's office of the local agency also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.

(j)

(1) Investments in repurchase agreements or reverse repurchase agreements or securities lending agreements of securities authorized by this section, as long as the agreements are subject to this subdivision, including the delivery requirements specified in this section.

(2) Investments in repurchase agreements may be made, on an investment authorized in this section, when the term of the agreement does not exceed one year. The market value of securities that underlie a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day.

(3) Reverse repurchase agreements or securities lending agreements may be utilized only when all of the following conditions are met:

(A) The security to be sold using a reverse repurchase agreement or securities lending agreement has been owned and fully paid for by the local agency for a minimum of 30 days prior to sale.

(B) The total of all reverse repurchase agreements and securities lending agreements on investments owned by the local agency does not exceed 20 percent of the base value of the portfolio.

(C) The agreement does not exceed a term of 92 days, unless the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security.

(D) Funds obtained or funds within the pool of an equivalent amount to that obtained from selling a security to a counterparty using a reverse repurchase agreement or securities lending agreement shall not be used to purchase another security with a maturity longer than 92 days from the initial settlement date of the reverse repurchase agreement or securities lending agreement, unless the reverse repurchase agreement or securities lending agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security.

(4)

(A) Investments in reverse repurchase agreements, securities lending agreements, or similar investments in which the local agency sells securities prior to purchase with a simultaneous agreement to repurchase the security may be made only upon prior approval of the governing body of the local agency and shall be made only with primary dealers of the Federal Reserve Bank of New York or with a nationally or state-chartered bank that has or has had a significant banking relationship with a local agency.

(B) For purposes of this chapter, “significant banking relationship” means any of the following activities of a bank:

(i) Involvement in the creation, sale, purchase, or retirement of a local agency's bonds, warrants, notes, or other evidence of indebtedness.

(ii) Financing of a local agency's activities.

(iii) Acceptance of a local agency's securities or funds as deposits.

(5)

(A) “Repurchase agreement” means a purchase of securities by the local agency pursuant to an agreement by which the counterparty seller will repurchase the securities on or before a specified date and for a specified amount and the counterparty will deliver the underlying securities to the local agency by book entry, physical delivery, or by third-party custodial agreement. The transfer of underlying securities to the counterparty bank’s customer book-entry account may be used for book-entry delivery.

(B) “Securities,” for purposes of repurchase under this subdivision, means securities of the same issuer, description, issue date, and maturity.

(C) “Reverse repurchase agreement” means a sale of securities by the local agency pursuant to an agreement by which the local agency will repurchase the securities on or before a specified date and includes other comparable agreements.

(D) “Securities lending agreement” means an agreement under which a local agency agrees to transfer securities to a borrower who, in turn, agrees to provide collateral to the local agency. During the term of the agreement, both the securities and the collateral are held by a third party. At the conclusion of the agreement, the securities are transferred back to the local agency in return for the collateral.

(E) For purposes of this section, the base value of the local agency’s pool portfolio shall be that dollar amount obtained by totaling all cash balances placed in the pool by all pool participants, excluding any amounts obtained through selling securities by way of reverse repurchase agreements, securities lending agreements, or other similar borrowing methods.

(F) For purposes of this section, the spread is the difference between the cost of funds obtained using the reverse repurchase agreement and the earnings obtained on the reinvestment of the funds.

(k) Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in a rating category of “A” or its equivalent or better by an NRSRO. Purchases of medium-term notes shall not include other instruments authorized by this section and shall not exceed 30 percent of the agency’s moneys that may be invested pursuant to this section.

(l)

(1) Shares of beneficial interest issued by diversified management companies that invest in the securities and obligations as authorized by subdivisions (a) to (k),

inclusive, and subdivisions (m) to (q), inclusive, and that comply with the investment restrictions of this article and Article 2 (commencing with Section 53630). However, notwithstanding these restrictions, a counterparty to a reverse repurchase agreement or securities lending agreement is not required to be a primary dealer of the Federal Reserve Bank of New York if the company's board of directors finds that the counterparty presents a minimal risk of default, and the value of the securities underlying a repurchase agreement or securities lending agreement may be 100 percent of the sales price if the securities are marked to market daily.

(2) Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.).

(3) If investment is in shares issued pursuant to paragraph (1), the company shall have met either of the following criteria:

(A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs.

(B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by subdivisions (a) to (k), inclusive, and subdivisions (m) to (q), inclusive, and with assets under management in excess of five hundred million dollars (\$500,000,000).

(4) If investment is in shares issued pursuant to paragraph (2), the company shall have met either of the following criteria:

(A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs.

(B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).

(5) The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include commission that the companies may charge and shall not exceed 20 percent of the agency's moneys that may be invested pursuant to this section. However, no more than 10 percent of the agency's funds may be invested in shares of beneficial interest of any one mutual fund pursuant to paragraph (1).

(m) Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the

statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

(n) Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.

(o) A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond. Securities eligible for investment under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less. Purchase of securities authorized by this subdivision shall not exceed 20 percent of the agency's surplus moneys that may be invested pursuant to this section.

(p) Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (q), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

(1) The adviser is registered or exempt from registration with the Securities and Exchange Commission.

(2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive.

(3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

(q) United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and shall not exceed 30 percent of the agency's moneys that may be invested pursuant to this section.

(Added by Stats.1949, c. 81, p. 289, § 1. Amended by Stats.1951, c. 1643, p. 3697, § 1; Stats.1953, c. 537, p. 1798, § 2; Stats.1954, 1st Ex.Sess., c. 10, p. 257, § 1, eff. April 6, 1954; Stats.1967, c. 275, p. 1433, § 1; Stats.1967, c. 1316, p. 3140, § 2; Stats.1974, c. 1354, p. 2938, § 1; Stats.1975, c. 649, p. 1406, § 1; Stats.1977, c. 1138, p. 3657, § 1.5; Stats.1978, c. 65, p. 181, § 1; Stats.1979, c. 158, p. 354, § 1; Stats.1979, c. 275, p. 942, § 2.5; Stats.1981, c. 185, § 2; Stats.1982, c. 508, § 2; Stats.1983, c. 550, § 1; Stats.1983, c. 567, § 1.5; Stats.1984, c. 659, § 2; Stats.1984, c. 741, § 1; Stats.1985, c. 983, § 14, eff. Sept. 26, 1985; Stats.1985, c. 983, § 15, eff. Sept. 26, 1985, operative Jan. 1, 1988; Stats.1985, c. 1526, § 1; Stats.1985, c. 1526, § 1.5, operative Jan. 1, 1988; Stats.1986, c. 784, § 1; Stats.1986, c. 784, § 2, operative Jan. 1, 1988; Stats.1986, c. 853, § 1, eff. Sept. 17, 1986; Stats.1986, c. 853, § 2, operative Jan. 1, 1987; Stats.1986, c. 853, § 1.5; Stats.1986, c. 853, § 2.5, operative Jan. 1, 1988; Stats.1987, c. 446, § 1; Stats.1987, c. 887, § 3.5; Stats.1988, c. 294, § 1, eff. July 7, 1988; Stats.1988, c. 491, § 1; Stats.1992, c. 173 (A.B.3576), § 1; Stats.1994, c. 705 (S.B.1804), § 10; Stats.1995, c. 784 (S.B.866), § 14; Stats.1996, c. 156 (S.B.864), § 7, eff. July 12, 1996; Stats.1998, c. 588 (S.B.1793), § 1; Stats.1999, c. 643 (A.B.1679), § 9; Stats.1999, c. 644 (A.B.530), § 1.5; Stats.2000, c. 135 (A.B.2539), § 80; Stats.2000, c. 339 (A.B.2220), § 1; Stats.2001, c. 57 (A.B.609), § 1; Stats.2002, c. 664 (A.B.3034), § 120; Stats.2002, c. 454 (S.B.1326), § 20; Stats.2003, c. 197 (S.B.787), § 1; Stats.2004, c. 470 (A.B.969), § 4; Stats.2007, c. 340 (A.B.1745), § 1; Stats.2008, c. 179 (S.B.1498), § 106; Stats.2008, c. 709 (S.B.1124), § 10.5; Stats.2010, c. 328 (S.B.1330), § 91; Stats.2011, c. 382 (S.B.194), § 3; Stats.2014, c. 59 (A.B.1933), § 1, eff. Jan. 1, 2015; Stats.2016, c. 366 (S.B.974), § 12, eff. Jan. 1, 2017; Stats.2018, c. 271 (A.B.1770), § 1, eff. Jan. 1, 2019.)

§ 53601.1. Investment in financial futures or financial option contracts

The authority of a local agency to invest funds pursuant to Section 53601 includes, in addition thereto, authority to invest in financial futures or financial option contracts in any of the investment categories enumerated in that section.

(Added by Stats.1983, c. 534, § 3.)

§ 53601.2. Corporation; limited liability company

As used in this article, “corporation” includes a limited liability company.

(Added by Stats.2004, c. 118 (S.B.1165), § 18.)

§ 53601.5. Investments; qualified purchase agent

The purchase by a local agency of any investment authorized pursuant to Section 53601 or 53601.1, not purchased directly from the issuer, shall be purchased either from an institution licensed by the state as a broker-dealer, as defined in Section 25004 of the Corporations Code, or from a member of a federally regulated securities exchange, from a national or state-chartered bank, from a savings association or federal association (as defined by Section 5102 of the Financial Code) or from a brokerage firm designated as a primary government dealer by the Federal Reserve bank.

(Added by Stats.1984, c. 929, § 1. Amended by Stats.1985, c. 983, § 16, eff. Sept. 26, 1985; Stats.2001, c. 57 (A.B.609), § 2.)

§ 53601.6. Prohibited investments

(a) A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in inverse floaters, range notes, or mortgage-derived, interest-only strips.

(b) A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in any security that could result in zero interest accrual if held to maturity. However, a local agency may hold prohibited instruments until their maturity dates. The limitation in this subdivision shall not apply to local agency investments in shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) that are authorized for investment pursuant to subdivision (l) of Section 53601.

(Added by Stats.1995, c. 784 (S.B.866), § 15. Amended by Stats.1996, c. 156 (S.B.864), § 8, eff. July 12, 1996; Stats.2001, c. 57 (A.B.609), § 4; Stats.2009, c. 332 (S.B.113), § 68.1.)

§ 53601.7. Repealed by Stats.2006, c. 164 (A.B.1794), § 1, operative Jan. 1, 2011

§ 53601.8. Investment in deposits

<Section operative until Jan. 1, 2021. See, also, section operative Jan. 1, 2021.>

Notwithstanding Section 53601 or any other provision of this code, a local agency that has the authority under law to invest funds, at its discretion, may invest a portion of its surplus funds in deposits at a commercial bank, savings bank, savings and loan association, or credit union that uses a private sector entity that assists in the placement of deposits. The following conditions shall apply:

(a) The local agency shall choose a nationally or state chartered commercial bank, savings bank, savings and loan association, or credit union in this state to invest the funds, which shall be known as the “selected” depository institution.

(b) The selected depository institution may use a private sector entity to help place local agency deposits with one or more commercial banks, savings banks, savings and loan associations, or credit unions that are located in the United States and are within the network used by the private sector entity for this purpose.

(c) Any private sector entity used by a selected depository institution to help place its local agency deposits shall maintain policies and procedures requiring both of the following:

(1) The full amount of each deposit placed pursuant to subdivision (b) and the interest that may accrue on each such deposit shall at all times be insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration.

(2) Every depository institution where funds are placed shall be capitalized at a level that is sufficient, and be otherwise eligible, to receive such deposits pursuant to regulations of the Federal Deposit Insurance Corporation or the National Credit Union Administration, as applicable.

(d) The selected depository institution shall serve as a custodian for each such deposit.

(e) On the same date that the local agency's funds are placed pursuant to subdivision (b) by the private sector entity, the selected depository institution shall receive an amount of insured deposits from other financial institutions that, in total, are equal to, or greater than, the full amount of the principal that the local agency initially deposited through the selected depository institution pursuant to subdivision (b).

(f) Notwithstanding subdivisions (a) to (e), inclusive, a credit union shall not act as a selected depository institution under this section or Section 53635.8 unless both of the following conditions are satisfied:

(1) The credit union offers federal depository insurance through the National Credit Union Administration.

(2) The credit union is in possession of written guidance or other written communication from the National Credit Union Administration authorizing participation of federally insured credit unions in one or more deposit placement services and affirming that the moneys held by those credit unions while participating in a deposit placement service will at all times be insured by the federal government.

(g) It is the intent of the Legislature that this section shall not restrict competition among private sector entities that provide placement services pursuant to this section.

(h) The deposits placed pursuant to this section and Section 53635.8 shall not, in total, exceed 30 percent of the agency's funds that may be invested for this purpose.

(i) This section shall remain in effect only until January 1, 2021, and as of that date is repealed.

(Added by Stats.2006, c. 459 (A.B.2011), § 1. Amended by Stats.2009, c. 332 (S.B.113), § 68.3; Stats.2010, c. 112 (S.B.1344), § 1; Stats.2013, c. 228 (A.B.279), § 1; Stats.2015, c. 181 (A.B.283), § 1, eff. Jan. 1, 2016.)

§ 53602. Investment in legal investments for savings banks; securities of public districts

The legislative body shall invest only in notes, bonds, bills, certificates of indebtedness, warrants, or registered warrants which are legal investments for savings banks in the State, provided, that the board of supervisors of a county may, by a four-fifths vote thereof, invest in notes, warrants or other evidences of indebtedness of public districts wholly or partly within the county, whether or not such notes, warrants, or other evidences of indebtedness are legal investments for savings banks.

(Added by Stats.1949, c. 81, p. 289, § 1. Amended by Stats.1953, c. 537, p. 1799, § 3; Stats.1954, 1st Ex.Sess., c. 10, p. 257, § 2, eff. April 6, 1954.)

§ 53602.1. Repealed by Stats.1990, c. 216 (S.B.2510), § 40

§ 53603. Direct purchase of securities

The legislative body may make the investment by direct purchase of any issue of eligible securities at their original sale or after they have been issued.

(Added by Stats.1949, c. 81, p. 289, § 1. Amended by Stats.1953, c. 537, p. 1799, § 4.)

§ 53604. Sale or exchange of securities; reinvestment of proceeds

The legislative body may sell, or exchange for other eligible securities, and reinvest the proceeds of, the securities purchased.

(Added by Stats.1949, c. 81, p. 289, § 1. Amended by Stats.1953, c. 537, p. 1799, § 5.)

§ 53605. Sale of securities; application of proceeds to original purposes

From time to time, the legislative body shall sell the securities so that the proceeds may be applied to the purposes for which the original purchase money was placed in the sinking fund or the treasury of the local agency.

(Added by Stats.1949, c. 81, p. 289, § 1. Amended by Stats.1953, c. 537, p. 1799, § 6.)

§ 53606. Cancellation of bonds issued by purchaser; resale

The bonds purchased, which were issued by the purchaser, may be canceled either in satisfaction or sinking fund obligations or otherwise. When canceled, they are no longer outstanding, unless in its discretion, the legislative body holds them uncanceled. While held uncanceled, the bonds may be resold.

(Added by Stats.1949, c. 81, p. 289, § 1.)

§ 53607. Delegation of duties to treasurer; monthly report

The authority of the legislative body to invest or to reinvest funds of a local agency, or to sell or exchange securities so purchased, may be delegated for a one-year period by the legislative body to the treasurer of the local agency, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires, and shall make a monthly report of those transactions to the legislative body. Subject to review, the legislative body may renew the delegation of authority pursuant to this section each year.

(Added by Stats.1957, c. 220, p. 882, § 1. Amended by Stats.1996, c. 749 (S.B.109), § 6.)

§ 53608. Deposit of securities; receipt; delegation of authority

The legislative body of a local agency may deposit for safekeeping with a federal or state association (as defined by Section 5102 of the Financial Code), a trust company or a state or national bank located within this state or with the Federal Reserve Bank of San Francisco or any branch thereof within this state, or with any Federal Reserve bank or with any state or national bank located in any city designated as a reserve city by the Board of Governors of the Federal Reserve System, the bonds, notes, bills, debentures, obligations, certificates of indebtedness, warrants, or other evidences of indebtedness in which the money of the local agency is invested pursuant to this article or pursuant to other legislative authority. The local agency shall take from such financial institution a receipt for securities so deposited. The authority of the legislative body to deposit for safekeeping may be delegated by the legislative body to the treasurer of the local agency; the treasurer shall not be responsible for securities delivered to and receipted for by a financial institution until they are withdrawn from the financial institution by the treasurer.

(Added by Stats.1959, c. 1392, p. 3670, § 1. Amended by Stats.1967, c. 582, p. 1928, § 1; Stats.1980, c. 689, p. 2080, § 1; Stats.1985, c. 983, § 17, eff. Sept. 26, 1985.)

§ 53609. Eligible securities for investment of funds held by local agency pursuant to deferred compensation plans

Notwithstanding the provisions of this chapter or any other provisions of this code, funds held by a local agency pursuant to a written agreement between the agency and employees of the agency to defer a portion of the compensation otherwise receivable by the agency's employees and pursuant to a plan for such deferral as adopted by the governing body of the agency, may be invested in the types of investments set forth in Sections 53601 and 53602 of this code, and may additionally be invested in corporate stocks, bonds, and securities, mutual funds, savings and loan accounts, credit union accounts, life insurance policies, annuities, mortgages, deeds of trust, or other security interests in real or personal property. Nothing herein shall be construed to permit any type of investment prohibited by the Constitution.

Deferred compensation funds are public pension or retirement funds for the purposes of Section 17 of Article XVI of the Constitution.

(Added by Stats.1971, c. 1629, p. 3511, § 2. Amended by Stats.1972, c. 1370, p. 2736, § 12; Stats.1974, c. 544, p. 1254, § 26; Stats.1975, c. 822, p. 1874, § 1; Stats.1979, c. 373, p. 1320, § 162.)

§ 53610. Proposition 1A receivables; purchase by local agency

(a) For purposes of this section, "Proposition 1A receivable" means the right to payment of moneys due or to become due to a local agency, pursuant to clause (iii) of subparagraph (B) of paragraph (1) of subdivision (a) of Section 25.5 of Article XIII of the California Constitution and Section 100.06 of the Revenue and Taxation Code.

(b) Notwithstanding any other law, a local agency may purchase, with its revenue, Proposition 1A receivables sold pursuant to Section 53999.

(c) A purchaser of Proposition 1A receivables pursuant to this section shall not offer them for sale pursuant to Section 6588.

(Added by Stats.2009, c. 634 (S.B.67), § 5, eff. Oct. 19, 2009.)

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

MEMORANDUM

DATE: March 4, 2020

TO: Cynthia Allen Mark Altshuler Art Hibbits
Brett Marymee Steve Jordan

FROM: Kevin D. Walsh

SUBJECT: Preliminary Draft Budget 2020-21

Recommendation

- Review and give direction to staff for Fiscal Year (FY) 2020-21 Preliminary Draft Budget.
- Revised Draft Budget to be presented at May Meeting
- Final Budget to be presented at June Meeting for adoption

Discussion

The FY 2020-21 budget is discussed in terms of Income and Expenses for the current FY 2019-20 and estimated FY 2020-21.

The attached FY 2020-21 Budget worksheet displays the line item income and expense for:

- The budgeted amounts for the recent fiscal year of FY 2019-20
- The actual to date income and expense for FY 2019-20
- The projected income and expense amounts for FY 2019-20
- The proposed budget amounts for FY 2020-21

INCOME:

SYRWCD income is from four sources: Groundwater Charge Rates, Property Taxes, Investment Income, and DWR Grant Reimbursement.

Groundwater Charge Rates. Estimated by calculating a four-year average for groundwater production, then applying current Groundwater Charge Rates to the four-year production average. Using the three-year average for the 2019-20 Budget over-estimated the amount of revenue. This was due to a very wet spring, causing a much lower than average groundwater use which had not been seen since 2005-06. This year, we are experiencing a very dry winter, with below average rainfall predicted for spring, which would indicate more water use than in FY 2019-20.

Four-Year Average Reported Groundwater Pumping

2015-16	55,031 af
2016-17	50,126 af
2017-18	50,912 af
2019-20	<u>46,141</u> af
AVERAGE	50,553 af

Property Tax Revenue. Projected by assuming a similar amount as last year with a 3% increase. We are in a period of continued modestly increasing property values.

Investment Income. Assumed to be \$5,000 less than the amount expected to be received this year. This is due to less Reserves upon which to receive interest income, and a decrease in the State Local Investment Fund (LAIF) interest rate of about 40 basis points from the prior fiscal year average.

DWR Grant Reimbursement. This is a grant from the California Department of Water Resources (DWR) under Proposition 1 for the expenses of the activities associated with the Sustainable Groundwater Management Act (SGMA) Groundwater Sustainability Planning (GSP) activities. The grant is for \$1 million and requires a 50% local match on the total project value (currently \$3M) or a match of \$1.5M. The grant reimbursements will be shared with the various agencies that are contributing funds to support each of the three GSAs in the Santa Ynez River Groundwater Basin.

The grant reimbursements are received about 3 months after a request for reimbursement is submitted. The line item for Grant Reimbursement assumes that a little more than 40% of the District share of expenses will be recovered in FY 2020-21.

EXPENSES:

Each line item in the FY 2019-20 District Budget was reviewed, and an estimate of total projected expenses to the end of the current FY was made. For FY 2020-21, expenses were estimated using these projections. Where it is known that smaller or larger expenditures will be made, those line items were adjusted using the known figures. For some line items where there was a higher degree of uncertainty in the expected costs, the FY 2019-20 budget figures were used.

Total expenses for Internal Operations are estimated to be about 4.7% more than the FY 2019-20 projected actual amounts. Increases are due mostly to planned increases in salaries, benefits, and the use of administrative outside services for our Groundwater Charges program as we continue efforts to get every well registered, and every registered well assessed the Pumping Charges.

Total expenses for SGMA will significantly increase from last year, as the work on the three Groundwater Sustainability Plans (GSPs) is now fully underway to meet the January 2022 deadline. The costs to the District for each of the Groundwater Sustainability Agencies (GSAs) are accounted for separately as per each of the three Memoranda of

Agreement of which the SYRWCD is party to, one for each GSA. The budget expense and grant reimbursement numbers are the District's 50% share, not the total costs of the SGMA effort. There is a general category, as some small portion of costs cannot be identified, separated, and distributed to the work of the individual GSPs. Legal work for SGMA is under legal expense.

Next year, consideration will be given to preparing separate GSA budgets in parallel with the presentation format that the District has been using. As the long-term nature of the GSP/GSA nature unfolds, it may be that each Management Area (or a JPA for the whole watershed) prepares their own budget(s) and that the SYRWCD contribution to that/those efforts(s) becomes just a single line item in our budget.

Legal and Engineering expenses are expected to remain the same. The budgeted costs for FY 2019-20 were about 12% less than the FY 2018-19 budgeted amounts. The State Water Board released a final Water Rights Order (WRO 2019-148) in 2019. The new WRO contains several Terms and Conditions with regard to studies and plans. SYRWCD's legal and technical consultants are now working with the US Bureau of Reclamation to satisfy the Terms and Conditions that directly and indirectly affect water rights in the Santa Ynez and Lompoc Valleys. It is expected that an equal amount of the Legal and Engineering efforts on this new Water Rights Order will occur in FY 2020-21 as did in 2019-20. Additional legal time for SGMA may be required for the District to prepare the required Coordination Agreement for submittal of the Groundwater Sustainability Plans and for review of a draft Joint Powers Authority or Authorities depending on the direction the basin takes with respect to implementing SGMA in the future. In any case, the District will have a significant role in a future Groundwater Sustainability Agency or Agencies in the future. The budgeted amounts in these cost centers remain unchanged.

CONTINGENCIES:

Expenditures from contingencies are for unexpected and unforeseeable costs. For this year, this category will also capture the Tenant Improvement costs for the realignment of 3 walls to create a 12' x 17' Conference Room within the existing office space. Costs for this work are expected to be known at the time the final FY 2020-21 Budget is prepared.

RESERVES:

Reserves provide for contingencies, unexpected large expenditures, and rate stabilization. The District has set a goal of \$1.6 million in reserves for the State Water Board hearing activities including potential litigation, and \$400,000 in reserves for other contingencies. These goals were met for FY 2019-20. At this point the reserve goals are not projected to be met for FY 2020-21, falling about \$100,000 short. Transfers out of reserves for FY 2020-21 are forecasted at about 13% of the total budget.

GROUNDWATER CHARGE RATES:

Groundwater Charge Rates are the only source of income over which the District has control. For the past few years revenues have been less than expenses. Reserves have provided a degree of rate stabilization in the form of “backfill” due to the lag in DWR grant reimbursements for the SGMA effort, and un-reimbursable SGMA costs. Groundwater Charge Rates were not increased for FY 2019-20.

At the current rate of deficit between Revenues and Expenses, Reserves might be expected to drop in the next two fiscal years to below the Board policy level of \$2 million. After the completion of the GSPs in 2022, it may be that District expenditures will decrease to the level where Revenues exceed Expenses, and any deficits suffered to the \$2 million reserve goal can be repaid over one or two years, maybe three. There are of course caveats to this strategy. At this point, we do not know what the financing and regulatory structure will be for implementing the GSPs, investment income may drop lower, and in the meantime inflation continues increase all other costs and to erode the comparative value of the reserve amounts.

If the Board would like to consider an increase in Groundwater Charge Rates for 2020-21, every 1% across the Board increase projects to a corresponding \$5,600 increase in revenue. Example: A 5% increase would result of a projection of a \$28,000 increase in revenues. I recommend at this time that we wait to consider any rate increase until the May Revised Draft Budget when we have better information on revenues and expenditures for this year and next.

KDW/amt

Enclosures

WORKSHEET
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT BUDGET
JULY 1, 2020 - JUNE 30, 2021

February 27, 2020 Draft

	2019-20	2019-20 <u>As of Feb 27</u>	2019-20	2020-21
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>BUDGET</u>
REVENUES:				
Groundwater Charge Rates	570,000	517,488	545,000	560,000
SB County Property Taxes	310,000	181,738	310,000	320,000
Interest Income	50,000	25,731	50,000	42,000
SGMA Grant Reimbursement	100,000	62,614	112,614	200,000
TOTAL INCOME	1,030,000	787,570	1,017,614	1,122,000
EXPENSES				
<u>Internal Operations / Expenses</u>				
Employee Salaries	347,000	198,287	347,000	358,000
Payroll (SS and Medicare)	26,000	14,729	26,000	27,000
Employee Benefits	2,400	3,535	5,000	5,400
Retirement Plan Contributions	11,000	10,098	15,600	11,000
Outside Services	10,000	1,771	10,000	20,000
Office Expense	34,000	21,263	34,000	34,000
Director Fees	4,000	600	4,000	4,000
Travel	6,000	4,828	6,000	7,000
Accounting	10,400	6,672	10,400	11,000
Insurance & Worker's Comp	9,200	8,764	9,200	9,200
Dues and LAFCO Fees	6,500	2,381	6,500	6,500
Groundwater Charges Program	50,000	17,644	45,000	50,000
Miscellaneous	3,000	753	3,000	3,000
SUB-TOTAL INTERNAL OPERATIONS EXPENSES	519,500	291,324	521,700	546,100
<u>Sustainable Groundwater Management (SGMA)</u>				
SGMA General	5,000	1,928	5,000	5,000
SGMA, WMA	172,000	75,255	175,000	250,000
SGMA, CMA	130,000	54,073	150,000	200,000
SGMA, EMA	25,000	15,000	18,500	18,500
SUB-TOTAL SGMA	332,000	146,257	348,500	473,500
<u>Legal</u>				
General & Misc.	10,000	3,301	10,000	10,000
Downstream Releases / Upper SYR Operations	5,000	648	2,000	5,000
WR Decision (2019-0148); EIR	25,000	9,433	25,000	25,000
Fisheries Issues	25,000	25,353	27,000	25,000
Employment/HR	5,000	2,111	5,000	5,000
SGMA	5,000	5,868	6,000	5,000
SUB-TOTAL LEGAL	75,000	46,715	75,000	75,000
<u>Engineering / Environmental</u>				
General & Misc.	10,000	3,244	10,000	10,000
Annual GW Report	15,000	288	15,000	15,000
Downstream Releases Operations	65,000	21,793	40,000	65,000
Upper SYR Operations	15,000	1,683	10,000	15,000
WR Decision (2019-0148); EIR	25,000	12,706	25,000	25,000
Fisheries Hydrology	40,000	23,285	40,000	40,000
Other Consultants	15,000	1,272	15,000	15,000
SUB-TOTAL ENGINEERING / ENVIRONMENTAL	185,000	64,272	155,000	185,000
CONTINGENCIES	50,000	12,872	50,000	50,000
TOTAL EXPENSES	1,161,500	561,438	1,150,200	1,329,600
INCOME LESS EXPENSES	-\$131,500	\$226,132	-\$132,586	-\$207,600
<u>RESERVES</u>				
Amount from Reserves	\$131,500	\$70,000	\$132,586	\$207,600
Remaining Reserves, Total	\$2,002,430	\$2,189,740	\$2,057,154	\$1,849,554

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SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

MEMORANDUM

DATE: 04 March 2020

TO: Cynthia Allen Mark Altshuler Art Hibbits
Brett Marymee Steve Jordan Steve Torigiani

FROM: Bill Buelow

SUBJECT: Groundwater Program Manager Report

AGENDA ITEM VI

A. Sustainable Groundwater Management Act (SGMA) Update

CMA/WMA: Stetson’s Team (Stetson) finalized the Outreach and Engagement and Data Management System Plans as **DRAFT FINAL**. The documents will be incorporated into the Final Groundwater Sustainability Plan for each Management Area. Stetson prepared a Draft Hydrogeologic Conceptual Model with 3D Visualization graphics and a Water Budget for the two Management Areas. Stetson gave a presentation on these topics at the CMA/WMA GSA meetings held in February. During the current and next quarters Stetson will prepare a Draft Technical Memorandum summarizing the data compilation for the CMA/WMA and begin work on the numeric groundwater model.

EMA: GSI’s Team (GSI) finalized the Communication and Engagement and Data Management System Plans as **DRAFT FINAL**. The documents will be incorporated into the Final Groundwater Sustainability Plan for the EMA. GSI prepared a Draft Hydrogeologic Conceptual model with 3D Visualization graphics and a Water Budget for the EMA. During the current and next quarter GSI will begin working on the numeric groundwater model.

The EMA’s consultant is paid by the County. However, the District on behalf of ID No 1., and City of Solvang, hired Stetson to coordinate with the EMA Consultant to ensure consistency between the three Management Areas. The District sent funding requests to both entities in early February to share the costs. To date the District has received the requested funds from the City of Solvang.

Ongoing Intra-Basin Coordination: Stetson and the GSI Team have coordinated on the 3D visualization model and are using the same software, the same colors to represent lithologic units and the same approach to interpreting geologic logs to ensure consistency between the three Management Areas in the Basin. Stetson and GSI have held monthly meetings, with Staff in attendance, to discuss approaches

to create the numeric groundwater models for the Basin (one for the CMA/WMA and one for the EMA).

The two teams created and released the SGMA website (www.SantaYnezWater.org) for the Santa Ynez River Valley Groundwater Basin. The website contains the SGMA portal for managing communications with Stakeholders.

B. DWR Grant Updates

The District is involved with two grant efforts with DWR.

Prop 1 Grant: The District on behalf of the GSAs has prepared three invoices to DWR with over \$1.1M in cost share receipts and billable hours. All participating GSA agencies have participated in providing invoices for the local cost share component as required by the grant. To date two reimbursements totaling \$269K, were received. An additional \$107K in reimbursement is pending for a total expected reimbursement of \$376K.

The District's portion of the first two reimbursements is approximately \$62K, with an additional \$50K expected with the third reimbursement.

Prop 68 Grant: The District prepared a \$400K grant proposal to do Aerial Electromagnetic Survey (AEM) work in the CMA/WMA. The proposed budget of \$400K included \$300K in requested grant funds and \$100K in local cost share (25%). It is anticipated that approximately half of the \$100K in cost share would be the responsibility of the District (as per the CMA and WMA MOAs).

Staff received notification that the District's proposal was tentatively accepted, at a funding level of \$250K (\$50K less than requested). The shortfall is due to DWR receiving more funding requests than available funding. Staff expects the final list of funding to be distributed in early March. If less funding is awarded than requested, Staff will propose descoping the project to match the awarded funds.

When the award is finalized, it is anticipated that DWR will modify the Prop 1 Grant Agreement with the District to accommodate the new Prop 68 funds.

The County is funding a similar AEM survey for the EMA. The County Board of Supervisors is expected to approve a modification to the EMA Consultant's contract later this month. If possible, the AEM survey of the EMA will coincide with the surveys of the CMA and WMA, to reduce mobilization costs.

C. Intra-Basin Administrative Agreement Update and Future Agreements

All eight GSA participating agencies have approved the Intra-Basin Administrative Agreement (IBAA). This document will help with on-going coordination to prepare the three GSPs in the Basin and formalizes how grant funds and expenses

will be shared. The District approved the IBAA during the December 4, 2019 meeting. The last agency approved the IBAA on February 26, 2020.

During the next quarter and for the remainder of the year, Staff will initiate work on the SGMA coordination agreement and a Draft Joint Powers Agreement (JPA). The Coordination agreement is required if more than one GSP is submitted for a Basin, as is planned for the Santa Ynez River Valley Groundwater Basin. The JPA is necessary to implement SGMA post GSP submittal.

D. Confidentiality Agreement for Eastern Management Area

The agencies of the EMA have prepared a Confidentiality Agreement (Agreement) for the EMA. The parties to the Agreement are the District, the County Water Agency, ID No 1., and the City of Solvang. Young Wooldridge prepared the agreement in conjunction with the attorneys of the four parties. This agreement supersedes previous Confidentiality Agreements between the District and the other agencies.

Recommended Action for the SYRWCD Board: Authorize the General Manager and General Counsel for the District to sign the Agreement.

E. Preliminary 42nd Annual Engineering and Survey Report 2019-2020

See attachment.

F. Semi-annual Groundwater Pump Charge Program Update

For the period of July 1, 2019 through December 31, 2020 SYRWCD has received to date approximately \$264K in groundwater pump charges. This amount is approximately \$20K below expected revenue. This follows lower revenues for the period January to June 2019. Both shortfalls are likely attributed to increases in water conservation by well-pumpers following a pro-longed drought, and an unusually wet winter and spring of 2019.

The District is doing what it can to make payments of groundwater charges easier for our constituents and is now accepting payments by credit card. Costs for the credit card system will be absorbed in the groundwater rates. Information on how to pay with a credit card will be posted on-line and in the District's newsletter.

District Staff continue to pursue the registration of new and unregistered water wells within the District's boundaries as the water-well installation boom continues, especially in the Santa Ynez Uplands area.

Attachment

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CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (“Agreement”) is entered into effective July 1, 2019 (“Effective Date”) by and between the Santa Ynez River Water Conservation District (“SYRWCD”), the Santa Barbara County Water Agency (“County Water Agency”), the Santa Ynez River Water Conservation District, Improvement District No.1 (“ID No.1”), and the City of Solvang, (“City”), referred to herein collectively as the “Parties” or individually as a “Party.”

WHEREAS, the Parties respectively overlie all or portions of the Santa Ynez River Valley Groundwater Basin, designated by California Department of Water Resources (“DWR”) Bulletin 118 as Groundwater Basin Number 3-15 (the “Basin”); and

WHEREAS, the Basin has been designated by DWR as a medium priority basin for purposes of the Sustainable Groundwater Management Act (“SGMA”) and, accordingly, the Basin is subject to the requirements of SGMA; and

WHEREAS, the Parties previously entered the “Memorandum of Agreement for Formation of a Groundwater Sustainability Agency for the Eastern Management Area in the Santa Ynez River Valley Groundwater Basin under the Sustainable Groundwater Management Act” (the “MOA”), effective April 27, 2017, wherein, among other things, the Parties established a Groundwater Sustainability Agency (“GSA”) for the Eastern Management Area (“EMA”) of the Basin pursuant to SGMA, and where the Parties are coordinating and cooperating by and through the GSA to implement the requirements of SGMA for the EMA and the Basin; and

WHEREAS, in various instances, historically and currently, issues have been raised by members of the public and other stakeholders with regard to the quantity, quality, and other aspects of groundwater and water resource management in the Basin area; and

WHEREAS, the Parties desire to discuss issues that are of common interest to the Parties relating to compliance with the requirements of SGMA and related surface and groundwater issues in the EMA and Basin area (collectively, “SGMA Issues”); and

WHEREAS, the Parties recognize that legal and/or administrative proceedings could arise under the SGMA process that could involve all or some of the Parties (collectively, “Proceedings”); and

WHEREAS, notwithstanding other agreements that may exist, the Parties intend for this Agreement to provide additional and separate rights, privileges, and protections as between the Parties with respect to the SGMA Issues and the Proceedings as set forth in this Agreement; and

WHEREAS, after independent consultation with their respective legal counsel, the Parties believe that certain communications regarding the SGMA Issues and the Proceedings should remain confidential and privileged, and that, while the Parties may have separate interests in the SGMA Issues and the Proceedings, they have significant common interests in sharing certain legal analyses, administrative draft materials, deliberative work product, and other information relating to the SGMA Issues and/or the Proceedings. The confidential and privileged communications and disclosures made under this Agreement are made in advancement of this common interest, and the Parties anticipate that

they would assert one or more common defenses and/or legal arguments in connection with the SGMA Issues and the Proceedings; and

WHEREAS, the Parties believe that their common interests are best served by confidentially sharing certain communications, information, and materials related to the SGMA Issues and/or the Proceedings which, independent of this Agreement, would be protected from disclosure to third-parties pursuant to the attorney-client privilege, attorney work product privilege, common defense doctrine, joint defense doctrine, common interest doctrine, the California Public Records Act, and/or other applicable privileges, confidentiality, exemptions, rules, doctrines and provisions of law (collectively, the “Privileges and Protections”), which materials may include, but are not limited to, legal analyses, legal research, administrative draft materials, and deliberative work product (collectively “Confidential Materials”); and

WHEREAS, the Parties desire to maintain applicable Privileges and Protections with respect to Confidential Materials and ensure that exchanges and disclosures of Confidential Materials between the Parties do not, by virtue of such exchanges or disclosures pursuant to this Agreement, waive any applicable Privileges and Protections.

NOW, THEREFORE, the Parties agree as follows:

1. The Recitals set forth above are incorporated as part of this Agreement.
2. In accordance with this Agreement, the Parties agree that Confidential Materials may be exchanged and disclosed between and among themselves to further their common interests. Such exchanges and disclosures ordinarily would not be made but for the confidentiality established by this Agreement and the advancement of the common interests and legal representation of the Parties. It is the mutual understanding of the Parties and their respective legal counsel that such exchanges or disclosures are not intended to diminish and shall not diminish in any way the Privileges and Protections to which the Confidential Materials are entitled. As further provided herein, this Agreement and its contents shall constitute Confidential Materials and shall remain confidential and privileged in accordance with the protections of this Agreement, except as required under Section 14 of this Agreement.
3. A Party’s participation in this Agreement and any previous and subsequent sharing of Confidential Materials with any other Party shall in no way be construed as a waiver of any applicable Privileges and Protections that may be asserted individually by a Party, either pursuant to or independent of this Agreement.
4. Each Party expects that Confidential Materials exchanged or disclosed pursuant to this Agreement will remain fully confidential, privileged, and protected in accordance with this Agreement. Thus, the sharing of Confidential Materials pursuant to this Agreement does not waive any applicable Privileges and Protections that may be asserted individually by a Party, either pursuant to or independent of this Agreement. The Parties agree that Confidential Materials exchanged or disclosed under the terms of this Agreement will not be further disclosed to any non-Party, except as provided by this Agreement or as required by law.
5. Notwithstanding the general provisions of Government Code section 6254.5, no Party that discloses Confidential Materials pursuant to this Agreement intends to waive any privileges, protections, or other exemptions from disclosure of public records that are otherwise available under

the California Public Records Act. Pursuant to Government Code section 6254.5(e), each Party intends that all materials disclosed in accordance with this Agreement are to be treated as and shall remain confidential between the Parties, and shall not be considered or deemed public records subject to disclosure by any of the Parties under the Public Records Act, except as provided by this Agreement or otherwise required by law. The Parties recognize and agree that the protections of confidentiality and the information and materials shared confidentially pursuant to Section 6254.5(e) and this Agreement may be broader than other privileges and protections covered by this Agreement. For purposes of Section 6254.5(e), persons within ID No.1 that are authorized to obtain information confidentially exchanged under this Agreement include members of the Board of Trustees, the General Manager, the Assistant General Manager, the Water Resources Manager, the Government Affairs and Policy Manager, the ID No.1 Engineer, ID No.1's legal counsel, and consultant(s) retained by ID No.1 or ID No.1's legal counsel in connection with the SGMA Issues and/or the Proceedings. For purposes of section 6254.5(e), persons within the Parent District that are authorized to obtain information confidentially exchanged under this Agreement include members of the Board of Directors, the General Manager, the Groundwater Program Manager, the Parent District's legal counsel, and consultant(s) retained by the Parent District or the Parent District's legal counsel in connection with the SGMA Issues and/or the Proceedings. For purposes of section 6254.5(e), persons within the County Water Agency that are authorized to obtain information confidentially exchanged under this Agreement include members of the Santa Barbara County Water Agency Board of Directors, the Public Works Director, the Deputy Public Works Director – Water Resources, the County Water Agency Manager, the Water Resources Program Manager, County Counsel, and consultant(s) retained by the County Water Agency in connection with the SGMA Issues and/or the Proceedings. For purposes of section 6254.5(e), persons within the City that are authorized to obtain information confidentially exchanged under this Agreement include members of the City Council, the City Manager, the City Attorney, the Public Works Director, the Water Division Supervisor, and the City's legal or professional consultant(s) retained by the City in connection with the SGMA Issues and/or the Proceedings. If at any time any Party receives a request for production of documents pursuant to the Public Records Act that seeks any materials provided or received by the Party pursuant to this Agreement, such Party shall promptly notify the other Parties, and the Parties and their respective legal counsel shall coordinate and cooperate in good faith to formulate a determination and response to the Public Records Act request in accordance with applicable law and this Agreement.

6. Any Party providing written Confidential Materials pursuant to this Agreement should, but need not, take reasonable steps to identify itself as the producing Party by including its initials or name on the Confidential Materials, and clearly mark "Administrative Draft" and/or "Confidential and Privileged" on the face of any exchanged Confidential Materials.

7. Except as otherwise expressly provided by this Agreement, no Party shall disclose Confidential Materials received from any other Party under this Agreement to any non-Party without the written consent of each Party that may be entitled to claim any privilege or protection with respect to such materials. Any unauthorized disclosure of any Confidential Materials to any non-Party shall not constitute a waiver of any applicable confidentiality, privilege, protection, defense, or exemption from disclosure. Nothing in this Agreement, however, prohibits any Party from using or disclosing information or materials without the consent of any other Party to the extent such information or materials are available in the public forum or otherwise obtained independently of this Agreement and without violation of this Agreement.

8. Each Party shall take all reasonable steps necessary to permit and protect the assertion of all applicable Privileges and Protections with respect to Confidential Materials. Each Party agrees

that it has no right to waive any Privileges and Protections held by any other Party. A Party compelled by law to disclose information that is otherwise intended to be protected from disclosure under this Agreement shall provide (1) immediate and advance written notice to the other Parties and their respective legal counsel prior to any such disclosure, and (2) reasonable opportunity for the other Parties to oppose and prevent such disclosure.

9. Any inadvertent disclosure of Confidential Materials by any Party shall not constitute a waiver of any Privileges and Protections provided by applicable law and this Agreement, and any Party that inadvertently discloses any Confidential Materials shall (1) immediately provide written notice to the other Parties and their respective legal counsel, and (2) immediately demand in writing the return of the Confidential Materials inadvertently disclosed.

10. Nothing in this Agreement is intended to (1) limit or prohibit any Party from using or developing for its own use, any information, technical, legal, or other work product, to be used for any purpose, (2) preclude any Party from communicating confidentially with its own legal counsel, consultants, or experts, (3) require any Party or its legal counsel, consultants, or experts to share any independently generated privileged or confidential information, communication, documentation, or work product, or (4) limit or constrain the use by any Party of information that was prepared solely by that Party, its legal counsel, consultants, or experts in a context unrelated this Agreement. This Agreement does not require a Party to disclose Confidential Materials or other information to another Party. Each Party retains full discretion as to what Confidential Materials, if any, it discloses through this Agreement. Any disclosing Party that has disclosed Confidential Materials to a receiving Party under this Agreement may request in writing for the return of Confidential Materials, in which case such materials shall be returned to the disclosing Party within a reasonable time and without being copied or otherwise reproduced in any way by the receiving Party.

11. Each Party extends the following waivers to the other Parties and their respective legal counsel: (A) the fact that legal counsel, consultants, or experts for a Party may advise and assist another Party in relation to this Agreement shall not be used as a basis for seeking to disqualify such legal counsel, consultants, or experts from representing a Party in connection with the SGMA Issues, the Proceedings, or any other present or future matter(s), and each Party hereby waives the right to object to, or seek disqualification of, legal counsel, consultants, or experts for the other Parties from continued representation of their respective client by reason of having shared or received Confidential Materials under this Agreement; and (B) legal counsel for a Party shall not be disqualified from examining another Party, or its consultant(s) or expert(s) who testifies at any proceeding simply and solely because of such legal counsel's participation in relation to this Agreement.

12. Nothing in this Agreement, nor the Agreement itself, creates an attorney-client relationship or a duty of loyalty between any attorney and anyone other than the client of that attorney, and no such relationship will be deemed to arise by implication as a result of this Agreement and/or the resulting exchanges of Confidential Materials. This Agreement simply serves to create a duty of confidentiality between the Parties regarding Confidential Materials exchanged pursuant to this Agreement. Each Party shall be free and reserves all rights to maintain separate positions, to obtain additional information or material, and to independently represent their individual interests as they may see such interests without restriction or impairment by this Agreement.

13. Except as otherwise provided in this Agreement, this Agreement shall remain in full force and effect until such time as the Parties agree in writing to terminate the Agreement. Any Party may elect to withdraw from this Agreement. In the event of such withdrawal (1) the withdrawing Party shall provide ten (10) days advance written notification to the other Parties and their respective legal counsel, (2) within thirty (30) days of providing written notice of withdrawal, the withdrawing Party shall return any and all Confidential Materials in its possession that have been provided by any of the other Parties or their respective legal counsel, including any and all materials received by the withdrawing Party after a withdrawing event, and (3) upon the return of all Confidential Materials, this Agreement shall no longer be operative as to a withdrawing Party; provided, however, that upon a withdrawing event or upon termination of this Agreement, all Parties and their respective legal counsel shall remain subject to an ongoing and enforceable obligation to protect, in accordance with the terms of this Agreement, all previous disclosures of Confidential Materials and all Confidential Materials that are not returned by or to any Party as provided herein.

14. Nothing in this Agreement is designed to suppress non-privileged information that would otherwise be disclosable or to violate public policy.

15. The Parties hereto acknowledge and agree that the rights, privileges and interests to be protected by this Agreement are unique, that violation of this Agreement would result in irreparable harm and injury, and that no adequate remedy is available at law for a breach of this Agreement. In addition to any other remedies available, specific performance of this Agreement may be ordered or a breach hereof may be enjoined, or both. This Agreement shall be construed in accordance with the laws of the State of California.

16. Each Party shall be responsible for payment of all fees and expenses incurred by its respective legal counsel, consultants, experts, contractors, and other agents, it being understood and acknowledged by the Parties that no Party will have any obligations to pay or contribute to the fees or expenses incurred by any other Party in relation to activities under this Agreement, unless otherwise agreed upon in writing.

17. No Party, nor its respective elected officials, officers, employees, consultants, experts, contractors, legal counsel, or other agents shall by reason of this Agreement be responsible for any damage or liability occurring by reason of anything done or omitted to be done by any other Party or its respective elected officials, officers, employees, consultants, experts, contractors, legal counsel, or other agents under or in connection with this Agreement.

18. This Agreement may be executed in counterparts (including verifiable facsimile and electronic formats), each of which shall be deemed a binding original, and all of which taken together shall constitute one and the same Agreement.

19. If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall continue to be fully operative, to the extent possible.

20. No amendment, modification, assignment, or waiver of this Agreement shall be binding unless made in writing and signed by the Parties and their respective legal counsel.

21. This Agreement is binding upon the successors and assigns of each of the Parties.

22. Each Party to this Agreement represents and warrants that its signatory to this Agreement has the authority to bind that Party.

IN WITNESS WHEREOF, the Parties have entered this Agreement as of the Effective Date.

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
("PARENT DISTRICT")

By: _____
Kevin Walsh, General Manager

APPROVED AS TO FORM:

YOUNG WOOLDRIDGE, LLP

By: _____
Steve Torigiani, General Counsel for Parent District

ATTEST:
MONA MIYASATO,
COUNTY EXECUTIVE OFFICER
Ex Officio Clerk of the Board of Directors
of the Santa Barbara County Water Agency

ACCEPTED AND AGREED:
SANTA BARBARA COUNTY WATER AGENCY

By: _____
Deputy

By: _____
Gregg Hart, Chair, Board of Directors

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

APPROVED AS TO FORM:
RAY AROMATORIO, ARM, AIC
RISK MANAGER

By: _____
Deputy

By: _____

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT,
IMPROVEMENT DISTRICT NO. 1 (“ID NO.1”)

By: _____
Paeter Garcia, General Manager

APPROVED AS TO FORM:

BROWNSTEIN HYATT FARBER SCHRECK

By: _____
Gary Kvistad, General Counsel for ID No.1

CITY OF SOLVANG (“CITY”)

By: _____
Xenia Bradford, Acting City Manager

APPROVED AS TO FORM:

PRICE, POSTEL & PARMA LLP

By: _____
Chip Wullbrandt, City Attorney for City of Solvang

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DIRECTORS:

DIVISION 1
CYNTHIA ALLEN, President
Lompoc

DIVISION 2
STEPHEN E. JORDAN
Lompoc

DIVISION 3
MARK ALTSHULER
Vandenberg Village - Mission Hills

DIVISION 4
ART HIBBITS
Buellton - Lompoc

DIVISION 5
J. BRETT MARYMEE
Solvang - Santa Ynez

Santa Ynez River

WATER CONSERVATION DISTRICT

P.O. Box 719 - 3669 Sagunto Street, Suite 101
Santa Ynez, California 93460
Telephone: (805) 693-1156

March 4, 2020

GENERAL MANAGER:

KEVIN D. WALSH

SECRETARY:

AMBER M. THOMPSON

TREASURER:

WILLIAM J. BUELOW, PG

CONSULTANTS:

STEVE TORIGIANI
General Counsel

STETSON ENGINEERS
Engineer

Board of Directors
SANTA YNEZ RIVER
WATER CONSERVATION DISTRICT
P.O. Box 719
Santa Ynez, California 93460

Re: Preliminary 42nd Annual Engineering Survey and Report on Water Supply Conditions of the Santa Ynez River Water Conservation District, Fiscal Year 2019-20

Dear Board Members:

Transmitted here is the Preliminary 42nd Annual Engineering Survey and Report on Water Supply Conditions of the Santa Ynez River Water Conservation District (District) for Fiscal Year 2019-2020. It presents information on the revenues collected and groundwater production through February 12, 2020. When the Spring 2020 water-level data become available, this report will be finalized by Stetson Engineers to reflect the current hydrologic conditions.

The Board has established six groundwater charge zones for the District, which are described below:

- Zone A District portion of Santa Ynez River alluvial channel from San Lucas Bridge downstream to Lompoc Narrows.
- Zone B District portion of the Lompoc Plain, Lompoc Upland and the Lompoc Terrace groundwater basins.
- Zone C All other portions of the District not included in Zones A, B, D, E, and F.
- Zone D District portion of the Buellton Upland basin.
- Zone E District portion of the Santa Ynez Upland basin.
- Zone F District portion of the Santa Rita Upland basin.

For Fiscal Year 2019-20 the Board established the following groundwater charge rates, in dollars per acre-foot of production, for each zone:

GROUNDWATER CHARGE RATES FOR FY 19-20 (DOLLARS)			
ZONE	AGRICULTURE	OTHER	SPECIAL IRRIGATION
A	7.15	25.00	14.30
B	7.15	25.00	14.30
C	7.15	25.00	14.30
D	7.15	25.00	14.30
E	7.15	25.00	14.30
F	7.15	25.00	14.30

Revenues

Revenues collected by the District through February 12, 2020 on groundwater production during the following time frames are as follows:

Fiscal Year (FY) 2018-19	(July '18 through June '19)	\$550,167.80
First Half FY 2019-20	(July '19 – December '19)	\$203,697.67
Years Prior to FY 2018-19		\$1,847.96

Groundwater Production

Summarized below is the reported water production in acre feet within the District as of February 12, 2020 for FY 2018-19:

WATER PRODUCTION FOR FY 18-19 (ACRE-FEET)				
ZONE	AGRICULTURE	OTHER	SPECIAL IRRIGATION	TOTAL
A	10,877.56	2,107.51	639.47	13,624.54
B	15,942.98	5,837.71	671.29	22,451.98
C	36.16	1,153.02	11.90	1,201.08
D	1,850.73	590.80	27.00	2,468.53
E	2,749.60	1,476.16	7.34	4,233.10
F	2,021.15	140.33	0.00	2,161.48
TOTAL	33,478.18	11,305.53	1,357.00	46,140.71

The above total water production reported for FY 2018-19 as of February 12, 2020 is 91.27 percent of the total water production reported for FY 2017-18 as of February 14, 2019.

The reported water production in acre-feet within the District as of February 12, 2020 for the first half of FY 2019-20 is as follows:

WATER PRODUCTION FOR FIRST HALF OF FY 19-20 (ACRE-FEET)				
ZONE	AGRICULTURE	OTHER	SPECIAL IRRIGATION	TOTAL
A	4,099.85	975.60	412.86	5,488.31
B	7,025.93	1,103.63	267.08	8,396.64
C	1.69	457.59	7.18	466.46
D	1,556.02	268.92	11.00	1,835.94
E	1,191.03	642.31	2.12	1,835.46
F	1,026.96	63.33	0.00	1,090.29
TOTAL	14,901.48	3,511.38	700.24	19,113.10

The above total water production reported in acre feet for the first half of FY 2019-20 as of February 12, 2020 is 94.71 percent of the total water production reported for the first half of FY 2018-19 as of February 14, 2019.

Additional production that actually occurred prior to FY 2018-19 was reported during the current FY 2019-20. That late reported production, in acre-feet, is as follows:

PRIOR WATER PRODUCTION REPORTED IN FY 19-20 (ACRE-FEET)				
ZONE	AGRICULTURE	OTHER	SPECIAL IRRIGATION	TOTAL
A	189.86	17.25	0.00	207.11
B	0.00	2.37	0.00	2.37
C	0.00	0.00	0.00	0.00
D	0.00	7.24	0.00	7.24
E	35.00	4.04	0.00	39.04
F	0.00	1.60	0.00	1.60
TOTAL	224.86	32.50	0.00	257.36

The above late water production reported for years prior to FY 2018-19 as of February 12, 2020 is 9.80% percent of the total water production reported for years prior to FY 2017-18 as of February 14, 2019. The extensive follow-up and registration of numerous unregistered producers and collection from late producers associated with escrow closures resulted in the significant increase in late water production reported during the previous fiscal year.

Well Registration

As of February 12, 2020, there are 1,145 wells registered with the District. Of that number, 926 are active and 219 are inactive.

Major Producers

The major water producers, those reporting pumpage by ownership and/or lease during FY 18-19, as of February 12, 2020 are as follows:

Producer	2018-19 Production (Acre-Feet)
Zone A	
Acin Farms	1,687
Espinoza / Big E Produce (also in Zone B)	963
SYRWCD, ID #1 (also in Zone E)	794
City of Buellton (also in Zone D)	683
Jackson, Palmer (The Alisal)	554
Wygod, Martin (River Edge & Anvil Farms)	527
Sea Smoke, Rita's Crown & Southing Holdings	476
Rancho LaVina	470
City of Solvang (also in Zones C and E)	195
LTC Rancho Sanja Cota (was Gainey, also Zone E)	73
Campbell Ranches (also in Zones B, D and F)	46
Williams, Norman (also in Zone D)	44
Zone B	
City of Lompoc (Parks Dept. & Water Div.)	4,320
Santa Barbara Farms (Witt/Guerra)	4,172
Lompoc Farming	3,257
Espinoza / Big E Produce (also in Zone A)	2,393
Campbell Ranches (also in Zones A, D and F)	1,944
Vandenberg Village CSD	1,188
U.S. Penitentiary Farm	825
Hibbits (Ranch and Family Trust)	599
Mission Hills CSD	541
Wineman, Edward	307
Bodger & Sons Company	134

Producer	2018-19 Production (Acre-Feet)
Zone C	
Imerys (was Celite Corporation)	827
City of Solvang (also in Zone A and E)	194
Zone D	
Buell, James (incl. Marcelino, LLC)	546
Foley Estates Vineyards (also in Zone F)	371
City of Buellton (also in Zone A)	357
Williams, Norman (also in Zone A)	230
Campbell Ranches (also in Zones A, B and F)	17
Zone E	
SYRWCD, ID #1 (also in Zone A)	927
City of Solvang (also in Zones A and C)	26
Zone F	
Campbell Ranches (also in Zones A, B and D)	438
Foley Estates Vineyards (also in Zone D)	384
Oak Hills Ranch (was A & M Farms)	355

Findings and Determinations

The required and pertinent information necessary for the Board of Directors of the District to make the necessary determinations required by law will be prepared and included in the final 42nd Annual Report which will be prepared upon receipt of the Spring 2020 water-level data.

Sincerely,

SANTA YNEZ RIVER
WATER CONSERVATION DISTRICT



William Buelow, PG #8189
Groundwater Program Manager

WB/sjs