NOTICE

REGULAR MEETING OF THE BOARD OF DIRECTORS
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
will be held on Monday, September 21, 2026, at 10:00 am
at Buellton City Council Chambers, 140 West Highway 246, Buellton, California

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AGENDA OF REGULAR MEETING

1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. Additions, if any, to the Agenda
5. Public Comment (Any member of the public may address the Board relating to any non-agenda matter within the 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.)

   Staff recommends any potential new agenda items based on issues raised be held for discussion under the Agenda Item "Requests from the Board of Directors for items to be included on the next Agenda".
6. **Consent Agenda** – Routine Items for approval or rejected in single motion without separate discussion. Consent items can be removed and placed on the Regular Agenda for discussion and possible action upon request by a Director.
   a. Minutes of the Regular Meeting and Public Hearing of June 15, 2026
   b. Financial Reports FY 2025-26 Period 12, June 2026 and FY 2026-27, Period 1, July 2026
   c. Warrant Lists for May, June, and July 2026
7. Review and consider approval of Engagement Letters received from Bartlett Pringle Wolf, LLP
   a. Audit of Financial Statements for Fiscal Year 2025-26
   b. Non-Audit Services during Fiscal Year 2026-2027
8. Consider Adoption of Resolution No. 743 Ordering an Election and Requesting the Board of Supervisors to Consolidate the Election with the 2026 Statewide Election
9. Review Amended Conflict of Interest Code and Consider Adoption of Resolution No. 744 Announcing the Intent to Adopt an Amended Conflict of Interest Code and Establishing a Comment Period
10. Consider Adoption of Resolution No. 745 Approving the Form of and Authorizing the Execution of a Memorandum of Understanding and Authorizing Participation in the Special District Risk Management Authority's Health Benefits Program
11. Consider Adoption of Resolution No. 746 Changing Time and Place of Regular Meetings
12. **General Manager Report** Status and Discussion on the following topics:
    a. Surface Water Program
    b. Groundwater Program
    c. Sustainable Groundwater Management Act
       i. Receive updates for WMA, CMA and EMA
       ii. Proposition 68 Grant Reimbursements, Projects, and Management Actions
13. Attorney Report

14. Reports, actions by Board members, questions of staff, status reports, announcements, observations, and other matters, and/or communications not requiring action
15. Requests from the Board of Directors for items to be included on the next Agenda
16. The next Regular Meeting is scheduled for December 21, 2026, at 10:00 am at the Buellton City Council Chambers, 140 West Highway 246, Buellton, California

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

17. Closed Session The Board will hold a closed session to discuss the following matters:
    a. Conference with Legal Counsel – Pending Litigation (Gov. Code, § 54956.9, subd. (d)(1)): In the matter of Petition for Change of City of Solvang for Water Right Permit No. 15878 (Application A022423), which authorizes diversion of water from the Santa Ynez River (underflow) in Santa Barbara County, pending before the State Water Resources Control Board Office of Administrative Hearings
    b. Conference with Legal Counsel – Pending Litigation (Gov. Code, § 54956.9, subd. (d)(1)): Regarding failure to file groundwater production reports and pay groundwater charges -
        i. *Santa Ynez River Water Conservation Dist. v. Williams*, Case No. 26CV04692
        ii. *Santa Ynez River Water Conservation Dist. v. Jimenez*, Case No. 26CV04693
    c. Conference with Legal Counsel – Anticipated Litigation (Gov. Code, § 54956.9, subd. (d)(2)): Significant exposure to litigation (Two Matters)
18. Reconvene into Open Session / Closed Session Report (Gov. Code, § 54957.1)
19. Adjournment

[This agenda was posted at the meeting site, , on the District website (SYRWCD.com), and at the District's office located at 3669 Sagunto Street, Suite 101, Santa Ynez, California. Notice was delivered in accordance with Government Code Sections 54950-54963. 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 24 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.]

REGULAR MEETING MINUTES

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
JUNE 15, 2026

A regular meeting of the Board of Directors of the Santa Ynez River Water Conservation District was held on Monday, June 15, 2026, at 10:00 a.m. at the Buellton City Council Chambers, 140 West Highway 246, Buellton, California.

Directors Present: Philip Carpenter, Robert Dunlap, Larry Lahr, and Brett Marymee

Director Absent: Steve Jordan

Others Present (in-person): Bill Buelow, Anthony Elowsky (RDN), Paeter Garcia, Randy Murphy, Alex Pappas, Amber Thompson, and Steve Torigiani (Young Wooldridge)

Others Present (teleconference): Michael Colantuono (CHW Law) and Brett Stroud (Young Wooldridge)

1. CALL TO ORDER

President Lahr called the meeting to order at 10:02 am.

2. ROLL CALL

Ms. Thompson called roll. Three Directors were present providing a quorum. Director Marymee arrived at 10:42 am during discussion of Agenda Item No. 10.

3. PLEDGE OF ALLEGIANCE

President Lahr led the Pledge of Allegiance.

4. ADDITIONS, IF ANY, TO THE AGENDA

There were no additions to the agenda.

5. PUBLIC COMMENT

There was no public comment.

6. CONSENT AGENDA

a. Minutes of the Special Meeting and Public Hearing of April 20, 2026, and Special Meeting of May 15, 2026

b. Financial Reports FY 2025-26 Period 9, March 2026

c. Warrant Lists for February, March, and April 2026

d. Quarterly Investment Report

Director Carpenter made a **MOTION** to approve the Consent Agenda items. Director Dunlap seconded the motion. The motion passed 3-0-2 by voice vote with Director Jordan and Director Marymee being absent.

7. CONSIDER ADOPTION OF ANNUAL BUDGET FOR FISCAL YEAR 2026-2027

Mr. Buelow presented the Annual Budget for Fiscal Year 2026-2027. Discussion followed. Public comment was received.

Director Carpenter made a **MOTION** to adopt the Annual Budget for Fiscal Year 2026-2027, as presented. Director Dunlap seconded the motion. The motion passed 3-0-2 by voice vote with Director Jordan and Director Marymee being absent.

8. **REPORT ON PUBLICATION OF ORDINANCE 2026-01 – GROUNDWATER CHARGE ORDINANCE**

Mr. Buelow reported that, with regard to SYRWCD Ordinance 2026-01: Groundwater Charge Ordinance adopted during the May 15, 2026 special meeting of the Board of Directors, as required by the ordinance notices were duly and timely published in the Santa Ynez Valley News and Lompoc Record. Affidavits of publishing were provided in the meeting packet. There was no discussion, no public comment was received, and no action taken.

9. PUBLIC HEARING ON THE 2026 RATE STUDY REPORT BY ROBERT D. NEIHAUS, INC.

a. Open Hearing

President Lahr opened the Public Hearing at 10:08 a.m.

b. Presentation by Robert D. Neihaus, Inc.

Mr. Buelow introduced Mr. Elowsky, Robert D. Neihaus, Inc, who presented a summary of the Santa Ynez River Water Conservation District 2026 Rate Study, Draft Report, dated May 12. 2026 (“2026 Rate Study”). Discussion followed.

In accordance with Ordinance 2026-01: Groundwater Charge Ordinance, on May 15, 2026, the 2026 Rate Study was published to the District’s website and a copy was made available for public inspection at the District office.

c. Public Comment

Written and verbal comments were received from representatives of Santa Ynez River Water Conservation District, Improvement District No. 1 (Paeter Garcia), and the City of Solvang (Randy Murphy). The written comment from Solvang was read and presented by Mr. Murphy for the first time at the meeting. Solvang’s written comment was not provided before the close of the period for comments on the rate study as required by the Groundwater Charge Ordinance, and the comment was received without waiver of the District’s right to contend it was not timely provided as required by the ordinance. After comments were made, Mr. Torigiani noted that Solvang’s comment included a threat of litigation, and, based thereon, advised the Board that it could decide to convene to closed session to discuss such matter pursuant to the Brown Act (Gov. Code, §§ 54956.9(d)(2), (e)(4).).

d. Response to Comments Presented by Legal Counsel

Mr. Stroud, Young Wooldridge, LLP and Mr. Colantuono, Colantuono, Highsmith & Whatley, PC, presented the written response to comments received on the FYE2027 Rate Study (aka 2026 Rate Study) by The Law Offices of Young Wooldridge, LLP (General Counsel) and Colantuono, Highsmith & Whatley, PC (Special Counsel), dated June 11, 2026, which was included in the meeting packet. Mr. Stroud stated the District reserved the right to consider late comments and not respond but nothing in the comments made at the hearing merited a change to the written response to comments.

Additional public comment was received. Discussion followed.

Director Marymee arrived at 10:42 am.

e. Close Hearing

President Lahr closed the Public Hearing at 10:43 am.

Director Dunlap made a **MOTION** for the Board to enter into CLOSED SESSION because of threat of litigation received in the City of Solvang written comment letter delivered during the public hearing. Director Carpenter seconded the motion. The motion passed 4-0-1 by voice vote with Director Jordan being absent.

CLOSED SESSION

The Board convened into Closed Session from 10:43 am to 11:00 am and at about 11:05 am reconvened into open session continuing with Agenda Item No. 10.

Mr. Murphy left during Closed Session and did not return. Mr. Garcia returned to the meeting when the Board reconvened into open session.

RECONVENE INTO OPEN SESSION / CLOSED SESSION REPORT

The Board reconvened into Open Session. President Lahr reported the threat of litigation was discussed in closed session but no reportable action was taken.

10. CONSIDER ADOPTION OF RESOLUTION NO. 742 MAKING FINDINGS AND DETERMINATIONS, ESTABLISHING ZONES, SETTING RATES, AND LEVYING A GROUNDWATER CHARGE FOR WATER YEAR 2026-2027

Legal Counsel Mr. Torigiani proposed the following revisions be made to Resolution No. 742 and to the 2026 Rate Study based on discussion with the Board:

Resolution No. 742, page 4:

2. The Board hereby approves the "Rate Study Report" prepared by Robert D. Niehaus, Inc. dated May 12, 2026, with the following sentence on page 6 deleted: "The specific privilege granted to those who pay the groundwater charge is the right to extract groundwater from within the District's boundaries, which is granted only to those who pay for that right." The Rate Study Report with that sentence deleted is attached as Exhibit A.

2026 Rate Study, Draft Report, dated May 12, 2026, page 6:

> The rates and charges recommended in this study are not considered taxes under Proposition 26 because the costs bear a fair and reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity. ~~The specific privilege granted to those who pay the groundwater charge is the right to extract groundwater from within the District's boundaries, which is granted only to those who pay for that right.~~ One could also reasonably describe the District's activities as regulating water use in its area of responsibility and conducting investigations as required by its organic statute. In any event, the important point under Proposition 26 is that the District's rates are firmly tethered to its costs and are allocated proportionately among water users.

Director Dunlap made a **MOTION** to Adopt Resolution No. 742 Making Findings and Determinations, Establishing Zones, Setting Rates and Levying a Groundwater Charge for Water Year 2026-2027, with above proposed revisions made to the resolution and the 2026 Rate Study. Director Marymee seconded the motion. The motion passed 4-0-1 by voice vote with Director Jordan being absent.

Mr. Elowsky, Robert D. Neihaus, Inc, left the meeting.

11. GENERAL MANAGER REPORT, STATUS AND DISCUSSION ON THE FOLLOWING TOPICS:

a. Surface Water Program

Mr. Pappas provided an update on the Surface Water Program, presented the Santa Barbara County Rainfall and Reservoir Report, and NOAA prediction for El Nino winter. There was no discussion, no public comment, and no action.

b. Groundwater Program

Mr. Buelow reported that the online database, reporting, and payment system developed by Stetson Engineers is ready to use for the current groundwater reporting period ending June 30, 2026 beginning on July 1, 2026. He provided an update on public outreach and engagement efforts. Discussion followed. There was no public comment and no action.

c. Sustainable Groundwater Management Act:

i. Receive updates for WMA, CMA, and EMA

Mr. Buelow provided updates on the basin wide Monitoring Network improvements, including well drilling and the findings from the demonstration projects that are almost completed; WMA GSA's stormwater recharge project evaluation at Mission Hills CSD's Rucker Ponds; and the EMA GSA's adoption of mechanical metering ordinance.

Discussion followed. There was no public comment or action.

ii. Proposition 68 Grant Reimbursements, Projects, and Management Actions

Mr. Buelow reported that the Prop. 68 Grant Invoice and Progress Report #10 that summarized grant funded project efforts during the quarter January through March 2026 was submitted to DWR in May 2026 and is included in the meeting packet.

There was no discussion, no public comment, and no action.

12. CONSIDER APPROVAL OF PROPOSED FIRST AMENDMENT TO THE JOINT EXERCISE OF POWERS AGREEMENT FOR THE SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN WESTERN MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY

Mr. Buelow introduced a letter received from the WMA GSA Board of Directors, dated June 11, 2026, and the First Amendment to Joint Exercise of Powers Agreement for Santa Ynez River Valley Groundwater Basin Western Management Area Groundwater Sustainability Agency ("WMA GSA JPA Amendment No.1"). The WMA GSA JPA Amendment No.1 intended to add a voting agricultural representative director to the WMA GSA Board and change the voting structure. Discussion followed. There was no public comment.

The Board expressed concerned that the WMA GSA JPA Amendment No.1 changed the voting structure and reduced the number of SYRWCD votes but did not change the cost sharing percentages. The Board directed Mr. Buelow to report its concerns to the WMA GSA.

13. CONSIDER PROPOSED CHANGES TO EMPLOYEE BENEFITS

a. <u>Life Insurance: Consider approval to increase maximum employee life insurance</u>

Mr. Buelow presented a request to update employee benefits increasing the Basic Life insurance maximum benefit from 100% to 200% of annual salary, with the maximum Guaranteed Issue Amount remaining at $200,000. There will be minimal additional premium cost to the District.

b. <u>Cell Phone: Consider approval of a monthly employee cellphone stipend</u>

Mr. Buelow presented a request to update employee benefits adding a monthly employee cellphone stipend to provide a $25 stipend for business-related use of personal mobile devices with minimal financial impact to the District.

He also presented an optional action to consider extending the cellphone stipend to Directors, at an estimated annual cost of $1,500. The consensus of the Board members was to not approve a stipend for Directors.

Director Carpenter made a <u>**MOTION**</u> to approve the proposed changes to the Employee Benefits to increase the employee life insurance benefit to 200% salary, with maximum Guaranteed Issue Amount of $200,000, and to add a $25 per month employee cellphone stipend to the employee benefits package. Director Dunlap seconded the motion. The motion passed 4-0-1 by voice vote with Director Jordan being absent.

14. RECEIVE CONFLICT OF INTEREST CODE-2026 LOCAL BIENNIAL NOTICE

Based on advice from Mr. Torigiani, this item was tabled to the September 21, 2026 meeting.

15. DISCUSS AND CONSIDER ALTERNATIVE DIRECTOR INFORMATION ACCESS OPTIONS (REQUEST BY DIRECTOR MARYMEE)

Mr. Buelow reported he received complaint about an issue with accessing the District's provided email and the 2-factor authentication requirements. Director Marymee reported he is having problems. Discussion followed.

Director Carpenter made a **MOTION** to approve purchase of an ipad with wi-fi connectivity at the request of any Director for District use. Director Dunlap seconded the motion. The motion passed 4-0-1 by voice vote with Director Jordan being absent.

16. ATTORNEY REPORT

Mr. Torigiani reported on legislation, including AB2026 making changes to the water code and a California Aqueduct subsidence funding bill (SB 872) under consideration.

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

Director Marymee announced that the Santa Ynez Community Services District is conducting a productivity assessment by an independent consultant and asked if this operations audit is something SYRWCD should complete.

18. REQUESTS FROM THE BOARD OF DIRECTORS FOR ITEMS TO BE INCLUDED ON THE NEXT AGENDA

There were no requests.

19. NEXT REGULAR MEETING IS SCHEDULED FOR MONDAY, SEPTEMBER 21, 2026, 10:00 AM, AT BUELLTON CITY COUNCIL CHAMBERS, 140 WEST HIGHWAY 246, BUELLTON, CALIFORNIA

President Lahr announced the next regular meeting of the Board meeting is scheduled for Monday, September 21, 2026, at 10:00 a.m., at the Buellton City Council Chambers, 140 West Highway 246, Buellton, California.

20. CLOSED SESSION

The Board convened into Closed Session from 11:47 am to 12:11 pm to discuss the following items:

a. Conference with Legal Counsel – Pending Litigation (Gov. Code, § 54956.9, subd. (d)(1)): In the matter of Petition for Change of City of Solvang for Water Right Permit No. 15878 (Application A022423), which authorizes diversion of water from the Santa Ynez River (underflow) in Santa Barbara County, pending before the State Water Resources Control Board Office of Administrative Hearings

b. Conference with Legal Counsel – Anticipated Litigation (Gov. Code, § 54956.9, subd. (d)(2)): Significant exposure to litigation (One Matter)

21. RECONVENE INTO OPEN SESSION / CLOSED SESSION REPORT

The Board ended Closed Session at 12:11 pm., reconvened into Open Session and President Lahr stated there was no reportable action taken in Closed Session.

22. ADJOURNMENT

President Lahr adjourned the meeting at 12:11 pm.

Larry Lahr, President

Amber M. Thompson, Secretary

Santa Ynez River Water Conservation District
Balance Sheet
As of June 30, 2026

	Jun 30, 26
ASSETS	
Current Assets	
Checking/Savings	
1325-00 · Mechanics Checking #7071-01	601.30
1330-00 · Five Star Checking #5935	26,980.35
1340-05 · Mechanics #7311	3,482.51
1345-00 · Five Star MM #5986	192,478.99
1350-01 · LAIF	974,606.84
1350-03 · California Class	1,258,499.44
1360-00 · LAIF/SBIF FMV Adjustment	-3,384.00
1374-00 · Prepaid Expenses	962.62
Total Checking/Savings	2,454,228.05
Accounts Receivable	
1500-00 · Accounts Receivable	323,020.53
Total Accounts Receivable	323,020.53
Other Current Assets	
1501-00 · Accounts Receivable - CMA Loan	218,875.54
1502-00 · Accounts Receivable - EMA Loan	112,438.75
1503-00 · Accounts Receivable - WMA Loan	275,000.00
1504-00 · Grants Receivable	17,363.82
Total Other Current Assets	623,678.11
Total Current Assets	3,400,926.69
TOTAL ASSETS	**3,400,926.69**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2220-00 · Accounts Payable	83,236.32
Total Accounts Payable	83,236.32
Other Current Liabilities	
2225-00 · Accrued Payroll Taxes	4,827.26
2225-02 · Roth IRA	470.59
2225-06 · Deferred Comp - Lincoln Nat'l	1,864.00
2225-07 · Medical Insurance Withheld	499.97
Total Other Current Liabilities	7,661.82
Total Current Liabilities	90,898.14
Total Liabilities	90,898.14
Equity	
3200-00 · Unappropriated Reserves	2,376,337.95
32000 · Retained Earnings	713,469.37
Net Income	220,221.23
Total Equity	3,310,028.55
TOTAL LIABILITIES & EQUITY	**3,400,926.69**

10:37 AM
08/19/26
Accrual Basis

Santa Ynez River Water Conservation District
Profit & Loss Budget vs. Actual
July 2025 through June 2026

	Per. 12	FISCAL YEAR 2025-2026 TOTAL		
	Jun 26	Jul '25 - Jun 26	Budget	% of Budget
Ordinary Income/Expense				
Income				
4500-00 · DWR Grant Reimbursement	0.00	53,317.57	125,276.00	42.56%
4600-00 · GSA Administrative Services	1,342.63	55,479.28	40,000.00	138.7%
4910-00 · Ground Water Charges	4,308.22	745,295.90	725,000.00	102.8%
4930-00 · SB County Property Taxes	25,421.76	449,868.78	412,000.00	109.19%
4934-00 · Interest Income, all sources	14,224.87	98,981.84	75,000.00	131.98%
4937-00 · Miscellaneous Income	121.98	5,509.61	250.00	2,203.84%
Total Income	45,419.46	1,408,452.98	1,377,526.00	102.25%
Gross Profit	45,419.46	1,408,452.98	1,377,526.00	102.25%
Expense				
5500-00 · Employee Compensation	41,185.30	462,277.66	453,519.00	101.93%
5505-00 · Payroll (SS and Medicare)	3,204.26	33,842.34	38,122.00	88.77%
5506-00 · Employee Benefits	4,328.04	49,835.71	48,676.00	102.38%
5507-00 · Retirement Costs	2,682.50	32,116.07	31,746.00	101.17%
5512-00 · Outside Staff Support	475.00	6,692.00	6,350.00	105.39%
5513-00 · Director Fees	700.00	5,135.84	13,300.00	38.62%
5513-50 · Director Fees SGMA	0.00	3,275.00	9,700.00	33.76%
TOTAL - Ground Water Charges Admin	19,284.30	156,508.98	121,630.00	128.68%
5514-00 · Ground Water Charges Admin	19,130.30	153,385.98	121,630.00	126.11%
5514-01 · GW Chgs Admin - Zone A	0.00	820.00		
5514-02 · GW Chgs Admin - Zone B	0.00	927.00		
5514-03 · GW Chgs Admin - Zone B1	0.00	121.00		
5514-04 · GW Chgs Admin - Zone C	0.00	271.00		
5514-05 · GW Chgs Admin - Zone D	66.00	582.00		
5514-06 · GW Chgs Admin - Zone E	88.00	354.00		
5514-07 · GW Chgs Admin - Zone F	0.00	48.00		
5521-00 · Office Supplies - Incl Computer	525.45	11,858.57	13,255.00	89.47%
5522-00 · IT Services	225.00	2,488.83	2,125.00	117.12%
5523-00 · Communications	890.14	10,519.98	6,850.00	153.58%
5524-00 · Travel & Training	-2,045.35	11,223.22	30,500.00	36.8%
5527-00 · Audit/Accounting	0.00	20,877.78	20,000.00	104.39%
5529-00 · Insurance, Bonds, Worker's Comp	0.00	21,306.66	24,150.00	88.23%
5530-00 · Miscellaneous Expense	0.00	839.74	250.00	335.9%
5531-00 · Dues	49.33	6,027.10	5,300.00	113.72%
5540-00 · LAFCO Cost	0.00	1,001.00	1,000.00	100.1%
5560-00 · Office Occupancy	2,031.13	31,434.74	24,850.00	126.5%
5570-00 · Records Services	189.10	2,336.43	2,320.00	100.71%
5590-00 · Credit Card Processing Fees	26.91	1,645.62	370.00	444.76%
5600-20 · SGMA WMA	126.88	2,789.09	3,830.00	72.82%
5600-30 · SGMA CMA	341.80	95.37	1,600.00	5.96%
5600-40 · SGMA EMA	105.50	3,339.85	1,500.00	222.66%
5600-90 · SGMA Legal	0.00	6,832.75	23,070.00	29.62%

Santa Ynez River Water Conservation District
Profit & Loss Budget vs. Actual
July 2025 through June 2026

	Per. 12	FISCAL YEAR 2025-2026 TOTAL		
	Jun 26	**Jul '25 - Jun 26**	**Budget**	**% of Budget**
5626-00 · Legal - General Counsel	9,520.98	36,171.34	28,000.00	129.18%
5626-08 · Legal - Upper SYR Ops	0.00	0.00	2,500.00	0.0%
5626-12 · Legal - WR 2019-0148 Decision	0.00	9,459.75	30,000.00	31.53%
5626-14 · Legal - Fisheries	1,295.00	17,699.26	5,000.00	353.99%
5626-20 · Legal - HR	37.00	1,353.25	2,500.00	54.13%
TOTAL - Legal - GW Program	2,109.00	11,688.50	7,000.00	166.98%
5626-50 · Legal - GW Program	0.00	9,579.50	7,000.00	136.85%
5626-56 · Legal - GW Program - Zone E	2,109.00	2,109.00		
5626-60 · Legal - Assessments/Charges	17,124.50	93,773.00	100,000.00	93.77%
5633-00 · Engineer - General & Misc	4,906.24	9,365.97	7,000.00	133.8%
5633-01 · Annual G.W. Report	1,977.10	26,057.12	25,000.00	104.23%
5633-02 · WR 89-18 Operations (WRR)	3,300.75	44,356.21	40,000.00	110.89%
5633-08 · Upper SYR Operations	0.00	2,881.25	2,000.00	144.06%
5633-12 · WR 2019-0148 Decision,	0.00	0.00	2,000.00	0.0%
5633-14 · Fisheries Hydrology	984.00	10,371.12	15,000.00	69.14%
5633-16 · Special Studies	4,034.00	11,147.00	33,500.00	33.28%
5633-20 · Rate Study	0.00	4,082.50	6,500.00	62.81%
5633-31 · Engineer - GW Prog - Zone A	0.00	1,602.50		
5633-32 · Engineer - GW Prog - Zone B	0.00	422.00		
5700-00 · Contengencies All Zones General	0.00	599.25	15,000.00	4.0%
5700-10 · Tenant Improvements	0.00	22,901.40	23,000.00	99.57%
Total Expense	119,613.86	1,188,231.75	1,228,013.00	96.76%
Net Ordinary Income	-74,194.40	220,221.23	149,513.00	147.29%
Net Income	**-74,194.40**	**220,221.23**	**149,513.00**	**147.29%**

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
MAY 2026 WARRANT LIST FOR BOARD APPROVAL
(Account held at Five Star Bank)

NUMBER	DATE	PAYEE	DESCRIPTION	AMOUNT
1531	5/1/2026	Jim Heyerly	May 2026 Rent	$ 1,600.00
ACH	5/4/2026	Lincoln Financial Group	401a Plan Employer Match (partial 04/15/26)	$ 634.41
ACH	5/4/2026	Lincoln Financial Group	457 Plan Employee Deferred Comp. (04/15/26) & Employer Match (partial 04/15/26)	$ 3,041.40
ACH	5/4/2026	Payroll	April 16-30, 2026 Salary	$ 11,763.09
ACH	5/4/2026	Philip Carpenter	Meeting: 4/20/26	$ 161.61
ACH	5/4/2026	Robert Dunlap	Meeting: 4/20/26	$ 161.61
ACH	5/4/2026	Stepen Jordan	Meeting: 4/20/26	$ 161.61
ACH	5/4/2026	Larry Lahr	Meeting: 4/20/26	$ 161.61
ACH	5/4/2026	J. Brett Marymee	Meeting: 4/20/26	$ 161.61
ACH	5/4/2026	Employment Development Dept.	EDD Tax Deposit (April. 16-30, 2026)	$ 798.33
ACH	5/4/2026	Five Star Bank (Payroll Acct)	Payroll Tax Deposit (April. 16-30, 2026)	$ 5,290.86
ACH	5/5/2026	Lincoln Financial Group	401a Plan Employer Match (partial 4/30/26)	$ 634.41
ACH	5/5/2026	Lincoln Financial Group	457 Plan Employee Deferred Comp. (4/30/26) & Employer Match (partial 4/30/26)	$ 3,041.43
ACH	5/8/2026	Pacific Gas & Electric	March-April 2026 Electric Service	$ 112.03
1532	5/14/2026	Hawkins Pappas	April 2026 support: groundwater program and District's WMA efforts	$ 381.68
1533	5/14/2026	Onsite Computers and Design	Technology Service	$ 150.00
1534	5/14/2026	Stetson Engineers	March 2026 Engineering Service	$ 32,451.71
1535	5/14/2026	US Bank Corp	April 2026 CalCard	$ 6,705.33
1536	5/14/2026	Valley Bookkeeping Services	April 2026 Bookkeeping	$ 475.00
1537	5/14/2026	Young Wooldridge	April 2026 Legal Service	$ 14,222.09
ACH	5/18/2026	SDRMA	Employee Benefits: June 2026 Medical and Ancillary Insurance	$ 5,327.98
ACH	5/19/2026	Payroll	May 1-15, 2026 Salary	$ 11,749.48
ACH	5/19/2026	Employment Development Dept.	EDD Tax Deposit (May 1-15, 2026)	$ 797.96
ACH	5/19/2026	Five Star Bank (Payroll Acct)	Payroll Tax Deposit (May 1-15, 2026)	$ 5,152.65
ACH	5/26/2026	Lincoln Financial Group	401a Plan Employer Match (partial 05/15/26)	$ 634.41
ACH	5/26/2026	Lincoln Financial Group	457 Plan Employee Deferred Comp. (05/15/26) & Employer Match (partial 05/15/26)	$ 3,041.40
			TOTAL	**$ 108,813.70**

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
JUNE 2026 WARRANT LIST FOR BOARD APPROVAL
(Account held at Five Star Bank)

NUMBER	DATE	PAYEE	DESCRIPTION	AMOUNT	FY 26-27
1538	6/1/2026	Jim Heyerly	June 2026 Rent	$ 1,600.00	
ACH	6/1/2026	Payroll	May 16-31, 2026 Salary	$ 11,653.93	
ACH	6/1/2026	Philip Carpenter	Meeting: 5/15/26	$ 161.61	
ACH	6/1/2026	Robert Dunlap	Meetings: 5/15/26; CMA 5/18/26	$ 323.22	
ACH	6/1/2026	Stepen Jordan	Meetings: 5/15/26; WMA 5/27/26; EMA 5/28/26	$ 484.84	
ACH	6/1/2026	Larry Lahr	Meeting: 5/15/26	$ 161.61	
ACH	6/1/2026	J. Brett Marymee	Meeting: EMA 5/28/26	$ 161.61	
ACH	6/2/2026	Employment Development Dept.	EDD Tax Deposit (May. 16-31, 2026)	$ 795.34	
ACH	6/2/2026	Five Star Bank (Payroll Acct)	Payroll Tax Deposit (May. 16-31, 2026)	$ 5,336.72	
ACH	6/5/2026	Lincoln Financial Group	401a Plan Employer Match (partial 5/31/26)	$ 634.41	
ACH	6/5/2026	Lincoln Financial Group	457 Plan Employee Deferred Comp. (5/31/26) & Employer Match (partial 5/31/26)	$ 3,041.46	
ACH	6/8/2026	Pacific Gas & Electric	April-May 2026 Electric Service	$ 105.37	
1539	6/11/2026	Hawkins Pappas	May 2026 support: groundwater program and District's WMA efforts	$ 273.34	
1540	4/10/2026	Inklings	48th Engineering & Survey Annual Report, final	$ 90.34	
1541	6/11/2026	Onsite Computers and Design	Technology Service	$ 600.00	
1542	6/11/2026	VOID	printer error	$ -	
1543	6/11/2026	US Bank Corp	May 2026 CalCard	$ 1,815.41	
1544	6/11/2026	Valley Bookkeeping Services	May 2026 Bookkeeping	$ 475.00	
1545	6/11/2026	Young Wooldridge	May 2026 Legal Service	$ 38,015.81	
1546	6/11/2026	Amber Thompson	Mileage Expense Reimbursement (Jan.-May 2026)	$ 117.45	
1547	6/11/2026	Stetson Engineers	April 2026 Engineering Service	$ 39,961.87	
1548	6/11/2026	UNICOR (Federal Prison Accounting)	Refund ACH payment made to SYRWCD by UNICOR in error	$ 2,400.59	
1549	--	see July Warrants List		$ -	
1550	6/11/2026	Internal Revenue Service	2025 3rd Quarter Form 941 filing issue with IRS. Invoice to return interest IRS paid to SYRWCD was received. Interest was included with returned original payment. All was IRS error.	$ 350.84	
ACH	6/17/2026	Payroll	June 1-15, 2026 Salary	$ 12,527.87	
ACH	6/17/2026	Employment Development Dept.	EDD Tax Deposit (June 1-15, 2026)	$ 800.58	
ACH	6/17/2026	Five Star Bank (Payroll Acct)	Payroll Tax Deposit (June 1-15, 2026)	$ 5,295.93	
ACH	6/19/2026	Lincoln Financial Group	401a Plan Employer Match (partial 06/15/26)	$ 634.41	
ACH	6/19/2026	Lincoln Financial Group	457 Plan Employee Deferred Comp. (06/15/26) & Employer Match (partial 06/15/26)	$ 3,041.43	
ACH	6/30/2026	SDRMA	Employee Benefits: July 2026 Medical and Ancillary Insurance	$ 5,327.98	$ 5,327.98
			TOTAL	**$ 136,188.97**	
			FY 25-26	*$ 130,860.99*	
			FY 26-27	----	$ 5,327.98

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
JULY 2026 WARRANT LIST FOR BOARD APPROVAL
(Account held at Five Star Bank)

NUMBER	DATE	PAYEE	DESCRIPTION	AMOUNT	FY 26-27
1549	7/1/2026	Jim Heyerly	July 2026 Rent	$ 1,600.00	$ 1,600.00
1550	--	see June Warrants List		$ -	
ACH	7/2/2026	Payroll	June 16-30, 2026 Salary	$ 13,643.06	
ACH	7/2/2026	Philip Carpenter	Meeting: 6/15/26	$ 161.61	
ACH	7/2/2026	Robert Dunlap	Meeting: 6/15/26	$ 161.61	
ACH	7/2/2026	Larry Lahr	Meeting: 6/15/26	$ 161.61	
ACH	7/2/2026	J. Brett Marymee	Meeting: 6/15/26	$ 161.61	
ACH	7/2/2026	Employment Development Dept.	EDD Tax Deposit (June. 16-30, 2026)	$ 830.44	
ACH	7/2/2026	Five Star Bank (Payroll Acct)	Payroll Tax Deposit (June. 16-30, 2026)	$ 5,676.12	
ACH	7/6/2026	Pacific Gas & Electric	May-June 2026 Electric Service	$ 115.68	
ACH	7/13/2026	Lincoln Financial Group	401a Plan Employer Match (partial 6/30/26)	$ 634.41	
ACH	7/13/2026	Lincoln Financial Group	457 Plan Employee Deferred Comp. (6/30/26) & Employer Match (partial 6/30/26)	$ 3,041.43	
ACH	7/11/2025	SDRMA	FY 26-27 Property and Liability Insurance	$ 16,348.31	$ 16,348.31
ACH	7/11/2025	SDRMA	FY 26-27 Workers Compensation Insurance	$ 5,067.31	$ 5,067.31
1551	7/17/2026	Inklings	Printing of Groundwater Production Reporting Instructions, letters, newsletter, and envelopes	$ 1,016.11	
1552	7/17/2026	Phlip Carpenter	Mileage Expense Reimbursement - attend CSDA General Manager Conference (June 28-30, 2026)	$ 285.65	
1553	7/17/2026	William Buelow	Mileage Expense Reimbursement (Nov.2025-June 2026)	$ 85.68	
1554	7/17/2026	Hawkins Pappas	June 2026 groundwater program support	$ 154.00	
1555	7/17/2026	Inklings	Printing of postcard notice of new online Groundwater Production Reporting system	$ 521.83	
1556	7/17/2026	Onsite Computers and Design	Technology Service	$ 225.00	
1557	7/17/2026	US Bank Corp	June 2026 CalCard (includes $2,370 credit for three cancelled registrations - CSDA Annual Conference)	$ 754.00	
1558	7/17/2026	Valley Bookkeeping Services	June 2026 Bookkeeping	$ 475.00	
1559	7/17/2026	Young Wooldridge	June 2026 Legal Service	$ 30,857.48	
1560	7/17/2026	Stetson Engineers	May and June 2026 Engineering Service	$ 23,828.09	
ACH	7/17/2026	Payroll	July 1-15, 2026 Salary	$ 12,580.03	$ 12,580.03
ACH	7/17/2026	Employment Development Dept.	EDD Tax Deposit (July 1-15, 2026)	$ 869.71	$ 869.71
ACH	7/17/2026	Five Star Bank (Payroll Acct)	Payroll Tax Deposit (July 1-15, 2026)	$ 5,503.83	$ 5,503.83
ACH	7/29/2026	SDRMA	Employee Benefits: August 2026 Medical and Ancillary Insurance	$ 5,327.98	$ 5,327.98
			TOTAL	**$ 130,087.59**	
			FY 25-26	*$ 82,790.42*	
			FY 26-27	----	$ 47,297.17

BARTLETT, PRINGLE & WOLF, LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

July 21, 2026

Board of Directors
Santa Ynez River Water Conservation District
c/o Amber Thompson
District Administrator; Secretary to the Board
PO Box 719
Santa Ynez, CA 93460

Dear Board Members:

The Objective and Scope of the Audit of the Financial Statements

You have requested that Bartlett, Pringle & Wolf, LLP (BPW) audit Santa Ynez River Water Conservation District's (the District) governmental activities and the major fund as of and for the year ending June 30, 2026, and the related notes to the financial statements, which collectively comprise the basic financial statements, and supplementary information. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter (Arrangement Letter).

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards* issued by the Comptroller General of the United States (GAS) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

The Responsibilities of the Auditor

We will conduct our audit in accordance with GAAS and GAS. Those standards require that we comply with applicable ethical requirements. As part of an audit in accordance with GAAS and GAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and GAS. Because the determination of waste or abuse is subjective, GAS does not require auditors to perform specific procedures to detect waste or abuse in financial statement audits.

We will communicate to the Board of Directors (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements that becomes known to us during the audit, and (b) any instances of noncompliance with laws and regulations that we become aware of during the audit (unless they are clearly inconsequential).

Our report on internal control will include any significant deficiencies and material weaknesses in controls of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with requirements of the standards and regulations identified above.

As this engagement is not designed to be a fraud audit, management understands and accepts the inherent limitations of the audit services described in this agreement.

We will maintain our independence in accordance with the standards of the American Institute of Certified Public Accountants.

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Management is responsible for:

1. Identifying and ensuring that the District complies with the laws and regulations applicable to its activities, and for informing us about all known violations of such laws or regulations, other than those that are clearly inconsequential;

2. The design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the District involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the financial statements; and

3. Informing us of its knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, analysts, regulators, short sellers, vendors, customers or others.

Management is responsible for the preparation of the supplementary information in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Management agrees to include the auditor’s report on the supplementary information in any document that contains the supplementary information and indicates that the auditor has reported on such supplementary information. Management also agrees to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor’s report thereon.

The Governing Board is responsible for informing us of its views about the risks of fraud, waste or abuse within the District, and its knowledge of any fraud, waste or abuse or suspected fraud, waste or abuse affecting the District.

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with U.S. GAAP;

2. To evaluate subsequent events through the date the financial statements are issued or available to be issued, and to disclose the date through which subsequent events were evaluated in the financial statements. Management also agrees that it will not conclude on subsequent events earlier than the date of the management representation letter referred to below;

3. For the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;

4. For establishing and maintaining effective internal control over financial reporting, and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge;

5. For report distribution; and

6. To provide us with:

   a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including information relevant to disclosures;

   b. Draft financial statements, including information relevant to their preparation and fair presentation, when needed, to allow for the completion of each audit in accordance with the proposed timeline;

   c. Additional information that we may request from management for the purpose of the audit; and

   d. Unrestricted access to persons within the District from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from management written confirmation concerning representations made to us in connection with the audit, including among other items:

1. That management has fulfilled its responsibilities as set out in the terms of this Arrangement Letter; and

2. That it believes 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.

Our Report

We will issue a written report upon completion of our audit of the District's financial statements. Our report will be addressed to the Governing Board of the District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, or add an emphasis-of-matter paragraph or other-matter paragraph to our auditor's report.

If circumstances arise relating to the condition of the District's records, the availability of appropriate audit evidence or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting or misappropriation of assets which, in our professional judgment, prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including, but not limited to, declining to express an opinion or issue a report, or withdrawing from the engagement.

In addition to our report on the District's financial statements, we will also issue the following reports:

- Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with GAS;

Records and Assistance

During the course of our engagement, we may accumulate records containing data that should be reflected in the District's books and records. The District will determine that all such data, if necessary, will be so reflected. Accordingly, the District will not expect us to maintain copies of such records in our possession.

The assistance to be supplied by District personnel, including the preparation of schedules and analyses of accounts, will be discussed and coordinated with Amber Thompson, District Administrator. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

Nonaudit Services

In connection with our audit, you have requested us to perform certain nonaudit services:

1) Assistance with year-end adjustment for fund to government wide financials
2) Assistance with drafting the annual financial report
3) Preparation of the State Controller Financial Transaction Report
4) Implementation of new accounting standards

GAS independence standards require that the auditor maintain independence so that opinions, findings, conclusions, judgments and recommendations will be impartial and viewed as impartial by reasonable and informed third parties. Before we agree to provide a nonaudit service to the District , we determine whether providing such a service would create a significant threat to our independence for GAS audit purposes, either by itself or in aggregate with other nonaudit Services provided. A critical component of our determination is consideration of management's ability to effectively oversee the nonaudit services to be performed. The District has agreed that Amber Thompson, District Administrator, possesses suitable skill, knowledge or experience and that the individual understands the nonaudit services to be performed sufficiently to oversee them. Accordingly, the management of the District agrees to the following:

1. The District has designated William Buelow, General Manager, as a senior member of management who possesses suitable skill, knowledge and experience to oversee the services;

2. William Buelow, General Manager, will assume all management responsibilities for subject matter and scope of the nonaudit services;

3. The District will evaluate the adequacy and results of the services performed; and

4. The District accepts responsibility for the results and ultimate use of the services.

GAS further requires that we establish an understanding with the District's management and those charged with governance of the objectives of the nonaudit services, the services to be performed, the District's acceptance of its responsibilities, the auditor's responsibilities and any limitations of the nonaudit Services. We believe this Arrangement Letter documents that understanding.

Other Relevant Information

In accordance with GAS, a copy of our most recent peer review report is enclosed for your information.

Fees and Costs

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 Arrangement 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 Arrangement Letter, we shall not be liable for any damages that occur as a result of our ceasing to render services. Our fees for the audit will be approximately $18,000 for the year ending June 30, 2026. That estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit.

Accounting consulting, including nonaudit services, will be billed at our hourly rates. 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.

Use of Subcontractors and Third-Party Products

From time to time and depending upon the circumstances, we may, in our sole discretion, use affiliates of ours or qualified third-party service providers, some of whom may be cloud based and located within or outside the United States, to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose Personal Information or Confidential Information (as both terms are defined below) to them. You hereby consent to us sharing your information, including Confidential Information and Personal Information, with these third-party service providers on the same basis as we would be permitted to share information with one of our employees; provided that such recipients are bound by written obligations of confidentiality that are as protective of your Confidential Information as the confidentiality terms set forth herein. You acknowledge and agree that our use of a third-party service providers may involve the processing, input, disclosure, movement, transfer, and storage of your information and data outside of our technology infrastructure.

We also may provide services to you using certain third-party hardware, software, software services, managed services (including, but not limited to, web hosting, data security, data back-up, email security, or similar services subject to direct end-user or subscription agreements), applications, and equipment (collectively, Third-Party Products and each, individually, a Third-Party Product). You acknowledge that your or our use of a Third-Party Product may involve the processing, input, disclosure, movement, transfer, and storage of information provided by you to us, including Personal Information and Confidential Information, within the Third-Party Product's infrastructure and not ours, and that the terms of use and service set forth in the end-user license, subscription, or other agreement with the licensor of such Third-Party Product, including, but not limited to, applicable laws, will govern all obligations of such licensor relating to data privacy, storage, recovery, security, and processing within such Third-Party Product's infrastructure, as well as, the service levels associated with such Third-Party Product. You hereby consent to the disclosure of your information, including your Confidential Information and Personal Information, to the licensors of such Third-Party Products for the purpose described herein.

You acknowledge that your or our use of Third-Party Products may be subject to limitations, delays, interruptions, errors, and other problems which are beyond our control, including, without limitation, internet outage or lack of availability related to updates, upgrades, patches, fixes, maintenance, or other issues. We will not be liable for any delays, delivery failures, or other losses or damages resulting from such issues. Nor will we be held responsible or liable for any loss, or unauthorized use or disclosure, of any information or data provided by you, including, without limitation, Personal Information provided by you, resulting from your or our use of a Third-Party Product.

Use and Ownership; Access to Audit Documentation

The Audit Documentation for this engagement is the property of BPW. For the purposes of this Arrangement Letter, the term "Audit Documentation" shall mean the confidential and proprietary records of BPW's audit procedures performed, relevant audit evidence obtained, other audit-related workpapers, and conclusions reached. Audit Documentation shall not include custom-developed documents, data, reports, analyses, recommendations, and deliverables authored or prepared by BPW for the District under this Arrangement Letter, or any documents belonging to the District or furnished to BPW by the District.

Review of Audit Documentation by a successor auditor or as part of due diligence is subject to applicable BPW policies, and will be agreed to, accounted for and billed separately. Any such access to our Audit Documentation is subject to a successor auditor signing an Access & Release

Letter substantially in BPW's form. BPW reserves the right to decline a successor auditor's request to review our workpapers.

In the event we are required by government regulation, subpoena or other legal process to produce our documents or our personnel as witnesses with respect to our engagement for the District, the District will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

You acknowledge and grant your assent that representatives of the cognizant or oversight agency or their designee, other government audit staffs, and the U.S. Government Accountability Office shall have access to the Audit Documentation upon their request and that we shall maintain the Audit Documentation for a period of at least three years after the date of the report, or for a longer period if we are requested to do so by the cognizant or oversight agency. Access to the requested Audit Documentation will be provided under the supervision of BPW audit personnel and at a location designated by our firm.

Indemnification, Limitation of Liability, and Claim Resolution

Because BPW will rely on the District and its management and Board of Directors to discharge the foregoing responsibilities, the District agrees to indemnify, hold harmless and release BPW and its partners, principals, officers, directors, employees, affiliates, subsidiaries, contractors, Subcontractors, agents, representatives, successors, or assigns from all claims, liabilities, losses and costs arising in circumstances where there has been a knowing misrepresentation by a member of the District's management.

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.

THE DISTRICT AND BPW AGREE THAT NO CLAIM ARISING OUT, FROM, OR RELATING TO THE SERVICES RENDERED PURSUANT TO THIS ARRANGEMENT LETTER SHALL BE FILED MORE THAN TWO YEARS AFTER THE DATE OF THE

AUDIT REPORT ISSUED BY BPW OR THE DATE OF THIS ARRANGEMENT LETTER IF NO REPORT HAS BEEN ISSUED. IN NO EVENT SHALL BPW OR THE DISTRICT, OR ANY OF THEIR RESPECTIVE PARTNERS, PRINCIPALS, OFFICERS, DIRECTORS, EMPLOYEES, AFFILIATES, SUBSIDIARIES, CONTRACTORS, SUBCONTRACTORS, AGENTS, REPRESENTATIVES, SUCCESSORS, OR ASSIGNS (COLLECTIVELY, THE COVERED PARTIES AND EACH INDIVIDUALLY, A COVERED PARTY), BE LIABLE FOR THE INTERRUPTION OR LOSS OF BUSINESS, ANY LOST PROFITS, SAVINGS, REVENUE, GOODWILL, SOFTWARE, HARDWARE, OR DATA, OR THE LOSS OF USE THEREOF (REGARDLESS OF WHETHER SUCH LOSSES ARE DEEMED DIRECT DAMAGES), OR INCIDENTAL, INDIRECT, PUNITIVE, CONSEQUENTIAL, SPECIAL, EXEMPLARY, OR SIMILAR SUCH DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL AGGREGATE LIABILITY OF THE COVERED PARTIES ARISING OUT OF, FROM, OR RELATING TO THIS ARRANGEMENT LETTER, OR THE REPORT ISSUED OR SERVICES PROVIDED HEREUNDER, REGARDLESS OF THE CIRCUMSTANCES OR NATURE OR TYPE OF CLAIM, INCLUDING, WITHOUT LIMITATION, CLAIMS ARISING FROM A COVERED PARTY'S NEGLIGENCE OR BREACH OF CONTRACT OR WARRANTY, OR RELATING TO OR ARISING FROM A GOVERNMENT, REGULATORY OR ENFORCEMENT ACTION, INVESTIGATION, PROCEEDING, OR FINE, WILL NOT EXCEED THE TOTAL AMOUNT OF THE FEES PAID BY THE DISTRICT TO BPW UNDER THIS ARRANGEMENT LETTER. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS LIMITATION OF LIABILITY PROVISION SHALL, OR SHALL BE INTERPRETED OR CONSTRUED TO, RELIEVE THE DISTRICT OF ITS PAYMENT OBLIGATIONS TO BPW UNDER THIS ARRANGEMENT LETTER.

Confidentiality

BPW and the District may, from time to time, disclose Confidential Information (as defined below) to one another. Accordingly, BPW and the District agree as the recipient of such Confidential Information (the Receiving Party) to keep strictly confidential all Confidential Information provided to it by the disclosing party (the Disclosing Party) and use, modify, store, and copy such Confidential Information only as necessary to perform its obligations and exercise its rights under this Arrangement Letter and for no other purpose or use. Except as otherwise set forth herein, the Receiving Party may only disclose the Confidential Information of the Disclosing Party to its personnel, agents, and representatives who are subject to obligations of confidentiality at least as restrictive as those set forth herein and only for the purpose of exercising its rights and fulfilling its obligations hereunder. To avoid any doubt, BPW is permitted to disclose the District's Confidential Information to BPW's personnel, agents, and representatives for the purpose of maintaining compliance with applicable laws and professional, regulatory, and/or ethical standards.

As used herein, "Confidential Information" means, information in any form, oral, graphic, written, electronic, machine-readable or hard copy consisting of: (i) any nonpublic information provided by the Disclosing Party, including, but not limited to, all of its inventions, designs, data, source and object code, programs, program interfaces, know-how, trade secrets, techniques, ideas, discoveries, marketing and business plans, pricing, profit margins and/or similar information; (ii) any information that the Disclosing Party identifies as confidential; or (iii) any information that, by its very nature, a person in the same or similar circumstances would understand should be treated as confidential, including, but not limited to, this Arrangement Letter.

As used herein, the term "Confidential Information" will not include information that: (i) is publicly available at the time of disclosure by the Disclosing Party; (ii) becomes publicly available by publication or otherwise after disclosure by the Disclosing Party, other than by breach of the confidentiality obligations set forth herein by the Receiving Party; (iii) was lawfully in the Receiving Party's possession, without restriction as to confidentiality or use, at the time of disclosure by the Disclosing Party; (iv) is provided to the Receiving Party without restriction as to confidentiality or use by a third party without violation of any obligation to the Disclosing Party; or (v) is independently developed by employees or agents of the Receiving Party who did not access or use the Confidential Information.

The Receiving Party will treat the Disclosing Party's Confidential Information with the same degree of care as the Receiving Party treats its own confidential and proprietary information, but in no event will such standard of care be less than a reasonable standard of care. The Receiving Party will promptly notify the Disclosing Party if it becomes aware that any of the Confidential Information of the Disclosing Party has been used or disclosed in violation of this Arrangement Letter.

Notwithstanding the foregoing, in the event that the Receiving Party becomes legally compelled to disclose any of the Confidential Information of the Disclosing Party, or as may be required by applicable regulations or professional standards, the Receiving Party will use commercially reasonable efforts to provide the Disclosing Party with notice prior to disclosure, to the extent permitted by law.

Preexisting Nondisclosure Agreements

In the event that the parties have executed a separate nondisclosure agreement and such agreement does not automatically terminate or expire upon execution of this Arrangement Letter, such agreement shall be terminated as of the effective date of this Arrangement Letter.

Information Security

BPW is committed to the safe and confidential treatment of the District's proprietary information. BPW 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 BPW 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.

Our firm may use generative artificial intelligence ("AI") tools to improve efficiencies in areas such as tax and accounting research, document drafting, or other analysis to assist us with rendering services to you under the terms of this agreement. We have policies and procedures in place to ensure that any AI-generated content is subject to our firm's strict quality control guidelines which include protocols for applying professional expertise, judgment, and oversight in the review and interpretation of any AI-generated content. In addition, we maintain reasonable safeguards to ensure responsible use of AI which includes strict adherence to the requirements set forth for confidentiality, privacy, security, and ethical use of AI in accordance with applicable laws and our professional standards.

Retention of Records

It is our policy to keep records related to this engagement for seven years. However, BPW 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 any government or regulatory agencies.

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

Termination

Your failure to make full payment of any and all undisputed amounts invoiced in a timely manner constitutes a material breach for which we may refuse to provide deliverables and/or, upon written notice, suspend or terminate our services under this Arrangement Letter. We will not be liable to you for any resulting loss, damage or expense connected with the suspension or termination of our services due to your failure to make full payment of undisputed amounts invoiced in a timely manner.

In the event you terminate this engagement, you will pay us for all services rendered (including deliverables and products delivered), expenses incurred, and noncancelable commitments made by us on your behalf through the effective date of termination.

We will not be responsible for any delay or failure in our performance resulting from acts beyond our reasonable control or unforeseen or unexpected circumstances, such as, but not limited to, acts of God, government or war, riots or strikes, disasters, fires, floods, epidemics, pandemics or outbreaks of communicable disease, cyberattacks, and internet or other system or network outages. At your option, you may terminate this Arrangement Letter where our services are delayed more than 120 days; however, you are not excused from paying us for all amounts owed for services rendered and deliverables provided prior to the termination of this Arrangement Letter.

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, BPW may, at its sole discretion, terminate this arrangement letter without further obligation to the District. Resumption of review 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 BPW to recommence work, a new arrangement letter would need to be mutually agreed upon and executed.

We may terminate this Arrangement Letter upon written notice if: (i) we determine that our continued performance would result in a violation of law, regulatory requirements, applicable professional or ethical standards, or our client acceptance or retention standards; or (ii) you are placed on a verified sanctioned entity list or if any director or executive of, or other person closely associated with, you or any of your affiliates is placed on a verified sanctioned person list, in each case, including, but not limited to, lists promulgated by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. State Department, the United Nations Security Council, the European Union, or any other relevant sanctioning authority.

The parties agree that those provisions of this Arrangement Letter which, by their context, are intended to survive, including, but not limited to, payment, limitations on liability, claim resolution, use and ownership, and confidentiality obligations, shall survive the termination of this Arrangement Letter.

Miscellaneous

The District agrees that it will not associate us with any public or private securities offering without first obtaining our consent. Therefore, the District agrees to contact us before it includes our reports, or otherwise makes reference to us, in any public or private securities offering. Our association with an official statement is a matter for which separate arrangements may be necessary. The District agrees to provide us with printer's proofs or masters of such offering documents for our review and approval before printing, and with a copy of the final reproduced material for our approval before it is distributed.

We agree that our association with any proposed offering is not necessary, providing the District agrees to clearly indicate that we are not associated with the contents of any such official statement or memorandum. The District agrees that the following disclosure will be prominently displayed in any such official statement or memorandum:
Bartlett, Pringle & Wolf, LLP, our independent auditor, has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Bartlett, Pringle & Wolf, LLP also has not performed any procedures relating to this official statement.

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a partner or professional employee leaves the firm and is subsequently employed by or associated with a client in a key position. Accordingly, you agrees to compensate us for any additional costs incurred as a result of you employment of one of our partners, principals or employees.

Entire Agreement

This Arrangement Letter constitutes the complete and exclusive statement of agreement between BPW and the District, and supersedes all prior agreements, understandings, and proposals, whether oral or written, relating to the subject matter of this Arrangement Letter.

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.

This Arrangement Letter may be amended or modified only by a written instrument executed by both parties.

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.

Please sign and return a copy of this Arrangement Letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit, including our respective responsibilities.

Acknowledgement and Acceptance

Each party acknowledges that it has read and agrees to all of the terms and conditions contained herein. Each party and its signatory below represents that said signatory is a duly authorized representative of such party and has the requisite power and authority to bind such party to the undertakings and obligations contained herein.

Very truly yours,

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

Tracy Solomon

Tracey A. Solomon
Partner

TAS:cnr
Enclosures

Approved:

____
Signature

4400 Post Oak Parkway, Suite 1100
Houston, Texas 77027
713-850-8787

Report on the Firm's System of Quality Control

To the Partners of
Bartlett Pringle & Wolf LLP
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Bartlett Pringle & Wolf LLP (the firm) in effect for the year ended September 30, 2025. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included an engagement performed under Government Auditing Standards and audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Bartlett Pringle & Wolf LLP in effect for the year ended September 30, 2025, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies), or fail. Bartlett Pringle & Wolf LLP has received a peer review rating of pass.

Weaver and Tidwell, L.L.P.

Weaver and Tidwell, L.L.P.

Houston, Texas
March 26, 2026

BARTLETT, PRINGLE & WOLF, LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

July 21, 2026

Board of Directors
Santa Ynez River Water Conservation District
c/o Amber Thompson
District Administrator; Secretary to the Board
PO Box 719
Santa Ynez, CA 93460

Dear Board Members:

This letter is to explain our understanding of the arrangements for Nonaudit Services we are to perform for Santa Ynez River Water Conservation District (the District) beginning July 1, 2026 to June 30, 2027. We ask that you either confirm or amend this understanding.

We will provide the following nonaudit services:

1) Assistance with year-end adjustment for fund to government wide financials
2) Assistance with drafting the annual financial report
3) Preparation of the State Controller Financial Transaction Report
4) Implementation of new accounting standards

We will be available for accounting consulting on a continuous basis including performing special projects at the request management or the Board of Directors. However, it is your responsibility to evaluate the substantive outcome of the work, and therefore, you have the responsibility and are able to make informed judgments on the results of these services. Accordingly, the District agrees to the following: You will be accountable and responsible for overseeing all projects; you will establish and maintain internal controls, including monitoring ongoing activities; and you will make any decisions that involve management functions related to the projects. Finally, you evaluate the adequacy of services to be performed and the results of any findings.

The independence standards contained in Government Auditing Standards require that the District acknowledge and agree that it is responsible for the substantive outcomes of the nonaudit services and that it possesses the ability to make informed judgments regarding such services. Accordingly, the District agrees that:

1. The District will designate an individual who possesses suitable skill, knowledge, and experience to oversee the accounting consulting services described in this engagement.

BPW.COM | 1123 CHAPALA STREET, SUITE #300 | SANTA BARBARA, CA 93101 | TEL: (805) 963-7811 | FAX: (805) 564-2103 | INFO@BPW.COM

2. The District will be accountable and responsible for overseeing the accounting consulting services, including any proposed adjusting entries, and for determining their impact on the financial statements.

3. The District will establish and monitor the objectives and performance of the services to ensure that they meet the District's needs and objectives.

4. The District will make all management decisions and perform all management functions relating to the services described in this engagement and accepts responsibility for such decisions.

5. The District will evaluate the adequacy and results of the services performed and determine whether the results are appropriate and acceptable.

6. The District accepts responsibility for the findings and results of the services.

The District hereby indemnifies Bartlett, Pringle & Wolf, LLP and its partners, managing directors, and employees and holds them harmless from all claims, liabilities, losses and costs arising in circumstances where there has been a knowing misrepresentation by a member of the District's management, regardless of whether such person was acting in the District's interest. This indemnification will survive termination of this letter.

The assistance to be supplied by your personnel has been discussed and coordinated with you. The timely and accurate completion of this work is essential to our completion of the services described above.

The services described in this engagement constitute nonaudit services under Government Auditing Standards and are separate from the audit services performed under a separate engagement.

Our fees are based on the time required by the individuals assigned to the engagement, plus direct expenses. Individual hourly rates vary according to the degree of responsibility involved and the skill required.

Our firm may use generative artificial intelligence (AI) tools to improve efficiencies in areas such as tax and accounting research, document drafting, or other analysis to assist us with rendering services to you under the terms of this agreement. We have policies and procedures in place to ensure that any AI-generated content is subject to our firm's strict quality control guidelines which include protocols for applying professional expertise, judgment, and oversight in the review and interpretation of any AI-generated content. In addition, we maintain reasonable safeguards to ensure responsible use of AI which includes strict adherence to the requirements set forth for confidentiality, privacy, security, and ethical use of AI in accordance with applicable laws and our professional standards.

This letter constitutes the complete and exclusive statement of agreement between Bartlett, Pringle & Wolf, LLP and the District, superseding all proposals, oral or written, and all other communication, with respect to the terms of the engagement between the parties.

If the foregoing arrangements meet with your approval, please sign this original letter and return it to us in the enclosed envelope. We have enclosed a copy for your files.

We appreciate this opportunity to serve you and your understanding of the need to document the terms of our relationship.

Very truly yours,

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

Tracey Solomon

Tracey A. Solomon
Partner

TAS/cnr

Approved:

____
Signature

RESOLUTION NO. 743

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT ORDERING AN ELECTION AND REQUESTING THE BOARD OF SUPERVISORS TO CONSOLIDATE THE ELECTION WITH THE 2026 STATEWIDE ELECTION

WHEREAS, on February 17, 1999, the Board of Directors ("Board") of the Santa Ynez River Water Conservation District ("District") passed Resolution No. 554 pursuant to Elections Code section 10404, providing that future District elections will be consolidated with the statewide general election as authorized by that section; and

WHEREAS, on March 9, 2022, the Board adopted Resolution No. 708 setting the current Division boundaries of the District; and

WHEREAS, consistent with Resolution No. 554, the District is to conduct a regularly scheduled election to be held on November 3, 2026, at which time the issue to be presented to voters shall be the election of Board members representing Divisions 1, 4, 5; and

WHEREAS, pursuant to Elections Code Section 10418 and consistent with Resolution No. 554, the District desires to consolidate its election with the Statewide General Election that will be held on the same day; and

WHEREAS, Elections Code Section 10520 requires each district involved in a general election to reimburse the county for the actual costs incurred by the county elections official in conducting the election for that district; and

WHEREAS, Elections Code Section 13307 requires that before the nominating period opens, the District Board must determine whether a charge shall be levied against each candidate submitting a candidate statement to be sent to the voters, determine the number of words, may estimate the cost and determine whether the estimate must be paid in advance; and

WHEREAS, pursuant to Elections Code Section 13307, on June 5, 2022, the Board adopted Resolution No. 577, which determined that candidates shall bear the cost of disseminating candidates' statements, that the statutory default of 200 words shall be the maximum for candidates' statements, that candidates not be permitted to submit additional materials to be sent with the sample ballot, and that the Registrar of Voters be directed to give a copy of such regulations to each candidate at the time nomination documents are received; and

WHEREAS, Elections Code Section 12112 requires the elections official of the principal county to publish a notice of the election once in a newspaper of general circulation in the District.

NOW, THEREFORE, IT IS RESOLVED AND ORDERED that on the 3rd day of November 2026, an election be held within the territory included in this District for the purpose of electing members to the District's Board in accordance with the following specifications:

1. The purpose of the election is to elect members of the District's Board of Directors as follows:

Office	Term
Director – Division 1	4 years
Director – Division 4	4 years
Director – Division 5	4 years

2. Pursuant to Elections Code Sections 13307 and 13308, and in accordance with District Resolution No. 577, the District has determined that the Candidate will pay for the cost of printing, handling, and mailing any candidate's statement, which will be limited to two hundred (200) words, and no additional materials are permitted to be sent to the voter with the sample ballot. The Registrar of Voters is directed to give a copy of these regulations to each candidate or representative at the time that nomination documents are received.

3. The Board hereby requests that this election be consolidated with the Statewide General Election to be held the same day.

4. The Board hereby requests that the County of Santa Barbara's Elections Official provide election services to the District and has determined to reimburse the County for the actual cost incurred in conducting said election upon receipt of a bill stating the amount due.

5. The Board hereby acknowledges that the consolidated election will be held and conducted in the manner prescribed by Elections Code Section 10418.

6. The District hereby requests the County Elections Division to publish the Notice of Election in a newspaper of general circulation that is regularly circulated in the territory.

7. The Secretary of this Board is directed to deliver copies of this Resolution to the Registrar of Voters or Elections Official for Santa Barbara County, and to the County of Santa Barbara Board of Supervisors.

The foregoing resolution being on motion of Director ________, seconded by Director ________, 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 on the 21st of September 2026.

________________________________ ________________________________

Larry Lahr, President Amber M. Thompson, Secretary

RESOLUTION NO. 744

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT ANNOUNCING THE INTENT TO ADOPT AN AMENDED CONFLICT OF INTEREST CODE AND ESTABLISHING A COMMENT PERIOD

WHEREAS, in accordance with the state law, the Board of Directors of the Santa Ynez River Water Conservation District has reviewed the District's Conflict of Intertest Code; and

WHEREAS, in accordance with that review and state law the Board has determined that the current Conflict of Intertest Code is need of modification; and

WHEREAS, Senate Bill 852 changed the filing officer for public officials who manage public investments to the Fair Political Practices Commission ("FPPC") thereby changing the filing location for their Statements of Economic Interests (Form 700) which are required to be filed electronically with the FPPC; and

WHEREAS, in accordance with state law, the District has prepared an amended Conflict of Interest Code (Exhibit A hereto) and Notice of Intent; and

WHEREAS, state law requires that the District provide a 45-day comment period for members and employees affected by the Code before adopting said Code;

NOW, THEREFORE, the Board of Directors of the Santa Ynez River Water Conservation District does hereby resolve, declare and order as follows:

1.The amended Conflict-of-Interest Code, attached hereto as Exhibit A, is preliminarily adopted by the Board of Directors of the Santa Ynez River Water Conservation District.

2. The Mandatory 45-day comment period begins on September 22, 2026 and ends on November 5, 2026.

3. The Board Secretary of the District is hereby directed to provide the attached "Notice of Intention to Amend the Conflict-of-Interest Code" to those parties designated by the preliminarily adopted Conflict-of-Interest Code.

ALL THE FOREGOING, being on motion of Director ___________________, seconded by Director ___________________, was hereby authorized by the following vote, to wit:

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 on the 21st day of September, 2026.

WITNESS my hand and seal of the Board of Directors this 21st day of September, 2026.

____

Amber M. Thompson
Secretary of the Board of Directors

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

NOTICE OF INTENTION TO AMEND THE CONFLICT-OF-INTEREST CODE

NOTICE IS HEREBY GIVEN that the SANTA YNEZ RIVER WATER CONSERVATION DISTRICT (the “District”) intends to amend its Conflict-of-Interest Code (“Code”) pursuant to Government Code Section 87300 and 87306. Pursuant to Government Code Section 87302, the Code will designate employees who must disclose certain investments, income, interests in real property and business positions, and who must disqualify themselves from making or participating in the making of governmental decisions affecting those interests.

A written comment period has been established commencing on September 22, 2026 and ending on November 5, 2026. Any interested person may send written comments concerning the proposed amended Code, a copy of which is being concurrently transmitted to you along with this Notice, no later than November 6, 2026 to the Santa Ynez River Water Conservation District at Post Office Box 719, Santa Ynez, CA 93460, or by email to athompson@syrwcd.com. No public hearing on this matter will be held unless an interested person or his or her representative requests no later than 15 days prior to the close of the written comment period, a public hearing.

The impetus for the adoption of this Code are the new disclosure requirements established by the Fair Political Practices Commission for public officials responsible for the management of public investments. These new requirements stem from Senate Bill 852, effective January 1, 2026, which changed the filing officer for public officials who manage public investments, thereby changing the filing location for their Statements of Economic Interests (Form 700) to the Fair Political Practices Commission. These new requirements necessitate recategorizing Directors, General Manager, and Treasurer from the Code’s Designated Positions to positions that must file Statements of Economic Interest electronically with the FPPC as public officials who manage public investments (Gov. Code, § 87200). The designated positions of Assistant General Manager, Strategic Advisor, and Groundwater Program Manager have been removed as these are no longer positions. The proposed amended Code, along with all supporting information upon which the proposal is based, is available for review at the District’s office. The adoption of the Code will not impose a cost savings to the District that is required to be reimbursed under Part 7 (commencing with section 17500) of Division 4 of the Government Code; will not result in any nondiscretionary cost or savings to local agencies; will not result in any cost or savings in federal funding to the state; will not impose a mandate on local agencies or school districts; and will not have any potential cost impact on private persons or businesses, including small businesses. No alternative considered by the District would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action

All inquiries concerning the proposed Code should be directed to Amber Thompson, District Administrator and Board Secretary of the Santa Ynez River Water Conservation District, at Post Office Box 719, Santa Ynez, CA 93460, or by email to athompson@syrwcd.com.

Exhibit A – [Proposed] Amended Conflict of Interest Code

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
CONFLICT OF INTEREST CODE

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission ("FPPC") has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix (or appendices), designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Santa Ynez River Water Conservation District (District).**

Designated Positions may file their statements to the County of Santa Barbara online using eDisclosure, which will submit the Form 700 to the County Clerk, Recorder and Assessor. Statements will be made available for public inspection and reproduction (Government Code Section 81008). The District's filing official can give you access.

DESIGNATED POSITIONS

Designated Positions	Disclosure Categories
Secretary	1, 2, 3
District Administrator	1, 2, 3
Water Resource Analysist/Biologist	1, 2, 3
General Counsel	1, 2, 3
Consultants/New Positions	*

* *Consultants/new positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation: General Manager may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. Such determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code (Gov. Code, § 81008).*

PUBLIC OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

The following positions are NOT covered by the conflict-of-interest code because they must file under Government Code section 87200. Those who file under Government Code section 87200 are required to file electronically with the Fair Political Practices Commission; therefore, these positions are listed for informational purposes only:

- Director
- General Manager
- Treasurer

An individual holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Government Code Section 87200.

Disclosure Categories

Category 1

A designated employee in this category must report all investments and business positions in business entities and sources of income, including receipt of gifts, loans, and travel payments, from any source that provides leased facilities, services, supplies, materials or equipment of the type utilized by the District.

Category 2

A designated employee in this category must report all interests in real property located in whole or in part within the boundaries of the District or within two miles of the District, including any leasehold, beneficial or ownership interest or option to acquire such interest in real property.

Category 3

A designated employee in this category must report all investments and business positions in business entities, and sources of income, including receipt of gifts, loans, and travel payments, from entities that have filed a claim, or have a claim pending against the District.

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT
CONFLICT OF INTEREST CODE

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California~~.~~ Code of Regulations~~s.~~ Section~~.~~ 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix, designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Santa Ynez River Water Conservation District (District).**

Designated Positions may file their statements to the County of Santa Barbara online using eDisclosure, which will submit the Form 700 to the County Clerk, Recorder and Assessor. Statements will be made available for public inspection and reproduction (Government Code Section 81008). The District's filing official can give you access.

Designated Positions	Disclosure Categories
~~Director~~	~~1,2,3~~
Secretary	1,2,3
~~Treasurer~~	~~1,2,3~~
~~General Manager~~	~~1,2,3~~
~~Assistant General Manager~~	~~1,2,3~~
~~Groundwater Program Manager~~	~~1,2,3~~
~~Strategic Advisor~~	~~1,2,3~~
District Administrator	1,2,3
Water Resource Analyst/Biologist	1,2,3
General Counsel	1,2,3
Consultants/New Positions	*

*Consultants/New positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation: The General Manager may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code (Gov. Code Section 81008).

~~Designated employees may file their statements online using eDisclosure, which will submit the Form 700 to the County Clerk, Recorder and Assessor. Statements will be made~~

~~available for public inspection and reproduction (Gov Code Section 81008). The District's filing official can give you access.~~

~~Designated employees who file using a paper Form 700 shall file with the District. Upon receipt of the statement filed by a designated employee, a copy shall be retained with the District and the original shall be forwarded to the County Clerk, Recorder and Assessor. Statements filed by the General Counsel and Consultants shall be retained by the District. Paper statements will be made available for public inspection and reproduction (Gov. Code Section 81008).~~

PUBLIC OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

The following positions are NOT covered by the conflict-of-interest code because they must file under Government Code section 87200. Those who file under Government Code section 87200 are required to file electronically with the Fair Political Practices Commission; therefore, these positions are listed for informational purposes only:

- Director
- General manager
- Treasurer

An individual holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Government Code Section 87200.

~~APPENDIX~~
~~DESIGNATED POSITIONS AND DISCLOSURE CATEGORIES~~

~~I. Designated Position~~	~~Assigned Disclosure Category~~
~~Director~~	~~1, 2, 3~~
~~Secretary~~	~~1, 2, 3~~
~~Treasurer~~	~~1, 2, 3~~
~~General Manager~~	~~1, 2, 3~~
~~Assistant General Manager~~	~~1, 2, 3~~
~~Groundwater Program Manager~~	~~1, 2, 3~~
~~Strategic Advisor~~	~~1, 2, 3~~

~~District Administrator~~ ~~1, 2, 3~~
~~Water Resource Analyst/Biologist~~ ~~1, 2, 3~~
~~General Counsel~~ ~~1, 2, 3~~

~~Consultants/New Positions~~ ~~*~~

~~*Consultants/New positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation:~~

~~The General Manager may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code (Gov. Code Section 81008).~~

~~**Note:** The position of General Counsel is filled by outside consultants who serve in a staff capacity.~~

~~II.~~ Disclosure Categories:

Category 1

A designated employee in this category must report all investments and business positions in business entities and sources of income, including receipt of gifts, loans, and travel payments, from any source that provides leased facilities, services, supplies, materials or equipment of the type utilized by the District.

Category 2

A designated employee in this category must report all interests in real property located in whole or in part within the boundaries of the District or within two miles of the District, including any leasehold, beneficial or ownership interest or option to acquire such interest in real property.

Category 3

A designated employee in this category must report all investments and business positions in business entities, and sources of income, including receipt of gifts, loans, and travel payments, from entities that have filed a claim, or have a claim pending against the District.

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

MEMORANDUM

DATE: September 21, 2026

TO: Larry Lahr, Phil Carpenter, Robert Dunlap, Brett Marymee, Steve Jordan

FROM: Amber Thompson

SUBJECT: **AGENDA ITEM – 12**
Resolution No. 745 and Memorandum of Understanding between SDRMA and SYRWCD

RECOMMENDATION:

It is recommended that the Board of Directors adopt Resolution No. 745 Approving the Form of and Authorizing the Execution of a Memorandum of Understanding and Authorizing Participation in the Special District Risk Management Authority's Health Benefits Program.

DISCUSSION:

On March 9, 2022, the SYRWCD Board of Directors adopted Resolution No. 711 Approving the Form of and Authorizing the Execution of a Memorandum of Understanding and Authorizing Participation in the Special District Risk Management Authority's Health Benefits Program. SYRWCD is currently enrolled as a participant in Special District Risk Management Authority's (SDRMA's) Health Benefits Coverages for Blue Shield PPO Silver and Ancillary Coverages for the Delta Dental PPO Medium Plan, VSP Option 2 coverages, Basic Life and ADD Plan, Long Term Disabilty Option 1 Plan and Short Term Disability Option 2 Plan.

At their June 2026 Board Meeting, the SDRMA Board of Directors approved amendments to the SDRMA Health Benefits Memorandum of Understanding (MOU). The amendments were made to better align the MOU with their pool, Public Risk Innovation, Solutions and Management (PRISM) MOU and industry norms. SDRMA advised SYRWCD that our district is required to have our governing body execute the amended MOU and Resolution. To ensure we follow Section 15 of the amended MOU guideline, the original MOU and Resolution must be mailed back to SDRMA by **November 1, 2026 otherwise our entity will be deemed as withdrawn and benefits will be terminated effective January 1, 2027**. The attached documents are needed to retain these benefits.

There is no cost increase to SYRWCD.

SUMMARY OF THE CHANGES TO THE MOU:

Section	Previous Language	Revised Language	Description of Change
Definitions	Various terms and definitions, some not clearly defined or missing.	Expanded and clarified definitions for "Committee," "Coverage Documents," "Program Participation Agreement," "Program," and "Program Documents."	Improved clarity and specificity of key terms for better understanding and administration.
Entry into Program	ENTITY shall enroll in the Program by making application through SDRMA.	ENTITY shall apply for participation by executing all forms prescribed by SDRMA, subject to approval by the Program's Underwriter.	Clarifies the application process and emphasizes underwriter approval.
Maintenance of Effort	Program provides health benefits to all participants of the ENTITY.	Specifies eligible participants (active employees, retired employees, dependents, public officials) and outlines optional participation for some groups.	Clarifies eligibility and participation requirements.
Premiums	ENTITY will remit monthly premiums based on rates established by SDRMA.	Premiums and rates are set by the Committee; SDRMA adds an administrative fee. Details on billing, penalties for late payment, and termination for non-payment added.	Adds detail on premium calculation, billing, and consequences for late payment.
Benefits	Benefits as set forth in ENTITY's Plan Summary.	Benefits must be agreed upon with employee organizations and approved by the Program underwriter.	Adds requirement for underwriter approval of plan selections.
Assessments & Dividends	Assessments/dividends used sparingly; allocation based on premiums paid.	Committee may impose premium assessments if funds are insufficient; details on liability for withdrawn entities and dividend formula.	Expands on funding adequacy, assessment process, and dividend distribution.
Withdrawal	ENTITY may withdraw with 90 days' notice.	Notice period extended to 120 days prior to January 1; rescission deadline added; 3-year waiting period for re-entry after withdrawal.	Tightens withdrawal process and re-entry requirements.
Arbitration	Not previously specified.	Adds binding arbitration clause for disputes, specifying Sacramento, CA as venue.	Introduces formal dispute resolution process.
Amendment	Amendments require written agreement by both parties.	Clarifies amendment process, including SDRMA's right to terminate if ENTITY does not execute required amendments.	Strengthens amendment and termination provisions.

ATTACHMENTS:

Attachment A: Resolution No. 745 Approving the Form of and Authorizing the Execution of a Memorandum of Understanding and Authorizing Participation in the Special District Risk Management Authority's Health Benefits Program

Attachment B: MOU between SDRMA and SYRWCD

RESOLUTION NO. 745

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING AND AUTHORIZING PARTICIPATION IN THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY'S HEALTH BENEFITS PROGRAM

WHEREAS, Santa Ynez River Water Conservation District, a public agency duly organized and existing under and by virtue of the laws of the State of California (the "ENTITY"), has determined that it is in the best interest and to the advantage of the ENTITY to participate in the Health Benefits Program offered by Special District Risk Management Authority (the "Authority"); and

WHEREAS, the Authority was formed in 1986 in accordance with the provisions of California Government Code 6500 et seq., for the purpose of providing risk financing, risk management programs and other coverage protection programs; and

WHEREAS, participation in Authority programs requires the ENTITY to execute and enter into a Memorandum of Understanding which states the purpose and participation requirements for the Health Benefits Program; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the transactions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the ENTITY is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such transactions for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE ENTITY AS FOLLOWS:

Section 1. <u>Findings</u>. The ENTITY's Governing Body hereby specifically finds and determines that the actions authorized hereby relate to the public affairs of the ENTITY.

Section 2. <u>Memorandum of· Understanding</u>. The Memorandum of Understanding, to be executed and entered into by and between the ENTITY and the Authority, in the form presented at this meeting and on file with the ENTITY's Secretary, is hereby approved. The ENTITY's Governing Body and/or Authorized Officers ("The Authorized Officers") are hereby authorized and directed, for and in the name and on behalf of the ENTITY, to execute and deliver to the Authority the Memorandum of Understanding.

Section 3. Program Participation. The ENTITY's Governing Body approves participating in the Special District Risk Management Authority's Health Benefits Program.

Section 4. Severability. If any provision of this resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the resolution which can be given effect without the invalid provision or application, and to this end the provisions of this resolution are severable.

Section 5. Other Actions. The Authorized Officers of the ENTITY are each hereby authorized and directed to execute and deliver any and all documents which are necessary in order to consummate the transactions authorized hereby and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 6. Effective Date. This resolution shall take effect immediately upon its passage.

The foregoing resolution being on motion of Director________, seconded by Director________, 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 on the 21st of September 2026.

________________________________ ________________________________

Larry Lahr, President Amber M. Thompson, Secretary

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (HEREAFTER "MEMORANDUM") IS ENTERED INTO BY AND BETWEEN THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY (HEREAFTER "SDRMA") AND THE PARTICIPATING PUBLIC ENTITY (HEREAFTER "ENTITY") WHO IS SIGNATORY TO THIS MEMORANDUM.

WHEREAS, on August 1, 2006, SDRMA in its capacity as a member of Public Risk Innovation, Solutions and Management (PRISM) and having executed the Joint Powers Agreement (JPA) governing PRISM, was appointed administrator for the purpose of enrolling small public entities into the (PRISM) Health and/or Employee Benefits Small Group Program (hereinafter "Program"); and

WHEREAS, the terms and conditions of the PROGRAM as well as benefit coverage, rates, assessments, and premiums are governed by the PRISM Health Committee and/or PRISM Employee Benefits Committee for the Program (the "Committee") and not SDRMA; and

WHEREAS, ENTITY desires to enroll and participate in the Program, acknowledging that SDRMA acts solely in an administrative capacity and does not establish Program terms.

NOW THEREFORE, SDRMA and ENTITY agree as follows:

1. DEFINITIONS. For purposes of this MEMORANDUM, unless the context otherwise requires, the following terms when capitalized have the respective meanings set out below and are applicable to the singular as well as to the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such terms.

   a. "Committee" means the PRISM Health Committee and/or PRISM Employee Benefits Committee for the Program.

   b. "Coverage Documents" means, except as otherwise provided herein, coverage documents from each carrier outlining the coverage provided, including terms and conditions of coverage, are controlling with respect to the coverage of the Program and will be provided by SDRMA to each ENTITY. Documents will be made available through the online SDRMA Portal and be accessible to approved users of the ENTITY.

   c. "Program Participation Agreement" means the agreement issued by PRISM/AUS Underwriting to the Entity that details the final terms of acceptance and any special exceptions or terms that have been made a part of the underwriting approval and is required to be completed and executed in order to constitute full acceptance as a member of the PRISM Small Group Program.

d. “Program” or “PRISM” means the Public Risk Innovation, Solutions and Management (PRISM) Health and/or Employee Benefits Small Group Program.

e. “Program Documents” means the following: SDRMA Program Administrative Guidelines, SDRMA Resolution, Program Underwriting application and any required underwriting documents, Program approval, Program Underwriting & Eligibility Rules and Program Participation Agreement.

2. PURPOSE. ENTITY is signatory to this MEMORANDUM for the sole purpose of enrolling in the Program.

3. ENTRY INTO PROGRAM. ENTITY shall apply for participation in the Program by executing and all forms prescribed by SDRMA. SDRMA shall submit the completed forms to the Program's Underwriter who has the authority to accept or reject Entity’s application in its sole discretion based on the Program’s governing documents and in accordance with the Program’s eligibility guidelines.

4. MAINTENANCE OF EFFORT. Program provides health benefits to all active employees, retired employees, dependents of an active or retired employee and public officials of the ENTITY who satisfy requirements for participation. ENTITY public officials may participate in the Program only if they are currently being covered and their own ENTITY’s enabling act, plans and policies allow it. ENTITY must contribute at least the minimum percentage required by the eligibility requirements

5. PREMIUMS. ENTITY agrees and acknowledges that premiums and rates for the Program are set by the Committee and that SDRMA’s Administrative Fee is set by SDRMA For each billing cycle. ENTITY will remit the total monthly amount billed by SDRMA for each category of participants and the census of covered employees, public officials, dependents and retirees. PREMIUMs are based on a full month, and there are no partial months or prorated PREMIUMs. Enrollment for mid-year qualifying events and termination of coverage will be made in accordance with the SDRMA Program Administrative Guidelines.

Late Payment Penalties. ENTITY shall pay all PREMIUM invoices as billed to SDRMA, regardless of any changes to eligibility or adjustments to PREMIUMS that may occur during the billing month and not reflected in the PREMIUM invoice. SDRMA shall issue PREMIUM invoices to ENTITY prior to the coverage month in which they are due. PREMIUM invoices are due by the due date stated on the invoice and considered delinquent thirty (30) calendar days from the due date. In addition to the outstanding balance due for any unpaid invoice, ENTITY shall be liable to SDRMA for a late payment penalty of 1% of the outstanding balance of any unpaid portion of such invoice effective (30) calendar days after the invoice due date. SDRMA reserves the right to terminate the

MEMORANDUM and ENTITY'S Participation Agreement, including immediate cessation of all services under the Program, any time after it provides written notice to ENTITY of its failure to pay the amount due of any invoice.

6. BENEFITS. Benefits provided to ENTITY participants shall be as set forth in ENTITY's Plan Summary for the Program and as agreed upon between the ENTITY and its recognized employee organizations as applicable. Not all plan offerings will be available to ENTITY, and plans requested by ENTITY must be submitted to Program underwriter for approval.

7. ASSESSMENTS AND DIVIDENDS. The Program annual premium, as approved by the Committee will be established at a level which is anticipated to provide adequate overall funding. The Program will directly manage surpluses and deficits. Premiums are targeted to fund expected claims (including incurred-but-not-reported (IBNR) and run-out), reinsurance (if any), Program/administrative expenses, and any reserve or margin adopted by the Committee.

If Program funds are insufficient (including funding IBNR), the Committee may impose premium assessments on all applicable participating Entities, consistent with the JPA, including ENTITY signing this MEMORANDUM. Entities that have withdrawn from the Program are liable for assessments attributable to plan year(s) in which they participated.

After appropriate reserves and obligations are funded and any Committee-approved margin is achieved, the Committee may declare a dividend or premium credit, using a formula recommended by the Program Underwriters and actuary.

8. WITHDRAWAL. ENTITY may withdraw from this MEMORANDUM and terminate its Program Participation Agreement for a subsequent calendar year subject to the following condition: ENTITY shall notify SDRMA in writing of its intent to withdraw from this MEMORANDUM and terminate its Program Participation Agreement at least 120 days prior to January 1st of the subsequent calendar year in which it shall be effective. No withdrawal shall become effective until December 31 of the year that notice of termination is received. ENTITY may rescind its notice of intent to withdraw and terminate no later than October 1st. Once ENTITY withdraws from the Program, there is a 3-year waiting period to come back into the Program, and the ENTITY will be subject to underwriting approval.

9. ARBITRATION OF DISPUTES. To the extent permitted by law, all controversies between the ENTITY and SDRMA that may arise out of or relate to any of the services provided by SDRMA under the MEMORANDUM, or the construction, performance or breach of this or any other agreement between the ENTITY and SDRMA, whether entered into prior to, on or subsequent to the date hereof, shall be settled by binding arbitration in the City of

Sacramento, California, under the Commercial Arbitration Rules of the American Arbitration Association. Judgment upon any award rendered by the arbitrator(s) shall be final and may be entered into any court having jurisdiction.

10. GOVERNING LAW. This MEMORANDUM shall be governed in accordance with the laws of the State of California.

11. VENUE. Venue for any dispute or enforcement shall be in the City of Sacramento, California.

12. ATTORNEY FEES. The prevailing party in any dispute shall be entitled to an award of reasonable attorney fees.

13. COMPLETE AGREEMENT. This MEMORANDUM together with the related Program Documents constitutes the full and complete agreement of the ENTITY.

14. SEVERABILITY. Should any provision of this MEMORANDUM be judicially determined to be void or unenforceable, such determination shall not affect any remaining provision.

15. AMENDMENT OF MEMORANDUM; WAIVER. This MEMORANDUM may not be modified, nor shall any provision hereof be waived or amended, except in a writing duly signed by authorized representatives of SDRMA and ENTITY. The failure of either Party to enforce at any time any provision of the MEMORANDUM shall not be construed to be a waiver of such provision, nor in any way to affect the validity of the MEMORANDUM or the right of either party thereafter to enforce each and every such provision. If ENTITY fails or refuses to execute an amendment to this MEMORANDUM by the deadline included in written notice of SDRMA'S execution of said amendment, SDRMA reserves the right to terminate this MEMORANDUM and ENTITY'S Program Participation Agreement effective as of the next annual renewal date.

16. EFFECTIVE DATE. This MEMORANDUM shall become effective on the later of the first date of coverage for the ENTITY or the last date of signing of this MEMORANDUM by the Chief Executive Officer or Board President of SDRMA and the authorized person for the ENTITY.

17. EXECUTION IN COUNTERPARTS. This MEMORANDUM may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.

In Witness Whereof, the undersigned have executed the MEMORANDUM as of the date set forth below.

Dated: ___________________ By:___________________________________

Special District Risk
Management Authority

Dated: ___________________ By:___________________________________

Larry Lahr, President, Board of Directors
Santa Ynez River Water Conservation District

RESOLUTION NO. 746

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT CHANGING TIME AND PLACE OF REGULAR MEETINGS

WHEREAS, Water Code section 74223 provides that the Board of Directors of the Santa Ynez River Water Conservation District ("District") shall hold regular meetings in its office on the first Tuesday in March, June, September, and December, and additional special meetings as may be required, and Water Code section 74224 provides that, notwithstanding Water Code section 74223, the Board may by resolution change the day and location for holding regular meetings; and

WHEREAS, this Board previously adopted Resolution No. 741, establishing the third Monday of each March, June, September, and December as the day for holding regular meetings of the Board of Directors, with the City Council Chamber of the City of Buellton being one of the regular meeting locations; and

WHEREAS, the City of Buellton recently notified the District that its City Council Chambers is no longer available on the third Monday of such months for use by the District for it Board of Directors' regular meetings, and, therefore, there is a need for this Board to adopt a resolution changing the date of its regular meetings in order to continue to use the City of Buellton's City Council Chambers as a regular meeting location; and

WHEREAS, due to the geographical area encompassing the District and the various constituencies within the District have different interests and needs, it continues to be appropriate that the Board not hold its meetings in one location, but rather, have the option to meet from time to time at different locations throughout the District.

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

1. Beginning with the regular meeting of this Board of Directors in _______(month) ______(year), the four (4) regular meetings of this Board of Directors will be held on the ______ (sequence) _________ (day of week) in March, June, September, and December, which may be adjourned from time to time, and will commence at __________(time)., unless otherwise designated by the President and duly noticed, and shall be held at one of the following locations:

   Santa Ynez River Water Conservation District office
   3669 Sagunto Street, Suite 101, Santa Ynez, CA

   City of Solvang, Solvang, CA
   - City Council Chambers located at 1644 Oak Street
   - Veterans Hall located at 1745 Mission Drive

   City of Buellton, City Council Chambers
   140 West Highway 246, Buellton, CA

City of Lompoc, Lompoc, CA

- City Hall located at 100 Civic Center Plaza
- Water Treatment Plant located at 601 East North Avenue

Santa Ynez Community Services District
1070 Faraday Street, Santa Ynez, CA

Vandenberg Village Community Services District
3745 Constellation Road, Lompoc, CA

2. Pursuant to Water Code section 74224, notice of the above change in the time and date, and the locations, of District regular Board of Directors' meetings shall be given by publishing such notice once a week for at least two consecutive weeks before the next regular meeting of this Board of Directors in _________(Month) ______(Year) (___________meeting date), in the Santa Ynez Valley News and the Lompoc Record, newspapers of general circulation within the District.

3. This Resolution No. 746 supersedes and replaces Resolution No. 741.

4. District staff and consultants are authorized and directed to do all things necessary and appropriate to carry out this resolution, including, but not limited to, causing publication of said notice.

The foregoing resolution being on motion of Director _________________, seconded by Director ___________________, was authorized by the following roll call vote:

AYES, and in favor thereof, Directors:

NOES, Directors:

ABSENT, Directors:

ABSTAIN, Directors:

CERTIFICATION

I HEREBY CERTIFY that the foregoing resolution is a full, true, and correct copy of a resolution of said district as duly passed and adopted by the Board of Directors of the Santa Ynez River Water Conservation District at a regular meeting held on the 21st of September 2026.

_______________________________ _______________________________

Larry Lahr, President Amber M. Thompson, Secretary