

Regular Meeting of the
BOARD OF DIRECTORS
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
will be held at **6:30 pm, Wednesday, June 2, 2021**

VIDEO/TELECONFERENCE MEETING ONLY – NO PHYSICAL LOCATION

Public Participation Dial-In Number: 1-267-866-0999

Meeting ID / Passcode: 9628 31 4611

Public participants can view presentation materials and live video on their device.

Website: app.chime.aws (or download *Amazon Chime* app),

“[Join a meeting without an account](#)”, Meeting ID: 9628 31 4611

You do NOT need to create an Amazon Chime account or login with email for meeting participation.

- Public participant phones and microphones will be muted, and webcams disabled.
- Live Chat Text (online users only) will be enabled for questions.
- If your device does not have a microphone or speakers, you can also call Phone Number & log in with Meeting ID listed above to listen while viewing the live presentation online.

Teleconference Meeting During Coronavirus (COVID-19) Emergency: As a result of the COVID-19 emergency and Governor Newsom’s Executive Orders to protect public health by issuing shelter-in-home standards, limiting public gatherings, and requiring social distancing, this meeting will occur solely via teleconference as authorized by and in furtherance of Executive Order Nos. N-29-20 and N-33-20. **Virtual meeting is in accordance with the latest Santa Barbara County Health Office Order.**

Important Notice Regarding Public Participation in Teleconference Meeting: Those who wish to provide public comment on an Agenda Item, or who otherwise are making a presentation to the Board of Directors, may participate in the meeting using the dial-in number and passcode above. Those wishing to submit written comments instead, **please submit comments and materials to the District via electronic mail at athompson@syrwcd.com.** All submittals of written comments must be received by the District no later than 5:00 p.m. on Tuesday, June 1, 2021 and should indicate **“PUBLIC COMMENT”** in the subject line. To the extent practicable, public comments and materials received in advance pursuant to this timeframe will be read into the public record during the meeting. Public comments and materials not read into the record will become part of the post-meeting Board packet materials available to the public and posted on the District’s website.

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

AGENDA OF REGULAR MEETING

- I. Call to Order and Roll Call
- II. Additions, if any, to the Agenda
- III. 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.)

- IV. Public Hearing on the 43rd Annual Engineering Survey and Report on Water Supply Conditions of the Santa Ynez River Water Conservation District, 2020-2021 (6:30 p.m.)
- V. Consideration of the Minutes of the Special Meeting of April 28, 2021
- VI. General Manager Report – Status, discussion and possible Board action on the following subjects:
 - A. Fiscal Year 2021-22 Budget
 - B. Fiscal Year 2021-22 Groundwater Charge Rates
 - C. Consideration of Resolution 702 Setting Groundwater Charges
 - D. Financial Reports, Monthly Warrants, and 3rd Quarter Investment Report
 - E. Water Rights Release
 - F. Downstream User Accounting
 - G. Reservoir and Rainfall Status
 - H. Consider Audit Engagement for Fiscal Year 2020-21
 - I. 2022 Re-Districting
- VII. Groundwater Program Manager Report:
 - A. Groundwater Production, Reporting, and Charges
 - B. SGMA Update
- VIII. District Administrator and Secretary Reports
 - A. COVID-19 Compliance
 - B. Status of Future Public Meetings
- IX. Attorney Report
- X. Reports, acts by Board members, questions of staff, status reports, announcements, observations, and other matters, and/or communications not requiring action
- XI. Requests from the Board of Directors for items to be included on the next Agenda.
- XII. The next Regular Meeting is scheduled for September 1, 2021, location TBD.

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.

XIII. Closed Session

To accommodate the teleconferencing format of this meeting, the public participation phone line will be closed for a specified amount of time while the Board of Directors convenes into closed session. Upon the conclusion of the specified amount of time, the public participation phone line will be reopened for the remaining Agenda Items.

The Board will hold a closed session to discuss the following items:

- A. Conference with Legal Counsel - Pending Litigation (Gov. Code, § 54956.9, subd. (d)(1)): Wolff vs SYRWCD, Superior Court of California, County of Santa Barbara, Case No. 20CV01552
- B. Conference with Legal Counsel – Pending Litigation (Gov. Code, § 54956.9, subd. (d)(1)) relating to 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; proposed changes to the place and purpose of use of waters obtained through aforementioned permits for the Cachuma Project; and Reclamation’s Petition for Reconsideration or Rehearing re Order WR 2019-0148; and proceedings related to SWRCB Permit No. 15878 (Application A022423) held by the City of Solvang including the City of Solvang’s Petitions for Change and Extension of Time.
- C. Conference with Legal Counsel – Anticipated Litigation (Gov. Code, § 54956.9, subd. (d)(2)): Significant exposure to litigation (One Matter).
- D. Conference with Legal Counsel – Anticipated Litigation (Gov. Code, § 54956.9, subd. (d)(4)): Possible initiation of litigation (One Matter).

XIV. Reconvene into Open Session / Closed Session Report

XV. Adjournment

[This agenda was posted on the District’s website (www.syrwcd.com) and at 3669 Sagunto Street, Suite 101, Santa Ynez, California, and notice delivered in accordance with Government Code Section 54954. In compliance with the Americans with Disabilities Act, if you need special assistance to review agenda materials or participate in this meeting, please contact the District at (805) 693-1156. Notification 72 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.]

DRAFT MEETING MINUTES

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

April 28, 2021

A special meeting of the Board of Directors of the Santa Ynez River Water Conservation District was held on Wednesday, April 28, 2021. As a result of the COVID-19 emergency and Governor Newsom's Executive Orders to protect public health by issuing shelter-in-home standards, limiting public gatherings, and requiring social distancing, this meeting occurred solely via teleconference as authorized by and in furtherance of Executive Order Nos. N-29-20 and N-33-20 and in accordance with the Santa Barbara County Health Office Order 2021-12.7.

Directors Present: Cynthia Allen Mark Altshuler Steve Jordan Brett Marymee

Director Absent: Art Hibbits

Others Present: General Manager Kevin Walsh, Groundwater Program Manager Bill Buelow, Board Secretary Amber Thompson, Legal Counsel Steve Torigiani, and Curtis Lawler (Stetson Engineers)

I. CALL TO ORDER AND ROLL CALL

President Allen called the meeting to order at 6:38 p.m. Ms. Thompson called roll. All Directors except for Director Hibbits were present providing a quorum.

II. ADDITIONS, IF ANY, TO THE AGENDA

There were no additions to the agenda.

III. PUBLIC COMMENT

There was no public comment. Ms. Thompson announced she did not receive any public comments prior to the meeting.

IV. CONSIDERATION TO APPROVE MINUTES

President Allen submitted the minutes of the special meeting of March 10, 2021 for Board approval. Director Marymee made a MOTION to approve the minutes. Director Jordan seconded the motion and it passed by the following roll call vote:

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

V. PUBLIC HEARING ON THE 43RD ANNUAL ENGINEERING SURVEY AND REPORT ON WATER SUPPLY CONDITIONS OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, 2020-2021

President Allen opened the public hearing. Ms. Thompson announced that she received the 43rd Annual Engineering Survey and Report on Water Supply Conditions of the Santa Ynez River Water Conservation District for 2020-2021 on April 21, 2021, the Public Hearing was properly noticed, and the full report is available to the public on the District's website (SYRWCD.com). Mr. Buelow, Groundwater Program Manager, provided a review of the report including changes derivative of Director comments and requests on the 42nd Annual Report.

Discussion followed. There was no public comment.

President Allen closed the public hearing and continued the hearing to the June 2, 2021 Special Board meeting to allow the public 30 days to review the report.

VI. GENERAL MANAGER REPORT

A. Retirement Plan Changes

Mr. Walsh reviewed Memorandum dated March 10, 2021 regarding Retirement Plan Changes. He proposed the District change the policy for matching of the voluntary 457 Plan contribution from two-to-one basis to a one-to-one basis, effective July 1, 2021. Discussion followed.

Director Marymee made a MOTION to approve the District to match the voluntary 457 Plan contribution dollar for dollar up to a maximum of 7% of the employee's annual base salary. Director Altshuler seconded, and it passed by the following roll call vote:

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

B. Three-Year Budget and Rate Options

Mr. Walsh presented the Budget Worksheet for FY 2021-22, FY 2022-23, and FY 2023-24. He reviewed the impacts of a proposed 3% increase in Groundwater Charge Rates over the next three fiscal years. Discussion followed, no action.

C. Draft Preliminary Budget FY 2021-22

Mr. Walsh presented the Preliminary Draft Budget for FY 2021-22 and reviewed his Memorandum dated April 28, 2021 regarding the same topic. There were no comments and no action.

D. Redistricting – Census Review of Division Boundaries

Mr. Walsh reviewed his Memorandum dated April 28, 2021 regarding Redistricting – Review of Division Boundaries. He advised that as the 2020 Census shows population changes then Divisions may need to be changed by March 2022. Discussion followed, no action. Director Marymee requested to see a map of the District divisions with 2010 census populations reflected.

E. 2021-22 Drought Outlook

Mr. Walsh reviewed the Rainfall and Reservoir Summary of April 19, 2021 and the 2021-22 drought outlook. Discussion followed, no action.

F. 2021 Water Rights Releases

Mr. Walsh announced he anticipates a downstream release of 8,000 to 12,000 acre-feet beginning as soon as July 2021 or more likely August as discussed in his email regarding Preliminary Schedule: SYRWCD 89-18 Water Rights Release for 2021 dated April 23, 2021. There were no comments and no action.

VII. GROUNDWATER PROGRAM MANAGER REPORT

A. Groundwater Production, Reporting, and Charges

Mr. Buelow reviewed income received from Groundwater Pump Charges and Groundwater Production reported to date since January 1, 2021. There were no comments and no action.

B. Sustainable Groundwater Management Act (SGMA)

1. Receive GSP Consultant Update

Mr. Buelow reported that GSAs have released Draft Water Budget Tech Memos for the EMA, WMA, and CMA. Public review periods for the documents extend through early May 2021. Citizen Advisory Groups for each Management Area continue to review and discuss each section of the GSP released for public comment. There were no comments and no action.

2. Receive GSP Stakeholder Engagement Update

Mr. Buelow reported that staff distributed the third SGMA Newsletter to District constituents. Distribution of the SGMA Newsletters has resulted in increased website visits to SantaYnezWater.org. There were no comments and no action.

3. Receive Telecon Memorandum of Conversation with DWR

Mr. Buelow presented his Staff Memorandum dated April 19, 2021 summarizing multiple emails and a telephone conversation on 4-15-2021 between District staff and

DWR staff, A. Regmi, regarding status of the Santa Ynez River Alluvium with SGMA GSPs. There were no comments and no action.

4. Receive Financial Update for GSP Projects

Mr. Buelow reviewed Estimates to Complete for EMA, CMA and WMA received from Stetson Engineers. Discussion followed, no action. Director Altshuler requested Stetson provide details regarding any overruns that may be projected.

VIII. ATTORNEY REPORT

Mr. Steve Torigiani reported on a couple of legislative items.

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

Director Marymee reported he recently attended a videoconference regarding climate change at which Mr. Buelow presented about Environmental Awareness in Lompoc. He commended Mr. Buelow on an excellent presentation and his outreach for SGMA efforts.

Mr. Buelow announced that he was invited to present about SGMA to Solvang City Council and will do so at their next meeting.

President Allen announced that she will be attending CSDA Legislative Days on May 18 and 19, 2021 with costs paid for by Santa Barbara CSDA.

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

There were no requests.

XI. NEXT REGULAR MEETING AND PUBLIC HEARING, JUNE 2, 2021

The next Regular Board meeting is scheduled for Wednesday, June 2, 2021 at 6:30 p.m. and will include another Public Hearing on the 43rd Annual Engineering Survey and Report on Water Supply Conditions of the Santa Ynez River Water Conservation District for 2020-2021, location to be determined. Due to COVID-19 restrictions, it may be held via video/teleconference call.

XII. CLOSED SESSION

At 9:05 p.m., the Board recessed for ten minutes then convened into Closed Session from 9:15 p.m. to 9:34 p.m. to discuss the following items:

- A. Conference with Legal Counsel - Pending Litigation (Gov. Code, § 54956.9, subd. (d)(1)): Wolff vs SYRWCD, Superior Court of California, County of Santa Barbara, Case No. 20CV01552

- B. Conference with Legal Counsel – Pending Litigation (Gov. Code, § 54956.9, subd. (d)(1)) relating to 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; proposed changes to the place and purpose of use of waters obtained through aforementioned permits for the Cachuma Project; and Reclamation’s Petition for Reconsideration or Rehearing re Order WR 2019-0148; and proceedings related to SWRCB Permit No. 15878 (Application A022423) held by the City of Solvang including the City of Solvang’s Petitions for Change and Extension of Time.
- C. Conference with Legal Counsel – Anticipated Litigation (Gov. Code, § 54956.9, subd. (d)(2)): Significant exposure to litigation (One Matter).
- D. Conference with Legal Counsel – Anticipated Litigation (Gov. Code, § 54956.9, subd. (d)(4)): Possible initiation of litigation (One Matter).

XIII. RECONVENE OPEN SESSION/REPORT FROM CLOSED SESSION

President Allen advised there is nothing to report from Closed Session.

XIV. ADJOURNMENT

There being no further business, President Allen adjourned the meeting at 9:35 p.m.

Cynthia Allen, President

Amber M. Thompson, Secretary

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

MEMORANDUM

DATE: June 2, 2021

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

FROM: Kevin D. Walsh

SUBJECT: General Manager Report

A. FY 2021-22 Budget

See attached Memo.

B. FY 2021-22 Groundwater Charge Rates

See attached Memo.

C. Consideration of Resolution 702 Setting Groundwater Charges

Recommend: Motion to Adopt Resolution 702, waive reading.
(Roll Call vote.)

D. Financial Reports, Monthly Warrants, and 3rd Quarter Investment Report

- Income Statements for Periods 1-10 are attached.
- Monthly Balance Sheet of April 30, 2021 is attached.
- Monthly Warrants are attached.
Recommend Motion to Approve March, April & May Warrants
(Roll Call vote.)
- Certification for 3rd Quarter Investment Report is attached.

E. Water Rights Release

Gin Chow. The calculations show that a very small release could be made this year. However, after the 2020 reconciling of the amount released and the actual accounting, last year's release was slightly larger than it should have been. Therefore, this year's accrual will be credited against the overage from last year.

Water Rights Order 89-18. A release from Bradbury Dam is tentatively planned for this summer. The release amount, if any, and the duration, are unknown at this time.

F. Downstream User Accounting

Summary and Graphs are attached.

G. Reservoir and Rainfall Status

In October or perhaps before, Lake Cachuma will approach the 100,000 acre-foot trigger for cutbacks in allocations to the south coast. The percentage reduction from the normal 25,714 acre-feet is not known. This only affects project water for the Cachuma participants. The Downstream accounting is based on a different methodology.

H. Consider Audit Engagement for FY 2020-21 with Bartlett, Pringle and Wolf

Last year, the firm Bartlett, Pringle, and Wolf (BPW) performed the audit for Fiscal Year 2019-20 for a cost of \$10,700. The Board was well pleased with the effort and staff is recommending that we engage them for the 2020-21 audit for an estimated cost of \$11,200. (BPW is also engaged by the District to assist with the SGMA accounting.)

Recommend: Motion to approve FY 2020-21 Audit Engagement with Bartlett, Pringle, and Wolf for the amount of \$11,200.
(Roll Call vote.)

I. 2022 District Redistricting

While Elections Code 22000 does not specify just what constitutes equal population, I think the “10% differential rule” and “equal as far as practical” approach between any two divisions would work good for the District, assuming all other things being equal. The District will try to also adjust to surface and ground water hydrology, keeping cities and special districts intact to the extent possible, getting a balance between our rural agriculture roots and the urban areas, and considering the three GSAs when making choices.

Population changes since 2010 may not change the population differential between existing divisions greater than 10%. In that case, I am not inclined to recommend any changes to the District divisions.

California Elections Code and U.S. Code governing the District are attached.

KDW/amt

Enclosures

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

MEMORANDUM

DATE: June 2, 2021

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

FROM: Kevin D. Walsh

SUBJECT: Final Budget 2021-2022

Recommendation

- Adopt Fiscal Year 2021-2022 Budget (Roll Call Vote)

Discussion

INCOME:

Groundwater Charge Rates. Per the Board's direction at the April 28, 2021 meeting, Groundwater Charge Rates are increased to a nominal 3% (rounded up) and production amounts based on an average of the last 5-years of reported production.

Agricultural Water	Current \$ 7.15 increased to \$ 7.40 per acre-foot produced
Special Water	Current \$14.30 increased to \$14.80 per acre-foot produced
Other Water	Current \$25.00 increased to \$26.00 per acre-foot produced

Note: For all municipal suppliers, water production has not returned to pre-drought levels.

Property Tax Revenue. The County of Santa Barbara projects a 3% increase from last year, which is used for the Budget estimate.

Investment Income. Most of our Reserves are deposited with the State Local Investment Fund (LAIF), which invests mostly in shorter term Treasuries for safety and liquidity. Investment Income for FY 2021-22 is based on the most recent LAIF daily interest rate of 0.33%. The average interest rate two years ago was just over 2%.

SGMA Grant Reimbursements. Reimbursements from the two Department of Water Resources (DWR) grants are projected to comprise solely of the 10% withheld on the previous disbursements.

EXPENSES:

Internal Operations and Office Expenses are estimated to be about 9.25% more than the FY 2020-21 budgeted amounts. The increase is primarily due to a 3% Cost of Living salary adjustment, a 2% increase in the retirement plan match, increased efforts in Groundwater Charges Program and a change in the District Administrator position from three-quarter time to full time.

Legal and Engineering Expenses are budgeted in the same amounts as FY 2020-21. The State Water Board released Water Rights Order (WRO) 2019-0148 on September 17th, 2019. It is expected that an equal amount of the Legal and Engineering efforts on this new WRO will occur in FY 2021-22 with the same intensity as in the prior fiscal year. This is due to the mandated reports and studies regarding downstream water releases in the new WRO, plus our involvement in an expected new Biological Opinion (BiOp) issued by the National Marine Fisheries which may significantly affect Cachuma Project Operations. Our concerns involve issues regarding mandated Cachuma water releases to river for the endangered steelhead trout. These flows from Bradbury Dam could have an impact on the District's own separate water rights release rates, volumes, amounts, and timing.

Sustainable Groundwater Act (SGMA). Work on the Groundwater Sustainability Plans (GSP's) for the three Groundwater Sustainability Agencies (GSA's) is expected to be completed in early 2022.

Immediately after submittal of the GSP's, work on implementation of the plans is required to begin. In addition, the first annual basin status reports must be submitted to DWR by April 2022. The District's share of this work is currently unknown. It is hoped that some portion at least will be offset by available DWR Grant, which cannot be applied for until the GSP's are completed. Attached is a Three-Year Summary & Forecast of all SGMA Planning Expenses and Grant Reimbursements.

Contingencies are set at the same amount as FY 2019-20: \$50,000.

(Note: The District has never had, and does not now have, any debt expense.)

RESERVES:

The District has set a goal of \$2.0 million in total reserves. Of this amount, \$1.6 million is earmarked for legal and engineering services mostly surrounding the activities of State Water Control Resources Board water rights orders and decisions. The remaining \$400,000 is for other contingencies, such as un-expected large expenditures, rate stabilization, and a contingency for potential litigation.

In recent years reserves have provided rate stabilization. This will be the fourth consecutive year when Expenses are exceeding Revenues. Transfers out of reserves for FY 2021-22 will be significantly less than last year as the SGMA planning efforts winds

down. Next year, it is expected that Expenses will be exactly balanced against Reserves, and perhaps even a small building back up of what has been depleted.

Budget projections for FY 2021-22 show that June 30, 2022 year-end amounts will be below the \$2.0 million goal by \$158,500.

FUTURE YEARS

Currently unknown are future year costs to this District for continued participation in the three SGMA Groundwater Sustainability Agencies (or some other governmental structure), and the long-term costs for the implementation of the Groundwater Sustainability Plans (GSP's). Hopefully, a separate funding mechanism will be in place for all future SGMA activities.

BUDGET WORKSHEET
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT BUDGET
JULY 1, 2021 - JUNE 30, 2022

(10-month actuals) **PRELIMINARY DRAFT** (revised 5/27/2021)

	2020-21	2020-21 <u>As of</u> <u>May 17</u>	2020-21	2021-22 approx 3% Rate Increase
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>BUDGET</u>
REVENUES:				
Groundwater Charge Rates	535,000	584,631	585,000	585,000
SB County Property Taxes	321,000	315,540	326,000	335,800
Interest Income	26,000	10,699	12,800	8,400
SGMA Grant Reimbursement	323,000	257,800	257,800	48,133
TOTAL INCOME	\$ 1,205,000	\$ 1,168,670	\$ 1,181,600	\$ 977,333
EXPENSES				
<u>Internal Operations / Expenses</u>				
Employee Salaries	354,000	312,550	359,000	387,000
Payroll (SS and Medicare)	27,000	22,739	27,000	28,000
Employee Benefits	6,000	4,661	5,100	5,300
Retirement Plan Contributions	17,700	14,896	17,200	27,000
Outside Services	5,000	3,153	5,000	5,000
Office Expense	34,000	29,680	34,000	34,000
Director Fees	3,000	1,275	2,000	6,000
Travel & Training	7,000	419	600	7,000
Annual Audit	10,700	-	10,700	11,200
Insurance & Worker's Comp	16,000	17,859	17,859	18,000
Dues and LAFCO Fees	6,500	2,426	2,500	2,700
Groundwater Charges Program	45,000	40,298	48,000	50,000
Miscellaneous	3,000	500	500	3,000
SUB-TOTAL INTERNAL OPERATIONS	534,900	450,456	529,459	584,200
<u>Legal</u>				
General & Misc.	10,000	7,808	10,000	10,000
Downstream Releases / Upper SYR Operations	5,000	-	5,000	5,000
WR Decision (2019-0148)	25,000	17,731	25,000	25,000
Fisheries Issues	25,000	8,983	15,000	20,000
Employment/HR	5,000	-	5,000	5,000
Groundwater Program	0	4,346	5,000	5,000
SUB-TOTAL LEGAL	70,000	38,868	65,000	70,000
<u>Engineering / Environmental</u>				
General & Misc.	10,000	1,826	5,000	10,000
Annual GW Report	15,000	17,345	18,000	20,000
Downstream Releases Operations	65,000	46,510	60,000	65,000
Upper SYR Operations	10,000	3,358	5,000	10,000
WR Decision (2019-0148)	25,000	3,920	20,000	25,000
Fisheries Hydrology	40,000	20,084	35,000	35,000
Other Consultants	15,000	-	5,000	15,000
SUB-TOTAL ENGINEERING / ENVIRONMENTAL	180,000	93,043	148,000	180,000
SUSTAINABLE GROUNDWATER ACT (SGMA)	694,000	279,330	300,000	225,000
CONTINGENCIES	50,000	20,581	22,381	50,000
TOTAL EXPENSES	\$ 1,528,900	\$ 882,278	\$ 1,064,840	\$ 1,109,200
INCOME LESS EXPENSES	\$ (323,900)	\$ 286,392	\$ 116,760	\$ (131,867)
RESERVES				
Amount from Reserves	323,900	255,000	255,000	131,867
Reserves, Total Balance	1,873,825	1,962,498	1,965,000	1,841,533

ANTA YNEZ RIVER WATER CONSERVATION DISTRICT
MEMORANDUM

TO: Cynthia Allen Mark Altshuler Art Hibbits Steve Jordan Brett Marymee
Steve Torigiani Ali Shahroody Bill Buelow

FROM: Kevin Walsh

DATE: June 2, 2021

SUBJECT: FY 2021-22 Groundwater Charge Rates

Recommendation

That Groundwater Charge Rates for FY 2021-22 be increase by a nominal 3% as shown on the Groundwater Rate Calculation Worksheet. The new rates will be effective and applied to all water that is produced forward from July 1st, 2021.
(Roll call vote.)

Discussion

There are three categories of Groundwater Charge Rates:

- 1) Agricultural Water: Water used on lands in the production of plant crops or livestock for market.
- 2) Special Irrigation Water: Water used for irrigation of golf courses, schools, cemeteries, and publicly owned historical sites.
- 3) Other Water: All other non-agricultural uses, including drinking water for livestock and pasture irrigation for pleasure farms and animals.

The Groundwater Charge Rates recognize that there are categories of different use patterns, sources, water quality and quantity requirements needed and used. Each levies a different effort and ultimately a financial burden upon the District. The Groundwater Charge Rates establish a reasonable relationship to the burdens on and benefits of the District's activities for each of the three categories.

In making the recommendation for a 3% increase in Groundwater Charge Rates, consideration was given to:

- Groundwater Charge Rates are the only income source over which the District has true control.
- The most recent rate increase was adopted in 2018.
- The rate at which Contingency Reserves are being depleted and how they may be replenished.
- Predicting revenue from Groundwater Charge Rates is problematic, as groundwater use is highly dependent upon weather conditions and other non-determinative factors.
- Reserves can be used for rate stabilization purposes.
- The FY 2021-22 Budget assumes that the Groundwater Charge Rates would be increased by 3% for all Zones and all Categories of use.

The twice-yearly income from Groundwater Charge Rates is received six months in arrears from the production period. For example, for FY 2021-22, income will be from reported groundwater production in calendar year 2021 as follows:

- Income from the 1st semi-annual reporting period (January 1st to June 30th, 2021) will be from water charged at the current rates. Income will begin to be collected on July 1st, 2021.
- Income from the 2nd semi-annual reporting period (July 1st to December 31st, 2021) will be from water charged at the new rates. Income will begin to be collected on January 1st, 2022.

Historical, 5-year Average, and Projected revenues are shown below:

GROUNDWATER RATE CALCULATION WORKSHEET

Rate Increase of 3 % (nominal, rounded)

ALL ZONES ARE SAME RATE					
	<u>AG</u>	<u>Special</u>	<u>Other</u>	<u>Revenue</u>	
18-19	7.15	14.30	25.00	\$ 555,327	*1
19-20	7.15	14.30	25.00	\$ 549,164	*1
20-21	7.15	14.30	25.00	\$ 585,000	*2
5-yr Avg production	7.15	14.30	25.00	\$ 574,255	*3
21-22	7.40	14.80	26.00	\$ 585,000	*4

- *1. FY 2018-19, FY 2019-20: Actual amounts from Independent Auditor Report
- *2. FY 2020-21: May 19, 2021 projected amount
- *3. 5-year average of Groundwater Production (FY 2015-16 through FY 2019-20)
- *4. FY 2021-22: 1st Production Period at current rates; 2nd Production Period at new rates

KDW/amt

RESOLUTION NO. 702

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
MAKING FINDINGS AND DETERMINATIONS, ESTABLISHING ZONES,
SETTING RATES AND LEVYING A GROUNDWATER CHARGE
WITHIN THE DISTRICT FOR THE WATER YEAR 2021-2022**

WHEREAS, the District duly noticed a public hearing, pursuant to Water Code Section 75570 et seq. and in accordance with Section 6061 of the Government Code, for the April 28, 2021 and June 2, 2021 meetings of the District’s Board of Directors (“Board”), which notice, among other information, provided notice of receipt the engineering investigation and report (described below) and hearing thereon and invited all operators of water-producing facilities within the District to examine such report and appear and submit evidence concerning the groundwater conditions and the surface water supplies of the District; and

WHEREAS, said public hearing was held on April 28, 2021, and continued to June 2, 2021, at which time the Board invited interested persons including representatives of operators of water producing facilities within the District to appear and submit evidence and such appearances were duly made and such evidence was duly received; and

WHEREAS, evidence submitted at the April 28, 2021 and June 2, 2021 hearings was in accord with and in support of the continuation of such a charge on all water-producing facilities within the District to finance the District activities and purposes as set forth in Water Code Section 74000 et seq., for the water year 2021-22; and

WHEREAS, evidence was submitted and considered at said hearings regarding the need for specific separate zones to reflect varying benefits for the District’s activities which different areas of the District enjoy; and

WHEREAS, evidence was submitted, and it is hereby found, that continuation of such a charge is exempt from the provisions of the California Environmental Quality Act by Public Resources Code Section 21080(b)(8); and

WHEREAS, an engineering investigation and report (entitled Forty-Third Annual Engineering and Survey Report on Water Supply Conditions of the Santa Ynez River Water Conservation District 2020-2021, dated April 21, 2021) was duly prepared by the District’s consulting engineer, Stetson Engineers, made available for examination as required by law, and submitted to the Board pursuant to Water Code Section 75570 et seq., which report provides specific factual data to permit the District to make findings and determinations as required by law; and

WHEREAS, this District performs essential regulatory activities in managing, protecting, conserving, augmenting, replenishing, and enhancing the water supplies for users within the

District, including groundwater resources within the District. The Groundwater Charge Rates recognize that there are categories of different use patterns, sources, water quality, and quantity requirements needed and used, each of which levy a different effort and ultimately a financial burden upon the District. The groundwater charge rates herein establish a reasonable relationship to the burdens on and benefits of the District's activities for each of the three categories; and

WHEREAS, groundwater charges herein established are levied upon those electing to pump groundwater (as defined in Water Code section 75502) and to the extent of groundwater pumping, and such charges serve a regulatory function to encourage water conservation and provide revenue to assist the District to perform its essential regulatory activities to manage, protect, conserve, replenish, augment, and enhance the water supplies for users within the District, including groundwater resources within the District; and

WHEREAS, it is more efficient and effective for the District to continue to provide these activities, which require concentrated, coordinated action on behalf of all District water users, including groundwater users within the District, who by their extraction of groundwater burden the underlying groundwater basin and benefit from the District's services in a manner that non-fee payors do not, rather than to leave such activities to individuals who could neither afford nor effectively act to protect or augment their water resources as individuals; and

WHEREAS, the groundwater charges fund the continuation of groundwater management services performed by the District to mitigate the burdens imposed on the groundwater basin within the District by groundwater extractors for the benefits of the groundwater basin; and

WHEREAS, such groundwater charges do not exceed the reasonable costs of the District carrying out its activities, and the manner in which the costs are allocated bear a fair or reasonable relationship to the benefits received from the District's activities; and

WHEREAS, existing limitations on property tax revenues, which historically were used to finance District purposes, preclude continuation of District activities without additional financing; and

WHEREAS, the District first implemented a groundwater charge prior to January 1, 1982, to implement the transition from the property taxation system in effect prior to June 1, 1978; and

WHEREAS, the District's groundwater extraction charges do not fund a property related service pursuant to Article XIII.D. of the California Constitution; and

WHEREAS, the groundwater charges are reasonably related to the District's regulatory and groundwater management services and do not generate a surplus for general revenue purposes; and

WHEREAS, this Board determines that it is in the best interest of the residents, landowners, and water users within the District that a groundwater charge and several zones be

established within the District, and that a groundwater charge be levied at the rates provided for herein within those zones upon those that elect to pump groundwater.

NOW, THEREFORE, BE IT RESOLVED, by this Board of Directors as follows:

1. The foregoing recitals of fact are true and correct;
2. The Board hereby makes the following findings and determinations pursuant to Water Code Section 75574:
 - (a) The average annual overdraft for the immediate past ten (10) water years (statutory): 3,050± acre-feet;
 - (b) The estimated annual overdraft for the current (2020-21) water year (statutory): 7,100± acre-feet;
 - (c) The estimated annual overdraft for the ensuing (2021-22) water year (statutory): 7,100± acre-feet;
 - (d) The accumulated overdraft as of the last day of the preceding (2019-20) water year (statutory): 142,000± acre-feet in terms of accumulated dewatered storage. Accumulated overdraft as defined in Water Code Section 75505 is nominal, at this time;
 - (e) The estimated accumulated overdraft as of the last day of the current (2020-21) water year (statutory): 148,700± acre-feet in terms of accumulated dewatered storage. Accumulated overdraft as defined in Water Code 75505 is nominal, at this time;
 - (f) The estimated amount of agricultural water to be withdrawn from the groundwater supplies of the District for the ensuing water year (2021-22); 34,295 acre-feet of agricultural water and 1,735 acre-feet of special irrigation water;
 - (g) The estimated amount of water other than agricultural water or special irrigation water to be withdrawn from the groundwater supplies of the District for the ensuing (2021-22) water year (statutory): approximately 10,940 acre-feet;
 - (h) The estimated amount of water necessary for surface distribution for the ensuing (2021-22) water year (statutory): approximately 4,402 acre-feet scheduled to be delivered by the Central Coast Water Agency to contractors within the District;
 - (i) The amount of water, which is necessary for the replenishment of the groundwater supplies of the District: 148,700± acre-feet to completely replenish accumulated dewatered storage;
 - (j) The amount of water the District is obligated by contract to purchase: The District is not obligated by contract to purchase water.

3. The Board hereby establishes the following zones within the District based on relative benefits of the District’s activities to be received by water producers within such zones:

Zone A: That portion of the Santa Ynez River alluvial channel from San Lucas Bridge downstream to the Lompoc Narrows, as depicted on Figure 2, Page 13, of the “Forty-Third Annual Engineering and Survey Report on Water Supply Conditions of the Santa Ynez River Water Conservation District 2020-21” dated April 21, 2021, which is incorporated herein by reference.

Zone B: The Lompoc area, including the Lompoc Plain, Lompoc Upland and Lompoc Terrace as depicted on said Figure 2;

Zone C: All other portions of the District not included in Zones A, B, D, E and F as depicted on said Figure 2;

Zone D: The Buellton Upland area within the District as depicted on Figure 2;

Zone E: The Santa Ynez Upland area within the District as depicted on Figure 2;

Zone F: The Santa Rita Upland area within the District as depicted on Figure 2;

4. A groundwater charge is hereby levied against all persons operating ground water-producing facilities, and the following rates are hereby established and applied to all water produced from such facilities within each zone as shown below for the fiscal year 2021-22:

<u>Zone A</u>	
Agricultural Water	\$7.40 per acre-foot
Special Irrigation Water	\$14.80 per acre-foot
Other Water	\$26.00 per acre-foot

<u>Zone B</u>	
Agricultural Water	\$7.40 per acre-foot
Special Irrigation Water	\$14.80 per acre-foot
Other Water	\$26.00 per acre-foot

<u>Zone C</u>	
Agricultural Water	\$7.40 per acre-foot
Special Irrigation Water	\$14.80 per acre-foot
Other Water	\$26.00 per acre-foot

Zone D

Agricultural Water	\$7.40 per acre-foot
Special Irrigation Water	\$14.80 per acre-foot
Other Water	\$26.00 per acre-foot

Zone E

Agricultural Water	\$7.40 per acre-foot
Special Irrigation Water	\$14.80 per acre-foot
Other Water	\$26.00 per acre-foot

Zone F

Agricultural Water	\$7.40 per acre-foot
Special Irrigation Water	\$14.80 per acre-foot
Other Water	\$26.00 per acre-foot

5. The Board hereby finds and determines that groundwater producers within Zones A, B, C, D, E, and F all benefit substantially from the District's activities in protecting and defending area water rights against users from outside the District and in regional planning for use and augmentation of water supplies for use within the District and in regional planning for sustainable groundwater basin management; that groundwater producers within Zone A and Zone B benefit specifically from District activities regarding the monitoring of releases from upstream dams and protection of water rights of pumpers within the River alluvial channel and associated groundwater basins against claims and attacks by upstream exporters from the basin; that groundwater producers within Zones A and B benefit specifically from District activities regarding management of water rights releases from Bradbury Dam and water quality studies for the Lompoc area, all parts of which are in hydrologic continuity with each other; and that groundwater producers within Zone D benefit from the District's activities with regard to the Buellton Upland Groundwater Management Plan.

6. The Board hereby establishes the following methods to compute the amounts of water produced from a ground water-producing facility within the District:
 - (a) If the well production is metered by a flow meter, then the meter reading will be utilized.

 - (b) If the well is not metered, but has a separate electric meter, then production may be determined from electrical consumption and pump test results, if available. Annual pump tests shall be run whenever possible with the results of the most recent test used to verify and/or adjust meter readings.

- (c) Production may be estimated based upon type of water use, estimated applied unit use, area irrigated, and types of crops grown on land, or number of connections or persons served, or type and quantity of units produced.
 - (d) Other criteria may be recommended by the District's engineer from time to time which will allow the Board to determine with reasonable accuracy the amount of water produced from a ground water-producing facility.
7. Consistent with Water Code Section 75594, the Board hereby sets the Special Irrigation water rate in each zone at two (2) times the Agricultural rate and the Other Water rate at three and one-half (3.5) times the Agricultural rate.
 8. In accordance with Public Resources Code Section 21080, subd. (b)(8), the Board hereby finds said groundwater charges are for the purposes set forth therein including meeting the District's operating expenses, purchasing or leasing supplies, materials or equipment, and meeting financial reserve needs and requirements.

The foregoing resolution being on motion of _____, seconded by _____, was authorized by the following vote:

AYES, and in favor thereof, Directors:

NOES, Directors:

ABSENT/ABSTAINING, Directors:

I HEREBY CERTIFY that the foregoing resolution is the resolution of said district as duly passed and adopted by said Board of Directors the 2nd of June 2021.

Cynthia Allen, President

Amber M. Thompson, Secretary

SY River Water District
BALANCE SHEET
APRIL 30, 2021

ASSETS

ASSETS

Mechanics Checking #7071-01	\$4,618.73
Mechanics #7311 (GW Revenue)	363,179.28
Mechanics #7313 (2nd MM)	3,186.57
Mechanics #7314 (Grant Funds)	3,096.78
LAIF	1,569,304.38
SBIIF	390,006.93
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

2,333,347.67

TOTAL ASSETS

\$2,333,347.67

LIABILITIES AND EQUITY

LIABILITIES

Accounts Payable	61,416.19
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
SGMA Funds Interest Income	96.78
SGMA Funds Due to other Govts	(556,776.33)

TOTAL LIABILITIES

(495,263.36)

TOTAL LIABILITIES

(495,263.36)

RESERVES

Unappropriated Reserves	2,428,117.57
RETAINED EARNINGS-CURRENT YEAR	400,493.46

TOTAL RESERVES

2,828,611.03

TOTAL LIABILITIES AND EQUITY

\$2,333,347.67

SY River Water District
 INCOME STATEMENT
 FOR THE 10 PERIODS ENDED APRIL 30, 2021

	PERIOD TO DATE			YEAR TO DATE		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
INCOME						
DWR Grant Reimbursement	\$.00	.00	.00	354,458.08	242,250.00	112,208.08
Ground Water Charges	4,758.42	4,000.00	758.42	581,426.48	535,000.00	46,426.48
SB Co. Property Taxes	126,248.29	110,000.00	16,248.29	315,540.20	290,000.00	25,540.20
Interest Income, all sources	26.43	.00	26.43	10,698.77	19,500.00	(8,801.23)
Miscellaneous Income	.00	.00	.00	88.89	.00	88.89
TOTAL INCOME	131,033.14	114,000.00	17,033.14	1,262,212.42	1,086,750.00	175,462.42
GROSS PROFIT	131,033.14	114,000.00	17,033.14	1,262,212.42	1,086,750.00	175,462.42
EXPENSES:						
EXPENSES, OPERATIONS						
Employee Compensation	29,778.08	29,500.00	(278.08)	296,904.92	295,000.00	(1,904.92)
Payroll (SS & Medicare)	2,312.44	2,250.00	(62.44)	21,467.46	22,500.00	1,032.54
Employee Benefits	1,139.32	500.00	(639.32)	5,021.45	5,000.00	(21.45)
Retirement Costs	744.47	1,475.00	730.53	13,369.65	14,750.00	1,380.35
Outside Staff Support	300.00	416.67	116.67	3,153.00	4,166.70	1,013.70
Director Fees	300.00	250.00	(50.00)	975.00	2,500.00	1,525.00
Ground Water Charges Admin.	4,867.27	3,750.00	(1,117.27)	40,262.20	37,500.00	(2,762.20)
Office Supplies-Incl Computer	218.54	250.00	31.46	4,688.13	2,500.00	(2,188.13)
IT Services	.00	166.67	166.67	341.25	1,666.70	1,325.45
Communications	284.01	541.67	257.66	5,224.49	5,416.70	192.21
Travel & Subsistence	.00	583.33	583.33	418.98	5,833.30	5,414.32
Audit/Accounting	.00	.00	.00	.00	10,700.00	10,700.00
Insurance, Bonds, Work. Comp	.00	.00	.00	17,858.86	16,000.00	(1,858.86)
Misc. Expense	.00	250.00	250.00	499.73	2,500.00	2,000.27
Dues	.00	.00	.00	2,094.00	2,000.00	(94.00)
Tax Admin Fee/LAFCO Cost	.00	4,000.00	4,000.00	332.00	4,500.00	4,168.00
Office Occupancy	1,672.05	1,875.00	202.95	17,925.63	18,750.00	824.37
Credit Card Processing Fees	.00	.00	.00	35.93	.00	(35.93)
TOTAL EXPENSES, OPERATIONS	41,616.18	45,808.34	4,192.16	430,572.68	451,283.40	20,710.72
EXPENSES, SGMA						
SGMA General	517.19	.00	(517.19)	2,460.30	.00	(2,460.30)
SGMA WMA	.00	33,027.83	33,027.83	67,853.04	330,278.30	262,425.26
SGMA CMA	.00	23,263.83	23,263.83	192,908.35	232,638.30	39,729.95
SGMA EMA	150.00	1,541.67	1,391.67	(17,635.00)	15,416.70	33,051.70
TOTAL EXPENSES, SGMA	667.19	57,833.33	57,166.14	245,596.69	578,333.30	332,746.61
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	1,094.66	833.33	(261.33)	7,808.05	8,333.30	525.25
WR89-18	.00	.00	.00	.00	.00	.00
Upper SYR Ops	.00	1,000.00	1,000.00	.00	1,000.00	1,000.00

SY River Water District
INCOME STATEMENT
FOR THE 10 PERIODS ENDED APRIL 30, 2021

	PERIOD TO DATE			YEAR TO DATE		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
EXPENSES, LEGAL	(Continued)					
WR 2019-0148 Decision; EIR	\$1,787.25	2,083.33	296.08	17,731.25	20,833.30	3,102.05
Fisheries, Legal	4,174.00	.00	(4,174.00)	8,982.50	25,000.00	16,017.50
HR	.00	416.67	416.67	.00	4,166.70	4,166.70
SGMA	5,939.25	.00	(5,939.25)	33,068.00	.00	(33,068.00)
GW Program	.00	.00	.00	4,346.00	.00	(4,346.00)
TOTAL EXPENSES, LEGAL	12,995.16	4,333.33	(8,661.83)	71,935.80	59,333.30	(12,602.50)
EXPENSES, ENGINEER						
General & Misc.	85.73	833.33	747.60	1,825.83	8,333.30	6,507.47
Annual G.W. Report	17,233.83	1,250.00	(15,983.83)	17,344.83	12,500.00	(4,844.83)
WR 89-18 Operations	2,175.64	5,416.67	3,241.03	46,510.26	54,166.70	7,656.44
Upper SYR Operations	118.50	833.33	714.83	3,357.62	8,333.30	4,975.68
WR 2019-0148 Decision; EIR	983.64	2,083.33	1,099.69	3,920.23	20,833.30	16,913.07
Fisheries Hydrology	4,192.50	3,333.33	(859.17)	20,083.93	33,333.30	13,249.37
Fisheries Consulting	.00	1,250.00	1,250.00	.00	12,500.00	12,500.00
TOTAL EXPENSES, ENGINEER	24,789.84	14,999.99	(9,789.85)	93,042.70	149,999.90	56,957.20
EXPENSES, CONTINGENCIES						
All Zones, General	499.62	4,166.67	3,667.05	16,192.66	41,666.70	25,474.04
Tenant Improvements	.00	.00	.00	4,388.43	.00	(4,388.43)
TOTAL EXPENSES, CONTINGENCIES	499.62	4,166.67	3,667.05	20,581.09	41,666.70	21,085.61
TOTAL EXPENSES	80,567.99	127,141.66	46,573.67	861,718.96	1,280,616.60	418,897.64
NET INCOME FROM OPERATIONS	50,465.15	(13,141.66)	63,606.81	400,493.46	(193,866.60)	594,360.06
EARNINGS BEFORE INCOME TAX	50,465.15	(13,141.66)	63,606.81	400,493.46	(193,866.60)	594,360.06
NET INCOME (LOSS)	\$50,465.15	(13,141.66)	63,606.81	400,493.46	(193,866.60)	594,360.06

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
MARCH 2021 WARRANT LIST FOR BOARD APPROVAL

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
ACH	3/2/2021	Payroll	February 16-31, 2021 Salary	\$ 8,645.98
ACH	3/2/2021	Employment Development Dept.	EDD Tax Deposit (Feb. 16-31, 2021)	\$ 683.38
ACH	3/2/2021	Lincoln Financial Group	457 Plan Combined Contributions (#1 March)	\$ 2,730.05
ACH	3/2/2021	Mechanics Bank (Payroll Acct)	Payroll Tax Deposit (Feb. 16-31, 2021)	\$ 4,713.10
5248	3/11/2021	County of Santa Barbara	IRWM Participation Cost 7/1-12/31/2020	\$ 172.89
5249	3/11/2021	Employment Development Dept.	Unemployment Claim - Extended Benefits (COVID)	\$ 1,800.00
5250	3/11/2021	Guardian	March 2021 Life, LTD & ADD Insurance	\$ 293.01
5251	3/11/2021	Jim Heyerly	March 2021 Rent	\$ 1,500.00
5252	3/11/2021	Humana Insurance Co.	March 2021 Dental Insurance	\$ 122.68
5253	3/11/2021	Inklings Printing Co.	Library Project	\$ 60.87
5254	3/11/2021	Alex Pappas	February 2021 SGMA; Groundwater; Surface Water	\$ 718.00
5255	3/11/2021	Pacific Gas & Electric	February 2021 Electric Service	\$ 54.22
5256	3/11/2021	Sophie Buelow	Library Project	\$ 110.00
5257	3/11/2021	Shirley Scales Bookkeeping	February 2021 GW Admin Service	\$ 4,821.74
5258	3/11/2021	Staples Credit Plan	Office Supplies	\$ 329.18
5259	3/11/2021	Stetson Engineers	January 2020 Engineering Service	\$ 946.68
5260	3/11/2021	Amber Thompson	February 2021 Reimbursables	\$ 166.30
5261	3/11/2021	US Bank Corp	February 2021 CalCard	\$ 1,611.37
5262	3/11/2021	Valley Bookkeeping Services	February 2021 Bookkeeping Service	\$ 300.00
5263	3/11/2021	Vision Service Plan	March 2021 Vision Insurance	\$ 20.76
5264	3/11/2021	Judith K. Adams	February 2021 GW Admin Service	\$ 231.25
5265	3/11/2021	Young Wooldridge	February 2021 Legal Service	\$ 5,201.54
ACH	3/17/2021	Payroll	March 1-15, 2021 Salary	\$ 8,645.98
ACH	3/17/2021	Cynthia Allen	2/22 CMA; 2/25 EMA Meetings	\$ 138.52
ACH	3/17/2021	Art Hibbits	2/22 CMA; 2/24 WMA Meetings	\$ 138.52
ACH	3/17/2021	Steve Jordan	2/24 WMA Meeting	\$ 69.26
ACH	3/17/2021	Brett Marymee	2/25 EMA Meeting	\$ 69.26
ACH	3/17/2021	Employment Development Dept.	EDD Tax Deposit (Mar. 1-15, 2021)	\$ 683.38
ACH	3/17/2021	Lincoln Financial Group	457 Plan Combined Contributions (#2 March)	\$ 2,730.05
ACH	3/17/2021	Mechanics Bank (Payroll Acct)	Payroll Tax Deposit (Mar. 1-15, 2021)	\$ 4,781.98
TOTAL				\$ 52,489.95

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
APRIL 2021 WARRANT LIST FOR BOARD APPROVAL

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
ACH	4/2/2021	Payroll	March 16-31, 2021 Salary	\$ 8,463.68
ACH	4/2/2021	Employment Development Dept.	EDD Tax Deposit (Feb. 16-31, 2021)	\$ 865.68
ACH	4/2/2021	Lincoln Financial Group	457 Plan Combined Contributions (#1 April)	\$ 2,730.05
ACH	4/2/2021	Mechanics Bank (Payroll Acct)	Payroll Tax Deposit (Feb. 16-31, 2021)	\$ 4,713.10
5266	4/8/2021	Guardian	March 2021 Dental & Vision Insurance April 2021 Dental, Vision, Life, LTD & ADD Insurance	\$ 517.53
5267	4/8/2021	Jim Heyerly	April 2021 Rent	\$ 1,500.00
5268	4/8/2021	Inklings Printing Co.	SGMA Newsletter #3	\$ 350.45
5269	4/8/2021	Onsite Computers & Design	IT Service & Remote Access Issues (COVID-19)	\$ 551.25
5270	4/8/2021	Pacific Gas & Electric	March 2021 Electric Service	\$ 76.71
5271	4/8/2021	Shirley Scales Bookkeeping	March 2021 GW Admin Service	\$ 2,240.00
5272	4/8/2021	Staples Credit Plan	Office Supplies	\$ 44.87
5273	4/8/2021	Stetson Engineers	February 2020 Engineering Service	\$ 5,340.25
5274	4/8/2021	US Bank Corp	March 2021 CalCard	\$ 2,192.55
5275	4/8/2021	Valley Bookkeeping Services	March 2021 Bookkeeping & 2021 Payroll software	\$ 407.00
5276	4/8/2021	Young Wooldridge	March 2021 Legal Service	\$ 15,392.34
ACH	4/19/2021	Payroll	April 1-15, 2021 Salary	\$ 8,463.68
ACH	4/19/2021	Cynthia Allen	3/10 District; 3/25 EMA Meetings	\$ 138.52
ACH	4/19/2021	Mark Altshuler	3/10 District Meeting	\$ 69.26
ACH	4/19/2021	Steve Jordan	3/10 District Meeting	\$ 69.26
ACH	4/19/2021	Brett Marymee	3/10 District; 3/25 EMA Meetings	\$ 138.52
ACH	4/19/2021	Employment Development Dept.	EDD Tax Deposit (Mar. 1-15, 2021)	\$ 865.68
ACH	4/19/2021	Lincoln Financial Group	457 Plan Combined Contributions (#2 April)	\$ 2,730.05
ACH	4/19/2021	Mechanics Bank (Payroll Acct)	Payroll Tax Deposit (Mar. 1-15, 2021)	\$ 4,781.98
TOTAL				\$ 62,642.41

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
MAY 2021 WARRANT LIST FOR BOARD APPROVAL

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
5277-5293	VOID	No checks with these #s. Switched stock of checks from old Rabobank to new Mechanics Bank set.		
ACH	5/4/2021	Payroll	April 16-30, 2021 Salary	\$ 8,413.68
ACH	5/4/2021	Employment Development Dept.	EDD Tax Deposit (Apr. 16-30, 2021)	\$ 865.68
ACH	5/4/2021	Lincoln Financial Group	457 Plan Combined Contributions (#1 May)	\$ 2,730.05
ACH	5/4/2021	Mechanics Bank (Payroll Acct)	Payroll Tax Deposit (Apr. 16-30, 2021)	\$ 4,763.10
5294	5/12/2021	Judith K. Adams	April 2021 GW Admin Service & Library Project	\$ 287.50
5295	5/12/2021	Guardian	May 2021 Dental, Vision, Life, LTD & ADD Insurance	\$ 405.27
5296	5/12/2021	Jim Heyerly	May 2021 Rent	\$ 1,500.00
5297	5/12/2021	Inklings Printing Co.	GW Forms, Envelopes, & Library Project	\$ 1,199.42
5298	5/12/2021	Owen Thompson	March & April 2021 GW Admin Service	\$ 296.25
5299	5/12/2021	Onsite Computers & Design	IT Service & Remote Access Issues (COVID-19)	\$ 200.15
5300	5/12/2021	Pacific Gas & Electric	April 2021 Electric Service	\$ 72.05
5301	5/12/2021	Santa Barbara News Press	Groundwater Legal Notices (4/28/21 Hearing)	\$ 63.84
5302	5/12/2021	Shirley Scales Bookkeeping	April 2021 GW Admin Service	\$ 3,430.00
5303	5/12/2021	Staples Credit Plan	Office Supplies	\$ 218.54
5304	5/12/2021	Stetson Engineers	March & April 2021 Engineering Service	\$ 24,789.84
5305	5/12/2021	US Bank Corp	April 2021 CalCard	\$ 790.93
5306	5/12/2021	Valley Bookkeeping Services	April 2021 Bookkeeping	\$ 300.00
5307	5/12/2021	Young Wooldridge	April 2021 Legal Service	\$ 12,995.16
ACH	5/18/2021	Payroll	May 1-15, 2021 Salary	\$ 8,850.36
ACH	5/18/2021	Cynthia Allen	4/28 District; 4/12 & 4/26 CMA; 4/15 & 4/29 EMA	\$ 346.31
ACH	5/18/2021	Mark Altshuler	4/28 District Meeting	\$ 69.26
ACH	5/18/2021	Art Hibbits	4/12 CMA Meeting	\$ 69.26
ACH	5/18/2021	Steve Jordan	4/28 District; 4/14 & 4/28 WMA Meetings	\$ 207.79
ACH	5/18/2021	Brett Marymee	4/28 District; 4/15 & 4/29 EMA Meetings	\$ 207.79
ACH	5/18/2021	Employment Development Dept.	EDD Tax Deposit (Apr. 1-15, 2021)	\$ 901.86
ACH	5/18/2021	Lincoln Financial Group	457 Plan Combined Contributions (#2 May)	\$ 2,822.87
ACH	5/18/2021	Mechanics Bank (Payroll Acct)	Payroll Tax Deposit (Apr. 1-15, 2021)	\$ 5,198.64
TOTAL				\$ 81,995.60

QUARTERLY INVESTMENT REPORT
(REF. CGC 53646 (B) (1) AND 53646 (E))
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
3RD QUARTER, FY 2020-21
JANUARY, FEBRUARY, MARCH 2021

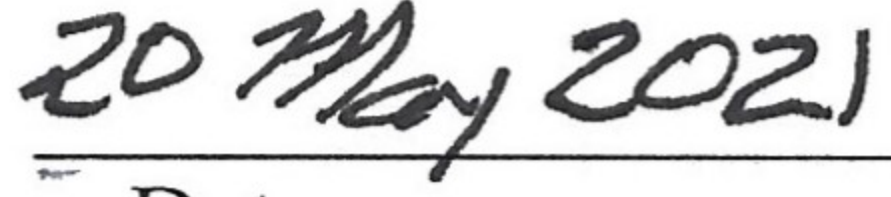
Certification is hereby provided that:

- 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:



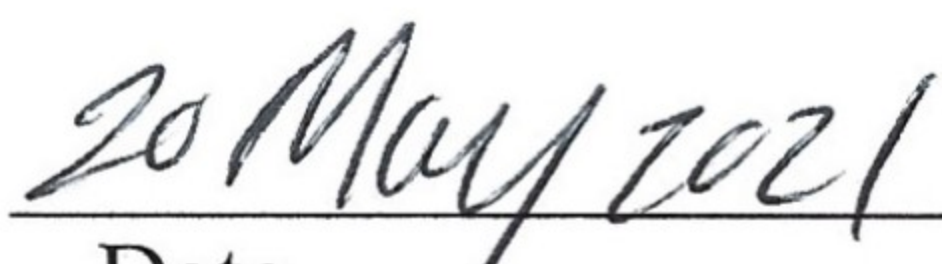
Kevin D. Walsh, General Manager



Date

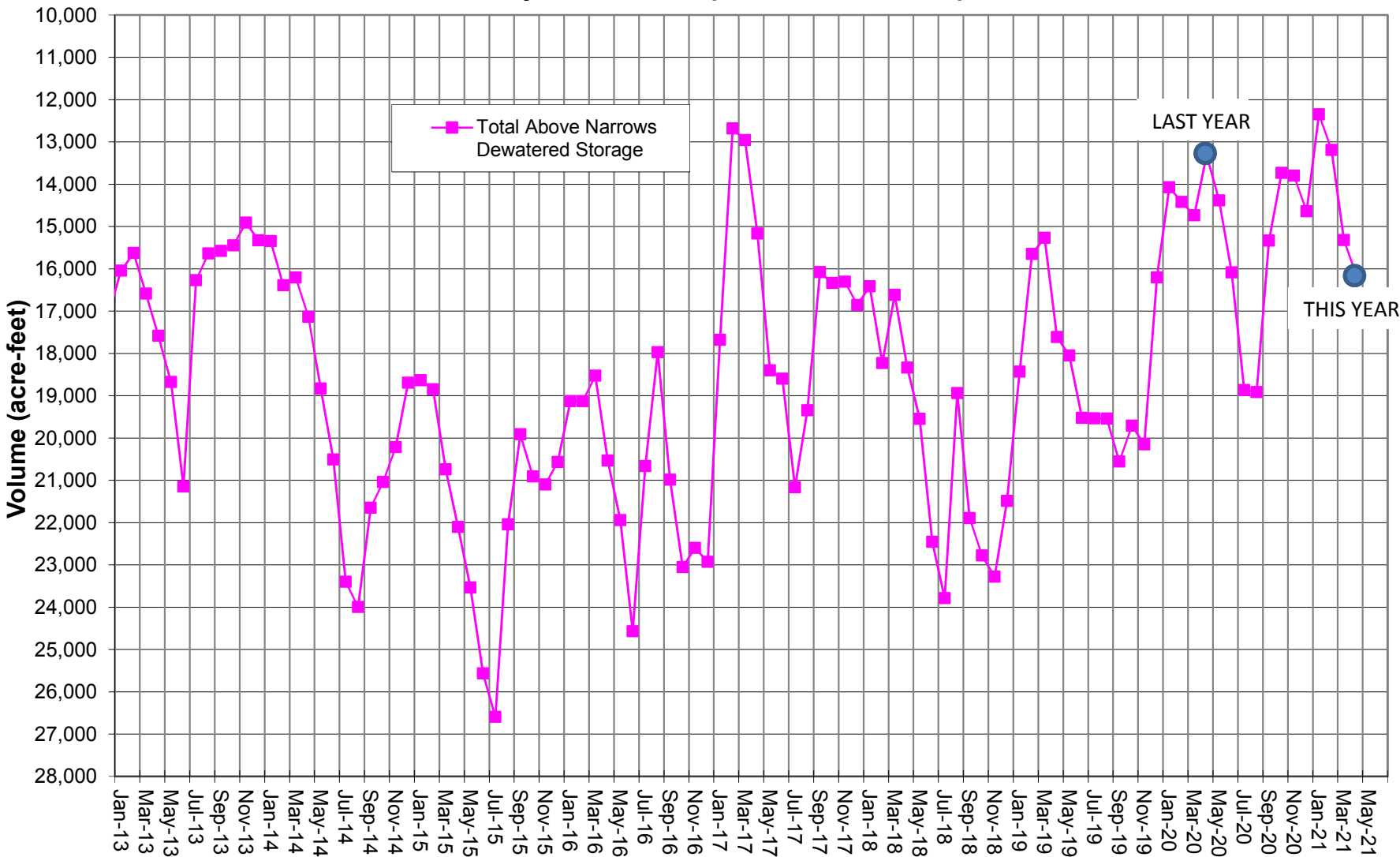


William J. Buelow, Treasurer

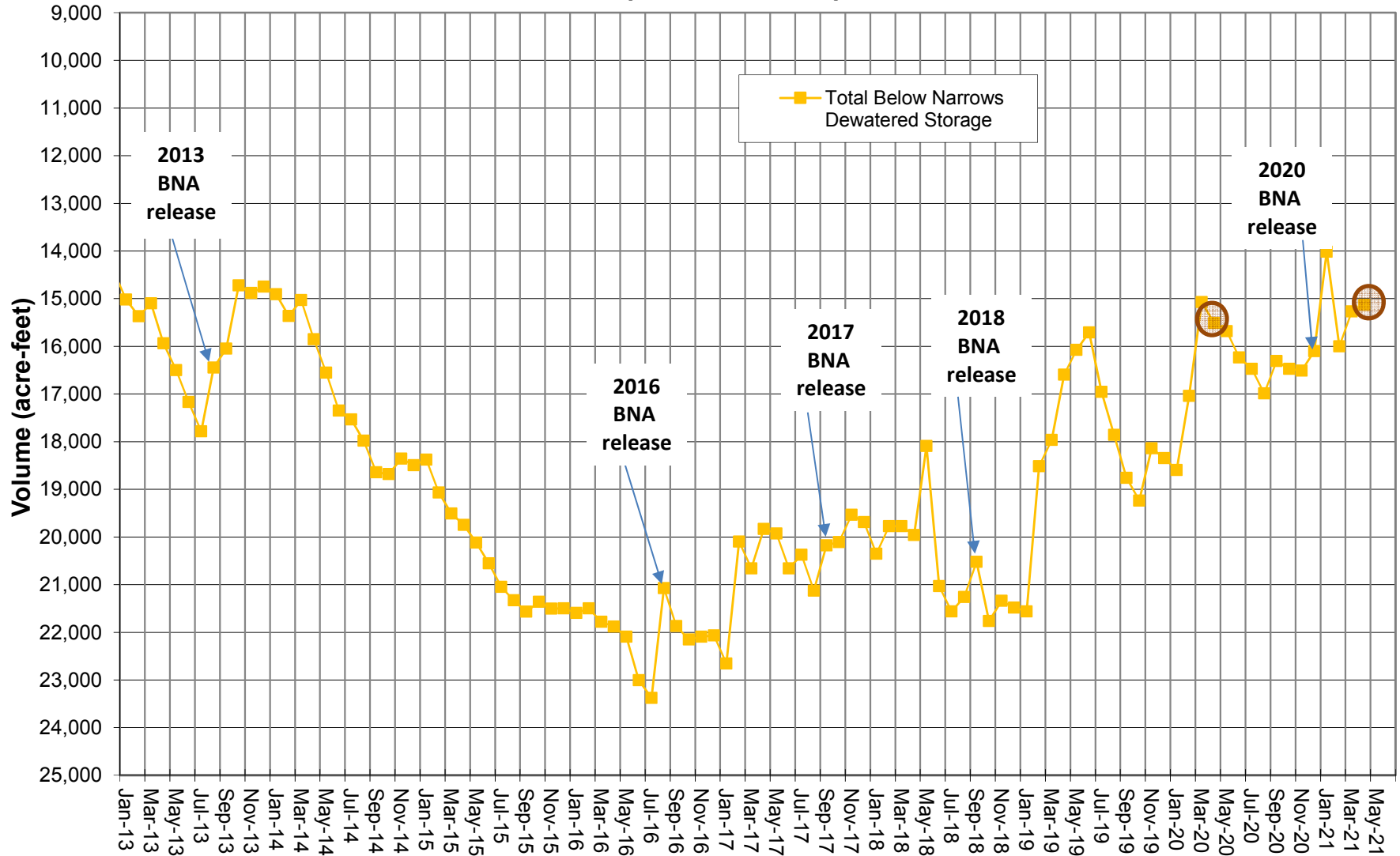


Date

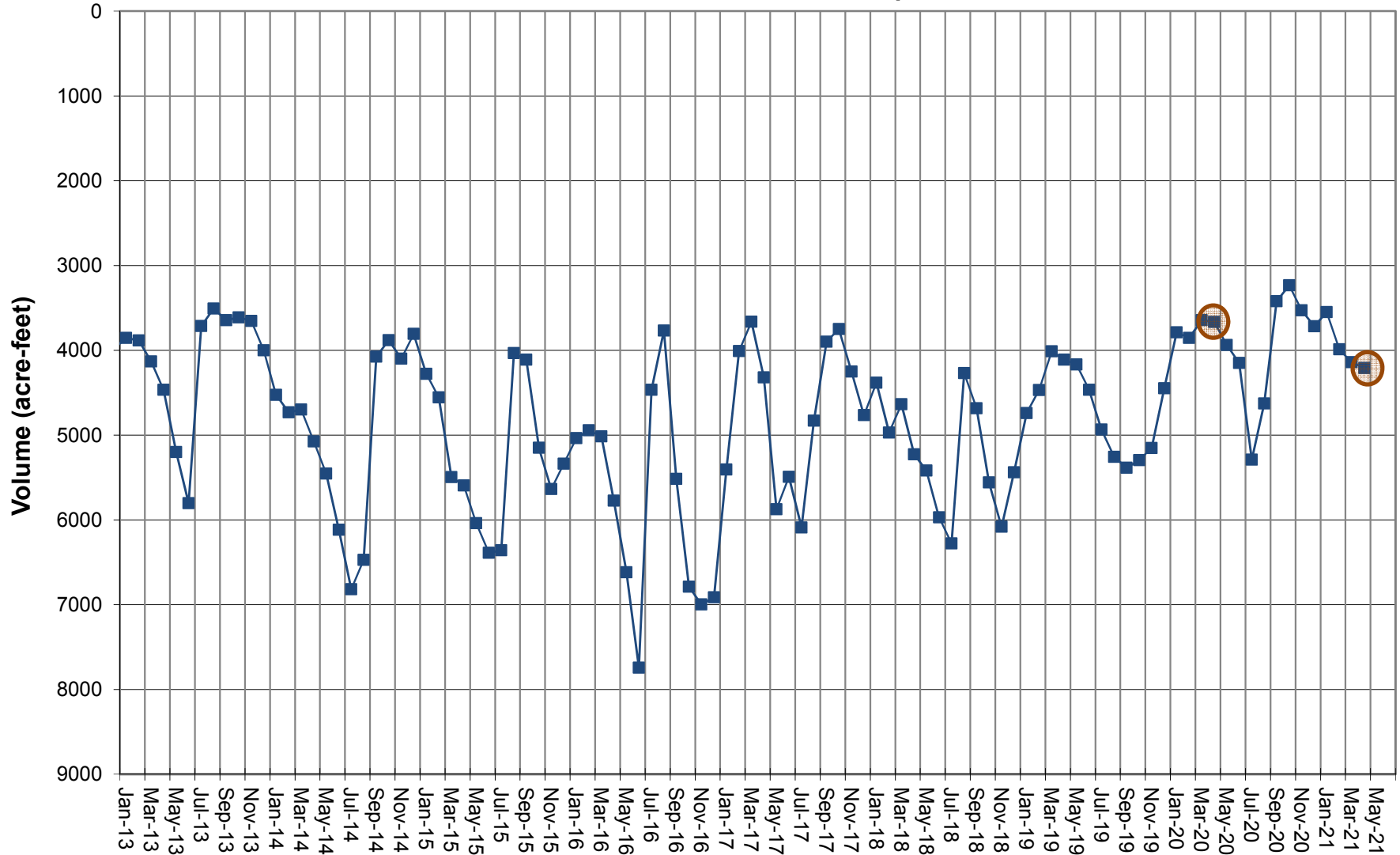
**Total Dewatered Groundwater Storage (DWS)
Between Bradbury Dam and Lompoc Narrows, 2013 - present**



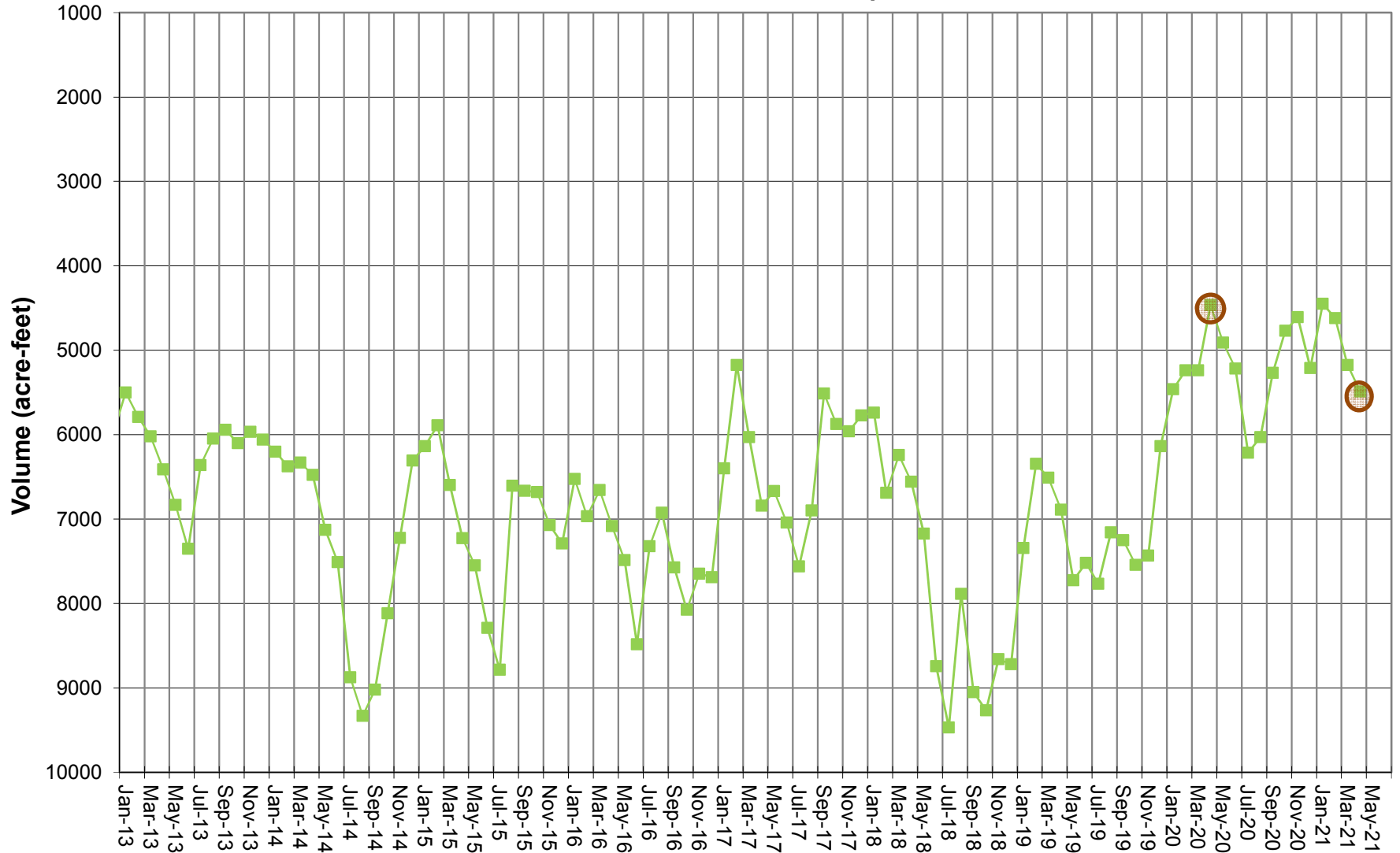
Total Dewatered Groundwater Storage (DWS) in Lompoc Plain, 2013 - present



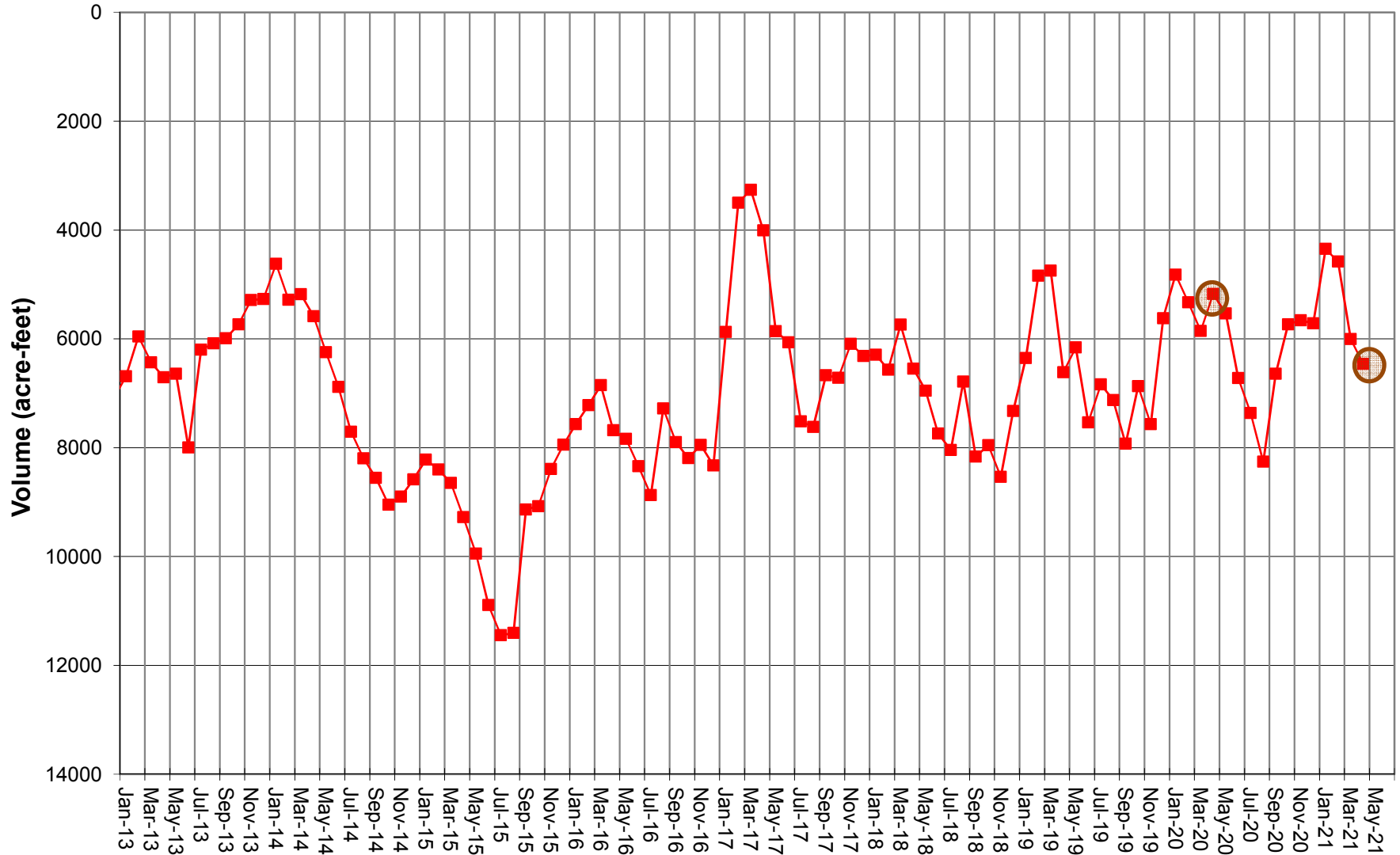
Dewatered Storage (DWS) in Santa Ynez Subunit, 2013 - present



Dewatered Storage (DWS) in Buellton Subunit, 2013 - present



Dewatered Storage (DWS) in Santa Rita Subunit, 2013 - present



C A C H U M A
 Santa Ynez River - Downstream Users Accounting
 April 2021

SUMMARY

RESERVOIR		289.9
	Computed Inflow	
Releases		498.0
Fish	498.0	
Water rights	0.0	
Leakage	0.0	
Spills		0.0
Valves	0.0	
Spillway	0.0	
Leakage	0.0	
	Total Downstream Releases . .	498.0
Diversions		2442.0
South Coast	2440.0	
Park (SYRWCD ID #1)	2.0	
SYRWCD ID #1	0.0	
	Total Reservoir Outflows . .	2940.0
CCWA Inflow	0.4	
Releases Affecting Accounts	0.0	
Project Savings	0.0	
ABOVE NARROWS ACCOUNT (ANA)		
Previous Months ANA		10472.0
ANA Credit	289.9	
Releases from ANA	0.0	
BNA Releases Not Reaching Narrows	0.0	
ANA Dewatered Storage: Current	16158.0	
Previous	15321.0	
Change	837.0	
Spills Reducing ANA	0.0	
Current ANA		10761.9
BELOW NARROWS ACCOUNT (BNA)		
Previous Months BNA		4365.0
Measured Flow at Narrows	281.4	
Salsipuedes Creek Contribution	112.0	
Releases from BNA	0.0	
BNA Releases Reaching Narrows	0.0	
Constructive Flow at Narrows	281.4	
Elevation of Indicator well (feet)	0.0	
Percolation from Measured Flow	281.4	
Percolation from Constructive Flow	281.4	
BNA Credit	0.0	
Spills Reaching Narrows	0.0	
BNA Dewatered Storage: Current	15133.0	
Previous	15267.0	
Change	-134.0	
Spills Reducing BNA	0.0	
Current BNA		4365.0

Notes: All values are in acre-feet unless otherwise indicated.
 Date of Report: 05/14/2021
 USING SAN LUCAS CREEK AS FIRST CHECKPOINT
 UPSTREAM OPERATIONS ADJUSTMENT ALL NEG OR ZERO



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: 5/24/2021

Water Year: 2021

Storm Number: NA

Notes: Daily rainfall amounts are recorded as of 8am for the previous 24 hours. Rainfall units are expressed in inches.

All data on this page are from automated sensors, are preliminary, and subject to verification.

*Each Water Year (WY) runs from Sept 1 through Aug 31 and is designated by the calendar year in which it ends

County Real-Time Rainfall and Reservoir Website link: <http://www.countyofsb.org/hydrology>

Rainfall	ID	24 hrs	Storm 0day(s)	Month	Year*	% to Date	% of Year*	AI
Buellton (Fire Stn)	233	0.00	0.00	0.00	8.54	52%	51%	
Cachuma Dam (USBR)	332	0.00	0.00	0.00	10.53	53%	53%	
Carpinteria (Fire Stn)	208	0.00	0.00	0.06	4.59	27%	27%	
Cuyama (Fire Stn)	436	0.00	0.00	0.00	3.80	51%	49%	
Figueroa Mtn. (USFS Stn)	421	0.00	0.00	0.00	8.40	40%	39%	12.5
Gibraltar Dam (City Facility)	230	0.00	0.00	0.00	10.65	41%	41%	11.9
Goleta (Fire Stn-Los Carneros)	440	0.00	0.00	0.02	9.16	50%	50%	
Lompoc (City Hall)	439	0.00	0.00	0.04	10.72	74%	74%	10.2
Los Alamos (Fire Stn)	204	0.00	0.00	0.00	8.41	56%	55%	
San Marcos Pass (USFS Stn)	212	0.00	0.00	0.04	14.24	42%	42%	
Santa Barbara (County Bldg)	234	0.00	0.00	0.01	7.32	40%	40%	
Santa Maria (City Pub.Works)	380	0.00	0.00	0.00	7.16	54%	54%	
Santa Ynez (Fire Stn /Airport)	218	0.00	0.00	0.00	8.33	53%	53%	
Sisquoc (Fire Stn)	256	0.00	0.00	0.00	6.31	42%	42%	

County-wide percentage of "Normal-to-Date" rainfall : **48%**

County-wide percentage of "Normal Water-Year" rainfall : **48%**

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

AI (Antecedent Index / Soil Wetness)

6.0 and below = Wet (min. = 2.5)

6.1 - 9.0 = Moderate

9.1 and above = Dry (max. = 12.5)

Reservoirs

Reservoir Elevations referenced to NGVD-29.

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

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

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

Click on Site for Real-Time Readings	Spillway 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	1,375.09	4,559	537	11.8%	-47	-1,673
Cachuma Reservoir	753.**	722.34	193,305	113,664	58.8%	-2,736	-30,111
Jameson Reservoir	2,224.00	2,212.48	4,848	3,515	72.5%	-52	-773
Twitchell Reservoir	651.50	539.54	194,971	2,540	1.3%	-305	-1,280



May 17, 2021

Board of Directors
Santa Ynez River Water Conservation District
PO Box 719
Santa Ynez, CA 93460

Dear Board Members:

Bartlett, Pringle & Wolf, LLP ("BPW") appreciates the opportunity to work with you. To minimize the possibility of a misunderstanding between us, we are setting forth pertinent information about the services we will perform for you. This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide.

You have requested that we audit the financial statements of Santa Ynez River Water Conservation District (the District), which comprise the Government-wide Financial Statements, Governmental Funds Financial Statements and Notes to Financial Statements as of and for the year ended June 30, 2021. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

Accounting standards generally accepted in the United States of America call for certain required supplementary information (RSI) to accompany the basic financial statements. The Governmental Accounting Standards Board also considers this information a necessary part of financial reporting as it provides perspective to the basic financial statements. Therefore, as part of this engagement, we will apply limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will primarily consist of inquiries of management regarding their methods of measurement and presentation. However, we will not express an opinion or provide any assurance on this RSI as our limited procedures do not provide us with sufficient evidence to do so under our professional standards. Consequently, the financial statements we present to you will include the following required RSI that will not be audited and, as such, our report will disclaim an opinion on this RSI:

- Management's Discussion and Analysis

Objective

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the additional supplementary information referred to above when considered in relation to the financial statements taken as a whole.

The objective also includes reporting on:

- Internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grants agreements, noncompliance with which could have a material effect on the financial statements in accordance with Government Auditing Standards.

The reports on internal control and compliance are for information and use of the Board of Directors and will each include a paragraph that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. It will also state that the report is an integral part of an audit performed in accordance with Government Auditing Standards in considering internal control over financial reporting and compliance, and will indicate that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America (GAAS), and the standards for financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

Our audit will be conducted in accordance with GAAS and the Standards for Financial Audits Contained in Governmental Auditing Standards issued by the Comptroller General of the United States. Our professional standards as defined by GAAS require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement and are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. As such, our audit will involve performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and will include tests of the accounting records of the District and other procedures we consider necessary. The procedures we determine necessary will depend on our "auditor's" judgment and will be based, in part, on our assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. If our opinion is other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or form an opinion, we may disclaim an opinion or not issue a report.

Audit Procedures

Our audit will involve performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and will include tests of the accounting records of the District and other procedures we consider necessary. The procedures we determine necessary will depend on our "auditor's" judgment and will be based, in part, on our assessment of the risks of material misstatement of the financial statements, whether from errors, fraudulent financial reporting, misappropriations of assets, or violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. An audit also includes evaluating the appropriateness of accounting policies used, and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. If we deem it appropriate, our procedures will also include tests of documentary evidence supporting the transactions recorded in the accounts, may include tests of the physical existence of inventories, and will include direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters. These representations will include acknowledging our assistance with the preparation of your financial statements, the supplementary information, and notes accompanying these documents, and that you have reviewed and approved these documents, approved their release, and that you have accepted responsibility for them.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk exists that some material misstatements may not be detected by our firm, even though our audit is properly planned and performed in accordance with GAAS and Government Auditing Standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. Since we plan and perform our audit in accordance with GAAS to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriations of assets, or violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity; and because the determination of abuse is so subjective, Government Auditing Standards do not expect auditors to provide reasonable assurance regarding the detection of abuse. Our procedures will be less in scope than what would be required to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to Government Accounting Standards. However, we will inform you of any material errors that come to our attention, and we will inform you or the appropriate level of management, of any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential.

In making our risk assessments, we will consider internal controls relevant to the preparation and fair presentation of the District's financial statements in order to design audit procedures that are appropriate in the circumstances. However, our audit procedures are not designed for the purpose of expressing an opinion on the effectiveness of your internal control. In accordance with our professional standards, we will communicate in writing to the appropriate level of management and those charged with governance matters concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we identify during the audit.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will also perform tests of the District's compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion. Management maintains the responsibility for identifying and ensuring that the District complies with applicable laws, regulations, contracts, and other agreements.

Our responsibility as auditors is, of course, limited to the period covered by our audit and does not extend to any other periods.

John Britton is the engagement partner for the audit services specified in this letter. His responsibilities include supervising Bartlett, Pringle & Wolf's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Responsibilities of Management and Those Charged with Governance

As part of our engagement, we may advise you about appropriate accounting principles and their application; however, the management of the District acknowledges and understands that the final responsibility for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America remains with you. This responsibility includes the financial statements, all accompanying information, and the representations that accompany them. As such, the management of the District is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Other management responsibilities include maintaining adequate records, selecting and applying accounting principles, and safeguarding assets.

By your signature below, you also acknowledge that the management of the District is responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements, and all accompanying information, that are free from material misstatement, whether due to fraud or error. This

responsibility includes the fair presentation in the financial statements of the respective financial position of the District and the respective changes in financial position and where applicable, cash flows, in conformity with accounting principles generally accepted in the United States of America. In addition, management is also responsible for having appropriate programs and controls in place to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the organization that involves management, employees who have significant roles in internal control, regulators, and others where fraud could have a material impact on the financial statements. The management of the District is also responsible for informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws and regulations and for taking timely and appropriate actions to remedy any fraud, illegal acts, or violations of contracts and agreements. You agree that you will confirm your understanding of your responsibilities as defined in this letter to us in your representation letter.

Management is responsible for establishing and maintaining internal control and for compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of the controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorizations and recorded properly to permit the preparation of financial statements in accordance with U.S. GAAP, and that federal award programs are managed in compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants.

Management is also responsible for the preparation and fair presentation of the supplementary information in conformity with accounting principles generally accepted in the United States of America. You agree that you will confirm your understanding of your responsibilities with respect to the supplementary information in your representation letter. You further agree to include our report on the supplementary information in any document that contains and indicates that we have reported on such supplementary information.

It is management's responsibility to follow up and take corrective action on reported audit findings and recommendations. This responsibility includes maintaining a summary of prior audit findings and recommendations and the corrective actions taken to address these issues; and for providing us with this information as part of our engagement. Management is also responsible to provide input on the current audit findings and recommendations, as well as management's planned corrective actions for these issues.

Management's responsibilities also include designating qualified individuals with the skill, knowledge, and experience to be responsible and accountable for overseeing financial statement preparation, tax services, and any other non-attest services we perform as part of this engagement, as well as evaluating the adequacy and results of those services and accepting responsibility for them.

You further acknowledge and understand that management is responsible for providing us with access to all information management is aware of that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters; for the accuracy and completeness of the information that is provided to us; and for informing us of events occurring or facts discovered subsequent to the date of the financial statements that may affect the financial statements. This responsibility also includes providing us with any additional information that we may request from management for the purpose of the audit; as well as allowing us unrestricted access to individuals within the organization from whom we may determine it necessary to obtain audit evidence, including access to your designated employees who will type all confirmations we request.

Written Report

We expect to issue a written report upon completion of our audit of the District's financial statements. Our report will be addressed to the board of directors of the District. We cannot provide assurance that an unmodified opinion will be expressed on the financial statements. Circumstances may arise in which it is necessary for us to modify our opinion, add emphasis-of-matter or other-matter paragraphs, decline to express an opinion or withdraw from the engagement.

We will also provide a report (without an opinion) on internal control related to the financial statements and also regarding compliance with laws, regulations, and provisions of contracts and grant agreements, the noncompliance with which could have a material effect on the financial statements as required by Government Auditing Standards. Our report on internal control and compliance will include a statement that the report is intended solely for the information and use of management, those charged with governance, and specific legislative or regulatory bodies and is not intended to be and should not be used by anyone else. If during our audit we become aware that the District is subject to an audit requirement not addressed by this engagement, we will communicate to management and those charged with governance that this engagement may not meet the legal, regulatory, or contractual requirements.

Information Security

Bartlett, Pringle & Wolf, LLP is committed to the safe and confidential treatment of the District's proprietary information. Bartlett, Pringle & Wolf, LLP is required to maintain the confidential treatment of client information in accordance with relevant industry professional standards which govern the provision of services described herein. The

District agrees that it will not provide Bartlett, Pringle & Wolf, LLP with any unencrypted electronic confidential or proprietary information, and the parties agree to utilize commercially reasonable measures to maintain the confidentiality of the District's information, including the use of collaborate sites to ensure the safe transfer of data between the parties.

In connection with this engagement, we may communicate with you or others via email transmission. We take reasonable measures to secure your confidential information in our email transmissions, including password protecting confidential documents. However, as email can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom it is directed and only to such parties, we cannot guarantee or warrant that email from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure or communication of email transmissions, or for the unauthorized use or failed delivery of email transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of sales or anticipated profits, or disclosure or communication of confidential or proprietary information.

From time to time and depending upon the circumstances, we may use third-party service providers to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose confidential client information to them. We enter into confidentiality agreements with all third-party service providers and we are satisfied that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others.

Electronic Signatures and Counterparts

Each party hereto agrees that any electronic signature of a party to this agreement or any electronic signature to a document contemplated hereby (including any representation letter) is intended to authenticate such writing and shall be as valid, and have the same force and effect, as a manual signature. Any such electronically signed document shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Each party hereto also agrees that electronic delivery of a signature to any such document (via email or otherwise) shall be as effective as manual delivery of a manual signature. For purposes hereof, "electronic signature" includes, but is not limited to, (i) a scanned copy (as a "pdf" (portable document format) or other replicating image) of a manual ink signature, (ii) an electronic copy of a traditional signature affixed to a document, (iii) a signature incorporated into a document utilizing touchscreen capabilities or (iv) a digital signature. This agreement may be executed in one or more counterparts, each of which shall be considered an

original instrument, but all of which shall be considered one and the same agreement. Paper copies or "printouts," of such documents if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

Other Matters

Our fees for these services will be based on the actual time spent at our standard hourly rates, plus travel and other out-of-pocket costs, such as report production, typing, and postage. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Billings become delinquent if not paid within 30 days of the invoice date. If billings are past due in excess of 90 days, at our election, we may stop all work until your account is brought current, or withdraw from this engagement. The District acknowledges and agrees that we are not required to continue work in the event of the District's failure to pay on a timely basis for services rendered as required by this engagement letter. The District further acknowledges and agrees that in the event we stop work or withdraw from this engagement as a result of the District's failure to pay on a timely basis for services rendered as required by this engagement letter, we shall not be liable for any damages that occur as a result of our ceasing to render services. Based on our preliminary estimates, the audit fee should approximate \$11,200 for the audit. That estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

In addition, you further agree that in the event our firm or any of its employees or agents is called as a witness or requested to provide any information whether oral, written, or electronic in any judicial, quasi-judicial, or administrative hearing or trial regarding information or communications that you have provided to this firm, or any documents and workpapers prepared by Bartlett, Pringle & Wolf, LLP in accordance with the terms of this agreement, you agree to pay any and all reasonable expenses, including fees and costs for our time at the rates specified in our engagement letter, as well as any legal or other fees that we incur as a result of such appearance or production of documents.

When an engagement has been suspended at the request of management or those charged with governance and work on that engagement has not recommenced within 120 days of the request to suspend our work, Bartlett, Pringle & Wolf, LLP may, at its sole discretion, terminate this arrangement letter without further obligation to the District. Resumption of audit work following termination may be subject to our client acceptance procedures and, if resumed, will necessitate additional procedures not contemplated in this arrangement letter. Accordingly, the scope, timing and fee arrangement discussed in this arrangement

letter will no longer apply. In order for Bartlett, Pringle & Wolf, LLP to recommence work, a new arrangement letter would need to be mutually agreed upon and executed.

Professional standards require us to be independent with respect to the District. Any discussions with our personnel regarding employment could pose a threat to our independence. Therefore, you agree to inform the engagement partner before having any such discussions so that we can implement appropriate safeguards to maintain our independence.

It is our policy to keep records related to this engagement for seven years. However, Bartlett, Pringle & Wolf, LLP does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by government or regulatory agencies.

By your signature below, you acknowledge and agree that upon the expiration of the seven-year period, Bartlett, Pringle & Wolf, LLP shall be free to destroy our records related to this engagement.

If any dispute arises among the parties hereto, the parties agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its applicable rules for resolving professional accounting and related services disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

Client and accountant both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the applicable rules for resolving professional accounting and related services disputes of the American Arbitration Association, except that under all circumstances the arbitrator must follow the laws of California. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, in the event of a dispute over fees charged by the accountant, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury and instead we are accepting the use of arbitration for resolution. The prevailing party shall be entitled to an award of reasonable attorneys' fees and costs incurred in connection with the arbitration of the dispute in an amount to be determined by the arbitrator.

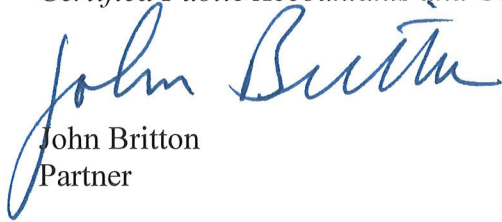
If any term or provision of this arrangement letter is determined to be invalid or unenforceable, such term or provision will be deemed stricken and all other terms and provisions will remain in full force and effect.

Santa Ynez River Water Conservation District
May 17, 2021
Page 10

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign this letter and return it to us in the enclosed self-addressed envelope.

Very truly yours,

BARTLETT, PRINGLE & WOLF, LLP
Certified Public Accountants and Consultants



John Britton
Partner

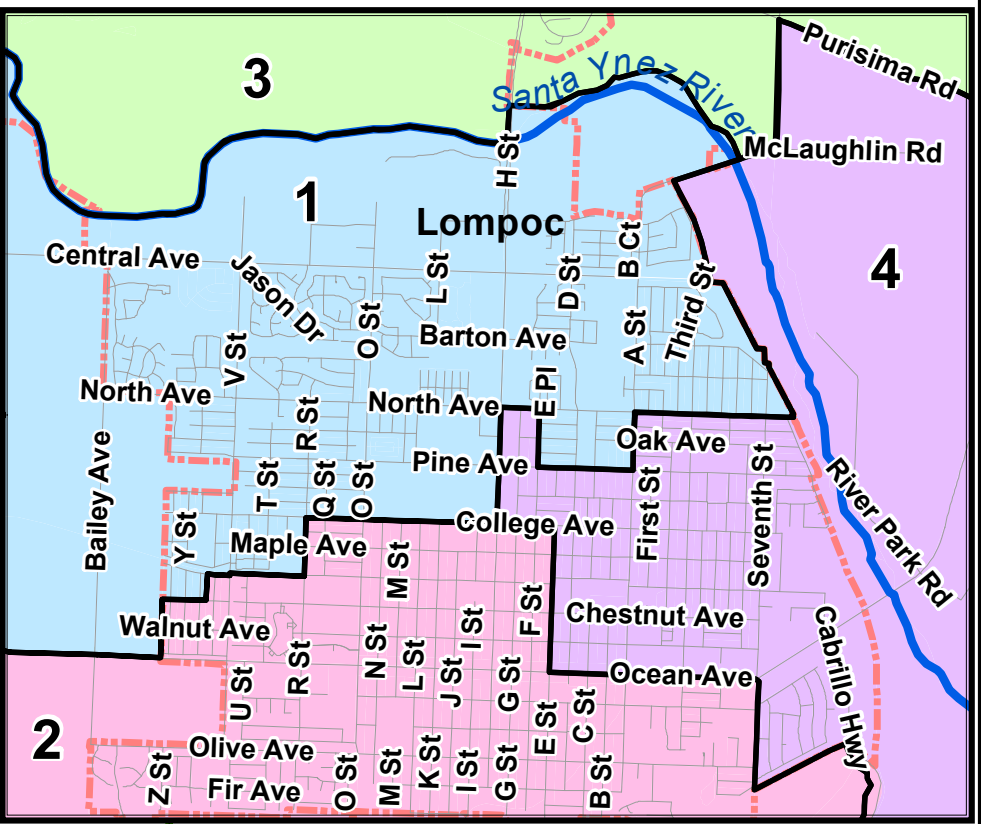
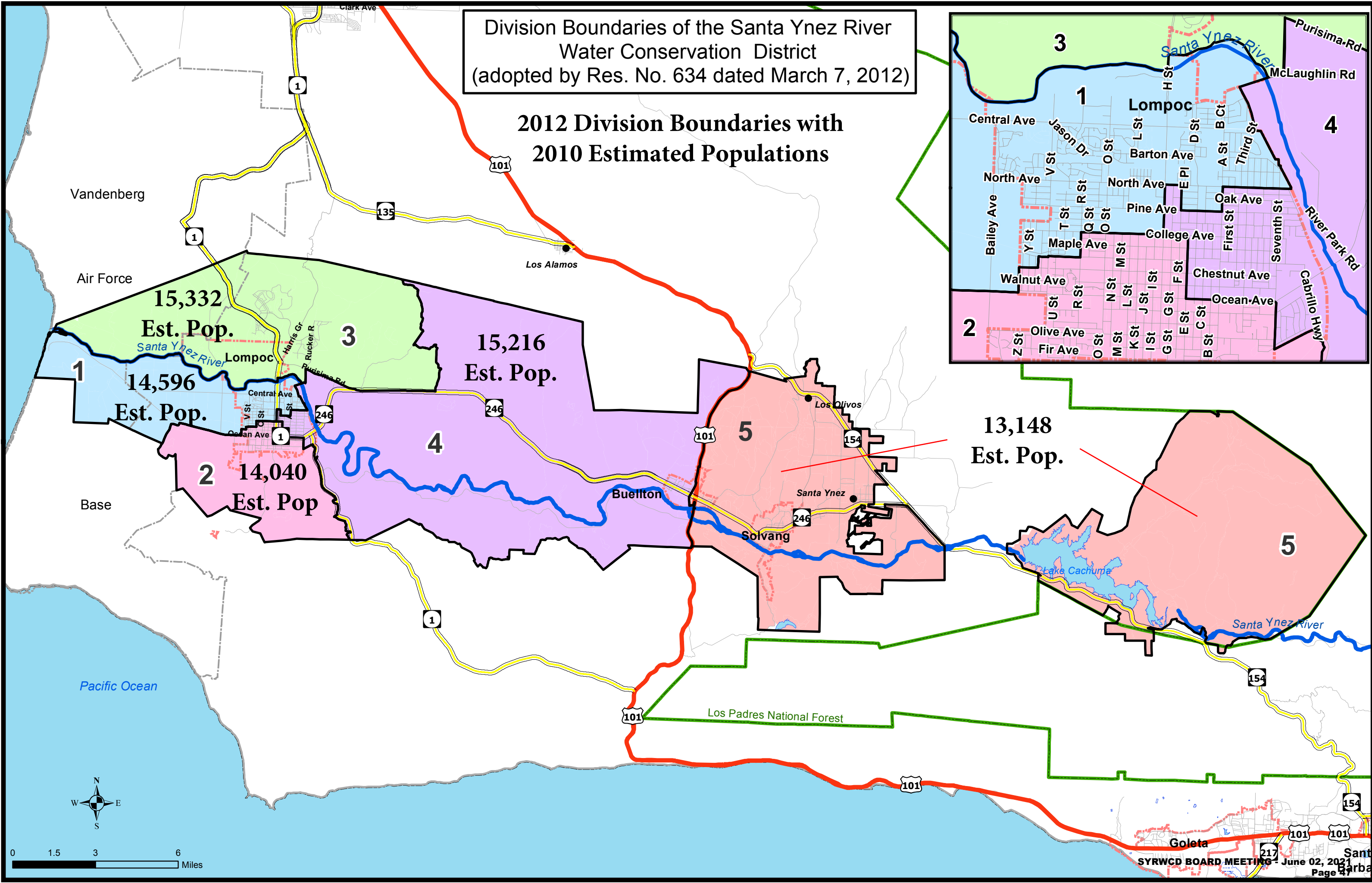
JB/jf
Enclosure

Approved:

Signature

Division Boundaries of the Santa Ynez River
Water Conservation District
(adopted by Res. No. 634 dated March 7, 2012)

2012 Division Boundaries with 2010 Estimated Populations





ELECTIONS CODE - ELEC

DIVISION 21. STATE AND LOCAL REAPPORTIONMENT [21000 - 23004] (*Division 21 enacted by Stats. 1994, Ch. 920, Sec. 2.*)

CHAPTER 8. Special Districts [22000 - 22001] (*Chapter 8 added by Stats. 1998, Ch. 435, Sec. 1.*)

22000. (a) Each district required by its authorizing act to adjust division boundaries pursuant to this section shall, by resolution, after each federal decennial census, and using that census as a basis, adjust the boundaries of any divisions so that the divisions are, as far as practicable, equal in population and in compliance with Section 10301 of Title 52 of the United States Code, as amended, to the extent those provisions apply. In adjusting the boundaries of the divisions, the board may give consideration to the following factors: (1) topography, (2) geography, (3) cohesiveness, contiguity, integrity, and compactness of territory, and (4) community of interests of the division. This section does not apply to divisions in which only landowners vote for directors or whose directors are all elected at large or appointed.

(b) The resolution specified in subdivision (a) shall be adopted by a vote of not less than a majority of the directors.

(c) At the time of, or after, any annexation of territory to the district, the board of directors shall designate, by resolution, the division of which the annexed territory shall be a part.

(d) No change in division boundaries may be made within 180 days preceding the election of any director.

(e) (1) A change in division boundaries shall not affect the term of office of any director.

(2) If division boundaries are adjusted, the director of the division whose boundaries have been adjusted shall continue to be the director of the division bearing the number of his or her division as formerly comprised until the office becomes vacant by means of term expiration or otherwise, whether or not the director is a resident within the boundaries of the division as adjusted.

(f) The successor to the office in a division whose boundaries have been adjusted shall be a resident and voter of that division.

(g) A district is not required to adjust the boundaries of any divisions pursuant to this section until after the 2000 federal decennial census.

(h) Nothing in this section shall be construed to prohibit or restrict a district from adjusting the boundaries of any divisions whenever the governing body of the district determines by a two-thirds vote of the governing body that a sufficient change in population has occurred that makes it desirable in the opinion of the governing body to adjust the boundaries of any divisions, or whenever any territory is added by or excluded from the district.

(Amended by Stats. 2015, Ch. 732, Sec. 40. (AB 1536) Effective January 1, 2016.)

22001. Before adjusting the boundaries of a division pursuant to Section 22000 or for any other reason, the governing body of the district shall hold at least one public hearing on the proposal to adjust the boundaries of the division prior to the public hearing at which the governing body votes to approve or defeat the proposal.

(Added by Stats. 2014, Ch. 873, Sec. 8. (AB 1440) Effective January 1, 2015.)

https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=ELEC&division=21.&title=&part=&chapter=8.&article=



52 U.S. Code § 10301 - Denial or abridgement of right to vote on account of race or color through voting qualifications or prerequisites; establishment of violation

(a) No [voting](#) qualification or prerequisite to [voting](#) or standard, practice, or procedure shall be imposed or applied by any State or [political subdivision](#) in a manner which results in a denial or abridgement of the right of any citizen of the United States to [vote](#) on account of race or color, or in contravention of the guarantees set forth in [section 10303\(f\)\(2\) of this title](#), as provided in subsection (b).

(b) A violation of subsection (a) is established if, based on the totality of circumstances, it is shown that the political processes leading to nomination or election in the State or [political subdivision](#) are not equally open to participation by members of a class of citizens protected by subsection (a) in that its members have less opportunity than other members of the electorate to participate in the political process and to elect representatives of their choice. The extent to which members of a protected class have been elected to office in the State or [political subdivision](#) is one circumstance which may be considered: Provided, That nothing in this section establishes a right to have members of a protected class elected in numbers equal to their proportion in the population.

<https://www.law.cornell.edu/uscode/text/52/10301>

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

MEMORANDUM

DATE: 02 June 2021

TO: Cynthia Allen Mark Altshuler Art Hibbits
Brett Marymee Steve Jordan Steve Torigiani
Kevin Walsh Amber Thompson

FROM: Bill Buelow, Groundwater Program Manager

SUBJECT: Groundwater Program Manager Report

AGENDA ITEM VII

A. Groundwater Production, Reporting, and Charges

- 1) Receive Update on Groundwater Revenue for July to December 2020. The cumulative total of groundwater fees received from January 1, 2021 to present is **\$315,407.19** for the first half of FY 20-21 groundwater reporting period.
- 2) Staff is beginning to prepare the June 2021 groundwater reporting for the second half 2020-21 period ending June 30, 2021.

Staff Recommendation: No action. This item is informational only.

B. SGMA Update

- 1) Receive GSA Update. During the past month, the three GSAs received presentations on Sustainable Management Criteria (SMC) from the consultants. At each of the meetings, which each lasted three to four hours, there was robust discussion and input from the public. The committees debated various alternatives, with the understanding that the SMCs may be updated or changed based on new or updated information. All three GSA committees provided direction to their respective consultant team to prepare the SMC section of the Groundwater Sustainability Plan (GSP). Each committee was unanimous in their decisions to set draft Minimum Thresholds for each Sustainability Indicator. The draft SMC sections of the GSP are expected to be available during the next month.

Staff Recommendation: No action. This item is informational only.

- 2) Receive GSP Stakeholder Engagement Update. During the months of April and May, there were seventeen public meetings. This includes twelve GSA Committee meetings and three Citizen Advisory Group (CAG) meetings (one for each GSA). The GSA and CAG Meetings were held to discuss the draft water budget, numeric groundwater model, SMCs, and projects and

management actions. In addition, District Staff gave presentations to the City of Solvang, and the Lompoc Chapter of the Association of American University Women on SGMA and climate change. The consultant for the WMA/CMA is preparing the fourth edition of the SGMA newsletter, which is expected to be available in June.

- 3) Receive GSP Consultant Update. At the request of the Board, District Staff asked that Stetson provide details on the two change orders for the WMA and CMA GSP projects. Stetson is currently working on this request. More information is expected during the next quarter.

Staff Recommendation: No action. This item is informational only.